UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 100th CONGRESS

FIRST SESSION

VOLUME 133—PART 11

MAY 28, 1987 TO JUNE 10, 1987

(PAGES 13863 TO 15405)

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PROCEEDINGS AND DEBATES OF THE 100th CONGRESS, FIRST SESSION

SENATE—*Thursday, May 28, 1987*

The Senate met at 9:15 a.m. and was called to order by the Honorable WILLIAM PROXMIRE, a Senator from the State of Wisconsin.

The PRESIDING OFFICER. Our prayer today will be offered by Chaplain Donal "Jack" Squires, lieutenant colonel, U.S. Air Force, retired, of Fairmont, WV. Chaplain Squires is sponsored by Senator BYRD.

PRAYER

The guest chaplain, Chaplain Donal "Jack" Squires, lieutenant colonel, USAF (retired), 101 Vine Street, Fairmont, WV, offered the following prayer:

O God, we ask Thy blessings upon all assembled here today. Grant that this body be hallowed with deeds of service to Thee and to humankind. May justice prevail in all deliberations, and grant that those who participate in the process be blessed with wisdom beyond their years. May these Senators, and the decisions they reach, be an integral part of history. We pray that the record will be pleasing in Thy sight. May none but honest and wise individuals make judgments under this roof. For we ask it in Thy name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, May 28, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable WILLIAM PROXMIRE, a Senator from the State of Wisconsin, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. PROXMIRE thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LT. COL. DONAL M. SQUIRES, GUEST CHAPLAIN

Mr. BYRD. Mr. President, I know that I speak for all of our colleagues in expressing my appreciation to Lieutenant Colonel Squires for the sensitive invocation in which he led us this morning.

Lt. Col. Donal M. Squires—to his close friends "Jack" Squires—comes to us from Fairmont, WV. Lieutenant Colonel Squires is a native of Fairmont, and earned his B.A. degree in education from Fairmont State College. An ordained minister in the West Virginia Conference of the United Methodist Church, Lieutenant Colonel Squires went on to earn his master of divinity degree at Duke University.

In 1954, Lieutenant Colonel Squires became a chaplain in the U.S. Air Force, and enjoyed a long and distinguished career in that branch of service. Among other assignments, he served as a chaplain at various Air Force installations in Alaska, Vietnam, Montana, Mississippi, and the Azores. He was also assigned as the Air Force chaplain at Washington National Airport with the Air Force unit serving the President during Dwight Eisenhower's tenure, and ended his official career as the senior Air Force chaplain in charge of Air Force funerals at Arlington National Cemetery, retiring from the Air Force in 1972.

Retirement did not mean an end of Lieutenant Colonel Squires' service, however. On a voluntary basis, he is the department chaplain for the West Virginia district of the American Legion. He is also proud of the fact that, as chairman of the Fairmont area United Way campaign in 1986, he led his fellow Fairmonters in reaching their United Way Fund goal for the first time in 19 years.

We are glad to have Lieutenant Colonel Squires as a Senate guest today, and I hope that he will find his time here with us rewarding and interesting.

Mr. President, I also thank our Senate Chaplain for his courtesy and his warm welcome which he has always extended to our visitors.

REACHING CRITICAL MASS IN THE PERSIAN GULF

Mr. BYRD. Mr. President, the stakes for the United States, and indeed all the free world, in the Persian Gulf have always been high. Today they are growing even higher and may be reaching a critical mass.

This is due to a convergence of the following factors:

First, substantial erosion of America's credibility as a superpower with staying power, integrity, and a consistent policy line. This is particularly acute in the gulf region because of the shocking effect that the revelations of secret sales of weapons to Iran have had, coupled with the twin military setbacks represented by the destruction of the marine barracks in Beirut and the devastation of the U.S.S. *Stark* on Sunday, May 17, of this year.

Second, the continued intensity of the Iran-Iraq war, with the introduction of a new factor: Increasingly direct violent attacks on Kuwaiti interests, including its ships, its territory, and on the ships of other nations bound for its ports.

Third, a nervous Kuwait which is attempting to bring the United States into the gulf as its protector and with the basic underlying goal of committing American prestige and power to bringing an end to the Iran-Iraq war. The form that this policy goal is taking is the attempt to effectuate an arrangement whereby her tanker ships are under the American flag and

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

escorted through the Persian Gulf by American warships.

Fourth, accelerating Soviet diplomatic initiatives in the gulf and elsewhere in the Middle East, partly as a result of American hesitancy deriving from Irangate and Beirut, and partly from the new dynamism of the Gorbachev regime. Kuwait appears to be using the Soviet card to draw the United States into the gulf. Such initiatives will intensify if the Soviets exist Afghanistan.

Fifth, a widening range of Iranian weapons, platforms, and systems, including Chinese silkworm missiles which can completely cover the Straits of Hormuz and have an explosive power some five times that of the Exocet missile which nearly sank the *Stark*. In addition, the complicating factor of a new revolutionary guard Iranian navy, separate from the traditional Iranian Navy, and presumably more unpredictable.

Mr. President, we have had a very serious erosion of our credibility as a result of policies arrived at the wrong way—secretly. The only reason for that kind of practice is that the resulting policy for some reason cannot stand the light of day, cannot stand the scrutiny of the checks and balances of the American democratic system. Have we not learned anything from this experience? Have we not learned that any policy which puts our sons and daughters out there on the edge, has to have the support of the American people? Have we not learned that any policy to be sustained in the long run must be built the right way—through the forging of a consensus with the Congress?

Last week the Congress sent a message to the administration by the overwhelming margin of a 91 to 5 vote. The message is simple—effective operations in the Persian Gulf, the wisdom of engaging in new commitments which risk our national prestige, and the interests of the free world and the lives of our fighting men will have to have the support of the Congress and the American people.

Senator SASSER returned 2 days ago from his preliminary investigation of the *Stark* incident, and discussions with U.S. and foreign officials and Persian Gulf countries. Senators WARNER and GLENN left last night on the second leg of this Senate investigation. There are many important unresolved issues and questions which must be resolved before we deepen our commitment in the Persian Gulf.

First, what are the real threats to our forces in that region and are they adequately understood?

Second, does an enhanced escort role through the tanker protection initiative advanced by the Government of Kuwait, have a provocative or deterrent effect on Iran, and what should be the role of air cover?

In the interests of prudence, I assume air cover is needed and required until I am convinced otherwise. I agree with Secretary Weinberger on this matter, and believe it needs to be further pursued with both U.S. carrier air and gulf ground-based forces.

Third, regarding United States naval forces, are they ready to respond to the range of threats, assuming a substantial element of unpredictability and irrationality on the part of the Iranians?

Fourth, the United States wants other principal oil customers who have traditionally believed in freedom of navigation to fairly share the risk. The prospects for United Kingdom and French participation are mixed; it would take some time to develop such a formal force, and Kuwait, though supportive of other countries playing a greater role, clearly right now intends to play the Soviet Union against the United States on the matter of who flags their ships.

Mr. President, I believe no new commitments should be undertaken in the gulf until first, the results of the Navy inquiry of the incident by Admiral Sharp are available; second, the results of the Iraqi inquiry by Admiral Rogers are available; and third, the report required by the Byrd-Dole-Sasser amendment has been delivered and digested. No new commitments should be entered into, in my opinion, until we are completely satisfied that a militarily effective plan, based on capabilities as well as past practices, with an insurance factor for the unpredictable, has been developed and will be implemented.

I hope the administration will undertake to clearly explain the policy and the long-term goals of this Nation to the American people. The failure to build this kind of necessary support before we put this Nation's sons and daughters at risk jeopardizes our Nation's ability to keep its commitments around the globe.

Mr. President, I yield the floor.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the Republican leader is recognized for not to exceed 5 minutes.

Mr. BYRD. Mr. President, I ask unanimous consent that the time of the Republican leader be reserved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

BICENTENNIAL MINUTE

MAY 28, 1913: J. HAMILTON LEWIS BECOMES FIRST SENATE PARTY WHIP

Mr. DOLE. Mr. President, 74 years ago today, on May 28, 1913, James Hamilton Lewis, a Democratic Senator from Illinois, became the first elected Senate party whip. The creation of that post, and Lewis' appointment to it, followed in the wake of the 1912 elections. Those contests had placed the Democratic Party in control of the White House and the Senate for the first time in nearly 20 years. Those victories occurred because of a split between the Republican Party's progressive and the regular factions.

President Woodrow Wilson and Senate Majority Leader John Kern recognized that they had a limited time to demonstrate to the Nation that their party could govern effectively. In the House, the Democrats enjoyed a huge majority. In the Senate, however, that party had a modest six-vote margin. This placed a great responsibility on Majority Leader Kern for the success of the President's legislative program. Accordingly, he and senior progressives within the Democratic Caucus, sought to impose rigorous party discipline on party members. This called for the establishment of a system that would ensure the necessary votes were available to support administration measures both in the caucus and on the Senate floor.

It is worth noting that both Majority Leader Kern, and Whip Lewis, were freshmen Senators at the time of their leadership election. Kern had begun his service just 2 years earlier. Lewis had been a Senator for only 2 months. J. Hamilton Lewis, whose portrait today hangs outside the Senate Chamber, served as whip until his election defeat in 1918. He was reelected to the Senate in 1930. In 1933 he resumed the post of Democratic whip, which he held until his death 6 years later.

In 1915, Senate Republicans appointed New York's James Wadsworth as their first whip and conference secretary. A week later they divided those positions and elected Charles Curtis of Kansas as whip.

LETTER FROM PRESIDENT REAGAN

Mr. DOLE. Mr. President, over the past few weeks we have seen how deeply so many Senators feel about the Levin-Nunn amendment to the defense authorization bill. Thirty-four of us wrote to the President expressing our support. I recently received his reply which I would like to share with all my colleagues.

President Reagan writes that his interpretation of the ABM Treaty is based on a thorough analysis of the treaty's negotiating record, and that the administration continues its review of the ratification process and subsequent practice. Perhaps most importantly, the President reiterates that his consultations with the Senate will continue, and will include all these factors.

As we proceed with these consultations we should bear in mind that the informal statements of individual Senators bind neither the United States nor the Soviet Union. In this case, only the President can interpret our treaty obligations. Before arguing to the contrary we should heed the President's words:

> If we are seen as having to negotiate first in Washington, the Soviets will only stall further to see what we are forced to give up even before we get to the table in Geneva.

I commend the President's letter to my colleagues and ask that it be printed in the RECORD.

The letter follows:

THE WHITE HOUSE,
Washington, DC, May 26, 1987.

Hon. BOB DOLE,
Republican Leader, U.S. Senate,
Washington, DC.

DEAR BOB: Thank you for your strong support for the Presidential prerogative of treaty interpretation as is reflected in your letter of February 10. It is precisely because I am intent on preserving the strength and vitality of both SDI and Executive prerogatives that I have directed that consultations be undertaken with the Congress and our Allies.

I agree that I am not bound by informal statements of individual Senators. The ratification record is only one of the three bodies of records with a bearing on the issue of treaty interpretation, the other two being the Treaty and its associated negotiating record and the subsequent practices of the parties. We need to bear in mind as well, that our statements in seeking ratification do not similarly bind the Soviet Union.

As you know, my decision that a broader interpretation of the ABM Treaty is fully justified was based on a thorough investigation of the Treaty and its associated negotiating record. I have directed the State Department to continue our deliberate and orderly study of these records. I anticipate that our consultations with the Congress will include all of these factors.

It is important, as we conduct our consultations, that individual Members recognize, as you do, the vital role SDI can play in our Nation's future security and the important role it has already played in getting the Soviets finally to discuss deep reductions in strategic offensive weapons.

Constraints on our program imposed by the Congress can only result in increased Soviet intransigence in Geneva. If we are seen as having to negotiate first in Washington, the Soviets will only be encouraged to stall further to see what we are forced to give up even before we get to the table in Geneva.

With your continued strong support and leadership, I am sure that we can sustain our progress on SDI while negotiating stabilizing arms reduction agreements with the Soviets that will enhance U.S. and Allied security.

Again, thanks for your steadfast support.

Sincerely,

RON.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 9:30 a.m., with Senators permitted to speak therein for not more than 1 minute each.

The Senator from Illinois.

Mr. BYRD. Mr. President, if the Senator from Illinois will yield, I ask unanimous consent that the distinguished Senator from Wisconsin, who is now presiding over the Senate, may have 5 minutes as in morning business and be permitted to speak therein, with that time to come out of the 30 minutes for debate to be equally divided on both sides.

The ACTING PRESIDENT pro tempore. The Chair thanks the majority leader. Without objection, it is so ordered.

The Senator from Illinois.

(The remarks of Mr. SIMON appear later in today's RECORD under Statements on Introduced Bills and Joint Resolutions.)

The PRESIDING OFFICER (Mr. BYRD). The Senator from Wisconsin [Mr. PROXMIRE] is recognized.

MESSAGE FROM THE U.S.S. "STARK" TO STAR WARS: DON'T GO

Mr. PROXMIRE. Mr. President, what does the tragic death of 37 American sailors on the U.S.S. *Stark* tell us about the onrushing military technology? It tells us that this rapidly developing new military advance has made weapons extraordinarily swift and lethal. It tells us that this heartbreaking destruction of human life can take place by sheer accident. It tells us that, no matter how elaborate and reliable the defensive equipment designed to prevent such an accident, human failure can result in catastrophe.

Now, Mr. President, let us leap 30 or 50 years ahead. Let's say the year is 2027—40 years from now. Assume that, at a cost of one-and-a-half trillion dollars, we have researched, developed, produced and deployed SDI, with a full array of kinetic kill vehicles [KKV's] or battle stations with all the necessary backup and defensive gear necessary to provide protection. The American Physical Society has told us that we will have to achieve an astonishing improvement in our particle beams and lasers so that we can instantaneously strike most of the ICBM's the Soviet Union might fire at this country.

Let's assume that we do that. So we stand ready to knock off almost all of the nuclear warheads that might leave the Russian MIRV'd missiles before they strike American targets.

Let's assume we have succeeded in putting into place a computer system that can instantly and flawlessly coordinate this vast strategic defense initiative [SDI]. We are ready, willing and able to act the instant the Secretary General of the Communist party puts his finger on the button. All of our giant SDI apparatus—all one-and-a-half trillion dollars of it—lies out there, like a coiled spring, with every ICBM launcher in the Soviet Union on sea, in the air and on land in its target sights constantly ready to go.

But wait a minute. Like the commander of the *Stark*, we recognize that if we leave this vast infinitely destructive system ready to strike at all times, it could be triggered by a rogue missile, maybe a Mu'ammar Qadhafi special, artfully crafted to kick off a war that could destroy both superpowers.

Unlike the commander of the *Stark*, we cannot "turn off" SDI. The SDI surveillance, acquisition, and discrimination devices would always be operational—as our intelligence satellites are now. But the critical link is the human decision to actually fire the system once warning has been obtained. Some would say this must be automatic given the time constraints, others say a human must make the decision. And there, Mr. President, is the rub.

Mr. President, the tragedy of the U.S.S. *Stark* was the failure of fallible humans to be able to control and handle a highly complex military technology. The *Stark* was specially equipped with a defensive capability that certainly should have assured its invulnerability to a missile attack. Indeed, the *Stark* was designed for that express purpose. Why was the *Stark* deployed in the Persian Gulf? Answer: to protect oil tankers bringing oil, the vital source of energy to the free world.

Did those who designed the U.S.S. *Stark* understand the danger of this kind of mission? Of course they did. Were they confident the *Stark* could fire its defensive missiles and intercept the incoming missiles from hostile planes before the missiles could strike the oil tankers the *Stark* was charged to defend? Sure. They understood that fully. So what happened? So what happened was that, under the conditions of grim reality, the *Stark* could not even defend itself.

The story of the *Stark* is one we should ponder carefully as we consider the wisdom of proceeding with SDI or star wars. The *Stark* had a mission astonishingly similar to the mission of star wars. The *Stark's* mission was to defend oil tankers against missile attack. The SDI mission is to defend American targets, including our cities, against Soviet missile attack. The *Stark* was a victim of the complexity and danger of its own technology. It was victimized because neither the human beings that designed and produced the technology nor the human beings who operated the technology were infallible. The lesson of the *Stark* is that the more complex the technology, the less is the human fallibility the technology can tolerate without committing fatal errors.

The technology of the *Stark* was, indeed, formidable. But it is like a baby's toy in simplicity compared to the technology of SDI. The SDI technology, with its infinitely fast lasers and particle beams, its elaborate battle stations, its enormously complex computer system, will demand a God-like infallibility. But let us not kid ourselves. The human beings operating SDI in the year 2027 and beyond will be little if any more skilled, they will be little if any less prone to mistakes than the people manning our technological defenses today.

Think of it Mr. President. Here we sit in the U.S. Senate, just 200 years after the Congress was created. Are we really wiser, more prudent, less fallible than the Founding Fathers who proceeded us seven or eight generations ago? Where is the James Madison among us? Where is the Jefferson or Adams or Ben Franklin? Have we improved? Here's one Senator who wouldn't want to bet on it.

Will our successors improve enough so that while our generation could not operate the relative kindergarten technology of the U.S.S. *Stark* without a fatal and tragic accident, we think our successors, one or two generations from now, will be able to safely operate a technology as infinitely complex and dangerous as SDI? The answer is never and no way.

There is much to be said for the intellectual caliber of President Ronald Reagan, Vice President George Bush, Attorney General Ed Meese, Secretary Sam Pierce, Secretary Cap Weinberger, but I cannot see a great improvement over Washington, Jefferson, and Alexander Hamilton. Somehow in terms of human fallibility we have not come that far in the past 200 years. So remember the *Stark* and put down this Senator as skeptical when it comes to reducing human fallibility in the next 40 years when we are ready and set to go with SDI.

Mr. President, I yield the floor.

TRIBUTE TO MAYOR ART LA CROIX OF RAPID CITY, SD

Mr. DASCHLE. Mr. President, On May 29 in Rapid City, SD, people will be gathering to pay tribute to an exceptional leader. His name is Arthur Paul LaCroix. He has just completed 12 years of outstanding service as mayor of Rapid City.

When Art LaCroix first took the oath of public office, Rapid City had recently been devastated by the flood of 1972. You may recall some of the news footage of that flood and the wound it ripped from one end of the city to the other.

You would not recognize that city today. They call it the Star of the West, and they are right. It is beautiful.

Many in Rapid City deserve great credit for that transformation, but their leader has been Art LaCroix. In the ravaged path of the flood, Rapid City, under Art LaCroix, built a greenway of parks, golf courses, bike and hiking trails, and gardens. It was a monumental effort and a remarkable gift to future generations.

In Art LaCroix's term as mayor, Rapid City grew. Did it ever. More than 12,000 new jobs. More than 2,000 new businesses. Nearly 400 million dollars' worth of new construction.

This is no sleepy cow town. This is a city with a future made bolder and brighter because it had a leader the caliber of Art LaCroix.

On his desk, Art kept a snapshot of his first grandchild and on that snapshot, he wrote with a marking pen, "The future looks bright." That tells you a lot about this man. He has never taken his eyes off a positive vision of the future.

Art LaCroix moved to Rapid City as a young boy with eight brothers and sisters. He sold newspapers on the street to pay for school supplies. He earned a battlefield commission in the U.S. Army in WWII.

Art met and married Trude while stationed in Vienna after the war. When they returned to Rapid City, Art worked for a floor coverings business and eventually became a partner in that business. He is a talented artist whose sculpture has been cited in the National Geographic and Lapidary Journal.

Art and Trude have given decades of service to the community: Boys Club, Little League, their church, the YMCA, the Red Cross, the list keeps growing. I suspect that this dedication to community service is far from being played out. After a well-deserved vacation, I expect that Art and Trude will soon find themselves immersed in some new positive contribution to Rapid City's future—and I think that's what the gathering on the 29th is really all about.

It's a celebration—a celebration of a man and career I proudly commend to the attention of my colleagues because it is a profile in the kind of leadership our country needs.

APPLAUDING HOFFMANN LAROCHE

Mr. HATCH. Mr. President, I would like to take a moment to recognize the contribution to our Nation's health of a leading health care company, Hoffmann-LaRoche, Inc. At a tribute banquet, the National Organization for Rare Disorders presented Hoffmann-LaRoche with its 1987 Corporate Leadership Award for its continuing leadership role in the research and development of orphan drug therapies for exceptionally rare diseases. Bristol-Myers was also honored for their work.

In her remarks at the presentation of the award, NORD executive director, Abbey Meyers said, "Hoffmann-LaRoche has exhibited extraordinary commitment to people with rare diseases, having developed more orphan drugs than any other pharmaceutical company during the last two decades."

As one of those responsible for passage of the Orphan Drug Act in 1983, I have long been supportive of private efforts to find cures for diseases too rare to constitute an effective commercial market, too rare to justify in purely commercial terms the great expense of testing a drug and moving it through the Food and Drug Administration to approval. Thus, I too would like to join NORD in recognizing the generous, long-term commitment of Hoffmann-LaRoche to orphan disorder research. The company truly has served as a model for the entire industry.

Mr. President, I would ask unanimous consent that there be inserted into the RECORD at this point the remarks delivered by Dr. Ronald Kuntzman, vice president of research and development of Hoffmann-LaRoche as he accepted the award for his company. I believe my colleagues will find them edifying.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF DR. RONALD KUNTZMAN

Good evening Senator Hatch, Representative Whitten, other distinguished Members of Congress, fellow colleagues in biomedical research, the Board of Directors of the National Organization for Rare Disorders and other distinguished representatives of government and industry.

On behalf of everyone at Hoffmann-LaRoche, thank you. And I would especially like to thank the National Organization for Rare Disorders for its dedication to the fight against orphan diseases and for giving hope to the millions of Americans who suffer from them.

The organization's recognition of our contributions to the discovery and development of medicines for rare disorders is especially gratifying because of our long-standing commitment to orphan drugs. In fact, this is our second such "first."

Last year we were the first health care company to receive recognition from the Department of Health and Human Services for our pioneering efforts in this field. Now you have also chosen to honor us as the first corporation to receive this most meaningful award at the same time that you are honoring two of the leaders in Congress. Senator Hatch and Representative Whitten, who have been so important to orphan drug development. And, I might add, they are also to be commended for their efforts in support of FDA and FDA funding.

While the Congress and the research-intensive health care industry may not always see eye to eye. We both share the same vision when it comes to the discovery of new drugs. What we both clearly see is an obligation to do our best to discover and develop treatments—and cures when we can—for diseases which afflict the few as well as for those which afflict the many. This is the foundation of a bridge—between the health care industry and the legislative. Regulatory and scientific branches of Government and academe—that links us with another common goal: quality health care for all Americans.

And that, it seems to me, is what the National Organization for Rare Disorders is all about—building bridges between industry, academe, government and voluntary organizations for the health and well-being of the patients to whom we're all dedicated.

They are the real winners tonight—the 20 million Americans who suffer from these rare diseases and the hundreds of thousands we have together already been able to help. Here are some of the patients with rare diseases whom Hoffmann-LaRoche has been able to help:

The people who can now enjoy the sunshine without experiencing the itching and inflammation of a disorder known as erythropoietic protophyria—sensitivity to sunlight—because of Solatene;

Patients with epilepsy who have not responded to conventional drugs but have benefited from Klonopin;

People whose lives have been saved by the availability of Nipride in hypertensive crises;

Dialysis patients who are unable to metabolize vitamin D on their own are helped by Rocaltrol, an end product of vitamin D;

Hodgkins disease sufferers for whom Matulane was a breakthrough drug;

And, within days from now, Hoffmann-LaRoche will introduce a medicine, Provocholine, which can diagnose perhaps as many as 100,000 cases of atypical asthma that might otherwise go undetected. Patients who previously did not know the cause of their discomfort can now be properly diagnosed and treated.

Why does Hoffmann-LaRoche undertake the development and marketing of products like these, which by the nature of the populations they serve are of limited commercial value? It's not because of any financial incentives provided under the orhpan drug law. Six orphan medicines Roche marketed in the United States in the 1970's predated the law and its tax incentives. Although the law is a very good thing for orphan products development, it is nevertheless clear that Hoffmann-LaRoche for one did not need legislation to dictate its social conscience.

We develop orphan medicines because we are in the health care business. We are in the business of discovering, developing, making and marketing original health care products. And we never lose sight of the patients we are conducting our research for.

As you all probably know, the private research-intensive pharmaceutical companies have discovered, not just developed, almost all new prescription medicines available in the United States. The point is that the American system of biomedical research, despite its flaws, is the best in the history of the world. In this the centennial year of the National Institutes of Health, the centennial year in a very real sense of biomedical research in this country, let us rededicate ourselves to the common quest of the NIH, the research-intensive health care industry, medical centers and institutions, the elected and appointed officials of government, and, indeed, the National Organization for Rare Disorders: the common quest is research for new and better health care products to improve, sustain or save lives.

At Roche, every working day, we rededicate ourselves to original research with a worldwide investment of $2 million. Today, on behalf of the company I represent, the Roche researchers who set and maintained over the year our research direction of social responsibility, I reaffirm our commitment to quality health care products—for the many and for the few.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

SUPPLEMENTAL APPROPRIATIONS 1987

The PRESIDING OFFICER (Mr. REID). Under the previous order, the Senate will now proceed to the consideration of H.R. 1827, which the clerk will state.

The legislative clerk read as follows:

A bill (H.R. 1827) making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Metzenbaum-Hatch Amendment No. 218, to provide $500,000 for grants and contracts under section 5 of the Orphan Drug Act, and to reduce funds for travel expenses of the Department of Health and Human Services.

(2) Hollings-Bumpers Amendment No. 226, to provide for continuation of disaster loan making activities.

MOTION TO TABLE MOTION TO RECONSIDER VOTE BY WHICH FOURTH EXCEPTED COMMITTEE AMENDMENT WAS AGREED TO

The PRESIDING OFFICER. Under the previous order, there will now be 26 minutes' debate on a motion to table the motion to reconsider the vote by which the fourth excepted committee amendment was agreed to.

The Senator from Arizona is recognized.

Mr. DECONCINI. I ask unanimous consent that the time allocated in support of the motion to table, which would normally be set aside for the Senator from Iowa [Mr. HARKIN], be yielded to me, under my control.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. I thank the Chair.

We have a short time now. We went over this at some length last week, had a vote where the DeConcini amendment would extend the employer sanctions for only 4 months. It was approved by only two votes—really one vote, with Senator SIMPSON reversing his vote in order to correctly procedurally ask for a reconsideration of that vote.

Mr. President, there are several important things to note that have happened since then. No. 1, the INS has voluntarily come forward and extended by its own executive regulations and rules, a 1-month period indicating very clearly that they were not ready last week, were not ready last month to compose these particular sanctions. As I argued last week, the book was not even in the printers. As of this morning, we are advised the handbook is still not in the Joint Committee on Printing for printing, although it has been approved or signed off by the INS. That indicates that we are not prepared as a government to impose these sanctions and we should grant the 4-month extension.

Mr. President, I want the record to show that the NFIB has sent a postcard to every Member of the Senate indicating as follows:

RETAIN DECONCINI LANGUAGE IN SUPPLEMENTAL APPROPRIATIONS

Dear Senator:

On behalf of the more than 500,000 small buisness members of the National Federation of Independent Business (NFIB), I want to urge you to support retention of Senator DeConcini's amendment to extend the education period under the Immigration Reform and Control Act of 1986 until October 1, 1987.

On Thursday, May 21, the Senate voted 48-45 to retain this language. At that time a motion to table a motion to reconsider was made. Debate on the motion and any votes have been postponed till Thursday, May 28.

Due to the lateness in the publication of the final regulations as well as the printing and distribution of I-9's, employers will not have the original six months envisioned by Congressional supporters of immigration reform. Rather, they will have just two weeks, if that.

NFIB members supported passage of IRCA through both the House and Senate. We believe that it is in the best interests of everyone to extend the education period to ensure a more positive and effective compliance with the Act.

Once again, I urge you to support all efforts to retain Senator DeConcini's amendment in the supplemental appropriations bill.

Sincerely,

JOHN J. MOTLEY III,
Director,
Federal Governmental Relations.

Mr. President, we hear arguments that we cannot put this off, that we are changing the enforcement, that we are altering major legislation, that we are going to be extending the period of time for the amnesty or the legalization period. That is just not correct. We are simply asking Congress here to grant a period of four additional months.

Why? This bill was effective December 1, 1986. As of that date, it was illegal to hire someone who could not prove that they were in this country correctly and validly and legally. As a result of that, as a result of the law, there was provided a 6-month period until June 1 before the sanctions would take place. Why? In order that the INS, the U.S. Federal Government, could educate the employer and the employee as to the significance and the ramifications of this particular legislation. That was commenced.

It was not until April 8 that the contract was signed with the California public relations firm that would grant the public information contract to attempt to explain and educate the public in this area.

It was not until mid-May, 2 weeks before the date of the sanctions, that the regulations were published. As of today, the handbook explaining these regulations, explaining the necessity, has yet to be sent in the mail and will not be until probably the end of next week, after the date that it is to become effective.

INS finally, after they saw a vote on this floor was going to extend it, voluntarily came forward to extend it for a 1-month period. We are asking for a reasonable amount of time to assist employers and employees. As I indicated last week, this is supported by a multitude of various groups and organizations ranging from the Small Business Federation, through the American Civil Liberties Union, American Immigration Lawyers Association, the Hebrew Immigration Aid Society, the Hispanic National Bar Association, the Lutheran Immigration and Refugee Service, the National Association of Latino Elected and Appointed Officials, LULAC, and numerous other organizations, including the U.S. Chamber of Commerce.

We are not trying to reverse anything. We are only asking that in good common sense, we grant an extension for a period of time so that this can be implemented in an orderly manner so people know what they are getting into.

I thank the Chair.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. LEVIN. Would the Senator from Arizona yield for 1 minute for a question?

Mr. DECONCINI. I am glad to yield.

Mr. LEVIN. Mr. President, if the INS had delayed all sanctions, in effect, for 4 months instead of 1, if they had administratively said, "Because of the delay in this handbook, mainly, being sent out"—and none of them has been sent out yet, as the Senator from Arizona points out—"we are going to refrain from issuing even a citation for a 4-month period," rather than the 1-month period for which they decided to refrain from issuing sanctions, would the Senator be pressing his amendment today?

Mr. DECONCINI. Let me be very candid with my friend from Michigan. Had they done that in April or May when it was clear they were not going to be ready for this imposition on June 1, I may very well not have offered this amendment. I would have talked to the Senator from New Mexico [Mr. DOMENICI] and my colleague [Mr. MCCAIN].

I might have decided it was not necessary.

They did not do that. We had only one vote on this floor, and the Senator from Michigan played a very important role. They did not do that. I cannot say, very candidly, if I would have done it. Had they cooperated early on, I may not have found it necessary. But I find it necessary now.

The PRESIDING OFFICER. Who yields time?

The Senator from Wyoming.

Mr. SIMPSON. It is interesting for me to listen to the comments about the INS, about the most cooperative agency that I know in the entire Federal Government with regard to this issue. I do not know of any other agency that ever presented its regulations in draft form and said, "Here, look at them," or any other agency of the Government in the 8 years I have been here that did that, then asked for comments, and then came back with the formal regulations and then a formal comment period.

We are voting on whether to table the motion to reconsider. I urge my colleagues to vote no on the motion to table and allow us to reconsider the vote. Very swiftly, let me share the reasons.

Most of our colleagues served in the Senate during all or part of the nearly 6 years of debate on this issue—6 years on the Immigration Reform and Control Act. These Senators know that this bill was spiritedly debated for I think nearly 15 days on this floor during 6 years and it passed at each Congress by significant majorities.

I think all of us are aware of the strong bipartisan support that went into creating a bill like this, carefully crafted to meet the national need and interest while receiving a broad-based support. That happened.

There is not one of us who does not know of the hours of negotiation, the conference committee meetings that took place, the compromises that were made, to structure a bill of this nature in this body, and they know also—and this is the key—that the very essence of this legislation was employer sanctions, the very provisions which this amendment would delay. Everybody knew what was up, especially the employers of America. I can tell you that.

In the debate last Thursday, the Senator from Arizona placed in the RECORD a telegram from various groups which support this amendment which, as I say, would delay the enforcement. It was an extraordinary array of groups; almost without exception they were groups that were out cutting my bicycle tire for about 6 years. What a strange alliance. Did anyone believe that they had suddenly come to wherever they should come to support this legislation? They never have, nor has the Senator from Arizona ever, nor have any of the people who spoke the other day ever supported this legislation. So I think it is good to get the English back on the cue ball and see exactly what is occurring here.

Mr. DECONCINI. Will the Senator yield on my time for just 20 seconds——

Mr. SIMPSON. I yield, yes.

Mr. DECONCINI [continuing]. To correct one statement the Sentor just said. Even if I did support this legislation, I have letters in my office dated during the time that the Senator was debating it and now they have come out not opposed to this legislation, in support of this amendment. I just wanted the RECORD to so show.

Mr. SIMPSON. I thank the Senator from Arizona.

I said most of the groups. The NFIB did not support the conference position, so we want to get it all clarified.

So these are the same groups which, again, told us that there would be confusion and disarray in legalization, too. Well, that did not happen. That must have been disappointing to them. That is working very smoothly.

The legalization process should make us all proud. People are coming forward. That was the one I stuck with for the whole trip. That is the one on which I got the most flak. It is the one people do not like. But they liked employer sanctions. We dealt with that on this floor and they had vote after vote after vote on employer sanctions. And the House, I can assure you, is very, very embedded in employer sanctions.

They said there would be confusion and disarray in legalization. That did not happen. And now they say there will be confusion and disarray here, and in my mind that will not happen.

The amendment will only create confusion, not reduce it. It will create that confusion among employees as well as employers. I think that is a thing you want to hear carefully. It is not the employers who are going to be confused. It is employees.

This amendment also is going to add significant cost to the public information program by requiring the INS to now reprint its employer handbooks and denying the INS the ability to use the IRS for the mailing of the information. The contract and the printing have gone out. It was the Government Printing Office with UNICOR. They are at their work.

This amendment will even further delay the dissemination of information to all U.S. employers. I think the amendment will send just exactly the wrong signal abroad and in this country, and that signal will be "Keep coming illegally because we really are not serious about control, because we have set back employer sanctions."

Now, that is the message that goes out. I think that would be a serious mistake. The bill has had an extraordinary deterrent effect already—some 35 percent less apprehensions in certain border points, 40 percent at others. You take away employer sanctions and say that there are no employer sanctions until October 1, and you have started the pull factor again, just exactly what the entire legislation was directed toward.

Apprehensions, as I say, are dramatically down. The amendment is simply unnecessary. The INS has delayed enforcement now for the entire month of June and for 1 year—I still believe people are not hearing this. We will find out because we will have this opportunity to vote once again—the Commissioner of the INS has said, and I cite from the Congressional Record, May 21, 1987, page S6991, "During the first citation period, which extends from June 1 of 1987, through May 31, 1988, we will not even issue a warning"—this is the Commissioner of the INS, for a year, until May 31 of 1988—"we will not even issue a warning upon discovery of initial violation, if the violation is determined to be the result of misunderstanding of the law."

I do not know how anything could be more clear. They have delayed the enforcement during the entire month of June and for 1 year promise only to educate and not to warn or to fine those employers whose initial violations are due merely to a lack of knowledge or misunderstanding about the law. And there are some additional reasons to oppose the amendment of the Senator from Arizona.

If it were retained—and I think you must hear this. I hope someone may be listening to these comments, and we will know soon whether they are appropriate or not, and I share this with you as honestly as I can. This amendment, if the President signed it today, would change the rules 1 working day before the entire machinery goes into place, the scheduled effective date is June 1.

Then you know that the House of Representatives is not going to do very much with this. That is the cradle of employer sanctions. That is where this fine, courageous Peter Rodino worked for about 15 years to get employer sanctions on the books. And so this one is not going to move in my mind in the House of Representatives in any way.

I guess, finally, I do understand a very significant part of this, and I understand the support, and it may stay and stick right through. The system is with regard to the Appropriations Committee, and this amendment went through the Appropriations Committee on a voice vote. It is very difficult for the members of that committee to vote against not only their own committee but the respected Senator from Arizona. That I know.

I know how the system works. And I think that that is unfortunate, because I have talked with several members of the Appropriations Committee, who have been very supportive in the past, who said, "I just happened to get locked in there. I regret it but I did."

So I know that support system. But I also say that this amendment is indeed not timely.

I do not know of any group in America, perhaps other than the perishable crop industry—and they were vigorous to a fault at times—that knew more about what was coming for employers' sanctions and what would happen to them if they knowingly hired illegally documented persons. That is an extraordinary statement. Now we have the INS and their willingness to do this extraordinary thing and to do it until May 31, 1988.

So I think that with the investment of many years on this delicately crafted legislation—and I am not obsessed with it—we have much to do. We are watching it closely. The oversight will be conducted in the Senate by Senator Ted Kennedy, the chairman, myself as ranking member, and Senator Simon as the other member of the subcommittee.

It still remains a very generous bill, and that is because of legalization. But it also remains a tremendously important educational process. If you stop employer sanctions until October 1 and yet do nothing on the tail end of it, which is May 31, 1988, you have solved absolutely nothing, except given a twisted signal to employers, who might say: "I don't know that's going on any more. They tell me I'm confused, but I know one thing—I guess I better fire a couple of people between now and October 1."

That can happen, because, unfortunately, that is happening already in some situations. But then you have the illegal employee who says: "It's time for me to move back, to make the move, if they are not going to do anything until October 1."

I think it is a twisted bit of information and illogic to send to not only employers but also employees.

So we have a generous bill and a very responsive INS; and I hope that under these circumstances and the procedural aspects of this activity, we will vote "no" on the motion to table.

Mr. LEVIN. Mr. President, will the Senator yield for a question?

Mr. SIMPSON. I yield.

Mr. LEVIN. As the Senator knows, I was one who supported this bill on final passage of a conference report. So I am not one who comes at this from the perspective of somebody who opposes the bill, although I had difficulty with some provisions along the way.

It seems to me that the issue is not whether there is going to be a delay in the enforcement of employer sanctions. There is going to be a delay of 1 month. The INS has administratively indicated that it is not going to enforce it for 1 month. The question is how long that delay will be and by whom it will be stated—by us legislatively or by the INS administratively. It seems to me that that is really the issue.

It is no longer a pure case, because there has been a delay in the enforcement for the month of June. The reason for the delay is that this handbook, 18 pages of pretty complicated stuff—I tried to read it last night—is not going out on time.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. LEVIN. May I have I minute?

Mr. DeCONCINI. I yield 1 minute to the distinguished Senator from Michigan.

Mr. LEVIN. The question is this: There was a 6-month period for a public information program, mainly to get this handbook out to the public, 6 million to 7 million employers. That handbook will not go out until June 20, we have been informed by the Joint Committee on Printing this morning. Even according to the statement of Mr. Nelson, of INS, this will go out during June and July. We have ascertained that June 30 is when it will be mailed.

If there is good reason to delay this for 1 month to get this handbook out, does it not make sense to delay it longer than June 30, when the handbook will not be mailed to some people until July and, according to the words of the Joint Committee on Printing this morning, none will be mailed out by June 30? Should we not delay this 2 or 3 months to get the handbook out?

Mr. SIMPSON. Mr. President, I ask unanimous consent to proceed for 1 minute to respond to the Senator from Michigan?

Mr. DeCONCINI. Mr. President, how much time does the Senator from Arizona have?

The PRESIDING OFFICER. Five minutes and 14 seconds.

Mr. DeCONCINI. I yield 1 minute to the Senator.

Mr. SIMPSON. I thank the Senator from Arizona.

Mr. President, UNICOR, which is doing the printing, is not required to report to the Joint Committee on Printing, and they will have their material going out between June 1 and 10. I think that is very important. At least, that is what I am advised.

The Senator from Michigan asked about the administrative possibility, of taking it administratively until July or August. There is no attempt here by the Senator from Arizona to take it beyond May 31, 1988, and nothing is going to happen to people between now and May 31, 1988, in the United States of America. So they have not only taken it 4 months but a year.

Anyone who misunderstands or is confused on a first violation is not going to risk any penalties under this legislation. That is the way it is.

Mr. LEVIN. I thank the Senator.

Mr. DECONCINI. I yield 3 minutes to the Senator from Maryland.

Ms. MIKULSKI. Mr. President, I rise in support of the position of Senator DECONCINI. I supported the Senator from Arizona in committee and I support his efforts again today. His provision would extend the public education campaign of the new immigration law for another 4 months.

Last year, Congress passed a delicately balanced immigration bill that combined a legalization program with an employer sanctions program. Because of the complicated nature of the bill, Congress delayed immediate enforcement of both programs for over 6 months. It made the Immigration and Naturalization Service [INS] responsible for carrying out a publicity campaign that informed the public about both programs.

One might ask, why would a liberal Democrat who voted for this bill when she was a Member of the House of Representatives ask for delays? I ask for that delay and support that delay exactly because of the reason I voted for it in the first place: I want it to work. I want people who are now kept underground to come aboveground, and I want us to move in a public way to process the aliens and protect employers who are operating in good faith. This campaign and legislation will only work if we have public education. But instead of public education, we have gotten bureaucratic bungling, continual chaos, and excuses instead of action:

The final regulations of the law were published just 4 weeks ago.

The forms employers must use to document legal employees have still not been mailed by the INS.

Only a handful of physicians have been approved to perform medical examinations for the legalization program.

Most important, the INS has not made an adequate effort to inform either individuals or businesses about their responsibilities under the new immigration law.

The lack of a public education campaign has led to chaos for employers. Few realize that they are not liable for fines for employing individuals who were at work before the law was signed in November. Few know what documentation potential employees must show to prove they can work legally in the United States. There are many employers who want to do a good job and comply with the law, and we need to help them.

A thorough, well-executed public education campaign could have helped—and still can help—the public to understand and prepare for the new law.

Also, the INS has not prepared itself to serve those seeking legalization in areas where that population exists in great numbers. I am referring to the Washington metropolitan area, specifically Montgomery and Prince Georges Counties, in my own State. We want to work with INS, but it turns its back on us.

The local county executive offered free space to be used for the processing of legislation applications, only to be turned away. The Archdiocese of Baltimore and the Medical Society of Montgomery County volunteered 200 physicians free of charge to process the legalization of people, and again INS rejects their offers.

Mr. President, earlier this year I thought about increasing INS funding for a broader, more aggressive public education campaign. But I decided not to go forward with that idea because of the fiscal restraints this bill is already under. The least we can do, if we are not going to spend money, is to make an investment in time: Let us do it once, let us do it right away, and let us help the people we are most committed to serving.

We must give the public more time. With more time, Americans will learn how to comply with the law. Discrimination would end, and employees would comply with the law and not be subject to fines or criminal penalties. With more time, people will be able to understand and prepare for this complicated new law.

(By request of Mr. BYRD the following statement was ordered to be printed in the RECORD.)

● Mr. GORE. Mr. President, I wish to express my support of Senator DECONCINI's amendment to extend the 6-month educational period embodied in the Immigration Reform and Control Act of 1986.

As we near the June 1 end of the 6-month period, it is clear that substantial confusion still exists. Employers do not yet fully understand the act. As a result, many employees are being fired out of a fear that they might cause the employer to be subject to sanctions. Many have lost their jobs merely because of an Hispanic surname.

It appears that the educational information provided employers by the Immigration and Naturalization Service was not sent until very recently. Clearly the intent of Congress when the bill was passed was to allow employers to become knowledgeable about the provision of the legislation before they became subject to its sanction provisions. This grace period is only fair—fair to the employers who must learn the technicalities of a complex piece of legislation, and fair to the employees who are legally present in this country. We must not rush compliance if that means that many innocent people must lose their jobs. I urge support of the DeConcini amendment.●

The PRESIDING OFFICER. The Senator from Arizona has 35 seconds.

Mr. DECONCINI. Mr. President, I thank the Senator from Maryland for her support.

This is not a liberal-conservative issue. I understand the system here.

The Senator from Wyoming indicates that people on the Appropriations Committee are locked in. I hope they are locked in because of good judgment, just like people who I suspect are locked in because he is the very respected minority whip, assistant leader, and I understand that, and I do not hold that against anybody; nor does the Senator from Wyoming. But it is important if we can do an orderly process by extending this.

INS is not prepared. They, on their own, have already moved it a month. As the Senator from Michigan just pointed out, those regs will not be out until the end of June. Is it not good common sense and good government to extend this 4 months?

I hope my colleagues will vote to table the motion to reconsider so we can go on with other business of the Senate.

I thank the Chair.

The PRESIDING OFFICER. The Senator's time has expired.

The question is on agreeing to the motion to table the motion to reconsider the vote whereby the fourth excepted committee amendment was agreed to.

On this question, the yeas and nays have been ordered, and the clerk will now call the roll.

The assistant legislative clerk called the roll.

Mr. WALLOP (when his name was called). Mr. President, the Senator from Virginia, Senator WARNER, if present, would vote no. If I were permitted to vote, I would vote "aye". Therefore, I withhold my vote.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Hawaii [Mr. MATSUNAGA] are necessarily absent.

I further announce that the Senator from Ohio [Mr. GLENN] is absent on official business.

On this vote, the Senator from Massachusetts [Mr. KENNEDY] is paired with the Senator from Tennessee [Mr. GORE].

If present and voting, the Senator from Massachusetts would vote "nay" and the Senator from Tennessee would vote "yea."

Mr. SIMPSON. I announce that the Senator from Washington [Mr. Evans], the Senator from Alaska [Mr. Murkowski], and the Senator from Pennsylvania [Mr. Specter] are necessarily absent.

I also announce that the Senator from Virginia [Mr. Warner] is absent on official business.

The PRESIDING OFFICER (Mr. Dodd). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 47, nays 43, as follows:

[Rollcall Vote No. 130 Leg.]

YEAS—47

Adams
Baucus
Bentsen
Bingaman
Boren
Breaux
Bumpers
Chafee
Chiles
Conrad
Cranston
D'Amato
Daschle
DeConcini
Dixon
Domenici
Exon
Garn
Harkin
Hatch
Hecht
Heflin
Helms
Inouye
Johnston
Karnes
Lautenberg
Leahy
Levin
McCain
McClure
Melcher
Mikulski
Mitchell
Nickles
Pell
Pryor
Reid
Sanford
Sarbanes
Sasser
Shelby
Stennis
Stevens
Symms
Wilson
Wirth

NAYS—43

Armstrong
Bond
Boschwitz
Bradley
Burdick
Byrd
Cochran
Cohen
Danforth
Dodd
Dole
Durenberger
Ford
Fowler
Graham
Gramm
Grassley
Hatfield
Heinz
Hollings
Humphrey
Kassebaum
Kasten
Kerry
Lugar
McConnell
Metzenbaum
Moynihan
Nunn
Packwood
Pressler
Proxmire
Quayle
Riegle
Rockefeller
Roth
Rudman
Simon
Simpson
Stafford
Thurmond
Trible
Weicker

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Wallop, for.

NOT VOTING—9

Biden
Evans
Glenn
Gore
Kennedy
Matsunaga
Murkowski
Specter
Warner

So the motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, may we have order in the Chamber?

The PRESIDING OFFICER. The Senate will be in order. Senators will please take their seats and cease conversations on the floor.

The majority leader.

Mr. BYRD. Mr. President, I hope that the Senate can complete its business for the day at no later than 5:30 p.m. today. In the meantime, I also hope that we can get a list of the amendments that are yet to be offered and perhaps reach an agreement that that list will be held to, that no more amendments will be in order. That will assure the Senate, I believe, that we could complete action on this bill today or on tomorrow.

If our staffs could be working to that end, and if Senators will cooperate, it would be helpful.

How many Senators on the floor at this time have amendments they intend to call up?

Mr. DIXON. Mr. President, I have two amendments.

Mr. SYMMS. Mr. President, I have one amendment.

Mr. BYRD. Mr. Dixon has two amendments and Mr. Symms has one amendment.

Mr. DIXON. Mr. President, I might say to the leader I do not require much time on either amendment.

Mr. BYRD. Will the Senator identify the two amendments?

Mr. DIXON. I will say to the leader I have one amendment to eliminate the appropriation pertaining to the $200,000 severance to employees at the World Bank. That will not require very much time. I will be glad to have 20 minutes evenly divided on that amendment.

My other amendment is the Great Lakes amendment that Senator Boschwitz and other Great Lakes Senators have joined me on. I would be willing to agree to perhaps 1 hour evenly divided. I do not think we would use it all.

Mr. BYRD. I thank the Senator.

The Senator from Idaho?

Mr. SYMMS. Mr. President, the amendment I propose to offer would be to strike everything out of the bill except for the Commodity Credit Corporation farm portion, strike everything else out.

Mr. BYRD. The Senator would be willing to agree to how much time?

Mr. SYMMS. I do not need much time. I think 10 minutes equally divided or 10 minutes to each side would be adequate.

Mr. JOHNSTON. Mr. President, I think there would be some disagreement to that.

Mr. COCHRAN. Mr. President, if I heard the Senator from Illinois correctly, he has something on the Great Lakes legislation. I believe that is an effort to overturn legislation that was agreed to last year, or modify it somewhat. If that is true, I do not believe it can be disposed of in an hour.

Mr. DIXON. Will the Senator from Mississippi yield?

Mr. COCHRAN. The majority leader has the floor.

Mr. BYRD. Yes, I yield, Mr. President.

Mr. DIXON. I am not trying to change last year's law, I say to the Senator from Mississippi. They have not complied with it. The Senator from Minnesota, myself, and others are just saying by this amendment, comply with the agreement made with the distinguished Senator from Mississippi, the distinguished Senator from Hawaii [Mr. Inouye], and so on. That is all it is saying. I do not know if that will take time or not. That is all we are doing.

Mr. COCHRAN. If the leader will yield further, I may have an amendment on the Farm Credit System which will be offered sometime later.

Mr. BYRD. Very well.

Mr. President, Mr. Cochran has an amendment on the Farm Credit System he may call up. Mr. Dixon has two amendments, one on the Great Lakes, the other on golden parachutes. Mr. Symms has an amendment. Any other amendments—I believe Senator Dodd, who is presently presiding over the Senate with a degree of poise, skill, and dignity that is as rare as a day in June, also has an amendment.

Are there any other amendments?

Mr. MELCHER. Mr. President, I may have an amendment on transferring some of the money in the Agriculture Department to Meals on Wheels. It looks like an amendment that will be accepted, but we are working on the details.

Mr. HATFIELD. Will the leader yield?

Mr. BYRD. Yes, Mr. President.

Mr. HATFIELD. Is the leader in effect getting additional amendments over and above the ones that were listed with the comanagers previously?

Mr. BYRD. No, Mr. President, this is it, because several of those amendments probably will not be called up.

Mr. HATFIELD. If the leader will yield again, I would ask that the 21 amendments that had been previously indicated by Senator Gramm of Texas and other amendments that had been listed with the comanagers of the bill—in fact, I think there was a publication of the Democratic Policy Committee, a list of about 20. I think we have about 30 on our side. I would ask that they be wrapped in to protect those Senators who are not on the floor at the moment but think that their amendments have already been listed as to be protected.

Mr. BYRD. Mr. President, a good many of the amendments on the list have been disposed of. Some of them will not be called up. As far as I am concerned, that list is no longer extant. It does not mean Senators who have amendments on it will not be able to call them up. I think we have to start anew, I am trying to say. I am not at this point trying to get additional amendments.

I did talk to Mr. Gramm on yesterday. He still has in mind 21 amendments or wrapping them all into one.

Mr. HATFIELD. I would like to cooperate, of course, and proceed with the amendments as soon as possible. But I think perhaps we ought to put out a hotline on our side of the aisle, at least, to indicate that we are making up a new list of amendments and if Senators want to be listed, they should then inform the managers of the bill.

Mr. BYRD. I thank the Senator.

Does the distinguished acting manager on this side of the aisle know of any other amendments that Senators are intending to call up?

Mr. JOHNSTON. Mr. President, Senator Metzenbaum, I think, has three additional amendments. I think there is one pending but he says they will be very quick amendments.

I hope that we can move quickly today. I do not think it is outside of the realm of possibility that we could finish today if Senators would be here to bring their amendments up.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The majority leader is correct. The Senate is not in order.

Mr. JOHNSTON. I say, Mr. President, where there are obvious points of order to be made, it is our thought that those points of order ought to be made earlier in the debate rather than later.

In other words, if a point of order is going to be made, rather than debate for 4 hours and make the point of order, I think it would be our intention—I spoke to Senator STENNIS about it—to try to move the bill along a little faster today and make those points of order a little earlier so we could try to get the bill disposed of. So if Senator HATFIELD desires, we plan to move right on out today. If you have an amendment, it ought to be brought up quickly.

Mr. HATFIELD. Would the leader yield for a question?

Mr. BYRD. Yes, Mr. President.

Mr. HATFIELD. May I suggest that we set a time, perhaps at 11 o'clock, for Senators to get the information to the comanagers of the bill if they expect to have an amendment and/or at that point in time, we could say we are going to move to cut off the amendments after 11 o'clock. I am just suggesting a time certain that a Senator has to get a message to us following the hotline so that we are not waiting around here until noontime to know what amendments we have to consider.

Mr. BYRD. Mr. President, both Senators have made excellent suggestions. Mr. JOHNSTON's suggestion that points of order be made earlier rather than later would certainly expedite the business. The suggestion by Mr. HATFIELD is very appropriate at this time.

I would like to make that announcement and have our respective cloakrooms carry that message—for these reasons: We only have today and tomorrow, because I have a commitment that there will be no rollcall votes on Monday. This means if we do not finish the bill tomorrow, we cannot finish it before Tuesday and there is just no reason this bill should hang around until Tuesday. As an indication of the time we had yesterday, both the chairman and the two managers spent a good part of the day urging, cajoling, threatening, pleading, adjuring, and just everything to try to get amendments to the floor. There is no reason why we cannot complete this today or tomorrow.

So, at 11 o'clock, then, let us try to get in touch with those Senators to try to work out some of the problems. At 11 o'clock, we will try to get a reading on it and hopefully we can accomplish that.

AMENDMENT NO. 230

(Purpose: To revise the basis for computation of emergency compensation for the 1986 crop of feed grains)

The PRESIDING OFFICER. The Senator from Iowa is recognized for the purpose of offering an amendment.

Mr. GRASSLEY. Mr. President, I send an amendment to the desk and ask that it be read. I understand it is already acceptable for consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY] for himself and Mr. DOLE, Mr. DURENBERGER, Mr. EXON, Mr. KARNES, Mr. PRESSLER, Mr. DIXON, and Mr. SIMON proposes an amendment numbered 230.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 80, line 7, strike out "$6,653,189,000" and insert in lieu thereof "$9,423,189,000".

On page 80, after line 25, insert the following new section:

EMERGENCY COMPENSATION FOR 1986 CROP OF FEED GRAINS

Section 105C(c)(1)(D)(ii) of the Agricultural Act of 1949 (7 U.S.C. 1444e(c)(1)(D)(ii)) is amended by striking out "the marketing year for such crop" and inserting in lieu thereof "(I) in the case of the 1986 crop of feed grains (other than oats), the first 5 months of the marketing year, and (II) in the case of the 1986 crop of oats and each of the 1987 through 1990 crops of feed grains, the marketing year".

Mr. GRASSLEY. Mr. President, my colleagues will remember that during debate of the disaster bill for wheat, Senator DOLE and I offered an amendment that was withdrawn because we were not able to determine the exact cost of that amendment. We withdrew it with an understanding that it would be brought up later. I appreciate the attention of my colleagues who, on the Appropriations Committee, listened to my arguments during debate on this appropriations bill.

The situation is this with this amendment, Mr. President: What we are doing for corn is simply what we did for wheat on the continuing resolution of last year. If any Members want to know whether there is a precedent for this, on October 3, 1986, we did for wheat what I am asking this body to consider and do for the corn farmer right now.

That is simply taking the final deficiency payment for the 1986 crop year, which will not be paid out to the farmer until October 1 of this year, 1 year after the crop has been harvested, and paying it just as soon as this legislation passes this summer. We will then be giving that farmer his final deficiency payment the same way all deficiency payments have been paid in the history of farm programs. It was only delayed for the year we are in because this Congress felt it necessary to put part of the cost of the 1986 farm program into fiscal year 1988 as a budget gimmick.

So later on we felt that that was wrong for wheat, and last year this body passed and the President signed legislation moving up that advanced deficiency payment for wheat. I am asking as a matter of fairness that we do the same thing for the feed grain farmers of the United States.

So basically what we are doing is taking $2.77 billion that would be paid to the farmers on October 1 and moving that payment up to this summer.

Now, of course, the purpose of this is not any different than for wheat, if you would read the debate last fall. The people who proposed that argued wheat farmers are strapped for operating capital; it is difficult to get credit; and what credit can be gotten is very expensive. The cost of high interest rates, could be avoided by putting this money into the farmer's pocket now.

This amendment would be putting that money into the corn farmer's operating capital just like it was essential that it be there for wheat farmers.

I think it is this simple, Mr. President, and Members of this body, that we treat with as much equality as we can the feed grain farmers, basically the corn producers of the United States, the same way we do the wheat farmers. I know that there is some question of whether or not this is really the thing to do because you can raise a question about the budget issue, whether this is revenue neutral, because it does increase the budget for fiscal year 1987 by $2.77 billion. But at the same time we are reducing the cost of the fiscal year 1988 budget by $2.77 billion, so really all we are doing is correcting a flaw in the budget approach that we used last year for the first time in history, putting off into the next fiscal year some of the costs of the 1986 farm bill just to make the budget look better. When you consider the need for equal treatment between wheat farmers and corn farmers, when you consider that it is not going to cost any more whether we pay it during the summer—it is still a $2.77 billion budget cost, the way CBO counts it, as it would be on October 1—it is eminently fair and something we ought to do.

Mr. JOHNSTON. Will the Senator yield?

Mr. GRASSLEY. Before I yield, I have a couple colleagues I promised I would yield to and it is necessary for me to yield to the Senator from Illinois. I would like to do that, if the Senator will wait, please, and then I will respond to anything the Senator wishes to ask.

Mr. JOHNSTON. Mr. President, is the Senator yielding the floor?

Mr. GRASSLEY. No, because I think the Senator from Illinois wanted to ask me a question. Did the Senator from Illinois ask me to yield?

Mr. DIXON. No. I wanted to say to my distinguished colleague that I am prepared to speak in support of his amendment, but I have no question at this time if he wants to engage in a dialog with the Senator from Louisiana.

Mr. GRASSLEY. I yield to the Senator from Louisiana.

Mr. JOHNSTON. I simply wanted to say, as I said earlier, we have a lot of work to do on this bill, and there will be a point of order made, even though it is very worthwhile legislation; everybody from the agriculture area certainly feels that way, I am sure, but either we throw away the Budget Act to the tune of $2.7 billion or we make a point of order.

As we announced earlier, we are going to make a point of order, so I was just wondering whether the Senator would like to have that point of order made now and save us some time or whether he wanted to finish his speech.

Mr. GRASSLEY. Mr. President, could I make a parliamentary inquiry following up a question?

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. GRASSLEY. Once the point of order is made, does that end all debate?

The PRESIDING OFFICER. A point of order is not debatable unless it is submitted to the Senate, of course, in which case it would be debatable.

Mr. GRASSLEY. OK, that answers my question. I would like to ask for some forbearance from the managers if I could. First of all, I was prepared to reach, if anybody asked, an agreement for a limit on debate. Senator DOLE asked that I not do that, so the request has not been made. I hope that the managers will give us time for ample debate on this from both sides.

Mr. JOHNSTON. That is sort of the threshold question that faces us. Either we try to finish the bill in a reasonable amount of time or let it go over until next week. It is a tough position to be in because our colleagues want to be heard, but the Senator is taking about 2 or 3 hours of debate when a point of order is going to be made and we do not want to be discourteous but we have that threshold decision to make.

Mr. GRASSLEY. Senator DOLE is here so since I was withholding agreement on debate, maybe we could reach that agreement now.

Mr. JOHNSTON. Senator DOLE has just said 20 minutes a side, which would be perfectly fine as far as we are concerned.

Mr. EXON. How much time?

Mr. DOLE. Twenty on a side.

Mr. EXON. Perfectly all right.

Mr. DIXON. May I have 5?

The PRESIDING OFFICER. The Senator from Iowa has the floor.

Mr. GRASSLEY. It is perfectly all right with me, I say to the Senator from Louisiana, if we could have that limit so that we would have 20 minutes on this side controlled by myself.

Mr. JOHNSTON. I strongly would like a 20-minute time agreement on each side, but I am just advised that we may have some objection from somewhere back in the tombs of the cloakroom.

The basic question is, Do we move on with the bill or do we not? I hope the cloakroom will let us move on.

If the Senator will continue with his speech, then we will get word from the cloakroom.

Mr. GRASSLEY. I am going to yield the floor.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Mr. President, I rise today to speak in support of the acceleration of corn deficiency payments proposed by Senators DOLE and GRASSLEY.

Our agricultural communities are currently confronted with a financial crisis. This crisis is exerting a devasting impact on American agriculture and our rural economy. Falling prices, combined with the devaluation of farm land and newly imposed barriers to export markets, has made it virtually impossible for our farmers to service their debt.

What we now face is a situation which may wipe out many of our Nation's full-time farmers. The current bankruptcy rate of farmers is appalling, and if we fail to respond with measures to provide relief, that rate will continue to escalate.

The Grassley amendment is one such method for providing relief. This proposal, by accelerating the time schedule for deficiency payment, alleviates a considerable amount of credit problems now facing grain producers. The acceleration would generate the operating capital so sorely needed by these farmers. For some farmers, this proposal would enable them to avoid additional borrowing. For others, it would offer a mechanism to reduce their short-term indebtedness. For still others, who can no longer acquire additional credit, the infusion of capital would enable them to continue farming and reduce their debts. This benefits not only the farmer but the entire rural community as well.

An acceleration of this sort is not without precedent. Similar legislation was passed prior to adjournment of the 99th Congress for wheat producers. We did this for wheat because the situation was such that it demanded our attention. The same circumstances which confronted wheat producers now exists for producers of feed grains, and we must meet this situation with the same resolve. Regardless of the differences in the growing season for these crops, we must ensure that equity between commodity programs be maintained.

Mr. President, the farm bill provides for the feedgrain deficiency payment to be made on October 1. But by making the payment available now, thousands of cash-strapped farmers can receive the money when they need it most. Over a 2-year period, there is absolutely no impact on overall Government outlays. The commitment has been made to the corn farmers. This amendment merely moves the payment from fiscal year 1988 to fiscal year 1987. Thus, relative to the cost to the taxpayer, there is none. There is no additional cost whether or not this money is paid out after October 1 or before September 30 of this year.

This measure will provide enormous relief to credit strapped farmers. To delay these payments will only inhibit our ability to achieve the greatest benefit from the expenditure. I urge my colleagues to support this amendment.

Mr. JOHNSTON. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. DIXON. I yield.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that there be 20 minutes of debate to a side on this amendment, to be equally divided, with no second-degree amendment in order, to be under the control of the Senator from Iowa and the manager of the bill on this side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIXON. Mr. President, I should like 2 more minutes to conclude, now that we have the time running.

The PRESIDING OFFICER. The unanimous-consent agreement having been entered into, the time is now controlled by the manager of the bill, the Senator from Louisiana, and the Senator from Iowa.

Mr. JOHNSTON. Mr. President, I yield 2 minutes to the Senator.

Mr. DIXON. I am speaking in support of the amendment.

Mr. President, I am beginning to be a little offended—and I do not mean this in a derogatory manner concerning the managers or anybody else—by this processs in which my friend from Iowa and others who feel very strongly about this $2.7 billion are suggesting that we are doing something out of line by moving this forward as an outlay into this year, when the supplemental came to the floor $2.9 billion over the budget in the first instance.

The people on the Appropriations Committee put anything they want to in these bills, and then the bill comes to the floor, and when we have concerns—and the Senator from Iowa and the Senator from Illinois represent the two biggest corn-producing States in the Union—now they are saying that there are all kinds of rules about how you can amend an appropriations bill.

This bill has more junk in it than the kitchen sink and the kitchen stove. It has the golden parachute, $200,000 a head, for 390 people at the World Bank, all kinds of money for Central America that I do not support, all kinds of foreign policy money that I do not support. The Senator from Nebraska, the Senator from Iowa, and other Senators here represent agricultural States and would rather have the money for the farmers of our States than send it all over the world.

The point I make is that this bill is not a pure bill, in the first place. Do not believe that. This bill already has a lot of junk in it and exceeds the budget.

I would like to vote against this bill because of the shape it is in, but I might be induced to reconsider if this corn proposition is allowed. The money is going to be spent anyway. All we are saying is that it should be spent this year and save the American farmer, instead of spending it the next fiscal year.

I support the amendment of the Senator from Iowa with all the enthusiasm I can command.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. I yield 1 minute to the distinguished Senator from Oregon.

Mr. HATFIELD. Mr. President, I should like to make one point for the RECORD.

The Senator from Illinois has made a rather stong statement about the "junk in this bill," as if the farmers are neglected in this bill. I say to the Senator from Illinois that $6.6 billion of this supplemental total is for the CCC, the Commodity Credit Corporation. I do not think farmers have been neglected in this bill.

If the Senator does not like certain items in the bill, he is privileged to make a motion to delete them. But to imply that this whole bill should rise or fall on the items the Senator from Illinois does not like—I do not like SDI and I do not like Central American aid—but I say to the Senator from Illinois that everything in this body has to get a consensus of 51 votes.

I do not think it should be implied that the Appropriations Committee has neglected the farmers. The farmers are getting the biggest chunk out of this total bill, only it does not count as an outlay because of our careful scoring system. Bear in mind that $6.6 billion is going to the farmers and other agricultural programs in this bill.

The PRESIDING OFFICER. Who yields time?

Mr. GRASSLEY. I yield myself 20 seconds.

Mr. President, this may be the only amendment we are going to be dealing with on this bill that spends money which is not new money. This is money that already has been obligated to be spent on October 1. All the other money in this bill is new money.

Mr. President, I yield 3 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 3 minutes.

Mr. EXON. Mr. President, I think the point that has just been made is the critical factor with regard to this appropriations bill. There are things in this bill that this Senator would not approve otherwise, but I am inclined to support this bill, primarily for the reasons just enunciated by my colleague from Oregon.

Most of the money in this supplemental appropriation is for the Commodity Credit Corportion, money that is owed the farmers by a previous bill. It is not in the exercise of our concern for agriculture that we are putting the Commodity Credit Corporation money in. It is an obligation that was passed by this body some time ago.

I simply remind my good friend from Oregon that sometimes we need more than a 51-vote consensus in this body—a 1a the holdup on the consideration of the Department of Defense authorization bill, which cannot even be brought up until we have a consensus of 60 Senators. I hope that, sooner or later, reason will prevail on that side of the aisle and we can pick up one vote, either from the Senator from Oregon or someone else on that side, so that we can at least begin discussion of the defense authorization bill.

With respect to the point at hand, it is important that we move this bill forward and that we get it out today, so that we can finish the bill, send it to the President for his signature, and get the Commodity Credit Corporation moving to the farmers. In fact, that is even more important, in the short run, than moving up the corn deficiency payments which have been adequately described. I associate myself with the remarks of my colleague from Iowa and my colleague from Illinois with respect to the need for this legislation, because, overall, it has no impact whatsoever on the budget or the budget deficit.

Mr. President, I support the amendment to move forward the final portion of the 1986 feedgrain deficiency payments.

The 1985 farm bill was riddled with problems. This is one problem that can be fixed today without taking up substantive and possibly more controversial policy questions.

This amendment addresses a genuine inequity created between corn farmers and wheat farmers who have already had their final deficiency payments moved forward. The amendment also gets rid of some of the "smoke and mirrors" which were put in the 1985 farm bill to make it look less expensive by forcing payments into the following fiscal year.

Mr. President, I know Nebraska corn farmers are tired of the fiscal "smoke and mirror" tricks we use in Washington. The corn farmers who will receive these payments have already "made good" on their end of the deal; they made their contribution to the farm program in the spring of 1986. To wait until the fall of 1987 for the Government to do likewise is simply asking too much.

I urge my colleagues to adopt this amendment which recognizes our obligations and does not create new spending authority.

The PRESIDING OFFICER. Who yields time?

Mr. GRASSLEY. Mr. President, I yield 3 minutes to the junior Senator from Nebraska.

Mr. KARNES. Mr. President, I rise today as a cosponsor of the amendment offered by Senator DOLE and Senator GRASSLEY allowing 1986 feed grain participants to receive their final deficiency payments now rather than after October 1, 1987. While this amendment has the effect of moving outlays scheduled for fiscal year 1988 forward into fiscal year 1987, it will not increase total spending for the combined 1987 and 1988 fiscal years. Passage of this amendment will prove beneficial to an estimated 100,000 feed grain producers in my State of Nebraska, as well as to an estimated 1.4 million feed grain producers throughout our Nation.

This amendment will prove beneficial to producers because it provides an infusion of earned income at a time when 1987 production capital is critically needed and at a time when the financial infrastructure of our Nation's rural economies desperately need help dealing with the adverse impacts caused by the problems in rural America. I want to note I refer to earned income because we are discussing a payment resulting from participation in the 1986 feed grain program which, among other things, required a 17½ percent unpaid diversion of corn acreage. So what I am saying is, indeed, producers have met all of the requirements of program participation for 1986 and their crop that has been produced and harvested and is in the bins. Therefore, the payment has in fact become earned.

While we frequently see positive signals coming from our agricultural industry, I think everyone will agree that all is not well in rural America. U.S. agriculture is in the difficult transition of moving from a domestic industry to an international industry. The international marketplace is volatile and subject to political and economic externalities far beyond the principles of supply, demand, and production efficiencies. To protect U.S. producer income from these external market forces, Government programs have been designed to form a safety net. It is incumbent upon us to assure this safety net is designed and administered in the most effective manner possible. Passage of this amendment is a method of enhancing this effectiveness by improving the cash-flow of our agricultural industry—an industry which generates one-fifth of our Nation's gross national product.

During development of the Food Security Act of 1985, this body decided to extend from 5 months to 12 months the marketing year on which to compute the season average price and the resulting deficiency payment for feed grain program participants. One of the objectives of this change was to provide for potential budget savings because the potential for a lower deficiency payment is greater when computed on a 12-month rather than 5-month season average price. Any concept which has the effect of reducing outlays is a worthy cause in this Senator's view. However, I am not aware of any forecast which would indicate the 1986 season average price for 12 months will result in any budget savings. Therefore, with a whole industry in urgent need of help, I believe we should be responsive to this need and exercise this opportunity to boost the economy of rural America by expediting a payment which has already been earned during 1986.

Congress, as part of the 1987 continuing resolution, passed similar legislation for wheat producers. The same concepts which were valid for passage of that legislative action are valid for this legislative action. This amendment can be viewed simply as a matter of program equity.

Mr. President, I urge the support of my colleagues for the adoption of this amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. I yield 3 minutes to the distinguished Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 3 minutes.

Mr. LEAHY. Mr. President, this is the third time that the distinguished Senator from Iowa has had this amendment up, and he is well aware of my position on it. I am sympathetic to the concern of the Senator from Iowa that we expedite payments to farmers to ease some credit problems in agriculture.

But I have to say that if there is a point of order on this, a budget point of order, I am going to have to vote against his position because the amendment would raise outlays in fiscal year 1987 by $2.77 billion.

I realize that over the 2 years that the costs wash out.

The Senator from Iowa both here and in the Appropriations Committee has been extremely fair, accurate, and honest as he always is in spelling out these items.

But if we add this $2.77 billion on top of the $30.2 billion CBO is already expecting us to spend on agricultural programs in fiscal year 1987 we are telling the taxpayers that these programs need nearly $33 billion. I fear that the patience of the taxpayer will soon wear thin as farm program costs appear to escalate. This could jeopardize the entire range of Government programs for farmers. As chairman of the Agriculture Committee, I am truly concerned about a backlash against the farm programs that are so very important in Senator GRASSLEY's own State.

Mr. President, one of the reasons Senator GRASSLEY brought up earlier as a justification for moving this money forward was that some corn farmers were having problems arranging production credit loans. Loans needed to plant their crops. Mr. President, the National Corn Growers Association indicated on May 20 that 95 percent of the corn crop was already in the ground. USDA tells us that 97 percent was planted by May 24. Do we need $2.77 billion just to get the final 3 percent planted?

The credit issue raised by Senator GRASSLEY takes me back to my original point. Moving this money will take outlays for the agricultural function in fiscal year 1987 to almost $33 billion. Senator GRASSLEY is aware that we have a credit problem in agriculture. The Farm Credit System recently announced that it could require about $6 billion in direct or indirect Federal assistance. To solve this problem may—I repeat may—require us to come before this body and ask for some additional funds.

How is it going to look to our more urban members if they think that spending on agriculture is doing nothing but going up. That the $30 billion number which we had last week needs to go to $33 billion and then $35, or $37 or $40. I don't think we want to get ourselves in that position when this serious, long-term credit issue is going to come before us.

Mr. President, I will vote to support a budgetary point of order against the Grassley amendment.

I raise again the concern that we do not want to raise the overall costs of the farm program even more. I mention this just so all Senators will understand my position and why I will be supporting the budgetary point of order. It is not because I do not share the concern of the distinguished Senator from Iowa and others in this matter. I do. I just would not want to see this moved into the 1987 budget.

The PRESIDING OFFICER (Mr. GRAHAM). Who yields time?

Mr. GRASSLEY. Mr. President, I yield 5 minutes to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Iowa yields 5 minutes to the Senator from Kansas.

FEEDGRAIN DEFICIENCY PAYMENTS

Mr. DOLE. Mr. President, Senator GRASSLEY and I are offering an amendment to make the final portion of the 1986 feedgrain deficiency payments immediately available. Advancing feedgrain payments will allow producers to receive money now when spring credit needs are greatest, instead of in October, as established in the 1985 farm bill.

My colleagues are well aware of the interest Senator GRASSLEY and I have had in this matter. It seems like a fairly simple amendment, but we have encountered a bookkeeping problem. Because the amendment would shift the payments from October of this year to this spring, the final portion of the deficiency payment ends up crossing fiscal years.

Even though we are not increasing total spending by a single penny, and even though farmers will receive no additional income payments as a result of the amendment, there are those who would raise an objection on the basis that the amendment increases the 1987 budget deficit. This seems to ignore the reality that the 1988 budget deficit would be reduced by the same amount.

I am not trying to debate the merits of the budget process. I am simply saying that many of my colleagues and I saw an opportunity to provide payments to farmers to help with spring planting and credit needs by giving them the money they would receive in October now. Many farmers, who have expressed support for the amendment will find it difficult to understand that a bookkeeping problem could prevent what may be critical financial assistance.

CALCULATION

The method established in this amendment would calculate feedgrain deficiency payments for the 1986 crop on a 5-month, weighted average price, as was the case prior to the passage of the 1985 farm bill.

A HELPFUL CHANGE

Mr. President, I would underscore that this change in the method of calculating feedgrain deficiency payments will provide producers with $2.8 billion in income payments during spring planting, when credit needs will be greatest. The proposal has no impact on overall Government outlays since the feedgrain deficiency payments will be made regardless of whether payments are made now or in October.

EQUITY

This change will also ensure equity between commodity programs since Congress did pass similar legislation prior to adjournment of the 99th Congress for wheat. Congress made the change for wheat since the amount of the deficiency payment was already known. The same situation now exists for feedgrains. We should not discriminate against feedgrains simply because they have a different growing season.

Mr. President, I appreciate the leadership of the distinguished Senator from Iowa and of both Senators from Nebraska, the Senator from Illinois and others.

If we were trying to create a new program, then I think we would be in real trouble.

I would recall, as those who joined, and some who almost joined in passing the 1985 farm bill would, that this was one of the areas of discussion at that time.

What this really involves is bookkeeping. This is only bookkeeping. We are not talking about some new program. We are moving outlays from one year to the next. Last year we moved them into fiscal 1987 to make it look smaller. Now we would like to change that to make it more realistic and to give corn the same privilege that wheat received as far as advanced payments are concerned.

I know that the amendment does change the outlays.

But the amendment would shift payments from October of this year to this spring, and this spring is practically over. By the time this bill is passed and everything is implemented, a lot of the spring planting is going to be done. But it would still be a big benefit to a lot of farmers. Maybe for some farmers, it would not make any difference. But anyone who believes that there has been total recovery in rural America just has not been there.

I am not speaking just about the Midwest. I am speaking about the South. I am speaking about producers of all kinds, whether they be corn or wheat or sugar or tobacco or rice or cotton.

We have made some progress, but we are not there yet.

With this amendment we are not increasing the total spending by a single penny. Farmers are not going to receive any additional income. They are just going to receive it a little earlier and they are going to save a little on interest payments, so they will not have to borrow money at the bank. They are going to be able to pay some of their bills, which might help other people in their rural areas pay some of their bills.

It is a substantial amount of money, but it is not a new program. It is not like some of the other amendments that have been offered.

I would not try to debate this on the merits of the budget process because, frankly, I am not certain there are many merits to debate on the budget process. If we debated the budget process merits it would not take long. Some of us would like to change the budget process, some on both sides of the aisle.

I am just saying that to many of my colleagues, that I saw an opportunity to provide payments to farmers to help the spring planting and credit needs by giving them the money they would receive in October. It is going to be June, July, August, September. We are talking about 4 months, probably 3 months by the time this is implemented. But this would still be a benefit to a great many farmers.

I find it difficult to see how a bookkeeping problem could prevent what may be critical financial assistance.

The method established in this memoranda would calculate feed grain deficiency payments on 1986 crops on a 5-month weighted average price that was the case prior to the passage of the 1985 farm bill.

I just suggest this is an important amendment. I know that those of us who represent farmers may be outnumbered in this body, but keep in mind—and I would say this—if you do not eat, do not worry about the farmer.

Consumers have the best food bargain in the world in America. Only about 10 percent of our disposable income goes to food, down from 17 percent in the last decade. And that is because farmers have been so efficient and so productive.

They may get a Federal subsidy, but the indirect subsidy is to the American consumer because of lower prices in the marketplace.

There is just this one little opportunity, and I know the USDA opposes the amendment. At least, I understand there is to be a letter up here in opposition. But it is hard to argue on the merits. You can argue against this as a violation of the budget process. But this amendment also provides equity for a certain group of farmers.

I would just hope that all those who helped put together the 1985 farm bill and some of those who were not quite certain of the 1985 farm bill would join together now in trying to implement this very important provision.

Again, I thank my colleagues on both sides of the aisle. This has to be a bipartisan effort. It is a bipartisan effort. Farmers really are not looking to see whose amendment it is, but they are trying to find some way, in a very difficult period for a number of farmers, to get one more crop in without borrowing a lot of money and paying a lot of interest. And this amendment would be very helpful.

Mr. JOHNSTON. Mr. President, I yield myself 2 minutes.

Mr. President, all of us, especially those of us from agricultural States, have tremendous sympathy for the farmer. But I think we must point out that the Department of Agriculture and the OMB oppose this matter. I ask unanimous consent that a letter from Richard E. Lyng, Secretary of Agriculture, and James C. Miller III, Director of OMB, dated May 27 and addressed to Chairman STENNIS be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, DC, May 27, 1987.

Hon. JOHN C. STENNIS,
Chairman, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Administration is opposed to any amendment to move forward the final 1986 feed grain deficiency payments from a 12-month marketing year price calculation to a 5-month marketing year calculation. Since advance 1987-crop deficiency and diversion payments have been offered, the need for additional income is not critical at this time. The peak need for credit or income to meet production expenses has already passed, and most crops will have been planted before any final deficiency payments that are moved forward could be made. In addition, cash farm income is expected to be record high this year and crop prices have shown increased strength in recent weeks.

The Administration opposed moving forward final wheat deficiency payments last fall. Our concern at that time was that a precedent would be established. Efforts to move forward these payments regardless of need appear to confirm our fears. If $2.9 billion of feed grain deficiency payments were moved forward, this would transfer FY 1988 outlays to FY 1987. Commodity Credit Corporation (CCC) appropriations including the $6.6 billion in the pending supplemental would not be sufficient to finance these increased outlays and the Administration would oppose any additional spending that would result from final 1986 feed grain deficiency payments being moved into FY 87.

As you know, the CCC has been without operating funds since May 1. This action would raise the real possibility of another funding crisis before the end of this fiscal year.

Further, if final feed grain deficiency payments were to be based on the first 5 months of the marketing year rather than the whole marketing year, this would increase outlays in most years due to the fact that prices normally rise during the remainder of the marketing year. If such a change were perpetuated, budget exposure could be increased. Also, the Congress agreed to switch to the 12-month calculation during the conference for the 1985 Farm Bill to help curb program outlays.

In short, the amendment is contrary to efforts to reduce program spending and to lower the Federal budget deficit.

Sincerely,

RICHARD E. LYNG,
Secretary of Agriculture.
JAMES C. MILLER III,
Director of Office of Management and Budget.

Mr. DASCHLE. Mr. President, this amendment to make deficiency payments on corn now rather than in October is simple fairness. The Government must make these payments eventually. The payments should be made now, when farmers need the money most, instead of in the fall, when it is more convenient for Government bookkeeping.

Farmers in South Dakota are growing increasingly and justifiably frustrated with the Government's administration of farm programs. This supplemental appropriation is a classic example of the reason for that frustration.

The Commodity Credit Corporation has ceased operations four times in the last 18 months because it has hit its borrowing ceiling. Farmers, expecting their payments in a timely manner, were forced to wait for money we had promised them while Congress debated emergency appropriations, just as we are doing today.

Mr. President, this amendment would help ease some of the frustration. The Government is obligated for these payments. The money will be spent, the question is whether or not the payments should be made now or in October.

If our purpose for these payments is to help America's farmers, as I believe it is, then the answer clearly is that we should make the payments earlier instead of later.

Farmers need the money now. The time when farmers are short of cash and face hefty expenses is in the spring. Holding the payment until October does not help farmers, it only helps the Government with an accounting problem. That is not enough justification to hold money that the Government owes farmers. Furthermore, farmers are not compensated with interest for the time they are without this money.

Delaying these payments until October is simply not fair. On behalf of South Dakota farmers—who have enough frustrations without the Government adding to that burden—I urge my colleagues to support this amendment.

Mr. PRESSLER. Mr. President, I am pleased to join in cosponsoring the amendment to move up the final deficiency payment for feed grains. The amendment provides for equal treatment of corn farmers and other feed grain farmers.

Many farmers have had problems obtaining credit to plant this year's crop and have had to pay high interest rates for that credit. Distributing the final deficiency payment now would allow these farmers to pay some debts and reduce their interest expenses. Many farmers operate on a very small margin and the difference between paying 11- or 12-percent interest for 6 months and not having to pay that interest may be the difference between a profit or a loss.

The amendment also would treat feed grain farmers in the same manner as wheat farmers. Due to changes made last fall, wheat producers received their final deficiency payment last December instead of this summer. This helped wheat farmers. Now we simply are asking that feed grain farmers be treated the same.

Finally, I would like to emphasize that this amendment does not really have any budget impact. These payments will be made in any event. If they are made now instead of this fall, the cost to the Federal Government will be the same.

Mr. President, I urge my colleagues to join in support of this amendment.

Mr. JOHNSTON. Mr. President, they make two points: first, that, if this money were moved forward, the $6.6 billion in CCC funds would not be sufficient to cover the year and it would create "the real possibility of another funding crisis before the end of this fiscal year."

Mr. President, I also point out that in the Budget Committee CBO has scored this as budget authority of a $2.77 billion increase and an outlay increase of the same amount, $2.77 billion.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. GRASSLEY. Mr. President, how much time do I have left and also the other side?

The PRESIDING OFFICER. There are 8 minutes and 10 seconds left under the control of the Senator from Iowa and 12 minutes and 10 seconds under the control of the Senator from Louisiana.

Mr. GRASSLEY. Mr. President, I yield myself 2 minutes.

First of all, the Senator from Louisiana raised a very legitimate point that has been raised by the Department of Agriculture, and our amendment answers both of those.

So, for the record, understand that when you are telling people how to vote, do not show them this letter, because this letter does not speak to my amendment. Because we did increase by $2.77 billion the CCC borrowing authority so it is not going to run out any sooner than it previously did. Second, we took care of the oat program costs which could range between $8 million to $10 million. We did that by making that by excluding oats. So that is taken care of.

I want to take this opportunity, Mr. President, to respond to the concerns of Senator LEAHY, and, I suppose, we all need to be reminded of what programs cost and that there can be taxpayers' revolts. But I think that is very much answered from the standpoint of the fact that this is just taking the $2.77 billion that will be spent on October 1 and spending it during this summer, with no additional amount of money coming out of the Treasury.

Second, I think that I ought to raise the point for Senator LEAHY—and I am sorry he is not here, but if he wants to respond, I will give him the time to respond—the second point—is that all the points that Senator LEAHY raised could have been raised against the wheat program when last fall we did exactly for wheat what we are doing this spring for corn, just advancing that final payment to where it traditionally has been in farm programs anyway. We never waited this long in our farm programs for final deficiency payments. This is the first time, and it was done for budget gimmickry reasons.

I want to suggest that Senator LEAHY nor anyone else raised those objections when we did it for wheat, so why is it legitimate that those questions be raised now for corn?

Finally, Senator LEAHY is very concerned about the farm situation. He has visited my State and took a lot of time to hear what the problems are out there.

I yield myself 1 more minute.

The PRESIDING OFFICER. The Senator yields himself an additional 1 minute.

Mr. GRASSLEY. He has been very sympathetic and understanding with those problems, working with myself and other Senators from the upper Midwest trying to solve those problems. But Senator LEAHY did send out a letter in support of the amendment that the Senator from North Dakota [Mr. CONRAD] and I were going to offer to the budget resolution that was going to put some more money into the agriculture function. Senator LEAHY sent out a letter in support of our amendment. He pointed out how in 1985 165 farms went out of business every day in the United States; farm losses in 1986 were running at 100 to 125 a day.

The PRESIDING OFFICER. The Senator from Iowa has used his additional minute.

Mr. GRASSLEY. I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator yields 1 additional minute.

Mr. GRASSLEY. This is very important for urban people to consider. Senator LEAHY's letter further stated that since one-fifth of American jobs are farm-related, farm problems all too quickly become urban problems. So what we are doing with this amendment is trying to keep some of those farmers operating that Senator LEAHY has already expressed very much concern, and legitimately so.

I reserve the balance of my time.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. Mr. President, I would be prepared to yield back the balance of my time.

Mr. GRASSLEY. Mr. President, I yield 1 minute to the Senator from Kansas, Senator DOLE.

The PRESIDING OFFICER. The Senator from Iowa yielded 1 minute to the Senator from Kansas.

Mr. DOLE. Mr. President, I am not going to speak on the bill, but I wanted to speak to my colleagues on this side of the aisle about trying to finish this bill today. It seems to me there is no reason it cannot be done. I do not know how many amendments are on that side, but we are down to, I think, a handful. I think most Members are willing to give very short time agreements.

Senator HELMS indicated he has two amendments. I am not certain we will get a time agreement all the way around, but he would be willing to take 10 minutes on a side. We would have to check that with everyone.

I certainly want on the record that I want to cooperate with the leadership on that side and this side to finish this bill by 5:30 today.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. Mr. President, I yield myself 1 minute to respond to the distinguished minority leader.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I very much agree with that. I think, if we wish, we can finish today by 5:30. I hope all Senators are ready with their amendments. The list has shrunk a great deal from yesterday.

The PRESIDING OFFICER. Who yields time?

Mr. GRASSLEY. Does the Senator want to yield back his time?

Mr. JOHNSTON. Yes, unless the majority leader wishes time.

Mr. President, I yield back the balance of my time.

The PRESIDING OFFICER. The Senator from Louisiana has yielded back the balance of his time.

The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I yield back the balance of my time.

The PRESIDING OFFICER. The Senator from Nebraska had reserved 30 seconds.

The senior Senator from Nebraska has yielded back the 30 seconds.

The Senator from West Virginia.

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT ON AMENDMENTS

Mr. BYRD. Mr. President, first, I thank the staffs on both sides and Senators on both sides for cooperating in the effort to narrow down and to lock in the remaining amendments so that the Senate will know that, when it has reached the end of the road on these amendments, that is it, it is time to vote on the bill.

Mr. President, I am ready to try to put the request, if the managers and acting managers are ready.

Mr. President, I ask unanimous consent that the remaining amendments be limited to the following:

A Conrad amendment, re possible strike. For now I am reading from the Legislative Bulletin that is published by the Democratic Policy Committee on which certain amendments were listed some days ago.

So, the Conrad amendment, re possible strike, was on that list. The Cranston-D'Amato amendment to restore funds for the homeless; the Dixon amendment, re CCC shipments and use of Great Lake ports; the Domenici amendment, re REA; the Domenici amendment regarding EPA; the Domenici amendment regarding homeless; 21 Gramm amendments to strike certain provisions in the bill; the Grassley-Dole amendment regarding feed grains payments.

Mr. DOLE. That is up now.

Mr. BYRD. That is up now.

The Harkin amendment regarding the Antioch Law School; the Heflin-Shelby amendment re Head Injuries Center at the University of Alabama, Birmingham; a Hollings amendment re SBA; an amendment by Mr. JOHNSTON, for Mr. INOUYE, on wind energy; an amendment by Mr. CRANSTON to add funds to meet State requests for AIDS educational prevention programs; an amendment by Mr. METZENBAUM to restore funds for unemployment offices; an amendment by Mr. METZENBAUM regarding orphan drugs; a Cranston-Murkowski amendment regarding $20 million for veterans homeless; a Simon amendment regarding Chicago litigation settlement; a Proxmire VA loan guarantee amendment; a Dixon amendment to remove the World Bank golden parachute; an amendment by Mr. SIMON having to do with South African development; a Levin-Gramm motion to recommit with instructions; an amendment by Mr. MCCLURE with reference to the park system; an amendment by Mr. D'AMATO, a Persian Gulf amendment, with a question mark; an amendment by Mr. COCHRAN having to do with the farm credit; three amendments by Mr. HELMS: one on AIDS, one for a report on assistance to South Africa, and one on the deployment of the ICBM; an amendment by Mr. DODD on the golden parachute, World Bank, transfer for student exchanges with Central America.

Mr. President, some of these amendments I suppose might not be called up, but I would like to close the list, if I could. We have had our cloakroom make inquiries. The list that I have read is a list so far as we can determine on this side and, I believe, in cooperation with the other side. We have been able to narrow down the amendments to those I have enumerated.

Mr. SYMMS. Mr. President, will the majority leader yield?

Mr. BYRD. I yield.

Mr. SYMMS. Was the majority leader reading just the amendments of the majority party?

Mr. BYRD. No; of both parties.

Mr. SYMMS. I did not hear the majority leader mention the Symms amendment.

Mr. BYRD. I mentioned it earlier. It should be included.

Mr. SYMMS. I thank the majority leader.

Mr. CRANSTON. Will the majority leader yield?

Mr. BYRD. Yes.

Mr. CRANSTON. I will be glad to reach a time agreement on the homeless amendment I have. On the homeless measure, which is the next up, a half-hour evenly divided would be fine with me.

Mr. BYRD. Is there objection? A half-hour evenly divided on Mr. CRANSTON's amendment dealing with the homeless.

Mr. DOLE. All right.

Mr. BYRD. I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. And with no amendments to the amendment be in order.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, reserving the right to object, I understand that Senator DOMENICI will have the second-degree amendment on that particular amendment. I do not have a problem with any of the others.

Mr. BYRD. I do not have a problem with amendments to amendments except when we stack votes. If we stack votes, it is important to rule out amendments to amendments when they can come in and have a vote without any debate at all.

Mr. CRANSTON. They would have to be germane.

Mr. BYRD. Yes.

The PRESIDING OFFICER. Is there objection? Will the majority leader restate the unanimous-consent request?

Mr. BYRD. That on the amendment by Mr. CRANSTON there will be a time limitation of 30 minutes to be equally divided, provided further that the amendments be germane.

Mr. DOLE. Let there be one amendment in order to the amendment that would be germane.

Mr. BYRD. One amendment by Mr. DOMENICI be in order, provided it be germane. What would the time limit be on that?

Mr. DOLE. Ten minutes on a side.

Mr. BYRD. Very well. I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Will the majority leader yield further?

Mr. BYRD. Yes.

Mr. CRANSTON. On the other amendments I have—one with Mr. MURKOWSKI and an AIDS amendment—if we could, I would like to arrange for each of those to be the next two amendments after the homeless, and I will agree to a brief time on each of those. Ten minutes equally divided.

Mr. BYRD. I make that request.

Mr. DOLE. As I understand, we cannot do it on the AIDS amendment, but we can on the homeless.

Mr. BYRD. That on the homeless amendment there be a time limitation of 10 minutes equally divided and that that follow the other homeless amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. CRANSTON. On the AIDS, can we agreed to a time limit?

Mr. DOLE. Let me check. I would have to check. I will be happy to try to work it out.

Mr. CRANSTON. Could we have the AIDS amendment follow the two homeless amendments?

Mr. BYRD. If there is no objection, I will make that request.

Mr. DOLE. Let us try to find a time agreement. Otherwise, we might hold up 20 other amendments while we are trying to work that out.

Mr. BYRD. Very well. I thank Mr. CRANSTON.

I add to the list an amendment by Mr. PELL, which has to do with the Moscow Embassy language, and an amendment by myself which I may offer to delete bill language on the Department of the Interior.

Mr. DOLE. Mr. President, reserving the right to object on the overall request by the distinguished majority leader, there is an additional amendment by Senator WEICKER which I understand is technical in nature, which would not require a rollcall. It is not a money amendment. And there is an amendment by Senator SYMMS to strike everything out of the bill except the CCC authorization, which would not require more than 10 minutes on a side.

Mr. JOHNSTON. There would be an objection to the Symms time agreement.

Mr. DOLE. In addition to that, if I could have the majority leader's attention, I think he named all of the amendments on this side except I think Senator MCCLURE had an amendment on the parks systems, Senator D'AMATO had a Persian Gulf amendment, Senator COCHRAN had an amendment to the Farm Credit Act, Senator HELMS had three amendments—one on a South African report, one on AIDS as it relates to immigrants, and one on ICBM deployment.

Mr. BYRD, Yes; I did list those.

Mr. DOLE. All those were listed?

Mr. BYRD. Yes.

Mr. DOLE. And one question with reference to the amendment by the distinguished Senator from Texas. As I understand, the Senator from Texas, Senator GRAMM, would be willing to offer 1 strike amendment with offsets and transfers which would replace the 20 strike amendments.

Mr. BYRD. I mentioned the 21 amendments but I think the clarification by the distinguished Republican leader should be part of the agreement.

Mr. DOLE. That would be an additional one strike amendment,

Mr. BYRD. Yes. He would have that flexibility.

Mr. GRAMM. Would the distinguished majority leader yield?

Mr. BYRD. Yes.

Mr. GRAMM. I would also like to make it clear that this unanimous-consent agreement would in no way eliminate the right of the Senator from Texas, or any other Senator, to raise a point of order against the overall bill at any point during deliberations.

Mr. JOHNSTON. Are you asking for unanimous consent on that?

Mr. GRAMM. I was asking if anything in this unanimous-consent agreement would limit the ability of this Member or any other Member to raise the point of order which lies against the bill which has been withheld to give us an opportunity to work our will and see what the final product looks like. I just want to reaffirm that should this unanimous-consent request be accepted, that that would not eliminate the right of this Senator, or any other Senator, to raise that point of order.

Mr. BYRD. I have not put the request, but as formulated thus far, the request does not waive the point of order nor does it waive waivers of the point of order.

Mr. JOHNSTON. Nor does it set time agreements.

Mr. BYRD. No; it does not. It is an attempt to narrow the listing so that Senators will know what amendments remain and hopefully we finish this by tomorrow. Otherwise, we cannot finish this until next Tuesday, or we will come in Saturday.

Mr. DOLE. Will the majority leader yield for one additional request? Senator HATFIELD could have an amendment if something happened as yet unidentified. It would be a germane amendment relevant to the bill.

Mr. BYRD. Very well. I would include that. I suppose we would have to include one germane amendment to the amendment, not knowing what the amendment would be at this time.

I also understand Mr. CRANSTON has a fallback amendment on homeless. I would like to include that, and then I would like to swing the ax.

I make the request that this be the list.

The PRESIDING OFFICER. Are there any objections to the unanimous-consent request?

Mr. JOHNSTON. Mr. President, reserving the right to object, I have a very small noncontroversial DOD amendment that may be agreed to. I am sure I can add that to the list, together with one germane amendment to the bill. In other words, two Johnston amendments.

Mr. BYRD. Could we identify them?

Mr. JOHNSTON. The DOD amendment has to do with Assistant Secretary of Defense for Comptroller. Really, that is a general description.

The other germane amendment is as yet to be specified. Frankly, it is a backup amendment, actually.

Mr. BYRD. Mr. President, I guess in fairness to everyone, I would have to include that there be a germane amendment in order to the unidentified germane amendment. That is what I asked a moment ago on the other side.

Mr. DOLE. I am advised I may offer one amendment that would strictly fund a study that had been approved in previous legislation. That would be just one amendment I have.

Mr. BYRD. Would it be fair to inquire what the study is about?

Mr. DOLE. I have an amendment which I will be offering this afternoon. The amendment would sell CCC-owned commodities to finance two commissions passed in 1985. The first commission, the National Commission on Agricultural Policy, was established in the 1985 farm bill, and the second, the National Commission on Agricultural Finance, was established in the Farm Credit Amendments Act of 1985.

Mr. BYRD. Mr. President, I ask unanimous consent that there be no points of order waived on these requests.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I hope that no Senator will now come in and ask for amendments without notifying not only the managers but the joint leadership so we can keep this as tight as possible.

I thank the Chair.

AMENDMENT 230

The PRESIDING OFFICER. All time has been yielded back.

The Senator from Florida.

Mr. CHILES. Mr. President, if all time has been yielded back, pursuant to section 311(a) of the Budget Act, I raise a point of order against the Grassley-Dole amendment. The amendment would cause additional outlays in fiscal year 1987, approximately $2.8 billion. The total outlay level set forth in the fiscal year 1987 budget resolution, as I have announced previously, has already been exceeded. Therefore, any amendment to the bill which would cause increased outlays in fiscal year 1987 would be subject to a point of order under section 311(a). This amendment has the effect of advancing feed grain deficiency payments by several months. Therefore, it increases the outlays. It is a clear violation of the Budget Act under section 311.

I believe it is important to note that while the proponents consider the amendment to be deficit-neutral over 2 years, the outlay cost could be substantial. The U.S. Department of Agriculture believes the amendment would cost as much as a billion dollars over the next 5 years. This is because the 5-month feed grain price is generally lower than the 12-month price, thereby resulting in higher deficiency payments.

I would like to remind my colleagues that moving to the 5-month price was a congressional decision made in the 1985 farm bill as a cost-cutting measure. To abandon this procedure now will lead us to higher farm price support payments. Therefore, it seems to me that we should not be wanting to waive the point but that we should be wanting to uphold the point. I therefore make the point of order.

Mr. HATFIELD. Would the Senator yield for a question?

Mr. CHILES. I shall be happy to yield.

Mr. HATFIELD. It is my understanding that the amendment not only violates the Budget Act in outlays, but also in budget authority. I believe we are, at the present time, $1.3 billion under in the supplemental, under the budget authority. Adoption of this amendment would put us $1.4 billion over the budget authority.

So it not only violates the Budget Act outlays but, according to my figures, it violates the Budget Act in relation to budget authority.

Does the Senator agree to that or affirm that observation?

Mr. CHILES. It may not put us quite over. I think we have perhaps $3.9 billion left. I see we have a dispute on that. But I think it is clearly over, a clear violation.

Mr. GRASSLEY. Mr. President, would the Senator yield?

Mr. CHILES. I yield.

Mr. GRASSLEY. I would like to clarify something because of something the Senator from Florida said.

On that $1 billion cost, we do not change the marketing year for the remaining years of the farm program through 1990. If we did that, the Senator's statement would be correct. But since we only do it for this year that we are in, that $1 billion cost is not there.

Mr. CHILES. The Senator is technically correct but once we begin swapping these costs over there, I think it is clear that we would have to consider it.

The PRESIDING OFFICER. The Chair informs Senators that a point of order is not debatable.

The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I move to waive the Budget Act. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to waive the Budget Act. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Washington [Mr. Evans] and the Senator from Alaska [Mr. Murkowski] are necessarily absent.

I also announce that the Senator from Virginia [Mr. Warner] is absent on official business.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. Biden], the Senator from Tennessee [Mr. Gore], and the Senator from Massachusetts [Mr. Kennedy] are necessarily absent.

I further announce that the Senator from Ohio [Mr. Glenn] is absent on official business.

The PRESIDING OFFICER (Mr. Shelby). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 33, nays 60—as follows:

[Rollcall Vote No. 131 Leg.]

YEAS—33

Baucus
Bond
Boren
Boschwitz
Bumpers
Burdick
Cochran
Conrad
D'Amato
Danforth
Daschle
Dixon
Dole
Durenberger
Exon
Ford
Grassley
Harkin
Hatch
Karnes
Kassebaum
Kasten
Matsunaga
McClure
McConnell
Melcher
Pressler
Pryor
Simon
Specter
Stevens
Thurmond
Wilson

NAYS—60

Adams
Armstrong
Bentsen
Bingaman
Bradley
Breaux
Byrd
Chafee
Chiles
Cohen
Cranston
DeConcini
Dodd
Domenici
Fowler
Garn
Graham
Gramm
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Kerry
Lautenberg
Leahy
Levin
Lugar
McCain
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Proxmire
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simpson
Stafford
Stennis
Symms
Trible
Wallop
Weicker
Wirth

NOT VOTING—7

Biden
Evans
Glenn
Gore
Kennedy
Murkowski
Warner

The PRESIDING OFFICER (Mr. Shelby). On this vote, the yeas are 33, the nays are 60. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the waiver is not agreed to. The point of order is well taken, and the amendment falls.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, I have an amendment that I send to the desk.

The PRESIDING OFFICER. The amendment would not be in order at this time.

Mr. SYMMS. I apologize.

The PRESIDING OFFICER. The Senator from California is now recognized.

AMENDMENT NO. 231

(Purpose: To add appropriations for homeless housing programs)

Mr. CRANSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from California [Mr. Cranston] proposes for himself and Mr. D'Amato, Mr. Moynihan, Mr. Mitchell, and Mr. Dodd an amendment numbered 231.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 161, between lines 14 and 15, insert the following:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOMELESS ASSISTANCE

(a) TRANSITIONAL HOUSING DEMONSTRATION PROGRAM.—For an additional amount for the transitional housing demonstration program carried out by the Department of Housing and Urban Development pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591, $60,000,000.

(b) EMERGENCY SHELTER GRANTS PROGRAM.—For an additional amount for the emergency shelter grants program carried out by the Department of Housing and Urban Development pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591, $80,000,000.

(c) SECTION 8 EXISTING HOUSING.—The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(b)(1) of such Act is increased by $50,000,000 to be used only to assist homeless families with children.

(d) SECTION 8 ASSISTANCE FOR SINGLE ROOM OCCUPANCY DWELLINGS.—The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(e)(2) of such Act is increased by $35,000,000 to be used only to assist homeless individuals.

VETERANS' ADMINISTRATION

VETERANS' DOMICILIARY CARE AND CARE FOR VETERANS WITH CHRONIC MENTAL ILLNESS DISABILITIES

(TRANSFER OF FUNDS)

For an additional amount for "Medical Care", $20,000,000, to remain available through September 30, 1988, of which $10,000,000 shall be available for converting to domiciliary-care beds underutilized space located in facilities (in urban areas in which there are significant numbers of homeless veterans) under the jurisdiction of the Administrator of Veterans' Affairs and for furnishing domiciliary care in such beds to eligible veterans, primarily homeless veterans, who are in need of such care, and of which $10,000,000 shall be available, notwithstanding section 2(c) of Public Law 100-6, for furnishing care under section 620C of title 38, United States Code, to homeless veterans who have a chronic mental illness disability: *Provided*, That not more than $500,000 of the amount available in connection with furnishing care under such section 620C shall be used for the purpose of monitoring the furnishing of such care and, in furtherance of such purpose, to maintain an additional 10 full-time-employee equivalents: *Provided further*, That nothing in this paragraph shall result in the diminution of the conversion of hospital-care beds to nursing-home-care beds by the Veterans' Administration; and amounts appropriated in other paragraphs of this title are hereby reduced by a total amount of $20,000,000 by pro rata reductions.

Mr. CRANSTON. Mr. President, I am pleased to offer this amendment together with Senators D'AMATO, MOYNIHAN, MITCHELL, and DODD.

The amendment would provide funding for the Urgent Relief for the Homeless Act, which was approved by the Senate with an overwhelming vote of 85 to 12. A vote for our amendment will be a vote to fulfill a solemn commitment that the Senate made only a month ago.

Mr. President, I ask unanimous consent that the results of the record vote on the Urgent Relief for the Homeless Act be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 85, nays 12, as follows:

[Rollcall Vote No. 74 Leg.]

YEAS—85

Adams, Baucus, Bentsen, Bingaman, Boren, Boschwitz, Bradley, Breaux, Bumpers, Burdick, Byrd, Chafee, Chiles, Cohen, Conrad, Cranston, D'Amato, Danforth, Daschle, DeConcini, Dixon, Dodd, Dole, Domenici, Durenberger, Evans, Ford, Fowler, Glenn, Gore, Graham, Grassley, Harkin, Hatch, Hatfield, Hecht, Heflin, Heinz, Hollings, Inouye and Johnston.

Karnes, Kasten, Kennedy, Kerry, Lautenberg, Leahy, Levin, Lugar, Matsunaga, McCain, McConnell, Melcher, Metzenbaum, Mikulski, Mitchell, Moynihan, Murkowski, Nickles, Nunn, Packwood, Pell, Pressler, Proxmire, Pryor, Quayle, Reid, Riegle, Rockefeller, Sanford, Sarbanes, Sasser, Shelby, Simon, Simpson, Specter, Stafford, Stennis, Stevens, Thurmond, Trible, Wallop, Weicker, Wilson and Wirth.

NAYS—12

Armstrong, Bond, Exon, Garn, Gramm, Helms, Humphrey, Kassebaum, McClure, Roth, Rudman and Symms.

NOT VOTING—3

Biden, Cochran and Warner.

Mr. CRANSTON. Mr. President, we need not repeat here the case for providing help to homeless Americans—large and growing numbers of whom are families with children, veterans, elderly people and the mentally ill. Compelling arguments have been made in many eloquent speeches by a number of my colleagues, by State Governors, by mayors and other local officials, and by private citizens who have personally tried to alleviate this problem. The reality of the suffering is there for all to see.

In my view, the people of this Nation want an effective solution to his disturbing national crisis. A recent Time magazine poll showed that 71 percent of the American people believe that Federal spending to aid the homeless should be increased.

The Senate-passed Urgent Relief for the Homeless Act responded to that public pressure. It is a prudent response to the most pressing needs of homeless Americans. The bill was developed on a bipartisan basis as the result of hard work by many Senators. It was developed with active participation of the Senate leadership of both parties as well as the chairman and ranking minority members of the various committees of jurisdiction.

A central objective has been to get help out to homeless individuals and families just as quickly as possible. We have no time to lose if relief is to be in place before the winter hits once again. After appropriations are enacted, lead time of several months will be needed before the new shelter and services can actually be available at the local level.

The appropriations supplemental now before us is clearly the appropriate vehicle. It would be wrong to wait for a later bill.

The bill now before us does provide appropriations for some elements of the Urgent Relief for the Homeless Act. But is would deny funding for the special housing assistance that is the greatest need for homeless people and that is the very heart of the homeless relief package.

Mr. President, our amendment would provide needed help to our country's most helpless people. Now that spring is here, their suffering may have moved off the front page and the evening news. But winter will soon be back with vengeance and lives will be lost that this amendment could save.

Our amendment would simply provide funding at levels anticipated in the Senate passed homeless bill.

First, the amendment would provide $80 million for the Emergency Shelter Grant Program. These funds would expand the availability of basic shelter and related services to homeless individuals.

Second, the amendment would provide $60 million for the Transitional Housing Program, under which local government and nonprofit organizations would be able to provide housing and supportive services for people who need temporary help in making the transition to independent living.

Third, this amendment would appropriate $50 million for a special allotment of 1,900 section 8 certificates to help homeless families with children. The need for this assistance is enormous, and many local communities have found that this kind of rental assistance can be very effective.

Fourth, it would provide $35 million in additional assistance for moderate rehabilitation of single room occupancy buildings, which many cities need to provide longer term shelter for homeless elderly people and other individuals with special needs.

ASSISTANCE TO HOMELESS VETERANS

Mr. President, I also am delighted to note that our amendment includes another provision to carry out the provisions of the Senate-passed homeless authorization bills, H.R. 558 and S. 477, specifically with respect to veterans. Our amendment would thus allocate to the assistance of homeless veterans $20 million out of the total amount proposed to be appropriated for initiatives specifically relating to homelessness—that amount is $362.5 million including the first part of our amendment.

Mr. President, various estimates indicate that a third of the approximately 350,000 homeless persons in America—some say half or more—are veterans, and, as chairman of the Veterans' Affairs Committee, I strongly believe that the special congressional initiative to deal with the tragedy of homelessness should include efforts to help deal specifically with the plight of those homeless persons who have served in our Nation's Armed Forces.

The $20 million our amendment would allocate to the VA's medical care account, to be derived from pro rata reductions in the other items in the bill as proposed to be amended providing funding for programs specifically for homeless individuals, would be divided in two equal parts. Half would go to increasing the VA's capacity to furnish eligible veterans, primarily homeless veterans, with domiciliary care, a form of institutional care combining room and board with medical and rehabilitative services aimed at enabling the veteran to return to independent functioning in the community. The other half would go toward the furnishing of contract halfway-house and other community-based psychiatric residential treatment, under section 620C of title 38, United States Code, to homeless veterans who are suffering from chronic mental illness disabilities.

Both of these programs which would receive funding under this provision derive from legislation passed by the Senate this year—and in one pertinent respect by Congress as a whole. In Public Law 100-6, the joint resolution enacted on February 12 making funds available primarily to FEMA's Emergency Food and Shelter Program, Congress enacted a provision offered by Senator MURKOWSKI to authorize the VA to provide halfway-house and other community-based contract treatment to certain homeless and other chronically mentally ill veterans and to appropriate $5 million to the VA for that purpose. On March 31, in section 105 of S. 477, the proposed Homeless Veterans' Assistance Act of 1987, the Senate passed provisions, which I proposed in the Veterans' Affairs Committee, specifically requiring that the authority enacted in Public Law 100-6 be utilized to conduct a pilot program for homeless veterans who suffer from such disabilities, with expenditures of $5 million in fiscal year 1987 and $10 million in each of fiscal year's 1988 and 1989 specified. On April 9, the Senate again passed those provisions in section 906 of H.R. 558, the proposed Urgent Relief for the Homeless Act.

In those same two bills, the Senate also passed a provision—section 107 of S. 477 and section 908 of H.R. 558—aimed at expanding the VA's capacity to provide domiciliary care for homeless eligible veterans. Under that provision, the VA would be required, except to the extent that the Administrator of Veterans' Affairs may determine it to be impractical, to covert underutilized space in VA facilities located in areas with substantial populations of homeless veterans to 500 domiciliary beds for the care of veterans in need of domiciliary care, primarily those who are homeless. That provision also included a proviso, which is reiterated in the provision in our amendment, that the domiciliary conversions involved not result in the diminution of the conversion of VA hospital-care beds to nursing-home-care beds.

Mr. President, I note that the House, before passing the fiscal year 1987 supplemental appropriations measure on April 23, adopted an amendment proposed by Representative MONTGOMERY, chairman of the House Veterans' Affairs Committee, to allocate to the VA $20 million of the amounts being provided in title IV of the bill, "Urgent Relief for the Homeless." Under that provision, the entire $20 million would be used solely for expanding VA domiciliary-care programs. Although I agree fully that $20 million should be made available for assistance for homeless veterans, I believe that the funds would be better used if, as is proposed in our amendment, they were targeted specifically on the needs of homeless veterans and were divided between community-based treatment for chronically mentally ill veterans and domiciliary care. In my riew, this division of the funds would, in a manner already twice approved by the Senate, both ensure the adequacy and continuity of funding for the new program of community-based treatment for homeless, chronically mentally ill veterans and enable the VA to undertake a well-targeted program of expanded domiciliary care for homeless veterans.

Mr. President, I greatly appreciate the cooperation of the chairman of the Appropriations Subcommittee, Mr. PROXMIRE, in working out this part of the amendment about which Senator MURKOWSKI, our committee's ranking minority member and former chairman, and I wrote him last month, and I ask unanimous consent that the text of our letter of April 29, 1987, be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD as follows:

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC, April 29, 1987.

Hon. WILLIAM PROXMIRE,
Chairman, Subcommittee on HUD-Independent Agencies, Committee on Appropriations, Senate, Washington, DC.

DEAR BILL: We are writing to urge that, during the Appropriations Committee's markup of H.R. 1827, the proposed "Supplemental Appropriations Act, 1987", as the Chairman of the Appropriations Subcommittee with jurisdiction over Veterans' Administration programs you seek to include in that measure, on our behalf, the enclosed provision to allocate to the assistance of homeless veterans $20 million of the total amount proposed to be appropriated for initiatives specifically relating to homelessness. Various estimates indidate that a third of the approximately 350,000 homeless persons in the United States—some say half or more—are veterans, and we strongly believe that the special Congressional initiative to deal with the tragedy of homelessness should include efforts to help deal specifically with the plight of those homeless persons who have served in our Nation's Armed Forces.

The provision we propose would allocate to the VA's medical care account $20 million to remain available through September 30, 1988. That amount would be divided in two equal parts. Half would go to increasing the VA's capacity to furnish eligible veterans, primarily homeless veterans, with domiciliary care, a form of institutional care combining room and board with medical and rehabilitative services aimed at enabling the veteran to return to independent functioning in the community. The other half would go toward the furnishing of contract halfway-house and other community-based psychiatric residential treatment, under section 620C of title 38, United States Code, to homeless veterans who are suffering from chronic mental illness disabilities.

Both of the programs for which we are proposing funds derive from legislation passed by the Senate this year—and in one pertinent respect by the Congress as a whole. In Public Law 100-6, the joint resolution enacted on February 12 making funds available primarily to FEMA's Emergency Food and Shelter Program, Congress enacted a provision offered by Senator Murkowski to authorize the VA to provide halfway-house and other community-based contract treatment to certain homeless and other chronically mentally ill veterans and to appropriate $5 million to the VA for that purpose. On March 31, in section 105 of S. 477, the proposed "Homeless Veterans' Assistance Act of 1987", the Senate passed provisions specifically requiring that the authority enacted in Public Law 100-6 be utlitized to conduct a pilot program for homeless veterans who suffer from such disabilities, with expenditures of $5 million in FY 1987 and $10 million in each of FYs 1988 and 1989. On April 9, the Senate again passed those provisions in section 906 of H.R. 558, the proposed "Urgent Relief for the Homeless Act".

In those same two bills, the Senate also passed a provision—section 107 of S. 477 and section 908 of H.R. 558—aimed at expanding the VA's capacity to provide domiciliary care for homeless eligible veterans. Under this provision, the VA would be required, except to the extent that the Administrator of Veterans' Affairs may determine it to be impractical, to convert underutilized space in VA facilities to 500 domiciliary beds for the care of veterans in need of domiciliary care, primarily those who are homeless. This provision also included a proviso, which is reiterated in the enclosed draft appropriation provision we now propose, that the domiciliary conversions involved not result in the diminution of the conversion of VA hospital-care beds to nursing-home-care beds.

We note that the House, before passing the FY 1987 supplemental appropriations measure on April 23, adopted an amendment proposed by Representative Montgomery, Chairman of the House Veterans' Affairs Committee, to allocate to the VA $20 million of the amounts being provided in title IV of the bill, "Urgent Relief for the Homeless". Under that provision, the entire $20 million would be used solely for expanding VA domiciliary-care programs. Although we agree that $20 million should be made available for assistance for homeless veterans, we believe that the funds would be better used if, as we propose, they were targeted specifically on the needs of homeless veterans and were divided between community-based treatment for chronically mentally ill veterans and domiciliary care. In our view, this division of the funds would, in a manner already twice approved by the Senate, both ensure the adequacy and continuity of funding for the new program of community-based treatment for homeless, chronically mentally ill veterans and enable the VA to undertake a well-targeted program of expanded domiciliary care for homeless veterans.

As always, we greatly appreciate your strong commitment to the needs of the Nation's veterans and urge your favorable consideration of this request.

With warm regards,

Cordially,

Alan Cranston,
Chairman.
Frank Murkowski,
Ranking minority member.

Mr. President, I urge my colleagues who voted for the Urgent Relief for the Homeless Act, to vote today in support of this amendment and ensure that promises made are promises kept.

Mr. DOMENICI. Mr. President, will the Senator from California yield to the Senator from New Mexico?

Mr. CRANSTON. Yes, of course.

Mr. DOMENICI. In the unanimous consent agreement it has been stated that the Senator from New Mexico reserved the right to offer a second-degree amendment to the amendment of the Senator from California.

I want to tell the sponsors of this amendment in the Senate that I do not intend to offer a second-degree amendment. In the event the amendment that is pending were to fail either on a point of order or otherwise, then I would offer my amendment as a freestanding amendment, but I do not intend to offer it as a second-degree amendment.

I wanted to make sure the Senate knows it and the Senator from California knows it.

Mr. CRANSTON. I thank the Senator. That is good news. I hope the amendment does not fail so the amendment will not be needed.

Mr. MITCHELL. Mr. President, as a cosponsor of the amendment offered by Senators Cranston and D'Amato, I am pleased that the Senate today will have an opportunity to complete action on housing assistance for the homeless.

As we all know, on April 9 the Senate approved the Urgent Relief for the Homeless Act by an overwhelming 85-12 vote. That bill was the first step in aiding the homeless and authorized $225 million in housing assistance. Additional funds were authorized under the legislation for mental health grants, education programs for children, vocational and literacy programs for adults, and grants for organizations working with homeless individuals with drug or alcohol problems.

The $225 million in housing funds authorized under the Urgent Relief for the Homeless Act represented more than 50 percent of the funds going toward helping the homeless. This is consistent with the priorities we set in committee sessions in examining the legislation. First, these are people without housing and therefore housing funds were a large component of the authorization bill. And second, many of these people have problems preventing them from securing housing and therefore funds were authorized to address some of those problems.

The supplemental appropriations bill under consideration today has no funds specifically allocated for housing. It makes little sense to me to provide funds to address some of the problems the homeless have without addressing their main problem—their lack of housing.

The Urgent Relief for the Homeless Act approved by the Senate authorized $80 million for the Department of Housing and Urban Development [HUD] Emergency Shelter Grants Program—a program that provides funding for the renovation, major rehabilitation, or conversion of buildings to be used for temporary emergency housing for the homeless. Under current law, $10 million is available for this program in fiscal year 1987. But that amount is not enough to meet the current demand for shelter.

The House of Representatives approved $100 million for the Emergency Shelter Grants Program in its supplemental approved just a short time ago. But the supplemental now under consideration, in contrast to the authorization bill the Senate approved last month, provides no funds for emergency shelter grants.

The Urgent Relief for the Homeless Act approved by the Senate authorized $60 million for the Department of Housing and Urban Development [HUD] Transitional Housing Demonstration Program—a program that provides funding for transitional housing and supportive services for the homeless, particularly those capable of moving into independent living. Under current law, $5 million is currently available for this program in fiscal year 1987. But, like the Emergency Shelter Grants Program, that amount is not enough to meet the current demand.

The House of Representatives approved $30 million for the Transitional Housing Demonstration Program in its supplemental bill. But again, contrary to the authorization bill approved last month, the Senate supplemental bill contains no funds for transitional housing.

The Urgent Relief for the Homeless Act approved by the Senate authorized $50 million for HUD's section 8 rental housing assistance certificate program, which was earmarked specifically for homeless families with children. In addition, the act authorized $35 million for HUD's section 8 moderate rehabilitation program for rehabilitating single room occupancy [SRO] housing for the homeless.

These two programs are especially important in areas where housing is simply not affordable for low income individuals or units are available but are substandard. The supplemental under consideration today provides no funds for the section 8 programs.

The Urgent Relief for the Homeless Act approved by the Senate authorized funds for homeless veterans. The legislation specifically proportionately reduced other titles in the authorization bill to provide for veterans assistance. Yet, the supplemental now under consideration would not provide this assistance either.

To be homeless means more than to be without housing, often it means being in poor health. And for many with no money, clothing, food, or the simplest of possessions it means a complete and utter loss of identity.

But our commitment to the homeless begins with the foremost necessity in life, adequate shelter. We affirmed that objective by approving the Urgent Relief for the Homeless Act last month. We need to reaffirm that objective in the supplemental.

It makes little sense to ignore the most central problem facing the homeless. We authorized these housing funds and I firmly believe we should not renege on those promises. I urge my colleagues to support the amendment today.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, I am pleased to cosponsor this amendment.

I find it kind of difficult to understand how there should be any substantial opposition to this amendment.

As my distinguished colleague from California pointed out, the housing provisions of the Urgent Relief for the Homeless Act of 1987 passed overwhelmingly, 85 to 12. In that passage, we exhibited a clear commitment to provide immediate Federal assistance to housing for the homeless. Yet we find that we did not provide any dollars whatsoever as it related to housing for the homeless. There is approximately $137.5 million as it relates to health and human services needs, but as it relates to the housing needs, there are no dollars.

There are some who say when this bill comes to conference we can take care of this shortcoming. As a practical matter, we cannot. There are areas that will not be conferenceable. For example, although the House bill contains provisions for emergency shelter grants, although the House provides dollars for transitional housing grants, not one penny of money has been provided as it relates to permanent housing for the homeless, probably the most crucial area.

Do we really want a Nation where we have shelters in every major city for thousands and thousands of people which will be called temporary shelter and that is the answer for the homeless?

I do not believe so. So we have provided desperately needed dollars—$85 million. It does not seem to me that that is a terribly significant amount for this entire Nation to provide section 8 funds, permanent dollars for housing needs, to attempt to deal with this phenomena which will continue to grow.

Let me commend my colleague, the senior Senator from Florida, for working to see to it that there were dollars in HHS to deal with the problems that so many of these families and these individuals find themselves in.

Mr. President, I believe that this is an issue that we do not need extended debate on. This is an opportunity where we measure the statements that someone makes with respect to their actions. If we are committed to doing something in this area, then we should be supportive of this amendment.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. SIMON. Mr. President, I rise in support of the amendment, also. Clearly, we have a national need. I am not suggesting, and the Senator from California is not suggesting, this is the answer, but it is at least a partial response. We judge whether we are a civilized society not by how we pander to the whims and wishes of the rich and the powerful but by how we help people who are really in need. And that is what this amendment addresses. So I support it.

Let me take 1 additional minute, in addition to speaking on this, to comment on the amendment adopted the other day offered by our colleague from South Dakota, Senator PRESSLER. It dealt with the African situation. It dealt with the issue of necklacing. I oppose necklacing. I know everybody in this body does. The front-line states oppose it.

But the State Department now informs me—and I am one who voted for the Pressler amendment—the State Department informs me that their initial reading is that, as a result of the Pressler amendment, if it should be accepted in the conference, it would in fact deny all economic aid to the front-line states. That clearly is not what we intended.

I have checked with the Parliamentarian. Since the motion was made to reconsider and that was tabled, there is no way, without really tying up this body in a way that I do not want to do, to move ahead on this.

I met with a number of African ambassadors yesterday. They are very concerned about what has happened.

The way to handle it, obviously, is to get rid of the Pressler amendment in conference or adopt a different kind of an amendment that makes clear we do not approve of necklacing. But, I would add, none of the front-line states approve of necklacing.

But the amendment is so drafted—and I am not suggesting this was the intent of Senator PRESSLER—but the amendment is so drafted that it helps South Africa. That was not the intent of the Members of this body who voted for it, and I hope it can be taken care of in conference.

But, again, on the immediate amendment, I think it is a step in the right direction and I am going to be supportive.

The PRESIDING OFFICER. Who yields time?

Mr. DIXON. Mr. President, I rise today to support the amendment to restore funds for homeless programs to H.R. 1827, the supplemental appropriations bill. These programs are of great interest to me and I believe of significance to this body if we intend to eradicate homelessness in this Nation.

The Senate-passed version of H.R. 558, the Urgent Relief for the Homeless Act, authorizes $225 million to be appropriated for fiscal year 1987 to expand existing housing programs under the Department of Housing and Urban Development, specifically for homeless persons. The provisions are as follows:

First, for the Emergency Shelter Grants Program, $80 million;

Second, for the Transitional Housing Demonstration Program, $60 million;

Third, for section 8 Emergency Housing Assistance Certificates, $50 million; and

Fourth, for the section 8 Single Room Occupancy Moderate Rehabilitation Program, $35 million.

The D'Amato-Cranston amendment would restore the funding needed to implement these programs.

The Senate must act now if these housing programs, along with the other homeless initiatives, are to be in place by the 1987-88 winter.

When we speak of homeless persons, we are talking about a significant number of families with children. According to a recent survey conducted by the partnership for the homeless, a reputable interfaith group in New York which operates this country's largest private shelter network, 35 percent of the homeless population consists of families with children. This makes families the largest group within the homeless population.

In the past, we have heard the administration estimate that there are as few as 250,000 homeless persons. Moreover, we have heard private organizations estimate that there are as many as 3 million homeless persons. Whether the number is 250,000 or 3 million, Mr. President, we must act now to assist these families and other homeless persons, especially in light of the severe winter that battered our States.

While this amendment presents a dilemma for many of us as we think of the current budget deficit, I also know that should the House and Senate not act swiftly in approving this legislation, the national homeless tragedy will only worsen.

I believe that the provisions of this amendment, combined with the other homeless initiatives in the bill, will lead to independence and stability for many homeless persons.

Mr. President, I urge my colleagues to approve this amendment.

Mr. DECONCINI. Mr. President, I rise to speak today in support of the budget waiver for the Cranston-D'Amato supplemental appropriations amendment necessary to provide the urgent funding required for emergency housing, transitional and permanent housing for America's homeless, and principally, our Nation's homeless families. Additionally, the amendment includes $20 million for our homeless veterans. As a member of the Appropriations Committee, I was deeply disappointed when the committee reported the supplemental bill without the most crucial funds to meet the commitment that the Senate made when it overwhelmingly approved $423 million in the homeless authorization bill less than 2 months ago.

Mr. President, every Senator and every Representative recognizes that we have a commitment to the American people to restore fiscal accountability. However, we have an overriding commitment to the American people to keep the promise we made to care for those in desperate need of assistance.

Mr. President, the American people understand the plight of the homeless, especially the homeless family and our homeless veterans. Before we authorized the $225 million for shelter, transitional and permanent housing for the homeless, we knew that greater than two-thirds of all Americans favored increased expenditures for taking care of the homeless. The American people have seen more and more of these families on the street, living in cars, under bridges, and other makeshift housing. The American people are compassionate and homelessness ranks among their top priorities for increased Federal spending.

Mr. President, I do not want to belabor this point. We have a lot to accomplish today. Before concluding, I would just like to recall the words of a great American concerning the care we as a society give to those in the greatest need. Shortly before his death, our beloved colleague, Hubert Humphrey, said the moral test of a society is how it treats its people at the dawn of life—its children—how it treats those at the twilight of life—the elderly—and how it treats its citizens in the shadows of life—the weak, the disadvantaged, the poor, and the handicapped.

Mr. President, the homeless family in America today is in the shadows, hoping that we will live up to our word, and deliver them from the tragedy and dispair which they confront each day. I urge my colleagues to remember Senator Humphrey's challenge to the American people when they cast their vote to waive the Congressional Budget Act. The American people have responded to that challenge. It is now in our hands to respond to their will.

Mr. CRANSTON. Mr. President, I yield 30 seconds to the Senator from New York, and then I yield to the Senator from New Mexico.

Mr. D'AMATO. Mr. President, I move that titles III and IV of the Budget Act be waived with respect to this amendment.

The PRESIDING OFFICER. The question is on that motion.

Mr. CRANSTON. Now, I yield to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, parliamentary inquiry.

Is the motion debatable?

The PRESIDING OFFICER. The motion is debatable within the time frame permitted for debate on the amendment.

Mr. DOMENICI. I wonder if my friend from California would yield to the Senator from New Mexico a couple of minutes.

Mr. CRANSTON. Absolutely; I am delighted to do so.

Mr. DOMENICI. Mr. President, I am going to support the motion to waive the Budget Act in this case. Had a point of order been made, I would have supported denying the point of order. Let me tell the Senate why.

First of all, as a matter of substance, I believe we ought to spend some money on the problem of the homeless in this country. I think it is one of the truly deplorable social situations. We do not know all the answers, but we do know that we are doing too little about it. We now have some good authorizing legislation under consideration that would provide assistance through our cities, counties, and States that will alleviate the homelessness problem.

Mr. President, and Members of the Senate, let me tell the Senate how I see points of order on this bill with reference to this kind of amendment.

First of all, from the first dollar that the appropriators put in a bill, that bill is subject to a point of order this particular year. That is a fact of our time.

Now, nobody ought to kid themselves. There is a group of Senators called appropriators. One of those happens to be the Senator from New Mexico. The Appropriations Committee is a very good committee. We work very hard. We choose what we wanted to put in this appropriation bill to the tune of an additional $2.6 billion in outlays over the budget resolution ceiling. We breached the budget. And then, when somebody comes down here with an amendment, we talk as if it is this amendment that is breaking the budget, while, as a matter of fact, it is already broken. It is broken to the tune of $2.6 billion with the choices having been made by the Appropriations Committee, except for only one amendment that I understand has been accepted here on the floor of the Senate.

So it seems to the Senator from New Mexico that we ought to have a real choice of saying this money is as important as any other expenditure in that bill. I happen to think it is. I happen to think we ought to spend this kind of money. As a matter of fact, I would have been for cutting things out of the appropriation bill to pay for this. That is not the will of the committee, and that is not the will of the Senate.

So it seems to me this is exactly what the Budget Act was intended for. It is not some major fiscal issue we are talking about. It is whether we have a chance to add something to this appropriation bill, which is already substantially over the budget; nothing else, nothing more.

Mr. CRANSTON. I thank the Senator from New Mexico for a very fine and very convincing statement.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. Mr. President, am I in control of the time on this side?

The PRESIDING OFFICER. The Senator is in control of the time,

Mr. JOHNSTON. Mr. President, this is an excellent amendment. I would ordinarily strongly support it, but sometimes, as a floor manager, you must object to an amendment in order that the best not be the enemy of the good.

In this case, Mr. President, we were criticized, are still being criticized, for add-ons in the Appropriations Committee, the money from the housing, some $75 million in scope, being one of those items being the subject of the criticism.

Now this would add some $225 million, I think that is a correct figure, in addition to that, which I think we ought to do. I think it would be a good idea to do that.

But in the process, we add additional burdens to this supplemental appropriations bill which has yet to pass muster with a waiver of the Budget Act, because twice we have tried to waive the Budget Act with respect to the whole bill and have failed.

So my concern is if you add another $225 million on top of that, then all of our several days of labor here would be for naught.

So, Mr. President, while I support the homeless, I would have to oppose this waiver because it is part of an urgent supplemental and it could I think better be done in the regular appropriations bill. And when the Senator from California proposes it as part of the regular appropriations bill, I and others, and I think the Appropriations Committee, will support this.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. Mr. President, I yield to the Senator from Florida, Mr. Chiles, such time as he shall desire.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, the motion has already been made to waive the Budget Act. That is a 60-vote motion. I want to make a couple of points. One is, part of the offset for this money here, some $20 million, comes out of moneys that we put in for health and human services for alcohol, drug abuse, mental health, and community services block grants.

They have to take the cut out of that particular money. Veterans' housing is certainly good. So is the alcohol abuse program. So are community services block grants. So we are going to go in there and tap that fund. We will take $20 million out of that.

I think when we recognize that we are having a vote here which Members will not be happy about, you are cutting somebody where we are trying to do something in alcohol and drug abuse, cutting something in the community services block grants. Those programs, as we know, are tremendously underfunded. You are sort of robbing Peter to pay Paul in that situation.

I do not like the fact that this bill is over. Maybe we ought to send the whole thing back and get it pared down and then stay within it. But on this thing of just the ability to be able to go back and cut funds as we have already tried to do in these services, and then waive a point of order, I do not agree with that, either. At some stage, you have to determine whether you are going to find some way to stay within some rational bounds until the Senate has a chance to work its will.

The PRESIDING OFFICER. Who yields time?

Mr. CHILES. A parliamentary inquiry, Mr. President. My understanding is that the question will come on the motion to waive. Is that a 60 vote?

The PRESIDING OFFICER. The Senator is correct.

Mr. JOHNSTON. Mr. President, if the Senator from California is ready to yield back the remainder of his time.

Mr. CRANSTON. Senator DOMENICI wanted 1 minute.

Mr. DOMENICI. Mr. President, the point I am making is this: We report out a bill that is $2.9 billion over budget and those who are proponents of that bill, including my good friend, the chairman of the Budget Committee, move to waive the Budget Act for that $2.9 billion.

Where did the magic of the $2.9 billion come from? The entire $2.9 billion is over budget. It could just as well have been $2.6 billion, $2.3 billion, $2.2 billion, or $3.4 billion, but it was $2.9 billion. Every amendment offered to it is treated as if it is breaking the budget, and, as a matter of fact, the same proponents of waiving for the $2.9 billion want to put everybody else to the test of 60 votes for their freestanding amendments as if they have some special significance that is related to the budget. All of it is over and they do not choose to include this program. It appears to me that the rights were reserved in committee to offer it on the floor and we ought to waive.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from California.

Mr. CRANSTON. Mr. President, I appreciate the manager of the bill, the Senator from Louisiana, stating that this is an excellent amendment, and I appreciate his saying that we should adopt it at another time. I want to say that time is short, we need planning, and these homeless people will need help in the next winter. The vote was 85 to 12 for what is in this measure. That is the rollcall. Let us stick by it. I yield the final moments to the Senator from New York.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. CHILES. Vote.

Mr. JOHNSTON. Mr. President, I yield 30 seconds to the distinguished Senator from New York.

Mr. D'AMATO. Mr. President, I would like to make the point that we did pass this 85 to 12, but in the Appropriations Committee, let there be no mistake, I indicated to the committee members that rather than have a fractious vote at that point in time and a debate that would take many hours, that I would raise this amendment with Senator CRANSTON on the floor. It comes as no news. I think my colleague Senator DOMENICI stated it well. It is $2.9 billion over the budget, but to say that we cannot find $225 million beyond to give meaning to housing for the homeless I think would be a travesty.

Mr. JOHNSTON. Mr. President, just on this question of where the $2.9 billion came from, it came from the request of the President of the United States principally. Pay and retirement costs alone were almost $1.6 billion, a mandatory item. The President had another $2.7 billion in military requests. The Senate pared that down to only $768 million.

So, Mr. President, it was not a question, for the most part, of the profligacy of the Senate's Appropriations Committee, but rather, for the most part, the must pay items and urgent items requested by the President of the United States.

Mr. President, I yield back the remainder of my time.

Mr. CRANSTON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to waive the Budget Act. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Tennessee [Mr. GORE], and the Senator from Massachusetts [Mr. KENNEDY] are necessarily absent.

I further announce that the Senator from Ohio [Mr. GLENN] is absent on official business.

Mr. SIMPSON. I announce that the Senator from Washington [Mr. EVANS] and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

I also announce that the Senator from Virginia [Mr. WARNER] is absent on official business.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 47, nays 46, as follows:

[Rollcall Vote No. 132 Leg.]

YEAS—47

Adams
Boschwitz
Bradley
Bumpers
Burdick
Chafee
Cohen
Cranston
D'Amato
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Ford
Grassley
Harkin
Hatfield
Heinz
Kerry
Lautenberg
Leahy
Levin
Matsunaga
McCain
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Packwood
Pell
Pressler
Pryor
Riegle
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Stafford
Stevens
Weicker
Wilson

NAYS—46

Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Breaux
Byrd
Chiles
Cochran
Conrad
Danforth
Exon
Fowler
Garn
Graham
Gramm
Hatch
Hecht
Heflin
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Lugar
McClure
McConnell
Nickles
Nunn
Proxmire
Quayle
Reid
Rockefeller
Roth
Rudman
Simpson
Stennis
Symms
Thurmond
Trible
Wallop
Wirth

NOT VOTING—7

Biden
Evans
Glenn
Gore
Kennedy
Murkowski
Warner

The PRESIDING OFFICER. On this vote, the yeas are 47, the nays are 46. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the waiver is not agreed to.

The question is on agreeing to the amendment.

Mr. JOHNSTON. Mr. President, am I correct that a point of order was not made under this bill?

The PRESIDING OFFICER. The Senator is correct.

Mr. JOHNSTON. Mr. President, I make the point of order, under the Budget Act, that this amendment exceeds the Budget Act.

The PRESIDING OFFICER. The point is well taken. The amendment falls.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Cranston-Murkowski amendment, which is now supposedly the pending business under the previous agreement, be temporarily set aside so that an amendment by Senator PROXMIRE may proceed at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wisconsin.

AMENDMENT NO. 232

(Purpose: Provide $100,000,000 for Veterans' Administration's Loan Guaranty Revolving Fund)

Mr. PROXMIRE. Mr. President, I thank my good friend, the senior Senator from California.

I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Wisconsin [Mr. PROXMIRE], for himself, Mr. GARN, and Mr. CRANSTON, proposes an amendment numbered 232.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 50, after line 20, insert the following:

Loan Guaranty Revolving Fund

For expenses necessary to carry out Loan Guaranty and insurance operations, as authorized by law (38 U.S.C. chapter 37, except administrative expenses, as authorized by section 1824 of such title), $100,000,000, to remain available until expended.

Mr. PROXMIRE. Mr. President, last week I proposed this amendment to the supplemental bill to provide $100 million for the Veterans' Administration's Loan Guaranty Revolving Fund. This fund allows the VA to provide credit assistance to eligible veterans, active duty servicepersons, and certain surviving spouses seeking to buy, build, refinance or repair a home, condominium or mobile home. Money is paid into the revolving fund through a 1-percent funding fee paid by those receiving loan guarantees, through the sale of loans on foreclosed properties, and through direct appropriations. Money is paid out of the fund to lenders when defaults on loans occur. These payments cover the outstanding balance due the lender plus costs incurred through foreclosure up to the amount of the guarantee.

The administration is requesting this additional appropriation because of higher than planned foreclosures and the repurchase of loans sold with recourse that have subsequently gone into default. If we choose not to provide the funds the VA could borrow money from the readjustment benefits account, known to most of us as the GI bill program, but these are entitlement funds that would eventually have to be appropriated back into the readjustment benefits program. We are told that the funds will be needed within the next 60 days if the VA is to honor its commitments under the loan guaranty program and those commitments, of course, carry with them the full faith and credit of the Federal Government.

Mr. President, I withdrew the amendment when some of my colleagues expressed their concern over a possible Budget Act point of order. I understand that no points of order lie against the amendment under section 311 of the Budget Act. The Congressional Budget Office tells us that this amendment would not produce outlays in 1987 and we have adequate budget authority left to accommodate the amendment.

I discussed this with the managers of the bill, and to the best of my knowledge, there is no objection to the amendment, Mr. President.

The PRESIDING OFFICER (Mr. BREAUX). The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, the Senator from Wisconsin is correct, precise, and persuasive, and we accept the amendment.

Mr. GARN. Mr. President, the amendment is acceptable to the minority.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin.

The amendment (No. 232) was agreed to.

Mr. PROXMIRE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 233

(Purpose: Delete language relating to the organization of the Washington office of the National Park Service)

Mr. BYRD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. Is there objection to the consideration of the amendment of the majority leader?

Mr. BYRD. Mr. President, why was there objection? Was there an amendment pending?

The PRESIDING OFFICER. Yes, the Cranston amendment is still pending.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Cranston amendment be temporarily put aside to consider the amendment by the majority leader and one more amendment after that.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD] proposes an amendment numbered 233.

Mr. BYRD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Delete lines 16 through 23 on page 52 and insert in lieu thereof the following:

ADMINISTRATIVE PROVISION

Mr. BYRD. Mr. President, while Mr. MCCLURE is on the floor, the amendment deletes an administrative provision pertaining to the organization of the Washington office of the National Park Service. The committee's reprogramming guidelines require that reorganizations not provided for in regular appropriation bills or reports accompanying those bill be submitted to the committee for approval prior to implementation. Last fall, the National Park Service, Washington office, was reorganized without the appropriate reprogramming notice being provided to the committee.

The committee discussed this issue with the Secretary at a hearing on February 18 and with the Assistant Secretary for Fish and Wildlife and Parks at a hearing on February 20. Both the Secretary and the Assistant Secretary stated that they did not feel that they could or would comply with the reprogramming guidelines of the committee.

Consequently, Mr. President, we included language in the fiscal year 1987 supplemental seeking the reorganization of the Washington office of the National Park Service in a specific manner.

Yesterday, Mr. President, the Secretary of the Interior sent me a letter stating "Let me assure you that it is my intention to comply with your reprogramming guidelines. In consideration of the committee's views on this matter. I am prepared to organize the Office of Policy Development as set forth in the report." The Secretary's letter goes on to state "Accordingly, I respectfully request that the Senate delete the specific provision in the bill on this subject."

Mr. President, I compliment the Secretary of the Department of the Interior on his letter. He is a man of high integrity. And I take his letter to be a statement of intent that if the Senate deletes the specific provision as he requested, he will take the desired action to reorganize the Washington office of the National Park Service. I also take him at his word that he intends to comply with the committee's reprogramming guidelines.

Consequently, Mr. President, in view of the Secretary's letter, I feel there is no longer a need for the language and I am offering this amendment to delete the provision. I urge my colleagues to support the amendment.

Mr. JOHNSTON. Mr. President, I personally cleared this amendment with the majority leader, and we accept it.

Mr. McCLURE. Mr. President, I thank the Senator from West Virginia for offering this amendment.

There could have been a continued confrontation between the administration and the Congress on this issue. The Secretary has chosen not to pursue that confrontation any further.

I think this is a good resolution of the problem. I commend the Senator for offering the amendment at this time.

Mr. BYRD. Mr. President, I thank the distinguished Senator, the ranking member of the subcommittee, for his statement and for his support.

Mr. President, I ask unanimous consent that the letter to which I referred dated May 27, 1987, addressed to me by Secretary Hodel, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE INTERIOR,
Washington, DC, May 27, 1987.

Hon. ROBERT C. BYRD,
Chairman, Subcommittee on the Department of the Interior and Related Agencies, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Senate Appropriations Committee version of the FY 1987 Supplemental Appropriations bill (H.R. 1827) contains language in the National Park Service administrative provisions which seeks to establish an Office of Policy Development (OPD) within the immediate Office of the Director under his sole supervision.

Accompanying report language (page 67 of Senate Report 100-48) indicates that the bill language is in response to Congressional concern regarding the Department's implementation of Committee reprogramming guidelines.

Let me assure you that it is my intention to comply with your reprogramming guidelines. In consideration of the Committee's views on this matter, I am prepared to organize OPD as set forth in the report.

Accordingly, I respectfully request that the Senate delete the specific provision in the bill on this subject.

If you have any further concerns regarding this matter, please let me know. I remain committed to good working relations with the Congress.

Sincerely,

DONALD PAUL HODEL.

Mr. BYRD. Mr. President, I yield the floor.

The PRESIDING OFFICER. Is there further discussion on the amendment? If not, the question is on agreeing to the amendment of the Senator from West Virginia.

The amendment (No. 233) was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The pending business is the Cranston amendment.

Mr. CRANSTON. The pending business is my unanimous-consent request to ask that another amendment come in before it, since we are not quite ready with the langauge.

The PRESIDING OFFICER. The Senator is correct.

Does any Senator seek recognition?

Mr. BYRD. Mr. President, what amendment is now before the Senate?

The PRESIDING OFFICER. The Senator from California asked unanimous consent, which was agreed to, that another amendment be eligible to be offered at this time prior to the Cranston amendment.

Mr. BYRD. Is there another amendment backed up behind the amendment by Mr. CRANSTON?

The PRESIDING OFFICER. The majority leader is correct.

Mr. BYRD. Is that an amendment by Mr. HOLLINGS?

The PRESIDING OFFICER. The Senator from South Carolina, Senator HOLLINGS, is the author.

Mr. BYRD. I thank the Chair.

Mr. JOHNSTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSTON. We have a list of amendments which are, as I understand it, exclusive amendments, and no other first-degree amendment other than those listed may be brought up. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. JOHNSTON. Is it a necessity that all of those be brought up, or is the bill now ready upon no further debate for third reading?

The PRESIDING OFFICER. The Chair will state that on the list there are three amendments that still must be dealt with.

Mr. JOHNSTON. Very well. In other words, though, if Senators want to have their amendments dealt with, they should come this afternoon because we will be ready upon the disposal of the three pending amendments for third reading?

The PRESIDING OFFICER. The Senator makes a very wise observation which is correct.

Mr. JOHNSTON. I thank the Chair.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair recognizes the majority leader.

Mr. BYRD. Mr. President, I thank the Chair.

Mr. President, the two managers are waiting patiently for Senators to come to the floor and call up their amendments. We are not going to be able to complete this bill today unless the Senators call up their amendments. As a matter of fact, if Senators do not call up their amendments, we will not be able to complete it tomorrow. I hope that Senators will take advantage of the opportunity.

I had one amendment and I called it up because I saw a good place to call it up. That was when no other Senator was seeking the floor to get recognition to call up his amendment. If I had another amendment, this would be a good time and I would be offering it, but I do not have another amendment. But it is a good time for other Senators to come to the floor and call up their amendments.

Mr. President, I hesitate to put in a live quorum to get the attention of Senators, but I just hope that the two cloakrooms will outdo themselves in trying to get Senators to come to the floor and call up their amendments. I want to thank the floor staffs on both sides and in the cloakrooms for trying to get Senators to come to the floor and call up their amendments.

Having said that, I will not at this time put in a live quorum. That would disrupt too many committee meetings. But sometimes we have to resort to such disruptions to get Senators to come to the floor and call up their amendments.

I yield the floor, Mr. President.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair recognizes the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I believe the amendment of this Senator and the Senator from Arkansas [Mr. BUMPERS] is now the pending business. I send a modification to the amendment to the desk.

The PRESIDING OFFICER. The Chair will state to the Senator from South Carolina that the pending business is the Cranston-Murkowski amendment.

AMENDMENT NO. 226, AS MODIFIED

(Purpose: Provided for continuation of disaster loan making activities)

Mr. HOLLINGS. Mr. President, I ask unanimous consent that that amendment be temporarily set aside and we recall the Hollings amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. I thank the distinguished Presiding Officer.

The PRESIDING OFFICER. Is there objection to the modification? Without objection, it is so ordered.

The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] for himself and Mr. BUMPERS proposes as amendment numbered 226, as modified.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 13: restore the matter stricken on line 7 and insert:

"SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $8,000,000 for disaster loan making activities, derived by transfer from the "Business Loan and Investment Fund":

Provided, That the limit on direct loans in Public Law 99-500 and 99-951 is hereby reduced to $89,000,000: *Provided further,* That of the funds made available under the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Law 99-500 and 99-951, for Small Business Development Centers, an amount not to exceed $2,000,000 may be transferred for disaster loan making activities."

Mr. HOLLINGS. Mr. President, this is the Small Business Administration amendment to transfer over some $8 million for the disaster loan activities. As we explained in the presentation on the floor yesterday, we run out of money in July. This amendment has been suggested by the distinguished Senator from Arkansas and the chairman of the SBA authorization committee and the distinguished ranking member, the Senator from Connecticut, Senator WEICKER.

Mr. SASSER. Mr. President, will the distinguished Senator yield for just a moment?

Mr. HOLLINGS. I am delighted to yield.

Mr. SASSER. I might say that this amendment, with the changes that have been made, I am advised by the distinguished manager of the bill, has been cleared with our side.

Mr. HOLLINGS. Yes, that is correct. I thank the distinguished Senator. It has been cleared in the context of this—I do not know what they call it—accounting method they have downstairs, "provided, that the limit on direct loans in Public Laws 99-500 and 99-591 is hereby reduced to $89 million." I think that was the requirement in the order to comply with the Budget Act.

So, if we are now in compliance, I would be glad to answer any questions or to move the adoption of the amendment.

The PRESIDING OFFICER. Is there further discussion of the amendment?

If not, the question recurs on agreeing to the amendment of the Senator from South Carolina.

The amendment (No. 226), as modified, was agreed to.

Mr. HOLLINGS. I thank the distinguished managers of the bill and our majority leader, and the Senator from Utah.

Mr. BYRD. Mr. President, I thank the distinguished Senator from South Carolina. There are many things I admire about the Senator from South Carolina. One of them is that you do not need to find out how he stands on any question. He will not beat around the bush about it.

Another thing I admire him for and appreciate very much is the fact that if he has an amendment, the staff calls him and tells him that it is a good time to call up his amendment and the leadership wants some amendments, and the Senator from South Carolina comes to the floor. That helps to move the Senate's work along and it does not go unnoticed or unappreciated, at least by this Senator.

Mr. HOLLINGS. I thank the distinguished majority leader.

Mr. CRANSTON. Mr. President, the Cranston-Murkowski amendment is now pending. I ask unanimous consent that it be set aside until such time as we are ready to call it up when another amendment is not pending.

The PRESIDING OFFICER. The Chair will state to the Senator from California that a Senator previously requested that the Cranston amendment be temporarily set aside pending the offering of another amendment.

Mr. CRANSTON. Yes, but I would now like to ask unanimous consent that I be authorized to set it aside and bring it up when we are ready with it, and we are almost ready, when another amendment is not pending.

The PRESIDING OFFICER. Is there objection to the Senator's unanimous-consent request? Without objection, it is so ordered.

Mr. JOHNSTON. Parliamentary inquiry. Will this mean it will come up automatically or must it be called up?

The PRESIDING OFFICER. The Chair would state the amendment would have to be brought up at an appropriate time.

Mr. JOHNSTON. I thank the Chair.

Mr. President, parliamentary inquiry. Is the Metzenbaum amendment now the pending business?

The PRESIDING OFFICER. The Senator from Louisiana is correct.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, unless a Senator has an indication that another Senator is going to come to the floor and call up an amendment soon, I am going to put in a live quorum call. Perhaps that will get the attention of Senators. It may take a little longer to get an amendment up that way, but at least we can call to the attention of Senators that we are not in a recess and there is work to be done on this bill. Senators have indicated that they want to call up amendments, they have identified their amendments, and now the managers are patiently—I should say impatiently—sitting and waiting for Senators to come to the floor and call up their amendments. I will suggest the absence of a quorum and it will be a live quorum, unless a Senator indicates he wants to call up an amendment at this time.

Mr. CRANSTON. If the Senator will yield, I will say I know the need to call up amendments. We have two amendments which are almost ready, but not quite. They will be ready soon. That is why I am staying on the floor so that I can call them up as soon as they are ready.

Mr. BYRD. Mr. President, I understand that there is some amendment about to be called up within 5 or 10 minutes. I shall relent momentarily. I would like to put in a live quorum, but that takes time, too, and takes Senators away from committee meetings. But there is such a thing as inconveniencing all Senators when Senators who have amendments do not call them up when there is ample opportunity to call them up and nobody else is seeking recognition. This means the Senate will be on this bill later tomorrow than it would otherwise be and perhaps even on next Tuesday, we shall still be on the bill.

Mr. President, I suggest the absence of a quorum. I understand that there will be an amendment probably ready to be called up within 5 minutes.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 234

(Purpose: To state the opposition of the United States Senate to the use of any funds provided by this act to pay severance pay to any World Bank employee)

Mr. DIXON. Mr. President, I send an amendment to the desk——

The PRESIDING OFFICER. Does the Senator seek unanimous consent to offer his amendment at this time?

Mr. DIXON. I do, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON] for himself, Mr. KASTEN, and Mr. INOUYE proposes an amendment numbered 241.

At the end of the bill, add the following:

It is the sense of the Senate that no funds provided under this act may be used for the payment of severance pay to any employee of the International Bank for Reconstruction and Development (World Bank).

Mr. DIXON. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DIXON. Mr. President, I really consider this amendment noncontroversial in the sense that the distinguished chairman and ranking member of the jurisdictional subcommittee, Senator INOUYE of Hawaii and Senator KASTEN of Wisconsin, are cosponsors of this amendment with me. I wish the record to show that Senator DeConcini of Arizona is a cosponsor as well.

The clerk has read the text of the amendment, which simply says that it is the sense of the Senate that no funds provided under this act may be used for the payment of severance pay of any employee for the International Bank for Reconstruction and Development. That is the World Bank.

I told the Senate the other day, when I tried to obtain money for summer jobs for disadvantaged youth, that this particular supplemental contemplates the award of golden parachutes in the amount of $200,000 apiece for 390 employees of the World Bank.

Mr. President, all of those employees are paid very substantial salaries. I cannot prove this, but my personal information is that, believe it or not, the World Bank, in addition, pays their Federal taxes on top of their salaries. I hate to suggest that at severance time, they also get $200,000 apiece in golden parachutes as severance pay. It is simply an outrage.

I believe there is no objection to this language, which assures that that will not take place. I would be more than willing to yield time for anyone else who desires to be heard. I think we have discussed this so thoroughly—all of yesterday—that there is nothing I can add to the comments I have already made except to suggest that at a time when we have serious budgetary deficits, I consider it an outrage to spend this kind of money on $200,000 severance-pay awards for employees of the World Bank.

The **PRESIDING OFFICER**. Is there any further discussion of the Senator's amendment?

The Senator from Utah.

Mr. **GARN**. Mr. President, it is my understanding that this amendment is acceptable to both the majority and the minority. Senator Kasten and Senator Inouye, I believe, are cosponsors.

I only ask the question of the Senator from Illinois, if it is acceptable, is there a necessity to have a rollcall vote?

LEAD PARACHUTES AT THE WORLD BANK

Mr. **DeCONCINI**. Mr. President, I support Senator Dixon's amendment to reduce the U.S. contribution to the World Bank by $100 million. The World Bank, which lends money to the world's poorer countries, seeks to generously give an enhanced severance pay package to top officials to the tune of $100 million. Potentially, an individual could receive up to $200,000. In sophisticated business vocabulary this is referred to as a "golden parachute" benefit. In Arizona, this is called plain and simply a "lead parachute."

While the World Bank may accomplish some worthwhile and beneficial services to address problems such as world hunger, this type of generous severance plan has no place in foreign assistance. While direct bilateral foreign assistance does help the U.S. commitment to a strong defense and alleviating starvation, this multilateral assistance, which we obviously cannot control, diminishes the effectiveness and support for good programs. This $100 million lead parachute should never be allowed to fly. I know it would not in Arizona.

Mr. President, I urge my colleagues to support this amendment and convey to our constituents that we in Congress are performing our oversight role. We are seeking to eliminate waste and greed. We are careful with U.S. tax dollars. This amendment achieves all these requirements and I thank Senator Dixon for his leadership on this issue.

Mr. **DIXON**. Let me say to the distinguished manager on the other side that I would like to have a rollcall vote so the message is clear to the World Bank. Very frankly, all the information I have about the way they conduct their business makes me concerned about the very questionable methods they employ in connection with paying their employees.

I would like the rollcall, I say to my colleague. There being nothing else pending at this time, I believe I would like the rollcall.

Mr. **GARN**. I suggest we go ahead and vote, then.

Mr. **JOHNSTON**. Mr. President, I apologize for being off the floor. This is the Senator's amendment on the World Bank at this point; is that correct?

Mr. **DIXON**. That is correct.

Mr. **JOHNSTON**. If we are willing to accept the amendment, could we vitiate the yeas and nays? Let me put it this way: If we enthusiastically accept it, could we vitiate the rollcall vote?

Mr. **DIXON**. Mr. President, I repeat the same thing to the Senator from Louisiana that I said to the Senator from Utah, that nothing is happening anyway and I think I would prefer the rollcall vote to show we are dead serious about these questionable practices contemplated by the World Bank.

Mr. **JOHNSTON**. If that is the case, Mr. President—the yeas and nays have been asked for?

The **PRESIDING OFFICER**. The yeas and nays have been asked for and ordered.

The question is on agreeing to the amendment of the Senator from Illinois.

Mr. **DIXON**. Mr. President, one of the folks on this side has suggested to me that some Senator may want to come over on this matter and out of courtesy to that Senator, we should not begin the rollcall. I hesitate to take the time of my colleagues but I want to accommodate a colleague.

Mr. **JOHNSTON**. Mr. President, I hope our friend would let us go ahead with the rollcall, because we are trying to push the bill ahead.

Mr. **DIXON**. No problem. My colleague may go right ahead.

The **PRESIDING OFFICER**. The question is on agreeing to the amendment of the Senator from Illinois.

The yeas and nays are ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. **CRANSTON**. I announce that the Senator from Delaware [Mr. Biden], the Senator from Tennessee [Mr. Gore], and the Senator from Massachusetts [Mr. Kennedy], are necessarily absent.

I further announce that the Senator from Ohio [Mr. Glenn] is absent on official business.

Mr. **SIMPSON**. I announce that the Senator from Washington [Mr. Evans] and the Senator from Alaska [Mr. Murkowski] are necessarily absent.

I also announce that the Senator from Virginia [Mr. Warner] is absent on official business.

The **PRESIDING OFFICER** (Mr. Adams). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 90, nays 3, as follows:

[Rollcall Vote No. 133 Leg.]

YEAS—90

Adams
Armstrong
Baucus
Bentsen
Bingaman
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Cranston
D'Amato
Danforth
Daschle
DeConcini
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Graham
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Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kerry
Lautenberg
Leahy
Levin
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Wilson
Wirth

NAYS—3

Lugar
Pell
Weicker

NOT VOTING—7

Biden
Evans
Glenn
Gore
Kennedy
Murkowski
Warner

So the amendment (No. 234) was agreed to.

Mr. **CRANSTON**. Mr. President, I wish to send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. I suggest to the Senator from California that there is a pending amendment and it takes unanimous consent to set aside the Metzenbaum amendment at this point in time.

Mr. CRANSTON. I so ask unanimous consent.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

Mr. SYMMS. Mr. President, reserving the right to object, and I shall not object, I wish to make an inquiry here of the managers of the bill. I have been waiting all day to offer an amendment. What does the prospect look like after the Cranston amendment is disposed of?

The PRESIDING OFFICER. If the Senator will pause a moment, I will inquire of the manager of the bill, the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSTON. What is the pending business?

The PRESIDING OFFICER. The pending business is the Metzenbaum amendment, and there is pending a unanimous-consent request that the Senator from California [Mr. CRANSTON], may offer his amendment.

Mr. CRANSTON. The Senator from Idaho has posed a question to the manager of the bill.

Mr. SYMMS. Mr. President, is there a schedule here or are Senators just seeking recognition? Is there anything in the record that is in order as to who is to come up next or what?

Mr. JOHNSTON. The Metzenbaum amendment is the pending business, but is not ripe because they want to set that aside for additional drafting.

Then did I understand the Chair to say that the Cranston amendment occurs after that and is pending?

The PRESIDING OFFICER. I have recognized the Senator from California and there is a unanimous-consent request pending that the Metzenbaum amendment be set aside so that the Senator from California may offer his amendment so it will be the pending business, because he had been recognized.

Mr. JOHNSTON. Is there any pending business other than the Metzenbaum amendment and the Cranston Amendment?

The PRESIDING OFFICER. There is no other pending business. The Cranston amendment is not yet offered. The Metzenbaum amendment is pending. There is no other business other than the bill itself.

Mr. CRANSTON. If I may beg to differ with the Presiding Officer, I think that is incorrect. There is another Cranston amendment.

Mr. SYMMS. I withdraw my objection.

THE PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. There is a Cranston-Murkowski amendment pending which has not been called up. What I have now sent to the desk is a different amendment I am offering on behalf of the Senator from Massachusetts who had intended to offer it with me but is unavoidably absent today. Since he is not here today I am proposing this amendment on his behalf and for myself and Senators ADAMS, BURDICK, CONRAD, DODD, GORE, HATCH, MOYNIHAN, RIEGLE, SANFORD, SIMON, WILSON, WIRTH, and KERRY.

The PRESIDING OFFICER. Without objection, the Metzenbaum amendment is set aside at this point in time.

The Senator from California is recognized.

AMENDMENT NO. 1235

(Purpose: To add $27,000,000 for grants to States for AIDS prevention and reduce outlays commensurately for certain government travel expenses)

Mr. CRANSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from California [Mr. CRANSTON] (for Mr. KENNEDY), for himself, Mr. CRANSTON, Mr. ADAMS, Mr. BURDICK, Mr. CONRAD, Mr. DODD, Mr. GORE, Mr. HATCH, Mr. MOYNIHAN, Mr. RIEGLE, Mr. SANFORD, Mr. SIMON, Mr. WILSON, Mr. WIRTH, and Mr. KERRY proposes an amendment numbered 235.

Mr. CRANSTON. I ask unanimous consent that the reading of the amendment be disposed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new section:

SEC. . (a) In addition to amounts appropriated in this Act, there are appropriated to the Centers for Disease Control for "Disease control, research, and training, $27,000,000.

(b)(1) In the cases of all appropriations accounts from which expenses for travel, transportation, and subsistence (including per diem allowances) are paid under chapter 57 of title 5, United States Code, there are hereby prohibited to be obligated under such accounts in fiscal year 1987 a uniform percentage of such amounts, as determined by the President in accordance with the provisions of paragraph (2), as, but for this subsection, would—

(A) be available for obligation in such accounts as fo June 1, 1987.

(B) be planned to be obligated for such expenses after such date during fiscal year 1987, and

(C) result in total outlays of $18 million in fiscal year 1987.

(2) Before making determinations under paragraph (1), the President shall obtain from the Director of the Office of Management and Budget and the Comptroller General of the United States recommendations for determinations with respect to (A) the identification of the accounts affected, (B) the amount in each such account available as of such date for obligation, (C) the amounts planned to be obligated for such expenses after such date in fiscal year 1987, and (D) the uniform percentage by which such amounts need to be reduced in order to comply with paragraph (1).

(c) Within 30 days after the date of enactment of this Act, the President shall prepare and transmit to the Congress a report specifying the determinations of the President under subsection (b).

(d) Sections 1341(a) and 1517 of title 31, United States Code, apply to each account for which a determination is made by the President under subsection (b).

Mr. BYRD. Will the distinguished majority whip yield?

Mr. CRANSTON. I yield.

Mr. BYRD. Would it be possible to get a time agreement on the amendment?

Mr. CRANSTON. I am glad to agree to one-half hour, equally divided.

Mr. JOHNSTON. Mr. President, reserving the right to object, as I understand, Senator CHILES has no objection to this matter because it is deficit neutral. I do not know whether there is opposition on the other side of the aisle. If not, we could perhaps accept this because it is deficit neutral for research on AIDS, and I do not know whether that garners any opposition or not.

The PRESIDING OFFICER. Is there objection?

Mr. HATIFIELD. Mr. President, reserving the right to object, as long as there are no amendments to this amendment, we would not object to a time agreement.

Mr. JOHNSTON. Mr. President, further reserving the right to object, what I am stating is if there is no opposition, we can accept this without even the 30-minute debate. Is there objection?

Mr. CRANSTON. That would be fine.

Mr. GRAMM. Mr. President, reserving the right to object, do we have a Congressional Budget Office scoring on this amendment?

Mr. CRANSTON. Yes, we do, and it is budget neutral. I am prepared to speak only very briefly if the managers are prepared to accept the amendment.

Mr. NICKLES. Mr. President, reserving the right to object, can the Senator tell us what is in the amendment?

The PRESIDING OFFICER. There is no request pending.

At the present time, the amendment has been read. There is no formal request for time. The Senator from California has the floor. There has been no time request and the Senator from California has been responding to inquiries from others. The Senator from California.

Mr. CRANSTON. If I may respond to the Senator from Oklahoma just in a couple of sentences, this amendment is budget neutral. First of all its purpose is the following: It would add $27 million for AIDS prevention, counseling, and education activities and reduce outlays for Government-wide travel by the $18 million in outlays needed to offset the AIDS add on.

Mr. President, the amendment I am offering is one which the Senator from Massachusetts [Mr. KENNEDY] had originally intended to offer. This amendment is budget neutral. It would add $27 million for AIDS prevention, counseling, and education activities and reduce outlays for Government-wide travel by the $18 million in outlays needed to offset the AIDS add-on.

Mr. President, last Thursday, we spent quite a few hours discussing AIDS. At issue was an amendment by the Senator from North Carolina [Mr. HELMS] to require mandatory testing of marriage license applicants. It was a good debate, and the Senate voted overwhelmingly against the amendment, 63 to 32. In so doing, the Senate went on record in support of the Public Health experts who, while strongly advocating voluntary testing in coordination with extensive pre- and posttest counseling, object to mandating testing for those individuals.

Mr. President, during that debate the Senator from Massachusetts [Mr. KENNEDY] and others made the point that before considering mandatory testing programs, we should first ensure that all individuals who want to know their antibody status can do so in a confidential and anonymous setting with counseling.

I want to emphasize that counseling and confidentiality are essential components of any voluntary testing program. Whether an individual is antibody positive or negative, he or she must understand the implications of the test result and be given all the up-to-date information about how the AIDS virus is transmitted and how to prevent transmission. Moreover, the results of those tests must be kept confidential in order to prevent any misuse or discrimination resulting from the tests.

Although voluntary test sites exist, they cannot presently accommodate all persons seeking the test and the demands are growing. Waiting lists are weeks and months long in cities with the greatest number of AIDS cases. In Los Angeles, for instance, the waiting period is 7 weeks. In San Francisco, it's a month.

This amendment would help States expand those programs. Currently, only $25 million in Federal funds are being expended to help States conduct testing, counseling, and education programs. Much much more is needed. Our amendment would provide for a doubling of those efforts and enable hundreds of thousands of individuals to have access to voluntary, confidential testing and counseling about AIDS.

Our amendment would also provide funding for education programs specifically targeted for minority communities. Until a vaccine is developed, programs that educate individuals about how the virus is transmitted and that actually produce behavioral changes necessary to prevent transmission are and will remain the only realistic hope for stopping the further spread of the disease. If ever there was a case of an ounce of prevention being worth a pound of cure, this is it.

Minorities represent disproportionate numbers of AIDS cases, and because of special cultural and language needs, minority organizations must be very much involved in developing education and outreach programs. Black and Hispanic Americans now account for 38 percent of all AIDS cases in this Nation. Among pediatric cases, 80 percent are black and Hispanic. This amendment would provide $7 million that is greatly needed to assist in targeted education programs.

Mr. President, the National Academy of Sciences in its 1986 report entitled, "Confronting AIDS," recommended a coordinated national prevention and education effort. The NAS suggested that $1 billion would be needed for that effort by 1991. Today we are spending a total of about $82 million. This amendment would enhance those efforts and help lay the groundwork for the enormous task ahead of us. What we don't spend today for education and prevention will cost us tomorrow in lost lives.

Mr. President, this modest $27 million addition in budget authority would be offset by a reduction in the travel account for governmental personnel. The executive branch currently spends about $6 billion a year on travel for civilian and military employees. A reduction of $18 million in outlays during the last quarter of the fiscal year would be about only 1 percent of the travel budget during that period of time. Agenies should be able to absorb the reduction through cost-saving practices.

Mr. President, this $27 million could significantly improve our AIDS prevention efforts. Time is of the essence. We can't wait until the next fiscal year. It's imperative that we act now while we have the opportunity.

In closing, I would like to thank the Senator from Massachusetts [Mr. KENNEDY] for his efforts in putting this amendment together. He is very committed to allocating all necessary resources to combating AIDS and I know he felt very strongly about this amendment. I would also like to thank his staff for their assistance today.

I urge all my colleagues to support this amendment.

Mr. MOYNIHAN. Mr. President, I rise today to join Senator CRANSTON in offering an amendment to allocate $27 million to the Centers for Disease Control to distribute to States for AIDS prevention; $20 million of which will go toward blood tests for AIDS antibodies and $7 million will go to AIDS prevention in minority communities.

I am particularly pleased to join in offering this amendment because the funds we provide would help to carry out the goals of a comprehensive bill on AIDS—S. 24—that I introduced on the first day of the 100th Congress. S. 24 authorizes $20 million for anonymous testing sites where individuals could go to be tested anonymously for the presence of AIDS antibodies. Currently, there are insufficient funds for testing sites as a means of AIDS prevention. Waiting lists to get tested for AIDS antibodies are as long as 12 weeks in New York City. We have an urgent need for these funds—a need which must be met.

The costs for the 15,400 diagnosed AIDS patients in 1985 is estimated to be $1.2 billion—includes value of lost productivity. By 1991, the costs of AIDS is expected to rise to $16 billion per year. By spending $20 million now, as I have proposed to do in my bill and is being done today, we take positive action toward reducing the spread of the disease. It is my hope that by taking such action now, we may reduce the toll of AIDS on our Nation, not only in dollars, but in human life.

Mr. HATFIELD. Mr. President, the amendment offered by the Senator from California has been cleared by the subcommittee.

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Oregon?

Mr. CRANSTON. Yes.

Mr. HATFIELD. The Subcommittee on Appropriations from the minority side has cleared the amendment and it would be acceptable.

Mr. JOHNSTON. Mr. President, we will accept the amendment.

Mr. CRANSTON. I thank the managers.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from California.

The amendment (No. 235) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

Mr. CRANSTON. I thank both Senators managing the bill very, very much.

The PRESIDING OFFICER. The question once again occurs on the Metzenbaum amendment.

Mr. JOHNSTON. Mr. President, I move to lay the Metzenbaum amendment aside.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana? If not, without objection, it is so ordered.

AMENDMENT NO. 236

(Purpose: To strike out provisions of the bill other than supplemental appropriations for the Commodity Credit Corporation)

Mr. SYMMS. Mr. President, on behalf of myself, Mr. MATSUNAGA, Mrs. KASSEBAUM, Mr. GRAMM, and Mr. QUAYLE, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Idaho [Mr. SYMMS], for himself, Mr. MATSUNAGA, Mrs. KASSEBAUM, Mr. GRAMM, and Mr. QUAYLE, proposes an amendment numbered 236.

Mr. SYMMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

Beginning on page 2, strike out line 1 and all that follows through page 168, line 12, and insert in lieu thereof the following:

DEPARTMENT OF AGRICULTURE

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

(Transfer of funds)

To reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed, pursuant to the Act of August 17, 1961 (15 U.S.C. 713a-11, 713a-12), $6,563,189,000, such funds to be available, together with other resources available to the Corporation, to finance the Corporation's programs and activities during fiscal year 1987: *Provided*, That of the foregoing amount not to exceed the following amounts shall be available for the following programs: export guaranteed loan claims, $300,000,000; conservation reserve program, $400,000,000; and interest payments to the United States Treasury, $400,000,000: *Provided further*, That five percent of the funds available for the conservation reserve program in this Act shall be transferred to the conservation operations account of the Soil Conservation Service for services of its technicians in carrying out the conservation programs of the Food Security Act of 1985.

Mr. SYMMS. Mr. President, the Senator from Iowa and the Senator from Oklahoma have asked me to temporarily set my amendment aside so they could offer an amendment that has been accepted by the committee. I wonder if that would be all right with the floor managers.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa, do you object?

Mr. HARKIN. Reserving the right to object. I want to make it clear to the Senator from Idaho that, upon the disposition of our amendment, which we can agree to, that we would return immediately to the amendment of the Senator from Idaho.

The PRESIDING OFFICER. That would be the order of business.

The pending business then, under the prior order, is an amendment that is about to be offered by the Senator from Iowa. So the Senator from Iowa is recognized for that purpose by the order of the Chair, the Senator from Idaho having set his amendment aside.

The Senator from Iowa.

AMENDMENT NO. 237

(Purpose: To modify the approval procedures required for the funding of the Public Law School in the District of Columbia)

Mr. HARKIN. Mr. President, I have an amendment that I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN] proposes an amendment numbered 237.

Mr. HARKIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment reads as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . The matter under the heading "Public Education System" in title I of the District of Columbia Appropriations Act, 1987 (Public Law 99-591; 100 Stat. 3341-184) is amended by striking out "*Provided further*, That of the amount made available to the University of the District of Columbia, $1,146,000 shall be used solely for the operation of the Antioch School of Law: *Provided further*, That acquisition or merger of the Antioch School of Law shall have been previously approved by both the Board of Trustees of the University of the District of Columbia and the Council of the District of Columbia, and that the Council shall have issued its approval by resolution: *Provided further*, That if the Council of the District of Columbia or the Board of Trustees of the University of the District of Columbia fails to approve the acquisition or merger of the Antioch School of Law, the $1,146,000 shall be used solely for the repayment of the general fund deficit," and inserting in lieu thereof "*Provided further*, That $1,146,000 shall be used solely for the operation of the District of Columbia School of Law and which shall remain available until expended: *Provided further*, That acquisition or merger of the Antioch School of Law shall have been previously approved by the Council of the District of Columbia: *Provided further*, That the interim Board of Governors of the District of Columbia School of Law shall report, by October 1, 1987 to the Mayor of the District of Columbia, the Council of the District of Columbia, and the Appropriations Committee of the Senate and House of Representatives on the anticipated operating and capital expenses of the District of Columbia School of Law as created by D.C. Law 61-177, for the next five years: *Provided further*, That the aforementioned report shall also include a statement from the American Bar Association on the current status of an accreditation proposal for the District of Columbia School of Law, as created by D.C. Law 61-177, as amended: *Provided further*, That if the Council of the District of Columbia fails to approve the acquisition or merger of the Antioch School of Law, the $1,146,000 shall be used solely for the repayment of the general fund deficit.".

Mr. HARKIN. Mr. President, first I want to thank my friend from Idaho for giving us this opportunity to dispose very quickly of an amendment that has been agreed upon by both sides. The amendment affects only the District of Columbia funds. It has no impact on Federal outlays or the deficit. It has to do only with an internal District of Columbia matter.

I want to thank my colleague from Oklahoma, the ranking member on the District of Columbia Appropriations Subcommittee, for his support and his work in getting this amendment clarified so that we could bring it up at this time.

Mr. President, as I said, there is no impact on Federal outlays or the deficit. I have no other remarks at this time.

I yield to my friend from Oklahoma.

Mr. NICKLES. Mr. President, I would just like to clarify one thing with the Senator, but I also join him in thanking our good friend, the Senator from Idaho, for his allowing us to proceed with this amendment.

If the Senator would yield just for a brief question. In the amendment, we provide language that requests a study by the interim board of governors of the District of Columbia School of Law so that they report by October 1 to the Appropriations Committee of the House and the Senate concerning the anticipated operating and capital expenses of the District of Columbia Law School.

Would you agree with this Senator that it would be helpful to us, in considering marking up for next year's appropriations bill, to have that report submitted early so we would have some idea concerning those expenses and also an idea from the ABA whether or not the school will be accredited or not.

Mr. HARKIN. Mr. President, I respond to my colleague from Oklahoma that I concur with the Senator from Oklahoma that we ought to get a report on the current status of their plans prior to our mark up of the fiscal year 1988 District of Columbia appropriations.

Mr. NICKLES. I thank the Senator. I also thank him for his leadership.

I have no objection whatsoever to the amendment.

Mr. HATFIELD. Will the Senator yield for a question?

Mr. HARKIN. Yes.

Mr. HATFIELD. Will the Senator's amendment increase the number of lawyers in this country, or have that potential?

Mr. HARKIN. If the distinguished Senator would yield, I would say maybe yes, maybe no. Again, we are not providing for a law school. All we are providing is that, if the District of Columbia decides that they do want to take over the old Antioch school and make their own law school, they can do so with their own money. This is sort of an enabling amendment. They may not decide to do so. We are not saying you have to build a law school or you do not have to. It is leaving it up to them in their home rule authority to see whether they want it or not.

Mr. HATFIELD. But it is possible that it could have a potential of again adding to the population of lawyers in this country?

Mr. HARKIN. I would respond that that might be a possibility. But, then, again, I do not know whether the District of Columbia is going to decide to do so. Certainly they may not be able to afford to build it.

Mr. HATFIELD. Does that not concern the Senator about the possibility of such an increase in that we now have an overpopulation of lawyers?

Mr. HARKIN. I would be concerned, if, in fact, this Senate were to go on record as proposing that we increase the number of lawyers in the country or that somehow we are promoting the building of another law school. That is not what we are on the record as doing. We are simply enabling the District of Columbia to make their own decision.

Mr. HATFIELD. Mr. President, our subcommittee ranking member has cleared this amendment. I would just say, as ranking member of the full committee, that I am not in favor of controlling the population in general. But I do feel that there are segments, even in the population, that we ought to seek to control a little more than this amendment would provide.

The **PRESIDING OFFICER.** Is there objection?

Mr. HARKIN. I move the adoption of the amendment.

The **PRESIDING OFFICER.** Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 237) was agreed to.

Mr. HARKIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 236

Mr. SYMMS. Mr. President, it is my understanding that the Symms amendment is now pending.

The **PRESIDING OFFICER.** The Senator is correct. The Senator has the floor. The Symms amendment is pending.

Mr. SYMMS. I thank the distinguished Presiding Officer. I must say to my colleagues that the purpose of this amendment is not in any way to impugn the fine work that the distinguished Senators from Oregon and Louisiana have done to engineer passage of this bill. It is very apparent to this Senator, however, that this debate could go on for quite some time and there is one emergency section of this bill that truly must be passed soon.

About this time every year for the last several years, just as temperatures in Idaho warm up and the State's brief growing season moves into full swing, carefully timed farming schedules are abruptly interrupted. Not because of annual weather disturbances or natural disasters, but because Congress, and more specifically the Senate, has failed to pass a routine supplemental appropriation for the Commodity Credit Corporation [CCC].

That is exactly the situation we are in right now. The CCC is most known for being the fund through which farm program payments are made. For example, rental payments under the Conservation Reserve Program have not been made since May 1. CCC also reimburses elevators, shippers, packagers, and all those who handle the huge stocks of foodstuffs owned by the Federal Government. These people have worked long and hard. They have invested a lot of capital in these warehouses and trucks. Now they are not being compensated. Business plans are in chaos, not only on the farm, but in the agriculture support industries—transportation, grain elevators, shipping, packaging, and so forth.

For many, this delay in payments is more than a mere inconvenience. Let me just give you a specific example. In Oneida County, ID, where nearly 35 percent of the county is rented to the conservation reserve, many farm families are now at a loss for even their weekly food allowance. Several Idaho farmers have lost opportunities to obtain low interest financing because the delay has left payments delinquent. And a number of grain elevators which store CCC grain can no longer cash flow because their biggest customer refuses to pay.

Mr. President, time and time again farmers tell me that the unreliable nature of Federal farm program is far more detrimental than having no farm program at all. If we disagree with the way the CCC uses program funds, then we should address that in authorizing legislation. Otherwise, we should not be continually disrupting the workings of rural America.

Delaying the CCC supplemental is apparently a Senate ritual. It almost seems as if we need to annually flaunt our fiscal irresponsibility before rural America, just to prove our lack of concern for their livelihoods.

I know that is not the view of the Senate, but it is the appearance.

We have dickered here over details of a conglomerate appropriations bill for more than 2 weeks now, and it appears to me that we can continue to argue on this for another 2 weeks. Since it conforms with budget assumptions, passage of a CCC supplemental should be more procedural than that. Our differences on other aspects of the supplemental can be debated at our own leisure, and need not be at farmers' expense.

That is why, Mr. President, I have proposed an amendment which will separate out CCC funds and appropriate them without further delay.

A vote for the Symms amendment would be a vote to strip everything off the bill except the CCC funds and then the bill could go to final passage. We could then take all the rest of the bill and put it on another vehicle. The remaining appropriations can be debated on their own merits. Let me assure my colleagues that I, for one, have worked hard on many of those other measures myself and find a great deal of merit in them. I know my senior colleague from Idaho worked hard to get this bill here. But it appears to me that we will be arguing on this for a long time. This bill is over budget. If that is the fact, we may have a veto. It could be July before this is passed. In the meantime, farm families, grain elevators, and others are being held hostage to a system that just does not call for fast action.

There are many parts of this supplemental bill that simply must pass. That is why my colleagues need not worry about missing an opportunity or passing up a legislative vehicle. Another supplemental will be necessary. In fact, I suggest to the managers that they look to the bill currently before us, as amended, for a starting point.

The responsible thing to do would be to appropriate CCC funds now and then take the less pressing and some of the more controversial appropriations and roll them into another bill and go to work on that. We can start on that as early as this afternoon. There is surely a vehicle, some House-passed bill that could be used. Legislative packages are common in this body, and I understand the need for making use of such vehicles. That, however, does not mean we should hold a vital and noncontroversial bill hostage to this body's acceptance of other measures with serious budgetary and policy impacts.

In addition to this, Mr. President, this amendment could save a lot of real money. We could spend the money in the emergency part of this bill, which is about $6.5 billion for the CCC funds, and we would be saving almost $3 billion. I agree, it will not be saved forever, because, as I said, there are a lot of worthy programs funded in this supplemental. I know that many of these appropriations could eventually be enacted into law. I just believe my amendment would be a fast, clean, quick way to get out of the mess that we are in, get the ox out of the ditch, so to speak. As I said to my colleague from Louisiana and my colleague from Oregon, I know they have worked hard and I praise them for their efforts to enact this bill, but deliberations on this legislation will take some time. I would hope that the committee would accept this amendment and we could move on.

Mr. JOHNSTON. Mr. President, I appreciate the concern of the distinguished Senator from Idaho for these deficits because he stands second to very few, if any, in this Chamber in his desire to keep the deficit down. But, Mr. President, I hope the Senator from Idaho will listen carefully to what I have to say because I am sure that he cannot intend what this amendment will do.

First of all, I will tell him that this bill in its present form has been approved and requested by the President. That commitment was made, that entreaty, indeed, was made, in the Senate Appropriations Committee when I asked the questions publicly during the markup of that bill: Does the President want this bill in the form in which it is presented? Will he sign the bill?

After a period of time during that debate, the answer came back from the White House, "Yes," with all of the items that came out of the Senate appropriations bill.

So while you might micromanage a little amendment here or a little amendment there and find some fault with it, the fact of the matter is that the President of the United States had requested this supplemental and would approve it in the form in which it stands today. This is a fact.

Second, and this is where I say the Senator from Idaho could not have intended what his amendment does, I think he must be misinformed.

Does the Senator from Idaho know, for example, that there is in this bill an amount requested by the President of the United States for what we call CHAMPUS costs? CHAMPUS costs, of course, are the medical benefits for military people who seek treatment from the civilian people.

The CHAMPUS dollars in this bill are $425 million.

The Senator, I am sure, realizes that is vital and must be paid.

Mr. SYMMS. If the Senator will yield, yes, I am aware of that, and, in fact, I favor that part of the bill. I favor many of the things the committee has put into the bill. But it appears to me that we are going to be here on this bill for quite some lengthy period, and what I am suggesting is that we pass the CCC this afternoon and get it on the way, and then take the CHAMPUS part and all the rest of it, put it in a separate bill and continue work on it.

Mr. JOHNSTON. Is the Senator suggesting that military people will simply postpone their illnesses until the next fiscal year?

Mr. SYMMS. If the Senator wants to do so, he can amend my amendment to add CHAMPUS into my amendment.

Mr. JOHNSTON. The Senator then does concede that CHAMPUS is an entitlement and must be paid in either one of two ways: Either that the doctor gives his treatment on credit and does not get paid until the Senate gets around to figuring out what an appropriate time might be, or the patients do not get treated, one of the two. Either one of those is not a desired result. Would the Senator agree with that?

Mr. SYMMS. I hear the Senator loud and clear. I agree with what the Senator is saying. The CHAMPUS portion could be a good starting point for a second bill. But meanwhile, we would have a clean, simple CCC amendment that can go on down to the White House, be signed and be disbursed with hold up.

Mr. JOHNSTON. Does Senator understand that the President has requested an additional $80 million for the Internal Revenue Service personnel which he considers to be urgent, and based upon the payment of which, the employment of such personnel, the President of the United States and our committees say that that would generate many times as much money as the $80 million for pay in this bill? Does the Senator agree with that? Does he think that is appropriate?

Mr. SYMMS. I say to my good friend from Louisiana, Mr. President, that this Senator is aware such is in the bill, but I have much less enthusiasm for hiring more revenue agents than I do for paying the CHAMPUS entitlement.

I would also like to say, Mr. President, that the Symms amendment is subject to amendment itself. If the Senator wishes to add IRS funding back into my amendment he may do so.

Mr. JOHNSTON. Mr. President, I have a long history of urgent items and with respect to each one I can illustrate, I think overwhelmingly, that we just cannot wait.

For example, there is $1.5 billion for retirement and pay costs. What happens if the retirement and pay costs are not funded in this bill?

Well, we asked that very question of the Office of Management and Budget. We asked them to analyze what would happen.

Let me give you a few of the things. I have a report which I will put into the RECORD, a nine-page single-spaced report.

They say, for example, the Counsel of Economic Advisers, 95 furloughs will result; Office of U.S. Trade Representative, furloughs of career staff and contract experts in the fourth quarter will result. You go on to Veterans' Administration: diminished service to veterans.

You go to Employment Standards Administration: 392 employees furloughed.

You go to OSHA, 2,156 employees furloughed.

I hope the Senator from Idaho is listening.

Departmental Management, furloughed 1,909 employees.

Department of Justice, 30,000 furloughed.

You can go right on down the list, Mr. President.

The State Department is 16,734. FERS. That is on the Federal Employment Retirement System.

And it is so on down the list. In other words, if you do not fund $1.5 billion urgently requested by the President as an entitlement, then they pay the money until the money runs out and when the money runs out the water is cut off and people are furloughed.

Mr. President, I ask unanimous consent that this report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

Question. Which programs will suffer severe programmatic effects if no supplemental funding is provided for pay and FERS costs and when?

Answer. The information provided below results from an informal canvassing of Executive branch agencies and does not necessarily represent OMB determinations. The various ramifications the agencies have identified, resulting from no pay and FERS supplemental funding are not always date specific. For example, furloughs will not begin on a given date but rather will last for a certain number of days. These actions would be initiated as soon as there is certainty about the lack of supplemental funding.

[Budget authority, in thousands of dollars]

Agency/account	Pay	FERS	Program effect
EXOP:			
White House Office	172	374	No supply and maintenance funding.
Council of Economic Advisers	16	95	Furloughs will result.
Office of U.S. Trade Representatives	77	168	Furloughs of career staff and contract experts in 4th quarter. Restrictions on travel and telecommunications support.
All other EXOP accounts	478	998	Although no furloughs are expected, all replacement hiring will cease, as will training, travel, and other personnel-related activities.
Funds appropriated to President, Agency for International Development	2,278	5,706	Only critical hiring to fill vacancies will occur.
Department of Defense:			
Operations and maintenance, all accounts	11,770	523,019	
Research development, test and evaluation, all accounts	790	35,206	
Military construction, all accounts	133	5,925	
Family housing, Army	10	435	
Total defense	12,703	532,899	Hiring will be frozen and operations curtailed. If these actions do not realize adequate savings, furloughs may result.
Veterans' Administration:			
General operating expenses	0	9,242	
Medical administration and miscellaneous operating expenses	736	345	
Medical care	74,695	131,600	
Medical and prosthetic research	1,859	1,024	
Total	77,290	142,211	A partial hiring freeze in non-medical areas, resulting in diminished service to veterans. Also, it will not be possible to achieve congressionally specified employment levels for medical care, restraints on personnel-related activities, e.g., travel and training, will be necessary.
Department of Labor—In addition to actions noted below, all Department of Labor agencies will reduce supply and equipment purchase, curtail or cancel procurements, and take other actions to conserve resources:			
Employment Standards Administration, black lung disability trust fund	708	494	Furlough 392 employees for 3 days.
Occupational Safety and Health Administration, salaries and expenses	([1])	([1])	Furlough 2,156 employees for 3 days.
Departmental Management:			
Salaries and expenses	([1])	([1])	Furlough 1,909 employees for 4 days.
Inspector General	([1])	([1])	
Department of Justice: General Administration, salaries and expenses	575	778	
U.S. Parole Commission, salaries and expenses	84	155	
Legal activities:			
S&E, Foreign Claims Settlement Commission	3	4	
S&E, general legal activities	1,961	2,643	
S&E, U.S. attorneys	2,818	3,510	
S&E, U.S. Marshalls Service	2,234	3,211	
S&E, community relations service	64	85	
U.S. trustees system fund	93	150	
Federal Bureau of Investigation, S&E	9,309	23,005	
DEA, S&E	2,593	7,324	
INS, S&E	5,588	10,186	
Federal prison system, all accounts	3,982	17,390	
Office of Justice programs, justice assistance	172	210	
Total	29,476	68,651	Could require 7 to 12 days furlough for approximately half of DOJ's 60,000 employees. In addition, the Bureau of Prisons would possibly have to release hundreds of inmates. Critical department purchases of helicopters and automobiles would be delayed. Training and hiring in INS, DEA, and the U.S. Marshals Service would be deferred. Would not implement Trustee Expansion and Debt Recovery Act and would reduce certain activities required by Immigration Reform and Control Act.
DOD–Civil Cemeteral expenses, Army	0	74	Reduce summer hires and temporary help by 10 and reduce maintenance operations at busiest time of year.
Other Independent Agencies:			
American Battle Monuments Commission, salaries and expenses	265	0	Elimination of maintenance activities. No savings can be realized by furloughs or RIFS due to treaty obligations.
National Commission on Libraries and Information Science	6	17	No further staffing and furlough all employees for 6 to 10 days.
National Labor Relations Board	628	1,659	Furlough of all employees for 5 to 6 days. Also, freeze all hiring, limit travel, freeze equipment purchases, etc.
Federal Mediation and Conciliation Service	181	188	Field travel cut by 20 percent. All training, hiring, and station transfers eliminated for rest of year.
Equal Employment Opportunity Commission	2,640	1,889	Suspension of agency operation possible for 1 to 2 weeks.
Federal Maritime Commission	200	147	Require an 11 day furlough and create back log in tariff filings, enforcement activities, and processing of pending litigation.
Federal Communications Commission	700	1,200	Immediate hiring freeze. All active recruitment stopped. Furlough would be needed if other reductions in agency operations are not enough to realize savings. All rulemaking and enforcement actions would need to be curtailed. Development of uniform system of accounts put on hold. All technical and computer equipment purchases halted.
Securities and Exchange Commission	1,837	2,163	A furlough of approximately 20 days for the entire agency would be necessary.
Export-Import Bank	157	227	All personnel furloughed for one day each pay period until savings needed are realized.
U.S. Information Agency	2,691	5,959	May have to furlough beginning in June. A complete hiring freeze would be implemented. Funding for basic programs would be reduced.
Department of Commerce: All accounts	([1])	15,130[1]	Possible selected 4 to 6 day furloughs in Census, NBS, and NOAA. Deferrals of expenditures for weather services procurements, hiring of temporary staff for periodic censuses, and ITA staff increases in 1988. Freeze on new hires and travel and reduction in NOAA ship days-at-sea.
Department of Transportation: All accounts	([1])	([1])	In eight accounts where there is a mix of contracts and operating costs, administrators would have to impose hiring freezes, training reductions and furloughs (perhaps one day per pay period in the fourth quarter). In four accounts, such as Railroad Safety, where personnel costs represent virtually all controllable costs, a hiring freeze plus furloughs, up to two days per pay period in the last quarter, might be the only available option. In FA, furloughs for the non-exempt group (60 percent of operations workforce is exempt) could reach one week out of every two throughout the last quarter.
State Department: Administration of Foreign Affairs.	6,900	16,734	State Department would be forced to defer purchases of furniture and equipment, scale back or defer necessary enhancements to information and communications systems, reduce travel, and eliminate or defer low priority programs within the diplomatic security program.
Department of Treasury:			
Internal Revenue Service	0	120,000	Assuming the $80 million program supplemental is approved, IRS would release all 18,500 temporary employees early (4,625 FTE) and would not hire 2,045 FTE for planned revenue initiatives. Without the program supplemental, IRS would also have to furlough all 75,000 permanent employees for 10 workdays. Agency operations would be slowed down and revenue initiatives frozen. Tax collections would be adversely affected. Assuming the program supplemental is approved, the revenue loss would be $1.4 billion. Without the tax reform supplemental, the revenue loss would be $2.4 billion.
Departmental offices	1,353	863	This could result in personnel cuts of 6 percent. In addition to the personnel reduction noted above, an additional personnel cut of 4 percent would be tied to absorption of FERS this fiscal year. It would be much more difficult to fully fund the Office of Depreciation Analysis, mandated by the Tax Reform Act of 1986.

[Budget authority, in thousands of dollars]

Agency/account	Pay	FERS	Program effect
Financial Management Service	1,436	1,164	$7.4 million of checks scheduled for September mailing, primarily to Social Security and Veterans beneficiaries, would not be mailed until October 1. $1.2 million for central data base modernization, pursuant to OMB directed assignments under A-127 and Reform '88, would have to be postponed until FY 1988, with corresponding delays in FY 1988 work.
NASA	(1)	(1)	A hiring freeze would not provide enough saving to cover cost. Agency would need to furlough all employees for 10–12 days. Also, substantial cut backs on other expenditures would occur for remained official year.

[1] Transfer.

Note.—At the time this paper was prepared, it was understood that other agencies were providing information related to the effects of no pay or FERS supplemental funding. This information unfortunately was not received in time to be included.

Mr. JOHNSTON. Mr. President, that is not the only category. You can go right down the list. we have an Appropriations Committee that met on this bill over a long period of time. Individual Senators may disagree with individual amendments. But to come in with a meat ax and say, "It does not matter with CHAMPUS, it does not matter about furloughs; let us just fund CCC," Mr. President, with all due respect for my esteemed colleague, does not make the highest sense that the Senate of the United States ought to make.

So, Mr. President, if we start doing that, then I think we are going to get into a lot of other items such as the Nunn-Levin ABM amendment which I am prepared to introduce as a second-degree amendment at this point.

I wonder whether I ought to introduce that amendment before we move to table or just go ahead and move to table at this point.

Mr. GRAMM and Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana has the floor.

Mr. JOHNSTON. I yield to my distinguished colleague from Oregon [Mr. HATFIELD].

Mr. HATFIELD. Mr. President, this is a very difficult question that the comanager of the bill puts to me at this time for the simple reason that if we get into other matters totally extraneous to an appropriations matter such as arms control, even though I might find in my own mind support for the Nunn-Levin proposal, I would think that would indeed be a crippling amendment to the entire appropriations bill if it should pass.

It certainly would not get through the Senate even here, let alone the White House if it ever got that far down the road. I do not think the Symms amendment is supportable not only in light of the evidence that the Senator from Louisiana has provided for the body just now. There are a lot of other reasons that I would not support the Symms amendment. I only say that I wish and hope that the Senator from Louisiana would withhold compounding the difficulty at this time, which it would be doing for the appropriations process.

I would have to say to the Senator I would move to table the underlying amendment should he see fit to offer his amendment in the second degree in order to bring both of them down. Even though I might agree with the Senator's proposal embodied in his second-degree amendment and not support the proposal of the Senator from Idaho, I would be forced to do so, because there is $137 million in this bill for the homeless, as well as for other agencies of the Government that I am deeply concerned about. I would have to choose between what would be reality and what may be illusion at this point. It is illusion to think we are going to do an arms control measure on this bill, I would suggest that he table the Symms amendment and let it go at that without compounding the difficulty at this time.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana still has the floor, I say to the Senator from Texas.

Mr. JOHNSTON. Mr. President, I was just handed a note to the effect that CHAMPUS runs out of funds in the first week of July. It would be quite a Fourth of July present to the tens of thousands of military personnel across this country who are dependent on the CHAMPUS Program for their health care to have that program run out, as it would under the Symms amendment.

Mr. SYMMS. Would the Senator yield for a question?

Mr. JOHNSTON. I shall yield for a question, yes.

Mr. SYMMS. Mr. President, the distinguished Senator from Louisiana is making my argument. CHAMPUS does not run out until July 4. CCC is out now. They are not paying their bills. CHAMPUS is a part of the bill that I would support. Let us get this out this afternoon and get it done. He has some issues I agree with.

Mr. JOHNSTON. The problem is, Mr. President, that an appropriations bill, of course, must originate in the House of Representatives. I am not sure that if the Senate visits this kind of mischief on the House, they would be that quick to put in another whole new appropriations bill and that it would wind its way through this long process in time for July.

This bill is here. It has CHAMPUS funds. It has been requested by the President of the United States, it is approved by the House of Representatives, approved by the Senate Appropriations Committee, and it is approved by virtually everyone that I know anything about. It is an entitlement, as are other items, the pay and retirement costs under this bill.

So, Mr. President, I must say I am persuaded by the distinguished Senator from Oregon that this bill is in fact insupportable. So I move to table the Symms amendment.

Mr. GRAMM. Mr. President, I ask the Senator to withhold so I may be heard.

The PRESIDING OFFICER. There has been a request by the Senator from Texas. The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, how much time would the Senator like?

Mr. GRAMM. I would just like to speak on it. No one else has set a time limit on their speech. I would just like to speak as the spirit moves me.

Mr. JOHNSTON. Mr. President, I would not like to dispirit the Senator from Texas, so I shall withhold, I would not like the debate to go on all afternoon, but I would not put any limits on him. I would like to get the bill financed so the Senator could go deep in the heart of Texas by this weekend with this bill finished. Therefore I withhold my motion.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I would like to begin by responding as to whether the amendment of the Senator from Idaho makes sense. I think if it has a problem, it is that it makes too much sense to be given serious consideration by this body. There is a fundamental difference between CCC and all these other great and worthy programs that are being discussed. The difference is that CCC is, in fact, deficit-neutral because the way we keep the books of the country, we have already charged ourselves for the outlays. As we all know, this is a technical application of simply providing budget authority. So the big difference between CCC as it exists in this bill and all of these other programs is that CCC is deficit-neutral. It is not subject to a point of order. It does not raise the measured deficit. That is the fundamental difference.

The problem with these other programs is not that they are unworthy. This body and this Congress have seldom seen a program unworthy to spend the taxpayers' money on. I marveled a moment ago as one of our colleagues passed around a bill to fund some program. He said, "This is an opportunity to put your money where your mouth is." It was not his money. If he had been putting up his money, if he would have passed the hat in the Senate, I would have supported him. The problem is he is putting up somebody else's money, that of the working men and women of America.

The point about Senator Symms' amendment is that it is deficit-neutral. There is no point of order to be made on this amendment. That is not true of all the other worthy programs being discussed.

Second, from the beginning of the debate, we have heard Member after Member get up and say, do you know we are out of money in CCC? In fact, my part of the country, being in the South, is moving next week toward a crop cycle. We are going to have to begin planting our crops and we cannot plant our crops without knowing the availability of CCC. So it may be that CHAMPUS is going to be out of money on July 1 or July 4 but we are facing a binding constraint on CCC right now. The Symms amendment does not say forget everything else. It does not say do not come back in 20 minutes and pass a supplemental appropriation on all these other worthy programs—weed research center and raising the cap on the honey bee program and landfill and archeological digs. Those programs are so critical that we may come back in 30 minutes and adopt a supplemental on them.

What the Symms amendment says is let us move ahead on a program that there is no controversy about; that every Member of this body for all practical purposes supports; that there is no budget point of order on; and where consistently, people have argued that we need to act because of CCC. What the Senator from Idaho has done that is the inherent brilliance of this amendment is he has given us the ability to move ahead today on today's problem, on a crisis that exists today in a budget-responsible fashion without waiving the Budget Act, without raising the measured deficit; then come back and deal with these other problems that may exist in July but that involve raising the deficit.

I think this is a very reasonable amendment. I hope our colleagues will support it and I think the amendment makes eminently good sense.

We could adopt this amendment, it could go back to the House, they could adopt it, the President could sign it, he could sign it Monday or Tuesday, and the farmers all over the Nation could put their plows to work.

Now, I would like to say one thing about the Presidential commitment on this bill. The President is not committed to signing the bill in its current form. The President's commitment, as I understand it, was a commitment to sign the bill in the form it was reported by committee if there were no arms control amendments added to it and if there were no additional spending programs added.

We have already added additional spending programs, the Heinz amendment being a perfect example. So there is no Presidential commitment to sign this bill as it exists on the floor today.

I would think, given these add-on spendings, the President may well decide to veto the bill. I thought it was important to clarify that.

So I want the Record to show that if the Symms amendment is not adopted and if the farmers of this great land of ours cannot plant their crops, if they are delayed, if the weather changes, if people lose their farms, it will not be because of the Senator from Idaho. It will be because others did not want to let this one, truly emergency item in this bill, that is presented today as an emergency, move forward unimpeded within the budget.

So I think this is an important amendment, and all of those who are concerned about the farmer, who are concerned about doing something now, this is their opportunity to put their vote where their mouth is, to repeat a phrase that was used in an earlier debate. So I urge my colleagues to vote for the Symms amendment. And let us not be dissuaded from dealing with what is clearly an appropriations action by the threat of an amendment that would have Congress give to the Russians what they cannot get at the bargaining table in Geneva.

If we are going to let that threat deter us every time we try to spend money, whether we attempt to prevent language allowing the President to spend over budget, or whether it is a legitimate amendment being offered, there are just so many times you can be blackmailed on an issue such as that. I think we should reject it immediately and reject it out of hand. I yield the floor.

Mr. JOHNSTON. Mr. President, I still search in vain for a solution outside of this bill to medical care for our military people, provided for on an emergency basis in this bill, which runs out the first week in July. I still search in vain with the distinguished Senators from Texas and Idaho as to how in the world we avoid tens of thousands of furloughs which OMB said will result unless the provisions contained within this supplemental are enacted.

The fact is there is no answer. Within the Gramm-Rudman-Hollings Act, within the Budget Act, within all of this wonderful rhetoric, there still remains problems which this urgent supplemental solves at the request of the President of the United States, approved by the House, approved by the President after it passed the Appropriations Committee, and I trust and believe it will be also approved by the full Senate.

Therefore, Mr. President, I move to table and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question occurs upon the motion to table by the Senator from Louisiana. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. Biden], the Senator from Tennessee [Mr. Gore], and the Senator from Massachusetts [Mr. Kennedy] are necessarily absent.

I further announce that the Senator from Ohio [Mr. Glenn] is absent on official business.

I also announce that the Senator from Hawaii [Mr. Inouye] is absent because of questioning witnesses in Iran-Contra hearing.

I further announce that, if present and voting, the Senator from Ohio [Mr. Glenn] would vote "yea".

Mr. SIMPSON. I announce that the Senator from Washington [Mr. Evans], the Senator from Alaska [Mr. Murkowski], and the Senator from New Hampshire [Mr. Rudman] are necessarily absent.

I also announce that the Senator from Virginia [Mr. Warner], is absent on official business.

The PRESIDING OFFICER (Mr. Fowler). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 61, nays 30, as follows:

[Rollcall Vote No. 134 Leg.]

YEAS—61

Adams
Bentsen
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dodd
Domenici
Ford
Fowler
Graham
Harkin
Hatfield
Heflin
Heinz
Hollings
Humphrey
Johnston
Kerry
Lautenberg
Leahy
Levin
Lugar
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Pressler
Reid
Riegle
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Stafford
Stennis
Stevens
Weicker
Wilson

NAYS—30

Armstrong
Baucus
Bond
Boschwitz
Dixon
Dole

Durenberger
Exon
Garn
Gramm
Grassley
Hatch
Hecht
Helms
Karnes
Kassebaum
Kasten
Matsunaga
McCain
McClure
Nickles
Proxmire
Pryor
Quayle
Simpson
Symms
Thurmond
Trible
Wallop
Wirth

NOT VOTING—9

Biden
Evans
Glenn
Gore
Inouye
Kennedy
Murkowski
Rudman
Warner

So the motion to lay on the table amendment (No. 236) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the motion to lay on the table the amendment of the Senator from Idaho was agreed to.

Mr. HATFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

Mr. DOMENICI. Mr. President, I was going to send an amendment to the desk, but I understand the amendment of the Senator from Ohio recurs automatically.

Mr. METZENBAUM. The Senator from Ohio has an amendment I think we can dispose of promptly.

The PRESIDING OFFICER. The question occurs on the amendment of the Senator from Ohio [Mr. METZENBAUM].

AMENDMENT NO. 218 AS MODIFIED

(Purpose: To add $500,000 for grants and contracts under section 5 of the Orphan Drug Act and to reduct appropriations for travel expenses of the Department of Health and Human Services)

Mr. METZENBAUM. Mr. President, I send a modification of my amendment to the desk.

The PRESIDING OFFICER. Is there any objection to the modification requested by the Senator from Ohio?

Without objection, the clerk will state the modification.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM] proposes a modification to an amendment numbered 218.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the reading of the modification be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The modification is as follows:

At the end of the bill, add the following new section:

SEC. . (a) Notwithstanding any provision of this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, for an additional amount for "Food and Drug Administration, Salaries and expenses", which shall be available for grants and contracts under section 5 of the Orphan Drug Act, $500,000.

(b)(1) In the cases of all appropriations accounts from which expenses for travel, transportation, and subsistence (including per diem allowances) are paid under chapter 57 of title 5, United States Code, there are hereby prohibited to be obligated under such accounts in fiscal year 1987 a uniform percentage of such amounts, as determined by the President in accordance with the provisions of paragraph (2), as, but for this subsection, would—

(A) be available for obligation in such accounts as of June 1, 1987,

(B) be planned to be obligated for such expenses after such date during fiscal year 1987, and

(C) result in total outlays of $500,000 in fiscal year 1987.

(2) Before making determinations under paragraph (1), the President shall obtain from the Director of the Office of Management and Budget and the Comptroller General of the United States recommendations for determinations with respect to (A) the identification of the accounts affected, (B) the amount in each such account available as of such date for obligation, (C) the amounts planned to be obligated for such expenses after such date in fiscal year 1987, and (D) the uniform percentage by which such amounts need to be reduced in order to comply with paragraph (1).

(c) Within 30 days after the date of enactment of this Act, the President shall prepare and transmit to the Congress a report specifying the determinations of the President under subsection (b).

(d) Sections 1341(a) and 1517 of title 31, United States Code, apply to each account for which a determination is made by the President under subsection (b).

Mr. HATFIELD. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senate will be in order.

Mr. HATFIELD. Mr. President, the Senate is not in order. It is difficult to hear what is being asked.

The PRESIDING OFFICER. The Senator from Oregon reserved the right to object.

Mr. HATFIELD. Would the Chair repeat the request made by the Senator from Ohio so some of us could hear?

Mr. METZENBAUM. I sent to the desk a modification of my amendment which I had a right to do under the rule. The modification is the modification of the language as suggested by the CBO. Therefore, the amendment as it now reads is the $500,000 amendment having to do with orphan drugs and with the credit as suggested by the CBO. So that is the amendment that we have pending at the moment. My understanding is this amendment has been cleared on both sides.

Mr. President, the Federal Government spends billions of dollars every year on thousands of different programs—from student loans to star wars.

Everyone agrees that we spend far too much on some programs—and far too little on others.

No one seems to agree, however, on which programs are worthy and which are worthless.

This relatively minor increase, Mr. President, could make a major difference—maybe even the difference between life and death.

This year, the FDA Orphan Product Board received 40 excellent grant applications.

They only have enough dollars to fund 15.

My $500,000 amendment, will fund seven more programs this year.

There is at least one program that enjoys the support of members on both sides of the aisle, and on each end of the philosophical spectrum. The Orphan Drug Program.

In the United States, we know of more than 5,000 different rare diseases that afflict over 8 million Americans.

Over half of these attack our children.

While we all are aware of Government sponsored research in the battle against cancer, heart disease, AIDS, Alzheimer's disease, and others.

We do not hear much about the fight against diseases that strike relatively few people.

That is what the Orphan Drug Program is all about.

It puts some of the Nation's most talented minds to work on the maladies that we do not hear about everyday.

They have names like Tourette syndrome, Wilson's disease, Marfan syndrom, leukodystrophy, and thousands more.

The following organizations support the amendment:

American Narcolepsy Association.
Amyotrophic Lateral Sclerosis Association.
Association for Glycogen Storage Disease.
Cornelia de Lange Syndrome Foundation, Inc.
Cystic Fiberosis Foundation.
Cystinosis Foundation, Inc.
Dysautonomia Foundation.
Dystrophic Epidermolysis Bullosa Research Association.
Ehlers-Danlos National Foundation.
Epilepsy Foundation of America.
Families of Spinal Muscular Atrophy.
Friedreich's Ataxia Group in America, Inc.
Guillain-Barré Syndrome Support Group International.
Hemochromatosis Research Foundation.
Hereditary Disease Foundation.
Huntington's Disease Foundation of America, Inc.
Immune Deficiency Foundation.
International Joseph Diseases Foundation.
International Rett Syndrome Association, Inc.
Interstitial Cystitis Association.
Mucopolysaccharidoses Research Funding Center.
Narcolepsy Network.
National Association for Sickle Cell Disease, Inc.
National Ataxia Foundation.
National Foundation for Ectodermal Dysplasias.
National Gaucher's Foundation.
National Head Injury Foundation.
National Huntington's Disease Association.
National Ichthyosis Foundation.
National Marfan Foundation.
National Multiple Sclerosis Society.

National Neurofibromatosis Foundation, Inc.
National Retinitis Pigmentosa Foundation.
National Tay-Sachs & Allied Diseases Association.
National Tuberous Sclerosis Association, Inc.
Osteogenesis Imperfecta-NCA, Inc.
Paget's Disease Foundation, Inc.
Parkinson's Disease Foundation.
Parkinson's Educational Program (PEP-USA).
Polycystic Kidney Research Foundation.
Prader-Willi Syndrome Association.
Scleroderma Info Exchange.
Scleroderma Society.
Sjogren's Syndrome Foundation.
Tourette Syndrome Association, Inc.
United Leukodystrophy Foundation, Inc.
United Parkinson Foundation.
United Scleroderma Foundation, Inc.
Williams Syndrome Association.
Wilson's Disease Association.
Associate Members:
American Spasmodic Torticollis Association.
Good Samaritan Medical Center, Neurological Coalition, Portland, OR.
National Addison's Disease Foundation.
National Chronic Epstein-Barr Virus Syndrome Association.
Ohio Tourette Syndrome Association.
Research Trust for Metabolic Disease in Children.

Americans who suffers from rare diseases also suffer from a harsh economic reality.

No pharmaceutical company will make an investment to research and develop a cure for a rare disease when they cannot recover that investment.

Drugs that treat rare diseases do not turn a profit.

Therefore, they do not get developed.

In 1983, we began to change all that. Congress passed the Orphan Drug Act.

The law is twofold. First, it gives drug companies a tax credit to offset costs of research and development.

Second, it set up a special grant program to fund rare disease research.

The grant program was authorized at a modest $4 million a year.

Yet even that small amount has never been fully appropriate.

Since 1984, I have offered amendments to bring the grant program up to its full authorization.

Gradually, we have brought it close. The program is currently at $3.5 million.

My amendment will bring the programs to the full $4 million.

Researchers are anxious to begin work on these terrible disorders, but they must have our help.

And the 8 million Americans who are suffering from rare diseases today also need our help, and I urge my colleagues to provide it by adopting this amendment.

Mr. HATFIELD. Mr. President, may we see a copy of the amendment. I have not seen a copy of the modification.

Mr. METZENBAUM. I apologize to the managers of the bill. I was under the impression they had seen it.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. For what reason does the Senator from Louisiana seek recognition?

Mr. JOHNSTON. Mr. President, I am seeking recognition.

The PRESIDING OFFICER. The Senator from Oregon, under a reservation of the right to object, has the floor.

Mr. HATFIELD. Mr. President, there is no objection on this side to the modification or to the amendment, as modified.

The PRESIDING OFFICER. The Senator from Ohio has the floor.

Mr. JOHNSTON. Will the Senator yield to me?

Mr. METZENBAUM. I yield to the Senator from Louisiana.

Mr. JOHNSTON. Mr. President, first of all I congratulate the Senator from Ohio for working so diligently to get this matter amended through CBO so that it is, in fact, deficit neutral. It is a half a million dollars for the orphan drug program. We support it in the committee.

Mr. MATSUNAGA. Will the Senator yield?

Mr. METZENBAUM. I yield.

Mr. MATSUNAGA. The amendment has just now been modified and I have not had a chance to read the modification. Would the Senator state what the modification is and what it does to the original amendment?

Mr. METZENBAUM. What it does is, it breaks down the $500,000 credit. We provided that there would be a $500 reduction in funds of the HHS for travel and subsistence. What this does, in accordance with the request of the CBO that it allocate it, it provides that there must be a way of allocating it. It has a rather complicated procedure that I think is unnecessary, but that is what the CBO wants. And if that is what it takes to getting the amendment through, I am willing to do that. I am concerned about providing the funds going for orphan drugs—and I am sure the Senator from Hawaii is aware of that—orphan drugs that are made for illnesses for which there are no normal manufacturers available.

Mr. MATSUNAGA. Yes. I appreciate the explanation. I appreciate also the fact that the Senator from Ohio is a cosponsor of a bill which I introduced on drugs being produced and shipped overseas and returned to the United States, altered and otherwise.

I thank the Senator for his explanation. I join as a cosponsor of his amendment.

Mr. METZENBAUM. I thank the Senator from Hawaii.

Mr. HATCH. Mr. President, I rise in support of this amendment which would provide supplemental appropriations for the Orphan Drug Act. This additional funding, $500,000, provides hope that there will be a drug developed for those suffering from rare disorders.

The main goal of this is to foster increased development of orphan drugs. There has been very encouraging progress in making more available existing drugs and in developing new drugs to alleviate suffering from a number of so-called orphan diseases. The name "orphan" was coined to reflect a perceived lack of concern about diseases which affect relatively small numbers of people. An orphan disease is one which afflicts fewer than 200,000 people and includes the rare and devastating diseases of Tourette syndrome, Huntington's disease, Federick's atazia and neuorofibromatosis. In the aggregate, several million people suffer from more than 2,000 different orphan diseases.

The amendment being offered by Senator METZENBAUM provides additional funds which will enable further cooperation between the private sector and Government. Over the past several years, we have had great success. There are over 55 drugs that are being tested for development that will help many people who suffer from orphan diseases.

I would like to commend my colleague, Senator METZENBAUM, for offering this amendment. He and Senator KASSEBAUM joined me in passage of the original, Orphan Drug Act. This amendment, which increases the funding, provides a small measure of hope to over 8 million Americans afflicted with an orphan disease. I urge my colleagues to support this amendment.

The PRESIDING OFFICER. Is there further debate on the amendment offered by the Senator from Ohio [Mr. METZENBAUM]?

If not, the question is on agreeing to the amendment.

The amendment (No. 218), as modified, was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 238

(Purpose: To add appropriations for homeless housing programs)

Mr. DOMENICI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself, Mr. CRANSTON, Mr. MURKOWSKI, and Mr. D'AMATO, proposes an amendment numbered 238.

Mr. DOMENICI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment reads as follows:

On page 161, between lines 14 and 15, insert the following:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Homeless Assistance

(a) TRANSITIONAL AND SUPPORTIVE HOUSING DEMONSTRATION PROGRAM.—For an additional amount for the transitional and supportive housing demonstration program carried out by the Department of Housing and Urban Development pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591 and other applicable authority, $80,000,000 to remain available until expended.

(b) SECTION 8 EXISTING HOUSING.—The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(b)(1) of such Act is increased by $50,000,000 to be used only to assist homeless families with children.

(c) SECTION 8 ASSISTANCE FOR SINGLE ROOM OCCUPANCY DWELLINGS.—The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(e)(2) of such Act is increased by $40,000,000 to be used only to assist homeless individuals.

VETERANS' ADMINISTRATION

Veterans' Domiciliary Care and Care for Veterans with Chronic Mental Illness Disabilities

(TRANSFER OF FUNDS)

For an additional amount for "Medical Care", $20,000,000, to remain available through September 30, 1988, of which $10,000,000 shall be available for converting to domiciliary-care beds underutilized space located in facilities (in urban areas in which there are significant numbers of homeless veterans) under the jurisdiction of the Administrator of Veterans' Affairs and for furnishing domiciliary care in such beds to eligible veterans, primarily homeless veterans, who are in need of such care, and of which $10,000,000 shall be available, notwithstanding section 620C of title 38, United States Code, to homeless veterans who have a chronic mental illness disability: *Provided*, That not more than $500,000 of the amount available in connection with furnishing care under such section 620C shall be used for the purpose of monitoring the furnishing of such care and, in furtherance of such purpose, to matintain an additional 10 full-time-employee equivalents: *Provided further*, That nothing in this paragraph shall result in the diminution of the conversion of hospital-care beds to nursing-home-care beds by the Veterans' Administration.

DEPARTMENT OF COMMERCE

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Operations, Research, and Facilities

(DEFERRAL)

The sum of $27,500,000 appropriated pursuant to Public Law 99-500 and Public Law 99-591 for commercialization of the land remote sensing satellite system is hereby deferred for the remainder of fiscal year 1987, and shall remain available until expended.

Mr. DOMENICI. Mr. President, the amendment has as original cosponsors Senators CRANSTON, MURKOWSKI, and D'AMATO. I will briefly explain this amendment.

First of all, according to the Congressional Budget Office—and I believe verified by the Senate Budget Committee—this amendment in the budget year that we are considering is deficit neutral with reference to outlays. As a matter of fact, by the deferral that we include in this amendment, we actually save a few million dollars more than we spend. So, on the issue of whether or not this is subject to a point of order, it is not.

I have been searching for a way, since the Senate decided that the homeless assistance amendment previously offered was out of order and a waiver would not be granted under the Budget Act, to focus attention on one big missing part of the homeless assistance initiative.

Most of us are aware that the bill before us has some very substantial assistance for those in America who are homeless, whether they be the mentally ill, to which the Senator from New Mexico has been directing his attention, or veterans, or others who are homeless in America. We have provided substantial moneys in this bill for assistance to the homeless.

But the area that has been significantly shortchanged—and I do not blame the committee—is housing. There was a suggestion that an amendment would be offered on the floor with reference to the missing link of housing for the homeless; in particular, housing that can be used for transitional purposes as we attempt to take care of the mentally ill, and seriously mentally ill that are homeless.

Also, there is a targeted group that we are now aware of among veterans that we find living in the streets, and they, too, are in need of some specialized and targeted housing assistance.

So what the Domenici amendment does—and I am very grateful for the assistance of Senators CRANSTON and MURKOWSKI, especially on that portion that pertains to the veterans, and Senator D'AMATO, who has been concerned about providing housing for all the homeless—is provided $190 million in budget authority for housing services for the homeless. This authority funding spends out over a number of years but it will cost $14.2 million in outlays this year, the year that we are now considering. The $190 million in budget authority for fiscal year 1987 will fund HUD transitional housing demonstrations, section 8 emergency housing and section 8 moderate rehabilitation activities, and assistance for homeless veterans. As I indicated, the total budget authority over the years is about $190 million. The cost, according to CBO, is $14.2 million in outlays in fiscal year 1987.

What we found as an offset to pay for this amendment is a $27.5 million deferral that will save $18.6 million in outlays in fiscal year 1987. That particular deferral concerns itself with specific funding for Landsat. We had obligational authority and outlays were assumed, but we have conditioned the expenditure of that money—we froze it—until the administration sent us, and Congress approved, an operating plan. That event has not occured. As a matter of fact, that so-called operating plan was denied by the Congress, and I have confirmed that there is no immediate hope that any such operating plan will be in existence in time to cause any of these deferred moneys to be needed in fiscal year 1987. Therefore, I have saved $18.6 million in outlays by deferring the $27.5 million that was supposed to be utilized for the operating plan that was expected to be implemented for Landsat.

I am confident that this is more than neutral in the budget year that we are talking about, but I am more confident that we need this kind of transitional housing money if we are going to begin to make a dent in the homelessness problem in this country.

We now are establishing some good criteria, some good goals, especially for the seriously mentally ill who are homeless. And the sine qua non of all of those is some kind of housing. If we do not have some housing available, the programs of care, casework, providing medical attention, using new medicines, none of that is going to work unless there is housing available to our cities and counties out there who are trying to cope with this problem.

So, Mr. President, I am very pleased that we found a way to add to what is in this bill for the homeless, especially in areas that have to do with additional housing aid to our cities and to our States. The States and localities must utilize these funds so that the homeless in the categories I have described have a real chance of getting some care, of being put into reasonable housing, and yet at the same time not destroying the voluntarism and the good works that are being performed by hundreds and hundreds of people through churches and charitable organizations, and cities and counties across our land.

I hope the Senate will adopt this amendment. I think it will merge well with what the House is contemplating. We will have put the finishing touches on a reasonably good homeless package in this appropriations bill and in the full appropriations bill which was passed last year.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. Mr. President, as the principal cosponsor of this amendment by the distinguished Senator from New Mexico, I rise to urge support of it. Even though I would have preferred that the earlier Cranston-D'Amato homeless housing amendment, which was supported strongly by the Senator from New Mexico, had been adopted, this is the next best option for those of us who are deeply concerned about the plight of the homeless in America.

It is budget neutral. It would add $190 million for homeless programs, including $20 million which I had intended to offer as an amendment along with the ranking minority member of the Veterans' Affairs Committee, Senator MURKOWSKI of Alaska.

This amendment gives us an opportunity to make good, or at least almost good, on our commitment to fight homelessness in America. We made this commitment on April 9, on rollcall 74, when we adopted by a vote of 85 to 12 the omnibus homeless assistance bill, H.R. 558.

We have a deep obligation, and have made a moral commitment by our earlier votes, to do all we can to see that at least some help goes to homeless Americans.

We have to act now, not later, in order to give enough lead time so that when next winter arrives this support will be in place. It is, therefore, very, very important that we act now on this amendment and not put it off until some other time.

I want to thank the distinguished ranking minority member of the Budget Committee, the Senator from New Mexico, for working so cooperatively with us in two respects: First, so as to target the money added in the best possible way among our homeless housing programs—as we are now working them out in conference on the authorizing legislation—taking into consideration the outlay constraints of maintaining budget neutrality.

Second, by incorporating our homeless veterans' amendment as we had included it in the Cranston-D'Amato amendment but without the pro-rata reduction portion we had proposed earlier to achieve budget neutrality.

HOUSING ADD-ON

This amendment would provide appropriations for three separate housing programs.

First, the amendment would provide $80 million for the transitional and supportive housing program. This appropriation reflects preliminary agreements which have been reached in the conference between the House and Senate authorizing committees. Supportive housing is defined as a project that provides housing and supportive services for homeless persons. As such, supportive housing encompasses the transitional housing program—which provides interim housing and support services, particularly for homeless families, until such families and individuals can make the transition to independent living—and permanent housing for handicapped homeless persons—which provides permanent housing and supportive services in a group home setting for individuals who are homeless and either physically disabled or mentally impaired.

Second, this amendment would appropriate $50 million for a special allotment of 1,900 section 8 certificates to help homeless families with children.

Finally, this amendment would provide $40 million in additional assistance for moderate rehabilitation of single room occupancy buildings. This appropriation also reflects preliminary agreements made in conference.

VETERANS' ADMINISTRATION ADD-ON

Mr. President, as the chairman of the Committee on Veterans' Affairs, I had intended, on behalf of myself and the committee's distinguished ranking minority member, Mr. MURKOWSKI to offer an amendment to provide $20 million to the Veterans' Administration and homeless Veterans' assistance.

Mr. President, this part of our amendment is very similar to a provision that was proposed by the distinguished chairman of the House Veterans' Affairs Committee, Mr. MONTGOMERY as a floor amendment to this supplemental appropriations bill and adopted by the House. The House provision, however, would transfer, whereas our amendment would add, $20 million to the VA's medical care account for assistance to homeless veterans.

This amendment would carry out the provisions of the Senate-passed homeless authorization bills, H.R. 558 and S. 477, specifically with respect to veterans. Our amendment would provide for $20 million for assistance for homeless veterans out of the total of $90 million we are proposing to add to the $137.5 million already included in the bill for initiatives specifically relating to homelessness—for a total homelessness appropriation of $327.5 million.

Various estimates indicate that a third of the approximately 350,000 homeless persons in America—some say half or more—are veterans, and I strongly believe that the special congressional initiative to deal with the tragedy of homelessness should include efforts to help deal specifically with the plight of those homeless persons who have served faithfully in our Nation's Armed Forces.

In contrast to the House $20 million veterans' amendment, the $20 million that the Domenici-Cranston amendment would allocate to the VA's medical care account would be divided in two equal parts. Half would go to increasing the VA's capacity to furnish eligible veterans, primarily homeless veterans, with domiciliary care, a form of institutional care combining room and board with medical and rehabilitative services aimed at enabling the veteran to return to independent functioning in the community. The entire House $20 million would have been used for this purpose. The other half of the $20 million in our amendment would go toward the furnishing of contract halfway house and other community-based psychiatric residential treatment, under section 620c of title 38, United States Code, to homeless veterans who are suffering from chronic mental illness disabilities.

I explained in some detail the need and justification for this $20 million appropriation to the Veterans' Administration during debate on the amendment I submitted earlier with the Senator from New York [Mr. D'AMATO]. I will not repeat that discussion.

In closing, I want again to express my appreciation to the distinguished chairman of the Appropriations Subcommittee on HUD-Independent Agencies, Mr. PROXMIRE, and his very able staff—Tom Van Der Voort and Marian Mayer—for their cooperation in working with us on this amendment.

As chairman of the Veterans' Affairs Committee and the Banking Committee Subcommittee on Housing and Urban Affairs, I strongly support this amendment. I urge its adoption. It should be adopted, I should think, without any opposition at all.

Mr. MURKOWSKI. Mr. President, I am pleased that my distinguished colleague from New Mexico, Senator DOMENICI, has agreed to incorporate into his amendment a provision which would provide additional funds for certain vital Veterans' Administration [VA] programs for homeless veterans.

Mr. President, initially Senator CRANSTON and I intended to propose an amendment which would add $20 million to the Veterans' Administration medical care account to assist the VA in its ability to provide care for homeless veterans. The amendment before us contains this provision.

The Senate has recently passed legislation which would authorize the provision of such care to homeless veterans. Mr. President, the $20 million we propose to add would be made available to the VA through September 30, 1988, and would be targeted for two veterans' programs.

First, $10 million would be allocated for the expansion of the VA's Domiciliary Care Program. As I have previously stated—during the committee's markup on homeless legislation and as part of the minority views which accompanied S. 477—I strongly believe that the domiciliary program is the appropriate vehicle to address the needs of many homeless veterans.

In fact, the Senate has twice passed legislation—as part of S. 477 and H.R. 558—to require the VA to convert underutilized space located in VA facilities to 500 domiciliary beds. In order to accomplish this most worthy goal, the VA needs funding. In that light, I strongly support the transfer of funds.

Second, $10 million would be allocated for the treatment and rehabilitation of chronically mentally ill veterans in halfway houses and other community-based psychiatric residential treatment facilities.

Public Law 100-6, as enacted on February 12, 1987, contains a provision which I authored to authorize the VA to provide community-based psychiatric residential treatment to certain homeless and other chronically mentally ill veterans. This law also appropriated $5 million to the VA for that purpose.

Mr. President, since the enactment of Public Law 100-6, the Senate has twice passed legislation which requires the VA to use the authority provided in that law to conduct a pilot program for homeless veterans who have a chronic mental illness. In addition, that legislation authorized expenditures of $5 million in fiscal year 1987 and $10 million in each of fiscal years 1988 and 1989.

This new program is in the initial stages of implementation, but it is too early to determine its effectiveness. However, according to VA officials, there has been a great deal of excitement surrounding this program. It is vital for the VA to have adequate resources to carry out the aforementioned pilot program.

Our amendment would also provide that up to $500,000 of the $10 million transferred for purposes of furnishing care to homeless veterans who have chronic mental illness disabilities would be used to monitor the furnishing of care and to provide additional staffing to effectively monitor the program.

Mr. President, I strongly believe that homeless veterans are in need of help. These two programs would be an appropriate mechanism to provide such help.

I urge my colleagues to join with me in supporting this amendment which will help veterans who now are homeless.

Mr. JOHNSTON. Mr. President, the distinguished Senator from California has worked long and hard for the homeless, and the Senator from New Mexico has labored in those vineyards for a long time as well. Now the Senator from New Mexico has come up with a new amendment which does, in fact, have outlay neutrality.

Were we to be supertechnical in the approach to the Senate rules, we might find a point of order that could be made on this amendment. But if we did, Mr. President, it would be putting form over substance. It would be worshiping at the shrine of supertechnicality. What we need to do is to get this money in place for the homeless for next winter. That is what this amendment does, while at the same time keeping outlay neutrality.

For that reason, we will not enter any objection, Mr. President. We urge its acceptance.

The PRESIDING OFFICER. Is there further debate?

The Senator from Oregon.

Mr. HATFIELD. Mr. President, this amendment has been cleared on the minority side, but I would like to just comment briefly.

I think this points up again the difference between authorizing a program and funding a program. I need not repeat a great amount of history on the question of authorizing the homeless bill. But I did indicate at that time that it seemed that it would have been a cruel hoax to raise the expectations and hopes of homeless people and their advocate groups by passing an authorization bill without recognizing the problems we would have in funding that later on in the supplemental.

The committee has put $137 million into the supplemental which is before us in an effort to reach as high a figure as possible within the framework of the Budget Act and all of the other restrictions.

The Senator from New Mexico now offers to add $20 million more to that, making it approximately $160 million.

Lest we feel that this has somehow reached a level of satisfying the need or meeting the need, I think we ought to be reminded that we are really at less than half of the authorizing level of the authorization in the homeless bill, or approximately half. That does not mean that even with this amendment we have solved the homeless' problem in this country. I think we have certainly kept faith with the authorization, at least in making a substantial first step toward meeting some kind of need for the homeless of this country.

I want to commend the Senator from New Mexico and the Senator from California for their efforts on targeting this particular program. I only want to raise again the fact that we have not really even lived up to 50 percent of our commitment that we voted on this floor in the authorization for the homeless bill. I am not sure that even that figure would have met the primary needs, quantitatively speaking, of the homeless in this country. I just want to make that record at this point because it is a job started but certainly far from accomplished. I am happy to clear this amendment on this side of the aisle with that caveat, that we are not yet fulfilling our basic obligations to the human needs of this country, even with these two provisions of this bill.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, as author of S. 763, "Services for Homeless Mentally Ill Individuals Act of 1987," I would like to explain the importance of this housing amendment as it relates to the mentally ill who are homeless.

The primary value of housing for this particular population of homeless people is quite simple and quite compelling. Unless the homeless mentally ill can be stabililized, the rest of our efforts on their behalf are destined to fail.

It does no good to diagnose and begin treatment if there is no stable living environment. Case management makes no sense if the case manager and the client cannot find each other. And outreach would be a waste of time if we could not place the mentally ill homeless in a stabilizing situation.

The five service elements in S. 763 were developed in a small and effective program run by the Federal Government. They are: First, outreach; second, transitional housing; third, psychiatric or psychological treatment; fourth, case management; and fifth, staff training.

This group of service elements is a tested approach. It was applied for 4 years of effort in 10 cities. This effort was funded by the Community Support Program of the National Institute of Mental Health for slightly under $2 million over the 4-year period.

In developing S. 763, I consulted with and obtained the full support of the following mental health groups: National Alliance for the Mentally Ill, National Mental Health Association, American Psychiatric Association, American Psychological Association, National Council of Community Mental Health Associations, and others.

These elements are contained in titles IV and V of the Senate substitute (S. 809) for H.R. 558, Urgent Relief for the Homeless Act. There is language in both of these titles building a strong bridge between housing and mental health services.

S. 809 TITLE IV—HOUSING ASSISTANCE

Our bill calls for a comprehensive homeless assistance plan that would identify and "meet the specific needs of the various types of homeless individuals, particularly families with children, the elderly, the mentally ill, and veterans."

S. 809 TITLE V—HEALTH SERVICES AND MENTAL HEALTH SERVICES FOR THE HOMELESS

Section 1934 requires that all five of the service elements I have described above must be included in each State receiving funds. This, of course, includes transitional housing.

In addition, case managers are specifically mandated to provide assistance in obtaining housing services for the seriously mentally ill who are homeless.

Third, the State application is required to address the issue of residential settings for the homeless mentally ill.

Finally, title V of S. 809, as passed overwhelmingly by the Senate (85-12), mandates that the chief executive officer of each State shall "certify that the State will ensure that the activities conducted under this part will be coordinated with transitional housing provided under the Transitional Housing Demonstration Program carried out by the Department of Housing and Urban Development." (Title IV.)

It is, therefore, the clear intent of S. 809, as passed, to link mental health services and housing.

I explained these connections in more detail on April 9, 1987, when we passed the bill. I would again, however, like to thank Senators HATCH, KENNEDY, and CRANSTON for their excellent work in helping me to coordinate these vital service elements for the homeless who are mentally ill.

Without the housing element, there could be no stability for those who need it most. With housing, we, at least, improve our chances of bringing some of these fragile people back to a semblance of normal life.

LONGER TERM HOUSING

In addition to the $60 million for transitional housing in fiscal year 1987, the Cranston-D'Amato amendment adds $80 million for emergency shelters and $85 million for section 8 assistance.

The section 8 assistance will be a valuable tool for longer term housing for the homeless who are mentally ill. By providing rental assistance through local housing authorities, we will be able to serve groups desiring to go beyond the 18-month limit of transitional housing.

These are 5-year certificates rather than 15-year certificates in order to reach homeless people sooner. About 1,900 certificates will be created at this funding level. Added to the provisions of the Transitional Housing Program, we will be able to do a better job of beginning the long commitment it takes to bring some of the homeless permanently off the streets.

The section 8 moderate rehab certificates will help to create newly rehabilitated single room occupancy structures. With $35 million, about 1,050 units will be made available.

CONCLUSION

Unless we have housing for the homeless who are mentally ill, our ability to turn their lives around will be seriously diminished. The results of 4 years of work by 10 cities will be lost if we have not learned this lesson.

I fully support this amendment and urge my colleagues to do the same. We need this housing if we are going to be serious about changing the lives of street people who are seriously mentally ill.

Mr. President, I want to thank those who have given their support to this amendment. While we are not yet up to the authorizing level, but I think we are at about 60 percent thereof, I again repeat that the Senate is going to authorize the funding for the housing part of the homeless initiative that we have provided in this bill. I thank the chairman and the ranking member for their support. I yield the floor.

Mr. D'AMATO. Mr. President, I rise today on behalf of a worthy amendment proposed by my colleague from New Mexico, Senator DOMENICI. This amendment comes in response to an earlier amendment introduced by Senator CRANSTON and myself. Although I wish the Cranston-D'Amato amendment had been successful in providing a full $225 million for housing for the homeless, I am pleased to support any effort to help the homeless in this country. I appreciated Senator DOMENICI's support of the Cranston-D'Amato amendment, and I am pleased to support an alternative amendment which addresses the same problem.

The supplemental appropriations bill does not contain any funding for housing for the homeless. I cannot stand by and allow this to happen. The homeless are in urgent need of housing—a need the Senate fully acknowledged 1 month ago wih the passage of H.R. 558, the housing provisions of the Urgent Relief for the Homeless Act of 1987.

The Domenici amendment provides $190 million for housing for the homeless; $80 million of this funding is for transitional housing, $90 million is for section 8 assistance, and $20 million is for assistance for homeless veterans. The authorization of these very programs, in H.R. 558, exhibited a clear commitment to provide immediate Federal assistance to housing the homeless. H.R. 558 passed the Senate by an overwhelming vote of 85 to 12.

Transitional housing provides homeless people with interim housing and support services to facilitate their transition to independent living over periods ranging from several weeks to about 18 months. This type of housing is of particular benefit to families with children and to the mentally ill. Given the large number of homeless families, as well as the large number of mentally ill individuals who are homeless, I am pleased that we are providing these individuals with some security and assistance—vital components to living and functioning independently.

While emergency shelters can offer a place to stay for a few days or weeks, transitional housing is intended to provide a longer period of relative stability during which a homeless person can be helped to seek employment and permanent housing, secure benefits, and receive needed health care and counseling.

Section 8 assistance is intended to address the problems of the homeless in a more substantial manner than brief 1 year emergency funding. Consequently, this amendment provides a total of $90 million—$50 million for section 8 existing housing certificates and $40 million for moderate rehabilitation certificates—to ensure that permanent housing is available to the homeless. Homelessness will not be a problem that is solved overnight. As we push to act quickly, we must also make sure that our funding seriously addresses this problem in a substantial, long-term manner.

In addition, the Domenici amendment contains a provision to ensure that the needs of homeless veterans are met. Homeless individuals who have served in our Nation's Armed Forces deserve to be assured of health and housing services. This amendment contains a provision to provide $20 million for homeless initiatives to homeless veterans.

Estimates indicate that a third of the homeless persons in the United States are veterans. Clearly, Federal efforts to combat homelessness must take these statistics into account. We must ensure that those homeless individuals who fought for this Nation receive adequate services.

With such a substantial exhibition of commitment to the homeless, it is surprising—if not upsetting—to find that the supplemental contains not one penny for housing the homeless. Four weeks ago the Senate decided overwhelmingly that providing funding to the homeless was a top priority. Four weeks later, the Senate is considering passing a piece of emergency legislation which contains absolutely no funding for housing the homeless. This kind of dishonesty and misrepresentation is an outrage—especially when the individuals affected by this funding are in urgent need of something we all take for granted, a roof over our heads.

A supplemental package without any funding for housing for the homeless would be a charade. The Senate would be promising funding for the homeless, while not actually supporting money in the pocket for programs in the field. These programs desparately need immediate funding. The Senate rushed H.R. 558 through the Senate in order to meet the urgent need of providing housing and services to the homeless. Not providing appropriations for these programs would be a virtual breach of faith on the part of the Senate.

In this time of major budgetary constraints, I am pleased that my colleague from New Mexico, the ranking member of the Budget Committee is supportive in addressing the homeless problem in this country. I commend him for his commitment to this cause, and I am pleased to join him in the effort to rid this Nation of homelessness.

HOMELESS APPROPRIATION

Mr. WIRTH. Mr. President. I am encouraged by the action taken today by the Senate in regard to combating the problem of homelessness in America. What makes today's accomplishment so notable is that we will have made progress toward alleviating the suffering of the homeless, without further jeopardizing our goal of reducing the Federal deficit.

America has a proud tradition of treating the less fortunate of our society with compassion and dignity. Our duty lies not only in providing for the immediate physical needs of the homeless, but also in helping them find permanent housing and independence.

I fear that in recent years we have allowed our commitment to these ideals to slip. Cuts in mental health funds have forced State hospitals to discharge poor, mentally ill patients. Deep cuts in domestic programs have forced many to choose between food and shelter. I believe we must now take action that will renew our commitment to providing for the least fortunate in our society.

For this reason, I cosponsored the Senate homeless bill which was designed to move beyond emergency assistance to a more comprehensive, long-term approach. I was pleased when that bill, S. 809, was passed overwhelmingly by the Senate earlier in the session, and I am pleased that we are now making good on our promise by appropriating funds to implement this comprehensive program.

Most of all I am pleased that we took this action—appropriating essential funds for the housing portion of the homeless bill, without hindering our progress toward deficit reduction. That, I think, is an accomplishment worthy of note.

I commend the sponsors of the distinguished Senator from New Mexico [Mr. DOMENICI], the distinguished Senator from California [Mr. CRANSTON], and others, and I am pleased to have supported it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico.

The amendment (No. 238) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CRANSTON. Mr. President, I just want to note that the amendment I had intended to offer, along with Senator MURKOWSKI, for which we had been holding a place in line is now canceled out by the adoption of the Domenici-Cranston amendment, which incorporates our amendment, so we no longer have that amendment.

The PRESIDING OFFICER. The Senator is correct.

The Senator from Louisiana.

AMENDMENT NO. 239

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] proposes an amendment numbered 239.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 23, after line 6, add the following: SEC. . Section 5314 of title 5, United States Code, is amended by adding at the end the following: "Comptroller of the Department of Defense."

Mr. JOHNSTON. This amendment ensures that the comptroller of the Department of Defense be paid at a level 3 grade. In the recent legislation with respect to the reorganization of the Department of Defense, it failed to specify what the pay grade of the comptroller of the Department of Defense was. This simply clears up that oversight or that ambiguity. It has been cleared through all the appropriate committees on both sides of the aisle.

Mr. HATFIELD. Mr. President, the Senator is correct. I am informed that Senator STEVENS, the ranking minority member of the subcommittee, has cleared this amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 239) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I understand the distinguished Senator from New Mexico has an amendment which has been cleared. If so, we are ready to take that at this time.

Mr. DOMENICI. Mr. President, first I want to say to the floor managers, that I had a third amendment with reference to EPA, and I probably will not be offering it. I will advise you very shortly so that you will be able to better manage the bill as far as us helping you with that.

AMENDMENT NO. 240

(Purpose: To change criteria for REA refinancing to 6 customers or less per line mile)

Mr. DOMENICI. Mr. President, I have an amendment cosponsored by the distinguished chairman of the Appropriations Committee, Senator STENNIS, and his ranking member, Senator COCHRAN. I send it to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself, Mr. STENNIS, and Mr. COCHRAN, proposes an amendment numbered 240.

Mr. DOMENICI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 82, strike lines 17 through 22, and insert the following:

"Notwithstanding the amount authorized to be prepaid under section 306A(d)(1) of the Rural Electrification Act of 1936 (7 U.S.C. 936a(d)(1)), a borrower of a loan made by the Federal Financing Bank and guaranteed under section 306 of such Act (7 U.S.C. 936) that serves 6 or fewer customers per mile may, at the option of the borrower, prepay such loan (or any loan advance thereunder) during fiscal years 1987 or 1988, in accordance with section 306A of such Act."

Mr. DOMENICI. Mr. President, this is a very simple amendment. In the bill before us, there is a provision for refinancing REA. There is a criterion of three customers per line mile. This merely modifies that to six customers per line mile. We have checked it with those on both sides of the aisle and with the sponsor of the original amendment in the committee, the chairman of the Subcommittee on Agriculture. I believe they have no objection.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. JOHNSTON. Mr. President, the amendment has been cleared on this side.

Mr. HATFIELD. The amendment has been cleared on this side, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico.

The amendment (No. 240) was agreed to.

Mr. HATFIELD. I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 241

Mr. JOHNSTON. I send an amendment to the desk on behalf of Senator Inouye and Senator Matsunaga and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Louisiana [Mr. Johnston] on behalf of Mr. Inouye and Mr. Matsunaga, proposes an amendment numbered 241.

Mr. JOHNSTON. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 35 after line 2 insert the following:

"Department of Energy

energy supply, research and development activities

Of the amounts heretofore appropriated and made available for Energy Supply, Research and Development Activities, $1,200,000 shall be for completion of the MOD-5-B Wind Turbine Project."

Mr. DOMENICI. Mr. President, the chairman and the distinguished ranking member can strike the Domenici EPA amendment. We are not going to offer it. We are going to try to work on it with the committee members.

Mr. JOHNSTON. I thank the Senator.

Mr. President, the instant amendment simply provides that $1,200,000 of funds already appropriated can be spent for completion of what we call the MOD-5-B wind turbine project, already funded previously. They need to spend this $1.2 million on certain tests that are required for completion. The amendment has been cleared.

Mr. HATFIELD. Mr. President, the amendment has been cleared on the minority side.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana [Mr. Johnston].

The amendment (No. 241) was agreed to.

Mr. JOHNSTON. I move to reconsider the vote.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. JOHNSTON. Mr. President, I announce to my colleagues now that the list of amendments is getting very short and we are moving to a position to go to third reading very soon. Most of the amendments will probably either go away or not be offered. So if anyone has an amendment, he or she should come to the floor without delay because Senator Hatfield and I are ready to move to third reading.

Mr. HATFIELD. Mr. President, I join the Senator from Louisiana in urging Senators to be here to offer their amendments that they have listed on our comprehensive amendment list. I believe we have one here that we can act upon that has been cleared on both sides.

Mr. JOHNSTON. Mr. President, I might add that I have been informed that Senator Pell will not offer the Moscow Embassy language amendment. So that makes the list that much shorter.

AMENDMENT NO. 242

(Purpose: To require a report on previous expenditures for Southern Africa)

Mr. HATFIELD. Mr. President, I send an amendment to the desk on behalf of the Senator from North Carolina [Mr. Helms] and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Oregon [Mr. Hatfield], for Mr. Helms, proposes an amendment numbered 242.

Mr. HATFIELD. I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add the following new section:

"Sec. . None of the funds appropriated by this Act for Southern Africa shall be obligated or expended until the President has reported to the House Foreign Affairs Committee, the Senate Foreign Relations Committee, and the Committees on Appropriations an itemized accounting of all expenditures of funds authorized by the Foreign Assistance Act of 1986 (P.L. 99-83) for Southern Africa and by P.L. 99-440 and, pursuant to such authorizations, subsequently appropriated.".

Mr. HATFIELD. Mr. President, this basically is a requirement placed upon the President to provide a report on the act for southern Africa funds that are authorized by the Foreign Assistance Act. That kind of report has to be made to the House Foreign Affairs Committee, the Senate Foreign Relations Committee, and the Committees on Appropriations.

I believe this has been cleared with Senator Inouye, with the chairmen of the subcommittees on appropriations, and with our side as well.

Mr. JOHNSTON. Mr. President, the amendment has been cleared.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon [Mr. Hatfield] for Mr. Helms.

The amendment (No. 242) was agreed to.

Mr. HATFIELD. I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

Mr. JOHNSTON. Mr. President, I repeat that this list is—I do not know of any amendments that will be brought up for certain. I assume that some amendments will be brought up but if not brought up soon, then we would expect to go to third reading.

I want to repeat that. I shall repeat it again in a few moments so that Senators will be fully on notice. But the list is vanishingly small and there are no really important amendments that I can see left on the list. So again, I put Senators on very polite notice that we are going to third reading soon, we hope.

The PRESIDING OFFICER. The Chair awaits the pleasure of the managers of the bill.

Mr. HATFIELD. Could we possibly make a call for third reading?

Mr. JOHNSTON. Mr. President, I would personally be very happy for a call for third reading. I wonder if the Senator from Oregon might wait just a few more moments to see if these amendments do in fact vanish.

Mr. HATFIELD. I should be very happy to wait for another 3 minutes.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Oregon.

AMENDMENT NO. 243

Mr. HATFIELD. Mr. President, on behalf of the Senator from Connecticut [Mr. Weicker] I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Oregon [Mr. Hatfield], for Mr. Weicker, proposes an amendment numbered 243.

Mr. HATFIELD. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 64 of the bill, after line 22, insert: "Rehabilitation Services and Handicapped Research of the funds appropriated for Rehabilitation Services and Handicapped Research for fiscal year 1987, $15,860,000 is available for Special Demonstration Programs under Section 311(a)(b)(c)."

Mr. HATFIELD. Mr. President, this amendment has been offered on behalf of the Senator from Connecticut [Mr. Weicker]. It is in a sense a technical amendment for it corrects an error in the fiscal year 1987 bill with regard to funding of programs under the Rehabilitation Act. It has been requested by the administration as well, and it is necessary to ensure the $15.8 million appropriated for Special Demonstration Programs is expended according to the intent of the conferees of the conference on the fiscal year 1987 appropriation bill.

I believe it has been cleared on both sides of the aisle.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. The amendment has been cleared.

The PRESIDING OFFICER. The question occurs on agreeing to the amendment offered by the Senator from Oregon [Mr. Hatfield].

The amendment (No. 243) was agreed to.

Mr. HATFIELD. I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I have just received word that the Heflin-Shelby amendment will not be considered. That makes our list even shorter. In spite of several entreaties now, we have neither had an amendment brought up nor had word from anyone that they intended to bring those amendments up. I wonder if the distinguished Senator from Oregon has received word about any amendments being brought up.

Mr. HATFIELD. Yes. Mr. President, in response to the Senator from Louisiana, we are informed that Senator D'Amato of New York and Senator Helms of North Carolina are on their way to the floor to offer an amendment each.

Mr. JOHNSTON. Mr. President, for that reason, I will withhold the move for third reading for a few more moments to allow them time to get to the floor and bring up their amendments.

Mr. HATFIELD. Three minutes.

Mr. JOHNSTON. I believe that would be appropriate.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. D'AMATO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 244

Purpose: (To limit the waivers on regulations of re-registration of foreign ships operating in Persian Gulf area to U.S. registry)

Mr. D'AMATO. Mr. President, I send an amendment to the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New York [Mr. D'Amato] proposes an amendment numbered 244:

At the appropriate place insert the following:

(1) Waivers or expedited procedures under the requirements of 46 U.S.C. 12101 *et seq.* for the re-registration of ships to United States registry from ships originally belonging to non-belligerent nations of the Persian Gulf Region, or of other nations seeking safe passage through the Persian Gulf, shall not be granted except to the extent that (A) an equal number of such ships are re-registered under the flags of our NATO allies and Japan within a 60 day period in which such waiver is sought, or (B) an equivalent guarantee of maritime security is made by our NATO allies and Japan.

(2) Any waiver, or relaxation of registration requirements pursuant, to 46 CFR Chapter 1, Chapter 6.01 shall expire within 30 days unless the President makes a full report to the Congress in writing detailing the particular national defense interest in the exemptions and the facts justifying their continuance.

The PRESIDING OFFICER. The Senator from New York [Mr. D'Amato] is recognized.

Mr. D'AMATO. Mr. President, many of my colleagues have spoken this week to express their concern about the nature and extent of our suddenly expanding, and demonstrably dangerous, commitments in the Persian Gulf region. I share that deep concern. Last week's incident involving the U.S.S. *Stark* tragically demonstrates the perils of placing American ships and American lives in harm's way without a clearly defined mission and adequate support from our allies.

Some of my colleagues have already addressed themselves to this very issue. I certainly support the motions that have been made calling upon the President to report to the Congress regarding the *Stark* incident and the extent of our commitments in that troubled part of the world.

Like my colleagues, I am particularly concerned about the haste with which our commitments are expanding and multiplying. The administration has offered to reregister *Kuwaiti* and other vessels as American-flag carrying ships, entitling them to the protection of the U.S. Navy. This is being accomplished by the granting of waivers from our own ship registration requirements, including our rigorous safety inspection standards. Our maritime regulations permit such waivers in the interests of national defense.

Mr. President, this only begs the question: What are those interests? It is essential that those interests be specified, so that the mission—and the exposure to danger of American lives and property—be tailored accordingly. This is only reasonable.

More important, Mr. President, if we are going to stretch our laws to protect freedom of navigation and the free flow of commerce in the Gulf—principles we all support, Mr. President—we cannot and should not do it alone. More than 90 percent of the oil transported through the Gulf is headed, not for the United States, but for Western Europe and Japan. It is only reasonable, Mr. President, that the burden be shared by those who most benefit. The Soviet Union, for its own geopolitical reasons, is participating in the protection of Gulf shipping; why shouldn't our NATO allies, who most benefit from freedom of commerce in the Gulf, participate as well?

I therefore introduce this amendment today. The amendment sets forth two points: First, that the burden of maintaining freedom of the seas be shared by our NATO allies and Japan; and second, that the administration demonstrate to the Congress that it knows precisely what it is doing, and why, in authorizing the reflagging of foreign vessels in this region.

The amendment requires that the ships of foreign, nonbelligerent nations in the Gulf be reflagged as United States vessels only to the same extent that the protection of such vessels is similarly undertaken by our allies and Japan.

Further, the amendment states that any waivers from our registration requirements for the purpose of reflagging these vessels would expire within 30 days unless the administration reports to the Senate exactly why the waiver was granted, and offers concrete reasons why it should be continued.

Mr. President, this is not an attempt by the Congress to micromanage foreign policy. It raises no constitutional questions. It is separate from the very important, very complicated issues surrounding the War Powers Act. It simply holds that if we are going to stretch our laws for the benefit of others, we should know why we are doing it; and that the burden of doing so should be shared by those who most benefit.

Mr. President, the lessons of our recent past in Lebanon and in the Persian Gulf are all too clear. They are that we must act in cooperation with our allies in defense of our mutual interests; and that we should not embark on a dangerous and difficult course without knowing exactly where we intend to go. I urge my colleagues to support this amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, the administration's refusal, at this time, to apply the provisions of the war powers resolution to the current situation in the Persian Gulf is correct. The war powers resolution, enacted into law on November 7, 1973, was a product of congressional criticism and hostility toward the Vietnam war. I realize that serious differences still exist among the Members of this body over the validity and the consequences of United States participation in the Vietnam war. It is my strong belief that history has already demonstrated that United States participation in that tragic conflict was right and that our failure to stand by our Vietnamese ally has had serious negative consequences for not only Southeast Asia, but also for the conduct of American foreign policy during the last 15 years. There is no doubt in my mind that we have weakened the President's role as Commander in Chief of the U.S. Armed Forces and thereby weakened the national security of this country in the process.

On May 17, an Iraqi Mirage F-1 jet fired two Exocets at the U.S.S. *Stark*, resulting in the untimely death of 37 naval personnel. The *Stark* was severely damaged by the attack. There are many unanswered questions about the Iraqi attack on that naval vessel, but it was a solitary attack and the Iraqi Government has already apologized. Iraq has claimed that the *Stark* incident was an accident and that the firing of two Exocet missiles at the American frigate was unintentional. That may or may not be true, but one thing is certain. One incident, particularly an unintentional one, does not create an imminent threat of hostilities, to use the term applied by the war powers resolution.

Mr. President, the administration is correct in its refusal to apply the war powers resolution to the situation in the Persian Gulf. The war powers resolution of November 7, 1983, requires the President: First, to consult with the Congress before U.S. Armed Forces are introduced into hostilities or situations where imminent involvement is clearly indicated; and second, if U.S. Armed Forces are introduced into hostilities or an area threatened with imminent hostilities, then the President must report to the Congress within 48 hours detailing the circumstances of the situation, specifying the constitutional and legislative authority under which the commitment took place, and stating the estimated scope and duration of the hostilities and the nature of American involvement.

The United States is not involved in hostilities in the Persian Gulf. The United States is a neutral nation with respect to the Iran-Iraq war. Kuwait is not involved in hostilities in the Persian Gulf. In international law which governs the operation of armed conflict, neutral ships have the right of free passage on the high seas. Thus, they are absolutely entitled to the freedom of passage in the Persian Gulf. If American flags are flown by Kuwaiti tankers, this does not in any way change the neutral status of either country. Both the United States and the Emirate of Kuwait are entitled to the freedom of navigation in the Persian Gulf, unless a formal blockade exists. As we know, it does not.

There is no indication that the United States is threatened with imminent conflict in the Persian Gulf, nor has the United States injected itself into the Iran-Iraq war. Our attempt to buy back American hostages from Iran was a misguided but good-faith efffort which made no major contribution to the Iranian war effort. The intelligence we provided to Iraq was an isolated incident which did not change our neutral status in international law. Iran has not declared war on the United States. Iraq has not declared war on the United States. We are not involved in hostilities in any way with either of those two adversaries.

The United States is entitled, under international and domestic law, to have its warships patrol the high seas, the Gulf of Oman, and the Persian Gulf. Freedom of navigation is applicable in international law to all three areas. The United States has the legal right to place its flag on foreign ships, just as the Soviet Union has the legal right, for whatever purposes, to allow Kuwait to charter three of its oil tankers flying the Soviet flag.

With all due respect to the distinguished senior Senator from Rhode Island, and my other colleagues who are concerned that the war powers resolution has not been invoked, I would like to ask them if they believe that the President of the United States should be required to invoke the War Powers Act every time a U.S. warship leaves a United States or friendly port and puts to sea? Last Thursday, May 21, we passed by a vote of 91 to 5 the supplemental appropriations amendment No. 209 which clearly incidated a proper Senate concern over the situation as it now exists in the Persian Gulf. This is different, however, than taking the position that the administration has violated the provisions of the war powers resolution.

The war power resolution does not require implementation every time the United States engages in an act of self-defense. This is true in law, and it is validated by past history. We do reserve the right to defend our naval vessels is any of them are subject to unprovoked attack. But this is not the same as saying that the United States is engaged in hostilities in a combat zone. The questions of whether or not a United States naval escort will be provided for Kuwaiti tankers flying the American flag, whether carrier-based United States fighters will provide a protective umbrella for those tankers, whether AWACS reconaissance planes will be involved in searching skies for possible attackers, or what the United States response will be in the event of an Iranian attack upon United States- flag ships or aircraft are proper questions to consider. These very issues have been raised in the leadership's supplemental appropriations amendment No. 209 and properly so.

In conclusion, Mr. President, the war powers resolution does not apply in law or in fact to the decision to continue the presence of United States ships in the Persian Gulf or to allow 11 Kuwaiti tankers to fly the United States flag. The current situation in no way is similar to the conditions in Lebanon which inspired the "multinational force in Lebanon resolution" of November 22, 1983 or the sense of the Congress resolution of October 12, 1984, on El Salvador.

Last Thursday's leadership amendment No. 209 is letter suited to the present situation in the Persian Gulf than the War Powers Act approach. It has already raised the question of the extent of cooperation by our allies in protecting the open seas. It requires the President to submit to the Congess a threat assessment for that region, to identify the rules of engagement under which the U.S. Navy and airforce are now operating in the gulf area, and to indicate any cooperative agreements or arrangements with our European allies with respect to the security of the Persian Gulf. This comprises, in effect, the very consultation which the war powers resolution requires and avoids the other complicating aspects of that act. The resolution of the Senator from New York is a logical extension of this argument.

I personally believe, Mr. President, that the war powers resolution places unconstitutional restrictions upon the Chief Executive in his conduct of foreign policy and on his duties as the main official responsible for U.S. national security. But that aside, to attempt immediately and consistently to apply the war powers resolution every time the United States dispatches its Armed Forces anywhere in the world, even as a matter of routine, or whenever the United States exercises its right to engage in the freedom of the seas, is bad strategy and bad policy. Reacting to a specific threat of military attack is one thing. Overreacting on the basis of partisan politics is quite another. The President deserves our support in this difficult situation. We should be with him and not against him for the good of the Nation.

Mr. JOHNSTON. Mr. President, let me state, first, that this amendment, if adopted, I am informed, would cause a veto of the entire bill. Let me repeat that: This amendment, if adopted, would cause a veto of the entire bill. For that reason and the reasons I will state shortly, I will move to table this amendment, even though the Senator from New York is a great and valued friend and Senator.

Mr. President, the genesis of the importance of the Persian back many, many years. As long as 15 years ago, in the Senate Energy Committee, we discussed the importance of the Persian Gulf. I remember that it was Senator Jackson—the late, great Senator Scoop Jackson—who pointed out the vital nature of the Strait of Hormuz; and we discussed at great length the question of whether or not the Strait of Hormuz could be bottlenecked by virtue of sinking ships in it. As an aside, I might say that we determined that that probably could not happen.

Mr. President, the whole Nation knows about the vital nature of the Strait of Hormuz and of the Persian Gulf. For that reason, for over a decade, we have had ships and aircraft carriers in the Mediterranean and in the Persian Gulf, asserting our very strong and vital interests. It is safe to say that if we have vital interests anywhere in the world, it is in the Persian Gulf.

If we say that we will not go into the Persian Gulf, that we abjure any intention to go into the Persian Gulf, then we might as well resign from the list of superpowers; because, to be a superpower, to be the leader of the free world, entails not only the status of superpower but also the responsibility of superpower. The responsibility of superpower and of the leader of the free world says, No. 1, that you protect your vital interests, you assert those vital interests.

Mr. President, I do not know precisely how we should assert our vital interests in the Persian Gulf. I do not know whether the *Stark* should have been where it was, with the equipment and weapons it had, whether that equipment or those weapons were used properly. All of that shall await, first, further investigation and, second, a determination by the Commander in Chief and the Department of Defense, who, after all, must manage these matters on a day-to-day basis.

But, Mr. President, to adopt this amendment would say in effect that we are resigning from the Persian Gulf or at least that the Congress of the United States is going to micromanage our involvement in the Persian Gulf, and for that reason, Mr. President, the President of the United States has said, and I think properly said, that he would veto this amendment.

Just why is it that we would put Kuwaiti tankers under the American flag. I can tell you the way this thing came about, Mr. President, was that the Kuwaits sent in a request to us months ago and asked would we allow their shipping to come under the American flag? Frankly, our Maritime Administration, our officials were very slow to reply. Some third level functionary in that Administration said we will send it along to the proper authorities, and for months that request to put their ships under the American flag languished.

But, Mr. President, soon the Kuwaits got the idea that we were not going to take any action. So do you know what they did? They asked the Soviet Union if they would protect Kuwaiti shipping. The answer came back promptly without qualification, without equivocation: "Yes," the Soviet Union said, "we will protect your shipping." It was then that the administration, our State Department, or Defense Department, recognized what was involved.

It was a question of would we resign from the Persian Gulf and leave it to the Soviet Union or would we assert ourselves? And the answer was, yes, that we would assert ourselves by putting this shippping under the American flag.

Does it involve risk? Yes, indeed. Does it involve inequality of risk in the sense that some of those who have their shipping protected such as the Japanese and the Europeans are not taking a proportionate part of the protection role? The answer is, yes, it probably does have that inequality.

But it also has this aspect, Mr. President, that if we pull out under some kind of congressional mandate then the Soviets move in. The Soviets would be able to achieve in one grand absence by the United States and a great act of inactivity by the United States what they have been trying to achieve in the Persian Gulf for years and years, and that is to get a strong toehold of influence, probably get bases along with it, and demonstrate graphically to all those members of the Persian Gulf, No. 1, that the predominant power is no longer the United States, that it is the Soviet Union; No. 2, that you cannot count on the United States to protect your interest; and No. 3, that you better do business with the Soviet Union and not the United States.

It is as simple, it is as clear as that, Mr. President.

Unfortunately, being the leader of the free world and being a superpower involves some risks, some expense, and it involves occasionally an act of some daring, an act of some courage.

I do not know whether putting Kuwaiti shipping under the American flag is exactly the appropriate way to assert American presence in the Persian Gulf. I can tell you this: if the Congress comes along and tells the President that he cannot, in effect, be in the Persian Gulf except under very carefully worked out conditions that probably would never come about, such as having the other countries also do their part, an equivalent guarantee of the maritime security by the NATO Allies and Japan—and by the way, an equivalent guarantee by Japan would probably violate their constitution—it would mean, in effect, that we stay out of the Persian Gulf.

So, Mr. President, for all those reasons and many more, but first of all, the threshold reason for tabling this amendment is that the President would veto this whole bill. All of the urgency of the bill would go down the drain if we adopted the amendment. So therefore, I move to table the——

Mr. HATFIELD. Will the Senator yield for just 1 minute before he makes the motion to table? The Senator from Indiana had alerted the floor from my side that we wanted to make a few remarks on this before the tabling motion was made.

Mr. JOHNSTON. Mr. President, I certainly want to yield to the distinguished Senator but I wonder if I could yield after this request. I ask unanimous consent that I be again recognized at the conclusion of his talk so that I may make the motion to table, because this is the kind of amendment that could provoke endless debate and the motion to table will be made.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana?

Mr. D'AMATO. Mr. President, for purposes of an inquiry, I ask that the Senator from Louisiana at least withhold his motion to table and give me an opportunity to make some clarifying points because it certainly was not this Senator's intent nor does this amendment move the United States out of the gulf region. I would ask that the Senator give us that assertion before he makes his motion to table.

Mr. JOHNSTON. Mr. President, the Senator from New York has been succinct and always courteous and considerate on the floor, so I will not press the point of a motion to table at this time. I know he will be succinct so I will not press that motion.

The PRESIDING OFFICER. The Senator withdraws his unanimous consent request.

The Senator from Indiana [Mr. LUGAR] is recognized.

Mr. LUGAR. Mr. President, I thank the Chair.

I appreciate the remarks made by the distinguished Senator from Louisiana who has certainly expressed very eloquently our strategic purpose in the Persian Gulf region. Let me supplement those thoughts with those of my own.

I have been outspoken on the request of the administration to consult promptly with the leadership of Congress and, for that matter, with relevant committees of Congress. I believe that it certainly is an open question as to whether the War Powers Resolution applies. In my judgment, because American servicemen would be in imminent danger, it appears to me that the War Powers Resolution does apply. But I also have suggested that there are ways and means in which the administration might bring about that consultation procedure. And from time to time I and others—this is not an original suggestion—have thought that the administration and the leadership of Congress ought to set up regular consultation pattern so that those leaders know who they are and that the adminstration and the Congress know the times in which they ought to be getting together without fanfare and without a crisis on each occasion.

I hope that will occur. I believe that it will.

I point out, Mr. President, this particular crisis comes about largely because of attention focused on the gulf.

The administration, commencing in December, has been reviewing our policy in the gulf. The administration, I think quite rightly, came to the conclusion that many Arab States had lost confidence in the United States of America, worse still that the Iranians were again gaining dominance in the region, and that the end of a war which brought victory by Iran and the fall of many friendly Arab States would be a catastrophe for the West.

As a result, the administration has been active in trying to bring about circumstances whereby other nations might have confidence in us.

Mr. President, that came about in several ways, but principally after we learned that the Kuwaitis had sought assistance from both the Soviet Union and ourselves and worse still that the Soviet Union had granted the Kuwaitis assistance. At that point, we knew that we had a very substantial problem in January.

Mr. President, why would the Kuwaitis ask for assistance? For obvious reasons. They have been fired upon, that is, their tankers had been attacked on many occasions, by Iran. It has been in the interest of Iran to get Kuwait out of any tilt toward Iraq and certainly the tilt was there on the part of the Kuwaitis.

In January, the United States came to a conclusion that we ought to offer protection to that shipping, not only to Kuwait but to other shipping in the gulf; that it would be a catastrophe for us and for our allies if we were to be denied those energy resources, quite apart from the destabilization of the region.

Therefore, I submit, Mr. President, that what is occurring in the gulf now is not new. It has been in process since at least January.

What is new is the announcement that may have come to public attention because of the attack on the *Stark* that we are planning to take on these Kuwaiti tankers with the American flag. Now, Mr. President, that is something that is still to come about. That has not yet occurred.

I would simply point out for the benefit of all Members that this is a good time to have a conversation about the stipulations. To be very blunt, Mr. President, our allies, especially our maritime allies, such as Great Britain and France and, for that matter, the Netherlands and others, have a great stake in the Persian Gulf. Consultations ought to proceed with them. And I am advised by the administration that they are proceeding with those consultations as to the roles they ought to play.

Furthermore, Arab States that surround the Persian Gulf have a very great stake in their own survival. Consultations ought to take place with them promptly on ways in which their security might be enhanced.

We have not transferred flags at this point. We have not pinned down all four corners of the deal. And the negotiations with the Europeans or with the Arab States are to proceed because we have not made the transfer of the flags. And I think that is important for all Americans to understand. We would be providing security for shipping. We continue to do that.

Mr. President, with regard to the specific amendment offered by the distinguished Senator from New York, it would require that there be a reciprocal number of transfers of flags. And he mentions Japan specifically and other allies.

I would point out, technically, with regard to Japan, my understanding of the constitutional situation in Japan is that they could not make that kind of a transfer. One of the requirements for winding up World War II and for the post-World War II period was to allow the Japanese to impose upon themselves some limitations with regard to military obligations. So I think, technically, that is not possible for the Japanese.

But let me point out, Mr. President—I do not do this to ridicule the amendment, but just as a matter of fact—there are only some 20 Kuwaiti tankers; 11 of them are active in the Persian Gulf in bringing about the shipping of oil. Those are the 11 that we have chosen to bring under our protection. The others are not.

If one were to get into reciprocity, you run through the entirety of the stock of tankers and include those that are not even in operation in a desire to bring about a degree of equity. On the face of it, the amendment is deficient for lack of recognition, I think, of the number of tankers involved and what is technically possible under the Japanese Constitution.

Let me say, furthermore, that imposing limits of 30 days and 60 days on the administration is micromanagement with a vengeance. And since the shift of the flags has not occurred at all and may not occur for the next 30 days and may not occur for the next 60 days, it will occur, in my judgment, after satisfactory arrangements are made with participation by the allies who have a stake and by the Arab States who surely have a stake, and after full consultation with the Congress.

So I would propose, Mr. President, that the words of the distinguished Senator from Louisiana be listened to on this subject. It appears to me that the amendment does not have merit, despite the earnest attempt by the distinguished Senator from New York to get the attention of the administration to call for consultations, as many of us are doing, and as we are assured that we are going to have consultation and a very great deal of it. But the specific remedies offered, it seems to me, are deficient on their face. I share the viewpoint of those who will support tabling of the amendment.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York [Mr. MOYNIHAN].

Mr. MOYNIHAN. Mr. President, I rise in support of the proposal to table this measure, which is certainly well intended and thoughtful. But it seems to me to be very much against the interests of the United States and of the free world as we properly describe it.

Mr. President, if we wish the Persian Gulf to become a Soviet lake, that fact of geopolitics, that irreversible fact of geopolitics, is upon us at this hour. The Soviets have, with astonishing dexterity and deftness, moved in on Kuwait, now head of the Islamic Conference, and offered to protect Kuwait against its non-Arab neighbor, the massive state of Iran. The workers in the oil fields actually are Arab in Iran but the nation, of course, is not. Iran is a Shiite nation whereas Kuwait is predominately a Sunni nation. And now, the Kuwaitis have responded to the Soviets as never before in their history.

The distinguished Foreign Minister of Pakistan was in this Capitol not a week ago and spoke with a number of us on the Committee on Foreign Relations and the Armed Service Committee. He described things about which I think his confidences should be kept, but his purposes should be understood. They are alarmed at the Soviet penetration of the Middle East. They see it as directly affecting their capacity to support the mujahideen in Afghanistan. They see the possibility of being outflanked completely and the United States being effectively excluded from the region.

I need not remind my distinguished friend, the Presiding Officer, that Aden, the British protectorate which defined east of the Suez for a century and more in world politics, has fallen to a pro-Soviet, Soviet-supported, Soviet-maintained regime that, in effect, approaches the Persian Gulf.

I repeat, Mr. President, the distinguished and learned Senator from Louisiana has stated this case very well, but I would like to add the Afghanistan dimension, the Pakistan dimension, the Islamic Conference dimension. And, I repeat, if you would like to see the Persian Gulf become a Soviet lake, here is the place for the United States Congress to commence that process.

I thank the Chair for his courtesy.

The PRESIDING OFFICER. The Senator from New York [Mr. D'AMATO], is recognized.

Mr. D'AMATO. Mr. President, I intend to ask unanimous consent that the amendment be withdrawn. But, before I do, I feel compelled to make several observations.

At no time and in no way does this amendment indicate that the United States should abdicate its responsibility or its role in the Persian Gulf. That just simply is not the case. I wonder how it is, when an attack made by the Iraqis on the U.S.S. *Stark*, flying our flag, a naval ship of war, how we can make the quantum leap from that kind of an attack by the Iraqis that if we flag the Kuwaiti ships somehow, miraculously, we are demonstrating our strength and that we are calming the troubled waters down. I do not think we are doing that. I think we are exasperating the situation.

I wonder if we are not saying that this flag becomes—our great flag, the flag that we love, that stands for this Nation, the pride, the sacrifice—now it is somehow the flag of convenience. The flag of convenience. Give it to the Kuwaitis so that maybe they will not call on the Russians, the Soviets.

I am not asking that we abandon our commitment to this region. What this amendment did seek and does seek to do was to say that we want those who have an equal stake to share in the responsibility.

Yes, we are the superpower, but I wonder if this is the way to go about it, by placing our great flag on Kuwaiti ships, or, for that matter, who else after this?

Mr. President, I ask unanimous consent that my amendment——

Mr. MOYNIHAN. Would the distinguished Senator yield for one thing before he proceeds?

Mr. D'AMATO. Certainly.

Mr. MOYNIHAN. Mr. President, I would like to advise my able friend from New York that I spoke as I did and meant what I said. I spoke with the thought of what message such an amendment would send, not the substance. The substance is one on which persons of generally common views can have somewhat different positions.

Mr. D'AMATO. Mr. President, I ask unanimous consent that my amendment be withdrawn and I advise that I will offer a resolution at a later time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? Without objection, the amendment is withdrawn.

Who seeks recognition?

Mr. JOHNSTON. Mr. President, I will reiterate, and I think this is the fourth time, that the list of amendments is quickly running down and that we are ready to do business. The Senator from New York will have his amended resolution very soon, which I expect we will be able to adopt without debate. If anyone has an amendment, here is his last chance to submit it.

I see the distinguished Senator from North Carolina ready at this time, so I will yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the Chair.

AMENDMENT NO. 229

Mr. HELMS. Mr. President, I call up my amendment No. 229 and ask that it be stated.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from North Carolina (Mr. HELMS), for himself, Mr. SYMMS, Mr. WALLOP, Mr. GARN, Mr. HUMPHREY, Mr. MCCLURE, and Mr. HATCH proposes an amendment numbered 229.
>
> On page 16, at line 3, insert before the period the following: "of which $5 million shall be available only for continuing the previously authorized retrofitting of stockpiled Minuteman III Inter-Continental Ballistic Missiles (ICBMs) into existing Minuteman II ICBM silos".

Mr. HELMS. Mr. President, I thank the clerk for reading the amendment. I would note that this amendment is cosponsored by the distinguished Senator from Idaho [Mr. SYMMS], the distinguished Senator from Wyoming [Mr. WALLOP], the distinguished Senator from Utah [Mr. GARN], the distinguished Senator from New Hampshire [Mr. HUMPHREY], the distinguished Senator from Idaho [Mr. MCCLURE], and the distinguished Senator from Utah [Mr. HATCH].

Mr. President, this amendment is intended to assure the continuation of a program that is essential to the defense of the people of the United States. I am referring to retrofitting 100 stockpiled, MIRV'd Minuteman III missiles in existing single-warhead Minuteman II ICBM silos. I have checked with the administration. I am informed that there is no opposition whatsoever from the administration to this amendment.

I would remind Senators that the present ICBM force structure consists of 450 Minuteman II's deployed, 536 Minuteman III's, and 14 MX's deployed, for a U.S. total of 2,198 ICBM warheads. This compares with a Soviet deployment of 6,500 to 8,000 ICBM warheads.

When we began the deployment of the Minuteman III's, the original intent was to complete deployment at the level of 1,000. By 1975, 550 Minuteman III's had been retrofitted into Minuteman II silos, and it was necessary to stockpile more Minuteman III's for retrofitting. One hundred had been stockpiled before the Carter administration stopped the production of Minuteman III's and broke up the machine tools and production lines in 1978 in anticipation of SALT II.

In 1979, the Soviets invaded Afghanistan, and the Senate Armed Services Committee declared that SALT II was "not in the national security interest of the United States."

The 100 Minuteman III's are still stockpiled. In 1980, Congress in the fiscal year 1981 defense authorization bill authorized the retrofitting of the 100 stockpiled missiles into the Minuteman II silos. In 1981, $5 million was appropriated by Congress to begin this retrofitting. A total of only $50 million would have been required for the complete retrofitting of the stockpile. Most of the $50 million, however, was intended to install so-called functionally related observable differences [FROD] required under SALT II to differentiate MIRV'd Minuteman III silos from non-MIRV'd Minuteman II silos under SALT II counting rules. The FROD's involved were for distinctive antennas, which are now no longer necessary now that SALT II is dead, and can be eliminated, saving considerable funding.

Mr. President, the retrofitting program moved forward in 1981, and in 1982 the Air Force requested $20 million more out of the total of the $45 million additional funding that was necessary for the whole project. However, the Soviet Union complained to the United States through diplomatic channels that actual United States retrofit of any of these 100 stockpiled Minuteman III MIRV'd ICBM's would place the United States in violation of the unratified SALT II treaty by 1985. I am bound to observe, Mr. President, in light of all the Soviet violations of the treaties, look who is talking. Nevertheless, the administration stood by its request to continue the retrofit. Unfortunately, Congress decided not to fund the program for fiscal year 1983.

Now, however, it is exactly 1 year since, on May 27, 1986, the administration decided to end its unilateral compliance with the unratified SALT II treaty. That decision was based on 22 separate Soviet violations of SALT II confirmed to the Congress by the President. Therefore the only reason for delaying this retrofit is finally gone.

Mr. President, my amendment does not cost any additional funding under this bill. It merely fences $5 million of Air Force operations and maintenance funds to continue a program previously requested by the Reagan administration and authorized and appropriated by the U.S. Congress.

Upon completion of the retrofitting, the U.S. force deployment will have 200 net additional warheads, for a total of 2,398 U.S. ICBM warheads. This is an extremely modest increment, in light of the Soviet force structure of 6,500 to 8,000 ICBM warheads. It would cost billions of dollars to start up the Minuteman III production line and build new ICBM's; but for very modest funding we can deploy these 100 stockpiled ICBM's and make sure that they can be used to improve significantly our deterrence of any attack on the American people.

Mr. President, I urge my colleagues to vote in favor of this amendment. There are several reasons.

First, the United States is no longer unilaterally complying with the unratified and expired SALT II Treaty, which the President has confirmed to Congress that the Soviets had previously violated in 22 instances.

Second, this amendment would resume a process of retrofit that would add 100 MIRV'd Minuteman III ICBM's to the American retaliatory force, for the very low cost of only $50 million. This would be the lowest cost strategic deployment by far in the history of American strategic deterrent forces. The cost would be only about $250,000 per additional deployed warhead, compared to about $43 million per deployed MX ICBM warhead, about $10 million per deployed B-1B bomber warhead, and about $8 million per deployed Trident warhead. If the SALT FROD antennas were not added to each silo, then the cost could be considerably less than $50 million and considerably less than $250,000 per additional deployed warhead.

With that, Mr. President, I rest my case. If the United States Senate will not vote to continue a previously requested, previously authorized, and previously appropriated United States strategic deployment program that is extremely cost-effective and militarily effective but that was delayed only because of United States unilateral compliance with the unratified, expired, and Soviet-violated SALT II Treaties, then unilateral disarmament has truly become the rule in the United States Senate. I pray that that is not the case.

I do not believe that the people of this country want the United States Senate to embrace United States unilateral disarmament, especially in the face of Presidentially confirmed Soviet breakout violations from SALT I, SALT II, and from the ABM Treaty itself.

Mr. President, this vote is an important signal of our will or our lack of will to defend this country and its people. It is crucial that the Senate vote to support this extremely cost-effective deployment which will bolster the U.S. strategic deterrent posture.

Mr. President, I yield the floor.

(Mr. LAUTENBERG assumed the chair.)

Mr. HATFIELD. Mr. President, I wish to observe, first, and I say to the Senator from North Carolina I am not suggesting that there is any virtue in being consistent in this particular environment we work in. But I would say that, earlier this afternoon, the comanager of the bill, the Senator from Louisiana [Mr. JOHNSTON], suggested the possibility of raising the Nunn-Levin arms control amendment on a vehicle that was then pending on the floor. He inquired as to my reaction to that possibility and I suggested that the arms control question should not be argued or debated on this legislative vehicle, a supplemental appropriation.

First, we could make a technical challenge that it does constitute legislation on an appropriations bill and such matters. But I do feel that having responded to the Senator from Louisiana in that vein, indicating my opposition to using this vehicle for that particular subject, I said that I would move to table that proposal if offered by the Senator from Louisiana. Again, I emphasize consistency is not necessarily a virtue, but I am going to be consistent and say to the Senator from North Carolina, without any bias or prejudice directed to his proposal—although I would probably not support it—I am going to move to table the amendment offered by the Senator from North Carolina.

I shall withhold for a moment.

Mr. BUMPERS. Will the Senator allow me 2 or 3 minutes to comment on this amendment?

Mr. HATFIELD. I shall be happy to if the Senator from Arkansas will yield for the purpose of my asking unanimous consent to yield for 3 minutes and then have the floor to make my motion.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I thank the distinguished Senator from Oregon for yielding to me. I say first of all, even the Air Force is opposed to this amendment. For people who might be inclined to go along with this under some misguided notion that it improves our strategic security, bear in mind that the Air Force opposes it.

First, they are stridently opposed to taking the $5 million from Operation and Maintenance to do this. They say, to use their quotes, "It is of marginal benefit."

But just to give some idea of where this kind of amendment takes us, if you take a little over 100 Minuteman III's that we have in inventory that we use for flight testing—we use 7 a year. The Soviets have an even more dramatic flight program. But you are going to be taking away 14 years of Minuteman III missiles that we would normally use for flight testing, that we need and that the Air Force wants.

Second, you are going to add 200 warheads to our arsenal. You are going to take out 100 Minuteman II's with one warhead each and replace them with 100 Minuteman III's with 3 warheads each, so your net gain is 200 warheads.

The Soviet Union can respond in either of two ways. They can either take SS-19's, and they probably have 100 in reserve for their flight testing program. They can put 100 SS-19's with 6 nuclear warheads in their SS-11 silos and they get a net increase of 500 warheads by deploying an additional 100 missiles to replace 100, just as we are doing.

Or if they want to, just to punish us for this sort of thing, they can take their new SS-24 with 10 warheads each, which they are ready to deploy, and they would add a net of 900 warheads.

The Air Force, the Arms Control and Disarmament Agency, and everyone else will tell you that despite what are admitted Soviet violations, they are scrupulously complying with the sublimits of the SALT II Treaty. One of those sublimits is 1,200 MIRV'd missiles. This amendment right now is not something the President has chosen to do. The President says he is going to trash SALT II, admittedly, but he is doing it by equipping 30-year-old bombers with cruise missiles, which puts us over the 1,320 limit of all MIRV'd weapons. But with the sublimit of 1,200 MIRV'd missiles, we are still at 1,190 so we are still under the 1,200 limit.

Who has pleaded with this body and with Congress not to interrupt the President's plans for further negotiations and hopefully some kind of arms control agreement? The President has. He has said to people like me, "Don't interfere with our efforts." On the other hand, what he is saying to us is, "Don't try to keep me from going over the sublimits of SALT II."

I feel certain the President would be just as opposed to this by dictating how we are going to violate SALT II.

Mr. President, this is wrong by any measure you want to put on it. The Soviets can respond in two ways, in a much more dramatic way than this. I ask you, who here is going to sleep better tonight knowing that we are going to put another 100 Minuteman III's in silos and increase the number of warheads that we have from 13,000 to 13,200? The Soviet Union will increase from 13,000 to 13,500 or maybe even 14,000. It is palpable nonsense and I hope it will be tabled, Mr. President.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the Senator from North Carolina may have 2 minutes to respond to the Senator from Arkansas upon the completion of which I shall make my motion to table.

Mr. JOHNSTON. Mr. President, reserving my right to object, this will be the last debate before the Senator will make his motion to table?

Mr. HATFIELD. I hope it will be, Mr. President, I have no other requests, but I have always been reluctant to make a motion to table when there is a Senator present who wants at least to be heard briefly on a matter of great interest. I yield for that purpose to the Senator from Arkansas. The author of the amendment, I believe, deserves rebuttal for at least 2 minutes.

Mr. HELMS. Would the Senator make it 3?

Mr. HATFIELD. Three minutes.

Mr. JOHNSTON. Mr. President, not to object, but I simply want to point out that we are getting close to third reading. I see only an amendment or two after this. I certainly would want the Senator from North Carolina to be able to respond. So I will not object.

Mr. HELMS. I thank the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, as respectfully as I know how, I want to say to the Senator from Arkansas, tell it to the Soviets. The problem is theirs in terms of their violations. That is precisely the point.

The deployment of more than five SS-24 rail-mobile MIRV'd ICBM launchers in violation of the SALT II sublimit of 820 MIRV'd ICBM launchers was confirmed to President Reagan in Iceland on October 11 of last year, confirmed by Gorbachev. Moreover, the Soviets are reportedly flight testing an even heavier throw-weight follow-on to the superheavy SS-18 ICBM, which the Senator mentioned, in violation of the SALT II absolute ceiling on SS-18 throw-weight.

Now, Mr. President, I ask unanimous consent that the presidentially confirmed expanding pattern of Soviet SALT II breakout violations, a total of 22 of them, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. I will say further and in conclusion, this is sort of a put-up-or-shut-up amendment. All of us go home and tell the American people we want to defend them, their lives, their liberties. Now, if we are going to let the Soviets race-horse it in terms of violating the treaty and do nothing, then the way for us to proceed is to table this amendment. But if we want to keep faith with the people we tell repeatedly when we are home that we want to protect them, then vote against tabling of this amendment. I yield back the remainder of my time and I thank the distinguished Senator from Oregon.

EXHIBIT 1

Presidentially Confirmed Expanding Pattern of Soviet SALT II Break Out Violations—Total of 22

I. SS-25 mobile ICBM—prohibited second new type ICBM:

1. Development since about 1975;

2. Flight-testing (irreversible) since February, 1983;

3. Deployment since 1985—over one hundred launchers, "direct violation";

4. Prohibited rapid-refire capability—doubles force;

5. RV-to-Throw-Weight ratio (and doubling of throw-weight over old SS-13 ICBM)—probable covert SS-25 2 or 3 MIRV capability—"direct violation";

6. Encryption of telemetry, "direct violation."

II. SNDVs:

7. Strategic Nuclear Delivery Vehicle limit of 2,504—Soviets have long been at least 75 to over 600 SNDVs over the 2,504 number only they had when SALT II was signed in 1979, thus illustrating the fundamental inequality of SALT II.

III. SS-N-23 SLBM:

8. Heavy throw-weight prohibited (conclusive evidence);

9. Development since about 1975;

10. Flight-testing (irreversible);

11. Deployment on Delta IV and III Class submarines;

12. Encryption of telemetry.

IV. Backfire intercontinental bomber:

13. Arctic basing, increasing intercontinental operating capability;

14. Probable refueling probe, increasing intercontinental operating capability;

15. Production of more than thirty Backfires per year for an estimated five years, making more than an estimated twelve extra Backfire bombers;

V. CCD:

16. Expanding pattern of camouflage, concealment, and deception (Maskirovka), deliberately impeding verification.

VI. Encryption:

17. Almost total encryption of ICBM and SLBM telemetry.

VII. Launcher-ICBM Missile Relationship:

18. Reported probable concealment of relationship between SS-24 missile and its mobile ICBM launchers, and concealment of the relationship between the SS-25 missile and its mobile ICBM launchers.

VIII. SS-16:

19. Confirmed concealed deployment of 50 to 200 banned SS-16 mobile ICBM launchers at Plesetsk test range, now reportedly probably being replaced by similar number of banned SS-25 mobile ICBM launchers.

IX. Falsification of SALT II data exchange:

20. Operationally deployed, concealed SS-16 launchers not declared;

21. AS-3 Kangaroo long range air launched cruise missile range falsely declared to be less than 600 kilometers and not counted.

X. Excess MIRV fractionation:

22. SS-18 super heavy ICBM: NIE reportedly says SS-18 deployed with 14 warheads each, adding 1,232 warheads.

Additionally, deployment of more than five SS-24 rail-mobile MIRV'd ICBM launchers in violation of SALT II sublimit of 820 MIRV'd ICBM launchers, reportedly confirmed to President Reagan at Iceland Summit on October 11, 1986, by Soviet leader Gorbachev. Moreover, the Soviets are reportedly flight-testing the even heavier throw-weight follow-on to the super heavy SS-18 ICBM, in violation of the SALT II absolute ceiling on SS-18 throw-weight. This will certainly result in further excess MIRVing of the SS-18. The Soviets reportedly told the U.S. arms negotiators in Geneva in late 1983 that they intended to exceed the SALT II sublimits of 820, 1200, and 1320, which they are now in the process of doing.

ANTISALT AMENDMENT

Mr. LEAHY. Mr. President, I will support the tabling motion on this amendment my friend from Oregon intends to make.

My staff have just gotten off the telephone with the Air Force about the amendment offered by the Senator from North Carolina. The Air Force strongly opposes this amendment to require it to retrofit 100 Minuteman III ICBM's in Minuteman II silos.

The Air Force now has 16 Minuteman III MIRV'd ICBM's for spares, and 126 for tests. This number includes the 50 Minuteman III's removed from their silos to be replaced by the MX. The Air Force says the requirement in this amendment to deploy 100 of these extra Minuteman III's would cause a halt to the Minuteman test program in about a year. This would halt reliability, accuracy and other tests which are vital to maintain the effectiveness of the Minuteman III force.

In addition, the Air Force says that it does not have sufficient reentry vehicles of the most effective type to place on 100 Minuteman III's. It would be forced to refit many of them with less effective warheads, further reducing the deterrent value of Minuteman III.

The Senator from North Carolina said in his statement that this program would cost some $50 million. The Air Force insists at a minimum, it would cost over $117 million to deploy 100 of its Minuteman III spares and test missiles in Minuteman II silos. This is not cost effective or a sensible use of $117 million. The Air Force would far prefer to use $117 million for needed modernization.

I would also note that this amendment would divert $5 million from funds for operations and maintenance. This means money badly needed for operations and maintenance of equipment and weapons systems would be diverted to deploying missiles the Air Force adamantly opposes.

This amendment makes no sense from a military point of view. However, Mr. President, the fact is that it was never intended to make any military sense. It is yet another attack on SALT, and an opening barrage in the debate to come over the amendment my distinguished colleagues, Senators BUMPERS, CHAFEE, HEINZ, and I intend to offer on the Defense authorization bill to restore U.S. force levels to the three key sublimits of SALT II. The effect, and I believe true purpose of the Helms amendment here, is to put the United States over the SALT subceiling of 1,200 launchers of MIRV'd missiles. The United States is presently at approximately 1,190 MIRV'd missile launchers. The Helms amendment, if enacted, would put the United States at about 1,290, and in excess of yet another SALT subceiling. Thanks to the President's decision last fall, we are now over the 1,320 sublimit.

Mr. President, when the tabling motion is made, I urge the Senate to vote overwhelming for it, and to set aside this amendment.

Mr. HATFIELD. Mr. President, I move to table the Helms amendment.

Mr. HELMS. I ask for the yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment of the Senator from North Carolina.

The clerk will call the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Illinois [Mr. SIMON] are necessarily absent.

I further announce that the Senator from Ohio [Mr. GLENN] is absent on official business.

I also announce that the Senator from Hawaii [Mr. INOUYE] absent because of questioning witnesses at Iran Contra hearing.

Mr. SIMPSON. I announce that the Senator from Washington [Mr. EVANS], the Senator from Alaska [Mr. MURKOWSKI], the Senator from New Hampshire [Mr. RUDMAN], and the Senator from Connecticut [Mr. WEICKER] are necessarily absent.

I also announce that the Senator from Virginia [Mr. WARNER] is absent on official business.

The PRESIDING OFFICER (Mr. CONRAD). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 57, nays 32 as follows:

[Rollcall Vote No. 135 Leg.]

YEAS—57

Adams
Baucus
Bentsen
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
Danforth
Daschle
DeConcini
Dixon
Dodd
Durenberger
Exon
Ford
Fowler
Graham
Harkin
Hatfield
Heinz
Johnston
Kassebaum
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Stafford
Stennis
Stevens
Wirth

NAYS—32

Armstrong
Bond
Boschwitz
D'Amato
Dole
Domenici
Garn
Gramm
Grassley
Hatch
Hecht
Heflin
Helms
Hollings
Humphrey
Karnes
Kasten
Lugar
McCain
McClure
McConnell
Nickles
Pressler
Quayle
Shelby
Simpson
Specter
Symms
Thurmond
Trible
Wallop
Wilson

NOT VOTING—11

Biden
Evans
Glenn
Gore
Inouye
Kennedy
Murkowski
Rudman
Simon
Warner
Weicker

So the motion to table the amendment (No. 229) was agreed to.

AMENDMENT NO. 245

(Purpose: To prohibit the use of appropriated funds for the patenting of genetically altered or modified animals)

Mr. HATFIELD, Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD] proposes an amendment numbered 245.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, add the following new section:

SEC. —. Notwithstanding any other provision of law, none of the funds appropriated for fiscal year 1987 shall be used for the purpose of granting any patent for vertebrate or invertebrate animals, modified, altered, or in any way changed through engineering technology, including genetic engineering.

INTRODUCTION OF MORATORIUM ON ANIMAL PATENTING

Mr. HATFIELD. Mr. President, last month a memorandum signed by the Commissioner of the U.S. Patent and Trademark caught the attention of many scientists, environmetalists, policy makers and public interest groups. This one-page memorandum announced the intention of the Patent and Trademark Office to consider proposals to patent certain forms of altered animal species. In short, the April memorandum allows the patenting of genetically-altered animals, and signifies a technological and ethical leap which I believe we are not prepared to take.

Today I am offering legislation to rescind the actions of the U.S. Patent Office. This bill will effectively return to the status quo our policy regarding the patenting of animals by stipulating that no funds shall be expended by the Patent Office for the consideration or granting of patents for technologically altered animals. While I have grave reservations about genetic engineering, I am not addressing such concerns with this legislation. Rather, this bill recognizes that such a monumental decision about the fate of animal life should not be left only to the U.S. Patent Office. Such matters rightly belong in the public arena, where the issue can be discussed among Members of Congress, Industry representatives, the Patent Office officials and other interested parties. To move ahead with consideration of patent applications at this time could unnecessarily expose patent holders to the revocation of their patents, if Congress were to take any action which conflicts with the policy of the Patent Office.

Congress has expressed its concern about the emerging technology of genetic engineering and how that technology should be applied. Since laboratory techniques for manipulating and recombining DNA across species barriers were first developed in the early seventies, questions have arisen: Are we pursuing such technology purely for profit? How can such technology be regulated? Who should control the benefits of such technology? And who will bear the responsibility if mistakes are made?

A few years ago, a prominent scientist discussed with me the ethical issues raised by genetic engineering. He told me that science has only two options when dealing with this new technology: one, to stop research altogether; or two, to discover what science can achieve, and then turn the results over to society to decide if it is to be used. In other words, technology, once discovered, does not require application and implementation.

Mr. President, concerns about the decision to allow the patenting of certain animal species have been expressed by individuals and groups holding vastly different views on the basic issue of genetic engineering. Some believe such action is unequivocally unacceptable, while some believe that this technology can be applied in a beneficial way. Others are undecided. But they all share apprehension on the animal patenting issue, and I would like to share some of these concerns.

In economic terms the Patent Office decision provides government authority for the genetic manipulation, exploitation and ownership of all animal species. The use, enjoyment and protection of the Earth's creatures, long a public right and responsibility, could be turned over to the private sector. In years to come there could be increasing competition for control and ownership of the gene pool of animal species, creating the possibility of corporate monopoly over the genetic code of animals.

The most immediate economic effect of this policy could be felt in agriculture, where the major chemical, biotechnology and pharmaceutical companies could conceivably position themselves to take over animal husbandry. By patenting genetically-manipulated species, such entrepeneurs could force farmers to pay every time they bred the species or sold part of their herds. America could see the creation of a new form of tenant farming where farmers not only lease their lands, but also their animals.

The effect of species alteration could also impact the delicate balance of the environment. The creation of new species and the effect of their release into the environment cannot be completely predictable, and should be carefully considered. Animals which are larger and have increased reproductivity could alter the depletion patterns of the ecosystem. Also, if the creation of new improved species leads to the popularization of that animal, valuable native gene pools could be lost.

Deep religious and ethical questions also surround the patentability of animals. The new policy creates the need to examine man's right to manipulate and refashion the biotic community to meet his industrial requirements. The patent decision, by encouraging genetic manipulation, could cause extraordinary suffering through the animal world and extend that suffering through generations of the offspring of those altered animals.

What also must be questioned is the use of genetic human traits in animals. The potential for patenting and owning of animals with human traits brings up the ethical dilemma of the potential of the creation of semihuman creatures, which could be patented and sold. And finally, the patenting of animals brings up the central ethical issue of reverence for life. Will future generations follow the ethic of this patent policy and view life as mere chemical manufacture and invention with no greater value or meaning than industrial products? Or will a reverence of life ethic prevail over the temptation to turn God created life into reduced objects of commerce?

I am not a scientist, and certainly reasonable people will disagree with my personal feelings about this issue. But I believe that my legislation is needed now, while we still have the opportunity to debate, consider and possibly prepare for the prospect of the patenting of animals. Congress has not spoken on this issue, and the U.S. Patent Office has derived its position from a Supreme Court decision on microorganisms. Given the serious questions surrounding the April decision, I urge my colleagues to join with me in placing a moratorium on the patenting of animals, and to carefully consider the issue before we allow the marketplace to rush us into a race which could change the quality and character of animal and human life forever.

Mr. President, this is an amendment that has been cleared on both sides. There is not any budgetary or outlay impact.

I have discussed this matter with Senator DeConcini and Senator Hatch, the chairman and the subcommittee ranking member of the Judiciary Committee, the committee of authorization; Senator Hollings, the chairman, and Mr. Rudman, the ranking minority member, on the subcommittee of jurisdiction of the Appropriations Committee, and they have cleared this amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. JOHNSTON. Mr. President, the amendment will be cleared.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment of the Senator from Oregon.

The amendment (No. 245) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE addressed the Chair.

Mr. JOHNSTON. Mr. President, I wonder if the Senator would withhold just for a moment because we have a contentious amendment I think we may be able to get out of the way.

AMENDMENT NO. 246

Mr. President, this involves the Dixon resolution and, on behalf of myself and Senator Dixon and in lieu of the Dixon amendment with respect to CCC shipments and use of Great Lakes ports, I send an amendment to the desk and ask unanimous consent that it be considered under those circumstances.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana (Mr. Johnson) for himself and Mr. Dixon, Mr. Proxmire, Mr. Riegle, Mr. Levin, Mr. Simon, Mr. Boschwitz, Mr. Quayle, Mr. Lugar, Mr. Durenberger, and Mr. Glenn, proposes an amendment numbered 246. It is the sense of the Senate that the CCC in implementing regulations to establish the percentage share or metric tonnage of commodities under subsection B of section 901b (c)(2) of the Merchant Marine Act, 1936 (46 USC 1241fC2B should respect the intent as well as the letter of the agreement entered into by and between the representatives of Great Lakes Ports and Gulf ports, and the Great Lakes Ports be accorded the full proportion of tonnage contemplated thereby.

Mr. DIXON. Mr. President, will my distinguished friend, the manager, the distinguished Senator from Louisiana, yield for a very brief colloquy?

Mr. JOHNSTON. Yes, Mr. President, I will certainly yield.

Mr. DIXON. May I say to my colleague and friend from Louisiana——

Mr. STENNIS. Mr. President, may we have quiet?

The PRESIDING OFFICER. Order in the Chamber, please, so we may hear the Senator.

Mr. DIXON. May I say to my colleague and friend from Louisiana, as he knows, I will not offer my amendment that I had previously contemplated offering or, in the event that it is at the desk, and I think it is not, I will pull it down.

May I have the attention of my friend from Louisiana? I see him talking to my friends from Mississippi and Texas who I am sure have joint concerns.

As I understand what my friend from Louisiana is saying is that the agreement entered into last year, after a very contentious dispute and considerable debate that lasted several days, will be honored according to the gentleman's agreement among Senators entered into here at that time. This agreement included the distinguished Senator from Louisiana, the distinguished junior Senator from Mississippi, who I see on his feet, and the distinguished senior Senator from Hawaii. There may have been others involved. I know my colleague, Senator Boschwitz, was involved, I was involved, the Senator from Wisconsin, Senator Proxmire, and others.

We are simply saying, "Honor that agreement." Is that essentially it?

Mr. JOHNSTON. Mr. President, the distinguished Senator is entirely correct. There was, in effect, an agreement entered into—specifically, the Senator from Mississippi, Mr. Cochran, was the leader of the gulf ports and, I think, the distinguished Senator from Illinois was the leader of the Great Lakes ports. They worked out this language. This simply says that it is the sense of the Senate that this agreement should be adhered to. It does not change or expand that agreement, which was incorporated in the law, in any way. It makes no sense of the Senate that, not even a sense of the Senate, that that agreement be changed, but that it be given life and effect in the implementing of regulations.

Mr. COCHRAN. Mr. President, will whoever has the floor please yield to me?

Mr. DIXON. I think my colleague from Louisiana has the floor.

Mr. COCHRAN. Will the Senator from Louisiana yield to me?

Mr. JOHNSTON. Yes.

Mr. COCHRAN. Mr. President, what disturbs me is an attempt to eliminate from the language of a law that is current law phrases such as "as far as practicable."

What the distinguished Senator I know is not trying to do but may be doing inadvertently is mandating a certain preference for the Great Lakes ports that is not mandated in law for any other port range, either the gulf ports or the east coast or the west coast. And that is what we fought for for hours here during the 1985 farm bill, was that there would be no preference legislated for any port range.

What we are seeing now is a suggestion that there is a preference. This sense of the Senate resolution talks about implementing the full percentage due to the Great Lakes ports, as if that is some kind of a special privilege under the law for that region. And it should not be.

Now, we had seven votes on the floor of the Senate, Mr. President, that clearly put the Senate on record as opposing that kind of mandate. We finally begrudgingly gave in, the Senate did—without my vote, I will have to say—to language that is current law. And now an effort is being made to strengthen that, to express the view of the Senate that the law is not being carried out.

This Senator thinks the law is being carried out as far as practicable. And that is the phrase that is eliminated from the sense of the Senate resolution. I just think we ought to make it very clear that we ought not go on record as a body here directing the Department of Transportation or the Department of Agriculture to give preference to the Great Lakes ports over all the other ports in the Nation. I do not think we ought to do that. I am not going to vote for it. I think we ought to try to work out language that would suit the Senator from Illinois, but I am not going to be a party to an agreement that suggests that the Great Lakes are due any greater right in the allocation of shipping tonnage under the Public Law 480 program than any other area of this country.

Mr. DIXON. Will my friend from Mississippi yield?

Mr. COCHRAN. The distinguished Senator from Louisiana has the floor.

Mr. DIXON. Who has the floor?

The PRESIDING OFFICER. The Senator from Louisiana has the floor.

Mr. JOHNSTON. Mr. President, I would certainly think that the Senator from Illinois did not intend, nor did I intend, to do away with the requirement for practicality. So I wonder if the Senator from Illinois would agree that in the last phrase we simply insert the words "so far as practicable."

Mr. DIXON. Sure.

Mr. JOHNSTON. So that it would read: "And that so far as practicable Great Lakes ports be accorded the full proportion of tonnage contemplated thereby."

Mr. DIXON. May I say, if I could, to my friend from Mississippi that he should understand that my friend from Louisiana wrote this particular amendment. It was written by him and his staff, not by the Senator from Illinois.

I assure my friend from Mississippi that, while we may disagree on this particular issue, he is my warm friend. I am not trying to do anything that is particularly subtle here. All I am saying is that we would like to abide by the deal we made last year. It was a very contentious dispute and lasted a number of days.

I am not engaging in any subterfuge. I am simply suggesting to the Senator from Louisiana that if he writes some language that he likes and suits me adequately, I will accept it. And that is what I have done. I am not offering my amendment.

Mr. COCHRAN. Mr. President, if the distinguished Senator would yield further, let me say that the additional language that has been inserted in there and the assurance of the distinguished Senator from Illinois, who is my good friend and whom I respect a great deal, convinces me that we ought to go along with this resolution as an amendment to the bill and I will withdraw any objection to it.

Mr. JOHNSTON. I thank the Senator.

Mr. DIXON. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the modification? Without objection, the amendment is so modified.

The amendment (No. 246), as modified, reads as follows:

It is the sense of the Senate that the Commodity Credit Corporation in implementing regulations to establish the percentage share or metric tonnage of commodities under subparagraph (B) of section 901b(c)(2) of the Merchant Marine At, 1936 (46 U.S.C. 1241f(c)(2)(B)) should respect the intent as well as the letter of the agreement entered into by and between the representatives of Great Lakes ports and gulf ports, and that, so far as practicable, Great Lakes ports be accorded the full proportion of tonnage contemplated thereby.

Mr. PROXMIRE. Mr. President, I rise in support of the Senator from Illinois and his attempt to obtain equity for Great Lakes shipping. When the Senate debated the farm bill in 1985, Great Lakes Senators were promised that our share of Federal cargo under the Food for Peace Program would not decline from the level reached in 1984 and 1984 was not a very good year for Great Lakes shipping. Yet despite these assurances the set-aside does not work.

Instead of considering our needs on an equal basis with those of the other coasts, the Commodity Credit Corporation puts the Great Lakes set-aside at the bottom of their list when computing cargo preference shares. Instead of insuring that we get what we are promised in 1985 the Department actually diverts cargo sitting in Great Lakes ports to the other coastal ranges, ruining our business and imposing significantly higher costs on the Treasury.

Mr. President, this amendment doesn't change existing law but it makes sure that the law is enforced as Congress intended. With current USDA practices the Great Lakes ports won't get even the tiny share of Food for Peace cargo we were promised. If the CCC waits until 3 months into our naturally short shipping season to allocate even small amounts of cargo to our area, we lose out. While supporters of the status quo counsel patience we get no work. Our ports can't make up an entire year's worth of cargo if our entire set-aside is pushed into the final months of our season.

Mr. President, the Food for Peace Program is almost the only cargo that many of our ports handle. Because of current USDA practices some of the Great Lakes ports have gotten nothing at all in the first 3 months of our 8½ month season. Their dependent industries may go out of business before the CCC allocates anything to them this year. I urge my colleagues to support this modest effort to provide us with what we already thought we had. We are not violating any agreement we made in 1985. No way. We just want what is rightfully ours.

This amendment should not take cargo away from other ports since it merely affects the way in which our share gets calculated. Under its terms the Great Lakes set-aside would be figured on a prorated basis linked as practicably as possible to our shipping season.

Mr. JOHNSTON. Mr. President, I believe all parties are now in agreement on this sense of the Senate amendment. Therefore, I urge its passage.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 246), as modified, was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 247

(Purpose: To provide a rural focus and funding for the National Commission on Agricultural Policy and funding for the National Commission on Agricultural Finance)

Mr. DOLE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE] proposes an amendment numbered 247.

Mr. DOLE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment reads as follows:

At the appropriate place, insert the following new section:

SEC. . (a)(1) Subtitle C of title XVII of the Food Security Act of 1985 (7 U.S.C. 5001 et seq.) is amended—

(A) by striking out "National Agricultural Policy Commission Act of 1985" each place it appears in the subtitle heading and section 1721 (7 U.S.C. 5001) and inserting in lieu thereof "National Commission on Agriculture and Rural Development Policy Act of 1985"; and

(B) by striking out "National Commission on Agricultural Policy" each place it appears in sections 1722(1) and 1723(a) (7 U.S.C. 5001(1) and 5002(a)) and inserting in lieu thereof "National Commission on Agriculture and Rural Development Policy".

(2) Section 1727 of such Act (7 U.S.C. 5006) is amended by adding at the end thereof the following new subsection:

"(c) The Secretary of Agriculture shall provide funding for the Commission by selling a sufficient quantity of commodities owned by the Commodity Credit Corporation to enable the Commission to carry out this subtitle.".

(b) Section 505 of the Farm Credit Amendments Act of 1985 (12 U.S.C. 2001 note) is amended by adding at the end thereof the following new subsection:

"(f) The Secretary of Agriculture shall provide funding for the National Commission on Agricultural Finance by selling a sufficient quantity of commodities owned by the Commodity Credit Corporation to enable the Commission to carry out this section.".

Mr. DOLE. Mr. President, this amendment would fund two commissions, one established in the 1985 farm bill which would be renamed to better reflect its mandate and a second which passed as part of the Farm Credit Amendments Act of 1985.

We had a couple of commissions that I think were important. One was on farm credit. The other was a national commission suggested by the National Governors Association, which passed in our committee by a vote of 17 to 0 and it passed on the Senate floor without any objection. But they have not been funded. We would fund these committees with the sale of CCC stocks and we are advised by CBO there is no cost. We are talking about funding two commissions.

NATIONAL COMMISSION ON AGRICULTURAL POLICY

The 1985 farm bill established the National Commission on Agricultural Policy. The Commission would be composed of 15 members, designated by Governors of key farm States and appointed by the President. The Commission received unanimous, bipartisan support from Senate Agriculture Committee members during the farm bill deliberations, has been endorsed by the Republican Task Force on Farm and Rural America and was recently endorsed by the White House during the meeting of the National Governors Association in Washington.

Our intent in establishing the Commission was to give the decisionmaking process in Washington some much-needed grassroots input over the long term by reviewing U.S. agricultural policies and the methods of formulating these policies and to review conditions in rural areas and how these conditions relate to the provision of public services by Federal, State, and local governments.

As my colleagues know, there has been considerable interest in rural development and a strong consensus that greater emphasis needs to be placed on rural development. In addition to requiring the Secretary to sell CCC-owned stocks to finance the Commission, my amendment would also rename the Commission to reflect its dual role. The new name would be "the National Commission on Agriculture and Rural Development Policy," and would highlight our renewed focus on the importance of healthy small towns and rural communities.

NATIONAL COMMISSION ON AGRICULTURAL FINANCE

The National Commission on Agricultural Finance, composed of seven members appointed by the President and eight members appointed by Congress, was established during the Farm Credit Amendments Act of 1985 to review and make recommendations to ensure that adequate credit is available in rural America. This Commission would look at farm credit needs on a long-term basis. We are all aware of how important this issue is. We've dealt with the problems of the Farm Credit System twice within the last 2 years and the problem will need to be readdressed again this year.

I understand the Agricultural Finance Commission has met once this year, but its future is cloudy without proper funding.

CONCLUSION

Mr. President, in order for these Commissions to function at all, they will need to be funded. They both received broad bipartisan support when Congress developed the respective bills including their establishment. Yet, although 2 years have passed, they are still not functioning due to a lack of funds.

My proposal to finance these Commissions through the sale of CCC-owned stocks will not cost the Government any money. I am told that selling CCC-owned commodities on a limited basis would actually result in a net receipt to the Government since these stocks would be sold on a limited basis that would not affect market prices. It would also save the storage costs from not having to store these commodities. I would point out that CCC will be spending over $10 billion in storage costs alone between fiscal year 1987-90.

I would urge my colleagues to support the amendment.

Mr. JOHNSTON. Mr. President, with apologies to the distinguished Senator from Kansas, I am advised by staff that we have some problem clearing this matter or that it has not yet been cleared. I apologize for that. I wonder if we could temporarily lay this aside and try to get it cleared in the meantime.

Mr. DOLE. Let me just leave it pending. I may not be able to be here in the morning. I have a meeting now in Senator BYRD's office. But if it should be cleared, it could be disposed of.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside so that Senator LEVIN may be recognized.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The Senator from Michigan.

MOTION TO RECOMMIT

Mr. LEVIN. Mr. President, on behalf of myself and Senator GRAMM of Texas, I move to recommit the bill, H.R. 1827 as amended by the Senate to the Committee on Appropriations with instructions that the committee report said bill back to the Senate with such changes as may be necessary as to make title I, which is the discretionary expenditure title, deficit neutral, including deletions of programs, reductions of programs, rescissions or deferrals provided that, however, if the committee finds that it is unable through such measures to bring this bill into compliance with the Budget Act of 1974, as amended, that the committee urge the Senate upon reporting the bill back to the Senate to consider legislation raising revenues to fund such programs, projects and activities.

Mr. President, this bill is $2.5 billion over budget. That represents a problem for a lot of us. These programs for the most part are deserving programs, they are programs which should be funded.

I look at some of these programs, for instance, in the Defense Department. The committee is recommending $75 million for operation and maintenance for the Army, $70 million for operation and maintenance for the Navy, and so forth. These programs, and many others in this bill, are important, vital programs, and they are important enough to pay for them. The question is whether or not we are going to indicate either a willingness to pay for them or pay for them in fact, or whether or not we are just going to continue to pile on deficit upon deficit.

When we have gone through all the explanations of the bill, when we look at all the programs and we hear all of the requirements that are going to be filled and all the needs that have to be satisfied, we are left with the bottom line, $2.5 billion over budget and what are we going to do about it? I am troubled. There is no easy answer, may I say, to this question.

One way is to go into each of the many programs one by one on the Senate floor and raise questions about this $5 million or that $10 million or that $500,000, and we might be here for weeks, indeed we might be here for months, going through that process.

Then at least each of us could reach a determination as to whether or not each one of those programs is worthy and worthwhile.

I have gone through many of these programs to the best of my ability in this 250-page bill, and, again, I believe that most of these programs at least are worth funding. But if they are worth having, they are worth paying for. We have to find some mechanism that we can express that sentiment, as I think most of us feel.

The Appropriations Committee has gone through this bill the best that they are able, and I think they have done a good job. Nothing that I say is intended to denigrate the effort which they have put in. But with their best efforts they still presented to the Senate a bill which violates the Budget Act. That ought to make us uncomfortable. It makes me uncomfortable. This bill violates the Budget Act. There are a number of things we can do about it.

One I have indicated. We can go through this program by program for a number of weeks on the floor and try to figure out here where we can cut programs, where we can make deferrals of other programs, where we can make rescissions of other programs. I doubt that the Senate floor is the place to do all that. The place to do all that is the Appropriations Committee.

So we ought to ask the Appropriations Committee to do that for us.

I have a lot of confidence in the Appropriations Committee. I have a lot of confidence in its chairman, who is as distinguished a Senator as I have ever known. I have a lot of confidence in its ranking members, its floor managers, and other managers. I think that these Members of the Senate know just how personally strong I feel about them in their efforts.

But I also feel that we have to do something about this deficit and we cannot just simply violate the Budget Act, as important as these programs are, without expressing ourselves in some way that we are going to pay for them. Somehow we have to find a way to express that.

There was a point of order that it violates the Budget Act, and I voted for that. But I am not sure that is the best way to go. Again, we can go through 30, 40, or 50 programs and hundreds of possible rescissions and deferrals. But that surely is not the best way to go.

There is a logical way to go here, and that logical way is to ask the Appropriations Committee to use, again, their best efforts; to do what is necessary to make this discretionary title deficit neutral, and—and this is the key—if they are unable to do that, if they cannot make it deficit neutral, to then urge the Senate of the United States to raise the revenues that we need to pay for the programs. That alternative is a real alternative. We should not forget it. We should not jump to it. We should not grab it. We should not reach out for it right away. But we at least have to consider it as an alternative to piling $2.5 billion more on our deficit and sending the bill to our grandkids.

So this motion, which is a carefully crafted motion, asks the Appropriations Committee to take another stab at this.

"We have a lot of confidence in you," is what we are saying in this motion. "Take another stab at this. If you cannot make this discretionary title revenue neutral, if you cannot do it, then come back and tell us you cannot do it and recommend to us that we raise the revenues to pay for the programs that you are unable to fund in this bill."

That at least would put us more on a pay-as-you-go basis. That at least would represent an indication that we are deeply concerned about adding $2 billion to the deficit, and that somehow or other we are going to address it in this bill.

I hope that this motion to recommit can be adopted. I think it is a mild approach to the deficit problem that is in this bill. It avoids the many amendments which otherwise might be filed, as I understand it, attacking one particular portion of the bill or another, putting the Senate in the position of writing the bill. We should not be in that position in that much detail. I hope, again, that the Senate might adopt this resolution and come back early next week.

Mr. DODD. Will the Senator yield?

Mr. LEVIN. I am happy to yield.

Mr. DODD. I commend the Senator from Michigan for his comments. This is not an easy position to take. He has stated it eloquently and fairly.

There is no Member of this body who is more highly respected than the chairman of the Appropriations Committee, and no one has been more diligent, I might point out, over the years about being honest with the American public about tough decisions. But I assume he has listened to the Senator's speech as I have and is probably saying that the man is pretty much on target.

What I understand the Senator from Michigan to be saying is not to be construed in any way as a condemnation of the efforts of our colleagues on this committee. But he happens to be right. Lord knows, we have all given speeches about trying to reduce this deficit. I presume we all go home and talk about that. I know I do. Yet I find myself coming back and I vote for a lot of these amendments here because I happen to agree with a lot of these programs. But I would hope that we might take the suggestion of the Senator from Michigan and try to come up with a revenue-neutral proposal or be honest and come back and say we cannot do it; we need to raise some revenues.

In the late 1940's, Harry Truman came before the Congress of the United States and said the Korean war was something he felt the United States ought to be involved in but he was not going to send young Americans to Korea unless we were willing to pay for it. The Congress of the United States said we were willing to pay for it and we went. It is only one of the few times in the last four or five decades that we felt that strongly about something, that we felt strong enough to raise taxes to do it.

I felt strongly about the things I voted for, the homeless, AIDS research, and things. I am willing to tell my constituents that the taxes have to be raised if we cannot come up with revenues to pay for those things. We might be setting a precedent here for suggesting that.

I plead guilty. As the Senator from Oregon has pointed out, that on a lot of these things these are not easy decisions.

I think we might take a short amount of time on what the Senator from Michigan is suggesting, not a big delay, to come back and have it revenue neutral. I commend him for his efforts and I intend to join him in his effort.

Mr. HATFIELD. Will the Senator yield for a question?

Mr. LEVIN. I will yield the floor for a question and then I will yield the floor to my cosponsor, Senator GRAMM.

Mr. HATFIELD. The Senator from Michigan has proposed here, in tandem with the Senator from Texas, that the Senate Appropriations Committee receive this bill back with instructions to make title I, the discretionary spending title, deficit neutral, or provide for revenues or suggest——

Mr. LEVIN. Not provide for, because the committee is not able to provide for, but urge the Senate that we provide for.

Mr. HATFIELD. The thing that puzzles me at this point is that I have a tally of three votes that were cast today and yesterday by the Senator from Michigan to waive the Budget Act—$10 million for the homeless, $100 million for the Summer Youth Program, and $225 million for the homeless. Each one of these would have had a further impact upon the deficit because they were not deficit neutral. Now I am puzzled as to the instructions that the Senator is proposing here to the Appropriations Committee for the simple reason that if the Senate Appropriations Committee has brought here a bill that the Senator finds offensive in terms of the impact upon the deficit, why did the Senator vote to waive the Budget Act in three specific instances to add more to the deficit?

Mr. LEVIN. For the reason that I gave before.

Mr. HATFIELD. I am puzzled.

Mr. LEVIN. I would not want my dear friend from Oregon to leave here tonight puzzled, so let me answer the question in the way I did before. The programs that are in the bill, I believe, are important programs. The Senate has funded a number of things in this bill, including some operations and maintenance items in the military which are pretty close to my heart, and I am willing to vote for those. This bill is $2.5 billion over budget. It has some good programs. I want to pay for them.

That is the answer to the question. When I vote important money for the homeless, I want to pay for that program one way or another. The question is, Is the best way to pay for it to have the Appropriations Committee attempt, to the best of its ability, through deferrals, through rescissions, through cuts in other programs, to pay for what the Senate believes are priority items? And if it is unable to do that, at least to urge the Senate, as an Appropriations Committee, to raise the revenues. That is the second half of the motion which is very vital.

But the simple answer, or the direct answer, to the question is, I believe the homeless program is an important program just like operations and maintenance for the Army is important. I vote for it just the way I will vote for this bill. I want to pay for it.

Mr. HATFIELD. Will the Senator yield because, as the Senator has indicated, the Appropriations Committee is not in the business of raising revenues. That is not our jurisdiction.

Mr. LEVIN. Yes, I yield.

Mr. HATFIELD. Do I understand correctly, when the Senator says we create the deficit-neutral character to title I by the deletion of programs or reductions of programs or rescissions or deferrals—if the amendment passed and the Appropriations Committee came back to the floor with a new bill and if it included the deletion of the Homeless Program, the deletion of other social programs that I know the Senator is deeply committed to, as many of us are, and it came out with a 0-to-0 deficit neutrality, would the Senator then indicate to me that he would prefer and be willing to vote for that kind of bill as against the one that does include some of these social programs?

Mr. LEVIN. Mr. President, I would have to look at the whole bill. He is asking me to reach a judgment on a bill that I would have to see.

Mr. HATFIELD. I do think the Senator is saying in effect to us, delete programs or reduce programs, or do this. The Senator and I—I know the Senator well enough to know we could probably get together to delete SDI and aid to Central America and a few other things he and I would probably agree to, but obviously, we would not carry the majority, either here, on the floor, or in the committee. But I think the Senator ought to recognize when making this proposal that we are putting into vulnerability and threatening some of the "social priorities" that he and I share by this kind of instruction.

Mr. LEVIN. This motion, in a sense, puts at risk every program we are not funding. And we have to do it. I am close enough to my good friend from Oregon to tell him that I believe that a program that is important enough to add is important enough to pay for. That is all this resolution says. The "ors" are fine as far as he went—do it this way or do it this way or do it this way. But there is another "or" you have to add. It says provided that the committee is unable.

If the committee is unable through those other measures to bring this bill into compliance with the Budget Act, then all it does is ask the Senator to urge the U.S. Senate to consider legislation raising revenues to pay for them. That would put be the Appropriations Committee on record as a committee urging the Senate to raise revenues necessary to pay for programs it is unable to fund.

I believe the Senate then, if it passed this bill with that language in it, would in good conscience carry out that commitment.

Mr. HATFIELD. Will the Senator yield for one final question?

Mr. LEVIN. I am happy to yield.

Mr. HATFIELD. As the Senator knows, this addresses title I only and we would still have a $1.3 billion deficit as far as the current character of this bill is concerned.

Also, I say to the Senator that when you consider the question he is considering—and I join him in saying that I have stood from the very beginning to raise the revenue sufficient to pay for programs. But the Senator does not have to refer this back to the Appropriations Committee to get that kind of resolution or that kind of statement. I would join the Senator in getting unanimous consent to put that in the current bill that is here on the floor, that we urge the committees of jurisdiction to consider the revenues sufficient to make this deficit neutral as we now have it pending on the floor. We do not have to send it back to the Appropriations Committee to get that kind of statement or that kind of commitment. I would cosponsor that kind of amendment with the Senator.

Mr. DODD. Will the Senator from Michigan yield?

Mr. LEVIN. I shall be happy, if I can, to yield to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator can yield for a question only.

Mr. LEVIN. I yield for a question.

Mr. DODD. I just ask my friend from Michigan, I fall in the same category. I am as guilty as the Senator from Michigan is in voting for some of these waiver issues. I think the point of the Senator from Oregon is a good one. But I ask if this is not the case. Part of the difficulty is we are trying to take care of everybody.

The Senator is right. My colleague from Oregon and I agree on more things than not. The problem is trying to take care of everybody. I guess that is the frustration we feel.

I do not agree with my friend from Texas on many issues. I do not think we have voted together on many issues in our 6 years here, speaking of the Senator from Texas [Mr. GRAMM]. Part of his agenda or part of my agenda is going to have to prevail, but not all of his or not all of mine.

I ask my friend from Michigan if the case has not been that we try to take care of everybody. I say and ask my colleague if he agrees that maybe I would have to vote against this if things I care about are not in this and too many things I do not care about are. I have to make that decision to vote yes or no. I think that is the thing we do have to decide, that basic question.

Mr. LEVIN. I do indeed agree.

I shall yield the floor after I quickly answer the question of the Senator from Oregon. It is important that any reference to possible revenues be part of an effort to look for alternatives, for obvious reasons.

There are many here who feel we should pay for programs totally by cutting other programs, and we would end up with the imbalance that the Senator from Connecticut just referred to. There are some, though, who would go totally that route. There are others who would say just raise revenues. But there are some who say we ought to go at this as a package together, that the effort to pay for programs ought to be a double effort. Look for places you can cut and, if you cannot, look for revenues, and that is why this effort should be a combined effort in one package by the Appropriations Committee. That is the reason for the phraseology the way it is. I yield the floor.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I would submit to my dear and distinguished friend from Michigan that he gives us a choice of three things, and I would ask him carefully to consider these because I think he may just, being fairminded, agree with me when I am finished.

He gives us a choice between doing something that is either, No. 1, meaningless, or, No. 2, impossible, or, No. 3, irrational.

Now, let me briefly explain. First of all, why should it be meaningless? To the extent that it says we come back to the Senate and find revenues to fund such programs it is totally meaningless, first because the Senate in the budget resolution formally has already gone on record in favor of additional taxes in a very specific way to the tune of $18.5 billion, if I remember the precise amount. So we have already gone on record for additional revenues.

But if we are talking about additional revenues to fund these programs, that is, the outlays in title I, we are talking about something that cannot be done. Physically we would not go back to the Appropriations Committee, report a bill out, have a sense of the Senate resolution, then start all over again with a tax package in time to fund these programs.

There are less than 4 months left in the fiscal year. These programs need to be funded now, not next year, not at some vague time in the future, but they need to be funded now.

So to the extent that we talk about taxes, it is totally meaningless. We have already done that specifically identifying the exact amount of taxes.

Now, why do I say the second choice is to do that which is impossible? Because, Mr. President, this speaks in terms of title I, of making it deficit neutral.

Now, Mr. President, in title I we have outlays of $1.337 billion. Only $44 million of that is encompassed in what we call the current level, so the net increase in title I is about 95 percent of that, or $1.293 billion.

So in order to make this deficit neutral, that is, title I as called upon in this resolution, we would have to eliminate $1.293 billion, which is over 95 percent of the outlays in title I.

Now, what is the title I, and is it important? Well, Mr. President, I have already talked about the CHAMPUS Program. That is $425 million.

Now, for those who do not understand what the CHAMPUS Program is, let me tell you that that funds health care for military people who do not have access to military hospitals. It is an entitlement so that a serviceman can be treated by a civilian doctor. The choice then for the serviceman—and the CHAMPUS money runs out the first week in July—would be to tell the doctor, "Treat me because maybe the Senate will change its mind sometime. We don't know when, maybe it will change its mind and maybe it will fund this thing, maybe it won't, but can you do this on credit, can't you, doc? The sickness is now but can you do it on credit?"

Maybe the doctor would say, "No pay, no treat." That is what they say at most hospitals. You try to get into a hospital now without a credit card. They will not let you enter.

Now, do we think these civilian hospitals and these doctors are going to be any different because it happens to be a serviceman who has a very meager salary? So what happens? Either they do not get paid or they do not get medical care.

Now, that is $425 million. I am certain that the Senator from Michigan does not want to eliminate CHAMPUS from this resolution.

What are we going to rescind? We have already done all the rescinding we can, some 3 billion dollars' worth of real offset savings and fiscal restraint. We have $1.3 billion of required absorption of Federal pay, $800 million in cuts and transfers in previously appropriated funds, $700 million in rescissions in prior-year authorities, $200 million reductions of loan authorities.

We have been down that route. We have done all that we can do. Besides that, most of the fiscal year is gone. The later you get in the fiscal year, the more meaningless it is to try to rescind programs because the money has already been spent. But we have already done that, and you just cannot in a rational way rescind an entitlement.

Now, what else is in this? Well, you have a matter of CCC emergency loans. I really do not mean to be cute about this, but did the Senator from Michigan realize that there is some $10 million in flood emergency loans for the State of Michigan in this bill? Did the Senator from Texas know that there is $40 million in emergency loans for Texas in this bill? It is discretionary money, but it is to fund those disaster losses.

Now, Mr. President, it is all right to say wait, but when you are in the midst of a disaster you need the money now. You do not need some vague promise that, well, maybe under the Gramm-Rudman law we can figure out a way to put this in your 302(b) allocation and maybe it will work or maybe it will not. We need this money now.

How about the IRS, Mr. President? The President of the United States said give us some more IRS auditors and collectors. Actually he asked for more than 78 million dollars' worth, but we put $78 million in this bill. Now, they say that those auditors generate more than $6 for every dollar you spend. Nobody loves IRS collection agents but we have to have them. The President asked for them. And to the extent you wait until next year to do it, you have lost the income to be derived this year.

Mr. President, I could go down the list. The point is you have to eliminate 95 percent of title I, things that are entitlements or if they are not entitlements they are things like disaster loans that ought to be paid; they are absolutely necessary.

So it would be irrational, Mr. President, I submit, to eliminate CHAMPUS or to eliminate disaster loans. It would be impossible to find it elsewhere, and it would be meaningless to report this back to the Senate Appropriations Committee and come out and say, "Well, we could not find the money, we did not think it was wise to eliminate CHAMPUS or to do away with disaster loans or to eliminate the IRS or whatever it is that is being asked for, but by the way we think we ought to pay for these programs, we know it is too late in the fiscal year to raise the taxes to pay for these but next year we ought to do it." We have already done that, Mr. President.

Now, let us not hang up a very important appropriations bill that the President of the United States says is an urgent supplemental, that the House of Representatives says is an urgent supplemental, that passed the full House, and that the Senate Appropriations Committee and I hope the full Senate says is also urgent.

Mr. President, who was it who said, "For every complicated problem there is a simple solution"? It was Mencken, I think. And the answer is, It is always wrong. There may be some simple solutions to the problems of this country, but I can tell you that this amendment is not a simple solution. It is a sledgehammer to the head of people who need disaster loans, of people who have entitlements to medical care, of a country that needs IRS agents to collect its revenues, to a whole host of very carefully considered priorities that ought to be funded and funded now.

We cannot wait for the Senate Appropriations Committee to come back and say: "Well, it is impossible to cut or irrational to cut. Therefore, we recommend some as yet unspecified taxes to be enacted at some unspecified time."

We have already done that, and we have done it with reconciliation instructions that are binding on both the House Ways and Means Committee and the Senate Finance Committee.

So, Mr. President, I will soon move to table. But I see the Senator from Texas rising to his feet; and I hope that now that he is instructed on the matter, he will urge that his name be disassociated with his unwise piece of legislation.

Mr. **GRAMM**. Mr. President, first, let me say, lest there be any thought that I was swayed by the siren song which we have heard so long, as the Nation has moved closer to the rocks of financial disaster, that I was unswayed. I was not swayed by this song the first time I heard it 9 years ago, and I am certainly not swayed today.

I am very proud to cosponsor this provision with the distinguished Senator from Michigan. I can save time by identifying myself with everything he said, and I would like to make a few points in response to the Senator from Illinois, and then I think I can sum it up briefly.

First of all, we have not raised taxes to pay for these programs. We have raised taxes in the budget resolution to pay for more new programs. In fact, the House and the Senate passed a budget resolution calling for roughly $20 billion in new taxes and $50 billion in new domestic spending. If you can tell me how that gets you home in the deficit, I would like to hear it and understand it. I do not understand it, and I do not think anybody else in the country does.

This is new spending—not next year but this year. We are already committed by the budget to the spending next year, and the request is under way to try to raise taxes to pay for less than half of it.

It is impossible, the distinguished Senator from Louisiana tells us, to find 1 inch of fat in this budget. We need this weed research center at North Dakota State University, which was in here without peer review. We have to study the milling process at the research center, despite the fact that people have been milling flour for 5,000 years.

In this emergency appropriation bill, we have to have a trade promotion center in Iowa. We have to raise funding for Congress. There is an emergency here. We have to raise the deficit so Congress can have more money.

I can go on and on and tell you about all the programs in here that should not be here even if the Treasury were fat, but certainly should not be here if we are broke, and which by no stretch of the imagination are emergency programs. But I am willing to forget all that and say that every program in here may have merit. But I come back to the central point of the distinguished Senator from Michigan: If it has merit, we should be willing to pay for it. We should either take it away from some other program or be willing to come out on this bill, when we vote for it, with a sense-of-Congress resolution that we want to raise taxes, not next year but now, to pay for it.

It is interesting that the distinguished Senator from Louisiana says that it is impossible to find any other savings. The President recommended almost $10 billion of rescissions more than were taken by the committee. They may not have been good ideas. One can say he is against them. But I think they clearly refute the idea that it is impossible to find any offsets for these programs.

Obviously, programs that are sending money to Texas have to be programs that the Lord is very interested in, and obviously I am interested in them. But when the Lord sends programs, He creates the resources. When we send help, we send it at somebody else's expense, and we mail out the bill at the same time.

What I am saying is that if the help is worthy, let us pay for it. We can rescind $155 million from rural housing. Those funds are there. They could be rescinded. If disaster relief is more important than rural housing, take it away from rural housing, or take it away from any one of thousands of other programs.

However, what we are hearing here is this: To fund these programs in the discretionary title—we are not talking about retirement. This amendment says forget it. We are going to raise the deficit on retirement. We are not talking about pay. We are not talking about CCC. We are talking about basically discretionary programs. What we are saying is, "Look at them all. Do we really need them? Do we need every one of them?" I think most people who look at this bill will conclude that there are dozens we do not need, which are not emergencies.

No. 2. If we do need them, is there not some program in a $1 trillion budget that is less vital than these programs? Can we not find, out of the President's proposed rescissions and proposals—or ones we can come up with ourselves—any offset to roughly $1 billion, one one-thousandth of the Federal expenditure?

Is there not one-tenth of 1 cent in each dollar of Federal spending that is less worthy than these vital programs here? Not one-tenth of 1 cent? Nobody believes that.

Finally, there is the other option: If this Senate really believes that we need to do all these things, if we really need to have a weed research center at North Dakota State University, then why do we not raise taxes to pay for it, or at least have Members go on record?

I guess what bugs me is that over and over we have Members stand up and say that they are against taxes, but over and over they vote for all these spending bills. We have people who say they are for fiscal responsibility, and yet they vote to fund programs without paying for them.

What this amendment does is this: It says that on title I, we want to send this bill back to committee. We do not want to exercise our judgment over it. That is a very difficult problem.

In trying to put together these 21 amendments, I suddenly realized that what was not included there was the funding for Congress. I thought to myself, what am I going to say when somebody says, "You're knocking out vital matters such as lending bee growers more money, and yet you're providing more money for Congress"? We have $4 million in rescission for Congress. The Senate spends $1.7 million, so you can say give $3.3 million to the House. Cut them back $10 million, or $8 million, or whatever they are over.

The problem is, I do not have information to make that decision. I do not know whether they should have more money for police or mailings or whatever the House does with their money. That, I think, is the wisdom of the motion to recommit which we have here.

We do not claim that Senator LEVIN and I have a cumulative wisdom that exceeds that of the Appropriations Committee. There are some who may look at this bill and suspect it, but we do not claim it. What we say, however, is that you can add. Arithmetic is something we all learned in the third grade. This bill adds up to a $2.6 billion increase in the deficit, when we committed that we were going to lower the deficit. Here we are: $2.6 billion, not next year but right now.

This motion to recommit simply says, on the discretionary parts of the bill, go back and either throw it out, come up with an offset, or come forward with a resolution calling on Congress to raise taxes to pay for it.

Now there is absolutely nothing unreasonable about that. There is one and only one reason that comes to my mind that anyone could be against this and that is that they do not care about the deficit, that they do not want to cut a program out, they do not want to offset a program, and they do not want to even pay for it. What they are saying, in essence, is forget about the deficit because we are here appropriating. What do deficits have to do with appropriating? They come from appropriating.

I think this is an opportunity for us to see who is for real and who is not for real about the deficit. If you do not want to cut it and you do not want to offset and you do not want to pay for it, there is only one thing you could possibly be for and that is deficit spending.

I hear everyone at home in their State say, "I am against the deficit."

This is an opportunity on a vote where it seems to me that the issue is as clear-cut as any issue could be clear-cut.

If you are against deficits, you have to be willing to cut or offset or rescind or defer or pay for it. The only alternative to all those things is you are for deficits, and that is the issue. I hope our colleagues will vote for this motion to send the bill back to committee.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I will not prolong this debate. I hope in my original remarks I persuaded my colleagues that there are items in here for great urgency that have to be done now.

I am just handed, for example, a note that talks about the National Transportation Safety Board already calling for restrictions in air travel this summer. We have $5 million in this bill for 225 controllers, $20.5 million for safety-related telecommunications equipment, $14.1 million for controller training. I really think that is urgent, Mr. President.

I think the flood relief, disaster relief is urgent. And so the list goes.

There is no simple solution to this, Mr. President. I for one am willing to pay for the programs. We cannot enact a tax this fiscal year to pay for these programs. We have already made 3 billion dollars' worth of rescissions. Most of those are simply going by the wayside.

The President, for example, recommended $2.481 billion rescissions in education. The Senate considered that. Not only did we reject it, but this Senate urged in the budget resolution additional money for education. We simply disagree with the President as to the priority for education.

We can go on and on down the list. But if this Senate thinks that somehow the Appropriations Committee overnight or in a day or two could reexamine this entire Federal budget and find these simple solutions here, Mr. President, I can tell you it cannot be done. The best we could do is to come up with some meaningless language, such as we think these are vital programs; we did our best; and we think we ought to have some kind of taxes next year. That is about the best we can do and, in the process, we would delay this bill. I do not know how long. Certainly a few days, maybe longer than that. I do not know—maybe kill the bill.

That would be very unwise, Mr. President. It would be bad news for military people who need medical care. It would be bad news for people who need disaster relief. It would be bad news for the American public that needs greater safety at airports. It would be bad news for the Immigration Service which is trying to implement a new law. It would be bad news for the American taxpayer who is trying to get some additonal IRS agents to enhance the taxes on the books.

So, Mr. President, without prolonging any further the debate and being in full agreement with the distinguished Senator from Michigan as to what impels, what motivates this amendment, I ask unanimous consent that I be able to yield 2 minutes to the distinguished Senator from Michigan without losing my right to the floor after which I will move to table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, let me thank my friend from Louisiana.

First, a factual correction. The rescissions and deferrals which this motion to recommit refers to must come from title I which is the entire Government. It is not limited to the programs which are specified in title I. Title I is the entire Government and the rescissions and deferrals which are referred to in this motion can come from any of those agencies, agencies which are in title I, going down the list, literally the entire Government of the United States. That is the clear intention of this wording. It must come from the agencies covered in title I, not limited to the programs in title I.

Second, I could not agree with my friend from Louisiana more—CHAMPUS, flood relief, airport safety are important.

We ought to set in motion a process to pay for them, commit ourselves to pay for them or to cut other programs to pay for them.

So there is no disagreement between us as to whether CHAMPUS is important. The question is are we going to put ourselves on some kind of a process or commit ourselves to a process which will pay for it. That is the issue.

Mr. JOHNSTON. Mr. President, will the Senator yield at this point?

Mr. LEVIN. I yield.

Mr. JOHNSTON. The motion says "such changes as may be necessary to make title I deficit neutral," and the Senator would agree with me that 95 percent of the outlays in title I would have to be cut.

Mr. LEVIN. No.

Mr. JOHNSTON. Or offset by something else somewhere else.

Mr. LEVIN. All I am saying is that the resolution is clear that the deferrals and the rescissions could come from any of the agencies that are covered in title I which is the entire Government. They do not have to come from the programs which are specified.

Mr. JOHNSTON. Mr. President, as I pointed out before, we have already been through that process earlier in the year and made that $3 million worth of offsets.

So without prolonging the matter further, Mr. President, I move to table the motion and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to recommit.

On this question, the yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Illinois [Mr. SIMON], are necessarily absent.

I further announce that the Senator from Ohio [Mr. GLENN] is absent on official business.

Mr. SIMPSON. I announce that the Senator from Washington [Mr. EVANS], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Connecticut [Mr. WEICKER], are necessarily absent.

I also announce that the Senator from Virginia [Mr. WARNER] is absent on official business.

I further announce that, if present and voting, the Senator from Alaska [Mr. MURKOWSKI] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 52, nays 39, as follows:

[Rollcall Vote No. 136 Leg.]

YEAS—52

Adams
Bentsen
Bradley
Breaux
Bumpers
Burdick
Chafee
Chiles
Cochran
Cranston
D'Amato
Daschle
DeConcini
Dixon
Dole
Durenberger
Exon
Ford
Fowler
Grassley
Harkin
Hatfield
Heflin
Heinz
Inouye
Johnston
Karnes
Kassebaum
Kasten
Lautenberg
Leahy
Matsunaga
McClure
Melcher
Mikulski
Moynihan
Packwood
Pell
Pressler
Pryor
Reid
Riegle

Rockefeller
Roth
Sanford
Sarbanes
Sasser
Shelby
Specter
Stafford
Stennis
Stevens

NAYS—39

Armstrong
Baucus
Bingaman
Bond
Boren
Boschwitz
Byrd
Cohen
Conrad
Danforth
Dodd
Domenici
Garn
Graham
Gramm
Hatch
Hecht
Helms
Hollings
Humphrey
Kerry
Levin
Lugar
McCain
McConnell
Metzenbaum
Mitchell
Nickles
Nunn
Proxmire
Quayle
Rudman
Simpson
Symms
Thurmond
Trible
Wallop
Wilson
Wirth

NOT VOTING—9

Biden
Evans
Glenn
Gore
Kennedy
Murkowski
Simon
Warner
Weicker

So the motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. There will be order in the Chamber.

Mr. BYRD. Mr. President, I believe that circumstances are such that we will not have any more rollcall votes today. But before we take that as an absolute certitude, let me inquire if the remaining amendments that are left are on the list that was entered earlier.

There is an amendment by Mr. Conrad, a possible strike amendment; an amendment by Mr. Gramm, a comprehensive strike amendment; an amendment by Mr. Gramm which could be 21 strike amendments or one, I suppose; an amendment by Mr. Metzenbaum to restore funds for unemployment offices; an amendment by Mr. Dole dealing with an agricultural study; an amendment by Mr. Helms dealing with AIDS; an amendment by Mr. Cochran on farm credit; Mr. Melcher, Meals on Wheels; Mr. Johnston, a germane amendment with one second germane amendment in order thereto; and Mr. D'Amato, a Persian Gulf amendment.

That completes the list that was ordered earlier today. There was one that I named that we did not get in, through inadvertence on my part. It was an amendment by Mr. Melcher and the transcript reads as follows:

> Mr. Melcher. Mr. President, I may have an amendment on transferring some of the money from the Agriculture Department to Meals on Wheels. It looks like an amendment that will be accepted, but we are working on the details.

I did not include that amendment and that was inadvertence on my part. I ask unanimous consent that that amendment be added to the list.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, my requests are these: Some of the Senators whose names were called are not on the floor.

What Senator will lay down an amendment and make it the pending business that he intends to have a rollcall vote on so it will be the first amendment up in the morning, we will have the yeas and nays ordered on it, and hopefully, a time limit?

Mr. JOHNSTON. Mr. President, will the majority leader yield?

Mr. BYRD. Yes, Mr. President.

Mr. JOHNSTON. I am hopeful that the following is the situation. I am hopeful that Senator Gramm will not further press his amendments because of the vote just had, because I think they deal essentially with the same subject matter.

I am hopeful that Senator Metzenbaum's amendment can be accommodated.

Mr. METZENBAUM. It has been worked out.

Mr. JOHNSTON. I am advised that has been worked out.

The Johnston fallback amendment I am confident will not have to be brought up.

The Helms AIDS amendment, as far as we are concerned, could be accepted. In any event, I think it will have very meager debate.

Senator Cochran on his farm credit amendment—I do not know whether this is ready, but he has advised us not to wait if it is not ready. I hope if it is ready it can be accepted.

Senator Melcher, I think, hopes to have an amendment which will be accepted.

If all of that is true, then the only amendment for which a rollcall vote is requested that I know about is the Helms amendment on AIDS, which might even be obviated. So with a little luck, we could not have any rollcall votes tomorrow.

Mr. COCHRAN. Will the distinguished leader yield to me to respond to the suggestions and observations of the manager on that side of the aisle?

Mr. BYRD. Yes, Mr. President.

Mr. COCHRAN. I am advised by the staff of our Appropriations Committee that there may be some prolonged debate on the Helms amendment, that that may not be worked out at all on this side of the aisle.

Further, the amendment that is listed on farm credit is an amendment that, in any event, has not be finalized yet with respect to cosponsors and the exact language that will be offered. We would not be able to call that up as the first order of business in the morning. It will be available later in the morning.

Mr. JOHNSTON. If the Senator will further yield, Mr. President, I think the big question is what Senator Gramm intends to do because if his amendments would not be there, then I think we have one contested vote on the Helms AIDS amendment and I hope that Senator Cochran could work out his. My guess is that he could.

Other then the Helms amendment, it may be that we would not have any.

I see Senator Gramm is here. I wonder if I may ask Senator Gramm if he intends to go further with his amendment.

Mr. BYRD. Mr. President, I yield for that purpose.

Mr. GRAMM. Mr. President, it is my intention, in light of the vote we just had, to go back and look over the list and see to what extent I could save time both for the body and for myself. I certainly reserve my right to offer those amendments.

I also, tomorrow, will raise a budget point of order against the bill.

Mr. JOHNSTON. But the Senator does expect to have at least one amendment in addition to the budget point of order?

Mr. GRAMM. I do.

Mr. BYRD. Would the distinguished Senator from Texas—I take it from what he said he would not—be willing to lay down an amendment tonight so we could begin work thereon at 10 o'clock tomorrow morning?

Mr. GRAMM. If the distinguished majority leader will yield, I have been working with Senator Levin on our motion to recommit. I would like, if it is not a terrible inconvenience to the body, to have an opportunity to go back and pick and choose. Obviously, I want to offer the best one. I am not sure at this moment that I have that worked out, though I expect it to come to me overnight.

Mr. JOHNSTON. If the majority leader will further yield, if the Senator from Texas intends to make a point of order, perhaps he could make the point of order, then the motion to waive would be the pending business and we could go first thing to that and get off to, I hope, a roaring start.

Mr. GRAMM. I think in fairness to people who want to go home, that mght be a reasonable thing to do. When we start in the morning, I would be prepared to go and raise a point of order at that point so people do not leave thinking they are not going to miss a major vote.

Mr. BYRD. Mr. President, would the Senator want to wait until morning to make the point of order or would he want to make it now so every Senator knows it is made?

Mr. GRAMM. If the distinguished majority leader would like it made now, I would be happy to do it.

Mr. President, I make a point of order under section 311 of the Budget Act that the pending bill increases the budget for fiscal year 1987 by $2.6 billion; therefore, it violates the Budget

Act and I raise the point of order under section 311.

Mr. BYRD. Mr. President, I ask unanimous consent that I may proceed for 2 minutes.

Mr. JOHNSTON. Would the Senator withhold so we can move to waive the Budget Act?

Mr. BYRD. Yes.

Mr. JOHNSTON. Mr. President, first, a parliamentary inquiry. I wish to waive the Budget Act. Is a general motion to waive the Budget Act to accommodate the bill in the position that it is in now, is that the appropriate motion?

The PRESIDING OFFICER. Such motion would be appropriate.

Mr. JOHNSTON. Mr. President, I therefore move to waive the Budget Act to accommodate the bill in its present condition and ask for the yeas and nays.

Mr. BYRD. Mr. President, I wonder, will the distinguished Senator put that waiver in writing so we be sure that we get it right? The reason I asked to proceed for 2 minutes was so that the Senate would not go any further on this point or order today. Overnight the Senator could prepare his waiver and have it ready to offer in the morning before the Chair rules.

Mr. JOHNSTON. Mr. President, I therefore withdraw the waiver and I assume the Senator will ask unanimous consent to withhold action on the point of order.

Mr. BYRD. Yes. Mr. President, I ask unanimous consent that I may proceed for 2 minutes.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

ORDERS FOR TOMORROW

ADJOURNMENT UNTIL 9:30 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn over until 9:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow after the two leaders have been recognized under the standing order, there be a period for the transaction of morning business not to extend beyond 10 o'clock a.m.; that Senators be permitted to speak therein not in excess of 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

NO RESOLUTIONS OR MOTIONS OVER UNDER THE RULE

Mr. BYRD. Mr. President, I ask unanimous consent that no resolutions or motions over under the rule come over on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

WAIVER OF THE CALL OF THE CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that the call of the calendar under rule VII be waived on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESUMPTION OF UNFINISHED BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that at 10 a.m. tomorrow the Senate resume consideration of the unfinished business.

The PRESIDING OFFICER. Without objections, it is so ordered.

RECOGNITION OF SENATOR JOHNSTON

Mr. BYRD. Now, Mr. President, I ask unanimous consent that when the Senate returns to the unfinished business on tomorrow, the distinguished Senator from Louisiana be recognized to make his waiver motion.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Now, Mr. President, I think that everything has been set in order for tomorrow and that the few remaining amendments that will require rollcall votes will be disposed of at a reasonably early hour, but I would not want to go late tomorrow night. I would not go late tomorrow, 8 o'clock, 7 o'clock, 6 o'clock, and I would not want to go over to Tuesday because I have a commitment that we have no rollcall votes on Monday. I believe if Senators will call up their amendments and dispose of them, be prepared to call them up when the opportunity beckons, this measure can be disposed of at a reasonably early hour in the afternoon tomorrow, midafternoon or some such. The distinguished managers may have a better insight on that than I have at the moment.

Mr. JOHNSTON. Mr. President, if the Senator will yield, I hope we can have it disposed of before early afternoon. If all Senators understand and if we may now put them on notice that we are ready to go and finish the bill, and if you have an amendment, bring it up and get it disposed of, then we will vote on the waiver. I hope the waiver will be granted. If it is not, then the whole bill comes down, of course. But if it is granted, then I only know of one contested amendment, and I think the rest may very well quickly fall into place and we may be able to finish by noon.

I think the distinguished Senator from Oregon and I and the distinguished Senator from Mississippi, the chairman of the full committee, would hope that we could finish by noon.

Mr METZENBAUM. Will the Senator from West Virginia yield for a question?

Mr. BYRD. Mr. President, I yield for that purpose.

Mr. METZENBAUM. When we were reciting, the amendments I think there was one described as a Johnston germane amendment. Is that correct?

Mr. JOHNSTON. Mr. President, I say in answer to that, right, there was one amendment reserved for me and frankly it is just a manager's standby amendment. I do not have anything in mind. Just in case we have forgotten something and somebody needs more help. There is no trick bag involved.

Mr. METZENBAUM. I just want to be certain. I thank the Senator.

Mr. HELMS. Mr. President, will the distinguished majority leader yield?

Mr. BYRD. I yield.

Mr. President, I ask unanimous consent that I may proceed for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, will the Senator yield briefly?

Mr. HELMS. I yield.

Mr. BYRD. I am getting inquiries as to about what time we may expect a vote to occur on the waiver motion. I ask the distinguished manager, Mr. JOHNSTON, about what time that may be.

Mr. JOHNSTON. I would think right at 10 o'clock. I think we will be on the bill at 10 o'clock, and the point of order will be made, and the motion to waive will be made.

I ask the Chair: Is that debatable?

The PRESIDING OFFICER. The motion to waive is debatable.

Mr. JOHNSTON. We have been through that debate several times, even today. So, as quickly as the debate on the motion to waive is over, which should be right away, we should vote.

Mr. BYRD. Could we get a time limit on the motion to waive? That could go on all day. I wonder if Senators would be willing to limit time on the waiver motion, not to exceed 30 minutes, equally divided.

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. Mr. President, I think Senator GRAMM ought to have a call on that.

Mr. BYRD. Very well.

Mr. President, I withhold my request momentarily.

Mr. HELMS. In the meantime, Mr. Leader, I do not want to hold up the Senate on the AIDS matter. The managers of the bill, I take it, have adjusted it, so I shall not ask for the yeas and nays on it. Senator WEICKER or some other Senator may.

My predisposition is not to ask for the yeas and nays. Maybe I can lay it down tonight, and we can get to it in the morning.

Is that the contested amendment that the Senator was talking about?

Mr. JOHNSTON. Mr. President, I have heard no opposition on this side.

I understand that the AIDS amendment simply requires testing under the immigration law.

Mr. HELMS. That is correct.

Mr. JOHNSTON. I have heard of no opposition on this side, so, so far as I know, it is not contested. I must say that I would personally have no objection to that.

I cannot speak for anyone else here, except to say that it is a subject that has been up, and no opposition has arisen as yet. I would hope that it would not require a rollcall vote.

Mr. HATFIELD. Mr. President, will the Senator yield?

Mr. JOHNSTON. I yield.

Mr. HATFIELD. I have had a conversation with the Senator from Connecticut [Mr. WEICKER], who does not feel that this has been resolved to his satisfaction. He will be here to debate it. Therefore, I would be reluctant to enter into a time agreement at this point.

Mr. BYRD. Mr. President, I will shortly move that the Senate go out until tomorrow. If I could, I would like to have the order entered limiting debate on the waiver.

May I ask, is someone on the other side attempting to get in touch with Senator GRAMM?

Mr. HATFIELD. Mr. President, if the Senator will yield, a call has been put in to him. He is expected to be paged and to return the call to me as quickly as possible.

Mr. BYRD. I thank the Senator.

TIME LIMITATION AGREEMENT

Mr. BYRD. Mr. President, I wonder if the following proposal would meet with the approval of the distinguished Senator from Oregon, namely, that the Senate agree to 30 minutes, equally divided, on the waiver motion, but that if the distinguished Senator from Texas [Mr. GRAMM] wanted an additional 30 minutes, equally divided, that would be a part of the order.

We are going to spend 30 minutes on my waiting and my wife is expecting me to be somewhere fast.

Mr. President, I ask unanimous consent that the time on the waiver be limited to 30 minutes equally divided in accordance with the usual form, that if the distinguished Senator from Texas [Mr. GRAMM] wishes additional time he may have it.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

Mr. HELMS. Mr. President, reserving the right to object, and I shall not object, I am given to understand that that is satisfactory to Senator GRAMM.

Mr. BYRD. I thank the distinguished Senator from North Carolina.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank all Senators and especially those who have acted as managers of the bill and acting managers.

I yield.

Mr. HELMS. Mr. President, would the Senator allow me to lay down an amendment with the understanding it will be laid aside as may be necessary in the morning?

Mr. BYRD. By consent, if the Senator wishes to get consent.

Mr. HELMS. Mr. President, I ask unanimous consent that it be in order for me to lay down an amendment for consideration in the morning and it be laid aside at the pleasure of the manager.

Mr. JOHNSTON. Mr. President, reserving the right to object, would the Senator lay that down for consideration immediately following the vote on the budget waiver?

Mr. HELMS. Absolutely, that is correct.

Mr. BYRD. That amendment is the AIDS amendment?

Mr. HELMS. That is correct.

Mr. BYRD. I thank the Senator.

The PRESIDING OFFICER. The Chair will point out that when the motion was made for waiver there was an amendment pending by the Republican leader.

Mr. BYRD. Mr. President, is the amendment by Mr. DOLE pending?

The PRESIDING OFFICER. That amendment was pending when the point of order was made.

Mr. BYRD. I would hope that the Senate would exclude Mr. DOLE's amendment so as to allow action on it—I understand it will not take but a very short time—before Mr. JOHNSTON makes his waiver motion and the Chair rules on the point of order, if the Chair should get around to ruling on it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. That protects Mr. DOLE, then.

And then Mr. HELMS' amendment would become pending after the waiver motion and the point of order have been disposed of. Am I correct, may I ask the Chair?

The PRESIDING OFFICER. That will be the order.

Mr. BYRD. All right.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 248

Mr. HELMS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 248.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At an appropriate place in the bill, insert the following:

"None of the funds appropriated by this Act for the emergency provision of drugs determined to prolong the life of individuals with Acquired Immune Deficiency Syndrome shall be obligated or expended after June 30, 1987, if on that date the President has not, pursuant to his existing power under section 212(a)(6) of the Immigration and Nationality Act, added human immunodeficiency virus infection to the list of dangerous contagious diseases contained in Title 42 of the Code of Federal Regulations.".

STATEMENT ON SYMMS AMENDMENT NO. 236

Mr. DURENBERGER. Mr. President, I rise in support of the Symms amendment, and would urge my colleagues to join us in expediting passage of supplemental funds for the Commodity Credit Corporation. I realize that adoption of this amendment would strike funding for a number of important programs, and want to take this opportunity to pledge my support for efforts to provide funding for those programs in a separate appropriations bill. But, as important as those programs are, it seems to this Senator that we are doing our agricultural communities a great disservice by holding funds for the CCC hostage to our own priorities.

I realize the difficult position the leadership of the Appropriations Committee finds itself in—it is charged with the responsibility of passing a bill which our farmers urgently need. It was for that reason that I voted with the committee to waive the Budget Act for this legislation. Unfortunately, as the waiver vote and the amendment list indicate, very few Members have been able to resist the temptation to demagogue or turn this important legislation into the proverbial "Christmas tree."

Mr. President, it is time to recognize the fact that, by endlessly amending this bill, we are holding up payments to our farmers and the small businesses that service their needs. For my part, I have chosen to refrain from offering amendments because I feel we have an obligation to rural America to release these funds. By further amending this bill we run the very real risk of producing a bill which will be vetoed. And if the Senate can't find 60 votes to waive the Budget Act, how does anyone expect to find 67 votes to override a Presidential veto?

Should Congress find itself unable to muster the votes to override a veto, how would my colleagues suggest I respond to B.E. Budahn of Bongards Creamery, which is owed $13 million by the CCC and is unable to meet its payroll? The only answer I can think of is to pass a clean bill which the President will sign, an objective which the Symms amendment achieves.

ASSISTANCE TO SOLIDARNOSZ

Mr. BRADLEY. Mr. President, I cosponsored Senate Joint Resolution 115 appropriating $1,000,000 on supplemental fiscal year 1987 assistance to the independent Polish trade union Solidarnosz. In the wake of the recent decision to lift sanctions against the Polish Government, this assistance to Solidarnosz is both timely and appropriate.

There is widespread and lasting support throughout Congress, the executive branch and the American public for giving concrete expression to our endorsement of Solidarnosz' cause—the protection and expansion of the economic, political, and human rights of the Polish people. The established nongovernmental channels for providing assistance to Solidarnosz; namely, the National Endowment for Democracy and the AFL-CIO, have worked well. The NED as a nongovernmental and bipartisan organization, together with the AFL-CIO is the appropriate channel. We should stick with it. The committee amendment before us would permit aid to continue to flow, as it has, to Solidarnosz, through important intermediaries which help legitimize the effort for Polish democracy.

In this context, Mr. President, I would like to underscore the importance of labor's role in acknowledging and supporting Solidarnosz as an independent trade union movement. I would also like to commend the role of the National Endowment for Democracy in working to support democratic processes and human rights in Poland.

$83 MILLION REAPPROPRIATION FOR CHICAGO SCHOOL DESEGREGATION

Mr. SIMON. Mr. President, would the chairman of the subcommittee, yield for a moment to enter into a colloquy?

Mr. CHILES. I would be pleased to yield to my friend from Illinois for that purpose.

Mr. SIMON. I have already spoken to the distinguished chairman of the subcommittee regarding my sincere and strong desire that a matter affecting the Chicago public schools and the department of education be resolved. As the chairman knows, this matter has been pending in the Federal courts since 1980. The distinguished senior Senator from Florida has also indicated to me that he shares my desire to resolve this matter.

In 1980, as part of a desegregation consent decree with the Chicago Board of Education, the executive branch obligated itself to "make every good-faith effort to provide available funds" for the board's extensive system wide desegregation plan. Since 1983, the parties have been involved in extended litigation of the definition and enforcement of the obligation of the Federal Government to honor that obligation. Efforts over the last few months have focused on negotiating a lump-sum payment in settlement of the pending lawsuit. It is in the interest of both sides and in the best interest of others that have been affected by this litigation that this matter be resolved at the earliest possible time.

During the recent negotiations, the board of education proposed to settle the case by transferring $83 million from unspent fiscal year 1983-86 education appropriations to the city of Chicago Board of Education. This lump-sum payment would be derived from funds unobligated at the end of each of those fiscal years and which were placed in escrow by court order during the pendency of this litigation.

I want to emphasize this Senator's interest in resolving this matter now, rather than later. All parties to the litigation having agreed to this proposed settlement, we ought to try and resolve this lengthy dispute at the earliest possible time. The board has agreed to be flexible and to postpone receiving any payments under the settlement until after September 30 of this year.

Mr. CHILES. The gentleman from Illinois is correct and I want to assure my friend from Illinois that I am fully aware of his concerns and his desire to resolve this matter as soon as possible. As he knows, the reappropriated language included in the House bill will cause us to exceed our outlay ceiling in 1987 and therefore I did recommend and the committee agreed to omit this provision. We will certainly be discussing this matter in the conference with the other body and I want to assure my friend and colleague from Illinois that I will listen carefully to the conferees for the other body on this matter and I will keep his desire that this matter be favorably resolved in mind during those discussions.

Mr. SIMON. I thank the gentleman from Florida, the distinguished chairman of the subcommittee, and the chairman of the Appropriations Committee for this time. I welcome his willingness to review this matter in the conference with the other and I hope and expect that this matter can be resolved satisfactorily in view of the Federal Government's obligation and commitment to the city of Chicago's public schools.

A STRONG SIGNAL TO THE POLISH PEOPLE

Mr. DIXON. Mr. President, with the passage of this supplemental appropriations bill, the Senate takes a long overdue and historic step on behalf of the Polish people. By earmarking $1 million for the Democratic Trade Union, NSZZ "Solidarnosc," the U.S. Senate is making a long, lasting impression in the mind of every Polish citizen.

Our message to the Polish people, Mr. President, is that this country shares their democratic values, and is willing to assist them in their struggle for freedom and self determination. I am certain that every Member of this great body believes in what NSZZ "Solidarnosc" stands for, and in the great accomplishments that have occurred under its leadership.

I am proud to have introduced this legislation along with my distinguished colleague, Senator SYMMS. This provision of the supplemental directs the President to administer the $1 million in assistance to NSZZ "Solidarnosc" as he has done in the past, utilizing the existing channels through which this assistance will reach those who need it most inside Poland.

Mr. President, I urge my colleagues who will participate in the House-Senate conference on the supplemental appropriations bill to steadfastly stand behind this provision for NSZZ "Solidarnosc." One million dollars will bring a great deal of resources to the Democratic Trade Union Movement in Poland, and with these resources will come greater autonomy and a greater ability to resist the subjugation and repression regularly perpetrated upon Polish citizens by their government.

CLARIFICATION OF A TECHNICAL AMENDMENT

Mr. INOUYE. Mr. President, last week, the ranking member of the Appropriations Subcommittee on Foreign Operations and I offered a technical amendment to the supplemental appropriations bill. The bill, as reported to the floor, had inadvertently repealed all of section 215 of the Military Construction Appropriations Act which was contained in the continuing resolution for fiscal year 1987. The technical amendment that we offered reinstated paragraph (1) of section 215, which related to expedited procedures for aid to the Contras.

Since that amendment's adoption, questions have been raised about whether that amendment was truly technical in nature, and whether further elaboration of the amendment might have been in order.

I offered that amendment at the request of the Department of State and the ranking member of the Subcommittee on Foreign Operations. The State Department believed that expedited procedures would not be available if paragraph (1) of section 215 were repealed. I did not then and do not now share that view.

It was my impression that section 722 of the International Security and Development Cooperation Act of 1985, which provided expedited procedures in the Senate for consideration of a request by the President of assistance to the Contras, was permanent law. Therefore, it was my view that the availability of expedited procedures for assistance to the Contras would be unaffected by whether or not paragraph (1) of section 215 of the Military

Construction Appropriations Act was repealed.

Therefore, my technical amendment to reinstate paragraph (1) of section 215 did not affect whether expedited procedures were available for the consideration of aid to the Contras in the Senate.

I ask unanimous consent to have printed in the Congressional Record, at the conclusion of my statement, correspondence with the General Accounting Office and the American Law Division of the Congressional Research Service. The legal analyses prepared by these two offices confirm my reading of the law.

I hope that these letters clarify this situation for my colleagues.

There being no objection, the material was ordered to be printed in the Record, as follows:

U.S. Senate,
Committee on Appropriations,
Washington, DC., May 22, 1987.

Hon. Charles A. Bowsher,
Comptroller General of the United States, U.S. General Accounting Office, Washington, DC.

Dear Mr. Bowsher: The question of whether expedited procedures apply to the President's request for additional assistance to the Contras is under active consideration in the Senate.

It is my impression that under section 722 of the International Security and Development Cooperation Act of 1985 expedited procedures are available in the Senate for the consideration of the President's request for military assistance to the Nicaraguan Democratic Resistance (fiscal year 1988 Budget Appendix I-D27). Is that a correct reading of the law?

It is also my impression that the President's request for assistance to the Nicaraguan Democratic Resistance would be entitled to expedited procedures in the Senate during fiscal year 1987 (i.e., until September 30, 1987) even if section 215 of the Military Construction Title of Public Law 99-591 were repealed. Is that a correct reading of the law?

It is essential that the General Accounting Office answer these questions by the end of business, Tuesday, May 26. If you have any questions about this matter, please contact Mr. Richard Collins or Mr. James Cubie of the Subcommittee staff (224-7205).

I very much appreciate your assistance in this matter.

Sincerely,
Daniel K. Inouye,
Chairman, Senate Appropriations Subcommittee on Foreign Operations.

U.S. Senate,
Committee on Appropriations,
Washington, DC., May 22, 1987.

Mr. Richard C. Ehlke,
Chief, The American Law Division, Congressional Research Service, Madison Building, Library of Congress, Washington, DC.

Dear Mr. Ehlke: The question of whether expedited procedures apply to the President's request for additional assistance to the Contras is under active consideration in the Senate.

It is my impression that under section 722 of the International Security and Development Cooperation Act of 1985 expedited procedures are available in the Senate for the consideration of the President's request for military assistance to the Nicaraguan Democratic Resistance (fiscal year 1988 Budget Appendix I-D27). Is that a correct reading of the law?

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It is essential that the Congressional Research Service answer these questions by the end of business, Tuesday, May 26. If you have any questions about this matter, please contact Mr. Richard Collins or Mr. James Cubie of the Subcommittee staff (224-7205).

I very much appreciate your assistance in this matter.

Sincerely,
Daniel K. Inouye,
Chairman, Senate Appropriations Subcommittee on Foreign Operations.

Office of the General Counsel,
Washington, DC., May 26, 1987.
B-225832.4

Hon. Daniel K. Inouye,
Chairman, Subcommittee on Foreign Operations, Committee on Appropriations, U.S. Senate.

Dear Mr. Chairman: This is in response to your letter dated May 22, 1987, requesting the views of this Office on the applicability of certain House and Senate expedited procedures set forth in the International Security and Development Cooperation Act of 1985, (ISDCA), Pub. L. No. 99-83, § 722, 99 Stat. 190, 258 (1985), to the Administration's recent budget request for $105,000,000 is assistance to the Nicaraguan Democratic Resistance.

As set forth below, the expedited procedures set forth in ISDCA appear to be available in the Senate for the consideration of the President's fiscal year 1988 budget request for assistance to the Nicaraguan Democratic Resistance. Further, the applicability of the Senate expedited procedures to the President's request does not appear to be dependent on the extension of the provisions of section 722 of ISDCA by section 215 of Title II of the Military Construction Appropriations Act, 1987. Because of the necessarily short period of time available to prepare this letter, our conclusions represent only the tentative opinion of this Office. Further, these provisions deal with the rules of the Senate and, accordingly, the final authority to interpret these provisions rests with the Senate itself.

BACKGROUND

Subsection 722(p) of the International Security and Development Cooperation Act of 1985, Pub. L. No. 99-83, 99 Stat. 190, 258 (1985) (ISDCA), provides for submission by the President of requests for "budget and other authority to provide additional assistance for the Nicaraguan democratic resistance."

Subsection (s) of section 722 provides for expedited consideration of "a joint resolution with repect to the request submitted by the President pursuant to subsection (p)" in the House of Representatives. The expedited House procedures include time limits on committee consideration and expedited parliamentary procedures. The provisions specifically were to apply "during the 99th Congress." 99 Stat. 258.

Subsection (t) of section 722 provides for generally similar expedited procedures in the Senate, incorporating by reference certain procedures set forth in the Department of Defense Appropriations Act, 1985, Pub. L. 98-473, § 8065, 98 Stat. 1837, 1935-36 (1984). The Senate procedures, however, were not limited to the 99th Congress.

Section 215 of Title II of the Military Construction Appropriations Act, 1987, Pub. L. No. 99-591, 100 Stat. 3341, 3341-307 (1986) provides as follows:

"The provisions of subsection (s) and (t) of section 722 of the International Security and Development Cooperation Act of 1985 shall apply—

"(1) with respect to any request described in section 722(p) of such Act submitted by the President to the Congress on or after the date of enactment of this title, and

"(2) with respect to any request by the President for additional economic assistance for the Central American democracies * * * "except that, for purposes of consideration in a House of Congress of a joint resolution under subsection (s) or (t) of such section, amendments to such a joint resolution may be in order but only if such amendments are germane."

ANALYSIS

The specific questions posed in your May 22 letter and our conclusions in each case are set forth below. Your first question is as follows:

"It is my impression that under section 722 of the International Security and Development Cooperation Act of 1985 expedited procedures are available in the Senate for the consideration of the President's request for military assistance to the Nicaraguan Democratic Resistance (fiscal year 1988 Budget Appendix I-D27). Is that a correct reading of the law?"

We conclude that the expedited procedures set forth in ISDCA appear to be available in the Senate for the consideration of the President's fiscal year 1988 budget request for $105,000,000 in assistance to the Nicaraguan Democratic Resistance. Whatever the time period initially covered by the House and Senate expedited procedures set forth in section 722 of ISDCA, those procedures were made applicable to the President's fiscal year 1988 request by section 215 of Title II of the Military Construction Appropriation Act, 1987, quoted above. Section 215 incorporated by reference the procedures set forth in subsections (s) and (t), with some changes, and made them applicable to any request made by the President pursuant to ISDCA "on or after the date of enactment" of that Act. Accordingly, the expedited procedures appear to be available in the Senate for consideration of the President's fiscal year 1988 budget request for $105,000,000 for the Nicaraguan Democratic Resistance.

Your second question is as follows: "It is also my impression that the President's request for assistance to the Nicaraguan Democratic Resistance would be entitled to expedited procedures in the Senate during fiscal year 1987 (i.e., until September 30, 1987) even if section 215 of the Military Construction Title of P.L. 99-591 were repealed. Is that a correct reading of the law?"

The President's $105,000,000 fiscal year 1988 budget request for aid to the Resistance would appear to be entitled to expedited procedures in the Senate even were section 215 of the Military Construction Appropriations Act, 1987, repealed. Initially, although the President's request is for fiscal year 1988, it was submitted within the fiscal year 1986-87 coverage of the authorizations in ISDCA. That Act authorized international development and security assistance programs "for fiscal years 1986 and 1987." 99 Stat. 190.

Additionally, the Senate expedited procedures in subsection 722(t) of ISDCA do not expire at the end of the fiscal year 1987, but rather are applicable to any request made by the President after enactment of that Act. ISDCA is an authorization act, not an appropriation act, and accordingly is not subject to the presumption that any provision in an annual appropriation act is effective only for the covered fiscal year. 65 Comp. Gen. 588, 593 (1986). Further, subsection 722(p) of ISDCA, which authorizes the President to submit requests for additional funding for the Resistance, is applicable to such requests made "at any time" after enactment. The phrase, "at any time," constitutes "words of futurity," indicating that that provision and its associated subsections (s) and (t) are permanent legislation. 24 Comp. Gen. 436 (1944).

The House expedited procedures are specifically limited to consideration of requests "during the 99th Congress." There is no such limitation, however, in the Senate procedures. Accordingly, the applicability of the Senate expedited procedures to the President's request does not appear to be dependent on the extension of the provisions of section 722 of ISDCA by section 215 of Title II of the Military Construction Appropriations Act, 1987.

This letter will be available for release to the public 30 days from today, unless released earlier by you or your staff.

Sincerely yours,

HARRY R. VAN CLEVE,
General Counsel.

CONGRESSIONAL RESEARCH SERVICE,
THE LIBRARY OF CONGRESS,
Washington, DC., May 27, 1987.

To: Senate Appropriations Committee, Subcommittee on Foreign Operations, Attn.: James Cubie.

From: American Law Division.

Subject: Whether Expedited Procedures Set Forth in Section 722 of the International Security and Development Cooperation Act of 1985 Apply to Senate Consideration of Contra Aid for fiscal year 1988 and Whether the Applicability of Those Procedures Would Be Affected By Repeal of section 215 of the Military Construction Appropriation, fiscal year 1987, as Enacted in Continuing Appropriations, fiscal year 1987 (Pub. L. 99-591).

This memorandum preliminarily examines the subject captioned above. While time constraints preclude an exhaustive analysis at this time, it may appear that the procedures set forth in section 722 of the International Security and Development Cooperation Act of 1985 (ISDCA) (Pub. L. 99-83) would apply to Senate consideration of a request for aid to the Nicaraguan democratic resistance (Contras) for fiscal year 1988. Apparently more problematic is whether those procedures would apply if section 215 of the Military Construction Appropriations, fiscal year 1987 (Milcon) were to be repealed. On balance, however, it may appear that they still would.

The ISDCA, enacted August 8, 1985, authorized $27 million for humanitarian assistance to the Nicaraguan democratic resistance, such assistance to remain available for obligation through March 1986. ISDCA, sec. 722(g). At the same time, the ISDCA authorized the President to request additional assistance as follows:

SUBMISSION OF REQUEST FOR ADDITIONAL ASSISTANCE FOR NICARAGUAN DEMOCRATIC RESISTANCE.—If the President determines at any time after the enactment of this Act that—

(1) negotiations based on the Contadora Document of Objectives of September 9, 1983, have failed to produce an agreement, or

(2) other trade and economic measures have failed to resolve the conflict,

the President may submit to the Congress a request for budget and other authority to provide additional assistance for the Nicaraguan democratic resistance.—ISDCA, § 722(p).

The ISDCA further sets forth expedited procedures for Senate consideration of such a presidential request:

SENATE PROCEDURES.—A joint resolution which is introduced in the Senate within 3 calendar days after the day on which the Congress receives a Presidential request described in subsection (p) and which, if enacted, would grant the President the authority to take any or all of the actions described in subsection (p) shall be considered in accordance with procedures contained in paragraphs (3) through (7) of section 8066(c) of the Department of Defense Appropriations Act, 1985 (as contained in Public Law 98-473), except that—

(1) references in such paragraphs to the Committees on Appropriations of the Senate shall be deemed to be references to the appropriate committee or committees of the Senate; and

(2) amendments to the joint resolution are in order.—ISDCA, sec. 722(t).

A fourth provision of the ISDCA characterizes its expedited procedure provisions as follows:

CONGRESSIONAL RULEMAKING POWERS.—Subsections (n), (o), (s), and (t) are enacted—

(1) as exercises of the rulemaking powers of the House of Representatives and Senate, and as such they are deemed a part of the Rules of the House and the Rules of the Senate, respectively, but applicable only with respect to the procedure to be followed in the House and the Senate in the case of joint resolutions under this section, and they supersede other rules only to the extent that they are inconsistent with such rules; and

(2) with full recognition of the constitutional right of the House and the Senate to change their rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House or Senate, and of the right of the Committee on Rules of the House of Representatives to report a resolution for the consideration of any measure.—ISDCA, sec. 722(u).

Title II of the Milcon, enacted October 30, 1986, transferred $100 million of appropriations made in the DOD appropriation, fiscal year 1986, to the President for the purpose of aiding the Contras. Milcon, sec. 206. Like the ISDCA, it also contained a section concerning requests for additional assistance. That section in part provides:

The provisions of subsections (s) and (t) of section 722 of the International Security and Development Cooperation Act of 1985 shall apply—

(1) with respect to any request described in section 722(p) of such Act submitted by the President to the Congress on or after the date of enactment of this title,

* * * * *

except that, for purposes of consideration in a House of Congress of a joint resolution under subsection (s) or (t) of such section, amendments to such a joint resolution may be in order but only if such amendments are germane.—Milcon, § 215.

Your first question concerns whether these provisions make expedited procedures applicable to Senate consideration of a presidential request for assistance to the Contras for fiscal year 1988. Neither section 722(p) of the ISDCA, which pertains to "a request for budget and other authority" submitted "at any time after the enactment of the Act", nor section 215 of the Milcon, which pertains to "any request described in section 722(p) of the [ISDCA] submitted . . . on or after the date of enactment of this title", would appear to be limited either as to the time by which a request must be submitted in order to be considered on an expedited basis or as to the period for which assistance so considered may be made available. One perhaps could argue that expedited procedures are not to apply to a FY 1988 budget request because the procedures of the ISDCA and the Milcon were to pertain only to requests for additional funds for the periods for which those statutes authorized or appropriated funds, respectively. The plain language of futurity of these provisions would not appear to support such an argument, however. Furthermore, the rather sparse legislative history also appears to indicate that the expedited procedures could apply to requests for funds for additional periods. For example, Senator Dole, in cosponsoring provisions giving assistance through FY 1987 that later became the basis of the Milcon Contra aid package, explained his proposal as follows:

Finally, the amendment provides the Contras the wherewithal they need, when they need it, to be an effective part of the overall strategy. During those initial months when the negotiating option is being intensively explored, it provides them humanitarian and self-defense aid and expanded training. If the negotiating option runs into another Sandinista stone wall, as so many have in the past, it provides the Contras the Weaponry they need to keep up the pressure on Managua. And if, at the end of the effective period of this legislation, the President determines that additional legislation or resources are needed, it provides him expedited procedures to seek congressional approval.

132 Cong. Reg. S3688 (Daily ed. March 27, 1986) (emphasis added).

Less clear than the applicability of the expedited procedures of the ISDCA to a request for Contra aid for fiscal year 1988 is the continued applicability of those procedures were section 215 of the Milcon to be repealed. The expedited procedure provisions of the ISDCA appear, at least as they pertain to the Senate, to be unlimited in duration. Nevertheless, Congress one year later enacted substantially similar procedural provisions in the Milcon. The intended purpose of the Milcon provision thus may not be clear, and the legislative history does little to illuminate further congressional intent. One interpretation of the Milcon provision may be that its primary purpose was to allow more than one request of the type described in section 722(p) of the ISDCA to be considered pursuant to the expedited procedures of sections 722(s) (House) and (t) (Senate). As enacted, section 722(p) authorized the President to submit "a" request for additional assistance, while section 722(s) (House procedures) refers to consideration of "the" request submitted by the President. The Senate procedures set forth in section 722(t) do not appear to contemplate a single request, however. A more plausible explanation of section 215 of the Milcon is that its primary purpose was to permit expedited consideration of Contra aid requests in the House after the 99th Congress. As enacted, the section 722(s) of the ISDCA limited expedited House consideration under it to the duration of the 99th Congress only. Support for the position that section 215 was intended to extend expedited House consideration may be found in the following explanation of Senator Lugar of the precursor to the Milcon language that he sponsored with Senator Dole:

> Section 13. Request for Additional Assistance: This section confirms that if the President asks for additional aid for the democratic resistance, that request will be expedited *in both the House* and Senate.
>
> 132 Cong. Rec. S3642 (daily ed. March 27, 1986) (emphasis added)

If the primary purpose of section 215 Milcon was to permit expedited House consideration after the 99th Congress, then it may appear that it was not intended to supplant section 722 of the ISDCA for all purposes. If this is so, then the underlying provisions of the ISDCA may survive repeal of section 215. While the language and history of the Milcon remain somewhat murky, at least two considerations arguably might favor survival of expedited Senate considerations. First, the limitation of the express repeal to the Milcon may be evidence that the implied repeal of ISDCA is unwarranted. Second, we have found no statement in the history of section 215 of the Milcon to the effect that Congress considered that its enactment would repeal section 722 of ISDCA by implication.

Moreover, if the ISDCA provisions do survive, then the expedited Senate procedures presumably still might apply to consideration of contra aid requests, a repeal of section 215 notwithstanding. The legislative history of the ISDCA is not express on the duration of the expedited procedure provision. However, Congress did not specifically limit in the ISDCA the duration of the expedited procedure provision, but rather used words of futurity indicating that any future request by the President that complied with the requirements of section 722(p) could be considered on an expedited basis. Section 722(t) appears to refer open-endedly to any request described in section 722(p). Section 722(p), in turn, does not provide the President with limited durational authority to request contra aid, a power that he clearly possesses in any event, but rather appears to describe a certain type of presidential request submitted "at any time after the enactment of this Act." Furthermore, the expedited procedure provisions do not appear related textually to the general appropriation authorization provisions of the ISDCA, which authorize certain appropriations to be made by Congress within specified periods. Rather, the expedited procedure provisions appear to be a separate, unrelated exercise of congressional rulemaking authority and is to be governed and modified by the separate rulemaking authority of each House. It may appear strained to conclude that the enactment of the expedited procedures is bound to and defined by the exercise of authorization authority found elsewhere in the ISDCA.

LARRY EIG,
Legislative Attorney,
American Law Division.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there now be a period for morning business not to extend beyond 3 minutes and that when Mr. MATSUNAGA, if he is recognized by the Chair, completes his introduction of a bill and that he be permitted to speak during that 3 minutes at the end the Chair adjourn the Senate over until tomorrow under the order previously entered.

The PRESIDING OFFICER. Without objection, it is so ordered.

69TH ANNIVERSARY OF ARMENIAN INDEPENDENCE

Mr. RIEGLE. Mr. President, today marks the 69th anniversary of the proclamation of independence by the Armenian people from Soviet and Turkish domination. It is a day when people of Armenian descent throughout the world remember their past and renew their call for freedom and independence for modern day Armenia.

Armenia's rich culture dates back more than 25 centuries. During their 2,000 years of autonomous existence, the Armenian people developed an intricate, productive society in their beautiful and rugged land. Autonomy ended abruptly, however, with the fall of the Byzantine Empire in the early 16th century. Armenia fell under the subjugation of the Ottoman Turks, who controlled the country for the next 600 years.

Despite the persecution inflicted on the Armenians for six centuries, the Turks were unable to destroy the pride or slow the growing nationalism of the Armenian people. The Ottoman rulers saw the Armenians' national spirit as a dangerous threat to their huge empire. In the waning days of the 19th century, the Turkish occupiers sought to silence this proud nation. Literally hundreds of thousands of Armenian men, women, and children were slaughtered or starved during periodic massacres in the year preceding World War I. But the oppressors still were not satisfied.

With the world distracted by war, the Turkish leaders, in 1915, began a policy to exterminate the Armenian people, thus perpetrating the first genocide of the 20th century. Between 1915 and 1923, an estimated 1.5 million Armenians were tortured, killed outright or deported in massive death marches to the deserts of what is now Syria and Iraq. These carefully planned atrocities, which virtually eliminated the Armenian community of the Ottoman Empire, will always be remembered as one of the most starkly tragic and devastating episodes in modern history.

Yet the resilient Armenian people survived. Even genocide could not crush their nationalistic spirit. The few survivors of the massacres of 1915 congregated in the northeastern corner of their homeland to await the defeat of the Turks by the democratic allies. Freedom and national self-determination, as advocated by President Woodrow Wilson, became symbols of destiny for these people. In 1918, an ill-equipped Armenian army of refugees and volunteers from abroad defeated an invading Turkish force and, on May 28 of that year, proclaimed Armenia's freedom and independence.

Tragically, this freedom, which was bought at such a high cost in human suffering, lasted only a brief time. The Armenian people had barely begun to establish a democratic society when they were once again robbed of their freedom. After only 2 short years, a joint attack of Russian and Turkish forces destroyed the youthful Armenian Republic. Part of the country was retaken by the Turks, while the remainder was absorbed into a new Soviet republic.

Yet it would be a grave error to consider the Armenian case forgotten or their story completed. Throughout centuries of persecution, the Armenian people maintained a unique religious, cultural and linguistic identity, which continues to thrive today—thanks to their preseverance and courage.

As we commemorate Armenian Independence Day, we pay special tribute to the Armenian-American community, which has made tremendous contributions to our political, economic, educational and artistic life in this country. One of the most important efforts undertaken by the Armenian-American community in Michigan is the establishment of an Armenian Study Center at the University of Michigan in Dearborn, whose dedication I was proud to attend last spring. This center, brought into being through the efforts of the some 60,000 Armenian Americans in Michigan, will greatly enhance the world's understanding of the Armenians' story.

Despite the persecution which the Armenian people have endured through the ages, their spirit continues to shine brightly as a symbol of freedom throughout the world. We share their steadfast hope that freedom will be returned to their nation and their loved ones living today under Soviet occupation. And so, on this anniversary of Armenian independence, let us rededicate ourselves to their cause and to that of all people still struggling to regain their lost freedom.

FISCAL YEAR 1988 NASA AUTHORIZATION BILL, S. 1164

Mr. PRESSLER. Mr. President, I would like to take this opportunity to comment on the recent action of the Committee on Commerce, Science, and Transportation regarding the fiscal year 1988 NASA authorization bill. On May 14, the Commerce Committee ordered to be reported, as amended, S. 1164, the fiscal year 1988 NASA authorization bill, that I, along with the chairman of the Commerce Committee, Senator Hollings and the chairman of the Subcommittee on Science, Technology, and Space, Senator Riegle, offered for consideration by the committee.

Before I mention the specifics of the bill itself, I would first like to recognize Senator Riegle for his excellent work in developing this legislation. This bill reflects the diligence and hard work that he has demonstrated this spring during the course of the subcommittee's NASA authorization hearings. I commend him for his efforts and for his role in the development of this legislation. Furthermore, I would like to compliment the subcommittee staff members—Marty Kress, John Graykowski, and Pete Perkins—for their insight and assistance in drafting this bill.

In authorizing $9,621 billion for NASA in fiscal year 1988, the committee has addressed NASA's needs as we know them today. This is not to say, however, that this authorization bill is a panacea for NASA. Even though 16 months have elapsed since the *Challenger* accident, NASA is still faced with the awesome task of returning the shuttle to a safe flight status, of maintaining some semblance of vitality in its space science and applications programs, and, what may be the most difficult of all tasks, of restoring morale and purpose to the thousands of dedicated NASA employees.

Certainly, these are not insignificant tasks, and each of them imposes significant pressures on NASA's budget. Yet, the Commerce Committee is well aware of the constrained budget climate that exists today, and this authorization bill reflects the responsibility that is required of each committee in authorizing and appropriating funds for our Federal agencies.

Mr. President, not only does this authorization support NASA's ongoing aeronautical and space research and development activities, but, just as significantly, it accommodates the budget requirements for two urgent needs that were not in the administration's fiscal year 1988 budget request.

The first of these urgent needs is an authorization of $100 million for NASA to initiate the procurement of expendable launch vehicles [ELV's] for some of its most critical upcoming missions. In the aftermath of the *Challenger* accident, we have learned that we can no longer rely solely on the shuttle for our space transportation needs. Expendable launch vehicles are a necessity; they are no longer a luxury. Our previous space policy of phasing out the use of ELV's has been rendered obsolete and inappropriate by events of the past year. We have no other choice but to initiate this ELV procurement if we expect to have a serious civil space program. Therefore, this $100 million authorization is a downpayment for four ELV's that will help minimize launch pressure on the shuttle and enable the earlier deployment of certain space science and other crucial NASA payloads.

The second of these two urgent needs is a $41 million authorization for repairs and modernization to the 12-foot wind tunnel at NASA'a Ames Research Center. Just recently, NASA discovered significant structural defects in this 43-year-old wind tunnel. This wind tunnel is important to our national aeronautical capabilities and to the success of all of our commercial and military aeronautical development programs. As foreign competition continues to narrow our once unchallenged superiority in aeronautical technology and sales, it is imperative that NASA restore this wind tunnel to its full capability.

Mr. President, this bill is noteworthy in that it provides the President's request of $767 million for the space station program. This committee's previous and current support of this program reflects the space station's high priority within the committee, along with its importance to our Nation's future leadership in space. Moreover, at a time when the Soviet Union is making significant progress in its own space station program, which, I might add, has been operational since 1971, we cannot afford to be too casual in developing our own permanently manned presence in space. Therefore, I am pleased that this legislation fully funds the space station program, which truly is our next logical step in space.

This bill also reflects the committee's continued belief that there should be a balance among NASA's programs, particularly with respect to NASA's Space Science and Applications programs vis-a-vis the total NASA budget. This balance is demonstrated in the restoration of funds for the advanced communications technology satellite [ACTS] program so that this satellite will stay on schedule for launch availability in 1990.

Regrettably, this restoration of funds for ACTS is an annual "rite of spring" that the Commerce Committee and Congress are forced to perform, since the administration routinely excludes from NASA's budget request funding for ACTS. That Congress continues to fund ACTS in this period of tight budgets is a testimony to the belief that ACTS is critical to the maintenance of our competitive edge in the world communications satellite market.

Mr. President, I am expecially pleased at the outcome of this bill in funding for NASA's space science programs, which have suffered considerably due to the effects of the *Challenger* accident. For example, as a result of the hiatus in shuttle launches and in the future constrained launch capability, NASA has had to cancel approximately 33 space science missions that were scheduled to fly aboard the shuttle from 1986 to 1992. For the 17 space science missions from that same period that have not been canceled, they are being delayed an average of 3 years each. This legislation fully funds NASA's space science programs and augments the *Explorer* and suborbital programs to partially compensate for the adverse effects of the *Challenger* accident.

As for the National Aerospace Plane Program, the Commerce Committee chose to authorize the President's request of $66 million. The committee believes that this program represents an important opportunity for revolutionary advances in aeronautical and space flight capabilities, not only for NASA, but also for our future national security requirements.

Mr. President, one section in this bill that warrants special mention is that which deals with the authorization of funds for space shuttle recovery actions. These actions include primarily the implementation of the recommendations of the Rogers Commission and other safety-related changes to the shuttle system identified in the aftermath of the *Challenger* accident. Specifically, the shuttle recovery effort includes the redesign of the shuttle's solid rocket boosters, major changes in the shuttle's main engines, critical modifications to the orbiter, and the provision of a shuttle crew escape module, to name a few. At the beginning of this year, the cost of implementing these changes was estimated to be approximately $1.8 billion, with about $400 million of those changes budgeted for fiscal year 1988.

Now, however, based on preliminary briefings from NASA, it appears that NASA may require another $350 million in fiscal year 1988 for additional shuttle recovery actions—actions that must be fulfilled before the shuttle resumes flight in mid-1988. Although these additional fiscal year 1988 shuttle recovery requirements have not yet been precisely quantified, once they are, NASA is expected to submit to Congress an amendment to its fiscal year 1988 budget request. However, without formal notification of the magnitude of these additional fiscal year 1988 budget requirements, the Commerce Committee was unable to authorize the precise amount required for fiscal year 1988. Therefore, in anticipation of this formal amendment to the fiscal year 1988 request, the Committee has authorized "such sums as may be necessary" to return the shuttle to a safe flight status.

Surely, some of my colleagues may think that authorizing "such sums as necessary" is not a responsible way to authorize. Certainly, it is not the committee's preferred method of authorizing. Yet, we are dealing with extreme and extenuating circumstances. Our space program must continue, and integral to our space program is a safe and dependable shuttle system. If we expect to fly the shuttle again, with confidence, we must be prepared to honestly address these additional budget requirements. When these additional budget requirements are submitted to Congress, the committee and the Senate will be able to negotiate them as part of the NASA authorization conference with the House. Until then, the committee believes that authorizing "such sums as necessary" keeps open the door for a final determination of this authorization.

Mr. Chairman, I would now like to comment on one issue that this bill does not address—that of NASA's difficulty in attracting and retaining the best talent available during this critical recovery period. Of course, attracting and retaining competent and qualified personnel is a problem for all Federal agencies, but in the aftermath of the *Challenger* accident, NASA's needs are particularly acute. This problem is exacerbated by the fact that retired commissioned officers and retired civilian Government employees are prohibited from receiving their full retirement benefits if they return to Government service. Under these conditions, NASA finds it difficult to compete with universities and private industry, which do not operate under such restrictive conditions.

The administration has recognized NASA's special problem and included in its NASA authorization bill a provision that would give the NASA administrator the authority for 2 years to hire up to 15 retired commissioned officers and/or retired civilian Government employees who would still receive their full salary and suffer no reductions in their military or Federal retirement benefits.

However, since the Governmental Affairs Committee has the rightful jurisdiction over this issue, the Commerce Committee did not consider this provision of the administration's request. I regret that the Commerce Committee did not address this issue, because I believe that the Commerce Committee is best qualified to understand how this problem is affecting NASA during this recovery period. Yet, I recognize the jurisdictional responsibilities of the two committees involved and, for that reason, did not offer an amendment to rectify this personnel problem at NASA. Furthermore, it is my understanding that the Governmental Affairs Committee intends to hold hearings this summer on this and other personnel issues.

If Congress expects our space program to demonstrate the leadership that it exhibited during the *Apollo* period, we must be prepared to create and maintain an environment at NASA that is not only stimulating but also rewarding. We can recommend the right programs and policies for our space program, but, without the right people to execute these programs and policies, our efforts are in vain. I hope that my colleagues will join me in urging the Governmental Affairs Committee to consider this issue on a timely basis and to recommend the appropriate legislation.

Mr. President, in closing, I emphasize that the fiscal year 1988 NASA authorization bill as ordered to be reported by the Commerce Committee is a responsible piece of legislation. Not only does it address honestly NASA's requirements during this period of budgetary constraints, but it also provides the support that is critical to the continued leadership of our civil aeronautics and space program. I urge my colleagues to support this legislation when it is presented for consideration.

DEATH OF MATT LOCKE, FORMER CLEMSON UNIVERSITY STUDENT BODY PRESIDENT AND PAGE

Mr. THURMOND. Mr. President, I rise today to pay tribute to a fine young man from South Carolina, Matt Locke, who died recently after a long fight with cancer. To his lovely wife, his family, and his friends I extend my deepest sympathy.

Mr. President, Matt Locke exemplified the true values of an exceptional human being, and it is especially tragic that a young man so fully in love with life would die at such a young age.

Matt Locke was born and raised in Honea Path, SC. He was an upright young man, who was taught correct principles by his parents and teachers and grew into a well-liked, well-respected individual. During his youth, he was active in the 4-H Club and assumed leadership roles in high school as student body president at Belton Honea Path High School. Attending college at Clemson University, he was active within the community and in school. He volunteered a considerable amount of his time to the Baptist student ministry and was elected student body president in 1985-86.

Clemson University had its biggest voter turn-out in 1985 when Matt ran for president. He was the most-favored candidate on the slate and was liked and respected by a broad spectrum of people including the faculty. His friendly, agreeable personality attracted people of all types who loved to be in his presence.

He graduated from Clemson University with a degree in Political Science in May 1986 and married, a fine young woman, Lisa Knight, in August. Shortly after their marriage he discovered that he had lymphoma, a form of cancer. Even though this was a terrible tragedy, he considered it a trial in his life and fought to overcome it with courage and an amazing will to live.

During his illness, he continued to serve others and worked as Youth Director at Pope Drive Baptist church in Anderson, SC. He taught the youth to stand fast in the face of opposition and hardship and did so by setting an example for these young people.

Matt Locke worked for me several years ago, and it was this love for life that radiated from him that made everyone in the office enjoy his company. I never met anyone who had a bad thing to say about Matt. In today's world, that, in itself, is a remarkable accomplishment. Indeed everyone who associated with this exceptional young man came to admire, respect, and even love him. I count myself as one of those people who were fortunate enough to have known and been associated with Matt Locke.

Had he lived, I have no doubt Matt would have aspired to public service and been a tremendous asset to this country by carrying with him the same determination to others and dedication to hard work and values that were his trademark.

He was a leader, and in a real sense, a hero. He was a young man of great courage and compassion who loved his family, friends, his community and his country. I have never known a finer young man, and his death is a tragic loss for everyone who knew him. However the life he led was a shining example for all of us to follow.

APPOINTMENT BY THE REPUBLICAN LEADER

The PRESIDING OFFICER. The Chair, on behalf of the Republican Leader, pursuant to Public Law 99-603, announces the appointment of the following individuals to the Commission for the Study of International Migration and Cooperative Economic Development: Mr. Michael J. Teitelbaum, of New York, New York; Dr. Esther Lee Yao, of Houston, Texas; and Mr. Edward Riviera, of Sacramento, California.

MESSAGES FROM THE HOUSE

At 10:37 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolution, without amendment:

S.J. Res. 70. Joint resolution commemorating the 40th anniversary of the Marshall plan.

The message also announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 280. Joint resolution to observe the 300th commencement exercise at the Ohio State University on June 12, 1987.

ENROLLED JOINT RESOLUTION SIGNED

At 11:07 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

S.J. Res. 70. Joint resolution commemorating the 40th anniversary of the Marshall plan.

The enrolled joint resolution was subsequently signed by the President pro tempore.

At 4:35 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 1004. An act to direct the Secretary of Agriculture to convey certain National Forest System lands to Unicoi County, TN, and for other purposes;

H.R. 1162. An act to amend title 28, United States Code, to provide for the selection of the court of appeals to decide multiple appeals filed with respect to the same agency order;

H.R. 1205. An act to direct the Secretary of Agriculture to release a reversionary interest of the United States on certain land located in Putnam County, FL, and to direct the Secretary of the Interior to convey certain mineral interests of the United States in such land to the State of Florida;

H.R. 1659. An act to amend title 38, United States Code, to increase the per diem rates for payments by the Veterans' Administration to States for hospital care, domiciliary care, and nursing home care provided to veterans in State homes, and for other purposes;

H.R. 1939. An act to provide for continuing interpretation of the Constitution on appropriate units of the National Park System by the Secretary of the Interior, and for other purposes;

H.R. 1947. An act to amend title 5, United States Code, to provide enhanced retirement credit for U.S. magistrates;

H.R. 2166. An act to amend the Small Business Act and the Small Business Investment Act; and

H.J. Res. 283. Joint resolution recognizing the service and contributions of the Honorable Wilbur J. Cohen.

At 5:52 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 900. An act to protect and enhance the natural, scenic, cultural, and recreational values of certain segments of the New Gauley, Meadow, and Bluestone Rivers in West Virginia for the benefit of present and future generations, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 131. A concurrent resolution providing for the attendance of Representatives, Senators, and other appropriate persons at a special ceremony and related events to be held in Philadelphia, PA, in honor of the bicentennial of the Constitution and in commemoration of the Great Compromise of the Constitutional Convention.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 900. An act to protect and enhance the natural, scenic, cultural, and recreational values of certain segments of the New Gauley, Meadow, and Bluestone Rivers in West Virginia for the benefit of present and future generations, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 1004. An act to direct the Secretary of Agriculture to convey certain National Forest System lands to Unicoi County, TN, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

H.R. 1162. An act to amend title 28, United States Code, to provide for the selection of the court of appeals to decide multiple appeals filed with respect to the same agency order; to the Committee on the Judiciary.

H.R. 1205. An act to direct the Secretary of Agriculture to release a reversionary interest of the United States on certain land located in Putnam County, FL, and to direct the Secretary of the Interior to convey certain mineral interests of the United States in such land to the State of Florida; to the Committee on Energy and Natural Resources.

H.R. 1939. An act to provide for continuing interpretation of the Constitution on appropriate units of the National Park System by the Secretary of the Interior, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 2166. An act to amend the Small Business Act and the Small Business Investment Act; to the Committee on Small Business.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, May 28, 1987, he had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 70. Joint resolution commemorating the 40th anniversary of the Marshal plan.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. Ford, from the Committee on Rules and Administration, without amendment:

S. Res. 223. An original resolution relating to the purchase of calendars; placed on the calendar.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BREAUX:

S. 1281. A bill to amend Public Law 97-360, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LAUTENBERG (for himself, Mr. Kerry, Mr. Grassley, Ms. Mikulski, Mr. Simon, and Mr. Proxmire):

S. 1282. A bill to provide for the imposition of sanctions against countries supporting international terrorism, and for other purposes; to the Committee on Foreign Relations.

By Mr. WEICKER:

S. 1283. A bill to amend title XIX of the Social Security Act to require States to provide coverage under their Medicaid plans for certain children with extraordinary expenses for medical and remedial care; to the Committee on Finance.

By Mr. GRASSLEY:

S. 1284. A bill to extend the date that an application must be filed for former spouses to receive certain retirement benefits under chapter 83 of title 5, United States Code; to the Committee on Governmental Affairs.

By Mr. GRAHAM (for himself, Mr. Cochran, and Mr. Stevens):

S. 1285. A bill to reform procedures for collateral review of criminal judgments, and for other purposes; to the Committee on the Judiciary.

By Mr. SHELBY:

S. 1286. A bill to amend the Tennessee Valley Authority Act of 1933; to the Committee on Environment and Public Works.

By Mr. DASCHLE:

S. 1287. A bill to provide interim relief to the Farm Credit System, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. GARN (for himself, Mr. Armstrong, Mr. Chafee, Mr. Cochran, Mr. Danforth, Mr. Dole, Mr. Durenberger, Mr. Gramm, Mr. Hatch, Mr. Humphrey, Mr. Karnes, Mr. Lugar, Mr. McClure, Mr. Murkowski, Mr. Nickles, Mr. Pressler, Mr. Stafford, Mr. Symms, Mr. Trible, Mr. Adams, Mr. Bentsen, Mr. Boren, Mr. Chiles, Mr. Conrad, Mr. DeConcini, Mr. Fowler, Mr. Gore, Mr. Heflin, Mr. Inouye, Mr. Lautenberg, Mr. Matsunaga, Mr. Moynihan, Mr. Nunn, and Mr. Bond):

S. 1288. A bill to designate July 20 of each year as "Space Exploration Day"; to the Committee on the Judiciary.

By Mr. ROTH:

S. 1289. A bill to temporarily suspend the duty on Bendiocarb; to the Committee on Finance.

By Mr. SASSER (for himself and Mr. Gore):

S. 1290. A bill to direct the Secretary of the Interior to acquire certain real property adjacent to the Andrew Johnson National Historic Site in Greeneville, TN, for inclusion within the national cemetery located in that site; to the Committee on Energy and Natural Resources.

By Mr. WILSON:

S. 1291. A bill for the relief of Joeri DeBeer; to the Committee on the Judiciary.

By Mr. BREAUX:

S. 1292. A bill to amend the Merchant Marine Act, 1920, to require vessels used to transport sewage sludge to be built in the United States, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LEVIN (for himself and Mr. Cohen):

S. 1293. A bill to amend the Ethics in Government Act of 1978 to provide a continuing authorization for independent counsel, and for other purposes; to the Committee on the Judiciary.

By Mr. MATSUNAGA (for himself, Mr. Weicker, Mr. Inouye, Mr. Murkowski, Mr. Bingaman, and Mr. Hecht):

S. 1294. A bill to promote the development of technologies which will enable fuel cells to use alternative fuel sources; to the Committee on Energy and Natural Resources.

By Mr. MATSUNAGA (for himself, Mr. Weicker, Mr. Inouye, Mr. Murkowski, and Mr. Bingaman):

S. 1295. A bill to develop a national policy for the utilization of fuel cell technology; to the Committee on Energy and Natural Resources.

By Mr. MATSUNAGA:

S. 1296. A bill to establish a hydrogen research and development program; to the Committee on Energy and Natural Resources.

By Mr. SANFORD (for himself and Mr. Helms):

S.J. Res. 138. Joint resolution to designate the period commencing on July 13, 1987, and ending on July 26, 1987, as "U.S. Olympic Festival—'87 Celebration", and to designate July 17, 1987, as "U.S. Olympic Festival—'87 Day"; to the Committee on the Judiciary.

By Mr. GARN (for himself, Mr. Armstrong, Mr. Boschwitz, Mr. Chafee, Mr. Cochran, Mr. D'Amato, Mr. Danforth, Mr. Dole, Mr. Durenberger, Mr. Gramm, Mr. Hatch, Mr. Helms, Mr. Humphrey, Mr. Karnes, Mr. Kasten, Mr. Lugar, Mr. McClure, Mr. Murkowski, Mr. Nickles, Mr. Pressler, Mr. Roth, Mr. Specter, Mr. Stafford, Mr. Symms, Mr. Thurmond, Mr. Trible, Mr. Wallop, Mr. Adams, Mr. Bentsen, Mr. Boren, Mr. Bradley, Mr. Burdick, Mr. Chiles, Mr. Conrad, Mr. DeConcini, Mr. Dodd, Mr. Fowler, Mr. Gore, Mr. Graham, Mr. Heflin, Mr. Hollings, Mr. Inouye, Mr. Johnston, Mr. Kerry, Mr. Lautenberg, Mr. Levin, Mr. Matsunaga, Ms. Mikulski, Mr. Moynihan, Mr. Nunn, Mr. Riegle, Mr. Stennis, and Mr. Bond):

S.J. Res. 139. A joint resolution to designate July 20, 1987, as "Space Exploration Day"; to the Committee on the Judiciary.

By Mr. STEVENS (for himself, Mr. Wilson, Mr. Cranston, Mr. Byrd, Mr. Dole, Mr. Graham, Mr. Bradley, Mr. Thurmond, Mr. Kennedy, Mr. McClure, Mr. McCain, Mr. Burdick, Mr. Inouye, Mr. Karnes, Mr. D'Amato, Mr. Lugar, Mr. Johnston, Mr. Domenici, Mr. Lautenberg, Mr. Boschwitz, Mr. Evans, Mr. Pell, Mr. Quayle, Mr. Nunn, Mr. Sanford, Mr. Reid, Mr. Chafee, Mr. Hatfield, Mr. Durenberger, Mr. DeConcini, Mr. Bumpers, Mr. Murkowski, Mr. Wallop, Mr. Matsunaga, Mr. Garn, Mr. Humphrey, Mr. Mitchell, Mr. Proxmire, Mr. Riegle, Mr. Helms, Mr. Packwood, Mr. Bond, Mr. Symms, Ms. Mikulski, Mr. Grassley, Mr. Gramm, Mr. Weicker, Mr. Heinz, Mr. Kerry, Mr. Levin, Mr. Pryor, Mr. Boren, and Mr. Specter):

S.J. Res. 140. A joint resolution to designate the week beginning July 13, 1987, as "Snow White Week"; to the Committee on the Judiciary.

By Mr. NICKLES (for himself, Mr. Boren, Mr. Bradley, Mr. Daschle, Mr. DeConcini, Mr. Dole, Mr. Exon, Mr. Ford, Mr. Garn, Mr. Gore, Mr. Heflin, Mr. Hollings, Mr. Humphrey, Mr. Inouye, Mr. Lugar, Mr. Matsunaga, Mr. Metzenbaum, Mr. Moynihan, Mr. Murkowski, Mr. Nunn, Mr. Pell, Mr. Pressler, Mr. Pryor, and Mr. Stevens):

S.J. Res. 141. A joint resolution designating August 29, 1988, as "National China-Burma-India Veterans Appreciation Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. FORD:

S. Res. 223. An original resolution relating to the purchase of calendars; from the Committee on Rules and Administration; placed on the calendar.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BREAUX:

S. 1281. A bill to amend Public Law 97-360, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EXTENSION OF SET-ASIDE FOR SHIPS INVOLVED IN WORLD HEALTH CARE

● Mr. BREAUX. Mr. President, the legislation I am introducing today would amend P.L. 97-360 under which three surplus Federal ships have been set aside for utilization by Life International. Life International is a nonprofit, humanitarian organization which is endeavoring to develop a mercy fleet which would take aid, technical assistance, health care, training and education to the people of the Third World. The bill would extend the set aside of the three ships until September 30, 1992, as well as provide the necessary two-thirds of the retrofit funding on a matching basis. These ships will be used specifically for the provision of health care and other humanitarian services to developing countries.

The bill is nearly identical to a bill (H.R. 1097) that was offered by the chairman of the House Merchant Marine and Fisheries Committee except that I would propose instead to make use of one of the many commercial vessels now "repossessed" by the Maritime Administration [MarAd] under the title 11 Obligation Guaranty Program. Many of these vessels are presently mothballed at substantial annual cost to the Government and are not likely to be re-sold to the commercial market in the near future. Furthermore, the cost of retrofitting certain of these vessel designs would be far less than the type of vessel proposed in the House legislation. I think this represents a far more cost efficient proposal to achieve the very noble and important objectives of Life International.

Mr. President, I ask unanimous consent that my bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1281

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That the Act entitled "An act to set aside certain surplus vessels for use in the provision of health and other humanitarian services to developing countries", approved October 22, 1982 (Public Law 97-360; 96 Stat. 1718) is amended as follows:

(1) Section 6 is amended to read as follows:

"Sec. 6. This Act applies to—

"(1) United States Ship *General Nelson M. Walker* P2-SE2-R1 currently held in the National Defense Reserve Fleet;

"(2) the United States Ship *Sanctuary* AH-20, which shall be transferred to the National Defense Reserve Fleet; and

"(3) an offshore supply ship currently in the possession of the Maritime Administration.".

(2) Section 7 is amended to read as follows:

"Sec. 7. Funds are authorized to be appropriated without fiscal year limitation, as the appropriation law may provide for the use of the Department of Transportation, to pay for not more than two-thirds of the cost of retrofitting the vessels listed in section 6 of this Act if—

"(1) the vessels are to be used under section 5 of this Act;

"(2) the recipient has satisfactorily demonstrated to the Secretary of Transportation that sufficient funds are available to pay for the recipient's portion of the cost of retrofitting the vessels;

"(3) retrofitting of one vessel is completed before retrofitting begins on each of the succeeding vessels; and

"(4) all work is done in the United States shipyard.".

(3) Add at the end the following:

"Sec. 8. This Act expires on September 30, 1992.".●

By Mr. LAUTENBERG (for himself, Mr. Kerry, Mr. Grassley, Ms. Mikulski, Mr. Simon, and Mr. Proxmire):

S. 1282. A bill to provide for the imposition of sanctions against countries supporting international terrorism, and for other purposes; to the Committee on Foreign Relations.

DETERRENCE OF STATE-SPONSORED TERRORISM ACT

● Mr. LAUTENBERG. Mr. President, I rise to introduce, along with Senators KERRY, GRASSLEY, MIKULSKI, PROXMIRE, and SIMON, a bill aimed at curbing the activities of states that support and sponsor international terrorism. It would do so by creating a presumption in favor of the imposition of a variety of economic and diplomatic penalties on such countries, and by requiring closer consultation between Congress and the executive branch on our policy toward states that sponsor terrorism.

Last year, Americans were the No. 1 target of international terrorism. In 1986, roughly 27 percent of all terrorist incidents involved American interests or property. 12 Americans were killed by terrorists, and 101 were wounded. Even beyond the lives lost and injured by terrorism, the damage to America's peace of mind, its ability to conduct diplomacy, to protect its interests abroad, and to Americans' ability to travel freely in the world has been incalculable.

Americans have the right to expect that their Government will do everything it can to stop terrorism. But despite tough talk on terrorism, U.S. policy has often neglected the key role that states play in supporting and sponsoring terrorism. And in neglecting that role, it has continued to provide aid, credit, and other benefits to nations long after we've identified them as supporting and sponsoring terrorism against Americans.

Why should we care about state sponsorship of terrorism? Because terrorist groups do not operate alone. Their effectiveness is enhanced considerably by the assistance they receive from their state sponsors. Assistance like money, arms, and explosives. Like recruitment and training, passports, infiltration and escape routes. Like transportation, rapid communications, safe havens, and sanctuary.

This assistance forms an elaborate international life support network on which terrorists depend. Without it, terrorists would be out in the cold. They'd find it a lot more difficult to operate.

The State Department acknowledges the key role played by state sponsors of terrorism. The Department of State's "Patterns of Global Terrorism: 1985, published in October of 1986, States:

> That in large measure the range and lethality of terrorism in 1985 derived largely from the active role continually played by sovereign states—most notably Libya, Syria, and Iran. The unprecedented degree of backing by these states and, on some cases, their active participation in terrorist operations continued to make international terrorism, very much a problem.

The CIA has also acknowledged the critical role of state sponsors in accomplishing terrorism's dirty business. The late CIA Director William Casey stated in Washington Post's May 22, 1986 edition that:

> Libya, Syria and Iran use terrorism as an instrument of foreign policy. They hire and support established terrorist organizations. These countries make their officials, their embassies, their diplomatic pouches, their communications channels, and their territory as safe havens for these criminals to plan, direct, and execute bombing, assassination, kidnapping and other terrorist operations.

And while it's often difficult to locate individual terrorists, we have the address of their state sponsors. Secretary of State Shultz is required to keep a list pursuant to the requirements of the Export Administration Act of countries that demonstrate a consistent pattern of support for and sponsorship of terrorism. That list currently includes Syria, Libya, Iran, South Yemen, and Cuba.

Despite the acknowledged role that certain, well-identified states play in encouraging, supporting, and even sponsoring terrorism against Americans, the United States has often failed to penalize them for their behavior. In many cases, these countries continue to receive U.S. foreign aid dollars, arms, and access to our markets long after they have been found to engage in a consistent pattern of state support for terrorism. We need to stop subdizing the very countries that subsidize terror.

For example, Syria has been on the Department of State's list of state sponsors of terrorism since the list's inception in 1979. And the Foreign Assistance Act of 1961, section 620(A)(a), 22 U.S.C. section 2371 (a) provides that the United States may not provide any assistance to any country the President determines supports international terrorism, unless he finds that it is in our national security or humanitarian interests to do so, and so notifies Congress.

But according to a GAO report done at my request, it was not until 1983 that we cut off Syria's economic assistance, and not until 1984 that we prohibited all foreign assistance to Syria. Between 1979 and 1983, Syria received $113.8 million in American aid. The GAO report also shows that it was only last year that we ended Export-Import Bank programs in Syria, terminated Syria's landing rights in the United States, suspended United States sales of Syrian Arab airline tickets in the United States, ended the Export Enhancement Program for Syria, and banned the sale of sophisticated technology like computers and aircraft.

It's not that we don't have the power to stop such policies. It's that we haven't used it.

Although a wide range of laws on our books permit the President to cut off foreign aid and impose other sanctions for the support of terrorism, in many instances, these sanctions are just not imposed.

And there are some sanctions that we don't now have the authority to impose, but that we should. For instance, Syria and every other country on the Secretrary of State's terrorist list is eligible for World Bank and other multilateral development bank loans without protest from the United States unless they provide sanctuary to terrorists.

Last year, the World Bank approved over $75 million in loans to Syria without a single word of protest from the United States because of their support for terrorism. Even Treasury Secretary Baker conceded in hearings before the Senate Appropriations Committee that the United States should have voted no on this loan because of Syria's record of support for terrorism, instead of abstaining on human rights grounds.

It's clear from the example of Syria that any administration should be compelled to spell out and to justify to the Congress, its policy toward each nation that supports terrorism. Congress should play a more formal role in reviewing the comprehensiveness of sanctions on countries that support terrorism against Americans. And, there should be a presumption in favor of denying foreign aid and other benefits to countries that persist in supporting and sponsoring state terrorism.

The legislation which I have introduced today requires the Secretary of State to keep a list of countries that exhibit a pattern of consistent state support for terrorism, much the same way that he now keeps such a list pursuant to the requirements of the Export Administration Act. When a country is placed on that list, a variety of sanctions, including a cutoff of foreign aid, arms sales, a freezing of that country's assets in the United States, and other sanctions will be presumed to go into effect within 30 days, unless the President waives those sanctions.

If the President does not want those sanctions to go into effect, he must, within 30 days, submit to Congress a detailed explanation of why the imposition of any or all of those sanctions would not be in national security interest of the United States, or in humanitarian interests. Congress then has a period of 30 days to overrule that decision, which it must do by passing a resolution of disapproval.

In the event of an emergency, the President may remove sanctions already in place by providing a certification that such an emergency exists, and giving notice to the heads of the Intelligence and Foreign Relations Committees in the House and the Senate.

If our country is to be taken seriously when we say we want to get tough on terror, we should not be providing foreign aid, arms, loans, and favorable treatment to countries that engage in state support or state sponsorship of terrorism. We must go after not only the members of terrorist rings, but those who bankroll and train the ringleaders—the state sponsors of terror.

Sanctions send a powerful nonmilitary signal to such states that we will not countenance business as usual with those who support the killing, maiming, and kidnapping of Americans. They demonstrate that we support our policies with actions as well as words, and are prepared to incur costs in our battle against international terrorism.

Mr. President, I ask unanimous consent that a copy of the bill and a section-by-section analysis of the deterrence of State-Sponsored Terrorism Act of 1987, as well as the GAO report entitled "Terrorism, Laws Cited Imposing Sanctions on Nations Supporting Terrorism," appear in the RECORD after my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1282

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Deterrence of State-Sponsored Terrorism Act of 1987".

LIST OF COUNTRIES SUPPORTING TERRORISM

SEC. 2. (a) Not later than 30 days after the date of enactment of this Act, and thereafter on February 1 of each year, the Secretary of State shall prepare and transmit to the Congress a report setting forth a list of those countries, if any, which he has determined have repeatedly provided support for acts of international terrorism. This list may be referred to as the "terrorist list".

(b) Not later than 7 days after the Secretary of State determines that a country on the terrorist list no longer is providing support for acts of international terrorism, the Secretary of State shall prepare and transmit to the Congress a supplemental report setting forth his determination, and such country shall be deemed to be removed from the terrorist list upon receipt by the Congress of such report.

SANCTIONS AGAINST COUNTRIES SUPPORTING INTERNATIONAL TERRORISM; WAIVER

SEC. 3. (a) The sanctions described in subsection (d) shall be imposed against any country which is placed on the terrorist list and shall be effective—

(1) 30 calendar days after the name of such country is first placed on such list, except that such sanctions or any part thereof, as the President may specify, shall not take effect if, within such 30-day period, the President makes a determination and report described in subsection (c); or

(2) in the case of sanctions specified in a determination which is described in subsection (c) and which is disapproved by enactment of a joint resolution under section 5, on the date of enactment of such joint resolution.

(b) All or any of the sanctions, as the President may specify, which are described in subsection (d) and which are in effect with respect to a country shall cease to apply—

(1) if the President makes a determination and report described in subsection (c), 30 legislative days after the date of such determination; or

(2) if the President determines that an emergency situation exists which would justify the partial or complete lifting of sanctions, upon his certification of the existence of such an emergency situation to the chairmen of the Permanent Select Committee on Intelligence and the Foreign Affairs Committee of the House of Representatives and the chairmen of the Select Committee on Intelligence and the Foreign Relations Committee of the Senate.

(c)(1) The determination referred to in subsection (a)(1) or in subsection (b)(1) is a determination by the President that it is in the national interest of the United States, or in humanitarian interests, to take the action described in the appropriate subsection.

(2)(A) The report referred to in such subsections is a report which is prepared by the President and transmitted to the appropriate committees of the Congress and which contains the appropriate determination described in paragraph (1).

(B) The President shall include in any such report a detailed explanation of his reasons for making a determination under paragraph (1). Any part of such explanation may be included, if necessary, in a classified addendum to such report, except that each such report shall contain an unclassified summary of such explanation.

(C) For purposes of this paragraph, the phrase "appropriate committees of the Congress" means the Committee on Appropriations and the Committee on Foreign Affairs of the House of Representatives and the Committee on Appropriations and the Committee on Foreign Relations of the Senate.

(d) The sanctions referred to in subsections (a) and (b) are the following:

(1) All United States assistance for such country shall be terminated.

(2) No technology of such country and no goods (or any part thereof) which are produced, grown, or manufactured in such country may be imported into the United States, except that such technology or goods may be imported into the United States if additional duties are imposed on such imports in regulations prescribed by the Secretary of Commerce.

(3) The President shall deny to all products of such country duty-free tariff treatment under title V of the Trade Act of 1974 (the Generalized System of Preferences).

(4)(A) The Secretary of State shall promptly take whatever steps may be necessary to terminate any air or sea transportation agreement in effect between the United States and such country in accordance with the terms of such agreement.

(B) Upon the termination of any such agreement or, if no such agreement is in effect, upon the effective date of sanctions determined under section 3(a), the Secretary of Transportation shall prohibit any aircraft or vessel owned directly or indirectly by the government of such country or its nationals from engaging in air or sea transportation with respect to the United States.

(C) The Secretary of Transportation may provide for such exceptions from the prohibition contained in subparagraph (B) as the Secretary considers necessary to provide for emergencies in which the safety of the aircraft or vessel or its crew or passengers is threatened.

(D) For purposes of this paragraph, the term "aircraft" has the meaning given such term in section 101 of the Federal Aviation Act of 1958 (49 U.S.C. 1301).

(5)(A) The Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution to vote against any loan or other use of the funds of the respective institution to or for such country.

(B) For purposes of this paragraph, the term "international financial institution" includes—

(i) the International Bank for Reconstruction and Development, the International Development Association, and the International Monetary Fund; and

(ii) wherever applicable, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, and the African Development Fund.

(6) The President shall exercise his authorities under the International Emergency Economic Powers Act (other than section 204) for the purpose of ensuring that no such country or any national thereof may transfer out of the jurisdiction of the United States any property or credit in which such country or national thereof has any financial interest.

(7) Section 901(j) of the Internal Revenue Code of 1986 shall apply with respect to tax credits for the amount of any income, war profits, and excess profits taxes paid or accrued to such country by taxpayers of the United States.

(e) Paragraph (2) of section 901(j) of the Internal Revenue Code of 1986 is amended—

(1) by striking out "or" at the end of subparagraph (A)(ii);

(2) by striking out the period at the end of subparagraph (A)(iv) and inserting in lieu thereof ", or";

(3) by adding at the end of subparagraph (A) the following new clause:

"(v) which the Secretary of State has, pursuant to section (2)(a) of the Anti-Terrorism Act of 1987, designated as a foreign country which repeatedly provides support for acts of international terrorism.";

(4) by striking out "or" at the end of subparagraph (B)(i)(I);

(5) by striking out "subparagraph (A), and" in subparagraph (B)(i)(II) and inserting in lieu thereof "clauses (i), (ii), (iii), and (iv) of subparagraph (A), or"; and

(6) by inserting at the end of subparagraph (B)(i) the following new subclause:

"(III) the effective date determined under section 3(a) of the Anti-Terrorism Act of 1987 with respect to a country described in subparagraph (A)(v), and".

(f) For purposes of this section, the term "legislative days" means the days on which both Houses of Congress are in session.

POLICY TOWARD COORDINATION OF SANCTIONS WITH ALLIES

SEC. 4. It is the sense of the Congress that, in any case in which any sanction is imposed against a country under section 3, the President should make vigorous efforts to obtain the imposition of a similar sanction by the allies of the United States.

CONGRESSIONAL REVIEW; PRIORITY PROCEDURES

SEC. 5. (a)(1) Notwithstanding the exception contained in section 3(a)(1), the sanctions described in section 3(d) shall take effect with respect to a country on the date described in section 3(a)(2) if the Congress enacts a joint resolution of disapproval, in accordance with this section, within 30 legislative days after transmittal of the report required by section 3(a)(1).

(2) Notwithstanding the waiver made in section 3(b)(1), the sanctions described in section 3(d) shall continue in effect with respect to a country if the Congress enacts a joint resolution of disapproval, in accordance with this section, within 30 legislative days after transmittal of the report required by section 3(b)(1).

(b)(1) For purposes of this section, the term 'joint resolution' means only a joint resolution introduced in a House of Congress within 3 legislative days after the appropriate committee of such House of Congress receives a report required by section 3(a)(1) or 3(b)(1)—

(A) the matter after the resolving clause of which is as follows: "That the Congress hereby disapproves the determination of the President contained in the report submitted on ____________, as required by ____________ of the Anti-Terrorism Act of 1987", with the appropriate date inserted in the first blank and "section 3(a)(1)" or "section 3(b)(1)", as the case may be, inserted in the second blank.

(B) which does not have a preamble; and

(C) the title of which is as follows: "Joint Resolution disapproving sanctions under the Anti-Terrorism Act of 1987".

(2) A joint resolution, upon introduction in the House of Representatives, shall be referred to the Committee on Foreign Affairs of the House of Representatives or, upon introduction in the Senate, shall be referred to the Committee on Foreign Relations of the Senate.

(3) For purposes of this section, the term "legislative day" means, with respect to a House of Congress, a day on which such House of Congress is in session.

(c)(1) The provisions of this subsection apply to the consideration in the House of Representatives of a joint resolution with respect to a report required by section 3(a)(1) or 3(b)(1).

(2) If the Committee on Foreign Affairs of the House of Representatives has not reported the joint resolution by the end of 15 legislative days after the first joint resolution was introduced, such Committee shall be discharged from further consideration of the first joint resolution and that joint resolution shall be placed on the appropriate calendar of the House.

(3)(A) At any time after the first joint resolution placed on the appropriate calendar has been on that calendar for a period of 5 legislative days, it is in order for any Member of the House (after consultation with the Speaker as to the most appropriate time for the consideration of that joint resolution) to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of that joint resolution. The motion is highly privileged and is in order even though a previous motion to the same effect has been disagreed to. All points of order against the joint resolution under clauses 2 and 6 of Rule XXI of the Rules of the House are waived. If the motion is agreed to, the joint resolution shall remain the unfinished business of the House until disposed of. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order.

(B) Debate on the joint resolution shall not exceed ten hours, which shall be divided equally between a Member favoring and a Member opposing the joint resolution. A motion to limit debate is in order at any time in the House or in the Committee of the Whole and is not debatable.

(C) An amendment to the joint resolution is not in order.

(D) At the conclusion of the debate on the joint resolution, the Committee of the Whole shall rise and report the joint resolution back to the House, and the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion.

(d)(1) The provisions of this subsection apply to the consideration in the Senate of a joint resolution with respect to a report required by section 3(a)(1) or 3(b)(1).

(2)(A) If the Committee on Foreign Relations of the Senate (hereafter in this subsection referred to as the "Committee") has not reported a joint resolution at the end of 15 legislative days after its introduction, it is in order to move either to discharge the Committee from further consideration of the joint resolution or to discharge the Committee from further consideration of any other joint resolution introduced with respect to the same report which has been referred to the Committee, except that no motion to discharge shall be in order after the Committee has reported a joint resolution with respect to the same report.

(B) A motion to discharge under subparagraph (A) of this paragraph may be made only by a Senator favoring the joint resolution, is privileged, and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the joint resolution, the time to be divided equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(3) When the Committee has reported, or has been deemed to be discharged (under paragraph (2)) from further consideration of a joint resolution, notwithstanding any rule or precedent of the Senate, including Rule 22, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any Senator to move to proceed to the consideration of the joint resolution, and all points of order against the joint resolution (and against consideration of the joint resolution) are waived.

(4)(A) A motion in the Senate to proceed to the consideration of a joint resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(B) Debate in the Senate on a joint resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(C) Debate in the Senate on any debatable motion or appeal in connection with a joint resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(D) A motion in the Senate to further limit debate on a joint resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a joint resolution is in order in the Senate.

(5) If, before the passage by the Senate of a joint resolution, the Senate receives from the House of Representatives a joint resolution, then the following procedures shall apply:

(A) The joint resolution of the House of Representatives shall not be referred to a committee.

(B) With respect to a joint resolution of the Senate—

(i) the procedure in the Senate shall be the same as if no joint resolution had been received from the House; but

(ii) the vote on final passage shall be on the joint resolution of the House.

(C) Upon disposition of the joint resolution received from the House, it shall not longer be in order to consider the joint resolution originated in the Senate.

(6) If the Senate receives from the House of Representatives a joint resolution after the Senate has disposed of a Senate originated joint resolution, the action of the Senate with regard to the disposition of the Senate originated joint resolution shall be deemed to be the action of the Senate with regard to the House originated joint resolution.

(e) Subsections (b) through (d) are enacted—

(1) as exercises of the rulemaking powers of the House of Representatives and Senate, and as such they are deemed a part of the Rules of the House and the Rules of the Senate, respectively, but applicable only with respect to the procedure to be followed in the House and the Senate in the case of joint resolutions under this section, and they supersede other rules only to the extent that they are inconsistent with such rules; and

(2) with full recognition of the constitutional right of the House and the Senate to change their rules at any time, in the same manner, and to the same extent as in the case of any other rule of the House or Senate, and of the right of the Committee on Rules of the House of Representatives to report a resolution for the consideration of any measure.

DEFINITIONS

SEC. 6. For purposes of this Act—

(1) the term "act of international terrorism" means an activity that—

(A) involves a violent act or an act dangerous to human life that is a violation of the criminal laws of the United States or of any State, or that would be a criminal violation if committed within the jurisdiction of the United States or of any State; and

(B) appears to be intended—

(i) to intimidate or coerce a civilian population;

(ii) to influence the policy of a government by intimidation or coercion; or

(iii) to affect the conduct of a government by assassination or kidnapping; and

(C) occurs totally outside the United States, or transcends national boundaries in terms of the means by which such activity is accomplished, the persons such activity appears intended to coerce or intimidate, or the locale in which the perpetrators operate or seek asylum;

(2) the term "support" includes—

(A) furnishing arms, explosives, or lethal substances to individuals, groups, or organizations with the likelihood that they will be used in the commission of any act of international terrorism;

(B) planning, directing, providing training for, or assisting in the execution of any act of international terrorism;

(C) providing direct or indirect financial backing for the commission of any act of international terrorism;

(D) providing diplomatic facilities intended to aid or abet the commission of any act of international terrorism; or

(E) allowing the use of its territory as a sanctuary from extradition or prosecution for any act of international terrorism; and

(3) the term "United States assistance" includes any assistance of any kind which is provided by grant, sale, loan, lease, credit, guaranty, or insurance, or by any other means, by any agency or instrumentality of the United States Government to or for the benefit of any foreign country, including—

(A) assistance under the Foreign Assistance Act of 1961 (including programs under title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation);

(B) sales, credits, and guaranties under the Arms Export Control Act;

(C) sales under title I (including title III) of the Agricultural Trade Development and Assistance Act of 1954 and donations under title II of such Act of agricultural commodities;

(D) financing programs of the Commodity Credit Corporation for export sales of agricultural commodities;

(E) financing under the Export-Import Bank Act of 1945;

(F) assistance under the Migration and Refugee Assistance Act of 1962;

(G) programs under the Peace Corps Act;

(H) assistance under the Inter-American Foundation Act;

(I) assistance under the African Development Foundation Act;

(J) financial assistance for foreign persons or groups under the Mutual Educational and Cultural Exchange Act of 1961; and

(K) assistance of any kind under any other Act.

Section-by-Section Analysis of Anti-Terrorism Act of 1987

Section 1: Title of bill: Deterrence of State-Sponsored Terrorism Act of 1987.

Section 2: List of countries supporting terrorism:

2(a) *Secretary of State's terrorist list.*—Within 30 days of the enactment, and thereafter on February 1 of each year, the Secretary of State shall prepare and transmit to Congress a report setting forth a list of those countries, if any, which he has determined have repeatedly provided support for acts of international terrorism.

Rationale.—This creates a special new list on terrorist countries instead of using the list kept by the Secretary of State under the Export Administration Act. That's because this bill sets in motion a whole process for imposing sanctions that was not intended when the Export Administration Act list was set up. Also, the current terrorist list carries notice requirements for the sale of munitions list items and the export of certain items. It is preferable to keep our sanctions and the notice requirements separate.

2(b) *Removal of country from list.*—When the Secretary of State determines that a country listed on the terrorist list is no longer providing support for acts of international terrorism, he will provide a report to Congress with that determination within 7 days. Upon receipt of that determination, the country will be deemed to be removed from the list.

Section 3: Sanctions against countries supporting international terrorism; waiver:

3(a) *Automatic imposition of sanctions.*—Whenever a country is placed on the terrorist list kept by Secretary Shultz under this act, sanctions specified in the sections below will be imposed on that country:

(1) within 30 calendar days, unless the President sends a written determination to Congress that imposition of any or all of the sanctions set out below are not in the national interest of the U.S. or in humanitarian interests, and explains in detail why this is so;

(2) if the President sends the written determination specified above and Congress disapproves that finding by a joint resolution, then the sanctions shall go into effect when the joint resolution is enacted.

Rationale.—This preserves Presidential flexibility and authority over foreign policy. However, so that Congress will have the right to learn of the President's rationale, and have an informed basis to review that rationale, it will be provided with his reasons. So that report does not inadvertently require the disclosure of information that might jeopardize intelligence sources or methods, he may include the information in a classified addendum to the report.

3(b) *Emergency situations/changed circumstances.*—Any or all of the sanctions in effect for a particular country shall cease to apply:

(1) *Changed circumstances.*—If the President makes a determination that it is in the national interest of the U.S. or in humanitarian interests to remove sanctions, then the sanctions will cease to apply 30 legislative days after the date of such a determination, unless Congress passes a joint resolution within that period of time disapproving the President's determination.

(2) *Emergency.*—If the President determines that an emergency situation exists which would justify the partial or complete lifting of sanctions, and certifies to the Chairman of the House and Senate Foreign Affairs and Intelligence Committees that an emergency exists.

3(c) *Determination.*—

(1) The determination referred to in subsection (a)(1) or (b)(1) is a determination that it is in the national interest of the United States or in humanitarian interests not to impose sanctions.

(2)(A) *Report.*—The report shall be prepared by the President and sent to the Committee on Appropriations and Foreign Affairs of the House and Senate.

(B) *Detailed explanation.*—The report shall include a detailed explanation for the reasons for making the determination that it is in the national security or humanitarian interests of our country not to impose sanctions. Any part of such explanation may be provided, if necessary in a classified addendum to such report, except that each such report shall contain an unclassified summary of such explanation.

3(d) *List of sanctions.*—The following sanctions are to be imposed:

(1) Terminate all U.S. assistance to that country (includes Peace Corps Volunteers, agricultural assistance, arms sales and agricultural financing, military and economic assistance, Eximbank financing);

(2) End the importation of technology and goods which are produced, grown, or manufactured in such country into the United States, or impose additional duties on their import via the Secretary of Commerce;

(3) Deny all products of such country duty-free tariff treatment under the General System of Preferences;

(4)(A) Secretary of State shall take steps to terminate any air or sea transportation agreement in effect between the U.S. and the country;

(B) On the termination of the agreement, or if no agreement, the Secretary of Transportation will prohibit any aircraft of vessel owned by the government of the country or its nationals from engaging in air or sea transportation with respect to the U.S.

(C) The Secretary of Transportation may provide exceptions for emergencies where the safety of the aircraft or vessel or its crew or passengers is threatened.

(5) The U.S. Executive Director of the World Bank, the International Development Association, the IMF, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, and the African Development Fund, will vote against any loan or other use of funds for that country.

(6) No country or national may transfer out of the U.S. any property or credit in which such country or national has financial interest.

(7) Prohibit private citizens from taking tax exemptions for taxes paid to foreign governments while working in terrorist countries. Prohibit corporations from deducting taxes paid to a country from taxes paid to the U.S. government, when the country where they are working has been deemed to be a terrorist country.

Section 4: Coordination with Allies:

A sense of the Congress resolution that whenever sanctions are imposed under this bill, the President should make vigorous efforts to get our allies to do the same.

Rationale:—Sanctions are most effective when coordinated with our allies.

Section 5: Congressional review of President's decision:

Any sanction specified in this bill will be imposed over the President's objection if Congress enacts a joint resolution disapproving the President's determination within 30 days of his sending that determination to Congress.

The Joint resolution will be considered in the Senate and in the House in accordance with expedited procedures which assure the resolution's consideration.

Rationale.—One of the problems with the system as it now works is that Congress does not have an automatic process for reviewing the President's decisions on sanctions and considering whether it agrees or not. This provision provides Congress with that right. However, it does not give Congress any power it does not now have, since Congress could, at any time, impose such sanctions on its own.

Section 6: Definition:

Support for Terrorism.—Furnishing arms, explosives, lethal substances to individuals, groups, or organizations with the likelihood that they will be used in the commission of any act of international terrorism; planning, directing, providing training for, or assisting in the execution of any act of international terrorism; providing direct or indirect financial backing for the commission of any act of international terrorism; providing diplomatic facilities intended to aid or abet the commission of any act of international terrorism; or allowing the use of its territory as a sanctuary from extradition or prosecution for any act of international terrorism.

TERRORISM: LAWS CITED IMPOSING SANCTIONS ON NATIONS SUPPORTING TERRORISM

[National Security and International Affairs Division]

U.S. GENERAL ACCOUNTING OFFICE,
Washington, DC, April 17, 1987.

Hon. FRANK R. LAUTENBERG,
U.S. Senate.

DEAR SENATOR LAUTENBERG: This report responds to your January 12, 1987, request that we determine how often and under what circumstances laws imposing sanctions on nations supporting terrorism have been invoked.

The Export Administration Act of 1979 requires the Secretary of State to compile annually a listing of countries that support or participate in terrorist acts. Currently Iran, Libya, Syria, the People's Democratic Republic of Yemen, and Cuba comprise the list. Iraq, formerly on the list, was removed in 1982.

Federal agencies—primarily State, Treasury, Commerce, and Transportation—have identified 13 laws that authorize the President to invoke sanctions against nations supporting terrorism. No central source identifies individual sanctions with specific laws. However, through research and discussions with agency officials, we were able to identify sanctions since 1979 associated with 11 of the laws. The sanctions included such things as import embargoes, export license controls, freezing assets, terminating new loans and credit extensions, restricting arms sales and foreign assistance, terminating air services, and curtailing other activities between the United States and the nations designated as supporting terrorism. Details regarding the sanctions and the laws are included in appendices I through III.

In conducting this review, we obtained executive orders and other documents relating to U.S. policies on terrorism; interviewed officials of the Departments of State, Treasury, Commerce, and Transportation; and identified specific sanctions imposed in response to terrorist incidents occurring from 1979 through 1986. Our work was performed from February through April 1987 in accordance with generally accepted government audit standards.

Unless you publicly announce its contents earlier, we plan no further distribution of this fact sheet until 30 days from the date of issue. At that time we will send copies to the Departments of State, Transportation, Commerce, and Treasury, and make it available to other interested parties. If we can be of further assistance, please call me on 275-4128.

Sincerely yours,
JOAN M. MCCABE,
Associate Director.

APPENDIX I

CHRONOLOGY OF SANCTIONS BY COUNTRY IN RESPONSE TO TERRORIST INCIDENTS

This appendix contains profiles of the 6 countries against which U.S. sanctions have been imposed and describes the sanctions and the authority cited by federal agencies for those sanctions in response to terrorist incidents. We did not independently review each of the sanctions to determine whether the cited authority was appropriate.

IRAN

The Iranian students' seizure of more than 100 hostages, including 63 Americans, at the U.S. embassy compound in Teheran on November 4, 1979, marked the beginning of the U.S.-Iran hostage crisis that lasted more than 14 months. The following actions were taken as a result of the crisis:

Date and sanction:

November 8, 1979—Halted the shipment of U.S. military spare parts to Iran. Authority cited: Arms Export Control Act.

November 10, 1979—Required all post-secondary students who were Iranian citizens to report on residence and non-immigration status. Authority cited: Immigration and Nationality Act.

November 12, 1979—Restricterd the import of crude oil produced in Iran and unfinished oil or finished products made from Iranian crude oil. Authority cited: Trade Expansion Act of 1962.

November 14, 1979—Declared state of emergency against Iran. Blocked all Iranian government property and interests in property and froze Iranian deposits in U.S. banks and subsidiaries of U.S. banks. Authority cited: National Emergencies Act and International Emergency Economic Powers Act.

April 7, 1980—Broke diplomatic relations with Iran; closed Iranian embassy and consulates in the United States; expelled diplomats and consular officials. Authority cited: Authority of the Secretary of State in matters respecting foreign affairs 22 U.S.C. § 2656 (1982). Invalidated all visas issued to Iranian citizens for future entry into the United States; refused to reissue visas or issue new visas. Authority cited: Immigration and Nationality Act.

Embargoed all U.S. exports to Iran, except food and medicine; ordered an inventory of $8 billion in frozen Iranian assets and an inventory of U.S. financial claims against Iran to be paid out of these assets. Authority cited: International Emergency Economic Powers Act.

April 17, 1980—Prohibited all financial transactions between U.S. and Iranian citizens; imposed an import embargo; banned travel to Iran of all U.S. citizens except journalists; released for U.S. purchase impounded military equipment intended for Iran. Authority cited: International Emergency Economic Powers Act.

April 20, 1980—Prohibited travel to, in, or through Iran by permanent resident aliens. Authority cited: Executive Order 12211—Further Prohibitions on Transactions with Iran, April 17, 1980.

Restricted the use of U.S. passports to, in, and through Iran and regulated departures from and entry into the United States in connection with travel to Iran by citizens and permanent residents of the United States. Authority cited: Executive Order 11295—Rules Governing the Granting, Issuing and Verifying of U.S. Passports, August 5, 1966, Executive Order 12211—Further Prohibitions on Transactions with Iran, April 17, 1980.

January 19, 1981—Transferred Iranian frozen assets from the United States to the Bank of England in preparation for the release and exchange of U.S. hostages.

Iranian Assets Control Regulations revoked and withdrawn. Authority cited: International Emergency Economic Powers Act.

January 20, 1981—Hostages released in exchange for a partial transfer of $2.9 billion of Iranian assets.

Relations deteriorated further with the bombing of U.S. Marine barracks in Beirut in October 1983. Iranian involvement was alleged, and as a result, the following actions were taken.

Date and sanction:

January 19, 1984—Secretary of State designated Iran as a country that supports terrorism. This automatically placed foreign policy export controls on goods and technologies that could enhance Iran's military or terrorist capabilities. For example, export licenses were required for aircraft valued at $3 million or more, helicopters over 10,000 pounds, and national security controlled items valued at $7 million or more destined for military end use. Policy of denial of munitions control list items was set; and foreign military sales were prohibited. Authority cited: Export Administration Act of 1979, and Arms Export Control Act.

May 21, 1984—Prohibited any transfer of blocked property in which Iran has interest except under license from the Department of the Treasury. Authority cited: International Emergency Economic Powers Act.

September 28, 1984—President directed stricter export controls on all aircraft, helicopters, related parts, components and avionics. Applications for export of national security controlled items were to be generally denied, with some exceptions. Authority cited: Export Administration Act of 1979.

January 25, 1985 to January 20, 1986—Export licenses valued at $25.8 million denied. Authority cited: Export Administration Act of 1979.

Relations with the government of Iran have not returned to normal since November 14, 1979, when President Carter declared a national emergency to deal with the threat to national security, foreign policy, and the economy of the United States. Notices of the continuation of this national emergency were transmitted by the President to the Congress and published in the FEDERAL REGISTER on November 12, 1980, November 12, 1981, November 8, 1982, November 4, 1983, November 7, 1984, November 1, 1985 and November 10, 1986, in accordance with the National Emergencies Act.

LIBYA

Libyan-U.S. relations declined after Colonel Qadhafi's rise to power in 1969. At that time Libya closed British and American bases, acquired large quantities of arms, and supported anti-Israel and revolutionary causes worldwide. Terrorist activities included providing sanctuary to the perpetrators of the attack on Israeli athletes at the 1972 Munich Olympics and military support in 1979 to Uganda. The United States responded to Libya by removing the U.S. ambassador and disapproving the sale of military weapons and related items in 1973; denying the sale of Boeing 747 commercial aircraft and imposing antiterrorism export controls in 1979; and finally closing the U.S. embassy in February 1980.

Date and sanction:

December 29, 1979—State Department designated Libya as a country that supports terrorism. This automatically placed foreign policy export controls on goods and technologies that could enhance Libya's military or terrorist capabilities. For example, export licenses were required for aircraft valued at $3 million or more, helicopters over 10,000 pounds, and national security controlled items valued at $7 million or more destined for military end use. Policy of denial of munitions control list items and foreign military sales were prohibited. Authority cited: Export Administration Act of 1979, and Arms Export Control Act.

October 1, 1979 to September 30, 1980—Export licenses denied for aircraft valued at $235.4 million. Authority cited: Export Administration Act of 1979.

A mob attacked and burned the U.S. embassy in Tripoli in December 1979 and subsequent attacks were made on Libyan citizens in Europe and the United States by the Qadhafi regime. The following U.S. actions resulted:

Date and sanction:

February 15, 1980—Closed U.S. embassy in Tripoli. Authority cited: Authority of the Secretary of State in matters respecting foreign affairs 22 U.S.C. 2656 (1982).

May 6, 1981—Libyan People's Bureau in Washington is ordered closed; personnel to leave the United States in 5 working days. New travel advisory issued to American citizens warning against any travel to or residence in Libya. Authority cited: Authority of the Secretary of State in matters respecting foreign affairs 22 U.S.C. 2656 (1982).

On August 19, 1981, two U.S. Navy F-14 aircraft were attacked by Libyan fighter aircraft.

Date and sanction:

October 1, 1981 to September 30, 1982—Expanded U.S. controls on exports of certain aircraft, helicopters, aircraft parts, avionics, and off-highway wheel tractors of carrying capacity of 10 tons or more. Denied export licenses for off-highway vehicles valued at $.9 million; four licenses denied for aircraft and parts valued at $11.2 million; 16 licenses denied for other commodities and technical data valued at $13.8 million. Authority cited: Export Administration Act of 1979.

December 11, 1981—Declared U.S. passports invalid for travel to, through, or in Libya. Administration calls on Americans residing in Libya to leave "as soon as possible," citing "the danger which the Libyan regime poses to American citizens." This sanction has been continued annually. Authority cited: Executive Order 11295—Rules Governing Granting, Issuing, and Verifying U.S. Passports, August 5, 1966.

Presidential Proclamation 49072 of March 10, 1982, states: "Libyan policy and action supported by revenues from the sale of oil imported into the United States are inimical to United States national security." The following actions were taken as a result:

Date and sanction:

March 10, 1982—President embargoed crude oil imports from Libya. Authority cited: Trade Expansion Act of 1962.

March 12, 1982—President required validated licenses for all U.S. exports to Libya, except food and agricultural products, medicine, and medical supplies. General policy of denying licenses for export to Libya of dual-use, high-technology items and U.S.-origin oil and gas technology and equipment not readily available from sources outside the United States. Authority cited: Export Administration Act of 1979.

October 1, 1982 to September 30, 1984—Denied 126 export licenses valued at $349.5 million, including $33.6 million in aircraft. Authority cited: Export Administration Act of 1979.

March 11, 1983—Terminated non-immigration visa status of Libyans engaged in aviation or nuclear studies. Authority cited: Immigration and Nationality Act.

March 20, 1984—General denial of licenses to export goods or technical data which would directly contribute to the development or construction of Ras Lanuf petrochemical complex. Authority cited: Export Administration Act of 1979.

January 25, 1985 to January 20, 1986—Denied export licenses for aircraft and parts valued at $3.2 million. Authority cited: Export Administration Act of 1979.

April 10, 1985—Terminated availability of bank programs and credits. Authority cited: Export-Import Bank Act of 1945.

On November 15, 1985, the United States determined that the Libyan government had continued to actively pursue terrorism as state policy and that Libya had developed significant capability to export petroleum products to other nations, thereby circumventing the March 1982 prohibition on U.S. imports of Libyan crude oil. As a result, the following action was taken.

Date and sanction:

November 15, 1985—President embargoed imports of petroleum products refined in Libya. Authority cited: International Security and Development Cooperation Act of 1985.

The United States determined that the Libyan government had supported the attacks on civilians at the Rome and Vienna airports on December 27, 1985. As a result, the President took the following actions:

Date and sanction:

January 7-8, 1986—Declared state of emergency against Libya. Authority cited: National Emergencies Act.

Restricted all commercial transactions in Libya by U.S. citizens and companies; prohibited all contract performance and all new loans or extensions of credit to the Libyan government; and blocked all property and interests in property of the Libyan government and its agencies that were in or that may later come into the United States. Banned exports to Libya, except for humanitarian donations such as food and clothing; and the purchase of goods exported from Libya to a third country; banned all travel transactions to or from Libya by U.S. persons. Authority cited: International Emergency Economic Powers Act.

Banned imports from Libya, except for publications and news materials. Authority cited: International Security and Development Cooperation Act of 1985.

President banned sales in the United States of air transportation which included any stop in Libya. Authority cited: Federal Aviation Act.

July 7, 1986—Prohibited exports to third countries where exported goods or technologies are intended for transformation, manufacture or incorporation into products to be used in Libyan petroleum or petrochemical industry. Authority cited: International Emergency Economic Powers Act.

SYRIA

The pattern of Syrian activity in support of international terrorism has been longstanding and varied. From the mid-1970s to the present, Syrians have been directly involved in terrorist activities. These operations have been primarily directed at other Arabs, such as Syrian dissidents, moderate Arab states such as Jordan, and pro-Arafat Palestinians, as well as Israeli targets.

December 29, 1979—The Secretary of State designated Syria as a country that supports terrorism. This automatically placed foreign policy export controls on certain goods and technologies that could enhance Syria's military or terrorist capabilities. For example, export licenses were required for aircraft valued at $3 million or more, helicopters over 10,000 pounds, and national security controlled items valued at $7 million or more destined for military end use. Policy to deny munitions control list items was set, and foreign military sales were prohibited. Authority cited: Export Administration Act of 1979; Arms Export Control Act.

November 14, 1983—Congress terminated economic assistance program to Syria. Authority cited: Foreign Assistance Act, 1961.

By late 1983 Syria began to rely more heavily on terrorist groups made up of non-Syrians who had bases and training facilities in Syria:

Date and sanction:

November 22, 1983—State Department closed the AID mission. Authority cited: Authority of the Secretary of State in matters respecting foreign affairs 22 U.S.C. § 2656 (1982).

June 5, 1986—Expanded controls on all helicopters regardless of weight. Authority cited: Export Administration Act of 1979.

In 1986, a Jordanian attempted to place a bomb aboard an El Al aircraft in London. During the November 1986 trial, Syrian officials were implicated in the conspiracy and the aftermath. In particular, Syrian officials provided a passport, money, the bomb, and sanctuary. The following actions were taken as a result:

November 14, 1986—Expanded controls to prohibit export of all national security controlled goods and technical data as well as aircraft and aircraft parts and components. The controls applied regardless of value or end-use (regulations pending). Authority cited: Export Administration Act of 1979.

Terminated availability of Export-Import Bank programs. Authority cited: Export-Import Bank Act of 1945.

Prohibited sale of tickets in the United States for transportation on Syrian Arab Airlines. Authority cited: Federal Aviation Act.

Terminated air transport agreement between the United States and Syria after one year, and immediately suspended its operation. Authority cited: Authority of the Secretary of State in matters respecting foreign affairs 22 U.S.C. § 2656 (1982).

Continued withdrawal of U.S. ambassador and reduced embassy staff in Damascus and reduced Syrian embassy staff in Washington. Revised advisory statement on American travel in Syria to alert citizens of the potential for terrorist activity originating there. Advised U.S. oil companies in Syria that continued operations are inappropriate. Authority cited: Authority of the Secretary of State in matters respecting foreign affairs 22 U.S.C. § 2656 (1982).

Placed additional controls on Syrian visa applications—all applications required to be sent to Washington, D.C., for a mandatory security advisory opinion. Authority cited: Immigration and Nationality Act.

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN (PDR YEMEN)

In 1969, after a successful coup by Marxist revolutionaries, PDR Yemen severed diplomatic relations with the United States. Because of this action and continued support of international terrorism, human rights violations, aggression, and avowed commitment to Marxist principles, U.S.-PDR Yemen relations have been virtually nonexistent, and the following sanctions were imposed:

Date and sanction:

December 29, 1979—The Secretary of State designated PDR Yemen as a country that repeatedly supports terrorism. This automatically placed foreign policy export controls on goods and technologies that could enhance PDR Yemen's military or terrorist capabilities. For exemple, export licenses were required for aircraft valued at $3 million or more, helicopters over 10,000 pounds, and national security controlled items valued at $7 million or more destined for military end use. Policy of denial for munitions control list items was implemented and foreign military sales were prohibited. Authority cited: Export Administration Act of 1979 and Arms Export Control Act.

June 5, 1986—Expanded export controls to include all helicopters, regardless of weight. Authority cited: Export Administration Act of 1979.

IRAQ

During 1978 to 1980 the Iraqi government reduced its support to most terrorist groups. By April 1980 a combination of factors, including the hostage crisis in Iran, Soviet invasion of Afghanistan, and Iraq-Iran War, caused a breach in Iraq's relationship with the Soviet Union. This led the United States to work toward a closer association with Iraq. The removal of Iraq from the terrorist-supporting list in 1982 was attributed to the administration's perception of an increasing moderation in Iraq's attitude toward the Arab-Israeli conflict. The following sanctions were applied during 1979 and 1980:

Date and sanction:

December 29, 1979—Secretary of State designated Iraq as a country that supports terrorism. This automatically placed foreign policy export controls on goods and technologies that could enhance Iraq's military or terrorist capabilities. For example, export licenses were required for aircraft valued at $3 million or more, helicopters over 10,000 pounds, and national security controlled items valued at $7 million or more destined for military end use. Policy of denial of munitions control list items was implemented and foreign military sales were prohibited. Authority cited: Export Administration Act of 1979 and Arms Export Control Act.

February 6, 1980—Department of Commerce suspended the export license for eight turbine engine cores valued at $11.4 million (the decision was later reversed in April 1980). Authority cited: Export Administration Act of 1979.

On April 7, 1980, the Arab Liberation Front, supported by Iraq, attacked an Israeli kibbutz, killing three people.

Date and sanction:

August 29, 1980—State Department disapproved a $208 million sale of commercial jets. Authority cited: Export Administration Act of 1979.

September 25, 1980—Suspended export license for six turbine engine cores previously approved in April 1980. Authority cited: Export Administration Act of 1979.

On March 1, 1982, the United States lifted export restraints against Iraq and removed it from the list of nations supporting terrorism.

In May 1982, the House Foreign Affairs Committee voted in favor of a resolution to restore Iraq to the list of countries supporting terrorism. However, the State Department announced in October 1983 that it would not place Iraq on the list because it had no evidence that Iraq had supported international terrorism since publicly denouncing it in 1982.

CUBA

The United States has a long history of sanctions against Castro's Cuba. In the 1960s, under authority of the Trading With the Enemy Act, a total embargo on exports, ban on all imports, and freeze on all Cuban assets in the United States were imposed. Under the Foreign Assistance Act of 1961, foreign aid was denied to countries that allowed their flag ships to carry goods to and from Cuba. In the 1970s, Cuba deployed combat troops to Angola and Ethiopia, increasing its influence in those areas. Cuba's training and support of insurgents and terrorists became evident in the 1980s through activities in Nicaragua, El Salvador, and Grenada. For these reasons, Cuba was added to the list of terrorist nations in 1982.

Date and sanction:

March 1, 1982—Secretary of State designated Cuba as a country that supports terrorism; embargo imposed in 1963 under the Trading With the Enemy Act continued on all imports and exports. Authority cited: Export Administration Act of 1979.

May 15, 1982—Banned business and tourist travel to Cuba. Authority cited: Trading with the Enemy Act.

October 4, 1985—Restricted entry into the United States by Cuban government employees and members of the Cuban communist party. Authority cited: Immigration and Nationality Act.

August 22, 1986—Denied preference immigration visas to persons who left Cuba for third countries. Authority cited: Presidential Proclamation 5517—Suspension of Cuban Immigration; and the Immigration and Nationality Act.

On August 22, 1986, the Administration announced a crackdown on trading with Cuban front companies that attempted to evade the U.S. trade embargo and increased controls on organizations which organize or promote travel to Cuba. Regulations regarding these new controls have not been developed.

APPENDIX II

LAWS AND SANCTIONS IMPOSED AGAINST NATIONS SUPPORTING TERRORIST ACTIVITIES SINCE 1979

This appendix identifies the 11 laws, cited as the authority by federal agencies, and the related sanctions imposed against nations who were identified by the Secretary of State to be repeated supporters of terrorism.

EXPORT ADMINISTRATION ACT OF 1979

Libya, Syria, Iraq, and PDR Yemen—12/29/79—Determined to be terrorist-supporting nations. Foreign policy export controls imposed on goods and technology that would contribute to military potential or enhance terrorist support capabilities.

Libya—10/1/79 through 9/30/80—Denied export licenses for aircraft valued at $234.5 million.

Iraq—2/6/80—Suspended export licenses for eight turbine engine cores to Italy for use in manufacturing of four frigates with ultimate destination to Iraq (decision reversed in April 1980).

Iraq—8/29/80—Denied license for $208 million sale of commercial jets.

Iraq—9/25/80—Suspended export of six turbine engine cores.

Libya—10/28/81—Expanded controls on export of certain aircraft, helicopters, aircraft parts, and avionics and off-highway wheel tractors of carriage capacity 10 tons or more.

Iraq—3/1/82—Lifted export restraints; Iraq removed from list of nations supporting terrorism.

Cuba—3/1/82—Added to the list of terrorist-supporting nations; embargo imposed in 1963 under the Trading With the Enemy Act continued on all imports and exports.

Libya—3/12/82—Required validated licenses for all U.S. exports except food, agricultural products, medicine, and medical supplies. General policy of export license denial for dual-use, high-technology items and U.S.-origin oil and gas technology and equipment not available outside the United States.

Libya—10/1/81 through 9/30/82—Denied export license for off-highway vehicles valued at $.9 million; four licenses denied for aircraft and parts valued at $11.2 million; 16 licenses denied for other commodities and technical data valued at $13.8 million.

Libya—10/1/82 through 9/30/83—Denied 56 export licenses valued at $14.1 million.

Iran—1/19/84—Determined to be terrorist-supporting nation. Imposed export controls on goods and technologies that would contribute to its military potential or enhance its terrorist support capabilities.

Libya—3/20/84—General denial of licenses to export goods or technical data which would directly contribute to the development or construction of the Ras Lanuf petrochemical complex.

Iran—9/28/84—Expanded export controls on certain commodities; export of all aircraft and helicopters, related parts, components, and avionics were generally denied.

Libya—10/1/83 through 9/30/84—Denied 70 export licenses valued at $335.4 million, including $33.6 million in aircraft.

Iran—1/25/85 through 1/20/86—Denied export licenses valued at over $25.8 million.

Libya—1/25/85 through 1/20/86—Denied export licenses for aircraft and parts valued at $3.2 million.

Syria, PDR Yemen—6/5/86—Expanded controls on all helicopters, regardless of weight.

Syria—11/14/86—Expanded export controls to prohibit all natural security controlled goods and technical data (regulations pending).

INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT

Iran—11/14/79 and 4/80—Blocked all Iranian government property and interests in property and froze all Iranian government assets in the United States; embargoed all U.S. exports to Iran, except food and medicine and all Iranian import; and prohibited all financial transactions between U.S. and Iranian citizens; banned travel to Iran of all U.S. citizens except U.S. journalists.

Iran—5/21/84—Prohibited the transfer of blocked property in which Iran has an interest except under license from the Department of Treasury.

Libya—1/7-8/86—Blocked all government of Libya interests in U.S. property or under control of U.S. citizens; terminated all new loans or extensions of credit and contracts; prohibited transactions by U.S. citizens with Libyan entities; and restricted travel to and from Libya by U.S. citizens; banned all exports from United States to Libya, except for humanitarian donations; and purchase by U.S. citizens of goods for export from Libya to a third country.

Libya—7/7/86—Prohibited exports to third countries where exported goods or technologies are intended for transformation, manufacture or incorporated into products to be used in Libyan petroleum or petrochemical industry.

NATIONAL EMERGENCIES ACT

Iran—11/14/79: Libya—1/7/86—State of emergency declared by the President. Both declarations are still in effect.

ARMS EXPORT CONTROL ACT

Iran—11/8/79—Halted shipment of U.S. military spare parts.

Libya, Syria, Iraq, and PDR Yemen—12/29/79 Iran—1/19/84—Prohibited U.S. sale or transfer of all defense articles. Denied licenses for export munitions list items that are sold commercially.

TRADE EXPANSION ACT OF 1962

Iran—11/12/79—Embargoed oil imports.

Libya—3/10/82—Embargoed crude oil imports.

INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT OF 1985

Libya—11/15/85—Embargoed petroleum product imports refined in Libya.

Libya—1/17/86—Banned imports from Libya, except publications and news materials.

FEDERAL AVIATION ACT

Libya—1/7/86—Banned sales in the United States of air transportation which includes stops in Libya.

Syria—11/14/86—Prohibited ticket sales in the United States for transportation on Syrian Arab Airlines.

EXPORT-IMPORT BANK ACT OF 1945

Libya—4/10/85 and Syria—11/14/86—Terminated availability of bank programs and credits.

IMMIGRATION AND NATIONALITY ACT

Iran—11/10/79—Ordered all Iranian nonimmigrant students to report to the Immigration and Naturalization Service.

Iran—4/7/80—Refused to re-issue new visas and invalidated visas issued for future use to Iranian citizens.

Libya—3/11/83—Terminated non-immigration visa status of Libyans engaged in aviation or nuclear studies.

Cuba—10/4/85—Restricted entry into the United States by Cuban government employees and members of the Cuban communist party.

Cuba—8/22/86—Denied preference immigration visas to persons who left Cuba for third countries.

Syria—11/14/86—Placed vigorous controls on Syrian visa applications—all applications required to be submitted to Washington, D.C., for mandatory security advisory opinion.

FOREIGN ASSISTANCE ACT 1961

Syria—11/14/83—Terminated economic assistance.

Libya, Syria, Cuba, Iraq, and PDR Yemen—10/12/84—Prohibited all foreign assistance.

TRADING WITH THE ENEMY ACT

Cuba—5/15/82—Banned business and tourist travel by U.S. citizens.

APPENDIX III

MAJOR STATUTES CITED BY FEDERAL AGENCIES AUTHORIZING SANCTIONS AGAINST COUNTRIES SUPPORTING INTERNATIONAL TERRORISM

Export Administration Act of 1979); Pub. L. No. 96-72, 93 Stat. 503 (1979), as amended by Pub. L. No. 99-64, 99 Stat. 123 (1985); 50 U.S.C. App. § 2404(b) (Supp. III 1985).

International Emergency Economic Powers Act; Pub. L. No. 95-223, 91 Stat. 1626 (1977); 50 U.S.C. § 1701 et seq. (1982).

The Federal Aviation Act; Pub. L. No. 85-726, 72 Stat. 731 (1958), as amended by Pub. L. No. 99-83, 99 Stat. 190 (1985); 49 U.S.C. App. § 1515 (Supp. III 1985).

National Emergencies Act; Pub. L. No. 95-412 90 Stat. 1255 (1976); 50 U.S.C. § 1601 et seq. (1982).

International Security and Development Cooperation Act of 1985; Pub. L. No. 99-83, 99 Stat. 190 (1985); 22 U.S.C. § 2349aa-9 (Supp. III 1985).

Arms Export Control Act; Pub. L. No. 90-629 82 Stat. 1321 (1968); as amended by Pub. L. No. 99-399 § 509, 100 Stat. 853, 874 (1986); 22 U.S.C. 2753, 2778 (1982).

Export-Import Bank Act of 1945; Act of July 1, 1945, ch. 341, 59 Stat. 526; 12 U.S.C. § 635(b)(1)(B) (1982).

Foreign Assistance Act of 1961; Pub. L. No. 87-195 75 Stat. 424 (1961) as amended; 22 U.S.C. § 2371 (Supp. III 1985).

Trade Expansion Act of 1962; Pub. L. No. 87-794, 76 Stat. 872 (1962); 19 U.S.C. § 1182 (1982).

Immigration and Nationality Act; Act of June 27, 1952, ch. 477, 66 Stat. 166; 8 U.S.C. § 1182 (1982).

Omnibus Diplomatic Security and Antiterrorism Act of 1986; Pub. L. No. 99-399 100 Stat. 853 (1986).

Trade Act of 1974; Pub. L. No. 93-618, 88 Stat. 1978 (1974) as amended; 19 U.S.C. § 2462(b)(7) (1982).

Trading with the Enemy Act; Act of October 6, 1917, ch. 106, 40 Stat. 411 as amended by Pub. L. 95-223, 91 Stat. 1625 (1977); 50 U.S.C. App. § 1 et seq. (1982).●

● **Ms. MIKULSKI.** I join today with my distinguished colleagues to introduce the Anti-Terrorism Act of 1987. This important piece of legislation is aimed at curbing State-sponsored terrorism by imposing immediate sanctions against countries who repeatedly support terrorist acts.

The grim reality we face is the rising specter of fanaticism and terrorism worldwide. Even more frightening is the fact these are not just isolated incidents of violence perpetrated by a deranged individual. Rather, we are seeing increasingly more sophisticated acts of violence, underwritten by and with the approval of certain governments. Frequently, the target of their attacks is an American.

In 1986 alone, 12 Americans were the innocent victims of terrorist attacks abroad. Some of these people, like the three Marylanders who where killed when a bomb ripped through their plane, were vacationing tourists on their way to visit with their families. Others, like the two American servicemen killed in a West Berlin nightclub frequented by American soldiers, were abroad serving their country. They were killed because they were Americans, were on American planes, worked for American firms, or had some connection with America.

Mr. President, we may not be able to stop all terrorism from happening, but we cannot stop trying. America and its citizens cannot continue to be the target of fanatics whose countries welcome our dollars and our technology, who rely on our knowledge and expertise, but who kill our citizens.

The Anti-Terrorism Act of 1987 will immediately terminate any and all U.S. assistance to governments who are found to repeatedly support and aid terrorist actions. This includes agricultural assistance, Ex-Im Bank financing, and military and economic aid. This bill also ends the importation of any technology and goods which are produced or grown in that country, or imposes additional duties.

I am proud to cosponsor this bill, because it sends a message that must be heard: The United States will not deal with any country which practices terrorism as government policy.

Mr. President, I urge all of my colleagues to join in support of this bill.●

● **Mr. GRASSLEY.** Mr. President, I'm pleased to join Senator LAUTENBERG and others in sponsoring the Deterrence of State Sponsored Terrorism Act, which is an effort to continue the battle against state-sponsored terrorism.

In the last couple of years, a number of us in Congress have been attempting to put a stop to American Government and private support for countries that subsidize terror. Today, we continue that fight.

Its incomprehensible that nations hostile to the United States have continued to receive assistance from our Government, private individuals, corporations and American-funded international organizations. Support has continued because we have no consistent antiterrorist policy in place. This lack of a consistent policy is underscored by Senator LAUTENBERG's GAO report on terrorism that was released today.

Under our legislation, a number of sanctions would automatically be imposed against nations known to sponsor terrorist activities. When a country goes on the list, an automatic cutoff of foreign aid, arms sales, landing rights, preferential trade benefits and other sanctions would go into effect.

The only way the sanctions could be countermanded is if the President sends Congress an explanation of why such sanctions would not be in the U.S. national security interest. Nevertheless, Congress could still override this determination by a joint resolution. In other words, our legislation will give Congress more input in the process of punishing terrorist countries, while also giving the President the flexibility he may need in dealing with these countries.

For too long, the United States has provided the economic crutches that have helped prop up terrorist nations, such as Syria, Iran, and Libya. Its time to kick these crutches out from under terrorist countries and put an end to state-sponsored terrorism.

I, therefore, urge my colleagues to join us in sponsoring the Deterrence of State-Sponsored Terrorism Act of 1987.●

By Mr. WEICKER:

S. 1283. A bill to amend title XIX of the Social Security Act to require States to provide coverage under their Medicaid plans for certain children with extraordinary expenses for medical and remedial care; to the Committee on Finance.

MEDICAID COVERAGE FOR CHILDREN ACT

● Mr. WEICKER. Mr. President, today I rise to introduce legislation that addresses two longstanding and largely overlooked problems: the unaffordably high costs of medical care that fall upon families of children with catastrophic illness and the traumas these costs create for such families.

Private insurance and Medicaid benefits are currently too limited for children with catastrophic illness—both in terms of coverage and eligibility. The parents face overwhelming financial as well as emotional burdens. Often, these young parents have no savings. If they do, they must exhaust their assets and face a permanent and mounting debt in order to provide care their children need.

Consider the case of Timmy, a toddler who lives in Hartford, CT. Timmy had good health until an accident at 7 months nearly suffocated him. He survived, but his brain injuries resulted in cerebral palsy. His father works two minimum-wage jobs to keep the family solvent; Timmy's mother stays home to provide full-time care. His father's employer does provide health insurance, but there is a fairly standard copayment of 20 percent. Even with this insurance, the copayment required of Timmy's family, in the first 3 months of 1987 alone, amounted to $6,000.

What can families like Timmy's do? Should they pay for physical therapy, but cut back on speech therapy? Or should they opt for speech therapy, but forego college savings for the child or siblings? It's clear that although only one child becomes ill, the entire family suffers.

Nor is the dilemma for Timmy's family unusual. Remember the children with cystic fibrosis, cerebral palsy, muscular dystrophy, leukemia, hemophilia, sickle cell anemia, juvenile arthritis, spina bifida, congenital heart disease, traumatic spinal cord injuries, and burns—the list goes on. Some are slowly terminal, others stable and capable of improvement, still others entirely curable, though at great cost. Together they define the tragedy of thousands of children and families. And for each one, how well the ailing child and his or her family copes and adapts is contingent upon what resources are available.

Families both above and below the poverty line are threatened by the financial and emotional nightmare that catastrophic childhood illness becomes. Recognizing that "catastrophic" is a relative term, this legislation seeks to separate Medicaid eligibility for catastrophic health care for children from poverty levels defined variously by each State. Instead, eligibility will be tied to a percentage level of a family's adjusted gross income spent on allowable medical expenses. Once the threshold level is met, the child is eligible for appropriate medicaid benefits.

All States will be required to adopt this catastrophic program within the categorically needy classification of Medicaid. By use of an early and periodic screening, diagnosis, and treatment [EPSDT] benefit specifically designed for children with disabling and catastrophic health care needs, an interdisciplinary care coordination team will consider each child's specific needs and accordingly design and oversee the individual care plans. The benefit package will include but not be limited to those already existing within the categorically needy system of Medicaid. This initiative recognizes that catastrophic illness brings with it a depletion of all family resources—financial and emotional—and so care and service benefits will focus on maintaining family integrity and adaptability. Emphasis will be placed on home care with provision for the essential services of respite by a skilled caregiver and home adaptive equipment as indicated.

Ninety percent of the funds for this 5-year Medicaid program will come from the Federal Government provided that States do not change existing Medicaid eligibility requirements and services. The State Medicaid offices will be responsible for the entire financial administration of the program and will determine eligibility in individual cases.

Relatively little is known about the segment of our population that must cope with catastrophic childhood illness because the services across the country are fragmented by the State-by-State Medicaid system. No recent national studies on these families currently exist. The legislation requires a continuous study of the population served over the 5-year period, an analysis of the program's cost-effectiveness, and an assessment of the psychological and social implications of catastrophic childhood illness for families.

Mr. President, modern medicine has advanced to the point where catastrophically ill children who once faced the prospect of an early death can now expect to live well into adulthood. But as the prognosis has improved, the financial costs have soared. How can we expect individual families to pick up where Medicaid and private insurance benefits end out of their own ever-diminishing pockets? We have a basic responsibility to the dignity of the family and the needs of our children. This Nation must shoulder the burden of catastrophic medical expenses so that our children may experience the joy of prolonged life to its fullest.

Mr. President, I encourage expeditious consideration of this legislation by the Senate Finance Committee and ask unanimous consent that the text of this bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1283

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This Act may be cited as the "Medicaid Catastrophic Coverage for Children Act of 1987.

(b) AMENDMENTS TO THE SOCIAL SECURITY ACT.—Except as otherwise specifically provided, whenever in this Act an amendment is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Social Security Act.

SEC. 2. REQUIREMENT OF COVERAGE UNDER STATE MEDICAID PLANS.

(a) STATE PLAN REQUIREMENT.—Section 1902(a)(10)(A)(i) (42 U.S.C. 1396a(a)(10)(A)(i)) is amended—

(1) by striking "or" at the end of subclause (II),

(2) by striking the semicolon at the end of subclause (III) and inserting in lieu thereof ", or", and

(3) by adding at the end thereof the following:

"(IV) who is a qualified disabled child (as defined in section 1905(r);".

(b) DEFINITION.—Section 1905 (42 U.S.C. 1396d) is amended by adding at the end thereof the following:

"(r)(1) The term 'qualified disabled child' means an individual who—

"(A) has not attained 21 years of age,

"(B) has an acute and chronic disabling mental or physical condition (whether congenital or acquired), and

"(C) with respect to whom the family of such individual has incurred expenses for medical care or remedial care in a year that are equal to the lesser of—

"(i) 10 percent of the family's countable income, or

"(ii) $10,000.

"(2) In the case of a family with more than one child that meets the requirements of subparagraphs (A) and (B) of paragraph (1), subparagraph (C) of such paragraph shall be applied by substituting '12½ percent' for '10 percent' in clause (i) and by substituting '$13,000' for '$10,000' in clause (ii).

"(3)(A) For purposes of paragraph (1), except as provided in subparagraph (B), a family's countable income for a year shall be an amount equal to the sum of the adjusted gross incomes of family members for the most recently completed taxable year.

"(B) For purposes of paragraph (1), in the case of a child the family of which can demonstrate to satisfaction of the State agency that the family's countable income for a year will be substantially less than its adjusted gross income for the most recently completed taxable year, the family's countable income shall be determined on the basis of the family's estimated income for the year involved.

"(C) For purposes of paragraph (1), in the case of a child that is eligible for medical assistance under a provision of this title other than section 1902(a)(10)(i)(A)(IV), the family income of the child shall, for purposes of this subsection, be determined on the basis of the same methodology that is applied in determining eligibility under such other provision.

"(4) For purposes of paragraph (1), the term 'medical care' shall have the meaning given to such term in section 213(d)(1) of the Internal Revenue Code of 1986, and an expense shall be treated as having been incurred for medical care if such expense is allowable as an expense paid for such care for purposes of section 213 of such Code (or would be allowable but for the limitation contained in subsection (a) of such section).

(c) BENEFITS.—

(1) Section 1902(a)(10) (42 U.S.C. 1396a(a)(10)) is amended, in the matter following subparagraph (E)—

(A) by striking "and" before "(IX)", and

(B) by inserting before the semicolon at the end the following: ", (X) the medical assistance made available to individuals described in section 1905(r)(1) shall, subject to subsection (p), include the care and services described in paragraphs (1) through (21) of section 1905(a), and the making available of such care and services to such individuals shall not, by reason of this paragraph (10), require the making available of such care and services, or the making available for such care and services in such amount, duration, and scope, to any individuals not described in such section, and (XI) in the case of individuals described in section 1905(r)(1), the care and services specified in paragraphs (1), (2)(A), and (5) of section 1905(a) shall be made available without limitation on the number of days or the number of visits, and the making available of such care and services to such individuals in such amount, scope, and duration shall not, by reason of this paragraph (10), require the making available of such care and services in the same amount, duration, and scope to any individuals not described in such section".

(2) Section 1902 is further amended—

(A) by redesignating the subsection (l) added by section 3(b) of the Employment Opportunities for Disabled Americans Act as subsection (o) and transferring such subsection after and below subsection (n), and

(B) by adding at the end thereof the following new subsection:

"(p)(1) The care and services provided to an individual described in section 1905(r)(1) shall be provided pursuant to a plan of care (for providing such care and services to such individual) that is established and periodically reviewed by a multidisciplinary care coordination team, in cooperation with the individual and his or her parents, a physician, a hospital discharge planner or social worker, a visiting nurse, and a representative of the agency administering or supervising the administration of the the program (established by the State under title V of this Act) for providing services for children with special health care needs. Such plan shall be coordinated, to the maximum extent practicable, with any individualized education program or individualized family service plan established with respect to the individual under the Education of the Handicapped Act.

"(2) The plan of care established with respect to an individual pursuant to paragraph (1) shall be based upon the early and periodic screening and diagnosis of the individual (in accordance with section 1905(a)(4)(B)) and shall specify—

"(A) the care and services (described in paragraphs (1) through (21) of section 1905(a)) that are required by the individual,

"(B) the frequency and duration of such care and services,

"(C) the setting or settings in which such care and services may appropriately be provided.".

(d) FEDERAL MEDICAL ASSISTANCE PERCENTAGE.—Section 1905(b) (42 U.S.C. 1396d(b)) is amended by adding at the end the following new sentence: "Notwithstanding the first sentence of this subsection, the Federal medical assistance percentage shall be 90 percentum with respect to amounts expended as medical assistance for individuals described in section 1905(r)(1).".

(e) MAINTENANCE OF EFFORT.—Section 1902(a) (42 U.S.C. 1396a(a)) is amended—

(1) by striking the period at the end of the paragraph (47) added by section 9407(a) of the Omnibus Budget Reconciliation Act of 1986 and inserting in lieu thereof a semicolon,

(2) by striking the period at the end of the paragraph (47) added by section 11005(b) of the Anti-Drug Abuse Act of 1986 and inserting in lieu thereof "; and",

(3) by redesignating the paragraph (47) added by section 11005(b) of the Anti-Drug Abuse Act of 1986 as paragraph (48) and transferring such paragraph after and below paragraph (47), and

(4) by adding at the end thereof the following:

"(49) provide that, for the 60-month period beginning on October 1, 1987—

"(A) the standards for determining eligibility under the plan are no more stringent than the standards in effect on May 27, 1987,

"(B) if medical assistance is included under the plan for any group of individuals on May 27, 1987, the plan will continue to include medical assistance for such group during such period, and

"(C) the medical assistance included under the plan for any such group during such period is not less in amount, duration, or scope, than the medical assistance provided for such group under the plan on May 27, 1987.".

(f) CONFORMING CHANGES.—

(1) Section 1902(a)(17) (42 U.S.C. 1396a(a)(17)) is amended by inserting "and section 1905(r)" after "subsection (l)(3)".

(2) Section 1903(f)(4) (42 U.S.C. 1396b(f)(4)) is amended by striking "section 1902(a)(10)(A)(ii)(IX) or" and inserting "subsection (a)(10)(A)(i)(IV) or (a)(10)(A)(ii)(IX) of section 1902 or".

(g) EFFECTIVE DATE.—

(1) The amendments made by this section shall be effective for calendar quarters beginning on or after October 1, 1987, and before October 1, 1992.

(2) The Secretary of Health and Human Services shall provide for a continuing study, during the period for which the amendments made by this section are effective (as specified in paragraph (1)), of the populations to which medical assistance is provided by reason of such amendments, of the cost effectiveness of providing medical assistance to such populations, and of the socioeconomic implications of providing such assistance. The study shall be conducted by the Secretary, in consultation with appropriate specialists. The Secretary shall report to the Congress annually on the progress of the study, and, not later than April 1, 1992, shall submit to the Congress recommendations with respect to the desirability and feasibility of extending the period for which such amendments are effective, together with any changes in law that the Secretary deems appropriate better to effectuate the purposes of such amendments.

SEC. 3. RELATED TECHNICAL AMENDMENT.

(a) WAIVERS FOR HOME AND COMMUNITY-BASED SERVICES.—Section 1915(c)(3) (42 U.S.C. 1396n(c)(3)) is amended by striking "and section 1902(a)(10)(B) (relating to comparability)" and inserting in lieu thereof ", section 1902(a)(10)(B) (relating to comparability), and section 1902(a)(10)(C)(i)(III) (relating to single standard for income and resource eligibility)".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall be effective as if included in the enactment of the Omnibus Budget Reconciliation Act of 1986.●

By Mr. GRASSLEY:

S. 1284. A bill to extend the date that an application must be filed for former spouses to receive certain retirement benefits under chapter 83 of title 5, United States Code; to the Committee on Governmental Affairs.

CIVIL SERVICE RETIREMENT SPOUSAL BENEFITS ACT

● Mr. GRASSLEY. Mr. President, today I am introducing legislation that would continue to make available for 2 years the opportunity to apply for a spousal annuity which Congress authorized several years ago for certain deserving former spouses of civil service retirees in Public Law 98-615, as amended by Public Law 99-251. The deadline for application for this benefit was May 8, 1987. The legislation I am introducing today would extend the deadline for such application to May 8, 1989.

The basic reason for seeking an extension of this deadline, Mr. President, is that I do not believe that there has been sufficient publication of the availability of this benefit, nor, in conjunction with this, do I believe that there has been sufficient time for all interested parties to hear of, and apply for, this benefit.

This bill will not increase the number of people eligible under current law; it will simply extend the time available in which to apply. The survivor annuity in question does not cost the primary annuitant anything, as this benefit would be paid from appropriated funds. The aggregate cost to the Federal Government of an extension of the deadline for application for this survivor annuity benefit cannot be precisely estimated, although it should not be great.

BACKGROUND

Public Law 98-615, the Civil Service Retirement Spouse Equity Act of 1984—report No. 98-1054—signed by the President on November 8, 1984, made it possible for certain divorced spouses of deceased or retired civil service employees to apply on their own behalf directly to the Federal Office of Personnel Management for a survivor annuity. To qualify, an individual had to satisfy several conditions. First, the applicant had to be married to an annuitant who retired before 180 days after enactment of Public law 98-615; second, the individual had to have been divorced after September 15, 1978; third, the applicant must not have remarried before reaching age 55; fourth, the individual had to have been married to the employee for 10 years during which the employee was engaged in creditable Federal service; fifth, the individual had to be 50 or older at the time of application; sixth, the individual must not have been entitled to any other pension, other than Social Security, based on their own or the employee's previous employment; and, seventh, the individual had to apply for the benefit within 30 months of enactment, that is, before May 9, 1987.

Public Law 99-251, which became effective in February 1986, effectively created two groups of beneficiaries. One group must meet the following conditions: First, an applicant must be a former spouse of an individual who retired before May 7, 1985 or who died after becoming eligible to retire and before May 7, 1987; second, the individual must have been divorced after September 14, 1978; third, the individual must have been married to the employee for at least 10 years during which the employee was engaged in creditable Federal service; fourth, the individual must not have remarried before age 55 after September 14, 1978; fifth, the individual must file an application within 30 months after enactment of Public Law 98-615; and sixth, the individual must be at least 50 at the time of filing an application. Conditions 2 through 6 are the same as were established in Public Law 98-615. Provision 1 is a modification of a provision contained in Public Law 98-615. The provision that an individual could not be entitled to any annuity, other than Social Security, based on any previous employment of the former spouse or of the employee was dropped.

The group qualified under the above criteria had to have been divorced after September 14, 1978. Public Law 99-251 also made eligible those individuals who divorced before September 14, 1978, if they met the other criteria of Public Law 99-251 set out just above—1, 3, 4, 5, 6—and if there were no surviving spouse of the employee and no other former spouse entitled to receive a Federal civil service annuity based on the service of the employee, and no other person designated to receive a survivor annuity by reason of an insurable interest in the employee.

Mr. President, I want to call to the attention of Senators and other interested parties that, even though changes in the criteria for eligibility were by Public Law 99-251, the application deadline of before May 9, 1987, 30 months after the passage of Public Law 99-615, was not changed. And, furthermore, the Office of Personnel Management had to redo the regulations for this program as a consequence of the changes in law, and these were not in place until September of 1986.

JUSTIFICATION OF DEADLINE EXTENSION

First, Mr. President, the number of people made eligible by Public Law 99-615 was originally estimated to be in the neighborhood of 400 to 500. The Office of Personnel Management recently informed my staff that some 25,000 people will have inquired about eligibility for this benefit as of the May 8, 1987, deadline. As of October 1986, about 8,000 people had applied for this benefit. Of the 6,000 of that 8,000 which had been reviewed as of April 1987, about 90 percent or 4,000 had been approved. Assuming the same 80-percent approval rate holds for the other 2,000 who had applied by October 1986, an additional 1,600 or a total of 6,400 individuals should qualify. Of the approximately 17,000 more recent applicants who responded to recent publicity about the approaching deadline for this benefit, a much lower percentage will probably qualify. This is because these people probably responded to a recent nationally syndicated article which stated that individuals divorced from Federal employees might be eligibile for a survivors benefit without mentioning that certain criteria must first be met.

It is probably impossible to say how many of these more recent inquiries will prove qualified. If one assumed that 20 percent qualify, a figure arbitrarily chosen and probably on the high side, then an additional 3,400 people, or a total of 9,800 of those who have to this time written to the Office of Personnel Management, will have qualified. It is difficult to say whether these changes in law made by Public Law 99-251 greatly increased the number of people eligible, or whether the original estimate was grossly wrong.

What is apparent is that substantially more people have applied for this benefit than were originally thought to be eligible. Under the circumstances, with the final regulations appearing only 8 months ago, it seems to me that there could be additional people eligible for this benefit that Congress determined was their right to have.

Second, and related to this point, Mr. President, is the fact that no one really knows exactly how many people are qualified to receive an annuity under this authority. The Office of Personnel Management does not have a list of the eligible individuals, nor does any interested group outside of the Federal Government have such a list.

Third, although the Office of Personnel Management has made some effort to publicize the availability of this benefit, this effort has hardly been sufficient to assure us that most of the people who are eligible for this annuity are aware of it. Although there is no guarantee that all the eligibles will become aware of the availability of this annuity in the event that we do extend the deadline, nevertheless it is obvious that more eligible individuals will hear of it if we do. Given that the number of applicants has been much greater than originally anticipated, given that the application deadline was not changed even though the eligibility criteria were changed in midstream, so to speak, and given that outreach efforts on the part of the Office of Personnel Management can give us no assurance that all the affected individuals are aware of their eligibility for a benefit under this authority, it seems to me that we should extend this deadline.

But finally, Mr. President, I think that we should extend the deadline for reasons of simple equity. The individuals who are eligible for this annunity for the most part are women. For the most part they are going to be women who were married for many years to a civil service employee. For the most part, there are going to be women who grew up and raised families when it was expected that women would not join the work force, but would be homemakers. For the most part, they are going to be women who were divorced with no share of the employee's annuity in hand, a share which, in my opinion, they have earned. I have worked on issues which involve older people since I came to the Congress in 1974, Mr. President, and I think I know something about the situation of older people in our country. Perhaps the single most disadvantaged group among those over 65, are older single women living alone. If the Congress saw fit, in Public Laws 98-615 and 99-251, to conclude that women in this situation should receive a survivor's annuity, then it seems to me that we should provide a deadline that gives us greater confidence that eligible persons will hear of, and apply for, the annuity.

The major argument I have heard against extending this deadline, Mr. President, is that the Office of Personnel Management does not want to have this program hanging over its head. It wants to wrap it up, and, I presume, use its staff in other ways. Unfortunately, Mr. President, it does not seem to me that this appeal to administrative convenience is particularly compelling as a justification for ending the opportunity to apply for this benefit.

Mr. President, I ask unanimous consent that the short text of the bill be printed in the RECORD after my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1284

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Civil Service Retirement Spousal Benefits Act of 1987".

SEC. 2. EXTENSION OF APPLICATION FILING DATE FOR CERTAIN FORMER SPOUSES.

Section 4(b)(1)(B)(iv) of the Civil Service Retirement Spouse Equity Act of 1984 (Public Law 98-615; 98 Stat. 3205), as amended by section 201(b)(1)(C) of the Federal Employees Benefits Improvement Act of 1986 (Public Law 99-251; 100 Stat. 22), is amended to read as follows:

"(iv) the former spouse files an application for the survivor annuity with the Office on or before May 8, 1989; and".●

By Mr. GRAHAM (for himself, Mr. COCHRAN, and Mr. STEVENS):

S. 1285. A bill to reform procedures for collateral review of criminal judgments, and for other purposes; to the Committee on the Judiciary.

HABEAS CORPUS REFORM ACT

● Mr. GRAHAM. Mr. President, our current system of habeas corpus review is mired in an encumbering backlog and frequently burdened by frivilous and dilatory petitions which affect the civil rights of all prisoners and impede the timely disposition of well-founded habeas corpus requests.

Today I am introducing legislation to institute procedures for making the current system more efficient while protecting petitioners' rights. This bill, "The Habeas Corpus Reform Act of 1987," will carefully guard each individual's constitutional right to habeas corpus review in Federal court, while directing the court's deliberation to those cases which merit serious consideration.

Review of the current situation of habeas corpus review indicates an urgent need for reform. The number of petitions filed is increasing at an alarming rate. A significant number of these petitions are duplicative and repetitive of earlier litigation. In addition, many petitions are filed years after the crime, when evidence is stale or nonexistent.

Dramatic evidence of the magnitude of this problem is statistically apparent. In the past 25 years, from 1961 to 1986, State prisoner habeas corpus cases filed in Federal district courts increased 786.76 percent. The number of filings peaked in 1970 with 9,063 filings and leveled off during the 1970's.

Beginning in the late 1970's, the filing of Federal habeas corpus petitions by State prisoners again began to increase; 1986 filings of 9,045 are only 18 petitions less than the all-time peak figure and represent an increase of 6 percent over 1985 filings.

Given the recent trend, 1987 will probably see the highest number of State petitions ever filed. A similar increase in court of appeals cases involving State prisoner habeas corpus show a sharp upward spiral of 227.4 percent over the 1980 levels. From 1985 to 1986 those appeals increased by more than 7 percent.

Federal district courts and courts of appeals are unable to keep up with these increases. In 1986, in both Federal district courts and U.S. courts of appeals, the number of habeas corpus cases filed exceeded the number of habeas corpus cases resolved. An extremely serious concern is the passage of time between conviction and filing.

The Department of Justice conducted a study in 1979 of six Federal district courts and one court of appeals. The study revealed that 40 percent of habeas corpus petitions were filed more than 5 years after conviction. Almost a third of the cases were filed more than 10 years after conviction. By that time evidence and witnesses may be unavailable for re-examination, new evidence may be difficult to substantiate. The trail of the original events of the crime which led to conviction has grown cold.

The bill I am proposing today includes specific time periods for filing habeas corpus petitions. They are: a 1-year limit on habeas corpus applications by State prisoners, normally running from exhaustion of all possible State habeas corpus petitions and appeals; a 2-year limit on appeals of Federal habeas corpus petition denials, normally running from finality of judgment.

This legislation also clarifies the circumstances in which a prisoner may raise a claim in habeas corpus proceedings that was not properly raised in State proceedings.

The bill very definitely does not contain any provision that would allow the Federal courts to exclude a habeas corpus petition based on an evaluation that State findings in such a petition were "full and fair."

The right to have a Federal claim fully heard in Federal court is a basic constitutional right which this legislation seeks not to inhibit but to enhance. The current system, by virtue of its inefficiencies, deprives prisoners of their civil rights. Valid claims are less likely to be recognized when submitted to an overburdened judiciary faced with many frivolous petitions.

Particularly in the context of habeas corpus and the important rights that it protects, we must be vigilant that an individual's constitutional rights are respected. We have a similar obligation to protect the integrity of our judicial system so that it may function both deliberately and effectively.

In this bill we address the severe problems in our current system of Federal habeas corpus review while safeguarding the constitutional rights of each individual prisoner. Those cases deserve the fair and measured attention—the serious consideration—of a healthy functioning judicial system.

I urge my esteemed colleagues to support this urgently needed legislation. Our responsibility is to ensure that system works in the way it was originally intended, with equal and timely dispensation of justice in all habeas corpus cases.●

By Mr. SHELBY:

S. 1286. A bill to amend the Tennessee Valley Authority Act of 1933; to the Committee on Environment and Public Works.

TENNESSEE VALLEY AUTHORITY ACT AMENDMENTS

● Mr. SHELBY. Mr. President, today I rise to introduce a bill to amend the Tennessee Valley Authority Act of 1933 and the Inspector General Act of 1978.

Study after study of the Tennessee Valley Authority has indicated that sooner or later the TVA's management structure must be changed if TVA is to progress into the future. I, and several colleagues in the House who have introduced similar legislation, believe that the bill being presented today can be the vehicle to insure continued prosperity.

It is my firm belief that the bulk of the problems that TVA has faced stem directly from management deficiencies and that those deficiencies are the direct result of structural flaws in the law that governs TVA's organization. It is time to change the law and infuse TVA with a modern, corporate structure necessary for future success.

The bill I am introducing today will separate the TVA policy-making role from TVA management. Presently, TVA may be the only organization of its size operating under a board of directors that both makes policy and carries out the management of that policy. It is time to end this archaic, irrational management structure.

This proposal would put the agency under a modern management setup, based on the model of a business-like corporation. The bill requires public participation in the creation of TVA policy and establishes checks and balances on the management and execution of policy by lifting the board out of the responsibility for day to day management. Policy for TVA would be established after public hearings in the region by a board of directors patterned after the boards of other large, complex organizations in this country. This includes a part-time board concentrating on policy making and on monitoring the agency's performance;

a professional manager, selected by the board, to manage the agency on a day to day basis; and board committees to deal in depth, yet at arms length from day to day management, with such policy issues as electric ratemaking.

Freeing the board of management responsibilities will also allow the board to give greater attention to long-range planning, establishing the goals of the organization, and assuring that management carries out the agency's objectives.

Also, this bill will require, for the first time, that TVA directors be representative of the region, and of the electric rate-payers. This geographic diversity would provide TVA with people who have a broader range of experiences and backgrounds, thus better representing the views of those served by TVA.

Additionally, an inspector general would be provided for under Federal law to report to the new, part-time, policy-making board. This office will be useful adjunct to the efficiency and effectiveness of the Board's policies.

This bill has the support of the people of the TVA region. The message coming to us who serve them in Congress is "How many more mistakes must TVA management make before Congress steps in and revamps the outdated structure?" With this bill, we are saying to the people that Congress is here to do something. We want TVA to improve their responsiveness and accountability and continue to function in the years ahead. The time is right to move TVA into the modern corporate world. I urge my colleagues to join with me in support of this legislation.●

By Mr. DASCHLE:

S. 1287. A bill to provide interim relief to the Farm Credit System, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

FARM CREDIT SYSTEM EMERGENCY MANAGEMENT AND ASSISTANCE ACT

Mr. DASCHLE. Mr. President, I rise today to introduce legislation that will provide relief to the Farm Credit System. This legislation is specifically designed to assist farmer borrowers as well as ailing financial institutions within the System.

On May 7 of this year, representatives from the Farm Credit System made a presentation to the House of Representatives' Agricultural Subcommittee on Conservation and Credit. In that presentation, these representatives stated that $6 billion was necessary to allow the System to heal itself.

The System's presentation was deficient in that it did not show how the $6 billion would help borrowers. We must save the Farm Credit System, but we have to keep our eye on the ball. The Farm Credit System exists to assist farmers and ranchers in meeting their credit needs. Saving the System for the System's sake makes no sense at all. Saving the System with legislation that meets the needs of System institutions as well as credit needs of borrowers is the real challenge we face, and that is the purpose of the legislation that I am introducing today.

The most important feature of this Farm Credit System Emergency Act is its requirement that 50 percent of any Federal funds put into the System go to reduce borrower rates or restructure their loans. A section in title II of my bill specifically requires that the System report regularly to prove that at least 50 percent of the funds it receives are being used to directly benefit farm and ranch families. Provisions in this title also require that the System's banks have a debt restructuring program in place before receiving Federal assistance. These institutions must also establish a separate specialist group to restructure problem loans on a case-by-case basis.

A "borrowers bill of rights" has been needed for some time now. Title III of the bill deals with this issue. My bill mandates borrower access to information, the borrower's right to bring suit against the Farm Credit System, and a host of other detailed protections for farmers.

Another key feature of my bill is the establishment of a Federal Control Board called the Farm Credit System Emergency Management Board. As you are aware, in the 1970's the Government provided financial aid to three large firms and one municipality (Conrail, Lockheed, Chrysler, and New York City) to avert potential bankruptcies. Based upon the Government's experience in these assistance programs, the Comptroller General prepared a report to Congress that has guidelines on structuring, implementing, administering, and overseeing this type of program.

I have worked with the Comptroller General on title I of my bill. Title I creates that Farm Credit System Emergency Management Board to protect the Government's financial interest in the Farm Credit System. The Board is charged with overseeing the Federal financial assistance to the System and with reviewing System operations. Within 18 months of the Board's creation, it will issue a comprehensive report relating to the most efficient and effective organization for the Farm Credit System to deliver agricultural credit to farmers and ranchers. The Board is comprised of a farmer/rancher and a representative of the System to be appointed by the President as well as the Secretary of the Treasury, the Secretary of Agriculture, and the Chairman of the Board of Governors of the Federal Reserve System.

I feel very strongly that this management board is required. First, it will have the independence necessary to make the hard decisions. Second, it will be able to mediate the inevitable disputes between the System and its regulator and between and among System entities. Third, the Board can institute controls necessary to protect the Government's financial interest. Last and most important, the Board will provide assurance—assurance to (1) the agricultural sector of a credit flow reasonably stable and competitively priced (2) member borrowers that their capital stock is secure (3) the investment community that Farm Credit securities are a safe and sound investment and (4) the System's competitors that by virtue of Federal aid the System does not enjoy an undue competitive advantage.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1287

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Farm Credit System Emergency Management and Assistance Act of 1987".

TITLE I—FARM CREDIT SYSTEM EMERGENCY MANAGEMENT BOARD

SEC. 101. FINDING AND PURPOSE.

(a) Finding.—Congress finds that the Farm Credit System is financially distressed and is continuing to deteriorate.

(b) Purpose.—It is the purpose of this title to facilitate needed reforms in the Farm Credit System by providing Federal assistance, and management oversight and guidance, to support the short-term development of the System as recommendations are being developed to assure the continued supply of agricultural credit at a reasonable cost.

SEC. 102. FARM CREDIT SYSTEM EMERGENCY MANAGEMENT BOARD.

(a) Establishment.—There is established in the executive branch a Farm Credit System Emergency Management Board (hereinafter in this title referred to as the "Board").

(b) Membership.—The Board shall consist of—

(1) the Secretary of the Treasury;

(2) the Chairman of the Board of Governors of the Federal Reserve System;

(3) the Secretary of Agriculture; and

(4) two additional members, to be appointed by the President with the advice and consent of the Senate, of which—

(A) one member shall be a representative of the Farm Credit System; and

(B) one member shall be a farmer or rancher with experience in agricultural financial matters.

SEC. 103. REPORTS.

(a) Comprehensive Report.—

(1) In general.—Within 18 months of the date of the first meeting of the Board, the Board shall report to Congress on—

(A) the findings, conclusions, and recommendations of the Board relating to the most efficient and effective organization of the System for delivering agricultural credit to farmers and ranchers; and

(B) legislative proposals necessary to implement the recommendations referred to in subparagraph (A).

(2) Specific areas of focus.—In the report, the Board shall consider—

(A) alterations in the ownership and organization of the System and institutions of the System;

(B) the need for continued Federal financial assistance, and the effect of such assistance on the competitors of the System; and

(C) other matters as the Board considers appropriate.

(b) Quarterly Reports.—The Board shall submit to the President and to Congress quarterly reports concerning the activities and plans of the Board under this title.

SEC. 104. POWERS AND DUTIES OF THE BOARD.

(a) In General.—Notwithstanding the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.), the Board is authorized to—

(1) oversee and administer Federal assistance provided to System institutions;

(2) supervise, manage, and establish policies for the Farm Credit System;

(3) oversee loans made to System institutions;

(4) ensure that loans made to System institutions are made at rates of interest equal to current market rates of outstanding Treasury obligations having comparable maturities, and on such other terms and conditions as the Board may prescribe;

(5) guarantee long-term notes, bonds, debentures, or similar obligations of any System institution;

(6) protect, through the issuance of guarantees, the value of borrower stock in System institutions;

(7) assess fees, (other than fees for administrative expenses of the Farm Credit Administration as provided in section 5.15 of the Farm Credit Act of 1971 (12 U.S.C. 2250)), against any System institution and collect such amounts as the Board shall determine necessary for carrying out the purposes of this title, including fees needed to establish an insurance reserve;

(8) require Board approval of all actions of System standing committees, including finance committees and subcommittees, planning committees, service committees, and credit operations committees;

(9) require Board approval of the business, operating, and investment plans of each System institution;

(10) require the submission of quarterly performance reports relating to the plans referred to in paragraph (9) and the submission of such other reports and information as the Board determines to be necessary;

(11) require Board approval of the terms and conditions of all System institution debt issuances;

(12) require approval of the credit standards used and rates of interest charged by System institutions on loans;

(13) require Board approval of any merger, liquidation, consolidation, or change in management of a System institution;

(14) require Board approval of the design of System institution management information and accounting systems, and variances from generally accepted accounting principles in financial reporting;

(15) require Board approval of all determinations and plans formulated by the Capital Corporation for asset and entity liquidations or restructurings; and

(16) require Board approval of the hiring and levels of compensation for System institution managers and directors, and decisions regarding continued employment and promotion of System institution officials.

(b) Consultation.—In carrying out this title, the Board shall oversee the operations of the Farm Credit Administration, and consult with and seek the advice of the Farm Credit Administration.

(c) Farm Credit Administration.—The Farm Credit Administration shall carry out the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) in a manner consistent with the policies of the Board.

SEC. 105. STAFF AND EXPENSES.

(a) Support Staff.—

(1) In general.—The Board is authorized to employ a staff of between 15 and 20 persons and assign such persons such powers and duties as are necessary to carry out this title.

(2) Other federal agencies.—The Board may be provided with staff and other administrative support by other Federal agencies, with or without reimbursement, as determined by the Board.

(3) Experts and consultants.—The Board may appoint and fix the compensation of other personnel, and obtain the services of experts and consultants as the Board considers necessary to carry out its functions, without regard to title 5, United States Code.

(4) Compensation of staff.—The staff authorized to in this subsection shall be compensated at rates determined by the Board, out of funds authorized to be appropriated under section 108.

(b) Expenses.—The administrative expenses of the Board and, as appropriate, the compensation of its officers and employees (in an amount determined by the Board) shall be paid for from the fund created under section 5.15 of the Farm Credit Act of 1971 (12 U.S.C. 2250).

SEC. 106. GENERAL ACCOUNTING OFFICE AUDIT AUTHORITY.

(a) In General.—

(1) Audits.—The Comptroller General may conduct audits of the programs and activities of the Board and all institutions of the System, as the Comptroller General considers appropriate.

(2) Report.—The Comptroller General shall report the results of the audits to Congress after the audits are performed.

(b) Review of Board Reports.—The Comptroller General shall review and submit to Congress comments on the report required under section 103(a) and shall, if appropriate, review and comment on the reports required pursuant to section 103(b).

(c) Access to Information.—For purposes of conducting the audits and reviews authorized under subsections (a) and (b), the Comptroller General shall have access to, and the right to examine and copy, all books, documents, papers, records, or other recorded information possessed by the Board or a System institution.

SEC. 107. NONAPPLICABILITY OF ADMINISTRATIVE PROCEDURE ACT.

The Board shall not be subject to subchapter II of chapter 5, of title 5, United States Code.

SEC. 108. AUTHORIZATION OF APPROPRIATIONS.

(a) In General.—There are authorized to be appropriated to carry out this title $2,000,000 for each of the fiscal years 1987, 1988, and 1989.

(b) Guarantees.—The amount of any guarantees provided pursuant to section 104(a) shall be limited to the amount authorized in advance by Congress for such guarantees.

TITLE II—DEBT RESTRUCTURING

SEC. 201. DEFINITIONS.

As used in this title:

(1) Board.—The term "Board" means the Farm Credit System Emergency Management Board established under section 102(a).

(2) Borrower.—The term "borrower" means a borrower of a loan made by an institution.

(3) Cost of foreclosure.—The term "cost of foreclosure" includes—

(A) the difference between the outstanding amount of principal due on a loan made by an institution and the value of collateral used to secure the loan, taking into consideration the lien position of the institution;

(B) the estimated cost of maintaining a loan as a nonperforming asset;

(C) the estimated cost of administrative and legal actions necessary to foreclose a loan and dispose of property acquired as the result of the foreclosure;

(D) the estimated, adverse impact of the sale of property acquired as the result of a loan foreclosure on the value of property held by other borrowers of institutions;

(E) the estimated cost of changes in the value of collateral used to secure a loan during the period beginning on the date of the initiation of action to foreclose or liquidate the loan and ending on the date of the disposition of the collateral; and

(F) all other costs incurred as the result of the foreclosure or liquidation of a loan.

(4) Institution.—The term "institution" means an institution of the Farm Credit System that receives financial assistance under title I.

(5) Loan.—The term "loan" means a loan made by an institution under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.).

SEC. 202. LOAN DETERMINATIONS.

To be eligible to receive funds under title I, before instituting a proceeding to foreclose a loan made to a borrower, an institution must determine—

(1) the cost of foreclosure; and

(2) the cost of restructuring the loan in accordance with this title.

SEC. 203. LOAN FORECLOSURE AND RESTRUCTURING.

(a) In General.—If an institution determines that the cost of foreclosure of a loan made to a borrower is equal to or exceeds the cost of restructuring the loan in accordance with this title, in lieu of foreclosure, the institution shall reduce the principal or interest, or both, due on the loan, or otherwise restructure the loan, in a manner that would enable the borrower to make payments of principal and interest due on the loan without unduly impairing the standard of living of the borrower.

(b) Eligibility for Financial Assistance.—To be eligible to receive funds under title I, an institution must use at least 50 percent of such funds to restructure loans in accordance with this title.

(c) Loan Specialists.—To be eligible to receive funds under titles I and II, a system bank shall develop a separate specialist group to restructure problem loans on a case by case basis.

SEC. 204. ADDITIONAL COLLATERAL.

An institution may not—

(1) require any borrower to provide additional collateral to secure a loan if the borrower is current in the payment of principal or interest on the loan; or

(2) bring any action to foreclose on, or otherwise liquidate, any loan as the result of the failure of a borrower to provide additional collateral to secure a loan if the borrower was current in the payment of principal or interest on the loan at the time the additional collateral was required.

SEC. 206. APPEALS.

(a) DETERMINATION TO NOT RESTRUCTURE.—

(1) NOTICE.—If the Board determines that the cost of restructuring a loan in accordance with this title exceeds the cost of foreclosure of the loan, not later than 15 days after such determination, the Board shall require the institution to provide the borrower of the loan with a written notice of—

(A) the determination and the reasons for the determination;

(B) the computations used by the institution to make the determination, including the estimate of the collateral value of the land used to secure the loan; and

(C) the right of the borrower to appeal the determination before a committee.

(2) CONTEST OF DETERMINATION.—If a borrower of a loan made by an institution makes a written request to the Board not later than 30 days after receipt of a notice to contest a determination referred to in paragraph (1), the borrower shall have the right to—

(A) request the committee to arrange an independent appraisal of the cost of foreclosure of the loan and the cost of restructuring the loan in accordance with this title; and

(B) appear before the committee to contest the determination.

(3) INDEPENDENT APPRAISAL.—If a borrower requests the Board to arrange an independent appraisal made under paragraph (2)(A), the Board shall—

(A) arrange the independent appraisal, in accordance with regulations issued by the Farm Credit Administration; and

(B) consider such appraisal when reviewing the determination of the committee.

(4) Cost of appraisal.—If an independent appraisal is conducted under this subsection of the cost of foreclosure of a loan made by an institution to a borrower and the cost of restructuring the loan in accordance with this title, the cost of the appraisal shall be borne by—

(A) the institution if the appraised cost of restructuring the loan in accordance with this title is equal to or less than the appraised cost of the foreclosure of the loan; or

(B) the borrower if the appraised cost of restructuring the loan in accordance with this title is greater than the appraised cost of the foreclosure of the loan.

(b) DETERMINATION TO RESTRUCTURE.—

(1) NOTICE.—If the board determines that that the cost of restructuring the loan in accordance with this title is less than or equal to the cost of foreclosure of the loan, not later than 15 days after such determination, the Board shall require the institution to provide the borrower with a written notice of—

(A) the determination and the reasons for the determination;

(B) the amount of the reduction in principal or interest, or both, or method of restructuring, the institution determines is adequate to enable the borrower to make payments in accordance with section 203(a); and

(C) the right of the borrower to contest the amount of the reduction, or method of restructuring, before a committee.

(2) CONTEST OF METHOD.—If a borrower makes a written request to the Board not later than 30 days after receipt of a notice to contest the amount of the reduction, or method of restructuring, referred to in paragraph (1), the borrower shall have the right to appear before the Board to contest the amount of the reduction or method of restructuring.

(c) VOLUNTARY AGREEMENTS.—A borrower of a loan made by an institution shall have the right to appear before the Board to contest a determination, amount, or action under this title if—

(1) the institution and the borrower enter into an agreement under which the institution agrees to restructure the loan in accordance with this title and the borrower agrees not to contest the determination, amount, or action, as the case may be;

(2) the institution does not restructure the loan in accordance with this title; and

(3) the borrower makes a written request to the board to contest the determination, amount, or action, as the case may be, not later than 30 days after the date by which the institution agreed to restructure the loan in accordance with this title.

(d) NOTICE OF DECISIONS.—Not later than 15 days after any review conducted by the Board, the Board shall provide the aggrieved person or borrower with written notice of the decision of the committee and the reasons for the decision.

SEC. 206. ALLOCATION OF FUNDS TO PARTICIPATING INSTITUTIONS.

In allocating funds to an institution under title I, the Board shall consider the aggressiveness of the institution in restructuring loans under this title.

SEC. 207. REPORTING REQUIREMENTS.

An institution shall provide quarterly reports to the Board that document the compliance of the institution with this title, including section 203(b).

TITLE III—BORROWER RIGHTS

SEC. 301. ACCESS TO DOCUMENTS AND INFORMATION.

Section 4.13A of the Farm Credit Act of 1971 (12 U.S.C. 2200) is amended to read as follows:

"SEC. 4.13A. ACCESS TO DOCUMENTS AND INFORMATION.

"At the time of execution of loans and at any time thereafter, on request, a System institution shall provide a borrower with a copy of—

"(1) each document signed by or delivered to the borrower; and

"(2) the articles of incorporation, or charter and bylaws, of the institution.".

SEC. 302. SPECIFICATION OF BORROWER RIGHTS.

Part C title IV of the Farm Credit Act of 1971 (12 U.S.C. 2199 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 4.21. BORROWER PROTECTION.

"With respect to any loan that is current under the terms of a loan agreement, a Farm Credit System borrower may not—

"(1) be required to provide additional collateral;

"(2) be foreclosed on or otherwise liquidated for failing to post additional collateral; or

"(3) be required to furnish additional financial information unless the borrower is requesting a change in the terms of the loan agreement.".

SEC. 303. JURISDICTION OF BORROWERS' SUITS; STANDING.

Part C of title IV of the Farm Credit Act of 1971 (12 U.S.C. 2199 et seq.) (as amended by section 202 of this Act) is further amended by adding at the end thereof the following new section:

"SEC. 5.38. BORROWER SUITS.

"(a) RIGHT OF ACTION.—A borrower shall have a cause of action against—

"(1) any institution of the Farm Credit system for a violation of—

"(A) any duty, standard, or limitation owing to the borrower under this Act, and

"(B) any order issued by the Farm Credit Administration with respect to any such duty, standard, or limitation owing to the borrower, and

"(2) the Farm Credit Administration for a failure to perform any mandatory act or duty prescribed under this Act.

"(b) JURISDICTION.—The United States district courts shall have original jurisdiction, without regard to the amount in controversy or the citizenship of the parties, over any action brought under subsection (a).

"(c) STANDING.—A borrower shall have standing over any action brought under subsection (a) if the borrower has suffered legal wrong or is aggrieved or adversely affected by the violation on which the suit is based.

"(d) OTHER CAUSES OF ACTION.—Nothing in this section shall restrict any right that any borrower or any other person (or class of borrowers or other persons) may have under this Act, other law, or common law.".

SEC. 304. CONFORMING AMENDMENT.

Part C of title IV of the Farm Credit Act of 1971 (12 U.S.C. 2199 et seq.) is amended by striking out the part heading and inserting in lieu thereof the following new heading:

"PART C—BORROWERS RIGHTS".

TITLE IV—TERMINATION OF AUTHORITY

SEC. 401. TERMINATION OF AUTHORITY.

The authority provided under titles I and II shall terminate 12 months after the Farm Credit System Emergency Management Board submits the report required under section 103(a). At such time, any loans made pursuant to section 104(a) of this Act are still outstanding shall be considered loans from the Treasury of the United States. The Department of the Treasury shall, in accordance with the terms of such loans, administer the loans in any manner it deems appropriate.

By Mr. GARN (for himself, Mr. ARMSTRONG, Mr. CHAFEE, Mr. COCHRAN, Mr. DANFORTH, Mr. DOLE, Mr. DURENBERGER, Mr. GRAMM, Mr. HATCH, Mr. HUMPHREY, Mr. KARNES, Mr. LUGAR, Mr. MCCLURE, Mr. MURKOWSKI, Mr. NICKLES, Mr. PRESSLER, Mr. STAFFORD, Mr. SYMMS, Mr. TRIBLE, Mr. ADAMS, Mr. BENTSEN, Mr. BOREN, Mr. CHILES, Mr. CONRAD, Mr. DECONCINI, Mr. FOWLER, Mr. GORE, Mr. HEFLIN, Mr. INOUYE, Mr. LAUTENBERG, Mr. MATSUNAGA, Mr. MOYNIHAN, and Mr. NUNN):

S. 1288. A bill to designate July 20 of each year as "Space Exploration Day"; to the Committee on the Judiciary.

By Mr. GARN (for himself), Mr. ARMSTRONG, Mr. BOSCHWITZ, Mr. CHAFEE, Mr. COCHRAN, Mr. D'AMATO, Mr. DANFORTH, Mr. DOLE, Mr. DURENBERGER, Mr. GRAMM, Mr. HATCH, Mr. HELMS, Mr. HUMPHREY, Mr. KARNES, Mr. KASTEN, Mr. LUGAR, Mr. MCCLURE, Mr. MURKOWSKI, Mr. NICKLES, Mr. PRESSLER, Mr. ROTH, Mr. SPECTER, Mr. STAFFORD, Mr. SYMMS, Mr. THURMOND, Mr. TRIBLE, Mr. WALLOP, Mr. ADAMS, Mr. BENTSEN, Mr. BOREN, Mr. BRADLEY, Mr. BURDICK, Mr. CHILES, Mr. CONRAD, Mr. DECONCINI, Mr. DODD, Mr. FOWLER, Mr. GORE, Mr. GRAHAM, Mr. HEFLIN, Mr. HOLLINGS, Mr. INOUYE, Mr. JOHNSTON, Mr. KERRY, Mr. LAUTENBERG, Mr. LEVIN, Mr. MATSUNAGA, Ms. MIKULSKI, Mr. MOYNIHAN, Mr. NUNN, Mr. RIEGLE, and Mr. STENNIS):

S.J. Res. 139. Joint resolution to designate July 1987, as "Space Exploration Day"; to the Committee on the Judiciary.

SPACE EXPLORATION DAY

● Mr. GARN. Mr. President, I rise today to introduce two pieces of legislation. The first is a joint resolution to designate July 20, 1987 as "Space Exploration Day." I am joined by 52 of my colleagues as original cosponsors to this measure. The second bill designates July 20 of each year as "Space Exploration Day," and 33 colleagues, thus far, have joined as cosponsors to this effort.

Almost 18 years ago, the world watched in awe as Neil Armstrong took that first "giant leap for mankind" on the surface of the Moon. For the past several years, we have honored the anniversary of that historic event by proclaiming July 20 as "Space Exploration Day."

A growing nationwide tradition is emerging concerning the declaration of "Space Exploration Day." Beyond our efforts in Congress, all 50 State Governors and the Governor of Puerto Rico have endorsed "Space Exploration Day." Additionally, several Presidential proclamations have been issued since President Ford initiated the activity in 1976.

The date of the event we are celebrating is clearly a permanent part of our history. Is there one of you here who cannot remember exactly where you were and what you were doing when that first footprint was made on the Moon. I remember watching Neil Armstrong that night on television with my father, one of the early aviators in Utah. He started to weep, and when I questioned him, he replied that he was remembering where he was and what he was doing when the Wright brothers made their first flight in North Carolina. To think that in his lifetime we had progressed from man's first flight to the exploration of new worlds beyond our own was both humbling and exhilarating. Now we must use our imaginations to dream about what we can do in space in the next lifetime.

Many people share my enthusiasm for this significant date and have expressed their support for a permanent "Space Exploration Day." In view of the historic significance of the lunar landing, I agree and that is why I am introducing separate legislation to seek permanent designation. I am aware that legislation granting a permanent designation of "Space Exploration Day" will require more involved delberation by this body than a 1-year designation. Undoubtedly, those discussions will at a minimum go beyond the Judiciary Committee's schedule for consideration of commemorative legislation. It is also certainly possible that they will extend beyond July 20 of this year. That is another reason I have introduced two bills. I certainly will continue to offer legislation every year to commemorate this important event until permanent designation is granted. As an aside, neither of the bills seeks to establish a Federal holiday, merely a commemorative day.

Although this is a critical time for our space program, the pioneering work of the United States in the area of space exploration continues to be awe inspiring and to demand our attention. Our spirit of exploration is a long tradition. It moved our ancestors to settle in the new country and, later, called them westward to expand our frontiers. Through our space activities, we have opened up new horizons for the future development of mankind and world civilization. Our record is one in which the American people can take great pride and satisfaction. And it is this same spirit of exploration which now inspires us to build a space station and to look beyond our universe for adventure.

These resolutions commemorate the achievements of the past and represent our hopes for the future. The adventures and the challenges are not over, they are just beginning. Just yesterday, the first test firing of a shuttle booster rocket since the *Challenger*, disaster was completed flawlessly, raising our hopes for a smooth launch of *Discovery* in 1988. There are many other things as well that still need to be done, for the shuttle program as well as the entire space program. We have more tests to be performed, more designs to be refined, and more questions that still need to be answered. We are just beginning to explore the feasibility of manufacturing in space, to examine the ecological impacts of natural and man-made events on Earth, and to investigate how events in the universe around us influence the world we live in. These peaceful explorations of space offer hope for a better and a more peaceful world.

I hope that the committee will act quickly in considering and reporting both of these efforts to pay tribute to the adventurous spirit and inquiring mind of the American people. I also hope that these bills will receive the confirmation and support of my colleagues in the Senate by their early consideration and passage.

Mr. President, I ask unanimous consent that the legislation be printed in the RECORD.

There being no objection, the bill and joint resolution were orderd to be printed in the RECORD, as follows:

S. 1288

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

FINDINGS

SECTION 1. The Congress finds that—

(1) on July 20, 1969, people of the world were brought closer together by the first manned exploration of the moon;

(2) one of the purposes of the United States space program is the peaceful exploration of space for the benefit of all mankind;

(3) the United States space program has provided scientific and technological benefits affecting many areas of concern to mankind;

(4) the United States space program, through Project Apollo, the Viking and Voyager missions, the space shuttle, and other space efforts, has provided the Nation with scientific and technological leadership in space;

(5) the National Aeronautics and Space Administration, the United States aerospace industry, and educational institutions throughout the Nation contribute research and development to the United States space program, and to the strength of the economy of the Nation;

(6) the space program reflects technological skill of the highest order and the best in the American character—sacrifice, ingenuity and the unrelenting spirit of adventure;

(7) the spirit that put man on the moon may be applied to all noble pursuits involving peace, brotherhood, courage, unity of the human spirit, and the exploration of new frontiers; and

(8) the human race will continue to explore space for the benefit of future generations.

DESIGNATION

SEC. 2. July 20, 1987, and July 20 of each year thereafter are designated as "Space Exploration Day" and the people of the United States are urged to observe such day each year with appropriate activities and programs.

S.J. RES. 139

Whereas on July 20, 1969 people of the world were brought closer together by the first manned exploration of the moon;

Whereas a purpose of the United States space program is the peaceful exploration of space for the benefit of all mankind;

Whereas the United States space program has provided scientific and technological benefits affecting many areas of concern to mankind;

Whereas the United States space program, through Project Apollo, Viking and Voyager missions to the planets, the space shuttle, and other space efforts, has provided the Nation with scientific and technological leadership in space;

Whereas the National Aeronautics and Space Administration, the United States aerospace industry, and educational institutions throughout the Nation contribute research and development to the United States space program, and to the strength of the economy of the Nation;

Whereas the space program reflects technological skill of the highest order and the best in the American character—sacrifice, ingenuity and the unrelenting spirit of adventure;

Whereas the spirit that put man on the moon may be applied to all noble pursuits involving peace, brotherhood, courage, unity of the human spirit, and the exploration of new frontiers; and

Whereas the human race will continue to explore space for the benefit of future generations: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 20, 1987, is designated as "Space Exploration Day." The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the day with appropriate programs, ceremonies, and activities.●

By Mr. ROTH:

S. 1289. A bill to temporarily suspend the duty on Bendiocarb; to the Committee on Finance.

DUTY SUSPENSION ON BENDIOCARB

● Mr. ROTH. Mr. President, I rise to introduce a bill to temporarily suspend the duty on a chemical, 2,2-dimethyl1-1,3-benzodioxol-4-YL methyl carbamate, also known as bendiocarb.

I am introducing this bill on behalf of NOR-AM Chemical Company of Wilmington.

Bendiocarb is a pesticide which is authorized for use by pest control companies in controlling fleas, ants, and roaches. It is widely used in hospitals, nursing homes, and other institutions.

I understand that there is no domestic production of this chemical in the United States.

Suspending the 8.6 percent duty will assist NOR-AM to keep prices down and will enable the product to be more readily available for pest control purposes.

I hope the Congress will act expeditiously to approve this duty suspension bill.●

By Mr. SASSER (for himself and Mr. GORE):

S. 1290. A bill to direct the Secretary of the Interior to acquire certain real property adjacent to the Andrew Johnson National Historic Site in Greeneville, TN, for inclusion within the national cemetery located in that site; to the Committee on Energy and Natural Resources.

ACQUISITION OF CERTAIN REAL PROPERTY

● Mr. SASSER. Mr. President, I am introducing legislation today that will direct the Secretary of the Interior to acquire and administer 1.2 acres adjacent to the Andrew Johnson National Historic Site in Greeneville, TN. The land would be used to expand the National Cemetery located within the National Historic Site.

I am pleased that Senator GORE has joined me as an original cosponsor of this bill.

The acquisition of this land is necessary because there are less than 250 gravesites left in the cemetery. If nothing is done to expand the grave area, the cemetery will be filled within the next 7 to 8 years according to park authorities.

The legislation I offer today will give the cemetery enough land for 500 new gravesites and will guarantee adequate burial room for the next several decades.

The land to be used to expand the cemetery has been procured by the Marine Corps League in Greeneville in cooperation with the Veterans of Foreign Wars [VFW]. The land would be donated free to the U.S. Government to be administered as part of the Andrew Johnson National Historic Site.

Thus, my legislation will not cost taxpayers any additional money. It merely authorizes the Secretary of the Interior to acquire and administer the donated land as part of the National Historic Site.

Mr. President, I commend the Marine Corps League and the VFW of Greeneville for this generous offer of land. I trust my colleagues in the Senate will now act promptly to approve my bill which allows the Federal Government to accept their offer. We must ensure that eligible veterans in the east Tennessee area will have an appropriate and dignified final resting place.●

By Mr. WILSON:

S. 1291. A bill for the relief of Joeri DeBeer; to the Committee on the Judiciary.

RELIEF OF JOERI DE BEER

Mr. WILSON. Mr. President, I rise today to introduce a bill that will confer permanent residency alien status on a young man named Joeri DeBeer. I believe the passage of this legislation is the most humanitarian response to the tragic circumstances which have confronted Joeri since his arrival in the United States.

Joeri is a soft-spoken Dutch national currently residing in Oakley, CA. After enduring years of turmoil, he is now enjoying the warmth and comfort of a stable, loving home with his legal guardians, Sid and Jennie Ward. He has enrolled in Diablo Valley College in nearby Pleasant Hill and is doing very well in his freshman year there. Such contentment is very new to Joeri, and unfortunately it may be very short lived. The Immigration and Naturalization Service is seeking to deport Joeri, separating him from the family life he so desperately needs.

Joeri's ordeal began in 1983 when he was living in Saudi Arabia with his mother and stepfather. It was then that he first met Phil Parsons, a United States citizen residing in Saudi Arabia, who shared Joeri's interest in the sport of motorcycle racing known as motocross.

In the fall of 1983, Mr. Parsons invited 15-year-old Joeri to return to America with him, promising that he would make the boy a motocross champion. With Mr. Parsons as his legal guardian, Joeri entered the United States on a student visa in January of 1984.

After they arrived in the United States, Mr. Parsons began to abuse Joeri. Joeri found himself completely alone in a strange country except for his legal guardian who was inflicting physicial, emotional, and sexual abuse upon him. Psychological reports conform that Joeri was under extreme duress at this time, struggling to understand his own adolescent fears and insecurities as well as to survive the constant torment of his life with Mr. Parsons. Joeri had little contact with his mother, who had released him to Mr. Parsons, and his real father made no attempts to contact him. Although Joeri tried to communicate his hatred of Parsons' brutal advances, Mr. Parsons continued to victimize the boy for several months, knowing Joeri had no where else to turn.

This intolerable situation was at the root of what was to happen.

On April 9, 1985, Parsons again attacked the boy. Joeri resisted and again tried to reason with Parsons. Incensed by the rebuff, Parsons tried to strangle Joeri, but the boy escaped. When Joeri returned home, Parsons again attacked him. In that moment of fear and frustration, Joeri shot and killed the molester.

In June of 1986, Joeri was tried and convicted for his acts. The horrible circumstances leading to this action made such a tremendous impact on the jurors that at the time of sentencing each juror stepped forward to plead for leniency in the sentencing of Joeri. The judge, Robert R. Fitzgerald, readily accepted the jurors pleas and gave Joeri a suspended sentence with 3 years probation.

Joeri was released to the legal custody of the Ward family. Their home provides for him the kind of security he needs to recover from the traumatic events of the past 3 years. But the Immigration and Naturalization Service has issued a notice indicating its intent to deport him, saying his conviction was for a crime of "moral turpitude" and that his student visa has expired. The INS has continued to pursue Joeri's deportation, in spite of a recommendation against deportation issued to the INS by Judge Fitzgerald.

Unfortunately, the INS has refused to accept this recommendation. The case is currently pending at the Board of Immigration Appeals. But even if this decision is favorable, it would only reinstate Joeri's student status and prevent his immediate deportation. It would not provide for Joeri's much greater need—that of a secure and loving home. This need can only be met by the passage of this bill conferring legal permanent residency on Joeri.

The tremendous outpouring of compassion Joeri has received from those who know his story illustrates the uniqueness of his situation. Without exception, those who have come to know Joeri have been moved by his plight and have felt a love for him as well as a commitment to helping this young man make the most of his life. Social workers, criminal investigators, jurors, psychologists, editorial writers, and members of the public at large have all expressed their sincere desire to see Joeri given the opportunity to lead a productive life in the United States.

Mr. President, for all of these reasons I am sponsoring legislation which will afford Joeri the comfort he deserves.

I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1291

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, in the administration of the Immigration and Nationality Act, Joeri DeBeer shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper officer to reduce by the proper number, during the current fiscal year or the fiscal year next following, the total number of immigrant visas which are available to natives of the country of the alien's birth under section 203(a) of the Immigration and Nationality Act or, if applicable, the total number if immigrant visas which are made available to natives of the country of the alien's birth under section 202(e) of such Act.

By Mr. BREAUX:

S. 1292. A bill to amend the Merchant Marine Act, 1920, to require vessels used to transport sewage sludge to be built in the United States, and for other purposes; to the Committee on Commerce, Science, and Transportation.

BUILDING OF CERTAIN BARGES IN THE UNITED STATES

● Mr. BREAUX. Mr. President, the legislation I am introducing today would amend the Jones Act (46 App. U.S.C. 883) and the Towing of U.S. Vessels Act (46 U.S.C. 316) to require barges which transport municipal sewage sludge and the tugboats that tow them be built in the United States if they are transporting the sludge from a point in the United States to a point on the high seas within the Exclusive Economic Zone, as defined in the Presidential Proclamation on March 10, 1983. As a matter of equity, however, my bill would grandfather four sludge barges constructed or being constructed pursuant to a contract entered into in 1968 between the city of New York and a Singapore shipyard.

Mr. President, the United States has a longstanding policy and laws reserving our coastwise traffic to vessels built and documented in the United States. The Customs Sevice has ruled, however, that inasmuch sewage sludge is not merchandise the requirements of the Jones Act do not apply. Moreover, ocean dumping sites for sewage sludge will certainly be located beyond the 3-mile limit, and thus, transportation of sewage sludge would not be considered transportation from one point within the United States to another.

Mr. President, clearly this is a case where technology is ahead of the law. Nevertheless, I believe the underlying purpose of our cabotage laws is equally applicable here—to promote our domestic shipbuilding industry.

My bill, therefore, is intended to bring our cabotage laws up to date.

Mr. President, I ask unanimous consent that my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1292

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883) is amended by inserting immediately before the period at the end the following: ": *Provided further,* That this section applies to the transportation of municipal sewage sludge after the date of enactment of this proviso from a point in the United States to a point on the high seas within the Exclusive Economic Zone, as defined in the Presidential Proclamation of March 10, 1983, other than transportation by any of four 15,000 deadweight tons sludge barges constructed pursuant to a contract entered into in 1986 between the City of New York, New York and Far East Levingston Shipbuilding, Ltd., of Singapore".

"SEC. 2. Section 4370 of the Revised Statutes of the United States (46 App. U.S.C. 316) is amended by adding at the end the following:

"(f) This section applies to the towing of any vessel transporting municipal sewage sludge after the date of enactment of this subsection from a point in the United States to a point on the high seas within the Exclusive Economic Zone, as defined in the Presidential Proclamation of March 10, 1983.".●

By Mr. LEVIN (for himself and Mr. COHEN):

S. 1293. A bill to amend the Ethics in Government Act of 1987 to provide a continuing authorization for independent counsel, and for other purposes; to the Committee on the Judiciary.

INDEPENDENT COUNSEL REAUTHORIZATION ACT

● Mr. LEVIN. Mr. President, I am here today with Senator COHEN to introduce an important piece of legislation in this bicentennial year of our Constitution. It is the Independent Counsel Reauthorization Act of 1987.

This legislation is of vital concern to our country and to the Congress, because the independent counsel statute addresses one of the most delicate tasks facing any government: the investigation and prosecution of high-ranking government officials for criminal misconduct. In such politically sensitive cases, the public must have confidence that the investigations are being handled fairly and the suspected officials are receiving no better and no worse treatment than anyone else in our criminal justice system.

For the government to enjoy the trust of our people, our people need to know that, in criminal cases involving high government officials, cronyism and political protectionism will not be substituted for justice.

That was the purpose of the independent counsel statute when it was enacted in 1978 and reauthorized in 1982. It remains our objective as we prepare to reauthorize the statute once more, before its current expiration date of January 2, 1988.

Joining me in this reauthorization effort is my colleague and good friend, Senator COHEN, who has shown consistent leadership and initiative on this subject from the time this statute was first considered over 10 years ago. Together, over the next few months, we hope to present this bill to the Governmental Affairs Committee and report it for floor consideration before the August recess. Although this timetable will be difficult to meet, it is important that we do so to make sure that the statute is reauthorized before it expires.

The need for the independent counsel statute has never been more compelling. Six independent counsel investigations are currently underway—more than ever before at one time. Several of these investigations are examining the activities of senior officials in the Justice Department, including the sitting Attorney General. Some are looking at the activities of former advisers to the President, including Michael Deaver, former White House Adviser; Lt. Col. Oliver North, former staff member on the National Security Council; and Lynn Nofziger, former campaign official and White House adviser. These are persons who had enormous responsibilities in the government and who are now alleged to have abused their positions of trust.

Without the independent counsel process to handle these cases, public confidence in the government to resolve the matters fairly would be jeopardized.

Of course, not everyone agrees with this assessment of the independent counsel statute. Over the past months, for example, we have witnesses court challenges to the statute by Mr. Deaver, among others. Also, in March, the Senate received testimony from a Department of Justice witness expressing grave doubts about the law's constitutionality and in effect suggesting a return to the pre-Watergate era, when such cases were handled by individuals appointed and removable at will by the President.

It is ironic that Mr. Deaver, who once welcomed an independent counsel investigation to clear his name, is challenging the underlying statute—now that the effectiveness of the investigation of his conduct has become clear. In another ironic twist, Attorney General Meese recently invited an independent counsel investigation to clear up ongoing questions about his role in the Wedtech case—just weeks after he had authorized the Justice Department to provide congressional testimony criticizing this same statute.

These and other incidents demonstrate that the statute is doing what it was designed to do—ensure the impartial investigation and prosecution of alleged criminal conduct by persons close to the President in a way that claims and receives the public's confidence. To date, it appears that persons are challenging the statute not because of any failure, but because of its success.

I believe the independent counsel process will survive these legal and political challenges, because of its sound constitutional basis and its record of accomplishment, and because it provides a much-needed solution to the potentially explosive problem of the government's investigating its own, high officials for criminal conduct.

The judges who have considered the legal challenges to the statute have so far ruled, without exception, that the statute is likely to withstand constitutional scrutiny. While the Supreme Court has not yet spoken, I expect it to agree with the lower courts.

The statute needs further strengthening to prevent its possible politicization and manipulation. In a March hearing, for example, the Subcommittee on Oversight of Government Management, which I chair and on which Senator COHEN serves as the ranking Republican, presented evidence that the Department of Justice has made a series of small assaults on the statute. We found elaborate efforts to avoid triggering the statute, foot-dragging, missed deadlines, wrong standards for requesting an independent counsel, failures of the Attorney General to excuse himself from cases that he should have, and ominous explanations of what the Department considers to be grounds for removing a sitting independent counsel.

For example, in response to a post-hearing question by the Oversight Subcommittee, the Department of Justice indicated that, if the independent counsel in the Iran/Contra matter were to refuse an order by the President to grant prosecutorial immunity to Lieutenant Colonel North, a main target of the investigation, then the President could fire that independent counsel for good cause. This interpretation of the statutory provision permitting removal for good cause so misconstrues Congress' purpose for including this standard in the first place, that it effectively renders the standard meaningless.

This and other evidence demonstrated that the Department of Justice has been waging a guerrilla war against the independent counsel process, undermining it in ways that are not obvious unless one makes a determined effort to uncover the tactics.

The existing statute does not have the mechanisms it needs to combat these assaults by the Department of Justice. The Independent Counsel Reauthorization Act is intended to remedy this situation, with strengthening amendments to help force the Department of Justice and the Attorney General to carry out their statutory duties in a prompt, responsible and lawful manner.

By favoring the statute's reauthorization, I am not saying that the existing statute is without flaws. It needs some fine-tuning. Some of its provisions could be better worded. Arguments have been made that the statute does not do enough to ensure that the special court releases sufficient information about pending cases and to control the costs of independent counsel investigations.

On the whole, however, the process has served the country well. Accordingly, the bill does not institute major changes in the independent counsel process but provides fine-tuning and strengthening amendments. To provide greater detail about the legislation, I ask unanimous consent that a section-by-section analysis and a copy of the bill's text be included in the RECORD.

Over the coming months, I hope that my colleagues will join in the swift passage of this important legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1293

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Independent Counsel Reauthorization Act of 1987".

SEC. 2. AMENDMENTS RELATING TO INDEPENDENT COUNSEL.

Part II of title 28, United States Code, is amended by striking out the chapter 39 entitled "**INDEPENDENT COUNSEL**" and inserting in lieu thereof the following:

"**CHAPTER 40—INDEPENDENT COUNSEL**

"Sec.

"591. Applicability of provisions of this chapter.

"592. Preliminary investigation and application for an independent counsel.

"593. Duties of the division of the court.

"594. Authority and duties of an independent counsel.

"595. Congressional oversight.

"596. Removal of an independent counsel; termination of office.

"597. Relationship with Department of Justice.

"598. Separability.

"**§ 591. Applicability of provisions of this chapter**

"(a) WHEN PRELIMINARY INVESTIGATION REQUIRED.—

"(1) RECEIPT OF INFORMATION.—The Attorney General shall conduct a preliminary investigation in accordance with section 592 whenever the Attorney General receives information sufficient to constitute grounds to investigate whether any person described in subsection (b) may have violated any Federal criminal law other than a petty offense.

"(2) EXAMINATION OF INFORMATION TO DETERMINE NEED FOR PRELIMINARY INVESTIGATION.—In determining under paragraph (1) if grounds to investigate exist, the Attorney General shall consider only—

"(A) the specificity of the information received, and

"(B) the credibility of the source of the information.

If the Attorney General determines that the information is insufficient to constitute grounds to investigate the matters involved, no court may order the Attorney General to conduct a preliminary investigation of such matters under this chapter.

"(3) WRITTEN REPORT IF NO DETERMINATION WITHIN 30 DAYS.—If the Attorney General fails to decide whether to conduct a preliminary investigation within 30 days after the receipt of information under this chapter and the Attorney General later determines not to conduct a preliminary investigation, the Attorney General shall file a written report with the division of the court not more than 90 days after the date the information is received, describing the actions taken with respect to the information and explaining the basis for the determination not to conduct a preliminary investigation.

"(b) PERSONS SUBJECT TO THIS CHAPTER.—The persons referred to in subsection (a)(1) are—

"(1) the President and Vice President;

"(2) any individual serving in a position listed in section 5312 of title 5;

"(3) any individual working in the Executive Office of the President who is compensated at a rate of pay specified in or fixed according to level II of the Executive Schedule under section 5313 of title 5, or a comparable or greater rate of pay under other authority;

"(4) the Attorney General, any Assistant Attorney General, and any individual working in the Department of Justice who is compensated at a rate of pay at or above level III of the Executive Schedule under section 5316 of title 5;

"(5) the Director of Central Intelligence, the Deputy Director of Central Intelligence, and the Commissioner of Internal Revenue;

"(6) any individual who held any office or position described in any of paragraphs (1) through (5) of this subsection, during the period consisting of the incumbency of the President under whom such individual served in the office or position plus 1 year after such incumbency, but in no event longer than 5 years after the individual leaves office;

"(7) any individual who holds an office or position described in any of paragraphs (1) through (5) of this subsection during the incumbency of one President and who continues to hold the office or position for not more than 90 days into the term of the next President, during the period such individual serves in the office or position plus 1 year after the individual leaves the office or position;

"(8) any officer of a campaign for the election or re-election of the President, including a campaign by a national political party, if that officer exercises authority at the national level—

"(A) during the period of the campaign; and

"(B) during the incumbency of the President, if the candidate is elected or re-elected President; and

"(9) any person whose investigation or prosecution by the Attorney General or the Department of Justice may result in a personal or financial conflict of interest.

"(c) Recusal of the Attorney General.—

"(1) When recusal is required.—If information received under this chapter involves a person described in subsection (b)(4) or a person with whom the Attorney General has a current or recent personal or financial relationship, the Attorney General shall designate the United States Attorney for the District of Columbia to perform the duties assigned under this chapter to the Attorney General with respect to that information. If the United States Attorney for the District of Columbia is disqualified from the matter due to a personal or financial conflict of interest, the Attorney General shall designate another appropriate official of the Department of Justice to perform such duties.

"(2) Recusal determination must be in writing.—Prior to making other determinations required by this chapter with respect to information received under this chapter, the Attorney General shall determine in accordance with paragraph (1) whether to designate another official to perform the duties assigned by this chapter. This determination shall be in writing, shall identify the facts considered by the Attorney General, and shall explain the reasons for the decision. The Attorney General shall file this determination with any notification or application submitted to the division of the court under section 592 or 594.

"§ 592. Preliminary investigation and application for an independent counsel

"(a) Conduct of Preliminary Investigation.—

"(1) In general.—A preliminary investigation conducted pursuant to a determination made under section 591(a) shall be of such matters as the Attorney General considers appropriate in order to make the determinations specified in subsections (b) and (c) of this section. The preliminary investigation shall be conducted for a period of not more than 90 days after the date the information referred to in section 591(a) is received.

"(2) Congressional request for preliminary investigation or appointment of an independent counsel.—A majority of majority party members or a majority of all nonmajority party members of the Committee on the Judiciary of either House of the Congress may request in writing that the Attorney General conduct a preliminary investigation or apply for the appointment of an independent counsel. Not later than 30 days after the receipt of such a request, or not later than 15 days after the completion of a preliminary investigation of the matter with respect to which the request is made, whichever is later, the Attorney General shall provide written notification of any action the Attorney General has taken in response to such request and, if no application has been made to the division of the court, why such application was not made. Such written notification shall be provided to the committee on which the persons making the request serve, and shall not be revealed to any third party, except that the committee may, either on its own initiative or upon the request of the Attorney General, disclose such portion or portions of such notification which will not, in the committee's judgment, prejudice the rights of any individual.

"(3) Limited authority of attorney general.—(A) In conducting preliminary investigations under this section, the Attorney General shall have no authority to convene grand juries, plea bargain, grant immunity, or issue subpoenas.

"(B) The Attorney General shall not, in whole or in part, base a decision not to conduct a preliminary investigation or not to apply for the appointment of an independent counsel upon a determination that the person who is the subject of the preliminary investigation lacked the state of mind required for the violation of criminal law involved.

"(4) Extension of time for preliminary investigation.—The Attorney General may apply to the division of the court for a single extension (for a period of not more than 60 days) of the 90-day period referred to in paragraph (1). The division of the court may, upon a showing of good cause, grant such extension.

"(b) Finding That Further Investigation Not Warranted.—

"(1) Notification to court.—If the Attorney General, upon completion of a preliminary investigation under this section, finds that there are no reasonable grounds to believe that further investigation is warranted, the Attorney General shall promptly so notify the division of the court, and the division of the court shall have no power to appoint an independent counsel with respect to the matters involved.

"(2) Form of notification.—Such notification shall contain a summary of the information received and a summary of the results of the preliminary investigation.

"(c) Finding That Further Investigation is Warranted.—

"(1) Application for appointment of independent counsel.—The Attorney General shall apply to the division of the court for the appointment of an independent counsel if—

"(A) the Attorney General, upon completion of a preliminary investigation, finds reasonable grounds to believe that further investigation is warranted, or

"(B) the 90-day period referred to in subsection (a)(1) (and any extension granted under subsection (a)(4)) elapses without a notification under subsection (b) by the Attorney General to the division of the court that there are no reasonable grounds to believe that further investigation is warranted.

In determining whether reasonable grounds exist to warrant further investigation the Attorney General shall consider the written or other established policies of the Department of Justice which pertain to the conduct of criminal investigations.

"(2) Receipt of additional information.—If, after submitting a notification under subsection (b), the Attorney General receives additional information sufficient to constitute grounds to investigate the matters to which such notification related, the Attorney General shall—

"(A) conduct such additional preliminary investigation as the Attorney General considers appropriate for a period of not more than 90 days after the date such additional information is received; and

"(B) otherwise comply with the provisions of this section and section 594(e).

"(d) Contents of Application.—Any application under this chapter shall contain sufficient information to assist the division of the court to select an independent counsel and to define that independent counsel's prosecutorial jurisdiction.

"(e) Limitation on Judicial Review.—The Attorney General's determination under this chapter to apply to the division of the court for the appointment of an independent counsel shall not be reviewable in any court.

"§ 593. Duties of the division of the court

"(a) Reference to Division of the Court.—The division of the court to which this chapter refers is the division established under section 49 of this title.

"(b) Appointment and Jurisdiction of Independent Counsel.—Upon receipt of an application under section 592(c), the division of the court shall appoint an appropriate independent counsel and shall define that independent counsel's prosecutorial jurisdiction. Before determining such jurisdiction, the division of the court may consider comments submitted by interested persons with respect to such jurisdiction. An independent counsel's identity and prosecutorial jurisdiction (including any expansion under subsection (c)) shall not be made public except upon the request of the Attorney General or upon a determination of the division of the court, on its own motion or on the motion of an interested person, that disclosure of the identity and prosecutorial jurisdiction of such independent counsel would be in the best interests of justice. In any event, the identity and prosecutorial jurisdiction of such independent counsel shall be made public when any indictment is returned or any criminal information is filed.

"(c) Scope of Jurisdiction of Independent Counsel.—In defining the prosecutorial jurisdiction of an independent counsel appointed under this chapter, the division of the court shall include the authority to investigate and prosecute Federal crimes, other than petty offenses arising out of the investigation or prosecution itself, including perjury, obstruction of justice, destruction of evidence, and intimidation of witnesses.

"(d) Expansion of Jurisdiction.—The division of the court, upon request of the Attorney General, may expand the prosecutorial jurisdiction of an independent counsel and such expansion may be in lieu of the appointment of a new independent counsel.

"(e) Remand for Further Explanation.—Upon receipt of a notification under section 592 or 594 from the Attorney General finding that there are no reasonable grounds to believe that further investigation is warranted of information received under this chapter, the division of the court shall have no authority to overrule this determination but may remand the matter to the Attorney General for further explanation of the reasons for such finding.

"(f) Qualifications of Independent Counsel.—The division of the court shall appoint as independent counsel, an individual who will conduct the investigation and any prosecution in a prompt, responsible, and cost-effective manner. The division of the court may not appoint as an independent counsel any person who holds or recently held any office of profit or trust under the United States.

"(g) Vacancies.—If a vacancy in office arises by reason of the resignation or death of an independent counsel, the division of the court may appoint an independent counsel to complete the work of the independent counsel whose resignation or death caused the vacancy. If a vacancy in office arises by reason of the removal of an independent counsel, the division of the court may appoint an acting independent counsel to serve until any judicial review of such removal is completed. Upon the completion of such judicial review, the division of the court shall take appropriate action.

"(h) Payment of Attorney Fees.—

"(1) Award of fees.—Upon request by the subject of an investigation conducted by an independent counsel pursuant to this chapter, the division of the court may, in its discretion, award reimbursement for all or part of the reasonable attorney fees incurred by such subject during such investigation if—

"(A) no indictment is brought against such subject; and

"(B) the attorney fees would not have been incurred but for the requirements of this chapter.

"(2) Calculating fees.—In calculating attorney fees under this subsection, the hourly rate awarded to a defense counsel may not exceed the hourly rate received by the independent counsel.

"(3) Evaluation of fees.—The division of the court may direct the Attorney General to file a written evaluation of any request for attorney fees under this subsection, analyzing for each expense—

"(A) the sufficiency of the documentation;

"(B) the need or justification for the underlying item; and

"(C) the reasonableness of the amount of money requested.

"(i) Disclosure of Information.—Except as otherwise provided in this chapter, documents or materials supplied to the division of the court under this chapter shall not be revealed to any individual outside the division of the court without leave of the division of the court. Any person may request the court to release any such documents or materials. The division of the court shall give special consideration to requests made by a committee of the Congress exercising a responsibility to oversee the independent counsel process.

"(j) Amicus Curiae Briefs.—When presented with important legal issues, the division of the court may disclose sufficient information about the issues to permit the filing of timely amicus curiae briefs.

"§ 594. Authority and duties of an independent counsel

"(a) Authority.—Notwithstanding any other provision of law, an independent counsel appointed under this chapter shall have, with respect to all matters in such independent counsel's prosecutorial jurisdiction established under this chapter, full power and independent authority to exercise all investigative and prosecutorial functions and powers of the Department of Justice, the Attorney General, and any other officer or employee of the Department of Justice, except that the Attorney General shall exercise direction or control as to those matters that specifically require the Attorney General's personal action under section 2516 of title 18. Such investigative and prosecutorial functions and powers shall include—

"(1) conducting proceedings before grand juries and other investigations;

"(2) participating in court proceedings and engaging in any litigation, including civil and criminal matters, that such independent counsel considers necessary;

"(3) appealing any decision of a court in any case or proceeding in which such independent counsel participates in an official capacity;

"(4) reviewing all documentary evidence available from any source;

"(5) determining whether to contest the assertion of any testimonial privilege;

"(6) receiving appropriate national security clearances and, if necessary, contesting in court (including, where appropriate, participating in in camera proceedings) any claim of privilege or attempt to withhold evidence on grounds of national security;

"(7) making applications to any Federal court for a grant of immunity to any witness, consistent with applicable statutory requirements, or for warrants, subpoenas, or other court orders, and, for purposes of sections 6003, 6004, and 6005 of title 18, exercising the authority vested in a United States attorney or the Attorney General;

"(8) inspecting, obtaining, or using the original or a copy of any tax return, in accordance with the applicable statutes and regulations, and, for purposes of section 6103 of the Internal Revenue Code of 1986, and the regulations issued thereunder, exercising the powers vested in a United States attorney or the Attorney General;

"(9) initiating and conducting prosecutions in any court of competent jurisdiction, framing and signing indictments, filing informations, and handling all aspects of any case in the name of the United States; and

"(10) consulting with the United States attorney for the district in which any violation of law with respect to which the independent counsel is appointed was alleged to have occurred.

"(b) Compensation.—An independent counsel appointed under this chapter shall receive compensation at a per diem rate equal to the annual rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5.

"(c) Additional Personnel.—For the purposes of carrying out the duties of the office of independent counsel, an independent counsel may appoint, fix the compensation, and assign the duties of such employees as such independent counsel considers necessary (including investigators, attorneys, and part-time consultants). The positions of all such employees are exempted from the competitive service. No such employee may be compensated at a rate exceeding the maximum rate of pay payable for GS-18 of the General Schedule under section 5332 of title 5.

"(d) Assistance of Department of Justice.—An independent counsel may request assistance from the Department of Justice in carrying out the functions of the independent counsel, and the Department of Justice shall provide that assistance, which may include access to any records, files, or other materials relevant to matters within such independent counsel's prosecutorial jurisdiction, and the use of the resources and personnel necessary to perform such independent counsel's duties.

"(e) Other Matters Which May Be Referred to an Independent Counsel.—

"(1) Treatment of matters not covered in prosecutorial jurisdiction.—(A) If the independent counsel discovers or receives information about persons or possible violations of criminal law as provided in section 591, which are not covered by the prosecutorial jurisdiction of the independent counsel, the independent counsel may submit such information to the Attorney General. The Attorney General shall then conduct a preliminary investigation of the information in accordance with the provisions of section 592, except that such preliminary investigation shall not exceed 30 days from the date such information is received. In making the determinations required by section 592, the Attorney General shall give great weight to any recommendations of the independent counsel.

"(B) If the Attorney General finds, after according great weight to the recommendations of the independent counsel, that there are no reasonable grounds to believe that further investigation is warranted, the Attorney General shall promptly so notify the division of the court and the division of the court shall have no power to expand the jurisdiction of the independent counsel or to appoint a new independent counsel with respect to the matters involved.

"(C) If—

"(i) the Attorney General finds there are reasonable grounds to believe that further investigation is warranted; or

"(ii) the 30-day period referred to in subparagraph (A) elapses without a notification to the division of the court that no further investigation is warranted,

the division of the court shall expand the jurisdiction of the appropriate independent counsel or appoint a new independent counsel to investigate the matters involved.

"(2) Referrals by the Attorney General.—An independent counsel may accept referral of a matter by the Attorney General, if the matter relates to such independent counsel's prosecutorial jurisdiction as established by the division of the court. If such referral is accepted, the independent counsel shall notify the division of the court.

"(f) Compliance With Department of Justice Policies.—An independent counsel shall comply with the written or other established policies of the Department of Justice respecting enforcement of the criminal laws.

"(g) Dismissal of Matters.—The independent counsel shall have full authority to dismiss matters within such counsel's prosecutorial jurisdiction without conducting an investigation or at any subsequent time before prosecution if to do so would be consistent with the written or other established policies of the Department of Justice with respect to the enforcement of criminal laws.

"(h) Treatment of Noncriminal Ethical Violations.—If the criminal investigation conducted by an independent counsel incidentally develops or discovers evidence warranting investigation of whether the subject or subjects of proceedings under this chapter may have violated ethical standards established by Federal law or regulation, but no criminal prosecution is warranted, the independent counsel may report such evidence to the Office of Government Ethics and any other Federal agency or officer having jurisdiction over such noncriminal violations.

"(i) Reports by Independent Counsel.—

"(1) Required reports.—An independent counsel shall—

"(A) within 30 days after appointment file an initial report with the division of the court estimating the length of the investigation, staff needs, and expenses;

"(B) file a status report with the division of the court every 60 days after the initial report, identifying and explaining major unexpected expenses, and estimating the length of the remainder of the investigation, staff needs, and expenses; and

"(C) before the termination of an independent counsel's office under section 596(b), file a final report with the division of the court, setting forth fully and completely a description of the work of the independent counsel, including the disposition of all cases brought, and the reasons for not prosecuting any matter within the prosecutorial jurisdiction of such independent counsel.

"(2) Release of information in report.—The division of the court may release to the Congress or any person such portions of a report made under this subsection as the division considers appropriate. The division of the court shall make such orders as are appropriate to protect the rights of any individual named in such report and to prevent undue interference with any pending prosecution. The division of the court may make any portion of a final report under this section available to any individual named in such report for the purposes of receiving within a time limit set by the division of the court any comments or factual information that such individual may submit. Such comments and factual information, in whole or in part, may in the discretion of the division of the court be included as an appendix to such final report.

"(j) Information Relating to Impeachment.—An independent counsel shall advise the House of Representatives of any substantial and credible information which such independent counsel receives, in carrying out the independent counsel's responsibilities under this chapter, that may constitute grounds for an impeachment. Nothing in this chapter or section 49 of this title shall prevent the Congress or either House thereof from obtaining information in the course of an impeachment proceeding.

"(k) Grand Jury and Other Materials Compiled by Independent Counsel.—

"(1) Treatment of materials by the independent counsel.—An independent counsel shall clearly identify and segregate all grand jury materials from other materials compiled during the independent counsel's term of office. Upon termination of office, the independent counsel shall transfer all materials compiled during the term of office to the control of the National Archivist.

"(2) Access to materials.—If a person requests access to materials compiled by an independent counsel after the materials have been transferred pursuant to paragraph (1), the National Archivist shall release—

"(A) grand jury materials only as permitted by rule 6(e) of the Federal Rules of Criminal Procedure; and

"(B) all other materials only if the person requesting them can demonstrate that the materials are relevant and necessary for a prosecution.

Thirty days prior to releasing materials under this subsection, the National Archivist shall notify the division of the court of the decision to release them to such person.

"(l) Standards of Conduct Applicable to Independent Counsels and Persons Serving in the Office of an Independent Counsel.—

"(1) Independence from department of justice.—Each independent counsel, together with the persons appointed by the independent counsel under subsection (c), forms an agency separate from and independent of the Department of Justice for purposes of sections 202 through 209 in title 18.

"(2) Restrictions on employment while serving.—During the term of office of an independent counsel, such independent counsel and the persons appointed by the independent counsel under subsection (c), shall not—

"(A) simultaneously serve as counsel or cocounsel to a person who is subject to any proceedings under this chapter; or

"(B) simultaneously accept or hold any office or position of trust with the United States.

"(3) Five-year ban on representation of subjects.—Each independent counsel and the persons appointed by the independent counsel under subsection (c) shall not, for 5 years following the termination of that independent counsel's office, represent any person who was a subject of an investigation or prosecution under this chapter if those proceedings were conducted by that independent counsel.

"§ 595. Congressional oversight

"(a) Oversight of Conduct of Independent Counsel.—

"(1) Congressional oversight.—The appropriate committees of the Congress shall have oversight jurisdiction with respect to the official conduct of any independent counsel appointed under this chapter, and such independent counsel shall have the duty to cooperate with the exercise of such oversight jurisdiction.

"(2) Reports to congress by an independent counsel.—An independent counsel appointed under this chapter shall submit to the Congress such statements or reports on the activities of such independent counsel as the independent counsel considers appropriate.

"(b) Oversight of Conduct of Attorney General.—

"(1) Congressional request for information.—Upon receiving an inquiry about a particular case, which has become public, from an appropriate committee of the Congress exercising a responsibility to oversee the independent counsel process, the Attorney General shall promptly respond to the inquiry—

"(A) by indicating at least the following about such case:

"(i) whether proceedings are taking place under this chapter with respect to that case;

"(ii) when the information about the case was received for purposes of calculating the 90-day period under section 592 or 30-day period under section 594;

"(iii) whether a preliminary investigation has been initiated;

"(iv) whether the Attorney General has determined not to initiate a preliminary investigation; and

"(v) whether an initial filing has been made with the division of the court with respect to that case and, if so, the date of that filing; and

"(B) by producing documents from the case if that case has been closed by the Department of Justice and if the documents discuss determinations required by this chapter, other than court filings which the division of the court has not released.

"(2) Disclosure by committee.—A committee which obtains a response or documents from the Attorney General under this subsection may not disclose such response or documents unless the committee determines that disclosure will not, in the judgment of the committee, prejudice the rights of any individual.

"§ 596. Removal of an independent counsel; termination of office

"(a) Removal; Report on Removal.—

"(1) Grounds for removal.—An independent counsel appointed under this chapter may be removed from office, other than by impeachment and conviction, only by the personal action of the Attorney General and only for good cause, physical disability, mental incapacity, or any other condition that substantially impairs the performance of such independent counsel's duties. For purposes of this paragraph, removal for good cause shall not justify a removal based on the refusal of an independent counsel to obey an order of the President if that order would violate the purposes of this chapter.

"(2) Report to division of the court and Congress.—If an independent counsel is removed from office, the Attorney General shall promptly submit to the division of the court and the Committees on the Judiciary of the Senate and the House of Representatives a report specifying the facts found and the ultimate grounds for such removal. The committees shall make available to the public such report, except that each committee may, if necessary to protect the rights of any individual named in the report or to prevent undue interference with any pending prosecution, postpone or refrain from publishing any or all of the report. The division of the court may release any or all of such report in the same manner as a final report released under section 594(i)(2) and under the same limitations as apply to the release of a final report under that section.

"(3) Judicial review of removal.—An independent counsel removed from office may obtain judicial review of the removal in a civil action commenced before the division of the court and, if such removal was based on error of law or fact, may obtain reinstatement or other appropriate relief.

"(b) Termination of Office.—

"(1) Termination by action of independent counsel.—An office of independent counsel shall terminate when—

"(A) the independent counsel notifies the Attorney General that the investigation of all matters within the prosecutorial jurisdiction of such independent counsel or accepted by such independent counsel under section 594(e), and any resulting prosecutions, have been completed or so substantially completed that it would be appropriate for the Department of Justice to complete such investigations and prosecutions, and

"(B) the independent counsel files a final report in compliance with section 594(i)(1)(C).

"(2) Termination by division of the court.—The division of the court, either on its own motion or upon the request of the

Attorney General, may terminate an office of independent counsel at any time, on the ground that the investigation of all matters within the prosecutorial jurisdiction of the independent counsel or accepted by such independent counsel under section 594(e), and any resulting prosecutions, have been completed or so substantially completed that it would be appropriate for the Department of Justice to complete such investigations and prosecutions. At the time of such termination, the independent counsel shall file the final report required by section 594(i)(1)(C).

"§ 597. Relationship with Department of Justice

"(a) Suspension of Other Investigations and Proceedings; Resolution of Disputes.—Whenever a matter is in the prosecutorial jurisdiction of an independent counsel or has been accepted by an independent counsel under section 594(e), the Department of Justice, the Attorney General, and all other officers and employees of the Department of Justice shall suspend all investigations and proceedings regarding such matter, except to the extent required by section 594(d), and except insofar as such independent counsel agrees in writing that such investigation or proceedings may be continued by the Department of Justice. The division of the court shall resolve any dispute regarding the jurisdiction of the independent counsel or whether investigations or proceedings referred to in the first sentence of this subsection should be suspended. Any documents or other information in the custody of the division of the court with respect to such dispute shall be subject to the limitations on disclosure set forth in section 593(i).

"(b) Presentation as Amicus Curiae Permitted.—Nothing in this chapter shall prevent the Attorney General or the Solicitor General from making a presentation as amicus curiae to any court as to issues of law raised by any case or proceeding in which an independent counsel participates in an official capacity or any appeal of such a case or proceeding.

"§ 598. Separability

"If any provision of this chapter or the application thereof to any person or circumstance is held invalid, the remainder of the chapter and the application of such provision to other persons not similarly situated or to other circumstances shall not be affected thereby.".

SEC. 3. TECHNICAL AMENDMENTS.

(a) Title 28, United States Code.—

(1) Table of contents.—The table of chapters at the beginning of part II of title 28, United States Code, is amended by striking out

"39. Independent Counsel"

and inserting in lieu thereof

"40. Independent Counsel".

(2) Redesignation.—Section 49(f) of title 28, United States Code, is amended—

(A) by striking out "39" each place it appears and inserting in lieu thereof "40"; and

(B) by striking out "a independent" and inserting in lieu thereof "an independent".

(b) Comprehensive Crime Control Act of 1984.—Section 228(b) of the Comprehensive Crime Control Act of 1984 is amended by inserting "each place it appears" after " 'petty offense' ".

(c) Status of Independent Counsel as a Special Government Employee.—

(1) Amendment to title 18.—The first sentence of section 202(a) of title 18, United States Code, is amended by—

(A) striking out "or" after "United States Commissioner,"; and

(B) striking out the period at the end of the sentence and inserting in lieu thereof the following: ", or, regardless of the number of days of appointment, an independent counsel appointed under chapter 40 of title 28, together with any persons appointed by that independent counsel under section 594(c) of title 28.".

(2) Financial disclosure requirements.—Section 203(b) of the Ethics in Government Act of 1978 is amended by striking out "and the Vice President" and inserting in lieu thereof ", the Vice President, and independent counsels and other persons appointed under chapter 40 of title 28".

(d) Clerk of the Division of the Court.—Section 49(a) of title 28, United States Code, is amended by adding at the end thereof the following: "The clerk of the United States Court of Appeals for the District of Columbia shall serve as the clerk of such division of the court and shall provide such services as are needed by such division of the court."

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act take effect on the date of the enactment of this Act.

INDEPENDENT COUNSEL REAUTHORIZATION ACT OF 1987

Section 1. Short Title.

This section states the title of the bill.

Sec. 2. Amendments.

This section replaces the current text of the independent counsel statute with the following provisions.

Sec. 591. Applicability.

Section 591 establishes when the statute is triggered, who is covered, and the circumstances requiring the recusal of the Attorney General.

Triggering the Statute. Subsection (a) is the same as current law to the extent that it establishes the primary trigger for the Act to be the moment when the Attorney General receives information about a covered official.

Subsection (a)(1) makes one substantive change in the existing statute. The current law directs the Attorney General to proceed under the statute upon receiving information that a person "has committed" a violation of federal criminal law. Subsection (a)(1) clarifies that, at this early stage in the process, it is difficult to make that judgment and accordingly directs the Attorney General to proceed if the information indicates that a person "may have violated" a federal criminal law.

The next two subsections of the bill have been modified to deal with a new, disturbing practice of the Department of Justice in which the Department conducts a "threshold inquiry" to determine whether information received under the Act is sufficient to trigger a preliminary investigation. These inquiries have sometimes lasted months, involved elaborate legal and factual analyses, and led to the termination of proceedings under the Act.

Subsection (a)(2) states that, in deciding whether to conduct a preliminary investigation under the statute, "the Attorney General shall consider only—(A) the specificity of the information received, and (B) the credibility of the source of the information." This subsection adds the word "only" to the current standard for deciding whether to conduct a preliminary investigation in order to emphasize Congress' original intent that the decision rest on these two factors alone.

Further, subsection (a)(3) creates a new reporting requirement which attaches if and only if a "threshold inquiry" lasts more than 30 days. It states that if the Attorney General fails to decide whether to initiate a preliminary investigation within 30 days of receiving the information *and* later decides not to proceed under the Act, the Attorney General must file an explanatory report with the court.

Under this new provision, frivolous allegations may still be dismissed by the Attorney General with few formalities. Cases whose allegations are examined for more than 30 days, however, may be closed by the Department of Justice only with an explanatory report to the court. The new reporting requirement attaches only to cases where no preliminary investigation takes place to ensure that the Attorney General files only one explanatory report per case—after either a preliminary investigation or a "threshold inquiry" lasting more than 30 days.

Coverage. Subsection (b) describes the persons covered by the Act. It is the same as current law, except for three changes. In subparagraph (6), the overall cap on the time that covered persons are subject to the Act is increased from two years to five. This change is designed to ensure that persons like Michael Deaver and Franklyn Nofziger, who continue to have close ties to an Administration for a number of years after leaving office, are subject to the independent counsel process.

Second, the bill clarifies language in subparagraph (8) which describes which campaign officials are covered by the Act. Finally, in subparagraph (9) authorizing independent counsel investigations of any person whose investigation by the Department of Justice might result in a conflict of interest, the bill deletes the word "political" as confusing and overinclusive.

Recusal. Subsection (c) is a new provision governing the recusal of the Attorney General from cases under the Act. It requires the Attorney General to consider recusal in every independent counsel case. It states that recusal is required whenever information received under the Act involves a high-level official in the Department of Justice or "a person with whom the Attorney General has a current or recent personal or financial relationship." This standard is designed to prevent the Attorney General from handling cases in which, for example, he or she particiapted in the underlying facts or had the type of relationship with a person in the case which creates an appearance of or an actual conflict of interest.

Subsection (c) requires the recusal decision to be in writing and to specify the facts and reasons that were considered in reaching the decision. The writing requirement applies whether the Attorney General ultimately decides in favor or against recusal. Its purpose is to enable other persons to better understand the standards and reasoning used by the Attorneys General in reaching a recusal decision.

The recusal decision must be made prior to the Attorney General's making any other determination required by the Act, including such determination as the need for a preliminary investigation or the need for an independent counsel. In the event of a recusal, the provision requires the Attorney General to appoint the U.S. Attorney for the District of Columbia to perform the statutory duties or, if the U.S. Attorney is disqualified due to a conflict of interest, another appropriate DOJ official.

Sec. 592. Preliminary Investigation and Requesting an Independent Counsel.

Section 592 governs preliminary investigations and the decision to request an independent counsel. In these stages of the independent counsel process, the Attorney General and the Department of Justice play the most prominent role.

Preliminary Investigations. Subsection (a) provides the general rules for preliminary investigations. Subsection (a)(1) closely parallels current law, but clarifies the requirement that the preliminary investigation not exceed 90 days from the date the triggering information was first received under the Act.

Subsection (a)(2) authorizes Congress to ask the Attorney General to request an independent counsel. It is the same as current law, except that it clarifies that Congress may request the initiation of a preliminary investigation as well as the appointment of an independent counsel.

Subsection (a)(3) prohibits the Attorney General, when conducting preliminary investigations, from using grand juries, plea bargaining, grants of immunity or subpoenas. It is the same as current law, but also adds a new provision stating that the Attorney "shall not, in whole or in part, base a decision not to conduct a preliminary investigation or not to apply for the appointment of an independent counsel" upon a determination that the target of the investigation "lacked the state of mind required for the violation of criminal law involved."

This new provision is the result of cases such as one involving former Deputy Attorney General Edward Schmults where the Attorney General declined to request an independent counsel because he determined Mr. Schmults lacked the necessary criminal intent. Criminal intent is difficult to assess and often requires subjective judgments. It is not the type of factual question that the Attorney General should be resolving in light of the Attorney General's limited role in the independent counsel process and lack of access to grand juries, subpoenas and other investigative tools.

Subsection (a)(4) permits one 60-day extension of the time available to complete a preliminary investigation. It is the same as current law.

Declining To Request An Independent Counsel. Subsection (b) covers the situation in which, after conducting a preliminary investigation, the Attorney General declines to request the appointment of an independent counsel. The subsection uses the same standard as current law, except that it emphasizes, at this point in the independent counsel process, that the decision not to proceed under the Act must rest on a judgment about the need for further "investigation" rather than on the ultimate prospects for conviction.

Requesting an Independent Counsel. Subsection (c) covers the situation in which the Attorney General requests the appointment of an independent counsel. It uses the same standards as current law. However, subsection (c)(1) also strengthens the existing statute by clarifying and tightening some of the provisions applicable to the Attorney General.

For example, current law directs the Attorney General, when deciding whether to request an independent counsel, to consider Department policies on the "enforcement of criminal laws." Hearings held by the Subcommittee on Oversight of Government Management indicate that the Attorney General has relied on this provision to justify replacing the statutory standard for requesting an independent counsel—which asks whether there are "reasonable grounds to believe further investigation or prosecution is warranted"—with a Departmental policy related to indictments—which asks whether there is a "reasonable prospect of conviction." Subsection (c)(1) stops this misuse of the statute by stating that, in deciding whether to request an independent counsel to continue the investigation of a matter, the Attorney General shall consider only those policies which "pertain to the conduct of criminal investigations."

The remainder of the section which deals with the receipt of additional information about a case, describes how to apply for an independent counsel, and prohibits judicial review of a decision to seek an independent counsel, is substantially the same as current law.

Sec. 593. The Special Court.

Section 593 establishes the duties of the independent counsel division of the U.S. Court of Appeals for the District of Columbia (also called the "special court"). It is essentially the same as current law except for the following provisions.

Remand Authority. A new subsection (e) states that, when the special court receives notice from the Attorney General declining to appoint an independent counsel in a particular case or declining to investigate matters which a sitting independent counsel has asked to be investigated, the court may not change this decision in any way, but may remand the matter to the Attorney General for further explanation of the reasons for the decision. This new remand provision will increase the accountability of the Attorney General for decisions not to proceed under the Act.

Jurisdictional Scope. A new subsection (c) clarifies the scope of an independent counsel's prosecutorial jurisdiction by providing that it automatically includes the authority to investigate and prosecute federal crimes arising out of the investigation or prosecution itself such as perjury, obstruction of justice, destruction of evidence and intimidation of witnesses. This provision codifies current practice.

Qualifications. Subsection (f) describes the qualifications for an independent counsel. It contains one new provision directing the special court to appoint individuals who will conduct their activities in "a prompt, responsible, and cost-effective manner." This provision is designed to encourage the selection of persons who will not only perform thorough investigations, but also act with reasonable regard for the expense of litigation and the taxpayers' purse.

Attorney Fees. Subsection (h) contains two new provisions related to the special court's authority to award attorney fees to targets of independent counsel investigations. The first places a cap on the hourly rate that can be awarded to a target's attorney, stating it cannot exceed the hourly rate paid to the independent counsel in the case. The second authorizes the court to obtain from the Department of Justice an evaluation of any attorney fee request.

Disclosure of Court Filings. The next two subsections consolidate and clarify the statutory provisions governing disclosure of court filings. Subsection (i), which maintains current law, prohibits the release of court filings without the special court's express permission. New provisions make it clear, however, that any person may file a motion with the court to see these materials, and that special consideration should be given to document requests from Congressional committees with responsibilities to oversee the independent counsel process.

Subsection (j), also new, authorizes the special court, "when presented with important legal issues," to disclose information about these issues so that interested parties may contribute to the analysis of them through amicus curiae briefs. This provision is designed to cure a problem which arose, for example, when the special court was presented with an independent counsel's request for expanded jurisdiction in *In re Olson* to investigate persons whom the Attorney General had already twice refused to subject to an independent counsel investigation.

This motion presented crucial issues of first impression, with constitutional implications for the entire Act, but because the court did not reveal any information about it until after ruling on the request, interested observers were unable to address the issues in any way. Subsection (j) is intended to correct this situation by authorizing the court, when faced with important legal issues, to reveal sufficient information about them to permit the public to participate in the legal debate.

Sec. 594. Independent Counsel.

Section 594 establishes the authority and duties of an independent counsel.

Most of the subsections are the same as current law, including those describing the authority of an independent counsel, compensation for the office, availability of staff, the duty of the Department of Justice to assist independent counsel investigations, the right of the Department to refer related matters to an independent counsel, the independent counsel's right to dismiss matters, and the independent counsel's duty to report to Congress on matters related to impeachment. There are also some new provisions.

Requests for Expanded Jurisdiction. Under the existing statute, if an independent counsel receives or uncovers information about criminal conduct which is outside but "related to" his or her prosecutorial jurisdiction, the independent counsel may ask either the Attorney General or the special court for expanded authority to investigate the new matter. Case law significantly restricts this provision, however, in a 1987 ruling in *In re Olson*, where the independent counsel had requested expanded jurisdiction to investigate persons whom the Attorney General had twice refused to subject to an independent counsel investigation. The special court ruled in that case that its authority to grant a request for expanded jurisdiction does not extend to cases where the Attorney General has previously denied the same request.

In light of this recent ruling by the special court, the bill deletes the authority of the special court to grant, on its own, a request for expanded jurisdiction and instead directs independent counsels to present requests for expanded jurisdiction first to the Attorney General. The bill then requires the Attorney General to conduct a preliminary investigation of the new matter for no longer than 30 days. After this investigation, the Attorney General must decide whether to grant the request for expanded jurisdiction and refer the matter to the existing independent counsel, to request the appointment of a new independent counsel, or to close the matter because "there are no reasonable grounds to believe that further investigation is warranted." In making this decision, the legislation requires the Attorney General to accord "great weight" to any recommendations from the sitting independent counsel.

This statutory scheme means that only the Attorney General can authorize an independent counsel to investigate new matters. By lodging this final decisionmaking authority with the Attorney General, but also requiring the Attorney General to give "great weight" to the recommendations of the sitting independent counsel, the bill establishes a process by which a request for expanded jurisdiction is handled not only within the constraints of the Constitution, but also with the independent counsel's being assured of a meaningful role in the decision.

Referrals of Ethical Violations. Another new provision is subsection (h). It permits an independent counsel to refer noncriminal violations of federal ethical standards to the Office of Government Ethics and any other appropriate federal agency or officer. This provision is included, because at least one independent counsel has indicated that, under current law, independent counsels lack the authority to make such referrals.

Reports. Subsection (i) is a modified provision which increases the accountability of independent counsels by expanding their reporting obligations. Under current law, independent counsel are required to file a final report before terminating office. The new provision requires an independent counsel to file an "initial report" within 30 days of appointment and a "status report" every 60 days thereafter, as well as the "final report" required under current law. These reports are filed with the special court, which controls their release. This provision is designed to enable Congress to keep better track of the independent counsels' activities and costs.

Materials from Closed Cases. Another new provision is subsection (k). It is a needed housekeeping measure governing what happens to materials compiled by independent counsels. It instructs each independent counsel to segregate grand jury materials from other materials and, upon terminating office, to turn over all materials to the National Archivist.

The National Archivist may then release grand jury materials from a closed independent counsel case only after receiving a request, notifying the special court, and complying with Rule 6(e) of the Federal Rules of Criminal Procedure. The National Archivist may release non-grand jury materials only after receiving a request, notifying the special court, and determining that the person making the request has demonstrated that the materials are "relevant and necessary" to conduct a prosecution. The purpose of these provisions is to ensure that materials from closed independent counsel cases are not generally available to the public, but may be used in subsequent prosecutions.

Standards for Conduct. Finally, a new subsection (1) resolves an ongoing controversy as to the standards of conduct applicable to independent counsels and their staffs. Subparagraph (1) states that each independent counsel, together with the persons he or she appoints as staff, forms an agency distinct from the Department of Justice for purposes of applying earnings and post-employment restrictions on federal employees. A later section of the bill clarifies their status as "special government employees."

Subparagraph (2) prohibits an independent counsel from simultaneously representing another person subject to proceedings under this Act or from simultaneously holding any other office with the United States. This provision prevents even an appearance of impropriety or of overly-familiar associations with the Department of Justice and other executive agencies. Similarly, subparagraph (3) imposes a five-year ban on an independent counsel or staff's later representing a person who was a target of their proceedings under this Act.

SEC. 595. Congressional Oversight.

Section 595 governs Congressional oversight of the independent counsel process.

The only new provision here, in subsection (b), increases Congressional oversight of the Attorney General's conduct in the independent counsel process. It states that, in the early stages of the independent counsel process, the Attorney General must supply Congress with certain basic information about cases which have become known to the public, such as whether proceedings are taking place under the Act and whether a decision has been reached not to initiate a preliminary investigation in a particular matter. The subsection also requires the Department of Justice to disclose documents from closed independent counsel cases. These provisions will enable Congressional committees with oversight responsibilities to keep better track of actions taken by the Attorney General to implement this Act.

SEC. 596. Removal or Termination of Office.

Section 596 governs actions taken to remove an independent counsel from office or to otherwise terminate the office. It is the same as current law, except for one new provision which states explicitly that "removal for good cause shall not justify a removal based on the refusal of an independent counsel to obey an order of the President if that order would violate the purposes of this chapter."

The bill adds this statement to the Act because of testimony by the Department of Justice before the Subcommittee on Oversight of Government Management that an independent counsel's failure to obey any lawful Presidential order would constitute "good cause" for removal. This position is clearly overbroad. For example, an independent counsel who disobeyed a Presidential order to grant prosecutorial immunity to a major target in an investigation should not, for that reason, be subject to removal. To the contrary, the independent counsel would be acting with the very independence of judgment that this Act seeks to ensure. For this reason, the bill makes it clear that Presidential orders which go to the heart of this statute and seek to compromise the independence of the proceedings under this Act, can be disobeyed by an independent counsel without fear of removal.

SEC. 597. Department of Justice.

Section 597 describes the relationship between the Department of Justice and the independent counsels. It is the same as current law.

SEC. 598. Separability.

This new section makes explicit the common law rule that, in the event a court finds any portion of the statute invalid, the remainder of the statute stays in effect.

SEC. 3. Technical Amendments.

This section of the bill changes the appropriate chapter tables and headings in the United States Code; coordinates certain provisions of the statute with the Comprehensive Crime Control Act of 1984; clarifies the status of independent counsel and their staffs as "special government employees"; and clarifies the status and duties of the clerk of the special court.

SEC. 4. Effective Date.

This section states that the effective date of the statute will be the date of its enactment.●

● Mr. COHEN. Mr. President, I am pleased to join my colleague, Senator LEVIN, in introducing legislation to provide a permanent authorization for the independent counsel provisions of the Ethics in Government Act of 1978, and to correct problems of the current law. This bill includes provisions of S. 753, which I introduced earlier this year, as well as several amendments developed from recent oversight hearings held by the Subcommittee on Oversight of Government Management on this law.

Unless reauthorized, the independent counsel provisions of the Ethics Act will expire in January of next year. As my colleagues know, the independent counsel process was established by the Congress in 1978—and reauthorized in 1982—as necessary to ensure that investigations and prosecutions of top-level executive branch officials are conducted fully and fairly. By providing for a judicially appointed independent counsel to handle such cases in limited circumstances, the process established by the Ethics Act helps assure the public that criminal wrongdoing by top-level Government officials will not be buried or tolerated, and that top-level officials will not be treated as if they are above the law.

I firmly believe that the independent counsel process should not be viewed as an affront to the integrity of any one Department of Justice or administration. Conflict of interest problems are not unique to any one administration or political party. Scandals involving high-ranking Government officials date far back into our Nation's history and transcend party lines. An institutional mechanism, such as the independent counsel law, will always be necessary to guard against inherent conflicts of interest that occur whenever the executive branch is called upon to investigate itself. Not only does such a statutory process enhance public confidence in the handling of prosecutions involving officials, but it also helps the officials themselves who have been cleared by such a process, by removing the suspicion that the official was "let off easy" by his or her own administration.

Because these conflict-of-interest problems will always be with us, the bill we are introducing today removes the sunset date now imposed on the independent counsel law.

This legislation also corrects flaws in the law that have come to light since its last reauthorization. In 1982, the Subcommittee on Oversight of Government Management, which I then chaired, conducted an extensive investigation and held several hearings on how well the independent counsel process was working. At that time, we were faced with the problems that the law triggered too easily, that the coverage of officials by the law was too extensive, and that the law at times treated public officials unfairly. Legislation proposed by the subcommittee in 1982 and signed into law corrected those deficiencies in the law.

Now, 5 years later, we are faced with a different set of problems. Hearings held by the Oversight Subcommittee this past March revealed disturbing evidence that the Department of Justice has interpreted the standards established by the law too broadly, and has conducted extensive inquiries before triggering the law even when the statutory standard has been met. Such extended inquiries outside the scope of the law can undermine the entire independent counsel process itself, by allowing the Attorney General to exercise too much discretion in deciding when the law must be used and by removing accountability of the Attorney General's actions. The hearings also revealed that the Attorney General has participated in cases, arising under the independent counsel law, in which he has a personal or financial interest, raising questions over whether the decisions in these cases are tainted by conflicts of interest. Other problem areas exist in the statute, such as ambiguity over the extent to which the court can expand the jurisdiction of an existing independent counsel to investigate other matters or persons, the grounds on which an independent counsel can be removed for good cause, and the appropriate standards of conduct that govern an independent counsel who has been named by the court to investigate an official under the act.

The legislation we are introducing today would go far in correcting these problems. Like S. 753, this bill would amend the threshold triggering a preliminary investigation to require the Attorney General to conduct an investigation if he or she receives information that an official covered by the act may have violated a Federal criminal law. The bill would also prohibit the Attorney General from basing his decision not to conduct a preliminary investigation or to seek appointment of an independent counsel on the grounds that the subject of the investigation lacked the necessary criminal intent to violate a law, as determinations of intent should properly be resolved by an independent counsel. The bill would also require the Attorney General to report to the court, in limited circumstances, when he or she has decided not to conduct a preliminary investigation, thus guarding against abuse of discretion by the Attorney General.

This legislation would also establish a mechanism to handle requests by the independent counsel for expanded jurisdiction in a means that would be consistent with the constitutional principle of separation of powers. The bill specifies that whenever the independent counsel, during the course of his or her ongoing probe, receives information that an additional person or matter not covered in his or her original jurisdiction involves a violation of criminal law, he or she must submit this information to the Attorney General as specific and credible information that requires investigation under the act. The Attorney General would then conduct an expedited preliminary investigation, as prescribed by the law, and report to the court on whether an independent counsel is required for this new allegation. If an independent counsel is recommended by the Attorney General, the court must refer the matter to the independent counsel. If not, the court would have no authority to refer the matter. Checks on abuses by the Attorney General would exist through the fact that these filings can be revealed to the public or the Congress by the court. I believe that this approach, which was also contained in my earlier bill, S. 753, will ensure accountability of the Attorney General's decision not to honor the request of an independent counsel, while remaining within constitutional limitations.

This legislation also includes provisions to address the need for recusal of the Attorney General in cases in which he has a personal or financial interest, the ethical standards that govern the independent counsel, and the need for adequate oversight of the independent counsel process by the courts and the Congress.

Mr. President, amending this law is a delicate process requiring the Congress to strike the appropriate balance between the needs of public confidence in government and the fair treatment of individuals who are subject to the law. In striking this balance, we must also ensure that we remain soundly within the constitutional mandate of separation of powers. The bill we are offering today balances all of these concerns fairly and reasonably.

Now, more than ever, at a time when there are six ongoing independent counsel investigations and the law has come under attack by subjects of some of these investigations on constitutional grounds, it is crucial that the Congress reaffirm its commitment to the independent counsel process.

I want to commend the able chairman of the Subcommittee on Oversight of Government Management, Senator LEVIN, for his valuable efforts in amending this law, which is so important to ensuring public confidence of our citizens in the integrity of government.●

By Mr. MATSUNAGA (for himself, Mr. WEICKER, Mr. INOUYE, Mr. MURKOWSKI, Mr. BINGAMAN, and Mr. HECHT):

S. 1294. A bill to promote the development of technologies which will enable fuel cells to use alternative fuel sources; to the Committee on Energy and Natural Resources.

By Mr. MATSUNAGA (for himself, Mr. WEICKER, Mr. INOUYE, Mr. MURKOWSKI, and Mr. BINGAMAN):

S. 1295. A bill to develop a national policy for the utilization of fuel cell technology; to the Committee on Energy and Natural Resources.

Mr. MATSUNAGA. Mr. President, a new and quite promising energy technology—the fuel cell—is rapidly approaching the point of commercialization. With a little legislative assistance from bills which I am introducing today that point can be drawn even closer.

Much effort has been expended in its research and development on the part of both government and industry. The Federal R&D stake has grown to $335 million during the past 12 years, according to the Congressional Research Service, and the investment of gas utilities has been another $100 million; electric utilities and manufacturers have also contributed to its development. A commercial payoff now is at hand as soon as production costs come down.

The senior Senator from Connecticut, Mr. WEICKER, and I are again introducing two bills to facilitate this most promising technology, as we did in the 99th Congress. We are being joined as cosponsors by Senators MURKOWSKI, INOUYE, and BINGAMAN, and on one of the measures by the Senator from Nevada, Mr. HECHT.

Our first bill is a modest measure designed to support research for the "second generation" of fuel cells which are expected to employ renewable energy sources in order to produce hydrogen for use in the operation of fuel cells. Currently natural gas is the fuel of choice for these energy cells where it is available, but the technology has many advantages for remote locations lacking access to this fuel source. Also, renewable energy production applications will be necessary in the future when natural gas may become too expensive for use in this application.

Our second bill, "The Fuel Cell Energy Utilization Act," is aimed at expediting the technology's commercialization by assessing its export potential in order to encourage production runs whereby economies of scale can bring down its unit price. First cost hurdles may be more easily overcome in overseas countries where competing energy technologies are less available. Therefore, this legislation requires the Commerce Department's International Trade Administration to assess the technology's overseas market under the provisions of the 1983 Wyden Act in support of a domestic renewable energy industry. It also instructs the Environmental Protection Agency to issue suggested guidelines for use by municipalities concerning the accommodation of this technology in their fire codes. New York City and Tokyo, Japan, are two municipalities with experience in the operation of fuel cells for electric power which can be drawn upon in formulating such guidelines.

The fuel cell, an electrochemical device first constructed by Sir William Grove in 1839, had its initial practical application in the Gemini V flight of August 1965, where it proved to be an efficient, reliable power generator with very high energy density. It operates by combining hydrogen-rich gas with air and converting the chemical energy of this mixture into electricity directly without any intermediate combustion step. Hence its high efficiency. Taking in air, and a liquid or gaseous hydrocarbon fuel, it turns out direct current at high conversion efficiency rates, 40 to 60 percent, plus a low amount of waste heat and water with carbon dioxide. Heat generated is sufficient to permit cogeneration space heating, for an overall efficiency rate as high as 80 percent.

In fact, in a field test of a 40 kilowatt phosphoric acid cell conducted by Southern California Gas Co., at an indoor recreation facility in Fountain Valley, CA, a 100-percent efficiency rating was achieved employing cogenerated thermal energy for heating a pool in addition to providing hot water for its laundry and showers. A typical cell produces high direct current in a low voltage. Practical voltages are obtained by connecting many individual cells into what is referred to as a cell stack.

Besides their high efficiencies, fuel cells offer to public utilities a number of logistical advantages springing from their modular construction. They may also be utilized in decentralized power systems, including hybrid applications with renewable systems. "The Renewable Energy/Fuel Cell Systems Integration Act of 1987," in addition to supporting research on renewable energy sources for the production of hydrogen for use in fuel cells, would support research on the operation of fuel cells which use methane gas, generated from various forms of biomass. It would also support research on determining the technical requirements for use of fuel cells in electric power production as backup spinning reserve to renewable power systems in rural and isolated areas. This could be a boon to wind power generation in terms of assuring production continuity.

Hearings were held on "the Fuel Cell Energy Utilization Act," which the senior Senator from Connecticut, Mr. WEICKER and I introduced in the 99th Congress, and it was reported out favorably by the Energy and Natural Resources Committee. It was awaiting floor action on the calendar at the time of adjournment.

Mr. President, it is time to capitalize on fuel cell energy technology as called for in these two measures and I ask for the support of my colleagues in securing their passage. I ask unanimous consent that the test of the two bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1294

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Renewable Energy/Fuel Cell Systems Integration Act of 1987".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that while the Federal Government has invested heavily in fuel cell technology over the past 10 years ($334,700,000 in research and development on fuel cells for electric power production), research on technologies that enable fuel cells to use alternative fuel sources needs to be undertaken in order to fulfill the conservation promise of fuel cells as an energy source.

(b) PURPOSE.—The purpose of this Act is to provide funds for research on technologies that will enable fuel cells to use alternative fuel sources.

SEC. 3. RESEARCH PROGRAM.

(a) PROGRAM AUTHORIZATION.—The Secretary of Energy shall implement and carry out a research program for the purpose of—

(1) exploring the operation of fuel cells employing methane gas generated from various forms of biomass;

(2) developing technologies to use renewable energy sources, including wind and solar energy, to produce hydrogen for use in fuel cells; and

(3) determining the technical requirements for employing fuel cells for electric power production as backup spinning reserve components to renewable power systems in rural and isolated areas.

(b) GRANTS.—In carrying out the research program authorized in subsection (a), the Secretary of Energy may make grants to, or enter into contracts with, private research laboratories.

SEC. 4. REPORT TO CONGRESS.

The Secretary of Energy shall transmit to the Congress on or before September 30, 1989, a comprehensive report on research carried out pursuant to this Act.

SEC. 5. AUTHORIZATION.

There are hereby authorized to be appropriated $5,000,000 for fiscal year 1988 to the Secretary of Energy to be used to conduct research as provided in this Act.

S. 1295

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fuel Cells Energy Utilization Act of 1987".

SEC. 2. FINDINGS.

The Congress finds that—

(1) while the Federal Government has invested substantially in fuel cell technology through research and development during the past 10 years, there is no national policy for acting upon the findings of this research and development; and

(2) if such a national policy were developed, the public investment in fuel cell technology would be realized through reduced dependency on imported oil for energy and the consequent improvement in the international trade accounts of the United States.

SEC. 3. INCLUSION OF FUEL CELLS AS A FUEL CONSERVATION TECHNOLOGY UNDER REIDA.

Section 256 of the Energy Policy and Conservation Act is amended by inserting at the end thereof the following:

"(e) For purposes of this section, the term 'domestic renewable energy industry' shall include industries using fuel cell technology.".

SEC. 4. ENVIRONMENTAL PROTECTION AGENCY GUIDELINES FOR USE OF FUEL CELL TECHNOLOGIES.

Within 180 days of the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall prepare Federal guidelines for cities and municipalities specifying environmental and safety standards for the use of fuel cell technology. In the preparation of the guidelines, the Administrator shall utilize the successful experience of the New York City Fire Department in the use of fuel cell technologies.

SEC. 5. DEPARTMENT OF COMMERCE INVESTIGATION OF EXPORT MARKET POTENTIAL FOR INTEGRATED FUEL CELL SYSTEMS.

Within 180 days of the date of enactment of this Act, the Secretary of Commerce shall assess and report to Congress concerning the export market potential for integrated systems of fuel cells with renewable power technologies.

Mr. WEICKER. Mr. President, I rise today to join my colleague, Senator MATSUNAGA of Hawaii, to introduce bills which will support the continued research and development of the fuel cell. Fuel cell technology holds the future as a means of generating electricity from chemical energy at very high efficiencies and with very little environmental impact. Fuel cells can be designed for many applications and levels of power production. Further, fuel cells represents a sophisticated technology that may soon be a significant export items for the United States.

Briefly, the first bill, the Renewable Energy Fuel Cell Systems Integration Act of 1987 supports research on how to use renewable energy sources, including wind and solar, to produce the hydrogen for use in fuel cells. The bill also supports research on the operation of fuel cells which use methane gas generated from biomass and in use as a backup system to other power sources such as solar or wind technologies—$5 million is authorized, in this bill, for the research effort.

The second bill, the Fuel Cells Energy Utilization Act of 1987, would include fuel cells under the provisions of the Renewable Energy Industry Development Act as a fuel conservation technology, by itself or when used for cogeneration. This would allow the Department of Commerce to assess international markets for the technology, identify export barriers and focus Federal assistance for the promotion and export of fuel cells. Additionally, the Environmental Protection Agency will be required to prepare general guidelines for local governments to permit the use of fuel cells, subject to environment and safety standards. A bill identical to this one was favorably reported from the Energy Committee last year.

Mr. President, these bills are recommended by experts for the advancement of fuel cell technology. It is my belief that we must promote emerging technologies in order to conserve energy supplies, decrease our dependence upon foreign oil stocks, and promote the establishment of a long-term energy stability in our country's economy. I feel these bills will assist the United States in this effort.

I encourage my colleagues to consider and lend their support to these bills.

By Mr. MATSUNAGA (for himself, Mr. EVANS, and Mr. INOUYE):

S. 1296. A bill to establish a hydrogen research and development program; to the Committee on Energy and Natural Resources.

HYDROGEN RESEARCH AND DEVELOPMENT ACT

Mr. MATSUNAGA. Mr. President, we are advised as children "if at first, you don't succeed, try, try, try again." It is an admonition I have lived by throughout my congressional career and it has served me well. Fortunately, I have served long enough to have enjoyed on more than one occasion the legislative fruits which come to those who persist until a majority of their colleagues share their wisdom.

Moreover, I have made a convert from the other side of the aisle to this philosophy of perseverance: my good friend, the senior Senator from Washington, Mr. EVANS. This is my way of saying that he and I are introducing once again a bill to provide for a national hydrogen research and development program. We are joined in this Congress by my colleague, the senior Senator from Hawaii, Mr. INOUYE, as an original cosponsor. This is the third time Senator EVANS and I have both sponsored this needed legislation; in fact, it is the fourth time for me, although I am sure I would have gained his support the first time had he been in the Senate then. In this 100th Congress—with its focus on America's competitive standing in the global marketplace—the urgency of establishing a national effort to advance the use of hydrogen energy is more clearly evident than ever. This is because of the priority given to hydrogen R&D activity by such industrial nations as West Germany and Japan, as well as Canada, the Netherlands, and Brazil. Canada recently has forged ahead in this field by emphasizing hydrogen production from water by electrolysis, using electricity from nuclear powerplants. Yet hydrogen energy represents a technology that was pioneered in our own country.

Mr. President, I have said in this chamber before that this hydrogen legislation should draw support from all quarters: solar and renewable proponents, nuclear advocates, and those concerned with the interests of both coal and natural gas. Its appeal to solar people is apparent, since hydrogen is environmentally benign and contributes not one iota to the greenhouse effect on the atmosphere. The renewables represent the most promising sources for its production. Furthermore, hydrogen is the key to assuring continuity of supply for solar power by providing a ready storage medium, whether overnight or until the clouds scatter in the sky.

For nuclear proponents, hydrogen can be seen as a vehicle for hurdling the safety barrier. Because energy is cheap to transport long distances with hydrogen as a medium, and, after 300 to 400 miles, increasingly cheaper than to transmit through electric wires, nuclear reactors could be located at greater distances from populated areas—even mounted on seaborne rigs.

Injected into declining natural gas fields, hydrogen can serve as an enhancer stretching out the life of dwindling supplies.

If coal-based reactors were built at the seashore, they could reject carbon dioxide into the sea, instead of into the air, and transmit energy in the form of hydrogen from coal. This could give us perhaps another half century of coal availability, also without adding anything to the world greenhouse effect.

With all these advantages for so many different energy quarters, this legislation should gain widespread support from the farsighted of all camps. Indeed, hydrogen is hailed by environmental scientists as a clean energy solution to the problem of acid rain as well as to the greenhouse effect. In fact, a memorandum issued by the Clean Energy Research Institute of the University of Miami suggests that hydrogen fuel offers the key to resolving differences between the United States and Canada regarding the acid rain issue.

Canadian industry and government support for hydrogen R&D totaled nearly $15 million last year. In Japan the Ministry of International Trade & Industry is active in supporting hydrogen research as well as related development work in photovoltaics and fuel cells. West Germany has a 15-year program, which began in 1974 and runs through 1989, which has invested an annual average of nearly $2 million in hydrogen research. The Netherlands and Brazil also have mounted ambitious programs.

It is time for the United States to reassert its leadership role in the hydrogen field, Mr. President. The environmental benefits offered by hydrogen are compelling, and it is an energy source which represents the most abundant element on Earth. Its advantages for aviation and space fuel are gaining increasing recognition in industry and government. I have spoken at length on this floor concerning the various government reports regarding hydrogen energy applications. In the 99th Congress the Congressman from California, Mr. GEORGE BROWN, Jr., introduced a companion measure to this one in the House which held hearings and markup sessions. I am pleased to report that Congressman BROWN again is introducing a companion measure to this bill, as well as to my two cell initiatives bills because the technologies involved are so closely related.

Mr. President, in closing, I would urge my colleagues to share my vision of an international hydrogen economy, and join with me in supporting this legislation to assure that the country which pioneered this technology keeps pace in this field with its industrial neighbors. I ask unanimous consent that the full text of the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1296

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Hydrogen research and Development Act".

TITLE I—HYDROGEN PRODUCTION AND USE

FINDINGS AND PURPOSE

SEC. 101. (a) The Congress finds that—

(1) due to the limited quantities of naturally occurring petroleum-based fuels, viable alternative fuels and feedstocks must be developed;

(2) priority should be given to the development of alternative fuels with universal availability;

(3) hydrogen is one of the most abundant elements in the Universe, with water, a primary source of hydrogen, covering three-fourths of the Earth;

(4) hydrogen appears promising as an alternative to environmentally damaging fossil fuels;

(5) hydrogen can be transported more efficiently and at less cost than electricity over long distances;

(6) renewable energy resources are potential energy sources that can be used to convert hydrogen from its naturally occurring

states into high quality fuel, feedstock, and energy storage media; and

(7) it is in the national interest to accelerate efforts to develop a domestic capability to economically produce hydrogen in quantities which will make a significant contribution toward reducing the Nation's dependence on conventional fuels.

(b) The purpose of this title is to—

(1) direct the Secretary of Energy to prepare and implement a comprehensive 5-year plan and program to accelerate research and development activities leading to the realization of a domestic capability to produce, distribute, and use hydrogen economically within the shortest time practicable; and

(2) develop renewable energy resources as primary energy sources to be used in the production of hydrogen.

COMPREHENSIVE MANAGEMENT PLAN

SEC. 102. (a) the Secretary shall prepare a comprehensive 5-year program management plan for research and development activities which shall be conducted over a period of no less than 5 years and shall be consistent with the provisions of sections 103 and 104. In the preparation of such plan, the Secretary shall consult with the Administrator of the National Aeronautics and Space Administration, the Secretary of Transportation, the Hydrogen Technical Advisory Panel established under section 106, and the heads of such other Federal agencies and such public and private organizations as he deems appropriate. Such plan shall be structured to permit the realization of a domestic hydrogen production capability within the shortest time practicable.

(b) The Secretary shall transmit the comprehensive program management plan to the Committee on Science, Space and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate within 6 months after the date of the enactment of this Act. The plan shall include (but not necessarily be limited to)—

(1) the research and development priorities and goals to be achieved by the program;

(2) the program elements, management structure, and activities, including program responsibilities of individual agencies and individual institutional elements;

(3) the program strategies including technical milestones to be achieved toward specific goals during each fiscal year for all major activities and projects;

(4) the estimated costs of individual program items, including current as well as proposed funding levels for each of the 5 years of the plan for each of the participating agencies;

(5) a description of the methodology of coordination and technology transfer; and

(6) the proposed participation by industry and academia in the planning and implementation of the program.

(c) Concurrently with the submission of the President's annual budget to the Congress for each year after the year in which the comprehensive 5-year plan is initially transmitted under subsection (b), the Secretary shall transmit to the Congress a detailed description of the current comprehensive plan, setting forth appropriate modifications which may be necessary to revise the plan as well as comments on and recommendations for improvements in the comprehensive program management plan made by the Hydrogen Technical Advisory Panel established under section 106.

RESEARCH AND DEVELOPMENT

SEC. 103. (a) The Secretary shall establish, within the Department of Energy, a research and development program, consistent with the comprehensive 5-year program management plan under section 102, to ensure the development of a domestic hydrogen fuel production capability within the shortest time practicable.

(b)(1) The Secretary shall initiate research or accelerate existing research in areas which may contribute to the development of hydrogen production and use.

(2) Areas researched shall include production, liquefaction, transmission, distribution, storage, and use. Particular attention shall be given to developing an understanding and resolution of all potential problems of introducing hydrogen production and use into the marketplace.

(c) The Secretary shall give priority to those production techniques that use renewable energy resources as their primary energy source.

(d) The Secretary shall, for the purpose of performing his responsibilities pursuant to this title, solicit proposals for and evaluate any reasonable new or improved technology, a description of which is submitted to the Secretary in writing, which could lead or contribute to the development of hydrogen production technology.

(e) The Secretary shall conduct evaluations, arrange for tests and demonstrations, and disseminate to developers information, data, and materials necessary to support efforts undertaken pursuant to this section.

DEMONSTRATIONS AND PLAN

SEC. 104. (a)(1) The Secretary shall conduct demonstrations of hydrogen technology, preferably in self-contained locations, so that technical and nontechnical parameters can be evaluated to best determine commercial applicability of the technology.

(2) Concurrently with activities conducted pursuant to section 103, the Secretary shall conduct small-scale demonstrations of hydrogen technology at self-contained sites.

(b) The Secretary shall, in consultation with the Secretary of Transportation, the Administrator of the National Aeronautics and Space Administration, and the Hydrogen Technical Advisory Panel established under section 106, prepare a comprehensive large-scale hydrogen demonstration plan with respect to demonstrations carried out pursuant to subsection (a)(1). Such plan shall include—

(1) a description of the necessary research and development activities that must be completed before initiation of a large-scale hydrogen production demonstration program;

(2) an assessment of the appropriateness of a large-scale demonstration immediately upon completion of the necessary research and development activities; and

(3) an implementation schedule with associated budget and program management resource requirements.

COORDINATION AND CONSULTATION

SEC. 105. (a) The Secretary shall have overall management responsibility for carrying out the program under this title. In carrying out such program, the Secretary, consistent with such overall management responsibility—

(1) shall use the expertise of the National Aeronautics and Space Administration and the Department of Transportation; and

(2) may use the expertise of any other Federal agency in accordance with subsection (b) in carrying out any activities under this title, to the extent that the Secretary determines that any such agency has capabilities which would allow such agency to contribute to the purpose of this title.

(b) The Secretary may, in accordance with subsection (a), obtain the assistance of any department, agency, or instrumentality of the Executive branch of the Federal Government upon written request, on a reimbursable basis or otherwise and with the consent of such department, agency, or instrumentality. Each such request shall identify the assistance the Secretary deems necessary to carry out any duty under this title.

(c) The Secretary shall consult with the Administrator of the National Aeronautics and Space Administration, the Administrator of the Environmental Protection Agency, the Secretary of Transportation, and the Hydrogen Technical Advisory Panel established under section 106 in carrying out his authorities pursuant to this title.

TECHNICAL PANEL

SEC. 106. (a) There is hereby established a technical panel of the Energy Research Advisory Board, to be known as the Hydrogen Technical Advisory Panel, to advise the Secretary on the program under this title.

(b)(1) The technical panel shall be appointed by the Secretary and shall be comprised of such representatives from domestic industry, universities, professional societies, Government laboratories, financial, environmental, and other organizations as the Secretary, in consultation with the Chairman of the Energy Research Advisory Board, deems appropriate based on his assessment of the technical and other qualifications of such representatives. Appointments to the technical panel shall be made within 90 days after the enactment of this Act. The technical panel shall have a chairman, who shall be elected by the members from among their number.

(2) Members of the technical panel need not be members of the full Energy Research Advisory Board.

(c) The activities of the technical panel shall be in compliance with any laws and regulations guiding the activities of technical and fact-finding groups reporting to the Energy Research Advisory Board.

(d) The heads of the departments, agencies, and instrumentalities of the Executive branch of the Federal Government shall cooperate with the technical panel in carrying out the requirements of this section and shall furnish to the technical panel such information as the technical panel deems necessary to carry out this section.

(e) The technical panel shall review and make any necessary recommendations on the following items, among others—

(1) the implementation and conduct of the program under this title; and

(2) the economic, technological, and environmental consequences of the deployment of hydrogen production and use systems.

(f) The technical panel shall prepare and submit annually to the Energy Research Advisory Board a written report of its findings and recommendations with regard to the program under this title. The report shall include—

(1) a summary of the technical panel's activities for the preceding year;

(2) an assessment and evaluation of the status of the program; and

(3) comments on and recommendations for improvements in the comprehensive 5-year program management plan required under section 102.

(g) After consideration of the technical panel report and within 30 days after its receipt, the Energy Research Advisory Board shall submit the report, together with any comments which the Board deems appropriate, to the Secretary.

(h) The Secretary shall provide such staff, funds, and other support as may be necessary to enable the technical panel to carry out the functions described in this section.

DEFINITIONS

SEC. 107. As used in this title—

(1) the term "Secretary" means the Secretary of Energy; and

(2) the term "capability" means proven technical ability.

AUTHORIZATION OF APPROPRIATIONS

SEC. 108. There is hereby authorized to be appropriated to carry out the purpose of this title (in addition to any amounts made available for such purpose pursuant to other Acts)—

(1) $10,000,000 for the fiscal year beginning October 1, 1987;

(2) $15,000,000 for the fiscal year beginning October 1, 1988;

(3) $20,000,000 for the fiscal year beginning October 1, 1989;

(4) $25,000,000 for the fiscal year beginning October 1, 1990; and

(5) $30,000,000 for the fiscal year beginning October 1, 1991.

TITLE II—HYDROGEN-FUELED AIRCRAFT RESEARCH AND DEVELOPMENT

FINDINGS AND PURPOSE

SEC. 201. (a) The Congress finds that—

(1) long-term future decreases in petroleum-base fuel availability will seriously impair the operation of the world's air transport fleets;

(2) hydrogen appears to be an attractive alternative to petroleum in the long term to fuel commercial aircraft;

(3) it is therefore in the national interest to accelerate efforts to develop a domestic hydrogen-fueled supersonic and subsonic aircraft capability; and

(4) the use of liquid hydrogen as a commercial air transport fuel has sufficient long-term promise to justify a substantial research, development, and demonstration program.

(b) The purpose of this title is to—

(1) direct the Administrator of the National Aeronautics and Space Administration to prepare and implement a comprehensive 5-year plan and program for the conduct of research, development, and demonstration activities leading to the realization of a domestic hydrogen-fueled aircraft capability within the shortest time practicable;

(2) establish as a goal broad multinational participation in the program; and

(3) provide a basis for public, industry, and certifying agency acceptance of hydrogen-fueled aircraft as a mode of commercial air transport.

COMPREHENSIVE MANAGEMENT PLAN

SEC. 202. (a) the Administrator shall prepare a comprehensive 5-year program management plan for research, development, and demonstration activities consistent with the provisions of sections 203, 204, and 205. In the preparation of such plan, the Administrator shall consult with the Secretary of Energy, the Secretary of Transportation, and the heads of such other Federal agencies and such public and private organizations as he deems appropriate. Such plan shall be structured to permit the realization of a domestic hydrogen-fueled aircraft capability within the shortest time practicable.

(b) The Administrator shall transmit the comprehensive 5-year program management plan to the Committee on Science, Space, and Technology of the House of Representatives and the Committees on Commerce, Science, and Transportation and Energy and Natural Resources of the Senate within 6 months after the date of the enactment of this Act. The plan shall include (but not necessarily be limited to)—

(1) the research and development priorities and goals to be achieved by the program;

(2) the program elements, management structure, and activities, including program responsibilities of individual agencies and individual institutional elements;

(3) the program strategies including detailed technical milestones to be achieved toward specific goals during each fiscal year for all major activities and projects;

(4) the estimated costs of individual program items, including current as well as proposed funding levels for each of the 5 years of the plan for each of the participating agencies;

(5) a description of the methodology of coordination and technology transfer; and

(6) the proposed participation by industry and academia in the planning and implementation of the program.

(c) Concurrently with the submission of the President's annual budget to the Congress for each year after the year in which the comprehensive 5-year plan is initially transmitted under subsection (b), the Administrator shall transmit to the Congress a detailed description of the current comprehensive plan, setting forth appropriate modifications which may be necessary to revise the plan as well as comments on and recommendations for improvements in the comprehensive program management plan made by the Hydrogen-Fueled Aircraft Advisory Committee established under section 207.

RESEARCH AND DEVELOPMENT

SEC. 203. (a) The Administrator shall establish, within the National Aeronautics and Space Administration, a research and development program consistent with the comprehensive 5-year program management plan under section 202 to ensure the development of a domestic hydrogen-fueled aircraft capability within the shortest time practicable.

(b) The Administrator shall initiate research or accelerate existing research in areas which may contribute to the development of a hydrogen-fueled aircraft capability.

(c) In conducting the program pursuant to this section, the Administrator shall encourage the establishment of domestic industrial capabilities to supply hydrogen-fueled aircraft systems or subsystems to the commercial marketplace.

(d) The Administrator shall, for the purpose of performing his responsibilities pursuant to this Act, solicit proposals for and evaluate any reasonable new or improved technology, a description of which is submitted to the Administrator in writing, which could lead or contribute to the development of hydrogen-fueled aircraft technology.

(e) The Administrator shall conduct evaluations, arrange for tests and demonstrations and disseminate to developers information, data, and materials necessary to support efforts undertaken pursuant to this section.

FLIGHT DEMONSTRATION

SEC. 204. (a) Concurrent with the activities carried out pursuant to section 203, the Administrator shall, in consultation with the Secretary of Transportation, the Secretary of Energy, and the Hydrogen-Fueled Aircraft Advisory Committee established under section 207, prepare a comprehensive flight demonstration plan, the implementation of which shall provide confirmation of the technical feasibility, economic viability, and safety of liquid hydrogen as a fuel for commercial transport aircraft. The comprehensive flight plan shall include—

(1) a description of the necessary research and development activities that must be completed before initiation of a flight demonstration program;

(2) the selection of a domestic site where demonstration activities can lead to early commercialization of the concept;

(3) an assessment of a preliminary flight demonstration to occur concurrently with the later stages of research and development activities; and

(4) an implementation schedule with associated budget and program management resource requirements.

(b) The Administrator shall transmit such comprehensive flight demonstration plan to the Congress within 2 years after the date of the enactment of this Act.

HYDROGEN PRODUCTION AND GROUND FACILITIES

SEC. 205. (a) The Administrator, in consultation with the Secretary of Transportation and the Secretary of Energy, shall define the systems, subsystems, or components associated with the production, transportation, storage, and handling of liquid hydrogen that are specifically required for and unique to the use of such fuel for commercial aircraft application.

(b) The Administrator shall structure the research and development program pursuant to section 203 to allow the development of the systems, subsystems, or components defined pursuant to subsection (a) of this section.

(c) The research and development program for hydrogen production, transportation, and storage systems, subsystems, and components which are suitable for inclusion as part of a fully integrated hydrogen-fueled aircraft system, but which are not being specifically developed for such application shall be the responsibility of the Secretary of Energy. Such activities shall be included as part of the program established pursuant to title I of this Act, and shall be so conducted as to ensure compliance with hydrogen-fueled aircraft system constraints.

COORDINATION AND CONSULTATION

SEC. 206. (a) The Administrator shall have overall management responsibility for carrying out the program under this title. In carrying out such program, the Administrator, consistent with such overall management responsibility—

(1) shall utilize the expertise of the Departments of Transportation and Energy to the extent deemed appropriate by the Administrator, and

(2) may utilize the expertise of any other Federal agency in accordance with subsection (b) in carrying out any activities under this title, to the extent that the Administrator determines that any such agency has capabilities which would allow such agency to contribute to the purposes of this title.

(b) The Administrator may, in accordance with subsection (a), obtain the assistance of any department, agency, or instrumentality of the Executive branch of the Federal Government upon written request, on a reimbursable basis or otherwise and with the consent of such department, agency, or instrumentality. Each such request shall identify the assistance the Administrator deems necessary to carry out any duty under this title.

(c) The Administrator shall consult with the Secretary of Energy, the Administrator of the Environmental Protection Agency, the Secretary of Transportation, and the Hydrogen-Fueled Aircraft Advisory Committee established under section 207 in carrying out his authorities pursuant to this title.

ADVISORY COMMITTEE

Sec. 207. (a) there is hereby established a Hydrogen-Fueled Aircraft Advisory Committee, which shall advise the Administrator on the program under this title.

(b) The Committee shall be appointed by the Administrator and shall be comprised of at least 7 members from industrial, academic, financial, environmental, and legal organizations and such other entities as the Administrator deems appropriate. Appointments to the Committee shall be made within 90 days after the enactment of this Act. The Committee shall have a chairman, who shall be elected by the members from among their number.

(c) the heads of the departments, agencies, and instrumentalities of the Executive branch of the Federal Government shall cooperate with the Committee in carrying out the requirements of this section and shall furnish to the Committee such information as the Committee deems necessary to carry out this section.

(d) The Committee shall meet at least 4 times annually, notwithstanding subsections (e) and (f) of section 10 of Public Law 92-463.

(e) The Committee shall review and make any necessary recommendations on the following items, among others—

(1) the implementation and conduct of the program under this title; and

(2) the economic, technological, and environmental consequences of developing a hydrogen-fueled aircraft capability.

(f) The Committee shall prepare and submit annually to the Administrator a written report of its findings and recommendations with regard to the program under this title. The report shall include—

(1) a summary of the Committee's activities for the preceding year;

(2) an assessment and evaluation of the status of the program; and

(3) comments on and recommendations for improvements in the comprehensive 5-year program management plan required under section 202.

(g) The Administrator shall provide such staff, funds, and other support as may be necessary to enable the Committee to carry out the functions described in this section.

DEFINITIONS

Sec. 208. As used in this title—

(1) the term "Administrator" means the Administrator of the National Aeronautics and Space Administration;

(2) the term "capability" means proven technical ability; and

(3) the term "certifying agency" means any government entity with direct responsibility for assuring public safety in the operation of the air transport system.

AUTHORIZATION OF APPROPRIATIONS

Sec. 209. There is hereby authorized to be appropriated to carry out the purpose of this title—

(1) $10,000,000 for the fiscal year beginning October 1, 1987;

(2) $15,000,000 for the fiscal year beginning October 1, 1988;

(3) $20,000,000 for the fiscal year beginning October 1, 1989;

(4) $25,000,000 for the fiscal year beginning October 1, 1990; and

(5) $30,000,000 for the fiscal year beginning October 1, 1991.

By Mr. SANFORD (for himself and Mr. Helms):

S.J. Res. 138. Joint resolution to designate the period commencing on July 13, 1987, and ending on July 26, 1987, as "U.S. Olympic Festival-1987 Celebration," and to designate July 17, 1987, as "U.S. Olympic Festival-1987 Day;" to the Committee on the Judiciary.

U.S. OLYMPIC FESTIVAL-87

Mr. SANFORD. Mr. President, I rise today to introduce a joint resolution commemorating the "U.S. Olympic Festival" that will be held in North Carolina in July. Senator Helms joins me in sponsoring this resolution.

The Olympic Festival is important to our Nation as our leading athletes prepare for the 1988 Olympics. The festival provides world class competition to our athletes and gives our athletic leaders a chance to identify the best that we can offer in international competition.

All North Carolinians are proud that the festival will be held in our State this summer. Our entire State is working together to make the festival a success and we expect over 300,000 people to attend the events. Hill Carrow and the staff at the festival have done a great job in uniting our corporate, university, and Government communities in this effort and are to be congratulated for their work. This resolution would designate a 2-week period in July as "U.S. Olympic Festival-1987 celebration" and July 17 as "U.S. Olympic Festival-1987 Day." The festival begins on July 13 and runs through July 26. Events will be held in Raleigh, Durham, Chapel Hill, Cary, and Greensboro and will involve 4,000 athletes, trainers, and coaches and 7,000 volunteers.

I invite all of our colleagues to join us in cosponsoring this resolution and to visit North Carolina in July to be a part of this great event.

By Mr. STEVENS (for himself, Mr. Wilson, Mr. Cranston, Mr. Byrd, Mr. Dole, Mr. Graham, Mr. Bradley, Mr. Thurmond, Mr. Kennedy, Mr. McClure, Mr. McCain, Mr. Burdick, Mr. Inouye, Mr. Karnes, Mr. D'Amato, Mr. Lugar, Mr. Johnston, Mr. Domenici, Mr. Lautenberg, Mr. Boschwitz, Mr. Evans, Mr. Pell, Mr. Quayle, Mr. Nunn, Mr. Sanford, Mr. Reid, Mr. Chafee, Mr. Hatfield, Mr. Durenberger, Mr. DeConcini, Mr. Bumpers, Mr. Murkowski, Mr. Wallop, Mr. Matsunaga, Mr. Garn, Mr. Humphrey, Mr. Mitchell, Mr. Proxmire, Mr. Riegle, Mr. Helms, Mr. Packwood, Mr. Bond, Mr. Symms, Ms. Mikulski, Mr. Grassley, Mr. Gramm, Mr. Weicker, Mr. Heinz, Mr. Kerry, Mr. Levin, Mr. Pryor, Mr. Boren, and Mr. Specter):

S.J. Res. 140. Joint resolution to designate the week beginning July 13, 1987, as "Snow White Week;" to the Committee on the Judiciary.

SNOW WHITE WEEK

● Mr. STEVENS. Mr. President, in July we will celebrate the 50th anniversary of the release of one of America's most beloved film classics. "Snow White and the Seven Dwarfs" was a milestone for the American motion picture industry. As the first full-length animated feature film, it raised the art of animation to unprecedented heights.

Over the years, "Snow White and the Seven Dwarfs" has received many tributes and awards—including a special Academy Award. In my opinion, however, the film's lasting value is most clearly illustrated by the fact that 50 years after its initial release, it still delights both children and adults. Few other films retain such vitality over the years.

Mr. President, "Snow White" is near and dear to a very important constituency in the Stevens household, my 5-year-old daughter Lily and her friends. I am pleased to introduce—with my distinguished friends, the Senators from California, the majority leader and the minority leader, and 50 of our colleagues—a joint resolution commemorating the 50th anniversary of "Snow White and the Seven Dwarfs."●

By Mr. NICKLES (for himself, Mr. Boren, Mr. Bradley, Mr. Daschle, Mr. DeConcini, Mr. Dole, Mr. Exon, Mr. Ford, Mr. Garn, Mr. Gore, Mr. Heflin, Mr. Hollings, Mr. Humphrey, Mr. Inouye, Mr. Lugar, Mr. Matsunaga, Mr. Metzenbaum, Mr. Moynihan, Mr. Murkowski, Mr. Nunn, Mr. Pell, Mr. Pressler, Mr. Pryor, and Mr. Stevens):

S.J. Res. 141. Joint resolution designating August 29, 1988, as "National China-Burma-India Veterans Appreciation Day"; to the Committee on the Judiciary.

NATIONAL CHINA-BURMA-INDIA VETERANS APPRECIATION DAY

● Mr. NICKLES. Mr. President, I rise today to introduce a resolution with

Senator Boren and 22 of our colleagues, which would set aside August 29, 1988, as "National China-Burma-India Veterans Appreciation Day".

As you may recall, the Senate passed a similar resolution in the waning days of the 99th Congress to honor these World War II veterans for their service in the CBI Theatre of Operations. Unfortunately, time did not permit the House to consider it.

The ties that this group of veterans shared during their assignment between December 7, 1941, and March 2, 1946, have not been severed. On the contrary, they seem to grow stronger through the years. There are between 8,000 and 9,000 veterans active in the China-Burma-India Veterans Association and another 150,000 eligibile for membership.

Earlier this month, in a park in Allentown, PA, a monument was dedicated to CBI veterans. The monument, made of jagged granite, reminds all who see it of the rugged and treacherous terrain of the CBI Theater of Operations of World War II, and of the valor and patriotism of those who served there. Although President Reagan could not attend the dedication ceremony, he sent a letter to those gathered for the dedication, and I ask unanimous consent that it be included in the Record at this point.

There being no objection, the latter was ordered to be printed in the Record, as follows:

The White House,
Washington, DC, May 1, 1987.

It gives me great pleasure to send greetings to all those gathered for the 19th annual "All East" reunion of the China-Burma-India Veterans Association in Allentown, Pennsylvania as you dedicate a monument to the members of our armed forces who served in the CBI Theater in World War II.

Each of you has gone his separate way in the world, but—as this event proves once again—the service and sacrifice you shared in defense of freedom forged a bond of brotherhood that time and distance cannot break. Whether you helped fly supplies over the Hump, rebuilt the Ledo Road, or flew bombing missions in Manchuria or Formosa, you rose to the tremendous challenges you were handed; you never faltered. You served under the most brutal and primitive conditions and dealt with extraordinary expanses of territory. But your sweat and blood and that of your fallen comrades turned the tide and brought about a new Allied counteroffensive in Asia. The monument you dedicate today is but a small recognition of your achievement. For your unswerving dedication to the ideals Americans hold so dear, we owe you all a debt we can never repay.

I take a moment with you in remembrance of your brothers who can no longer answer roll call. God bless you, and God bless America.

Ronald Reagan.

Mr. NICKLES. Mr. President, I urge my colleagues who have not yet joined us as cosponsors on this resolution to join with us to indicate our respect for and thanks to this special group of World War II veterans.●

● Mr. BOREN. Mr. President, I am proud to join my colleague from Oklahoma in today introducing legislation recognizing the China-Burma-India Veterans of World War II. Extensive battle campaigns resulted from these brave Americans' efforts to stop the Japanese invasion by supplying China with military supplies after the fall of Burma in 1942.

Although more than 40 years have passed since the end of World War II, the spirit of the brave men and women lives on. It is an honor for me to participate in this effort acknowledging their heroic bravery and sense of common purpose.

I urge my Senate colleagues to support enactment of this resolution, and in so doing support the memory of the China-Burma-India Veterans.●

ADDITIONAL COSPONSORS

S. 51

At the request of Mr. Hatch, the name of the Senator from Washington [Mr. Adams] was added as a cosponsor of S. 51, a bill to prohibit smoking in public conveyances.

S. 407

At the request of Mr. Garn, the names of the Senator from Texas [Mr. Bentsen], and the Senator from Georgia [Mr. Nunn] were added as cosponsors of S. 407, a bill to grant a Federal charter to the Challenger Center, and for other purposes.

S. 430

At the request of Mr. Metzenbaum, the names of the Senator from Wisconsin [Mr. Proxmire], the Senator from Connecticut [Mr. Dodd], the Senator from Georgia [Mr. Fowler], the Senator from Connecticut [Mr. Weicker], the Senator from New York [Mr. Moynihan], the Senator from Minnesota [Mr. Durenberger], and the Senator from Pennsylvania [Mr. Specter] were added as cosponsors of S. 430, a bill to amend the Sherman Act regarding retail competition.

S. 533

At the request of Mr. Thurmond, the names of the Senator from North Dakota [Mr. Burdick], and the Senator from Maine [Mr. Mitchell] were added as cosponsors of S. 533, a bill to establish the Veterans' Administration as an executive department.

S. 552

At the request of Mr. Grassley, the name of the Senator from Tennessee [Mr. Sasser] was added as a cosponsor of S. 552, a bill to improve the efficiency of the Federal classification system and to promote equitable pay practices within the Federal Government and for other purposes.

S. 628

At the request of Mr. Grassley, the name of the Senator from Ohio [Mr. Glenn] was added as a cosponsor of S. 628, a bill to amend the Internal Revenue Code of 1986 to restore the deduction for interest on educational loans.

S. 714

At the request of Mr. Specter, the name of the Senator from Ohio [Mr. Metzenbaum] was added as a cosponsor of S. 714, a bill to recognize the organization known as the Montford Point Marine Association, Inc.

S. 769

At the request of Mr. Johnston, the name of the Senator from Washington [Mr. Adams] was added as a cosponsor of S. 769, a bill to amend the Public Health Service Act to authorize assistance for centers for minority medical education, minority pharmacy education, minority veterinary medicine education, and minority dentistry education.

S. 816

At the request of Mr. Baucus, the name of the Senator from North Dakota [Mr. Conrad] was added as a cosponsor of S. 816, a bill to amend title 49, United States Code, relating to the construction, acquisition, or operation of rail carriers, and for other purposes.

S. 840

At the request of Mr. Thurmond, the name of the Senator from Texas [Mr. Bentsen] was added as a cosponsor of S. 840, a bill to recognize the organization known as the 82d Airborne Division Association, Inc.

S. 912

At the request of Mr. Exon, the name of the Senator from Virginia [Mr. Warner] was added as a cosponsor of S. 912, a bill to amend the Rural Electrification Act of 1936 to permit the prepayment of Federal financing bank loans made to rural electrification and telephone systems, and for other purposes.

S. 943

At the request of Mr. Adams, the names of the Senator from North Dakota [Mr. Conrad], and the Senator from Florida [Mr. Chiles] were added as cosponsors of S. 943, a bill to amend the Federal Aviation Act of 1958 to ensure the fair treatment of airline employees in airline mergers and similar transactions.

S. 998

At the request of Mr. DeConcini, the name of the Senator from Maine [Mr. Mitchell] was added as a cosponsor of S. 998, a bill entitled the "Micro Enterprise Loans for the Poor Act."

S. 999

At the request of Mr. Cranston, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of S. 999, a bill to amend title 38, United States Code, and the Veterans' Job Training Act to improve veterans employment, counseling, and job-training services and program.

S. 1002

At the request of Mr. CRANSTON, the names of the Senator from Tennessee [Mr. SASSER], the Senator from North Dakota [Mr. BURDICK], and the Senator from Illinois [Mr. DIXON] were added as cosponsors of S. 1002, a bill to amend title 38, United States Code, to provide disability and death benefits to veterans (and survivors of such veterans) exposed to ionizing radiation during the detonation of a nuclear device in connection with the U.S. nuclear weapons testing program or the American occupation of Hiroshima or Nagasaki, Japan; and for other purposes.

S. 1044

At the request of Mr. HEINZ, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 1044, a bill to provide for Medicare coverage of influenza vaccine and its administration.

S. 1131

At the request of Mr. BREAUX, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 1131, a bill to equalize the duties on canned tuna.

S. 1204

At the request of Mr. HATCH, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Wyoming, [Mr. SIMPSON], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 1204, a bill to amend section 339(a) of the Public Health Service Act to provide for demonstration grants relating to home health services.

S. 1205

At the request of Mr. HATCH, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Wyoming, [Mr. SIMPSON], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 1205, a bill to amend section 339 of the Public Health Service Act to extend support for training programs for individuals who provide home health services.

S. 1206

At the request of Mr. HATCH, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Indiana, [Mr. QUAYLE], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 1206, a bill to amend the Public Health Service Act to establish a program for the provisions of health care services in the home for individuals who are suffering from a castastrophic or chronic illness.

S. 1217

At the request of Mr. MURKOWSKI, the name of the Senator from Utah [Mr. GARN], was added as a cosponsor of S. 1217, a bill to amend the Mineral Leasing Act of 1920 to authorize the Secretary of the Interior to lease, in an expeditious and environmentally sound manner, the public lands within the Coastal Plain of the North Slope of Alaska for oil and gas exploration, development, and production.

S. 1218

At the request of Mr. EXON, the names of the Senator from Hawaii [Mr. INOUYE], and the Senator from Nevada [Mr. REID] were added as cosponsors of S. 1218, a bill to require that any imported food be labeled to specify the country of origin.

S. 1260

At the request of Mr. BUMPERS, the name of the Senator from California [Mr. CRANSTON] was added as cosponsor of S. 1260, a bill entitled the "Federal Land Exchange Facilitation Act of 1987."

SENATE JOINT RESOLUTION 11

At the request of Mr. THURMOND, the name of the Senator from Arizona [Mr. DECONCINI] was added as cosponsor of Senate Joint Resolution 11, a joint resolution proposing an amendment to the Constitution relating to Federal balanced budget.

SENATE JOINT RESOLUTION 14

At the request of Mr. HELMS, the names of the Senator from Rhode Island [Mr. CHAFEE], and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of Senate Joint Resolution 14, a joint resolution to designate the third week of June of each year as "National Dairy Goat Awareness Week."

SENATE JOINT RESOLUTION 48

At the request of Mr. HATCH, the names of the Senator from Michigan [Mr. RIEGLE], the Senator from South Dakota [Mr. PRESSLER], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Idaho [Mr. SYMMS], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of Senate Joint Resolution 48, a joint resolution designating the week of September 14, 1987, through September 20, 1987, as "Benign Essential Blepharospasm Week."

SENATE JOINT RESOLUTION 59

At the request of Mr. THURMOND, the names of the Senator from Washington [Mr. ADAMS], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of Senate Joint Resolution 59, a joint resolution to designate the month of May 1987 as "National Foster Care Month."

SENATE JOINT RESOLUTION 72

At the request of Mr. GORE, the names of the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Oklahoma [Mr. BOREN], the Senator from Montana [Mr. BAUCUS], the Senator from Missouri [Mr. BOND], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Florida [Mr. CHILES], and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of Senate Joint Resolution 72, a joint resolution to designate the week of October 11, 1987, through October 17, 1987, as "National Job Skills Week."

SENATE JOINT RESOLUTION 75

At the request of Mr. THURMOND, the names of the Senator from Ohio [Mr. GLENN], and the Senator from Idaho [Mr. SYMMS] were added as cosponsors of Senate Joint Resolution 75, a joint resolution to designate the week of August 2, 1987, through August 8, 1987, as "National Podiatric Medicine Week."

SENATE JOINT RESOLUTION 88

At the request of Mr. BRADLEY, the names of the Senator from Georgia [Mr. NUNN], the Senator from Montana [Mr. BAUCUS], the Senator from California [Mr. CRANSTON], the Senator from North Dakota [Mr. BURDICK], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from South Dakota [Mr. DASCHLE], the Senator from Texas [Mr. BENTSEN], the Senator from Oklahoma [Mr. BOREN], the Senator from New York [Mr. D'AMATO], the Senator from Oklahoma [Mr. NICKLES], the Senator from Alaska [Mr. MURKOWSKI], the Senator from New Mexico [Mr. DOMENICI], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Kansas [Mr. DOLE], the Senator from Utah [Mr. HATCH], the Senator from Maryland [Ms. MIKULSKI], the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of Senate Joint Resolution 88, a joint resolution to designate the period commencing November 15, 1987, and ending November 21, 1987, as "Geography Awareness Week."

SENATE JOINT RESOLUTION 97

At the request of Mr. HATCH, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Michigan [Mr. RIEGLE], the Senator from Ohio [Mr. GLENN], the Senator from New York [Mr. D'AMATO], and the Senator from New York [Mr. MOYNIHAN] were added as cosponsors of Senate Joint Resolution 97, a joint resolution to designate the week beginning November 22, 1987, as "National Adoption Week."

SENATE JOINT RESOLUTION 98

At the request of Mr. HATCH, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of Senate Joint Resolution 98, a joint resolution to designate the week of November 29, 1987, through December 5, 1987, as "National Home Health Care Week."

SENATE JOINT RESOLUTION 109

At the request of Mr. DURENBERGER, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Idaho [Mr. MCCLURE], the Senator from Iowa [Mr. GRASSLEY], the Senator from Alabama [Mr. HEFLIN], and the Senator from Michigan [Mr.

Riegle] were added as cosponsors of Senate Joint Resolution 109, a joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week."

SENATE JOINT RESOLUTION 110

At the request of Mr. Leahy, the names of the Senator from Minnesota [Mr. Durenberger], the Senator from Vermont [Mr. Stafford], the Senator from Arizona [Mr. McCain], the Senator from Idaho [Mr. McClure], the Senator from New York [Mr. D'Amato], the Senator from Pennsylvania [Mr. Heinz], the Senator from Mississippi [Mr. Cochran], the Senator from Nebraska [Mr. Karnes], the Senator from Rhode Island [Mr. Pell], the Senator from Georgia [Mr. Nunn], the Senator from North Carolina [Mr. Sanford], the Senator from Massachusetts [Mr. Kerry], the Senator from Connecticut [Mr. Dodd], the Senator from Michigan [Mr. Levin], the Senator from Wisconsin [Mr. Proxmire], the Senator from Arizona [Mr. DeConcini], the Senator from Hawaii [Mr. Inouye], and the Senator from North Dakota [Mr. Conrad] were added as cosponsors of Senate Joint Resolution 110, a joint resolution to designate October 16, 1987, as "World Food Day."

SENATE JOINT RESOLUTION 111

At the request of Mr. Heinz, the name of the Senator from North Dakota [Mr. Conrad] was added as a cosponsor of Senate Joint Resolution 111, a joint resolution to designate each of the months of November, 1987, and November, 1988, as "National Hospice Month."

SENATE JOINT RESOLUTION 122

At the request of Mr. Metzenbaum, the names of the Senator from Iowa [Mr. Grassley], the Senator from South Carolina [Mr. Hollings], the Senator from Missouri [Mr. Danforth], the Senator from Connecticut [Mr. Dodd], the Senator from Ohio [Mr. Glenn], the Senator from Hawaii [Mr. Matsunaga], the Senator from Maine [Mr. Mitchell], the Senator from Nevada [Mr. Reid], and the Senator from Michigan [Mr. Riegle] were added as cosponsors of Senate Joint Resolution 122, a joint resolution to designate the period commencing on October 18, 1987, and ending on October 24, 1987, as "Gaucher's Disease Awareness Week."

SENATE JOINT RESOLUTION 125

At the request of Mr. Roth, the names of the Senator from Nebraska [Mr. Karnes], the Senator from New Jersey [Mr. Lautenberg], the Senator from Idaho [Mr. McClure], the Senator from Oklahoma [Mr. Boren], and the Senator from Utah [Mr. Garn] were added as cosponsors of Senate Joint Resolution 125, a joint resolution to designate the period commencing on May 9, 1988, and ending on May 15, 1988, as "National Stuttering Awareness Week."

SENATE JOINT RESOLUTION 136

At the request of Mr. Humphrey, the names of the Senator from Michigan [Mr. Riegle], and the Senator from Missouri [Mr. Danforth] were added as cosponsors of Senate Joint Resolution 136, a joint resolution to designate the week of December 13, 1987, through December 19, 1987, as "National Drunk and Drugged Driving Awareness Week."

SENATE CONCURRENT RESOLUTION 59

At the request of Mr. Moynihan, the names of the Senator from New York [Mr. D'Amato], the Senator from New Jersey [Mr. Lautenberg], the Senator from Massachusetts [Mr. Kerry], the Senator from North Carolina [Mr. Sanford], the Senator from California [Mr. Wilson], the Senator from Louisiana [Mr. Johnston], and the Senator from Florida [Mr. Chiles], were added as cosponsors of Senate Concurrent Resolution 59, a concurrent resolution to express the sense of the Congress that the Harlem Hospital Center be recognized for 100 years of community service.

SENATE RESOLUTION 217

At the request of Mr. Wilson, the name of the Senator from Illinois [Mr. Dixon] was added as a cosponsor of Senate Resolution 217, a resolution regarding Soviet participation in a Middle East Peace Conference.

AMENDMENT NO. 160

At the request of Mr. Cranston, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of amendment No. 160 intended to be proposed to S. 999, a bill to amend title 38, United States Code, and the Veterans' Job Training Act to improve veterans employment, counseling, and job-training services and program.

AMENDMENT NO. 218

At the request of Mr. Matsunaga, his name was added as a cosponsor of amendment No. 218 proposed to H.R. 1827, a bill making supplementary appropriations for the fiscal year ending September 30, 1987, and for other purposes.

SENATE RESOLUTION 223—RELATING TO THE PURCHASE OF CALENDARS

Mr. FORD, from the Committee on Rules and Administration, reported the following original resolution; which was placed on the calendar:

S. Res. 223

Resolved, That the Committee on Rules and Administration is authorized to expend from the contingent fund of the Senate, upon vouchers approved by the chairman of that committee, not to exceed $70,720 for the purchase of one hundred and four thousand 1988 "We The People" historical calendars. The calendars shall be distributed as prescribed by the committee.

AMENDMENTS SUBMITTED

SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1987

GRASSLEY (AND OTHERS) AMENDMENT NO. 230

Mr. GRASSLEY (for himself, Mr. Dole, Mr. Durenberger, Mr. Exon, Mr. Karnes, Mr. Pressler, Mr. Dixon, and Mr. Simon) proposed an amendment to the bill (H.R. 1827) making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes; as follows:

On page 80, line 7, strike out "$6,653,189,000" and insert in lieu thereof "$9,423,189,000".

On page 80, after line 25, insert the following new section:

EMERGENCY COMPENSATION FOR 1986 CROP OF FEED GRAINS

Section 105C(c)(1)(D)(ii) of the Agricultural Act of 1949 (7 U.S.C. 1444e(c)(1)(D)(ii)) is amended by striking out "the marketing year for such crop" and inserting in lieu thereof "(I) in the case of the 1986 crop of feed grains (other than oats), the first 5 months of the marketing year, and (II) in the case of the 1986 crop of oats and each of the 1987 through 1990 crops of feed grains, the marketing year".

CRANSTON (AND OTHERS) AMENDMENT NO. 231

Mr. CRANSTON (for himself, Mr. D'Amato, Mr. Moynihan, Mr. Mitchell, and Mr. Dodd) proposed an amendment to the bill H.R. 1827, supra; as follows:

On page 161, between lines 14 and 15, insert the following:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOMELESS ASSISTANCE

(a) Transitional Housing Demonstration Program.—For an additional amount for the transitional housing demonstration program carried out by the Department of Housing and Urban Development pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591, $60,000,000.

(b) Emergency Shelter Grants Program.—For an additional amount for the emergency shelter grants program carried out by the Department of Housing and Urban Development pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591, $80,000,000.

(c) Section 8 Existing Housing.—The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(b)(1) of such Act is increased by $50,000,000 to be used only to assist homeless families with children.

(d) Section 8 Assistance for Single Room Occupancy Dwellings.—The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under 8(e)(2) of such Act is increased by $35,000,000 to be used only to assist homeless individuals.

VETERANS' ADMINISTRATION

VETERANS' DOMICILIARY CARE AND CARE FOR VETERANS WITH CHRONIC MENTAL ILLNESS DISABILITIES

(Transfer of Funds)

For an additional amount for "Medical Care", $20,000,000, to remain available through September 30, 1988, of which $10,000,000 shall be available for converting to domiciliary-care beds underutilized space located in facilities (in urban areas in which there are significant numbers of homeless veterans) under the jurisdiction of the Administrator of Veterans' Affairs and for furnishing domiciliary care in such beds to eligible veterans, primarily homeless veterans, who are in need of such care, and of which $10,000,000 shall be available, notwithstanding section 2(c) of Public Law 100-6, for furnishing care under section 620C of title 38, United States Code, to homeless veterans who have a chronic mental illness disability: *Provided,* That not more than $500,000 of the amount available in connection with furnishing care under such section 620C shall be used for the purpose of monitoring the furnishing of such care and, in furtherance of such purpose, to maintain an additional 10 full-time-employee equivalents; *Provided further,* That nothing in this paragraph shall result in the diminution of the conversion of hospital-care beds to nursing-home-care beds by the Veterans' Administration; and amounts appropriated in other paragraphs of this title are hereby reduced by a total amount of $20,000,000 by pro rata reductions.

PROXMIRE (AND OTHERS) AMENDMENT NO. 232

Mr. PROXMIRE (for himself, Mr. GARN, and Mr. CRANSTON) proposed an amendment to the bill H.R. 1827, supra; as follows:

On page 50, after line 20, insert the following:

LOAN GUARANTY REVOLVING FUND

For expenses necessary to carry out Loan Guaranty and insurance operations, as authorized by law (38 U.S.C. chapter 37, except administrative expenses, as authorized by section 1824 of such title), $100,000,000, to remain avalable until expended.

BYRD AMENDMENT NO. 233

Mr. BYRD proposed an amendment to the bill H.R. 1827, supra; as follows:

Delete lines 16 through 23 on page 52 and insert in lieu thereof the following:

ADMINISTRATIVE PROVISION

DIXON (AND OTHERS) AMENDMENT NO. 234

Mr. DIXON (for himself, Mr. INOUYE, Mr. KASTEN, and Mr. DECONCINI) proposed an amendment to the bill H.R. 1827, supra; as follows:

At the end of the bill, add the following:

It is the sense of the Senate that no funds provided under this act may be used for the payment of severance pay to any employee of the International Bank for Reconstruction and Development (World Bank).

KENNEDY (AND OTHERS) AMENDMENT NO. 235

Mr. CRANSTON (for Mr. KENNEDY, for himself, Mr. CRANSTON, Mr. ADAMS, Mr. BURDICK, Mr. CONRAD, Mr. DODD, Mr. GORE, Mr. HATCH, Mr. MOYNIHAN, Mr. RIEGLE, Mr. SANFORD, Mr. SIMON, Mr. WILSON, and Mr. WIRTH) proposed an amendment to the bill H.R. 1827, supra; as follows:

At the end of the bill, add the following new section:

SEC. . (a) In addition to amounts appropriated in this Act, there are appropriated to the Centers for Disease Control for "Disease control, research, and training, $27,000,000.

(b)(1) In the cases of all appropriations accounts from which expenses for travel, transportation, and subsistence (including per diem allowances) are paid under chapter 57 of title 5, United States Code, there are hereby prohibited to be obligated under such accounts in fiscal year 1987 a uniform percentage of such amounts, as determined by the President in accordance with the provisions of paragraph (2), as, but for this subsection, would—

(A) be available for obligation in such accounts as of June 1, 1987,

(B) be planned to be obligated for such expenses after such date during fiscal year 1987, and

(C) result in total outlays of $18 million in fiscal year 1987.

(2) Before making determinations under paragraph (1), the President shall obtain from the Director of the Office of Management and Budget and the Comptroller General of the United States recommendations for determinations with respect to (A) the identification of the accounts affected, (B) the amount in each such account available as of such date for obligation, (C) the amounts planned to be obligated for such expenses after such date in fiscal year 1987, and (D) the uniform percentage by which such amounts need to be reduced in order to comply with paragraph (1).

(c) Within 30 days after the date of enactment of this Act, the President shall prepare and transmit to the Congress a report specifying the determinations of the President under subsection (b).

(d) Sections 1341(a) and 1517 of title 31, United States Code, apply to each account for which a determination is made by the President under subsection (b).

SYMMS (AND OTHERS) AMENDMENT NO. 236

Mr. SYMMS (for himself, Mr. MATSUNAGA, Mrs. KASSEBAUM, Mr. GRAMM, and Mr. QUAYLE) proposed an amendment to the bill H.R. 1827, supra; as follows:

Beginning on page 2, strike out line 1 and all that follows through page 168, line 12, and insert in lieu thereof the following:

DEPARTMENT OF AGRICULTURE

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

(TRANSFER OF FUNDS)

To reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed, pursuant to the Act of August 17, 1961 (15 U.S.C. 713a-11, 713a-12), $6,563,189,000, such funds to be available, together with other resources available to the Corporation, to finance the Corporation's programs and activities during fiscal year 1987: *Provided,* That of the foregoing amount not to exceed the following amounts shall be available for the following programs: export guaranteed loan claims, $300,000,000; conservation reserve program, $400,000,000; and interest payments to the United States Treasury, $400,000,000: *Provided further,* That five percent of the funds available for the conservation reserve program in this Act shall be transferred to the conservation operations account of the Soil Conservation Service for services of its technicians in carrying out the conservation programs of the Food Security Act of 1985.

HARKIN AMENDMENT NO. 237

Mr. HARKIN proposed an amendment to the bill H.R. 1827, supra; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . The matter under the heading "Public Education System" in title I of the District of Columbia Appropriations Act, 1987 (Public Law 99-591; 100 Stat. 3341-184) is amended by striking out *"Provided further,* That of the amount made available to the University of the District of Columbia, $1,146,000 shall be used solely for the operation of the Antioch School of Law: *Provided further,* That acquisition or merger of the Antioch School of Law shall have been previously approved by both the Board of Trustees of the University of the District of Columbia and the Council of the District of Columbia, and that the Council shall have issued its approval by resolution: *Provided further,* That if the Council of the District of Columbia or the Board of Trustees of the University of the District of Columbia fails to approve the acquisition or merger of the Antioch School of Law, the $1,146,000 shall be used solely for the repayment of the general fund deficit." and inserting in lieu thereof *"Provided further,* That $1,146,000 shall be used solely for the operation of the District of Columbia School of Law and which shall remain available until expended: *Provided further,* That acquisition or merger of the Antioch School of Law shall have been previously approved by the Council of the District of Columbia: *Provided further,* That the interim Board of Governors of the District of Columbia School of Law shall report, by October 1, 1987 to the Mayor of the District of Columbia, the Council of the District of Columbia, and the Appropriations Committees of the Senate and House of Representatives on the anticipated operating and capital expenses of the District of Columbia School of Law as created by D.C. Law 6-177, for the next five years: *Provided further,* That the aforementioned report shall also include a statement from the American Bar Association on the current status of the an accreditation proposal for the District of Columbia School of Law, as created by D.C. Law 6-177, as amended: *Provided further,* That if the Council of the District of Columbia fails to approve the acquisition or merger of the Antioch School of Law, the $1,146,000 shall be used solely for the repayment of the general fund deficit.".

DOMENICI (AND OTHERS) AMENDMENT NO. 238

Mr. DOMENICI (for himself, Mr. CRANSTON, Mr. MURKOWSKI, and Mr. D'AMATO) proposed an amendment to the bill H.R. 1827, supra; as follows:

On page 161, between lines 14 and 15, insert the following:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOMELESS ASSISTANCE

(a) Transitional and Supportive Housing Demonstration Program.—For an additional amount for the transitional and supportive housing demonstration program carried out by the Department of Housing and Urban Development pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591, and other applicable authority $80,000,000 to remain available until expended.

(b) Section 8 Existing Housing.—The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(b)(1) of such Act is increased by $50,000,000 to be used only to assist homeless families with children.

(c) Section 8 Assistance for Single Room Occupany Dwellings.—The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(e)(2) of such Act is increased by $40,000,000 to be used only to assist homeless individuals.

VETERANS' ADMINISTRATION

VETERANS' DOMICILIARY CARE AND CARE FOR VETERANS WITH CHRONIC MENTAL ILLNESS DISABILITIES

(TRANSFER OF FUNDS)

For an additional amount for "Medical Care", $20,000,000, to remain available through September 30, 1988, of which $10,000,000 shall be available for converting to domiciliary-care beds underutilized space located in facilities (in urban areas in which there are significant numbers of homeless veterans) under the jurisdiction of the Administrator of Veterans' Affairs and for furnishing domiciliary care in such beds to eligible veterans, primarily homeless veterans, who are in need of such care, and of which $10,000,000 shall be available, notwithstanding section 2(c) of Public Law 100-6, for furnishing care under section 620C of title 38, United States Code, to homeless veterans who have a chronic mental illness disability: *Provided*, That not more than $500,000 of the amount available in connection with furnishing care under such section 620C shall be used for the purpose of monitoring the furnishing of such care and, in furtherance of such purpose, to maintain an additional 10 full-time-employee equivalents: *Provided further*, That nothing in this paragraph shall result in the diminution of the conversion of hospital-care beds to nursing-home-care beds by the Veterans' Administration.

DEPARTMENT OF COMMERCE

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

(DEFERRAL)

The sum of $27,500,000 appropriated pursuant to Public Law 99-500 and Public Law 99-591 for commercialization of the land remote sensing satellite system is hereby deferred for the remainder of fiscal year 1987, and shall remain available until expended.

JOHNSTON AMENDMENT NO. 239

Mr. JOHNSTON proposed an amendment to the bill H.R. 1827, supra; as follows:

On Page 23, after line 6, add the following:

SEC. —. Section 5314 of title 5, United States Code; is amended by adding at the end the following: "Comptroller of the Department of Defense."

DOMENICI (AND OTHERS) AMENDMENT NO. 240

Mr. DOMENICI (for himself, Mr. COCHRAN, and Mr. STENNIS) proposed an amendment to the bill H.R. 1827, supra; as follows:

On page 82, strike lines 17 through 22, and insert the following:

"Notwithstanding the amount authorized to be prepaid under section 306A(d)(1) of the Rural Electrification Act of 1936 (7 U.S.C. 936a(d)(1), a borrower of a loan made by the Federal Financing Bank and guaranteed under section 306 of such Act (7 U.S.C. 936) that serves 6 or fewer customers per mile may, at the option of the borrower, prepay such loan (or any loan advance thereunder) during fiscal years 1987 or 1988, in accordance with section 306A of such Act."

INOUYE (AND MATSUNAGA) AMENDMENT NO. 241

Mr. JOHNSTON (for Mr. INOUYE, for himself and Mr. MATSUNAGA) proposed an amendment to the bill H.R. 1827, supra; as follows:

On page 35 after line 2 insert the following:

"DEPARTMENT OF ENERGY

"ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

"Of the amounts heretofore appropriated and made available for Energy Supply, Research and Development Activities, $1,200,000 shall be for completion of the MOD-5-B Wind Turbine Project."

HELMS AMENDMENT NO. 242

Mr. HATFIELD (for Mr. HELMS) proposed an amendment to the bill H.R. 1827, supra; as follows:

At the end of the bill add the following new section:

"SEC. . None of the funds appropriated by this Act for Southern Africa shall be obligated or expended until the President has reported to the House Foreign Affairs Committee, the Senate Foreign Relations Committee and the Committees on Appropriations an itemized accounting of all expenditures of funds authorized by the Foreign Assistance Act of 1986 (P.L. 99-83) for Southern Africa and by P.L. 99-440 and, pursuant to such authorizations, subsequently appropriated.".

WEICKER AMENDMENT NO. 243

Mr. HATFIELD (for Mr. WEICKER) proposed an amendment to the bill H.R. 1827, supra; as follows:

On page 64 of the bill, after line 22, insert:

"REHABILITATION SERVICES AND HANDICAPPED RESEARCH

"Of the funds appropriated for Rehabilitation Services and Handicapped Research for fiscal year 1987, $15,860,000 is available for Special Demonstration Programs under Section 311(a)(b)(c)."

D'AMATO AMENDMENT NO. 244

Mr. D'AMATO proposed an amendment to the bill H.R. 1827, supra; as follows:

At the appropriate place insert the following:

(1) Waivers of expedited procedures under the requirements of 46 U.S.C. 12101 et seq. for the re-registration of ships to United States registry from ships originally belonging to non-belligerent nations of the Persian Gulf Region, or of other nations seeking safe passage through the Persian Gulf, shall not be granted except to the extent that (A) an equal number of such ships are re-registered under the flags of our NATO allies and Japan within a 60 day period in which such waiver is sought, or (B) an equivalent guarantee of maritime security is made by our NATO allies and Japan.

(2) Any waiver, or relaxation of registration requirements pursuant to 46 C.F.R. Chapter 1, Chapter 6.01 shall expire within 30 days unless the President makes a full report to the Congress in writing detailing the particular national defense interest in the exemptions and the facts justifying their continuance.

HATFIELD AMENDMENT NO. 245

Mr. HATFIELD proposed an amendment to the bill H.R. 1827, supra; as follows:

At the appropriate place, add the following new section:

SEC. . Notwithstanding any other provision of law, none of the funds appropriated for fiscal year 1987 shall be used for the purpose of granting any patent for vertebrate or invertebrate animals, modified, altered, or in any way changed through engineering technology, including genetic engineering.

JOHNSTON AND OTHERS AMENDMENT NO. 246

Mr. JOHNSTON (for himself, Mr. DIXON, Mr. PROXMIRE, Mr. RIEGLE, Mr. LEVIN, Mr. SIMON, Mr. BOSCHWITZ, Mr. QUAYLE, Mr. LUGAR, Mr. DURENBERGER, and Mr. GLENN) proposed an amendment, which was subsequently modified, to the bill H.R. 1827, supra; as follows:

It is the sense of the Senate that the Commodity Credit Corporation in implementing regulations to establish the percentage share or metric tonnage of commodities under subparagraph (B) of section 901b(c)(2) of the Merchant Marine Act, 1936 (46 U.S.C. 1241f(c)(2)(B)) should respect the intent as well as the letter of the agreement entered into by and between the representatives of Great Lakes ports and Gulf ports, and that, so far as practicable, Great Lakes ports be accorded the full proportion of tonnage contemplated thereby.

DOLE AMENDMENT NO. 247

Mr. DOLE proposed an amendment to the bill H.R. 1827, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . (a)(1) Subtitle C of title XVII of the Food Security Act of 1985 (7 U.S.C. 5001 et seq.) is amended—

(A) by striking out "National Agricultural Policy Commission Act of 1985" each place it appears in the subtitle heading and section 1721 (7 U.S.C. 5001) and inserting in lieu thereof "National Commission on Agriculture and Rural Development Policy Act of 1985"; and

(B) by striking out "National Commission on Agricultural Policy" each place it appears in sections 1722(1) and 1723(a) (7 U.S.C. 5001(1) and 5002(a)) and inserting in lieu thereof "National Commission on Agriculture and Rural Development Policy".

(2) Section 1727 of such Act (7 U.S.C. 5006) is amended by adding at the end thereof the following new subsection:

"(c) The Secretary of Agriculture shall provide funding for the Commission by selling a sufficient quantity of commodities owned by the Commodity Credit Corporation to enable the Commission to carry out this subtitle.".

(b) Section 505 of the Farm Credit Amendments Act of 1985 (12 U.S.C. 2001 note) is amended by adding at the end thereof the following new subsection:

"(f) The Secretary of Agriculture shall provide funding for the National Commission on Agricultural Finance by selling a sufficient quantity of commodities owned by the Commodity Credit Corporation to enable the Commission to carry out this section.".

HELMS AMENDMENT NO. 248

Mr. HELMS proposed an amendment to the bill H.R. 1827, supra; as follows:

At an appropriate place in the bill, insert the following:

"None of the funds appropriated by this Act for the emergency provision of drugs determined to prolong the life of individuals with Acquired Immune Deficiency Syndrome shall be obligated or expended after June 30, 1987, if on that date the President has not, pursuant to his existing power under section 212(a)(6) of the Immigration and Nationality Act, added human immunodeficiency virus infection to the list of dangerous contagious diseases contained in Title 42 of the Code of Federal Regulations.".

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BUMPERS. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests.

The hearing will take place Tuesday, June 30, 1987, 2 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to receive testimony on two measures currently pending before the subcommittee:

S. 59, a bill entitled the "National Forests and Public Lands of Nevada Enhancement Act of 1987"; and

S. 854, a bill entitled the "Nevada-Florida Land Exchange Authorization Act of 1987."

Those wishing information about testifying at the hearing or submitting written statements should write to the Subcommittee on Public Lands, National Parks and Forests, U.S. Senate, room SD-364, Dirksen Senate Office Building, Washington, DC 20510. For further information, please contact Beth Norcross at 224-7933.

Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests.

The hearing will take place Tuesday, June 23, 1987, at 10 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to receive testimony on two measures currently pending before the subcommittee. The measures are:

S. 693, a bill to designate certain lands in the Great Smoky Mountains National Park as wilderness; to provide for settlement of all claims of Swain County, NC, against the United States under the agreement dated July 30, 1943, and for other purposes; and

S. 695, a bill to designate certain lands in the Great Smoky Mountains National Park as wilderness, and for other purposes.

Those wishing information about testifying at the hearing or submitting written statements should write to the Subcommittee on Public Lands, National Parks and Forests, U.S. Senate, room SD-364, Dirksen Senate Office Building, Washington, DC 20510. For further information, please contact Beth Norcross at 224-7933.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON COURTS AND ADMINISTRATIVE PRACTICE

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Courts and Administrative Practice of the Committee on the Judiciary, be authorized to meet during the session of the Senate on May 28, 1987, to hold a markup on S. 548, Retiree Benefits Security Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Rules and Administration, be authorized to meet in SR-301, Russell Office Building, on Thursday, May 28, 1987, at 4:30 p.m. to consider the request of the Committee on Agriculture, Nutrition, and Forestry for supplemental funding for 1987, and to receive testimony from the Architect of the Capitol on the alternatives to the proposal to replace the Senate subway system.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary, be authorized to meet during the session of the Senate on May 28, 1987 to hold a hearing on the nomination of Charles R. Rule to be assistant attorney general of the Antitrust Division of the Department of Justice.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on May 28, 1987, to mark up S. 661, the Medicare and Medicaid Patient and Program Protection Act of 1987, and S. 1127, the Medicare Catastrophic Loss Prevention Act of 1987.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AVIATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Aviation, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on May 28, 1987, at 2 p.m. to hold oversight hearings on the Federal Aviation Administration's (FAA) air traffic control system.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on May 28, 1987, to hold oversight hearings on the National Science Foundation and its role in assisting U.S. industrial competitiveness.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, May 28, 1987, to hold a hearing on ambassadorial nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, NARCOTICS, AND INTERNATIONAL OPERATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Narcotics and International Operations of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, May 28, 1987, at 2 p.m. to hold a hearing on ambassadorial nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AFRICAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on African Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, May 28, 1987, at 2:45 p.m. to hold a hearing on ambassadorial nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

PROPOSED ARMS SALES

● Mr. PELL. Mr. President, section 36(b)(1) of the Arms Export Control Act requires that Congress receive formal notification of proposed arms sales under the act in excess of $50 million, or in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD the notification I have received.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, May 26, 1987.

Hon. CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 87-21, concerning the Department of the Army's proposed Letter(s) of Offer to Pakistan for defense articles and services estimated to cost $44 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

PHILIP C. GAST,
Lieutenant General, USAF, Director.

[Transmittal No. 87-21]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b)(1) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective purchaser: Pakistan.

(ii) Total estimated value:

	Millions
Major defense equipment [1]	$40
Other	4
Total	44

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[1] As defined in Section 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: Sixty M198 155mm Towed Howitzers and support materiel.

(iv) Military department: Army (VHF).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) Sensitivity of technology contained in the defense articles or defense services proposed to be sold: None.

(vii) Section 28 report: Included in report for quarter ending 31 Dec 86.

(viii) Date report delivered to Congress: May 26, 1987.

POLICY JUSTIFICATION

Pakistan—M198 155mm Howitzers

The Government of Pakistan has requested the purchase of sixty M198 155mm Towed Howitzers and support materiel. The estimated cost is $44 million.

This sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country which has been and continues to be an important force for political stability in Southwest Asia.

The Government of Pakistan needs these howitzers to pursue its overall force modernization plan and to improve its basic defense capability. Pakistan will have no difficulty absorbing these howitzers into its armed forces because it already has these weapons in its inventory.

The sale of this equipment and support will not affect the basic military balance in the region.

The howitzers will be manufactured at the Rock Island Arsenal, Rock Island, Illinois.

Implementation of this sale will require the assignment of ten additional U.S. Government personnel to Pakistan for three weeks.

There will be no adverse impact on U.S. defense readiness as result of this sale.●

PUBLIC DIPLOMACY: A NEW DIMENSION OF INTERNATIONAL RELATIONS

● Mr. ARMSTRONG. Mr. President, today's international concerns compel us to look for new and innovative ways to promote our commitment to freedom of expression and the free flow of ideas across international borders. This is not simply a philosophical commitment: Our freedom, economic stability, and national security depend on it.

It is not just rhetoric to talk about the metamorphosis taking place in international affairs called public diplomacy where Government leaders speak directly to people around the globe. Glasnost should serve as a vivid illustration of just how important public diplomacy has become in recent years, and will continue to grow as a way all nations will conduct foreign affairs.

It seems only logical, then, that the United States make full use of available technology and the instantaneous nature of communications, making diplomacy a priority in international affairs.

The U.S. Information Agency's [USIA] live global satellite network—Worldnet—is only the latest addition to our tools of public diplomacy, but it has already become one of our most successful ventures. Former USIA Director Frank Shakespeare stated about Worldnet:

In television, the establishment of USIA's satellite network—Worldnet—is probably the single most comprehensive change that has been made on worldwide basis by our government in 35 years.

I commend USIA for Worldnet and its other public information programs and recommend the attached reading to your attention. It is my belief that the advent of advanced satellite communications will prove its worth as a valuable new method in presenting and exchanging views on critical and timely international issues.

I urge my colleagues to read the following article that appeared in TV Guide on Worldnet's tremendous success.

The article follows:

WORLDNET FIRES AWAY IN THE STAR WARS OF IDEAS

(By Neil Hickey)

In the battle for the hearts and minds of the world's people, the USIA's TV network transmits news about America to more than 100 cities in 79 countries.

"Through television, Washington's ideologists break into other people's homes without knocking and fish for the naive and gullible in the muddy torrent of disinformation relayed via its Worldnet. . . ." So spoke Radio Moscow one day last August. In October, Fidel Castro complained on Radio Havana that Worldnet is a "means of ideological and cultural penetration to sell the decadent Yankee way of life in our impoverished nations."

What the folks in Moscow and Havana were exercised about was the United States Information Agency's new, live, daily broadcasts to Europe and Latin America—part of a worldwide schedule of TV programs that go to more than 100 cities in 79 countries—which may be the most phenomenal and ambitious undertaking in the history of television. Passers-by on D Street outside Worldnet's studios in Washington, DC., can look up at a sign that proclaims: "The First Live Global Satellite Television Network." One day soon it will allow the U.S. Government to reach out and touch someone with a TV program almost anywhere in the world.

Unlike commercial TV networks, whose job is to deliver audiences to advertisers, the USIA's TV network delivers ideas about America—its culture, mores and foreign policies—to the rest of the world. Two weeks ago, the agency premiered a kind of transnational Today show—breakfast television beamed to Western and Eastern Europe, Greece, Turkey and parts of North Africa. The show goes out five days a week, from 1 to 3 A.M. (Washington time), and is seen abroad between 6 and 9 A.M.

But that's only the newest tendril of the USIA's electronic Virginia creeper. Just two years ago, in April 1985, the agency began a two-hour regular daily schedule (now four hours, with the breakfast show) of live and pre-taped news, features, interviews, documentaries and sports aimed (mostly) at the continent of Europe. Then, last October, it started a one-our daily broadcast to Latin America. And by 1990, it hopes to have full-fledged daily schedules for the Middle East, the Far East and the whole African continent.

But as far back as November 1983, the USIA was beaming occasional, ad hoc programming—including live, two-way press conferences—to various points on the globe, sometimes in response to specific foreign-policy crises. The first of those crises was the U.S. invasion of Grenada on Oct. 25, 1983, which drew heavy criticism from U.S. allies in Europe. Charles Z. Wick, the USIA's director, had the idea of staging a satellite news conference featuring then U.S. ambassador to the United Nations Jeane Kirkpatrick (in New York), along with two State Department officials in Washington, D.C., and in Barbados the prime ministers of Saint Lucia and Barbados. Those five were interviewed by reporters who'd been invited to the U.S. embassies in Bonn, London, The Hague, Rome and Brussels. That two-hour exchange made headlines worldwide, and excerpts from it appeared on TV-news programs all over Europe. The experiment was counted a roaring success. Worldnet thus was born and has grown from a sometime thing to the burgeoning, quotidian globe-girdler it is today.

The multipoint live press conference format has been repeated more than 350 times since 1983 as a regular feature of Worldnet's program schedule. When the U.S. bombed Libya in April 1986, for example, Secretary of Defense Caspar Weinberger, Secretary of State George Shultz, and others took to the airwaves to explain the action. Assistant Secretary of State Elliott Abrams has appeared several times to defend U.S. policy in Central America; such other assorted heavy hitters as former national security adviser Robert C. McFarlane and even former Chief Justice Warren Burger have submitted to long-distance questioning by foreign reporters.

Worldnet is now considered by many "the jewel in the crown" of the Reagan Administration's vigorous effort to combat Soviet "disinformation" techniques, and to win friends and influence people to think kindly about U.S. policies and life styles. In an era of drastic cost-cutting by the Government, the USIA's budget has increased more than 80 per cent during the Reagan years from $458 million to $837 million, and television is giving the far-flung agency (206 posts in 127 countries) a bully pulpit unimagined when the USIA came into being in 1953.

Indeed, the appetite for American programs of almost any sort is enormous around the world. The USIA's output is distributed by cable systems, master antennas in hotels, is rebroadcast in a few areas by local over-the-air stations, and is picked up by satellite dishes in private hands. TV-set owners in many parts of the world are either buying or building (from scrap materials) their own dishes to get direct reception of USIA programs from the satellites. Plaintive letters arrive from Soviet bloc countries asking for detailed instructions on how to build the dishes: "I need very specific information—exact measurements, schematics and materials used—because I must build the antenna myself from scratch," said one letter from Eastern Europe. "Could I put the antenna on the ground under bushes . . .?" Wrote another: "We must keep [the antennas] in proper working order without the authorities' knowledge."

Two years ago, the USIA began a series of non-ideological, televised exchanges between prominent U.S. physicians (among them, heart surgeon Dr. Michael DeBakey) and their counterparts abroad in the Middle East, Eastern Europe, the Soviet Union and India. The two-hour teleconference to Moscow in December 1985, linking American and Soviet cardiologists, was thought to be a historic undertaking in U.S.-Soviet relations.

Yet another largely nonpolitical activity is the USIA's worldwide trafficking in videotapes. In April 1983, Charles Wick was visiting Amman, Jordan, with Alvin Snyder, a former TV news producer who runs the USIA's television department, when they noticed a long line of people outside a shop, which they assumed at first was a food store. It turned out to be a video store, one of hundreds in the city. Wick decided on the spot that the USIA should get into videotape distribution. More than four years later, half of all USIA posts in the world offer videotapes free of rental charges to all comers, and the number of those posts is growing. Demand for the tapes has been phenomenally high, from Malaysia to Uganda, from Hong Kong to Turkey—feature films such as "Witness," "A Passage to India," Ragtime," "Guess Who's Coming to Dinner", entire TV series such as Roots and The Constitution: That Delicate Balance, programs on the arts, medicine, science, travel, history, sports, agriculture how-to and self-help. The tapes have increased usage of one USIA library abroad by 50 percent; in Kuala Lumpur, the average videotape is borrowed nine times more often than the average book.

"Public diplomacy" is what this Administration calls such government-to-people strategies aimed at getting foreigners to like and understand us and our foreign policies. Wick is convinced of the importance of transmitting quantities of information to the world, especially to countries where information is tightly controlled. "Just as radio was a further step in imparting knowledge, beyond the printing press," he says, "television, with sight and sound, will be the greatest peace guarantor in the history of the world."

Rep. Dan Mica (D-Fla.), chairman of the House Foreign Affairs Subcommittee on International Operations, which oversees the USIA's activities, calls World-net "the superstation that America will never see." (The law forbids domestic airing of the programs except by special dispensation of Congress.) It's a service that has "untapped and unlimited potential," he says, but at the same time it needs to be monitored closely by Congress to assure that narrow political and partisan views of any particular Administration are not conveyed to the world to the exclusion of the broader consensus views of the Congress. "That concern is ever-present in the Congress," Mica says. "We want to be sure that there is a true balance and not just tokenism—that they don't throw in just enough opposition spokesmen to say they had a balanced presentation when in fact they did not." The agency claims that it is, in fact, scrupulous about conveying opposing views. After the revelations of the Iran arms sale controversy, for example, the USIA aired a half-hour version of the Tower Commission's press conference to Latin America, and a report of the conference also appeared as a news item in the European broadcasts.

In future years, when the USIA's global TV network is fully in place and can reach into the planet's dark corners, it could constitute the most powerful instrument of propaganda ever owned by any nation in the history of the world. Isn't there a chance for mischief there by some strong-willed President intent on promoting (what might be) dangerous and erratic policies? "Congress is willing to take that risk," says Representative Mica, "because there is a message" about America—its culture and broad aims—"that needs to be conveyed to the rest of the world." And the most effective medium for that task is television.

At the root of the USIA's growing capacity and desire to circle the globe with TV programs is the understanding—shared by the Soviets—that the world has entered a new phase of ideological confrontation, a kind of Star Wars of ideas in which the superpowers contend, daily and energetically, for the hearts and minds of ordinary people.

The game is afoot—or perhaps aloft, borne by satellites 22,300 miles over the equator. The planet's future may depend, to a large degree, on who plays that game most skillfully.●

FARMLAND SALES INCREASING

● Mr. BOSCHWITZ. Mr. President, I would like to bring to the attention of my colleagues, an article printed Friday, May 1, 1987, in the New York Times, entitled "Foreclosed Farms Being Sold as Land Values Start to Rise." The article points out that agricultural lenders are beginning to sell acreage acquired during the past few years. Some farmers are beginning to feel that the land market has bottomed and have started buying. This action reflects new optimism in the national depressed farm economy. The farmland value decline appears to have ended. Mark Drabenstott, research officer and economist at the Federal Reserve Bank of Kansas City, MO, bases the optimism on the attitude of the worst being over rather than on a really strong economic picture.

A recent survey of banks and other lenders in Minnesota, Iowa, and the Dakotas showed similar attitudes. The vast majority say prices have bottomed out.

Farmers have purchased two-thirds of the lender-owned land, while outside investors have acquired remaining acreages at prices that are 50 percent of the 1981 peak value. Fifty percent of the purchasing farmers are paying cash for the land according to Leslie Horsager, vice president of the Prudential Insurance Co. According to lenders, no significant sales of farmland has accrued to foreign investors. Land sales have increased since farmers and investors feel they can profitably invest money. The Farm Credit System estimates they sell 6 percent of their inventory of farmland monthly, using conventional terms with an annual sales price of 102 percent of the appraised value. Many of these farmers are not expanding their operation, but are renting the land to younger farmers and to former landowners.

The Farm Credit System is selling land at a rate two to three times what was sold a year ago. The Farmers Home Administration, the lender of last resort, has sold 209 of the 5,000 farms acquired ending their self-im-

posed sales moratorium. Also, private industry has slowly been moving land.

While trouble still persists for many farmers, the article points out that the farmland values may be at the bottom of the market.

The article follows:

Foreclosed Farms Being Sold as Land Values Start To Rise

(By William Robbins)

Osawatomie, KS.—The country's major agricultural lenders are beginning to sell much of the vast acreage they have been taking over from troubled farmers for the last few years.

"I've always been told that when the farmer starts buying you will have seen the bottom of the market," said Rick Attig, a farm manager in northwestern Iowa. "Well, the farmers have started buying."

The purchasers by farmers as well as investors reflect a new optimism about the national farm economy, which has been in recession for much of this decade. The long slide in farmland values, which are the principal basis for agricultural credit, appears to be ending; indeed, in some areas, particularly in Illinois and Iowa, farmland values are rising.

ECONOMISTS ARE ENCOURAGED

Many economists, while noting that trouble spots remain, find this and other aspects of the agricultural picture more encouraging than any they have seen in recent years.

Farming costs, including interest rates, have declined from the peaks that helped bring on the agricultural recession, although interest rates are now incling up again. The total national farm debt has fallen about 12 percent over the last two years, from $198.7 billion to $174 billion. And farm income this year is expected to total $31 billion to $33 billion, up from $29 billion last year.

"I think we are seeing a turaround in farm psychology," said Mark Drabenstott, research officer and economist at the Federal Reserve Bank of Kansas City, Mo., "It is based on the worst being over rather than on a really strong economic picture, but people are positioning themselves for the future."

THE LAND IS COMING BACK

Harry Milne, a 70-year-old farmer here in southeastern Kansas who has built a reputation for astute land dealings, went out the other day and bought a farm he had been watching for two years, waiting for the right price. "I believe the land is coming back," he said. "I don't think land is going to get any lower, and I think you're going to see a steady rise for the next 20 years."

Prices being paid are often less than 50 percent of the peak they reached in 1981, but they vary widely from region to region and from one type of farmland to another. Mr. Milne, for example, recently paid $250 an acre for some pasture but was subsequently outbid by an outside investor when he sought to buy similar land nearby for a comparable price.

Good cropland in Missouri is now selling for about $550 an acre, lenders there say, while some recent sales of some of the best land in Illinois have been reported recently at prices as high as $2,000 an acre. Up in his area of Iowa, according to Mr. Attig, good land is going for $1,100 to $1,300 an acre.

BUYERS ARE MOSTLY FARMERS

Here in southeastern Kansas, the average price for cropland is $400 to $500 an acre, "and that's up about 20 to 25 percent," said Gary Hosack, a realty executive in nearby Paola.

The current situation follows a boom and-bust decade, with exuberant investment in land and equipment by farmers in the late 1970's. Many wound up heavily in debt in the 1980's, often losing to their lenders the land they had put up as collateral for their expansion. The principal farm lenders, usually with considerable reluctance, thus accumulated about 5.5 million acres. This is about one-half of 1 percent of the country's billion acres of farmland.

Many farmers remain heavily in debt. "It's going to be a very difficult year for those still facing those heavy debts," Mr. Drabenstott.

"But, viewed as a whole," he said, "farming is going to have an excellent year. Livestock will produce very strong profits, and grains producers will get very strong returns from Government programs." The grain producers depend on Government subsidies for about half their gross income, and livestock producers are getting higher prices while paying less for feed.

FEARS FOR MARKET EASED

Land values in Mr. Drabenstott's district, which includes much of the grain-producing Middle West, continued to fall in the last quarter of 1986 but now appear to be steadying, he said. "The anecdotal evidence I am getting," he said, "is that quite a bit of land is changing hands at prices that are firm."

The speed-up in land sales appears to have happened largely because prices have fallen to a level where farmers and investors could buy tracts and make money. The evidence of demand for the land appears to have bolstered prices and eased fears among farmers and lenders that wide-scale selling by the lenders might further depress land values.

"Six months ago the big inventory was depressing the market," said Mr. Drabenstott. Now, he said, with signs of increased buying, people are looking at the land that is available "more as an opportunity."

The biggest inventory of troubled farmland has been accumulated by the Federal Farm Credit System, a giant organization of cooperative lending units that itself has fallen on hard times. The system has acquired about 2.2 million acres, now valued at about $1 billion, according to Hugh Macklin, president of the Farm Credit System Capital Corporation, a new branch created to help handle problem loans and landholdings.

"The land was always for sale—there just weren't many buyers," he said. "We are selling at the market and on conventional terms, and on average our farms are selling at 102 percent of appraised value."

IT VARIES FROM STATE TO STATE

Experiences differ according to types and quality of land being sold, lenders and land agents say. Despite the new ebullience of the cattle industry, values of ranchland continue to sag. As might be expected, the best land in the most productive states is most likely to show price gains.

"Things seem to be moving, but it varies from state to state," said John Lord, vice president of the John Hancock Mutual Life Insurance Company, which is an agricultural lender. "In the better areas we detect some strength. In the Mississippi Delta, we see some improvement as well as in Illinois and Iowa in the Midwest. Even in Nebraska and Kansas we are seeing some stability. The majority are not moving up, but we are not seeing any new erosion of values."

Some of the lenders seem surprised at the number and resources of the buyers who are now turning out.

More than two-thirds are local farmers, often elderly like Mr. Milne, the lenders say. "A surprising number—a little over 50 percent—are making deals for all cash," said Leslie Horsager, vice president of the Prudential Insurance Company. "They see land as an alternative to certificates of deposit."

Most of the other buyers are borrowing relatively little so as to increase the potential for return on their investment and reduce risk by keeping their debt and other costs down.

OUTSIDE INVESTORS ALSO BUYING

The lenders say that most of the local farmers who are now buying did not borrow heavily in the boom years, either. Many have seen their children move away, although some, like Mr. Milne, are expanding an estate in hopes that the children will someday be able to return to the land. However, many of them are now renting the land to younger farmers, and frequently to former owners who had been victims of the boom-and-bust cycle.

The rest of those buying from lenders are outside investors, purchasers like Clifford Wolfswinkel of Mesa, Ariz., although few operate on so large a scale. Mr. Wolfswinkel has bought dozens of farms in northwest Iowa, totaling 15,000 acres, and he plans to buy about 10,000 acres more, he said the other day.

Mr. Wolfswinkel, who is a real estate developer, rents the farms to Iowans, often to their former owners. At current land prices, he said, the rents sometimes produce a return on his investments as high as 12 percent.

The lenders say they have made no significant recent sales of cropland to foreign interests.

ACTIVITY THROUGHOUT THE SYSTEM

The lending groups vary widely in the way they have handled the land they have taken over. The Farm Credit System, the biggest of the land acquirers, is now also the biggest seller. Mr. Macklin estimates it is now selling about 6 percent of its inventory every month. "There is activity throughout the system," he said. "And where we have numbers it look like we're selling two and a half to three times what we were selling a year ago."

But he said that because of continuing long-term credit problems, many farmers were still losing their land, much of it to the Farm Credit System.

The next largest holders of foreclosed land—the Farmers Home Administration, which is the lender of last resort to distresed farmers, and life insurance companies—appear to be more conservative in their sales activity.

Farmers Home had an inventory of about 5,000 farms totaling about 1.47 million acres and worth about $833 million at the end of 1986, according to Joseph O'Neill, the agency's spokesman. From last Oct. 1, when it broke a self-imposed moratorium on farm sales, to the end of the year, Farmers Home sold a total of 209 farms, Mr. O'Neill said.

Mr. Lord of John Hancock said, "Our feeling for the past two years has been that it was not a time to be selling." Even now, he said, the company is moving slowly.

IDENTIFYING WHAT TO SELL

"We have screened our portfolio and tried to identify those properties that are difficult to manage," he said, "and we have identified some for immediate disposition."

There are no central sources of information on land acquired from distressed farmers by either the life insurers or the banks. Mr. Horsager of Prudential offers an "educated guess" that the insurers' inventories, valued at $1.5 billion, total at least 1.5 billion acres. James C. Webster, publisher of The Agricultural Credit Letter, estimates the banks' holdings at about 400,000 acres with a value of $350 million.

There are no data on sales of bank-acquired lands, according to officials of the American Bankers Association. But others say the bankers have tended to dispose of their acquisitions more quickly than any of the other lenders.●

MONITORED RETRIEVABLE STORAGE FACILITIES

● Mr. EVANS. Mr. President, today marks the 1-year anniversary of the administration's nomination of three sites for detailed site characterization as a deep geologic repository. At the same time, The Secretary of Energy announced that the second repository program mandated under the Nuclear Waste Policy Act of 1982 would be indefinitely postponed, thus declaring the Department's intent to ignore the law.

It is clear that the Department of Energy's unilateral decision to destroy the delicate balance established by the Congress when it developed the act has thrown the Nuclear Waste Program into disarray. The Department of Energy has lost the confidence of both the States and affected Indian tribes, a fact readily demonstrated by the scores of lawsuits now pending in the ninth district court of appeals challenging the May 28 decision. It is also apparent that the Department's performance has caused serious concern in Congress, with the House and Senate agreeing to make significant reductions in the Department's budget request for waste activities and the establishment of a prohibition on drilling exploratory shafts at any of the three selected sites for fiscal year 1987.

If today marks the 1-year anniversary of the breakdown of our Nuclear Waste Program, I am hopeful that it will also mark the beginning of a broad effort by States, utilities, the administration and the Congress to restore effectiveness to our Nuclear Waste Program.

I have recently introduced legislation, S. 1266, which provides an equitable and technically sound solution to the safe storage of our Nation's spent fuel and high-level radioactive waste. This bill would establish four regional monitored retrievable storage [MRS] facilities across the country to store the Nation's nuclear waste safely while it cools and much of its radioactivity decays away, making handling and disposal significantly easier and less costly. I am also aware that Congressman SID MORRISON from Washington has proposed language approved by the House Science and Technology Committee which would authorize a 2-year examination of the regional MRS option.

After my recent trip with other members of the Senate Energy and Natural Resources Committee to examine the Swedish and French nuclear waste progams, I am more convinced than ever that MRS facilities can provide safe, cost-effective storage for nuclear waste, while giving us necessary time to ensure that our final disposal option is safe, responsible and technically sound.

Mr. President, it is in the best interest of all of us to fashion a true midcourse correction for a program which has become seriously flawed, and I look forward to working with other Senators as we set about this difficult task.

Mr. President, I ask that a copy of S. 1266 be printed in the RECORD, as well as a copy of a letter I recently received from several Washington State legislators outlining their support for the MRS concept and two editorials on this subject.

The material follows:

[From the Spokesman-Review, Apr. 29, 1987]

WASTE-DISPOSAL STEPS SHOULD COME IN ORDER

Washington Sen. Daniel J. Evans, a key member of the Senate committee that oversees the U.S. Energy Department, came home from a tour of European storage facilities for nuclear wastes with the conviction that the United States is "going about it backwards."

"It" is the Energy Department's program to find a safer and more permanent resting place for spent fuel from commercial nuclear power reactors.

Currently, this hot and highly radioactive waste simmers in overcrowded "swimming pool" storage at the reactors where it is produced. As part of the deal that made nuclear power feasible, the federal government promised years ago to take responsibility for this, the most lethal and long-lived garbage mankind has produced.

But Evans points out that in its rush to met the awesome challenge before it—safe storage of nuclear wastes for 10,000 years—the Energy Department is "attempting to move to a final solution before having determined an interim one."

Indeed, the Energy Department's search for a permanent repository counts on storage technology that has not been fuly developed or tested.

And the site-selection process is in deep trouble. One of the three finalist sites, in Texas, sits atop the vast Ogallala aquifer, from which farmers in several states pump irrigation water. Another, at Hanford, sits in basalt with a tendency for stress fractures, saturated with ground water, just five miles from the Columbia River. Politics swept aside geologic concerns in the selection of the finalist sites.

This contaminated process does not inspire confidence in what would be permanent, irretrievable storage; nor has the government earned much confidence with its track record of leaks from earlier nuclear waste storage technologies that it once pronounced safe.

Concerns such as these, plus the interim-storage approach Evans found in Europe, lend support to the notion of an interim storage program in the United States which would allow time for more careful analysis of permanent storage systems plus the development of new technology.

Spent fuel loses a significant portion of its radioactivity and heat in the first few decades; thus, retrievable storage of nuclear wastes for 30 or 40 years would reduce the challenges facing a permanent repository.

Furthermore, the spent fuel does contain potentially valuable elements and energy, and while reprocessing has failed to work well with existing technology, it is quite possible that technically and economically practical reprocessing technology may appear within a few decades, with obvious impact on the need for a permanent repository.

The Energy Department has, in fact, been working toward a single monitored retrievable storage facility, using technology similar to one proven method Evans saw in Europe; dry storage in above-ground concrete casks. Such a facility would be located in Tennessee, close to more than 80 percent of the nation's commercial nuclear waste. But the current concept would involve only short-term storage and repackaging for shipment to a repository.

Bearing all this in mind, Evans is drafting an amendment to the federal law that led to the now-discredited search for a permanent repository. He envisions a search for up to four monitored retrievable storage sites, with states that would be home to them to be compensated by substantial cash payments taken from the utilities and ultimately the ratepayers who benefit from nuclear power. He also would have these sites function for a few decades instead of the much shorter term envisioned for the single site in Tennessee.

Evans' proposal makes a great deal of sense. In addition to the appeal of retrievable storage, which allows for correction of unanticipated problems, storage reasonably close to the plants where waste is produced diminishes the risks associated with highway transportation of this deadly cargo.

However, there remains a substantial political problem. Tennessee has fought long and hard against the proposed monitored retrievable storage site within its borders, and finding three more sites would be three times as difficult.

Still, Evans is onto something, and it merits serious consideration.

[From the Wenatchee World, May 1, 1987]

EVANS LEADS ON WASTE IDEA

(By Steve Lachowicz)

We need to keep encouraging Senator Dan Evans in his push to change the emphasis on nuclear waste from a permanent repository to a monitored retrivable storage (MRS) facility. A reliable temporary solution is better than an unreliable permanent one.

Monitored Retrievable Storage means nuclear waste would be put in an easy form for handling (perhaps glassified) and then stored in secure, radiation-proof structures where it could be monitored, instead of trying to stash it away permanently and remotely in some deep hole in the ground.

Evans has floated the MRS idea out around the North-west the past few months, and now he's finally announced he plans to introduce a specific bill in Congress soon. The proposed legislation would establish up to four MRS facilities in different regions of the country and would likely provide each host state with lease payments that could exceed $100 million a year.

Here in Washington we could certainly put the money to good use.

Evans admits Hanford is a likely candidate to become one of these four MRS facilities because it already contains two-thirds of the nation's military radioactive wastes.

Having one of the MRS sites at Hanford should be no cause for alarm. If anything, it should be seen as an opportunity to be more aggressive in cleaning up existing wastes which are already causing problems there.

"We are doing a miserable job of handling waste at Hanford," Evans said at a press briefing a week ago. "We need an MRS or the defense equivalent of an MRS at Handford right now." Evans said constructing an MRS at Hanford would speed up cleaning efforts there while slowing down the nation's search for a permanent high-level nuclear repository.

As has been suggested numerous times before in this space, the idea of having several MRS sites designed to handle wastes for maybe 100 years or so would give us time to develop new technologies for the more permanent disposal of radioactive waste. Evans was apparently greatly encouraged by a recent visit he made to Sweden and France to look at their waste-handling techniques.

He told the press, "The trip strongly reinforced my view that we are going about it backwards here."

It borders on the nonsensical to delude ourselves that we can develop any system today which can be guaranteed not to fail for 10,000 years. But that's what we've been trying to do in seeking a site for a permanent underground repository. We could handle these wastes a lot more safety, a lot more inexpensively and a lot more confidently if we'd keep them on or near the surface in retrievable form which can be easily and constantly checked.

By spreading four sites around the country, we'd also be better preparing ourselves for sharing the ulitmate disposal responsibility nationwide, assuming it still involves some sort of geological burial. The East will be used to shipping and handling wastes in that part of the country, and the West, South and North might become equally comfortable doing the same thing.

This notion of monitored retrievable storage makes the most basic kind of sense. Unfortunately, as we've seen too many times before the Congress, that's no guarantee it will ever come close to passing.

At least we can give it our best shot. There's no one better than Dan Evans to lead the way.

WASHINGTON STATE LEGISLATURE,
Olympia, WA, May 11, 1987.

Hon. DANIEL J. EVANS,
U.S. Senator, Hart Senate Office Building, Washington, DC.

Subject: Nuclear Waste Policy Act.

DEAR SENATOR EVANS: There is now substantial evidence that the Nuclear Waste Policy Act is not working as planned. The nation is struggling to find a politically acceptable course for the long-term disposal of high-level nuclear waste. The time has come to revise the Act. We believe it might be fruitful to focus on a shorter term solution which keeps our long term options open. This solution could be a national regional system of Monitored Retrievable Storage. If done correctly, there could be substantial benefits to the state of Washington with such a system.

A study of a potential regional Monitored Retrievable Storage system would be worthwhile for Washington for these reasons:

1. Despite the best congressional intentions, defense waste cleanup is proceeding too slowly. Siting of an MRS facility at Hanford would provide leverage for cleanup of the defense waste located on the Reservation.

2. The proposed cutback in nuclear production at Hanford, including USDOE's projection for the N Reactor going off line in 1995, could lead to a loss of interest by USDOE in cleaning up the Reservation. Not only would an MRS help assure cleanup, it would also provide jobs for workers who might lose their production jobs. We estimate operating an MRS could provide as many as 1,200 jobs per year.

3. The nation is at a political impasse in the siting of a respository. Recent proposals include forcing a repository on a state which is bitterly opposed to it. This is not the basis for good policy making. If Washington were to participate in an interim solution for handling high-level waste through an MRS, this might help ease the way for a cooperative approach by other states to address this severe national problem.

4. In fact, the country just does not seem ready for the siting of a permanent repository. We might be far better off taking a modified approach, along the lines we see in Europe. The European model of interim storage of high level wastes seems to have avoided the public outrage which haunts our national search for a permanent repository.

5. An MRS at Hanford would accept wastes generated in the Northwest region, including WMP-2, Trojan, and the Idaho National Engineering Laboratory, as well as the defense wastes on the Hanford Reservation. The additional transportation risks to Washington associated with such a project would be small. A national regional system would reduce transportation risks for the foreseeable future, when compared to the current USDOE scenario of a single eastern MRS and a permanent Western repository.

6. Regional storage of high-level waste has the simple, but compelling, notion of equity. Those parts of the country which benefit from nuclear power, also generate wastes, should also own the responsibility for the safe storage of those wastes. Pitting the Eastern United States against the West, which seems to be our national policy, is not a responsible approach. Wastes should be handled by those who generate them.

We recognize, of course, that there are substantial risks involved in a regional MRS system, and in particular, siting a combined defense and commercial MRS at Hanford. Nevertheless, we believe that the idea warrants a hard look. We were pleased to note that Congressman Morrison recently persuaded a House Subcommittee on Energy Research and Development to add $5 million to an authorization bill for the study of a regional MRS.

We urge you to support this approach.

Thank you for your attention to our request. We look forward to learning your thinking on this matter.

Sincerely,

Senator Max E. Benitz, Representatives Shirley Hankins, Peter T. Brooks, Jim Jesernig, Senators Lois J. Stratton, Cliff Bailey, Jerry Saling, Representatives P.J. Gallagher, Fred O. May, Senator Irv Newhouse, Representatives Mike Todd, Seth Armstrong, Nancy Rust, Dick Nelson, Dick Barnes, Jolene Unsoeld, Ken G. Jacobsen, Louise Miller, John A. Moyer, Sim Wilson, and Senators Emilio Cantu, Bill Smitherman, Gary A. Nelson, Alan Bluechel, Brad Owen.

S. 1266

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "High-Level Radioactive Waste Storage Act of 1987".

SEC. 2. AUTHORIZATION OF MONITORED RETRIEVABLE STORAGE FACILITIES.

Subtitle C of title I of the Nuclear Waste Policy Act of 1982 is amended by—

(1) inserting after the caption for such subtitle the following:

"PART 1—SITING AND CONSTRUCTION OF THE FIRST MONITORED RETRIEVABLE STORAGE FACILITY";

and

(2) adding at the end thereof the following:

"PART 2—ADDITIONAL MONITORED RETRIEVABLE STORAGE FACILITIES

"FINDINGS

"SEC. 145. The Congress finds that—

"(1) the storage and disposal of high-level radioactive waste is a national problem that requires a partnership between Federal Government and States, local governments, and Indian tribes to resolve;

"(2) the present situation of the Federal nuclear waste program is in serious disarray and requires a substantial mid-course correction;

"(3) the location of storage and disposal sites for high-level radioactive waste should reflect, to the greatest extent possible, proximity to the beneficiaries of the generation of nuclear power for electricity;

"(4) each region of the country which benefits from the generation of nuclear power should equitably bear the full costs of the interim storage and long-term disposal of spent nuclear fuel through the siting and development of regional monitored retrievable storage facilities;

"(5) the storage of high-level radioactive waste in monitored retrievable storage facilities for a period of fifty years or more offers numerous technical advantages, including reduction in thermal load and radioactivity and substantial reductions in the final cost of geologic disposal;

"(6) a system of regional monitored retrievable storage facilities offers a safe and scientifically sound solution to resolve the institutional and technical questions regarding the safe storage of high-level radioactive waste while providing our society more time to resolve the long-term issues regarding permanent disposal;

"(7) thorough technical analysis and scientific credibility should be the basis and primary criteria for the guidelines for the selection of any nuclear waste disposal facility;

"(8) greater compensation, based on a long-term rental concept, should be offered to State and local governments following the selection of a technically sound site and licensing by the Commission;

"(9) high-level radioactive waste in the form of spent nuclear fuel contains a large source of valuable energy that future generations may wish to extract and make use of, therefore retrievability of the waste should be ensured in some manner; and

"(10) the reprocessing of spent nuclear fuel may offer significant long-term economic and environmental benefits by recycling valuable isotopes of high energy value and by closing the back end of the nuclear fuel cycle.

"SUSPENSION OF PERMANENT REPOSITORY ACTIVITIES UNTIL JANUARY 31, 1998

"SEC. 146. (a) SUSPENSION.—Upon the date of enactment of this part, the authority granted by the provisions of this Act with respect to the siting or construction of any repository, including the development of site characterization plans and any other activities, is revoked for a period beginning on the date of enactment of this part and ending January 31, 1998.

"(b) INTERIM REASSESSMENT OF POTENTIALLY SUITABLE REPOSITORY SITES—(1)(A) During the suspension period provided in subsection (a) the Secretary of the Interior shall conduct a national survey and prepare a list of potentially suitable sites for a deep geologic repository for high-level radioactive waste and spent nuclear fuel.

"(B) In conducting the survey, the Secretary of the Interior—

"(i) shall consider, but need not be limited to, the general guidelines specified in section 112(a);

"(ii) shall consider a diversity of geologic media, and include sites in various geologic media in the recommendation to the Department of Energy; and

"(iii) shall not favor Federal sites over non-Federal sites.

The list prepared pursuant to this subsection shall include at least 9 potentially suitable sites in at least 3 different geologic media for a geologic repository.

"(2) In addition to the survey required by paragraph (1), the Secretary shall conduct a study on the need for a second geologic repository based on the following factors:

"(A) the most recent data from the Department and other sources on spent nuclear fuel generation estimates;

"(B) the technical advantages afforded by the regional monitored retrievable storage facilities authorized pursuant to part 1; and

"(C) any technological or policy changes in waste management occurring in this period.

The study shall be submitted to the Congress January 1, 1998, along with the recommendations of the Secretary of the Interior for the characterization of a site for a second repository, if necessary.

"(3)(A) After receipt of recommendations of potentially suitable sites by the Secretary of the Interior pursuant to paragraph (1), and the Secretary of Energy pursuant to paragraph (2), the Secretary of Energy shall seek to enter into consultation and cooperation with States and Tribes.

"(B) On or before July 1, 1998, the President, based on recommendations of Secretary, shall recommend and submit to Congress at least one site for site characterization activities for a repository.

"(C) Along with such recommendation, the Secretary shall submit a revised timetable to the Congress for the characterization, licensing, and construction of such a repository. Such a recommendation will include necessary changes in legislation to accomplish the revised timetable for the development of one or more repositories.

"(D) If the study under paragraph (2) concludes there is a need for a second repository, the President, based on the recommendations of the Secretary, shall recommend at least one site for site characterization by July 1, 2003. Such a site shall be in a different geologic media from the first repository.

"AUTHORIZATION OF FACILITIES AND SITE SELECTION

"SEC. 147. (a) AUTHORIZATION.—(1) The Secretary of Energy is authorized to develop and construct within the United States 3 monitored retrievable storage facilities in addition to the facility described in part 1 for the storage of high-level radioactive waste and spent nuclear fuel to be selected and constructed in accordance with the provisions of section 141 and this part.

"(2) Each such facility shall be designed—

"(A) to accommodate spent nuclear fuel and high-level radioactive waste resulting from nuclear activities;

"(B) to permit continuous monitoring, management, and maintenance of such spent fuel and waste for the foreseeable future;

"(C) to provide for the ready retrieval of such spent fuel and waste for further processing or disposal; and

"(D) to safely store such spent fuel and waste as long as may be necessary by maintaining such facility through appropriate means, including any required replacement of such facility.

"(3) Nothing in this part shall be construed as affecting the siting and construction of the first monitored retrievable storage facility pursuant to part 1.

"(b) SITE SELECTION CRITERIA.—The sites for 3 additional monitored retrievable storage facilities authorized by subsection (a) shall be selected through the application of the following criteria:

"(1) Technical guidelines described in section 112(a) relating to geologic, seismic, hydrologic, geophysics, natural resource, and water supply considerations;

"(2) Proximity to the source and beneficiaries of the generation of nuclear power;

"(3) Minimizing transportation distances from the nuclear power facility to the monitored retrievable storage facility;

"(4) Existing Federal facilities shall be considered prior to non-Federal facilities including not only Department of Energy-owned but other Federal facilities; and

"(5) Commission licensed facilities, either operated or partially completed with only a construction license, shall be considered prior to consideration of other non-Federal sites.

"(c) LOCATION OF THREE ADDITIONAL SITES.—The Secretary shall select one site in 3 of the 4 following regions which do not contain the facility constructed pursuant to part 1:

"(1) Northeast Mid-Atlantic: Connecticut, Maine, Massachusetts, Rhode Island, Vermont, New Hampshire, New York, New Jersey, Pennsylvania, Delaware, District of Columbia, and Maryland.

"(2) Southeast: Alabama, Florida, Georgia, Mississippi, North Carolina, Tennessee, South Carolina, Virginia, West Virginia, Louisiana, and Arkansas.

"(3) Midwest North Central: Indiana, Kansas, Michigan, Minnesota, Missouri, Ohio, Wisconsin, Illinois, Kentucky, Oklahoma, Texas, North Dakota, South Dakota, and Iowa.

"(4) West Rocky Mountain: any State not included in clause (1), (2), and (3).

The regions created by this subsection reflect, to the greatest extent possible, the regional distribution of the electric generation of our Nation's commercial nuclear power at the date of enactment of this part.

"GUIDELINES

"SEC. 148. (a) PROMULGATION BY THE SECRETARY.—Within one year after the date of enactment of this part, the Secretary shall develop guidelines for the selection of 3 additional monitored retrievable storage facilities based on the criteria provided in section 141(b) and section 147(b) and submit such guidelines to the Administrator of the Environmental Protection Agency and the Commission for review.

"(b) EPA AND NRC REVIEW.—After receipt of the guidelines submitted pursuant to subsection (a), the Administrator of the Environmental Protection Agency and the Commission shall review the guidelines and within 18 months after the date of enactment of this part shall submit guideline modifications to the Secretary which shall be incorporated into the guidelines. The Secretary shall have the authority to resolve any inconsistencies among such recommendations.

"(c) COMPLETION OF GUIDELINES.—The Secretary shall issue final guidelines under this section within 2 years after the date of enactment of this part.

"IMPLEMENTATION AND CONSTRUCTION

"SEC. 149. (a) SITE SELECTION.—Using the guidelines developed pursuant to section 148, the Secretary shall—

"(1) three years after the date of enactment of this part develop and submit to Congress a list of all potentially suitable sites for a monitored retrievable storage facility, including commission-licensed facilities;

"(2) four years after the date of enactment of this part develop a proposal that recommends 3 sites for monitored retrievable storage facilities, one in each of the 3 regions described in section 147(c);

"(3) select a preferred site and 2 alternative sites within each region to be developed by Department of Energy in the proposal;

"(4) submit environmental assessments required by 141(c), along with proposals to Congress; and

"(5) consult with the States and affected Indian Tribes as provided in section 117 and enter into a binding written agreement prior to the initiation of construction activities.

"(b) CONSTRUCTION OF THREE ADDITIONAL MRS FACILITIES.—(1) Subject to the provisions of paragraph (2), the Secretary shall commence construction of the 3 monitored retrievable storage facilities authorized by this part 6 years after the date of enactment of this part. Facilities constructed under this part shall be completed and available for the acceptance of high-level radioactive waste and spent nuclear fuel by January 31, 2002. These activities shall be subject to appropriations pursuant to section 302(c).

"(2) Any construction commenced pursuant to paragraph (1) shall be subject to licensing by the Commission.

"(3) The requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall apply with respect to construction commenced pursuant to paragraph (1), except that any environmental impact statement prepared with respect to a facility shall not be required to consider the need for such facility or any alternative to the design criteria for such facility.

"(c) LIMITATION.—No repository may be constructed in any State in which there is located a monitored retrievable storage facility developed pursuant to this subtitle.

"(d) WASTE WITHIN EACH REGION.—Upon the construction and commencement of operation of the 4 monitored retrievable storage facilities authorized by this subtitle, any high-level radioactive waste generated or located in one of the 4 regions described in section 147(c) shall thereafter be stored within such region.

"(e) STORAGE SITE ELECTION BY FACILITIES.—(1) Three years after the date of enactment of this part, each person who generates or holds title to high-level radioactive waste, or spent nuclear fuel, of domestic origin shall elect, with respect to such waste or fuel, to—

"(A) enter into a contract with the Secretary for the storage of such waste or fuel at a monitored retrievable storage facility developed pursuant to this subtitle; or

"(B) subject to approval by the Secretary and licensing and approval by the Commission, provide for the storage of such waste at the site of the generating facility.

"(2) At the end of the 3-year period provided in paragraph (1), the Secretary shall develop an estimate for each region of the amount of spent nuclear fuel designated for—

"(A) storage at a regional monitored retrievable storage facility; and

"(B) storage at the reactor site subject approval by Secretary and licensing by Commission.

"(3) Based on the estimate prepared under paragraph (2), the Secretary shall develop specific design and engineering criteria for the monitored retrievable storage facility in each region. Each such facility—

"(A) shall have a capacity of at least 15,000 metric tons of spent nuclear fuel or high-level radioactive waste; and

"(B) should be capable of storing such waste for 50 years after irradiation and removal from reactor core.

"(4) For those utilities who elect at-reactor storage under paragraph (1)(B), the Secretary may reduce the annual fee obligations for such utility to a level that will not adversely affect the activities of the Nuclear Waste Program necessary to carry out the goals of this Act. Such funding shall be no less than 25 percent of the current fee established by the Secretary.

"(5) The Secretary shall submit a new estimate of necessary funding for program activities and a list of utilities electing at-reactor storage in the annual fee adequacy report required under section 302(a)(4). Any reduced fee for utilities choosing the paragraph (1)(B) option shall be uniform and based on gross generation of electricity per kilowatt-hour.

"FINANCIAL ASSISTANCE AND FUNDING

"SEC. 150. (a) IMPACT ASSISTANCE AND FINANCIAL GRANTS.—The Secretary shall make grants to States and Tribes pursuant to the provisions of sections 116(c), 118(b), and 141(f) for assistance for the construction and operation of a monitored retrievable storage facility under this part. Payment pursuant to section 141(f) for the additional 3 facilities shall begin with the issuance of a license by the Commission for the facility.

"(b) LONG-TERM RENTAL BENEFITS.—(1) In addition to payments under subsection (a), States or Tribes which agree to accept a monitored retrievable storage facility pursuant to an agreement reached in accordance with the provisions of section 117 shall be eligible for compensation under the terms and conditions of sections 116(c), 118(b), and 141(f). Such compensation shall be in the form of annual spent fuel payments for which there is authorized to be appropriated $100,000,000 per year from the Nuclear Waste Fund subject to the provisions of section 302(c). Annual spent fuel payments will begin with the arrival of the first spent nuclear fuel shipments to such monitored retrievable storage facility.

"(2) If the first annual spent fuel payment under paragraph (1) is made within 6 months after the last annual payment prior to receipt of spent fuel, the first spent fuel payment shall be reduced by an amount equal to one-twelfth of such annual payment for each full month less than 6 that has not elapsed since the last annual payment.

"(3) Any State receiving payments under this section shall transfer not less than one-half of such payment to units of general local government affected by the monitored retrievable storage facility.

"(4) Annual spent fuel payments under paragraph (1) shall be made for the life of the monitored retrievable storage facility until closure and the commencement of decommissioning of the facility.".

SEC. 3. RESEARCH ON SUBSEABED AND OTHER ALTERNATIVE DISPOSAL METHODS.

Section 222 of title II of the Nuclear Waste Policy Act is amended to read as follows:

"SEC. 222. RESEARCH ON ALTERNATIVES FOR THE PERMANENT DISPOSAL OF HIGH-LEVEL RADIOACTIVE WASTE.

"(a) CONTINUATION AND ACCELERATION OF PROGRAM.—The Secretary shall continue and accelerate a program of research, development, and demonstration of alternative methods and technologies for the permanent disposal of high-level radioactive waste and spent fuel, including subseabed disposal.

"(b) SUBSEABED CONSORTIUM.—(1) Within 60 days after the date of enactment of this section, the Secretary shall establish a university-based consortium involving leading oceanographic universities and institutions, national laboratories, and private research firms to investigate the feasibility of subseabed disposal. The Consortium shall be included in the office of Civilian Radioactive Waste Management under a new 'Office of Alternative Disposal Methods', which shall have an Associate Director. The Secretary shall seek cooperation of the National Academy of Sciences in reviewing the research plan and activities of the Consortium. The Secretary shall seek the maximum possible financial contribution from foreign governments for research activities carried out through international collaboration.

"(2) The Subseabed Consortium shall develop a research plan and budget to achieve the following objectives by 1995:

"(A) demonstrate the capacity to identify and characterize potential subseabed disposal sites;

"(B) develop conceptual designs for a subseabed disposal system, including estimated costs and institutional requirements; and

"(C) identify and assess the potential impacts of subseabed disposal on human health and the marine environment.

"(3) On or before December 31, 1995 or upon the date achieving the objectives of its research plan, whichever date is the earlier, the Subseabed Consortium shall prepare and submit to Congress a final report on the results of its research activities.

"(c) FUNDING.—(1) There is hereby authorized to be appropriated from the Nuclear Waste Fund $200,000,000 over an 8-year period beginning with the first fiscal year beginning after the date of enactment of this section—

"(A) of which $150,000,000 shall be available for the Subseabed Consortium in conducting the study required by subsection (b); and

"(B) of which $50,000,000 shall be available to the Secretary to fund studies for alternative high-level radioactive waste disposal systems other than subseabed disposal.

"(2) No funds may be appropriated or expended pursuant to paragraph (1)(A) unless the Secretary has made a determination that foreign governments are contributing an equitable share of funds to international subseabed disposal research and development.".

SEC. 4. RADIOACTIVE MATERIALS TRANSPORTATION.

Section 105 of the Hazardous Materials Transportation Act (Public Law 93-633; 49 U.S.C. 1804) is amended by adding at the end thereof the following new subsection:

"(d) PERMISSIBLE STATE REGULATION.—(1) Notwithstanding the authority granted under this section or any other provision of this Act, a State or political subdivision may regulate the transportation of hazardous materials within the jurisdiction of the State or political subdivision to the extent provided in paragraph (2).

"(2) A State or political subdivision of a State may regulate the transportation of hazardous materials by—

"(A) designating highway routes for transporting radioactive materials and restricting use of such routes by imposing rush-hour curfews for transporting wastes in urban areas, or completely banning transporting wastes through urban areas unless no practical alternative exists;

"(B) requiring transport permits and imposing transport fees, provided these are not shown to be unreasonable in amount in relation to the costs incurred by that State for emergency response preparation, inspection services, and enforcement;

"(C) requiring driver training on the hazards of radioactive materials and emergency procedures in the event of an accident involving these materials; and

"(D) requiring carriers to provide records of shipments which have moved through the territory of the State or local subdivision for the purpose of improving emergency response capabilities, as well as inspection and enforcement along frequently used routes.

In regulating the transportation of hazardous materials under this subsection, no State may pose an unreasonable burden on interstate commerce.".●

OLDER AMERICANS MONTH/NATIONAL NURSING HOME WEEK

● Mr. KERRY. Mr. President, the month of May is designated by Presidential proclamation as Older Americans Month." As part of Older Americans Month, we celebrated "National Nursing Home Week" beginning on Mother's Day, May 10 and running through May 16. The theme for the week, "discovering life's treasures" provided us with an opportunity to highlight the lifetime of experience that our nursing home residents have to share with the community. In that regard, I would like to take a moment to commend the more than 750 nursing and rest homes in my home State of Massachusetts, along with the 55,000 nursing home residents and the more than 50,000 staff members who help care for them.

Mr. President, nursing homes are not the places that they were 10 or 15 years ago. There was a time when a nursing home represented a place where we sent our elders to fade away; a place where we "put" those who could no longer take care of themselves. Today, however, nursing homes are truly places for the living and more and more nursing home residents are playing a role in their own placement and treatment decisions and many of our nursing homes have developed close ties with their communities and serve as meeting places for community groups and civic organizations.

In Massachusetts, nursing homes constitute the second largest sector of the Massachusetts health care industry and employ 20 percent of all health care workers.

As we pay tribute to current nursing homes residents and staffs, we must bear in mind the need to provide for our nursing home residents of the future. The elderly population has grown much more rapidly in this century than has the remainder of the population. In addition, the "old-old, persons 85 and older are currently the fastest growing age group in the U.S. population. This startling pace of increase in the oldest segment of society has important implications regarding long-term care service utilization.

As legislators, we must seek to fully support and to coordinate the myriad of Federal programs that address the health care, income security nutrition and social service needs of our elderly, including Medicaid, Medicare, Social Security, the social services block grant [SSBG], the Older Americans Act and the supplemental security income [SSI] programs. We must seek to reduce continued cuts to our Medicare program, restrict increased costs to Medicare beneficiaries and address the quality of care issues raised by the prospective payment system. We must address the "spend down" requirement of our Medicaid Program that forces some of our elders to incur substantial debt in order to qualify for Medicaid long-term care services. In short, we must not retreat from meeting our Federal commitment to provide the appropriate resources and services to older Americans. As we continue to make the difficult budgetary choices in the months and years ahead, we must not forget the needs of our Nation's older Americans.

Mr. President, Older Americans Month gives us the opportunity to pay tribute to the contributions, past as well as present, of our Nation's elderly. This year's theme, "make your community work for older people," is particularly appropriate since so many of our senior citizens continue to make positive contributions to their individual communities and help to improve the quality of life for all of us. We must ensure that our communities, with the leadership and support from the Congress and the administration, continue to work for and with our senior citizens.

I would like to commend this country's older citizens and all the organizations that participated in this year's Older Americans Month activities. From Berkshire County to Barnstable County—in cities and towns throughout Massachusetts, our older citizens continue to exemplify the spirit and the courage that have made our Nation strong. Their achievements, contributions, wisdom and guidance should be commended. As the turn of the century poet Robinson Jeffers noted, "lend me the stone strength of the past and I will lend you the wings of the future." Our elders represent the strength of our past, the courage of our present and the wings of our future. It is with deep gratitude to each and every one of them that we commemorate Older Americans Month.●

ORDER OF BUSINESS

(The remarks of Mr. MATSUNAGA at this point are printed under Statements on Introduced Bills and Joint Resolutions.)

ADJOURNMENT UNTIL TOMORROW AT 9:30 A.M.

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in adjournment until 9:30 a.m. tomorrow.

Thereupon, the Senate, at 7:01 p.m., adjourned until Friday, May 29, 1987, at 9:30 a.m.

HOUSE OF REPRESENTATIVES—*Thursday, May 28, 1987*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are thankful, O God, that our Nation has been blessed with differing traditions, cultures, and religions, for each of us has a special and unique gift to share with one another. May we not only be tolerant of each other, but grow in appreciation and understanding of the varieties of our backgrounds and beliefs. Grateful for Your many blessings to us, we offer this word of prayer. Amen.

THE JOURNAL

The **SPEAKER**. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mrs. **SMITH** of Nebraska. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The **SPEAKER**. The question is on the Chair's approval of the Journal.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mrs. **SMITH** of Nebraska. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 296, nays 82, not voting 54, as follows:

[Roll No. 150]

YEAS—296

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Archer
Atkins
AuCoin
Baker
Ballenger
Barnard
Bartlett
Bateman
Bates
Bennett
Bereuter
Berman
Biaggi
Bilbray
Boggs
Boland
Bonker

Borski
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Buechner
Bustamante
Callahan
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clinger
Coats
Coelho
Coleman (TX)
Collins

Combest
Conte
Conyers
Cooper
Coyne
Crockett
Daniel
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Donnelly
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
English

Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Herger
Hertel
Hochbrueckner
Holloway
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)

Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McEwen
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (WA)
Mineta
Moakley
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Patterson
Pease
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Richardson
Rinaldo
Ritter

Robinson
Roe
Rose
Rostenkowski
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Saxton
Scheuer
Schneider
Schuette
Schulze
Schumer
Sharp
Shaw
Shumway
Shuster
Sisisky
Skaggs
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (OR)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stark
Stenholm
Stokes
Stratton
Studds
Sweeney
Swift
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weldon
Wheat
Whitten
Wilson
Wise
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron

NAYS—82

Barton
Bentley
Bilirakis
Bliley
Boehlert
Boulter
Brown (CO)
Bunning

Burton
Chandler
Clay
Coble
Coleman (MO)
Coughlin
Courter
Dannemeyer

Daub
Davis (IL)
DeLay
Dickinson
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)

Emerson
Fields
Frenzel
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gregg
Hastert
Hefley
Henry
Hiler
Hopkins
Inhofe
Ireland
Jacobs
Kolbe
Konnyu
Kyl

Lightfoot
Lott
Lowery (CA)
Lukens, Donald
Mack
Madigan
McGrath
McMillan (NC)
Michel
Miller (OH)
Molinari
Moorhead
Parris
Pashayan
Penny
Ridge
Roberts
Rogers
Roth
Schroeder

Sensenbrenner
Sikorski
Skeen
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stangeland
Stump
Sundquist
Swindall
Thomas (CA)
Upton
Walker
Weber
Whittaker
Wolf
Young (AK)
Young (FL)

NOT VOTING—54

Annunzio
Armey
Aspin
Badham
Beilenson
Bevill
Boner (TN)
Bonior (MI)
Bosco
Byron
Cheney
Craig
Crane
Dicks
Dingell
Dixon
Dorgan (ND)
Dyson

Edwards (CA)
Garcia
Gephardt
Harris
Hunter
Jones (NC)
Kemp
Lagomarsino
Latta
Leach (IA)
Lehman (CA)
Lewis (CA)
Lewis (FL)
Livingston
Lloyd
Lujan
Lungren
Marlenee

Martin (IL)
McCandless
Miller (CA)
Mollohan
Mrazek
Ray
Rodino
Roemer
Roukema
Saiki
Schaefer
Skelton
Smith (FL)
Stallings
Udall
Vucanovich
Weiss
Williams

□ 1010

Mr. TOWNS changed his vote from "nay" to "yea."

Mr. YATES changed his vote from "present" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

□ 1025

REQUEST FOR APPOINTMENT OF CONFEREES ON H.R. 27, FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION RECAPITALIZATION ACT OF 1987

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 27) to facilitate the provision of additional financial resources to the Federal Savings and Loan Insurance Corporation and, for purposes of strengthening the reserves of the Corporation, to establish a forebearance program for thrift institutions and to provide additional congressional oversight of the Federal Home Loan Bank Board and the Federal Home Loan Bank System. With Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

Mr. WYLE. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

PERMISSION TO HAVE UNTIL MIDNIGHT, FRIDAY, MAY 29, 1987, TO FILE CONFERENCE REPORT ON H.R. 558, STEWART McKINNEY HOMELESS ASSISTANCE ACT

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent that the managers may have until midnight, Friday, May 29, to file a conference report on the bill (H.R. 558) to provide urgently needed assistance to protect and improve the lives and safety of the homeless, with special emphasis on elderly persons, handicapped persons, and families with children, the Stewart McKinney Homeless Assistance Act.

The gentleman from Ohio [Mr. Wiley], the ranking member, concurs in this request.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

GIVE THE DEVIL HIS DUE DAY

Mr. STAGGERS. Mr. Speaker, first, I would like to congratulate Brooke Roberts of Birmingham, AL.

Also, this is "give the devil his due day."

I have disagreed with Edwin Meese many times in the past. I may disagree with him in the future, but I want to compliment him today for his surprising insight in handling a case in West Virginia. There was a very good man, Michael Carey, who was appointed interim U.S. attorney. I went to law school with him. He is very intelligent, very experienced, and very capable.

Then the Republican judges got in the act and when his time was up as interim U.S. attorney, they appointed a lady who I do not know, but in that case she was immediately instructed not to look at certain cases because of possible conflicts.

I do not know how a prosecutor can be so tainted and do a job.

So Mr. Meese, you did the right thing this time. Hopefully this is just the beginning of a number of such decisions. For those who would be interested in reading about it, it is in the Washington Post today.

THE PRESIDENT MUST CONSULT CONGRESS ON PERSIAN GULF POLICY

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, the American people are asking many questions about the ill-advised and ill-considered plan of this administration to lease the American flag to tankers of Kuwait.

Last week the Senate, in an overwhelming display of bipartisanship, by a vote of 91 to 5, called on the administration to present a plan for satisfactory security arrangements to the Congress before any such action is taken.

Yesterday, my distinguished colleague, the gentleman from New Jersey, Congressman Christopher Smith, and I, introduced identical legislation in this body. We are calling on all our colleagues to join us in telling the administration that before the United States becomes an unwitting party to the war in the Persian Gulf, this Congress will have to be consulted and it will have to concur. We shall not have another Gulf of Tonkin resolution slipped through this body. We shall not cross the Rubicon of the Persian Gulf war.

A NOMINATION WELL DESERVED

(Mr. JEFFORDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JEFFORDS. Mr. Speaker, I am pleased to report to my colleagues that President Reagan has nominated Dorothy Strunk to serve as the Assistant Secretary of Labor for Mine Safety and Health. It is an honor that she richly deserves, and a responsibility that she will ably fulfill.

I say this with confidence, because I know Dottie. For more years than she would like me to admit, she has served with distinction on the minority staff of the Education and Labor Committee. Since 1979, she has been the primary staff person for mine safety and health issues. And, in the past 2½ years especially, since I had the privilege of becoming the ranking minority member, I have worked closely with her and have come to respect her ability, integrity, judgment, and compassion for those she will endeavor to protect.

During that time, I've only realized what a lot of people before me already knew. Although my Republican colleagues on the committee, past and present, do not agree with me on everything, I think I speak on behalf of each one of them when I say that the President could not have made a finer choice. I look forward to a MSHA that will be strengthened by her leadership.

BROOKE ROBERTS PENS WINNING ESSAY ON CONSTITUTION

(Mr. ERDREICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ERDREICH. Mr. Speaker, in this year that we celebrate the 200th birthday of the U.S. Constitution, I would like to take a few moments to tell my colleagues in the House about a young man in my district who was recently honored for penning a winning essay on the Constitution and its significance to him.

Seven-year-old Brooke Roberts of William J. Christian Elementary School in Roebuck was selected by a panel of educators and civic leaders from more than 1,350 entries as 1 of 2 Alabama winners of a school essay contest on the bicentennial of the Constitution. The entries were nominated across the Nation by State departments of education, the Council for American Private Education and individual schools.

I visited with Brooke, his teacher Shelby Baker, and the other members of his class in January, and can attest to the great interest they expressed in the Constitution and our Government.

I would like to commend this young man on his achievement, and encourage him, his classmates, and students in Alabama and across the country to continue to work to acquire the skills that will enable them to enjoy all the rewards and benefits that a solid education can bring. I would also like to commend Brooke's teacher, Shelby Baker, and other teachers like her, for recognizing the importance of instilling a love of learning and laying a solid foundation for educational achievement at an early age.

This is how this second-grader views our Constitution:

> The Constitution is my country's protection. On a hot sunny day, if I saw an oak tree, I would get under it. It protects me from the heat.
>
> Two hundred years ago, our forefathers decided we needed a plan to protect our country. Just like the oak tree has many branches, the plan for our country has branches too. They named their plan the Constitution.
>
> The Constitution branches have the government on it, and the judges and the lawmakers. They all help our country to be a free place to live. They give us rules and laws to live by.
>
> The Constitution is important because it helps a lot of people. It gives everyone in America freedom. It especially gives me the opportunity to be all that God wants me to be.

Thank you, Brooke Roberts, for saying so well what Alabamians and Americans feel about the great document which governs our Nation—the U.S. Constitution.

CANCER PATIENT STILL SUFFERS IN THE SOVIET UNION

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **PORTER.** Mr. Speaker, I am wearing a green ribbon to bring you up to date on the tragic situation confronting Soviet refusenik Benjamin Charny. Since 1979, Mr. Charny has suffered from malignant melanoma, the deadliest form of skin cancer, other tumors, and a recurring heart condition.

Last week the Soviet authorities once again refused Benjamin Charny permission to emigrate to receive lifesaving treatment and join his brother, his only living blood relative, in the United States.

Soviet cancer patient Inna Meiman was denied permission to emigrate for 3 years to receive treatment in the West. Three weeks after she finally received permission, she died. Israeli Michael Shirman's life could have been saved only by a bone marrow transplant from his sister who lived in Moscow. A few months after the Soviets finally let her go to Israel, Michael died.

Mr. Speaker, if the Soviets want to prove the sincerity of their stated commitment to human rights and the new policy of glasnost, they will not let Benjamin Charny be their next victim.

THE MINIMUM WAGE

(Mr. KLECZKA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **KLECZKA.** Mr. Speaker, 50 years ago this week Franklin Roosevelt proposed that we enact our Nation's first minimum wage laws. In his message to Congress he reminded us that America must always find ways to assist the disadvantaged. Roosevelt told us:

> Our Nation, so richly endowed with natural resources and with a capable and industrious population, should be able to devise ways and means of insuring to all our able-bodied working men and women a fair day's pay for a fair day's work. A self-respecting democracy can plead no justification for the existence of child labor, no economic reason for chiseling workers' wages.

Congress quickly responded to Roosevelt's call by enacting the Fair Labor Standards Act which established our first minimum wage laws. Over the years, these and other basic labor protections have helped our economy to prosper and our democracy to flourish.

But the purchasing power of the minimum wage has fallen dramatically in recent years, and hopefully Congress will soon vote on legislation to raise the minimum wage. We must not turn our backs on our Nation's long commitment to what Roosevelt called a fair day's wage for a fair day's work. Let us carry on this commitment to basic fairness for all American workers. Let us raise the minimum wage.

WHO WILL OUR GOVERNMENT STAND WITH?

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **WOLF.** Mr. Speaker, on April 30, Congress passed a bipartisan, moderate amendment to the trade bill to temporarily suspend most-favored-nation status for Romania by a vote of 232 to 183.

Now our Government has to decide, Whom will it stand with?

Will we stand with the repressive Romanian regime which Helsinki Watch described as "one of the most egregious offenders of human rights in Eastern Europe"?

Or will we stand with the Romanian people?

Will we stand with the Government in Bucharest which our own State Department said:

> The party, through the government, continues to limit and often deny the right to free speech and free assembly and association, and to apply restrictions to religious practice?

Or will we stand with the Romanian people?

Will our Government support the tyranny of Romania's leadership which bulldozed the last remaining Spanish synagogue in Eastern Europe?

Or will we stand with the Romanian people?

Will we support a regime which bulldozed a Seventh-Day Adventist Church while parishioners were still in it?

Or will we stand with the people?

Will we continue to underwrite this Government's agenda with MFN even though it provides aid to the Palestine Liberation Organization known for its terrorism and violence around the world?

Or will we stand for the rights of the peasants?

Will we support a government whose secret police tortured and beat to death a Catholic priest because he advocated Christmas as a national holiday?

Or will we stand for the human rights of a repressed people?

Mr. Speaker, the repressive Romanian regime has retained powerful law firms and public relations organizations in Washington to represent Romania to the U.S. Congress.

And yet the Romanian people have no one to represent them.

I hope we will stand for the 23 million Romanians and suspend most-favored-nation until their human rights record improves.

INTRODUCTION OF JOINT RESOLUTION ON WAR POWERS ACT

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. **DEFAZIO.** Mr. Speaker, on May 17 an American warship, the U.S.S. *Stark,* was attacked by an Iraqi jet fighter. The attack was unprovoked but should not have been unexpected. It should demonstrate that the deployment of U.S. naval forces in the Persian Gulf constitutes a situation where imminent involvement in hostilities is a distinct possibility. What is more, the President's agreement with Kuwait to allow 11 Kuwaiti oil tankers to fly the American flag and his promise to provide naval protection for those ships clearly puts our naval forces at great risk. Despite this, the President has chosen not to report the matter to the Congress under the provisions of the war powers resolution. For that reason, I am introducing a House joint resolution which determines that the requirements of section 4(a)(1) of the War Powers Resolution became operative on May 17, 1987, the day of the *Stark,* with respect to U.S. naval forces in the Persian Gulf.

The decision to place Kuwaiti oil tankers under United States flag raises serious questions which neither the President nor his advisers have answered. Our policy in the Persian Gulf remains ill-defined. We have not considered the naval requirements for providing adequate protection to the Kuwaiti vessels, or the possible military and political consequences of doing so. Offering the protection of the United States flag to Kuwaiti oil tankers, in the face of Iranian threats to continue attacking those tankers, is reckless and provocative. An Iranian attack on a United States flagged Kuwaiti tanker or an American warship would leave us with two alternatives, both equally bad: No response at all, which would further reduce our credibility with our allies in the region; or, a retaliatory strike against an Iranian target, which could strengthen extreme anti-American elements within the Iranian polity at a critical juncture in Iranian history, or even encourage an Iranian accommodation with the Soviet Union.

The President himself said, in defending his sale of arms to Iran—

> We have to realize that [Iran] was a very key ally in that particular area in preventing the Soviets from reaching their age-old goal of a warm water port * * *. With the takeover by the present ruler [Khomeini], we have to believe that there must be elements in Iran that, when nature takes its eventual course, may want to form a different relationship. So * * * while we have to oppose what they're doing and what's going on—we, at the same time, must recognize we do not want to make enemies of those who today * * * could be friends.

If that was true in 1986, when the President spoke those words, it is true today.

The purpose of the War Powers Resolution is to "insure that the collective judgment of both the Congress and the President will apply to the introduction of U.S. Armed Forces into hostilities, or into situations where imminent involvement in hostilities is clearly indicated by the circumstances, and to the continued use of such forces in hostilities or in such situations." That we have introduced our naval forces into hostilities is obvious. Thirty-seven American seamen would attest to that, if they could. If we are going to continue our presence in the gulf, and particularly, if we are going to up the ante by offering protection to Kuwaiti tankers, then the Congress should debate the matter, and provide its authorization. It flies in the face of common sense, not to mention the law, to shirk our responsibility in this matter. I ask my colleagues to support this resolution.

INTRODUCTION OF H.R. 2501, DEPOSITOR'S PROTECTION ACT OF 1987

(Mr. INHOFE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. INHOFE. Mr. Speaker, on May 21, I introduced H.R. 2501, the Depositor Protection Act of 1987 in order to make current bankruptcy law retroactive so depositors of certain thrift and financial institutions would be exempt from any preference claims or recovery action by the creditors.

The bill would address a serious problem that currently exists in my district involving the Republic Financial Corp. In September 1984, Republic filed for bankruptcy causing hardships for many depositors and investors who lost millions of dollars in a case which is still being discussed and litigated in the courts.

Legislation to amend the Federal bankruptcy laws was passed by Congress and signed by the President over 2 months prior to the bankruptcy of the Republic Corp. However, these changes were not technically effective until October 10, 1984, 16 days after Republic's bankruptcy. Under the old bankruptcy law depositors who removed their money within 90 days of the bankruptcy filing are subject to preference claims and recovery action. Many of the pending claims in the Republic case involve depositors who removed their money in the normal course of business, such as a certificate of deposit coming due, with no knowledge of the financial state of the institution.

When Congress enacted the bankruptcy law, financial institutions could not file for bankruptcy. However, due to changes in the financial community many thrift or investment firms now fall outside the realm of the FDIC or FSLIC regulation and are permitted to file for bankruptcy. This legislation clarifies the situation by exempting depositors from any recovery claim retroactive to March 1983.

Similar legislation is expected to be introduced in the other body by my colleagues and friends DAVID BOREN and ALBERT GORE. It is my hope that my colleagues will join me to pass H.R. 2501 to resolve this unfortunate and inequitable matter.

□ 1040

BANKING CUSTOMERS DESERVE FULL INFORMATION

(Mr. ST GERMAIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ST GERMAIN. Mr. Speaker, the advocates of financial deregulation have extolled the virtues of a free and open marketplace, unfettered by Government restrictions, where "disclosure" is the key—lots of disclosure to consumers so they can make informed choices. Yet, on May 20 the House Banking Committee's Subcommittee on Financial Institutions held a hearing on H.R. 176, the Truth in Savings Act. That act requires depository institutions to advertise their interest rate offerings on deposit accounts in a clear, unambiguous manner. This legislation is in response to outrageous and misleading advertisements designed to draw in the hard-earned funds of unsuspecting consumers.

Misleading advertising is as egregious as having no disclosure at all—in either case consumers and depositors are the ones to lose. Many financial institutions allocated big budgets for their advertising of these interest rates. A portion of those budgets could be better spent to provide effective disclosure of very basic information to their customers.

Recently I received a letter from one of my Rhode Island constituents who had an account in a Florida financial institution. Upon his annual return to Florida, he attempted to deposit a check to his savings account but was advised that the bank had closed his account and taken his $34.87 on deposit there. He was given no prior notification of this action, despite having requested the post office to forward his mail to Rhode Island.

Arguing that improved disclosure will enhance marketplace competition and better choices for the consumer is nice. But the industry and the regulators should be on notice that these arguments quickly lose their persuasiveness when very basic notifications to depositors prove totally ineffective. And the Federal Home Loan Banks Board's explanation to my constituent that such notifications and fees are left to the private sector leaves much to be desired.

It is time for depository institutions to shape up and treat their customers—young and old, rich and poor—with the respect they deserve. Providing effective notification to their customers is the very least that can be done.

SHAME ON YOU, JAPAN!

(Mr. RAVENEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAVENEL. Mr. Speaker, last Saturday the Soviet Union announced that its Antarctic whaling fleet was returning for the last time and that Russia is ceasing commercial whaling. This is a major milestone in saving the whales for posterity; this action by the Soviet Union is of major significance. Because I am deeply concerned over the fate of the whales, I would like to offer my thanks and congratulations to the Soviets for such a wise and compassionate course of action.

Japan, however, after declaring that it would cease its whaling operations in the Antarctic, then announced to the International Whaling Commission that is would kill 875 more whales this winter for the "benefit of science." Come on now, Japan—who do you think you're fooling?

Shame on you, Japan. Shame on you, Japan.

URGING SUPPORT FOR OLDER AMERICANS ACT AMENDMENTS

(Mr. FOGLIETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOGLIETTA. Mr. Speaker, I rise today in strong support of H.R. 1451, the Older Americans Act amendments.

The Older Americans Act of 1965 was designed to improve the levels of all older Americans, Although these people may be eligible for services provided under many other Federal programs, the Older Americans Act is the primary vehicle for the organization and delivery of social services to this group.

As the older American population has grown, there has been a corresponding increase in the number of older persons requiring some type of assistance. In 1985, 21 percent of the older population were poor or near-poor. Many of these elderly citizens are dependent upon the nutrition services provided for under title III of this act. Title III also authorizes a wide variety of community support services which are vital to the well-being of many seniors, including homebound persons and those who utilize senior centers. Funds authorized by this act are also distributed to State and area agencies on aging, which serve as advocates on behalf of programs for the elderly and coordinate effective services systems to meet their constituents needs.

The Older Americans Act provides for a wide variety or programs and services designed to meet the needs of our older population. I urge my colleagues to support this legislation.

ANOTHER MISTAKE IN THE PERSIAN GULF

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the administration is making another mistake in the Persian Gulf. The decision to reflag 11 Kuwaiti oil tankers will further endanger the lives of American people having big, sensational 6 o'clock newscasts. Now no one here disputes the fact that the Persian Gulf is important and needs protection. But who really benefits? Japan gets 70 percent of its oil from the gulf; Europe gets 50 percent of its oil from the gulf; we get about 7 percent of our oil from the gulf, and the American people continue to pay the tab for that protection.

Now this is ridiculous. Europe and Japan are going to have to start paying their fair share. In fact, if we had any sense in this House, after we saved their behinds in World War II, we would call them and have them pay their war debts, let alone protecting their economic interests now.

I would like to say that it is time for America to fashion a domestic energy policy, a rational national energy policy, because without it there is no freedom and no peace for any American. I think that it is time that we stopped paying for their protection in the Persian Gulf, and Members should speak out about it.

HALT UNCONTROLLED IMPORTS OF SOVIET TEXTILES

(Mrs. PATTERSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. PATTERSON. Mr. Speaker, it has come to my attention that there has been a sudden increase in Soviet textiles entering the United States through the port at Charleston, SC—not in my district, but in my State, a State that manufactures the same type of cloth that is being imported.

According to customs officials, no Soviet textile products were imported into the United States through the Port of Charleston from 1980 to September 1986. However, from September 1986 through May 15, 1987, 4.9 million square yards of textile products from the Soviet Union passed through the port. During just the week of May 17, an additional 3.8 million square yards entered the port, and another 9 million square yards is expected in the next 2 weeks.

There is even a possibility that these are Chinese manufactured goods, and the Soviets are acting as middlemen to help the Chinese exceed their negotiated quota. Even if this is not the case, the absence of any existing agreement with the Soviets holds tremendous potential for abuse at the expense of our American textile workers.

How can we allow a nation which in many cases practices slave labor, and in every case practices complete control over their workers' lives, to flood our market with subsidized goods?

It is inconceivable to me that an American industry could be drowned in a sea of red cloth and receive no assistance from its own government. Is this free trade?

I am appalled to learn of this unexpected deluge of subsidized goods, and urge a halt to any further uncontrolled imports.

□ 1050

REAUTHORIZATION OF THE OLDER AMERICANS ACT

(Mr. FLAKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FLAKE. Mr. Speaker, I rise today to ask support on behalf of my colleagues for the reauthorization of the Older Americans Act.

This bill reauthorizes the Older Americans Act for 4 years. It strengthens and expands social, nutrition, and employment services for seniors. In addition, there are provisions to create new programs for home care services, to provide expanded protection for residents in nursing homes, all funded by an authorization of $1.6 billion for fiscal year 1988.

Representing a part of the borough with the largest number of senior citizens in the city of New York, the Borough of Queens, I rise not only as a legislator but as a service provider for senior citizens. During the last 11 years, I have been fortunate to help in building a 202 senior citizens center housing complex which provides housing, activities, services for seniors to eat every day, and a home care agency which manages over 2,000 cases for the frail elderly. During the course of that time, I have been impressed by the fact that many of them are able to live on meager subsistence that most of us would find too limited for normal survival.

Mr. Speaker, I urge support of this legislation because I believe that we as American legislators have a responsibility to these citizens who have given of their lives to help make this Nation as great as it is. Now, we have some responsibility to make sure that their latter years are lived with dignity and that they can feel that, we who have been elected to serve them, are in fact concerned enough about them that they do not have to leave their homes now in order to be provided the services that they have long sought.

Let us join together, both Democrats and Republicans today, in support of H.R. 1451, the reauthorization of the Older Americans Act.

REAUTHORIZATION OF THE OLDER AMERICANS ACT

(Mr. OBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OBEY. Mr. Speaker, I simply want to express my strong support for the reauthorization of the Older Americans Act which is before this body today. As I think Members know from visits to all of our districts, the bill strengthens essential programs which provide seniors with crucial services, for meals, for transportation, medical and other services which give them an opportunity to continue to remain living on an independent basis.

Programs such as Green Thumb and Senior Aids help provide seniors with part-time employment, a modest income and a meaningful retirement activity. I would say that along with ACTION programs, such as RSVP and Foster Grandparents and other programs, they provide their communities with services that they could never afford to buy.

These are the kinds of programs Government ought to be providing, because the taxpayer wins, the recipient to the program services wins, and our communities win. As our population becomes older, it is clear that the services provided in this bill are going to have to be provided to more and more people in this society.

These programs deserve our support. I congratulate the committee members for bringing the legislation before the House today.

MAJOR OMISSION FROM WELFARE REFORM BILL

(Mrs. MARTIN of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MARTIN of Illinois. Mr. Speaker, in response to the justified mandate for welfare reform, the Ways and Means Committee is spewing out a bill which addresses some of the issues which have plagued the system since the Great Society. To my surprise, a vital component of any successful welfare reform package is conspicuously missing—child care.

One of the most effective ways to pull people out of the cycle of poverty and promote independence is through employment. One of the major barriers to employment for women, as well as men, is access to affordable child care services. The costs of employment are overwhelming to a family close to the poverty line. Unless these families can enter and stay in the work force, the addiction to welfare dependency will remain.

The Child Care Act of 1987 tackles these problems head-on. It is a deficit-neutral bill which creates a $300 million a year child care voucher program for low-income families to buy day care services wherever they choose. It pays for this program by eliminating the dependent care tax credit for upper income earners. It also establishes an improved registration program to provide parents with more information about the availability of day care.

Mr. Speaker, the Government cannot be in the business of providing day care subsidies to wealthy Americans, while mothers who want to work, and who want to break the cycle of poverty, are unable to do so because of the expense and lack of child care services.

Nancy Johnson's Child Care Act of 1987 would be an effective and constructive tool in accomplishing the goals of the welfare reform bill. If the committee with the big room in Longworth is truly interested in "Ways and Means," welfare reform will not reach this floor without it.

AMERICAN PRISONERS OF WAR REMAINING IN KOREA

(Mr. DONNELLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DONNELLY. Mr. Speaker, in this week during which we observe Memorial Day, and the contributions of those Americans who gave their lives for our country, we must not forget those former prisoners of war who are still listed as missing in action and are unaccounted for.

Much effort is being made on behalf of those Americans listed as missing in action from the Vietnam war, and rightfully so. But according to the Department of Defense, 8,177 Americans are still unaccounted for from the Korean war, 389 of whom were prisoners of war.

Mr. Speaker, 34 years have passed since the Korean war ended. What happened to those 389 prisoners of war who were known to have been alive at the end of that war? Since 1953, there has been little progress in getting an answer to that question, despite United States and United Nations efforts.

This week we observe Memorial Day. In this week of remembrance for all American veterans, we owe our soldiers who have not come home, and their families, our deepest interest and strongest efforts.

PROVIDING FOR FURTHER CONSIDERATION OF H.R. 1451, OLDER AMERICANS ACT AMENDMENTS OF 1987

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 175 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 175

Resolved, That during the further consideration of the bill (H.R. 1451) to amend the Older Americans Act of 1965 to authorize appropriations for the fiscal years 1988, 1989, 1990, and 1991, and for other purposes, all points of order against the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill for failure to comply with the provisions of section 303(a)(4) of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177) are hereby waived.

The SPEAKER pro tempore (Mr. Gray of Illinois). The gentleman from Massachusetts [Mr. Moakley] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. Quillen], pending which I yield myself such time as I may use.

Mr. Speaker, House Resolution 175 waives all points of order against the Education and Labor Committee's amendment in the nature of a substitute for H.R. 1451—the Older Americans Amendments of 1987—for failure to comply with section 303(a)(4) of the Congressional Budget Act.

As my colleagues are aware, the House adopted House Resolution 171 yesterday which provided for the consideration of H.R. 1451. Because of an oversight, the Rules Committee was unaware when it reported the first rule that the substitute was in violation of the Budget Act. Section 303(a)(4) of the Budget Act prohibits the consideration of any measure that would provide new entitlement authority that is to take effect in a fiscal year for which a concurrent resolution on the budget has not been adopted by Congress. Section 42 of the substitute as it was reported from the Committee on Education and Labor would make senior day care centers eligible to receive the same benefits that are received by child day care centers under the School Lunch Act. Since the provision creates a new entitlement to these Federal benefits that first takes effect on October 1, 1987, and since a concurrent resolution on the budget has not yet been adopted for fiscal year 1988, this provision renders the Education and Labor Committee substitute in violation of the Budget Act and the waiver is required in order for the committee's work to be considered.

I urge my colleagues to adopt House Resolution 175 so that we may consider the Education and Labor Committee's recommendation with respect to this important bill.

Mr. QUILLEN. Mr. Speaker, I yield myself as much time as I may use.

Mr. Speaker, I will take a very short time for my remarks.

I urge adoption of the rule. This waive is absolutely necessary in order to provide better meals for our elderly citizens.

The first rule on this bill was properly debated on the floor yesterday.

Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. Walker].

Mr. WALKER. Mr. Speaker, I thank the gentleman from Tennessee for yielding me this time.

Mr. Speaker, let us be absolutely clear what it is we are being asked to do in this rule. We are being asked flatly to waive the Budget Act. There is nothing else in this rule. This is purely and simply as naked a Budget Act waiver as we will ever get on this floor.

This particular rule says that the Budget Act does not matter, that we are about to consider the establishment of a brand new entitlement program and we do not care.

When we passed the Budget Act some years ago, the idea was that we were going to put some kind of constraints on ourselves and the spending habits of this particular body. That is what we had set out to accomplish and what we said was in order to stop the spending that has gone out of control was that we would not allow new entitlement programs to be brought to the floor, and instead we would make a point of order against them eligible during consideration.

Guess what? The Education and Labor Committee has decided, in its wisdom, that they do not want to obey that Budget Act, they do not care about the budget amendments. What they want to do is to bring a new entitlement program out here today, and what they want us to do is to give them permission to do it with this rule.

That is wrong.

Sometimes my colleagues wonder why politicians, and even this body, ranks somewhat lower than sewage sludge in polls about our integrity. I think maybe we find out when we get up here and we pass these kinds of rules and we bring them to the floor because the fact is that the American people think that their politicians ought to make commitments and stick with those commitments, that when we commit ourselves to a Budget Act we ought to live with the commitments that we make, and they think that it somehow lacks integrity when we just decide that the commitments we have made are meaningless.

That is what we are deciding in this rule, that any commitment that we have made to the Budget Act is meaningless.

I think that is wrong. I think it is extremely hypocritical of Members of this body who have made speeches in their districts, who have made speeches on this floor and suggest that one thing we are trying to do is get the deficit under control, that we are trying to do something about irresponsible spending, to then come along and not just this time but on occasion after occasion pass Budget Act waivers.

□ 1105

But the reason why this one is typically upsetting is because here it is, there is nothing else in the rule here. We do not have any consideration of the bill in the rule. We simply have flatly a decision by this body to waive the Budget Act and say that we do not care.

I hope, given an opportunity to decide what is important around here, that we will turn down this rule and we will send a message to the Committee on Education and Labor, to the Committee on Rules, and to the Committee on the Budget, that we have had it; that we are not going to continue this process of being absolute hypocrites in what we do around here; that we are going to do something about the process and we are going to make the process meaningful and we are going to do something about bringing down deficits.

If we cannot do it here, I suggest we cannot do it at all. It would be an ultimate act of hypocrisy to pass this rule. It would be an act of irresponsibility to pass this rule.

I would hope that the House turns it down.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

The gentleman from Pennsylvania [Mr. WALKER] explained the rule and the hypocrisy contained in the rule, but he did not talk about what the rule was going to do.

This rule is going to allow $5 million to be used by the elderly who are unable to feed themselves, to avail themselves of the School Lunch Program. This is what this rule is all about.

I think that we have to show that we have a heart in this Congress, and if we are going to be henpecked by every little rule and regulation that would stop us from allowing these elderly people, who would have to be transported by their children to day care centers so that they could probably get a warm lunch, probably the only warm meal they would have that day, as the result of this program. That is what the rule is all about.

Mr. JEFFORDS. Mr. Speaker, will the gentleman yield?

Mr. MOAKLEY. I yield to the author of the bill, the gentleman from Vermont.

Mr. JEFFORDS. Mr. Speaker, let us take a look at who we presently serve of our senior citizens right now.

We serve seniors who are at home, that need to have home meals delivered; we serve those who are institutionalized and are financially destitute; we serve those who are able to get to a congregated meal center. There is one group that we at this time do not make money available to service them. That is those who are so frail that they need help to go somewhere to be left for some, either respite for the family that is caring for them, or while the family works.

They go there and it is very carefully drafted as far as eligibility requirements that say they have to be mentally impaired or elderly in less than a 24-hour setting. It comes down to a small number of people, some 27,000, of which about 50 percent would be eligible, about 13,000 people.

If you were to take and order your priorities as to who we ought to help, which of the elderly we ought to give money to, you would reverse it. You would say this is the first group that we ought to help out. These are the ones that would be institutionalized if we did not have these adult care centers.

This would cost much more money than the small amount of money we are going to be giving here.

To attack us and say that this is some horrible program is to deny the fact that we are helping the most needy of the needy and the ones that we would put in a No. 1 priority, and not in some giveaway program, as is being alluded to.

I sort of take offense to the terminology which has been used by the gentleman from Pennsylvania [Mr. WALKER].

I do not think there is anyone who would disagree with what the committee is doing on this one. What we do in order to prevent the necessity of establishing a whole new program is we just take and use the mechanism that is available for the child care food programs, a much easier method of doing it than it is to create a whole new program to do this.

It is a simpler method; it is a less costly method, and to service those who everyone would indicate would be the ones we ought to serve, No. 1, in the present situation where we do not serve them at all.

Mr. MOAKLEY. Mr. Speaker, I commend the gentleman from Vermont. Actually, I think that if you were to characterize this, this serves the frailest of the frail, the most needy in our society.

I commend the gentleman for the amendment that he brought forth.

Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Speaker, we have waived the rule, and waiving the rule, we operate within our rules, that is clear. We waived the rule for far more dollars for Defense authorizations bills. This is a $5 million program.

We are operating within our rules by waiving this rule, but let me tell you about the people whom we are serving here. Most of them, the society in which we live being what it is, are older women. Many of them have a son or daughter who is a "young" old person, very often someone 62, 63, or 64, who is still working. They want to work. They want to keep their mother in the home.

The mother very often is so frail that she has difficulty in feeding herself, but they want to keep her in that home to respect her dignity. They can drop her off at a day care center where she can get some care and some assistance, very often in feeding herself. Very often, she has to be fed.

This is a $5 million program for the most vulnerable people in our society. I think, in our wisdom, we could find some way to waive the rule when we have done it in other instances.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think we are really nitpicking against this rule. Those who oppose the waiver, are against those who really need help the most. There are some 1,300 centers in which this amendment would operate for the benefit of our elderly. The beneficiaries are on the average 72-year-olds, with incomes averaging $458 per month. I do not see why in the world we would argue about giving them more money.

The budget waiver is mandatory, in my opinion. We should get down to the business of considering this rule, passing it, and passing the measure.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. QUILLEN. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding because I appreciate the fact that in order to try to make their case, the gentlemen want to argue that which is the content of the bill that will come up later.

But the fact is that what the debate here should be about is whether or not our commitments means anything. We understood when we passed the Budget Act that there would be certain entitlement programs that would be very difficult for us not to go forward with. I would suggest that if we want to serve these people, we could do it under the regular appropriations process, that we do not have to create a brandnew entitlement program.

But that is not what we are saying here. We are creating a brandnew entitlement program that we say initially only costs $5 million. I remember when we said some years ago that the Food Stamp Program, when it was a new entitlement program, was only going to cost $40 million. Now it costs closer to $11 billion.

That is what happens on entitlement programs. They tend to become expansionary programs over which this Congress has no control. That is the reason why we said in the Budget Act we wanted to get control over these things.

So the issue here is not whether or not you like this particular little program. The issue is whether or not we are going to have any complicity with that Budget Act whatsoever.

When the gentleman says to me, from the Committee on Rules, that the Committee on Rules does not care about the Budget Act because there are things more important than doing something about the deficit, I just think he is wrong. I think that to do on occasion after occasion, to come to this floor constantly, there are always things that allow us to waive the Budget Act.

We never have a time when there is not something more important than the Budget Act. We have had at least a dozen waivers so far this year of the Budget Act.

Every time, both sides are coming to the floor and saying let us go ahead and do it. It is wrong.

I think that it is high time that when we have one out here as naked as this, that we say flatly that it is wrong and that we really do not care in this body about the deficits this country is racking up.

Let us not blame the President for deficits. The President did not ask for the new entitlement. The President has not made the request for this kind of spending. The President is not asking for this budget waiver. We are doing it on our own. We are the fault.

As Pogo said some years ago, "We have met the enemy, and he is us."

Mr. QUILLEN. Mr. Speaker, I would say to the gentleman from Pennsylvania [Mr. Walker] that he is absolutely right about the number of budget waivers, but did the gentleman realize that the budget conference has not been completed, and final action has not been taken by the House and the Senate?

Mr. WALKER. Mr. Speaker, if the gentleman will yield further, of course, why should the Committee on the Budget care about doing anything? They know doggone well that we will not comply with the process anyhow.

What is the hurry? Why should they have to do anything? They can fool around and we will not bother about it because there is no pressure. There is no pressure on the Committee on the Budget to act. We are simply going to go ahead and waive the Budget Act anyway.

Then we wonder why the whole process breaks down. It breaks down because we will not obey it.

□ 1115

Mr. QUILLEN. Mr. Speaker, I would like to say to the gentleman, I really feel that this whole congressional budget process is faulty.

Things in the House and the other body got along very well some 12 to 14 years ago when we did not have this congressional budget process.

The Appropriations Committees took over after the authorization committees acted. Appropriation bills passed the House. They passed the other body.

They went to the President for his signature or veto. The budget process now has delayed, delayed, delayed; but legislation must go on. Therefore, I would support absolutely doing away with the Congressional Budget Act, and getting back to the process that we were under prior to that, and under which we operated very efficiently.

There are faults in the budget process. But in this instance, since the Budget Conference has not acted, since it is a good program, and it is necessary to waive the Budget Act to consider the bill, then I say let us go ahead with it.

Mr. Speaker, I have no further requests for time.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. Gray of Illinois). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 293, nays 95, not voting 44, as follows:

[Roll No. 151]

YEAS—293

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Atkins
AuCoin
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Biaggi
Bilirakis
Boehlert
Boggs
Boland
Bonker
Borski
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Bruce
Bryant
Bustamante
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Daniel
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dingell
DioGuardi
Donnelly
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Emerson
English
Erdreich
Espy
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Holloway
Horton
Houghton
Howard
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lowry (WA)
Luken, Thomas
MacKay
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Miller (WA)
Mineta
Moakley
Montgomery
Moody
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Ravenel
Regula
Richardson
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rose
Rostenkowski
Roth
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schulze
Schumer
Sharp
Shaw
Sikorski
Sisisky
Skaggs
Skeen
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Snowe
Solarz
Spratt
St Germain
Staggers
Stangeland
Stark
Stokes
Stratton
Studds
Sweeney
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Yates
Yatron
Young (AK)
Young (FL)

NAYS—95

Archer
Baker
Barnard
Bartlett
Barton
Bliley
Brown (CO)
Buechner
Bunning
Burton
Callahan
Chandler
Cheney
Coble
Combest
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
Dornan (CA)
Dreier
Edwards (OK)
Fawell
Fields
Frenzel
Gallegly
Gallo
Gekas
Gingrich
Grandy
Gregg
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Hopkins
Hunter
Hyde
Inhofe
Ireland
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Lewis (CA)
Lightfoot
Lott
Lukens, Donald
Lungren
Mack
Marlenee
Martin (IL)
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Molinari
Moorhead
Nielson
Oxley
Packard
Pashayan
Porter
Rhodes
Ridge
Rogers
Schuette
Sensenbrenner
Shumway
Shuster
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Stenholm
Stump
Sundquist
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vander Jagt
Walker
Weber
Whittaker
Wylie

NOT VOTING—44

Annunzio
Armey
Aspin
Badham
Ballenger
Bevill
Bilbray
Boner (TN)
Bonior (MI)
Bosco
Brown (CA)
Byron
Craig
Crane
Dicks
Dixon
Dorgan (ND)
Edwards (CA)
Evans
Gephardt
Hoyer
Jones (NC)
Kemp
Lehman (CA)
Lewis (FL)
Livingston
Lloyd
Lowery (CA)
Lujan
McCandless
Miller (CA)
Mollohan
Morella
Mrazek
Rangel
Ray
Roemer
Roukema
Saiki
Schaefer
Skelton
Stallings
Vucanovich
Weiss

□ 1130

The Clerk announced the following pair:

On this vote:

Mrs. Byron for, with Mr. Armey against.

Mr. RHODES changed his vote from "yea" to "nay."

Messrs. LEATH of Texas, ROBERTS, and DUNCAN, and Mrs. BENTLEY changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mrs. MORELLA. Mr. Speaker, I was unavoidably absent when rollcall 151 was taken early this afternoon.

If I had been here, I would have voted in the affirmative.

PERMISSION FOR SUBCOMMITTEE ON COAST GUARD AND NAVIGATION OF COMMITTEE ON MERCHANT MARINE AND FISHERIES TO SIT DURING THE 5-MINUTE RULE TODAY

Mr. HUTTO. Mr. Speaker, I ask unanimous consent that the Subcommittee on Coast Guard and Navigation of the Committee on Merchant Marine and Fisheries be permitted to sit while the House is operating today under the 5-minute rule.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Florida?

There was no objection.

OLDER AMERICANS ACT AMENDMENTS OF 1987

The SPEAKER pro tempore. Pursuant to House Resolution 171 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1451.

□ 1137

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1451, to amend the Older Americans Act of 1965 to authorize appropriations for the fiscal years 1988, 1989, 1990, and 1991, and for other purposes, with Mr. FLIPPO in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, May 27, 1987, all time for general debate had expired.

Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered as an original bill for the purpose of amendment, and each section shall be considered as having been read.

The Clerk will designate section 1.

Mr. KILDEE. Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The text of the committee amendment in the nature of a substitute is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Older Americans Act Amendments of 1987".

SEC. 2. OBJECTIVES.

Section 101 of the Older Americans Act of 1965 (42 U.S.C. 3001) is amended—

(1) in the matter preceding paragraph (1)—

(A) by striking "United States and" and inserting "United States,", and

(B) by inserting ", and of Indian tribes" after "subdivisions",

(2) in paragraph (3) by striking "Suitable" and inserting "Obtaining and maintaining suitable",

(3) in paragraph (7) by striking "Pursuit of" and inserting "Participating in and contributing to", and

(4) in paragraph (10)—

(A) by striking "lives and" and inserting "lives,", and

(B) by inserting ", and protection against abuse, neglect, and exploitation" before the period at the end.

SEC. 3. ESTABLISHMENT OF ADMINISTRATION ON AGING.

Section 201(a) of the Older Americans Act of 1965 (42 U.S.C. 3011(a)) is amended in the third and fourth sentences by striking "the Office of".

SEC. 4. DATA COLLECTION.

(a) COLLECTION REQUIRED.—Section 202(a) of the Older Americans Act of 1965 (42 U.S.C. 3012(a)) is amended—

(1) in paragraph (17) by striking "and" at the end,

(2) in paragraph (18) by striking out the period at the end and inserting "; and", and

(3) by adding at the end the following:

"(19) collect for each fiscal year, directly or by contract, statistical data regarding programs and activities carried out with funds provided under this Act, including—

"(A) with respect to each type of service provided with such funds—

"(i) the aggregate amount of such funds expended to provide such service;

"(ii) the number of individuals who received such service; and

"(iii) the number of units of such service provided;

"(B) the number of senior centers which received such funds; and

"(C) the extent to which each area agency on aging designated under section 305(a) satisfied the requirements of paragraphs (2) and (5)(A) of section 306(a).".

(b) REPORTS.—The last sentence of section 207(a) of the Older Americans Act of 1965 (42 U.S.C. 3018(a)) is amended to read as follows:

"Such annual reports shall include—

"(1) statistical data reflecting services and activities provided to individuals during the preceding fiscal year;

"(2) statistical data collected under section 202(a)(19);".

SEC. 5. VETERANS' PROGRAMS.

(a) CONSULTATION.—Section 203(b) of the Older Americans Act of 1965 (42 U.S.C. 3013(b)) is amended—

(1) in paragraph (13) by striking "and" at the end,

(2) in paragraph (14) by striking the period at the end and inserting "; and", and

(3) by adding at the end the following:

"(15) parts II and III of title 38, United States Code.".

(b) TECHNICAL ASSISTANCE AND COOPERATION UNDER TITLE III.—Section 301(b)(2) of the Older Americans Act of 1965 (42 U.S.C. 3021(b)(2)) is amended by inserting ", Veterans' Administration," after "Office of Community Services".

(c) AREA PLANS.—Section 306(a)(6)(F) of the Older Americans Act of 1965 (42 U.S.C. 3026(a)(6)(F)) is amended by inserting "providers of veterans' health care (if appropriate)," after "elected officials,".

(d) TECHNICAL ASSISTANCE AND COOPERATION UNDER TITLE IV.—Section 402(b) of the Older Americans Act of 1965 (42 U.S.C. 3030bb(b)) is amended by inserting "Veterans' Administration," after "National Institutes of Health,".

SEC. 6. AUTHORIZATION OF APPROPRIATIONS FOR THE FEDERAL COUNCIL ON AGING.

Section 204(g) of the Older Americans Act of 1965 (42 U.S.C. 3015(g)) is amended—

(1) by striking "$228,900 for fiscal year 1984 and", and

(2) by inserting ", and such sums as may be necessary for each of the fiscal years 1988, 1989, 1990, and 1991" after "1987".

SEC. 7. REGULATIONS.

Section 205(c) of the Older Americans Act of 1965 (42 U.S.C. 3016(c)) is amended by striking "1984" and inserting "1987".

SEC. 8. PUBLICATION OF GOALS.

Section 205 of the Older Americans Act of 1965 (42 U.S.C. 3016) is amended—

(1) by redesignating subsection (d) as subsection (e), and

(2) by inserting after subsection (c) the following:

"(d) Not later than September 1 of each fiscal year, the Commissioner shall publish in the Federal Register, for the purpose of facilitating informed public comment, proposed specific goals to be achieved by implementing this Act in the first fiscal year beginning after the date of such publication.".

SEC. 9. ASSESSMENT OF UNSATISFIED DEMAND FOR SUPPORTIVE SERVICES PROVIDED AT SENIOR CENTERS AND OTHER SITES.

Title II of the Older Americans Act of 1965 (42 U.S.C. 3011-3020) is amended by adding at the end the following:

"ASSESSMENT OF UNSATISFIED DEMAND FOR SUPPORTIVE SERVICES PROVIDED AT SENIOR CENTERS AND OTHER SITES

"SEC. 214. Not later than September 30, 1989, the Commissioner shall—

"(1)(A) with respect to each senior center established under title III or other site, determine the extent to which there is unsatisfied demand for supportive services such as those provided under title III at such center or such site, and the reasons such demand is not satisfied, and

"(B) determine—

"(i) the number and geographical distribution of such centers and other sites at which supportive services are provided, and

"(ii) the number and geographical distribution of such centers and other sites which would be needed to meet the unsatisfied demand for such centers and supportive services, and

"(2) submit to the Speaker of the House of Representatives and the President pro tempore of the Senate a report—

"(A) summarizing the determinations made under paragraph (1), and

"(B) containing the recommendations of the Secretary with respect to the need for legislation relating to satisfying the demand for supportive services provided at senior centers established under such title and at other sites.".

SEC. 10. STUDY OF PROSPECTIVE PAYMENT SYSTEM.

Title II of the Older Americans Act of 1965 (42 U.S.C. 3011-3020), as amended by section 9, is amended by adding at the end the following:

"STUDY OF PROSPECTIVE PAYMENT SYSTEM

"SEC. 215. (a)(1) The Secretary, through the Commissioner and in cooperation with the Administrator of the Health Care Financing Administration, shall conduct a study to determine the effect of the implementation of the prospective payment system on the adequacy and availability of community-based services that will assist medicare patients who are discharged from hospitals. Such study shall include—

"(A) an evaluation of the needs of recently discharged medicare patients for a range of community-based services, including an evaluation of their health and functional status, availability of services, and ability to finance services;

"(B) specifications of the kinds of services not covered by any existing Federal program but which could respond to the needs of recently discharged medicare patients;

"(C) determination of the savings that have accrued to medicare as a result of the prospective payment system and an analysis of how such savings can be utilized to support a range of community-based services for recently discharged patients;

"(D) an analysis of how such system affects the demand for and cost of services available under this Act; and

"(E) a determination of whether such system has affected the types of services and the proportion of those services that are provided under this Act.

"(2) For purposes of such study, the Secretary, the Commissioner, and the Administrator of the Health Care Financing Administration, shall use—

"(A) the best available data on needs of recently discharged patients; and

"(B) any existing data on the effects of such system on patients.

"(b) The Secretary shall submit a report to the Speaker of the House of Representatives and the President pro tempore of the Senate, describing the results of the study conducted under subsection (a) and shall include in such report recommendations regarding how existing authorities under titles XVIII, XIX, and XX of the Social Security Act and under this Act should be amended to ensure adequate care for recently discharged medicare patients.".

SEC. 11. STUDY OF CAREGIVER REFERRAL AND TELEPHONE LISTING.

Title II of the Older Americans Act of 1965 (42 U.S.C. 3011-3020d), as amended by sections 9 and 10, is amended by adding at the end the following:

"STUDY OF CAREGIVER REFERRAL SERVICE

"SEC. 216. (a) The Commissioner shall conduct a study—

"(1) to determine the efficacy of using State agencies designated under section 305(a)(1) and area agencies or aging designated under section 305(a)(2)(A) to develop a nationwide system for providing to caregivers of older individuals (as defined in section 302(10)) both information regarding the availability of services specified in section 306(a)(2) and referral service; and

"(2) to determine the efficacy of requiring each area agency on aging to list its telephone number under the name 'Area Agency on Aging'—

"(A) in the unclassified section; and

"(B) to the extent possible, in the classified section, under a subject heading designated by the Commissioner by rule;

of each telephone directory published by the provider of local telephone service for residents in any geographical area that lies in whole or in part in the planning and service area served by such area agency on aging.

"(b) Not later than 2 years after the effective date of this section, the Commissioner shall submit to the Congress a report describing the results of the study conducted under subsection (a).

"(c) For purposes of this section—

"(1) the term 'caregiver' means a geographically remote family member who is concerned about the well-being of an older individual; and

"(2) the term 'referral service' means with respect to the older individual for whose benefit such service is requested, information identifying the location and telephone number of the area agency on aging for the planning and service area in which such older individual resides.".

SEC. 12. PURPOSE.

Section 301(a) of the Older Americans Act of 1965 (42 U.S.C. 3021(a)) is amended by inserting "with Indian tribes and tribal organizations," after "agencies," the second place it appears.

SEC. 13. AUTHORIZATION OF APPROPRIATIONS FOR STATE AND COMMUNITY PROGRAMS ON AGING.

(a) SUPPORTIVE SERVICES AND SENIOR CENTERS.—Section 303(a) of the Older Americans Act of 1965 (42 U.S.C. 3023(a)) is amended—

(1) by striking "$350,300,000" and all that follows through "1986, and", and

(2) by inserting "$379,575,000 for fiscal year 1988, $398,554,000 for fiscal year 1989, $418,481,000 for fiscal year 1990, and $439,406,000 for fiscal year 1991," after "1987,".

(b) CONGREGATE NUTRITION SERVICES.—Section 303(b)(1) of the Older Americans Act of 1965 (42 U.S.C. 3023(b)(1)) is amended—

(1) by striking "$365,300,000" and all that follows through "1986, and", and

(2) by inserting "$414,750,000 for fiscal year 1988, $435,488,000 for fiscal year 1989, $457,262,000 for fiscal year 1990, and $480,125,000 for fiscal year 1991," after "1987,".

(c) HOME-DELIVERED NUTRITION SERVICES.—Section 303(b)(2) of the Older Americans Act of 1965 (42 U.S.C. 3023(b)(2)) is amended—

(1) by striking "$68,700,000" and all that follows through "1986, and", and

(2) by inserting "$79,380,000 for fiscal year 1988, $83,349,000 for fiscal year 1989, $87,516,000 for fiscal year 1990, and $91,892,000 for fiscal year 1991," after "1987,".

(d) SURPLUS COMMODITIES.—Section 311 of the Older Americans Act of 1965 (42 U.S.C. 3030a) is amended—

(1) in subsection (a)(4)—

(A) by striking "fiscal year 1986 and during each fiscal year thereafter" and inserting "fiscal years 1986 through 1991", and

(B) by striking the second and third sentences, and

(2) in subsection (c)(1)(A) by adding at the end the following:

"(iii) There are authorized to be appropriated $151,000,000 for fiscal year 1988, $166,000,000 for fiscal year 1989, $183,000,000 for fiscal year 1990, and $201,000,000 for fiscal year 1991, to carry out this section (other than subsection (a)(1)).".

SEC. 14. ADMINISTRATIVE EXPENSES OF AREA AGENCIES ON AGING.

Section 304(d)(1)(A) of the Older Americans Act of 1965 (42 U.S.C. 3024(d)(1)(A)) is amended by striking "8.5" and inserting "10".

SEC. 15. AREA PLANS.

Section 306(a)(6)(A) of the Older Americans Act of 1965 (42 U.S.C. 3026(a)(6)(A)) is amended by inserting ", and public hearings on," after "evaluations of".

SEC. 16. COORDINATION OF CERTAIN PROGRAMS RELATING TO OLDER VICTIMS OF ALZHEIMER'S DISEASE.

Section 306(a)(6) of the Older Americans Act of 1965 (42 U.S.C. 3026(a)(6)) is amended—

(1) in subparagraph (J) by striking "and" at the end,

(2) in subparagraph (K) by striking out the period at the end and insert a semicolon, and

(3) by adding at the end the following:

"(L) coordinate the categories of services specified in paragraph (2) for which the area agency on aging is required to expend funds under part B, with activities of community-based organizations established for the benefit of victims of Alzheimer's disease and the families of such victims;".

SEC. 17. OUTREACH REGARDING TUITION-FREE POST-SECONDARY EDUCATION.

Section 306(a)(6) of the Older Americans Act of 1965 (42 U.S.C. 3026(a)(6)), as amended by section 16, is amended by adding at the end the following:

"(M) conduct a survey of the post-secondary educational institutions in the planning and service area and, based on the results of such survey, summarize and disseminate to older individuals information regarding—

"(i) the courses of study offered to older individuals by such institutions;

"(ii) the policies of such institutions with respect to the enrollment of older individuals with little or no payment of tuition, and on a space available or other special basis; and

"(iii) the identities of the representatives (if any) designated by such institutions to counsel and assist older individuals who express an interest in enrolling in such institutions;".

SEC. 18. OMBUDSMAN OFFICE AND PROGRAM.

(a) Technical Assistance.—Section 301 of the Older Americans Act of 1965 (42 U.S.C. 3021) is amended by adding at the end the following:

"(c) The Commissioner shall provide technical assistance and training (by contract, grant, or otherwise) to State long-term care ombudsman programs established under section 307(a)(12), and to individuals designated under such section to be representatives of a long-term care ombudsman, in order to enable such ombudsmen and such representatives to carry out the ombudsman program effectively.".

(b) Annual Report to Congress.—Section 301 of the Older Americans Act of 1965 (42 U.S.C. 3021), as amended by subsection (a), is amended by adding at the end the following:

"(d)(1) Not later than January 15 of each year, the Commissioner shall compile a report—

"(A) summarizing and analyzing the data collected under section 307(a)(12)(C) for the then most recently concluded fiscal year;

"(B) identifying significant problems and issues revealed by such data (with special emphasis on problems relating to quality of care and residents' rights);

"(C) discussing current issues concerning the State's long-term care ombudsman program; and

"(D) making recommendations regarding legislation and administrative actions to resolve such problems.

"(2) The Commissioner shall submit the report required by paragraph (1) to—

"(A) the Select Committee on Aging of the House of Representatives;

"(B) the Special Committee on Aging of the Senate;

"(C) the Committee on Education and Labor of the House of Representatives; and

"(D) the Committee on Labor and Human Resources of the Senate.

"(3) The Commissioner shall provide the report required by paragraph (1), and make the State reports required by section 307(a)(12)(I)(i) available, to—

"(A) the Administrator of the Health Care Finance Administration;

"(B) the Office of the Inspector General of the Department of Health and Human Services;

"(C) the Office of Civil Rights of the Department of Health and Human Services;

"(D) the Administrator of the Veterans' Administration; and

"(E) the public agencies and private organizations designated under section 307(a)(12)(A).".

(c) Study of Ombudsman Program.—Section 301 of the Older Americans Act of 1965 (42 U.S.C. 3021), as amended by subsections (a) and (b), is amended by adding at the end the following:

"(e)(1) The Commissioner shall conduct a study concerning involvement in the ombudsman program established under section 307(a)(12) and its impact upon issues and problems affecting—

"(A) residents of board and care facilities and other similar adult care homes who are older individuals (as defined in section 302(10)), including recommendations for expanding and improving services in such facilities; and

"(B) the effectiveness of recruiting, supervising and retaining volunteer ombudsmen.

"(2) The Commissioner shall prepare and submit a report to the Congress on the findings and recommendations of the study described in paragraph (1) not later than December 31, 1988.".

(d) Authorization of Appropriations.—Section 303 of the Older Americans Act of 1965 (42 U.S.C. 3023) is amended by adding at the end the following:

"(d) To carry out section 307(a)(12), there are authorized to be appropriated $20,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989, 1990, and 1991 only if the amount appropriated for the respective fiscal year to carry out this title (other than sections 306(a)(6)(N), 307(a)(12), and 311, and part E), title IV (other than sections 427 and 428), title V (other than section 509), and title VI exceeds 105 percent of the amount appropriated respectively for the preceding fiscal year to carry out each such title.".

(e) State Plans.—Section 307(a)(12) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)(12)) is amended—

(1) in subparagraph (A) by inserting before "a long-term care ombudsman program" the following: "an Office of the State Long-Term Care Ombudsman (in this paragraph referred to as the 'Office') and shall carry out through the Office",

(2) in subparagraph (D) by striking "and" at the end, and

(3) by adding at the end the following:

"(F)(i) ensure that no individual involved in the designation of the long-term care ombudsman (whether by appointment or otherwise) or the designation of the head of any subdivision of the Office is subject to a conflict of interest;

"(ii) ensure that no officer, employee, or other representative of the Office is subject to a conflict of interest; and

"(iii) ensure that mechanisms are in place to identify and remedy any such or other similar conflicts;

"(G)(i) ensure that no representative of the Office will be liable under State law for the good faith performance of official duties;

"(ii) ensure that adequate legal counsel is available to the Office for advice and consultation and that legal representation is provided to any representative of the Office against whom suit or other legal action is brought in connection with the performance of such representative's official duties; and

"(iii) ensure that the Office has the ability to pursue administrative, legal, and other appropriate remedies on behalf of residents of long-term care facilities;

"(H)(i) ensure that willful interference with representatives of the Office in the performance of their official duties (as defined by the Commissioner) shall be unlawful;

"(ii) prohibit retaliation and reprisals by a long-term care facility or other entity with respect to any resident or employee for having filed a complaint with, or providing information to, the Office; and

"(iii) provide for appropriate sanctions with respect to such interference, retaliation, and reprisals;

"(iv) ensure that representatives of the Office shall have—

"(I) access to long-term care facilities and their residents; and

"(II) with the permission of a resident or resident's legal guardian, have access to review the resident's medical and social records or, if a resident is unable to consent to such review and has no legal guardian, appropriate access to the resident's medical and social records;

"(I) require the Office to—

"(i) prepare an annual report containing data and findings regarding the types of problems experienced and complaints received by or on behalf of individuals residing in long-term care facilities, and to provide policy, regulatory, and legislative recommendations to solve such problems and resolve such complaints and improve the quality of care and life in long-term care facilities;

"(ii) analyze and monitor the development and implementation of Federal, State, and local laws, regulations, and policies with respect to long-term care facilities and services in that State, and recommend any changes in such laws, regulations, and policies deemed by the Office to be appropriate;

"(iii) provide information to public agencies, legislators, and others, as deemed necessary by the Office, regarding the problems and concerns, including recommendations related to such problems and concerns, of older individuals residing in long-term care facilities;

"(iv) provide for the training of the Office staff, including volunteers and other representatives of the Office, in—

"(I) Federal, State, and local laws, regulations, and policies with respect to long-term care facilities in the State;

"(II) investigative techniques; and

"(III) such other matters as the State deems appropriate;

"(v) coordinate ombudsman services with the protection and advocacy systems for individuals with developmental disabilities and mental illness established under part A of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001 et seq.) and under the Protection and Advocacy for Mentally Ill Individuals Act of 1986 (Public Law 99-319); and

"(vi) include any area or local ombudsman entity designated by the State Long-Term Care Ombudsman as a subdivision of the Office. Any representative of an entity designated in accordance with the preceding sentence (whether an employee or an unpaid volunteer) shall be treated as a representative of the Office for purposes of this paragraph;

"(J) prohibit any officer, employee, or other representative of the Office to investigate any complaint filed with the Office unless the individual has received such training as may be required under subpara-

graph (I)(iv) and has been approved by the long-term care ombudsman as qualified to investigate such complaints; and

"(K) expend to carry out this paragraph, for each fiscal year in which the allotment for part B for the State is at least equal to the allotment for fiscal year 1987 for part B for such State, an amount which is not less than the amount expended by such State in fiscal year 1987 to carry out this paragraph as in effect before the effective date of the Older Americans Act Amendments of 1987.".

SEC. 19. LEGAL ASSISTANCE.

(a) REPORTS.—Section 207(a) of the Older Americans Act of 1965 (42 U.S.C. 3018(a)), as amended by section 4(b), is amended by adding at the end the following:

"(3) statistical data and an analysis of the information received under section 307(a)(15)(E) by the Commissioner; and".

(b) AREA PLANS.—Section 306 of the Older Americans Act of 1965 (42 U.S.C. 3026) is amended—

(1) in subsection (a)(2) by inserting "(as described in subsection (d))" after "adequate proportion", and

(2) in subsection (b)(2) by adding at the end the following:

"(C) If a waiver is granted by a State agency to the area agency on aging, an individual or a service provider from the area with respect to which the waiver applies is entitled to appeal the decision of the State agency and to request a hearing on the decision to grant such waiver. If such request is timely, the State agency shall afford such individual or provider an opportunity for such hearing.",

(3) by adding at the end the following:

"(d) The assurance required by subsection (a)(2) is satisfied with respect to legal assistance only if—

"(1) the area agency on aging expends for legal assistance for the fiscal year an amount that is sufficient to meet the relative need for legal assistance in relation to the need for other services provided under part B and equal to the expenditure of at least some funds; and

"(2) such agency expends for the fiscal year for legal assistance not less than such area agency expended for legal assistance for fiscal year 1986.".

(c) STATE PLAN.—Section 307(a)(15) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)(15)) is amended—

(1) in subparagraph (C) by striking "and" at the end,

(2) in subparagraph (D) by inserting "and" after the semicolon, and

(3) by adding at the end the following:

"(E) the plan contains assurances that if the State agency waives the requirement described in section 306(a)(2)(C), the State agency will provide to the Commissioner—

"(i) a report regarding such waiver that details the demonstration made by the area agency on aging to obtain such waiver;

"(ii) a copy of the record of the public hearing conducted pursuant to section 306(b)(2)(A); and

"(iii) a copy of the record of any public hearing conducted pursuant to section 306(b)(2)(C).".

SEC. 20. DOCUMENTATION REGARDING MINORITY PARTICIPATION.

(a) AREAS PLANS.—Section 306(a)(5) of the Older Americans Act of 1965 (42 U.S.C. 3026(a)(5)) is amended—

(1) by inserting "(i)" after "(5)(A)", and

(2) in subparagraph (A)(i), as so redesignated—

(A) by striking out "and" at the end, and

(B) by inserting after clause (i) the following:

"(ii) provide assurances that the area agency will include in each agreement made with a provider of any service under this title, a requirement that such provider will specify how the provider intends to satisfy the service needs of low-income minority individuals in the area served by the provider; and

"(iii) with respect to the fiscal year preceding the fiscal year for which such plan is prepared—

"(I) identify the number of low-income minority older individuals in the planning and service area; and

"(II) describe the methods used to satisfy the service needs of such minority older individuals; and".

(b) STATE PLANS.—Section 307(a) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)) is amended by adding at the end the following:

"(22) The plan shall, with respect to the fiscal year preceding the fiscal year for which such plan is prepared—

"(A) identify the number of low-income minority older individuals in the State; and

"(B) describe the methods used to satisfy the service needs of such minority older individuals.".

SEC. 21. TARGETING OF SERVICES.

(a) REPORTS.—Section 207(a) of the Older Americans Act of 1965 (42 U.S.C. 3018(a)), as amended by sections 4(b) and 19(a), is amended by adding at the end the following:

"(4) statistical data and an analysis of information regarding the effectiveness of the State agency and area agencies on aging in targeting services to older individuals with the greatest economic or social needs, with particular attention to low-income minority individuals.".

(b) ORGANIZATION.—(1) Section 305(a)(1)(E) of the Older Americans Act of 1965 (42 U.S.C. 3025(a)(1)(E)) is amended—

(A) by striking "who have low incomes", and

(B) by inserting after "residing in such areas," the following: "the distribution of older individuals who have greatest economic need (with particular attention to low-income minority individuals) residing in such areas, the distribution of older individuals who have greatest social need (with particular attention to low-income minority individuals) residing in such areas,".

(2) Section 305(a)(2) of the Older Americans Act of 1965 (42 U.S.C. 3014(a)(2)) is amended—

(A) in subparagraph (D) by striking "and" at the end,

(B) in subparagraph (E) by striking the period and inserting "; and", and

(C) by inserting after subparagraph (E) the following:

"(F) assure the use of outreach efforts that will identify individuals eligible for assistance under this Act, with special emphasis on older individuals with the greatest economic or social needs (with particular attention to low-income minority individuals) and inform such individuals of the availability of such assistance.".

(c) AREA PLANS.—Section 306(a) of the Older Americans Act of 1965 (42 U.S.C. 3026(a)) is amended—

(1) in paragraph (1) by inserting after "residing in such area" the following: ", the number of older individuals who have greatest economic need (with particular attention to low-income minority individuals) residing in such area, the number of older individuals who have greatest social need (with particular attention to low-income minority individuals) residing in such area,",

(2) in paragraph (5)(B) by inserting after "rural elderly," the following: "older individuals who have greatest economic need (with particular attention to low-income minority individuals), and older individuals who have greatest social need (with particular attention to low-income minority individuals),", and

(3) in paragraph (6)(A) by inserting "and an annual evaluation of the effectiveness of outreach conducted under paragraph (5)(B)" before the semicolon at the end.

(d) STATE PLAN.—Section 307(a) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)), as amended by section 20(b), is amended—

(1) in paragraph (8) by inserting before the semicolon the following: "including an evaluation of the effectiveness of the State agency in reaching older individuals with the greatest economic or social needs, with particular attention to low-income minority individuals", and

(2) by inserting after paragraph (22) the following:

"(23) The plan shall provide assurances that the State agency will require outreach efforts that will—

"(A) identify older individuals who are eligible for assistance under this title, with special emphasis on older individuals with greatest economic need (with particular attention to low-income minority individuals), older individuals with greatest social need (with particular attention to low-income minority individuals), and older individuals who reside in rural areas; and

"(B) inform such individuals of the availability of such assistance.".

SEC. 22. OUTREACH TO SSI, MEDICARE, AND FOOD STAMP RECIPIENTS.

(a) OUTREACH AND APPLICATION ASSISTANCE FUNCTIONS OF ADMINISTRATION ON AGING.—Section 202(a) of the Older Americans Act of 1965 (42 U.S.C. 3012(a)), as amended by section 4(a), is amended—

(1) in paragraph (8) by inserting "(including statistics regarding the results of outreach activities and application assistance provided under section 306(a)(6)(N))" after "statistics",

(2) in paragraph (18) by striking "and" at the end,

(3) in paragraph (19) by striking the period at the end and inserting "; and", and

(4) by adding at the end the following:

"(20) obtain from—

"(A) the Department of Agriculture information explaining the requirements for eligibility to receive benefits under the Food Stamp Act of 1977; and

"(B) the Social Security Administration information explaining the requirements for eligibility to receive supplemental security income benefits under title XVI of the Social Security Act (or assistance under a State plan program under title XVI of that Act);

and distribute such information, in written form, to State agencies, for redistribution to area agencies on aging, to carry out outreach activities and application assistance under section 307(a)(24).".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 303(a) of the Older Americans Act of 1965 (42 U.S.C. 3023(a)) is amended—

(1) by inserting "(1)" after "(a)",

(2) by inserting "for purposes other than outreach activities and application assistance under section 307(a)(22)" before the period at the end, and

(3) by adding at the end the following:

"(2) To carry out section 306(a)(6)(N), there is authorized to be appropriated

$25,000,000 for fiscal year 1989 only if the amount appropriated for fiscal year 1989 to carry out this title (other than sections 306(a)(6)(N), 307(a)(12), and 311, and part E), title IV (other than sections 427 and 428), title V (other than section 509), and title VI exceeds 105 percent of the amount appropriated respectively to carry out each such title in fiscal year 1988. Amounts appropriated under this subsection shall remain available until expended.".

(c) ADMINISTRATIVE EXPENSES.—Subparagraphs (B) and (C) of section 304(d)(1) of the Older Americans Act of 1965 (42 U.S.C. 3024(d)(1)) are each amended by inserting "(excluding any amount attributable to funds appropriated under section 303(a)(2))" after "amount".

(d) OUTREACH AND APPLICATION ASSISTANCE REQUIRED.—

(1) AREA PLANS.—Section 306(a)(6) of the Older Americans Act of 1965 (42 U.S.C. 3026(a)(6)), as amended by sections 16 and 17, is amended by adding at the end the following:

"(N) with funds and information received under section 307(a)(24) from the State agency—

"(i) conduct outreach activities to inform older individuals, with special emphasis on older individuals residing in rural areas, of the requirements for eligibility to receive supplemental security income benefits under title XVI of the Social Security Act (or assistance under a State plan program under title XVI of that Act), medical assistance under title XIX of the Social Security Act, and benefits under the Food Stamp Act of 1977; and

"(ii) assist older individuals to apply for such assistance and such benefits; and".

(2) STATE PLANS.—Section 307(a) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)), as amended by sections 20(b) and 21(d), is amended—

(A) in paragraph (20)(A) by striking "section 306(a)(2)(A)" and inserting "sections 306(a)(2)(A) and 306(a)(6)(N)", and

(B) by adding at the end the following:

"(24) The plan shall provide that the State agency—

"(A) from funds allotted for fiscal year 1989 under section 304(a) for part B that are attributable to the amount appropriated under section 303(a)(2), will make funds available to area agencies on aging to carry out section 306(a)(6)(N) and, in distributing such funds among area agencies, will give priority to area agencies based on—

"(i) the number of older individuals with greatest economic need (as defined in section 302(13)) residing in their respective planning and service areas; and

"(ii) the inadequacy in such areas of outreach activities and application assistance of the type specified in section 306(a)(6)(N); and

"(B) will distribute to area agencies on aging—

"(i) the eligibility information received under section 202(a)(20) from the Administration; and

"(ii) information, in written form, explaining the requirements for eligibility to receive medical assistance under title XIX of the Social Security Act.".

SEC. 23. STATE PLANS.

(a) ADVOCACY.—(1) Section 305(a)(1)(D) of the Older Americans Act of 1965 (42 U.S.C. 3025(a)(1)(D)) is amended by striking "for the elderly" and all that follows through "elderly and", and inserting the following: "representing the interests of older individuals by reviewing, monitoring, evaluating, and commenting on Federal, State, and local plans, budgets, regulations, programs, laws, levies, hearings, policies, and actions which affect or may affect older individuals and by recommending any changes in such local plans, budgets, regulations, programs, laws, levies, hearings, policies, and actions as the State agency considers to be appropriate (and no directive shall be considered to supersede the advocacy role of the State agency set forth in this Act), and".

(2) Section 306(a)(6)(D) of the Older Americans Act of 1965 (42 U.S.C. 3026(a)(6)(D)) is amended by striking "the elderly within" and all that follows through "elderly", and inserting the following:

"representing the interests of older individuals within the community by reviewing, monitoring, evaluating, and commenting on Federal, State, and local plans, budgets, regulations, programs, laws, levies, hearings, policies, and actions which affect or may affect older individuals and by recommending any changes in such local plans, budgets, regulations, programs, laws, levies, hearings, policies, and actions as the area agency on aging considers to be appropriate (and no directive shall be considered to supersede the advocacy role of the area agency set forth in this Act)".

(b) EVALUATIONS.—Section 307(a)(8) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)(8)) is amended by inserting ", and public hearings on," after "evaluations of".

(c) COORDINATION OF COMMUNITY-BASED SERVICES.—Section 307(a) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)), as amended by sections 20(b), 21(d), and 22(d), is amended by inserting after paragraph (24) the following:

"(25) The plan shall provide assurances that area agencies on aging will conduct efforts to facilitate the coordination of community-based, long-term care services, pursuant to section 306(a)(6)(I), for older individuals who—

"(A) reside at home and are at risk of institutionalization because of limitations on their ability to function independently;

"(B) are patients in hospitals and are at risk of prolonged institutionalization; or

"(C) are patients in long-term care facilities, but who can return to their homes if community-based services are provided to them.".

SEC. 24. COORDINATION RELATING TO MENTAL HEALTH SERVICES.

Section 306(a)(6) of the Older Americans Act of 1965 (42 U.S.C. 3026(a)(6)), as amended by sections 16, 17, and 22(d), is amended by adding at the end the following:

"(O) coordinate any mental health services provided with funds expended by the area agency on aging for part B with the mental health services provided by community health centers and by other public agencies and nonprofit private organizations.".

SEC. 25. CONFIDENTIALITY OF INFORMATION RELATING TO LEGAL ASSISTANCE PROVIDED.

(a) AREA AGENCY ON AGING.—Section 306 of the Older Americans Act of 1965 (42 U.S.C.3026), as amended by section 14(b)(3), is amended by adding at the end the following:

"(e) An area agency on aging may not require any provider of legal assistance under this title to reveal any information that is protected by the attorney-client privilege.".

(b) STATE AND STATE AGENCY.—Section 307 of the Older Americans Act of 1965 (42 U.S.C. 3027) is amended by adding at the end the following:

"(g) Neither a State, nor a State agency, may require any provider of legal assistance under this title to reveal any information that is protected by the attorney-client privilege.".

SEC. 26. PAYMENTS.

Section 309(c) of the Older Americans Act of 1965 (42 U.S.C. 3029(c)) is amended—

(1) by inserting "average annual" after "less than its", and

(2) by striking "preceding fiscal year" and inserting "period of 3 fiscal years preceding such year".

SEC. 27. IN-HOME SERVICES FOR FRAIL OLDER INDIVIDUALS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 303 of the Older Americans Act of 1965 (42 U.S.C. 3023), as amended by section 18(d), is amended by adding at the end the following:

"(e) There are authorized to be appropriated $25,000,000 for fiscal year 1988, $26,250,000 for fiscal year 1989, $27,563,000 for fiscal year 1990, and $28,941,000 for fiscal year 1991 for the purpose of making grants under part D of this title (relating to in-home services).".

(b) AREA PLANS.—Section 306(a) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)) is amended—

(1) by redesignating paragraph (6) as paragraph (7), and

(2) by inserting after paragraph (5) the following:

"(6) provide assurances that any amount received under part D will be expended in accordance with such part;".

(c) STATE PLANS.—Section 307(a)(10) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)(10)) is amended by inserting "and in-home services (as defined in section 342(1))" after "nutrition services".

(d) PROGRAM.—Title III of the Older Americans Act of 1965 (42 U.S.C. 3021–3030g) is amended by adding at the end the following:

"PART D—IN-HOME SERVICES FOR FRAIL OLDER INDIVIDUALS

"PROGRAM AUTHORIZED

"SEC. 341. With funds appropriated to carry out this part, the Commissioner shall carry out a program for making grants to States under State plans approved under section 307 to provide in-home services to frail older individuals, including in-home supportive services for older individuals who are victims of Alzheimer's disease and other neurological and organic brain disorders of the Alzheimer's type, and to the families of such victims.

"DEFINITIONS

"SEC. 342. For purposes of this part—

"(1) the term 'in-home service' means—

"(A) homemaker and home health aides;

"(B) visiting and telephone reassurance;

"(C) chore maintenance;

"(D) in-home respite care for families, including adult day care; or

"(E) in-home supportive services for older individuals who are victims of Alzheimer's disease and other neurological and organic brain disorders of the Alzheimer's type, and the families of such victims; and

"(2) the term 'frail' means having a physical or mental disability, including having Alzheimer's disease or a neurological or organic brain disorder of the Alzheimer's type, that restricts the ability of an individual to perform normal daily tasks or which threatens the capacity of an individual to live independently.

"STATE CRITERIA

"SEC. 343. The State agency shall develop eligibility criteria for providing in-home *services to frail older individuals which shall take into account—*

"(1) age;

"(2) greatest economic need;

"(3) noneconomic factors contributing to the frail condition; and

"(4) noneconomic and nonhealth factors contributing to the need for such services.

"MAINTENANCE OF EFFORT

"SEC. 344. Funds made available under this part shall be in addition to, and may not be used to supplant, any funds that are or would otherwise be expended under any Federal, State, or local law by a State or unit of general purpose local government (including area agencies on aging which have in their planning and services areas existing services which primarily serve older individuals who are victims of Alzheimer's disease and other neurological and organic brain disorders of the Alzheimer's type, and the families of such victims).".

SEC. 28. ASSISTANCE FOR SPECIAL NEEDS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 303 of the Older Americans Act of 1965 (42 U.S.C. 3023), as amended by sections 18(d) and 22(b), is amended by adding at the end the following:

"(f) To carry out part E (relating to special needs), there are authorized to be appropriated $25,000,000 for fiscal year 1988, $25,000,000 for fiscal year 1989, and such sums as may be necessary for each of the fiscal years 1990 and 1991 only if the amount appropriated for the respective fiscal year to carry out this title (other than sections 306(a)(6)(N), 307(a)(12), 311, and part E), title IV (other than sections 427 and 428), title V (other than section 509), and title VI exceeds 105 percent of the amount appropriated respectively for the preceding fiscal year to carry out each such title.".

(b) AREA PLANS.—Section 306(a) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)), as amended by section 27(b), is amended—

(1) by redesignating paragraph (7) as paragraph (8), and

(2) by inserting after paragraph (6) the following:

"(7) provide assurances that any amount received under part E will be expended in accordance with such part; and".

(c) STATE PLANS.—Section 307(a) of the Older Americans Act of 1965 (42 U.S.C. 3027(a), as amended by sections 20(b), 21(d), 22(d), and 23(c), is amended by adding at the end the following:

"(26) The plan shall provide assurances that if the State receives funds appropriated under section 303(e), the State agency and area agencies on aging will expend such funds to carry out part E.".

(d) GRANTS FOR SPECIAL NEEDS.—Title III of the Older Americans Act of 1965 (42 U.S.C. 3021-3030g), as amended by section 27(d), is amended by adding at the end the following:

"PART E—ADDITIONAL ASSISTANCE FOR SPECIAL NEEDS OF OLDER INDIVIDUALS

"PROGRAM AUTHORIZED

"SEC. 351. With funds appropriated to carry out this part, the Commissioner shall carry out a program for making grants to States under State plans approved under section 307 to provide services, consistent with the purpose of this title, designed to satisfy special needs of older individuals. Such services include—

"(1) transportation associated with services provided under this title;

"(2) outreach regarding such services;

"(3) targeting such services to older individuals with greatest economic need or greatest social need;

"(4) services under the ombudsman program established under section 307(a)(12); and

"(5) any other service under this title—

"(A) for which the State demonstrates to satisfaction of the Commissioner that there is unmet need; and

"(B) which is appropriate to improve the quality of life of older individuals, particularly those with greatest economic need and those with greatest social need.".

SEC. 29. SPECIAL PROJECTS IN COMPREHENSIVE LONG-TERM CARE.

Section 423(a)(1) of the Older Americans Act of 1965 (42 U.S.C. 3035b(a)(1)) is amended by striking "may" and inserting "shall".

SEC. 30. AUTHORITY FOR VOLUNTEER SERVICE CREDIT PROGRAM.

Part B of title IV of the Older Americans Act of 1965 (42 U.S.C. 3034-3035a) is amended by adding at the end thereof the following new section:

"SERVICE CREDIT DEMONSTRATION PROGRAM

"SEC. 427. (a) During the 4-year period beginning on the effective date of this section, the Commissioner shall make annual grants to not more than 5 eligible States to establish and carry out service credit demonstration projects.

"(b) To be eligible to receive a grant under subsection (a), a State shall submit to the Commissioner, in accordance with such rules as the Commissioner may issue, an application that contains—

"(1) an assurance that such State will establish and operate (directly or through community organizations) in all or part of such State a volunteer service credit project and a description of the service credit project proposed by such State;

"(2) an assurance that such State will establish, or will authorize community organizations to establish, criteria for selecting individuals to whom volunteer services will be provided under such project;

"(3) an assurance that such State will recruit and train (directly or through community organizations) volunteer individuals to provide services under such project;

"(4) an assurance that such State will establish a minimum standard for each service to be provided by volunteers under such project;

"(5) an assurance that such State will monitor services provided by volunteers under such project to ensure that standards established under paragraph (4) are met;

"(6) an assurance that such State will—

"(A) maintain with respect to each individual who provides services under such project a separately identifiable account showing the number of hours such individual provided services under such project; and

"(B) make a good faith effort to provide to such individual or any beneficiary designated by or on behalf of such individual, in the area of operation of such project, one or more volunteer services of the type made available under such project, as specified and if requested by such individual or such beneficiary after becoming an older individual, during a period equal to the number of hours such individual provided services under such project;

"(7) an estimate of the costs that will be incurred by such State to establish and provide volunteer services under the service credit project for which such grant is requested; and

"(8) such information and other assurances as the Commissioner may require.

"(c) Not later than 90 days after the end of the 1-year period for which a grant is made under subsection (a), the State which receives such grant shall submit to the Commissioner a report that—

"(1) describes in detail the operation of the volunteer service credit project for which such grant is received;

"(2) specifies each type of service provided by volunteers under such project;

"(3) specifies with respect to each such type of service—

"(A) the number of volunteers who provided such service;

"(B) the aggregate number of hours of service provided by all such volunteers; and

"(C) the number of individuals who requested services in return for the credits earned under such project, and the number of hours of volunteer services provided to such individuals;

"(4) evaluates the extent to which such project achieved the purposes for which such project is established; and

"(5) contains such other information as the Commissioner may require.

Not later than 180 days after the end of such 1-year period, the Commissioner shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate a report summarizing the contents of the reports submitted under this subsection by States for such year.

"(d) For purposes of this section—

"(1) the term 'volunteer service credit project' means a project under which homemaker services, respite care for families, adult day care, educational, and transportation and delivery services are provided by—

"(A) volunteer older individuals for the benefit of older individuals or low-income children, or

"(B) volunteer individuals of any age for the benefit of older individuals,

in return for the opportunity to receive similar services after such volunteers become older individuals, and

"(2) the term 'beneficiary' means an individual who is designated—

"(A) by a volunteer who provides services under a volunteer service credit project; or

"(B) by an organization selected by such volunteer to receive services to which such volunteer could receive under this section as a result of providing services.".

SEC. 31. STUDY OF TRANSPORTATION SERVICES.

Part B of title IV of the Older Americans Act of 1965 (42 U.S.C. 3035-3035e), as amended by section 30, is amended by adding at the end the following:

"STUDY OF TRANSPORTATION SERVICES

"SEC. 428. (a) By contract with a public agency or nonprofit private organization, the Commissioner shall conduct a study to determine for fiscal year 1988—

"(1) the extent to which funds made available to carry out this Act (other than title V) were expended to provide, directly or indirectly, transportation services for the benefit of older individuals (as defined in section 302(10));

"(2) the extent to which funds made available to carry out title V were expended to provide, directly or indirectly, transportation services for the benefit of eligible individuals (as defined in section 507(2)); and

"(3) the relative importance of such transportation services to individuals for whose benefit they are provided.

"(b) Not later than March 31, 1989, the Commissioner shall submit to the Speaker of the House of Representatives and the President pro tempore of the Senate a report—

"(1) summarizing the results of the study conducted under subsection (a); and

"(2) containing the recommendations of the Commissioner for improving the delivery and coordination of transportation services provided under this Act.

"(c) For purposes of this section—

"(1) a transportation service provided directly means transportation of individuals to participate in a service or activity (other than employment) provided under this Act; and

"(2) a transportation service provided indirectly includes transportation of eligible individuals in connection with employment provided under title V and transportation (including the use of private vehicles and the value of staff time devoted to managing and providing transportation services) incidental to delivering goods and services under this Act to individuals.".

SEC. 32. AUTHORIZATION OF APPROPRIATIONS FOR TRAINING, RESEARCH, AND DISCRETIONARY PROJECTS AND PROGRAMS.

Section 431(a) of the Older Americans Act of 1965 (42 U.S.C. 3037(a)) is amended—

(1) by striking "$26,600,000" and all that follows through "1986, and", and

(2) by inserting ", $32,970,000 for fiscal year 1988, $34,619,000 for fiscal year 1989, $36,349,000 for fiscal year 1990, and $38,167,000 for fiscal year 1991" after "1987".

SEC. 33. ADMINISTRATIVE COSTS OF EMPLOYMENT PROJECTS.

Paragraph (3) of section 502(c) of the Older American Community Service Employment Act (42 U.S.C. 3056(c)(3)) is amended to read as follows:

"(3) Of the amount for any project to be paid by the Secretary under this subsection, not more than 13.5 percent for fiscal year 1987 and each fiscal year thereafter shall be available for paying the costs of administration for such project, except that—

"(A) whenever the Secretary determines that it is necessary to carry out the project assisted under this title, based on information submitted by the public or private nonprofit agency or organization with which the Secretary has an agreement under subsection (b), the Secretary may increase the amount available for paying the cost of administration to an amount not more than 15 percent of the cost of such project; and

"(B) whenever the public or private nonprofit agency or organization with which the Secretary has an agreement under subsection (b) demonstrates to the Secretary that—

"(i) major administrative cost increases are being incurred in necessary program components, including liability insurance, payments for workmen's compensation, costs associated with achieving unsubsidized placement goals, and other operation requirements imposed by the Secretary;

"(ii) the number of employment positions in the project or the number of minority eligible individuals participating in the project will decline if the amount available for paying the cost of administration is not increased; or

"(iii) the size of the project is so small that the amount of administrative expenses incurred to carry out the project necessarily exceed 13.5 percent of the amount for such project;

the Secretary shall increase the amount available for the fiscal year for paying the cost of administration to an amount not more than 15 percent of the cost of such project.".

SEC. 34. DEFINITION OF COMMUNITY SERVICES.

Section 507(3) of the Older Americans Act of 1965 (42 U.S.C. 3056e(3)) is amended by inserting "(particularly literacy tutoring)" after "educational services".

SEC. 35. AUTHORIZATION OF APPROPRIATIONS FOR COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS.

Section 508(a)(1) of the Older American Community Service Employment Act (42 U.S.C. 3056f(a)(1)) is amended—

(1) by striking "$319,450,000" and all that follows through "1986, and", and

(2) by inserting ", $386,715,000 for fiscal year 1988, $406,051,000 for fiscal year 1989, $426,353,000 for fiscal year 1990, and $447,671,000 for fiscal year 1991" after "1987".

SEC. 36. EMPLOYMENT ASSISTANCE AND FEDERAL HOUSING PROGRAMS.

Title V of the Older Americans Act of 1965 (42 U.S.C. 3056-3056f) is amended by adding at the end the following:

"EMPLOYMENT ASSISTANCE AND FEDERAL HOUSING PROGRAMS

"SEC. 509. Funds received by eligible individuals from projects carried out under the program established in this title shall not be considered to be income or resources of such individuals for purposes of determining the eligibility of such individuals, or of any other persons, to participate in any housing program for which Federal funds may be available.".

SEC. 37. GRANTS FOR INDIAN TRIBES.

(a) DUAL ELIGIBILITY OF INDIANS.—Section 602(a) of the Older Americans Act of 1965 (42 U.S.C. 3057a(a)) is amended—

(1) in paragraph (1) by inserting "and" at the end,

(2) in paragraph (2) by striking "; and" at the end and inserting a period, and

(3) by striking paragraph (3).

(b) TRIBAL ORGANIZATIONS.—Section 604(e) of the Older Americans Act of 1965 (42 U.S.C. 3057c(e)) is amended by striking ", during" and all that follows through "title III".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 608 of the Older Americans Act of 1965 (42 U.S.C. 3057g) is amended—

(1) in subsection (a)—

(A) by striking "(a)",

(B) by striking ", $7,500,000" and all that follows through "1986, and", and

(C) by inserting after "1987" the following: ", $12,100,000 for fiscal year 1988, $14,900,000 for fiscal year 1989, $17,700,000 for fiscal year 1990, and $20,600,000 for fiscal year 1991", and

(2) by striking subsection (b).

SEC. 38. AUTHORIZATION OF APPROPRIATIONS FOR OLDER AMERICANS PERSONAL HEALTH EDUCATION AND TRAINING PROGRAM.

Section 706(a) of the Older Americans Act of 1965 (42 U.S.C. 3058d(a)) is amended—

(1) by striking "$8,550,000 for fiscal year 1985 and", and

(2) by striking "and 1987" and inserting ", 1987, 1988, 1989, 1990, and 1991".

SEC. 39. TECHNICAL AMENDMENTS.

(a) Section 102(1) of the Older Americans Act of 1965 (42 U.S.C. 3002(1)) is amended by striking "other than for purposes of title V" and inserting "except that for purposes of title V such term means the Secretary of Labor".

(b)(1) Section 102 of the Older Americans Act of 1965 (42 U.S.C. 3002) is amended—

(A) in paragraph (3)—

(i) by striking "includes" and inserting "means any of the several States,", and

(ii) by striking "Puerto Rico" and inserting "the Commonwealth of Puerto Rico", and

(B) by adding at the end the following:

"(8) The term 'Trust Territory of the Pacific Islands' includes the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.".

(2) Section 302 of the Older Americans Act of 1965 (42 U.S.C. 3022) is amended—

(A) by striking paragraph (6), and

(B) by redesignating paragraphs (7) through (12) as paragraphs (6) through (11), respectively.

(3) Section 506(a)(4)(A) of the Older Americans Act of 1965 (42 U.S.C. 3056d(a)(4)(A)) is amended by striking "Puerto Rico" and inserting "the Commonwealth of Puerto Rico".

(4) Section 507 of the Older Americans Community Service Employment Act (42 U.S.C. 3056e) is amended—

(A) by striking paragraph (1), and

(B) by redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively.

(c) Section 201(a) of the Older Americans Act of 1965 (42 U.S.C. 3011(a)) is amended by striking "his functions" and inserting "the functions of the Secretary".

(d) Section 204(d)(3) of the Older Americans Act of 1965 (42 U.S.C. 3015(d)(3)) is amended by inserting "to" after "Secretary,".

(e)(1) Section 302 of the Older Americans Act of 1965 (42 U.S.C. 3022), as amended by subsection (b)(2), is amended by adding at the end the following:

"(12) The term 'greatest economic need' means the need resulting from an income level at or below the poverty threshold established by the Bureau of the Census.

"(13) The term 'greatest social need' means the need caused by noneconomic factors which include physical and mental disabilities, language barriers, and cultural or social isolation including that caused by racial or ethnic status which restricts an individual's ability to perform normal daily tasks or which threatens such individual's capacity to live independently.".

(2) Section 305(d) of the Older Americans Act of 1965 (42 U.S.C. 3025(d)) is amended—

(A) by striking "(d)(1)" and inserting "(d)", and

(B) by striking paragraph (2).

(3) Section 306(a) of the Older Americans Act of 1965 (42 U.S.C. 3026(a)) is amended by striking the last sentence.

(f) Section 304(d)(1) of the Older Americans Act of 1965 (42 U.S.C. 3024(d)(1)) is amended in the matter preceding subparagraph (A) by inserting a comma after "section 308(b)".

(g) Section 305(a)(1)(E) of the Older Americans Act of 1965 (42 U.S.C. 3025(a)(1)(E)) is amended by striking "legal services" and inserting "legal assistance".

(h) Section 305(a)(2)(C) of the Older Americans Act of 1965 (42 U.S.C. 3025(a)(2)(C)) is amended by inserting "in accordance with subsection (d)" before the semicolon at the end.

(i) Section 306(a)(5)(B) of the Older Americans Act of 1965 (42 U.S.C. 3016(a)(5)(B)) is amended by inserting "and" at the end.

(j) Section 306(a)(8)(G) of the Older Americans Act of 1965 (42 U.S.C. 3026(a)(7)(G)), as amended by section 28(b), is amended by striking "and" at the end.

(k) Section 307(a) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)) is amended—

(1) by striking "Each such plan shall—" and inserting "Each such plan shall comply with all of the following requirements:",

(2) in paragraph (1)—

(A) by inserting "The plan shall" after "(1)", and

(B) by striking the semicolon at the end and inserting a period,

(3) in paragraph (2)—

(A) by inserting "The plan shall" after "(2)", and

(B) by striking the semicolon at the end and inserting a period,

(4) in paragraph (3)—

(A) in subparagraph (A) by inserting "The plan shall" after "(3)(A)", and

(B) in subparagraph (B)—

(i) by inserting "The plan shall" after "(B)", and

(ii) by striking the semicolon at the end and inserting a period,

(5) in paragraph (4)—

(A) by inserting "The plan shall" after "(4)", and

(B) by striking the semicolon at the end and inserting a period,

(6) in paragraph (5)—

(A) by inserting "The plan shall" after "(5)", and

(B) by striking the semicolon at the end and inserting a period,

(7) in paragraph (6)—

(A) by inserting "The plan shall" after "(6)", and

(B) by striking the semicolon at the end and inserting a period,

(8) in paragraph (7)—

(A) by inserting "The plan shall" after "(7)", and

(B) by striking the semicolon at the end and inserting a period,

(9) in paragraph (8)—

(A) by inserting "The plan shall" after "(8)", and

(B) by striking the semicolon at the end and inserting a period,

(10) in paragraph (9)—

(A) by inserting "The plan shall" after "(9)", and

(B) by striking the semicolon at the end and inserting a period,

(11) in paragraph (10)—

(A) by inserting "The plan shall" after "(10)", and

(B) by striking the semicolon at the end and inserting a period,

(12) in paragraph (11)—

(A) by inserting "The plan shall" after "(11)", and

(B) by striking the semicolon at the end and inserting a period,

(13) in paragraph (12) by inserting "If the plan does not contain the assurances specified in paragraph (22), the plan shall" after "(12)",

(14) in paragraph (13)—

(A) by inserting "The plan shall" after "(13)", and

(B) in subparagraph (I) by striking the semicolon at the end and inserting a period,

(15) in paragraph (14)—

(A) by inserting "The plan shall" after "(14)", and

(B) in subparagraph (E) by striking the semicolon at the end and inserting a period,

(16) in paragraph (15) by inserting "The plan shall" after "(15)",

(17) in paragraph (16)—

(A) by inserting "The plan shall" after "(16)", and

(B) in subparagraph (C) by striking the semicolon at the end and inserting a period,

(18) in paragraph (17)—

(A) by inserting "The plan shall" after "(17)", and

(B) by striking the semicolon at the end and inserting a period,

(19) in paragraph (18)—

(A) by inserting "The plan shall" after "(18)", and

(B) by striking the semicolon at the end and inserting a period,

(20) in paragraph (19)—

(A) by inserting "The plan shall" after "(19)", and

(B) by striking the semicolon at the end and inserting a period,

(21) in paragraph (20)—

(A) by inserting "The plan shall" after "(20)", and

(B) in subparagraph (B)(ii) by striking "; and" at the end and inserting a period, and

(22) in paragraph (21)—

(A) by inserting "The plan shall" after "(21)", and

(B) by striking "an amount equal to an amount".

(l) Section 308(b) of the Older Americans Act of 1965 (42 U.S.C. 3028(b)) is amended—

(1) by striking "(b)(1)(A)" and inserting "(b)(1)",

(2) in paragraph (1)—

(A) by striking "(i)" and inserting "(A)", and

(B) by striking "(ii)" the second place it appears and inserting "(B)",

(3) in paragraph (2)—

(A) by striking "(2)(A)" and inserting "(2)",

(B) by striking "(i)" and inserting "(A)", and

(C) by striking "(ii)" the second place it appears and inserting "(B)",

(4) in paragraph (3)(C) by striking "he" and inserting "the Commissioner",

(5) in subparagraphs (A) and (B) of paragraph (5) by striking "appropriated" each place it appears and inserting "allotted", and

(6) in paragraph (5)(B)(iii) by inserting "and each fiscal year thereafter" before the period at the end.

(m) Section 337 of the Older Americans Act of 1965 (42 U.S.C. 3030g) is amended by striking "Association of Area Agencies on Aging" and inserting "National Association of Area Agencies on Aging".

(n) Section 603 of the Older Americans Act of 1965 (42 U.S.C. 3057b) is amended by striking "nutritional" and inserting "nutrition".

(o) Section 604(a) of the Older Americans Act of 1985 (42 U.S.C. 3057c(a)) is amended—

(1) in paragraph (1) by striking "social and nutritional" and inserting "supportive and nutrition", and

(2) in paragraph (8) by striking "nutritional" and inserting "nutrition".

(p) Section 606(a) of the Older Americans Act of 1965 (42 U.S.C. 3057e(a)) is amended by striking "nutritional" and inserting "nutrition".

SEC. 40. 1991 WHITE HOUSE CONFERENCE ON AGING.

(a) Policy and Findings.—

(1) Findings.—The Congress finds that—

(A) the number of individuals 55 years of age or older was approximately 51,400,000 in 1986, and will, by the year 2040, be approximately 101,700,000;

(B) more than 1 of every 6 persons age 55 or older will be hospitalized during the next year;

(C) persons 55 years of age or older have a higher average out-of-pocket medical cost burden than younger persons; approximately 17 percent of individuals age 55 to 64 experience out-of-pocket costs in excess of 20 percent of their family income and the average per capital out-of-pocket cost of persons 65 years of age or older is expected to equal 18.5 percent of income by 1991;

(D) there is a great need to ensure access and the quality of affordable health care to all older individuals;

(E) the need for a comprehensive and responsive long-term care delivery system is great;

(F) the availability and cost of suitable housing, together with suitable services needed for independent or semi-independent living, still cause concern to older individuals;

(G) the ability to lead an independent or semi-independent life is contingent, in many cases, upon the availability of a comprehensive and effective social service system for older individuals;

(H) the availability and access to opportunities for continued productivity and employment is of great importance to middle-aged and older individuals who want or need to work;

(I) the fulfillment, dignity, and satisfaction of retirees still depend on the continuing development of a consistent national retirement policy;

(J) there is a continuing need to maintain and preserve the national policy with respect to increasing, coordinating, and expediting biomedical and other appropriate research directed at determining the causes and effects of the aging process;

(K) false stereotypes about aging and the process of aging continue to be prevalent throughout the United States and policies should be nurtured to overcome such stereotypes; and

(L) the talents and experience of older individuals represent a valuable community resource which should be developed and more widely shared within the local community.

(2) Policy.—It is the policy of the Congress that—

(A) the Federal Government should work jointly with the States and their citizens to develop recommendations and plans for action to meet the challenges and needs of older individuals, consistent with the objectives of this section; and

(B) in developing programs for the aging pursuant to this section emphasis should be directed toward individual, private, and public initiatives and resources intended to enhance the economic security and self-sufficiency of elder Americans.

(b) Authorization of the Conference.—

(1) Authority to call conference.—The President may call a White House Conference on Aging in 1991 in order to develop recommendations for additional research and action in the field of aging which will further the policy set forth in subsection (a).

(2) Planning and direction.—The Conference shall be planned and conducted under the direction of the Secretary in cooperation with the Commissioner on Aging and the Director of the National Institute on Aging, and the heads of such other Federal departments and agencies as are appropriate. Such assistance may include the assignment of personnel.

(c) Purpose of the Conference.—The purpose of the Conference shall be—

(1) to increase the public awareness of the essential contributions of older individuals to society;

(2) to identify the problems of the older individuals;

(3) to develop recommendations for the coordination of Federal policy with State and

local needs and the implementation of such recommendations;

(4) to examine the well-being of older individuals;

(5) to develop such specific and comprehensive recommendations for executive and legislative action as may be appropriate for maintaining and improving the well-being of older individuals; and

(6) to review the status of recommendations adopted at previous White House Conferences on Aging.

(d) Conference Participants and Delegates.—

(1) Participants.—In order to carry out the purposes of this section, the Conference shall bring together—

(A) representatives of Federal, State, and local governments;

(B) professional and lay people who are working in the field of aging; and

(C) representatives of the general public, including older individuals.

(2) Selection of delegates.—The delegates shall be selected without regard to political affiliation or past partisan activity and shall, to the best of the appointing authority's ability, be representative of the spectrum of thought in the field of aging.

(e) Conference Administration.—

(1) Administration.—In administering this section, the Secretary shall—

(A) request the cooperation and assistance of the heads of such other Federal departments and agencies as may be appropriate in the carrying out this section;

(B) render all reasonable assistance, including financial assistance, to State agencies on the aging and to area agencies on the aging, and to other appropriate organizations, to enable them to organize and conduct conferences in conjunction with the Conference;

(C) prepare and make available for public comment a proposed agenda for the Conference which will reflect to the greatest extent possible the major issues facing older individuals consistent with the provisions of subsection (a);

(D) prepare and make available background materials for the use of delegates to the Conference which the Secretary deems necessary; and

(E) engage such additional personnel as may be necessary to carry out the provisions of this section without regard to provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) Duties.—The Secretary shall, in carrying out the Secretary's responsibilities and functions under this section, assure that—

(A) the conferences under paragraph (1)(B) will be so conducted as to assure broad participation of older individuals;

(B) under paragraph (1)(C), the proposed agenda for the Conference is published in the Federal Register not less than 180 days before the beginning of the Conference and the proposed agenda is open for public comment for a period of not less than 60 days;

(C) under paragraph (1)(C), the final agenda for the Conference, taking into consideration the comments received under subparagraph (B), is published in the Federal Register and transmitted to the chief executive officers of the States not later than 30 days after the close of the public comment period provided for under subparagraph (B);

(D) under paragraph (1)(E), the personnel engaged shall be fairly balanced in terms of point of views represented and shall be appointed without regard to political affiliation or previous partisan activities;

(E) the recommendations of the Conference are not inappropriately influenced by any appointing authority or by any special interest, but will instead be the result of the independent judgment of the Conference; and

(F) current and adequate statistical data, including decennial census data, and other information on the well-being of older individuals in the United States are readily available, in advance of the Conference, to the delegates of the Conference, together with such information as may be necessary to evaluate Federal programs and policies relating to aging. In carrying out this subparagraph, the Secretary is authorized to make grants to, and enter into cooperative agreements with, public agencies and nonprofit private organizations.

(f) Conference Committees.—

(1) Advisory committee.—The Secretary shall establish an advisory committee to the Conference which shall include representation from the Federal Council on Aging and other public agencies and private nonprofit organizations as appropriate.

(2) Other committees.—The Secretary may establish such other committees, including technical committees, as may be necessary to assist in the planning, conducting, and reviewing the Conference.

(3) Composition of committees.—Each such committee shall be composed of professionals and public members, and shall include individuals from low-income families and from minority groups. A majority of the public members of each such committee shall be 55 years of age or older.

(4) Compensation.—Appointed members of any such committee (other than any officers or employees of the Federal Government), while attending conferences or meetings of the committee or otherwise serving at the request of the Secretary, shall be entitled to receive compensation at a rate to be fixed by the Secretary, but not to exceed the daily prescribed rate for GS-18 under section 5332 of title 5, United States Code (including travel time). While away from their homes or regular places of business, such members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized under section 5703 of such title for persons employed intermittently in Federal Government service.

(g) Report of the Conference.—

(1) Proposed report.—A proposed report of the Conference, which shall include a statement of comprehensive coherent national policy on aging together with recommendations for the implementation of the policy, shall be published and submitted to the chief executive officers of the States not later than 60 days following the date on which the Conference is adjourned. The findings and recommendations included in the published proposed report shall be immediately available to the public.

(2) Response to proposed report.—The chief executive officers of the States, after reviewing and soliciting recommendations and comments on the report of the Conference, shall submit to the Secretary, not later than 180 days after receiving the report, their views and findings on the recommendations of the Conference.

(3) Final report.—The Secretary shall, after reviewing the views and recommendations of the chief executive officers of the States, prepare a final report of the Conference, which shall include a compilation of the actions of the chief executive officers of the States and take into consideration the views and findings of such officers.

(4) Recommendations of secretary.—The Secretary shall, within 90 days after submission of the views of the chief executive officers of the States, publish and transmit to the President and to the Congress recommendations for the administrative action and the legislation necessary to implement the recommendations contained within the report.

(h) Definitions.—For the purposes of this section—

(1) the term "area agency on aging" means the agency designated under section 305(a)(2)(A) of the Older Americans Act of 1965;

(2) the term "State agency on aging" means the State agency designated under section 305(a)(1) of the Older Americans Act of 1965;

(3) the term "Secretary" means the Secretary of Health and Human Services;

(4) the term "Conference" means the White House Conference on Aging authorized in subsection (b); and

(5) the term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, or the Commonwealth of the Northern Mariana Islands.

(i) Authorization of Appropriations.—

(1) Authorization.—There are authorized to be appropriated such sums as may be necessary, for each of the fiscal years 1989, 1990, and 1991, to carry out this section. Sums appropriated under this paragraph shall remain available until the expiration of the 1-year period beginning on the date the Conference is adjourned. New spending authority or authority to enter into contracts as provided in this section shall be effective only to the extent and in such amounts as are provided in advance in appropriations Acts.

(2) Return of unexpended funds.—Any funds remaining upon the expiration of such 1-year period shall be returned to the Treasury of the United States and credited as miscellaneous receipts.

SEC. 41. REVIEW OF APPLICATIONS FOR ASSISTANCE UNDER THE NATIVE AMERICAN PROGRAMS ACT OF 1974.

(a) Establishment of Review Process.—The Native American Programs Act of 1974 (42 U.S.C. 2991-2992d) is amended—

(1) in the first sentence of section 803(a) by inserting ", on a single year or multiyear basis," after "financial assistance",

(2) by redesignating sections 813 and 814 as sections 815 and 816, respectively,

(3) by redesignating sections 806 through 812, as sections 807 through 813, respectively, and

(4) by inserting after section 805 the following:

"REVIEW OF APPLICATIONS FOR ASSISTANCE

"Sec. 806. (a)(1) The Secretary shall establish a formal review process for purposes of evaluating applications for financial assistance under sections 803 and 805 and of determining the relative merits of the projects for which such assistance is requested.

"(2) Members of review panels shall be appointed by the Secretary from among individuals who are not officers or employees of the Administration for Native Americans. In making appointments to such panels, the Secretary shall give preference to American

Indians, Hawaiian Natives, and Alaskan Natives.

"(b) Each review panel established under subsection (a)(2) that reviews any application for financial assistance shall—

"(1) determine the merit of each project described in such application;

"(2) rank such application with respect to all other applications it reviews for the fiscal year involved, according to the relative merit of all of the projects that are described in such application and for which financial assistance is requested; and

"(3) submit to the Secretary a list that identifies all applications reviewed by such panel and arranges such applications according to rank determined under paragraph (2).

"(c) Whenever the Secretary approves an application for financial assistance under section 803 or 805, the Secretary shall transmit to the Speaker of the House of Representatives and the President pro tempore of the Senate, on the request of either, written notice—

"(1) identifying such application;

"(2) containing a copy of the list submitted to the Secretary under subsection (b)(3) in which such application is ranked;

"(3) specifying which other applications ranked in such list have been approved by the Secretary under sections 803 and 805; and

"(4) if the Secretary has not approved each application superior in merit, as indicated on such list, to the application with respect to which such notice is transmitted, containing a statement of the reasons relied upon by the Secretary for—

"(A) approving the application with respect to which such notice is transmitted; and

"(B) failing to approve each pending application that is superior in merit, as indicated on such list, to the application described in subparagraph (A).".

(b) PROCEDURAL REQUIREMENTS.—

(1) RULE MAKING.—The Native American Programs Act of 1974 (42 U.S.C. 2991-2992d) is amended by inserting after section 813, as so redesignated by subsection (a), the following:

"ADDITIONAL REQUIREMENTS APPLICABLE TO RULEMAKING

"SEC. 814. (a) Notwithstanding subsection (a) of section 553 of title 5, United States Code, and except as otherwise provided in this section, such section 553 shall apply with respect to the establishment and general operation of any program that provides loans, grants, benefits, or contracts authorized by this title.

"(b)(1) The last sentence of section 553(b) of title 5, United States Code, shall not apply with respect to any rule (including any interpretative rule) or any general statement of policy that is—

"(A) proposed under this title; or

"(B) applicable to any program, project, or activity authorized by, or carried out under, this title.

"(2) The first 2 sentences of section 553(b) of title 5, United States Code, shall apply with respect to any rule (including any interpretative rule) or any general statement of policy that is—

"(A) proposed under this title; or

"(B) applicable to any program, project, or activity authorized by, or carried out under, this title;

unless the Secretary for good cause finds (and incorporates the finding and a brief statement of the reasons therefor in such rule or such general statement of policy issued) that notice and public procedure thereon are contrary to the public interest or would impair the effective administration of any program, project, or activity with respect to which such rule or such general statement of policy is issued.

"(c) Notwithstanding section 553(d) of title 5, United States Code, no rule (including an interpretative rule) or general statement of policy that—

"(1) is issued to carry out this title; or

"(2) applies to any program, project, or activity authorized by, or carried out under, this title;

may take effect until 30 days after the publication required under the first 2 sentences of section 553(b) of title 5, United States Code.

"(d) Each rule (including an interpretative rule) and each general statement of policy to which this section applies shall contain after each of its sections, paragraphs, or similar textual units a citation to the particular provision of statutory or other law that is the legal authority for such section, paragraph, or unit.

"(e) Except as provided in subsection (c), if as a result of the enactment of any law affecting the administration of this title it is necessary or appropriate for the Secretary to issue any rule (including any interpretative rule) or a general statement of policy, the Secretary shall issue such rule or such general statement of policy not later than 180 days after the date of the enactment of such law.

"(f) Whenever an agency publishes in the Federal Register a rule (including an interpretative rule) or a general statement of policy to which subsection (c) applies, such agency shall transmit a copy of such rule or such general statement of policy to the Speaker of the House of Representatives and the President pro tempore of the Senate.".

(2) DEFINITION OF RULE.—Section 815 of the Native American Programs Act of 1974 (42 U.S.C. 2992c), as so redesignated by subsection (a), is amended—

(A) in paragraph (3) by striking "and" at the end thereof,

(B) by redesignating paragraph (4) as paragraph (5), and

(C) by inserting after paragraph (3) the following:

"(4) the term 'rule' has the meaning given it in section 551(4) of title 5, United States Code, as amended from time to time; and".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 816(a) of the Native American Programs Act of 1974 (42 U.S.C. 2992d(a)), as so redesignated by subsection (a), is amended by striking "1986" and inserting "1991".

SEC. 42. PARTICIPATION OF OLDER PERSONS AND CHRONICALLY-IMPAIRED DISABLED PERSONS IN CHILD CARE FOOD PROGRAM.

Section 17 of the National School Lunch Act (42 U.S.C. 1766) is amended by adding at the end the following:

"(p)(1) For purposes of this section, adult day care centers shall be considered eligible institutions for reimbursement for meals or supplements served to persons 60 years of age or older or to chronically impaired disabled persons, including victims of Alzheimer's disease or other neurological and organic brain disorders of the Alzheimer's type. Reimbursement provided to such institutions for such purposes shall supplement, not supplant, funds provided for such purposes on the effective date of this subsection, unless the quality of meals or level of services provided is improved through participation in the program.

"(2) For purposes of this subsection—

"(A) the term 'adult day care center' means any public agency or private nonprofit organization, or any proprietary title XIX or title XX center, which—

"(i) is licensed or approved by Federal, State, or local authorities to provide adult day care services to chronically impaired disabled adults or persons 60 years of age or older in a group setting outside their homes on a less than 24-hour basis; and

"(ii) provides for such care and services directly or under arrangements made by the agency or organization whereby the agency or organization maintains professional management responsibility for all such services; and

"(B) the term 'proprietary title XIX or title XX center' means any private, for-profit center providing adult day care services for which it receives compensation from amounts granted to the States under title XIX or XX of the Social Security Act and which title XIX or title XX beneficiaries were not less than 25 per cent of enrolled eligible participants in a calendar month preceding initial application or annual reapplication for program participation.

"(3) The Secretary of Agriculture, in consultation with the Commissioner on Aging, may establish separate guidelines for institutions described in this subsection.".

SEC. 43. EFFECTIVE DATE; APPLICATION OF AMENDMENTS.

(a) EFFECTIVE DATE.—This Act and the amendments made by this Act shall take effect on October 1, 1987.

(b) APPLICATION OF AMENDMENTS.—The amendments made by this Act shall not apply with respect to—

(1) any area plan submitted under section 306(a) of the Older Americans Act of 1965 (42 U.S.C. 3026(a)), or

(2) any State plan submitted under section 307(a) of such Act,

and approved for any fiscal year beginning before the date of the enactment of this Act.

AMENDMENTS OFFERED BY MR. KILDEE

Mr. KILDEE. Mr. Chairman, I offer four amendments and I ask unanimous consent that the amendments be considered en bloc, considered as read, and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The text of the amendments is as follows:

Amendments offered by Mr. KILDEE: Page 19, strike lines 9 through 13, and insert the following:

(1) in subparagraph (A)—

(A) by inserting before "a long-term care ombudsman program" the following: "an Office of the State Long-Term Care Ombudsman (in this paragraph referred to as the 'Office') and shall carry out through the Office",

(B) by striking clauses (ii) and (iii), and

(C) by redesignating clauses (iv) and (v) as clauses (ii) and (iii), respectively,

Page 43, line 10, strike "303(e)" and insert "303(f)".

Page 58, line 9, strike "3026(a)(7)(G)" and insert "3026(a)(6)(G)".

Page 61, strike lines 1 through 3, and insert the following:

(13) in paragraph (12) by inserting "The plan shall" after "(12)",

Mr. MURPHY. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the gentleman from Pennsylvania.

Mr. MURPHY. Mr. Chairman, I rise in strong support of H.R. 1451, a bill to reauthorize the Older Americans Act. With its enactment in 1965, Congress created a new Federal program specifically designed to meet the social services needs of older people. Although older persons may receive services under many other Federal programs, the act is the major vehicle for the organization and delivery of social and nutritional services to this group, and for the development of community service employment opportunities for low-income elderly.

Mr. Chairman, like it or not, America is a graying population. Advances in nutrition and medicine have virtually guaranteed that more and more of our citizens are living longer. This phenomenon has placed a significant burden on many of the existing services available to the elderly. As the need grows, the ability of the agencies to provide essential services declines. Perhaps, in time, our facilities will keep pace with the need, but this will not happen without the significant presence and funding of the Older Americans Act.

Any reduction of funding or any program elimination would have disasterous consequences for many of our elderly. If there ever existed any Federal program worthy of support and retention this is the one. We must continue to meet the changing needs of our older citizens.

I'm proud to say that my State of Pennsylvania has funded through its lottery proceeds, extensive senior citizen programs including property tax relief, but the State cannot do it all alone. Without a continuation and increase in title III funding, vital senior citizen programs, funded through these Federal grants will cease to exist.

The Older Americans Act was last addressed in 1984 and its authorization expires this year. We must act on this important legislation now to insure that our older Americans continue to receive the benefit of programs such as home-delivered meals and supportive services.

About 70 percent of the funding under the act is for title III programs, which provide grants to States to provide a wide range of services such as legal services, Meals-on-Wheels, nutrition services, and multipurpose senior centers.

Other sections of the act authorize a Community Service Jobs Program that provides part-time jobs for unemployed low-income people 55 years old and older (title V), training, research, and demonstration grants (title IV), and funds for social services for older Indians.

Finally, H.R. 1451 authorizes several new programs to provide services at home for the frail elderly, to provide for the special needs of the elderly, and perhaps most important, a onetime Outreach Program to inform older individuals of the availability of benefits under other Federal programs.

Mr. Chairman, the cost of these programs is small—only $929 million in fiscal year 1988—in comparison to the enormous benefit that is provided our older Americans. I heartily endorse this measure and urge my colleagues to support this important legislation.

Mr. KILDEE. Mr. Chairman, these amendments are technical in nature. They simply strike extraneous and duplicative language where it appears in sections 18 and 39 and correct section references in sections 28 and 39 to the bill.

The amendments have been shared with the minority, and I know of no objection to their adoption.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the gentleman from Iowa.

Mr. TAUKE. Mr. Chairman, we have had an opportunity to look at these amendments, and we support them.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Michigan [Mr. KILDEE].

The amendments were agreed to.

AMENDMENTS OFFERED BY MR. TAUKE

Mr. TAUKE. Mr. Chairman, I offer three amendments, and I ask unanimous consent that they be considered en bloc, considered as read, and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The text of the amendments is as follows:

Amendments offered by Mr. TAUKE: Beginning on page 10, strike line 9 and all that follows through line 22 on page 11 (and redesignate references and succeeding sections accordingly).

Page 45, line 4, strike the word "annual".

Page 45, line 4, after the word "States" insert, ", if qualified applications are submitted,".

Page 55, strike lines 1 through 9, and insert the following:

SEC. 38. REPEAL OF OLDER AMERICANS PERSONAL HEALTH EDUCATION AND TRAINING PROGRAM.

Title VII of the Older Americans Act of 1965 (42 U.S.C. 3058-3058d) is repealed.

Mr. TAUKE. Mr. Chairman, I believe these amendments are acceptable to the majority. These three amendments strike section 11. They revise section 29, which deals with the volunteer service credit amendment of the gentleman from Oregon [Mr. WYDEN]. There are some technical changes in that amendment that the gentleman has accepted.

Then we strike section 38 which repeals title VII of the Older Americans Act. That is a title that has never been funded.

Mr. Chairman, I think these amendments will improve and streamline the measure.

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. I yield to the gentleman from Michigan.

Mr. KILDEE. Mr. Chairman, I have looked over these amendments and discussed them, including the one involving the gentleman from Oregon [Mr. WYDEN], and we find no objection to them.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Iowa [Mr. TAUKE].

The amendments were agreed to.

AMENDMENTS OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer two amendments, and I ask unanimous consent that they be considered en bloc, considered, as read, and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the amendments is as follows:

Amendments offered by Mr. ROYBAL: Page 5, after line 21, insert the following (and redesignate references and succeeding sections accordingly):

SEC. 6. MENTAL HEALTH.

(a) FUNCTIONS OF COMMISSIONER.—Section 202(a)(5) of the Older Americans Act of 1965 (42 U.S.C. 3012(a)(5)) is amended by inserting "(including mental health)" after "health".

(b) FEDERAL AGENCY CONSULTATION.—Section 203(b)(10) of the Older Americans Act of 1965 (42 U.S.C. 3013(b)(10)) is amended by inserting ", including block grants under title XIX of such Act" before the semicolon.

(c) ADMINISTRATION OF TITLE III.—Section 301(b)(2) of the Older Americans Act of 1965 (42 U.S.C. 3021(b)(2)) is amended by inserting ", the Alcohol, Drug Abuse, and Mental Health Administration," after "Office of Community Services".

(d) PURPOSES OF TITLE IV.—Section 401(1) of the Older Americans Act of 1965 (42 U.S.C. 3030aa(1)) is amended by inserting the following before the semicolon: ", with special emphasis on minority individuals, low-income individuals, and frail individuals (including individuals with any physical or mental functional impairment)".

(e) ADMINISTRATION OF TITLE IV.—Section 402(b) of the Older Americans Act of 1965 (42 U.S.C. 3030bb(b)) is amended by inserting "Alcohol, Drug Abuse, and Mental Health Administration," "National Institutes of Health,".

(f) EDUCATION AND TRAINING.—(1) Section 411(a)(1) of the Older Americans Act of 1965 (42 U.S.C. 3031(a)(1)) is amended by inserting "(including mental health)".

(2) The first sentence of section 412(a) of the Older Americans Act of 1965 (42 U.S.C. 3032(a)) is amended by inserting "(including mental health)" after "health".

(g) SPECIAL PROJECTS IN COMPREHENSIVE LONG-TERM CARE.—The second sentence of section 423(a)(3) of the Older Americans Act of 1965 (42 U.S.C. 3035b(a)(3)) is amended by inserting "mental health services;" after "in-home services;".

Page 28, line 13, insert ", low-income individuals, and frail individuals (including individuals with any physical or mental functional impairment)" before the first period.

Page 27, line 8, insert the following before the semicolon: "and will attempt to provide services to low-income minority individuals to not less than the extent that represents the proportion of low-income minority older individuals in the population of the area served by such provider".

Mr. ROYBAL. Mr. Chairman, the set of amendments I am about to describe are the first in a series of amendments that I and my distinguished colleagues on the Select Committee on Aging—the gentleman from Florida [Mr. Pepper], the gentleman from New York [Mr. Biaggi], and the gentleman from Washington [Mr. Bonker]—will be jointly offering. The amendments to H.R. 1451 we are now offering en bloc are noncontroversial, as I understand it, on both sides of the aisle.

The first amendment increases the act's sensitivity to people with mental impairments—without any increase in expenditures. This is done by amending titles II and IV to clarify that the term "health" in the act includes "mental health"; amending title II to clarify that State and area plans should address the needs of mentally impaired elderly; amending title IV to include mental health in the act's training, research and education activities; and amending titles II, III, and IV to include the Alcohol, Drug Abuse and Mental Health Administration in the list of Federal agencies with whom the Commissioner is to consult.

The second amendment we are now offering en bloc clarifies the requirement for the targeting of nutrition and supportive services to low income minorities under title III.

Under H.R. 1451 as presently amended, States and area agencies are required to identify the number of low-income minorities in their planning areas. This proposal simply clarifies that once these numbers are determined, they should serve as a goal for determining the proportion of services which should be targeted to low-income minorities in each planning area. It does not in any way alter the funding formula to the States and area agencies. This change is simply needed to help reverse the tragic trend over the past 6 years in which minority participation rates in both nutrition and supportive service programs have consistently declined.

This amendment is supported by the American Association of Retired Persons, the National Association of State Units on Aging, the National Caucus and Center on the Black Aged, the National Association for Hispanic Elderly, the National Hispanic Council on Aging, and the Pacific Asian Resource Center.

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Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from New York.

Mr. BIAGGI. I thank the gentleman for yielding.

Mr. Chairman, I rise as a strong supporter of the amendment offered by the distinguished chairman of the Select Committee on Aging. It compliments the provisions of H.R. 1451 pertaining to targeting. It focuses us in a way that would allow us to reverse the very disturbing trend of recent years relative to declining minority elderly participation in title III programs.

The amendments I offered to the bill dealing with targeting made it crystal clear that the priority of all services in the act is to go to those elderly "with the greatest economic or social need with particular attention to low-income minority individuals." The Roybal amendment takes into account the very real factor of targeting services according to the degree of need measured by the proportion of low-income minority in a particular area.

This is the way we need to go to improve targeting. Make no mistake, we do need to improve our targeting. The best estimates point to the fact that only one out of two seniors served by the OAA are those elderly with the greatest economic or social need. That is not a preference in my mind.

I continue to support those proposals that would get at improved targeting without imposing any new burdens on seniors. That is why the committee has rejected means testing—cost sharing and or sliding scale fees for services. The Roybal amendment complementing language already in H.R. 1451 seems the better way to go.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Iowa.

Mr. TAUKE. I thank the gentleman for yielding.

Mr. Chairman, we have had an opportunity to review the amendments that the gentleman has offered, and we find no problem with these amendments and believe that they contribute to the measure, and we will support them.

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Michigan.

Mr. KILDEE. I thank the gentleman for yielding.

Mr. Chairman, we have had a chance to look at these amendments too, and we find that they do help perfect the bill, and we accept them.

Mr. PEPPER. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Florida.

Mr. PEPPER. I thank the gentleman for yielding.

Mr. Chairman, this is a good amendment, I am one of the coauthors of it, and I strongly support it.

Mr. BONKER. Mr. Chairman, will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman from Washington.

Mr. BONKER. I thank the gentleman for yielding.

Mr. Chairman, I am also a coauthor of the amendments, and I would like to pay particular note to the first amendment on including as a proper definition of health care, mental-health-care services. I think that most studies have demonstrated now that up to one-fourth of all older Americans may need some form of mental health care. It is also very consistent with the Medicare coverage and other provisions that affect health-care coverage in Federal law.

Mr. Chairman, I commend the gentleman from California for his leadership on this issue.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California [Mr. Roybal].

The amendments were agreed to.

AMENDMENT OFFERED BY MS. SNOWE

Ms. SNOWE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. Snowe: Page 14, after line 9, insert the following (and redesignate references and succeeding sections accordingly):

SEC. 16. DAYCARE AND RESPITE SERVICES PROVIDED BY VOLUNTEERS.

Section 306(a)(6)(E) of the Older Americans Act of 1965 (42 U.S.C. 3026(a)(6)(E)) is amended—

(1) by inserting "and adults, and respite for families," after "for children", and

(2) by inserting ", adults, and families" after "to children".

Ms. SNOWE (during the reading). Mr. Chairman, I ask unanimous consent that my amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Maine?

There was no objection.

Ms. SNOWE. Mr. Chairman, the amendment I am offering clarifies language that currently exists in title III of the Older Americans Act. Specifically, my amendment would modify the portion of the act regarding volunteer services for child day care by including in that section language which would permit adult day care and respite care services.

Today, families provide between 80 and 90 percent of the medically related and personal care, household maintenance, transportation and shopping required by older persons. While there is a considerable emotional, physical and financial drain, most families undertake this care willingly. Families continue to be the principal providers of long-term care and family involvement remains one of the most critical factors in preventing or delaying the need for nursing home care.

Most caregiving is provided with little or no assistance from formal care providers. However, there are times when this informal support system may begin to wear down. Some caregivers have competing obligations including child care and employment.

Respite care is short-term substitute care provided either in or outside of the home in order to give caregivers a period of relief from the constant care of a chronically disabled older person. Respite care provides temporary relief from the stress of caregiving and allows caregivers the opportunity to shop, work, or simply have some much needed time to take care of personal business.

A break in the routine from caregiving, even for a few hours a week, can be essential in relieving stress and ultimately in deterring or postponing the decision to institutionalize an impaired elderly family member.

By further identifying the area agencies' responsibilities to include the linkage of older volunteers to adult and respite care, we take an important first step in recognizing the needs of caregivers and in forging an important partnership between the formal and informal networks providing care for the frail and elderly.

This modest amendment to the Older Americans Act is a means of linking the well elderly who are willing and able to volunteer with those families who desperately need respite from the care of a frail family member.

Mr. TAUKE. Mr. Chairman, will the gentlewoman yield?

Ms. SNOWE. I yield to the gentleman from Iowa.

Mr. TAUKE. I thank the gentlewoman for yielding.

Mr. Chairman, I want to commend the gentlewoman from Maine for her amendment. I believe that it contributes significantly to the overall goals of the Older Americans Act, and I am pleased to support it.

Mr. KILDEE. Mr. Chairman, will the gentlewoman yield?

Ms. SNOWE. I yield to the gentleman from Michigan.

Mr. KILDEE. I thank the gentlewoman for yielding.

The Chairman, does the gentlewoman's amendment amend section 306(a)(6)(E)?

Ms. SNOWE. It amends title III, section 16.

Mr. KILDEE. That is found on which page of the bill?

Ms. SNOWE. Page 14, after line 9.

Mr. KILDEE. I have found where the gentlewoman is placing her amendment, I have looked at the amendment, and we have no objections to it.

Mr. BIAGGI. Mr. Chairman, will the gentlewoman yield?

Ms. SNOWE. I yield to the gentleman from New York.

Mr. BIAGGI. I thank the gentlewoman for yielding.

Mr. Chairman, I rise in support of the amendment. It certainly makes the bill an even better one.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Maine [Ms. SNOWE].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. PEPPER

Mr. PEPPER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PEPPER: Page 44, after line 15, insert the following (and redesignate references and succeeding sections accordingly):

SEC. 29. ABUSE OF OLDER INDIVIDUALS.

(a) DEFINITIONS.—Section 302 of the Older Americans Act of 1965 (42 U.S.C. 3022) is amended by adding at the end the following:

"(12) The term 'abuse' means the willful—

"(A) infliction of injury, unreasonable confinement, intimidation, or cruel punishment with resulting physical harm or pain or mental anguish; or

"(B) deprivation by a caretaker of goods or services which are necessary to avoid physical harm, mental anguish, or mental illness.

"(13) The term 'elder abuse' means abuse of an older individual.

"(14) The term 'caretaker' means an individual who has the responsibility for the care of an older individual, either voluntarily, by contract, receipt of payment for care as a result of family relationship, or by order of a court of competent jurisdiction.

"(15) The term 'exploitation' means the illegal or improper act or process of a caretaker using the resources of an older individual for monetary or personal benefit, profit, or gain.

"(16) The term 'neglect' means the failure to provide for oneself the goods or services which are necessary to avoid physical harm, mental anguish, or mental illness or the failure of a caretaker to provide such goods or services.

"(17) The term 'physical harm' means bodily pain, injury, impairment, or disease.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 303 of the Older Americans Act of 1965 (42 U.S.C. 3023), as amended by section 18(d), 27(a), and 28(a), is amended by adding at the end the following:

"(g) To carry out part F (relating to abuse, neglect, and exploitation of older individuals), there are authorized to be appropriated $5,000,000 for fiscal year 1988 and such sums as may be necessary for each of the total fiscal years 1989, 1990, and 1991 only if the amount appropriated for the respective fiscal year to carry out this title (other than sections 306(a)(6)(N), 307(a)(12), and 311, and parts E and F), title IV (other than sections 427 and 428), title V (other than section 509), and title VI exceeds 105 percent of the amount appropriated respectively for the preceding fiscal year to carry out each such title.".

(b) AREAS PLANS.—Section 306(a) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)), as amended by sections 27(b) and 28(b), is amended—

(1) in paragraph (7) by striking out "and" at the end,

(2) by redesignating paragraph (8), as so redesignated, as paragraph (9), and

(2) by inserting after paragraph (7) the following:

"(8) provide assurances that any amount received under part F will be expended in accordance with such part; and".

(c) STATE PLAN.—(1) Section 307(a)(16) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)(16)) is amended by striking "provide" and inserting ", if funds are not appropriated under section 303(g) for a fiscal year, provide that for such fiscal year".

(2) Section 307(a) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)), as amended by sections 20(b), 21(d), 22(d), 23(c), and 28(c), is amended by adding at the end the following:

"(27) The plan shall provide assurances that if the State receives funds appropriated under section 303(g), the State agency and area agencies on aging will expend such funds to carry out part F.".

(d) ABUSE, NEGLECT, AND EXPLOITATION OF OLDER INDIVIDUALS.—Title III of the Older Americans Act of 1965 (42 U.S.C. 3021-3030g), as amended by sections 27(d) and 28(d), is amended by adding at the end the following:

"PART F—ABUSE, NEGLECT, AND EXPLOITATION OF OLDER INDIVIDUALS

"PROGRAM AUTHORIZED

"SEC. 361. With funds appropriated to carry out this part, the Commissioner shall carry out a program for making grants to States under State plans approved under section 307 to carry out a program with respect to the prevention of abuse, neglect, and exploitation of older individuals. Such program shall—

"(1) be consistent with relevant State law and coordinated with State adult protective service activities and other State and local elder abuse prevention and protection;

"(2) provide for—

"(A) public education and outreach services to identify and prevent abuse, neglect, and exploitation of older individuals;

"(B) receipt of reports of such abuse, neglect, and exploitation;

"(C) active participation of older individuals participating in programs under this Act through outreach, conferences, and referral of such individuals to other social service agencies or sources of assistance if appropriate and with the consent of the older individuals to be referred; and

"(D) the referral of complaints and other reports of abuse, neglect, or exploitation of older individuals to law enforcement agencies, public protective service agencies, licensing and certification agencies, ombudsman programs, or protection and advocacy systems if appropriate;

"(3) not permit involuntary or coerced participation in such program by alleged victims, abusers, or their households; and

"(4) require that all information gathered in the course of receiving such a complaint or report, and making such a referral, shall remain confidential unless—

"(A) all parties to such complaint or report consent in writing to the release of such information; or

"(B) the release of such information is to a law enforcement agency, public protective service agency, licensing or certification agency, ombudsman program, or protection or advocacy system.".

Page 56, line 22, insert "and section 29(a)" after "subsection (b)(2)".

Page 56, line 24, strike "(12)" and insert "(18)".

Page 57, line 3, strike "(13)" and insert "(19)".

Page 19, line 1, strike "part E" and insert "parts E and F".

Page 33, line 2, strike "part E" and insert "parts E and F".

Page 42, line 14, strike "part E" and insert "parts E and F".

Page 58, line 8, strike "306(a)(8)(G)" and insert 306(a)(9)(G)".

Page 58, line 9, strike "3026(a)(7)(G)" and insert 306(a)(6)(G)".

Mr. PEPPER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

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Mr. PEPPER. Mr. Chairman, I am supported in this amendment by my distinguished colleagues, the gentlewoman from Ohio [Ms. OAKAR], the gentleman from California [Mr. ROYBAL], the gentleman from New York [Mr. BIAGGI], and the gentleman from Washington [Mr. BONKER].

I am offering today an amendment to H.R. 1451 which will provide meaningful assistance to millions of older Americans who are now suffering in silence. My amendment addresses the horrific and shameful problem of the abuse, neglect, and exploitation of our Nation's elderly. It would provide help which is long overdue.

My amendment would require that there be established in each State a competent program to prevent elder abuse and provide some assistance to the some 1.1 million elderly Americans who fall victim to abuse each year. These programs would be charged with a range of tasks including:

Providing public education and outreach services to identify and prevent elder abuse;

Receiving reports of such abuse, neglect, exploitation. This could be greatly enhanced by the establishment of statewide toll-free telephone hotlines to report cases of abuse;

Providing information to the victims of abuse about what assistance is available and helping them gain access to these programs; and

Referring complaints and other reports of elder abuse, neglect, and exploitation to law enforcement agencies and other appropriate State and local bodies for possible punitive action.

These programs would have to be strictly within the confines of pertinent State laws and be designed so as to compliment and not duplicate any existing State or local elder abuse prevention and protection programs. Some States have shown great leadership in establishing meaningful elder abuse programs. My amendment would assure that these programs are continued and strengthened.

My amendment calls for the authorization of $5 million in 1988 and such sums as may be necessary in following years to finance these important programs. That amounts to a little over 15 cents per elderly American—a small price to pay for such needed assistance. My amendment will not take from scarce existing State resources.

Mr. Chairman, elder abuse is a growing national problem. The incidence of elder abuse is nothing short of a national disgrace. Over the past 9 years we have documented the shocking nature of this problem which goes against the very fiber of our society.

In 1978, the House Select Committee on Aging, under my chairmanship, undertook the first congressional examination of elder abuse in the United States. A 1981 report entitled "Elder Abuse: An Examination Into a Hidden Problem," documented the committee's tragic findings that over 1 million older Americans are physically, financially, and emotionally abused by their relatives and loved ones annually. The committee also found that elder abuse was a largely hidden problem. Out of fear of dependence on their abusers, only one of six elder abuse victims was likely to come to the attention of appropriate authorities.

In 1985, my Subcommittee on Health and Long-term Care of the House Select Committee on Aging, upon growing numbers of letters and calls received reporting incidents of abuse, undertook a follow up study of elder abuse. The results of this inquiry where again shocking.

The subcommittee found that abuse and neglect of the elderly is increasing nationally. About 4 percent of the Nation's elderly may be the victims of abuse. In other words, 1 of 25 older Americans, or more than 1.1 million elderly, are victimized each year.

The subcommittee found that elder abuse is still largely a hidden problem, with fewer than one in five cases actually being reported. By comparison, one in five cases of child abuse come to the attention of the appropriate authorities.

The subcommittee also found that the vast majority of States do not have a central clearinghouse for elder abuse information and most lack an active outreach program to identify and assist elder abuse victims.

The subcommittee also found that while it is a shame that the States are only able to spend about $22 for each child resident, on the average, for child protective services, it is a shame that they spend only $2.90 per elderly resident each year for elderly protective services.

Mr. Chairman, at the committee's first hearing on elder abuse in 1979, experts said that if the 1960's were the decade of child abuse and the 1970's were the decade of spouse abuse, the 1980's would be the elder abuse decade. Certainly, the number of cases has risen dramatically—by 100,000 abuse cases per year since 1981. And with our growing aging population, the figures are likely to keep rising unless action is taken.

I urge my colleagues to join me in supporting this meaningful amendment to help those elderly Americans who are living in fear, suffering and shame. A vote for this amendment is a signal of our commitment to combatting the national disgrace of elder abuse.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I yield to the distinguished gentleman from New York.

Mr. BIAGGI. Mr. Chairman, I view this as a critically important amendment which will bolster Congress' commitment to the growing problem of elder abuse. The current law does provide that title III-B funds can be used on programs that provide supportive services to victims of elder abuse. Further, title III of the current Child Abuse Prevention and Treatment Act provides funds for programs to aid victims of family violence including elder abuse. I was proud to have played a role in these two provisions of current law.

The Pepper amendment will complement existing efforts by making States take a more active role in the development of programs to prevent elder abuse and improve adult protection. It is appropriate to link establishment of these programs to the receipt of Older Americans Act funds. The Older Americans Act has been the success story it is because of the close working relationship between the Federal, State, and local governments. This amendment is but another step in that direction.

What is not in issue here is that the problem of elder abuse is on the rise across the Nation. Estimates point to more than 1 million victims of either physical, mental, or material abuse each year. We must view this problem with the same intensity as we have with child abuse. The Pepper amendment will help.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I yield to the able gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Chairman, I want to compliment Senator PEPPER for this amendment and the work that has been done in this area. I guess some of us have been working on the subject of elder abuse for about 8 years, and while this amendment and series of amendments is very important to encourage public aid to education and outreach services, and reports and encourages participation of the elderly in these kinds of programs and a referral system, the fact is that we really should have a national clearinghouse that way we do for child abuse.

We ought to grant immunity to people who report these kinds of crimes. For example, if you are a social worker and you work in a hospital and you find that an elder person is periodically brought into the emergency ward for problems, physical abuse or otherwise, and if you report that and can be proven in any way wrong, you are subject to liability and suit and so on. So a lot of elder abuse problems are not even reported.

I remember 8 years ago when some of the case workers in my office called this problem to my attention, the terrible abuse of elder people, I recall I asked some of the people working with the elderly or who were aware of the problem about this.

The CHAIRMAN. The time of the gentleman from Florida [Mr. PEPPER] has expired.

(At the request of Ms. OAKAR and by unanimous consent, Mr. PEPPER was allowed to proceed for 3 additional minutes.)

Ms. OAKAR. If the gentleman will continue to yield, the fact is they were afraid to report this abuse. They were afraid to report abuses that are sometimes in a few nursing homes and afraid to report the problems of family members because they feared, and older people fear for their lives. So they are afraid to report it because if they need to live with that family, and it is the family doing the abuse, it is a catch-22 situation for them.

So I think this is really important and is a first step. I know the Senator has been working on this, and I am only hopeful that we will take a look in the future at the more comprehensive approach which would have this national clearinghouse which would grant immunity to people who want to report the problems of elderly abuse and which would, in fact, give incentives to States that really treat their elderly in the right fashion.

If we do not do that, then we are going to have the same shame on our hands that we have had with respect to child abuse problems.

So I am very supportive of this as a first step in a more comprehensive approach so that we can end what is a national disgrace to our older people.

Mr. BONKER. Mr. Chairman, will the gentleman yield?

Mr. PEPPER. I yield to the able gentleman from Washington.

Mr. BONKER. I thank the chairman for yielding. I am pleased to join the Nation's No. 1 senior citizen in cosponsorship of this amendment and want to associate myself with the remarks of the gentlewoman from Ohio [Ms. OAKAR], whom I think has accurately portrayed the problem that exists with respect to abuse of senior citizens.

As usual, Chairman PEPPER has grasped a national issue and has moved quickly to offer this amendment. The time has come for us to promote public awareness about the problems of abuse, and identifying and preventing those problems in the future.

The amendment will provide an important first step to public awareness and a Federal commitment to do something about it. I urge its adoption.

Mr. PEPPER. Mr. Chairman, I thank the gentleman and urge adoption of the amendment.

Mr. TAUKE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, it is always difficult to oppose an amendment offered by the gentleman from Florida because of his distinguished service in this body, and that is especially true when it is an amendment to the Older Americans Act. But I do believe in this case it is inappropriate to add this amendment to the Older Americans Act.

When stripped of all of the rhetoric, essentially what this amendment does it take a program that is voluntary and part of the special services provision of the Older Americans Act and make it a mandatory program that is funded with a separate authorization. It seems to me that it is inappropriate to make this a mandatory program for the States.

In July of 1986, about a year ago, the elder abuse project of the American Public Welfare Association published a volume that outlined how the States are dealing with the elder abuse problem. We are not arguing here about whether or not it is a serious problem. Elder abuse is a serious problem. We are not arguing about whether or not it is widespread. It is widespread.

But what we are arguing about is the way in which we should deal with the problem. The States have developed a host of ways to deal with the elder abuse problem.

Some do it through legislation which addresses elder abuse specifically. Some do it through adult protective service laws. Some do it through domestic violence statutes, and as the gentleman pointed out, there are about 10 States that already use the authority under the Older Americans Act to develop elder abuse program.

But it is inappropriate, in my judgment, to mandate that every State develop a plan on elder abuse under the Older Americans Act. That is not a function which every commission on aging at the State level wants to undertake. It is also not a function which every area agency on aging is capable of undertaking, and in many cases it is duplicative of the State programs and in some cases may interfere with very good State programs.

So making it mandatory, it seems to me, is just the wrong way to go.

But to establish a separate authorization also causes me difficulty. During one of the field hearings we had on the Older Americans Act, the point was expressed over and over again that we cannot do every good thing in the world under the Older Americans Act. Somewhere along the line we have to focus on the mission rather than diffuse the mission of the act.

In area agencies on aging, particularly in rural areas where they do not have staffs, they have difficulty handling just the transportation, the nutrition missions as well as establishing senior centers. They have their hands full with that. Adding all kinds of additional things, especially things which require skilled and trained people is a problem that is too much for some of these area agencies on aging.

As a result, I believe it is wrong for us to have a separate authorization which diffuses the mission of the Older Americans Act generally, and I think that the act already speaks well to this issue and permits those States that need this additional service to deal with elder abuse to do so under the special services section of the act. So while the amendment is well intentioned and attempts to speak to a serious problem, in my judgment it will do more harm than good in dealing with the elder abuse issue at the State level.

Mr. KILDEE. Mr. Chairman, I move to strike the requisite number of words and I rise to support the amendment.

Mr. Chairman, I strongly support this amendment. This is a growing problem in America; it is a shameful problem. I think it exists in every congressional district. It is a problem we have to address. I, and the gentleman from Iowa [Mr. TAUKE], have opposed many add ons to this bill and we have been tempted with many add ons, but none quite as crucial as this.

This is a crucial problem in America and I feel that we have done this for children to a great extent because they very often are very vulnerable, but our elderly share that same vulnerability.

Also, Mr. Chairman, we now have a very mobile society, a person who may live part of the year in Michigan may spend part of that year in Florida or in Arizona, and for that reason alone we have to address this in a national manner. I think a national mandate is the best way to address this.

So I strongly support Senator PEPPER's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. PEPPER].

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. BIAGGI

Mr. BIAGGI. Mr. Chairman, I offer three amendments, Nos. 24, 19, and 39, and I ask unanimous consent that they be considered en bloc, considered as read, and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. TAUKE. Mr. Chairman, reserving the right to object, let me just clarify that these amendments are to reduce transfer authority to 25 percent, to revise title XI and to deal with the minimum percentage issue; is that correct?

Mr. BIAGGI. Mr. Chairman, if the gentleman will yield, the gentleman is correct.

Mr. TAUKE. Mr. Chairman, I have no objection, and I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The text of the amendments is as follows:

Amendments offered by Mr. BIAGGI: Page 38, after line 4, insert the following (and redesignate references and succeeding sections accordingly):

SEC. 25. SERVICES TO OLDER INDIANS.

(a) IMPROVED ADMINISTRATION FOR INDIAN PROGRAMS.—Section 201 of the Older Americans Act of 1965 (42 U.S.C. 3011) is amended by adding at the end the following:

"(c)(1) There is established in the Administration on Aging an Office for Tribal Programs.

"(2) The Office shall be headed by an Associate Commissioner on Indian Aging appointed by the Commissioner.

"(3) The Associate Commissioner on Indian Aging shall—

"(A)(i) evaluate the adequacy of outreach under title III and title VI for older Indians and recommend to the Commissioner, necessary action to improve service delivery, outreach, coordination between title III and title VI services, and particular problems faced by older Indians; and

"(ii) include a description of the results of such evaluation, and recommendations, in the annual report required by section 207(a) to be submitted by the Commissioner;

"(B) serve as the effective and visible advocate in behalf of older Indians within the Department of Health and Human Services and with other departments and agencies of the Federal Government regarding all Federal policies affecting older Indians;

"(C) coordinate activities between other Federal departments and agencies to assure a continuum of improved services through memoranda of agreements or through other appropriate means of coordination;

"(D) administer and evaluate the grants provided under this Act to Indian tribes;

"(E) recommend to the Commissioner policies and priorities with respect to the development and operation of programs and activities conducted under the Act relating to older Indians;

"(F) collect and disseminate information related to problems experienced by older Indians;

"(G) develop research plans, and conduct and arrange for research, in the field of Indian aging with a special emphasis on the gathering of statistics of the status of older Indians; and

"(H) develop and provide technical assistance and training programs to grantees under title VI.".

(b) FEDERAL COUNCIL ON AGING.—The first sentence of section 204(a)(1) of the Older Americans Act of 1965 (42 U.S.C. 3015(a)(1)) is amended by inserting "Indian tribes" after "minorities".

(c) CONTRACTING AUTHORITY.—Section 212 of the Older Americans Act of 1965 (42 U.S.C. 3020c) is amended by inserting after "State agency" the following: "(or in the case of a grantee under title III, subject to the approval of the Associate Commissioner on Indian Aging)".

(d) ORGANIZATION.—(1) Section 305(a)(1)(E) of the Older Americans Act of 1965 (42 U.S.C. 3025(a)(l)(E)), as amended by section 21(b), is amended by inserting "the distribution of older Indians residing in such areas," after "such areas," the first place it appears.

(2) Section 306(a)(1) of the Older Americans Act of 1965 (42 U.S.C. 3026(a)(1)) is amended by inserting ", and the number of older Indians," after "with low incomes".

(e) AREA PLANS.—Section 306(a)(6) of the Older Americans Act of 1965 (42 U.S.C. 2026(a)(6)), as amended by sections 16, 17, 22, and 24, is amended—

(1) in subparagrpah (N)(ii) by striking "and" at the end,

(2) in subparagraph (O) by striking out the period at the end and inserting "; and", and

(3) by adding at the end the following:

"(P) if there is a significant population of older Indians in the planning and service area of the area agency, the area agency shall conduct outreach activities to identify older Indians in such area and shall inform such older Indians of the availability of assistance under this Act.".

(f) EDUCATION AND TRAINING.—(1) Section 402 of the Older Americans Act of 1965 (42 U.S.C. 3030bb) is amended by adding at the end the following:

"(c) The Commissioner shall ensure that grants and contracts under this title are equitably awarded to agencies, organizations, and institutions representing minorities."

(2) Section 410(5) of the Older Americans Act of 1965 (42 U.S.C. 3030jj(5)) is amended by inserting "(including centers of gerontology to improve, enhance, and expand minority personnel and training programs)" after "gerontology".

(3) Section 411(a) of the Older Americans Act of 1965 (42 U.S.C. 3031(a)) is amended by adding at the end the following:

"(4) To provide in-service training opportunities and courses of instruction on aging to Indian tribes through nonprofit Indian aging organizations.".

(4) The matter in parentheses in the first sentence of section 412 of the Older Americans Act of 1965 (42 U.S.C. 3032) is amended by inserting "and minority populations" after "services".

(5) Section 423(a) of the Older Americans Act of 1965 (42 U.S.C. 3035b) is amended by adding at the end the following:

"(4) The Commissioner shall ensure that grants and contracts under this section are equitably awarded to agencies, organizations, and institutions representing minorities.".

(6) Section 425(a) of the Older Americans Act of 1965 (42 U.S.C. 3035d(a)) is amended—

(A) by inserting "(1)" after "(a)",

(B) by striking "(1)" and "(2)" and inserting "(A)" and "(B)", respectively, and

(C) by adding at the end the following:

"(2) The Commissioner shall carry out, directly or through grants or contracts, special training programs and technical assistance designed to improve services to minorities.".

(g) COMMUNITY SERVICE EMPLOYMENT FOR OLDER INDIANS.—(1) Section 502(b)(1)(M) of the Older Americans Act of 1965 (42 U.S.C. 3056) is amended to read as follows:

"(M) will assure, that to the extent feasible, such project will serve the needs of minority, limited English-speaking, and Indian eligible individuals in proportion to their numbers in the State and take into consideration their rates of poverty and unemployment;".

(2) Section 506(a)(1)(A) of the Older Americans Act of 1965 (42 U.S.C. 3056d(a)(1)(A)) is amended by inserting after the first sentence the following: "The Secretary shall next reserve such sums as may be necessary for national grants or contracts with national Indian aging organizations with the ability to provide employment services to older Indians.".

(h) STATEMENT OF PURPOSE AND FINDINGS FOR TITLE VI PROGRAMS.—Section 601 of the Older Americans Act of 1965 (42 U.S.C. 3057a) is amended—

(1) by inserting "(a)" after "SEC. 601", and

(2) by adding at the end the following:

"(b) The Congress finds that the older Indians of the United States—

"(1) are a rapidly increasing population;

"(2) suffer from high unemployment;

"(3) live in poverty at a rate estimated to be as high as 61 percent;

"(4) have a life expectancy between 3 and 4 years less than the general population;

"(5) lack sufficient nursing homes, other long-term care facilities, and other health care facilities;

"(6) lack sufficient Indian area agencies on aging;

"(7) frequently live in substandard and overcrowded housing;

"(8) receive less than adequate health care;

"(9) are served under this title at a rate of less than 19 percent of the total national Indian elderly population living on Indian reservations; and

"(10) are served under title III of this Act at a rate of less than 1 percent of the total participants under that title.

"(c) It is the sense of the Congress that the Federal Government has a legal and moral obligation to Indian tribes as established by treaties, statutes, Executive orders, and the Constitution of the United States. The Congress recognizes that older Indians and older Alaskan Natives are a vital resource entitled to all benefits and services available and that such services and benefits should be provided in a manner that preserves and restores the dignity, self-respect, and cultural identity of older Indians.".

(i) TRIBAL ORGANIZATIONS.-Section 602(a)(1) of the Older Americans Act of 1965 (42 U.S.C. 3057a(a)(1)) is amended by striking "60 individuals" and inserting "50 individuals".

(j) TASK FORCE.—(1) The Commissioner on Aging shall establish a permanent interagency task force that is representative of departments and agencies of the Federal Government with an interest in older Indians and their welfare and is designed to make recommendations with respect to facilitating the coordinations of services and the improvement of services to older Indians.

(2) The task force shall be chaired by the Associate Commissioner on Indian Aging and shall submit its findings and recommendations to the Commissioner at 6-month intervals beginning after the date of the enactment of this Act. Such findings and recommendations shall be included in the annual report required by section 207(a) to be submitted by the Commissioner.

(k) Special Report on Services for Older Indians.—(1) The Commissioner on Aging shall enter into a contract with a public agency or nonprofit private organization, to conduct a thorough study of the availability and quality of services under the Older Americans Act of 1965 to Older Indians. The study shall include—

(A) an analysis of how many older Indians now participate in programs under titles III and VI of such Act as compared to how many older Indians are eligible to participate in such programs,

(B) a description of how grants under titles III and VI of such Act are made to Indian tribes and how services are made available to older Indians, and

(C) a determination of what services are currently provided through title VI of such Act to older Indians and how well the Administration on Aging assures that supportive services under title VI of such Act to Indians are commensurate with supportive services under title III of such Act with special consideration to information and referral services, legal services, transportation services, and the ombudsman services.

(2) Not later than 180 days after the date of enactment of this Act, the Commissioner on Aging shall prepare and submit to the Congress a report on the study required by this subsection, together with such recommendations, including recommendations for legislation, as the Commissioner considers to be appropriate.

Page 57, line 6, strike "or social" and insert ", social, or geographical".

Page 70, strike lines 4 through 6, and insert the following:

(A) the conferences under paragraph (1)(B) will—

(i) include a conference on older Indians to identify conditions that adversely affect older Indians, to propose solutions to ameliorate such conditions, and to provide for the exchange of information relating to the delivery of services to older Indians, and

(ii) be so conducted as to assure broad participation of older individuals;

Page 83, line 5, strike "This" and insert "Except as provided in subsections (b) and (c), this".

Page 83, after line 6, insert the following:

(b) Special Effective Date.—The amendment made by section 25(g)(2) shall take effect on the first day of the first fiscal year for which the amount appropriated to carry out title V exceeds $327,600,000.

Page 83, line 7, strike "(b)" and insert "(c)".

Page 26, after line 16, insert the following (and redesignate references accordingly):

(d) Minimum Expenditure of Funds.—Section 307(a) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)) is amended by adding at the end the following:

"(22) The plan shall specify a minimum percentage of the funds received by each area agency for part B that will be expended, in the absence of a waiver granted under section 306(b)(1), by such area agency to provide legal assistance.".

Page 27, line 20, strike "(22)" and insert "(23)".

Page 30, line 22, strike "(23)" and insert "(24)".

Page 34, line 16, strike "(24)" and insert "(25)".

Page 37, line 6, strike "(25)" and insert "(26)".

Page 43, line 8, strike "(26)" and insert "(27)".

Page 26, after line 16, insert the following (and redesignate references accordingly):

(d) Minimum Expenditure of Funds.—Section 307(a) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)) is amended by adding at the end the following:

"(22) The plan shall specify a minimum percentage of the funds received by each area agency for part B that will be expended, in the absence of a waiver granted under section 306(b)(1), by such area agency to provide legal assistance.".

Page 27, line 20, strike "(22)" and insert "(23)".

Page 30, line 22, strike "(23)" and insert "(24)".

Page 34, line 16, strike "(24)" and insert "(25)".

Page 37, line 6, strike "(25)" and insert "(26)".

Page 43, line 8, strike "(26)" and insert "(27)".

Page 63, strike lines 17 and 18, and insert the following:

(6) in paragraph (5)(B)—

(A) in clause (ii) by striking "and" at the end,

(B) in clause (iii) by striking the period at the end, and

(C) by adding at the end the following:

"(iv) not more than 25 percent of the funds allocated for fiscal year 1988;

"(v) not more than 26 percent of the funds allocated for fiscal year 1989;

"(vi) not more than 27 percent of the funds allocated for fiscal year 1990; and

"(vii) not more than 28 percent of the funds allocated for fiscal year 1991.".

Mr. BIAGGI. Mr. Chairman, my first amendment will improve access to services, the quality of services advocacy efforts on behalf of older Indians, and the availability of grants and contracts to older Indian organizations.

I have been joined in introduction of this amendment by several of my distinguished colleagues on the Select Committee on Aging: Mr. Bonker, Mr. Roybal, and Mr. Pepper. I appreciate their assistance in drafting an effective way to improve services for older Indians. I also want to express my gratitude to Mr. Richardson and Mr. Synar who are strong supporters of my efforts and who have the largest Indian populations of any two districts in the United States. Special tribute to Mr. Kildee—long time leadership on behalf of all Indians.

Specifically, my amendment would improve access to services by directing area agencies on aging and State agencies to consider the distribution of older Indians residing in an area when they develop State and area plans. It also directs area agencies on aging with significant older Indian populations to conduct outreach activities to identify these individuals and to inform them of available services.

Other elements of the amendment designed to improve access to services include language directing the Commissioner to provide training and technical assistance designed to improve services to minorities and the Commissioner is instructed to conduct a study to assess the availability and quality of services to older Indians.

Another issue we confront with this amendment relates to providing better opportunities for participation in other titles of the act by Indians and their organizations. This amendment directs the Commissioner on Aging to ensure that title IV grants and contracts are equitably awarded to organizations representing minorities. It expands the purpose of the education and training section by providing for the establishment of minority centers on gerontology and training opportunities for tribes.

Along this same line, the amendment provides for title V grants on contracts for community service employment opportunities for older American Indians. It is the intent of this part of the amendment to ensure that there is an older Indian national contractor, but not to disrupt the current programs. We anticipate that appropriations levels for title V will be high enough to maintain the current programs and to provide for Indian grants or contracts. However, to address the concern that a new national contractor could result in the loss of slots in other programs, the amendment would not take effect until the title V appropriations level goes above the fiscal year 1987 level. And is sufficient to fund a new contractor.

The next goal of my amendment is to improve advocacy activities on behalf of older Indians. This is accomplished primarily by including representation of Indian tribes in the outline of the Federal Council on Aging, and by establishing an office for tribal programs in the AOA.

The Office for Tribal Programs would be headed by an Associate Commissioner on Indian Aging. I feel strongly that the needs of older American Indians and the need for a strong advocate in the administration demands the creation of this office and its associate Commissioner.

In conclusion, Mr. Chairman, the amendment would direct the White House Conference on Aging to include a conference on Indian aging.

There is overwhelming reason to allow for a national older Indian title V contractor at this time. To begin, other minorities have been represented in the group of national contractors for some time. And there is strong evidence that current contractors and States have not responded to the great need the older Indians have for employment slots. I am informed that only 1.6 percent of the employment positions filled as of June 1986 were Native American positions. In addition, through the eight major contractors there are a total of some 437 subcontractors/sponsors/offices nationwide, yet only one subcontract is specifically targeted to Indian tribes. There is most definitely a need for this amendment to resolve this problem.

My second amendment, which I offer with the support of my colleagues on the Select Committee on Aging, simply reads as follows: "the plan shall specify a minimum percentage of the funds received by each area agency on aging for part B that will be expended, in the absence of a waiver granted under section 306(b)(1), by such area agency to provide legal assistance."

My amendment directs States to decide how much of the funds that they pass on to area agencies should be used to provide legal assistance.

First. Some States have already set these percentages in an attempt to define "adequate proportion"; for example, Michigan 6 percent, Ohio 5 percent, New Jersey 5 percent, Colorado 5 percent, and Utah 5 percent.

Second. Without additional guidance from Congress, legal assistance will not be a priority for many area agencies on aging [AAA's]; approximately 20 percent do not currently fund legal assistance whatsoever. Nor have they obtained waivers in most cases.

Third. This will balance the need for local flexibility with the need to ensure that legal assistance is funded; less money, in actual dollars, is being spent now than was spent in 1980.

Fourth. In areas where legal assistance is adequately funded, AAA's can obtain a waiver from the percentage requirement under current law.

Fifth. The State is in a position to consider local needs; yet it is removed from the local politics that may prevent an AAA from funding legal assistance.

Sixth. Compliments an amendment offered during subcommittee which provided a definition for "adequate proportion" that provides specific assurances that at least some funds are spent on each of the three priority services.

TRANSFER AMENDMENT

My third amendment would modify the language in H.R. 1451 dealing with the authority of States to transfer funds between title III B supportive services and III C nutrition.

Current law allows the transfer to reach not more than 30 percent during this fiscal year. H.R. 1451 would maintain the 30-percent ceiling for the coming 4 years. My amendment would set the rate at 25 percent in fiscal year 1988, 26 percent in fiscal year 1989, 27 percent in fiscal year 1990, and 28 percent in fiscal year 1991.

The reality of the transfer situation is that based on current data, the percentage is about 18 percent on the national average.

The second and more serious reality is that the current transfer process is essentially a one-way street. Virtually all of the money is coming from the Congregate Nutrition Program.

Based on Administration on Aging data, for fiscal year 1986 funds, $47 million was transferred from congregate meals. Title III B was subsequently increased by $20 million and III C2 was increased by $27 million.

All told, 14.8 percent of the entire title III C1 budget was not spent on congregate meals.

If States were to exercise the option to transfer up to 30 percent, it could result in as much as $1 out of every $4 appropriated for congregate meals going to other services in the act.

My amendment would not create any problems considering the fact that only 6 States are transferring at a rate of 25 percent or more while 6 States are above 26 percent, 6 above 27 percent, and 5 over 28 percent.

Put on the reverse side, it means that 44 States are presently transferring at a rate below 25 percent, the ceiling provided for in my bill for the coming fiscal year. In fact, 32 States transfer at rates of 20 percent or less.

My intent is not to impede flexibility at the State and local level. Rather it is a reflection of my concern that we not in a sense rob Peter to pay Paul.

Let us not be deceived into thinking that the Congregate Nutrition Program has some excess of funds. It does not. There are waiting lists around the country to get into the program. Further the average age of those in the program is now 73. This means that some of the seniors have been in the program when it began about 13 years ago. The program has kept them in the community and out of nursing homes. If we continue to take $47 million off the top of this program, some of these seniors will not continue to get the meals.

I offer this amendment as a well known advocate for the title III B program. I have fought year after year to get more money into III B. I successfully sponsored an amendment to the fiscal year 1984 supplemental to put additional funds into III B. I will continue to work for more funds for III B. However not at the expense of another service.

I would also note that the transfer does not always result in a straight service-to-service transfer. Some of the funds that come from congregate meals end up being used for administrative expenses at both the State and area agency level. That to me is wrong and allowing the level to reach 30 percent only invites trouble.

I urge support of this very modest and moderate revision in H.R. 1451.

Mr. PEPPER. Mr. Chairman, I want to commend the gentleman from New York on offering these amendments. They are very needed by the elderly people. In view of the restriction in legal services available generally to the poor, the elderly are generally too often without any legal protection whatsoever, and this amendment will be very meaningful to the elderly in affording that kind of protection.

I commend the gentleman and support the amendment.

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I am glad to yield to the gentleman from Michigan.

Mr. KILDEE. Mr. Chairman, I have already looked over the Biaggi amendments and find that they do perfect the bill. I find no problems with them at all on this side.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I am delighted to yield to the gentleman from Iowa.

Mr. TAUKE. Mr. Chairman, we, too, support the gentleman's amendments.

Mr. PEPPER. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I yield to the gentleman from Florida.

The CHAIRMAN. The question is on the amendments offered by the gentleman from New York [Mr. Biaggi].

The amendments were agreed to.

AMENDMENT OFFERED BY MR. GUNDERSON

Mr. GUNDERSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gunderson: Page 44, after line 15, insert the following (and redesignate references and succeeding sections accordingly):

SEC. 29. STATE PLAN INFORMATION REGARDING SERVICES TO OLDER INDIVIDUALS RESIDING IN RURAL AREAS.

Section 307(a) of the Older Americans Act of 1965 (42 U.S.C. 3027(a)), as amended by sections 20(b), 21(d), 22(d), 23(c), and 28(c), is amended by adding at the end the following:

"(27) The plan shall, with respect to the fiscal year preceding the fiscal year for which such plan is prepared, describe the methods used to satisfy the service needs of older individuals who reside in rural areas."

Mr. GUNDERSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

□ 1210

Mr. GUNDERSON. Mr. Chairman, this is a very simple amendment. I do not believe it is at all controversial. What we are simply trying to do here is require that the State plans in providing their information to the Administration on Aging will also delineate in that information as to the amount which is provided to rural areas and therefore, obviously, also the amount to nonrural areas.

In 1978, one of our colleagues in the Senate included what was known as a rural allotment provision into the Older Americans Act.

The purpose of that rural allotment provision was to require that in the future, increases in funding rural areas would receive their 1978 funding level plus 5 percent. The intent behind that, and the recognition by the Congress in 1978 was that, rural areas automatically by virtue of high transportation costs and a reduced amount of people for the services provided, would have higher per capita costs in their senior centers, in their nutrition programs, and so forth. Very honestly, additional funding simply to provide the same level of service as we provide in the urban areas.

The gentlewoman from Maine and I would very much have liked to have required that we update the rural allotment provision in this legislation. However, in all honesty, there simply is not any kind of data or statistics to say whether this is or is not needed at the present time.

So all we are asking for in this particular amendment is simply data collection so we can get an honest, and accurate handle on this issue and we will have that data collected under the State plans rather than by the Administration on Aging so that when they simply submit that information to the Administration on Aging without any new bureaucracy, any new Federal mandates on to those States, we would be able to have the necessary resources in the future to determine how to guarantee an adequate level of service in rural areas as well as the urban areas of our country.

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I am happy to yield to the distinguished chairman of the subcommittee [Mr. KILDEE].

Mr. KILDEE. I thank the gentleman for yielding.

Mr. Chairman, I have in my hand a copy of an amendment that I received yesterday but I am not quite sure.

Mr. GUNDERSON. That is not the one. I am sorry. I thought that it had been distributed.

Mr. KILDEE. I am very sure it is not the one that the gentleman is submitting now. We did dispense with the reading of the amendment, but could the gentleman read the amendment to us so we could make sure we are not going beyond data collection.

Mr. GUNDERSON. Surely. I apologize to the gentleman. I thought they had been distributed.

The amendment in front of us, simply says that the State plan shall, respecting the fiscal year preceding the fiscal year for which such plan is prepared describe the methods used to satisfy the service needs of older individuals who reside in rural area.

Mr. KILDEE. That language I find acceptable I have no problems on this side.

Mr. GUNDERSON. I appreciate the remarks of the gentleman.

Ms. SNOWE. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I am happy to yield to the gentlewoman from Maine.

Ms. SNOWE. I thank the gentleman for yielding.

Mr. Chairman, I commend the gentleman for introducing this amendment.

Mr. Chairman, I rise in support of the amendment offered by my colleague from Wisconsin. New language that has been added to the Older Americans Act requires the Commissioner to collect data on the aggregate amount of funds expended for services, the number of individuals who received such services and the number of units of service provided. Mr. GUNDERSON's amendment would insure that statistical data collected on programs and activities under the Older Americans Act would distinguish between older individuals in rural and nonrural areas.

In 1978, Congress expressed its concern about the underserved elderly in rural areas by requiring States to provide an additional 5 percent above 1978 rural spending levels. This so-called rural bump was necessary because of the increased costs of delivering services in rural areas.

It is now 9 years later and the benchmark year of 1978 has not yet been updated. Yet, over the past 9 years the growing number of elderly, changes in the farm and business economy, and alternations in the delivery of health care have combined to increase the need for services in both rural and urban areas.

For this reason, in April of this year, I authored legislation which would establish 1986 as the base year and increase by 5 percent the allotment under the Older Americans Act to rural areas.

Now, no less than in 1978, the severe barriers to service still exist—low population density, higher costs for services, and lack of transportation. A lack of funds exacerbates these and other problems associated with rural areas.

Nevertheless, in the process of developing this legislation, it became apparent that the obvious lack of data made it impossible to know what the impact of this rural update would be.

Much important information remains uncollected. Indeed, while we know services for the rural elderly are less available, less accessible, less comprehensive, and face considerable barriers, data has not been systematically collected on these issues. We still do not understand how residential location interacts with other variables to affect service use and delivery.

This incredible dearth of information collected on services in rural areas makes it difficult to draw conclusions about the future needs of rural and urban areas.

For these reasons, Mr. GUNDERSON's amendment is not only timely, it is essential. I urge my colleagues to join me in supporting this amendment which represents a responsible approach to gathering information that will enable us to better target services to those in need.

Mr. GUNDERSON. I appreciate the gentlewoman's remarks. Of course, she really is the leader on this issue, and one who brought it to the attention of many of us.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. GUNDERSON] has expired.

(By unanimous consent Mr. GUNDERSON was allowed to proceed for 2 additional minutes.)

Mr. GUNDERSON. I hope not to use all of that time.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I yield to the ranking minority member, the gentleman from Iowa [Mr. TAUKE].

Mr. TAUKE. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman from Wisconsin and the gentlewoman from Maine for offering this amendment. I note that they have referred to revising the rural allotment. Certainly, my heart was in that direction as well. But as we looked at this issue it became very clear that it was very difficult to assess what the impact would be of revising the rural allotment especially when we did not know how this measure would be treated by the Committee on Appropriations.

So as a result, it appeared as if the most efficacious thing to do was to try to work out some kind of method for gathering some information so that in the future we could look at the rural allotment question.

So I think that the gentleman and the gentlewoman have taken a very statespersonlike approach to the amendment and I appreciate their cooperation and believe that this is a good amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. GUNDERSON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BONKER

Mr. BONKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BONKER: Page 14, after line 5, insert the following:

SEC. 15. AREA AGENCIES ON AGING AS SEPARATE UNITS.

Section 305(c) of the Older Americans Act of 1965 (42 U.S.C. 3025(c)) is amended—

(1) in paragraph (2) by inserting "to function only" after "designated",

(2) in paragraph (3) by inserting "only" after "act", and

(3) in paragraph (4)—

(A) by inserting ", or any separate organizational unit within such agency," after "area" the first place it appears, and

(B) by striking "engage" and inserting "and will engage only".

Mr. BONKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. BONKER. Mr. Chairman, this amendment very simply requires that every AAA be a "single organization unit."

The Older Americans Act calls upon Area Agencies on Aging [AAA's] to be a focal point in order to best serve the senior citizens in their communities. To successfully fulfill this charge, AAA's operate as a distinguishable unit.

Most States require every AAA to be a separate unit with at least four staff members. This approach has successfully focused the efforts of the AAA's in my State toward providing the services mandated under the Older Americans Act. Administrators at both the State and local levels are committed to strong, independent AAA's.

Unfortunately, in some States and localities, the functions of the AAA are distributed to a variety of agencies under the local council of government [COG] or county government.

This dispersion of AAA responsibility has led to several administrative problems:

First. Such programs lack a focal point, especially in their role as advocates of the concerns of the elderly.

Second. Staff frequently have divided responsibilities and, therefore divided loyalties. Many AAA staff are assigned on a part-time basis to issues concerning the elderly.

Third. There have been allegations that funds appropriated for AAA functions have been used to subsidize other local government responsibilities. This is obviously easy to do when the same staff, offices, and materials are used for all programs. The temptation to move funds and program responsibility can be particularly great during times of fiscal austerity when other sources of funding are drying up.

There are important advantages to the organizational requirement that AAA's be separate units:

First. Senior citizens programs will be more visible, making them easier to administer and more accessible to prospective beneficiaries.

Second. Greater staff commitment to aging issues.

Third. Funds will be spent on the programs for which they were intended.

This amendment would not prohibit local officials from including the AAA within an "umbrella" agency, such as a city or county human service department, council of governments, or regional planning district as long as the AAA remained a distinctly separate unit.

This amendment has the strong support of the National Association of Area Agencies on Aging and the National Association on State Units on Aging.

I urge my colleagues to support this amendment to guarantee that AAA's remain strong and visible advocate for the elderly in their communities.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. BONKER. I yield to the distinguished member of the committee, the gentleman from New York [Mr. BIAGGI].

Mr. BIAGGI. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the amendment. Clearly this amendment utilizes previous regulatory language to assure that an area agency on aging is a separate identifiable unit to older Americans. The problems that have been spelled out so adequately by the maker of the amendment, Mr. BONKER, need not be repeated. However, the points have been clearly made and by passing this amendment we would avoid such problems in the future. It is an excellent amendment and should be supported.

Mr. ROYBAL. Mr. Chairman, will the gentleman yield?

Mr. BONKER. I yield to the distinguished chairman of the committee, the gentleman from California [Mr. ROYBAL].

Mr. ROYBAL. I thank the gentleman for yielding.

Mr. Chairman, I think it should be pointed out that while this amendment is a very excellent amendment, it also has the support of the National Association of State Aging Committees and organizations throughout the country; the National Association of Area Agencies is supporting this amendment, the American Association of Retired Persons, the National Caucus and Center on Black Aged, the National Association for Hispanic Elderly. This includes, Mr. Chairman, a cross-section of the elderly organizations throughout the country all supporting this amendment.

Mr. TAUKE. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

Mr. Chairman, during the course of our hearings on the Older Americans Act, as I recall, this issue was only raised once. During the course of those hearings there was no information offered to suggest that we had a significant number of area agencies that had any identity problem, or that indeed there were any area agencies that could come forward and indicate that they were suffering under the decisions made by the States relating to the administrative way in which the area agencies were set up.

I have concern about this amendment for several reasons. First, it attempt to suggest that we know better than the States do as to how they are to organize their area agencies on aging.

Second, in many cases it seems to me it is going to increase administrative costs.

It is wonderful to have separate area agencies on aging where you have a lot of money for administration. But in some areas, again particularly the rural areas of the country, you have a regional council of government, you might have a variety of other agencies that are attempting to serve a given area and if the area agency on aging can share some of the administrative expenses and hold down costs by coordinating with those groups it seems to me to make sense.

Again, many area agencies on aging do not have a lot of employees. Some of them have very few.

Some of them do not have a lot of resources; they have relatively minimal resources, because they serve an area without a large senior population.

Under those circumstances it seems to me we ought to leave to them the decisions about how to best set up the administrative structure for the agency.

In this legislation we say that the area agency on aging is supposed to coordinate with a whole host of other groups and organizations in formulating plans and delivering services. Yet in this amendment we seem to be saying "but don't have any kind of ties with those groups with which you are required to coordinate your activities."

Until we have hard evidence on the record to suggest that there is a problem and until we give those who might have reasons for not establishing in their States separate area agencies on aging but having them as part of another administrative structure a chance to explain their views, I am a little reluctant to overturn those State and local decisions.

So I believe that the best course would be to take this issue, have hearings on it before the Aging Committee and the Human Resources Subcommittee and see whether we can find out why decisions have been made to structure area agencies in a certain way. At that time we might find out that this amendment is a good idea. But to date I think there is adequate reason to question whether or not this amendment is a good idea. Certainly, there is reason whether or not the

Federal Government should come in with its heavy hand.

I urge Members to oppose this amendment.

Mr. KILDEE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have looked this amendment over very carefully. It does not in any way prohibit the placement of the area on aging within an umbrella agency such as a council of governments, a regional planning district or city or county government. It merely assures that the area agency is a separate identifiable unit to serve the older persons in need of assistance. I think this is not in any way going to interfere with the needs of the States. I have talked to my own State director and other State directors. I find really not a great deal of objection at all, no organized objection.

I feel it will serve some useful purpose in establishing that identifiable unit for the area agency.

Mr. Chairman, I support the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. BONKER].

The amendment was agreed to.

□ 1225

AMENDMENTS OFFERED BY MR. TAUKE

Mr. TAUKE. Mr. Chairman, I offer amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. The clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. TAUKE: Page 12, strike lines 10 through 13, and insert the following:

(2) by inserting "$310,000,000 for fiscal year 1988, $350,000,000 for fiscal year 1989, $380,000,000 for fiscal year 1990, and $410,000,000 for fiscal year 1991," after "1987,".

Page 12, strike lines 19 through 22, and insert the following:

(2) by inserting "$400,000,000 for fiscal year 1988, $425,000,000 for fiscal year 1989, $450,000,000 for fiscal year 1990, and $475,000,000 for fiscal year 1991," after "1987,".

Page 13, strike lines 3 through 6, and insert the following:

(2) by inserting "$85,000,000 for fiscal year 1988, $90,000,000 for fiscal year 1989, $95,000,000 for fiscal year 1990, and $100,000,000 for fiscal year 1991," after "1987,".

Page 39, strike lines 8 through 13, and insert the following:

"(e) There are authorized to be appropriated $25,000,000 for fiscal year 1988, $30,000,000 for fiscal year 1989, $35,000,000 for fiscal year 1990, and $40,000,000 for fiscal year 1991 for the purpose of making grants under part D of this title (relating to in-home services).".

Page 51, strike lines 1 through 4, and insert the following:

(2) by inserting ", $30,000,000 for fiscal year 1988, $32,500,000 for fiscal year 1989, $35,000,000 for fiscal year 1990, and $37,500,000 for fiscal year 1991" after "1987".

Page 53, strike lines 9 through 12, and insert the following:

(2) by inserting ", $360,000,000 for fiscal year 1988, $380,000,000 for fiscal year 1989, $400,000,000 for fiscal year 1990, and $420,000,000 for fiscal year 1991" after "1987".

Mr. TAUKE (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa that the amendments be considered en bloc?

There was no objection.

Mr. TAUKE. Mr. Chairman, clearly, one of the primary responsibilities of the authorizing committee in developing this legislation is to make judgments about the authorization levels for the programs involved in this act.

In the amendment which I am offering, I am looking at revising the authorization levels for 6 of the 13 programs contained in the act.

I do not believe, frankly, that the subcommittee or the Committee on Education and Labor did a good job in setting authorization levels. Essentially what was done is we took the authorization levels from the previous Older Americans Act, raised them 5 percent a year for the 4 years of this authorization bill.

At first glance, that seems reasonable. It seems reasonable to build off what we have had in the past and to give a 5-percent increase.

But that does not seem reasonable or wise when you look at where we are on the authorization levels vis-a-vis the current appropriation levels.

At the current time, for example, we have authorized $361.5 million for supportive services under the current authorization law. But we have only appropriated $270 million. So there is a $91 million gap. Yet, what did we do? We increased the authorization level by 5 percent, even though the appropriation level is not close at this point.

On the other hand, with home-delivered meals, we have an authorization level of $75.6 million and an appropriated level of $74 million. They are virtually identical. We are crowding the authorization gap.

What did we do? We increased it 5 percent, disregarding the fact that the appropriation is very close to that level now and the demand for home-delivered meal service is obviously increasing.

So under my amendment, I attempt to do two things. First, I attempted to hold down the overall authorization level. We only increase the authorization level under my amendment by 20 percent. The committee, as a whole, will increase the authorization level 38 percent above the appropriated levels of today.

Second, what we attempted to do was set some priorities. After all, that is what authorizing legislation should be all about, setting priorities.

We decided, for example, that home-delivered meals deserve a little bit of priority. We think that the in-home frail services component, which the gentleman from Michigan has championed, is something that deserves more attention.

We do not think that it is wise to simply balloon an already high authorization level for some of the programs even higher when the appropriations will never, in the foreseeable future, even come close to that authorization level.

So I suggest to the Members two things: First, that if you want to establish priorities, you ought to vote for my amendment, and give more money to those areas which need more money; and second, if you want to act responsibly on authorization levels generally and have them somewhere within the realm of reality, then I think you ought to support my amendment.

I urge support for an amendment that establishes priorities and establishes some sense of reasonableness in authorization levels.

Mr. KILDEE. Mr. Chairman, I rise to oppose the amendment.

There is no way that I question the sincerity of the gentleman from Iowa in offering this amendment. He and I have discussed it at the subcommittee level, committee level, and since then, but I do strongly disagree with him.

Under his amendment, the total amount of dollars for Older Americans Act services would be less under the Tauke amendment.

Let me assure you that the subcommittee and the committee did not get its figures off some Ouija board. We had months of hearings, Mr. Chairman, and heard from individuals and groups who support the figures that are in this bill.

The following groups, as a matter of fact, oppose the Tauke amendment and support the committee figures:

American Association of Retired Persons;

National Council on Senior Citizens;

National Association of State Units on Aging;

National Council on Older Americans;

National Association of Counties;

National Association of Regional Councils;

National Association of Area Agencies on Aging;

Gerontological Society of America;

Older Women's League;

Villers Advocacy Association;

Gray Panthers;

National Association of Development Organizations; and

Catholic Golden Age.

They all oppose this amendment and support the figures in the committee bill.

Let us look specifically at some of the authorization cuts in the Tauke amendment. Let us take one.

The Tauke amendment would cut part B, the access part, in the area of transportation. In my district, Mr. Chairman, especially in the rural areas, we have elderly people who are in dire need of transportation just to get to their doctors, in dire need of transportation, and yet this amendment would cut that.

About a year ago, the President of the United States walked down this main aisle and stood just below where you are standing, Mr. Chairman, and proposed in these Chambers that we start spending billions of dollars to start research on a supersonic jet to get people to Tokyo in 2 hours. There was applause on both sides of the aisle when he said that.

But let us remember, our senior citizens are not anxious to get to Tokyo in 2 hours. They want to get to their doctor, and yet this amendment would cut that transportation for that purpose. Let us leave some room for the Committee on Appropriations to help them do that, to get to their doctors, to get to other facilities.

This would not leave the Appropriations Committee that room.

God and the voters willing, I will still be chairman of this subcommittee, and I will be happy, if that happy day comes along when the appropriations for these two programs, begin to bounce up against that ceiling, I will be happy to work with that gentleman to find a solution for that, and that will not be difficult.

I would urge that we stick with the committee figures and the figures supported by all those agencies that are involved in supporting our elderly citizens.

I strongly urge a "No" vote on the amendment.

Mr. BARTLETT. Mr. Chairman, I rise in support of the amendments.

Mr. Chairman, I rise in strong support of the Tauke amendment. The Tauke amendment should be labeled as the truth-in-authorization amendment, or perhaps the truth-with-constituents amendment.

The fact is that the Older Americans Act is a successful program. It ought to be reauthorized and I support its reauthorization, as does the gentleman from Iowa [Mr. TAUKE].

But I urge you to support the Tauke amendment, which redirects available support among the programs funded by the Older Americans Act.

What the gentleman from Iowa's amendment does is make two changes. First, it adopts realistic levels based on the actual spendings that are contained in current appropriations. That is contrasted with a wish list approach that is in the committee bill, based on what we wish might have been appropriated, even though it was not.

Second, the gentleman sets out to do what this Congress really needs to do, and that is to make priorities among programs within this authorization bill as a whole.

The fact is that some need more funding increases than others, and that contrasts with the committee bill as it is, which does not take a Ouija board approach. Instead, it takes the approach of assuming that all Federal programs within this authorization have equal needs, have equal impact, have equal needs for increases in funding and that authorizes them an increase equally at 5 percent above the current authorization level, which is substantially higher than current appropriations.

□ 1235

The fact is that authorization levels in H.R. 1451 are not only unrealistically high in view of our budget situation, but they are not even close to anything approaching what would have an impact on the appropriations process around here.

We abdicate our responsibility on authorizing legislation when we simply provide for a wish list, an across-the-board increase in funding for any program.

We indeed in this Congress, we have the responsibility, and we ought to accept the responsibility to set goals and priorities for the operation and efficiency of government programs to help those who are in need.

Mr. Chairman, the gentleman from Michigan spoke of cuts from the Tauke amendment; and I need to bring to the attention of the Members of the House that that is not what is proposed in the Tauke amendment at all.

In fact, in the area that provides transportation which is supportive services, the current appropriations for supportive services is $270 million per year, and the amendment of the gentleman from Iowa would provide an increase of $40 million a year up to $310 million per year.

The Tauke amendment provides for an almost 20-percent increase in appropriations, giving some guidance to the appropriations process to where those increases should be, so those who are advocates of the Older Americans Act and their programs should support this amendment enthusiastically if we want those services to be provided.

If all we want to do is make speeches, and put them in brochures and be able to say we did our part, but the older Americans did not receive any additional services, then we can pass the bill as it is.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. Mr. Chairman, I yield to the gentleman from Iowa [Mr. TAUKE].

Mr. TAUKE. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman from Texas [Mr. BARTLETT] for his statement, and also thank the gentleman for his comments relating to this issue of increases versus cuts.

As the gentleman pointed out, we are not cutting. If you look at the six areas, in supportive services, we are currently spending $270 million. We promote an expenditure of $310 million in 1988 going up to $410 million by 1991.

In congregate meals where we currently spend $348 million, we set an authorization level of $400 million for 1988 going up to $475 million in 1991.

In home-delivered meals which currently spends $74 million, we provide an authorization of $85 million going up to $100 million in 1991. I might indicate that that is substantially larger than what is contained in the current bill.

In in-home frail services which we do not have at the current time, again we provide larger authorizations than contained in the current bill.

In title IV under research where we currently spend $25 million, we provided authorization levels of $30 million in 1988 up to 37.5 in 1991.

In title V, employment, the current spending level is $326 million. Our authorization levels are $360 million in 1988 to $420 million in 1991.

I want to point out, as the gentleman has, that going to an authorization level that is much, much greater than the current spending levels; for example, in supportive services, over $100 million greater, over 30 percent greater than the current spending levels, just does not make any sense.

Mr. Chairman, I thank the gentleman for his support.

Mr. BIAGGI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment; and I regret being required to do so, because the gentleman from Iowa [Mr. TAUKE], the ranking minority member, has worked so cooperatively with the members on the committee, and so graciously accepted my own amendments.

The amendment comes as no surprise. Its intent is clear, to reduce authorizations. However, it is the impact that we must be concerned with. Yesterday the issue was raised that the authorizations were set too high in the bill and that would send the wrong signal to the Appropriations Committee. I strongly disagree and believe maintaining the authorization levels in H.R. 1451 are the single best way to ensure adequate appropriations.

Authorizations send a signal to the Appropriations Committee make no mistake about it. If an authorizing committee does not allow for growth in programs under their jurisdiction, that sends a signal that will be interpreted by the Appropriations Committee to the detriment of a program's funding. Advocacy for a program must begin with the authorizing committee.

The Older Americans Act programs spend their money wisely. Furthermore they are more than an expenditure of tax dollars. They are an investment in preventing the unnecessary institutionalization of older persons—which ultimately comes at a much greater cost to the Nation. Consider that in 1984 the total nursing home care bill in this country totaled $32 billion.

Let us relate this directly to an Older Americans Act program almost 10 years ago we learned in testimony before the Select Committee on Aging, that upward of 15 percent of persons in nursing homes were there due to an inability to maintain a proper diet—no other reason. The combined elderly nutrition programs under the Older Americans Act have clearly kept older people in their homes and communities and will continue to do so if they are adequately funded.

When you examine the funding for the nutrition programs, they total just over $400 million in the current fiscal year. The Medicaid bill for nursing home care in fiscal year 1984 was $13.9 billion. If we begin to cut authorizations for Older Americans Act programs, we will be paying a much higher bill somewhere else. Reject this amendment.

Mr. TAUKE. Mr. Chairman, would the gentleman yield?

Mr. BIAGGI. Mr. Chairman, I yield to the gentleman from Iowa [Mr. TAUKE].

Mr. TAUKE. Mr. Chairman, I thank the gentleman for yielding.

I want to commend the gentleman from New York for his great work on this legislation. I know the gentleman is very sincere in what the gentleman stated, and the gentleman's view of the authorization level is an appropriate one.

It happens to differ substantially from my view of what the purpose of authorization levels should be, but the gentleman's other point was that we do not expect the Committee on Appropriations to be close to these figures in any case. In that, I want to disagree.

Certainly in home-delivered meals where now the appropriations level is $74 million, and the authorization level is only $75.6 million, and we are providing under this bill $79.3 million, the appropriating committee is going to be very close. With the demand increasing for this service, it may be best for the Committee on Appropriations to do what it would like to do in that area; and that is an area where we think there is more priority, so we give a little more room to the Committee on Appropriations.

The problem that I see is we did not do any prioritizing in committee or subcommittee on this issue.

Mr. BIAGGI. Mr. Chairman, prioritizing becomes almost personal, the Member's individual district.

We heard the chairman talk about transportation in his rural area. To him that is an important issue. Of course, congregate meals is very important. That is the heart and soul of the bill. But we have many, many other issues, and on occasion the appropriation may meet the authorization level.

But we cannot be guided by that particular isolated incident with relation to the influence of the gentleman's amendment on the authorization bill. We are talking about a whole panoply of concerns, and that is why I think we should maintain the high level.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I am glad to yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I respect the gentleman from New York a great deal, but we do differ on the approach that authorization committees should take, at least in this respect.

The CHAIRMAN. The time of the gentleman from New York [Mr. BIAGGI] has expired.

(On request of Mr. BARTLETT, and by unanimous consent, Mr. BIAGGI was allowed to proceed for 5 additional minutes.)

Mr. BARTLETT. Mr. Chairman, will the gentleman yield further?

Mr. BIAGGI. I am delighted to yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, what the authorizing legislation should do is give guidance to the appropriations process as to where we believe the priorities ought to be. If we just simply take last year's authorization levels that are far apart from last year's appropriations levels and add 5 percent to them, then we have given no guidance whatsoever.

If, on the other hand, we were to take the current level of appropriations, as appropriated by the committee, and then give guidance as to where the needs are, providing, as the Tauke amendment does, for an increase in funding for every single program, but telling the appropriations process where the larger increases should be, then I think we would have done our job. It is really a matter of guidance and choosing between real meals and transportation and services to the older Americans versus symbolism.

I think the Tauke amendment, if it passes, gives us a chance to provide real substance to that symbolism so that we do not have to rely merely on symbolism.

Mr. BIAGGI. Mr. Chairman, I think it is more than just symbolism. If we are talking about symbolism, let us assume we are talking about a signal that we have perpetually been giving to the Appropriations Committee. This authorization only establishes limits, and nothing in the world can stop the Appropriations Committee from providing more funding. And they have over the years increased funding on an incremental basis, not as much as we would like, of course, but they have increased it.

But I think it is still very important for the integrity of the authorizing committee, and that has to be preserved because we have witnessed over the last several Congresses situations where authorization committees have been rather poorly treated. The committees hold their hearings, and they go through the whole painful process of legislating and preparing an authorization bill, only to have many of their recommendations disregarded.

I think clearly that the authorization bill that has been produced by this committee is a substantial one and a good one. I know it is supported by both sides of the aisle, with some genuine and honest differences. But I think it is important to continue to provide that signal. I did not say that it was the optimum. I never said it was a perfect piece of legislation, but on the other hand, I would not isolate one particular program as serving as the example and the basis for passing this amendment.

Mr. JEFFORDS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Tauke amendment.

Mr. Chairman, I think it is important that we try to give some guidance to the Appropriations Committee and review, each time we reauthorize the various programs, the adequate and the appropriate funding levels. I do not believe the bill as it is presently drafted does that. I believe it does with the addition of the Tauke amendment.

In addition to that, I would point out that there is a new part E of title III which authorizes $25 million to provide additional flexibility to the States to be able to utilize those funds to satisfy needs which may occur in the other programs.

By lowering the authorization levels so that they are meaningful guidelines rather than just wish lists, we will give the kind of guidance to the Appropriations Committee that is necessary to allow it to effectively reflect where the needs appear to be coming from.

In addition to that, with the part E, there is additional flexibility given to the States to modify, from State to State, in case the particular allotments under other titles may not fill the needs of a particular State.

So, Mr. Chairman, I commend the gentleman from Iowa [Mr. Tauke] and I urge that we adopt this amendment.

Mr. SOLARZ. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of H.R. 1415, the reauthorization of the Older Americans Act. I would like to commend Chairman Kildee and ranking minority member Tauke on their brilliant leadership and on the smooth bipartisan manner in which they crafted the bill and guided the subcommittee and full committee through its hearings and deliberations.

Mr. Chairman, the Older Americans Act is another in a long line of products of the War on Poverty of the 1960's. It remains one of the most popular of all Federal programs. Unlike many social programs, the act is unique in that it serves all of our older citizens regardless of their financial situation. The act is also unique in that it offers a wide range of services. Under this legislation, our senior citizens are able to participate in congregate meals programs. They may also take part in the popular Meals on Wheels Program. Transportation services, counseling, health education and dozens of other vital services are made available under the act. The legislation also provides the opportunity for thousands of seniors to find meaningful jobs in hospitals and other public service settings. In short, the Older Americans Act is and always has been the lifeline that allows so many millions of our elderly citizens to continue to live independently in the community.

The bill before us contains several new initiatives that are worth noting. We are introducing a brand new $25 million program to bring in-home services to the most vulnerable of senior populations—the frail elderly. This provision, crafted by our chairman, Mr. Kildee, will go a long way toward providing the neediest of our older Americans with the extra care they so desperately need. The bill also contains a separate authorization for the long-term care ombudsmen program—a valuable protection for residents of nursing homes. We have also added an outreach program. This initiative will ensure that low-income seniors will be made aware of the benefits they are entitled to under other Federal programs, including SSI, food stamps, and Medicaid.

Mr. Chairman, of all the quality programs funded under the Older Americans Act, there is none more important than senior centers. Each year, I made it a point to visit each center in my district where I get a firsthand look at how crucial they really are. At these centers, seniors are afforded the opportunity they might otherwise not have to socialize with their peers. For some seniors, a meal served at the center may be the only hot meal they will receive during the entire day. Unfortunately, there are seniors in my district, and around the country, who are unable to receive supportive services at senior centers because the centers are too full, or because funding levels are inadequate.

I would like to bring to the attention of my colleagues an important study that is authorized in this bill. This study, to be conducted by the Commissioner, would assess the unsatisfied demand for services at senior centers and would provide recommendations to the Congress on the most appropriate methods to strengthen our senior centers program to meet the needs of our older population.

I would like to turn my attention to the amendment offered by my friend Mr. Tauke, the ranking minority member.

Mr. Chairman, any amendment offered by the very distinguished gentleman from Iowa [Mr. Tauke] clearly deserves the most thoughtful consideration of the House. He is one of the most conscientious, one of the most dedicated, and one of the hardest-working Members of this body. I have come to have great respect for him as a member of the subcommittee and of the full committee. But the fact that his amendment deserves the most serious consideration does not necessarily mean that it merits the approval of the House.

I do feel compelled to speak out against the amendment for a number of reasons. During the course of the debate so far we have heard a number of arguments from our friends on the other side of the aisle in favor of the amendment to which I would personally like to respond. The gentleman from Texas [Mr. Bartlett] told us that this amendment really is in the best interests of senior citizens around the country, and that if we want to help the seniors, we ought to support the amendment before us.

I have to confess that I have always had the view that those who speak for various interests around our country are in the best position to know what is in their interest and what is not in their interest. When it comes to judging the interests of the senior citizens, my inclination would be to accept the judgment of the American Association of Retired Persons, the National Council of Senior Citizens, and virtually all of the other major senior citizen organizations in the country. All of these groups urge the rejection of this amendment. I think it is not very persuasive to argue that they do not know what is in their own best interests.

Then we heard the argument, particularly from the gentleman from Iowa, Mr. Tauke, the author of the amendment, and some of his associates and acolytes on the other side of the aisle, that what this amendment attempts to do is to prioritize the resources which this authorization bill makes available for the Older Americans Act. It attempts, they argue, to establish priorities, to say that some programs are more important than others. I say to my friends on the other side of the aisle that if, in fact, we took the full amount of money contained in this authorization bill and shifted it around, moving some to one category and some to another category but leaving the overall totals intact, I might agree or disagree with their priorities, but I would accept the proposition that what is contained here is an effort to establish priorities.

□ 1250

But I see it somewhat differently. The fact of the matter is that this amendment would reduce for the first year authorization levels in the bill the amount of money available under the Older Americans Act by $108 million. It represents an overall cut in the authorization level in the bill.

By the fourth year of the bill, the last year for which we would be authorizing funds, the amendment before us would have the effect of reducing the overall level of authorized funding by $75 million.

So it is not just an effort to establish a different set of priorities. It is also an effort to actually reduce the overall level of funding contained in the bill.

And what are we talking about here? We are not debating an appropriations bill. We are debating an authorizing bill. This is a bill which attempts to establish the overall level of need for the various programs contained in the legislation.

What the full committee and what the subcommittee were doing when they reported out this legislation was to say that in every one of these areas there are unfilled needs which need to be met. We are not doing as good a job as we should be doing. Maybe the Appropriations Committee will agree with us and fully fund every one of these programs. Maybe it will not. That is their decision to make and we will debate the wisdom of their choices when the appropriations bill comes to the floor; but what we are attempting to do at the present time is to say that in every one of these categories there are unfilled needs which require additional appropriations.

Let me just say lastly that in each of the six categories where the gentleman from Iowa would attempt to shift the funding, it turns out that when you look at them as a whole, for the first year of the bill in four of the six categories the gentleman would reduce the level of the funds authorized. In one category he would marginally increase it and in another category it would be held harmless.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent, Mr. SOLARZ was allowed to proceed for 1 additional minute.)

Mr. SOLARZ. In the last year of the bill, Mr. Chairman, in four of the six categories the authorized level of funding would be reduced, and in two it would be increased. So I think the conclusion is inescapable. What this amendment does is reduces the overall level of spending in the authorization bill for the Older Americans Act and in two-thirds of the separate categories contained in the bill it would cut the funding as well; so I urge a "no" vote on the amendment.

Mr. ROYBAL. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

Mr. Chairman, a great deal has been said about the message that is being sent to the Committee on Appropriations. I think it should be well known that the Committee on Appropriations cannot appropriate any more money than is being authorized. In this instance, moneys are being reduced. Therefore, there will be a reduction in the appropriations level if the Tauke amendment is adopted. I rise in opposition to its adoption simply because it does, in fact, make a reduction in four instances.

For example, supportive services is authorized by the committee recommendation to $379.5 million, but it is reduced to $310 million by the Tauke amendment.

Congregate meals is reduced by $14.7 million.

The home frail services appears to remain the same; but title IV is decreased by $2.9 million and title V, which is employment, is reduced quite substantially by about $26 million.

This is a program that actually provides employment for those with very low incomes, individuals who definitely need it.

Now, if a message is to be sent to the Committee on Appropriations, I think the Committee on Appropriations should be given the latitude that is necessary so that that committee can decide what appropriations to make, but not be hampered by the mere fact that reductions are being recommended in this piece of legislation.

What is happening now is that the bill before the committee does in fact provide a 5-percent increase above current levels. Now, that merely keeps pace with inflation and does maintain existing services.

Now, that is not very much of an increase.

On the other hand, with the Tauke amendment it is a tremendous decrease that finally results in the overall appropriation amounting to $109 million the very first year.

Then as we go on, we find that there will be further reductions if the appropriation level is actually hampered by a ceiling that could be set by the Tauke amendment.

Mr. Chairman, I sincerely hope the Tauke amendment is not approved by the House.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Iowa [Mr. TAUKE].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. TAUKE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 95, noes 297, not voting 40, as follows:

[Roll No. 152]

AYES—95

Archer
Armey
Baker
Ballenger
Bartlett
Barton
Bateman
Bliley
Boulter
Brown (CO)
Buechner
Burton
Callahan
Carper
Cheney
Coats
Coleman (MO)
Combest
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
Dornan (CA)
Dreier
Edwards (OK)
Fawell
Fields
Frenzel
Gallegly
Gingrich
Gradison
Grandy
Gregg
Gunderson
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hunter
Hyde
Inhofe
Jeffords
Johnson (CT)
Kolbe
Konnyu
Kyl
Lagomarsino
Leach (IA)
Lewis (CA)
Lott
Lowery (CA)
Lukens, Donald
Lungren
Mack
Madigan
Martin (IL)
Meyers
Michel
Miller (OH)
Moorhead
Nielson
Olin
Packard
Parris
Penny
Rhodes
Ridge
Roberts
Schneider
Schulze
Sensenbrenner
Shumway
Shuster
Slattery
Slaughter (VA)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stump
Sundquist
Swindall
Tauke
Thomas (CA)
Upton
Walker
Weber
Whittaker
Wolf

NOES—297

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Biaggi
Bilbray
Bilirakis
Boehlert
Boggs
Boland
Bonker
Borski
Boucher
Boxer
Brennan
Brooks
Broomfield
Bruce
Bryant
Bunning
Bustamante
Campbell
Cardin
Carr
Chapman
Chappell
Clarke
Clay
Clinger
Coble
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Daniel
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dingell
DioGuardi
Dixon
Donnelly
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Ireland
Jacobs
Jenkins
Johnson (SD)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Latta
Leath (TX)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lightfoot
Lipinski
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Mica
Miller (WA)
Mineta
Moakley
Molinari
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (NY)
Owens (UT)
Panetta
Pashayan
Patterson
Pease
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Regula
Richardson
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Saxton
Scheuer
Schroeder
Schuette
Schumer
Sharp
Shaw
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stangeland
Stark
Stokes
Stratton
Studds
Sweeney
Swift
Synar
Tallon
Tauzin
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOT VOTING—40

Annunzio
Aspin
Badham
Bevill
Boner (TN)
Bonior (MI)
Bosco
Brown (CA)
Byron
Chandler
Craig
Crane
Crockett
Dicks
Dorgan (ND)
Edwards (CA)
Gephardt
Jones (NC)
Kemp
Lehman (CA)
Lewis (FL)
Livingston
Lloyd
Lujan
McCandless
McCollum
McEwen
Miller (CA)
Mollohan
Mrazek
Oxley
Ray
Roemer
Roukema
Saiki
Schaefer
Stallings
Stenholm
Vucanovich
Weiss

□ 1305

The Clerk announced the following pairs:

On this vote:

Mr. Lewis of Florida for, with Mrs. Byron against.

Mr. Crane for, with Mr. Bevill against.

Mr. Craig for, with Mr. Roemer against.

Messrs. SMITH of New Jersey, RICHARDSON, TRAXLER, BROOMFIELD, FLAKE, and BOLAND changed their votes from "aye" to "no."

Mr. RIDGE changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1315

Mr. FORD of Michigan. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am pleased to rise in support of H.R. 1451, a bill to reauthorize the Older Americans Act through fiscal year 1991.

Older Americans programs were created to meet specific social services needs of older people. While high-risk older persons receive services under many other Federal programs, the act is the major vehicle for the organization and delivery of social and nutrition services to this group, and for the development of community service employment opportunities for low-income senior citizens.

Within the structure of the Older Americans Act, the Committee on Education and Labor has endeavored in this reauthorization to continue and improve upon the policy goals aimed at improving the lives of senior citizens regarding income, health, housing, employment, retirement, community services, and nutritional services.

Title III of the act provides grants to States and area agencies on aging for use in developing a wide range of support services, including home-delivered meals, home-health care and chore services, access and legal services. These services are targeted to those older persons with greatest economic or social needs, particularly those who are low-income minority individuals.

One of the most important amendments contained in H.R. 1451 is the elevation of the relationship between the Commissioner on Aging and the Secretary of Health and Human Services, providing for a direct reporting relationship between the two parties.

One of the major findings of Congress, among many authorizing committees, has been that there is an overwhelming need to expand and improve upon the collection of data relative to the needs of groups of disadvantaged individuals, children and adults alike, who have been targeted as high-need, high-risk groups and who are intended to benefit from the modest funding provided by the Federal Government through its programs. This has been achieved by H.R. 1451 through an expansion of the Commissioner on Aging's data collection functions. In order to keep abreast of the changing needs of older Americans, Congress requires data regarding the types of services being provided, the amount of funds being spent, and the number of individuals who are receiving services. More importantly, the Congress needs to know to what extent eligible older Americans are not being served by programs authorized under the act. This is covered under H.R. 1451 through the required assessment of unsatisfied demand for services at senior centers.

Other major improvements contained in H.R. 1451 include a study to determine the impact of Medicare's diagnostic related group [DRG] prospective payment system on community-based programs such as the Older Americans Act; a study to determine the efficacy of using the Older Americans network as a nationwide referral system to assist family caregivers in gaining access to needed social services on behalf of geographically remote older members; this study is to include the listing of area agencies on aging telephone numbers as one means of linking caregivers to area agencies in other parts of the country as well as a means of providing feedback to caregivers about the needs of older family members.

The Committee on Education and Labor has concurred in the recommendations of the Institute of Medicine in its congressionally mandated study "Improving the Quality of Care in Nursing Homes" issued in 1986. H.R. 1451 contains a series of amendments to the act to strengthen the only program in the act specifically targeted to meet the needs of long-term-care facility residents.

Mr. Chairman, H.R. 1451 addresses the need for expanding nonmedical services for frail elderly individuals under the Older Americans Act, including the victims of Alzheimer's disease and other neurological and organic brain disorders, and for their families. These in-home services are intended to serve as a preventive measure to enable older individuals with functional difficulties to remain in their homes instead of being institutionalized.

H.R. 1451 includes a new part D under title III to provide grants to States for these nonmedical in-home services for the frail elderly, and may include such assistance in the areas of bathing, dressing, eating, mobility, or performance of daily activities such as shopping, cooking, cleaning, or managing money.

A new part E authorizes grants to the States to assist in meeting the special needs of older individuals—special needs for a wide range of programs and services which complement the ongoing Older Americans Act activities. The new resources provided through part E are unearmarked, giving the States maximum flexibility and discretion in their use: $25 million are authorized for fiscal years 1988 and 1989, with such sums as necessary in fiscal years 1990 and 1991.

H.R. 1451 authorizes a one-time outreach effort to ensure that more low-income elderly have an opportunity to receive the supplemental security income [SSI], Medicaid, or food stamp benefits for which they are eligible.

The bill requires area plans to provide for periodic public hearings, including the coordination of certain programs with local services for older victims of Alzheimer's disease, as well as dissemination of information on programs in local higher education institutions in which senior citizens are entitled to participate at either no, or very low, cost.

Several new State plan requirements are proposed in H.R. 1451. First, periodic public hearings on activities and projects carried out under State plans; second, assurances on the part of the State agency that area agencies on aging will conduct efforts to facilitate the coordination of community-based, long-term-care services; and third, assurances that entities receiving title III funds will not be restricted from monitoring, analyzing, or making recommendations regarding certain activities affecting older persons in their communities.

The Committee on Education and Labor has clarified the advocacy responsibilities of State and area agencies on aging, maintaining its position that political activity is not included as part of advocacy. It is still our intention, however, to allow such agencies to recommend changes in policies, but they must be related to the policy and not to any individual or political organization which may be responsible for such policy. This is seen as necessary, since many vulnerable and frail older adults are unable to represent their own needs, due to their invisibility in their community or their physical limitations. They need advocates more than most other intended beneficiaries of services provided for under Federal social and human services laws.

H.R. 1451 expands the Child Care Food Program to include assistance for day care centers for frail and disabled adults to improve the nutritional quality of the meals served to these most deserving senior citizens—over two-thirds of whom are women whose incomes are well below the poverty level—averaging $458 per month.

Another extremely important aspect of H.R. 1451 is the committee's recognition of the need to provide flexibility in determining the authorization levels for the Commodity Program serving older Americans. Since the number of meals that will be served cannot be predetermined or predicted with any accuracy, H.R. 1451 sets the authorization levels higher than the estimated number of meals for the fiscal years covered by the bill, in order to have sufficient funds available. The reimbursement level of 56.76 cents per meal established by the bill is to remain fixed throughout the life of the bill. It is our expectation that Congress will be notified in advance should a shortfall in funds be anticipated in order that supplemental funding may be considered.

The bill freezes the transfer authority overall between parts B and C of title III to not more than 30 percent; requires the commissioner to undertake a comprehensive study of the direct and indirect costs of transportation under the act, as well as the extent to which these funds are used to leverage additional funds from other Federal and State sources; freezes the cap on title V—community service employment programs for older Americans—administrative costs at 13.5 percent, and excludes title V wages from consideration for purposes of determining eligibility, or computing monthly rents, for title V workers residing in federally assisted senior housing projects. It is also authorized that opportunities for eligible title V participants to assist in the delivery of day care services for children and adults and respite care for families. The committee believes that this unique balance of health and social services in day care and respite care is clearly beneficial to both caregivers and recipients.

H.R. 1451 clarifies that indians are eligible for services under both titles III and VI, so that past misinterpretations of the act to preclude their participation will cease. The Native Americans Act is reauthorized; multiyear grants for native Americans are authorized to eliminate unnecessary difficulties for grantees attempting to operate projects effectively by eliminating the annual reapplication and competition for grant funds.

Mr. Chairman, H.R. 1451 authorizes the President to call a White House Conference on the Aging in 1991 which I believe is very important. It is through these national forums that older Americans and their advocacy groups can bring to the attention of Congress and the Nation the needs of individuals and communities if they are to continue to give timely and appropriate care to the frail, the homebound, the functionally impaired, as well as the mobile elderly citizenry of this country.

Mr. Chairman, I commend my good friend and colleague, the gentleman from Michigan [Mr. KILDEE] and his Subcommittee on Human Resources, as well as the ranking minority member, the gentleman from Iowa [Mr. TAUKE] for this well-crafted extension of the Older Americans Act.

I commend H.R. 1451 to the whole House and urge its adoption.

AMENDMENT OFFERED BY MR. ARMEY

Mr. ARMEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ARMEY: Page 44, after line 15, insert the following (and redesignate references and succeeding sections accordingly):

SEC. 29. LIMITATION ON USE OF APPROPRIATED FUNDS.

Section 303 of the Older Americans Act of 1965 (42 U.S.C. 3023), as amended by sections 18(d), 27(a), and 28(a), is amended by adding at the end the following:

"(g) Notwithstanding any other provision of this title, none of the funds appropriated to carry out this title may be used directly or indirectly by State agencies or area agencies on aging for partisan political purposes or for political lobbying with respect to legislation.".

Mr. ARMEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ARMEY. Mr. Chairman, when I conceived this amendment I felt that it would be noncontroversial and fully expected it would be agreed to. In my estimation, it is not controversial, and I think many Members of the Congress will want to support it.

My amendment simply clarifies in statutory language our committee intent with respect to advocacy activities authorized by this legislation. There is obviously a need for State and area agencies to conduct studies and to make reports to determine the effectiveness of many of the programs for older Americans. I support the expanded advocacy provisions in H.R. 1451 and I expect that they will result in more rational and helpful policies.

I am concerned, however, that the advocacy language is so broad that it may result in the public financing of political lobbying activities. No restriction whatsoever is placed on State and area agencies as they represent the interests of older Americans and recommend program changes.

There is nothing in the bill to prevent these agencies from attempting to influence the outcome of elections, pay the expenses of political organizations or lobby or against specific pieces of legislation.

Clearly this is not what we intend to use tax money for. The committee has acknowledged these concerns in its report, and my amendment will simply place a provision in the statute prohibiting funds in this act from being used for political purposes or for political lobbying.

Mr. Chairman, I understand there will be some opposition to the amendment, in part on the basis that there is in the committee report good language that speaks to this issue, language that I agree with, and language that I would like to codify with this amendment.

However, there is a difference between having it in the law and having it in the committee report. The fact is there are people in State and area agencies that will use, if unbridled, Federal funds to advocate political purposes, the election of candidates or political issues. I would not want to bring somebody to court and suggest that they are guilty of having violated report language. If we put this amendment in the law and then support it with the report language, it will be clear to everyone what is legitimate, necessary and responsible advocacy that we would hope to have for our older Americans, and what is blatant political lobbying and forbidden by the law.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I am happy to yield to the gentleman from Vermont.

Mr. JEFFORDS. It is my understanding that what the gentleman is intending to do here is to give legislative backing to the committee language; is that correct?

Mr. ARMEY. The gentleman is correct.

Mr. JEFFORDS. The gentleman does not intend to make it any broader than those items which were contained within the committee report language; is that correct?

Mr. ARMEY. The gentleman is correct.

Mr. JEFFORDS. I think it would be appropriate at this time if we read into the RECORD what the committee language is on this so that it is absolutely clear what the gentleman intends to do, and I will do that.

I will quote from page 11 of the committee report, the paragraph under "Advocacy," skipping the first sentence:

> The Committee does not intend to permit area agencies on aging to use federal funds for the following purposes: (1) attempts to influence the outcomes of any federal, state or local election, referendum, initiative or similar procedure through in kind or cash contributions, endorsements, publicity or similar activity; (2) attempts to establish, administer, contribute to, or pay the expenses of a political party, campaign, political action committee, or other organization established for the purpose of influencing the outcomes of elections; or (3) attempts to influence the outcome of federal or state legislation through lobbying which would result in specific amounts of funds under the Older Americans Act being used solely to accomplish a lobbying objective other than reviewing, monitoring, evaluating, and commenting on federal, state, and local plans, budgets, regulations, programs, laws,

levies, hearings, policies and actions which affect or may affect older individuals, or other than recommending any changes in such plans, budgets, regulations, programs, laws, levies, hearings, policies, and action.

That is the end of the committee language which I think is appropriate here. All the gentleman intends to do is to give legislative authority to be able to enforce those provisions in the committee report, is that correct?

Mr. ARMEY. The gentleman is absolutely correct.

Mr. JEFFORDS. Then certainly with that understanding and the realization that we have established a legislative history, and that the gentleman is continuing to do nothing other than endorse those provisions which were delineated within the committee report, and any attempts to go beyond it would not be within the statutory authority, I would support the gentleman's amendment.

The CHAIRMAN. The time of the gentleman from Texas [Mr. Armey] has expired.

(On request of Mr. Jeffords and by unanimous consent, Mr. Armey was allowed to proceed for 2 additional minutes.)

Mr. ARMEY. I thank the gentleman for his support.

Let me say again that this is designed to protect and encourage, as the legislation does, advocacy for older Americans, while clearly delineating where advocacy ends and where political activity begins. The report language I think is very clear on this. The bill simply codifies it so people who trespass against the intent of this law will have a clear understanding of the violations they perpetrate and the response that they will receive under the law.

I ask swift consideration of this amendment. I do not believe it to be controversial. I think it is something we can all agree to. I think it will in the final analysis, provide for better, more fair service to our older Americans and for a cleaner political environment.

I thank the committee for its time and hope that we can have a quick passage of this amendment.

Mr. KILDEE. Mr. Chairman, I rise to oppose the amendment.

Mr. Chairman, we have attempted to address this problem in committee and we did put strong report language in. But the language which is given to us by the gentleman from Texas [Mr. Armey], really puts limitations I think that treat many of those people involved in these programs as unemancipated children or in some like fashion.

For example, under the gentleman's language, if a group gathered at a senior citizens' center receiving funds here and decided to communicate with their Congress, urging the Congress to renew the Older Americans Act, and any assistance was given by anyone there, the mimeograph machine was used or a piece of paper used, they would then be indirectly at least using those funds to ask us to renew the very act that enabled them to be where they are. I think that goes way beyond what we have in our language here, which clearly forbids them to get involved in any partisan political activities.

But I think to deny them the right to address the Congress, asking the Congress to renew a program, to strengthen a program, clearly is treating them as children. The language I think is language which I would be happy to look at some other time in some other place and see what the gentleman is trying to get at, but the language gets at more than what I think the gentleman is saying here on the floor he intends to do.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I am happy to yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, my language does not prohibit anybody from any of these agencies from addressing the Congress with respect to any concern they might have. What it does prohibit though is the expenditure of these Federal funds that are authorized by us for the programs dealing with the needs of the older Americans.

These funds should be used for those purposes, not for advocacy purposes on behalf of the agency personnel that administer the program. If they want to contact us, let them do it as other American citizens do it, on their own time and at their own expense, not on time and expending funds funded by the American taxpayers.

Mr. KILDEE. I go back again to the fact that the gentleman used the word "indirectly," and used "political lobbying," with respect to legislation. That is all encompassing. If they were to say at a senior citizen center, that the Older Americans Act is up for renewal and we should be contacting Congress urging that renewal, I think that is perfectly proper. To use a scrap of paper that was purchased then with these funds would be a violation under the gentleman's language, I think we are clearly going beyond what the gentleman himself intends to do with the language here.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I am happy to yield to the gentleman from Iowa.

Mr. TAUKE. Mr. Chairman, if the gentleman has difficulty with the language, would he be willing to accept as a substitute taking the language that is in the committee report and putting that in the statute?

Mr. KILDEE. I would have to see where that would fit into the statute.

Mr. TAUKE. We would simply add a section to the statute to clarify what we mean.

Mr. KILDEE. If the gentleman could withdraw his amendment for some time and come back to that so that we could see where that would fit in and how we would fit that into the statute, I would be glad to look at that. But it is difficult now to see exactly where this would fit in and what it might limit here.

□ 1330

I have no serious problem with the report language. It is a question of how we fit that into the bill.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the gentleman from Texas [Mr. Armey].

Mr. ARMEY. I thank the gentleman for yielding.

It seems fairly obvious to me that my amendment, after it is enacted into law, will be supported by this very report language. Now, if we should for some reason fail to pass this amendment, we will then have the report language but it would have no weight of legislative authority behind it. So that, indeed, the way to spell out the chapter and verse to my amendment is the report language and my amendment codifies that so that it does have the weight of law and we do have some way of enforcing these restrictions on these agency personnel so they will use these resources as we intended to administer the programs for the older Americans as we hope they will.

Mr. KILDEE. Again, if we could take some time—and I am trying to be accommodating here, trying to see what we can achieve, I clearly want to make sure if we inject this language into the bill itself that it is injected properly and not improperly, not in the wrong section and without the right connectives here.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. Kildee] has expired.

(By unanimous consent Mr. Kildee was allowed to proceed for 5 additional minutes.)

Mr. KILDEE. I think we could take some time to see whether that could be determined.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I would be happy to yield to the gentleman from New York [Mr. Biaggi].

Mr. BIAGGI. I thank the gentleman for yielding.

Mr. Chairman, this subject came under discussion during the deliberations within the committee. I share the concerns that the maker of this amendment had, because we experienced over the past many abuses of employees or people who were the recipients of Federal funds engaging in outrageous political conduct. I believe that the Congress subsequently addressed the question and currently the law prohibits the politicial activity, at least as I view political activity. The concerns of many Members, as well as myself, I believe were addressed in the language in the report. As a matter of fact it went beyond what the Members had expressed during the committee deliberations.

I have looked at the gentleman's amendment and I talked to him beforehand and, as I say, I really have no real problem in having this accepted into the legislation except when I looked at the amendment on lines 8 and 9, it says for political lobbying with respect to legislation.

Well, I think we had better stop and pause and look at that as a red light. Political lobbying with respect to legislation, that means no area agency representative, no employee, no senior can come and lobby a Member of Congress. Well, that is outrageous.

The gentleman suggests that they do it on their own time. That is not realistic and frankly I would oppose it. We are talking about a whole network of people involved with an issue, an issue that is of great concern to the people of the Nation and to the Members of Congress, the Congress which has responded to these concerns.

Why have we responded so effectively in the past, incrementally, year after year, Congress after Congress? Because we had an imput from the aging network, from every area, formal, informal, employee, nonemployee, funded, nonfunded. That input is critical. You would have to regard that as political lobbying for legislation. I would. I do not know if any member could consider it other than that. That language in the gentleman's amendment is devastating.

On the basis of that, I would oppose vigorously, vigorously the amendment. It would be regressive to have this kind of amendment enacted into law.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. I thank the gentleman for yielding.

Mr. Chairman, I appreciate the gentleman's concern, both the gentleman from Michigan and New York. But let me again remind you that the legislation does have advocacy language in it. It is good language. The report language places some restrictions on that.

Again, what I am saying is that this does not prohibit anybody who is a person in an agency or an older American from political activity. It prevents them from using these federally appropriated funds for these political activities as opposed to administering the programs that we hereby authorize for our older Americans.

I think the verbalized example that the gentleman from Michigan gave is a bit of an overstatement of a concern or a fear. But the fact remains that reasonable people will have legislative guidelines to go by, backed with the report language if we pass this amendment. If we do not pass this amendment I am afraid that we leave people a very broad loophole within which to work in their agencies for their own purposes rather than the purposes we intend, which are to administer these programs for our older Americans.

That unfortunately is a problem we do have on occasion.

I think it is most grossly unjust to the older Americans.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. KILDEE] has again expired.

(On request of Mr. BIAGGI and by unanimous consent Mr. KILDEE was allowed to proceed for 5 additional minutes.)

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the gentleman from New York [Mr. BIAGGI].

Mr. BIAGGI. I thank the gentleman for yielding further.

Mr. Chairman, I heard what the maker of the amendment has said, but he has not responded to the basis for my principal objections. He has not said one word with relation to those. I think my colleagues should understand the gravity of these particular words. You are halting the entire legislative process. We are not the exclusive portion of the legislative process. There are people out there who participate in the legislative process.

You know as well as I do that our product legislatively could hardly be considered comprehensive and adequate to meet the needs unless we had the input of people who live through it on a day-by-day basis.

That language says "no political lobbying with respect to legislation." Well, who would come through those corridors? Would the teachers be allowed to come? Would the hospital people be allowed to come? Would the educational people be allowed to come if this was applied to every piece of legislation that came before us? Of course not.

The only people who will be able to ply these corridors would be the professionals who are out there representing clients. This language, this amendment I regret, because I am sympathetic to the gentleman's purpose, have said that and I have felt that way years ago when there was outrageous and scandalous conduct on the part of recipients of Federal funding. That was corrected. We do not have a problem here to that extent. The language in the report is strong language. I assure you the aging network people will understand that language better, perhaps, than many of the people on the Hill and they will work within the parameters described by this language.

Ladies and gentleman, this is one amendment that should go down to ignominious defeat, because you know the impact of it and you know the consequences. If you pass it here, you will be passing it on every other piece of legislation that comes up and the whole legislative process will be disrupted. I thank the gentleman for yielding.

Mr. KILDEE. Mr. Chairman, I operate very often on the principle "if it works, don't try to fix it."

I do not see any real serious problems out there. I do see some problems admittedly, both with the mandatory language of Mr. ARMEY and some possible problems with report language, which we all admit is softer in nature and less offensive in nature. I do see some possible problems there. I can see, for example, in my State and in many of your States you have what is called "Senior Power Day." They will go to the State legislature and advocate certain things to be done. Are we going to tell them that they cannot use anthing directly or indirectly, that they cannot use this for "Senior Power Day." They may have something in their packet of materials that "there may be an attempt to remove an exemption or decrease the exemption for school taxes for senior citizens"? I think that we are treating these people like children, like unemancipated children.

I will admit, because I think this is so important, that even the report language which we all know is not as enforceable as the general intent of Congress, that that is not perfectly crafted, a little better crafted than the language of Mr. ARMEY. So I would object to even putting the report language in the bill. I worked with Mr. ARMEY before. He and I have worked out many things before. I will be glad to work with him when he can show me what problem exists so that we can attack that problem and not attack some problem that will be a legislative concern of senior citizens.

I think that is what we would be doing if we tried to do this.

Mr. GUNDERSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and Members, I hope that we do not try to modify the Armey amendment. I would hope that this amendment would be adopted in its present form. Now, you all know I do not always agree with the gentleman from Texas. But the gentleman from Michigan says "If it works, don't fix it." I call to the attention of the gentleman from Michigan and others present law, section 305(1)(d) which says, "Area agencies on aging shall serve as an effective and visible advocate for the elderly by reviewing and commenting upon all State plans, budgets, policies, which affect the elderly and providing technical assistance to any agency, organization or association or individual representing the needs of the elderly." Is that not enough? Why do we have to go above and beyond the present law?

I will tell you what will happen here, because it happended with other agencies like this, in particular the community action programs.

I was one of those Members of Congress who had all the community action agencies in my district in 1981, 1982, and in 1983 not serving the poor as they were supposed to be doing, but rather conducting political lobbying campaigns on proposed Federal budgets up and down my district. They were spending all their time producing brochures, holding conferences, sending out mailings trying to stir up people to be for or against a Reagan budget or a Democratic budget or something else and not doing the functions they were intended to do by this Congress. Now, that is a problem.

Now let us take a look at what we are doing here today.

We are trying to reauthorize the Older Americans Act. In the process of reauthorizing that act, we have already created a new in-home frail services act; we have already adopted the amendment of the gentleman from Florida [Mr. PEPPER] to deal with elderly abuse. We are trying to create a number of new directives and initiatives for our older Americans when we all know that in the process we are not going to have any kind of significant, if any, increased funding to do that. So to suggest above and beyond that we should tell our area agencies on aging to drop all of that and get into the lobbying business is just sending the wrong signals from this Congress.

The gentleman from New York, my good friend, says "Well, if they do not do it, who will?" Well, I ask every Member of this Congress to reflect on the last amendment, the debate on the Tauke amendment. No less than 13 senior citizens organizations have lobbied this Congress on the last amendment.

I do not think we have to tell Government workers on Government time that they need to go lobby senior citizens. There are already some 13 senior citizen organizations out there doing just that. If you do not know who they are let me read them to you: The American Association of Retired Persons, probably the most respected senior citizen organization around, the National Council of Senior Citizens, the National Association of State Units on Aging, the National Council of Older Americans, the National Association of Counties, The National Association of Regional Councils, the National Association of Area Agencies on Aging, the Gerontological Society of America, the Older Women's League, the Villers Advocacy Association, the Gray Panthers, the American Association of Development Organizations, and the Catholic Golden Age.

Mr. Chairman, we do need to, in a time of limited resources and high budget deficits pass a new provision telling Government employers on Government funds to get into the business of political lobbying when we have this kind of a network out there who work for senior citizens in the private sector?

I suggest that we all support the Armey amendment and support it very strongly.

Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. JEFFORDS AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. ARMEY

Mr. JEFFORDS. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. JEFFORDS as a substitute for the amendment offered by Mr. ARMEY: Page 44, after line 15, insert the following (and redesignate references and succeeding sections accordingly):

SEC. 29. LIMITATION ON USE OF APPROPRIATED FUNDS.

Section 303 of the Older Americans Act of 1965 (42 U.S.C. 3023), as amended by sections 18(d), 27(a), and 28(a), is amended by adding at the end the following:

"(g) Notwithstanding any other provision of this title, none of the funds appropriated to carry out this title may be used for the following purposes: 1) attempts to influence the outcomes of any federal, state or local election, referendum, initiative or similar procedure through in kind or cash contributions, endorsements, publicity or similar activity; 2) attempts to establish, administer, contribute to, or pay the expenses of a political party, campaign, political action committee, or other organization established for the purpose of influencing the outcomes of elections; or 3) attempts to influence the outcome of federal or state legislation through lobbying which would result in specific amounts of funds under this Act being used solely to accomplish a lobbying objective other than reviewing, monitoring, evaluating, and commenting on federal, state, and local plans, budgets, regulations, programs, laws, levies, hearings, policies and actions which affect or may affect older individuals, or other than recommending any changes in such plans, budgets, regulations, programs, laws, levies, hearings, policies, and actions.".

Mr. JEFFORDS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. JEFFORDS. I would like to offer this substitute so that everybody knows exactly where we stand and what it is we are trying to do. What it is basically is the committee report language put into the form that it can go into the statute.

□ 1345

When we discussed this in committee, it was agreed that we would put in a report what we meant when we said we wanted to restrict the lobbying activities of people working under the Older Americans Act and being funded by it.

I read that language before; I do not intend to read it again, but let us get down to the real essence of what we are arguing about. The question is to whether or not the committee will stand by the committee report language, and whether or not they will restrict the activities and ensure that the funds are used for the purposes for which the statute intended the funds to be used, or whether they can be used for other matters with respect to advocacy or lobbying efforts.

This language is identical to what the majority wrote into the committee report and it merely sets forth those particular activities which are proscribed and allowed.

I think we ought to get a vote on the precise issues which we are talking about here and find out whether or not the committee will stand by and make enforceable that language which they had in the committee report which they said was appropriate and accurate and desirable from the perspective of ensuring that the funds are utlized for the purposes intended.

PARLIAMENTARY INQUIRY

Mr. KILDEE. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. KILDEE. Mr. Chairman, the gentleman from Vermont [Mr. JEFFORDS] has offered a substitute which is an amendment, then, to the Armey amendment.

The CHAIRMAN. The gentleman is correct.

Mr. KILDEE. Then if we vote on that, then we will vote on the Armey amendment, as substituted?

Mr. JEFFORDS. That is correct. There would be two votes on that.

Mr. KILDEE. Mr. Chairman, I rise in support of the substitute offered by the gentleman from Vermont [Mr. JEFFORDS].

Mr. Chairman, I would support the substitute as being better than the Armey language.

I will grant you that the report language was not to my keenest liking at the time it was written, but was the result of a great deal of compromise back and forth. But it is less offensive, and I think less limiting than is the Armey language, but I still think it could have problems for such things as Senior Power Day, which I am very concerned about.

What I would suggest to those who support the committee bill is that we vote yes on the gentleman's substitute and then, after that, vote not on the Armey amendment, as substituted.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the gentleman from New York.

Mr. BIAGGI. Mr. Chairman, I appreciate what the chairman is designing, but let me characterize it in capsule form.

The substitute is the lesser of two evils. In the end, if the substitute is adopted, and it probably will be, then that should be defeated.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I agree that the substitute is an improvement over the original and hope that the substitute is adopted. Actually, if the gentleman from Michigan [Mr. KILDEE] were not as open and honest as he is and were more diabolical, he would want the substitute to be defeated so that the underlying amendment would be more easily defeated, but he is a more straightforward Member than some others.

In either case, though, what we have is an effort to get the elderly to be quiet while they are getting cut. We have heard from previous speakers that we do not have the resources, et cetera. We do not have the resources because this Congress decides not to have the resources. If we do not have the resources, it is because Members put the money into SDI and a war in Nicaragua and therefore, do not have it for the elderly. God did not decide that; the Members of this House, by their votes, will decide whether we have a few million more for some additions in these programs, as opposed to billions being wasted elsewhere in the budget.

It seems to me entirely legitimate for elderly people and for those who work with them to be able to say so. I think the reason there is such sensitivity about "lobbying" right now—of course, we do not want public employees to lobby. The Pentagon would never think of lobbying. Oh, heavens no, or other departments of the Government.

The reason for the sensitivity is that Members are unhappy about what they know is going to continue to happen, that there will be cutbacks, there will be programs established but not funded, and people do not want the intended beneficiaries in these programs to know that they are being deprived.

So Members who are prepared to, in general, be great friends of the elderly, but in specific, cut back on the programs that help them, do not want anyone to point out that disparity.

I hope that, while the substitute is adopted as being less of an obstacle to free and open political discussion, we do not prevent the elderly and those who work with them from being outspoken in letting people know. Members who are not embarrassed about how they are going to have to vote will not have to worry about what the elderly say about them.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, the gentleman from Massachusetts [Mr. FRANK] speaks very rapidly and sometimes it is hard to get the drift of what he has to say.

But I gathered from his comments that either he was discussing the substance of the amendment or my motive for offering the amendment, and as near as I can tell from his comments, in either case, he was wrong and continues to be so.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. KILDEE. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I am sorry that my friend, the gentleman from Texas [Mr. ARMEY], finds it hard to keep up. I will assure him that it will be available to him to read at his own pace in tomorrow's RECORD.

I will be glad to discuss it with him after he has read it.

Mr. KILDEE. Mr. Chairman, I yield to the gentleman from Iowa [Mr. TAUKE].

Mr. TAUKE. Mr. Chairman, I have to say that I was very distressed about the gentleman's comments about the Jeffords amendment. We have tried to work on this legislation in a spirit of bipartisanship and trust.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. KILDEE] has expired.

(On request of Mr. TAUKE and by unanimous consent, Mr. KILDEE was allowed to proceed for 2 additional minutes.)

Mr. TAUKE. Mr. Chairman, the language in the committee report was the result of considerable work and compromise and now, when language is being put into statute to do essentially what everybody said they were going to do in the course of the discussions about this legislation, now the gentleman wants to back away from the language.

I guess that it seems to me that that calls into question the kind of atmosphere in which we have been working all this time.

If we cannot stand behind the agreements, then I think we are in some serious trouble as we move forward with this legislation.

Mr. KILDEE. Mr. Chairman, I think the gentleman from Iowa knows that I was not extremely happy over the language in the report, but I recognized also that which all of us recognized, that we all know that report language is not as binding as language in the bill and I can understand the reason, then, why Mr. ARMEY wanted to put something in the bill.

But I was not, as you well know, not entirely happy with the language in the report and still have that unhappiness and I am sharing that with you.

Mr. BARTLETT. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, we have a rather bizarre situation. First of all, we have a bill in front of us that rather explicitly provides for and authorizes the use of Federal funds for political and lobbying activities when, on page 35 of the legislation, it authorizes the use of those funds for representing the interests of older individuals by reviewing, monitoring, evaluating and commenting on Federal, State, and local plans, budgets regulations, programs, laws and levies, hearings, policies and actions. The legislation clearly authorizes, as it is drafted, the use of Federal funds for lobbying and advocacy activities, and the legislation is silent on whether those funds can be used for partisan political activities.

Mr. ARMEY then offers a very clear amendment, as Mr. JEFFORDS is also clear in his substitute, to prohibit those funds.

The authors and sponsors of the bill itself said that they were in favor of prohibiting the use of those funds for lobbying and partisan political activities by the report that accompanied the bill.

So the bill that is before us conflicts with the committee report, so the gentleman from Vermont [Mr. JEFFORDS] simply takes the language that the committee majority had already drafted in their committee report saying what they had intended to mean in the bill and puts it into the bill. It seems to me it should be simply almost not debatable, but if there is some ambiguity, then the committee majority should be in favor of putting in the legislation what they had said they were for in the committee bill.

Advocacy and involvement are good items. Benevolent community involvement and citizens, individuals commenting on legislation and being involved in politics is a good thing.

□ 1355

It is not a good thing to use Federal funds to do it. It is something that I think this House is not in favor of, should not be in favor of; and the public should not be in favor of, so the issue becomes clear.

If the Members are in favor of advocacy and lobbying and political activities by private citizens and private organizations, then vote for the Armey amendment as substituted by the gentleman from Vermont [Mr. JEFFORDS].

If the Members are in favor of Federal funds being collected from all the taxpayers, then being used to lobby legislators and perhaps to be involved in political campaigns, then vote for the amendment; and if the Members are in favor of its committee of jurisdiction saying exactly what it means when it puts out a committee report, that then the gentleman on the floor attempts to make that committee report enforceable, then the Members should also vote for the amendment, because all the amendment does with the Jeffords substitute is, it takes the language that the sponsors of the bill had said they were for and puts it into the statute.

I urge a "yes" vote for the Jeffords substitute for the Armey amendment, the original amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont [Mr. JEFFORDS] as a substitute for the amendment offered by the gentleman from Texas [Mr. ARMEY].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. TAUKE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 352, noes 37, answered "present" 1, not voting 42, as follows:

[Roll No. 153]

AYES—352

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Archer
Armey
Atkins
AuCoin
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonker
Borski
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Bruce
Buechner
Bunning
Burton
Bustamante
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clinger
Coats
Coble
Coelho
Coleman (MO)
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Daniel
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Derrick
DeWine
Dickinson
DioGuardi
Donnelly
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dyson
Early
Eckart
Edwards (OK)
Emerson
English
Erdreich
Espy
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frenzel
Frost
Gallegly
Gallo
Gekas
Gibbons
Gilman
Gingrich
Glickman
Goodling
Gordon
Gradison
Grandy
Grant
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hawkins
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (TN)
Jontz
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lightfoot
Lott
Lowery (CA)
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Markey
Marlenee
Martin (IL)
Martin (NY)
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roe
Rogers
Rostenkowski
Roth
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Sawyer
Saxton
Schneider
Schroeder
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stangeland
Stark
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torricelli
Towns
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Walker
Watkins
Waxman
Weber
Weldon
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOES—37

Biaggi
Brown (CO)
Bryant
Clay
Coleman (TX)
Collins
Coyne
Dellums
Dingell
Dixon
Dwyer
Dymally
Evans
Flake
Garcia
Gaydos
Gejdenson
Gray (IL)
Gray (PA)
Hatcher
Hayes (IL)
Kanjorski
Kolter
Leland
Lowry (WA)
Manton
Martinez
Oakar
Price (IL)
Rodino
Savage
Scheuer
Schumer
Stokes
Torres
Traficant
Wheat

ANSWERED "PRESENT"—1

Gonzalez

NOT VOTING—42

Annunzio
Aspin
Badham
Bevill
Boner (TN)
Bonior (MI)
Bosco
Brown (CA)
Byron
Craig
Crane
Crockett
Dicks
Dorgan (ND)
Edwards (CA)
Ford (TN)
Gephardt
Jones (NC)
Kemp
Lehman (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Lujan
McCandless
McEwen
Miller (CA)
Mollohan
Mrazek
Owens (NY)
Ray
Roemer
Rose
Roukema
Saiki
Schaefer
Smith, Denny (OR)
Stallings
Stenholm
Vucanovich
Weiss

☐ 1410

Mr. DYMALLY, Mrs. COLLINS, Ms. OAKAR, and Mr. RODINO changed their votes from "aye" to "no."

Messrs. VOLKMER, SKAGGS, and DONALD E. LUKENS changed their votes from "no" to "aye."

So the amendment offered as a substitute for the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. ARMEY], as amended.

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. SMITH of Iowa. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment, as amended, was agreed to.

The CHAIRMAN. Are there further amendments to the bill?

AMENDMENT OFFERED BY MR. ROYBAL

Mr. ROYBAL. Mr. Chairman, I offer an amendment, and I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California.

There was no objection.

The text of the amendment is as follows:

Amendment offered by Mr. ROYBAL: Page 50, after line 17, insert the following (and redesignate references and succeeding sections accordingly):

SEC. 32. HOME CARE ASSISTANCE PILOT PROJECTS.

(a) AUTHORITY FOR PILOT PROJECTS.—Part B of title IV, as amended by sections 30 and 31, is amended by adding at the end the following:

"HOME CARE ASSISTANCE PILOT PROJECTS

"SEC. 429. (a) The Commissioner shall conduct, directly or through contracts, pilot projects in not fewer than 6 States representing both urban and rural populations, to determine the most effective methods to assist older individuals who are consumers of home care. Such methods shall—

"(1) include consumer education relating to home care, receipt and resolution of consumer complaints regarding access to and the quality of home care, and pursuit of appropriate remedies to vindicate the rights of consumers relating to home care;

"(2) implement approaches that address the unique needs of older individuals who require different types of home care and who have different capacities to obtain home care and to vindicate their rights relating to home care;

"(3) use alternative means to assist older individuals who receive home care and older individuals who wish to receive home care, including—

"(A) State and area ombudsmen;

"(B) legal assistance agencies;

"(C) community agencies that serve older individuals; and

"(D) such other entities as the Commissioner may specify; and

"(4) be designed to solve problems of older individuals with respect to receiving home care, including—

"(A) obtaining access to adequate home care, including the availability of telephone hotlines;

"(B) maintaining confidentiality with respect to information relating to older individuals who receive or request home care;

"(C) enforcing rights of older individuals with respect to receiving home care;

"(D) the avoidance of conflicts of interest by persons who provide to older individuals assistance of the types described in paragraph (1);

"(E) maximizing coordination among entities that assist older individuals to obtain home care, entities that license or certify providers of home care, legal assistance agencies, and law enforcement agencies;

"(F) the need for individuals to be immune to liability for the good faith performance of activities that assist older individuals with respect to receiving home care;

"(G) preventing reprisals and retaliation by providers of home care against older individuals, and against individuals who assist older individuals, with respect to receiving home care; and

"(H) such other problems as the Commissioner may specify.

"(b) The Commissioner shall conduct a study to determine the desirability and feasibility of providing assistance of the types described in subsection (a)(1) to older individuals with respect to obtaining medical and supportive services provided in hospitals, offices of physicians, long-term care facilities, and other facilities.

"(c) Not later that December 31, 1990, the Commissioner shall submit to the Speaker of the House of Representatives and the President pro tempore of the Senate a report containing—

"(1) a description of the pilot projects conducted under subsection (a);

"(2) the findings of the Commissioner with respect to the effectiveness of each of such projects;

"(3) the results of the study conducted under subsection (b); and

"(4) the recommendations of the Commissioner with respect to the desirability and feasibility of—

"(A) implementing on a nationwide basis a home care consumer assistance program of the type described in subsection (a)(1); and

"(B) including in such program similar assistance to older individuals with respect to obtaining medical and supportive services provided in hospitals, offices of physicians, long-term care facilities, and other facilities.

"(d) For purposes of this section, the term 'home care' means—

"(1) homemaker and home health aides;

"(2) visiting and telephone reassurance;

"(3) chore maintenance;

"(4) in-home respite care for families, including adult day care;

"(5) companion services; or

"(6) home health services.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 431(a) of the Older Americans Act of 1965 (42 U.S.C. 3037(a)) is amended—

(1) by inserting "(1)" after "(a)",

(2) by inserting "(other than section 429)" after "this title", and

(3) by adding at the end the following:

"(2) For each of the fiscal years 1989 and 1990, there is authorized to be appropriated $2,000,000 to carry out section 429.".

Page 19, line 2, strike "and 428" and insert ", 428, and 429".

Page 33, line 2, strike "and 428" and insert ", 428, and 429".

Page 42, line 15, strike "and 428" and insert ", 428, and 429".

Mr. ROYBAL. Mr. Chairman, I offer this amendment on behalf again of my distinguished colleagues, the gentleman from Florida [Mr. PEPPER], the gentleman from New York [Mr. BIAGGI], the gentleman from Washington [Mr. BONKER], and myself.

This amendment, Mr. Chairman, is supported by all the major senior citizen organizations in the United States. Our amendment authorizes pilot projects to test different ways and to assist and protect older home care consumers. Hearings before the Select Committee on Aging, which I chair, have highlighted the growing need for home care and a growing concern over problems of access, abuse, and infringement of the basic rights of home care consumers.

Most troubling of all is the fact that the home consumers, like nursing home residents, have nowhere to turn for help when such problems arise.

In offering this amendment, I am concerned that there may be some confusion on the part of many of my colleagues over what this amendment does and does not do. I would like to clarify that, Mr. Chairman. There are many rumors circulating around that this amemdment does a lot of things that it does not do.

First of all, it does not expand the current ombudsman program. It simply tests a number of vehicles for providing the same type of assistance to home care consumers.

Second, it is not a home care quality amendment, as some people are saying. The pilots do not focus on the quality of home care.

I fully agree that this is primarily a Medicare and Medicaid responsibility. The focus of the pilots is not on quality; but like the current ombudsman program on protecting and assisting consumers with problems they face where they are linked to problems of abuse, access, quality or other consumer rights issues.

Third, I would like to make clear it is not a medical care issue anymore than the current ombudsman program is today. The pilot projects focus on the right of home care consumers regardless of who pays the bill. In fact, the majority of problems home care consumers face are not related to home health care services, but to problems of unreliable supportive services in the home.

Finally, it does not tread on the jurisdiction of Medicare nor Medicaid.

□ 1425

The role of the act here, as with the Nursing Home Ombudsman Program, is to protect consumers and the system with problems of access.

Our amendment has the full support of the gentleman from California [Mr. WAXMAN], who is both a member of the Committee on Aging and the chairman of the Subcommittee on Health and the Environment of the Committee on Energy and Commerce, which has jurisdiction over Medicaid and shares jurisdictional responsibility for Medicare.

With all due respect, Mr. Chairman, I find it troubling to think that we can support $25 million for a new section authorizing home care services but may not take the necessary steps to help ensure consumer protection in receiving these and other home care services.

I firmly believe that this amendment takes an important small step in protecting the interests and well-being of home-care consumers, a uniquely vulnerable group of older persons living throughout the United States.

This may be something that is added, but it is something that is very much needed, for these people as consumers must be protected. This is only a pilot project that will be started to determine its practicability. I think that it will prove to be practical. I think that it will also prove to pay for itself in the long run, and that it is something that we must definitely make available to the senior citizen community of the United States in this instance.

Mr. TAUKE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, like a lot of proposals to be attached to the Older Americans Act, this is a well-intentioned idea. The only problem is once again that it broadens the focus of the Older Americans Act and asks the people who are working in the area agencies on aging and the State commissions on aging to take on tasks for which they have no particular skill or recurrent responsibility.

The amendment suggests that the Older Americans Act should get into the business of monitoring inhome health care and studying medical services provided in hospitals. We do not have under the Older Americans Act right now any involvement with inhospital services or with home health services. But now we are going to get the Older Americans Act mixed up into this, too.

As I said in my opening remarks in the debate on this legislation, there is a need to limit the focus of this act. There are a lot of problems in the world which we would like to solve, but we cannot have every one of them solved as part of this legislation. Every time you add something, that means that you diminish the focus for something else. In this case we are adding an ombudsman program to monitor inhome health care without any testimony on the issue before the subcommittee, without any look at what the States are already doing in this business, and without any suggestion that I am aware of that there is indeed a serious problem in this area.

I would be happy after we have an opportunity to look at this issue to support reasonable legislation if necessary to correct whatever problems exist. If there is a problem, like we discovered several years ago in nursing homes, I would be one of the first here on the floor saying that we ought to do something, and maybe it even ought to be part of the Older Americans Act, but right now we do not have that kind of evidence.

Mr. Chairman, I urge my colleagues to resist what sounds like a good idea, but which in effect is one that has not been carefully thought out, and I urge, therefore, a "no" vote on the amendment.

AMENDMENT OFFERED BY MR. RICHARDSON TO THE AMENDMENT OFFERED BY MR. ROYBAL

Mr. RICHARDSON. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. RICHARDSON to the amendment offered by Mr. ROYBAL: Page 3, line 22, after "shall submit to the", and before the words "and the President pro tempore of the Senate," strike the words "Speaker of the House of Representatives," and insert the following:

"Committee on Education and Labor, the Committee on Energy and Commerce, and the Committee on Ways and Means.

Mr. RICHARDSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. RICHARDSON. Mr. Chairman, as a member of the Committees on Education and Labor, Energy and Commerce, and Aging I rise to offer an amendment to the one offered by my distinguished colleague from California that acknowledges: First, the appropriate role of the Older Americans Act in representing the interests of older Americans who are consumers of home care as well as nursing home and board and care services; and second, the appropriate role of Medicare and Medicaid in monitoring the quality of home health and nursing home care these consumers receive.

My amendment simply requires that the Commissioner submit the report on the findings of the pilot projects to the Committees on Education and Labor, Energy and Commerce, and Ways and Means rather than to the Speaker. The amendment applies to page 3, line 22 of Mr. ROYBAL's amendment.

Mr. ROYBAL. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from California.

Mr. ROYBAL. I thank the gentleman for yielding.

Mr. Chairman, this amendment does in fact correct the proposed amendment and legislation in general, and I rise in support of the amendment to my amendment offered by the gentleman from New Mexico.

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Michigan.

Mr. KILDEE. I thank the gentleman for yielding.

Mr. Chairman, I have looked over the amendment and the amendment to the amendment, and I support both.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Iowa.

Mr. TAUKE. I thank the gentleman for yielding.

Mr. Chairman, I hate to rain on the gentleman's parade, but I have to tell him that it seems to me that there are several problems with this amendment.

First, it brings two new committees into the business of overseeing the Older Americans Act. Before this business has been exclusively within the jurisdiction of the Committee on Education and Labor. Now we put it within the jurisdiction of not only Education and Labor but also Ways and Means and Energy and Commerce. I am not sure if the gentleman intends to do that, but he does.

Mr. RICHARDSON. Mr. Chairman, the amendment does not give jurisdiction. It simply provides the reports; it does not alter the jurisdiction.

Mr. TAUKE. My understanding, if the gentleman will yield further, is that when we specifically mention these committees that we give them oversight over this particular aspect of the act, and I do not think that we want to do that.

Second, I am not sure why the gentleman does not want the report to go to the Speaker of the House, so that it could be referred, for example, to the Committee on Aging, which the gentleman from California heads. Why is the gentleman trying to keep the Committee on Aging out of the act, looking at this? I am not sure why the gentleman wants to take it away from the Speaker and give it to the committees, but perhaps the gentleman wishes to explain.

Mr. RICHARDSON. Well, simply because it is the Committee on Energy and Commerce, on which the gentleman and I both serve, the Committee on Education and Labor, and the Committee on Ways and Means that I think should be the recipients of the report. That is all that this amendment does.

Mr. TAUKE. Mr. Chairman, will the gentleman yield further?

Mr. RICHARDSON. I yield to the gentleman from Iowa.

Mr. TAUKE. Why does the gentleman not think that the Speaker would give us a copy of the report?

Mr. RICHARDSON. I think that this is an amendment that respects the jurisdictions of the appropriate committees in the House.

Mr. TAUKE. But the gentleman did not think that the Select Committee on Aging should get a copy.

Mr. RICHARDSON. If the gentleman feels that he would like to amend it that way—

Mr. TAUKE. If it does not bother the chairman of the Select Committee on Aging, far be it from me to get upset about it.

Mr. RICHARDSON. The chairman of the Select Committee on Aging supports the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico [Mr. RICHARDSON] to the amendment offered by the gentleman from California [Mr. ROYBAL].

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. ROYBAL].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ROYBAL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 274, noes 115, not voting 43, as follows:

[Roll No. 154]

AYES—274

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Biaggi
Bilbray
Bilirakis
Boehlert
Boggs
Boland
Bonker
Borski
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Coyne
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dingell
DioGuardi
Dixon
Donnelly
Dowdy

Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Gonzalez
Goodling
Gordon
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jeffords
Jenkins
Johnson (SD)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (UT)
Panetta
Pashayan
Pease
Pepper
Perkins
Petri
Pickett
Pickle
Price (IL)
Price (NC)
Quillen
Rahall
Rangel
Ravenel
Richardson
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rostenkowski
Roth
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Shaw
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Yates
Yatron

NOES—115

Archer
Armey
Baker
Ballenger
Bartlett
Barton
Bateman
Bliley
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Callahan
Chandler
Cheney
Clinger
Coats
Coble
Combest
Courter
Daniel
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
Dornan (CA)
Dreier
Edwards (OK)
Fawell
Fields
Frenzel
Gallegly
Gallo
Gekas
Gingrich
Glickman
Gradison
Grandy
Gregg
Gunderson
Hansen
Hastert
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hunter
Hyde
Inhofe
Ireland
Jacobs
Johnson (CT)
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Lewis (CA)
Lightfoot
Lott
Lowery (CA)
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
McMillan (NC)
Meyers
Michel
Moorhead
Myers
Nielson
Olin
Oxley
Packard
Parris
Patterson
Penny
Porter
Pursell
Regula
Rhodes
Ridge
Roberts
Sensenbrenner
Shumway
Shuster
Slattery
Slaughter (VA)
Smith (TX)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stangeland
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Walker
Weber
Whittaker
Wylie
Young (AK)
Young (FL)

NOT VOTING—43

Annunzio
Aspin
Badham
Bevill
Boner (TN)
Bonior (MI)
Bosco
Byron
Craig
Crane
Crockett
Dicks
Dorgan (ND)
Edwards (CA)
Gephardt
Jones (NC)
Kemp
Lehman (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Lujan
McCandless
McEwen
Mica
Miller (CA)
Mollohan
Mrazek
Nagle
Owens (NY)
Ray
Roemer
Rose
Roukema
Saiki
Schaefer
Smith, Denny (OR)
Stallings
Stenholm
Vander Jagt
Vucanovich
Weiss

□ 1450

The Clerk announced the following pairs:

On this vote:

Mr. Bevill for, with Mr. Craig against.

Mrs. Byron for, with Mr. Lewis of Florida against.

Mr. SHAW changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. GUNDERSON. Mr. Chairman, I find it very appropriate and symbolic that the House of Representatives adopt as one of it last pieces of legislation during this "Older Americans Month," the bill, H.R. 1451, renewing and improving our Older Americans Act programs through 1991. I would like to commend the work of the distinguished chairman, Mr. KILDEE, and vice chairman, Mr. TAUKE, of the Human Resources Subcommittee for moving expeditiously in bringing this important legislation to the floor.

The Older Americans Act of 1965 is an excellent document which does much to improve the quality of life for millions of older individuals across our country. Unquestionably, programs funded through the Older Americans Act are helping older Americans to live out their lives with the fullest degree of dignity and independence.

Representing western Wisconsin, the 86th largest congressional district in terms of population of those individuals over the age of 65—13.1 percent of the district population—the extension and revision of the Older Americans Act is vitally important.

During this, the 12th reauthorization of the Older Americans Act, it is important to note a couple of the improvements to the act in an effort to respond to our growing population of older Americans over the next 4 years. Such initiatives include, but are not limited to, the use of volunteers in areas such as child care, adult day care, and respite services; clarifying that title V educational services includes "literacy tutoring" in an effort to utilize the skills and talents of our older Americans in addressing America's illiteracy problem; and adult day care centers will be eligible for U.S. Department of Agriculture [USDA] reimbursement for meals through the National School Lunch-Child Care Program.

Another new service provision responds to our increasing concern for those suffering from Alzheimer's disease and other dementias. Title III, part D, authorizes funds through States to area agencies on aging [AAA's] for the purpose of responding to the in-home service needs of dementia patients.

Because I serve a district that is 70 percent rural, it is encouraging that States are required to provide information to the Administration on Aging [AOA] that delineates between services in rural and nonrural areas. Currently, there is a lack of information regarding financial and service needs of our older rural individuals as well as their urban counterparts. This new State plan provision in H.R. 1451 will assist in providing the necessary data regarding rural/urban differentials so that in the future, we can properly respond to those older Americans most in need. I commend the gentlewoman from Maine [Ms. SNOWE] for her foresight and leadership in initially bringing this rural/urban differential issue to our attention.

These improvements represent a small sample of the increasing importance of the Older Americans Act programs in responding to the needs of older individuals and to our society as a whole.

I wholeheartedly support the passage of H.R. 1451, the Older Americans Act Amendments of 1987. Revisions to our Older Americans Act, as outlined in this legislation, respond positively to the steadily increasing need for social services to our growing older American population. This legislation maintains and creates new opportunities for older Americans to continue to work or volunteer and contribute their unique skills and talents to their community if that is their choice. It also makes sure that those in need of special assistance are able to receive it. Let us continue our commitment of providing quality services and preserving the dignity, independence, and greater opportunities for our older Americans by adopting H.R. 1451, the Older Americans Act Amendments of 1987.

Mr. SCHUETTE. Mr. Chairman, I wish to offer my strongest support for the reauthorization of the Older Americans Act. This act has provided essential and much-needed services to our Nation's elderly. The bill before us today will ensure that these services continue over the next 4 years.

Since 1965, programs authorized under the act have provided vital services to the elderly. These programs, such as home-delivered meals—meals on wheels—congregate nutrition services, adult day-care centers, respite care, legal services, transportation services, and other essential assistance are absolutely vital to preserving independence and a higher quality of life for our seniors.

In addition, this reauthorization provides for new initiatives in the area of in-home services to the frail elderly, including victims of Alzheimer's disease. These services represent a significant step forward in enabling many frail seniors to remain in their homes rather than being institutionalized.

Although this act has been very successful in providing services to our Nation's elderly, many who are eligible for these services do not take advantage of them. In many cases, people are simply not aware that these kinds of services are available. In my own State of Michigan 20 percent of our entire senior population is serviced by these programs. Many more members of our aging population need to be reached by the essential programs under the Older Americans Act. I am pleased that this bill included funds for a one-time outreach program designed to ensure that more low-income elderly have an opportunity to receive the services for which they are eligible.

Another important aspect of the bill before us today is the clarification that Indians are eligible for services. This provision corrects an unintended effect of existing law which can result in making older Indians ineligible for certain services. The provision to assist tribal organizations and area agencies in an effort to broaden the scope of their cooperation in developing more comprehensive service delivery is another important aspect of this bill.

The reauthorization of the Native American Programs Act of 1974 has also been included in this bill and I strongly support these provisions. The objective of the Native American Programs Act is to promote economic and social self-sufficiency for native American Indians, Hawaiians, and Alaskans. Assistance will be offered in the form of grants to support locally developed projects, training, and technical assistance, and financial assistance to support research, demonstration, and evaluation activities. In my district in mid-Michigan, many of our Indians benefit from the services offered under this act.

Mr. Chairman, I urge my colleagues to support this very successful and vital legislation. Our commitment to our Nation's seniors must be unwavering and passage of this legislation represents this strong and continued commitment.

Mr. DREIER of California. Mr. Chairman, I rise in support of H.R. 1451, the Older Americans Act Amendments of 1987. In its 11-year history, this act has gone far in improving the lives of our older Americans by organizing and delivering necessary nutrition and social services. In addition to reauthorizing the popular Older Americans Act, H.R. 1451 makes several important changes and expansions that will further strengthen our Nation's commitment to senior citizens.

I am especially pleased to see the committee's sensitivity to the unique problems experienced by in-home frail elderly who do not need expensive, institutional health care, but merely assistance in daily activities such as bathing, cooking, and shopping, that would allow them to remain at home. Because Medicare does not cover these general household services, many elderly cannot remain at home and instead must opt for the more expensive and comprehensive care of a nursing home. As the payer of the last resort, this obviously is not in the best interest of the Federal Government. In this time where great financial discipline is required, it is my hope that the State agency on aging carefully target these funds to those older Americans who have the greater economic needs.

H.R. 1451 also authorizes a one-time outreach effort to educate low-income elderly on the various means-tested programs available to them, including the Supplemental Security Income, Medicaid, and Food Stamps Programs. The area agencies on aging certainly seem to be an appropriate location for the elderly to receive information on these Federal programs. By coordinating with the responsible Federal agency for both material and training, the cost of this effort should be minimal.

In addition, I support the committee's encouragement to provide opportunities for participants of title V—the Community Service Employment Program—to assist in the delivery of day care services for children and adults and respite care for families. There is certainly no question about the seriousness of the need for day care. With 54.4 percent of all mothers of children under the age of 6 now in the work force, access to day care is imperative. Lack of child-care options, especially for those in the low-income category who seek to escape the cycle of poverty and welfare dependency, often keeps women from finding gainful employment. Coordination between title V and community day care and respite care would be a good use of our resources and would be beneficial to both caregivers and recipients.

Mr. Chairman, while I support the goals of H.R. 1451, I am disappointed in the authorization levels set by the committee. A 5-percent increase in each authorization for each of the 5 years that the bill is being reauthorized is certainly above most other bills being considered in Congress. In addition, I believe it is unrealistic to think that the actual appropriations levels will come anywhere close to the levels being authorized in H.R. 1451. It is because of this that I support Congressman TAUKE'S amendment to reduce the authorization levels to a more realistic, responsible level.

In addition, I am disappointed that the committee did not include a demonstration program in the bill to test the use of cost sharing. We have long debated whether fees should be charged for various OAA programs on an ability-to-pay basis. Cost sharing would not exclude any of the OAA programs from higher income older Americans, but rather help us to target limited Federal resources to those most in need, and I am hopeful that we will consider this proposal in the future.

Finally, Mr. Chairman, I want to commend the members of the Committee on Education and Labor for their commitment to our older Americans and to the goals of the Older Americans Act.

Mr. SMITH of New Jersey. Mr. Chairman, I want to express my strong support for H.R. 1451, the Older Americans Act Amendments of 1987.

Since its establishment in 1965, the Older Americans Act has helped provide critical assistance needed by America's elderly citizens. Now, more than ever, as we find our elderly population growing faster than any other sector of our society, the programs provided for by this landmark legislation take on even greater meaning and significance.

Mr. Chairman, H.R. 1451 will reauthorize the existing programs for 4 more years and authorize increases to cover inflation. Beyond the status quo, however, H.R. 1451 breaks new ground by providing for, among other things, a new program for in-home services to the frail elderly and a 1-year effort to locate poverty-stricken elderly and register them for important assistance programs available to them.

Once again, I wish to express in no uncertain terms my strong support for the reauthorization of the Older Americans Act, and I urge my colleagues to join me in approving this extremely important measure.

Mr. GAYDOS. Mr. Chairman, I rise in strong support of H.R. 1451, a bill to amend the Older Americans Act of 1965 and to authorize appropriations for the next 4 years.

Passage of this bill is vitally necessary to ensure that millions of older Americans continue to receive a wide range of services, such as medical and legal assistance, low-cost meals, and funding for multipurpose senior centers. These services are crucial for those seniors living on fixed incomes.

In my district, over 23,000 Allegheny County seniors receive meals either in their homes or delivered to them. These people in my district and millions of others across the country depend on federally funded, nutritional hot meals to keep them going.

Also in Allegheny County, about 22,000 seniors get subsidized rides to shopping centers, to their doctors, and to senior centers, and almost 9,000 Allegheny seniors receive in-home homemaker and professional health-care services.

Many seniors also benefit a great deal from the centers funded by this act. These centers provide education, exercise, entertainment, and recreation for their members. They are also clubs where people can get together and socialize in a relaxing atmosphere.

H.R. 1451 also authorizes funding for both training, research, and demonstration programs for seniors as well as for community service jobs for low-income seniors who can still work. The original Older Americans Act of 1965 set a precedent for programs to assist our older population, and we need to maintain that tradition.

Mr. Chairman, in this historic year of the bicentennial of the U.S. Constitution it is very appropriate that we pass a bill to benefit our living history—America's senior citizens.

They are the men and women who have spent their lives building our Nation as we now know it. They are the veterans of World War II, the people who are retired from working in American factories, the people who have create our past, and the parents and grandparents of the men and women who will shape the future of the United States.

It is only fitting that Congress should continue funding programs which help feed, care for, and entertain our seniors. Considering all of the nurture and benefit we have received from them, this bill is an appropriate way to express our gratitude.

Mr. Chairman, I commend Chairman HAWKINS, all of the members of the Education and Labor Committee, and particularly the chairman of the Subcommittee on Human Resources, Mr. KILDEE, for their timely consideration of this vital bill.

The nearly 100 Members from both sides of the aisle who have cosponsored the bill are testimony to its importance and its necessity. I urge all of my colleagues to join me in wholeheartedly supporting this bill.

Mr. LELAND. Mr. Chairman, I would like to commend the Education and Labor Committee for crafting this comprehensive legislation incorporating significant improvements in the series of Older American Act programs providing social and nutritional services to the elderly.

The expansion of many programs authorized in this bill will meet the needs of the growing numbers of older adults in our Nation and to address the continued problems of poverty, hunger, and isolation within this population. While recent census data reveals that the overall elderly poverty rate has declined significantly, 1 in 8, or 3.3 million elderly still live in poverty. Despite the expansion of our Social Security System, the elderly in poverty struggle each day to meet their high food, shelter, and medical expenses.

Testimony and research presented to the Select Committee on Hunger, which I have the privilege of chairing, have provided documentation of a serious hunger problem among the elderly in our Nation. Dr. David Lipschitz, a gerontologist from Little Rock, AR, testified that many of his rural poor elderly patients are hospitalized as a result of protein calorie malnutrition similar to third world hunger conditions. He cited the sad but illustrative case of one gentleman, a distinguished World War I veteran, 84 years of age, who was admitted to this Veterans' Administration hospital because he had been chronically undernourished. Before being admitted to the hospital, this man barely survived on a diet composed only of cereal and one meal of meat per week.

A recent national survey of nutritional risk among the elderly corroborates the findings from the committee hearings. The Food Research and Action Center, in a survey of 3,602 older adults, found 5.4 percent of those surveyed reported they were without food for more than 3 days in a row in the last month. While many elderly go hungry for days at a time, the waiting lists for elderly nutrition programs continue to grow and a large number of the eligible elderly go without food, income support, or health insurance benefits. For example, the food stamp participation rate is very low among households headed by the elderly poor. Sixty-nine percent of the elderly poor in families do not receive food stamps and nearly 3 out of 4—73 percent—of unrelated elderly poor do not receive these benefits.

H.R. 1451 takes important steps to address the problems of poverty and hunger among older adults by increasing the authorization levels for the Older Americans Act programs and by authorizing several new initiatives.

One important new program is the expansion of the Child Care Food Program to adult day care centers. These agencies, which are increasing in number across the Nation, provide much needed comprehensive daytime services to persons 60 years or older and those who are chronically disabled, including victims of Alzheimer's disease or other brain disorders. The centers would be eligible for reimbursement for two meals and a snack daily as currently authorized for child care and family day care centers. The legislation specifically ensures that funds provided to adult day care centers not be taken from funds now going to meals for preschool children. This section reflects a growing awareness that children and the elderly have a common need for special nutrition assistance and a common vulnerability to hunger.

The legislation takes a significant step toward improving particiption among the elderly in the Food Stamp, Supplemental Security Income, and Medicare Programs. It authorizes $25 million for grants to State and area agencies on aging to conduct outreach activities informing older adults of the eligibility requirements of these programs and assisting them in applying for benefits. Additionally the bill requires these agencies to document outreach efforts for the title III programs to older individuals with the greatest economic or social needs, and requires targeting to low-income minority individuals.

The bill includes report language on title V Community Service Employment Programs which I worked with the Education and Labor Committee to secure. The language encourages these programs to provide participants work opportunities in child and adult day care and respite care centers. Uniting the elderly and children in child care centers has immense potential for improving the intergenerational attitudes in our society as well as improving the quality of care provided. The increased support for adult day care and respite care centers will ensure the availability of services and in turn will prevent unnecessary institutionalization.

I urge my colleagues to vote in support of H.R. 1451 and to work toward assuring appropriations to provide for the authorization levels of the programs mentioned above.

Mr. CLINGER. Mr. Chairman, I rise in strong support of H.R. 1451, the bill reauthorizing the Older Americans Act.

These programs have been very successful in improving the quality of life for senior citizens in my congressional district in the areas of income, health, employment, and community services. In particular, the Senior Community Service Employment Program under title V of the bill is probably the single most effective employment program ever enacted and for many older Americans, it has meant much more than a means to earn badly needed income to cope with rising prices. It has provided opportunities to engage in purposeful and gainful activity, and offers a way to move on to employment in the private sector.

The home-delivered meals, nutrition programs, and senior centers made possible by the Older Americans Act have filled not only a physical need for food and shelter but an important need for companionship and friendship which is often difficult for seniors to find, especially in rural districts like mine.

Mr. Chairman, a vote in favor of the Older Americans Act is simply the best we can say to our senior citizens that we believe they are valuable citizens and can still make significant contributions to society.

Mr. MICA. Mr. Chairman, I want to take this opportunity to support the Older Americans Act amendments. These programs provide grants to State and area agencies to provide a wide range of services to the elderly, including Meals-on-Wheels, in-home services and legal services, and congregate meals. It also provides for multipurpose senior centers.

There are sections to authorize a community service jobs program to provide part-time jobs for unemployed low-income people 55 years old and older, training, research, and other grants.

It also requires the States that receive Older Americans Act funds to maintain an elder abuse prevention and protection program. These programs would include public education and outreach activities, receipt of reports on abuse, neglect, and exploitation of older people.

I want to join my colleagues in support of the amendment to clarify this act to include the mental health needs of the elderly by specifying that references to health in the act include mental health, and that State and area plans must address the needs of the mentally impaired elderly.

I am pleased to see that new programs to provide services at home for the frail elderly have been added. The special needs of the elderly and an outreach program to inform older individuals of the availability of benefits under Federal programs have been addressed under this bill.

In conclusion, I am proud to support continuation of the Older Americans Act programs by joining my colleagues in passing this legislation.

Mr. YOUNG of Florida. Mr. Chairman, I rise in strong support of H.R. 1451, legislation which reauthorizes for 4 more years the very valuable programs made available to our Nation's senior citizens under the Older Americans Act.

Congress enacted the Older Americans Act in 1965 to provide a wide array of programs to meet the special needs of our growing aging population. Throughout the past 22 years, this legislation is responsible for helping millions of older Americans help themselves.

Many of these services are carried out by local area agencies on aging, such as the agency sponsored by the Tampa Bay Regional Planning Council which serves the residents of Pinellas and Pasco Counties, FL. They have developed very successful programs providing employment assistance, nutrition services, legal services, in-home delivery services, social services, transportation services, outreach activities, and multipurpose senior centers.

It is most appropriate that we consider this legislation today in the midst of Older Americans month when we recognize the important contributions older Americans have made to our Nation throughout their lifetimes and continue to make in their later years. Through the Senior Community Service Employment, one very important program reauthorized in this legislation, older Americans are provided with an opportunity to return to the work force and proudly contribute to our communities. There is no part of our Nation which better demonstrates the need for this program than Pinellas County, where these employees assist our community through their work in schools, hospitals, libraries, senior centers, and police and fire stations.

While this legislation will continue without interrupting many important programs, it also provides assistance in several critical new areas. H.R. 1451 expands the range of nonmedical services available to frail individuals, including those suffering from Alzheimer's disease. These in-home services are intended to be preventive measures that will enable individuals with functional difficulties to continue to live at home rather than be institutionalized. These services will assist with daily activities such as cooking, cleaning, shopping, and managing money.

This legislation also authorizes a new outreach program to ensure that low-income or needy older Americans are aware of and are receiving all the financial, medical, and nutritional benefits to which they are entitled. In all too many cases, older individuals may overlook some programs or may not apply for benefits because of confusion with the paperwork involved.

In Pinellas County, we are fortunate to have a large number of volunteers who carry out many programs and services included in the Older Americans Act. We are also fortunate to have the Neighborly Senior Services available to coordinate the activities of these volunteers.

Neighborly Senior Services celebrated its 20th anniversary last year by recognizing the thousands of people who have contributed their time and money over the years to provide for the needs of our older residents. This group's staff and volunteers should be an example for other agencies around our country of the value of the programs authorized by the Older Americans Act.

For example, Neighborly Senior Services volunteers each month deliver more than 37,000 meals to 3,000 homebound elderly, serve 46,000 meals to another 3,100 elderly at neighborly dining sites, give more than 33,000 transportation trips to a variety of locations, provide rehabilitative services for 350 elderly at 6 day care centers, help more than 1,000 homebound elderly care for themselves so they can continue to live at home, and offer respite care for the family and friends of individuals caring for patients suffering from Alzheimer's disease.

Groups such as the Tampa Bay Area Agency on Aging and Neighborly Senior Services have demonstrated the need to continue these Older Americans Act programs and the willingness of thousands of volunteers in Pinellas County to contribute to their success. As a member of the Health and Human Services Appropriations Subcommittee, I can assure you that I will do all I can to see that these valuable programs are funded so that these groups can continue their important work.

Mr. Chairman, I urge my colleagues to give their full support to this legislation to reauthorize the Older Americans Act.

Mr. FAZIO. Mr. Chairman, as a cosponsor of H.R. 1451, the Older Americans Act Amendments of 1987, I strongly urge the support of my colleagues for this important measure.

The Older Americans Act and the programs which comprise it have been instrumental in allowing a number of older Americans the opportunity to maintain their independence through the services it provides. Although many seniors may receive services under a multiplicity of other Federal programs, the Older Americans Act is the major vehicle for the organization and delivery of social services to seniors and is a proven success in meeting many of their needs.

H.R. 1451 reauthorizes all of the current Older Americans Act programs, including supportive services; congregate and home-delivered meals; the Community Service Employment Program; training, research, and demonstration grants; and Indian Elderly Programs. In general, the measure increases the authorization for these programs by 5 percent each year through fiscal year 1991. In addition, the measure authorizes several new programs.

Under one such new program, States would be eligible for grants for nonmedical in-home services for frail seniors to assist them with such daily activities as bathing or shopping. The availability of this program will enable many older individuals with functional disabilities the opportunity to remain in their homes instead of being institutionalized.

Another important program included in H.R. 1451 would make certain adult day care centers eligible for USDA meal assistance. The approximately 1,300 adult day care centers nationwide generally provide services which allows certain senior citizens the opportunity to remain in their communities. Over two-thirds of the participants are women whose incomes average $458 per month, which is well below the poverty line. The expansion of the program to disabled adults utilizing adult day care centers should help to provide them with more nutritious meals.

Another important program included in H.R. 1451 is the Community Service Jobs Program that provides part-time jobs for unemployed low-income persons 55 years and over. This program has been especially important to a number of seniors in my congressional district. The California unit of Green Thumb, Inc., which administers this program in a number of rural northern and central California communities, including some in my district, has been instrumental in reaching and meeting the needs of rural seniors. Many Green Thumb workers find that they no longer have to rely on public assistance as a result of the modest supplement to their income provided by Green Thumb wages.

With the population over age 65 steadily increasing, the demand for social services for senior Americans is expected to grow. Approval of H.R. 1451 will allow us to continue to provide assistance to seniors who otherwise might be isolated and removed from vital social services. Approval will demonstrate the Federal commitment to these important citizens as well as provide them the opportunity to preserve their independence.

Mr. HASTERT. Mr. Chairman, today I rise in support of the reauthorization of the Older Americans Act, a bill that provides for a wide array of services for the elderly throughout our Nation. These services range from transportation, information and referral and legal assistance, to in-home help with everyday tasks.

While a member of the Illinois General Assembly, I had the opportunity to assist in obtaining a demonstration grant project, through the auspices of the Older Americans Act, established at St. Mary's Hospital in Streator, IL. This hospital-based program serves 200 patients in a large rural area, including many from the surrounding five counties.

New Medicare regulations have resulted in many elderly hospital patients returning to their homes earlier and the services provided by St. Mary's Hospital are designed to meet the needs of those who still have pressing medical needs. These services—whether they be skilled nursing care, light-chore housekeeping, or some form of therapy—are provided at a fraction of the cost of the same care provided in a hospital. Not only is this a cost-containment measure, but it has been proven that in many cases, patients are happier and more comfortable in the home-setting.

I would urge my colleagues to support the Older Americans Act that makes it possible for so many individuals to remain a vital part of their communities, through the removal of barriers that impede economic and personal independence for the elderly.

Mr. SMITH of New Jersey. Mr. Chairman, I want to express my strong support for H.R. 1451, the Older Americans Act Amendments of 1987, of which I am a cosponsor.

Since its establishment in 1965, the Older Americans Act has helped provide critical assistance needed by America's elderly citizens. Now, more than ever, as we find our elderly population growing faster than any other sector of our society, the programs provided for by this landmark legislation take on even greater meaning and significance.

Mr. Chairman, as you are well aware, the authorization for programs under the Older Americans Act [OAA] will expire at the end of fiscal year 1987. In order, then, for continuation of these important programs the House has brought to the floor H.R. 1451. H.R. 1451 will reauthorize the existing programs under the OAA for 4 more years and authorize increases to cover inflation.

When Congress first enacted the Older Americans Act, its initial objective was to assist the elderly in acquiring their basic needs of food and shelter. Since then, the OAA has become the primary social services program directed toward our senior population.

In New Jersey alone, the New Jersey Division on Aging and the respective county offices on aging receive funding which provides over 200 nutrition sites throughout the State. Besides both congregate meals and in-home meals programs for the elderly, the act provides for multipurpose senior citizens centers, homemaker services, legal assistance, employment opportunities, aid to victims of crime, and transportation.

Beyond the status quo, however, H.R. 1451 breaks new ground by providing for, among other things, a new program for in-home services to the frail elderly and a 1-year effort to locate poverty-stricken elderly and register them for important assistance programs available to them. As brought to the floor, the bill would also strengthen the role of local or State ombudsman projects for long-term care facility residents and directs State and area aging agencies to act as advocates on behalf of older individuals.

Once again, I wish to express in no uncertain terms my strong support for the reauthorization of the Older Americans Act. When the reauthorization issue came before Congress in 1981 and again in 1984, I showed my support on the floor by voting "yes" for reauthorization. As a cosponsor of H.R. 1451, I urge my colleagues to join me in approving this extremely important measure.

Mr. PURSELL. Mr. Chairman, I would like to congratulate Mr. KILDEE, the chairman; Mr. TAUKE, the ranking Republican; and the other members of the Human Resources Subcommittee and the Education and Labor Committee for reporting so quickly this excellent bipartisan initiative.

Mr. Chairman, the Older Americans Act is a small but significant symbol of our commitment to the health and well-being of this Nation's senior citizens. And as a member of the Appropriations Subcommittee which funds these programs, I applaud the nonpartisan cooperation exhibited by the authorizing committee in reporting this bill to the House. I look forward to working with my colleagues on the Labor/HHS/Education Subcommittee in providing the funding for this important law.

Among the important and popular programs reauthorized by H.R. 1451 are the Meals-on-Wheels Program which delivers hot, nutritionally balanced meals to home-bound seniors and the senior citizen centers which offer our elderly an opportunity to get out of their homes, to share a hot, sit-down meal, to enjoy games and activities, and to continue to contribute to their communities and to other senior citizens.

I would also like to commend the authors of the new initiative contained in H.R. 1451 which authorizes $25 million for in-home services for frail elderly at risk of being institutionalized. This new program represents a small but significant part of the congressional effort to help with catastrophic care and will assist our elderly in such things as homemaker and homehealth aides, visiting and telephone reassurance, chore maintenance, or in-home respite care.

Mr. MILLER of California. Mr. Chairman, I strongly support H.R. 1451, legislation to improve the health and welfare of millions of senior citizens through reauthorization of the Older Americans Act.

Reauthorization will maintain the basic source of nutrition, health care, transportation, employment, and other vital services that allow growing numbers of elderly to live with dignity and in good health. If we fail to act, we endanger proven programs that enable many of our most vulnerable citizens to maintain their independence.

Of the estimated 110,000 citizens aged 60 and older in my district of Contra Costa County, CA, about 12,000 receive assistance under the OAA. Information referral and the nutrition programs—the congregate meals and meals-on-wheels services—are the most widely used by my constituents.

As the author of legislation that established the Meals-on-Wheels Program, I am very pleased that the bill before us today increases its authorization.

This bill recognizes the effectiveness of the Older Americans Act, first enacted in 1965, by expanding the authorization levels for all services through fiscal year 1991. Expansion is especially critical as the population of the United States continues to age, creating increased demand for OAA services.

H.R. 1451 also modifies programs to address shortcomings and creates new services to meet the changing needs of the elderly population. Assistance is targeted to the impoverished, minorities, and rural residents who are denied aid only because they are isolated from the programs. Minority participation rates have dropped by 25 percent in the 1980's as poverty rates have risen dramatically. Native Americans, who are among the most isolated and most needy, have a dismally low participation rate. The OAA reauthorization bill before us today removes barriers to access and expands the availability of service for these groups.

The Native American Programs Act, which is also reauthorized under this legislation, will continue to help build the economic and social self-sufficiency of Native Americans.

New OAA initiatives include in-house services for the frail elderly, a program that will allow the frail elderly to avoid costly institutionalization by providing nonmedical services in their own homes, such as cooking, cleaning, and respite care. Funds are also authorized for the first time to meet a wide range of special needs and to strengthen the ombudsman program, which will help ensure that the elderly receive quality service. In addition, the bill requires the administration to conduct four studies to further review the impact of the OAA.

In a creative, intergenerational approach, the OAA reauthorization legislation addresses the Nation's severe shortage in child care. The unavailability of child care has been a major focus of the Select Committee on Children, Youth and Families, which I chair. Under title V, seniors will be encouraged to assist in the provision of child care services. This relationship will benefit the seniors who offer a valuable service as well as the children who receive essential care.

Because of its enormous success, the OAA has been reauthorized several times over the last 22 years and draws broad bipartisan support. I urge my colleagues to support H.R. 1451 to continue this tradition of working to meet the needs of older Americans.

Mr. EVANS. Mr. Chairman, I support passage of H.R. 1451, the Older Americans Act amendments, legislation of which I am a cosponsor. I am a sponsor of this measure because of the outstanding accomplishments of the programs under this act and further because of my concerns for older Americans today.

Record Federal deficits compiled by the Reagan administration over the last 6 years have led to cuts in Social Security and programs serving our senior citizens. I believe that older Americans have too often been singled out to bear the brunt of these cuts, making planning for retirement years increasingly uncertain. The programs provided under the Older Americans Act are needed now more than ever with the increasing numbers of the aging.

As you know, this bill reauthorizes all current Older Americans Act programs which include supportive services, congregate and home delivered meals, Community Service Employment Program, training, research, and demonstration grants and Indian elderly programs through 1991.

These programs, specifically designed to meet the social service needs of older individuals, have been extremely cost-effective and overwhelmingly successful. The act has developed from a program of small grants in 1966 to one that now supports over 600 area agencies on aging. Approximately 9 million persons are served through the supportive services program.

I have consistently supported funding for programs under the Older Americans Act because I can think of no better investment in our Nation. We must not forget the tremendous contributions our senior citizens have made to our country and passage of this legislation today would certainly highlight our continued commitment. I encourage my colleagues support for this measure.

Mr. RAHALL. Mr. Chairman, I rise today in support of a very important piece of legislation, H.R. 1451, the Older Americans Act Amendments.

This bill reauthorizes all current Older Americans Act programs—including supportive services, congregate and home-delivered meals, community service employment programs, training, research, and demonstration grants, and Indian elderly programs—through fiscal year 1991. In general, the measure increases the authorization for these programs by 5 percent each year through fiscal year 1991.

The bill also authorizes new programs to provide services at home for the frail elderly, to provide for special needs of the elderly, and a one-time outreach program to inform older individuals of the availability of benefits under other Federal programs. The measure includes a separate authorization for the long-term care ombudsman program that has been funded so far under title III. The bill also amends the School Lunch Act to make certain adult day care centers eligible for Agriculture Department food assistance.

Furthermore, H.R. 1451 continues through fiscal year 1991 the existing reimbursement rate of 56.76 cents per meal for each meal served under the surplus commodities program and sets authorization levels accordingly. The measure continues existing authority to reduce the per meal reimbursement rate if estimates of the number of meals served are incorrect, and the authorization levels would be exceeded. The committee notes in its report, however, that it expects Congress to be notified of any shortfall before any reduction in the reimbursement rate is made, in order to permit consideration of supplemental appropriations for this program. I commend the gentlemen from California and Michigan, Chairmen HAWKINS and KILDEE on their foresight in this regard. Should such a reduction in the reimbursement rate be necessitated, I am certain that all of the Members of this body would appreciate the opportunity to review the possibility of an alternative to a reimbursement reduction.

The bill also requires the Administration on Aging to conduct the following studies: assess the unsatisfied demand for services at the nation's senior centers; determine the effects of the Medicare Prospective Payment System on community agencies that provide services to older persons with regard to the actual savings and how these savings might be used to meet the needs of recently discharged Medicare patients; study the efficacy of using senior centers to serve as a nationwide caregiver referral network to help families obtain services for their older family members living in other parts of the nation; and a study of the extent to which Older Americans Act funds are used to provide transportation services for the elderly.

Finally, the measure authorizes the President to call a White House Conference on Aging in 1991, and specifies that names, addresses, and phone numbers of clients provided with legal assistance under Older Americans Act programs would remain confidential.

Mr. Chairman, I would like to commend Chairmen HAWKINS and KILDEE, and all the members of the Education and Labor Committee for their great efforts in bringing this bill before us today. As Hubert Humphrey once said:

> . . . the moral test of government is how that government treats those who are in the dawn of life, the children; those who are in the twilight of life, the elderly; and those who are in the shadows of life, the sick, the needy and the handicapped.

This legislation continues those programs under the Older Americans Act—and improves on those programs—to reaffirm our national commitment to independence and dignity for all our senior citizens. On behalf of my fellow West Virginians, it is with pleasure that I rise in support of this bill which provides much needed assistance to America's elderly.

Mr. RINALDO. Mr. Chairman, I rise in strong support of H.R. 1451, the Older Americans Act Amendments of 1987.

As the ranking minority member of the House Select Committee on Aging, almost every day I see the difference in the quality of life of senior citizens the Older Americans Act has made. Whether it be the programs that so many seniors rely on for a nutritious meal, the companionship and assistance that they find at senior centers, or the extra money that is provided by a part-time job under the Community Service Employment Program, the Older Americans Act has fulfilled the original purpose of Congress: to assist older Americans to remain as vital and active participants in their communities.

The legislation before us today fine-tunes the act. For the most part, it does not make major changes in existing programs. Rather, it adjusts the authorization for these programs to allow for a more flexible and realistic response to the times we live in.

Several items in this legislation deserve special mention.

First, the committee has reported amendments that will strengthen the long-term care ombudsman program. Recent reports—including the Institute of Medicine's study on the quality of nursing home care—have pointed-out the potential for abuse in nursing homes and the need for stronger quality standards and resident protection. The OAA's ombudsman program is one of the few Federal programs which addresses this issue on a local level and the committee should be commended for strengthening the act in this area.

Second, the chairman should be commended for including in this bill expanded in-home services for the frail elderly.

While the OAA currently provides authorization for in-home services under title III-B, I strongly endorse the committee's action to separate this program and provide for a separate authorization for in-home services.

Since the 1983 legislation instituting DRG's under Medicare, the need for in-home services has expanded dramatically. This legislation is a step in the right direction so that the frail elderly can receive basic living assistance and stay in their homes. It is similar in approach to legislation I recently introduced, H.R. 1626, that would expand and provide for a separate authorization for in-home services under the Older Americans Act. I commend the chairman of the subcommittee, the gentleman from Michigan [Mr. KILDEE] for this addition to the act.

Finally, Mr. Chairman, the committee included a call for the President to convene a White House Conference on Aging in 1991.

I am pleased that the chairman accepted the work that the chairman of the Select Committee on Aging and I did on this subject. Last fall I issued a statement calling for the inclusion of this language in the reauthorization this year. Shortly thereafter, representatives of the Leadership Council of Aging Organizations and members of Chairman ROYBAL'S and my staff started to meet and lay the groundwork for the 1991 Conference authorization. This working group produced the section now in the bill. It is supported by most of the major aging organizations and will provide guidelines for Federal aging policy to the 21st century.

Like the previous White House Conferences on Aging, this conference will have activities on the State and local level. However, unlike the previous conferences, it is my belief that activities after the Conference may be of more value to policymakers as they decide how to implement the recommendations and integrate Federal policy into the activities and abilities of local and State governments.

Mr. Chairman, I strongly urge my colleagues to support H.R. 1451.

Mr. SHUMWAY. Mr. Chairman, since its passage in 1965, the Older Americans Act has grown to become the primary vehicle for delivering assistance to millions of elderly Americans. This monumental act is the cornerstone of Government recognition of the needs of senior citizens, providing vital nutrition, employment, transportation, health, and advocacy services. I applaud the chairman of the Education and Labor Committee for bringing legislation to reauthorize this act to the floor so early in this Congress. What Congress enacts now will significantly impact not only today's seniors, but future generations of older Americans, as well.

Last month I sponsored a hearing in my northern California congressional district on the Older Americans Act. I am pleased that H.R. 1451 reflects some of the concerns raised at that forum. The flexibility of State and local agencies to meet the unique needs of their communities is protected in the bill, preserving the important community-based aspect of the act; the current restrictions on receipt of services by older Americans under titles III and VI are removed; the needs of homebound, frail elderly are addressed; and the coordination of community-based services for Alzheimer's victims is strengthened. These are important reforms.

I am somewhat concerned that the authorization levels in H.R. 1451 do not provide a realistic target for the Appropriations Committee. Inasmuch as the Federal Government does not have unlimited resources, I would prefer to see reduced authorization levels for existing programs more in concert with past appropriations. Also, the establishment of cost-sharing programs to assure that needed programs for older Americans will continue to be funded is a needed change.

Overall, however, I strongly support the purpose—and acknowledge the success—of the Older Americans Act. I am convinced that as Congress continues to work in partnership with State and local governments, within the framework of this act, a more meaningful lifestyle for older Americans will be assured.

Mr. ROBINSON. Mr. Chairman, the House has before it the Older American Act Amendments of 1987. Passage of this legislation has a direct bearing on the quality of life for this Nation's elderly and frail elderly citizens.

My State of Arkansas, which along with the State of Rhode Island is second in terms of the number of senior citizens per capita, will reap numerous benefits from various provisions of H.R. 1451. My State will benefit from the supportive services, congregate and home-delivered meals, the community service employment program, training, research and demonstration grants.

As a member of the House Select Committee on Aging, I am especially pleased included in the bill are studies that focus on several specific areas of particular concern to me. First, is a study to determine the effects of Medicare's diagnostic related group [DRG] prospective payment system on community agencies that provide services to older persons. The study will determine what the exact savings of this program have been and how these savings might be used to meet the needs of recently discharged Medicare patients.

The second study will review the efficacy of using senior centers to serve as a nationwide referral network to help families obtain services for their older family members living in other parts of the country. With so many American families on the move, the necessity for a clearinghouse providing referrals for caregivers is crucial.

The passage of the landmark Medicare and Older American Act legisation was a giant leap forward for the senior citizens of this country. With the "graying of America" and the increasing proportion of our elderly who fall into the "frail elderly" category, we must insure that the national resources we dedicate to their care are used most wisely. The amendment to the Older American Act which we have before us today are pivotal in providing that insurance.

I urge my colleagues to support this legislation.

Mr. DAUB. Mr. Chairman, I rise in support of the reauthorization of the Older Americans Act for fiscal years 1988 through 1991. This act is the key Federal program which provides supportive services for our older citizens, and I especially want to express my support for the bill's new initiatives emphasizing in-home services to the growing population of homebound frail elderly individuals.

Since becoming law in 1965, this act has spurred tremendous progress toward understanding and solving problems of senior citizens. The Older Americans Act can be the means by which we reduce duplication of services and eliminate Federal redtape by identifying and delivering services from a local level and by assuring dignity and respect for our senior citizens.

Mr. Chairman, the Older Americans Act allows the Nebraska Department of Aging to assure that older Nebraskans may live with dignity and may enjoy full access to varied opportunities for growth and fulfillment during their mature years. The major aspects of the State Department of Aging's mission is shared with the eight area agencies on aging in Nebraska, which operate autonomously under interlocal agreements with local government officials.

The programs administered through the Older Americans Act are working well as a result of the dedication and enthusiasm of those who coordinate and administer these programs. I am encouraged with the excellent work of the Nebraska Department of Aging under the direction of Betsy Palmer, and formerly by Helen Bodsalis and Patricia Kuehl.

Furthermore, the local offices on aging are also doing an outstanding job tailoring services to the needs of the local community. The eastern Nebraska Office of Aging [ENOA], in Ohama, has continued this success under the direction of Bev Griffith, and formerly by Kay Wallick.

These State and local efforts are complemented with the exemplary contribution of volunteers serving on the Department of Aging's and the ENOV's advisory boards. These councils deserve a special tribute.

Mr. Chairman, Nebraska's older population, 65 years of age and older, ranks eighth in the Nation in terms of the highest concentration of older citizens. Moreover, the percent of Nebraska's population 65 years of age and older, particularly 75 and 85 years of age and older, is likely to increase dramatically during the next quarter century. Thus, the programs available under the Older Americans Act are essential to the State of Nebraska, and I urge support for this reauthorization effort.

Mr. OWENS of New York. Mr. Chairman, the Nation's elderly population is a precious resource. Older people are living repositories of our collective histories and cultures. The knowlege and wisdom they have amassed over years of living contribute greatly to our Nation's progress.

Amending the Older Americans Act of 1965 to authorize appropriations for fiscal years 1988, 1989, 1990, and 1991, is an appropriate way to demonstrate respect and love for the elderly of our Nation, to enable them to live out their years in dignity and productivity.

The Older Americans Act is crucial for delivering much needed services to our senior citizens. Programs such as home delivered meals are critical to those of our elders whose physical problems prevent them from leaving their residences to attend to their nutritional needs. Programs for seniors' centers enrich the social lives of the elderly, placing them in recreational and educational activities with those of their own age groups and lessening the loneliness and isolation that older people often feel.

The community service job program authorized in the act would provide part-time jobs for unemployed low-income people 55 years old and older. This program would give our elderly the sense of independence, usefulness, and pride that comes from being able to earn a living.

As a librarian and an educator, I am particularly interested in the measure's directive to the area agencies on aging to survey postsecondary schools in their area to determine the availability of tuition-free, low-cost educational opportunities for the elderly. I have always agreed with the saying that one is never too old to learn. Education programs for the elderly would enable them to add to the knowledge of accumulated years, to remain intellectually active and mentally alert.

My district, the 12th Congressional District of New York, has a large percentage of elderly people; roughly 17,000 aged 60 to 64, and 37,000 65 years old and older. The elderly in my district, along with those in all of the other congressional districts, would benefit immeasurably from the programs and services authorized under this bill.

Our Nation has one of the largest elderly populations in the world, as our scientific discoveries and research have enabled us to live longer. Passage of this measure will not only protect and preserve today's elderly, but the growing population of elders in the years ahead.

Ms. SLAUGHTER of New York. Mr. Chairman, I rise today in support of H.R. 1451, a bill to reauthorize the Older Americans Act. As a member of the Select Committee on Aging and a cosponsor of the bill, I am pleased to support this legislation which, since 1965, has been the major program providing social, nutritional, and supportive services to our elder Americans.

Older Americans enrich all of our lives and we must do all that we can to help senior citizens maintain their independence and provide the resources necessary to keep them healthy. Almost 20,000 senior citizens in my district receive services under the Older Americans Act. The four counties in New York's 30th Congressional District—Monroe, Genesee, Ontario, and Livingston—receive $3.2 million in Federal funds from this program, leveraging thousands more in State and local resources devoted to helping senior citizens. Last year, the older American congregate meals and Meals on Wheels Programs served 570,000 nutritious meals to senior citizens in my district.

The Older Americans Act has proven to be one of the most effective pieces of legislation enacted by Congress. From senior centers to nutrition centers, from employment opportunities for the low income to home delivered meals for the homebound, Older American Act programs provide invaluable help to millions of senior citizens. While continuing these important programs, H.R. 1451 also contains substantial improvements and additions to the national system of community-based social and supportive services for older citizens. I am especially pleased that H.R. 1451 establishes a new program to provide nonmedical in-home services for the frail elderly including those who suffer from Alzheimer's disease. At a time when we are concerned about providing catastrophic health care insurance for our elderly, little attention has been given to the great need of the chronically ill, who with some assistance in their daily living could stay at home and maintain their independence. This new program will help make that happen by providing support for personal services such as bathing and dressing as well as help for taking care of daily chores such as shopping and cooking. This new program also allows in-home respite care for families of the frail elderly.

Mr. Chairman, for 22 years the Older Americans Act has provided support directed toward improving the lives of our elder Americans. It is fitting that we consider this bill during the month of May—Older Americans Month. I urge my colleagues to join me today in passing H.R. 1451 and in reaffirming our commitment to this Nation's senior citizens.

Mr. SYNAR. Mr. Chairman, I want to express my strong support for H.R. 1451, legislation reauthorizing the Older Americans Act for 4 more years. I'm pleased that the legislation contains a number of improvements which reflect the Congress' sensitivity to the special problems of certain groups of senior citizens—particularly native Americans and other minorities and rural elderly.

For 22 years, the Older Americans Act has been the major source of services for the elderly. The act has provided millions of senior citizens with valuable nutrition programs like Meals on Wheels, transportation services, adult day care, legal services, employment opportunities, and homemaking assistance. These programs will play an even more important role in the future as today's baby boomers become tomorrow's seniors. It is estimated that individuals 65 and older will comprise 13 percent of the population by the turn of the century.

H.R. 1451 includes several important provisions which will be helpful to elderly Oklahomans. One of the biggest concerns of Oklahoma seniors is inadequate public transportation. In rural areas, seniors may be miles from a hospital, town, or nutrition site. Unable to drive and left without some form of public transportation, these seniors are virtually isolated. It's possible to use money through Older Americans Act in combination with money earmarked for rural transportation systems under the Mass Transportation Act to develop transportation systems. A few areas have done so, yet many have not and we're not sure why. To address this problem, the bill requires a study to determine if Older American Act funds are being used to provide transportation systems. Once we know more about how money from the Older Americans Act is being used to provide transportation, we may be able to identify changes that Congress can make to improve the system.

Another important change in the Older Americans Act will improve elderly American Indians access to services. Specifically the bill requires area agencies on aging and State agencies to consider the Indian population in an area when they set funding priorities. It also requires area aging agencies to conduct outreach activities to identify older Indians who could benefit from Older Americans Act services. To ensure that Indians and other minority organizations receive funding to operate programs through the Older Americans Act, the bill requires grant moneys to be distributed equitably. For some time, I've been concerned that the needs of our elderly Indians haven't been considered within the Administration on Aging. H.R. 1451 addresses these concerns by establishing an office for tribal programs headed by an Associate Commissioner on Indian Aging.

Of importance to rural Oklahomans is a provision in the bill which requires the Commissioner on Aging to collect data on the amount of money spent on providing services to seniors in rural areas. At present, there is no distinction made between money spent on services for elderly in rural or urban areas and therefore, it's difficult to assess whether or not spending in rural areas is adequate. Collecting data over the next several years will give us the information we need to make changing in the program in the future to better serve those seniors living in rural areas.

The Older Americans Act has been successful. I make it a habit to visit the senior centers in my congressional district on a regular basis. For many of my constituents, the local senior center ensures they don't spend their retirement years in isolation and loneliness. The Older Americans Act has improved the quality of life of our seniors. I'm happy to support this legislation and especially glad to see that the act will consider the needs of our rural and Indian elderly.

Mr. KILDEE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, for those who are assembled here wondering what our schedule may be I believe that we have exhausted our last amendments. I would like to say this, however, that when we go back into the House that I will move for a separate vote in the House on the Armey amendment as amended, in the House.

As I indicated before, while I think the Jeffords amendment did soften this, make it less offensive, I would still urge a "no" vote on the amendment as amended.

Mr. SUNIA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of this legislation and commend the gentleman from Michigan for all his hard work on this particular piece of legislation. The gentleman has been a strong advocate of the interests of the territories in the Interior Committee where we both serve. I take this opportunity to make inquiry of the chairman of the subcommittee whether it is his intent to hold further hearings on this subject at some future date and to receive testimony and information on the particular needs of the territories with regard to the program on native Americans which, as you know, is included in this particular legislation.

Mr. KILDEE. Mr. Chairman, will the gentleman yield?

Mr. SUNIA. I yield to the chairman of the subcommittee.

Mr. KILDEE. I thank the gentleman for yielding.

Mr. Chairman, I appreciate the delegate asking this question. He has been very good in working with me on this. I intend to have a hearing just for that purpose, to address the older American/native Americans in his area of the world and in all our territories. I look forward to working with him on those hearings.

Mr. SUNIA. I appreciate the chairman's comments.

Mr. AKAKA. Mr. Chairman, will the gentleman yield?

Mr. SUNIA. I yield to the gentleman from Hawaii [Mr. AKAKA].

Mr. AKAKA. I thank the gentleman for yielding to me.

Mr. Chairman, I rise to associate myself with the remarks of the gentleman from Samoa [Mr. SUNIA]. Also I rise in strong support of the bill H.R. 1451.

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. SUNIA. I yield to the gentleman from New York.

Mr. BIAGGI. I thank the gentleman for yielding.

Mr. Chairman, the chairman of the subcommittee, Mr. KILDEE, announced that we would be calling for a separate vote on the Armey amendment as amended by the Jeffords substitute. When we had the previous vote, there seemed to be some confusion. The chairman's strategy, which he announced prior to the vote is that he would vote for the Jeffords amendment as the lesser of the two evils and ultimately come to the Armey amendment, as amended. That carried by voice vote. A great number of individuals wanted a recorded vote. This will be an opportunity for the Members of the House to have a recorded vote.

As I stated during debate, this is the lesser of two evils. It placed unusual constraints. The language in the report far exceeded the language that was considered in dealing with the concerns of the Members. It is much broader. It should be adequate. The objection, the principal objection here is to inhibit or curtail the Members of the aging network from politically lobbying for legislation.

I understand that the gentleman from Vermont's substitute eases that situation. But I urge every Member who is concerned about the elderly and the Older Americans Act, despite your previous vote, the correct vote is to vote "no" on the amendment that will be presented in the full House. That is the correct vote supported by every senior citizen group and supported by the chairman of the full committee.

Mr. Chairman, before we move to final passage I wish to pay a brief tribute to those people who have played such a key role in this bill. As I have mentioned before, lead among them is our chairman, Mr. KILDEE, and ranking minority member, Mr. TAUKE, as well as Mr. JEFFORDS. Let me also acknowledge the many contributions of the leadership of the House Select Committee on Aging, Chairman ROYBAL, Senator CLAUDE PEPPER, and Mr. BONKER, chairman of the Housing Subcommittee.

The staffs involved also played a pivotal role in this legislation. Let me salute the hard work of Mr. KILDEE'S subcommittee staff led by Susan Wilhelm. She was available and accessible to my staff and cooperative throughout. Similarly, let me thank Mr. TAUKE'S counsel Susan Lamb. Also Brian Lutz from Chairman ROYBAL'S staff, Peter Reinicke of Mr. PEPPER'S staff and Bill Benson, staff director of Mr. BONKER'S subcommittee.

Last but certainly not least was the work of my own staff, especially the newest employee of the Subcommittee on Human Services Brian Lindberg, who worked many hours to help make H.R. 1451 the great bill it is.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. SUNIA. I yield to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. I thank the gentleman for yielding.

Mr. Chairman, I just want to reenforce what the distinguished gentleman from New York [Mr. BIAGGI] has said. I think this is so dangerous, to restrict senior citizens from lobbying for their programs or any programs. This is the United States of America, Mr. Chairman, and I think it is a very dangerous amendment.

Mr. TAUKE. Mr. Chairman, will the distinguished gentlewoman from Ohio yield?

Ms. OAKAR. I would be happy to yield.

Mr. ARMEY. Mr. Chairman, the gentleman controlling the time is not on his feet.

The CHAIRMAN. The gentlewoman will suspend. The gentleman controlling the time at this moment is on his feet. The gentleman controlling the time at this time is on his feet and it is the delegate from American Samoa who has the time.

Mr. TAUKE. Mr. Chairman, will the gentleman yield to me?

Mr. SUNIA. I'll be glad to yield to the gentleman from Iowa [Mr. TAUKE].

Mr. TAUKE. I thank the gentleman for yielding.

I just want to point out for Members of this body that the language that we will be voting on in the House is the same language that we voted on about 20 minutes ago or half hour ago which passed by a better than 10-to-1 margin in the committee.

Second, let me point out it is the same language that was the result of extensive work and agreement between the majority and the minority. It is language taken out of the committee report that was put into legislation.

The CHAIRMAN. The time of the delegate from American Samoa has expired.

Mr. TAUKE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, my third point is that the gentlewoman from Ohio is incorrect in stating that this in any way prohibits senior citizens from expressing their views. It does not. It does not even prohibit them from advocating. In fact, it encourages them to advocate. That is the whole point.

The only thing that it does is it restricts the use of taxpayer dollars for election campaigns, partisan election campaigns and for lobbying on specific legislation and that is the reason why we have attempted in a bipartisan way to work out this language.

Mr. Chairman, if I could finish I will be happy to yield to everybody who wants me to yield.

I guess the point is that it is imperative that we have something in this legislation on that issue. We have attempted to work out something in great detail voted on by a 10-to-1 margin just a few minutes ago. It seems to me it is important we maintain that.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. I yield first to the gentleman from Vermont.

Mr. JEFFORDS. I thank the gentleman for yielding.

Mr. Chairman, I want to reenforce what the gentleman says. This language which we put in was voted on 352 to 37 and it merely took from the committee report a delineated list of specific activities which are either prescribed or allowed. In fact, it gives guidance, very helpful guidance to the senior citizens and Older Americans Act personnel as to what they can do and cannot do. There is nothing in any of the minority reports or in any of the amplifying majority reports that in any way criticizes the language in the committee report.

Mr. TAUKE. That is the same language that is what the majority agreed to.

Mr. JEFFORDS. That is the language that the majority and minority agreed to. It is helpful in delineating exactly what can and cannot be done. It should be a good guide. It should be useful. Again, the vote should be about the same as it was before, 352 to 37.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. I yield to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. I thank the gentleman for yielding.

I appreciate what the gentleman is saying. What the gentleman is saying, in essense, to give an example, is that if a senior citizen is at a nutrition site and that person wants to write to us about cuts in Social Security, they are prohibited under this language. Now I think that is wrong. I do not think that is the intent. The gentleman may not want to maliciously do that, but that is what he is trying to do.

Mr. TAUKE. If I may reclaim my time, the gentlewoman is absolutely wrong. There is nothing in this legislation which prohibits that. In fact, we encourage it. What it does say is that the area agency on aging cannot have its employees involved in the organization of political efforts.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. I yield to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. I thank the gentleman for yielding.

Mr. Chairman, I would like to address what seems to me a point that was stated I am sure with the best of intentions misleadingly. The gentleman from Iowa and the gentleman from Vermont both said this passed by a large vote before. What passed was an amendment to an amendment. What passed was the gentleman from Vermont's modification to the amendment of the gentleman from Texas. We voted, many of us, for the gentleman from Vermont's proposal because we found it less disagreeable—the proposal now, now the people—than the gentleman from Texas' proposal. We were not saying that we liked it. The fact is, this will be a restriction on the ability of the elderly to object to cuts and we ought to vote it down.

Mr. TAUKE. Reclaiming my time, it was a 352-to-37 vote on the same language.

Mr. SENSENBRENNER. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. I yield to the gentleman from Wisconsin [Mr. SENSENBRENNER].

Mr. SENSENBRENNER. I thank the gentleman for yielding.

Mr. Chairman, if we want to rehash everything that has gone on in the Committee of the Whole, I am just placing the committee on notice that I am going to ask for a separate vote on the nine other amendments that were adopted in the Committee of the Whole so that we can vote on them, too.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. I yield to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. I thank the gentleman for yielding.

Mr. Chairman, I would like to have every Member of this body hear what I have to say. I offered my amendment after consulting with the majority members of the committee. I worked with the majority members. I worked with the ranking minority members. I sought from the outset of this project to work out an agreement. I did not think this should be as controversial as to tie up the time of this body for the amount of time that it has. My language in my original amendment made some of the Members of this body nervous. Since they said that they stood by the committee report language and they liked that language and had agreed to that language, I agreed without calling for a vote or without taking exception to Mr. JEFFORDS' substitute to my language. And I did that in the interest of getting clarified precisely stated amendment that everybody agreed to. Once I agreed to that and Mr. JEFFORDS brought his to the floor for a vote, the chairman of the subcommittee came to us and said that we would now accept the amendment on a voice vote.

□ 1505

When that vote was taken, I know that I restrained at least one Member on my side from calling for a recorded vote, and I personally observed the chairman of the committee restrained two Members on that side from calling for a recorded vote, and when one was called, I saw the committee on that side actively——

The CHAIRMAN. The time of the gentleman from Iowa [Mr. TAUKE] has expired.

(On request of Mr. ARMEY and by unanimous consent, Mr. TAUKE was allowed to proceed for 1 additional minute.)

Mr. ARMEY. I felt confident that we had reached an agreement that everybody was working hard for so that all of the Members of the body would understand we had agreed on a language that was acceptable.

I did not come down here to stand pat on my amendment. I was willing to work out an agreement. I was willing to bend so that the body would not break over this amendment.

Now, after the good-faith agreement was reached and the vote was taken, I find the gentleman rises for a separate vote. I have to tell you, Mr. Chairman, I am surprised at that. I am very surprised. It will be, I suppose, a sense of caution that I take any agreements I make in the future in the interest of facilitating the work of this body in the interest of rapport with our colleagues to move smoothly.

This is a surprising turn of events and one that I find very disappointing.

Mr. PEPPER. Mr. Speaker, I want to commend the able gentleman from Michigan [Mr. KILDEE] for the magnificent manner in which he handled the Older Americans Act.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The amendment committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. Murtha] having assumed the chair, Mr. Flippo, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1451) to amend the Older Americans Act of 1965 to authorize appropriations for the fiscal years 1988, 1989, 1990, and 1991, and for other purposes, pursuant to House Resolution 171 he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole?

Mr. KILDEE. Mr. Speaker, I demand a separate vote on the Armey amendment, as amended.

The SPEAKER pro tempore. Is a separate vote demanded on any other amendment?

Mr. SENSENBRENNER. Mr. Speaker, I demand separate votes on each of the following amendments; the Kildee technical amendments; the Tauke amendment relating to repealing title VII; the Roybal amendment clarifying minority targeting provisions; the Snowe amendment, including adult day care as possible activities; the Pepper amendment requiring States that receive funds under the act to have an elder abuse and prevention program; the Biaggi amendment, reducing the transfer authority; the Gunderson amendment to require technical data collection on rural/urban participation; the Bonker amendment and the Roybal amendment authorizing $2 million more.

The SPEAKER pro tempore. Is the gentleman asking for a separate vote on each of the amendments he has named?

Mr. SENSENBRENNER. Yes, Mr. Speaker.

PARLIAMENTARY INQUIRIES

Mr. KILDEE. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. KILDEE. To ask for the yeas and nays, one-fifth of those will have to stand for the yeas and nays; is that not the case? We will put the question on the Armey amendment first, and then if enough Members stand for the yeas and nays, then a recorded vote will be called for?

The SPEAKER pro tempore. The amendments will be put in the order in which they appear in the bill.

Mr. KILDEE. In each case, then, the Speaker will ask for a sufficient number to stand to see whether or not the yeas and nays will be ordered?

The SPEAKER pro tempore. That is correct.

Mr. KILDEE. Mr. Speaker, I have another parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. KILDEE. At that point, does the Chair have it within his power to reduce the interim between votes to 5 minutes?

The SPEAKER pro tempore. Not without unanimous consent.

Mr. KILDEE. I thank the chair.

The SPEAKER pro tempore. The Clerk will report the first amendment appearing in the bill amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Page 5, after line 21, insert the following (and redesignate references and succeeding sections accordingly):

SEC. 6. MENTAL HEALTH.

(a) Functions of Commissioner.—Section 202(a)(5) of the Older Americans Act of 1965 (42 U.S.C. 3012(a)(5)) is amended by inserting "(including mental health)" after "health".

(b) Federal Agency Consultation.—Section 203(b)(10) of the Older Americans Act of 1965 (42 U.S.C. 3013(b)(10)) is amended by inserting ", including block grants under title XIX of such Act" before the semicolon.

(c) Administration of Title III.—Section 301(b)(2) of the Older Americans Act of 1965 (42 U.S.C. 3021(b)(2)) is amended by inserting ", the Alcohol, Drug Abuse, and Mental Health Administration," after "Office of Community Services".

(d) Purposes of Title IV.—Section 401(1) of the Older Americans Act of 1965 (42 U.S.C. 3030aa(1)) is amended by inserting the following before the semicolon: ", with special emphasis on minority individuals, low-income individuals, and frail individuals (including individuals with any physical or mental functional impairment)",

(e) Administration of Title IV.—Section 402(b) of the Older Americans Act of 1965 (42 U.S.C. 3030bb(b)) is amended by inserting "Alcohol, Drug Abuse, and Mental Health Administration," after "National Institutes of Health,".

(f) Education and Training.—(1) Section 411(a)(1) of the Older Americans Act of 1965 (42 U.S.C. 3031(a)(1)) is amended by inserting "(including mental health)" after "health".

(2) The first sentence of section 412(a) of the Older Americans Act of 1965 (42 U.S.C. 3032(a)) is amended by inserting "(including mental health)" after "health".

(g) Special Projects in Comprehensive Long-Term Care.—The second sentence of section 423(a)(3) of the Older Americans Act of 1965 (42 U.S.C. 3035b(a) (3)) is amended by inserting "mental health services;" after "in-home services;".

Page 28, line 13, insert ", low-income individuals, and frail individuals (including individuals with any physical or mental functional impairment)" before the first period.

Page 27, line 8, insert the following before the semicolon: "and will attempt to provide services to low-income minority individuals to not less than the extent that represents the proportion of low-income minority older individuals in the population of the area served by such provider".

Mr. KILDEE (during the reading). Mr. Speaker, I have always tried to be an accommodating person, and I guess one must try to accommodate the greatest number. I do believe that we can work this out in conference committee. I have talked with the parties involved. I will commit myself to that. I do not like the action of the gentleman from Wisconsin [Mr. Sensenbrenner], but I am sure he does not like mine.

So for that reason, I withdraw my request for a separate vote on the Armey amendment, as amended, in the House.

Mr. FRANK. Mr. Speaker, objection.

The SPEAKER pro tempore. Unanimous consent is not required.

The gentleman from Michigan withdraws his request.

Does the gentleman from Wisconsin withdraw his requests?

Mr. SENSENBRENNER. Mr. Speaker, based upon the request of the gentleman from Michigan and with the understanding that we will not be having a separate vote on the Armey amendment——

The SPEAKER pro tempore. The gentleman has already made the withdrawal.

Mr. SENSENBRENNER. Mr. Speaker, I withdraw my request for a separate vote on the other nine amendments.

The SPEAKER pro tempore. The gentleman from Wisconsin withdraws his requests.

The question is on the amendment.

The amendment, was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. TAUKE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 379, noes 8, not voting 45, as follows:

[Roll No. 155]

AYES—379

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Archer
Atkins
AuCoin
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett

Bentley
Bereuter
Berman
Biaggi
Bilbray
Bilirakis
Bliley
Boggs
Boland
Bonker
Borski
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Daniel
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dickinson
Dingell
DioGuardi
Dixon
Donnelly
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lightfoot
Lott
Lowery (CA)
Lowry (WA)
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rostenkowski
Roth
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stangeland
Stark
Stokes
Stratton
Studds
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vento
Visclosky
Volkmer
Walgren
Walker
Watkins
Waxman
Weber
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOES—8

Armey
Cheney
Dannemeyer
DeLay
Kyl
Michel
Nielson
Stump

NOT VOTING—45

Annunzio
Applegate
Aspin
Badham
Bevill
Boehlert
Boner (TN)
Bonior (MI)
Bosco
Byron
Craig
Crane
Crockett
Dicks
Dorgan (ND)
Edwards (CA)
Gephardt
Hunter
Jones (NC)
Kemp
Lehman (CA)
Lewis (FL)
Lipinski
Livingston
Lloyd
Lujan
McCandless
McEwen
Miller (CA)
Mollohan
Mrazek
Olin
Owens (NY)
Ray
Roemer
Rose
Roukema
Saiki
Schaefer
Smith, Denny (OR)
Stallings
Stenholm
Vander Jagt
Vucanovich
Weiss

□ 1530

The Clerk announced the following pair:

On this vote:

Mr. Lewis of Florida for, with Mr. Crane against.

Mr. CHENEY changed his vote from "aye" to "no."

Mr. GREGG changed his vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to amend the Older Americans Act of 1965 to authorize appropriations for the fiscal years 1988, 1989, 1990, and 1991; to amend the Native Americans Programs Act of 1974 to authorize appropriations for such fiscal years; and for other purposes."

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 1541, OLDER AMERICANS ACT AMENDMENTS OF 1987

Mr. KILDEE. Mr. Speaker, I ask unanimous consent that, in the engrossment of the bill, the Clerk be authorized to correct section numbers, punctuation, and cross references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill H.R. 1451.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

GENERAL LEAVE

Mr. KILDEE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1451, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PROVIDING FOR PROCEDURES IN HONOR OF THE BICENTENNIAL OF THE CONSTITUTION

Mr. FOLEY. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 131) providing for the attendance of Representatives, Senators, and other appropriate persons at a special ceremony and related events to be held in Philadelphia, PA, in honor of the bicentennial of the Constitution and in commemoration of the Great Compromise of the Constitutional Convention, and ask unanimous consent for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the concurrent resolution.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 131

Resolved by the House of Representatives (the Senate concurring), That (a) the Speaker of the House of Representatives and the President pro tempore of the Senate, acting jointly, shall designate, from among the Representatives and Senators from each State, one official delegate to represent the Congress at a special ceremony to be held on Thursday, July, 16, 1987, in Philadelphia, Pennsylvania, in honor of the bicentennial of the Constitution and in commemoration of the Great Compromise of the Constitutional Convention.

(b) The official delegates designated under subsection (a) shall be led by the Speaker, the majority leader, and the minority leader of the House of Representatives, and by the majority leader and the minority leader of the Senate, who shall also be official delegates.

(c) Each designation under subsection (a) shall be made upon the recommendation of the Representatives and Senators of the State involved, acting jointly. Such recommendation shall be delivered to the Speaker of the House of Representatives and the President pro tempore of the Senate not later than fourteen days after the date on which this resolution is agreed to.

SEC. 2. The Speaker of the House of Representatives (in consultation with the majority leader and the minority leader of the House of Representatives), with respect to the House of Representatives, and the President pro tempore of the Senate (in consultation with the majority leader and the minority leader of the Senate), with respect to the Senate, may designate additional Representatives, Senators, and other appropriate persons to participate in events related to the special ceremony.

Sec. 3. On behalf of the Congress, the Representatives and Senators from Pennsylvania (acting jointly and in cooperation with the Commission on the U.S. House of Representatives Bicentenary, the U.S. Senate Bicentennial Commission, the officers of the House of Representatives, and the officers of the Senate) may make arrangements with the sponsors of the special ceremony and related events for participation by the official delegates and other persons designated under this resolution.

Sec. 4. Amounts necessary to carry out this resolution with respect to the House of Representatives shall be available as provided by law. There shall be available from the contingent fund of the Senate such amounts as may be necessary to carry out this resolution with respect to the Senate.

Mr. FOLEY (during the reading). Mr. Speaker, I ask unanimous consent that the concurrent resolution be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Washington?

Mr. MICHEL. Reserving the right to object, Mr. Speaker, if I might use this means for the purpose of inquiring of the distinguished majority leader if we might be enlightened on how the decision was made with respect to the limitation of numbers of Members who would be authorized to attend this celebration in Philadelphia. With 435 Members of the House and 100 Members of the other body, obviously the facility up there is not capable of accommodating all the Members, but then to have it narrowed down to one Member per State is pretty tightly drawn. I am wondering if there is any flexibility involved here.

I have had Members come up to me and ask, "Bob, how come so tight a limitation? I am a more junior Member. I can't possibly attend from my State, but I would sure like to be there. It's going to be a very historic occasion," et cetera.

What kind of response did the gentleman give to his Members?

Mr. FOLEY. Mr. Speaker, if the distinguished Republican leader will yield, it was apparent that it would be difficult to bring the entire Congress, all 435 Representatives and 100 Senators to Philadelphia, to participate in formal ceremonies there. The problem of facilities for such ceremonies was one problem.

Obviously, there was a consideration of cost, but all Members are invited to participate.

There is in this resolution a formula by which the State delegations, the House and the Senate, meet together and select one Member from either the House or the Senate to be the official representatives of that State for purposes of the ceremonies to be conducted; but I repeat that all Members of the House and the Senate will be considered distinguished guests at the ceremonies and are invited to attend.

Mr. MICHEL. Will this be a 1- or a 2-day event?

Mr. FOLEY. A 1-day event.

Mr. MICHEL. One day, and the date is July 16 or 17?

Mr. FOLEY. July 16.

Mr. MICHEL. Would it be expected that transportation would be provided then, what—early that morning and back that evening, is that the general idea?

Mr. FOLEY. I think it is anticipated that transportation would be provided early that morning and returning that evening, so that it would not be necessary for Members who did not wish to do so to remain overnight in Philadelphia.

Mr. MICHEL. And are funds provided for financing our participation?

Mr. FOLEY. That is in the resolution as provided by law in the case of House Members, and from the contingency funds of the Senate in the case of the Senate.

Mr. MICHEL. Mr. Speaker, I thank the gentleman.

Mr. FOGLIETTA. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to my friend, the gentleman from Pennsylvania.

Mr. FOGLIETTA. Mr. Speaker, this celebration is taking place in the First Congressional District of Pennsylvania which I have the honor to represent.

As was expressed by the majority leader, it is correct, it will be a 1-day celebration. All Members of the House will be invited to Philadelphia. After arriving in Philadelphia, there will be a luncheon hosted by the Pennsylvania delegation. After that, the 50 Members as designated by this legislation will retire to Independence Hall where a ceremony will take place to be decided upon by the leadership of the House and the Senate, the details of which have not been decided as yet.

There will be that evening a festive banquet and ball to which all Members again will be invited; so therefore all Members of the House will be invited to participate in all this day, except the one commemorative celebration that afternoon in which 55 Members will take part; however, I want to explain, we talked about returning to Washington. As the gentleman I am sure knows, the Philadelphia delegation hosts each year a get to know us weekend in Philadelphia, which usually takes place in December. What we are doing this year is moving that celebration to the weekend immediately following the 16th, which would be the 17th, 18th, and 19th of July, so that all Members are invited to stay that evening, Thursday evening, the 16th on through until Sunday evening in Philadelphia as guests of the city of Philadelphia to participate in a wonderful weekend.

Mr. MICHEL. Mr. Speaker, am I to assume from the gentleman's comments with respect to decisions made by the leadership in the House and the Senate that that will be bipartisan leadership or not?

Mr. FOGLIETTA. Mr. Speaker, if the gentleman will yield further, I would assume for a celebration of this type that it should be bipartisan.

Mr. Speaker, I would like to ask the gentleman if he would yield to the President of the Commission, the gentlewoman from Louisiana [Mrs. Boggs].

Mr. MICHEL. Mr. Speaker, I am happy to yield to the distinguished gentlewoman from Louisiana.

Mrs. BOGGS. Mr. Speaker, I thank the gentleman for yielding.

I had the privilege of walking through last Friday what "We The People," the 200 Group and the National Park Service Group in Philadelphia hopes that we will be able to do in Philadelphia. After the luncheon, they hope to construct an enormous bandstand platform outside of Independence Hall where all the Members of Congress who are there will participate in a public ceremony, and then we will all go out off the platform into Independence Hall where the 55 representing the signers of the Constitution will peel off into the little room that cannot contain all of us and the rest of us will be in the Great Hall there and in the Supreme Court Chamber that is adjacent to that room.

After that little ceremony is completed, we will walk out the back of Independence Hall and go into Congress Hall where all the Members of the House who are present will be able to go into Congress Hall. If the leadership of both sides of the aisle so desire, we may have a ceremony of our own in the House Chamber there. If the Senate wishes to do so, they may go to the upper rooms and have their meeting as well; so that there will be a great public performance and celebration for all the Members of the House who wish to go.

We are prepared from the earlier meetings of the Commission on the Bicentenniary of the House and the Legislative Appropriations Committee to be able to transport the Members to Philadelphia. Those who wish may come back that evening after the gala dinner and entertainment and dancing and those who wish to stay over may do so, as the gentleman from Pennsylvania [Mr. Foglietta] has so well explained.

Mr. MICHEL. A very critical question arises with respect to spouses of

Members. Are they invited to participate, at least in the social events if there are strict limitations on the Hall itself?

Mrs. BOGGS. The spouses are most specifically invited to participate in the ceremonies and, of course, in all the social events. It will be difficult to get them into Independence Hall, but except for that, there should be plenty of room in all the other places for them. They are most especially invited.

Mr. FOGLIETTA. Mr. Speaker, will the gentleman yield further?

Mr. MICHEL. I am happy to yield to the gentleman from Pennsylvania.

Mr. FOGLIETTA. Mr. Speaker, as I understand it at this point, in answer to the gentleman's earlier question, arrangements are being made in a bipartisan fashion. Both sides of the aisle are working on the final arrangements for the celebration to take place in Philadelphia and the dedication ceremonies to take place.

In answer to the gentleman's second question, spouses and children will be invited to the Pennsylvania delegation sponsored weekend, starting on Friday of that weekend.

I would agree with the gentlewoman from Louisiana, however, that the only part of this entire celebration where the spouses and children cannot partake would be in Independence Hall itself because of the limitations of space.

Mr. MICHEL. Mr. Speaker, I thank the gentleman.

If I might ask one further question, the gentlewoman from Louisiana serves as one of our House Members on the Bicentennial Commission, is that not correct?

Mrs. BOGGS. Yes.

Mr. MICHEL. Is it that organization or the Clerk of the House that will take care of the administrative machinery so far as Members of the Congress or the House are concerned in participation in this?

□ 1545

Mrs. BOGGS. The Clerk of the House.

Mr. MICHEL. He will take care of the administrative machinery?

Mrs. BOGGS. Yes, and the Clerk has been in Philadelphia on several occasions, the Sergeant at Arms has been there, and all of the officers of the House who are charged with the responsibility for serving and taking care of and protecting the membership have all been there.

Mr. MICHEL. The question was just asked by one of the Members, is this body, the House of Representatives, going to be adequately represented when the mix is between both this body and the other body? I am not altogether sure how that works out, senior members of a State delegation, whether there are disproportionate Members from the other body as distinguished from the House. Would anybody know how those figures shake out?

Mrs. BOGGS. If the gentleman will yield, except for a very few States, I think that the House Members outnumber the Senate Members in the membership of their States, and they will have to vote accordingly on who their candidate will be.

Mr. MICHEL. I thank the gentlewoman for her response.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Minnesota.

Mr. FRENZEL. I thank the gentleman for yielding.

Mr. Speaker, I would like to address a question to either of the two learned Members who are telling us about the situation. The question is, if there were to be no press allowed in Independence Hall, how many more Members of Congress could go in for the ceremony?

Mrs. BOGGS. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentlewoman from Louisiana.

Mrs. BOGGS. Mr. Speaker, we were thinking about that very strongly. In all probability we will have to have pool membership for the press. That room itself is a tiny room, where the compromise was reached on July 16, 200 years ago, Roger Sherman of Connecticut's resolution to the problem of the small States versus the more populous States, where the delegates accepted the Connecticut Compromise to set up a bicameral Congress. That is what we will be celebrating, the 200th anniversary of the Connecticut Compromise.

The room is really quite small. It will accommodate easily the 55 delegates and a few clerkships and so on, and to the back of the room there is a small amount of space where there could be some pool press in there, and that is why the Philadelphia group wanted to have this big public celebration outside, so that it could have a great deal of coverage, TV and radio and media coverage, and so that the public could also participate.

I think that we will find that there is going to be a great deal of excitement about the coverage. They have also in Philadelphia made arrangements to have interviews by regions as we often do here after the State of the Union Messages for Members to be able to go and be interviewed by the media and have it for consumption back home, so that we will all be able to have individual participation.

Mr. FRENZEL. If the gentleman will yield for a moment longer, I thank the gentlewoman for her explanation, and for the wonderful work that she has done, and simply offer the observation that when those intrepid and sagacious delegates agreed on the Grand Compromise, I think that they did it without the benefit of having any of the press present.

Mr. FOGLIETTA. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I am happy to yield to the gentleman from Pennsylvania.

Mr. FOGLIETTA. I thank the gentleman for yielding.

Mr. Speaker, in answer to the two questions that were posed, No. 1, the limitation of 55 Members is because that is the number who were present when the compromise was reached, and as the gentleman from Minnesota said, it was done without the benefit of the press being there. I would like to inform the gentleman that it was also done without the benefit of the other House being in existence at that time. So we can proceed with the Members of the House of Representatives only.

Afterwards there will be a larger ceremony involving all Members of the Congress who want to partake in that ceremony.

In answer to the gentleman's question as to how the 50 are going to be selected to take part in the commemorative exercise of the original compromise, the Connecticut Compromise, the House leadership did not want to get into that selection process and is leaving that up to the individual States to select their one Member. They will do it however you see fit.

Mr. FRENZEL. If the gentleman will yield further, who are the other five?

Mr. FOGLIETTA. Mr. Speaker, will the gentleman yield further?

Mr. MICHEL. I yield to the gentleman from Pennsylvania.

Mr. FOGLIETTA. The other five are made up of leadership. One Member from each of the State delegations, and then five from leadership.

Mr. MICHEL. Mr. Speaker, if there are no other questions to be propounded from my side of the aisle, may I simply say that I support the resolution, recognizing full well that our host city and our friends there are deserving of knowing one way or another whether or not the Congress is actually going to make the trip, and obviously time is growing short for them to make the adequate preparations and all the rest. So I would certainly urge Members to support the resolution.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the initial request of the gentleman from Washington?

There was no objection.

The SPEAKER pro tempore. The question is on the concurrent resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 953, MARITIME AUTHORIZATION, FISCAL YEAR 1988

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-112) on the resolution (H. Res. 178) providing for the consideration of the bill (H.R. 953) to authorize appropriations for fiscal year 1988 for certain maritime programs of the Department of Transportation and the Federal Maritime Commission, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1934, FAIRNESS IN BROADCASTING ACT OF 1987

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-113) on the resolution (H. Res. 179) providing for the consideration of the bill (H.R. 1934) to clarify the congressional intent concerning, and to codify, certain requirements of the Communications Act of 1934 that ensure that broadcasters afford reasonable opportunity for the discussion of conflicting views on issues of public importance, which was referred to the House Calendar and ordered to be printed.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I have requested this time for the purpose of inquiring of the distinguished majority leader as to the program for the balance of this week and what his crystal ball discloses for next week.

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the distinguished Republican leader for yielding.

Mr. Speaker, the business for the remainder of today will be the rule and general debate and other proceedings on the Mineral Leasing Act, H.R. 1039, but it is our hope on this side that if any votes should be called on any amendments, that the Committee would rise.

Mr. MICHEL. That is today.

Mr. FOLEY. That is today. We would like to be able to assure Members that after the vote on the rule on the Mineral Leasing Act there will be no rollcalls other than rollcalls that would have to be taken on Tuesday.

If the Committee proceeds to final passage today, having adopted whatever amendments are offered, we would propose to postpone the final vote on the Mineral Leasing Act until Tuesday. The purpose of this is to give Members assurance that after the adoption of the rule, which would occur within the next hour, Members would be assured that the business for this day would be concluded with respect to any rollcall votes.

□ 1555

The House will not be in session tomorrow, Friday, and would meet on Monday to consider four bills under suspension of the rules:

H.R. 1444, Medicare and Medicaid Patient and Program Protection Act of 1987;

H.R. 401, to add certain lands to the Capulin Mountain Monument, NM;

H.R. 403, to establish the El Malpais National Monument, the Massau Trail, and the Grants National Conservation Area in New Mexico; and

H.R. 1163, to impose criminal penalties for offenses relating to certain aviation reports and records.

On Tuesday, the House will meet at noon and consider H.R. 1039, the Mineral Lands Leasing Act, complete consideration; and

H.R. 953, the maritime authorization for fiscal year 1988, an open rule with 1 hour of debate.

At the end of business on Tuesday, June 3, the House will consider any rollcall votes ordered on any of the suspensions considered on Monday.

On Wednesday and the balance of the week, June 3, 4, and 5, the House will meet at 10 a.m. and consider:

H.R. 1934, Fairness in Broadcasting Act of 1987, open rule, 1 hour of debate;

H.R. 157, Constitution Day, subject to a rule;

H.R. 2330, National Science Foundation authorization, fiscal 1988, subject to a rule;

H.R. 2160, National Bureau of Standards authorization, fiscal 1988, subject to a rule; and

H.R. 2355, EPA authorization, fiscal 1988, subject to a rule.

It is not anticipated that the House will be in session next Friday. This announcement, of course, is made subject to the usual consideration that conference reports may be brought up at any time and a further program may be announced later.

It is possible next week that a conference report on the budget and a conference report on the homeless bill will be considered by the House.

Mr. MICHEL. I thank the gentleman.

For clarification once again, if there are votes carried over on suspensions from Monday's deliberations on those measures, they will come after consideration or completion of the Mineral Lands Leasing Act and the Maritime Authorization Act, is that correct?

Mr. FOLEY. The gentleman is correct. They will be considered at the end of business.

Mr. Speaker, if I could have the attention of the gentleman from Illinois, I want to inform the distinguished Republican leader and the House that it is possible that we will be considering on Wednesday next week a resolution, subject to a rule being granted, reporting a bill requiring notification and submission of certain documents to the House by the Secretary of Defense. This is a resolution similar to that which was passed in the other body by a substantial majority as an amendment to the supplemental appropriations bill.

Mr. MICHEL. That has definitely been scheduled for Wednesday?

Mr. FOLEY. I am telling the gentleman that the tentative scheduling would be Wednesday. We intend to bring it up next week on Wednesday or Thursday, most likely on Wednesday.

Mr. MICHEL. Is that a resolution that has been referred to the Foreign Affairs Committee?

Mr. FOLEY. It has been referred to the Foreign Affairs Committee and also I believe to the Armed Services Committee, and we would hope that the committees could complete consideration of that on Tuesday. But we would also probably be seeking a rule to bring the matter up on Wednesday of next week, Wednesday or Thursday, most likely Wednesday, which would probably involve a technical discharge of the committees.

Mr. MICHEL. I thank the gentleman. I would only make one further observation, that even though that measure passed by an overwhelming margin over in the other body, on sober reflection there are some Members, who upon reading the fine print and recognizing what the thrust of that resolution really does call for so far as handcuffing the President and limiting his options again in the foreign affairs field, obviously, it will not be a noncontroversial kind of thing when it reaches this body.

Mr. FOLEY. I wanted to make the gentleman aware of the possible scheduling of it at an early date so that there would not be a failure to give due notice. I appreciate the gentleman's comments.

ADJOURNMENT TO MONDAY, JUNE 1, 1987

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today it ajourn to meet at noon on Monday next.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Washington?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 782

Mr. KANJORSKI. Mr. Speaker, I ask unanimous consent that my name be deleted as a cosponsor of H.R. 782.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

MINERAL LANDS LEASING ACT OF 1920 AMENDMENTS

Mr. GORDON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 155 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 155

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1039) to amend section 37 of the Mineral Lands Leasing Act of 1920 relating to the oil shale claims, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, each section of said substitute shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 7 of rule XVI are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Tennessee [Mr. GORDON] is recognized for 1 hour.

Mr. GORDON. Mr. Speaker, I yield the customary 30 minutes, for the purposes of debate only, to the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 155 is an open rule providing for consideration of the bill, H.R. 1039, amending section 37 of the Mineral Lands Leasing Act of 1920 relating to old shale claims. The rule provides for 2 hours of general debate to be equally divided and controlled by the chairman and ranking minority members of the Committee on Interior and Insular Affairs. The bill shall be considered for amendment under the 5-minute rule.

Mr. Speaker, the rule also makes in order an amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs for purpose of amendment under the 5-minute rule. In addition, House Resolution 155 waives clause 7, of rule XVI, which prohibits nongermane amendments against the substitute.

Finally, Mr. Speaker, the rule also provides that at the conclusion of consideration of the bill for amendment, the committee shall rise and report the bill to the House. Any Member may demand a separate vote in the House on any adopted amendment to the bill or to the committee amendment in the nature of a substitute.

Mr. Speaker, the Interior Committee bill prevents the transfer of over 270,000 acres of public to private interests for a mere $2.50 per acre under the mining law of 1872. These lands have been the subject of controversy for many decades due to oil shale claims staked on them prior to enactment of the 1920 Mineral Lands Leasing Act. Despite the fact that many of these claims are anywhere from 68 to 90 years old, the claim holders have failed to develop them under the Mining Act of 1872. In many cases they have sold these titles to private corporations, but there has been no oil shale development.

The bill reported by the Interior Committee requires that the validity of existing claims be made and that the holders have the option of either converting them to oil shale leases or continuing to hold the claims and expend a predetermined annual amount to develop the oil shale.

Mr. Speaker, I urge my colleagues to adopt House Resolution 155 making inorder consideration of this important piece of legislation and commend the Interior Committee for its fine work.

Mr. QUILLEN. Mr. Speaker, I yield myself as much time as I may use.

Mr. Speaker, my remarks will be very brief. I congratulate the gentleman from Tennessee [Mr. GORDON] for a fine presentation. The remark has been made that since two Tennesseans are handling this rule, it will go through very quickly and with no problem.

Mr. Speaker, this legislation will resolve a long standing controversy, a matter that has been to the Supreme Court at least three times, and it is time that it be settled.

Mr. Speaker, I urge the adoption of the rule.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. GORDON. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

Te previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. QUILLEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 340, nays 0, not voting 92, as follows:

[Roll No. 156]

YEAS—340

Akaka
Anderson
Andrews
Applegate
Archer
Armey
Baker
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Biaggi
Bilbray
Bilirakis
Bliley
Boggs
Boland
Bonker
Borski
Boucher
Boulter
Brennan
Brooks
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Callahan
Campbell
Cardin
Carper
Chandler
Chapman
Chappell
Cheney
Clarke
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Cooper
Coughlin
Courter
Daniel
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dingell
DioGuardi
Donnelly
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Eckart
Edwards (OK)
Emerson
English
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Flake
Foglietta
Ford (MI)
Frank
Frenzel
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins

Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Inhofe
Ireland
Jacobs
Jeffords
Johnson (CT)
Johnson (SD)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kildee
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lightfoot
Lowery (CA)
Lowry (WA)
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martinez
Matsui
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (OH)
Miller (WA)
Mineta
Molinari
Montgomery
Moody
Moorhead
Morella
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roth
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stangeland
Stark
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Synar
Tallon
Tauke
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vento
Visclosky
Volkmer
Walgren
Walker
Watkins
Waxman
Weber
Weldon
Wheat
Whittaker
Whitten
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOT VOTING—92

Ackerman
Alexander
Annunzio
Anthony
Aspin
Atkins
AuCoin
Badham
Ballenger
Barnard
Bevill
Boehlert
Boner (TN)
Bonior (MI)
Bosco
Boxer
Broomfield
Byron
Carr
Clay
Conyers
Coyne
Craig
Crane
Crockett
de la Garza
Dicks
Dixon
Dorgan (ND)
Early
Edwards (CA)
Erdreich
Fish
Flippo
Florio
Foley
Ford (TN)
Gallegly
Gekas
Gephardt
Gregg
Hall (OH)
Hansen
Hyde
Jenkins
Jones (NC)
Kemp
Kennelly
Kleczka
Kolbe
Lehman (CA)
Leland
Lewis (FL)
Lipinski
Livingston
Lloyd
Lott
Lujan
Martin (NY)
Mavroules
McCandless
McEwen
Miller (CA)
Moakley
Mollohan
Morrison (CT)
Morrison (WA)
Mrazek
Olin
Ortiz
Owens (NY)
Ray
Roe
Roemer
Rogers
Rose
Rostenkowski
Roukema
Rowland (CT)
Saiki
Schaefer
Schulze
Smith (FL)
Smith, Denny (OR)
Stallings
Stenholm
Swindall
Taylor
Vander Jagt
Vucanovich
Weiss
Williams

□ 1625

Mr. HARRIS changed his vote from "present" to "yea."

So the resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. MURTHA). Pursuant to House Resolution 155, and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1039.

□ 1627

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1039) to amend section 37 of the Mineral Lands Leasing Act of 1920 relating to oil shale claims, and for other purposes, with Mr. DONNELLY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from West Virginia [Mr. RAHALL] will be recognized for 1 hour and the gentleman from Alaska [Mr. YOUNG] will be recognized for 1 hour.

The Chair recognizes the gentleman from West Virginia [Mr. RAHALL].

Mr. RAHALL. Mr. Chairman, I yield such time as he may consume to the gentleman from Arizona [Mr. UDALL], the chairman of the full committee.

Mr. UDALL. Mr. Chairman, I rise in strong support of H.R. 1039.

The purpose of H.R. 1039 is to bring finality to a longstanding controversial and endlessly litigated issue; that is, the validity or invalidity of oil shale mining claims located before 1920.

I do not intend to go into any extensive detail on the history of these claims. Suffice it to say that no issue before the Department of the Interior has been more controversial. The issue has been litigated extensively. The Supreme Court has spoken at least three times. And, in my opinion, each time without full and complete knowledge of the circumstances involved. Department of the Interior employees, including its solicitors, have worked for 50 or more years on this, and gangs of outside attorneys have made a father-to-son living litigating the pros and cons of oil shale mining claims.

Briefly, these claims were located prior to 1920 when oil shale was a locatable mineral under the mining law of 1872. After 1920, oil shale was no longer locatable but became subject to lease. However, a saving provision in the 1920 act permitted valid oil shale claims to go to patent. A patent grants fee simple title to the surface and subsurface, including all minerals at a statutory price of $2.50 per acre. This price obviously has no relationship to either the subsurface or surface value of these claims.

Since 1920, many attempts have been made to produce shale oil. None have been economically successful. Thus, we have a situation where land has been held under claim for more than 60 years and all attempts to economically produce a useable product have failed.

The prospects for economy recovery of shale oil certainly is not better today than in 1920. The cost of production is probably about 3 to 4 times of crude oil. In addition to the economic problems, not all technical and environmental problems have been resolved. At the most optimistic viewpoint, oil shale is, at best, a far-distant resource. But it certainly is not a reserve.

If H.R. 1039 is passed, it will prevent what I consider to be a giveaway of public lands and resources. Some can argue the giveway is legal. That may be. But, to me, transfer of title to land for $2.50 per acre where the surface alone is worth about 100 times that amount is unconscionable and morally wrong. The mere fact 350,000 acres of similar land has been patented in the past is not reason to permit an additional 240,000 acres of land in Colorado, Wyoming, and Utah to go the same way.

Just recently the Department of the Interior issued patent to several major oil companies to about 82,000 acres of oil shale mining claims. The chance for economic development of these lands, for their mineral value in the foreseeable future, is extremely remote to nonexistent. This was not, and is not, the purpose of either the mining law of 1872 or the Mineral Leasing Act of 1920. Both of these statutes were predicated upon the theory that the claims or leases contain minerals of value and that these minerals would be diligently developed for the use and benefit of the Nation. These claims have all been held for more than 60 years. There has been minimum expenditure—approximately $100 per year for a 160-acre claim—and there has been little or no evidence of serious efforts to develop the shale oil on these lands. This is understandable. These resources are not presently economically valuable. Nor do I think they will be economically valuable in the foreseeable future.

The question comes down to this: How long should private parties be allowed to hold public resources with little or no evidence of diligent expenditure of time or effort; and should such parties then be rewarded for this lack of effort by being granted a patent, which conveys full fee simple title not only to the mineral values but also to the surface and all other resources.

In my opinion, 60 years is more than ample time to either develop or drop a claim.

I want to emphasize that H.R. 1039 is not a taking. It does not extinguish the existing rights and interests to claim holders, but it does require them to either elect to continue to hold certain of the claims under new diligence and maintenance requirements, which are admittedly substantial more expensive, or to convert the claim to a lease under newly prescribed conditions that are designed to require diligent development of the resource.

Again, I want to emphasize—this is not a taking—but it is a requirement that the land is either developed or substantially payments are made to the Government. After more than 60 years of inaction this does not seem unreasonable. After all, these are public resources and the public interest must be considered.

Mr. Chairman, I urge favorable action on H.R. 1039. It is long past time to correct this unfortunate provision in the mining law of 1872, as well as the Mineral Lands Leasing Act of 1920, and in more recent court decisions that permits this type of disposal of public resources. Only Congress can correct this inequity. H.R. 1039 is designed to do this.

Mr. RAHALL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I join in the comments of the gentleman from Arizona [Mr. UDALL]. The chairman has been a very strong and capable guiding force during the deliberations of the Subcommittee on Mining and Natural Resources on this legislation. I appreciate his support and I salute him for his efforts.

Mr. Chairman, the purpose of H.R. 1039 is to prevent the transfer of 270,000 acres of public land to private interests for $2.50 per acre and to impose requirements on the claim holders to either comply with the intent of the mining laws or relinquish their claims.

These lands have been the subject of controversy for over 66 years due to oil shale claims staked on them prior to the enactment of the 1920 Mineral Lands Leasing Act. Between 1920 and 1987, the claim holders failed to take any action on these oil shale claims either to develop them or perfect them under the mining law of 1872. At some point, this charade must end and that is the purpose of H.R. 1039—to resolve this matter once and for all.

The continued existence of these claims restricts the lands from the development of other minerals which may exist on them. This means that these lands are, in essence, withdrawn from mineral entry. Moreover, issuing full patents for a mere $2.50 an acre for oil shale claims at this time would likely result in nonmineral development. This flies in the face of the intention of the mining laws, which is to promote mineral development and not land speculation.

Further aggravating this situation have been various court decisions handed down over the years. Under them, the mining laws as they relate to oil shale claims have been construed in such a way that they no longer promote the mining of oil shale lands, creating an opportunity for speculators to abuse the mining laws to receive title to public lands for purposes unrelated to mineral extraction. I fear that some dangerous precedents are being set.

H.R. 1039, as reported by the Committee on Interior and Insular Affairs, with certain exceptions would prohibit the issuance of patents for oil shale claims and in an effort to preserve the possessory right of the claim holders, give them the option of converting valid claims to oil shale leases under section 21 of the Mineral Lands Leasing Act of 1920, or continue to hold the claims in compliance with a new expenditure requirement.

The Secretary would also be required to undertake an expedited program to determine the validity of all unpatented oil shale claims within 2 years after enactment. If a claim is found invalid, it would be canceled.

It should be noted that there is no vested right to the issuance of a patent if no patent application has been made and all requirements for a patent have not been fully complied with. The Congress on a number of occasions has placed limitations on the issuance of mining claim patents and these restrictions are constitutional if they do not wholly extinguish the possessory right of the holder of an unpatented mining claim.

H.R. 1039 would meet this test by giving the holders of valid claims for which no patent applications were pending on February 5, 1987, the option to convert them to oil shale leases or hold them under the new expenditure requirement. For those valid claims for which patent applications were filed prior to February 5, 1987, the test would be whether all requirements for filing a patent application had been fully complied with by that date. In both instances, a validity determination on the claim would have to be made. Claims found invalid and claims not converted to leases or which do not comply with the expenditure requirement would be extinguished.

Under the lease option, the oil shale lease would be issued pursuant to section 21 of the Mineral Lands Leasing Act of 1920 with two exceptions. No lease term is provided for by current law and under the legislation the lease term would be 20 years and so long thereafter if shale oil is being produced annually in commercial quantities. Current law provides for a maximum oil shale lease size of 5,120 acres with no person holding more than 7,680 acres in any one State. Under the legislation, these limits would not apply as the acreage limitations could not be conformed to the acreage contained in the oil shale claims. The only other requirements that would be imposed on these leases would be the payment of an annual rental, which current law sets at 50 cents an acre, and a production royalty set by the Secretary. It should be noted that the lease would not actually be issued until the claim is found valid.

Under the claim retention option, the holder of the claim would have to comply with all provisions of the mining laws and with a new expenditure requirement. Under this requirement, the claim holder must expend an amount annually which represents diligent efforts toward the production of shale oil on the claim. The Secretary would establish this amount by rule. If after any year this expenditure is not made the claim would be canceled.

The legislation would also require any person who holds an oil shale lease or oil shale claim prior to undertaking mining, post a bond and agree to reclaim the site.

These two options are aimed at insuring these oil shale lands are either developed for their shale oil, as envisioned by the mining laws, or relinquished to the Government so they could be managed for their other resource values.

□ 1635

Mr. LEVINE of California. Mr. Chairman, will the gentleman yield?

Mr. RAHALL. Mr. Chairman, I yield to the gentleman from California.

Mr. LEVINE of California. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I wish to commend both the gentleman in the well at the moment, the gentleman from West Virginia [Mr. RAHALL], the subcommitte chairman, and the gentleman from Arizona [Mr. UDALL], the full committee chairman, for their able leadership on this issue.

I do have a question for the subcommittee chairman, and I think I heard it answered in the course of the gentleman's comments; but I want to be sure my understanding of one of the key provisions of this bill is correct.

I think I heard the gentleman say essentially, if all requirements for filing a patent application are met prior to a particular date, I think the gentleman said it was in early 1987?

Mr. RAHALL. Mr. Chairman, February 5, 1987.

Mr. LEVINE of California. Then the application would be considered valid under this legislation.

Am I correct in understanding, therefore, that pending applications will under this legislation be considered in the same manner in which completed applications would be? If a patent application has been properly submitted with all documents filed and procedures complied with, under those circumstances, am I correct in understanding the application will be considered as if it has been a fully completed application?

Mr. RAHALL. Mr. Chairman, the gentleman from California is correct. Prior to February 5 of this year when the bill was introduced, there were 75 patent applications that were pending that cover some 11,409 acres in Colorado.

Under this legislation, as long as those patent applications have been filed, as long as they meet the requirements for receiving patent applications, then they would not be affected by this legislation.

Those requirements are that they, of course, be locatable claims, that the claims had been valid, that there has been a discovery of minerals on those claims, and that diligence requirements have been met.

As long as those requirements are met and the applications for patent have been filed, then they would not be affected by this legislation.

Mr. LEVINE of California. Mr. Chairman, I thank the gentleman for that clarification.

With that clarification, I want to add my words of support for the legislation and again compliment the gentleman for his work on this issue.

Mr. YOUNG of Alaska. Mr. Chairman, will the gentleman yield?

Mr. RAHALL. Mr. Chairman, I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Chairman, prior to the passage of this legislation, there was a date of February 5, if in fact the person is involved at this time trying to meet all the requirements set forth under present law, and after February 5 none of that work is valid, he loses his right to that claim, is that correct?

Mr. RAHALL. Mr. Chairman, let me say to the gentleman, we had to establish the February 5 date, because that is the day the bill was introduced; in Congress in the past, as long as pending legislation is being debated that might affect certain individuals, then there has to be a cutoff, so individuals cannot go out and make application for patents during consideration of the bill.

Mr. YOUNG of Alaska. Mr. Chairman, the gentleman from California [Mr. LEVINE] was leading up to a point that in fact this does relate to people actively pursuing a patented claim at this time. At this time meeting all requirements under present law and under your bill, that time from February to June, and then it goes to the Senate, all that work is done.

Would the gentleman object to an amendment at a later date to the passage of the act?

Mr. RAHALL. Mr. Chairman, let me tell the gentleman that the gentleman is confusing applications and valid claims.

Mr. YOUNG of Alaska. No, no. I am not confusing that at all.

Mr. RAHALL. Claims of an applicant, as long as those claims have been found valid, what it would affect is his ability to apply for a patent application after February 5, 1987.

Mr. YOUNG of Alaska. It would affect his ability. He has done his work, spent his money under present law; and he under your bill cannot in fact file for that patent application.

Mr. RAHALL. Mr. Chairman, he has had over 66 years in which to file a patent application and has taken no action whatsoever, indeed in many cases goes back to prior to the 1920 act, and has taken no action to mine the mineral, or has not filed for a patent application.

Mr. YOUNG of Alaska. Mr. Chairman, if the gentleman will yield further, in that case, it is not a valid bid; but if he has done his work from this time on, February 5 until now, if he has done the actual work, under the gentleman's bill, the gentleman is taking away that work and that right.

Mr. RAHALL. We are not taking away his right to hold that claim.

Mr. YOUNG of Alaska. Yes, the gentleman is.

Mr. LEVINE of California. Mr. Chairman, will the gentleman yield?

Mr. RAHALL. Mr. Chairman, I yield to the gentleman from California.

Mr. LEVINE of California. Mr. Chairman, if I might clarify the rest of my question to the gentleman, I was not raising the same point that the gentleman from Alaska was raising, and so that the record will be clear, the point that I was raising and which was clearly responded to in a satisfactory manner to me by the gentleman from West Virginia [Mr. RAHALL], the subcommittee chairman, pertained to applications that were fully filed prior to the February 5 date.

On that point, the gentleman's response at least to this gentleman was satisfactory. I was not raising the additional point, and certainly do not intend to raise the additional point, that the gentleman from Alaska craftily injected into the argument at that stage.

Mr. RAHALL. Mr. Chairman, the gentleman from California is correct. He is correct in his interpretation, as far as those applications for patents that are pending.

Mr. Chairman, I reserve the balance of my time.

Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong opposition to H.R. 1039. The distinguished gentleman from West Virginia, the chairman of the Subcommittee on Mining and Natural Resources well knows that we see eye-to-eye on many issues, but this is an issue where we clearly are on the opposite side.

Oil shale claims have been litigated in the courts for the last 66 years, with the courts ruling against the Federal Government in the majority of decisions. If H.R. 1039 were to become law, it is clear, the oil shale issue will once again end up in court and the Federal Government will more likely have to expend scarce resources to defend an issue that has been overlitigated.

Mr. Chairman, I oppose H.R. 1039 for a number of reasons. First, I believe H.R. 1039 merely transfers the problem from the Bureau of Land Management [BLM] Mining Division to the BLM Leasing Division.

If the proponents of H.R. 1039 really want to establish a system that encourages the development of oil shale, the bill's forced requirement to convert oil shale claims to leases doesn't do the job. The oil shale resource is no more likely to be developed under a leasing regime than under a patent scenario. Oil shale claimants had the opportunity to convert their claims to leases 66 years ago, in section 21 of the Minerals Land Leasing Act of 1920, the so-called savings clause. No oil shale claimant chose to use section 21 and therefore, oil shale has remained under the primary jurisdiction of the 1872 mining law.

It is fairly evident, that economics is the driving force determining whether oil shale will or will not be commercially developed. Forcing oil shale claimants to convert their oil shale claims to leases does not guarantee development, it only guarantees more litigation and judicial review of an issue that has been overlitigated.

A second reason that I oppose H.R. 1039 is fairness and equity. Beyond everything else, what H.R. 1039 does is change the rules of the game in midstream. The bill denies the owners of presently unpatented oil shale claims the same treatment that the United States has afforded to numerous other oil shale claim owners who have received patents from 1920 through January 1987.

What the bill says is, you may have complied with all of the requirements of the current law but that's not good enough. Congress now determines the necessity to change the requirements without considering an oil shale claimants past action to comply with the current law. This lack of recognition of valid oil shale claims creates a problem that undoubtedly will be resolved, but the forum that it will be resolved in will be the courts.

The third and main reason to oppose H.R. 1039 is based on the question of "taking." H.R. 1039 changes the vested rights of the oil shale claimant. Section 2(b) prohibits the patenting of oil shale claims forevermore unless an application was filed before February 5, 1987. Section 2(c) directs the Secretary of the Interior to determine the validity of all unpatented oil shale claims and to cancel those he determines to be invalid. In the view of the Department of the Interior and others who testified before the Interior Committee, the denial of a patent may well be a "taking" under the fifth amendment of the Constitution.

In a letter to the chairman of the full Committee on Interior and Insular Affairs, the Department of the Interior stated, "We believe elimination of any opportunity for claimants to obtain title and the right to develop oil shale deposits may well be a taking of a property right without compensation—a right protected by the Constitution." H.R. 1039 appears to threaten this expectation and protection given under the Constitution, and will only throw the issue of "taking" back into the courts.

Mr. Chairman, the proponents of H.R. 1039 argue that the bill will help correct a problem that has existed since 1920. In reality, what this bill does is force uneconomic development of a resource where technology is unproven and remains in the research and development stage.

It also amazes me, at a time when Congress is looking at different ways to reduce the deficit, we are debating legislation that will require the expenditure of considerable Federal funds to establish a regulatory program not necessary under other options for managing these oil shale resources.

Some people have estimated that $100 million has been expended, over the last 66 years, by oil shale claimants and the Federal Government litigating this issue. If H.R. 1039 becomes law, how much more will be added to this figure before litigation stops. Ironically, this result is precisely what the legislation under consideration purports to correct.

Mr. Chairman, H.R. 1039 is purportedly a step forward to ending the debate surrounding oil shale deposits on our public lands. As Henry David Thoreau once said, "The frontiers are not east or west, north or south, but whenever a man fronts a fact." Mr. Chairman, the sad fact is, H.R. 1039 is bad public policy and if it becomes law, it will cost the American taxpayer thousands of dollars to correct or support the action that Congress should never have taken in the first place.

Mr. RAHALL. Mr. Chairman, I yield such time as he may consume to the gentleman from Colorado [Mr. CAMPBELL] who has been very helpful in the drafting of this legislation.

Mr. CAMPBELL. Mr. Chairman, as the Congressman from western Colorado, I have made it a priority to prevent public lands from being transferred into private ownership under the guise of oil shale patents. I fully support H.R. 1039 and appreciate the work that has been done by my distinguished colleague Mr. RAHALL and the Mining Subcommittee to ensure the intent of the Mineral Lands Leasing Act of 1920 is carried out as Congress intended.

In early 1986, 82,000 acres of oil shale claims in the Piceance Basin of Colorado were patented as a result of Tosco versus Hodel and the Department of the Interior's negotiated settlement with the claim owners. This extraordinary settlement was the result of the Department's failure to appeal the decision, and in a broader sense, the improper application of the provisions of the Mineral Lands Leasing Act of 1920.

The act was intended to promote the mining of oil shale lands, but instead has created opportunities for speculators to abuse the mining laws to receive title to public lands for $2.50 per acre and for purposes unrelated to mineral extraction. I would tell my colleagues that during the energy crunch of 1979-80 oil shale leases were selling for $40,000 an acre in some areas in my district.

Let me emphasize that this bill is very important from a mining standpoint. This bill protects the people who are really interested in the mining of oil shale and at the same time prevents people from profiteering with the public's land.

If H.R. 1039 is not passed, an additional 99,729 acres in Colorado will be available for patenting purely for speculative purposes with no production criteria. Another 171,000 will be lost in Wyoming and Utah. The so-called claim owners who will receive the land are not obligated to produce oil shale or make any developments or improvements in any specified time period. In addition, the large tracts affected by Interior and oil company agreements have rich oil shale seams. Lands of this potential value should be held as an oil reserve, particularly in the light of predictions that America will be facing another major energy shortage by 1990.

H.R. 1039 provides the holder of a valid oil shale claim with two options: The claim holder could elect to convert the valid claim to an oil shale lease or maintain the claim pursuant to the requirements of current law and a new requirement that an amount be expended annually that represents a diligent effort toward the production of oil shale. If the claim holder does not choose to comply with one of these options, or the claim is found to be invalid, the claim would be cancelled.

The bill also addresses the fact that since 1920, no oil from shale on existing claims has been produced for the commercial market. The record is incomplete as to whether the $100 annual assessment work per claim and the $500 total work prerequisite for patents has been completed. Therefore, the bill contains a directive to the Secretary to examine the validity of all existing unpatented oil shale claims. The claimants have had 66 years to patent the claims and to begin active oil shale mining and development. If no such action has been taken, the land should remain in the public domain.

The patenting of mining claims denies to State and local governments revenues derived on bonus payments, guaranteed annual rent payments and royalty payments on production. Any property tax revenues that may be realized are minimal to the payments in lieu of taxes the counties in my district already receive.

In addition, ranchers with grazing permits have no assurances that they will continue to be able to graze their cattle on the patented lands once their existing permits have expired. On the claims that have been patented, ranchers must renegotiate with the new owners, with no assurance that grazing will continue to be permitted or at what cost. Property values on area ranches have also eroded, with many summer grazing pastures now under private ownership.

The claim has also been made that there will be reasonable access for hunting and fishing. However, many questions remain as to who will grant the access and who deserves the revenues. Hunting and fishing are both major contributors to Colorado's economy.

In addition, questions remain about public rights of way for roads, communications, utilities, and preservation of wildlife. I fail to see how the privatization of public property will guarantee public access.

H.R. 1039 properly amends section 37 of the Mineral Lands Leasing Act of 1920 to reflect its original intent: The promotion of oil shale mining, rather than the sale of public property at bargain basement prices.

Mr. Chairman, my friend, the gentleman from Arizona, [Mr. UDALL], has said before and may say today, we have "a fire sale with no fire." Mr. Chairman, it is interesting to me that we are accused of changing the rules of the game. Congress is in the business of changing the rules to fit the social needs of the time. If we weren't, women still would not have the right to vote.

Mr. Chairman, I encourage the adoption of H.R. 1039.

□ 1650

Mr. RAHALL. Mr. Chairman, I would like to respond to some of the comments that were made by the distinguished ranking minority member, the gentleman from Alaska, my good friend.

First, let me say that I think in his objections to the bill that the problems he has stem basically from the fact that it is confusing the possessory interest in land which attends a valid mining claim and the grant of title to land, the actual grant of title to land, which is what we are doing in patent applications when the Government issues a patent. H.R. 1039 affects only the latter.

The legislation does not, as the gentleman from Alaska has stated, change the vested rights of the oil shale claimant. The rights of a claimant in a mining claim are nothing more than exclusive possession of the land and for exploration and extraction. There are court cases to back this statement up.

The proposed legislation does not disturb this possessory interest of the oil shale claimant in the mine site. The claimant can continue to mine his claim and has ownership of any minerals that are extracted.

There is not vested right to a grant of title to Federal lands pursuant to the mining law until the claimant meets all the requirements for issuance of a patent.

I mentioned those before, but let me state what they are again and say that this also has been backed up by court cases. These requirements include all the criteria for a valid claim; that is, the proper location and recordation, that is, that the claim be staked out, the corners be delineated and filed with the Bureau of Land Management and various county officials or county authorities that may have jurisdiction.

The second requirement is discovery of a valid mineral deposit, that is, that there is something there that is worth mining.

And third, the completion of the annual assessment work, which as we have heard has been the $100 per year minimum requirement.

In addition, the claimant must have applied for a patent and paid any application fees or other requisite fees.

None of the oil shale claimants allegedly affected by the proposed prohibition on the issuance of new mining permits have complied with these patent deed requirements.

I might add again that they have had 66 years in which to comply.

Since no patent right is vested, no taking of the claimant's property is worked by this legislation.

Again I say to my distinguished colleague this has been verified in various court cases, which as the gentleman has said, has been going on for some 66 years; so I say to my colleague from Alaska that the gentleman's concerns that this legislation is taking is not established on valid ground. We have indeed gone out of our way through amendments during the committee deliberations, made efforts to assure that that is not what we are doing in this case and we feel that we are on sound constitutional grounds.

Mr. Chairman, I reserve the balance of my time.

Mr. YOUNG of Alaska. Well, Mr. Chairman, I say to the gentleman from West Virginia, though, we take away the right of expectation and under present law if you fulfill all the requirements the gentleman spoke of recently in his recent statement, then that individual who thought he was meeting the requirements necessary to have an unpatented claim and still be allowed to work it, but by this law you are taking away this right.

Yes, you cannot take away a patented claim. The gentleman's bill does not do that; but you do take away—if I was an "X" miner and I met every requirement this Congress set forth in the 1872 mining law, and many times, I say to my friend, the miner does not apply for a patent because of the cost itself, because if I am not mistaken the miner has to bear the burden of the survey alone. The Government does not. The miner himself when he applies must put up all the front money. The Government does not. If he can work the claim or keep a valid claim to that unpatented claim, pending claim, then that is the wise thing for him to do.

What I am suggesting respectfully in this case is that we should in this bill at least recognize the "X" miner if he has met all the requirements. To take that expectation right away from him, to change the rules now, and we are not taking a patented claim, you are the "Y" miner, I am the "X" miner, I thought I was meeting all the requirements, but I do not have the money to put forth for the survey. I am a little miner, not a big miner. I am a little claimant, not a big one. You have had the money to have your area surveyed.

I am suggesting respectfully that under this legislation because I am a little miner and, yes, this is public land and I will privatize public land every time I get a chance, because the private sector takes better care than the public; so I am suggesting you are taking that individual right away from the person that thought he was meeting all the requirements that this Congress set forth. That is what we are doing in this legislation.

Mr. RAHALL. Mr. Chairman, let me say again to the gentleman, if the gentleman will yield further, that as has been demonstrated in the earlier debate, those patented applications that are pending, those 75 applications that were pending prior to the application of this bill are those that have met those requirements. They have made an effort to take their claims through the patent process and we are not affecting those in any way.

Mr. YOUNG of Alaska. You are taking the discretion away from the individual. You are putting it in the hands of the Secretary, and God knows who the Secretary may be. The public may not be wise enough to elect a good Secretary of the Interior again. We may go back to where we were 8 years ago, and I can guarantee that if it had been the Secretary of the Interior 8 years ago he would not recognize any claim, any applicant who was filing for a patent pending.

I suggest that we are leaving that discretion to him.

Mr. RAHALL. Mr. Chairman, I say to the gentleman again, the applicant has had 66 years in which to make that application. I think that is enough time.

Mr. YOUNG of Alaska. Mr. Chairman, may I go back to my original argument. My original argument was that he had 66 years, but he was playing under our rules that we set forth, that he did not have to file for that patent as long as he kept up with the rules and regulations that we set forth.

Again I said, I am a small miner and I have not the money to set forth the survey.

I have the time, I say to the gentleman, that is why I am suggesting that.

I am saying respectfullly, that is what we are doing here. Let us say that he had 66 years. Why the February 5 cutoff time? Why cannot we offer a time limit that ends with the passage of this act? I want to ask the gentleman that.

Mr. RAHALL. I am sorry, would the gentleman repeat the question?

Mr. YOUNG of Alaska. Why do we not take and change the February 5 date to a later date?

Mr. RAHALL. The February 5 date is the date the bill was introduced.

As I said earlier, we cannot allow actions to take place during deliberations of the Congress when those actions could very well—the decisions on those actions could be affected by the passage of this legislation. Congress has always set a cutoff deadline——

Mr. YOUNG of Alaska. No, that is not correct.

Mr. RAHALL. For what decisions may be promulgated that are affected by the pending legislation.

Mr. YOUNG of Alaska. Many times the legislation, I would suggest respectfully, many times the legislation we put after the passage of the act, that this shall take effect.

We are not in the amendment stage yet. I am trying to avoid an amendment.

Mr. RAHALL. I understand the gentleman's concern, but it has been well-stated that Congress may provide for retroactive application of the statute so as to preserve the status quo during bills that are introduced and during our deliberations on those bills if actions by affected persons during those deliberations would otherwise render the legislation useless or made useless.

That has been determined in court cases, such as the Pension Benefit Guarantee Corporation versus R.A. Grey & Co. That has been established.

Mr. YOUNG of Alaska. Mr. Chairman, would the gentleman object to an amendment that would say——

Mr. RAHALL. Yes.

Mr. YOUNG of Alaska. The gentleman would object to an amendment? Unfortunately, we may have one then. I am suggesting that it would be a great amendment to have offered and accept it, because it makes great sense to this side of the aisle and it should make sense to the gentleman, because we are talking about the opportunity of an individual who has met our rules and he knows full good and well now as the bill passes this House and becomes the law and signed by the President, which is questionable, signed by the President, that he has that period of time to fulfill that obligation, and right now he is being cut off from doing it, not the patented claims, but those unpatented claims.

Mr. RAHALL. Let me say to the gentleman that there have been a number of court decisions which clearly indicate that Congress can constitutionally extinguish a claimant's ability to obtain a patent under the mining law as long as the possessory right represented by that claim is preserved, and we are maintaining that possessory right of the valid claimholder in this legislation.

The law is well-settled that a vested right to a patent does not arise until there has been a full compliance with the procedures that are set forth in the mining law for obtaining a patent.

Mr. YOUNG of Alaska. Mr. Chairman, if I may reclaim my time for a moment, let us make it perfectly clear for the record, in the majority of the cases the Federal Government has been ruled against and have ruled in favor of the claimant. Now, that is correct.

Mr. RAHALL. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of Alaska, I yield to the gentleman from West Virginia.

Mr. RAHALL. Will the gentleman yield me enough time to respond to him on a number of cases that show that?

Mr. YOUNG of Alaska. Mr. Speaker, I reserve the balance of my time.

Mr. RAHALL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I will say in further response to the gentleman from Alaska that again to back up the contention that this legislation does preserve the possessory right of a valid claimholder and if not a taking, a claimholder who does not carry his claims to patent, as the Supreme Court has noted in Best versus Humboldt Placer Mining Co., he takes the risk that his claims will no longer support the issuance of a patent. He just cannot hold on to those claims indefinitely and expect that his option to go for a patent application is always going to be preserved. The courts have ruled against that.

In Alaska Miners versus Andrus, the court ruled that holders of unpatented claims have no right to require the Government to just hold open indefinitely the option to apply for a patent and that the land embraced in an unpatented claim remains subject to the disposing power of Congress, and if it is held in that open situtation, that option situation forever, it disturbs Federal land planning purposes. It is bad for the American taxpayers, the valid owners of that land.

I submit to the gentleman that if he gives an option to somebody for a particular land or to exercise a certain plan of action, that you are not going to hold that option open indefinitely. There has to be a time in which that option is no longer available. These claimholders, these valid claimholders, have had over 66 years to exercise that option and have not exercised it.

There are other court cases. The matter was tested in Freese versus United States, a case which involved the statute which created the Sawtooth National Recreation Area. This statute contained a provision which prohibited the issuance of patents for mining claims. In other words, it expressly terminated the ability of existing claimholders to proceed to patent.

This legislation, H.R. 1039, while prohibiting the issuance of patents for those oil shale claims for which no patent application has been made, again I stress, preserves the possessory right of the claimholders by giving them the option, as I explained in my opening statement, of having their claim converted to a lease, going through the requirements, or continuing to hold the claim, but comply prospectively, with a new expenditure requirement, which we leave to the discretion of the Secretary to be promulgated by rules.

Mr. Chairman, I reserve the balance of my time.

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Mr. YOUNG of Alaska. Mr. Chairman, I yield myself such time as I many consume.

Mr. Chairman, because the reference was to the Andrus versus the Alaska Miner, I would like to refresh the gentleman's memory a little bit about that claim. In that finding by the court it also said that the claimant still maintained his rights as long as he proceeded under the present regulations, then applied for the patent, and his claims could not be leased and could not be patented or applied for by anyone else. It just required him to act, in that court decision.

That is what is going to happen if this bill becomes law. There will be another court case, and in fact this law will be found invalid. The gentleman may say that the Congress can do anything that it wants to do, but I say that it is unconstitutional, the taking without compensation. In the Alaskan versus Andrus case, the court ruled that there were no possessory rights or the right of the claimant to continue to hold onto the pendant claim, but in fact he was protected if he did apply in due time, and that was what happened in Alaska.

So I do not want the gentleman to cite that case as one where the Congress can take away or the courts in fact took away without protecting individual rights.

Mr. Chairman, I again urge my colleagues to oppose this legislation. I do believe that it is unconstitutional, and at the appropriate time I would like to with proper colloquy between my good friend from West Virginia, and I would like to yield to him for that colloquy, it is my understanding that if I yield back the balance of my time at this point, at the appropriate time the chairman of the full committee will ask for unanimous consent, and we will go forth into next Tuesday to finalize this legislation. Is that correct?

Mr. RAHALL. If the gentleman will yield, the gentleman is correct.

Mr. YOUNG of Alaska. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. RAHALL. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered as an original bill for the purpose of amendment, and each section shall be considered as having been read.

The Clerk will designate section 1.

Mr. RAHALL. Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 1039

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress finds that:

(1) Certain oil shale mining claims were located pursuant to the General Mining Act of May 10, 1872, before enactment of the Mineral Lands Leasing Act of February 25, 1920, which provides for the leasing of that mineral.

(2) Section 37 of the Mineral Lands Leasing Act of 1920 permitted oil shale claims that were "maintained in compliance with the laws under which initiated" to be perfected under such laws.

(3) The holders of those oil shale claims that have not been patented have been afforded ample opportunity to apply for patents over the last sixty-six years but have failed to take such action.

(4) Both the Mining Act of 1872 and the Mineral Lands Leasing Act of 1920 were intended to accomplish the development of the mineral resources of the Nation, including oil shale.

(5) Almost none of the oil shale claims have been developed for their oil shale in the intervening sixty-six years.

(6) The continued existence of these oil shale claims restricts the lands from the development of other minerals which may exist on the claimed lands.

(7) The continued existence of these oil shale claims interferes with the effective management of Federal lands.

(8) Issuing patents for these claims at this time would likely result in nonmineral development contrary to the intent of the Mining Act of 1872 and the Mineral Lands Leasing Act of 1920.

(9) The lands embraced in an unpatented claim remain subject to the disposing power of the Congress until all conditions imposed by law for issuance of a patent are fully satisfied.

(10) Either the conversion of valid oil shale claims to leases or requiring diligent work toward production on such claims, together with the cancellation of invalid claims, would promote mineral development including for oil shale.

(11) It is in the public interest for these claims to be brought to some final resolution so that Federal lands affected may be properly managed for their mineral and other values in accordance with the laws and policies of the United States.

SEC. 2. AMENDMENT TO THE MINERAL LANDS LEASING ACT.

Section 37 of the Act of February 25, 1920, entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, and sodium on the public domain" (30 U.S.C. 181 and following) is amended by inserting "(a)" before the first sentence and by adding the following new subsections at the end thereof:

"(b) After February 5, 1987, no patent shall be issued by the United States for any oil shale claim referred to in subsection (a) except for those claims for which (1) a patent application had been filed with the Secretary of the Interior, and (2) all requirements for a patent have been fully complied with by that date.

"(c) The Secretary of the Interior shall undertake an expedited program to determine the validity of all unpatented oil shale claims referred to in subsection (a). The Secretary shall make a determination with respect to each such claim within two years after the enactment of this subsection. The expedited program shall include an examination of all unpatented oil shale claims, including those for which a patent application has not been filed. If a claim is determined to be invalid, the Secretary shall promptly cancel the claim.

"(d)(1) The owner of each unpatented oil shale claim referred to in subsection (a) shall make an election under paragraph (2) or paragraph (3) of this subsection. The election shall be made within ninety days after the enactment of this subsection. If a election is not made within such period, the Secretary shall cancel the claim. Not later than thirty days after the enactment of this subsection, the Secretary shall notify the owner of each such claim of the election required under this subsection.

"(2) The holder of a claim required to make an election under this subsection may elect to apply to the Secretary for a lease under section 21. If such an election is made the claimholder shall file an application for lease within ninety days after the enactment of this subsection. Upon receiving such an application the Secretary shall issue a lease to the owner of such claim for the area covered by the claim if the claim is determined to be valid. A lease under this paragraph shall be issued in accordance with the provisions of section 21 except as follows:

"(A) The term of the lease shall be twenty years and for so long thereafter as shale oil is produced annually in commercial quantities from the lease.

"(B) The acreage limitations contained in section 21(a) shall not apply.

"(C) The second proviso of section 21(a) shall not apply.

"(3) The holder of a claim required to make an election under this subsection may elect to maintain the claim by complying with all provisions of the mining laws of the United States regarding the maintenance of mining claims, with section 314 of Public Law 94-579, and with such additional requirements as the Secretary shall prescribe, by rule, to assure that an amount is expended annually which (A) represents diligent efforts toward the production of shale oil and (B) includes substantial work on the claim. The Secretary shall promulgate a final rule under this paragraph within ninety days after the enactment of this subsection. The annual expenditure requirement under such rule shall take effect on the first day of the first month of September which occurs more than ninety days after the enactment of this subsection. The Secretary shall review the expenditures made for each such claim not less frequently than annually. If the Secretary finds that the annual expenditure requirement has not been met, the Secretary shall cancel the claim.

"(e) In addition to other applicable requirements, any person who holds a lease pursuant to paragraph (2) of subsection (d) or who maintains a claim pursuant to paragraph (3) of subsection (d) shall be required, by regulation, to reclaim the site subject to such lease or claim and to post a bond before disturbance of the site to guarantee such reclamation. The Secretary of the Interior shall promulgate such regulations as may be necessary to implement this subsection.".

The CHAIRMAN. Are there any amendments to the committee amendment in the nature of a substitute?

If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MONTGOMERY] having assumed the chair, Mr. DONNELLY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1039) to amend section 37 of the Mineral Lands Leasing Act of 1920 relating to oil shale claims, and for other purposes, pursuant to House Resolution 155 he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was engrossed and ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

PARLIAMENTARY INQUIRIES

Mr. UDALL. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. UDALL. Mr. Speaker, when would be the appropriate time for me to ask unanimous consent before the vote on final passage, which will be postponed until Tuesday, as I understand it, under previous proceedings—when would it be appropriate to ask for unanimous consent?

The SPEAKER pro tempore. The gentleman may ask unanimous consent that the vote would be on Tuesday.

Mr. UDALL. Mr. Speaker, I make that request.

The SPEAKER pro tempore (Mr. MONTGOMERY). If we postpone the vote, there will be 10 minutes of debate.

Mr. UDALL. Mr. Speaker, I ask unanimous consent that there be 10 minutes to be controlled by the gentleman from Alaska [Mr. YOUNG] and 10 minutes to be controlled by myself for the committee.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, to avoid confusion, is it clear that the 10 minutes on each side will be for debate only?

Mr. YOUNG of Alaska. Mr. Speaker, if I may answer the gentleman, yes, just debate only, no amendments. The intent of this was to allow some Members who were not here at this time, if they wished to speak prior to the vote, to speak on the legislation either pro or con, and I think that it is only a fair opportunity.

Mr. Speaker, I have a parliamentary inquiry. We are trying to avoid a vote at this time, and to have the vote Tuesday, and I thought that the gentleman from Arizona had asked unanimous consent to have the vote on Tuesday.

The SPEAKER pro tempore (Mr. Montgomery). The Chair would like to explain the position of the Chair, that he has asked for the vote, and he has not ruled yet whether the ayes or the noes have it. If the Chair says it seems that the ayes have it, the gentleman can object on the ground that a quorum is not present, and we will have the vote on Tuesday. The Chair will postpone the vote.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. YOUNG of Alaska. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to the provision of clause 5, rule I, further proceedings on this question will be postponed. The vote will be taken on Tuesday, June 2, 1987.

The point of no quorum is considered withdrawn.

GENERAL LEAVE

Mr. RAHALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

IN SUPPORT OF H.R. 1451, OLDER AMERICANS ACT AMENDMENTS OF 1987

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, I rise today in strong support of the Older Americans Act Amendments of 1987. The social services authorized by this legislation help ensure that older Americans can live with dignity, increased independence, and have greater opportunities for growth and fulfillment in their mature years.

Because of the Older Americans Act, many more of our Nation's elderly are able to live independently in their own homes. No longer is dependence and nursing home life the only option for many of America's senior citizens.

This increased independence is made possible through a wide variety of support services administered at the community level, such as home-delivered meals, home medical care, transportation and shopping assistance, home repair and renovation services, homemaker assistance, and many other efforts. I am glad the Older Americans Act amendments places increased focus on these in-home services that help promote self-sufficiency and enhanced quality of life.

Older Americans Act programs also enrich the lives of our Nation's elderly by providing employment opportunities, counseling and referral services, and offering participation in exercise, recreation, and other social activities. These efforts enable the elderly to continue to actively participate in community life.

The graying of the U.S. population in general, and the population of Nebraska in particular, underscores the increased need for these programs. Between 1980 and the year 2020, the total U.S. population is projected to increase by slightly more than 30 percent, while the elderly population is projected to increase by more than 200 percent. Persons 85 years of age and older are the fastest growing age group in this country.

My home State of Nebraska already has an enormous senior citizen population. Between 1960 and 1980, the number of Nebraskans 75 and older increased 145 percent; those 85 and older increased 127 percent. There are 107,000 people over age 60 in my district, and 130,000 over age 55. This is far above the national average.

Obviously, these figures indicate that to Nebraska, and to the United States in general, programs for our senior citizens are of utmost importance. I know from personal experience that the programs under the Older Americans Act have been an absolute blessing to my district.

Of the 107,000 people over age 60 in my district, over 16,000—or 15 percent—receive continual and intensive services under the Older Americans Act. Many thousands more are also touched in some way by these programs.

From July of last year to March of this year, 40,000 service hours were spent in my district assisting the elderly in a wide variety of handyman and housekeeper services, ranging from electrical and plumbing work to vacuuming the carpet.

During this same period, 55,000 meals were delivered to the homes of elderly citizens, and over 400,000 congregate meals were provided at senior citizens centers in my district.

All of these important services are being provided at a minimal Federal investment. This Congress can do no greater service to our country's older population than by strongly supporting reauthorization of the Older Americans Act. I urge all of my colleagues to support this legislation.

GENERAL MacARTHUR'S LAST SPEECH AT WEST POINT—MAY 12, 1962

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DORNAN of California. Mr. Speaker, 25 years ago this month I, along with a lot of other Americans, heard what we consider to be the greatest speech that we ever heard in our lives. It may remain that way for the rest of the century. It was an old soldier giving his last speech at West Point before the assembled cadets, a school where he had been the Commandant of Cadets as a young man, setting the all-time academic standard that still stands to this day. Later, after he had been Chief of Staff of the Army, he returned to be the Commander at West Point.

I am speaking of course of General of the Army Douglas MacArthur. He was receiving the Sylvanus Thayer award, and that speech on May 12, 1962, was so prophetic and so stunning that when I listended to a recording of it over the weekend it was as though the general had given the speech at West Point at the graduation of 1987.

I am going to do a special order this evening and read into the Record several of the excerpts from that speech that touches upon everything from space travel and deficit spending to crime run rampant and extremism turned to violent terrorism. I hope that this Chamber and all of my colleagues and all of America will again on this 25th anniversary realize what a lucky country we are to produce such men as Gen. Douglas Arthur MacArthur.

Mr. Speaker, I offer for inclusion in the Record at this point the general's timeless words at the U.S. Military Academy at West Point on May 12, 1962.

The speech of General MacArthur follows:

> No human being could fail to be deeply moved by such a tribute as this [Thayer Award]. Coming from a profession I have served so long and a people I have loved so well, it fills me with an emotion I cannot express. But this award is not intended primarily to honor a personality, but to symbolize a great moral code—a code of conduct and chivalry of those who guard this be-

loved land of culture and ancient descent. For all hours and for all time, it is an expression of the ethics of the American soldier. That I should be integrated in this way with so noble an ideal arouses a sense of pride, and yet of humility, which will be with me always.

Duty, honor, country: Those three hallowed words reverently dictate what you ought to be, what you can be, what you will be. They are your rallying point to build courage when courage seems to fail, to regain faith when there seems to be little cause for faith, to create hope when hope becomes forlorn.

Unhappily, I possess neither that eloquence of diction, that poetry of imagination, nor that brilliance of metaphor to tell you all that they mean.

The unbelievers will say they are but words, but a slogan, but a flamboyant phrase. Every pedant, every demagog, every cynic, every hypocrite, every troublemaker, and, I am sorry to say, some others of an entirely different character, will try to downgrade them even to the extent of mockery and ridicule.

But these are some of the things they do. They build your basic character. They mold you for your future roles as the custodians of the Nation's defense. They make you strong enough to know when you are weak, and brave enough to face yourself when you are afraid.

They teach you to be proud and unbending in honest failure, but humble and gentle in success; not to substitute words for actions, not to seek the path of comfort, but to face the stress and spur of difficulty and challenge; to learn to stand up in the storm, but to have compassion on those who fall; to master yourself before you seek to master others; to have a heart that is clean, a goal that is high; to learn to laugh, yet never forget how to weep; to reach into the future, yet never neglect the past; to be serious, yet never to take yourself too seriously; to be modest so that you will remember the simplicity of true greatness, the open mind of true wisdom, the meekness of true strength.

They give you a temperate will, a quality of the imagination, a vigor of the emotions, a freshness of the deep springs of life, a temperamental predominance of courage over timidity, of an appetite for adventure over love of ease.

They create in your heart the sense of wonder, the unfailing hope of what next, and the joy and inspiration of life. They teach you in this way to be an officer and a gentleman.

And what sort of soldiers are those you are to lead? Are they reliable? Are they brave? Are they capable of victory?

Their story is known to all of you. It is the story of the American man-at-arms. My estimate of him was formed on the battlefield many, many years ago, and has never changed. I regarded him then, as I regard him now, as one of the world's noblest figures; not only as one of the finest military characters, but also as one of the most stainless.

His name and fame are the birthright of every American citizen. In his youth and strength, his love and loyalty, he gave all that mortality can give. He needs no eulogy from me, or from any other man. He has written his own history and written it in red on his enemy's breast.

But when I think of his patience in adversity, of his courage under fire, and of his modesty in victory, I am filled with an emotion of admiration I cannot put into words. He belongs to history as furnishing one of the greatest examples of successful patriotism. He belongs to posterity as the instructor of future generations in the principles of liberty and freedom. He belongs to the present, to us, by his virtues and by his achievements.

In 20 campaigns, on a hundred battlefields, around a thousand campfires, I have witnessed that enduring fortitude, that patriotic self-abnegation, and that invincible determination which have carved his statue in the hearts of his people.

From one end of the world to the other, he has drained deep the chalice of courage. As I listened to those songs [of the glee club], in memory's eye I could see those staggering columns of the First world War, bending under soggy packs on many a weary march, from dripping dusk to drizzling dawn, slogging ankle deep through the mire of shell-pocked roads; to form grimly for the attack, blue lipped, covered with sludge and mud, chilled by the wind and rain, driving home to their objective, and, for many, to the judgment seat of God.

I do not know the dignity of their birth, but I do know the glory of their death. They died, unquestioning, uncomplaining, with faith in their hearts, and on their lips the hope that we would go on to victory.

Always for them: Duty, honor, country. Always their blood, and sweat, and tears, as we sought the way and the light and the truth. And 20 years after, on the other side of the globe, again the filth of murky foxholes, the stench of ghostly trenches, the slime of dripping dugouts, those boiling suns of relentless heat, those torrential rains of devastating storms, the loneliness and utter desolation of jungle trails, the bitterness of long separation from those they loved and cherished, the deadly pestilence of tropical disease, the horror of stricken areas of war.

Their resolute and determined defense, their swift and sure attack, their indomitable purpose, their complete and decisive victory—always victory, always through the bloody haze of their last reverberating shot, the vision of gaunt, ghastly men, reverently following your passwords of "duty, honor, country."

The code which those words perpetuate embraces the highest moral law and will stand the test of any ethics or philosophies ever promulgated for the uplift of mankind. Its requirements are for the things that are right and its restraints are from the things that are wrong. The soldier, above all other men, is required to practice the greatest act of religious training—sacrifice. In battle, and in the face of danger and death, he discloses those divine attributes which his Maker gave when He created man in His own image. No physical courage and no greater strength can take the place of the divine help which alone can sustain him. However hard the incidents of war may be, the soldier who is called upon to offer and to give his life for his country is the noblest development of mankind.

You now face a new world, a world of change. The thrust into outer space of the satellite, spheres, and missiles marks a beginning of another epoch in the long story of mankind. In the 5 or more billions of years the scientists tell us it has taken to form the earth, in the 3 or more billion years of development of the human race, there has never been a more abrupt or staggering evolution.

We deal now, not with things of this world alone, but with the illimitable distances and as yet unfathomed mysteries of the universe. We are reaching out for a new and boundless frontier. We speak in strange terms of harnessing the cosmic energy, of making winds and tides work for us, of creating unheard of synthetic materials to supplement or even replace our old standard basics; to purify sea water for our drink; of mining ocean floors for new fields of wealth and food; of disease preventatives to expand life into the hundreds of years; of controlling the weather for a more equitable distribution of heat and cold, of rain and shine; of spaceships to the moon; of the primary target in war, no longer limited to the armed forces of an enemy, but instead to include his civil populations; of ultimate conflict between a united human race and the sinister forces of some other planetary galaxy; of such dreams and fantasies as to make life the most exciting of all times.

And through all this welter of change and development your mission remains fixed, determined, inviolable. It is to win our wars. Everything else in your professional career is but corollary to this vital dedication. All other public purposes, all other public projects, all other public needs, great or small, will find others for their accomplishment; but you are the ones who are trained to fight.

Yours is the profession of arms, the will to win, the sure knowledge that in war there is no substitute for victory, that if you lose, the Nation will be destroyed, that the very obsession of your public service must be duty, honor, country.

Others will debate the controversial issues, national and international, which divide men's minds. But serene, calm, aloof, you stand as the Nation's war guardian, as its lifeguard from the raging tides of international conflict, as its gladiator in the arena of battle. For a century and a half you have defended, guarded, and protected its hallowed traditions of liberty and freedom, of right and justice.

Let civilian voices argue the merits or demerits of our processes of government: Whether our strength is being sapped by deficit financing indulged in too long, by Federal paternalism grown too mighty, by power groups grown too arrogant, by politics grown too corrupt, by crime grown too rampant, by morals grown too low, by taxes grown too high, by extremists grown too violent, whether our personal liberties are as thorough and complete as they should be.

These great national problems are not for your professional participation or military solution. Your guidepost stands out like a tenfold beacon in the night: Duty, honor, country.

You are the leaven which binds together the entire fabric of our national system of defense. From your ranks come the great captains who hold the Nation's destiny in their hands the moment the war tocsin sounds.

The long gray line has never failed us. Were you to do so, a million ghosts in olive drab, in brown khaki, in blue and gray, would rise from their white crosses, thundering those magic words: Duty, honor, country.

This does not mean that you are warmongers. On the contrary, the soldier above all other people prays for peace, for he must suffer and bear the deepest wounds and scars of war. But always in our ears ring the ominous words of Plato, that wisest of all philosophers: "Only the dead have seen the end of war."

The shadows are lengthening for me. The twilight is here. My days of old have vanished—tone and tint. They have gone glimmering through the dreams of things that were. Their memory is one of wondrous beauty, watered by tears and coaxed and caressed by the smiles of yesterday. I listen vainly, but with thirsty ear, for the witching melody of faint bugles blowing reveille, of far drums beating the long roll.

In my dreams I hear again the crash of guns, the rattle of musketry, the strange, mournful mutter of the battlefield. But in the evening of my memory always I come back to West Point. Always there echoes and reechoes: Duty, honor, country.

Today marks my final rollcall with you. But I want you to know that, when I cross the river, my last conscious thoughts will be of the corps, and the corps, and the corps.

I bid you farewell.

SUPER BREAKTHROUGHS IN SUPERCONDUCTIVITY

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RITTER. Mr. Speaker, events are proceeding at breakneck speed. No, I am not talking about the Persian Gulf conflict, or the Iran-Contra hearings, or even star or should we say heaven wars between Jerry Falwell and Jim and Tammy.

No, I am talking about the breakneck speed of new developments in the science of superconductivity. I call attention of my colleagues to two recent articles in the Washington Post, one dealing with superconductivity at temperatures of just 54 degress below zero Fahrenheit.

I also call my colleagues' attention to the first practical device made of a ceramic superconductor, and this could revolutionize certain fields of medicine.

I have been trying along with my colleagues on the House Republican Task Force on High Technology and Competitiveness to keep my colleagues and other organizations here in Washington aware of the staggering potential to our economy and to the American industrial base, to our technology, and to call attention to the tremendous efforts that the Japanese are making to bring this scientific advance into the forefront of technological and industrial applications.

The race to commercialize is on. The United States must gather its resources and in its own way expedite these scientific advances.

Nothing less than technological and industrial leadership is at stake.

The articles referred to follow:

Superconductor Breakthrough Reported Near

(By Michael Specter and Boyce Rensberger)

A team of American Scientists told the National Science Board yesterday that it has developed a new class of materials that shows signs of becoming a superconductor of electricity at temperatures far higher than any previously recorded.

If a practical material could be developed to carry electricity in the higher range, it would broaden the potential applications of a technology seen as a major new arena of global economic competition.

University of Houston physics Prof. Paul C.W. Chu, one of the leaders in creating high-temperature superconductors, reported that his group found a material that lost all resistance to electricity at 54 degrees below zero Fahrenheit, or 225 Kelvin.

This is easily within the range of such ordinary cooling mechanisms as dry ice, inexpensive mechanical refrigeration or even simpler methods.

"That is staggering," Neil Ashcroft, a Cornell University physics professor and a leader in the field, said upon hearing of Chu's report.

Chu is the one who has really been calling the shots. That would be a breakthrough that is truly revolutionary . . . ."

The previous known bests were in the range of 225 degrees below zero Fahrenheit, or 130 Kelvin.

Chu said the new material has not passed all tests required to prove superconductivity but that further work should establish this.

Although the phenomenon of superconductivity has long been known, only in recent months have physicists proved that it is not confined to metals cooled almost to absolute zero, 459 degrees below zero Fahrenheit.

Earlier this year, physicists developed new materials that would become superconducting when cooled to 321 below zero, the temperature of liquid nitrogen, which is relatively cheap.

Practical superconductors promise to revolutionize nearly all uses of electricity by eliminating the waste of power inherent in ordinary conductors and by making new applications practical.

Among the most widely discussed are high-speed trains riding a cushion of electromagnetism, more powerful supercomputers and a range of new medical diagnostic devices.

To be considered a true superconductor, a material must show two effects: loss of all resistance to electrical flow and display of the Meissner effect, the ability to repel a magnetic field.

Chu said the new material displayed the Meissner effect only in small regions. Earlier claims of superconductivity at comparably high temperatures lacked evidence of the effect.

Chu said he anticipates that modifications of the material or its manufacturing method could extend the region of Meissner effect to the entire material.

The new material is being developed through a collaboration of Chu's group with others at Lockheed Corp. and the National Magnet Laboratory in Cambridge, Mass.

Chu would not divulge the material's exact composition but said it differs from the general group of formulas that have led others to advances in superconductivity.

Chu said the new materials are not completely stable, sometimes losing superconducting properties if warmed and recooled.

He and other physicists expressed confidence that researchers can overcome this problem.

"Nobody before has been able to get both Meissner effect and zero resistance at the same time," said Brian B. Schwartz, professor of physics at Brooklyn College and a visiting scholar at the National Magnet Laboratory. "We are getting closer [to practical uses] every day."

Since last year, when scientists discovered a class of ceramics that became superconductors at higher temperatures than thought possible, developments in a once-moribund field of physics have occurred almost daily.

Physicists worldwide have raced to make new materials that act as superconductors at increasingly high temperatures.

Until recently, scientists said the two biggest obstacles to developing room-temperature superconductors were attaining the higher temperatures and getting the materials to carry large amounts of current.

Two weeks ago, IBM scientists announced that they had managed to get the ceramics to carry 10 times more current than before, making many applications more likely.

Much work remains to be done, however, for the materials to fulfill their promise. They are brittle and difficult to manipulate. For them to be useful, engineers must find a way to make flexible wires and microscopic films that can be deposited on computer chips.

Physicists working on the problems said they believe that the obstacles can be surmounted.

"The tantalizing thing is that having got it so high, there is no reason it couldn't go higher," Ashcroft said.

First Practical Device Made of Ceramic Superconductor

The first practical device made of the new ceramic materials that become superconducting in liquid nitrogen has been manufactured in a laboratory of the National Bureau of Standards. It is an extremely sensitive detector of magnetism called a SQUID.

Since a new class of high-temperature superconducting materials was discovered earlier this year, scientists all over the world have been racing to improve the materials' performance, driven by the prospect of a huge market for products making use of the phenomenon. Other than a simple wire, a SQUID would be the simplest superconducting device conceivable.

SQUID stands for Superconducting Quantum Interference Device. SQUIDs have been made and used for years with the older, metallic superconductors that had to be cooled with costly liquid helium to 452 degrees below zero Fahrenheit: almost absolute zero. Such devices are used in many practical applications such as nuclear magnetic resonance imaging machines used for medical diagnosis.

The bureau's new SQUID operates at 314 degrees below zero, a temperature easily maintained with inexpensive liquid nitrogen. Two weeks ago IBM announced a SQUID made of similar materials that operated at somewhat colder temperatures, too cold for nitrogen refrigeration.

The new device was developed by James Zimmerman and Richard Harris, specialists in cold-temperature physics at the bureau's laboratory in Boulder, Colo.

SQUIDs take advantage of a phenomenon that occurs only with superconductors: If two superconducting materials are separated by a very thin film of insulator, the effects of quantum mechanics will cause electrons to "tunnel" through the insulator under special conditions, a phenomenon called the Josephson effect.

By wiring two such "Josephson junctions" in a specific way and running a supercurrent through them, it is possible to make a device whose electrical output varies according to outside conditions such as the presence of a magnetic field too weak to be detected by any other means.

One application for SQUIDs is to measure and track the movement of faint electrical signals within the brain. Every electric current produces a magnetic field in the space around it and a SQUID near a person's head can detect the flow of brain signals.

Because the devices can be made virtually microscopic, it is conceivable that thousands of SQUIDs surrounding a person's head could map brain activity in greater detail than before possible.

While such applications were possible with older superconductors, the new materials make applications far more convenient and cheaper.

□ 1715

A COORDINATED ECONOMIC POLICY FOR THE INDUSTRIAL NATIONS OF THE WORLD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. PEASE] is recognized for 5 minutes.

Mr. PEASE. Mr. Speaker, I introduced a resolution, along with my colleagues, the gentleman from Rhode Island, [Mr. ST GERMAIN], the gentleman from Washington [Mr. BONKER], and the gentleman from Florida [Mr. GIBBONS], on the subject of the upcoming summit of the leaders of seven leading industrial nations to be held in Venice, Italy, starting on June 8.

This resolution seeks to foster a coordinated economic policy on the part of the industrial nations of the world. It calls upon the United States to reduce its fiscal deficits and it calls upon Japan and Germany in particular to stimulate their economies, to make up for the slack as the United States withdraws slightly as the engine of economic progress for the world.

Most economists would agree there is a desperate need for coordinated economic activity if we are to preserve and to extend the economic recovery which we have been in now in this country for the past 5 years. If there is no coordination, if we fail to act in concert with our Western democratic allies, then disaster lies ahead.

One option or one possibility could be a continued deterioration in the value of the dollar. Indeed, not only a deterioration, but a free fall so that the dollar might get down to as low as 100 yen to the dollar. That would make U.S. products more competitive, but it would certainly result in much higher interest rates in the United States, because as my colleagues know, we have to depend on capital from other nations to finance our large fiscal deficits, and with a free fall of the dollar, thus those foreign funds would certainly not be available, unless there were the attraction of very high interest rates.

So the Federal Reserve Board, in order to try to maintain some strength for the dollar, surely would have to raise interest rates. That would cost the consumers of America a great deal of money, and even worse would be likely to touch off a recession here in the United States. And it is almost surely predictable that if we go into a major recession here in the United States, it will not be confined to our country. It will move out of the United States to Western Europe, to Japan, and certainly to the Third World. All of those nations, but especially Third World nations, are ill-prepared to deal with another recession.

So my resolution urges President Reagan to go to the Venice Economic Summit on June 8 and try to reach an agreement with the leaders of the other industrial democracies, an agreement which would be two-sided. It would cause us to pledge to try to reduce our Federal fiscal deficit by 1.5 percent of our gross national product or $65 billion during 1988 and 1989. We have already pledged to do that under the Gramm-Rudman Act which has passed the Congress.

In return for our pledging to try to do that, we would try to get the Japanese and the Germans to try to stimulate their economies by 1.5 percent of GNP during those 2 years. So as we pull back slightly, the economic slack would be taken up by increased economic growth in Germany and Japan.

That sort of coordinated effort I believe can lead to continued economic growth and prosperity for the world, and if we fail to do that, then, as I say, we are in for a period of high interest rates and recession and all kinds of disastrous circumstances.

So I would urge my colleagues to join me and the gentleman from Rhode Island [Mr. ST GERMAIN], the gentleman from Washington [Mr. BONKER], and the gentleman from Florida [Mr. GIBBONS] in cosponsoring the resolution that I have just introduced today. We hope very much to get consideration by the House of that resolution next week.

Mr. Speaker, I yield back the balance of my time.

TREATMENT CENTERS MONTH

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. MORELLA] is recognized for 5 minutes.

Mrs. MORELLA. Mr. Speaker, Montgomery County, MD, has designated June as "Treatment Centers Month" to recognize the vital work done by the treatment centers located in Rockville, MD.

The treatment centers diagnose and treat disabled infants, children, and adults who may have speech and language disabilities, hearing impairments, physical disabilities, neurological problems, or a combination of these impairments. They provide a wide range of services, including audiological, speech and language services, physical and occupational therapy, preschool speech and language programs, and an infant development program.

The Rockville Center has been in operation for 35 years and will soon be moving to Gaithersburg to a larger facility. It now serves 3,000 patients; the new center will provide treatment to an additional 400–500 new patients, eliminating the current waiting lists. New services will also be available, including therapeutic day care.

Mr. Speaker, I am proud to have been a supporter of the bond bill approved to provide funding for the construction of the new facility in Gaithersburg when I served in the Maryland State Legislature. Groundbreaking for the new treatment centers building will take place on June 24. I am also proud to have a daughter-in-law who works for the treatment centers, and I wish them continued success in serving the needs of so many of our disabled. I hope my colleagues will look to the treatment centers as an example of a community organization to emulate in providing rehabilitative services.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 5 minutes.

Mr. BONIOR of Michigan. Mr. Speaker, I was unavoidably absent from the proceedings of the House yesterday because of a recurring back problem. My physician ordered quiet bedrest. Had I been present, I would have voted "aye" on passage of all the following measures: H.R. 1205, H.R. 1004, H.R. 2166, H.R. 1162, H.R. 1939, H.R. 900, and House Joint Resolution 283.

INVOKING THE WAR POWERS LIMITATION ACT WITH RESPECT TO PRESIDENT REAGAN'S ACTION IN THE PERSIAN GULF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, today I have introduced House Joint Resolution 295, which in effect invokes the War Powers Limitation Act with respect to the President's actions both admitted, taken, and avowed to be taken, in the Persian Gulf in the midst of the conflict between Iraq and Iran.

Once again, our adventuresome President, in the words that I first described his actions after 1981 in which he has from the very beginning opted for military intervention and military solutions, and that he seems to be of the mind of a willful and adventuresome President lusting after this false bitch goddess of war, risking the well-being of our Nation's interests, the life and the treasury of the young and of our country.

This resolution which I introduced states as follows:

H.J. RES. 295

Joint Resolution to call for the removal of the United States Armed Forces from the Persian Gulf

Whereas Iraq and Iran have been in a state of war for more than six years and have attacked more than 300 tankers, freighters and other vessels of foreign nations in the Persian Gulf during that period of hostilities;

Whereas United States naval vessels equipped for combat have been introduced into the Persian Gulf;

Whereas on May 17, 1987 the United States frigate USS Stark was attacked in the Persian Gulf by an Iraqi warplane, resulting in the death of 37 U.S. crewmen;

Whereas the United States has promised to protect ships of friendly and nonbelligerent nations in the Persian Gulf;

Whereas the United States has agreed to sail Kuwaiti oil tankers in the Persian Gulf under the American flag; "and I might say by way of parenthesis that Kuwait is an ally of Iraq," and

Whereas Iranian officials have stated that Iran will continue to attack shipping in the Persian Gulf, whether or not such ships sail under the United States flag: Now therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress hereby determines that the requirements of sections 4(a)(1) and 5(b) of the War Powers Resolution have become operative. Hence, the President of the United States is hereby directed to remove United States Armed Forces from the Persian Gulf within sixty days after the enactment of this resolution unless Congress declares war, or extends the period by law.

THE AIRLINE SAFETY AND SERVICE IMPROVEMENT ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. ENGLISH] is recognized for 5 minutes.

Mr. ENGLISH. Mr. Speaker, today I am introducing legislation which I believe is very reasonable and timely. Simply put, the Airline Safety and Service Improvement Act reregulates the airline industry.

In 1978, the Congress enacted the Airline Deregulation Act. It was to be a great experiment resulting in competition throughout the airline industry. The competition was to bring us good service and lower rates. I joined the majority of my colleagues at the time and voted for the Airline Deregulation Act of 1978. As a conservative, I welcomed the idea of deregulation. Less government control would benefit us all. In my 12 years in the U.S. House of Representatives, without question that is the worst vote I have cast.

Obviously, the promised increase in flights has occurred. In 1978, the passenger load was 278 million. In 1986, that level climbed to 415 million. However, during that time, the number of experienced air traffic controllers on the job to direct these flights declined. Add to that the fact that the number of near misses is increasing. Surely, no one can look at these facts and make a case that air traffic has improved overall.

Mr. Speaker, at this point, if I arrive 30 minutes late, I consider that flight to be on time. I know many of you operate on the same schedule—we are relieved simply to arrive in one piece. We are not alone. According to the Secretary of Transportation, last year some 1,144 flights each day were delayed more than 15 minutes. In 1986, the number of flight delays rose by 25 percent over the previous year and the number of consumer complaints regarding airline service filed with the Department of Transportation rose 43 percent during the first quarter of 1987 compared with the same period last year. The airline industry itself clearly recognizes the seriousness of the problem. They have gathered together, in a sense, to regulate themselves. I applaud their initiative but I do not believe it is enough. The Chairman of the National Transportation Safety Board, Jim Burnett, has urged that air traffic be reduced at busy airports this summer to ensure safety. That request was rejected by the head of the Federal Aviation Administration, Donald Engen. We can't ignore the situation any longer. The flying public is at serious risk and it is our responsibility to act in the public interest.

The experiment has failed and we must act to correct it. However, we cannot afford to approach the serious problem in a piecemeal fashion. We must act now to restore airline safety and efficiency in a unified fashion. Lives depend upon our actions. The Airline Safety and Service Improvement Act provides the vehicle to rectify past mistakes and restore airline safety and service. I urge you to give this legislation your full support.

THE CONTINUING CRISIS OF THE REAGAN PRESIDENCY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 5 minutes.

Mr. GINGRICH. Mr. Speaker, I want to talk briefly today about the continuing crisis of the Reagan Presidency.

Yesterday's report that President Reagan had asserted about the Persian Gulf problem: "I don't see the danger of war," is one more illustration of the fundamental crisis of the Reagan Presidency. President Reagan understands the world is dangerous. The left wing of the Democratic party, of the news media, and of the State Department believe the world is safe. President Reagan believes there are American interests worth fighting for. The left would apparently appease any threat and unilaterally disarm any region.

The American people know the world is dangerous and want the President to strengthen America and to lead America to safety. Yet the President weakens himself with the ill-through-out assurances about an unknown future.

Clausewitz warned in "On War" that anyone who would take the first step in any conflict without having thought through the last step should not be allowed in the councils of war.

I think it is the duty of the President to tell us about the last step, not to reassure us but in fact to sober us up and to awaken us. There are real dangers in the Persian Gulf. There are dangers that an Iranian dictatorship motivated by religious fanaticism would very cheerfully attack American ships, would be very willing to take casualties, exchanging the loss of lives. There is a danger that terrorism at sea by the state of Iran could, in fact, pose a threat to our young men on ship and in aircraft. Yet the dangers have to be faced and I believe the American people once confronted with the facts would agree unequivocally that we have to face those dangers.

There is a very threat, not only that Iran would cut off the oil flow in the Persian Gulf but, far more dangerously, there is a threat that American appeasement, American unilateral withdrawal from the Persian Gulf would lead to a dramatic increase in Soviet influence in Kuwait and Saudi Arabia and in the Gulf States.

Anyone concerned about Israel and the balance of power in the Middle East, anyone concerned about Japan and Western Europe and the flow of oil in the world, anyone concerned about how Gorbachev could most easily solve his economic problems, need only look at what the impact would be of the Soviet domination of the largest supply of oil in the world. There are two very dangerous and very difficult futures. One is a possible conflict with Iran. The other is a possible Soviet dominance of the largest oil supply in the world.

Let me point out that in this room in 1980, President Carter warned that he would use nuclear weapons if the Soviet Union tried to take over the oil supply in the Middle East. He thought the Soviet capture of the oil supply was so dangerous that even President Carter rattled the nuclear saber.

Yet today, if the Soviets enter the Persian Gulf through diplomatic agreement, if the Soviets, instead of coming through Iran militarily, simply moved by sea around Iran, if we withdraw and they dominate, they achieve precisely the threat President Carter thought was so dangerous that he would have risked using nuclear weapons.

There is a hopeful, desirable future. First, convince Iran that we are serious and we are dangerous. Second, convince our allies in the Persian Gulf that we are reliable and they do not need the Soviet Union. Third, keep the Soviet influence in the Persian Gulf at a minimum so they cannot threaten the Western World's oil supply.

Those who would vote to unilaterally withdraw from the Persian Gulf must explain where they would stop. Would they stop if Iran attacked

Kuwait and Saudi Arabia? Would they stop if Iran, having conquered Kuwait and Saudi Arabia, cripples Europe and Japan? Would they stop if an Iran, grown so powerful, attacked Israel? Or is there, in fact, no place in the Middle East they would stop?

Second, how much influence would those who would unilaterally withdraw allow the Soviets to have in the oil fields and what would we do if we lose Europe and Japan economically?

But the central crisis of the Reagan administration in Nicaragua, in Angola, in Afghanistan, in the military buildup of the Soviet Empire and now in the Persian Gulf is an unwillingness to tell the American people the grim truth, to engage in an open running debate with the unilateral disarmament appeasement left and to win from the American people the authority to protect America, which he cannot possibly get from the left wing of this Congress.

Every time the President explains too little, warns too little, and is too optimistic, he gets in trouble. He should start now to systematically warn and educate the American people, because given the truth, having the threat explained, having the dangers shown to them, the American people will give Ronald Reagan the authority which the liberal Democrats in this Congress would never give him. With that authority I believe he can protect America.

THE CRISIS IN THE GULF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, I rise today to urge the support of my colleagues for an important piece of legislation which will hopefully be considered by this House next week. At that time, the House will consider a resolution, of which I will be a cosponsor, which requires the Secretary of Defense to submit a plan for the protection of United States troops in the Persian Gulf before implementation of the administration's proposed plan to reflag Kuwaiti ships with the American flag.

It is, in a way, unfortunate, that the House and Senate must be forced to take up this measure. It is the result of foreign policy by crisis, rather than by strategic planning. It is made necessary by the administration's apparent inability to think through the full implications of its strategic policy before it commits itself to that policy and by its unwillingness to cooperate with Congress in the development of such policies.

These deficiencies on the part of the administration are not unique to the current crisis in the gulf, but they are perhaps the most incredible in that situation. Despite the tragic loss of life on the *Stark*, the administration appears determined to proceed with a plan which may dramatically increase the level of U.S. troops in the gulf and which could substantially increase the risk of attacks—intentional and accidental—on our servicemen. The plan to reflag Kuwaiti vessels with the American flag almost invites attacks by Iran on those ships, attacks which we must then treat as direct attacks on United States ships.

The resolution is designed to prevent this ill-considered plan from leading to the loss of more American lives and involving this Nation even more deeply into the gulf war. It provides for the Secretary of Defense to submit a plan to Congress for the protection of U.S. forces in the Persian Gulf prior to the start of any reflagging. It requires, specifically, that the plan include cooperative security measures with both friendly Persian Gulf states and our European allies, that it set forth with precision the rules of engagement which will govern operations of our forces in the gulf, and that it fully assess the real threat posed to our troops and our interests in the gulf by the proposed reflagging.

Perhaps most importantly to the American people, the resolution requires the administration to secure the support of our European and Persian Gulf allies for this undertaking. We should not be in the position of risking American lies to protect French and German oil purchases, for example, unless French and German troops help us bear that burden, and we may wish to ask the Japanese for the same commitment, in recognition of their dependence on oil from the gulf. We should not be alone in the position of keeping the gulf open for commercial shipping when the Saudis, who benefit from our help, refuse a specific request for assistance in chasing away attacking Iraqi planes. I do not believe that any plan which fails to require this kind of support will ever win the support of the American people. Despite this simple fact, the administration has not made its reflagging plan contingent upon allied assistance, and it should have.

By adopting this resolution, the two Houses of Congress will be united in advising the President that he must work with them to protect our Armed Forces and to implement our foreign policy initiatives. But working with Congress may not be enough if, in Congress' view, the administration's plan is likely to involve American service men in hostilities. Contrary to the administration's view, this is a dangerous task we undertake when we consider that almost 230 ships in the gulf have been attacked in less than 3 years. Surely, if American lives are at risk, there is no bar to insisting upon the application of the war powers resolution to the proposed reflagging once we know, in detail, what risks the plan will entail.

The possibility of applying the war powers resolution is not an option that should be forgotten as we prepare to begin consideration of this resolution. It would give Congress greater control over the involvement of United States troops in the gulf and, by so doing, would perhaps prompt the administration to take the one step that would be sure to end the threat to American ships in the gulf—the negotiation of an end to the 7-year long Iran-Iraqi war. Throughout the Reagan administration, the United States has been indifferent or hostile to efforts to end armed conflicts around the world through peaceful negotiations. Instead, we have promoted military solutions to diplomatic problems. We have seen this in the gulf, in the Middle East and in Central America. In the case of the Iran-Contra affair, this approach has led to the dismantling of any credible stand on terrorism and has caused a grave crisis of confidence which has weakened the authority of the President both at home and abroad. In the case of the Persian Gulf, this approach has led to the loss of 37 lives and perhaps others in the future unless the course of U.S. policy is changed.

We all mourn the tragic death of the 37 members of the U.S. Navy who served on board the U.S.S. *Stark* and we share the grief of their families and loved ones. Their brave sacrifices for their country has been rightly commemorated in services across the country over the last several days. We will not, however, fully honor those young men unless we learn from this sad episode. It is the purpose of the resolution which the House will consider next week to implement the lessons of the attack on the *Stark*. I urge my colleagues to join me in taking that important step.

ANTITERRORISM ACT OF 1987

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. HERGER] is recognized for 5 minutes.

Mr. HERGER. Mr. Speaker, today I have introduced the Anti-Terrorism Act of 1987. This legislation prohibits the Palestine Liberation Organization from operating directly or through its subsidiaries within the United States. I urge my colleagues to join me in this effort to rid America of one of the world's most notorious terrorist organizations, a group which has no place in a free country such as ours.

There should be no doubt in anyone's mind as to the nature and goals of the Palestine Liberation Organization. This group has engaged in systematic terrorist activities since its inception, and has made it official policy to overthrow the State of Israel by force. Examples of PLO terrorism abound, and it would take more time than this House has at its disposal to mention all of them. However, the taking of the cruise liner *Achille Lauro* by a PLO agent, and the implication of the PLO in the murder of dozens of American citizens abroad are several of the more disturbing examples of PLO terror. In light of the PLO's clear record of terror, it is imperative that our Nation reassess allowing this group to operate within our borders.

Currently, the Palestine Liberation Organization maintains offices in New York City and Washington, DC. From these locations, the PLO is able to gather intelligence, enhance its position among other nations at the United Nations, and distribute its propaganda. We cannot doubt the terrorist nature of the PLO, and must act swiftly to eliminate its presence in the United States.

My legislation, which is companion to S. 1203, is simple in design and would be an effective weapon against the PLO. It prohibits three types of activities which promote the goals of the PLO. First, it prohibits anyone in the United States from receiving anything of value from the PLO, except for informational material. Second, it prohibits expenditure of funds from the PLO or any of its constituent groups or agents. Finally, and most importantly, it prohibits establishment or maintenance of any PLO office within the United States. This legislation would not only close down the current PLO offices in Washington and New York, but it would prevent future PLO influence within our borders. I urge my colleagues to join me in this effort to maintain our national security and stand up against international terrorism.

Mr. Speaker, I yield to the gentleman from California.

Mr. DORNAN of California. I wanted to bring to the attention of my colleague from California some background on this. In the summer of 1978, I think it was July, there was a terrible terrorist incident in the Nation of Israel; a schoolbus was blown apart and there were many children killed.

That afternoon, a constituent called me from southern California and said was I aware that the day before a PLO office had opened up in Washington, DC? I believe it was on 18th Street right near some very posh restaurants. I could not believe my ears. So I got into my car at the end of business that day, drove up there, walked up to the address and not only was there a PLO office, they were putting out a press release bragging about the bombing of a schoolbus in Israel. I could not believe my eyes. I came back and submitted legislation the next day almost identical to the legislation of the gentleman from northern California. It disappeared into what our colleague DON LUNGREN calls the "Bermuda Triangle" of our House committees, the Judiciary Committee; just disappeared.

□ 1735

Even though I had great sponsorship on the other side, my good friend, then a Congressman from New York for his 16th or 17th year out of 18, Lester Wolff, as cosponsor of the legislation with me, it went nowhere. Not only that, a week later, two very interesting rather youngish males show up in my office to lobby me and tell me to dump the legislation.

They were lobbyists working out of that PLO office over there on 18th Street.

I wish the gentleman good luck. Put me on as a cosponsor. The benefit of my battle scars, trying to get this obviously needed and self-explanatory piece of legislation into public law in these United States is vital. Maybe because in the intervening years, we have had a mother who was pregnant with a little baby on her lap and her mother with her, grandmother, pregnant mother and daughter, blown out of the side of an airplane. A little 10-year-old girl, Natasha Simpson, gunned down with machinegun fire in the airport at Rome. An elderly gentleman on a final tour with his wife dying of terminal cancer, Leon Klinghoffer, shot and thrown over the railing of the *Achille Lauro* that you mentioned.

Maybe with these intervening instances and two young sergeants murdered in the La Belle disco, April 5 of last year, maybe we can get your legislation on the books.

Congratulations, good luck, and put me down as a cosponsor.

Mr. HERGER. Mr. Speaker, I thank the gentleman from southern California for his comments and hopefully this legislation will have better luck.

CLEAN WATER—REALITY NOT FANTASY

The SPEAKER pro tempore (Mr. HUBBARD). Under a previous order of the House, the gentleman from Florida [Mr. NELSON] is recognized for 5 minutes.

Mr. NELSON of Florida. Mr. Speaker, Mickey Mouse, Snow White, and Donald Duck. These words immediately conjure up thoughts of the entertainment and fantasy capital of the United States—Walt Disney World. Surprisingly enough, terms such as open ponds, agricultural residues and industrial byproducts refer to this very same organization.

Mr. Speaker, imagine a treatment facility that takes all a community's wastes—sewage, garbage, agricultural byproducts—and transforms them into pure drinking water, turning a profit to boot. Sewage is an ideal plant food for green plants which flourish while at the same time their roots act as solar-powered filters that are highly efficient in removing pollutants. The trick is to figure out a way to grow plants on sewage so that wastewater can be put back in at one end and pure drinking water comes out the other. William Jewell, an agricultural engineer at Cornell University, has done it and so has Walt Disney World. Tom DeBusk, manager of the water hyacinth project at the Walt Disney World resort complex in my district has overseen an operation using aquatic plants growing on open ponds to accomplish this task.

In this process, plants are grown on open ponds with waste water flowing through the roots. In 2 hours, grossly polluted sewage can be turned into secondary quality water, the standard for most wastewater treatment facilities in the United States.

Once optimized, such a system potentially could pay for itself by harvesting the sewage-purifying plants and feeding those into the reactor along with the sewage solids. This combination significantly increases natural gas production. Likewise, the other community-derived wastes can be used as food for methane production.

Four floating-plant waste treatment systems are in commercial operation in Florida, the largest in my district in Orlando. This 30-acre water hyacinth system operates in conjunction with the city's conventional facility as a final step for removing nitrogen.

Mr. Speaker, technology for the future is vital to our existence, and Walt Disney World recognizes this fact. Disney World realizes that Mickey Mouse, Snow White, and Donald Duck are important to our young people and their fantasies. At the same time, Disney World understands the need for research and technology to make our world a better place to live and dream.

IMMIGRATION SUBCOMMITTEE RULES OF PROCEDURE FOR PRIVATE IMMIGRATION BILLS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. MAZZOLI] is recognized for 5 minutes.

Mr. MAZZOLI. Mr. Speaker, on March 25, 1987, the Subcommittee on Immigration, Refugees, and International Law adopted its Rules of Procedure for consideration of private immigration bills and the full Judiciary Committee adopted the rules on April 8, 1987.

As you may know, the subcommittee views private immigration bills as an extraordinary remedy available only to assist aliens with unusual problems and where extreme hardship to a U.S. citizen or permanent resident alien can be demonstrated. It is, in essence, an exception to the general law. As such, the subcommittee interprets very narrowly the criteria for hardship.

The subcommittee sits as a "court of equity" in reviewing the cases before it and a major factor in the consideration of bills are precedents of the Congress. We offer advisory opinions on cases and how they relate to subcommittee guidelines and possible precedents. The subcommittee staff is available at any time for discussions of possible private legislation.

The introduction of a private bill does not stay deportation and it has not since 1971—when there were some 7,000 bills introduced. At that time, rule 4 was broadened to require a showing of "extreme hardship" when the beneficiaries had no legal status. Last Congress there were 347 bills introduced and 15 enacted into law.

The subcommittee wishes to share with you its new rules on private immigration bills and wishes to call to your attention two substantial changes from the rules of the 99th Congress.

First, the subcommittee will be extremely reluctant to consider bills expediting citizenship for athletes who wish to participate in the Olympic games. This does an injustice to prospective citizens awaiting statutory requirements in order to vote, travel, and seek employment. The subcommittee feels that some of these cases can be dealt with by the Olympic Committee through clarification of the rules governing eligibility requirements of athletes. A letter has been addressed to the U.S. Olympic Committee advising it of this policy.

Second, in cases where beneficiaries of private legislation are already eligible for legalization under the terms of the 1986 immigration reform bill, the subcommittee will require an application for that relief be pursued under the 1986 law.

In addition, the subcommittee notes that there may be cases where individual family members do not qualify for legalization, even while the head of household does qualify. The Congress did not provide "derivative" status for these family members. The subcommittee notes family members may exercise petitioning rights through regular immigration channels. Accordingly, only in cases of "extraordinary and compelling circumstances" will a private bill be considered to legalize the status of these persons.

We hope you will take this opportunity to review the rules and statement of policy and please do not hesitate to consult on any case which may come to your attention.

RULES OF PROCEDURE

1. The introduction of a private bill does not stay the deportation of aliens illegally in the United States or who have overstayed the terms of their visa. The Committee shall not intervene in any such deportation proceedings and it will not address any communications to the Attorney General to request stays of deportation on behalf of beneficiaries of private bills, except as indicated in Rule 4.

2. No bill shall be scheduled until all administrative remedies are exhausted, including suspension of deportation, asylum, and labor certification.

3. The Subcommittee shall not take any further action on legislation which has been tabled by the full Committee.

4. The Subcommittee shall entertain consideration of a request for a departmental report upon receipt of a letter from the author of the bill. In the case of beneficiaries who are in the United States, including those in parole status or asylee status, a determination on the request shall be subject to debate at a formal meeting of the Subcommittee and only those cases designed to prevent extreme hardship to the beneficiary or a U.S. citizen will merit a request for a report. The Immigration and Naturalization Service may honor a request for a report by staying deportation until final action is taken on the legislation.

5. Each bill in the following categories which may be proposed for consideration of the Subcommittee shall be subject to a point of order unless its consideration is agreed to by a two-thirds vote of the Subcommittee:

(a) Bills not previously listed on an agenda for a meeting and those bills not in compliance with these Rules concerning the filing of documentation.

(b) Bills concerning beneficiaries who are receiving medical treatment, where documentation as to the availability of similar medical treatment in the beneficiary's home country has not been submitted.

(c) Bills concerning foreign medical graduates who have not passed the Foreign Medical Graduate Examination in the Medical Sciences (FMGEMS) and satisfied (or are exempt from) the two year foreign residence requirement.

(d) Bills relating to a waiver of the naturalization laws, including bills seeking expeditious citizenship for national, international, or Olympic competition.

(e) Bills on behalf of aliens and their derivatives seeking legalization under P.L. 99-603.

6. A quorum of the Subcommittee shall consist of two Members for the purpose of holding hearings on private bills.

7. Testimony at private bill hearings shall not be received from any person other than the author of the private bill. All requests to testify shall be addressed in writing to the Chairman of the Subcommittee.

8. No private bill shall be considered where court proceedings are pending.

9. The Subcommittee shall request reports on private bills from appropriate Federal agencies and/or Departments and shall await receipt of such reports before taking final action.

10. All requests for consideration of a private bill shall commence with a letter directed to the Chairman of the Subcommittee outlining relevant facts of the case and attaching thereto all pretinent data. The following shall be submitted in triplicate:

(a) Date and place of birth of all beneficiaries. Address and telephone number in the United States.

(b) Dates of all entries (legal and illegal) and departures from the United States and type of visas for admission. Consulate where the beneficiary obtained a visa for entry to the U.S.; or where the beneficiary shall seek a visa.

(c) Status of any proceedings with the INS and whether any non-immigrant or immigrant petitions have been filed on the beneficiary's behalf.

(d) Name, address, and telephone number of interested parties in the U.S.

(e) Name, address, dates and places of birth of all close relatives in the U.S. and abroad and their immigration status.

(f) Occupations, recent employment record and salary of beneficiaries.

(g) Copies of all communications to and from INS or the State Department, including copy of an I-94, an Order to Show Cause and any other relevant information.

(h) A copy and summary of all litigation relating to the beneficiary's case.

The information above represents the minimum requirements for Subcommittee consideration. Pertinent data about the case and an explanation of the extreme hardship to the beneficiary or U.S. citizen must also accompany a request for processing of the private bill.

11. Action on legislation shall not be deferred on more than one occasion due to nonappearance of the author.

12. Documentation provided to the Subcommittee in order to comply with these Rules will only be accepted if submitted by the author of such bill.

13. Requests for consideration of a bill shall be acompanied by a statement by the beneficiary that he or she desires the relief sought by the bill and waiving the Freedom of Information Act and Privacy Act.

14. A notice of meeting date shall be sent to the authors of all legislation which is scheduled.

STATEMENT OF POLICY

On March 25, 1987, the Subcommittee adopted as an addendum to its Rules of Procedure a Statement of Policy on private immigration bills which is set forth below.

The Subcommittee on Immigration, Refugees, and International Law has jurisdiction over all aspects of immigration law. In considering private immigration bills, the Subcommittee reviews cases which are of such an extraordinary nature that an exception to the law is needed. In fairness to those immigrants who are awaiting legal immigration, it is the policy of the Subcommittee generally to act favorably on only those private bills which meet certain precedents.

This policy statement will set forth the types of legislation which fall within the general parameters of favorable action and the criteria for reviewing certain categories of bills.

A. ADOPTION

Existing law provides for the immigration of foreign born adopted children if the adoption takes place while the child is under the age of 16 and (1) the child is an "orphan" as defined by immigration law or (2) the child has resided with the adopted parents two years. Those cases where the Subcommittee has favorable precedents are when the child is of a young age and there has been a long-standing parent-child relationship. In support of any private bill relating to adoption, the following must accompany the request for Subcommittee action:

(1) Home-study on the home of the prospective parents.

(2) Evidence of support of child—cancelled checks, letters, clothing.

(3) Statement detailing ages and occupation of natural parents and brothers and sisters.

(4) Communications with the Immigration and Naturalization Service regarding applicable U.S. adoption laws.

B. DOCTORS AND NURSES

The Immigration and Nationality Act provides for the admission of foreign medical graduates if the doctor or nurse has passed certain exams required prior to seeking immigration. A doctor must pass the Foreign Medical Graduate Examination in the Medical Sciences (FMGEMS)—formely the Visa Qualifying Exam—which is given extensively throughout the world and a nurse must pass the Commission on Graduate Foreign Nurses Exam (CGFNS).

Any alien seeking immigration must also have a job offer certified by the Department of Labor indicating there will be no displacement of U.S. labor.

In the past several years, the Subcommittee has experienced a deluge of bills introduced on behalf of foreign medical graduates. The legislative history relating to this group indicates many doctors enter the United States as non-immigrants with the clear intention of remaining permanently. Legislation enacted in 1976 and 1977 sought to tighten the law requiring the return of such doctors to their home country; and recent legislation in 1981 generously grandfathered certain doctors for admission as permanent residence because of their length of time in the U.S. It is the Subcommittee's opinion the 1981 amendments to the Immigration and Nationality Act was the final chapter in a long and arduous struggle to provide equity to certain foreign medical graduates.

The Subcommittee is also dismayed to find that doctors who are beneficiaries of private laws often swiftly seek more lucrative employment upon gaining permanent residence, thereby leaving medically underserved areas without any medical assistance. Because of these experiences, the Subcommittee intends to look with very little favor on doctor bills. Further, if a bill on behalf of a doctor or nurse is pursued, the following is required before scheduling will occur:

(1) Passage of the Foreign Medical Graduate Examination in the Medical Sciences for

doctors, and the Commission on graduate Foreign Nurses Exam for nurses.

(2) Employment by the doctor or the nurse in a health manpower shortage area, or a recommendation by a U.S. Government Agency indicating a doctor or nurse's services are needed. It is the Subcommittee's desire that the beneficiary show substantial community ties over a long period of time. Extensive periods of employment would give the Subcommittee some assurance there is every likelihood the doctor or nurse would maintain employment in the area and provide medical services.

(3) Waiver of the two-year foreign residence requirement (this applies to all exchange visitors).

(4) Documentation as to efforts the institution has made to recruit U.S. citizens for the position. Such information shall include salary levels of other doctors or nurses on staff and an explanation as to recruitment techniques on employment of the beneficiary.

(5) Copies of annual affidavits executed by participants in foreign medical graduate exchange programs.

Legislation approved by the Subcommittee on behalf of doctors shall provide for suspension of deportation during an interim period while a doctor is serving in a community and permit adjustment of status to permanent residence upon completion of the designated time period.

C. DRUGS AND CRIMINAL ACTIVITY

The Subcommittee has few precedents for waiving grounds of exclusion relating to criminal activity. In the event such a bill is pursued, the following documents where available will be required:

(1) Complete transcripts of court proceedings relating to the conviction.

(2) All other records relating to offenses, including state, and local police records.

(3) Waiver of Privacy Act and Freedom of Information Act by the beneficiary.

(4) An affidavit (notarized) from the beneficiary describing his criminal record in full.

It is the intent of the Subcommittee that all available information be submitted to the Subcommittee. The Subcommittee will conduct its own investigation with appropriate government agencies.

It is also the Subcommittee's desire to review testimony and affidavits relating to the beneficiary's behavior after any criminal offense. Such information is helpful in making a determination as to whether legislation will serve the best interests of the community. In this regard, letters of reference, bank records, and employment records are particularly helpful.

D. MEDICAL CASES

The Subcommittee shall be reluctant to schedule bills on behalf of the persons who enter the United States on nonimmigrant visas or who are paroled for the purpose of seeking medical treatment. This type of visa is available to accommodate persons seeking advanced medical treatment which may be available only in the United States.

Many cases have come to the attention of the Subcommittee where the medical visa is used to enter the U.S., and shortly thereafter, the person seeks permanent immigration. This type of activity undermines the intent of the medical visa; and flagrant abuses may seriously jeopardize its availability for those whose only recourse is treatment in the United States.

The Subcommittee's reluctance to schedule such bills is based on the premise that persons may seek all available medical assistance while in the United States, but upon completion of any medical treatment the purpose of the visa expires and the alien must return home.

The Subcommittee also notes the increasing number of private bills in similar cases whereby the beneficiary seeks relief solely on the basis of the need for medical treatment for physical conditions which were present at the time of admission or developed after arrival in the U.S. It is therefore the policy of the Subcommittee in such cases that advisory opinions be sought by the author from such organizations as the World Health Organizations and the Pan American Health Organization as well as from officials of the beneficiary's home country concerning the availability of medical treatment for such physical conditions.

E. DEFERRED ACTION CASES

The Subcommittee shall be reluctant to schedule any bills on behalf of aliens who are in "deferred" status. It is the Subcommittee's understanding that the Immigration and Naturalization Service reserves the conferral of such status to cases of a particular compelling nature. In view of INS action in this regard, the Subcommittee does not see any need for legislative action.

F. INVESTORS

Recent public legislation enacted on behalf of investors provided relief for persons who were able to establish their qualification for a nonpreference visa prior to June 1978.

The Subcommittee has studied the many cases relating to investors and has found many beneficiaries did not sufficiently acquaint themselves with the law prior to making an investment and operated under illusions with respect to qualifying for immigration.

It is the Subcommittee's opinion that most investors who entered the United States after the June 1978 date were aware that immigrant visas would not be available in the foreseeable future, and there are no precedent for enactment of a private law solely based on a person's investment in the United States.

In the event a Member wishes to pursue this type of bill, the following is required: tax records, contracts, bank statements, and other pertinent information relating to the investment.

G. WAIVER OF EXCLUSIONS

1. *Health*—

All bills waiving the grounds of exclusion for mental or physical infirmities will require the posting of a bond. The Subcommittee notes there are few precedents for cases in this category. In order to obtain the best possible information, the Subcommittee will require all medical records as well as information from the state and/or federal government concerning possible public charge aspects of the case.

2. *Draft Dodgers*—

There are few precedents for favorable action on behalf of draft dodgers, and it shall be the Subcommittee's policy to continue to view such bills unsympathetically.

3. *Fraud*—

The Subcommittee has been extremely reluctant to act favorably on cases involving visa fraud, and it shall be the policy of the Subcommittee to adhere closely to precedents in this category.

H. NATURALIZATION

The Subcommittee shall require any bill relating to expediting naturalization be accompanied by evidence indicating such action would be in the national interest, as opposed to personal gain. There are few precedents for favorable action on bills waiving any naturalization requirements or granting posthumous or honorary citizenship. It is the Subcommittee's intent generally to view unfavorably legislation in this area and notes more appropriate mechanisms for rewarding individuals may be in the form of honoraria, medals, awards, statues, etc.

The Subcommittee is extremely concerned by the continued requests to expedite citizenship on behalf of athletes seeking competition in national, international, or Olympic games. The Subcommittee does not condone bestowal of U.S. citizenship through an Act of Congress solely on the basis of a person's athletic ability or other personal qualities, while fully qualified individuals must adhere to statutory as well as administrative timeframes for naturalization. Therefore, the Subcommittee has requested that the national and international competitive groups review their rules governing citizenship qualifiers in lieu of Congressional action.

The Subcommittee also notes there are a few instances of favorable action on behalf of individuals who renounce U.S. citizenship, and the policy of the Subcommittee shall be to adhere to precedents in this category.

I. LEGALIZATION

In view of recent Congressional action legalizing the status of aliens who entered the United States prior to January 1, 1982, the Subcommittee shall require that those eligible for benefits under P.L. 99-603, "The Immigration Reform and Control Act of 1986", pursue administrative relief. Additionally, the Subcommittee notes that legalized beneficiaries may exercise the same petitioning rights as all other immigrants upon granting of permanent residence, and that Congress did not provide derivative benefits to accrue outside normal immigration levels. Consistent with legislative intent, the Subcommittee shall be reluctant to consider special exceptions from the general law for derivative benefits unless there are extraordinary and compelling circumstances.

J. BILLS TABLED IN A PREVIOUS CONGRESS

Commenting on requests for reconsideration of legislation, Thomas Jefferson noted the right of reconsideration is not "a right to waste the time of the House in repeated agitations of the same question, so that it shall never know when a question is done with . . ."

The Subcommittee has been confronted with an increasing number of requests for reconsideration of private bills which have been tabled by the full Committee in previous Congresses. It has been the experience of the Subcommittee that each bill is given sufficient review during the meetings of the Subcommittee and the authors are afforded ample time to present the merits of the case. Repetitious consideration of these cases operates to the detriment of other private bills which are pending and reflects poorly on the integrity of the private bill process. For these reasons, the Subcommittee will be reluctant to reverse or reconsider its prior action absent new evidence or information that was not available or could not have been obtained by the author at the time of actual consideration by the Subcommittee.

K. TIMEFRAME FOR OBTAINING RELIEF UPON ENACTMENT OF A PRIVATE LAW

The Subcommittee has monitored the situations concerning the applications for relief by beneficiaries of private immigration laws and expresses its concern that in many cases the subjects of private bills do not exercise their petition for relief after enactment in a timely manner.

Certain cases have come to the Subcommittee's attention whereby relief after enactment of a private law was not sought until 10 years thereafter, and in other cases the Subcommittees is dismayed to learn that beneficiaries have not sought immediate relief.

In view of the lengthy deliberations by the Subcommittee on each bill processed under its jurisdiction, it appears incumbent upon the Subcommittee to assure that the beneficiaries of such bills apply themselves in a diligent manner and seek relief as expeditiously as possible upon enactment. Therefore, the Subcommittee shall amend each private bill processed so that the beneficiaries must apply for the benefits of the enacted law within two years of notifications of the passage of the private law.

PROCEDURE FOR HANDLING PRIVATE BILLS

Processing of private immigration bills is guided by the Subcommittee Rules of Procedure. Upon request for consideration of a private bill, the Subcommittee shall determine whether departmental reports will be requested.

The request for a report shall be addressed to the Attorney General and the Secretary of State by the Committee, at the request of the Subcommittee. In the event the person is in the United States, Rule 4 of the Subcommittee Rules of Procedure applies. That Rule states in part:

". . . the request shall be subject to debate at a formal meeting of the Subcommittee and only those cases designed to prevent extreme hardship to the beneficiary or a U.S. citizen will merit a request for a report."

If the Subcommittee has requested a report on behalf of a person in the United States, the Immigration and Naturalization Service may honor the request for a report by staying deportation until the reports are received and the full Committee acts on the bill. When a bill is adversely reported to the full Committee, and the Committee tables the bill, a stay of deportation expires. In cases where legislation is favorably reported to the full Committee, the stay of deportation is in effect until the bill completes the legislative process.

The author is notified at such time as a report from the Executive Branch is requested and copies of the reports are forwarded to the author upon receipt.

When a bill is ready for consideration by the Subcommittee, the appropriate documentation is reviewed and an agenda prepared for a meeting of the Subcommittee.

The authors of the legislation and the Subcommittee Members are notified of the date of a hearing on private immigration bills. If adverse action is taken by the Subcommittee at the hearing on the legislation, the author may be given two weeks to submit additional material which may have a hearing on the case.

Adversely acted upon legislation shall be forwarded to the full Committee within two weeks, unless the author has addressed a communication to the Chairman of the Subcommittee.

In the case of final action where a bill was adversely acted upon, the legislation shall be ordered reported directly to the Committee with an adverse recommendation. Any bill tabled by the full Committee shall not be scheduled again by the Subcommittee.

When favorable action is taken, the bill is ordered reported favorably to the full Committee. The author is requested to submit a statement for inclusion in the Committee report to the House on his bill as soon as the legislation is reported from the full Committee.

GEN. DOUGLAS MACARTHUR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes.

Mr. DORNAN of California. Mr. Speaker, I rise this evening to pay tribute to one of the greatest military figures in all of the history of our Nation. As a matter of fact, in 212 years this July 4, I do not believe we have had a more outstanding citizen in any field of endeavor or profession.

I am going to speak tonight about Gen. Douglas MacArthur, general of the armies, and in doing him homage, I will tell you why. Because this is the 25th anniversary this month of the greatest speech outside of speeches or addresses or homilies involving transcendent issues like religion.

This is the greatest speech I have ever heard in my 54 years on any type of secular subject. It can only be described as stunningly prophetic in nature.

I had wanted to take this special order on the 12th of this month, the precise 25th anniversary of General MacArthur's final speech to his fellow countrymen because we were beginning the defense debate, the so-called defense debate, but since the majority of Members in this House on most instances saw fit to gut the defense budget requested by the President and cut way underneath that budget already going to pass in the other body, the U.S. Senate, I wish that I could have delivered it on that Tuesday morning.

Unfortunately, probably my words, and General MacArthur's words would have fallen on deaf ears.

Because there has been growing in this Chamber, over the decade that I have been here, more and more of an attitude described as the argument of moral equivalency, that we are no better, hopefully no worse, than the Soviet Union.

I have even heard clergymen say that we must learn to live together. We have different systems and we must learn to appreciate one another's systems. I am sure that that argument was used in this Chamber shortly after it opened in 1857 on the argument of slavery. The North and the South are different. We in the North must learn to live with this different system in the South.

No one ever referred to it, if they were a representative from the States that had slavery, as slavery. It was always just a different system of commerce, a different system of labor.

But wiser men were not listened to and this Nation went through a bloodbath costing 618,000 lives of young Americans, because we are Americans on both sides. Wounds of that conflict, we still suffer in parts of this country today where there is still basically a one-party system.

Now, General MacArthur's last speech was dramatic. Before he even began to address the assembled corps of cadets on the plains of West Point near the city of my father's youth, Newburgh, N.Y., because everybody knew, due to his advanced years, he was only to live less than a year later, dying in his mid-80s, but they knew that because of his advanced age, this would be his last address. He has said as much.

The stunning thing about this date, May 12, 1962, is that it seems even further away than 25 years ago because our country is so different in so many aspects.

President John F. Kennedy was in his second year, barely halfway through his second year, and he was only 44 years of age. The first American had been killed in action in Vietnam on December 22, 1961, Specialist 5th Class James Davis. I did not have to look up that name for this special order because I wrote a screenplay called "The First American." It was sort of a counterpoint to a popular movie starring Marlon Brando called "The Ugly American."

I sensed that something was about to happen in Indochina and Jim Davis was the first American to give his life to stop communism in that tragic part of the world.

In the early part of that year, 1962, we had six more men killed in action, January through the date of General MacArthur's speech. We had eight men disappear in Indochina, missing in action, that horrible category that still plagues our country and both the Senate and this body.

Those 8, of course, have all been declared since killed in action, and those 14 names are on the wall down near the Washington Monument, which we call the Vietnam Memorial, together with 10 young men who gave their lives in nonhostile accidents in Indochina.

Twenty-four men had died in Vietnam when General MacArthur began his address. The next was to die only 8 days later on May 30, 1962.

Now the West Point class that he was addressing was the graduation of the class of 1962, a class of young lieutenants after they received their commissions that day who would serve many tours in Vietnam and many of them were killed. But since MacArthur spoke to the assembled corps of cadets, the class of 1963 was there, the class of 1964, and the freshmen who would graduate in 1965, the year after the Tonkin Gulf resolution.

On that parade ground, and as I read General MacArthur's words to you, please keep this in the front of your mind. On that parade ground, where 70-some young men about to throw their hats into the air as they were declared officers in the U.S. Armed Forces, 70 or more of those young second lieutenants-to-be within a few minutes of MacArthur's address, gave their lives on the field of battle somewhere in Indochina.

□ 1745

Some of them are still missing in action, presumptive finding of death, until this day. I am going to repeat those final figures at the end of General MacArthur's words.

I timed General MacArthur's speech the other day. I listened to it over the weekend. A constituent sent me a small tape recording. Thank God for our electronic age and the fact that you can put these things on little cassettes and put them in your car and drive long distances and feel the inspiration of great Americans who have gone to their eternal reward.

In listening to it, because of his age, General MacArthur speaks very slowly and in very measured tones, however without any prepared text and any notes whatsoever—not even the little President Eisenhower or President Reagan 4-by-5 cards, no notes, no prepared text. You will find that hard to believe when you hear his words.

I will summarize his beginning and get to the core of his address, and I will summarize briefly the close, because I want you to focus on the middle of this address to the corps of cadets and feel the incredible prophetic sense of vision of the future that this incredible American had.

On a personal note at this point, my father served in the 30th Division in World War I, but he was on loan for a while to the Rainbow Division that General MacArthur commanded. I remember my dad telling me a story that General Patton had told him, that when enemy fire was coming in, both sniper shot and mortar round, Patton refused to take cover in front of his men. He felt he was a man of destiny. It is not a wise course for all of us to follow. But once when he was along the edge of the trenches with General MacArthur, who was slightly senior to him, he said it annoyed him that although MacArthur also refused to take cover, General Patton would flinch, and Gen. Douglas MacArthur, then a young brigadier, would not even flinch.

My parents also were lucky enough to go in the 1928 Olympics to Holland, to the country of The Netherlands. General MacArthur was on leave from the Army temporarily to be the commander of our Olympic team going to Europe in 1928. My mother all during my youth told me what an incredible, towering figure this was. He was retired in the mid-1930's with no other job to hold in the Armed Forces of his country, and President Roosevelt sent him as Governor General to the Philippines.

The rest of the history you know—Bataan, Corregidor, "I shall return," and the incredible Army campaign that he led—and he led the Navy, too—as the combat on-scene commander in our efforts to free all of Southeast Asia and all of Asia from the warlords of Japan.

MacArthur asked that he be remembered not as a man of war but as the man who brought democracy to Japan. He brought such a powerful democracy to Japan, such an incredible market system, that this House has been reverberating for the last 2 years with all sorts of threats of protectionism because Japan is such a dynamic nation, such a dynamic democracy, and so productive. What a legacy Douglas MacArthur left in bringing that country out of the dark ages into the 20th century with such dynamism.

General MacArthur's speech has been titled over the years "the duty, honor, country speech." He was there to not only address the corps of cadets but to receive the Sylvanus Thayer Award, and he describes in his beginning what an honor it is. He tells a cute joke about the doorman at his hotel asking him where he was going, and he said, "up to the U.S. Military Academy at West Point." And the doorman says, "wonderful place, General. Have you ever been there?"

□ 1755

The corps of cadets laughed, and that is the last time they would do anything except openly shed tears as the general continued:

> Duty, honor, country: Those three hallowed words reverently dictate what you ought to be, what you can be, what you will be. They are our rallying point to build courage when courage seems to fail, to regain faith when there seems to be little cause for faith, to create hope when hope becomes forlorn.
>
> Unhappily, I possess neither that eloquence of diction, that poetry of imagination, nor that brilliance of metaphor to tell you all that they mean.
>
> The unbelievers will say they are but words, but a slogan, but a flamboyant phrase. Every pedant, every demagog, every cynic, every hypocrite, every troublemaker, and, I am sorry to say, some others of an entirely different character, will try to downgrade them even to the extent of mockery and ridicule.
>
> But these are some of the things they do. They build your basic character. They mold you for your future roles as the custodians of the Nation's defense. They make you strong enough to know when you are weak, and brave enough to face yourself when you are afraid.
>
> They teach you to be proud and unbending in honest failure, but humble and gentle in success; not to substitute words for actions, not to seek the path of comfort, but to face the stress and spur of difficulty and challenge; to learn to stand up in the storm, but to have compassion on those who fall; to master youself before you seek to master others; to have a heart that is clean, a goal that is high; to learn to laugh, yet never forget how to weep; to reach into the future, yet never neglect the past; to be serious, yet never to take youself too seriously; to be modest so that you will remember the simplicity of true greatness, the open mind of true wisdom, the meekness of true strength.
>
> They give you a temperate will, a quality of the imagination, a vigor of the emotions, a freshness of the deep springs of life, a temperamental predominance of courage over timidity, of an appetite for adventure over love of ease.
>
> They create in your heart the sense of wonder, the unfailing hope of what next, and the joy and inspiration of life. They teach you in this way to be an officer and a gentleman.
>
> And what sort of soldiers are those you are to lead? Are they reliable? Are they brave? Are they capable of victory?
>
> Their story is known to all of you. It is the story of the American man-at-arms. My estimate of him was formed on the battlefield many many years ago, and has never changed. I regarded him then, as I regard him now, as one of the world's noblest figures; not only as one of the finest military characters, but also as one of the most stainless.
>
> His name and fame are the birthright of every American citizen. In his youth and strength, his love and loyalty, he gave all that mortality can give. He needs no eulogy from me, or from any other man. He has written his own history and written it in red on his enemy's breast.
>
> But when I think of his patience in adversity, of his courage under fire, and of his modesty in victory, I am filled with an emotion of admiration I cannot put into words. He belongs to history as furnishing one of the greatest examples of successful patriotism. He belongs to posterity as the instructor of future generations in the principles of liberty and freedom. He belongs to the present, to us, by his virtues and by his achievements.
>
> In 20 campaigns, on a hundred battlefields, around a thousand campfires, I have witnessed that enduring fortitude, that patriotic self-abnegation, and that invincible determination which have carved his statue in the hearts of his people.
>
> From one end of the world to the other, he has drained deep the chalice of courage. As I listened to those songs [of the glee club], in memory's eye I could see those staggering columns of the First World War, bending under soggy packs on many a weary march, from dripping dusk to drizzling dawn, slogging ankle deep through the mire of shell-pocked roads; to form grimly for the attack, blue lipped, covered with sludge and mud, chilled by the wind and rain, driving home to their objective, and, for many, to the judgment seat of God.
>
> I do not know the dignity of their birth, but I do know the glory of their death.

They died, unquestioning, uncomplaining, with faith in their hearts, and on their lips the hope that we would go on to victory.

Always for them: Duty, honor, country. Always their blood, and sweat, and tears, as we sought the way and the light and the truth. And 20 years after, on the other side of the globe, again the filth of murky foxholes, the stench of ghostly trenches, the slime of dripping dugouts, those boiling suns of relentless heat, those torrential rains of devastating storms, the loneliness and utter desolation of jungle trails, the bitterness of long separation from those they love and cherished, the deadly pestilence of tropical disease, the horror of stricken areas of war.

Their resolute and determined defense, their swift and sure attack, their indomitable purpose, their complete and decisive victory—always victory, always through the bloody haze of their best reverberating shot, the vision of gaunt, ghastly men, reverently following your pass-words of "duty, honor, country."

The code which those words perpetuate embraces the highest moral law and will stand the test of any ethics or philosophies ever promulgated for the uplift of mankind. Its requirements are for the things that are right and its restraint are from the things that are wrong. The soldier, above all other men, is required to practice the greatest act of religious training—sacrifice. In battle, and in the face of danger and death, he discloses those divine attributes which his Maker gave when He created man in His own image. No physical courage and no greater strength can take the place of the divine help which alone can sustain him. However hard the incidents of war may be, the soldier who is called upon to offer and to give his life for his country is the noblest development of mankind.

You now face a new world, a world of change. The thrust into outer space of the satellite, spheres, and missiles marks a beginning of another epoch in the long story of mankind. In the 5 or more billions of years the scientists tell us it has taken to form the earth, in the 3 or more billion years of development of the human race, there has never been a more abrupt or staggering evolution.

We deal now, not with things of this world alone, but with the illimitable distances and as yet unfathomed mysteries of the universe. We are reaching out for a new and boundless frontier. We speak in strange terms of harnessing the cosmic energy, of making winds and tides work for us, of creating unheard of synthetic materials to supplement or even replace our old standard basics; to purify sea water for our drink; of mining ocean floors for new fields of wealth and food; of disease preventatives to expand life into the hundreds of years; of controlling the weather for a more equitable distribution of heat and cold, of rain and shine; of spaceships to the moon; of the primary target in war, no longer limited to the armed forces of an enemy, but instead to include his civil populations; of ultimate conflict between a united human race and the sinister forces of some other planetary glaxy; of such dreams and fantasies as to make life the most exciting of all times.

And through all this welter of change and development your mission remains fixed, determined, inviolable. It is to win our wars. Everything else in your professional career is but corollary to this vital dedication. All other public purposes, all other public projects, all other public needs, great or small, will find others for their accomplishment; but you are the ones who are trained to fight.

Yours is the profession of arms, the will to win, the sure knowledge that in war there is no substitute for victory, that if you lose, the Nation will be destroyed, that the very obsession of your public service must be duty, honor, country.

Others will debate the controversial issues, national and international, which divide men's minds. But serene, calm, aloof, you stand as the Nation's war guardian, as its lifeguard from the raging tides of international conflict, as its gladiator in the arena of battle. For a century and a half you have defended, guarded, and protected its hallowed traditions of liberty and freedom, of right and justice.

Let civilian voices argue the merits or demerits of our processes of government: Whether our strength is being sapped by deficit financing indulged in too long, by Federal paternalism grown too mighty, by power groups grown too arrogant, by politics grown too corrupt, by crime grown too rampant, by morals grown too low, by taxes grown too high, by extremists grown too violent; whether our personal liberties are as thorough and complete as they should be.

These great national problems are not for your professional participation or military solution. Your guidepost stands out like a tenfold beacon in the night: Duty, honor, country.

You are the leaven which binds together the entire fabric of our national system of defense. From your ranks come the great captains who hold the Nation's destiny in their hands the moment the war tocsin sounds.

The long gray line has never failed us. Were you to do so, a million ghosts in olive drab, in brown khaki, in blue and gray, would rise from their white crosses, thundering those magic words: Duty, honor country.

This does not mean that you are warmongers. On the contrary, the soldier above all other people prays for peace, for he must suffer and bear the deepest wounds and scars of war. But always in our ears ring the ominous words of Plato, that wisest of all philosophers: "Only the dead have seen the end of war."

The shadows are lengthening for me. The twilight is here. My days of old have vanished—tone and tint. They have gone glimmering through the dreams of things that were. Their memory is one of wondrous beauty, watered by tears and coaxed and caressed by the smiles of yesterday. I listen vainly, but with thirsty ear, for the witching melody of faint bugles blowing reveille, of far drums beating the long roll.

In my dreams I hear again the crash of guns, the rattle of musketry, the strange, mournful mutter of the battlefield. But in the evening of my memory always I come back to West Point. Always there echoes and reechoes: Duty, honor, country.

Today marks my final rollcall with you. But I want you to know that, when I cross the river, my last conscious thoughts will be of the corps, and the corps, and the corps.

I bid you farewell.

I ask the Members now, have you ever heard any speech with or without notes prepared by the greatest speechwriters, have you ever heard a speech of this quality that when read 25 years later so accurately predicts the great issues that we discuss as civilians in this Chamber?

□ 1805

I repeat that on that plane at West Point where my dad went for 9 quick months in an accelerated course to get him over into Europe into the trenches, never even was a second lieutenant, was immediately made a first lieutenant in those dark years of 1917 and 1918, just think, on that plane there were young men who were going to cross that river and meet their maker before General MacArthur was to be called home by God.

I repeat that in those four classes before him, the graduating class of 1962 and the three other classes, approximately 70 young officers were to give their lives in Vietnam, Laos, and later Cambodia.

Several men that I served with I think of when I hear those words. My best friend in the Air Force, godfather of my oldest son, I was the stand-in godfather for his oldest son, my wingman, Col. David Hrdlicka, was shot down that very month of May, 2 years later just after I visited General MacArthur's grave in the beautifully reconstructed old city hall of the only town this Army child could call home, Norfolk, VA.

I think of Dave a lot. I still wear his bracelet, mixed in with the bracelets of other heroes of our time, some of them not American, like Terry Waite, taken hostage in Beirut on January 21 trying to follow the most beautiful words in scripture, St. John, "Greater love than this has no man than to give up his life for his friends."

All these young men that we have seen in the last 2 weeks at West Point, at the U.S. Naval Academy at Annapolis, at the Air Force Academy in Colorado, which I flew over Friday, the Merchant Marine Academy, the Marine Platoon Leader School at Quantico, which my nephew, Don Dornan, Jr., graduated from last year, all those young crewmen killed, whether sleeping or hustling to get up on deck on the U.S.S. *Stark*, two or three jetfighters that crashed around the world, the T-38 that crashed killing its two crewmen in southern California just last Friday, all these young Americans that we remember, some not so young, that we remember on the traditional Memorial Day, the day after tomorrow, all of those men are the ones that general MacArthur spoke of as being stainless, the greatest characters of history, and that they are our national heritage. How we should love them. How we should not quibble over these young men and now young women placed as close as we dare into combat situations, young Air Force officers that graduated from the Air Force Academy of female gender, who went on to achieve second lieutenancy, first lieutenancy, to become captains and captains flying supersonic instructor aircraft. Yes, some of them have died.

The eight young nurses whose names are on the wall, along with the other 58,132 names of those who gave the full chalice of courage to their countrymen, including their lives.

The end of the month of May recalls this incomparable, stunning, without comparison speech of this great American.

I remember as a young Air National Guard pilot I hitchhiked by air on Guard flights back to New York and waited in the lobby of the Waldorf Astoria Hotel where General MacArthur and his lovely wife, Jean MacArthur, lived out his last years. I had to wait 2 days, until finally he was coming through the lobby. Those were days before Secret Service people for retired great Americans. I walked up to him, introduced myself, using my military rank. I was in civilian clothes.

I said, "My father and mother raised me to hold you up as an example, General."

I had his picture that actually came off a little bank for war bonds over my child's desk all throughout 1942 and 1943. It was lost in a move to California. To me he was the ultimate American fighting person. When he stood here in this Chamber at that podium in April 1951, after being relieved of his long military career by a President who was probably right, because General MacArthur had his conscience take him in a different direction; the general was right over how we should conduct the war in Korea, that there was no substitute for victory, that President Truman was right to exercise his civilian control, as the general so eloquently points out in here. "It is not for the military to involve themselves in the great issues of our time, only to stand as our guardians."

But when we foul up in this Chamber and in the other Chamber, the U.S. Senate, it is the military people under civilian control who end up with their names engraved on a black marble wall at the other end of the wall because we, the civilian masters, did not make the right decisions.

Our political leaders, President Kennedy and President Johnson, went on to disregard the general's words, that beautiful May day in 1962, when he said simply, "In war, there is no substitute for victory," and thousands of young Americans had their lives ripped away from them, thousands still cross our country as a living reminder in wheelchairs, thousands of others have committed suicide, thousands of others with their lost arms and legs and limbs, a living reminder to us that there is no substitute for victory, and these veterans just as we begin to respect them, comes a person like Oliver Stone with his filthy film, "Spitoon," called by some "Platoon" and tries to tell us that our men killed one another, were drugged or liquor sodden all the time, beat the brains out of mentally retarded young Vietnamese, shot old ladies and conducted themselves in a disgraceful manner. Those are not the ghosts that Oliver Stone brings up, that are the ghosts that Douglas MacArthur speak of, these stainless characters of courage and honor and dignity, living up to their principles of duty, honor and country.

In my eight trips to Vietnam, I could find no difference in the fighting men and those brave young nurses than in all the stories I had read on Korea, World War II, or my father's and Douglas MacArthur's war in the early part of this century.

This House I believe before every defense authorization and appropriations bill should have a quorum call where every Member is expected out of the dignity of his office to sit in these chairs and have our great leader from Texas, our Speaker, JIM WRIGHT, read these words to them, reminding us all that we, along with the President, are the ones who send our young men and women off to give their lives for our liberty and our freedom for what is right and truthful, as the general said.

Some of you who love tradition will recelebrate the Memorial Day that we moved to May 23, the day after tomorrow. Some of you will think ahead to the 11th hour, the 11th day of the 11th month in 1918, what used to be called Armistice Day each November, that we now call Veterans' Day. We will try to think of ways to honor our young fighting men. The ways are simple, to pay them properly, to treat these young boys and girls that come to us, as some youngsters did in my district, begging me for an appointment to the U.S. Military Academy at West Point, or Annapolis, or the Air Force Academy at Colorado Springs, and to feel that we are the luckiest people alive, as President Reagan says over and over, to pursue our wonderful professions, these yuppie careers that pay these high-tech salaries in a high-tech world, to remember that there are long lines waiting to join the long gray line at West Point, those glistening white uniforms in Annapolis and those Air Force blue uniforms in Colorado Springs, right down to every last young American pulling kitchen patrol, starting out as an airman basic, seaman recruit, or a buck private soldier in our military forces.

□ 1825

I love these young people, and I will continue to honor them in my service here in this House, and I also like their officers, their commanders, all the way up to this great general of the armies, Douglas MacArthur, whose hand I had the honor of holding in mine for just one brief moment and feeling that I was lucky to have had my life cross the termination point of his great 84 years of service to this wonderful country.

God bless you, Douglas MacArthur. How was our country lucky enough to have leaders like you and to have such unselfish young men and women serving in our Armed Forces to share our liberty with the whole world, so that the Sun never goes down on an American fighting man who is trying to bring liberty to the rest of the world?

A LEVEL PLAYING FIELD FOR AMERICANS ABROAD WILL HELP THE ECONOMY AT HOME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 20 minutes.

Mr. ALEXANDER. Mr. Speaker, today I have introduced three bills which taken together will enhance American competitiveness overseas resulting in an improvement of our trade deficit.

These three bills will, if enacted, enhance American competitiveness by removing cumbersome disincentives that now discourage Americans from living overseas and working to improve America's trade posture.

The first bill, the Overseas Americans Economic Competition Enhancement Act of 1987, would return the United States to the principle of residency based taxation that existed prior to 1962.

The United States is the only nation in the world that taxes its citizens based on their citizenship rather than on the basis of their nation of residence.

All other nations, including our major trading competitors, tax everyone living within their borders but do not tax their own citizens who live abroad.

As a result, American citizens who live abroad face an intolerable burden of double taxation—they pay U.S. taxes and taxes to the nations in which they reside.

Citizenship-based taxation discourages U.S. companies from hiring U.S. citizens to work abroad. And, it enforces competitive disadvantages on American entrepreneurs who want to set up companies abroad. In the current trade climate, there is no justification for preserving these barriers to commerce.

Former Secretary of the Treasury William Simon supported residency based taxation. President Carter's Export Council also endorsed the concept, as did the Democratic Party's 1984 platform.

It should be noted that the bill would require citizens to meet certain tests of either bona fide foreign residence or physical presence abroad in order to qualify for residency based taxation.

The second bill in the package, the Overseas American Children's Human Rights Act of 1987, would apply the same residency requirements to U.S. citizen parents of children born in wedlock as now exist for children born out of wedlock.

Under current law, if an American citizen marries a foreign national and lives outside the United States, that citizen must have physically resided in the United States for 5 years, at least 2 of which were after the age of 14, in order for his or her child to be an American citizen.

Legislation enacted last year moved away from the harsher requirement of 10 years residency, 5 of which were after 14, in order to pass U.S. citizenship on to a child. Last year, we took a step in the right direction.

But an inequity still exists. children born out of wedlock to a U.S. citizen living abroad become U.S. citizens if the U.S. citizen parent has physically resided in the United States for 1 year in the aggregate.

Thus, American law makes citizenship more difficult to children of citizens who live abroad and marry foreign nationals.

My bill would end that discrimination by applying the 1-year residency requirement to all U.S. citizens abroad who become parents, no matter what the circumstances of the child's birth.

This legislation would also provide that children born to U.S. citizens abroad will automatically be U.S. citizens if they would otherwise be born stateless.

As a result, American law will be brought into conformity with the Universal Declaration of Human Rights and the Declaration of the Rights of the Child.

Both of these documents, which the United States helped draft, pledge that a child, at birth, has a right to a name and a nationality. I propose to bring our immigration and nationality laws into conformity with these noble principles.

The final change contained in the Overseas American Children's Human Rights Act would insert the term "natural born" into section 301 of the Immigration and Nationality Act of 1952.

With this change, there will be no further question as to whether a child born abroad as a U.S. citizen can run for President when he or she grows up.

This would return our law to conformity with the framers' intent. In immigration and nationality legislation enacted in 1791, the First Congress declared U.S. citizen children born abroad to be "natural born." Subsequent legislation deleted the phrase and caused confusion.

I propose that the 100th Congress restore the eloquent, unambiguous language of the first Congress.

The final part of the overseas Americans legislative package would provide for the election of a nonvoting delegate to the House of Representatives to represent Americans living abroad.

In their national conventions, both major parties already provide for delegates to represent Americans abroad. I believe it is time for the Congress to follow suit.

A delegate to Congress representing overseas Americans would be able to dedicate full-time attention to the unique problems and concerns of these citizens, who are now somewhat cut off from the political process.

In closing, Mr. Speaker, Americans living abroad now face a burden of double taxation; if they happen to marry a foreign national, their children are discriminated against by our immigration and nationality laws; and they have no one to represent their particular concerns in the Congress.

Naturally, these factors discourage the best and brightest in American business from living abroad and promoting trade with the United States.

With the jobs of Americans here at home depending more and more on our performance in the global economy, it makes no sense to leave in place barriers that obstruct American competitiveness. I invite my colleagues to join in this effort to level the playing field for Americans overseas.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. LLOYD (at the request of Mr. FOLEY), for today, on account of illness.

Mr. BONIOR of Michigan (at the request of Mr. FOLEY), for May 27 and May 28, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DORNAN of California) to revise and extend their remarks and include extraneous material:)

Mrs. MORELLA, for 5 minutes, today.

Mr. DORNAN of California, for 60 minutes, today.

Mr. WEBER, for 5 minutes, today.

Mr. GINGRICH, for 5 minutes, today.

Mr. GINGRICH, for 60 minutes, on June 1.

Mr. HERGER, for 5 minutes, today.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 5 minutes, today.

Mr. BONIOR of Michigan, for 5 minutes, today.

Mr. ENGLISH, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. NELSON of Florida, for 5 minutes, today.

Mr. MAZZOLI, for 5 minutes, today.

Mr. WYDEN, for 30 minutes, today.

Mr. ALEXANDER, for 20 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. DAUB, before the vote on final passage of H.R. 1451.

(The following Members (at the request of Mr. DORNAN of California) and to include extraneous matter:)

Mr. PORTER.

Mr. PACKARD.

Mr. ROTH in two instances.

Mr. MOORHEAD.

Mr. LEWIS of California.

Mr. CONTE in four instances.

Mr. FAWELL.

Mr. BOEHLERT.

Mr. SHUMWAY.

Mr. CLINGER.

Mr. SMITH of New Jersey in two instances.

Mr. SCHULZE.

Mr. LAGOMARSINO in three instances.

Mr. MCEWEN.

Mr. DAVIS of Michigan.

Mr. MCMILLAN of North Carolina.

Mr. RINALDO.

Mr. DORNAN of California.

Mr. GREGG.

Mr. MARLENEE.

Mr. GREEN.

Mr. DAUB.

Mr. YOUNG of Florida.

Mr. QUILLEN.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. ATKINS.

Mr. HAMILTON.

Mr. BRYANT.

Mr. COELHO.

Mr. FLORIO in three instances.

Mr. BOSCO.

Mr. UDALL.

Mr. NOWAK.

Mr. DOWNEY of New York.

Mrs. BOXER in two instances.

Mr. CARDIN.

Mr. TORRES.

Mr. GUARINI.

Mr. DYMALLY.

Mr. ENGLISH.

Mr. PANETTA.

Mr. TRAFICANT.

Mr. RANGEL.

Mr. CARR.

Mr. OWENS of New York.

Mr. TALLON.

Mr. WOLPE.

Mr. WALGREN.

Mr. LANTOS in two instances.

Mr. GARCIA.

Mr. SCHUMER in two instances.

Mr. LEHMAN of Florida.

Mr. LEVIN of Michigan.

Mr. LEVINE of California.

Mr. ROYBAL.

Mr. SOLARZ.

Mr. MAZZOLI.

Mr. MFUME.

Mr. GUARINI.

Mr. KASTENMEIER in two instances.

Mr. ANNUNZIO.

Mr. HUBBARD.

Mr. MARKEY.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 70. Joint resolution commemorating the 40th anniversary of the Marshall plan.

BILL PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 1846. An act to make certain technical and conforming amendments in the Higher Education Act of 1965, and for other purposes.

ADJOURNMENT

Mr. DORNAN of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 16 minutes p.m.), under its previous order, the House adjourned until Monday, June 1, 1987, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1485. A letter from the Architect of the Capitol, transmitting a report of all expenditures during the period October 1, 1986 through March 31, 1987, pursuant to 40 U.S.C. 162b; to the Committee on Appropriations.

1486. A letter from the Secretary of Defense, transmitting a report on NATO conventional defense, pursuant to 22 U.S.C. 1928 nt.; to the Committee on Armed Services.

1487. A letter from the Assistant Secretary of the Air Force (Manpower and Reserve Affairs), transmitting a draft of proposed legislation to authorize recoupment of stipends paid to Air Forces Health Professional Scholarship Program recipients who fail to complete required active duty; to the Committee on Armed Services.

1488. A letter from the Secretary of Education, transmitting a draft of proposed legislation to amend the Higher Education Act of 1965, to expand and improve the Income Contingent Loan Program, to make technical and conforming changes to the Perkins Loan Program, and for other purposes; to the Committee on Education and Labor.

1489. A letter from the Assistant Secretary of State, Legislative and Intergovernmental Affairs, transmitting notification of a proposed manufacturing license agreement for the production in Japan of three-axis rate gyroscopes, pursuant to 22 U.S.C. 2776(d); to the Committee on Foreign Affairs.

1490. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting a copy of the report of the Secretary of the Interior setting forth the findings and conclusions of his investigation into allegations of mismanagement of the relocation of the Northern California Agency, Bureau of Indian Affairs from Hoopa, CA to Redding, CA, pursuant to 5 U.S.C. 1206(b)(5)(A); to the Committee on Post Office and Civil Service.

1491. A letter from the Acting Secretary of Health and Human Services, transmitting the 1986 annual report of the Secretary regarding the committees which provide advice and consultation to him in carrying out his functions under the Social Security Act, pursuant to 42 U.S.C. 1314(f); jointly, to the Committees on Energy and Commerce and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROE: Committee on Science, Space, and Technology. H.R. 2330. A bill to authorize appropriations to the National Science Foundation for the fiscal year 1988, and for other purposes; with amendments (Rept. 100-110). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROE: Committee on Science, Space, and Technology. H.R. 2355. A bill to authorize appropriations for environmental research, development, and demonstration for the fiscal years 1988 and 1989, and for other purposes; with amendments (Rept. 100-111). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHEAT: Committee on Rules. House Resolution 178. Resolution providing for the consideration of H.R. 953, a bill to authorize appropriations for fiscal year 1988 for certain maritime programs of the Department of Transportation and the Federal Maritime Commission. (Rept. 100-112). Referred to the House Calendar.

Mr. HALL of Ohio: Committee on Rules. House Resolution 179. Resolution providing for the consideration of H.R. 1934, a bill to clarify the congressional intent concerning, and to codify, certain requirements of the Communications Act of 1934 that ensure that broadcasters afford reasonable opportunity for the discussion of conflicting views on issues of public importance. (Rept. 100-113). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GONZALEZ:

H.R. 2531. A bill to revise and reinstate the Renegotiation Act of 1951; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SWIFT (for himself, Mr. Stark, Mr. Fazio, Mr. LaFalce, Mr. Gonzalez, Mr. Dwyer of New Jersey, and Mr. Wyden):

H.R. 2532. A bill to amend title 5, United States Code, to include inspectors of the Immigration and Naturalization Service, inspectors of the U.S. Customs Service, and revenue officers of the Internal Revenue Service within the immediate retirement provisions applicable to certain employees engaged in hazardous occupations; to the Committee on Post Office and Civil Service.

By Mr. FOLEY (for himself and Mr. Michel):

H.R. 2533. A bill to require a report on security arrangements in the Persian Gulf; jointly, to the Committees on Foreign Affairs and Armed Services.

By Mr. ALEXANDER:

H.R. 2534. A bill entitled "The Overseas United States Citizen's Representation in the Congress Act of 1987"; to the Committee on House Administration.

H.R. 2535. A bill entitled "The Overseas American Children's Human Rights Act of 1987"; to the Committee on the Judiciary.

H.R. 2536. A bill to amend the Internal Revenue Code of 1986 to expand the types of foreign source income which may be excluded from gross income by individual citizens and residents of the United States living abroad; to the Committee on Ways and Means.

By Mr. BARNARD (for himself and Mr. Glickman):

H.R. 2537. A bill to improve disclosures to consumers of the terms of consumer leases and lease-purchase agreements, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BONER of Tennessee (for himself, Mr. Cooper, Mr. Duncan, Mr. Ford of Tennessee, Mr. Gordon, Mr. Jones of Tennessee, Mrs. Lloyd, Mr. Quillen, and Mr. Sundquist):

H.R. 2538. A bill to award a congressional gold medal to Roy Acuff; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BROOKS (for himself and Mr. Horton), (both by request):

H.R. 2539. A bill to extend the authorization of appropriations for the Office of Federal Procurement Policy; to the Committee on Government Operations.

By Mr. BROWN of California (for himself, Mr. Volkmer, Mr. McCurdy, Mr. Akaka, and Mr. MacKay):

H.R. 2540. A bill to develop a national policy for the utilization of fuel cell technology; to the Committee on Energy and Commerce.

H.R. 2541. A bill to establish a hydrogen research and development program; to the Committee on Science, Space, and Technology.

H.R. 2542. A bill to promote the development of technologies which will enable fuel cells to use alternative fuel sources; to the Committee on Science, Space, and Technology.

By Mr. BURTON of Indiana (for himself and Mr. Smith of Florida):

H.R. 2543. A bill to authorize the seizure of any vessel that makes a call on any port in the United States within 6 months after making a call on any port in Cuba, and for other purposes; jointly, to the Committees on Ways and Means and Foreign Affairs.

By Mr. DioGUARDI:

H.R. 2544. A bill to suspend the duty on cultured pearls until January 1, 1991; to the Committee on Ways and Means.

By Mr. ENGLISH:

H.R. 2545. A bill to provide for improved airline safety and service; to the Committee on Public Works and Transportation.

By Mr. GREGG (for himself and Mr. Williams):

H.R. 2546. A bill to amend the Communications Act of 1934 to prohibit encryption of broadcast television programming produced with Federal subsidization; to the Committee on Energy and Commerce.

By Mr. HAYES of Louisiana:

H.R. 2547. A bill for the relief of LeRoy Sylestine, chairman of the tribal council of the Coushatta Tribe of Louisiana, and all other enrolled members of the Coushatta Tribe of Louisiana; to the Committee on Interior and Insular Affairs.

By Mr. HERGER:

H.R. 2548. A bill to make unlawful the establishment or maintenance within the United States of an office of the Palestine Liberation Organization, and for other purposes; to the Committee on Foreign Affairs.

By Mr. HUNTER:

H.R. 2549. A bill to encourage increased security spending by the Government of Japan; jointly, to the Committees on Foreign Affairs and Ways and Means.

By Mrs. JOHNSON of Connecticut:

H.R. 2550. A bill to provide more flexibility to the Administrator of the Federal Aviation Administration in the employment of air traffic controllers; to the Committee on Post Office and Civil Service.

H.R. 2551. A bill to provide more flexibility to the Administrator of the Federal Aviation Administration in the employment of military air traffic controllers; to the Committee on Post Office and Civil Service.

By Mr. JONES of North Carolina (for himself, Mr. Biaggi, Mr. Davis of Michigan, Mr. Lent, and Mrs. Bentley):

H.R. 2552. A bill to provide for the transportation of solid waste in U.S.-flag vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. KASTENMEIER:

H.R. 2553. A bill to authorize appropriations for fiscal year 1988 to the Legal Services Corporation to carry out the Legal Services Corporation Act, and for other purposes; to the Committee on the Judiciary.

By Mr. LEVINE of California (for himself, Mr. Studds, and Mr. Lowry of Washington):

H.R. 2554. A bill to require that the 5-year plan prepared by the Secretary of the Interior for gas and oil leasing on the Outer Continental Shelf be enacted into law; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

By Mr. LOTT (for himself and Mr. Huckaby):

H.R. 2555. A bill to clarify the treatment of Members of Congress and their families under State income tax laws; to the Committee on the Judiciary.

By Mr. McMILLAN of North Carolina (for himself, Mr. Carper, Mr. Wylie, Mr. Barnard, Mr. Ridge, Mr. Swindall, Mrs. Saiki, Mr. Hiler, Mr. Bartlett, and Mr. Bereuter):

H.R. 2556. A bill to amend the International Lending Supervision Act of 1983 and the Bank Holding Company Act of 1956 with respect to the treatment of developing country debt; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MARKEY (by request):

H.R. 2557. A bill to amend the Securities Exchange Act of 1934 to ensure that all participants in the Nation's securities markets are equally regulated, to promote fair competition among those providing essentially identical services, and to ensure adequate protection for all investors; to the Committee on Energy and Commerce.

By Mr. MORRISON of Washington:

H.R. 2558. A bill to authorize the Secretary of the Interior to take corrective action to protect certain portions of the Franklin County, WA, road system within the Federal Columbia Basin reclamation project; to the Committee on Interior and Insular Affairs.

By Mr. SIKORSKI:

H.R. 2559. A bill to require occupied cabooses on the rear of all trains over 2,000 feet in length that contain certain hazardous materials; to the Committee on Energy and Commerce.

By Mr. SMITH of Iowa:

H.R. 2560. A bill to amend the Poultry Products Inspection Act to reestablish minimum inspection and processing standards; to the Committee on Agriculture.

By Mr. YATRON:

H.R. 2561. A bill to provide for a study relating to a consumer price index for the elderly; to the Committee on Education and Labor.

By Mr. GONZALEZ:

H.J. Res. 295. Joint resolution to call for the removal of the U.S. Armed Forces from the Persian Gulf; to the Committee on Foreign Affairs.

By Mr. DeFAZIO:

H.J. Res. 296. Joint resolution declaring that the requirements of section 4(a)(1) of the War Powers Resolution became operative on May 17, 1987, with respect to U.S. naval forces in the Persian Gulf; to the Committee on Foreign Affairs.

By Mr. ENGLISH (for himself, Mr. Roberts, Mr. de la Garza, Mr. Huckaby, Mr. Tallon, Mr. Staggers, Mr. Evans, Mr. Olin, Mr. Johnson of South Dakota, Mr. Espy, Mr. Jeffords, Mr. Morrison of Washington, Mr. Robert F. Smith, and Mr. Schuette):

H.J. Res. 297. Joint resolution designating November 1987 as "National Family Bread-Baking Month"; to the Committee on Post Office and Civil Service.

By Mr. DAVIS of Michigan (for himself, Mr. Jones of North Carolina, Mr. Young of Alaska, Mr. Lent, Mr. Fields, and Mr. Studds):

H. Con. Res. 130. Concurrent resolution recognizing the accomplishments of the Federal Aid in Wildlife Restoration Act in honor of its 50th anniversary; to the Committee on Merchant Marine and Fisheries.

By Mr. FOLEY (for himself and Mr. Michel):

H. Con. Res. 131. Concurrent resolution providing for the attendance of Representatives, Senators, and other appropriate persons at a special ceremony and related events to be held in Philadelphia, PA, in honor of the Bicentennial of the Constitution and in commemoration of the Great Compromise of the Constitutional Convention; considered and agreed to.

By Mrs. BENTLEY (for herself, Mr. Hunter, and Mr. Rowland of Connecticut):

H. Con. Res. 132. Concurrent resolution expressing the sense of Congress that the President and the Secretary of Commerce should commence negotiations with the Government of Japan to remove Japanese restrictions preventing construction firms in the United States from competitively bidding on public construction projects in Japan and, if such negotiations are unsuccessful, should consider imposing restrictions on the ability of Japanese firms to bid on public construction projects in the United States; jointly, to the Committees on Ways and Means and Public Works and Transportation.

By Mr. MOAKLEY:

H. Res. 180. Resolution to amend the Rules of the House of Representatives to authorize certain investigations by the Committee on Standards of Official Conduct; to the Committee on Rules.

By Mr. PEASE (for himself, Mr. Bonker, Mr. St Germain, and Mr. Gibbons):

H. Res. 181. Resolution expressing the sense of the House of Representatives with respect to the goals of the economic summit conference to be held in Venice, Italy, beginning on June 8, 1987; jointly, to the Committees on Foreign Affairs; Banking, Finance and Urban Affairs; and Ways and Means.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

90. By the SPEAKER: Memorial of the Legislature of the State of Oregon, relative to the level of funding for student financial aid programs for fiscal year 1988; to the Committee on Education and Labor.

91. Also, memorial of the General Court of the Commonwealth of Massachusetts, relative to a sister-state relationship between the Commonwealth and the Province of Taiwan; to the Committee on Foreign Affairs.

92. Also, memorial of the Legislature of the State of Arizona, relative to funding to acquire the Arizona Veterans Cemetery as a national cemetery; to the Committee on Veterans' Affairs.

93. Also, memorial of the Legislature of the State of Minnesota, relative to federal regulation of pipelines; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

94. Also, memorial of the General Assembly of the State of Tennessee, relative to the designation of a site on the Clinch River of the Roane County portion of Oak Ridge, TN, for construction of a monitored retrievable storage facility; jointly; to the Committees on Energy and Commerce and Interior and Insular Affairs.

95. Also, memorial of the Legislature of the State of Oregon, relative to the Bonneville Power Administration; jointly, to the Committees on Interior and Insular Affairs, Energy and Commerce, and Public Works and Transportation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. JONTZ introduced a bill (H.R. 2562) for the relief of Louis Frank Joseph Zlaty, Donald Rene Zlaty, and Edward Stanley Zlaty, which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 17: Mr. Lightfoot, Mr. Lewis of Georgia, and Mr. Bereuter.

H.R. 18: Mr. Moody, Mr. Jontz, Mr. Walgren, and Mr. de Lugo.

H.R. 47: Mr. DeLay.

H.R. 67: Mr. Bosco, Mrs. Collins, Mr. Gray of Pennsylvania, Mr. Walgren, Mr. Moody, Mr. Mineta, and Mr. Hawkins.

H.R. 103: Mr. Boulter.

H.R. 107: Mr. Shumway.

H.R. 162: Mr. Alexander, Mr. Cooper, Mr. Aspin, and Mrs. Kennelly.

H.R. 176: Mr. Price of North Carolina, and Mr. Ford of Michigan.

H.R. 303: Mr. Duncan, Mr. Oberstar, Mr. McEwen, Mr. Barnard, Mr. Akaka, Mr. DeFazio, Mr. Rowland of Connecticut, Mr. Mavroules, Mr. Jontz, Mr. Wilson, Mr.

Packard, Mr. Whittaker, Mr. Kennedy, Mr. Richardson, Mr. Chappell, Mr. Hutto, Mr. Hefley, Ms. Snowe, Mr. Hochbrueckner, Mr. Gallegly, and Mr. Coelho.

H.R. 338: Mr. Swindall.

H.R. 339: Mr. Swindall.

H.R. 344: Mr. Swindall.

H.R. 351: Mr. Grant.

H.R. 378: Mr. Akaka, Mr. Coleman of Texas, Mr. Foglietta, Mr. Gaydos, Mr. McDade, Mr. Kanjorski, Mr. LaFalce, Ms. Oakar, Mr. Penny, Mr. Sabo, Mr. Traxler, Mr. Frank, Mr. Carper, Mr. Moakley, Mr. Visclosky, Mr. Ortiz, Mr. Perkins, Mr. Savage, Mr. Vento, Mrs. Bentley, Mr. Udall, Mr. Yatron, and Mr. Gray of Pennsylvania.

H.R. 382: Mr. Bevill and Mrs. Boxer.

H.R. 387: Mr. Carper.

H.R. 388: Mr. Lowery of California, Mr. AuCoin, and Mr. Skelton.

H.R. 457: Mr. de Lugo.

H.R. 537: Mr. Guarini.

H.R. 544: Mr. Vento and Mr. de Lugo.

H.R. 588: Mr. Smith of New Hampshire.

H.R. 592: Mr. de Lugo, Mr. Rahall, Mr. Quillen, Mr. Hall of Ohio, Mr. Whittaker, Mr. Packard, Mr. Gordon, Mr. Savage, and Mr. Boehlert.

H.R. 593: Mr. Leland, Mr. Mavroules, Mr. Smith of Florida, Mr. Waxman, Mr. Cheney, Mr. Gunderson, Mr. Morrison of Washington, Mr. Roth, Mr. Tauke, and Mr. Coats.

H.R. 671: Mrs. Vucanovich and Mr. Matsui.

H.R. 680: Mrs. Vucanovich and Mr. Matsui.

H.R. 719: Mr. Hyde, Mr. Nielson of Utah, Mr. Petri, Mr. Fields, and Mr. Holloway.

H.R. 720: Mr. Sweeney, Mr. Petri, and Mr. Holloway.

H.R. 721: Mr. Stallings.

H.R. 753: Mr. Hammerschmidt.

H.R. 778: Mr. Parris, Mr. Weiss, and Mr. Gregg.

H.R. 779: Mr. Walgren.

H.R. 898: Mr. Neal.

H.R. 919: Mr. Price of Illinois.

H.R. 940: Mr. Foglietta, Mr. Frank, Mr. Fauntroy, Mr. Wilson, Mr. Eckart, Mr. Boehlert, Mr. Kolter, Mr. Sabo, Mr. Olin, Mr. Atkins, Mr. Bosco, Mr. DeFazio, Mr. Feighan, Mr. Jontz, Mr. Morrison of Connecticut, Mr. Fascell, Mr. Lewis of Georgia, and Mr. Lipinski.

H.R. 954: Mr. Wilson, Mr. Towns, Mr. Stark, Mr. Richardson, Mr. Scheuer, Mr. Coyne, and Mr. Perkins.

H.R. 1016: Mr. de Lugo, Mr. Erdreich, Mr. McCloskey, and Mr. Rodino.

H.R. 1028: Mrs. Martin of Illinois, Mr. Badham, and Mr. Lewis of Florida.

H.R. 1076: Mr. Parris and Mr. Young of Florida.

H.R. 1101: Mr. Edwards of California, Mr. Mrazek, and Mr. McDade.

H.R. 1103: Mr. Emerson.

H.R. 1105: Mr. Nielson of Utah.

H.R. 1122: Mrs. Boxer, Mr. Dixon, Mr. Hubbard, Mr. Kastenmeier, Mr. Kennedy, Mr. Kleczka, Mr. Levine of California, Mr. Lipinski, Mr. Mrazek, Mr. Obey, Mr. Price of Illinois, Mr. Robinson, Mr. Roybal, Mr. Smith of Florida, Mr. Visclosky, Mr. Waxman, Mr. Wheat, and Mr. Wilson.

H.R. 1154: Mr. Annunzio, Mr. Frost, Mr. Jeffords, Mr. Morrison of Connecticut, Mr. Pepper, and Mr. Skelton.

H.R. 1158: Mr. Dymally.

H.R. 1172: Mr. Rinaldo.

H.R. 1235: Mr. Ackerman, Mr. Bereuter, Mr. Bonker, Mr. Borski, Mrs. Boxer, Mr. DeFazio, Mr. DioGuardi, Mr. Dyson, Mr. Foglietta, Mr. Gilman, Mr. Hochbrueckner, Mr. Hubbard, Mr. Hughes, Mr. Hutto, Mr. Kolbe, Mr. Kostmayer, Mr. Lancaster, Mr. McCollum, Mr. Manton, Mr. Mrazek, Mr. Ortiz, Mr. Owens of New York, Mr. Roe, Mr. Smith of Florida, Mr. Solarz, Mr. Tallon, and Mr. Young of Alaska.

H.R. 1337: Mr. Bryant.

H.R. 1367: Mr. Packard and Mr. Stenholm.

H.R. 1396: Mr. Swindall.

H.R. 1430: Mr. Ackerman, Mr. Bereuter, Mr. Bonker, Mr. Borski, Mrs. Boxer, Mr. DeFazio, Mr. DioGuardi, Mr. Dyson, Mr. Foglietta, Mr. Hubbard, Mr. Hochbrueckner, Mr. Hughes, Mr. Hutto, Mr. Kolbe, Mr. Lancaster, Mr. Lipinski, Mr. McCollum, Mr. Manton, Mr. Ortiz, Mr. Owens of New York, Mr. Roe, Mr. Smith of Florida, Mr. Solarz, Mr. Tallon, and Mr. Young of Alaska.

H.R. 1437: Mr. Coats, Mr. Hyde, Mr. Murphy, Mr. Packard, Mr. Lipinski, Mr. de la Garza, Mr. Porter, Mr. Donald E. Lukens, and Mr. Hansen.

H.R. 1438: Mr. Coats, Mr. LaFalce, Mr. Hyde, and Mr. Packard.

H.R. 1450: Mr. Edwards of Oklahoma.

H.R. 1467: Mr. Smith of New Hampshire, Mr. Valentine, and Mr. Downey of New York.

H.R. 1470: Mr. Solarz.

H.R. 1568: Mr. Rinaldo.

H.R. 1589: Mr. Fawell, Mr. Frenzel, Mr. Armey, Mr. DioGuardi, Mr. Lagomarsino, Mr. Denny Smith, Mr. Fish, Mr. Ridge, Mr. Tauke, Mr. Bartlett, Mr. Crane, and Mr. Herger.

H.R. 1592: Mr. Fawell, Mr. Lagomarsino, Mr. Frenzel, Mr. Armey, Mr. Denny Smith, Mr. Tauke, Mr. Bartlett, Mr. McCollum, Mr. Herger, and Mr. Crane.

H.R. 1607: Mr. Fuster, Mr. Hatcher, Mr. Olin, Mr. Boehlert, Mr. Gray of Pennsylvania, Mr. Atkins, Mr. Conyers, and Mr. Gray of Illinois.

H.R. 1647: Mr. Smith of New Hampshire.

H.R. 1684: Mr. Oxley, Mr. Wortley, and Mr. Sundquist.

H.R. 1685: Mr. Oxley, Mr. Lagomarsino, Mr. Frenzel, Mrs. Johnson of Connecticut, Mr. Swindall, Mr. Wortley, Mr. Lujan, Mr. McCollum, Mr. Dannemeyer, and Mr. Kolbe.

H.R. 1695: Mr. Leland.

H.R. 1706: Mr. Fawell.

H.R. 1726: Mr. Lancaster and Mr. Stallings.

H.R. 1729: Mr. Ravenel, Mr. Annunzio, Mr. Ballenger, Mr. Bartlett, Mr. Kasich, Mr. Herger, and Mr. Valentine.

H.R. 1734: Mr. Sawyer and Mr. Wolpe.

H.R. 1752: Mr. Leland.

H.R. 1766: Mr. Shumway, Mr. Badham, Mr. Chapman, and Mr. Upton.

H.R. 1832: Mr. Penny, Mr. Hall of Ohio, and Mr. DeWine.

H.R. 1873: Mr. de Lugo.

H.R. 1874: Mr. de Lugo.

H.R. 1943: Mr. Lagomarsino.

H.R. 1961: Mr. Owens of New York, Mr. Boehlert, Miss Schneider, Mr. Tauke, Mr. Mineta, Mr. Williams, and Mr. Kanjorski.

H.R. 1962: Mr. Owens of New York, Mr. Boehlert, Miss. Schneider, Mr. Tauke, Mr. Mineta, Mr. Williams, and Mr. Kanjorski.

H.R. 2038: Mr. Vento.

H.R. 2040: Mr. Swindall, Mr. Lehman of California, Mr. Lewis of Georgia, Mr. Hansen, and Mr. Sunia.

H.R. 2045: Mr. Natcher, Mr. Sisisky, Mr. Kostmayer, Mr. Williams, Mr. Vento, and Mr. Slaughter of Virginia.

H.R. 2103: Mr. Hatcher, Mr. Hunter, Mr. Packard, and Mr. Donald E. Lukens.

H.R. 2114: Mr. Davis of Michigan.

H.R. 2217: Mr. Roberts.

H.R. 2220: Mr. Rangel, Mr. Hawkins, and Mr. Henry.

H.R. 2221: Mr. Rangel, Mr. Hawkins, and Mr. Henry.

H.R. 2232: Mr. Barton of Texas, Mr. Bliley, Mrs. Meyers of Kansas, Mr. Packard, Mr. Smith of New Hampshire, and Mrs. Vucanovich.

H.R. 2241: Mr. Martinez, Mr. Smith of New Hampshire, and Mrs. Martin of Illinios.

H.R. 2249: Mr. Lipinski, Mr. Durbin, Mr. Rahall, Mr. Levin of Michigan, Mr. Kennedy, Mr. Wilson, and Mr. Lantos.

H.R. 2260: Mr. Traficant, Mr. Howard, Mr. Roe, Mr. Vento, and Mr. Russo.

H.R. 2279: Mr. Schumer, Mr. Frank, Mr. Scheuer, Mr. Solarz, Mr. Studds, Mr. Owens of New York, Mr. Rangel, Mr. Levine of California, Mr. Hayes of Illinois, Mr. Conyers, and Mr. Traficant.

H.R. 2311: Mr. Bliley, Mr. Hammerschmidt, Mrs. Morella, and Mr. Oxley.

H.R. 2320: Mr. Conte.

H.R. 2327: Mr. Clinger, Mr. Hatcher, Mr. Saxton, Mr. Skeen, Mr. Dwyer of New Jersey, Mr. Gordon, Mr. Shaw, Mr. Brennan, Mr. Erdreich, Mr. Feighan, Mr. Jeffords, Mr. Studds, Mr. Morrison of Connecticut, Mr. Donnelly, Mr. Lujan, Mr. DeWine, Mr. Cooper, Mr. Bosco, and Mr. Volkmer.

H.R. 2377: Mr. Richardson and Mr. Kennedy.

H.R. 2378: Mr. Glickman.

H.R. 2470: Mr. Chandler and Ms. Slaughter of New York.

H.R. 2500: Mr. Jontz.

H.J. Res. 8: Mr. Bilbray, Mr. Whittaker, Mr. Wortley, Mr. Stangeland, Mr. Shaw, Mr. Hall of Texas, Mr. Lujan, Mr. Grandy, and Mr. Marlenee.

H.J. Res. 16: Mr. Swindall.

H.J. Res. 25: Mr. Packard.

H.J. Res. 90: Mr. de Lugo and Mr. Pursell.

H.J. Res. 100: Mrs. Martin of Illinois, Mr. Martin of New York, and Mr. Tauke.

H.J. Res. 103: Mr. Petri and Mr. Holloway.

H.J. Res. 106: Mr. Hochbrueckner, Mr. Hutto, Mr. Lantos, Mr. Walgren, and Mr. Sunia.

H.J. Res. 159: Mr. Daub, Mr. Eckart, Mr. Fish, Mr. Wylie, Mr. Russo, Mr. Guarini, Mr. Lewis of California, Mr. Denny Smith, Mr. Yatron, Mr. Hughes, Mr. Swindall, Mr. Weber, Mr. Donnelly, Mr. Schuette, Mr. Dreier of California, Mr. Towns, Mr. Hunter, Mr. Emerson, Mrs. Boxer, Mr. Kleczka, Mr. Dymally, Mr. Bateman, Mr. Martin of New York, Mr. Owens, of New York, Mr. Martinez, Mr. Wolpe, Mr. DeWine, Mr. Smith of New Hampshire, Mr. Vander Jagt, Mr. Pursell, Mr. McCollum, Mr. Bryant, Mr. Walgren, Mr. Markey, Mr. Darden, Mr. Hutto, Mr. Stump, and Mr. Tauke.

H.J. Res. 181: Mr. Sundquist, Mr. Taylor, Mr. Darden, Mr. Waxman, Mr. Matsui, Mr. Markey, Mr. Roe, Mr. Mack, Mr. Mazzoli, Mr. Smith of New Jersey, Mrs. Byron, Mr. Udall, Mr. Gaydos, Mr. Mrazek, Mr. Price of North Carolina, Mrs. Meyers of Kansas, Mr. Inhofe, Mr. Badham, Mr. Young of Alaska, Mr. Kennedy, Mr. Jeffords, Mr. Downey of New York, Mr. Rose, Mr. Dyson, Mr. Leath of Texas, Mr. MacKay, Mr. Harris, Mr. Smith of New Hampshire, Mr. Martin of New York, Mr. Bliley, Mr. Clinger, Mr. Coble, Mr. Kolbe, Mr. Campbell, Mr. Edwards of Oklahoma, Mr. Hopkins, Mr. Sweeney, Mr. Rogers, Mr. Dwyer of New Jersey, Mr. Mollohan, Mr. Staggers, Mr. Annunzio, Mr. Durbin, Mrs. Vucanovich, Mr. Fazio, Mr. Yates, Mr. Rostenkowski, Mr. Blaz, Mr. Howard, Mr. Coelho, Mr. Manton, Mrs. Morella, Mr. Shumway, Mr. Florio, Mr. Green, Mr. Hoyer, Mrs. Patterson, Mr. Moorhead, Mr. Bryant, Mr. Valentine, Mr. Bartlett, Mr. Coleman of Texas, Mr. Duncan, Mr. Emerson, Mr. Gilman, Mr. Gingrich, Mr. Kemp, Mr. Kyl, Mr. Lent, Mr. Lewis of California, Mr. Lott, Mr. McDade, Mr. McGrath, Mr. Miller of Washington, Mr. Nelson of Florida, Mr. Ritter, Mr. Roemer, Mr. Skeen, Mr. Slaughter of Virginia, Mr. Spence, Mr. Lowry of Washington, Mr. Schaefer, Mr. Conte, Mr. Livingston, Mrs. Smith of Nebraska, Mr. Dannemeyer, Mr. Lehman of Florida, Mr. Smith of Florida, Mr. Parris, Mr. Roybal, and Mr. Panetta.

H.J. Res. 193: Mr. Biaggi, Mr. Duncan, Mr. Dwyer of New Jersey, Mr. Frank, Mr. Hall of Ohio, Mr. Hopkins, Mr. Kennedy, Mr. Shumway, and Mr. Davis of Illinois.

H.J. Res. 245: Mr. Kasich.

H.J. Res. 266: Mr. Hughes, Mr. Waxman, Mr. Kennedy, Mr. Wylie, Mr. Feighan, Mr. Mrazek, Mr. Foley, Mrs. Collins, Mr. Horton, Mr. Jontz, Mr. Walgren, Mr. Valentine, Mr. Torricelli, Ms. Kaptur, Mr. Wise, and Mr. Miller of Washington.

H.J. Res. 284: Mr. Dymally, Mr. Valentine, Mr. Gordon, Mr. Mrazek, Mr. Fuster, Mr. Lancaster, Mr. Roe, Mr. Bevill, Mr. Fazio, Mr. Neal, Mr. Scheuer, and Mr. Hughes.

H.J. Res. 291: Mr. Fuster, Mr. Kastenmeier, Mr. McDade.

H. Con. Res. 8: Mr. Swindall.

H. Con. Res. 30: Mr. Hefley, Mr. Hunter, Mr. Hammerschmidt, Mr. Weldon, Mr. Foglietta, Mr. Weber, Mr. McCandless, Mr. Brown of Colorado, Mr. Brennan, Mr. Savage, Mr. Flippo, Mr. Ford of Michigan, Mr. Obey, Mr. Panetta, Mr. Clay, Mrs. Meyers of Kansas, Mr. Volkmer, and Mr. Skaggs.

H. Con. Res. 51: Mr. Ray.

H. Con. Res. 60: Mr. Buechner, Mr. Weiss, and Mr. Wyden.

H. Con. Res. 62: Mr. Edwards of Oklahoma.

H. Con. Res. 114: Mr. Jontz.

H. Res. 71: Mr. Bryant.

H. Res. 110: Mr. Kolter, Mr. Bunning, and Mr. DeLay.

H. Res. 168: Mr. Darden, Mr. Courter, Mr. Swindall, Mr. Tallon, Mr. Hatcher, Mr. Perkins, Mr. Bunning, and Mr. Ford of Michigan.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 782: Mr. Kanjorski.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

41. By the SPEAKER: Petition of the City Council, Tamarac, FL, relative to the Social Security Act; to the Committee on Ways and Means.

42. Also, petition of the Commonwealth Fund Commission on Elderly People Living Alone, Baltimore, MD, relative to a copy of the report "Old, Alone, and Poor" recently released by the Commission; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

ALTERNATIVE DEVELOPMENT STRATEGIES: THE ROC

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. FOGLIETTA. Mr. Speaker, on Monday April 13, a very interesting and informative forum was held on Capitol Hill. The topic of the meeting was, "Alternative Development Strategies, the Republic of China as a Model." This forum, sponsored by the Association on Third World Affairs, was the first in a series of hearings on the very important issue of Third World development. The speaker at this first forum was Dr. Phillip Chen, director of the Asia and World Institute in Taipei. The panelists were Senator and OAS Ambassador Gale W. McGee, Howard University Prof. Luis Serapaio, and development economist Jon Woronoff. The moderator was Dr. Lorna Hahn, executive director of the Association on Third World Affairs.

This forum will contribute a great deal to the debate over Third World development. I strongly believe that these kinds of hearings are a vital part of the policy process.

Mr. Speaker, I am including for the RECORD the transcript of this very important forum:

ALTERNATIVE DEVELOPMENT STRATEGIES: THE ROC

HAHN. This is a very important occasion, first, because we have a very special guest speaker with us. Dr. Phillip M. Chen, the Director of the finest think tank in the Republic of China, is a renowned scholar who studied first in this country (receiving a Ph.D. from the University of Massachusetts), taught in Alabama and Massachusetts, and became director of Asian Studies and of American Studies at the main university in Taiwan. He is a scholar whose numerous works need no introduction.

This occasion is also important because each of you is here. You are here because you are concerned with developing countries and the lack of economic progress that has taken place in so many of them. Country after country in the Third World, especially in Africa, has become independent showing great promise: with an abundance of natural resources, with opportunities to educate their citizens, and favored with the willingness to help a great part of the world. Yet country after country in the Third World has not made economic progress; rather they have retrogressed. Furthermore, rather than building democracy and giving citizens more freedom, they have frequently constructed tyrannies and deprived citizens of freedom.

Rather than improving the lifestyle of the people, in many countries the value of life has diminished, and the quality of life to which the individual can aspire has continually declined. We are here today because we care about these things: because we know that it need not be that way. We know that in Asia, several countries that were not blest with abundant resources, and with the automatic goodwill of numerous countries, did not degenerate and did not become tyrannies. Instead, they became highly developed and successful in many ways, and the quality of life for all their people has increased continually.

This is something we are impressed with: we want to know why was it that some countries were able to give their citizens a better way of life, when others were not.

Among these nations of Asia, outstanding is the Republic of China. It has been steadily improving the state of its people, and it has also been exporting its knowledge to help other countries. For example, agricultural teams from the ROC have gone into the poverty-stricken rural areas of South Africa and taught people, trying to farm the worst sort of land, how to produce rice and other crops successfully. In one area, these African farmers were so successful, thanks to Chinese tutors, that the tutors themselves were surprised that so much good rice could be produced from such rotten land.

To let us know first hand what the ROC has been doing, and what lessons it has to offer other countries, I give you Dr. Chen.

CHEN. Ladies and Gentlemen, let me briefly introduce to you economic growth and political stability as the development model of the ROC.

There are certain common characteristics of all developing nations. One is the mixed character of the social, economic and political process. Most countries are still overwhelmingly poor, the majority of the population is illiterate, per capita income remains very low, and while social mobility is relatively high in the modern sectors, like major cities, it is very low in other sectors of the society. Industrialization is either just getting under way or remains only an aspiration. A second common characteristic of these nations is their lack of integration. This is due in part to the ethnic, religious, racial, and cultural pluralism of the societies. A third characteristic is the wide gap between the traditional masses and the Western-educated elite.

We can use economic development to examine the relationship between economic development and political competitiveness, or political democracy. There is a positive correlation between economic development and political democracy in the case of Taiwan. Democrats in Washington, D.C. and around the U.S. ask me this question: Since Taiwan as an economic growth model has done remarkably well in past years, why has political democracy moved so slowly? We have tried to answer this question for the past 15-20 years.

Taiwan is an island state, with almost no natural resources; we have to import every drop of crude oil. Back in 1951, per capita GNP was as low as U.S. $202, per capita income was less than U.S. $200. Taiwan was a predominantly agricultural, rural society. Industrialization was an aspiration. Trade was nearly unknown, and existed in very limited business sectors. Primary products were only sugar, pineapples, bananas, and rice. Illiteracy in 1951 was over 55%.

The ruling party, the Kuomintang Government, had learned a very bitter lesson from Mainland China and decided to rule the island with determination and dedication to economic development. The very first step toward modernization was the redistribution of national wealth through land reform. The policy known as "land to the tiller" laid the very foundation for Taiwan's industrialization and economic growth in the years to follow. During the same period, the early 50's, total national productivity was low. The ROC government believed that increasing labor productivity was essential. Achievement of both stability and rapid growth at the same time in the past three decades was possible only because of the significant increase in labor productivity. This progressive change can be attributed to technology, management and an educated work force. In short, Taiwan development transformed an agricultural country into an industrial one through dedicated entrepreneurship, a hard-working labor force and, of course, efficient government policies.

After 30 years of economic development, Taiwan became the first leading supplier of U.S. imports and the sixth largest trading partner of the U.S. (after Canada, Japan, W. Germany, U.K., and Mexico), with a trade volume of U.S. $25 billion. Less than 40 years ago, Taiwan had only U.S. $¾ billion in foreign reserve; today, the ROC central bank reported a U.S. $53 billion reserve. (This also causes Taiwan a lot of trouble these days.) Between the years 1950-1965, the ROC received a total of U.S. $1.5 billion in economic assistance from the U.S., in the form of grants, loans, technical assistance, and surplus agricultural commodities. For this we are grateful to our American friends. Without such cooperation and aid, Taiwan could not have progressed. In the 70's, our concern was infrastructure (highways, nuclear power plants, communication systems, etc.)

In the 80's government and industry began to join their efforts to reconstruct Taiwan's industrial structure from labor intensive to technology intensive. In short, Taiwan's economic success has been the focus of domestic pride and respect. But serious challenges will be confronted in the years ahead. How did an island state make a transition from an underdeveloped colony to a modern industrial economy in less than 30 years? Will high tech initiatives in the Qingdu Science Park create a second economic miracle for the 21st century? How did economic development constitute political competitiveness and lead to serious political change? These are questions of major concern to Taiwan, the U.S., and Asian states of the Third World.

As fundamental as is the principle of democracy, the prerequisites for democracy are: adequate living standards, well-educated population, and social stability. Taiwan has met all three, and this will inevitably lead to political democratization. Progress toward democracy has occurred gradually, and the pace is picking up. The government carefully plans every major aspect of a democratic political system, both structural and functional. Since all political systems are mixed in a cultural sense, there are no

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

all-modern cultures in the sense of rationality, and no all-primitive ones in the sense of traditionality. They differ in the relative dominance of one against the other, and are a mixture of the two components.

The ROC has maintained internal and external order and legitimacy. The Taiwan model of development and political competitiveness provides empirical evidence that stability and progress must be tied together. This is the answer to the question of why political democracy has slowly developed. The traditional political culture of China proves progress can only take place if political instability is avoided. In short, the success of operational political development in Taiwan has been largely accredited to its being stable, gradual, evolutionary and constructive rather than revolutionary and destructive. There are many governments in the world that became instable and destructive because they wanted to speed up political democratization too soon.

Processes of urbanization, industrialization, and education have furthered the broadening of perspectives. Accelerated social mobility has created new interest groups in Taiwan, widening political participation as well as developing a nationally-minded education class. Students of political development find it difficult to understand how the Kuomintang made a successful transition to governing Taiwan in the post-war period. What was the structure of political reform of the Nationalist Party and Government of the ROC? How has it evolved? Economic progress brings expectations of democracy, and an increasingly sophisticated populace has intensified demands for reform.

On 11/14/86, the Government made a dramatic move toward lifting the permanent state of martial law. Opposition forces have simultaneously pressed to form an opposition party to compete with the dominance of the ruling Nationalist Party. Open equal opportunity has generated both intellectual and political freedom, associated with democracy. On 10/7/86, President Chiang Jing-guo declared that the Government would soon propose lifting emergency decrees, or "martial law". In an interview with the *Post*, he stated "a long standing desire to democratize and improve economic conditions has led to this decision".

As for the formation of new political parties, one should examine the political process, especially elections, since 1980. For the past six years, there's been strong party competition in elections. The opposition Progressive Party won 23% of Taiwan's legislative elections last November. For a party not yet formally recognized, that was an unexpected strong support. Still, the Government remains firmly in charge. The formation of opposition political parties will not only enhance political competitiveness, but also will make the ruling party more accountable. What has changed now is the President has determined that democratization is a positive response both to the PRC threat and to domestic unity. If democratization is best for Taiwan's economic health, and political stability is better in the long run, cautious liberalization and the gradual change in political development in the ROC deserves support and to be regarded as a rational and operational model for all developing nations. Thank you.

HAHN. We have someone here who is eminently qualified to speak on this relationship between economics and politics: the Honorable Gale McGee.

There are many Third Worlds, with different historical roots, different experiences, different levels of development and different problems. In Latin America, for example, only two countries technically qualified as Third World: Belize and Haiti. The others are all advanced Third World nations. Whenever their representatives (from Brazil, Argentina, etc.) attend Third World meetings, they leave early, because they discover that their own priorities are not being discussed. They have an advanced Third World status, and it is important that we understand this.

I think Taiwan is best thought of as a striving, independent nation, not as a former Mainland Chinese power waiting to go home. Your successes can serve as an inspiration to many nations throughout the world.

HAHN. Prof. Serapaio, as a scholar and a patriot who worked for years to free Mozambique from Portuguese colonial rule, perhaps you would like to apply some previous remarks to Africa:

SERAPAIO. The regime ruling my country, Mozambique, has not provided stability or economic progress or democracy. Mozambique has gone backwards, not forward.

Most of the people are farmers. They fought for independence so that they could have their own farms, produce what they wished, live where they wished. Instead, in the name of "building socialism," they are now forced to live on state farms. What difference does it make to them whether it is the Portuguese or their own leaders who are forcing them to live in a certain place, or to do a certain thing? It is still oppression.

Marxist ideas are foreign to African traditions. The attempts of Mozambiquan and other Marxist leaders to impose these ideas and methods on Africans has caused great instability in my country and in others, and has prevented economic growth and the development of democratic institutions.

Dr. Chen has pointed out the importance of education in development. There are many Mozambiquans with higher degrees from American universities who would like to serve their country. But the Government claims that American-educated people are "dangerous" or subversive." This terrible waste of human resources, combined with the mismanagement of material resources, has contributed to the disastrous economic and social problems which are destroying the country.

HAHN. In sum, you have stated that Mozambique has followed many policies totally opposed to those followed in Taiwan—and with opposite results.

Mr. Woronoff, you are best known as the author of "The Japan Syndrome" and "Asia's 'Miracle' Economies," but you are also an African expert remembered for "West African Wager," describing the bet between the presidents of Ghana and the Ivory Coast as to which system, socialism or free enterprise, would be most successful. Would you like to summarize today's discussion?

WORONOFF. I'd rather bring us back to the origin of today's debate.

Obviously, we wouldn't be talking about alternatives if we were happy with what we had. We wouldn't be looking for models unless we needed them. One of the frightening phenomena of the last few decades has been the extraordinary failure of imagination and intelligence to bring about development in the developing countries.

Because 9/10ths of all counties have been failures, it is important for these few success stories to show us that success is possible, that there are other things that can be done to improve the economic situation. The country we refer to here is the ROC. It is among the small group of countries in the same geographic region: South Korea, Hong Kong, and Singapore (plus Japan). Japan is for many a predecessor. But oddly enough, they have done an even better job than Japan, so I would refer to these four countries as potential models for the Third World. They've managed to achieve 10-12% growth over long periods of time, serveral decades. Korea, Taiwan, and Hong Kong will be doing 10% growth this year, while everyone else is down at the 1-2% level. So we do have these countries that are such successes, they've earned nicknames: Small Tigers, Little Tigers, Miracles.

They didn't succeed because of natural resources, or endowment received. They didn't succeed because of financial assistance from the U.S. or elsewhere. They succeeded because of a combination of two things. First, *will* (of both the government and the people). We've had references to stability, stable, strong governments. That's only ½ the story. There are strong governments in other parts of the world which give more than enough direction to the people, and there's been no economic progress there. Certainly the governments of the Soviet Union, the PRC, Mozambique, or elsewhere are adequately strong. But that hasn't helped. The lead of the government must be accepted and followed by the people. The people must will it as well. They must want to work, not be forced to work. You can force people to work, but you can't force them to work intelligently, to seize initiative, to show imagination. There can be no success anywhere if the people don't cooperate. In those countries with cooperation, it's because there was economic growth which they wanted. They were not always satisfied with the situation, but there was tradeoff of economic progress for absolute political stagnation.

They also realized that agriculture had to be stimulated first. You can't develop industry unless you develop agriculture first. A primary step for this was land reform, plus intelligent expansion projects so as to have educated farmers making better use of the land. Then you have to have industry, starting small and moving to heavy, capital-intensive industry. Even that is not enough, because these are limited, small countries with large populations with small incomes, so that there's not a sufficiently large market. They could never have gotten forward without what seems to be the key to their strategy: export-orientation.

If Taiwan had continued to produce goods for Taiwan, it never would have gotten very far. They had to export to make use of their competitive advantage, masses of labor, to produce for other countries rich enough to pay for it. It is the development of exports which stimulated industry, which in turn stimulated the economy. Exports led to a 20% growth in industry, which led to a 10% growth in the economy.

Exports was in many ways the key. I said this wasn't a miracle, these are not innately export economies. (Hong Kong and Singapore, yes. They're old trading centers, middleman for a long time.) But Taiwan and Korea have emerged, with little practice, little knowledge and trade deficits. So all these things are to be learned.

The important thing is that these represent achievements where everybody else failed. The other important thing is that there is absolutely nothing inherent to any of these countries which no other country has, can earn, or can borrow. These are things that other countries can do, which means that if they did them, there are reasons to believe that other countries could develop as well; that instead of having 1/10th succeed and 9/10th fall by the wayside, we might conceivably reach a situation where there will be 10-15-20 truly developed nations who could start transforming the face of the earth.

HAHN. We need to follow this meeting with others. There is much to be learned from the success stories of the ROC and others that can be applied to the Third World.

ACID RAIN THREATENS HUMAN HEALTH

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. FLORIO. Mr. Speaker, we know that acid rain is damaging our Nation's streams, lakes, rivers, and forests. Ten years ago, acid rain was a problem for scientists and theorists. There is now no doubt that acid rain has damaged our environment.

Estimates indicate that over 18 percent of the lakes and 21 percent of the stream miles in the eastern United States have been irrevocably altered and that another 37 percent of the lakes and 21 percent of the streams are at risk of permanent change. Our Nation's 9,000 lakes and 50,00 miles of streams are at stake because of higher sulfur dioxide and nitrogen oxide emissions. The threat of acid rain is also quickly spreading to the Western States.

I would like to focus the attention of my colleagues on a little-known but exceedingly important aspect of the acid rain problem. Recently, scientists and health professionals have begun focusing on the effects of the pollutants which cause acid rain on human health. I was distressed to learn that current levels of acid air pollution are also damaging the respiratory system of humans and, in particular, are taking their heaviest toll on our children.

It is estimated that acid rain is probably the third leading cause of lung disease after active smoking and passive smoking. A recent Office of Technology Assessment report indicated that 50,000 premature deaths annually in the United States and Canada may result from pollutants which cause acid rain. Acid rain is also permeating our water sources. By making this water more acidic, acid rain increases the leaching of such toxic substances as lead, cadmium, asbestos, and aluminum into the drinking water.

Clearly, we must act to address the problem of acid rain and ozone pollution in a comprehensive fashion. For a number of years, the Environmental Protection Agency [EPA] has been content to simply research the problem without putting forth any solutions. The more we delay by leaving acid rain indefinitely under EPA's microscope, the worse consequences will become.

We have the evidence and sufficient research to prove that high SO_2 and NO_x emissions have already caused irreparable damage to our Nation's environmental resources. We also have evidence that these pollutants are damaging our health. We must now take the step and move forward and implement plans to reduce these emissions and save our environment from further destruction.

As one who has been very active in protecting our environment, I have cosponsored for a number of years legislation to reduce SO_2 and NO_x emissions. This legislation has addressed the problem of acid in a fair and equitable manner. Although I am disappointed that successive Congresses have failed to enact this legislation, I hope that the 100th Congress will take these vital steps to protect our people and our natural resources.

I would like to commend the following article from a recent issue of Environmental Action to the attention of my colleagues:

Acid Rain Is Killing More Than Lakes and Trees

The rap for killing lakes, streams and their dependent fish life has been hung firmly around acid rain's neck. Acid rain has also been charged with killing trees, the phenomenon of "forest dieback" that the Germans call *Waldsterben.*

But acid rain has yet to be indicted on perhaps its most insidious offense: Acid rain is a health hazard.

For humans, the worry is not the acidic rain itself, though you probably wouldn't want to have been in Wheeling, W.V. when rain as acidic as battery acid fell, or in Jacksonville, Fla., when acidic rain dissolved the paint on 2,000 imported BMW's.

Rather, scientists and health professionals worry about two more dangerous effects of acid rain:

The air pollutants that cause acid rain—often called "acid rain precursors"—harm humans. They assault the respiratory systems of healthy adults and take their heaviest toll on the most vulnerable—children, the elderly and those who already have asthma and bronchitis.

In addition, acid precipitation has been shown to acidify water, increasing the leaching of toxic substances like lead, cadmium, asbestos and aluminum from soil and water pipes into drinking water.

Fran DuMelle, Washington director of the American Lung Association, has been working on clean air issues at the national level since 1979. In that time, she's seen Congress' interest in the health effects of air pollutants "come and go." After an initial bout of hearings in the early 1980s, the health effects question became "quiescent." DuMelle says.

But in the scientific world, research continued. And in the past five years, dramatic new evidence has amassed—evidence that points clearly to acid rain's detrimental health effects. Today, says DuMelle, the new scientific evidence is creating concern on Capitol Hill.

As Congress prepares once more to consider amendments to the Clean Air Act, Sen. George Mitchell (D-Maine) called hearings in February on the health effects of acid rain before his Environmental Pollution Subcommittee of the Senate Environment and Public Works Committee.

"Current levels of acid air pollution are able to produce substantial adverse health effects in certain segments of the American population and particularly in children," Dr. Philip J. Landrigan, a professor of community medicine and pediatrics at the Mt. Sinai School of Medicine, told the February 7 hearing.

Landrigan estimated that acid rain is probably the third largest cause of lung disease after active smoking and passive smoking.

Some 50,000 premature deaths a year in the United States and Canada may result from sulfates and other particulates, according to a key report from the congressional Office of Technological Assessment (OTA), which attempted to provide "reasonable estimate" of acid rain's toll.

Normal rain is slightly acidic with a 5.6 on the pH scale that measures acidity. In certain troubled parts of the United States and Canada, however, rain is 30 to 40 times more acidic than normal rain, averaging a pH of 4 to 4.3.

The key elements to watch in the acid rain phenomenon are sulfur dioxide (SO_2) and nitrogen oxides (NO_x, which is pronounced like box), both emitted by a number of human sources. In 1980, about 65 percent of SO_2 emissions came from electric utilities' burning of coal and other fossil fuels. For NO_x, 44 percent came from cars, trucks and other "mobile sources" and 29 percent were the products of utility combustion.

Once in the air, SO_2 and NO_x mix with other airborne chemicals and water to form a batch of "secondary pollutants," including sulfuric acid, nitric acid, sulfates and nitrates. When SO_2, NO_x or the secondary pollutants drop to earth accompanying rain, snow, sleet or hail, that's acid precipitation.

A related pollutant—though not an acid rain precursor—is ozone, a key ingredient of smog. Ozone forms when NO_x mixes with hydrocarbons from auto emissions and solvent vapors in the presence of sunlight (see "When ozone harms," Mar/Apr 1987).

The concern for human health is that before being "washed" from the air by precipitation, small particles of these various pollutants can be inhaled and become lodged deep in the lungs.

Emissions of both SO_2 and NO_x have risen steeply since World War II—with SO_2 increasing 50 percent and NO_x increasing 400 percent.

Emissions are also higher in the 31 states in the eastern half of the country. Some 80 percent of the total SO_2 is emitted in those states and 65 percent of the NO_x.

Although emission levels have improved since passage of the Clean Air Act in 1970, if current patterns continue, SO_2 will increase 30 percent and NO_x will rise 50 percent from 1980 to 2010. Unless, that is, a national acid rain program is implemented.

Acute air pollution crises were once all too common. A deadly acidic fog settled on London in December 1952. Thirteen died.

Today, air pollution is still killing, but the deaths are from chronic, long-term exposure.

The population most at risk from these air pollutants includes tens of millions of Americans: Infants, children, the elderly, pregnant women, those with heart disease and the 7 percent of the U.S. population with asthma, emphysema or chronic bronchitis.

At Congress' request, the National Institute of Environmental Health Sciences (NIEHS) convened two workshops of scientists in 1983 and 1984 to "assess the state of knowledge of the possible effects of acid rain on human health." Dr. James Fouts, senior scientific advisor to the NIEHS director, is compiling scientific findings in the field. Fouts believes that progress has been made in studying acid rain's health effects.

Fouts compares the state of knowledge to tobacco research in the 1950s, when it was known that cigarette smoke was harmful, but not to what degree. "We've shown in animals that when they breathe these air pollutant constituents, they get in trouble. We can show some decrements in lung function in humans. But we need more studies to pin down the range of responses."

Children are especially at risk, testified Dr. Richard M. Narkewicz at the February hearings on the health effects of acid rain. Narkewicz, a practicing pediatrician in Burlington, Vt. and president-elect of the American Academy of Pediatrics, testified that the "ingredients of acid rain," specifically ozone, sulfates and NO_x, "cause disease in children and aggravate preexisting respiratory conditions."

Pulmonary disease accounts for one-fifth of all hospitalizations of children under 15. Children have more acute respiratory infections than adults because their immune system isn't fully developed, Narkewicz said, and irritating pollutants make those infections worse.

Narkewicz explained why children are more vulnerable to air pollutants. "Children's airways are much narrower than an adult's. The diameter of the bronchus at the root of an adult bronchial tree averages about one inch; the same brouchus in a child is about an eighth of an inch. A minor irritation caused by acid air pollution, which would produce only a slight response in an adult, will result in a dangerous level of swelling in the lining of the narrow airway of a child. Although children's airways are small . . . they breathe more rapidly and move more of the pollutant past airway and lung surfaces than do adults."

Some of the key scientific work on acid air pollutants comes from two Canadian scientists, Dr. David Bates and Dr. Bonnie Stern.

Bates was in London working on emphysema and bronchitis when the 1952 killer fog struck. He was involved in tobacco research in the 1950s. And since 1977, Bates, a professor of medicine at the University of British Columbia, has been studying levels of air pollutants measured by 15 monitoring stations in Ontario Province and their relationship to hospital admissions for pulmonary conditions (asthma, bronchitis and viral and bacterial pneumonia).

He found a "consistent" and "highly significant" relationship between hospital admissions during the summer and levels of sulfates and ozone in the air. "Admissions go up when pollutants goes up." Bates says.

These hospitalizations for acute health problems are just "the top of a pyramid," Bates says. "That you can show it at all, means almost certainly that there are much larger effects that you can't prove."

The actual cause of these health problems, Bates cautions, may not be ozone and sulfates, but some other pollutant present along with these pollutants. Although he found no link between hospital admissions and SO_2 or NO_x levels, the mystery actor could be sulfuric aerosols.

Dr. Bonnie Stern works for the Canadian government's Health and Welfare department. She has been studying what she calls the "acid pollutant mix" of sulfates, particles and ozone.

Her 1983 "summercamp" studies monitored respiratory health by having 1,400 children blow into a machine that measured their lung capacity. Half the group, in a heavy acid deposition area in Ontario, showed a "small but statistically significant decrement in lung function" compared to another group of children in an unpolluted area of Manitoba.

Children in the high-impact area showed short-term decreases in lung function 14 hours after levels of sulfate, particles and ozone rose. Stern cautions that the findings are "suggestive but not conclusive." Although adjusted for parental smoking and socio-economic status, the health differences could result from unexamined differences between the two geographic areas, such as indoor air quality.

The long-term effects of this periodic decrease in lung capacity is not known. Stern suggests that such "repeated assaults on the lungs" could predispose the child to chronic obstructive lung disease like emphysema and bronchitis later in life, especially if the adult smokes or works in a smelter or chemical factory.

A number of other studies have added pieces to the puzzle. Mt. Sinai's Landrigan summarized some of them at February's Senate hearing:

Preliminary evidence from the massive "Harvard Six-City Study" now underway shows that acid air pollution, particularly fine particulates associated with total sulfate particulates, produces respiratory symptoms like bronchitis in school children.

Controlled studies of human volunteers at the University of Rochester showed that exposing normal adults to sulfuric acid aerosols produced "respiratory dysfunction." similar effects appeared in asthmatics when they were exposed to even lower pollutant levels.

A major laboratory study underway at New York University showed that repeatedly exposing healthy animals to "modest exposures" of sulfuric acid mist produced "hyperresponsive airways." If those animals were later exposed to air pollutants or cold air, the animals suffered "bronchoconstriction similar to that seen in asthma."

This data confirms that "current, relatively low levels of air pollution can produce toxic effects in the lung," Landrigan concluded. "These effects are not benign. Nor do they represent a form of adaptation of the respiratory tract to pollutant exposure. They are, in fact, pathologic effects. Whether they have long-term consequences remains to be seen."

Best-documented and best-understood among the effects of acid rain are its impacts on lakes, streams and aquatic life. A 1986 report from the National Academy of Science determined that there was "a causal relationship" between acid rain and acidification of lakes and streams. Surveys by the Environmental Protection Agency (EPA) have found that acid rain has increased the acidity of surface waters and shallow groundwaters in many parts of the country.

Another well-known scientific fact is that acidified water is "aggressive," which means it can leach unwanted substances into drinking water. The solubility of a number of toxic metals—cadmium, aluminum, copper, mercury and lead, for example—increases as water's acidity increases. These toxics substances are then more likely to be picked up from corroded water pipes and from the solder that holds those pipes together, as well as from whatever soil the water passes through before reaching reservoirs or seeping into underground aquifers—including, at times, city dumps and toxic landfills.

This leaching is particularly a concern in the northeastern United States where soil is naturally thin, rocky and acidic. "There is no doubt that metals can be leached by acid in acid rain," says Dr. James Fouts of NIEHS. "The question is how much?"

CADMIUM

Acid-soluble cadmium can be released from galvanized pipe or copper-zinc solder. Because of its long half-life, cadmium levels build up in the body over time. It is associated with kidney damage. Elevated levels have been recorded in drinking water supplies impacted by acid rain.

ALUMINUM

As water pH decreases, mobilization of normally insoluble aluminum—which makes up 5 percent of the earth's crust—rises. Aluminum has been connected to Alzheimer's and Parkinson's disease and some disorders of the central nervous system.

LEAD

Where drinking water is corrosive, lead levels have been found to be three times higher in the "first flush" water sample. An EPA study leaked to the press last fall found that nearly 40 million people—one out of every five Americans—has drinking water with lead levels higher than EPA's proposed new standard of 20 parts per billion. Lead has been associated with brain damage in children and increased risk of hypertension and heart attack in adult while males (see "Deadly lead," Mar/Apr 1986).

A recent study of New York City's drinking water supply by the Environmental Defense Fund (EDF) focused on the Catskill watersheds, which supply 40 percent of the city's drinking water and are located in an area where rain averages of pH of 4.2 compared to normal rain's 5.6 pH.

"Nitrates in the system have been increasing since at least 1960 and that increase is attributable to atmospheric deposition," says EDF scientist Michael Oppenheimer. Though nitrate levels are current at 25 percent of the health standard, the study said, they are "rapidly approaching" the limit and will exceed it if acid rain continues.

The study also confirmed that acid rain causes leaching of toxic substances. "Acid rain has increased the corrosivity of the system's water." Oppenheimer says. "As a result, piping is leaching heavy metals."

Most at risk from leaching may be users of small, private or rural water facilities, which may not routinely monitor or treat water. This is even more true of private systems where families draw water directly from wells or rainwater collection systems. Shallow well water has also been shown to contain higher levels of lead and copper in areas impacted by acid rain.

The level of proof required for scientific certainty hasn't been met yet on acid rain's health effects. The level of proof required to set public policy is another matter. Acid deposition is so widespread (and so, consequently, are its health effects) that many scientists, health professionals and environmentalists say it's time for prompt action.

Dr. Landrigan of Mt. Sinai told Congress: "The available data are sufficient, and sufficiently alarming, to justify the imposition now of strict standards."

Dr. David Bates of Canada concurs. "It's not just trees and fish," he says. "Adverse health effects are occurring as a result of the precursors of acid rain. We know enough to take action."

Environmental advocates are hoping that the new evidence of acid rain's negative health effects will add momentum to Congress's perennial consideration of acid rain bills and amendments to the Clean Air Act.

At least one senator was deeply moved by testimony at the February hearings on acid rain's detrimental effect on health.

"I was frankly stunned by that testimoney," says Sen. Max Baucus (D-Mont.). Baucus reacted by introducing a bill requiring EPA to set more stringent health standards on ozone and small particulates, and to set a short-term standard on SO_2 that would limit how much SO_2 can be released in a one-hour period and thereby reduce "peak" emission levels. EPA has been considering setting such a standard for nine years.

Congress is not likely to enact a one-hour standard, however. Nor is EPA likely to take meaningful action soon. More likely protection from acid air pollution and toxic leaching into acidified water will come from cuts in SO_2 and NO_x mandated by Congress as part of acid rain legislation.

"For six years, Congress has taken no action to control acid rain or tighten up the Clean Air Act," notes Environmental Action attorney Daniel Becker. "But the mounting evidence of human health effects makes it imperative that Congress pass a comprehensive clean air bill this year. Further delay will lease the polluters, but jeopardize the health of millions of Americans."

PRISON CUTS OFF SOVIETS FROM "TECHNO-BANDIT"

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. ROTH. Mr. Speaker, every year the Soviet Union spends at least $1.5 billion to acquire embargoed high-technology data and products. Using a widespread network of hightechonology smugglers, the Soviets are able to purchase militarily critical technology that benefit over 5,000 military equipment and weapon systems projects. About 10,000 pieces of hardware and over 100,000 documents are acquired annually by the Soviets to transfer Western technology into military projects. About half of the requirements targeted by the Soviets are electronics and communications equipment.

The smuggling of Western technology to the East has saved the Soviets hundreds of millions of dollars. Capping years of pursuit, U.S. officials have finally caught and convicted one of the Soviet's most notorious "techno-bandits." Werner Bruchhausen, had set up dozens of front companies in the United States and Europe and used the companies to purchase embargoed electronics manufacturing equipment that was shipped and eventually diverted to the Soviet bloc through neutral European countries. In just 3 years, Bruchhausen sold 6 million dollars' worth of banned equipment to the Soviets enabling them to eavesdrop on NATO communications and track United States missiles.

Bruchhausen is now serving a 15-year sentence. While it is hard to believe, this is the longest sentence ever given in a high-technology diversion case. I doubt that the American taxpayer or the parents of our young servicemen at risk find that 15 years is enough. We need the strongest of deterrence to shut down these traitorous activities. Let 15 years be the minimum sentence from now on.

The article follows:

[From the Washington Times, May 14, 1987]

PRISON CUTS OFF SOVIETS FROM "TECHNO-BANDIT"

(By Bill Gertz)

The successful prosecution of a high-technology smuggler who diverted millions of dollars worth of defense-related equipment to the Soviet bloc is a major step in curbing illegal exports, the Justice Department's senior internal security official said yesterday.

John L. Martin called the conviction and sentencing of West German exporter Werner Bruchhausen "an extremely serious case" involving a major Soviet trade agent.

Bruchhausen was sentenced to 15 years in prison earlier this month by a federal judge in Los Angeles, capping a six-year investigation of a figure described by U.S. officials as a notorious "techno-bandit."

"It's the most significant prosecution that we've had in recent years," Mr. Martin said in an interview. "We expect it to have a deterrent effect" on other smugglers.

Bruchhausen, 47, was convicted in February of wire fraud in connection with illegal sales of sophisticated communications and micro-electronics equipment to the Soviet Union, Czechoslovakia, East Germany and Bulgaria.

According to court papers in the case, Bruchhausen set up dozens of export companies in the United States and Europe. He used the companies to purchase embargoed electronics manufacturing equipment that was shipped between the various companies and eventually diverted to the Soviet bloc through neutral European countries.

Between 1977 and 1980, Bruchhausen shipped approximately $6 million worth of banned equipment in the Soviets, including microwave receivers capable of tracking missiles, and eavesdropping equipment capable of intercepting NATO communications, the papers stated.

U.S. defense officials said Bruchhausen's activities revealed for the first time that the Soviets had developed a strategy of purchasing high-tech manufacturing equipment that they were unable or unwilling to build themselves.

One example of Soviet-manufactured military equipment containing pirated microchip technology appeared in 1983, when a group of Boy Scouts found a Soviet underwater listening device that had washed ashore near Bangor, Wash., according to one U.S. official.

The underwater microphone, used to monitor U.S. nuclear submarines based nearby, was found later to contain advanced electronics that had been "reverse-engineered" from highly sophisticated equipment illegally acquired from a U.S. electronics firm. The buoy carried the inscription of the Soviet Academy of Sciences.

William F. Fahey, the assistant U.S. attorney who prosecuted Bruchhausen, said the case sent "a strong message" to the U.S. export community since the 15-year prison term was the longest sentence given to a high-tech diversion case.

Mr. Fahey said in an interview that federal investigators continue to investigate several "spinoff" cases.

McClellan A. DuBois, director of the CIA's technology transfer division, described Bruchhausen as "the pre-eminent example" of a high-tech smuggler operating within the Soviet Union's system for obtaining military-related technology.

Intelligence officials estimate that the Soviets spend at least $1.5 billion annually to acquire embargoed high-tech data and products through legal and illegal trading.

"Bruchhausen's name is widely recognized as a symbol of the Western diverters who have been responsible for illegally providing the Soviet Union and Eastern Europe with hundreds of millions of dollars of export-controlled, high-technology equipment," Mr. Dubois said in letter submitted to the court in the case.

"Bruchhausen's network is large and the volume of equipment he moves into the Soviet bloc has and will continue to have an impact on Soviet military capabilities."

Mr. Dubois said intelligence data revealed that Bruchhausen, while awaiting trial last year, continued to direct illegal export operations through his network of companies.

However, with Bruchhausen in prison, Mr. Martin said, "we expect this has shut down his operations."

Mr. Martin said the Bruchhausen case was the result of a joint effort that required cooperation among several U.S. agencies and foreign governments.

"We trust that it will send the message to friend and foe alike that we are serious about our enforcement responsibilities," he said. "We will continue to prosecute these cases vigorously."

DANGEROUS TURN

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. LAGOMARSINO. Mr. Speaker, for the past 7 years a very bloody and consuming war has been waging between Iraq and Iran. Even though the death toll and destruction from this war rivals that of the World Wars in intensity, the conflict has remained on the "back-burner," relegated to back-page news. The tragic, unprovoked attack upon the USS *Stark* brought the conflict in the Persian Gulf back to the headlines and reminded us of the dangers this war poses not only to our forces in the region, but to the security of our oil supply and our allies. With all of the recent debate surrounding the Iraq-Iran War, our strategic interests, the threats to our allies and us, and the capability of our military forces and individual systems like the FFG-7 Class frigates, I urge my colleagues to carefully review the following editorial that appeared on May 20, 1987, in one of the leading newspapers in my district, the Oxnard Press-Courier. This commentary raises some issues about which we all need to seriously think.

DANGEROUS TURN

The attack on the USS *Stark* drives home in a tragic way the grave risks to international stability posed by the Persian Gulf war.

During the last year, while the United States and most other Western nations have remained largely passive, the conflict has taken a highly dangerous turn. Increasingly, both Iran and Iraq have targeted international oil shipping, which is nothing less than the economic mainstay of the West. This "tanker" war is a far greater threat to the security of the West and Japan than the stalemated land battle along the Iran-Iraq border, which has consumed hundreds of thousands of lives since 1980.

The oil-consuming world can no longer afford to turn its back on this volatile situation, vainly hoping Baghdad and Tehran will exhaust each other and not expand their bloody dispute to neutral parties.

During the last two weeks alone, a string of attacks has underscored how vulnerable international shipping now is to disruption by the Persian Gulf conflict. In addition to the inadvertent strike Sunday on the American guided missile frigate *Stark*, a Cypriot flag tanker was attacked in the northern gulf, the Soviet tanker Marshall Chuikov struck a mine as it approached Kuwait, a Norwegian tanker was set afire by an Iranian patrol boat, and the Soviet freighter Ivan Koroteyev was hit by rocket fire from an Iranian patrol boat.

A larger U.S. naval presence in the gulf region would afford greater protection to oil traffic and help deter unprovoked assaults. For instance, the stationing of a U.S. aircraft carrier task force in the Arabian Sea on a permanent basis, instead of the current intermittent deployment, would bolster America's ability to defend gulf shipping lanes.

At present, the Navy's carrier force is stretched too thin to meet adequately this nation's commitments around the globe, which explains why there is no carrier within striking distance of the Persian Gulf today. Those in Congress who want to deny the Pentagon the money needed to maintain a 15-carrier Navy should consider the strategic implications in such a cutback, starting with West's already feeble defense of the oil-rich gulf states.

For American warships to be effective, however, they must have the freedom to counter the dangers inherent in a war zone. President Reagan's warning that U.S. vessels now will respond appropriately to approaching aircraft that display hostile intent comes too late to defend the sailors who were aboard the *Stark*.

Disturbing questions also must be answered as to why the crew of the *Stark* apparently failed to take action to intercept the French-made Exocet missile fired by an Iraqi Mirage fighter plane. The rules of engagement in effect at the time did not restrain the *Stark* from responding to the missile attack.

Did the sophisticated radars aboard the modern, Oliver Perry-class frigate fail to detect the incoming missile, which skimmed above the water at supersonic speed? Was the crew not sufficiently alert to the possibility of attack?

Perry-class frigates are equipped with state-of-the-art defensive systems, including long-range surface-to-air missiles and the widely touted Phalanx class-in anti-aircraft gun. Are these systems up to the task of defending ships against the growing threat of advanced radar-guided missiles such as the Exocet?

As the Iran-Iraq war drags on in its seventh year, it is clear that a passive stance by the United States would risk even more attacks on neutral shipping by both belligerents. For now, at least, Soviet and American interests coincide in a mutual aim to stop the fighting. This makes it all the more incumbent on Washington, notwithstanding the unfortunate attack on the *Stark*, to demonstrate America's resolve to defend the West's oil lifeline in the Persian Gulf.

NEUROFIBROMATOSIS

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. CONTE. Mr. Speaker, once again I rise to call attention to a terrible disease, neurofibromatosis, that affects more than 100,000 Americans, and 1 in 3,000 babies born in America. In my district alone, as many as 250 to 300 cases of neurofibromatosis were reported between 1980 and the end of 1985 by physicians responding to an informal survey. But, despite the prevalence of the disease, I must report that it is also one of the least understood of the many diseases currently under study.

We know its causes are genetically based. We know that it presents itself in the nervous system and virtually every other system of the body. We know that it is painful and disfiguring and often manifests itself with auditory and optic nerve tumors. But we also know that there is no known treatment for neurofibromatosis, and we must keep up our efforts to find such a treatment and eventually a cure.

At the Federal level, the National Institute of Neurological and Communicative Disorders and Stroke continues to search for the causes of neurofibromatosis as scientists have been doing for the past 100 years. Last year, NINCDS spent $1,126,000 on direct research into neurofibromatosis, more than double what it had spent in 1985. And, nearly $48 million was spent on research for all neurogenetic diseases, including neurofibromatosis.

I am pleased to report that as a result of encouragement from my Appropriations Subcommittee, the Labor, Health and Human Services, and Education Subcommittee, NINCDS has established a working group on this disease that has already met several times and established diagnostic criteria for all forms of neurofibromatosis. In addition, and again as a result of my gentle prodding, NINCDS will hold a consensus conference this summer to develop a 3-year plan for establishing standardized care procedures and better mechanism for determining the prevalence and treatment of the disease.

At the State level, Gov. Michael S. Dukakis has joined the effort to draw attention to this disease by proclaiming May 1987 as Neurofibromatosis Awareness Month. I commend the Governor on this effort and his continuing support for greater public awareness.

In western Massachusetts, the Neurofibromatosis Association, Inc., under the able and dedicated leadership of its executive director, Claudette L. Kiely, provides a major focus for neurofibromatosis. It offers a community for victims and their families, assists in counseling activities, provides education about the disease, and support research activities, both basic and applied. Ms. Kiely also is active in the National Neurofibromatosis Foundation and its Massachusetts chapter.

Mr. Speaker, with collaboration at the State and private levels and with the research conducted by the National Institute of Neurological and Communicative Disorders and Stroke, I am confident that some day in the near future, I will be able to announce to my colleagues that a major new breakthrough has been made that will lead to the prevention and cure of this disease.

THE 50TH BIRTHDAY OF THE GOLDEN GATE BRIDGE

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mrs. BOXER. Mr. Speaker, 1 million people turned out to celebrate the 50th birthday of the Golden Gate Bridge on Sunday, May 24, 1987.

The Golden Gate Bridge crosses San Francisco Bay and links the beautiful rolling hills of San Francisco and Marin County in a way that matches nature's beauty. Graceful and stately, the bridge is an architectural masterpiece which blends in with an incomparable environment.

The Golden Gate Bridge is the symbol of the sixth Congressional District I am so proud to represent. The bridge links the people of my district together. Many cross every weekday for work; and weekends for recreation.

We cross the bridge north and south for jobs, community activities, for parks and beaches, for theatre, for shopping, for restaurants. And never do we tire of the sight of that bridge and the beauty and dynamism surrounding it.

That is why 1 million people came together to celebrate her 50th birthday.

Fifty-thousand people were expected for the bridgewalk that started before 6 a.m.; 300,000 people actually walked across. It was an event that will never be forgotten and it proved to me what I've always believed—that people from the city and the suburbs and the rural areas want the same things out of life. No matter what their ethnic or cultural background or economic means, they want to have a sense of unity and community. The Golden Gate Bridge celebration afforded us that unity.

Let those planning the 100th birthday take note of this statement and may the joy that permeated the bridgewalk of 1987, permeate the bridgewalk of 2037. But in 2037 be ready for 2 million people!

A TRIBUTE TO DONALD HERT

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. DURBIN. Mr. Speaker, there are many people in our Nation who contribute to America's overall greatness and cultural beauty, but often go unrecognized. I stand here today to give you an example of a man whose accomplishments deserve both attention and praise. For many of us, his efforts to overcome personal disability rival some of society's greatest achievements.

Donald Hert, who graduates this month magna cum laude with a major in personnel administration, has received straight A's since he entered Quincy College in Quincy, IL, in

1979. Mr. Hert is also legally blind, a husband and the father of three children. Not only has he shown academic excellence at Quincy College, he has continued working as a full-time drafting supervisor to support his family.

His honors extend beyond his personal achievement of overcoming adversity. Mr. Hert's commitment to his craft has earned him the honor of being named the recipient of a national outstanding achievement award from Recording for the Blind. This organization is a national, nonprofit entity that provides recorded educational books free on loan to individuals who cannot read standard printed material because of a handicap.

The Recording for the Blind receives about $500,000 a year in Federal funds. While this is a small monetary amount in terms of a $1-trillion national budget, it doesn't reflect the large ideas and valuable assistance given to needy students. Without this Federal assistance, students like Mr. Hert would not have been able to receive the full benefit from the resources of this program. In these times of budget deficits and fiscal constraints, Congress must look with care to find sufficient funding to maintain the commitment to these important programs that benefit talented students.

On the local level, Mr. Hert was selected as Quincy College's 1986 Student Laureate for the Lincoln Academy, which is composed of one graduating senior from each college and university in Illinois. The academy name comes from the qualification that each candidate uphold the ideals and exemplify the characteristics of Abrabam Lincoln.

Mr. Speaker, we in Congress are well-versed in Abraham Lincoln's history, especially those of us from central Illinois. He was a man of great courage, integrity and honesty, who made difficult choices in turbulent times in order to preserve a nation. We have visible reminders of his contribution to American society, in the form of memorials, names of cities, and buildings named in his honor.

Donald Hert has been described by his professors as exhibiting "perseverance, organization and hard work." While Mr. Hert's name may not grace a local building or street, his contribution has been felt by those who have had the pleasure of working or studying with him.

I want to extend my best wishes to Mr. Hert on his graduation from Quincy College. The school will surely miss the spirit and dedication which he added to the overall academic atmosphere. I am confident that we have not heard the last of this outstanding young man's achievements.

OLDER AMERICANS ACT AMENDMENTS OF 1987

SPEECH OF

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 27, 1987

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1451) to amend the Older Americans Act of 1965 to authorize appropriations for the fiscal years 1988, 1989, 1990, and 1991, and for other purposes.

Mr. DOWNEY of New York. Mr. Speaker, let me begin by congratulating the gentleman from Michigan, as well as all of the other Members who have played such key roles in the shaping of this bill. Their foresight is to be admired, and their efforts deserve our strongest support.

I always find it interesting to follow the course of the demographic debate in this country. So many articles are written about the explosion of the "yuppie" class, the baby-boomers, and the like. Yet all too often one fundamental fact is overlooked. America is growing older. This bill is important because it is, in fact, designed to meet the needs of an aging America.

The "old-old" population in this country, or those 85 years of age and beyond, is the fastest growing population in the country. The size of this group is expected to triple between the years of 1980 and 2020, and increase seven times between 1980 and 2050. Life expectancy rates are also increasing. All of these trends have clear public policy implications, and we can begin to make those policy decisions by supporting this bill.

There are many vital components to this legislation: Funding for Meals-on-Wheels programs, support for senior centers, and community service employment programs are just a few. There are also new provisions, and they deserve our special attention.

It is no secret that, due to the advent of the Medicare prospective payment system, the demand for community based senior services has taken a quantum leap. Seniors are being forced to leave hospitals "sicker and quicker," and so they are becoming more reliant upon outside services. A new addition to the Older Americans Act will provide money for in-house services for the frail elderly. These nonmedical services will make it easier for the frail elderly to cope with everyday activities like shopping, cooking, and getting dressed in the morning. On the surface, this may not seem like much, but for someone 90 years old and perhaps, recently out of the hospital, this kind of support could be the difference between making it on his or her own and being placed in a nursing home.

I would bet that at one point in time, all of us have heard from a grandparent that we will understand this or that when we are "old and wise." Well, we're all getting older. I hope that today we will demonstrate a certain sense of wisdom by supporting this very important bill.

DANYLO SHUMUK IS FINALLY FREE

HON. LOUISE M. SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Ms. SLAUGHTER of New York. Mr. Speaker, today, I know my colleagues will join me in welcoming Danylo Shumuk to a new life of freedom and unification with his loved ones. This week, after more than 42 years of Soviet imprisonment and internal exile, Mr. Shumuk was finally allowed to emigrate from the Soviet Union.

Mr. Shumuk, now 73 years old, is a Ukrainian nationalist and writer who has spent more than half his life under arrest or in exile for his writings and his refusal to work as an informer for the KGB. This refusal earned him a 10-year prison sentence in 1957 for "anti-Soviet agitation and propaganda." When he was released from prison in 1967, he began to write his memoirs and on January 14, 1972, the KGB confiscated those memoirs and arrested him once again for "anti-Soviet agitation and propaganda." He was sentenced to 10 years in a labor camp and 5 years in exile. With spirit unbroken and still confined to a labor camp, Danylo Shumuk joined the Ukrainian Helsinki Monitoring Group in February of 1979.

The emigration of Danylo Shumuk this week is especially significant. Not only did he renounce his Soviet citizenship, but never did he admit guilt or promise not to engage in "anti-Soviet activity" as have most other prisoners who have recently been released. The strength and courage of Danylo Shumuk serves as an example to us all of the suffering endured by so many in the name of humanity and freedom.

Let us not be deluded into thinking that Gorbachev's new policy of glasnost is the end to this suffering or that the Soviets are now complying with the Helsinki accords. In February of this year, another Ukrainian, Yosyp Terelia was released from prison as evidence of Mr. Gorbachev's new "openness." He requires immediate medical treatment that cannot be provided in the Soviet Union and has been denied permission to apply for emigration.

Today, let us welcome Danylo Shumuk but continue to demand the release of prisoners of conscience and insist on compliance with the human rights provisions of the Helsinki accords by the Soviet Union.

APPRECIATION OF THE SERVICE OF POLICE SERGEANT HOWARD BERGER

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. SCHUMER. Mr. Speaker, I would like to call the attention of my colleagues to the exceptional service of New York City Police Sgt. Howard Berger, an outstanding member of New York's finest.

Sergeant Berger was in charge of the Community Patrol Officers Program [CPOP] of the Sixty-first Police Precinct in Brooklyn, NY, for the last 2 years. This program, which provides a constant police presence in the community, has been crucial in ensuring the safety and improving the quality of life of the community.

The CPOP "Cop on the Beat" Program provides an important avenue for interaction between neighborhood residents and the police department. The visibility and community involvement of the patrol officers fosters improved relations between the police department and the community. Thanks to the CPOP Program, neighborhood children once again respect and trust police officers, and elderly citizens have a police officer they know personally to call on when they need assistance.

As sergeant in charge of the CPOP Program, Sergeant Berger known to most of the residents of his precinct and was responsible for establishing close interaction between other officers and the residents of their areas.

Sgt. Howard Berger directed the CPOP Program in the Sixty-first Police Precinct since its inception. His strong leadership was the reason for the success of this program. I ask you to join me today in appreciation of the outstanding work of Sergeant Berger and the fine officers of the CPOP Program and in wishing Sergeant Berger much success in all of his future endeavors.

KILDEE HONORS WILLIAM C. BLAMER

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. KILDEE. Mr. Speaker, I rise today to urge Members of this House to join me in honoring Dr. William C. Blamer, a retiring educator who has served the people of Michigan and the Flint area for more than four decades with his illustrious academic and civic contributions.

As we in Michigan's Seventh Congressional District well know, Dr. Blamer has earned a fine reputation as a successful educator and athletic coach in the Flint area. He has embodied the spirit of competition and respect for health and human life. After 3 years of service in the U.S. Army medical department, he began a career in education in 1946 that has lasted until the present. He taught physical education and coached many sports at Oxford High School in his early career. Following that, he served for the next 9 years at the Technical High School in Flint, teaching business and coaching basketball and football.

Dr. Blamer is perhaps best known from his 30 years of service with Mott Community College. Over the years, he has been promoted from physical education instructor and basketball coach to chairperson of physical education and athletic director in 1964. In 1976, he was promoted to chairperson of social science and physical education, and he presently serves as academic vice-president.

He is also well-known throughout the Nation for his professional speaking engagements, advisory work, and various sports publications. He has encouraged community involvement with his own example by holding many offices and committee appointments. These include membership on the U.S. Olympic Men's Swimming and Diving Committees; U.S. Collegiate Sports Council, Aquatics Committee; Governor's Council on Physical Fitness and Health; and the Joint Commission on Competitive Safeguards and Medical Aspects of Sports. He has also served as the director of the National Junior College Athletic Association, region XII; director and financial chairman of Michigan Special Olympics, area XIII; president of the Michigan Community and Junior College Athletic Conference; chairman for Higher Education, Michigan Association for Health, Physical Education, and Recreation [MAHPER]; president for the Flint chapter of Phi Delta Kappa; National Alumni Board of Central Michigan University; board of directors for Bruin Club of Genesee County; board of directors for Greater Flint Area Sports Hall of Fame; board of directors and president of MAHPER; and chairman of the Joint Michigan Heart Association and MAHPER Committee for "Jump Rope for Heart."

However, Dr. Blamer's achievements extend far beyond his work in the field of education. His contributions to public service earned Dr. Blamer entries in "Personalities of the West and Midwest" and "Encyclopedia of International Biographies." In 1974, he was awarded the Joseph P. Kennedy, Jr., Foundation Award and the Bruin Club Award. In 1972 he was awarded the Community Leader of America Award. He has devoted his life to the service of others, focusing on environmental work, youth counseling, and religious service.

Mr. Speaker, it is a great honor for me to pay tribute to Dr. William C. Blamer, a man whose tireless efforts over the years have earned him the respect of his students, the admiration of his peers, and the appreciation of the community which he has devoted so much of his life to. We in the Flint area are indeed blessed to have a man like William C. Blamer living in our community.

A FIREMAN'S PRAYER

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. SMITH of New Jersey. Mr. Speaker, the Florence, NJ. Volunteer Fire Company No. 1 will commemorate its 75th Anniversary on June 6, 1987.

On this very noteworthy occasion, Florence township will host a gala parade and a variety of family oriented events. The people of Florence are tremendously grateful to the brave and dedicated members of volunteer fire company No. 1 who have served their community with distinction for so many years.

Volunteer firefighters are special people and face daily risks to their lives in order to protect the lives and property of their neighbors. The risks they take and the commitment they make are described very eloquently in a poem called A Fireman's Prayer. I believe that this prayer captures the dedication of the brave members of volunteer fire company No. 1 and, therefore, ask that it be printed at this point in the RECORD.

A FIREMAN'S PRAYER

When I am called to duty, God
Wherever flames may rage,
Give me strength to save some life
Whatever be its age.

Help me embrace a little child
Before it is too late,
Or save an older person from
The horror of that fate.

Enable me to be alert
And hear the weakest shout,
And quickly and efficiently
To put the fire out.
I want to fill my calling and
To give the best in me,
To guard my every neighbor and
Protect his property.

And if according to my fate
I am to lose my life,
Please bless with your protecting hand
My children and my wife.

Mr. Speaker, the people of Florence township are justifiably proud of volunteer fire company No. 1. I am honored to join them in praising these outstanding individuals for 75 years of excellent service. May God bless and protect them in all of their future endeavors.

TRIBUTE TO DR. CARROLL HUBBARD, SR.

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. HUBBARD. Mr. Speaker, on this May 28, 1987, I take this opportunity to pay tribute to a man who in more ways than one is responsible for my being a Member of the U.S. House of Representatives.

My father, the late Dr. Carroll Hubbard, Sr., a Baptist minister, was indeed a tremendous influence on my life and for certain was very significant toward my being elected to Congress in 1974.

My father was born May 28, 1911, at Providence, KY. He died on June 11, 1981. If he were living today, he would be celebrating his 76th birthday.

I am grateful for a wonderful father.

CLEVELAND SALUTES GEORGE ABBOTT

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Ms. OAKAR. Mr. Speaker, on Saturday, May 30, 1987, the Great Lakes Theater Festival will stage a gala performance of George Abbott's 1926 smash hit "Broadway" to be followed by a special benefit celebration of George Abbott's 100th birthday in Cleveland's historic Union Club. George Abbott, the dean of Broadway showmen is participating in the project, just a few weeks before he turns 100 on June 25. He is directing "Broadway," the melodrama he coauthored with Philip Dunning and originally directed more than half a century ago. In conjunction with the Great Lakes Theater Festival Classic Broadway project, Gerald Freedman, the GLTF artistic director will stage Abbott's 1938 musical comedy, "The Boys from Syracuse." "Boys" opened the GLTF on May 8 and "Broadway" opened on May 21. The two Abbott shows will play in repertory through June 13.

George Abbott is the dean of Broadway showmen, having served 122 productions as playwright, director, producer, play doctor or actor. Often, he played a combination of all of those roles. The New York Times recently pointed out, "Just to mention a few Abbott successes is to write a virtual history of

Broadway in the last century." As his work at the GLTF demonstrates, he is still writing the history of the American theater.

Abbott spent his boyhood in upstate New York and Wyoming. Later he attended the University of Rochester, where he played football and first became involved in theater. In 1913 he went to New York where he became successful on the stage playing leads in such plays as "Processional" and the Pulitzer Prize-winning "Hell-bent for Heaven." Finally, in 1926 he had his first hit as a playwright with "Broadway." From that time until the early 1970's he was usually coauthor, director or producer of at least one Broadway show each season. His most recent Broadway production was the 1983 revival of his 1936 musical". On Your Toes."

In addition to staging two of his classic productions, the GLTF will also offer a 3-day symposium—May 29-31—focusing on George Abbott's impact on American theater and featuring many of his colleagues, including producer/director Harold Prince; actors and Abbott discoveries Nancy Walker and Eddie Albert; lyricists and librettists Betty Comden, Adolph Green, and Sheldon Harnick; director/writer Garson Kanin; and set designer Oliver Smith. No doubt, the symposium will mention many of Abbott's classic productions, including "Three Men On a Horse," "Boy Meets Girl," Room Service," "Coquette," "Brother Rat," "Pal Joey," "Best Foot Forward," "The Pajama Game," "Damn Yankees," "On the Town," "Wonderful Town," "Where's Charley," "Call Me Madam," and "A Funny Thing Happened on the Way to the Forum."

I am delighted that the Great Lakes Theater Festival will be sponsoring this magnificent project, honoring America's theater legend, George Abbott. For 25 years the GLTF has offered a rich and varied repertoire of Classical theater. In addition to the two Abbott gems, the festival's 1987 season includes "Romeo and Juliet," Bill Irwin in his performance piece, "The Regard of Flight," the world premiere of "Isadora" directed by Ellis Rabb, the premiere of John Hopkins' new play "Absent Forever," starring Shirley Knight and the Arthur Miller/Stanley Silverman musical "Up from Paradise."

I want to wish George Abbott a very happy 100th birthday and I would like to commend GLTF Director Gerald Freedman and the whole Playhouse Square family for its wonderful work over the years and especially this year with its exciting Classic Broadway project.

GLASNOST AND HUMAN RIGHTS

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. PORTER. Mr. Speaker, I want to share with my colleagues an interesting and important article written in the Chicago Tribune last month by my friend and colleague, STENY H. HOYER, chairman of the Helsinki Commission. In it he describes the dilemma many of us are facing in the human rights community: how to respond to "glasnost" without distracting attention from critical and ongoing human rights violations in the U.S.S.R.

It is clear that something is happening in the Soviet Union, yet fundamental rights and freedoms are still denied without recourse. A trickle of freed refuseniks does not mean free emigration. More criticism in state-run newspapers does not necessarily lead to free emigration. More criticism in state-run newspapers does not mean a free press. Some dissidents released from prison does not mean an end to political imprisonment.

What Congressman HOYER says in his article is that we should neither reject glasnost out of hand nor be taken in by any grand illusions about it. Instead, we should recognize that some progress might be taking place, and we must be prepared to respond effectively. As he puts it, "We should maintain a healthy skepticism about any grand pronouncements, welcoming or rejecting them when appropriate."

This sounds like a measured and reasonable approach to developments in the Soviet Union. It comes from a colleague whose work on human rights for the Helsinki Commission means a great deal for many suffering people.

I commend his analysis to my colleagues' attention:

[From the Chicago Tribune, Apr. 6, 1987]

THE DILEMMA "GLASNOST" POSES FOR THE HUMAN RIGHTS COMMUNITY

(By Steny H. Hoyer)

Rarely does a day pass without fresh evidence that General Secretary Mikhail Gorbachev's new policy of *glasnost* [openness] is shaking up Soviet society. In recent months, the Kremlin has released more than 100 dissidents, lifted the veil of censorship a bit, proposed secret balloting for workplace and Communist Party officials, and signaled that emigration may be on the increase.

But while much of the West is encouraged if not enthusiastic, the human rights community faces a critical dilemma: how to acknowledge the promise of *glasnost* without diverting attention from the massive human rights violations that continue in the USSR.

To some in the human rights movement, there's an easy answer: Dismiss *glasnost* as not much more than a public relations campaign designed to diffuse the human rights issue and gain political capital with the West. Those who hold this view point out that *glasnost* has offered little for human rights besides honeyed words and enticing gestures. Nor, they say, should we reward the Soviets for inching toward compliance with the human rights commitments they signed at Helsinki in 1975.

As valid as this argument may be, there are reasons why it may not be the best response. First, reading the Soviets is a bit like deciphering code. Suppose the recent gestures coming from the Kremlin are actually signs that real change, though slow, is underway in Soviet human rights policy. And suppose that Gorbachev's reforms are aimed less at Western opinion and more at the entrenched bureaucracy—the primary mechanism of repression.

Clearly, the system would remain repressive. Fundamental freedoms still would be denied. But the U.S. and the human rights community would nevertheless be faced with a new set of circumstances. We would have to admit that some progress was taking place.

As recent history teaches us, it is important to respond to Soviet initiatives in a timely fashion. Some suggest that the West should have been more positive when Jewish emigration reached an a high of 51,000 in 1979. Many believe Soviet leaders still crave legitimacy in the West.

Moreover, we need to consider the geopolitical power of world public opinion. Many, particularly in Europe, view human rights less as a cause of East-West tensions and more as an obstacle to reducing these tensions. To them, *glasnost* is a sign of Soviet good faith. To ignore this factor might help the Soviets achieve their goal—to isolate the human rights movement, to make us seem like spoilers.

So if and when Gorbachev's words turn into actions, the human rights community must be prepared to respond. But we must proceed with caution. However much we may welcome Soviet reforms, we do not want to create illusions or lend a helping push to any bandwagon celebrating the joys of *glasnost.* Nor should we give up leverage by rewarding the Soviets with concessions that would be hard to reverse. For we must remember that as long as the Soviet regime is based upon the rule of force instead of law, Soviet authorities can turn off the lights just as easily as they seem to have turned them on.

Our approach should be empirical rather than ideological. We should maintain a healthy skepticism about any grand pronouncements, welcoming or rejecting them when appropriate. We must make it clear that our concern for human rights is not part of some devious cold war strategy—that it is a primary measurement of whether we can trust another nation to engage in international relations on a peaceful and legal basis.

Glasnost, by raising expectations, may serve, ironically, both to heighten damends for progress in human rights and to make a reversal in policy all the more difficult for the Soviet leadership. It would be unfortunate if Americans—and Soviets—did not take full advantage of this opportunity.

TRIBUTE TO JOHN ANTHONY CILETTA

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. FOGLIETTA. Mr. Speaker, the greatest sacrifice a young American can make is to give his life for his country. When the U.S.S. *Stark* was attacked on May 17, 1987, John Anthony Ciletta did just that. A native Philadelphian, Petty Officer Ciletta enlisted in the U.S. Navy in October 1984 and was on a mission of peace in the Persian Gulf when he was tragically killed. Ciletta was a 21-year-old petty officer third class who had aspirations of returning to Philadelphia to become a police officer. John's dream was to continue the family tradition of public service to the citizens of Philadelphia. We are deeply sadden by PO John Anthony Ciletta's early death.

John Ciletta is survived by his grandparents, Mr. and Mrs. Vincent Dambrosio of South Philadelphia, his wife, Nancy, who is 4 months pregnant, his mother, Kathleen, and his sister, Michele. Mr. Speaker, I ask my colleagues to join me in offering condolence to the bereaved family as they mourn the loss of their loved one.

DR. NOVICH OF NEW JERSEY ENDOWS PROFESSORSHIP OF SPORTS MEDICINE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. FLORIO. Mr. Speaker, I would like to bring to the attention of my colleagues in the Congress yet another in the lengthy list of contributions and accomplishments of Dr. Max Novich of South Orange, NJ. This time, Dr. Novich is endowing a professorship of sports medicine at the University of North Carolina at Chapel Hill.

Through his generous contribution, the university will be able to extend its services and knowledge in a field of medicine that has begun to develop only in the past few years.

By this contribution, Dr. Novich is ensuring that future generations of sports enthusiasts will receive the best care available in times of injury and the best professional advice on how to deal with the physical exertion of modern athletics.

In helping athletes safely attain their potential, Dr. Novich is drawing on his own experience. He combines the best of both worlds of athletics and medicine.

When pursuing his avid interest in boxing, he has received many awards in the ring and recognition from his peers.

As an orthopedic surgeon, he has brought his firsthand knowledge of boxing and the demands that it makes on the boxers to numerous organizations dedicated to maintaining the safety and well-being of boxers around the world.

He is the medical director of the World Boxing Hall of Fame and has championed the fight for the establishment of the Association of Ringside Physicians and the National Boxing Safety Center.

He has even appeared before the Congress, including before the Subcommittee on Commerce, Transportation, and Tourism which I chaired, to testify for the creation of a National Boxing Commission to protect the safety of boxers in the ring.

Now the efforts of Dr. Novich go one step further. The Max M. Novich Distinguished Professorship in Sports Medicine at the University of North Carolina will combine the medical disciplines of internal medicine, pediatrics, orthopedics, and neurosurgery into the growing discipline of sports medicine.

As the chairman of the Subcommittee on Commerce, Consumer Protection, and Competitiveness, I urge my colleagues to join me as we review legislation to make boxing safer by working for the welfare of boxers and athletes, both professionals and amateurs, throughout the country. I am including a statement issued recently by the University of North Carolina announcing the establishment of the professorship at Chapel Hill:

CHAPEL HILL, NC.—One of the Nation's first endowed professorships in the field of sports medicine is being established at The University of North Carolina at Chapel Hill.

Establishment is being made possible through a gift of $250,000 from Dr. Max M. Novich of South Orange, NJ, a 1937 graduate of the University who is a prominent opthopaedic surgeon with an abiding interest in the physical well being of athletes.

A native of Newark, NJ, Dr. Novich entered the University in 1933 where he played football and was captain of the varsity boxing team. He was a national collegiate boxing championship finalist in 1936 and 1937. He received a Certificate of Medicine from UNC in 1939, and completed his M.D. degree in 1941 at the University of Louisville.

Upon graduation from Medical School, he served in the Army Medical Corps in France and Germany during World War II, receiving the Purple Heart and the Bronze star medals. Returning to Newark, he began his practice of orthopaedic surgery, a career that has allowed him to pursue his love of medicine and his interest in athletics, particularly boxing.

Since 1947, Dr. Novich has had an illustrious career in sports medicine, including service as ringside physician at the last four Olympic games. A diplomate of the American Board of Orthopaedic Surgery and a Fellow of the American Academy of Orthopaedic Surgeons, Dr. Novich is Medical Director of the World Boxing Hall of Fame, and has served as chairman of the Sports Medicine Committees, both of the National AAU and the Golden Gloves Association.

He is especially proud of his efforts which led to the founding of the Association of Ringside Physicians and establishment of the National Boxing Safety Center, which is dedicated to research in the prevention of serious injury and death from boxing. He holds membership in 65 sports and medical organizations and committees, has authored four books and some 50 articles on the prevention and treatment of athletic-related injuries.

Dr. Novich has been elected to membership in the World Boxing Hall of Fame and the New Jersey Boxing Hall of Fame; has received the UNC School of Medicine Distinguished Service Award, and has served on the Board of Directors of the UNC General Alumni Association. He has served athletics from the high school level to the Olympics. Last September he was honored by the city of Linden, NJ for his many years of service as team physician for the Linden High School football team.

His gift to his alma mater is part of the 50th year reunion campaign of his undergraduate class of 1937, which will hold its reunion May 8–10 in Chapel Hill. In making the gift, Dr. Novich said: "This gives me great pleasure to establish one of the first endowed professorships in sports medicine in the country, and provides me with an opportunity to express my gratitude to the University as a former student-athlete who was given encouragement and the opportunity to pursue a career in athletics and medicine."

In announcing establishment of the Max M. Novich Distinguished Professorship in Sports Medicine, UNC Medical School Dean, Dr. Stuart Bondurant, stated: "Dr. Novich's gift will encourage and enable the School of Medicine here to make great contributions to a specialty which in large measure has been developed and defined as a result of the many years of involvement in the field of athletics by Dr. Novich. The University is most grateful to him for his consideration of his alma mater and for his profession."

Meanwhile, Dr. Joseph DeWalt, Director of Sports Medicine at UNC, said: "In recent years a veritable explosion has occurred in the number of participants engaged in recreational and intercollegiate athletic activities. With this growing interest in athletic involvement, and its inclusion by more individuals, it becomes increasingly apparent that considerations must be given to the potential hazards to the participant."

He pointed out that there were some 25 million Americans hurt last year while engaged in recreational activities, and pointed out that for someone to specialize in the area of sports medicine they must have a working knowledge of three medical disciplines—internal medicine or pediatrics, orthopaedics and neurosurgery. He added that there are no residencies currently available that allow individuals to acquire these skills in one program, but added that the Max M. Novich Distinguished Professorship in Sports Medicine will increase the University's ability to more adequately cope with these problems. "We would like to compliment Dr. Novich for recognizing this need, and thank him for providing a professorship to help meet it," Dr. DeWalt concluded.

DIAMONDS ARE GIRLS' BEST FRIEND IN ALLOUEZ

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. ROTH. Mr. Speaker, I rise today to express congressional recognition and my admiration for the personal efforts of the many involved in the May 17, 1987, opening of the Girls' Softball Park in Allouez, WI. What makes this achievement merit my colleagues, attention is what lies behind this dedication.

In 1985 a group of dedicated parents started a grass-roots approach to raising contributions for a girls' softball field. This facility was finally dedicated on Sunday, May 17. Residents, local businesses and foundations joined together in this endeavor to raise more than $27,000. Today, I would like Members of Congress to know that the Allouez Girls' Softball Park sports four groomed playing diamonds, two practice fields, dugouts, bleachers, and storage boxes. And all of this was built upon the dreams of a few individuals, a lot of concerted effort on the part of the community and without any funding from the local village government.

This voluntary and private achievement is yet another example of many that shine bright across America as indications of what can be done by people of good will working on the grass-roots level. And it also serves as a compliment to the citizens and businesses of the Village of Allouez who will share their dedication with every young person who used this park.

As one who loves the game and recognizes the great contributions it makes to the life of every American, I commend the people of Wisconsin for their achievement.

I submit, for my colleagues information and review, the following article from the Green Bay News Chronicle:

[From the Green Bay News Chronicle, May 18, 1987]

DIAMONDS ARE GIRLS' BEST FRIEND IN ALLOUEZ

(By Mike Sibilsky)

Up until this past year, Allouez had only one diamond to accommodate a growing number of girls' softball enthusiasts.

On Sunday, what began as a dream of a group of caring parents in fall of 1985, was realized with the dedication of Allouez Girls' Softball Park.

And it isn't just a refurbished diamond with a new infield and some new grass.

The park now sports four groomed playing diamonds (in the form of a clover-leaf), two practice diamonds, trees, shrubs, fenced-in dugouts, bleachers and storage boxes.

All that came about after more than $27,000 was raised in contributions from residents, business and foundations.

"We are proud of our grass roots approach to complete our facility, especially since we did not ask for, or receive, village funding," league president Greg Howell said, adding that a new parking area is "in the works."

The facility represents "an ambitious task" undertaken for the program, fund drive president Robert Geimer said.

According to Howell, the girls' program increased its numbers by 75 this past year, with many of the participants feeding into St. Joseph's Academy. This year, the academy used the facility as its "home" field.

The dedication had, as master of ceremonies, former Green Bay Packer Johnnie Gray, now program/fitness director for Broadview YMCA. Three games were played during the afternoon, capped by a minor league skills contest.

The girls' softball program began in 1973 with a contribution for uniforms and equipment from the Allouez Boys' League. More than 3,000 girls have participated since its inception.

"The program has become an opportunity for girls to meet new friends, to learn teamwork and sportsmanship, and to have fun," Howell said.

The current program consists of four divisions, and 340 girls are registered.

The divisions are minor, ages 6-8; junior, 9-12; senior, 13-15; and teen, 16-18.

The program sponsors an annual tournament for the junior and senior divisions. In 1986, there were 18 teams from Northeastern Wisconsin.

Most coaches and league personnel are parents of girls in the program, Howell said. In 1986, about 75 volunteered their time and effort as coaches, parent helpers, officers and tournament assistants—working more than 2,800 hours.

VENTURA COUNTY HISTORICAL MUSEUM

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. LAGOMARSINO. Mr. Speaker, I rise to call to the attention of my colleagues in the House, a milestone event which will take place next week in Ventura, CA. For nearly 75 years, the Ventura County Historical Society has been serving the Ventura County community. The society's headquarters have been located in a hospital, a chamber of commerce room, and the Old County Courthouse. Currently, and for the past 10 years, the society has managed and operated the Ventura County Historical Museum in Ventura.

Next week, I am proud to announce, we will honor the Ventura County Historical Society not only for offering to the citizens of Ventura County the finest in museum programming but also, and most importantly, for preserving and interpreting the heritage of Ventura County for this and future generations.

To commemorate the 10th anniversary of the opening of the museum on its current site, there will be a gala preview opening, on June 5, of "Treasures from the Gilcrease Collection," a selection of Western American art from the Thomas Gilcrease Institute of American History and Art, in Tulsa, OK. This will be the first appearance of the Gilcrease Collection on the west coast. On June 6, Joan Stauffer of Tulsa, Oklahoma, will present a dramatic monologue, "Behind every Man: The Story of Nancy Russell," which chronicles the lives of artist and sculptor Charles Russell and his wife.

We are proud, Mr. Speaker, to honor the many people who are involved in the historical society and the museum. In particular, I want to mention the board of directors, charied by Zella Rushing; the Museum Fine Arts Committee, chaired by Tim O'Neil; Keith Foster, executive director of the museum; and, especially, Kathrine Haley, member of a distinguished Ventura County family and a good friend, who did so much to make this commemoration possible. In fact, the Gilcrease exhibit will be held in the Hoffman Gallery, named in honor of Kay's mother, Edith Hobson Hoffman.

I would also like to mention Frances Johnson, curator of exhibits, and Bambi Clark of the Docent Council.

Mr. Speaker, it is always appropriate to look to past history for guidance in current affairs, and as we stand in this historic chamber, so filled with meaning on the 200th anniversary of the American Constitution, I am proud to be able to trace the lineage from events in Washington, DC, to events in Ventura County. I am particularly grateful to the many people who have worked to make that tradition real and tangible, and ask my colleagues to join me, on behalf of the 100th Congress, in extending our best wishes and congratulations to the Ventura County Historical Society and the greater Ventura community on this historic occasion.

HONORING THE RETIREMENT OF NORMAN BURDICK OF WILLIAMSTOWN, MA

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. CONTE. Mr. Speaker, I rise today to pay tribute to Mr. Norman Burdick who, after 32 years of service is retiring form his teaching position in the Williamstown public schools. During his 32 years in education Mr. Norman Burdick exemplified for us the ideals of commitment and dedication to a profession as worthwhile and crucial to our society as that of education. His extensive service to several generations of Williamstown students took place in the Little Red Schoolhouse and the central schools of which he served as the acting principal from 1970 to 1971. Norman Burdick's dedication to the education of younger generations led him to become involved beyond his call of duty as an educator.

During his tenure as teacher, he served on the Board of Directors of the BETA and also held every elected office in the Williamstown Teachers Association. Numerous other committees within the educational setting benefitted from his membership such as the National Education Association and the Massachusetts and Williamstown Teachers Associations.

Norman Burdick's commitment to education can be seen even more clearly by his actions taken in his personal life. In an effort to foster an international understanding and feeling of cooperation, his home has been the host to scores of foreign students from Williams College and other schools in the surrounding area.

Mr. Burdick, as much as he felt a strong purpose to his work, enjoyed his profession and his students tremendously. As a man who has so much to give to young people, he was active outside of the education field as well, serving as a Cub Scout Master and coaching a little league team.

It is difficult to comprehend a man with such good intentions and such completed goals. Norman is an Red Cross instructor working to protect the precious lives of people and is a hospice volunteer helping those who were not fortunate to live a life as full as his own. As the UNICEF coordinator he has committed himself to helping women and children everywhere by responding to their very serious needs.

In addition to all that Norman Burdick has dedicated his time and effort to his family with a love for humanity. Mr. Burdick is the father of six children and lives his life on a farm which he himself tends. In unison with his dedication to education and learning, Norman is an active church member devoted to his faith which has obviously guided him well.

Mr. Norman Burdick is a remarkable educator who will be greatly missed. The educating community of Williamstown, MA has been extremely fortunate to receive all the fruits of Norman Burdick's labor which is unbelievable in its content.

I salute Norman Burdick who contributed so much to education and his community. His accomplishments which were spurred by his love and dedication, not only for education but for humanity are limitless. His absence will be a great loss to all who have learned from him and benefitted from his hard work and kind efforts. I wish him a long and happy retirement which is well deserved.

WELCOME TO MEDICAL TEAM

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mrs. BOXER. Mr. Speaker, on June 17, a team of physicians from Hiroshima, Japan will arrive in San Francisco to begin the 6th biennial medical examinations for Americans of Japanese and Korean ancestry who survived the atomic bombings of Hiroshima and Nagasaki. I am pleased to have this opportunity to welcome the medical team and recognize their efforts and achievements and to commend and thank them and their sponsors for their contributions, services and compassion.

Since 1977, the Japanese Government has financed and sponsored official biennial medical missions for the benefit of American survivors living in the United States who, due to their exposure to radiation in the 1945 atomic bombings, suffer and are threatened by continuing medical problems. The examinations will be held in San Francisco, Los Angeles, Seattle, and Honolulu during June and July. This year's medical mission is sponsored by the Japanese Ministry of Health and Welfare, the Hiroshima Prefectural Medical Association, the Radiation Effects Research Foundation, Hiroshima Prefecture, the Hiroshima Atomic Bomb Casualty Council, and the city of Hiroshima.

Participating in this year's examinations are: Team leader, Tokuo Tsubokura, M.D., permanent board member of the Hiroshima Prefectural Medical Association and professor in the clinical laboratory section of Hiroshima University School of Medicine; Chikako Ito, M.D., chief, Department of Medicine, A-bomb Survivors Health Management Center, Hiroshima A-bomb Casualty Council; Sanshiro Uraki, M.D., chief, internal medicine, Hiroshima-city Asa Hospital; Kazunori Kodama, M.D., chief, division of medicine, department of clinical studies, Radiation Effects Research Foundation; Kazuo Neriishi, M.D., chief, division of clinical laboratory, Radiation Effects Research Foundation; and Kiyoto Nishimura, M.S.W., medical social worker department of research support, Radiation Effects Research Foundation.

I would also like to extend condolences on the death of Mr. Hiroaki Yamada to his family, friends, and colleagues. Mr. Yamada was chief of the nonmedical record and coding section, epidemiology and statistics department of the Radiation Effects Research Foundation. Mr. Yamada had participated in each of the medical visits, interviewing each of the participating American survivors. Those who knew and worked with Mr. Yamada in the course of the medical visits will never forget his kindness, friendship and dedication. We all mourn his passing.

More than 200,000 people died in the bombings or shortly thereafter as the result of acute injuries. Today, among the more than 350,000 hibakusha—survivors of the atomic bombings—are approximately 1,000 Americans. Many of the American hibakusha are citizens by birth who were either visiting relatives or attending school in Japan, others became naturalized citizens or permanent residents after the war. Denied medical assistance by the U.S. Government, the biennial Japanese medical visits are the only ongoing opportunity for American hibakusha to receive thorough examinations for long-term effects of their radiation exposure. In 1985, the Japanese medical team conducted 339 examinations. This year, it is expected that over 130 examinations will be conducted in San Francisco alone. The Japanese medical mission receives volunteer support and contributions from dedicated groups and individuals throughout the country, but more is needed. I will work with other Members of Congress to obtain Federal assistance for the American hibakusha and to strengthen our Nation's commitment to peace, justice and humanity.

TRIBUTE TO CONGRESSIONAL MEDAL OF HONOR RECIPIENTS

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. DURBIN. Mr. Speaker, today I rise to recognize over 50 Congressional Medal of Honor recipients who are being honored in my home town of Springfield, IL, for their contribution to this country.

These brave men, whose dedication and patriotism have marked three wars in recent years, share the mutual distinction of being awarded the highest medal of valor given by the U.S. Government.

On June 12, they will come together and share their ideas, experiences and personal triumphs with members of the Illinois Vietnam Veterans Leadership Program, who are holding a dinner in their honor.

This dinner will pay tribute to the sacrifices made by our Nation's veterans, who have served selflessly to win freedom for our allies both in Europe and the Far East. The quest for freedom continues, and as we have seen in recent weeks with the activity of our military men and women in the Middle East, protecting America's vital interests remains a constant priority in a dangerous world.

The Medal of Honor recipients will see firsthand the activities of the Illinois Vietnam Veterans Program. This important program provides assistance to the Vietnam vet, including job training, counseling, and helping with Federal programs involving veterans. The program is also involved in erasing the negative stereotype of the Vietnam vet, stressing instead the leadership qualities they possess.

The honorees will also have the opportunity to visit the site of the Illinois Vietnam Veterans Memorial which, when completed, will honor those who fought in that war.

Mr. Speaker, on behalf of the House of Representatives, I want to extend my gratitude to the Congressional Medal of Honor recipients and to those Illinois Vietnam veterans honoring them. For their heroic efforts on behalf of our Nation, we should be proud.

SUMMARY OF 1986 TAX RETURN DATA

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. DOWNEY of New York. Mr. Speaker, I am once again making a summary of my tax return public because I believe that Federal officeholders should be forthcoming about the sources of their income. Therefore, I ask that the following summary be printed in the official RECORD of the day's proceedings:

Summary of 1986 tax return data

Salary:	
U.S. House of Representatives	$75,100
Other	2,000
Interest income	1,340
Rental loss	5,743
IRA distribution	3,226
Business income:	
Honoraria (net of expenses)	24,050
S Corp	14,953
Total income	85,020
Less:	
Nonreimbursed employee business expense	[1] 3,000
Do	[2] 275
Payment to IRA	4,000
Payment of Keogh retirement plan	3,137
Penalty on early withdraw of savings	137
Adjusted gross income	74,471
Itemized deductions:	
Taxes (including State and local)	9,377
Interest expense	8,477
Contributions	2,504
Miscellaneous deductions	1,559
Total itemized deductions	21,917
Less: Zero bracket amount	3,670
Excess itemized deductions	18,247
Tax table income	56,224
Less: Personal exemptions	4,320
Federal income tax	51,904
New York State Income Tax	11,411
New Jersey State Income Tax	4,431
New Jersey Income Tax	38
California Income Tax	243

[1] District of Columbia.

[2] Long Island.

PRAYER SERVICE FOR HOSTAGE FAMILIES AND PETITION DRIVE FOR HOSTAGES

HON. LOUISE M. SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Ms. SLAUGHTER of New York. Mr. Speaker, today at noon in Garden Grove CA, there will be an ecumenical service for former hostages and the families of the 24 current hostages still being held captive in the Middle East. Simultaneous services will be held at Notre Dame Cathedral in Paris, as well as hundreds of churches throughout Britain, Ireland, and South Korea.

Today is significant for two reasons: It is a holy day for many faiths when Christians celebrate the Ascension and the Moslem faith ends its 1-month Ramadan observance, a time for amnesty and forgiveness.

Today is also the day, 2 years ago, when David Jacobson, at the time director of the American University Hospital in Beirut, was taken captive and held for more than 18 months.

David Jacobson came home. Terry Anderson, the Associated Press bureau chief in Beirut who has been held the longest of all the hostages, still hasn't returned. Twenty-three others, including Terry Waite who was negotiating for the release of the hostages, are still in captivity.

Today, the hostages' families are starting a petition drive calling on Sheikh Mohamad Hussein Fadlallah, Lebanon's Shia leader, to help secure the release of the hostages. I would like to ask all my colleagues to join me in signing this petition.

It is too easy to forget these men and their families because it has been so long. The Iranian hostage drama, played out every night for 444 days on the evening news, numbed the American public. Today is Terry Anderson's 802d day of captivity. We must never forget. We must maintain our vigil until each and every hostage is safety home. Please keep them in your thoughts and prayers.

RECOGNITION OF THE SUCCESS OF THE COMMUNITY PATROL OFFICER PROGRAM

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. SCHUMER. Mr. Speaker, I would like to call the attention of my colleagues to the outstanding work of the Community Patrol Officer Program [CPOP] of the 61st Police Precinct in New York City as it celebrates its second anniversary. This program, which provides a constant police presence in the community, has been crucial in ensuring the safety and improving the quality of life of the community.

The CPOP "Cop on the Beat" program provides an important avenue for interaction between neighborhood residents and the police department. The visibility and community involvement of the patrol officers fosters improved relations between the Police Department and the community. Thanks to the CPOP Program, neighborhood children once again respect and trust police officers and elderly citizens have a police officer they know personally to call upon when they need assistance.

I ask my colleagues to join me today in commending the fine officers of the Community Patrol Officer Program on their fine work and their dedication to the communities in which they serve.

KILDEE HONORS THE REVEREND ALFRED L.C. ROBBS

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. KILDEE. Mr. Speaker, I rise today to urge Members of the House of Representatives to join me in honoring the Reverend Alfred L.C. Robbs, a man of God who has served the people of Michigan and the Flint area with uncommon dedication as a volunteer and member of the clergy.

As we in the Seventh Congressional District well know, it was 30 years ago that Reverend Robbs brought his pastoral vision to Flint. Like the Old Testament prophets who spoke out against injustice by kings, Reverend Robbs has spoken out against governors and other leaders when they were wrong.

Upon his arrival in Flint in 1957, Reverend Robbs accepted the pulpit of Canaan Baptist Church. His dream of acquiring a new sanctuary for the church membership was fulfilled in 1971. This was among many of the achievements which have marked his illustrious religious and community stewardship. Reverend Robbs has led one of the largest Congregations in Flint, Christ Fellowship Baptist Church.

A child of the Great Depression and a minister's son, Reverend Robbs learned responsibility early in life. Born in Little Rock, AR, he followed his family to Texas at age 5. When heavy demands were put on the Robbs family, Reverend Robbs quit school a year short of graduation in 1931 to get a job and help support his family. However, his burning desire for knowledge and thirst for wisdom led him to return to the classroom and graduate, 19 years later, with one of his daughters, in 1950.

He went on to further his education and skills at the Indiana State Liberal Arts School, Moody Bible Institute and the Institute of Advanced Pastoral Studies. He holds an honorary Doctor of Divinity degree from the Tennessee Baptist School of Religion.

He and his wife Margaret, an inspiring figure in her own right, celebrated 55 years of marriage on April 4, 1987. They have six children.

Whether the issues were religious or secular, Reverend Robbs has been in the forefront of expanding human dignity. During the civil rights struggle, Reverend Robbs was among the most influential ministers in Flint. When there was a void in leadership, Reverend Robbs stepped forward to fill it, sounding the clarion call for social and political justice. He helped lead our community into the modern era. When Dr. Martin Luther King, Jr., marched on Washington DC in 1963, Reverend Robbs joined hands with thousands of others seeking equality for everyone. When voting rights was the issue, Reverend Robbs marched from Montgomery to Selma.

In addition to his work as a minister, Reverend Robbs has served with numerous volunteer organizations. They include: Concerned Pastors for Social Action, Baptist Ministers Alliance, Urban Coalition, Democratic Black Caucus, and Genesse Area Skill Center Advisory Committee. Moreover, Reverend Robbs has served as vice president for the Urban League of Flint, member of the board of directors of the Flint branch of the National Association for the Advancement of Colored People, dean of the Wolverine State Council for Christian Education, past president of the State Congress of Baptists, and past president of the Council of Churches of Terre Haute, Indiana.

Mr. Speaker, I am pleased and honored to have this opportunity to recognize the tireless and selfless efforts of Reverend Alfred L.C. Robbs. His spiritual presence has made me a better person. He is truly an apostle of God whose devotion has made the world a better place to live for ourselves, our children, and our children's children.

CONGRESSIONAL CONTROL OF THE 5-YEAR PLAN FOR DEVELOPMENT OF THE OUTER CONTINENTAL SHELF

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. LEVINE of California. Mr. Speaker, in 1978, Congress directed the Secretary of the Interior to develop 5-year plans for oil and gas development on the Federal Outer Continental Shelf. This past February, after well over a year of discussion with the California, Florida, Massachusetts, and Washington delegations, Secretary of the Interior Donald Hodel sent to Congress a plan which blatantly disregards the environmental and commercial concerns of these delegations. His past efforts and current proposal are so ill-conceived that the result is likely to be a continued attempt to halt further OCS development in these regions until a reasonable alternative can be prepared.

The Outer Continental Shelf Lands Act Amendments of 1978 required that fishing be protected from the adverse impacts of OCS development and that such development be carried out in an environmentally sound manner. Yet the 5-year plan proposes lease sales in some of the most environmentally sensitive areas and productive fishing grounds. The plan also proposes lease sales in areas where their proximity to shore could adversely impact tourism and, in the event of a spill, would devastate the industry.

Today, I have introduced a bill which amends the OCSLA to require the 5-year plan be enacted into law before taking effect. In this way, Congress may take advantage of the technical expertise of the Department of the Interior, but not abrogate its policymaking role in the process.

The Secretary of the Interior has not lived up to his responsibility and it is time for Congress to regain control over the 5-year plan. It is my hope that Congress will see the wisdom of regaining control over its policymaking authority and act to mandate the 5-year plan's enactment into law.

REFLAGGING THE KUWAITI TANKERS—PROCEED WITH CAUTION AND WITH ALLIES

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. LANTOS. Mr. Speaker, yesterday's issue of the Washington Post published an excellent article by our distinguished colleague from Indiana, LEE HAMILTON, who Chairs the Subcommittee on Europe and the Middle East of the Foreign Affairs Committee.

He raises a number of serious questions about the administration's proposal to reflag Kuwaiti tankers in order to protect them with the American flag. These are the most significant issues we in the Congress now face.

I commend Congressman HAMILTON's thoughtful article to my colleagues in the House.

KUWAITI TANKERS, U.S. FLAG—PROCEED WITH CAUTION—AND WITH THE ALLIES

(By Lee H. Hamilton)

The tragic attack on the USS *Stark* brings into prominence the nearly 450-year U.S. naval presence in the Persian Gulf and current U.S. negotiations with Kuwait to reflag 11 Kuwaiti tankers so they receive U.S. protection. Unless we are careful, our understandable effort to help friendly Kuwait may prove to be part of a more serious problem rather than part of the solution.

Since 1984, nearly 250 ships have been hit in the Persian Gulf by Iranian and Iraqi forces. Iraq is responsible for 60 percent of them. These attacks are increasing in frequency and are now taking place throughout the expanse of the 500-mile-long Gulf. Since September 1986 Iranian attacks have been almost exclusively against ships heading to or from Kuwait, part of an effort to force Kuwait to cut its support for Iraq in the war. Iran has stepped up its attacks in the southern Gulf near the Strait of Hormuz. It now has the Chinese Silkworm missile, capable of hitting any vessel transiting the straits. Iraqi attacks are also bolder and wider-ranging. The net result: all shipping in the Gulf today is fair game.

The U.S. response so far has been piecemeal. We have responded to a Kuwaiti request to re-flag tankers primarily to outflank a Soviet offer of protection. The mission of the U.S. naval force in the Gulf and the broader goals of U.S. policy are unclear. The United States is on the verge of undertaking significantly greater risks in the protection of Kuwaiti shipping and we should proceed with utmost caution. Five points should guide our actions:

It is in the U.S. national interest to remain a player in the Gulf, especially at a time of intensive, renewed Soviet political activity in the area. We have been there for 40 years. Now is not the time to cut and run. Our interests in maintaining access to the region's oil at tolerable prices now and in the future are simply too important to walk away.

Unilateral action by the United States is not the best answer. Kuwaiti oil goes almost exclusively to Japan and Europe. Those states have a stake in the Gulf's stability. We should not pay the price alone. Whether in Europe or in the Gulf, the allies should pick up some of the burden and help protect the sea lanes. At the Venice summit in June, the United States should work with our allies to find some appropriate multilateral mechanism.

Let's not repeat the experience in 1983 in Lebanon. The United States seeks to act as a neutral presence in the Gulf, protecting international shipping. But if we are not careful, we will risk our neutrality and may be drawn into the Gulf war. In Beirut, our peace-keeping force inadvertently took sides in a civil war, prompting the disaster that followed. Protecting a small portion of the vulnerable shipping in the region will increase our presence and our risks. It could make us a target of Iran, and it will not stop the tanker war.

We must be clear about policy and about the rules of engagement as we enter arrangements with Kuwait on the protection of tankers. The existing rules of engagement demonstrably have not worked. The president says U.S. ships have the authority to defend themselves. This has always been the case. But on Capitol Hill executive branch officials have not answered the tough questions. What will the United States do in the future when its ships come under aerial surveillance? Will we shoot first and ask questions later? If our ships cannot defend themselves, how can they take on an added role protecting U.S.-flag traffic to and from Kuwait? What happens if an unescorted Kuwaiti tanker under the U.S. flag is hit by Iran? Do we retaliate against Iran? If so, how? How will the cycle of escalation stop? These questions remain, and there are only a few days to go before the first Kuwaiti tankers take U.S. flags.

We should recognize that the best way to protect shipping in the Gulf is to end the war. Active diplomacy by the United States in the Security Council and through other channels to end the war should be one of our highest priorities. We have already let nearly seven years pass. Our allies and the Soviets share our interest in a negotiated settlement.

The recent tragedy in the waters off Bahrain illustrates the challenge we confront. We cannot shirk our responsibilities, but neither should others. We need to state with more precision what our policy is and what we are prepared to do. Above all, we need a consensus approach, especially between the executive and legislative branches. To proceed otherwise is to invite trouble.

OLDER AMERICANS ACT AMENDMENTS OF 1987

SPEECH OF

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 27, 1987

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1451) to amend the Older Americans Act of 1965 to authorize appropriations for the fiscal years 1988, 1989, 1990, and 1991, and for other purposes.

Mr. FAZIO. Mr. Chairman, as a cosponsor of H.R. 1451, the Older Americans Act Amendments of 1987, I strongly urge the support of my colleagues for this important measure.

The Older Americans Act and the programs which comprise it have been instrumental in allowing a number of older Americans the opportunity to maintain their independence through the services it provides. Although many seniors may receive services under a multiplicity of their Federal programs, the Older Americans Act is the major vehicle for the organization and delivery of social services to seniors and is a proven success in meeting many of their needs.

H.R. 1451 reauthorizes all of the current Older American Act programs, including supportive services; congregate and home-delivered meals; the Community Service Employment Program; training, research, and demonstration grants; and Indian Elderly Programs. In general, the measure increases the authorization for these programs by 5 percent each year through fiscal year 1991. In addition, the measure authorizes several new programs.

Under one such new program, States would be eligible for grants for nonmedical in-home services for frail seniors to assist them with such daily activities as bathing or shopping. The availability of this program will enable many older individuals with functional disabilities the opportunity to remain in their homes instead of being institutionalized.

Another important program included in H.R. 1451 would make certain adult day care centers eligible for USDA meal assistance. The approximately 1,300 adult day care centers nationwide generally provide services which allows certain senior citizens the opportunity to remain in their communities. Over two-thirds of the participants are women whose incomes average $458 per month, which is well below the poverty line. The expansion of the program to disabled adults utilizing adult day care centers should help to provide them with more nutritious meals.

Another important program included in H.R. 1451 is the Community Service Jobs Program that provides part-time jobs for unemployed low-income persons 55 years and over. This program has been especially important to a number of seniors in my congressional district. The California unit of Green Thumb, Inc., which administers this program in a number of rural northern and central California communities, including some in my district, has been instrumental in reaching and meeting the needs of rural seniors. Many Green Thumb workers find that they no longer have to rely on public assistance as a result of the modest supplement to their income provided by Green Thumb wages.

With the population over age 65 steadily increasing, the demand for social services for senior Americans is expected to grow. Approval of H.R. 1451 will allow us to continue to provide assistance to seniors who otherwise might be isolated and removed from vital social services. Approval will demonstrate the Federal commitment to these important citizens as well as provide them the opportunity to preserve their independence.

A TRIBUTE TO THE HONORABLE STEWART B. McKINNEY

SPEECH OF

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 7, 1987

Mr. MAZZOLI. Mr. Speaker, I know that I share with all Members of the House the profound sadness and sense of personal loss on the death of our friend and colleague, the Honorable STEWART B. MCKINNEY of Connecticut.

STEW and I came to the House at the same time—in the 92d Congress—and we served together on the District of Columbia Committee almost the entire length of his tenure in the House.

I valued his friendship and admired his strength of character, his integrity, and the determination he displayed in quietly discharging his official duties despite facing severe health setbacks.

Over the years, STEWART MCKINNEY cast many courageous votes—one especially tough vote was his in favor of immigration reform legislation I began working on 6 years ago. But, if STEW felt the need to support a program, he would fight with a passion for those programs—like Community Development Block Grants, Urban Development Action Grants, and housing for the homeless—which have helped the disadvantaged and downtrodden citizens of our Nation's cities.

Our Nation has lost a respected public servant whose career and distinguished service to the people of his district and the country bring great honor to this House and all who may be privileged to serve here.

I extend my condolences and deepest sympathies to the McKinney family at this difficult time.

TRIBUTE TO THOMAS JOSEPH MacMULLEN

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. FOGLIETTA. Mr. Speaker, I come before you to pay tribute to one of the heroic members of our Armed Forces. Thomas Joseph MacMullen was a petty officer first class and had devoted 9 years of service to the U.S. Navy before he was killed in the line of duty aboard the U.S.S. *Stark* on May 17, 1987. A 30-year-old gunner's mate, Petty Officer MacMullen was on a mission of peace in the Persian Gulf when his ship was attacked.

Originally of southwest Pennsylvania, and more recently of Darby, PA, Petty Officer MacMullen was a selfless and dedicated serviceman throughout his naval career. Mr. Speaker, we are saddened by Petty Officer MacMullen's unexpected death and offer our condolences to his family as they mourn his loss.

NEW JERSEY DRINKING WATER THREATENED BY LEAD

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. FLORIO. Mr. Speaker, I would like to focus the attention of my colleagues to a U.S. Geological Survey study which highlights the very dangerous problem of lead contamination of our Nation's drinking water supply. The study focuses on the unacceptably high levels of lead found in drinking water in homes in New Jersey and further accentuates the need for action to preserve our natural resources and protect our health and our environment.

Mr. Speaker, it is estimated that 42 million people in the United States may be drinking water which has been contaminated by lead from lead pipes and lead-tin solder. One out of every five Americans in areas with public water systems consumes unsafe levels of lead in drinking water. Lead contamination has been linked to disease and birth defects. Lead is thought to have caused hypertension in 118,000 cases, higher pregnancy risks in 622,000 cases and lower intelligence levels in 143,000 children. Lead contamination is costing our society up to $1 billion annually in medical care, plumbing repairs, special education, and retraining for affected children.

The water study released by the U.S. Geological Survey at the spring meeting of the American Geophysical Union last week indicates that the New Jersey ground water system, which supplies a very high percentage of drinking water, is sufficiently acidic in nature to be able to extract lead from plumbing and produce high lead contamination risks.

Last Congress, I was actively involved in the enactment of the Safe Drinking Water Act of 1986 which not only put more teeth into the law protecting our drinking water but also addressed the danger of lead in drinking water. The 1986 law prohibits the use of lead in new installations or repairs of public water systems. In addition, public water systems must notify all users of potential lead contamination sources and of reasonable methods to mitigate contamination within 2 years of enactment.

Although these provisions will not have an immediate effect on existing plumbing systems unless they are repaired, they take a step in the right direction. However, it is vital that we continue to promote public awareness of this problem in the hope that increased public concern will lead to protective action. I would like to commend the following New York Times article to the attention of my colleagues:

ACIDITY TERMED A LEAD HAZARD IN JERSEY WATER—COASTAL AREA STUDY CITES DANGERS IN PLUMBING

(By Walter Sullivan)

BALTIMORE, May 19.—Ground water in much of New Jersey's coastal plain is sufficiently acidic to extract lead from plumbing, producing unacceptably high levels of lead in the tap water of some homes, it was reported here today.

Levels of lead in three municipalities—Beachwood Borough and Berkeley Township in Ocean County, and Galloway Township in Atlantic County—were reported more than five times those under consideration within the Federal Environmental Protection Agency as official safe levels.

The coastal plain includes Monmouth County and all the counties to the south.

The water survey was reported to the spring meeting of the American Geophysical Union by Dr. Julia L. Barringer of the United States Geological Survey Water Resources Division in Trenton. Co-authors were George R. Kish and J. A. Macy.

SOLDER CAN BE PROBLEM

The area of concern, they said, is the so-called Kirkwood-Cohansey aquifer underlying most of the coastal plain. The ground water leaches lead not only from lead pipe but also from the leadtin solder often used with copper plumbing. Dr. Barringer pointed out that New Jersey outlawed the use of such solder this year and similar action is being taken by other states.

She and her colleagues cited an estimate by the E.P.A. that 42 million people in the United States may be exposed to lead in their drinking water at levels that exceed the proposed safety standard of 20 micrograms per liter.

The geologists, seeking to assess this threat in the coastal plain, found that, in some Jersey municipalities, lead levels in tap water exceeded 100 micrograms per liter.

The level in ground water, before it entered the plumbing of houses in those communities, was only 10 micrograms per liter, showing that the lead had entered the water inside those homes.

Asked what measures could be taken to avoid excessive lead intake, Dr. Barringer suggested letting the tap run for several minutes before using the water, until the temperature changes. It can then be assumed that the water is from outside and has not been stored in the plumbing. She also said some filters may be effective in lead removal.

AGE OF HOUSE A FACTOR

One factor increasing the lead threat is the absence of calcium carbonate in water from the coastal aquifer. Calcium carbonate can coat the inside of pipes, shielding the lead from the acidic water. Dr. Barringer said the plumbing in older homes tends to acquire a protective coating even despite the paucity of calcium carbonate.

In a joint effort with the New Jersey Department of Environmental Protection, water from about 300 wells tapping the Kirkwood-Cohansey aquifer has been tested. Values obtained for the interior part of the coastal plain "are indicative of extremely corrosive ground water" the geologists reported.

Close to the coast and in the northern part of the coastal plain the acidity was less severe or insignificant.

In tests, water was allowed to stand from 20 to 360 hours in copper pipe with lead-tin solder. Among the leached metals were copper, zinc and tin, but the last two, Dr. Barringer said, seem to be "fairly benign."

HORACE M. ALBRIGHT

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. LAGOMARSINO. Mr. Speaker, I was deeply saddened to learn of the death of Horace M. Albright, long-time public servant and Director of the National Park Service under President Hoover. All who appreciate the importance of our national parklands mourn his departure.

Mr. Albright's long association with and commitment to our national parks began when he joined the Interior Department in 1913 as a young man. One of his first contributions was assisting with the drafting of legislation to create the National Park Service in 1916. As prinicpal assistant to the first Director of the National Park Service, Stephen T. Mather, he was extremely instrumental in organizing the bureau and establishing policies to carry out its dual mandate of providing for the preservation as well as public enjoyment of the national parks.

In 1919, Mr. Albright was named the first Park Service superintendent of Yellowstone National Park, the world's first national park. During his service at Yellowstone, he was responsible for setting new park management standards, as well as continuing his involvement in a variety of issues affecting the entire National Park System. His leadership and experience in the national parks area resulted in his appointment as Director of the National Park Service in 1929.

As Director, Mr. Albright worked to expand the National Park Service to include historical, as well as natural areas throughout the United States. As a result of his outstanding efforts, President Franklin D. Roosevelt ordered the consolidation of the national capital parks, battlefield parks and numerous natural and historic sites managed by other agencies, under the National Park Service—creating a truly national bureau.

After serving as Director, Mr. Albright retired to private business but continued his interest in the national parks throughout his life. He will long be remembered for his further public service as a leader in several conservaiton organizations and in providing valuable assistance to numerous Park Service officials over the years. One of his many tributes included the Medal of Freedom, the Nation's highest civilian honor, which he received in 1981.

I join in mourning the death of Horace Albright. Our Nation, and particularly our national parks, will be less for the passing of this great American. However, his many achievements and contributions will always serve as a reminder of his life-long dedication and commitment to protecting and improving our Nation's precious national parklands.

JOHN BACON: JEFFERSONIAN REPUBLICAN

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. CONTE. Mr. Speaker, western Massachusetts joined with the rest of the Nation in the elections of 1800 in rejecting the Federalists and putting the Jeffersonian Republicans in power. At the national level, Thomas Jefferson defeated John Adams for the Presidency, and in western Massachusetts, Jeffersonian Republican John Bacon won a seat in the House of Representatives, much to the chagrin of his stalwart Federalist predecessor, Theodore Sedgwick.

John Bacon was born in Canterbury, CT on April 9, 1738. He graduated from Princeton in 1765, and following a stint preaching in Lewes, DE, he obtained the position of pastor of the Old South Church in Boston. By early 1775, theological differences with his parishioners finally resulted in his being dismissed, and he went to Stockbridge, MA, where he found a more sympathetic audience for his religious and political views. Bacon defended rural interests against centralizing and what he considered to be antirepublican trends. In 1778, Massachusetts submitted a new constitution to the voters. As part of this constitution, "negroes, Indians and molattoes" were prohibited from voting. Bacon opposed this, feeling that if such people were taxed, then they should be allowed to vote. The voters rejected this constitution, and the one finally approved by the electorate did not contain this onerous provision.

One of the most divisive legislative battles of Bacon's term concerned the Nation's fledgling Federal judiciary. In February 1801, the lame duck Federalist controlled Congress passed and President Adams signed the Judiciay Act of 1801. This act fundamentally restructured the Federal judiciary, creating 6 new circuit courts with 16 Federal judges, thus removing circuit court control from Supreme Court Justices. It also reduced the number of Supreme Court Justices from 6 to 5, which would prohibit the Republicans from appointing another Justice when the next vacancy occurred. Of course, the Federalists appointed party loyalists, and the Republicans denounced the "midnight appointments." The Judiciary Act of 1802 moved to repeal this statute. Federalist Congressmen who had survived the election of 1800 resisted, claiming that under the Constitution, Congress could not remove Federal judges. Republicans countered that these provisions applied only to Supreme Court Justices, and that in any event repeal of the 1801 act would abolish the entire circuit court system rather than remove individual judges per se.

Developments in Massachusetts doubtless played a role in John Bacon's response to the debate surrounding the Judiciary Act of 1802, for the issue of the court's proper place in republican government was raging at the State level as well. Western Massachusetts regarded the Boston dominated State courts with abiding distrust. During Shays' Rebellion the courts had provided the focus for western discontent with the State taxation and fiscal policies which had forced many marginal farmers to face foreclosure.

Debate over an independent judiciary, whether judges should be elected or granted life tenures, was hard fought and protracted in Massachusetts. Republicans, particularly in the western part of the State, advocated an elected judiciary, but the Federalists carried the day, securing life tenures for State judges. Eastern Federalists' interests used this to buttress their political dominance, packing the State courts with partisan appointments even in western Massachusetts which was heavily Republican.

This partisanship fostered Bacon's deep suspicion for the concept of a powerful, independent judiciary. At the State level, where Bacon had served for a time as a judge of the court of common pleas, he strongly advocated reform measures such as making the judiciary elective. At the Federal level, these beliefs coincided perfectly with the Republicans' anger over the "midnight appointments". In justifying his stand, Bacon dismissed the argument that repeal of the Judiciary Act of 1801 would be unconstitutional, pointing out that, "if, as some gentlemen contend, it is a violation of the Constitution for the legislature to abolish a judicial court, the law itself which it is in contemplation to repeal must be unconstitutional. And I should not suppose it to be a violation of the Constitution for the legislature to repeal an unconstitutional law." Bacon also supported repeal of the 1801 act because he believed the new courts to be unnecessary.

To some extent, debate on the Judiciary Act of 1802 represented simple partisan politics on both sides, and Bacon, unlike three of his Republican colleagues from Massachusetts, fell in line with his party. The underlying issues, however, ran much deeper. The transition from the Adams administration to the Jefferson administration represented the first change in power, in terms of political parties. Issues such as the expansion of the Federal circuit court under the Judiciary Act of 1801 and its contraction under the 1802 act helped determine how much would turn over in future transitions. With regard to the Federal judiciary outside of the Supreme Court, the Constitution had made only vague provisions, failing to resolve the central question of whether the judiciary was to be independent or answerable to Congress.

With the Judiciary Act of 1802, Jefferson, Bacon and the Republicans carried the day, but in coming years, opponents of an independent Federal judiciary would suffer telling blows. Jefferson was to prove unsuccessful in dislodging Supreme Court Justices, and in Marbury versus Madison the Supreme Court would asset its authority to declare acts to Congress unconstitutional. Slow to take root, the Federal judiciary would eventually establish itself as an independent branch of the Federal system.

Although Bacon only served 2 years, from 1801 to 1803, in the House, they were two important years for the development of our Nation's judiciary. After leaving the House, Bacon went on to serve in Massachusetts' Senate from 1803–07, holding the position of President of the Senate his last year. He continued to be a powerful foe of an independent State judiciary.

CONGRATULATIONS TO ADELE AND JERRY SAIDMAN

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. GARCIA. Mr. Speaker, I would like to extend my sincerest congratulations and best wishes to Adele and Jerry Saidman, of Silver Spring, MD. Adele and Jerry were married on June 1, 1947, and will be celebrating their 40th wedding anniversary this weekend. Celebrating with them will be their children, and grandchildren Joanne, Karen, David, and newborn Daniel.

Jerry, a World War II veteran who served on Iwo Jima, and Adele have lived in the Washington area all of their married life, and have fond memories of the District of Columbia as a small town which they have helped grow into a cosmopolitan city. Through their continuous involvement in community service and charitable works they have opened their hearts wide to all those who were in need. Adele and Jerry are well known and loved in the community for their heartwarming kindness and generosity.

At a time when marriage does not necessarily mean a lifetime commitment, it is reassuring to meet a couple like the Saidmans, who are still crazy about each other after all these years.

Again, congratulations and mazel tov.

THE RIGHTS OF THE PEOPLE

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. McEWEN. Mr. Speaker, 200 years ago our founders gathered in Philadelphia to draft our Constitution, the document which has become the bedrock of our Government. Four years later, in 1791, the States accepted the first 10 amendments to the Constitution as proposed by Congress. These became the Bill of Rights which has helped guarantee all Americans the liberty which we so cherish.

Since that time we have learned that the lesson the framers of the Constitution taught us two centuries ago is as true today as it was then: Freedom depends not upon the State, but upon the people.

The best defense against tyranny and the shackles of dictatorship is a limited government, which gives power to its people, not itself, and which respects the ingenuity, bravery, initiative and generosity of the people. For after all, human rights are individual freedoms: rights of conscience, rights of choice, rights of association, rights of self-directed action and the right to own property. The concept of a nation of free men and women voluntarily linked together is the genius of our Constitution.

Americans are blessed the rights secured for us by our forefathers. And in this year of the bicentennial of our great Constitution, it is important that we remember not only that original document, but the "Bill of Rights" ratified 4 years later.

The Constitution has served us well. It has kept us free. It has allowed us to prosper and grow in freedom. We ought not tinker with it now.

Mr. Speaker, our Nation must remember and cherish our rights, our "freedoms" if you will. Following are the first 10 articles of the Constitution:

THE BILL OF RIGHTS

ARTICLE I

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

ARTICLE II

A well regulated Militia, being necessary to the security of a free State, the right of the people to keep and bear Arms, shall not be infringed.

ARTICLE III

No Soldier shall, in time of peace be quartered in any house without the consent of the Owner, nor in time of war, but in a manner prescribed by law.

ARTICLE IV

The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particulary describing the place to be searched, and the persons or things to be seized.

ARTICLE V

No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a Grand Jury, except in cases arising in the land or naval forces, or in the Militia, when in actual service in time of War or public danger; nor shall any person be subject for the same offence to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be a witness against himself, nor be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation.

ARTICLE VI

In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed, which district shall have been previously ascertained by law, and to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor, and to have the Assistance of Counsel for his defence.

ARTICLE VII

In Suits at common law, where the value in controversy shall exceed twenty dollars, the right of trial by jury shall be preserved, and no fact tried by a jury, shall be otherwise re-examined in any Court of the United States, than according to the rules of the common law.

ARTICLE VIII

Excessive bail shall not be required, nor excessive fines imposed nor cruel and unusual punishment inflicted.

ARTICLE IX

The enumeration in the Constitution, of certain rights, shall not be construed to deny or disparage others retained by the people.

ARTICLE X

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

AGRICULTURAL POLICY

HON. LEE H. HAMILTON

OF OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, May 27, 1987, into the CONGRESSIONAL RECORD:

Eighteen months ago the Congress passed the 1985 farm act, designed to set the course of U.S. farm policy through 1990. Since then, it has faced major challenges on all sides. Program costs rose sharply, the farm sector continued its recession, and major plans to restructure the farm act have been considered. In a survey earlier this year, only 5% of my constituents thought that federal farm programs were working well. Yet in recent weeks there have been indications that U.S. agriculture is starting to turn around and that the farm act is beginning to have some impact.

After several years of only bad news coming from the agricultural sector, the recent indicators have been surprisingly positive. Land values, which in some states have plummeted more than 50% since 1981, now appear to have stabilized. Export volume has been edging up slightly, and we have just negotiated major new wheat sales to the Soviet Union and China. The federal acreage reduction programs have been working better than expected, curbing overproduction and price-depressing surpluses. Interest rates and production costs are much lower than in previous years, and farmers have been able to retire much of their debt. Net farm income this year could reach its highest level since the agriculture recession began. For the first time in several years, there is a feeling among many farmers that we have finally turned the corner.

Yet the improvements have come at a heavy price. The farm programs have become enormously expensive for taxpayers, increasing from $4 billion in 1981 to $26 billion last year. That equalled the total amount that farmers earned from exports last year, and accounted for almost all of 1986 net farm income. Farm programs are now the fastest growing item in the entire federal budget, and, among federal benefit programs, are exceeded only by social security and medicare.

The basic idea of the 1985 farm act was to return economic prosperity to American agriculture by boosting our farm exports. While providing a financial safety net of income supports for farmers, the act gradually lowers federal farm price support levels in order to make our products more competitive on world markets. Because 25-40% of U.S. cropland has been producing for export in recent years, the steady drop in exports since 1981 has been a major factor in the plight of the farmer. Yet the new law has not significantly boosted exports. Although volume is up somewhat, export value is still down, and what increases we have seen have been mainly for commodities such as fruits and nuts that are not covered by the federal farm programs. Overall, most of the improvement in the situation of the farmer in recent months has come from the income support side of the farm act rather than from the export improvement side. That means that any recent recovery is very fragile. It hinges primarily on very large government subsidies, which cannot be sustained for very long, rather than on a turnaround in fundamental market conditions.

Several major challenges lie ahead before the promise of the 1985 farm act—to regain our export sales by making our farm products more price competitive—is fulfilled. Many of our best potential customers continue to have major economic problems, and other exporting countries, such as Canada and Argentina, have cut their prices in order to retain their market shares. The basic problem we face is the growing global production overcapacity. Some major importers have become self-sustaining, and others, such as India and China, are even exporting. Brazil and Argentina have brought large amounts of new land into production, stimulated by high U.S. price floors, and have an enormous amount of excellent land for future expansion. New technology, which has been one of the biggest factors in past U.S. superiority in agricultural production, is being rapidly adopted by our foreign competitors. With the stiffer world competition, the general consensus among farm economists is that increasing U.S. exports will be a slow and difficult process.

My sense is that, although the 1985 farm act has brought about some improvements in the farm sector, some changes may be warranted:

First, we should curb farm program loopholes and inequities that undermine public support for the programs. There has been widespread concern over reports of most of the program benefits going to a small number of large farm operations, of multimillion dollar payments to some farmers, of foreign investors receiving U.S. farm payments, and of farmers setting up ingenious schemes to skirt the $50,000 per farmer payment limitation.

Second, we should find some savings in farm programs as part of the overall effort to reduce the federal deficit. Farm spending, with its recent rapid increases, should accept its fair share of cutbacks. The 1988 congressional budget is expected to call for some $1.4 billion in savings. Measures under consideration include reducing advance deficiency payments, increasing acreage reduction requirements, imposing grain and meat inspection user fees, and cutting back on generic "PIK" certificates issued to farmers in lieu of cash.

Third, we should carefully consider changes in the farm programs that might improve the competitiveness of our farm sector. We have made progress in that direction with the 1985 farm act, and should continue to consider improvements. Various suggestions include: adjusting our federal price and income support levels further to improve our international competitiveness; expanding the use of "marketing loans"—which emphasize getting U.S. production into world markets instead of into government storage; and "de-coupling" federal farm payments from production requirements in order to reduce incentives to produce crops already in surplus. Several measures to boost farm exports also have merit, including steps in the pending trade bill to improve our market development and export bonus programs, and to open foreign markets to our commodities.

Given the fragile nature of the current improvement in the U.S. farm sector, we should continue to look for ways to improve the fundamental viability of the farm sector—to ensure that the recovery is real and sustainable, rather than one that is only stimulated by large federal subsidies.

IN HONOR OF EUGENE J. BARONE

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. WALGREN. Mr. Speaker, recently the Anti-Defamation League of B'nai B'rith honored Eugene J. Barone, president of Blue Cross of Western Pennsylvania with its Distinguished Community Service Award.

I would like to salute Mr. Barone for this impressive honor. Mr. Barone has given unselfishly of both his time and energy for the betterment of our Pittsburgh community. In addition, I thank him for his untiring service to the health of southwestern Pennsylvania.

I would like to share with my colleagues the Anti-Defamation League's tribute to this outstanding citizen.

EUGENE J. BARONE

Eugene J. Barone is a reminder of how brilliance, savvy and dedication to the American work ethic can help a man reach goals which some people only dream about.

The President and Chief Executive Officer of Blue Cross of Western Pennsylvania, Mr. Barone first joined the corporation in 1958 as a sales representative. He progressed steadily through the management ranks as his talents and willingness to assume more responsibility marked him for success. In 1984 he was elected to his present position.

Under his direction, the corporation has been revitalized through diversification to meet the competitive challenges of the present and future. His new marketing strategies continue to embrace the corporation's traditional values of concern for its customers and excellence in service.

A compassionate caring man, Mr. Barone finds time in his busy schedule to share his expertise with numerous community organizations. He serves as chairman of the Building Committee of the Sickle Cell Society and is the former chairman of the Nursing Home Section of the 1986 United Way Campaign. He represents Western Pennsylvania on the United States Olympic Committee.

The Anti-Defamation League proudly presents its Distinguished Community Service Award to this outstanding man whose leadership reflects the league's high ideals and vision for humanity and equality.

H.R. 1947, MAGISTRATES AND BANKRUPTCY JUDGES RETIREMENT PARITY

SPEECH OF

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 27, 1987

Mr. KASTENMEIER. Mr. Speaker, I rise in support of the passage of H.R. 1947. The bill would resolve what I and many others, including the Judicial Conference of the United States, believe to be an inequity in the retirement program for U.S. magistrates.

In 1984 Congress considered the overall structure of the bankruptcy court system. As part of that consideration, and in recognition of the limited tenure of bankruptcy judges, the legislation ultimately enacted provided for a retirement system similar to the congressional system, with 2.5 percent credit granted for each year of service.

Passage of this legislation left the magistrates in a disadvantageous position as compared to the bankruptcy judges. Given that both positions involve high level judicial officers attached to the U.S. district courts, this disparity of treatment is unjustified.

Legislation was introduced in the 99th Congress to correct this disparity. Late in the Congress the Senate passed that legislation. However, when the matter reached the House in a bill—Criminal Justice Act Improvements—processed by my subcommittee, certain technical and procedural problems arose and consideration of the retirement issues were deferred.

One of the problems was that the House Post Office and Civil Service Committee wanted to take a look at the legislation. The committee has done so, and indeed, H.R. 1947 is its work-product. I commend the full committee Chairman, Mr. FORD, for his expeditious consideration of the matter.

The workload of magistrates is demanding. In 1984–85 the 292 full-time and 165 part-time magistrates conducted nearly 12,000 criminal and civil trials. In addition, they conducted almost 120,000 proceedings on matters such as search warrants, arrest warrants, bail reviews, arraignments and initial appearances.

They conducted pretrial conferences in more than 36,000 cases and issued reports on 20,000 prisoner and civil rights cases as well as 14,000 social security cases.

Their workload and efficiency are truly impressive. I think it fair to say that without the quality of magistrates we have today, the Federal courts would be experiencing intolerable delays in the administration of justice.

Yet given their short tenure in office, attracting qualified people remains a challenge. Experienced trial lawyers with high income potential and at an age when housing and educational expenses are at their peak, have been reluctant in some instances to accept or retain article III judgeships. Yet such positions offer vastly better salaries, tenure, and retirement programs.

Indeed, because of the increasing difficulty in retaining both magistrates and bankruptcy judges, I will shortly be introducing legislation to overhaul the retirement system for both groups completely. In the meantime, though, I believe that H.R. 1947 stands on its own merits as needed to place these fixed-term judicial officers on a parity with each other.

IN HONOR OF SCOTT PUDLO DAY

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. CONTE. Mr. Speaker, I rise today to pay tribute to Scott Pudlo of Hinsdale, MA, who has been honored by the Hinsdale Lions Club for his excellence in the field of athletics.

The town of Hinsdale and the Lions Club of Hinsdale have declared June 28 as Scott Pudlo Day. This honor has been bestowed upon Scott for his outstanding performances in basketball, soccer, and baseball. Scott will be remembered for his participation on the Wahconah High basketball team which won in the Massachusetts State finals. He was a member of the baseball and soccer teams which also reached the State finals.

Not only does Scott excel in athletics he also ranks high academically. This combination earned him the All Star Massachusetts Academic Basketball Award.

It is apparent, Mr. Speaker, that Scott Pudlo is most deserving of the recognition being paid to him on June 28 by the people of Hinsdale as well as the members of the Lions Club. I would like to take this opportunity to congratulate Scott for his winning performances and success as a well-rounded athlete/scholar.

AMERICAN FILM INSTITUTE TO CELEBRATE 20TH ANNIVERSARY

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. CARR. Mr. Speaker, on Friday, June 5, a new and exciting event will have its beginning here in Washington, DC.

On this date, the American Film Institute and Commission on European Communities will join forces for the national opening of the annual American Film Institute/European Community Film Festival.

Since 1981, the American Film Institute [AFI], in collaboration with the Commission of European Communities, has presented three festivals fo European films in Washington, DC. The great success of these festivals, measured by strong public support and artistic merit, led the AFI to propose to the European Community that a joint annual festival be inaugurated in 1987.

This major American-European film event would thereafter become the only film festival in American to tour nationally.

I would like to pay tribute today to the realization of this grand vision.

The American Film Institute/European Community Film Festival brings to our Nation, this year and for years to come, a rare opportunity for cultural exchange about the world's most pervasive art form—the art of moving image. Seminars and other related activities will continue the festival's mission of promoting international understanding through the immediacy of the cinematic experience and direct contact with European filmmakers and actors.

Throughout its 20-year history, the American Film Institute has always played this vital role in the preservation and nurturing of the moving image by bringing the magic of film directly to wide audiences across our country.

With great pleasure Mr. Speaker, I ask you to join me in saluting the work and goals of the American Film Institute on it's 20th anniversary, June 5, 1987.

TRIBUTE TO BOB CASTELLANETE

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. GARCIA. Mr. Speaker, I rise today to pay tribute to Bob Castellanete who has been a faithful servant for the Bronx and the city of New York for 30 years. He has served under six Bronx Borough presidents, giving all of them the loyalty, duty, and the honor of helping them serve in the public interest.

I'd like to share an article with my colleagues that recently appeared in the New York Daily News regarding Mr. Castellanete's 30 years service to the Bronx.

BOROUGH PRESIDENT'S RIGHT-HAND MAN

(By John Melia)

Bob Castellanete, by his own admission, is a survivor, and in that role during the last 30 years, he has watched the fortunes of the Bronx wax and wane.

Castellanete is executive assistant to Bronx Borough President Fernando Ferrer, advising him on budget matters and sitting in for him at Board of Estimate meetings. He has served five other borough presidents, always at their pleasure, beginning with James J. Lyons in 1957.

"In order to survive you have to be political but not *political,*" the 51-year-old Bronx native emphasized. "My allegiance is totally to the person who is borough president."

Castellanete began his government service as a fresh-faced, newly minted engineer from Pelham Bay, where he still lives, via City College.

In those days, he recalled, the power of the borough president rested in his control of the highways and sewers.

A RINGSIDE SEAT

"We had about 1,250 people working for the borough president then, but when the City Charter changed it went down to 95 or 100," he said, referring to 1963, when one-term Borough President Joseph Pericone was caught in the transition after the city took over the highways and sewers.

"It changed from a powerful office into an office where the powers had been diminished," he said.

A man privileged to have had a ringside seat to current events, Castellanete has witnessed the coming of the Major Deegan Expressway; the Cross Bronx Expressway, as it gutted the center of the Bronx; the building of Co-Op City and the decline of the Grand Concourse. All of them are elements that have shaped the course and landscape of the borough. He said these are the changes that stand out most in his mind as bringing about the Bronx of today.

He watched as the Bronx burned down in the arson wave of the late 1960s and early 1970s, when unscrupulous landlords torched their own buildings to collect insurance money on real estate that had become unprofitable.

"We could see it happening," he said of the Bronx' decline. "It was very difficult to control. It wasn't just the Bronx, it was the whole city."

BACK TO ZERO

Castellanete blamed the borough's problems not on "any one borough president" but on a number of factors, including the economy and the lack of coordination among agencies at the city, state and federal levels.

He said a turnaround for the borough began in the mid-70s, but that when the city found itself in a fiscal crisis in 1975, it was "back to zero."

The ultimate turnaround for the borough had to wait until the late '70s to finally get under way again, he said.

Asked if Stanley Simon had overstated the case when he insisted "the Bronx is bouncing back." Castellanete replied that he hadn't.

"We were better able to control the budget by then," he said, "Businessmen wanted back in the Bronx because prices in Manhattan were outrageous and land here was inexpensive."

Castellanete can also furnish thumbnail sketches of the men he has served in the Borough President's office. All of them were different, he said, but in their ways, regardless of what they did, right or wrong, they earned his respect.

RIDING HIGH

He remembered Lyons, the first borough president he served, a man who wielded immense power and was formal towards his staff.

"He was *the* borough president," he said of Lyons, who ran the borough for 28 years. "When Lyons was borough president, the Bronx was riding high."

Pericone, who is the sole Republican in the bunch, was remembered as a "real gentleman, very easy going, who was never excited never got hot under the collar and always controlled his temper."

Herman Badillo, the Bronx' first Hispanic president, was "hardworking."

"He was the first borough president to conduct public hearings at the community level to determine the needs of the community," he said.

He also praised Badillo for recognizing that Co-Op City would have an adverse effect on the fate of the Grand Concourse, once a bastion of the borough's middle class.

"What was really unbelievable," he said of Badillo, "was how he could take a cat nap of 10 minutes and be fresh and awake. He was full of vim and vigor."

AROUND THE CLOCK

Castellanete knew his next boss, Robert Abrams, from Abrams' days in the State Assembly.

"He would tell you where you were wrong, but when you walked out of the room, you felt good," he recalled.

He also recalled Abrams as someone who liked to work around the clock, seven days a week.

"We were all delighted when he got married because we figured he might spend more time at home," he said.

Castellanete said those hopes were only partially realized as Abrams kept up the gruelling pace as he fought for tax breaks for middle-income residents in Mitchell-Lama housing and waged battles with the Telephone Co. and Con Edison.

Stanley Simon, who resigned his position shortly before being indicted in March, was a "tough individual who was demanding of his staff."

As to his current boss, Castellanete says he believes Ferrer will be the first Hispanic mayor of New York City.

"I always thought Freddy would be the borough president, but not this soon," said Castellanete, who first met Ferrer when he was Simon's director of housing.

"I think he's going to be an excellent borough president. He was the first one to institute a code of ethics for borough employes and that's very important."

Right now, Ferrer has Castellanete analyzing the mayor's proposed budget and what it means for the borough.

"He wants nothing but perfection," Castellanete said.

THE DESERT MUSEUM'S NEW MOUNTAIN HABITAT

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. UDALL. Mr. Speaker, Arizona may be known to the world as the Grand Canyon State, but Arizona is far more than the Grand Canyon. There are a lot of well-kept secrets in Arizona. One of the best is the Arizona-Sonora Desert Museum, located 14 miles west of Tucson. Featuring live animal exhibits and desert plants in natural surroundings, the museum is a highly popular and highly acclaimed attraction. First-time visitors are always surprised to find a unique combination zoo and museum exhibits.

One of the newest exhibits is the mountain habitat: A manmade canyon for mountain lions, foxes, white-tailed deer, black bears, and gray wolves. Built at a cost of $2.5 million and designed by Aram Mardirosian, the new mountain habitat is one of the most innovative developments in zoo architecture. A large, canyon-like habitat, it allows the animals to live and move much like they do in their natural environment. Without bars or cages, visitors have a chance to see the animals moving naturally in natural surroundings.

Lawrence W. Cheek, writing for the April 1987, edition of Arizona Highways, has given us a compelling look at this new state-of-the-art exhibit. Cheek describes the Mountain Habitat as the best manmade home for animals I have ever seen, so good it should be the paradigm of zoo architecture for the rest of the century.

At this point, I would like to insert his article into the RECORD for the benefit of our colleagues.

[From Arizona Highways magazine, April 1987]

ARIZONA-SONORA DESERT MUSEUM'S NEW MOUNTAIN HABITAT

The young male bear emerged first, his quivering black muzzle sweeping the air and ground with nasal radar. He crept along a wide ledge cantilevered from a cliff, paws inching forward at first in careful, wary, tentative steps. But he quickly grew bolder. His pace quickened. He prowled the full length of the ledge, wedged his head into several small caves and crevices, and paused atop a thronelike rock to survey the unfamiliar sky and the rocky kingdom that stretched out in front of him. He ambled down to the river, chased an imaginary rabbit across a log, and ate a shrub willow. Then, like a 200-pound puppy, he bounded back to the ledge to nuzzle his female playmate and—if we dare anthropomorphize—report happily on the large, open, canyon-like habitat that this morning replaced their dreary cage.

Architect Aram Mardirosian, designer of this artificial canyon, was beaming. "I love the idea that you have to look for the animals in a landscape," he said. "You can see how they live, adapt, move, and how they relate to other animals and the land around them. In a normal zoo situation, they're just on exhibit, like illustrations in a catalog. They don't do any of the things they'd do in their natural environment."

As Mardirosian was philosophizing, the bear was analyzing. No longer tentative, he clasped projecting rocks on the vertical wall and shinnied toward blue sky with amazing speed. The architect's smile evaporated. A man standing on top of the cliff raced over with a broom, and for a few seconds, there was this half-alarming, half-comical standoff: the man poking the broom at the bear's face, the bear clinging to the cliff like a fat brown fullback reading the defense.

Man, broom, and gravity won. Bear backed down and proceeded to eat another tree. And Mardirosian's pulse repaired to double digits. "We were worried about that one spot," he confessed. "It didn't take him long to find it."

This was a sunny February morning in 1986, the month the Arizona-Sonora Desert Museum provided a man-made canyon for twenty-two of its animals. The museum's new Mountain Habitat cost 2.5 million dollars to design and build—the most ambitious and expensive project in the institution's thirty-five years. Its implications radiate far beyond the museum's twelve acres. I have visited zoos around the world from Washington, D.C. to Beijing (Peking), China, and though there is an encouraging trend toward better treatment of the inmates, as often as not I still leave angered and depressed. But not here. The Mountain Habitat is the best man-made home for animals I have seen so good it should be the paradigm of zoo architecture for the rest of the century.

The habitat houses ten of the museum's most interesting mammals: two black bears, two mountain lions, two gray foxes, two Mexican gray wolves, and two white-tailed deer. There are twelve birds, one Steller's jay, two thick-billed parrots, two ravens, two Montezuma quail, and five Merriam's turkeys. It also is an arboretum, incorporating about a hundred species of plants.

It is modeled after the Sonoran Desert's "sky islands"—mountain ranges poking 7,000 to 11,000 feet into the air. These rocky barriers ambush wet air masses that otherwise would sail on to Colorado or Oklahoma, and the resulting rainfall sustains oak and pine forests and an environment for many kinds of animals that could not survive on the arid, austere desert floor. The contrast between Tucson and the Santa Catalina Mountains is typical. Tucson, elevation 2,389 feet, averages 11.14 inches of rain a year. Palisades Ranger Station, less than ten horizontal miles to the north, nestles in the Catalinas a mile higher and bathes in 29.69 inches of rain and snow.

Of course, that isn't desert at all. It's cool, moist, and green. But the Desert Museum feels that its responsibility is more than snakes and cacti; it aspires to tell the full story of life within the boundaries of the Sonoran Desert. That means mountain forests, saguaro-studded foothills, grasslands, and the subtropical riverine habitats of southern Sonora. The Desert Museum's 1980 master plan called for all four of these ecosystems to be recreated in a neat row on the museum grounds. The first is the Mountain Habitat. Look for the other three around 1990.

The idea of the Mountain Habitat was born about fifteen years ago. An early model depicted an artificial mountain bursting out of the museum grounds to the height of a three-story building. It would have been an Architectural Presence, but a later museum management reconsidered. The philosophy today is to leave the existing land as nearly undisturbed as possible, in the faint hope that Arizona's cities might think about doing the same.

"We visited a lot of zoos looking for the state of the art in exhibit design," explained Dan Davis, museum director. "We got some ideas, but the thing we wanted most we didn't find anywhere. It's very subtle. We wanted to preserve a certain mood that a zoo normally can't. They're dealing with far more people; so they have noise, transit systems, and they end up with mobs of visitors rushing from one animal to the next. What we wanted was to have the experience of a very casual stroll along a mountain trail."

So the "mountain" became a mountain-terrain canyon, sunk into the earth. Today, looking across the museum from high ground, you see only a low, crescent-shaped outcropping of thoroughly convincing rock that looks like it's been there since, say, the Paleozoic.

"Our first concern was that it fit into the landscape, not obstruct views or impact on other exhibits," says Mardirosian, a veteran museum designer with The Potomac Group of Washington, D.C. "But besides making it unobstrusive, we also wanted to have an element of surprise."

They have it. You stroll along a path past desert plants like prickly pear, jumping cholla, and the exquisitely self-descriptive shindagger agave. Turn a corner, and the desert simply blinks out. You are now in the biological community known as the Mexican Pine Oak Woodland, exploring a canyon complete with gurgling stream, turquoise pools, and glaring lions.

Mardirosian's second concern was that the habitat look nothing like a typical zoo. No bars, no cages, no sense of thumbing from page to page in a zoological catalog. He wanted humans to feel a part of the habitat, not an audience. He even grouped plantings in ways to help shield clumps of viewers from each other.

He used the predator-prey relationship as a prime design element, winding a semicircular canyon of lions, bears, foxes, and wolves around a meadow for deer and turkey—with the trail for *homo sapiens* squeezed in between. The only barriers separating all these species are mathematical calculations. Mountain lions, for example, can't leap more than twenty feet—so it is believed, anyway. Adding ten percent for insurance, Mardirosian designed the cat canyon so that every possible trajectory to an unauthorized meal is twenty-two feet or more.

He also sweated the details. For example, he measured and mapped every nearby saguaro. Then, back at his drafting table in Washington, he plotted the path through the habitat to avoid what he calls "visual non sequiturs." He didn't want people to look up and see cacti towering over the woodland.

The museum staff is ecstatic. What makes it worth all the money and effort, they say, is the animals' return to near-normal behavior.

On one recent morning, I learned how a twelve-pound fox defends its space against the bears that share the same twelve-hundred-square-foot enclosure: it backs into one of the coves Mardirosian thoughtfully provided, bares an arsenal of enameled daggers, and snaps. The bear responds in a manner confirming its reputed intelligence: it retreats and finds a tree to eat.

Another visit found the ravens in an uproar, piercing the woodland's peace with raucous demands for exit visas. Reason: the lioness had crouched down in sphinx pose just a step away from their enclosure to stare. And stare. It was a stare meant to burn through the thin wires separating the lion from the birds' enclosure, and she seemed ready to wait a long, long time.

She was still and silent, as the lions that lived in the Desert Museum's old concrete cages had been. But that was a silence drugged by endless boredom. This was the silence of a hunter.

So—Does the Mountain Habitat finally solve the central ethical problem inherent in zoos? It doesn't bore, demean, or otherwise exploit the creatures on exhibit for our edification and entertainment. Well—seemingly not.

As the thoughtful Mardirosian says, "I really don't know what 'happiness' is for the animals. But obviously, if they have lots of space, and plenty of places to romp around, they're going to behave more naturally. We are unfair to them in one sense: we don't give them places to hide from the visitors. But we have given them plenty of choices, plenty of space. The bears shouldn't complain about living here."

As far as we humans can tell, the bears haven't. They have simply been doing what bears do, which perhaps is evidence enough of the habitat's success.

The have dug up the underground irrigation system. They have eaten all the plants. They have staged bear Olympics in the cypress trees, killing them. With the exhibit only a little more than a year old, the curator of birds and mammals, Peter Siminski, is a bit embarrassed about its physical condition.

"It looks," he says, with a trace of a grin, "like we put a couple of bears in there."

CAMBODIAN SURVIVORS URGE PRESIDENT REAGAN TO SUPPORT EFFORTS TO BRING POL POT AND OTHER RESPONSIBLE KHMER ROUGE LEADERS TO JUSTICE

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. SOLARZ. Mr. Speaker, I rise today to call to the attention of my colleagues a unique effort with which I have been involved to document the acts of genocide of the Khmer Rouge in Cambodia from 1975 to 1979 in order to bring those responsible for these atrocities to justice under the Genocide Convention. The American Bar Association House of Delegates last February passed a resolution indicating its support "to work with other public and private institutions toward bringing those responsible to justice."

The Senate last year, in a move strongly supported by the House, ratified the Genocide Convention. Since our accession to that treaty is not yet completed and must await the enactment of legislation making genocide a crime under U.S. law, the United States cannot at this time take the lead in bringing this matter to the World Court. But many Americans have become involved under the leadership of David Hawk of New York and Cambodian American survivors including Sichantha Kassie Neou, Dith Pran, Yangh Sam, Haing Ngor and Arn Chorn, in gathering eyewitness accounts and other evidence of the crimes perpetrated against the people of Cambodia. These survivors and teams of volunteer attorneys and researchers are working to prepare the legal brief that one or several of the nations already in full accession to the Genocide Convention could seek to bring before the World Court.

President Reagan has several times indicated the abhorrence felt by every American to the genocidal crimes which the Khmer Rouge committed against millions of Cambodians. Now it is time for the President to use his good offices and to direct our State Department to spread the message of the strong support of our Government for the effort to bring those responsible for the 1975–79 crimes against the people of Cambodia to justice.

Mr. Speaker, because of the historic importance of this effort and because of the need for civilized people everywhere to join in the effort to punish those responsible for the crime of genocide, I ask that the full text of the letter of the Cambodian survivors to President Reagan be included in today's RECORD, and a recent editorial by the New York Times supporting this endeavor.

The material follows:

MR. YANG SAM,
CAMBODIA DOCUMENTATION COMMISSION,
New York, April 7, 1987.

RONALD REAGAN,
President of the United States of America, The White House, Washington, DC.

DEAR MR. PRESIDENT: We are 200 Cambodian survivors of the Khmer Rouge rule who are now living in exile in the West.

Some of us are survivors of Pol Pot's prisons and extermination camps. Others of us had members of our families and many of our friends brutally murdered or "disappeared"—taken away for execution in forest or jungle killing fields. We witnessed members of our families and many others die of exhaustion from forced marches and slave labor, from deliberate starvation and preventable, untreated disease, and from the brutal conditions of life to which the Cambodian people were subjected by the Khmer Rouge.

We also saw Pol Pot's soldiers and cadre destroy our Buddhist temples, totally eliminate our Buddhist monks, end schooling for our children, suppress our historic Khmer culture and eradicate Cambodia's ethnic minorities such as the Cham.

We are writing to you now because, following your recommendation, the United States Senate approved the ratification of the Convention on the Prevention and Punishment of the Crime of Genocide. We are asking you to respond and take legal and diplomatic action against the Khmer Rouge genocide. First, by seeking a judgment from the International Court of Justice that the terrible crime and great harm of genocide was committed against the people of Cambodia and that "Democratic Kampuchea," an internationally recognized State-Party to the Genocide Convention, remains in violation of its international legal obligations for failing to punish those responsible for genocide, "whether they are constitutionally responsible rulers, public officials, or private individuals." Secondly, the United States should call upon the competent organs of the United Nations to take such actions as would securely preclude the reoccurrence of genocide in Cambodia.

As victims and survivors, we are asking the United States to do this, alone or with other countries that accept the Genocide Convention, because the Khmer Rouge genocide has not been recognized and condemned by the international community. As long as the major leaders of the Khmer Rouge between 1975 and 1979 continue to be active in Cambodian and international political life, the extreme brutality and suffering they imposed on ourselves, our families, and the entire Cambodian people is a contemporary, ongoing problem and more than a matter of history. Nor has the problem of genocide, its aftermath and the threat of its reoccurrence been mooted by the Vietnamese occupation of Cambodia.

As you know, every year the overwhelming majority of the countries of the world condemn the foreign invasion and occupation of Cambodia. We believe it is absolutely necessary for the nations of the world to take this action and to work for the removal of foreign troops and advisors from our country. And we ask your country to continue to take a strong stand for freedom and self-determination for Cambodia.

As you also know however, the Khmer Rouge, still led by those most responsible for genocide, continue to wage guerrilla war seeking to return to power—a result which is prevented at present only by the foreign occupation army. Thus it is difficult for us to understand why the free and democratic countries do not also take action under international law against the Khmer Rouge for the punishment of those most responsible for the genocide and for the prevention of genocide's reoccurrence. The failure of the international community to take action against the 1975–1979 leadership of the Communist Party of Kampuchea leaves Cambodia with the equally unacceptable alternatives of foreign occupation or the very real threat of a return to power of the same Khmer Rouge.

Further, the failure of the international community to respond and condemn the Cambodian genocide has, in our opinion, reduced the effectiveness of the United Nations to help bring about negotiations or a solution to the international conflict in and over Cambodia. Any solution is very difficult to foresee without the punishment or at least the removal from their present positions and exile of those most responsible for the genocide. Without a negotiated solution, Cambodia will remain diplomatically isolated and unable to obtain the investment, aid and trade necessary for sustained recovery from nearly two decades of war, genocide and famine.

Cambodia presently continues to have grave human rights problems, and Cambodians residing as refugees in Thailand need better protection. The human rights of Cambodians need continuing international attention. Again, however, we are concerned that the effectiveness of the international community to address these problems is hampered by the failure to also address the criminal inhumanity of the Khmer Rouge.

Indeed, after World War II the Nazi killers of the Jewish and other peoples of Europe were tried and convicted for their horrible crimes. After the United Nations was founded, the Genocide Convention was adopted as the embodiment of the international commitment that never again should such an unspeakable atrocity as genocide be allowed or allowed to go unpunished.

We can assure you that the Khmer Rouge has and continues to violate the Genocide Convention. There is now more than enough evidence and documentation on their crimes. Further there are innumerable Cambodian survivors who are ready to contribute their personal testimony.

We were heartened that you recalled the deaths of millions of Cambodians in your September 1984 endorsement of United States ratification of the Genocide Convention. You emphasized that the United States intended to "use the Convention in efforts to expand human freedom and fight human rights abuses around the world." Mr. President, we are asking you to do just that. While the Congress completes the final steps required for US ratification of the Genocide Convention, we ask you to make plans and preparations for legal and diplomatic action against the Khmer Rouge genocide.

With the strong support of the American people and their elected officials successive Administrations have devoted considerable—and productive—energy to encourage and pressure numerous countries to respect and abide by the international human rights agreements they have signed. The same should be done about Cambodia.

We are requesting the United States to take action because under the terms of the Genocide Convention only other governments, not individuals, can bring legal action against the Khmer Rouge genocide. Of course, nothing can bring back to life our friends and loved ones who were brutally killed by the Khmer Rouge. But we hope that international response and the remedy established by international law will at least create a clear record, bring light to the problems faced by the Cambodian survivors, and serve as a lesson and warning to future dictators.

We realize that you have a very busy schedule. However, it is only countries such as the United States that can help us. May we humbly seek an appointment with you so that we may discuss with you the need for international action against the Cambodian genocide.

Thank you for your cooperation.

Most sincerely yours,

Sichantha Kassie Neou.
Yang Sam.
Dith Pran.
Haing Ngor.
Arn Chorn.

Additional Signatories

Bunheng Ban, Koch Buth, Muy Chamroeun, Ching Chan, Hoert Chan, Sivorn Chan, Sophan Chan, Tammy Chan, Yok Cham, Saroeun Chann, Veasna Chap, Vath Chay, Na Leong Che, Trieh Chea, Bouk Chea, Mardi Chev, Say Chev, Samin Chheang, Khlok Chheng, Samol Chhim.

Chauy Chhin, An Chhit, Khlok Chhivinda, Khlok Chhivindavy, Khlok Chhivindy, Samban Chhoeum, Chloy Song Chhou, Cha Vorn Chun, Rom Chhuon, Sopha Choeum, Phon Chou, Kim Chulomg, One Kim Chuon, Bunchhuong Chuop, Chuon Chuop, Khlok Dara, Loeum Dip, Yamnee Dueur, Khlok Sreng E., Savoeun Eam, Ouem Eang, Reth Eang, Huot Seng Ear, Poeun Em.

Serein Em, Vatha Em, Randy Engly, Tao Song Gnor, Paul Hak, Sophon Ham, Phuok Hay, Reth Hem, Vibul Hem, Kueh Heng, Sok Heng, Chanrithy Him, Hath Hoay, Dok Hol, Heng Hon, Saream Hon, Sorn Hong, Sareth Hor, Kimyi Houth, Yoeuth Houy, Han Huom, Chan Kang.

Navie Kang, Onn Kang, Sitha Kang, Sophan Kang, Khon Keo, Ky Kea, Nath Kem, Pieh Kem, Sitha Kem, Sokun Keo, Veng Keo, Sary Khaur, Sathum Khem, Yo Khiev, Bunna Khim, Samuth Khlieng, Nasi Kho, Chinhay Kho, Nath Khuien, Soth Khun, Do Khuon, Mouv Kim, Raeun Kim, Sokan Kim.

Yi Kim, Bora Kong, Chhunna Kong, Leng Kong, Tun Kong, Chheut Kuong, Chhou Song Ky, Ho La, Sok Lay, Setha R. Lim, Sovanny Lim, Try Lim, Po Lin, Chhay Lonn, Mao Lorn, Chum Ly, Chuong Ly, Heng Sun Ly, Noan Ly, Chak Man, Soth Mao, Soth Meach.

Makna Men, Neang Men, Saly Meng, Valtona Mey, Eng Sa Miech, Sakhon Mok, Yan Mom, Sery Mom, Soth Moung, Chandy Mucharang, Khean Muong, Chhot Muth, Heng Muth, Kim Net, Nquon Ton Ngov, Buthan Ngoun, Chang Kim Nguon, Bunnaret Nhem, Chanthan Nhem, Savann Nhem, Sohokhomara Nhem, Sokhan Nhem, Sakhoeun Nhieu, Chhum Nhik, Francis Samsotha, Heng Sap.

Chinsause Sar, Roart Say, Yean Seam, Him Seang, Yen Sek, Sotham Seng, Tim Seng, Kung Rith Serey, Chhem Sieng, Vanna Sieng, Soueh Sim, Kheng Sin, Loeum Sin, Naun Sin, Vanny Sin, Chhoeun Ly So, Boundy Sok, Chheth Sok, Mom Sok, Saruon Sok, Nan Sou, Deak Soy.

Phy Tan, Sarith Tauch, Sakhon Tauch, Chhum Teng, Im Thach, Neang A. Thi, Nhok Tho, Seath Tho, Tim Thong, Heurn Thong, Ren Norn, Vanna Nuon, Bunehhuoy Nuth, Sem Ork, Pieh Visothy Orm, Sophal Orn, Peou Ou, Penarong Oum, Anon Pal, Buthon Pal, Sanorth Pan, Khatna Peaee, Ye Pen, Ok Peth, Keng Peou, Khlok Phalkum.

Seng Chhuon Phang, Saveny Phath, Phann Phin, Phen Phuong, Phath Plang, Jintana Pond, Dith Pran, Saoyuth Prum, Leang Ran, Tha Rim, Yath Rith, Chhan Sophan Ros, Saody Ros, Leng Sam, Nimith Sam, Yen Sam, Keo Samath, An Samroeth, Phan Thouch, Sakan Thoul, Korn Thu, Roeth Thu.

Kimchea Tiang, Meardey Tim, Huot Tith, Kosal Tith, Sunthorn Toy, Rim Tum, Meng Seng Ty, Nath Ueh, Vong Ueh, Mora Ung, Im Ung, Sarik Uy, Seun Uy, Oun Va, Nen Vannak, Khat Yam, Yai Yem, Sin Yem, Chen Yeth, Charoeun Yin, Ngek Yin, Yon Yip, Oth Yoeum, Phan Young, Moeung Yaus.

[From the New York Times, May 21, 1987]

Cambodia's Unpunished Genocide

In December 1948, the United Nations unanimously adopted a convention to prevent and punish genocide, defined as attempting to destroy a national ethnic, racial or religious group. The fanatic Communists known as the Khmer Rouge seemed to have committed such a crime, killing a million people in Cambodia from 1975 to 1979. So why not invoke the never-before-invoked convention and ask the World Court to determine the truth about the alleged act of genocide? Why not indeed.

Several hundred Cambodian survivors in exile are appealing for a World Court hearing. This can be requested by all states that are party to the convention. They now include the United States (though unforgivably, Congress has still failed to pass needed implementing legislation, 15 months after Senate ratification).

Other death-camp survivors, like the Nobel laureate Elie Wiesel, support the idea. A hearing at The Hague could focus the world's attention on extensive evidence of a crazed regime's attempt to carve up a whole people on a butcher block.

The Khmer Rouge term liquidation was "scatter them to the last one"; cities were emptied as suspected class enemies were worked to death in "purification" camps. Of 60,000 Buddhist monks—denounced by the Khmer Rouge as "leeches and bloodsuckers"—only a few thousand survive. Notable among many ethnic minorities singled out for eradication were the Cham, a distinctive Islamic river people. Whole villages were massacred or forced to assimilate so that the regime could boast that "Khmerization" was complete.

All of this was largely passed over when Vietnam invaded Cambodia in 1979, deposed the infamous Pol Pot and installed its own puppets. The Khmer Rouge withdrew into back country, then became the most powerful partner in a resistance coalition that a U.N. majority—joined by the United States—regards as the rightful Government of Cambodia. The painful result is that Khmer Rouge mass murderers, Pol Pot included, are still said to be in leadership posts, their crimes half-forgotten, even by a Reagan Administration that assails the U.N. for ignoring Communist mass murder in Afghanistan and elsewhere.

The United States can help make a reality of the Genocide Convention by asking the World Court to determine whether a Cambodian regime violated this landmark convention, one that Cambodia itself approved in 1950. Doing so would begin to honor the memory of Pol Pot's victims.

RON KIRK, AN OUTSTANDING REPRESENTATIVE OF DALLAS

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. BRYANT. Mr. Speaker, back when Ron Kirk, a 32-year-old attorney and lobbyist for the city of Dallas, was a young law student at the University of Texas at Austin, I had the privilege of being one of his employers.

I was chairman of the house study group, an independent, nonpartisan research organization that provided the most comprehensive and balanced legislative information and detailed reports on major issues available to members of the Texas House of Representatives.

Ron Kirk was one of the reasons.

He and his colleagues, who staffed the house study group—now called the House Research Organization—put in the longest hours and produced the finest product I ever saw in my 9 years as a member of the Texas Legislature.

The house study group reports made me and other members who chose to review them look better and smarter than we probably deserved. Because of those reports, and the staff work of eager, talented young folks like Ron Kirk, we knew every argument on every side of every issue that came before the legislature.

After his service to the Texas House Study Group and the Texas Legislature, Ron graduated from law school, practiced in two Dallas law firms, and came to Washington, DC, to put in a productive stint with U.S. Senator Lloyd Bentsen. Now he's back in Dallas working there and in Austin and Washington, DC, as an assistant city attorney and lobbyist.

His continuing commitment to public service was recently documented in a deservedly flattering article in the Dallas Times Herald, which I would like to share with my colleagues:

Top-Flight Lobbyist Promotes Dallas Without Ruffling Feathers in Austin

(By Linda Fibich)

Austin.—In the roomful of lobbyists that blocks the door to the House chamber every weekday morning, Ron Kirk, a golden Big D pinned to his pin-striped lapel, is a standout.

Monitoring a thousand bills in the messy course of the legislative session, he handles his competition with the same easy grace he works on the men and women who make state law. If he has enemies in a business where enmity seems inevitable, no one in the crowded hallway can name them.

He thrives on his job. So does his only client, the city of Dallas.

"Ron is just one of a kind, and excellent," says his boss, City Attorney Annaleslie Muncie.

Kirk, 32, started pushing the Dallas agenda in Austin in 1984, lured home from the nation's capital because Dallas was going big places and he was determined to go along.

"Not to get too grand in it," he says, "but I really think that Dallas has the opportunity at some point in the not-so-distant future to become a real world-class city. I wanted to be part of that process."

Three years later, he is one of the most respected members of the lobby.

According to free-lance lobbyist Rusty Kelly, who has both supported and opposed Kirk on issues, "He is the kind who gives this business a good name."

Kirk takes honors in both political camps. Rep. David Cain, D-Dallas, calls him "one of the most talented people that I've met down here. He brings a real sense of what's doable and what's not, ability to bring all kinds of votes together." Sen. Ike Harris, R-Dallas, agrees: "He's as good as there is around."

Kirk's latest success came Friday, when legislation he proposed to Sen. Eddie Bernice Johnson and Rep. Fred Blair, both Dallas Democrats, passed the House after earlier approval by the Senate. The bill permits city governments to repair deteriorated housing in slum neighborhoods and recover the costs from landlords.

He attributes his standing to personality and style. "And I don't mean that in a bragging way." Kirk says, with the grin, he is as likely to turn on foe as friend.

"My nature is outgoing. In this job, your allies are where you find them. They come in all shapes and colors and political persuasions, and I enjoy that. I enjoy challenging myself to work with people from backgrounds vastly different from mine. . . .

"I've been criticized by some folks as being too willing to compromise. But I think you should always give an adversary a chance to resolve something with grace, rather than bury somebody because you happen to have the votes and can do it. That way, you may win the battle, but you give that person a reason to come back at you even stronger.

"Kim Ross, my good friend who represents the Texas Medical Association, calls it the scorched earth policy. Where you go in and rape all the women and kill all the children and cattle and burn all the houses. Some people try to lobby like that, but I think there are a lot of pitfalls."

Kirk grew up in east Austin, "literally in the shadow of the Capitol," the son of parents whose civil rights activism and faith in the system steered him toward public service. He studied sociology and political science at Austin College in Sherman, then, "like every other poli-sci/sociology major," he says, "I went to law school, at UT."

While at the University of Texas he worked for the House Study Group, a legislative research organization founded by liberal Democrats that was then beginning to establish its current reputation for independence. There, he first noticed that bills were enacted on something more than their merits.

"What piqued my interest was the question, 'What is it about the sponsor or the process or about the whole system that says these bills somehow make it through this maze of hearings and legislators and debates and survive all of the voting requirements to actually become law?' " he says. "It fascinated me."

And there, Kirk made the first of the connections that he plies today. When he graduated in 1979, he took a job in Cain's Dallas law firm. A year later, he went to work for lawyer Windle Turley.

In 1981, he accepted a position on the staff of U.S. Sen. Lloyd Bentsen, where he specialized in defense and budget issues. "I don't see how anybody at all interested in politics could not be overwhelmed by that experience," he says of his years in Washington. "I loved it. The Senate is a strange and wonderful place."

He returned to Texas "not because I was attracted to issues ranging from filling potholes in city streets and disposition of our municipal waste, as opposed to nuclear disarmament and the federal budget deficit. To be perfectly candid, it was the opportunity. . . .

"I didn't at all fashion myself as somebody that was going to make a career out of being an aide to anyone. And that's not out of any disrespect to Bentsen."

In Washington, Bentsen's name was on his work, in Austin, Kirk stands or falls on his own.

Without a political action committee—or PAC, the organization through which a private interest group channels political contributions and buys favor—the city must wield another sort of influence in the Legislature: credibility. According to Kirk, "the quality of the information that we provide is always the most effective lobbying tool we have."

To that end, he doesn't attempt to do everything himself, but brings in experts from Dallas to testify when the city has something at stake. By his own description, he is "the conductor of an orchestra. Everybody's got a different instrument, and everybody else is a specialist. But somebody's got to take all of that and massage it into something that generally comes out sounding like music."

Kirk's day typically begins at 5:30 a.m., just hours after the legislative service he subscribes to has delivered a summary of activities to his door. "And even though my physique doesn't show it," he says, "I try to exercise or do something, either sit-ups or walk around the block."

By 6:30, he is reviewing setbacks and accomplishments, planning strategies. He confers with Muncie at about 8, advising her of any assistance he'll need from City Hall.

Before the House convenes, usually by 9 or 10, he is at the Capitol, making the 30-second contacts with lawmakers and allies that can cement a deal on a given bill. At the crack of the speaker's opening gavel, he crosses the rotunda to the Senate for more of the same.

Afternoons and evenings are filled with committee hearings. Kirk also tries to visit daily with each Dallas senator and as many area representatives as he can.

"And that just takes care of the scheduled activities." he says. "Every day, something occurs where somebody's got a problem on a bill and you've got to go meet with that sponsor or go meet with some opponents and work out a deal. . . .

"There really are no assurances. Because even the simplest of issues can backfire on you for reasons totally unrelated to the merits. You could have a sponsor offend some other member who just decides he's going to try to defeat each of his bills just because he doesn't like that particular sponsor, or opposition can crop up that you weren't aware of or didn't anticipate."

He rarely calls it quits before nightfall. "We have pretty long days." Kirk says with another grin. "But they're tolerable."

THE CHESTER ROTARY CLUB: SEVENTY YEARS OF SERVICE TO OTHERS

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. SCHULZE. Mr. Speaker, with the 200th anniversary of our Nation's Constitution on the minds of many Americans, it is nice to reflect on the many accomplishments Americans have achieved during the past 200 years. As the Constitution so forcefully notes, it is "We the People * * *" of the United States that make our country such a wonderful place to live and raise our families.

In the Fifth Congressional District, there is another special anniversary that will soon be celebrated, namely, the 70th anniversary of the Chester Rotary Club. For the people of Delaware County, the 70th anniversary of this very special service organization is especially worthy of recognition, not only at the local level, but here in our Nation's Capital as well.

For the city of Chester, having an organization such as this Rotary Club in existence is special because of its involvement in and dedication to the communities. The Chester Rotary Club is more than just a social club for its members to meet and enjoy one another's company. It is a forum to discuss and implement ideas and programs that will benefit literally thousands of people.

While its membership of 45 may appear small to some, its actions certainly represent what is right with our country's service organizations. A small sampling of some of the club's many activities include:

Substantial financial support to the United Way Campaign, the Chester Boys Club, and Camp Sunshine;

An annual scholarship awards program to deserving students in need of assistance at Widener University;

Support for the International Rotary Club's Polio-Plus Program which was developed to fund programs that will erase polio and other dreaded diseases in Third World countries;

Establishment of a Coulter-Enyon Fund which supplies health equipment to the needy.

And the list goes on and on.

As you can see Mr. Speaker, the members of the Chester Rotary Club represent a social section of America—citizens who care not only about their community, but the world community as well. The Chester Rotary Club is an honorable example of the Rotary motto, "Service Above Self."

On Friday, June 19, 1987, members of the Chester Rotary Club will gather in their community to commemorate this special anniversary, 70 years of service to their community and the world, and it is fitting that the House of Representatives join in offering our special thanks for a job well done.

NO EXCISE TAX INCREASES

HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. QUILLEN. Mr. Speaker, some Members would have us curb the budget deficit through higher excise taxes on gasoline, beer, wine, distilled spirits, and tobacco. Because these taxes are expressed in small amounts, such as pennies per gallon, drink, or pack, it may appear that increases are insignificant. Nothing could be further from the truth.

In reality, excise tax increases hurt in at least five ways.

First, they are regressive. These taxes fall far harder on poor and moderate-income taxpayers than do the progressive income tax or the Social Security tax, which is nearly proportional.

Second, they discriminate by region. Drivers in rural areas do not have the luxury of short trips or public transit that city dwellers and residents of more compact States have. Tobacco and crops used to make alcohol beverages are grown in limited regions of the Nation.

Third, they single out selected classes of consumers. The largest families seldom have the luxury of choosing gas-miser cars. Smoking is more concentrated in particular demographic groups, yet deficit reduction efforts should be spread equitably across the entire population.

Fourth, they penalize limited groups of workers and business owners, especially in small business. The small trucking business or owner-operator, the hops farmer, the mom-and-pop grocery have the least ability to pass on this tax or readily change to another source of livelihood.

Fifth, they interfere with State finances. Many States rely much more heavily than the Federal Government does on excise taxes, and many States have been raising excise taxes in the last year to expand needed programs or balance their own budgets. Doubling some of the Federal taxes, as some Members suggest, would limit States' ability to increase their rates and also lower their current take, due to conservation.

Much more could be said about the faults of higher Federal excise taxes. But this brief overview should suffice to remind my colleagues that excise taxes are the wrong way to balance the budget.

REUNITE THE SHAPIRO FAMILY

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. LEVIN of Michigan. Mr. Speaker, I wish to insert into the RECORD the following article from Detroit Free Press dated May 11, 1987. There's a young girl in Leningrad named Naomi Shapiro who has never seen her grandfather, who lives in Israel. I met Naomi's father, Lev, 2 years ago while visiting with a number of Soviet Jewry refuseniks. The Shapiros dream only of being reunited with the rest of their family in Israel. But for longer than she has been alive, the Shapiros have been repeatedly turned away in their attempts to emigrate.

Naomi recently wrote to Secretary Gorbachev that she be allowed to go visit her now ailing grandfather. Some would call her naive for writing to the Secretary. I call it a tragedy when a family cannot be together, especially in a time of need. The Shapiros have become part of the Detroit Soviet Jewry Committee's Adopt a Family Program through which one can correspond with refuseniks. We in the Congress will not stop or slow our efforts on behalf of the 400,000 Jewish prisoners of conscience in the Soviet Union, and I urge my colleagues to continue to raise the issue whenever possible.

[From the Detroit Free Press, May 11, 1987]

BEVERLY HILLS WOMAN BRINGS BACK GIRL'S PLEA TO GORBACHEV

(By Roddy Ray)

The young Soviet girl challenged Mikhail Gorbachev:

"I heard that you are a very kind grandfather," she wrote in a letter to the Soviet leader last month. "You also have a granddaughter, and you play and spend a lot of time with her. And I cannot even see my grandparents."

It was signed by Naomi Shapiro, 9, who lives in Leningrad with her mother, father and a brother. The letter, dated April 3, was brought to the United States by a Beverly Hills woman who visited the Soviet Union last month.

In the letter, the Jewish girl asks that she be allowed to visit her ailing grandparents in Israel.

Gorbachev has not responded to the letter, according to the most recent reports.

Naomi is from a family of refuseniks, Soviets citizens who ask to emigrate and are turned down. Her father, Lev Shapiro, 47, was denied an exit visa ten years ago, as was his wife, Leah, 36, and their son, Israel. Naomi was not yet born.

Their plight has been taken up by the Jewish Community Council in Detroit.

"It is thought that there are about 400,000 Jews, of about two million in the Soviet Union, who would leave at the drop of a hat," said Al Kushner, the council's executive director.

Within the council is the Detroit Soviet Jewry Committee, which puts pressure on the Soviet government to let the refuseniks leave. The committee also offers to brief people going to the Soviet Union about refusenik families in the areas they will be visiting.

That's how Florence Schreier, 57, of Beverly Hills came to visit the Shapiro family last month. Schreier, a volunteer at the Detroit Institute of Arts, visited the country on a cultural trip.

Lev Shapiro asked Schreier to try to publicize the letter when she returned home.

Like many refuseniks, the Shapiro family repeatedly has been harassed since they were denied visas in 1977, Kushner said.

"The idea is that if you're living in paradise and want to get out, you're out of your mind," he said.

When the Shapiros originally applied for exit visas, Lev Shapiro lost his job in the research department of a radio electronics institute in Leningrad. His government said that as a result of the job he knew state secrets and thus could not leave the country, according to records of the Detroit committee. He has been working since as an electrical repairman, a demotion.

Leah Shapiro was a construction engineer before they applied for the visas. She now teaches sewing.

The Jewish Community Council sponsors an "Adopt A Family" program through which an organization or individual can correspond with refuseniks. The council gives addressses of refuseniks and advice on how to mail a letter and what to say—and what not to say—to ensure the letter gets there.

The Jewish Community Council and Detroit Soviet Jewry Committee is at 163 Madison, Detroit 48226.

A TRIBUTE TO CLARENCE D. CARPENTER

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. DYSON. Mr. Speaker, I rise today to congratulate Mr. Clarence D. Carpenter, Jr., for his outstanding performance as president of the Maryland State Firemen's Association for the past year.

The protective role of firemen in our communities is often overlooked. Today, I would like to recognize one of those firemen who has led the MSFA through an outstanding and progressive year. Mr. Carpenter has, in his 1-year term as president, been both a commendable comrade and leader to all Maryland firemen.

Mr. Carpenter has been a fireman for 15 years now. He has been an active member of the MSFA for 10 of those years. During those years, Mr. Carpenter has always given his best, serving as president of the Charles County Volunteer Fire Department, and later as president of the Southern Maryland Volunteer Firemen's Association. Mr. Carpenter, besides being president of the Maryland State Firemen's Association, is presently an active member and president of his own department, the Potomac Heights Volunteer Fire Department and Rescue Squad. In addition to his vast experience and consumate skills as a fireman, Mr. Carpenter is also an expert emergency medical technician.

Mr. Carpenter, as president of the MSFA this past year, showed that he has other skills as well. He played an active role in promoting the interests of fire safety during his term as president, having logged over 40,000 miles on his vehicle in 1986 alone. Mr. Carpenter was a key factor in the passage of Maryland Senate bill 508, which allowed the State to provide funds to all emergency service oraganizations, including the vitally needed volunteer departments. Adequate funding of these departments is particularly important in some areas of my district, Mr. Speaker, since their tax base is relatively small.

Moreover, Mr. Carpenter helped to secure the helicopter and medivac program for region 7, which includes St. Mary's County, in Maryland's First District. Indeed, I worked with Mr. Carpenter to secure the location of helicopter unit No. 7 at the Patuxent River Naval Air Station. Through our work, I discovered in Mr.

Carpenter a high degree of professional acumen matched by few.

Mr. Speaker, these are a few examples of the significant and lasting contributions Mr. Carpenter has made to the safety of all Maryland citizens. H's inimitable determination to promote the cause of fire safety rightfully deserves to be recognized. Mr. Carpenter's retirement on June 17, 1987, Mr. Speaker, constitutes a great loss to the State of Maryland. Fortunately, Mr. Carpenter will continue his leadership role as an active member of the MSFA executive committee. This continuing dedication will surely be appreciated by all in the State of Maryland, and foremost by the citizens of the First District of Maryland.

JAPAN WEEK L.A.

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. ROYBAL. Mr. Speaker, Los Angeles is the gateway to the Pacific and Japan for business, culture, and tourism. I am proud to represent the Little Tokyo area of Los Angeles which serves as a center for much of this exchange between our two countries. In this regard, I would like to call your attention to a major event, Japan Week L.A., scheduled for June 11 to 21, which is a diverse series of economic seminars, cultural performances, and social events celebrating the extraordinary bond which exists between Los Angeles and Japan. Former Ambassador to Japan James D. Hodgson is the chairman of Japan Week L.A. and the Honorable Taizo Watanabe, Consul General of Japan in Los Angeles, is honorary chairman.

It is a tribute to Los Angeles that Japanese and Americans have formed so strong a bond allowing each culture to enrich the other. Los Angeles is a doorway through which the Japanese may enter America and through which Americans may embrace Japanese culture. It is vital that we all understand the depth of the relationship between Japan and Los Angeles and not lose sight of the rich, long-term ties that have flourished on many economic, social, and cultural levels. Japan Week L.A. salutes this substantive and mutually beneficial relationship. As the Representative in Congress for this unique area, I hope the prosperity and understanding we enjoy will continue for many years to come.

Japan Week L.A. is being sponsored by Japanese and American organizations, among which are the Japan Week L.A. Executive Committee, the Japanese Business Association, and Shuwa Investments Corp. I would like to take this opportunity to commend these organizations and everyone involved in this effort and trust that all Members of Congress will join me in extending every good wish for success.

SALE OF PLASTIC HANDGUNS

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. TALLON. Mr. Speaker, Americans are weary of terrorism. They are tired of being held hostage by the threat of violence, unexpected and unprovoked attack. But what do we do? Clearly, we are not yet capable of countering the terrorist technique, nor can the terrorist mind be reasoned with. The remaining alternative is to blunt the tools of terrorism. The plastic weapon—the newest, deadliest, and most frightening terrorist weapon—is a good place to start.

It was plastic explosives that enabled a handful of terrorsits to murder 329 people by blowing an Air India jetliner out of the sky. Right now the Russians have a nondetectable composite pistol in service, a weapon specifically made for sneaking through Western airports and embassy gates. They also have all plastic hand grenades the size of golfballs. Not to be left behind, Libya is reported to possess over 40,000 pounds of plastic explosives.

Two of my colleagues in the House of Representatives, Mr. MRAZEK and Mr. BIAGGI, have introduced legislation seeking to address this problem by prohibiting the manufacture and sale of plastic handguns. I appreciate and commend my colleagues for their efforts to arrive at a solution to this terrifying problem. However, when we take a hard look at the impact of this legislation on the real world, we see that this bill is pointed in the wrong direction.

H.R. 84 seeks to outlaw a weapon that is not even in existence in the United States. Although there are numerous foreign-made, partially plastic weapons and all explosives, there is not a U.S. company manufacturing all-plastic firearms today. Red Eye Arms, Inc. is the only domestic company which has developed and patented a plan for an all-polymer weapon. Yet, this weapon is being designed for military use and is still on the drawing board.

We need to concentrate on the here and now. Terrorists don't deal in projections and hypotheses. They deal in deadly realities. That is why, although I agree with the purpose behind H.R. 84, I believe the actual effect would be to increase the risk of terrorism. H.R. 84 would lull us into a false sense of security that because we prohibited plastic explosives, their use would evaporate altogether.

The result is that we bury our heads in the sand at the expense of national security and technological advancement. While we ban the production of a weapon here at home that doesn't even exist, terrorists around the world are developing, transporting, and using plastic firearms.

Passing legislation to stall the manufacture of plastic firearms in reality does nothing to reduce the incidents and threat of the use of these weapons. Only improved detection can do that. The equipment to detect ammunition as well as plastic explosives is available right now but is not in use in the United States. In fact the detection system in current use was made for detecting arms of the type made 80 years ago.

Having a bill that makes it illegal to bring in undetectable weapons means nothing to a terrorist group, but being caught at an airport would. We desperately need to encourage and promote the Federal Aviation Administration's efforts to ungrade obsolete detectors. If we are really serious about halting terrorism we should follow the lead of governments such as Canada which has developed an explosive vapor detector so sensitive that it can measure explosives in parts per trillion in the atmosphere. Stalling the technological advancement of all-plastic firearms in the United States puts us at a disadvantage militarily and does nothing to preclude their inevitable use worldwide.

As the ability to assault our national security becomes more sophisticated so should our very definition of national security. Our definition must extend beyond a nuclear arsenal or huge conventional forces—a few plastic explosives in the hands of a terrorist group can render these useless. Technology is the key. We should pursue the development of improved detection devices while at the same time allowing the domestic development of plastic firearms systems that would give us a distinct military advantage.

It is only by focusing on tomorrow that we can create a sophisticated, effective defense system for today. David Byron of Red Eye Arms has the computerized formula, related calculations, and fire-power tests for an all-plastic firearm that may be the biggest technological breakthrough in the firearms industry since the cartridge. His design is for an all-plastic gun, superior in durability, weight and performance to any present weapon. To ensure airport detectibility he would embed into each weapon a tiny computer chip. Byron intends for his system to be incorporated into lightweight, maintenance-free military weaponry. Certainly, it would give U.S. conventional military forces unquestionable superiority.

I am not concerned about the direct effect of H.R. 84 on Byron's work since it is not intended for civilian purposes. I am concerned, however, that passage of this legislation signals a refusal of Americans to face the technological realities of the necessity of a superior detection and all-polymer weapons that are designed for our purposes.

The bottom line is that we render ourselves defenseless on two fronts: we do nothing to actually protect ourselves from existing terrorist weapons and we block all avenues of pursuing a technological breakthrough in firearms development that would give us a distinct military advantage. Mr. Speaker, I ask my colleagues to face facts: H.R. 84 is not the answer to terrorism; technological superiority is.

PERSONAL EXPLANATION

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. LEWIS of Florida. Mr. Speaker, because of official business, I was absent during rollcall numbers 144 through 148, and 150 through 156. Had I been present, I would have voted as follows: 144 through 148—yea; 150—nay; 151—nay; 152—yea; 153—yea; 154—nay; 155—yea; 156—yea.

HONORING THE MICHIGAN RECREATION AND PARK ASSOCIATION

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. WOLPE. Mr. Speaker, the Michigan State Legislature recently honored the Michigan Recreation and Park Association and its 1987 award winners. I am sure that my colleagues will want to join me in congratulating the organization and its honorees for helping to maintain and improve the quality of life not only for the residents of Michigan but also for their own constituents who might well be among the 7 million out-of-State visitors who each year come to the Great Lakes State for rest and relaxation.

The Michigan Legislature's tribute to the Michigan Recreation and Park Association follows:

HOUSE CONCURRENT RESOLUTION NO. 77

A CONCURRENT RESOLUTION HONORING THE MICHIGAN RECREATION AND PARK ASSOCIATION

Whereas, the members of the Michigan Legislature are proud to extend congratulations upon the occasion of the fifty-second annual Convention of the Michigan Recreation and Park Association (M.R.P.A.), held February 1-4, 1987, in Dearborn; and

Whereas, the association which has been a moving force in Michigan to maintain and improve the quality of life for our residents and tourists, highlighted its annual meeting by conveying a host of awards to prominent Michigan individuals, including Ron Mason, Bill Humphries of Midland, and former Detroit Lion and NFL All Pro Player Lem Barney; and

Whereas, the association recognized twenty-one service groups with its annual Community Service Awards, which included the Battle Creek Area Amateur Sports Association, Berkley Men's Club, Clarkston Area Jaycees, Clawson Lions Club, Detroit Moore Community Council, Huntington Woods Optimist Club, Lansing Waverly 39ers, Midland Michitario Games Committee, Clinton Township Chippewa Valley Kiwanis, Mt. Pleasant Sunrise Optimist Club, Novi Lions, Oakland Parks Foundation, Okemos Kiwanis Club, Plainwell Trojan Aquatic Club, Pontiac Night Riders Motorcycle Club, Royal Oak Girls Softball Association, Southfield Lathrup Falcon Junior Football Program, Sterling Heights Basketball Club, Warren Astronomical Society, Warren Kiwanis Club, and the Ypsilanti Area Jaycees; and

Whereas, the highest individual awards of the association were presented to honor James J. Pompo of the Huron Clinton Metropolitan Authority with the Fellowship Award; Helen Cerny of Sterling Heights and Steven Waller of Flint with the Program Leadership Award; Paul D. Pounders of Midland County Parks and Recreation Commission and Don Vettraino of Huntington Woods with the Maintenance Leadership Award; and Lewis Wint of Oakland County Park and Recreation Commission, Tony Filippis of the Detroit Free Press Marathon division for wheelchair competitors, and Southfield's former Parks and Recreation Board Chairman John R. Miller with special awards; and

Whereas, the 1987 Innovative Recreation Program awards went to the Southfield Adult Day Center, Ferndale's Summer Special Events, Royal Oak's V.F.W. Handicapped Park, the Wayne County Parks sponsored International Freedom Festival Tug of War across the Detroit River, and the West Bloomfield Parks and Recreation Adventure Day Camp. Timothy J. Doyle of Clarkston was honored as the Immediate Past President, and Ralph Richard of the Oakland County Parks and Recreation Commission was installed with members of the M.R.P.A. Board of Directors as the 1987-88 President of the Association; and

Whereas, the entire membership rose with a standing ovation in recognition of the work of convention chairman Ann Conklin of Howell, the GERMS regional professional society, and CORE Committee and staff in Lansing; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That tribute be hereby accorded to commemorate the fifty-second anniversary of the Michigan Recreation and Park Association; and be it further

Resolved That copies of this resolution be transmitted to Executive Director John F. Greenslit of the association and the honorees of this organization.

Adopted by the House of Representatives, March 11, 1987.

Adopted by the Senate, March 12, 1987.

———— ————,
Secretary of the Senate.
DANIEL H. EVANS,
Clerk of the House of Representatives.

HYDROGEN R&D/FUEL CELL ENERGY STRATEGY

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. BROWN of California. Mr. Speaker, today I am introducing three bills that I feel will improve the long-term energy security of the United States. The three measures would: (1) Establish a comprehensive program in hydrogen research and development; (2) call for research into the use of renewable energy to produce hydrogen for fuel cells; and (3) call for a national policy on the use of fuel cells.

Joining me as original cosponsors to the measures are Representatives DAVID MCCURDY, BUDDY MACKAY, DANIEL AKAKA, and HAROLD VOLKMER. The bills will be introduced simultaneously in the Senate by Senator SPARK MATSUNAGA.

Mr. Speaker, this country is on a collision course with an energy crisis that could compare with the oil embargo of the 1970's. With decreasing oil production capacity in the United States, we are again depending more on oil imports; the United States is currently importing more oil, as a percentage of domestic consumption, than it did in 1973. In my opinion, this dependency is courting disaster.

Preparing for a future energy crisis requires the development of alternate energy sources and more efficient and flexible electric power generation. We must invest in the technologies today that will support the world's energy needs as the availability of fossil resources decline.

HYDROGEN RESEARCH AND DEVELOPMENT

One promising alternative fuel source is hydrogen. Hydrogen is the most abundant element on Earth, and in many ways is the ideal fuel. If we can develop techniques for producing and using hydrogen fuel in a cost-effective and safe manner, hydrogen could indeed be the answer to our future energy problems. My bill, the "Hydrogen Research and Development Act of 1987," will bring us closer to understanding the full potential of hydrogen fuel.

From a technical as well as a societal perspective, hydrogen presents many benefits. The only combustion product of hydrogen is water, rather than carbon dioxide produced by fossil fuels. Thus, it is environmentally very attractive. Hydrogen is also energy efficient, providing more than double the energy per pound of conventional fuels. When coupled with other renewable energy systems, it can provide a convenient form of storing and delivering energy without major alterations in our current transportation and energy infrastructure. It is safe, being far less volatile than ordinary gasoline.

The demand for hydrogen fuel will likely increase manyfold as applications of the National Aerospace Plan Program become a reality in the late 1990's. The aerospace plane program is a joint NASA and DOD initiative, which will culminate with the construction of an X-series research plane capable of achieving extreme hypersonic speeds. The X-30 is expected to demonstrate transatmospheric capability, becoming the first fully reusable space faring vehicle. Preliminary estimates for the hydrogen needs of the aerospace plane are 300,000 pounds per month for the X-30 experimental vehicle in 1993. This demand alone would double the hydrogen usage on the west coast.

The Hydrogen Research and Development Act of 1987 would establish a comprehensive governmentwide hydrogen R&D effort to focus on the technologies that are needed for broad hydrogen fuel production and use. This bill provides for establishing advisory panels to advise Federal agencies on the conduct of hydrogen R&D, provide for demonstrations and technology applications programs, as well as providing for consultation among Federal agencies.

FUEL CELLS

While hydrogen may be the fuel of the future, fuel cells could be the preferred way to generate electricity in the future. The United States has been investing in fuel cell technology since 1965, when fuel cells flew on the Gemini V spacecraft. The fuel cell fulfilled the spacecraft's need for an efficient and reliable power generator with very high energy density. Since that time, the private sector has been interested in the technology and the Federal Government has been willing to support research. Electric powerplants of the future must be much more efficient than current plants, and be flexible enough to run on a variety of fuels. Fuel cells have already demonstrated this capability.

Fuel cell technology combines a hydrogen-rich gas with air, and converts the chemical energy of this mixture directly into electricity—with no intermediate combustion step. Because fuel cells transform fuel directly to electricity without an intermediate conversion to heat, less waste heat is produced and very high conversion efficiencies—in the range of 40 to 60 percent—are achieved. When a fuel cell is used in a cogeneration mode, producing both power and heat, it can achieve efficiencies as high as 80 percent.

While advances have been made in the use of fuel cells, this country still lacks a coherent national policy on fuel cells. We are at a point where the main barriers to fuel cells are not technological, but political. Congress and the administration have yet to formulate an implementation-related strategy that anticipates the market penetration of fuel cells. Such a strategy is needed in order to facilitate the attainment of payoffs from the Federal research investments. Reducing our dependence on oil and natural gas and improving our balance of trade could result from increased attention to research on integration with alternative fuel technologies and to export and regulatory aspects of implementation.

While much consideration has been given to fuel cell integration with many fuels such as petroleum, natural gas, naphtha, methanol, and even coal gas, the possibilities for integration with renewable energy sources have not been as thoroughly examined. Consequently, it is appropriate for the Department of Energy to create a modest research effort aimed at exploring the operation of fuel cells with methane gas generated from various forms of biomass. Such an effort would also include the use of wind, solar, and other renewable power sources to produce hydrogen for fuel cell use.

COMPETITIVENESS

The United States is not alone in the field of hydrogen R&D or fuel cell use. Other nations are moving ahead aggressively in these areas. With awareness of America's declining competitiveness so high, it is appropriate that we consider the consequences of allowing other nations to take the lead in these fields of research.

Germany is committed to supporting hydrogen research, and indeed some of the most impressive advances are being made in that country. Industry and government in Germany have joined forces for the purpose of hydrogen demonstration projects. Japan and Canada also have impressive hydrogen programs.

Japan has a program underway to push the fuel cell toward commercial status. The New Energy Development Organization, a Japanese equivalent to DOE, is now supporting the design and construction of systems which eventually will be scaled up to 10-MW demonstration size and then full-size plants for utilization by the 1990's.

Mr. Speaker, the Federal Government has the responsibility to monitor world events and establish programs that will enhance the overall strength of our economy. I believe hydrogen fuel research and fuel cell development are ways to hedge against a future energy crisis in America. In strongly encourage my colleagues to join me in cosponsoring the three bills I am introducing today as one aspect of future energy security. Below, I have provided a bill digest of the hydrogen legislation, and the complete language of the two fuel cell bills for my colleagues to review.

BILL DIGEST—HYDROGEN RESEARCH AND DEVELOPMENT ACT

Title I: Hydrogen production and Use—Directs the Secretary of Energy to prepare and submit to specified Congressional committees a comprehensive program management plan for a research and development program designed to permit the development of a domestic hydrogen fuel production capability within the shortest practicable time. Requires the Secretary to send the Congress an annual report which will include any necessary plan modifications.

Directs the Secretary to establish such program within the Department of Energy. Requires that the areas to be addressed in such program include production, liquification, transmission, distribution, storage, and utilization. Requires priority be given to production techniques that use renewable energy sources as their primary energy sources.

Requires the Secretary to conduct demonstrations of hydrogen technology to determine commercial applicability. The Secretary is required to present Congress with a comprehensive large-scale hydrogen demonstration plan complete with (1) description of research and development activities, (2) an assessment of the appropriateness of a large-scale demonstration program, and (3) an implementation schedule and budget for such a program.

Requires the Secretary to consult with other federal agencies and departments in carrying out this program.

Requires the establishment of a Hydrogen Technical Advisory Panel to advise the Secretary on the conduct of the hydrogen program. Requires the Panel to submit an annual report on the program to the Energy Research Advisory Board which shall subsequently report to the Secretary.

Authorize $10 million in FY 88 and $90 million in remaining years for this title.

Title II: Hydrogen-Fueled Aircraft Research and Development—Directs the Administrator of the National Aeronautics and Space Administration (NASA) to prepare and submit to specified Congressional committees a comprehensive program management plan for a research and development program for the development of a domestic hydrogen-fueled aircraft capability within the shortest practicable time. Requires the Administration to transmit to the Congress annual reports which include any necessary modifications with respect to the plan.

Requires the Administrator to establish such program within NASA and to prepare and transmit to the Congress a comprehensive flight demonstration plan which shall confirm the technical feasibility, economic viability, and safety of liquid hydrogen as a fuel for commercial transport aircraft.

Provides that the research and development program under this title shall include, at a minimum, the development of the systems associated with the production, transportation, storage, and handling of liquid hydrogen for commercial aircraft application.

Provides that the Administrator shall consult with other federal agencies and departments in carrying out the program.

Establishes a Hydrogen-Fuels Aircraft Advisory Committee to advise the Administration on the program established by this title. Requires the Committee to report annually to the Administrator on its activities and on the status of such programs.

Authorizes $10 million in FY 88 and $90 million in remaining years to carry out this title.

H.R. 2540

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fuel Cells Energy Utilization Act of 1987".

SEC. 2. FINDINGS.

The Congress finds that—

(1) while the Federal Government has invested substantially in fuel cell technology through research and development during the past 10 years, there is no national policy for acting upon the findings of this research and development; and

(2) if such a national policy were developed, the public investment in fuel cell technology would be realized through reduced dependency on imported oil for energy and the consequent improvement in the international trade accounts of the United States.

SEC. 3. INCLUSION OF FUEL CELLS AS A FUEL CONSERVATION TECHNOLOGY UNDER REIDA.

Section 256 of the Energy Policy and Conservation Act is amended by inserting at the end thereof the following:

"(e) For purposes of this section, the term 'domestic renewable energy industry' shall include industries using fuel cell technology.".

SEC. 4. ENVIRONMENTAL PROTECTION AGENCY GUIDELINES FOR USE OF FUEL CELL TECHNOLOGIES.

Within 180 days of the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall prepare Federal guidelines for cities and municipalities specifying environmental and safety standards for the use of fuel cell technology. In the preparation of the guidelines, the Administrator shall utilize the successful experience of the New York City Fire Department in the use of fuel cell technologies.

SEC. 5. DEPARTMENT OF COMMERCE INVESTIGATION OF EXPORT MARKET POTENTIAL FOR INTEGRATED FUEL CELL SYSTEMS.

Within 180 days of the date of enactment of this Act, the Secretary of Commerce shall assess and report to Congress concerning the export market potential for integrated systems of fuel cells with renewable power technologies.

H.R. 2542

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Renewable Energy/Fuel Cell Systems Integration Act of 1987".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that while the Federal Government has invested heavily in fuel cell technology over the past 10 years ($334,700,000 in research and development on fuel cells for electric power production), research on technologies that enable fuel cells to use alternative fuel sources needs to be undertaken in order to fulfill the conservation promise of fuel cells as an energy source.

(b) PURPOSE.—The purpose of this Act is to provide funds for research on technologies that will enable fuel cells to use alternative fuel sources.

SEC. 3. RESEARCH PROGRAM.

(a) PROGRAM AUTHORIZATION.—The Secretary of Energy shall implement and carry out a research program for the purpose of—

(1) exploring the operation of fuel cells employing methane gas generated from various forms of biomass;

(2) developing technologies to use renewable energy sources, including wind and solar energy, to produce hydrogen for use in fuel cells; and

(3) determining the technical requirements for employing fuel cells for electric power production as backup spinning reserve components to renewable power systems in rural and isolated areas.

(b) GRANTS.—In carrying out the research program authorized in subsection (a), the Secretary of Energy may make grants to, or enter into contracts with, private research laboratories.

SEC. 4. REPORT TO CONGRESS.

The Secretary of Energy shall transmit to the Congress on or before September 30, 1989, a comprehensive report on research carried out pursuant to this Act.

SEC. 5. AUTHORIZATION.

There are hereby authorized to be appropriated $5,000,000 for fiscal year 1988 to the Secretary of Energy to be used to conduct research as provided in this Act.

SCHOOL IMPROVEMENT ACT OF 1987

SPEECH OF

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 21, 1987

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 5) to improve elementary and secondary education, and for other purposes.

Mr. RANGEL. Mr. Chairman, I rise in support of H.R. 5, the School Improvement Act of 1987. This comprehensive bill extends and revises 14 Federal elementary and secondary education programs that expire in 1987, 1988, or 1989. All these programs are reauthorized through 1993.

As chairman of the Select Committee on Narcotics Abuse and Control, I especially want to commend the Committee on Education and Labor for extending the authorization for the Drug-Free Schools and Communities Act of 1986. This act, included in the omnibus Antidrug Abuse Act of 1986, authorizes for the first time a comprehensive program of Federal assistance to educate our young people about the dangers of drugs.

The Drug-Free Schools and Communities Act is, in a very real sense, the linchpin of the major antidrug program Congress enacted last year. Under the best of circumstances, it will take years to reduce the supply of illicit drugs affecting our cities and communities. Drugs are more readily available, cheaper, and purer than ever before. Each year, the production of illicit narcotic crops abroad increases. Each year, the amount of illegal drugs smuggled into and distributed throughout our country continues to grow.

In the select committee's study missions and official visits abroad, we have seen how powerful drug traffickers operate with near impunity through a combination of violence, intimidation, bribery, and corruption. In some countries, particularly in Latin America, the illicit drug traffic is so pervasive that it threatens the stability of democratic governments.

In our hearings around the country, we have seen how drug trafficking has overwhelmed law enforcement. Our borders are a sieve against the flood of illicit narcotics traffic. Federal law enforcement officials from Customs, Coast Guard, Border Patrol, the Drug Enforcement Administration, and others have testified that their agencies can do little to reduce drug availability as long as demand continues to grow. Federal officials from the President on down have been adamant in their statements that drug abuse education and prevention is the ultimate answer to our drug crisis.

Yet, prior to the Antidrug Abuse Act, the Federal Department of Education spent only $3 million a year for drug abuse education out of a budget of nearly $18 billion.

Our hearings also revealed strong support at the State and local level for comprehensive, school-based drug abuse education programs. But few States and localities have the resources to mount such efforts on their own.

In the Antidrug Abuse Act of 1986, Congress took strong action to try to protect our children against the onslaught of drugs. Congress authorized $200 million in 1987, $250 million in 1988 and $250 million in 1989 for a variety of initiatives to encourage the development of drug abuse prevention and education programs in elementary and secondary schools and institutions of higher education; to support community-based drug prevention programs; and to foster a strong leadership role by the Department of Education in drug abuse education efforts.

This historic legislation, enacted with overwhelming bipartisan support and cooperation in the Congress, makes a good start toward bringing drug abuse and drug trafficking under control.

It is only a first step, however. Much more remains to be done. In the area of drug abuse education, the testimony of State and local education officials before the select committee this year emphasized the need for a long-term commitment by Federal, State, and local governments if we are to have any impact at all on drug abuse by our Nation's youth.

For this reason, many of us in Congress were disappointed and angered when the President's budget for 1988 proposed deep cuts in drug abuse education and other programs authorized in the Antidrug Abuse Act of 1986. Just 2 months after the President embraced the Antidrug Abuse Act of 1986 in an elaborate signing ceremony at the White House, his 1988 budget proposed to cut funding for drug abuse education by $100 million from the 1987 level and by $150 million from the authorized level for 1988.

H.R. 5 sends the right message to the American people. By extending the authorization for the Drug-Free Schools and Communities Act through fiscal year 1993, it demonstrates that Congress is serious about making a long-term commitment to drug abuse education. By reauthorizing this program at $250 million in 1988 and such sums as may be necessary for 1989 through 1993, the bill provides flexibility for this program to grow as needed. The bill demonstrates that Congress did not intend the Antidrug Abuse Act to be merely one-time seed money but a downpayment on continuing Federal support for drug abuse education as part of a comprehensive strategy to fight drug abuse and drug traffic.

H.R. 5 also revises the Drug-Free Schools and Communities Act to assure the integration of youth suicide prevention efforts with State drug and alcohol education programs and to direct the Secretary of Education to conduct a study of the relationship between drug and alcohol abuse and youth suicide. Because drug and alcohol abuse appear to be an important factor contributing to the upsurge in youth suicide, I support these revisions to the act.

I also understand that the en bloc amendments to H.R. 5 to be offered by the distinguished chairman of the Committee on Education and Labor—Mr. HAWKINS—include some technical changes in the Drug-Free School and Communities Act and some revisions to increase the accountability of State and local programs. I have reviewed these changes and support their inclusion in the bill.

I urge Members to support H.R. 5.

CELEBRATE "NATIONAL FAMILY BREAD-BAKING MONTH"

HON. GLENN ENGLISH

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. ENGLISH. Mr. Speaker, I am introducing a resolution today to designate November 1987 as "National Family Bread-Baking Month." This resolution will give appropriate recognition to a culinary act that stresses the important values of family strength, unity, and togetherness. First drawn upon by our colonial ancestors, these values, inherent in family bread baking, permeated our American culture and are now being drawn upon by the modern American family to enable it to more effectively face the challenges of today's society.

The ingredients used in family bread-baking, including wheat, rye, corn, milk and cream, sugar, and eggs, represent a broad spectrum of U.S. farm products. Recognizing this fact, several agricultural-related organizations, including the National Association of Wheat Growers, the National Corn Growers Association, the Sugar Association, the United Egg Association, the American Butter Institute, the Future Farmers of America, and the National 4-H, have endorsed this resolution.

Designating "National Family Bread-Baking Month" recognizes the importance of the values embodied in the strong American family to our Nation's survival. For all of these reasons, I urge the support of my colleagues for this resolution.

The text of the resolution follows:

H.J. RES. —

Whereas baking bread in the home is a longstanding tradition in the United States and has contributed to the well-being and good nutrition of the family since colonial times;

Whereas individuals who bake bread in the home use agricultural products produced in the United States, including wheat, rye, and corn flour, dairy products, sugar, and eggs, and the use of such products contributes to the economic well-being of the States in which such products are produced;

Whereas bread baked in the home contains essential nutrients and is a healthy addition to the diet; and

Whereas baking bread in the home is a family activity that contributes to the strength and unity of the family and helps educate young people regarding traditions in the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That November 1987 is designated as "National Family Bread-Baking Month", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

A CHANCE FOR A CHANGE IN IRAN

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. DYMALLY. Mr. Speaker, I would like to submit for the RECORD a thoughtful statement by our colleague from Indiana, Mr. BURTON, which originally appeared as an op-ed piece in the Washington Times on March 27, 1987. I invite our colleagues to read it and reflect on the many important points Mr. BURTON makes. I believe his observations are significant in the consideration of how this 6-year war might be ended.

A CHANCE FOR CHANGE IN IRAN?

(By DAN BURTON)

The Tower Commission's report serves to abash our Mideast policies further at a time when the United States needs to take the lead in the region. This country must shake off its preoccupation with the Iran-Contra quagmire and face the harsh realities that confront us in the Persian Gulf.

The protraction of the Iran-Iraq war has grave implications, not only for U.S. interests, but for the suffering masses in Iraq and Iran. Iraq, seeking to end the bloodshed, has made numerous offers to negotiate an end to hostilities.

Perhaps the most abhorrent aspect of the war, now in its seventh year, are the reciprocal attacks on civilian targets. Since the beginning of the year, a third series of assaults has been launched, resulting in thousands of Iranians and Iraqi casualties and the flight of thousands more. Iraqi President Saddam Hussein recently agreed to a plea by anti-Khomeini Iranian Resistance Leader Massoud Rajavi for a two-week cease-fire with regard to the indiscriminate bombings of cities.

The Ayatollah Khomeini, under tremendous pressure, agreed to abide by the agreement, but within a few days violated it by continuing the attack on Basra.

It has become evident that the Khomeini regime cannot afford to end the conflict with Iraq. Mr. Khomeini desperately needs the war to divert attention from the economic crisis and brutal acts of repression at home. This is the classic case of using an external war to justify domestic chaos, but it has gone too far. His regime stubbornly refuses even to consider negotiations for peace, because without war the unmuzzled domestic situation will escalate out of control.

At the onset of Iran's war with Iraq, Mr. Khomeini was quoted as saying "War is a good thing; a gift bestowed upon us by God. The cannon's thunder in the battlefield rejuvenates soul."

This conflict represents the most devastating warfare since World War II. It is a war that calls to mind Iranian schoolchildren systematically dispatched to clear minefields, economic ruin totaling $500 billion, and the use of medieval torture techniques on anyone courageous enough to question Mr. Khomeini's policies. His brutal regime is responsible for tens of thousands of political arrests and executions. The war itself has caused an estimated 1.5 million casualties and more than 3 million refugees.

The intensity of this war has far from subsided. Mr. Khomeini's desperate attempt to take the city of Basra, which has claimed more than 150,000 casualties, has yielded no more than several kilometers of Iraqi territory of no strategic importance. Iran's troops remain extremely vulnerable to Iraqi fire and continue to sustain heavy losses.

President Reagan has recently initiated a much more pragmatic policy toward Iran. The president called for an immediate cessation of hostilities, opening of negotiations and a withdrawal to borders. There will be no more exceptions to the denial of munitions to both Iran and Iraq.

Secretary of State George Shultz's most recent trip to China, on which he tried to dissuade the Chinese from selling more arms to Iran, further strengthens our commitment to end hostilities. We must energetically pursue efforts to prohibit third countries from resupplying Iran with significant weapons systems and spare parts which enable Iran to prolong the conflict. This policy, termed "Operation Staunch," could have the most significant impact in halting the war.

The Khomeini regime is engulfed in a political, economic, and social crisis. We, as a nation, must take a stand for the Iranian people. The United States has an opportunity to champion democracy instead of theocracy or monarchy for Iran. Eventually, the will of the people shall overcome in Iran. Iran has seen the results of the shah and the Ayatollah Khomeini.

A popular movement is brewing within Iran which desires peace and denial of the excesses that the shah and Khomeini brought. We must support this effort, to allow those who want change in Iran to seek an alternative to Mr. Khomeini from outside his regime. This fresh approach to the region will not only strengthen U.S. interests, but will greatly improve our relationship with the Iranian people.

MSGR. MAURICE WOULFE MARKS 50TH ANNIVERSARY

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. NOWAK. Mr. Speaker, today I join the countless friends and admirers of Msgr. Maurice Woulfe in extending congratulations and best wishes on the upcoming observance of his 50th anniversary of his ordination to the priesthood.

Monsignor Woulfe since 1961 has served as the pastor of Infant of Prague Church in the town of Cheektowaga, which is part of the 33d Congressional District I am privileged to represent.

It is a distinct pleasure to note this career milestone Monsignor Woulfe has achieved and to point out his was a half century of distinguished service to God and country. His variety of church assignments and community service that included Boy Scout programs and the Cheektowaga Youth Board attest to his energy and commitment to improving the quality of life in our community.

At this point, I would like to insert in the RECORD the following brief biographical sketch which details some of Monsignor Woulfe's career highlights.

MSGR. MAURICE WOULFE

Msgr. Maurice Woulfe will observe his 50th anniversary of ordination to the priesthood with a Mass of Thanksgiving at Infant of Prague Church, Cheektowaga, on June 14 at noon.

Msgr. Maurice Woulfe was born in Castleisland, Ireland. He attended schools there including the seminary at St. Patrick College.

Msgr. Maurice Woulfe was ordained in 1937 and came to serve in the Diocese of Buffalo. Later that year he was assigned to the Diocese of Cheyenne, Wyoming, but returned to Buffalo in 1939.

Msgr. Maurice Woulfe has served at SS. Peter and Paul, Jamestown, and Immaculate Conception, East Aurora. He was appointed associate pastor at Our Lady Help of Christians, Cheektowaga, in 1941.

Msgr. Maurice Woulfe also served many community organizations during this time. He served as chaplain to the Boy Scouts and as moderator of the Cheektowaga Division of Catholic Youth Council.

In 1949, Msgr. Woulfe was appointed Diocesan Youth Director, where he served for 13 years. During this time he also served as chaplain of Our Lady of Victory Infant Home, administrator of Our Lady of Peace, Clarence, and was named the first chaplain of the St. Francis Home for the Aged in Williamsville.

Msgr. Woulfe has received numerous awards for his dedicated service. The Buffalo Area Council of Boy Scouts presented him its highest award, the Silver Beaver, in 1954. The city of Niagara Falls presented him the key to the city in 1955. He was named Clergyman of the Year by the former Courier Express in 1961.

Msgr. Woulfe was also named pastor of Infant of Prague in 1961. He directed renovation and remodeling projects which culminated in the rededication of Infant of Prague in 1978.

In 1968, Monsignor Woulfe was one of the first appointments made to the new Cheektowaga Youth Board where he served until 1971.

Msgr. Maurice Woulfe was named Senior citizen of the Year by the Town of Cheektowaga in 1978. In additon to his pastoral duties at Infant of Prague, Msgr. Woulfe serves on the Personnel Board of the Diocesan Council of Priests.

While we hail Monsignor Woulfe's golden anniversary, we also look forward to his continued community activism and his good counsel. Godspeed Monsignor Woulfe.

ART ORTON RECOGNIZED FOR MORE THAN 28 YEARS SERVICE TO THE PEOPLE OF CALIFORNIA

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. DYMALLY. Mr. Speaker, today Thursday May 28, 1987, Art Orton of Richmond, CA, retires after completing 28½ years of distinguished service to the State and the people of California. One of the toughest jobs in any State is to provide psychological services to those whose mental disturbances lead them to commit crimes. If any job is a pressure cooker environment, this one is. For the past 20 years, Art has held the demanding position of consulting psychotherapist at the California Medical Facility in Vacaville, CA.

Anybody with that kind of job needs a break once in a while. Art spent his time away from the medical facility taking what amounts to a busman's holiday: For 17 years, when he finished doing psychology, he went over to St. Mary's College to teach psychology. His course on the psychology of minorities, with special emphasis on blacks, has been a staple of that college's curriculum for as long as minorities have been represented on college campuses in substantial numbers. To add spice to everyone's life he also teaches a course on the criminal justice system every third year.

Art's practice of combining application with teaching has extended for the past 9 years to adult education through his participation as a consultant in psychology and sociology for the Extended Education Program at St. Mary's.

You would think that all this activity would use up Art's time. Not so. You see, Art is also an accomplished lawyer. He is a member of the State Bar of Tennessee and a member of the bar of the U.S. Supreme Court. Deservedly, you will find his biography in Who's Who in California. He says he's going to play golf now that he's retiring. Somehow I find that hard to believe. He's giving some thought to opening a private practice. That I believe. Have a great retirement Art, and don't forget to take an occasional vacation!

ST. PETERSBURG HIGH SCHOOL'S ADRIAN DAVIS—A SHINING EXAMPLE FOR OUR NATION'S TEACHERS

HON. C.W. (BILL) YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. YOUNG of Florida. Mr. Speaker, our Nation is troubled by reports that fewer and fewer Americans are entering the teaching profession and that as a result the quality of our children's education could suffer.

In St. Petersburg, FL, though, we have a shining example of one teacher whose infectious enthusiasm to teach and learn is shared by his students and should be a source of inspiration for those who are considering teaching as a career. Adrian Davis, a marine biology professor at St. Petersburg High School, retires at the end of this school year after 35 dedicated years of teaching.

Adrian Davis believes in discipline in the classroom and he believes in challenging his students to learn. The lessons he imparts on his students stay with them long after they graduate.

"He teaches you about life," says one student. "When you leave here you know about responsibilities and priorities."

Adrian Davis will be honored in St. Petersburg Wednesday by his friends and peers for his outstanding teaching career. It will be one of a long list of honors he has received over the years. Among those awards are being named National Biology Teacher of the year and Florida's Outstanding High School Science Teacher.

"Teachers have more exciting trophies," he says though. "They're alive. They walk around on two legs, and they remember. Our most memorable trophies are wonderful human beings."

Following my remarks, I would like to include a tribute to Adrian Davis that was written by Bob Chick for the Tampa Tribune, who found a man who "counsels and directs, inspires and refreshes" his students. It includes a number of recollections by former students who say that their success today is due in part to the influence of Adrian Davis.

Although his philosophy on teaching is simple, it is a lesson that we should share with our Nation's teachers.

"A good teacher," he says, "is one who creates an epidemic of learning in the classroom."

If our Nation is to remain at the forefront of technological development, our schools must inspire an epidemic of learning in all our students. America's teachers help shape our leaders of tomorrow, whether they be our leaders in science, business, or government.

Adrian Davis will be sorely missed in the classrooms of St. Petersburg High School, but his lessons of the past 35 years will remain in the hearts and minds of his many students who contribute to our Nation in all walks of life. And if our teachers of tomorrow can learn from his secrets of success, his enthusiasm and dedication to teaching can carry forth for generations to come.

Mr. Speaker, I want to commend Adrian Davis for the very positive influence he has had on so many students and wish him the best of luck as he begins his well-deserved retirement.

DAVIS TO RETIRE AFTER 35 YEARS AT ST. PETERSBURG HIGH

ST. PETERSBURG.—Four minutes into the class, old faithful erupted again. The voice shook the bones in the attic, and every eye froze in place. Ten seconds later it was over, and just as quickly a calm spread over the room and life went on again.

Since 1952, and as regular as a geyser at Yellowstone, Adrian Davis has been touched off. At worst, it is education by intimidation. Strange, though, intimidation is shed like an old skin after a few classes and a sense of marvel and wonder takes its place, almost as if a student suddenly realizes he's in the presence of a great teacher and the experience might never be duplicated. What evolves is an insatiable desire for knowledge.

All this ends a few days from now. The man who taught the first marine biology class in Pinellas County, the first human physiology instructor, gingerly steps into retirement after 35 years at St. Petersburg High.

He'll toll aside his white smock, given to him by one of his former pupils. Dr. David Strimer, the smock with "The Legend" embroidered on it. And he'll hear the words at a roast by former students June 3, a roast that surely will turn into a toast, and then he'll be The Teacher no more. He'll finish his book on marine biology, enjoy his painting and he'll travel.

They'll be some who will say the fanfare is overdone. There are many good teachers in the school system and Davis is just one of them, which is true.

He's a combination ham and showman, comedian and fire-and-brimstone orator. He counsels and directs, inspires and refreshes. To Davis, the mind is that of a field, one to be cultivated with care so it can reach the highest level of productivity.

"A teacher affects eternity," wrote Henry Adams, "and he can never tell where his influence stops."

So when old faithful spouts off it is part of the show.

"Don't talk when I talk," he said, the voice, a sonic boom trapped by the walls of the attic. He then glanced at the fifth period class, one student at a time. "I don't want anyone to ever talk when I am talking or you can get out of here. I don't want children in this room. Children belong in elementary school and middle school. Not in this room."

Again it was quiet, the mind ready to be cultivated.

Fifteen years ago they cleaned out the attic on the third floor of the school and Davis turned it into a classroom. They unbolted chairs, built shelves, knocked out walls and made it into a facility as unique as there is in education.

Adrian Davis, a former St. Petersburg High student, who came home to roost, fits the room as comfortable as an old T-shirt. This is his stage and his pupils the players. Theater in the oblong. There are paintings on the wall, a skeleton above, and bones and creatures of the deep and hundreds of jars with specimens. Even a freak show in formaldehyde—a three-fanged rattlesnake and a two-headed pig. All the parts in this jungle of clutter, a Smithsonian of the South, work toward the means.

"You turn them on by the ocean," said Davis between classes as he soaked in a temporary peace. "It is sort of like Tom Sawyer. You get them enthused by the approach, and they forget the big words you throw at them and it makes it fun to whitewash the fence."

The whitewash is more like an elaborate oil painting. Davis' has never found a marine biology textbook that meets his standard so everything is based on notes. It's college in high school. It is note cards and study habits and research papers. It's a pat on the back, a "good job" and "keep it up."

For four weeks that ended Thursday, it was a Spiny Dogfish Shark, scalpel and forceps, liver and stomach and brains. Dissection and understanding.

"The whole purpose of this," he told his class as he wandered among the tables, "is not really about the shark but to know about patience. Nothing comes in a second. Do you think the doctor operating right this minute on someone who has a brain tumor is hurrying so he can get to lunch? You have to have patience to dissect. Every doctor who has sat in this room worked on a shark first. They learned patience right here.

"You can not hurry a dissection. It is a step-by-step procedure. You are taking it apart not just to see how it works but for the purpose of learning . . . you never cut until you know that you are cutting."

Again, his voice slapped against the mind, almost like a wave against the shore with the message of patience as it weaved its way into the subconscious.

"He teaches you about life," said a fourth-period student. "He prepares you for college and I'm not so sure everyone really listens. I've had brothers before me who have had this class and what he says is so true. When you leave here you know about responsibilities and priorities." And so many other things.

His punch is packed with humor in the right hand, enthusiasm in the left. He blows them away with stories and molds them into his way of doing things by his zeal. This isn't just marine biology, this is love for a subject. And somehow love is the toughest thing to hide.

"A good teacher," he said, "is one who creates an epidemic of learning in the classroom." Davis every bit the performer, knows he's a good teacher and has told his classes, maybe with a touch of jest, he's the best there is at St. Petersburg High.

But you can take all those honors, including National Biology Teacher of the Year for Florida in 1972, or Florida's Outstanding High School Science Teacher of 1986, and a dozen others, and let them collect dust. "Teachers have more exciting trophies," he wrote in the 1987 school annual. "They're alive. They walk around on two legs, and they remember. Our most memorable trophies are wonderful human beings."

And as with so many of the good ones, he works to bring that out. "You will never be perfect," he has said, so many times since 1952, "but you should always seek perfection."

Suave and impeccably dressed and nary a hair out of place, he knows all his lines and seems to thrive on the spotlight. That's only a half-truth and a facade because it doesn't explain the yardstick.

No one can really explain the yardstick, only that he uses it to point to elaborate material on the board and to wave it around as if he were one of the Three Musketeers. They know he slaps the yardstick on the desk to get attention, and they know he has the timing down so that the sound jolts the nerves, but what they can't understand is why he keeps breaking the darn things?

Take the oak yardstick against the wall. It has been fractured and taped seven times. The one in his hand, a birthday present from Jordan, Jerry and Dan, has been broken three times. He has gone through 100 others. Maybe 200.

So you'd think he'd have it down pat by now, just how hard you can hit a desk before the stick breaks. "The class always seems to laugh when I broke one of them," he said as he tried to explain it away. He shrugged his shoulders.

Laughter. Laughter at the right moment. Just another tool of his profession.

Or his perfection.

Respect for Davis Widespread

St. Petersburg.—Retired teachers seems to disappear into the woodwork and most of them are never recognized for the job they have done or for their years of dedication. They are society's $1-million performers who go unnoticed but who shape so many lives along the way.

"They who educate children well, are more to be honored than they who produce them; for these only gave tham life, those the art of living well." So said Aristotle.

Adrian Davis who retires after 35 years at St. Petersburg High, the first marine biology teacher in the county, the third in the state, comes in for some pretty heady remarks, too. A sample:

Jay Fleece, attorney: "It was his enthusiasm that kept the class interested. You couldn't help but catch some of that . . . he was inspirational . . . certainly the best high school teacher I had."

Davis Strimer, dentist: "If it weren't for Mr. Davis. I'm not sure I would have been admitted to Emory. On a college night at the school, he grabbed me by the arm and took me up to meet the dean. He said, 'I think Davis is Emory material.' That might have been enough. I wound up with a full-tuition scholarship."

Mark Biddison, boat builder: "Just last week I cleaned out my desk and papers and discovered the only notebook I had from high school and college was my marine biology notebook. Mr. Davis was incredibly enthusiastic and encouraged me to go to school (also Emory) . . . my favorite teacher in high school. I can't think of anyone in college who was any better, either."

Joan Bailey, Hill's Travel: "He was more similar to a college professor than a high school teacher. There was no easy way out of his class. He forced you to learn the material, a sort of self-discipline that helped so much in college."

Charlie Crist, baseball attorney for the National Association of Professional Baseball Leagues: ". . . He created a more disciplined student. . . . He was one of those rare individuals who could have motivated anyone he came in contact with."

Dan Harvey, Harvey's 4th Street Grill: "There was competition just to get into his class and it brought the best out in you. You found youself studying twice as hard because everyone else was studying . . . he was tough, but he was genuine."

Paul Bailey, C&S Bank: "Best teacher I ever had. No question. The study habits he taught me helped me all the way through college. You didn't often find many teachers so interested and so much excited about a subject."

Stephanie Sauers, St. Petersburg High sophomore: "He is just an excellent teacher, the best I've had. He knows his subject and he can get to us in so many different ways. He talks about college and talks about priorities and what we have to do to get through college. My dad told me he was a terrific teacher. And he was right."

Richard Sauers, insurance, Stephanie's father: "He wants you to read, wants you to understand and he does everything to make everything so clear. There was so much practical learning in his class . . . he is literally one of a kind, maybe one in a million."

Dr. Harry Sauers, psychiatrist, brother of Richard Sauers: "When I was 8 or 9. I already knew I wanted to be a doctor. And when I got to high school he just reinforced it. He made a study of physiology come alive. When we had our 30th class reunion, he came and people were all around. I never could get to him. Maybe now I can. All I want to do is to say 'hi' and also to say, 'thanks.' "

THE SULFUR AND NITROGEN EMISSIONS TAX ACT OF 1987

HON. JUDD GREGG

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. GREGG. Mr. Speaker, last week I introduced legislation, H.R. 2498, aimed at reducing emissions of the pollutants which cause acidic deposition—one of the most severe environmental crises facing our Nation today. My initiative is a novel approach—an emissions tax—and I would like to take this opportunity to explain its essential elements and why I have chosen this route.

Although the politics surrounding acid rain legislation may appear complicated, experience tells us they are not: Such bills inevitably fail. Historically, regulatory approaches, with varying mixes of mandated reduction targets and cost sharing initiatives, have been introduced and referred to the Committee on Energy and Commerce, and this committee has steadfastly refused to approve a bill. In other words, in the present political context, the committee with the legislative responsibility to protect our environment has evolved into one of its primary hazards.

As such, it seems that proponents of acid rain legislation in the 100th Congress are faced with a dilemma: Either we go with the inertia, sticking with the traditional and comfortable approach, only to again run into the brick wall of Energy and Commerce, or we try to break out of the historical pattern. My feeling is that it is time for a new approach.

Consequently, I have introduced H.R. 2498, which would attack the problem from a new angle; namely, a pollution excise tax. As a tax proposal, it has been referred to the Committee on Ways and Means, in addition to the Committee on Energy and Commerce, giving the House of Representatives another avenue by which to approve an acid rain reduction policy.

This proposal departs from the traditional approach toward pollution control. Normally, a regulatory mechanism would be established with a schedule of mandated reduction targets and varying degrees of abatement equipment subsidies. My bill just establishes a simple economic mechanism—a tax. The degree of pollution reduction would not be based on regulation. Rather, the engine driving the emission reductions would be the economic decisions of the polluters as they react to their suddenly higher tax liabilities.

Revenues from this tax would accumulate in a trust fund, which would offer loans to polluting companies to alleviate the costs of pollution abatement. These loans would be offered with an opportunity for "loan forgiveness," structured so that the quicker a polluter reduced its emissions the more of a direct subsidy it would receive.

In addition to being unique, for many reasons I believe this approach is superior to those of the past. Most importantly, it would allow the free market, not a new legalese bureaucracy, to dictate the responses of individual polluters. As a result, pollution reduction would occur more swiftly and in a much more cost-effective manner. Put another way, under a market-oriented mechanism it would not be cheaper to litigate than to mitigate.

Further, with this approach the issue of scientific uncertainty, one of the most potent weapons of opponents of acid rain legislation, is largely diffused. The fundamental rationale behind a pollution tax is economic, not environmental. It says we should begin to put a price on some of the external costs of a given industrial process, such as the use of our air, water and other public resources. Doing so allows the price of the final product to reflect its true cost to society.

With this perspective, understanding the exact scientific processes by which pollution "uses" these external resources becomes secondary, if not moot.

Thus, in my view, the bill has three fundamental advantages. First and foremost, it would serve to protect our lakes, streams, forests and health, all of which are being continually and cumulatively damaged by the effects of acidic deposition. Second, it offers a new and better approach to the problem in terms of both cost efficiency and practical effectiveness. Third, it brings into the political debate a new dynamic—another front on which to attack the problem.

I developed H.R. 2498 with all three of these advantages in mind. However, if introducing it only serves to alter the discussion so that the 100th Congress finally approves some type legislation in this area, it will have achieved its primary goal.

Mr. Speaker, below is a summary of the main provisions of H.R. 2498. If any of my colleagues have any comments or questions as to this proposal, I urge them to please let me know.

THE SULFUR AND NITROGEN EMISSIONS [SANE] TAX ACT OF 1987 H.R. 2498, SUMMARY OF MAIN PROVISIONS

TITLE I. THE SANE TAX

A tax is levied on fossil fuel fired utilities and industrial boilers on their emissions of sulfur dioxide (SO_2) and nitrogen oxides (NOx).

Tax rate [cents per pound] is determined by rate of emissions [pounds per million Btus], and the tax is levied on the aggregate level of emissions [pounds].

Tax is multi-bracketed and progressive:

Bracket	SO_2 em. rate	SO_2 tax rate (cents)	NO_x em. rate	NO_x tax rate (cents)
1	0 to 0.6	0	0 to 0.4	0
2	0.6 to 1.2	15	0.4 to 0.7	10
3	1.2 to 2	30	0.7 to 1.4	25
4	2	45	1.4	45

Tax is phased in over time as follows: From date of enactment through 1988: 0 percent; 1989: 25 percent; 1990: 50 percent; 1991 and each year thereafter: 100 percent.

SANE Offset Credit: Companies with SANE tax liabilities may receive a 25 percent offset credit, based upon their capital expenditures for pollution abatement equipment. For purposes of the credit, the equipment will be treated as if it were being depreciated over a 10 year period, straight line. The credit is equal to 25 percent of the amount depreciated each year.

TITLE II. THE SANE TRUST FUND

A SANE Trust Fund is established in the U.S. Treasury, consistent of such amounts as may be raised through the SANE tax.

Amounts in the Fund shall be available in order to provide expenditures—

(1) for the payment of loans to SANE taxpaying companies to assist in their purchase of pollution abatement equipment or construction of new plants which serve to lower the companies' SO_2 or NO_x emissions rates,

(2) for the payments of expenses of administration incurred—(A) by the Department of Treasury in administering the fund, and (B) by the EPA in administering the loan provisions of the Fund.

(3) for federal projects which are related to the reduction of SO_2 and/or NO_x.

Loans for the installation of pollution abatement equipment are granted on an interest-free basis, and cannot exceed the amount of capital expenditures necessary to purchase and install such equipment.

Loans for the construction of new plants cannot exceed twenty percent of the capital expenditures associated with the construction (the cost of incorporating pollution control equipment), and will carry an interest rate two percentage points below the existing prime rate of interest. In order to qualify for loans from the Fund, new plants must be constructed so as to replace at least 75 percent of the capacity of a plant being retired whose emission rates fall into the third or fourth tax bracket.

Loans from the Fund are eligible for "loan forgiveness" under the following conditions:

1. Pollution abatement equipment loans: Loans for the purposes of installing pollution abatement equipment operate so that the company is given a ten year period in which to apply for a loan, install the abatement equipment and begin operation of such equipment. One-tenth of the loan is forgiven for each year after which the company installs and begins operation of the equipment prior to the expiration of the ten year period (i.e., if it takes a company four years to install and begin operation of its pollution abatement equipment, then it is required to repay only four-tenths of its original loan amount; six-tenths will be forgiven).

2. Construction of new plants: Loans for the purposes of constructing new plants operate in the same manner, but on a fifteen year basis.

Trust Fund surpluses may be authorized for the following uses:

1. Programs aimed at reducing SO_2 or NO_x emissions from sources not covered by the SANE tax,

2. Clean Coal Technology Research or Demonstration Projects,

3. Energy Conservation Programs,

4. Research and Development Programs for Alternate Energy Sources,

5. Research programs on the environmental effects of acid deposition,

6. Programs for the purposes of mitigating acid rain-related environmental damages,

7. Job retraining programs for workers found to be displaced by the effects of this Act, and

8. Treasury- and EPA-SANE tax related administrative expenses (up to 1% of Trust Fund fiscal year balance for each agency).

STUDIES

The EPA is directed to complete a study on the effectiveness of the SANE tax in reducing SO_2 and NO_x emissions, and then to make recommendations to Congress on appropriate adjustments in tax levels or other provisions in order to achieve its objectives.

The EPA is directed to study the operation of the SANE market-oriented approach and its potential applicability in alleviating other immediate or potential environmental problems, such as the dangers posed by hydrocarbons and airborn toxics.

A SALUTE TO GIRL FRIENDS, INC.

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. FAUNTROY. Mr. Speaker, I rise today to call to the attention of my colleagues in the House of Representatives the good works of Girl Friends, Inc., on the occasion of their 52d Annual National Conclave, scheduled for May 28–31, 1987.

The Washington Chapter of Girl Friends, Inc. will host this meeting, which will be attended by women from 38 chapters from across the country. These dynamic, progressive and civic-minded women are dedicated to the longevity of friendship, the spirit of volunteerism, and the promotion of goodwill.

I commend the Washington Chapter of Girl Friends for their many contributions to our community. They have raised more than $20,000 for local organizations such as the House of Ruth, the Washington Urban League, the D.C. Youth Orchestra, the Howard University Cancer Center, Martha's Table, the Columbia Heights Boys Clubs, the Dr. Martin Luther King, Jr., Mural Project, and the D.C. Public Library. I would also like to recognize the national organization for contributing over $50,000 to the United Negro College Fund.

The members of Girl Friends, Inc., are committed to enhancing and improving the quality of life in every city, town, and country where they have chapters. They serve as a shining example of women who see a need and work collectively to respond to that need.

Mr. Speaker, I invite my colleagues to join with me in commending Girl Friends, Inc., for their unity, strength, and strong sense of community pride. I trust that the 52d Annual Conclave will prove to be a most productive and successful meeting.

THE BLACK BUDGET

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. GUARINI. Mr. Speaker, the following article by Tim Weiner "Covert Forces Multiply, and Some Run Amok," is the last in a series of articles depicting the corruption and massive waste associated with the Pentagon's black budget:

[From the Philadelphia Inquirer, Feb. 10, 1987]

COVERT FORCES MULTIPLY, AND SOME RUN AMOK

(By Tim Weiner)

A dashing and much-decorated lieutenant colonel found himself in deep trouble in November.

His superiors had called him to account for millions of dollars drawn from the Pentagon's "black budget." The funds were for covert operations. He had used front companies, secret bank accounts, laundered money. Unconventional ways of doing business. His superiors pressed him for answers. His explanations didn't add up.

The dashing lieutenant colonel in question was not running arms to Iran. But his troubles foreshadowed that foreign-policy snafu.

Lt. Col. Dale C. Duncan of the Army's Special Operations Division ran a mission code-named Yellow Fruit. Housed in an ordinary-looking business office in the Washington suburbs, it was to provide undercover financing and security for covert Army units operating overseas.

The mission had run amok. Duncan stood before a secret court-martial Nov. 10 in a tiny, tightly guarded room at the Army's Intelligence and Security Command in Virginia. The charges against him were serious: forgery, theft and obstruction of justice. And military justice was severe: 10 years in prison and a $50,000 fine.

Duncan's case was only one in a series of Pentagon investigations into how secret military forces had spent hundreds of millions of dollars over the last six years. The investigations revealed abuses of money and power in covert Pentagon operations at home and abroad.

Now, after the revelations of back-channel deals to deliver Pentagon arms to Iran, and high-profile CIA support for the Nicaraguan rebels in Central America, the work of Duncan and his covert cohorts appears to be part of a larger pattern.

For the secret inquests at the Pentagon and the public controversy over the CIA's operations have a common root: All were part of a surge in covert action undertaken by the Reagan administration, action often concealed from Congress—and all were funded through the black budget, the Pentagon's cache of secret funds shielded from public scrutiny.

"This administration has overstressed covert action. They have tried to do too much," said former CIA director Stansfield Turner, a firm believer in the uses of secret operations.

"They have not limited covert action to situations where you have some chance of succeeding. They have undertaken covert actions so large and so controversial that they leaked out, they became overt," Turner said. "It has done some damage."

Today, Pentagon spending for covert operations around the world totals at least $2 billion, the most since the height of the Vietnam War, according to congressional overseers and military analysts. The money is split among the CIA and a host of secret Pentagon forces skilled in espionage, sabotage, psychological warfare and even the use of tactical nuclear weapons.

The Pentagon's black budget finances the CIA's covert action and the CIA director's contingency fund to support such operations. Together, these hidden accounts have more than doubled since 1981. The CIA's share of the $2 billion for covert action has reached at least $750 million a year, according to congressional sources who oversee the intelligence community. From El Salvador to Ethiopia, from Afghanistan to Angola, the black budget has supported more than 50 CIA covert operations around the globe over the last six years.

Beyond the CIA, black-budget funds for Pentagon covert operations and personnel have skyrocketed under the Reagan administration and now exceed $1.25 billion a year, according to congressional sources. The bulk of these missions are handled by the Special Operations Forces, whose members include Army Green Berets and Rangers, Navy SEAL commandos and an Air Force wing.

The Special Operations Forces are America's secret soldiers. In peacetime, their main mission is to carry out clandestine operations against foreign powers. Their motto is "Anything, Anytime, Anywhere, Anyhow." And their critics say that about sums up the problem.

In Central America, they have helped counterrevolutionaries who are trying to overthrow the Nicaraguan government.

In the United States, they have worked with the FBI, bugging and wiretapping the hotel rooms of visiting Soviet officials, according to congressional sources.

In West Germany and South Korea, they are trained to use small nuclear land mines called "backpack nukes" for sabotage, according to congressional records.

Hundreds of millions of dollars are being spent to buy weapons and equipment designed expressly for them: Polaris nuclear-powered ballistic-missile submarines converted to carry commandos, laser-guided weapons, sophisticated intelligence-gathering equipment, and the like.

Defense Secretary Caspar W. Weinberger has told Congress that building up Special Operations Forces is "one of this administration's highest priorities," and the Pentagon and Congress have spent the money to fulfill that desire. The Pentagon plans to have 20,000 covert soldiers by 1989. The forces' unclassified budget has risen from $440 million in 1981 to a requested $2.5 billion this year.

Part of this unclassified budget is channeled into covert activities undertaken by the Special Operations Forces. Separate black-budget funding also supports secret Special Operations missions, according to staff members of congressional oversight committees who spoke on condition of anonymity.

As the special forces' budgets have grown, so has their power. Today they are the American forces used most often around the world. They are "the only force we are actively using today to meet the Soviet challenge," Deputy Assistant Defense Secretary Noel C. Koch has told Congress.

Ties between the Pentagon's Special Operations Forces and the CIA appear to have grown stronger than at any time since the incursions of U.S. forces into Laos and Cambodia during the Vietnam War. In the eyes of some members of Congress, the close ties are calculated to allow the CIA to evade congressional oversight.

That is because the Special Operations Forces have one freedom the CIA does not: They are not required to report their covert activities to Congress. "There's a real danger that these special forces could be used by CIA programs and thus skirt congressional review," said Sen. Jim Sasser (D., Tenn.).

And, although the CIA is supposed to inform Congress of its covert operations, the CIA, under director William J. Casey, interpreted that requirement loosely. Working to overthrow the Nicaraguan government, mining the Nicaraguan port of Corinto, supporting the Nicaraguan contra rebels, the CIA has consistently acted without informing Congress, straining the bounds of its charter.

As just one example of that strain, the CIA last week forced its station chief in Costa Rica to retire. The agency decided that the station chief had lied about the depth of his involvement with Lt. Col. Oliver L. North, the National Security Council aide who was fired in November for shipping arms to Iran and then reportedly diverting funds to the contras. The CIA station chief apparently worked closely with North to funnel aid to the contras when such military assistance was forbidden by Congress.

The investigations of how military men and CIA agents have collaborated on ill-fated and possibly illegal foreign-policy initiatives are continuing. Already they have put a spotlight on the CIA, and have suggested that its operations have grown beyond the laws intended to control them.

But little attention has focused on the Pentagon investigations into the use and abuse of covert military operations. Those internal inquiries have found financial or political wrongdoing in four secret military units, including Duncan's, detachments of highly motivated soldiers whose influence grew strong in the Reagan years, nurtured by hundreds of millions of dollars from secret Pentagon accounts.

"THE CRAZIES IN THE BASEMENT"

Ronald Reagan came to office in 1981 on the day Iran released Americans held hostage for more than a year. He vowed repeatedly to strengthen American forces so that the United States never again would be humiliated by a hostile nation.

Out of this vow sprang a host of new military and intelligence initiatives. The CIA would be given new freedom and new vigor. The armed forces would have billions upon billions of dollars in new funds. There would be new faces, new missions, new forces.

One of them was a new Army Special Operations Division, which began with an annual budget of at least $100 million a year. The officers attached to the division had headquarters in a subterranean Pentagon office. Their methods were unconventional and their projects were ambitious. They quickly became known at the Pentagon as "the crazies in the basement."

Among them was Lt. Col. Dale C. Duncan. In 1981, when the Special Operations Division took shape, he was only 35 years old. But he rose to command a domestic Special Operations mission, code-named Yellow Fruit.

Sometime in 1983, one of the men assigned to Yellow Fruit blew the whistle on Duncan. He reported allegations of gross financial misconduct, and worse. Thus began a slow, painful, three-year internal investigation by Pentagon officers who were forced to apply standard accounting practices and military regulations to a free-wheeling covert operation.

The unclassified court record in the Duncan case suggests that the main mission of Yellow Fruit was to disguise the activities and finances of Special Operations Forces operating in Central America and elsewhere overseas.

Much of the stenographic record of Duncan's court-martial is classified and most of the court-martial's sessions were closed to civilians, so the public record in the Duncan case is scant.

But the public record strongly suggests that large sums of money disappeared into a company called Business Security International, based in the Washington suburb of Annandale, Va., and intended to disguise the existence of Yellow Fruit and related missions.

In law-enforcement terms. Business Security International was a front. It was created as an instrument to finance and conceal Special Operations Division activities.

Yellow Fruit funds were laundered—their source disguised by paper transactions—to give the secret unit the ability to deny its financial ties to the Army, according to the court record. Nor could some of the funds be traced once they were spent. The Special Operations Division's accountant Maj. Ronald Lee, testified at the court-martial that "there were no controls [over] an organization that was spending hundreds of thousands, millions of dollars."

One of the signs of the struggle to rein in the mission lies in the case against Duncan's commanding officer, Col. James E. Longhofer, the former head of the Army's Special Operations Division. Longhofer was the division's liaison with CIA. He was not accused of financial wrongdoing, but he was charged and convicted of dereliction of duty, disobeying a lawful order and conduct unbecoming an officer, and he received a two-year prison sentence. The record suggests that Longhofer failed to report allegations of Duncan's misconduct to his superiors.

The case was not an isolated incident involving a single runaway unit. It sparked a series of Pentagon investigations into the books and records of the Special Operations Forces.

Congressional investigators say these internal audits disclosed financial abuses by at least two other units. They said 80 members of the Delta Force—representing one-fourth of the super-secret guerrilla unit based at Fort Bragg, N.C.—were disciplined for financial reasons. And, they said, there were similar problems in a Special Operations unit code-named Seaspray, which flew aerial reconnaissance missions in Central America for the CIA and the National Security Agency.

No public record of these investigations is known to exist. What is known as that Yellow Fruit, Seaspray and the Delta Force all reported to a group called the Intelligence Support Activity.

THE ACTIVITY

The Intelligence Support Activity was a secret spy squad, with a corps of at least 250 officers, that the Pentagon created in 1981 behind Congress' back, according to interviews with several congressional investigators.

The group rose from the ashes of the failed attempt to rescue Americans held hostage in Iran in 1979 and 1980.

During the hostage crisis, according to congressional sources and military analysts, the CIA had almost no one in Iran to provide what it calls "human intelligence," the kind of information that satellites and other high-tech sources cannot gather. Its ability to spy on Iran was crippled. The military was being asked to mount a dangerous assault in a strange country without crucial information.

So the Pentagon formed an ad hoc unit to gather intelligence for Operation Eagle Claw, the Iran hostage-rescue mission.

Eagle Claw was a disaster. The mission aborted in death and destruction as aircraft collided in the Iranian desert. Among the lessons the Pentagon decided it had learned from the failure was this: Never improvise espionage for such a mission. The military concluded that it needed a permanent, unified, covert group to coordinate paramilitary actions and intelligence-gathering.

Thus the Intelligence Support Activity was born.

Its members simply called it "the Activity." It was formed shortly after Reagan took office in 1981, according to one Congressional source, with at least $10 million in seed money from the Special Operations Forces budget.

Two officers who are said to have participated in the Activity were Lt. Col. Oliver L. North and Maj. Gen. Richard V. Secord.

North was the National Security Council's point man on covert operations. His energies helped convert the NSC from a body that assisted in making policy through painstaking analysis into an operational wing of the CIA and the Pentagon. Secord would emerge as a central figure in the Iran arms deal, sharing a secret Swiss bank account with North. He was an Air Force commander with a rich background in covert actions dating back to the 1960s, when he worked with the CIA in directing a secret air war in Laos.

In the first months of the Reagan administration, North and Secord began working together on the controversial $8 billion sale of Airborne Warning and Control System (AWACS) radar planes to Saudi Arabia. The sale apparently generated several hundred million in extra Saudi funds to support U.S.-backed guerrillas in Afghanistan and Central America.

In December 1981 and January 1982, North worked with the Activity on attempts to free Brig. Gen. James L. Dozier, a senior American NATO officer kidnapped for six weeks by Red Brigades terrorists in Italy.

The Activity worked on many of the Pentagon's most sensitive missions, first and foremost of which was to support the Nicaraguan contras. There also were covert actions undertaken in Europe, Africa, Southeast Asia and the Middle East, according to intelligence analysis.

Then, in March 1983, the Activity's cover was inadvertently blown by a former special forces lieutenant colonel testifying before a House Foreign Affairs subcommittee.

Retired Lt. Col. James "Bo" Gritz told the subcommittee an amazing story. Gritz had long contended that some American soldiers missing in action were still alive in Laos. He told Congress that he had worked with the Activity on plans for a secret mission to find these Americans, if they existed.

"The Activity was a field unit and would have put an American across into Laos to verify, using various recording means, the presence of Americans thought to be at specified locations,". Gritz testified.

There was a problem with Gritz's testimony. Congress never had heard of anything called "the Activity" and was disturbed to learn that the Pentagon had a secret detachment of spies and Rambo proto-types running around the world.

Congress was not opposed to such missions—far from it. Congress during the Reagan years has supported them with hundreds of millions of dollars. But Congress said it wanted to be told about espionage activities, preferably in advance. That is the law.

A subsequent investigation by Lt. Gen. William Odom, now the head of the National Security Agency, apparently determined that the Intelligence Support Activity was out of control. There was little or no oversight, and there were some bizarre financial doings. For example, the investigation found that, for reasons unknown, Special Forces officers bought a Rolls-Royce and a hot-air balloon from federal Drug Enforcement Administration agents.

There followed something of a purge of officers associated with the Activity, according to military and intelligence observers.

Secord left the Pentagon in May 1983 to become a private arms dealer and consultant. He quickly secured a $1,260-a-week consulting job with the Pentagon's Office of Special Operations. In the fall of 1983, the Pentagon hired him as a member of the Special Operations Policy Advisory Group, a group of retired generals who were asked to provide "disinterested, expert advice" on covert actions. While he advised the Pentagon, he dealt in the international arms market and secretly worked with North on supplying the contras.

No one seems to know exactly what became of the Activity. Did it cease to exist after its cover was blown? Was it renamed and reshuffled? Were its members swallowed up by the revitalized Special Operations Forces? Pentagon officials deny anything called "the Activity" existed in the first place, so they cannot confirm or deny its continued existence. Congressional overseers don't know or can't say.

SECRET WEAPONS, SECRET WARS

The embarrassing realization that Congress didn't know of the Activity opened an old wound. Salved and partly healed, it was ripped open again and again by other revelations that caught Congress by surprise—the administration's secret mining; of Nicaraguan harbors in 1984, the secret arms deals with Iran, the secret flow of aid to the contras in apparent defiance of a congressional ban.

Old questions without clear answers are being asked again. How does an espionage agency function in an open society? How much control should Congress have over covert operations? Who decides what should be kept secret?

In William J. Casey's CIA, the answer were clear.

The now-retired CIA director said he did not want a low-profile agency, he wanted "a no-profile agency," as he told an interviewer in 1983. But the sweep of the CIA's mission under Casey may have sabotaged that desire according to Turner and other intelligence professionals.

Sen. Patrick Leahy (D. Vt.) of the Senate Intelligence Committee said Casey's flaw as CIA director was that "he so strongly supported covert actions—in fact, substituted covert-action policies for foreign policy—in a way that built up a layer of distrust."

Casey's mandate was to rebuild a CIA that had been damaged by discoveries of misconduct and repeatedly reined in during the 1970s. The resurgence of the CIA began that day Reagan was inaugurated as President. The director of central intelligence was given a new status the rank of cabinet member. Under Casey's leadership, the CIA's budget doubled since 1981. Funds for covert actions grew even faster than the overall CIA budget.

And the mumbling oblique testimony Casey gave Congress kept legislators in the dark about some of the CIA's biggest and most controversial missions.

"It's important to understand the contempt Casey has for Congress and the whole oversight process," a former high-ranking intelligence official said in an interview before Casey's resignation last week.

Covert operations, cut back to a bare minimum under Presidents Gerald R. Ford and Jimmy Carter, soared in number and scope: Iran, Nicaragua, El Salvador, Ethiopia, Chad, Cambodia and Lebanon were some of the sites for the more than 50 covert operations launched under Casey, the most since the days of Vietnam.

Congress has limited powers to oversee covert action. Since 1974, the law is that the president must "find" the action "important to the national security of the United States," and that certain members of Congress must be informed of his finding "in a timely, manner." The president legally can restrict knowledge of covert action to eight members of the Senate and the House: the chairmen and vice chairmen of the intelligence committees, and the majority and minority leaders.

Of course, he also can violate this understanding, as many in Congress contend President Reagan did in authorizing arms shipments to Iran.

"It's a process that allows the executive branch to make law," said a senior congressional overseer of the intelligence community. "At its worst, it is an erosion of democracy."

Now Casey has retired and lies gravely ill in a Washington hospital while a firestorm of criticism grows over the CIA's role in swapping weapons for hostages with Iran.

And Congress once again is struggling to define its power to oversee the uses and abuses of secret funds, secret weapons and secret wars.

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200 YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (MAY 28)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. SHARP. Mr. Speaker, the Convention spent the second day establishing the ground rules that would govern its proceedings. There was the risk of immediate dissension among the delegates, but the smooth enactment of 14 guidelines indicated more than anything the eagerness of the delegates for the Convention to succeed.

A potentially controversial rule giving only one vote to each State on all Convention decisions embraced a concept that itself had brought many of the representatives to Philadelphia to change. However, delegates from the larger States realized that patience would be a prudent course in the long run and agreed to the arrangement.

In order to encourage delegates to speak their minds freely, another rule was adopted preventing participants from releasing information about the deliberations to the press and the public. However, then as now, there were leaks from time to time.

INTRODUCTION OF THE PLASTIC WASTE REDUCTION ACT OF 1987

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. PANETTA. Mr. Speaker, the world's seas and oceans, already polluted with spilled oil, toxic chemicals, and radioactive waste, are now being fouled by a new and insidious form of pollution—plastic waste. More than 12,500 tons of plastic refuse is being dumped or lost in the world's oceans each year, and it is estimated that the United States could be a source of approximately one-third of this litter.

This plastic pollution is killing millions of birds, fish, whales, seals, and sea turtles every year, according to marine scientists. Research has shown that the animals die after becoming entangled with discarded or broken plastic fish nets, straps, trawls, seines, and snares, and also die after eating pieces or tiny particles of plastic that are being dumped into all of the world's marine waters. The evidence suggests that 1 to 2 million sea birds die each year from becoming entangled in plastic nets or from eating bits of floating, discarded plastic. And more than 100,000 sea mammals, including whales, dolphins, seals, and manatees meet similar deaths.

Detergent bottle caps, chips from styrofoam containers and toy soliders, cars, and animals have been found in the stomachs of some 50 species of sea birds and many species of fish, turtles, and mammals. Plastic items such as six-pack holders, which are said to have a lifespan of 450 years in an average outdoor environment, have been reported to entangle numerous species of marine birds. Seals and sea lions in remote islands off Alaska have been found fatally entangled in plastic strapping bands dumped by merchant marine vessels.

In fact, in addition to merchant shipping, passenger vessels, the military, oil drilling rigs and platforms, commercial fishing activities, and municipal waste dumping are also significant sources of this waste. In my home State of California, 1,600 volunteers recently cleaned some 300 miles of coastline resulting in a collection of over 89 tons of debris within 3 hours. It was estimated that 5 tons of this debris was comprised of styrofoam in the form of fast-food containers, coffee cups, packaging materials, and ice chests. An additional 3 tons of plastic included 4,500 six-pack holders, 6,000 plastic containers and bags, 930 pieces of fishing line, and 200 pieces of netting and strapping.

I am pleased to report that steps have been taken to mitigate the serious problems caused by lost or discarded plastic debris in the marine environment. In 1973 the U.N. International Maritime Organization held a conference that resulted in the adoption of the International Convention for the Prevention of Pollution from Ships, also known as the MARPOL Treaty. Unfortunately, annex V of the treaty, which contains regulations specifically prohibiting "the disposal of all plastics" from all ships at sea except under certain situations, is an optional annex under the treaty. It has not been ratified by the United States and is not enforced.

Some States are also taking steps toward dealing with plastic pollution. Texas, which is impacted by plastics discarded from offshore oil platforms, has established a Special Committee on Texas Coastline Rehabilitation and has initiated a major program to address the problem. California, New York, Massachusetts, Oregon, Vermont, Alaska, Delaware, and Connecticut have banned the use of nonbiodegradable plastic beverage six-pack holders.

The plastic industry is also aware of the problems due to increased production of plastics in combination with the general public's littering habits. In realizing the need for plastic recycling and recovery programs, several companies have established programs to promote recycling research and development. According to the Plastic Bottle Institute, a division of the Society of the Plastics Industry, a variety of items, such as insulation and construction components, are being produced from recycled plastic soft drink and milk bottles.

While these efforts demonstrate the fact that alternatives exist, and that much can be done to mitigate this serious problem, it is clear that there must be a strong national and international effort to effectively deal with the plague which threatens the world's marine life. To this end I am today introducing legislation, the Plastic Waste Reduction Act of 1987, to seek and implement sensible solutions to the plastic waste problem.

The bill would require the Administrator of the EPA to undertake a study of possible solutions to the problems associated with plastics pollution on the environment. The bill would also enable the administration to make recommendations to the Congress as to what actions might be taken to eliminate or lessen such adverse effects. The Administrator would be required to identify those recommendations which there is existing authority to implement, and those recommendations which would require legislative action by the Congress. Finally, the Administrator would be required to identify those items which could be made of a naturally degradable material and make this requirement through regulation.

It is my hope that the introduction of this legislation will help to focus attention on this serious problem and that we can soon begin to implement those solutions which are readily available. I am also hopeful that new and innovative solutions can be found and that the world's marine life can be relieved of this serious and unnecessary threat.

HAROLD AND SYBIL EFFRON CELEBRATE 50TH WEDDING ANNIVERSARY

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. CARDIN. Mr. Speaker, on Saturday, June 13, two of my constituents will celebrate their 50th wedding anniversary. I am proud to honor this momentous occasion in their lives.

I congratulate Harold and Sybil Effron for their lifelong commitment to values which have made this country great. Through their 50 years of wedded bliss they have raised a fine family which is devoted to them and follows their fine example.

I am happy to salute Harold and Sybil Effron and their family—Tova, Barry, Leslie, and Michele Effron; Deborah, James, Jill, and Melissa Effron; Rochele, Mark, Malcah, and Shonna Effron.

EXPORT FINANCING

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. BONKER. Mr. Speaker, with a U.S. trade deficit of $169.8 billion for 1986, it is imperative that we increase our export performance. Yet one finds that small- and medium-size companies all over the United States are experiencing tremendous difficulty in locating banks willing to finance their exports. U.S. banks are now characterizing export-related business as either too risky or too time-consuming. Many trade financing departments have been eliminated completely in order for banks to concentrate their efforts on more profitable loans, such as mortgages. Perhaps even more detrimental to the U.S. economy is the fact that foreign banks are now capitalizing on this lack of U.S. financing. Foreign banks, particularly those in Japan, West Germany, and Britain, provide about one-third of the export credit obtained in the United States.

The Export-Import Bank of the United States has recently revamped their direct loan and guarantee programs in an effort to become more attractive to small- and medium-size firms. While I applaud the actions taken by the Eximbank, one bank's efforts alone will not solve this dilemma. More attention must be called to this obstacle for our exporters and solutions must be found.

A recent article in the Wall Street Journal illustrates my point. I have enclosed a copy of this column for my colleagues' information.

[From the Wall Street Journal, May 15, 1987]

FINANCING FOR EXPORTS GROWS HARDER TO FIND FOR ALL BUT BIG FIRMS

(By Peter Truell)

When Jernigan Trading Co. of Knoxville, Tenn., wanted to sell white oak and black walnut to Western European furniture makers, it spent a year and a half looking for a bank interested in financing exports.

During that time, it nearly had to close up shop. "We had no credit lines," recalls Victor Jernigan, the company's president. He says that nine Southeastern banks turned him away because they didn't do such business. "It's those auto loans that banks want to do," he says. "Export trade isn't in fashion now."

Finally, after a pair of thousand-mile round trips to Baltimore, Mr. Jernigan got a $500,000 loan from Maryland National Bank.

For small- and medium-sized companies all over the U.S., finding banks to finance and guarantee exports has become much more difficult. Over the past few years banks have largely given up such business. "Obtaining export finance is probably one of the most difficult things an exporter is confronted with," says Michael Rice, an executive vice president at Irving Bank Corp., whose Irving Trust is one of the few major New York-based banks that still court smaller exporters.

HAMPERING EFFORTS

The change is hampering potential exporters' efforts to capitalize on the weaker dollar. It also helps explain why it is taking so long to reduce the huge U.S. trade deficit, which last year widened to $169.8 billion from $148.5 billion in 1985. Small- and medium-sized companies are estimated to account for one-third of U.S. exports.

Exporters usually seek bank financing to guarantee payment for the goods they sell overseas or for working capital to produce goods. Unless an exporter is among the biggest in the country, it requires bank help, says H. Jurgen Schlichting, who manages Westdeutsche Landesbank Girozentrale's New York office.

But from small regionals to money-center behemoths, banks are passing up export-related business as insufficiently profitable and too time-consuming and risky. The strong dollar of a few years ago and the world debt crisis persuaded many banks to cut back or close international and export-finance departments. Now, their trade-finance departments mostly survive on import financing, and they prefer to concentrate on investment banking and retail customers.

PUMPING GAS

"The expertise in the banks has vanished. I don't know what's happened to those guys. I guess they're pumping gas or selling old ladies Visa and MasterCard," says Charles Zemene, the commercial finance director at Terex Corp., a heavy-equipment manufacturer in Hudson, Ohio. He used to work in Chase Manhattan Bank's trade finance department.

"Banks generally have considerably reduced their export financing capabilities and marketing efforts,"says George Cashman, the vice president responsible for trade finance at Morgan Guaranty Trust Co.

Like most other big U.S. banks, Morgan has dismantled most of the costly framework that helped it provide companies with export-finance services. "Ten years ago we had a large group that [sold services to] domestic companies and spent a lot of time educating U.S. companies about how we could assist them to export," says Mr. Cashman. But he says, there just wasn't enough profit in such business. So Morgan, setting a trend, turned its U.S. export-finance department into a consultancy for financing very large foreign projects and turned its attention to financing exports in Britain and other countries where such services are more profitable.

ECONOMIC BASIS

"The U.S has never recognized that other countries do things to make export financing attractive to their banks." Mr. Cashman says. Adds a trade-finance specialist at a big money-center bank: "For there to be a resurgence of U.S. bank interest in supporting exports, there has to be an economic basis for it."

In the meantime, Terex's Mr. Zemene says the company often can't match the financing packages offered by its foreign competitors. Its bankers aren't interested in winning such business, he says. Japan's Komatsu Ltd. recently won $5.6 million in contracts to supply heavy trucks to Mexico and Chile with financing packages from Japanese banks that Terex couldn't match, Mr. Zemene says.

In Hardwick, Mass., Mare Villa, the president and treasurer of North Atlantic Timber & Shipping Co., says: "It's hard for a small company. There's a major Catch-22 involved. You need export insurance to get financial expertise, but in order to get export insurance you need financial expertise." Mr. Villa's company has annual sales of between $10 million and $12 million, mainly of oak, ash and cherry to furniture makers in the Far East, Europe and the Mideast.

Roscor Corp., a family-owned business in Mt. Prospect, Ill., won a $5 million contract to build television trailers for the South Korean Olympics, its biggest order to date. It managed to complete the order with the help of loan guarantees from the U.S. government but found that it had to do most of the export-finance work itself because of a lack of local bank expertise.

"If the bank had known more about it, that would have helped us," says Mitchell Roston, a Roscor vice president. Enviously, he recounts how Japanese banks in the Midwest hold regular meetings to help Japanese companies win export business and how smaller Japanese companies are allowed to band together to win export contracts.

The problem is particularly bad for those that export to developing countries, which are often mired in billions of dollars of foreign bank debt. In El Dorado, Kan., it used to be straightforward for International Petroleum Services Inc. (annual sales: $12 million to $20 million) to borrow money against a letter of credit when it sold oil equipment to a country in Asia or Latin America. Now it's "like pulling teeth," says Richard Teichgraeber, the president, "One time we had even completed the order before we got the financing."

Following Morgan Bank's path, Chase has cut its export-finance staff by about two-thirds and turned it into a consultancy that sells advice and services, mainly to large companies and other Chase units.

SCALED-DOWN OPERATION

Chemical Bank closed its global-trade-finance group at the end of 1985, though a Chemical spokesman says that the bank now offers export finance through other departments. The unit used to have offices in New York, Los Angeles and Chicago. San Francisco-based Bank of America "scaled down its whole operation in May 1985," a spokeswoman says. Bankers Trust Co. has cut back its staff in this area but continues to finance large exports, according to Lawrence J. Brainard, a senior vice president and the bank's chief economist.

For at least one small exporter, such changes meant running a gamut of banks that didn't want his business. Roy V. De Mellio, who runs Offshore International Ltd., a New York textile factoring company, tried to get trade credit to finance the apparel and fabrics he exports to Latin America. Despite more than 20 years in factoring, or buying accounts receivable, he says, he was turned down by Bankers Trust, Chemical, Chase, Citibank and others. Fortunately for him, he caught the eye of Alfred F. Daiboch, a Bankers Trust lending officer. When Mr. Daiboch switched jobs to head trade finance at the New York branch of

Italy's Banca Nazionale Del Lavoro, he financed Mr. De Mellio's business.

A few U.S. banks still court export-finance business, including Maryland National, First National Bank of Maryland and Pittsburgh National Bank. Among big banks, Irving Trust is pursuing a dogged individual strategy. Mr. Rice, who was recruited from Chase to lead Irving's trade-finance business, says, "Irving senior management has said trade finance will be important in the longer term. It's definitely against the trend, but I think that trend will reverse in the next 12 to 18 months" as the need for financing grows and the understanding of the problem improves.

SEEKING A NICHE

Meanwhile, foreign banks are doing some small-export financing. "The foreign banks are all trying to find a niche in this market, and the exit of the U.S. moneycenter and regional banks from export finance has provided us with that niche," says Malcolm Koch, a trade-finance specialist at DG Bank of West Germany in New York. Mr. Koch, who once worked for Chemical Bank, is—like Mr. Daiboch—part of a widespread shift of experienced U.S. export financiers to foreign banks.

The foreign banks—particularly those from West Germany, Japan and Britain—now provide about a third of the export credit granted in the U.S., according to trade-finance experts.

But the foreign banks are only picking off selected business. According to bankers and exporters, these banks are usually eager to land major customers and are often interested only in financing exports to countries near their home bases. They are leery of financing agricultural exports to developing countries. "One of the reasons why the agricultural community can't export to [developing countries] is they can't get the financing," says William Anderson, the head of international operations at First National Bank of Minneapolis.

Even big companies have trouble getting financing for exports to debt-ridden countries. One is the Wabco unit of Dallas-based Dresser International Corp., a heavy equipment maker with 1986 revenue of $3.66 billion. Says Frank Calvert, the export-finance manager: "Zambia, the Philippines, Chile and Brazil: Those are the most difficult ones for us. For Latin America, it's difficult to find a financial institution to do the coverage."

BANKS' RETREAT

Recent Federal Reserve Board statistics indicate the extent of U.S. banks' retreat from export finance in developing countries. Outstanding trade finance lent by U.S. banks to Asia, Latin America and oil-exporting countries totaled $37.7 billion at the end of the 1986 third quarter, down 12% from $43.1 billion six months earlier.

But getting financing for exports to Europe can be difficult, too. When Mr. Calvert wanted to get bank guarantees for a recent equipment sale to Yugoslavia, he had to turn to the New York branch of Spain's Banco Atlantico S.A. His local banks wouldn't touch the business, he says.

Bankers don't apologize for their withdrawal from export finance. Frank Graebner, a trade-finance specialist at the Chicago office of Britain's National Westminster Bank, says that on typical government-backed export-credit business, U.S. banks make a 1½ percentage point interest margin on guaranteed loans. He notes that they can make more money lending locally on mortgages.

Government officials say that they recognize the difficulties. "Trade finance has fairly high overheads and traditionally has artificially high cost attribution, making it a difficult business to justify under present substantial pressure to make profits," says John A. Bohn Jr., the chairman of the Export-Import Bank, a government agency that helps finance exports.

The legislative and regulatory areas don't offer much hope to small and medium-sized exporters. The 1986 tax law contained new roadblocks for banks getting involved in financing exports. The law reduces the amount of foreign tax credits that banks can use to offset U.S. taxes on income from foreign loans, including export credits.

And pending new Fed capital requirements would make trade finance more capital-intensive. That, bankers say, would further discourage export financing, as banks would be reluctant to devote more capital to an area that they have recently deemphasized.

COUSHATTA TRIBE OF LOUISIANA

HON. JAMES A. HAYES

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. HAYES of Louisiana. Mr. Speaker, today, I am introducing legislation to provide for the relief of LeRoy Sylestine, chairman of the Tribal Council of the Coushatta Tribe of Louisiana, and all enrolled members of the Coushatta Tribe of Louisiana.

The Coushatta Tribe of Louisiana once held substantial lands in Louisiana, but lost that title long ago through the wrongful acts of the U.S. Government. As a consequence, the tribe had a claim which would have been routinely compensable under the Indian Claims Commission Act. Unfortunately the Government never notified the tribe, as that act required, of its right to file a claim. Therefore, the tribe, which was impoverished, uneducated and in a rural area, first learned of that right in 1971, long after the filing time had expired.

To correct this injustice, Senator—then Congressman—JOHN BREAUX introduced a bill for a congressional reference. After hearing the resolution, the House Judiciary Committee unanimously reported the resolution out favorably and the resolution was passed by the House.

By a resolution adopted on October 18, 1983, the House of Representatives referred to the chief judge of the U.S. Claims Court H.R. 1232. This bill sought compensation for lands unlawfully taken from the tribe by the United States. The tribe and the Department of Justice, which defended the claim of the tribe for the Government, agreed upon a payment to the tribe in the amount of $1,300,000 in compromise and settlement of that tribe's claim. The hearing officer in the U.S. Claim Court found such settlement to be fair. Due to the legislative process for private relief bills such as this, the House must now give its final approval of the Claims Court settlement with the tribe.

Mr. Speaker, I, therefore, urge my fellow colleagues to support this legislation in order to provide equity and justice for a tribe whose claim is long overdue.

CIBA GEIGY PHARMACEUTICALS—50 YEARS IN SUMMIT

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. RINALDO. Mr. Speaker, this year marks the 50th anniversary of CIBA Geigy Pharmaceuticals manufacturing operations in Summit, NJ. When CIBA opened its doors in 1937, there were 98 employees in five buildings. Today the Summit site employs over 2,200 employees who work in 36 modern buildings.

CIBA, a Swiss-based company, came to Summit when the United States was suffering severe economic problems, and another war in Europe appeared imminent.

Summit was a tranquil residential community, and the location of a large manufacturing plant in this suburban city was a bold step on the part of CIBA management, and the residents were fearful for the future of their quiet city. Summit residents, however, realizing the economic benefits CIBA could offer, put their reservations aside, and gave the firm a warm welcome.

The arrival of CIBA Pharmaceutical Co. brought new residents to the town rekindling the demand for housing and local services and providing renewed incentive for growth.

It was the beginning of a partnership between CIBA and the city of Summit which has flourished during the past 50 years.

Both Summit and CIBA responded to the demands of war. While CIBA plant personnel worked 6 days a week to meet the Armed Forces' need for medical supplies, residents of Summit planted victory gardens, formed a volunteer plane-spotting unit and Summit women, whose husbands were off at war, joined the work force.

The 1950's brought continued growth and progress to CIBA and Summit. The partnership was flourishing. While the community was building new schools and housing, CIBA was developing new drugs which would change the health of the Nation. In the 10-year period the company introduced 30 specialty drugs and reaffirmed its role as a major producer of cardiovascular agents.

In 1962 CIBA opened a chemical development center. One of the first multipurpose facilities in the industry, the new center combined process research and process engineering under a single roof.

In May of the same year Summit residents joined CIBA empployees in celebrating the company's 25th anniversary. CIBA the city's largest taxpayer and corporate resident was hailed as a "corporate citizen aware of its responsibilities."

In 1970 CIBA merged with another international company, J.R. Geigy, which also enjoyed renown as a pharmaceutical manufacturer here and abroad. The merger, one of the largest at the time, created a staff of 65,000 and a combined sales total of $1.5 billion worldwide.

Also in the 1970's CIBA-Geigy participated in a nationwide government-sponsored campaign to increase awareness of hypertension. Working with local health organizations, the company set up hypertension screening clinics in 1,000 U.S. locations, and in a 2-year period screened over a million persons, resulting in the diagnosis of thousands of previously indetected cases of high blood pressure.

CIBA-Geigy began the 1980's by launching new research efforts, diversifying its offerings, and strengthening its well-established product lines. The city of Summit continued to focus on its people, establishing a center for community health, public housing for senior citizens, renovating the railroad station, and enhancing the city as a place where people want to come and work.

CIBA-Geigy is one of Summit's most conscientious residents.

In recognition of the Company's 50 years in Summit and its contributions to the growth and development of the community, on June 16, 1987, the Summit Hotel, also a landmark in the city, will present its Community Service Award to CIBA-Geigy Pharmaceuticals.

CIBA officials will join with community leaders and residents in celebrating this golden anniversary of a marriage between community and industry, a union which has succeeded through mutual effort, understanding and affection.

I congratulate CIBA-Geigy on its 50 years in Summit and extend best wishes for much continued success as one of New Jersey's leading corporate constituents.

WILD HORSE AND BURRO MANAGEMENT: THE TRUTH

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. MARLENEE. Mr. Speaker, I would like to submit for the RECORD a dear colleague letter I am sending today to inform Members of the truth about the wild horse and burro progam. I am also providing for the RECORD information from the Bureau of Land Management about the program in order to clarify some misinformation which has appeared in the press and in letters which I have received from constituents. I hope that this information proves useful to Members of Congress who want to respond to questions about the wild horse and burro program.

The attachments follow:

WILD HORSE AND BURROS: THE TRUTH

Dear Colleague:

In recent days we have been hearing a great deal of misinformation about the management of wild horses and burros on the public lands. I realize that this is an emotional issue where attitudes often weigh more heavily than the facts. I also realize that the highly regionalized nature of this issue may contribute to a lack of understanding. Nevertheless, in the interest of enlightenment, let me provide you with some basic information that may prove useful to you in responding to your constituents.

The central fact is that the wild horse and burro population on western rangelands is currently estimated at about 44,800 animals while the appropriate management level is estimated at 30,000 animals. Absent any natural predator the wild horse and burro population increases about 16 percent each year. Obviously, something has to be done to bring about a balance between the supply of forage available to these animals and the demand. If something is not done, these animals will eat themselves out of house and home and destroy important public land resources that must also be shared with wildlife.

Although many of our constituents are urging that the wild horses should take preference over domestic livestock grazing on public lands, I support the Bureau of Land Management's efforts to manage public lands under the principles of multiple use. The appropriate management levels for wild horses and burros are being determined through the agency's land use planning process which provides many opportunities for public involvement.

Charges that BLM allows 4 million livestock to graze on public lands as compared to 44,800 wild horses and burros are misleading. The fact is that livestock grazing is permitted by law on 170 million acres while wild horses and burros are limited by law to the 35 million acres where they existed in 1971. Futhermore, domestic livestock generally graze on public lands an average of three months during the year while wild horses are on public lands year round.

With Congressional guidance, the Bureau of Land Management has sought for the past several years to achieve appropriate management levels by removing excess wild horses and burros and placing them in private care through its Adopt-A-Horse program. More than 70,000 wild horses and burros have been placed in private homes over the past 14 years. Unfortunately, during recent years adoptions have failed to keep pace with the number of excess animals removed to protect the natural resources.

We should all remember that the Wild Free-Roaming Horse and Burro Act, as amended in 1978, requires the destruction of all excess horses and burros for which no adoption demand exists. This course of action has never been popular. Therefore, the Bureau of Land Management imposed a moratorium on the destruction of any healthy wild horses or burros in 1982 while it tried to devise other ways to find homes for these animals. Well-intentioned as the Bureau was, this moratorium has only helped to compound the problem. Today there are some 7,500 animals in holding pens and adoption centers throughout the country costing taxpayers $9 million annually.

Last year, the Bureau chartered an advisory board to provide independent advice and counsel on wild horse and burro management. The nine members represented all of the interests concerned including resource conservation, rangeland management, livestock grazing, wildlife management, veterinary medicine, wild horse and burro management and research, and humane organizations. Among other topics, the board developed a consensus and recommended a five-stem process for the disposition of excess animals that was incorporated into a draft policy circulated recently by the Bureau for public comment.

The five proposed steps are:

(1) The current Adopt-A-Horse Program with standard adoption fees of $125 per horse and $75 per burro;

(2) Adoption under reduced or waived fees for animals not adopted at the regular fees;

(3) Training of less desirable wild horses by prison inmates with halter-broken animals made available for adoption;

(4) Placement of unadopted wild horses and burros on private sanctuaries funded by nongovernment sources; and

(5) Humane destruction of animals not placed in private homes through the first steps.

BLM is now analyzing all of the written and verbal comments submitted on this draft policy. BLM is not expected to reach a final decision before midsummer. In the meantime, it has no plans to destroy any healthy unadopted horses.

Enclosed are copies of BLM's draft wild horse and burro program policy and a fact sheet providing additional background information about the program. I hope they will clarify the situation for you and for any of your constituents interested in these animals.

DRAFT WILD HORSE AND BURRO PROGRAM POLICY—APRIL 1987

Wild horses and burros are an important part of the national heritage. Consistent with laws governing the administration of public lands and in accordance with the Wild Free-Roaming Horse and Burro Act (Public Law 92-195, as amended), wild horses and burros are protected and managed on public lands administered by the Bureau of Land Management. Wild horse and burro populations are controlled primarily through humane removal and disposition of excess wild horses and burros as provided in the Act.

CONSULTATION

The Bureau shall consult and cooperate with the Forest Service, Federal and State wildlife agencies, other affected Government agencies, applicable advisory committees, concerned public and private organizations, individuals with special expertise, and affected interests in the development of programs and plans for the protection, management, and control of wild horses and burros.

PLANNING

Wild horses and burros shall be considered comparably with other resource values on each herd area in the formulation of resource management plans. The planning process shall provide the basis for determining where wild horses and burros will be managed, establishing the number of wild horses and burros that constitute appropriate management levels, and identifying herd management objectives. The appropriate management level is expressed as a median above and below which a herd will be allowed to fluctuate over a 3- to 5-year period. It is BLM's objective to reach the appropriate management level within 3 years of the completion of planning and to maintain it within the determined range unless modified by subsequent planning or monitoring.

Concerned individuals and organizations shall be given adequate notice to comment and participate in the development of resource management plans and herd management area plans for wild horses and burros.

MANAGEMENT AND PROTECTION OF WILD HORSES AND BURROS ON PUBLIC LANDS

The Bureau shall manage and protect wild horses and burros within herd management areas as integral components of the public lands on the basis of multiple use and in a manner that ensures a sustained population of healthy, free-roaming animals. Management of wild horses and burros shall take into account the needs of wildlife species, particularly endangered species. Management actions shall be at the minimum level that allows attainment of herd and habitat objectives and protects the range from deterioration associated with overpopulation.

The distribution of wild horses and burros is not limited to the public lands. Where integral or extensive portions of herd areas are privately controlled, the Bureau shall seek to provide for wild horse and burro habitat needs and protection through cooperative agreements with owners of private lands intermingled with public land.

The Bureau designates herd management areas as wild horse and burro ranges only when it is determined to be in the public interest and does not create conflicts with other resource uses.

The Bureau shall use methods recommended by the National Academy of Sciences' Committee on Wild and Free-Roaming Horses and Burros to estimate each herd's size, distribution, composition, and rate of increase. These parameters, as well as habitat condition and utilization, shall be monitored over time to ensure that management is based on the most accurate information possible. Existing population and habitat studies shall be replicated at the same time of year and under similar conditions to enable the study of trends in those parameters.

The Bureau shall pursue and coordinate research necessary to address issues related to wild horses and burro management, including fertility control in horses to determine the practicality of this concept in herd management.

REMOVAL OF WILD HORSES AND BURROS

Priority shall be given to removal of wild horses and burros from private lands when the landowner requests their removal. Next, animals shall be removed from the public lands when resource damage is occuring or imminent. Finally, animals shall be removed from the public lands as necessary to maintain the appropriate management level.

When wild horses and burros are gathered, animals unlikely to recover from sickness or injuries, as well as those that cannot fend for themselves because of age, shall be destroyed at the capture site whenever feasible. A veterinarian shall determine the need for destruction, except in situations where immediate destruction is required as an act of mercy. Animals shall be destroyed in accordance with guidelines established by the American Veterinary Medical Association, and disposed of in accordance with applicable Federal, State, and local requirements.

TRANSPORTATION AND HANDLING OF WILD HORSES AND BURROS

Bureau employees and contractors shall carry out quality control procedures to maintain equipment and facilities to minimize stress and risk of injury to wild horses and burros during capture and processing for adoption. Individuals involved in the capture and processing of wild horses and burros shall be instructed in appropriate methods of loading, unloading, sorting, and other necessary handling of the animals.

The Bureau or its agents shall transport wild horses and burros in equipment that minimizes the risk of injury to the animals. The use of straight-deck trailers is preferred for transporting wild horses.

DISPOSITION OF HEALTHY EXCESS WILD HORSES AND BURROS

A wild horse or burro that has been removed from the public lands is available for adoption after completion of its processing at a BLM preparation center. The Bureau shall use the five-step process outlined below for the disposition of excess animals. Healthy excess animals shall either be placed into the human care of qualified individuals and organizations through one of the first four steps or humanely destroyed as required by the Act.

1. The regular adoption program at full fee for burros and most horses. By regulation, fees are now $125 per horse and $75 per burro.

2. Special adoptions at altered fees. These include taking less desirable horses, on a test basis, to satellite (temporary) adoption centers and allowing individuals to adopt them at a reduced fee. Also included in this step are fee waiver adoptions, such as large-scale, power-of-attorney adoptions and adoptions by State-chartered, nonprofit humane organizations.

3. Training of horses by prison inmates, with trained animals then made available for adoption.

4. Maintenance on private land of wild horses and burros not adopted under steps 1 through 3, using private funds provided by individuals or organizations.

5. Unless an animal is placed in private care within 90 days following its availability for adoption, it is concluded that no adoption demand exists for that animal. The animal shall therefore be destroyed.

To provide reasonable opportunities for adoption, the Bureau shall make periodic public announcements on the availability of horses and burros for adoption; establish centers where animals can be adopted, including temporary centers at selected sites and times throughout the country; and enlist the aid of interest groups and individuals to promote the adoption program, assist in adoption efforts, and provide information to adopters on gentling and caring for the animals.

Adoption fees for horses shall be adjusted periodically to reflect the price of horses of similar quality in the private market.

PROTECTION OF ADOPTED WILD HORSES AND BURROS

When a complaint of inhumane treatment is received, physical inspection of the animal is carried out as soon as practical, and the Bureau shall take whatever action is necessary to ensure humane treatment. Priority shall be given to situation where the greatest number of animals are at risk. In adoptions where 25 or more animals are maintained at a single location, the Bureau shall make at least two on-site inspections within 1 year of adoption.

TRANSFER OF TITLE OF ADOPTERS OF WILD HORSES AND BURROS

The Bureau shall expedite transfer of title to adopters who have humanely maintained wild horses and burros for a period of 1 year by automatically conveying title, unless complaints of inhumane care or conditions are registered to BLM and substantiated by investigation.

WILD HORSE AND BURRO MANAGEMENT: WHERE WE ARE TODAY

More than 15 years ago, Public Law 92-195 was enacted "to require the protection, management, and control of wild free-roaming horses and burros on public lands" under the jurisdiction of the Bureau of Land Management (BLM) and the Forest Service. "Mustanging," often using inhumane methods for commercial profit, had reduced wild horse and burro populations significantly. Public concern for the protection of these animals led to passage of the Act, in which Congress identified these animals as "living symbols of the historic and pioneer spirit of the West."

Since 1971, the situation of the wild horse and burro has changed dramatically. Protected from mustangers and others, and with few natural predators, their populations on BLM lands increased to about 64,000 animals by 1980. Management of wild horses and burros is restricted to public lands where herds existed in 1971—a total of almost 300 herd areas on BLM lands in 10 Western States. BLM determines which areas will be managed in the long term for wild horses and burros and their appropriated population levels through its land use planning process. Although planning is not complete, BLM estimates that the overall appropriate management level will be approximately 30,000 wild horses and burros. As of October 1, 1986, the existing population level is estimated at 44,800 animals. To date, about 113 site-specific herd management area plans detailing range conditions, current wild horses and burro population levels, age and sex ratios, water facilities, forage available, and planned management actions have been completed.

When wild horse and burro population levels exceed appropriate management levels, excess animals are captured and removed from the public lands. Public Law 92-195 provides BLM with three options to dispose of excess animals: (1) old, sick, or lame animals are to be destroyed as a humane measure; (2) healthy animals are to be offered for private maintenance by qualified individuals; and (3) excess animals for which private care cannot be found are to be humanely destroyed. BLM's Director placed a moratorium on the destruction of healthy animals in January 1982, and it remains in effect at this time.

Since 1973, almost 90,000 excess wild horses and burros have been captured and removed from public lands or from private lands at the request of the landowner. Of these, approximately 70,000 animals have been placed in private maintenance through BLM's Adopt-A-Horse Program. For Fiscal Year 1987, Congress appropriated $17.8 million for wild horse and burro management. BLM plans to remove 8,500 excess animals and to place 13,500 animals in adoption. Despite the normal slowdown in adoptions during the winter months, almost 5,000 animals have been placed in private maintenance since October 1. With the number of wild horses and burros in corrals varying from 7,500 to 10,000 animals during the year, much of the year's funding will be spent on maintaining captured animals in holding facilities. At a cost of about $2.55 per animal per day, BLM anticipates spending almost $9 million during the year to care for captured animals.

BLM continues to administer three wild horses and burros research contracts in cooperation with the National Academy of Sciences. Results from fertility control, wild horse parentage, population genetics, and wild horse condition studies are anticipated by October 1989.

TURLOCK IRRIGATION DISTRICT CELEBRATES 100TH ANNIVERSARY

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. COELHO. Mr. Speaker, the month of June marks an important occasion for the Turlock Irrigation District—its 100th anniversary. Founded in June 1887, the Turlock Irrigation District [TID] was the first district of its kind organized in the State of California.

Between 1891 and 1893, TID worked with the neighboring Modesto Irrigation District to build a large diversion dam on the Tuolumne River, and by 1890, the main canal and delivery system was completed. The irrigation water brought life to the area, as farms flourished and new communities were built. As the area grew so did the water needs of the residents, resulting in the completion of the Don Pedro Dam in 1923, at that time, the highest such structure in the Nation. It was then that the district became an electric utility as well. A new Don Pedro Dam was completed in 1971, and has a storage capacity of more than 2 million acre-feet of water along with a 150-megawatt powerplant.

TID's founders surely could not have anticipated the role which the district has played in the development of the northern San Joaquin Valley. Encompassing an area of more than 300 square miles in Stanislaus, Merced, and Tuolumne counties, the district now meets the electrical power and irrigation, drinking and industrial water needs for more than 125,000 people. Having met the challenges of the past 100 years, I know the district is prepared to deal with the demands of the next century.

IN SUPPORT OF HOUSE CONCURRENT RESOLUTION 130

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. DAVIS of Michigan. Mr. Speaker, today I have introduced House Concurrent Resolution 130 which seeks to acknowledge and applaud the accomplishments of the Federal Aid in Wildlife Restoration Act, also known as the Pittman-Robertson Act, on its 50th anniversary.

Mr. Speaker, in the early to mid-1930's the accumulated impacts of wasted and plundered natural resources were brought into sharp focus by the worst drought and the worst economic depression in American history. As a result, people soon realized that the country's resources could no longer sustain the increasing pressures of unregulated and mismanaged use. Chief among these threatened resources were many of the Nation's wildlife populations which had been decimated by years of uncontrolled hunting to supply commercial markets with fur, feathers, meat, and oil.

However, with a handful of ingenious and far-sighted conservationists leading the way, organized sportsmen and the firearms and ammunitions industries joined forces with State wildlife agencies to respond to the wildlife crisis. Their plan was to urge Congress to extend the life of an existing 10 percent tax on firearms and ammunition used for sport hunting with the added provision that these proceeds be earmarked directly to the States for wildlife restoration. The emphasis here was not solely on restocking depleted wildlife populations but rather on building a comprehensive restoration program which included scientific research and habitat management.

The result of such insight was the Federal Aid in Wildlife Restoration Act which is better known as the Pittman-Robertson Act or P–R after its principal sponsors Senator Key Pittman of Nevada and then Representative A. Willis Robertson of Virginia. The act, signed into law by President Franklin D. Roosevelt on September 2, 1937, heralded a new era in wildlife management and protection which today is still going strong.

In examining the multitude of benefits that have resulted from the Pittman-Robertson program over the past 50 years, it is important to remember that although P–R is financed wholly by firearm and archery enthusiasts, its benefits extend to a much larger number of people who never hunt but who do enjoy wildlife-related pasttimes. Recent surveys have shown that only about 10 to 30 percent of visitor activities on wildlife areas funded by P–R programs are hunting related. The far larger share of use comes from birdwatchers, photographers, canoeists, and others who enjoy wildlife in its natural habitat. In order to provide for these activities, P–R has directed more than $1.7 billion in Federal excise taxes to the States for the sole purpose of wildlife restoration. Added to this, the States have accrued over $500 million in matching funds from hunting license fees. Together these moneys have enabled the States to purchase and manage over 4 million acres of wildlife habitat with an additional 40 million acres in the balance as a result of supported State leases and cooperative agreements. These P–R lands have served to help restore the populations of many once-threatened birds and mammals—both game and nongame—such as the white-tailed deer, wild turkey, North American elk, beaver, black bear, wood duck, Canada goose, desert bighorn sheep, pronghorn antelope, bald eagle, sea otter, and various songbirds. P–R funds have also supported hunter education programs which instruct more than 700,000 people each year on firearms safety and outdoor ethics.

But, by and large, the most important contribution of P–R is probably the least visible and quantifiable: the creation of the science of wildlife management. Since the passage of the act in 1937, its funds have supported numerous inventories of wildlife—by species, number, age, and sex—to guide State wildlife agencies in setting hunting regulations, improving habitat, and spotting troubled species before they become endangered. Availability of P–R funds has also stimulated the creation of technology necessary to carry out research, such as solar-powered radios to permit biologists to track the movements of even the most elusive animals and transmitters small enough to be attached to birds. Finally, P–R funds have helped to provide the groundwork whereby more than 10,000 books, bulletins, and articles on wildlife and its management have been published, providing a rich reservoir of scientific knowledge.

Mr. Speaker, let me close by urging my distinguished colleagues to join with me today in cosponsoring this resolution saluting the golden anniversary of the Pittman-Robertson Act. Looking back over the nearly 50-year span of this law, the argument can be made that P–R has been responsible for the restoration of more wildlife species than any other piece of legislation in the history of wildlife conservation. The Pittman-Robertson program can continue to help wildlife thrive as long as Americans are willing to continue to support such legislation and to provide sufficient funding for this and other wildlife programs. The success of P–R has proven that saving our wildlife is well worth the price and the effort.

HONORING THE ABC UNIFIED SCHOOL DISTRICT EMPLOYEES

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. TORRES. Mr. Speaker, on Wednesday, June 10, 1987, at a special reception, the ABC Unified School District will honor nine people who have served the district as loyal employees for 30 years.

These fine and dedicated people have served many years with distinction and are being honored for their outstanding public service. After serving so many years with distinction, these admirable people will be honored by their peers, their school district, and their community.

Education is an extremely important subject to me. The people who educate and train our youth are very special. As we commend these individuals, let us also commend all those who serve in our educational system throughout the country.

I would like to point out that these employees have served in one of the finest school districts in the 34th Congressional District. The ABC Unified School District has an outstanding record of high educational quality.

Mr. Speaker, it is with honor and pride that I rise on the floor of the U.S. House of Representatives to recognize the following honored persons who have added so much to enhance this fine school district: Gilbert G. Carrillo, adult education; Vivian Ewers, Artesia High School; Donald S. Hardenbrook, Artesia High School; Margaret S. Harryman, Burbank Elementary School; Charles C. Ledbetter, personnel; Joan M. Marie, Elliott Elementary School; Gayle B. McGrew, Artesia High School; Norman H. Miller, adult education, and Arthur W. Whyte, Artesia High School.

POLISH CONSTITUTION DAY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. ANNUNZIO. Mr. Speaker, May 3 marked the 196th anniversary of a landmark event in the history of the people of Poland. It was on this day in 1791 that Poland adopted its first democratic constitution, and assumed its rightful place in the community of free nations.

To commemorate this historic event, the Polish National Alliance held their 96th annual parade on May 2, and the themes of this year's parade also honored the 150th anniversary of the first settlers in Chicago and the 200th anniversary of the U.S. Constitution.

The Polish National Alliance has maintained an outstanding record of accomplishment, and has contributed greatly in helping to make our country strong. I would like to take this opportunity to congratulate my good friend, Aloysius A. Mazewski, president of the Polish National Alliance and the Polish American Congress, and Helen M. Szymanowicz, vice president of the Alliance and the chairman of the Constitution Day observance, as well as all of the officers and members of these fine organizations, who have helped to insure the great success of this annual celebration, and who continue to work to enhance the close ties between our country and the people of Poland.

Adopted only a few years after our own Constitution, the May 3 Polish Constitution stands out as a monumental achievement in Polish history, and in the history of man's quest for liberty and self-determination. The Polish Constitution of 1791 serves as a symbol of progressive government under democratic principles, and remains today as an inspiration for the millions of Poles which seek to throw off the tyranny of their Communist oppressor.

Inspired by the values and principles of the Polish Constitution of 1791, Americans of Polish descent have contributed mightily to the cause of freedom in this country, and Poles have sacrificed much for the cause of freedom in Poland. In commemorating Polish Constitution Day, we join hands with our brothers and sisters in Poland in their just cause to reinstate their political, cultural, and religious freedom, and we recognize their inherent right to self-determination, their right to restore their national identity, and the right of Poland to reenter the community of free nations.

Mr. Speaker, in celebrating the 196th anniversary of the Polish Constitution of 1791, I am proud to join with Polish-Americans living in the 11th Congressional District of Illinois which I am honored to represent, and Americans of Polish descent all over this country, in paying tribute to those who have struggled and are continuing in their struggle to transform the noble ideals expressed in the May 3 constitution into a reality for all people. Let us continue our solidarity, and our support, as we join with the brave people of Poland in their pursuit of justice, self-determination, and freedom.

HAZEL CRAWFORD: A CREDIT TO OUR COMMUNITY

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. LEHMAN of Florida. Mr. Speaker, Hazel Crawford is a special leader—a "doer" as adept at building friendships as she is at tearing down walls.

I first met Hazel 20 years ago, when I served on the Dade County School Board. One of the first issues we worked on was the boundary changes for Fulford Elementary School in N. Dade County. Before that time, black students were bussed 10 miles across the country to an all-black school in Opa-Locka. We were able to change Fulford Elementary into a neighborhood school, fully integrated and doing a good job of educating its students.

Young people have always been one of Hazel's main concerns, and I know from first-hand experience that her efforts have made a real difference for the better in the lives of our children.

The road to equality for black Americans was not guaranteed with the passage of legislation here in Washington. It took the dedication, sacrifice and energy of thousands of individuals—people like Hazel Crawford—in communities across the country to transform words on a piece of paper into concrete improvements in our schools, governments, businesses and neighborhoods.

The Miami Herald recently ran a story about Hazel Crawford, and I would like to share it with my colleagues. I am sure they will agree with me that she is not only a credit to our N. Dade community, but also to our country. Without people like her, human progress would be slow indeed. The article follows:

[From the Miami Herald, May 17, 1987]

NMB ACTIVIST: "I HATE WALLS"

FROM ALABAMA TO WASHINGTON PARK, SHE HAS TORN THEM DOWN

(By Kathy McCarthy)

It was 1964, the day President Lyndon Johnson signed the civil rights bill that would mandate an end to segregation. Hazel Crawford and A.D. Moore, triumphant from their march on the picket lines, were on a train in Birmingham, on their way to Miami.

"When we got to the station, we had to change trains," said Moore, who was then national treasurer of the Congress of Racial Equality. "There was a two- to three-hour wait. The redcaps would not carry our luggage inside the waiting room because we were going into the white waiting room. So we carried it ourselves.

"We walked across the street to a movie theater. We were the first blacks to go in. The whites were coming up, staring in our faces and saying, 'There's some Negroes in here,' except they used the other word. We were the only ones there who saw the movie that day because everyone else was looking at us."

It was 1977. A wooden fence, built years before to separate blacks and whites in North Miami Beach, stretched across 100 yards of land known as the Green Belt.

On a Monday morning, Hazel Crawford watched as city workers tore down the fence, ending 50 years of symbolic segregation in Washington Park.

"I hate walls," said Crawford, who has fought for racial equality for most of her 79 years. "I hate separation, and that's what it was, separating the white and black people. I always knew in my heart it was wrong. I felt that at last we were getting rid of most of the segregation."

For 25 years, Hazel Crawford has struggled to make life better in Washington Park. In doing so, she has become part of something much bigger: a struggle for equality for all blacks. Her belief that segregation was wrong took Crawford to the streets from North Miami Beach to downtown Miami to Birmingham, Ala., where she led picket lines outside public movies theaters and lunch counters at which blacks were not allowed.

Once, outside an all-white movie house, Crawford gave a group of young blacks her rent money and put them in line at the ticket window. "I don't know what I would have done if the people behind the window had taken it," she said.

Crawford said the segregation battle taught her not to recoil or hate when whites spat on her or tried to crush her will.

"I wanted to leave this world in better condition, and hate won't do it," Crawford said last week.

To appreciate Crawford's accomplishments, one must understand the history of Washington Park, her home of 34 years.

The neighborhood of 200 to 300 families is a square, characterized by narrow streets and small tract houses built about 40 years ago to house blacks who worked for the white families in North Miami Beach.

Its borders were constant: a cemetery to the east, a fence to the north. Most of the streets were dirt roads. There was one road out.

It wasn't until the early 1960s—the same time Crawford and others were leading picket lines—that Washington Park began fighting for basics: paved streets, lighting, bus service, mail delivery.

"It used to be that I couldn't get my car into my carport because it would get stuck in the dirt," said Luesenda Neal, who has lived in Washington Park since 1955. "We had to go to the post office to pick up our mail."

Crawford and her late husband, Henry, moved to Washington Park in 1953.

THE FORGOTTEN CITY

"We didn't have anything here." Crawford said. "It was just palmettos and dirt roads. It was a terrible thing. As far as I was concerned, we were the forgotten city."

Crawford set out to change that. A handful of people began meeting at a neighbor's house, talking about what needed to be done. Soon after, a core of people formed the Voters Council of North Miami Beach. Each member signed their name on the yellowed charter, dated 1967.

Five people went before the City Council to talk about the neighborhood. No one had done that before.

"I think before that they were just ignored," said former North Miami Beach Mayor Marjorie McDonald, whose late husband, Bill, served on the council during the 1960s. "It was a mess at one time. They really had nothing. My husband used to tell them, 'if you want something, come before the council and fight for it.' "

"Have not because you ask not," Crawford said.

Twenty years later, the Voters Council has brought dramatic change in Washington Park and remains its strongest voice.

"Had it not been for Voters Council, I don't think we'd have gotten off the ground," said Neal of the early struggle to gain city services.

Though light years from 1964, Washington Park today remains predominantly a lower-income black neighborhood. Apathy thrives, despite the hard efforts of a small group of people like Crawford, Neal and Beatrice Cladden, who is president of the Voters Council.

Young people leave for college and move away, leaving no one to replace the older leaders. Families who have moved have been replaced by transients, renters and illegal aliens, residents complain. Trash or junk cars litter vacant lots and streets. It burns Crawford up.

"I call it trash city, if you want to know the truth," she said. "This place is a dump. It's not the same neighborhood, and I don't know why."

Crawford had her house up for sale four years ago and couldn't sell it. Realtors told her it was because of the neighborhood's appearance.

THE PROBLEM OF APATHY

Gladden, a teacher at Westview Junior High, said apathy is her greatest concern.

"I'd like to see more of my neighbors involved," Gladden said. "We have an ear at City Hall. We don't have the numbers to go there and say, 'We need this, or we have enough people for this class, or we'll bring more people in.' People fear coming into the black area, so we still don't get the mix with the whites that we'd like."

At a meeting sponsored by the Voters Council last weekend to discuss financial planning, only a handful of people showed up.

And despite the Voters Council's success in registering more than 1,500 voters, the municipal election last month drew only 5 percent of the vote in Washington Park, the lowest in a city known for voter apathy.

Still, there has been progress in Washington Park. Two years ago, when North Miami Beach police officer Don Reynolds was first stationed there, the neighborhood was riddled by the street-corner pushers.

Whites drove into the neighborhood to buy drugs, often from their cars. A mini-park named for Luesenda Neal was a dealer hangout, filled with trash, its trees torn up.

Today, with the presence of Reynolds, the streets are relatively free of the drug trade. The mini-park is clean and green. A high-school equivalency course will soon begin at the Washington Park Community Center, where Reynolds has an office and where Gladden teaches remedial reading to children.

The Voters Council has gained an ear at City Hall. In addition to offering scholarship money to its college-bound students, the members sponsor a successful Heritage Day each year to remember the park's rich history.

But those who are involved say the others depend upon a few, like Crawford, for what should be a community force.

"We have made progress, but we could use much more," Neal said. "A lot of times it is because we won't get down there and ask for what we need. The people won't come to the meetings to know what's going on. When something goes wrong, they come running to Hazel or to the Voters Council. They don't want to do anything until something happens."

A LACK OF INTEREST

Reynolds said not enough people take an interest in the neighborhood.

"If more people would stand up and say, 'I'm not going to have my house looking like this,' or 'We're not going to have vacant lots used as a dumping ground,' it wouldn't happen," Reynolds said.

Crawford believes the neighborhood should move beyond its racially mandated borders and that the black churches should preach for community involvement.

"If we would pool our resources, we could do wonders," Crawford said. "We could build anything, we could be anything."

Crawford was forced to leave school in the third grade in Valdosta, Ga., to work in the fields. She went on to finish high school at age 63.

At 79, Crawford, still known as much for her civil rights struggle as the day-care center she helped to open, says she is getting tired.

She worries because the young people who become successful leave Washington Park as soon they can for "fancy condos and fancier neighborhoods."

"What I wanted has not materialized," she said. "I wanted them to join the Democratic Club, to get involved in voter registration, to teach other kids that it's time to go to school and that's the only way you're going to get it.

"When you've done something for 20 years or more, you get tired somewhere along the line."

A.D. Moore, an assistant county manager and Crawford's friend for many years, credits her for the struggle to better Washington Park and the bigger struggle they shared that culminated that day in 1964.

"Whatever accomplishments were made, were made because of her help," Moore said. "She has paid her dues to this community. She has been a guiding light for young people and a role model for people who wanted to be something. There need to be more Hazel Crawfords in the world."

PROPOSED RULE REJECTED AT CONSTITUTIONAL CONVENTION 200 YEARS AGO

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. PACKARD. Mr. Speaker, on this date 200 years ago, Benjamin Franklin took his seat at the Constitutional Convention. The Committee of Three (chosen on May 25) reported a set of rules for the order of the Convention, including the determination that an appropriate quorum would consist of delegates from not less than seven States.

Rufus King, a delegate from Massachusetts, objected to a proposed rule authorizing any member of the Convention to call for the yeas and nays and to have them entered into the minutes. He felt that "as the acts of the Convention were not to bind the constituents" and that "as changes of opinion would be frequent in the course of the business and would fill the minutes with contradictions." The objection was seconded by Col. George Mason of Virginia and the rule was rejected.

As we can see from the recorded vote on the Journal that just took place, the rules we use are different than those used by the Constitutional Convention.

THE NATIONAL MARITIME UNION: 50 YEARS OLD

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. BIAGGI. Mr. Speaker, this year marks the 50th anniversary of the founding of the National Maritime Union of America [NMU], and it is with great pleasure that I rise to commend the NMU for its 50 years of work on behalf of the American maritime laborer.

It is interesting that the NMU is celebrating its golden anniversary in the same year we celebrate the 200th anniversary of our Nation's Constitution. Indeed, throughout its history, the NMU has unswervingly demonstrated its commitment to the principles of liberty and equality embodied in the Constitution. Often, the union has been far ahead of our national leaders in advocating reforms that strengthen liberty and guarantee equality.

The National Maritime Union had its roots in the Great Depression and the struggle for seafarers' rights. In the past, maritime labor used strikes as a means of protesting unfair wages and conditions, and management usually broke the strike by using scab labor to operate the ships. The core group that later became the National Maritime Union led a sit-in on the passenger vessel, *California*. This action, preventing the use of scab labor, eventually resulted in a $5 per month wage increase for each seaman. The sit-in, which assured economic survival for mariners, was branded a mutiny by the press and the conservative establishment.

The job action against the *California* was followed by a series of industrywide strikes that led to the death of 25 seamen and injury to countless others. The strikes ended with management agreeing to an average wage increase of $10 a month; but, more importantly, management agreed to hire through the union halls. This management concession was an important victory for equality, since securing a job was no longer based on favoritism and bribery. Within a year, the NMU was the largest maritime union with 50,000 members. Since that first sit-in, the NMU has been a leader in the fight to improve working conditions for mariners.

During the Second World War, NMU crews distinguished themselves and helped secure the Allied victory. In the Atlantic, Mediterranean, and the Pacific, NMU crews worked transporting troops, arms, and supplies to the frontlines. From December 1941 through VJ-Day, NMU seafarers risked their lives in defense of our freedom. Many made the ultimate sacrifice for their country.

Since the war, the National Maritime Union has been one of the major organizations responsible for improving the lot of workers on U.S.-flag vessels. Seafarers on U.S. vessels receive higher wages, enjoy more benefits, and work in a safer environment—thanks to the efforts of the NMU.

Currently, the NMU is fighting to improve working conditions and increase wages on vessels carrying crews from less developed nations. It is not surprising that the NMU should be a vocal critic of the exploitation of these crews. From its founding, it has strongly supported equal treatment for all workers—regardless of sex or race. The NMU opposed segregation 20 years before the rest of America awakened to the horrors it posed. From its inception, the NMU has insisted on equal pay and equal treatment, regardless of sex. The NMU's fight for equality is one of the union's most significant contributions.

In addition to fighting for the rights of seafarers and minorities, the National Maritime Union has played a pivotal role in helping to enact legislation to strengthen our commercial fleet and in educating the general public about the importance of the U.S.-flag merchant marine. The NMU has been continuously vigilant in assuring the existence of a strong merchant marine, crewed by loyal U.S. citizens.

On this golden anniversary, we in Congress commend the men and women of the National Maritime Union of America on a job well done. Seafarers, minorities, the labor movement, the maritime industry, and the American people all owe this union a debt of gratitude for its efforts to assure a strong U.S.-flag fleet and fair treatment for all maritime workers.

BORDER ENFORCEMENT

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. MOORHEAD. Mr. Speaker, I recently received a letter from Mr. James Halferty, one of my district's prominent civic leaders of Pasadena, CA. In that letter, Mr. Halferty eloquently expresses the need for stronger control of our borders. I am including the text of his letter for your information.

> DEAR CARLOS: I want to express my appreciation for your persistent efforts to beef up the Border Patrol. Unquestionably, they are seriously undermanned and practically inundated by the flood of illegals. I doubt the projected increase in personnel will stem the tide, but obviously any additional help will be a welcome step in the right direction.
>
> I have long advocated that our military conduct some of its exercises along the border. We spend billions of dollars each year on defense. We are presently being subjected to such a horrendous invasion of illegal aliens on the one hand, and by illegal narcotics on the other, that it is shaking the very foundation of our nation—our economy and the health of our citizens.
>
> Yet when you bring up the subject of using our army and navy, even tangentially with maneuvers, you get a sad song about posse cometatus. Now certainly we are not to use our military as a John Wayne posse chasing bandits. But this is not the problem at all. What we have is an invasion affecting our entire nation. It is not a Pearl Harbor where we would not hesitate to take immediate action. It is pervasive and insidious but potentially devastating in the long run. And since nothing much appears to happen from one day to the next, the guardians of our national well-being are lulled into something less than forthright action.
>
> Posse cometatus is a cop-out. What the hell (if you will excuse a mild profanity for emphasis) is our military for, if not to protect us against all-out illegal invasions. Are we expected to build up and finance a second military force to fight aliens and narcotics while the military we have, and can barely afford, sits around or conducts maneuvers in Iowa or the Mohave Desert? Where is Ronald Reagan and his six-shooter when we need him? He and the media, and Congress to a large extent, are so mesmerized with Iran and the contras they are neglecting some of the real problems like the illegal invasion of aliens and narcotics, and a budget deficit out of control.
>
> It is true that our democratic form of government is better than any other system. But at times one cannot help but wonder—are we getting soft?—can we really govern ourselves the way our Founding Fathers intended?—are our expenditures for defense really cost-effective if we do not even show the flag in every dire national emergency?
>
> A vignette. Last year my wife and I were down in Border State Park, south of San Diego, and watched illegals stream through a large and obviously well-used hole in the border chain link fence in broad daylight. There was no one anywhere around to stop them. You might tell Ed Meese that for all we know, some of them might be camping right now in the Meese estate backyard. It is probably less than a day's walk from the border.
>
> Appreciate you letting me get this off my chest to a friend. I feel better already!
>
> Kind regards,
>
> JAMES E. HALFERTY.

A TRIBUTE TO MR. CHARLES W. SYAK

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to Mr. Charles W. Syak, a very special resident of my 17th Congressional District. My Syak is one of the leading business executives in Trumbull County, where his entrepreneurial abilities have improved the lives of hundreds of families through the providence of jobs. Because of his outstanding contributions to the economic life of northeastern Ohio, Mr. Syak is being presented a Spirit of Life Award by the City of Hope at a banquet in his honor on Thursday, June 25, 1987, in Youngstown, OH. I must note that the banquet proceeds will establish the Charles W. Syak Research Fellowship for a scientist at the City of Hope National Pilot Medical Center and Beckman Research Institute in Duarte, CA.

Mr. Syak has led an active and varied life. After working for General Fireproofing, he obtained valuable experience as a draftsman and assistant engineer in the Cincinnati District Office of the Army Corps of Engineers. His burning desire to obtain an education led him to attend both the University of Cincinnati and Ohio State University.

In 1946, Mr. Syak believed he was now ready to return to Girard for the purpose of incorporating Syro Steel. Many long and difficult years of hard work followed. But his industrious zeal paid off in amazing corporate success and booming growth for his business. From a tiny operation of four people, Syro Steel has blossomed into a huge three-plant company with almost 500 employees. As president, chief executive officer, and chairman of the board of Syro Steel, Mr. Syak today guides a company which provides engineering products across this planet.

Mr. Syak has also been actively involved in community affairs. He is a distinguished member of the boards of both the Youngstown and Girard Chamber of Commerce, and the boards of three banks. He is well-respected by his peers in the American Society of Civil Engineers, the Iron and Steel Engineers, and the Manufacturers' Association. The Mahoning Valley Management Association recognized his keen business acumen and inspiring management skills by naming him Manager of the Year in 1986.

The honors being bestoyed on Mr. Syak are both well-deserved and long overdue. Thus, it is with pleasure and special thanks that I join the people of the 17th Congressional District in recognizing the outstanding accomplishments and admirable character of Charles W. Syak.

MONSIGNOR BRENDAN McGUINNESS IS HONORED ON THE 40TH ANNIVERSARY OF HIS ORDAINMENT

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. PANETTA. Mr. Speaker, I would like to say a few words today about Msgr. Brendan McGuinness, the rector of San Carlos Cathedral in Monterey, CA. Monsignor McGuinness, a native of Ireland, was ordained as a Catholic priest 40 years ago in Dublin, and he is being honored by our community on June 5 with a celebratory dinner-dance. I hope to be present to join in the festivities.

Brendan McGuinness was born in 1923 in Longford, Ireland. His father was a school principal, and his mother was a homemaker. He graduated in 1941 from St. Mel's Junior Seminary, and in 1947, after 6 years of study at All Hallow's Seminary in Dublin, he was ordained as a priest.

That same year, Father McGuinness came to the Monterey-Fresno Diocese. From 1947 to 1958, he served as an associate pastor in a succession of parishes: St. Francis parish in Bakersfield, St. Joseph's parish in Los Banos, Sacred Heart parish in Hollister, Old Mission parish in San Luis Obispo, and St. Mary's parish in Visalia. In 1958, he was given his first pastorate, in St. Joseph's parish in Avenal. From 1960 to 1969, he served as pastor in St. Rose parish in Paso Robles. In 1969, Father McGuinness was appointed rector of San Carlos Cathedral in Monterey, and he has served in that position ever since. In 1972, he was elevated to the rank of monsignor.

Monsignor McGuinness has always been an activist who has made a priority of improving church buildings and grounds wherever he has gone. Among his accomplishments: construction of a church and rectory at St. Rose parish in Paso Robles, renovation of San Carlos Cathedral to meet liturgical standards, improvements at San Carlos Cemetery, including construction of Santa Rosalia Chapel, mausoleums, and garden crypts, renovation of San Carlos School, improvements in San Carlos Rectory, transformation of San Carlos parish hall into a youth center, and construction of San Carlos cathedral hall.

Mr. Speaker, Monsignor McGuinness is a special, dedicated man. He has served his church and his community well. We on the Monterey Peninsula look forward to his continuing presence for many years to come. It has been a privilege for me to know him and to be able to bring his accomplishments to the attention of the House of Representatives. I know my colleagues join me in congratulating him on his 40 years in the priesthood.

APPOINTMENT OF DR. MARVIN L. GOLDBERGER AS DIRECTOR OF THE INSTITUTE FOR ADVANCED STUDY

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. MOORHEAD. Mr. Speaker, I would like to take this opportunity to announce to my colleagues in the U.S. House of Representatives the appointment of Dr. Marvin L. Goldberger as director of the Institute for Advanced Study in Princeton, NJ, and to express my gratitude to him for the special stewardship he displayed as president of the California Institute of Technology in Pasadena during the past decade.

Under his steady guidance, Caltech has prospered. Its national renown has grown even more illustrious. Its contributions to the scientific community remain impressive and numerous. In the educating of young men and women, it is preeminent among American institutions.

Under the care and control of Dr. Goldberger, Caltech has made immeasurable contributions to both the local community and the United States of America.

Briefly, Mr. Speaker, Dr. Goldberger received a B.S. degree in 1943 from Carnegie Institute of Technology and a doctorate in physics from the University of Chicago in 1948. From 1950–55, he was assistant to the associate professor of physics for the University of Chicago. For the next 2 years, he became head of the department. From 1957 to 1978, he distinguished himself in the department of physics at Princeton University. And in 1978, he moved west to assume the leadership of Caltech.

On behalf of the residents of the 22d Congressional District and the U.S. Congress, I wish Dr. Goldberger well in his new endeavor and thank him for his gifts to Caltech and our Nation.

INTERNATIONAL DEBT CRISIS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. LEVINE of California. Mr. Speaker, the international debt crisis continues to retard the economic progress of developing nations. Recent increases in interest rates here in the United States will further contribute to the problems faced by these nations.

We must continue to search for ways to help these developing nations grow out of debt if they are to give us the markets for our goods which our present trade imbalance requires. Further loans from American banks have been put in serious question, however, by the recent action CitiCorp took to write down its Latin American loans.

An article by Peter Hakim, staff director of the Inter-American Dialogue, which appeared in the Los Angeles Times on Tuesday, May 26, offers a perceptive analysis of recent events and where they leave us in terms of dealing with this ever-present problem. I commend it to my colleagues:

[From the Los Angeles Times, May 26, 1987]

BOTTOM LINE: NO MORE LATIN LOANS—BAKER PLAN WAS HOPELESSLY OFF TARGET, AS CITICORP MADE CLEAR

(By Peter Hakim)

When CitiCorp decided last week to bolster its loan loss reserve by $3 billion, it acknowledged that its Latin American loans were not worth anywhere near their face value. In taking this initiative, CitiCorp also made clear that, for the foreseeable future, it was not about to lend any more money to Latin American debtor nations, at least not willingly.

The CitiCorp action, which is almost certain to be repeated by other money center banks, signals the end of the debt strategy of U.S. Treasury Secretary James A. Baker III, which depended for its success on a revival of commercial bank lending to debtor nations.

It is not surprising that Baker and so many others looked to commercial banks for the capital needed to get Latin America on the road to recovery. As notorious bank robber Willy Sutton said when asked why he robbed banks, "because that's where the money is." In the mid-1970s, when the dramatic rise in world oil prices produced a surplus of dollars to be recycled, commercial banks became the overwhelmingly largest source of financing for Latin American development—far outpacing official aid flows, bilateral and multilateral, and direct foreign investment.

In 1981, the year before the debt crisis broke, bank lending to Latin America rose to $56 billion—more than 10 times the amount of official lending and nearly seven times the amount of foreign investments. Just 10 years earlier, these latter sources had provided more than 70% of the region's external funding.

In the aftermath of the debt crisis, commercial bank lending to Latin America essentially dried up. On average, only $3.2 billion per year became available in the three-year period from 1983 to 1985. The Baker Plan, announced in 1985, was intended to reverse the downward trend and mobilize greater bank lending—about $20 billion over the following three years. Even this amount, which most observers thought grossly inadequate to the region's financial needs, was not forthcoming. In 1986 Latin American countries actually paid back more in principal than they received in new loans. New bank lending was available only in small amounts as part of broader financing packages designed to assist countries meet shortfalls in interest payments.

The prevailing assumption among policy officials in Washington had been that voluntary bank lending, albeit at somewhat reduced levels, would resume to Latin America once the immediate crisis had passed. They knew that the banks still had at stake the far larger amounts they had lent previously. The banks, it was presumed, would make the additional capital available so countries could invest for the future growth that would allow them to repay both old and new loans.

Moreover, many of the countries, particularly the large ones, were expected to regain their credit worthiness by paying interest on time despite economic difficulties.

Things turned out differently. The banks did not—and will not—lend money willingly to Latin America. Here's why:

Banks, as a rule, shun risk. Their profit margins are small, and they lend only when they are virtually certain that they will be paid back. The market in recession-battered Latin America is more appropriate for venture capitalists willing to take risks for greater gains.

U.S. banks now consider domestic investments to be both more secure and more profitable than international loans. This is a tough combination to beat. Banks do not have the expertise to identify "good" investments in Latin America, and they are further dissuaded by the pessimistic projections of many corporate strategists.

Interstate—not international—banking is the star to which U.S. banks now want to hitch their wagons. Stock swaps to acquire smaller banking institutions are the preferred way for large money-center banks to expand into new markets. Investor concern over weak Latin American loans have kept the prices of money-center bank stocks low—and this makes acquisitions more expensive. The more Latin American loans they have on their books, the more costly and difficult it is for banks vigorously to move into interstate operations.

U.S. banks also want to enter the lucrative investment banking trade. Congress is concerned about the risks they may create for depositors, and has so far balked at approving the necessary legislation. Reducing Latin American exposure may bolster congressional confidence in the banks' financial integrity.

The bottom line is that commercial banks are set against any new lending to Latin America. They want, as quickly as possible, to reduce their exposure in the region. The banks will be ready to lend again only when Latin America has recovered economically—when it enjoys sustained growth and a healthy business climate. They will not volunteer any of their funds to spur that recovery.

Where does this leave Latin America? No better or worse than it was before the CitiCorp decision. That action, more than anything else, attested to the depth of the region's economic and financial problems—and the enormous obstacles to recovery. It did not change the situation in any significant way.

Rebuilding the Latin American economies requires public resources and political leadership—most of all from the United States, but also from governments in Japan and Western Europe as well as in Latin America. If there is one lesson to be learned from the CitiCorp action, it is that there are no private solutions to the debt crisis.

THE SUBURBAN-ETTES

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. ATKINS. Mr. Speaker, I would like to take this opportunity to salute a very special and talented group of youngsters from the greater Lowell, MA area—the Suburban-ettes. For the past 5 years, the members of the Suburban-ettes have won praise and recognition for their baton twirling expertise at the State, regional, and national levels.

Later this summer, the Suburban-ettes, under the direction of Maureen Dunn, will exhibit their talents for the first time internationally when they travel to Denmark and the Soviet Union as part of the President's Council-Soviet Exchange Initiative Program.

The team's first stop will be Denmark, where for 3 days they will perform at the Tivoli Garden in Copenhagen. Following their tour of Denmark, the group will travel to the Soviet Union, where they will give performances in Leningrad and Moscow. In addition to exhibiting their talents on the stage, the group's members will hold baton twirling clinics for Soviet youngsters.

I applaud the accomplishments of these talented young people, and wish them well on their trip overseas. This country could not be better represented in international twirling circles than by these young ambassadors of goodwill.

PENNSYLVANIA AVENUE A.M.E. ZION CHURCH

HON. KWEISI MFUME

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. MFUME. Mr. Speaker, in this the bicentennial year of our Constitution, it is appropriate that we, as a nation, pause to honor the individuals and institutions which have made this Nation great. It should also be noted that while the underlying theme of the Constitution and this Nation is unity and justice for all, we cannot deny that those ideals have faced many adverse challenges over the years. In fact, many of the more enlightened citizens of this great Nation have found it necessary to come together in various civic and religious groups in a united effort to let freedom ring.

Mr. Speaker, out of that sense of compassionate commitment to positive change was born the African Methodist Episcopal [A.M.E.] Zion Church movement in 1792. And today, I rise to recognize the oldest A.M.E. church in my home district of Baltimore, the Pennsylvania Avenue A.M.E. Zion Church. Since 1841, the Pennsylvania Avenue A.M.E. Zion Church has been vigorously serving the citizens of Baltimore with both spiritual and social love.

Founded on May 31, 1841, as the First Colored Wesley Methodist Independent Society of Baltimore, Pennsylvania Avenue A.M.E. Zion is the oldest A.M.E. church in Baltimore and is considered the Mother Church of the three A.M.E. churches in the city.

In 1904 the society moved to the corner of Pennsylvania Avenue and Dolphin Street and renamed itself Pennsylvania Avenue African Methodist Zion. The old church was torn down and rebuilt in 1976. There are now over 2,000 members of the church.

Mr. Speaker, it is worth noting that the A.M.E. Zion movement of which Pennsylvania Avenue A.M.E. Zion is a part, was started in 1792 as a protest against the practice of racial separation in worship endorsed by the Methodist Church at that time. The early A.M.E. movement included among its ranks some of this Nation's most brilliant social reformers including Frederick Douglas, who was an ordained A.M.E. minister; Harriet Tubman and Sojourner Truth. The movement has prospered and now supports churches on every continent. The A.M.E. Church is a member of both the World Council of Churches and the National Council of Churches.

Pennsylvania Avenue A.M.E. Zion Church is now celebrating its Jubilee Year. The yearlong observance celebrates 147 years of service to the Baltimore community and the fact that under the dynamic leadership of its current Minister, Dr. Marshall H. Strickland, the church has paid off its $1.7 million mortgage in just 12 years.

Mr. Speaker, the grassroots community service provided by Pennsylvania Avenue AME Zion has been both prodigious and effective. It runs a senior citizens center, conducts programs for the sick and shut-in members of the community, and generally serves as a place of inspiration and support for both young and old.

I am extremely proud to live in a city and district that has produced such civic minded institutions as Pennsylvania Avenue AME Zion Church. Americans of all persuasions can learn much from the example of both the AME Zion movement and this exemplary church.

DONALD GEORGE LANG, GRACE ZERGER, AND GERALDINE KESSLER TO BE HONORED

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. DORNAN of California. Mr. Speaker, I wish to pay tribute to three outstanding citizens from my district who are to be honored by the Garden Grove Chamber of Commerce for their contributions to the chamber and to the people of Garden Grove.

On June 6, 1987, at the Alicante Princess Hotel in Garden Grove, Donald George Lang, president, Garden Grove Chamber of Commerce; Grace Zerger, president, Garden Grove Chamber of Commerce Women's Division; and Geraldine Kessler, president of the Garden Grove Strawberry Association will receive well deserved allocades from their peers and city leaders. These individuals have earned the honors.

Donald George Lang has served the chamber tirelessly through the year. He authored PACE—First, preserving the free enterprise system, second, advancing the civic, cultural and social well being of the community, third, creating a business, professional and public awareness regarding legislative affairs, and fourth, encouraging economic progress to strengthen and expand the potential of all business. PACE is the purpose of the chamber. Mr. Lang has officially represented the business community on various steering committees throughout the year. He is the president of the Garden Grove Rotary Club and has been a member for 10 years. In addition, he is on the board of directors of the Garden Grove Boys Club, the Garden Grove Strawberry Association, as well as being a foundation member of Rancho Santiago College. Mr. Lang is a volunteer for the United Way and has also served as a volunteer fireman for Orange County. Don and his wife, Joyce, are the parents of two daughters and a son.

Grace Zerger is a branch manager with the Bank of America and has given hours of tireless energy to the Garden Grove Chamber of Commerce as both a member as well as serving on the board of directors. She has served on various United Way Committees and as a Bank of America representative for the March of Dimes "Walkathon" and Bank of America Scholarship Awards. Her early years saw her giving volunteer time to various Boy Scout and Little League activities. Grace and her husband, Ray, have four sons.

Since 1977, Geraldine Kessler has contributed invaluable time and service on the board of directors of the Garden Grove Strawberry Festival Association and the Garden Grove Girls Club. She has served on the Garden Grove Art Alliance Committee and has been a judge for the Disneyland Community Service Awards. Geraldine is presently on the advisory board of the Garden Grove Symphony. She is an alumnus of the Gamma Phi Beta Sorority. Geraldine is the mother of a son and two daughters.

These fine Americans represent the spirit and dedication of the citizens of Garden Grove. They are people involved in their community. I am proud to join with my friends in Garden Grove in paying tribute to their efforts.

NEW YORK STATE HONORS WALTER R. BROOKS AND HIS CONTRIBUTION TO AMERICAN CULTURE

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. BOEHLERT. Mr. Speaker, I am here to pay tribute to Walter R. Brooks, an American writer whose name is less will known than two of his contributions to our culture. These are the "Freddy the Pig" series of books for children and Mr. Ed—television's famous talking horse.

I am particularly interested in according Mr. Brooks this recognition because his last home was in Roxbury, Delaware County, NY, in the congressional district that I have the honor to represent. His widow, Dorothy Brooks, still lives in Roxbury and is a popular and active member of the community.

Starting in the 1920's and continuing until his death in 1958, Walter Brooks wrote more than two dozen children's books, two adult novels, over 150 short stories, and contributed book reviews and editorial services to Esquire, the New Yorker, and many other magazines. His writing style embodies humor and a delightful appreciation of American life.

Although Mr. Ed is probably the most widely-known Brooks creation, the Freddy the Pig books are his best remembered literary works. Set on a farm near a small town in upstate New York, the books chronical the adventures of a group of talking animals. Freddy is a particularly noteworthy character—a poet, detective, politician, bank president, newspaper editor, magician, and airplane pilot. But his animal and human friends—and the villians they combat—are also vividly portrayed. Mr. Brooks' depiction of small town life is at once both charming and perceptive.

Like most other stories and fables about talking animals, the books are really about human nature. Without preaching, they teach children about the values of friendship and the importance of doing what is right, no matter how hard that may be. In sum, the Freddy the Pig books are a delightful celebration of life and American values. It is a pleasure to note that the Alfred A. Knopf Co. has reprinted several Freddy books. Hopefully, the children of today and tomorrow will be able to enjoy the wonderful adventures of Freddy and his friends for themselves.

Over the years, these books made a deep impression on people throughout North America. A few year ago, several grownups—remembering how much the books meant to them—founded the "Friends of Freddy" fan club. The group now has over 130 members from all parts of the United States and Canada.

Last October, Delaware County hosted the club's first convention. People from as far away as Florida, Georgia and California were treated to the beauties of autumn in the Catskills. Highlights of the convention included a talk by Michael Cart, the head librarian of the Beverly Hills Public Library, who is writing a biography of Walter Brooks and a visit to Dorothy Brooks' home, where club members had the chance to inspect Walter Brooks' library and the typewriter on which he composed his books and stories. Several dozen local residents then joined the club members at a banquet, which featured greeings from Gov. Mario Cuomo and State Senator Charles Cook.

I am pleased that the Friends of Freddy have resolved to hold a second convention in Delaware County in the fall of 1989. The organization is also making plans to establish a memorial to Mr. Brooks in Roxbury—fitting recognition for a writer whose work captures the special essence of human values and small town life in America. Each year, more visitors come to Delaware County and learn what a beautiful and special place it is. In conclusion, let me salute Walter Brooks once again and assure all of his admirers that Delaware County will be glad to welcome them for many years to come.

TRIBUTE TO MAYOR FRANK RODGERS

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. TORRICELLI. Mr. Speaker, it is with great pleasure and respect that I would like to call to the attention of my colleagues the mayor of Harrison, NJ, Frank Rodgers, who has served the longest consecutive mayoral term of office in the history of the United States. As of May 29, 1987, Frank will have completed 40 years, 4 months and 29 days as an effective and dedicated mayor of Harrison.

Frank Rodgers has spent many years serving the State of New Jersey. He has been a State senator, a county clerk in Hudson County as well as a clerk to the Board of Freeholders in Hudson County. Frank has also been involved with the highway authority, and was secretary to the Racing Commission. His actions for his community have touched many aspects of public life.

Frank's activism on behalf of others has characterized his entire adult life. This sense of commitment is a continuation of his own father's public service as chief of police in Harrison for 30 years. Almost 80 years of combined service from Frank and his father, Michael deserves the highest honor. I would like to express my gratitude to Frank Rodgers—may he continue serving as mayor for many years to come.

FUTURE NEED FOR TREES

HON. J. ALEX McMILLAN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. McMILLAN of North Carolina. Mr. Speaker, trees are such an important part of our lives and yet we rarely ponder the variety of pleasures that they have afforded us.

We have a responsibility not only to protect the legacy of trees that we have inherited, but to plant and nurture the shade and ornamental trees that will bring pleasure and benefits to future generations. I can not imagine what our beautiful landscape will be like should we fail in our responsibility.

We are all aware of the utter devastation of vast areas of land that is taking place in regions such as the Amazon River basin. While I do not suggest that such a thing could happen in the United States, I wish to point out that tomorrow's forests must be planned for, planted, and nurtured by us now.

It is indeed reassuring to know that there are individuals and organizations, in both the public and private sectors, actively addressing this future need for trees. We should all be aware of the work of groups such as the National Arborist Association that devote their resources and energies to tree planting and care. The U.S. Forest Service and the National Park Service should also be noted as public servants providing for and promoting the future of trees in our Nation.

Please allow me to tell you about a truly unique tree planting program initiated in my own Ninth District of the great State of North Carolina.

During the well-planned effort to restore the Statue of Liberty in time for its centennial celebration, several member firms of the National Arborist Association volunteered their services to prune and provide other kinds of care to the various trees that grace Liberty Island. These same volunteers also donated their time to performing the same services for the trees inhabiting nearby Ellis Island.

One of the member firms that donated services was the F.A. Bartlett Tree Expert Co. of Stamford, CT. While making a personal inspection of the ongoing work, Robert A. Bartlett Jr., president of the Bartlett Tree Experts, happened to pick up a handful of London plane tree seed heads scattered beside the statue. He did the same thing later that day on Ellis Island, placing these seeds in a different coat pocket.

Upon returning home, Mr. Bartlett took his seed heads to the Bartlett Tree Research Laboratories near Charlotte, NC, and requested that they be planted in their nursery. He did not realize, however, that each seed head actually contained several hundred individual seeds. On his next visit to the nursery, Mr. Bartlett was asked by one of the horticulturalists what he was going to do with 6,000 London plane seedlings growing in a sterile planting medium at the laboratory. His father, R.A. Bartlett, chairman of the board of the Bartlett Co., suggested that these seedlings would make ideal memorial trees honoring the Statue of Liberty and Ellis Island.

Because the seed heads and resulting tree seedlings were technically Federal Government property, Mr. R.A. Bartlett came to Washington to secure permission from the National Park Service to donate the seedlings to appropriate recipients. He was accompanied by one of the directors of the Bartlett Co., Robert N. Hoskins, who was familiar with Washington through his many years as assistant vice president, forestry and special projects, for the Seaboard System Railroad.

Messrs. Bartlett and Hoskins made a brief presentation to Denis P. Galvin, Deputy Director, National Park Service, who granted permission to distribute the seedlings.

Messrs. Bartlett and Hoskins next described their tree donation program to James B. Grant, executive secretary, National Association of State Departments of Agriculture, who contacted the commissioners of agriculture of all 50 States and the territories to advise them that memorial trees were available. To date, seedlings have been ordered by officials of 38 States and the territory of American Samoa. Shortly, memorial trees will be donated to the remaining 12 States. Though too numerous to mention, organizations such as public schools, libraries, and museums have also received these Liberty Centennial Memorial Trees.

It is very important that the people of France, the original donors of the Statue of Liberty, be remembered for their generosity and friendship. Arrangements have been made to send 50 of these trees, one to signify each State in the Union, to France for ceremonial planting on July 4, 1987, at appropriate sites in Paris.

We are deeply indebted to Ralph Ichter and Phillipe Cardarec, both from the Agriculture Attaché's Office in the Embassy of France here in Washington, for their advice, assistance, and cooperation in making and coordinating these arrangements in both nations.

I also wish to recognize the valuable advice, guidance, and assistance provided to this program by two distinguished gentlemen from Virginia who are now retired from active Government service. Milton Bryan of Arlington served for a great number of years with the Department of Agriculture as a liaison officer. Ira Whitlock of Alexandria worked for the National Park Service for many years in their Office of Congressional Liaison. Mr. Whitlock, along with Robert Bartlett expect to take part in the tree planting ceremonies in Paris on July 4th.

As I said earlier in my remarks, this is a truly unique and innovative tree planting project. I take great pride that this program, originated in my home district on the grounds of the Bartlett Tree Research Laboratories and Experimental Grounds, and all its benefits will be enjoyed and realized over so wide a portion of the world for decades, perhaps even a century to come.

A CONGRESSIONAL SALUTE TO DR. JEFFREY K. HAYGOOD ON BEING HONORED FOR SERVING AS PRESIDENT OF THE GREATER LAKEWOOD CHAMBER OF COMMERCE

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to Dr. Jeffrey Haygood for his exemplary service and commitment as president of the Greater Lakewood Chamber of Commerce during the past year.

Dr. Haygood was born in Bellflower, CA, on May 25, 1956. He went on to attend Esther Lindstrom Elementary School, Roosevelt Junior High, and Mayfair High School. At Mayfair High, Jeffrey was Associated Student Body president, Key Club president, a member of the mayor's roundtable, and participated in football, basketball, baseball, and track.

Following his high school success, Dr. Haygood went on to attend Whittier College and Long Beach State for 2½ years before entering Pasadena College of Chiropractics in 1977 where he earned his doctor of chiropractic degree 3 years later.

Since July 1981, Dr. Haygood has had his own chiropractic business in Lakewood where he now resides with his family. In the 6 years since beginning his business, Jeffrey has earned the respect and gratitude of countless patients. He has also won the praise of his entire community by serving as Kiwanis president—1984-85—participating as a member of the Greater Lakewood Chamber of Commerce Board of Directors—1982-84—and by serving as president of the Greater Lakewood Chamber of Commerce during the past year.

I am sure that Jeffrey's dedicated and successful service as chamber president will be missed by his fellow chamber members, as well as by the community at large.

My wife, Lee, joins me in commending and congratulating Dr. Jeffrey Haygood for his excellent and dedicated service as president of the Greater Lakewood Chamber of Commerce. We wish him and his wife, Sandi, and their twin sons Kyle and Kurtis, continued success and happiness in the years ahead.

RESTORATION OF FISHERY RESOURCES IN CALIFORNIA'S RUSSIAN RIVER BASIN

HON. DOUGLAS H. BOSCO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. BOSCO. Mr. Speaker, today I am introducing legislation aimed at ultimately leading to the restoration of the fishery resources in California's Russian River Basin. While many factors have contributed to the destruction of the Russian River's once internationally known fishery, I am confident that careful planning and a significant commitment by Federal, State, and local officials can help bring back the basin's depleted salmon and steelhead runs.

The Russian River and its tributaries once provided more than 682 miles of salmon and steelhead habitat. As recently as the early 1970's, annual steelhead runs were estimated at 65,000, making the Russian River basin the third most important steelhead producer in the State. The river also once made a significant contribution to the economically important offshore sport and commercial salmon fisheries as well.

Unfortunately, like other rivers along California's north coast, the Russian River has experienced a serious degradation of fishery resources. Only a small coho and chinook salmon population remain today, and the steelhead fishery remains considerably below historic levels.

Biologists attribute this decline to reduced water quality and loss of habitat resulting from a number of factors, including water diversions, sewage disposal, rural and urban development, floods, and road and dam construction alone.

While Government and private officials at all levels recognize the serious environmental and economic consequences of this fisheries loss, there has yet to be a coordinated, comprehensive approach to resolving the problem. This is in part due to the multiple-use nature of the river and the inclination of most all river users to view their actions in isolation with little regard for fisheries mitigation. Fishery restoration efforts have also been hampered by a severe lack of basic information on the fishery populations. While the Corps of Engineers has conducted some preliminary studies, no recent comprehensive studies have been conducted upon which future policy decisions can be made.

This legislation is aimed at helping address these problems by authorizing two important steps. First, it would direct the U.S. Fish and Wildlife Service and the U.S. Army Corps of Engineers to conduct a joint 2-year, $3 million study of the fishery resources and fishery habitats of the basin. This study is to include an analysis of how current and planned land and water use practices affect the fisheries, the current status and trends of fishery resources, and an evaluation of the adequacy of information that is currently available. It also is to discuss the respective roles of Federal, State and local government authorities that pertain to fishery conservation and restoration. Second, this bill directs the two agencies to develop a list of short-term and long-term recommended actions for restoring and conserving fishery resources and habitats. Both the study and list of recommended actions are to be submitted to Congress before October 1, 1989. Based on this information, it is my intent to ultimately develop legislation authorizing a comprehensive fishery restoration plan similar to what has been successfully achieved for the Klamath and Trinity River systems.

My intent in introducing this legislation is to provide a more sound base of information, help foster a more integrated approach to restoration efforts by policymakers at all levels, and to increase recognition of the importance of Russian River fishery enhancement in agency decisionmaking. This is, however, but the first of many steps needed to revitalize the river and its resources. Among other things, a long-term solution to Sonoma County's wastewater problem must be found if water quality is to be adequately improved, and Federal funds are desperately needed this year for mitigation of fish losses that resulted from construction of Coyote Valley Dam in 1959.

Mr. Speaker, we stand now at a critical point for the future of the Russian River and its fisheries. If we are to avoid looking back years from now and regretting missed opportunities, I would hope that my colleagues agree that immediate action on this measure is needed. Fishery restoration programs in California and elsewhere have proven to be a highly cost-effective and productive use of Federal and State funds. I am confident that the deliberate and constructive approach we are taking here will prove to be similarly successful.

JOYCE MANN MARKS 35 YEARS OF TEACHING

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. FAWELL. Mr. Speaker, second only to the parents and the home in their crucial influence in shaping the lives of the Nation's small children, are our schools and, particularly, the individual teachers in whose care they are entrusted during a large part of each school day. It is for this reason that I take a very special pride and satisfaction in asking my colleagues to join the people of Naperville, IL, as they honor kindergarten teacher Joyce Mann, who will retire this spring after almost 35 years of service.

From the very first, shortly after receiving her teacher's certificate, Joyce Mann's commitment has been to the youngest children, in those years when they present the greatest vulnerability and the greatest potential. She began her life work by accepting the responsibility of initiating a kindergarten program in Washington Grade School in West Chicago where she remained for 5½ years. Later, she began her own pre-school for daughter Michelle and neighborhood friends.

After returning to kindergarten teaching and serving in several Naperville schools for 4 years, Joyce Mann "settled in" at Elmwood School where she taught her youngsters for the next 27 years. Over this more than a quarter of a century, she learned along with the children, as she worked with them in pioneer programs in cooperative teaching, methodologies, computer-assisted instruction and individualized instruction.

The real meaning of Mrs. Mann's career shines through brilliantly in her comment on her approaching retirement,

> My family tells me that I'm going to love my golden years, but I feel I've had my golden years teaching. If you love children, as I do, teaching is a wonderful career.

Mr. Speaker, this says a great deal; perhaps it says it all. Professional credentials are important, sophisticated teaching techniques are important, but they lose their vitality if they are not woven together with genuine affection for the children who are being taught. Joyce Mann for more than three decades, has recognized the importance of bringing to her children, not only the beginnings of formal education, but also the many meaningful success experiences which will ultimately produce mature, responsible and productive adults.

SUPPORT ANTISMOKING ADS

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. SCHEUER. Mr. Speaker, I want to bring to the attention of my colleagues an excellent New York Times Op-Ed piece written by Representative ANTHONY BEILENSON that calls for the reinstatement of antismoking ads on television. His article appeared in the May 20, 1987, edition of the New York Times and was followed on May 23, 1987, by a supporting New York Times editorial.

Representative BEILENSON correctly points out the enormous success those public service announcements achieved between 1967 and 1970 in educating the public about smoking dangers. Unfortunately, when Congress banned cigarette ads on radio and TV in 1971, the antismoking ads were also dropped.

Representative BEILENSON declares that "it's time to bring those ads back," and I couldn't agree more. He has introduced a resolution (H.J. Res. 271) that would urge the Nation's broadcasters to resume antismoking public service announcements. I urge my colleagues to join with me as cosponsors.

I have long argued the need for this Nation to do all it can to rid our citizens of the serious health threat cigarette smoke presents. Toward that end, I have introduced two bills: H.R. 1008, the Non-Smokers' Health Protection Act, which bans smoking in all Federal buildings except for designated smoking areas, and H.R. 432, the Airline Anti-Smoking Act, which bans smoking on all domestic airline flights. Representative BEILENSON's bill provides the educational aspect so crucial to our no-smoking efforts; 300,000 deaths a year from cigarette smoking is enough reason for action.

I applaud the leadership demonstrated by Representative BEILENSON on this vital health issue. His call to educate the public through television on the very real dangers of cigarette smoke deserves our strong support. Through his determined efforts and the efforts of others like him, our battle to rid this Nation of this particular health threat will surely succeed, sooner or later. The question is, how many thousands more must die before we achieve such a goal?

The text of Representative BEILENSON's article and the supporting editorial follow:

[From the New York Times, May 20, 1987]

BRING BACK TV'S ANTISMOKING ADS

(By Anthony C. Beilenson)

WASHINGTON.—Who could forget those public service announcements on television between 1967 and 1970 that dramatized the health hazards of smoking?

I was one of millions of parents who gave up the habit during those years, largely because of the persistent pestering from my children who were persuaded by the lines, "like father, like son" and "the next time your wife wants a cigarette, give her a kiss instead."

Those ads were enormously successful in educating the public about smoking dangers. They deterred a great many young people from taking up the habit, and also caused a lot of older people to quit.

But when Congress banned cigarette ads on radio and TV in 1971, the antismoking ads were also dropped. It's time to bring them back.

Congress is debating proposals that would ban cigarette advertising in the print media and prohibit tobacco companies from deducting advertising costs from their taxable income—remedies that pose difficult constitutional questions and may not prove very effective.

Some two dozen of us in Congress, however, have sponsored a resolution that would urge the nation's broadcasters to resume antismoking public service announcements, which have proven results.

Cigarette smoking kills more than 300,000 Americans every year. That's more than the number of deaths caused by heroin, cocaine, alcohol, AIDS, fires, homicide, suicide, and automobile accidents combined. Smoking is responsible for 30 percent of all coronary heart disease, 80 to 90 percent of all chronic lung disease and 30 percent of all cancer deaths.

In 1967, the Federal Communications Commission ordered radio and TV stations to provide free air time for public service announcements depicting the health hazards of smoking. This F.C.C. order, which sought to counter cigarette ads, was based on the "fairness doctrine," which requires broadcasters to give air time for opposing points of view.

Curiously, Congress' ban on cigarette advertisements in 1971 was engineered by the tobacco companies. It was a smart move on the industry's part, though, because the F.C.C.'s counter-advertising requirements had resulted in a drop in cigarette sales. Once the ban took effect and broadcasters were no longer required to carry antismoking ads, cigarette consumption again started climbing.

Surveys in recent years show that, although a declining percentage of Americans smoke and concern about healthy living habits is increasing, many Americans remain astonishingly ignorant of the health risks of smoking.

The most serious problem is ignorance among teen-agers of smoking hazards—a disturbing trend given that 90 percent of all smokers begin in their teens, and those who take up the habit at that age are much more likely to be heavy smokers as adults and less likely to quit.

Although broadcasters no longer have to provide time for antismoking ads to comply with the fairness doctrine, they are required by law, as users of scarce public airwaves, to "serve the needs and interests of the community." They once played an extremely important role in educating the public about the known and avoidable dangers of cigarette smoking—the nation's leading preventable cause of death. They should again devote a sizable portion of their public service air time to antismoking ads.

Bringing back those ads would be a simple, effective and virtually cost-free way to discourage smoking and to help insure that ignorance does not continue to play so great a role in the epidemic of death and disease caused by cigarette smoking.

[From the New York Times, May 23, 1987]

"DO YOU SMOKE, DADDY?"

Representative Anthony Beilenson of California quit smoking, he told readers of the Op-Ed page the other day, because of his children. They'd been impressed by some stuff they'd seen on television, like a boy and girl dressing up in their parents' wedding clothes, for instance, while a voice said: "Children imitate their parents, the good and the bad. Do you smoke, Daddy?" And a man putting money in a cigarette machine; as the pack dropped, a voice said, "You lose."

That was in 1967, when the Federal Communications Commission ordered radio and TV stations to give free air time for public service announcements about the health hazards of smoking. While the ads ran, despite the fact that there were many more ads for cigarettes and even though they were shown in less than prime time, the per capita consumption of cigarettes dropped by 10 percent.

In 1971, however, when cigarette advertising left the air—taking such "Fairness Doctrine" announcements with it—cigarette consumption went up. Today, thanks primarily to repeated Surgeon General's warnings, cigarette smoking is down again. Even so, more than one of every seven deaths is smoking-related; and the habit adds up to about $41 billion a year in health care costs and lost work and productivity. So Mr. Beilenson and 19 other members of Congress are sponsoring a resolution urging broadcasters voluntarily to resume anti-smoking public service announcements. "Bringing back those ads," he writes, "would be a simple, effective and virtually cost-free way to discourage smoking."

It would indeed, and here are the people they should be aimed at—women, minority members and teen-agers. The first two constitute today's hard-core smokers; and teenagers need to be deterred from taking up a habit that's very hard to drop. We know where they should appear, too—during sports, soaps, and sitcoms. And why not? These aren't the kind of public service announcements that some people might find offensive.

The law calls on broadcasters "to serve the needs and interests of the community." In warning their listeners about smoking, they'd be doing precisely that.

DR. CONNELL ROBERTS RETIRES

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 28, 1987

Mr. LEWIS of California. Mr. Speaker, it gives me great pleasure to have this opportunity to recognize a truly outstanding individual, Dr. Connell Roberts. Today, after a long and commendable career in the teaching profession, Dr. Roberts will be recognized by his students on the occasion of his retirement.

Dr. Roberts received his bachelor of science in chemistry from Brigham Young University and his master of science in the same field from the University of Utah. He earned his doctorate of education in educational administration from the University of California at Berkeley.

The retiring professor has held instructing and administrating positions since 1952. He came to the San Bernardino community in 1974, as an administrator at San Bernardino Valley College. In 1977, he changed roles and became known at the school as a favorite instructor in chemistry. He assumed this same role in 1982 at Crafton Hills College. This is his 13th year in the San Barnardino Community College district.

It is important to note that as a teacher, Dr. Roberts instilled tremendous desire to succeed academically in the classroom. His love of chemistry and teaching makes him a favorite of many students.

Mr. Speaker, I ask that you join me in saluting Dr. Connell Roberts. He is a gifted teacher, skillful administrator, and a devoted husband, father, and grandfather. He is a remarkable man who has made outstanding contributions to his profession and community, and it is with great respect that I congratulate him on his years as an exemplary educator.

SENATE—*Friday, May 29, 1987*

The Senate met at 9:30 a.m. and was called to order by the Honorable TIMOTHY E. WIRTH, a Senator from the State of Colorado.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Therefore a man shall leave his father and mother and shall cleave unto his wife; and they shall be one flesh.—**Genesis 2:24.**

God of creation, loving Father in Heaven, in terms of real values, so desperately needed and so tragically abandoned in our culture, nothing about the Senate is of greater import than the celebration of a national leader's 50th year of marriage. Remembering that Jesus performed His first miracle at a wedding feast—thus honoring His Father and sanctifying marriage. And at a time when marriage and the family are under siege, we praise and thank You for our beloved leader and his gracious lady on the occasion of their golden wedding anniversary. With joy unbounded, we express our gratitude for their faithfulness to each other and to their family. We pray that You will visit them and all their loved ones with a very special measure of grace on this significant day. Thank You for their example of what God intended marriage to be. May it move us all to emulate their beautiful model. As we pray for them, we pray for all the families in the U.S. Senate. Where there is brokenness, bring healing; where love has faded, renew affection; where there is alienation, grant reconciliation; where there is despair, hope. You know, Lord, how the tyranny of Senate life militates against home and family. Infuse our marriages with Your unconditional love, patience, and peace. And, Lord, thank You for the sheer pleasure of seeing the Senators and their wives enjoying each other last night. Grant that they may do this more often. Hear our prayer in the name of Him whose love binds us together. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, May 29, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TIMOTHY E. WIRTH, a Senator from the State of Colorado, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. WIRTH thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Chair recognizes the majority leader.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceeding be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

OUR CUP RUNNETH OVER

Mr. BYRD. Mr. President, I have much more to be thankful for this morning than I can acknowledge because of the limitation of time. But I would be remiss if I did not thank our Chaplain for his kind reference to the 50th anniversary of my marriage. The Chaplain was at the most delightful function last night which I shall always remember as one enchanted evening. The words in his prayer were words of hope, encouragement, and inspiration.

Last evening was an inspirational one. It showed a different side of the Senate. We often hear that Senators are a select group. They are more than that. They are a very busy group of people. Their time is so consumed in the mad rush of days and business that the few minutes of private life that they might have with their families are precious indeed. And yet, last night, I was so moved that so many of my colleagues took so much of their little time that they have, to be with Erma and me and to share with us the joy of our 50th anniversary.

It showed a soft and tender, understanding and affectionate, and loving side to the Senate. It was an outpouring of grace that I shall never forget.

It was probably the most enjoyable, memorable, gratifying moment of my life. There is an affinity that makes us brothers; none walks his way alone. All that we send into the lives of others comes back into our own.

My wife and I have many things for which to be thankful. God, above all, has been good to us.

We married in the deep days of the Depression, so we have had lean years and we have had good years. We have had our cup of joy and our chalice of tears. So we thank God for the many blessings. We have a wonderful family, two lovely daughters, two beautiful granddaughters, and four model grandsons, and a host of dear and wonderful friends. Our cup runneth over.

RECOGNITION OF ACTING MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the acting minority leader is recognized.

THE 50TH WEDDING ANNIVERSARY OF SENATOR AND MRS. ROBERT C. BYRD

Mr. SIMPSON. Mr. President, I was there. I was present last evening on the occasion of the 50th wedding anniversary of Senator BYRD and Mrs. Byrd. On that occasion, the Chaplain gave a very remarkable prayer. He gave us another magnificent prayer this morning.

There is really no way to properly describe the evening. Those who were there will list it as a most memorable event held in the Grand Hall of the Library of Congress—surely one of the most magnificent buildings in Washington. In my 8 years here, I have shared in and participated in many events on many occasions. Last night was to have been a surprise party on the 50th wedding anniversary of our leader, which he read about in USA Today, I believe. It is impossible to surprise the majority leader in any event, in any forum. And it did not work last night. But he and Erma Byrd came down the grand staircase to join the waiting group of diners rendering a standing ovation to them in those beautiful surroundings. It was a very, very special time.

The Secretary of the Senate, Joe Stewart, showed his fine hand and he must be commended. JAY ROCKEFELLER gave a most moving series of remarks, as did his lovely wife, Sharon. It was very touching. BOB DOLE, our fine and able Republican leader, shared much of himself, as did his lovely wife, Elizabeth. Their remarks too were a very moving part of the evening. Praise was shared and gifts presented.

If someone should ask me what the evening was about at some future

● **This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.**

time, I shall tell them it was about a union, a remarkable union. I shall tell them it was about sharing a life. I will tell them it was about modest beginnings—nay, maybe less than that—and the pursuit of the American dream and how a young man ceased his work on a Friday evening and married the lady of his life and went to a square dance and went back to work Monday morning. And said last night, "Honeymoon? Only 50 years of honeymoon."

I will tell them about that and I will tell them that it was about working and striving and succeeding. That is part of what the evening was about.

And it was about a warm and extraordinary and extraordinarily gentle woman, Erma Byrd, who, the more you visit with her, meet with her, and come to know her, is just one remarkable lady of great common sense, great good wisdom, and great gentleness.

The evening was about joy and some despair in a life to be lived, because that goes with it too, and it touched also on life and death, which is about life. Yet, really, it was mostly about grace and love and affection. And it was very, very moving, very potent, very poignant, and very powerful to me.

The chemistry of that spring evening will reside with me for some many years in my lifetime. I was honored to share it all right at the table with our leader and Erma.

He is a man I have come to learn to greatly respect. We all do that, though. That comes with the territory. Just knowing him, you come to respect him. But I have also come to love him—and that is even more of a hazardous thing to let out of the bag. That is very difficult to do because you can get that all twisted up. But I must say that.

That does not mean that we will not have some rich scraps. Oh, no. He will like that, too. But it does mean that it is a relationship that has that kind of a base. When you have that kind of base, you can go through pain and anguish, yes, even bitterness and dislike, and it all skips off the surface of that base. You cannot impregnate it. And last night added an even richer dimension to that relationship.

I thought, as the leader spoke of our busy lives, it is not that we forget feelings or forget to respond to our fellow humans in extremity, or forget anniversaries or birthdays or funerals; it is just that it is all clogged up on top of us. When your mind is working on something, you are searching for feeling in the feeling world, and your staff suddenly says there are 15 people waiting for you in the outer room and that guy from the press who has been waiting for 3 years to visit with you is here, and so off you go, out the door. That evening last night was one which served to smooth off the edges of that kind of existence. There was tenderness there. That is very true and it was described well.

I shall not forget another thing the leader said. I shall have to paraphrase, but the leader would have it exactly correct. It was about Shakespeare. What he said in essence was that mercy comes from kings, but grace comes from the heart, and is not available to buy or sell or trade.

It all ended then with lush music from a remarkable congregation known as the Strolling Strings. They played many things, a rich tapestry of a repertoire, from the "Romanian Rhapsody" to "Somewhere my Love" and then even a bit of hoedown music we all loved. It was hard to keep from moving your toes to that.

So it was, I think, as the leader described it last night, as a sparkling evening in his picture book of memories; as I recall it was something like that. I say, indeed, it was an evening unforgettable. Congratulations and Godspeed to our fine leader and his most extraordinary life's companion.

Mr. BYRD. Mr. President, I am grateful for the gracious words that have been spoken by my inimitable friend.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the consideration of routine morning business not to extend beyond the hour of 10 o'clock, with Senators permitted to speak therein for not more than 5 minutes each.

The Chair recognizes the Senator from Wisconsin.

THE 50TH WEDDING ANNIVERSARY OF SENATOR AND MRS. ROBERT C. BYRD

Mr. PROXMIRE. Mr. President, all of us were reminded last night of the remarkable leader we have in this body at his surprise 50th anniversary. Fiftieth anniversary; just think of that. Married 50 years.

Mr. President, one of the great things about our leader, and there are many good things about him, is that he is a very, very hard worker. I do not know anybody, and I have been in the Senate 30 years now, who has worked harder at being majority leader and been the good leader he has. He has also worked hard at his marriage and has had a smashingly successful marriage, too.

I join in the eloquent statements of the Chaplain and the assistant minority leader.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. PROXMIRE. I am happy to yield.

Mr. BYRD. I want to thank the Senator for his kind felicitations. The Senator from Wisconsin is not unaccustomed to work, as witness his unequaled voting record on this side, in which he has cast over 10,000 rollcall votes.

That is an example to be emulated.

Mr. PROXMIRE. Mr. President, I thank my good friend, the majority leader. I might say that some people say we would have a better country if I had missed them all.

Mr. STENNIS. Will the Senator yield?

Mr. PROXMIRE. Mr. President, I am happy to yield to the distinguished President pro tempore.

Mr. STENNIS. The crowning point about the facts that we have had related here this morning and that we experienced last night at this remarkable occasion, the 50th anniversary of our friend, is that it is all true, fully true and correct, and that this happened under our system which is embodied in the words of the Constitution and other edicts of our Government. That is what I thought of last night with a heart full of gratitude and appreciation, the reality of life as well as the appreciation for the character and leadership of this remarkable couple. So that is America. That is what we have, well publicized in this way.

If I may just add a word, I picked this young man in my mind when he first came here; I thought I recognized the possibilities of achievement along the highway of character and honor, responsibility, and if I may say, modestly, that is what has happened. America is a greater land because of him.

I thank the Senator for yielding.

Mr. BYRD. Mr. President, if the Senator from Wisconsin will allow me to respond briefly.

Mr. PROXMIRE. I will be happy to yield.

Mr. BYRD. I thank the President pro tempore of the Senate for his words.

Senator STENNIS has always been an inspiration to me from the moment I came into the Senate and he still is an inspiration as one who is always at this post of duty.

Finally, let me say that Senator STENNIS and I belong to a little club of our own. We both have reached that 50th anniversary of marriage, and although "Miss Coy" has gone on to her reward, Senator STENNIS had 53 years, beautiful years of marriage to that wonderful lady. So I am grateful for his kind words about when I came to the Senate and now.

Mr. GRAHAM. Mr. President, I wish to add my remarks to those already spoken about the beautiful evening which was shared last night in honor of 50 years of love and marriage.

It is one of the great pleasures of serving in this body to have the opportunity to know individuals and particularly to know the families of our colleagues.

I thank the majority leader for the special occasion he shared with us last evening.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Florida for spending the evening with us.

Mr. NICKLES. Mr. President, I wish to associate myself with the numerous remarks made commending the majority leader on celebrating his 50th anniversary, which shows a tremendous amount of dedication and commitment to his lovely wife and also his commitment to his State and to his country. He has served 29 years in this body. That is certainly commendable service to his State of West Virginia and to our country as well. I compliment him on that. Fifty years is a fantastic achievement both for Senator Byrd and his wife.

Mr. BYRD. Mr. President, I thank the distinguished Senator for his gracious and very charitable remarks.

Mr. NICKLES. And very deserving remarks to the Senator from West Virginia. I thank the Senator.

ORDER OF PROCEDURE

Mr. PROXMIRE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin.

Mr. PROXMIRE. I ask unanimous consent that my time start running now.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

A MILITARY DRAFT: THE WRONG WAY TO GO

Mr. PROXMIRE. Mr. President, considerable sentiment is reported to be building in the Congress for a return to military conscription. That is the draft. The New York Times recently reported that the distinguished chairman of the Armed Services Committee, Senator Sam Nunn, favors resuming the draft. So does Senator Ernest Hollings. Charles Robb, the chairman of the Democratic Leadership Conference, and former Governor of Virginia, has also reportedly called for a draft.

Mr. President, these draft advocates are wise as well as influential men. But are they right? This Senator is convinced they are wrong. Few Senators have been as critical of our military policies over the years as this Senator. But there can be no question that in the past 14 years—that is, since the draft ended in 1973—there has been a steady and, in fact, a spectacular improvement in one very important aspect of our defense establishment. We should consider carefully where that improvement has taken place. It is in military personnel.

Now, Mr. President, there is aspect of military strength that is nearly as critical as the quality of personnel. This is specially true in the modern Armed Forces, with the emphasis on complex technology, technical proficiency, intelligence, individual ingenuity at every level of operations making the real difference in the success or failure of military missions.

David Armor is Deputy Assistant Secretary for Force Management and Personnel. Recently Secretary Armor testified before the Senate Armed Services Subcommittee on Manpower and Personnel. His testimony goes right to the heart of this critical policy choice the Congress has, between an All-Volunteer Armed Forces and a draft. Mr. Armor told the subcommittee that in the 10 years from 1964 to 1973—the draft years—72 percent of the recruits were high school graduates. In 1986, on the other hand, after 14 years of volunteer recruiting, 92 percent were high school graduates. And, Mr. President, that compares with only 75 percent high school graduates among all the Nation's youth. In other words, the armed services that had been able to recruit young people who were average or a little below average in educational attainment with the draft have since been able to recruit service personnel with much stronger educational background. Incidentally, Armed Forces figures also show a substantially higher level of intelligence ratings on objective tests for present recruits than was the case during the draft. Other objective criteria show even more impressive advantages for the volunteer armed services. At a time when drug abuse has become a tragically more common occurrence among young Americans, drug abuse in the armed services has actually declined—in fact, spectacularly declined. Alcohol abuse also has become a far less severe problem in the Armed Forces of the mid-1980's. Another objective measure of morale in the AWOL or absence without leave record. Here again, the volunteer Armed Forces show a decisively better record than the draft Armed Forces based on the latest statistics.

All of this, Mr. President, is especially significant at a time when the Soviet military has been reliably reported as low in morale—especially in view of their Afghanistan fiasco with heavy desertions and AWOL. As has been the case for many years, alcohol abuse is a far more serious problem in the Soviet Armed Forces that rely on draftees for recruiting than in the United States Armed Forces. Furthermore, while the health of the U.S. Armed Forces as measured by days lost for illness is excellent, the health of the Soviet armed services has become a serious problem.

Did the draft make a major difference in the imposition of military service on blacks as compared to whites? The record shows practically no difference. During the draft, 17 percent of those coming into the service were black compared with 12 percent of the youth population. Last year, 19 percent of the recruits were black compared to 15 percent of the youth population. That ratio is almost precisely the same in both periods.

This Senator is always specially concerned about the cost of these programs. Proponents of the draft argue that it would permit a reduction in the pay of service personnel and thus save billions of dollars. The fact is that the costs would be almost identical. Here is why: The wage cost of the first-term service men and women constitute only 10 percent of personnel costs and only 2 percent of the military budget. So the difference in pay would constitute a small fraction of 1 percent of the military budget. And there is a major offset. A draft would cost an additional $1 billion in training costs because 100,000 2-year draftees would be needed to replace 3- and 4-year recruits.

Finally, consider the view of the American public in this democracy. In 1965, a Harris poll showed 90 percent support for the draft. In 1968, when the war in Vietnam raised public opposition, a Gallup poll showed support for the draft down to 53 percent. Even as late as 1980, a Gallup poll showed 59 percent for the draft. But in more recent years there has been a dramatic turnaround. In 1984, a poll by the University of Chicago's National Opinion Research Center—paid for by the Ford Foundation—showed only 24 percent wanted a return to the draft.

This Senator has disagreed with President Reagan and Secretary Weinberger on many aspects of our military policy. But on the draft the administration has it exactly right. The administration opposes the draft and favors the All-Voluntary Armed Forces. Fourteen years of experience has shown that on this military issue the administration is emphatically right.

Mr. President, I ask unanimous consent that an article by Richard Halloran in the March 25, 1987, New York Times, headlined "Official Defends Volunteer Army Against a Possible Plea for Draft," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, Mar. 25, 1987]

Official Defends Volunteer Army Against a Possible Plea for Draft

(By Richard Halloran)

Washington, March 24.—A senior Defense Department official today gave Congress what Pentagon officials characterized as a

Republican defense of a volunteer military force against an expected call by some Democrats for a return to the draft.

David J. Armor, who is Deputy Assistant Secretary for Force Management and Personnel, contended that with "our 13-year record of success with the volunteer force, it seems unlikely that a legitimate case can be made for returning to conscription."

Influential Democrats such as Senator Sam Nunn of Georgia, who is chairman of the Armed Services Committee, former Gov. Charles S. Robb of Virginia, who is chairman of the Democratic Leadership Council, and Senator Ernest F. Hollings of South Carolina have indicated that they would favor resuming the draft.

NO PUBLIC DEBATE

But debate over the draft has so far remained below the surface and has not erupted into a public issue. Senator Nunn, for instance, has said he expects the draft to be "a principal issue" in Congress this year with the Democrats in control. But a spokesman said today the senator had no immediate plans to hold hearings on it.

On the other hand, officials aware of Mr. Armor's thinking said the Republicans expected the Democrats to make an issue of the draft in the Presidential election campaign next year and that Mr. Armor was trying to establish a public record that could be used in debate.

President Reagan and Secretary of Defense Caspar W. Weinberger have opposed the draft, although they compromised on a 1980 campaign pledge to repeal draft registration and retained it at the urging of the Joint Chiefs of Staff. But no existing law permits conscription itself.

A spokesman for the Democratic Leadership Council said today, "We would like to see it become one of the issues on the agenda." He said many Democrats wanted a draft because of a decline in the male population of military age, rising costs of recruiting, and what they consider to be an undue burden on blacks for defending the nation.

The Coalition for a Democratic Majority, led by Representative Dave McCurdy of Oklahoma, has proposed a program of volunteer national service, as has former Senator Gary Hart of Colorado, the leading candidate for the Democratic Presidential nomination in 1988.

DRAFT ENDED IN 1973

Those proposals, like one being prepared by the Democratic council, include vague provisions for military service. The coalition, for instance, has said that if a revival of the draft was needed, "the system of citizen soldiers would already be in place."

The military relied on the draft for most of the period from 1939 to 1973 until President Nixon let it expire after the end of the Vietnam War. President Carter persuaded Congress to reinstate draft registration in 1980, after the Soviet invasion of Afghanistan.

Mr. Armor, in what officials said was the most extensive defense of volunteer force in the six years of the Reagan Administration, argued that recruiting would be difficult in coming years because of a decline in the youth population, but would not be impossible.

Testifying before the Senate Armed Services Subcommittee on Manpower and Personnel, Mr. Armor said, "The majority of this population decline is already behind us and has had relatively little impact, thus far, on our ability to recruit high quality volunteers."

From 1964 to 1973, he said, 72 percent of recruits were high school graduates; in 1986, 92 percent were graduates, compared with 75 percent among the nation's youth.

Mr. Armor said, "critics of the volunteer force have charged that the white middle class is not doing its part for defense."

That criticism, he argued, "is largely unfounded." During the draft, 17 percent of those coming into the service were black, compared with 12 percent in the youth population, according to Pentagon figures. Last year, 19 percent of the recruits were black, compared with 15 percent of the youth population.

Turning to cost, Mr. Armor asserted that "there is no evidence that a return to conscription would save money." Cutting pay for first term service men and women, as critics have sometimes proposed, would save little because those wages amount to only ten percent of personnel costs and only two percent of the military budget, he said.

In contrast, Mr. Armor contended, a draft would cost an additional $1 billion in training costs because 100,000 two year draftees would be needed to replace three- and four-year recruits.

Finally, Mr. Armor argued, "major controversy has erupted nearly every time a draft has been considered." He pointed to the outcry during the Vietnam War. But he said recent data "show that the public is pleased with the current condition of the military."

He presented a chart with a Harris poll reporting 90 percent support for the draft in 1965, when the United States entered the war in Vietnam; a Gallup poll showed a drop to 53 percent in 1968 when resistance to the draft had arisen; and a Gallup poll with 59 percent support in 1980, when recruiting was going badly.

In 1984, Mr. Armor said, a poll by the University of Chicago's National Opinion Research Center paid for by the Ford Foundation showed that only 24 percent of the public wanted a return to the draft.

EXTENSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. CONRAD). The Senator from Oklahoma.

Mr. BYRD. Mr. President, will the Senator yield to me for a request?

Mr. NICKLES. Certainly.

Mr. BYRD. Mr. President, there are several Senators who wanted to speak during the period for morning business. I ask unanimous consent that that period be extended for not to exceed 15 minutes under the same conditions as were in the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the Senator for yielding.

Mr. NICKLES. Mr. President, I thank the majority leader.

THE AIDS AWARENESS ACT

Mr. NICKLES. Mr. President, I rise today with deep concern about our Nation's foremost public health issue and what may be this century's most deadly disease, acquired immune deficiency syndrome. It seems we are being manipulated by the stigma surrounding AIDS, as a result, we have compromised the health of our Nation.

Right now we have a haphazard, hit-or-miss policy. And, unfortunately, we are missing more than hitting. It seems what little action has been taken today is having little or no effect in curbing the spread of AIDS. However, I do want to commend President Reagan for the leadership he is now taking on this issue. When he addresses the American Foundation for AIDS Research on Sunday, I hope he takes a definitive stand for routine AIDS testing of certain groups as part of the national effort to solve the AIDS crisis.

I am encouraged that the Senate has now begun to grapple with important AIDS policy questions on the Senate floor. Last week's debate on routine testing for marriage license applicants and for new AZT drug funds was the first real exchange of views on the AIDS issue between Senators on the floor. Several Senators brought up some positive points about the value of limited mandatory testing, with which I also agree.

I would like to help clarify one issue raised during last week's debate concerning the reliability of the testing measures. According to the epidemiologists at the Centers for Disease Control, the first test for AIDS antibodies, called the Elisa test, exceeds 98 percent accuracy. Under standard testing procedures, a person who receives positive results on a first Elisa test then takes a second Elisa test. A positive result from this second test leads to either a Western blot or immunofluorescent test, the accuracy of both tests approaches 99 percent. Testing is reliable, according to the experts at CDC.

What was glaringly evident to most of us during that debate on the floor was the severe lack of credible information available on the extent of the AIDS problem.

No one, no agency, no organization, really knows how many people are carrying the virus and passing it on to others. No one knows what proportion of those infected will ultimately develop frank AIDS, the fatal stage of the disease. We are suffering from a severe lack of credible, usable information about the deadliest contagious virus in America. It is unconscionable to think that the most technically sophisticated Nation on Earth cannot, or will not, take the necessary steps to begin gathering useful information which could help save millions of lives.

One thing of which we are certain—our Nation is being crippled by the worst epidemic in history. Surgeon General C. Everett Koop has called it a plague of medieval proportions. To put this in perspective, here are some figures the World Health Organization gives for past plagues:

The bubonic plague killed 25 to 50 million between 1347 and 1350.

Influenza killed 22 million between 1917 and 1918.

Smallpox killed 400,000 at the height of the 19th century.

AIDS has the potential of surpassing these figures. More than 35,000 AIDS cases have already been reported in the United States. This number represents those at the frank stage; that is, they will shortly die from the virus. Further, an estimated 1½ to 3 million Americans carry the AIDS virus—some even estimate the figure as high as 4 million—and most carriers do not even know they have the virus. Mr. President, that means that 1 percent of Americans are carrying the AIDS virus.

The CDC estimates this number will climb to 5 million by 1991. Of those persons who are currently AIDS carriers, 20 to 30 percent of them will reach the deadly state of the disease within the next 5 years. It appears that even though the virus may remain dormant inside the body for many years, it will eventually develop to the deadly stage. And the disease continues to spread. Although we know it continues spreading through our population, we do not really know how fast. We need more information; we need more testing information.

AIDS is no longer just a disease of the homosexual and the drug addict communities. It has spread into the heterosexual population. Dr. Koop estimated by 1991, it will increase twentyfold in the heterosexual population. Currently 4 percent of AIDS victims are heterosexual, and hopes for a quick cure for this deadly disease do not look promising. The Surgeon General said we should not expect a vaccine in this century.

It is my guess, but it is a realistic estimate—we have not heard this from the Centers for Disease Control—that 1 million Americans will lose their lives by the turn of the century; that within the next few years, we will see in excess of 50,000 Americans every year dying from this deadly disease. That is comparable to all the Americans who lost their lives in Vietnam, and we are looking at that on an annual basis in the mid-1990's. So I hope that all Americans, not only Senators, but all Americans will wake up. This disease is not a laughing matter. We need to take every precaution possible.

The monetary cost of AIDS to the American people is already growing at an astronomical rate; 1986 Medicare and Medicaid costs for AIDS treatment are estimated at between $1.2 billion to $2.4 billion. That amounts to between $50,000 and $150,000 per patient during an average survival time of 18 months. About 40 percent of AIDS patients currently qualify for Medicaid, which covers about 57 percent of AIDS costs. However, by 1991 it is estimated that these Government costs will range between $8 billion and $16 billion.

So the cost in human lives is staggering. By the turn of the century 1 million Americans could lose their lives to this disease. The cost financially is staggering as well.

We should be shocked by the "medieval proportions" with which the disease is growing, we should be shocked by the monetary costs that will be involved to treat it, but we should be most shocked by our failure to act decisively on this issue, thereby insuring the proliferation of AIDS far into the future.

I believe we treat AIDS like we treat other communicable diseases—with routine testing, counseling and confidentiality. In every instance a communicable disease is involved, people across the Nation have agreed to routine but mandatory testing. For example, in about two dozen States we require premarital blood testing for venereal disease, a disease for which there is a cure. But when it comes to the deadly AIDS virus, we protect people not from the disease, but from a test. Routine for AIDS could be a life-saving requirement. As a matter of public policy, AIDS testing should be regarded as a measure of protection, as well as for research.

Many shy away from mandatory testing, saying we should "encourage high-risk individuals to seek testing voluntarily." There is probably not a Senator in this body who would disagree with encouraging high-risk individuals to seek testing. Unfortunately, too many high-risk persons refuse. In fact, a recent survey conducted in San Francisco shows 55 percent of the homosexuals surveyed did not want to know if they carried the virus. It appears the people who probably have the least to fear are the ones now seeking AIDS testing.

Education is important, counseling is vital, but education and counseling alone are not going to contain this disease. We need action that will give us accurate data, and that is why I propose starting a mandatory testing program for certain high-risk groups. Many States, including my own, are beginning to take decisive action. The Oklahoma House of Representatives has unanimously passed a bill to require testing all prison inmates for AIDS and all convicted prostitutes. It also requires segregation of those in prison who test positive for the AIDS virus. Oklahomans, like most Americans, are alarmed at the rapid growth in the number of AIDS cases. Since 1983, the number of reported cases in my State has more than doubled every year.

According to recent polling, the American people are supportive of some mandatory testing. A Gallup poll showed 87 percent of the public believe that we should test high-risk individuals—male homosexuals, intravenous drug users, prostitutes and the partners of these people. Seventy-one percent are for testing health care officials, and 85 percent support premarital testing.

The bill I have introduced would require the testing of persons convicted for narcotics abuse, prostitution, and rape. Further, it calls for testing of all prison inmates convicted of the aforementioned crimes since 1978. My staff has been in contact with the Centers for Disease Control, the American Medical Association, the Surgeon General, and the National Institutes of Health, and there is a consensus that most of the individuals in these groups are at high risk and more information is needed. For example, in some States, over 50 percent of the prostitutes test positive for the AIDS virus. Other studies show 75 percent of prostitutes are intravenous drug users.

Testing persons convicted of narcotics crimes, prostitution, and rape will give us cost-effective, useful data. While certain mandatory testing may be popular and helpful, like premarital testing, it would not necessarily be cost effective at this point as a research policy. According to officials at the Center for Disease Control, testing should be targeted to high-risk groups to yield the most useful data at the lowest cost. Our public health experts need usable information about the spread of this disease and the public-at-large also needs reliable information. This bill would give us data currently unavailable.

This bill would not provide all the information public health officials need, but it is a start. The purpose of this bill is clear: We need to know more about this virus and the testing of certain high risk groups will help provide that information. I urge my colleagues to examine this legislation and join with me in this effort to help provide reliable information to public health officials, to policymakers, and to all the American people.

TAXPAYERS BILL OF RIGHTS

Mr. PRYOR. Mr. President, I rise today to ask unanimous consent that three additional Senators be made original cosponsors of S. 604, the taxpayers bill of rights legislation. I am asking, Mr. President, that Senator ARMSTRONG, of Colorado, Senator BINGAMAN, of New Mexico, and Senator HATCH, of Utah be added as original cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, this brings our number of cosponsors to S. 604 as of today to 21. We are talking about Democrats and Republicans. We are talking about liberals and conservatives.

We have received some 2,000 letters from across the United States and over 1,500 phone calls from all States in the Union, stating the horror stories of overreach and abuse laid at the foot of the Internal Revenue Service.

Mr. President, I think it is most fitting that the distinguished majority leader would be in this Chamber at this moment because of the praise of not only his leadership but the commemoration of his 50th anniversary. He embodies probably more knowledge than all of the remainder of us put together about the various rules and procedures, the intricacies of the Constitution and the way that that Constitution works with this body and with the rules of this body.

Mr. President, I think, also, that in this year of the 200th anniversary of our Constitution there is no more appropriate time to basically rein in the awesome and abusive authority and power of the Internal Revenue Service than this year.

I am very pleased, Mr. President, to have these 21 cosponsors on this legislation and also, Mr. President, if I might, just picking from the huge stack of letters that we have in our office as a result of two hearings on the Internal Revenue Service, another one which is scheduled for late June on collections, seizures, and levies, the authoritative power of the IRS where the average taxpayer has no right, where there is no due process left, let me, if I might, read a few sentences from two or three of these letters.

Here is a letter, Mr. President, from Denver, CO. It states all about what this taxpayer had gone through, a small business, and the taxpayer states, "The IRS will not accept partial payment from the sale of our property. I was told by two IRS agents last week that they have a new policy in the Internal Revenue Service, and there is to be no repayment plan. Rather, it is more efficient to shut down the small businesses than to collect the tax."

Mr. President, that letter was from Denver, CO.

I have a letter that I received just last week, Mr. President, from a citizen, a small business person in southern Arkansas, who stated that:

> In 1975 a tornado came through our small town. My father's home was destroyed along with all of his possessions. Also his younger son, my brother, died in that storm as well as many of our friends. He and my mother were hospitalized for 6 weeks. My father attempted to rebuild his home and overcome these difficulties. However, his grief, along with a heart condition, brought even more difficulty. In January of 1977 he died. Then the IRS moved in.

Mr. President, the problem was that all of the records of this businessman had been blown away in the storm. The IRS assessed a $8,000 penalty upon this taxpayer. They said that he did not meet the burden of proof.

Mr. President, our particular legislation would directly affect the burden of proof by changing it from a taxpayer to the Internal Revenue Service.

Here is a letter, Mr. President, from Illinois:

> Earlier this year, my son was working in the St. Louis area and he had contact with IRS. He attempted to settle the difficulty by working out a way which he could repay in an installment system. However, in April—

This is the mother writing—

> I opened my checking account bank statement. There was a nice little blue slip informing me that the IRS had withdrawn $1,420,01 from my account, not my son's, but mine.

Mr. President, the taxpayers bill of rights affects and directly directs its attention to abuses and overreach such as this.

Finally, Mr. President, I would like to state that the taxpayers bill of rights is an attempt to change the relationship in this year of our 200th anniversary of the Constitution, to make a relationship based not on fear but on respect.

I thank the Chair.

I yield back the remainder of my time.

Mr. BYRD. Mr. President, I thank the distinguished Senator for his effectiveness and very generous remarks in my regard.

EXTENSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that the time for morning business be extended 5 minutes under the same conditions as heretofore.

The PRESIDING OFFICER. Without objection, it is so ordered.

THANKS TO THE MAJORITY LEADER AND MRS. BYRD FOR SHARING THEIR ANNIVERSARY

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. BINGAMAN. Mr. President, let me start by also adding my thanks to the majority leader and his wife Erma for allowing us to join together last night in a show of respect and affection for them on their anniversary.

I do think it was not only a tremendous tribute to them but the clearest showing that I have seen in my time here in the Senate of the affection and bond that holds this organization together.

The Senate is always referred to as the greatest club in the world. I think last night was a clear sign that there is something to that. There is a bond of affection among the Members here which was heartening to see.

Mr. BYRD. Mr. President, let me thank the distinguished Senator from New Mexico for his very kind and gracious remarks. I am happy that he was able to share that evening with Erma and me.

AL UNSER

Mr. BINGAMAN. Mr. President, it is always a pleasure to praise people who are very good at what they do. This Saturday my home State of New Mexico and the city of Albuquerque will be praising publicly a New Mexican who is perhaps the best who ever lived at what he does, and that is drive race cars.

Al Unser last Monday won the Indianapolis 500 for the fourth time, something only one other man, A.J. Foyt, has ever done in the long 71-year history of the famed Brickyard. His fellow New Mexicans are proud of him and on Saturday his hometown of Albuquerque will honor him with a downtown parade and rally.

They call him Big Al in racing circles and he comes from the first family of big car racing. His brother Bobby has won the Indy 500 three times, and Al's son, Al, Jr., today ranks among the best of racing's new young generation.

But there is no driver in the world, young or old, who doesn't rank Al Unser at the very top of racing history. Another great driver, Mario Andretti, has said that in his opinion no driver has more "race savvy" than Big Al. Roger Penske, the owner of the car Unser drove to his fourth 500 victory on Monday, has said: "Al Unser just knows how to win a race * * *. You don't win this thing four times because you don't know what's going on."

Unser turns 48 today, and for 23 of those years he has gone to Indianapolis to race on Memorial Day. And he has logged some memorable miles in those years and left millions who have seen him race there or on television with vivid memories. He won his first Indy 500 in 1970, his next the following year, his third in 1978, and his fourth just last Monday. He is the oldest winner in the history of the race.

Today I wish to praise him publicly, to express my admiration for his truly magnificent skill, and to tell him how proud I am as a fellow New Mexican of him and the example of excellence he holds up for all the world to see.

He and his wife, Karen, will ride, much more slowly than he is accustomed to, in the parade in his honor in Albuquerque tomorrow. The mayor has proclaimed it "Al Unser Day," and will present him the keys to the city.

Mr. President, no man has shown by constant skill and accomplishment over the years in one of the most dangerous and demanding professions that he deserves it more.

The PRESIDING OFFICER. Is there further morning business?

Mr. BYRD. Mr. President, I have been discussing with the distinguished Senator from Texas, Mr. GRAMM, a time for a vote on the—Mr. President, why do I not wait until the Chair is able to close morning business.

THE 20TH ANNIVERSARY OF PHACOEMULSIFICATION

Mr. PACKWOOD. Mr. President, millions of people worldwide are likely to develop cataracts in their lifetime. While many will not require surgery, others—including myself—will find their vision and normal activity sufficiently impaired that they will undergo cataract extraction surgery. This is delicate microsurgery in which the clouded natural lens of the eye is removed. The incidence of cataract extraction surgery has increased from 333,000 in 1975 to an estimated 1 million today. Experts predict that it will continue to increase to 1.26 million by 1990.

A cataract occurs when the normally clear, transparent lens of the eye becomes cloudy, often obscuring vision. One of the several procedures surgeons use to remove cataracts is called "phacoemulsification." It is a small incision technique which uses ultrasonic vibration to break a cataract into fragments before suctioning it out of the eye through a hollow needle.

Exactly 20 years ago, Dr. Charles Kelman of New York City invented the first phaco-emulsifier in conjunction with a company called Cavitron, now known as Coopervision of Palo Alto, CA.

In life, you are privileged to meet maybe half a dozen people that you would regard as certifiably genius. Charlie Kelman is one of those people. In my life, I've been privileged to meet presidents of foreign countries, prime ministers, kings and queens, Nobel prize winners in literature, physics, chemistry, some of the great architects of our day, many of our renown authors and playwrights, and hundreds of others. In my judgment, there is no one—no one—who equals Charlie Kelman in stature nor anyone who has done more for the betterment of this world. He is quick. He is brilliant. He is witty. Most of all he is willing to give of himself beyond measure to help others. For all of this, his recompense is significantly less than many who have achieved but temporary notoriety in a flashout.

Through the years, Dr. Kelman and his colleagues in ophthalmic surgery have continued to collaborate to produce a steady stream of technology advancements that have revolutionized the world of cataract surgery.

Until recently, less than 20 percent of the Nation's eye surgeons performed the delicate "phaco" procedure. But, advances in the technology of foldable lenses designed to replace the natural clouded lens of cataract patients are today thrusting phacoemulsification into greater prominence.

As one of hundreds of thousands of patients who have had a "phaco" procedure done, and in light of the fact that my own surgery was performed by Dr. Kelman, I want to take the occasion of phacoemulsification's 20th anniversary to salute not only Dr. Kelman and Coopervision but also a host of other medical professionals who have played a part in advancing the art of ophthalmic surgery, especially this state-of-the-art cataract extraction procedure.

This week, when the American Society for Cataract and Refractive Surgery meets in Orlando, FL, a variety of activities will be organized to salute the 20th anniversary of phacoemulsification. Dr. Kelman will, of course, be given special recognition for his ongoing commitment to cataract surgery as will 23 other surgeons who have also made special contributions to advancing the art of phacoemulsification.

Much of the healthcare news we read about today focuses on advances in genetic science, biotech, miracle drugs and organ implants. Far too little recognition is given to our Nation's physicians and surgeons who are continuously working with corporate researchers and engineers to update and refine the many medical breakthroughs that happened only 10 or 20 years ago. Let us take this occasion to recognize contributions—such as phacoemulsification—which were breakthroughs several years ago but continue to provide the first steps toward the breakthroughs of tomorrow. I urge you to join me in saluting Dr. Charles Kelman, Coopervision, and the 23 "Masters of Phaco" on this the 20th anniversary of its invention.

Mr. President, I ask unanimous consent to have printed in the RECORD the names of the 23 surgeons who will be honored as "Masters of Phaco."

There being no objection, the names were ordered to be printed in the RECORD, as follows:

"MASTERS OF PHACO"

Robert Azar, New Orleans, LA
Charles Bechert, Fort Lauderdale, FL
Elliott J. Blaydes, Jr., Bluefield, WV
Henry Clayman, Miami, FL
Calvin K. Fercho, Fargo, ND
James Gills, Tarpon Springs, FL
John Gilmore, Santa Monica, CA
David Hiles, Pittsburgh, PA
Henry Hirschman, Long Beach, CA
Francis Hurite, Pittsburgh, PA
Norman Jaffe, Miami, FL
Leeds Katzen, Lutherville, MD
Charles Kelman, New York, NY
Oram Kline, Woodbury, NJ
Guy Knolle, Houston, TX
Manus Kraft, Chicago, IL
Richard Kratz, Newport Beach, CA
James Little, Oklahoma City, OK
Thomas Mazzocco, Van Nuys, CA
Donald L. Praeger, Poughkeepsie, NY
Steven Shearing, Las Vegas, NV
John Sheets, Odessa, TX
Robert Sinskey, Santa Monica, CA

SAMUEL WARD

Mr. PELL. Mr. President, I would like to call my colleagues attention to the importance of this day for Rhode Island history, especially for the town of Westerly, RI. For today marks the 262 birthday of Samuel Ward, who hailed from that lovely seaside community. His name graces many streets and places there, including Westerly High School, which was originally named in his honor. It is a special day because Samuel Ward, who would serve his State and Nation with utter distinction and constancy throughout his life, was a man whose illimitable virtue instructs each and every one of us.

Representative from Westerly to the Rhode Island General Assembly; three times Governor of Rhode Island; chief justice of the Rhode Island Supreme Court; prosperous farmer; devoted father of 10 children: Samuel Ward was a leading light in Westerly and the colony of Rhode Island.

As Governor during the critical Stamp Act period, he acted with decisiveness and wisdom and would later continue to judiciously exercise the gifts of character which fortune bestowed upon him to perform the signal duty of his life: Serving as Rhode Island's first delegate in 1774–76 to the fledgling Continental Congress in Philadelphia.

In March 1776, dying from smallpox in Philadelphia far from his beloved beachside farm in Westerly, he missed being a signer of the Declaration of Independence by only 4 months. But as the delegates affixed their signatures to that remarkable document in July, Sam Ward must have smiled down from Heaven. The following letter he wrote to his brother, Henry, 6 months before his untimely death gives us reason to believe thusly.

He penned from Philadelphia:

> My dear brother, Heaven Calls us all to the arduous task. The Contest between the Countries involves a Question of no less Magnitude than the Happiness or Misery of Millions and when we extend our Views to future Ages we may say Millions of Millions; our Views therefore ought to be extensive, our Plans great and our Exertions adequate to the immense Object before Us; this course will surmount all Difficulties and land us in the beautiful safe and happy Regions of Liberty.

Although Samuel Ward did not survive to see the denouement of his life's work, the cause for which he labored with implacable fidelity endures on this day, and, may we all hope, for countless millions to come—in Westerly, RI and, throughout the world.

DESTRUCTION OF THE OZONE LAYER

Mr. WIRTH. Mr. President, recently, the United States and countries around the world have focused on the problem of ozone and the discovery of a very large hole in the ozone in the southern atmosphere. This has raised, once again, concerns about CFC's [chlorofluorocarbons] their reaction in the atmosphere and their contribution toward the destruction of the ozone layer.

In response to this question, the United States has been involved with our allies, with other industrial nations in Europe and with Japan, in a series of very serious negotiations in Geneva, focused on how we might limit the production and the use of chlorofluorocarbons.

The State Department recently came up with a historic agreement to put a lid on the use of CFC's and to have CFC's slowly, over time, decline in their usage, thus allowing us to begin to protect the ozone layer, which is extraordinarily important to the survival of life on this planet. That agreement was reached, a historic agreement, one of which I think we are very proud.

Yesterday, it came to the attention of the American people that Secretary of the Interior Donald Hodel had recommended to the White House that that agreement be suspended—this, according to press accounts—that instead of this kind of "Government interference in the private sector," that instead of lowering the use of chlorofluorocarbons, what we should do is to issue to the people of the United States hats, dark glasses, and suntan lotion.

This is an extraordinarily irresponsible statement, if in fact it is true, for the Secretary of the Interior to make. If it were not so very dangerous, it would be humorous.

In the United States, we have policies related to clean air. If we were to follow logically what the Secretary of the Interior is alleged to have said, we would be issuing respirators to everybody in the United States to solve the clean air problem. To solve the clean water problem, we would be issuing bottled water to everybody in the United States. To cope with the problem of nuclear warfare, we would be issuing shovels to each American citizen.

It is imperative that the Secretary of the Interior clarify his position and let us in the Senate, let our colleagues in the House, and let the American people know what his position is and what the recommendations of the Department of the Interior ought to be. It is my hope that that clarification will make clear that Mr. Hodel was misquoted or that the position of the Department of the Interior was not made clear.

THE GREATNESS OF FORMER SENATOR HENRY JACKSON

Mr. BINGAMAN. Mr. President, on May 31, the family, friends and other admirers of the late Senator Henry M. Jackson will observe the 75th anniversary of his birth.

I am certain, Mr. President, that not a day goes by in the activities of this body that Scoop Jackson is not in some way recalled. His influence was so profound, his spirit so large that he will be remembered, as the poet says, "for aye." Still Mr. President, it is appropriate that we observe this significant day by noting Senator Jackson's great contributions to the Senate, the country and, indeed, the world.

We are reminded, too, of the affection and regard we have for his wife, Helen Hardin Jackson, and for their fine children. They have returned to Washington State and this city, where so many of their friends live, misses them very much. Our thoughts are with them as they acknowledge this special day.

Mr. President, over a century ago, Leo Tolstoi in his "War and Peace" wrote: "There is no greatness where there is not simplicity, goodness and truth." On the occassion of the anniversary of his birth, we recall the greatness of Henry Jackson in the fullness of the word.

IN HONOR OF SFC. DONALD R. MOYER

Mr. RIEGLE. Mr. President, the U.S. Army Reserve Center in Pontiac, MI, headquarters for the 2d Battalion, 333d Regiment, 2d Brigade (infantry), 70th Division (training), and C Battery, 4th Battalion, 20th Field Artillery will dedicate its Reserve center in memory of Sfc. Donald R. Moyer on June 13, 1987. Honored guests will be State and Army dignitaries and members of his family: his mother, Hazel E. Moyer, two brothers, Freeman D. Moyer and Frank B. Moyer and sister, Carol Pilkington. Col. Lewis L. Millett (retired), Medal of Honor recipient from the 25th Infantry Division, will be the keynote speaker to honor Sergeant Moyer's memory.

Sfc. Donald R. Moyer, a Pontiac, MI, native, Company E, 35th Infantry Regiment, 25th Infantry Division received the Medal of Honor posthumously for conspicuous gallantry above and beyond the call of duty in action against an armed enemy of the United Nations near Seoul, Korea, on May 20, 1951.

Sergeant Moyer's platoon was attempting to secure commanding terrain held by an enemy platoon, which was significantly larger than Sergeant Moyer's platoon. Advancing up a hill, the platoon withstood an intense enemy attack of automatic weapons, small arms, and grenades. Sergeant Moyer rushed to the front of his platoon, courageously took charge, and led the men forward. The enemy fire became even more intense, and the platoon was bombarded with grenades. One of the grenades landed amidst the group and Sergeant Moyer, fully aware of the impending consequences, threw himself on it. This selfless, but mortal act prevented many of his comrades from death or serious injury. Sergeant Moyer's fearless act also resulted in the takeover of the enemy stronghold.

Sergeant Moyer's bold, courageous act is an example of bravery and patriotism in the highest degree. Sergeant Moyer's life serves as a testament of one man's love and devotion to his country. During his 3 years of service in the U.S. Army, he gave fully of himself to his country, superiors, and fellow comrades

The United States is honored to have men and women of Sergeant Moyer's caliber serve in its armed forces. This dedication of the Reserve center to the memory of Sergeant Moyer is a well-deserved honor, one that generations of Americans to come will always remember and cherish.

U.S. POSITION AT INTERNATIONAL NEGOTIATIONS TO CONTROL CFC'S AND STRATOSPHERIC OZONE DEPLETION

Mr. CHAFEE. Mr. President, for quite some time, we have been grappling with one of the most important global environmental problems that scientists and policymakers must deal with; namely, depletion of the Earth's protective ozone shield and the need to control a class of chemicals known as CFC's or chlorofluorocarbons.

As recently as a few weeks ago, the United States and this administration in particular had reason to be proud of its position as a world leader in this area. At a recent series of international negotiations, the United States has been calling for an immediate freeze, to be followed by a prompt, virtual elimination of the production and use of ozone-depleting chemicals. That position has been and continues to be a sound public policy response to one of the most serious environmental problems threatening the world today.

Indeed, since the U.S. position was first approved by this administration last November, developments have all been in the direction of bolstering the scientific and technical underpinnings of the U.S. position. This has led the rest of the industrialized world to rapidly and somewhat unexpectedly move in the direction of supporting the U.S. position as the most prudent and reasonable approach.

So what is the problem? The problem is the widely reported attempt by some within this administration, specifically Secretary Hodel and White House Science Adviser Bill Graham, to undermine the progress that has been made at the international talks. Recent reports of a "new" U.S. position urging people to wear more hats, sunscreen and sunglasses rather than cut back production of ozone depleting chemicals would be funny if it wasn't so serious. These latest suggestions are as absurd as the proposals in the early 1980's to classify ketchup as a vegetable in the school lunch program. They are as futile as having students hide under their desks in case of nuclear attack. This problem is not going to go away if we simply stick our heads in the sand, or in this case under hats and sunglasses.

Don't these people realize that only virtual elimination of these chemicals can provide adequate protection against the serious, perhaps catastrophic, consequences of increases in ultraviolet radiation? This is neither the time nor the place to let the rhetoric of "overregulation" obscure the facts. Is it overregulation to ban cocaine? Of course it is not. And it is not overregulation to curb CFC's that can substantially alter this globe of ours.

Testimony received by the Senate Committee on Environment and Public Works on May 12, 1987, revealed that most living organisms now exist at the outer limit of the ultraviolet radiation which they can tolerate and survive. Even slight increases in ultraviolet radiation could result in precipitous declines in the survival of plants and animals which form the bottom of the world's food chain. The same biological mechanisms which trigger injury and death in these organisms appear to suppress the immune systems of humans, leading to protential increases in cancer and other illnesses which could not be avoided by simple changes in lifestyle.

Those who question the causes and rate of ozone loss would be well advised to review the record from our hearings earlier this month. A number of interesting facts were presented by several panels of distinguished scientists who specialize in these issues.

First, current scientific models of ozone depletion and the use of global "averages" are probably underpredicting and masking the true environmental consequences of ozone depletion.

Second, the global freeze on production of CFC's that is being urged by industry and considered at the ongoing international talks would result in depletion of ozone layer. In fact, even the most stringent option being considered—a 50-percent reduction in harmful CFC's—is predicted to result in significant global depletion.

Third, the "hole" over Antarctica is actually an annual collapse over significant portions of the Southern Hemisphere, including the tip of South America.

Fourth, no one predicted the "hole" and we are risking similar collapses elsewhere.

Fifth, although more work needs to be done, chlorine from CFC's appears to be "the smoking gun" in Antarctica and, in the upper stratosphere, over the rest of the globe.

Sixth, in addition to the predicted and much publicized increases in skin cancer that will result from ozone depletion, we are likely to see more eye damage, suppression of the immune system, disruption of the aquatic food chain, reduced productivity in crops and damage to other plants and forests.

And seventh, on the basis of health and environmental effects, there is no "safe" level of ozone depletion.

Similarly, a Science Advisory Board's report on EPA's risk assessment document recommended:

> EPA should clearly and forcefully state that, by the time it is possible to detect decreases in ozone concentration with a high degree of confidence, it may be too late to institute corrective measures that would reverse this trend.

Those who argue that a mere freeze on production of CFC's at current levels is enough should consider these numbers: The average amount of chlorine found in the atmosphere today is 3 to 4 parts per billion. With that low level, we are experiencing a collapse of ozone over the Southern Hemisphere each October and we have seen global depletion in the upper stratosphere. No one predicted the Antarctic hole and, at current emission rates, we are risking a global ozone collapse. With a freeze, the 3 to 4 parts per billion will rise to about 9 parts per billion and cause up to 16-percent depletion at high latitudes in 50 years.

Without proof that such a basic, manmade change in our atmosphere is safe, a freeze by itself is unacceptable and irresponsible.

On May 12 of this year, the Atlanta Constitution ran an editorial that summed up the problem. It said, in part:

> Just this once, the Reagan administration was proudly out in front on an environmental issue, one of potentially cataclysmic dimensions * * * the thinning of the Earth's protective ozone layer. * * *
>
> Suddenly, the stout U.S. stand in U.N. sponsored bargaining * * * lost all its starch. * * *
>
> The U.S. position, alas, was undermined by pressure from a CFC's industry group and from second-level Reagan appointees who adhere to ideas on safeguarding the planet's ecology that would have received a hospitable hearing from Attila the Hun. * * *

After mentioning the Senate hearings, the editorial concluded by saying:

> It won't be enough for the Senators to reveal how antienvironmentalist zealots and special industrial pleaders managed to derail an admirable Reagan administration initiative; they ought to determine whether, if at all possible, the agreement offers any openings to get the effort back on track.

I am concerned about what was happening in our Government during March and April—leading up to the meeting in Geneva—but I am even more concerned about what may be happening now, before we go back to the negotiating table.

I would have thought that the next step was an easy one. The most stringent option in "the Chairman's text" that emerged from the last Geneva meeting is a semiautomatic 50-percent reduction in CFC's. The United States has been advocating an automatic 95-percent phaseout.

How on Earth can the United States now justify any position other than one that advocates the most stringent option available? Particularly since an international panel of scientists has shown that even the 50-percent reduction will produce a 5- to 10-percent loss of the ozone layer between the years 2050 and 2060. On that basis, the United States should not retreat from its original position on this important matter.

How these issues are resolved will obviously affect the health and well-being of our planet. Not so obvious is the effect it will have on the leadership role of the United States in the world today and on our ability to negotiate in the future.

The leadership which the administration and its officials, especially Lee Thomas, have shown on this matter has been a source of pride to those of us who serve in the Congress and we sincerely hope that we will continue to be in a position to cite this as an example of responsible, thoughtful protection of human health and the environment.

It is time for the President to take control of this issue and to support the experts at the Environmental Protection Agency who have been struggling with this issue for years. Those within the administration who are newcomers to the issue should limit their advice to their areas of expertise and stop embarrassing the United States and the President.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. If there is no further morning business, morning business is closed.

SUPPLEMENTAL APPROPRIATIONS, 1987

The **PRESIDING OFFICER**. Under the previous order, the hour of 10 a.m. having arrived, the Senate will resume consideration of H.R. 1827, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1827) making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Dole Amendment No. 247, to provide a rural focus and funding for the National Commission on Agricultural Policy and funding for the National Commission on Agricultural Finance.

(2) Helms Amendment No. 248, to provide that none of the funds provided by the Act for the emergency provision of drugs determined to prolong the life of individuals with Acquired Immune Deficiency Syndrome (AIDS) shall be obligated or expended after June 30, 1987, if on that date the President has not added human immunodeficiency virus infection to the list of dangerous contagious diseases contained in Title 42, Code of Federal Regulations.

Mr. BYRD. Mr. President, would the Chair state for the information of the Senate the order of yesterday as to the precedence of actions today.

The **PRESIDING OFFICER**. At this time, the Senate was now to dispose of the Dole amendment. And then, under the previous order, the Senator from Louisiana was to be recognized to offer a motion to waive the Budget Act. Following that, the pending question is on Amendment No. 248, the Senator from North Carolina's amendment.

Mr. BYRD. I thank the Chair.

Mr. President, the distinguished Republican leader is, of necessity, away at this hour. He and Mr. HELMS and Mr. SANFORD are attending an important function in North Carolina and will be back in the Senate, I was told by Mr. DOLE last night, circa 11:30, 11:45 a.m. today.

I ask unanimous consent that the pending amendment of Mr. DOLE's be laid aside until the disposition of the amendment by Mr. HELMS. This will accommodate the Republican leader so that he can be back in the Senate at the time his amendment is disposed of.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I will not put the following request momentarily. Now that this new request has been agreed to, I assume that we revert to the status in which Mr. JOHNSTON would make his motion to waive, am I correct?

The **PRESIDING OFFICER**. The majority leader is correct.

Mr. BYRD. I will yield the floor then for that purpose.

I should state, however, for the information of all Senators, that I have discussed with Mr. GRAMM the setting of a vote on the motion by Mr. JOHNSTON. I have suggested to Mr. GRAMM that we set that vote for 11:40 a.m. today. This would accommodate again Mr. DOLE, Mr. HELMS, and Mr. SANFORD. And, under the order of yesterday, I think Mr. GRAMM has it within his power to set that vote because the agreement was, that there would be 30 minutes equally divided on Mr. JOHNSTON's motion but that Mr. GRAMM could have as much time as he desired. He indicated to me this morning, and he is here on the floor, he indicated—I would rather yield to him and let him state his position.

Mr. GRAMM. Will the distinguished majority leader yield?

Mr. BYRD. Yes, I yield.

Mr. GRAMM. Mr. Leader, as you know, there are several people who are trying to get back to be sure they are here for the vote. As of now, it is assumed that they would be. I would like to go ahead and comply with the request of the distinguished majority leader to set the time at 11:45 with the understanding that if something came up and we needed to extend it that at least the two of us would be agreeable to that.

Mr. BYRD. I would like to inquire of the distinguished Senator from Louisiana and the Senator from Mississippi what their feeling is in this regard.

Mr. JOHNSTON. Mr. President, I would certainly be willing to go along with any request to extend that time so that our North Carolina travelers could be accommodated.

Mr. BYRD. I thank the Senator.

Mr. EXON. Will the majority leader yield for a question?

Mr. BYRD. Yes.

Mr. EXON. I am sure there is important business going on in North Carolina. I would simply point out that the most important business that this Senator is concerned about is the holdup of the Commodity Credit Corporation funds that farmers in Nebraska and elsewhere around the United States have been, first, patiently and now impatiently waiting for this body to act on.

It was my understanding last night—and maybe I understood incorrectly—that we were to go on this bill at 10 o'clock and have a vote shortly thereafter. Whether or not that was changed after I left the floor, I would only go along with what I have heard this morning.

My particular question is: With further delays on a bill that should have been passed a long time ago, especially with regard to the Commodity Credit Corporation, what are the possibilities and what are the plans for holding the Senate in session as late as possible today and possibly a session tomorrow, if necessary, to complete action on this bill? It is a vital matter.

Sometimes we spend so much time accommodating Senators, as this Senator pointed out last week about this time on this bill. Another whole week has gone by and we are dilly-dallying. I understand we have to do some dilly-dallying in this body to get things done. As far as the farmers are concerned and the Commodity Credit Corporation, dilly-dallying is way past time.

When are we going to complete action on this bill under all the various arrangements that have been made with all the various Senators who have all kinds of business elsewhere rather than being here in the U.S. Senate?

Mr. BYRD. Mr. President, first, let me in responding say that I admire the distinguished Senator from Nebraska for his tenacity and his dedication to the cause of the farmer and, always number one, the cause of his constituents. He is loyal to them. He is effective in his representation of them. I fully am sympathetic with his expressed concerns.

Having said that, may I say that I do not believe the Senate is dilly-dallying. I share the Senator's special concern that the Senate was delayed. We were not able to get the waiver that we sought at the beginning some days ago. That is what delayed the Senate from the start. But once we had taken it up in the second instance, it has moved along very well except for Monday when a good many Senators were not here—the Senator from Nebraska was here. It was a little slow going on Wednesday. But before the end of the day, I think, we caught up rather well with 5 or 6 rollcall votes on amendments.

I talked to the Republican leader last night and he said, "Do not hold up the vote for me. If you are going to have the vote before I get back, go ahead and have it."

So the Republican leader is not holding up the Senate.

Nor did Mr. HELMS, nor did Mr. SANFORD ask that the vote be held up. But they are returning, as I understand, around 11:40 or 11:45.

I think in this instance we ought to accommodate the leader, even though he did not ask.

Now to directly answer the question as well as I can, I truly expect to finish action on this bill today. I cannot guarantee this. But the staffs, the managers, and Members have been diligent in their work of yesterday and the day before. I have good reason to believe that this bill is going to be passed before the day is over and I do not believe we will be late getting out of here.

Mr. EXON. I thank my majority leader very much for his statement. I hope we can all work cooperatively together despite absences to accomplish that at the earliest possible date, hopefully this afternoon. But if it is not completed, I will say that this Senator will be here as late as midnight tonight or thereafter if the majority leader wants to keep us here to complete work on this bill, which I hope he will.

Mr. BYRD. I am sure the Senator will be here as late as necessary to help the majority leader.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, first of all, let me echo the concern of the Senator from Nebraska [Mr. Exon] and say that I fully expect that we will finish this bill not only today but early in the afternoon. Certainly, if we will diligently stay on our work as the Senator from Oregon and I and others intend to do, we will do just that. The only real danger, of course, would be if we do not pass the budget waiver. Then we would have to go all the way back and start all over again in the House of Representatives. That has been clearly announced by the majority leader. That is the intention of those on this committee, Senator Stennis and others. That is the only thing we can do. That would be a real delay and a real tragedy for those who need the CCC funds, who need medical care, who need all of the other things provided urgently by this bill.

Mr. President, I think we can tend to other matters. There is a Melcher amendment which should be very quick, I would think. Senator Helms is also in North Carolina, and he has an amendment. There are other matters that we can tend to. I think there is a Metzenbaum colloquy that has to be tended to. I think all of that can be done.

I would expect that perhaps the thing to do would be, after the motion to waive the Budget Act is made, to temporarily set that debate aside and consider perhaps the Melcher amendment, getting as much work out of the way as we can.

Mr. President, if the majority leader is ready for me to make the motion on the Budget Act, I will do so at this time.

Mr. BYRD. Yes.

Mr. JOHNSTON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSTON. Has the point of order been made?

The PRESIDING OFFICER. Yes.

BUDGET ACT WAIVER

Mr. JOHNSTON. Mr. President, I move to waive sections 302(f), 303(a), and 311(a) of the Budget Act as amended, in the consideration of the 1987 supplemental appropriations bill H.R. 1827.

The PRESIDING OFFICER. The question is on the motion of the Senator from Louisiana, on which there is 30 minutes of debate equally divided.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that this matter be temporarily laid aside in order that the Senator from Montana [Mr. Melcher] may be recognized to offer an amendment, if he desires to do so.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I believe that the distinguished Senator from Texas is agreeable to setting the time for the vote on the motion to waive at 11:40, with the understanding that if Senators wish an extension of that time it could be arranged.

Mr. President, temporarily I will withhold the request.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded,

The PRESIDING OFFICER. Without objection, it is so ordered.

MODIFICATION OF AMENDMENT NO. 248

Mr. HATFIELD. Mr. President, on behalf of the Senator from North Carolina [Mr. Helms] who has sent an amendment to the desk, I have cleared a unanimous consent request I am about to make with the comanager of the bill, the Senator from Louisiana [Mr. Johnston]. Senator Helms had made a request regarding his amendment that is pending at the desk, which shows a threshold date of June 30, 1987, that date be changed to August 30, 1987.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I thank the Chair.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the vote on the waiver motion by Mr. Johnston occur at 11:40 a.m. today.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, in order to allow our minimum of 30 minutes of debate, I think we should probably also move to return to debate on that issue not later than 11:10 a.m., in case we are dealing with the Melcher amendment or other business at that time.

Mr. BYRD. Mr. President, I make that request.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside in order that the Senator from Florida may propose a sense-of-the-Senate amendment.

The PRESIDING OFFICER (Mr. Fowler). Without objection, it is so ordered.

AMENDMENT NO. 249

Mr. GRAHAM. Mr. President, I send to the desk a sense-of-the-Senate amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Florida [Mr. Graham] proposes an amendment numbered 249.

At the appropriate place, insert the following:

It is the sense of the Senate that such expenditures in H.R. 1827, the Supplemental Appropriations Bill, as finally passed, as exceed the requirements of the Budget Act shall, during this calendar year be offset by rescissions of expenditures, or programs or reductions thereof or by other legislative action sufficient to provide such funds.

Mr. GRAHAM. Mr. President, I share the concern of many of our colleagues that in this first, important supplemental appropriations bill action taken during this Congress, we are adding to the deficit of the U.S. Government.

I believe that the No. 1 domestic priority of this Congress should be to bring our Federal fiscal house into order and to do so as rapidly as possible. We are dealing with a bill which contains commitments such as personnel expenditures and retirement costs that are in the nature of contractual obligations, important programs for American agriculture which must go forward.

I believe it is appropriate, therefore, that as we take necessary action, we also commit ourselves to subsequent necessary actions to bring this into balance. I am suggesting that we commit ourselves, in the remainder of this calendar year, to allow us the remainder of time in the current fiscal year and the first 3 months of the next fiscal year, to take such steps as are necessary, focusing on recission of expenditures, program reductions, or other legislative action which will be necessary in order to bring the action which I anticipate we will take today, or shortly thereafter, into conformity with the Budget Act, and not to add to the Nation's deficit.

Mr. President, I yield the floor.

The **PRESIDING OFFICER.** Is there further debate on the amendment?

Mr. **JOHNSTON.** Mr. President, the Senator from Florida has been a leader in containing the size of this deficit. He has been constant in reminding us of that. I think his amendment is very salutory in putting the Senate on record as needing to offset the amount by which this exceeds the Budget Act. Therefore, we will accept the amendment.

The **PRESIDING OFFICER.** The Senator from Oregon.

Mr. **HATFIELD.** Mr. President, as comanager of the bill, I have no objection to the amendment.

The **PRESIDING OFFICER.** Is there further debate on the amendment offered by the Senator from Florida? If not, the question is on agreeing to the amendment.

The amendment (No. 249) was agreed to.

The **PRESIDING OFFICER.** The Senator from Louisiana.

Mr. **JOHNSTON.** Mr. President, I think we are ready to commence the debate on the waiver of the budget resolution.

The **PRESIDING OFFICER.** Under the previous order, the Senator from Louisiana [Mr. JOHNSTON] is recognized to offer a motion to waive the Budget Act, and the motion has been made.

Mr. **JOHNSTON.** Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **JOHNSTON.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **JOHNSTON.** Mr. President, I yield myself 5 minutes.

The **PRESIDING OFFICER.** The Senator is recognized.

BUDGET ACT WAIVER

Mr. **JOHNSTON.** Mr. President, the pending motion is to waive the Budget Act in order to consider the supplemental appropriations bill.

There are three essential points to consider as we consider this waiver.

First, this is a Presidential request. This urgent supplemental appropriations bill began with the Presidential request. Actually, it was very much larger, I think larger by $2 or $3 billion than that finally approved either by the House or by the Senate.

It is important to also remember that the Senate in the process of the consideration of this bill rescinded and cut some $3 billion in existing programs. So the Senate Appropriations Committee has scrubbed all of the fat out of as many programs as was possible to do after very much consideration.

After the bill was in its final form in the Senate Appropriations Committee and before its final passage, I publicly asked what the President's position was on the bill as it then stood because I wanted to make crystal clear that the President continued to support this bill as ready to be reported at that moment.

The debate continued in the Senate Appropriations Committee, and about 30 minutes later the word came back through the White House representative that the President approved this bill as it was then about to be reported with all of the amendments and that he would sign that bill.

That is important for every Senator to remember, Mr. President, because there is not one amendment which is attached to this Senate bill which is an anathema to the President, which is veto bait, which is one that he will not accept as part of this bill.

Second, it is important to remember that this is a bipartisan bill. In addition to having requests by the President and an OK by the House, it is also bipartisan. In the Senate Appropriations Committee both Democrats and Republicans overwhelmingly approved this bill.

Third, Mr. President, it is essential to remember that this is an urgent supplemental. There is no alternative to this supplemental.

I previously pointed out that CHAMPUS funds providing medical care for our people in the Armed Forces who do not have access to military hospitals to the tune of $425 million are provided in this bill. The first week in July those funds run out. So that means if we do not provide the funds, Mr. President, there will either be no pay for the doctors and hospitals which would be requested to provide the care, or there is no medical care for our people in the Armed Forces.

Mr. President, we simply cannot allow this to be done because unfortunately sickness goes on in spite of the rules of the Senate, the Budget Act, and the requirements of the Gramm-Rudman-Hollings law.

The pay and retirement to the tune of some $1.5 billion as provided in this bill, Mr. President, unless provided, will work to have furloughs and mass firings throughout the Government. I read a list yesterday and put it in the RECORD. It is in today's CONGRESSIONAL RECORD, but you go right through the departments of Government from the Office of Economic Advisers, the first one here, 95 furloughs; Office of U.S. Trade Representative—we are supposed to try to get our trade deficit down—168 furloughs, and these figures come from the Office of Management and Budget. Go down to the Department of Labor, here is 392 in one department, 2,156 employees furloughed in another, 1,909 employees furloughed in another department; Department of Justice, 30,000 furloughs, and so on down the list, Mr. President.

So, let no one mistake what the result of not approving this bill is. The functions of Government will in part come grinding to a halt, employees by the tens of thousands will be furloughed, and the finger will be pointed directly at the Senate should we take such rash action.

Mr. President, we also pointed out that there is $32 million for the implementation of the new Immigration Act, $38 million for IRS agents to collect additional taxes, the CCC for our farmers, $6.7 billion, which makes up over half of the bill; there is also emergency disaster loans to the extent of $155 million.

Mr. President, this is an urgent supplemental. There is no alternative to it. We have saved as much money as is possible to save. We are in the last few months of the fiscal year. The Senate must act, Mr. President. We must waive the Budget Act in order to approve this urgent supplemental as requested by the President of the United States.

I reserve the remainder of my time.

Several Senators addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Texas, the minority designee for the control of the time.

Mr. **GRAMM.** Mr. President, we have heard once again, perhaps given a little more effectively than usual, the same old siren song that has led us down the path to a $2.4 trillion debt imposed on the backs of the working men and women of America, and again we hear those old voices that the world is coming to an end if we do not add $2.6 billion today to the Federal deficit.

Now, it is hard in beginning this debate, Mr. President, to know where to begin because I think one of the things that happens in these endless debates is that people lose their ability to be outraged. I submit that to be talking about an emergency appropriation, an emergency supplemental, to say that we have scrubbed all the fat out of it and then to be debating this bill is nothing short of an absolute outrage.

Now I have during this debate on many occasions gone through and outlined provisions in this bill that do not represent emergency measures, provisions that represent expenditures for which there has been no peer review, that represent nothing more than simple pork barrel politics as usual.

What I think is especially offensive here is that this is jeopardizing the great progress we have made since 1981. We have brought the inflation rate down from double-digit levels to a standstill. We have cut interest rates by two-thirds; 11.2 million more people have gone to work. But all of that is in danger today.

We debate this bill as if politics as usual should be allowed to prevail today when all of the progress of the last 7 years is called into doubt, when there is great danger on the horizon; as if Members of this great deliberative body do not realize that interest rates are rising again, that housing starts are falling, that progress we have made in rebuilding the American economy is being jeopardized, that inflation is beginning to rise.

And here we are with business as usual with another bill that does these kinds of emergency things: Gives $1 million to Poland, to the Solidarity Union. How much we all respect the Solidarity Union is clear. We already provide support for the Solidarity Union. But does anybody here really believe that that is an emergency; that we ought to raise the deficit today to provide money to Poland?

We have here more money for the Peace Corps. We are already funding the Peace Corps Program, but we have a supplemental for the Peace Corps. Now, I am a big supporter of the Peace Corps. But does anybody here really believe that this is an emergency matter or, if it is an emergency matter, does anybody believe that we could not have found an offset to it?

Now I know the distinguished Senator from Louisiana is sincere in what he says. But I want to be sure that people understand exactly what the facts are, or at least looked at from a different perspective.

The President of the United States has not endorsed this bill. The White House said, in a negotiation during committee markup, that, if there were no arms control language on the bill and no additional spending programs added, the President would sign it. There are provisions in this bill the President opposes. If he had the line-item veto, he would veto those provisions. And the President does not support—and I repeat because I just talked to the Director of the Office of Management and Budget—the President does not support this budget waiver.

Finally, one point is conveniently left out in the comparison between the bill we have before us and the bill proposed by the President, and that is that the President's proposal did not raise the Federal deficit. Now you can say you oppose the offsets the President provided. You could say there was no support for them in the committee. But the point is that the President's supplemental did not raise the deficit while this supplemental raises the deficit by $2.6 billion.

Does anybody believe that the funds provided for the U.S. Congress in this bill that raise the deficit represent an emergency? Despite the fact that we take money away from rebuilding the front of this great building to give it to Congress to spend, Congress still spends another amount twice that above the offset so that the deficit is raised. Is that an emergency matter? Could we not find some lower priority item we are doing and cut it?

How many people here believe that it is an emergency matter that we provide $31 million for an offset through the economic support fund as part of foreign aid? Let me explain that to you. A lot of people do not understand the economic support fund. The economic support fund is money we pay out, in this case to foreigners, to offset the decline in the value of the dollar. The value of the dollar has gone down. This is an emergency supplemental to give foreigners $31 million to offset the impact in the decline in the buying value of the dollar.

I searched in vain to find in this bill where we give money to the American consumer to offset the decline in the value of the dollar. In fact, we are taking money from the American consumer, who has suffered the decline in the value of the dollar just like foreigners who are beneficiaries of the Federal Government, and we are going to take their money through borrowing it, driving up interest rates, denying their children the future that we could have for America, to allow recipients of our foreign aid to escape the impact of the decline in the value of the dollar. Now maybe this is a good program. But I doubt anybody can argue that it is an emergency.

I do not want to get into embarrassing anybody in telling you where all these things are but, since the distinguished Senator said we had scrubbed all the fat out of this bill, I just want to talk about a few little sausages here and there to make my point and then I will close out.

We see here buildings and new research facilities at universities where there has been no peer review whatsoever. Just a simple add-on. Does anybody here believe that building a building to conduct weed science research is an emergency? Does anybody here believe that building a building—they cannot do any research in the building because it cannot be built until we are in the fiscal year—that it is an emergency that we start right now? Of course not. Nobody believes that.

Does anybody believe it is an emergency that we have a research facility to study the milling of flour—we have been milling flour for 5,000 years and the Government has never done it effectively. Whenever a nation has had adequate food, it has been thanks to the private sector of the economy. Does anybody believe that an add-on of research funds to study how to mill flour is an emergency? Of course not. Nobody believes that.

Does anybody believe that the establishment of an international trade development center at one of our great State universities, without peer review as to whether it should go to that one or some other one that was not fortunate enough to have a member on the committee, is an emergency? I do not think people think that is an emergency.

I wonder if people think providing money to 16 States for 26 wildlife refuges is an emergency.

I was proud yesterday to have my new duck stamp pin on. I believe in protecting wildlife. But I think we ought to be thinking about protecting the lives of the working men and women of this country and their well-being when we are running a deficit.

Does anybody believe that starting a new wildlife refuge in one of our beautiful States is an emergency; that we have to do it today; that the world is coming to an end if we wait until next year?

Does anybody believe that if we want to go out and dig up bones of prehistoric man—and I have talked to the President of the National Archeological Association about this—but does anybody believe that if this is really a golden opportunity for historic preservation, that we cannot find money from some other use to pay for it, that we ought to be adding on money in an emergency supplemental for going out and digging up the bones of people who have been buried thousands of years?

I could go on and on and on. But the point I want to make is that I guess we debate these issues for so long that we lose our ability to be outraged. In fact, there is great pride, it seems to me, among some that this bill is not worse. And I admit it. There are a lot of bills that we pass here that are worse than this bill.

But is this the best we can do, when interest rates are rising, threatening the progress of the last 7 years, progress that we paid for in terms of denying services to people through budget restraint, progress we paid for with hard unemployment in 1981 and 1982?

Given all that, is it worth risking that for the kind of projects I have outlined here today? I submit it is not.

This is not the first time we have addressed these issues. I saw this coming a long time ago. In fact, I offered an amendment on April 9 to the distinguished majority leader that was related to the homeless bill, and that has subsequently been applied, exactly the same amendment, to agriculture disaster payments. Not the big add-on which has nothing to do with raising the debts, which we have already spent, but an additional expenditure. On both of those bills, we authorized the expenditure of money.

So I offered this amendment. I want to read it, because I want to remind my colleagues they voted on these two amendments.

> Appropriations made pursuant to this authorization shall be made in accordance with the provisions of the Congressional Budget and Impoundment Control Act, as amended, which prohibits the consideration of any bill which would cause the deficit to exceed the levels established by the Balanced Budget and Emergency Deficit Control Act of 1985 (Gramm-Rudman-Hollings) such that it shall not increase the deficit of the United States Government for fiscal year 1987.

This amendment saying we would not increase the deficit of the U.S. Government for fiscal year 1987 was offered on the disaster bill related to agriculture and on the homeless bill, and by a vote of 100 to 0 in one case and 96 to 0 in another case we said, "No, we are authorizing the money but when it comes time to pay for it we are either going to take it away from somebody else or we are going to raise taxes."

Everybody remembers that. Everybody remembers the vote. Everybody is on record, except in one case four people who were not here.

I want my colleagues to understand that in the bill we have before us, despite the 100 to nothing vote saying we would not do it, we are raising the deficit by $135 million under the first bill when we voted 100 to 0 saying we would not do it. We are doing it in this bill. And on the second bill, the homeless bill, we are raising the deficit by $97.5 million.

What happened to the resolve? Where did it go?

Well, what happened to it is those were popular votes. Everybody went back to their States and said, "I am outraged by the deficit and I voted to authorize these programs but I said we are not going to raise the deficit."

Well, today we are going to vote on whether we are going to raise the deficit because this bill raises the deficit on those two bills.

The issue here is this: If the work of the committee and the difficulty of going back into committee and taking out all of these add ons is more important to you than the strength of the American economy, then you want to vote to waive the Budget Act.

This was driven home to me the other day when a representative of an African country came to lunch with some of us and talked about what an honor it was to be with the greatest deliberative body in the world.

If we vote to waive the Budget Act here, we are saying we want business as usual.

On the other hand, if you are serious about the deficit, if you want the economy to stay strong, this is an opportunity to stop $2.6 billion and force this committee to go back and do the job right.

The **PRESIDING OFFICER.** The time of the Senator has expired.

[Applause in the gallery.]

The **PRESIDING OFFICER.** The gallery will remain quiet.

The Sergeant at Arms will ensure order.

The Senator from Louisiana.

Mr. **JOHNSTON.** Mr. President, I need about 30 seconds to make two points.

First, Mr. President, the President's own supplemental budget was not deficit neutral. Even as scored by OMB it was $1.1 billion not deficit neutral.

Second, the Senator mentioned a lot of things about wildlife refuges, for example, that were not emergencies. They were, in fact, emergencies, caused by flooding, caused by erosion. For example, in the Hagerman National Wildlife Refuge in Texas, fields, terraces, bridges, roads were almost completely destroyed. This is money requested for that.

Mr. President, I yield to the distinguished Senator from Mississippi, the chairman of the full committee, such time as he may require.

The **PRESIDING OFFICER.** The Senator from Mississippi is recognized.

Mr. **STENNIS.** I thank the Senator. I will not use very much time.

I will say to Members of the Senate that this bill represents a great deal of work, days and days of it, by the members of our committee who are experienced in this field. I know, too, that the President of the United States, being very honest and honorable about it, requested a number of the items that are in this bill. I know of his interest in it because his representatives called me up and talked to me about it, explained it, outlined, giving their reasons why these matters are needed. Do not be mistaken about it. I have been at it for a number of years, this matter of supplementals.

I tell you, it does not sound too good because matters do not please one member. It goes to the matter of pork barrel. That is a kind of semi-curse word in debating about money matters. But this is another time. Here is the President of the United States who wants a bill. Most of the Membership here want a bill to meet these deficiencies.

I refer to matters like the CCC funds that we have discussed backward and forward, cash money that we have made available for the farm programs; the Federal Employees Retirement System being short of money and has to have at least $1.2 billion. That is in this bill. There is the civilian pay for CHAMPUS military medical programs, $425 million, I believe it is, which is in this bill.

That is not chicken change. It is not chatter. These are realities of life. The need is there. We are the only power under our system of government that has the ability and the power to supply this money. It has been discussed, it has been memorized, almost, it has been debated, and the time comes when we have to act.

As I say, the average person on this committee has worked on it over a period of years. There are many reasons here for them to be proud of being able to put together a bill such as our committee has done.

I do not take credit for it myself, but I know what they have done. Now is the time to act. There has been a time to talk and now is the time to act on this bill.

I thank the Senator for yielding.

The **PRESIDING OFFICER.** Who yields time?

Mr. **JOHNSTON.** Mr. President, how much time remains?

The **PRESIDING OFFICER.** The Senator from Louisiana has 1 minute remaining. The Senator from Texas has 2 minutes remaining.

The Senator from Texas.

Mr. **GRAMM.** Mr. President, we heard about a wildlife refuge in Texas where obviously they had too much rain and bridges washed out, roads washed out, and they want to get in and repair them. The obvious implication is we have to raise the deficit because the Lord let it rain too much. But what happens in the average American home when something unexpected happens? The average American worker makes about $18,000 a year. What happens if Johnny, running through the house, falls and breaks his arms? What do they do then?

Well, they do not raise the deficit. They do not print money through the Federal Reserve Bank. They do not have the right to do that.

They sit down around the kitchen table and look at their budget. They decide that they will not be going to the movies, and that though they were going to go to the beach for the early summer they cannot do it. They take the boy to the hospital. They know they will come up with the money. They get his arm set and get a bill for roughly $300. I know because my Johnny did the same thing.

They come up with a way of paying for it. They come up with a way of paying for it by looking at their budget and finding something that they wanted to do that is important, but it was not as important as Johnny's arm.

The President proposed $5 billion of rescissions that were rejected by this committee. Maybe some of them should have been rejected, but in the case of some of the items here, if we really are serious about these items, if they really are critical, could we not, in a $1,010,000,000,000 budget, find $2.6 billion to offset? I submit we could.

The issue here is not this bill or no bill; the issue here is are we going to raise the deficit by $2.6 billion or try it again? I say let us try to do it again.

The PRESIDING OFFICER. The time of the Senator from Texas has expired. The Senator from Louisiana has the floor.

Mr. JOHNSTON. I yield the remainder of the time to the Senator from Florida [Mr. CHILES].

The PRESIDING OFFICER. The Senator from Florida has 1 minute and some seconds.

Mr. CHILES. Mr. President, I think this bill is a reasonable one. The bill would spend $2.6 billion above the current level in budget authority and outlays. For the purpose of contrast, the House bill would spend $3.1 billion in outlays and $3.7 billion in BA. Although we have increased budget authority by $326 million we have actually reduced outlays during the course of debate on this bill by $7 million. I think we have done an admirable job in holding down spending. Certainly, this cannot be considered a Christmas tree bill by any standards.

The President's proposal was for an increase in spending of $7.2 billion in budget authority and $3.6 billion in outlays. He proposed to only partially fund the 3 percent pay increase Congress agreed to last year and the other things that we have before us. He proposed rescissions of $5.8 billion in budget authority and $1.1 billion in outlays to offset his supplemental, but this year as in previous years, these rescissions were not agreed on by Congress. In total, the President's package was not deficit neutral; the net cost would have been $1.6 billion in outlays.

Another $4 billion of so-called savings was prepayments of foreign military sales loans. Those are not real savings. Everybody knows that.

Mr. President, I think we should grant the waiver. I think under the circumstances, the Appropriations Committee has done a good job.

The PRESIDING OFFICER. All time has expired.

The question occurs on agreeing to the motion of the Senator from Louisiana to waive the Budget Act.

Mr. JOHNSTON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion of the Senator from Louisiana to waive the Budget Act.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Arizona [Mr. DECONCINI], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Illinois [Mr. SIMON] are necessarily absent.

I further announce that the Senator from Ohio [Mr. GLENN] is absent on official business.

Mr. SIMPSON. I announce that the Senator from Washington [Mr. EVANS], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from South Carolina [Mr. THURMOND] are necessarily absent.

I also announce that the Senator from Virginia [Mr. WARNER] is absent on official business.

I further announce that, if present and voting the Senator from South Carolina [Mr. THURMOND] would vote "nay."

The PRESIDING OFFICER (Mr. GRAHAM). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted: yeas 55, nays 34, as follows:

[Rollcall Vote No. 137 Leg.]

YEAS—55

Adams
Bentsen
Boren
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Conrad
Cranston
D'Amato
Daschle
Dole
Durenberger
Exon
Ford
Fowler
Garn
Graham
Grassley
Harkin
Hatfield
Heflin
Heinz
Inouye
Karnes
Kerry
Lautenberg
Leahy
Lugar
Matsunaga
McClure
Melcher
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Specter
Stafford
Stennis
Stevens
Weicker

NAYS—34

Armstrong
Baucus
Bingaman
Bond
Boschwitz
Cohen
Danforth
Dixon
Dodd
Domenici
Gramm
Hatch
Hecht
Helms
Hollings
Humphrey
Johnston
Kassebaum
Kasten
Levin
McCain
McConnell
Metzenbaum
Nickles
Proxmire
Quayle
Roth
Rudman
Simpson
Symms
Trible
Wallop
Wilson
Wirth

NOT VOTING—11

Biden
Bradley
DeConcini
Evans
Glenn
Gore
Kennedy
Murkowski
Simon
Thurmond
Warner

The PRESIDING OFFICER. On this vote, the yeas are 55, the nays are 34. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion to waive is rejected.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the motion was rejected, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 1:30 P.M.

Mr. JOHNSTON. Mr. President, I move that we stand in recess until the hour of 1:30 p.m. today.

The motion was agreed to and, at 12:42 p.m., the Senate recessed until 1:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. MELCHER).

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, what is the question before the Senate?

The PRESIDING OFFICER. The pending question is the motion to reconsider the vote by which the motion to waive certain provisions of the Budget Act was rejected.

Mr. BYRD. Mr. President, under the circumstances if the time on the waiver had run, would the motion to reconsider be debatable?

The PRESIDING OFFICER. The motion to reconsider is not debatable.

Mr. BYRD. I thank the Chair.

Mr. President, I have discussed this matter with the distinguished Senator from Louisiana. We are of the opinion that if we can get unanimous consent to delay a vote on the motion to reconsider until next week, and if we could go ahead with other parts of the bill today—Senator DOLE has an amendment which would be before the Senate following the amendment by Mr. HELMS—if we could proceed and perhaps get some progress made, it would be very agreeable to Mr. JOHNSTON and myself. We would hope we can do that.

We still have not had an opportunity to discuss this with the distinguished Republican leader.

RECESS UNTIL 1:46 P.M.

Mr. BYRD. Mr. President, if Mr. JOHNSTON is agreeable, I ask unanimous consent that there be a 15-minute recess.

There being no objection, the Senate, at 1:31 p.m., recessed until 1:46 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. SHELBY).

Mr. BYRD. Mr. President, the distinguished Republican leader, and Mr. GRAMM and Mr. JOHNSTON, Mr. STENNIS, and others and I have been discussing the matter. I do not believe it will be possible, based on the reactions that I have gotten thus far, to proceed with the Helms amendment this afternoon. I hope that it will be possible to proceed with the amendment by Mr. DOLE and the amendment by Mr. MELCHER, the amendment by Mr. METZENBAUM, and others, however. Momentarily, I shall seek unanimous consent to postpone further consideration of the motion to reconsider until next Tuesday.

UNANIMOUS-CONSENT REQUEST—H.R. 1451

Mr. MATSUNAGA. I ask unanimous consent that H.R. 1451 be jointly referred to the Committee on Labor and Human Resources and the Select Committee on Indian Affairs, with the understanding that the Select Committee on Indian Affairs will limit its consideration to section 41 of the bill and that this joint referral does not set any precedent for future referrals of bills pertaining to the Older Americans Act.

Mr. BYRD. Mr. President, this request, I regret to say to my beloved friend, has not been cleared on both sides of the aisle. I regret that I shall have to object.

The PRESIDING OFFICER. The objection is heard.

Mr. BYRD. Mr. President, Senators have been told by the majority leader, who keeps his commitment, that there will not be rollcall votes on Mondays. But in return for that assurance, I have expressed the hope that we could have rollcall votes on Tuesdays and that Fridays would be full days of work. I have not told any Senators today that we will not have more rollcall votes this afternoon. Any Senators who leave, take their own chances. They have to make that decision. If they want to leave, and run the risks of missing rollcall votes, that is their business. I made the commitment for Mondays for the convenience of Senators who have to travel long distances on weekends, but at the same time I thought I was getting a quid pro quo, in return, 4 full days of work on Tuesdays through Fridays. Now I have run into a situation in which I hear it said, "Well, some Senators have gone for the day."

Now, Mr. President, if I have to manufacture a vote this afternoon, we will have one. If Senators want to take the chance that by leaving at 1 o'clock or 1:30 on Friday afternoon they can just tell their colleagues, "Don't agree to anything, because I am leaving," and there will not be any rollcall votes, they will have another thought coming, because we can and will have votes. There are items, for example, on the Executive Calendar on which we can have votes.

I can have a vote on going to the Executive Calendar. There is at least one nomination on that calendar that has been held up on my side, but I do not mind breaking holds on this side today and having a vote on that nomination. I do not want to be driven to that, but I am just not going to stand still and stand silent if Senators are going to think well, they can have Mondays off and perchance if they just get out of town by 1:30 on Fridays they can call back in and say, "Don't have any votes" and other colleagues will protect them.

Well, other colleagues can protect them to a certain extent, but we have just got to understand around here we are not going to live by the law of the jungle; we are going to live by the laws of this Senate. And if I am going to be expected to make a commitment and keep it, I expect other Senators on both sides to keep their commitments likewise. I do not expect Senators to say, "Well, colleagues have gone, we have got two or three on our side, I don't want to give you consent to go over now because some of our colleagues have left." They do not have to give me consent to go over. We are going to have a vote this afternoon one way or another, at least one vote.

So I ask unanimous consent, Mr. President, that the motion to reconsider be put aside until next week.

The PRESIDING OFFICER. Is there objection?

Mr. GRAMM. Reserving the right to object—I do not object.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Now, Mr. President, what is the pending question before the Senate?

The PRESIDING OFFICER. The amendment of the Senator from North Carolina.

Mr. BYRD. Mr. President, is there an objection to going to that amendment this afternoon?

Mr. DOLE. There is objection to going to that amendment.

Mr. BYRD. Mr. President, I ask unanimous consent that the pending amendment by Mr. HELMS be put aside until later——

The PRESIDING OFFICER. Is there objection?

Mr. BYRD [continuing]. Today or next week.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Now what is the pending question before the Senate?

The PRESIDING OFFICER. The amendment of the Republican leader is the pending question.

Mr. DOLE. Mr. President, I understand on that amendment there has been some objection raised on the funding, and I do not want to hold up the Senate trying to resolve that, and I ask consent that that amendment be temporarily laid aside.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Now, Mr. President, I believe we are at the point where other amendments may be called up. Am I correct?

The PRESIDING OFFICER. The majority leader is correct.

Mr. BYRD. There is no other pending amendment?

The PRESIDING OFFICER. The majority leader is correct.

Mr. BYRD. I thank the Chair.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BYRD. Mr. President, will the Senator yield so that I may add one comment for the record?

Mr. MELCHER. Yes; I will be delighted to yield.

Mr. BYRD. I want to say I had the full cooperation of the Republican leader in my efforts to lay the motion to reconsider over and to proceed with other amendments. My remarks, I want the record to be clear, were not directed at the Republican leader because he was willing to proceed with laying the motion to reconsider over and getting on with other votes. My remarks are not personally directed toward any particular Senator, in fact.

But I had just been made to understand that some Senators had gone and that they did not want any votes this afternoon. There is going to be at least one vote. If we have to vote on the motion to adjourn until next week, we will get a vote, and, if the distinguished Senator from Montana does not mind, a rollcall vote on this amendment.

Mr. MELCHER. Mr. President, I do not mind having a rollcall vote on my amendment if it is requested.

Mr. BYRD. I will not ask for the yeas and nays at this moment, but the cloakrooms should alert Senators there will be at least one more rollcall vote this afternoon.

Mr. EXON. Will the majority leader yield just a moment?

Mr. BYRD. Yes.

Mr. EXON. Mr. President, I appreciate the patience of the majority leader and the minority leader. I know it is very trying. I have been in the Democratic caucuses when I have heard pleas to the majority leader from those of us on this side of the aisle, and I suspect a similar thing happens in the Republican caucuses, "Please tell us for sure what the schedule is going to be. Please, Mr. Leader, allow us to take care of our duties back home." And I think that the majority leader has gone out of his way in that regard. In fact, I think he has gone too far, and I think possibly he may be expressing some of that frustration that I heard him express on the floor of the Senate a few moments ago.

A week ago yesterday, this Senator stood back there, and we had an exchange back and forth about the keen disappointment that I felt that we do not do our business; and then, of course, we had to get out of here to go home for the Memorial Day break. It appears to me that we are certainly headed for another week.

While we have conducted an awful lot of business, much of it on this particular matter has been nonsense business. We have had a whole series of amendments that had nothing whatever to do with the supplemental appropriations bill. I can remember one that we had to take time and effort to vote on here—something about putting Minuteman III missiles into Minuteman II silos, which has nothing whatsoever to do with this appropriations bill.

I am keenly disappointed, I might say, that colleagues continue to take advantage. They encroach, if you will, time and time again, on being here to discharge their legitimate duties because in many cases they have, I suppose, important duties elsewhere, including getting reelected. Of course, that is important to Senators in this body. But the first importance, it seems to me, is to be here doing the job that we are supposed to do.

I suspect that had we had all 100 Members of the U.S. Senate here, we would have finished this bill today.

I remember very well a few hours ago, on this floor, I asked the majority leader if he would hold us here until perhaps midnight tonight, or later, to force this bill to a conclusion. I now understand very well that is a total impossibility, given the stalemate we have on the waiver of the budget resolution.

All I can say is that the farmers of Nebraska and the farmers around this Nation are awaiting the Commodity Credit Corporation funds that this body, the House of Representatives, and the President of the United States promised them on a certain date, and the money is not there.

I want to draw the line once again under the fact that we are simply not doing our job, and I am keenly disappointed. We obviously now will have to go over until next week, when we hope some of those absent Members will be here to give us the 60 votes we need to waive the budget resolution. The farmers of Nebraska are not going to understand that, nor are they going to appreciate it, and there is no way that this Senate can adequately explain it to them.

So I simply say to the leader and to my colleagues that, once again, we have held up an extremely important matter so far as the agricultural interests of this Nation are concerned, and it is no wonder that there is continual disappointment and concern out there about the shabby way we conduct our business in this body.

I have a lot of respect for the U.S. Senate, and I have a lot of respect for all my colleagues; but I think that somewhere we have to draw the line on where our priorities lie and where we should be at certain times to do certain things.

When I lose on a vote that I feel very strongly about and everyone is here to vote, I say that is the Members of the Senate expressing their will and that is the system at work. But the system cannot work if we are not here to take part in it.

I thank the majority leader for giving me the consideration of yielding for these brief remarks. I hope that, come Tuesday next, we will not start the dillydallying tactic that we have been on now for the past 10 days and delay this another 10 days. We have to get moving with it.

Mr. **LEAHY**. Mr. President, will the Senator from Montana yield me 60 seconds?

Mr. **MELCHER**. Mr. President, I yield to the chairman of the Agriculture Committee, without losing my right to the floor.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **LEAHY**. I thank the Senator from Montana.

Mr. President, I would note, as one Senator, that in judging the worth of this body and how much work we do, the basis should not be whether we are here for "bed check" votes on a Friday afternoon.

I also note that we spent several hours in quorum calls this morning. During that wasted time we could have accomplished anything that we might do this afternoon.

The fact is that the Senate as a body works hard, and every Senator also works hard. Some may evaluate the work of the Senate according to the number of hours we spend here on the floor. Others might evaluate the effectiveness of the Senate based on what we accomplish when we do vote.

Mr. President, every Member of the Senate also has another responsibility. That responsibility is not fulfilled by the sheer number of votes we cast on this floor, whether it be on a Friday afternoon or whenever. We also have a responsibility to our constituents in our home States, to be home, where they can ask us questions and tell us what they think, so that when we do vote we can respond to the people we represent, not just to the Washington lobbyists. There are Senators who are not here, and there are Senators who may not be able to make themselves available to the people they represent because they have had to stay to cast a vote that may be merely procedural or mean very little.

Mr. President, the Senate is a representative body, and the people we represent ought to have a chance to hear from us.

Mr. President, I do not want these remarks to be construed as criticism of either the Democratic or Republican leaders. They have a most difficult job of keeping the Senate's agenda moving ahead, and time and time again I have watched in admiration as they find ways out of the procedural thickets we so often fall into. My good friends from West Virginia [Mr. BYRD] and Kansas [Mr. DOLE] do magnificently at this task.

What I am trying to underline here is that Senators do have responsibilities that go beyond what happens on the Senate floor. They fulfill some of their most important obligations as elected representatives when they meet with and listen to the people they represent. It is very often difficult to strike a balance between a Senator's duties here on the Senate floor and those back in his or her home State. As I stated, the two leaders make tremendous efforts to strike that balance.

All of us understand the special responsibilities of the leader of the Senate [Mr. BYRD]. Let me make clear that I greatly appreciate the great efforts he undergoes every week in accommodating the needs of 99 other Senators.

Mr. **BYRD**. Mr. President, I do not know why the debate is going forward on this point. I have not named any names. But Senators have their responsibility. I think most Senators would probably give their right arm to get here—to become a U.S. Senator.

This Senator, as long as he is the leader, is going to do his best to press the business of the Senate forward. At the same time, I try to be very conscious and understanding of the problems of my colleagues, and I intend to continue to do that.

We are going to have some votes this afternoon. We are going to have at least one vote this afternoon; because if I am going to be making commitments that we will not be having votes on Mondays, this Senator is not going to stand supinely by in silence and quaking with fear and have others say, "Well, I'm going home. Let's not have any votes on Fridays."

The Nation's business, this bill, is important to the farmers of this country, important to those who have pensions, important with respect to Federal pay increases, important to the defense of the country, important to the foreign operations of the country.

The Senate is stymied because of the failure to get 60 votes to waive the Budget Act. Then, I am told that some Senators have already left town, and I cannot get unanimous consent to go on to other business. I do not expect to get kudos from anybody. I understand that I am not very well liked around here anyhow. I did not get elected to be liked here. I got elected because I thought I could do a job. This is a challenge, and I do not back off from a challenge.

So we will have a vote, or we will have votes, this afternoon. Let it be a lesson to those who nonchalantly walk off at 1 o'clock on Friday afternoon, like school is out, and we all go home.

I have not told anybody there will be no more votes. If they want to miss votes, that is fine. They do not have to get an excuse from me or get their approval from me.

There are other Senators here expecting to work on the bill. The convenience of the Senate has to be addressed, and the convenience of other Senators means something as well, and other Senators are ready to do business. There are other Senators here who would like to go home, too, this afternoon. There are other Senators here who might have taken an earlier plane, but they stayed because they thought there would be rollcall votes.

I always try to think of the convenience not only of this Senator but of other Senators as well, but, above and beyond all that, the Senate itself and the business of the people.

The **PRESIDING OFFICER.** The Senator from Montana.

Mr. **MELCHER.** Mr. President, I think it is fair to say that folks out around the country wonder why we are spending in this bill $9.4 billion.

The point has been made that we should not exceed the budget. We just had a vote on it. It would take 60 votes to waive the budget. We did not have quite 60. But I was one of those who voted to waive. So I would like to say why I voted that way.

The folks out around the country, taxpayers, citizens all of them are entitled to a straight answer and the answer, Mr. President, is that there are $6.6 billion in this bill for the Commodity Credit Corporation.

Having said that, I know that most folks around the countryside do not know what it means. They probably are not even familiar with the Commodity Credit Corporation.

To state it as simply as I can, the Commodity Credit Corporation is that agency that takes care of the various segments, the various portions, parts of the Farm Act, the Farm Program.

In my State of Montana right at this moment—it is 12:10 out in Montana right now—the Montana stock growers are in convention. They are at a luncheon where I was hoping to be.

They were affected last year, 1986. The cattle people were affected when there was a Dairy Herd Buyout Program, which took over a billion dollars out of the Treasury, in fact out of the Commodity Credit Corporation, to have this program function. I thought it was a poor program, by the way; I want to add that. I thought the Dairy Herd Buyout Program was a poor program. I voted against it. But, nevertheless, it became law and it took over a billion dollars out of the Treasury and out of the Commodity Credit Corporation, this agency. That is $1.5 billion in 1986.

Then there are deficiency payments to grain farmers and that comes out of the Commodity Credit Corporation and when it is spent out it has to be reimbursed. We have had the Commodity Credit Corporation for several decades now, and that is the way it works. It gets so much money appropriated to it and then under law for these various aspects of the Farm Program the money is spent out of there and when it becomes depleted as it is now more money has to be appropriated for it.

So out of the total of $9.4 billion in this bill, $6.6 billion is to pay to the Commodity Credit Corporation so they can continue to operate the farm programs.

I do not know whether folks out across the countryside realize how much it costs, but as one Senator I want to state that I believe agriculture policy in this country is so botched right now that we are spending too much money on these programs and that if the programs were better administered we would not be spending this amount of money. It would not be necessary. We would be spending less.

The Department of Agriculture and the Department of State have not disposed of the surplus commodities that accumulate to the Commodity Credit Corporation. They have not disposed of them in a prudent manner, so it costs more to run the program.

Let me give now the latest figures of the commodities that are now owned by the Commodity Credit Corporation. That corporation must pay storage costs on these commodities.

There are 214 million pounds of butter, 381 million pounds of cheese, 469 million pounds of nonfat dry milk. They are in storage. Who pays for it? The Commodity Credit Corporation pays for those storage costs. They are rather expensive. There are 74 million bushels of barley, 1.5 billion bushels of corn. There are 396 million bushels of soybeans and 904 million bushels of wheat. There are other commodities also under storage, but all of these that I just listed cost money for storage.

Mr. President, what is needed is that we get rid of the surplus commodity, reduce the costs of storage, find where the market is and when you get rid of the surplus then the commodity prices start to rise and that is what we need. That is our goal.

The fact that agriculture policy in this country is terrible today is partially the responsibility of the administration and partially a responsibility of Congress.

It is not just one or the other being totally responsible. We are both responsible, both the legislative branch and the executive branch.

If this administration had followed the recommendations of the Agriculture Committee, made by both Democrats and Republicans on the committee, we would not have as much in surplus today of these various commodities as we do.

To say that the administration had been less than adept is a very kind statement. To say that they have refused to follow the recommendations of the Senate Agriculture Committee is an accurate statement.

I hope they can improve, and beyond that I hope that the committee itself and the Congress itself can become more persuasive and more prudent to inform the White House and the State Department and the Department of Agriculture and the entire administration on what they ought to do.

Above all, I hope we can get their attention. Above all, I hope that they will pay more attention on what is wrong with American agriculture.

We will work with them, and I say that both for Democrats and Republicans on the Senate Agriculture Committee, to improve performance, and when we accomplish that improved performance, I can guarantee to every one the costs for operating the Commodity Credit Corporation and the costs for the farm programs will start to come down.

After you deduct the $6.6 billion for the Commodity Credit Corporation in this bill, you come down to about $2.8 billion for a variety of other purposes. Less than a third of this total is for other purposes, other than the Commodity Credit Corporation, and there are all sorts of provisions in this bill. It is a pretty big bill covering a lot of different agencies and affecting a lot of different people.

One group it does affect are older Americans, the elderly. There are a couple of parts of this bill that deal with the Older Americans Act, that deal with nutrition programs to assist the older Americans, the senior citizen programs, the senior citizen centers for their nutrition programs, and also one that I would particularly like to help called Meals on Wheels.

This is a program that operates in this country for older Americans who could not leave their homes because they are incapacitated, where meals are actually delivered to their homes to assist them, to provide some nourishment, to provide, well, to provide also some contact with people in the outside world. Confined to their homes as they are, the contact that is made through Meals on Wheels is a double blesing. Somebody brings the meal. That contact is appreciated by these incapacitated older Americans in their own dwellings. And then they have a hot meal—that is the second benefit—a hot and nutritious meal delivered to them.

Mr. JOHNSTON. Will the Senator yield?

Mr. MELCHER. Yes, I am delighted to yield to the manager.

Mr. JOHNSTON. Mr. President, I believe the parties who were interested in the Senator's amendment are present on the floor and are anxious to receive it. I believe the leader wants to have a vote on this amendment. So if the Senator would like, we are ready to approve it so people can vote.

AMENDMENT NO. 250

(Purpose: To transfer unobligated funds for fiscal year 1985 and fiscal year 1986 for section 311 of the Older Americans Act of 1965, to subpart 2 of part C of title III of that Act, relating to Home Delivered Nutrition Services)

Mr. MELCHER. Mr. President, I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. ADAMS). The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Montana (Mr. MELCHER) proposes an amendment numbered 250.

Mr. MELCHER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection? The Chair hears none. Without objection, it is so ordered.

The amendment reads as follows:

On page 64, between lines 21 and 22, insert the following:

For an additional amount for Home Delivered Nutrition Services under subpart 2 of part C of title III of the Older Americans Act of 1965, not to exceed $1,400,000, to be obligated by September 30, 1987 which shall be derived from unobligated funds appropriated for section 311 of the Older Americans Act of 1965 for fiscal year 1985 or fiscal year 1986, or both.

Mr. MELCHER. Mr. President, this amendment is very simple. It transfers up to $1.4 million of unused funding to be used for the remainder of this fiscal year for the program called Meals on Wheels. This amount of money had been appropriated previously but, under the formula of USDA reimbursement for meals, this amount will not be spent because it is not matched by agencies which are seed agencies and senior citizen centers that provide the preparation of the meals. So it would be available to help assist delivery of perhaps close to 1 million more nutritional meals this summer for older Americans throughout the country.

We are informed by various older American groups that they very much would like to have this amendment adopted; that is, the American Association of Retired Persons, the National Association of Area Agencies on Aging, the National Association of Nutrition and Aging Services Programs, and the National Association of State Units on Aging.

It is a very meritorious amendment. I hope we can have acceptance of the amendment.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GRAMM. Mr. President, under section 311 of the Budget Act, I raise a point of order against this amendment.

I think it is important, if we are going to do offsets, that Members remember that there is a difference between budget authority and budget outlays; that we are not, in fact, offsetting expenditures if we offset against accounts where the money was not going to be spent.

If the distinguished Senator offering the amendment will go back and find an offset so that outlays are reduced by the amount that outlays will increase by the amendment, there will be no budget point of order. However, despite the obvious merit of adding another spending program to benefit more people, the fact is that this amendment will further raise the deficit. Since this body has this very day refused to waive a point of order against the bill, which is already $2.6 billion over——

The PRESIDING OFFICER. I state to the Senator that the point of order is not debatable. The Chair has allowed the explanation of the point of order, but, as my friend knows, it is not debatable.

So the point of order has been made and the Chair is prepared to rule on the point of order.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, I move to waive sections 302(f), 303(a), and 311(a) of the Budget Act on the amendment in consideration of the 1987 supplemental appropriation bill; this bill, H.R. 1827.

I just will briefly state that this money is available. It has been appropriated. It is just a question of how we spend it. This is the proper way to spend it. It has been highly recommended and widely recognized. This will do more good than just sitting where it is now.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is the Senator making a motion to waive the Budget Act on the Senator's amendment or on the bill?

Mr. MELCHER. It is simply on the amendment offered on this bill.

The PRESIDING OFFICER. The Chair then understands that this is a motion to waive the Budget Act because of the point of order made by the Senator from Texas on this amendment to the bill. The Senator has asked for the yeas and nays. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GRAMM. Mr. President, this motion is debatable. And, taking up where I left off in my previous statement, let me just simply say that, again, we have a situation where a Member wishes to raise the deficit and uses the ruse of having an offset, where, in fact, there is no offset; that the funds would not have been spent.

It is much like someone who wants to go out and bust their own family budget, saying, "Well, I'm going to take the money for this new truck out of the vacation I was going to take traveling around the world," when, in fact, he was not going to travel around the world; he did not have money set aside for that purpose.

And what would happen to the fellow who did that is he would soon be broke and in bankrupt court.

That does not happen here because we simply raise the deficit and put our children deeper and deeper into debt.

So I urge my colleagues not to succumb to, again, this new version of the old siren song: "Here is someone who can be helped. Don't worry about the deficit. Let's simply increase the deficit, go out and borrow the money, and we will worry at some time in the future about how we are going to pay it."

I would say, if the Senator is serious about the amendment, that he ought to take the money away from some program where the money was going to be spent, thereby lowering outlays in some lower priority program and increasing outlays in this program which he would like to increase beyond the level already being funded. If he does that, there will be no point of order. But since he has not done that, there is a point of order.

I, again, want to reiterate to my colleagues the point that simply offsetting budget authority does not solve the problem. You have to offset an actual outlay that would be made this year or you are raising the deficit.

So, as a result, I hope this effort at waiving the budget or waiving the point of order on this amendment will be defeated.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, let me say that the amendment of the distinguished Senator from Montana is one on which we have been working with him to help design a way that would meet any objection from the Appropriations Committee with respect to the transfer between two accounts, one account that falls under the jurisdiction of the Department of Agriculture and the other account which falls under the jurisdiction of Health and Human Services.

I have no objection to the amendment. As a matter of fact, I think this is a program where additional funds are truly needed to be sure that the program is operating consistent with the intent of Congress for the remainder of this fiscal year.

I intend to vote with the Senator from Montana to approve this motion to waive the point of order.

I point out that one reason for doing that is that this amendment limits the transfer to only those unobligated funds that were appropriated in Public Law 99-349, which was the 1986 supplemental appropriations bill that included $8.5 million designed to take care of the shortfall to pay claims from States. States have been slow in presenting claims under that program and there are unobligated funds estimated to be as high as $1.4 billion, that could be available to be used in the Meals on Wheels Program.

I would normally object to the Elderly Feeding Program being used as a fund for a transfer to any other program. It appears that there may be some extra money there before this fiscal year is over. For that reason, I think a good use of it would be the Meals on Wheels Program as suggested by the distinguished Senator from Montana. So I intend to join him in voting for this motion.

The PRESIDING OFFICER. The yeas and nays on the motion have been ordered. The clerk will call—

Mr. MELCHER. Mr. President, I want to thank the Senator from Mississippi for his explanation and I urge adoption of the motion.

The PRESIDING OFFICER. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Georgia [Mr. FOWLER], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Massachusetts [Mr. KERRY], the Senator from Michigan [Mr. RIEGLE], the Senator from Illinois [Mr. SIMON], and the Senator from Colorado [Mr. WIRTH] are necessarily absent.

I further announce that the Senator from Ohio [Mr. GLENN] is absent on official business.

I further announce that, if present and voting, the Senator from Massachusetts [Mr. KERRY] would vote "yea."

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Washington [Mr. EVANS], the Senator from Utah [Mr. GARN], the Senator from Arizona [Mr. MCCAIN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from New Hampshire [Mr. RUDMAN], the Senator from South Carolina [Mr. THURMOND], and the Senator from California [Mr. WILSON] are necessarily absent.

I also announce that the Senator from Virginia [Mr. WARNER] is absent on official business.

I further announce that, if present and voting, the Senator from South Carolina [Mr. THURMOND] would vote "nay."

The PRESIDING OFFICER (Mr. DASCHLE). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted: yeas 66, nays 16, as follows:

[Rollcall Vote No. 138 Leg.]

YEAS—66

Adams
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dodd
Domenici
Durenberger
Exon
Ford
Graham
Grassley
Harkin
Hatch
Hecht
Heinz
Hollings
Inouye
Johnston
Karnes
Kassebaum
Kasten
Lautenberg
Leahy
Levin
Matsunaga
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Shelby
Simpson
Specter
Stafford
Stevens
Trible
Weicker

NAYS—16

Chiles
Dixon
Dole
Gramm
Hatfield
Heflin
Helms
Humphrey
Lugar
McClure
Nickles
Proxmire
Quayle
Stennis
Symms
Wallop

NOT VOTING—18

Armstrong
Biden
Evans
Fowler
Garn
Glenn
Gore
Kennedy
Kerry
McCain
Murkowski
Riegle
Rudman
Simon
Thurmond
Warner
Wilson
Wirth

The PRESIDING OFFICER. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion to waive is agreed to and the point of order falls.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

The majority leader will suspend. The Senate will be in order. Senators will cease audible conversation.

The majority leader.

Mr. BYRD. Mr. President, following this vote, the question would then recur on the amendment by Mr. HELMS. I understand that there will be considerable debate on that amendment, and so I would say to all Senators after the rollcall vote which is about to occur, which has already been ordered, there will be no more rollcall votes today. There will be rollcall votes on Tuesday. I thank all Senators.

Mr. MELCHER. Mr. President, will the majority leader yield?

Mr. BYRD. Yes.

Mr. MELCHER. Mr. President, I believe the yeas and nays have been ordered on the amendment, have they not?

The PRESIDING OFFICER. That is correct.

Mr. MELCHER. Mr. President, 65 to 16, was that the vote, on waiving?

The PRESIDING OFFICER. The Senator is not correct. The vote was 66 to 16.

Mr. MELCHER. Mr. President, I think that clearly demonstrates there is no need for a rollcall on the amendment itself. I ask unanimous consent that the rollcall vote be vitiated.

The PRESIDING OFFICER. Is there an objection?

Mr. SYMMS. I object.

The PRESIDING OFFICER. Objection is heard. Is there further debate? If not, the question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Kentucky [Mr. FORD], the Senator from Georgia [Mr. FOWLER], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Massachusetts [Mr. KERRY], the Senator from Vermont [Mr. LEAHY], the Senator from Ohio [Mr. METZENBAUM], the Senator from Nevada [Mr. REID], the Senator from Michigan [Mr. RIEGLE], the Senator from Illinois [Mr. SIMON], and the Senator from Colorado [Mr. WIRTH] are necessarily absent.

I further announce that the Senator from Ohio [Mr. GLENN] is absent on official business.

I also announce that the Senator from Hawaii [Mr. INOUYE] is absent because of questioning witnesses in the Iran-Contra hearing.

I further announce that, if present and voting, the Senator from Massachusetts [Mr. KERRY] would vote "yea."

Mr. SIMPSON. I announce that the the Senator from Colorado [Mr. ARMSTRONG], the Senator from Washington [Mr. EVANS], the Senator from Utah [Mr. GARN], the Senator from Utah [Mr. HATCH], the Senator from Arizona [Mr. MCCAIN], the Senator from Idaho [Mr. MCCLURE], the Senator from Alaska [Mr. MURKOWSKI], the Senator from New Hampshire [Mr. RUDMAN], the Senator from South Carolina [Mr. THURMOND], and the Senator from California [Mr. WILSON] are necessarily absent.

I also announce that the Senator from Virginia [Mr. WARNER] is absent on official business.

I further announce that, if present and voting, the Senator from South Carolina [Mr. Thurmond] and the Senator from California [Mr. Wilson] would each vote "yea."

The PRESIDING OFFICER (Mr. Conrad). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 70, nays 5, as follows:

[Rollcall Vote No. 139 Leg.]

YEAS—70

Adams
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dodd
Dole
Domenici
Durenberger
Exon
Graham
Grassley
Harkin
Hatfield
Hecht
Heflin
Heinz
Hollings
Johnston
Karnes
Kassebaum
Kasten
Lautenberg
Levin
Lugar
Matsunaga
McConnell
Melcher
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Quayle
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Shelby
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Trible
Wallop
Weicker

NAYS—5

Dixon
Gramm
Helms
Humphrey
Proxmire

NOT VOTING—25

Armstrong
Biden
Evans
Ford
Fowler
Garn
Glenn
Gore
Hatch
Inouye
Kennedy
Kerry
Leahy
McCain
McClure
Metzenbaum
Murkowski
Reid
Riegle
Rudman
Simon
Thurmond
Warner
Wilson
Wirth

So the amendment (No. 250) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MELCHER. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, if I may have the attention of Senators, it would be my hope that we could deal with three very short matters which have all been cleared before we move to the pending business which I believe is the Helms amendment, and that is a colloquy between Mr. Metzenbaum and Mr. Chiles, the Dole amendment which I think is in its final preparation and which I think will be cleared, and I have a defense amendment to allow the money hoped to be paid by the Iraqis for the damage to the *Stark*, if and when paid, to go directly to the Navy without having to go into the General Treasury so it could be used for the repairs on the *Stark*.

If I could deal with those three matters before we get to the pending business, I think it would help expedite things.

Mr. President, I ask unanimous consent to have printed in the Record a statement by Mr. Metzenbaum, a letter from the Governor of Ohio, a statement by Senator Glenn, and comments by Senator Chiles, and I ask unanimous consent that the Metzenbaum amendment which has been reserved as being eligible to be proposed be stricken from the list.

The PRESIDING OFFICER. Without objection, it is so ordered.

The material ordered to be printed in the Record, follows:

Statement of Senator Metzenbaum

Mr. Metzenbaum. Mr. President, I intended to offer an amendment to restore the $100 million included in the House bill for State unemployment insurance service operations.

The administrative cost of the unemployment benefit program is financed by Federal unemployment tax revenues. The unemployment insurance trust fund enjoys about $1 billion surplus. Yet year after year the Federal budget has reduced the level of funding for unemployment insurance operations.

The result has been that while employers continue to pay taxes to fund the program, and in some cases that tax burden has grown, the amount of services has declined.

Several States are experiencing severe problems. In my State of Ohio, for example, 42 of 108 offices have been closed and the State is now facing the prospect of substantial staff reductions. This at a time when the Federal Government has increased the tax burden on Ohio employers by $75 million.

An informal survey of other States shows Ohio is not alone:

Massachusetts is facing a $4.8 million deficit;

New York has laid off substantial staff because of a $7 million shortfall, and is still coping with a $2.3 million deficit;

Michigan has a $7 million deficit;

Florida, Mississippi, Vermont, Iowa, and many other States are facing deficits as well.

The impact of these cuts were well predicted. In fact, last year the Secretary of Labor wrote to the Appropriations Committee in support of restoring the entire cutback. He argued that the:

"Reduced level of funding would have serious consequences for the operation of the UI [unemployment insurance] program. States would be forced to lay off about 4,500 staff, representing 10 percent of the total, and close local unemployment offices. This would curtail services to claimants, forcing claimants to travel longer distances to file for benefits, and would significantly affect the States' ability to pay benefits promptly. In addition, there would be substantial losses to the unemployment trust fund (and to the Federal budget) because of the adverse effect on the accuracy of benefit payments and on the enforcement and oversight of tax collections."

Secretary Brock is absolutely correct.

So what have the States done?

Some States have responded with State appropriations to maintain a reasonable level of services. This means that States are forced to spend their limited resources on a Federal program at a time when the Federal trust fund is flush with moneys. These are dollars contributed by employers. In effect, States are being told to pay twice for a reduced level of services—one check is collected from employers to be stashed away in a Federal trust fund, a second is collected by the State to fund the identical activity.

Mr. President, at a time when there is sufficient dollars in the unemployment trust fund it isn't fair to penalize the States, the employers who pay the bill, and especially the unemployed.

I understand that the chairman of the subcommittee is prepared to provide some assurance to me that will avoid the necessity to pursue this amendment.

Comments of Senator Chiles

Mr. Chiles: Mr. President, there are many issues that will be at issue in the conference. I want to assure my colleague from Ohio that I will try to assist him and support his position that funding for these unemployment offices is needed. I should, however, point out that I doubt that funding in excess of $30 to $35 million could be expected.

Mr. Metzenbaum: Mr. President, with those assurances I do not believe it would be productive to pursue my amendment. I thank my colleague from Florida for his consideration and assurances.

Statement of Senator Glenn

Mr. Glenn. Mr. President, the amendment intended to be offered by my colleague from Ohio have provided $100 million in relief for States suffering because of the reduction in FY87 funding for unemployment services. The funds provided by this amendment would have restored only a portion of the FY87 cuts in unemployment services; the House has already approved $100 million for this purpose.

As of February 1987, the employment offices of 22 States anticipated a need for, or had already requested, additional State funds to meet the shortfall which will occur as a result of these cuts. Eleven States have already closed 94 local offices and itinerant service points; in fact, Ohio has closed 42 of its 108 bureau of employment service offices.

In addition to office closings, many States either have laid off or plan to lay off, substantial staff because of the reduction. Numerous problems such as longer waiting time for claims services and payments, and longer distances for unemployed workers to travel for service, will result from the combination of office closing and staff layoffs.

The long term impact will be even greater. Affected States almost certainly will experience substantial case backlogs, salary rate increases shortage, increased incidence of fraud in filings by both employers and employees, and lowered employee efficiency.

State officials, employers, and unemployed workers alike will feel the impact of a decrease in these administrative services. Since the trust fund from which the administrative costs of the Unemployment Service Program are paid has a $1 billion surplus, I am surprised that State employment offices are faced with this problem. Likewise, it is difficult for me to understand why the administration has consistently proposed reducing the level of funding for unemployment insurance. Only the Reagan administration would propose a budget that increases money for the Contras while it cuts money for job services.

Mr. President, we should follow the lead of the House. We cannot afford to cut job services for workers who are actively seeking employment.

STATE OF OHIO,
OFFICE OF THE GOVERNOR,
Columbus, May 7, 1987.

Hon. HOWARD METZENBAUM,
140 Russell Senate Office Building, Washington, DC.

DEAR HOWARD: Thank you so much for all your efforts on behalf of the State of Ohio and the funding crisis facing the Ohio Bureau of Employment Services (OBES). The Ohio delegation in both the House and Senate have shown a great deal of support. We are now at a point where assistance from the Senate is crucial.

Even with the scheduled office closings, the early retirement program, and a variety of other stringent measures, the current projection is that OBES is facing a deficit of between $8-9 million on September 30, 1987. As a result, the agency is examining the possibility of additional office closings and more staff reductions.

Additional money in the supplemental is needed to prevent further reduction of vital services to unemployment insurance recipients as well as to increase our mobile response capability in areas where offices have closed and mass layoffs or plant closings are continuing to take place. Norwood is such an example.

We have been in touch with unemployment insurance administrators from other states such as Michigan, New York, Iowa and Massachusetts. All are facing deficits and further reduction in services. Our states are being held hostage by the federal system and asked to support with state money services employers have already financed.

I deeply appreciate anything further you can do at this time.

With best regards,

RICHARD F. CELESTE.

AMENDMENT NO. 251

Mr. JOHNSTON. Mr. President, I send to the desk an amendment on behalf of myself and Mr. STEVENS with respect to the *Stark*.

I ask unanimous consent that it be in order to consider the amendment at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Louisiana (Mr. JOHNSTON) for himself and Mr. STEVENS, proposes an amendment numbered 251.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following new section:

"SEC. . Notwithstanding any other provision of law, payments received hereafter as compensation for damages to the U.S.S. *Stark* and other United States governmental expenses arising from the attack on the U.S.S. *Stark* shall be credited to applicable Department of Defense appropriations or funds available for obligations on the date of receipt of such payments."

Mr. JOHNSTON. Mr. President, this amendment, as previously described, will direct that the money to be paid we hope by the Iraqis for the damage to the *Stark* will go directly to the Department of the Navy for repairs and will not have to go into the General Treasury.

Mr. CHAFEE. Could I just ask a question, Mr. President, on this?

Mr. JOHNSTON. Certainly.

Mr. CHAFEE. Suppose there is x amount of dollars compensation for the victims in some fashion and it has nothing to do with damage to the *Stark*, would that money also go to the Navy?

Mr. JOHNSTON. Well, the way this reads is, and I think it is self-explanatory:

Notwithstanding any other provision of law, payments received hereafter as compensation for damages to the U.S.S. *Stark* and other United States governmental expenses arising from the attack on the U.S.S. *Stark* shall be credited to applicable Department of Defense appropriations or funds available for obligation on the date of receipt of such payments.

Mr. CHAFEE. I do not think that is very clear. It is the author's intention that the money for the *Stark* go to the *Stark*. But if it is compensation for the lives which will be paid from the General Treasury, I think that money should go back into the General Treasury.

Mr. JOHNSTON. I think that is clear from the amendment. This deals only with compensation for damages to the *Stark* and other governmental expenses, which would not include, of course, the deaths of individual members.

Mr. CHAFEE. If that is the understanding; that is, that the damage to the *Stark* goes solely to the Navy and the balance, whatever it is, go to the General Treasury.

Mr. JOHNSTON. Yes; the Senator is correct.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, the distinguished Senator from Alaska [Mr. STEVENS], is a cosponsor of the amendment, as stated by the manager of the bill. It has been cleared on this side of the aisle and we recommend it be approved.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 251) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, as I understand it, the Dole amendment has not been finalized, as yet, so we will hold that in abeyance for a few moments.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, it now appears that we have done as much as we can constructively do today. There is still further drafting to be done on the Dole amendment, which I believe has been approved in principle. But the drafting must be completed and then it must be double-checked for substance. Then it must be checked by the Budget Committee. I think that can better be done on Tuesday.

I think the Dole amendment is not ripe for debate or not ready for disposition at this time.

Mr. President, I think we have probably accomplished as much as we can at this time on this bill.

At this point, Mr. President, I will put in a quorum call and defer to the leadership for such business as he may have.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank Mr. JOHNSTON, Mr. STENNIS, and Senators on both sides who have been managing the bill and who have called up amendments for their splendid cooperation.

Mr. President, what is the pending question before the Senate?

The PRESIDING OFFICER. The pending business is the amendment of the Senator from North Carolina.

Mr. BYRD. Mr. President, I will yield the floor for the moment.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

AMENDMENT NO. 248, AS FURTHER MODIFIED

Mr. HELMS. Mr. President, I ask unanimous consent that it be in order to send a further modification of my amendment to the desk. It is simply to make the date August 31 instead of August 30, 1987.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

At an appropriate place in the bill, insert the following:

"None of the funds appropriated by this Act for the emergency provision of drugs determined to prolong the life of individuals with Acquired Immune Deficiency Syndrome shall be obligated or expended after August 31, 1987, if on that date the President has not, pursuant to his existing power under section 212(a)(6) of the Immigration and Nationality Act, added human immunodeficiency virus infection to the list of dangerous contagious diseases contained in Title 42 of the Code of Federal Regulations."

Mr. HELMS. Mr. President, as I understand it, the pending business is the Helms amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. And it has been further modified.

Mr. President, I have no wish to discuss the amendment this afternoon. I thank the distinguished majority leader for his courtesy. I yield the floor.

LAKE TEXOMA

Mr. NICKLES. Mr. President, southeast Oklahoma is blessed with many resources including Lake Texoma. This multipurpose reservior provides valuable flood control, hydropower, water supply, and recreation benefits.

After extensive negotiations between affected parties, it appears an agreement has been reached which will provide improved management of Lake Texoma's resources without adversely affecting the rights of current project users and without reducing payments to the Treasury.

Under the agreement, a Lake Texoma Advisory Committee will be established for the purpose of providing infomation and recommendations to the Corps of Engineers regarding the operation of Lake Texoma. A management plan would also be implemented that attemps to maintain a water surface elevation between 617 and 612 mean sea level and provides further guidelines when lake levels drop below 612 mean sea level. The management plan would not supersede existing contracts or public law relating to Lake Texoma.

Additionally, the agreement provides no additional hydropower units will be constructed at Lake Texoma until September 30, 1989. This will allow time to review the comprehensive study developed by the Corps of Engineers which is due no later than September 30, 1988.

Language in the House supplemental appropriations measure on this issue met with objections from various interests and faced opposition from a number of Senators. The compromise language embodied in the proposed agreement was formulated in order to meet those objections.

The proposed compromise language was obtained through extensive negotiations between affected parties including the Corps of Engineers, Southwestern Power Administration, National Rural Electric Cooperative Association, American Public Power Association, Southwestern Power Resources Association, Tex-La Electric Cooperative, Rayburn Country Electric Cooperative, North Texas Municipal Water District, Greater Texoma Utility Authority, Texas Utilities Electric Co., and the Lake Texoma Association. Congressmen WES WATKINS and RALPH HALL largely orchestrated these negotiations which will enable the compromise language to be accepted in lieu of the original House language.

Mr. BENTSEN. Mr. President, I would like to comment on the process which has lead to an apparent resolution of the Lake Texoma issue. As you know, I have been involved personally for several years in trying to resolve issues related to Lake Texoma, a lake which, as its name implies, is on the border of Texas and Oklahoma. Lake Texoma provides substantial power and water supply benefits to Texas, and recreation benefits to Texas and Oklahoma. Last year when I was ranking member of the Senate Environment and Public Works Committee and during consideration of the omnibus water resources bill, I worked to add recreation as a project purpose to Lake Texoma provided it did not impact adversely on the existing purposes of the lake. That is why I was extremely concerned with the House-passed provision of the supplemental related to Lake Texoma, which would have limited power generation at the lake and caused electric consumers in Texas to absorb approximately $6 million in added costs with, according to a Tulsa District Corps of Engineers study, only marginal perceived benefits to recreational users. As the Senator knows I expressed concern about this on behalf of the electric consumers in Texas and others who depend on the lake. I am pleased to find that recreation power, water supply, and other interests have come to the bargaining table and have negotiated a proposed resolution of this issue. A proposed management plan has been developed which preserves the benefits to which power customers are contractually entitled, yet also accommodates recreation users' interest in a stabilized lake level. It also appears that municipal water supply interests will not be adversely affected by the proposed management plan. An advisory committee is established to address issues which arise in the future. Mr. President, I am pleased to have participated in this process, and extend my thanks to those who have helped to settle this issue. I hope it will be agreed to in conference.

Mr. BOREN. As Senator NICKLES indicated, only through a large expenditure of time and energy has this agreement been reached. The interested parties have determined the specifics of the agreement can meet the need to better manage Lake Texoma without threatening contractual obligations. With this in mind, I support the agreement and would urge its adoption during conference with the House.

Mr. NICKLES. Mr. President, I would ask Senator JOHNSTON, chairman of the Energy and Water Appropriations Subcommittee, who knows of our interest in this issue, if during conference with the House he is willing to include language codifying the agreement I have described.

Mr. JOHNSTON. I thank the Senators for raising this issue. I know that our colleagues Senators BENTSEN and BUMPERS have been deeply involved in trying to frame an agreement which would protect all the parties which benefit from Lake Texoma.

Senators BENTSEN and BUMPERS have kept me apprised of their interest and I have assured them that should the final touches on this agreement be completed in a timely way I will recommend its adoptions in conference. And I offer the same assurance to the Senator from Oklahoma. I appreciate the Senator's willingness to withhold offering an amendment with the understanding the issue will be addressed in conference.

Mr. NICKLES. I thank the chairman and I submit for the RECORD a copy of the proposed language.

"SEC. . Pursuant to the Federal Advisory Committee Act (Public Law 92-463), the Secretary of the Army is directed to establish an advisory committee for the Denison Dam (Lake Texoma), Red River, Texas and Oklahoma project authorized by the Flood Control Act approved June 28, 1938 (52 Stat. 1219). The purpose of the Committee shall be advisory only and it shall provide information and recommendations to the Corps of Engineers regarding the operations of Lake Texoma and its congressionally authorized purposes. The Committee shall be composed of representatives equally divided among the project purposes and between the states of Texas and Oklahoma.

The Corps of Engineers, taking into consideration recommendations of the Southwestern Power Administration and the Lake Texoma Advisory Committee, shall develop and carry out a management plan for Lake Texoma that:

(1) maintains a water surface elevation between 617 and 612 msl, provided however that hydroelectric power will be generated to satisfy electric loads when the water surface elevation is between 617 and 612 msl;

(2) when the water surface elevation drops to 612 msl or lower, implements a public information program;

(3) when the water surface elevation is between 612 and 607 msl, permits hydroelectric power generation only when it is needed for rapid response, short term peaking purposes as determined by the power scheduling entity;

(4) when the water surface elevation is between 607 and 590 msl,

(a) permits hydroelectric power generation only to satisfy critical power needs on the power scheduling entity's electrical system as determined by the power scheduling entity, and

(b) requires municipal and industrial water users to implement water conservation measures designed to lessen the impact of municipal and industrial water withdrawals.

The management plan specified above shall not supersede or affect any existing contracts or public law relating to Denison Dam (Lake Texoma). The management plan shall have no impact upon the provisions of section 838 of the Water Resources Development Act of 1986. The management plan shall be reevaluated on or after September 9, 1989 by the Corps of Engineers, taking into consideration the recommendations of the Southwestern Power Administration and the Lake Texoma Advisory Committee.

The Corps of Engineers shall issue a final report on the comprehensive study of the Red River Basin, Oklahoma, Arkansas, Louisiana and Texas, no later than September 30, 1988. None of the funds in this Act or any other Act relating to water resource development may be used to construct or enter into an agreement to construct additional hydroelectric power generation units at Denison Dam (Lake Texoma) until September 30, 1989."

A SWEET LITTLE RIP-OFF

Mr. QUAYLE. Mr. President, there is a provision in the supplemental appropriations bill now before the Senate that ought to stir up a hornet's nest.

At a time when fiscal restraint must be exercised by Congress, the Senate Appropriations Committee has reported to the floor a bill containing language that instead aggravates the sting on the American taxpayers inflicted by that sweet little rip-off, the Federal Honey Price Support Program.

As reported to the Senate, this bill makes a beeline in the direction of unwarranted and wasteful spending by lifting the current $250,000 cap on loans that may be made to honey producers.

This provision is one honey of a deal for a tiny hive of special-interest pleaders. It will sweeten the Federal honey pot for only an estimated 20 honey producers—or less than 1 percent of the U.S. commercial beekeepers participating in the honey program. These are not struggling family farmers, but the queen bees of honey producers: corporate conglomerates.

I strongly object to this provision, particularly because I have long maintained that the Federal Government has no beeswax subsidizing the beehives of America to begin with.

I seriously considered offering an amendment to strike the language lifting the honey loan cap, but I have decided against doing so. While I believe my colleagues would swarm to support such an amendment on the grounds that lifting the cap will add still further to the runaway costs of the honey program, I am advised that, for reasons that strike me as convoluted at best, the language added to the supplemental in committee has no budget impact.

But no spoonful of honey is going to help make this program palatable in the future, for it's about as far from being the bee's knees as you can get. I continue to believe that the Federal Honey Price Support Program should be eliminated, and I will be prepared to offer legislation to phase it out as I did in 1985 at the appropriate time in the future.

Established by an act of Congress in 1949, the honey price support program was designed to assure a sufficient supply of honeybees for pollinating the Nation's fields and orchards. Instead, the program has led to a 24-percent reduction in the number of bee colonies over the past 30 years, and since 1980, its cost has soared.

Only about 3,000 of the Nation's estimated 200,000 beekeepers participate in the honey price support program, under which commercial beekeepers receive loans from the Commodity Credit Corporation at a set rate, using honey as collateral. Since 1980, the CCC price for honey has been higher than the wholesale price, now under 45 cents a pound. As a result, beekeepers have found it profitable to forfeit their loans and repay the CCC with honey.

Between 1980-84, the Federal Government spent more than $250 million buying overpriced honey placed under CCC loans. In the 1985 crop year alone, beekeepers forfeited 110 million pounds of honey to repay CCC loans; the cost to purchase and store that product was $100 million.

Nobody disputes the contribution that beekeepers make to our agricultural economy. But the fact is the honey price support program harms beekeepers by pricing their honey out of the market; taxpayers by funneling huge payments to a few commercial operators; consumers by increasing the cost of honey; and American farmers by siphoning away limited farm program dollars.

These were among the findings of the August 19, 1985 Comptroller General's report to Congress, "The Federal Price Support for Honey Should be Phased Out."

These were also my reasons for introducing the Honey Price Support Reform Act back in September 1985—and for offering it as an amendment to the 1985 farm bill during Senate action on the measure 2 months later.

Under my proposal, the U.S. Secretary of Agriculture would have been given authority to set the loan level for honey based on market conditions during a 3-year transition period beginning with the 1986 crop year. At the end of the transition period, provided to enable those dependent on the honey price support program to plan for a return to an unsubsidized marketplace, the USDA Secretary would have been required to end the program.

The Senate approved my amendment to the farm bill on November 22, 1985 by voice vote after a motion to table the provision failed by a rollcall vote of 36 to 60.

That action marked the first time since 1951 that the Senate had voted to remove a crop from the USDA's price subsidy program.

But the Senate's position on the honey program did not prevail in the subsequent conference on the 1985 farm bill. Nor, for that matter, did that of the other body.

The farm bill that cleared the House of Representatives included an amendment offered by Congressman BARNEY FRANK, of Massachusetts, to impose a $250,000 limit on the amount a honey price support program participant could borrow against his honey collateral. The Frank amendment was approved on a 340-to-65 vote that October 7.

Both my provision and the one authored by Congressman FRANK were dropped in the House-Senate conference on the 1985 farm bill. The conference report on the Food Security Act of 1985 simply reduced the price-support loan rate for honey producers, set at 65.3 cents a pound in 1985, to 65 cents a pound in 1986 and 63 cents a pound in 1987, with reductions thereafter limited to a maximum of 5 percent a year through 1990. The final compromise bill also gave the USDA Secretary discretionary authority to establish a honey marketing loan progam under which repayment of price-support loans would be permitted at less than the effective loan rate.

Last October, Congress took a further step to rein in the cost of the honey program when it passed into law the $587 billion multidepartmental spending bill for the 1987 fiscal year. That omnibus continuing resolution included a provision sponsored by Congressman SILVIO O. CONTE, of Massachusetts, that placed a $250,000 cap on the total amount of loans farmers participating in the honey program may have outstanding at any time. Congressman CONTE also authored a provision in that spending bill to impose a $250,000 limit on the amount a farmer may receive in Federal crop marketing loan gains a year.

But just as the final 1985 farm bill did not properly reflect the earlier verdicts of both the House and Senate on the honey price support program, the supplemental appropriations bill reported by the Senate appropriations would lift the $250,000 honey loan cap Congress approved just last fall.

In reviewing this objectionable provision, I was aghast to discover that, due to a major loophole in the Federal crop subsidy program, lifting the honey loan cap will have no budgetary impact.

Under current law, there is a $250,000 cap on both the total amount of loans made through the CCC that an individual may have outstanding at any one time for a commodity and on the amount that a farmer may gain in proceeds from a crop loan program per year. Applied to the honey program, this means that to receive the full marketing loan gain allowed, $250,000, a single commercial beekeeper could place between 850,000 and 900,000 pounds of honey under loan.

The loophole results from the practice of allowing producers to redeem their loans in payment-in-kind certificates. If a honey producer borrows against his product and then decides to redeem the loan with PIK certificates, the CCC's accounting system will show no credit, inflow or offset of the PIKs' cost. Nor does the gain made by the producer from the use of PIK certificates count against his $250,000 payment limitation.

In effect, the loan limitation is simply an inconvenience to the 20 largest producers, requiring them to turn over their loans several times before reaching the $250,000 payment limitation.

The USDA estimates that the 20 commercial beekeepers who stand to gain by the provision now in the supplemental will produce a total of between 6 to 9 million pounds in excess of the amount they could were the loan cap not lifted. This additional honey would be eligible for loans totaling $3.8 to $5.7 million under the current loan rate of 63 cents a pound. If PIK certificates were not available or if they could not be used to redeem loans, this excess honey would be excluded from the loan program, as it should be. But under current law, by redeeming loans on the excess honey with PIK certificates at the average price of 35 cents a pound, these 20 producers can realize a paper profit of 28 cents a pound—or $1.7 to $2.5 million—and it won't be counted against the $250,000 loan gain limit.

Mr. President, this situation would be laughable if it weren't so outrageous.

The simple fact is that the current $250,000 honey loan cap and payment limit can be and are being circumvented because of the availability of PIK certificates.

The USDA Secretary has the discretionary authority—and he should use it—to specify that PIK certificates may not be used to redeem honey loans. Only then will any limit imposed by Congress on loan activity have an effect on large honey producers, and only then will a reduction in honey loan outlays be achieved.

But not even that much-needed fix would suffice. As long as there is a Federal honey program, a miniscule number of beekeepers will turn to Uncle Sam for their sustenance like bees to honey. No, the only balm in order is congressional action to eliminate the program entirely.

Mr. CRANSTON. The House version of the fiscal year 1987 supplemental appropriations bill transfers $5.6 million in unobligated balances from the Bureau of Reclamation's loan account to its construction account to cleanup the Kesterson National Wildlife Refuge.

Additionally the House version permits the Bureau to spend previously appropriated moneys for the San Joaquin Valley Drainage Program in August and September 1987.

I am extremely concerned that the Senate Appropriations Committee has dropped both of these provisions. Neither involves new money. Both are critical to California.

In the past the Kesterson National Wildlife Refuge has served as the terminus for drainage from farms in California's San Joaquin Valley. However, because of selenium contamination that caused waterfowl deformities, the Bureau of Reclamation halted delivery of drainage water to Kesterson and the California State Water Resources Control Board ordered Kesterson cleaned up by August 1988.

It's imperative that Congress provide the necessary funds for the Bureau to meet the State board cleanup order of March 19, 1987.

The President's fiscal year 1988 budget included a fiscal year 1987 supplemental request to transfer $5.6 million of unobligated funds for initial cleanup activities at Kesterson. While actual construction likely won't begin before fiscal year 1988, the Bureau advises me it needs the money today for selenium stabilization, design work, and contract preparation. If Congress does not provide money for Kesterson in this bill, I'm advised the Federal Government will not be able to meet the State's August 1988 deadline.

To help solve the larger valley-wide drainage problem, the Bureau has been conducting studies under the San Joaquin Valley Drainage Program. The continuing resolution permitted expenditures for these studies only to August 1. If we don't permit spending the rest of fiscal year 1987, the Bureau tells me it will be forced to shut down the San Joaquin Valley Drainage Program and let employees go. That's totally unacceptable and will seriously delay efforts to solve California's agricultural drainage problem.

I had intended to offer an amendment to restore the House provisions. However, given assurances from the manager of the bill that these two issues will be carefully considered in conference, I will refrain from doing so.

Mr. JOHNSTON. I apprecaite the Senator from California's concern. Because of the recent State water control board decision, the committee deferred action on this matter until more detailed information on schedules and estimates of cleanup costs were developed. In addition, I believe the State of California has several activities to complete before major cleanup work can begin. We expect that this information will be available by the time we go to conference with the House and will address this matter at that time.

I also understand the problem regarding the August cutoff of funds for the San Joaquin Valley Drainage Program and will try to work that matter out in conference as well.

Mr. CRANSTON. I thank my friend the Senator from Louisiana for those assurances.

Mr. ADAMS. Mr. President, I had intended to offer an amendment on behalf of myself and my colleague from Washington [Mr. EVANS] that would have provided the funding for the Olympic National Park to acquire a 270-acre parcel, known as the Keystone Spit, on Whidbey's Island, adjacent to the Ebey's Landing National Historic Reserve. I understand that it will not be possible to offer an amendment on the floor without a corresponding budget offset. However, I have spoken with Senator JOHNSTON, the acting subcommittee chairman, and I believe our concerns have been addressed in a satisfactory manner.

The House of Representatives included $2.1 million, prior to the across-the-board cut on discretionary funding of 21 percent, in its supplemental appropriations bill. The Appropriations Committee in the Senate did not include for this acquisition in its bill. Although I well understand the difficulties the Appropriations Committee faces in keeping the supplemental appropriations bill within the tight budgetary constraints under which we are presently operating, this is an important opportunity for the Federal Government that should not be lost. Mr. President, I would like to take this opportunity to discuss the merits of this acquisition a bit further.

The acquisition of the Keystone Spit will accomplish two important things for the Federal Government at one time. The Olympic National Park will acquire a large parcel of land that is necessary to preserve the integrity of the Ebey's Landing National Historic Reserve, and the Olympic National Park will acquire 57 miles of tidelands owned by the State of Washington that are located within the boundaries of the Olympic National Park.

Ebey's Landing was established in 1978. The intent of the Federal legislation was to involve the National Park Service in protecting this historic rural island community consisting of farms, open space, woodlands, historic structures, and the historic town of Coupeville, WA. The National Park

Service, the Ebey's Landing National Historic Reserve Planning Committee, and the local residents have done a remarkable job in the few years since Ebey's Landing was established in developing a comprehensive plan for the reserve and in acquiring the most critical parcels of land inside the reserve to ensure the permanent protection of this national landscape. Keystone Spit is one of the last remaining parcels that remains to be purchased.

Mr. President, I think this is a worthy endeavor for the Federal Government.

Mr. EVANS. Mr. President, I support this acquisition, and I appreciate the efforts of the majority leader to accommodate our request. I well understand and appreciate the concerns of the distinguished Senator from Louisiana about staying within the limits of the budget. This is, however, an opportunity that will be lost to us forever if we are not able to take advantage of our abilities to acquire this parcel soon.

The Keystone Spit lies between Crockett's Lake and the Admiralty's Bay of Puget Sound. It is a long, narrow parcel of beach that connects Ebey's Landing with the Fort Casey State Park. At the extreme western end of the spit lies the dock for the State ferry to the Olympic Peninsula. On the open market, the Keystone Spit could sell for more than twice the acquisition price the private owners are willing to sell the property for to the National Park Service. This is a worthwhile bargain for the Federal Government.

The Keystone Spit and the adjacent Crockett's Lake are heavily used by recreationists, birdwatchers, fishermen, sportsmen, naturalists, artists, and scientists. The area contains abundant birdlife and offers a rich and varied blend of habitat types, ranging from shore and marsh to grasslands and woodlands.

The Olympic National Park, once it has acquired the property will then exchange it with the State of Washington for 57 miles of tidelands located within the boundaries of the Olympic National Park. The Keystone Spit will then become a part of the Fort Casey State Park, and the Olympic National Park will retain management control over the critical intertidal beach area of the Olympic National Park. These tidelands have become increasingly threatened in recent years from the unregulated harvesting of small marine life growing in tidal pools along the coast. It is critical that the National Park have the ability to prevent the destruction of this marine life to ensure the integrity of the natural marine ecosystem.

Mr. JOHNSTON. I want to thank both of the distinguished Senators from Washington for their statements on behalf of the acquisition of the Keystone Spit. I want to assure them both that I have reviewed the materials for this acquisition. I understand that this acquisition has been approved by the State of Washington and that it was strongly supported by the able Representative from Washington, Congressman AL SWIFT. I must stress again the need for the supplemental appropriations bill to stay within the confines of the budgetary limits set by Gramm-Rudman-Hollings. If I can, however, I would like to be helpful in trying to work with the Senators from Washington to accommodate their interest. As the funding for this acquisition is contained in the House supplemental appropriation, I can assure my colleagues that it will be discussed in conference. I will give it every consideration at that time.

Mr. ADAMS. As usual, the acting subcommittee chairman has been very helpful in working with us on this issue of such importance to our State. I believe his offer to consider this request in conference would indeed be satisfactory.

Mr. EVANS. I would like to add that I believe the Senator from Louisiana has been quite helpful and I want to thank him for his cooperation.

Mr. CHAFEE. Mr. President, on behalf of Senators PELL, KERRY, KENNEDY, and myself I would like to engage the distinguished floor manager of the supplemental appropriations bill in a short colloquy.

The supplemental appropriations bill passed by the House of Representatives includes a provision to earmark $50,000, within available funds, for use by the Department of the Interior to initiate startup activities for the Blackstone River Valley National Heritage Corridor. This money would be used to establish a commission and to prepare the cultural heritage and land management plan as authorized in Public Law 99-647.

The Blackstone River Valley National Heritage Corridor Act, passed by Congress and signed into law by the President last November, authorizes the National Park Service to join a cooperative effort of Rhode Island and Massachusetts to showcase the history and culture of 46 miles of the Blackstone River between Worcester, MA and Slater's Mill in Pawtucket, RI. The Blackstone River Valley is the birthplace of the American industrial revolution. This is where we fought an economic battle that changed the world.

In order for a commission to be established and get on with the important work of planning the corridor, I would ask the distinguished floor manager if he would give me an assurance that when the supplemental appropriations bill is in conference, that he would consider acceding to the House regarding the Blackstone River Valley National Heritage Corridor.

Mr. JOHNSTON. Mr. President, I thank my colleagues from Rhode Island and Massachusetts for bringing this to my attention. I would ask the Senator from Rhode Island whether the $50,000 requested in the supplemental appropriations bill is part of, or in addition to the $250,000 authorized in Public Law 99-647?

Mr. CHAFEE. I would be glad to answer the inquiry of the Senator from Louisiana. The $50,000 requested in the House supplemental appropriations bill would initiate start up activities for the Blackstone River Valley National Heritage Corridor, and would be in addition to the $250,000 authorized in the act.

Mr. JOHNSTON. I thank my distinguished colleague, and would ask one further question. Does the Senator contemplate any future costs, other than the $250,000 authorized in the law, for things such as land acquisition or staffing, which Congress may be asked to fund?

Mr. CHAFEE. I would respond to the distinguished floor manager that at this time, no further funding, other than that authorized in the bill, is contemplated.

Mr. JOHNSTON. It is my understanding that the $50,000 for the Blackstone River Valley National Heritage Corridor would enable the groundwork to be laid so that the commission will be able to produce a high quality land management plan when it begins work in the next fiscal year. I can assure my colleague from Rhode Island that I will consider acceding to the House regarding the Blackstone River Valley provision during the House-Senate conference on this bill.

Mr. CHAFEE. Mr. President, on behalf of Senators PELL, KERRY, KENNEDY, and myself I thank the distinguished Senator from Louisiana for his assurances. I would ask that a statement by Senator KERRY regarding funding for the Blackstone River Valley National Heritage Corridor be printed in the RECORD immediately following this colloquy.

BLACKSTONE HERITAGE PARK

Mr. KERRY. Mr. President, I am in full agreement with my distinguished colleague from Rhode Island on the tremendous need to get necessary funding in order for the Blackstone River Valley National Heritage Corridor to get off the ground.

Mr. President, today in Lowell, MA, we can witness first hand the huge success of a heritage park authorized and appropriated by Congress a decade ago, which has helped transform a depressed mill town into a thriving community. The Lowell park has enhanced, and as the park continues to be built, further improves the city of Lowell by turning the city into an open, public museum where a vital period of American history is permanently on display for everyone to enjoy. I might add, Mr. President, that the startup money that our Government provided the city to begin the Lowell Heritage Park project has created an atmosphere in which an impressive private/public partnership investment has developed that equals 14 to 1.

Similar to the city of Lowell 10 years ago, over the years, the Blackstone Valley has undergone serious economic and unemployment problems. If Congress is willing to appropriate a mere $50,000 to start the commission which Senator CHAFEE has mentioned, I believe we will be well on our way in helping to address an economic problem that is long overdue. This essential heritage park has the potential, and I am convinced will provide thousands of job opportunities in Worcester County and throughout the Blackstone Valley. I am confident that the quality of the leadership in Worcester County and in the Blackstone Valley will take this opportunity and build it into a future filled with economic promise. I thank my distinguished colleague Senator CHAFEE, for bringing up this important issue and I too urge the distinguished acting subcommittee chairman, Senator JOHNSTON, to accede to the recommendation in the House bill during the House-Senate conference.

Mr. BAUCUS. Mr. President, I have been seriously concerned about the implementation of a recently established payment policy for the use of Indian Health Service Contract Medical Care Funds. The policy would restrict payment to rates no higher than the prevailing Medicare allowable rates and would also require competitive contracting. This policy was developed after considerable study by the General Accounting Office, the Office of Technology Assessment, and an interagency task force. The general intent of the policy is to conserve scarce funding resources so as to provide the maximum amount of health care for the lowest possible price to Indian beneficiaries.

Nevertheless, I have been concerned that, in the implementation of the new policy, especially in rural areas such as Montana, the network of health providers could have been adversely affected with the concomitant decline in the provision of health care to Indian beneficiaries.

As a result of my concerns, I was initially inclined to offer an amendment to slow or stop the implementation of this new policy. However, I was advised that such an amendment would result in a need for additional millions of dollars in budgetary resources and offered no guarantee that the rural health care providers, such as those in Montana, would receive the necessary relief.

In working with the Interior Appropriations Subcommittee, I have been able to secure a statement from Assistant Surgeon General, Everett R. Rhoades, M.D., which indicates his awareness of the problem in rural areas such as Montana and his pledge to initiate discussions which he believes would lead to an arrangement acceptable to the tribes, the hospitals and the Indian Health Service. Dr. Rhoades has indicated that he will consider adjusting the implementation of the new policy in a way that takes into account the adverse consequences of a possible hospital closure on Indian health care.

Dr. Rhoades has further pledged that he will convey this philosophy to the Indian Health Service area director in Billings, MT. He has expressed to me his confidence that a meeting of all parties involved can result in an acceptable resolution.

Mr. President, based on this reassurance, I will not offer an amendment at this time. I wish to express my thanks to the distinguished acting subcommittee chairman, Mr. JOHNSTON, and ranking minority member, Mr. McCLURE, for their assistance. I hope I will be able to continue to count on the support of the distinguished acting subcommittee chairman in this matter.

Mr. JOHNSTON. I thank the distinguished Senator from Montana [Mr. BAUCUS] for his kind remarks. I thank the Senator for not offering an amendment at this time and I shall be pleased to continue to be of assistance.

Mr. BAUCUS. I thank the distinguished acting manager. I ask unanimous consent that the communication from the Assistant Surgeon General be printed in the RECORD at this point.

There being no objection, the communication was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH
AND HUMAN SERVICES,
May 22, 1987.

MEMORANDUM

From: Director, Indian Health Service.

Subject: Issues on Policies Relating to Payment of Diagnostic Related Group Rates and Competitive bidding.

To: For the record.

During the past few years, the Indian Health Service (IHS) has been engaged in issues relating to the implementation of a procurement regulation which provided the guidance to Federal agencies relating to assurance of competition in the awarding of contracts for services.

The purchase of health services through a process of competition involves the acknowledgment of such controversial and obvious concerns as quality of care, continuity of care, tribal opinions, etc. This regulation recognizes these concerns and provides some flexibility to address them; but in so doing, it becomes highly complex, complicated, and therefore easily misinterpreted.

More recently, at the direction of the Congress and the Administration, IHS has begun implementing a payment policy of purchasing care from the private sector at rates that do not exceed the established rate allowable for Medicare, also referred to as Diagnostic Related Group (DRG) rate, at each respective facility. Instructions have been issued by the IHS to implement this policy in a manner or time frame that would not result in the destruction of health care to Indian patients. Again, misinterpretations of this policy have created major concerns among the medical communities in some States where a portion of the Indian population is receiving their care primarily from the private sector. For example, IHS is currently aware of issues involving hospitals in the State of Utah and in the State of Montana.

For Utah, a recent publication of the American Hospital Association (AHA) newsletter of March 30, 1987, contained an article which provided information pertaining to the above issue. This article stated that the Utah Hospital Association (UHA) was successful in convincing the Administrator, HRSA, and the Director, IHS, to withdraw a rule. This statement is incorrect. The IHS did not withdraw a rule but in fact implemented the action in the way it has said it would; that is, with slow implementation and concern for the care of Indian patients.

The following explanation of facts and events represent a more accurate picture of the handling of this issue.

In November 1986 the IHS Phoenix Area Director, Chief Medical Officer, and Executive Officer began discussing a new method of handling contracts for those health services contracted to private providers in the Uintah & Ouray Service Unit, located at Fort Duchesne, Utah.

Initial meetings were held involving the Ute tribe of Fort Duchesne, Utah, the Utah Hospital Association, and Administrators for the Duchesne county hospital, (Roosevelt, Utah), and the Ashley Valley Hospital (Vernal, Utah). Over the past several years the IHS has purchased inpatient and emergency services from Duchesne County Hospital at billed charges. In FY 86 the IHS expended just under $1,000,000 for these services.

During FY 1987, the IHS Phoenix Area Office intended to initiate a competitive procurement action requiring Duchesne County Hospital and Ashley Valley Hospital to bid on the provision of health services, if interested in the business, with a proviso that IHS would pay no higher than the hospitals' established Medicare rate.

Through a series of meetings involving all parties and at one point the Director, IHS, and Administrator of Health Resources and Services Administration (HRSA), an agreement was reached that would allow both hospitals to participate in the provision of services with their Medicare rates as a ceiling. It was further agreed that IHS would not send out it's competitive procurement instrument until after the second quarter of FY 87 thus allowing the Tribe and both hospitals time to plan and prepare for future dealings with IHS.

Both of these facilities are in the range of 32-40 bed hospitals with an occupancy rate of 30-45%. The economy of the Area is somewhat depressed as it closely relates to the oil industry.

In April, the competitive procurement action was initiated by sending a request for proposal (RFP) to both hospitals as well as all other major hospitals which provide services to IHS in Utah. Since many of the hospitals provide services both to the Navajo and Phoenix Areas of the IHS the procurement action is a combined effort and a contract negotiated as a result of the this process is applicable to the Phoenix Area, Navajo Area, and Tucson Area Offices. This releases several hospitals in Utah from having to negotiate separate contracts with separate Area Offices.

In Utah, the interest of the Ute Tribe and the IHS is to obtain the best quality of care at a fair price and to spread the services of the Tribe between the two facilities but not do irreparable harm to Duchesne County hospital by competing the entire service.

For Montana, the IHS is now aware of similar concerns being expressed by selected hospitals which are similar to those expressed by the Utah hospitals. The IHS believes that the discussions and negotiations carried out in Utah are generally applicable to other rural areas and is willing to initiate similar discussions which I believe would lead to an acceptable arrangement to the Tribes, the hospitals, and to IHS.

The IHS is aware of the serious plight of many smaller rural hospitals in relation to DRG rates but cannot be expected to correct funding problems associated with the development of the DRG rates themselves. Since the primary concern of the IHS is the well-being of Indian patients, the IHS will consider adjusting the implementation of the policy in a way that takes into account the adverse consequences of hospital closure on Indian health care.

I will convey this philosophy to the IHS Area Director in Billings, Montana. I am confident that a meeting of all parties involved can result in an acceptable resolution. I would be glad to provide a person from my immediate office to attend such a meeting provided the Area Director is present.

EVERETT H. RHOADES, M.D.,
Assistant Surgeon General.

Mr. CRANSTON. Mr. President, in his floor statement regarding this supplemental appropriation bill, H.R. 1827, the chairman of the House Interior Appropriations Subcommittee clearly indicated that it is the House Appropriations Committee's intent that the Forest Service use its inholding account to purchase the Torre Canyon Ranch in and adjacent to the Los Padres National Forest in California. This acquisition is the highest priority of the Forest Service's Pacific Southwest Region.

It's my understanding the Forest Service is presently reviewing an independent appraisal of the 1,179 acre ranch property. Preliminary estimates set the value at $2.3 million. I am advised further by the Forest Service that there is adequate money in the inholding and composite land acquisition account to acquire the Torre Canyon Ranch. Additionally, this supplemental bill overturns the administration's deferral of inholding and composite funds.

I would like to ask the acting chairman of the Senate Interior Appropriations Subcommittee if it is also the Senate Committee's intent that the Forest Service purchase the Torre Canyon property using fiscal year 1987 funds.

Mr. JOHNSTON. I'm pleased to respond affirmatively to the inquiry from the Senator from California. It is the committee's intent in the 1987 appropriation that the Forest Service purchase the Torre Canyon property this year. The committee expects the Forest Service to follow normal procedures to establish the value of the property.

Mr. STEVENS. Mr. President, last year, through the efforts of my colleagues from Alaska, Senator FRANK MURKOWSKI and Representative DON YOUNG, Congress enacted the Haida Land Exchange Act of 1986, which authorizes up to $11 million to be appropriated from the Land and Water Conservation Fund for the Forest Service to purchase a group of very beautiful islands in southeast Alaska owned by the Haida Native Village Corp.

Unfortunately, because the Haida Land Exchange Act was approved so late in the session, we were unable to fund the land acquisition in the Fiscal Year 1987 Interior Appropriations Act. I do not intend to pursue this issue on the bill pending before the Senate today—the fiscal year 1987 supplemental appropriations bill—but I would like to take this opportunity to reaffirm the commitment Congress made last year to the Haida people.

I hope that my friends, the distinguished majority leader, who serves as chairman of the Interior Appropriations Subcommittee, Senator JOHNSTON, the acting subcommittee chairman, and Senator MCCLURE, the distinguished ranking Republican member of the subcommittee, will support my efforts to secure an appropriation for the Haida acquisition in the fiscal year 1988 Interior appropriations bill.

Mr. JOHNSTON. Mr. President, I understand the concerns of my colleague from Alaska, and I want to assure him that the Interior Appropriations Subcommittee will address this issue in the fiscal year 1988 appropriations cycle.

Mr. McCLURE. Mr. President, I understand the concern expressed by my colleague from Alaska, and assure my friend from Alaska that the subcommittee will address this issue during the fiscal year 1988 cycle.

Mr. STEVENS. Mr. President, I thank my good friends for their assurances.

REGARDING THE LONGMONT DAMS

Mr. WIRTH. If the Senator will yield, I would like to engage the distinguished Senator from Louisiana in a colloquy on an issue that is very important to the State of Colorado.

In 1933, the city of Longmont acquired three reservoir sites that had been constructed on national forest lands and which were transferred to the National Park Service when Rocky Mountain National Park was established.

These reservoirs have, since then, been used to supply water for the city of Longmont, and for irrigation of agricultural crops. Of course, the city has perfected its water rights under State law, and the United States was a party to several judicial proceedings where the city gained approval for its use of the water in these reservoirs.

During the 1960's, the National Park Service developed its policy of gradually removing most man-made structures from Rocky Mountain National Park. At about the same time, the Colorado State engineer began to express concerns about the safety of these high mountain dams. In 1968, the Park Service notified the city that it was interested in acquiring the city's reservoir sites within the park. Since then, the city has been negotiating with the Park Service on an agreement to sell the reservoir sites to the Federal Government. This would be good for the Park, since the reservoir sites could be reclaimed. And it would be fair to the city, which could enlarge a reservoir outside the park to store the water that was being stored in the high mountain reservoirs.

Finally, in 1984, the National Park Service submitted to the Department of the Interior a proposal to acquire these three reservoir sites for $1.9 million. And that is where this effort began to make its twists and turns. At that time the Department was considering the Park Service's proposal, the Solicitor's office suggested that the city may not have a compensible property interest in the reservoirs. The Department then dropped its plans, and sought approval for a declaration of taking.

That action caught many of us by surprise—and it certainly caught the city by surprise, since it had negotiated in good faith with the Park Service for almost 15 years. But to the city's credit, they continued to work with the Park Service and the Department.

That work paid off, because the Interior Department has now concluded that it made a mistake—in their words, "the likelihood of success by the Government in a forfeiture action is remote and would take years to resolve." The Government is now back where it started—it wants to acquire the three dam sites and has sought approval from the appropriate committees of Congress for its proposal to reprogram existing funds to do that.

It is my understanding that the distinguished majority leader, in his capacity as chairman of the Interior and Related Agencies Subcommittee of the Appropriations Committee, yesterday signed a letter to Secretary of the Interior Hodel notifying him that the subcommittee has no objection to the reprogramming request. Is that also the understanding of the distinguished Senator from Louisiana?

Mr. JOHNSTON. The Senator is correct.

Mr. WIRTH. The city of Longmont has to make a decision in the near future about whether it should begin repair work on these reservoirs. That work is necessary for safety purposes, if the Federal Government is not going to acquire the dam sites. And the city has assured me several times that they will not simply abandon these reservoirs. At the same time, the city and the Park Service know that repairing the reservoirs would cause some significant impacts to the fragile alpine ecosystem around the reservoirs.

In short, the Park Service's proposal to reprogram the funds needed to acquire these dam sites makes good environmental sense, and it is fair to the city of Longmont. But time is of the essence and the other body has not yet approved the reprogramming request.

May I inquire of the distinguished Senator from Louisiana if he intends to raise this issue during the conference with the other body on this Supplemental Appropriations bill, to request its assent to this reprogramming request from the Department of the Interior?

Mr. JOHNSTON. The Senator from Colorado is correct. As the Senator knows, I am a strong supporter of the national parks, and I think this proposal has a great deal of merit. If the appropriate House Subcommittee has not acted by the time the conference committee meets, the Senate conferees will raise this issue and try to resolve it during the conference. I assure the Senator from Colorado that we will work with him to bring this matter to a close as soon as possible.

Mr. WIRTH. I want to thank the distinguished Senator from Louisiana and the distinguished majority leader, and their staffs, for their cooperation in this endeavor. This is a matter which can and should be resolved soon, and which can be resolved without the necessity for additional appropriations from the Treasury. My colleague from Colorado and I are greatly appreciative of the accommodation of the Senators from Louisiana and West Virginia, and look forward to working with them to fruition of this effort.

Mr. ARMSTRONG. Mr. President, there is nearly universal opinion that the reprogramming request for Longmont Dams should be approved. Rarely have I seen such widespread support for such a project. But the plain fact is that the reprogramming request to allow the Federal Government to acquire dams located within the Rocky Mountain National Park enjoys the support of:

The Department of the Interior
The National Park Service
The Department of Justice
The senior Republican on the Senate Appropriations Interior Subcommittee
The chairman of the Senate Appropriations Interior Subcommittee.
The city of Longmont
The State of Colorado
The two Senators from Colorado

At issue is three dams that have been assessed as hazards by the State of Colorado and immediate repair is required. These dams are located in Rocky Mountain National Park, and are owned by the city of Longmont. The city is prepared and willing to make the repairs necessary. But the National Park Service believes the dams are inappropriate for the Rocky Mountain National Park, so has requested for the last several years that the dams not be repaired. The Park Service and the city of Longmont negotiated a settlement. To pay the terms of the settlement, the Park Service proposed a $1.9 million reprogramming. All that is needed for this reprogramming to proceed is for Congress to give its blessing.

I hope this colloquy will speed the necessary settlement. There is no reason for further delay.

MORNING BUSINESS

Mr. BYRD. Mr. President, if there is no other Senator who wishes to address the subject of the pending amendment, and the Senator from Louisiana has indicated that the amendments which could be taken without rollcall votes have been disposed of for this afternoon, I now request a period for the transaction of morning business, not to exceed 30 minutes, with Senators being permitted to speak therein for not more than 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICAN INVOLVEMENT IN THE PERSIAN GULF

Mr. EXON. Mr. President, I wish to speak on a very, very important matter that I think has not received sufficient consideration on the floor of the U.S. Senate, although there have been many discussions in the hallways and off the floor of the Senate, that has to do with the impending crisis in the Persian Gulf and the involvement of the United States further in the war between Iran and Iraq.

I apologize to my colleagues for being so late in rising on this very important subject, but the RECORD will show that a week ago yesterday, the Thursday before last, the Senator from Nebraska was on the floor. At that time, I read a letter that I had written to the President of the United States calling his attention to the fact and asking him to do something about the fact that we had our men and our ships essentially naked from air cover in the upper reaches of the Persian Gulf and almost nothing, if anything, was being done about it. In fact, simultaneously, the administration publicly announced that they were going to start even further involvement by allowing the flag of the United States of America to be flown on Kuwaiti oil tankers and that as a result of that, we would evidently agree to escort them in and out of the Persian Gulf.

On that same Thursday, the U.S. Senate passed a measure that called upon the President and the administration to give a report to Congress on the whole situation over there. Of course, it has not been enacted into law because it was attached to the appropriations bill that we have been bogged down on now for several days. But at least at that time, it was an expression of concern as far as the U.S. Senate was concerned.

There had been some meetings, I understand, and I have had some reports on those meetings. But the facts of the matter are, I think, essentially that the U.S. Senate and the House of Representatives are pretty much asleep at what is going on today. I think the Reagan administration, in its typical blunderbuss fashion, is moving ahead not knowing where they are going or how they are going to get there to solve the military problems in the Persian Gulf. They are very rapidly moving, in the opinion of this Senator, toward further serious involvement in the war between Iran and Iraq.

One thing about this administration: it never learns. This Senator and others who have been and will continue to be strong in support of the military interests of the United States of America warned a few years ago against the lack of wisdom of sending Marines into Beirut, and it happened.

The administration seems to have learned absolutely nothing from the tragic probable accident that happened with regard to the U.S.S. *Stark*. Supposedly, from information that had filtered back to me from some of the Senate leadership, the administration was at least enough concerned about our interest—"our" meaning the U.S. Senate—in this and also some interest in the House of Representatives, that they are at least talking. As we have learned piecemeal, the hard way, through the current select committee hearings on the Iran-Contra affair, the administration never comes forward willingly, because they like to do things their way, the Rambo way. They really feel that Members of the U.S. Senate and the House of Representatives should come dogtailing along.

This is one U.S. Senator that is not going to dogtail along without speaking up and bringing this up as often as I think is necessary to alert this body to what I am very much concerned about. Until I get some of the answers to what I think are legitimate questions, I am going to keep harping on this subject.

I am worried, Mr. President, and I think all of us should be worried, about where the administration is taking us today, probably without any kind of legitimate plan—at least none that anyone can understand as of now. I am wondering, Mr. President, if about the same scenario did not take place a few years ago, when the Gulf of Tonkin resolution passed this body without the Members fully understanding or realizing for sure what was going on.

This afternoon, Mr. President, there was one of those flash news conferences over at the White House. I just received word on it. The President came on the tube and he said, "The United States of America will not be pushed out of the Persian Gulf." Then Mr. Frank Carlucci, his National Security Adviser, came on later and filled in the details. That is of further concern to me, that the President of the United States does not have a hands-on policy with regard to this very serious situation today in the Middle East.

Mr. Carlucci said that the delay that they have announced, the delay in flagging and protecting Kuwaiti ships, oil tankers, was not because of congressional pressure—not at all. It was as a result of the fact that it was taking longer than the administration had originally anticipated to go through the mechanism of allowing the American flags to go on the Kuwaiti oil ships. Then, as I understand it, it would follow that an American captain would go on that Kuwaiti oil carriers. Then we would be in a position, because of those actions, to provide the escort that was necessary or deemed necessary for the Kuwaiti oil carriers.

Mr. Carlucci also said that they did not feel that continuous air cover for our fleet was necessary, but whatever air cover was necessary could be provided outside of the Persian Gulf, supposedly on aircraft carriers.

A week ago yesterday, this Senator stood on this floor and wondered aloud, why is it that we are risking American men and American ships in the Persian Gulf without any air cover whatsoever, none.

We are going to have some hearings on this matter next week in the Armed Services Committee. We sent invitations to testify to the Secretary of Defense and the Secretary of State, and the next day we are going to take this up with the Joint Chiefs of Staff. I hope they show up. They may send over their assistants. They do that from time to time. I am not sure that the Armed Services Committee should agree to that because I think it is time, Mr. President, that the U.S. Senate and its appropriate committees be fully and completely advised as to what is occurring.

I suggest, Mr. President, if we do not do that, we are not carrying out the responsibilities that we were elected by our people back home to carry out.

Since Mr. Carlucci says, Mr. President, that adequate air coverage can be provided for our fleets outside of the Persian Gulf, the question that begs an answer is, why was it that sufficient air cover was not provided to protect the *Stark*?

I ask again, Mr. President, the question I asked in my letter to the President of the United States which I read on the floor a week ago yesterday: Mr. President, is it not vitally important, if we are going to involve ourselves further in that war, that we ask friendly Arab States which would most benefit from the continued flow of oil out of the Persian Gulf to provide us land-base facilities for tactical fighter aircraft?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. EXON. Mr. President, I was not under the impression that we were under time restraints. Was that originally agreed to?

The PRESIDING OFFICER. There was a time limitation that was agreed to earlier.

Mr. EXON. I ask unanimous consent that I be allowed to proceed for an additional 3 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. EXON. Mr. President, the situation that confronts us over there is how are we going to provide tactical aircraft coverage for that fleet, especially if we are going to move into this new area.

Mr. President, air coverage for our ships and our men is obviously needed in that area, as proven by the fact that we almost lost a ship and lost 37 lives on the *Stark*, and I can assure you that had there been air cover, that Iraqi fighter which mistakenly or otherwise launched two missiles at the *Stark*, would have been challenged a long time before it had an opportunity to lay those eggs, friendly aircraft or otherwise.

Mr. President, this Senator is not suggesting that we cut and run. This Senator is not suggesting that we should be forced out of the Persian Gulf; because I think that, as much as anyone here, I recognize the critical geopolitical nature of that part of the world.

The point I am trying desperately to make is that if we are going in and if we are going to use force, which may be necessary to protect our geopolitical interests, even though it is not in our military interests or our economic interests to keep the oil coming out of the gulf—because we use very little of it, Japan about half of it, and our European allies about another 35 percent, so it is not critical to us—but we have a geopolitical problem there; and I recognize that the Soviet Union, for a long time, has wanted a warm-water port, and I am not about to hand that to them on a silver platter.

What I am saying and what I am warning is that I think this administration is foolhardy, and I think it borders on malfeasance in office, if it is going to continue its role of using American flags to protect Iranian transport without adequate air cover.

The only way adequate air cover can be maintained is to ask Saudi Arabia or some other friendly country there for temporary bases, to allow us to assist them in trying to bring some measure of order to that part of the world.

So it is not good enough, in this Senator's eyes, that we have a problem over there and we recognize it. I do not want to pull out. But I want the administration to get the clear signal that this is one U.S. Senator who is going to continue to draw them up short every time I feel they do not know what they are doing and where they are striking out to risk American lives through folly and ill planning of our military activities.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. EXON. I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I commend the Senator from Nebraska for his statement. I think he has put his finger on a problem we have in this country, one which may become a more serious problem; namely, the failure of this country to adequately think through the implications of its military operations overseas.

We need only remind ourselves of Vietnam. We need only remind ourselves of military involvement in Central America, particularly Nicaragua. We need only remind ourselves of sending Marines to Beirut and what happened to our Marines just outside of Beirut. Now we are becoming more militarily involved in the Persian Gulf.

I think it is a symptom of the American tendency to think in the short term. It is the American tendency to fix on the present. It is the inability of this country to think longer term, to plan down the road and think through the implications of its actions.

That is particularly important because we are the world's largest, most powerful military and economic power. When we Americans become involved, our actions are not insignificant. They are very significant.

I think this is primarily an American problem. Certainly, in recent years, it has been the problem of this administration.

I think the Senator from Nebraska has forcefully, adequately, and eloquently delineated some recent problems.

But I think it is also fundamentally an American problem. It is one that we as the administration, the Congress and the people have to address sufficiently.

I think the Senator from Nebraska is to be very much commended for putting his finger on a very significant problem and calling attention to it and hoping that more of us work more together and more fully think through the implications of our military actions.

DEPLETION OF UPPER ATMOSPHERE OZONE

Mr. BAUCUS. Mr. President, I was very alarmed today to wake up and read in the newspapers that the administration is backsliding, to put it mildly, on its efforts to control the emissions of chlorofluorocarbons not only in this country but in other countries in the world.

Mr. President, the upper atmosphere ozone that covers our world is depleting. It is depleting very rapidly, and that is very alarming because with upper atmosphere ozone depletion there is going to be and is a rising incidence of skin cancer, a rising incidence of failure of human and animal immune systems, and a rising incidence of retina cancer and other human problems and also problems with plants and animals, because of the depletion of upper atmosphere ozone.

The problem is very simply this: Science is more and more blaming the depletion of upper atmosphere ozone on the production of chlorofluorocarbons. Chlorofluorocarbons are the materials that are put in air-conditioners and refrigerators. They are used in foam, in making cushions. A lot of McDonald's cartons use chlorofluorocarbons. The little cartons you get a Big Mac or quarter-pounder of cheese in are made of chlorofluorocarbons. They are a gas. The chlorine in the carbons rises up to the upper atmosphere in the stratosphere, and chlorines are like bullets. They hit all those ozone molecules and split them apart and continue to split them apart. The lifespan of a chlorine molecule in the upper atmosphere is about 75 years. They just keep splitting apart ozone molecules.

That is why the upper atmosphere ozone is depleting raidly and significantly and all trends and all analyses show rising increases of skin cancer and the breakdown of the human immune system and other adverse reactions because of the depletion of upper atmosphere ozone.

Our country has been a leader in recent years in encouraging American reduction of production of CFC's as well as encouraging other countries to reduce the production of CFC's. That is until I read this morning's newspaper.

We Americans banned chlorofluorocarbons in aerosol cans. That is a significant advance forward, a significant reduction in the production of CFC's and, therefore, it tends to cut back on depletion of upper atmosphere ozone.

We also in our country now are trying to further reduce the production of CFC's. The Environmental Protection Agency recently concluded a risk assessment and concluded that worldwide production of CFC's should be frozen. Then there should be a 50-percent reduction in the production of CFC's, with over about 12 years a 95-percent phaseout of the production of CFC's.

That was the position of the Environmental Protection Agency and also it was the position of the U.S. State Department in trying to negotiate an agreement with other countries to cut back on the production of CFC's worldwide.

Mr. President, originally other countries balked. They resisted the U.S. efforts, but in the last several years, at Geneva, Vienna, and various meetings we participated in, these other countries are beginning to agree. Japan, Europe, and even developing countries who want refrigeration because they want to grow, want even air-conditioning because they want to grow, are also beginning to realize this is a world problem.

On the Spaceship Earth we are together as people on this planet and we have to find a way to begin to reduce the production of chlorofluorocarbons.

Only a couple of weeks ago, when Administrator Lee Thomas appeared before our Environmental and Public Works Committee, he agreed that we have to move very forcefully and he is a leader in trying to get this country and other countries to agree to reduce the production of CFC's.

I read in this morning's paper that Interior Secretary Hodel and various officials in the OMB are not only backsliding, they are saying it is not a problem; that if you want to protect yourself from skin cancer, from the increased ultraviolet radiation, wear sunglasses, wear a hat, wear a sunscreen. That is how you protect yourself from skin cancer or from the increased ultraviolet radiation due to the reduction of the ozone in the outer atmosphere.

That is like saying you should abolish the Clean Air Act and wear a gas mask. That is exactly what the administration is saying. I find it astounding that a public official of the U.S. Government would say: "No; the way to protect yourself from skin cancer is not to reduce the production of chlorofluorocarbons but, rather, to wear a hat when you go outside or wear dark glasses," and so forth.

So, Mr. President, I just want to conclude by saying that many of us in this country do not agree with those very myopic, ostrich-like statements of Interior Secretary Hodel and OMB officials who are just worried abut production. They do not care about people. That is my view, anyway.

Many of us live in the West, and we have to work outside. Sure, we protect ourselves against excessive sunlight. But I think all of us who spend a lot of time outside in hayfields and in the farm and ranch communities and other activities want to also attack the source, and that is the excessive production of CFC's.

Mr. President, I strongly urge the administration to take another look, to be more responsible, and, therefore, take a leadership position at the next round of international negotiations to get a worldwide agreement for the reduction of CFC's.

As an aside, I will say that Du Pont Chemical is moving to reduce the CFC production. They are developing substitutes. Du Pont is the largest producer of CFC's in this country. If they are moving to find substitutes—and, in addition, some automobile industries are moving to find substitutes so that they can develop air-conditioning systems in their cars to use chemicals other than CFC's—at the very least, the Interior Secretary and OMB should follow suit, as well.

There is an opportunity for us to do something that is right for Americans and the world and that is reach an international agreement. I think, frankly, it is not too far-fetched to say that that could be a good precedent for other international agreements. If we could reach an international agreement to cut back excessive production of chlorofluorocarbons and, therefore, protect the upper atmosphere of the ozone to reduce the ultraviolet rays that come down on us, that might be a precedent for other international agreements. And, who knows, maybe even an arms control agreement.

But, let us be leaders as Americans. Because if we do not do that, we are going to squander our position of leadership and others are going to take up our leadership vacuum and we Americans could end up economically behind as well as environmentally behind.

Again, I urge the administration to come forward and deal with this.

Mr. President, I yield the floor.

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. GORE. Mr. President, I would like to join my colleagues, Mr. WIRTH and others, in expressing my outrage that the administration would consider a policy of encouraging the use of sunglasses and sunscreeen to protect the public from harmful ultraviolet radiation rather than working for a substantive international agreement to maintain the Earth's protective stratospheric ozone layer.

I support the State Department's efforts to negotiate a global freeze followed by a reduction in the production of ozone-depleting chemicals. We must act now to preserve the stratospheric ozone layer which protects all life on Earth from the Sun's harmful ultraviolet radiation.

We have a responsibility to future generations to preserve the world's environment. It is ludicrous to bury our heads in the sand and hope that our activities will not harm the Earth. There is now evidence that humankind cannot continue to pour ever increasing quantities of chlorofluorocarbons into the air. These chemicals are entirely from human activity. We are creating the problem and we are capable of solving it.

The Environmental Protection Agency projects that with present growth rates in the emissions of CFC's, there will be an additional 40 million skin cancer cases and 800,000 deaths for Americans alive today and born in the next 88 years. The EPA also projects an additional 12 million cataract cases. The increased ultraviolet radiation would damage crops and aquatic biosystems. Ground-based ozone, smog, would increase. The ozone-depleting chemicals are also greenhouse gases, which increase the Earth's temperature. Increasing temperatures will cause the oceans to rise, flooding coastal areas.

It is absurd to believe that hats and sunscreen will protect us from all the effects of increased ultraviolet radiation. It makes no more sense than backyard bomb shelters protecting us from nuclear war. The best way to protect the public is to protect the environment by limiting the production of ozone-depleting chemicals. I urge the administration to reconsider their position. The United States should be a leader in protecting our global environment.●

THE CALENDAR

Mr. BYRD. Mr. President, I inquire of the distinguished assistant Republican leader if Calendar Order No. 136 has been cleared on his side of the aisle.

Mr. SIMPSON. Mr. President, that item is cleared on this side.

Mr. BYRD. I thank the Senator.

PURCHASE OF CALENDARS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 136.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 223) relating to the purchase of calendars.

The PRESIDING OFFICER. The Senate will proceed to its immediate consideration.

The Senate proceeded to consider the resolution.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the resolution.

The resolution (S. Res. 223) was agreed to, as follows:

S. Res. 223

Resolved, That the Committee on Rules and Administration is authorized to expend from the contingent fund of the Senate, upon vouchers approved by the chairman of that committee, not to exceed $70,720 for the purchase of one hundred and four thousand 1988 "We The People" historical calendars. The calendars shall be distributed as prescribed by the committee.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. SIMPSON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I believe the following unanimous-consent requests have been cleared. I will proceed to present them to the Senate.

BILL PLACED ON CALENDAR—H.R. 1947

Mr. BYRD. Mr. President, I ask unanimous consent to place on the calendar a bill just received from the House, H.R. 1947, which provides enhanced retirement credit for U.S. magistrates.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILL HELD AT THE DESK—H.R. 1659

Mr. BYRD. Mr. President, I ask unanimous consent that H.R. 1659, to increase the per diem rates for payments by the Veterans' Administration to States for hospital care, and for other purposes, be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT RESOLUTION TO BE PLACED ON CALENDAR—H.J. RES. 283

Mr. BYRD. Mr. President, I ask unanimous consent that House Joint Resolution 283, to recognize the service and contributions of the Honorable Wilbur J. Cohen, be placed on the calendar when received from the House.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT RESOLUTION PLACED ON CALENDAR—H.J. RES. 280

Mr. BYRD. Mr. President, I ask unanimous consent that House Joint Resolution 280, to commemorate the 300th commencement at Ohio State University, just received from the House, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

BICENTENNIAL MINUTE

MAY 29, 1917: JOHN F. KENNEDY IS BORN

Mr. DOLE. Mr. President, John F. Kennedy was born 70 years ago today, on May 29, 1917. While best remembered as the 35th President of the United States, John Kennedy was also a Member of Congress for 13 years. During that time, he demonstrated great affection for and interest in congressional history.

After a distinguished career in the Navy during World War II, Kennedy was elected to the House in 1946 for the first of three terms. He represented the same district that his maternal grandfather, John F. Fitzgerald, had served a half-century before. In 1952, he successfully ran for the Senate and he was reelected in 1958.

In 1954, Kennedy underwent a serious operation to relieve terrible pain in his back. During the long convalescence, he began work on a series of sketches of American politicians who had risked their careers in the cause of principle. The result was the book "Profiles in Courage," which won the 1957 Pulitzer Prize for biography. Each of the eight courageous men profiled in the book—John Quincy Adams, Daniel Webster, Thomas Hart Benton, Sam Houston, Edmund Ross, Lucius Quintus Cincinnatus Lamar, George Norris, and Robert Taft—had been a Senator at some point in his career.

John Kennedy also left behind, in the Capitol itself, a mark of this esteem for the Senate's history. In 1955 the Senate established a special commemorative committee to identify "five outstanding persons from among all persons * * * who have served as Members of the Senate * * *." Senator Kennedy was named chairman of that committee and he directed its difficult task with great skill. Today, we remember him with many memorials. We should include among them the five medallion portraits of outstanding Members that, thanks to his direction, now grace the walls of the Senate reception room.

PRESIDENTIAL STATEMENT ON PERSIAN GULF

PRESIDENT SPEAKS ON GULF

Mr. DOLE. Mr. President, this afternoon, the President spoke to the Nation on the situation in the Persian Gulf.

The President's remarks rightly stressed our determination to remain in the gulf; to defend vital American interests there; and to strike back if we are attacked, whether by Iran or anyone else.

NOT JUST AMERICAN PROBLEM

The President also noted that this is not just an American problem, or American challenge. Our allies in NATO and Japan have vital interests at stake. The President—and Presidential spokesman Marlin Fitzwater, in followup comments—pledged that we will be following up with our allies, in pursuit of coordinated actions, both at the Venice summit and through other channels.

FLAGGING ISSUE DEEMPHASIZED

I was also pleased that the President put heavy emphasis on matching any security guarantees we make with our military presence in the gulf. Making clear commitments, and backing them up with our military forces, as necessary—is the way to go.

That, and not the question of flagging Kuwaiti vessels, is the key. And I note that the President did not mention the flagging plan specifically, and Fitzwater mentioned it only briefly.

So, the President gave an excellent statement. I ask, unanimous consent that the full text of both the President's and Fitzwater's, statements be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE PRESIDENT

The PRESIDENT. I want to speak directly this afternoon on the vital interests of the American people, vital interests that are at stake in the Persian Gulf area. It may be easy for some, after a near record 54-month economic recovery, to forget just how critical the Persian Gulf is to our national security.

But I think everyone in this room and everyone hearing my voice now can remember the woeful impact of the Middle East oil crisis of a few years ago—the endless, demoralizing gas lines, the shortages, the rationing, the escalating energy prices and double-digit inflation, and the enormous dislocation that shook our economy to its foundations.

This same economic dislocation invaded every part of the world, contracting foreign economies, heightening international tensions and dangerously escalating the chances of regional conflicts and wider war.

The principal force for peace in the world—the United States and other democratic nations—were perceived as gravely weakened. Our economies and our people were viewed as the captives of oil-producing regimes in the Middle East. This could happen again if Iran and the Soviet Union were able to impose their will upon the friendly Arab states of the Persian Gulf and Iran was allowed to block the free passage of neutral shipping.

But this will not happen again, not while this President serves. I'm determined our national economy will never again be held captive; that we will not return to the days of gas lines, shortages, inflation, economic dislocation and international humiliation. Mark this point well—the use of the vital sea lanes of the Persian Gulf will not be dictated by the Iranians. These lanes will not be allowed to come under the control of the Soviet Union. The Persian Gulf will remain open to navigation by the nations of the world. Now, I will not permit the Middle East to become a choke point for freedom or a tinderbox of international conflict.

Freedom of navigation is not an empty cliche or—of international law. It is essential to the health and safety of America and the strength of our alliance.

Our presence in the Persian Gulf is also essential to preventing wider conflict in the Middle East and it's a prerequisite to helping end the brutal and violent six-and-a-half-year war between Iran and Iraq. Diplomatically, we're doing everything we can to obtain an end to this war and this effort will continue.

In summary then, the United States and its allies maintain a presence in the Gulf to assist in the free movement of petroleum, to reassure those of our friends and allies in the region of our commitment to their peace and welfare, to ensure that freedom of navigation and other principles of international accord are respected and observed. In short, to promote the cause of peace.

Until peace is restored and there's no longer a risk to shipping in the region, particularly shipping under American protection, we must maintain an adequate presence to deter and, if necessary, to defend ourselves against any accidental attack or against any intentional attack. As Commander-in-Chief, it's my responsibility to make sure that we place forces in the area that are adequate to that purpose.

Our goal is to seek peace rather than provocation. But our interests and those of our friends must be preserved. We're in the Gulf to protect our national interests and, together with our allies, the interests of the entire Western world. Peace is at stake. Our national interest is at stake. And we will not repeat the mistakes of the past.

Weakness, a lack of resolve and strength will only encourage those who seek to use the flow of oil as a tool, a weapon to cause the American people hardship at home, incapacitate us abroad, and promote conflict and violence throughout the Middle East and the world.

STATEMENT BY MARLIN FITZWATER

The President met today with his National Security Advisors to review U.S. Persian Gulf policy and U.S. plans for the protection of U.S. flagged ships operating in the Gulf.

The President reviewed the diplomatic efforts being made to end the Iran-Iraq war. He reaffirmed U.S. efforts to obtain a United Nations Security Council Resolution calling for an end to the war, to include mandatory sanctions. Diplomatic efforts to strengthen Operation Staunch will be intensified. The President directed additional consultation with our allies and will be raising the issue at the Summit in Venice.

The President also directed his advisors to provide continued full consultation to the Congress and to begin preparation of reports to the Congress on our proposed action.

The President clearly reaffirmed U.S. policy to remain in the Persian Gulf to protect vital U.S. national interests.

The President received a detailed presentation on the military plan to protect U.S. flag and naval vessels and approved the plan for further development. It was clear from the presentation that U.S. military forces have the capability to escort U.S. flag vessels in the Gulf to deter potential attacks and defend themselves against threats from belligerent powers. The escorting of reflagged ships will begin when the President decides. The capability exists now.

HONORING DON BIVENS, RETIREMENT FROM THE SOIL CONSERVATION SERVICE

Mr. SASSER Mr. President, today I wish to pay tribute to Mr. Donald Bivens, of Brentwood, TN. Don recently retired as the State conservationist and administrator of the Soil Conservation Service in Tennessee after 36 years of service with the Department of Agriculture.

Don Bivens grew up in Athens, TN. He attended Tennessee Technological University and has completed graduate work at the University of Oklahoma and Harvard University.

Don began work with the SCS in 1951, shortly before the appointment of my father, Ralph Sasser, as the director of the SCS. Since that time, Don has worked with the Soil Conservation Service in Tennessee, Indiana, Missouri, Colorado, and Oregon.

Don was appointed as the administrator of the Tennessee SCS in April 2 1975. In the last 12 years, he has received several Outstanding Performance Awards from the SCS for his work in Tennessee. His commitment to protecting our natural resources and developing conservation plans has been unyielding since he first began work with my father over 30 years ago.

Don's experience and knowledge will be sorely missed in Tennessee. His contributions to conservation measures have been invaluable. Once thought to have some of the worst soil erosion problems in the country, west Tennessee implemented strong and effective soil conservation plans under Don's guidance. These plans have saved farmers millions of dollars, while protecting water resources across the State.

Over the last 7 years, Tennessee has reduced its average soil erosion rate from 16 tons per acre each year to less than 9 tons per acre each year. This type of leadership has been instrumental in bringing highly erodible cropland out of production and ensuring conservation of Tennessee's most valuable natural resource.

We are proud of the accomplishments of Don Bivens in Tennessee. I can say that he has succeeded my father well as the State conservationist, and Ralph Sasser would be proud of the commitment to soil conservation that Don Bivens has established in Tennessee.

THE INTERNATIONAL HUMAN RIGHTS LAW GROUP HONORS YURI ORLOV, CARDINAL SILVA, AND SENATOR HARKIN

Mr. PELL. Mr. President, on May 28 the International Human Rights Law Group held its second annual Human Rights Law Awards dinner at the National Press Club here in Washington. In the 2 years that these awards have been granted they have come to be recognized as especially noteworthy honors for outstanding action in the defense of human rights. The law group has enlisted a remarkable stable of lawyers which it has harnessed to the service of human rights, both by means of general proclamations and, particularly, by the painstaking case-by-case work through which legal action can be made to serve the cause of individual human rights. Much of the law group's work is carried out by younger attorneys, often on a voluntary basis. Those recognized at this year's dinner with the Pro Bono Service Awards included Laura Bocalandro, Lea Browning, Margaret Popkin, Martha Roadstrum Moffett, Stephen J. Schnably, and Ralph G. Steinhardt.

Highlights of the evening were the presentations of Human Rights Law Awards to Dr. Yuri Orlov, the Soviet human rights activist now at Cornell University in New York, to Raul Cardinal Silva Henriquez of Chile, and to our distinguished colleague, the junior Senator from Iowa, Tom Harkin. Senator Harkin gave a particularly moving address in accepting this award, and I ask that the text of his remarks be printed in the Record at this point, along with the citations of the three honorees as set forth by the International Human Rights Law Group in making these awards.

There being no objection, the material was ordered to be printed in the Record, as follows:

Address by Senator Tom Harkin Before the International Human Rights Law Group, Washington, DC, May 28, 1987

From El Salvador to Liberia, from South Korea to South Africa, the International Human Rights Law Group has used the law to promote respect and observance of human rights. You have served as a voice of vigilance in monitoring elections in Guatemala, Nicaragua and the Philippines, and thus helped to spur a rebirth of democracy in Latin America and Asia.

I am proud to be honored along with Yuri Orlov, who suffered a decade of hard labor simply for seeking what he was already supposed to have, the liberty promised all Soviet Citizens under the Helsinki Accords.

I am pleased to stand here with an old friend Cardinal Silva. I recall the first time Cardinal Silva and I met was in 1976 at his residence in Santiago.

During lunch, Cardinal Silva confided that he found it sad that the United States was "not sending the right message" to Latin America.

The United States, he said, was the only nation in the world founded on a philosophy of respect for human rights. "We find it very confusing and disturbing," he continued, "when we hear the United States talk so much about its support for human rights and then see your government continue to support and encourage repressive regimes throughout Latin America and other parts of the world."

I have never forgotten Cardinal Silva's words. For me, they constitute both the shortcomings and the continuing challenge for U.S. foreign policy.

In 1974 when I first came to Congress there were no laws—not one—that prohibited the United States from supporting economically and militarily those nations which committed gross violations of human rights.

My personal experience in seeing the Con Son Prison of South Vietnam where political prisoners were caged like wild animals and tortured, made me determined to see what I could do to change that.

Many said at the time that a freshman congressman shouldn't be involved in these things. Most of these people were the same ones who said human rights should not be put into law.

There are times when one must heed the counsels of caution and seniority. But I knew the time for waiting on human rights had long since passed.

So step by step, with the aid of many in this room, we first conditioned U.S. economic aid, then military assistance, and finally assistance through international financial institutions on a government's compliance with basic human rights standards.

What we demanded and eventually got was simply this: a requirement in law that U.S. foreign policy be conducted in compliance with international human rights declarations adopted after the Second World War.

These decrees, starting with the Universal Declaration of Human Rights, signaled a dramatic recognition that concern for human rights was no longer divided by national boundaries or regional loyalties.

And that when it is the official—or unofficial—policy of a government to violate the human rights of its citizens, then those citizens have no recourse but to appeal to a higher law that exists beyond their borders.

The security of the person, the freedom from torture and prolonged detentions without charges, and freedom from genocide, are not ideals or goals to be aimed at. They are rights—inalienable rights we possess by virtue of our common humanity.

Virtually all nations now endorse the principle of human rights but few governments put this commitment into practice. If anything, the codification of international human rights law has served to highlight the stark contrast between principle and practice around the world.

Even more disturbing is the use of the law to legitimize dictatorships—on both the left and the right—and to justify continued repression of the individual.

This institutionalization of cruelty makes more difficult the struggle to transform the principle of human rights, and protection of the individual, into a universal practice.

South Africa's apartheid system, which reaps profits from the enslavement of others and denies a person fundamental rights solely because of the color of his or her skin, has been built on an edifice of laws.

In Marxist-Leninist regimes, the law is a tool of institutionalized oppression. Free association, open political expression, and an independent judiciary are all sacrificed at the altar of the "state." In the Soviet Union, hundreds of thousands of Jews risk imprisonment simply because they have sought the freedom to travel, a right promised them since 1948 by the Universal Declaration of Human Rights.

In South Korea and Chile, the law is used to sanction state-sponsored terrorism.

South Korean President Chun has manipulated political instability to end talks with the democratic opposition, keep Kim Dae Jung under house arrest, and pave the way for further repression.

Chile, a nation with a 150-year tradition of democracy, has become under General Pinochet the model of a fascist state. Legalism fronts for official violence and violence gives laws their only legitimacy.

Indeed, as human rights activists, the path before us is strewn with hardships and difficulties. As lawyers, our task of making the law a tool for liberation, instead of an instrument of repression, is equally formidable.

But when I am about to lose hope, I remember the words of Cardinal Silva—"The United States is the only nation in the world founded on a philosophy of human or inalienable rights."

Tragically, on the 200th anniversary of our constitution, many in our government seemed to have lost sight of these principles.

Confronted with a lawless world, the current administration has embraced lawlessness. Its substitute for Latin America's "liberation theology" is an all-encompassing "contra ideology."

In pursuit of this ideology, the administration has ignored Congress, lied to the American people, and violated its treaties and agreements with other nations.

And I must say, frankly, that we can talk all we want about international human rights, but if the leading nation of the free world violates its own laws and its international treaties and undermines our nation's most basic moral and legal principles, then there is little hope for human rights progress anywhere.

But I did not come this evening to deliver a message of despair.

There is hope in the fact that while human rights laws have been abused, they have not been abandoned.

We held on to reject the nomination of Ernest Lefever.

We held on to adopt sanctions against the hated apartheid regime of South Africa. And we held on to convince the administration that our best policy was to remove—not embrace—Marcos.

It is time that we tie U.S. power to a commitment to human rights—and the test of that commitment must be respect for the law.

It is time that we restore to our policy idealism and the vision of America as the international apostle of human dignity.

It is time that we recognize that America's real strength rests in its role as a moral beacon, not as an arms supplier for the rest of the world.

First, we must take the lessons learned from South Africa and the Philippines and begin to shape a policy based on the principle that tyranny of any kind against individual freedom anywhere is unacceptable.

We must stop the policy of squandering our nation's credibility on false prophets of freedom like Jonas Savimbi and Adolfo Calero. If we don't, our nation will be dragged down the long, dark and shameful corridors reserved for those who possess power without compassion, might without morality, and strength without sensitivity.

Instead we must support the establishment of genuine democratic institutions and the protection of human rights, and pursue a policy driven not by the fear of communism, but by the hatred of poverty, injustice, and oppression.

It is time we support the real freedom fighters, Bishop Tutu, Yuri Orlov and Cardinal Silva. We owe them a debt of gratitude. They have fought for freedom, only to risk their own, but in so doing they have sparked the conscience of the entire world.

Second, we must use our diplomatic, political and in some cases economic resource to encourage democratic transitions. Our support for democracy must mean more than providing airline tickets for dictators moments before the democratic hopes of their people sour and turn to violence. We must anticipate trouble spots—where human rights and political freedoms are denied—and be prepared to act.

Chile is one such spot. Administration policy there has made a dramatic turnabout since Ambassador Barnes came to Santiago. But Chilean democrats deserve more than flexibility and mixed signals.

What's needed now is resolve and a strong signal that it will no longer be business as usual so long as Pinochet remains in power.

For Chile, the question is not whether we arm the forces of freedom but whether we stop funding the forces of oppression.

Likewise, the time has come to act in South Korea. The democratic oppositions' demand that the new Korean presidential elections fully reflect the will of the Korean people is not unreasonable.

President Chun's actions are.

In Chile as in South Korea, it is time we use our diplomacy and trade as incentives for internal accord and reforms leading to free and fair elections and the end of repression.

Finally, we must do all we can to help those nations—Argentina, Brazil, the Philippines, and others—which have taken their first halting steps toward democracy.

We must match moral and economic support, with assistance in monitoring elections and human rights progress—so that we prevent the military from undermining the democratic movements we seek to encourage.

Walter Lippmann once said, "A policy is bound to fail which deliberately violates our pledges and principles, our treaties and our laws, because the American conscience is a reality."

Current policy is now paralyzed because the administration has forgotten that our real strength comes not from the barrel of a gun—but from our ideals and our example. The writings of Thomas Jefferson and Tom Paine have done more to influence people in other lands than all the East Bloc rifles, Stingers, and TOW missiles combined.

I now see the possibilities of a new era of progress on human rights.

With your continued commitment, let us go forward and reclaim a human rights policy consistent with our principles and worthy of America's leadership role in the world.

Raul Cardinal Silva Henriquez served as Archbishop of Santiago de Chile for more than twenty years before his retirement in 1983. He founded the archdiocesan Vicariate of Solidarity to aid the politically persecuted, investigate cases of missing persons and press the Chilean Government for human rights. He also established Chile's Catholic Charities organization, which distributes food, clothing and medicine to the poor.

Tom Harkin is a United States Senator from Iowa. His name became permanently associated with the cause of human rights when he sponsored an amendment to the Foreign Assistance Act calling for a halt in economic aid to countries engaged in gross violations of human rights. The Harkin Amendment served as a foundation on which later human rights legislation was built. His dedication to international justice has been matched by his work to feed the hungry—he has received the Bread for the World "Distinguished Service for Hunger" Award.

Yuri Fyodorovich Orlov spent ten years of his life in Soviet labor camps and exile because of his heroic commitment to human rights. Dr. Orlov, a nuclear physicist, was dismissed from his job in 1956 after suggesting that those responsible for Stalin-era excesses be brought to justice. In 1976, he became Chairman of the Moscow Helsinki Watch Group, a human rights organization which works to monitor Soviet compliance with the Helsinki Accords. In 1986, he was allowed to emigrate to the U.S., where he resumed his profession at Cornell University.

THE INTERNATIONAL HUMAN RIGHTS LAW GROUP

Known for its independence and objectivity, the International Human Rights Law Group has fought for human rights in more than 40 countries around the world, including the Soviet Union, South Korea, Chile, Liberia, Romania, Nicaragua and Argentina. The Law Group provides free legal assistance to victims of human rights abuse and brings cases in U.S. courts and international forums. The Law Group promotes the enforcement of international law and the strengthening of international organizations dedicated to human rights.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MEASURES PLACED ON THE CALENDAR

The following bill and joint resolutions were read the first and second times by unanimous consent, and placed on the calendar:

H.R. 1947. An act to amend title 5, United States Code, to provide enhanced retirement credit for U.S. magistrates:

H.J. Res. 280. Joint resolution to observe the 300th commencement exercise at the Ohio state University on June 12, 1987.

H.J. Res. 283. Joint resolution recognizing the service and contributions of the Honorable Wilbur J. Cohen.

MEASURES HELD AT THE DESK

The following bill was ordered held at the desk by unanimous consent pending further disposition:

H.R. 1659. An act to amend title 38, United States Code, to increase the per diem rates for payments by the Veterans' Administration to States for hospital care, domiciliary care, and nursing home care provided to veterans in State homes, and for other purposes.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-161. A petition from the Governor of the State of Tennessee giving notice of disapproval of proposed sites for the construction of a monitored retrievable storage facility; to the Committee on Environment and Public Works.

POM-162. A joint resolution adopted by the Legislature of the State of Tennessee; to the Committee on Environment and Public Works.

"SENATE JOINT RESOLUTION No. 210

"Whereas, civilian nuclear reactors are being used for the generation of electric power and other purposes and are accumulating large amounts of high-level radioactive waste and spent nuclear fuel that must be isolated from the environment and be buried in a permanent, deep geologic repository; and

"Whereas, the national censensus for the handling of spent nuclear fuel as expressed in the Nuclear Waste Policy Act of 1982, P.L. 97-425, 42 U.S.C. Sections 10101, et seq. places an explicit statutory responsibility on the Department of Energy to construct and operate a permanent deep geologic repository for the disposal of spent nuclear fuel and high-level radioactive waste; and

"Whereas, the Nuclear Waste Power Act of 1982 also directs the Secretary of the United States Department of Energy, in accordance with 42 U.S.C. Section 10161, to study the need for and feasibility of a Monitored Retrievable Storage (MRS) facility for processing and storage of high-level radioactive waste and spent nuclear fuel and to prepare plans for such a facility to be submitted to Congress; and

"Whereas, the Secretary of the Department of Energy, on or about March 30, 1987, submitted to the United States Congress a proposal for authorization to construct an MRS facility on the Clinch River in the Roane County portion of Oak Ridge, Tennessee, at the site of the once-proposed Clinch River Breeder Reactor; and

"Whereas, neither the people of the State of Tennessee nor its elected representatives and officials have been allowed any meaningful input or involvement in the development of the plans for the Tennessee MRS; and

"Whereas, the U.S. Department of Energy has not addressed questions and recommendations presented in the report of the Clinch River task force, including recommendations for the establishment of a review board composed of representatives from the affected cities and counties and the state which would have full access to information concerning operations of the facility and authority to suspend operations upon full and convincing evidence of a threat to public health and safety; and

"Whereas, the U.S. Department of Energy has made no recommendations to mitigate the potential adverse economic impact from locating the facility in Roane County and the surrounding areas, locations which have already been adversely affected by earlier actions of the Department of Energy; and

"Whereas, the proposed MRS is an unnecessary component of a national system to dispose of the high-level radioactive waste and spent nuclear fuel generated by the nation's civilian nuclear power plants; and

"Whereas, because the proposed MRS is unnecessary, the proposed facility would create unwarranted and unnecessary health risks for Tennesseans and potential harm to their environment from the transportation, handling, and storage of spent nuclear fuel and high-level radioactive wastes; and

"Whereas, the Environmental Policy Group of the Tennessee Department of Health and Environment has prepared a comprehensive study delineating the reasons why an MRS should not be constructed in Tennessee, a study in which the General Assembly concurs; and

"Whereas, 42 U.S.C. Section 10136(b) vests in the Tennessee General Assembly and the Governor of the State of Tennessee, the right to notify Congress of disapproval of the Secretary of Energy's designation of the proposed MRS site on the Clinch River in the Roane County portion of Oak Ridge, Tennessee; and

"Whereas, the General Assembly recognizes the controversy as to when the Tennessee General Assembly is empowered and entitled under 42 U.S.C. Section 10136(b) to exercise its right to issue a notice of disapproval to Congress, and therefore desires to exercise said important right at the earliest reasonable time to ensure Tennessee does not lose its right of notice of disapproval; and

"Whereas, the General Assembly desires that the exercise of its right to issue a notice of disapproval should be in conjunction with any such notice issued by the governor of the state of Tennessee: Now, therefore, be it

"Resolved by the Senate of the Ninety-fifth General Assembly of the State of Tennessee, the House of Representatives concurring, That this General Assembly disapproves, in accordance with 42 U.S.C. Section 10161(h) and Section 10136(b), of the designation by the Secretary of the United States Department of Energy of a site on the Clinch River in the Roane County portion of Oak Ridge, Tennessee, which is the site of the once-proposed Clinch River Breeder Reactor, as a location for construction of a Monitored Retrievable Storage facility: Be it further

"Resolved, That the Clerk of the Senate shall transmit this Resolution to the Speaker of the United States House of Representatives and the President pro tempore of the United States Senate at the same time which the Governor submits a similar disapproval notice, should he elect to do so, but in any event, such transmission shall ensure its receipt by the Speaker of the United States House of Representatives and President pro tempore of the United States Senate no later than May 29, 1987, unless a clear decision by a federal court of competent jurisdiction rules that a notice of disapproval issued at that time would not be timely under the Nuclear Waste Policy Act. Be it further

"Resolved, That the Clerk of the Senate shall transmit, along with this Resolution, the study prepared by the Environmental Policy Group of the Tennessee Department of Health and Environment, which shall be considered the General Assembly's formal reasons for disapproving the proposed siting of an MRS in Tennessee, pursuant to 42 U.S.C. Section 10136(b)."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD (for Mr. Biden), from the Committee on the Judiciary, with an amendment:

S. 806. A bill to provide that the Clayton Act and Sherman Act apply to the air transportation industry (Rept. No. 100-61).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. NUNN, from the Committee on Armed Services:

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Gen. John R. Galvin, [redacted], U.S. Army.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GRAHAM (for himself, Mr. Chiles, Mr. Heflin, Mr. Stennis, Mr. Bumpers, Mr. Pryor, Mr. Sanford, Mr. Shelby, and Mr. Fowler):

S. 1297. A bill to amend the National Trails System Act to provide for a study of the De Soto Trail, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SHELBY:

S. 1298. A bill for the relief of the Merchants National Bank of Mobile, Alabama, to the Committee on the Judiciary.

By Mr. METZENBAUM (for himself, Mr. Simon, Mr. Biden, and Mr. Kennedy):

S. 1299. A bill to amend the McCarran-Ferguson Act to limit the Federal antitrust exemption of the business of insurance, to reaffirm the continued State regulation of the business of insurance, and for other purposes; to the Committee on the Judiciary.

By Mr. DURENBERGER:

S. 1300. A bill to permit secondary mortgage market financing for residential properties that include small day care centers; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. LEAHY:

S. 1301. A bill to amend title 17, United States Code, to implement the Berne Convention for the Protection of Literary and Artistic Works, as revised on July 24, 1971, and for other purposes; to the Committee on Judiciary.

By Mr. EXON:

S. 1302. A bill to authorize the Secretary of Commerce to establish the Science and Technology Advisory Committee, to provide assistance in connection with long-term basic scientific research and student assistance in math, science, computer science, and engineering, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. WEICKER (for himself, Mr. Inouye, Mr. Adams, Mr. Bond, Mr. Bumpers, Mr. Burdick, Mr. Chafee, Mr. Chiles, Mr. Dodd, Mr. Durenberger, Mr. Glenn, Mr. Gore, Mr. Hollings, Mr. Kerry, Mr. Lautenberg, Mr. Levin, Mr. Matsunaga, Mr. McClure, Mr. Pryor, Mr. Rockefeller, Mr. Simon, Mr. Stevens, Mr Warner, and Mr. Wilson):

S.J. Res. 142. A joint resolution to designate the day of October 1, 1987, as "National Medical Research Day"; to the Committee on the Judiciary.

By Mr. SPECTER (for himself, Mr. Adams, Mr. Biden, Mr. Bradley, Mr. Burdick, Mr. Chafee, Mr. Chiles, Mr. Cochran, Mr. Danforth, Mr. D'Amato, Mr. DeConcini, Mr. Dixon, Mr. Dodd, Mr. Dole, Mr. Durenberger, Mr. Evans, Mr. Graham, Mr. Grassley, Mr. Gore, Mr. Hecht, Mr. Heinz, Mr. Inouye, Mr. Karnes Mr. Kasten, Mr. Kennedy, Mr. Levin, Mr. Matsunaga, Mr. McCain, Mr. McConnell, Mr. Metzenbaum, Ms. Mikulski, Mr. Mitchell, Mr. Moynihan, Mr. Murkowski, Mr. Nickles, Mr. Packwood, Mr. Pell, Mr. Proxmire, Mr. Pryor, Mr. Reid, Mr. Riegle, Mr. Roth, Mr. Rockefeller, Mr. Sanford, Mr. Stafford, Mr. Sarbanes, Mr. Shelby, Mr. Simon, Mr. Weicker, and Mr. Wilson):

S.J. Res. 143. A joint resolution to designate April 1988, as "Fair Housing Month"; to the Committee on the Judiciary.

By Mr. WIRTH:

S.J. Res. 144. A joint resolution designating the week beginning October 18, 1987, as "Financial Independence Week"; to the Committee on the Judiciary.

S.J. Res. 145. A joint resolution designating the week beginning June 21, 1987, as "National Outward Bound Week"; to the Committee on the Judiciary.

By Mr. WIRTH (for himself and Mr. Garn):

S.J. Res. 146. A joint resolution designating January 8, 1988, as "National Skiing Day"; to the Committee on the Judiciary.

By Mr. LEVIN:

S.J. Res. 147. A joint resolution designating the week beginning on the third Sunday of September in 1987 and 1988 as "National Adult Day Care Center Week"; to the Committee on the Judiciary.

By Mr. D'AMATO:

S.J. Res. 148. A joint resolution designating the week of September 20, 1987, through September 26, 1987, as "Emergency Medical Services Week to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAHAM (for himself, Mr. CHILES, Mr. HEFLIN, Mr. STENNIS, Mr. BUMPERS, Mr. PRYOR, Mr. SANFORD, Mr. SHELBY, and Mr. FOWLER):

S. 1297. A bill to amend the National Trails System Act to provide for a study of the De Soto Trail, and for other purposes; to the Committee on Energy and Natural Resources.

STUDY OF DE SOTO TRAIL

Mr. GRAHAM. Mr. President, the recent archaeological find in Tallahassee, FL, of the probable site of Hernando De Soto's 1539 winter camp underscores the reality that the history of the earliest days of exploration and discovery of this Nation is still being written.

A century before the first settlement at Jamestown, the Spaniards were aggressively exploring and attempting to colonize Florida and the region which now includes most of our Southern States.

We know that the trail De Soto and his expedition carved out from 1539 to 1543—a trail more bloody than benign—a trail which yielded no gold nor glory as it progressed through at least 10 Southern States: Florida, Georgia, South Carolina, North Carolina, Tennessee, Alabama, Mississippi, Arkansas, Texas, and Louisiana. We know that that trail was one of the greatest expeditions of the New World—and one of the causes of the eventual decimation of the American Indian population.

The De Soto Trail can still teach us about out past. It deserves to be marked and reexplored in our time.

For this reason I am today introducing legislation, with my colleagues Senators BUMPERS, CHILES, FOWLER, HEFLIN, PRYOR, SANFORD, SHELBY, and STENNIS, which authorizes the study of De Soto's Trail.

May 30 commemorates the landing of De Soto's expedition in Florida. In 2 years, in 1989, we will celebrate the 450th anniversary of that landing.

This bill is written as an amendment to section 5 of the National Trails System Act to add the De Soto Trail as one of the historic routes to be studied in accordance with the objectives outlined in the act.

We have built in a 1-year deadline for the study—so that the actual trail, as it is determined by the study, can be legislatively designated and marked in time for the 450th anniversary.

This legislation complements the efforts made by several of the States involved to identify and preserve the trail.

Florida has completed more than three-fourths of the De Soto Trail within the State's borders and the recent discovery and planned purchase by the State of the Tallahassee campsite will add volumes to our knowledge of the life and times of De Soto and his men.

Hernando De Soto died on the banks of the Mississippi River in 1542, a broken and disappointed man. Although the rest of his expedition continued on in the name of the Spanish Empire, pushing across the South, they never found any cache of Indian treasure—nor mapped out an overland route to Mexico.

De Soto's goals were never achieved.

By marking the trail De Soto set, we continue that famous expedition. Today we know that knowledge of the past is a treasure more priceless than gold. The route he discovered was really a trail blazed into the future.

De Soto irrevocably altered the history and pattern of Western civilization, as we follow in his footsteps, we will fill in the epic narrative of where we have been.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1297

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "De Soto National Trail Study Act of 1987".

SEC. 2. FINDINGS.

The Congress finds that—

(1) Hernando de Soto landed in the vicinity of Tampa Bay on May 30, 1539;

(2) de Soto then led his expedition of approximately 600 through the States of Florida, Georgia, South Carolina, North Carolina, Tennessee, Alabama, Mississippi, and Arkansas;

(3) de Soto died on the banks of the Mississippi River in 1542;

(4) the survivors of de Soto's expedition went on to Texas, then back through Arkansas, and into Louisiana in search of a route to Mexico;

(5) the de Soto expedition represented the first large group of Europeans to explore so deeply into the Southeastern region;

(6) archeologists have recently uncovered, in Tallahassee, Florida, what may have been de Soto's first winter camp;

(7) the State of Florida has completed identification and marking of close to three-fourths of de Soto's trail in that State; and

(8) several other States are in the process of identifying and marking de Soto's trail within their borders.

SEC. 3. DESIGNATION OF TRAIL.

Section 5(c) of the National Trails System Act (82 Stat. 919; 16 U.S.C. 1244(c)) is amended by adding the following new paragraph at the end thereof:

"(31) De Soto Trail, the approximate route taken by the expedition of the Spanish explorer Hernando de Soto in 1539, extending through portions of the States of Florida, Georgia, South Carolina, North Carolina, Tennessee, Alabama, Mississippi, to the area of Little Rock, Arkansas, on to Texas and Louisiana, and any other States which may have been crossed by the expedition. The study under this paragraph shall be prepared in accordance with subsection (b) of this section, except that it shall be completed and submitted to the Congress with recommendations as to its suitability for designation not later than one calendar year from the date of enactment of this paragraph.".

By Mr. METZENBAUM (for himself, Mr. SIMON, Mr. BIDEN, and Mr. KENNEDY):

S. 1299. A bill to amend the McCarran-Ferguson Act to limit the Federal antitrust exemption of the business of insurance, to reaffirm the continued State regulation of the business of insurance, and for other purposes; to the Committee on the Judiciary.

INSURANCE COMPETITION IMPROVEMENT ACT

● Mr. METZENBAUM. Mr. President, today I am introducing legislation to amend the McCarran-Ferguson Act to repeal the blanket exemption of the business of insurance from the Federal antitrust laws. I am pleased to be joined by Senators SIMON, BIDEN, and KENNEDY in this effort.

This legislation has three purposes: First, to reaffirm the authority of the States to regulate insurance; second, to promote free competition in the sale of insurance by eliminating the industry's general immunity from the antitrust laws; and third, to clarify the legality under the antitrust laws of certain joint activities of insurers, such as pooling historical loss data, which are essential to the business of insurance and clearly not anticompetitive.

This legislation supercedes S. 80, a bill I introduced earlier this session which would have repealed the McCarran-Ferguson Act in its entirety. The purpose of that legislation was exactly the same as the purpose of this legislation: To subject insurance companies to the antitrust laws while preserving the full power of the States to regulate and tax their activities. S. 80 was misconstrued by some to represent an effort to substitute Federal for State regulation of insurance. This was never my intent. My present bill eliminates any confusion by stating clearly and unequivocally that the "continued regulation and taxation by the several States of the business of insurance is in the public interest."

There is nothing inconsistent about applying the Federal antitrust laws to insurance companies while preserving State regulation of the industry. In the original debates on the McCarran-Ferguson Act, President Franklin Roosevelt himself saw no inconsistency. Urging Congress not to sacrifice the antitrust laws, he wrote that:

> There is no conflict between the application of the antitrust laws and effective state regulation of insurance companies, and there is no valid reason for giving any special exemption from the antitrust laws to the business of insurance. The antitrust laws prohibit private rate fixing . . . the antitrust laws do not conflict with affirma-

> tive regulation of insurance by the states such as agreed insurance rates if they are affirmatively approved by state officials. (CONGRESSIONAL RECORD vol. 91, part 1, 79th cong., 1st session p. 482 (1945)).

The Congress plainly did not intend to repeal the application of the antitrust laws to insurance when it enacted McCarran-Ferguson. The history of the act was exhaustively examined by the 1979 national commission for the review of antitrust laws and procedures. In its report to the President and the Attorney General, it concluded that:

> Both the language of the McCarran-Ferguson Act, and the Act's legislative history, make clear that the purpose of the insurance immunity was to permit state regulatory mechanisms to function without Federal intervention, and not to give the industry broad license to operate without antitrust scrutiny. As the Supreme Court recently noted, the purpose of making antitrust immunity dependent on state regulation was to end the "system of private government" prevalent in the insurance industry before McCarran-Ferguson, and while agreements among insurers might be permitted, "public supervision of agreements is essential."
>
> Nevertheless, as historically interpreted by the courts, the exemption has in fact served as a broad grant of immunity for unsupervised collective behavior by insurers. Courts have refused to require that the state regulation be comprehensive or effective as a condition for permitting immunity to attach. Rather, as one court put it, "if a state has generally authorized or permitted certain standards of conduct, it is regulating the business of insurance under the McCarran Act." (Report of the commission, p. 232)

Since every State regulates insurance in some way, the result today is that insurance companies enjoy a virtually absolute exemption from the Federal antitrust laws, contrary to the intent of the Congress when it wrote the McCarran-Ferguson Act.

The case for repealing the insurance industry's antitrust exemption is overwhelming. Insurance companies should be subject to the antitrust laws of this country, just like everyone else. Insurance is vital to the Nation. No one can be secure without it. Yet those who provide it do not have to conform to our national policy of free competition.

How can the Congress explain to the American people why the insurance industry is exempt from antitrust prohibitions that apply to every other industry, when the price of insurance has skyrocketed? How can the Congress explain that the rules of free competition should not apply to this vital industry when authoritative studies, including the landmark report of the Justice Department under President Ford, have concluded that competition, where it has existed, has been beneficial, and that the "full application of competitive principles, as embodied in the Federal antitrust laws, to the business of insurance would be consistent with the public interest." ("The Pricing and Marketing of Insurance," a report of the U.S. Department of Justice to the Task Group on Antitrust Immunities, January 1977, pp.3, 31-34) the Department further found that experience with competitive pricing of insurance "dispelled the historic notion that price competition would result in price wars, mass bankruptcies or excessive profits, the very reasons advanced by the industry for the antitrust exemption granted the industry in 1945." (DOJ report at 31).

Whatever the reasons may have been for an exemption in 1945, there are neon today. Requiring insurance companies to live by the rules of free competition would not disrupt State regulatory programs. It would not prevent insurance companies from sharing information. It would promote competition in the industry, promote lower prices and greater availability of coverage, and insure that consumers have better information about the policies they purchase.

Applying Federal antitrust standards to insurance also would not undercut State regulatory policies regarding ratesetting. Almost all States have abandoned setting specific rates for insurance coverage. Instead, insurance companies have considerable flexibility in setting rates, subject to filing requirements. In addition, the Supreme Court has made clear that business conduct which is subject to a clearly articulated State regulatory scheme and actively supervised by the State is not subject to Federal antitrust law. The Supreme Court has recently held, for example, that collective ratemaking activities, permitted under a clearly articulated and actively supervised State policy, do not violate the antitrust laws. *Southern Motor Carriers Rate Conf.* v. *U.S.*, 471 U.S. 48 (1985).

Another development is the recognition by the courts that joint activities by competitors which promote competition are permissible. The courts have long held that substantial information can be shared among competitors without running afoul of the antitrust laws. More recently, the Supreme Court clearly stated that joint activities which reduce costs and enable products to be marketed more efficiently will be upheld. *Broadcast Music, Inc.* v. *Columbia Broadcasting System*, 441 U.S. 1 (1979). This principle applies to sharing information about risks, joint underwriting of large-scale projects, and other joint activities which promote a more efficient and productive insurance industry. These considerations led the National Commission for the Review of Antitrust Laws and Procedures to recommend in 1979 that:

> The current broad antitrust immunity for the business of insurance granted by the McCarran-Ferguson Act should be repealed. In its place, narrowly drawn legislation should be adopted to affirm the lawfulness of a limited number of essential collective activities under the antitrust laws. . . .
>
> The comission believes that the current immunity is not only overly broad, but also unnecessary: those collective activities by insurers that are essential to the functioning of a competitive industry would likely pass muster under the traditional rule of reason analysis of Sherman Act section 1. Similarly, where collective activity or other insurance company behavior is affirmatively mandated by a state in its capacity as sovereign, and effectively supervised by independent state officials, such behavior would fall within the judicially recognized 'state action' exception to the antitrust laws". (Report of the comission, pp. 225-26).

In short, the argument that the insurance industry requires an antitrust exemption to function effectively is nonsense: The antitrust laws allow joint activities by insurance companies which are in the public interest.

The bill which I am introducing today clarifies that certain indisputably essential joint activities would be legal under the antitrust laws. These activities are:

Joint collection and exchange of historical loss data, a task which is essential to accurately assessing risk and which cannot adequately be performed by many insurers acting on their own;

Joint preparation and filing of policy forms, a practice which benefits consumers by promoting the use of standardized forms;

Joint collection and exchange of information on fraudulent claims;

Joint research and onsite inspections for classifying public fire defenses.

This bill also would not affect joint underwriting and pools which do not unreasonably restrain trade, and would leave untouched State-mandated or approved residual market mechanisms, which insure high risk individuals who are not eligible for private coverage.

This list of permissible joint activities is not necessarily exhaustive. If the industry can show that other joint activities are also in the public interest and should not be prohibited by the antitrust laws, then additional, carefully defined exemptions can be made for those activities as well. These issues can best be pursued in hearings on this legislation, where the industry and other interested observers can comment. All other activities would be subject to the antitrust laws, and their legal status would be determined by the courts, applying general antitrust principles.

Repealing the exemption will permit challenges to blatantly anticompetitive activity that is now immune from attack. Currently, a back room conspiracy to fix prices or allocate markets in the insurance industry could not be challenged by the Department of Justice, the Federal Trade Commission, or private plaintiffs.

Repealing the exemption also would allow the Government to enforce the laws prohibiting unfair and deceptive trade business practices against insurance companies which mislead or take unfair advantage of their customers. Insurance companies are among the country's largest national advertisers, spending hundreds of millions of dollars a year on television advertisements and other forms of promotion. Yet today, if an insurance company misleads consumers in its advertising or marketing of insurance, the Federal Trade Commission is, in almost all cases, foreclosed from acting.

Last month the Senate voted to require the Federal Trade Commission to study consumer abuses in the sale of Medigap insurance and the level of rate increases and competition in the property and casualty insurance market. The FTC could study these issues and find, for example, rampant fraud and abuse in the Medigap insurance field and competitive problems in the property and casualty insurance market which could have contributed to the recent affordability/availability crisis. Because of the McCarran-Ferguson Act exemption, though, the FTC would be severely restricted in its ability to halt the abuses. This senseless anomaly would be rectified by repealing the exemption.

In short, the bill I am introducing today would simply apply the same standards of free competition and fair play to insurance that apply to other industries, without in any way diminishing the power of the States to regulate insurance as they do now.

The bill also provides for a delayed effective date to enable the insurance industry to review its activities for potential antitrust liability. In particular, the bill provides that the repeal of the exemption is deferred for 1 year after the date of enactment. In addition, no criminal penalties or treble damages can be assessed for 2 years. Finally, no antitrust remedy is available for 2 years if the defendant in an antitrust case has relied in good faith on an advisory opinion by the Department of Justice. These provisions provide ample time for the industry to review its activities and insure that they are in full compliance with antitrust standards.

This industry is too big, too important to every American, to maintain an antitrust exemption long after its initial justification has disappeared. Today, access to insurance and affordable prices have become critical problems for individuals, businesses small and large, and even governmental bodies. Requiring insurance companies to play by the rules of free competition, just as other companies do, will not solve all of the industry's problems, but it will be a positive—and long overdue—step in the right direction.

Representatives of the Reagan administration and a broad array of business, professional, governmental, labor, and consumer organizations all recognize that the antitrust exemption is not in the public interest and have called for repeal. Even segments of the industry have begun to see the light, and are at least supportive of a congressional reexamination of the exemption.

Congress eventually does the right thing. The antitrust exemption for the business of insurance outlived its legitimate purpose a long time ago. It is time to repeal it.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1299

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Insurance Competition Improvement Act of 1987".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress finds and declares that—

(1) the continued regulation and taxation by the several States of the business of insurance is in the public interest; and

(2) the Federal antitrust laws comprise an essential component of congressional policy in favor of competition and consumer protection, and the current broad exemption from the antitrust laws afforded the insurance industry has adversely affected free competition and consumers of insurance.

(b) It is the purpose of this Act to promote free competition among insurers and to protect consumers of insurance by modifying the current antitrust exemption of the business of insurance.

AMENDMENTS TO THE MC CARRAN-FERGUSON ACT

SEC. 3. (a) The first section of the Act entitled "An Act to express the intent of the Congress with reference to the regulation of the business of insurance", approved March 9, 1945 (15 U.S.C. 1011), commonly known as the McCarran-Ferguson Act, is amended by striking out the period and inserting in lieu thereof the following: "; but that a continued broad exemption of the business of insurance from the Federal antitrust laws is not in the public interest.".

(b) Section 2(b) of the McCarran-Ferguson Act (15 U.S.C. 1012(b)), is amended by striking out all after "insurance" the second place it appears and inserting in lieu thereof a period.

(c) Section 3 of the McCarran-Ferguson Act (15 U.S.C. 1013) is amended to read as follows:

"SEC. 3. (a) Except as provided in subsections (b) and (d), the antitrust laws shall apply to the business of insurance and to acts in the conduct of such business.

"(b) The antitrust laws shall not be construed to prohibit any agreement, understanding, or concern of action between or among insurers, any insurance advisory organizations or their members, any individual insurers or any other persons that is limited to—

"(1) collecting, compiling, and disseminating historical data on paid claims or reserves for reported claims from insurers or any other source, provided that such information is made available to an appropriate State regulatory agency;

"(2) preparing and filing policy forms and endorsements for voluntary use by individual insurers;

"(3) conducting research and on-the-site inspections in order to prepare classifications of public fire defenses; and

"(4) collecting, compiling, and distributing information relating to fraudulent claims and other fraudulent practices, provided that such information is made available to an appropriate State regulatory agency.

"(c) Nothing in this Act or any State law shall render the antitrust laws inapplicable to any agreement to boycott, coerce, or intimidate, or to any act of boycott, coercion, or intimidation.

"(d) Insurers and other persons participating in joint underwriting, pools, or residual market mechanisms may, in connection with such activity, act in cooperation with each other in the making of rates, rating systems, policy forms, underwriting rules, surveys, inspections, and investigations, if the residual market mechanism is required by law or is approved by and subject to the active supervision of an appropriate State regulatory agency, or if the joint underwriting or pools do not unreasonably restrain trade.

"(e) Nothing in this Act shall be construed to prohibit any State from establishing or approving a residual market mechanism.

"(f) Nothing in this Act shall be construed to prohibit any State from requiring a worker's compensation and employers' liability insurer to adhere to the uniform classification system and uniform rating plan applicable to these categories of insurance in such State, but no such insurer shall agree with any other insurer or with an insurance advisory organization to adhere to or use any rate.

"(g) As used in this section, the term—

"(1) 'advisory organization' means any organization which is comprised of, or is controlled by, one or more insurers and which prepares policy forms and endorsements for use by its members or subscribers, compiles and promulgates insurance-related statistical data, prepares and revises insurance rating plans and classification systems, and provides assistance in the preparation of insurance rates;

"(2) 'antitrust laws' means the Sherman Act (15 U.S.C. 1 et seq.), the Clayton Act (15 U.S.C. 12 et seq.), and the Federal Trade Commission Act (15 U.S.C. 41 et seq.);

"(3) 'residual market mechanism' means an arrangement, either voluntary or mandated by law, involving participation by insurers in the equitable apportionment among them of insurance which may be afforded applicants who are unable to obtain insurance through ordinary methods;

"(4) 'joint underwriting' means a voluntary arrangement established on an ad hoc basis to provide insurance coverage for a commercial individually rated risk under which two or more insurers contract with the insured at a price and under policy terms agreed upon between the insurers, or negotiated between the underwriter and the insured; and

"(5) 'pool' means a voluntary arrangement, other than a residual market mechanism, established on an ongoing basis, under which two or more insurers participate in the sharing of risks on a predetermined basis by means of an association, syndicate, or other pooling agreement.".

SEC. 4. (a) This Act and the amendments made by this Act shall become effective one year after the date of enactment.

(b) In any action brought under the provisions of the antitrust laws alleging a violation of those laws for conduct that would have otherwise been lawful under the provisions of the McCarran-Ferguson Act on the day before the effective date of this Act, no award of treble damages or criminal penalties shall be awarded against any such person for conduct by such person occurring within two years after the date of the enactment of this Act.

(c) During the two-year period referred to in subsection (b), no relief shall be granted against any person in an action referred to in subsection (b) for conduct by such person during such period, if such person has, in good faith, relied upon an advisory opinion issued by the Department of Justice.●

By Mr. DURENBERGER:

S. 1300. A bill to permit secondary mortgage market financing for residential properties that include small day care centers; to the Committee on Banking, Housing, and Urban Affairs.

SECONDARY MORTGAGE MARKET FINANCING FOR SMALL DAY CARE CENTERS

● Mr. DURENBERGER. Mr. President, not long ago, I received a letter from an individual in my home State, Minnesota, who was turned down for a home mortgage because his wife operated a family day care center in his home. I looked into this matter and learned that this is a real problem for many family day care providers.

Mr. President, as you know, Fannie Mae, Ginnie Mae, and Freddie Mac are federally chartered corporations which purchase home mortgages in the secondary mortgage market. The Federal charters under which these corporations operate limit their involvement to residential mortgages. Because the definition of residential excludes homes with income-producing activities, mortgages on homes where family day care centers are located would not be purchased by these corporations. As a result, bankers are often unwilling to extend mortgages or refinancing to homes with family day care centers because the bank, in turn, will not be able to sell these mortgages to Fannie Mae, Freddie Mac, or Ginnie Mae.

A family day care center is not a huge business enterprise. A family day care center, by definition, is operated in an individual's home. It presents a child care option that many working parents prefer—day care for a small group of children who are closely supervised in a home setting often in the same neighborhood where the parents live. Additionally, most States have regulations or licensing requirements that set limits on the number of children that may be served and ensure that the setting is safe, clean, and pleasant. Considering these circumstances, I do not feel that a definition of residence which excludes family day care centers is appropriate.

The bill I am introducing today would amend the Federal charters for Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation to permit mortgages for homes with family day care centers to be eligible for purchase by Fannie Mae, Ginnie Mae, and Freddie Mac.

Mr. President, the need for quality, affordable day care in our country is tremendous. More than half of the women with children younger than 3 work and the number is even higher for women with preschool and school-age children. And this is a growing trend. In 1979, there were 7.2 million children under age 6 with mothers in the labor force. In 1985, there were 9.6 million. That number is expected to increase to 14.6 million in 1995. The need for child care is particularly acute in Minnesota where the percentage of women working outside the home is the third highest in the country.

Lack of affordable child care can pose a significant barrier to low-income families striving for self-sufficiency, denying parents the opportunity to work, participate in employment programs or attend school. Child care can also affect the productivity of working parents. A study of 5,000 workers in the Midwest found that 58 percent of the women workers and 33 percent of the men with young children felt their child care concerns affected their time at work in unproductive ways.

As policymakers at the national level, we have a role to play in encouraging the development and growth of affordable, quality child care options. The bill I am introducing will remove existing policy which penalizes family day care providers who wish to purchase or refinance their homes. There is no cost associated with this bill. I am pleased to note that this bill will be incorporated into the Economic Equity Act of 1987 and that Congresswoman MARY KAPTUR of Ohio will be introducing the bill in the House. I invite my colleagues to support his valuable initiative.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1300

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

MORTGAGES ON PROPERTIES INCLUDING DAY CARE CENTERS

SECTION 1. (a) Section 302(b) of the Federal National Mortgage Association Charter Act is amended by inserting before the period at the end of the last sentence of paragraph (1) the following: ", and such term includes any loan that is secured by a single family residential property that is occupied as a single family residence in which community child care service is provided in compliance with all applicable State or local laws if the loan is otherwise eligible for purchase under this title".

(b) Section 302(h) of the Federal Home Loan Mortgage Corporation Act is amended by adding at the end thereof the following: "Such term also includes a loan or advance of credit that is secured by a single family residential property that is occupied as a single family residence in which community child care service is provided in compliance with all applicable State or local laws if the loan or advance is otherwise eligible for purchase under this title.".●

By Mr. LEAHY:

S. 1301. A bill to amend title 17, United States Code, to implement the Berne Convention for the Protection of Literary and Artistic Works, as revised at Paris on July 24, 1971, and for other purposes; to the Committee on the Judiciary.

BERNE CONVENTION IMPLEMENTATION ACT

Mr. LEAHY. Mr. President, in the gloomy picture of American competition in world trade, there are a few bright spots. One of these is the trade in works of authorship protected by copyright. The world's appetite for American books, sound recordings, motion pictures, computer software, and other copyrighted works appears insatiable.

There are many reasons why the United States is the world's largest exporter of copyrighted works. Prime among them are the skill, inventiveness, and imaginativeness of American authors, musicians, software developers, and other creators. But like any other resource, American creativity will continue to flourish only in the proper environment. Our primacy in the trade in copyrighted works gives us a vital stake in strengthening the world system for the protection of copyright. Today I introduce legislation to advance that goal, by bringing U.S. copyright law into compliance with the standards of the International Convention for the Protection of Literary and Artistic Works, better known as the Berne Convention.

The Berne Convention is 101 years old. What began as a treaty among 10 European nations has grown to be the highest internationally recognized standard for the protection of works of authorship of all kinds. Seventy-eight nations, including all our major trading partners, now measure their copyright laws against this yardstick. Over the past century, the Berne Convention has adapted well to dramatic changes in the technology of creating, distributing, and consuming the products of the human imagination.

World trade in copyrighted works faces even more sweeping challenges in the 21st century. In the years ahead, as in the past, the Berne Convention will provide the central forum in which the rights of creators and consumers can be properly addressed.

Perhaps in the past it was enough for the United States to observe these developments from a distance, or to participate in them only through the medium of the Universal Copyright Convention, with its lower standards of copyright protection. But today, and in future years, vital American interests can be fully represented in the international copyright system only if we get off the sidelines and onto the playing field, by joining the Berne Convention.

This legislation builds on an accelerating tempo of legislative activity in recent years on international copyright issues. During the 99th Congress, the Senate Judiciary Committee's Subcommitee on Patents, Copyrights and Trademarks conducted extensive hearings on the Berne Convention. The record of those hearings shows a remarkable consensus among authors, publishers, consumers, and government agencies in favor of U.S. adherence to Berne. There is also a degree of consensus about the changes that would be needed in the U.S. copyright law in order to meet Berne standards. Last October, Senator Mathias, the chairman of the Patents, Copyrights and Trademarks Subcommittee, introduced a Berne implementation bill, S. 2904—99th Congress. More recently, on March 16 of this year, Representative ROBERT KASTENMEIER, the Congress' foremost authority on copyright matters, introduced H.R. 1623, a somewhat different legislative approach to the same goal. The bill I introduce today, the Berne Convention Implementation Act of 1987, seeks to synthesize the best of these two proposals. Its goal is to bridge the relatively narrow gap that now prevents the United States from assuming its rightful place among the leaders of the world copyright community.

That gap used to be a wide one, and the contortions that would have been required to bridge it have doomed previous efforts to bring the United States into the Berne Convention. But most of those problems were resolved in 1976, when the U.S. Copyright Act was completely rewritten. Today, our copyright law requires only fine tuning in order to meet Berne's standards.

The bill I introduce today generally follows the minimalist approach of making only those changes to our law which are necessary in order to comply with Berne, without disrupting the smooth operation of the U.S. copyright system. Like the previous legislation on this subject, it proceeds on and makes explicit the well-founded assumption that the Berne Convention is not self-executing, and can only be implemented through legislation passed by both Houses of Congress and approved by the President.

Surely as Berne implementation legislation proceeds through the legislative process, it will be refined and improved. Many of the required changes in domestic law are narrow and technical. For the moment, I will point out just three areas in which the Berne Convention Implementation Act would change U.S. copyright law in order to meet Berne standards.

First, nations adhering to Berne are required to provide copyright protection for architectural works. There is no dispute that U.S. law currently falls short in this area. While the Mathias bill in the last Congress called for protection of architectural works, the formulation in the Kastenmeier bill appears superior in this area, and my bill adopts the provisions of H.R. 1623 with only minor changes.

Second, the existing compulsory license for the performance of musical works on juke boxes is clearly incompatible with Berne. The Mathias bill simply eliminated the compulsory license, but the Copyright Office has argued persuasively that such a drastic step may not be required. H.R. 1623 envisions the negotiation of voluntary license agreements between the performing rights societies such as ASCAP and BMI, and juke box operators, in order to permit juke box performances with adequate compensation to composers. The existing compulsory license mechanism, administered by the Copyright Royalty Tribunal, is retained only as a back up. My bill generally adopts this approach as well, although it differs from H.R. 1623 in spelling out the applicable procedures if voluntary license agreements are not reached, or if they lapse in the future.

Third, the question of copyright registration presents some thorny problems. Berne standards stress the elimination of formalities as preconditions to copyright protection. For this reason, for example, the requirement of copyright notice as a prerequisite for copyright protection is incompatible with Berne, and all the bills proposed on this subject would eliminate the notice requirement. Registration of a copyrighted work with the Copyright Office is not, technically speaking, a condition for the existence of copyright under current U.S. law. It is, however, a precondition for the exercise of any of the bundle of rights conferred by copyright, since, under section 411 of the Copyright Act, no court action for infringement of the copyright may be maintained until registration has been accomplished. The metaphysical distinction between the existence of a right to prevent unauthorized use of a copyrighted work, and the exercise of that right, may be maintainable under other legal systems. But in our legal tradition, which disfavors the creation of rights without remedies, it is more difficult to argue that a hurdle such as registration, which bars the courthouse door to any enforcement of an author's rights, is not a formality inconsistent with Berne standards. This observation is supported by the analysis made by an ad hoc committee of copyright experts at the suggestion of the State Department, which concluded that section 411 creates a prohibited formality, at least as applied to works of foreign origin. Proceeding from this analysis, the Mathias bill simply eliminated this requirement.

However, in my view, some weight must be given to the arguments advanced by the Copyright Office in opposition to the approach taken by S. 2904 in the 99th Congress. The incentive for registration under current law, amounting to a virtual requirement if the author wishes to pursue infringers, may be a bothersome obstacle to enforcement, but it also serves valuable functions, including the creation of a public record of claims to copyright, the minimization of litigation disputes over copyrightability, and a means for the acquisition of copyrighted works by the Library of Congress. The question is whether, if registration is eliminated as a prerequisite to enforcement of copyright, adequate incentives to register remain. The Register of Copyrights has characterized the existing system of incentives as a three-legged stool, and has expressed the fear that the removal of one of the legs—the section 411 requirement—might decrease the volume of registrations, and thereby in some degree frustrate the goals now served by registration. This supposition is debatable, and I am sure it will be vigorously debated as Berne implementing legislation is considered. But if the Register's prediction is correct, the consequences would be undesirable. It is certainly worth exploring ways to strengthen the incentives to register that will remain in our law even after eliminating the one incentive that is incompatible with the standards of the Berne Convention.

Accordingly, my bill takes up the Register's plea to fashion a new leg for the three-legged stool. It eliminates the requirements of existing section 411, but also proposes additional incentives for timely registration by all copyright claimants. These include: The imposition of a registration requirement for criminal enforcement of a copyright; the prospective limitation of statutory damages and attorney's fees as remedies for copyright infringement of a published work to instances in which the work is registered within 5 years after publication; a doubling of the levels of statutory damages, which not only increases the incentive to register, but also takes into account inflation since these levels were originally established in 1976; and enhanced penalties for failure to deposit works with the Library of Congress, since this is an alternative, non-copyright means by which the completeness of the Library's collections may be assured.

As this proposal is reviewed in the legislative process, these incentives may need to be adjusted. We must scrutinize the evidence, as contrasted with the speculation, that simple elimination of the section 411 requirement will have a deleterious effect on the volume of registrations, and ensure that the force of new registration incentives is commensurate with the strength of the incentive that is being eliminated. The effect of any new incentives to register should be carefully examined, and different incentives should be considered that may further buttress the valuable features of the registration system. The goal is a system that is simple to administer, fair to authors and publishers, and helpful to the legitimate interests of the Library of Congress. An optimal mix of incentives will allow us to avoid resort to the legal fiction that the existing registration prerequisite to enforcement is not a formality inconsistent with the standards of Berne, and with the practice of every major adherent to the Convention.

One further issue should be mentioned: the question of moral rights. The Berne Convention does require member States to provide protection for certain authors' rights, such as right to claim authorship of one's works—the so-called right of paternity—and the right to object to distortion, mutilation, or modification of the work which would be prejudicial to the author's honor or reputation—the right of integrity. Many, although not all, Berne member States provide protection for these so-called moral rights within the context of copyright law. American copyright law currently does not explicitly provide for moral rights. But it does grant to authors the exclusive right to prepare derivative works, which protects authors against any unauthorized distortion, mutilation, or modification, regardless of its effect on the author's honor or reputation. Furthermore, other Federal and State statutes, and the common law of torts, including defamation, protect the interests implicated by moral rights.

The ad hoc committee on copyright experts convened by the State Department studied the moral rights issue in some detail. Its report states that:

> There are substantial grounds for concluding that the totality of U.S. law provides protection for the rights of paternity and integrity sufficient to comply with [Article] 6bis [of the Berne Convention], as it is applied by various Berne countries.

This conclusion is supported by the record of the Senate hearings on Berne during the 99th Congress, including advocates of domestic moral rights legislation. This record provides persuasive evidence that no changes in U.S. copyright law are needed in order to meet Berne's minimum standards with respect to moral rights.

Any moral rights amendment to the Copyright Act would be highly controversial. The debate on any such proposal could be a contentious distraction from the effort to bring the United States into the Berne Convention. Whatever the merits of various proposals to strengthen protection for moral rights under the Copyright Act, none of them would advance the goal of Berne adherence, which is the only object of this legislation. Accordingly, like the Berne implementation legislation previously introduced in the Senate, the Berne Convention Implementation Act of 1987 does not contain any provision on moral rights.

Mr. President, as I have noted, the consensus in support of the principle of U.S. adherence to the Berne Convention is today stronger than ever. Within the introduction of the Berne Convention Implementation Act of 1987, which parallels in many important respects the provisions of Representative KASTENMEIER's bill on the subject, we take a giant step closer to a consensus on the legislative means of reaching this valuable goal. I look forward to working with the chairman of the Subcommittee on Patents, Copyrights and Trademarks, Senator DECONCINI, and with my other colleagues on that subcommittee, and with Representative KASTENMEIER and his colleagues on the counterpart subcommittee on the other body, in order to resolve the few remaining differences between the bills. In this Congress, the long-delayed goal of bringing the United States into the premier world copyright agreement is within our grasp. We should reach now to attain it, and thereby strengthen the system of international copyright protection under which American creativity has flourished, to the benefit and enjoyment of the entire world.

By Mr. EXON:

S. 1302. A bill to authorize the Secretary of Commerce to establish the Science and Technology Advisory Committee, to provide assistance in connection with long-term basic scientific research and student assistance in math, science, computer science, and engineering, and for other purposes; to the Committee on Labor and Human Resources.

BASIC SCIENTIFIC RESEARCH AND STUDENT ASSISTANCE ACT

Mr. EXON. Mr. President, the Senate Budget Committee and the Senate Commerce Committee have had several recent hearings on the need to improve the Federal effort in science and technology. In this era of fiscal restraint and the continuing crisis created by the Federal budget deficit and the national debt; finding resources to support new initiatives in science and technology are most difficult.

Today, I rise to introduce legislation to create a self-supporting technology trust fund to finance future long-term basic scientific research and student assistance in math, science, computer science and engineering.

The trust fund would be financed by royalties from federally funded research and development and royalties resulting from technology transfers from the Federal Government to the private sector. The trust fund is also authorized to accept charitable contributions from the private sector.

The trust fund is expected to collect or distribute large sums of money for a number of years. It is intended to be a forward-looking proposal to provide future supplemental funds in an era of continuing budgetary restraint.

Under this proposal, an independent entity would be established known as the science and technology advisory committee. The committee would be chaired by the Secretary of Commerce and would advise the National Science Foundation on the management of the science and technology trust fund.

There shall be three primary sources of funds for the trust fund. Wherever possible, the Federal Government will secure from recipients of any Federal research and development funds a promise to grant to the science and technology trust fund a percentage of any profits or ownership of patents directly resulting from such federally funded research and development. The legislation does not set a specific minimum royalty. It will be the responsibility of each Federal department to establish appropriate arrangements. It is my suggestion that the royalty be in the 2-percent to 5-percent range. This level will not discourage research efforts, but could eventually provide a significant source of funds.

The second source of funding is from existing technology transfer royalties. Under current law, Federal research facilities can transfer technology to the private sector under a royalty arrangement. Under the proposal those funds which simply go into the general fund will be earmarked for the technology trust fund.

Finally, the trust fund would be authorized to solicit and accept charitable contributions.

The science and technology trust fund will provide a source of funds for student assistance and student facilities. The trust fund will make grants or loans available for students for study in science, engineering, math and computer sciences; and grants to educational institutions for infrastructure development in science, engineering, math and computer sciences.

The trust fund will also fund basic scientific research and development.

There shall be funds available for long-term basic research grants for projects worthy of scientific investigation, not currently eligible for existing grant programs; investigator initiated grants to provide funds to assist an individual scientist or institution in bringing a worthy concept to the stage of domestic manufacture; and supplemental technology development grants to rapidly develop products and processes from any domestic research project where development would result in domestic manufacture or use.

Under this program, science and technology trust grants would only be available to U.S. citizens or institutions and development funds shall only be available where development results in domestic manufacture or use.

Unlike any other competitiveness programs, the science and technology trust fund attempts to make a fair distribution of its resource among the States. In making grants, consideration will be given to geographic distribution. States which receive few grants from existing Federal research and development programs will receive special consideration in evaluating grant applications. In essence, there will be an affirmative action factor for States which do not receive many grants from existing science and technology programs.

Over a period of several years, the legislation requires that there be a relatively equal balance of grants between student assistance and facilities; and scientific research.

Mr. President, the United States faces tough new economic competitors. The strength of our Nation and its economy has been our edge in science and technology. I regret to say that our competitors are closing on our lead.

Now is the time to look into the future and establish the mechanisms which can keep the United States at the forefront of science and technology.

I ask my colleagues to take a careful look at this proposal and I invite their support and recommendations.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1302

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; DEFINITION

Section 1. (a) This Act may be cited as the "Basic Scientific Research and Student Assistance Act".

(b) As used in this Act, the term "person" means any individual, corporation, educational institution, or other entity.

PROJECTS

Sec. 2. (a) The National Science Foundation, in consultation with the Advisory Committee established by section 3 of this Act, is authorized to make grants and enter into agreements with any person for any one or more of the following purposes:

(1) student grants or loans for study in science, engineering, math, and computer sciences;

(2) grants to educational institutions for infrastructure development in science, engineering, math, and computer sciences;

(3) long-term basic research grants for projects worthy of scientific investigation, not currently eligible for existing Federal grant programs;

(4) investigator initiated grants to provide funds to assist an individual scientist or institution in bringing a worthy concept to the stage of domestic manufacture; and

(5) supplemental technology development grants to rapidly develop products and processes from any domestic research project where development would result in domestic manufacture or use.

(b)(1) Financial assistance pursuant to this Act shall be available only to citizens of the United States, including any institution, corporation, or other entity which is owned solely by a citizen or citizens of the United States.

(2) In providing financial assistance under this Act, the National Science Foundation shall take such action as may be necessary to assure that applications from persons, who are within States which currently receive little in the way of financial assistance under Federal research and development programs in effect upon the date of the enactment of this Act, shall receive special consideration in evaluating and acting on grant or loan applications under this Act. In acting on such applications, particular emphasis shall be placed on those applications from small businesses and small educational and research institutions.

(3) For fiscal years 1988 through 1995, the National Science Foundation shall take such action as may be necessary in order to provide a relatively equal balance of grants and loans between programs relating to student assistance and facilities (paragraphs (1) and (2) of subsection (a)) and scientific research (paragraphs (3), (4), and (5) of subsection (a)).

ADVISORY COMMITTEE

Sec. 3. (a) There is established a committee to be known as the "Science and Technology Advisory Committee" (hereinafter referred to in this Act as the "Advisory Committee").

(b)(1) The Advisory Committee shall take such steps as may be necessary to advise the National Science Foundation with respect to the formulation and conduct of activities pursuant to this Act, and with respect to such other matters as the National Science Foundation refers to the Advisory Committee.

(2) The National Science Foundation shall make available to the Advisory Committee such information and assistance as the Committee may reasonably require to carry out its duties.

(c) The Advisory Committee shall consist of the Secretary of Commerce and not less than 4 additional members appointed by the Secretary of Commerce. The Secretary of Commerce shall serve as Chairman of the Advisory Committee. The members of the Committee shall be from Federal departments and agencies whose missions contribute to or are affected by the program established by this Act.

APPLICATIONS; CONDITIONS

Sec. 4. (a) Any person may apply to the National Science Foundation for a grant or agreement under this Act. Application shall be made in such form and manner, and with such content and other submissions, as the National Science Foundation may require.

(b) Any grant or agreement entered into pursuant to this Act shall be subject to such limitations and conditions as the National Science Foundation may impose. The National Science Foundation shall require, from each recipient of a grant or agreement under this Act, assurances satisfactory to the National Science Foundation that such recipient shall transfer to the Federal Government a percentage of the ownership of any patent directly resulting from research and development carried out by such recipient by means of financial assistance made available pursuant to this Act. Such ownership percentage to be transferred to the Federal Government shall be such percentage as the National Science Foundation shall determine.

(c) On and after the date of the enactment of this Act, the head of any Federal department, agency, office, or other instrumentality shall, to the extent feasible, require, from each recipient of a grant or other financial assistance received by such recipient on or after the date of the enactment of this Act, under any Federal law, assurances satisfactory to such head that the recipient shall transfer to the Federal Government a percentage of the ownership of any patent directly resulting from research and development carried out by such recipient by means of such grant or financial assistance.

(d) Proceeds from the sale or other disposition of any patent or interest acquired by the Federal Government pursuant to this section shall be deposited in the Trust Fund.

TRUST FUND

Sec. 5. (a) There is established in the Treasury of the United States a trust fund to be known as the "Long-Term Basic Scientific Research and Student Assistance Trust Fund" (hereinafter in this section referred to as the "Trust Fund"), consisting of such amounts as may be deposited in, transferred to, or credited to the Trust Fund as provided in subsection (b) of this section, subsection (d) of section 4, and section 6 of this Act, or otherwise appropriated to the Trust Fund.

(b) The Secretary of the Treasury shall transfer to the Trust Fund out of the general fund of the Treasury of the United States amounts determined by the Secretary of the Treasury to be equivalent to the amounts received into such general fund which are attributable to the transfer and sale of Federally owned or originated technology.

(c) The amounts which are required to be transferred under subsection (b) shall be transferred at least quarterly from the general fund of the Treasury of the United States to the Trust Fund on the basis of estimates made by the Secretary of the Treasury of the amounts referred to in subsection (b) that are received into the Treasury. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(d) It shall be the duty of the Secretary of the Treasury to hold the Trust Fund, and to report to the Congress each year on the financial condition and the results of the operations of the Trust Fund during the preceding fiscal year and on its expected condition and operations during the fiscal year and the next 5 fiscal years thereafter. Such report shall be printed as a House document of the session of the Congress to which the report is made.

(e)(1) It shall be the duty of the Secretary of the Treasury to invest such portion of the Trust Fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States. For such purpose, such obligations may be acquired—

(A) on original issue at the issue price, or

(B) by purchase of outstanding obligations at the market price.

(2) Any obligation acquired by the Trust Fund may be sold by the Secretary of the Treasury at the market price.

(3) The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

(4) Amounts in the Trust Fund shall only be available for making expenditures, as provided by appropriations Acts, to carry out the purposes of this Act.

(f) There are authorized to be appropriated out of the Trust Fund to carry out the purposes of this Act for each fiscal year, such amount as may be necessary.

CHARITABLE CONTRIBUTIONS

SEC. 6. The National Science Foundation is authorized to solicit and accept charitable contributions to enable it to carry out the purposes of this Act. All such contributions shall be deposited in the Trust Fund.

By Mr. WEICKER (for himself, Mr. ADAMS, Mr. BOND, Mr. BUMPERS, Mr. BURDICK, Mr. CHAFEE, Mr. CHILES, Mr. DODD, Mr. DURENBERGER, Mr. GLENN, Mr. GORE, Mr. HOLLINGS, Mr. KERRY, Mr. LAUTENBERG, Mr. LEVIN, Mr. MATSUNAGA, Mr. MCCLURE, Mr. PRYOR, Mr. ROCKEFELLER, Mr. SIMON, Mr. STEVENS, Mr. WARNER, and Mr. WILSON):

S.J. Res. 142. Joint resolution to designate the day of October 1, 1987, as "National Medical Research Day"; to the Committee on the Judiciary.

NATIONAL MEDICAL RESEARCH DAY

● Mr. WEICKER. Mr. President, today I am pleased to introduce a joint resolution designating October 1, 1987, as "National Medical Research Day." In this, the 100th year of the National Institutes of Health, it is especially appropriate that we pay special tribute to the people who dedicate their lives to making health an appropriate expectation of every American. The joint resolution also stands as a testament to America's premier place in promoting health and preventing disease.

We cannot begin to count the lives that have been saved as a result of American medical research. The benefits of this research not only reach the teenager in this Nation who is cured of Hodgkins disease, but also the child in a Third World country who will never fear the paralysis of polio. Our achievements in medicine and pharmacology are a source of national pride and international hope. In the midst of the AIDS epidemic, it is to the United States that the world looks for a cure.

Mr. President, I ask unanimous consent that the text of this joint resolution be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S.J. RES. 142

Whereas America's medical research enterprise has been, and will continue to be, the acknowledged world leader in promoting health and preventing disease and disability;

Whereas medical research (defined for purposes of this Joint Resolution as biomedical and behavioral research) continuously contributes to the discovery of new knowledge that will lead to the improved health and well-being of Americans and of all humankind;

Whereas America's medical research enterprise continues to pioneer breakthroughs in the detection and treatment of diseases and promote the widespread application of these methods and technologies to medical practice;

Whereas medical research has significantly contributed to bringing America's death rate to an all-time low and its life expectancy rates to all-time highs;

Whereas America's medical research enterprise has contributed enormously to the control and virtual worldwide eradication of epidemic diseases such as cholera, smallpox, yellow fever, and bubonic plague, and the prevention in this country of childhood diseases such as diptheria, polio, tetanus, and pertussis;

Whereas medical research has successfully produced effective vaccines now widely used to combat measles, mumps, rubella, meningitis, pneumonia, influenza, rabies, upper respiratory diseases, and hepatitis B;

Whereas America's financial investment in medical research has consistently been rewarded with positive returns as measured by reduced morbidity, and improved individual productivity and health status;

Whereas the products and by-products of medical research contribute significantly to the health of America's overall economy and its ability to compete successfully in international commerce and trade;

Whereas medical research in this country has fostered a productive and ongoing positive public and private sector partnership among government, academia, industry, and voluntary organizations in the pursuit of research excellence and discovery;

Whereas the Congress of the United States has consistently demonstrated a Federal financial commitment to maintaining America's preeminence in medical research through support of such agencies as the National Institute of Health, the Alcohol, Drug Abuse and Mental Health Administration, the Centers for Disease Control, and the Veterans' Administration;

Whereas the Congress and President of the United States have formally recognized 100 years of Federal support for medical research through resolution and proclamation commemorating the current Federal fiscal year as the National Institutes of Health Centennial year;

Whereas America's medical research enterprise has produced 85 internationally respected Nobel laureates in physiology, medicine, and chemistry and must continue to foster the interest and training of young scientists, medical practitioners, and other health professionals in research careers, as well as ensure the adequacy of the settings within which they will work;

Whereas America's medical researchers are working at the forefront of biomedical technologies which create exciting new medical research opportunities that hold the best hope for unraveling the mysteries of cancer, AIDS, Alzheimer's disease, arthritis, heart and lung diseases, mental illness, and the many other diseases and disorders which claim or severely impair the lives of millions of Americans; and

Whereas the Congress of the United States acknowledges with pride the many accomplishments of America's medical research enterprise and confidently looks to it for continued progress in relieving human suffering and conquering the diseases and disorders that afflict the people of this country: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the day of October 1, 1987, is designated as "National Medical Research Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.●

By Mr. SPECTER (for himself, Mr. ADAMS, Mr. BIDEN, Mr. BRADLEY, Mr. BURDICK, Mr. CHAFEE, Mr. CHILES, Mr. COCHRAN, Mr. DANFORTH, Mr. D'AMATO, Mr. DECONCINI, Mr. DIXON, Mr. DODD, Mr. DOLE, Mr. DURENBERGER, Mr. EVANS, Mr. GARN, Mr. GRAHAM, Mr. GRASSLEY, Mr. GORE, Mr. HECHT, Mr. HEINZ, Mr. INOUYE, Mr. KARNES, Mr. KASTEN, Mr. KENNEDY, Mr. LEVIN, Mr. MATSUNAGA, Mr. MCCAIN, Mr. MCCONNELL, Mr. METZENBAUM, Ms. MIKULSKI, Mr. MITCHELL, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. NICKLES, Mr. PACKWOOD, Mr. PELL, Mr. PROXMIRE, Mr. PRYOR, Mr. REID, Mr. RIEGLE, Mr. ROTH, Mr. ROCKEFELLER, Mr. SANFORD, Mr. STAFFORD, Mr. SARBANES, Mr. SHELBY, Mr. SIMON, Mr. WEICKER, and Mr. WILSON):

S.J. Res. 143. A joint resolution to designate April 1988, as "Fair Housing Month;" to the Committee on the Judiciary.

FAIR HOUSING MONTH

● Mr. SPECTER. Mr. President, today, along with 50 of our colleagues, I am introducing a joint resolution to designate April 1988 as "Fair Housing Month." April 1988 will mark the 20th anniversary of the Congress' historic passage of title VIII of the Civil Rights Act of 1968, which is commonly referred to as the Fair Housing Act.

The Fair Housing Act was passed at a time of great turmoil in our Nation.

We had just experienced the shock of the assassination of Martin Luther King and the ensuing violent expressions of frustration and outrage in our cities. Congress responded to this turmoil by passing landmark legislation, which announced a national policy of nondiscrimination in housing. That policy lives on today.

Since passage of the Fair Housing Act in 1968, there has been an ongoing debate about whether the act's provisions need strengthening and, if so, how best to strengthen them. People of good will have reached different conclusions about how we should strengthen the Fair Housing Act, but no one questions the basic premise that this Nation is, and must remain, committed to fair housing for all of its citizens.

The resolution we are introducing today, in commemorating the historic passage of the Fair Housing Act, reaffirms our commitment to a national policy of fair housing for all Americans.

Mr. President, I ask unanimous consent that the text of the resolution be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 143

Whereas the year 1988 marks the twentieth anniversary of the passage of title VIII of the Civil Rights Act of 1968, commonly referred to as the "Federal Fair Housing Act", declaring a national policy to provide fair housing throughout the United States;

Whereas the Federal Fair Housing Act prohibits discrimination in housing on the basis of race, color, religion, sex, or national origin;

Whereas fairness is the foundation of our way of life and reflects the best of our traditional American values;

Whereas invidious discriminatory housing practices undermine the strength and vitality of America and the American people; and

Whereas in this twentieth year since the passage of the Fair Housing Act, all Americans must work to continue to improve the Fair Housing Act by strengthening enforcement provisions, by extending the protections of the Act to all our citizens, by assuring there are no victims of discriminatory housing practices, and by making the ideal of fair housing a reality: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating April as "Fair Housing Month" and to invite the Governors of the several States, the chief officials of local governments, and the people of the United States to observe the month with appropriate ceremonies and activities.●

By Mr. WIRTH:

S.J. Res. 145. Joint resolution designating the week beginning June 21, 1987, as "National Outward Bound Week;" to the Committee on the Judiciary.

NATIONAL OUTWARD BOUND WEEK

● Mr. WIRTH. Mr. President, today I am pleased to introduce a joint resolution designating the week beginning June 21, 1987, as "National Outward Bound Week." I urge my colleagues to join me in recognizing the contributions of this program to the American people, and to young people in particular, as we celebrate the 25th anniversary of Outward Bound in the United States.

The Outward Bound Program operates schools in 40 countries and had its origin in Britain. I am especially proud to introduce this joint resolution, Mr. President, because the first U.S. Outward Bound School was started in my home State of Colorado 26 years ago. At that time, 10 Coloradans set out to develop an outdoor recreation program that embodied the same principles that make our Nation great—responsibility, leadership and compassion. These Coloradans believed that by participating in demanding outdoor programs, young Americans would learn to persevere and overcome personal challenges.

Twenty-five years ago, the first Outward Bound course was offered to the first Americans to serve as Peace Corps volunteers. Since then, more than 150,000 Americans have experienced Outward Bound, taking courses in sailing, river boating, mountaineering, rock climbing and other programs.

In addition, Outward Bound has expanded to meet the changing demands of our society today. Outward Bound offers corporate development courses to build teamwork among the Nation's future business leaders. Perhaps more than any other aspect of Outward Bound, its scholarship program for less fortunate Americans is especially noteworthy. Forty percent of Outward Bound's students receive financial assistance underwritten by private contributions from some of this country's most outstanding citizens. In partnership with the U.S. Forest Service and the Bureau of Land Management, Outward Bound introduces Americans of all ages, races and backgrounds to the Nation's most spectacular scenery.

Next week 6 Soviet youth and 6 Hungarian youth will join 10 young Americans in the majestic mountains of Colorado to participate in an Outward Bound course of a kind never seen before. While these young people are learning about the outdoors amidst the Rocky Mountains, they will also be sharing their national cultures. When they return to their homes, they will take with them not only an appreciation of the environment, but also a greater understanding of the community of nations.

I can think of no better time to recognize the high ideals and contributions of Outward Bound, and I urge my colleagues to join with me in supporting "National Outward Bound Week."●

By Mr. WIRTH (for himself and Mr. Garn):

S.J. Res. 146. Joint resolution designating January 8, 1988, as "National Skiing Day," to the Committee on the Judiciary.

NATIONAL SKIING DAY

● Mr. WIRTH. Mr. President, today Senator Garn and I are introducing a joint resolution to designate Friday, January 8, 1988, as "National Skiing Day." I am especially pleased to have the distinguished Senator from Utah as the cosponsor of this resolution, since he is an avid skier himself and can attest to the joys of skiing.

My home State of Colorado is well known for its spectacular mountain vistas and world class ski areas. But many people may not know that there are approximately 600 ski areas in 39 States across the country. More than 15 million Americans, from literally every State, are downhill skiers. Another 6 million or more enjoy cross-country, or Nordic, skiing. Just last year, the country's downhill ski areas recorded more than 53 million skier visits.

These statistics show that skiing is one of the Nation's fastest growing participation sports. What those statistics don't reveal is that skiing is a sport that fosters an appreciation of the outdoors and enriches the human spirit. There is nothing more exhilarating on a sunny winter morning than to stand at the top of a mountain for the first run of the day on fresh powder snow.

In addition, skiing is an increasingly important part of the recreation and tourism industry in this country. My State is no exception to that trend. Indeed, skiing is the single largest industry on Colorado's western slope. In that mountainous part of Colorado, skiing accounts for a third of all retail sales, a quarter of all employment, and almost half of the housing construction. Statewide, this industry creates 44,000 full-time jobs, contributes $1.2 billion to Colorado's economy, and produces $132 million in State and local taxes.

Skiing is a great sport, Mr. President, and an important part of my State's economy and the economies of many other States. The joint resolution that Senator Garn and I are introducing today reaffirms the value of this sport. It is my hope that this resolution will encourage more Americans to take part in this sport and to enjoy the great outdoors. "National Skiing Day" will be a fitting recognition of the recreational and economic benefits of skiing, and I urge our colleagues to join me in supporting it.●

By Mr. LEVIN:

S.J. Res. 147. Joint resolution designating the week beginning on the third Sunday of September in 1987 and 1988 as "National Adult Day Care Center Week"; to the Committee on the Judiciary.

NATIONAL ADULT DAY CARE CENTER WEEK

● Mr. LEVIN. Mr. President, today I am introducing a joint resolution to designate the week beginning on the third Sunday of September in 1987 and 1988 as "National Adult Day Care Center Week."

There are more than 1,000 adult day care centers operating in the Nation today. They play an important role in helping to improve the quality of life for many adults who need an alternative to costly full-time medical and institutional care. Professional nurses, dietitians, and therapists offer medical testing and referrals, nutrition education, and physical therapy to the elderly, which reduce the need for long-term hospitalizations or nursing care. Adult day-care centers allow senior citizens to remain in their homes with their families, while at the same time giving them an opportunity to meet with peers and be socially active.

Mr. President, adult day care centers save the Federal Government money by reducing the need for both hospitalizations and full-time nursing care. But more importantly, they allow the elderly to maintain the independence and self-esteem which are often lacking in institutional settings. I urge my colleagues to support this joint resolution, which will draw attention to the services and the potential of adult day-care centers.

I am pleased that Senators BOND, BURDICK, CHILES, DODD, GLENN, HOLLINGS, INOUYE, JOHNSTON, KERRY, LAUTENBERG, METZENBAUM, NUNN, PRYOR, SANFORD, STENNIS, and WILSON, have joined me in cosponsoring National Adult Day Care Center Week.

I ask unanimous consent that the text of the resolution be printed in the RECORD following my statement.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 147

Whereas more than 1200 adult day care centers are in operation nationwide, providing safe and positive environments to functionally disabled adults and senior citizens who are in need of daytime assistance or supervision;

Whereas adult day care centers have comprehensive programs providing a variety of services related to health, including medical therapy, medication monitoring, counseling, and health education;

Whereas adult day care centers are operated by professional staffs which identify individual health needs and give appropriate advice;

Whereas adult day care centers assist functionally disabled adults and senior citizens in maintaining a maximum level of independence;

Whereas adult day care centers provide opportunities for social interaction to individuals who otherwise may be socially isolated; and

Whereas adult day care centers offer relief to families who otherwise must provide constant care to functionally disabled adults and senior citizens, including victims of Alzheimer's disease and other forms of dementia: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on the third Sunday of September in 1987 and 1988 is designated as "National Adult Day Care Center Week". The President is requested to issue a proclamation calling on the people of the United States to observe such week with appropriate ceremonies and activities.●

By Mr. D'AMATO:

S.J. Res. 148. Joint resolution designating the week of September 20, 1987, through September 26, 1987, as "Emergency Medical Services Week"; to the Committee on the Judiciary.

EMERGENCY MEDICAL SERVICES WEEK

● Mr. D'AMATO. Mr. President, I rise today to introduce legislation to designate the week of September 20 through 26, 1987, as "Emergency Medical Services Week."

The field of emergency medical services has experienced significant change during its brief history as a recognized medical specialty. Derived from the battlefield medical procedures used in Korea and Vietnam, a system of emergency medical services [EMS] was formally established in the United States under the Highway Safety Act of 1966.

During the early years of EMS, 50 percent of the Nation's ambulance services were provided by 12,000 morticians, mainly because their vehicles were among the only ones that could accommodate stretchers. Today, however, there are roughly 50,000 ambulances operating throughout the United States. This network of ambulances, combined with the highly advanced communications systems that have emerged since the 1960's, enables today's EMS personnel to handle emergencies far more quickly and efficiently.

From 1965 to 1983, the number of individuals per 100,000 who have died from auto accidents decreased from 25.4 to 19.1; from accidental falls, 10.3 to 5; from fires and burns, 3.8 to 2; from ingestion of foods or objects, 0.8 to 0.6; and from drowning 1.2 to 0.8. These reductions are, in large part, due to vastly improved emergency medical services.

Of course, no one really plans on having a medical emergency; many of us have the attitude that "it can't happen to me." Nevertheless, statistics show that you or someone you know likely will need emergency medical treatment sometime during the next year. When an emergency does arise, providers of emergency health care ensure that we receive the best possible treatment.

Providers of emergency medical services include educators of emergency medical procedures, administrators, physicians, nurses, emergency medical technicians, paramedics, and lay people who have learned CPR and other quick stabilization procedures. In many States, volunteer units, often working out of volunteer fire departments, play a significant role in providing EMS. In some States, nearly 80 percent of emergency medical services are provided by volunteers.

Properly trained and equipped EMS personnel are especially important to our elderly. There is a higher death rate among our elderly as a result of injury than any other age group, and they are less likely to recover completely, or even survive, once injured. Today, elderly Americans—as well as every other American in need of emergency medical care—can be confident that they will receive high quality care because of the advances that have occurred in the field of emergency medicine. This is evidenced by the ability of emergency departments to handle the ever-increasing influx of patients.

The incidence of patient visits to emergency departments across the country has increased dramatically. In 1960, there were 42 million patient visits. By 1977, this figure had grown to 76 million. This year, it is projected that over 85 million patient visits will be recorded in emergency departments throughout the United States.

It is important that we recognize the countless dedicated men and women who provide us with quick, effective emergency medical care. At the same time, we must elevate the public's awareness of what steps to take in the event of an emergency. That is why I am introducing this joint resolution to designate the week beginning September 20, 1987, as "Emergency Medical Services Week." Congressman MANTON has introduced in the House an identical resolution, which already has 173 cosponsors.

I urge my colleagues to consider the importance of this resolution, as it relates to the health and well-being of all Americans. I urge my colleagues to lend their full support to this resolution. I ask unanimous consent that the full text of this legislation be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 148

Whereas the members of emergency medical services teams devote their lives to saving the lives of others;

Whereas emergency medical services teams consist of emergency physicians, nurses, emergency medical technicians, paramedics, educators, and administrators;

Whereas the people of the United States benefit daily from the knowledge and skill of these trained individuals;

Whereas advances in emergency medical care increase the number of lives saved every year;

Whereas the professional organizations of providers of emergency medical services promote research to improve emergency medical care;

Whereas the members of emergency medical services teams work together to improve and adapt their skills as new methods of emergency treatment are redeveloped;

Whereas the members of emergency medical services teams encourage national standardization of training and testing of emergency medical personnel, and reciprocal recognition of training and credentials by the States;

Whereas the designation of "Emergency Medical Services Week" will serve to educate the people of the United States about accident prevention and what to do when confronted with a medical emergency; and

Whereas it is appropriate to recognize the value and the accomplishments of emergency medical services teams by designating "Emergency Medical Services Week": Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 20, 1987, through September 26, 1987, is designated as "Emergency Medical Services Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.●

ADDITIONAL COSPONSORS

S. 314

At the request of Mr. Pressler, the name of the Senator from Kansas [Mr. Dole] was added as a cosponsor of S. 314, a bill to require certain telephones to be hearing aid compatible.

S. 604

At the request of Mr. Pryor, the names of the Senator from Colorado [Mr. Armstrong], the Senator from New Mexico, [Mr. Bingaman], and the Senator from Utah [Mr. Hatch] were added as cosponsors of S. 604, a bill to promote and protect taxpayer rights, and for other purposes.

S. 719

At the request of Mr. Pryor, the names of the Senator from New Mexico [Mr. Bingaman] and the Senator from Virginia [Mr. Trible] were added as cosponsors of S. 719, a bill to amend the Internal Revenue Code of 1986 to provide that certain minimum tax and accounting rules, added by the Tax Reform Act of 1986, applicable to installment obligations shall not apply to obligations arising from sales of property by nondealers.

S. 752

At the request of Mr. Bentsen, the name of the Senator from North Dakota [Mr. Conrad] was added as a cosponsor of S. 752, a bill to establish a National Space Grant College and Fellowship Program.

S. 784

At the request of Mrs. Kassebaum, the names of the Senator from California [Mr. Cranston] and the Senator from Oklahoma [Mr. Boren] were added as cosponsors of S. 784, a bill to provide that receipts and disbursements of the highway trust fund and the airport and airway trust fund shall not be included in the totals of the budget of the U.S. Government as submitted by the President or the congressional budget.

S. 860

At the request of Mr. Boren, the names of the Senator from Alaska [Mr. Stevens] and the Senator from Arizona [Mr. DeConcini] were added as cosponsors of S. 860, a bill to designate "The Stars and Stripes Forever" as the national march of the United States of America.

S. 885

At the request of Mr. Metzenbaum, the name of the Senator from North Dakota [Mr. Conrad] was added as a cosponsor of S. 885, a bill to make available to consumers certain information on the performance records of air carriers operating in the United States.

S. 907

At the request of Mr. Hollings, the name of the Senator from Alabama [Mr. Shelby] was added as a cosponsor of S. 907, a bill to further United States technological leadership by providing for support by the Department of Commerce of cooperative centers for the transfer of research in manufacturing, and for other purposes.

S. 998

At the request of Mr. DeConcini, the name of the Senator from Massachusetts [Mr. Kerry] was added as a cosponsor of S. 998, a bill entitled the Micro Enterprise Loans for the Poor Act.

S. 1203

At the request of Mr. Grassley, the names of the Senator from Kentucky [Mr. McConnell] and the Senator from South Dakota [Mr. Pressler] were added as cosponsors of S. 1203, a bill to amend title 22, United States Code, to make unlawful the establishment or maintenance within the United States of an office of the Palestine Liberation Organization, and for other purposes.

S. 1276

At the request of Mrs. Kassebaum, the name of the Senator from California [Mr. Cranston] was added as a cosponsor of S. 1276, a bill to amend the Federal Aviation Act of 1958 to provide for improved reliability of airline flight schedules, and for other purposes.

SENATE JOINT RESOLUTION 14

At the request of Mr. Helms, the names of the Senator from Mississippi [Mr. Cochran], the Senator from Nebraska [Mr. Karnes], the Senator from South Carolina [Mr. Thurmond], the Senator from Hawaii [Mr. Matsunaga], and the Senator from Indiana [Mr. Quayle] were added as cosponsors of Senate Joint Resolution 14, a joint resolution to designate the third week of June of each year as "National Dairy Goat Awareness Week."

SENATE JOINT RESOLUTION 40

At the request of Mr. Kasten, the names of the Senator from Rhode Island [Mr. Pell], the Senator from Georgia [Mr. Fowler], the Senator from Washington [Mr. Adams], the Senator from Oklahoma [Mr. Nickles], the Senator from Illinois [Mr. Simon], the Senator from New York [Mr. D'Amato], the Senator from California [Mr. Cranston], the Senator from Louisiana [Mr. Johnston], the Senator from Hawaii [Mr. Inouye], and the Senator from Missouri [Mr. Danforth] were added as cosponsors of Senate Joint Resolution 40, a joint resolution to give special recognition to the birth and achievements of Aldo Leopold.

SENATE JOINT RESOLUTION 44

At the request of Mr. Durenberger, the names of the Senator from Virginia [Mr. Warner], the Senator from New Hampshire [Mr. Humphrey], and the Senator from Illinois [Mr. Simon] were added as cosponsors of Senate Joint Resolution 44, a joint resolution to designate November 1987, as "National Diabetes Month."

SENATE JOINT RESOLUTION 110

At the request of Mr. Leahy, the names of the Senator from Oregon [Mr. Hatfield] the Senator from Iowa [Mr. Grassley], the Senator from Maine [Mr. Cohen], the Senator from California [Mr. Wilson], the Senator from Rhode Island [Mr. Chafee], the Senator from Iowa [Mr. Harkin], the Senator from Colorado [Mr. Wirth], and the Senator from Delaware [Mr. Biden] were added as cosponsors of Senate Joint Resolution 110, a joint resolution to designate October 16, 1987, as "World Food Day."

SENATE JOINT RESOLUTION 117

At the request of Mr. Lautenberg, the names of the Senator from New Jersey [Mr. Bradley], the Senator from Minnesota [Mr. Boschwitz], the Senator from Oklahoma [Mr. Boren], the Senator from Arkansas [Mr. Bumpers], the Senator from Rhode Island [Mr. Chafee], the Senator from California [Mr. Cranston], the Senator from Illinois [Mr. Dixon], the Senator from Connecticut [Mr. Dodd], the Senator from Minnesota [Mr. Durenberger], the Senator from Nebraska [Mr. Exon], the Senator from Iowa [Mr. Grassley], the Senator from Tennessee [Mr. Gore], the Senator from Utah [Mr. Hatch], the Senator from Pennsylvania [Mr. Heinz], the Senator from Massachusetts [Mr. Kennedy], the Senator from Indiana [Mr. Lugar], the Senator from Ohio [Mr. Metzenbaum], the Senator from Oklahoma [Mr. Nickles], the Senator from Georgia [Mr. NUNN], the Senator from Indiana [Mr. QUAYLE], the Senator from Delaware [Mr. ROTH], the Senator from Alaska [Mr. STEVENS], the Senator from Virginia [Mr. WARNER], the Senator from Arizona [Mr. MCCAIN], the Senator from Idaho [Mr. MCCLURE], the Senator from Idaho [Mr. SYMMS], the Senator from Montana [Mr. BAUCUS], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Florida [Mr. GRAHAM], and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of Senate Joint Resolution 117, a joint resolution designating July 2, 1987, as "National Literacy Day."

SENATE JOINT RESOLUTION 121

At the request of Mr. TRIBLE, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of Senate Joint Resolution 121, a joint resolution designating August 11, 1987, as "National Neighborhood Crime Watch Day."

SENATE JOINT RESOLUTION 125

At the request of Mr. ROTH, the names of the Senator from Louisiana [Mr. JOHNSTON], the Senator from Massachusetts [Mr. KERRY], the Senator from Alabama [Mr. SHELBY], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Joint Resolution 125, a joint resolution to designate the period commencing on May 9, 1988, and ending on May 15, 1988, as "National Stuttering Awareness Week."

SENATE JOINT RESOLUTION 136

At the request of Mr. HUMPHREY, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of Senate Joint Resolution 136 a joint resolution to designate the week of December 13, 1987, through December 19, 1987, as "National Drunk and Drugged Driving Awareness Week."

SENATE CONCURRENT RESOLUTION 31

At the request of Mr. PRESSLER, the names of the Senator from Nebraska [Mr. KARNES] and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of Senate Congressional Resolution 31, a concurrent resolution commending the Czechoslovak human rights organization Charter 77, on the occasion of the 10th anniversary of its establishment, for its courageous contributions to the achievement of the aims of the Helsinki Final Act.

SENATE CONCURRENT RESOLUTION 43

At the request of Mr. STEVENS, the name of the Senator from West Virgina [Mr. BYRD] was added as a cosponsor of Senate Congressional Resolution 43, a concurrent resolution to encourage State and local governments and local educational agencies to provide quality daily physical education programs for all children from kindergarten through grade 12.

AMENDMENTS SUBMITTED

SUPPLEMENTAL APPROPRIATIONS, FISCAL YEAR 1987

GRAHAM AMENDMENT NO. 249

Mr. GRAHAM proposed an amendment to the bill (H.R. 1827) making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes; as follows:

At the appropriate place, insert the following:

It is the sense of the Senate that such expenditures in H.R. 1827, the supplemental appropriations bill, as finally passed, as exceed the requirements of the Budget Act shall, during this calendar year be offset by rescissions of expenditures, or programs or reductions thereof or by other legislative action sufficient to provide such funds.

MELCHER AMENDMENT NO. 250

Mr. MELCHER (for himself and Mr. PRESSLER) proposed an amendment to the bill H.R. 1827, supra; as follows:

On page 64, between lines 21 and 22, insert the following:

For an additional amount for Home Delivered Nutrition Services under subpart 2 of part C of title III of the Older Americans Act of 1965, not to exceed $1,400,000, to be obligated by September 30, 1987 which shall be derived from unobligated funds appropriated for section 311 of the Older Americans Act of 1965 for fiscal year 1985 or fiscal year 1986, or both.

JOHNSTON (AND STEVENS) AMENDMENT NO. 251

Mr. JOHNSTON (for himself and Mr. STEVENS) proposed an amendment to the bill H.R. 1827, supra; as follows:

At the appropriate place in the bill insert the following new section:

"SEC. . Notwithstanding any other provision of law, payments received hereafter as compensation for damages to the U.S.S. *Stark* and other United States governmental expenses arising from the attack on the U.S.S. *Stark* shall be credited to applicable Department of Defense appropriations or funds available for obligation on the date of receipt of such payments."

TRADE LEGISLATION

HECHT AMENDMENT NO. 252

(Ordered to lie on the table.)

Mr. HECHT submitted an amendment intended to be proposed by him to the bill (S. 490) to authorize negotiations of reciprocal trade agreements, to strengthen United States trade laws, and for other purposes; as follows:

SECTION 1. IMPORT PRICE EVALUATION AND FOREIGN MARKET VALUE ADJUSTMENT FOR PLANNED MARKET ECONOMY COUNTRIES.

(a) IN GENERAL.—Section 773 of the Tariff Act of 1930 (19 U.S.C. 1677b) is amended by adding at the end thereof the following new subsection:

"(d) PLANNED MARKET ECONOMY COUNTRIES.—

"(1) IN GENERAL.—If—

"(A) the merchandise under investigation is exported from a planned market economy country, and

"(B) such country so requests,

the administering authority shall determine the foreign market value of the merchandise on the basis of the actual costs of manufacturing the merchandise in such country during the most recent period for which sufficient information is available, and where the administering authority finds that the price or cost of any component of the merchandise has not been or cannot be determined by market factors in such country, the administering authority shall substitute a representative world price for such component."

"(2) ALTERNATIVE FOREIGN MARKET VALUATION METHOD.—If the administering authority is unable to determine under paragraph (1) the actual foreign market value of the merchandise under investigation or if the foreign country at any time so requests, the administering authority shall determine the foreign market value of the merchandise in a manner consistent with that of nonmarket economy countries as required by subsection (c) of section 773 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1677b."

"(3) COUNTERVAILING DUTY PROVISIONS NOT TO APPLY.—The countervailing duty law, section 303 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1303 (1982), shall apply to any country determined to be a planned market economy country by the administering authority in a manner consistent with that of nonmarket economy countries."

SEC. 2. DEFINITION.

(a) DEFINITIONS.—Section 771 of the Tariff Act of 1930 (19 U.S.C. 1677) is amended by adding at the end thereof the following new paragraph:

"PLANNED MARKET ECONOMY COUNTRY.—

"(i) IN GENERAL.—The term 'planned market economy country' means any foreign country whose government has been determined by the administering authority to have announced and to be implementing economic reforms of a kind that, when fully implemented, will have brought the foreign country to a stage where its cost and pricing structures are primarily influenced by market principles so that sales of merchandise in such country will reflect the fair value of the merchandise."

"(ii) OTHER FACTORS TO BE CONSIDERED.—In making the determinations under clause (i), the administering authority shall take into account the extent to which the foreign country—

"(I) is opening its domestic markets to goods produced, services provided, and joint ventures and other investments by firms and individuals of the United States,

"(II) is providing copyright and patent protection to intellectual property of firms and individuals of the United States, and

"(III) has committed to and is moving toward fulfilling the principles of the General Agreement on Tariffs and Trade."

Mr. HECHT. Mr. President, our trade with China is in jeopardy because of a paradox. I intend to offer an amendment to the trade bill to improve upon the work of the Finance Committee which did not have time to deal in detail with an issue that is vital to our overall strategic relationship with China.

Beginning with President Nixon's historic initative in 1972, our relationship with China has changed the world balance of power. In the 15 years since the Nixon visit to Beijing, President Ford, Carter, and Reagan have further developed a broad range of ties between China and the United States. This fact has been harshly criticized by the Soviet Union. Hundreds of Soviet press articles have accused us of "playing the China card" against the Soviet Union. Of course, this is a false accusation. Four American Presidents have supported a strong, stable and prosperous China. There is broad public support for China's independence from any threat that may come from the Soviet Union.

A vital part of China's independence has been the decision to depart from the Soviet model of rigid, centralized economic decisionmaking. Chinese economic reforms have surprised the world—as illustrated by three appearances of Deng Xiao-ping on the cover of time magazine in the past 3 years.

But the West has done very little to encourage these Chinese reforms. Today, China is implementing market reforms, opening its economy to American products and joint ventures, with American firms, accepting the principles of GATT, and implementing rules to protect intellectual property.

Yet, we continue to treat Chinese imports to the United States in the same way as imports from the Soviet Union and the Warsaw Pact nations. President Carter shifted China's status with regard to export controls so that China may import more sophisticated American technology than the Soviet Union and its allies. President Reagan has gone further and approved the sale of American military technology to China that would never be approved for the Soviet Union and Eastern Europe. Yet these policy changes in export controls have not been matched in the area of import policy.

The amendment I will offer to the trade bill brings our import toward China up to speed with our export control policy.

My amendment builds on the work of my friend Senator JOHN HEINZ who had sought for several years to provide fair treatment to the products of so-called "nonmarket economies" by providing a benchmark price by which to judge whether or not such nations are dumping their products in the United States. The Finance Committee has adopted the approach of Senator HEINZ which is a major step forward.

The current language, however, continues to discriminate against China. Specifically, it provides no incentive to China to continue its economic reforms. Rather, the Finance Committee language lumps China together with the world's other Communist nations. It reverses the policy initiatives of Presidents Nixon, Ford, Carter and Reagan that have sought to encourage an independent and prosperous China that is not aligned with Moscow and the Warsaw Pact nations.

A rather simple change in our trade law will provide fair treatment for China—or any nation that moves as far as China has done away from the Soviet model of rigid, dogmatic economic controls. This simple change is to give China the opportunity to present evidence to the Commerce Department that Chinese products sold in America are priced according to real costs in China. Today, China can not present its case. Any protectionist who wishes to block Chinese imports need only file an antidumping law suit and show that Chinese goods are priced cheaply. Ridiculous as it may sound, these law suits are proceeding at a pace that will ultimately choke off all Chinese exports to the United States! The only exception will be textiles because textile imports are handled in bilateral agreements.

Put yourself in the place of the Chinese leaders for a moment. What is the apparent message the United States is sending to China? First, the United States wants China to become strong and independent of the Soviet empire. Second, the United States wants China to reduce its textile exports and buy more American products as well. Third, Chinese economic reforms should continue. But, finally, a complete contradiction of the first three messages emerges in United States trade law: Chinese products will be treated the same as Soviet products and all Chinese products except textiles will be blocked by antidumping law suits.

Can you imagine the confusion in Beijing?

I think that confusion explains Chinese Ambassador Han Xu's recent letter to Congress and his recent comment to the press when he said, "If we can't sell, how can we buy?"

Mr. President, I will have more to say about my amendment in a few days. I am exploring with other Senators the prospects for forming a China trade caucus to study all the problems of United States trade with China including the competitiveness of American corporations in China with respect to our Japanese and European firms. I think the time has come for a complete review of the legislative framework of our trade with China. A China trade caucus would have to cut across the jurisdictions of many committees—trade law under the Finance Committee, banking matters under the Banking Committee, nuclear reactor sales under the Energy Committee, the aid trade development program funds under the Foreign Relations Committee, the performance of our foreign commercial service officers in China under the Commerce Committee, and even sensitive military technology exports under the Armed Services Committee.

A number of Senators of both parties seem interested in the concept of a China trade caucus, Mr. President. I will have more to say on this as the caucus develops a schedule for hearings and an outline of issues to be addressed.

Today, Mr. President, I ask that a section-by-section analysis of the amendment and various supporting letters and articles be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PROPOSED SECTION-BY-SECTION ANALYSIS OF FLOOR AMENDMENT TO OMNIBUS TRADE LAW OF 1987

SECTION 1.—FOREIGN MARKET VALUE DETERMINATION FOR PLANNED MARKET ECONOMY COUNTRIES

This section would amend section 773 of the Act by adding a new subsection entitled "Planned Market Economy Countries." Current law and S. 490 as currently drafted recognize only two categories of economies under the antidumping and countervailing duty laws, "market" and "nonmarket" economies. Paragraph (1) of this section recognizes that certain nations, while not yet sufficiently market driven to be called market economies, have instituted economic reforms such that they no longer accurately can be described as nonmarket economies either. Such nations that are implementing market-based economic reforms, are opening their domestic markets to U.S. goods and services, are developing laws that provide intellectual property protection and are in the process of becoming contracting parties to the General Agreement on Tariffs and Trade (GATT) would meet the section (2) definition of "planned market economy" and could request to prove to the International Trade Administration that the price or cost of the import or components of the import being investigated in any antidumping proceeding were established by market factors.

The International Trade Administration would be required to substitute a "representative world price" with respect to any component that was not based upon market factors or excluded so that the total value of the import would fairly account for all production factors. In this way the planned market economy country would be treated under United States law as a market economy to the extent it could prove that the prices of its products were market derived, and as a nonmarket economy to the extent that it could not make that proof or chose not to attempt it. This section serves as a means to determine foreign market value in a manner that recognizes any fair market-based competitive advantage of any planned market economy country import to the extent, and only to the extent, that such advantage can be demonstrated.

If a planned market economy determines that it cannot fulfill the burden of demonstrating that costs and prices of components of the import were market-based, or the ITA determines that China has not met the burden required, paragraph (2) of this section establishes the alternative method for planned market economy countries by making reference to the method established in S. 490 as reported out of the Senate Finance Committee.

Paragraph (3) of this section codifies the effect of the recent decision of the Court of Appeals for the Federal Circuit in *Georgetown Steel Corp.* v. *United States*, 801 F.2d 1308 (Fed. Cir. 1986) by stating that the countervailing duty law does not apply to planned market economy countries. This is appropriate as the planned market economy methodology provides a complete unfair trade remedy to U.S. industry that measures and accounts for subsidies if any are found.

SECTION 2.—DEFINITIONS

Subparagraph (B) of this section defines "planned market economy country" as a nation implementing economic reforms that would eventually enable the foreign country to operate on market principles. Other factors to be considered before a nation could qualify would be the extent to which the nation (i) afforded market access to U.S. goods and services; (ii) provided patent and copyright protection; and (iii) was moving toward fulfilling GATT principles. It is contemplated that only NME countries would be evaluated for purposes of determining whether they qualify for the planned market economy definition. It should be noted that there is nothing in the proposed definition that operates to systematically prevent any NME from meeting the requirements of a planned market economy, and perhaps Hungary in addition to China would also qualify for PME treatment. Rhetoric unaccompanied by meaningful implementation, however, would not satisfy the definitional requirements for a nation to be classified as a planned market economy country. If countries such as the USSR, Rumania, Poland or Czechoslovakia, were to actually open their markets to U.S. goods and services and implement other economic reforms of the type already in effect in China and Hungary, the United States should welcome that development and recognize that they may at some point qualify under this definition.

THE EMBASSY OF THE PEOPLE'S
REPUBLIC OF CHINA,
Washington, DC, May 4, 1987.

Last September, I wrote you a letter expressing my Government's concern with the U.S. trade legislation affecting our bilateral trade. Today there are more pressing reasons that I emphasize this concern and weigh with you the opportunities as well as imminent dangers.

China is working diligently to further open its markets, particularly since it has suffered enough from closedness. It is not easy for a country like ours to have opened so much to the outside world in less than ten years. China continues to implement in a deep-going way the policies of reforms and opening to outside world while invigorating the domestic economy. Since our two nations established diplomatic relations, two-way trade has grown steadily, from $2.5 billion in 1979 to $7.3 billion last year. In the last eight years, according to Chinese statistics, China has imported $31.4 billion from and exported $14 billion of goods to the U.S. During the same period, China has created a favorable and improving investment climate and contracted about $2.7 billion of U.S. investment. However, the potential for accelerating such greater two-way trade and investment flow is threatened by certain proposed trade legislation. It must be pointed out that any U.S. legislation discrimination against China would harm the interest of both nations and would lead to China's corresponding reaction.

Of all the dangers such as I cited in my previous letter, I would like to single out the antidumping law as being applied to China and the proposed amendment concerning the "non-market economies" in S. 490. The amendment would use the average price of the market economy with the largest volume of exports to the U.S. as the benchmark for determining NME dumping. That is to say if China were to sell cameras or perfume to the U.S., it would have to sell at or above the price of, for example, Canon or Chanel. I believe no one would want to stop trade between our two nations. But this provision could do virtually that.

The Administration has proposed to use the lowest average import price from a market economy as the benchmark. But this approach is also arbitrary and does not allow China to enjoy any competitive advantage it may have as the lowest cost producer in certain cases. I understand that some private U.S. interests have suggested alternative approaches. One approach is to stop treating China as a pure NME and give it a chance to try to prove that it has a fair cost advantage.

Another proposal by a private U.S. interest would also reduce the unfairness of the current law or of the proposed S. 490 amendment. It suggests that in the event that the Department of Commerce insists on using the price of a surrogate country whose per capita GNP is much higher than China's, then the "fair value" should be adjusted to reflect such a difference.

We believe that changes in U.S. trade laws and policies concerning China should reflect price reforms and other economic structural changes taking place in China rather than ignore or discourage them. The U.S. antidumping law, I was told, was designed to prevent artificial pricing. If this is true, then the artificial benchmark approach would do exactly the opposite because it would force China to price its exports artificially in order to avoid an antidumping petition. This is especially detrimental to our efforts to deregulate our price system as we move closer to resumption of our GATT seat.

Since 1979, China has confronted with 15 antidumping cases. Apart from the economic losses, this has a very chilling psychological effect on both potential U.S. importers and potential Chinese exporters of other Chinese products.

Regarding the attempts to apply countervailing duty law to China without an injury test or continue to subject China to Section 406 discriminatory measures, I believe China would not suffer alone. American consumers would be deprived of the access to competitively-priced, low-cost Chinese goods and U.S. exporters would find their Chinese customers' purchasing power clipped.

We highly value long-term relationship based on the principle of mutual benefit. The recent Steel Voluntary Restraint Agreement we signed with the U.S. despite that we have only achieved a very limited market share illustrates our willingness to cooperate and share difficulties of our trade partners. China does not seek for special access to U.S. market. What it wishes is nothing more than fair, nondiscriminatory treatment and the chance to prove its ability to compete fairly in world market.

I appreciate your keen interest in improving China-U.S. friendship and business ties and sincerely hope that you will do whatever is in your power to hold back any legislation detrimental to our bilateral economic and trade relations.

With best regards.

Sincerely yours,

HAN XU,
Ambassador.

COMMITTEE FOR FAIR
TRADE WITH CHINA,
April 9, 1987.

WILLIAM J. WILKINS,
Staff Director and Chief Counsel, Senate Committee on Finance, Dirksen Senate Office Building, Washington, DC.

DEAR MR. WILKINS: Enclosed are five copies of our comments regarding the legislative proposals to amend the U.S Trade laws concerning the application of the antidumping and countervailing duty laws to non-market economy countries.

Five copies of our comments have also been provided to Mary McAuliffe, Minority Chief Counsel of the Committee.

In the event that hearings are held regarding these matters, we respectfully request the opportunity to be heard.

Very truly yours,

EDWARD W. FURIA,
Managing Director.
ELLIOT L. RICHARDSON,
Special Counsel.

COMMITTEE FOR FAIR TRADE WITH CHINA—SUMMARY OF COMMENTS ON OMNIBUS TRADE ACT OF 1987, APRIL 10, 1987

The current surrogate nation approach to dealing with NME dumping has been criticized by foreign exporters, U.S. importers and domestic industry alike. But thus far the various proposed import price benchmark approaches have also lacked bipartican or international support. It is argued that the lowest import price approach would allow less efficient NME's to export to the U.S. market goods priced as low as the most efficient market economy producer, thereby giving the NME's an unfair advantage. On the other hand, China argues—we believe correctly—that the lowest import price approach would prevent its enterprises from ever being able to undersell competitors in the U.S. market even if they were the lowest cost producers and had fairly priced their goods. The S. 490 "average price from the largest volume producers" approach would produce an even more unfair result for a nation such as China.

The ability of American corporations to sell products and services in China is directly related to: (i) the extent to which they are given fair access to China's markets; and (ii) China's ability, through the sale of its products at fair prices to U.S. markets, to obtain hard currency with which it can purchase such goods and services from American companies. The business climate in China has vastly improved since 1979 as a result of China's economic reforms. In both the rural and urban economies, market forces are carefully and gradually coming into play. These changes already justify distinguishing the treatment accorded to China from that given to the eastern bloc where market forces play little, if any, role; yet under our laws China is still rigidly labeled—along with the USSR, Cuba, North Korea, etc.—as a nonmarket economy country. As a result, even when China has an actual competitive advantage, as soon as it achieves substantial penetration of the U.S. marketplace it is hit with a dumping margin based on an artificial benchmark and deprived of that competitive advantage. Simply put, the treatment China currently encounters under the U.S. trade laws is unfair and should be changed.

The antidumping law should be amended to create a new category of countries in between market and nonmarket economy called "planned market economies." To be classified as a "planned market economy" a nation would have to be implementing economic reforms that would eventually enable the foreign country to operate on market principles. Other factors to be considered before a nation could qualify for PME category treatment would be the extent to which the nation (i) afforded market access to U.S. goods and services; (ii) provided patent and copyright protection; and (iii) was moving toward fulfulling GATT principles. If U.S. law were amended to create a "planned market economy" category of countries, China would have an opportunity in an antidumping action to show that its cost of production were equal to or less than the price charged for those goods in the U.S. If China failed to make that proof or elected not to do so, the nonmarket economy benchmark price would apply. The effects of such an amendment would be several: (i) China would be treated fairly under the U.S. AD/CVD laws; (ii) U.S. companies would be afforded increased access to China's markets and fair treatment in other aspects of trade; (iii) the U.S. trade laws would reinforce the GATT resumption process in which China is engaged; and (iv) the amendment would provide a pragmatic (i.e. nonideological) reason for China's economic reforms to continue.

We have found no one in the public or private sector who feels that the current AD/CVD laws, as they apply to nonmarket economy countries, are workable, predictable or fair. The current proposed amendments to the law pose their own problems with respect to administrability, and they are not fair to China. We respectfully submit that, without a change in the law such as we propose today, which would recognize the significant economic reforms in China and provide access for Chinese goods on a fair basis to U.S. markets, it is futile for American businessmen to argue for increased fair access to China's markets or to expect that China can earn the hard currency with which to buy American goods and services.

COMMENTS ON S. 490 ANTIDUMPING AND COUNTERVAILING DUTY PROVISIONS

Background and introduction

The current surrogate nation approach to dealing with NME dumping has been criticized by foreign exporters, U.S. importers and domestic industry alike. But thus far the various proposed import price benchmark approaches have also lacked bipartisan or international support. It is argued that the lowest import price benchmark approach would allow less efficient NME's to export to the U.S. market goods priced as low as the most efficient market economy producer, thereby giving the NME's an unfair advantage. On the other hand, China argues—we believe correctly—that the lowest import price benchmark approach would prevent its enterprises from ever being able to undersell competitors in the U.S. market even if they were the lowest cost producers and had fairly priced their goods. The S. 490 "average price from the largest volume producer" approach would produce an even more unfair result for a nation such as China.

The following simplified illustration shows how current law, the Administration approach and the Heinz approach in S. 490 would work in practice for a nation such as China:

Assume that color televisions with certain features are selling in the United States for $500. Further assume that comparable Japanese televisions have been selling in the U.S. for $450, that Korean televisions—the only other comparable televisions sold in the U.S.—were priced at $350, and that a Chinese factory wanted to enter the American market with a comparable color television which it could *fairly* price at $250 and still make a modest profit. If a dumping case were filed against the Chinese the various proposals would work as follows:

(1) Current law (*surrogate approach*)—Korean would be picked as the surrogate nation since in this case it would be the market economy producer whose economy most closely resembled China's. To avoid a dumping margin, the Chinese would have to sell their televisions for $350. American consumers, who would have at least some familiarity with Korean TV's but who would have no recognition of or loyalty to the new Chinese entry would buy the Korean brand (if price was their main concern) or one of the Japanese or American sets (if price was less important to them).

(2) Administration (*lowest import price*)—Again Korea would be chosen as the lowest import price producer. Chinese sets would have to be priced at $350 to avoid the dumping penalty. Again, Chinese sets would be passed over for the more well known—and identically priced—brand from Korea or the best known and higher quality brands from Japanese or U.S. producers.

(3) S. 490—Sen. Heinz (*average price from the largest volume producer*)—Japan would be chosen as the largest volume producer and the Chinese would have to price their sets at $450 to avoid the dumping margin. Again the American consumer would buy the Korean set if price is his main interest, the Japanese or American sets if quality and brand reputation were the criteria, and *the Chinese entrant—unknown and priced at $450—would not even be seriously considered.*

We wish to offer a proposal to amend the laws which we believe will both correct the longstanding problem of the application of the antidumping and countervailing duty laws to nonmarket economy countries, as well as lay a foundation for fair and greater two-way trade with emerging market economy countries in general and the People's Republic of China in particular. We believe the AD/CVD laws can be amended in such a way to treat a nation such as China fairly and encourage her to continue along the historic path of economic reform that her leaders have chosen, while at the same time properly safeguarding U.S. producer and consumer interests.

THE PLANNED MARKET ECONOMY PROPOSAL TO AMEND THE U.S. TRADE LAWS

We propose that the antidumping law should be amended to create a new category of countries in between market and nonmarket economy called "planned market economies." To be classified as a "planned market economy" nation (PME) a nation would have to be implementing economic reforms that would eventually enable the foreign country to operate on market principles. Other factors to be considered before a nation could qualify for PME category treatment would be the extent to which the nation (i) afforded market access to U.S. goods and services; (ii) provided patent and copyright protection; and (iii) was moving toward fulfilling GATT principles.

Under the proposed amendment, the "actual foreign value" of any export from a PME country to the United States for purposes of dumping margin calculations would be determined by examining actual costs of production of the export in that country. Where the International Trade Administration (ITA) of the Department of Commerce finds that any component of production was not included in calculating the domestic costs of the export or was not determined by market means, adjustment for that component's price would be substituted or added to the price based upon world market prices (or, for example, the lowest import price) for the component.

If this system were unable to produce an "actual foreign value," an "imputed foreign value" would be determined. The "imputed foreign value" would be the average arms length sales prices of comparable merchandise (adjusted for quality, terms of sales and similar items) sold in the United States by the lowest price market economy country importer of the comparable merchandise. This is the benchmark test for measuring NME imports in dumping proceedings that has been proposed by the Administration. It is a better and fairer benchmark than the use of surrogate countries. In the event that the Congress adopted the Heinz proposal for NME's instead of the Administration approach, the imputed foreign value would be based on the "average price from the largest volume producer."

In a case where the respondent qualifies as a PME and can prove that all cost components of its export are market driven, the CVD law would not need to be applicable since, by definition, no component would be subsidized. In a case where one or more components were subsidized, a world market price—lowest import price or average import price could also be used—for that component would be substituted so that the final price of the PME product would reflect the fair value and full cost of all inputs. In a case where the PME fails to make the proof required or opts not to try, the NME benchmark would apply, and should Senator Glenn's proposal to make the CVD law applicable to NME's be adopted, we would urge that this proposal be modified so that the injury test would be applicable in all NME and PME countervailing duty cases. If the injury test were not to be applicable in such cases—in other words if countervailing duties were levied even though no American company were harmed by an import—it would be the American consumer who would suffer injury.

Discussion of proposal

The fundamental problem faced by China with respect to U.S. trade law is that under current law nations can only be classified under the antidumping and countervailing duty laws in one of two ways: either as market economies or as nonmarket economies. To date, the Commerce Department has adopted the position that China's economy more closely resembles a nonmarket economy than a market economy and has classified China as such.

In 1978 China began to institute extraordinary economic reforms in the countryside, allowing market forces to substantially affect the agricultural economy; since then there has been a doubling of the incomes of China's 800 million peasants. In the last few years China has begun the process of carefully and gradually implementing equally remarkable reforms in the cities: decentralizing industrial management, opening enterprises to the risk of failure and bankruptcy under a trial law, making the employment of newly-hired workers subject to a contract under which they can be fired, and allowing firms to retain foreign exchange earnings through the sale of securities to the public. China can therefore no longer be rigidly described as a pure "nonmarket economy." Simply put, steps are carefully being taken through both rural and economic reform to gradually introduce market-oriented prices in the place of artificially controlled prices. These changes already justify distinguishing the treatment accorded China under U.S. trade laws from that given to the Eastern bloc, where market forces play little, if any, role; yet under our laws, China is still rigidly labeled—along with the USSR, Cuba, North Korea, etc.—a nonmarket economy country. As a result, even when China has an actual competitive advantage and has fairly priced its exports, as soon as it achieves substantial penetration of the U.S. marketplace it is hit with a dumping margin based on an artificial benchmark and deprived of that competitive advantage. Simply put, the treatment China currently encounters under the U.S. trade laws is unfair and should be changed.

While the proposed PME amendment to the AD/CVD laws would give countries in this new category the opportunity to justify their domestic prices, it would not compel acceptance of their domestic prices. If, therefore, it should prove impossible to obtain cost data of sufficient accuracy and quality in any antidumping case, the "lowest import price from a market economy importer" or the "average price from the largest volume producer" alternative (i.e. the benchmark used for NME's) would be used instead to determine dumping margins.

If the PME amendment becomes law, it is to be expected that until China puts into place adequate cost accounting systems, it will in some cases have difficulty in assembling the necessary cost data for products which are the subject of antidumping cases. To help design and install the commonly accepted cost-accounting methods needed for this purpose, it has been suggested that China seek the help of one of the leading American accounting firms. There is further incentive and reward to China in instituting such realistic accounting; the process will almost certainly provide Chinese managers with a much better picture of commercial efficiency and profitability than current methods.

This proposal could also have the added benefit of simplifying the administration of the trade laws as they apply to planned market economy countries. Under existing law, as well as under the alternatives being considered, the ITA is required to consider domestic manufacturing costs whenever a respondent seeks to show that its particular sector of a nonmarket economy is market-driven. The ITA's task in such a case is essentially the same as that required by our proposed amendment. Under the amendment, however, administration would be simplified by being made subject to clear and well understood procedures. This would result from the issuance of regulations setting out the guidelines and standards of proof that the ITA would employ to determine domestic costs under this amendment. The amendment, therefore, would actually be more predictable and workable than current law or the alternatives.

Benefits of the planned market economy proposal

Enacting an amendment creating this new category of nations under the U.S. trade laws would make possible several positive outcomes:

1. It would eliminate the valid criticism of China that our AD/CVD law treats it unfairly.

The PME amendment would give China the opportunity for its enterprises to be treated like those in a market economy to the extent that those enterprises are market driven and no further. China would be given the chance to enjoy any real and fair competitive advantage in the marketplace it truly enjoyed provided it can prove it has that advantage. The PME approach, which can be combined with any of the benchmarks and/or a section 406 injury-only approach, would be considered fair—indeed China has endorsed the PME amendment and communicated its support to the Reagan Administration—because it gives a nation which has announced and is instituting market-oriented economic reforms the opportunity to prove that their exports are fairly priced before they are hit with a dumping margin based on an artificial benchmark.

2. The door would be opened for fair treatment for U.S. enterprises in China.

We refer here not only to the market access, intellectual property and GATT principles points mentioned earlier herein, but also to the fact that, once our laws are made fair to China, Administration negotiators will be able to negotiate more forcefully and effectively with ther Chinese counterparts in all bilateral and multilateral fora. In addition the ability of American corporations to sell their products and services to China is directly related to China's ability through the sale of its products at fair prices to U.S. markets, to obtain hard currency with which it can purchase such goods and services from American companies.

3. The U.S. trade law would reinforce the GATT resumption process for China (and not contradict it).

The same basic and central reform at the heart of the proof necessary for China to enjoy the benefit of "planned market economy" treatment is at the heart of the reforms necessary for China to resume its seat in the GATT—viz., market pricing. Ironically, if an artificial benchmark—any artificial benchmark—is adopted (without a PME-type provision), in order for Chinese enterprises to avoid being the subject of antidumping cases they must set prices at the benchmark level set for NME's. Simply stated, any of the benchmark approaches—used alone—encourage central government control of prices, not the price decontrol required of GATT contracting parties.

4. Lastly, the PME amendment would provide pragmatic i.e., nonideological, encouragement to China to continue its course of economic reform and decentralization.

Recent continuing reports out of China convince us that the potential impact of the PME amendment on China's reforms (and perhaps on reforms in the eastern bloc as well) is reason enough to do it.

Concerns and Responses

Thus far in the effort to seek support for the PME amendment in the Administration and the Congress, four basic concerns have been voiced. These concerns—and our responses—are as follows:

1. The PME amendment if adopted, would be impossible to administer.

The ITA has voiced this concern because the amendment provides that the ITA would substitute world market prices (or lowest or average import prices) for those cost components of goods from a PME nation which have not been proven to be market-driven or which were subsidized. An expert practitioner in the NME trade law area, former ITA Administrator Gary Horlick, testifying before the Trade Subcommittee of the House Ways and Means Committee, supported the PME amendment and has stated that it would be as administrable as current law or any proposal based on a price benchmark. Under current law (and the proposed alternatives) whenever an NME requests market treatment for a sector which it alleges is market-driven, the exercise required by the ITA entails the same investigation and examination of production methods and costs and domestic prices, but in that exercise the ITA does not have the benefit of guidelines and regulations which it could promulgate to implement a PME-type amdendment. PME regulations, for example, could include guidelines spelling out the standards of proof which a respondent nation must meet to justify costs, thereby encouraging the introduction of western style cost accounting procedures. The regulations might also specify a minimum number of cost components that would have to be market-driven in order to qualify for PME treatment. The PME amendment essentially entails having the ITA apply market economy tests to those cost components that are market-driven and the NME test to those that are not or are subsidized.

2. The PME amendment would be "bad trade law" because it is discretionary and the antidumping law should be non-discretionary and essentially nonpolitical.

The PME amendment would be no more or less discretionary and political than current law or the proposed price benchmark alternatives. The process has been 'political' since the creation of the NME distinction and the PME approach does nothing to add to or subtract from that fact. Under all of the approaches the first step the executive branch must take is to decide whether a nation fits into the market or nonmarket category of countries. The fact that this process necessarily entails the exercise of discretion is demonstrated by its results to date: Brazil is considered a market economy, right along with the UK, Japan and our European allies; China and Hungary, on the other hand, are still thrown in with the straight-jacket economies of Czechoslovakia and Cuba. In other words, it is the process of categorizing nations before one applies the antidumping test that involves the exercise of discretion—and more than a little bit of politics and policy. Once the category is chosen the process becomes one of fact-finding and is entirely nondiscretionary—this remains true for the PME approach as well.

During the process of deciding whether a nation can fit into the PME category by taking into account the extent to which a nation is providing market access and intellectual property protection to U.S. producers and is embracing principles of the GATT, the PME amendment would be doing nothing more than providing a framework for the exercise of executive discretion and putting nations who would wish to obtain PME treatment on notice that trade between themselves and the United States has to be fair and has to be a two-way street.

The fact that the PME category might also have the effect of encouraging a nation to institute market reforms or continue down a path toward market pricing does not make it discretionary and political or "bad trade law."

3. The PME amendment could unrealistically raise expectations of NME's, including China.

We are sure that, in the case of China, whose embassy and MOFERT have been exposed to the PME concept since the spring of 1986, there are no false expectations of the PME amendment providing a "free ride" or a license for Chinese enterprises to dump their products in the U.S. marketplace. On the contrary, it has been made clear in numerous communications here and in Beijing that merely to begin to take advantage of the PME amendment, Chinese enterprises will have to implement accurate and effective cost accounting in order to make the difficult proof required by the amendment. Attached to these comments is draft report language which would make clear to nations who would expect to obtain PME treatment that they must prove not merely assert that their industries are market driven.

4. The PME amendment would actually result in higher dumping margins for a nation like China.

The PME amendment could not result in higher margins than those applicable under the NME benchmark because the respondent can simply not attempt to prove its prices were market derived and the NME benchmark would apply or request that the NME approach apply after failing to meet the required proof.

[From the National Journal magazine, May 2, 1987]

TRADE MOVES CHINA OFF THE SIDELINES

(By Bruce Stokes)

"If we cannot sell our goods, how can we buy?" asked Han Xu, the ambassador of the People's Republic of China. "If we can sell more, then we can buy more."

The ambassador's statement, in a rare interview, was not meant to be taken lightly. It is part of a concerted effort by the Chinese to send a message to the Reagan Administration and to Congress about their growing concern that trade legislation now pending in the Senate—especially proposed reforms of the U.S. antidumping statute—will cripple Chinese exports to the United States and imperil the sale of U.S. goods to China.

The Chinese want the opportunity to prove that because of the liberalization of their economy in recent years, the prices of some of their exports are set by market forces and thus not subject to the arbitrary pricing test now required of nonmarket economies when they are charged with dumping, that is, selling below the fair market value. Such a change could, they think, significantly increase their exports to the United States.

The Chinese are unlikely to get what they want. Neither Congress nor the Administration appears willing to convey a special benefit on China in the context of a tough new trade bill that effectively withdraws benefits from other trading partners.

Nevertheless, some rewriting of U.S. dumping laws seems likely this year, given the widespread dissatisfaction on Capitol Hill and among trade experts with the current procedure. The reforms are likely to make it more difficult for the Chinese to sell in the American market, not easier. Given the importance the Chinese place on this issue, this may not bode well for Sino-American trade, which totaled $7.8 billion in 1986.

In recent years, while many of America's trading partners have increased their efforts to influence U.S. trade legislation, China has generally abstained. But this year, the Chinese embassy has broken with precedent. In March, Huang Wen-jun, China's commercial minister-counselor in Washington, called William B. Abnett, director of Chinese affairs in the Office of the U.S. Trade Representative, to express his government's support for a proposal by the Committee for Fair Trade with China to treat China under the antidumping law as neither a market economy nor a nonmarket economy, but as a new hybrid, a planned market economy.

With no indication of a favorable Administration response, the embassy is upping the ante. In early May, Members of Congress and key Cabinet officers were due to receive letters outlining China's concerns with the trade bill. This would be only the third time China has ever written such a letter.

Under current U.S. law, if an American manufacturer thinks an imported product is being dumped, it can ask for a Commerce Department investigation. That inquiry looks at the foreign producer's costs or prices, and if those indicate the good is being sold below that value, the U.S. government can apply a duty to increase the import's price to bring it into line with its production costs.

This can be tricky because the costs to a producer in a nonmarket economy are often set by the government, not by market forces. To get around this complication, the Commerce Department attempts to determine a fair price in dumping cases involving nonmarket economies by looking at the prices or costs of inputs for a similar product made in a comparable market economy.

"There is a consensus that [this] does not work," said Gary N. Horlick, a partner in the Washington office of the Los Angeles law firm of O'Melveny & Myers, who implemented the antidumping law as deputy assistant Commerce secretary for import administration in 1981-83. It's difficult to obtain the necessary information, he said. It's nearly impossible to compare prices in market and nonmarket economies. And the whole process is unpredictable.

Both the Administration and congressional critics of the antidumping statute agree. To remedy the situation, they suggest a new, more transparent pricing standard.

The Administration proposes that nonmarket producers accused of dumping be assumed to have costs equal to the lowest average price of a comparable import from a market economy. At one point, this approach was included in the House Ways and Means Committee's markup of its trade bill (HR 3) but was eventually dropped by the committee.

Sen. John Heinz, R-Pa., proposes that the benchmark be the average price of similar goods from the market economy with the largest share of the U.S. market. The Heinz approach is currently embodied in the principal Senate trade bill (S 490). "People are satisfied with neither alternative," said a Senate staff aide. "But whenever the Administration and Heinz can agree on something [the need for setting a new price standard], people think they had better go along."

The Chinese contend that both current law and the proposed reforms are unfair to them and to American consumers. Their present classification as a nonmarket economy exposes them, they say, to an inordinate number of dumping suits—15 since 1980, 6 in 1985 alone—that have a chilling effect on trade.

"Under existing law, it is impossible for China to achieve market penetration without being hit by a dumping suit that will nullify their efforts," said Elliot L. Richardson, a partner in the Washington office of the New York law firm of Milbank, Tweed, Hadley & McCloy and special counsel to the Fair Trade committee.

This is particularly frustrating to the Chinese, acknowledges a U.S. trade official. "We told the Chinese to get out of textiles because they were too [politically] sensitive," he said, "but when they do [start shipping other things], we slap them with antidumping cases."

Moreover, "the effect of the dumping charges against China has been an increase in centralized control over pricing [to avoid dumping duties]," said Gary S. Marx, a counsel to Dutko & Associates, a Washington lobbying firm that represents H.C. International Trade Inc., which imports nails from China.

While China admits it is not a market economy, it is also no longer a nonmarket economy, contended Edward W. Furia, a consultant who is the prime mover behind the planned market economy proposal. "It's only fair [in dumping cases] to give them the chance to prove that the prices of some of their exports are market driven," he said. Where they cannot make that proof, the higher price standard inherent in the Administration or Heinz proposal or in current law would apply. This approach is not embodied in any legislative proposal, but it does have Chinese blessing as better than the other alternatives.

The Administration contends that this proposal would be an administrative nightmare. In addition, "it's a blatant fix for a single country," said a Senate staff aide who supports the Heinz approach. Moreover, he said, the Chinese "are tremendously exaggerating the potential impact of continuation of the current law or the passage of the current law or the passage of the proposed reforms." He points out that textiles—China's largest export to the United States—are exempt from dumping laws and that recent dumping cases have involved a small portion of U.S.-China trade.

Horlick, who does not present the Chinese in this matter, disagrees. He says that from his experience, the planned market economy approach would be no more difficult to administer than current law and "would encourage the 'marketization' of nonmarket economies."

China's last-minute lobbying may be of no avail, however. The Senate Finance Committee is likely to endorse the Heinz approach, which the full Senate will probably go along with. Given the interest of Ways and Means Committee chairman Dan Rostenkowski, D-Ill., in the Administration approach and Senate support for the Heinz remedy, some change in the antidumping treatment of nonmarket economies seems inevitable in the House-Senate conference on the trade bill.

To salvage the situation, "somebody needs to come up with something else creative," said a Senate staff aide. One approach, that may be offered to the Finance Committee, is to tie special treatment for China to further opening of their market to U.S. products. Alternatively, the Chamber of Commerce of the United States proposes abandoning a pricing standard for nonmarket economies altogether. American firms filing a case would not have to prove unfair pricing but would have to show injury in the United States as a result of the import. This approach, Horlick said, would "provide simplicity, lower costs and remove the random nature of the present system." It would also make it harder to block imports from China.

"The House-passed trade bill has a bastardized version of the chamber approach, which is actually worse for the Chinese," noted a trade expert, "but it does open the possibility for tinkering in the conference committee." Whether there is much interest in such tinkering is another question. "The intensity and the uniqueness of China's advocacy could be significant," a Senate staff aide said. "Whether it will make a decisive difference I don't know."

What is clear is that this disagreement over China's treatment under the U.S. antidumping law comes at a time of growing friction. So far this year, the United States has placed numerous embargoes on imports of Chinese textiles and apparel. For its part, China is complaining that most of its applications for licenses to import U.S. technology are either rejected or never acted upon. Clearly, storm clouds are brewing.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. **BYRD**. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Friday, May 29, 1987, to hold a hearing on U.S. policy in the Persian Gulf.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. **BYRD**. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on May 29, 1987, to mark up S. 661, the Medicare and Medicaid Patient and Program Protection Act of 1987, and S. 1127, the Medicare Catastrophic Loss Prevention Act of 1987.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

BUDGET SCOREKEEPING REPORT

● Mr. **CHILES**. Mr. President, I hereby submit to the Senate the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 308(b) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeping conventions. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by $3.9 billion in budget authority, but over in outlays by $13.3 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 27, 1987.

Hon. LAWTON CHILES,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1987. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, Senate Concurrent Resolution 120. This report meets the requirements for Senate scorekeeping in Section 5 of Senate Concurrent Resolution 32 and is current through May 22, 1987. The report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended. At your request this report incorporates the CBO economic and technical estimating assumptions issued on January 2, 1987.

Since the last report, the President has signed H.R. 1157, a temporary increase in the public debt limit.

With best wishes,
Sincerely,
EDWARD M. GRAMLICH,
Acting Director.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 100th CONGRESS, 1st SESSION AS OF MAY 22, 1987

[Fiscal year 1987—in billions of dollars]

	Current level[1]	Budget resolution S. Con. Res. 120	Current level +/− resolution
Budget authority	1,089.5	1,093.4	−3.9
Outlays	1,008.3	995.0	13.3
Revenues	833.9	852.4	−18.5
Debt subject to limit	2,275.5	[2]2,322.8	−47.3
Direct loan obligations	42.5	34.6	8.0
Guaranteed loan commitments	140.5	100.8	39.8

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $2,320 billion (H.R. 1157).

FISCAL YEAR 1987 SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT U.S. SENATE, 100th CONGRESS, 1st SESSION AS OF MAY 22, 1987

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			833,855
Permanent appropriations and trust funds	720,451	638,771	
Other appropriations	542,890	554,239	
Offsetting receipts	−185,071	−185,071	
Total enacted in previous sessions	1,078,269	1,007,938	833,855
II. Enacted this session:			
Water Quality Act of 1987 (Public Law 100–4)	−4	−4	
Emergency Supplemental for the Homeless (Public Law 100–6)	−7	−1	
Surface Transportation and Relocation Act (Public Law 100–17)	10,466	−80	2
Technical Corrections to FERS Act (Public Law 100–20)	1	1	
Total enacted this session	10,456	−84	2
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses:			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Special milk	6	3	
Veterans compensation	173		
Readjustment benefits	9		
Federal unemployment benefits and allowances	33	33	
Advances to the unemployment trust funds [2]	(3)	(3)	
Payments to health care trust funds [2]	(224)	(224)	
Family social services	110		
Medical facilities guarantee and loan fund	5	4	
Payment to civil service retirement and disability fund [2]	(33)	(33)	
Coast Guard retired pay	3	3	
Civilian agency pay raises	358	373	
Replenishment of disaster relief funds [1]	57	50	
Total entitlements	754	467	
Total current level as of May 22, 1987	1,089,479	1,008,321	833,857
1987 budget resolution (S. Con. Res. 120)	1,093,350	995,000	852,400
Amount remaining:			
Over budget resolution		13,321	
Under budget resolution	3,871		18,543

[1] Included at request of Senate Budget Committee.

[2] Interfund transactions do not add to budget totals.

Note—Numbers may not add due to rounding.●

REAPPOINTMENT OF JAMES K. ASSELSTINE TO THE NUCLEAR REGULATORY COMMISSION

● Mr. **HUMPHREY**. Mr. President, since 1982, James K. Asselstine has served on the Nuclear Regulatory Commission [NRC] with great distinction. Mr. Asselstine's term ends on June 30, 1987. I strongly urge that Mr. Asselstine be reappointed to serve another term as a NRC Commissioner.

Mr. Asselstine has consistently upheld the NRC's primary mission to assure public health and safety. Mr. Asselstine's commitment to public service has been demonstrated throughout his term by his thorough, balanced and indepth analyses of issues before the Commission.

Mr. Asselstine, a lawyer with over a decade of professional experience in the regulation of nuclear energy, provides an important perspective on the Commission. His past experience includes positions as counsel to the Senate Environment and Public Works Subcommittee on nuclear regulation, staff attorney in the Office of the Executive Legal Director, at NRC, and assistant counsel to the Joint Congressional Committee on Atomic Energy. I believe that Mr. Asselstine's knowledge of nuclear licensing procedure, operations, safeguards and waste disposal make him uniquely qualified to continue his work as a commissioner.

Mr. President, public confidence in the NRC depends upon the integrity of the Commissioners. The protection of public health and safety is the highest priority in the regulation and use of nuclear energy. In working to maintain standards which provide assurance that public health and safety will be protected, the NRC strives to fulfill its mandate. I believe that Commissioner Asselstine has accrued an outstanding record on these issues.

Mr. President, the nuclear industry and the American people are well served by Mr. Asselstine. I urge my colleagues to join me in recommending the reappointment of Mr. Asselstine to serve another term as a Commissioner of the NRC.●

THE AMERICAN CONSERVATIVE UNION SUPPORTS S. 402

● Mr. HUMPHREY. Mr. President, from time to time I have inserted into the RECORD letters which I have received supporting S. 402, a bill to provide the President with limited line-item veto authority. I have received letters from Governors across the country and from various organizations who are truly concerned with the Federal budget process.

People from every corner of our Nation have come to realize that one of the major causes of our triple digit deficits and mammoth national debt is the budget process itself. While some argue that the problem is one of substance and not process, it is clear to many of us that in order to get to the substance, we must first change the process.

Mr. President, I recently received a letter from Mr. David A. Keene, chariman of the American Conservative Union. As Mr. Keene points out in his letter, "the appropriations process in Congress has become a sham and the misuse of pork-laden continuing resolutions to force the President to accept budget-busting spending must stop."

As we all know, last year's $576 billion continuing resolution, making up all appropriated spending for fiscal year 1987, was full of unnecessary items. However, it is doubtful whether anyone in this body knew exactly what was in the bill until it was too late. The President was forced to swallow the whole bill in order to avoid shutting down the Government.

Mr. President, reform of the budget process will come to the floor in July, when the current debt limit is scheduled to expire. As my colleagues consider this important matter, I would urge them to keep in mind the comments of Mr. Keene and others who have written me concerning the line-item veto proposal embodied in S. 402.

Mr. President, I ask that the letter I have received from Mr. Keene, chairman of the American Conservative Union, be printed in the RECORD.

The letter follows:

Washington, DC, May 21, 1987.

Hon. GORDON J. HUMPHREY,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR HUMPHREY: On behalf of the American Conservative Union, I want to thank you for your continuing efforts over the years to bring fiscal responsibility back to Congress.

The ACU has long supported efforts to bring back into balance the inherent tax and spend propensity of Congress with the conviction of a vast majority of the American people who accept as a matter of course the need to "balance the checkbook."

And now Senator, we will stand beside you in your efforts to restore this balance by giving the President the power of a "line item veto."

We are well aware, as you are, that the appropriations process in Congress has become a sham and the misuse of porkladen Continuing Resolutions to force the President to accept budget-busting spending must stop. That is why we wholeheartedly support your bill, S 402, that would require Continuing Resolutions be broken up into separate items before being sent to the President.

Passage of S 402 would be a first step in a long-awaited program to strengthen the institutional "checks and balances" on the *spending side* so that the American people will not be further penalized on the *tax side.*

We at the ACU want you to know that we greatly appreciate your tireless work for a better America and stand with you in this legislative initiative.

Sincerely,

DAVID A. KEENE.●

PROTECTING SOCIAL SECURITY

● Mr. BOSCHWITZ. Mr. President, who can disagree with the laudable goal of protecting Social Security? But, the ends do not always justify the means.

Yesterday I received a letter from Norma Alm in Hinckley, MN. I will submit Mrs. Alm's letter for the RECORD, the gist of it is that she fears the Government is gambling with Social Security funds. She received a letter from the "Social Security Protection Bureau" offering not only membership in this organization for her $7 fee but a chance to win $50,000 in the Social Security sweepstakes. I can understand why Mrs. Alm was concerned when she thought the Federal Government was setting up a lottery with Social Security funds.

This is the first I have heard of the "Social Security Protection Bureau," but sadly it is not the first I have heard of these type of organizations using deception and fear to exploit senior citizens.

For a $7 or $10 membership fee they offer members such things as a gold embossed Social Security card, a personal statement of the member's Social Security record, an annual Social Security guide to retirement, and representation in Washington, DC. Other than the gold embossing on the Social Security card all these services are already available to anybody who requests the information. As for representation in Washington, DC, I was under the impression that was being provided by the Senators and Congressmen elected by the people to represent them.

First let's get the facts straight. The balance of the old-age and disability trust fund stood at $49.9 billion, an all-time high, at the end of January, according to former Social Security chief actuary, Robert J. Myers. He attributes the record-breaking amount to the Social Security financial rescue law Congress enacted in 1983 and the large baby-boom population paying into the system.

Under current projections the balance is estimated to reach $247 billion by the end of 1991, and continue to grow, reaching $12.5 trillion in 2032. Anyone who is alive now—whether they are 2 or 92—will enjoy the benefits of the system. In view of these statistics it is unfortunate that some groups have made wild claims about the health of the system.

My advice to seniors who write me is, "Don't let anyone scare you." Social Security is safe and sound, and no politician would dare to undermine it. I've seen newsletters and news articles that would make you think the end is near for Social Security. You can't take that stuff seriously. Social Security is solvent and, in my judgment, will be around when I retire and my children, too. I have no grandchildren yet or I'd include them as well.

It's very unfortunate that organizations have used scare tactics to frighten people into giving contributions and to build their membership rolls. These groups have really behaved irresponsibly and should be on notice that these shenanigans had better stop or Congress will find a way to put an end to the exploitation of older Americans.

The letter and enclosure follows:

HINCKLEY, MN,
May 19, 1987.

SENATOR BOSCHWITZ: I received this material in the mail today and it is upsetting to think the government is gambling with our Social Security funds. What has Canada got to do with it?

I thought you might be interested in this.

Sincerely,

NORMA ALM.

SOCIAL SECURITY PROTECTION BUREAU,
Washington, DC.

DEAR FRIEND: You could be a winner in the "Social Security" $50,000 Sweepstakes!

Plus you're guaranteed to receive a valuable "Mystery Gift" when you help protect your social security benefits by sending your check for $7 to join the Social Security Protection Bureau.

So today complete and return the enclosed Official "Social Security" $50,000 Sweepstakes Coupons along with your $7 check.

Right now you may stand to collect over $90,000 in Social Security benefits for your first 10 years of retirement. That's why you need the Social Security Protection Bureau to help you protect this big investment. As a Bureau member, you'll be entitled to all these valuable benefits.

Your Personal Gold Embossed Social Security Card to replace the paper social security card you now own. If lost or stolen, paper Social Security Cards can be changed so that illegal aliens, etc. can actually use your social security number. That's why you should have a plastic Social Security Card. Our plastic cards are durable, almost impossible to alter or change, are accepted everywhere your paper card is, and can be used as proof of identification for check cashing, etc.

Personal Statement of Your Social Security Record which we will help you get directly from the Social Security Administration. Every year hundreds of thousands of Americans are not given proper credit for money they pay into Social Security. That's why it's so important you get a statement from Social Security which shows exactly how much you've paid in. Should there be any errors you can correct them before it's too late.

$500 reward for information leading to the arrest and conviction of anyone who steals your Social Security Card, illegally uses your social security number, or tries to fraudulently collect your Social Security benefits.

Social Security Guide to retirement sent to you every year. This short, easy to understand guide will keep you posted on all the different rule changes and procedures you need to know to qualify for maximum social security benefits.

Representation in Washington, D.C. to protect your Social Security Benefits. Our staff will constantly monitor proposed legislation in Washington, D.C. to make sure you won't lose any of the Social Security and Medicare benefits you're entitled to.

Your Social Security benefits are too important to leave unprotected.

That's why I urge you to join the Social Security Protection Bureau—and why we're offering you a chance to be a winner in the "Social Security" $50,000.00 Sweepstakes.

No payment is required to enter the Sweepstakes. However, if you enroll as an SSPB member for one year by sending us your check for $7 along with your coupons, you'll be guaranteed to win a valuable "Mystery Gift"—a prize I know you'll enjoy. Plus you'll receive your SSPB membership kit by return mail.

So send your Coupons and your $7 check today . . . and good luck!

Sincerely,

P.D. Morris,
Program Director.●

THE 100TH ANNIVERSARY OF FOXBURG COUNTRY CLUB

● Mr. HEINZ. Mr. President, I rise to commemorate the 100th anniversary of the Foxburg Country Club, in Foxburg, PA, which has the oldest golf course in continuous use in the United States and is also home of the American Golf Hall of Fame.

In 1884, Joseph Mickle Fox learned to play golf while on a trip to England. Upon returning to Pennsylvania, Mr. Fox began to play on the meadows surrounding his ancestral summer home near Foxburg. In 1887, he provided land for what was to become the Foxburg Country Club.

In recognition of its place in golf history, Foxburg, PA, was chosen to be the site of the American Golf Hall of Fame, which inducted its first group of golf immortals on August 29, 1965.

I am proud to represent the Commonwealth that has played such a prominent role in fostering and promoting the great game of golf in America, and I salute the Foxburg Country Club, the oldest golf course in the United States, which is celebrating its centennial anniversary this year.●

TOMB OF THE UNKNOWNS

● Mr. McCAIN. Mr. President, last week I introduced legislation that would officially designate the area of Arlington National Cemetery where the remains of four unknown service members are interred as the "Tomb of the Unknowns." I am joined in this effort by Senator Stennis and Senator DeConcini.

The Tomb area and its guard have been the personification of dignity and reverence for generations of Americans. The monument symbolizes the extent of American sacrifice and service during our struggles to preserve freedom. But the Tomb area, in which the bodies of the unknown servicemen of World War I, World War II, the Korean conflict, and the Vietnam war have been laid to rest, has never been officially named. The title "Tomb of the Unknown Soldier" came into existence through popular usage and acceptance. Mr. President, the time has come to name in law this most sacred monument to our Nation's noble fallen warriors.

The authority to name any and all features within Arlington National Cemetery, including the Tomb, rests with the Secretary of the Army. However, since 1959, it has been the Department of the Army's position that Congress should determine the official title for the Tomb area. And so it is now up to us.

All through our history, America has served as a beacon to others; serving as a source of political inspiration, a haven for the poor and oppressed, and a friend to nations in times of need. But our efforts to defend with our lives, certain inalienable rights and liberties for all people, wakes us to the realization that the price of freedom is very high indeed.

As I reflect upon the many feats of heroism displayed by American servicemen and women on and off the battlefield, I cannot help but collectively remember the more than 1 million individuals who have kept burning the flame of freedom and held open the door of opportunity with their very lives.

The willingness of some to give their lives so that others might live unencumbered by the burdens of despotism always seems to evoke in us a sense of amazement and respect. I have no illusions about what little I can add to the silent testimony of these brave Americans. Yet, I know that we must continue to honor them.

In closing, I would like to read a passage of a news account of the interment of the First Unknown. It is emblematic of a caring and grateful nation.

> The casket, with its weight of honors, was lowered into the cript. A rocking blast of gunfire rang from the woods. The glittering circle of bayonets stiffened to a salute to the dead. Again the guns shouted their message of honor and farewell. Again, they boomed out; a loyal comrade was being laid to his last, long rest.
>
> High and clear and true in the echoes of the guns, a bugle lifted the old, old notes of taps, a lullaby for the living soldier, in death his requiem. Long ago some forgotten soldiers poet caught its meaning clear and set it down that soldiers everywhere might know its message as they sing to rest:
>
> The guns roared out again in our national salute. He was home, the unknown, to sleep forever among his own.
>
> "Fades the light;
> and afar
> goeth day, cometh night,
> and a star
> leadeth all, speedeth all,
> to their rest."

Mr. President, let us not abrogate the responsibility that has been thrust upon us. Let's officially designate this sacred and hallowed ground as the Tomb of the Unknowns.●

THE HONORABLE STEWART B. McKINNEY—HE DID US HONOR

● Mr. DODD. Mr. President, of all the words of tribute that have been spoken and written since the tragic death of our colleague, the Honorable Stewart B. McKinney, none capture the spirit of this humane public servant as well as those that were penned by Stew's good friend, Joe Owens, and published as an editorial in the Bridgeport Post and Telegram newspapers on May 8, 1987.

The editorial, a touching eulogy to a man who served his district, his State, and his country for more than 16 years in the U.S. Congress, appeared beneath a half-page of sketches illustrating Stew's dedication to his constituents and his concern for such problems as shelter for the homeless, the war against drugs, protection of the environment, and the availability of low-income housing. The sketches frame a line drawing of a smiling Stew McKinney, with a plaque bearing the legend: "Congressman for All the People."

Stew McKinney was a Congressman for all the people—as all his colleagues well knew.

Mr. President, I ask that the text of the article be printed in the RECORD.

The article follows:

REPRESENTATIVE STEWART B. MCKINNEY—HE DID US HONOR

It has been said, "A dying man needs to die, as a sleepy man needs to sleep."

U.S. Rep. Stewart B. McKinney was a man with intuitive perception and infinite compassion. From 1971 until his death, he represented Connecticut's 4th District in the U.S. House of Representatives.

Some of the wealthiest people in the country reside in the district. Conversely, pockets of poverty exist in the cities. These neighborhoods have been injected with the poison which is the plague of the 20th Century—drugs.

Stew was deeply concerned about the urban ghettos for a number of reasons, especially because the youths in these areas are prey for the human parasites who sell drugs. In a sense, Stew was a Republican whose thinking and actions paralleled those of the late Senator Robert F. Kennedy.

There was no phony pretense about him. In conversation, he was candid. Perhaps, at times, Stew was reckless with words. But, always, he spoke his mind.

Stew never feigned to be what he was not. He loved being a congressman. The U.S. Senate had no appeal for him, nor did the governorship. The gentleman who has been taken from us had a special affection for the House of Representatives.

The facts of the Congressman's life do not fully reveal the nature of the man. Yes, he dealt with international and national issues with intelligence and decisiveness. Of equal or more importance was his genuine desire to help the disadvantaged. Because Stew McKinney never saw himself as a man deserving special treatment, he could visit shelters for the homeless and provide comfort and encouragement for people cruelly trapped by fate.

Always alert to the possibility that he might be able to make life a little better for others, he obtained a multimillion-dollar grant last year for the rebuilding of Father Panik Village in Bridgeport.

It was not difficult in Congress for Rep. McKinney to cross the aisle and gather the support of Democrats for his proposals. The public good, not politics, dominated his thinking and actions. His colleagues knew this. Stew was dedicated to the belief that the American process, if not tinkered with, would work for the benefit of all.

Not generally known is the fact that he and the late Gov. Ella T. Grasso corresponded regularly. Many of the notes were written by Ella when she was bored during a meeting in the state Capitol. Often, Stew's writings were done while a long-winded bureaucrat or representative of a special interest group testified during a committee hearing.

Ella, the Democrat, and Stew, the Republican, had much in common. Both enjoyed good humor and had little regard for practitioners of pomposity.

Stewart B. McKinney cherished the principles upon which this nation and state were built. He loved to debate, but he did not seek to wound. Back in the 1960s, while in the General Assembly, he made a remark which was reported out of context. It appeared that he had questioned the integrity of Gov. John N. Dempsey.

The following morning, the legislator from Fairfield went to the Capitol early, awaited the governor's arrival and apologized for any embarrassment the reports may have caused Gov. Dempsey. On that occasion, a bond was formed, a friendship that endured, with each man holding the other in high esteem. There was nothing superficial about Rep. McKinney. When he believed a Republican or Democratic president was right, he supported the chief executive. If he disagreed with policies emanating from the White House, he followed the dictates of his conscience.

At 56, Stewart B. McKinney was too young to die. And at 56, he had suffered from pain for far too many years. While Stew was in his forties, a coronary bypass saved his life. In the past few years, he was beset by a variety of medical problems, but somehow he managed to carry on, insisting that tomorrow would be a better day.

Maybe he knew the odds were against him, but he fought hard and was cheerful to the end. During his campaign in 1986, Stew was open and frank. He invited voters to scrutinize his record. They did and he won a 9th term. As he traveled about the 4th District, the unthinkable was thought. It might be the last campaign for the elected official people had come to view as "Old Reliable."

Members of the Congressman's staff knew people were his first priority. This was a reflection of his thoughtful nature, his belief that government exists to serve people, not cause them grief. It was an endearing characteristic of the man.

U.S. Rep. Stewart B. McKinney did the 4th District, the entire state of Connecticut and the U.S. Congress honor by devoting much of his adult life to public service.

He never demanded, or asked, or maneuvered anything for himself. Always, he was alert to the possibility of privately performing an act of kindness. Sadly, today the old saying, "The good die young," rings true.●

ORDERS FOR TUESDAY, JUNE 2, 1987

ORDER FOR ADJOURNMENT UNTIL TUESDAY, JUNE 2, 1987 AT 11 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 11 o'clock a.m. on Tuesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

NO RESOLUTIONS AND MOTIONS OVER, UNDER THE RULE, COME OVER AND WAIVING CALL OF CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that on Tuesday next, any resolutions or motions over, under the rule, not come over and that the call of the calendar under rules VII and VIII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

DESIGNATION OF PERIOD FOR MORNING HOUR

Mr. BYRD. Mr. President, I ask unanimous consent that on Tuesday next, after the two leaders or their designees have been recognized under the standing order, there be a period for morning business not to extend beyond the hour of 11:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS FROM 12 NOON UNTIL 2 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that on Tuesday next, at the hour of 12 noon, the Senate stand in recess until the hour of 2 p.m. to accommodate the regular party conferences.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, this will mean that between the hour of 11:30 a.m. and 12 noon on Tuesday, the Senate will resume consideration of the unfinished business. We will be right back in the same situation as we are right now, with the Helms amendment to be pending. Not much action can be taken on that during that 30 minutes. We can at least extend the period for morning business if we wish, so I shall let the order stand.

ORDER FOR ADJOURNMENT UNTIL TUESDAY, JUNE 2, 1987, AT 10:30 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10:30 a.m. on Tuesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I have moved the hour forward because Tuesday next marks the first anniversary of television and radio coverage of Senate proceedings. I will have a few remarks to make on that date, and I assume Mr. DOLE will have some remarks.

ORDER DESIGNATING PERIOD FOR MORNING BUSINESS ON TUESDAY, JUNE 2, 1987

Mr. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order on Tuesday next, there be a period for the transaction of morning business to extend until the hour of 11:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, the recess to begin at 12 noon and to extend until 2 o'clock to accommodate the regular party conferences has been ordered.

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD. There will be an additional 30 minutes during which there may be further morning business or some business which may be transacted.

Mr. President, I inquire now of my very able friend, the distinguished Senator from Wyoming, if he has any further statement he wishes to make or any further business he wishes to transact.

CONGRATULATIONS TO SENATOR AND MRS. ROBERT C. BYRD

Mr. SIMPSON. Mr. President, I thank the majority leader, and I will indicate that there is nothing further in the way of business here. Again, congratulations on this special day, the 50th anniversary of he and his wife.

Mr. BYRD. Mr. President, the distinguished Senator is kind, as always. I am deeply appreciative, and my wife Erma is also.

May I thank the Senator and his beautiful wife Ann for the kindnesses and courtesies they have always extended, and especially for their attendance last night with some exceedingly generous remarks on that occasion and again today.

Mr. MOYNIHAN. Mr. President, I must not let this day go by without joining in the great joy that was so evident throughout the Library of Congress last evening on that memorable half century and to observe that there could not be a more appropriate place than the Library of Congress to observe the half century of nuptials of the most learned Member of this body in its history and the rules of the Congress and his devoted wife, who must have spent many hours of an evening wondering why that man spent such hours reading so many uncomprehensible books. He did so to lead the American public. He has done so well. We are in her debt for him.

Mr. BYRD. Mr. President, as usual, the perspicacity and sagacity of the very, very able senior Senator from New York has manifested itself. When he speaks of the forbearance and the patience that my good wife has undoubtedly had to demonstrate for all of these 50 years—and may I add one term, her staying power in putting up with ROBERT C. BYRD for 50 years—I think she is entitled to an award.

By the way, I have one to give her. It is a little wooden skillet. Instead of calling the Byrd house to order with the usual wooden hammer, or gavel, that we use here, she is going to have a wooden skillet with a little brass inscription on it, saying, "This is awarded to Erma Byrd for the forbearance, the patience, the tolerance, and the staying power that she has exhibited in living with ROBERT BYRD for these 50 years." I have to have a little fun in this.

Again, I thank my friend. We were both grateful last night. I want to violate the rules of the Senate and address my friends in the second person.

We were grateful, Pat, that you could share that evening with us, and so grateful, Alan, that you could share it with us.

Thank you.

Mr. SIMPSON. It was a special privilege.

ADJOURNMENT UNTIL 10:30 A.M., TUESDAY, JUNE 2, 1987

Mr. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in adjournment until the hour of 10:30 a.m. on Tuesday, next.

The motion was agreed to, and at 4:21 p.m., the Senate adjourned until Tuesday, June 2, 1987, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate May 29, 1987:

DEPARTMENT OF STATE

Mark L. Edelman, of Missouri, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cameroon.

W. Nathaniel Howell, of Virginia, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Kuwait.

Michael Gordon Wygant, of Massachusetts, a Foreign Service officer of class 1, to be the U.S. Representative to the Federated States of Micronesia.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Charles L. Gladson, of California, to be an Assistant Administrator of the Agency for International Development, vice Mark L. Edelman.

AFRICAN DEVELOPMENT FOUNDATION

Charles L. Gladson, an Assistant Administrator of the Agency for International Development, to be a member of the Board of Directors of the African Development Foundation for the remainder of the term expiring September 22, 1991, vice Mark L. Edelman.

DEPARTMENT OF TRANSPORTATION

Randolph J. Agley, of Michigan, to be a member of the Advisory Board of the St. Lawrence Seaway Development Corporation, vice John R. Wall, resigned.

SELECTIVE SERVICE SYSTEM

Samuel K. Lessey, Jr., of New Hampshire, to be Director of Selective Service, vice Thomas K. Turnage.

IN THE AIR FORCE

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Lt. Gen. Charles J. Cunningham, Jr., [redacted] [redacted]FR, U.S. Air Force.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Lt. Gen. Leo Marquez, [redacted]FR, U.S. Air Force.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Michael J. Dugan, [redacted] [redacted]FR, U.S. Air Force.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Charles C. McDonald, [redacted] [redacted]FR, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned in his current grade to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Merrill A. McPeak, [redacted] [redacted]FR, U.S. Air Force.

IN THE NAVY

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be admiral

Vice Adm. Powell F. Carter, Jr., [redacted] [redacted]/1120, U.S. Navy.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370.

To be vice admiral

Vice Adm. Cecil J. Kempf, [redacted]/1310, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. John H. Fetterman, Jr., [redacted] [redacted]/1310, U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 5137, to be appointed in the grade of vice admiral as chief of the Bureau of Medicine and Surgery and Surgeon General:

Rear Adm. James A. Zimble, Medical Corps, [redacted]/2100, U.S. Navy.

The following-named captain in the Staff Corps of the U.S. Navy for promotion to the permanent grade of rear admiral (lower half), pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

HEALTHCARE PROFESSIONAL

Joseph P. Smyth

IN THE ARMY

The following-named officer for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, sections 624 and 628:

ARMY

To be major

Edward R. Hoffman, [redacted]

IN THE MARINE CORPS

The following-named officers of the Marine Corps Reserve, for permanent appointment to the grade of colonel, under title 10, United States Code, section 5912:

Astle, John C., [redacted]
Bailey, James R., [redacted]
Barrow, John C., [redacted]
Becker, James S., [redacted]
Beland, Carlton L., [redacted]
Bond, Terry A., [redacted]
Bonner, Randall P., [redacted]
Bromley, Ray P., [redacted]

Brooks, Kevin P., [redacted]
Brown, Carol W., [redacted]
Buffington, Gilbert S., [redacted]
Cleveland, David C., [redacted]
Colella, Anthony R., [redacted]
Cripe, Daniel L., [redacted]
Cuddy, Francis J., Jr., [redacted]
Danberg, Neil B., Jr., [redacted]
Danskin, John W., [redacted]
Davis, Bruce K., [redacted]
Douglass, Robert C., [redacted]
Dowds, Charles J., [redacted]
Eakin, Randall W., [redacted]
Elmendorf, Ken A., [redacted]
Favor, Joseph M., [redacted]
Furbee, Charles W., III, [redacted]
Furlong, Thomas G., [redacted]
Gordon, John W., Jr., [redacted]
Guilford, Robert W., [redacted]
Hagans, Patrick C., [redacted]
Heitz, Bruce A., [redacted]
Hill, Robert T., III, [redacted]
Howell, Jack D., [redacted]
Jackson, Dennis D., [redacted]
Kaheny, John M., [redacted]
Kaufman, Thomas W., [redacted]
Klocek, Joseph J., [redacted]
Konkiel, Elinor M., [redacted]
Kropp, Edward H., [redacted]
Lemoine, Ned J., [redacted]
MacBeth, William R., [redacted]
MacNamee, John T., [redacted]
Mange, Gerald B., [redacted]
Martinazzi, Robert, [redacted]
McClinchie, Alexander, III, [redacted]
McGinty, James P., [redacted]
McMenamy, Edward L., Jr., [redacted]
Mee, Patrick F., [redacted]
Metschan, John A., [redacted]
Mierzwa, Dennis L., [redacted]
Moffett, John W., [redacted]
Monserrate, Lawrence C., [redacted]
Morgan, Charles D., [redacted]
Murphy, Richard C., [redacted]
Peterson, William S., [redacted]
Prokopchak, Michele E., [redacted]
Reed, David L., [redacted]
Robinson, Theodore C., III, [redacted]
Roots, John C., [redacted]
Rosser, Richard C., Jr., [redacted]
Saxon, Donald R., [redacted]
Scotten, William E., [redacted]
Sinclair, James W., [redacted]
Sirmon, Kenneth P., [redacted]
Smith, Roderick V., [redacted]
Stacey, Wayne R., [redacted]
Thomas, John C., [redacted]
Veysey, Michael C., [redacted]
Viano, Paual Jr., [redacted]
Vogt, H.C., [redacted]
Ward, Jerry E., [redacted]
Weh, Allen E., [redacted]
Wilkie, James R., Jr., [redacted]
Williams, Rex M., [redacted]
Winters, William D., Jr., [redacted]
Wright, Robert B., [redacted]

HOUSE OF REPRESENTATIVES—*Monday, June 1, 1987*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. COELHO].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
May 28, 1987.

I hereby designate the Honorable TONY COELHO to act as Speaker pro tempore on Monday, June 1, 1987.

JIM WRIGHT,
Speaker of the House of Representatives.

PRAYER

The Reverend Mr. Charles A. Mallon, Holy Family Church, Mitchellville, MD, offered the following prayer:

Give to the king Thy justice, O God, and Thy righteousness to the royal son! May he judge Thy people with righteousness, and Thy poor with justice!—Psalms 72:1-2.

Father, You have been revealed as a loving father. Keep us open to this revelation that our lives might give witness to Your righteousness. Remind us to give good things to Your people, to be watchful of injury and to be vigilant of injustice.

We ask this through the incarnation of Your presence among us, Your Son and our example, Jesus Christ. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

CESSNA 172 A POWERFUL U.S. WEAPON

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, I want to remind my colleagues that the plane which penetrated not only Soviet airspace but Red Square was a Cessna 172 built in my hometown, Wichita, KS. It goes to show us that America's general aviation industry builds aircraft that can accomplish remarkable things. Landing in Red Square shows the flexibility these airplanes offer not only Americans but people around the world. Perhaps now even the Russians will want to buy some of these smart, flexible, little airplanes.

But seriously, we need to make sure this reliable, remarkable, little industry continues to thrive. The key to that is making sure the general aviation industry can afford liability insurance. My bill, H.R. 2238, to modify aviation product liability laws, would do that without undermining consumer rights.

Mr. Speaker, I hope my colleagues will cosponsor the bill.

IDEOLOGY, NOT SCIENCE, IS ADMINISTRATION'S RESPONSE TO THINNING OZONE LAYER

(Mr. DOWNEY of New York asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOWNEY of New York. These, Mr. Speaker, are the new weapons that the Secretary of the Interior and the President's science adviser want to have us use against the thinning ozone layer of the atmosphere. According to this deadly duo, ideology, not science, should dictate how our Nation responds to the threat of ultraviolet radiation.

Nature may abhor a vacuum, Mr. Speaker, but not nearly as much as the free marketeers in this administration do regulation.

The EPA and the State Department, on the other hand, want an international agreement to stem the production of chlorofluorocarbons. This, Mr. Speaker, is the only sensible path. Mr. President, it is up to you to end this absurd dispute within your administration and take your science adviser and the Secretary of the Interior out of the Sun.

SCENARIO FOR OUR WAR AGAINST AIDS

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and include extraneous matter.)

Mr. RICHARDSON. Mr. Speaker, the killer disease AIDS has claimed the lives of 35,000 Americans and threatens to kill hundreds of thousands more, far exceeding what any world war will claim in casualties. And all we have done as a nation and a society is dance around the problem, hoping it will go away. We cannot study it any further, we cannot debate it any longer, we must act now in a bipartisan, coordinated way before it is too late.

AIDS may now be a homosexual disease, but it soon could become an American disease unless we act. This is why President Reagan's first policy speech on AIDS was a positive sign, a recognition at the highest level of Government that we have a serious problem and that he is prepared to take the lead.

While many of his proposals are controversial and questionable, at the very least they should stir a healthy debate. Now he should move beyond the speech to plans, actions, burdens, and sacrifices.

At the very least, we should consider the following steps: A central Federal AIDS office; a crash research program for the public and private sectors; mandatory testing only when it makes sense; more resources for drug addiction and prevention; reexamination of the privacy regulations; and mandatory counseling and testing for prostitutes.

Mr. Speaker, the example of Judge DalSanto in Albuquerque, NM, should serve as a model for the Nation.

PROSTITUTES AND AIDS

Elected officials from Washington to Santa Fe are quibbling over the best tactics—some might say, the best *politics*—for dealing with the AIDS epidemic.

Albuquerque Metropolitan Court Judge Diane Dal Santo likely regards such debate as a waste of time—and valuable time at that. Through a combination of persistence and flexibility, Dal Santo has launched as innovative an AIDS preventive program as this state has seen.

The judge's targets are hookers. Because AIDS is spread through sex and shared needles, prostitutes are viewed as ready conduits of the virus.

At first, Dal Santo wanted to sentence prostitutes to mandatory tests for exposure to the AIDS virus, using an old state statute that allows judges this option for venereal diseases.

But the New Mexico chapter of the American Civil Liberties Union protested, as did several state health organizations.

No doubt about it, mandatory testing is a quagmire. Across the country, it's a familiar debate: What kind of precedent would be set for other high-risk populations? How are privacy, confidentiality and individual rights protected? And what is the state prepared to *do* with people who test positive to a virus presumed to be infectious for life?

The mandatory testing debate is not over. But Dal Santo decided to not get bogged down in that argument, at least not now. Instead, she started a mandatory *counseling* program, combined with voluntary testing.

For the next three months of this pilot project, convicted prostitutes and intrave-

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☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

nous drug users who pass through Dal Santo's court will learn about AIDS. Realistically, Dal Santo's education program cannot be expected to convince all, or perhaps even a majority, of hookers and drug abusers to change behaviors that put them at risk of contracting or spreading the disease. But it is at least an inroad into these high risk—and hard to reach—populations.

Dal Santo didn't give up—and she didn't stubbornly insist on her program or none at all, either. She applied the tools at her disposal in a new way, in an attempt to address a problem she could as easily have dismissed as being beyond her purview. Would that other elected officials, from the White House to the Roundhouse, would follow suit.

EIGHT STEPS FOR LIFE

(By A.M. Rosenthal)

The Administration in Washington is opposed to making sure that a representative of the homosexual community is named to a panel to study the AIDS plague and what it might mean for the whole country. It shows vividly the people who run the Government simply have not faced reality.

We are in a deadly epidemic, and national disaster will be the price of prejudice, piousness or self-delusion. Only the enlistment of all physical, moral, financial and medical assets, and some plain common sense, can begin to meet the danger. This means direct involvement of everybody concerned, most definitely including homosexuals. It is embarrassing to have to say so.

Will a candidate for the Presidency who does not tell us straight out the details of his plans for dealing with the AIDS reality be acceptable to American voters? I hope not.

But why wait? If the Reagan Administration is capable of thinking and acting and leading, it can show it now.

AIDS medical and social literature is full of separate good workable ideas. But the Government seems unwilling to find people who will pull them together and give them the power to act.

Two approaches are needed—simultaneously. One is to convince people in danger—particularly homosexuals, bisexuals and those who have had sexual intercourse with them—to take the tests that show if they have the virus that causes AIDS. If they do have it, they face the ethical decision of abstaining from sexual intercourse with the unafflicted.

At the same time, the Government must commit itself not to Presidential speeches but to real plans, action, burdens and sacrifices. Such as:

1. A central Federal AIDS office, with financial resources and clout, to pull together all the national and state efforts, to decide priorities and settle the inevitable conflicts for funds and attention. A director and a board composed of scientists and public figures who command the respect and attention of the nation. If the battle is to be fought, it has to be led, which Washington so far has failed to do against either drugs or AIDS.

2. Facing the burden of the huge costs of research and care, square on. Plague taxes. And much more money from business. Thousands of companies could follow the example of the Forbes magazine family, which contributed $1 million.

3. Tough legislation on discrimination against AIDS sufferers or virus carriers in jobs, housing, education. Protecting the afflicted is in the deep self-interest of a nation that needs their help to fight the plague.

4. Mandatory testing only where it makes sense. Trying to force tests on all the afflicted is impossible and self-defeating. But medical examination for contagious diseases is already demanded for immigrants, and AIDS testing should be added to the list. It should be a condition for enlisting in the armed forces. Government employees should volunteer for testing to create an atmosphere of society's strong approval.

5. Much more money allocated for drug addiction prevention and treatment. Drug addicts who use infected needles are becoming a steeply increasing danger. In New York, 36 percent of AIDS sufferers are addicts.

The black population is particularly threatened; white addicts usually have enough money for fresh needles. Already black babies fill most of the cribs in the AIDS pediatric wards, sentenced to death by the dirty needles of addict parents.

6. Drug addicts are usually too far gone to worry about the ethic of taking AIDS tests. But many of them wind up in jail, usually for robbery. They should be kept until drug clean. If they return to drug use after release, they should be sent back. Yes, more taxes for jails.

7. Prostitution suddenly is a priority public health matter. Prostitutes, both sexes, endanger themselves and others too often to be tolerated in a plague. Those who frequent prostitutes are also now dangerous. Both prostitutes and customers should be subject to arrest and the publicity that goes with it.

8. Reexamination of privacy regulations. I know of one doctor who discovered the AIDS virus in a male minor and was legally forbidden by the mother of the patient to inform him. The boy was sleeping with a steady girlfriend. The mother did not care. When does privacy become accessory to murder? Doctors and lawyers should take a new look at their standards, quickly. So should legislators.

Some of these points are unpleasant to read or write, particularly those that may touch on civil liberties. Better now and minimally, rather than late, when, with fear, disregard for liberties may grow even faster than the spread of the disease.

THE HODEL PROPOSAL FOR PROTECTING THE OZONE LAYER

(Mr. BATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATES. Mr. Speaker, the depletion of the ozone layer is one of the most massive environmental threats facing the planet. Secretary of the Interior Hodel's suggestion that our only response should be sunglasses, hats, and sunscreens is ludicrous; it is outrageous; and it is irresponsible. It is on par with the administration's suggestion that with enough shovels, people could protect against nuclear attack.

We've known since 1974 that chlorofluorocarbons or CFC's deplete the ozone layer. We've also known the solution—eliminating or at least reducing the emissions of CFC's. The United States has been at the forefront of the solution, first banning CFC's in aerosol propellents in 1978, and then taking an aggressive lead in the ongoing international negotiations to protect the ozone layer.

I strongly support the current administration position of a freeze and then 95-percent phaseout of CFC emissions, and on April 10 introduced H.R. 2036, which generally codifies that position. I am dismayed that the certain members of the administration are considering weakening their position or abandoning it in favor of hats, sunglasses, and sunscreen. The depletion of the ozone layer will have a profound effect on the sustainability of the entire planet. It will not be reversed by a public relations campaign.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, June 2, 1987.

MEDICARE AND MEDICAID PATIENT AND PROGRAM PROTECTION ACT OF 1987

Mr. STARK. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1444) to amend titles XI, XVIII, and XIX of the Social Security Act to protect beneficiaries under the health care programs of that act from unfit health care practitioners, and otherwise to improve the antifraud provisions relating to those programs.

The Clerk read as follows:

H.R. 1444

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES IN ACT; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Medicare and Medicaid Patient and Program Protection Act of 1987".

(b) AMENDMENTS TO THE SOCIAL SECURITY ACT.—Except as otherwise specifically provided, whenever in this Act an amendment is expressed in terms of an amendment to or repeal of, a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; references in Act; table of contents.
Sec. 2. Exclusion from medicare and State health care programs.
Sec. 3. Civil monetary penalties.
Sec. 4. Criminal penalties for acts involving medicare and State health care programs.

Sec. 5. Information concerning sanctions taken by State licensing authorities against health care practitioners and providers.
Sec. 6. Obligation of health care practitioners and providers.
Sec. 7. Exclusion under the medicaid program.
Sec. 8. Miscellaneous and conforming amendments.
Sec. 9. Clarification of medicaid moratorium provisions of Deficit Reduction Act of 1984.
Sec. 10. Limitation of liability of medicare beneficiaries with respect to services furnished by excluded individuals and entities.
Sec. 11. Definition of person with ownership or control interest.
Sec. 12. Conditional approval of renal dialysis facilities.
Sec. 13. Amendment relating to fraud involving medicare supplemental insurance.
Sec. 14. Standards for anti-kickback provisions.
Sec. 15. Effective dates.

SEC. 2. EXCLUSION FROM MEDICARE AND STATE HEALTH CARE PROGRAMS.

Section 1128 (42 U.S.C. 1320a-7) is amended to read as follows:

"EXCLUSION OF CERTAIN INDIVIDUALS AND ENTITIES FROM PARTICIPATION IN MEDICARE AND STATE HEALTH CARE PROGRAMS

"SEC. 1128. (a) MANDATORY EXCLUSION.—The Secretary shall exclude the following individuals and entities from participation in any program under title XVIII and shall direct that the following individuals and entities be excluded from participation in any State health care program (as defined in subsection (h)):

"(1) CONVICTION OF PROGRAM-RELATED CRIMES.—Any individual or entity that has been convicted of a criminal offense related to the delivery of an item or service under title XVIII or under any State health care program.

"(2) CONVICTION RELATING TO PATIENT ABUSE.—Any individual or entity that has been convicted, under Federal or State law, of a criminal offense relating to neglect or abuse of patients in connection with the delivery of a health care item or service.

"(b) PERMISSIVE EXCLUSION.—The Secretary may exclude the following individuals and entities from participation in any program under title XVIII and may direct that the following individuals and entities be excluded from participation in any State health care program:

"(1) CONVICTION RELATING TO FRAUD.—Any individual or entity that has been convicted, under Federal or State law, in connection with the delivery of a health care item or service or with respect to any act or omission in a program operated by or financed in whole or in part by any Federal, State, or local government agency, of a criminal offense relating to fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct.

"(2) CONVICTION RELATING TO OBSTRUCTION OF AN INVESTIGATION.—Any individual or entity that has been convicted, under Federal or State law, in connection with the interference with or obstruction of any investigation into any criminal offense described in paragraph (1) or in subsection (a).

"(3) CONVICTION RELATING TO CONTROLLED SUBSTANCE.—Any individual or entity that has been convicted, under Federal or State law, of a criminal offense relating to the unlawful manufacture, distribution, prescription, or dispensing of a controlled substance.

"(4) LICENSE REVOCATION OR SUSPENSION.—Any individual or entity—

"(A) whose license to provide health care has been revoked or suspended by any State licensing authority, or who otherwise lost such a license, for reasons bearing on the individual's or entity's professional competence, professional performance, or financial integrity, or

"(B) who surrendered such a license while a formal disciplinary proceeding was pending before such an authority and the proceeding concerned the individual's or entity's professional competence, professional performance, or financial integrity.

"(5) EXCLUSION OR SUSPENSION UNDER FEDERAL OR STATE HEALTH CARE PROGRAM.—Any individual or entity which has been suspended or excluded from participation, or otherwise sanctioned, under—

"(A) any Federal program, including programs of the Department of Defense or the Veterans' Administration, involving the provision of health care, or

"(B) a State health care program,

for reasons bearing on the individual's or entity's professional competence, professional performance, or financial integrity.

"(6) CLAIMS FOR EXCESSIVE CHARGES OR UNNECESSARY SERVICES AND FAILURE OF CERTAIN ORGANIZATIONS TO FURNISH MEDICALLY NECESSARY SERVICES.—Any individual or entity that the Secretary determines—

"(A) has submitted or caused to be submitted bills or requests for payment (where such bills or requests are based on charges or cost) under title XVIII or a State health care program containing charges (or, in applicable cases, requests for payment of costs) for items or services furnished substantially in excess of such individual's or entity's usual charges (or, in applicable cases, substantially in excess of such individual's or entity's costs) for such items or services, unless the Secretary finds there is good cause for such bills or requests containing such charges or costs;

"(B) has furnished or caused to be furnished items or services to patients (whether or not eligible for benefits under title XVIII or under a State health care program) substantially in excess of the needs of such patients or of a quality which fails to meet professionally recognized standards of health care;

"(C) is—

"(i) a health maintenance organization (as defined in section 1903(m)) providing items and services under a State plan approved under title XIX, or

"(ii) an entity furnishing services under a waiver approved under section 1915(b)(1), and has failed substantially to provide medically necessary items and services that are required (under law or the contract with the State under title XIX) to be provided to individuals covered under that plan or waiver, if the failure has adversely affected (or has a substantial likelihood of adversely affecting) these individuals; or

"(D) is an entity providing items and services as an eligible organization under a risk-sharing contract under section 1876 and has failed substantially to provide medically necessary items and services that are required (under law or such contract) to be provided to individuals covered under the risk-sharing contract, if the failure has adversely affected (or has a substantial likelihood of adversely affecting) these individuals.

"(7) FRAUD, KICKBACKS, AND OTHER PROHIBITED ACTIVITIES.—Any individual or entity that the Secretary determines has committed an act which is described in section 1128A or section 1128B.

"(8) ENTITIES CONTROLLED BY A SANCTIONED INDIVIDUAL.—Any entity with respect to which the Secretary determines that a person—

"(A)(i) with an ownership or control interest (as defined in section 1124(a)(3)) in that entity, or

"(ii) who is an officer, director, agent, or managing employee (as defined in section 1126(b)) of that entity—

is a person—

"(B)(i) who has been convicted of any offense described in subsection (a) or in paragraph (1), (2), or (3) of this subsection;

"(ii) against whom a civil monetary penalty has been assessed under section 1128A; or

"(iii) who has been excluded from participation under a program under title XVIII or under a State health care program.

"(9) FAILURE TO DISCLOSE REQUIRED INFORMATION.—Any entity that did not fully and accurately make any disclosure required by section 1124 or section 1126.

"(10) FAILURE TO SUPPLY REQUESTED INFORMATION ON SUBCONTRACTORS AND SUPPLIERS.—Any disclosing entity (as defined in section 1124(a)(2)) that fails to supply (within such period as may be specified by the Secretary in regulations) upon request specifically addressed to the entity by the Secretary or by the State agency administering or supervising the administration of a State health care program—

"(A) full and complete information as to the ownership of a subcontractor (as defined by the Secretary in regulations) with whom the entity has had, during the previous 12 months, business transactions in an aggregate amount in excess of $25,000, or

"(B) full and complete information as to any significant business transactions (as defined by the Secretary in regulations), occurring during the five-year period ending on the date of such request, between the entity and any wholly owned supplier or between the entity and any subcontractor.

"(11) FAILURE TO SUPPLY PAYMENT INFORMATION.—Any individual or entity furnishing items or services for which payment may be made under title XVIII or a State health care program that fails to provide such information as the Secretary or the appropriate State agency finds necessary to determine whether such payments are or were due and the amounts thereof, or has refused to permit such examination of its records by or on behalf of the Secretary or that agency as may be necessary to verify such information.

"(12) FAILURE TO GRANT IMMEDIATE ACCESS.—Any individual or entity that fails to grant immediate access, upon reasonable request (as defined by the Secretary in regulations) to any of the following:

"(A) To the Secretary, or to the agency used by the Secretary, for the purpose specified in the first sentence of section 1864(a) (relating to compliance with conditions of participation or payment).

"(B) To the Secretary or the State agency, to perform the reviews and surveys required under State plans under paragraphs (26), (31), and (33) of section 1902(a) and under section 1903(g).

"(C) To the Inspector General of the Department of Health and Human Services, for the purpose of reviewing records, documents, and other data necessary to the performance of the statutory functions of the Inspector General.

"(D) To a State medicaid fraud control unit (as defined in section 1903(q)), for the purpose of conducting activities described in that section.

"(13) FAILURE TO TAKE CORRECTIVE ACTION.—Any hospital that fails to comply substantially with a corrective action required under section 1886(f)(2)(B).

"(14) DEFAULT ON HEALTH EDUCATION LOAN OR SCHOLARSHIP OBLIGATIONS.—Any individual who the Secretary determines is in default on repayments of scholarship obligations or loans in connection with health professions education made or secured, in whole or in part, by the Secretary and with respect to whom the Secretary has taken all reasonable steps available to the Secretary to secure repayment of such obligations or loans, except that (A) the Secretary shall not exclude pursuant to this paragraph a physician who is the sole community physician or sole source of essential specialized services in a community if a State requests that the physician not be excluded, and (B) the Secretary shall take into account, in determining whether to exclude any other physician pursuant to this paragraph, access of beneficiaries to physician services for which payment may be made under title XVIII or XIX.

"(c) NOTICE, EFFECTIVE DATE, AND PERIOD OF EXCLUSION.—(1) An exclusion under this section or under section 1128A shall be effective at such time and upon such reasonable notice to the public and to the individual or entity excluded as may be specified in regulations consistent with paragraph (2).

"(2)(A) Except as provided in subparagraph (B), such an exclusion shall be effective with respect to services furnished to an individual on or after the effective date of the exclusion.

"(B) Unless the Secretary determines that the health and safety of individuals receiving services warrants the exclusion taking effect earlier, an exclusion shall not apply to payments made under title XVIII or under a State health care program for—

"(i) inpatient institutional services furnished to an individual who was admitted to such institution before the date of the exclusion, or

"(ii) home health services and hospice care furnished to an individual under a plan of care established before the date of the exclusion,

until the passage of 30 days after the effective date of the exclusion.

"(3)(A) The Secretary shall specify, in the notice of exclusion under paragraph (1) and the written notice under section 1128A, the minimum period (or, in the case of an exclusion of an individual under subsection (b)(12), the period) of the exclusion.

"(B) In the case of an exclusion under subsection (a), the minimum period of exclusion shall be not less than five years, except that, upon the request of a State, the Secretary may waive the exclusion under subsection (a)(1) in the case of an individual or entity that is the sole community physician or sole source of essential specialized services in a community. The Secretary's decision whether to waive the exclusion shall not be reviewable.

"(C) In the case of an exclusion of an individual under subsection (b)(12), the period of the exclusion shall be equal to the sum of—

"(i) the length of the period in which the individual failed to grant the immediate access described in that subsection, and

"(ii) an additional period, not to exceed 90 days, set by the Secretary.

"(d) NOTICE TO STATE AGENCIES AND EXCLUSION UNDER STATE HEALTH CARE PROGRAMS.—(1) Subject to paragraph (3), the Secretary shall exercise the authority under subsection (b) in a manner that results in an individual's or entity's exclusion from all the programs under title XVIII and all the State health care programs in which the individual or entity may otherwise participate.

"(2) The Secretary shall promptly notify each appropriate State agency administering or supervising the administration of each State health care program (and, in the case of an exclusion effected pursuant to subsection (a) and to which section 304(a)(5) of the Controlled Substances Act may apply, the Attorney General)—

"(A) of the fact and circumstances of each exclusion effected against an individual or entity under this section or section 1128A, and

"(B) of the period (described in paragraph (3)) for which the State agency is directed to exclude the individual or entity from participation in the State health care program.

"(3)(A) Except as provided in subparagraph (B), the period of the exclusion under a State health care program under paragraph (2) shall be the same as any period of exclusion under a program under title XVIII.

"(B) The Secretary may waive an individual's or entity's exclusion under a State health care program under paragraph (2) if the Secretary receives and approves a request for the waiver with respect to the individual or entity from the State agency administering or supervising the administration of the program.

"(e) NOTICE TO STATE LICENSING AGENCIES.—The Secretary shall—

"(1) promptly notify the appropriate State or local agency or authority having responsibility for the licensing or certification of an individual or entity excluded (or directed to be excluded) from participation under this section or section 1128A, of the fact and circumstances of the exclusion,

"(2) request that appropriate investigations be made and sanctions invoked in accordance with applicable State law and policy, and

"(3) request that the State or local agency or authority keep the Secretary and the Inspector General of the Department of Health and Human Services fully and currently informed with respect to any actions taken in response to the request.

"(f) NOTICE, HEARING, AND JUDICIAL REVIEW.—(1) Any individual or entity that is excluded (or directed to be excluded) from participation under this section is entitled to reasonable notice and opportunity for a hearing thereon by the Secretary to the same extent as is provided in section 205(b), and to judicial review of the Secretary's final decision after such hearing as is provided in section 205(g).

"(2) The provisions of section 205(h) shall apply with respect to this section and sections 1128A and 1156 to the same extent as it is applicable with respect to title II.

"(g) APPLICATION FOR TERMINATION OF EXCLUSION.—(1) An individual or entity excluded (or directed to be excluded) from participation under this section or section 1128A may apply to the Secretary, in the manner specified by the Secretary in regulations and at the end of the minimum period of exclusion provided under subsection (c)(3) and at such other times as the Secretary may provide, for termination of the exclusion effected under this section or section 1128A.

"(2) The Secretary may terminate the exclusion if the Secretary determines, on the basis of the conduct of the applicant which occurred after the date of the notice of exclusion or which was unknown to the Secretary at the time of the exclusion, that—

"(A) there is no basis under subsection (a) or (b) or section 1128A(a) for a continuation of the exclusion, and

"(B) there are reasonable assurances that the types of actions which formed the basis for the original exclusion have not recurred and will not recur.

"(3) The Secretary shall promptly notify each appropriate State agency administering or supervising the administration of each State health care program (and, in the case of an exclusion effected pursuant to subsection (a) and to which section 304(a)(5) of the Controlled Substances Act may apply, the Attorney General) of the fact and circumstances of each termination of exclusion made under this subsection.

"(h) DEFINITION OF STATE HEALTH CARE PROGRAM.—For purposes of this section and sections 1128A and 1128B, the term 'State health care program' means—

"(1) a State plan approved under title XIX,

"(2) any program receiving funds under title V or from an allotment to a State under such title, or

"(3) any program receiving funds under title XX or from an allotment to a State under such title.

"(i) CONVICTED DEFINED.—For purposes of subsections (a) and (b), a physician or other individual is considered to have been 'convicted' of a criminal offense—

"(1) when a judgment of conviction has been entered against the physician or individual by a Federal, State, or local court, regardless of whether there is an appeal pending or whether the judgment of conviction or other record relating to criminal conduct has been expunged;

"(2) when there has been a finding of guilt against the physician or individual by a Federal, State, or local court;

"(3) when a plea of guilty or nolo contendere by the physician or individual has been accepted by a Federal, State, or local court; or

"(4) when the physician or individual has entered into participation in a first offender or other program where judgment of conviction has been withheld.".

SEC. 3. CIVIL MONETARY PENALTIES.

(a) GROUNDS FOR IMPOSITION.—(1) Section 1128A(a)(1) (42 U.S.C. 1320a-7a(a)(1)) is amended by striking "the Secretary determines" and all that follows through "; or" and inserting "the Secretary determines—

"(A) is for a medical or other item or service that the person knows or has reason to know was not provided as claimed,

"(B) is for a medical or other item or service and the person knows or has reason to know the claim is false or fraudulent,

"(C) is presented for a physician's service (or an item or service incident to a physician's service) by a person who knows or has reason to know that the individual who furnished (or supervised the furnishing of) the service—

"(i) was not licensed as a physician,

"(ii) was licensed as a physician, but such license had been obtained through a misrepresentation of material fact (including cheating on an examination required for licensing), or

"(iii) represented to the patient at the time the service was furnished that the physician was certified in a medical specialty by a medical specialty board when the individual was not so certified, or

"(D) is for a medical or other item or service furnished during a period in which the person was excluded under the program under which the claim was made pursuant to a determination by the Secretary under this section or under section 1128, 1156, 1160(b) (as in effect on September 2, 1982), 1862(d) (as in effect on the date of the enactment of the Medicare and Medicaid Patient and Program Protection Act of 1987), or 1866(b); or".

(2) Section 1128A(a)(2) is amended—

(A) in subparagraph (B) by inserting "(or other requirement of a State plan under title XIX)" after "State agency", and

(B) by inserting at the end "or (D) an agreement pursuant to section 1866(a)(1)(G), or".

(3) Subsection (a) of section 1128A is further amended—

(A) by inserting after paragraph (2) and before the end matter of such subsection the following new paragraph:

"(3) gives to any person, with respect to coverage under title XVIII of inpatient hospital services subject to the provisions of section 1886, information that he knows or has reason to know is false or misleading, and that could reasonably be expected to influence the decision when to discharge such person or another individual from the hospital;", and

(B) in the matter following paragraph (3)—

(i) by inserting "(or, in cases under paragraph (3), $15,000 for each individual with respect to whom false or misleading information was given)" before the period at the end of the first sentence, and

(ii) by adding at the end thereof the following new sentence: "In addition the Secretary may make a determination in the same proceeding to exclude the person from participation in the programs under title XVIII and to direct the appropriate State agency to exclude the person from participation in any State health care program.".

(b) STATUTE OF LIMITATION ON ACTIONS.—Subsection (c)(1) of section 1128A (as redesignated by section 9313(c)(1)(D) of the Omnibus Budget Reconciliation Act of 1986) is amended by adding at the end the following new sentences: "The Secretary may not initiate an action under this section with respect to any claim later than six years after the date the claim was presented. The Secretary may initiate an action under this section by serving notice of the action in any manner authorized by rule 4 of the Federal Rules of Civil Procedure.".

(c) CONFORMING AMENDMENT.—Subsections (c), (d), (g), and (h) of section 1128A are each amended by striking "penalty or assessment" and inserting "penalty, assessment, or exclusion" each place it appears.

(d) PRO-RATED PAYMENT OF RECOVERIES TO STATE AGENCIES.—Subsection (f)(1)(A) of section 1128A is amended by striking "equal to the State's share of the amount paid by the State agency" and inserting "bearing the same proportion to the total amount recovered as the State's share of the amount paid by the State agency for such claim bears to the total amount paid".

(e) NOTICE TO STATE AGENCIES.—Subsection (h) of section 1128A is further amended by inserting "the appropriate State agency or agencies administering or supervising the administration of State health care programs (as defined in section 1128(h))," after "professional organization,".

(f) APPLICATION OF SUBPOENA POWER AND INJUNCTIVE POWERS.—Section 1128A is further amended by adding at the end the following new subsections:

"(j) The provisions of subsections (d) and (e) of section 205 shall apply with respect to this section to the same extent as they are applicable with respect to title II. The Secretary may delegate the authority granted by section 205(d) (as made applicable to this section) to the Inspector General of the Department of Health and Human Services for purposes of any investigation under this section.

"(k) Whenever the Secretary has reason to believe that any person has engaged, is engaging, or is about to engage in any activity which makes the person subject to a civil monetary penalty under this section, the Secretary may bring an action in an appropriate district court of the United States (or, if applicable, a United States court of any territory) to enjoin such activity, or to enjoin the person from concealing, removing, encumbering, or disposing of assets which may be required in order to pay a civil monetary penalty if any such penalty were to be imposed or to seek other appropriate relief.".

SEC. 4. CRIMINAL PENALTIES FOR ACTS INVOLVING MEDICARE AND STATE HEALTH CARE PROGRAMS.

(a) TECHNICAL AMENDMENTS.—Section 1909 (42 U.S.C. 1396h) is amended—

(1) by amending the heading to read as follows:

"CRIMINAL PENALTIES FOR ACTS INVOLVING MEDICARE OR STATE HEALTH CARE PROGRAMS";

(2) in subsection (a)(1), by striking "a State plan approved under this title" and inserting "a program under title XVIII or a State health care program (as defined in section 1128(h))";

(3) in the matter in subsection (a) following paragraph (4), by striking "this title" the first place it appears and inserting "the program";

(4) in the last sentence of subsection (a), by striking "this title" the first place it appears and inserting "title XIX", and by striking "this title" the second place it appears and inserting "that title";

(5) in paragraphs (1)(A), (1)(B), (2)(A), (2)(B), and (3)(A) of subsection (b), by striking "this title" and inserting "title XVIII or a State health care program" each place it appears;

(6) in subsection (b)(3)—

(A) by striking "and" at the end of subparagraph (A),

(B) by striking the period at the end of subparagraph (B) and inserting "; and", and

(C) by adding at the end the following:

"(C) any amount paid by a vendor of goods or services to a person authorized to act as a purchasing agent for a group of individuals or entities who are furnishing services reimbursed under title XVIII or a State health care program if—

"(i) the person has a written contract, with each such individual or entity, which specifies the amount to be paid the person, which amount may be a fixed amount or a fixed percentage of the value of the purchases made by each such individual or entity under the contract, and

"(ii) in the case of an entity that is a provider of services (as defined in section 1861(u)), the person discloses (in such form and manner as the Secretary requires) to the entity and, upon request, to the Secretary the amount received from each such vendor with respect to purchases made by or on behalf of the entity.";

(7) in subsection (c), by striking "or home health agency (as those terms are employed in this title)" and inserting "home health agency, or other entity for which certification is required under title XVIII or a State health care program"; and

(8) in subsection (d), by striking "this title" and inserting "title XIX" each place it appears.

(b) CRIMINAL PENALTIES FOR PHYSICIAN MISREPRESENTATIONS.—Subsection (a) of such section is further amended—

(1) by striking "or" at the end of paragraph (3),

(2) by inserting "or" at the end of paragraph (4), and

(3) by inserting after paragraph (4) the following new paragraph:

"(5) presents or causes to be presented a claim for a physician's service for which payment may be made under a program under title XVIII or a State health care program and knows that the individual who furnished the service was not licensed as a physician,".

(c) REDESIGNATION OF SECTION 1877(d) AS SECTION 1128B(e).—Subsection (d) of section 1877 (42 U.S.C. 1395nn) is redesignated as subsection (e) and is transferred and inserted in section 1909 at the end thereof.

(d) REDESIGNATION OF SECTION 1909 AS SECTION 1128B.—Section 1909, as amended by subsections (a), (b), and (c) of this section, is redesignated as section 1128B and is transferred to title XI and inserted immediately after section 1128A.

(e) REPEAL.—Section 1877 (other than subsection (d) thereof which was transferred under subsection (c) of this section) is repealed.

SEC. 5. INFORMATION CONCERNING SANCTIONS TAKEN BY STATE LICENSING AUTHORITIES AGAINST HEALTH CARE PRACTITIONERS AND PROVIDERS.

(a) MEDICAID PLAN REQUIREMENT.—Section 1902(a) (42 U.S.C. 1396a(a)) is amended—

(1) by striking "and" at the end of paragraph (46),

(2) by striking the period at the end of the paragraph (47) added by section 9407(a) of the Omnibus Budget Reconciliation Act of 1986 and inserting a semicolon and transferring and inserting such paragraph after paragraph (46),

(3) by striking the period at the end of the paragraph (47) added by section 11005(b) of the Anti-Drug Abuse Act of 1986 and inserting "; and", by redesignating such paragraph as paragraph (48), and by transferring and inserting such paragraph after paragraph (47), and

(4) by inserting after paragraph (48) the following new paragraph:

"(49) provide that the State will provide information and access to certain information respecting sanctions taken against health care practitioners and providers by State licensing authorities in accordance with section 1921.".

(b) INFORMATION REQUIRED.—Title XIX is amended by redesignating section 1921 as section 1922 and inserting after section 1920 the following new section:

"INFORMATION CONCERNING SANCTIONS TAKEN BY STATE LICENSING AUTHORITIES AGAINST HEALTH CARE PRACTITIONERS AND PROVIDERS

"SEC. 1921. (a) INFORMATION REPORTING REQUIREMENT.—The requirement referred to in section 1902(a)(49) is that the State must provide for the following:

"(1) INFORMATION REPORTING SYSTEM.—The State must have in effect a system of reporting the following information with respect to formal proceedings (as defined by the Secretary in regulations) concluded against a health care practitioner or entity by any authority of the State (or of a political subdivision thereof) responsible for the licensing of health care practitioners or entities:

"(A) Any adverse action taken by such licensing authority as a result of the proceeding, including any revocation or suspension of a license (and the length of any such suspension), reprimand, censure, or probation.

"(B) Any dismissal or closure of the proceedings by reason of the practitioner or entity surrendering the license or leaving the State or jurisdiction.

"(C) Any other loss of the license of the practitioner or entity, whether by operation of law, voluntary surrender, or otherwise.

"(2) ACCESS TO DOCUMENTS.—The State must provide the Secretary (or an entity designated by the Secretary) with access to such documents of the authority described in paragraph (1) as may be necessary for the Secretary to determine the facts and circumstances concerning the actions and determinations described in such paragraph for the purpose of carrying out this Act.

"(b) FORM OF INFORMATION.—The information described in subsection (a)(1) shall be provided to the Secretary (or to an appropriate private or public agency, under suitable arrangements made by the Secretary with respect to receipt, storage, protection of confidentiality, and dissemination of information) in such a form and manner as the Secretary determines to be appropriate in order to provide for activities of the Secretary under this Act and in order to provide, directly or through suitable arrangements made by the Secretary, information—

"(1) to agencies administering Federal health care programs,

"(2) to licensing authorities described in subsection (a)(1),

"(3) to State agencies administering or supervising the administration of State health care programs (as defined in section 1128(h)),

"(4) to utilization and quality control peer review organizations described in part B of title XI,

"(5) to State medicaid fraud control units (as defined in section 1903(q)),

"(6) to hospitals and other health care entities (as defined in section 431 of the Health Care Quality Improvement Act of 1986), with respect to physicians or other licensed health care practitioners that have entered (or may be entering) into an employment or affiliation relationship with, or have applied for clinical privileges or appointments to the medical staff of, such hospitals or other health care entities (and such information shall be deemed to be disclosed pursuant to section 427 of, and be subject to the provisions of, that Act), and

"(7) to the Attorney General and such other law enforcement officials as the Secretary deems appropriate, and

"(8) upon request, to the Comptroller General,

in order for such authorities to determine the fitness of individuals to provide health care services, to protect the health and safety of individuals receiving health care through such programs, and to protect the fiscal integrity of such programs.

"(c) CONFIDENTIALITY OF INFORMATION PROVIDED.—The Secretary shall provide for suitable safeguards for the confidentiality of such of the information furnished under subsection (a). Nothing in this subsection shall prevent the disclosure of such information by a party which is otherwise authorized, under applicable State law, to make such disclosure.

"(d) APPROPRIATE COORDINATION.—The Secretary shall provide for the maximum appropriate coordination in the implementation of subsection (a) of this section and section 422 of the Health Care Quality Improvement Act of 1986.".

SEC. 6. OBLIGATION OF HEALTH CARE PRACTITIONERS AND PROVIDERS.

Section 1156 (42 U.S.C. 1320c–5) is amended—

(1) by striking "title XVIII" and "such title" in subsection (a) and inserting "this Act" in each instance, and

(2) by striking "title XVIII" in subsection (b) and inserting "this Act" each place it appears.

SEC. 7. EXCLUSION UNDER THE MEDICAID PROGRAM.

Section 1902 (42 U.S.C. 1396b) is amended by redesignating the subsection (l) added by section 3(b) of the Employment Opportunities for Disabled Americans Act as subsection (o) and by inserting after such subsection the following new subsection:

"(p)(1) In addition to any other authority, a State may exclude any individual or entity for purposes of participating under the State plan under this title for any reason for which the Secretary could exclude the individual or entity from participation in a program under title XVIII under section 1128, 1128A, or 1866(b)(2).

"(2) In order for a State to receive payments for medical assistance under section 1903(a), with respect to payments the State makes to a health maintenance organization (as defined in section 1903(m)) or to an entity furnishing services under a waiver approved under section 1915(b)(1), the State must provide that it will exclude from participation, as such an organization or entity, any organization or entity that—

"(A) could be excluded under section 1128(b)(8) (relating to owners and managing employees who have been convicted of certain crimes or received other sanctions), or

"(B) has, directly or indirectly, a substantial contractual relationship (as defined by the Secretary) with an individual or entity that is described in section 1128(b)(8)(B).

"(3) As used in this subsection, the term 'exclude' includes the refusal to enter into or renew a participation agreement or the termination of such an agreement.".

SEC. 8. MISCELLANEOUS AND CONFORMING AMENDMENTS.

(a) MATERNAL AND CHILD HEALTH PROGRAM.—Section 504(b) (42 U.S.C. 704(b)) is amended—

(1) by striking "or" at the end of paragraph (4),

(2) by striking the period at the end of paragraph (5) and inserting "; or", and

(3) by adding at the end thereof the following new paragraph:

"(6) payment for any item or service (other than an emergency item or service) furnished—

"(A) by an individual or entity excluded from participation in the program under this title pursuant to section 1128 or section 1128A, or

"(B) at the medical direction or on the prescription of a physician during the period when the physician is excluded pursuant to section 1128 or section 1128A from participation in the program under this title.".

(b) DISCLOSURE REQUIREMENTS.—(1) Subsection (a) of section 1126 (42 U.S.C. 1320a–5) is amended—

(A) in the first sentence, by striking "or other institution" and all that follows through the period at the end and inserting "or other entity (other than an individual practitioner or group of practitioners) shall be required to disclose to the Secretary or to the appropriate State agency the name of any person that is a person described in subparagraphs (A) and (B) of section 1128(b)(8).", and

(B) in the second sentence, by striking "institution, organization, or agency" and inserting "entity".

(2) Subsection (b) of such section is amended by striking "institution, organization, or agency" and inserting "entity" each place it appears.

(c) MEDICARE PAYMENTS.—(1) Section 1862 (42 U.S.C. 1395y) is amended—

(A) by striking subsection (d), and

(B) by amending subsection (e) to read as follows:

"(e) No payment may be made under this title with respect to any item or service (other than an emergency item or service) furnished—

"(1) by an individual or entity during the period when such individual or entity is excluded pursuant to section 1128 or section 1128A from participation in the program under this title; or

"(2) at the medical direction or on the prescription of a physician during the period when he is excluded pursuant to section 1128 or section 1128A from participation in the program under this title and when the person furnishing such item or service knew or had reason to know of the exclusion (after a reasonable time period after reasonable notice has been furnished to the person).".

(2) Section 1842(j) (42 U.S.C. 1395u(j)) is amended—

(A) in paragraph (2)—

(i) by amending subparagraph (A) to read as follows:

"(A) excluding a physician from participation in the programs under this title for a period not to exceed 5 years, in accordance with the procedures of subsections (c), (f), and (g) of section 1128, or", and

(ii) by striking "barred from participation in the program" in the second sentence and inserting "excluded from participation in the programs"; and

(B) by striking "bar" in paragraph (3)(A) and inserting "exclude".

(3) Section 1862(h)(4) (42 U.S.C. 1395y(h)(4)) is amended by striking "paragraphs (2) and (3) of subsection (d)" and inserting "subsections (c), (f), and (g) of section 1128".

(4) Paragraph (3) of section 1886(f) (42 U.S.C. 1395ww(f)) is amended to read as follows:

"(3) The provisions of subsections (c) through (g) of section 1128 shall apply to determinations made under paragraph (2) in the same manner as they apply to exclusions effected under section 1128(b)(13).".

(d) TERMINATION OF PROVIDER AGREEMENTS UNDER MEDICARE.—Section 1866 (42 U.S.C. 1395cc) is amended—

(1) by striking paragraph (3) of subsection (a);

(2) by amending subsection (b) to read as follows:

"(b)(1) A provider of services may terminate an agreement with the Secretary under this section at such time and upon such notice to the Secretary and the public as may be provided in regulations, except that notice of more than six months shall not be required.

"(2) The Secretary may refuse to enter into an agreement under this section or, upon such reasonable notice to the provider and the public as may be specified in regulations, may refuse to renew or may terminate such an agreement after the Secretary—

"(A) has determined that the provider fails to comply substantially with the provisions of the agreement, with the provisions of this title and regulations thereunder, or with a corrective action required under section 1886(f)(2)(B),

"(B) has determined that the provider fails substantially to meet the applicable provisions of section 1861, or

"(C) has excluded the provider from participation in a program under this title pursuant to section 1128 or section 1128A.

"(3) A termination of an agreement or a refusal to renew an agreement under this subsection shall be effective on the same date and in the same manner as an exclusion from participation under the programs under this title becomes effective under section 1128(c).";

(3) in paragraphs (1) and (3) of subsection (c), by striking "an agreement filed under this title by a provider of services has been terminated by the Secretary" and inserting "the Secretary has terminated or has refused to renew an agreement under this title with a provider of services";

(4) by inserting "or nonrenewal" in subsection (c) after "termination" each place it appears; and

(5) by adding at the end the following new subsection:

"(h)(1) Except as provided in paragraph (2), an institution or agency dissatisfied with a determination by the Secretary that it is not a provider of services or with a determination described in subsection (b)(2) shall be entitled to a hearing thereon by the Secretary (after reasonable notice) to the same extent as is provided in section 205(b), and to judicial review of the Secretary's final decision after such hearing as is provided in section 205(g).

"(2) An institution or agency is not entitled to separate notice and opportunity for a hearing under both section 1128 and this section with respect to a determination or determinations based on the same underlying facts and issues.".

(e) Conforming Amendment.—Section 1869 (42 U.S.C. 1395ff) is amended by striking subsection (c).

(f) Medicaid Plan Revisions.—Section 1902(a) (42 U.S.C. 1396b(a)) is amended—

(1) in paragraph (23), by inserting "subsection (g) and in" after "except as provided in",

(2) in paragraph (38), by striking "respectively, (A)" and all that follows up to the semicolon at the end and inserting "the information described in section 1128(b)(9)", and

(3) in paragraph (39)—

(A) by striking "bar" and inserting "exclude",

(B) by striking "person" and inserting "individual or entity" each place it appears, and

(C) by inserting "or section 1128A" after "section 1128".

(g) Denial of Federal Financial Participation Under Medicaid.—Paragraph (2) of section 1903(i) (42 U.S.C. 1396b(i)) is amended to read as follows:

"(2) with respect to any amount expended for an item or service (other than an emergency item or service) furnished—

"(A) under the plan by any individual or entity during any period when the individual or entity is excluded from participation in the State plan under this title pursuant to section 1128 or section 1128A, or

"(B) at the medical direction or on the prescription of a physician, during the period when such physician is excluded pursuant to section 1128 or section 1128A from participation in the program under this title and when the person furnishing such item or service knew or had reason to know of the exclusion (after a reasonable time period after reasonable notice has been furnished to the person).".

(h) Medicaid Conforming Amendments.—(1) Subsection (n) of section 1903 (42 U.S.C. 1396b) is repealed.

(2) Paragraph (2) of section 1915(a) (42 U.S.C. 1396n(a)) is amended to read as follows:

"(2) restricts for a reasonable period of time the provider or providers from which an individual (eligible for medical assistance for items or services under the State plan) can receive such items or services, if—

"(A) the State has found, after notice and opportunity for a hearing (in accordance with procedures established by the State), that the individual has utilized such items or services at a frequency or amount not medically necessary (as determined in accordance with utilization guidelines established by the State), and

"(B) under such restriction, individuals eligible for medical assistance for such services have reasonable access (taking into account geographic location and reasonable travel time) to such services of adequate quality.".

(i) Title XX.—Section 2005(a) (42 U.S.C. 1397d(a)) is amended—

(1) by striking "or" at the end of paragraph (7),

(2) by striking the period at the end of paragraph (8) and inserting "; or", and

(3) by adding at the end thereof the following new paragraph:

"(9) for payment for any item or service (other than an emergency item or service) furnished—

"(A) by an individual or entity excluded from participation in the program under this title pursuant to section 1128 or section 1128A, or

"(B) at the direction or on the prescription of a physician during the period when the physician is excluded pursuant to section 1128 or section 1128A from participation in the program under this title.".

(j) Denial, Revocation, or Suspension of Registration To Manufacture, Distribute, or Dispense a Controlled Substance for Entities Excluded From the Medicare Program.—Section 304(a) of the Controlled Substances Act (21 U.S.C. 824(a)) is amended—

(1) by striking "or" at the end of paragraph (3),

(2) by striking the period at the end of paragraph (4) and inserting "; or", and

(3) by inserting after paragraph (4) the following new paragraph:

"(5) has been excluded (or directed to be excluded) from participation in a program pursuant to section 1128(a) of the Social Security Act.".

SEC. 9. CLARIFICATION OF MEDICAID MORATORIUM PROVISIONS OF DEFICIT REDUCTION ACT OF 1984.

Section 2373(c) of the Deficit Reduction Act of 1984 (Public Law 98-369; 98 Stat. 1112) is amended to read as follows:

"(c)(1) The Secretary of Health and Human Services shall not take any compliance, disallowance, penalty, or other regulatory action against a State with respect to the moratorium period described in paragraph (2) by reason of such State's plan described in paragraph (5) under title XIX of the Social Security Act (including any part of the plan operating pursuant to section 1902(f) of such Act), or the operation thereunder, being determined to be in violation of clause (IV), (V), or (VI) of section 1902(a)(10)(A)(ii) or section 1902(a)(10)(C)(i)(III) of such Act on account of such plan (or its operation) having a standard or methodology which the Secretary interprets as being less restrictive than the standard or methodology required under such section, provided that such plan (or its operation) does not make ineligible any individual who would be eligible but for the provisions of this subsection.

"(2) The moratorium period is the period beginning on October 1, 1981, and ending 18 months after the date on which the Secretary submits the report required under paragraph (3).

"(3) The Secretary shall report to the Congress within 12 months after the date of the enactment of this Act with respect to the appropriateness, and impact on States and recipients of medical assistance, of applying standards and methodologies utilized in cash assistance programs to those recipients of medical assistance who do not receive cash assistance, and any recommendations for changes in such requirements.

"(4) No provision of law shall repeal or suspend the moratorium imposed by this subsection unless such provision specifically amends or repeals this subsection.

"(5) In this subsection, a State plan is considered to include—

"(A) any amendment or other change in the plan which is submitted by a State, or

"(B) any policy or guideline delineated in the Medicaid operation or program manuals of the State which are submitted by the State to the Secretary,

whether before or after the date of enactment of this Act and whether or not the amendment or change, or the operating or program manual was approved, disapproved, acted upon, or not acted upon by the Secretary.

"(6) During the moratorium period, the Secretary shall implement (and shall not change by any administrative action) the policy in effect at the beginning of such moratorium period with respect to—

"(A) the point in time at which an institutionalized individual must sell his home (in order that it not be counted as a resource); and

"(B) the time period allowed for sale of a home of any such individual,

who is an applicant for or recipient of medical assistance under the State plan as a medically needy individual (described in section 1902(a)(10)(C) of the Social Security Act) or as an optional categorically needy individual (described in section 1902(a)(10)(A)(ii) of such Act).".

SEC. 10. LIMITATION OF LIABILITY OF MEDICARE BENEFICIARIES WITH RESPECT TO SERVICES FURNISHED BY EXCLUDED INDIVIDUALS AND ENTITIES.

Title XVIII is amended by adding at the end the following new section:

"LIMITATION OF LIABILITY OF BENEFICIARIES WITH RESPECT TO SERVICES FURNISHED BY EXCLUDED INDIVIDUALS AND ENTITIES

"Sec. 1890. Where an individual eligible for benefits under this title submits a claim for payment for items or services furnished by an individual or entity excluded from participation in the programs under this title, pursuant to section 1128, 1128A, 1156, 1160 (as in effect on September 2, 1982), 1862(d) (as in effect on the date of the enactment of the Medicare and Medicaid Patient and Program Protection Act of 1987), or 1866, and such beneficiary did not know or have reason to know that such individual or entity was so excluded, then, to the extent permitted by this title, and notwithstanding such exclusion, payment shall be made for such items or services. In each such case the Secretary shall notify the beneficiary of the exclusion of the individual or entity furnishing the items or services. Payment shall not be made for items or services furnished by an excluded individual or entity to a beneficiary after a reasonable time (as determined by the Secretary in regulations) after the Secretary has notified the beneficiary of the exclusion of that individual or entity.".

SEC. 11. DEFINITION OF PERSON WITH OWNERSHIP OR CONTROL INTEREST.

Section 1124(a)(3)(A)(ii) (42 U.S.C. 1320a-3(a)(3)(A)(ii)) is amended by striking "$25,000 or".

SEC. 12. CONDITIONAL APPROVAL OF RENAL DIALYSIS FACILITIES.

Section 1881 (42 U.S.C. 1395rr) is amended by adding at the end the following new subsection:

"(h)(1) In any case where the Secretary—

"(A) finds that a renal dialysis facility is not in substantial compliance with requirements for such facilities prescribed under subsection (b)(1)(A),

"(B) finds that the facility's deficiencies do not immediately jeopardize the health and safety of patients, and

"(C) has given the facility a reasonable opportunity to correct its deficiencies,

the Secretary may, in lieu of terminating approval of the facility, determine that payment under this title shall be made to the facility only for services furnished to individuals who were patients of the facility before the effective date of the notice.

"(2) The Secretary's decision to restrict payments under this subsection shall be made effective only after such notice to the public and to the facility as may be prescribed in regulations, and shall remain in effect until (A) the Secretary finds that the facility is in substantial compliance with the requirements under subsection (b)(1) (A), or (B) the Secretary terminates the agreement under this title with the facility.

"(3) A facility dissatisfied with a determination by the Secretary under paragraph (1) shall be entitled to a hearing thereon by the Secretary (after reasonable notice) to the same extent as is provided in section 205(b), and to judicial review of the Secretary's final decision after such hearing as is provided in section 205(g).".

SEC. 13. AMENDMENT RELATING TO FRAUD INVOLVING MEDICARE SUPPLEMENTAL INSURANCE.

Section 1882(d)(1) (42 U.S.C. 1395ss(d)(1)) is amended by striking "knowingly or willfully" and inserting "knowingly and willfully".

SEC. 14. STANDARDS FOR ANTI-KICKBACK PROVISIONS.

(a) REGULATIONS.—The Secretary of Health and Human Services, in consultation with the Attorney General, not later than 1 year after the date of the enactment of this Act shall publish proposed regulations, and not later than 2 years after the date of the enactment of this Act shall promulgate final regulations, specifying payment practices that shall not be treated as a criminal offense under section 1128B(b) of the Social Security Act and shall not serve as the basis for an exclusion under section 1128(b)(7) of such Act. Any practices specified in regulations pursuant to the preceding sentence shall be in addition to the practices described in subparagraphs (A) through (C) of section 1128B(b)(3).

(b) CRIMINAL VIOLATION.—Section 1128B(b)(3), as amended and redesignated by section 4 of this Act, is further amended—

(1) by striking "and" at the end of subparagraph (B),

(2) by striking the period at the end of subparagraph (C) and inserting "; and", and

(3) by adding at the end thereof the following new subparagraph:

"(D) any payment practice specified by the Secretary in regulations promulgated pursuant to section 15(a) of the Medicare and Medicaid Patient and Program Protection Act of 1987.".

SEC. 15. EFFECTIVE DATES.

(a) IN GENERAL.—Except as provided in subsections (b), (c), (d), and (e), the amendments made by this Act shall become effective at the end of the fourteen-day period beginning on the date of the enactment of this Act and shall not apply to administrative proceedings commenced before the end of such period.

(b) MANDATORY MINIMUM EXCLUSIONS APPLY PROSPECTIVELY.—Section 1128(c)(3)(B) of the Social Security Act (as amended by this Act), which requires an exclusion of not less than five years in the case of certain exclusions, shall not apply to exclusions based on convictions occurring before the date of the enactment of this Act.

(c) EFFECTIVE DATE FOR CHANGES IN MEDICAID LAW.—(1) The amendments made by sections 5 and 8(f) apply (except as provided under paragraph (2)) to payments under title XIX of the Social Security Act for calendar quarters beginning more than thirty days after the date of the enactment of this Act, without regard to whether or not final regulations to carry out such amendment have been published by such date.

(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this Act, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act.

(3) Subsection (j) of section 1128A of the Social Security Act (as added by section 3(f) of this Act) takes effect on the date of the enactment of this Act.

(d) PHYSICIAN MISREPRESENTATIONS.—Clauses (ii) and (iii) of section 1128A(a)(1)(C) of the Social Security Act, as amended by section 3(a)(1)(F) of this Act, apply to claims presented for services performed on or after the effective date specified in subsection (a), without regard to the date the misrepresentation of fact was made.

(e) CLARIFICATION OF MEDICAID MORATORIUM.—The amendments made by section 9 of this Act shall apply as though they were originally included in the enactment of section 2373(c) of the Deficit Reduction Act of 1984.

(f) TREATMENT OF CERTAIN DENIALS OF PAYMENT.—For purposes of section 1128(b)(8)(B)(iii) of the Social Security Act (as amended by section 2 of this Act), a person shall be considered to have been excluded from participation under a program under title XVIII if payment to the person has been denied under section 1862(d) of the Social Security Act, as in effect before the effective date specified in subsection (a).

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California [Mr. STARK] will be recognized for 20 minutes and the gentleman from Ohio [Mr. GRADISON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. STARK].

Mr. STARK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I am pleased to join with my colleague, Mr. GRADISON, the ranking member of the Ways and Means Health Subcommittee, and with Mr. WAXMAN, Mr. MADIGAN, and Mr. WYDEN to urge enactment of H.R. 1444, the Medicare and Medicaid Patient and Program Protection Act of 1987.

On May 1, 1984, the General Accounting Office issued a report documenting serious gaps in existing law. These gaps allow unfit physicians to provide services to the Medicare and Medicaid beneficiaries. For example, GAO found that physicians who have lost their license to practice in one State can readily obtain a new license in another State where they are able to provide services to Medicare and Medicaid beneficiaries.

In the last Congress, the House moved swiftly and unanimously to approve H.R. 1868, the Medicare and Medicaid Patient and Program Protection Act of 1985. H.R. 1868 would have closed the loopholes in current law. Unfortunately, legislative action was not completed in the 99th Congress.

We cannot afford further delay. The Medicare and Medicaid Patient and Program Protection Act of 1987 is based on H.R. 1868. The legislation has wide bipartisan support. With this legislation, the Secretary of Health and Human Services will have clear authority to protect patients from incompetent providers. At the same time, the Secretary will have new power to protect Federal health benefits programs from fraud and other abuses.

H.R. 1444 requires the Secretary of Health and Human Services to exclude from participation in Medicare and Medicaid providers convicted of crimes related to patient abuse and neglect and crimes related to fraud in the provision of health care services.

The Secretary would also be authorized to exclude providers in a variety of other situations including: Revocation of license, exclusion from other Federal or State health care programs, and default on health professions education loans.

Finally, the bill provides new grounds for criminal and civil penalties and requires Federal and State agencies to exchange information concerning individuals convicted of program abuse or subject to disciplinary action.

More than 48 million Americans receive health care under Medicare and Medicaid at a yearly cost to Federal and State governments of almost $120 billion. H.R. 1444 is needed to ensure the safety of those Americans and to ensure that the taxpayer's money is not wasted by fraud or abuse.

Mr. Speaker, I urge the House to adopt this important legislation by unanimous consent.

Mr. Speaker, I reserve the balance of my time.

Mr. GRADISON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am particularly pleased to join my colleague from the Ways and Means Committee, Representative PETE STARK, in support of the Medicare and Medicaid Patient and Program Protection Act of 1987, H.R. 1444.

H.R. 1444 recodifies and strengthens the antifraud provisions of the Social Security Act. The bill will help protect Medicare and Medicaid beneficiaries from unfit doctors, hospitals, and other health care providers.

This legislation has been developed by many Members of this body as well as the Senate. A companion bill, S. 661, was reported by the Finance Committee last week.

I want to thank Mr. STARK for his direction and guidance in the development of this important legislation. I also want to acknowledge the contributions made by my colleagues on the Energy and Commerce Health Subcommittee, Congressmen WYDEN, WAXMAN, and MADIGAN.

It is rare that a measure receives such strong support and proceeds through the legislative process as rapidly as H.R. 1444 has in the 100th Congress. In the care of this measure, its progress is not accidental.

First and foremost, the legislation is needed. The Medicare and Medicaid Programs serve over 48 million Americans at a yearly cost to the Federal and State governments of almost $120 billion. In any programs of such magnitude, there will be cases of abuse and even fraud.

Congress has given the Secretary of Health and Human Services authority to sanction unscrupulous or incompetent health care providers. This authority, however, is not sufficient. Loopholes in the Social Security Act need plugging. H.R. 1444 will do that.

Second, the bill before the House today has been years in development. In previous Congresses, there have been hearings in both the House and Senate in all the committees of jurisdiction on the issues addressed by H.R. 1444. The provisions in H.R. 1444 have stood the test of more scrutiny in their development than have those of most measures.

A bill comparable to H.R. 1444, H.R. 1868, was introduced in the 99th Congress by my former Ways and Means Committee colleague, Representative Henson Moore. Before Henson Moore left the Congress, he did a remarkable job in directing that legislation through the House.

Unfortunately, the "clock ran out" on H.R. 1868 in the 99th Congress. It was reported by the Finance Committee but did not receive the approval of the full Senate.

H.R. 1444 stands as a tribute to Henson Moore's work. It has been a real honor to take up a project on which he labored so hard and to help his vision become reality.

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Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. MADIGAN].

Mr. MADIGAN. Mr. Speaker, I thank the gentleman from Ohio for yielding me this time.

Mr. Speaker, I rise in strong support of H.R. 1444, the Medicare and Medicaid Patient and Program Protection Act of 1987. This is legislation that has broad bipartisan support. Similar legislation passed the house during the 99th Congress with no opposition but no action was taken on it by the other body.

H.R. 1444 provides important protections for the beneficiaries of several programs authorized under the Social Security Act, including Medicare and Medicaid. The bill mandates the exclusion from the Medicare and Medicaid programs of providers convicted of program-related crimes or patient abuse or neglect.

The bill also consolidates and strengthens several civil monetary and criminal penalty authorities, including those for the submission of claims for payment by individuals who are not licensed as physicians or who obtained their licenses through misrepresentation.

Additionally, the bill requires that States provide information to the Secretary of Health and Human Services regarding disciplinary actions taken against providers by licensing authorities.

This legislation contains strong beneficiary protection. I urge my colleagues to support it.

Mr. STARK. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. WAXMAN], the chairman of the Subcommittee on Health and the Environment of the Committee on Energy and Commerce.

Mr. WAXMAN. Mr. Speaker, I want to thank my distinguished colleague from the State of California, the chairman of the Subcommittee on Health of the Ways and Means Committee for yielding this time to me.

Mr. Speaker, I rise in strong support of H.R. 1444. As the title implies, this bill would give the inspector general of the Department of Health and Human Services the tools necessary to protect the Medicare, Medicaid, title V maternal and child health, and title XX Social Services programs from fraud and abuse.

Medicare and Medicaid pay for essential health services for roughly 50 million elderly, disabled, and low-income families and children. Unfortunately, there are some providers who try to take advantage of these programs or their beneficiaries.

Consider the case of the California physician who, between 1981 and 1984, submitted over $416,000 in false claims to the Medicaid Program for physical exams and psychiatric services that were never rendered. Even after this physician moved out of the State, he continued to send in false claims to the program, with the State sending payment to a post office box. The physician was eventually caught and convicted in State court of one count of grand theft, and sentenced to 5 years in State prison. The inspector general has suspended the physician from participating in Medicare and Medicaid for 25 years. This suspension has been upheld on appeal.

Or consider the case of three durable medical equipment suppliers from New Rochelle, NY, who plead guilty to criminal charges for stealing $1 million from the State's Medicaid Program between 1981 and 1985 by falsely billing for prescription footwear and orthotic devices to nursing home patients, adult home residents, and other Medicaid beneficiaries. Sick, elderly patients were not getting the medical equipment they needed, and the suppliers were enriching themselves. The inspector general recently imposed a 20-year suspension on these individuals.

The basic thrust of this bill is to enable the inspector general to keep such providers out of the Medicare and Medicaid Programs. They deprive patients of needed services or supplies, and they divert taxpayer funds from their intended purposes.

This bill is the successor to H.R. 1868, which passed the House by voice vote on suspension 2 years ago. Only the Senate's failure to act on the measure kept it from becoming law in the last Congress.

Today we have before us essentially the same legislation. Again, it has strong bipartisan support. And again, both the Committee on Energy and Commerce and the Committee on Ways and Means have reported the bill to the House, without amendment, by voice vote.

I want to compliment my colleagues Mr. WYDEN and Mr. MADIGAN for their efforts on behalf of this legislation in the Committee on Energy and Commerce. I would also like to thank Mr. STARK and Mr. GRADISON for coordinating the actions of the Ways and Means Committee with ours.

This bill has the support of the inspector general, the General Accounting Office, and the State Medicaid fraud control units.

I know of no opposition to the antifraud provisions of this bill, and I urge my colleagues to vote to suspend the rules and pass this bill.

Mr. STARK. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Oregon [Mr. WYDEN], a member of the Subcommittee on Health and the Environment of the Committee on Energy and Commerce.

Mr. WYDEN. Mr. Speaker, I want to commend all my colleagues, the gentleman from California [Mr. STARK] and the gentleman from Ohio [Mr. GRADISON] and the gentleman from Illinois [Mr. MADIGAN]. We have worked many years on this legislation.

The fact of the matter is that this bill is long overdue and we very much need these new tools to stop those who are ripping off the Medicare and the Medicaid programs.

The fact of the matter is, Mr. Speaker, that the majority of doctors in this country are honest and decent and caring, but there is a small and very sleazy minority that is simply trying to rip off Medicare and Medicaid. They are getting more inventive all the time. We very much need these tools to put them on the sidelines and put them on the sidelines for good.

Now, there are two features of this bill, Mr. Speaker, that I was very much involved in that I think will go a long way in dealing with these abuses. The first feature of this bill is that we will now have civil and criminal penalties for those who are producing these phony medical diplomas that we have looked into on the House Aging Committee.

The fact of the matter is that from coast to coast there are these charlatans who produce these degrees from fictitious universities and then go out and inflict pain and suffering on their patients. With this legislation there will now be civil and criminal penalties for those who use phony diplomas and engage in medical practice.

The other section of this bill that I was very much involved in that I think is going to help against those who abuse Medicare and Medicaid is that there will be new civil penalties for those who misrepresent the specialty that they are licensed to practice in. We are seeing that this is going on to a growing degree. I think the new penalties in this area will serve as a deterrent as well.

The last point that I would mention, Mr. Speaker, is that when we are spending more than $400 billion every single year on health care, we simply cannot afford to see our resources frittered away by criminals who are not in a position to give decent quality medical services to this country.

The new tools that are provided in this legislation to stop those who are abusing these programs are going to be welcomed by prosecutors across this country.

I want to thank the gentleman from California for yielding me the time and commend him and also our friend, the gentleman from Ohio [Mr. GRADISON] who has done so much work on this.

Mr. ANDREWS. Mr. Speaker, the Medicare and Medicaid Patient and Program Protection Act is an important step by this Congress to attack the problem of fraud and abusive practices by health care providers. This legislation will strengthen the authority of the Department of Health and Human Services to bar these unscrupulous practitioners from participating in Federal health programs.

One element of this legislation that I would in particular like to note is its authorization for the Secretary of HHS to exclude any physician who is in default on Federal loans or scholarship obligations for health education. Such defaults are a widespread and persistent problem for HHS.

In fact the report language that accompanies the bill suggests exploring deduction of overdue obligations from Medicare or Medicaid payments to these defaulting practitioners.

For my colleagues who are interested in pursuing this problem further, Senator ROTH and I have introduced the Physician's Education Loan Collection Act, H.R. 2230, which would provide HHS with specific authority to deduct past-due amounts owed for National Health Service Corps scholarships from Medicare and Medicaid payments to defaulting physicians and other health care professionals.

I feel this legislation would be an appropriate response to this nagging problem. I encourage your attention to it and urge your support for the bill before us. Medicare and Medicaid beneficiaries deserve protection from fraudulent or substandard care.

Mr. GILMAN. Mr. Speaker, I rise in support of H.R. 1444, the Medicare and Medicaid Patient and Program Protection Act and I thank the gentleman from Ohio, [Mr. GRADISON], and the gentleman from California, [Mr. STARK], for the leadership they have provided in bringing this measure before us today.

H.R. 1444 recodifies certain provisions of law relating to Medicare and Medicaid fraud and abuse and extends these laws to the Maternal and Child Health Program, as well as to the title XX Social Services Program. More specifically, this legislation amends Medicare and Medicaid law in four important ways. First, it mandates that those convicted of a program-related crime, patient neglect, or abuse be excluded from participation. Second, it permits the Department of Health and Human Services to exclude practitioners convicted of a crime related to the provision of health services, financial integrity, the obstruction of certain investigations, or controlled substance violations. Third, it authorizes exclusion from Medicare, Medicaid, and State health care programs any practitioner who has had his or her license revoked or suspended by any State-licensing authority. Finally, H.R. 1444 clarifies that any fiscal or other penalties on State Medicaid programs apply to State Medicare plans and program operations, whether approved or not, in all States.

The Department of Health and Human Services currently can exclude practitioners from the Medicare Program for a number of reasons. H.R. 1444 clarifies and strengthens these provisions to better protect both Medicare and Medicaid patients, and the integrity of these programs. Accordingly, I urge my colleagues to join in support of this important legislation.

Mr. McGRATH. Mr. Speaker, today, H.R. 1444, the Medicare and Medicaid Patient and Program Protection Act of 1987, is being considered on the House floor. I am pleased to have been a cosponsor and supporter of this legislation and to have taken an active role in passing it through the Ways and Means Committee.

Although there is only a small group of medical practitioners and facilities that do not follow this profession's traditional code of ethics, H.R. 1444 will protect poor and elderly Medicare and Medicaid patients from these unscrupulous health care providers. Under this legislation, any health care provider who has been convicted of a crime relating to the provision of health care services, including patient abuse or neglect, may be barred from participation in Medicare or Medicaid programs by the Secretary of Health and Human Services [HHS]. In addition, this legislation would end the current movement from State to State of practitioners who have had their licenses revoked. It would bar the ability of a doctor who has lost his license in one State to continue to practice medicine simply by moving to another State.

For too long, the law has been ill-equipped to prevent health care providers who engage in illegal practices from treating patients. This bill will end this outrageous abuse of the public's trust and the taxpayer's dollars. It is simply ridiculous that doctors who have been found guilty of assault, fraud, theft, and illegal administration of drugs are still permitted to practice in the Medicare and Medicaid programs.

These programs account for $120 billion annually in Federal and State spending. They have been attacked by accusations of frequent waste, fraud, and abuse. At the same time, the Ways and Means Committee has uncovered solid evidence of health care professionals who overcharge the Government for services and deliver inadequate care to Medicare and Medicaid patients. These abuses must be stopped as they inflict tremendous damage to their profession and to Government health care programs in general. This legislation will punish those who furnish substandard or unnecessary services and then submit inflated bills to the Government for reimbursement.

In addition, H.R. 1444 will also exclude from Medicare and Medicaid programs health care professionals who have defaulted on health education loans or scholarship obligations secured by HHS. It requires the States to provide a system for reporting any type of adverse legal action concluded against any health care practitioner or facility by State or local licensing authorities as a condition of Medicaid plan approval. The legislation also provides for payment for services rendered by an excluded provider if the provider did not know that the provider had been barred from participation in Government health care programs.

Passage of this legislation will provide the Government with a tool with which to fight fraud and abuse in the Medicare and Medicaid programs. It will also ensure a powerful deterrent to unscrupulous medical care providers who have been enjoying near immunity from robbing the Government and providing substandard health care to millions of elderly and poor Americans.

Mr. GRADISON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. STARK. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from California [Mr. Stark] that the House suspend the rules and pass the bill, H.R. 1444.

The question was taken.

Mr. GRADISON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The **SPEAKER** pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. STARK. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1444, the bill just considered.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ANNOUNCEMENT OF AVAILABILITY OF DATA ON INTELLIGENCE AUTHORIZATION ACT

(Mr. STOKES asked and was given permission to address the House for 1 minute.)

Mr. STOKES. Mr. Speaker, I would like to notify all Members that the classified schedule of authorizations and the classified annex to the report of the Permanent Select Committee on Intelligence for H.R. 2112, the Intelligence Authorization Act for fiscal year 1988, is now available at the offices of the committee, H-405 in the Capitol, for the review of all Members of the House. The committee hopes to bring H.R. 2112 to the floor in the near future, so I urge Members to take the opportunity to review these documents.

ADDITION OF CERTAIN PUBLIC LANDS TO THE CAPULIN MOUNTAIN NATIONAL MONUMENT, NEW MEXICO

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 401) to add certain public lands to the Capulin Mountain National Monument, NM, as amended.

The Clerk read as follows:

H.R. 401

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REDESIGNATION AS CAPULIN VOLCANO NATIONAL MONUMENT.

(a) Redesignation.—Capulin Mountain National Monument is hereby redesignated as Capulin Volcano National Monument.

(b) Reference.—Any reference in any record, map, or other document of the United States of America to Capulin Mountain National Monument shall hereafter be deemed to be a reference to Capulin Volcano National Monument.

SEC. 2. ADDITION TO CAPULIN VOLCANO NATIONAL MONUMENT.

(a) In General.—Section 1 of the Act of September 5, 1962 (76 Stat. 436), is hereby amended by striking the remaining portion of section 1 after "boundaries of the monument" and inserting "shall include the lands and interests in lands as generally depicted on the map entitled 'Capulin Volcano National Monument Boundary Map' which is numbered 125-80,014 and dated January 1987.".

(b) Administration.—Jurisdiction over federally owned lands within the revised boundaries of the monument is hereby transferred to the National Park Service, without monetary consideration, for administration as part of the monument.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. LAGOMARSINO. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from Minnesota [Mr. Vento] will be recognized for 20 minutes and the gentleman from California [Mr. Lagomarsino] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. Vento].

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 401, sponsored by my colleague from New Mexico, Mr. Richardson, concerns Capulin Mountain National Monument near Raton, NM. Capulin is a 1,000-foot-high volcanic cinder cone and is unique in its near perfect symmetry. President Woodrow Wilson designated the area a national monument in 1916 because it is such a striking example of a recent volcano and has great scientific and geological interest. In 1962, Congress increased the size of the monument by 95 acres and today it encompasses 775 acres.

H.R. 401 would affect the monument in two ways: First, by changing the name of the monument to Capulin Volcano National Monument in order to more accurately describe why the area is special and to attract more visitors to the monument. And second, by adding 17.5 acres of Federal lands to the monument near its entrance. They are an outstanding part of the lava flow and include a collapsed lava tube. The addition of this area will enhance the monument and improve its management. This is a noncontroversial measure that has the support of the administration and that deserves approval by the House.

Mr. Speaker, I yield such time as he may consume to the gentleman from New Mexico [Mr. Richardson], the sponsor of this measure.

Mr. RICHARDSON. Mr. Speaker, I rise to speak in favor of H.R. 401, a bill that would transfer 17.5 acres of public land to the Capulin Mountain National Monument in northeastern New Mexico and change the name to Capulin Volcano National Monument. The bill is not controversial. On April 28, 1987, the Subcommittee on National Parks and Public Lands held a hearing on the bill and every witness speaking on this bill supported it. The administration strongly supports the bill. There is also a companion bill in the Senate.

The bill would incorporate into Capulin Monument, which is actually an extinct volcano, 17.5 acres of Bureau of Land Management land which is adjacent to the western boundary of the monument and visible from the entrance road. This land was transferred to the Bureau of Land Management in a land exchange between the Bureau of Land Management and the State of New Mexico. In 1972, the National Park Service filed a request for the withdrawal of this land for the express purpose of adding the property to the Capulin Mountain National Monument.

In January 1975, a notice of proposed withdrawal was published in the Federal Register by the Bureau of Land Management. The notice stated that the Bureau of Land Management would undertake an investigation to examine the potential demand on the 17.5 acres of land and its resources and invited the public to comment or state their objections in connection with the proposed withdrawal. No public response was received.

Further, 6 years ago, the Bureau of Land Management published in the Federal Register, 43 CFR Public Land

Order 5723 entitled, "New Mexico; Withdrawal in Aid of Legislation for Capulin Mountain National Monument." The order stated that—

> This order will withdraw 17.464 acres of land under the general land laws for use as a buffer area in connection with administration by the National Park Service of the Capulin Mountain National Monument.

The withdrawal remained in effect for not more than 5 years of the order—ending in May 1985. The only public response to that 1980 notice was a positive one—received from the Eastern Plains Council of Governments in Glovis, NM. The council of governments, which includes all the local governments in the region, supported the withdrawal of the land and the inclusion of the acreage within the boundary of Capulin Mountain National Monument. The council of governments continues to support this transfer as does the local chambers of commerce and the people of northeastern New Mexico.

Now that the withdrawal order has expired there is a great need for legislation so that the 17.5 acres in question can be made a permanent part of the Capulin Mountain National Monument. The National Park Service in 1984 outlined the many benefits to be derived from a bill that would include the transfer of the 17.5 acres of public land in question. If the tract is included within the boundary it would contain the only portion of the outstanding collapsed lava tube formation within the monument area. That remnant of volcanic lava flow would be in plain view from the entrance road to the monument and provide an opportunity for onsite interpretation of the geologic formation. Inclusion of this 17.5 acres would also prevent the removal of the lava rock.

Mr. Speaker, H.R. 401 also changes the name from Capulin Mountain National Monument to Capulin Volcano National Monument to more accurately describe the true nature of the monument. Capulin is not simply a mountain—it is the cone of a recently extinct volcano. In fact, Capulin may be the most perfect volcanic cinder cone in the United States. Capulin erupted three times over a 2,000-year period—the last eruption occuring about 10,000 years ago.

Visitors to Capulin can drive to the rim of this volcano at an elevation over 8,000 feet. They can then hike an easy trail along the rim. There is also a trail into the actual crater of the volcano. Capulin is one of the few places in the world where one can walk safely into a volcano. The present name of Capulin Mountain fails to alert potential visitors to this unique opportunity. The name change to Capulin Volcano will help explain the actual site and should increase the number of tourists. The Southwest is blessed with thousands of mountains but it has very few volcanos.

Mr. Speaker, I ask my colleagues to support H.R. 401 to enhance Capulin Mountain, or should I say "Volcano," National Monument and make it more attractive to visitors.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as my colleague has pointed out, this is a simple noncontroversial bill which changes the name of this national monument in New Mexico by replacing the word "mountain" with the word "volcano" so that the monument is more appropriately named. H.R. 401 also adds 17.5 acres of Federal land to the National Park System. Addition of this tract further protects a remnant of the volcanic lava flow and consolidates management so that one Federal agency is responsible for protecting the resource.

The administration supports this bill. Furthermore, there were no objections to H.R. 401 at subcommittee or full committee.

Mr. LAGOMARSINO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 401, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to redesignate Capulin Mountain National Monument as Capulin Volcano National Monument and to add certain public lands in the State of New Mexico to Capulin Volcano National Monument."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 401, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

ESTABLISHING THE EL MALPAIS NATIONAL MONUMENT, THE MASAU TRAIL, AND THE GRANTS NATIONAL CONSERVATION AREA IN NEW MEXICO

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 403) to establish the El Malpais National Monument, the Masau Trail, and the Grants National Conservation Area in the State of New Mexico, and for other purposes, as amended.

The Clerk read as follows:

H.R. 403

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—EL MALPAIS NATIONAL MONUMENT

ESTABLISHMENT OF MONUMENT

SEC. 101. (a) In order to preserve, for the benefit and enjoyment of present and future generations, that area in western New Mexico containing the nationally significant Grants Lava Flow, the Las Ventanas Chacoan Archeological Site, and other significant natural and cultural resources there is hereby established the El Malpais National Monument (hereinafter referred to as the "monument"). The monument shall consist of approximately 114,000 acres as generally depicted on the map entitled "El Malpais National Monument and National Conservation Area" numbered NM-ELMA-80,001-A and dated May 1987. The map shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior.

(b) As soon as practicable after the enactment of this Act, the Secretary of the Interior (hereinafter in this Act referred to as the "Secretary") shall file a legal description of the monument designated under this section with the Committee on Interior and Insular Affairs of the United States House of Representatives and with the Committee on Energy and Natural Resources of the United States Senate. Such legal description shall have the same force and effect as if included in this Act, except that the Secretary may correct clerical and typographical errors in such legal description and in the map referred to in subsection (a). The legal description shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior.

TRANSFER

SEC. 102. Lands and waters and interests therein within the boundaries of the monument, which as of the day prior to the date of enactment of this Act were administered by the Forest Service, United States Department of Agriculture, are hereby transferred to the administrative jurisdiction of the Secretary to be managed as part of the monument in accordance with this Act. The boundaries of the Cibola National Forest shall be adjusted accordingly.

MANAGEMENT

SEC. 103. The Secretary, acting through the Director of the National Park Service, shall manage the monument in accordance with the provisions of this Act, the Act of August 25, 1916 (39 Stat. 16 U.S.C. 1 et seq.), and other provisions of law applicable to units of the National Park System. The Secretary shall protect, manage, and administer the monument for the purposes of preserving the scenery and the natural, historic, and cultural resources of the monument and providing for the public understanding and enjoyment of the same in such a manner as to perpetuate these qualities for future generations.

PERMITS

SEC. 104. Where any lands included within the boundary of the monument on the map referred to in section 101(a) are legally occupied or utilized on the date of enactment of this Act for grazing purposes, pursuant to a lease, permit, or license which is—

(1) for a fixed term of years issued or authorized by any department, establishment, or agency of the United States, and

(2) scheduled for termination before December 31, 1997,

the Secretary, notwithstanding any other provision of law, shall allow the persons holding such grazing privileges (or their heirs) to retain such grazing privileges until December 31, 1997, subject to such limitations, conditions, or regulations as the Secretary may prescribe to insure proper range management. No grazing shall be permitted on lands within the boundaries of the monument on or after January 1, 1998.

TITLE II—MASAU TRAIL

DESIGNATION OF TRAIL

SEC. 201. In order to provide for public appreciation, education, understanding, and enjoyment of certain nationally significant sites of antiquity in New Mexico and eastern Arizona which are accessible by public road, the Secretary, acting through the Director of the National Park Service, with the concurrence of the agency having jurisdiction over such roads, is authorized to designate, by publication of a description thereof in the Federal Register, a vehicular tour route along existing public roads linking prehistoric and historic cultural sites in New Mexico and eastern Arizona. Such a route shall be known as the Masau Trail (hereinafter referred to as the "trail").

AREAS INCLUDED

SEC. 202. The trail shall include public roads linking El Malpais National Monument as established pursuant to Title I of this Act, El Morro National Monument, Chaco Cultural National Historical Park, Aztec Ruins National Monument, Canyon De Chelly National Monument, Pecos National Monument, and Gila Cliff Dwellings National Monument. The Secretary may, in the manner set forth in section 201, designate additional segments of the trail from time to time as appropriate to link the foregoing sites with other cultural sites or sites of national significance when such sites are designated and protected by Federal, State, or local governments, Indian tribes, or nonprofit entities.

INFORMATION AND INTERPRETATION

SEC. 203. With respect to sites linked by segments of the trail which are administered by other Federal, State, local, tribal, or nonprofit entities, the Secretary may, pursuant to cooperative agreements with such entities, provide technical assistance in the development of interpretive devices and materials in order to contribute to public appreciation of the natural and cultural resources of the sites along the trail. The Secretary, in cooperation with State and local governments, Indian tribes, and nonprofit entities, shall prepare and distribute informational material for the public appreciation of sites along the trail.

MARKERS

SEC. 204. The trail shall be marked with appropriate markers to guide members of the visiting public. With the concurrence and assistance of the State and local entity having jurisdiction over the roads designated as part of the trail, the Secretary may erect thereon and maintain signs and other informational devices displaying the Masau Trail Marker. The Secretary is authorized to accept the donation of suitable signs and other informational devices for placement at appropriate locations.

TITLE III—EL MALPAIS NATIONAL CONSERVATION AREA

ESTABLISHMENT OF AREA

SEC. 301. (a) In order to protect for the benefit and enjoyment of future generations that area in western New Mexico containing the La Ventana Natural Arch and the other unique and nationally important geological, archeological, ecological, cultural, scenic, scientific, and wilderness resources of the public lands surrounding the Grants Lava Flows, there is hereby established the El Malpais National Conservation Area (hereinafter referred to as the "conservation area"). The conservation area shall consist of approximately 262,690 acres of federally owned land as generally depicted on a map entitled "El Malpais National Monument and National Conservation Area" numbered NM-ELMA 80,001-A and dated May 1987. The map shall be on file and available for inspection in the offices of the Director of the Bureau of Land Management of the Department of the Interior.

(b) As soon as practicable after the date of enactment of this Act, the Secretary shall file a legal description of the conservation area designated under this section with the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives. Such legal description shall have the same force and effect as if included in this Act, except that the Secretary may correct clerical and typographical errors in such legal description. The legal description shall be on file and available for public inspection in the offices of the Director of the Bureau of Land Management, Department of the Interior.

MANAGEMENT

SEC. 302. (a) The Secretary, acting through the Director of the Bureau of Land Management, shall manage the conservation area for the protective purposes specified in section 301 and in accordance with this Act, the Federal Land Management and Policy Act of 1976 and other applicable provisions of law, including those provisions relating to grazing on public lands.

(b) The Secretary shall permit hunting and trapping within the conservation area in accordance with applicable laws and regulations of the United States and the State of New Mexico; except that the Secretary, after consultation with the New Mexico Department of Game and Fish, may issue regulations designating zones where and establishing periods when no hunting or trapping shall be permitted for reasons of public safety, administration, or public use and enjoyment.

(c) Collection of green or dead wood for sale or other commercial purposes shall not be permitted in the conservation area.

(d) Except as otherwise provided in Section 402(b), within the conservation area the grazing of livestock shall be permitted to continue, pursuant to applicable federal law, including this Act, and subject to such reasonable regulations, policies, and practices as the Secretary deems necessary.

TITLE IV—WILDERNESS

DESIGNATION OF WILDERNESS

SEC. 401. (a) In furtherance of the purposes of the Wilderness Act (78 Stat. 890; 16 U.S.C. 131), there are hereby designated as wilderness, and, therefore, as components of the National Wilderness Preservation System, the Cebolla Wilderness of approximately 60,450 acres, and the West Malpais Wilderness of approximately 22,426 acres, as each is generally depicted on the map entitled "El Malpais National Monument and National Conservation Area" numbered NM-ELMA 80,001-A and dated May 1987. The map shall be on file and available for inspection in the offices of the Director of the Bureau of Land Management, Department of the Interior.

(b) As soon as practicable after the date of the enactment of this Act, the Secretary shall file a legal description of each wilderness area designated by this Act with the Committee on Interior and Insular Affairs of the United States House of Representatives and with the Committee on Energy and Natural Resources of the United States Senate. Such legal description shall have the same force and effect as if included in this Act, except that the Secretary may correct clerical and typographical errors in such legal description. The legal description shall be on file and available for public inspection in the office of the Director of the Bureau of Land Management, Department of the Interior.

MANAGEMENT

SEC. 402. (a) Subject to valid existing rights, each wildernesss area designated under this Act shall be administered by the Secretary, through the Director of the Bureau of Land Management, in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the date of enactment of this Act.

(b) Within the wilderness areas designated by this Act, the grazing of livestock, where established prior to the enactment of this Act, shall be permitted to continue subject to such reasonable regulations, policies and practices as the Secretary deems necessary, as long as such regulations, policies, and practices fully conform with and implement the intent of Congress regarding grazing in such areas as such intent is expressed in the Wilderness Act and Section 108 of Public Law 96-560 (16 U.S.C. 1133 note).

TITLE V—GENERAL PROVISIONS

MANAGEMENT PLANS

SEC. 501. (a) Within three full fiscal years following the fiscal year of enactment of this Act, the Secretary shall develop and transmit to the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate, separate general management plans for the monument and the conversation areas which shall describe the appropriate uses and development of the monument and the conservation area consistent with the purposes of this Act. The plans shall include but not be limited to each of the following:

(1) implementation plans for a continuing program of interpretation and public education about the resources and values of the monument and the conservation area;

(2) proposals for public facilities to be developed for the conservation area of the monument, including a visitors center in the vicinity of Bandera Crater and a multiagency orientation center, to be located in or near Grants, New Mexico, and adjacent to

Interstate 40, to accommodate visitors to western New Mexico;

(3) natural and cultural resources management plans for the monument and the conservation area, with a particular emphasis on the preservation and long-term scientific use of archeological resources, giving high priority to the enforcement of the provisions of the Archeological Resources Protection Act of 1979 and the National Historic Preservation Act within the monument and the conservation area. The natural and cultural resources management plans shall be prepared in close consultation with the Advisory Council on Historic Preservation; the New Mexico Sate Historic Preservation Office; and the local Indian people and their traditional cultural and religious authorities, and shall provide for long-term scientific use of archeological resources in the monument and the conservation area, including the wilderness areas designated by this Act; and

(4) wildlife resources management plans for the monument and the conservation area. The wildlife resource plans shall be prepared in close consultation with appropriate departments of the State of New Mexico and shall draw upon previous studies of the area.

(b)(1) The general management plan for the conservation area shall review and recommend the suitability or non-suitability for preservation as wilderness of those lands comprising approximately 17,468 acres, identified as "Wilderness Study Area" (hereafter in this title referred to as the "WSA") on the map referenced in section 401(a).

(2) Pending submission of a recommendation and until otherwise directed by an Act of Congress, the Secretary, acting through the Director of the Bureau of Land Management, shall manage the lands within the WSA so as to maintain their potential for inclusion within the national wilderness preservation system.

(c)(1) The general management plan for the Monument shall review and recommend the suitability or non-suitability for preservation as wilderness of all roadless lands within the boundaries of the monument as established by this Act except those lands within the areas identified as "potential development areas" on the map referenced in section 101.

(2) Pending the submission of a recommendation and until otherwise directed by Act of Congress, the Secretary, through the Director of the National Park Service, shall manage all roadless lands within the boundaries of the monument so as to maintain their potential for inclusion in the National Wilderness Preservation System, except those lands within the areas identified as "potential development areas" on the map referenced in section 101.

ACQUISITIONS

SEC. 502. Within the monument and the conservation area, the Secretary is authorized to acquire lands and interests in lands by donation, purchase with donated or appropriated funds, exchange, or transfer from any other Federal agency, except that such lands or interests therein owned by the State of New Mexico or a political subdivision thereof may be acquired only by exchange. It is the sense of Congress that the Secretary is to complete the acquisition of non-federal subsurface interests underlying the monument and the conservation area no later than three full fiscal years after the fiscal year of enactment of this Act.

STATE EXCHANGES

SEC. 503. (a) Upon the request of the State of New Mexico and pursuant to the provisions of this section, the Secretary shall exchange public lands or interests in lands, of approximately equal value and selected by the State of New Mexico, acting through its Commissioner of Public Lands, for any lands or interests therein owned by the State of New Mexico (hereafter referred to as "State lands") located within the boundaries of the monument or the conservation area which the State of New Mexico wishes to transfer to the United States.

(b) Within 6 months after the date of enactment of this Act, the Secretary shall notify the New Mexico Commissioner of Public Lands what State lands are within the monument or the conservation area. The notice shall contain a listing of all public lands or interest therein within the boundaries of the State of New Mexico which have not been withdrawn from entry and which the Secretary, pursuant to the provisions of sections 202 and 206 of the Federal Land Policy and Management Act of 1976, has identified as appropriate for transfer to the State of New Mexico in exchange for State lands. Such listing shall be updated at least annually. If the New Mexico Commissioner of Public Lands gives notice to the Secretary of the State's desire to obtain public lands so listed, the Secretary shall notify the Commissioner in writing as to whether the Department of the Interior considers the State lands within the monument or conservation area to be of approximately equal value to the listed lands or interests in lands the Commissioner has indicated the State desires to obtain. It is the sense of the Congress that the exchange of lands and interests therein with the State of New Mexico pursuant to this section should be completed within 2 years after the date of enactment of this Act.

MINERAL EXCHANGES

SEC. 504. (a) The Secretary is authorized and directed to exchange the federal mineral interest in the lands described in subsection (b) for the private mineral interests in the lands described in subsection (c), if—

(1) the owner of such private mineral interests has made available to the Secretary all information requested by the Secretary as to the respective values of the private and federal mineral interests to be exchanged; and

(2) on the basis of information obtained pursuant to paragraph (1) and any other information available to the Secretary which in combination the Secretary deems adequate to make such a determination, the Secretary has determined that the mineral interests to be exchanged are of approximately equal value; and

(3) the Secretary has determined—

(A) that except insofar as otherwise provided in this section, the exchange is not inconsistent with the Federal Land Policy and Management Act of 1976; and

(B) that the exchange is in the public interest.

(b) The federal mineral interests to be exchanged under this section underlie the lands, comprising approximately 15,008 acres, depicted as "Proposed for transfer to Santa Fe Pacific" on the map referenced in subsection (d).

(c) The private mineral interests to be exchanged pursuant to this section underlie the lands, comprising approximately 15,141 acres, depicted as "Proposed for transfer to U.S." on the map referenced in subsection (d).

(d)(1) The mineral interests dealt with in this section are the mineral interests in the lands with the areas depicted as "Proposed for transfer to Santa Fe Pacific" and as "Proposed for transfer to U.S." on a map entitled "Proposed Santa Fe—United States El Malpais Exchange" dated May 1987.

(2) As soon as practicable after the date of enactment of this Act, the Secretary shall file a legal description of each area depicted as described in paragraph (1) on the map referenced in such paragraph with the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate. Such legal description shall have the same force and effect as if included in this Act, except that the Secretary may correct clerical and typographical errors in such legal description. The legal description shall be on file and available for public inspection in the offices of the Director of the Bureau of Land Management, Department of the Interior.

(e) It is the sense of the Congress that all exchanges pursuant to this section shall be completed no later than three years after the date of enactment of this Act.

ACOMA PUEBLO EXCHANGES

SEC. 505. (a)(1) Upon the request of the Pueblo of Acoma, the Secretary shall acquire by exchange any lands held in trust for the Pueblo of Acoma (hereafter "trust lands") located within the boundary of the conservation area which the Pueblo wishes to exchange pursuant to this section. Such trust lands shall be exchanged either for—

(A) lands described in subsection (c) with respect to trust lands west of New Mexico Highway 117); or

(B) Public lands approximately equal value located outside the monument and outside the conservation area but within the boundaries of the State of New Mexico which are selected by the Pueblo of Acoma, so long as such exchange is consistent with applicable law and Bureau of Land Management land use plans developed pursuant to the Federal Land Policy and Management Act of 1976.

(2) All lands selected by and transfered to the Pueblo of Acoma at its request pursuant to this section shall thereafter be held in trust by the Secretary for the Pueblo of Acoma in the same manner as the lands for which they were exchanged.

(3) Any lands west of New Mexico Highway 117 which are acquired by the Secretary pursuant to this section shall be incorporated into the monument and managed accordingly, and section 104 and all other provisions of this Act and other law applicable to lands designated by this Act as part of the monument shall apply to such incorporated lands.

(b) For purposes of acquiring lands pursuant to subsection (a) of this section, the Secretary, consistent with applicable law and Bureau of Land Management land use plans described in subsection (a), shall make public lands within the boundaries of the State of New Mexico available for exchange. Nothing in this Act shall be construed as authorizing or requiring revocation of any existing withdrawal or classification of public land except in a manner consistent with applicable law.

(c) (1) The Secretary shall make the lands within the areas identified as "Acoma Potential Exchange Areas" on the map referenced in Section 301 available for transfer to the Pueblo of Acoma pursuant to this subsection.

(2) Upon a request of the Pueblo of Acoma submitted to the Secretary no later than one year after the date of enactment of this Act, lands within the areas described in paragraph (1) shall be transferred to the Pueblo of Acoma in exchange for trust lands of approximately equal value within that portion of the conservation area west of New Mexico Highway 117. The Secretary may require exchanges of land under this subsection to be on the basis of compact and contiguous parcels.

(3) Any lands within the areas described in paragraph (1) not proposed for exchange by a request submitted to the Secretary by the Pueblo of Acoma within the period specified in paragraph (2), and any lands in such areas not ultimately transferred pursuant to this subsection, shall be incorporated within the conservation area and managed accordingly. In addition, any lands in that portion of the areas described in paragraph (1) lying in section 1, township 7N, range 9W, New Mexico Principal Meridian, not transferred to the Pueblo of Acoma pursuant to this subsection shall be added to and incorporated within the Cebolla Wilderness and managed accordingly.

EXCHANGES AND ACQUISITIONS GENERALLY; WITHDRAWAL

Sec. 506. (a) All exchanges pursuant to this Act shall be made in a manner consistent with applicable provisions of law, including this Act, and unless otherwise specified in this Act shall be on the basis of equal value; either party to exchange may pay or accept cash in order to equalize the value of the property exchange, except that if the parties agree to an exchange and the Secretary determines it is in the public interest, such exchange may be made for other equal value.

(b) For purposes of this Act, the term "public lands" shall have the same meaning as such term has when used in the Federal Land Policy and Management Act of 1976.

(c) Except as otherwise provided in section 505, any lands or interests therein within the boundaries of the monument or conservation area which after the date of enactment of this Act may be acquired by the United States shall be incorporated into the monument or conservation area, as the case may be, and managed accordingly, and all provisions of this Act and other law applicable to the monument or the conservation area, as the case may be, shall apply to such incorporated lands.

(d)(1) Except as otherwise provided in this Act, no federally-owned lands located within the boundaries of the monument or the conservation area shall be transferred out of federal ownership, or be placed in trust for any Indian tribe or group, by exchange or otherwise.

(2) Except as otherwise provided in this Act, and subject to valid existing rights, all Federal lands within the monument and the conservation area and all lands and interests therein which are hereafter acquired by the United States are hereby withdrawn from all forms of entry, appropriation, or disposal under the public land laws and from location, entry and patent under the mining laws, and from operation of the mineral leasing and geothermal leasing laws and all amendments thereto. Any activity carried out pursuant to valid existing mineral rights in such lands shall be conducted in accordance with applicable Federal and State law.

(3) The acreages cited in this Act are approximate, and in the event of discrepancies between cited acreages and the lands depicted on referenced maps, the maps shall control.

(e) The Secretary is authorized to accept any lands contiguous to the boundaries of the Pecos National Monument (as such boundaries were established on the date of enactment of this Act) which may be proposed for donation to the United States. If acceptance of such lands proposed for donation would be in futherance of the purposes for which the Pecos National Monument was established, the Secretary shall accept such lands, and upon such acceptance such lands shall be incorporated into such monument and managed accordingly.

ACCESS

Sec. 507. In recognition of the past use of the monument and the conservation area by Indian people for traditional cultural and religious purposes, the Secretary shall insure nonexclusive access to the monument and the conservation area by Indian people for such traditional cultural and religious purposes, including the harvest of pine nuts. Such access shall be consistent with the purpose and intent of the American Indian Religious Freedom Act of August 11, 1978 (42 U.S.C. 1996). As a part of the plans prepared pursuant to section 501, the Secretary, in consultation with appropriate Indian tribes and their traditional cultural and religious authorities, shall define the past cultural and religious uses of the monument and the conservation area by Indian people.

COOPERATION

Sec. 508. In order to encourage unified and cost effective interpretation of prehistoric and historic civilizations in western New Mexico, the Secretary is authorized and encouraged to enter into cooperative agreements with other Federal, State and local public departments and agencies, Indian tribes, and nonprofit entities providing for the interpretation of prehistoric and historic civilizations in New Mexico and eastern Arizona. The Secretary may, pursuant to such agreements, cooperate in the development and operation of a multiagency orientation center and programs on lands and interests in lands inside and outside of the boundaries of the monument and the conservation area generally, with the concurrence of the owner or administrator thereof, and specifically in or near Grants, New Mexico, adjacent to Interstate 40 in accordance with the plan required pursuant to section 501.

AUTHORIZATION

Sec. 509. There are hereby authorized to be appropriated such sums as may be necessary for the purposes of this Act.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. **LAGOMARSINO**. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from Minnesota [Mr. Vento] will be recognized for 20 minutes and the gentleman from California [Mr. Lagomarsino] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. Vento].

GENERAL LEAVE

Mr. **VENTO**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 403, the bill now under consideration.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. **VENTO**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill we have before us would provide a new level of recognition and sound management for some of this country's truly outstanding natural and cultural resources, located in the "Land of Enchantment" of New Mexico and eastern Arizona.

H.R. 403 was introduced by my colleague from New Mexico, Bill Richardson. The bill deals with public lands near Grants, NM, which have long been recognized as an area of unique and nationally significant natural and cultural values.

This area, known as El Malpais, was studied by the National Park Service in 1969 as a potential national monument and found to be of national significance and suitable for protection as a national monument. At the same time, the area was listed by the Park Service as a national natural landmark.

The area is a classic example of geologically recent volcanism, including lava flows, spatter cones and cinder cones. The largest of the lava flows is more than 30 miles long and averages 5 miles in width. The most recent of the flows may be less than 500 years old. Deep within the flows are a number of ice caves where subfreezing temperatures are naturally maintained year round, despite the desert heat above.

The area also includes over 3,500 archeological sites, including large pueblos, kivas, pit houses and rock art, and pictoglys, deserving protection and interpretation.

H.R. 403 would protect and interpret this area and its unique values. It would create a new national monument to be managed by the National Park Service. It would also establish a national conservation area and designate two wilderness areas within that conservation area to be managed by the Bureau of Land Management. The bill also would designate a special automobile route, to be called the Masau Trail, to link many of the impressive Anasazi Pueblo sites in New Mexico and Arizona.

Mr. Speaker, this bill is somewhat similar to one which passed this body in the last Congress. The most significant difference between the two bills is that now the National Park Service instead of the BLM would manage the national monument.

In developing the reported bill, the committee has worked closely with concerned citizens and has produced a balanced bill sensitive to the needs of ranchers, native Americans, local businesses and conservationists. There are numerous examples of the committee modifying the introduced bill to accommodate these groups. As a result H.R. 403 has bipartisan support locally and nationally. I urge my colleagues to support this bill and add a new jewel to America's National Park System.

Mr. Speaker, I reserve the balance of my time.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 403 as reported by the Interior Committee represents a substantial rewrite and, I believe, improvement, of similar legislation which the House passed last year.

As reported, H.R. 403 would establish a national monument, managed by the National Park Service and a national conservation area managed by the Bureau of Land Management. It provides for designation of existing roads linking a variety of prehistoric and historic cultural sites in New Mexico and eastern Arizona as the "Masau Trail" as well as designating certain lands as wilderness. Finally, H.R. 403 provides for management of the national monument and national conservation area.

I commend the New Mexico delegation, particularly Mr. LUJAN and Mr. RICHARDSON, who have resolved many of the original objections to H.R. 403 by adjusting monument and conservation area boundaries to accommodate grazing, hunting, trapping, and other uses.

It is my understanding that the administration still opposes the bill because of the cost of the proposed visitor centers and concerns about private lands within the conservation and monument areas.

Despite these concerns, the committee reported H.R. 403 by a unanimous voice vote. I believe the lack of opposition is based on the fact that our Members on this side defer to the State delegation on matters affecting their State and because so many of the problems have been solved. Furthermore, there is strong local support from a variety of people for this legislation. In fact, the people of Grants, NM, where the area is located see the tourism which will be attracted by this legislation as a way to diversify and improve their economic base.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to yield to the principal sponsor of this legislation in the House, the gentleman from New Mexico [Mr. RICHARDSON], but before I do, I want to publicly accommodate and commend him for the work that he has done on this throughout the changes—and there have been many changes—that have occurred with regard to this measure, not just with regards to the El Malpais area, but to the other elements in the bill.

This really is a very comprehensive measure and really represents a considerable legislative effort on the part of Mr. RICHARDSON, and I think speaks to the best strengths of the committee system and to a Member that has the patience and the ability and the talent that of course are possessed by our distinguished colleague from New Mexico, Mr. RICHARDSON.

I was very pleased to work with him. He has done a professional job in this area, and I know one that will make a real difference in the Grants area in terms of the type of progress and presenting I think the best of what New Mexico has to offer in terms of its natural and cultural resources.

As an example, there is in this measure a monument, the Pecos Monument, and after considerable work he provided provisions where the land could be donated under some circumstances back to the monument. That will be a substantial addition to that monument on an administrative basis, but it has a legislative catalyst in Mr. RICHARDSON that has brought forth this proposal.

The trail that he has provided I think will serve as a model for many other areas of the country that are looking at ways to bring together, to tie together, some of the outstanding archeological and historical and natural sites. I am sure that that is going to be imitiated in terms of what others do with regards to that. Yet it is Mr. RICHARDSON in this measure that has brought that forth.

Similarly, the most outstanding sites, the Candelaria area, is actually being donated, at least willingly participated in, by the current owner. They will of course sell that, but they see that the preservation of the monument is the best way to preserve that, I think in no small part due to the salesmanship of our distinguished colleague from New Mexico, Mr. RICHARDSON, of course assisted by Mr. LUJAN, who is also on the committee, and of course the other side, the Senate, counterparts who have also picked up and worked on this measure.

Mr. Speaker, I yield such time as he may consume to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Speaker, I sincerely appreciate your prompt consideration of H.R. 403. Over the past year, New Mexico Senators BINGAMAN, DOMENICI, Congressman LUJAN, and myself have worked hard to develop a compromise El Malpais initiative that balances community needs and national interests. An identical bill is moving over on the Senate side. I would also like to thank my distinguished colleague from the great State of Montana, the Honorable RON MARLENEE, for his recent cosponsorship of the El Malpais bill. My thanks to the gentleman from California [Mr. LAGOMARSINO] for his assistance.

This bill is designed to protect and interpret the El Malpais area near Grants, NM. For the past 23 years, study after study has supported protection for this unique area. El Malpais has been described as a geological wonder, complete with volcanic craters, lava flows and tubes, ice caves, sandstone bluffs, and natural arches. The area is also rich in prehistoric resources and is believed to contain more than 3,500 archeological sites.

H.R. 403 cleared the House Interior and Insular Affairs Committee by unanimous voice vote. It is crafted to protect the unique values of the El Malpais area by establishing four types of designations:

The bill designates 114,700 acres encompassing the main lava flow and Bandera Crater as the El Malpais National Monument managed by the National Park Service. Hunting is prohibited and grazing will be phased out by 1996. The bill establishes a visitor center within the monument and gives the Secretary of Interior the authority to acquire State lands by exchange and private lands by donation, purchase, exchange or transfer.

This legislation designates approximately 263,000 acres as the El Malpais National Conservation Area managed by the Bureau of Land Management. These lands are contiguous to the national monument. Grazing, hunting and fishing are permitted. Timber cutting and the collection of wood for commercial purposes is prohibited.

The bill will designate two new wilderness areas totaling approximately 85,000 acres. Areas east of New Mexico Highway 117 will be named the Cebolla Wilderness and areas west of 117 will be designated as the West Malpais Wilderness area.

This legislation will establish the Masau Trail—an auto touring route that will link many of the Indian historical and cultural sites of New Mexico and eastern Arizona. The bill authorizes the establishment of a "multiagency orientation center" near Grants.

Through the suggestion of National Parks and Public Lands Subcommittee chairman, Mr. BRUCE VENTO, this bill gives the Secretary the authority to accept any lands contiguous to the boundaries of the Pecos National Monument which may be donated to the United States in the future.

Mr. Speaker, in addition, H.R. 403 is sensitive to the cultural and religious needs of local Indian people including access to the monument and conservation area for traditional cultural and religious purposes, including the harvesting of pine nuts. The bill specifically states that access shall be consistent with the purposes and intent of the American Indian Religious Freedom Act. The legislation also calls for consultation and cooperation with local Indian people in the development of management plans for the national conservation area and the national monument.

Mr. Speaker, the New Mexico congressional delegation has come to a resolution on the major issues involved with the legislation. As I have mentioned, an identical bill is now moving through the Senate sponsored by New Mexico Senators PETE DOMENICI and JEFF BINGAMAN. The New Mexico delegation feels that this compromise bill makes accommodations for the many varied land use needs in the area and treats all affected parties fairly. As a delegation we feel it is time to move forward and enact H.R. 403 into law.

Mr. Speaker, when most everything else in New Mexico's economy seems to be waning—the decline of our domestic mining and oil and natural gas industries—our tourism industry is on the rise. The El Malpais bill will give a badly needed economic boost to the Cibola Country community—once the uranium capitol of the world—by making it a tourist center. The Masau Trail component will help other New Mexico communities by linking together major tourist attractions throughout the State.

Mr. Speaker, this legislation is extremely important to the people of my congressional district and has the support of a broad coalition of citizens, local and State governments, and State and national environmental organizations. The New Mexico Department of Economic Development and Tourism estimates the effect this bill could have in the first year alone is 101,000 visitors and $844,000 in gross receipts to local merchants. I appreciate today's consideration of the Comprehensive El Malpais initiative and I hope that my colleagues will lend their bipartisan support to H.R. 403.

□ 1240

Once again, I ask for the support of this legislation by this body, and I especially thank the gentleman from Minnesota [Mr. VENTO], the subcommittee chairman, and his outstanding staff for the assistance they have provided in passage of this bill, and my own legislative staff director, Elaine Ziemba, for her work over the years in making this bill hopefully a reality in a few moments.

Mr. Speaker, until the Bureau of Land Management and the National Park Service complete their management plans it is difficult to know the total cost of the proposal. Federal land managers have stated that they are not interested in purchasing a vast amount of private lands.

Some 109,940 acres of State of New Mexico land is expected to be transferred to the Bureau of Land Management through exchange in September.

This proposal reduces by 4,000 acres the amount of private lands included in the House-passed bill in the 99th Congress.

Mr. Speaker, a recent item in the press discussed some complaints about H.R. 403, the El Malpais bill, raised by the Pueblo of Acoma. Unfortunately, the newspaper story contained a number of inaccurate statements about the details of the bill.

In the interests of correcting the record, and to avoid any misleading conclusions that might be based on the newspaper item, let me give some details about the actual provisions of the bill:

The newspaper story suggested that the sponsors of the bill and the Interior Committee considered the points raised by the Acomas only as an afterthought. That is incorrect; the views of the Acoma Pueblo were carefully considered both last year—when a somewhat similar bill passed the House—and this year. Representatives of the pueblo testified at the subcommittee hearing on the bill earlier this year, and we have consulted with them since.

The newspaper item states that Acoma trust lands would be transferred to the Bureau of Land Management. That is not correct. The bill would not affect the status of any lands held in trust for the Acomas or any other Indian tribe or group, nor would it change the role of the Bureau of Indian Affairs with regard to such trust lands.

The newspaper story says that "800 acres of trust land remain in the bill as conservation areas." That is misleading. The 800 acres of trust land are within the exterior boundaries of the national conservation area that would be established by the bill, but they would not be made part of that conservation area. They would be inholdings, and as trust lands would not be subject to condemnation or other involuntary transfer.

The newspaper story is also misleading in its discussion of the uses the Acoma people can make of lands that are not held by them either in trust or in fee. The story leaves the impression that the same BLM management will apply to their own lands and to the lands that would be part of the conservation area. That is not correct. The BLM would have a management role in assuring that use of the conservation area lands—for grazing, hunting, wood gathering, and other purposes—does not adversely impact the area. The BLM will have no role in managing such uses on the Acomas' lands, whether those are trust lands or fee.

Finally, Mr. Speaker, the newspaper item quotes a representative of the Acoma people as saying that the Acomas are already experiencing problems with vandalism of gravesites, shrines, ruins, and other places in the El Malpais areas that have a special significance for the Acomas. That is certainly true, and in fact is one of the reasons for introduction and reporting of the bill. The bill itself addresses these present problems, and is intended to provide for a greater level of protection of these resources and values than is possible under existing law. To this extent, it is the belief of those supporting the legislation that its enactment will advance—not injure—the interests of the Acomas and other people concerned about adequate protection of the El Malpais area.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LAGOMARSINO. Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. COELHO). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 403, as amended.

The question was taken; and (two-thirds have voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to establish the El Malpais National Monument and the El Malpais National Conservation Area in the State of New Mexico, to authorize the Masau Trail, and for other purposes."

A motion to reconsider was laid on the table.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HOUGHTON) to revise and extend their remarks and include extraneous material:)

Mr. BOEHLERT, for 5 minutes, on June 2.

Mr. BOEHLERT, for 5 minutes, on June 3.

Mr. ROBERTS, for 60 minutes, on June 4.

(The following Members (at the request of Mr. RICHARDSON) to revise and extend their remarks and include extraneous material:)

Mr. MONTGOMERY, for 5 minutes, today.

Mr. SCHEUER, for 60 minutes, on June 2.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HOUGHTON) and to include extraneous matter:)

Mr. GUNDERSON.

Mr. DANNEMEYER.

Mr. GREEN.

Mr. FRENZEL in two instances.

Mr. GILMAN.

Mr. LAGOMARSINO.

Mrs. SAIKI.

(The following Members (at the request of Mr. RICHARDSON) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mrs. LLOYD in five instances.

Mr. HAMILTON in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. JONES of Tennessee in 10 instances.

Mr. BONER of Tennessee in five instances.

Mr. DE LA GARZA in 10 instances.

Mrs. BOXER.

Mr. FLORIO in two instances.

Mr. SYNAR.

Mr. LANTOS.

Mr. SHARP.

Mr. VENTO in two instances.

ADJOURNMENT

Mr. RICHARDSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 44 minutes p.m.), the House adjourned until tomorrow, Tuesday, June 2, 1987, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1492. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed letter(s) of offer to Saudi Arabia for defense articles estimated to cost $50 million or more (Transmittal No. 87-A), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

1493. A letter from the Assistant Secretary of the Army (Manpower and Reserve Affairs), transmitting a draft of proposed legislation to amend chapter 7 of title 37, United States Code, to provide transportation for the family members of seriously ill or injured members of the uniformed services of the United States; to the Committee on Armed Services.

1494. A letter from the Secretary of the Interior, transmitting the fiscal year 1986 annual report on the Youth Conservation Corps Program, pursuant to 16 U.S.C. 1705; to the Committee on Education and Labor.

1495. A letter from the Administrator, Energy Information Administration, transmitting a copy of the Administration's "Annual Energy Review 1986," pursuant to 15 U.S.C. 790f(a)(2); to the Committee on Energy and Commerce.

1496. A letter from the Director, Defense Security Assistance Agency, transmitting a copy of Transmittal No. 87-A which concerns the Department of the Air Force's proposed enhancement or upgrade of capability or sensitivity of technology of a defense article previously sold to Saudi Arabia, the sale was originally notified on certification 84-23, January, 1984, pursuant to 22 U.S.C. 2776(b)(5), AECA, section 36(b) (90 Stat. 741; 93 Stat. 708, 709, 710; 94 Stat. 3134; 94 Stat. 1520); to the Committee on Foreign Affairs.

1497. A letter from the Chairman, Foreign Claims Settlement Commission of the United States, transmitting a report on operations under the War Claims Act of 1948, as amended, pursuant to 50 U.S.C. app. 2008; 22 U.S.C. 1622a; to the Committee on Foreign Affairs.

1498. A letter from the Assistant Secretary of State, legislative and Intergovernmental Affairs, transmitting copies of reports of political contributions by W. Nathaniel Howell, of Virgina, Ambassador Extraordinary and Plenipotentiary-designate to Kuwait; Michael Gordon Wygant, of Massachusetts, U.S. Representative-designate to the Federal States of Micronesia; Marck L. Edelman, of Missouri, Ambassador Extraordinary and Plenipotentiary-designate to the Republic of Cameroon, and members of their families. pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1499. A letter from the Assistant Secretary of State, Legislative and Intergovernmental Affairs, transmitting copies of reports of political contributions by Willard Ames de Pree, of Maryland, Ambassador Extraordinary and Plenipotentiary-designate to the People's Republic of Bangladesh; Leonard Grant Shurtleff, of New Hampshire, Ambassador Extraordinary and Plenipotentiary-designate to the People's Republic of the Congo, and members of their families, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1500. A letter from the Secretary of Agriculture, transmitting the semiannual report of the activities of the Department's inspector general covering the period October 1, 1986, through March 31, 1987, pursuant to 5 U.S.C. app. (Inspector General Act of 1978) 5(b); to the Committee on Government Operations.

1501. A letter from the Secretary of Education, transmitting the 14th semiannual report on the activities of the inspector general for the period October 1, 1986 through March 31, 1987, pursuant to 5 U.S.C. app. (Inspector General Act of 1978) 5(b); to the Committee on Government Operations.

1502. A letter from the Inspector General, Department of Energy, transmitting the semiannual report for the Office of the Inspector General for the period October 1, 1986 through March 31, 1987, pursuant to 42 U.S.C. 7138(c); to the Committee on Government Operations.

1503. A letter from the Inspector General, Department of Health and Human Services, transmitting the semiannual report for the Office of the Inspector General for the period October 1, 1986 through March 31, 1987, pursuant to 42 U.S.C. 3524(a); to the Committee on Government Operations.

1504. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1505. A letter from the Director, Bureau of Land Management, transmitting the views of the Bureau on H.R. 1039; to the Committee on Interior and Insular Affairs.

1506. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting a copy of a report of the Secretary of Commerce, setting forth the findings and conclusions of the Secretary's investigation into allegations of misconduct by officials of the National Oceanic and Atmospheric Administration and its ship, *Surveyor*, pursuant to 5 U.S.C. 1206(b)(5)(A); to the Committee on Post Office and Civil Service.

1507. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on the proposed use of $4.2 million of space flight control and data communications funds for the design and construction of facilities at two space shuttle landing sites at Ben Guerir Airfield in Morocco, and at White Sands Space Harbor, NM, pursuant to Public Law 99-170, Section 103 (99 Stat. 1015); to the Committee on Science, Space, and Technology.

1508. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to amend the Social Security Act and related laws to extend coverage, to correct anomalies in payment provisions, to make adjustments in the disability offset, and to make management improvements in the old-age, survivors, and disability insurance program, to make various improvements in the supplemental security income program, and for other purposes; to the Committee on Ways and Means.

1509. A letter from the Comptroller General of the United States, transmitting a report on enhancing policy and program effectiveness through improved management at the Department of Transportation (GAO/RCED-87-3; April 1987); jointly to the Committees on Government Operations, Public Works and Transportation, Energy and Commerce, and Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 401. A bill to add certain public lands to the Capulin Mountain National Monument, NM; with amendments (Rept. 100-115). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 403. A bill to establish the El Malpais National Monument, the Masau Trail, and the Grants National Conservation Area in the State of New Mexico, and for other purposes; with amendments (Rept. 100-116). Referred to the Committee of the Whole House on the State of the Union.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

[Omitted from the Record of May 28, 1987]

Mr. CONYERS: Committee on the Judiciary. H.R. 1163. A bill to amend chapter 101 of title 18, United States Code, to impose criminal penalties for offenses relating to certain aviation reports and records; with an amendment; referred to the Committee on Public Works and Transportation for a period ending not later than June 19, 1987, for consideration of such provisions of the bill and amendment as fall within that committee's jurisdiction pursuant to clause 1(p), rule X (Rept. 100-114, Pt. 1). Ordered to be printed.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X the following action was taken by the Speaker:

[The following action occurred on May 29, 1987]

Referral of H.R. 2112 to the Committee on Armed Services extended for a period ending not later than June 3, 1987.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. STUDDS (for himself, Mr. Jones of North Carolina, Mr. Davis of Michigan, Mr. Young of Alaska, and Mr. Thomas of Georgia):

H.R. 2563. A bill to authorize appropriations for the National Fish and Wildlife Foundation and for other purposes; to the Committee on Merchant Marine and Fisheries.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

96. By the SPEAKER: Memorial of the House of Representatives of the State of Louisiana, relative to the Louisiana Department of Environmental Quality; to the Committee on Energy and Commerce.

97. Also, memorial of the Senate of the State of Hawaii, relative to the U.S. exclusive economic zone; to the Committee on Merchant Marine and Fisheries.

98. Also, memorial of the House of Representatives of the State of Illinois, relative to welfare reform; jointly to the Committees on Ways and Means; Energy and Commerce; Education and Labor; Banking, Finance and Urban Affairs; and Agriculture.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 8: Mr. Dornan of California.

H.R. 81: Mr. Gray of Illinois, Mr. Sunia, Mr. Mrazek, Mr. Feighan, Mr. Wilson, Mr. Owens of New York, and Mr. de Lugo.

H.R. 280: Mr. Mineta.

H.R. 306: Mr. Holloway.

H.R. 898: Mr. Martinez and Mr. Dorgan of North Dakota.

H.R. 954: Mr. Yates, Mr. Grant, Mr. de Lugo, and Mr. Rowland of Georgia.

H.R. 1101: Mr. Bustamante and Mr. Mavroules.

H.R. 1186: Mr. Murtha, Mr. Richardson, Mr. Lehman of Florida, and Mr. Stenholm.

H.R. 1245: Mr. Konnyu.

H.R. 1259: Mr. Shumway and Mr. de Lugo.

H.R. 1310: Mr. Edwards of Oklahoma.

H.R. 1742: Mr. DeLay.

H.R. 1927: Mr. Shaw and Mr. Barnard.

H.R. 2320: Mr. Weber.

H.J. Res. 180: Mr. Skeen, Mr. Porter, Mr. Gunderson, Mr. Rinaldo, and Mrs. Kennelly.

H. Con. Res. 94: Mr. Ackerman, Mr. Gray of Illinois, Mrs. Byron, Mr. Coble, Mr. McDade, Mr. Bliley, Mr. Penny, Mr. Frank, Mr. Montgomery, Mr. Fields, Mr. Wolf, Mr. Dornan of California, Mr. Hutto, Mr. Gekas, Mr. Swindall, Mr. Lowery of California, Mr. Green, Mrs. Lloyd, Mr. Courter, Mr. Berman, Mr. Murphy, Mr. Torricelli, Mr. McMillen of Maryland, Mr. Price of Illinois, Mr. Konnyu, Mr. Armey, Mr. Stallings, Mr. Stangeland, Mr. Holloway, Mr. Nichols, Mr. Lagomarsino, Mr. Hopkins, Mr. Martinez, Mr. Parris, Mr. Robinson, Mr. Spratt, Mr. Stokes, Mr. Sundquist, Mr. Traficant, Mr. Walker, Mr. Wolpe, Mr. Young of Alaska, Mr. Skelton, Mr. Schuette, Mr. Sweeney, and Mr. Bustamante.

H. Con. Res. 116: Mr. Akaka, Mr. Atkins, Mrs. Bentley, Mr. Berman, Mr. Bilirakis, Mrs. Boxer, Mr. Burton of Indiana, Mr. Bustamante, Mr. Clinger, Mr. DeWine, Mr. DioGuardi, Mr. Dornan of California, Mr. Downey of New York, Mr. Dymally, Mr. Eckart, Mr. Frank, Mr. Hall of Ohio, Mr. Hughes, Mr. Inhofe, Mr. Lagomarsino, Mr. Lantos, Mr. Levin of Michigan, Mr. Lipinski, Mr. Lungren, Mr. Manton, Mr. Martinez, Mr. McCollum, Mr. McHugh, Mr. Moorhead, Mr. Morrison of Connecticut, Mr. Mrazek, Mr. Porter, Mr. Robinson, Mr. Scheuer, Mr. Schulze, Mr. Smith of Florida, Mr. Solarz, Mr. Traficant, Mr. Walgren, Mr. Wolpe, Mr. Wolf, Mr. Yatron, Mr. Moody, and Mr. Kolter.

EXTENSIONS OF REMARKS

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (MAY 29)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mr. SHARP. Mr. Speaker, during the previous year, Virginia's James Madison had set out to read all the great political philosophers and historians to learn from the political experiments of the past. Then, in the weeks leading up to the convention, Virginia's delegates gathered daily to refine Madison's ideas into a delegation proposal. Madison's work was so important that some historians have called him the Father of our Constitution.

In the opening speech of the convention on May 29, Gov. Edmund Randolph of Virginia touched on the problems with the Articles of Confederation, such as commercial discord among the States and violations of our treaties by other nations, and then outlined the 15-part proposal—the so-called Virginia plan.

Although the first resolution proposed only that the Articles of Confederation be "corrected and enlarged," the next 14 suggested a government so different from the Confederation that no one could have been unaware of Virginia's desire to write a completely new Constitution.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1988

SPEECH OF

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 20, 1987

The House in Committee of the Whole House on the State of the Union has under consideration the bill (H.R. 1748) to authorize appropriations for fiscal years 1988 and 1989 for military functions of the Department of Defense and to prescribe military personnel levels for such Department for fiscal years 1988 and 1989, and for other purposes.

Mr. FRENZEL. Mr. Chairman, this year's defense debate includes far more specific consideration of the strategic defense initiative [SDI] than has occurred in previous debates. The SDI program has progressed sufficiently that we must carefully reconcile it with the Anti-Ballistic Missile [ABM] Treaty's provisions, and we must make significant decisions about research priorities.

I support the amendment offered by Mr. BENNETT to reduce the overall SDI authorization to $3.1 billion, the level approved by the House last year. This amount is sufficient to allow continued investigation of SDI technologies. At the same time, it holds in the reins on the program's skyrocketing cost.

Mr. Chairman, last year the House approved $3.1 billion for SDI. I approved of that figure. In conference, the mark rose to $3.5 billion. That figure was respectively high. This year, the administration requested $5.2 billion for SDI. That figure is too high. It would provide the program with more money than could be wisely spent. A return to $3.1 billion, with slippage almost inevitable in conference, strikes me as a House level that is responsible both to the Nation's defenses and to the Nation's economy.

This year we also are confronted with a variety of decisions regarding near-term deployment, and of reconciling SDI with the ABM Treaty. In my judgment, SDI remains a long-term project. Amendments to restrict or to direct tests or deployments of uncertain technology should be rejected. We should do the research and see where the technology takes us, rather than settling for quick results which may be technologically unattainable and strategically flawed. It remains in our best interest to follow an existing treaty which has ensured the stability of the United States-U.S.S.R. strategic balance, rather than to discard the treaty for a reliance on expensive missile defense competition.

I would prefer that we continue with current negotiations, and cast aside existing treaties only as a last resort. If and when our ABM/SDI program is more developed and effective, reinterpretation may be necessary, but that action surely is still premature at this time.

UNFAIR FOREIGN COMPETITION HURTS U.S. SHIPBUILDING INDUSTRY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mr. FLORIO. Mr. Speaker, every day it seems that new cases of unfair foreign competition are revealed. The following article that appeared recently in the Philadelphia Inquirer talks about problems faced by the United States shipbuilding industry and the need to deal with these problems in the new Uruguay round of multilateral trade negotiations.

Mr. Speaker, at this time I would like to insert the text of this article in the RECORD.

[From the Philadelphia Inquirer, Apr. 15, 1987]

UNFAIR COMPETITION—SHIPBUILDERS ARE IN STORMY WATERS

(By John Bowen)

When international trade negotiators sit down to talk, as they do almost constantly these days, the subject of commercial shipbuilding and ship repair is noticeably absent. Why?

That question is being asked in the United States as naval construction, now the bread and butter of the industry, slows down and shipyards once again must depend on commercial contracts. This time, however, shipbuilders are sailing into rough seas without the governmental assistance that traditionally stabilizes them.

As John J. Stocker, president of the Shipbuilders Council of America, puts it: "Senior policy makers in the Reagan administration blandly look at us and say: 'You're on your own. You're going to compete in the world market or you're not going to survive. So we're going to let the market work to balance the supply and demand.'"

American shipyards have virtually no chance of competing in the international commercial market under existing conditions. Foreign subsidies, in some instances, account for 60 percent of the cost of a new commercial vessel.

No U.S. construction differential subsidies, designed to equalize bidding opportunities, have been awarded since 1981. As a result, no new orders for commercial bottoms to be used in foreign trade have been placed in the United States since 1981.

The no-construction-subsidy policy of the Reagan administration is working to the detriment of small U.S. yards: 36 have gone out of business in the last four years. They represent 24 percent of shipbuilding and ship repair capacity in the nation.

While these losses do not reduce the shipbuilding base below the minimum required for national defense, Stocker is among those who fear the nation's industrial base ultimately will "decline to the point where we will have no superpower presence in the world."

Obviously, more than shipbuilding and repair facilities are involved in such a condition, but the U.S. merchant marine is not an insignificant part. As a trading nation, the United States needs a merchant marine to maintain its economic vitality. Furthermore, commercial vessls form a vital naval auxiliary in periods of crisis.

There is a strong need for international agreement to reduce subsidies to shipyards by foreign governments.

Stocker reached the same conclusion in a recent address in Norfolk, Va.: "Our argument is that if you ask us to compete in the international market, either we receive a subsidy or we encourage our government to negotiate with foreign governments to reduce their level of subsidy so that we can compete on a more or less equal basis."

Stocker's mention of international negotiations is significant and timely. The U.S. shipbuilding industry is modernizing both plant and construction methods, essential prerequisites to competing in the world market, but it has not made an intellectual commitment to competition. Management and unions still show more interest in obtaining new subsides than in seeking changes that introduce fair competition into the world marketplace.

A change in American attitude should find a receptive audience abroad. Many foreign governments, like that of the United States, are tiring of continuing and rising

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

shipbuilding subsidies in an era of tight budgets and surplus construction facilities.

The Reagan administration will have to make an intellectual commitment, too. The administration needs to develop a policy on commercial shipbuilding that improves on the existing one of benign neglect. As Stocker sees it, President Reagan should make a "policy determination that there should be something done for the U.S. shipbuilding and ship repair industry."

Shipwork should be added to the already long list of subjects for trade negotiations. President Reagan's insistence on adding farm products to current discussions under the General Agreement on Tariffs and Trade shows he can be flexible when the need arises. In that situation, too, subsidies by foreign governments are creating unfair trade conditions.

SCHOOL IMPROVEMENT ACT OF 1987

SPEECH OF

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 21, 1987

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 5) to improve elementary and secondary education, and for other purposes.

Mr. VENTO. Mr. Chairman, I am pleased to rise in strong support of H.R. 5, the School Improvement Act. I would like to join my colleagues in thanking the distinguished chairman of the Education and Labor Committee, Mr. HAWKINS, and the ranking member, Mr. GOODLING, for their outstanding efforts in bringing this vitally important piece of legislation to the floor of the House with such strong bipartisan support.

The School Improvement Act consolidates 14 expiring Federal elementary and secondary education programs and extends them until 1993. These vital programs include chapter 1 compensatory education, chapter 2 block grants, Indian education, impact aid, bilingual education, magnet school assistance, and others. As an educator, I know how important this legislation is to our youth and to the Nation as a whole. Although the responsibility for most formal education rests primarily with State and local government, the National Government must do its share to encourage excellence among all of our students while it strives to reduce illiteracy and dropout rates in our schools. H.R. 5 demonstrates the National Government's commitment to education as a national priority of high status.

The centerpiece of this legislation is the reauthorization of the chapter 1 compensatory education program for disadvantaged, at-risk children. It is important to note that while our national economy is demanding a more educated work force, more and more students entering schools are at-risk students. Of the 3.6 million children who began school in 1986, over 25 percent were from families living in poverty. Numerous studies have shown that the chapter 1 program has been extremely effective in raising basic skills of the children participating in the program. H.R. 5 contains an increase in funds for chapter 1 to expand the program to reach a higher percentage of disadvantaged children. In addition, it improves targeting of funds to school districts with the highest concentrations of disadvantaged students and adds and Even Start Program which combines adult basic education for parents and early childhood development for their children.

Mr. Chairman, this Chamber was recently engaged in a divisive debate about out Nation's enormous trade deficit. Thoughout this debate and other forums on this topic there has been a recurring theme: In order for America to remain competitive in an increasingly complex, technological, and international economy, we need to have a more educated work force. In addition to increasing the basic literacy skills of our population, we need to improve math and science programs at the elementary and secondary levels. H.R. 5 reauthorizes the Education for Economic Security Act, providing increases in funding for teacher training and recruitment in math and the sciencies. Improved math and science teaching will lead to increased interest in these subjects by the Nation's high school students, half of whom do not take math and science after the 10th grade.

The distressing statistics of illiteracy in our society are well known. Current estimates by the Department of Education indicate that there are 27 million adults in the United States who are illiterate by the simplest tests of reading, writing, and comprehension; and an additional 47 million who are have only marginal abilities to perform these tasks. These people cannot read a newspaper, fill out a job application, keep a checkbook, or help their children with their homework. It is a shocking fact that as we celebrate the 200th anniversary of our Constitution, over one-third of the American people cannot read or understand it. Several provisions of H.R. 5 address this critical problem, the main one being the increased funding authority for the Adult Education Act. This program, along with chapter 1 and bilingual education programs, will produce a more literate work force and help us meet the economic challenges facing us now and looming ahead of us in the 21st century.

H.R. 5 is a comprehensive bill which extends vital education programs 5 years into the future. The impact of this legislation, however, goes far beyond that. It addresses the needs of a generation of children-immigrant children, Indian children, handicapped children, gifted, and talented children—and it provides resources to many types of schools—magnet schools, federally impacted schools, and schools with high concentrations of disadvantaged children. It allocates Federal resources to fight the critical problems of student dropouts, suicides, and drug and alcohol abuse. It accomplishes these goals and more while staying within budget limits set by the House budget resolution. In suporting H.R. 5, my colleagues and I are making a wise and prudent investment in our children and our Nation's future.

COLLEEN OCHOA—OUTSTANDING WOMAN

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mr. CARR. Mr. Speaker, at the end of each school year, Good Housekeeping magazine's Washington Center honors 100 young women of promise with the Good Housekeeping Award. Each of these women must have attained an outstanding grade point average, contributed to their college or university as a campus leader, and made a meaningful and lasting contribution to the local community.

It is with great pride that I tell you of one of these women, Ms. Colleen Ochoa, a member of my district staff in Pontiac, MI. Colleen, who will graduate from Oakland University this year, has achieved an outstanding record of leadership throughout her college career. She served as a member of Oakland University Congress, her school's student government, as the chairwoman of the student program board and, during her junior and senior years, she organized a student group to represent the interests of Hispanic students.

Colleen's activism, however, was not limited to campus activities. In 1983, Colleen served as the vice president of the North Oakland Civitan project which helped sponsor the 1983 Special Olympics in the Detroit metropolitan area. She has also contributed to the democratic process by representing Oakland University in the Midwest Hispanic voter registration drive. This record of service to her campus and community undoubtedly establishes her as a young woman of promise to her community and her country.

I have known Colleen since she was a student at Waterford High School, and have had the opportunity to watch her mature. She has long been an active voice for students and young people in my district, and it is with great pleasure and pride that I mark her accomplishments today.

HOW MUCH POWER SHOULD THE PRESIDENT WIELD?

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mr. PACKARD. Mr. Speaker, on this date at the Philadelphia Convention, the Committee of the Whole deliberated over the nature, structure, and appointment of a national executive. Proposals ranged from one to three executives with Roger Sherman suggesting that "the legislature be at liberty to appoint one or more as experience might dictate."

Though in disagreement on the structure of the office, the need for a national executive was agreed upon. The delegates passed James Madison's resolution to grant "the executive the power to execute national laws and possess the power to make appointments to all offices not otherwise provided for." The day's business closed with the Convention unresolved over who should elect the executive.

By watching the current debates in Washington, particularly over the Iran-Contra affair and the scope of the Boland amendment, we see that Congress still deliberates over how much power the President should wield.

It may be that the inherent checks and balances placed in the Constitution regarding the relationship between the several branches will continue to feed this debate for many years to come.

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (MAY 30)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mr. SHARP. Mr. Speaker, on May 30, the Convention began consideration of the Virginia delegation's 15-part plan for a new Federal Government.

The first part of the Virginia plan called for the establishment of a three-branch National Government consisting of a strengthened legislature, an executive and a judiciary.

After recently revolting against an oppressive central authority, the call for such a strong government gave pause to some delegates. Most participants, however, realized the existing weak National Government posed an even greater threat to the Nation's security.

Virginia's second proposal urged that States' voting power in the national legislature be apportioned by population size instead of giving each State an equal vote. Predictably, one of the smaller States, Rhode Island, threatened to leave if the resolution passed. Knowing that a walkout in only its fourth full day could doom the proceedings, the delegates agreed to postpone consideration.

FISCAL YEAR 1988 DEFENSE AUTHORIZATIONS—VOTE CLARIFICATION

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mr. FRENZEL. Mr. Speaker, at the conclusion of debate on the fiscal 1988 Defense authorizations bill, I mistakenly voted in favor of a motion to recommit with instructions offered by Mr. BROOMFIELD.

The instructions accompanying that motion in fact negated several significant arms control provisions adopted earlier in the bill's consideration. I supported those measures, including amendments concerning nuclear testing, ASAT testing, and SDI funding. I support their inclusion in the final version of the defense bill, and by this statement hope to make that clear.

U.S. SERVICE INDUSTRIES FACE NEW CHALLENGES IN FOREIGN MARKETS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mr. FLORIO. Mr. Speaker, in recent trade hearings held by my subcommittee, it became clear that U.S. service industries are having similar problems to those that American manufacturers have had breaking into world markets.

Mr. Speaker, at this time I would like to insert in the RECORD a letter I recently received from the chairman of the board of Chase Manhattan Bank which talks about these problems.

THE CHASE MANHATTAN BANK, N.A.,
New York, NY, April 17, 1987.

Hon. JAMES J. FLORIO,
Rayburn House Office Building,
Washington, DC.

DEAR CONGRESSMAN FLORIO: Having read with great interest of the hearings you chaired last month on international trade in services, I wanted to express my appreciation for you efforts.

While "international competitiveness" has become a catch-phrase, the banking industry has not always been included in it. For some time now, I have asked why we should not have the same concern as to our banking industry as we do towards automobiles or microchips. I was therefore heartened to read of your statements to the effect that declining industries need not be limited to the manufacturing sector, and that it is alarming to contemplate similar problems in the field of financial services.

If we want to maintain the vitality of the banking sector in this country, we need to do two things. First, we need to restructure our financial services industry so that there is equality of competitive opportunity across the spectrum of products demanded by an increasingly sophisticated and global market.

Second, we need to place in international context measures that may appear useful in isolation but that have a cumulative negative impact on U.S. banks' competitiveness. Measures that add major cost burdens to an industry already hard-pressed to compete with foreign and nonbanking counterparts can have only one effect: to further reduce our ability to function in global markets and to support American firms in their international efforts.

Meanwhile, within the U.S. capital market, U.S. banks cannot perform the same services for American companies as many foreign banks and U.S. investment banks do. Aside from the fact that this denies U.S. customers the benefits of maximum competition, it has international repercussions. Countries with relatively more open capital markets, such as the UK, are now attracting increasing numbers of financial institutions—with negative implications for U.S. financial leadership.

Clearly, the Energy & Commerce Committee will play a major role in the evaluation of services industry competitiveness and in considering proposed reform of the U.S. financial services industry. In light of this critical role, I wanted to commend you for your hearings and to say that if there is anything we can do to assist you in your efforts, please do not hesitate to call on me.

With kind regards,
Sincerely,
WILLARD C. BUTCHER,
Chairman of the Board.

BENEFITS TAXES BUY

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mr. VENTO. Mr. Speaker, we often hear comments about how little the American public receives in services and benefits from the Government in return for the amount they pay in taxes each year. I would like to bring to the attention of my colleagues the following letter by Rick Scott, which appeared in the St. Paul Pioneer Press Dispatch on May 14, 1987. Mr. Scott's eloquent description of the services and benefits provided by Government is a refreshing reminder of the important and necessary role that Government plays at all levels in our free and democratic society. I would like to note that Mr. Scott's description omits one of the most important areas of Government, the vast system of retirement, compensation and disability benefits, including Social Security, Medicare, and Medicaid and other programs. Mr. Scott is a former Democratic-Farmer-Labor Party chairman and now works in public employee organizations.

BENEFITS TAXES BUY

(By Rick Scott)

William Shaffer (April 28 letter) asks us to reflect, "What do you get for one-third of your year of 1987?" (the amount paid in state, federal and local taxes). Well, I receive:

Protection from foreign invasion as well as local aggression, public roads, parks, street lights and stop signs, public schools, high schools and colleges, protection from ineffective drugs and poisonous foods, clean air, water that's safe to drink, emergency medical care, honest weights and measures when I buy and sell.

A court system to which I can bring my complaints for resolution, agricultural stabilization that guarantees I won't starve in a lean year, a currency and coin system I can trust, a bank system that guarantees I won't go broke if my bank fails, a postal system that lets me send a message anywhere in the United States for only 22 cents, public airports and harbors for shipping and receiving, locks and dams on the Mississippi and Great Lakes that bring barges and boats all the way to Minnesota.

An air control system to keep planes from colliding, a waste disposal system for the sewage and solid waste I generate each day, research on basic health and science issues, a weather predicting system that lets me plan all sorts of things and prevents public tragedies at tornado and winter storm time, a welfare safety net for the elderly, the handicapped and orphans, a school nutrition program that has eliminated rickets in American children.

A public inoculation system that has eradicated smallpox, an epidemiological advance warning system for flu and other illnesses, a public transit system that's shabby but sometimes useful, firefighting equipment and personnel.

And, best of all, a voter registration and public election system that involves me in the decisions as to which of these benefits will be provided to me as an American and Minnesotan.

INTERNATIONAL CHILDREN'S DAY

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mrs. BOXER. Mr. Speaker, I take the opportunity offered by International Children's Day to raise the case of a Soviet Jewish refusenik, Mr. Mikhail Shteinberg of Moscow. Mr. Shteinberg has been separated from his daughter, who lives in San Francisco, for 7 years and has been trying to join his daughter since 1980. Mr. Shteinberg's daughter suffers greatly from his absence.

Today, in Moscow, groups of Soviet Jews are participating in a series of seminars to address the problems facing children of refuseniks.

I invite my colleagues to join me in encouraging the Government of the Soviet Union to mark International Children's Day by reuniting separated families and by allowing unrestricted emigration.

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (MAY 31)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mr. SHARP. Mr. Speaker, on the last day of May, the Convention continued work on the Virginia delegation comprehensive reform plan.

The delegates passed proposals expanding the Federal Legislature from one to two Houses and giving citizens the right to vote for the Members of the lower House, now called the House of Representatives. Although there was some opposition from participants who feared "too much democracy," these changes were easily adopted by the Convention. For the delegates were experienced with two-house legislatures which had not only existed in the Colonial governments under British rule but were also put into use by the State governments created in the wake of the American Revolution.

Virginia's next proposal called for the first House to choose the members of the second from nominees provided by the State legislatures. This proposal was an effort to compromise between those who wanted popular election of both Houses of Congress and others who feared the State governments were losing their control. At the end of the debate, no one was satisfied and a decision was postponed.

TRIBUTE TO HON. AL BARDINI

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mr. COELHO. Mr. Speaker, the Honorable Al Bardini will be honored later this month at dinner in Merced, CA, and I wish to join his many friends and supporters in offering him my best wishes.

Al has served the people of Merced in many ways, most visible as a member of the Merced County Board of Supervisors. First elected in 1980, he was reelected to a second term in 1984, but was forced to retire this year due to health reasons. He has also enhanced his community through his membership in and leadership of a variety of service organizations, including the Lions Club, the Yosemite Area Council of the Boy Scouts of America, the Merced Catholic Church and the Knights of Columbus. In 1984, he was named the Merced Chamber of Commerce's "Man of the Year."

Federal budget cuts during this decade have hurt local governments across the Nation, but have hit Merced County particularly hard, since the area faces a multitude of new urban and rules problems. Al's leadership on the board of supervisors has been a steadying influence as the county has successfully met those many challenges. He will be missed by his colleagues and constituents, but I know Al will continue to lend his support and knowledge whenever it is needed.

THE CASE FOR THE CONTRAS

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mr. DREIER of California. Mr. Speaker, I want to call the attention of my colleagues to an essay in support of the Nicaraguan resistance forces which appears in today's issue of U.S. News & World Report. U.S. News' Chief Political Correspondent Michael Kramer details succinctly why the Contras are the only hope for Nicaragua in spite of their admitted blemishes. When we last left the debate in the House, much ado was being made over the Arias peace plan. I want to particularly point out Mr. Kramer's quote from President Arias that his "agreement would be incompatible with their [Sandinista] Marxism and the kind of political system they're establishing in Nicaragua."

[From U.S. News & World Report, June 1, 1987]

THE CASE FOR THE CONTRAS

(By Michael Kramer)

Sometime next fall, if the administration can keep a straight face, Congress will be asked to re-fund the Contras. Success will require a collective memory loss. Television has done its work. The current congressional hearings (all day, every day on CNN) have portrayed a comic band of egomaniacs more interested in fighting among themselves than in battling to liberate Nicaragua. "More money next fall?" says a prominent Contra leader. "You've got to be kidding. By the time all the testimony is taken, it may look like every dollar not stolen has been poured down a sinkhole. We're coming across as a collection of welfare queens."

Too bad: The Contras should still be re-funded. It's a hard case to make, I know. But let me try.

First, an admission of the obvious: There is no defending the Reagan administration's mishandling of its Nicaraguan policy. In fact, the word policy should be in quotes. For a long time, it was impossible to discern the administration's true goal. When the Contras were first created five years ago, they were supposed to interdict the flow of arms from Nicaragua to El Salvador. Which was news to the Contras. No one told them they were there to die for the Salvadorans. They were out to get Managua.

Then the President said he wanted the Sandinistas to cry "uncle." If only the comandantes would keep to themselves and become democrats, Reagan would leave them alone. That one caused laughter all the way to Moscow. Finally, George Shultz got to the point. "Central America is West," said the Secretary of State. "The East must get out." As for the Sandinistas themselves, Shultz borrowed from John Dean. They're "a cancer," said Shultz, a cancer that "has to be removed."

"PIE CRUST" TREATIES

Now, the administration is again pretending to seek a negotiated solution. For a true expression of the Reaganites' thinking, here is the conservative writer John Lofton: "If there is a policy that's dumber, more quixotic and historically more bankrupt than trying to get Communists to give up in negotiations what they have gained on the battlefield, I don't know [what it is]. The fatal flaw," continues Lofton, "is the presupposition that whatever is agreed to during such a negotiation would be worth . . . the paper any agreement would be printed on. . . . Lenin said treaties were like pie crusts—made to be broken."

Nevertheless, there's a flurry of excitement about the treaty track and a new fixation on Costa Rica. And since the Costa Rican wrinkle is new, it's best to deal with it up front.

Costa Rica used to be a secret—a tiny oasis of relative prosperity wedged between Nicaragua and Panama, the place where savvy American diplomats retired to year-round "San Francisco weather" at affordable prices. Then the Sandinistas took Managua in 1979, and Costa Rica became a symbol, a showcase of demilitarized democracy, the kind of country America hoped every Latin nation would become.

Until recently, Costa Rica kept its head down; official "neutrality" masked tacit support for the Contras. But now, Oscar Arias, the new President of Costa Rica, has authored his very own Central American peace plan (call it "Son of Contadora"), and it's beginning to get standing ovations in Washington. By 97 to 1, the full U.S. Senate has welcomed the Arias proposal—almost no one votes against a document with peace in its title.

A THREAT FROM REPUBLICANS

More troublesome for the White House, three key Republican Senate supporters of the administration's Nicaraguan policy (Cohen of Maine, Kassebaum of Kansas and Rudman of New Hampshire) are taking the Arias plan seriously. They're threatening to vote against renewed Contra funding unless the President pays more than mere lip service to the Costa Rican proposal before the Central American presidents convene to consider it in Guatemala on June 25.

The Arias proposal is worse than the original American bargain to trade an end to the Contras in return for Sandinista good behavior—worse because the Contras would be cut off without a penny before the Sandinistas would have to do a thing.

More important, and far more disturbing, is the fact that Arias himself actually shares Lofton's distrust of the Sandinistas. Consider my exchange with him during an interview with Arias in his San José office a few weeks ago:

"I want to call the bluff of the Sandinistas," said Arias. "They've told the world that they can't fulfill the pledges of democracy they made in the past because they are under siege by the United States, that it's absolutely nonsense to ask them to democratize when there are thousands of Contras inside Nicaragua. I want to test their sincerity. According to my plan, within 60 days of signing they'd have to open their country to a free press and to free political expression."

But wasn't Sandinista sincerity already tested in 1979, when they promised the Organization of American States that they'd form a broadly representative government, remain nonaligned, maintain civil rights and hold genuinely free elections? Did Arias believe the Sandinistas would abide by his agreement, which contains essentially the same requirements?

"Well," admitted Arias, "for them to live up to my agreement would be incompatible with their Marxism and the kind of political system they're establishing in Nicaragua."

When then would Arias sacrifice the Contras, when he already knows the Sandinistas wouldn't abide by his treaty?

"What I want to prove," said Arias, "is that I'm right, that they've deceived everybody, that they've lied for eight years, that people have been wrong to give them the benefit of the doubt."

THE SANDINISTAS' ESSENTIAL CHARACTER

This is a policy? Most people move beyond "I told you so" after kindergarten. Either Arias is hopelessly naive or his critics are right—as a President limited to one term in office, Arias is strutting around as a champion of peace to maximize his moment in the sun.

Despite the illogic of Arias' position, he is right about the Sandinistas, and, if only by inadvertence, makes the case for continuing to fund the Contras.

Consider a bit more about the Sandinistas' essential character, as Congress should before it folds the Contra card. Unlike Fidel Castro, who hid his true leanings until his grip on Cuba was firm, the Sandinistas telegraphed their intentions right from the start. At a special party conference after only two months in power, the Sandinistas came clean: They had only been pretending to be pluralist. They described the totalitarian state they are building and vowed never to risk their power in free elections. The first junta, which included two moderates, was described as "an alliance of convenience . . . to thwart Yankee intervention."

Later, Daniel Ortega declared that the Sandinistas were "profoundly anti-imperialist, anti-Yankee and Marxist-Leninist." Elections, added Ortega, "will in no way, like a lottery, decide who is going to hold power. For this power belongs to [us]."

The Carter administration restrained its anger and tried hard. During the first 18 months of Sandinista rule, Carter channeled more aid to Nicaragua than Somoza had received in the previous four years combined. Managua didn't budge. Carter offered to train the Sandinista Army: Cuba got the job instead. How about Peace Corps volunteers? No thanks, said the comandantes. Before long, the evidence of Sandinista support for the Salvadoran guerrillas was overhelming, and Washington pulled the plug. It was Jimmy Carter, not Ronald Reagan, who suspended American assistance.

Inside Nicaragua, the Sandinistas moved toward total control well before the Contras were born. The representation predated the excuse. Today, the only real question is how Stalinist Nicaragua will become, a question of power rather than ideology.

In foreign affairs, the Sandinistas cleaved to the Soviet line immediately. Almost alone among Third World countries. Nicaragua refused to condemn the Soviet invasion of Afghanistan. Similarly, the Sandinistas' propaganda front drew a parallel between the trade unions of Nicaragua and Solidarity of Poland: Both were portrayed as agents of imperialism.

The Sandinistas have a vision for their immediate neighbors, too. "[Our] revolution's moral imperative and historical character," says Interior Minister Tomás Borge, "make it inevitable that the energies released here will be universal in all Central America." Lest anyone miss the point, Vice President Sergio Ramírez has said that "we will never give up supporting our brothers in El Salvador."

"If the Contras are disappeared," says Gen. John Galvin, the U.S. southern commander who will soon become NATO's top soldier, "the Sandinistas will do exactly what they said they were going to do when they took Nicaragua in '79. It's as simple as that. They're too smart to invade frontally, but they'll sponsor subversion wherever they can."

On the flip side, the region may overreact. Honduras and Guatemala, two fledgling democracies, might well yield again to right-wing military dictatorships. In El Salvador, where the Army has tripled in size but the guerrillas still flourish, President Duarte is already threatened. The Salvadoran right wing lost at the polls but is still powerful—and Duarte himself describes the current situation as a "prerevolutionary spiral."

NO WISH FOR A "ROUND TRIP"

If America wants to contain the Sandinistas without using its own troops, the Contras remain the only answer. Their failure so far has less to do with Washington's yo-yo policy than with their own unappealing leadership—which is putting the matter charitably. The fact is most Nicaraguans perceive the Contras as a gaggle of former Somoza national guardsmen. They may not like the Sandinistas, but they're even less eager for a round trip, a return to the old order they recall with horror.

Victory may be impossible, but the Contras have already served an important purpose. They've tied down the Sandinistas. They've bought time for democracy to take root in Central America. But only barely. In large measure, the past seven years have been wasted. Stingy U.S. financial assistance and a shortsighted mania for protectionism have guaranteed a hand-to-mouth existence for the region's economy. Righting this wrong will require a commitment beyond the century, including an unprecedented program of trade preferences. But nothing less will do if the goal is to create other Central American Costa Ricas—countries capable of withstanding Marxist subversion simply because their people are smart enough to protect a good thing.

Meanwhile, the pressure—the Contras—must continue. The widespread perception that American muscle undermines the chances for peace stands reality on its head. The opposite is true. Without such pressure, America's interests—which are the region's interests as well—are certain to be ignored.

TRIBUTE TO MRS. REGAL KNECHT

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mr. LAGOMARSINO. Mr. Speaker, I appreciate this opportunity to extend recognition to one of my most distinguished constituents on the occasion of her recognition by the volunteer auxiliary at county medical center in Ventura, CA.

Mrs. Regal Knecht, for years arranged flowers and cultivated plants for profit in the nursuery business. Now, 87 years old, Mrs. Knecht does it for others to bring cheer and to earn a little extra income for the volunteer auxiliary at county medical center in Ventura.

A widow, Knecht grows a wide variety of flowers and potted plants that she donates for sale in the hospital's gift shop. She also arranges many of the floral bouquets sold there and works as clerk in the shop one day a week.

Honored among 150 hospital volunteers in observance of National Volunteers Week, Mrs. Knecht was awarded a plaque for 17,500 hours of volunteer work she has done during the past 12 years.

Mrs. Knecht will continue to work with the volunteer auxiliary at county medical center. According to Knecht, the hospital is within walking distance from her house, and she just enjoys doing the work. She's been doing it for years and doesn't plan to quit now.

I extend to Mrs. Knecht the best wishes of this body and our hopes for an enjoyable and productive future.

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (JUNE 1)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mr. SHARP. Mr. Speaker, having taken the first steps toward designing the legislative branch of government, the Convention June 1 moved to consider the executive branch.

The Virginia delegation's next proposal called for a national executive to be chosen by the national legislature, but did not specify its structure or powers.

James Wilson of Pennsylvania urged that the executive consist of just one person. This provoked a long silence in the Chamber which was eventually broken by Benjamin Franklin's plea that delegates speak up on the important proposal.

The reticence was understandable. Most participants realized that a central body was necessary to carry out the desires of the national legislature, but a single ruler sounded too much like a king.

As was done with many controversial issues, a decision was postponed.

BENJAMIN SOLOMON LINDHEIM

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mr. DELLUMS. Mr. Speaker, it gives me great pleasure to announce the arrival of a new constituent to the Eighth Congressional District of California, and the third product of a Dellums office marriage.

Benjamin Solomon Lindheim was born to Dana Hughes and Dan Lindheim on May 22, 1987, at 9:22 p.m. Benjamin weighed in at 7 pounds, 15 ounces, and measured 20½ inches.

Though born in Washington, DC, at Georgetown University Hospital, Benjamin claims a California birthright by reason of parentage and spirit.

I welcome Benjamin to our district and wish him and his parents the very best.

AMENDMENT TO H.R. 1934

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mr. GREEN. Mr. Speaker, in the section of today's RECORD marked "Amendments to be offered" I have inserted an amendment that I plan to offer to H.R. 1934 when it is considered by the House next week. My amendment would extend true "freedom of the press" to radio news by exempting radio broadcasts from the bill's codification of the fairness doctrine.

Whenever we tighten up regulations on the broadcast industry, questions of fundamental first amendment rights arise. Moreover, the fairness doctrine and the equal time provisions were adopted when there were relatively few stations and consequently a greater need for a variety of viewpoints. At present there are over 10,000 radio stations, in comparison with only approximately 1,600 daily newspapers that are not subject to such regulation. For example, newspapers are not required to publish letters to the editor or contradictory op-ed pieces. The scarcity rationale for such regulations on radio broadcasts no longer exists since the number of radio broadcasting stations in all media markets outnumber general circulation newspapers. I also believe that these regulations have not accomplished what was originally intended by Congress. These regulations do not stimulate free expression of diverse ideas but rather promote the sameness of ideas since stations often avoid the airing of controversial issues because they fear a challenge to their license renewal or expensive litigation resulting from complaint.

Although I believe that the scarcity rationale still holds for television, with over 10,000 radio stations in the country the scarcity rationale clearly no longer applies to them.

Mr. Speaker, I am sure that many of my colleagues agree that in the case of radio stations, further regulation of the media is unwarranted, troublesome to the stations' first amendment rights and will actually cause less airing of diverse ideas. I urge my colleagues to support this amendment to H.R. 1934 when it is offered next week.

The amendment follows:

Page 4, line 10, strike out "broadcast licensee" and insert "licensee for a television broadcasting station".

INTERNATIONAL CHILDREN'S DAY IS NOT A HOLIDAY FOR THE CHILDREN OF SOVIET REFUSENIKS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mr. LANTOS. Mr. Speaker, today we are commemorating International Children's Day—an occasion to celebrate childhood and recommit ourselves to promote the well-being and freedom of all children everywhere.

Sadly, for many children around the world, life brings sorrow and difficulties, rather than health and joy.

This is particularly true for the children of Soviet refuseniks. In many cases, these children have grown up in families which are treated as second-class citizens because they have requested permission to emigrate—because they have sought to exercise their fundamental human right which the Soviet Government has pledged to observe in international agreements.

Mr. Speaker, I would like to call your attention and the attention of this House to the case of Judith Ratner and her husband Leonid Bialy, two Moscow refuseniks who have been denied exit visas for 10 years. Their two sons and their 6-week-old granddaughter are victims of the same arbitrary restrictions and discrimination which so many refusenik children suffer.

Today, International Children's Day, refuseniks in Moscow are holding a series of seminars to address the serious questions confronting them and their families. I wish to express my support for and solidarity with the families which are participating in these seminars on International Children's Day.

COMBATING AIDS

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mr. DANNEMEYER. Mr. Speaker, Dale Alexander is a world-renowned author focusing on the role of proper nutrition in our daily diet, nutrition which can help prevent or alleviate various illnesses. His book, "Arthritis and Common Sense," alone has sold well over 1 million copies.

Mr. Alexander has recently studied the role of nutrition in combating AIDS. It is with pleasure that I commend his lecture on the subject which he gave in Los Angeles, Copenhagen, and London in May. While there may be those who disagree with Mr. Alexander's hypothesis, it is nevertheless thought-provoking and merits careful consideration.

The material follows:

HOW WE SLOWLY ACQUIRED—IN 50 YEARS—IMMUNE DEFICIENCY AND ITS FATAL SYNDROME

There is now a worldwide search for a drug that will cure AIDS, which consists of at least 18 virus variants and more coming. I believe the search for a cure may take a dozen or more years. The 40 year search for a single vaccine for the common cold virus, with 179 different variants has not yet succeeded. Some day we hope to find a vaccine to help the immune system.

The AIDS problem has never been dealt with in terms of nutrition. However, in the AIDS problem, where the person is dying and white blood cells have been damaged, it is getting very late to consider nutrition. For every person with AIDS who is beyond help, there are many times more with ARC, known as AIDS-related Complex.

ARC is generally looked upon as an early form of a viral infection. At this stage, there can be great hope for recovery. On the other hand, when the body is subjected to opportunistic infection, the body is now severely ill. In ARC, the immune system is reparable and the white blood cells are still trying to carry out their work.

What is the differences between AIDS and ARC? In my opinion, in ARC, the white blood cells and adrenal hormones can still be rebuilt nutritionally. However, in AIDS, especially when there is the reality of opportunistic infection, the problem is much more serious. The white blood cells, in both ARC and AIDS, need essential fatty acids in their outer cell membranes. And in both cases, vitamin D_3 becomes more and more important in the rebuilding of the hormone balance. There is still a salvageable time lag, correctable by carefully selected nutrition. Time is now of the greatest immediacy. Some doctors will disagree with my hypothesis.

In my review of the last fifty years, the lifestyle has changed vastly. As we have reduced the consumption of essential oils in our diet, I believe we have opened the doors to the slow acquisition of AIDS. I think that this lifestyle change, unfortunately, affected the immune system.

During the last two generations, we have slowly given up the hormone building foods and the bactericidal agents to be used by the white blood cells so that they can carry out their work as scavengers.

We have reduced the effectiveness of the immune system. This is my theory.

What foods did we give up in the last fifty years? I will list them chronologically: Cod liver oil, with its vitamin D_3, a supreme hormone builder; Breast milk, a supreme source of essential fatty acids, when mother's diet is right; butter, eggs and milk because of the cholesterol scare. I am aware that many people still survive without being breast fed, without cod liver oil and without consuming dairy products, but the fact remains the nutritional lifestyle is changing.

We further weakened our immune system by switching to margarine, thus injuring our oil reserves already in the body. It is known as the double bond exchange. We consumed food fried with inferior oils and fats. We gave up cholesterol foods; cholesterol foods are the precursors of hormone building, we need them. Avoiding them is nutritional suicide.

Some fifty years ago came the invention of the refrigerator. We then introduced the iced oil-free drinks with our meals. This changed our lifestyle and caused tremendous havoc with hormone building and the necessary lipids for the periphery of white blood cells.

Oil and water do not mix, not in vitro, and most assuredly, not in vivo. The popular trend to the fried hamburger and french fries were joined by the iced soft drink. The carbonated soft drink, in my opinion, is a grossly misunderstood foreign substance that I believe, provokes the immune system. I also believe that soft drinks are potential sources of "food antigens" which create the production of anti-bodies as much as do foreign germ substances. This is Alexander's theory . . . to be proved; it has to be.

Nutritionally, it is probably necessary to introduce beta-carotene and vitamin B complex foods. These could do much to prevent Kaposi's sarcoma (Capillary skin cancer) and pneumocystis.

There are a number of rules necessary to control ARC, the lesser of the two separate AIDS problems.

First, we must kill the "dormant viruses" in the blood stream. We do this by taking a glass of water upon arising, with seven or eight generous squirts of liquid garlic. This product comes from rich, enzymatic garlic grown organically in Hokkaido, Japan.

It is capable of detoxifying, taken on an empty stomach, the "dormant viruses." It is necessary to do this daily upon arising.

Twenty minutes after taking the liquid garlic mixture, take one tablespoon of cod liver oil shaken up with two tablespoons of whole milk. Shake well in a small screw-top jar to create an emulsion. Drink this. It contains Vitamin D_3, which in this way bypasses the liver and is physiologically able to stimulate the adrenal hormones necessary to control the ARC problem. This is also taken twice daily for six months; then once daily for six months. The dose at night is taken some 4 hours after dinner. To ensure progress in the containment of ARC, only oil-bearing liquids must be consumed with all meals. ARC victims are limited to the choice of whole milk, homemade soup or freshly made carrot juice.

LIQUIDOLOGY

What is this new word, Liquidology?

This is the study of liquids at meals. We have spent scores of years in the study of nutrition, much of it on calories. Never have we considered the proper time to take oil-free liquids. We have never been told how to drink a glass of water, as if this was of no importance.

Now read and learn how the consumption of proper liquids at the right time can make the difference between health and illness.

If you drink oil-free liquids with meals, the majority of the dietary oils are forced to go through the liver. This could create a cholesterol build-up.

There are two kinds of liquids, oil-free and oil-bearing. The oil-free liquids have high surface tension and do not get along with the proper assimilation of dietary oils. The low surface tension liquids, like milk or soup are compatible with dietary oils and do not cause a cholesterol problem.

To better understand the potential of delivering selective dietary oils like vitamin D_3 rich cod liver oil, I refer the reader to Dr. Abraham White's work at Yale University in 1945-46.

The soft drink must be avoided completely. The extensive use of carbonated drinks leads to the "greening of the elbow." This occurs when you have bypassed the saliva with acidic beverages, on a daily basis, for a number of years. The "greening of the elbow" is a new classic symptom that should become as important as night sweats and glandular swelling.

It is also important to understand IVA, Intra-Vascular Agglutination. This is the great work left behind by Dr. Melvin Knisely, formerly physiologist from the University of Chicago, back in the late 1940's.

Now back to Liquidology's importance:

The following are oil-free liquids and should never be consumed with meals.

(1) Water, coffee, tea, beer, whiskey, wine.

(2) Frozen acidic juices, carbonated soft drinks, seltzers, tonics, and club sodas.

List one may be had ten minutes before meals, or four hours after meals.

The carbonated drinks are potentially foreign substances to the immune system and play Russian roulette with the repair of the immune system. They should never be consumed at any time.

Either we use this inexpensive commonsense two-dollars-a-day nutritional approach and simultaneously study the improvement of the T-helper cells and the immune system, or use the costly $10,000 a year drug proposed by Burroughs Welcome AZT drugs with all its known potential side effects.

All this was said by me on Icelandic Television, on Channel 2 in prime-time on March 19, 1987. It was also published as a story in the Morgunbladid, the Icelandic newspaper on March 21.

On May 2, 1987, the following was published in the Lancet Medical Journal and was popularized in the Herald Tribune in Copenhagen, Monday, May 11, 1987, under the byline of Dr. Lawrence K. Altman, New York Times Service.

GENETIC SUBSTANCE LINKED TO AIDS RISK

"One of the mysteries of the epidemic has been why some people appear to become infected more readily than others on exposure to the virus and why the virus lies quiescent for many years in the bodies of some people while it quickly cause disease and death in others.

The AIDS virus invades certain cells, mainly of the immune and neurological systems. Researchers hope that further research on the variations in the Gc protein will help them understand how and why the virus penetrates such cells in some individuals, but not in others.

When researchers first discovered Gc about 30 years ago, they believed it was yet another of the many blood group types. But over the years, scientists learned that Gc is *bound* to Vitamin D and it has thus also come to be known as Vitamin D binding factor. Dr. Anthony Pinching's team said, "the role of Vitamin D in AIDS is unknown."

Much of this report is the sole work of Dale Alexander. Much of it is hypothetical and believed by him to be accurate.

Now, with the genetic findings of Dr. Anthony Pinching and others as published in Lancet on May 2, 1987, Dale Alexander thinks that his work can be an extension of Dr. Pinching's work and he is pursuing it with telephone communication to the St. Mary's Hospital, Immunology Division, in London.

By using the genetic Vitamin D theory of Dr. Pinching, known as the Gc theory, there could be a better opportunity to create a vaccine for AIDS. The nutritional approach has to be coordinated to the genetic findings. It may take as much as a generation of lifestyle correction to rebuild the immune system.

VOTE FOR H.R. 1934 TO CODIFY THE FAIRNESS DOCTRINE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 1, 1987

Mr. DINGELL. Mr. Speaker, I ask my colleagues to support H.R. 1934, legislation to codify the fairness doctrine, when it comes to the House floor this week. H.R. 1934—which I introduced on April 7—would unambiguously enshrine in statute the longstanding requirement that broadcasters provide reasonable opportunity for discussion of conflicting views on issues of public importance. This legislation is necessary to save this vital public protection from administrative assault by the Federal Communications Commission.

H.R. 1934 is cosponsored by over 70 Members from both sides of the aisle. An identical Senate measure, S. 742, overwhelmingly passed the Senate on April 21. H.R. 1934 passed the House Energy and Commerce Committee on May 17 on a bipartisan vote of 33 to 8.

A broad range of civic, political, business, labor, consumer and religious groups—groups from the left, right, and center—support legislation to codify the fairness doctrine. Radio and television broadcasters are virtually alone in their opposition to H.R. 1934, and many responsible broadcasters such as Fisher Broadcasting and Westinghouse Broadcasting support of fairness doctrine.

I draw the attention of my colleagues to several items I am inserting into the Record today: First, a list of cosponsors of the legislation; second, a list of groups supporting the legislation; third, a selection from the many letters I have received supporting the fairness doctrine; fourth, an article in which Newton Minow, former head of the FCC, describes the importance of the fairness doctrine in the particularly outrageous example of radio station KTTL, which broadcast 264 hours of racist, anti-Semitic material and only 10 minutes of "contrasting" views; and fifth the testimony of Phyllis Schlafly before the House Subcommittee on Telecommunications and Finance in which she argues that, without the fairness doctrine, discussion of issues of public importance on the electronic media would become dangerously one-sided.

I urge my colleagues to resist all weakening amendments and to vote for final passage when H.R. 1934 is considered on the House floor this week.

Sponsors of H.R. 1934—Legislation To Codify the Fairness Doctrine

Mr. Dingell, Mr. Markey, Mr. Coelho, Mr. Lott, Mr. Bonior of Michigan, Mr.

Oberstar, Mr. Hyde, Mr. Brooks, Mr. Ford of Michigan, Mr. Weber, Mr. Pepper, Mr. Gingrich, Mr. Dellums, Mr. Dornan of California, Mr. Murtha, Mr. Fascell, Mrs. Schroeder, Mr. Leach of Iowa, Mr. Udall, Mr. Gray of Pennsylvania, Mr. Stenholm, Mr. Waxman, Mr. Dannemeyer, Mr. Walgren.

Mr. Bliley, Mr. Leland, Mrs. Collins, Mr. Fields, Mr. Wyden, Mr. Eckart, Mr. Bryant, Mr. Nielson of Utah, Mr. Boucher, Mr. Lagomarsino, Mrs. Boxer, Mr. Rangel, Mr. Yates, Mr. Craig, Mr. Stokes, Mr. Dixon, Mr. Schumer, Mr. Marlenee, Mr. Callahan, Mr. Coleman, Mr. Cooper, Mr. Torres, Mr. Akaka, Mr. Lipinski, Mr. Hayes of Illinois.

Mr. Daub, Mr. Sundquist, Mr. Solarz, Mr. Wise, Mr. Weiss, Mr. Hochbrueckner, Mr. Levine of California, Mr. Synar, Mr. Schuette, Mr. Bustamante, Mr. Martinez, Mr. Vento, Mr. Owens of New York, Mr. Dyson, Mr. Hughes, Mr. Scheuer, Mr. DeFazio, Mr. Wolpe, Mr. Buechner, Mr. Conte, Mr. Crane, Mr. de Lugo, Mrs. Schneider, Mr. Campbell, Mr. Mavroules.

Groups Supporting Legislation To Codify the Fairness Doctrine

Accuracy in Media.
Action for Children's TV.
AFL-CIO.
American Baptist Churches.
American Civil Liberties Union.
American Clothing & Textile Workers' Union.
American Conservative Union.
American Federation of State County and Municipal Employees.
American Jewish Committee.
American Lung Association.
Americans for Democratic Action.
Anti-Defamation League of B'nai B'rith.
Black Citizens for a Fair Media.
Center for Science in the Public Interest.
Center for Study of Responsive Laws.
Church Women United.
Christian Church (Disciples of Christ).
Citizens Communications Center.
Common Cause.
Communications Workers of America.
Conservative Caucus.
Consumer Federation of America.
Consumers Union.
Department for Professional Employees, AFL-CIO.
Eagle Forum.
Environmental Action.
Environmental Policy Institute.
Episcopal Church-Office of Communication.
Friends of the Earth.
Fund for Renewable Energy and the Environment.
General Motors.
International Ladies Garment Workers Union.
Media Access Project.
Mobil Oil Corporation.
Morality in Media of Massachusetts.
Motion Picture Association of America.
National Association of Arab Americans.
National Conservative Political Act Committee.
National Council of Churches-Communications Commission.
National Education Association.
National Federation of Local Cable Programmers.
National League of Cities.
National Organization for Women.
National Rifle Association.
People for the American Way.
Public Citizen.
Safe Energy Communication Council.
Seagrams and Sons, Inc.
Sierra Club.
United Auto Workers.
United Church of Christ-Office of Communications.
United Food and Commercial Workers International.
Upjohn.
U.S. Catholic Conference-Department of Communications.
Union of Concerned Scientists.
U.S. Public Interest Research Group.

Accuracy in Media, Inc.,
Washington, DC, April 9, 1987.

Hon. John D. Dingell,
Chairman, Committee on Energy and Commerce, House of Representatives, Washington, DC.

Dear Congressman Dingell: I am writing to endorse H.R. 1934, the legislation you and others have introduced to enact the fairness doctrine into law.

Accuracy in Media, Inc. has always been a strong supporter of the fairness doctrine, believing that it has been good for both the public and for the broadcasting industry. It has fallen short of its goal of insuring that all sides of controversial issues of public importance be aired, but this has been mainly due to the fact that it has been badly enforced, especially during the past six years.

The goal of seeing that all sides of issues are presented to the public is one that we should aspire to. It is the key to the successful functioning of a democratic society. It is more important now than ever before because of the tendency of concentration of ownership in the communications field and the decline in the number of competing daily newspapers. Our people are increasingly becoming dependent on the electronic media for their information, and it is important that we not abandon the tradition of fairness and balance nurtured in radio and television over the years.

Broadcasters insist that they will be fair even if there is no legal requirement that they air all sides. This is not a credible claim. If they are truly dedicated to fairness, the existence of a legal requirement should not be a galling burden. Why do they want it removed?

We believe that there are those in broadcasting who either want the right to be unfair, to use their licensed facilities to promote their causes and candidates, or who would quickly succumb to the temptation to do so if no legal barrier stood in the way.

It would not be healthy for our democracy to give those who own broadcast licenses unfettered power to use the enormous power of the electronic media to propagandize the public, promoting their personal political views and candidates.

Many people are concerned about the lack of fairness that exists even now. A poll commissioned by the Times Mirror Co. at the end of last year showed that 54 percent of those surveyed felt that news organizations favor one side in their reporting and 39 percent felt that they deal fairly with all sides. The poll did not distinguish between print and electronic media on this issue, but it did query the respondents on how they felt about daily newspapers and television network news in terms of credibility. The results showed a sharp decline in the credibility of both since the question was last asked, in June 1985. Only 17 percent said they believed all or most of what they read in their daily papers, and only 20 percent said they believed all or most of what they heard on TV network news. Those percentages were down from 28 percent and 32 percent respectively in June 1985. I believe that these responses reflect in some degree a general resentment of the performance of the media.

Eighty percent of those surveyed in this poll viewed news organizations as being either liberal or conservative, compared with only 40 percent who believed they were politically slanted in June 1985. Nearly half believed that the political philosophy of the news organizations was reflected in politically biased reporting.

Robert MacNeil of the MacNeil/Lehrer NewsHour on PBS said a few years ago: "I had no idea how vehemently the American public felt about one-sided, inaccurate or unfair journalism. I used to 'laugh' those complaints away as conservative paranoia. I now know that it is not paranoia. The public is entirely justified in thinking that a lot of American journalism is unfair or inaccurate."

It would be shortsighted for broadcasters to ignore these public feelings and seek to relieve themselves of any obligation to be fair. This might result in an increase in their political influence and power in the short run, but in the long-run, the public is unlikely to stand for it. In the meantime, we will suffer increased public dissatisfaction and cynicism.

The requirement that holders of broadcasting licenses be fair is neither unreasonable nor onerous. Accuracy in Media strongly urges the enactment of H.R. 1934. We also urge Congress to use its influence and power to persuade the Federal Communications Commission to resume the enforcement of the fairness doctrine, something it has failed to do for at least six years.

Sincerely yours,

Reed Irvine,
Chairman of the Board.

People for the American Way,
Washington, DC, April 3, 1987.

Dear Representative: On behalf of the 250,000 members of People for the American Way, a nonpartisan, citizen's organization dedicated to defending constitutional liberties, we urge you to cosponsor H.R. 1934, legislation to codify the Federal Communications Commission Fairness Doctrine, and to oppose any amendments which may be proposed.

H.R. 1934 will ensure that the FCC must enforce, and cannot repeal, the Fairness Doctrine. The current FCC has led a vigorous attack on the Fairness Doctrine. In 1985, the FCC rejected the public interest basis for the Fairness Doctrine, but did not eliminate it at that time because of doubt as to whether Congress had granted it authority to do so. In a recent court decision, however, the Court of Appeals has held that the Fairness Doctrine is not required by statute. The FCC has seized this opportunity to justify repeal of this doctrine.

The Fairness Doctrine is critical if broadcasters are to meet their obligations to the public to present all sides of controversial issues of public importance in a fair manner. Broadcasters are granted a license by the government for the free and exclusive use of a scarce resource, the radio spectrum, which Congress has determined belongs to the public. The Fairness Doctrine ensures that broadcasters will serve their public trust and the public's right to know by informing their listeners of contrasting viewpoints on controversial issues of public concern.

As the Supreme Court ruled in its unanimous Red Lion decision, it is the right of listeners and viewers, not the right of broadcasters, which is paramount. The Fairness Doctrine furthers First Amendment principles by preventing the censorship of contrasting viewpoints. It is vital to an informed democracy.

The Fairness Doctrine is even more compelling today than ever, since deregulation of the broadcast industry and the increased concentration of ownership in fewer hands has increased broadcasters' power. Preservation and enforcement of the Fairness Doctrine assures that broadcasters' most significant responsibility to the public—to keep it well informed—will be met.

We urge you to support the public's interest by reaffirming the Fairness Doctrine. Support H.R. 1934.

Sincerely,

ANTHONY T. PODESTA,
President.
JOHN H. BUCHANAN, Jr.,
Chairman of the Board.

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, DC, May 5, 1987.

Hon. JOHN DINGELL,
Chairman, House Energy and Commerce Committee, Rayburn House Office Building, House of Representatives, Washington, DC.

DEAR CHAIRMAN DINGELL: On behalf of the AFL-CIO, I want to express our strong support for H.R. 1934, the Fairness in Broadcasting Act of 1987, which would codify the Fairness Doctrine into law. As you know, the Communications Subcommittee has scheduled mark up on H.R. 1934 for this Thursday, May 7 and full Committee mark up is tentatively scheduled for next week.

For several decades, the Fairness Doctrine has been a mainstay of our nation's broadcast policy. Because of this doctrine, broadcasters have devoted reasonable attention to controversial issues of public importance and, in doing so, have provided a reasonable opportunity for the expression of opposing views on such controversial issues.

Unfortunately, in recent years, the Fairness Doctrine has come under increasingly critical scrutiny by the Federal Communications Commission (FCC) and, occasionally, by the Courts. For example, a recent court decision held that Congress did not codify the Fairness Doctrine in 1959 when it passed the 1959 Amendments to the Communications Act, as was previously thought. That court ruling, moreover, suggested that the FCC can repeal the Fairness Doctrine without Congressional approval. Unless Congress gives expeditious approval to legislation such as H.R. 1934, it is therefore possible that the FCC will vote to repeal the Fairness Doctrine.

For these reasons, the AFL-CIO again strongly urges that Committee members support H.R. 1934 and reject all weakening amendments.

Sincerely,

ROBERT M. MCGLOTTEN,
Director, Department of Legislation.

AMERICANS FOR DEMOCRATIC ACTION,
Washington, DC, April 15, 1987.

Hon. JOHN DINGELL,
Chairman, Committee on Energy and Commerce, Washington, DC.

DEAR CHAIRMAN DINGELL: I am writing on behalf of Americans for Democratic Action in support of the legislation which will codify the Fairness Doctrine in broadcasting. This legislation will ensure that the Federal Communications Commission cannot repeal it and instead, will be required to enforce it vigorously.

I am pleased to know that this legislation has been scheduled for prompt consideration in both houses of Congress. We at Americans for Democratic Action want you to know how important we believe it is that this legislation be enacted in the form in which it was introduced. The public would be considerably less informed if the Fairness Doctrine is repealed.

Sincerely,

ANN F. LEWIS,
National Director.

U.S. CATHOLIC CONFERENCE,
New York, NY, April 9, 1987.

Hon. JOHN DINGELL,
Chairman, Committee on Energy and Commerce, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The United States Catholic Conference (USCC) strongly supports H.R. 1934, the Fairness in Broadcasting Act.

Adequate and fair discussion of important public questions over television and radio is vital to the USCC and other religious bodies, as well as to every individual and institution in our society. This is especially true today when our society is divided by increasingly complex issues of vital public concern. Reduced public accountability, increased concentration of media control and the recent changes in the ownership and control of many broadcast stations and the three networks, all add to our need for traditional fairness in broadcasting.

Broadcasting has been governed by legal principles requiring fair play since its inception. Licensees have been expected to act as trustees of the public's airwaves and are not allowed to use a station solely to voice personal viewpoints. The Fairness Doctrine encourages broadcasters to present their own editorial opinions. However, it also requires stations to devote a reasonable amount of time to the discussion of controversial issues of public importance in the community and to afford listeners and viewers an opportunity to hear contrasting opinions on the issues covered.

In spite of recent technological advances which hold the promise of providing the public with a variety of sources of news and comment, most communities continue to rely on a small number of broadcast licensees affiliated with one of three national networks for coverage of controversial issues.

The Fairness Doctrine serves the vital function in a democratic society of protecting the public's First Amendment right to receive a fair presentation of viewpoints on controversial issues of public importance over the airwaves. Consequently, we applaud your sponsorship of H.R. 1934, and will oppose any weakening amendments. The passage of H.R. 1934 will, as Congress intended to do in its 1959 amendment of Section 315 of the Communications Act of 1934, codify the Fairness Doctrine.

Sincerely yours,

RICHARD H. HIRSCH,
Secretary of Communication.

MORALITY IN MEDIA OF MASSACHUSETTS, INC.,
Needham Heights, MA, November 22, 1986.

Hon. JOHN D. DINGELL,
House of Representatives, Washington, DC.

MY DEAR REPRESENTATIVE DINGELL: Morality in Media is a non-profit, non-sectarian organization working to help stop the pornography traffic constitutionally and effectively and working for media based on love, truth and good taste.

In our work we often come up against powerful interests that care nothing for pubic morality but only for making profits. If it were not for the Fairness Doctrine we would be helpless against pornography peddlers for a profit. Thus, we become very much concerned when the Doctrine, so essential and so in accordance with the American sense of fair play is threatened.

We think the Mobil Corporation's ad on the Fairness Doctrine (November 10, 1986, *The Boston Globe*, copy enclosed) expresses very firmly and accurately our strong feelings in this matter.

We are quite uneasy with the Federal Court decision which would in effect abolish the Fairness Doctrine which the Federal Communications Commission has a clear mandate from Congress to enforce. In our years of service to the public we have experienced the need of the opportunity to present contrasting viewpoints on controversial subjects, and we know this need in the pursuit of truth will contine just as urgently as in the past.

Please do whatever you can to prevent the Court's moving in to defeat and denegrate the action of the Legislature on the Fairness Doctrine, so sorely needed today!

Very truly yours,

JOYCE TUOMY,
President.

[From the Boston Globe, Nov. 10, 1986]

A LEVEL PLAYING FIELD FOR THE MARKETPLACE OF IDEAS

The Federal Communications Commission, in an era of deregulation and greater reliance on the marketplace, wants to eliminate the Fairness Doctrine, which it is currently duty-bound to enforce. A federal appeals court has ruled that the FCC has the power to apply the doctrine selectively, and, in effect, scrap it. We believe, in spite of our affinity for deregulation, that doing so would be a grave error.

The Fairness Doctrine evolved from legislation enacted by Congress in 1934 and most recently amended in 1959. It mandates that broadcasters provide fair and balanced presentations of contrasting viewpoints on controversial issues of public importance. In 1969, the Fairness Doctrine was upheld as constitutional by the U.S. Supreme Court, which saw a similarity of purpose between the doctrine and the First Amendment itself: ". . . to preserve an uninhibited marketplace of ideas in which truth will ultimately prevail, rather than to countenance monopolization of that market, whether it be by the government itself or by a private licensee."

As we said, the Fairness Doctrine *is* government regulation of broadcasters. Unfortunately, this regulation is needed because of the regulated nature of television itself.

Anyone with enough money for a printing press—or a desktop computer printing setup—can start a publication, be it newsletter, broadside, or daily paper. But to start a new TV channel or radio station, one requires a federal license—the beginning of the process of government regulation of broadcasters—good only for a specific channel or wavelength. If the airwaves weren't regulated in this way—if people could broadcast whenever they wished on whatever channel they pleased—the result would be an unintelligible babel. So by definition, to own a licensed TV channel or radio station is to own a monopoly. Let the upstart publisher of a new publication call his product *The New York Times* or *Playboy*, and he faces a lawsuit. But let someone without a license begin broadcasting on an assigned channel, and that person is labeled a pirate, subject to indictment and prosecution by the U.S. attorney on criminal charges. Thus, free speech in broadcasting is obviously different from free speech in the print media or free speech by individuals or non-media corporations. It's *regulated* free speech, exclusive by wavelength.

The Fairness Doctrine has been the vehicle for making broadcasters live up to the responsibilities bestowed by this exclusivity, or special monopolistic status. In the best of all possible worlds, the First Amendment's guarantee that "Congress shall make no law . . . abridging the freedom of speech, or of the press" would be all the regulation needed in those areas. But the authors of the Constitution could have foreseen neither the electronic media nor the need to license broadcasters. And with the need for licensing came the need for the added regulation that protects the public from the abuse of the vast power that goes with the issuance of a broadcast license.

Those who favor eliminating the Fairness Doctrine say that back in the early days of TV, there weren't as many channels as there are today. They argue that the advent of cable TV, satellite transmission and videocassettes makes the doctrine unnecessary. But these are still having a hard time competing with the networks. During prime time, the commercial networks attract more than half of the TV audience, and pollsters continue to report that Americans get the bulk of their news from network TV.

We would be the last to argue that the Fairness Doctrine is a perfect device, or that the networks invariably live up to its spirit. Ads like this one, expression a point of view, are still largely barred from network TV. But the barriers are less formidable than they used to be. Some broadcasters are even devoting resources to seek out opposing viewpoints, rather than arguing that the Fairness Doctrine infringes on their free speech, because by speaking out they may incur the obligation to find those who differ. That, we submit, is marked progress.

Whatever its shortcomings, the Fairness Doctrine preserves a level playing field in the marketplace of ideas. To abolish it would weaken the oversight over a special class of monopolists—and diminish the First Amendment rights of the rest of us. Whether the FCC likes it or not, the Fairness Doctrine should be preserved.

MOBIL OIL CORP.,
New York, NY, April 22, 1987.

Hon. JOHN DINGELL,
Chairman, Committee on Energy and Commerce, U.S. House of Representatives, Washington, DC.

Re: (1) Proposed Amendments to Section 315 of the Federal Communications Act of 1934 (47 U.S.C. § 315), as amended ("the FCC Act") (2) H.R. 1934 (100th Congress 1st Session, 4/2/87)

DEAR MR. CHAIRMAN: Mobil Corporation, its subsidiaries and affiliates, strongly support the proposed amendments of the Federal Communications Act of 1934 introduced by Congressman John Dingell as H.R. 1934 100th Congress, First Session, April 2, 1987.

Mobil's support of the Bill is based on the following considerations:

[1] The Federal Communications Commission (FCC) lacks the statutory authority to repeal the Fairness Doctrine, as codified in 47 U.S.C. § 315, without a prior congressional mandate. In seeking to repeal the Fairness Doctrine, the FCC has cited neither the constitutional nor the statutory authority to do so and it has none. Instead it has merely indicated that it does not intend to enforce that part of the FCC Act which pertains to the Fairness Doctrine. This allegation of authority on the part of the FCC is not only unconstitutional because (1) the FCC is charged with enforcing Section 315 of the FCC Act (the Fairness Doctrine) but also (2) has no constitutional excuse for any failure to live up to this statutory duty.

[2] In addition to the constitutional arguments previously mentioned, it should be noted that despite technological advances, the electromagnetic spectrum remains a scarce and valuable resource because there are still substantially more people who want to broadcast than there are frequencies to allocate. A broadcast licensee is conferred the right to use a valuable public resource and is therefore required to utilize that resource as a trustee for the American viewing or listening public.

[3] There is a substantial governmental interest in conditioning the award or renewal of a broadcast license on the requirement that the broadcast licensee assure the widest possible dissemination of information from diverse and antagonistic sources by presenting a reasonable opportunity for the discussion of conflicting views on issues of public importance.

[4] Although it is readily conceded that new video and audio services have been proposed and introduced, many have not succeeded and even those that appear to be operating successfully are reaching a far smaller audience than traditionally FCC-licensed broadcast stations.

It is, therefore, respectfully suggested that H.R. 1934 be favorably reported to the Congress to ensure that the Fairness Doctrine, as currently construed by the FCC, including its implementing regulations, be left intact, not only as a matter of sound public policy but also as a requirement of governing statutory and applicable constitutional law.

Sincerely,

HERBERT SCHMERTZ.

NATIONAL LEAGUE OF CITIES,
Washington, DC, April 16, 1987.

Hon. JOHN DINGELL,
Chairman, Committee on Energy and Commerce, 2221 Rayburn House Office Building, U.S. House of Representatives, Washington, DC.

Re: Fairness Doctrine

DEAR CHAIRMAN DINGELL: The National League of Cities strongly supports the legislation which you have proposed to codify the Fairness Doctrine. Enactment of this legislation—the Fairness in Broadcasting Act of 1987 (H.R. 1934)—is necessary to ensure that broadcasters cover both sides of controversial issues of public importance.

The future of the Fairness Doctrine is in question because of a recent ruling by a divided panel for the U.S. Court of Appeals for the District of Columbia Circuit questioning its statutory basis and recent efforts by the FCC to jettison the doctrine. The Fairness Doctrine is of great importance to the nation's cities and towns because it ensures public access to information on public policy issues of importance, including a wide range of national and local issues of significance to the nation's cities and towns, and a balanced debate on these issues.

The court ruling in question—*Telecommunications Research and Action Center* v. *FCC*—found that the Fairness Doctrine was not a "fixed requirement frozen in place" by the Communications Act but rather derived from the broadcasters' "mandate to serve the public interest," an obligation which is determined by FCC regulations and can be altered by the FCC if "its view of what the public interest requires" changes. It found the 1959 amendments to the Communications Act to represent only congressional approval of the FCC's rules and not codification of the Fairness Doctrine regulations. The FCC has made clear its intention to abolish the Fairness Doctrine to protect the First Amendment rights of broadcasters.

The Supreme Court in *Red Lion Broadcasting Co.* v. *FCC* found in 1969 that Fairness Doctrine was consistent with the First Amendment because of the scarcity of broadcast outlets, stating that it "is the right of the viewers and listeners, not the right of the broadcasters, which is paramount." While the number of communications outlets has somewhat increased in recent years as a result of technological developments, the scarcity rationale still holds true today as is evidenced by the recent bidding war for broadcast facilities and the resulting escalation in value of broadcast stations. The broadcast spectrum is as much a physically limited public resource today as at the time of the *Red Lion* ruling in 1969 and it still must be allocated to users on the basis of a licensing process.

Because of the importance of the Fairness Doctrine to a balanced debate on controversial public issues and the uncertainties surrounding the future of the doctrine, we urge codification of the doctrine to remove any doubt concerning congressional intent and to eliminate future assaults on this vital doctrine.

Sincerely,

CATHY REYNOLDS,
President, Councilwoman-at-Large,
Denver, CO.

AMERICAN CIVIL LIBERTIES UNION,
Washington, DC, April 21, 1987.
Representative JOHN DINGELL,
Chair, Energy and Commerce Committee, U.S. House of Representatives, Washington, DC.

DEAR CHAIRMAN DINGELL: We are writing to express our support for H.R. 1934, a bill to codify the "Fairness Doctrine". The ACLU believes allocation of the electromagnetic spectrum poses unique civil liberties issues because both its physical properties and the government's allocation and licensing system make it a "scarce" resource. Since all who wish to broadcast cannot do so, there is an inherent danger that the flow of information can be restricted.

The "Fairness Doctrine" serves two basic First Amendment interests. First, it provides for increased access for a variety of views in the discussion of public controversies. Second, it assures the right of the public, the viewers and listeners, to receive a maximum of information, opinion, and ideas.

We are aware of arguments from broadcasters that they should have an unfettered ability to decide what to air. However, unlike publishers of newspapers or producers of films, radio and television broadcasters have sought and obtained a federal license to operate in the "public interest". The "Fairness Doctrine" does not mandate precise equivalence in the discussion of all views on issues. It is a modest requirement that the licensee simply "afford reasonable opportunity for the discussion of conflicting views on issues of public importance." As such, it affirms the constitutional rights of the public without abridging any legally cognizable interest of broadcasters.

We continue to support your efforts to move H.R. 1934 expeditiously through the House.

Sincerely,

MORTON H. HALPERIN,
Director.
BARRY W. LYNN,
Legislative Counsel.

NATIONAL ASSOCIATION OF ARAB AMERICANS,
May 15, 1987.
Hon. JOHN D. DINGELL,
Chairman, Committee on Energy and Commerce, Rayburn House Building, Washington, DC.

DEAR MR. CHAIRMAN: The National Association of Arab-Americans (NAAA) is pleased to go on record in support of your legislation, the Fairness in Broadcasting Act—H.R. 1934.

The NAAA works in the public policy arena for healthy relations with Arab countries. Frequently our views are considered controversial and our opportunity to present them in various media forums have been limited. On the other hand, America's relations with the Arab countries, including the Arab-Israeli dispute, are an extremely important policy area. The passage of H.R. 1934 will help ensure that broadcasters present both sides of such important but controversial issues.

We strongly support your effort in this regard. We plan to notify our membership and chapters of the importance of this legislation, and urge them to seek the support of their Congressmen for H.R. 1934.

If we can be of any further assistance, please do not hesitate to contact us.

Sincerely,

DAVID J. SADD,
Executive Director.

CRITICAL MASS ENERGY PROJECT OF PUBLIC CITIZEN,
Washington, DC, April 28, 1987.
Representative JOHN DINGELL,
Chairman, Committee on Energy and Commerce, U.S. House of Representatives, Washington, DC.

DEAR CHAIRMAN DINGELL: We are writing to express Public Citizen's strong support for H.R. 1934 which would codify the Fairness Doctrine in broadcasting. This legislation will ensure that the Federal Communications Commission cannot repeal it and instead, will be required to enforce it vigorously.

As you know, Public Citizen works on a broad range of environmental and consumer issues which are directly affected by the broadcast media's coverage of them. We feel it vital to sound policy making that members of the public be afforded an opportunity to hear different views on controversial issues. The alternative is to allow the airwaves to be controlled by just those who have the funds to air their messages.

We are pleased that this legislation has been scheduled for prompt consideration by the House of Representatives. And we want to stress how important we believe it is to enact this legislation in the form in which it was introduced.

Sincerely,

KEN BOSSONG,
Director.

MOTION PICTURE ASSOCIATION OF AMERICA, INC.,
Washington, DC, April 14, 1987.
Hon. JOHN DINGELL,
Chairman, Committee on Energy and Commerce, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to commend you on the introduction of H.R. 1934, legislation to reiterate and statutory basis of the Fairness Doctrine.

Television station owners are the beneficiaries of federally conferred broadcast licenses. Those fortunate enough to receive these licenses have a public trust. The fairness doctrine is one of the cornerstones of that trust.

If we are to ensure that the powerful medium of television will present diverse and antagonistic points of view of issues of importance to our citizens, the standard of the Fairness Doctrine is quite compatible with the First Amendment.

Sincerely,

JACK VALENTI.

UNITED CHURCH OF CHRIST,
New York, NY, April 7, 1987.
Congressman JOHN D. DINGELL,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN DINGELL: I am writing in support of H.R. 1934/Sen. S742, legislation which will codify the Fairness Doctrine in Broadcasting. This legislation will ensure that the Federal Communications Commission cannot repeal it and instead, will be required to enforce it vigorously.

The Fairness Doctrine has been effective in encouraging broadcasters to provide quality programming in public affairs. And in those rare cases where broadcasters have required reminding, it has offered the public tools to redress the balance, thus enriching public information and discussion.

I am pleased to know that this legislation has been scheduled for prompt consideration in both houses of Congress, and I want you to know how important I believe it is that this legislation be enacted exactly in the form in which it was introduced without weakening amendments.

Sincerely,

Beverly J. Chain, Director, Office of Communication, United Church of Christ; Terry Vaughn, Office of Communication, American Baptist Churches; Sonia Francis, the Episcopal Church Center; Carolyn Day, Vice President for Communication, Christian Church (Disciples of Christ); Jane Burton, Church Women United.

ADVOCACY INSTITUTE,
May 13, 1987.
Chairman JOHN DINGELL,
Committee on Energy and Commerce, House of Representatives, Rayburn Building, Washington, DC.

DEAR MR. CHAIRMAN: My name is Michael Pertschuk, and I am Co-Director of The Advocacy Institute in Washingtion, D.C., a non-profit training center that works to help make citizen groups engage more effectively in the public policy arena. I served as Chairman of the Federal Trade Commission from 1977 until 1981.

I would like, briefly, to add my voice to those members of the public interest community who consider the Fairness Doctrine vital to assure that the concerns of the underrepresented are heard.

I have listened with some impatience to the elaborate superstructure of elegant First Amendment arguments offered against the Fairness Doctrine, especially from those who stand most to profit from its demise. They do put me in mind of A.J. Liebling's wise observation that freedom of the press is most securely guaranteed to those who own one.

They do not speak for me, nor, I believe for the many public interest advocacy groups we counsel. Those groups have learned that the political deck is often stacked in favor of a well organized, well funded narrow economic interest, with access to battalions of lobbyists and media public relations specialists. As corporate conglomeration grows, many of those same economic interests now own broadcast properties, or have interlocking economic interests with those who own them. Without the Fairness Doctrine, we can be reasonably certain their speech will not be "chilled," their viewpoint will be amply aired. But citizens' groups, no matter how broadly representative they are of their community's concerns, can be shut out. That's chilling.

As a citizen, I believe I have some First Amendment rights, and among them are the right to learn of the diverse opinions which flourish in my country and community. Other democracies assure this by entrusting the broadcast channels to quasi-public boards or independent government entities. Though some of those systems have established a fierce independence from the government, and allow a wide spectrum of opinion to flourish, such systems make us nervous for fear of a repressive government.

So we have let private broadcast licensees profit mightily in order that some public benefit can trickle down to the broadcast public. Without the Fairness Doctrine, however, precious little of educational or community benefit *will* trickle down! Then we really we have made for ourselves a Faustian bargain.

Sincerely yours,

MICHAEL PERTSCHUK.

THE CONSERVATIVE CAUCUS, INC.,
Vienna, VA, April 8, 1987.
Hon. JOHN D. DINGELL,
U.S. House of Representatives,
Washington, DC.

DEAR CONGRESSMAN DINGELL: Congratulations on your sponsorship of H.R. 1934 to codify the Fairness Doctrine.

I fully share your reasoning that, in view of government involvement in the award of broadcast licenses, there is a need to assure access to diverse viewpoints.

If a genuine free market in electronic communications existed, a Fairness Doctrine would be neither necessary nor desirable. But until such circumstances prevail, organizations and individuals of diverse views have a stake in supporting legislation of the kind which you have introduced.

With personal best wishes, I am

Sincerely,

HOWARD PHILLIPS,
Chairman.

DEPARTMENT FOR PROFESSIONAL
EMPLOYEES, AFL-CIO,
Washington, DC., April 14, 1987.
Hon. JOHN DINGELL,
Chairman, Committee on Energy and Commerce, U.S. House of Representatives,
Washington, DC.

DEAR CHAIRMAN DINGELL: On behalf of the 27 national and international unions which comprise this Department and the three million professional and technical workers they represent, I write to commend you for introducing H.R. 1934, the Fairness in Broadcasting Act of 1987, and to register our strong support for that legislation.

As we all know, the transmission of news and information to and among the citzenry in a democracy is essential. No media are more effective or more heavily relied upon in serving this purpose in the United States than television and radio broadcasting. Over the years during which the broadcast media have carried out this vital function, the Fairness Doctrine has been an integral part of our communications law. Though seldom invoked (considering the number of radio and television broadcast stations and the volume of news and information which they broadcast), and rarely the basis for penalizing a broadcast licensee, the existence of the Fairness Doctrine has assured that significant issues of public importance are addressed in broadcast programming and that contrasting viewpoints on those issues are presented.

In view of the intention of the present membership of the Federal Communications Commission to abolish the Fairness Doctrine (which we believe is a violation of their responsibility to regulate the broadcasting industry in the public interest), and the recent decision of the Court of Appeals for the District of Columbia in the TRAC case which would permit the Commission to do so, we believe that the enactment of the Fairness in Broadcasting Act of 1987 is imperative. You can be assured of this Department's complete support in achieving this objective.

Sincerely,

JACK GOLODNER,
Director.

KOMO RADIO AND TELEVISION,
KATU TELEVISION, ABC AFFILIATES,
Seattle, WA, March 24, 1987.
Hon. JOHN D. DINGELL,
U.S. House of Representatives,
Washington, DC.

DEAR CONGRESSMAN DINGELL: I am writing to make you aware of Fisher Broadcasting's recent filing with the FCC of our coments on the Fairness Doctrine inquiry at the Commission. I enclose a copy of that filing which does not discuss the constitutional aspects of the controversy but does clearly state our position favoring the retention of the Fairness Doctrine. As you may be aware, our stations have had a long history of attempting to balance programming of controversial issues in a fair and equitable manner. Through our editorials and programs such as "Town Meeting," "Northwest Afternoon," and "Viewpoint on the News," we try to provide as many sides of an issue as we can to our audiences. Clearly, we have not felt the "chill" of the Fairness Doctrine on our broadcasting performance.

We support your efforts to retain the Fairness Doctrine as public policy, and hope that you are successful.

Sincerely,

JOHN F. BEHNKE.

[From the New York Times, Aug. 27, 1985]

BEING FAIR TO THE FAIRNESS DOCTRINE

(By Newton N. Minow)

CHICAGO.—For 36 years, the Federal Communications Commission has enforced a policy known as the Fairness Doctrine, which requires broadcasters to "provide reasonable opportunity for the presentation of contrasting viewpoints." Congress and the courts have repeatedly endorsed the Fairness Doctrine as advancing public debate and the values of the First Amendment.

This month, however, the F.C.C. announced its current view that the Fairness Doctrine no longer serves the public interest and is now "misguided government policy." As a former F.C.C. chairman, I suggest that what is misguided is current commission policy.

My views on the Fairness Doctrine are personal. As a former chairman of the Public Broadcasting System and as a current director of CBS, I acknowledge that my views do not reflect those of either PBS or CBS. But both institutions honor the First Amendment, even for their directors.

To make the case for the Fairness Doctrine, I suggest a specific example. Let us examine the recent case of one radio station, KTTL, in Dodge City, Kan. Without disclosing its sponsors, KTTL broadcast 264 hours of programs attacking Catholics, Jews, blacks and public officials. Some of the programs included incitements to violence. Here are some samples: "If a Jew comes near you run a sword through him. . . ." "Blacks and brown are the enemy. Jesus Christ is a white man's God. . . ." "Your citizens posse will hang [a public official] by the neck and take the body down at dark. . . ."

About ten minutes of contrasting views were broadcast on KTTL—a ratio of about 1,600 to 1.

Citizens of Dodge City complained to the communications commission that KTTL was not living up to its fairness responsibilities. Despite the complaints and Congressional inquiries, KTTL still has its exclusive broadcast license. The F.C.C. has since decided to hold a hearing, but it continues to oppose the Fairness Doctrine and has omitted the fairness issue from the KTTL hearing.

Why? As its basic reason, the F.C.C. states that the premise underlying regulation of the broadcasting industry—the scarcity of broadcasting channels—is no longer valid. Now that there are more radio and television stations than newspapers in many communities, the F.C.C. reasons, there is no longer any scarcity and no need for governmental regulation of a "scarce" broadcast resource.

This argument is disingenuous. In the last few years, The Washington Star, The Chicago Daily News and The Philadelphia Bulletin all went out of business. No new newspapers took their place. By contrast, when the F.C.C. made RKO's channels available for competitive applications, it quickly got 172 applications, each applicant arguing, "Give the license to me, and turn down the other 171." And when the communications commission decided to permit new low-power television stations, it was inundated by almost 14,000 applications.

The test of scarcity cannot be measured by the number of newspapers. The proper test is the number of citizens who want a broadcast license and are unable to obtain one. At one point, a decision must be made as to who is to be allowed, and who denied the exclusive license to use the channels. Scarcity still exists when channels are not available to all. And as long as scarcity exists, the need for some measure of regulation will exist.

Most Americans get most of their news and information from radio and television. Most broadcasters, competent with their own standards as well as the Fairness Doctrine, provide their viewers and listeners with balanced presentations of controversial issues. The Fairness Doctrine stops no one from speaking; it simply encourages that all sides be heard. How can this policy harm the public?

Despite the current F.C.C. view I doubt that the Fairness Doctrine will be abandoned. Congress and the courts will, in my judgment, have the good sense to continue equating fairness with the public interest. For it would turn the nation on its head in a rewarded unfairness with the public trust. If unfairness in broadcasting is what we want and value, the only guardian of the public interest becomes KTTL.

TESTIMONY BY PHYLLIS SCHLAFLY IN SUPPORT OF THE FAIRNESS DOCTRINE TO THE HOUSE SUBCOMMITTEE ON TELECOMMUNICATIONS AND FINANCE, APRIL 7, 1987

The Fairness Doctrine is more needed than ever before in history to serve as a small restraint on the monopoly power wielded by Big TV Media. The Big Three Networks are the "Robber Barons" of modern America who exercise monopoly control over news and information so vast that they have become a Fourth Branch of Government.

In a free society, so much power should not be wielded by any gang of three institutions operating in "conscious parallelism." One way to limit such power would be to break them up, as the Sherman Anti-Trust Act is the response to monopoly power in industries. A more moderate way would be to extend the Fairness Doctrine to cover the networks as well as local broadcasters.

There is nothing in all American history to compare to the concentration of power in the Big Three TV Networks. They dominate news and information in the United States, and control the selection of news and information. Comparisons with print media are ridiculous; hundreds of newspapers print the news free from any influence or control by New York and Washington, DC newspapers; but the Big Three TV Networks wholly dominate national news and local stations. Just think about it: when you turn on your local TV channel to get the national news, you always get Dan Rather, Tom Brokaw, and Peter Jennings. When you read your local newspaper, you very seldom read news or editorial items from the New York Times or Washington Post.

The outrageous and blatant anti-Reagan bias of the TV network newscasts accelerated rapidly, starting in 1982, after it became clear that the FCC Chairman wanted to scrap the Fairness Doctrine. When the word was passed that the FCC did not expect compliance with the Fairness Doctrine, that was tantamount to telling the networks: "Go ahead and be just as anti-Reagan and leftwing as you want; you have no legal or moral obligation to be fair."

The Fairness Doctrine does not take away anybody's First Amendment rights, but the absence of the Fairness Doctrine does take away the First Amendment rights of those who do not own television and radio stations. The notion that the First Amendment is or should be the exclusive property of those who own radio and television stations is impertinent and offensive to those who do not. The First Amendment belongs just as much to the public as it does to those who own stations. It is unacceptable that the First Amendment right to speak on radio or television should be limited only to those who have the money to buy a station.

Our democracy needs a marketplace of ideas, not just a commercial competition among those with enough money to buy a station. Unless you own a station, you cannot speak a word on radio or television unless someone is willing to sell or give you the time. The Fairness Doctrine gives the public a modicum of help in persuading a broadcaster to sell or give some time. It isn't much time; it certainly isn't equal time. But, without the Fairness Doctrine, the public is left at the mercy of the proven bias of the networks and the broadcasters.

The need for the Fairness Doctrine is far greater than it was when the U.S. Supreme Court ruled in its 1969 Red Lion decision:

"It is the purpose of the First Amendment to preserve an uninhibited marketplace of ideas in which truth will ultimately prevail, rather than to countenance monopolization of the market, whether it be by the government itself or a private licensee."

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, June 2, 1987, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 3

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Environment and Public Works
Nuclear Regulation Subcommittee

To hold hearings on issues concerning the performance of a certain number of the Nuclear Regulatory Commission.

SD-406

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SD-325

10:00 a.m.

Labor and Human Resources

Business meeting, to consider pending calendar business.

SD-430

10:30 a.m.

Environment and Public Works
Nuclear Regulation Subcommittee

To hold hearings on the transportation of radioactive materials.

SD-406

2:00 p.m.

Judiciary

To hold hearings on the nominations of James T. Turner, of Virginia, to be a Judge of the United States Claims Court, Robert F. Kelly, to be United States District Judge for the Eastern District of Pennsylvania, Philip M. Pro, to be United States District Judge for the District of Nevada, and Robert H. Bell, to be United States District Judge for the Western District of Michigan.

SD-226

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SD-325

JUNE 4

9:30 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to review the extent and nature of foodborne illnesses in the United States.

SD-628

Commerce, Science, and Transportation

Business meeting, to consider pending calendar business.

SD-253

Energy and Natural Resources

To resume hearings on oil and gas leasing in the coastal plain of the Arctic National Wildlife Refuge in Alaska.

SD-366

Labor and Human Resources
Labor Subcommittee

To hold hearings on S. 492, Construction Industry Labor Law Amendments of 1987.

SD-430

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SD-325

10:00 a.m.

Foreign Relations

Business meeting, to resume consideration of proposed legislation to better facilitate U.S. trade with developing countries by promoting opportunities for exports of goods and services from the United States.

SD-419

Judiciary
Constitution Subcommittee

To resume hearings on S. 558, to revise the procedures for the enforcement of fair housing under title VIII of the Civil Rights Act of 1968.

SD-226

2:00 p.m.

Judiciary

Business meeting, to consider pending calendar business.

SD-226

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 5

9:30 a.m.

Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee

To hold oversight hearings on the preservation of the national low-income housing stock.

SD-538

Energy and Natural Resources
Water and Power Subcommittee

To hold hearings on current water-related programs of the U.S. Geological Survey, focusing on quantification and analysis of groundwater resources.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

Joint Economic

To hold hearings on employment-unemployment statistics for May.

SD-628

10:00 a.m.
Environment and Public Works
Hazardous Wastes and Toxic Substances Subcommittee
To hold hearings on the Resource Conservation and Recovery Act, focusing on the land disposal ban.
SD-406

Finance
Energy and Agricultural Taxation Subcommittee
To hold hearings on tax incentives to increase energy security.
SD-215

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JUNE 8

10:30 a.m.
Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on pending clean air proposals.
SD-406

2:00 p.m.
Governmental Affairs
To hold hearings on S. 1233, Economic Competitiveness, International Trade, and Technology Development Act.
SD-342

JUNE 9

9:00 a.m.
Office of Technology Assessment
The Board, to meet to consider pending business.
S-205, Capitol

2:00 p.m.
Governmental Affairs
To continue hearings on S. 1233, Economic Competitiveness, International Trade, and Technology Development Act.
SD-342

JUNE 10

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Business meeting, to mark up S. 744, State Radon Program Development Act.
SD-406

10:00 a.m.
Small business
To hold hearings to review the impact on small business of certain provisions of S. 79, to require notification to workers who are at risk of occupational disease.
SR-428A

10:30 a.m.
Environment and Public Works
Environmental Protection Subcommittee
To resume hearings on pending clean air proposals.
SD-406

JUNE 11

9:30 a.m.
Energy and Natural Resources
To resume hearings on oil and gas leasing in the coastal plain of the Arctic National Wildlife Refuge in Alaska.
SD-366

Governmental Affairs
Business meeting, to mark up S. 1233, Economic Competitiveness, International Trade, and Technology Development Act.
SD-342

10:00 a.m.
Environment and Public Works
Environmental Protection Subcommittee
To continue hearings on clean air proposals.
SD-406

JUNE 12

9:30 a.m.
Energy and Natural Resources
To continue hearings on oil and gas leasing in the coastal plain of the Arctic National Wildlife Refuge in Alaska.
SD-366

Governmental Affairs
Business meeting, to mark up S. 1233, Economic Competitiveness, International Trade, and Technology Development Act.
SD-342

10:00 a.m.
Finance
Health Subcommittee
To resume hearings on the quality of long-term health care.
SD-215

JUNE 16

9:30 a.m.
Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JUNE 17

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

10:00 a.m.
Veterans' Affairs
To hold oversight hearings on the implementation of the Veterans Administration loan guaranty program, and on proposed legislation relating to the VA loan guaranty program.
SR-418

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JUNE 18

9:30 a.m.
Energy and Natural Resources
Water and Power Subcommittee
To resume hearings on current water-related programs of the U.S. Geological Survey, focusing on quantification and analysis of groundwater resources.
SD-366

Environment and Public Works
Nuclear Regulation Subcommittee
To resume oversight hearings on the Department of Energy's high level waste program, including a proposal for the authorization of a monitored retrievable storage facility.
SD-406

Small Business
To hold hearings on S. 437, to revise certain provisions of the Small Business Investment Act of 1958 to permit prepayment of loans made to State and local development companies.
SR-428A

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JUNE 22

2:00 p.m.
Select on Indian Affairs
To hold hearings on S. 555, to regulate gaming on Indian lands.
SR-485

JUNE 23

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

10:00 a.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 693 and S. 695, bills to designate certain lands in the Great Smoky Mountains National Park in North Carolina and Tennessee as wilderness.
SD-366

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 24

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 25

9:00 a.m.

Veterans' Affairs

To hold hearings on S. 9, Service-Disabled Veterans' Benefits Improvement Act, S. 453, Veterans' Ionizing Radiation Compensation Improvements Act, S. 1002 Veterans' Radiation Exposure Disability and Death Benefits Act, and other related measures.

SR-418

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 26

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 29

10:00 a.m.

Special on Aging

To hold hearings on the need for a new Consumer Price Index (CPI) to reflect the inflation rate that the elderly face and the process by which the Department of Labor should develop such an index.

SD-628

JUNE 30

2:00 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 59, National Forests and Public Lands of Nevada Enhancements Act, and S. 854, Nevada-Florida Land Exchange Authorization Act.

SD-366

JULY 7

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 8

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 9

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 10

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 13

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 14

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 15

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 16

9:30 a.m.

Veterans' Affairs

Business meeting, to consider S. 6, Veterans' Health Care Improvement Act, S. 9, Service-Disabled Veterans' Benefits Improvement Act, S. 917, to authorize a headstone allowance for prepurchased grave markers and to modify eligibility requirements to the plot allowance, S. 1090, Veterans Administration Insurance Amendments, and related proposals, and proposed legislation providing for disability payments based on nuclear-detonation radiation exposure.

SR-418

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secretary Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 21

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 22

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 23

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 24

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 27

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 28

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 29

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 30

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 3

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 4

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 5

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 6

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 7

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

HOUSE OF REPRESENTATIVES—*Tuesday, June 2, 1987*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

May Your protection be with all Your people, O God, and especially upon those who live in distress and lack the means to defend themselves from adversity. We remember the hostages of our world, those who know not the freedoms we enjoy. We recall them in our prayers and may our supplications be with their families and those they love. Though prison walls may be their constraint, yet may Your lovely spirit touch their hearts and minds and give them Your peace that passes all human understanding. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. BADHAM. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BADHAM. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 291, nays 85, not voting 56, as follows:

[Roll No. 157]

YEAS—291

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Archer
Atkins
AuCoin
Baker
Barnard
Bartlett
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Biaggi
Bilbray
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Buechner
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chappell
Clarke
Clinger
Coats
Coelho
Coleman (TX)
Combest
Conte
Conyers
Cooper
Coyne
Craig
Crockett
Daniel
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dicks
Dingell
Donnelly
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Grant
Gray (IL)
Gray (PA)
Green
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Herger
Hertel
Hochbrueckner
Holloway
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kasich
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lightfoot
Livingston
Lowry (WA)
Lujan
Luken, Thomas
Lungren
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McEwen
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Pease
Perkins
Petri
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Richardson
Ritter
Robinson
Rodino
Roe
Rose
Rostenkowski
Roth
Rowland (CT)
Rowland (GA)
Roybal
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schneider
Schumer
Shaw
Shumway
Shuster
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Solarz
Spence
Spratt
Staggers
Stark
Stenholm
Stokes
Stratton
Studds
Sweeney
Swift
Synar
Tallon
Tauke
Thomas (GA)
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Whitten
Wilson
Wise
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron

NAYS—85

Armey
Badham
Ballenger
Barton
Bentley
Bilirakis
Bliley
Boehlert
Boulter
Brown (CO)
Bunning
Chandler
Cheney
Clay
Coble
Coleman (MO)
Coughlin
Courter
Crane
Davis (IL)
DioGuardi
Dornan (CA)
Dreier
Emerson
Fields
Frenzel
Gallegly
Gallo
Gekas
Goodling
Grandy
Gregg
Hansen
Hastert
Henry
Hiler
Hopkins
Hunter
Inhofe
Jacobs
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lewis (CA)
Lewis (FL)
Lloyd
Lott
Lukens, Donald
Mack
Madigan
Martin (IL)
McCollum
Miller (OH)
Molinari
Moorhead
Parris
Pashayan
Penny
Roukema
Schaefer
Schroeder
Schuette
Sensenbrenner
Sikorski
Skeen
Slaughter (VA)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Stangeland
Stump
Sundquist
Swindall
Thomas (CA)
Upton
Vucanovich
Walker
Weber
Whittaker
Wolf
Young (AK)

NOT VOTING—56

Annunzio
Aspin
Bevill
Boner (TN)
Burton
Chapman
Collins
Dannemeyer
Daub
DeLay
Dickinson
Dixon
Dorgan (ND)
Ford (TN)
Garcia
Gephardt
Gingrich
Guarini
Hefner
Ireland
Kaptur
Kemp
Kennedy
Leland
Lipinski
Lowery (CA)
Marlenee
Martin (NY)
McCandless
McDade
McGrath
Meyers
Michel
Morella
Mrazek
Patterson
Pepper
Porter
Ray
Ridge
Rinaldo
Roberts
Roemer
Rogers
Russo
Schulze
Sharp
Smith, Denny (OR)
St Germain
Stallings
Tauzin
Taylor
Torres
Wheat
Williams
Young (FL)

☐ 1215

So the Journal was approved.

The result of the vote was announced as above recorded.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT TOMORROW, JUNE 3, 1987, WHILE HOUSE IS IN SESSION

Mr. GRAY of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation may be permitted to sit on tomorrow, June 3, 1987. This matter has been cleared by the minority.

The SPEAKER pro tempore (Mr. TRAXLER). Is there objection to the request of the gentleman from Illinois?

There was no objection.

WAS IT REALLY A STEALTH CESSNA?

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEASE. Mr. Speaker, the young West German pilot who recently landed in Red Square has provided the world with a vivid illustration of what one man can accomplish with determination, no matter what the odds against him.

This 19-year-old made the Soviet military establishment look foolish not only to Western observers, but also in the eyes of the Soviet people themselves. That is no mean feat, and I think my colleagues will share my hope that he will be sent home soon to enjoy the worldwide attention he has earned.

But he has also provided an important reminder of the limitations of relying on high-technology, ultra-sophisticated, pie-in-the-sky defense systems.

While I would not expect the Air Force to trade in its fleet of B1-B's for a like number of Cessnas, Piper Cubs, and Sopwith Camels, there are a number of troubling questions—Would SDI have provided a defense against such an intrusion? Would such a stunt be as successful on the Washington Mall? And, finally—was it really a Stealth Cessna?

MR. PRESIDENT, IGNORE THE BOOS

(Mr. WALKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, let me see if I understand the differences between those on the political left who have booed the President and the Vice President over the subject of the disease AIDS and the administration's position in favor of routine testing.

The President thinks that one part of dealing with this always fatal disease is to find out as best we can who has the disease and who is the carrier of the disease so that we can help those who are infected and protect those who are not.

Many on the left in this country seem to believe that innocent people not infected by the disease should just have to take their chances. The only testing they will consider is purely voluntary.

Now, let us understand what that means. Under the position advocated by the liberals, Typhoid Mary would be told, "Mary, come on in and test for typhoid if you want to; but if you don't want to, that's OK, too. Meantime, keep on cooking and infecting people and expect them to get enough information to protect themselves from you."

Mr. Speaker, the absurdity of that position would be laughable if it were not dealing with so serious an issue. These are the folks who boo the President and the Vice President and march on the White House.

Ignore them, Mr. President. You are right, they are wrong; so sadly wrong that their position must be defended with discourtesy and intolerance.

AMERICA HAS LOST A GIANT

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, today America has lost a giant. Paul Volcker's resignation as Chairman of the Fed is a blow to America and to the world. Mr. Volcker could well be described as the Thomas Moore of our generation, a man of vision and sagacity who put duty to his country above any personal considerations.

Mr. Volcker kept the Nation's economic ship of state afloat while being undercut by many in the administration.

We may never know whether Mr. Volcker simply resigned or was eased out; but one thing is certain. The President should have been on his hands and knees pleading with Mr. Volcker to stay. After all, the 4-year Reagan recovery should really be called the Volcker recovery. It was Paul Volcker who slew the dragon of inflation that allowed the fair maiden of recovery to grow.

If the President had entreated Mr. Volcker to stay in the Nation's interest, the educated guess is Paul Volcker would have stayed.

The President has appointed Alan Greenspan to fill Paul Volcker's large shoes. Mr. Greenspan is a man of intellectual vigor and broad experience. That is essential because at this time we cannot afford someone who will be learning on the job; but in the past in Washington Mr. Greenspan has been partisan and somewhat ideological. To be a worthy successor to Paul Volcker, Mr. Greenspan will have to check his partisanship at the door of the Fed.

THE MULTIMILLION-DOLLAR SWEEPSTAKES TO SELECT THE PRESIDENT

(Mr. PACKARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PACKARD. Mr. Speaker, 200 years ago today, the deliberations centered around the mode of electing the Chief Executive. The Virginia plan called for the National Legislature to elect the Executive, however, several delegates favored giving the power of election to the people. James Wilson of Pennsylvania offered a motion for the creation of an electoral college system, but the idea was rejected. The delegates ultimately approved a provision which favored an Executive elected by the National Legislature.

Also discussed was how the Executive could be removed from office. Roger Sherman proposed that the national legislature should have the sole power to remove the Executive. George Mason of Virginia was strongly opposed. He believed that, "making the Executive there mere creature of the legislature," was, "a violation of the principles of good government."

The delegates at the Convention envisioned an electoral process much different from what we now use. The Founding Fathers, regardless of the plan they eventually agreed upon, appeared preoccupied with devising a system that would be fair and democratic and would lead to the selection of the most qualified candidate. These men would undoubtedly be appalled to see how Presidential politics have deteriorated. Today, our President is selected in a multimillion-dollar sweepstakes where issues seem to take a back seat. Candidates are chosen instead based on how well they can package and sell themselves to a distant and diverse public.

HOUSE-SENATE CONFERENCE ON FSLIC RECAPITALIZATION

(Mr. ORTIZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ORTIZ. Mr. Speaker, I rise today to express my interest in seeing a reasonable solution to the financial crisis currently facing the Federal Savings and Loan Insurance Corporation. I intimately know of the troubles facing savings and loans across America. A savings and loan within my congressional district was placed into conservatorship last month. A search is currently underway to locate a buyer of this S&L, and provide protection for depositors. Nevertheless, without a long-term commitment to ensure and protect depositors, these problems are bound to be repeated in many locations around the Nation.

For this reason, I respectively urge members of the House Banking Committee to proceed with conference negotiations on the FSLIC recapitalization measures. We must come to an agreement with our colleagues in the other body over the future of the FSLIC. The sooner we proceed with these negotiations, the sooner thousands of Americans will be able to rest easy, knowing their life savings will be there when needed.

AMERICANS DEMAND ANSWERS ABOUT U.S.S. "STARK" ATTACK

(Mr. RAVENEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAVENEL. Mr. Speaker, I will read portions from a letter written by my constituent, Lloyd Anthony Wilson, to his father. It is postmarked U.S.S. *Stark* and dated May 14, 1987. Lloyd is with his Maker now and his body rests in the soil of our beloved South Carolina.

> Well, Pops * * * how is everything at the home front? * * * Well, only 87 days to go before we return to the States. It's been one hell of a cruise. We've been chased by Iranian planes. We've chased a *Kashin*-class Russian destroyer. We even went to condition red three or more times. The excitement has never ceased. Our liberty ports have been deleted due to our operations * * *. Love you, Pops * * *.

Mr. Speaker, young Wilson's letter tells us much that those in authority have not. His family and fellow Americans do not merely want answers—they demand them—and quickly.

INTRODUCTION OF LEGISLATION DEALING WITH FAMILY ISSUES

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, today I am very pleased to say the Congressional Caucus on Women's Issues in its 10th anniversary introduced its 4th Economic Equity Act. This is a very important composite of 17 bills that we feel are very important for the reality of America's family today.

We certainly hope that every candidate looks at this. I think that the American people are so tired of candidates talking about the family and not doing anything for the family, or portraying a family that looks like a Norman Rockwell painting rather than the real American family.

This deals with equal credit for women. It deals with equal pay for women, who are also breadwinners; the "breadwinner" status is no longer gender-based. It deals with day care. It deals with pensions for older women. It deals with all sorts of opportunities.

This very important bill we hope people will get on and move in this 100th Congress, and also on the 200th anniversary of the Constitution which women are still not in.

MORE BLEAK NEWS FROM MEDICARE'S TRUSTEES

(Mr. SLAUGHTER of Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLAUGHTER of Virginia. Mr. Speaker, our Medicare system's Board of Trustees recently released their annual report on the status of the Medicare trust funds, and once again the news is not good.

Although the actuarial status of the trust funds is slightly better than was the case last year—primarily due to the continued strong performance of our economy—the fact of the matter is that the trust funds are still predicted to begin running deficits in the next 10 years and be exhausted in 15.

Exhausted—which means that the trust funds will be unable to pay promised benefits to our retirees and future retirees. I believe this situation is unacceptable, and so do the trustees, who conclude their report with the following directive for the Congress:

> Because of the magnitude of the projected actuarial deficit in [Medicare's] Hospital Insurance program and the probability that the Hosptial Insurance trust fund will be exhausted shortly after the end of this century, the Board believes that early corrective action is essential in order to avoid the need for later, potentially precipitous changes. The Board, therefore, urges that the Congress take early remedial measures to bring future Hosptial Insurance program costs and financing into balance.

I heartily agree with the Board's views, and that is why I have reintroduced the Health Care Savings Account Act to provide incentives for individuals to save funds for use on their health care costs in retirement which will reduce the claims on Medicare and bring it closer to actuarial balance.

UNITED STATES VISIT BY MEMBERS OF THE POLISH SEJM

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, this morning I had the privilege of taking part in a wreath-laying ceremony at Arlington National Cemetery with Marshall Malinowski and five of his distinguished colleagues from the Polish Sejm. This event was the first of many which our guests will take part in with Mr. Rostenkowski, their official host, and numerous other Members from both the House and the Senate who have taken an interest in meeting our esteemed guests.

Today the entourage will lunch with the Foreign Affairs Committee and later call on the Speaker with the House majority leadership, Chairman de la Garza with the Agriculture Committee, and Chairman Hall with the Subcommittee on International Scientific Cooperation. The following day the delegation will meet with Vice President Bush and administratrion officials from the Departments of Agriculture, Treasury, Environmental Protection, Health and Human Services, Commerce, and State.

Before departing for a brief tour of Chicago on Thursday, our visitors will meet with both Senate majority leader Byrd and minority leader Dole along with several of their distinguished colleagues, and with House minority leader Michel and several of his ranking Members. After a luncheon and roundtable discussion at the Woodrow Wilson International Center for Scholars, Chairman Pell and members of the Senate Foreign Relations Committee will also take the time to greet the delegation.

Although this is a busy schedule, I believe it is a constructive one because of the opportunities for frank and varied discussion between officials of Poland and the United States which it provides. I am honored to have met these gentlemen and I wish them well in their leadership roles.

CONGRESS MUST ASSERT ITS ROLE IN THE BANKING DEBATE

(Miss SCHNEIDER asked and was given permission to address the House for 1 minute.)

Miss SCHNEIDER. Mr. Speaker, it has come to my attention that the Federal Reserve Board has taken upon itself the responsibility of issuing a rule that would expand the role of financial institutions. I have followed this debate and I recognize the complexity of the issue. Since the passage of the Glass-Steagall Act, the banking industry has been prohibited from engaging in certain nonbanking activities. The debate over whether this prohibition continues to be appropriate in today's economic marketplace must be settled by Congress.

I want to be clear that I am not taking sides in this issue. I have listened to the arguments of the bankers, the security dealers, the financial services providers, the realtors, and the insurance companies. Their interests are varied and not always compatible. Nevertheless, I feel that it is the responsibility of Congress to make the difficult decisions about the future of these industries. We cannot and must not abrogate our decisionmaking to the Federal Reserve Board.

I urge the House leadership to address this issue by going to conference with the Senate-passed banking bill and accepting the 1 year real estate moratorium included in title II of S. 790.

Obviously, the first consideration of Congress must be the safety and soundness of the banking system. The current system will not deteriorate by putting in place a moratorium on dramatic changes in current law until March 1, 1988. It is important that Congress take a leadership role in determining the future of the banking industry, and I urge my colleagues to accept the responsibility that the voters have entrusted to them.

PRESIDENT'S FOREIGN POLICY HAS LITTLE MERIT

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, one of America's most respected newspapers, the Wall Street Journal, has announced the following today, and I want all Members to listen to it:

> Gorbachev's bold initiatives have caught the Atlantic Alliance off balance. Recent polling data reflect that there is a desire for change, and that most Europeans see Gorbachev as the symbol for change.

It further goes on to say that the German public now believes by a margin of 49 to 46 that Mr. Gorbachev is making greater efforts to achieve peace then President Reagan.

Can you believe this? These are omens that should be telling us all something about a foreign policy that is literally stupid. It has hardly no merit, and the world is beginning to recognize it. In fact, if we are to really look at it, the President's closest allies are the so-called freedom-fighting Contras. A former CIA chief testified yesterday and referred to them as "the gang that couldn't even shoot straight."

Mr. Speaker, if John Wayne were alive today, he would hide his face.

□ 1240

DEFECTION OF DEL PINO

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, before the gentleman from Ohio [Mr. TRAFICANT], my good friend, leaves the floor, he gave me the opening to say something that I am very proud of.

When John Wayne was once asked who his favorite Congressman was, guess who he named?

Let me comment on a big thrill that we have coming before us.

The defection of a former commander of the Cuban Air Force is going to yield to this body and the other body an absolute treasure trove of intelligence information.

This man probably single-handedly collapsed President Kennedy's efforts at the Bay of Pigs.

Our CIA had informed President Kennedy that the Cubans only had a couple of T-33 aircraft. They did not know 50-calilber guns had been put back into these aircraft, turning them back into T-80 fighters; and General Del Pino, then a young captain, shot down two of our airplanes which were flown by Alabama Air National Guard officers secunded over to this operation out of Nicaragua.

Believe me, ladies and gentlemen, Del Pino goes all the way back over a quarter of a century with access to everything the Castro boys, Raoul and Fidel, had planned for the hemisphere.

He can take us through the initial secret dealings with the Sandinista government when they betrayed their revolution. He is now telling our intelligence agencies everything.

I want to be in the room here, on this side of the Capitol, when JIM TRAFICANT and BOB DORNAN get to question General Del Pino and find out just what is right about U.S. foreign policy and what is wrong with Communist subversion in this hemisphere.

I look forward to it.

ACID RAIN RESEARCH AMENDMENT TO EPA AUTHORIZATION BILL

(Mr. BRUCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRUCE. Mr. Speaker, no matter what the decision we make regarding the subject of acid rain, it should be based on the best available scientific research.

This week, Congress will consider H.R. 2355, the Environmental Protection Agency authorization. This bill includes continued funding for the National Acid Rain Precipitation Assessment Program [NAPAP]. NAPAP was established by Congress in 1980 to study the cause and effects of acid rain, and to recommend actions to reduce its harmful effects.

But as it is currently written, H.R. 2355 is $3 million below the amount requested by the EPA for the timely completion of this study. When H.R. 2355 comes to the floor, I will offer an amendment to restore NAPAP's funding to the level requested by the President, thereby adding $3 million to the final EPA budget.

I am concerned, as we all are, with the need to restrain Government spending. However, denying adequate funding to scientists studying the acid rain problem seems to be a penny-wise and pound-foolish approach to this important environmental issue.

On May 28, the GAO released a report requested by Representative DINGELL, chairman of the House Oversight and Investigations Subcommittee. The GAO report indicated that NAPAP has need of "adequate staff" and needs "increased funding" for specific research projects.

There are several proposed solutions to the acid rain problem, all of which will cost us billions of dollars. I believe that restoring the money to the EPA so that NAPAP can complete its research on schedule is an extremely prudent investment.

I have been in touch with the scientists who are coordinating this research who assure me that they need this money. The modest amount that we're talking about—$3 million—is the same amount that Congress is being asked to provide for a one-time Federal holiday.

I urge my colleagues to join me in making this small modification to the EPA authorization.

MOST-FAVORED-NATION STATUS FOR ROMANIA

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, today is a very important day, because today the President of the United States and his administration makes their decision as to whether they will extend the MFN [most-favored-nation] status for Romania.

As the President does this, he should think of several things. This is the Government of Romania that gives aid to the PLO. It gives arms and aid to terrorists in the Middle East, and has bulldozed churches, and it is the same government that beat a Catholic priest when he said that Christmas should be a holiday.

The Wall Street Journal on this Friday said that Romania is now eligible not for the most-favored-nation status, but because of its repressive action, for the least-favored-nation status.

Mr. Speaker, I want to urge the President at this last moment, because a decision will be made today, to remember that if he comes down on the side of extending MFN to this repressive nation again, this will be the gloomiest and darkest day in the days of Romania when Radio Free Europe carries this message tomorrow night to the people of Romania. They will think that the American Government and our President and our administration have forgotten them.

What I want to know, this body has not forgotten them, and we will do everything we can to overturn this ill-conceived policy of this administration.

OZONE DEPLETION

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, I stand before the Members today to discuss Secretary Hodel's recommended protection from the ill effects of the depletion of the Earth's ozone layer, sunglasses and sunscreen.

Mr. Hodel claims that this will provide the necessary protection to stop the 40 million additional cases of skin cancer and 12 million cataracts we can expect from ozone depletion.

Would Secretary Hodel then want us to support the funding of studies to measure the effectiveness of sunscreen and sunglasses on stopping the anticipated disruption of the Earth's climate? Would Secretary Hodel want us to require that the Department of Agriculture provide for the immediate issuance of sunglasses and sunscreen to the Nation's farm animals to protect them from the danger of ultraviolet rays which will result from a diminished ozone layer?

While I am joking, of course, I do so because I believe Secretary Hodel's recent pronouncements have made a joke out of a very serious problem—ozone depletion.

Mr. Hodel's comments undermine months of serious negotiations and progress at the International Conference on Ozone Depletion.

Mr. Speaker, I have managed to get 160 cosponsors, along with the gentleman from California [Mr. BATES] on legislation to support international negotiations on the ozone.

We take this problem seriously and believe we should do all we can to support the efforts of the EPA and the States to address this problem with more than smoke and mirrors, or sunglasses and sunscreen.

SUPPORT FOR MORATORIUM ON BANKS' EXPANDED POWERS IN REAL ESTATE ACTIVITIES

(Mr. WOLPE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLPE. Mr. Speaker, in just a few days, members of the House Banking Committee will enter into conference with the Senate on H.R. 27, the Federal Savings and Loan Insurance Corporation [FSLIC] recapitalization bill. It is imperative that the committee seize this opportunity to address the Federal Reserve Board's proposal to provide expanded powers to federally chartered banks and bankholding companies to engage in real estate activities.

Mr. Speaker, if the Federal Reserve Board gets its way, for the first time banks would be allowed to hold direct equity positions in real estate, an activity prohibited by the 1933 Glass-Steagall Act. I need not remind my colleagues that Congress enacted Glass-Steagall in the wake of the Great Depression with the express purpose of assuring the integrity and long-term viability of this Nation's banking system by clearly separating investment banking from commercial banking.

Mr. Speaker, there is one fundamental issue here: Whose responsibility is it to determine the proper powers of banks in today's financial marketplace? I strongly submit that it is the responsibility and duty of the U.S. Congress.

I urge my colleagues on the Banking Committee to accept the Senate provision which would place a moratorium on the expanded powers of banks to engage in real estate activities until Congress has had an opportunity to review the matter.

ATTORNEY GENERAL MEESE'S GRAND JURY APPEARANCES IN WEDTECH INVESTIGATION

(Mr. LaFALCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LaFALCE. Mr. Speaker, on the front page of today's Washington Post there is an article which details Attorney General Edwin Meese's appearance, on two separate occasions, before the grand jury investigating the Wedtech scandal.

What I find most disturbing about this press account is that the Attorney General first appeared before the grand jury in March of this year and did not recuse himself from the Wedtech matter until April 9. Moreover, according to the press, Mr. Meese did not inform the Justice Department of his first appearance until yesterday. In fact, when Mr. Meese recused himself in April, he told Justice Department officials that his action was taken because he expected that he might be called as a witness in the Wedtech investigation. This was one month after he had appeared and already testified before the grand jury.

In my opinion, the behavior of the Attorney General in this matter, is totally unacceptable and falls well below any standard of conduct that we should expect from our Nation's top law enforcement official. However, this is merely the latest in a series of revelations that call into question this administration's abuse and misuse of SBA's minority set-aside program. While other administrations have also mismanaged this program, the Reagan administration has transformed this type of misconduct into a new art form.

On May 19, I requested the independent counsel investigating the Wedtech matter to broaden his inquiry in order to ascertain whether the Committee on Small Business was deliberately misled by SBA employees when we first began an inquiry of Wedtech in 1984-85. I also asked the independent counsel to investigate whether SBA employees acted on their own or at the direction of White House staff.

In a letter received yesterday, the independent counsel has informed me that he shares my concern, "that possible violations of the criminal law * * * be pursued and, if confirmed, redressed." However, he declined to investigate this matter because he did not believe his grant of jurisdiction from the Justice Department was broad enough. Today, I am formally requesting that Deputy Attorney General, Arnold Burns, either expand the jurisdiction of the independent counsel or that the Justice Department itself investigate this possible criminal activity.

URGING A SPEEDY CONFERENCE ON BANKING LEGISLATION

(Mr. FEIGHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FEIGHAN. Mr. Speaker, this week the House Banking Committee will decide whether and when to go to conference with the Senate over the banking bills. I urge my colleagues on both sides of the aisle to move to conference quickly.

My home State of Ohio recently confronted a banking crisis. There, State-insured institutions were depleted by fraud and mismanagement. Funds were inadequate to cover withdrawals by worried depositers. I recall watching people stand in depression-era lines outside their local S&L's. I hope I never see such lines again.

Unfortunately, we may face a similar problem today—but on a far more massive scale—as FSLIC hovers on the brink of insolvency.

Both bodies of Congress have passed responsible legislation to recapitalize FSLIC. In addition, though, the Senate bill addresses another important issue: Expanding the powers of banks.

Recently, the Federal Reserve Board proposed new regulations that would allow banks to become involved in real estate activities. However, though it makes sense to review our Nation's banking statutes, we ought to have Congress involved in the process. The 1-year moratorium on bank powers expansion—contained in title II of the Senate bill—will allow Congress to thoroughly examine all sides of this crucial issue.

Mr. Speaker, we must move quickly to ensure the stability of our financial services system. I urge my colleagues to support a speedy conference.

WASHINGTON POST EDITORIAL ON SUMO WRESTLING

(Mr. SUNIA asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SUNIA. Mr. Speaker, I rise today to call the attention of the

Members of this House to an editorial that was published in last Friday's Washington Post.

The editorial I refer to, Mr. Speaker, sheds light on what may be the United States' newest tool in our effort to reduce this Nation's trade deficit: The export of Sumo wrestlers. Long a monopoly of the Japanese, this profession has gained a foothold on our side of the Pacific with the rise to fame of a Mr. Salevaa Atisanoe.

Tipping the scales at a mere 527 pounds, Mr. Atisanoe traveled to the Orient recently and claimed for himself a place in the champion ranks of Japanese Sumo wrestling. The post quite rightly recognizes the significance of this development, noting the precedent it could set in our future efforts to "break down" Japanese import barriers. Where the attempts of economists, lawyers, and trade experts fail, a quarter ton of fiery competitor may very well succeed.

There is one omission in the Post's story which I think merits our attention, Mr. Speaker. Although the Post correctly identified Mr. Atisanoe as a resident of Hawaii, it did not mention that by birth he is 100-percent American Samoan. As the Member of Congress who represents Mr. Atisanoe's native home, I can tell you that we in American Samoa are proud of his exploits. And as deliberations continue over the future direction of our trade policy, let us keep in mind the weight that American Samoans can bring to our bargaining position.

I include the editorial for the RECORD:

[From the Washington Post, May 29, 1987]

SUMO EXPORTS

Defenders of Japan's trade practices sometimes argue that if an import measures up to the high standards of the Japanese, they will accept it. Perhaps there's something to that. Consider the case of Salevaa ("Sally") Atisanoe, an American, a former high school football player in Hawaii and, as of this week, the first foreigner in 13 centuries to be admitted to the champion ranks of Japanese sumo wrestling.

Mr. Atisanoe measures both up and out: he stands 6-feet-2 and weighs 527 pounds, some 200 pounds more than the average sumo wrestler. After he went to Japan to take up the sport five years ago, he endured occasional racial slurs, anti-foreigner insults in the sporting press and the opposition of purists who thought his victories represented an overemphasis on bulk and a diminution of the elaborate ceremony that precedes the matches and which makes of sumo wrestling something more than a few seconds of grunting and bumping by huge, round men in loincloths.

But Mr. Atisanoe triumphed through sheer weight of—well, through sheer weight of himself. In a sport whose participants stuff themselves every day with rich fish stew to put on pounds, he is easily the heaviest, and one of the best at bumping the other guy out of the ring. And as he approaches the very pinnacle of that sport, let the Japanese purists beware: there are many more like him in America.

Oh, they may not weigh 527 pounds now, but the potential is there; this country's capacity for producing overweight is legendary, theoretically far exceeding its capacity to produce diet books. Given an incentive to expand himself into sumo shape, many an American youth can obtain and consume great quantities of calorically enhanced stuff that makes fish stew look like a scoop of cottage cheese. Should enough of them follow Sally Atisanoe to Japan, his case may someday be a chapter in texts on international economics, even if for now it's just another quarter of a ton in the balance of trade.

RESIGNATION OF PAUL VOLCKER

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, President Reagan should have pleaded with Paul Volcker to accept a third term as Chairman of the Federal Reserve Board. Apparently that didn't happen.

It is a tragedy that Paul Volcker has announced today his resignation as the Fed Chairman, effective when his term expires in August.

President Reagan today announced that Alan Greenspan, Chairman of the Council of Economic Advisers from 1974–77 during the Gerald Ford administration, would replace Chairman Volcker.

Paul Volcker's commanding intellect and commitment to sound policy have earned him respect throughout the worlds of finance and politics. He has served with distinction for 8 years in extraordinary times.

Let us hope that the fact that Paul Volcker will not be serving a third term as Fed Chairman will not shatter confidence in the dollar worldwide nor our own economy within the United States.

Paul Volcker has the confidence of the international markets.

Paul Volcker has the confidence of the American business community.

The question today is: Did Paul Volcker have the confidence of the Reagan administration?

THE ECONOMIC EQUITY ACT OF 1987

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, I am very pleased to join my colleagues today in introducing the Economic Equity Act of 1987. This legislation will greatly enhance equity in work and family life, the major concerns of American women today. Critical supports such as child care, pay equity, and extended worker benefits would be established, so that a woman's need to work is not pitted against the needs of her family.

Like men, women work out of economic necessity. In the past decade, the financial need for both parents, or the only parent in a family to work, has grown:

By 1986, more than 50 percent of working women were married to men earning under $25,000; 29 percent to men earning less than $15,000.

For women experiencing divorce, their income declines by 70 percent 1 year postdivorce, while divorced men's earnings rise by 42 percent.

Low-income mothers lost support, including health and child care services, with a recent decline in the percentage of children receiving AFDC. Fifty-seven percent of all poor children received AFDC in 1985, a 20-percent drop since 1979.

These indicators suggest only one trend—women are in the work force for good. In fact, by 1990, two-thirds of new entrants into the labor force will be women. Even a majority of women with infants under the age of 1 are in the labor force, a 52-percent increase since 1976. Married women with preschool children are the fastest growing group in the labor force.

Despite the economic pressures on mothers entering the work force, there has been little change in the financial security or support they find there. Their wages remain 30 percent lower than men's and their benefits few, especially for mothers working part time. Nine out of ten new jobs are expected to be in the service sector, where low wages and few benefits are the norm.

The conflict between work and family intensifies when women bear primary responsibility for the family. However, as a Woman's Day survey revealed, more than 80 percent of the polled believed that men should take day-to-day responsibility for raising children, but 46 percent said most men are not willing. More than 40 percent said that their husbands are doing less than their share around the house.

As a result, we can no longer ignore the supports women need to assure their equality in the work force and the care and protection of their children. The legislation we are introducing today assures that these goals need not be mutually exclusive.

I'd particularly like to address the provisions of title II, the family, which improve and expand child care options for families.

□ 1255

COMMUNICATION FROM THE HONORABLE NORMAN SISISKY, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Honorable NORMAN SISISKY:

HOUSE OF REPRESENTATIVES,
Washington, DC, June 1, 1987.
Hon. JIM WRIGHT,
Speaker of the House of Representatives, The Capitol, Washington, DC.

DEAR MR. SPEAKER: I have previously notified you of the receipt of a subpoena by a member of my district office issued by the General District Court for Sussex County, Virginia.

After consultation with the General Counsel to the Clerk, pursuant to Rule L(50) of the Rules of the House of Representatives, I have determined that compliance with the subpoena is consistent with the privileges and precedents of the House.

Sincerely,
NORMAN SISISKY,
Member of Congress.

COMMUNICATION FROM THE HONORABLE NORMAN SISISKY, MEMBER OF CONGRESS

The **SPEAKER** pro tempore laid before the House the following communication from the Honorable NORMAN SISISKY:

HOUSE OF REPRESENTATIVES,
Washington, DC, June 1, 1987.
Hon. JIM WRIGHT,
Speaker of the House of Representatives, The Capitol, Washington, DC.

DEAR MR. SPEAKER: This is to notify you, pursuant to Rule L(50) of the Rules of the House of Representatives, that a member of my district office, Mr. Richard Franklin, has been served with a subpoena issued by the General District Court for Sussex County, Virginia. After consultation with the General Counsel to the Clerk, I will notify you of my determinations as required by the House Rule.

Sincerely,
NORMAN SISISKY,
Member of Congress.

MINERAL LANDS LEASING ACT OF 1920 AMENDMENTS

THE SPEAKER pro tempore. Pursuant to the order of the House of Thursday, May 28, 1987, the unfinished business is the further consideration of the bill (H.R. 1039), to amend section 37 of the Mineral Lands Leasing Act of 1920 relating to oil shale claims, and for other purposes.

The Clerk read the title of the bill.

The **SPEAKER** pro tempore. Pursuant to that order of the House of May 28, the gentleman from Arizona [Mr. UDALL] will be recognized for 10 minutes and the gentleman from Alaska [Mr. YOUNG] will be recognized for 10 minutes.

At the conclusion of such debate, the Chair will put the question on final passage on which further proceedings were postponed on Thursday, May 28, 1987.

The Chair recognizes the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we are trying to prevent a giveaway of natural resources. It is a kind of a complicated story and we had an old mining law in 1872 that covered copper and silver and hardrock minerals of different kinds.

In 1920, the Mineral Leasing Act was established, and this provided a framework for developing oil and gas, primarily, but oil and shale, which is found in several of the Rocky Mountain States, was put under the new leasing system.

Congress had a savings clause which said that if you had filed under the old 1872 law, you could either continue that filing and try to get a patent by showing that it is economical to develop oil shale, or you could go to the new leasing system.

These old claims have been existing 60 years, and last year, the Interior Department completed an action which sold off in Wyoming and Colorado and Utah millions of dollars' worth of public lands at $2.50 an acre.

What Chairman RAHALL's bill would do is to make it impossible to get these unsound claims and to take them to patent to get the title to the land. If you want to stop this giveaway, you will vote aye on the passage of the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. YOUNG of Alaska. Mr. Speaker, I yield such time as he may consume to the gentleman from Idaho [Mr. CRAIG].

Mr. CRAIG. Mr. Speaker, unfortunately, I was unable to participate in the debate of last week on H.R. 1039, the oil shale bill supported by my chairman, the gentleman from West Virginia, and from the chairman of the full committee, Mr. UDALL.

If I had been able to participate at that time last week, I would have agreed, without question, with my colleague from Alaska as it relates to this general issue, that H.R. 1039 is not a subscription to correct the problems associated with oil shale patenting, but only assures us that the Federal Government will be trying in court to define a policy that is inherently flawed.

My colleague from Arizona has outlined the background and the history of the oil shale issue, from the mining law of 1872, to the Mineral Land Leasing Act of 1920. Congress was clear at that time in what it said to those who were seeking to obtain and utilize this natural resource for the benefit of the public of this country.

It basically said that if you could prove up, you could, in a patenting process, gain ownership. From that time forward, the issue was bogged down in the courts as to whether this Government would allow to continue on public lands the kind of development that had been historically allowed for the purpose of natural resource utilization, which ultimately spelled the wealth and the growth of this Nation.

I have, and others have, said before the Interior Committee that the real question at hand is taking; whether the Federal Government that once gives and provides under law and sets in motion a direction by which private citizens in this country will follow and pursue to gain access and claim to public lands, would, in essence, be followed.

What we are learning here by this legislation is that what the Government provides or gives, the Government, depending upon the whims of this Congress and a committee can take away. It is under that basis, Mr. Speaker, that I think the real issue of H.R. 1039 exists today.

You can clearly see what I mean as it relates to the Federal Government and litigation that will continue. It is the desire of the chairman of the subcommittee that this bill would, once and for all, set a pattern that would hopefully prohibit litigation, and yet in the debate of last week, court case after court case after generation of lawyers was cited as an example of the controversy of this issue.

I am convinced, as I think many of my colleagues are, that H.R. 1039 will not, nor can it address the issue in the kind of clarity that is necessary.

In the proceedings of the subcommittee and the whole committee, we attempted to work a compromise. In the final hours, it appeared that a compromise was at hand.

Staff members on both sides, Democrat and Republican alike, recognized that this bill was flawed and privately would say that this would in no way address the problems that face this issue.

There is a legitimate debate before us, and that is whether we will continue with existing policy; whether, in fact, we will honor the decisions rendered by Interior based on the laws of 1872 and 1920 or whether we will attempt to move in the direction that H.R. 1039 ultimately provides.

In closing, Mr. Speaker, I must oppose this legislation because it is not an answer, nor is it a solution to the problem. If I were a mineral attorney living in the West at this time, especially in the State of Colorado, I could only view this as being a piece of legislation that I could find probably my income resting on for the balance of my life, maybe my children's lives and maybe my grandchildren's lives, if they chose to pursue the legal profession especially in the minerals area.

Undoubtedly, the courts will make the decision. The Federal Government will once again expend scarce public resources attempting to fight a bad law and the laws of the past are clearly on the books that outline and clarified the process by which private industry or private entities could claim and make access to the utilization of the resources of our public lands.

Mr. UDALL. Mr. Speaker, I yield 3 minutes to the gentleman from West Virginia [Mr. RAHALL].

Mr. RAHALL. Mr. Speaker, I want to express to the chairman the appreciation of the entire House for his granting this extended time of debate following the debate we had on Thursday on the floor of the House.

□ 1305

Mr. Speaker, not even those folks who offer you a free microwave oven in return for inspecting scenic river front properties in rural areas can beat the Interior Department's price for public oil shale lands. The going rate: $2.50 an acre—less than it costs for a six-pack of cheap beer.

While it may seem incredible in this day and age, under the guise of a mining law enacted before the turn of the century in response to the California gold rush, the Interior Department is currently attempting to sell off approximately 270,000 acres of Federal oil shale lands in Colorado, Wyoming, and Utah for $2.50 an acre. Late last year the Department succeeded in disposing 82,000 acres in this manner primarily to large corporations.

H.R. 1039 would prevent another giveaway of Federal lands.

The situation H.R. 1039 seeks to address involves oil shale claims staked under the mining law of 1872 prior to enactment of the Mineral Lands Leasing Act of 1920. In 1920, the Congress said that from that time forward, Federal energy resources would be leased and required that the public receive a return on this activity in the form of bonuses, rentals, and production royalties.

However, for those oil shale claims that were in existence in 1920, the Congress sought to give the claim holders an opportunity to perfect the claim, which in the parlance of the old mining laws means to show that the claim is valid and as such provide the claim holder with the opportunity to obtain title to the land, which is known as a patent, for $2.50 an acre.

To the distinguished gentleman from Idaho, the ranking minority member, I would say that this is not a taking. H.R. 1039 is not a taking of land. We are not taking away from any legitimate claim holder his right to continue to hold that claim if, as I stress, that claim is valid in the first place. And that is questionable. What we are doing in this legislation is preventing him from gaining any additional property lands via a patent from the Federal Government to these questionable claims for only $2.50 an acre. Many of these claim holders have held claim on this land for 66 years or longer. The holders of these claims have yet to take the first step toward showing the claims are valid, toward obtaining a patent, or toward developing the shale oil, which was the intent of our mining laws.

Last fall, however, the Interior Department sold off some 82,000 acres of oil shale land to several large corporations for $2.50 an acre. This action has renewed interest in patenting the remaining claims which are the subject of H.R. 1039.

At some point, this matter must be put to rest because as long as these claims are out there, the lands are encumbered and are basically off limits to other developments which might be in the public interest.

The bill reported by the Interior Committee prohibits the issuance of patents to these claims, requires that validity determination be made on them, and for those claims found valid, the holders would have the option of either converting them to an oil shale lease or to continue to hold the claim but expend an annual amount which shows a good faith effort to develop the oil shale.

As such, the approach taken by H.R. 1039 would preserve the rights of the claim holder who is serious about developing oil shale while at the same time preserve the public interest in these Federal lands.

I ask for a "yes" vote.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 2 minutes to the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Speaker, notwithstanding my great respect for the distinguished chairman of the full Interior Committee and the gentleman from West Virginia, I rise in strong opposition to H.R. 1039.

The bill is flawed in two respects. First, the Mineral Lands Leasing Act changes the rules midstream. This legislation denies the owners of presently unpatented oil shale claims what the Department of the Interior has given to other oil shale claim owners who have received patents from 1920 through February 1987. Despite the fact that oil shale claimants may have been in full compliance with existing law, the Government is stepping in and changing the law under which they operate. And while I agree this Congress has the obvious right to change laws, we should look to the issues of fairness and equity as we pass legislation in this body. This has not been done here.

Second, there has been "expert" testimony given before the committee that this legislation probably constitutes a "taking." The Secretary of the Interior will be directed to declare unpatented oil shale claims as invalid unless they have been favorably acted upon by February 5, 1987.

I respectfully urge the Congress to defeat this legislation.

The SPEAKER pro tempore. (Mr. TRAXLER). The Chair wishes to state that the gentleman from Alaska [Mr. YOUNG] has 3 minutes remaining and the gentleman from Arizona [Mr. UDALL] has 5 minutes remaining.

Mr. UDALL. Mr. Speaker, I yield 3 minutes to the gentleman from Colorado [Mr. CAMPBELL].

Mr. CAMPBELL. Mr. Speaker, I thank the gentleman for this opportunity to rise in strong support of H.R. 1039. Contrary to the opinion of my colleague, the gentleman from Idaho, this revised bill is a compromise.

Mr. Speaker, H.R. 1039 will conclude decades of controversy and litigation by preventing the Department of the Interior from giving away an additional 270,000 acres of public lands in Utah, Colorado, and Wyoming for $2.50 per acre.

The bill is a reaction to a Department of the Interior settlement between four energy companies which bought 82,000 acres of public lands for $205,000 when the Interior Department itself estimated the lands to be worth $164 million. At most, the Congressional Budget Office estimates the cost of implementing a leasing program, intended in the original law, at approximately $4 million. Deficit reduction will not be achieved by selling public assets for well below fair market value.

The bill will bring to an end the question of validity of oil shale mining claims by amending section 37 of the Mineral Lands Leasing Act of 1920. Both the mining law of 1872 and the Mineral Leasing Act of 1920 were based on the theory that claims and mineral leases contain minerals of value and that those minerals should be diligently developed for the use and benefit of the Nation. The claims in question have been held for 66 years and during that time no oil from shale on existing claims has been produced for the commercial market. I would point out that the antiquated Mineral Leasing Act is the only law on the books that allows outright disposal of public lands without congressional oversight.

After more than half a century, it is not unreasonable to require that the conditions for developing public resource emphasize diligent development rather than land speculation. Let me pose a question. Would you sell your land, which in this case is the size of Rhode Island for $2.50 an acre. I think not.

Private parties should not be rewarded for their lack of effort in developing a mineral resource by being granted a fee simple title not only to the subsurface minerals, but also to the surface resources. Congress has a responsibility to ensure that multiple use public lands, valuable for their wildlife, grazing, mineral, and recreational benefits, are not disposed of for a price less than a six-pack of beer.

It must be reemphasized to my colleague from Idaho that H.R. 1039 does not penalize those people who seriously want to mine oil shale. They can continue to do so. The language of H.R. 1039 does however put a stop to special interests who want cheap speculative land under the guise of mining as defined in antiquted mining laws. H.R. 1039 is a good bill, it is a fair bill and a just bill to protect public land and backed by the results of four separate court decisions

Mr. Speaker, I urge its passage.

Mr. MILLER of California. Mr. Speaker, I rise in support of H.R. 1039, legislation which will resolve the longstanding controversy regarding oil shale claims on thousands of acres of publicly owned lands in the Western United States.

First, I wish to commend the efforts of my colleague from West Virginia and the chairman of the Mining Subcommittee, Mr. RAHALL, for his leadership and hours of work in putting this legislation together.

I would also like to commend another colleague from the Interior Committee, Mr. CAMPBELL. I know he played a key role in fashioning the bill we have before us today. You both have my thanks for your efforts in trying to stop the Interior Department from disposing of more public lands at bargain basement rates.

This is a fair bill. Indeed, it may even be a little too fair to some of the claim holders. The bill gives 1,600 present oil shale claimholders an option of converting their claims to leases or spending a sufficient amount of money to represent diligent development of the claim. Many of these claims have been held for years with little or no work done to exercise them, and many of them may well be invalid. There is even a major question whether oil shale can be found or extracted on these claims. Clearly an argument can be made that the claim holders have had more than sufficient opportunity to perfect their claims and that the claims should now revert to the United States. H.R. 1039 gives the claim holders one more chance—a grace period—and that makes it a very fair bill indeed.

I am troubled that we have to be dealing with this issue at all in Congress. If the Interior Department had not abandoned its efforts last year to invalidate many of these claims through legal action, we might not be here acting on this issue today. If the Interior Department had not given away some 80,000 acres of oil shale lands last year at the unbelievable rate of $2.50 an acre, we would not be acting on this bill today.

But as unbelievable and outrageous as it sounds, the Interior Department did in fact sell off 80,000 acres of land at $2.50 an acre last year. As anyone who has tried to buy land recently anywhere in this country knows, $2.50 an acre is a very good price—a very good price indeed. In fact, it is a giveaway. Yet the very agency charged with protecting this Nation's public lands and resources did just that—it literally gave away the land.

We are considering this bill today so that we can make sure the Interior does not give away the 260,000 acres covered by the oil shale claims in question. This is an important precautionary measure we must take and I urge you to join with me in support of H.R. 1039.

Mr. YOUNG of Alaska. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. UDALL. Mr. Speaker, we have no further requests for time, I yield back the balance of my time, and I ask for a favorable vote on the bill.

The SPEAKER pro tempore. The unfinished business is the question of passing the bill, H.R. 1039.

PARLIAMENTARY INQUIRY

Mr. RAHALL. Mr Speaker, I have a parliamentary inquiry.

Has not a rollcall vote been ordered on this issue from the proceedings of last Thursday?

The SPEAKER pro tempore. The Chair would advise the gentleman that the answer is, no, a record vote has not been ordered. The question will be put de novo.

The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. RAHALL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 295, nays 93, not voting 44, as follows:

[Roll No. 158]

YEAS—295

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Atkins
AuCoin
Barnard
Bateman
Bates
Beilenson
Bennett
Biaggi
Bilbray
Bilirakis
Boehlert
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Broomfield
Brown (CA)
Bruce
Bryant
Buechner
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Daniel
Darden
Davis (IL)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Henry
Hertel
Hiler
Hochbrueckner
Holloway
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lightfoot
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McEwen
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morrison (CT)
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pease
Penny
Perkins
Petri
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Regula
Richardson
Rinaldo
Robinson
Rodino
Roe
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schumer
Sensenbrenner
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spence
Spratt
Staggers
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauke
Thomas (GA)
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Yates
Yatron

NAYS—93

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bentley
Bereuter
Bliley
Boulter
Brown (CO)
Bunning
Callahan
Chandler
Cheney
Coble
Combest
Craig
Crane
Daub
Davis (MI)
DeLay
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Emerson
Fawell
Fields
Frenzel
Gallegly
Gekas
Gingrich
Goodling
Hammerschmidt
Hansen
Hefley
Herger
Hopkins
Houghton
Hunter
Hyde
Inhofe
Konnyu
Kyl
Lagomarsino
Latta
Lewis (CA)
Lewis (FL)
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Martin (IL)
McCollum
McMillan (NC)
Moorhead
Morrison (WA)
Myers
Nielson
Oxley
Packard
Pashayan
Rhodes
Ritter
Schaefer
Shaw
Shumway
Shuster
Skeen
Smith (NE)
Smith (TX)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stangeland
Stump
Sundquist
Sweeney
Swindall
Thomas (CA)
Vander Jagt
Vucanovich
Walker
Whittaker
Williams
Wylie
Young (AK)

NOT VOTING—44

Annunzio
Aspin
Berman
Bevill
Boner (TN)
Brooks

Burton
Dannemeyer
Dixon
Ford (TN)
Gephardt
Hefner
Ireland
Kaptur
Kemp
Lewis (GA)
Lipinski
Marlenee
Martin (NY)

McCandless
McDade
McGrath
Meyers
Michel
Morella
Mrazek
Patterson
Pepper
Porter
Ravenel
Ray
Ridge

Roberts
Roemer
Rogers
Russo
Schulze
Smith, Denny (OR)
St Germain
Stallings
Tauzin
Taylor
Torres
Young (FL)

□ 1320

Mr. **BADHAM** changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. WILLIAMS. Mr. Speaker, on H.R. 1039, the Mineral Lands Leasing Act amendments, I inadvertently voted "nay," and had intended to vote "yea."

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2355, ENVIRONMENTAL RESEARCH, DEVELOPMENT AND DEMONSTRATION AUTHORIZATION ACT OF 1987

Mr. WHEAT, from the Committee on Rules, submitted a privileged report (Rept. No. 100-118) on the resolution (H. Res. 182) providing for consideration of the bill (H.R. 2355) to authorize appropriations for environmental research, development, and demonstration for the fiscal years 1988 and 1989, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2330, NATIONAL SCIENCE FOUNDATION AUTHORIZATION ACT FOR FISCAL YEAR 1988

Mr. WHEAT, from the Committee on Rules, submitted a privileged report (Rept. No. 100-119) on the resolution (H. Res. 183) providing for consideration of the bill (H.R. 2330) to authorize appropriations to the National Science Foundation for the fiscal year 1988, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2160, NATIONAL BUREAU OF STANDARDS AUTHORIZATION ACT FOR FISCAL YEAR 1988

Mr. WHEAT, from the Committee on Rules, submitted a privileged report (Rept. No. 100-120) on the resolution (H. Res. 184) providing for consideration of the bill (H.R. 2160) to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1988, and for other purposes, which was referred to the House Calendar and ordered to be printed.

MARITIME PROGRAMS AUTHORIZATION, FISCAL YEAR 1988

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 178 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 178

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 953) to authorize appropriations for fiscal year 1988 for certain maritime programs of the Department of Transportation and the Federal Maritime Commission, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries, the bill shall be considered for amendment under the five-minute rule, and each section shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

□ 1335

The SPEAKER pro tempore. The gentleman from Missouri [Mr. WHEAT] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 178 is an open rule providing for the consideration of H.R. 953, a bill which authorizes appropriations for maritime programs for fiscal year 1988. The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Merchant Marine and Fisheries. It further provides that the bill shall be considered for amendment under the 5-minute rule and that each section of the bill shall be considered as having been read.

Finally, Mr. Speaker, the rule provides for one motion to recommit.

H.R. 953 authorizes $376,797,000 for maritime programs administered by the Maritime Administration and $14.5 million for the Federal Maritime Commission. Included in the bill is $300 million for operating differential subsidies; $2 million for research and development activities; and $74,797,000 for operations and training.

Mr. Speaker, there is no controversy surrounding this resolution. Therefore, I urge that we adopt it so that we may proceed to consideration of this legislation.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, this is an open rule providing for the consideration of a bill reauthorizing a number of important programs for the American merchant marine fleet. I urge its adoption.

At this time of rising tension in the Persian Gulf and the active intervention of the U.S. Navy to protect commercial oil tankers there, our consideration of this bill is most timely.

Recent events in the Persian Gulf should remind every Member of the crucial importance of sea power and the necessity of keeping open and free the flow of international commerce on the high seas. Sea power is essential to the security of the United States and our allies. Sea power is not, of course, confined only to our naval ships of war. Sea power also includes our merchant marine fleet. The world's strongest war fleet will operate at a disadvantage if it sails into harm's way without a strong merchant marine fleet to support it.

I served on an aircraft carrier during the Great War in the Pacific against the Empire of Japan. Let me state forthrightly that without our American merchant marine fleet backing up our Navy, our marines and our airmen, we would not have achieved the total victory we did in 1945.

The American merchant marine fleet of 1945 was vast and efficient in supplying our Armed Forces in far-off lands and distant seas, and it also carried the flow of commercial goods and commodities to and from the American mainland and to our allies around the world. This is no longer true today. We have not got this merchant vessel sealift capability today. I hope we will wake up to the great danger this poses to the United States before we have to pay a heavy price for this decades-long neglect of our merchant marine fleet.

This bill, brought to the floor by the Committee on Merchant Marine and Fisheries, is intended to keep our modest Federal maritime programs going forward. Frankly, I think we need to expand significantly our maritime programs and our merchant marine fleet. But, at the least, we must keep what we still have in operation. This is what H.R. 953 will do, and this is why it deserves our support.

H.R. 953 provides a little over $391 million in fiscal year 1988 authorizations, with most of the money going to the operating differential subsidies. These subsidies are vital if we are to keep our U.S.-flag merchant fleet intact. Without this help our merchant fleet will sail away under foreign flags. The bill contains other useful items, including a needed change in the vessel loan guarantee program which should reduce defaults on the part of shipowners.

Mr. Speaker, I ask for a "yes" vote on the rule and passage of this important bill.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. WHEAT. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 178 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 953.

□ 1343

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 953) to authorize appropriations for fiscal year 1988 for certain maritime programs of the Department of Transportation and the Federal Maritime Commission, with Mr. WHEAT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from California [Mr. ANDERSON] will be recognized for 30 minutes and the gentleman from New York [Mr. LENT] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 953, a bill that authorizes appropriations for certain maritime promotional programs of the Maritime Administration and for certain regulatory programs of the Federal Maritime Commission.

I strongly believe that this reauthorization is critical. You may ask why is this legislation so critical. The answer lies in the declining state of this country's maritime industry, an industry that at one time was uncontested. We cannot afford to fail in supporting our State and Federal maritime academies which produce this country's merchant mariners that someday may be needed in a national emergency to support our Armed Forces; we cannot afford to allow our shipping fleet to continue its precipitous decline as a result of unfair trading practices and terribly low wages by many of our trading partners; we cannot afford to undermine the opportunity for U.S.-ship liner companies to borrow the capital they need in order to build new ships, especially when our merchant marine fleet continues its dramatic decline. I am convinced that passage of this reauthorization bill is one step that should, and must be taken to ensure we have enough mariners in a national emergency; to ensure that we have a commercially and military viable merchant marine fleet; and finally, to ensure that this country's maritime industry receives the confidence it needs that Washington is not simply paying lipservice to its problems, but rather, is willing and committed to maintaining and strengthening this country's neglected maritime industry.

H.R. 953 authorizes the appropriation of $391,297,000, which includes $376,797,000 for three MarAd programs and $14.5 million for the FMC. It also contains provisions to correct certain problems in the implementation of the Student Incentive Payment Program at the State maritime academies. The committee added a section that excludes certain vessels from the title XI Loan Guarantee Program until October 1, 1990. The excluded vessels are those primarily engaged in offshore oil exploration and exploitation and those engaged in the inland trades.

While the dollar figures differ from the administration's request, the committee, in a bipartisan effort, fully supports the need for additional operating-differential subsidies and continued assistance to the State maritime academies. I would also like to note that, while the request for MarAd promotional programs is higher than what the administration requested, the amounts authorized are about $11.5 million less than what was appropriated for the prior fiscal year.

H.R. 953, as reported, includes the following accounts for the Maritime Administration: $300 million for operating-differential subsidies: $2 million for research and development; $22.7 million for the Federal Maritime Academy; $10 million for the six State maritime academies; $1.2 million for additional training requirements; $13.8 million for national security support capability; and $26.9 million for the general operation of MarAd.

This reauthorization bill also includes $14.5 million for the Federal Maritime Commission.

In closing, I wish to emphasize that I believe this legislation is fair and reasonable. I know it has widespread bipartisan support. I respectfully urge my colleagues to pass this important piece of legislation.

□ 1345

Mr. LENT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is a pleasure for me to rise in support of H.R. 953, the bill which authorizes appropriations for fiscal year 1988 for the programs of the Maritime Administration and the Federal Maritime Commission. These Federal programs are extremely important to the future of our American flag merchant marine.

This legislation was carefully prepared after a formal hearing of the Merchant Marine Subcommittee—of which I am the ranking Republican member—and a thorough analysis of the President's budget request for these maritime programs. This bill enjoys the bipartisan support of the members of the Merchant Marine and Fisheries Committee.

H.R. 953 authorizes a total of $391.297 million. This funding level is about $60 million more than the administration requested, but the Members should know that this is about $11 million less than what was authorized for these same programs for fiscal year 1987.

The funding level for the Federal Maritime Commission is $14.5 million. This is identical to the request of the administration and will be adequate to meet the existing statutory obligations of the FMC. The role of this small, but important, independent agency is critical in this year of national concern over our trade policies. This agency regulates the waterborne foreign and domestic commerce of the United States, assuring that U.S. international trade is open to all nations on a fair and equitable basis. With its statutory mandate, the FMC guarantees equal treatment to shippers, carriers, and other persons subject to our Federal shipping statutes.

The authorization for the Maritime Administration is $376.797 million, which is approximately $60 million more than the President's request. This increase is reflected in approximately $50 million more for the Operating Differential Subsidy Program and $10 million for Federal assistance to the six State maritime academies. These two increases over the administration's request are important because the subsidy program must be revised and this additional funding will be essential to any reform of this program. With regard to the funding for the State academies, the $10 million represents approximately the level of Federal funding for the last several years for these State schools. Our committee did not accept the administration's recommendation to eliminate all funding for these maritime schools, since we are convinced that they are providing a critically important education service for the Nation. Several Government studies have shown that our Nation is in a very tenuous position with regard to trained merchant seamen who would be available to operate our reserve ships in a time of military emergency. These schools are one of the primary sources of trained individuals and we believe that they should be supported by the Government.

Mr. Chairman, I think it would be helpful to mention one particular provision of this bill that was adopted as an amendment during our committee markup. Earlier this year, Mr. DAVIS, the ranking member of the full committee, and I introduced a bill to amend the vessel loan guarantee program, title XI of the Merchant Marine Act, 1936, to exclude from that program all offshore oil and gas vessels and all inland tugs and barges. Those types of vessels represent almost 70 percent of the defaults under these federally guaranteed loans over the last several years. In the President's budget submission, the administration requested repeal of this law. Mr. DAVIS and I did not believe it was either necessary or desirable to repeal the entire law, but we felt it would be appropriate to cut back on the numbers and types of vessels eligible for these guarantees. The Merchant Marine and Fisheries Committee concurred in our assessment and approved an amendment to H.R. 953 which eliminates for 3 years the use of this guarantee program for these vessels.

Mr. Chairman, as the Members will recall, last year when this same legislation authorizing funds for maritime programs for fiscal year 1987 was submitted to the White House after congressional approval, the President vetoed the bill. The stated reason for that veto was the fact that the Congress did not repeal the title XI Loan Guarantee Program and that we continued to provide funding for the six State maritime academies.

It is the hope of the members of our committee that the administration will acknowledge the provision of this bill eliminating those vessels that represent such a substantial portion of the defaults under the Loan Guarantee Program. Even though the provision doesn't go as far as the administration requested, it does address the budgetary problems that led to the defaults and ultimately to the veto. Furthermore, we assume that in light of the Government studies that have shown that the Nation is in a dangerous condition with regard to trained seamen, the administration will acknowledge the continuing need for the State schools to turn out trained individuals who will be available for any wartime emergencies. Consequently, we believe that this bill will give the administration the opportunity to reassess its position and approve this bill when it is presented to them.

Mr. Chairman, the U.S. maritime industry is in dire straits. This bill is just one piece of legislation that is very important for us to enact if this Nation is to continue to have a viable merchant marine. The programs authorized by this bill give these two Federal agencies the necessary ability to carry out the Federal effort to maintain and promote an American merchant marine. The very fact that our Nation is considering military assistance for the carriage of oil by Kuwaiti tankers in the Persian Gulf is indicative of the fact that our own maritime capabilities are approaching a dangerously low level.

I think it would be enlightening to my colleagues to be aware of two recent quotes on the status of our American merchant marine. I would like to read a brief except from the document signed by President Reagan in January 1987 entitled, "National Security Strategy of the United States":

> When this decade began, we faced severe difficulties in moving large forces quickly enough to deter Soviet aggression, deploying forces to two or more theaters simultaneously, or moving material effectively into less-developed regions. Since 1981, with the support of Congress, we have made great progress in redressing these deficiencies, adding substantially to our airlift and sealift capability and prepositioning additional large quantities of material abroad. Not all of our objectives have been accomplished, however. In particular, the continuing decline of the U.S. merchant marine and the U.S.-flag commerical shipping assets is a matter of concern. This problem is compounded by the decline of the U.S.-flag fleet which results in a reduction of the seagoing workforce to man all our U.S.-flag vessels—as well as ships of the Ready Reserve Force, the National Defense Reserve Fleet and any effective U.S.-controlled ships which might need recrewing. The lack of merchant mariners in the near term could impede our ability adequately to project and sustain forces by strategic sealift.

The second quote that I would like to bring to the attention of my colleagues is from Adm. William J. Crowe, Chairman, Joint Chiefs of Staff. In July 1986, Admiral Crowe stated:

> The decline in size and capacity of the U.S. merchant marine has been a major concern of DOD national security planners. However, even in its presently diminished state, it remains and integral element of our preparedness for war and a critical pillar of deterrence. In this era of constrained resources, if there were no U.S.-flag merchant marine, it would have to be replaced by a government-owned and operated sealift fleet—at considerable additional expense to acquire and operate.

Mr. Chairman, I urge my colleagues to join me and the other members of the Merchant Marine and Fisheries Committee in approving H.R. 953. This is a small, but important, bill that we must send forward to our colleagues in the Senate for their consideration and then to the White House for approval. Our Nation needs our merchant marine and enactment of this legislation will indicate to the world that we are serious about continuing our presence in the world's oceans for our maritime industry and at the same time retaining our capability to supply and support our Armed Forces in any future time of international conflict.

Mr. ANDERSON. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. BIAGGI].

Mr. BIAGGI. Mr. Chairman, I thank the gentleman for yielding me this time.

I would like to congratulate the gentleman from California [Mr. ANDERSON] and the gentleman from New York [Mr. LENT], the ranking member, for their expeditious treatment of this legislation.

Mr. Chairman, H.R. 953, which I introduced, authorizes appropriations for the Maritime Administration and the Federal Maritime Commission for fiscal year 1988.

My bill contains provisions that make the Student Incentive Payment Program at the State maritime academies more cost-effective. In addition, the bill, as amended in the Committee on Merchant Marine and Fisheries, temporarily excludes certain vessels from eligibility for title XI loan guarantees. Both of these changes are supported by the administration.

The President's maritime budget for 1988 contains no new initiative. In fact, the proposals would reduce most levels of activity. This year, like last, budget considerations seem to be driving major policy decisions that are not in the national interest.

The President's 1988 budget proposal:

Would not provide for any new operating-differential subsidy contracts;

Would stop funding for the State maritime academies;

Would end Federal assistance for maritime research and development; and

Would terminate the title XI Loan Guarantee Program.

These proposals are totally unacceptable. Actually, they are counter to the explicit mandate in law to foster the growth and development of the U.S. merchant marine. This administration's "Maritime policy"—and I use the term loosely—was rejected by Congress last year. The Committee on Merchant Marine and Fisheries has again refused to adopt these proposals. The companion bill in the Senate echoes the House version. We are well on the way to sending yet another message to the White House that, although this administration believes in a laissez faire approach to saving our merchant marine, this Congress has other ideas.

The bill before us contains $49.7 million over the administration's request for operating-differential subsidy. This additional amount will accommodate the expected revisions in the program. It will provide existing U.S.-flag operators a continuing incentive, and the financial capability, to retain their vessels in the American merchant marine. If U.S.-flag shipping is to remain competitive with foreign-flag shipping, then we must provide some assistance to our vessel operators who are strapped with much higher operating costs than their foreign competitors, primarily due to our higher standard of living. Operating-differential subsidies provide U.S. operators the means to compete in the international maritime community with foreign-flag operators, particularly those who pay their seamen low wages and subject them to less than desirable working conditions.

The administration is again proposing termination of Federal financial assistance to State maritime academies. My bill authorizes an appropriation of $10 million for fiscal year 1988. This includes $6 million in direct aid; about $2.4 million for student incentive payments; and $7 million for maintenance, repair, and fuel oil for five training vessels. In the past, we have funded the State maritime academies at a $12 million level, so you can see we are acting responsibly in these difficult fiscal times. This aid is cost-effective, and it is in the national interest.

Mr. Chairman, the Subcommittee on Panama Canal/Outer Continental Shelf just returned from a visit; and we learned that there are some 60 Panamanians in the State maritime academies.

We also note, in order to effectively transfer the canal to the Panamanians, according to treaty in the year 2000, there is a great need for Panamanian pilots.

At this point it cannot be done. It jeopardizes the whole operation of the Panama Canal, so if we are to do anything with the maritime State academies, we should enhance them and support them and encourage the Panamanians to be able to attend those schools.

Sixty are in there now. By the year 2000, if we continue to support those schools, we will be able to do that. Absent that, it just will not happen.

H.R. 953 is identical to the administration's request for funding of the Federal Merchant Marine Academy at Kings Point, additional training, national security support capability, and general operations. It is also identical to the administration's request for the funding of the Federal Maritime Commission at $14.5 million.

Simply stated, this legislation provides barebones support for programs to promote, develop, and maintain a U.S.-flag merchant marine. It is reasonable, it is in the national interest, it will not have a negative impact upon our economy, and it deserves your support.

With relation to Kings Point, we have six Panamanians in Kings Point. Six Panamanians is a drop in the bucket.

The State schools are educating 60 Panamanians, so I make the point that all of the schools should be supported.

Kings Point, we will never have a problem with. Even their capability is limited, only six.

If we are to meet our obligations under the treaty by the year 2000, we must maintain the State academies.

Mr. LENT. Mr. Chairman, I yield such time as he may consume to the gentleman from Washington [Mr. MILLER] who has been a great credit to our committee and worked very hard on this legislation.

Mr. MILLER of Washington. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of H.R. 953, which authorizes funds for the Federal Maritime Administration and the Federal Maritime Commission.

Mr. Chairman, this is a good bill. We keep a necessary program funded at levels below those funded last year. We are being responsible to our maritime industry and we are being responsible to the Treasury.

I know that the administration has some problems with this bill and I would like to take a moment, Mr. Chairman, to address these concerns. First, the administration requested that we eliminate title XI ship financing loan guarantees. The committee has reviewed the data on title XI loans and concluded that the cause in the large number of bankruptcies was based on loans made for drill ships, tug supply boats, pipe laying barges, and similar vessels used in oil production and exploration. We have placed a moratorium of future oil production loans, but have left the authority for future maritime loans in the law. It is the hope of the committee that this amendment will address the concerns of the administration. I think they do and I think the administration should view this change in title XI as a positive step taken by Congress.

Mr. Chairman, the administration also opposes support for State maritime academies and wants further reductions in MarAd funding. As I noted, we have delivered a bill which is below last years appropriation figures. We need schools for merchant mariners and the State schools provide training in an effective and efficient manner. Similarly, MarAd does its job in an effective and efficient way.

This bill should serve as a model for other committees, showing that we can work within the bounds of the budget. A committee can work within a budget, it can prune a little here and add a little there. That's what we did, that's what the public wants us to do and that's how we can control the Federal budget deficit under control.

Mr. Chairman, I urge my colleagues to support this bill and the President to sign it into law.

□ 1400

Mr. ANDERSON. Mr. Chairman, I yield 4 minutes to the gentleman from Wisconsin, [Mr. OBEY].

Mr. OBEY. I thank the gentleman for yielding.

Mr. Chairman, like everybody else, Mr. Chairman, I want to see a strong maritime industry. But, Mr. Chairman, I appreciate nonetheless the opportunity to rise today to address the problems experienced by Great Lakes shipping as a result of the Department of Agriculture's interpretation of the agreement that was reached during debate on the 1985 farm bill on raising the cargo preference requirement.

As you know, that agreement recognized, for the first time, that shipping in the Great Lakes is hurt by cargo-preference because we no longer have any U.S.-flag service available for cargo such as Food for Peace. As such, the agreement established a Great Lakes set-aside to ensure that the Great Lakes share of Federal cargo under the Food for Peace Program would not decline from the 1984 level of approximately 250,000 tons.

Despite those assurances, the Great Lakes set-aside is not working:

Great Lakes ports have received only about 50,000 tons in the first 3 months of this year, less than half the amount we would have expected;

Ports that have traditionally handled these cargoes, such as Superior and Duluth have received nothing, which we are informed is a function of the failure of USDA to allocate sufficient cargoes to the Great Lakes;

Already this year, thousands of tons of food aid cargo have been diverted from Great Lakes ports to other port ranges in order to meet cargo preference requirements.

The problem appears to be that instead of considering the needs of the Great Lakes on an equal basis with those of the other coasts, USDA is putting the Great Lakes set-aside at the bottom of its considerations when cargo allocations are made.

Mr. Chairman, I have essentially two questions: Is the chairman aware that the 1985 agreement is not operating as it was intended to protect Great Lakes ports from being harmed by increased cargo preference requirements?

What action, if any, does the chairman propose to require USDA to implement the 1985 agreement as it was intended, when the 1985 bill was passed.

Mr. ANDERSON. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the chairman of the committee.

Mr. ANDERSON. I thank the gentleman for yielding.

Mr. Chairman, as the gentleman correctly points out, the 1985 farm bill increased the percentage of donated goods subject to the cargo preference laws—so that more of those goods are shipped on U.S.-flag vessels. The House-Senate conferees were aware of the possible adverse impact on Great Lakes ports. The conferees sought a solution that would prevent harm to any port range. The Department of Agriculture could preserve the Great Lakes' fair share of cargo by utilizing those ports for the shipment of the portion of donated goods that will be transported on foreign-flag vessels.

I can fully understand your sense of urgency. If it will help to resolve the problem, the subcommittee will ask the Department of Agriculture to address the subject at our next oversight hearing on cargo preference.

Mr. OBEY. I appreciate that, Mr. Chairman. It is terribly important that USDA be required to enforce this provision along the lines originally intended in 1985 because, if not, those of us in the upper Midwest will feel that they have welched on a deal and it would put us in a very troubling situation.

I think none of us want to see legitimate ports be put out of business by a faulty interpretation by an agency of the U.S. Government.

Mr. ANDERSON. I thank the gentleman.

Mr. JONES of North Carolina. Mr. Chairman, I very much appreciate the opportunity to address the House on an authorization bill that is very important to the Merchant Marine and Fisheries Committee and to the maritime industry as a whole. The paltry amounts we are authorizing here are precious little in terms of the intangible benefit our merchant fleet provides in the strategic game plan of our Nation. Those who would cut our maritime promotional programs would guarantee that U.S. vessel operators "flag-out" to Third World nations to take advantage of lower crew and other operating costs.

H.R. 953 authorizes appropriations for the Maritime Administration [MarAd] and the Federal Maritime Commission [FMC] for fiscal year 1988. It provides $376,797,000 in funding for the various MarAd promotional programs, and $14,500,000 for the regulatory programs of the FMC. The authorization for MarAd is $59,700,000 more than the administration requested but $11,500,000 less than what was appropriated in fiscal year 1987. The bill is identifical to the administration's request in terms of FMC funding.

The Merchant Marine Subcommittee held a hearing on the bill on March 4, and it was reported unanimously out of full committee on April 2 with an amendment I offered. The amendment excludes offshore oil and gas vessels and structures as well as inland barges from obtaining title XI loan guarantees until October 1, 1990. These vessel types, over the past 4 years, have been the ones most prone to defaulting on their title XI guaranteed mortgages. The purpose of the amendment is to relieve some of the potential liability of the Federal Government for defaulted vessels; it also serves to strike a balance between the administration's request to end the program and our desire to see it continue on in a healthy manner. The amendment will defer any drastic action until the Congress has had the opportunity to review the program thoroughly.

The bill also changes the Student Incentive Payment Program so that a student receiving payments will have to make a choice whether to enter the Naval Reserve after the first year of school, rather than the second year. I believe this is consistent with the policy of requiring a strong commitment by students who receive Federal outlays while giving them sufficient time to decide whether they wish to enter into such an arrangement.

Mr. Chairman, we have crafted a fair, bipartisan bill that deserves the support of the entire House of Representatives. I trust that we will send to the White House a measure that shows our resolve in supporting this vital element of our Nation's commercial and strategic base.

Mr. WEBER. Mr. Chairman, I can't let the authorization of the Maritime Administration go by without strongly objecting to a program that the Maritime Administration shares jurisdiction over: cargo preference.

It is the Maritime Administration that determines, according to the cargo preference law, what "fair and reasonable" rates are for American flagships. That term is, of course, relative, because American flagships are hardly reasonable when they charge two to four times as much as other flagship carriers.

Cargo preference is a huge, hidden subsidy to the maritime industry. In 1982, that subsidy added up to about $58,000 per sailor, and the entire subsidy came out of export programs like Food for Peace. Instead of exporting agricultural commodities and providing food relief, we were subsidizing the maritime industry to the tune of $100 million per year.

The problem grew when the 1985 farm bill extended the reach of cargo preference, requiring a larger percentage of American commodities to go out on overpriced, noncompetitive American ships. The supposed "compromise" in this provision was that the expansion of this outrageous program would be paid for by the Maritime Administration, not the Department of Agriculture and the American farmer.

That hasn't happened yet. The Maritime Administration has not fully compensated the Commodity Credit Corporation for the increased cargo preference costs, and CCC has had to pay those costs out of the food assistance programs.

I hope this is a temporary problem, but this problem in payment only points to the larger problem. It is time for the maritime lobby to move out of the Department of Agriculture. This maritime authorization bill already subsidizes American shipping by $300 million in the next fiscal year. If an additional $100 million subsidy is justified, let supporters present their case openly.

The next time we debate the maritime authorization bill, it's my hope that we will debate cargo preference here, where it belongs. The maritime subsidy belongs in the maritime authorization bill, not as an unwelcome stowaway in our agriculture export programs.

Mr. BRENNAN. Mr. Chairman, I rise in support of H.R. 953, a bill authorizing $391.3 million for the various Maritime Administration programs and the Federal Maritime Commission for fiscal year 1988. As a member of the House Merchant Marine and Fisheries Committee, I am pleased to consponsor and strongly support this important legislation.

At a time when our maritime industry is under siege and is threatened with further reductions, this legislation attempts to preserve existing programs that benefit the industry which we have deemed important to U.S. defense and commercial purposes. As the Congress grapples with budgetary concerns, this legislation approaches the maritime problems in a responsible manner. H.R. 953 authorizes funding at $11.7 million less than the amount appropriated for fiscal year 1987.

While our Nation's attention has turned to the crisis in the Persian Gulf, we are reminded of how important shipping is to our flow of oil and commerce. We must not allow our merchant marine force to decline. Without many of the vital programs contained in this legislation, our maritime industry will disappear. I applaud the efforts of my committee to continue promotion of growth and development of the U.S.-flag merchant marine.

This modest legislation contains funds needed for the operating-differential subsidy program—to help U.S. shipping companies compete with foreign-flag operators, retains R&D funding the administration sought to terminate—to improve productivity and operating efficiency in the U.S. shipbuilding and ship operating industries, and authorizes $10 million in support of the six State maritime academies—graduating about 600 students annually who are employed in U.S. maritime-related industries.

I am pleased that my State of Maine is home to one of those State academies, the Maine Maritime Academy. This successful institution has produced excellent officers to the U.S. Navy and our merchant marine since 1941. The Reagan administration has sought to transfer the costs for these institutions almost completely to the States. I do not believe States deserve to carry the entire financial burden for the maritime academies while the Federal Government enjoys the benefits of having the graduates serve in U.S. maritime-related industries which could serve as an important role in our defense readiness. The modest funding level contained in this bill will enable academies, such as Maine Maritime Academy, to continue producing quality officers for our maritime industry.

If the United States is to continue effectively competing in the world market, we cannot allow further decline in our maritime industries. As we struggle to reverse the staggering trade deficit confronting our Nation, a call is made for increased competitiveness. A viable maritime industry is essential to regaining competitiveness in the world marketplace and this legislation takes a reasonable approach to achieve this worthy goal.

I urge my colleagues to join me in support of H.R. 953.

Mr. DAVIS of Michigan. Mr. Chairman, I rise in support of H.R. 953, which authorizes appropriations for fiscal year 1988 for certain maritime programs of the Department of Transportation and the Federal Maritime Commission. These programs are very important to the future of the U.S.-flag merchant marine in that they continue Federal support of a U.S.-owned fleet manned by U.S. citizens and assure that ocean transportation services are fair and equitable. This bill is the product of careful consideration by the Committee on Merchant Marine and Fisheries and has the bipartisan support of committee members.

H.R. 953 authorizes $391.297 million—$60 million more than the administration requested, but about $11 million less than 1987.

H.R. 953 reflects the administration's request for $14.5 million for the Federal Maritime Commission. In this year when trade legislation is in the forefront, the Congress must be especially mindful of the important work carried out by the FMC. This authorization provides the Commission with the necessary funds to discharge its statutory mandate. The FMC must have the resources, now and in the future, to assure that ocean transportation is conducted in a fair and open environment.

H.R. 953 represents the administration's request for the Maritime Administration except in two areas. The administration requested repeal of title XI of the Merchant Marine Act, 1936, the Federal ship financing fund. While not going as far as the administration might wish, H.R. 953 does eliminate all offshore oil equipment and vessels and all inland tugs and barges from coverage under the loan guarantee program for a period of at least 3 years. This change returns the title XI program to its original purpose and sends a signal to the executive branch that Congress is addressing the program's problems.

The administration also requested that certain training programs of the six State maritime academies be phased out in 1988. H.R. 953, however, continues assistance to these State academies in the amount of $10 million. In light of a recent Navy merchant marine manpower study predicting manning shortfalls, it would be unwise to terminate such token Federal funding when the programs assure trained mariners for the future sealift contingencies.

H.R. 953 also authorizes $300 million for funding of the Operating-Differential Subsidy Program under title VI of the Merchant Marine Act, 1936; $49.7 million of this amount is included to cover future needs if reform legislation is enacted this year. If the U.S.-flag merchant fleet is to be maintained at even the current levels, a change is necessary to encourage vessels to remain under the U.S. flag.

Mr. Chairman, the recent events in the Persian Gulf indicate the importance of sea power to the security of this Nation. Sea power, however, is not only calculated in terms of warships. Sea power must also be defined by the ability to support and supply our forces anywhere in the world and assure an uninterrupted flow of raw materials and goods to our shores. This is the historical role of the merchant marine and it is in the national interest that the United States have a vital merchant marine under its own flag. The programs provided for by H.R. 953 are important for the future of our American-flag merchant marine and to the security of this Nation.

I urge my colleagues to support H.R. 953.

Mr. LENT. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. ANDERSON. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, each section of the bill is considered as having been read for amendments under the 5-minute rule.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That funds are authorized to be appropriated for the use of the Maritime Administration for fiscal year 1988 as follows:

(a) for payment of obligations incurred for operating-differential subsidy, not to exceed $300,000,000;

(b) for expenses necessary for research and development activities, not to exceed $2,000,000; and

(c) for expenses necessary for operations and training activities, not to exceed $74,797,000, including not to exceed—

(1) $33,998,000 for maritime education and training expenses, including not to exceed $22,767,000 for maritime training at the Merchant Marine Academy at Kings Point, New York, $10,000,000 for financial and fuel oil assistance to State maritime academies, and $1,231,000 for expenses necessary for additional training;

(2) $13,812,000 for national security support capabilities, including not to exceed $12,519,000 for Reserve Fleet expenses and $1,293,000 for emergency planning operations; and

(3) $26,987,000 for other operating program expenses.

The CHAIRMAN. Are there any amendments to section 1?

The Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. Funds are authorized to be appropriated for the use of the Federal Maritime Commission in the amount of $14,500,000 for fiscal year 1988.

The CHAIRMAN. Are there any amendments to section 2?

The Clerk will designate section 3.

The text of section 3 is as follows:

SEC. 3. (a) Section 1304(g) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295c(g)) is amended—

(1) in paragraph (1)(B), by striking "and" the second time it appears;

(2) in paragraph (1), by striking subparagraph (C) and substituting the following:

"(C) paid by the Secretary for the first complete or partial academic year of attendance to the individual in a lump sum of $1,200 or on a prorated basis based on actual attendance, and at a time during the second academic year when the individual enters into an agreement accepting midshipman and enlisted reserve status as required under paragraph (2); and

"(D) paid by the Secretary for the following academic years as the Secretary shall prescribe while the individual is attending the academy.";

(3) in paragraph (2), by striking "apply for midshipman" and substituting "accept midshipman and enlisted reserve";

(4) in paragraph (3)(D), by striking "to apply for an appointment as,"; and

(5) in paragraph (4), by striking "has attended a State maritime academy for not less than 2 years", and substituting "has accepted the payment described in subsection (g)(1)(C) of this section".

(b) The amendments made by this section apply to individuals who commence attendance after calendar year 1986 at a State maritime academy in accordance with section 1304 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1295c).

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 4, beginning on line 15 add the following:

SEC. 4. Until October 1, 1990, the term "vessel" in section 1101(b) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271(b)) does not include the following types, whether in existence or under construction: drill ships, tug supply boats, supply boats, crew boats, pipelaying barges, any other type of vessel designed or intended primarily for offshore oil or gas exploration or development, and any type of vessel other than a passenger vessel, operated or intended to be operated primarily in inland waterways.

The CHAIRMAN. The gentleman from California [Mr. ANDERSON] is recognized for 5 minutes on the committee amendment.

Mr. ANDERSON. Mr. Chairman, I think the language is pretty clear. There are no comments.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Are there any further amendments to the bill?

AMENDMENT OFFERED BY MR. KASICH

Mr. KASICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KASICH: Add at the end the following:

SEC. 5. DISCLOSURE OF DELINQUENT DEBT TO CREDIT REPORTING AGENCIES.

The Administrator of the Maritime Administration shall disclose to those credit reporting agencies to which they report loan activity, information concerning any debt of more than $100 that—

(1) arises out of loan activities of the Maritime Administration, which are authorized by this Act; and

(2) is delinquent by more than 90 days.

Mr. KASICH. Mr. Chairman, I rise in support of this amendment. I want to thank the staff of the committee and the gentleman who is controlling the time for their assistance in drafting this amendment. This is part of an overall effort that I have been trying to make over the last 12 to 13 months to raise the issue of delinquent debt that is owed to the Federal Government.

As hard as it is to believe in an era of Gramm-Rudman problems, we find now that the Federal Government's delinquent debt portfolio amounts to $68.3 billion. I hope everybody heard that. Individuals and corporations now owe the Government delinquent debt $68.3 billion. That number has grown by $10 billion from fiscal year 1985 to 1986.

Since 1981, there has been a $40 billion increase in this delinquent debt. In other words, the Federal Government's delinquent debt has increased by 129 percent since 1981. The Federal Government's role in this whole credit allocation is enormous. By the end of 1986 direct loans valued at $252 billion, loans extended by Government-sponsored enterprises amounted to $453 billion and loans guaranteed by the Federal Government totaled $450 billion.

Now, when you take a look at MarAd, itself, and everybody understands that the Maritime Administration has had a very difficult time in recent years and this is not an effort to try to lay on top of those problems or to complicate the situation for them. But I think it is important that we take a look at a few of the numbers.

The amount of delinquent debt contained in the MarAd was about $107 million in 1980 and has grown to $1.4 billion in 1986, a 1,236-percent increase. A lot of that is caused by problems that are clearly beyond the control of people in the business.

The oil problem has been a serious problem because drilling rigs, for example, are a part of this overall program. What we are trying to do in this amendment is just to say that the loan activity that is currently reported to OMB and to the Treasury-approved credit agencies not only be supplied with information in regard to loan activity but also in regard to delinquent debt activity.

What we are really trying to do is in a comprehensive manner have a handful of credit and management agencies or entities both in and out of the Federal Government that can help us to get a handle on this incredibly increasing problem of delinquent debt.

This kind of an amendment was already offered and accepted as part of the Department of Defense bill. Chairman GRAY, in his budget resolution in the last fiscal year, passed language recognizing this problem and trying to get us to address this problem. This is just one more step in the effort to try to do something to restore some sanity to the overall Federal Government's credit management program.

I would like the gentleman from California [Mr. ANDERSON] to accept this amendment. I do not think this is a giant departure from where we are, but it is a constructive step forward in the march to try to get a handle on this very serious problem.

If we can get a handle on this very serious problem and start to implement some very decent and basic commonsense techniques for managing the credit management techniques of the Federal Government, I have no doubt in my mind we could collect literally billions of dollars.

We have excluded the section of the amendment that would deal with collection agencies since the committee indicated to us they did not think that was so appropriate. We do intend to make an effort in the area of collection agencies in other authorization bills as they come along, but we think that the credit bureau provisions in this particular amendment are a very constructive step forward and would look forward to both the majority and the minority being willing to accept this amendment.

Mr. ANDERSON. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I yield to the Chairman.

Mr. ANDERSON. I thank the gentleman for yielding.

Mr. Chairman, this side would be willing to accept the amendment with the understanding that the amount of money on which information is requested be on any debt of more than $1,000.

Mr. KASICH. Absolutely.

Mr. LENT. Mr. Chairman, will the gentleman yield to me?

Mr. KASICH. I yield to the gentleman from New York [Mr. LENT].

Mr. LENT. I thank the gentleman for yielding.

Mr. Chairman, I just want to join with my colleague from California, the distinguished chairman of the Subcommittee on Merchant Marine and would indicate that we have no objection to this amendment and we have high hopes that it will serve the purpose for which it is intended.

Mr. FOGLIETTA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of H.R. 953 and the amendment the Maritime Administration/Federal Maritime Commission authorization for fiscal year 1988. This bill provides a responsible means of supporting one of the most important sectors of this country's economy and defense, the U.S. merchant marine. H.R. 953 allows for the continuation of necessary programs, while at the same time adhering to our present budget constraints.

Mr. Chairman, I feel that it is Congress' duty to step into the void which has been left by the Reagan administration on maritime issues. The policy of this administration has been to dismantle as many merchant marine support programs as possible.

President Reagan's proposals have mortgaged both the merchant marine's present viability, and its future stature. He has accomplished the former by cutting funds for the operational differential subsidy and attempting to eliminate the construction differential subsidy, and achieved the latter by slashing funding for vital research and development, and the state merchant marine academies.

As a member of the Armed Services Committee, I am especially concerned over how the deterioration of the U.S. merchant marine will affect our preparedness in time of war. It is in our country's national interest to maintain a viable and secure merchant marine, as it will play a large role in our naval defense.

The Commander of the Ready Reserve Fleet testified this year that in the next 2 years our merchant marine will have 8,000 less men than the minimum which would be needed for our defense in wartime. This statement comes from a representative of an administration which has stood by and done absolutely nothing while the number of U.S. merchant seamen has been cut in half.

I cannot comprehend the inconsistency of the administration's program for the merchant marine. While acknowledging that the United States has a severe shortage of both merchant seamen and vessels, it continues to undermine the very programs which support this infrastructure.

In the Armed Services Committee, I have supported a program to rebuild the U.S. Navy. We are well on the way to accomplishing this goal. However, I am very concerned that we may find we have squandered this investment because this administration has not upheld its obligation to support a vital component of our military readiness—the merchant marine. Without merchant ships to provide support in a time of war, our 600-ship Navy will have a severely limited capacity.

Just last month, we witnessed what I believe is the epitome of this administration's lack of understanding of the U.S. merchant marine. For the last 2 years, the Reagan administration has supported a program to allow ships built under U.S. subsidy for the foreign trade to pay back their obligations and operate in the domestic trade. This is a very unwise policy. I, along with the majority of the members of the Committee on Merchant Marine and Fisheries, opposed this action because we believed it would threaten the viability of those ships already in the domestic trade.

The Reagan administration intended for their program to reduce the national deficit. But as has happened so many times in the past, the administration was penny-wise and pound-foolish. The CDS payback brought our Treasury about $105 million. But the defaults which were caused by the introduction of these new ships cost the Federal Government $179 million. This irresponsible policy has resulted in the loss of $74 million to the Government.

Mr. Chairman, as a member of the Subcommittee on Merchant Marine, I am proud that we in Congress are doing something to maintain the viability of this legislation.

□ 1415

MODIFICATION OF AMENDMENT OFFERED BY MR. KASICH

Mr. KASICH. Mr. Chairman, I ask unanimous consent that the $100 listed in the amendment be stricken and in its place, $1,000 inserted.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the modification, as follows:

Modification offered by Mr. KASICH: In line 7 of the amendment strike out the figure "$100" and insert "$1,000".

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentleman from Ohio [Mr. KASICH].

The amendment, as modified, was agreed to.

AMENDMENT OFFERED BY MR. KASICH

Mr. KASICH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KASICH: Add at the end the following:

SEC. 5. COMPLIANCE WITH FEDERAL EMPLOYEE AWARDS PROGRAM BY MARITIME ADMINISTRATION AND FEDERAL MARITIME COMMISSION.

(a) ANNUAL REPORT TO OPM.—

(1) IN GENERAL.—The Administrator of the Maritime Administration and the Chairman of the Federal Maritime Commission shall each prepare and transmit to the Office of Personnel Management on an annual basis a report on how the provisions of sections 4501 through 4506 of title 5, United States Code (including any regulations thereunder), are being carried out by the Maritime Administration and the Federal Maritime Commission, respectively.

(2) CONTENTS.—A report under this subsection shall include, for the period covered by that report—

(A) the number of cash awards made by the agency under the provisions of law referred to in paragraph (1), and the amount of each such award;

(B) if no cash award was made, a statement of the reasons why no such award was made, particularly any difficulties which the agency may have encountered with respect to carrying out the provisions of law referred to in paragraph (1);

(C) a statement of any measures taken, or proposed to be taken, by the agency in order to overcome any difficulties identified under subparagraph (B); and

(D) any other information which the Office may require in preparing a report under subsection (b).

(b) ANNUAL REPORT OF OPM.—

(1) IN GENERAL.—The Office shall, on an annual basis, transmit to the Committee on Post Office and Civil Service of the House of Representatives, the Committee on Governmental Affairs of the Senate, the Administrator of the Maritime Administration, and the Chairman of the Federal Maritime Commission, a report under this subsection. The report shall include—

(A) the name of any of such agencies which either did not make any cash award during the period covered by the Office's report (including any explanation given by the agency) or did not submit a report under subsection (a) with respect to the period involved;

(B) a description and evaluation of the manner in which sections 4501 through 4506 of title 5, United States Code, are being carried out by each of such agencies; and

(C) recommendations for any legislation or administrative action which may be necessary in order that such sections may more effectively be carried out by such agencies.

(2) PUBLICATION IN FEDERAL REGISTER.—Any information included in a report under subsection (b)(1)(A) shall be published in the Federal Register.

Mr. KASICH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mrs. SCHROEDER. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentlewoman from Colorado [Mrs. SCHROEDER] reserves a point of order against the amendment.

The gentleman from Ohio [Mr. KASICH] is recognized for 5 minutes on his amendment.

Mr. KASICH. Mr. Chairman, I appreciate the gentleman from California and the gentleman from New York giving me the opportunity to address this.

This amendment also is part of a comprehensive effort to restore some real efficiency and imagination to the Federal Government. In 1954, we created the Government Employees Incentive Awards Act. What that program did was to establish funds for awarding public employees who develop good ideas that can help make the Federal Government work more efficiently and more effectively.

Since that time, we have asked for a review by the GAO to determine how this program has been utilized, and in some areas of the Federal Government, it has worked very well. But I must tell you that those areas of the Federal Government where it works well is very few and far between.

In fact, it is estimated by the GAO that in fiscal year 1985, 32 Government entities had no program whatsoever. In terms of the Federal Maritime Administration and the Federal Maritime Commission, in 1984, they received 3 suggestions, total, out of 233 people in that agency. Two of them were adopted and they have estimated that they have received no benefit from the adoption of those two suggestions.

In 1985 and 1986, there were no suggestions made by the employees of the Federal Maritime Commission. In the Federal Maritime Administration, in 1984, there was one suggestion that was made by an employee within the Federal Maritime Administration. In 1985, there was one, and in 1986, there were two. The number proposed per 100 is so miniscule, it does not even really merit mentioning.

However, within the Department of the Air Force, within the Pentagon, of all places where we wonder about getting employees' suggestions used in order to better the operation of Government, there were 16.4 suggestions per 100. There were 8,974 suggestions adopted at an estimated savings of $71 million.

The State Department, in contrast, received 0.13 suggestions per 100 employees during that same year, adopted 1 and reported no measurable benefits.

As I already pointed out, 32 Government entities have no program whatsoever. Now when you take a look at how effective this thing has been we found that in fiscal year 1985, 39 agencies reported first-year measurable benefits from their suggestion programs, totaling $209 million. That is almost a quarter of a billion dollars that has been saved by giving employees incentives and rewards for coming up with unique ideas.

A May 1986 report by the Merit System of the Protection Board found that we are not only going to save money, but there are an awful lot of intangible benefits from this program, like enhanced employee morale.

What the amendment does is it is an attempt to force the entities of Government, the departments, agencies, the bureaus, commissions, to actually report to the Office of Management and Budget on the status of these programs, how many awards they have given out, if they have given no awards out, why they have not given any out, what they are doing to try to enhance their programs, what they are trying to do to overcome laws or statutes or regulations that may get in the way of the program that rewards good work by Federal employees.

I think it makes sense that we lock this into every Federal entity that is out there, the idea of suggestions; the idea of performance awards is another area where we need to look and we will have more to say on that later.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. KASICH] has expired.

(On request of Mrs. SCHROEDER and by unanimous consent, Mr. KASICH was allowed to proceed for 5 additional minutes.)

Mr. KASICH. Mr. Chairman, I yield to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, I want to congratulate the gentleman from Ohio on this amendment. It is absolutely so important that we focus attention on incentive awards.

The gentleman is right. One of the big mistakes we constantly make is there are not any good-guy bonuses; we are only sitting there lurking in the bushes to chop off the heads of the bad guys. There is also no one who knows better the problems of different programs, waste or anything else, cost savings, than the people who are running the programs. Yet, if they are not being rewarded for this, then why in the world are they going to do it?

The gentleman is absolutely correct, and as the chairwoman of the Civil Service Committee, I would love to make a deal with the gentleman to give him hearings on the bill because he has done such a good job with the GAO report, move forward on it, and extend this to all agencies, which I think is what the gentleman really wants to do anyway and I really want to compliment him on it. I think that that is really how we could progress.

I hope I can convince him to do that.

Mr. KASICH. Mr. Chairman, I will obviously agree with the request of the gentlewoman from Colorado, and while we are passing around compliments, I want to give her a big one because there has been no one in this House who has been more interested in morale of Federal employees than the gentlewoman from Colorado.

I have been very interested in her legislation. In fact, I strongly supported her efforts to try to protect people in the Federal Government who want to blow the whistle on problems in the Federal Government and not lose their jobs.

I may say that I think this goes right in line with those efforts to boost morale in the Federal sector and if we can convince employees that if they have good ideas and they have done it in the Air Force, if they have good ideas, they are going to be implemented and they are going to be rewarded for it. At the same time, the taxpayers are going to make out very, very well.

I would agree to withdraw my amendment and would look forward to the time when we could have some hearings on this matter.

Mrs. SCHROEDER. Mr. Chairman, if the gentleman will yield further, I want to thank him for agreeing to withdraw. The gentleman has been very concerned about competitiveness about the private sector, about the whole range of things.

We all know that the chairman of General Motors does not go around saying, "You would not believe what a bunch of good-for-nothings work for me," because nobody would buy their cars. Yet, at some time, we keep doing that with Federal employees.

I am really pleased that the gentleman wants to move on this positive approach and I pledge to work very hard with him.

Mr. KASICH. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

□ 1425

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. OBEY] having assumed the chair, Mr. WHEAT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 953) to authorize appropriations for fiscal year 1988 for certain maritime programs of the Department of Transportation and the Federal Maritime Commission, pursuant to House Resolution 178, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair will now put the question on the motion to suspend the rules on which further proceedings were postponed on Monday, June 1, 1987.

The vote will be taken on H.R. 1444, by the yeas and nays.

MEDICARE AND MEDICAID PATIENT AND PROGRAM PROTECTION ACT OF 1987

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 1444.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. STARK] that the House suspend the rules and pass the bill, H.R. 1444, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 402, nays 0, not voting 30, as follows:

[Roll No. 159]

YEAS—402

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Archer
Armey
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior (MI)
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Daniel
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Manton
Markey
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli

McCloskey
McCollum
McCurdy
McEwen
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Penny
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell

Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe

Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)

NOT VOTING—30

Annunzio
Aspin
Bevill
Boner (TN)
Bonker
Chappell
Dixon
Ford (TN)
Gephardt
Ireland
Kemp

Leath (TX)
Lipinski
Marlenee
McCandless
McDade
McGrath
Meyers
Mrazek
Pepper
Ray
Roberts

Roemer
Rogers
Smith, Denny (OR)
St Germain
Tauzin
Torres
Wilson
Young (FL)

□ 1440

Mr. HENRY and Mr. HASTERT changed their votes from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1455

PERSONAL EXPLANATION

Mr. HENRY. Mr. Speaker, I appreciate the extraordinary courtesy.

Mr. Speaker, I feel it incumbent upon me just to advise many of my colleagues of a very deep concern that many of us had in conjunction with the previous resolution. We voted obviously unanimously for this resolution, and for good reason. Clearly the public purse ought not to be paying for fraudulent claims. Clearly we ought to protect our seniors against unscrupulous medical practice.

However, I should point out that because of some of the inadvertent consequences of the continuing resolution passed last year pertaining to the capitation of medical services provided by way of nonparticipating physicians in the Medicare system, that it potentially puts under a cloud a number of physicians I think inadvertently through this resolution, and I can only hope that as the resolution moves on to the Senate, we would seek to fine tune it to address this very critical issue.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mrs. Emery, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On April 24, 1987:

H.R. 1123. An act to amend the Food Security Act of 1985 to extend the date for submitting the report required by the National Commission on Dairy Policy.

On May 7, 1987:

H.R. 14. An act to designate certain river segments in New Jersey as study rivers for potential inclusion in the national wild and scenic rivers system; and

H.R. 1963. An act to amend the Surface Mining Control and Reclamation Act of 1977 to permit States to set aside in a special trust fund up to 10 per centum of the annual State funds from the Abandoned Mine Land Reclamation Fund for expenditure in the future for purposes of abandoned mine reclamation, and for other purposes.

On May 8, 1987:

H.R. 240. An act to amend the National Trails System Act to designate the Santa Fe Trail as a National Historic Trail.

On May 14, 1987:

H.J. Res. 67. Joint resolution to authorize and request the President to issue a proclamation designating May 3 through May 10, 1987, as "Jewish Heritage Week."

On May 15, 1987:

H.R. 2360. An act to provide for a temporary increase in the public debt limit.

On May 21, 1987:

H.R. 1941. An act to repeal and amend certain sections of the Powerplant and Industrial Fuel Use Act of 1978.

On May 23, 1987:

H.J. Res. 290. Joint resolution designating May 25, 1987, as "National Day of Mourning for the Victims of the U.S.S. Stark."

On May 27, 1987:

H.R. 1157. An act to provide for an acreage diversion program applicable to producers of the crop of winter wheat harvested in 1987, and otherwise to extend assistance to farmers adversely affected by natural disasters in 1986.

On May 29, 1987:

H.J. Res. 270. Joint resolution to recognize the one hundred and twenty-fifth anniversary of the U.S. Department of Agriculture.

On June 1, 1987:

H.R. 1085. An act to amend title 38, United States Code, to make permanent the new GI bill education assistance programs established by chapter 30 of such title, and for other purposes.

REQUIRING A REPORT ON SECURITY ARRANGEMENT IN THE PERSIAN GULF

Mr. FOLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2533) to require a report on security arrangements in the Persian Gulf.

The Clerk read as follow:

H.R. 2533

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That within seven days after the enactment of this Act, the Secretary of Defense shall submit a report to the Congress, in appropriate classified and unclassified form, which includes a plan which fully meets the security needs of our forces, in conjunction with the forces of our friends and allies in the Persian Gulf region, and specifically addresses, at a minimum—

(1) an assessment of the threats to American forces, to Kuwaiti interests and shipping, and otherwise impacting on the interests of the United States and its friends and allies in the Persian Gulf region;

(2) the Rules of Engagement, alert status, and readiness conditions under which our military forces will operate in the Persian Gulf, and when such conditions will be in force; and

(3) cooperative arrangements entered into, being negotiated, or contemplated with our European allies with a stake in the Persian Gulf, who have forces deployed or planned for deployment in the Persian Gulf region, and with states littoral to the Persian Gulf for a shared security system, including provision for air cover of those forces.

The SPEAKER. Pursuant to the rule, a second is not required on this motion.

The gentleman from Washington [Mr. FOLEY] will be recognized for 20 minutes and the gentleman from New York [Mr. GILMAN] will be recognized for 20 minutes.

PARLIAMENTARY INQUIRY

Mr. ROTH. Mr. Speaker, I have a parliamentary inquiry. I ask for recognition. I am opposed to the bill and am a member of the committee.

The SPEAKER. Is the gentleman from New York [Mr. GILMAN] opposed to the bill?

Mr. GILMAN. No, Mr. Speaker, I am in support of the bill, and I ask for recognition, Mr. Speaker, and I am a member of the committee.

The SPEAKER. The gentleman from Wisconsin [Mr. ROTH] qualifies.

The gentleman from Washington [Mr. FOLEY] will be recognized for 20 minutes and the gentleman from Wisconsin [Mr. Roth] will be recognized for 20 minutes.

Mr. FOLEY. Mr. Speaker, in view of the interest in this particular suspension, I ask unanimous consent that the time be expanded from 20 minutes on each side to 40 minutes on each side.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

Mr. LEACH of Iowa. Reserving the right to object, Mr. Speaker, is that to be divided between pro and con equally?

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. LEACH of Iowa. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding.

Mr. Speaker, under the rules I believe that if there is no opposition to the bill, a Member opposed to the bill may claim one-third of the time available.

Mr. Speaker, I ask unanimous consent that the time be divided, 30 minutes to myself, 30 minutes to the gentleman from New York [Mr. Gilman], and 30 minutes to a member recognized as opposed to the proposal.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

Mr. ROTH. Mr. Speaker, that hardly seems equitable or fair. I think that it should be half for those Members in favor and half for those Members opposed to it. This is a very serious situation, Mr. Speaker. We are not playing games here; I think that the Members who are opposed to this bill have a right to have their day in court also, and we can only do that if we have equal amounts of time.

Mr. FOLEY. Mr. Speaker, the gentleman from Wisconsin [Mr. Roth] did not claim the time available to him under the rules at an appropriate time, and it was not timely made. The gentleman is not entitled to any time; I am trying to accommodate him, and he is not willing to be accommodated.

The SPEAKER. According to the Chair's understanding, the gentleman from Wisconsin [Mr. Roth] was on his feet seeking recognition, and the Chair rules that the gentleman from Wisconsin made his request in a timely way.

The gentleman from Washington [Mr. Foley] asks unanimous consent that the time may be divided in three ways.

Mr. FOLEY. Mr. Speaker, if the gentleman from Wisconsin is recognized in opposition to the bill, I have no objection to his having control of half the time.

Mr. ROTH. I am opposed to the bill. Thank you, Mr. Speaker.

Mr. GILMAN. Mr. Speaker, may I suggest that since there is opposition on both sides, that we divide the time equally on both sides of the aisle, for both opposition and support?

The SPEAKER. Is the gentleman making a unanimous-consent request, or simply asking in a sense of colloquy for some gentleman's agreement prior to agreeing to the unanimous consent?

Mr. GILMAN. I am asking first of all, Mr. Speaker, if the majority leader would agree to that arrangement.

Mr. FOLEY. I do not understand the gentleman's proposal. Perhaps he would restate it.

Mr. GILMAN. I am suggesting that half of the gentleman's time be divided between those in support and those in opposition, and that our time be divided equally on this side.

The SPEAKER. The Chair suggests that the House must proceed in regular order. What the gentleman from New York suggests would come in the nature of a gentlemanly agreement on his side.

The Chair rules that unless objection is heard to the expansion of time as requested by the gentleman from Washington to accommodate 40 minutes to each side, the gentleman from Washington [Mr. Foley] shall have 40 minutes and the gentleman from Wisconsin [Mr. Roth] shall have 40 minutes, and it would be presumed that they might in good conscience divide such time with other Members as they might be constrained to do.

Is there objection to the request of the gentleman from Washington [Mr. Foley] that time be extended to encompass 40 minutes to each side?

There was no objection.

The SPEAKER. The gentleman from Washington [Mr. Foley] will be recognized for 40 minutes and the gentleman from Wisconsin [Mr. Roth] will be recognized for 40 minutes.

The Chair recognizes the gentleman from Washington [Mr. Foley].

Mr. FOLEY. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, this resolution is introduced by myself and the Republican leader, the gentleman from Illinois [Mr. Michel], under conditions which have been somewhat misinterpreted by commentators and, I must say, by some Members.

Let me make it perfectly clear that the intent of this resolution is not to give the administration any advance permission to carry out any policy of reflagging or providing escort or convoy protection to any vessel in the Persian Gulf or anywhere, for that matter. Instead, its purpose is a very simple one: to require a report on certain proposed actions in the Persian Gulf.

It is, as it says on its face, simply a command to the Secretary of Defense to provide certain information on proposed actions within the Persian Gulf. That is the beginning and the end of it. Suggestions that this resolution is somehow an advance permission, a sort of Gulf of Tonkin resolution, saying "Do what you want in the Persian Gulf" are totally, absolutely wrong and have no merit whatever.

□ 1505

The administration has been told that and is being told that by this debate today.

The resolution does not, I repeat, does not, give any permission to the administration to do anything.

Second, it does not take the place of any other existing law, specifically the War Powers Act, and does not diminish or substitute for the War Powers Act in any way.

Third, it does not inhibit any committees or Members of the House from asking additional information nor does it bind this House to any previous agreement to do anything or avoid doing anything. It is merely a demand for information which we believe should be had in hand in order to carry on the constitutional consultative obligations and powers of the Congress.

To vote against this resolution would in effect to say that we do not want the administration to provide that information, that the Members do not want the information in hand. That is all a no vote does.

A yes vote simply says to the administration that it must send the Members in an expeditious way this information which we then will be able to use in carrying out the constitutional consultative powers of the Congress.

Mr. DELLUMS. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. Mr. Speaker, I yield to the gentleman from California [Mr. Dellums].

Mr. DELLUMS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I tried to listen carefully to the gentleman from Washington [Mr. Foley], the distinguished majority leader, the assertion of the gentleman; and the question I would ask, if it is simply a question of obtaining information, why has this request for information been lifted to a level of resolution as opposed to, say, the Committee on Armed Services and/or the Committee on Foreign Affairs request for this information? Why has it been lifted to a level of floor action?

Mr. FOLEY. It is to give significance to the possible circumstances surrounding the action that might be taken in the Persian Gulf. Because it is a very important matter we thought the demand would heighten the concern of the Congress being expressed by this resolution.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. Mr. Speaker, I yield to the gentleman from New York [Mr. Solomon].

Mr. SOLOMON. Mr. Speaker, I am trying to support the resolution, because I understand what the gentleman from Washington is saying.

I had some concerns about it because of the intent of the sponsors bringing the legislation before the House, because I felt that the Members were trying to insert themselves into the foreign policy which I felt the President should carry out.

But in reading the language, the language seems to do what the gentleman is saying.

The Members on this side, some of the Members, have one concern; and that is on line 3 of the second page, it talks about the rules of engagement. We are concerned about that in that, I could support this resolution, if that meant defining the rules of engagement as opposed to describing the rules of engagement.

The simple reason is if we are going to have to retaliate against either a missile or a plane or a country, we certainly do not want to telegraph what we are going to do.

Mr. FOLEY. Mr. Speaker, I understand the concern of the gentleman from New York; however, the resolution contains a provision in the first paragraph that says "* * * inappropriate and classified and unclassified form * * *."

It is not our intention to make public all the possible circumstances of rules of engagement, but it is important for the appropriate Members of Congress to know what is being anticipated.

Mr. SOLOMON. Mr. Speaker, if the gentleman will yield further, the gentleman is not requiring then the administration to spell out the total rules of engagement and what they would do, but requiring that they give in writing in a classified document a definition of rules of engagement.

Is that the legislative intent?

Mr. FOLEY. Mr. Speaker, that is correct.

Mr. SKELTON. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. Mr. Speaker, I yield to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Speaker, I thank the gentleman for yielding.

I have been listening to the debate and the colloquies quite carefully, and I have a copy of the proposed resolution in front of the Members. It is much ado about nothing.

I see no problem with it whatsoever, so I do not see what the objections to it might be.

It is merely a request for the 3 itemizations that are set forth. I see no problems whatsoever, and I do not see why any objections should come from any part of this body.

Mr. FOLEY. Mr. Speaker, my time has expired; and we have a limited time. Perhaps we could have an exchange of time?

The SPEAKER. The gentleman from Washington [Mr. FOLEY] has consumed 5 minutes.

Mr. ROTH. Mr. Speaker, I yield myself such time as I may consume.

This resolution can be interpreted as congressional consent to any action taken, or action that may be taken, as it relates to the Persian Guld. To be more specific, I think there is a better approach than congressional passage of this resolution. If Congress needs information, or if Congress needs additioal information, let Congress send a letter. If Congress needs additional information, let Congress make an appropriate telephone call. If Congress needs information, let us have the appropriate Cabinet officer and the appropriate administration representatives come before Congress. This resolution is not a wise course of action because this resolution puts congressional fingerprints on the action now being undertaken in the Persian Gulf.

I fear America may become involved in the Iran-Iraq war. That is a development we in this Congress must guard against. There may be other resolutions. But this resolution is the flagship of all resolutions. This is the resolution that leads us into the Persian Gulf Conflict.

At best, at best, the Persian Gulf is a snake pit. And we are going to be bitten.

A history profession at Marquette University, Father Rayfield Hamilton, said that the only thing we learn from history is that we do not learn from history. We in this House do not learn from history. I plead with the Members to re-read and to rethink this resolution. This vote is one that Members may well recall 10, 15, 20 years from now and say to themselves: "I wish I had that vote to cast over again." The proponents of this resolution would lead you to believe that America has nothing to fear in the Persian Gulf. Yet, more than 400,000 people have already been killed in the Iran-Iraq War.

Our Assistant Secretary of Defense, Mr. Armitage, said, and I quote: "There is a risk, a very real risk, in putting our Navy into the Persian Gulf." In 1984, 30 ships were hit. In 1985, 50 ships were hit. In 1986, 102 ships were hit. In 1987, so far this year, 47 ships have been attacked and hit. Think about it. If one missile, only one missile, hits one of our ships or a Kuwaiti tanker that carries our flag, we could well be at war.

The United States only receives 6 percent of the oil that comes from the Persian Gulf states. Only 6 percent. But, 35 percent of European oil comes from the Persian Gulf. Yet you do not see the Europeans rushing into the Gulf with their military might. Over 60 percent of the Japanese oil comes from the Persian Gulf yet you do not see the Japanese rushing helter skelter into the Gulf. Why is it always the United States that has to carry the entire burden?

We in this Congress have the ultimate obligation. We must review this resolution very carefully. The ultimate responsibility does not lie with the editorialists. It does not lie with the media. No, it lies with us here in Congress. We are the representatives of the American people. The young people who serve in our Armed Forces are under our trust and confidence. We cannot betray the trust and confidence that the American people have placed in us.

I respect my leadership, too. But I am not going to vote for this resolution because of what may well stem from it.

Let us review some of the arguments put forth by the proponents. They say that the Soviets are moving into the Persian Gulf. So what? Are we like Pavlov's dog, that we mindlessly rush in with our military might at the first sign of a Soviet? We must remember that the Persian Gulf is 7,000 miles from our shores. Let the Russians dive into the snake pit. Let the Russians get bit. If the Russians think they have a headache in Afghanistan, let them move into the Persian Gulf. That will give them a real migraine.

The proponents also put forth the argument that we, by moving into the Persian Gulf with our military power, are better able to bring a negotiated settlement to the Iran-Iraq conflict. Let's analyze that argument. The war in Nicaragua, the conflict in Nicaragua, has been going on about as long as the war in the Persian Gulf. Nicaragua is on our doorstep. Have we been able to resolve that issue by negotiation?

But now we are told by the proponents that we are going to go 7,000 miles and we are going to intervene in that heated war and that we are going to be able to resolve that issue. Think about it my friends.

This resolution is fraught with danger. As our Under Secretary of Defense Mr. Armitage said, we want no victor. That is what the Assistant Secretary of Defense said, "We want no victor. We cannot stand to see Iraq defeated."

Do my colleagues really want to intervene on one side or the other in this brutal conflict? The tankers carrying the American flags are going to bring arms materiel. They are already doing that in Kuwait. From there it will be transported to Iraq. This action will force Iran to attack us, and then of course we are at war.

Not so many weeks ago, we were told that we have to open avenues to the moderates in Iran, so we were selling weapons to that country. Now we are selling weapons to Iraq. There is no rhyme or reason to this policy.

I plead with my colleagues to analyze this resolution very carefully. I plead with you to consider carefully your action and your vote. The Persian Gulf is a powder keg and we must recognize that fact.

Another argument put forth by the proponents is that we must keep the oil flowing from the Persian Gulf States. This is true. However, we must recognize that only 6 percent of the oil from the Persian Gulf States comes to the United States. The Europeans and the Japanese receive a much greater percentage of the oil from the Persian Gulf, and it is only fair that we ask them to share in the burden. We are told that we have to keep the oil flowing because we need gasoline for Sunday drives. Do my colleagues mean to tell me that the American people are going to put our best young men and women's lives in jeopardy so that we can have enough gasoline for a Sunday drive?

What will be our response if an American is killed by a Silkworm missile? The Silkworm missile is supplied by China. We have repeatedly asked the Chinese not to sell the Silkworm missile to Iran, but they have responded by thumbing their noses at us. What course of action is that going to lead to between the Chinese and us? These are questions, my friends, we must ask ourselves, with frankness and candor.

The issue must be raised concerning our servicemen and women. How will this action in the Persian Gulf affect them? These brave men and women are under our care, under our trust. We are going to ask them to maintain a state of readiness that will be impossible for them to maintain. After all, they and their equipment have to respond when challenged within a 2-to-3 minute period of time. There is no way to keep equipment at that state of readiness. There is no way for a serviceman or women, no matter how excellent and well trained and disciplined, to maintain that state of readiness. We are going to have tremendous burnout with our pilots and with the people in the gulf. There is also another issue dealing with the commanders. This is not fair to the commanders of the various vessels. If they respond within an appropriate period of time our Nation may well be at war. If they do not respond immediately, they could lose many people under their command.

Another issue we want to consider is that we are often admonished that the Congress is not spending enough on military preparedness. I ask this question. How much is commitment in the Persian Gulf going to cost the American taxpayer? About $11 million a day equals some $4 billion a year. Let us keep that money here at home. If we need it for the military, it can be better spent on our military than on piddling it away in the Persian Gulf.

It is in the American spirit to be brave. But it is no in the American spirit to be foolhardy. All too often over the last number of years America has been foolhardy. And we have paid a heavy price. America's young people have paid a heavy price. And the American taxpayer has also borne a heavy burden.

Let us call for an international ban on arm sales to Iran and Iraq. That would be a more plausible approach. We have a commitment in the Persian Gulf, yes. But we already have six ships there. We do not want to increase our commitment. A larger commitment, more and more vessels in the Persian Gulf, means that there is that much more of a chance for a confrontation. We want to keep America out of war. We are already heavily committed with our six ships in the Persian Gulf. This is not our war unless we make it our war. We in the Congress have the power to stop it or to aggravate the situation. And I ask you to make a commitment to a lower profile in the Persian Gulf. That's why I'm asking you today to vote against this resolution. The Europeans and the Japanese should have a major commitment. But at the present time their commitment is very small. We should not reflag the Kuwaiti tankers.

I think we do not want to fan the flames of war in the Middle East. The Iran-Iraq war is not our business. I ask you, my friends, to take a look at this resolution. On the face of it, it looks like a very innocent resolution. And it only asks for information. If we only want information, then let us ask for information through the appropriate channels. Let us not pass this resolution. Our actions and our votes do have consequences. And I plead with you, my colleagues, to vote against this resolution.

The SPEAKER. The gentleman from Wisconsin [Mr. ROTH] has consumed 9 minutes.

Mr. FOLEY. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. LANTOS].

Mr. LANTOS. Mr. Speaker, I want to congratulate my friend and colleague, the gentleman from Wisconsin [Mr. ROTH] for speaking eloquently against a resolution which is not before this body. As the first Member of Congress to speak out against the reflagging of Kuwaiti vessels, I want to advise my friend that he does not understand what is before this body.

This body is dealing with a request to the administration to provide information to Members of Congress so they can intelligently make up their minds whether they approve of the administration's policy, which is as yet unclear, or not.

□ 1520

We are not now debating the wisdom of the policy of reflagging Kuwaiti ships. I personally have the gravest reservations about the wisdom of that policy. Were we to proceed along those lines we would become a party to the Iran-Iraq war. We would give Japan and Western Europe a free ride while the American Navy protects the vessels that deliver petroleum to the factories of Japan.

This afternoon I am introducing a resolution calling for prior congressional approval of any reflagging in areas of actual or potential hostilities. That will be the legislation on which to take a stand with respect to policy. There are many of us who feel that the War Powers Act should be invoked. That will be the issue to talk about policy. Here, we are merely requesting the administration to provide Congress with information so our final policy decision will be an informed one.

I want to commend the distinguished majority leader, Mr. FOLEY of Washington, for bringing this important legislation before us and I strongly urge all of my colleagues, whether they support the administration's policy or oppose it, to approve this resolution so we will have the information on which to base intelligent decisions.

I yield back the balance of my time.

Mr. ROTH. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Illinois, leader on our side, Mr. MICHEL.

Mr. MICHEL. Mr. Speaker, let us face it. This resolution is before us today because of action taken over in the other body by way of an amendment to a supplemental appropriation bill, the language of which read initially that prior to the implementation of any agreement between the Governments of the United States and Kuwait, for United States military protection of Kuwaiti shipping, the Secretary of Defense shall submit a report to the Congress, so on and so on and so on. When the leadership was being briefed by the Secretary of Defense and Mr. Carlucci last week, the subject of that amendment was broached and we inquired of the Secretary what language in lieu of the kind that passed the Senate by a rather overwhelming margin would be acceptable. And what we have done to that amendment is in the form of this freestanding resolution that within 7 days after the enactment of this act, "the Secretary of Defense" shall so on and so on and so on. The Secretary, being there, had no objection to that kind of language nor did the National Security Adviser, Mr. Carlucci.

Now, Mr. Speaker, I think it well to point out here that in his State of the Union message back in 1980, President

Jimmy Carter, in speaking of the grave threat to the free movement of Middle East oil said and I quote:

> Let our position be absolutely clear: an attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States of America and such an assault will be repelled by any means necessary, including military force.

Now, President Carter's commitment to open sea lanes and accessible oil was a commitment with risk, big risk at that time and I do not recall all that many individuals in this body or the other questioning the risk, because the risk then was only implied in the rhetoric of our former President. And I do not remember particularly the Democratic leaders in the House raising up their voices in alarm over a Carter oil doctrine which could have at that time conceivably plunged us into war. But now when the time comes to put our resolve where Mr. Carter's rhetoric was, suddenly the leadership develops a profound curiosity about every miniscule detail of Presidential intent.

Now, let us get a few basic points clear right away. The House has every right to want to know all it has asked for in this resolution. Our oversight responsibility demands it. But the proper way to perform that oversight function is by staying on top of situations before they develop and as they develop, not just after a crisis as was the case with the U.S.S. *Stark*.

I support every legitimate effort of the House to get information through its properly constituted channel. The subcommittees, committees, leadership meetings with the President. But we have failed to do this in the case of the Mideast. I hope this crisis reminds us that if we want to be partners in foreign policy we have to live up to our responsibility then, too. Micromanaging is bad enough but when we come in too late, it looks like micromeddling. The question of placing Kuwaiti ships under American flag with American protection is fraught with peril, no question about it. Peril lies wherever we look in the gulf or in much of the world for that matter. But there are grave, long-range risks in abandoning the gulf and I believe the interests outweigh those we might entail by staying there despite the obvious danger.

So, I support President Reagan as he directs our foreign policy toward living up to our commitments in the Middle East.

One final word: our alliance with our European and Japanese allies is one of risk as well as reward. Our allies should understand that the American people expect those who benefit most from Mideast oil must share proportionately in the risk of protecting it. And, indeed, I believe we have to go beyond this gulf crisis. After more than 40 years we have reached the time when the premises upon which the alliance we originally built are due for reexamination. We must have such an alliance, but from now on it is going to have to reflect the realities of the 1980's, not the 1950's. And the Persian Gulf is the place to begin.

Mr. FOGLIETTA. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. Obey].

Mr. OBEY. Mr. Speaker, I would like to respectfully disagree with my colleague from Wisconsin who did give a fine speech, but who, I believe, gave it against the wrong resolution.

I am going to support this resolution because I do not agree with the administration's proposal in the Persian Gulf, at least as it has been explained to me. When Secretary Shultz called me Friday in the supposed process of consulting, I told him that I had grave doubts about the reflagging operations going on. Based on the questions that I asked, I am even more dubious about that plan than I was when I first heard about it. But I think this resolution serves a useful purpose.

What this resolution says to the administration is this: "Since you are contemplating a serious act in the Persian Gulf, give us your plan within 7 days to tell us what your plans are for fully meeting the security needs of our forces in conjunction with the forces of our friends and allies in the region." We need to know that. The administration needs to rethink that.

It also says, "Before you go ahead, tell us what your assessment is of the threats to American forces, to Kuwaiti interests and shipping and other impacts on the United States interests in that region."

It says, "Before you go ahead, tell us what the rules of engagement are going to be, tell us what the alert status, readiness conditions will be under which our military forces will operate in that area."

It also says, "Before you go ahead, tell us what cooperative arrangements are being entered into with our allies." I have to tell you what is essential. When I talked to the Secretary of State Friday and when I asked what we had specifically asked our allies to do in this situation, I frankly could not tell from the answer what we were asking our allies to do. I do not think we know at this point what we are asking our allies to do and for that reason I think it is very important that the questions in this resolution be raised.

I do not want our troops to be in the position they were in in Lebanon just a few short years ago where they could not shoot and could not leave. So it seems to me it is a gross misreading of this resolution to suggest that it, in any way, endorses the policy that seems to underlie administration actions in the Persian Gulf.

This Member who intends to vote for this resolution in fact, does not share a positive assessment of the administration's policy. I am not convinced at all that the administration has thought through what they intend to do. I think this is one device which can force the administration within a week's time to think through again all of these questions before they proceed. I would also suggest that the Congress has before it other opportunities to raise questions about that policy, which I think we ought to do. Because from what I can gather of the administration's description of their policy, the administration's action represents the first action which they are taking to try to recover from mistakes made in providing aid to Iran in the first place. I think they are going down the wrong path. I think this resolution slows them down, it does not speed them up.

Mr. ROTH. Mr. Speaker, I yield 4 minutes to the gentleman from Iowa [Mr. Leach].

Mr. LEACH of Iowa. I thank the gentleman for yielding.

Mr. Speaker, it strikes me what is at issue today is procedure as well as policy. There is nothing wrong with the requests contained in this bill. The question is why elevate them to a function of law?

Congress is stooping to demand by statute what the administration should do by second nature, either as a function of judgment or as a function of law.

The judgment that should apply is obvious. If it wants to have a bipartisan, bicameral policy, the administration should not honker down and run an imperial foreign policy.

The law that should apply is equally obvious: the War Powers Act. Despite denials by the distinguished majority leader, this bill implicitly authorizes the administration to report to Congress under a lesser, more mundane, if not somewhat sniveling statute. Hostilities are not only imminent in the Perisan Gulf, they have taken place. We have been involved in conflict. Thirty-seven Americans have been killed. The administration has the responsibility to report under the War Powers Act.

There are differences in Congress as within the American people on what is the best approach to take.

I sense, however, there is a consensus on some issues. Americans do not want to cut and run from the Persian Gulf. They also do not want a reflagging of vessels that implies choosing sides in a conflict that begs neutrality. The case for allowing our Navy to be held hostage in the Persian Gulf as the Foreign Service was in Tehran, as our Marines were in Beirut, is simply uncompelling.

What seems to be lacking at this time is not only a sense of strategy, but a sense of history. The administration seems to be saying as one critic from the State of Iowa recently put it, that the reason we fought World War II was to assure the right of the United States to fly our own flag over Kuwaiti tankers so that Germany and Japan will be assured of oil so that their business can continue to put our business out of business. That is nuts.

Let us protect our merchant marine; let us provide air cover to keep the straits open; but let us not allow our Navy to become like ducks in a shooting gallery by accepting rhetorical obligations that cannot be matched by strategic capacity.

Mr. FOLEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. I thank the distinguished majority leader for yielding time to me.

Mr. Speaker, the issues related to our involvement in the Persian Gulf fall within the jurisdiction of the Armed Services Committee. The Members should be aware that the committee has started an inquiry into both the U.S.S. *Stark* incident and the broader questions raised by U.S. involvement in the Persian Gulf. This inquiry is being conducted jointly by our Investigations Subcommittee, chaired by Representative BILL NICHOLS, and the Defense Policy Panel, chaired by LES ASPIN, of which I am the senior Democrat.

The resolution under consideration today is a good first step. It doesn't commit the Congress in any way. It does not waive the War Powers Act. It is clear we need more information and, in my view, the critical issue is what is the policy we are establishing for this region and what responsibilities are that we are assuming.

As important and tragic as the attack on the *Stark* was, the larger issue is what U.S. policy in the Persian Gulf is and will be.

The world has changed greatly since 1949 when ships of the U.S. Navy first came to the Persian Gulf to stay. Presumably, the reasons why we keep them there have also changed.

After the tragic *Stark* incident, the Persian Gulf is not Lake Michigan. It appears the President still does not recognize the danger. What does the President intend to do there from now on? We need to understand his decision to reflag the 11 Kuwaiti tankers and escort them with U.S. naval ships. We need to understand the risks this will involve, and we need to think about what we will do if those convoys are attacked.

We also need to think about why this burden should apparently fall entirely on us, rather than on our friends who depend so much more on Persian Gulf oil than we do. If it has not already, that question will surely occur to the American people, especially if there are more U.S. casualties.

But on the other hand, we need to think just as carefully about the consequences if we were to shirk this role and simply pull out. There may not be lines at the gas stations now, but the current glut of oil will not last forever. And it takes no great student of history to recognize Soviet meddling in the Middle East and the traditional Russian goal of access to warm water ports.

Therefore, over the next few weeks, the Armed Services Committee will be looking not only into the *Stark* incident itself, but into this critically important part of our national security policy. These are not easy issues, and there are perils in almost any course we might undertake. But we must face these issues now lest we embark on a course with potential consequences far more tragic than the attack on the *Stark*.

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Mr. ROTH. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN] who has done such a magnificent job on the Foreign Affairs Committee.

Mr. GILMAN. Mr. Speaker, I rise to express my support for this legislation; however, I also want to express my concerns with some of the ramifications of our gulf policy.

It is evident that we cannot protect gulf shipping unless we can protect ourselves. We certainly did not do too good a job of protecting the U.S.S. *Stark*.

Although the Congress has been consulted on the gulf operations, it has become evident, based on these consultations, that the ramifications of the operation have not been fully thought through. I don't refer merely to the issue of protecting our ships, as important as that is.

I refer to the danger of getting actively engaged in a war with Iran by a process of escalation that may not have been fully thought out.

I believe it is important that while we support maintaining our presence in the gulf, that we also signal to the administration our strong concern in having a fully thought out plan to respond to all likely actions in the gulf, and not merely reacting to emergencies as they take place.

Mr. Speaker, I invite my colleagues to support the measure before us, so that we can be assured that the security of our forces is well planned, thought through, and fully supported by the Congress.

Mr. FOLEY. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Alabama [Mr. NICHOLS].

Mr. NICHOLS. Mr. Speaker, I rise in support of the bill that requires a report on security arrangements in the Persian Gulf. As Members know, the normal legislative process for a bill such as this one is referral to the Armed Services and Foreign Affairs Committees, followed by review at the subcommittee and the full committee level before being reported to the House. But events are moving too rapidly to follow the usual procedures. Thirty-seven Americans were killed on May 17 in the Persian Gulf. There are thousands of families all over the United States wanting to know what is being done to safeguard the security of U.S. military personnel who remain in the gulf. And I believe they have a right to know. Consequently, I am supporting timely enactment of this bill to ensure that both the Congress, and the American people, are informed of the administration's plan—a plan "which fully meets the security needs of our forces."

This bill is also important for another reason: The required report must spell out the interests of the American people in the Persian Gulf and the current threats to those interests in that dangerous region. It also calls for information on the kind of cooperation the American people can count on in this effort from our allies throughout the world—allies who, to a much greater degree than ourselves, depend upon oil flowing from the Persian Gulf.

In all my years of public service, one of the most difficult tasks I have been called upon to perform was the investigation of the 1983 terrorist bombing attack on the marine headquarters in Beirut where 241 young Americans lost their lives. It is now our task to participate in the investigation of yet another tragedy. Four investigators from the staff of the Committee on Armed Services have already traveled to and returned from the Persian Gulf. Other members of the staff are interviewing military and civilian officials about U.S. policy with respect to the Persian Gulf situation, contingency planning, command and control arrangements, and other related matters. As the committee continues the investigation of the *Stark* incident and U.S. policy in the Persian Gulf, I believe it would be very helpful to have the kind of information that would be contained in the report required by H.R. 2533.

Mr. ROTH. Mr. Speaker, I yield 3 minutes to our very good friend, the gentleman from Ohio [Mr. DONALD E. LUKENS].

Mr. DONALD E. LUKENS. Mr. Speaker, I thank the gentleman for yielding this time to me.

First of all, I think this is a matter of policy, and I am not sure the question regarding policy has been answered by anyone. However, I would like to draw the attention of the Members to the President's statement on May 29 at 1:46 p.m. when he said:

> Mark this point well. The use of vital sea lanes in the Persian Gulf with the Arab goal will not be dictated by the Iranians. These lanes will not be allowed to come under the control of the Soviet Union.

It is very obvious that the thrust of our policy, although we may not have enunciated a strategy—and I am not sure we have a strategy—is not clear. Certainly the Foreign Affairs Committee had a lengthy debate this morning, and in that debate no one came up with an alternative strategy to one that we may have or may not have in place. The real question is not the policy. We know the policy is to restrict and minimize the presence of the Soviets in that area.

First of all, the Foreign Affairs Committee, after lengthy debate, saw fit to table this resolution. I really wish that we were on the floor today debating it because I think we need additional reflection and additional time to determine exactly what this does, if we pass this resolution, to the Congress.

No. 2, if we pass this, does this put the fingerprints and the handprints of the Congress on that policy? I think, whether we like it or not, those who may oppose the policy or oppose the decision which the administration is going to come to, which is their constitutional obligation and right to do, will ask, once they come to that strategy, if we pass this resolution, are now part of it? Does that mean that this body is coresponsible for any future debts, any future misjudgments, or any future errors that may occur in that goal?

I appreciate the thoughts and the voices expressed here today regarding real fear. No one knows what can happen in that crazy part of the world. Right now it is temporarily insane. We know that. We have a hot war there. But I do not think the Congress knows exactly what it is doing today.

We want more information. But is this the proper method by which to obtain that information? Is this the only way we can do it?

I would much prefer to see conferences by the leadership of this House, both the majority and the minority, with the executive branch and let that judgment rest in their minds, because we cannot have 535 Secretaries of Defense any more than we can have 535 Secretaries of State.

This is hasty. We are basing this move on a lack of solid information. If there is an error, Mr. Speaker, we are compounding that error. The Constitution says we are divided legislatively and executively. I am concerned about whether or not we belong in the area of policy formulation. Absolutely we should be sharing information. This is not an effort to support this administration on my part, even though I am a strong supporter of the administration in an election year and basically remain a strong supporter of the administration. I supported the Johnson administration in the tough 1968 years, and I think I was right then to support the President of the United States.

Mr. Speaker, once again we find Congress attempting to impose its will and micromanage the executive branch's conduct of our foreign policy and national defense.

I submit that the greatest threat to the lives of American service men and women in the Middle East is not the administration's efforts to keep the sea lanes in the Persian Gulf open nor the threat of Iranian or Iraqi missiles. The greater threat to the lives of American service men and women could be the U.S. Congress and this particular piece of legislation.

It is bad enough that Congress had continuously attempted to second guess President Reagan in the conduct of foreign policy and arms negotiations. We are now playing Secretary of Defense. Five hundred and thirty-five Secretaries of Defense. This is not good security practice.

This resolution requires a report in appropriate classified or unclassified form. Why bother? As soon as the report is submitted, some Members of Congress will be running for the makeup and klieg lights for 30-second shot on the national news. Some Members couldn't keep it a secret that we were going to bomb Libya after a secret White House briefing, how do you expect 535 Members of Congress to keep this report secret.

What do the 535 Secretaries of Defense want in this report? A plan which discusses in detail the security needs of our forces, in conjunction with the forces of our friends and allies in the Persian Gulf region including:

First. An assessment of the threats in the area—I guess this is so our enemies in the area will be able to determine what we know or don't know about them.

Second. The rules of engagement—so our enemies will know how we will react in advance of a situation.

Third. And any cooperative arrangements entered—this so that our enemies will know what each of our allies will do in advance.

This report will endanger every American service man and woman as well as the troops of our allies in this area. Handing over this report to the Congress' 535 Secretaries of Defense will be like turning over a football team's playbook to its opponents only this is not a game of football, this is armed conflict. I do not believe a body which has shown itself incapable of keeping secrets in the past should be entrusted with this life threatening information.

I would be satisfied with, and trust the leadership on both sides of the aisle in the House and the Senate, to confer with the President and Secretary of Defense on this matter. The leadership would then report back to the Congress. This would preserve the proper balance of power between the executive and legislative branches but most importantly would not open up our plan of operation to worldwide scrutiny.

Mr. FOLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. EDWARDS].

Mr. EDWARDS of California. Mr. Speaker, I rise in opposition to the legislation.

Mr. Speaker, I have some real reservations about this bill and even though it appears to have strong bipartisan support, I must oppose it.

This resolution abdicates Congress' responsibilities under existing law, the War Powers Act.

The War Powers Act has some teeth—the President must terminate the Armed Forces involvement unless Congress, after a 60- to 90-day period gives permission by a majority vote to continue the military action.

The bill presented to us today has no teeth. It just requires a preliminary report by the President. Like the Gulf of Tonkin resolution, also enacted with overwhelming bipartisan support, it gives the President an open-ended license to commit U.S. Armed Forces and Congress signs away its constitutional responsibilities. And also like the Gulf of Tonkin resolution, there were no hearings and no opportunity for the Members to even read the bill until today.

Instead of debating this rather meaningless resolution, Mr. Speaker, we should be debating whether or not Congress approves of the President's announced plan to protect the Kuwaiti tankers. That's the real issue. The American people are entitled to have that crucial decision made by them through their representatives in Congress, as the Constitution requires.

Mr. Speaker, I regretfully urge that this bill be defeated. We all know that President Reagan does not like the War Powers Act. But it's the law and it should be used.

Mr. FOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. MICA].

Mr. MICA. Mr. Speaker, I rise in support of this legislation, and I would simply say to my colleagues here and those who might be watching that every week I send out a little notice, and sometimes it says, "alert" or "warning" or "take heed." I am asking each Member and perhaps those legislative staffers back in their offices to be alert and to take warning and to heed the issue before us.

We are simply trying to get Congress to express concern over a very urgent issue about which we all have concerns. We are simply asking for a report. I commend the majority leadership and the minority leadership for the leadership they have shown in bringing this up so quickly.

The report is simply asking for an assessment of the threats to American forces. We need that information. What is our status, and what is our alert status? What is our readiness? What are our conditions? What are the hows, whens, whys, and wherefores of this current situation in the Persian Gulf?

Further, it asks, what cooperative agreements are we entering into or not entering into with our allies,

It is very simple and very straightforward information that we need. It does not approve or disapprove of any action that is taking place right now, and with regard to that, the chairman of the committee, the gentleman from Florida [Mr. FASCELL], who is delayed with the Contra hearings at this time, has already moved to set into being hearings next week with Secretary Weinberger and Secretary Shultz so that we can get further information on this most important issue.

Again, I commend our leadership for bringing this up, because the genesis of this was that Members did want to express an opinion. Congress not only has the right to ask for this information, it is our duty to ask for this information. Indeed if we did not, I think we would be remiss in our duty in not seeking this information at this time, the quickest possible time.

Mr. ROTH. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. SMITH], a member of the Foreign Affairs Committee.

Mr. SMITH of New Jersey. Mr. Speaker, I thank my colleague for yielding me this time.

Mr. Speaker, I am pleased that the leadership of the House has decided to provide this timely consideration of H.R. 2533. On May 27, my colleague and friend, the gentleman from California [Mr. LANTOS], and I sponsored legislation which is identical to the language approved in the Senate last month by a vote of 91 to 5. Similar to the legislation before us today, these bills require a simple report from the Secretary of Defense to Congress regarding security arrangements in the Persian Gulf.

While our bill would require the report, including a plan outlining the security needs of our forces prior to the implementation of any agreement on the reflagging of Kuwaiti ships, the bill before us requires a report within 7 days. I would note that it is likely that the report will be in hand prior to the reflagging of the first Kuwaiti ship, which is expected in about 2 weeks. So we do not have much time to spare, Mr. Speaker.

Mr. Speaker, I believe this resolution represents the first step, but only a small step, in providing effective and prudent oversight of the administration's policy in the Persian Gulf, a policy that is clearly controversial.

Mr. Speaker, I think the Members should fully understand that the reporting requirements and provisions in H.R. 2533 do not preclude the administration's policy of reflagging the tankers from being implemented, nor does it endorse it, but only provides Congress with information.

The oversight suggested in H.R. 2533 is minimal.

Mr. Speaker, I believe that an informed decision can be made regarding that policy only after all the facts have been adequately looked at and addressed and debated openly in this Congress.

Mr. FOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. KOSTMAYER].

Mr. KOSTMAYER. Mr. Speaker, the administration told the Foreign Affairs Committee in the House this morning that they have now made the decision to flag Kuwaiti vessels, at least 11 vessels, and the first vessels will be flaged within 12 to 14 days, that furthermore the American Government has decided to convoy the Kuwaiti vessels, escorting them through the most dangerous sections of the gulf, and that finally an attack on a United States flag on a Kuwaiti vessel will be regarded by the American Government as an attack on the United States of America.

As a result of the alarm which this stirred in the committee and because a number of Members have concerns about this issue, the Foreign Affairs Committee this morning did not accept this resolution which is now before us. It was tabled instead.

Having said that, I have to concede the majority leader's point that the bill is itself neutral, that it neither condones nor disapproves of the administration's policy in the region.

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Indeed, the administration has said that unless the bill is adopted that the information which it called for will not be forthcoming to the Congress.

So, Mr. Speaker, this is the first step toward congressional involvement, although I think it is a rather small and timid step, a step first taken by the Senate, a step which we now take.

So why the controversy? Why the concern? Indeed, why has the majority leader himself recently asked for double the time which we normally spend on a suspension blll? Because of our terrible concern, because of the larger issues here. Should the United States flag Kuwaiti vessels? Should the United States convoy Kuwaiti vessels? Should the United States aid one combatant against another in the gulf war? Should the Congress invoke the War Powers Act?

If this resolution somehow becomes our only action, our only response to that situation, then I think we will rue the day that we adopted it.

Congress and the American people need to be involved in this process.

We have learned I think from Vietnam that if a foreign policy is to succeed that it has to have support in the Congress and in the country.

So I support the resolution, but I hope that now the committees of the Congress will move expeditiously to examine this policy in depth and to act accordingly and that this bill will be the first step, and not the last, in the resolution of this difficult issue.

Mr. FOLEY. Mr Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Speaker, I rise in opposition to the legislation.

Mr. Speaker, the argument made most frequently in favor of this resolution is simply that it can do no harm. I respectfully dissent.

This resolution calls on the administration to inform Congress within 7 days of our policy in the Persian Gulf and our military objectives. This information is important but it is easily obtained by other means. A letter to the President; a request by the Foreign Affairs Committee for an appearance by Secretary Shultz or an invitation to have Secretary Weinberger testify would provide answers to these questions.

So why do we enact a resolution when a letter would do?

The reasons are twofold and they emanate from a White House which offers the American people a muddled and contradictory policy in regard to the Iran-Iraq war.

First, this pointless resolution allows Congress to continue to stand on the sidelines while the situation in the Persian Gulf worsens.

The President is not burdened by congressional oversight or intervention. We ask for information instead of asserting our constitutional authority.

Second, while we debate this resolution we abstain from invoking the War Powers Act.

The War Powers Act requires the President to consult with Congress immediately after a military engagement or when there is a likelihood of eminent hostilities.

The tragic loss of 37 American lives on the U.S.S. *Stark* and the danger inherent in flagging Kuwaiti vessels with the United States colors makes the War Powers Act clearly applicable.

But instead of requiring the President to follow the clear letter of the law in the War Powers Act, we ask for more information.

This resolution perpetuates the importance of Congress in asserting its constitutional role in the direction of foreign policy.

For those who say the resolution is harmless, I disagree. This resolution is a vacuous, sad action by a Congress unable or unwilling to demand that the law and Constitution be followed.

Mr. ROTH. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, this is the wrong time to be debating the wrong issue, perhaps in the wrong forum. Those of us who believe strongly that the President of the United States has the ultimate responsibility of creating and implementing the foreign policy of the United States should not vote for this resolution, because what it does is delay, cramp, and otherwise modify or attempt to modify that foreign policy.

Those of you who oppose the policy of the President of the United States should not vote for this piece of legislation, because unwittingly those of you who are opposing the President's policy, or at best questioning it, are endorsing it by this resolution, this bill, because you are saying, in effect, that whatever we are going to do in the Persian Gulf is understood must be done; now show us how you are going to implement it.

So what has happened is that this bill becomes a focal point of confusion. It is the wrong time for us to act on these greater issues that are embodied in this bill. We ought to be setting aside and asking for the information in the normal course of business that is asked for in this bill, but not to establish foreign policy by either endorsing the President unwittingly or endorsing the President without the fully expressed or implied policy in front of us.

We are confused. If you are not confused, I am, and I am willing to admit it. That may be the difference between me and most of you.

We ought not to accept this, because we are not prepared for it at this moment.

Mr. FOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma [Mr. McCurdy].

Mr. McCURDY. Mr. Speaker, I rise in support of the resolution.

The intent of the resolution is simple. It is a request for information, nothing more.

I do not see this as an endorsement of the administration's policy or position for reflagging Kuwaiti vessels. It simply requests the administration: First, to define the threat. We ask the administration to weigh U.S. interests versus the risks.

Second, What is the mission? What are the rules of engagement? It is important that we stop giving U.S. forces poorly defined and vague missions. As in the case of the U.S.S. *Stark*, it is not fair to place an intolerable burden on the U.S. commanders in the region of determining hostile intent.

Third, Where are our allies? Is this more than another unilateral stance by the United States? If 70 percent of Europe's oil flows through the Persian Gulf, where is their proportionate investment?

I do not support the reflexive isolationism espoused by the gentleman from Wisconsin, nor do I believe this is a case for evoking the War Powers Act. All this is is a simple statement, give us the answers to some commonsense questions. Perhaps by asking these questions, the administration will have to think through their proposal.

Mr. ROTH. Mr. Speaker, I yield 2 minutes to my very good friend, the gentleman from Kentucky [Mr. Hopkins].

Mr. HOPKINS. Mr. Speaker, I appreciate my colleague yielding.

Mr. Speaker, in my 9 years here in Washington, it has been my unfortunate duty to learn what is meant by the rules of engagement. I have, unfortunately, had to spend many, many hours, along with a few of my colleagues, investigating the incident in Desert One, the raid in Beirut, all finding flaws within the rules of engagement.

Someone once said, "It is not whether you win or lose, but how you play the game." I suggest that person should never go to the Persian Gulf.

Let me, if I may, get specific with the author. May I ask the author of the bill, the distinguished majority leader, a question involving the rules of engagement.

The bill says that within 7 days after the enactment, that the Secretary of Defense shall submit a report to Congress specifically addressing the rules of engagement.

What I really need to know from the gentleman from Washington [Mr. Foley] is how specific do you want him to be? Because as we well know, that is a very sensitive area involving the lives of Americans.

Are we asking him merely to define the rules of engagement, or are we asking him to describe the rules as they would apply in different circumstances?

Mr. FOLEY. If he would yield, I would answer the gentleman first of all by pointing out to him that we have a phrase at the beginning of the resolution which says that the report of the Secretary of Defense shall be submitted in appropriate classified and unclassified form. While matters of military sensitivity and secrecy obviously are not going to be published in the public portion of it, the rules of engagement, as they are directed to ship commanders and others in responsibility, would be part of the report.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. HOPKINS. Mr. Speaker, may I ask for 30 additional seconds from the gentleman to continue my colloquy?

Mr. ROTH. Mr. Speaker, I will be happy to yield an additional 30 seconds, but the gentleman from Washington has more time than I do. Maybe the gentleman would yield another minute.

Mr. HOPKINS. Mr. Speaker, would the gentleman yield me an additional 30 seconds?

Mr. FOLEY. Mr. Speaker, I yield 30 seconds to the gentleman from Kentucky.

Mr. HOPKINS. Mr. Speaker, specifically what I am talking about, as you get into the rules of engagement, and I do not mean to imply that the gentleman is attempting to do something wrong, but just so everybody here understands the rules that we are playing under, how specific does the gentleman intend for this legislation to be, because it is so sensitive, I say to the gentleman from Washington [Mr. Foley], that if you indicate what your plans are, I understand that it says here that it is going to be under classified form, but sometimes they do not even talk to us in committee.

Mr. FOLEY. Well, Mr. Speaker, if the gentleman is asking whether they are going to reveal every contingency they might have if other events are taken, the answer is most likely not. We are talking here about rules of engagement that are instructions to our ship commanders and others in the region about what kind of actions they may take and under what circumstances.

I cannot describe to the gentleman what the Secretary will submit, but I assume that he will submit information of that kind and in classified form.

Mr. HOPKINS. Mr. Speaker, this resolution tempts us to revisit questions that are as old as the Republic itself.

How is American foreign policy determined and what are the proper responsibilities and roles of the executive and legislative branches?

I would hope, however, that we are able to resist that temptation today and decide the fate of this resolution not on such esoteric and philosophical biases, but on a more pertinent and personal level.

In deciding how we will vote today, I want to suggest to my colleagues that we forgo the eternal turf war between the Presidency and the Congress, and rather than asking ourselves whether we have infringed on the powers of the executive branch or whether we have provided ourselves with enough political cover to shield us from the uncertainties of life and death in the Persian Gulf, let us ask this:

"Is this resolution a proper epitath for those who have and will be asked to pledge their lives, their fortune and their sacred honor to implement the foreign policy of this nation?"

They ask but little for their country, and they deserve much more than eloquent eulogies and eternal respect.

Above all, those men and women and their families deserve a clear, unambiguous policy.

They deserve to know precisely what the stakes are for America and for democracy, what the risks are, what to expect from our allies, what to expect from the executive branch and the legislative branch in terms of their own security and the restraints on them to protect themselves and carry out their mission.

As a member of the House Armed Services Subcommittee on Investigations, it has been my very sad duty on too many occasions already to join my colleagues in trying to untangle the aftermath of recent tragedies that have left hundreds of young Americans dead or wounded.

That experience has taught me that it is of no comfort to ask the hard questions and fix the blame and recommend changes after these tragedies have occurred.

The time to ask those questions is now and that is what this resolution does.

Can we guarantee there will be no casualties?

Of course not.

As the best hope of freedom in the uncertain world in which we find ourselves, we recognize and we must accept the burdens that go with the responsibility to defend the things for which America stands.

This is a time for clarity, for foresight and not hindsight.

This is a time that demands that the American people know and understand where we want to lead them.

This is a time for our allies and our adversaries to have no doubts and make no miscalculations about the purpose of our policy and our resolve to carry it out.

Inasmuch as this resolution will help us to arrive at a clear and clearly understood policy and because that is the ultimate epitaph we can write for those from whom we ask so much, I urge my colleagues to join me in assuring its passage.

Mr. FOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. TORRICELLI].

Mr. TORRICELLI. Mr. Speaker, the message from this Congress today is one of neither support nor of opposition. It is an expression of concern and the desire to understand the administration's policy and its intentions.

There was a time when this would not have been necessary, but after Lebanon and failing to protect our marines; Reykjavik, and failing to protect our ships, and the Central American policy in disarray, we cannot assume that which we have a right upon which to rely; that is, to assume that contingencies have been considered, options have been explored, the military has been consulted; in short, that competent people are making intelligent judgments about the policies of our country.

Mr. Speaker, I urge support for this resolution. If there is conflict ahead, interests are at issue, the President must have support; but I would remind the President that we can support only that which we understand.

This resolution offers a beginning to our understanding. It questions our ability to defend ourselves. It asks if Iran acts, the scope of our retaliation. If retaliation is necessary, our capability to perform it, and if America must lead, who will follow.

This resolution is not evidence of weakness. Indeed, understanding, planning, and support are questions of strength.

I urge support for the resolution. I do so not because I accept the administration's policy, but because I seek to understand it.

And something more, the hope that the President must explain his policy in the Persian Gulf, then this Congress and the American people will have some assurance that he understands it and has considered all its ramifications and contingencies.

Mr. FOLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I rise in support of the legislation before the House.

Mr. Speaker, I rise today to urge the support of my colleagues for H.R. 2533, which we are considering today. This resolution requires the Secretary of Defense to submit a plan for the protection of United States troops in the Persian Gulf before implementation of the administration's proposed plan to reflag Kuwaiti ships with the American flag.

Before discussing the significance of this measure, Mr. Speaker, I would like to point out one key fact about this measure to my colleagues. I am concerned that some Members are afraid that this bill is a poor substitute for more direct action by Congress on the reflagging plan. This is not correct: this bill is designed simply to give Congress adequate information about the administration's plans to allow us to make an appropriate decision about them. This process is no different, really, than the normal hearing process by which we gather information about proposals and problems before acting. Once we have the administration's information in hand, we can determine whether further action to stop or limit reflagging, or to invoke the applicability of the war powers resolution is warranted. We also do not waive our right to act at some late date, if the course of events suggests that this is necessary.

It is, in a way, unfortunate, that the House and Senate have been forced to take up this measure. It is the result of foreign policy by crisis, rather than by strategic planning. It is made necessary by the administration's apparent inability to think through the full implications of its strategic policy before it commits itself to that policy and by its unwillingness to cooperate with Congress in the development of such policies.

These deficiencies on the part of the administration are not unique to the current crisis in the gulf, but they are perhaps the most incredible in that situation. Despite the tragic loss of life on the *Stark*, the administration appears determined to proceed with a plan which may dramatically increase the level of U.S. troops in the gulf and which could substantially increase the risk of attacks—intentional and accidental—on our servicemen. The plan to reflag Kuwaiti vessels with the American flag almost invites attacks by Iran on those ships; attacks which we must then treat as direct attacks on United States ships.

The resolution is designed to prevent this ill-considered plan from leading to the loss of more American lives and involving this nation even more deeply into the gulf war. It provides for the Secretary of Defense to submit a plan to Congress for the protection of U.S. forces in the Persian Gulf prior to the start of any reflagging and requires that the report be submitted no later than 7 days after enactment. It requires also that the plan describe cooperative security measures with both friendly Persian Gulf states and our European allies, that it set forth with precision the rules of engagement which will govern operations of our forces in the gulf, and that it fully assess the real threat posed to our troops and our interest in the gulf by the proposed reflagging.

Perhaps most importantly to the American people, the resolution requires the administration to report on its success in securing the support of our European and Persian Gulf allies for this undertaking. We should not be in the position of risking American lives to protect French and German oil purchases, for example, unless French and German troops help us bear that burden, and we may wish to ask the Japanese for the same commitment, in recognition of their dependence on oil from the gulf. We should not be alone in the position of keeping the gulf open for commercial shipping when the Saudis, who benefit from our help, refuse a specific request for assistance in chasing away attacking Iraqi planes. I do not believe that any plan which fails to require this kind of support will ever win the support of the American people. Despite this simple fact, the administration has not made its reflagging plan contingent upon allied assistance, and it should have.

By adopting this measure, the two Houses of Congress will be united in advising the President that he must work with them to protect our Armed Forces and to implement our foreign policy initiatives. But working with Congress may not be enough if, in Congress' view, the administration's plan is likely to involve American servicemen in hostilities. Contrary to the administration's view, this is a dangerous task we undertake when we consider that almost 250 ships in the gulf have been attacked in less than 3 years. Surely, if American lives are at risk, there is no bar to insisting upon the application of the war powers resolution to the proposed reflagging once we know, in detail, what risks the plan will entail.

As I suggested above, Mr. Speaker, the possibility of applying the war powers resolution is not an option that should be forgotten as we look beyond our consideration today of this resolution. It would give Congress greater control over the involvement of United States troops in the gulf and, by so doing, would perhaps prompt the administration to take the one step that would be sure to end the threat to American ships in the gulf—the negotiation of an end to the 7-year-long Iran-Iraq war. Throughout the Reagan administration, the United States has been indifferent or hostile to efforts to end armed conflicts around the world through peaceful negotiations. Instead, we have promoted military solutions to diplomatic problems. We have seen this in the gulf, in the Middle East, and in Central America. In the case of the Iran-Contra affair, this approach has led to the dismantling of any credible stand on terrorism and has caused a grave crisis of confidence which has weakened the authority of the President both at home and abroad. In the case of the Persian Gulf, this approach has led to the loss of 37 lives and perhaps others in the future unless the course of U.S. policy is changed.

We all mourn the tragic death of the 37 members of the U.S. Navy who served on board the U.S.S. *Stark* and we share the grief of their families and loved ones. Their brave sacrifice for their country has been rightly commemorated in services across the country over the last several days. We will not, however, fully honor those young men unless we learn from this sad episode. It is the purpose of the resolution which we consider today to implement the lessons of the attack on the *Stark*. I urge my colleagues to join me in taking this important step.

Mr. ROTH. Mr. Speaker, I yield 2 minutes to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Speaker, I rise in support of the resolution. This resolution is very timely. It is a request for information about our policies in the Persian Gulf.

I do not see how we could make a more justifiable reasonable request, particularly against the background of what has been happening.

The administration has made a proposal to put an American flag atop Kuwaiti tankers. The administration, I must say, has not yet made a convincing case for this proposal. The administration may make a convincing case, but it has not been done yet. Many purposes have been advanced for this: freedom of navigation, trying to make sure that Iran does not win the Iraq-Iran war, protecting our allies' oil, making sure the Persian Gulf does not become a Soviet lake. One or more of these purposes might justify this reflagging, but what has not been made clear is how the reflagging will achieve any of the purposes and at what risk, particularly in light of the silence from our allies on this issue.

I see this resolution as making sure that the administration puts forward a convincing case before we go ahead. I see this resolution as happening to make sure that the Congress and this administration agree on a well-thought-out policy in the Persian Gulf. That is why I believe this resolution deserves our support.

□ 1605

Mr. DICKS. Mr. Speakers, will the gentleman yield?

Mr. MILLER of Washington. I yield to the gentleman from Washington.

Mr. DICKS. I thank the gentleman for yielding.

Mr. Speaker, I want to commend the gentleman for his statement and associate myself with it. I think he has made the important point that this report will help us decide what the policy is and does not give any prejudgment about what that policy should be.

Mr. MILLER of Washington. Mr. Speaker, I think that my colleague, the gentleman from Washington [Mr. DICKS], is absolutely correct. This is an information request, and we need information in order to get a sensible policy.

Mr. FOLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Mr. Speaker, I rise in opposition to the resolution.

Mr. Speaker, I rise in reluctant but very strong opposition to the factfinding resolution before us. My concern is not with the questions asked in this resolution, which are simple queries about the administration's military plans in the Persian Gulf. This is information that should have been supplied to the Congress long before now and which, in any event, should not require the passage of this legislation.

My concern, rather, is with the questions that are not asked in the resolution. Because, as extraordinary as it may sound, this factfinding resolution raises none of the fundamental questions that have given rise to the bipartisan expression of congressional concern about recent events in the Persian Gulf. Why does the administration plan to reflag Kuwaiti ships? How will this strengthen America's capacity to keep the Persian Gulf open to international shipping? What will our response be if an American-flagged ship is attacked by Iran? Will the United States remain neutral in the Iran-Iraq conflict, or is the administration contemplating ending our posture of neutrality? And what are we asking of our European allies and of Japan—all of whom have an even greater stake in retaining access to Persian Gulf oil than we do?

These are the questions we should be asking. The resolution upon which we are about to act will be the Congress' first official reaction to the Iraqi attack on the U.S.S. *Stark*. It is frankly mind-boggling that the Congress limits its request for information to military logisitics and ignores all the more basic policy issues that are troubling all of us. I do not want to risk the possibility that the administration will claim it has met its obligation to consult with the Congress by responding to the narrowly framed queries of this resolution.

By flagging Kuwaiti tankers, the administration is either making a promise of protection it cannot keep, or it is indicating its willingness to involve the United States in the Iranian-Iraqi war and to send American boys to die halfway around the world defending other people's oil. If the former is true, the policy is foolish. If the latter is true, the policy is deadly serious and we should be here today debating the War Powers Act, not a factfinding resolution.

I urge opposition to this resolution.

Mr. FOLEY. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. Mr. Speaker, we are facing obviously I think a delicate and a dangerous situation in the Persian Gulf, but unfortunately one for which the administration at least today appears not to have thought through a strategy.

I support this resolution, Mr. Speaker, because it calls for information to Congress, something for which no resolution should have been necessary. But necessary it is, because neither we nor the administration appear to understand how this administration intends to achieve American objectives in the Persian Gulf.

The goals have not been seriously questioned, but both the competence and the means of achieving them have been. This administration simply has not thought through how to achieve its goals in the region.

This is no Tonkin Gulf resolution, Mr. Speaker. This resolution does not give the administration any authority it does not today have. It simply requires that the administration develop a policy, determine how it can meet its goals, and then tell us about it.

Let me add briefly that this should be just a first step. We can and should still invoke the War Powers Act after this resolution has been dealt with, and when we have heard what contingency plans are developed, whether adequate air cover can be made available, whether and how our allies are involved in these activities in the Persian Gulf, we can and should still act to seek the most responsible and effective means of achieving our goals.

In the meantime the administration's inadequate answers on these extraordinarily sensitive and significant questions make this resolution appropriated. I commend the majority leader and the minority leader for bringing it before us.

The SPEAKER. The gentleman from Washington [Mr. FOLEY] has 12 minutes remaining and the gentleman from Wisconsin [Mr. ROTH] has 10 minutes remaining.

Mr. ROTH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate the way that the Chair is proceeding. I notice that on the other side of the aisle there have been no speeches against this legislation. On this side, of course, we have had speeches against the legislation.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Maryland [Mrs. BENTLEY].

Mrs. BENTLEY. Mr. Speaker, I rise in opposition to the resolution, and I wish to associate myself in particular with the statement of my distinguished colleague, the gentleman from Pennsylvania [Mr. GEKAS], in which he said that we are not ready for this.

Mr. Speaker, consideration of this misguided legislation today is as fully understandable as it is dangerous. Let there be no mistake: I question the strategic considerations which underlie the use of our naval forces in the Persian Gulf. I do not think that there is a sound basis for risking our assets in a no-win situation, and as a result I have been spending considerable time trying to learn the full and accurate story of the reflagging of Kuwaiti tankers and/or chartering American-flag ships there.

Despite that, there is certainly no basis for the Congress usurping the role of the President and the Armed Forces as is contemplated in this bill.

Even putting aside the notorious tendency of the Congress to publicize considerations which are delivered to it in secret, the rapidly changing nature of the relationships in the Middle East and the consequent daily, if not hourly, adjustments needed to respond to events, makes yet another layer of restrictions on the use of our Armed Forces by the President unworkable.

The very nature of the Presidency makes it the only repository of such decisions. The Congress cannot manage hostile situations on a day to day basis, and I submit that the Congress knows it. Frustrating as the events surrounding the *Stark* incident may be, will we improve the performance of our military by attempting to manage a treacherous confrontation by the consensus of 535 Members of the Congress?

Are we prepared to debate publicly what we propose to do for the next day or week or month in the Persian Gulf? Will we next give congressional orders for the disposition of our Armed Forces around the world?

Is this body so confident in its performance within its constitutional mandate that it now is looking to be a corporate president? God save us from such a fate. Vote down this bill!

Mr. FOLEY. Mr. Speaker, I yield 1½ minutes to the gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. Mr. Speaker, I would ask Members to think very carefully about what this resolution does, and much more carefully about what it does not do. Someone speaking in behalf of it a moment ago said that it will give us the hows and the whys. Wrong. It does not mention the whys, only the hows, and Members need to think about that. It does not raise policy questions at all.

What we have before us is a resolution which assumes a policy and then poses questions related to its implementation, rather than posing the policy questions themselves. It assumes the U.S. presence in the gulf. It assumes the reflagging of Kuwaiti vessels, and then says, "Now, how are we going to deal with that?"

Those are not the questions that we ought to be asking first, Mr. Speaker. What are we doing in the gulf? Does the War Powers Act apply? What are our allies doing? What about the Kuwaitis? What about the Saudis? What about the Soviets?

I do not think frankly, Mr. Speaker, that this Congress or the American people have the foggiest idea what our policy is in the gulf, and with all due respect, I am not convinced that the President does either. I have not seen this degree of confusion with respect to American policy in a major region of the world since the tragedy that sent and left our marines in Lebanon.

I would like the information requested in the report called for by this resolution, but I do not want to indicate support for the policy which the resolution assumes, whatever that policy may be.

I would point out to those who say that we are tying the President's hands that the administration supports this resolution. That ought to give us some pause about the toughness of the questions that we are posing.

As I say, I have no problems with seeking this information, but it is a third level of order of questions that we are asking. We are skipping the important questions. We ought to have learned that that comes with a very heavy price.

Mr. ROTH. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. SCHUETTE].

Mr. SCHUETTE. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of H.R. 2533, because an unprovoked attact on the *Stark* has made it clear that our role in the troubled area of the Persian Gulf must be clearly defined. The death of 37 Americans, 3 very close to home in Michigan, is a tragedy. But we, America, must not cut and run, we must not abandon our responsibilities.

There are two very important reasons for our presence in the gulf. First, the unrestricted flow of commerce, including vital oil supplies, is important to many nations. And the Soviet Union's attempt to establish a warm-water port in the Persian Gulf to me is as unacceptable as the Soviet Union's trying to make a warm-water port to control our Great Lakes.

As important as our presence is, however, as a foundation for our presence the four points that I mentioned should be kept in mind.

First, American forces in the gulf must have the opportunity to defend themselves against hostile attack.

Second, we must provide sufficient air cover and fleet capability for our forces which may entail cooperation by neighboring nations for refueling and other purposes.

Third, there is no free lunch. We assume our responsibility and obligations. So to must Western European countries and Japan. The President is correct to raise this at the Venice summit this week.

Fourth, we must ensure the continued consultation and cooperation of Congress by the measure that we are hopefully adopting today, H.R. 2533.

□ 1615

At a minimum, these following four points should guide our policy and be the foundation for our presence in the Persian Gulf.

Mr. FOLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, when this matter came up in the Committee on Foreign Affairs this morning, there were expressions of concern across the range of political opinion, left, right, and middle, about this resolution.

As a result, a motion to table carried by a voice vote; and it carried because this resolution in the first place fails to address any of the policy questions.

We have no idea as to what the administration has in mind. They have not told us, and the Congress in this resolution says nothing about policy. Worse, what we do about asking for information on technical questions?

What are the rules of engagement? What are we going to be doing with our ships there? How are we going to discuss it with our allies?

We are in fact accepting the policy, whatever it may be, that the administration wants to adopt. That is why we refer to this as the Gulf of Tonkin-type resolution. It gives the administration a blank check.

If another tragedy should occur, the administration, you can bet your bottom dollar, is going to say, Congress had its chance to voice the opposition. It not only did not do so; all it wanted was information as to how we were going to carry it out.

Mr. FOLEY. Mr. Speaker, I yield 1½ minutes to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I think we need to make certain that we are not confused about what the issue is here. The issue is not whether we should reflag the ships in the gulf, not whether we have a security interest in the Persian Gulf. But some of our friends and allies have even more overriding security interests and only two have shown a willingness to join with us.

The issue in this resolution is very simple. Congress saying to the President, "wait a minute, we want to understand what on Earth you are doing. What are you doing to engage our friends and allies in a common effort?"

What is going on with this administration's policy in the Middle East? It is our job to understand that. It is our job to ask those tough questions, and this resolution does exactly that, and that is why I support it.

On a more general note, let me say that I do not think that this country ought to run from trouble, nor should we be out looking for trouble; and I think doing what this administration is suggesting in the Middle East is tantamount to dancing around a powder keg with a book of lighted matches.

We need multilateral action to keep the shipping lanes open in the Middle East, not unilateral actions by the United States alone. After all we import only 5 percent of our oil from the Persian Gulf, while Japan takes home 50 percent and Western Europe, 30 percent. However, this administration's strategy in my judgment leaves America open to the actions of some nut in the Middle East who would love to drag us into a war we should not be involved in.

It does not create a joint framework for joint action by allied and, friendly nations. It sets up the U.S. Navy as a free and vulnerable bodyguard to protect Kuwait and Japan.

So Congress, by this resolution, is simply saying to this administration, we want to understand what on Earth you are doing; and that is a perfect question for us to ask, and this is the perfect time for us to ask it, and I support the resolution.

Mr. FOLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. EARLY].

Mr. EARLY. Mr. Speaker, I rise in opposition to the bill before us. Although this bill appears to have bipartisan support, I have serious reservations about this measure and our actions here today.

I appreciate the importance of the Persian Gulf region and of keeping the gulf open. However, I am concerned because of the way the President and the Congress have chosen to exercise their responsibilities with regard to a major foreign policy and defense issue in a critical and volatile area of the world.

I am concerned because I feel that this bill implies an endorsement of a new policy in the Persian Gulf region and with respect to the Iran-Iraq war. The Iran-Iraq war continues unabated. The Persian Gulf region has been described as a tinderbox. The President has announced a plan to protect Kuwaiti tankers in the gulf.

We need a clear announciation of our policy; how we plan to implement that policy; and a fulll understanding of implications of that policy.

I have serious reservations that the bill gives the President, perhaps unintentionally, open-ended license to commit our Armed Forces in this extremely volatile region, and that we are abdicating our responsibilities under the War Powers Act.

I have reservations because I believe that we are on a treacherous path—that we are, either directly or indirectly, endorsing a policy before we are clear about what that policy is and the implications of that policy. We have not asked the tough questions. The President has not answered the tough questions.

If we proceed in the current manner we will, I believe, have abdicated our responsibility.

Mr. FOLEY. Mr. Speaker, may I inquire as to the time available?

The SPEAKER pro tempore (Mr. LEATH of Texas). The gentleman from Washington [Mr. FOLEY] has 8 minutes remaining and the gentleman from Wisconsin [Mr. ROTH] has 6 minutes remaining.

Mr. FOLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. STRATTON].

Mr. STRATTON. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, it is a little ironic that it should be Jimmy Carter, the one who had recognized the importance of the gulf region, although he never succeeded in carrying out a significant policy.

What this resolution does is call on the present administration to tell us exactly how to handle the problems in the gulf, and this is precisely the words that probably should have been brought out in the Gulf of Tonkin.

There was a resolution, but this resolution is going to spell out in military terms exactly what the capabilities are and how to best carry out the responsibilities that we have as American troops.

Mr. FOLEY. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, we get 7 percent of our oil from the gulf. Japan gets 70 percent. Europe gets 50 percent.

We pay the tab, and Americans are laughing at us. They wonder if we really lost our heads around here.

We are beginning to destabilize the most troubled region in the world. The President will continue on with some Rambo mentality until everything may erupt.

I think the answer is clear. If Congress fails to act today, we will be having young men sent home in pine boxes protecting the sins of Europe and Japan. If it were up to me, honest to God, I would charge them and make them pay their war debts from years ago.

The free ride is over, and someone has to put the brakes on, and a request for information is not an unrealistic request.

It is the right of Congress to know, and we should have that information.

I think our Nation and the future of this Nation depends upon it.

Mr. ROTH. Mr. Speaker, I yield 3 minutes to my very good friend, the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, this is a very difficult issue. Scoop Jackson said, "In foreign affairs, the best politics is no politics," and I think the problem with this bill is that the appearance is otherwise.

I think that the countries, particularly the gulf countries who are watching the aftermath of the *Stark* incident very closely, are going to come to the conclusion that there is a House policy on the Persian Gulf, and there is an executive branch or President Reagan's policy on the Persian Gulf; and that is not good.

I think this is the time when we have to show absolute solidarity, and the mere fact that we are ordering the President through a resolution, not through a phone call, a request which we could do very easily, to clean things up essentially after the *Stark* incident, is going to accrue to our detriment.

To my Democrat friends who say, well, we need a plan which fully meets the security needs of our forces in the Persian Gulf, and that is what the resolution says, the bill says. My answer is, You had that plan a couple of weeks ago, and it was called Ronald Reagan's defense authorization bill.

It was also called after the Committee on Armed Services elicited testimony on precisely what sealift and airlift we needed in the Persian Gulf, and what readiness we needed in the Gulf, the Democrat majority in this House dramatically cut the defense budget to its third negative growth in 3 years, and cut very dramatically that sealift and airlift and readiness that we need there, cut $7.9 billion out of the research and development account that is vital to our capability to withstand enemy missiles like the Exocet missile that destroyed the *Stark*.

So I think it is clear that we should not have, in the Persian Gulf, a House policy and a President's policy on the gulf. The problem with this bill is that it appears otherwise.

I yield back the balance of my time.

Mr. FOLEY. Mr. Speaker, I yield 30 seconds to the gentleman from South Carolina [Mr. RAVENEL].

Mr. RAVENEL. Mr. Speaker, I am going to vote for this resolution because it deals with readiness.

I will quote from a letter that one of the boys that was killed on the *Stark* wrote his parents. It is from the U.S. Navy, U.S.S. *Stark*, 14th of May, 1987:

> Well, only 87 days to go before we return to the States. It's been one hell of a cruise. We've been chased by Iranian planes. We've chased a *Kashin*-class Russian destroyer. We even went to condition red three or more times. The excitement has never ceased. Our liberty ports have been deleted due to our operations * * *. love you, Pops * * *.

Mr. FOLEY. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Speaker, I thank the gentleman for yielding me this time and I rise in support of the resolution.

Mr. Speaker, I think one thing is clear: The vast majority in this House agrees we should be doing something in the Persian Gulf to keep the sealanes open. I certainly feel that way. If the United States has interests anywhere, it has them in the Persian Gulf.

So to say that we have no interests even in the Persian Gulf is to me a position that is so totally isolationist that it does not learn from history. So then the question is, How do you get the administration to have a real policy.

There is a simple answer. We used to do it in grade school, high school, and in college. You force them to explain it to somebody. When we were forced to write papers all through our academic careers, we had to think through what was going on. When we are forced to make a speech, we have to think through what our ideas are. When this administration comes to explain things to the House, it will probably be able to put some coherence, order, and thought into what up to now has been a disjunctive and rambling policy.

So I think this resolution will have a slautary effect and I urge the body to vote for it.

Mr. FOLEY. Mr. Speaker, I yield 1 minute to the gentleman from Orgeon [Mr. DeFazio].

Mr. DeFAZIO Mr. Speaker, this has been a confusing debate. We have heard both that a vote for this resolution supports the President's policy in the Persian Gulf, whatever that policy might be, and we have also heard that any "aye" vote is a vote in opposition to this same illusive policy.

Let me say that I am confused. Last Thursday I introduced House Resolution 296, which makes a finding that section 4(a)(1) of the War Powers Act becomes operative with respect to U.S. Naval Forces in the Persian Gulf on May 17, 1987, when the U.S.S. *Stark* was hit by missiles fired by Iraqi aircraft and 37 American sailors died. But my resolution is not before the House.

The majority leader is to be congratulated for bringing forward so expeditiously this resolution, a resolution that will help stem the long slippery slide toward deeper involvement in the Persian Gulf.

I urge an "aye" vote.

Mr. FOLEY. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. Levin].

Mr. LEVIN of Michigan. Mr. Speaker, we heard a few minutes ago a claim that this is a partisan resolution. It is the opposite. It provides a path to bipartisanship.

A great failing of this administration has been its go-it-alone partisan approach to critically important foreign policy issues. Too often the President has chosen to pursue his goals without taking the trouble to enlist the support of Congress and the American people.

A bipartisan approach may have its frustrations, but it is essential if we hope to forge in the long run a national consensus. The American people are afraid that we may be sending our forces into harm's way in the Persian Gulf without thinking through the potential costs, consequences, and alternatives.

This resolution gives us and gives the administration a chance to make its case for its new initiative to protect gulf shipping. The administration should seize this chance to build a bipartisan policy that will make sense to the American people. I support this resolution.

Mr. FOLEY. Mr. Speaker, I yield 30 seconds to the gentleman from Michigan [Mr. Crockett].

Mr. CROCKETT. Mr. Speaker, I agree with the objective of the resolution. Nevertheless, I intend to vote against it.

I will do so because I do not think this is necessary. At our meeting before the Foreign Affairs Committee today, the President's representative from the State Department indicated that the administration is in full accord with everything contained in the resolution. If that is the case, then the administration knows what the Congress wants and it is not necessary to pass a resolution.

I suspect, however, that the administration's position with respect to Congress is the same as its announced position with respect to Iran. It might be helpful, according to the administration, to let the Members of Congress also go to bed at night wondering what we will do.

☐ 1630

Mr. ROTH. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. Kanjorski].

Mr. KANJORSKI. Mr. Speaker, I rise in opposition to this resolution and quite frankly, I do not agree with Mr. Roth very often, the gentleman from Wisconsin, but I have to agree with him when I heard his speech today.

I think the information that is attainable under this resolution is attainable by committees of the House now. I think this resolution merely represents a coming together of forces that can go out to the American public and say, "We asked questions when the ultimate result of the actions about to be taken by this administration comes to fruition." I think it is an error on the part of the Congress to allow this to happen now. I think it is an error on our part not to tell the administration that we wholeheartedly disagree with flying the American flag on the side of one of the belligerents in the war in which we are supposedly neutral.

I think the end result, before we cast our votes on this resolution, we should ask ourselves that when one of these destroyers or one of these carriers go down, are we prepared as we properly should be to support a resolution of an act of war against Iran? And I am not certain that my constituency told me that, nor other Pennsylvanians, and I ask my colleagues to consider heartily not supporting this resolution.

Mr. FOLEY. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. Mavroules].

Mr. MAVROULES. I thank the gentleman for yielding.

Mr. Speaker, I do want to talk on a remark made here a few minutes ago about the action taken by the DOD authorization which passed here about 1½ to 2 weeks ago which had absolutely nothing to do with the initiative put forth. This is indeed a bipartisan effort and I commend the majority leader and the minority leader for their efforts.

One point I would like to make very clear, and I can understand the rules of engagement and the classified and unclassified areas, but I think we ought to have articulated very carefully by the administration the missions and what they intend to do. But I think more importantly a point made out by Mr. Traficant and I think it is a very important point: What are the allies going to do to assist us in the initiative being taken by the United States for the Kuwaiti Government?

I am not talking about the allies being at the mouth of the open ocean; I am talking about some action, some symbolism at least, to show some support as we go up through the straits, and show support for the United States.

I would think, Mr. Majority Leader, those are the kinds of questions that we should be asking and getting answers to.

I thank the gentleman for yielding.

Mr. ROTH. Mr. Speaker, I yield the remainder of the time to myself.

The SPEAKER. The gentleman from Wisconsin is recognized for 3 minutes.

Mr. ROTH. I thank the Speaker and I appreciate the way you have conducted this resolution today, very much.

I thank also our majority leader, Mr. Foley of Washington, for the graciousness that he has extended to us.

I wish all of you could have been with me at West Point a number of years ago. A colleague of ours, Ben Gilman and I who were on the Board of Visitors at West Point, were there on a Saturday morning when the young cadets marched out of MacArthur Barracks out onto the field.

Lowell Thomas, you all remember Lowell Thomas, a famous newscaster a number of years ago, he was sitting in the stands and watching the review and he said to me, "Look at the awesome responsibility you have. You may have to vote to send young men like this into combat situations."

I did not realize then how many times those words would come back. But basically that is what I feel in my heart we are doing today. That is why I am asking you to vote against this resolution. This resolution was debated this morning for a number of hours in our Foreign Affairs Committee. And what was the final result? We voted to table this resolution because we came to the conclusion that we do not want congressional fingerprints on this policy, that if we want information we can do it through a letter, we can do it through a phone call, we can do it by asking the Secretaries of State and Defense to come here to Capitol Hill to give us the information this resolution is asking for.

It is not like we are not in the Persian Gulf. My friends, we have six ships there now and we added another one this morning. We have seven ships in the gulf. How many more do we want to put into the gulf?

The Persian Gulf is a snakepit. You see, I do not want to send our young men into that snakepit. And that is at the best. At the worst it is a powder keg that can blow sky high.

I think you and I have the responsibility to these young men in uniform to say, "No."

As I told you before, the Jesuit priest at Marquette who said, "The only thing we learn from history is that we don't learn from history." You and I went through the same debate a number of years ago on Lebanon. What happened? There was a vote that we were going to put those young marines in. We put them in. What was the result? We know what the result of this course of action is going to be. We are going to heat that Persian Gulf up to the point where we are going to have more casualties and I do not want to see more young men come back via Delaware.

That is what is going to happen. Let us call the Secretary of State, the Assistant Secretary of State. The Assistant Secretary of State, the Assistant Secretary of Defense have all told us a number of times and again last week that this policy is fraught with danger. But we will not listen.

I ask you to vote against this resolution and I promise you are never going to be sorry you did.

Mr. FOLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. TRAXLER].

Mr. TRAXLER. Mr. Speaker, I rise in opposition to the resolution for those reasons stated by Mr. STUDDS and others.

Mr. FOLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of this resolution as a first step in the process of trying to get to what the policy is.

Mr. BONKER. Mr. Speaker, the Reagan administration's plan to place 11 Kuwaiti vessels under the American flag by the end of June is another ill-conceived foreign policy venture. It is tantamount to handcuffing ourselves to Kuwait and Iraq, and then tossing away the key.

United States objectives in the Persian Gulf should center on protecting and defending our military navigational and commercial shipping interests, consistent with principles of international maritime law; maintaining America's neutrality in the Iran-Iraq conflict while supporting a negotiated settlement to the war; denying the Soviets any opportunities for improving their position in this crucial region; and assuring a free flow of oil from the area to the United States, Western Europe, and Japan. The administration's reflagging scheme undermines these goals, and again raises the spectre of Uncle Sam becoming militarily engaged in serious and protracted hostilities and possibly running the risk of further American lives being lost, as was unfortunately the case in Lebanon in 1983.

The Executive has not sought full and thorough consultations with the Congress, as required under War Powers when our forces become engaged in hostilities, and has not explained its policy and objectives clearly to the American people. In view of the Foreign Affairs Committee's debate on this measure this morning, it is my strong sense that a majority of the public has serious doubts about the merits of the reflagging scheme. Again, as In Lebanon and in Central America, a foreign policy that does not enjoy broad popular support is doomed to failure.

The administration has not, until pressured by the Congress, sought the cooperation of our allies in Western Europe, Japan, or in the immediate region. The question that needs to be answered in this case is why Americans should risk their lives when it is not the United States, but Japan and Western Europe that depend heavily on Persian Gulf oil? Do not their purchases of oil from Iran provide that country with the vital hard currency it needs to pursue its holy war against Iraq?

Finally, the administration has failed to specify the statutory authority for its reflagging initiative. To the best of my knowledge, there is no precedent in the history of our Nation for undertaking such action, nor is there any clear authority in law for the Executive to proceed with this plan.

The ramifications of the administration's actions are frought with peril. Before we proceed any further, it is my hope that the Secretaries of State and Defense will come before the committee to explain in greater detail the administration's program, and that the President will submit a report pursuant to the War Powers Act.

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of H.R. 2533, legislation that would require the Defense Department to submit a report on security arrangements in the Persian Gulf. The tragic Iraqi air attack on the U.S.S. *Stark* which resulted in the deaths of 37 crewmen has focused attention on the risks inherent in the hostile Persian Gulf region. To ensure that we have planned and prepared for any future contengencies facing our forces in this region, Congress rightfully, through this legislation, asks for a classified and unclassified report which details how we plan to fully meet the security needs of U.S. forces, in conjunction with those of our friends and allies, in the Persian Gulf region.

As my colleagues know, keeping the shipping lanes open in the strategic Persian Gulf is an important American national security interest. I support maintaining a presence in the gulf because it underscores our commitment to our friends in the region and our allies around the globe that we will stand by our stated responsibilities. A disruption in the free passage of shipping in the Persian Gulf has serious, negative implications on the economic stability of our allies, especially Japan and Europe. Because we are directly tied to these nations, such an upheaval would have an adverse impact on the average American. Furthermore, to withdraw from the gulf after some 40 years of presence would signal that the United States cannot meet its stated commitments—our friends and allies who count on us in this and other parts of the world would be led to believe that when the "going gets rough, the United States gets out."

Unfortunately, we have been reacting to events in the gulf without defining where we may be heading. Admiral Crowe was right last week when he warned that we shouldn't become more deeply involved in the gulf unless we're ready to stay the course. We cannot "pull out." What little credibility we have in the Middle East would be shattered if we ran away from what we have continuously declared to be a "vital national interest." Therefore, we need to think through how we will react if we are attacked, and what the consequences will be. In essence, we need a plan. This legislation forces the Defense Department to come up with such a plan.

I am very disappointed at the reactions thus far of our allies. They are more dependent on Persian Gulf oil than are we. Yet, they basically seem to be depending on us to fully protect their interests. Part of this report would detail the arrangements for cooperation with friends and allies. It is imperative for the words of "western commitment" to be backed up by actions. While I realize that our allies have much smaller navies and foreign deployment capabilities, their presence along side us in this important mission is paramount. Those who don't have naval capability can contribute in some other way. The stability of the gulf is truly an international interest, not just an American one.

The risks of keeping shipping open in the gulf are high. The costs of withdrawing and ignoring our commitments are even higher. It is important to note that the Soviets have already taken bold steps in the gulf and are committed to the defense of some of the tankers sailing in it. They face some of the same dilemmas about what to do if their forces are attacked. Thus, we and the Soviets have a "coincidence of interests" in bringing the Iran-Iraq war to a halt as soon as possible.

Therefore, we need to maintain a presence in the gulf. There is no real debate about that.

However, we need to be prepared for all contingencies and need to fully know all the factors influencing this situation. With congressional knowledge and concurrence, as this legislative plan envisions, U.S. interests can be best served. Without it, we unnecessarily risk failure.

Mr. SKAGGS. Mr. Speaker, the United States has important interests in the Persian Gulf. The bill before us today does not question that. Much of the free world's oil passes through its straits, and the Soviets have coveted the region for many years. Our friends and allies look to us for leadership in meeting these security and economic challenges, and we should recognize and properly act to meet our interests and responsibilities in the region.

What this bill does question, however, is the administration's off-the-cuff diplomacy. It does so by insisting that our actions in the region be part of a coherent and understandable plan that can be supported by the American people.

When we commit our forces, we are putting at risk not only our honor and prestige as a nation, but also the lives of American men and women. Neither their lives nor our honor should be risked without having a plan in place that has been carefully thought through.

Yet, that is precisely what the current administration has done, not once, but repeatedly during its years in office. Without a realistic plan in Lebanon, our marines were placed in an untenable position in 1983. Without a realistic plan, the administration secretly tried to trade arms for hostages with Iran. If we commit our forces in the gulf without a realistic plan, the consequences could be just as unfortunate.

This bill requires the administration to give Congress its assessment of the threat to American forces if we extend the protection of our flag to Kuwaiti ships. It requires a report on the rules of engagement and the alert status and readiness conditions under which our forces would operate. It also prods the administration to obtain more cooperation from our allies in this effort.

Congress asks this not because we disagree with the administration's goals. Its objectives in the region are shared by most Americans—helping bring an end to the Iran-Iraq war, and minimizing Soviet influence in the oil-rich gulf region. Kuwait, whose ships the President plans to protect, is a moderate Arab nation and friendly to Western interests. But good goals can only be achieved in our democracy by intelligent policy that enjoys general public understanding and support. The administration simply must be in closer consultation with the Congress on this issue, and through the Congress, with the American people. That is the aim of this bill.

Mr. BILBRAY. Mr. Speaker, I rise in support of this measure we are considering today to require the Secretary of Defense to report to Congress on the administration's role in the Persian Gulf.

I want to commend Chairman FASCELL for bringing this bill before the House in a timely fashion so that we can get a better understanding of our military needs in the Persian Gulf.

Mr. Speaker, the events surrounding the unprovoked attack on the U.S.S. *Stark* have raised several questions about the appropriate role for the United States in the Persian Gulf.

As one Member, I would like to know why we are unilaterally expected to insure the safety of the sea lanes in the gulf while we only get 7 percent of its oil.

Mr. Speaker, our credibility is again at stake. I urge support of this measure.

Mr. CROCKETT. Mr. Speaker, the savage, 7-year Iran-Iraq conflict has claimed hundreds of thousands of lives, including the 37 members of the *Stark* crew. As that war lingers on, it threatens to expand beyond its present borders, dragging other nations—including our own—into the quagmire.

We cannot continue to react to events in the Persian Gulf region, such as the attack on the *Stark*, without defining where we may be heading. What we want is to help bring lasting peace to the region. If we are to achieve that goal, we have to explore all possible avenues.

One such avenue is greater cooperation between the United States and the Soviet Union in working for a negotiated settlement to end the war. The Soviet presence in the gulf is a fact that we cannot wish away. Like us, the Soviets are committed to the defense of some of the tankers in the gulf. They face some of the same dilemmas about what to do if their forces are attacked. Thus, we and the Soviets have a coincidence of interests in bringing the Iran-Iraq war to a halt as soon as possible.

For the first time in nearly 30 years, the United States and the Soviet Union are on the same side of critical issue in the Middle East region.

This represents an unsurpassed opportunity for us both to show coleadership in bringing an end to the hostilities between Iran and Iraq; or at least to keep this conflict from spilling over into a larger war.

If we and the Soviets can bring enough influence to bear in the region, it would help not only the countries involved, but the entire region. Building upon that, we might be able to help ease tensions elsewhere.

Rather than engaging in meaningless maneuevers over whose flag is flying over whose ships, rather than putting more American lives at risk—let's work with all parties concerned to bring lasting peace to this troubled region of the world.

Mr. VENTO. Mr. Speaker, I rise in support of H.R. 2533, a bill to require the Secretary of Defense to submit a report to Congress stating the administration's plan to meet the security needs of U.S. forces in the Persian Gulf in conjunction with U.S. allies and friendly nations in the Persian Gulf region.

On May 17, the American people were shocked and saddened to learn of the Iraqi missile attack against the U.S.S. *Stark* which resulted in the tragic deaths of 37 sailors. The Iraqi Government has apologized for the attack which it described as an accident. It is clear, however, that there are many questions surrounding this tragic incident which remain to be answered. In light of the President's recent statements about the United States military presence in the gulf and plans to provide United States protection for Kuwaiti ships in the gulf, it is more important than ever that the administration spell out its policy and its true objectives in this volatile region.

During the past 6 years in which the war between Iran and Iraq has dragged on, the United States has claimed to be neutral. It has been very clear, however, that in recent months, the United States has tilted toward Iraq. The President and the Secretary of State have repeatedly spoken of the dangers which might be unleashed in the gulf if Iran were to defeat Iraq, including the export of Islamic fundamentalism to destabilize other governments in the region and the possible interruption of oil exports from the producing states in the area. In light of these frequent statements, it is all the more puzzling to learn that the United States provided arms to Iran in apparent contradiction of official United States policy. The concerns about security in the Persian Gulf are clear. What is not clear, however, is exactly what our policy in the gulf will be and what the risks of our actions will be. This avowed neutrality can't be viewed in a vacuum, but rather as it relates to our total commitments in the Middle East such as our substantial support for Israel and Egypt.

The Reagan administration should be candid with the Congress and the American people. The decision to place Kuwaiti shipping under American protection is not designed merely to insure freedom of navigation for international shipping in the gulf. Clearly, the United States does not intend to provide similar protection to Iranian shipping. Instead, this decision is likely to result in two policy objectives. First, it will align the United States further with Iraq in its war against Iran and further therefore diminishes the notion that the United States is neutral. It is very clear that Kuwaiti shipping provides material support for the Iraqi war effort. To the extent that the United States is actively providing military protection for this shipping, the United States becomes a direct party to the conflict. Second, the United States action in establishing a stronger military presence in the gulf is intended to preempt a Soviet presence. While there are many legitimate reasons to be concerned with any Soviet presence in the Persian Gulf, it is also clear that we should be concerned with what the implications are of increasing our own military presence in the gulf.

It is disturbing that the Reagan administration has not been more candid in recognizing the risks inherent in its policy approach. Instead, the administration attempts yet once again to move unilaterally toward military escalation without a clear and candid definition of its policy or of the risks in pursuing its policy. While the administration was engaged in an intramural debate about whether the War Powers Act applies to its plans to increase U.S. forces in the gulf, Congress and the American public were looking for any indication that the administration had any ideas about how to protect other American military personnel from suffering a fate similar to what happened abroad the *Stark*.

Our military personnel know that there are risks in their duty. The American people understand that there are risks if we are to protect legitimate national interests. But it is the job of our political and military leadership to define those risks, and, to the greatest extent possible, to minimize those risks. Furthermore, those nations which receive the security benefits of our policy should also contribute to the execution of that policy. While the United States extracts more oil from Alaska than it does from the Persian Gulf, the nations of Europe and Japan import substantially all of their oil from the Persian Gulf. These nations should definitely share in the responsibilities and risks of protecting these resources which are so vital to their own economic well-being.

Mr. Speaker, it is time for this administration to abandon its unilateral brinkmanship policies in the Persian Gulf and beyond. This is not the set of "Hellcats of the Navy." Human lives are at stake in addition to important national security interests. Congress and the American people deserve to know how this administration plans to protect both of these interests.

Mr. FOLEY. Mr. Speaker, I yield myself the remaining time.

Mr. Speaker, as I have already indicated the resolution is simple on its face. It calls for information from the administration on matters relating to the Persian Gulf. It does not, I repeat not, give any permission for the administration to do anything with respect to either reflagging vessels or escorting them or taking any military action of any kind in the Persian Gulf or elsewhere. Second, it does not, repeat not, interrupt, interfere with, substitute for or diminish the War Powers Act or any responsibility of the administration under the War Powers Act.

Third, it does not diminish the power of committees of Congress or of individual Members to request additional information of any kind from the administration. A "no" vote simply says we do not want the most elemental military information about what the administration might be planning in the Persian Gulf. How such a position adds to the stature of Congress or to the concerns of the Members is beyond me. A simple request or demand of the administration is an appropriate first step to getting the information that Congress requires to assist it in exercising its constitutional right and responsibility to consult on this issue. I would hope every Member who votes for this resolution recognizes that he is simply demanding that the information on an area of vital concern, comes to us, as it should, from the administration.

In short, a "no" vote is a vote against having any information and an "aye" vote is for having information. I hope the gentlemen will support the resolution.

The SPEAKER. All time has expired.

The question is on the motion offered by the gentleman from Washington [Mr. FOLEY] that the House suspend the rules and pass the bill, H.R. 2533.

The question was taken; and the Speaker being in doubt, the House divided, and there were—ayes 68; noes 21.

Mr. ROTH. Mr. Speaker, I object to the vote on the ground a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently, a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device and there were—yeas 302, nays 105, not voting 25, as follows:

[Roll No. 160]

YEAS—302

Ackerman
Akaka
Andrews
Anthony
Applegate
Archer
Atkins
AuCoin
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bennett
Bereuter
Berman
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior (MI)
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bustamante
Campbell
Cardin
Carper
Chandler
Chapman
Chappell
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Conte
Conyers
Cooper
Coughlin
Coyne
Darden
Davis (MI)
de la Garza
DeFazio
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dorgan (ND)
Dowdy
Downey
Duncan
Dwyer
Eckart
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frost
Gallegly
Gallo
Garcia
Gejdenson
Gibbons
Gilman
Gingrich
Glickman
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Hiler
Hochbrueckner
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kaptur
Kasich
Kennedy
Kennelly
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Luken, Thomas
MacKay
Madigan
Manton
Markey
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Moody
Morella
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Panetta
Parris
Pashayan
Patterson
Pease
Penny
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Rodino
Roe
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Russo
Sabo
Saiki
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shuster
Sikorski
Sisisky
Skaggs
Skelton
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (OR)
Snowe
Solarz
Spratt
Staggers
Stallings
Stangeland
Stenholm
Stokes
Stratton
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (GA)
Torricelli
Towns
Traficant
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weldon
Wheat
Whittaker
Whitten
Wilson
Wise
Wolf
Wortley
Wyden
Wylie
Yatron

NAYS—105

Alexander
Anderson
Armey
Badham
Bates
Beilenson
Bentley
Bonker
Boulter
Bunning
Burton
Byron
Callahan
Carr
Cheney
Collins
Combest
Courter
Craig
Crane
Crockett
Daniel
Dannemeyer
Daub
Davis (IL)
DeLay
Dellums
Donnelly
Dornan (CA)
Dreier
Durbin
Dymally
Dyson
Early
Edwards (CA)
Edwards (OK)
Frank
Gaydos
Gekas
Gonzalez
Green
Hammerschmidt
Hansen
Hastert
Herger
Hertel
Holloway
Hunter
Hyde
Inhofe
Ireland
Jacobs
Kanjorski
Kastenmeier
Kildee
Leach (IA)
Lewis (CA)
Lewis (FL)
Lowry (WA)
Lujan
Lukens, Donald
Lungren
Mack
McEwen
Molinari
Mollohan
Montgomery
Moorhead
Myers
Nagle
Nielson
Owens (NY)
Oxley
Packard
Perkins
Petri
Rahall
Ritter
Robinson
Rose
Roth
Roybal
Savage
Schaefer
Shaw
Shumway
Skeen
Slattery
Smith (IA)
Smith, Robert (NH)
Solomon
Spence
Stark
Studds
Stump
Thomas (CA)
Traxler
Vucanovich
Walker
Weber
Weiss
Williams
Wolpe
Yates
Young (AK)

NOT VOTING—25

Annunzio
Aspin
Bevill
Boner (TN)
Dixon
Ford (TN)
Frenzel
Gephardt
Kemp
Lipinski
Marlenee
McCandless
McGrath
Meyers
Mrazek
Pepper
Ray
Roberts
Roemer
Rogers
Smith, Denny (OR)
St Germain
Tauzin
Torres
Young (FL)

☐ 1645

Messrs. BATES, CRANE, PERKINS, SAVAGE, and RITTER, and Mrs. COLLINS, Mr. STARK, and Mr. PETRI changed their votes from "yea" to "nay."

Messrs. BUECHNER, TAYLOR, and SAVAGE changed their votes from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1700

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 778

Mr. NEAL. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of the bill, H.R. 778.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

GENERAL LEAVE

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2533, the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

HOUR OF MEETING ON THURSDAY, JUNE 4, 1987

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Wednesday, June 3, 1987, it adjourn to meet at 11 a.m. on Thursday, June 4, 1987.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. FOLEY asked and was given permission to address the House for 1 minute.)

Mr. FOLEY. Mr. Speaker, I just want to advise the Members of the House that the vote just taken is the last vote we expect and the business of the day has been concluded.

THE 25TH ANNIVERSARY OF INDEPENDENCE OF WESTERN SAMOA

Mr. SOLARZ. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. Res. 173) expressing the sense of the House of Representatives regarding the 25th anniversary of the independence of Western Samoa.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. LAGOMARSINO. Reserving the right to object, Mr. Speaker, I will not object, but I do seek this time to ask my colleague, the chairman of the Asian and Pacific Affairs Subcommittee, to explain the matter before us, and I yield to the gentleman for that purpose.

Mr. SOLARZ. Mr. Speaker, House Resolution 173 expresses the sense of the House of Representatives regarding the 25th anniversary of Western Samoa. This legislation was introduced jointly by my very good friend, the gentleman from California [Mr. LAGOMARSINO], the gentleman from Iowa [Mr. LEACH], and the Delegate from Western Samoa [Mr. SUNIA], two other good friends, and myself, and at the request of the gentleman from California [Mr. LAGOMARSINO] I brought it before the House in this form this afternoon.

Mr. LAGOMARSINO. Further observing the right to object, Mr. Speaker, I yield to the vice chairman of the Asian Pacific Subcommittee, the gentleman from Iowa [Mr. LEACH].

Mr. LEACH of Iowa. Mr. Speaker, I rise in support of House Resolution 173, congratulating the people of Western Samoa on the occasion of the 25th anniversary of their independence.

Western Samoa has been a steadfast friend of the United States and has enjoyed stable democratic government since its independence. It is an important country in the South Pacific region in which the United States has vital political, economic, and security interests.

Too often, the focus of congressional concern is the problems the United States has in this part of the Pacific basin. Issues relating to French nuclear testing, United States fishing policy, international efforts to establish a nuclear free zone, and Soviet influence peddling are bones of serious strategic contention.

In this context of challenges to our national interest, it is particularly important that the United States focus from time to time on what is good in our relationships with the island nations of the South Pacific. The 25th anniversary of the independence of Western Samoa is an opportunity to recognize and applaud the democratic achievements of our friends in Western Samoa and their cooperation with the United States in preserving our mutual interests in the region.

I want to commend the gentleman from California [Mr. LAGOMARSINO] for introducing this timely resolution and urge its unanimous approval.

Mr. LAGOMARSINO. Further reserving the right to object, Mr. Speaker, I yield to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I thank the gentleman for yielding and I rise in support of the resolution.

I do want to commend the chairman of the subcommittee and the ranking member, Mr. SUNIA, and the gentleman from Iowa [Mr. LEACH], as well, for bringing this resolution to the House floor.

Western Samoa is the first Pacific island in the Nation to gain their independence. Yesterday was the 25th anniversary of Western Samoa. They are a good friend of the United States. They are a great people. They have an especially close relationship with American Samoa. Their economies in many ways are tied together. I think it is important that we express our congratulations to them on the 25th anniversary of their independence.

I commend the gentleman for his work.

Mr. LAGOMARSINO. Mr. Speaker, further reserving the right to object, I want to thank the gentleman from New York [Mr. SOLARZ], for bringing this resolution before us and in going out of its way really to make sure that it could be considered today.

I also want to thank the 3 other primary cosponsors, as well as the 20 cosponsors that joined me in commemorating the silver anniversary of the independence of Western Samoa, the first and oldest of the sovereign Pacific island states.

Today is a critical period in the Pacific, with so many destabilizing events occurring unexpectedly. So I think it is important to recognize Western Samoa on its 25th anniversary. They have been a staunch supporter and a good friend and a stabilizing influence in the region.

While other Pacific ports have been closed to our ships, Western Samoa has continued to allow United States ship visits. Our mutual cooperation dates back to over a century, including the 1878 Treaty of Friendship and Commerce.

House Resolution 173 is a way to show that the United States recognizes Western Samoa's commitment to parliamentary democracy and continued progress in economic and social development, while preserving their unique cultural heritage.

The administration has no objections to this legislation. The United States Ambassador to New Zealand, who is also accredited to Western Samoa, said that House Resolution 173 would be helpful to United States Pacific Island relations.

Mr. Speaker, I urge all of my colleagues that would like to show their support for peace and democracy in the South Pacific to join me by voicing approval of this measure.

Mr. Speaker, I yield to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I want to thank the gentleman for his comments, and thank the gentleman from New York [Mr. SOLARZ] for bringing forward the resolution.

I had the privilege to visit American Samoa. I well recognize this memorializes and recognizes Western Samoa and the work that they have done. Those cultures are absolutely unique. They are working very hard under difficult circumstances to cope with their economy and their political problems, which I am glad we are recognizing and commend them for maintaining this type of democracy.

Mrs. SAIKI. Mr. Speaker, I take this opportunity to congratulate the people of Western Samoa on the 25th anniversary of Western Samoa's independence. Western Samoa gained its independence in January 1962. This island nation has developed a democratic form of government and maintains close economic and cultural ties with the United States.

The first South Pacific island nation to gain its independence, Western Samoa blends its traditional culture with a pro-Western orientation. Many American citizens in American Samoa, Hawaii, and in the continental United States are of Samoan ancestry. Because of our longstanding friendship with Western Samoa, because of the economic, social, and cultural links between American Samoa and Western Samoa, and because we seek to promote good relations with our neighbors in the Pacific, this occasion is of special importance to us in the United States.

Western Samoa has been a staunch ally of the United States. Its very proximity to United States islands in the Pacific community makes Western Samoa a valuable friend and economic partner. It has provided a harbor for American naval vessels while steadily opposing the extension of Soviet influence in the Pacific. In addition to its relations with the United States, Western Samoa has established itself as a friend of democracy through its membership in regional and international organizations.

The United States has an established friendship with Western Samoa and a continuing interest in playing an active role in the Pacific community. We are fortunate to have Western Samoa as a democratic ally, and I again congratulate the people of Western Samoa on this important occasion.

Mr. LAGOMARSINO. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. HAYES of Louisiana). Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 173

Whereas June 1, 1987, marks the twenty-fifth anniversary of the establishment of the first independent Pacific island country of Western Samoa;

Whereas the Head of State, His Highness Malietoa Tanumafili II, the Parliament and the people of Western Samoa share with the Government and people of the United States the same ideals of liberty, peace, democracy, and progress;

Whereas Western Samoa, under the guidance and leadership of the Head of State, the Parliament, and the traditional leaders, is striving to maintain a consistent and commendable degree of economic and social development, while preserving the unique cultural heritage of Western Samoa;

Whereas Western Samoa has cooperated with the United States regarding mutual security needs for over a century, including the 1878 Treaty of Friendship and Commerce, the stationing of United States' forces in Western Samoa during the Pacific conflict of World War II in defense of the people of Western Samoa, and the continued cooperation regarding mutual security concerns; and

Whereas relations between Western Samoa and the United States have been and continue to be excellent: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) the Head of State, His Highness Malietoa Tanumafili II, and the Government and the people of Western Samoa should be commended for their successful achievement in establishing the first independent Pacific island country which for the past quarter century has remained stable, at peace, and committed to political development through parliamentary democracy;

(2) the pursuit of Western Samoa's economic and social development, within circumstances insuring peace, freedom, and full sovereignty is most important for the stability of the South Pacific area and the interests of the United States;

(3) the United States should continue to support the economic and social development of Western Samoa;

(4) the United States should continue to support the maintenance of peace in the South Pacific through the close mutual cooperation with the Government of Western Samoa, insuring economic development and political stability.

SEC. 2. The Clerk of the House of Representatives shall transmit a copy of this resolution to the President for transmittal to the Government of Western Samoa.

The SPEAKER pro tempore. The gentleman from New York [Mr. SOLARZ] is recognized for 1 hour.

Mr. SOLARZ. Mr. Speaker, I think the resolution has been very effectively and eloquently explained by the gentleman from California. It is nice to know that we do have at least a few friends around the world. I think this resolution is entirely in order.

I can tell my colleagues in the House that there are no committee amendments to the resolution.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SOLARZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

MOURNING THE PERSISTENCE OF RACISM AND HATRED

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, this past weekend I was privileged to participate in a ceremony in Skokie, IL, where a monument to the millions of innocent victims who perished during the Nazi Holocaust was unveiled. Many of those who survived the unspeakable horrors of the death camps were among the 1,000 people at that ceremony. The solemn proceedings paid tribute to the Holocaust's victims and forced us to confront the atrocities of Auschwitz, Dachau, Bergen-Belsen, Trablinka, and all the rest, asking the question: "How could this have happened?"

Only hours after the ceremony, we were reminded of the hatred that produced the Holocaust. Overnight, vandals defaced the new memorial with spray-painted swastikas. The memorial's sculptor, Edward Chesney, said the vandalism is a symbol "for the children, to teach them that this kind of thing exists and they need to be ready to fight it."

One of the Holocaust's lessons is that mankind is indeed capable of inhuman behavior. The Skokie criminals have reminded us why we must maintain eternal vigilence against the hatred and anti-Semitism that is still in our midst.

AMERICAN GOSPEL ARTS DAY

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 106) to designate June 19, 1987, as "American Gospel Arts Day," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Reserving the right to object, Mr. Speaker, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, further reserving the right to object, I yield to the chairman of the subcommittee, the gentleman from California [Mr. DYMALLY], who is the chief sponsor of House Joint Resolution 106, to designate June 19, 1987, as "American Gospel Arts Day."

Mr. DYMALLY. Mr. Speaker, as the sponsor of House Joint Resolution 106, I want to thank the gentlelady from Maryland [Mrs. MORELLA] for her assistance in bringing this bill to the floor.

House Joint Resolution 106 designates June 9, 1987, as "American Gospel Arts Day"—a day to recognize and celebrate the truly American art of gospel music.

The history of gospel music parallels the history of our young Nation. It is a product of the fusion of two cultures—European and African—which were transported to our shores separately, but would share a common destiny.

As people struggled to survive and reconcile their differences, they expressed their hope, their faith, their sorrow, and their joy through music.

Gospel, with its uplifting rhythms and energetic style, symbolizes the dignity of a people who struggled to free themselves from slavery and gain the civil and human rights which were rightfully theirs.

But while gospel music has its roots in the black community and the black church, its lasting influence can be seen in much of today's popular music and in places of worship throughout the country, among all groups—racial and religious.

Mr. Speaker, we chose to designate June 19 as "American Gospel Arts Day" because this date historically has been celebrated as Emancipation Day in the black community. Commonly known as June Tenth, June 19 is the date on which the slaves in Texas were declared to be free persons.

On "American Gospel Arts Day," communities will celebrate the positive values and spirit of social change which are embodied in gospel music, with concerts, awards ceremonies, and other festive activities.

Many of the planned activities have been coordinated by the American Gospel Arts Fund, located in Pasadena, CA, and headed by Dr. W.C. Gordon. I want to commend Dr. Gordon for his tireless dedication to preserving the heritage of gospel arts and for the efforts of the Gospel Arts Fund in support of this bill.

Mr. Speaker, through this resolution, we will contribute to the enhancement of the gospel tradition—a tradition that is rooted in our history and should remain an important element of our cultural heritage.

I urge my colleagues' support of House Joint Resolution 106.

□ 1725

Mrs. MORELLA. Mr. Speaker, further reserving the right to object, I would like to commend the prime sponsor of this resolution, the gentleman from California [Mr. DYMALLY], for bringing it forward at this time.

Mr. Speaker, I am pleased to be a cosponsor of House Joint Resolution 106 designating June 19, 1987, as "American Gospel Arts Day."

We have, in America, a tapestry of cultures coming from other nations. What we are commemorating in this resolution is truly American. This music, gospel music, has emerged from a commingling of African and European music on these shores.

Gospel music was the hope and strength of the black American church community and is the forerunner of popular American music. As a matter of interest, jazz has been called America's only completely unique contribution to Western culture. Gospel music was the foundation for jazz. There is a place in history for gospel music as a truly American art.

Mr. Speaker, we should promote recognition of gospel music as an integral part of American culture and we should participate in the activities which result from the traditional observance of June 19, as a special day remembering black American heritage and civil rights. It was on "June tenth" when news of freedom from slavery reached slaves in Texas, 6 months after the Emancipation Proclamation. Gospel music gave black Americans hope and dignity during this era. It is fitting that June 19 is chosen as the date to commemorate gospel art and to celebrate it with pride.

Mr. Speaker, I thank Mr. DYMALLY for bringing this art form to the attention of American people by sponsoring House Joint Resolution 106. I am proud to be a cosponsor, and I urge swift passage of the joint resolution.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 106

Whereas Gospel music is an American art, a product of the fusion of the African and European cultures;

Whereas Gospel music is the forerunner of popular music in America;

Whereas Gospel music is an art form, is an important part of our cultural heritage;

Whereas the black American church community, in which Gospel music has its roots, has historically been a source for peaceful social change and a positive infuence in all communities;

Whereas it is in the national interest to preserve Gospel music as an American art form, and promote recognition of the Gospel heritage; and

Whereas June 19 is traditionally observed in the black community as a special day of appreciation for black American cultural heritage and civil rights: Now, thefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That June 19, 1987, is hereby designated "American Gospel Arts Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Joint Resolution 106.

The SPEAKER pro tempore (Mr. HAYES of Louisiana). Is there objection to the request of the gentleman from California?

There was no objection.

FURTHER 12-MONTH EXTENSION OF WAIVER AUTHORITY UNDER TRADE ACT OF 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 100-79)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and ordered to be printed.

(For message, see proceedings of the Senate of today, Tuesday, June 2, 1987.)

PROMPT PAYMENT TO RURAL HOSPITALS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. BOEHLERT] is recognized for 5 minutes.

Mr. BOEHLERT. Mr. Speaker, over the past four decades, Congress has made a substantial investment in the Nation's rural hospitals. This investment has paid off handsomely—56 million rural Americans now have improved and improving access to necessary health care services. Unfortunately, recent changes in the Medicare program inadvertently threaten to close the doors of many badly needed rural hospitals.

Some States' health planning and development agencies believe that nearly half of their rural hospitals may eventually close, due in large part to Medicare policies that fail to account for the special circumstances facing rural hospitals.

The closing of a hospital is a devastating blow to a rural community. In addition to providing readily accessible inpatient services, rural hospitals offer an increasingly wide array of outpatient services, acting as a magnet for recruitment and retention of physicians. Moreover, rural hospitals are usually among the largest employers in their communities. Companies are much less likely to consider opening a plant or relocating in a small community if there is no access to a hospital.

I support the Prospective Payment System for hospitals but I believe it is essential that Congress address flaws in the PPS which unfairly penalize rural hospitals.

For this reason, I have introduced H.R. 1787—the Rural Health Care Improvement Act of 1987—and will be testifying on behalf of the legislation before the Select Committee on Aging on June 4. At no additional cost to the Government, H.R. 1787 will insure timely reimbursement for small rural hospitals, allowing them to keep their operation running instead of watching the mailbox for the check in the mail.

Additionally, H.R. 1787 contains a number of provisions that would assure that concerns of rural health care providers are taken into account as Congress and the Department of Health and Human Services develop and implement new policies for Medicare. Widespread closings of rural hospitals will make it more difficult for all rural Americans to receive necessary health care services—not just the elderly who depend on Medicare. Toward that end, I ask your support and cosponsorship of H.R. 1787, the summary of which, I submit here for the RECORD.

RURAL HEALTH CARE ACT OF 1987

(1) Timely payments to Small Rural and Sole Community Provider Hospitals.—Slowdowns in payments to these hospitals have greatly aggravated their cashflow problems. All Medicare claims submitted in proper form and timely fashion by small rural and Sole Community Provider Hospitals will be required to be paid within thirty days.

(2) Impact analysis on rural hospitals of Medicare/Medicaid regulations.—Under current law, a regulatory flexibility analysis is required but HHS rarely performs such studies.

(3) Outlier payments for rural hospitals and Sole Community Providers.—Outlier payments currently account for 1% of all Prospective Payment System payments to small rural and Sole Community Provider Hospitals. The average for all hospitals is 5-6%. The bill raises outlier payments to small rural and Sole Community Provider hospitals to match the percentage paid to all hospitals. This would shift about $40 million from the total pool of $2.3 billion of outlier payments, and increase the total outlier payments to small rural and Sole Community Providers to approximately $60 million.

(4) Rural Health research set-aside.—This amendment requires no new funds. It only requires HCFA to devote annually 10 percent of existing funds to rural health concerns. Access to health care in rural communities would be assured by periodic examination of staffing requirements in small rural hospitals. These safeguards would attract and retain physicians and other health care professionals in rural areas. This section also requires HCFA to develop an annual agenda of projects funded under the set-aside authority.

(5) Establishment of an Office of Rural Health Care within HCFA.—This office would be responsible for implementing the provisions of this bill to provide focus and prevent HCFA from continuing to overlook the problems faced by rural health care providers—particularly hospitals.

□ 1725

ED WALLIN DELIVERS MEMORIAL DAY SPEECH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, this past Memorial Day weekend, I attended a Vietnam Veterans memorial service in Jackson, MS. One of the speakers at this event was Ed Wallin, team leader at the Memphis Vet Center. Ed was a chaplain for two tours of duty in Vietnam and he spoke very eloquently about his Vietnam experience. I want to share his fine comments with my colleagues.

The speech follows:

MEMORIAL DAY SERVICE—JACKSON, MISSISSIPPI

For almost 10 years I told no one this until the Vet Center Program began, "I am a Vietnam veteran and proud of it." I was a chaplain in Vietnam with the 101st Abn. Div., for two tours of duty, from late 67 to mid 69. Much of my time giving services to the living, for some, their last service as well as memorials in behalf of our KIA's. My time and role in Nam were the most actualizing and fulfilling ministry of my life. While I often questioned our military presence there, I never questioned mine or any other chaplain. While I was very involved in ecumenical and civil rights circles in Memphis during the early 60's with leaders of all religious denominations, fellowship and brotherhood were most intense in Nam, with chaplains, who are still my friends today. I think of Jack Brown, Roy Fullilove, John Allen, and Jerry Autry, with whom I shared "humping" with our "grunts" in the heated jungles, sloshing thru rice paddies, occasionally with water up to our necks and bodies covered with leaches, sharing the misery of sleeping in the mud, sometimes dodging bullets and rocket rounds, holding a joint field service in the pouring rain, tending the wounded, and crying together over our dead. The camaraderie was such that we were ready to gladly die for each other. In fact, 20 chaplains died in Nam, several receiving the Congressional Medal of Honor. I had three chaplains wounded under my command in the short course of two weeks. The chaplain who took over my duties when I left was killed a month later, shot down in a helicopter. We lost chaplains in other wars—½ dozen in the Revolutionary War, 75 from the North and South in the Civil War, more than 200 in WWII, and another 13 in the Korean Conflict.

About 100 years ago, this Memorial Day, Oliver Wendell Holmes, Chief Justice of the U.S. Supreme Court, who was wounded three times in the Civil War, stated, "We cannot live in association with the past alone, if we could be worthy of the past, we must find fields for action or thought and make ourselves new careers. But nevertheless, the generation that carried the war has been set apart by its experience. For in our youth, our hearts were touched by fire."

Indeed the heart, mind and soul of every veteran of any war, especially he or she who faced death, experienced suffering, the terror the brutality of combat, has been touched by fire which he or she will never forget and will haunt them all thru life. But on this Memorial Day, while we pledge to never forget our living veterans, and only recently our Vietnam veterans—and we command our nation, government, and Veterans Administration to reinforce that pledge, we are reminded too, of our obligation to those who died in service for their country.

We recall the words of Abraham Lincoln, "It is for us the living to be dedicated to the great task remaining before us—that these honored dead have not died in vain, we take increased devotion to that cause, for which they gave their last full measure of devotion." Today, we pay tribute to the heroes of the Argonne, Omaha Beach, Iwo Jima, Pork Chop Hill, and a hundred places of strange sounding names in Vietnam, Beirut, Grenada, and now the Persian Gulf; we continue a 200 plus years tradition.

Kenneth Musselmann, Vietnam veteran and present National Commander of the DAV expressed the following theme very well in the DAV Magazine, May 87 issue:

"Exactly 200 years ago this month, 55 representatives from the 13 states gathered in Philadelphia to revise a document which they hoped would bring order and unity to their newly created nation. With their work completed four months later, the Constitution was ratified the following year, 1788.

Those founding fathers laid the cornerstone of our republic. As they did so, they woke the world to democratic principles that hold our republic together. Never again will humanity take tyranny for granted, as the normal state of things.

As a result of its Constitution, the United States has proven that the ideals of freedom, justice, equality, and hope can be the norms upon which society is based.

Not only has America survived with these ideals as her foundation, she has thrived. Ours isn't a perfect society. No human society ever will achieve perfection. But, through our Constitution, we have the means to pursue perfection.

So, the Constitution breathes life into our national spirit in two ways. First, it holds lofty ideals before us as a continual reminder of our truest national goals . . . of what is, in fact our national destiny. Second, it provides us with tools to use in fashioning that destiny.

Is it any wonder that so many Americans have been willing to brave the dangers of combat to defend that document? Is it any wonder that well over a million Americans have laid down their lives to fuel the fire of freedom for future generations?

I think not. And it's essential that we remember the tremendous sacrifices these men and women made in defense of the Constitution on this Memorial Day.

Yes, we owe our nation, itself, to the patriots who framed that world-shaking document in Philadelphia so long ago. But we owe no less—perhaps we owe even more to those who died during the 200 years since to preserve that Constitution.

Who were these men and women? What was their sacrifice?

They came from ordinary families, for the most part. Had they survived the terrors of war, most would have returned to ordinary lives. without looking into their souls, we would be unable to see anything exceptional about these people.

But, obviously they were exceptional. A fire burned in their souls, demanding a towering commitment to words and phrases about liberty and justice.

It's worth remembering that the high sounding language of our Constitution rang like so much rhetoric in the ears of most of the world back in 1787. It's words and phrases were just that—words and phrases—to those who weren't part of America's noble Constitutional experiment.

But, later on, to those Americans called upon to die in our Nation's wars, the language of our Constitution rang with the true tone of silver.

They understood, deep in their souls, that our Constitution is more than words. It's the process of ideals being transformed into reality. It's a pledge of opportunity for everyone in our land. It's our guarantee against authoritarian power.

It's the promise of America, the beacon of freedom, to peoples who live in the dark shadows of oppression. It's the model of a better life for all of humanity.

Though its principles are so visionary, there is nothing abstract about our Constitution. It is real, it is living, it is changing the history of the world in our own time.

This is the knowledge our war dead carried with them as they took up arms for our country. This consciousness gave meaning to their action, filling their hearts with courage for what had to be done.

So many of us here came so close to death at one time in our lives, and so many of us, too, have seen friends die in combat.

Even after returning to civilian life, we've seen friends pass away due to service-connected disabilities. We've seen the ultimate price of war paid out time and again, long after the storm of war had cleared. Some are still trying to find their way home.

These experiences wrenched their hearts. Recollection of them is painful, often intensely troubling. But we should treasure those memories. This understanding exceeds anything known to those who've seen no war.

Perhaps, we don't think ourselves wise, but, we hold a potent wisdom. What we know, carries with it, a responsibility to those who've died. We must lead our nation's people in keeping the memory of our war dead alive.

Let us honor them with the fullest and deepest gratitude this Memorial Day."

John Kerry, a highly decorated ex-naval officer, before the Senate Foreign Relations Committee in 1971, stated, "We wish that a merciful God could wipe away our own memories of that service as easily as this administration has wiped away their memories of us. But all they have done by this denial is to make more clear than ever our last own determination to undertake one last mission—to search out and destroy the last vestige of this barbaric war, to pacify our own hearts, to conquer the hate and fear that have driven this country these last 10 years and more, so when 30 years from now our brothers go down the street without a leg, without an arm, or a face disfigured and small boys and girls ask why, we will be able to say "Vietnam" and not mean a desert, not mean a filthy obscene memory, but mean instead, the place where America finally turned and where soldiers like us helped in the turning."

And his prayer has been heard, for over ten years later, young veterans are now finding that lost pride of having served in Nam thru the growing support of the cities and towns all over our nation—of the Wall and Statue in Washington, D.C., visited by 100,000 people a month, which was organized and erected and paid for by veterans and private citizens—the entombment of the Vietnam "Unknown Soldier" in 1984 by the President, the ticker tape parade in NYC 2 years ago that thousands of veterans and myself participated in and greeted by over a million people—Chicago last year, and L.A. a few weeks ago. John Kerry can be justly proud of this turnaround and now involve himself in the change as he has recently been elected the Junior Senator from the State of Massachusetts.

We are learning our lessons from Vietnam—its sad legacies urge us on—an adequate national defense as a deterrent to all potential foe with the same commitment to maintain the peace and defend our Constitution—where our military commanders are pledging now never to commit our troops to war unless the whole nation backs the decision and to *win*. No more inequities in the draft system. PTSD to be treated indefinitely by Congressional action—to be given the highest priority in the VA hospital system.

As Pope Paul VI told the United Nations Assembly in 1965 and our Commander-in-Chief repeated recently at Bergen-Bergen Concentration Camp "No More War—Never Again."

Ben Franklin said, "There was never a good war or a bad peace." Herman Wouk, famous author wrote recently in preface to his latest book, "It is in the rememberance of War that we have the beginning of peace." And lastly the august Gen. Robert E. Lee observed, "It is fortunate that war is so terrible, least we become too fond of it." We remember the words on a sign post at Khe Sanh during the height of it's siege in 1968, "For those who fight for it, life has a flavor the sheltered will never know."

Even Hollywood has recently dignified the Vietnam Experience with movies, despite their flaws. Such as "Platoon", which gives the American public a brief glimpse into the utter horror and hell that was Vietnam!

Today we remember all our dead and their loved ones. We wish them peace—and in the name of the Prince of Peace, I wish you the same—

Peace always, Amen.

A USER FEE FOR MILITARY PROTECTION IN THE GULF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, today I am introducing legislation to bill our allies for the military protection we provide them in keeping the shipping lanes of the Persian Gulf open to transport oil to their countries.

Using a process already authorized in the law, my bill would use temporary import surcharges to bill the allies on a pro rata basis for the cost of our military presence there. The more oil a country brings out through the gulf under U.S. protection, the greater the share of the military bill it will pay. Consider it to be a user fee for our military protection.

Former Navy Secretary John Lehman estimates that it costs the United States about $40 billion a year to keep those oil lanes open, but only about 13 percent of the oil that comes out of the gulf goes to the United States. On a pro rata basis, then, we receive only about a $5 billion benefit for our $40 billion defense costs; the balance goes to our allies, specifically about $20 billion to Western Europe and about $14 billion to Japan. I see no reason to continue these huge subsidies when we are strapped with a crushing budget deficit and our allies are knocking our blocks off in international trade.

Mr. Speaker, many people will assert that our military is in the gulf only partly to keep the cheap oil flowing to our allies. The real reason we're there, according to the pundits, is geopolitics. Ah yes, geopolitics. The mother of the Iran arms deal.

Let's look at the strategic issue for a moment. I agree with the geopolitical wise men that we would benefit from a stable Persian Gulf. I agree that we depend vitally on the unrestricted flow of oil from the gulf. I agree that we would be worse off if the Soviet Union were to extend its influence through the gulf. What I don't agree with is the reference of the word "we." The geopoliticians believe that "we" refers to the United States. I believe it refers to the United States and our allies.

What has happened to the concept of an alliance? What has happened to the communality of interests that is supposed to bind the NATO countries and Japan? Are our allies blind to the threat we see? Are they indifferent? Or are they slick welchers who won't bear their share of the load? Either we are overstating the threat of Soviet expansionism in the area or our allies are taking advantage of our anticommunism to get a free ride, knowing that we'll fight the whole battle for them if we have to. If the former is true, we ought to pull back our forces and use the money we spend there for better purposes. If the latter is true, we ought to demand immediately that our allies pay their full share. Unless our whole strategic doctrine is incorrect, Soviet expansionism threatens Western Europe and Japan just as much as it does the United States.

But let's move off the lofty perch of geopolitics back to the rather more prosaic, realistic world of economic necessity. The fact is that Western Europe and Japan need Persian Gulf oil to maintain their economies at their present high-output, trade-surplus pitch. The United States uses Persian Gulf oil to fill in residual gaps in supply: 30 percent of the oil consumed in Western Europe comes from the gulf; 59 percent of the oil consumed in Japan comes from the gulf; 5.6 percent of the oil consumed in the United States comes from the gulf. Of the gulf oil that goes to NATO and Japan, Europe receives 51 percent of the total, Japan 36 percent, and the United States 13 percent.

Do we really think that if we requested financial help from our allies for the protection we provide that they could afford to turn us down? Where else are they going to get their oil? What kind of naval forces do they have to do the job themselves?

Mr. Speaker, let us be very clear about what our role is in the gulf? We are not there mainly to defend the frontier of America's strategic interests. We are there mainly to ride shotgun on oil shipments and as a result our allies can import cheap oil with which they can manufacture products to sell in the United States and cost American workers their jobs.

Now if we want to resign ourselves to being the world's policeman, instead of the world's manufacturing leader, that's one thing. But if we are going to do that, at least we should get paid for it. Why we are giving our allies a $35 billion a year subsidy in this area alone is beyond comprehension.

Mr. Speaker, I believe strongly in the value of our alliances with Western Europe and Japan. I believe they make us stronger economically, politically, and militarily. But I also believe that an alliance must be a two-way affair. We cannot continue to bear the preponderance of the costs of keeping the alliance viable when clearly the benefits of viability are shared among all allies. It is a losing deal that the American people will come to resent and if we lose popular support for these alliances, we will all be worse off.

My legislation does not ask anything more of the allies than that they contribute to the Persian Gulf military presence in proportion to the benefits they receive from that presence. It is nothing more than a user fee for our military protection. The days when we can afford to be big-hearted Uncle Sam are long gone. Our allies are all grown up now, and it's time they started to pay their own way.

INDIA'S UNFULFILLED PROMISES TO THE SIKHS IN PUNJAB

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. SHUMWAY] is recognized for 60 minutes.

Mr. SHUMWAY. Mr. Speaker, I have requested time for a special order today to focus attention on the continuing violence in India which has claimed thousands of lives, most of them Sikhs living in the state of Punjab. I have often said that I do not believe it is the role of the Congress to dictate foreign policy to the executive branch or to interfere in the internal affairs of other countries. However, as Members of Congress we must be able to respond to the concerns of our Sikh constituents who have friends and relatives in India. We must make informed decisions about United States economic aid and high technology sales to India.

The tragic circumstances in India are not widely or fairly publicized. The information we receive is controlled by the Indian Government. Foreign journalists are not allowed to visit Punjab. Religious and ethnic violence has claimed thousands of lives. Yet the silence of the international community is almost deafening. It is time to demand the truth. It is time to shed light on the Indian Government in New Delhi which casts a long dark shadow over the Sikhs in Punjab.

Recently I had an opportunity, as a member of a congressional factfinding mission, to visit India and to meet with Prime Minister Rajiv Gandhi. Unfortunately, I was denied the chance to visit Punjab. To understand the problems of the Sikhs in Punjab, it is helpful to consider the turbulent past.

India is no stranger to religious violence. Mahatma Gandhi, a man revered throughout the world for his dedication to nonviolence and his commitment to religious tolerance, engaged in a near-death fast to protest Muslim and Hindu fighting in response to the separatists' call for partition on the eve of independence. When India achieved its independence from Great Britain in 1947, it was essentially divided into the Muslim area which became Pakistan and the predominantly Hindu area which became India.

The Sikhs opted to join India based on the solemn promise of Pandit Nehru, the leader of the Indian National Congress. While drafting the new constitution for India he stated that, "The brave Sikhs of Punjab are entitled to special consideration. I see nothing wrong in an area and a set up in the north where the Sikhs can also freely experience the glow of freedom." Hundreds of thousands of Sikhs abandoned their homes and farms in western Punjab and migrated to India where they settled in the Indian Punjab and in Delhi, the capital. They often bore the brunt of the violence that accompanied the mass transfer of population between the two new states. Today the tensions remain between Pakistan and India, and the Sikh community is still waiting to experience the "glow of freedom."

In the past 4 to 5 years the Sikhs and the Government of India in New Delhi have moved ever deeper into confrontation over basic issues such as the degree of autonomy to be granted to the state of Punjab, how to reconcile the interests of the Sikhs versus other communities, economic issues such as demands for more water for farmers and the right to establish industries in the State, as well as special religious demands. One result has been the growth of violence pitting Sikh militants against the security forces, and a weakening of the position of moderates who seek peaceful solutions. Ordinary Sikhs and Hindus have suffered greatly, either as a result of extremist violence or excesses committed by the security forces.

In June 1984, Prime Minister Indira Gandhi ordered Government troops to storm the Golden Temple at Amritsar, the most sacred shrine of the Sikh religion, in pursuit of several hundred armed Sikh militants who had occupied the temple. This incident, which claimed the lives of thousands of Sikhs and hundreds of army members, followed months of violence in Punjab.

A few months later, on October 31, 1984, Indira Gandhi was killed by Sikh members of her bodyguard who claimed to act in revenge for the attack on the Golden Temple. Thousands of Sikhs in New Delhi alone were murdered in the riots which followed the assassination of Indira Gandhi.

Rajiv Gandhi succeeded his mother as Prime Minister after her death in 1984. In an attempt to ease the tensions with the Sikhs, Rajiv Gandhi negotiated the Punjab accord of July 1985. As we approach the second anniversary of the accord, it is indeed appropriate to review the status of some of its essential provisions:

The city of Chandigarh, which has served as a joint capital for Punjab and the neighboring state of Haryana, is to be given to Punjab in exchange for some of its Hindu-speaking regions;

The demand for a greater share of river waters to irrigate farm land is to be referred to a tribunal with a report being issued in not more than 6 months;

National legislation is to be enacted to regulate the function of thousands of Sikh shrines scattered around the country;

The judicial investigation of the anti-Sikh riots in New Delhi is to be expanded to include other cities in northern India.

Mr. Gandhi promised to provide compensation for the loss of innocent lives and property as a result of the turmoil since 1982.

He also promised to encourage the Punjabi language and protect minority interests.

A major milestone was the holding of elections in September 1985, which were won by the Sikh's Akali Dal Party. Unfortunately, the Gandhi government recently took direct control of Punjab and suspended the Sikh state government. The Gandhi government has lost precious time in the pursuit of a negotiated settlement by its failure to implement the Punjab accord.

The Punjab accord symbolized the promise of a negotiated settlement. However, for many Sikhs, including my friends in Stockton, the accord was simply too little, too late. For centuries the Sikhs have suffered great persecution claiming the lives of many thousands of followers. In the 18th century Sikhs were massacred more than once by Mogul and Afghan invaders. Under British rule, 80 percent of those imprisoned or executed during India's fight for independence were Sikhs who represented only 2 percent of the total population. Since independence thousands have died in the hostilities in Punjab and the riots in New Delhi. When you consider this long history of oppression, it is easy to understnd why many Sikhs today support the creation of Khalistan, an independent Sikh nation in the Punjab region, as the only hope for a peaceful future.

The United States has a long tradition of accepting the integrity of existing states in conformity with international law. Rather than supporting separatist movements, we have tried to promote and encourage constructive change within the parameters of the existing state. Thus, our foreign policy has not been to encourage the formation of a separate Khalistan. Even if the United States were to deviate from this tradition, I do not believe that a separate Sikh nation is the most desirable alternative to pursue at this time. It is a goal that would demand a very high price in human life and many years of suffering. It may prove to be the inevitable solution, but I would like to see every diplomatic avenue pursued before resorting to endorsement of the separatist Khalistan policy.

India would be extremely reluctant to relinquish Punjab which is of great strategic and economic importance to the nation as a whole. It is located at the very arch of India which reaches toward Pakistan and China and thus performs a critical role as a buffer state between India and its arch rival—Pakistan. It is also the breadbasket of India which is now self-sufficient in feeding its population, largely as a result of the industrious Sikh farmers.

In the final analysis, as the creation of Pakistan clearly demonstrates, partition will not necessarily solve the underlying tensions. A democratic nation must accommodate different religions and minorities by protecting the rights and freedoms of all individuals without distinction. The future of India as a democratic nation demands no less.

At the same time, I appreciate the growing impatience with the Gandhi government, given its failure to carry out the Punjab accord and the continuing tensions and violence in Punjab. In may view, the time has come for the Sikhs, and indeed the international community, to focus on India's unfulfilled promises to the Sikhs in Punjab and to challenge Rajiv Gandhi's claim to be a man of peace and democracy. Only last month he vowed to use an "iron fist" to put down Sikh secessionists in Punjab.

India, which claims to be a nonaligned country, failed to vote even once with the United States on the 10 key votes which took place in the last session of the U.N. General Assembly. In fact, the Soviet Union voted with the United States more often than did India.

Perhaps the greatest challenge to India's claim to be a nonaligned, democratic nation is its successful effort to preclude U.N. consideration of human rights abuses in Cuba. No country, nonaligned or otherwise, can turn its back on the repressive policies of Fidel Castro and claim to share the ideals of freedom and democracy.

Just as the nations of the world should focus on Rajiv Gandhi's credibility in international affairs, the Sikhs of India should publicize and demand adherence to the promises made on the eve of independence by Mr. Nehru and the Punjab accord negotiated by his grandson Rajiv Gandhi.

As a democracy, India should demonstrate its respect for justice and the rule of law by punishing those who abused their authority in connection with the assault on the Golden Temple or participated in the riots following the assassination of Indira Gandhi. Prosecution of wrongdoers is long overdue.

As a democracy, India should make greater efforts to ensure religious freedom and protect members of religious or linguistic minorities.

As a democracy, India should allow foreign journalists and concerned Members of this Congress to visit Punjab and view the situation for themselves.

If Rajiv Gandhi wishes to be recognized as the leader of the world's largest democracy, then he must fulfill India's promises to the Sikhs of Punjab.

□ 1735

GENERAL LEAVE

Mr. SHUMWAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The **SPEAKER** pro tempore (Mr. HAYES of Louisiana). Is there objection to the request of the gentleman from California [Mr. SHUMWAY]?

There was no objection.

Mr. Speaker, I yield to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. I thank the gentleman for yielding.

Mr. Speaker, I would also like to commend the gentleman from California [Mr. SHUMWAY] for arranging this special order.

Mr. Speaker, a large percentage of my district's residents are immigrants from overseas. Many of them retain strong ties to their countries of origin and have a keen interest in events there. Prominent among these constituents is Dr. Gurmit Singh Aulakh. Dr. Aulakh, president of the International Sikh Organization, is a former professional scientist who has dedicated himself to lobbying Congress on behalf of India's Sikh minority. I dare say that there is no congressional office that has not been several times visited by Dr. Aulakh in his quest for justice in the Punjab, the ancestral home of the Sikh people.

Dr. Aulakh is concerned that the Indian Government is not treating the Sikh people fairly. As some Sikhs fight for greater autonomy for their region, the Indian Government has responded in a manner that many have characterized as harsh and excessive. Almost 3 years ago, Indian troops stormed the holiest Sikh shrine, the Golden Temple of Amritsar. This attack claimed the lives of hundreds of Sikhs. Just last month, the Indian Government dismissed the Sikh-dominated Punjabi state government and imposed direct rule from New Delhi.

India has a proud tradition of democracy and respect for human rights, a tradition particularly remarkable given the country's poverty, size, and diverse population. If India is to retain its reputation as the World's largest democracy, it will have to ensure that the rights of all its minorities are protected.

As Shakespeare has written:

> The quality of mercy is not strain'd . . . It is enthroned in the hearts of kings, It is an attribute to God himself; And earthly power doth then show likest God's when mercy seasons justice.

I thank the gentleman for yielding.

Mr. SHUMWAY. Mr. speaker, I thank the gentlewoman for that contribution and at this time I yield to the gentleman from California [Mr. HERGER].

Mr. HERGER. I thank the gentleman for yielding and I thank the Speaker.

Mr. Speaker, I would like to join my colleague from California in honoring the Sikhs, and would like to mention the great contributions this religious minority has made to their society. In addition, I would like to bring to the attention of my colleagues the increasing evidence of India's support for the Communist Sandinistas.

The Sikhs number about 16 million, out of a total population in India of some 750 million. Sixty-two percent of the total population of India's Punjab State are Sikhs, and their communities are highly independent and economically productive.

The Sikhs have been very successful in agriculture and commerce, and largely due to their hard work, have made Punjab the richest and most agriculturally productive province in all of India. The Sikhs produce 73 percent of India's wheat reserve, and 48 percent of that nation's rice reserve. Representing a largely agricultural district myself, I can clearly appreciate this great contribution made by the Sikhs.

The Sikhs are truly patriotic, desiring only to live in a free society. Indeed, the Sikhs bravely fought for their nation's freedom, representing 80 percent of those imprisoned and executed during India's fight for independence. My experience with the Sikhs in my own Second District in California certainly confirms what a great reflection they are on their native heritage in India.

The Sikhs also play important roles in India's Army and administrative services, despite how they have been oppressed by that nation's government forces. Sikhs believe in one God, equality of mankind, and strongly oppose the caste system, as well as the practice of idol worship. Like all of us, the Sikhs believe in serving God through serving mankind. I am pleased to join my colleagues in this most important tribute to the Sikhs.

The second point which I would like to touch on is the clear evidence that the Indian Government has been aiding the Communist Sandinistas in Nicaragua. Our Nation not only must stand firm in opposition to the oppressive treatment of the Sikhs by the Indian Government, but we must also speak out against the newly developing India-Sandinista relationship.

Recently, India's Prime Minister Rajiv Gandhi pledged $10.4 million in aid to the Sandinista regime. The close ties between India and the Soviet Union should make this grant-in-aid to Nicaragua not at all surprising. Although India's leaders like to boast about how they delicately balance their relations with East and West, there is no doubt that India has been increasingly moving into the Soviet orbit.

During a visit to India by Nicaraguan Dictator Daniel Ortega, Prime Minister Gandhi not only promised $10 million in aid, but also made positive remarks about Nicaragua's policy of exporting revolution throughout Central America. Ortega, for his part, awarded Gandhi Nicaragua's highest award, putting Mr. Gandhi in a group of recipients which includes Fidel Castro.

The poverty-stricken nation of India has consistently aided the Communist Sandinistas. In the past, India has provided medicines and thousands of tons of wheat to Nicaragua. What's more, India has provided managerial, technical, and material assistance to the Sandinistas in a variety of industries. Recently, an economic and technical delegation was sent by India to Managua to indentify further areas of cooperation.

Quite frankly, the Indian Government's assistance to Sandinista Nicaragua, together with its suppression of the Sikh people and its illegal suppression of the legitimately elected government of Punjab, call into question India's reputation as the "world's largest democracy." What is democratic about assisting Communist totalitarianism consolidating its stranglehold on the Nicaraguan people? Moreover, what is democratic about India's oppression of the Sikhs, who are among the nation's most valuable citizens? The world is waiting for answers to these disturbing questions.

In light of these issues, I feel it is time that our Nation reassess its yearly contributions to the State of India. Clearly, our role as leader of the free world dictates that we must not accommodate a nation which provides aid to the enemies of freedom, and harshly suppresses its own people.

□ 1745

Mr. SHUMWAY. Mr. Speaker, I thank the gentleman from California [Mr. HERGER] for his pointed and timely statement. It is a good contribution to this particular special order.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. SHUMWAY. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for yielding.

I rise today to bring attention to an increasingly repressive situation in the Punjab. Just last month, the puppet state government in the Punjab was dissolved by the Indian Government. The Punjab is now being ruled directly from New Delhi. On May 17, Prime Minister Rajiv Gandhi, addressing a party rally, said that "India vowed to use an Iron fist" to put down Sikh secessionists. The police and recently-reinforced paramilitary forces in the Punjab rounded up thousands of Sikh activists on orders from the new police chief in the region.

The former chief of the Punjab, who was an Indian Government puppet, Chief Barnala, has been excommunicated by Sikh high priests. After doing their bidding, Barnala reacted angrily to his dismissal by the Indian Government. Referring to the breakdown of law and order and the increase in killings in the Punjab, Barnala said "tomorrow if there are even more killings in the State, will the Indian Home Secretary resign? Will the Indian President dismiss Mr. Gandhi and step in and rule?"

While it is refreshing to finally hear some truths about Indian repression in the Punjab, I see a situation that continues to get worse for Sikhs in the Punjab. The Indian Observer quoted a source that said the center would now let loose a reign of repression in the Punjab and allow the more than 70,000 paramilitary police unfettered freedom. The Indian Government seems to be learning more and more about repression from its ally to the north, the Soviet Union.

The Soviet-Indian alliance has become even more pronounced in the past few months. The United States has supplied over $600 million in aid to India over the last 4 years. What type of friendship with the United States has a massive aid program to India brought:

In the United Nations, the Indian Government votes less with the United States than the Soviet Union does.

India recently prevented an investigation by the U.N. Human Rights Commission into flagrant human rights abuses by Cuba.

Elie Krakowski, head of the office of regional defense in the international security affairs division of the Defense Department recently wrote of the Soviet attempts to annex the Wakhan Salient, which is the northern tip of Afghanistan.

This would give the Soviets direct access to the Hindu Kush, territory disputed by India and Pakistan. The Soviet Union has been subverting various tribes in Northern Pakistan, hoping to gain their favor. Already during 1987, Pakistan's airspace has been violated over 350 times and over 500 people have been killed.

If the Soviet Union gains access to this region, they will have a direct land route through India to warm water ports in the Indian Ocean. The Soviet Navy already has access to Indian deep-water ports.

It is interesting how the Indian Government refuses to condemn the Soviet invasion of Afghanistan.

India also refuses to condemn the Soviet backed invasion of Cambodia by Vietnam.

Over 80 percent of India's arms are supplied by the Soviet Union.

The U.S.S.R. has supplied India with the MIG-29 fighter plane and the *Kilo*-class submarine. These weapons are so sensitive that the Soviets won't even provide this scale of weapons to the Warsaw Pact nations.

India has full diplomatic relations with the PLO but none with Israel.

India is supplying $10.4 million in aid to the Communist Sandinista's while their own people are starving.

This is the government that denies oppression of the Sikhs.

Mr. Speaker, I think anyone who knows much about this situation over there knows that the Sikhs are suffering under great pressure and great repression, and those in the Congress who really care about human rights need to speak out. I thank the gentleman in the well for taking this special order tonight.

Mr. SHUMWAY. Mr. Speaker, I thank the gentleman from Indiana [Mr. BURTON] for his very thoughtful and very forthright statement.

Mr. Speaker, the purpose of presenting this special order this evening is to simply call attention to the status of things in India and particularly in the state of Punjab. It is a status that I do not think will be revealed in the media. It is a status that we are not going to see coming from the press reports out of India, but it is a status that must be taken into account by Members of Congress as we deliberate this issue and as this issue forms an overall part of our budget and indeed our foreign policy.

Many of us represent Sikhs in various parts of the country, and I think that those Sikhs who are in America have demonstrated their skills and their values. They have proven to be very good citizens, and I think all they are requesting at this time is that those same values and those same capabilities be shared by their brothers who may still be living in India and particularly in the state of Punjab.

I think it is, therefore, time for India to be responsive, and responsive in a way that will be in keeping with the high ideals that India claims for itself. It is simply to illustrate the need for that response and to illustrate the plight of the Sikhs that I felt it was appropriate to take this special order this evening.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. SHUMWAY. I am pleased to yield to the gentleman from California.

Mr. HUNTER. Mr. Speaker, I thank the gentleman for yielding.

I have been very impressed by the gentleman's remarks and by the remarks of the gentleman from Indiana [Mr. Burton].

I have one question that I want to ask the gentleman, because he is an expert and I am not. I do not have a Sikh community in my district, but I have journeyed to areas that have Sikh communities and I have been impressed by the eloquence of their pleas to the United States to help them.

I am particularly interested, and I think a lot of Americans are, in the attack upon the Golden Temple on June 6, 1984. Could the gentleman tell me how many Sikhs were killed by Indian policemen and special police and military forces?

□ 1755

Mr. SHUMWAY. I would just say to the gentleman that there are some disputes about the fatalities, the casualties in that attack; but my information tells me that there were thousands of Sikhs who were killed, and many hundreds of security forces who likewise lost their lives.

I think the more significant thing, though, is the following events: The riots that erupted both in Delhi as well as in Punjab which claimed the lives of indeed many thousands and hundreds of those who were forces on behalf of India.

Mr. HUNTER. I had heard that there were as many as 20,000 people killed in the Golden Temple attack, and following in the aftermath over 290,000 Sikhs.

Mr. SHUMWAY. The gentleman may be correct, but I think that there are different figures.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. SHUMWAY. Mr. Speaker, I yield to the gentleman from Indiana [Mr. Burton].

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, one of the things that concerns me the most is the apparent disinformation campaign that seems to be taking place by the Indian Government.

I received a call today from a State Department official urging me to take great care, and maybe the gentleman from California did as well, about what we said regarding India in this special order tonight, so they are very sensitive about these issues we are talking about tonight.

It appears to me, after talking to some of my friends who are Sikhs, that there is a great deal of disinformation being given to the American people and to the State Department regarding the repression that is talking place in the Punjab.

In addition to that, I do not know how we can be expected to trust a government that is so closely tied to the Soviet Union. India is recognized as a nonaligned country.

I would like to know what a nonaligned country is, if they are nonaligned, because this country is getting sophisticated weaponry that no country in the world is getting, even in the Warsaw Pact.

Mig-29 fighter bombers to my knowledge are not being given to any other country in the world except India. The Soviets gave a great deal of care and thought to this before they decided to give those weapons.

You look at their voting record in the United Nations. They vote with the Soviet Union 94, 95 percent of the time, and vote against us consistently.

They vote with Cuba, all the Communist bloc nations, and yet they say they are nonaligned, and because of that our State Department continues to go hat in hand to the Indian Government, Rajiv Gandhi, and gives them massive amounts of foreign aid.

My feeling is in the case of India and in the case of all foreign countries, that we should give foreign aid on a bilateral basis. We should extract a quid pro quo before we start giving American taxpayer dollars to these countries; and in the case of India, if they are going to continue to stay in bed with the Soviet Union year in and year out, to do their bidding, to help them get a passage through the Wakhan Salient down to a warm water port which they have always coveted on the Indian Ocean, let them go with the Soviet Union. They do not need American taxpayers' dollars, so it is extremely important that this point be made tonight, that this is not a nonaligned country, not a pro-U.S. country, not even a pro-West country.

It is a country that oppresses its people, lies to the United States and the entire world; and they have been taking our money and supporting the enemies, and I think these things needs to be pointed out.

Mr. SHUMWAY. Mr. Speaker, let me say in further response to the gentleman from California [Mr. Hunter], you will notice in all of the news accounts of things that may be happening in India, they have the dateline New Delhi, because in many respects they represent the Indian point of view. They do not always reflect what is really happening in the state of Punjab.

It is very sad to me that the Indian Government will not allow foreign journalists to go there, to actually see how many casualties may have been inflicted in the raid on the Golden Temple, and what kind of violence now is going on.

Without that kind of free access to news, much of what we are going to be receiving in the way of description, news events, is going to be tailored to reflect the New Delhi government point of view; and therefore, it will not be entirely objective.

Mr. BURTON of Indiana. About 1 year ago, I think it was the Indian Ambassador came to see me, and I raised some of these issues regarding the repression of the Sikhs in the Punjab with him. He said that it was not so, and it was all fabrication; and I asked him at the close of our discussion if it would be possible for me to go to the Punjab to see for myself, and maybe take a delegation of Congressmen.

He said he would get back to me, and I have yet to receive communication from him, so what the gentleman is pointing out about newspapermen applies to Congressmen as well.

They will not let newsmen in there or Congressmen in there either.

Mr. SHUMWAY. That is correct. I was in India some months ago, and I specifically requested permission to go to Punjab and was denied.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. SHUMWAY. Mr. Speaker, I yield to the gentleman from California [Mr. Hunter].

Mr. HUNTER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, there are some lessons here for the United States. I am reminded that the United States developed the Rockefeller Wheat Varities, for example, that doubled and tripled the grain production in areas for India, in areas where their people were starving.

Expertise in irrigation and dam construction was utilized to move India from being one of the importers of wheat in the world. In fact, they bought American wheat and satisfied our production to being an exporter, a net exporter of wheat; and it is my understanding that India today is a net exporter because of American expertise, because of scientific development of wheat that we gave to them, because of the goodness in the hearts of Americans, because we wanted to help starving people with no strings attached, no requirements for votes in the United Nations, no quid pro quo associated with it.

Yet, the Soviet Union which gives Mig aircraft and attack helicopters and other weapons to India has apparently achieved a friendship with India that moves India to vote against the United States and for the Soviet Union.

India is advertised as being the world's biggest democracy, and I guess a lesson to the people of the United States is that a democracy is something other than simply a country in which a majority of the people work their will, because if the majority of the people work their will against a minority and oppress them, and kill them and persecute them, then they are not a true democracy. The oppression of the Sikhs in India has demonstrated that India is not a democracy in the sense that it does not protect its minorities, and that is the hallmark of the United States, and regrettably not the hallmark of India.

I would hope that we would begin to get the attention of India in certain appropriate ways, and I think one of those ways is to not give money to those people who continually side with those who oppress people around the world like India, Angola, other places, where Soviet proxies kill people,

Mr. SHUMWAY. India with over 750 million people is able to provide enough food and feed its population, and still have some commodities available for export.

They have achieved a great deal of efficiency in that regard, and much of it has been inspired by our contributions, as the gentleman has pointed out.

Punjab really is the breadbasket of India, and there is evidence to the effect that farmers in Punjab have not received enough water to really irrigate and achieve their full potential as farmers.

That water has been diverted to other regions; and furthermore, for the crops they have produced, they have not been paid a fair price in comparison to those same crops in other parts of the country.

In agricultural production, we see the same kind of hostility or biased exercise toward the state of Punjab, in this case primarily Sikh farmers, as we have seen in so many other areas, and that gives them further reason to want to pursue their independent state of Palestine, to continue the kind of violence that has earmarked the past several years. India must be more fair in its treatment of these people, and more tolerant of their need for human rights.

Mr. BURTON of Indiana. Mr. Speaker, would the gentleman yield?

Mr. SHUMWAY. Mr. Speaker, I yield to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for yielding.

I was recently told, and I do not have the figures with me, that India exports a lot of sugar, is it to Cuba? No. They buy sugar from Cuba and export it to the United States of America.

They are a market to Cuba sugarcane. We have an embargo against Cuba, but we are buying a certain percentage of the sugar production from India, and they are buying it from Cuba, so indirectly we are buying sugarcane from Cuba which we legally are not supposed to do because of the embargo that has taken place there.

Are you familiar with that?

Mr. SHUMWAY. No, I have not heard that; but it comes as no surprise to me if indeed that is going on, because it seems to be typical of the way that they favor their own friends, and do not favor an honest relationship with the United States.

□ 1805

Mr. BURTON of Indiana. Well, I think that is something that we in the Congress ought to look into, because if they are circumventing United States law, this embargo we have with Cuba, by buying sugarcane from Cuba and then selling us their sugarcane, then they are in effect once again not only helping Nicaragua and the Soviets, but they are helping Cuba, which is 90 miles off our shores.

Mr. FAZIO. Mr. Speaker, with due respect to my colleague, Mr. SHUMWAY, I rise today to address the current status of the Sikh community in India, particularly in the state of Punjab.

I rise today, Mr. Speaker, to note the importance of this region to the principles of international democracy. It is important to consider how our legislative body may address what many Sikhs feel is an inadequate degree of governmental action in fulfilling the promises made to the moderate Akali Dal party by Prime Minister Rajiv Gandhi. In June 1985, an 11-point accord was signed by Mr. Gandhi and former party leader Harchard Singh Longowal which addressed specific demands made by the Sikhs that had risen out of the Golden Temple incident and the Delhi massacres. Yet specific points of the accord, such as the transfer of Chandigarh city to Punjab and the transfer of compensating territory of Haryana state, have gone unfulfilled.

I think that the efforts of the Indian Government to bring together the disparate peoples of India into one unified country are severely undermined by a lack of democratic treatment of the Sikh community, despite the fact that India is populated by 16 million Sikhs. A majority of the Sikhs reside in the state of Punjab, where they have transformed a backward area into the model of agricultural efficiency that contributes to the self-sufficiency status in wheat consumption which India now enjoys. In fact, although Sikhs account for only 2 percent of the enormous Indian population of 750 million, they produce 73 percent of the total Indian wheat reserve, 48 percent of the rice, and 26 percent of the gross national product of India. Yet central government agricultural pricing and industrial licensing policies, the subdivision of land into uneconomic units, and shortages of irrigation water have fueled a sense among Sikhs that Punjab is being "held back" in favor of less developed, but politically favored states. The resourcefulness of the Sikhs is demonstrated in this country by their presence in our communities, where they have emerged from their original status as migrant farm and railroad workers to professional positions within the sciences and the academic world. I believe that the Sikh community must be provided with the opportunity to negotiate an independence and autonomy from the central government of India, and that all necessary provisions for preventing further violence within the area and for ensuring peaceful cooperation between the states should be made.

Mr. Speaker, June 6 marks the third anniversary of the Golden Temple incident which was provoked by the threats of separatist Sikh leader Jarnail Singh Bhindranwale. During simultaneous attacks ordered by former Prime Minister Indira Gandhi on the Darbar Sihb, holiest of Sikh temples, and on more than 40 other Sikh temples throughout the Punjab, Bhindranwale and 259 of his followers were killed. Independent observers have estimated that a total of at least 1,000 Sikhs, including women and children, were also killed during the incident. The Prime Minister's political dexterity, which had helped to mobilize ideological support for the attack from several politically and culturally oriented groups in India and elsewhere, served as a catalyst for further unfair treatment of the Sikhs and an impetus to the continued violence of the separatist Sikh movement. Following the incident, the Indian Army remained in Punjab as the highest legal authority; so-called black laws gave the military and civilian police nearly unrestricted arrest and detainment authority, while foreign and American journalists and political observers were unable to observe living conditions within the area because of the information blackout which was also imposed. Nonetheless, reports filtering out of the country documented religious and cultural persecutions, arbitrary arrests and detainments, and murders. These reports conflicted sharply with official statements regarding the treatment of Sikhs.

Mr. Speaker, I believe it is imperative that Congress act at this time to do whatever is in its power to help bring about the end of the violence in the democratic state of India. This violence, catalyzed by the Golden Temple incident, has thus far led to the murder of Prime Minister Indira Gandhi on October 31, 1984, by two Sikh bodyguards; the militant assassination of Akali Dali leader Longowal just prior to the September 1985 Punjab state election; and the Delhi massacre, during which an estimated 3,000 people were killed and several thousand others were subject to brutalities. While the government claims that less than 1,000 people have been killed in Punjab during the past 2 years, claims by Sikh organizations cite much higher death tolls. Because of the persistence of the information blackout, however, these claims cannot be verified.

Most recent, Mr. Speaker, the government of Prime Minister Rajiv Gandhi has reimposed central government control, claiming its necessity in stemming a resurgence of terrorist violence. Yet there are currently extreme separatists within the ranks of Sikh organizations and rival faction leaders who will undoubtedly be outraged at Mr. Gandhi's actions as well as his "vow to use 'an iron fist'" in dealing with Sikh secessionists. I have faith that a political solution continues to be possible, since Sikhs have turned out to vote in countrywide elections despite the calls for a boycott by fundamentalist separatists. But the expedience of this situation is made clear by the fact that, since early 1987, a sufficient number of Akali legislators have defected from the government to make it dependent on the opposition Congress party to maintain a majority;

the leadership of Punjab Chief Prime Minister Surjit Singh Barnala, who came to power following Longowal's assassination, has also been accused of staging false murders of Sikh youths and Barnala has been excommunicated by the Sikh high priests for disobeying religious edicts. This creates a powderkeg-type of situation which must be diffused. As I have said before, I believe that we must achieve a recommitment to restraint through the functioning of our democratic political systems. There is no room for violence and terrorism in this process, which serves merely to undermine the efforts to achieve a true and lasting peace between all peoples of India. The serious questions we face affect not only the Sikhs of the Punjab and the worldwide Sikh community, but reflect upon the future directions of democracy in this critical region of the world.

Mr. Speaker, I urge my colleagues to consider seriously the problems which lie before us and work with those of us here today to chart the best and most expedient course to peace in Punjab and throughout India. Thank you.

Mr. DELLUMS. Mr. Speaker, I rise today to express my concern regarding the situation of political and social unrest existing in the Indian state of Punjab.

I have in my district, Mr. Speaker, many families of Indian and Pakistani heritage. I have been contacted on numerous occasions by family members concerned with the well-being of relatives beset by the unfolding ethnic, political, and religious strife which has beset Punjab.

I must point out, Mr. Speaker, that this crisis has its ultimate origins in the partition of the Indian subcontinent by the British. As has often been the case in the determination of national boundaries by a colonial power, this partition was arbitrary, abrupt, and socially and politically unnatural. Political instability is a natural tragic result when colonial powers attempt unilaterally to determine the destiny of captive peoples.

I am very concerned about the continuing media and individual reports of significant human rights abuses occurring in Punjab. Fortunately, extreme examples of abuse, such as the 1984 occupation of Sikhdom's holiest shrine, the Golden Temple, are no longer a regular occurrence. More recent incidents, while not as extreme, are very disturbing.

We must stand up for civil liberties and religious and social understanding in India. This great land must not be allowed to waste its tremendous potential being rent asunder by the legacy of a shortsighted colonial partition.

Mr. DWYER of New Jersey. Mr. Speaker, I rise today to join with many of my colleagues from both sides of the aisle to discuss a situation which has arisen in the Punjab, that region of northern India most notably inhabited by Sikhs.

I would like to congratulate and thank the gentleman from California [Mr. SHUMWAY] for requesting this time so that Members of this body might be able to reflect on a difficult—often tragic—foreign policy issue.

Clearly, the problems of the Punjab do not command the public's attention to the extent of, say, United States-Soviet relations, our policies in Central America, or the scourge of apartheid in South Africa. But the problems which exist in this area are important to Americans for serveral reasons.

First, there are serious human rights questions involved here. The United States, as the leading advocate for personal freedom and liberty, has a moral imperative to speak out on injustice wherever it might occur.

Second, there are geopolitical concerns, as well. Located as it is on the Indian border with Pakistan, just 150 miles from the Soviet Union, the status of this region within India could have profound implications for its eventual role in the future of the Indian subcontinent.

Finally, there are a great many American citizens who trace their roots back to India and to the Punjab region to whom this issue is extremely important.

The level of violence in this conflict has been increasing in recent years, Mr. Speaker. The attack on the Golden Temple and, more recently, the imposition of presidential rule are symptomatic of deeply held and deeply felt problems which will not easily lend themselves to solutions.

For this reason, it is important that the United States help to focus world attention on this region. Iran, Iraq, Afghanistan, Pakistan, India—we are talking about an area of great global significance, given the access to the Indian Ocean which exists there.

Mr. Speaker, I am privileged to represent a significant number of persons of Indian extraction who live and work in the Sixth District of New Jersey. They are both Hindus and Sikhs and they are making major contributions to their community, to the economy of the State of New Jersey and to their adopted country.

I am proud of the good rapport which exists within my constituency among persons of differing backgrounds. It is a tradition in central New Jersey and one of the major strengths of our country. And it suggests that the people of India need to reach a similar accommodation.

Violence as a means to achieve a political end, whether perpetrated by the Indian Government or by residents of the Punjab, is counterproductive. It only tends to force retaliation and a hardening of positions.

Let us hope that cooler heads will prevail in relations between the Indian Government and their Sikh citizens, that the enhancement of freedom will be a goal of both parties and that tranquility will return to this troubled part of the world.

Mr. Speaker, I would again like to thank the gentleman from California for organizing this special order and for providing me with the opportunity to address this question today.

Mr. CRANE. Mr. Speaker, I would like to commend my colleague from California for his special order concerning the plight of the Sikhs in India. Under the Gandhi regime, a regime that defends Soviet foreign policy and contributes money to the Marxist Sandinista regime in Nicaragua, the Sikh minority has been repeatedly persecuted and officially labeled as "terrorist."

In January of this year, paramilitary police forces in the Punjab state of India entered the Sikh religion's holiest shrine, the Golden Temple, and arrested several people suspected of terrorist activities. It was the second time in 9 months that the police had entered the shrine, exacerbating the already tense atmosphere between the Sikhs and the Hindus. The worst confrontation at the Golden Temple occurred in 1984, when Prime Minister Indira Gandhi sent the army into the holy temple. Several thousand Sikhs were massacred at the temple, and a wave of violence between Sikhs and Hindus followed the incident.

Shortly after the Golden Temple attack, Prime Minister Indira Gandhi was assassinated, allegedly by Sikh bodyguards. In the 10 days following the assassination, over 3,000 Sikhs were killed in the Punjab capital of Delhi alone. The anti-Sikh riots included brutal incidents of rape, mutilation, and burning. Independent observers also claimed that Hindu political leaders played a direct role in inciting crowds, and noted a conspicuous lack of action on the part of the local police. Another 570 Sikhs were killed in other Indian cities and towns, and estimates are that the death toll for that period may exceed 5,000. Punjab has since been closed to foreigners and reporters, and it's newspapers have been shut down.

In July, 1985, Indian Prime Minister Rajiv Gandhi signed an 11-point accord addressing specific demands by the Sikhs arising out of the various episodes of violence and rioting to which they have been subjected. However, many of the points in this accord have certainly not been fulfilled, and the violence and terrorism directed against the Sikhs continues in India even today.

Though the media would have us believe that the Sikhs are violent extremists, the vast majority of them are, on the contrary, peace-loving individuals. The fact is that they have not and will not submit to the oppression of the Indian Government. As the leading nation in the free world, we must recognize and take direct action in response to their plight. The United States can no longer sit idly by as this reprehensible situation continues.

Mr. PORTER. Mr. Speaker, I commend my colleague, Mr. SHUMWAY, for coordinating today's special order to honor the Sikhs of India. The upheaval in the Sikh-majority state of Punjab remains one of India's most serious human rights concerns. Since 1984, when the Indian Government sent armed troops into the Golden Temple and killed at least 1,000 Sikhs, the violence between the Sikhs and the Hindus has escalated dramatically in the Punjab.

According to U.S. Government figures, 600 persons, including Sikhs and Hindus, have died in the Punjab violence during 1986, and nearly 300 as of mid-1987. As cochairman of the Congressional Human Rights Caucus, I strongly deplore the acts of religious persecution against the Sikhs or any religious group at the hands of the Indian Government. A total of 16 million Sikhs live in India, composing 2 percent of the population. So why are such a small minority discriminated against, tortured, and sometimes killed?

I urge Prime Minister Gandhi to end the human rights abuses occuring in his country. An important first step would be the fulfillment of the 11-point accord of July 1985. This accord, signed on July 14, 1985, by Prime Minister Gandhi and then leader of the Akali Dal Party, Harchand Singh Longowal, addressed specific political, economic, and religious demands by the Sikhs that arose out of the Golden Temple incident.

True democratic governments must protect all citizens from the scourges of discrimination. This protection must extend to all religious and ethnicities. If the Indian Government is to be grouped with the free world it must distinguish itself from the discrimination and prejudice of totalitarian dictatorships.

Mr. Speaker, at this time I would like to insert a memo for the RECORD that was brought to my attention this morning by Dr. Gurmit Singh Aulakh, president of the International Sikh Organization. It is written by Eric Nicoll, research associate at the Information Bureau of the National Center for Public Policy Research, to executive director Amy Moritz and describes in detail the human rights situation in India.

[Memorandum from the Information Bureau of the National Center for Public Policy Research]

To: Amy Moritz, Executive Director.
From: Eric Nicoll, Research Associate.
Re Human Rights Situation in India.
Date: June 1, 1987.

In preparing this memorandum at your request I have found that some Members of Congress are beginning to re-examine the United States' relationship with India. This April, for example, the U.S. House of Representatives Foreign Affairs Committee reduced aid to India in the Foreign Assistance Act by $15 million by creating a $35 million ceiling on this aid. As the U.S. has given $1 billion to India since 1982 and expects to give nearly $600 million more during the next four years, this $15 million is but a small percentage of India's total U.S. aid. But the Foreign Affairs Committee vote has encouraged Congress to investigate India's human rights situation and to consider how Americans can use U.S. influence to encourage India's Rajiv Gandhi government to improve human rights.

A Congressional review of U.S. policy toward India is long overdue. India in 1987 is a nation in which religious persecution is encouraged by law; where the government does not protect citizens from a system of permanent servitude that is little better than slavery; where prisoners of the state are held indefinitely and sometimes tortured and killed; where the circumstances of one's birth dictate a citizen's place in society; and where constitutional protections taken for granted by Americans either do not exist or can be repealed at the whim of a government that has been headed by members of the same family for 38 of the last 40 years.

HUMAN RIGHTS VIOLATIONS ARE FREQUENT

Reports of human rights violations in India are frequent and come from many sources. Sample reports of individual instances of human rights violations include:

The U.S. State Department reports that in December of 1985 thirty-one prisoners were blinded by authorities while awaiting trial in the state of Bihar, and that the death of a young Sikh in Delhi was quite widely suspected of being the result of torture.

The Manchester (England) Guardian reported on April 14, 1987 that between 80-100,000 teachers were imprisoned for one month in the state of Tamil Nadu for defying a government order forbidding them to strike for more pay, and that 20 of the teachers had died in custody. On December 29, 1986 the Washington Post quoted one unidentified police official admitting that "Many times we depend on torture in interrogations, no doubt about it."

According to the Christian Science Monitor's October 15, 1984 coverage of government actions in the Punjab state: "The pattern in each village appears to be the same. The army moves in during the early evening, cordons a village, and announces over loudspeakers that everyone must come out. All males between the ages of 15 and 35 are trussed and blindfolded, then taken away. Thousands have disappeared in the Punjab since the Army operation began. The government has provided no lists of names: families don't know if sons and husbands are arrested, underground, or dead."

Amnesty International cites many reports of human rights violations: a partial list includes allegations that some prisoners of the government have been used as slaves or sexually abused; that in one small village in the state of Andhra Pradesh 238 residents alleged in a petition to the Supreme Court that they had been tortured; that a judge visiting Nabha Central Jail in Punjab accused authorities of torturing detainees by rolling logs over their thighs or pulling their legs apart; that in the Punjab the beating of prisoners suspended from the ceiling on the soles of the feet and on the body was frequently reported. Amnesty International also received allegations from the Punjab that, when a person wanted by the police could not be found, relatives were arrested in his or her place and sometimes beaten and detained, and that the police had falsely implicated people in offenses punishable under the arms act by planting weapons on them.

Amnesty International also reports receiving allegations that individuals have been killed by the police in staged "encounters." In the state of Uttar Pradesh those killed were criminal suspects (especially of the Harijan "untouchable" castes); in Andhra Pradesh, Bihar and Punjab the victims were political activists. Amnesty International reports that in one such incident in Andhra Pradesh in April 1986 "five alleged Naxalites [Members of a Maoist political party considered the most extreme of India's communist parties] were killed and a survivor stated that they had been surrounded by police in plain clothes, striped naked, stood in a row with their hands behind their backs and shot." Other sources say similar "encounters" involving Sikhs have been staged frequently in the Punjab and elsewhere.

INDIA'S APARTHEID: THE CASTE SYSTEM

Upon taking office in 1984, Indian Prime Minister Rajiv Gandhi promised sweeping reforms of the caste system. Despite the passage of three years, Gandhi has failed to even begin the reform process.

The caste system in India is evil and pernicious. Developed over hundreds of years, India's original five main castes have divided into thousands of other castes, according to region, occupation, and varna (the caste system's own hierarchy). In India today there are almost 3,000 major castes, each subdivided into groups of families with common ancestors, called gatras.

Castes are arranged in a strict hierarchy. Members of a caste have a predestined duty to carry on the tasks of their caste and nothing else. The philosophy still followed by Hindus today was described by the Hindu lawgiver Manu 2,000 years ago: "It is better to do your duty badly than another's well."

According to Hindu rules, members of a higher caste must never come in contact with one of a lower caste. (If such contact occurs, he or she will require a ritual cleansing.) Caste rules dictate nearly every aspect of life: what members may eat, what they may wear, and even how their marriages may be performed.

The Harijan "untouchables" are considered the lowest caste in Indian Hindu society. The Harijans comprise approximately 15% of India's 785,000,000 population. Restrictions on Harijans are stringent: they are, for example, almost always forbidden to use village wells and temples and they must never cook the food for a member of a higher caste.

The caste system also brings harmful civil and political discrimination on a mass scale. There is rampant political favoritism for certain castes in the awarding of government contracts and jobs. Village politics are almost completely dominated by caste alliance. Impartial law enforcement suffers because the police forces are dominated by the so-called "higher" castes.

Violence between castes has been one result of tensions brought on by these inequalities. In the west Indian province of Gujaret (population 30-40 million) over 400 people were killed as a result of a caste tensions from June of 1985 through August of 1986 alone. The violence erupted as tensions rose over caste-based quotas for college admissions and government jobs between the so-called "backward" castes and the "upper" castes. The Gujaret situation is not unique: in the northern states of Bihar and Uttar Pradesh, to name two examples, disputes over land reform and land control often result in violence between castes.

In disputes the police, run by the higher castes, tend to side with the higher castes. The justification they give for prejudicial application of the laws is a claim that the lower castes are dacoits (bandits) or Naxalites. At a 1978 parade honoring the late Harijan ("untouchables"—Hinduism's lowest castes) leader Dr. Ambedkar conflict triggered a police riot. The police rampaged Harijan neighborhoods, killing nine, seriously injuring over 100, burning homes, and attacking a Harijan Buddhist shrine. Violence occurred in part because parades by Harijans are strongly resented by the upper castes, including the police. The upper castes believe that Harijans should not be permitted to hold parades because these parades tend to increase the self-assurance of Harijans—a development members of higher castes regard as dangerous.

A summary of the brutality as well as the continuity of the caste system is best described by Indian Sham Lal in a July 10, 1982 Times of India article entitled "The National Scene: Showing Them Their Place." It read, in part:

"The village of Bangalwa in Bihar is only the latest locale. The place is different but it is a replay of the same bloody drama each time. A murderous gang of armed men, all drawn from the landed castes, descends on a village and mows down a whole lot of Harijans with guns. What is the provocation? Perhaps a mere feeling that the Harijans are getting too big for their boots. Or a desire to teach them how to keep their traps shut and play dumb in courts of law when they are asked to bear witness in cases impuning their betters. The mass killings may be an act of revenge or a mere warning. The insolent message they carry is much the same in either case. The place of the Harijans is at the very bottom of the social ladder in the village, it says, and if they want to save their skin they had better stay where they are.

"The political scenario which follows is no less sickening than the drama. Everyone expresses his sense of horror over the spilling of innocent blood. Every party sheds tears for the victims. There is a promise of new security measures. But what does this mean in a society where even the police are infected by the very virus which turns so many members of the so-called higher castes into wild beasts?

"This explains the new aggressiveness of the dominent castes everywhere. They have the run of the village scene. They hog most of the gains of development, whether it is easier credit, higher yields from the land or better prices from farm produce. *No party wants to stick its neck out in fighting them because this can be highly risky in terms of loss of electoral support . . .* [emphasis his]"

The caste divisions in India are very deep and highly institutionalized. The police, politics, and the administration are controlled by the higher castes, serving to keep the lower castes in their places.

THE PUNJAB: GOVERNMENT CENSORSHIP OBSCURES REASONS FOR VIOLENCE

Another example of the Gandhi government's callousness toward human rights is the federal government's mid-May takeover of the Punjab state. The Punjab is an area of unrest and political and religious violence, most of it based loosely on tensions and differing political aspirations between the Sikhs and the Hindus. (Sikhism is the majority religion in the Punjab, but a minority religion in India as a whole. In 1981, there were approximately 13 million Sikhs in India, 550 million Hindus, 76 million Moslems, 16 million Christians, and 5 million Buddhists.) The manner in which the overwhelmingly Hindu government has chosen to deal with the situation makes impartial observers skeptical of the government's good faith.

In Mid-May the Gandhi government ousted the state government of the Punjab and took direct control of the state for a period of at least six months. The official reason given by the Indian government for this action was to stem what the government described as a wave of violence headed by Sikh separatists who hope to turn Punjab into an independent nation called "Khalistan." The Gandhi government thus claims that its direct control of the Punjab is justified. But it is difficult for outside observers to reach an informed opinion because the government has taken extreme steps to prevent outside observers from obtaining independent information. No foreign journalists, diplomats, human rights monitoring organizations or private citizens are allowed into Punjab. Thus, there is no reliable independent confirmation of the level of violence in the Punjab or of its nature.

The government is strict about its ban of all foreigners (including diplomats) from the Punjab (unless they have, in the words of an official at India Tourist Office in New York, a "very good reason" such as family or property there). Offenders are prosecuted. In June 1984 Associated Press reporter Brahma Challany filed a report after witnessing the murder of 14 bound Sikh youths by government paramilitary forces during the government attack on the Golden Temple, the holiest shrine of the Sikh people. When Challany tried to file his report with the Associated Press, he was arrested by the Indian government and charged with sedition.

Some independent information about the nature of the Indian federal government's role in Punjab is available. It was reported in the May 9, 1987 edition of the British newsweekly The Economist, for example, that at least 360 Sikhs have been held in detention in a Jodhpur jail by the government since 1984 without official charges being made against them. The Economist makes no substantial recommendations for settling tensions in the Punjab permanently, but does suggest that tensions in the Punjab can be at least partially assauged if Rajiv Gandhi shows increased concern for human rights in the Punjab by: (1) releasing the 360 Sikhs; (2) punishing those (including, if guilty, cabinet ministers, police officials, and workers in Gandhi's Congress (I) Party) who organized the 1984 Delhi riots in which many thousands of Sikhs were killed; (3) pardoning Sikh soldiers who deserted their units in what The Economist calls the "emotional aftermath" of Indira Gandhi's raid on the Sikhs' Golden Temple. For humanitarian reasons alone, Rajiv Gandhi should consider these steps even if The Economist is wrong that tensions can be measurably reduced if he shows increased concern for human rights. Unfortunately, such concern has yet to be manifest.

No outside observer doubts that the situation inside the Punjab is tense and extremely complex. What is doubtful, however, is whether the Gandhi government's harsh measures in the Punjab are called for. If the government believes it has a solid case, it should permit visitors—especially journalists, human rights monitoring groups and diplomats—into the region. If the activities of the federal government in the Punjab are truly justifiable, foreign observers and journalists will surely confirm this. As long as the government refuses to do so, outsiders will remain skeptical of the sincerity of the government's claims.

GOVERNMENT INFLUENCE OVER THE PRESS

The Indian constitution supposedly guarantees the freedom of speech and press. However, since the television station, Doordarshan, and the radio station, Akashwani, are directly controlled and operated by the government, they are subject to decisions by the regime as to what will be broadcast and in what manner. Since 64% of all Indians are illiterate, the impact of governmental control of these media outlets is magnified. Furthermore, some Indian newspapers are owned outright by the government. (I have been informed that those that are independent are required to obtain licenses from the federal government in order to purchase paper and survive mostly through revenue received from government advertising.) As a result, reporting has been quite selective, especially in regard to events related to the assault on the Golden Temple, and the government uses its influence over the media to promote Gandhi's Congress party at election time.

Censorship and government influence over the media is not limited to radio, television and newspapers. The book Report to the Nation: Oppression in Punjab, published by Citizens for Democracy, has been banned in India. This report, released in September of 1984, documented government atrocities during the Golden Temple attack. The book was immediately banned, its publisher was arrested, and all available copies were confiscated and destroyed. Another 1984 report "Who Are The Guilty?" published jointly by the People's Union for Democratic Rights and the People's Union for Civil Liberties, was also suppressed. The report's printer was harassed, 7,000 copies of the Punjabi translation were confiscated by state police, and a case was filed against the translator for "provoking communal hostilities."

BONDED LABOR: TWENTIETH CENTURY SLAVERY

Another tragic situation the government ignores is bonded labor. This brutal fact of Indian life amounts virtually to slavery. Over 2.5 million Indians who have borrowed money must work indefinitely to pay off a debt which, due to excessive interest, grows faster than they can pay it back. While technically illegal since 1976, this system remains pervasive as the laws are not enforced. As the Economist points out, ". . . all too often in India such laws have no effect because nobody takes any notice of them." And, ". . . neither the states nor the central government seem interested in enforcing the law."

Most bonded laborers have borrowed $40–$80 and pay interest often over 50% per year. The value of the individual's labor is determined by the lender. When the interest builds up quicker than the worker can pay it back the laborer becomes trapped in a spiral debt. Many never get out of bondage, and those who die before their debt is repaid must be replaced by a family member.

INDIAN JUSTICE: DETAINMENT INDEFINITELY WITHOUT CHARGE

Since 1984 the Indian federal government has possessed sweeping powers to detain individuals indefinitely without charging them with any crimes. Under Ordinance Five of a 1984 amendment to India's National Security Act an arrested individual may be held in detention for no official reason for up to fifteen days. The length of this detention is determined by the detaining authority. After ten days, the detaining authority must show that there are "exceptional circumstances" to continue holding the individual. In practice this is not difficult.

Before Ordinance Five was enacted, the case of an accused was to be referred to an advisory board within three weeks of the detention and the advisory board was to submit its report within seven weeks of the detention. But Ordinance Five greatly increased these timeframes: now the case of a person detained before April 3, 1985 must be submitted to the Advisory Board within four months and two weeks and the Board must submit its report within five months and three weeks of detention. Therefore, now an individual covered by these provisions can be detained for nearly six months even if his detention is completely unjustified.

Ordinance Six of the Second Amendment to the National Security Act provides that, upon expiration of the detention order, an additional order may be issued for up to 12 months. This means that, if a detention order is held invalid by the court, the detaining authority can revoke the order and immediately make another detention order on the same grounds for up to one year. According to the U.S. State Department, this makes it "theoretically possible for a detainee to be held indefinitely without trial."

India's newspapers are not sanguine about these new regulations. The Indian Express warned that "The record of the police does not inspire confidence that they will always use these sweeping provisions with due caution. (It is) a threat to social workers, trade unionists, civil libertarians, political opponents and others." The Hindustan Times warned "Let us not forget that police officials' quest for more and more powers is intrinsically insatisable."

International concern over India's judicial system extends beyond the concerns voiced by the U.S. State Department, Indian newspapers, and others over Ordinances Five and Six. Another 1984 act, "The Terrorist Affected Areas Act," extends the investigation period from 15 to 30 days, and, when necessary, from 60 or 90 days to one year, in any area declared to be a "terrorist affected area" by the government. In application, this means that in areas deemed "terrorist affected" by the government a detained individual may be held for a whole year without being charged in a court of law. The definition of the word "terrorist" used by the government is vague: any person who causes "disruption of services or means of communications essential to the community," if he does so for "coercing or overthrowing the Government established by law." This extremely vague definition covers anything from a bona fide terrorist in the internationally accepted use of the word to members of a striking labor union.

The Terrorist Affected Areas Act further provides that no person held under the act shall be released on bail unless the court is satisfied that he or she is not guilty of the alleged offense and that he or she is unlikely to commit any offense while free on bail. It goes so far as to allow that if a person is suspected of committing an offense under sections of the Indian Penal Code (sedition and related offenses) and if the prosecution shows that the accused person was at a place where firearms or explosives were used in an attack on authorities, the accused will be treated as guilty until proven innocent. As the Indian Express points out, "It is quite possible that [an arrested person] was first caught in the melee; but he is liable to prosecution. It is not necessary that he should be found with weapons; his mere presence will condemn him." And at this point the detainee must prove his innocence. Also, the Act permits trials "in camera" (i.e. without witnesses for the prosecution being identified).

The Hindustan Times has commented: "Under the Terrorist-Affected Areas Bill, the onus of proof has shifted from the accuser on to the accused; moreover a 'terrorist' is defined so vaguely that an individual need not have necessarily indulged in violence to attract the penalising eye of the legislation. What it simply adds up to is that if the Government, in its unquestionable discretion, declares any part of the country as terrorist-affected any individual in the area can be arrested on mere suspicion and it would be for that unfortunate detenu to establish his innocence. Moreover, under the National Security (Amendment) Bill an individual can be arrested again and again on the same ground. Furthermore, policy officials are absolved of the time-honored obligation of being specific in their charges while detaining an individual."

Most disturbing is the application of these laws to children. Several youngsters as young as four or five years have been arrested, charged as terrorists, and interrogated.

The provisions of the National Security Act have been applied most stenuously in the Punjab state. Under its provisions authorities can also search and shoot at will with the blessing of the government. At present there are approximately 200,000 federal government troops in the Punjab, which is the size of South Carolina. Although confirmation of specific details is difficult due to heavy government censorship, reports of brutal atrocities filter out from the region.

CONCLUSION

Rajiv Gandhi has had three years to improve India's dismal human rights situation. He has not only not succeeded; he has not even made a serious effort.

As I noted previously, Members of Congress of both parties have begun to reexamine the U.S. policy of giving $1.6 billion to India over a nine-year period. These Congressmen are right to review this policy. They should consider how U.S. influence can best be used to encourage the Indian government to begin respecting human rights. American taxpayers should not give huge sums of money to a government that ignores civil liberties on a vast scale.

Mr. LIPINSKI. Mr. Speaker, I want to first take this opportunity to thank the gentleman from California [Mr. SHUMWAY] for organizing this special order on the rapidly deteriorating human rights situation in the Punjab. It is high time the Congress be made aware of the role the Indian Government has played in fostering the suppression of the Sikh people in this once-peaceful area of the country.

Mr. Speaker, this is not the first time I have spoken on this subject. Nearly a year ago, I urged the Indian Government to lift the ban on the only authoritative text on the bloody aftermath immediately following the Indira Gandhi assassination. During that tragic time, thousands of Sikhs were massacred at government acquiescence and even government instigation. Yet, to this day oppression in the Punjab continues to be banned and no significant punitive action has been taken to bring to justice those held accountable.

The Indian Government desires American public officials to be aware that there are two views of observing what is happening there, but still refuses to allow foreign journalists, diplomats, human rights monitoring organizations, private citizens or United States Congressmen to visit the area. The only information coming out of the Punjab, aside from clandestine reports, is from the government-controlled Press Trust of India. Although no official charges have been made against them, 360 Sikhs continue to be held in Jodhpur jail, where they have been detained since 1984. Stories of fake "encounters" between police and Sikh youth and arbitrary arrest and confinement continue to abound. In short, since becoming aware of the Sikh plight, I have seen no positive movements by the Indian Government to deal effectively and judiciously with Sikh people.

If anything, dialog between the Indian Government and the Punjab has worsened. Less than a month ago, Prime Minister Rajiv Gandhi instituted direct rule over the area, ousting Punjabi Chief Minister Surjit Singh Barnala. What makes this move particularly ominous is the fact that many Sikhs regarded Barnala as a mere extension of central rule in the Punjab. He had been excommunicated from the Sikh religion and is now considered a top candidate for the Vice Presidency of India. Now, even that veil has been removed. Prime Minister Gandhi in recent weeks has vowed to use "an iron fist" to put down Sikh secessionists in Punjab. As evidence of this, a man known for his brutality, Police Chief Robeiro, has been given control over the region with little or no accountability. The BBC reported a few days ago that Indian paramilitary troops surrounded villages in the Amritsar district and conducted arbitrary house-to-house searches for Sikh youth. While seeking out these so-called secessionists, the Indian Government has set in motion a suppressive force by which many innocent people will be endangered.

The fact that aid was reduced to India in the foreign aid bill by $15 million is evidence that Congress is slowly becoming aware of not only the human rights situation, but India's heavy dependence on the Soviet Union for much of its military strength. India has just recently received two squadrons of the most sophisticated fighter, the Mig-29, in the Soviet arsenal—an accomplishment that not even Warsaw Pact countries can claim. An estimated 80 percent of India's arms come from the Soviet Union.

I believe that Congress' growing awareness of the tense state of affairs in the Punjab is a healthy development. Although the Indian Government regards the Sikh problem as an internal issue, I feel the legitimate longing for freedom of the Sikh people is an issue that concerns us all. In my opinion, it is not too late for the Indian Government to at least show its good faith in lessening tensions in the Punjab. The Economist in a recent article makes, among others, two suggestions which could lead to such an outcome: releasing the 360 Sikhs, and punishing those—including cabinet ministers, police officials, and functionaries in the ruling Congress (I) Party, if necessary—who organized the 1984 Delhi riots in the wake of the Gandhi assassination. As the largest democracy on Earth, India has a special position in making certain that all of its people enjoy the rights and privileges inherent in democratic society.

Mr. FEIGHAN. Mr. Speaker, I am here today to express my concern, once again, about the state of unrest still surrounding the Sikh community in India, especially in the Punjab where most of India's 14 million Sikhs live.

Over the past 4 years, thousands of lives have been lost as a result of violent conflict between Sikh and Hindu. In June of 1984, Indian Army troops entered the holiest shrine of the Sikh community, the Golden Temple in Amritsar, to capture Sikh separatists who reportedly had found sanctuary there. Several hundred Sikhs and 50 soldiers died at that time, and thousands of Sikhs were massacred the following week. In October of that year, India's leader Indira Gandhi was shot to death by her Sikh bodyguards in retaliation for the assault on the Golden Temple. Tragically, the violence still continues. Over 600 people were killed last year, and 300 have died already in 1987, most of them since March of this year, as Sikh extremists campaign for an independent homeland.

Last month, India's Prime Minister, Rajiv Gandhi, imposed "president's" or direct rule on the Punjab, which allows Mr. Gandhi to control the Punjab's government and police, as well as the Army, from New Delhi for the next 6 months. During this time, I respectfully urge Mr. Gandhi to protect the human and civil rights of the Sikh community living in India, while he deals with the unrest in his country. It is my strong hope that Mr. Gandhi and the Sikh community will begin to plan and work together toward peaceful resolutions of their differences in order to help strengthen the territorial integrity of democratic India—rather than to continue fanning the flames of violence.

Mr. JONES of North Carolina. Mr. Speaker, I appreciate this opportunity to make a few remarks regarding the relationship between the United States of America and India, with particular emphasis on the difficulties that nation is facing in the Punjab State.

As the world's greatest democracy, the United States should encourage and strengthen democratic governments and institutions elsewhere. India is a democracy, a rare status in south Asia. In fact, it's the most populous democracy in all the world. As the leader among the nonaligned nations, it can hold itself up as a model to show other third world countries that democratic institutions are successful in non-Western nations.

This is not to say, however, that India's system of democracy encounters no strains. Indeed, no nation in the world is immune from domestic tensions. We in the United States have periodically confronted threats to our own national unity, tranquility, and system of government. India encounters similar difficulties. In fact, given the multiplicity of ethnic and religious groups which make up the nation of India, it is not surprising that tensions arise on occasion. Unfortunately, such an occasion has now arisen in the Punjab State.

The Punjab is the home area for many of India's Sikhs. Unfortunately, a minority of people in the Punjab have chosen to pursue their political objectives through lawlessness and terrorism. Efforts to combat this terrorism have been largely unsuccessful. This has resulted in the recent action of the Federal authorities taking over the reigns of government in the Punjab State. This action followed a request by the president of the Punjab to the President of India. The President of the Punjab concluded that law and order had broken down and that the State government had failed to curb the activities of religious fundamentalists and terrorists. This "President's rule" is an emergency and temporary action but is permitted under India's Constitution.

We all deplore the violence that has disrupted peaceful life in the Punjab. We hope that the federal authorities and those Sikh leaders who renounce terrorism will speedily reach a political accommodation. I am not in a position to say specifically how either the Sikh leaders or the federal authorities should proceed. I do want to emphasize, however, that the United States has consistently rejected the idea of the establishment of a separate Sikh nation in the Punjab.

Let us in the United States express our concern for the well-being of all people in the Punjab and our hope that the traditional political institutions can soon be resumed. We should be careful, however, that our expressions of interest are not interpreted by others as stepping over the line of interfering with the domestic political arrangements of a friendly and foreign power.

Last November, I had the privilege to lead a congressional delegation to India. The highlight of our visit was a 45-minute session with the Honorable Rajiv Gandhi, the Prime Minister of India. I was most impressed with the Prime Minister's demeanor and sincerity. Today, I offer to him as well as the other leaders of India and its Punjab State my hope that the political differences there can be addressed and overcome and that a sense of peace and prosperity can soon return to the Punjab. I am confident that this is the earnest goal of officials in India.

Mr. MILLER of California. Mr. Speaker, the violence in the Punjab State of India continues today and the Sikh population continues to bear the brunt of the conflict between the Indian Government and Sikh extremists.

As we approach the second anniversary of the Punjab accord negotiated by Prime Minister Rajiv Ghandi, we can call on the Indian Government to demonstrate its commitment to that agreement. Unfortunately, the peace that was promised with the accord has not come forth.

India's Sikhs are living under conditions which, according to reports, approach martial law. The police and the military have been granted widespread powers, which has created a climate of repression and political persecution. Arrests and detentions are commonplace. Sikh deaths number in the thousands and the toll is rising.

The prime responsibility of all democracies is to ensure the protection of the civil and political rights of its citizens. I hope that our Government will convey this message to Prime Minister Ghandi. I urge the Indian Government to place the highest priority on the human and political rights of Sikhs in order to unite the nation in peace.

Mr. TORRICELLI. Mr. Speaker, I would like to join my colleagues in expressing concern for the civil and human rights of Sikhs in the Punjab State of India. Recent events in that region have made such concern particularly timely.

Sikhs in the Punjab have had a long history of peaceful relations with the Hindus in the region. The Hindus, who are the majority throughout the rest of India, have lived peacefully as a minority in the Punjab. Since the attack on the Sikhs' Golden Temple in 1984, however, tensions between the two groups have been rising. Now, it appears that tensions have reached a new level. Recently, the New Delhi imposed direct rule on the Punjab, a region that had, until that time, been run by a locally elected government. Such an action raises questions about the treatment of the Sikh community.

Although Sikhs comprise only 2 percent of the Indian population, numbering 16 million in a country whose total population numbers 750 million, they are a vibrant minority. They have been highly successful in agriculture, and have turned the Punjab into the most agriculturally productive State in India. Moreover, their religious practices and traditions are an important part of the cultural diversity of India. Since the Sikhs are a small minority in a large country, it is especially imperative that their rights be fully protected.

Unfortunately, it appears that the civil and human rights of Sikhs in India may now be seriously threatened. House-to-house searches without clear cause have been reported in the Punjab. Numerous human rights organizations, including Amnesty International, have received credible reports of Sikhs being mistreated while in detention both in Punjab and in other parts of India. Some of these instances of mistreatment have resulted in permanent injury or death.

As a country founded on the notion that all people are entitled to basic rights, we have a legitimate concern for the rights of Sikhs in the Punjab and throughout India. Our concern is heightened by the fact that the United States has a significant and active Sikh community who have contributed much to our country and who are now deeply disturbed by the threat posed to their fellow Sikhs in India.

As a sister democracy, India should be as concerned as we are about the rights of all her citizens, regardless of their religious beliefs or cultural traditions. India's claim to be the world's largest democracy must be backed up by democratic actions. The rights of Sikhs should be fully protected by the Indian Government.

Mr. SOLARZ. Mr. Speaker, we have been deeply saddened by the tragic violence which has wracked the Indian State of the Punjab for over 3 years and particularly for the savage retaliatory violence against persons of the Sikh faith following Prime Minister Indira Gandhi's assassination by a Sikh in New Delhi in 1984.

Over half of the 16 million Sikhs of India live in the Punjab, where they constitute 62 percent of the population of that State. In the Punjab the Hindu and Sikh communities are highly interdependent and until recent years have lived and prospered together. And while today the Sikhs of the Punjab have real grievances against the Government of India, including the question of land and water rights, let us not forget that a small but dangerous minority of Sikhs have chosen to engage in wanton acts of terrorism to promote and achieve an independent Sikh State, "Khalistan."

These Sikh terrorists operated before the invasion of the Golden Temple, and their attacks have increased since then. This April they took the lives of 100 people in the Punjab, many of them civilians. Their targets have been politicians, particularly moderate Sikh politicians, with whom they disagree, journalists, Hindus, and innocent women and children of all faiths.

They have been responsible for blowing up commercial planes and for assassinating Indian officials overseas. Just a few months ago in New Orleans, four of these terrorists, Gurpratap Singh Birk and three accomplices pled guilty in Federal court of having plotted to assassinate the Chief Minister of Haryana, Bhajan Lal. Birk was also convicted by our courts for violating the Neutrality Act and for illegal possession of explosives.

There is no support for such terrorists in the Halls of Congress, nor I believe should there be any support for their effort to establish a separate independent Punjab State. Sixty-two percent of the population of the Punjab voters who turned out for the local elections there in 1985 demonstrated that most Sikhs preferred a political settlement and return to normalcy for the Punjab, rather than a separate state. I believe that it is in the strong interest of the United States and the American people to support the territorial integrity of India. But we should also encourage by all possible means an increased effort by the Government of India and the leadership of the Sikh community to find a peaceful resolution to the difficulties and accumulated grievances which now exist and particularly for the quick return to local democratic government rule in the State of Punjab.

Mr. SHUMWAY. Mr. Speaker, I would like to thank all those who have taken part in this special order, either by speaking or by filing their written statements.

OZONE AND THE SECRETARY OF THE INTERIOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. SCHEUER] is recognized for 60 minutes.

Mr. SCHEUER. Mr. Speaker, for the last several years the United States has been engaged in very intensive efforts with most of the nations of the world to ban or reduce markedly the production of chemicals, like refrigerants, solvents, and aerosols, which are still produced abroad, in an effort to slow the rate of destruction of the ozone in our atmosphere that protects us from the ultraviolet rays of the Sun. These products are called chlorofluorocarbons, or CFC's in common parlance, and they pose a definite and almost desperate threat to the future of the human race and other living organisms by thinning the Earth's ozone layer. The resulting ultraviolet rays cause skin cancer. They cause eye cataracts. And it is thought that they also cause a breakdown of the immune system, much like the AIDS plague that is afflicting us.

So we have been engaged in intensive discussions for the last 3 years over further reducing the production of chemicals that have this critical effect on the ozone, which in turn has increased the level of ultraviolet rays that threaten all animals, fish, and plant life.

Well, there is a ray of sunshine, Mr. Speaker. We have had some real leadership from the administration on this subject. Interior Secretary Donald Hodel has suggested that we rely on personal protection, rather than engage in continued extensive negotiations with countries around the world, and join in an international treaty.

Secretary Hodel's personal protection would leave the responsibility with each and every one of us to protect ourselves from the ultraviolet rays of the Sun, by wearing floppy hats, sunglasses and to slather ourselves with sun lotion.

Now, in some quarters, there has been a degree of skepticism expressed about Secretary Hodel's suggestion. I think these people may be folks of small faith. I think we ought to give Secretary Hodel's concept, the Hodel concept, a chance.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. SCHEUER. Of course, I would be happy to yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Speaker, I would like the gentleman to explain some of the Hodel mechanisms that the gentleman has down there. I can tell the gentleman from New York has worked very hard on this.

I take it that right beside the gentleman he has these cats wearing hats and glasses and then the fish. The gentleman does not have a hat on the fish, but my understanding is that it is just as dangerous to the fish.

Mr. SCHEUER. There is a hat on the fish, but it is a plastic hat and it sticks very close to its scales.

Mrs. SCHROEDER. Oh, I see. So the gentleman is pointing out that the first thing we would have to do is start catching all these animals and doing it.

The gentleman has some more demonstrations that I would like to see. Could the gentleman tell us what that is?

Mr. SCHEUER. Well, this is a giraffe very chicly outfitted with a hat and sunglasses. We will get to the lotion in just a few moments.

Mrs. SCHROEDER. You also have to put lotion on these animals, is that correct?

Is the gentleman sure that all these animals will be under the same threat as human beings for cataract and skin cancer?

Mr. SCHEUER. Here is the king of the jungle dressed up in a very natty safari hat and wearing sunglasses. I think he is very well protected.

Mrs. SCHROEDER. Well, I fear that he looks terribly wimpy, though. It may make him very angry.

Mr. SCHEUER. Now, here is one of our feathered friends.

Mrs. SCHROEDER. Oh, that is an owl.

Mr. SCHEUER. That is an owl, yes, with a very natty cap.

Mrs. SCHROEDER. And you would have to do birds, too?

Mr. SCHEUER. Oh, yes, you would have to do birds, fish, and animals; our furred and finned friends, all have to be protected.

Frankly, I think Secretary Hodel is right. There is no reason why we cannot expect responsible behavior from our friends in the furred, finned, and feathered kingdoms. They should be responsible for their own actions. They must protect themselves exactly the same way as we protect ourselves.

Mrs. SCHROEDER. So the gentleman would say that the Secretary of the Interior is correct that if we teach these animals, fish, and birds, and along with human beings, if we in the Congress pass this, that this will be the way.

I believe Secretary Hodel said that his real problem was that he wanted the administration to have some other choices, and this was his choice.

Oh look at that, the gentleman has a tiger.

Mr. SCHEUER. Yes. He is very natty, very comfortable, very much at ease with things. I am confident that he and the king of the jungle over there, the owl and the giraffe, they can all learn responsible behavior. They can all be responsible for their own health outputs.

Mrs. SCHROEDER. If the gentleman from New York will yield further, I just want to compliment the gentleman, because I know the gentleman is not a member of the flat Earth caucus. I know the gentleman believes in science, as I do, and I know the gentleman is trying to prove how ridiculous this plan is.

I feel very strongly that we have spent so much money trying to pierce the ozone with star wars and very little time trying to protect the ozone, which protects plant life, too.

Now, I do not see us doing anything about plants.

Mr. SCHEUER. No. I tried to get an ear of corn. We had eyeglasses and a lovely little hat to wrap around the ear of corn, but frankly, it was too early in the season. I could not get a stalk of corn with a couple of ears of corn on it, much as I tried.

Mrs. SCHROEDER. Well, Mr. Speaker, if the gentleman will yield further, I just want to compliment the gentleman for all the work he did, because it really points out how silly this is and how silly America looks to the rest of the world when these kinds of things are proposed.

When you get the whole world together and they agree with us finally that they will join us in our leadership in doing away with CFC's, then all of a sudden the Secretary of the Interior comes up with this great idea, I guess he must have some friends that make hats. I am not sure.

It may be a great job creation program, but I am not sure it is the kind we want.

I want to congratulate the gentleman from New York, who has been a great friend of the environment, for being out here and pointing out how silly this is.

Mr. SCHEUER. Mr. Speaker, I thank the gentlewoman. I have, of course, been a tree hugger, like the gentlewoman from Colorado.

I did hold 2 days of hearings in March in my subcommittee of the Science Committee that has jurisdiction over the atmosphere and the environment. We held 2 days of very serious, very sober hearings, on chlorofluorocarbons. We heard from the State Department people and others as to the progress in the negotiations; but it may be that Secretary Hodel meant this approach to be a fallback approach.

Mrs. SCHROEDER. Well, I thank the gentleman very much.

Mr. SCHEUER. Mr. Speaker, before the gentlewoman from Colorado leaves, I want to thank her for her participation with me and my colleague, the gentleman from New York, who we will hear from in a moment.

It is perfectly obvious that the eyeglasses and the hats are appropriate for all our furred, finned, and feathered friends, but the question of the sun lotion was a little bit tougher. A member of the National Resources Defense Council was quoted in the paper as saying that obviously fish cannot spread lotion on themselves. We discussed this at great length among the three of us and several other Members who were interested and we came to the conclusion that there was an answer to that and the answer to that was the buddy system.

□ 1815

As all of us learn in the Boy Scouts or in summer camp, what we cannot do sometimes for ourselves we can do for our buddy, and vice versa. Along with the concept of taking individual responsibility for our behavior, we have to teach our furred, finned, and feathered friends the appropriateness of the buddy system when it comes to applying sun lotion.

Mrs. SCHROEDER. I must say that the Schroeders have failed in raising their dog, because we have enough trouble getting a collar on him, and I do not really want to go home and tell him that he now has to wear, by order of the Congress, a hat and glasses and sun lotion. I am not sure that he is going to buy into that buddy system, and I do not want to be the one with the job of trying to go out and hat all those lions and put glasses on them. It is a little easier when they are a picture.

I must say that I think that the gentleman has done a wonderful job of showing how foolish all this is, and I thank him.

Mr. Speaker, I am glad we are having this discussion on the issue of the ozone and what I believe will become in the future an issue of national security.

National security should not be viewed just in relation to weapon systems and manpower but how it will increasingly relate to natural resources, forests, watersheds, agriculture, and climatic patterns that maintain life support systems for all nations. As world population expands we can expect environmental issues to add a new scope to conflict as more people seek to sustain themselves on declining natural resources.

These issues are rarely debated by our military and foreign experts but looking at the whole environmental picture it deserves to have as high a priority as our military policy.

Mr. Speaker, I would call for an environmental summit, that would include representation from industry, agriculture, policymakers, and scientists, so we can develop a sane, balanced approach on how to preserve our planet.

We have pulled together as nations to try and develop a cure for AIDS. We must also unite to deal with the ozone and other crucial environmental issues.

The problems we are seeing now with the ozone are indicative of an absence of strong policies in the past 8 years on environmental issues. The problems are not going to disappear but are going to get increasingly worse.

The depletion of our ozone layer will directly affect everything that is basic to the American way of life. It will affect our health, food sources, and our quality of life.

We cannot approach this problem by merely handing out sunglasses, shades, or suntaning lotion. This approach is not even serious enough to say it will have any impact. The issue goes far beyond sunglasses, we are dealing with the survivability of human, animal, and plant life.

We must rethink our strategy of putting billions of dollars into star wars to pierce the ozone and put more priority into preserving the ozone.

That the administration wants to give us sunglasses to protect ourselves against the deterioration of the ozone shows how nearsighted they are on environmental issues.

Americans don't need shades—they need vision and leadership.

Mr. BIAGGI. Mr. Speaker, will the gentleman yield?

Mr. SCHEUER. I yield to the gentleman from New York.

Mr. BIAGGI. I thank the gentleman for yielding.

Mr. Speaker, clearly the gentleman's presentation is tongue-in-cheek, and I would like to exhort the viewing audience to realize that this is all a charade to highlight a very serious issue. Clearly the viewing audience must be thinking, "What has happened to some of our Members of Congress taking leave of their senses?" because the presentation is made in such a serious way, with some visible manifestations of our concern.

The fact of the matter is that chlorofluorocarbons are a very serious element in our everyday living. There have been some efforts in the past to do away with the refrigerants and the aerosols and that kind of element that goes into the atmosphere and effectively wears and erodes the layer of ozone. That layer of ozone provides a kind of protection from the Sun and from the ultraviolet rays that nature has provided over the years. No one anticipated when the good Lord made this Earth of ours that the chemical component of industry would be devising gases that would have a harmful effect on the layer of ozone.

If we continue in this direction I am fearful to predict what the outcome will be. Clearly the medical community and the scientific community has stated unequivocally that the rate of cancer and the threat to our immune system is a very real one, and the incidence of cancer rises when you are exposed to the Sun.

Now some people say that it is only the fair-skinned individuals. Well, perhaps that may apply now or may have applied 30 or 40 years ago, before the proliferation in the atmosphere of all of these chemicals that erode the protective layer of ozone, but that will not apply any further. The longer we go and participate in contaminating the atmosphere and injuring the layer of ozone, the less protection all people will have against the ultraviolet rays, and not simply the fair-skinned, but everyone from every part of the country and every part of the world.

It brings to mind what Nostradamus once said, that the world in the end will be destroyed by a universal conflagration. What that prompted in my mind was perhaps he meant a nuclear bomb. It was nonexistent at the time, but his predictions have been uncannily correct, so far ahead of his time.

One would have to pause and reflect when you consider the problem that is caused here with the diminishing layer of the ozone, the protective layer that protects us. I wonder if Nostradamus had this in mind. But what is interesting is that Secretary Hodel offered this as a plan, as an option, notwithstanding the fact that the State Department had with 30 other countries entered into an agreement. We had not signed on yet, but they recognized what was necessary, and they recognized that it was a worldwide problem—that if we do not do it together, we are going to suffer the damages of neglect together, and if we do not do it in a meaningful way, hats and eyeglasses and sun lotions notwithstanding will be absolutely meaningless.

I understand that the State Department was shocked by this.

Mr. SCHEUER. "Stunned" was the word that the Washington Post used.

Mr. BIAGGI. I prefer to believe that the Secretary was in the same state of mind in making this suggestion as the maker of this 60 minutes, the gentleman from New York [Mr. SCHEUER], was in presenting this. There is no other possible justification for this type of proposal, because, really, we must get to the culprit, as we have in cleaning the waters of our Nation we got to the culprit, those who were pouring pollutants into the streams.

We can be proud of the work that we have done. Oh, yes, we are responsible to a large extent by virtue of neglect over the years for the decay of the waters, for the diminution of their vitality, but because so many of us are concerned with the environment there was a whole movement undertaken in the last 20 years, and you see a reversal in the waters that border New York City—the East River, the Hudson River, and so many other places.

Mr. SCHEUER. The phenomenon of acid rain that has despoiled and degraded our waters, our fields, our pastures.

Mr. BIAGGI. It is coming about. Now what is necessary here, and I know that it is a major, major and forceful and formidable lobby, we must get after those responsible, principally and fundamentally the chemical industry of our Nation, and all others who are responsible for pouring on a day-to-day basis, 24 hours a day, all of these contaminants into our atmosphere. That is what the responsibility is on the part of the Congress.

I would give short shrift to the Secretary's proposal, because I do not think that it deserves anything more than that, but I want to commend the gentleman from New York [Mr. SCHEUER] for putting on this pleasant diversion, and also in highlighting by ridicule via his demonstration the importance of addressing this problem that will plague us even more with graver consequences in the future.

Mr. SCHEUER. Mr. Speaker, I thank the gentleman for his remarks, and of course he is absolutely right. This little bit of levity that we have indulged in today, tongue in cheek, was aimed at highlighting the absurdity, the bizarre quality of Secretary Hodel's remarks, and to point out that this administration is afflicted with a feeling that government should not have a hand in solving the problems of the environment.

Sometimes they hide behind a lack of knowledge. We have been told on the Committee on Energy and Commerce, that has considered legislation addressed to moderate the problem of acid rain, that half of the Adirondack lakes are dead. They are incapable of sustaining fish life. The administration has a way of saying to us, "Well, we don't know enough," and therefore we can't take the first concrete steps to alleviate the curse and the blight of acid rain that is degrading our country.

It means that we will pass on our glorious Nation to our kids in a form that is degraded and crippled, far from the natural glories and wonders of the country that we inherited from our forefathers.

□ 1825

Yet our President has told us for the last 8 years, despite his pledges to Canada to do something, that we cannot do anything now because we do not know enough.

I notice that his science adviser, Dr. William R. Graham, Jr., said yesterday that his concerns about signing the treaty on ozone depletion that has been negotiated for the last 3 years stem from substantial uncertainties about the causes and rate of ozone loss.

"We have a lot to learn," Graham said, according to the Washington Post.

Yes, my colleagues, we do have a lot to learn. But does the fact that we do not know everything about acid rain or ozone depletion mean we cannot do anything, that we cannot take the most moderate, thoughtful, cost-effective, intelligent, common sensical measures to reduce the devastation caused by such phenomenon as acid rain and ozone depletion? Does it mean that we cannot work with nations around the world simply to reduce the production of elements like solvents, like refrigerants, like aerosol bombs that we prohibited production of a decade ago but which are now being produced around the world? Does it mean because we do not have perfect knowledge we cannot take any reasonable, feasible steps to ameliorate these two phenomena and others like them that threaten our natural heritage and threaten the health and perhaps the lives of 242 million Americans?

I do not think there is anything in our daily lives that reflects that inability to move, inability to make judgments, inability to put our resources and our credit on the line if we think the preponderance of evidence points that way. In our daily lives we get up in the morning and we go through a whole round of daily activities, and we go to bed at night making decisions all along the line in the absence of a perfect data base: Military decisions, economic decisions, corporate decisions, decisions by our Nation, decisions right here on the floor of the House of this Congress which are made almost every minute of every day based on less than perfect data.

In an imperfect world we never do have a perfect data base. If we waited for it eons of time hence, we would still find at that point there would be something further to study as we perfect our knowledge. It is a never-ending process.

But in the here and now we have to bite the bullet, Mr. Speaker, we have to make judgments based on an admittedly imperfect data base.

It is a shocking thing that this administration refuses to permit any tangible, practical, workable, and cost-effective step to limit the devastating effects of acid rain. And it is bizarre that Secretary Hodel has expressed himself as saying that in effect international action to reduce the production of these CFC's that destroy the ozone is not necessary, and that we can all go about our daily lives in floppy hats, sunglasses, and smeared with suntan lotion. What an utterly incredible, bizarre thing to say.

So I think, Mr. Speaker, we had better get about the business of taking practical action on the question of ozone before its devastating effects on human health, on animal health, and on all of the health consequences for humankind are irremediable. We had better act on this matter the way we act on everything else in government and everything else in our private lives. We exercise judgment, Mr. Speaker, and we take what we think is reasonable action that is economical, that meets the test of good judgment, and sanity, despite the absence of a perfect data base.

I urge the President to heed the thoughts of the State Department, a State Department that was stunned, and an Environmental Protection Agency that was stunned by Secretary Hodel's suggestions. I urge him to heed the State Department officials who say that the Ozone Accord is a landmark in international cooperation in dealing with global environmental problems.

Our country can play its proper role. Our country can play a leadership role, but we had better shake off the nonsense that is endemic in this administration and was simply represented by Secretary Hodel's remarks.

If these few tongue in cheek remarks, if these few uses of satire and humor serve to point up the tragedy that is implicit in this administration's dereliction of duty on the environment, its refusal to act where the sense cry out for action, if these few humorous or tongue in cheek remarks serve to point up the absurdity of this position and the threat to the life and health of Americans and to the health of our continent, then the time will have been well spent.

Mrs. BOXER. Mr. Speaker, last week Interior Secretary Hodel announced a unique plan to spare us from the ravaging effects of losing the ozone layer. Rather than sign on to an international agreement to regulate release of CFC's into the atmosphere, the Secretary stated that we could all wear hats and sunglasses instead. This is indeed an interesting and useful suggestion.

It is as useful as telling people the only way to avoid catching AIDS is to abstain from sex. It is as useful as saying that to avoid nuclear war, we will simply build star wars and make nuclear war obsolete.

The American people do not need simple answers to difficult issues. They are smarter than that. They have heard that an EPA report predicts that if CFC emissions continue to grow at the current level, by the year 2075 there could be 40 million additional cases of skin cancer, 800,000 of them fatal. In addition, 12 million extra eye cataracts could occur.

Mr. Speaker, the American people need a Government that will look after their interests. We have seen too often that this administration will not do so and this is perhaps the most grievous example yet. Let us hope for the sake of the American people that the President and his advisers take a more serious approach to what is indeed a very serious issue.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

[Mr. GONZALEZ addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina [Mr. DERRICK] is recognized for 5 minutes.

Mr. DERRICK. Mr. Speaker, on Wednesday, May 27, 1987, I was detained in South Carolina on district business and subsequently missed six rollcall votes that day. I respectfully ask that the record show how I would have voted had I been present.

"Yea" on rollcall No. 144, H.R. 1205, a motion to suspend the rules and adopt the bill to release a reversionary interest of the United States in 1.1 acres of land located in Putnam County, FL.

"Yea" on rollcall No. 145, H.R. 2166, a motion to suspend the rules and adopt the bill to make changes in loan guaranty, pollution control, and development financing programs run by the Small Business Administration.

"Yea" on rollcall No. 146, H.R. 1162, a motion to suspend the rules and adopt the bill to establish a new process for selecting the Federal appeals court that will handle a challenge of a Federal agency order.

"Yea" on rollcall No. 147, H.R. 1939, a motion to suspend the rules and adopt the bill to direct the Interior Secretary to establish a memorial to the U.S. Constitution at Independence National Historical Park in Philadelphia, PA, and to provide for continuing interpretation of the Constitution there and at other appropriate units of the National Park System.

"Yea" on rollcall No. 148, H.R. 900, a motion to suspend the rules and adopt the bill to protect from development portions of the New, Gauley, Meadow, and Bluestone Rivers in West Virginia by designating them as parts of the National Wild and Scienic Rivers System or National Park System.

"Yea" on rollcall No. 149, House Joint Resolution 283, a motion to pass the joint resolution to recognize the contributions of Hon. Wilbur J. Cohen, former Secretary of the Department of Health, Education, and Welfare, and to mourn his death.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. MEYERS of Kansas (at the request of Mr. MICHEL), for today, on account of attendance at a funeral.

Mr. YOUNG of Florida (at the request of Mr. MICHEL), for today, on account of illness in the family.

Mr. ROGERS (at the request of Mr. MICHEL), for today, on account of personal reasons.

Mr. ROBERTS (at the request of Mr. MICHEL), for today, on account of attending a funeral.

Mr. ANNUNZIO (at the request of Mr. FOLEY), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. DIOGUARDI) to revise and extend his remarks and include extraneous material:)

Mr. HASTERT, for 60 minutes, on June 10.

(The following Members (at the request of Mr. ANTHONY) to revise and extend their remarks and include extraneous material:)

Mr. MONTGOMERY, for 5 minutes, today.

Mr. STARK, for 5 minutes, today.

Mr. CONYERS, for 5 minutes, today.

Mr. ROYBAL, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. GONZALEZ, for 60 minutes, on June 3.

Mr. OLIN, for 60 minutes, on June 9.

(The following Members (at the request of Mr. SCHEUER) to revise and extend their remarks and include extraneous material:)

Mr. DERRICK, for 5 minutes, today.

Mr. PENNY, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DIOGUARDI) and to include extraneous matter:)

Mr. DUNCAN in four instances.
Mr. MARLENEE.
Mr. GINGRICH.
Mr. HUNTER.
Mrs. SAIKI in two instances.
Mr. HORTON.
Mr. SHUMWAY.
Mr. BROOMFIELD in three instances.
Mr. SOLOMON.
Mr. LAGOMARSINO in two instances.
Mr. LENT.
Mr. DONALD E. LUKENS.
Mr. HANSEN in two instances.
Mr. GILMAN in two instances.
Mr. DANNEMEYER.
Mr. CRANE.
Mr. BADHAM.
Mr. WORTLEY.
Mr. LEWIS of California.
Mrs. MORELLA.
Mr. PORTER.

(The following Members (at the request of Mr. ANTHONY) and to include extraneous matter:)

Mr. COELHO.
Mr. SHARP.
Mr. FLORIO in two instances.
Mr. LEHMAN of Florida.
Mr. SMITH of Florida.
Mr. RODINO.
Mr. BONIOR of Michigan.
Mr. NOWAK in two instances.
Mr. ANNUNZIO in two instances.
Mr. RAHALL.
Mr. BENNETT.
Mr. YATRON.
Mr. RICHARDSON.
Mr. WISE.
Mr. CLAY.
Mr. DYSON.
Mr. FEIGHAN.
Mr. HAMILTON.
Mr. WALGREN.
Mr. SKAGGS.
Mr. MARTINEZ.

ADJOURNMENT

Mr. SCHEUER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 34 minutes p.m.) the House adjourned until tomorrow, Wednesday, June 3, 1987, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1510. A communication from the President of the United States, transmitting request for supplemental appropriations for fiscal years 1987 and 1988, pursuant to 31 U.S.C. 1107 (H. Doc. No. 100-80); to the Committee on Appropriations and ordered to be printed.

1511. A letter from the Administrator, National Aeronautics and Space Administration, transmitting the semiannual report of the Inspector General of the National Aeronautics and Space Administration for the period ending March 31, 1987, pursuant to 5 U.S.C. app. (Inspector General Act of 1978) 5(b); to the Committee on Government Operations.

1512. A letter from the Chairman, Federal Election Commission, transmitting a copy of the Commission's 1986 annual report, which includes a number of legislative recommendations adopted by the Commission, pursuant to 2 U.S.C. 438(a)(9); to the Committee on House Administration.

1513. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1514. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1515. A letter from the Secretary of the Interior, transmitting a report on the Salinity Control Program and the quality of water of the Colorado River Basin, pursuant to 43 U.S.C. 1596; to the Committee on Interior and Insular Affairs.

1516. A letter from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting a report of the grants of suspension of deportation of certain aliens, pursuant to 8 U.S.C. 1254(c); to the Committee on the Judiciary.

1517. A letter from the Administrator, Federal Aviation Administration, transmitting the Administration's semiannual report on the effectiveness of the Civil Aviation Security Program for the period July 1 through December 31, 1986, pursuant to 49 U.S.C. app. 1356(a); to the Committee on Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the propose calendar, as follows:

Mr. SWIFT: Committee on House Administration. H.R. 435. A bill to amend title 3, United States Code, and the Uniform Time Act of 1966 to establish a single poll closing time in the continental United States for Presidential general elections (Rept. 100-117, pt. 1). Ordered to be printed.

Mr. DERRICK: Committee on Rules. House Resolution 182. Resolution providing for the consideration of H.R. 2355, a bill to authorize appropriations for environmental research, development, and demonstration for the fiscal years 1988 and 1989, and for other purposes (Rept. 100-118). Referred to the House Calendar.

Mr. GORDON: Committee on Rules. House Resolution 183. Resolution providing for the consideration of H.R. 2330, a bill to authorize appropriations to the National Science Foundation for the fiscal year 1988, and for other purposes (Report No. 100-119). Referred to the House Calendar.

Mr. BEILENSON: Committee on Rules. House Resolution 184. Resolution providing for the consideration of H.R. 2160, a bill to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1988, and for other purposes (Rept. 100-120). Referred to the House Calendar.

Mr. HAWKINS: Committee on Education and Labor. H.J. Res. 90. Resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes, with amendments (Rept. 100-121). Referred to the Committee of the Whole House on the State of the Union.

Mr. St GERMAIN: Committee on Banking, Finance and Urban Affairs. H.R. 4. A bill to amend and extend certain laws relating to housing, community and neighborhood development and preservation, and shelter assistance for the homeless and displaced, and for other purposes; with an amendment (Rept. 100-122). Referred to the Committee of the While House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARNARD:

H.R. 2564. A bill to modify the flood control project for the Richard B. Russell Dam and Lake, Georgia and South Carolina, to include recreation and fish and wildlife management as project purposes; to the Committee on Public Works and Transportation.

By Mr. BENNETT (for himself, Mr. Ireland, Mr. Lehman of Florida, Mr. Hutto, Mr. Nelson of Florida, Mr. Chappell, Mr. Grant, Mr. Fascell, Mr. Lewis of Florida, Mr. Young of Florida, Mr. Gibbons, Mr. Bilirakis, Mr. Shaw, Mr. Mack, Mr. Pepper, Mr. MacKay, Mr. McCollum, Mr. Smith of Florida, and Mr. Mica):

H.R. 2565. A bill to amend the National Trails System Act to provide for a study of the De Soto Trail; to the Committee on Interior and Insular Affairs.

By Mrs. BOGGS:

H.R. 2566. A bill to amend the National Parks and Recreation Act of 1978, as amended, to extend the term of the Delta Region Preservation Commission, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. GONZALEZ:

H.R. 2567. A bill to establish a Visa Review Board within the Department of State to review denials of certain visa applications; to the Committee on the Judiciary.

By Mr. HAMMERSCHMIDT:

H.R. 2568. A bill to promote and protect taxpayer rights, and for other purposes; to the Committee on Ways and Means.

By Mr. HATCHER (for himself and Mr. Ray):

H.R. 2569. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to permit applicants to file abbreviated applications for registration of pesticides or new uses of pesticides under certain circumstances, and for other purposes; to the Committee on Agriculture.

By Mr. KANJORSKI:

H.R. 2570. A bill to amend the Social Security Act to provide, in the case of any person who is a party in interest with respect to an employee benefit plan, that information requested from the Secretary of Health and Human Services to assist such person with respect to the administration of such plan shall be provided at least once without charge; to the Committee on Ways and Means.

By Mr. LANTOS (for himself and Mr. Leach of Iowa):

H.R. 2571. A bill to require the Congress to enact into law specific authorization before certain commercial naval vessels previously registered under the laws of a foreign country may be documented under the laws of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. McEWEN (for himself and Mr. Lott):

H.R. 2572. A bill to authorize an employer to pay a youth employment opportunity wage to a person under 20 years of age from May through September under the Fair Labor Standards Act of 1938 until September 30, 1989, and for other purposes; to the Committee on Education and Labor.

By Mr. PENNY:

H.R. 2573. A bill to improve the administration of the Consolidated Farm and Rural Development Act, and to require the restructuring of troubled loans made by certain institutions of the Farm Credit System; to the Committee on Agriculture.

H.R. 2574. A bill to provide for public financing of general election campaigns for the House of Representatives, to limit total contributions to a general election candidate who agrees to accept amounts from the House of Representatives Campaign Trust Fund, to provide a tax credit for contributions to candidates for the office of Representative, and for other purposes; jointly, to the Committees on House Administration and Ways and Means.

By Mrs. SCHROEDER:

H.R. 2575. A bill to amend title I of the Employee Retirement Income Security Act of 1974 to provide for more equitable treatment of part-time and temporary workers under pension plans and group health plans, and to ensure treatment as employees under such title of certain individuals whose services are leased or contracted for by employers; to the Committee on Education and Labor.

By Mr. PENNY (for himself and Mr. Sikorski):

H.R. 2576. A bill to provide that real estate and operating loans under the Consolidated Farm and Rural Development Act shall be made only to farmers and ranchers of States which established procedures for mediating farm loans made by Federal entities; to the Committee on Agriculture.

By Mrs. SCHROEDER (for herself, Ms. Snowe, Mrs. Boggs, Mrs. Boxer, Mrs. Collins, Ms. Kaptur, Mrs. Kennelly, Mrs. Morella, Ms. Oakar, Mrs. Saiki, Miss Schneider, Ms. Slaughter of New York, Mr. Ackerman, Mr. Akaka, Mr. AuCoin, Mr. Atkins, Mr. Bates, Mr. Berman, Mr. Bonker, Mr. Cardin, Mr. Clinger, Mr. Coelho, Mr. Conyers, Mr. Crockett, Mr. Dellums, Mr. Downey of New York, Mr. Durbin, Mr. Dymally, Mr. Edwards of California, Mr. Evans, Mr. Fascell, Mr. Fazio, Mr. Fauntroy, Mr. Fish, Mr. Florio, Mr. Foglietta, Mr. Ford of Tennessee, Mr. Frank, Mr. Fuster, Mr. Garcia, Mr. Gejdenson, Mr. Guarini, Mr. Hayes of Illinois, Mr. Howard, Mr. Hoyer, Mr. Hawkins, Mr. Lantos, Mr. Leach of Iowa, Mr. Lehman of Florida, Mr. Leland, Mr. Levin of Michigan, Mr. Levine of California, Mr. Lowry of Washington, Mr. McCloskey, Mr. McHugh, Mrs. Martin of Illinois, Mr. Martinez, Mr. Matsui, Mr. Mfume, Mr. Miller of California, Mr. Mineta, Mr. Moody, Mr. Morrison of Connecticut, Mr. Mrazek, Mr. Oberstar, Mr. Pepper, Mr. Pursell, Mr. Rangel, Mr. Rodino, Mr. Roe, Mr. Roybal, Mr. Sawyer, Mr. Savage, Mr. Scheuer, Mr. Smith of Florida, Mr. Solarz, Mr. Studds, Mr. Towns, Mr. Traficant, Mr. Udall, Mr. Weiss, Mr. Wheat, Mr. Wolpe, Mr. Wyden, Mr. Yates, Mr. Coleman of Texas, Mr. Vento, Mr. Stokes, Mr. Waxman, Mrs. Patterson, and Mr. Williams):

H.R. 2577. A bill to ensure economic equity for American women and their families by providing economic and retirement security for women as workers and as divorced or surviving spouses; making quality and affordable dependent care available to all working families; ending discrimination in insurance on the basis of race, color, religion, national origin, or sex; providing health and pension benefits to part-time and temporary workers; and providing equal employment opportunity and pay equity for women; jointly, to the Committees on Post Office and Civil Service, House Administration, Banking, Finance and Urban Affairs, Education and Labor, Ways and Means, and Energy and Commerce.

By Mr. SCHUMER (for himself, Mr. Wylie, Mr. Gonzalez, Mr. Parris, Mr. Neal, Mr. McCollum, Ms. Oakar, Mr. Wortley, Mr. Vento, Mrs. Roukema, Mr. Garcia, Mr. Bereuter, Mr. Frank, Mr. Bartlett, Mr. Lehman of California, Mr. Morrison of Connecticut, Ms. Kaptur, Mr. Erdreich, Mr. Carper, Mr. Torres, Mr. Kleczka, Mr. Nelson of Florida, Mr. Kanjorski, Mr. Gordon, Mr. Manton, Mrs. Patterson, Mr. McMillen of Maryland, Mr. Kennedy, Mr. Flake, Mr. Swindall, Mr. Mfume, Mr. Price of North Carolina, Mr. McCloskey, Mr. Lipinski, and Mr. Kasich):

H.R. 2578. A bill to amend the Federal Deposit Insurance Act and other laws to prohibit the establishment or acquisition of depository institutions by certain foreign nationals and the issuance of Federal deposit insurance to depository institutions controlled by such foreign nationals, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. STARK:

H.R. 2579. A bill to amend title 19, United States Code, section 2132 to provide temporary import surcharges to compensate for the cost of Persian Gulf protection by the Armed Forces of the United States; to the Committee on Ways and Means.

By Mr. THOMAS of California:

H.R. 2580. A bill to amend the Federal Election Campaign Act of 1971 to increase public participation in Federal election campaigns, and for other purposes; to the Committee on House Administration.

By Mr. TRAFICANT:

H.R. 2581. A bill to amend title 32, United States Code, to authorize Federal support of State defense forces; to the Committee on Armed Services.

By Mr. HAYES of Louisiana (for himself, Mr. Tallon, Mr. Perkins, Mr. Lagomarsino, Mr. Natcher, Mr. Espy, Mr. Gordon, Mr. Savage, Mr. Huckaby, Mr. Shumway, Mr. Lewis of Georgia, Mr. Daniel, Mr. Horton, Mr. Gray of Illinois, Mr. Dymally, Mr. Green, Mr. Livingston, Mr. Coelho, Mr. Montgomery, Mr. Whitten, Mr. Yatron, Mr. Kanjorski, Mr. Hochbrueckner, Mr. Martinez, Mr. Tauzin, Mr. Roemer, Mrs. Boggs, Mr. Valentine, Mr. Levin of Michigan, Mr. Bevill, Mr. Holloway, Mr. Baker, Mr. Chapman, Mr. Gray of Pennsylvania, and Mr. Brooks):

H.J. Res. 298. Joint resolution designating August 1987 as "Cajun Music Month"; to the Committee on Post Office and Civil Service.

By Mr. HUGHES (for himself and Mr. McCollum):

H.J. Res. 299. Joint resolution designating August 11, 1987, as "National Neighborhood Crime Watch Day"; to the Committee on Post Office and Civil Service.

By Mrs. MORELLA:

H.J. Res. 300. Joint resolution to designate the week of December 13, 1987, through December 19, 1987, as "National Drunk and Drugged Driving Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. WORTLEY (for himself, Mr. Atkins, Mrs. Bentley, Mr. Bryant, Mr. Chapman, Mr. Coats, Mr. Donnelly, Mr. Fazio, Mr. Fish, Mr. Horton, Mr. Hughes, Mr. Lagomarsino, Mr. Levin of Michigan, Mr. Lipinski, Mr. McDade, Mr. Neal, Mr. Roe, Mr. Savage, Mr. Traxler, Mr. Yatron, Mr. Buechner, Mr. de la Garza, Mr. de Lugo, Mr. Martinez, Mr. Hyde, and Mr. Fuster):

H.J. Res. 301. Joint resolution designating the period of June 1987 through May 1988 as "Children's Bureau 75th Anniversary Year"; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

99. By the SPEAKER: Memorial of the Legislature of the State of Texas, relative to the Erie Project; to the Committee on Energy and Commerce.

100. Also, memorial of the House of Representatives of the State of Hawaii, relative to the 3-year basis recovery rule for employee contributions to retirement plans; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

Mr. DUNCAN introduced a bill (H.R. 2582) for the relief of Willie G. Simpson; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 20: Mr. Skaggs, Mr. Leland, Mr. Horton, Mr. Fish, Mr. Leath of Texas, Mr. Smith of Iowa, Mr. Hamilton, Mr. Wilson, Mr. Ackerman, Mrs. Schroeder, Mr. Mineta, Mr. Matsui, and Mr. Perkins.

H.R. 21: Mr. Skaggs, Mr. Leland, Mr. Horton, Mr. Fish, Mr. Price of Illinois, Mr. Wilson, Mr. Ackerman, Mrs. Schroeder, Mr. Mineta, Mr. Smith of Iowa, Mr. Matsui, and Mr. Perkins.

H.R. 80: Mr. Wise, Mr. Bryant, Mr. DioGuardi, and Mr. Chapman.

H.R. 93: Mr. Daniel, Mr. Dornan of California, Mr. McEwen, Mr. Rinaldo, Mr. Sensenbrenner, and Mr. Packard.

H.R. 94: Mr. DeLay, Mr. Daniel, Mr. Dornan of California, Mr. Sensenbrenner, and Mr. Packard.

H.R. 117: Mr. Bliley and Mr. Slaughter of Virginia.

H.R. 189: Mrs. Bentley.

H.R. 192: Mr. Wilson, Mr. Gordon, Mr. Hawkins, Mr. Morrison of Connecticut, Mr. Towns, Mrs. Boxer, and Mr. Owens of New York.

H.R. 260: Mr. Morrison of Connecticut.

H.R. 378: Mr. Natcher, Mr. DeFazio, Mr. Garcia, Mr. Kostmayer, Mr. Markey, Mr. Wheat, Mr. Bates, Mr. McHugh, Mr. Eckart, Mr. Hall of Ohio, Mrs. Schroeder, Mr. Scheuer, Mr. Hertel, Mr. Walgren, and Mr. Donnelly.

H.R. 379: Mr. Packard.

H.R. 544: Mr. Dannemeyer, Mr. Lightfoot, Mr. Leach of Iowa, and Mr. Biaggi.

H.R. 562: Mr. Saxton.

H.R. 570: Mr. Rowland of Connecticut.

H.R. 592: Mr. Coyne, Mr. Conyers, Mr. Schuette, Mr. Ravenel, Mr. Frank, Mr. Vento, Mr. Lent, Mr. Wilson, Mr. Daub, Mr. Howard, Mr. Lightfoot, Mr. Skaggs, Mr. Weiss, Mr. Derrick, and Mr. Leath of Texas.

H.R. 637: Mr. Campbell, Mr. Scheuer, and Mr. Gray of Illinois.

H.R. 778: Mr. Davis of Illinois.

H.R. 813: Mr. Berman.

H.R. 898: Mr. Clay and Mr. Swift.

H.R. 911: Mr. Owens of New York, Mr. Price of Illinois, Mr. McEwen, Mr. Rinaldo, Mr. Neal, Miss Schneider, and Mr. Moakley.

H.R. 954: Mr. Akaka and Mr. Price of Illinois.

H.R. 955: Mr. Lungren, Mr. Weber, Mr. de Lugo, Mr. Emerson, and Mr. Edwards of Oklahoma.

H.R. 1018: Mr. Matsui.

H.R. 1020: Mr. Parris, Mr. McCollum, and Mr. Price of Illinois.

H.R. 1049: Mr. Owens of New York.

H.R. 1052: Mr. Clinger, Mr. Mrazek, Mr. Lancaster, Mr. Howard, Mr. Gilman, Mr. McCollum, Mr. Kemp, and Mr. de Lugo.

H.R. 1087: Mr. McEwen.

H.R. 1093: Mr. Barnard, Mr. Barton of Texas, Mrs. Boggs, Mr. Boner of Tennessee, Mr. Buechner, Mr. Dellums, Mr. Hammerschmidt, Mr. Hertel, Mr. Hiler, Mr. Hubbard, Mr. Huckaby, Mr. Lewis of Georgia, Mr. Lightfoot, Mr. Lott, Mr. Donald E. Lukens, Mr. Martinez, Mr. Matsui, Mr. McHugh, Mr. Nichols, Mr. Pepper, Mr. Price of North Carolina, Mr. Pursell, Mr. Quillen, Mr. Roemer, Mr. Slattery, Mr. Smith of New Hampshire, Mr. Spence, Mr. Swindall, Mr. Vander Jagt, and Mr. Wylie.

H.R. 1101: Mr. Hutto, Mr. Bonker, and Mr. Robinson.

H.R. 1105: Mr. Edwards of Oklahoma.

H.R. 1115: Mr. Swindall, Mr. Lent, Mr. Nielson of Utah, Mr. Hastert, Mr. Grant, Mr. Miller of Ohio, and Mr. Porter.

H.R. 1119: Mr. McHugh.

H.R. 1152: Mr. Bryant.

H.R. 1234: Mr. Lipinski and Mr. Stokes.

H.R. 1272: Mr. Bonker, Mr. Sunia, Mr. Hawkins, Mr. Bereuter, and Mr. Brown of California.

H.R. 1278: Mr. Herger and Mr. McEwen.

H.R. 1325: Mr. Roberts, Mr. Synar, Mr. Dyson, Mr. Roe, Mr. Richardson, Mr. Coyne, Mr. Dornan of California, Mrs. Smith of Nebraska, Mr. McCloskey, Mr. McDade, Mr. Rowland of Georgia, Mr. Murphy, Mr. Hertel, Mr. Lewis of Florida, Mr. Udall, and Mr. Rodino.

H.R. 1479: Mr. Garcia and Mr. Towns.

H.R. 1546: Mr. Downey of New York, Mr. Conyers, Mr. Lantos, Mr. Kildee, Mr. Petri, and Mr. Grant.

H.R. 1550: Mr. Vento, Mr. Kildee, Mr. Crockett, Mr. Boehlert, Mr. Early, Mr. Schuette, Mr. Duncan, Mr. Hochbrueckner, Mr. Bryant, and Mr. Skeen.

H.R. 1563: Mrs. Boxer, Mr. Slattery, Mr. Owens of Utah, Mr. Atkins, and Mr. Courter.

H.R. 1566: Mr. Buechner, Mr. Lagomarsino, and Mr. Frost.

H.R. 1572: Mr. Buechner.

H.R. 1609: Mr. Leland.

H.R. 1615: Mr. Clay.

H.R. 1616: Mr. Clay.

H.R. 1634: Mr. Packard.

H.R. 1647: Mr. Davis of Illinois and Mr. Jeffords.

H.R. 1662: Mr. Spratt, Mr. Nielson of Utah, Mr. Bonker, and Mrs. Bentley.

H.R. 1663: Mr. RAY, Mr. NEAL, Mr. TOWNS, Mr. KOLTER, Mr. TORRES, Mr. STUDDS, Mr. JONTZ, Mr. DAUB, Mr. BROOMFIELD, Mrs. BOXER, Miss SCHNEIDER, Mr. ROTH, Mr. PRICE of North Carolina, Mr. JOHNSON of South Dakota, Mr. HOCHBRUECKNER, Mr. EDWARDS of Oklahoma, Mr. HALL of Ohio, Mr. BRYANT, Mr. CONYERS, Mr. LAGOMARSINO, Mr. KASTENMEIER, Mr. BOLAND, Mr. CLARKE, Mrs. SCHROEDER, Mr. LEACH of Iowa, and Mr. VANDER JAGT.

H.R. 1707: Mr. BATEMAN, Mr. BUSTAMANTE, Mr. BOEHLERT, Mr. PENNY, Mr. DE LUGO, Mr. GUNDERSON, Mr. DEFAZIO, Mr. VALENTINE, Mr. BEVILL, Mr. GRAY of Illinois, Mr. GRANT, Mr. SAXTON, Mr. REGULA, Mrs. BOXER, and Ms. SNOWE.

H.R. 1708: Mr. SCHEUER.

H.R. 1721: Mr. JOHNSON of South Dakota and Mr. DUNCAN.

H.R. 1729: Mr. LIGHTFOOT.

H.R. 1754: Mr. PARRIS.

H.R. 1770: Mr. TOWNS.

H.R. 1779: Mr. BLILEY, Mr. BROWN of Colorado, Mr. McGRATH, Mr. QUILLEN, Mr. VANDER JAGT, and Mr. WHITTAKER.

H.R. 1782: Mr. YOUNG of Florida.

H.R. 1829: Mr. DUNCAN and Mr. LANCASTER.

H.R. 1830: Mr. LANCASTER and Mr. DUNCAN.

H.R. 1842: Mr. BATES, Mr. OBERSTAR, Mr. VENTO, Mr. TAUZIN, Mrs. BOXER, Mr. LEACH of Iowa, and Mr. MILLER of California.

H.R. 1843: Mr. BATES and Mr. DE LUGO.

H.R. 1902: Mr. CROCKETT, Mr. VENTO, Mrs. KENNELLY, Mr. WEISS, Mr. STUDDS, and Mr. KOSTMAYER.

H.R. 1913: Mr. COATS.

H.R. 1933: Mr. LAGOMARSINO, Mr. ROE, Mr. BEVILL, Ms. KAPTUR, Mr. HATCHER, Mr. DARDEN, Mr. LEWIS of Georgia, Mr. DANNEMEYER, Mr. TOWNS, Mr. SWINDALL, Mr. FISH, Mr. DEWINE, Mr. LIPINSKI, and Mr. MONTGOMERY.

H.R. 1977: Mr. ACKERMAN, Mr. BIAGGI, Mr. SOLARZ, Mr. MRAZEK, Mrs. JOHNSON of Connecticut, Mr. OWENS of New York, Mr. ROWLAND of Connecticut, Mr. SAVAGE, Mr. ROE, and Mrs. BENTLEY.

H.R. 1992: Mr. CONYERS, Mr. MARTINEZ, Mr. ECKART, Mr. ATKINS, Mr. LEWIS of Georgia, and Mr. HUGHES.

H.R. 2038: Mr. DE LUGO.

H.R. 2083: Mr. McCOLLUM, Mr. BLILEY, Mr. DIOGUARDI, Mr. DONALD E. LUKENS, Mr. PACKARD, and Mr. BOULTER.

H.R. 2144: Mr. CRANE, Mr. SMITH of New Hampshire, Mr. DONALD E. LUKENS, Mr. SUNDQUIST, Mr. KOLBE, Mr. SHUMWAY, Mr. PACKARD, and Mr. WEBER.

H.R. 2165: Mr. TOWNS, Mr. MARTINEZ, and Mr. ANDREWS.

H.R. 2270: Mr. BATES, Mr. BOEHLERT, Mr. FORD of Michigan, and Mr. TAUZIN.

H.R. 2276: Mr. MARTINEZ, Mr. OWENS of Utah, Mr. BATES, Mr. BEILENSON, Mr. DELLUMS, Mr. DIXON, Mr. DYMALLY, Mr. FAZIO, Mrs. KENNELLY, Mr. LEWIS of Georgia, Mr. HAYES of Illinois, Mr. JONTZ, Mr. McCLOSKEY, Mr. DONNELLY, Mr. FRANK, Mr. KENNEDY, Mr. MAVROULES, Mr. VENTO, Mr. DWYER of New Jersey, Mr. RICHARDSON, Mr. ACKERMAN, Mr. MANTON, Mr. DEFAZIO, Mr. LELAND, Mrs. BOXER, and Mr. ST GERMAIN.

H.R. 2278: Mr. QUILLEN.

H.R. 2284: Mr. BUECHNER.

H.R. 2307: Mr. DE LUGO and Mr. HAYES of Illinois.

H.R. 2312: Mr. BRYANT, Mr. HATCHER, Mr. ROYBAL, Mr. MAVROULES, Mr. STARK, and Mr. VENTO.

H.R. 2327: Mr. THOMAS of California, Mr. TALLON, Mr. HOUGHTON, Mr. FASCELL, Mrs. SCHROEDER, Mr. MRAZEK, Mr. BADHAM, Mr. DICKINSON, Mr. MACK, Mr. EDWARDS of Oklahoma, Mr. CHENEY, Mr. GINGRICH, Mr. DONALD E. LUKENS, Mr. SPENCE, Mr. LEHMAN of Florida, Mr. HUBBARD, Mrs. BOGGS, Mr. CARR, Mr. ANTHONY, Mr. HOPKINS, Mr. TAYLOR, Mr. BYRON, Mr. SLAUGHTER of Virginia, Mr. DIOGUARDI, Mr. KASICH, Mr. PRICE of Illinois, Mr. PEASE, Mr. HUNTER, Mrs. VUCANOVICH, Mr. WATKINS, and Mr. GLICKMAN.

H.R. 2337: Ms. SLAUGHTER of New York, Mr. HOUGHTON, Mr. HORTON, and Mr. MRAZEK.

H.R. 2391: Mr. RODINO, Mr. GRAY of Illinois, Mr. TOWNS, Mr. STARK, Mr. MORRISON of Connecticut, Mr. BEILENSON, Mr. HAYES of Illinois, Mr. DYMALLY, and Mr. BEVILL.

H.R 2392: Mr. TRAFICANT, Mr. LAGOMARSINO, Mr. VOLKMER, Mr. INHOFE, Mr. OXLEY, Mr. HANSEN, Mr. DAVIS of Illinois, Mr. FROST, and Mr. DIOGUARDI.

H.R. 2546: Mr. TALLON.

H.J. Res. 23: Mr. ANDERSON, Mr. DYMALLY, Mr. MINETA, Mr. FAZIO, Mr. DIXON, Mr. COELHO, Mr. BERMAN, and Mr. LANTOS.

H.J. Res. 84: Mr. LIGHTFOOT, Mr. BADHAM, Mr. GEJDENSON, Mr. LUJAN, Mr. GRANDY, Mr. FROST, Mr. BIAGGI, Mr. CHANDLER, Mr. LEATH of Texas, Mr. MACK, Mrs. SAIKI, Mr. BARTLETT, Mr. SKEEN, Mrs. COLLINS, Mr. WAXMAN and Mr. KASICH.

H.J. Res. 90: Mr. WISE and Mr. PRICE of North Carolina.

H.J. Res. 100: Mr. McEWEN, Mr. FUSTER, Mr. DORGAN of North Dakota, Mr. FLIPPO, Mr. JONTZ, and Mr. SHARP.

H.J. Res. 106: Mr. MILLER of California and Mr. OWENS of Utah.

H.J. Res. 169: Mr. WELDON, Mr. FOGLIETTA, Mr. YATRON, Mr. KOSTMAYER, Mr. KANJORSKI, Mr. SHUSTER, Mr. KOLTER, Mr. WALGREN, Mr. SCHULZE, Mr. MURTHA, and Mr. McDADE.

H.J. Res. 180: Mr. JACOBS, Mr. FUSTER, Mr. STANGELAND, Mr. MURPHY, Mr. BERMAN, Mr. BURTON of Indiana, Mr. DORGAN of North Dakota, Mr. GRAY of Pennsylvania, Mr. MORRISON of Connecticut, Mr. BEVILL, and Mr. CONYERS.

H.J. Res. 204: Mr. PASHAYAN, Mr. SKAGGS, Mr. SHAW, Mr. DONALD E. LUKENS, and Mr. TORRICELLI.

H.J. Res. 220: Mr. PEPPER.

H.J. Res. 242: Mr. DYMALLY and Mr. SHUMWAY.

H.J. Res. 248: Mr. PACKARD, Mr. ROE, Mr. SMITH of Florida, Mr. ST GERMAIN, Mr. WYDEN, Mr. BLAZ, Mr. LELAND, Mr. DAUB, Mr. DARDEN, Mr. WOLF, Mr. FAZIO, Mr. DANIEL, Mr. GRAY of Illinois, Mr. SABO, Mrs. LLOYD, Mr. LAGOMARSINO, Mr. PETRI, Mr. WELDON, Mr. SCHUETTE, Mr. DYMALLY, Mr. HENRY, Mr. VALENTINE, Mr. SYNAR, Mr. OBERSTAR, Mr. SCHUMER, Mr. LIPINSKI, Mr. VENTO, Mr. DEFAZIO, Mr. COELHO, Mr. CONTE, Mr. HOWARD, Mr. LEVIN of Michigan, Mr. TALLON, Mr. MRAZEK, Mr. ATKINS, Mr. HORTON, Mr. KOLTER, Mr. TOWNS, Mr. FROST, Mr. ANTHONY, Mr. WILSON, Mr. HUTTO, Mr. HUNTER, Mr. INHOFE, Mr. AKAKA, Mr. APPLEGATE, Mr. DORNAN of California, Mr. ANDERSON, Mr. CHAPPELL, Mr. FEIGHAN, Mr. DIOGUARDI, Mr. McMILLEN of Maryland, Ms. OAKAR, Mr. BRYANT, Mr. FISH, Mr. PANETTA, Mr. BUECHNER, Mr. UPTON, Mr. SAWYER, Mr. SAVAGE, Mrs. BENTLEY, Mr. BONER of Tennessee, Mr. BOUCHER, Mr. BUNNING, Mr. McCOLLUM, Mrs. BOXER, Mr. BEVILL, Mr. WORTLEY, Mr. KENNEDY, Mr. TAUZIN, Mrs. PATTERSON, Mr. CARPER, Mr. THOMAS of Georgia, Mr. TORICELLI, Mr. TAUKE, Mr. DEWINE, Mr. YATRON, Mr. LUNGREN, Mr. WALGREN, Mr. HAMMERSCHMIDT, Mr. CALLAHAN, Mr. SHAW, Mr. ERDREICH, Mr. MARTINEZ, Mr. SLATTERY, Mr. HUGHES, Mr. SAXTON, Mr. CONYERS, Mr. McDADE, Mr. MICHEL, Mr. MARTIN of New York, Mr. MORRISON of Connecticut, Mr. HATCHER, Mr. McHUGH, Mr. MONTGOMERY, Mr. CLAY, Mr. WEISS, Mr. OWENS of New York, Mr. WATKINS, Mrs. MORELLA, Mr. STUMP, Mr. BLILEY, Mr. McEWEN, Mr. MAZZOLI, Mr. MILLER of Ohio, Mr. RHODES, Mr. DE LUGO, Mr. STUDDS, Mr. ENGLISH, and Mr. NIELSON of Utah.

H.J. Res. 255: Mr. BARTLETT, Mr. FROST, Mr. RHODES, and Mr. UDALL.

H.J. Res. 277: Mr. LEVINE of California, Mr. DEFAZIO, Mr. WILLIAMS, Mr. AUCOIN, Mr. FRANK, Mr. KASTENMEIER, Mr. DELLUMS, Mr. MOODY, Mr. MORRISON of Connecticut, Mr. BERMAN, Mr. MILLER of California, Mr. BRYANT, Mr. EDWARDS of California, Mr. TRAXLER, Mr. BATES, and Mr. AKAKA.

H.J. Res 278: Mr. LAGOMARSINO.

H.J. Res 284: Mrs. BOXER, Mr. DE LUGO, Mr. BUECHNER, Mr. FROST, Mr. VENTO, Mr. HORTON, Mr. SKAGGS, Mr. CAMPBELL, and Mr. HAYES of Louisiana.

H.J. Res. 287: Mr. GUARINI.

H.J. Res. 291: Mr. LAGOMARSINO, Mrs. BOGGS, Mr. LANTOS, Mr. LEVIN of Michigan, Mr. HORTON, Mr. DE LUGO, Mr. MRAZEK, and Mr. SCHUMER.

H. Con. Res. 28: Mr. JONTZ and Mr. YOUNG of Florida.

H. Con. Res. 50: Mr. TRAXLER, Mr. DAVIS of Michigan, Mr. UPTON, Mr. CONYERS, Mr. MOORHEAD, Mr. WOLPE, Mr. HAYES of Louisiana, and Mr. BATES.

H. Con. Res. 76: Mr. BUSTAMANTE, Mr. MARTINEZ, Mr. SAXTON, Miss SCHNEIDER, Mrs. JOHNSON of Connecticut, Mr. SAVAGE, Mr. FORD of Michigan, Mr. DE LUGO, Mr. BRYANT, Mr. BILBRAY, Mr. PACKARD, Mr. BOEHLERT, Mr. BILIRAKIS, and Mr. DEFAZIO.

H. Con. Res. 83: Mr. RINALDO, Mr. YATRON, Mr. PACKARD, Mr. MARTINEZ, Mr. COOPER, Mr. HOLLOWAY, and Mr. SLAUGHTER of Virginia.

H. Con. Res. 84: Mr. HAWKINS, Mr. CONYERS, Mr. CLAY, Mr. DELLUMS, Mr. STOKES, Mr. FAUNTROY, Mr. FORD of Tennessee, Mr. DIXON, Mr. GRAY of Pennsylvania, Mr. LELAND, Mr. CROCKETT, Mr. DYMALLY, Mr. SAVAGE, Mr. OWENS of Utah, Mr. TOWNS, Mr. WHEAT, Mr. HAYES of Illinois, Mr. FLAKE, Mr. MFUME, Mr. BERMAN, Mrs. COLLINS, and Mr. DE LUGO.

H. Con. Res. 101: Mr. DWYER of New Jersey, Mr. MOORHEAD, Mr. MRAZEK, Mr. YATRON, Mr. BONKER, Mr. TRAXLER, Mr. HYDE, Mr. PANETTA, Mr. HORTON, Mr. BUSTAMANTE, Mr. WHITTAKER, Mr. HOYER, Mr. MFUME, Mr. KOSTMAYER, Mr. ROBINSON, and Mr. MATSUI.

H. Con. Res. 108: Mr. JOHNSON of South Dakota, Mr. ALEXANDER, Mr. PENNY, Mr. OBERSTAR, Mr. MORRISON of Washington, Ms. SNOWE, Mr. VANDER JAGT, Mr. HOLLOWAY, Mr. ROBERT F. SMITH, Mr. WILSON, Mr. DAVIS of Michigan, and Mr. SWIFT.

H. Con. Res. 109: Mr. SMITH of New Hampshire, Mr. DONALD E. LUKENS, Mr. SUNDQUIST, Mr. FISH, Mr. KOLBE, and Mr. PACKARD.

H. Con. Res. 112: Mr. SMITH of Florida, Mr. DORNAN of California, Mr. SHAW, Mr.

Martinez, Mr. Sensenbrenner, Mr. McCollum, and Mr. Guarini.

H. Con. Res. 114: Mr. Smith of New Hampshire.

H. Res. 71: Mr. Clinger.

H. Res. 145: Mr. Feighan, Mr. Crockett, Mr. Frank, Mr. Horton, Mr. Buechner, and Mr. Neal.

H. Res. 168: Mr. Dannemeyer, Mr. Spratt, Mr. Bliley, Mr. Nielson of Utah, Mr. Grant, Mr. Solomon, and Mr. Coble.

H. Res. 169: Mr. Nielson of Utah, Mr. Broomfield, Mr. Moorhead, and Mr. Petri.

H. Res. 173: Mr. Murphy, Mr. DeFazio, Mr. Courter, Mr. Blaz, Mr. Fauntroy, Mr. Roe, Mr. Boner of Tennessee, Mr. Horton, Mr. Levin of Michigan, Mr. Dymally, Mr. Robert F. Smith, Mr. Clarke, Mr. Davis of Illinois, Mr. Neal, Mr. Broomfield, Mr. de Lugo, and Mr. Levine of California.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 778: Mr. Neal.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1934

By Mr. GREEN:

—Page 4, line 10, strike out "broadcast licensee" and insert "licensee for a television broadcasting station".

H.R. 2355

By Mr. BRUCE:

—An amendment to Section 2(a) General Authorizations:

On page 3, line 13 strike $55,866,600 and in lieu thereof add $58,866,600.

On page 3, line 14 strike $52,331,100 and in lieu thereof add $55,331,100.

On page 3, line 15 strike $56,216,900 and in lieu thereof add $59,216,900.

On page 3, line 17 strike $52,611,900 and in lieu thereof add $55,611,900.

SENATE—*Tuesday, June 2, 1987*

The Senate met at 10:30 a.m. and was called to order by the Honorable TERRY SANFORD, a Senator from the State of North Carolina.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

We remember with sadness the life and service for 25 years of Lt. Samuel B. McLaughlin on the Capitol Police Force. We commend his family, his loved ones, his friends, to Thee, O Lord.

Precious in the sight of the Lord is the death of His saints.—Psalm 116:15.

Eternal God, our Father in heaven, as the memorial service for Senator Frank Carlson takes place this afternoon in Concordia, KS, we remember with profound gratitude this gracious, much loved, and respected public servant. We praise You for his long and influential service as Governor of his State and in the U.S. Senate. Bring comfort and peace to his loved ones and friends who grieve at the loss of this great and good man. His State, his Nation, the world are better because of the life of this humble servant of Christ. The memory of his meekness, his quiet strength, his devotion to duty, his love of country, his impeccable integrity, his gentle love, his fierce honesty, his godlikeness, continue to encourage and inspire those whose lives he touched. Thank You, Lord, with all our hearts for this unforgettable gentleman, friend, and superb leader. "Precious in the sight of the Lord is the death of His saints." Amen and amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 2, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TERRY SANFORD, a Senator from the State of North Carolina, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. SANFORD thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, the distinguished Republican leader is going to have to leave the premises in order to attend the funeral. I therefore reserve my time in favor of his going forward.

RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. The minority leader is recognized.

FRANK CARLSON

Mr. DOLE. Mr. President, I thank the distinguished majority leader and I also thank the distinguished Chaplain, Reverend Halverson, for his comments concerning Frank Carlson. We will be leaving in a moment to go to Concordia, KS, for the services this afternoon. I am pleased that Senator Carlson's great friend, Senator STENNIS, is on the floor at this moment.

Mr. President, this past weekend Kansas and the Senate lost one of its true giants in the passing of Frank Carlson; he passed away in his beloved hometown of Concordia at the age of 94.

Senator Frank Carlson was a friend. He was an adviser. And he was a role model. He graced—and I use that word literally—graced this Chamber for 18 years. He was a man of dignity and common sense; he was what representative government is all about; he was one politician who never had an enemy.

Frank Carlson was as much a part of the Kansas landscape as sunflowers and cottonwood trees. But he was even more than that. Frank Carlson was the American dream come to life. He was the son of Swedish immigrants who settled in Cloud County a century ago, and his life spanned nearly half the history of his adopted homeland.

He was also that rarest breed of political animal: One who, by refusing to court either power or popularity, guaranteed himself of both.

The story is an authentic Kansas legend, of how four local businessmen approached Frank in a Concordia wheatfield back in the spring of 1928. They were looking for a candidate for the State legislature. Frank said they were looking in the wrong place. He would be much too busy shucking corn for cattlefeed to spend 3 months in Topeka.

"Don't worry," one of his visitors replied. "You won't win anyway!"

The voters disagreed. In November 1928, they launched the reluctant candidate on a trajectory that would take him from the legislature in Topeka, to the Governor's mansion, and on to both Houses of Congress. Along the way, Frank earned a reputation as a roadbuilder—and a groundbreaker. His initiatives in workmen's compensation, education, and medicine have enriched the lives of countless Kansans.

But it was his personal example—and above all, the example of his personality—which will be cherished for as long as Americans reserve a place in either public life for men and women of decency, compassion, and honor. As a freshman U.S. Senator, Frank played a leading role in drafting another Kansan, Dwight Eisenhower, for the Presidency in 1952. Soon after assuming office, Ike voiced a familiar Presidential lament.

"Frank," he said, "This is the loneliest house I've ever been in. What can I do?"

Carlson responded by inviting the new President to meet with a small senatorial prayer group. In 1953, Eisenhower attended the national prayer breakfast which Carlson had helped initiate. Presidents ever since have followed in his footsteps.

It's no exaggeration to say that I would not be in the Senate today if it weren't for Frank Carlson. In January 1968, the man who 40 years earlier declared his preference for farming, bowed out of politics with typical grace. Then he went home to Concordia, to the land he loved, and the family he loved most of all. He lived on to witness a new generation of Kansans reap the harvest which he had planted during a long and rich career.

On a day like this, I feel like I have lost more than a friend. I have lost a mentor and role model. We have all lost an embodiment of politics at its best, a source of inspiration, counsel, and irreplaceable perspective. Frank

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Carlson held many offices during his lifetime. But a man is not a résumé. He is not bills introduced or bills signed. He is flesh and blood, spirit, and soul. He is a warm heart, a keen eye, a chuckle in the throat, and the knowledge that in a democracy, no man is better than his neighbor.

Frank Carlson was every Kansan's neighbor. Today, all Kansas is feeling the sadness of farewell. For we have lost a great man. The years will be lonely without him.

Mr. President, I ask unanimous consent to include in the RECORD a number of articles concerning Senator Carlson.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, May 31, 1987]

FRANK CARLSON, 94, A REPUBLICAN PEACEMAKER

(By Marvine Howe)

Frank Carlson, a former Governor, Senator and United States Representative from Kansas, but above all a farmer, died yesterday at St. Joseph's Hospital in Concordia, Kan. He was 94 years old.

Although Mr. Carlson had been hospitalized for the past year, he had been taken almost daily to visit the 500-acre family wheat and corn farm in Concordia.

Mr. Carlson, a middle-of-the-road Republican and a close adviser to President Eisenhower, was regarded as a peacemaker. "Another giant in Kansas politics is gone," Bob Dole of Kansas, the Senate Republican leader, said in a statement. "Frank Carlson was a friend, an adviser and a role model."

CAREER SPANNED 40 YEARS

Mr. Carlson's political career spanned 40 years and included two terms as Governor, six terms as a member of the House of Representatives, three terms in the Senate and two terms in the Kansas Legislature.

Mr. Carlson, known chiefly for his sponsorship of farm laws, introduced legislation calling for a nationwide system of water control and reservoir projects.

He was a crusader for simplifying Federal income tax laws and is known as one of the fathers of the income tax withholding system. He was also active as a member of the Hoover Commission on governmental reorganization.

Mr. Carlson, a Baptist, took a deep interest in religious affairs. He served as international president of Christian Laymen in the late 1960's and before that as chairman of the International Council of Chiristian Leadership.

The son of Swedish immigrants, Mr. Carlson spoke fluent Swedish and was nicknamed "the Senator from Sweden" by colleagues. His office on Capitol Hill was considered the headquarters for visiting Swedes.

Mr. Carlson was born in Concordia Jan. 23, 1893. It was there that his parents, Charles and Anna Carlson, had to get off the train for lack of funds. With only 12 cents in his pocket, the father went to work as a farmhand and eventually, bought a farm of his own.

LANDON CAMPAIGN AIDE IN 1932

Frank Carlson attended Concordia Normal and Business School and Kansas State College, majoring in agriculture. After serving in World War I, he returned to Concordia and took out a loan to buy his farm.

His political career began in 1929 when he was elected to the Kansas State Legislature, and specialized in tax legislation. In 1932, he was named state Republican chairman and successfully managed Alf Landon's campaign for Governor. In 1936, he won the first of six terms in the House of Representatives, stepping down in 1946 to become Governor of Kansas.

He was elected to the Senate in 1950 and retired in 1969, deciding not to seek a fourth term.

He married the former Alice Frederickson in 1919. Mrs. Carlson died last year at the age of 91.

Mr. Carlson is survived by a daughter, Eunice Marie Rolfs of Junction City, Kan., and a foster son, Millard E. Ross of Mulvane, Kan.

[From the Washington Post, May 31, 1987]

FRANK CARLSON, 94, FORMER SENATOR FROM KANSAS, DIES

(By Richard Pearson)

Frank Carlson, 94, an amiable and highly respected Kansas Republican who had served for 40 years as a state legislator, congressman, governor and U.S. senator, died May 30 at St. Joseph's Hospital in Concordia, Kans. He had a bronchial ailment.

Sen. Carlson served in the Senate from November 1950 to January 1969. Before that, he had served nearly four years as governor. He was a member of the House of Representatives from 1935 to 1947. He had served in the Kansas state house from 1929 to 1933, and was chairman of the state Republican central committee from 1932 to 1934.

In the Senate, he became identified with the liberal wing of his party. He was a leader in the 1952 campaign to gain his party's presidential nomination for Gen. Dwight D. Eisenhower over Sen. Robert A. Taft (R-Ohio).

Sen. Carlson served on two of the Senate's most powerful committees, Finance and Foreign Relations, and also sat on the Joint Congressional Committee on Internal Revenue Taxation. Long considered a friend of the federal worker, at the time he retired he was ranking Republican on the old Post Office and Civil Service Committee.

He was elected to the Senate to fill the vacancy caused by the death of Republican Sen. Clyde M. Reed. He was reelected in 1956 and 1962. He was not a candidate for reelection in 1968 and was succeeded by Robert J. Dole, now the minority leader.

Upon learning of Sen. Carlson's death, Dole said in a statement: "Another giant in Kansas politics is gone, Frank Carlson was a friend, an adviser and a role model. He wrote the book when it came to class."

After leaving politics, Sen. Carlson and his wife Alice, whom he married in 1919, went home to the 500-acre family farm near Concordia. For more than a decade after leaving office, he could be seen driving a tractor, plowing a field or baling hay. Mrs. Carlson died in May 1986 at age 91.

Sen. Carlson was a native of Concordia and served in the Army during World War I. He attended the Concordia Normal and Business College and Kansas State College at Manhattan before beginning his career in farming and stock raising.

In a 1983 interview, Sen. Carlson said he has never intended to enter politics. But in 1928, while he was busy harvesting wheat, a group of friends came to his farm and asked permission to file his name as a candidate for the state legislature.

"I told them I didn't have time to fool with that," he remembered. "They assured me I wouldn't have to worry, that I wouldn't be elected."

They were wrong. Between 1928 and 1968, Sen. Carlson ran for office 13 times and was victorious in every election.

His survivors include a daughter and a foster son.

FRANK CARLSON DIES

CONCORDIA, KAN. .—Former U.S. Sen. Frank Carlson, whose 40-year political career also included service as Kansas governor and as congressman, died today. He was 94.

Carlson, the only Kansas politician to hold all three offices, died at St. Joseph's Hospital in Concordia at 6:30 a.m., a family members said. He had been hospitalized for an extended period.

Carlson was born Jan. 23, 1893.

If there is one word to describe him best, it is unpretentious.

He was the epitome of the citizen politician, a homespun Kansas farmer whose unassuming style and close rapport with ordinary people carried him to 13 election victories in 13 tries from 1928 to 1962.

He twice was elected to the Kansas House of Representatives, six times to the U.S. House, twice to the governorship and three times to the U.S. Senate.

He retired from politics as an undefeated champion in January 1969, deciding not to seek a fourth six-year term in the Senate in the 1968 election.

No man is indispensable to the state and the nation," he said in December 1967 when he announced his decision to quit. "It is with pride and a sense of dedicated responsibility that a man accepts the mantle of public service when it is offered. It should be with wisdom and understanding that he realizes when it is time to step aside and let others assume this honor."

After 40 years of public service and at the age of 74, Carlson said it was his desire "to have the opportunity to enjoy the same privilege most of you here now enjoy: that of being a private citizen in our great state of Kansas."

Carlson and his wife, Alixe, whom he married in 1919, went home to the 500-acre family farm near Concordia. He retired from politics but not from farming, his first love.

He could be seen for more than a decade after leaving office driving a tractor, plowing a field or bailing hay.

In 1982, when former Gov. Alf M. Landon observed his 95th birthday, one of those who arranged an observance in Topeka for Landon called Carlson to see if he wanted to convey his best wishes to Landon, the 1936 Republican presidential nominee.

"I'm glad you caught me," Carlson told the caller, "I was just headed down to cut weeds behind the barn."

Carlson was 89 at the time.

It was Landon who gave Carlson statewide political exposure by naming the Concordia farmer and legislator to the state Republican Party chairmanship in 1932 when Landon sought and won his first term as governor.

Carlson had entered politics as Republican precinct committeeman in Cloud County in the early 1920s, and soon became county chairman.

In his first try at public office in 1928, he was elected to the Legislature, representing Cloud County in the state House of Representatives. He was re-elected in 1930.

In 1934 after two years as party chairman, Carlson decided to reenter candidate politics. He defeated incumbent U.S. Rep. Kathryn O'Loughlin McCarthy, the first woman ever to serve in Congress from Kansas, by just 2,800 votes and went to Washington in January 1935.

Carlson was re-elected to Congress five times, but in 1945 decided to run for governor instead of remaining in Washington. He beat Democrat Harry W. Woodring, a former governor who had been secretary of war in Franklin D. Roosevelt's cabinet, with 55 percent of the vote.

Re-elected governor in 1948, Carlson's four years as Kansas chief executive were marked by the launching of ambitious highway improvement, mental health and rural health care programs.

Kansas City industrialist Harry Darby was appointed by Carlson to the U.S. Senate in 1949 to fill a vacancy created by the death of Sen. Clyde M. Reed Sr. of Parsons.

Carlson then sought the Senate seat himself in the 1950 election and won it by 65,000 votes over Democrat Paul Aiken. He resigned as governor on November 28, 1950, to serve out Reed's unexpired term, giving Carlson seniority over other newly elected senators who would take office the following January.

He defeated Democrats George Hart and Ken Smith in 1956 and 1962 by landslide margins to claim re-election to the Senate.

Carlson was the son of Swedish immigrants who settled on a Cloud County farm in north-central Kansas in the late 19th Century.

A serious minded youth with deep religious convictions, Carlson became superintendent of a Sunday School when he was 16. Years later, he helped organize the first Presidential Prayer Breakfast in Washington, when Dwight Eisenhower, a fellow Kansan, was president.

Carlson completed an agricultural course at Kansas State College at Manhattan, then inherited the family farm in 1914 when he was 21, and began farming. After military duty during World War I, he married Alice Frederickson on Aug. 26, 1919.

The couple had one daughter, Eunice Marie, who became Mrs. Edward J. Rolfs of Junction City, grandmother of present state Rep. Ed Rolfs, R-Junction City. The couple also has a foster son, Millard Ross, who later published a newspaper in Heathsville, Va.

Carlson's formula for political success was simple: treat all affairs of state seriously and handle people with a common touch.

He was credited with helping devise the income tax withholding system to insure people could pay their taxes, and supported national flood control projects, water conservation, farm support programs and frugal fiscal policies.

He opposed much of Franklin Roosevelt's New Deal programs in the 1930s, but helped champion Lyndon Johnson's civil rights legislation in 1964.

In his farewell to politics delivered Dec. 19, 1967, in Topeka, Carlson said:

"To be chosen to serve one's fellow men is indeed a great honor and privilege. In this respect, my fellow Kansans have truly been good to me."

SENATE TV—ONE-YEAR ANNIVERSARY

Mr. DOLE. Mr. President, as I am sure the distinguished majority leader will observe, 1 year ago today the American people were finally plugged in to their democracy. It began in this Chamber as an experiment; now, television in the Senate is a part of the institution.

When we began the experiment last year, there were fears of abuse: Members playing to the cameras, endless prime time filibusters, and rumors of makeup in the Chamber. But so far, Senate television has delivered. Let's face it, there has been some "grandstanding"; and there have been changes. The Chamber is hotter because of the TV lights. The speeches are a bit longer. And no one seems to be suffering from stage fright. But the bottom line tells us that the people's government—the House and the Senate—can now be seen in millions of households around the country.

In just 1 year, Senate television has brought some historic moments to our living rooms: the appointment of a new Chief Justice of the Supreme Court; passage of a landmark Tax Reform Act; the enactment of a sweeping overhaul of this Nation's immigration laws; congressional approval of aid to the freedom fighters in Nicaragua; the impeachment trial of a Federal judge; and vote after vote on a mountain of legislation that will affect each and every American.

We agreed to the TV experiment with two purposes in mind: to bring the Senate to the people; and to make it more efficient, responsive, and productive. On the first count, I give it four stars. On the second score, let us just say we are continuing to improve. As long as the viewers can dial in their democracy, we will have to get better. After all, the people are watching!

FEDERAL RESERVE BOARD CHAIRMAN PAUL VOLCKER

Mr. DOLE. Mr. President, Paul Volcker steered the Federal Reserve Board, and this Nation's monetary policy through some turbulent economic waters. His willingness to make tough policy choices ultimately allowed the economy to enjoy a period of unprecedented growth and expansion. This country owes him a deep debt of gratitude.

While Paul Volcker's retirement is a real loss, this country is very fortunate to have a man of Alan Greenspan's caliber to take his place. Alan's knowledge of the economy, coupled with his experience at the top levels of Government, means that the leadership of the Federal Reserve Board will be in good hands. Alan, literally has some big shoes to fill. But I haven't any doubts he is more than equal to the task.

I extend my best wishes to Paul Volcker, and my congratulations to Alan Greenspan. Both men are dedicated public servants.

Mr. President, I again thank the distinguished majority leader for letting me go ahead.

Mr. BYRD. Mr. President, I will have a few remarks concerning television in the Senate but I will not delay the Senator from Wisconsin.

FRANK CARLSON

Mr. BYRD. Mr. President, I shall take a moment to say that all of us share with joy the memories of our associations with Frank Carlson. He worked with us, walked among us, and was a Senator worthy of the admiration and emulation of all of us.

He was a man who worked quietly but effectively. He did not seek to be conspicuous. He did not seek to be obtrusive, but in his quiet, dignified, charitable manner he imbued all of us with affection, love, and an appreciation for a good servant of the people.

Frank Carlson will be missed by all of us who knew him. I do not know that he ever offended another Member in this body. He was that man who served his people, was dedicated to the service of his Nation and knew how to go about quietly in committees and on the floor in getting things done.

To his family and host of friends in his native State, Erma and I join with the distinguished Republican leader and his lady and NANCY KASSEBAUM in our condolences, our sympathies, and our great respect.

Mr. PROXMIRE. Mr. President, I, too, remember Frank Carlson as a remarkable Senator. He was very friendly, relaxed and pleasant. He was a man that I liked very, very much. I think all Senators did whether they were Republican or Democratic. We are going to miss him very, very much.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order there will now be a period for the consideration of routine morning business not to extend beyond the hour of 11:30 a.m.

HOW ARMS CONTROL HITS A DEAD END

Mr. PROXMIRE. Mr. President, for many months now the administration has claimed that it is advancing arms control by pushing for an agreement with the Soviet Union to reduce or eliminate intermediate nuclear weapons that the two super powers now have stationed in Europe. From time to time the two sides have indicated they may extend the agreement to eliminate short range as well as long range nuclear missiles from Europe.

Mr. President, the administration claims that if it succeeds in negotiating such a treaty with the Soviets, it will be a great advance for arms control. Here's one Senator who vigorously disagrees.

It is true that a reduction or elimination of these nuclear weapons from Europe would be desirable. But Mr. President, let us never lose sight of the fact that while these negotiations have absorbed our attention, far more significant nuclear arms control already in existence have been allowed to die. The European arms control agreement will do nothing to stop the overall super power nuclear arms race. That will continue to proceed pell-mell piling up ever more devastating nuclear warheads on both sides.

Consider the record. First, the administration vigorously and consistently opposed the negotiation of a comprehensive nuclear test ban treaty. Why? Consider that a ban on nuclear weapons testing would, in the words of a former head of the Lawrence Livermore Laboratory in California, end nuclear weapons development by performing a frontal lobotomy on nuclear weapons research. In brief, such a treaty would stop the technological nuclear arms race. So why not negotiate such a treaty? Because the administration argues that the Soviets would violate it. They contend that this country could not verify Soviet compliance. Think of that for a minute. Twice, previous Presidents of the United States signed treaties with the Soviets pledging, that's right, promising that we would negotiate comprehensive agreements with the U.S.S.R. to stop all nuclear weapons testing. But this administration has repudiated those promises.

Second, the administration has taken dead aim at the Anti-Ballistic Missile [ABM] Treaty ratified by the Senate 89 to 2. Here is a treaty rigorously supported by previous Republican as well as Democratic administrations. And why not? It stopped a United States-Soviet defensive-offensive arms race that would have cost hundreds of billions of dollars. Here was an arms control treaty that the United States pushed on the U.S.S.R. So why does the administration repudiate it? Two reasons: First, it argues that the Soviets have violated the treaty. Second, the administration contends that instead of relying on arms control and the ABM Treaty our national security interests will be better served by an antiballistic missile defense—specifically, the strategic defense initiative or SDI. This President is determined to proceed in spite of the estimated trillion dollar cost of SDI and in spite of the overwhelming convictions of the members of a most prestigious scientific organization, the National Academy of Sciences, that it won't work.

And then there is the other major arms control treaty—the second Strategic Arms Limitation Treaty [SALT II]. That treaty expired December 31, 1986. The administration made no attempt to extend it or renegotiate it. Why should they? Here's why: The members of the Joint Chiefs of Staff, our prime military experts, have testified to the Congress that SALT II has not only limited the arms race, it has directly served our national security—that is our strictly military interests. It has limited Soviet offensive weapons far more than it has limited United States weapons. So why did the administration argue that we should not try to continue the treaty? Answer—the same old song. The Soviets violate the treaty? They build up. We don't. Is this true? Mr. President, if any people in our Government should know if this is the case, it is the Joint Chiefs of our military forces. And what position have they taken? They tell us that the treaty—in spite of some marginal, probable violations of the treaty by the U.S.S.R., does, in fact, serve the interests of the United States.

Mr. President, this Senator maintains that the Reagan administration record on each of our major arms control treaties shows that the administration has no real interest in truly effective arms control. Is that too harsh? If you think so, consider the one consistent argument made by the administration against each of these treaties. What is it? It is that we should not negotiate treaties with the Soviet Union that restrain nuclear arms production and deployment on both sides because we will abide by the treaty but the Soviets will violate it. Arms control, says the administration, has been a one-way street. We restrain our production, the Soviets do not. Mr. President, I submit that anyone who takes this position will never agree to any significant arms control agreement. How can they?

This Senator believes we can negotiate verifiable arms control agreements with the U.S.S.R. We can negotiate tough, detailed provisions for arms control. We can and should build on our Limited Treaty Test Ban Treaty, our ABM Treaty and SALT II with verifiable agreements that will win compliance. We have the basic apparatus for checking compliance in the Standing Consultative Commission. Above all, we have the fact that it is in the absolute self-interest of the Soviet Union to reach an agreement with the United States that will stop this immensely dangerous and costly nuclear arms race.

The negotiations to reduce or eliminate intermediate nuclear weapons from Europe are a diversion and a side-show. If the two super powers can agree to end nuclear weapons testing, to stop the offensive nuclear arms race by reviving SALT II and maintain the ABM Treaty by ending SDI, then we can begin to build an arms control structure that can stop the nuclear arms race. In that event the European intermediate nuclear weapon agreement would serve a useful if relatively minor function. But if the superpower arms race goes on—all out, while the United States and the Soviet Union agree to remove intermediate nuclear weapons from Europe, arms control will have run into a dead end.

PAUL VOLCKER

Mr. PROXMIRE. Mr. President, let me say that I was just told a few minutes ago that Paul Volcker will not be reappointed as Chairman of the Federal Reserve Board which I think is a serious loss for this country.

Mr. Volcker has been a superb Chairman of the Federal Reserve Board. He has the confidence of the business community. He has the confidence of the Congress. He has the confidence of the country. And I thought he had the confidence of the administration. In fact, President Reagan did reappoint him 4 years ago.

We should keep in mind that the Chairman of the Federal Reserve Board is not only the man who, more than anybody else, determines our monetary policy, our credit policy, the level of interest rates, he is also a regulator. He is also an economic leader, independent of the Congress or the administration to a very considerable extent.

In the 30 years I have served on the Banking Committee I have had an opportunity to work with chairman of the Federal Reserve Board who have been extraordinarily gifted. There was William McChesney Martin, Arthur Burns, William Miller, and now Paul Volcker. This country has been very fortunate in having men of that stature and that ability.

We should keep in mind that it was Paul Volcker's unpopular policies that broke the back of inflation and he persisted in those policies for 3 or 4 tough years in spite of overwhelming criticism by both administrations and by the Congress.

Mr. President, we are going to miss him very much. He served this country and he served it extremely well.

DON'T STOP WITH THE FSLIC

Mr. PROXMIRE. Mr. President, certainly one of the very brightest and best Members of this body is the remarkable Senator from Connecticut, CHRISTOPHER DODD. Senator DODD is known for many things, particularly for his expertise in foreign policy matters and especially with respect to

Central American problems. But the Connecticut Senator is also highly competent in the area of the complex financial issues that come before this body. Senator DODD has served for some years on the Senate Banking Committee. He chairs the Consumer Affairs Subcommittee of the Banking Committee. He has taken a specially active interest in the development of legislation that would give this Nation's banks, its insurance companies and its securities dealers the maximum opportunity to compete consistent with the safety and soundness of our banking system.

Senator DODD has written an article for the Washington Post that calls on this Congress to provide the necessary framework for orderly capital markets in this country. He recognizes that the time is short. He proposes that the Congress advance the banking bill, S. 790, that passed this body March 27, more than 2 months ago. That bill awaits a decision by the House to go to conference. It provides a relatively brief window—until March 8 of next year—during which the Congress must act. If we fail, our financial system will have to operate in an uncertain confusing, rapidly changing framework of conflicting court decisions, rapidly changing State regulations, and a diversity of competing rulings by the four principal Federal regulators of financial institutions—the Federal Reserve Board, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, and the Home Loan Bank Board. Failure of the Congress to act within the next 9 months will create chaos.

I ask unanimous consent that the article to which I have referred by Senator DODD headlined: "Don't Stop With the FSLIC," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DON'T STOP WITH THE FSLIC

(By Christopher J. Dodd)

In just the past two years, Depression-era images of depositors camped outside savings and loans in Maryland and Ohio have reminded us of the disruptive and painful consequences when individuals lose confidence in their financial institutions. In those cases, state-insured institutions were undermined by fraud and scandal, and the state insurance funds were inadequate to cover large-scale withdrawals by anxious depositors.

Today we face a more massive problem—the insolvency of the Federal Savings and Loan Insurance Corporation, insurer for more than 3,000 thrifts in this country. Both houses of Congress have passed legislation to provide infusions of capital into the fund. The Senate bill calls for $7.5 billion; the House puts up $5 billion. In my judgment, both figures are too low, but they are a start.

On this page [May 5], Treasury Undersecretary George Gould urged that Congress move quickly to recapitalize the FSLIC. I agree. We have delayed far too long.

But the undersecretary took a wrong turn when he attacked the Senate's bill as "loaded with controversial amendments that have no bearing on efforts to protect people's savings." The amendments to which Gould referred are controversial, as are most attempts to reconcile powerful competing interests. But the Senate package would have a significant—and positive—bearing on efforts to protect people's savings.

Severe strains in the thrift industry are well documented: 445 thrifts across the country have no capital and are losing, in aggregate, $10 million a day; according to the General Accounting Office, the FSLIC is insolvent, with a deficit of $6 billion.

But shoring up the FSLIC alone will not ensure the long-term protection of depositors' savings. The Senate bill marked a necessary, and long-deferred, step toward updating and rationalizing the laws governing this country's financial institutions—a process that has everything to do with the safety of thrift and bank customer's deposits.

Modern telecommunications and information technology have made the nation's banking laws hopelessly outdated. Capital markets have been internationalized in ways never imagined even 10, let alone 50, years ago. Armies of creative "loophole lawyers" have invented new markets for participants in old financial service industries.

Gould and others have suggested that Congress do nothing more than address the immediate crisis in FSLIC. In the face of growing concerns about poor supervision and inadequate regulation of financial institutions in a rapidly changing marketplace, such a shortsighted step would be irresponsible.

After the Great Depression, Congress enacted several laws to ensure the future stability of the banking system; federal deposit insurance to protect the deposits of consumers; the Glass-Steagall Act to ensure the integrity of the banking system by prohibiting banks from engaging in the securities business; the Bank Holding Company Act to avoid "undue concentration of resources, decreased or unfair competition, conflicts of interest or unsound banking practices" by limiting the other activities of banks.

For the better part of 50 years, these laws served us well, as the United States developed the world's strongest banking system and most liquid and efficient captial markets. But the line between banking and commerce blurred dramatically over time. In the late 1970's securities firms took advantage of federal restrictions on bank and thrift interest rates and offered the public money-market funds, an uninsured but generally safe way for depositors to gain higher returns on their money.

In the early 1980's all sorts of commercial firms got into the banking business through the creation of "nonbank banks," exploiting a loophole in the banking law that defines banks as institutions that both take demand deposits and make commercial loans. Subsequently, banks were able to exploit the same loophole to circumvent federal restrictions on interstate banking. Banks and thrifts have also been able to expand their activities through decisions by sympathetic federal regulators and state legislatures.

These changes have not all been negative, but they have occurred in a helter-skelter fashion, without sufficient consideration by policy makers as to the potential dangers they may pose to the safety and soundness of our system, competitive equality among the various providers of financial services and the long-term interests of consumers.

The Senate bill puts those issues on the table. Its key provisions are simple: one-year freezes on the ability of federal and state regulators to authorize new powers for banks, on the creation of any new nonbank banks and on the ability of existing nonbank banks to increase significantly those banking activities currently carried on through legal loopholes. The one-year window would give Congress time for full hearings and the development of comprehensive legislation.

The bill also is intended to create incentives for all the players in this area to seek—not stall—such legislation after the period has expired. The scheduled end of the freeze will be reason enough for all the parties to join in the crafting of new ground rules—except for nonbank banks. They would be big winners if no further legislation were adopted; that is why the bill makes the interim restrictions on their business permanent, and harsher, if Congress does not act.

Given adequate time for Congress to consider legislation and with built-in incentives for all interested parties to seek changes, our ultimate goal will be within reach: an even-handed, rational legislative approach to correct inequities and distortions in the current financial marketplace, protect the savings and investments of financial services consumers and ensure the widest possible access to safe capital markets.

Mr. PROXMIRE. Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. CONRAD). The Senator from Arizona.

PAUL VOLCKER

Mr. McCAIN. Mr. President, I wish to echo the words of my distinguished colleague from Wisconsin concerning the outstanding job that Mr. Volcker has done in his position as Chairman of the Federal Reserve.

An enormous amount of credit for the economic recovery which we still enjoy certainly goes to Mr. Volcker and his courage that he displayed in the early years of this decade.

THE LATE SENATOR FRANK CARLSON

Mr. STENNIS. Mr. President, I wish to note briefly the passing of the late Senator Frank Carlson, as has been referred to by the Republican leader within the last few minutes

It was my privilege to be along with and associated with the late Senator Carlson for a good number of years. I put him down among the finer characters I have known in public life or outside of public life. He was a man of tremendous sincerity, faith, and willingness to help those who needed help. He lived up to the principles in which he believed and had no doubt been thoroughly taught when he was a mere lad.

One thing I especially remember about him: More than any other Senator, he contributed to the beginnings and the growth of what is now known as the Presidential prayer breakfast, starting out with his influence, and soon joined thereafter by the late President Eisenhower, who was attracted very firmly to the experience.

They averaged 10, 15, 20, 25, or 30 people per breakfast. The last time I had a chance to attend that meeting was here in Washington, some few years ago; and, in round numbers, there were 3,300 people present for that breakfast. They had breakfast together and worshiped together in a serious, effective way.

I am told that the late Senator Carlson literally came in contact with millions and millions of people during the years of his public life—not trying to sell them something, not trying to get them to do something for him, but enjoying a personification of the real principles of leadership under our Constitution and living up to the mandates and guidance and principles of that Constitution, including that which is in between the lines.

I want to put in the RECORD some prepared remarks paying additional tribute to this matchless man, this truly great leader. But I did not want the day to pass, the day of his burial, without paying him tribute and acknowledging a debt of gratitude. He brought me strength and help in time of need.

Those are my remarks for the time being, Mr. President.

RESIGNATION OF PAUL VOLCKER

Mr. STENNIS. Mr. President, I have just heard, with a great sense of loss, that Mr. Paul Volcker is not going to continue his services as Chairman of the Federal Reserve Board.

This subject matter is far beyond my field of knowledge. But in the stress of the times, I went to this stranger—he was to me—time after time, seeking wise counsel. He is no showman, no noisemaker, but a deep, honest, sincere, dedicated man with ability and an attitude toward his responsibilities. I think this Nation owes him more than we will ever fully realize.

He has never done anything for me and I have not done anything for him as we use that term, except what he did for all of us—setting an outstanding example of this far-reaching and highly important service that he rendered in connection with the state of our business state at that time and more particularly inflation. He stayed with it. He is the only one that I ever searched out repeatedly and I would go and wait until he could see me. But that was our relationship.

In giving his answer to my usual question once, I said, "Well, you told me that exactly a year ago and it has not happened." He took it so well. I did not realize the impact of what I said when I said it. I do not know what he did further, but I suppose within a few days results commenced happening. There was a relief in the inflation and then a correction. I feel that he must have gone and gave it another try of some kind.

I want to thank him for what he did for us in our time under stress. Mr. President, I yield the floor.

THE UNITED STATES SENATE

RADIO AND TELEVISION COVERAGE OF SENATE PROCEEDINGS

Mr. BYRD. Mr. President, during this year of the Constitution's bicentennial, we should be particularly sensitive to the symbolic importance of key anniversaries. They allow us to pause and reflect on the struggles of the past, the challenges of the present, and the uncertainties of the future. Today, we commemorate a most significant milestone in Senate history: one year ago, on June 2, 1986, the Senate began live regular television coverage of its floor proceedings. This event represented a major advancement in the Senate's two-century evolution from an entirely closed body to a broadly open one.

The story of the Senate's journey from strict secrecy to the opening of its galleries to a television audience that stretches from the Atlantic to the Pacific began 213 years ago. In 1774, the First Continental Congress, representing the thirteen colonies, met in Philadelphia behind tightly closed doors. Those early congressman gathered under emergency conditions to plot possible rebellion from Great Britain. This was nothing short of treason and each member was fully aware of the dire consequences of exposure. A year later, members was fully aware of the dire consequences of exposure. A year later, members of the Second Continental Congress continued to meet in secret as they prepared to declare this nation's independence and then to raise the armies and devise the policies that would achieve that independence.

Not surprisingly, the constitutional convention that met in Philadelphia exactly two hundred years ago this summer, also convened in secret sessions. So delicate was their work, and so suspicious were the individual state legislatures, that delegates realized a premature disclosure of their conclusions would guarantee the destruction of their objectives.

When the First Congress convened in New York City in March 1789, it took a significant step along the path toward public access. As House members were to be elected directly by the public, it seemed reasonable to allow the public to witness their legislative activities. Consequently, the House provided gallery space in its chamber within New York's newly refurbished Federal Hall.

Since the first senators were elected not by the people but by the State legislatures, few at first questioned the absence of a Senate gallery. Structured to represent states equally, the Senate followed the practice of the Continental and Confederate Congresses and adopted closed sessions.

Soon, however, voices of dissent denounced the Senate's secret sessions. Newspaper reporters chafed at the idea of being on the wrong side of a closed door. State legislators expressed their frustration over the absence of any first-hand accounts of the senators whom they had elected. To be sure, the Constitution required that the Senate keep a journal of its proceedings and publish the votes of all members when desired by one-fifth of those present. The question that came under increasing debate was whether the journal's skeletal account was sufficient to provide appropriate accountability. Although the public might learn *how* a senator voted, there was no consistently reliable source of information for those who wished to know *why* a senator voted as he did. The emerging Anti-Federalist opposition faction raised this question repeatedly.

On the instructions of the various state legislatures, senators presented petitions and resolutions urging public access to Senate proceedings, but the majority turned aside their requests. Some senators argued that the situation might worsen if the doors were opened. They pointed to the often inaccurate, incomplete, and vigorously partisan accounts of House proceedings. One senator wrote in confidence to a colleague, "You know, I am not a friend to mystery and hypocrisy, but there are certain foibles which are inseparable from men and bodies of men and perhaps considerable faults which had better be concealed from observation." He continued: "How would all the little domestic transactions of even the best regulated family appear if exposed to the world; and may not this apply to a larger body?"

In the meantime, the public came to equate the House of Representatives with the Congress. Out of sight, the Senate was becoming the forgotten body, as a Philadelphia newspaper reflected in 1792:

> It matters little to the public who presides in the Senate: They do not choose to let the public know anything about the reasons of their political conduct; the public may therefore trouble themselves little about them, except it be to watch them with a jealousy and try to get rid of them as soon as possible; it is but little good ever they did, and but little good they can do, but they may do much evil; there are however valuable characters shut up in their Divan. We sincerely wish them released. Pennsylvania

wanted a Senator last session; we pray a greater evil may never befall her.

President George Washington was at a loss to understand the Senate's closed-door policy. "Why they keep their doors shut, when acting in a legislative capacity, I am unable to inform you," he said, "unless it be because they think there is too much speaking to the gallery in the other House and business thereby retarded." As Washington suggested, many senators were apparently put off by what they could hear from the House chamber one floor below. There, visitors to the gallery responded to member's oratorical flights with applause and cheers.

Advocates of secrecy also responded to the common notion that closed doors made easier the hatching of conspiracies, with the argument that a body of several dozen members could not long keep a secret. The predilection of legislative bodies to leak information, combined with the expected departure of many members at the end of their six-year term, would undermine any supposed plots against the public interest. But these arguments hardly satisfied their more numerous critics.

By 1794, the ingredients for a change were present in abundance. The Anti-Federalists had achieved control of the House of Representatives. This placed Senate Federalists on the defensive. At a time when Federalist policies were coming under heavy fire, the House no longer offered them a satisfactory forum in which to air their views and offer their rebuttals. Some senators now suggested that they open their doors for a brief trial period to dispel the growing suspicion that the Senate had become a lurking den of conspiracy.

The first occasion that offered itself to such a test involved a dispute over the seating of a new senator. In 1793, the Pennsylvania legislature, meeting next door to Congress Hall, elected the Anti-Federalist Albert Gallatin to a Senate seat that had been vacant for two years. The Senate's Federalist majority opposed Gallatin, and raised questions about his meeting Constitutional requirements for service. But they were reluctant to deny him his seat without a public airing of this controversial matter. Accordingly, on February 11, 1794, the Senate agreed to open its doors until it had disposed of the Gallatin case. Once opened, the doors stayed open. Eight days later, the Senate adopted a resolution providing that as soon as suitable galleries could be constructed, then "said galleries shall be permitted to be opened every morning, so long as the Senate shall be engaged in their legislative capacity, unless in such cases as may be in the opinion of the Senate require secrecy, after which the said galleries shall be closed."

December 7, 1795, the first day of the Fourth Congress, was a day that ranks in Senate history with June 2, 1986. The Senate gallery stood ready to receive the public. But, as Roy Swanstrom has written, "there was absolutely no sustained rush of spectators. . . . Apparently the sight and sound of two dozen urbane gentlemen discussing in courteous, conversational tones the issues of the day did not have the appeal of the more boisterous and vehement partisanship displayed in the larger chamber on the floor below." Although the Philadelphia *Aurora* assigned a reporter to cover Senate debates, the newspaper quickly ceased its coverage, finding the proceedings too dull to interest its partisan readership. Swanstrom concluded that the press' failure to make better use of its new access indicated "that much of their agitation against closed sessions had been based less on a genuine desire to inform the public than on eagerness to make political capital out of a policy which lent itself to sarcasm and satire." In fact, the press continued to remain less interested in the Senate than the House until the 1830's, when such giants as Henry Clay, Daniel Webster, and John C. Calhoun turned the spotlight of public attention on the Senate chamber.

Mr. President, during the century after the Senate galleries opened, many significant changes occurred regarding the reporting of debates that affected the openness of this body. Soon after the Senate moved to Washington in 1800, it invited Samuel Harrison Smith, proprietor and shorthand reporter of Washington's *National Intelligencer,* to take a seat on the Senate floor, where he could more easily hear and record the debates. By the 1820's, correspondents for papers outside of Washington were regular visitors to the Senate galleries. In the 1840's, the art of shorthand reporting had improved significantly, permitting the type of verbatim reporting we continue to enjoy in the *Congressional Record.* Even more important in the 1840's was Samuel Morse's invention of the telegraph, which instantly sped news from Washington to the country as a whole. Significantly, the first newspaper story ever dispatched over the telegraph dealt with a vote in Congress.

Although news from the Senate could be transmitted more accurately and speedily than before, a significant portion of the Senate's business remained closed to the press and the public. I refer to executive business, the Senate's consideration of treaties and nominations. When the galleries were first opened in 1795, the rules specified they would be opened for legislative business; but members believed secrecy still necessary for executive business. Senators felt they could speak more freely about the qualifications or lack of qualifications of a nominee if their words were not recorded; they feared that open galleries and the presence of newspaper reporters would tend to invade the privacy of those nominated for federal office. When it came to treaties, they worried that public deliberations in the Senate would undermine the American negotiating position, or embarrass our treaty partners. Of course, many of the nations with whom we were signing treaties were far more restrictive with their own press, and would not appreciate undue exposure in the United States.

So the matter stood for over a century. When the Senate went into executive session, doorkeepers cleared the galleries and bolted shut the doors. On the floor, all staff but the executive clerk and the pages left the chamber. We are told that once the doors closed, the Senate became a far more casual and relaxed place. Members unbuttoned their vests, lounged on the couches, lit up cigars, and perhaps even enjoyed a shot of whiskey to facilitate their debates. Under these circumstances, we can understand why members were reluctant to abandon their executive sessions.

But, in fact, there was a severe problem with secret sessions: they were not secret at all. Despite Senate rules binding members to silence about the secret debates and votes, senators quite freely divulged what happened down to the smallest details. Then as now, United States Senators depended on newspaper publicity to keep their constituents informed, and few wished to give speeches that went unreported. It was said that every good Washington reporter in the late nineteenth century "had his senator," the person who would brief him on executive sessions and other confidential news. In return, the reporters would treat these "leaky" senators kindly in their newspaper dispatches.

From time to time, something would slip out that truly offended the Senate, or leakage would become so pronounced that the Senate felt compelled to investigate to protect its prestige. Twice, the Senate actually held newspaper reporters prisoners in the Capitol in vain attempts to make them divulge who leaked material from secret sessions. Once in the 1890's the Senate went so far as to fire their Executive Clerk, who himself owned a newspaper and was therefore suspected—erroneously—of leaking executive business. A large degree of sham and hypocrisy became associated with these efforts to keep up.

In 1929, this house of cards collapsed, in a mixture of accusations and pointed humor. The Senate had debated the nomination of one of its former colleagues, Irvine L. Lenroot of Wisconsin, to become a judge on the United States Court of Customs Claims. United Press reporter Paul Mallon tapped his regular sources and divulged not only the substance of the debate, but the vote taken. Several senators professed outrage over this report, and demanded an investigation of the reporter. When Mallon refused to cooperate they moved to cite him for contempt of the Senate. Senator Robert M. La Follette, Jr., rose in defense of Mallon and in opposition to the secrecy rule, which La Follette charged violated the Constitutional protection of freedom of the press. La Follette reminded the Senate of some of the corrupt members of the Harding administration whom they had confirmed in secret session, and quoted his father, Senator Robert La Follette, Sr., who had charged that "Evil and corruption thrive best in the dark."

"Young Bob" La Follette then brought out his most devastating ammunition. He read from an article written years before by a newspaper reporter who had divulged information from a secret session. Not only had that reporter quoted one of the senators leading the assault on Mallon, but the reporter was currently employed on the senator's staff. This revelation not only convulsed the Senate with laughter, but it brought down the secrecy rule once and for all. Rather than condemn Paul Mallon, the Senate voted on June 18, 1929, to open all of its executive sessions except in the few cases where national security or some other vital consideration required extreme discretion. Today, we hold closed executive sessions only under the rarest of circumstances, generally to deal with highly classified information, and sanitized versions are published soon afterwards.

In the twentieth century, the electronic media added a new dimension to the openness of the Senate, although the legislative branch has adopted itself to these new forms of media with great deliberation. Of course, the Senate and House were not alone. When radio reporters first applied for admission to the press galleries, other reporters would only accept their credentials if they also reported for a daily newspaper. Radio reporters were not permitted to take notes in the galleries, nor were they assigned any desks, typewriters, or phones to use. Not until 1939 were radio reporters successful in obtaining a gallery of their own, and not only 1953 did it become the "Radio and Television" gallery. Some members still showed reluctance to accept these newfangled reporters, and never bothered sending their press releases to the Radio and Television gallery.

For decades, the Capitol has been ringed by radio and television reporters but the Chambers remained sanctuaries, protected from the the eyes and ears of the new media. The Senate permitted television coverage of committee hearings as early as 1947, but for many years the late Speaker Sam Rayburn absolutely forbid television cameras in House committees. Thus, in the twentieth century we had a reversal of the situation that had existed in the eighteenth century. This time, it was House committees that shunned electronic reporting, while Senate committees threw open their doors and welcomed the cameras.

Eventually, however, the House reversed its position. Not only did it permit television coverage of its hearings, but in 1979 it permitted cameras within its chamber, to provide gavel-to-gavel coverage. Now it was the Senate that lagged behind, and was in danger of becoming, as I said at the time, "an invisible policy making force that the people cannot see unless they come to the galleries." Senators had good reason to hesitate before wholeheartedly embracing television in the chamber. Our rules, which are quite different from those of the House, would have to be amended to keep the new medium from slowing us down, and to prevent partisan forces from misusing videotapes of our proceedings. We contemplated the necessary changes very slowly. I served on the Rules Committee in 1974 when we mapped out plans for the televising of a possible impeachment trial for President Nixon in the wake of Watergate. That same year, while serving as assistant majority leader, I authorized the first television coverage from this chamber: the inauguration of Nelson Rockefeller as Vice President. Later, when I was majority leader, Senator Howard Baker joined me in a resolution to permit radio broadcasting of the Panama Canal debates.

When these experiments proved successful, I concluded that it was time to accept the inevitable. As I said in this chamber in 1975: "Let us take the next step that needs to be taken and lift the curtains that separate the Senate from full public view. They were drawn back after 5 years of closed Senate sessions in the earliest days. Our forefathers did not have television then, but we have it now. And the curtains need to be lifted further; else the people's right to know will be denied."

Mr. President, I am proud that on June 2, 1986, those curtains were finally lifted. The cameras were turned on. The people back home at last could watch the United States Senate in session. After a year's experience, we know that television has not changed the way we do business in this chamber. But it has given a vast audience of the American people the opportunity to follow the legislative proceedings that will in so many ways affect their lives. Opening the doors to the public, and to a free press, has been a hallmark of American democracy that has brought us to the bicentennial of our federal government. I trust that when historians look back over our times, they will give full credit and attention to the event that took place one year ago today. I would like to briefly discuss today how the Senate got to the place where installing television was a viable consideration and the difficulties we had to negotiate over the years to get to the passage of S. Res. 28 in the 99th Congress.

As our Nation forged through the tumultuous, controversial decades of the 60's and 70's, it became increasingly clear to many of us that the legislative branch of our Government was in danger of being left in the historical dust. We began to understand the reality that the ability to communicate with the public, the ability to influence public opinion is directly related to the exercise of power in a democratic society. As Abraham Lincoln once said, "In this and like communities, public sentiment is everything. With public sentiment nothing can fail, without it nothing can succeed. Consequently, he who molds public sentiment goes deeper than he who enacts statutes or pronounces decisions."

An essential prerequisite to molding public opinion is the necessity of informing the public. In my June 2, 1986 speech on the Senate floor in favor of televising the Senate, I quoted Woodrow Wilson who once said that, "the informing function of Congress should be preferred to its legislative function." By the early 1980's, we could see that the public did not know about the Senate and did not understand its crucial role in our governmental processes. The President had immediate access to the press whenever he desired and could explain his actions to the American people as he wished; the House was covered on C-SPAN from gavel to gavel; but the Senate was invisible.

As I said on the floor on January 6, 1986, the institutional argument in favor of televising the Senate is simple. "Without television, we are going to become the invisible half of Congress and Congress is going to become the subordinate branch of Government. I will let House Speaker Thomas O'Neill explain how the Senate was becoming the invisible half of Congress. When asked about the prospects of television in the Senate in the November 18, 1985, issue of the C-SPAN update, the Speaker replied, 'I'd be reluctant to see it. We're getting'—meaning the House—'a 10 to 1 ratio of coverage in the news.'" That succinct statement summarized the dilemma that faced the Senate.

The process of implementing television coverage of the Senate spanned a period of more than 40 years. Former Senator, and now the venerated Representative from Florida, Claude Pepper, introduced the first resolution to authorize the broadcasting of the proceedings of the Senate and House of Representatives. Senator Pepper introduced S.J. Res. 145 in the 2d Session of the 78th Congress on August 15, 1944, and introduced identical joint resolutions in the next two Congresses. In the 1940's, of course, television was barely on the horizon, and Senator Pepper's resolutions were specifically directed at radio coverage of the two Houses. But he was still 33 years ahead of the full Senate which first permitted radio broadcasting during the 1978 debates on the Panama Canal Treaties.

I had submitted S. Res. 268 on September 24, 1977, to permit radio and television coverage of the Senate's proceedings during consideration of that treaty ratification debate. The Rules Committee amended my resolution to strike out television coverage and reported the resolution on February 2, 1978. The Senate adopted that resolution the same day, and the Senate's deliberations on the ratification of the Panama Canal Treaty were broadcast by radio to the Nation later that year.

Even though resolutions for providing radio and television coverage were introduced in virtually each succeeding Congress after the 78th, and even though hearings were occasionally held, the proposals languished in the Rules Committee. But, in the meantime, television had become an integral part of committee hearings. In 1947, when Gen. George C. Marshall testified on his plan to reconstruct postwar Europe, the hearing was televised. With the Kefauver hearings on organized crime in 1951 and the McClellan hearings on labor racketeering in 1954, the Vietnam hearings of Senator Fulbright in 1966, and most memorably, the Ervin Watergate hearings in 1973—all of which were televised to an eager nation—the Senate would again resurge into the public's consciousness.

Many Senators were worried about two specific issues when considering televising Senate sessions: (1) That the level of lighting needed to broadcast a presentable TV image would be painfully bright and create undesirable heat, and (2) that the day-to-day routine of a Senate session could not match the fascination raised by each of the televised hearings that I have just mentioned. However, by the early 1970's, new technology had developed more sophisticated TV cameras that could work more effectively with far less light and heat than in the past. And as experience has shown, the glare and brightness of the lights have been manageable, and the heat is more than adequately controlled by our air-conditioning system. As for the second concern, there were those of us who believed that the more the Senate as a whole was seen performing its constitutional duties in a responsible manner, the more one would eliminate ignorance of its procedures and help to build public trust; I believe that this past year's experience has borne that out.

My own interest in televising the Senate developed in the late 1960's at the same time as our late colleague, Senator Lee Metcalf of Montana, was also striving toward that end. I cosponsored with Senator Metcalf and several others S. Res. 447 in the 93d Congress and S. Res. 39 in the 94th Congress to provide for radio and television coverage of proceedings in the Senate. Those resolutions died in the Rules Committee.

Senators Metcalf, along with Representative Jack Brooks, of Texas, cochaired the Joint Committee on Congressional Operations, and that committee held 6 days of extensive hearings in early 1974 on the question of print and broadcast media coverage of the regular proceedings of the House of Representatives and the Senate. I remember testifying at those hearings in favor of televising our sessions. The report issued by that joint committee on October 10, 1974, referred to the portion of my testimony, six paragraphs of which are as follows:

> The barring of radio and television coverage of Congress has resulted in an ironic situation—one in which millions of Americans were able to view the return of the POW's, but denied visual access to Senate votes on the Vietnam war; Millions watched an American become the first man to walk on the Moon, but were unable to witness the Senate floor debates that preceded funding for the space program.
>
> And in this Congress, where a struggle exists over spending authority, the President can use television to veto a bill in full view of the American population—he can take what conceivably could be a private act, and make it public. The subsequent Senate vote to override or sustain the veto, however, cannot be seen by the general public—only by the 426 persons accomodated by the public gallery. . .
>
> As for politicians storming to the microphones and cameras, there is evidence that such moves would be adversely rewarded. For example, the same argument was used by opponents of New Zealand broadcasts in 1937. Yet, in a report 3 years later in the trade publication Radio Daily, Leon Weaver wrote:
>
> "Windbags who took a lot of time to say nothing brilliantly have been defeated, and members who fumbled and stumbled but who did have something to say have been reelected."
>
> I do think that today, when 99.8 percent of all American homes have radios and television sets, the time has come for a new look at the possibility of using the electronic media to bring the Senate and the people closer together. . . .
>
> I believe that opening congressional chambers to radio and television would heighten public understanding of, and interest in, the workings of Congress. And by increasing public understanding and interest in the legislative branch, Congress would be making a valuable Contribution to our democratic system.

Mr. President, nine of the joint committee's ten members approved the following recommendations:

(1) The proceedings should be recorded continuously, gavel to gavel, each day, and the video and audio feed should be available not only to broadcasters but on monitoring devices in the office of Members of the House and Senate as well. Experience at the State level indicates that the continual presence of live microphones and television cameras—particularly if the talley (red) lights are not used—tends to routinize broadcasting, thus reducing its impact on the proceedings;

(2) Provision should be made for maintaining the audio and video records for historical purposes and for making them available to educational institutions and others interested in congressional activities; and

(3) Congress should conduct for 60 days and evaluate an experimental project as a "first step" before deciding on the development and operation of the system.

The proposal was supposed to have taken effect for the 94th Congress in early 1975, but it was still too soon. Eleven years later, the committee's recommendations were followed almost to the letter after the Senate adopted S. Res. 28. I only regret that Senator Metcalf never lived to see our goal achieved.

I ask consent that a very informative article printed in the December 21, 1974, issue of the New Republic entitled "Televising Congress" be printed here in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Televising Congress

Sen. Lee Metcalf of Montana, chairman of the Joint Committee on Congressional Operations, last week introduced a resolution that, if passed by the Senate, would authorize a year-long test of radio and television broadcasting of the upper chamber's floor debates. Ironically none of the three network television news shows that night (December 9) reported that fact, nor did *The Washington Post* or *The New York Times* the next morning. If Capitol Hill newsmen ignored the story because they thought Metcalf's resolution had no chance of being approved, they have another think coming. At the last minute Metcalf picked up as cosponsors Sen. Robert Byrd, Democratic Whip of the Senate and de facto floor leader, and Sen. Hugh Scott, the Republican chief. Byrd and Scott are important for reasons beyond their leadership positions. Both are members of the nine-man Senate Rules Committee, which will take up the measure.

For years the major networks have been requesting the Senate and House to allow live coverage of major debates and votes. The rules in both bodies prohibiting such exposure were drawn up at a time when strong leaders such as Speaker Sam Rayburn resented having legislative deliberations under the camera's candid eye. The rules have remained untouched, though television has grown to be the prime news source for most Americans. As Presidents took to using television more and more to press their causes, Congress—an equal branch—was in no position to respond with equal force, Sen. Byrd has pointed out the incongruity: "Where a struggle exists over spending authority, the President can use television to veto a bill in full view of the American population—he can take what conceivably could be a private act and make it public. The subsequent Senate vote," Byrd went on, "to override or sustain the veto, however, cannot be seen by the general public, only by the 425 person accommodated by the Public gallery."

Watergate and the televised impeachment hearings of the House Judiciary Committee helped to demonstrate the power of TV to the Congress. To the surprise and pleasure of the House leadership, most of the committee members appeared on the screen as serious, thoughtful men and women. Prior to Mr. Nixon's resignation the House Democratic leadership—long opposed to the introduction of television—made final preparations to allow microphones and cameras to cover floor debate of the expected impeachment resolution. On the Senate side, with the active support of Robert Byrd and Majority Leader Mike Mansfield, it was a foregone conclusion that cameras would be on hand to televise the impeachment trial.

And yet an undercurrent of congressional opposition still runs against the type of coverage proposed by Metcalf. There is anxiety that the mere presence of cameras will turn Congress, as it has party conventions, into a "media event." There's anxiety that TV may force members to come to the floor when they should be doing committee work, or that network news programs may distort floor action by selective use of taped debates, or that cameras will focus on embarrassing situations.

Recognizing this, the Metcalf proposal sets up a test for one year, giving the Senate a chance to see how broadcasters use their new liberty. At first cameras in the Senate chamber would be turned on for a 60-day trial period, with receivers set up in strategic spots such as the Senate cloakroom and areas within the Capitol and senate office buildings. After 60 days continuous television coverage would be initiated and networks and local broadcasters would be permitted to use excerpts from the tapes in news shows and documentaries. Live coverage would be allowed only in special situations.

In Florida and Connecticut public television broadcasts state legislative proceedings. Both states found that after a time the legislators managed to forget the cameras. No doubt when the cameras first appear on the Senate floor, they will be inhibiting. For a while, the old casualness, the few impromptu outbreaks in heated debate, the delays that permit compromise will be replaced by an attempt to appear more orderly. But as a former Senate official and now a Washington lawyer, Harry McPherson, told Metcalf's committee last spring, "I suspect that in time [Senators] will come to realize that their viewers, their voters, are sophisticated enough to understand that some compromise is necessary in public life, as it is in private life. And that will free them to be the natural political animals they are."

A major unanswered question was raised by Rep. Claude Pepper of Florida at the Metcalf hearings. "There might come a time that we found abuse," he said, "that we found [the networks] were only putting the Democrats on, only putting the Republicans on, and not giving fair coverage." To Pepper, opening the Senate floor to television cameras is a "privilege" to be granted by Congress to the networks, not a right. And for that "privilege," the networks, he believes, should be held accountable for their coverage. If there is one long-term journalistic danger in the Metcalf plan, it is precisely that network newsmen would be held accountable to Senate-approved "procedures . . . to ensure that broadcast coverage is carried out in a nonpartisan manner and is fair and equitable in recording the views of members participating in floor proceedings."

Mr. BYRD. Mr. President, on December 14, 1974, the Senate adopted S. Res. 452 that I submitted with Senator Hugh Scott to permit radio, television, and photographic coverage of the swearing-in ceremony or Nelson Rockefeller to be Vice President of the United States. Late in the evening of December 19, 1984, the Senate received word that the House had followed the Senate in adopting a resolution to confirm the nomination of Nelson Rockefeller. At 10 p.m. that night, members from the House of Representatives joined Senators in the Senate Chamber to greet President Ford and watch as Chief Justice Warren Burger administered the oath of office to Vice President Nelson Rockefeller. This completed the process established by Sec. 2 of the 25th amendment to the Constitution. History was being made before our eyes, and the entire Nation could watch as the Senate Chamber was televised for the first time!

Mr. President, I ask unanimous consent that the proceedings of that historic night be reprinted at this point in the Record.

There being no objection, the proceedings were ordered to be printed in the Record, as follows:

Ceremony on Administration of Oath of Office to Nelson A. Rockefeller as Vice President of the United States

The Senate was called to order by the President pro tempore, the Senator from Mississippi (Mr. Eastland).

The President pro tempore. The Senate will receive a message from the House of Representatives.

The secretary for the majority (Mr. J. Stanley Kimmitt) announced that he was directed by the House to inform the Senate that the House had adopted House Resolution 1511, confirming the nomination of Nelson A. Rockefeller, of the State of New York, to be Vice President of the United States.

Mr. Robert C. Byrd. Mr. President, I ask unanimous consent that the Chair be authorized to appoint a committee to escort the President of the United States and the Vice-President-designate of the United States into the Senate Chamber.

The President pro tempore. Without objection, the Chair appoints the following Senators as a committee to escort the President of the United States and the Vice-President-designate of the United States into the Senate Chamber: the Senator from West Virginia (Mr. Robert C. Byrd), the Senator from Pennsylvania (Mr. Hugh Scott), the Senator from Nevada (Mr. Cannon), the Senator from Kentucky (Mr. Cook), the Senators from New York (Mr. Javits and Mr. Buckley), the Senator from Michigan (Mr. Griffin), and the Senator from Utah (Mr. Moss).

The Secretary for the majority announced the Speaker of the House of Representatives and the joint bipartisan leadership.

[Applause.]

Thereupon, the Speaker of the House of Representatives, the gentleman from Oklahoma (Mr. Albert), the gentleman from New Jersey (Mr. Rodino), the gentleman from California (Mr. McFall), the gentleman from Massachusetts (Mr. O'Neill), the gentleman from Arizona (Mr. Rhodes), the gentleman from Illinois (Mr. Anderson), and the gentleman from Michigan (Mr. Hutchinson) entered the Chamber and were seated in the well of the Chamber.

[Applause, Members and guests rising.]

The President pro tempore. Gentlemen, you are welcome to the Senate.

The secretary for the majority announced the Chief Justice of the United States, Warren E. Burger.

The Chief Justice entered the Chamber and took the seat provided for him to the right of the rostrum.

[Applause, Members and guests rising.]

The secretary for the majority announced the President of the United States.

The President of the United States entered the Chamber and stood at the clerk's desk.

[Applause, Members and guests rising.]

The President pro tempore. The Chair now appoints the Chief Justice of the United States to administer the oath in my behalf to the Vice President of the United States.

The Chief Justice approached the Vice President's desk.

The secretary for the majority announced the Vice-President-designate of the United States.

[Applause, Members and guests rising.]

The Vice President stood at the Vice President's desk, where the oath prescribed by law was administered to the Vice President by the Chief Justice of the United States, and the Vice President subscribed to the oath in the official oath book.

[Applause, Members and guests rising.]

Mr. Robert C. Byrd. Mr. President, I ask unanimous consent that the Vice President of the United States be permitted to address the Senate at this time.

The President pro tempore. Without objection, it is so ordered.

Mr. Vice President. Mr. President, Mr. Speaker. President pro tempore Eastland, Mr. Chief Justice, Your Excellencies, the members of the Diplomatic Corps, distinguished guests and fellow Americans:

As I stand before you, I feel a great sense of humility. I feel a great sense of gratitude for the privilege of serving the country I love.

I feel a deep sense of gratitude to President Ford, to the Congress of the United States, and to the people of America; to the President for his trust and confidence and the opportunity he has given me to serve this great Nation in working with him—a man for whom I have profound respect, admiration, and warmth of affection; a man of integrity, sincerity, openness, dedication; a man bearing the lonely burdens of the Presidency with deep human understanding and total devotion to his country.

And my admiration to the First Lady, Betty Ford, and her great warmth and her courage. And, if you will forgive me for a personal note, my love and admiration to my own gallant wife, Happy.

I feel deeply grateful to the committees and the Members of the United States Senate and House of Representatives for their confirmation of my nomination.

Among the many reasons I look forward with pride and with keen anticipation to serving the Senate as its Presiding Officer is the fact that my mother's father, my grandfather, Senator Nelson W. Aldrich, represented the great State of Rhode Island in this very Chamber for 31 years, after serving for 3 years in the House of Representatives.

The thoroughness with which the Congress exercised its responsibilities on behalf of the American people under the 25th amendment has been another dramatic evidence of the enduring strength and vitality of our Constitution and our unique American system.

I have learned a great deal from this experience of the past 4 months, and I have come out of it with an even greater respect for the Congress of the United States, a more profound appreciation of the collective wisdom of the American people as expressed through the Congress, and a deeper understanding of the breadth of the responsibility to the people of this great, free land that falls upon those of us in positions of public trust.

I deeply appreciate the outstanding work of all those in Government agencies involved in the investigation and preparation of material for the congressional committees.

I admire and respect the vigilant coverage of the free American press, radio, and television through which the people of America were so well informed.

I would like to thank all of those citizens who participated directly in the process by expressing themselves to their representatives in the Senate and in the House, and to those who sent words of encouragement to Happy and to me.

And, finally, especially to you, Mr. Chief Justice, my thanks for your administering the oath and symbolizing, as you do, the rule of law by which this great Republic functions.

This is a period in which our country faces tremendous difficulties and unprecedented problems, both at home and abroad—problems that affect every section of our country and every family in America. But there is nothing wrong with America that Americans cannot right.

[Applause, Members and guests rising.]

I pledge myself to the fullest limit of my capacity to work with you, Mr. President, and the Congress in the great task of building the strength of America to meet the grave new problems which we confront as a nation and as a people.

I thank you.

[Applause, Members and guests rising.]

Mr. ROBERT C. BYRD. Mr. President, Mr. Vice President, Mr. Speaker, Mr. President of the Senate pro tempore, at this historic moment in the existence of this distinguished body, I offer congratulations to the Vice President of the United States.

And on behalf of our majority leader and my other colleagues in the Senate of the United States, I welcome the Vice President as the Presiding Officer of this body.

There was a time in the history of this Republic when the Vice President's role as President of the Senate was perhaps the highest responsibility of the office. But that is no longer true. In today's world, the office of Vice President of the United States has assumed an importance and a significance with which it was not formerly associated. As the stature of the Vice Presidency has increased, so have the responsibilities.

Therefore, Mr. Vice President, we wish you well as you prepare to take your place in the administration and the conduct of the Nation's affairs, and I repeat the welcome of this body to you as President of the Senate of the United States.

The PRESIDENT pro tempore. The Senator from Pennsylvania is recognized.

Mr. HUGH SCOTT. Mr. President, Mr. Vice President, Mr. President pro tempore, Mr. Chief Justice, Members of the House of Representatives, Mr. Speaker, and Members:

I have a great privilege at this point.

I would like to say, first, that I congratulate the Vice President upon his opportunity to serve, and to serve with the President and the Congress of the United States. Such a privilege is rare and is one to be earned. I am certain that we are all going to benefit and rejoice in this new move and advance along our constitutional paths. The 25th amendment has worked, and we are all very proud to have had a part in it.

Mr. President, on behalf of myself and the distinguished acting majority leader, I submit a resolution. I ask that it be read, and I will then ask for its immediate consideration.

The PRESIDENT pro tempore. The clerk will report.

The Assistant Secretary of the Senate (Mr. Darrell St. Claire) read as follows:

Mr. SCOTT, for himself and Mr. ROBERT C. BYRD, submit the following resolution:

"S. RES. 470

"To congratulate Vice President Nelson A. Rockefeller

"Whereas the nomination of Nelson A. Rockefeller to be Vice President of the United States was submitted to the Congress for confirmation on August 20, 1974; and

"Whereas Nelson A. Rockefeller has today taken the oath of office as the 41st Vice President of the United States: Now, therefore, be it

"*Resolved,* That the Senate congratulates the Vice President on assuming his new duties and wishes him well during his term of office.

"SEC. 2. That an engrossed copy of this resolution be transmitted to the Vice President."

The PRESIDENT pro tempore. The Senator from Pennsylvania.

Mr. HUGH SCOTT. Mr. President, I renew my request for the immediate consideration of the resolution.

The PRESIDENT pro tempore. Without objection, the resolution is agreed to.

[Applause, Members and guests rising.]

(The Vice President assumed the chair.)

The VICE PRESIDENT. The Senate will come to order, please.

[Laughter.]

Mr. ROBERT C. BYRD. Mr. President——

The VICE PRESIDENT. The Senator from West Virginia.

I know him very well, too.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

[Laughter.]

The VICE PRESIDENT. The clerk will call the roll.

The Assistant Secretary of the Senate proceeded to call the roll.

At 10:26 p.m., the President and the Vice President, accompanied by the committee of escort, retired from the Chamber of the Senate.

The PRESIDING OFFICER. (Mr. CLARK). The Senate will please come to order.

The Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, 6 months later, the Senate adopted Senate Resolution 177 on June 9, 1975, to permit television and radio coverage of the Senate proceedings with respect to the determination of the contested election for a seat in the U.S. Senate from the State of New Hampshire. I cosponsored that resolution with eight of my colleagues, and the Senate agreed to my amendment making the resolution contingent upon some limitation of debate being ordered by the Senate. In retrospect, even I must have had some doubts about the advisability of covering highly controversial issues, like that one was, with no time limitations on debate. But my perspective changed over time and sharpened as the subsequent years passed.

The contentious issue of the disputed election between John Durkin and Louis Wyman to be the U.S. Senator from New Hampshire was never ultimately resolved on the Senate floor. There were no time limitations agreed to, and the sessions devoted to this dispute were not televised.

In the 95th Congress, I submitted Senate Resolution 74 which would have authorized the installation of a closed-circuit television from the Senate Chamber to Senators' offices, which also died in the Rules Committee.

Senator Baker became a strong proponent of televising the Senate, and he submitted Senate Resolution 20 in the first week of the 97th Congress. That resolution to permit television in the Senate was reported by the Rules Committee in August 1981, and Senator Baker moved to proceed to the bill on February 2, 1982; after 2 days of debate, the motion was agreed to.

The resolution was before the Senate intermittently for the next two and one half months. But the combination of Senators who had always opposed television in the Senate, with other Senators, like myself, who were trying to adjust to our newly-acquired minority status and were not certain about how the process would function, kept the resolution far short of the 60 votes needed to invoke cloture on debate. The effort was abandoned for the Congress.

Senators Mathias and Baker persisted in their effort during the 98th Congress and with several other cosponsors submitted Senate Resolution 66 on February 16, 1983. The Rules Committee, chaired by Senator Mathias, reported the resolution on June 28, 1983. Senator Baker moved to proceed to the resolution at the end of the 98th Congress on September 13, 1984. Cloture was invoked on the motion to proceed on September 19 by a vote of 73-26 and the motion was agreed to by a vote of 67-32. That same day, cloture was filed against the resolution. Two days later cloture was not invoked by a vote of 37-44, far short of the 60 votes needed to continue. The bill was returned to the calendar.

I submitted Senate Resolution 28, a resolution to provide for television and radio coverage of the Senate and for certain changes in the Senate rules, on the first day of the 99th Congress, January 3, 1985. Senator Mathias still chaired the Rules Committee and was quite an expert by that time, and the committee ordered the bill reported on October 29 of that year. Senator DOLE asked for unanimous consent to call up the resolution on February 3, 1986, and that consent was granted. The resolution was considered by the Senate on February 3, 4, 5, 7, 19, 20, 24, 25, 26, and 27. A good portion of the debate on each of those days centered not on television but on various other rules change proposals that were concluded as part of Senate Resolution 28 as reported, or sought to be offered from the floor.

On February 27, the Senate agreed to a substitute amendment offered by Senators DOLE, Mathias, BYRD, ARMSTRONG, GORE, and WILSON that incorporated the rules changes that could be agreed on as well as the parameters for a trial period to test televising the Senate. The Resolution was adopted by a vote of 67-21 at 7:28 p.m. on that evening. That test period was begun for the internal Senate from May 1 to June 1 and was broadcast live to the Nation for the next two months. The vote to make television and radio coverage of the Senate's proceedings permanent took place on July 29, 1986, and the provisions of Senate Resolution 28 were finalized by a vote of 78-21. A very long struggle had been won.

Now we come to the most interesting question with respect to one year of television in this Chamber: What effect has it had? Before television was implemented, Senators put forth a long list of concerns, and the Senate debated these at great length. I have already dealt with the technical issues of lighting and heat and the reservation that Senate sessions were not exciting enough to be televised. However, there were other issues that had to be addressed.

Some Senators were concerned that the camera operators, if the cameras were operated by an outside group, would embarrass the Senate and Senators by panning the Chamber when it was empty or catching Senators in less-than-flattering poses at some point when they were not speaking. This has not happened. Our camera crews are in-house, and the cameras are focused on whichever Senator is speaking, on the Presiding Officer during quorum calls, and on the whole chamber during votes. Our citizens fully understand that Senators frequently must be off the floor attending committee meetings, meeting with constituents, and going over the mail of the day. They expect Senators to do these things.

Another concern was that the committee process would be paralyzed as members scrambled to the floor to get before the camera in order to impress voters back home instead of persuading other Senators, producing much oration but very little debate. We were told that oratory would become the chief, if not the only criterion of legislative ability, to the disadvantage of those Senators who contribute their valuable skills and knowledge in countless other ways; we were admonished that not every Senator wanted to strut upon the stage of electronic acclaim.

My own opinion—and it is partially subjective and partially based on data—is that none of these fears has materialized. Senators are coming to the floor somewhat less frequently than they did in the days before television and with shorter, better-polished speeches. Nor have we seen the withering of pure debate in favor of overblown oratory. Why, just in recent days, we have seen high-class, fervent, splendid debate on many extremely important issues including arms control and, indeed, the budget. Committees are still well-attended, and are handling their responsibilities admirably.

I asked the Senate Journal Clerk, Mr. James Thorndike to subdivide a day of the Senate into several distinct categories for three specific time periods. With this data, we could then analyze what effect television has had on the Senate's sessions. I asked Mr. Thorndike to compute the number of days in session for the 1st sessions of the 96th, 99th, and 100th Congresses through May 31 of the years 1979, 1985, and 1987. For each of those days, he determined how much time the Senate spent in session from convening until ending for that day; the time spent in morning business, special orders, quorums, and debate of legislation on the floor; and the number of rollcall votes.

I selected these three time periods because each was the beginning of a new Congress: 1987, the first new Congress with television coverage, and 1985, the Congress without television coverage in the Senate that just preceded the commencement of television.

I also included 1979, the first session of the 96th Congress.

I would like to add at this point that poring through the Senate Journal to glean this material is grueling work. I would like to personally thank Jim Thorndike for his meticulous, painstaking compilation of this material.

I ask unanimous consent that the table of the results of this study be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

	1979	1985	1987
Days in Session (through May 31).	57	60	69.
Time in Session (from beginning to end of day).	359 hr. 37 mn	417 hr. 45 mn	409 hr. 41 mn.
Debate	224 hr. 56 mn	237 hr. 39 mn	249 hr. 36 mn.
Morning Business	31 hr. 31 mn	66 hr. 46 mn	58 hr. 35 mn.
Quorums	41 hr. 19 mn	98 hr. 22 mn	44 hr. 18 mn.
Recesses	42 hr. 56 mn	33 hr. 6 mn	46 hr. 38 mn.
Special orders	22 hr. 47 mn	26 hr	16 hr. 37 mn.
Roll Call votes	113	96	139.

Mr. BYRD. Mr. President, what can we see from this data? In 1987, the Senate was in session 409 hours 41 minutes spread over 69 days; in 1985, the Senate was in session for 417 hours 45 minutes over only 60 days in session; in 1979, the Senate was in session 359 hours 37 minutes over 57 days. Time for the average day in session was roughly 6 hours in 1987, 7 hours in 1985, and 6½ hours in 1979. We have been in about two weeks worth of additional days this year, but that is because we did not recess for most of the month of January as in previous years, and I have deliberately tried to keep the days shorter.

The time spent on morning business and special orders this year is down substantially compared to 1985 and only 20 hours more than in 1979 when we had 12 fewer days in session. The Senate has spent over 50 percent less time in quorum calls than in 1985. The time spent on debating the legislation before the Senate is roughly equivalent for each of the three years: 249 hours 36 minutes in 1987, 237 hours 39 minutes in 1985, and 224 hours 56 minutes in 1979. And the time spent in recesses is also relatively equivalent.

I believe that this data provides substantive proof that televising the Senate has not dramatically altered the way the Senate conducts its business. Now, Mr. President, I should mention that over the past year, C-SPAN II carried over 1,000 hours of live gavel-to-gavel Senate proceedings in the first year. It may be interesting to note what the viewers are saying about us after seeing the Senate in action for 1,000 hours. It is obvious that C-SPAN viewers are mature enough to take us warts and all and that we have survived that scrutiny. Perhaps they have learned that the modern filibuster does not resemble the portrayal in the movie "Mr. Smith Goes to Washington." Perhaps they have learned, as I have, more than they wanted to know about the nondebatable motion to proceed during morning hour. But the comments that they have called into the network and written into the network's newspaper, the C-SPAN Update, have been valid. When we are good, they like us, and when we are bad, they like us because we are the real thing.

A local Massachusetts television critic wrote:

> That is not an actor playing at being a Senator. That is a real Senator. The script is being written as we watch.

Maybe we are more exciting than we think, Mr. President.

A C-SPAN viewer from California wrote in to say:

> I have been impressed by the statesmanship of many of the Senators and appalled by the ignorance and arrogance of others. Listening to issues being debated and watching votes that directly affect every American has been a valuable learning experience.

A Maryland C-SPAN viewer calling into a C-SPAN talk show stated on the air that:

> The differences between the House and Senate that are there, I think, were meant to be there. The Senate was meant to be much slower and more deliberate. However, electronic voting would make it better.

Mr. President, I hope Senators will take note of the wisdom of those last remarks. They were endorsed by another viewer from Nebraska who said:

> I would have to put my vote in for C-SPAN II as the better of the two channels. I like it because of the length of time the Senators can speak. You really get to see both sides of the subject in detail. The only change I would suggest is the electronic voting that everyone is talking about.

A California viewer called in to say:

> I really enjoy watching my Government in action. The Senate is a little more orderly as opposed to the House where they really go at each other.

Mr. President, just who is watching—State by State? What kind of growth in viewership of Senate floor proceedings has there been over the past year? To what end? Does that growth have a positive effect on our system of participatory democracy? Does that growth have a positive effect on our education system? Has that growth had a positive, negative, or no effect on the very nature of Senate floor activity? These are the questions that deserve our serious examination.

Let me begin by describing to Senators just who our audience is. Mr. President, only C-SPAN II, the second C-SPAN channel devoted to Senate floor coverage, telecasts Senate proceedings live and in their entirety. All other news organizations have access to the live Senate feed and they use as little or as much of it as they like in their normal coverage of the Congress. Because only C-SPAN II carries us live and unedited, that network and its viewers will be my primary focus.

C-SPAN II, the Senate channel, was created in June 1986 to carry live, complete, and unedited telecasts of Senate proceedings. It is available to those cable systems that already offer C-SPAN, the House channel, to their subscribers. C-SPAN II began with 180 affiliated cable systems. Today, at the end of one year, 400 affiliated cable systems offer the Senate channel. The growth has been dramatic and shows no signs of diminishing. In fact, I am told that improved satellite access in the coming year will encourage even more growth. Within the cable television industry, C-SPAN II, the Senate channel, is the fastest growing new cable service.

One year ago, there were 7.5 million households receiving C-SPAN II. Today there are 9.2 million households receiving C-SPAN II through an affiliated cable system. In addition, we have viewers who watch us through the benefits of backyard satellite dishes. Adding in those independent viewers, we have an audience of 11 million households, with a cable industry calculated average of 2.6 viewers per household.

By contrast, Mr. President, C-SPAN, the House channel, began with 3.5 million households and at the end of its first year, rose to 5 million viewers. So we are holding our own with the House after our first year. In fact, we did a little better. And we started off with a substantially higher audience.

Mr. President, at this point I ask unanimous consent to insert into the RECORD a table provided me by the C-SPAN network, which is titled C-SPAN/C-SPAN II affiliates.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

C-SPAN/C-SPAN II AFFILIATES

[May 28, 1987]

State	Basic Subs (Cable households)	C-Span Subs (House channel)	C-Span II Subs (Senate channel)	Percent of cable households for C-Span II	Ranking by State
Alabama	643,654	325,616	101,286	16	30
Alaska	72,256	55,170	33,000	46	5
Arizona	476,766	382,823	193,516	41	8
Arkansas	411,600	203,108	0	0	....
California	4,237,495	3,158,992	1,198,176	28	14
Colorado	540,573	490,868	307,488	57	2
Connecticut	769,462	717,765	354,431	46	5
Delaware	149,430	20,117	25,585	17	29
District of Columbia	5,500	2,831	2,663	48	4
Florida	2,599,234	1,891,578	411,375	16	30
Georgia	986,789	492,850	127,840	13	33
Hawaii	237,633	193,082	0	0	....
Idaho	169,892	103,080	32,630	19	26
Illinois	1,473,391	1,591,250	545,075	37	11
Indiana	924,525	603,581	185,918	20	23
Iowa	477,850	344,495	97,185	20	23
Kansas	639,397	338,755	65,211	10	38
Kentucky	689,036	454,292	138,755	20	23
Louisiana	798,269	476,026	16,315	2	45
Maine	212,087	67,805	39,590	19	26
Maryland	509,565	392,771	340,722	67	1
Massachusetts	1,051,695	1,075,852	444,016	42	7
Michigan	1,367,422	1,177,068	360,914	26	17
Minnesota	522,420	431,747	268,474	51	3
Mississippi	489,173	112,305	54,776	11	37
Missouri	604,783	553,613	166,879	28	14
Montana	158,960	107,431	0	0	....
Nebraska	318,063	235,302	121,298	38	10
Nevada	149,608	188,099	0	0	....
New Hampshire	208,082	166,077	13,903	7	42
New Jersey	1,528,637	1,130,293	196,908	13	33
New Mexico	249,351	137,815	103,240	41	8
New York	2,646,628	1,735,245	247,366	9	39
North Carolina	1,012,090	497,687	211,091	21	22
North Dakota	131,712	44,156	24,998	19	26
Ohio	1,987,908	1,382,101	460,985	23	19
Oklahoma	500,223	394,641	140,333	23	19
Oregon	533,133	374,241	154,663	29	13
Pennsylvania	2,258,552	1,195,033	337,911	15	32
Rhode Island	193,774	152,576	23,337	12	35
South Carolina	473,330	298,693	19,919	4	44
South Dakota	114,771	82,557	13,661	12	35
Tennessee	772,657	406,751	213,347	28	14
Texas	2,669,005	1,972,813	653,677	24	18
Utah	163,897	135,080	2,251	1	46
Vermont	96,084	50,301	0	0	....
Virginia	1,020,053	774,359	222,385	22	21
Washington	834,178	677,555	73,863	9	39
West Virginia	451,908	151,346	42,850	9	39
Wisconsin	688,765	564,811	2051,204	30	12
Wyoming	130,225	50,742	7,929	6	43
Total	40,451,935	28,563,145	9,002,939	22	....

Mr. BYRD. This table provides, for each of our 50 States, the number of cable television households, the number of those households receiving the Senate channel, the number of those households receiving the House channel, the percentage of cable television households which receive the Senate channel, and the ranking of each State vis-a-vis the others. The table shows that there are more than 205,204 who are able to watch the Senate channel in Wisconsin. Out of the 50 States, Wisconsin ranks 12th in its percentage of cable households who can view the Senate channel. My own State does not fare so well. Mine is the 39th State in terms of viewership. Only 9 percent of our cable television households receive the Senate channel. Yet, at a minimum, 42,850 West Virginia viewers could be watching the Senate at any one time.

One might say that people are indeed able to watch C-SPAN II on their cable systems, but are they watching? This is a difficult question to answer objectively. However, the Cox Cable System, the Nation's largest cable system, in a new survey has found that 45.2 percent of their subscribing households have watched the Senate at least some of the time. I believe it is fair to say that we do have an audience.

I remember the words of the *Washington Post's* television critic when we began televising our floor proceedings last year. He wrote then, "There is no conceivable way that televising the Senate, no matter how numerically small the viewing audience, cannot foster more interest and awareness of the legislative process in this country." He was right. In the past year, C-SPAN has received over 1,200 requests from high schools and universities for help in demonstrating ways that C-SPAN taped coverage can be incorporated into courses on law, politics, history, and journalism. I am reminded of the statement of the late television pioneer, Edward R. Murrow, who said, "The instrument can teach, it can illuminate." 1,200 teachers, Mr. President, are searching for a way to do just that. One C-SPAN viewer summarized this encouraging educational trend well when she wrote in to the network's newspaper: "C-SPAN is more than America's network, it is a university . . . for all of us to attend, learn, and form our own opinions to help keep alive the free exchange of ideas and the right to learn."

Mr. President, last year I stated in this Chamber that the coming of television to the United States Senate was not an occurrence to be feared—it was an opportunity to be seized. It was an opportunity to improve the standing of the Senate in the eyes of the public; it was an opportunity to improve the standing of the Senate in the eyes of the media; it was an opportunity to improve the standing of the Senate in the eyes of students of this country who were watching videotaped curriculums on Congress in which they saw only the House of Representatives.

The people have a right to know, to see and hear, and to understand how Congress works. I believe that we have done remarkably well in fulfilling these goals. I look forward to improving on what we have already accomplished.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE VENICE SUMMIT AND WESTERN LOANS TO THE SOVIET UNION

Mr. HELMS. Mr. President, I am deeply concerned about the continued Western financing of the Soviet Empire by private commercial banks. This issue should be placed squarely on the agenda for the upcoming Venice economic summit. If the free world is serious about combating Soviet expansionism, then concrete joint action should be taken to deny the Soviets the means to maintain their global empire. Halting untied Western commercial credits to the masters of the Kremlin is the place to begin.

Mr. President, few outside banking circles understand just how the Soviets, year after year are able to maintain and to expand their global empire. In 1986, the Soviet Union took in only about $26 billion in hard currency earnings—mostly from the sale of oil, gas, arms, and gold. This $26 billion is equal to about one-quarter of the total sales of General Motors last year. So that is all the hard currency the Soviets earned from exports last year; just one-quarter of the sales of one major United States corporation.

Senators may very well ask just how it is, with such a low level of export earnings, that the Soviets can continue to finance their worldwide activities? The answer is straightforward: Western governments, using their taxpayers money, provide credits for the Soviet Union; Western governments, using their taxpayers money, provide guarantees to banks and to private corporations providing goods and services to the Soviet Union; private Western banks provide credit to the Soviet Union; the Western banking system allows the Soviet Union to participate in the interbank loan market via its state bank in London.

Mr. President, the Venice economic summit provides a most appropriate forum in which Western leaders can forge a common strategy to constrain Soviet expansionism through economic means. We hear all manner of talk about the arms race. Conservatives blame the Soviet Union and the Liberals blame the United States. A sense of reality needs to prevail. The fact of the matter is that the Soviet military-industrial complex has been built up for seven decades by Western bankers and industrialists. The Communists are only too happy to entice Western businessmen to sell the rope which will in the end hang them. The Venice summit should focus on the East-West trade issue from the standpoint that export control and credit control are in fact methods of arms control.

In 1986, the Soviet Union borrowed roughly $6 billion from the West. As much as two-thirds of this amount, $4 billion, was in the form of what are called "untied" loans. Untied loans are loans which are cash credits with no underlying export transaction or commercial project. Such untied money can be and is diverted for purposes which are harmful to our vital national security interests.

In addition to these untied loans, the Soviet Union hopes to issue Euronotes and bonds in the near future, thereby recruiting new Western institutions such as pension funds, insurance companies, and other business corporations as holders of Soviet debt instruments. Undoubtedly, the Kremlin believes that these potentially large new avenues of untied Western borrowing offer the dual advantage of creating influential new groups with a possible vested interest in politically supporting continued Western economic and financial concessions to the Soviet Union.

Mr. President, it is high time that we recognize that untied Western lending to the Soviet Union is dangerous from a national security standpoint. In my view, Western trade should be halted with the Soviet Union in order to force a substantial transformation of the Soviet system and to bring an end to the Communist system in Russia and its satellites. A multilateral approach in the West is necessary to resolve this issue.

If we cannot stop loans to the Soviet Union, Western banks should at least be required to verify, to the extent possible, the uses of funds by tying their loans directly to capital equipment exports, commodity transactions, or tightly structured projects. The maturities of these loans should be strictly matched against the duration of the underlying transactions. Western bank deposits in Soviet owned banks would be totaled and carefully monitored.

From a multilateral standpoint, the Organization for Economic Cooperation and Development [OECD] could endorse and help to coordinate such a Western strategy. There are precedents for OECD involvement and leadership in this area. For example, in July 1982, the OECD took steps to eliminate preferential terms on Government-backed credits to the Soviet Union. This type of cooperation should be discussed at the Venice economic summit.

Mr. President, the issue of Western credits, governmental and private, is a central issue which affects the ability of the Soviet empire to conduct its global operations. It should be a key issue at the Venice economic summit conference. It is high time that Western leaders come to grips with this issue and act in a manner which will enhance the security of the free world.

Mr. President, so that Senators may become better acquainted with the important issue, I ask unanimous request that an interview with former NSC staff member Roger W. Robinson, an expert on international trade matters, which appeared in Human Events on April 11, 1987, be printed in the RECORD at the end of my remarks.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

SUPERPOWER COMPETITION AND EAST-WEST FINANCE

Roger W. Robinson Jr., 36 is president of RWR, Inc., a consulting firm specializing in the brokering of "national interest" projects and transactions internationally.

Prior to forming his consulting firm, Robinson was Senior Director for International Economic Affairs at the National Security Council. He worked at the White House from April 1982 to September 1985. Between January 1984 and April 1985. Robinson also served as Executive Secretary of the Senior Interdepartmental Group—International Economic Policy, a Cabinet-level body which reported through the NSC to the President. As Senior Director, Robinson had responsibility for all economic, trade, financial, and energy relationships of the U.S. worldwide for the NSC.

Before joining the NSC staff, Robinson was a Vice President in the International Department of the Chase Manhattan Bank in New York City. As a banker, he had responsibilities for Chase's loan portfolio in the USSR, Eastern Europe and Yugoslavia for five years. He also served as a banker, he had responsibilities for Chase's loan portfolio in the USSR, Eastern Europe and Yugoslavia for five years. He also served as a staff assistant to former Chase chairman David Rockefeller and earlier on assignment with the Chase branch in Tokyo. He holds a B.A. from Duke University and an M.A. from George Washington University, where his graduate work focused on the economies of the Soviet Union and Eastern Europe.

Between 1981 and 1983, Roger Robinson, more than any single individual, surfaced and structured the U.S. policy solution to the crucial issue of Western energy security as it pertained to the coveted Soviet strategy of dominating Western Europe's natural gas markets. The Soviets had planned to accomplish this major strategic victory quietly through the construction of two parallel 3,600-mile gas pipelines running from Siberia into the European gas grid and through the use of excess capacity on existing Soviet pipelines.

Robinson played the central role upon entering the National Security Council in April 1982 in the formulation of President Reagan's East-West trade policy to thwart this and other dangerous developments. President Reagan has commended Robinson for his "role as architect of a cohesive and security-minded U.S. East-West economic policy."

While at NSC, he also became the leader of a new discipling, "International Economic Security." More recently, Robinson has again been the first to bring to public attention the serious strategic dimensions of East-West financial relations and to propose Western policy solution.

Q. Mr. Robinson, in your view, what is the significance of East-West economic and financial issues today?

A. Just as economics and finance have become very important to most foreign policy and national security decision-making, I believe the facts clearly indicate that these issues have emerged as central underpinnings of the superpower competition. As the implications of the USSR's economic and financial situation and practices become better understood by Western policymakers, particularly the extent to which the West is unwittingly underwriting Soviet global adventurism, I think this family of economic security issues should over time, assume their proper priority alongside arms control.

Q. You have often referred in your published work to a set of issues that you call a "strategic trade triad." Could you describe this triad?

A. The three goals of the strategic trade triad are first, halting Soviet acquisition of militarily-relevant Western technology; second, limiting to a prudent level West European dependency on Soviet supplies of natural gas; and third, eliminating subsidized terms on Western credits to the USSR and united, no-purpose loans to potential adversaries.

Q. What kind of report card would you give President Reagan in accomplishing these objectives?

A. There's no question that the President has made historic gains in resolving with our allies the bulk of this strategic trade agenda. Judge William Clark and Bud McFarlane, both former National Security advisers, also deserve important recognition in this key policy area.

Specifically, the President has greatly strengthened the COCOM multilateral controls on militarily-relevant technologies and neutral country cooperation in stemming the theft and diversion of strategic Western technology. He has also achieved an allied consensus, in writing, to limit Soviet gas supplies to Western Europe beyond those amounts already contracted by 1982. He successfully persuaded our allies to change the rules in the Organization of Economic Cooperation and Development (OECD) thereby eliminating the common practice of subsidizing the interest rates on government-backed credits for the USSR. Finally, the President has ensured that these economic security issues would maintain stature within NATO.

One remaining issue that has not yet been acted upon is the continuation of large-scale united, cash lending by the West to potential adversaries. I mean by this cash loans which can be easily diverted by the USSR and other potential adversaries for purposes which are inimical to Western security interests.

Question. What are some examples of this probable diversion of untied Western borrowings?

Answer. During this period of convertible cash shortfalls, the Soviets, for example, are probably diverting some of the proceeds of untied Western loans to aid Nicaragua, Cuba, Vietnam, and other client states. In addition to the security problems, such untied loans also have no direct linkage to Western exports and jobs.

Question. Before we get any further into this subject, how much money is presently owed by Soviet bloc countries?

Answer. When you include Western bank deposits in Soviet and East European banks the total external indebtedness of the East bloc today is over $100 billion.

Question. Do you mean that the West has that much money out to the Soviet bloc and that a substantial portion of that estimated $100 billion total is in the form of cash that can be used as those countries see fit?

Answer. That's right. An additional problem is that no one in the West really knows the precise magnitude of total Soviet indebtedness. For example, Western loans to and deposits with 100 per cent Soviet-owned banks in the West are currently not included in Western calculations of gross Soviet indebtedness.

Question. Has Western lending increased over the past couple of years?

Answer. Yes, Soviet borrowing has increased substantially since the beginning of 1985, primarily because of the sharp decline in Soviet hard currency income. We should keep in mind that the USSR's predicament is similar to that of oil exporting countries like Mexico, at least with respect to a heavy earnings dependency on energy exports.

Question. How much did the Soviets earn in hard currency in 1986?

Answer. Last year, Moscow realized about $26 billion in hard currency sales to the West, which represented roughly a quarter of the total sales volume of General Motors for 1986. The Soviets are estimated to have spent all of that amount and more on critically needed imports from the West and to service their debt.

This cash flow situation, in turn, left an impressive array of Soviet global activities and commitments—the "empire" if you like—which had to be financed largely through Western borrowing. This fact alone is a good reason for us to give serious alliance attention to the strategic aspects of East-West finance.

Question. Has the recent weakening of the dollar, particularly against the deutsche mark and yen, affected the USSR's hard currently situation?

Answer. In fact, it has. A falling dollar generally hurts Soviet terms of trade because their oil exports are largely settled in dollars, whereas their imports from Europe are most often settled in deutsche marks. the exchange rate situation last year probably cost Moscow about $3 billion in lost purchasing power. This is a lot of money to the Soviets when you consider that it presents about 12 per cent of their total estimated hard currency income for 1986. That cost could be even greater this year if the dollar remains at the present levels.

Question. What are the Soviets doing to offset this blow to their energy-export earnings?

Answer. They have very few good options, given that there is only a limited amount they can do about world energy prices. This is compounded by Moscow's formidable oil production problems. Looking at other alternatives, they can only sell so much gold without depressing the world price and the Soviets aren't anxious to dip into their sizable strategic gold reserves while the world market is watching. Their traditional Middle East arms markets are also not what they use to be because of liquidity problems faced by those countries as well as the emergence of new supplies.

In short, oil, gas, arms and gold probably account for between 80 per cent and 90 per cent of Moscow's annual hard currency income and the Soviets are facing obstacles in all four areas.

Question. So, is that why Moscow has been borrowing more heavily in the West?

Answer. Yes, it's the one outlet that's abundantly available. The USSR and certain East European countries represent good credit risks for Western banks relative to a world currently awash with struggling debtor nations.

For example, a recent $300 million united syndicated loan to the Soviet Bank for Foreign Trade was priced at only one-eight of 1 per cent for a portion of its eight-year term. You can't get much finer loan pricing than that. The Soviets have taken on roughly $8-10 billion in new Western loans over the past two years. Coincidentally, these figures are at least in the ballpark of what it costs Moscow in actual hard currency outlays, or equivalents like oil, to maintain most of its global activities over the corresponding period.

Q. Given what you've said, why don't we simply cut off all U.S. lending, to the Soviet Union and other potential adversaries and persuade our allies to do the same?

A. First, it's highly unlikely that our allies would support such a policy. In addition, the President has repeatedly made clear that he does not support a total denial or economic warfare approach to East-West economic and financial relations. I agree with his policy in this area. Second, I have no problems with loans which directly support Western exports and jobs or well-monitored interbank deposit activity. Some banks have consistently maintained disciplined lending policies toward the East Bloc. Regrettably, the majority have not.

Q. Then what do you propose be done by the U.S. and our allies to correct the strategic problems resulting from untied Western lending?

A. Probably the most constructive way to resolve this issue, consistent with the President's policy of seeking opportunities to expand non-strategic East-West trade, is by means of a voluntary, multilateral approach. Specifically, Western commercial banks—which do the bulk of untied cash lending—could voluntarily adopt more disciplined lending policies when dealing with potential adversaries.

Q. What kind of lending policies?

A. Well, Western banks could seek to verify, to the extent possible, the uses of borrowed funds by tying their loans to the export of capital equipment, or commodities like grain, or by making tightly structured project loans. The maturities on these loans could be strictly matched against the duration of the underlying trade transactions.

Western bank deposits in Soviet owned banks—particularly the network of Soviet banks in the West—could be aggregated and better monitored. Present gaps in Western statistical reporting could be closed so that for the first time, we would know how much Western money is available to the Soviets and their allies. We could more carefully examine the quality of Soviet loans to other countries, which is probably not particularly good.

Finally, the Organization of Economic Cooperation and Development or an alternative alliance forum could endorse this voluntary stategy and monitor progress.

Q. Do you really believe that a voluntary approach to this issue with our allies would work?

A. Of course, I can't be sure—but I would make the following observations. First, no one is anxious for a repeat of the so-called pipeline dispute or for the U.S. to unilaterally regulate or encumber U.S. banks, hurting their competitiveness. A voluntary approach could more easily garner allied support while avoiding any new controls on banks.

Second, commercial banks are generally quite conscious of their public profile. Accordingly, they probably don't want to attract adverse public attention on this kind of issue which might eventually impede their ability to attract far more profitable corporate or consumer loan business than that represented by lending to the East Bloc.

Q. That might work for U.S. banks, but they aren't going to do anything unless our government tells them to do so, and says they'll risk adverse publicity by not doing so, isn't that right? And what about Japan and Europe?

A. Again, it's difficult to tell. I would propose making every effort to accomplish the implementation by Western banks of more commercially prudent and disciplined lending policies on a voluntary basis. If this approach does not prove to be effective, then other options probably have to be examined. I understand Senators Garn and Proxmire have introduced new legislation, S. 786, which addresses this problem.

I basically believe that banks may well act on this issue in their own best interests. Japanese banks, for example, would presumably find being publicly characterized as providing a potentially inordinate level of untied cash loans to USSR unhelpful at a time of already serious protectionist pressure on Tokyo on Capitol Hill.

Regrettably, the same holds true to a considerably lesser extent in the case of West European banks, which sometimes tend to view themselves as having a greater stake in the willingness to provide untied credits to the USSR and Eastern Europe. This is in part motivated by an effort to improve their unemployment problems as well as political considerations. An example of the latter might be the important role of West German financial flows in seeking to improve inter-German relations. Nevertheless, a heightened public awareness of this issue is probably the key to eventual success.

Q. Going back for a moment to the Soviet gas pipeline controversy with our allies, didn't that recently have a successful outcome?

A. Indeed, it did. The President's resolve concerning our Poland related sanctions involving the Siberian gas pipeline, catalyzed an estimated $64-billion gas contract signed last fall between Norway and European consumer countries. Had the President not taken a firm stand on the issue of West European dependency on Soviet gas supplies in mid-1982, many experts agree that Moscow's hard currency earnings pressures, oil production problems, and other factors would have resulted in the Soviets dominating European gas markets in the late 1990s or early in the 21st Century.

Critics of this policy seem to forget that the President's decision to expand our pipeline sanctions to include U.S. subsidiaries and licensees abroad came only after a year of high-level diplomacy with the allies which failed to forge a sensible allied consensus. The eventual agreement in the International Energy: Agency in May 1983 to limit Soviet gas supplies was a major policy achievement for the Reagan Administration and the Atlantic Alliance.

Q. How does the Administration's recent decision to abolish foreign policy controls on U.S. oil and gas equipment sales to the USSR, despite no improvement in the human rights area, fit into the East-West energy security picture you've described?

A. Relaxation of these U.S. oil and gas equipment controls probably warranted due to widespread foreign availability. Nevertheless, we should avoid permitting the Soviets to interpret such a step as in any way diminishing our strong alliance commitments to human rights or to long-term Western energy security.

I believe we should also weigh future Western cooperation in the joint development of Soviet energy resources against the desirability of lightening Moscow's burden to finance, through restored energy earnings, global activities potentially harmful to vital Western interests. For example, the West's willingness to engage in large-scale assistance to the Soviet energy sector could be in some way related to a reduction of Soviet adventurism in the Third World and improved human rights.

Q. Besides the Soviets trying to secure Western help in the development of their energy resources, what else are they likely to do to offset the serious hard currency shortages mentioned?

A. Not surprisingly they've launched a multi-pronged economic offensive toward the West. Components of this offensive include stepped-up borrowing in the West; a serious approach to gain membership in the General Agreement on Tariffs and Trade and the Pacific Economic Cooperation Conference, an exploratory effort to join the IMF, the World Bank and other international financial institutions; a more aggressive strategy to illegally acquire controlled Western technology; the likely issuance of the first Soviet Euronotes and bonds since 1917; a drive to advertise recent measures to decentralize some economic decision-making and permit limited experimentation with private enterprise in the service and agriculture sectors; and a strong campaign to attract Western joint venture partners.

Q. What about Moscow issuing its first Euronotes and bonds since the Revolution? What are the implications of this development?

A. The Soviets are striving to expand their options for untied cash borrowing from the West which are as inexpensive and nontransparent as possible. The issuing of Euronotes and bonds can raise large sums of their short or medium-term money at extremely favorable rates. Finally, the use of these kinds of debt instruments could help the Soviets evade current Western statistical reporting.

At the same time, going this route would significantly broaden the types of Western institutions involved in lending to the USSR. Today, almost all Soviet hard currency debt is owed to Western governments and banks. From Moscow's perspective, issuing Euronotes and bonds could eventually recruit pension funds, insurance companies, corporations, and possibly other institutions to become holders of Soviet debt instruments, thereby giving them perhaps a vested interest in politically supporting continued Western economic and financial concessions to the USSR.

Dr. Herbert Stein, former chairman of the Council of Economic Advisers under Presidents Nixon and Ford, has called for an international agreement among the leading allies that we should decide jointly whether to allow the offering of such Soviet bonds. I think that's an excellent idea.

Q. Isn't a fact that Western governments are providing a substantial share of the annual economic support going to such countries as Nicaragua and Angola despite the President's efforts to support the freedom fighters in those countries?

A. A particularly troublesome example of this type of concessionary Western support is evident in Nicaragua. For example, Western Europe and Western multilateral institutions together have provided roughly $1 billion to the Sandinistas since 1981 in outright grants and concessionary loans. These financial activities continues to undermine U.S. policy in this vital region. Yet for the most part, the U.S. has not made the kind of strong diplomatic approaches to our allies and these international organizations warranted to terminate this undue Western financial support which is at least partially fueling the export of Soviet/Cuban-sponsored aggression in our immediate neighborhood.

Q. What about Angola? Couldn't you characterize this as a case of the U.S. being in the hypocritical position of both providing U.S. Export-Import Bank loans to Marxist Angola's most important project, operating with a U.S. oil company, while at the same time providing sophisticated weapons to UNITA freedom fighters?

A. I understand that last year the State Department finally set down policy guidelines prohibiting any new Eximbank loans to the Cabinda offshore oil project, a joint venture with Chevron-Gulf, until certain preconditions are met, including the withdrawal of all Cuban troops. Nonetheless, the Administration has not interrupted the flow of undisbursed cash under existing U.S. Eximbank loans that today total about $50 million. We therefore continue to have U.S. funds going to Angola at a time when sophisticated U.S. weapons are reportedly being sent to UNITA forces. We should take the lead in providing a better example on this type of issue.

Q. You also have written about the problem of Western banks depositing money in the Libyan bank that is responsible for Qaddafi's external financial relations. What are the circumstances there?

A. Yes, the Libyan Arab Foreign Bank has been designated as the principal foreign financial arm of Libya. LAFB's lending activities are primarily funded by deposits, at least a portion of which are reportedly from European banks. Libya can use this money in any way it chooses. Given the plausibility that LAFB could be a conduit in funding terrorist groups like Islamic Jihad, the West may find itself in the unfortunate position of actually financing terrorism in more direct terms than many people might imagine. Certainly this should be looked into and formally discussed with our allies.

Q. Where does South Africa fit into this whole picture? Don't you see a fundamental inconsistency in Western banks moving out of South Africa due to social injustice in that country and, at the same time, proceeding to provide as many cash loans to the USSR as it requests, often without any effort to verify the purpose and use of borrowed funds?

A. I would only say that those legitimately appalled by the system of apartheid in South Africa would be hard pressed to explain, for example, to the families of an estimated one million Afghan casualties that government repression in South Africa is worse than that of the Soviet Union. Indeed, the Soviets have worked hard to extinguish genuine human freedom, except in the case of a privileged elite, both at home and on a global scale.

So when we see Western banks publicly announcing the withdrawal of their banking operations and lending to South Africa in solidarity with those opposing apartheid—a clear political statement—then I would hope that they wouldn't rebuff the notion of greater voluntary discipline in lending to the East bloc, partially on the basis that Western banking activities there are apolitical. I don't think they should necessarily expect to have it both ways.

Q. So are these among the reasons why you favor keeping the Soviets out of the World Bank and IMF? How do you explain Deputy Secretary of State John Whitehead's recent remark that the Administration would like to see the Soviets become a member of all these international bodies?

A. I favor not admitting them for two basic reasons. First, they could eventually have access to a large new pool of untied cash, which is unwise from the standpoint of Western security. Second, I tend to doubt the sincerity of stated Soviet reasons for warning to join these organizations. They obviously do not agree with the institutional mission of the IMF and the World Bank, which is to facilitate greater international economic liberalization. Nor do the Soviets subscribe to the market philosophy underpinning these organizations.

Communist publications regularly characterize the IMF in the most negative terms and attack the Baker Plan as an "imperialist swindle" that exploits the Third World. For these and other reasons, I just can't see that the Soviets would play a constructive role. Fortunately, the Administration has publicly and unconditionally opposed Soviet membership in the GATT, the IMF, and the World Bank despite recent indications to the contrary.

Q. Along these lines, if the Soviets and Cubans are trying to exacerbate the debt crisis, why is it that they have better access to international credit than the high-debt developing countries? If seems to me that the developing world and the Soviet bloc are in direct competition for credits, foreign investment, and access to developed country markets, yet the Bloc countries are seen by many banks and companies as a better risk than, for example, the South American countries. Why does this happen?

A. I think there are several reasons: One is that the USSR has traditionally been cautious in its financial management. Many banks look at substantial Soviet energy and gold reserves, deposits in Western banks, and export opportunities to Europe and conclude that, over time, the East bloc represents a solid credit risk. I tend to doubt that such an unbeat assessment will be sustainable in the 1990's.

For one thing, we have a security-minded allied agreement that should limit future Soviet natural gas exports to Western Europe. Also, the quality of Moscow's portfolio of loans to other countries is probably only modest to poor.

Finally, Moscow's external debt buildup over the next three to five years may make the USSR a somewhat less appealing credit risk particularly if Soviet hard currency export opportunities remain as narrow as they are today. In fact, the OECD two weeks ago forecasted the possibility that the USSR could become a high-debt country in the medium term.

In this connection, it is important that we begin to consider seriously whether new infusions of Western credit and investment into the Soviet bloc are at least partially at the expense of high-debt Latin America countries. Hopefully, this subject and the strategic implications of untied financing to potential adversaries, could be among the topics discussed at upcoming allied forums like the Venice Economic Summit this June.

It's useful to remember that international debt originally emerged as an issue with Poland's insolvency. Poland currently has a total debt of about $34 billion with virtually to prospects for any net reduction in that debt over the next several years.

Q. Finally, what would you say to those Republicans seeking the presidential nomination in regard to these issues?

A. Only that I'm persuaded by an analysis of the numbers, that economics and finance are now a large part of the new playing field in the global competition between totalitarianism and freedom—This was, to some extent, demonstrated by Gorbachev's preoccupation at the Reykjavik Summit with the high-technology race implied by our SDI program going forward. Although very capable, the Soviets are gradually falling irreversibly behind the technology curve. And of course, should the President decide to accelerate deployment of SDI, the pressure on the Soviets would increase quite dramatically.

The presidential candidate who calls for greater discipline, public awareness, monitoring and long-range policy planning in the field of economic and financial security would capture a family of issues with substantial grass-roots political potential.

Eventually, sensible policy action on these economic security issues could spill over and assist our efforts to reduce the budget and trade deficits primarily through reductions in defense spending. Make no mistake, I fully support Secretary Weinberger's assertion that U.S. defense expenditures should be measured against the level of threat faced by our country and the free world. Over time, however, I could envision multi-billion-dollar annual savings for U.S. taxpayers in our defense budget because of dividends paid in a reduced Soviet threat due to greater Western vigilance on strategic economic and financial issues. I feel confident that the facts underlying this assessment will be even clearer in the 1990s and the 21st Century than they are today.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask that morning business be closed.

The PRESIDING OFFICER. If there be no further morning business, morning business is closed.

SUPPLEMENTAL APPROPRIATIONS, 1987

The PRESIDING OFFICER. The Senate will resume the unfinished business, which the clerk will state.

The legislative clerk read as follows:

A bill (H.R. 1827), making supplemental appropriations for fiscal year ending September 30, 1987 and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Dole Amendment No. 247, to provide a rural focus and funding for the National Commission on Agricultural Policy and funding for the National Commission on Agricultural Finance.

(2) Helms modified Amendment No. 248, to provide that none of the funds provided by the Act for the emergency provision of drugs determined to prolong the life of individuals with Acquired Immune Deficiency Syndrome (AIDS) shall be obligated or expended after August 31, 1987, if on that date the President has not added human immunodeficiency virus infection to the list of dangerous contagious diseases.

Mr. BYRD. Mr. President, what is the pending question before the Senate?

The PRESIDING OFFICER. The pending question is Amendment No. 248, as modified, offered by the Senator from North Carolina [Mr. HELMS].

Mr. BYRD. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

TIME AGREEMENT ON MOTION TO RECONSIDER VOTE

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate resumes consideration of this matter immediately following the conferences of the two parties—namely, at 2 p.m. today, notwithstanding the fact that the motion to reconsider the vote on the motion to waive is not debatable under the circumstances—and this request is cleared by the other side of the aisle—that there be 30 minutes for debate on the motion to reconsider, the time to be equally divided between Mr. JOHNSTON and Mr. GRAMM; and that the vote then occur on the motion to reconsider.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Have the yeas and nays been ordered on the motion to reconsider, Mr. President?

The PRESIDING OFFICER. The yeas and nays have not been ordered on the motion to reconsider.

Mr. BYRD. Mr. President, I ask unanimous consent that it be in order at this time to order the yeas and nays on the motion to reconsider.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I ask for the yeas and nays on the motion to reconsider the vote.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

RECESS UNTIL 2 P.M.

Mr. BYRD. Mr. President, under the order previously entered, the Senate will stand in recess from 12 noon until 2 p.m. to accommodate the regular party conferences. I ask unanimous consent that that recess of 2 hours be extended to 2½ hours and that it begin now.

There being no objection, the Senate, at 11:29 a.m., recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. DASCHLE].

RECONSIDERATION OF MOTION TO WAIVE BUDGET ACT

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of the motion to reconsider the motion to waive the Budget Act under a time limit of 30 minutes to be equally divided between Senators GRAMM and JOHNSTON.

Who yields time?

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I yield myself 5 minutes.

Mr. President, there are a number of points to be made as we face reconsideration of this waiver.

First, Mr. President, this is the President's request. It began as a request for urgent supplemental appropriations from the President of the United States, and both the House and the Senate have responded.

To be sure, we have recommended appropriations of considerably less then the President requested. As a matter of fact, we have recommended appropriations of $1.8 billion less than that which the President requested.

Nevertheless, Mr. President, as this bill finished its matriculation through the process of the Senate Appropriations Committee, the word came down specifically from the White House, from the President, that he would sign that bill, that he wanted that bill in the shape in which it was at that time, which is virtually identical to the shape it is in now. So we can say clearly, Mr. President, this is the President's bill. It is clearly a bipartisan bill. It is supported to various degrees on both sides of the aisle. Both the Democratic leader and the Republican leader are supporting this bill. And it received wide support from both Democrats and Republicans in the Senate Appropriations Committee.

So, Mr. President, those who are closest to the bill—the administration which requested it and has control over the appropriations, the Appropriations Committee, whose duty it is to deal with these matters, and the leadership, whose duty it is to deal with all of the full legislation—all of those players who are closest to the bill are for the bill.

Point No. 2, Mr. President: This is, in fact, an urgent, must-pass bill. We know about the CCC funds for the farmers. They are out of money in the CCC and they need this entitlement to the tune of some $6.7 billion. Farmers are overdue in this, Mr. President. I do not think to tell this body, and I shall not, what the importance of this measure is to farmers. It needs to pass: it needs to pass now. It should not await several more days or indeed several more weeks of going through this process, returned to the calendar, or perhaps even starting over again in the House.

The CCC disaster loans, $155 million, is of vital interest to those farmers whose crops were hit by the drought last year and whose emergency loans were not funded. It is also vital to rebuild national parks and wildlife refuges which have been badly damaged by storms.

On the immigration bill, while there is only $32 million for the implementation of the brandnew immigration bill, those funds are vital as this summer we go into implementation of that important bill.

There is $78 million for additional agents for the Internal Revenue Service. As much as we may be irritated by the duty of paying taxes, it is the core of a free people to be able to raise the taxes necessary for the Government. We are advised that if the IRS money is cut out you may save $78 million in expenditures, but the revenue loss is over 10 times that much, $600 to $800 million if we cut out this IRS money.

Is there a more clear example of an urgent request? I do not believe there is.

Pay and retirement, $1.5 billion, the second highest item in this bill if not funded, Mr. President, will cause layoffs or furloughs, as they are called in the Federal service, by the tens of thousands of employees. The way it works is that the money is expended to pay the full salaries until the account runs out. When that happens, you must fire people or furlough them until there is money there to pay.

We have a report which has been put into the RECORD from the Office of Management and Budget identifying specifically where those layoffs would occur. For example, in the Department of Justice alone, it is estimated that some 50,000 furloughs would be required.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. JOHNSTON. I yield myself 2 additional minutes, Mr. President.

So there is, in fact, no alternative to this matter.

It is easy to go through a bill and pick out an individual item. We have spoken here, I do not know how many minutes, about archeological money for the State of Nevada or Arizona—I believe it was Nevada—$150,000. We have talked about that and probably the cost of the CONGRESSIONAL RECORD exceeds the cost of that $150,000. You can nitpick the bill on various small items. I will say that 99.5 percent of this bill, Mr. President, are must-pass items. Rhetorically, you can make a good point by looking at this item or that item and saying, "We do not need to fund seed control because they have been planting seeds for thousands of years." That might sound good. But the fact of the matter is, Mr. President, it is not going to pay the medical bills for the CHAMPUS people whose medical expenses run out the first of July; it is not going to pay for pay and retirement, and a host of other items.

This is truly a bipartisan bill. It is bicameral. It is both the executive and the legislative branch. There hardly is another opportunity to join together with such a broad array of support than to support this bill on the budget waiver.

So I hope, Mr. President, my colleagues will approve the reconsideration of the budget waiver. I reserve the remainder of my time.

The **PRESIDING OFFICER**. The Senator from Texas.

Mr. **GRAMM**. Mr. President, first of all, I think it should be clear that if we are going to reconsider this bill I would like to say at the outset that I would be willing to waive that vote and go immediately to a waiver of the Budget Act.

The distinguished Senator from Louisiana talks about the need for this bill. We have debated this now several times. The Senate has now, on two occasions, sustained a budget point of order and in doing so said, "We are not willing to waive the Budget Act and to raise the deficit by $2.6 billion."

Each time there has been a parliamentary move to reconsider which has forced us to vote on this again. Obviously, we are coming down now to where the numbers are getting very close. It may very well be that the votes are here to waive the Budget Act.

I would just like to reiterate for those who are interested in this subject several salient points that I think people ought to understand in looking at this issue.

No. 1, we are not talking about just any little bill. We are talking about a bill that will go into effect immediately when it is signed this year and will raise the deficit by $2.6 billion. That is $2.6 billion that between now and September 30 the Federal Government will go out and borrow, competing against people who would like to build new homes, new farms, new factories, generate new jobs, and new economic growth. As a result of that competition, the upward pressure on interest rates, which has been mounting now for over a year, will be increased.

I remind my colleagues that our great success since 1981 has not come without tremendous economic dislocation of the economy, without the recession of 1981 and 1982, and without a lot of hardship.

Now we are in very grave danger, after the success of last year, of planting the seeds that could send interest rates up again, that could send inflation rates back up again, and in the process eliminate all we have achieved in the last 6 years.

The plain truth is that while this Congress has passed poorer bills in the past and may very well pass poorer bills in the future, this is not the best that we are capable of doing. The plain truth is that there are hundreds of millions of dollars of expenditures in here that by no stretch of the imagination can be called emergency.

In fact, the basic tenor of the debate is that this is just a price that we pay to pass an emergency bill; that in fact, this is part of a process that is little more than piracy, where specific programs that are not emergencies are added onto an emergency bill. These programs do not represent any kind of real priority of the Congress or the American people, but we are told that this piracy has to be accepted, there has been worse piracy in the past, and we ought to look the other way.

I have gone over the list until I am blue in the face, but on everything from the promotion of the sales of fish and seafood to the weed research center to the institution to study the milling of grain—something that has been going on for 5,000 years—to aid to Poland—the list goes on and on.

The real problem is that this greatly deliberative body has lost the ability to be outraged. We ought to be outraged at these items in the budget. Maybe they are not very big; they basically add up to about $1 billion. But even little individual components that we waived the Budget Act on yesterday or Friday move us in the wrong direction on the deficit, and impose a cost on the American people.

We had a lot of talk that we ought to be working on Friday afternoon because the working people were working on Friday afternoon. Most of them worked on Saturday, which we did not do. But given what we did on Friday afternoon, it is good that we did not work on Saturday, because the working people of America could not afford it. In fact, in one little waiver of the Budget Act, we spent more money than the average working American will make in 100 years.

So these are serious issues. We are talking about dealing with the budget problems of this country. We all know that we are already $13 billion over this year's target, we all know that Congress has adopted budgets calling for $50 billion in new domestic spending next year and $20 billion in new taxes, and we are here willing to look the other way to convenience the committee, to make the process easier, to allow hundreds of millions of dollars of add-on spending.

I have put together what I think is a reasonable package, which seeks to go through and delete things which clearly do not represent priority items; that clearly do not represent emergency items.

Then, look at areas where we can find offsets. I am convinced that if we can sustain the budget point of order, a compromise can be worked out that can save close to $1 billion, or at least $500 million for the working men and women of America. I believe this is worthy of our effort.

Finally, let me say that this is not the first time we have addressed this issue. We have talked about CCC. I am a supporter of CCC. But when we voted on the authorization bill to provide more CCC by a vote of 96 to 0—96 to 0—the Senate said, we will not raise the deficit to fund this program; we are going to get the money from some other source. Yet, here we are, a month and a half later, raising the deficit by $155 million.

We said when we passed the homeless billion a vote of 100 to 0, that we would not raise the deficit in fiscal year 1987 to fund this program, that we were going to find a way to fund it out of some other program. Yet, we have $98 million in this bill as a net addition to the deficit to fund the homeless program.

Mr. President, either we did not mean it when we voted then, 100 to 0, or 96 to 0, or we have suddenly conveniently changed our mind or lost our memory. I know people are tired of this debate and I am tired of this debate. But the plain truth is if we cannot hold the line on seafood promotion and weed research and milling and aid to Poland, we cannot hold the line at all. So I urge my colleagues to vote no on waiving the Budget Act, to force a compromise. A compromise will not cut the fat out of the middle of the meat; it will leave plenty of the fat in this bill, there will be a lot of marbling in the middle of the meat, but at least we can trim off some of the fat around the edges. I think it is vitally important that we do that, given the financial problems of this country, given that interest rates have started to go up again, given that the inflation rate has started to go up again.

We made great progress last year. We brought the deficit down by about $4 billion. Spending grew less than in any year since Eisenhower was President in 1955. But all you have to do is look at what is happening in this Congress and go back and look at the water bill and the highway bill and the Budget Act and now the supplemental, and it is clear that Congress has lost its will to do anything about the deficit.

Mr. President, this is an opportunity to make a stand. It is a very important stand, I urge my colleagues, no matter how they have voted on this issue in the past, not to vote to waive the budget point of order. There is no reason that we cannot do a better job here. We should do a better job. If the American people really understood this bill, there is no question about the fact that we would do a better job because they would mandate it.

I reserve the remainder of my time.

The **PRESIDING OFFICER**. Who yields time?

Mr. **HATFIELD**. Mr. President, I yield myself some time.

Would the Senator from Texas be willing to respond to a question?

Mr. **GRAMM**. I would be glad to respond.

Mr. **HATFIELD**. I would like to clarify the record.

The Senator indicated just now that we had make a commitment when we passed the bill for the homeless that we would have an offset. I believe there was a Byrd amendment to that proposal that was originally offered by the Senator from Texas.

Does the Senator from Texas wish to clarify what he did with that Byrd amendment?

Mr. GRAMM. Mr. President, I would be happy to, if the Senator would yield.

We said in that amendment that we would comply with the Budget Act as amended by the Balanced Budget Emergency Deficit Control Act and the final sentence of the Byrd amendment, in which I complied with the distinguished majority leader and the exact language was adopted in the authorization bill—the final sentence of the bill says, "in such a way as to not raise the deficit for fiscal year 1987."

Mr. HATFIELD. I think the Senator is correct in that we did adopt the Byrd amendment, which said we would comply with the Budget Act, which is what this bill is moving toward, which is to comply with the Budget Act. I think the Senator is correct in saying that his initial amendment did offer the Senate a chance to offset or to provide only by an offset to vote for the homeless bill.

I am not going to take a great deal of time except to say that we are not really arguing dollars here per se; we are not arguing deficit per se. We are arguing a value system. Those who would now raise this deficit problem which we are all deeply concerned about will be strangely silent when the military bill comes to the floor, as they have been strangely silent about the deficit for the last 8 years when the military budget has come to the floor.

Nothing is too much for the military. We have raised it and raised it and there is some kind of a double bookkeeping mentality that pervades this body, that somehow, any money spent for the homeless, any money that is spent for the older Americans, any money that is spent for Meals on Wheels to feed people who are hungry, any amendment that provides for better quality education, any amendment that offers better medical research to improve the quality of life—these constitute the problems of the deficit. They are the ones that add to the deficit.

At the same time, we add billions upon billions in new weapons systems—SDI, nerve gas, the MX missile. Somehow, that does not constitute raising the deficit. So, basically, we are talking about values.

I believe that if one wants to look at this carefully, he will see that over the last 8 years, we have had a definite increase in military spending. In the nonmilitary discretionary programs, we have either kept it level or we have excised some, reduced others, and had a decline. The deficit continues to rise.

The deficit is never going to be conquered or controlled by this ridiculous baseline upon which we are working. Why do we exempt all of the entitlements in this year? There will be about $500 billion of entitlements out of the $1 trillion-plus budget. They are sacrosanct. The Republicans stood here about 2 years ago at a late hour and demonstrated their willingness to bite the bullet and, by 50 of the 53 Republican votes and 1 Democrat only, we froze all spending, including the entitlements. It probably cost four or five of our Members the election in the following election time—or was at least one of the contributing factors. But we bit the bullet on the entitlements.

Now we exempt the military from this exercise, and it is always going up, because it will be over $1 billion more. Add that to your mandated spending and you will have a baseline left to balance the budget of about $170 billion and the projected deficit for this coming year is $179 billion.

So all of this oratory about how we are going to control the deficit on this supplemental appropriations bill is certainly really an awful lot of smoke and mirrors. I am willing to stand here and pledge my colleagues and the public at this time that I will vote for a freeze on all spending including the military and the entitlements, all the spending side, and I am willing to entertain new revenues in order to hit this deficit and really do something about it. But you will never deal with the deficit by adding another layer of procedures, whether you call it Gramm-Rudman-Hollings or whatever else that offers some kind of simplistic solution to controlling the deficit.

This is a supplemental that I could find all kinds of issues in it that I would vote against. I would vote against the $131 million for SDI, but it is there. I would much prefer to see that go for the homeless, but there again we have to make an adjustment. There are 51 votes required to even pass a bill, 60 votes to get a budget waiver. Obviously, what is of value to one is not going to be the same value to another, so we have to get a composite of values, I suppose, and composite of issues.

Everyone is privileged to offer an amendment to delete a weed control center, but I do not hear any such amendment. They love to use that as an example to lambaste the whole bill. We could have an amendment to delete the one relating to honey bee farmers. It reminds me of when the Democrats used to like to lambaste Taft-Hartley—slave labor bill. They never repealed it. It was too good an item around election time.

I recognize these things that are great red herrings and great flags that you can rally the forces and say, "Well, now, this is no good," because of this component or this part.

Mr. President, I hope that we will vote to waive the Budget Act and get on with the business of the Senate. No one is going to find any less reduction than what we have been able to produce. We have reduced this under the President's request. We have reduced it under the request of the House of Representatives. So we in the Senate at least have had the most minimal proposal of any of the three parts to the appropriations process: The White House, the House of Representatives, and the Senate. The President has already signed off on this bill, as he informed the Senator from Louisiana.

So, Mr. President, we could stand here and orate from now until doomsday, but we are not going to get in fact a better bill than what we have. I say for those who are troubled by this bill, hold your nose and vote "aye" and we will get on with the business of the Senate.

The PRESIDING OFFICER. The Senator from Louisiana has 20 seconds remaining. The Senator from Texas has 5 minutes 47 seconds.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I am more concerned about the business of the Nation than I am about the business of the Senate. I am not talking about red herrings. I am talking about money. I am talking about program after program after program that does not represent an emergency item and that ought not to be in this bill under these circumstances.

Now, what we are going to vote on is not on any individual program. It is on SDI. It is on promoting the sale of fish and seafood. It is on every one of the items in this bill, and it is a fundamental, simple, straightforward question: Do we want to waive the Budget Act and raise the deficit of the U.S. Government this year? If we do, then we want to waive the Budget Act. If we do not, then we do not want to waive the Budget Act.

I am not talking about a gimmick. There is no substitute for being concerned about Federal spending. Nothing can ever substitute for that. But we took a position 2 years ago that we were concerned about the deficit, and we all know what the problem is. The people who are concerned about the deficit are out working, paying the bills, sending their children to college, and they are generally paying for it. The people who want all these programs are looking over our right shoulders, sending letters back home telling people whether we care about fish and seafood promotion or weed research or all the other 1,001 programs in here, and it is no secret as to why spending continues to grow every year. But what we decided in the adoption of the Balanced Budget and Emergency Deficit Control Act, or the Gramm-Rudman-Hollings law, was that it ought to take something extraordinary to raise the deficit once we adopted a budget, and so we required 60 votes. Now, that is no gimmick. That is a procedure. And in this Nation procedures are very important. In fact, of all nations on Earth, this is the Nation which has put more of a premium on procedure than any other, because procedure produces substance.

We have only one real opportunity to try to improve this bill. We have seen amendment after amendment that has been put forward to raise the deficit succeed. We have seen efforts to delete amendments, delete provisions of the bill fail. I intend to offer the amendments that the distinguished Senator from Oregon has mentioned, but I do not suffer under any delusion. I know they are not going to be successful. We have one and only one opportunity to do something about the deficit, not in some never, never land some day, not some great work to do by and by, but we have a concrete, real-world opportunity today on this vote, not on the vote to reconsider—we know that is going to be adopted, and I repeat I do not even seek a rollcall on it—but on the vote to waive the budget we have an opportunity to shear off some of this spending. I think it is important that we do it. I hope the opportunity is not missed. I urge my colleagues to vote against waiving the Budget Act.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. How much time remains?

The PRESIDING OFFICER. The Senator from Louisiana has 16 seconds, the Senator from Texas has 1 minute 59 seconds.

Mr. JOHNSTON. Mr. President, I yield myself the remainder of the time. The question is not whether we are going to waive the Budget Act. That must be done. The question is whether we do it now, as we want to do it, or whether we do it later under the pressure, under the emergency of outraged people across the country when they do not get their CCC funds, when their retirement funds run out, when their medical benefits run out. Let us do it now in our time and in our way.

The PRESIDING OFFICER. The Senator from Texas does have 1 minute 59 seconds remaining.

Mr. GRAMM. Mr. President, CCC is not subject to a budget point of order. We could adopt CCC now. There would be no budget point of order that would be in order against it. What is happening is it is being pirated by a lot of other programs that are subject to a budget point of order that ought not to be adopted. I yield back the remainder of my time.

The PRESIDING OFFICER. The time having been yielded back, the question is now on agreeing to the motion to reconsider. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Ohio [Mr. GLENN] is absent on official business.

Mr. SIMPSON. I announce that the Senator from Kansas [Mr. DOLE] and the Senator from Kansas [Mrs. KASSEBAUM] are necessarily absent.

I also announce that the Senator from Virginia [Mr. WARNER] is absent on official business.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The results were announced—yeas 66, nays 30, as follows:

[Rollcall Vote No. 140 Leg.]

YEAS—66

Adams
Bentsen
Biden
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Conrad
Cranston
D'Amato
Daschle
DeConcini
Dodd
Durenberger
Evans
Exon
Ford
Fowler
Garn
Gore
Graham
Grassley
Harkin
Hatch
Hatfield
Heflin
Heinz
Inouye
Johnston
Karnes
Kennedy
Kerry
Lautenberg
Leahy
Lugar
Matsunaga
McClure
Melcher
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Weicker
Wirth

NAYS—30

Armstrong
Baucus
Bingaman
Bond
Boschwitz
Cohen
Danforth
Dixon
Domenici
Gramm
Hecht
Helms
Hollings
Humphrey
Kasten
Levin
McCain
McConnell
Metzenbaum
Murkowski
Nickles
Proxmire
Quayle
Roth
Rudman
Symms
Thurmond
Trible
Wallop
Wilson

NOT VOTING—4

Dole
Glenn
Kassebaum
Warner

So the motion to reconsider the vote was agreed to.

The PRESIDING OFFICER. The question now recurs on the motion to waive the Budget Act for consideration of H.R. 1827, the supplemental appropriations bill. The motion is not debatable. The yeas and nays are required under the rules. The clerk will now call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Ohio [Mr. GLENN] is absent on official business.

Mr. SIMPSON. I announce that the Senator from Kansas [Mr. DOLE] and the Senator from Kansas [Mrs. KASSEBAUM] are necessarily absent.

I also announce that the Senator from Virginia [Mr. WARNER] is absent on official business.

The PRESIDING OFFICER (Mr. WIRTH). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 64, nays 32, as follows:

[Rollcall Vote No. 141 Leg.]

YEAS—64

Adams
Bentsen
Biden
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Conrad
Cranston
D'Amato
Daschle
DeConcini
Durenberger
Exon
Ford
Fowler
Garn
Gore
Graham
Grassley
Harkin
Hatch
Hatfield
Heflin
Heinz
Inouye
Johnston
Karnes
Kennedy
Kerry
Lautenberg
Leahy
Lugar
Matsunaga
McClure
Melcher
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Weicker
Wirth

NAYS—32

Armstrong
Baucus
Bingaman
Bond
Boschwitz
Cohen
Danforth
Dixon
Dodd
Domenici
Evans
Gramm
Hecht
Helms
Hollings
Humphrey
Kasten
Levin
McCain
McConnell
Metzenbaum
Murkowski
Nickles
Proxmire
Quayle
Roth
Rudman
Symms
Thurmond
Trible
Wallop
Wilson

NOT VOTING—4

Dole
Glenn
Kassebaum
Warner

The PRESIDING OFFICER. On this vote, the yeas are 64, the nays are 32. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the waiver, upon reconsideration, is agreed to and the points of order are waived.

Mr. JOHNSTON, I move to reconsider the vote by which the motion to waive the Budget Act was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Texas.

LEAVE OF ABSENCE

Mr. GRAMM. Mr. President, I ask unanimous consent that pursuant to rule VI the Republican leader be granted the leave of the Senate to attend the funeral of the Honorable Frank Carlson, late a Senator from the State of Kansas.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent to temporarily lay aside the Helms amendment which is pending before the body in order to take up another amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 247, AS MODIFIED

(Purpose: To provide a rural focus and funding for the National Commission on Agricultural Policy and funding for the National Commission on Agricultural Financing)

Mr. HATFILED. Mr. President, I send a modification of an amendment to the desk on behalf of Senator DOLE and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oregon (Mr. HATFIELD), for Mr. DOLE, proposes amendment numbered 247, as modified.

Mr. HATFIELD. Mr. President, I ask unanimous consent that further reading of the amendment, as modified, be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, is as follows:

At the appropriate place, insert the following new section:

SEC. .(a) Subtitle C of title XVII of the Food Security Act of 1985 (7 U.S.C. 5001 et seq.) is amended—

(1) by striking out "National Agricultural Policy Commission Act of 1985" each place it appears in the subtitle heading and section 1721 (7 U.S.C. 5001) and inserting in lieu thereof "National Commission on Agriculture and Rural Development Policy Act of 1985"; and

(2) by striking out "National Commission on Agricultural Policy" each place it appears in sections 1722(1) and 1723(a) (7 U.S.C. 5001(1) and 5002(a)) and inserting in lieu thereof "National Commission on Agriculture and Rural Development Policy".

(b) Notwithstanding section 501(e) of the Farm Credit Amendments Act of 1985 (12 U.S.C. 2001 note), there is authorized and appropriated—

(1) for the National Commission on Agricultural Finance established under such section, $150,000, to remain available until expended; and

(2) for the National Commission on Agriculture and Rural Development established under section 1723 of the Food Security Act of 1985 (7 U.S.C. 5002), $350,000, to remain available until expended.

(c)(1) In the case of all appropriations accounts from which expenses for travel, transportation, and subsistence (including per diem allowances) are paid under chapter 57 of title 5, United States Code, there are prohibited to be obligated under such accounts for fiscal year 1987 a uniform percentage of such amounts, as determined by the President in accordance with paragraph (2), as, but for this subsection, would—

(A) be available for obligation in such accounts as of June 1, 1987;

(B) be planned to be obligated for such expenses after such date during fiscal year 1987; and

(C) result in total outlays of $500,000 in fiscal year 1987.

(2) Before making determinations under paragraph (1), the President shall obtain from the Director of the Office of Management and Budget and the Comptroller General of the United States recommendations for determinations with respect to—

(A) the identification of the accounts affected;

(B) the amount in each such account available as of such date for obligation;

(C) the amounts planned to be obligated for such expenses after such date in fiscal year 1987; and

(D) the uniform percentage by which such amounts need to be reduced in order to comply with paragraph (1).

(3) Within 30 days after the date of enactment of this Act, the President shall prepare and transmit to Congress a report specifying the determinations of the President under paragraph (1).

(4) Sections 1341(a) and 1517 of title 31, United States Code, shall apply to each account for which a determination is made by the President under paragraph (1).

Mr. HATFIELD. Mr. President, I ask unanimous consent that this modification of the Dole amendment that had been placed on the desk be considered and adopted. What it does is reduce the figure for this special study for farm finance to $150,000. Such offset is budget-neutral because it will be taken from other accounts and deducted.

This matter was pending before the Senate. Objections had been raised by the Senator from North Dakota [Mr. BURDICK] because of the original funding proposal. This modification now meets with the approval of the Senator from North Dakota and has been approved by our Subcommittee on Agriculture.

Mr. JOHNSTON. Mr. President, the amendment has been cleared.

The PRESIDING OFFICER. Is there objection to this substitution of the original language by Senator Dole?

Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Kansas [Mr. DOLE] as modified by the Senator from Oregon [Mr. HATFIELD].

The amendment (No. 247), as modified, was agreed to.

Mr. HATFIELD. I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 248

The PRESIDING OFFICER. The question now recurs on the Helms amendment, No. 248, as further modified.

The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, I ask that the clerk state the amendment again.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 248.

At an appropriate place in the bill, insert the following:

"None of the funds appropriated by this Act for the emergency provision of drugs determined to prolong the life of individuals with Acquired Immune Deficiency Syndrome shall be obligated or expended after August 31, 1987, if on that date the President has not, pursuant to his existing power under section 212(a)(6) of the Immigration and Nationality Act, added human immunodeficiency virus infection to the list of dangerous contagious diseases contained in Title 42 of the Code of Federal Regulations."

Mr. HELMS. Mr. President, as Senators will recognize, the substance of my amendment is, for me at least, familiar. On May 21, I offered an amendment similar to this. This amendment would direct the President, under his current authority, to add the human immunodeficiency virus [HIV] infection to the existing list of dangerous contagious diseases.

Currently, aliens seeking immigrant visas are tested for dangerous contagious diseases. Also, aliens legally in the United States petitioning for permanent residence status and aliens illegally in the United States seeking legalization under the amnesty provisions of the recently passed Immigration Reform and Control Act of 1986 are tested for dangerous contagious diseases.

My amendment would do one thing and one thing only: It would add HIV infection to the list of diseases for which these people are already tested.

If the President fails to put, in final form, the human immunodeficiency virus infection on the list of dangerous contagious diseases by August 31, 1987, the moneys appropriated under this act for AIDS drugs will not be appropriated after this date. I am advised that the administration feels that it would have no problem in meeting this deadline. So the money involved is not at risk.

As Senators are aware, on Sunday, May 31, 1987, the President set the administration's policy on this point. He directed the Secretary of Health and Human Services to finalize an April 23, 1986, proposed rule adding AIDS to the list of dangerous contagious diseases. Furthermore, he directed the Secretary of HHS to promulgate regulations to add the HIV infection to the list of dangerous contagious diseases.

It took over 1 year to finalize regulations placing AIDS on the list of dangerous contagious diseases. My amendment will provide an incentive to help insure that the proposed rule adding HIV infection to the list of dangerous contagious diseases will be added to the list and will be added promptly. We cannot have any more bureaucratic delay.

Mr. President, Senators will recall the arguments in favor of placing the HIV infection on the list of dangerous contagious diseases. Currently, the immigration law lists 33 grounds for barring aliens from the United States. Included on the list are certain physical and mental impairments. For example, if the alien has a "dangerous contagious disease," including chancroid, gonorrhea, granuloma inguinale, leprosy (infectious), lymphogranuloma venerium, syphillis (infectious), or tuberculosis (active), he or she is excluded from entry into the United States.

The reason these grounds for exclusion were enacted is simple, Mr. President. The Federal Government has the obligation to protect its citizenry from foreigners emigrating to this country who carry deadly diseases which threaten the health and safety of U.S. citizens.

This principle should be adhered to today, by all means. The AIDS epidemic is one of the most dangerous and most deadly diseases of this century. The epidemic is so widespread and so lethal in Africa that some experts, I have read, are comparing the AIDS epidemic to the Black Death that killed a quarter of Europe's population in the 14th century.

Mr. President, the disease is no longer confined to Africa. We have all heard the statistics on Americans who have it—35,219—and the numbers who have died—20,352. But, the epidemic extends beyond our borders. In December 1982, the World Health Organization [WHO] reported 711 cases of AIDS from 16 countries. By January 1987, 5 years later, 85 countries reported 37,872 cases of AIDS.

On January 15, 1987, Johathan Mann, Director, Special Program on AIDS of the World Health Organization [WHO], testified before the Senate Labor and Human Resources Committee. He reported that Africa has reported 2,323 cases of AIDS; the Americas, 31,320 cases; Asia, 86 cases; Europe, 3,847 cases and Oceania, 386 cases. These numbers, according to Dr. Mann, represent only a fraction of AIDS cases which he estimates to be somewhere in the neighborhood of 100,000. Furthermore, he predicted that between 5 and 10 million people are infested with the AIDS virus.

Mr. President, these figures have grown since January. On March 27, Dr. Mann testified before the Pan American Health Organization. At that time, Dr. Mann reported that WHO knew of 44,652 cases of AIDS from 99 countries reporting. In the Americas North and South, Dr. Mann reported that there are slightly over 36,000 cases, about 90 percent of which come from the United States of America. But he states:

> " * * * an important number of cases have also come from other countries in the region, including Canada, Brazil, Mexico, Haiti, Dominican Republic, and Trinidad and Tobago. Virtually every country in this hemisphere has reported cases of AIDS and it is very, very clear from the studies and surveys that have been done that the virus has arrived and the virus is spreading in the Americas and throughout the Americas.

What about Europe, Mr. President? Dr. Mann reported that there have been about 4,600 cases of AIDS reported as of March 27. "But," he states, "it is estimated that there are between 500,000 and 1 million Europeans infected now with the AIDS virus."

Furthermore, he states:

> In Europe with 4,600 cases now the expectation is that by the end of next year which is about 20 months from now, that there may be between 25 and 30,000 cases of AIDS. Europe is also on the verge of . . . an epidemic of the disease AIDS.

And what about Asia, Mr. President? Dr. Mann in his March 27 testimony states:

> . . . we know that the virus is present in Asia, we know that cases although a small number have occurred, and therefore we know that the potential exists for the real introduction and spread of this virus in Asia.

On May 28, the Washington Post reported that the World Health Organization now says that the number of AIDS cases worldwide is probably more than 100,000 and that 100,000 and that about 10 million have been infected with the virus but have not developed the disease.

Despite the growing numbers of individuals who have contracted the AIDS virus worldwide and the deadly nature of the disease, this country is continuing to welcome with open arms individuals who are infected with the AIDS virus. We are excluding individuals with infectious syphilis, remember, Mr. President, we are excluding aliens with gonorrhea and leprosy, and so forth. How can it possibly make sense that this Nation of ours should not exclude individuals coming to this country infected with the AIDS virus as well?

It is not clear how many individuals infected with the virus have been allowed to enter the United States. We do know that between January 1, 1981 through and including December 1985, more than 2.8 million people have come to the United States from foreign countries. There are 43,312 persons who have emigrated from Haiti, 73,000 have come here from various countries in Africa, and we know statistically that Haiti and Central Africa are very high-risk areas.

So, Mr. President, it seems to this Senator that it is only elementary that as the epidemic continues to grow and spread abroad, immigrants coming to this country in greater numbers will be bringing the AIDS virus to the United States.

Mr. President, as I stated at the outset, individuals who are illegally in the United States and who are applying for amnesty under the recently passed "Immigration Reform and Control Act of 1986" will be tested as well. Under current law, they are required to undergo a medical exam and testing for dangerous contagious diseases at the alien's expense. My amendment would simply add to the existing list one more dangerous contagious disease.

Now, I might add as I close, Mr. President, that other countries have already begun testing for AIDS. I see no reason why we should not do the same. As a matter of fact, I think the people of the United States will hold this Congress accountable if we do not do something about it.

A recent New York Times article reported that China is now testing applicants for student visas and researchers planning to stay over 6 months. South Korea demands the AIDS test for foreigners seeking long-term residence. Saudi Arabia requires an AIDS test for long-term visitors and those seeking work permits. Belgium and India requires AIDS tests for those applying for student visas. And, Mr. President, Japan and other countries, according to the New York Times article are considering AIDS testing for long-term foreign visitors.

Now, the point is this, Mr. President, I think it is obvious. Other countries are trying to stop the import of the AIDS virus. They do not want it to come into their country and neither should we.

So, in summary, Mr. President, as the distinguished Senator from Louisiana and I were discussing a few moments ago, I cannot see any logical reason for opposing this amendment because, as I said at the outset, the President is in the process of finalizing regulations adding AIDS to the list of dangerous contagious diseases for which people coming into this country are already tested. And this amendment will simply help to ensure that the HIV infection will be added to that list as well.

Obviously, Mr. President, I hope that my colleagues will support the amendment.

I yield the floor.

The PRESIDING OFFICER. Is there further discussion of the amendment?

Mr. WEICKER addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. WEICKER. Mr. President, as the distinguished Senator from North Carolina states, he cannot think of any reason why anybody should oppose the amendment. I cannot think of any reason anybody should offer the amendment if indeed the President of the United States has already indicated that AIDS will be placed on the list of communicable diseases so far as immigrants to the United States are concerned.

But let me, before the Senator from North Carolina has occasion to leave the floor for other duties, suggest the following: The Senator from North Carolina has spent 99 percent of his time presenting the case for the testing of those applying for permanent resident visas, sliding over the contingency factor in this amendment which, in effect, says that if these regulations do not take place, the money in this bill, some $30 million, which would go to those presently dying of AIDS to prolong their life, will not be made available.

Now, there may or may not be good arguments associated with the testing of those applying for permanent resident visas. However, I do not think anybody in this body, including the distinguished Senator from North Carolina, wants to see either 1 or 7,000—or anywhere in between—persons held hostage to the implementation of such regulations, especially when the President of the United States has indicated the regulations will be implemented.

I do not know if the managers are on the floor or not, but I would suggest, so that we can get on with the business of the Senate, that we separate the two issues. Let the matter of the $30 million stand by itself and let the matter of the HIV virus being placed on the list of dangerous contagious diseases stand by itself.

In order to accomplish that, it would be necessary for this body not to raise the point of order on the matter of adding the HIV virus to the dangerous contagious diseases list, because indeed it is legislation on an appropriations bill. I would be willing to give my word that I would not raise such a point of order and, indeed, if anybody did, there would be no agreement as to this matter. This way the distinguished Senator from North Carolina can make his point regarding those applying for permanent resident visas and the matter of adding the HIV virus to the dangerous contagious diseases list. I would point out that at the present time there are those who could very well not afford the life-prolonging drug AZT. They should not be put in the position, in effect, of dying for a lack of funds when the $30 million from the public health emergency fund would be available to them to continue their treatment.

Mr. HELMS. Will the Senator yield just a moment?

Mr. WEICKER. I yield.

Mr. HELMS. I thank the Senator. I anticipated that he might raise this point and I fully agree with him, if it can be worked out. I had drafted—as a matter of fact, the Senator knows about the language because we talked about it last week.

Mr. WEICKER. Let me tell the distinguished Senator, I heard about it but the Senator from Connecticut is like the Senator from North Carolina; staff can talk all they want. I prefer to go head to head with the Senator.

Mr. HELMS. I stand corrected. I thought the Senator had seen the language, but let me read the language to the Senator for purposes of the RECORD. If we could have a unanimous consent first that I may modify the amendment, and, second, that no point of order will be in order to the modified amendment, I am perfectly willing to move along. This would do precisely what the Senator has suggested. Now, I have no wish to do any infirmity to the $30 million, but as the Senator knows I had to tie it to something in order for it to have even a shot at avoiding a point of order. Let me read the language and see if he likes this language:

At the appropriate place in the bill add the following: "On or before August 31, 1987, the President, pursuant to his existing power under Section 212(a)(6) of the Immigration and Nationality Act shall add human immunodeficiency virus infection to the list of dangerous contagious diseases contained in title 42 of the Code of Federal Regulations."

Mr. WEICKER. If that were presented by the distinguished Senator from North Carolina, I would be entirely satisfied not to raise any point of order so far as that language is concerned.

Mr. HELMS. All right. Let us make a stab at it then.

Mr. President, I ask unanimous consent that I be allowed to modify the pending amendment and that the amendment as modified not be subject to a point of order.

The PRESIDING OFFICER. Is there objection?

Mr. JOHNSTON. Mr. President, will the Senator again state the manner in which—I think I have it here—the manner in which he proposes to modify the amendment?

Mr. HELMS. I will be delighted. Let me read it.

Mr. JOHNSTON. It is simply to take out the contingency and make it mandatory on the President on or after August 30 to issue these regulations?

Mr. HELMS. August 31.

Mr. JOHNSTON. August 31.

Mr. HELMS. Exactly. It says:

On or before August 31, 1987, the President, pursuant to his existing power under section 212(a)(6) of the Immigration and Nationality Act, shall add human immunodeficiency virus infection to the list of dangerous contagious diseases contained in Title 42 of the Code of Federal Regulations.

Mr. JOHNSTON. And that is part of the Senator's request, that he amended it in that way?

Mr. HELMS. I modify it, yes.

Mr. JOHNSTON. I have no objection.

Mr. WEICKER. Mr. President, I would say that what it does is to keep the committee amendment in place. In other words, it does no violence to the committee amendment, and the Senator from North Carolina gets his point across.

Mr. HELMS. Each would be a freestanding amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HELMS. Mr. President, I send the modified amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The Chair understands that the amendment which the clerk will report will replace the existing amendment.

Mr. HELMS. That is correct.

The PRESIDING OFFICER. That is the unanimous-consent request which has been agreed to.

The amendment will be stated.

Mr. HELMS. The clerk will read the modification.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 248, as modified further:

At the appropriate place in the bill, add the following: "On or before August 31, 1987, the President, pursuant to his existing power under section 212(a)(6) of the Immigration and Nationality Act, shall add human immunodeficiency virus infection to the list of dangerous contagious diseases contained in Title 42 of the Code of Federal Regulations.".

The PRESIDING OFFICER. Is there further discussion on the amendment?

Mr. HELMS. Mr. President, I thank the Senator from Connecticut for yielding to me.

Mr. WEICKER. Mr. President, a parliamentary inquiry.

It is my understanding that the committee amendment embodying the $30 million in the public health emergency funding, which was an excepted amendment, has been agreed to and that there is no further action needed on that committee amendment.

The PRESIDING OFFICER. That committee amendment has been agreed to. The Senator is correct.

Is there further debate?

Mr. JOHNSTON. Mr. President, a parliamentary inquiry.

Are the yeas and nays now required under this, since it has been modified?

The PRESIDING OFFICER. The yeas and nays have been ordered previously and do apply to the amendment as modified.

Mr. JOHNSTON. Mr. President, I wonder if the distinguished Senator from North Carolina and the distinguished Senator from Connecticut will allow the matter to go now by voice vote.

Mr. HELMS. I would be perfectly willing to do that, but I have two or three Senators who would prefer a rollcall vote. There are a few Senators who feel that they voted the wrong way the other day. But I do not believe I would agree to vitiation of the order for yeas and nays in light of the Senators who want to vote on it.

I thank the Senator, however.

Mr. GRAMM. Mr. President, I congratulate the distinguished Senator from North Carolina for this amendment.

I think that this is a historic amendment.

The plain truth is that over the last several years, Congress has been prone to treat AIDS as a social problem and not a health problem; that because of a tragic set of circumstances in which this disease, which threatens all of mankind, was concentrated initially in a few groups, those actions that we have taken to this point have been primarily actions aimed at treating the problem as a social problem and not as a communicable disease problem, and I think that has to change. I think this amendment does that effectively. I think it is historic for that reason. I am proud to support it. I am confident that it will be adopted overwhelmingly.

Again, I congratulate the distinguished Senator from North Carolina.

The PRESIDING OFFICER. Is there further discussion of the amendment?

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, I have examined this amendment. I really think it is pretty close to being beyond dispute.

Clearly, the United States does now reserve the right to exclude from our borders people who would emigrate here, on the basis that they carry communicable diseases. Clearly, AIDS is a communicable disease and a life-threatening disease. Therefore, I will vote for this amendment.

However, I should like to reiterate a point that I tried, maybe not very persuasively, to make a week ago last Thursday. The AIDS issue is undoubtedly the most serious health problem we have ever faced in the United States. The AIDS issue is a matter that takes the lives of those who suffer from the disease. It causes unbelievable pain and suffering, I am told, to those who have the disease, and agonizing death. It often causes humiliation to those who have it, agony to their families. It has enormous budgetary consequences for this country.

I am told by people who treated AIDS patients in the hospital that these people oftentimes require extremely intense care. So painful is it for them to even roll over in bed that they have to be helped. Personnel has to do that.

We are talking about a minimum of 1.5 million Americans who are now infected with this disease—a minimum of 1.5 million; some say over 4 million. Most people believe that the vast majority of those who are infected with the virus will develop AIDS and will die.

So this is a matter of enormous consequences. We in Congress are going to have to face up to questions on testing; beyond that, that it relates to immigrants; and we will have to face up to questions of spending money, where the money is spent, how it is spent wisely, issues relating to civil liberties, ethical questions, constitutional questions.

My regret is that the first three votes that we have had on the AIDS issue have been in the form of amendments to appropriations bills. The first debate that has occurred, to my knowledge, on the floor of the Senate on the AIDS issue has been in connection with the supplemental appropriations bill. This is not an issue that has enjoyed the analysis of committees before coming to the Senate. It has not enjoyed forceful debate—much as I respect the Senator from Connecticut and the Senator from North Carolina. It is a matter that most people in the Senate feel has been thrust upon them, and it is an emergency, and we have to deal with it. My concern is that when we deal with it, we are going to go off half-cocked.

We know, for example, as politicians, how easy it is to get locked into positions. You take a vote today, and then a month later you arrive on the floor of the Senator and walk up to the desk in the well, and you are told how you voted on the issue a month before. Inertia sets in.

Sometimes we create entitlement programs, and we have no idea what we are getting into. Yet, we create the entitlement programs, and all of a sudden we find out that a $1 billion program turns into a $10 billion program, and going up. And we did not really think it out in advance.

This is from all reports that I have heard the most significant public health issue in the history of the United States, the plague of the 14th century revisited, having enormous consequences with respect to the whole spirit of our people.

So, I am going to vote for the Helms amendment regretting that it is coming up on a supplemental appropriations bill, but I would also like to urge the majority leader and the minority leader to figure out some forum in which we in the Senate could be educated as to the facts of AIDS and also directed to those major philosophical, political issues, and budgetary issues that we are going to have to face up to.

I think that this should be done, at least the opportunity to have this kind of analysis should be done on the floor of the Senate and not in public hearings. What we need is less speeches. What we need is less emotion. What we need is no partisanship.

My idea is that if we could have interested Senators get together for a few hours, a day maybe, half a day, in a room like rooms 407 in the Capitol building, which is a confidential room, and have experts on the facts and have experts or people who at least have thought about the ethical, philosophical, budgetary consequences, just discuss this in a dispassionate way, so that we are not posturing on it, so that we are not called upon to make the kind of statements that get printed in the press, so that we do not have to walk on eggs about offending this group or that group but so we can at least analyze it and expand the number of Members of the Senate who have at least had the opportunity to think about it that would be a real contribution to the Senate.

So I would urge that. Not seeing either of our leaders on the floor, I would urge it to them in absentia as the appropriate way for us to proceed.

(Mr. CONRAD assumed the chair.)

Mr. WIRTH. Mr. President, will the Senator yield?

Mr. DANFORTH. Yes, I yield to the Senator.

Mr. WIRTH. I thank the Senator for yielding.

I associate myself with the remarks of the Senator from Missouri this afternoon and commend him on the position and very clearly thought through statement that he made last week when we first voted on these very difficult amendments.

I think the Senator is absolutely correct in suggesting that we have an obligation in the U.S. Senate and with our colleagues in the House to develop an overall thoughtful comprehensive program for how we as a country are going to deal with this modern-day plague.

I think as we look—and I am sure that the Senator has received similar comments to those I have on our votes last week on the amendment offered by the Senator from Connecticut—nobody is more sympathetic than the Senator from Missouri to the enormous trial and tribulation by those affected by this disease, enormous trial and tribulation of those who are helping those affected, and the extraordinary commitment that they have made to their fellow mankind in trying to care for them, counsel them, and so on, and we do at some point have a public obligation to move in and help.

There is no question about it. What we do have to do is do that in a comprehensive and thoughtful fashion, understanding not only what the financial implications are going to be for the American public but what are the public education commitments that we have to make in a very aggressive fashion to everyone in the country, particularly the high-risk groups in our society, not only the research that has to be done but the enormous counseling and health care obligations that we have.

There is a broad package that has to be done which I hope just by this debate today and bringing up the amendments offered by the Senator from North Carolina will help us to do.

I join with my colleague from Missouri not only in commending him for his perspective and statements but also join him in urging that we as aggressively as possible move this right to the top of our agenda.

I thank the Senator for yielding.

Mr. DANFORTH. I thank the Senator.

Mr. HELMS. I thank the Senator.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I, too, commend the Senator from Missouri for his statement and also commend Senator HELMS for bringing up what I think is an excellent amendment and commend Senator WEICKER for his work on the matter.

I think we now have a meeting of the minds on the bill. As the Senator from Missouri has suggested, there have been a great deal of heat and occasional shafts of light on this subject, and I think this amendment, first of all, is good for its own merits and, second, for the record it has set showing the resolve of this Senate to deal with what may indeed be, in the words of the Senator from Missouri, the plague of the 1980's or of this century.

But at this point in time I think we now have a meeting of the minds in the Senate and while we have this excellent meeting of the minds, I hope we can vote on the matter forthwith.

Mr. HELMS. Mr. President, will the Senator yield to me one more time?

Mr. JOHNSTON. I yield.

Mr. HELMS. I thank the Senator from Louisiana.

I certainly thank the Senator from Missouri.

Let me say to him that he is right on target with what I had in mind. I hope by tomorrow, or no later than Thursday, I will offer a comprehensive bill and I hope that it will be considered by the Senate precisely as the Senator from Missouri has suggested.

I agree we ought not to be out here on the floor talking about AIDS. We ought to be doing something about it, and that is why I offer the amendment in the first place.

It is sort of a Fort Sumter amendment, a shot over the bow, to make clear that we better get cracking and do something about it.

Now, I agree with the Senator. Public hearings can come later. But I think Senators ought to have an understanding of how deep the crisis is, and that is the purpose of my offering the amendment in the first place, and I had no other vehicle to which I could try to add the amendment except this bill and that was to emphasize that the Senate ought to get busy and do something about it. I am ready to vote.

I understand Senator SIMPSON wants to speak a few minutes.

As far as I am concerned I will say to the distinguished manager of the bill I have had my say and I thank him.

The PRESIDING OFFICER (Mr. WIRTH). The Senator form Connecticut.

Mr. WEICKER. Mr. President, I wish to make a few comments in light of some remarks that have been made relative to this amendment and, in the words of the Senator from North Carolina, let us get cracking on this problem.

In 1984, the President requested $33.8 million for AIDS; we appropriated here on the Senate floor $61.4 million. In 1985, the President requested $60 million; we appropriated on the floor of the Senate $108.6 million. In 1986, the President requested $128 million; we appropriated $244 million on the floor of the Senate. In 1987, the President requested $213 million, and last year we appropriated $413 million for AIDS funding. This year the President has requested $534 million; I would imagine the appropriation will probably be close to $1 billion.

I no longer am chairman of the Appropriations Subcommittee that has under its aegis the matter of health and science. That is going to be ably handled by the distinguished Senator from Florida, LAWTON CHILES. But I know—and I see my good friends, both Senator JOHNSTON and Senator BURDICK, here—that the Appropriations Committee of the U.S. Senate has been deeply involved with the AIDS problem for the last 4 years.

It is true that each one of us has our own responsibilities. It is impossible for me to know what is going on in the Finance Committee or the Commerce Committee any more than it is possible for others to know what goes on in Appropriations, but I think the American people are entitled to know that the Government has very much been on top of the AIDS problem, not just here on the floor of the Senate, but in the laboratories of the National Institutes of Health and at the Centers for Disease Control.

The Government has been very much on top of this problem in many different ways, including at the Food and Drug Administration and—this is nongovernmental—at the National Academy of Sciences Institute of Medicine.

All this amendment does is duplicate what the President of the United States has already said he is going to do.

I do not want to give anybody the impression that the AIDS problem is going to be resolved by this kind of rhetoric. It is not. It will be resolved in the laboratories of this Nation, public and private, and it is going to cost a lot of money. It already has cost a lot of money.

I am very proud of the response to the crisis by the scientific community of this Nation. Their work has been outstanding, again both public and private. Never before in the history of disease has a virus both identified, cloned, and mapped so quickly as has been the case with the HIV virus.

And indeed, even as I address this body, the one chemotherapy that has been under principal discussion, AZT, even that will probably be replaced by other chemotherapies. DDC comes to mind, a drug which could well prove better than the AZT treatment. An AIDS vaccine is a period of time off. But in terms of prolonging life, and in terms of the cost of prolonging life, drugs are being developed which will show dramatic improvements, less toxic effects, greater efficacy, and less cost. This is all due to the efforts of Government and of industry over the past several years.

I believe, as the Senator from Missouri has stated, that the problem is far more urgent than recognized by the American people, and it is up to this body to bring the matter to the fore. But it has to be devoid of any moral judgments or any philosophy.

I could not help note in the President's statement the other day the following words:

> What our citizens must know is this: America faces a disease that is fatal and spreading and this calls for urgency, not panic. It calls for compassion, not blame. And it calls for understanding, not ignorance. It is also important that America not reject those who have the disease, but care for them with dignity and kindness.

I commend the President for those statements. But then comes the next sentence.

> Final judgment is up to God.

Of what other disease do we say this? Are we indeed in this Nation going to judge people on how they die or are we going to judge them on how they live? The distinguished Senator from Texas said we are dealing with a communicable disease problem, not a social problem. I agree completely and have agreed for years.

Why is it that we should assess blame as far as this particular disease is concerned? Do we assess blame on those who die from cancer from smoking or cirrhosis of the liver from drinking?

In this Nation, when you hurt, we take care of you. If you are dying, we want you to live. We do not start making moral judgments or saying the judgment is up to God. The only judgment that we are concerned with on this floor is that which can bring relief to pain and from death, and that is something we have within our power with dollars going to science.

No amount of rhetoric, no amendments that put the focus on immigrants, can get away from that final responsibility, whether it is the education of our children, which should be explicit, or whether it is the money that goes to research.

One thing is for sure: the present state of the art is such that if you have AIDS, you die. Over and out. There is no point in coming along later and saying, "I should have told my child more. You better tell them the whole story now as early as possible there is also no point in coming along late and saying; "I wish we had invested more money in research." We invest it now. Whether it is a sacrifice of our sensibilities or a sacrifice of our money, this is really what it comes down to, and this body will be called upon time and again to supply the wherewithal to accomplish both of these things.

I will vote for the amendment of the distinguished Senator from North Carolina, not because it is the amendment of the distinguished Senator from North Carolina, but because it is a recommendation of the Public Health Service, and that is the last point I want to leave with my colleagues.

If the driving force comes from science behind whatever we do, we will be all right. If it is a matter of politics or philosophy, we will do very wrong and the price will be very, very high for our error.

I urge that we support this particular amendment, advising my colleagues that the next matters they will be voting on will have very large dollar signs attached to them. That will be a tougher vote than the one they will now dispense with. I thank the Chair.

The PRESIDING OFFICER (Mr. SHELBY). Is there further debate on the amendment?

The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I have been listening with great interest to the debate. It has been powerfully presented and well done.

I just add a very short footnote which I think is a very important footnote.

I have no problem with money. I really do not. Money will be something we are going to be called upon to supply in response to this awesome disease in extraordinary figures. We have all heard that. It is startling. Indeed it is. The sum of $146,000 will be the average cost of every AIDS victim after they have been admitted to the hospital until what will be the tragic, final death. That is an extraordinary figure. From what we know from those who have been exposed, those who have it, we are going to have to reassess the priorities of the United States on that issue.

What I would just say and try to put it in perspective from the standpoint of immigration is that this amendment is talking about legal immigration. I want to assure my colleagues as they vote upon this, and my research leads me to believe, this will also cover the legalization aspects of the Immigration Reform and Control Act. People are coming forward between May 5, 1987, and May 5, 1988, under the Immigration Reform and Control Act, and this test will then be required of those people. I think that is very important, that it is not just required for those who are legal immigrants, those with permanent resident alien status or some other status to be in the United States legally, but by these people who we do not know anything about. And I mean nothing. People who are often rootless. We do not know from what country they came or what proclivities they pursue. That is not the issue, but that is the way it is.

So I think it is important to remember that we started all of this back in 1891 when we had in the Congress the exclusion of would-be immigrants with what was called then loathsome or dangerous contagious diseases. That was in response to a fear of epidemics in Europe at that time. I thought we ought to be interested in where this has come from since 1891.

Since 1891 our laws have always continually provided for the exclusion of immigrants who have a "loathsome or dangerous contagious disease." Somewhere the word "loathsome" was dropped, and I think just as well, and today it reads "dangerous contagious disease." We know what those diseases are. Five venereal diseases are listed, infectious leprosy, and active tuberculosis. The purpose of the law in 1891 and now is the same, to protect the public health.

I do not think any of us got to the privacy concerns, the confidentiality concerns, but I think our paramount concerns must be the national public interest. Most medical experts now believe that if one had come down with the AIDS symptoms, infection with the HIV virus, human-immuno-deficiency virus, making that person contagious and able to spread the infection, surely, if that person has not entered the United States, it is in the public health interest to exclude their admission as immigrants, either under legal immigration or when we are dealing with illegal immigration.

So I not only support the thrust of the amendment, but I also firmly believe that we must test the applicants for the legalization program where we think maybe 3 million people will come forward in this next year. Some 40,000 have already been approved. There is going to be a very tremendous onrush some 6 months into the legalization process. The tougher question when we get to that, and this is really the maxi one: These people are already here in the United States of America. They are here with us and they have been here for at least 5 years.

I continue to believe that in the overriding interest of public health we must test these people before we bring them into the body politic of this country.

Then we have the tough one to decide. If we decide and they have come through the confidential examination they need not divulge that, who do they divulge that to? I think that is the subject that Senator DANFORTH was talking about, and I know Senator WEICKER will be wanting to talk about, and Senator HELMS. All of us had better be talking about what an extraordinary thing it is when we reach those who are here, who are excludable, whose material is confidential. That is not going to be solved today, but let me tell you we had best be about it.

Then do you exclude them and deport them to a country that will not take them? Then what are we talking about? Leaving them here illegally in a status with a communicable disease? That is a possibility. Or, are you talking about detention or areas where they will be kept quarantined? That is really where we are headed here.

I just earnestly suggest that I would hope that the majority leader and the minority leader might visit together and I am very hopeful that the leadership of the Senate should gather together. I think we should appoint a select committee solely for this purpose and begin to give them a mandate of a 90-day educational process for themselves, 7 Democrats and 6 Republicans, a break of that nature on a select committee of 13. I think it is absolutely critical. Put some of the most respected Members of this body who have been here and who have seen this. This issue is just starting and it is going to be up to us to decide not only money—that will be the least of it, and we can do beautifully with that—but moral questions, ethical questions, racist questions, fear questions. Those will be the issues of the day and I think we best be about our business.

This is not something just motivated by recent days. It is something that I think all of us, Democrats and Republicans alike, must press our every and earnest attention to.

I thank the Chair.

● Mr. DOLE. Mr. President, my distinguished colleague, Senator HELMS, has introduced an amendment which in effect would support the recommendation of the Public Health Service that human immunodeficiency disease virus infection be added to the list of dangerous contagious diseases which is used for purposes of immigration.

I am prepared to support Senator HELMS' amendment today, but it is important for us all to realize that there may be some difficulty with respect to implementation. It is my understanding that there is concern as to who verifies the results and where the testing will be done. Many of the Third World countries do not have the resources or the technology to do this sophisticated testing.

Currently, with respect to those seven diseases that are already on the list, the country of origin does the testing and treating as recommended by Public Health officials and the State Department. The results of the testing and exams are then reviewed by U.S. officials and a decision regarding eligibility for an immigrant visa is then made based on the examining doctor's medical findings. I raise these questions not to discourage us, but rather to point out that there will be new issues raised by this amendment which must be addressed by both the Public Health Service and the State Department. It makes great sense to me, however, that if there is currently a listing of dangerous and contagious diseases, there is every reason to add the AIDS virus to this list, as there is no question regarding its being dangerous or contagious.

There is no question in my mind that AIDS is the No. 1 public health enemy in America today. There is also no question in my mind that we must continue to look at ways to prevent its spread. The Public Health Service has suggested this is one way we might start. I should also note that the amendment further underscores the need for international cooperation in addressing this issue. I commend President Reagan for having added AIDS to the agenda for the upcoming Venice summit.●

Mr. HELMS. Mr. President, I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. WIRTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. WIRTH. Mr. President, in the supplemental bill there is, I believe, $20 million that is to go to the Center for Disease Control. Today, under the supervision of Dr. Koop, Surgeon General of the United States, they are going to develop a summary of the very good program outline on AIDS that Dr. Koop put together, and it is the intent of the Centers for Disease Control to mail that out to, they hope, every household in the United States.

I raise this matter at this point as a number of our colleagues had raised the possibility of having that brochure that Dr. Koop had developed mailed to everybody in their States. A number of our colleagues on the House side had asked that funds be made available so they could mail it to everybody in their districts. There is $20 million in this supplemental for the Centers for Disease Control to pursue precisely that program.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from North Carolina [Mr. HELMS], as modified. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Ohio [Mr. GLENN] is absent on official business.

Mr. SIMPSON. I announce that the Senator from Kansas [Mr. DOLE] and the Senator from Kansas [Mrs. KASSEBAUM] are necessarily absent.

I also announce that the Senator from Virginia [Mr. WARNER] is absent on official business.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 96, nays 0—as follows:

[Rollcall Vote No. 142 Leg.]

YEAS—96

Adams
Armstrong
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Weicker
Wilson
Wirth

NOT VOTING—4

Dole
Glenn
Kassebaum
Warner

So the amendment (No. 248) as modified was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I will just take a minute, if we may have order in the Senate.

The PRESIDING OFFICER. The Senate shall be in order.

Mr. BYRD. Mr. President, I seek recognition in order that we might determine what amendments are still going to be called up and about what time we will be able to finish work on this bill today and how many rollcall votes will occur.

May I make that inquiry of the distinguished Senator from Texas? I will start with him.

Mr. GRAMM. I thank the majority leader for giving me an opportunity to respond.

I am working with the floor leaders, both the majority and the minority, on the potential of two amendments, the possibility of perhaps accepting one to the exclusion of the offering of the other. CBO has been scoring the amendments as offsets.

It is going to take about 30 minutes to get the first one ready to offer. I am willing to have a very severe limit on debate, as little as 5 minutes on each side.

This is basically where we are.

Mr. BYRD. Very well. I thank the distinguished Senator.

Do any other Senators have amendments to this bill?

Mr. President, I would judge, based on what the distinguished Senator from Texas has said, that we can and will finish this bill this evening, before a late hour. Looking at the clock right now, my guess would be—I would like to ask the distinguished managers what they think—that we ought to be through with this bill by 6:30 today or earlier, hopefully.

Mr. JOHNSTON. Mr. President, I would think so—depending on how long it takes the distinguished Senator from Texas to get his amendments drawn. I think he is willing to have a 10-minute time limit on debate, equally divided.

I think it is the same song, third verse, so far as the debate is concerned, so I think we will dispose of that very quickly.

There is one amendment or maybe two——

Mr. GRAMM. Two.

Mr. JOHNSTON. And then we will go directly to final passage.

Mr. BYRD. Mr. President, it is our intention to press on to the goal of concluding action on this bill today.

Mr. CHILES. Mr. President, because of the strong interest in AIDS, I want to review for the Members what we have included in the supplemental to meet the AIDS emergency. We have included $77 million for essentially three purposes.

First, we have included $20 million for an every household mailing that will be sent to each of the 102 million households this fall.

The one thing we know for sure about AIDS is that it is a killer, and it is becoming more common.

We are using the best that modern science can offer to find a cure, but most experts believe we are some years away from that goal.

For now, the best line of defense is a strong education campaign, to provide the facts and answer the questions.

That is why the Appropriations Committee added $20 million to broaden the Federal Government's ability to get the word out on AIDS.

The money will be used to send each American household a pamphlet telling what is known about the disease, and how to prevent its spread.

We cannot bide our time any more, hoping AIDS will run its course and disappear. People need to know what can be done to protect themselves and their loved ones.

Other countries with a lot fewer AIDS cases than the United States have already done these mass mailings. Great Britain, Switzerland, and Australia have taken action and we should, too.

Right now, we cannot cure AIDS. But with a strong education campaign, maybe we can hold it off until the cure is found.

Second, the Appropriations Committee added $30 million to help AIDS patients buy AZT. This is a one-time initiative and is not the beginning of a new program. Including these funds in the bill gives the authorizing committee time to consider the need for permanent assistance to AIDS patients that may be necessary to supplement Medicaid and third-party insurance. More important, this gives continuing support to the 5,000 AIDS patients who allowed the new drug to be used on them—to be tested at their risk—to continue to have the drug. This subgroup of AIDS patients is to have priority consideration in the distribution of these funds.

Third, the committee accepted an amendment for $27 million for AIDS counseling and minority education programs from Senators CRANSTON and KENNEDY. We had intended to include this in the 1988 bill next month but a month's head start on this initiative is useful; $20 million of this total is to be used by the States for AIDS counseling and testing. It would assist those people who want a confidential and voluntary test. In some cities the waiting list for such services is almost 2 months. Finally, $7 million of this total would be for a special education program targeted at minorities. Currently, 38 percent of AIDS patients in America are black or Hispanic even though the perception continues that this is a white-gay disease. A special education effort is needed to reach our minority groups, and this supplemental includes funds to achieve that objective.

THE WAR POWERS ACT

Mr. HATFIELD. Mr. President, the War Powers Act specifically requires that the President send a written report to Congress 48 hours after "United States Armed Forces are introduced into * * * situations where imminent involvement in hostilities is clearly indicated by the circumstances." What does that mean? Look at the Conference Report on the War Powers Act: "This includes all commitments of U.S. Armed Forces abroad to situations in which hostilities already have begun and where there is reasonable expectation that American military personnel will be subject to hostile fire."

A very good argument could be made that the War Powers Act ought to have been invoked on May 17, that tragic day when 37 American servicemen were killed aboard the U.S.S. *Stark*. But it now appears that the administration believes that the War Powers Act does not apply. The real question, however, is, What does Congress think?

Whether or not the War Powers Act ought to be in effect now, or the day the United States flag goes up the poles of 11 Kuwaiti oil tankers, there can be no question that it applies. The point is that if Congress avoids a decision—as it now appears it will—a tacit decision is rendered that the act does not apply.

Look at the scenario:

Obviously, it will be a commitment of U.S. Armed Forces.

Obviously, hostilities have begun. In fact, they have been underway for some time. More than 300 ships have been attacked in the gulf since 1984—the majority of the Iranian attacks have been on Kuwaiti oil tankers.

And equally obviously, there is a reasonable expectation that American military personnel will be subject to hostile fire. When asked if Iran planned to attack Kuwaiti oil tankers flying the United States flag, the Iranian Ambassador to the United Nations warned: "We are bound to defend ourselves, no matter who is the enemy." Add to that the comment made by Assistant Secretary of State Richard Murphy: "We will do whatever is necessary to insure the passage of our ships." And then consider the President's comment: "We want the Iranians to go to bed at night wondering what we are going to do." I'd say that constitutes "reasonable expectation": the warning signs could not be more clear.

At the very least, it is clear to me that the moment the U.S. flag goes up the poles of those tankers, the War Powers clock ought to begin ticking. And 48 hours later, a written report from the President ought to be delivered to Congress under the requirements of the War Powers Act.

Of course the War Powers Act also requires consultations with Congress before any action is taken. What I want to know is whether the "consultations" now going on between the White House and Members of this Congress are part of the War Powers Act or a substitute for it. If they are occurring within the context of the War Powers Act, then it follows that the other requirements of the act should be adhered to as well.

These "consultations" may make us feel good, make Congress look like its standing tall. But if they are not the first step of invoking the War Powers Act, they fall woefully short of addressing the real issue. All the consultations and all the reports and all the briefings in the world cannot be a substitute for the law.

I plan to put a hold on any resolution pertaining to the Persian Gulf until I know the position of its sponsors on whether or not the War Powers Act will apply to the reflagging agreement. "Will the Kuwaiti agreement trigger the War Powers Act?"

I think it does, and the burden lies with those who are prepared to argue that we need not apply the act at this time. Are these reports and "consultations" really just a substitute for the War Powers Act? Either the War Powers Act applies or it does not.

Mr. President, I want to know the position of this Congress on that question. And my hold will stay until I do.

WHERE'S THE BUDGET?

Mr. HATFIELD. Mr. President, today is Tuesday, June 2, and we are still without a conference agreement on a budget resolution. And, therefore, we have not yet begun action on the fiscal year 1988 appropriations bills.

The authors and supporters of the Gramm-Rudman-Hollings Act assured us that its provisions would guarantee that Congress finish the budget resolution by April 15, clearing the way for timely action on appropriations bills and avoiding the last-minute logjams of September. Mr. President, the budget process did not meet its April 15 deadline, and there is no conference agreement in sight 3 weeks after conferees were appointed. Under section 303(a) of the Budget Act, we cannot consider appropriations bills for a given fiscal year until the budget resolution for that fiscal year is agreed upon, unless we want to waive the Budget Act. So we sit and wait, and for every day we wait, we increase the likelihood of a comprehensive continuing resolution in September. When that time comes, let's not hear a lot of righteous indignation about the appropriations process. Let's put the blame where it belongs—on the budget process.

One of my great frustrations with the Budget Act is that it imposes a great number of requirements on the legislative process, with sanctions against failure to comply with those requirements, but there are no sanctions against the budget process itself for its failures. If the Appropriations Committee fails to strictly abide by the requirements of the Budget Act, the budget watchdogs are upon us. But if those same watchdogs fail to meet their responsibilities under the act, then the rest of us must be content to sit idly by and hope for the best.

Let us take an example immediately at hand, Mr. President. Section 305(d) of the Budget Act declares:

> If at the end of 7 days (excluding Saturdays, Sundays, and legal holidays) after the conferees of both Houses have been appointed to a committee of conference on a concurrent resolution on the budget, the conferees are unable to reach agreement with respect to all matters in disagreement between the two Houses, then the conferees shall submit to their respective Houses, on the first day thereafter on which their House is in session—
>
> (1) a conference report recommending those matters on which they have agreed and reporting in disagreement those matters on which they have not agreed; or
>
> (2) a conference report in disagreement, if the matter in disagreement is an amendment which strikes out the entire text of the concurrent resolution and inserts a substitute text.

Why haven't the budget resolution conferees complied with this provision of the Budget Act? Three weeks into conference, Mr. President, and not a peep. And there's nothing the rest of us can do but sit and wait, and hope there will be time left in the year to get our business done.

The other body is not in this pickle. The House conferees on Gramm-Rudman-Hollings had the good sense to insist on the inclusion of a provision allowing consideration of appropriations measures for a given fiscal year if the budget resolution for that fiscal year is not agreed to by May 15. A reasonable provision, it seems to me. If the budget process stalls, why should everything else wait? It is my understanding that the House leadership has now decided to employ that provision, and has asked Chairman WHITTEN and his colleagues on the House Appropriations Committee to begin subcommittee and full committee markups of fiscal year 1988 bills.

I hope the Senate will soon be liberated to do the same, Mr. President, so we can have some chance of completing action on the 13 annual appropriations bills. If not, the delays in the budget process will give us no choice but to resort to a comprehensive continuing resolution.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, what is the parliamentary situation right now?

The PRESIDING OFFICER. The bill is before the Senate and it is open to amendment.

THE PERSIAN GULF

Mr. BUMPERS. Mr. President, to follow up on what the Senator from Oregon has just said regarding the Persian Gulf situation, I applaud and commend him for his remarks.

Second, I wish to say three or four things for the edification of the Members of the body as to my own personal thoughts about this.

They are a little bit ambivalent, but just let me say that I do not understand why the administration would not want to invoke the War Powers Act. The administration simply has to give us 48 hours' notice and within 60 days he has to take our troops or whoever may be involved out unless Congress has agreed with the policy.

Why would the President want to get us into a situation where Congress is not going to be a partner in it? In order to avoid an awful lot of conflict between the Congress and the administration, it seems obvious to me that the President's interest will be best served if he invokes the War Powers Act, if he chooses to proceed with this policy of flagging Kuwaiti ships.

Let me say to my colleagues and just make a few points which they may or may not have thought of:

First, there has been no significant downturn or interruption of oil supplies coming out of the Persian Gulf. Contrary to conventional thinking across the country, there has been no significant interruption of oil supplies out of the Persian Gulf.

Second, Kuwait has sustained less than $10 million in damages to its tanker fleet during the 7 years of the Iran-Iraq war, $10 million. That is about one-half day's receipts to Kuwait. So in 7 years Kuwait has sustained damages that would cost them one-half of 1 day's shipment of oil.

Third, I do not believe a single tanker has been sunk in that war. Those big tankers are very difficult to sink.

Fourth, one has to ask if we are going to do this for Kuwait, then who is next—Abu Dhabi, Qatar, Bahrain, whoever else produces oil there?

Fifth, while we have professed our neutrality, it is no secret that we do not at least as a nation, maintain it; despite a rather big sale of arms to Iran, we really favor Iraq in the war, and the other nations of the Persian Gulf are scared to death that Iran might win the war.

So it seems to me that we have been very skillfully played off against the Soviet Union, and the Soviet Union off against the United States, in an effort to get us involved in the war, not to make certain that oil comes out of the Persian Gulf because it is coming out anyway.

I have nothing against Kuwait. They are a moderate nation. We want them as allies. But everyone knows that it is in their interest to bring that war to an end because of their inordinate and legitimate fear of Iran winning the war.

So, Mr. President, I have two thoughts about it:

First, we are siding with Iraq. When we go into this policy of escorting Kuwaiti tankers out of the Persian Gulf, we are taking the side of Iraq—everyone understand that—in a war in which we have previously professed neutrality.

Second, we are going into the Persian Gulf in my opinion principally because the Soviet Union is flagging three Kuwaiti tankers. So we are saying if the Soviet Union is going to get their nose under the tent, which they have always wanted to do in the Middle East, particularly in the Persian Gulf, therefore, we must respond in kind. That is fine. If that is going to be the policy, we ought to know it.

In my opinion we are backing into a situation which is fraught with danger, not because of the flow of oil out of the Persian Gulf, but because the Soviet Union is there and they have agreed to flag three tankers.

But when it comes to the war powers resolution, the reason we are going in there is, at least ostensibly, because there are hostilities in the Persian Gulf. You can look at all those other Machiavellian things about the Kuwaitis playing us off against each other. Maybe that does not matter. Maybe that is not a reason for us not to go in. Maybe the fact that the Soviets are going in is a reason for us to go in. Maybe the administration sees this as a nice diversionary move to a deepening Iran-Contra hearing and the revelations that are coming out of that hearing.

You can judge all those issues for yourself. But my point is this: We have just lost 37 men on a ship in the Persian Gulf. There are hostilities there. We have already suffered casualties, and the War Powers Act simply says if you are introducing American troops into an area where hostilities exist or where they are likely to exist or where they are imminent, then the President is duty bound to invoke the War Powers Act and notify Congress.

So, Mr. President, it is my position that this body in this particular Congress ought not to be issuing resolutions around here saying we hope the President will do so and so. Our position ought to be that if we are going to go through with this policy, Congress ought to be a partner, an understanding partner, and the President ought to be called on to invoke the War Powers Act. I am pleased that the Senator from Oregon is on the floor. It is going to put a hold on all those resolutions that are likely to come up here. I would like to ask a lot of questions.

Are we going to take out the Silkworm missiles that Iran bought from China and has placed opposite the Straits of Hormuz the first time one is fired at us? In a moment of anger after American troops have been killed, American sailors have been killed, are we going to bomb Tehran? Are we going to have nuclear weapons on ships in the Persian Gulf? What ships are we going to put in there and what are their instructions going to be?

If Congress is not entitled to that kind of information we ought to fold up our tents and go home. If the answers are not to our satisfaction, and if Congress is not willing to demand that the War Powers Act be invoked, then we ought to fold up our tents and go home.

We have responsibilities. We have responsibilities to the Congress as an institution. More importantly, we have responsibilities to the American people to make sure that we are not being backed into a situation with no forethought as to what the ultimate consequences are going to be. This is not the same as a Gulf of Tonkin resolution. I remember my predecessor, Senator Fulbright, said many times that his biggest mistake was handling the Gulf of Tonkin resolution here.

All I am saying is we ought to look at history. I can remember Scoop Jackson, Barry Goldwater, and DALE BUMPERS, a very strange coalition, I might add, saying after the fact, after the President had not asked us if he could send 1,500 marines to Lebanon but telling us that they were on their way, that we said some marines are going to die as a result of that action. No War Powers Act. Not even so much as a by your leave. Sadly, we were right—we lost 260 brave marines in Lebanon.

So if you do not understand history, you ought to at least know what you have lived through, particularly in the last 12 years since I have been in the Senate. Fool me once, shame on you. Fool me twice, shame on me.

So I am vitally concerned about the freedom of the seas. I am concerned about the Soviet Union maybe making an effort to get involved in the Persian Gulf. I share the President's concern about all those things. But that does not mean that I have to send my brains on vacation so far as the rest of it is concerned.

We have responsibilities to the American people. We have responsibilities to every young man on every ship we send into the Persian Gulf, and I intend to exercise what I believe is my duty to think this thing out. And before we get into an inexorably lengthening situation where we do not know where we are going, here is one Senator who belongs to the wait-just-a-minute club. I yield the floor.

(Mr. KERRY assumed the chair.)

Mr. HATFIELD. Will the Senator yield for a question?

Mr. BUMPERS. I will be happy to.

Mr. HATFIELD. Mr. President, I first wish to express my deep appreciation to the Senator from Arkansas for his very eloquent statement describing the danger, and the responsibilities attendant to that danger, in the Persian Gulf.

Would the Senator not agree that because the War Powers Act was initiated by the Congress, the Congress ought to make some decision about the application of that War Powers Act under the current circumstances in the Persian Gulf? If we are not going to face up to it, we ought to repeal the act. Would the Senator agree?

Mr. BUMPERS. I could not agree more with the Senator.

Mr. HATFIELD. The Senator also indicated that the geopolitics of the Arab world which are shifting rapidly. For a long, long time, Israel was a focal point of regional attention and of the distinctions and differences of the regional competition. Would the Senator agree that attention has shifted to Iran, that Iran has become the so-called focal point of concern not only in the Arab countries, at least the moderate Arab countries, but now in Israel as well? It seems to me that we are seeing a different kind of geopolitical arrangement for the first time.

Mr. BUMPERS. Again, the Senator is dead right.

Mr. HATFIELD. The Senator recalls when American public opinion and world opinion against Colonel Qadhafi and Libya was running high. Remember the strategic bombing which took place at the direction of the U.S. Government, under the responsibility of the Commander in Chief? Most American citizens seemed to applaud. According to the morning news polls, the surveys and a bipartisan group of Members of this body seemed to feel that we were rubbing Qadhafi's nose in it and the President did the right thing.

Was the Senator from Arkansas as amazed as I about that kind of response that strike received from both the people and the institutions of the Congress?

Mr. BUMPERS. The American people will, once we get involved in a conflict, no matter whether it is right or wrong, have a tendency to want to support the action on the basis that to do anything less is a betrayal to our men who are out in the trenches.

Mr. HATFIELD. That leads me to my last question. Would the Senator agree that the political environment in this country is very much against Iran? Iran has played the part of the antagonist to the United States. The Ayatollah took our hostages and brought embarrassment to our Government, to our national psyche. Given that reality, the environment is now rather fertile for the kind of preemptive strike we launched against Libya. If we decide to launch a strike at Iran in the growing tension of the Persian Gulf, there seems now to be general environmental support, political support for that kind of thing.

Mr. BUMPERS. The Senator, of course, is dead right. I might just say that one of the interesting paradoxes of all the rhetoric involved here is that the President calls Iran "that barbaric nation," but it was that barbaric nation that President Reagan was shipping arms to until we got caught at it just 7 months ago. I might also say to the Senator, we all agree that Iran's existing condition is something of a renegade nation so far as international law and the community of nations is concerned. I do not think you can get any debate about that.

I am not even criticizing the President for calling them a barbaric nation, or any other name that he wants to call them. But I do want to say, if that is true, if they are barbaric, if they are half crazy, can anybody believe that we are throwing down the gauntlet by putting flags on 11 Kuwaiti ships and they are going to be afraid to accept the challenge?

The very opposite would be true. They are almost certain to accept that challenge. And in that certainty, to me that means that hostilities are imminent if we do this.

Mr. HATFIELD. I think the Senator is on target because, in fact, the Iranian Ambassador to the United Nations has already said that Iran would not be deterred by our flag Kuwaiti tankers represent the enemy, whether they are carrying our flag or not the majority of Iranian attacks have been on the Kuwaiti tankers since 1984.

Would the Senator agree that if the Congress does not make a determination on the applicability of the War Powers Act now, it has really tacitly said the War Powers Act does not apply in this situation?

Mr. BUMPERS. Absolutely.

Mr. HATFIELD. Mr. President, I again want to say that I appreciate the Senator's comments on this subject. Neither of us comes here to advocate that we turn tail and run that ought not be presented as the so-called alternative.

We must realize that our dependency on imported oil has increased by 2.7 percent in the last year. We have effectively abandoned the conservation programs we instituted during the Arab 1973 boycott and the resulting gasoline lines. We have effectively abolished the incentives we set up for the research for renewable sources of energy, sources which would make us less dependent upon the fossil fuel base.

We had tax credits for solar energy that have been reduced so much that they are no longer really, from a practical point of view, operative. And we have abandoned virtually all of our research into alternative energy sources.

But if that isn't bad enough, we had about 4,000 oil rigs operating in the late 1970's but only about 800 today. Our own domestic production has plummeted, and we have used three-fourths of the known reserves in the lower 48.

We are not only looking at a question of the geopolitics and the dangers in the Persian Gulf today but also at a question of our dependence on foreign oil. Although only 5 percent of our oil is imported from the Persian Gulf, our Western allies and our friends in Japan have greater urgency. We must identify the clear and present danger relating to the War Powers Act, and set out the procedures required under that act. But I think we also ought to be taking some very significant steps to reduce and eliminate that dependence upon foreign oil.

If we have to be in a police role out there, I think it should be under the auspices of the United Nations. We ought to consider carefully becoming part of an international force to protect the international waters. And we ought to get out of this unilateral world policeman role.

I can understand our allies' reluctance to jump in at this point. They know about the Libyan bombing, they know about these other military responses to geopolitical problems. The Europeans have traditionally used economic incentives and the Japanese have used diplomacy; we have tended to use a military reaction, a dimension of force.

I hope we can get some time to put this into the context of a bodywide or an institutionwide debate. But I do fear the possibility that the Congress is opting for the easy way out: Let the President handle the hot potato, like the Gulf of Tonkin. We can stand back and criticize every move or failure to move. But if that is what we are going to do, the War Powers Act ought to be declared null and void.

Mr. **BUMPERS**. I thank the Senator. I wish to comment on a couple of those points.

No. 1, we should bear in mind that every single resource we have on alternative sources of energy has been raped and pillaged until it hardly exists anymore. I hope the Senator heard me when I rose and said earlier today I am introducing a bill. I spoke just a couple of lines, but the bill I have just introduced is a solar energy research bill which we have put on the back burner, and Japan and Germany both are about to overtake us. We have been the leader in solar research in the world. We are still the leader, but we face the very real possibility that Japan and Germany are going to overtake us in solar applications. That bill is designed to make sure that does not happen. I share the Senator's concern about how lethargic we have become about the day of reckoning we all know is coming.

Second, the Senator from Oregon sits on the Energy Committee with me and, while most Members of the body are familiar with this, I do not think many members of the public at large are aware, and to some extent this takes the President's position on the necessity of making sure that the oil supply through the Persian Gulf is secure. The point I want to make is that under the International Energy Agreement, the United States is obligated in the event of a world shortage, especially if oil supplies were shut off out of the Middle East and the Persian Gulf, to share the shortage with Japan, which is 60 percent dependent on the Persian Gulf as compared to our 6 percent; and share with Western Europe, which is about 30 percent dependent on Persian Gulf oil. So it is not just that we are only 6 percent dependent and Japan is 60 percent dependent. The point is if oil supplies are cut off from the Persian Gulf, we are obliged to engage in a much bigger shortage than just 6 percent, because we have to share the remaining world's oil supplies with all the signatories to that agreement. So the President has a perfectly legitimate argument in talking about the necessity of securing the supply of oil out of the Persian Gulf.

But that is not the concern of the Senator from Oregon or myself here. Our concern is being a partner in whatever our policy is going to be in making sure that we do not get ourselves entwined in some kind of situation from which we cannot or will not want to extricate ourselves based on a phony policy going in on the front end.

I said a moment ago I can forgive people for not reading history; maybe they did not have the opportunity. I have a difficult time forgiving people who do not remember the history they lived through. The Gulf of Tonkin resolution is a classic case in point. We all remember it. I do not want to change the subject too much; we are just talking here until we can get an amendment up on this bill. But one of the concerns I have about Nicaragua—I have a lot of concerns about Nicaragua, but it is only 12 years since we evicted ourselves from Vietnam, the war based on the big lie, the Gulf of Tonkin incident which never occurred. Yet 55,000 fine young men are dead because we went to war over a resolution in response to a presumed torpedo-boat attack against the destroyer *Mattox* which, as it turned out, never happened. As I said a moment ago, my responsibility as a Senator from the State of Arkansas to my constituents and to the larger constituency of the people of this country is to analyze this very carefully when we are introducing fine young American sailors into an area that, in my opinion, is absolutely certain to become a hostile environment under the meaning of the War Powers Act.

Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **JOHNSTON**. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

SUPPLEMENTAL APPROPRIATIONS

Mr. **JOHNSTON**. Mr. President, the distinguished Senator from Texas, I believe, now has one amendment to bring up. As I understand it, that amendment would be subject to a point of order as being legislation on appropriations, but I would not propose to raise that point of order provided we can have a time agreement and also have an agreement that this amendment is in lieu of other amendments. I think the Senator from Texas had 22 amendments reserved.

Mr. **GRAMM**. If the distinguished Senator will yield, I have reduced those down to two amendments. This would be the first and then there would be a simple strike amendment with several sections which would be offered as well.

Mr. **JOHNSTON**. All right. Well, I will not ask for unanimous consent on that then. Did the Senator wish to enter into a time agreement?

Mr. **GRAMM**. I would be willing to enter into a time agreement of 5 minutes on a side.

Mr. **JOHNSTON**. Mr. President, I ask unanimous consent that there be a time agreement on the Gramm amendment of 10 minutes, 5 minutes on each side, with no second-degree amendment being in order.

The **PRESIDING OFFICER**. Is there objection? The Chair hears none, and it is so ordered.

AMENDMENT NO. 253

(Purpose: To Provide That Additional Funding for Disaster Payments and Assistance to the Homeless Shall Not Increase the Deficit for Fiscal Year 1987)

Mr. **GRAMM**. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM] proposes an amendment numbered 253:

At the appropriate place in the bill, insert the following:

FARMERS HOME ADMINISTRATION

RURAL HOUSING INSURANCE FUND

Notwithstanding any other provision of this Act, in order to allow the additional funding provided in this Act to the Commodity Credit Corporation for additional payments to producers under section 633(B) of the Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987; and, in order to allow the additional funding provided in this Act for Agricultural Stabilization and Conservation Service, salaries and expenses, in a manner that does not increase the deficit of the United States Government for fiscal year 1987, within the resources and authority available, gross obligations for the principal amount of direct loans financed by the Rural Housing Insurance Fund shall not exceed $1,500,000,000.

RURAL DEVELOPMENT INSURANCE FUND

In order to allow the additional funding provided by this Act for relief for the homeless without increasing the deficit of the United States Government for fiscal year 1987, in addition to any sales required under any other Act, the Secretary of Agriculture, under such terms as the Secretary may prescribe, shall sell notes and other obligations held in the Rural Development Insurance Fund established under section 309A of the Consolidated Farm and Rural Development Act in such amounts as to realize net proceeds to the Government of not less than $70,000,000, in fiscal year 1987.

Mr. GRAMM. Mr. President, I will be brief. When we adopted an authorization bill providing for additional CCC funding, an amendment was adopted to that authorization which said that when that authorization gave rise to appropriations, those appropriations would not be undertaken in such a way as to raise the deficit of the U.S. Government in fiscal year 1987. That amendment was adopted on a vote of 96 to 0.

In other words, in plain English, we said on a unanimous rollcall vote that when it came time to fund the CCC add-on we would not raise the deficit to do it. Unfortunately, in the spending bill before us, the supplemental appropriation bill, the deficit is increased by $155 million to fund that program, clearly in violation of the provisions of the authorization act.

In the authorizing bill that provided authorization for relief for the homeless, again we adopted the identical amendment, this time by a vote of 100 to 0, saying that when it came time to fund it, we would not rise the deficit, yet in this bill we have a $98-million increase in the deficit to fund homeless relief programs.

All this amendment does is allow us to fulfill the commitment we made in the CCC authorization bill and the homeless authorization bill by providing an offset. First of all, the first offset is to cap the Rural Housing Insurance Fund at $1.5 billion. I remind my colleagues that the President for 2 years in a row has called for the elimination of this program. By capping it, we would be placing a limit effectively on housing loans that are made and creating a savings of $210 million.

Additionally we would sell from the Rural Development Insurance Fund $70 million of financial assets. Last year in the continuing resolution we sold $1 billion. There are $8 billion held in the Government. They are highly marketable because the default rate is below 1 percent.

There is no heavy lifting in this amendment. We cap a housing program. We sell assets to fund the CCC emergency fund and the funds for the homeless, and it allows us to meet the commitments we made in the authorization bill, which was that we were not going to raise the deficit to fund these programs. I urge my colleagues to adopt this amendment.

Mr. JOHNSTON. Mr. President, I yield myself 2 minutes.

Mr. President, there is no heavy lifting in this amendment if you live on Wall Street, if you live in the cities, if you are from the parts of this country that are doing very well, that is, the east coast or the west coast. If you live in rural America, this is a direct assault upon it and its programs. What it would do, Mr. President, is cut by 35 percent the rural housing program—35 percent—at a time when rural America is suffering disproportionately, and in the second part it cuts the Rural Development Insurance Fund. That is community facilities, that is water facilities for rural America.

Now, Mr. President, if you want to hurt the part of this country that is suffering the most, vote for this amendment—no heavy lifting, no problem, just cut away the rural part of the country and let if float out to sea. I do not think we want to do that. I reserve the remainder of my time.

Mr. STENNIS. Mr. President, will the Senator yield to me 1 minute?

Mr. JOHNSTON. Yes, I yield to the distinguished Senator from Mississippi.

Mr. STENNIS. Mr. President, I think the Senator from Louisiana has correctly stated the situation. It is something that I am not expert in, but I have a close connection with this operation, rural housing, and so forth, and I cannot support this amendment. I thank the Senator.

Mr. JOHNSTON. I thank the Senator.

Mr. BURDICK addressed the Chair.

Mr. JOHNSTON. Mr. President, I yield to the distinguished Senator from North Dakota, the chairman of the agricultural appropriations subcommittee, the remainder of the time.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. BURDICK. Mr. President, rural housing lending was reduced by 40 percent in fiscal year 1986. A reduction of an additional $500 million, as this amendment seeks to do, would drop the overall level of funding by approximately 60 percent since 1981.

In fiscal 1981, rural housing programs were funded at $3.9 billion; in fiscal 1986, $2.1 billion was spent on rural housing programs. The fiscal year 1987 level is $2.1 billion. A further reduction of $500 million would translate into a 60-percent reduction in overall rural housing lending during the past 6 years.

The rural housing programs serve economically disadvantaged families. The average income of households participating in the Farmers Home Program is about $11,000 annually, 110 percent of poverty. Despite the fact that these economically disadvantaged households are served, over the life of the program—since the Housing Act of 1968—the default rate on the Farmers Home portfolio has been less than 1 percent.

Since its inception some two million economically disadvantaged families living in rural areas have gained decent, affordable, and safe housing through the Farmers Home Program. This would include over 150,000 rental units that have gone to senior citizens. In this current fiscal year, Farmers Home will provide approximately 75,000 units of homeownership, rental, and rehabilitated housing.

Mr. President, if no one else wishes to speak at this time, I will move to table the amendment.

Mr. GRAMM. Mr. President, how much time do I have?

The PRESIDING OFFICER. A motion to table is not in order at this time. Time remains on the amendment.

There are 2 minutes and 11 seconds remaining to the Senator from Texas, and 1 minute and 25 seconds remaining to the Senator from Louisiana.

Who yields time?

Mr. GRAMM. Mr. President, we can go through a long and sad litany, but the bottom line is that the U.S. Senate, on a vote of 96 to 0, said we were not going to raise the deficit to fund the CCC add-on. Yet, there is a $155 million increase in the deficit in this bill. By a vote of 96 to 0, we said that we were not going to do it. Yet, this bill does it. By a vote of 100 to 0, we said, when we passed the authorization bill for the homeless, that we were not going to raise the deficit when it came time to fund it. Yet, there is a $98 million add-on to the deficit in this bill.

What I have done is come up with an offset. Now, would it not be wonderful if they gave these programs away? But the bottom line is that they do not give these programs away. I have simply suggested capping a program that is making loans at as low as 1 percent—capping that program at $1.5 billion. I wish we could give it the whole Treasury, but I did not add these things to this bill. The distinguished Senators who are here opposing the offset did that; not this Senator.

What I propose is selling loans that are marketable and capping a program to pay for something the Senate said that it would pay for.

As I see it, the question here—which is why I urge my colleagues to support this amendment—is, do we mean it when we pass laws saying we are going to do things? Is it absolutely meaningless when we pass a bill that says we are not going to raise the deficit to fund something? Are we going to turn around a month later, hoping everyone has forgotten, and do it?

This is a reasonable way to do it. I wish we did not have to offset it, but, then, these are not my add-on programs. They are programs somebody else put in here. If you can come up with a better offset, I will support it, but until somebody does, I want to insist on this amendment.

I urge my colleagues to vote for it.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Louisiana has 1 minute.

Mr. JOHNSTON. Mr. President, just very briefly, the program that is being financed here is disaster loans, a $155 million program. It is not a profligate program. As a matter of fact, $40 million of the $155 million goes to Texas, for real disaster in Texas that I think need to be paid for.

The question here is not, should we pay for those? I think everyone agrees that we ought to pay for it. The question here is, Where do you pay for it? Where is this fund of money you take to pay for these disasters?

The answer of the Senator from Texas is not to cut the disaster payments, and I am glad he agrees with us on that, but, rather, to cut rural America: cut rural housing, cut rural programs. If we need some programs to cut, let us surely not do it in rural America, not when the family farm is disappearing, not when unemployment is rampant on the family farm and in rural areas.

If we are going to be fair, we ought to help areas in the country that are in the worst shape. Indeed, that is what we used to do. We used to have what we called countercyclical aid, help those areas of greatest unemployment, not make it worse on areas of greatest unemployment, on areas of greatest economic privation.

I say let us kill this amendment because it hurts rural America, when rural America needs help, not harm.

The PRESIDING OFFICER. All time has expired.

Mr. BURDICK. Mr. President, I move to table the amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion.

Mr. GRAMM. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Tennessee [Mr. GORE] is necessarily absent.

I further announce that the Senator from Ohio [Mr. GLENN] is absent on official business.

Mr. SIMPSON. I announce that the Senator from Kansas [Mr. DOLE], the Senator from Kansas [Mrs. KASSEBAUM] and the Senator from Delaware [Mr. ROTH] are necessarily absent.

I also announce that the Senator from Virginia [Mr. WARNER] is absent on official business.

The PRESIDING OFFICER (Mr. GRAHAM). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 68, nays 26, as follows:

[Rollcall Vote No. 143 Leg.]

YEAS—68

Adams
Baucus
Biden
Bingaman
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Daschle
DeConcini
Dixon
Dodd
Domenici
Durenberger
Exon
Ford
Fowler
Graham
Grassley
Harkin
Hatfield
Heflin
Heinz
Hollings
Inouye
Johnston
Karnes
Kennedy
Kerry
Leahy
Levin
Matsunaga
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Stafford
Stennis
Stevens
Trible
Weicker
Wirth

NAYS—26

Armstrong
Bentsen
Bond
Chafee
Danforth
Evans
Garn
Gramm
Hatch
Hecht
Helms
Humphrey
Kasten
Lautenberg
Lugar
McCain
McClure
Nickles
Proxmire
Quayle
Rudman
Simpson
Symms
Thurmond
Wallop
Wilson

NOT VOTING—6

Dole
Glenn
Gore
Kassebaum
Roth
Warner

So the motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BURDICK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, do I understand correctly from the distinguished Senator from Texas that he has one more amendment which we will vote on and we will, thereafter, go to third reading?

Mr. GRAMM. The Senator is correct.

Mr. JOHNSTON. Can the Senator assure Senators of that?

Mr. GRAMM. I only have one more amendment, unless I get some divine inspiration, which I am not anticipating this evening.

If the Senator will yield further, I would ask that we set a time limit of 5 minutes per side. These issues are well known; not well appreciated, but well known.

Mr. JOHNSTON. Mr. President, I would, therefore, ask unanimous consent that, on the Gramm amendment, there be a time limit of 10 minutes, to be equally divided, with no second-degree amendment in order and that no further amendments from the Senator from Texas be in order.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 254

(Purpose: To delete funds which increase the deficit in Fiscal Year 1987)

Mr. GRAMM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM] proposes an amendment numbered 254.

Mr. GRAMM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 3, strike lines 8 through 11.

On page 16, line 6, strike "$442,000,000" and insert in lieu thereof "$382,500,000".

On page 35, strike lines 16 through 22.

On page 36, strike lines 3 through 8.

On page 38, strike lines 14 through line 8 on page 40.

On page 40, strike lines 9 through 14.

On page 48, strike lines 5 through 11.

On page 51, strike lines 3 through 6.

On page 51, line 10, strike "$3,100,000" and insert in lieu thereof "$3,000,000".

On page 51, strike lines 11 through 18.

On page 52, strike lines 1 through 5.

On page 53, strike lines 14 through 18.

On page 53, strike lines 21 through "$800,000:" on line 22.

On page 54, strike lines 22 through 25.

On page 56, strike lines 18 through 24.

On page 57, strike lines 6 through 11.

On page 61, strike lines 7 through 12.

On page 77, strike lines 1 through "Provided," on line 12.

On page 78, strike lines 4 through 24.

On page 79, strike lines 9 through 16.

On page 81, strike lines 1 through 5.

On page 82, beginning with line 23, strike all through line 3, page 83.

On page 85, strike lines 14 through 17.

On page 100, strike lines 15 through 18.

Mr. GRAMM. Mr. President, the amendment that I have sent to the desk is a very simple amendment: It deletes spending for programs. I remind my colleagues that we just voted down an offset to the CCC add on and the homeless bill, both of which we had adopted unanimously under the provisio that we would not raise the deficit in order to fund them. We just violated that on the last amendment. This bill has deficit increases of $2.6 billion.

What this amendment does is it picks out several programs and simply deletes those programs. I would like to run over them very briefly.

Fish and seafood promotion, a defense add on that was not asked for by the President, funds for the International Finance Corporation, and the African Development Bank, funds for Poland, funds for southern Africa, increases for the Peace Corps, land fill, land acquisition, geological survey, computer leasing, the Center for the Study of Weeds—w-e-e-d-s; a new research study center to study the milling of flour, something we have been doing for at least 6,000 years without the help of Government, and when we have had the help, we have done it more poorly; the waiving of the cap on the Honey Program so that we do not limit honey farmers to only $250,000 a year of loans from the Federal Government; and a series of other small programs such as new funding for the Archives to do new cataloging.

Mr. President, I am not saying that some of these programs do not have merit. You cannot spend this much money, almost $200 million, without doing something for somebody. But the point is these are not emergency measures, and I hope my colleagues at this late hour in this long and laborious debate will not insult the American people in an emergency supplemental bill by funding research related to weeds or landfills or these programs which, while I am sure they have great merit to those involved, do not represent emergency matters. They ought not to be in a supplemental.

I urge my colleagues to adopt the amendment.

I reserve the remainder of my time.

THE PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, there is a large list of items here. We have had good fun out here on the Senate floor discussing these things over and over again ad nauseum. It is the same old issue, Mr. President.

Up again we have that same issue of CHAMPUS. We ought to know what CHAMPUS is by now. CHAMPUS is a program for health care for people in our armed services. They run out of money the first week in July. This amendment takes that money away. What happens when they run out of money? I do not know. We have not figured out a cure starting in July for all the sicknesses of our military people. So we have to have CHAMPUS money.

Mr. President, the list goes on and on. Most of these cuts are these small programs.

We have had all this fun talking about $100,000 for archeological funds for Nevada. The Senator from Nevada has been here to talk about it. It is an emergency. The whole country is not going to grind to a halt if we do not give $100,000 to Nevada, but we are going to lose some archeological artifacts of some importance, according to him, if we do not fund that.

Mr. President, we have been over and over this list and we need the money, Mr. President, and we need it now.

Mr. President, I am also prepared to talk about, in painful detail, all of these items from the Interior chapter, which I have the honor to handle, such as flood damages, where dikes have gone out and need to be replaced so there will not be any further damage.

FLOOD DAMAGES

Mr. President, the amendment would delete $376,000 recommended to repair flood-damaged roads, fences, and reservoirs in Montana.

These funds we included in response to emergency needs resulting from a September 1986 flood. Immediate repair of this damage is necessary to prevent additional damage to roads and structures before the spring snow runoff.

Mr. President, we received a letter from the Department of the Interior stating that the Secretary had exercised the emergency authority provided in section 101 of the fiscal 1988 appropriation bill to transfer $376,000 from watershed maintenance funds, and that the Secretary has submitted a supplemental funding request for OMB.

Mr. President, I ask unanimous consent to insert the Department's letter in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
Washington, DC, April 17, 1987.

Hon. ROBERT C. BYRD,
Chairman, Subcommittee on Interior and Related Agencies, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR SENATOR BYRD: This is to report that on April 16, 1987, the Secretary exercised his authority under section 101 of the Interior and Related Agencies Appropriations Act (P.L. 99-500) to transfer $376,000 to cover emergency expenses related to flood damage to Bureau of Land Management facilities in the State of Montana. The funds were transferred from funds appropriated for the maintenance of watershed improvement projects in the Soil, Water, and Air Management subactivity in the Management of Lands and Resources Appropriation.

During the latter part of September 1986, the State of Montana received heavy rains resulting in high stream flows, slides and flooding in many areas, resulting in extensive damage to BLM reservoirs and roads. Major damage occurred to reservoirs, including spillway damage, earth fill and dam washout. In addition to reservoir damage, approximately 10 miles of road surface and 9 miles of fence were destroyed. Immediate repair of this damage is necessary to prevent additional damage to roads and structures before the spring snow runoff.

As required by section 101 of the Interior and Related Agencies Appropriations Act, a request for a supplemental appropriation to repay the accounts from which the funds were borrowed has been submitted to the Office of Management and Budget.

A similar letter has been sent to the Honorable Sidney R. Yates, Chairman, Subcommittee on Interior and Related Agencies Appropriations, House of Representatives.

Sincerely,

JOSEPH W. GORRELL,
Principal Deputy Assistant Secretary, Policy, Budget and Administration.

Mr. JOHNSTON. In summary, these funds are emergency in nature; are needed now in order to replenish funds expended to prevent further damage due to spring runoff; and are proposed for a supplemental funding request. I urge my colleagues to support the committee position.

FWS—LAND ACQUISITION—BAYOU SAUVAGE NWR

Mr. President, the bill before you includes a recommendation of $5 million for land acquisition at the Bayou Sauvage National Wildlife Refuge, near New Orleans, LA.

This refuge was recently authorized. It is ranked by the Fish and Wildlife Service as highly desirable. It is about 19,000 acres and consists of critical wetlands, includes bottomland hardwoods, fresh marshes, and brackish marshes.

In the fiscal 1987 appropriation bill, we included $3 million to get started on this acquisition. Now, the Fish and Wildlife Service has made substantial progress in its appraisal process.

Let me summarize briefly why we need to keep this $5 million in the bill before you. The property was to be developed but the project never reached fruition for a number of reasons. Merrill Lynch ended up owning the property and values it at $17 million. However, they have indicated that they will make a bargain sale and a partial donation if it can receive the remaining appropriation in the short term. It is not my intention to say that we could not drop this money from the supplemental and make it up later. We could.

But if we do, it will cost us more money. We simply will not be able to get this exceptional piece of property at a below-market price if we do not move now to provide this appropriation. I urge my colleagues to agree with me that saving money is as urgent a reason to fund projects in the supplemental as there is.

FISH AND WILDLIFE SERVICE—EMERGENCY FLOOD REHABILITATION

Mr. President, the bill before us today includes $15 million dollars to be available to repair flood damages at national wildlife refuges, national fish hatcheries, and wildlife research facilities. The report accompanying the bill, S.R. 100-48, has a list by State of the projects to be funded with the emergency appropriation on pages 65 and 66.

Let me summarize, however, by saying that Fish and Wildlife Service facilities in 16 States will receive urgently needed repair funding as a result of this appropriation.

I understand that the administration is preparing a supplemental funding request to provide for these needs. However, Mr. President, we found ourselves in the position that this supplemental was not going to be received by the committee in time for us to consider the supplemental request. Therefore, we included this money in the bill before we received the request.

I would say that most of the damages are to facilities needed to manage our wildlife resources. We have literally millions of dollars of investments that are not in a position to be used unless this repair program gets funded immediately.

For example, the Ottawa National Wildlife Refuge in Ohio suffered extensive damage to interior dikes, as a result of record levels of rainfall. This means that literally miles of dikes are no longer functional. Without these dikes, the breeding areas for bald eagles and other birds are no longer protected for the benefit of the wildlife. Funding in the amount of $1 million is included in this supplemental to restore those dikes.

As another example, the Hagerman National Wildlife Refuge in Texas suffered extensive flooding and erosion in August, September, and October 1986. The heavy rainfall damaged farm terraces, bridges, roads, water control structures, dikes, and fences. The refuge receives over 117,000 visitors annually and the needed repairs will protect their health and safety. The bill contains $90,000 to address those problems.

Mr. President, I could go on, but I urge my colleagues to agree that the projects listed on pages 65 and 66 of the committee report are urgently needed and should be funded now.

Mr. President, the following land acquisition projects are included in the urgent supplemental for good reasons. We believe that each of them meets the test for an urgent supplemental.

CONGAREE SWAMP NATIONAL MONUMENT (NM), SC

Mr. President, the Congaree Swamp NM is 15.138 acres near virgin hardwood forest, acquired, in part, by the Government through a declaration of taking filed on February 21, 1980.

At the time of the filing, the Government deposited with the courts the estimated value of the lands. However, the court has now ruled that just compensation for the property is $11.8 million more than was deposited with the court.

The money included in the supplemental is in response to a court order. Interest is accumulating on our outstanding balance at about $2,000 per day. Of course, we could wait until the regular 1988 appropriations bill, and it would only cost us $60,000 per month.

I urge my colleagues to support funding for this project.

NEW RIVER GORGE NATIONAL RIVER, WV

New River Gorge was authorized in 1978. The park has plans to acquire between 50,000 and 60,000 acres, but to date has acquired less than 6,000 acres.

One characteristic of land ownership patterns in the New River Gorge area is that there are a number of large ownerships. Acquisition of several properties is being negotiated at the current time, each of which may be in excess of several million dollars.

In addition to these large properties, the National Park Service has 56 completed appraisals comprising 9,500 acres for an estimated value of $6 million. The money recommended in the supplemental is essential for the Service to be able to complete these urgent acquisitions. I urge my colleagues to support the funding included in the bill.

APPALACHIAN NATIONAL TRAIL

Mr. President, the Appalachian Trail is a continuous 2,097-mile trail ranging from Maine to Georgia. The trail passes through 14 States, including: Connecticut, Georgia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Tennessee, Vermont, Virginia, and West Virginia.

The Service is about 150 miles short of having all of these miles protected for trail use. As of April 30, 1987, there was less than $500,000 available to the service to complete the acquisition. Without the money included in the supplemental, no additional acquisition will occur until additional funds are to be provided in the regular fiscal 1988 bill. Prices are continuing to increase and options may be expiring.

The money included in the supplemental would be distributed as follows:

Maine	$2,100,000
Connecticut	700,000
New Hampshire	300,000
Pennsylvania	2,100,000
New Jersey	400,000
New York	300,000
Vermont	600,000
Massachusetts	700,000
Total	$7,200,000

I urge my colleagues to support the funding in the supplemental. Otherwise, when acquisition resumes in the fall or spring, prices will have escalated and additional costs will need to be incurred.

U.S. Geological Survey

	Millions
President's request	$2,597
House allowance	2,597
Senate allowance	2,597
Gramm proposal	−2,597

The amendment would delete funds which were included within the President's request.

The allowance would provide $2 million to implement a new pilot administrative accounting system which would be tested within the Geological Survey first. The new accounting system is the basis for future administrative efficiencies. These funds are a good investment. To delete them would be penny wise and pound foolish.

The remaining $597,000 has been recommended to cover emergency fire fighting costs over which the Department obviously has no controls.

MINERALS MANAGEMENT SERVICE

The amendment would strike all $800,000 recommended by both the House and Senate for the Minerals Management Service.

The sum of $700,000 included in the recommendation provides for the continued operation of the royalty accounting system on the existing VAX computer system. It was originally intended that a new computer system would be operating by this time. However, the new system has failed its acceptance tests. If the $700,000 is deleted, the auditing of Federal mineral royalty collections will suffer. More funds are apt to be lost than the amendment would save if compliance efforts are hampered.

FOREST SERVICE—INSECT AND DISEASE CONTROL

Mr. President, the bill before us today includes an increase of $10,000,000 to be available for insect and disease control activities on Federal land.

The funds are needed throughout the country. In Mississippi, Louisiana, Alabama, Arkansas, Georgia, North and South Carolina, and Texas, the southern pine beetle continues to destroy thousands of acres annually.

The mountain pine beetle and the western spruce budworm in Idaho, Oregon, Washington, New Mexico, Colorado, Wyoming, and Utah, is outrunning our best efforts to limit their damages.

The gypsy moth is devastating thousands of acres throughout the Northeastern area. States such as Maryland, Maine, New Jersey, New York, Pennsylvania, and West Virginia are either losing acres now or are expecting big losses in the next year. In 1986, over 2,400,000 acres were defoliated by gypsy moths. These funds will permit the Forest Service to begin to inventory, spray, and monitor acres to control some of these losses.

Mr. President, I know of no responsibility so essential as the protection of our public lands. These funds are in addition to the $8 million already appropriated in 1987.

A particular problem our subcommittee faces is estimating the amount of funding needed each year to control insects. We make those annual appropriation decisions in the summer and fall of one year, but insect populations are not known until the spring of the next year. The supplemental funding bill is the perfect vehicle to fund these types of problems. They are urgent; they are important; and they are needs that are unanticipated when we make annual funding decisions.

I urge my colleagues to support this funding.

Mr. President, I think the Senate has shown a trend in this last vote by over 2 to 1. I think the trend is there even more strongly for these items which we have debated over and over on the Senate floor. At the appropriate time—and I am prepared to yield back the remainder of my time——

Mr. GRAMM. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Texas has 2 minutes 10 seconds.

Mr. GRAMM. Let me point out, Mr. President, that in the CHAMPUS Account, the funds that are struck represent the amount by which the bill before us exceeds the recommendation of the President.

Again I go back and ask you to look at these basic items and ask yourself, Do these items belong in an emergency supplemental bill? Perhaps we have all heard it so many times that we have grown tired of it, but I do not think that weed research centers, milling centers, and I could go on and on from aid to Poland to aid to Southern Africa, the African Development Bank, at a time when we face a mounting deficit, when interest rates are beginning to rise, again, I do not think these kinds of items ought to be in an emergency supplemental bill. I think the distinguished Senator from Louisiana says there is a trend, and it is a trend, but unfortunately it is a trend that is producing the kind of trend we do not want in interest rates, in inflation rates. This trend, if it does continue, could offset all we have done since 1981. I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Texas has yielded back the remainder of his time.

Mr. JOHNSTON. How much time have I remaining?

The PRESIDING OFFICER. Two minutes 10 seconds.

Mr. JOHNSTON. The distinguished Senator from Texas has spoken about the CHAMPUS and said that the amount of money included in the bill was that which the President requested.

Mr. President, the President of the United States made his budget request in January. Since then, things have changed and the Secretary of Defense just a few days ago before the Senate Appropriations Committee requested $425 million saying that that was the amount. That is the amount, $425 million as included in this bill.

Here is a letter from the Secretary of Defense dated April 27, 1987, in which he says, among other things:

> CHAMPUS is a legislated entitlement and costs cannot be reduced by management actions such as restricting the beneficiaries' access to health care. Failure to provide full funding will force the Department to reprogram resources from other programs. It is requested that the Senate provide the total $425 million supplemental funding required.

So, Mr. President, there is not any doubt that the Senate Appropriations Committee is correct in the amount. There is not any doubt that the total $425 million is needed. What we need to do, Mr. President, is to go ahead and approve this matter.

Mr. President, I am prepared to yield back the remainder of my time——

Mr. CONRAD addressed the Chair.

Mr. JOHNSTON. Mr. President, how much time remains?

The PRESIDING OFFICER. Forty seconds.

Mr. JOHNSTON. I yield 40 seconds to the Senator from North Dakota.

Mr. CONRAD. Mr. President, we have heard a good deal about weeds from the distinguished Senator from Texas. I will point out two things. This bill provides $8 million for the weed research center to find a nonpolluting, nonchemical means for weed eradication. That is important.

In a Washington Post article, May 21, 1987, they pointed out that pesticides in 15 common foods may cause 20,000 cancers per year. I ask unanimous consent that that article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 21, 1987]

PESTICIDES IN 15 COMMON FOODS MAY CAUSE 20,000 CANCERS A YEAR

(By Michael Weisskopf)

Pesticides contaminating the most common American foods may be responsible for as many as 20,000 cancer cases a year, according to a National Academy of Sciences report released yesterday.

The report, confirming longstanding public health fears of chemicals sprinkled liberally on U.S. farm land, indicates that pesticides cause roughly as many cancers yearly as radon gas and asbestos but far fewer than cigarette smoking.

Fifteen foods treated by a handful of pesticides pose the greatest risk of cancer, according to the two-year study by a special committee of the academy's National Research Council. They are tomatoes, beef, potatoes, oranges, lettuce, apples, peaches, pork, wheat, soybeans, beans, carrots, chicken, corn and grapes.

The study focused on 28 of the 53 pesticides deemed carcinogenic or potentially carincogenic by the Environmental Protection Agency. More than 80 percent of those analyzed exceeded the EPA theshold of "acceptable" cancer risk for a pollutant—no more than one additional case of cancer for every 1 million people exposed.

The EPA, responsible for regulating pesticides, was criticized in the report for lacking "sound scientific or policy reasons" in pursuing tougher pesticide residue standards for processed foods than for raw commodities. The committee recommended adopting the EPA's acceptable-risk standard as a uniform maximum standard.

Ray Thornton, the committee's chairman and president of the University of Arkansas, told a news conference that the current "crazy quilt" of regulations "does not provide the best protection of public health."

The study could boost the prospects of legislation aimed at overhauling the nation's pesticide laws. At a hearing of the Senate Agriculture Committee yesterday, Assistant EPA Administrator Jack Moore said of the study, "One should not be worried about what he purchases at the supermarket. The food supply is wholesome and safe."

The projection of 20,000 additional cases of malignant tumors yearly is based on the academy committee's "worst-risk" assessment of the 28 pesticides, assuming average daily consumption for 70 years of foods treated by a maximum amount of chemicals and covered with a maximum amount of residue. The study estimated 5.8 cases of cancer for every 1,000 people exposed over their lifetimes. Environmentalists, applying that figure to the entire population, estimate 1.45 million cases over 70 years, or 20,000 per year.

The lifetime risk of cancer for the general population is 1 in 4, or 250 per 1,000 people. In the worst case of 5.8 additional cancers per 1,000 people, the odds of contracting the disease would rise from 25 percent to 25.58 percent.

Radon gas, which seeps from the ground into homes, is believed to cause between 5,000 and 30,000 cancers yearly, and asbestos 9,000 cases, according to the American Cancer Institute.

Committee member Arthur C. Upton, of New York University's Institute of Environmental Medicine, said even the "upper limit estimate" of cancer risk posed by pesticides is "a very, very small proportion" of total U.S. cases estimated to reach 965,000 this year.

Compared to cigarette smoking which is expected to cause 120,000 cases of lung cancer this year, the risk is small. But "you can volunteer not to smoke," said Lawrie Mott, senior staff scientist for the National Resources Defense Council. "The public has no way of protecting itself against pesticides."

Mott said the committee's projections probably underestimate the cancer risk because nearly half of the known or suspected carcinogens were studied. Moreover, there was no estimate of pesticides' effects on drinking water.

According to the study, 80 percent of the cancer risk from pesticides is represented by 10 of the most commonly used chemicals: linuron, zineb, captafol, captan, maneb, permethrin, mancozeb, folpet, chlordimeform and chlorthalonil. All of them exceed by hundreds of times the EPA's acceptable risk standard endorsed by the academy committee.

Tomatoes, treated with four of the most dangerous chemicals, account for 15 percent of the total dietary cancer risk for pesticide residues under the worst-case analysis, the report said.

All pesticides in the United States must be registered by the EPA, which is charged with balancing the crop benefits of each chemical against its health risks. For most of the older registrants, however, the agency's health assessments have been impeded by a lack of health data and chemical residue data.

A bill seeking to reform pesticide regulations for the first time in 15 years would require pesticide manufacturers to submit full health data within a decade of the bill's passage.

For every registered pesticide, the EPA is supposed to set legal limits specifying how much pesticide residue can be present in food sold in interstate commerce. A 1958 legislative provision called the Delaney Clause complicated the EPA's job by prohibiting any cancer-causing additives in processed food.

As a result, the agency applies a tougher standard to pesticides in processed foods than in raw commodities, which, according to the study, represented nearly 80 percent of the cancer risk in food.

"From the standpoint of consumer protection," the report said, "the source of exposure—raw commodity versus processed food—seems irrelvant."

Mr. CONRAD. I have another article to bring to the attention of this body, which just appeared in the Minneapolis Star and Tribune, a major story. "Just When It Appeared The Prairie Was Safe, It's . . . Leafy Spurge, The Weed That Would Not Die."

I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Minneapolis Star and Tribune, Monday, May 18, 1987]

"Superweed"—Digging in for a Battle

(By George Monaghan)

A shy and retiring botany professor at the University of Minnesota named Thomas Morley once stood firm against the formidable Minnesota Highway Department's plan to run the Crosstown expressway over one of the few virgin prairies left in the metropolitan area.

Morley won. The prairie is still there, a tranquil island of needle grass, prairie violets, purple Alexanders, sunflowers and goldenrod between two branches of a highway constantly roaring with traffic.

Now, though, he is facing an even tougher adversary and it has nothing to do with state bureaucracies.

It is called leafy spurge, a tall, slender and almost frail-looking weed that's so aggressive and stubborn even Morley has just about given up hope of getting rid of it.

Not that he hasn't tried. For the last seven years he's been fighting leafy spurge in a little patch of virgin prairie in Bloomington. The story he tells of his efforts are an indication of what scientists at the university are up against as they set out on a study, the first in Minnesota, to find a weak spot in what has become known among some of them as "superweed."

Leafy spurge is scattered across half of the country from Montana to Minnesota and as far south as Kansas and Nebraska. About the only places where it can't grow are lawns that are consistently cut and crop land consistently cultivated. It doesn't like urban development, either, and one thing that stops it cold is blacktopping. But its costs to agriculture are astronomical. The cattle-carrying capacity of land drops by as much as three-fourths when leafy spurge takes hold, mainly because it inhibits grass production. North Dakota alone loses $7 million a year in forage and beef production and spends another $6 million for control programs. In Minnesota, leafy spurge has invaded parks, infests road rights-of-way, and contaminates pasture and prairie land in wide-spread sections, an estimated 600,000 acres in all, 100,000 of them in Hennepin County.

Once it gets started, hardly anything can stop it. Cattle won't eat it. They won't even eat the grass growing near it. Insects won't kill it. Other plants can't live around it. Herbicides can kill it, but so much has to be used that it's often not worth it. You can cut it, but it will return, its greenish-yellow flowers waving delicately in the spring breeze and getting ready to pop its seeds over the immediate vicinity.

The little prairie in Bloomington began having spurge problems in 1962, when construction crews built a playground for the old Nine Mile Creek School. Fill for the land had leafy spurge seeds in it. A colony got started. Then seven years ago, the city's park department made a mistake. Nearby, it stored a pile of wood chips used to spread on park walking paths. It was located downwind from the spurge. Seeds got into the wood pile. When the chips were used on paths, the seeds spread along the paths and advanced into the prairie a quarter mile away.

"I've been trying to eradicate it ever since," Morley said, "spraying it in spring plant by plant, but they kept coming back. Then I started spraying mid-May and mid-June and a month later, and it's still there.

"I have it under control now, but I think if I live a hundred years I might get rid of it, and by that time the park department would probabily come in with more wood chips and start the thing all over again."

What makes the leafy spurge, a distant cousin of the poinsettia, so tough?

You name it—the roots, the flowers, the buds, the seeds, the chemistry, the poisonous chemicals it synthesizes. They all have something to add.

The roots, said Charles G. Dale, weed and seed supervisor for the Minnesota Department of Agriculture, go very deep. He's seen them 30 feet deep, and roots 5 feet deep can send shoots to the surface.

The roots have buds all over them. They push up through the soil and become more plants with their own roots that, if not stopped, can in four months penetrate 3 feet deep and spread out 40 inches. The roots hold enough nutrients to keep the plant alive for years.

The new plants grow flowers. Each flowering stalk produces a dozen or so capsules, each with three seeds. When the seeds mature, the capsules explode, spraying seeds as far as 15 feet.

Willard L. Koukkari, professor of plant physiology at the University of Minnesota and member of a team beginning the spurge study, grows leafy spurge seeds in his laboratory. Now and then, he hears the pods explode and finds seeds all over the laboratory floor.

In nature, birds and animals and running water carry the seeds miles away. People spread them, too, often by moving soil to and from construction sites.

"What's so amazing about it," Koukkari said, "is the way it takes over. I'm not aware of anyting yet that will compete with leafy spurge. It comes in and it occupies the territory. The other plants just disappear. We think allelopathic chemicals might be involved, chemicals the plant produces that inhibit growth and development of other plants."

Leafy spurge has a long, involved history. Botanists think it started in southern Europe in ancient times and worked its way around the world. It came to the United States in ships carrying manufactured products that were too light to give the ship stability. So soil and rocks from Europe were used as ballast. When the ships arrived, the ballast was dumped on American soil. The first leafy spurge, then, came from ballast soil dumped in Massachusetts. It spread into Canada, then down through the Upper Midwest and the Plains states.

Russian Mennonites trying to escape conscription into the czar's army in the 1870s also brought spurge seeds with them when they immigrated to North Dakota, South Dakota, Minnesota, Kansas and Nebraska. They apparently carried leafy spurge seed in grain they brought with them.

The study of leafy spurge by Koukkari and his colleague, David Biesboer, also a university plant physiologist, is being financed over four years by a $125,000 state grant. The study probably will take 10 years. What Koukkari and Biesboer want to do is find the plant's weaknesses. To do that, they will take it apart virtually molecule by molecule to see how it works. They hope to find out what makes the plant so persistent and productive. If they find out, they'll begin looking for the chemicals of other plants to poison leafy spurge the way it poisons other plants.

They've come up with few leads, Koukkari said. They are investigating a European moth as a possible control. And they are investigating a bacterium that turns leafy spurge green yellow. Even then, though, the plan overcomes the problem and grows green again.

"It would be very nice if we could find some nice lawn prairie grass that would take over leafy spurge and we think we might have a few leads on plants that may be competitors," Koukkari said.

"It's not very much, but right now it's all we have. The fact is, leafy spurge is in a league by itself."

There is one other possibility. People someday may learn to love it. Leafy spurge is in a botanical family characterized by a milky latex in the leaves and stems. It can be refined like oil and the product burns like gasoline.

During the '70s, some botanists were talking about possibly raising fields of these "gasoline plants," especially on marginal lands out west. But their dream faded with the oil glut.

Mr. CONRAD. Mr. President, I ask that we reject this amendment.

Mr. JOHNSTON. Mr. President, I move to table the amendment.

Mr. GRAMM. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN] is necessarily absent.

I further announce that the Senator from Ohio [Mr. GLENN] is absent on official business.

Mr. SIMPSON. I announce that the Senator from Kansas [Mr. DOLE], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from Delaware [Mr. ROTH] are necessarily absent.

I also announce that the Senator from Virginia [Mr. WARNER] is absent on official business.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 61, nays 33, as follows:

[Rollcall Vote No. 144 Leg.]

YEAS—61

Adams
Baucus
Bentsen
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Conrad
Cranston
D'Amato
Daschle
DeConcini
Dixon
Dodd
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Gore
Graham
Grassley
Harkin
Hatfield
Inouye
Johnston
Karnes
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
McClure
Metzenbaum
Mikulski
Mitchell
Moynihan
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Stafford
Stennis
Weicker
Wirth

NAYS—33

Armstrong
Bond
Boschwitz
Cohen
Danforth
Garn
Gramm
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Kasten
Lugar
McCain
McConnell
Melcher
Murkowski
Nickles
Nunn
Proxmire
Quayle
Rudman
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Wilson

NOT VOTING—6

Biden
Dole
Glenn
Kassebaum
Roth
Warner

So the motion to lay on the table amendment No. 254 was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PEACE CORPS

Mr. CRANSTON. Mr. President, as a long-time and ardent supporter of the Peace Corps, I am delighted by the provisions in this measure which would provide a supplemental fiscal year 1987 appropriation of $7.2 million for the Peace Corps and prohibit the expenditure of funds for the purpose of relocating the Peace Corps' headquarters to office space outside the Nation's capital. These provisions are included in chapter IV of title I and in section 508, respectively, of the pending measure. I am deeply grateful to the Senator from Arizona [Mr. DECONCINI] for his great work in bringing about both of these provisions.

FUNDING

Mr. President, the additional funding that would be provided in this legislation is crucial to the efforts of the Peace Corps in fiscal year 1987 to maintain its operations and to begin making progress toward achieving the congressionally mandated goal of a Peace Corps volunteer strength of 10,000. I am very pleased to have authored the legislation establishing that goal, which was enacted in section 1102 of the International Security and Development Cooperation Act of 1985, Public Law 99-83.

Despite the unprecedented growth in the populations in the nations of the developing world, the numbers of Peace Corps volunteers have declined over the past two decades from more than 15,000 volunteers in 1966 to 9,000 in 1970, to just over 5,000 in 1984. Currently, there are only about 5,500 men and women serving in the Peace Corps; yet the Peace Corps has over 2,400 more requests for volunteers from host countries.

At congressional request following enactment of Public Law 99-83, the Peace Corps developed a 6-year plan to reach the 10,000-volunteer goal in a phased and realistic way. According to that plan, which was submitted to Congress on March 5, 1986, in fiscal year 1987 the Peace Corps would require an appropriation of $137.2 million. Following receipt of this plan, the Senate passed and Congress enacted legislation in section 1301 of the Omnibus Diplomatic Security and Antiterrorism Act of 1986, Public Law 99-399, to increase the Peace Corps' fiscal year 1987 authorization of appropriations from $130 to $137.2 million.

On March 16, 1987, the chairman of the Foreign Relations Committee [Mr. PELL], the chairman of that committee's Subcommittee on Western Hemisphere and Peace Corps Affairs [Mr. DODD], the Senators from Arizona [Mr. DECONCINI] and from Vermont [Mr. LEAHY], both members of the Appropriations Committee, and the Senator from West Virginia [Mr. ROCKEFELLER] joined with me in a letter to the distinguished chairman of the Foreign Operations Subcommittee of the Appropriations Committee [Mr. INOUYE] outlining the need for this additional funding and urging his support for a $7.2 million supplemental fiscal year 1987 appropriations for the Peace Corps.

Mr. President, I ask unanimous consent that the text of our March 16 letter to Chairman INOUYE be inserted at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, March 16, 1987.

Hon. DANIEL K. INOUYE,
Chairman, Subcommittee on Foreign Operations, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR DAN: We are writing to urge that, during consideration of the FY 1987 Supplemental Appropriations bill, adequate funding for the Peace Corps be provided to support progress toward the Congressionally-mandated goal of a Peace Corps volunteer strength of 10,000 and to achieve certain programmatic improvements.

As you may know, legislation enacted in section 1102 of the International Security and Development Cooperation Act of 1985 (Public Law 99-83) established the 10,000-volunteer goal. Currently, there are approximately 5,500 men and women serving in this unique and valuable program.

Despite broad and continuing national and international support for the Peace Corps and its significance in the pursuit of world peace and understanding, the number of Peace Corps volunteers has steadily decreased over the last two decades—from its height of more than 15,000 volunteers in 1966 to 9,000 to 1970, to little more than 5,000 in 1984. During this same period the populations of the developing nations of the world dramatically increased, adding to the multitude and complexity of problems confronting the peoples of these lands—problems which Peace Corps volunteers are in a unique position to assist in alleviating. In this regard, the Peace Corps presently has over 2,400 more requests for volunteers from host countries, and nearly 500 more qualified applicants, than the agency's current budget enables it to meet.

In order to provide for the orderly achievement of the 10,000-volunteer goal, at our request, Peace Corps Director Loret Ruppe prepared a 6-year plan for reaching that level by the end of fiscal year 1992. A copy of that plan submitted in March 1986 is enclosed. To keep pace with that plan and to make needed improvements in the operation of the Peace Corps, we believe that $7.2 million in funding to supplement the agency's FY 1987 appropriation of $130 million is essential. Such an appropriation would simply provide full funding for the current authorization for the Peace Corps. Of this modest increase, $6.2 million would enable the Peace Corps to enhance and expand operations in the Philippines (50 PCVs) in accordance with the expressed wishes of President Aquino; to increase modestly the number of new volunteers enrolled this year for service in other countries (200 PCVs); to extend the term of a small number of current volunteers with special skills (100 PCVs); and to assess the potential for developing Peace Corps programs in new host countries.

Over and above the $800,000 in supplemental funding requested by the Administration for raises in Peace Corps staff pay and additional financial requirements from the new Federal Employment Retirement System, an additional $6.4 million, would, in addition to making it possible to achieve the purposes described above and shown in the enclosed chart, help enable the Peace Corps to deal with a number of unforeseen expenses stemming from fluctuation in the exchange rates of international currencies and increases in the agency's fixed costs. Thus, with this $7.2 supplemental, the Peace Corps' FY 1987 appropriation would total $137.2 million, the full amount currently authorized for FY 1987.

We know you share our enthusiasm for the Peace Corps and its mission of promoting peace and international understanding. We urge your support for the $7.2 million necessary to bring about those opportunities.

With every good wish,
Ever sincerely,

CHRISTOPHER DODD,
(Chairman, Subcommittee on Western Hemisphere Affairs),
CLAIBORNE PELL,
Chairman,
ALAN CRANSTON,
(Chairman, Subcommittee on East Asian and Pacific Affairs),
Committee on Foreign Relations.
DENNIS DECONCINI,
(Member Subcommittee on Foreign Operations),
PATRICK LEAHY,
(Member, Subcommittee on Foreign Operations),
Committee on Appropriations.
JOHN D. ROCKEFELLER IV.

PEACE CORPS

FISCAL YEAR 1987 SUPPLEMENTAL PROPOSAL

[Millions of dollars]

Expand and Enhance Operations in the Philippines: $1.0.

Expand program by 50 volunteers to restore volunteer reductions made in the Philippines in response to Gramm-Rudman and to demonstrate continued support for the new government's focus on development through specialized agricultural training programs. (Increased numbers of volunteers and agricultural emphasis on Peace Corps programs in the Philippines is consistent with President Aquino's desires expressed to the Director of the Peace Corps in a November 1986 meeting in the Philippines.)

Other Increases in the Numbers of Volunteers: $3.2.

Increase the number of volunteers elsewhere by 200 to meet requests from host countries which cannot currently be met with existing budget resources.

Expand Term of Special-Skill Volunteers: $1.0.

Extend the use of the experience and expertise of 100 volunteers who have already completed two years of service and would like to extend their service for a third year.

New Country Entry Developments: $1.0.

Conduct assessments of new country entries (possible candidates: Chad, Sudan, Comoros, Bolivia, Equatorial Guinea, Pakistan, Uruguay, Djibouti, and China); start-up costs for 3-5 entries.

Total: $6.2.

PEACE CORPS,
March 5, 1986.

Hon. ALAN CRANSTON,
Member, Senate Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR SENATOR CRANSTON: In response to your request of February 3, we are providing a detailed plan for attaining a volunteer level of 10,000 over the next six years.

We share with you the concern for the needs of the developing world and a conviction that long-term development needs are best met through grassroots-level assistance. As we enter our second quarter-century, Peace Corps is reaffirming its role in providing such assistance, a role in the foreign assistance community.

As I participate in 25th Anniversary symposia around the nation, I am pleased and very proud of the continued support of the American people for the basic goals of the Peace Corps. The strong response made by Americans throughout the nation to our appeals for increased numbers of volunteers to support our Africa Food Systems Initiatives has been repeated in the enthusiastic response to our anniversary activities. The so-called "me generation" is in fact responsive to the needs of people on the other side of the world, and willing to contribute their time and skills to meeting those needs. And an older generation of Americans has renewed its interest in international volunteerism; their extensive experience ensures that they have the skills so much needed overseas.

Due to time constraints, the attached plan has been developed by Headquarters staff, with limited participation by our overseas staff, who are occupied in making the program reductions required under Gramm-Rudman. Despite this constraint, we feel that the outlined volunteer levels are feasible and supportable. We considered possibilities for expanding existing programs, for initiating new projects in countries where we now serve, and for establishing new programs in countries where we do not now operate. We also weighed the likelihood that host countries would agree to, and support, potential expansions. And we carefully evaluated "saturation levels" for each country (the levels at which the sheer numbers of volunteers in a particular country would preclude further increases).

While increased levels of volunteers are feasible, it is important to note the limitations inherent in development of this plan:

The need to reduce the Federal deficit continues to be an urgent priority of this Administration. As I noted in my earlier letter, we need to balance the economic needs of the developing world with the economic needs of our own Nation. Potential increases noted in the plan must be viewed as somewhat tentative, as they depend heavily on the concurrence of the host country government. As you know, the bulk of our volunteer activity is in direct response to a specific request from a host country. Since host country governments did not participate in the development of this plan, we cannot guarantee their response. We feel that the overall numbers are attainable, however, in light of the numerous requests we have received for new or expanded efforts, although this will also depend on the availability of scare skills among our applicants.

Increases are also subject to change based on changing political and economic environments in the countries served. We have not identified individual countries in this plan for that reason. The overall numbers would not be expected to fluctuate much, though, as one country's increase may well offset another country's decrease.

Increased levels cannot be attained without the establishment of programs in countries where we do not now operate. As with expansions, such new country entries depend on the concurrence of the host country. We have received a number of contacts concerning possible new country entries, but would have to go through the formal negotiation process before establishing programs.

Any increase in volunteer levels would require a commitment of resources in both dollar and personnel terms, and may be difficult to achieve in the current budget environment. Peace Corps cannot, and will not, place volunteers overseas without adequate support to ensure their continued health and safety.

Despite the tentative nature of any specific numbers, especially on a country-by-country basis, Peace Corps does feel that the need for development assistance is there, and that we can play a valuable role in helping the developing world meet its long-term needs. As you well know, Peace Corps is most cost-effective (and, in our eyes, our most effective) development assistance program.

I hope the enclosed plan responds to your request. If you have any questions or need additional information, I and my staff are available to assist you in any way possible.

Thank you for your continuing interest in and support for, Peace Corps' programs.

Sincerely,

LORET MILLER RUPPE,
Director.

SUMMARY

[Summary of resources required to reach a volunteer force of 10,000 by 1992]

	Fiscal years [2]						
	1986	1987	1988	1989	1990	1991	1992
Trainee input	2,615	3,171	3,714	4,233	4,572	4,890	5,317
Volunteer years	5,103	4,961	4,999	5,737	6,571	7,256	7,830
Volunteers on board end of year	6,012	6,108	6,630	7,686	8,581	9,307	10,054
Budget requirements (dollars in millions)	[1] 124.4	137.2	146.2	157.0	172.8	185.3	196.2
Staffing requirements (FTE)	1,039	1,097	1,168	1,211	1,269	1,309	1,318

[1] Excludes $5.59 million sequestered (from a total appropriation of $130 million) as a result of Gramm-Rudman-Hollings constraints.

[2] Projected resource requirements are in constant dollars.

Establishing and maintaining a volunteer force of 10,000 would require more than doubling our annual trainee input over the next four to six years.

From 1,199 to 3,053 in Africa (up 1,854).

From 707 to 986 in Inter America (up 279).

From 684 to 1,253 in North Africa, Near East, Asia and Pacific (up 569).

Most of the volunteers would serve in agriculture and education programs, with lesser increases in health, water/sanitation, forestry and small enterprise development.

Over a dozen new country entries would be planned (up from 63 at present).

Funding would need to increase by $72 million over current levels.

Staffing would need to increase by close to 300 FTE over current levels.

Fiscal year 1987

Trainee input	3,171
Volunteer years	4,961
Volunteers on board end of year	6,108
Staff (FTE)	1,097

	Millions
Program support	45.2
RCDE	12.8
Volunteer operations	79.2
Total	137.2

Increased trainee input over fiscal year 1986 by 556:	
Africa	282
Inter America	224
North Africa, Near East, Asia and Pacific (NANEAP)	50

Major increases are in agriculture/rural development, education, small enterprise development and health.

Assumes entry into four (4) new countries (1 in Africa, 3 in Inter America).

Increases in staff provide for overseas staff, recruitment, and support services.

	Millions
Basic training for new volunteers (trainees)	(3.3)
Program planning to support the expansion	(.4)
Medical support	(.5)
Program materials for volunteers	(.2)
Recruitment, other (1 FTE)	(.2)
Increases in Volunteer Operations provide for	4.6
Recruitment (8 FTE)	(2.2)
Support to the UN Volunteer program (+5 volunteers)	(.3)
Increases in RCDE provide for	2.5
Overseas staff (28 FTE)	(1.4)
Headquarters staff (21 FTE)	(.8)
One-time costs—new costs	(.8)
Conversion to State systems for personnel/payroll	(.5)
One-time upgrade of overseas computer systems	(.8)
Overseas support costs (vehicles, FAAS)	(.6)
One-time computer expansion	(.5)
Support services	(.3)
Increases in Program Support provide for	5.7

Fiscal year 1988

Trainee input	3,714
Volunteer years	4,999
Volunteers on board end of year	6,630
Staff (FTE)	1,168

	Millions
Program support	$49.6
RCDE	13.0
Volunteer operations	83.6
Total	146.2

Increases trainee input over FY 1987 by 543:	
Africa	360
Inter America	108
NANEAP	75

Major increases continue in agriculture/rural development, education, and small enterprise development.

Assumes entry into 3 new countries (1 in NANEAP, 2 in Africa).

Increases in staff provide for overseas staff, recruitment and support services.

	Millions
Basic training for new volunteers (trainees)	(3.2)
Overseas support to new volunteers (allowances, travel, in-service training, supplies, etc.)	(.4)
Medical support	(.5)
Recruitment, other (1 FTE)	(.3)
Increases in Volunteer Operations provide for	4.4
Recruitment (8 FTE)	(.3)
Support to UNV program (grant in alternating years)	(−.1)
Increases in RCDE provide for	.2
Overseas staff (43 FTE)	(2.1)
Headquarters staff (19 FTE)	(.7)
Overseas support costs (vehicles, FAAS)	(.4)
One-time upgrade of overseas computer systems	(1.2)
One time costs for new posts	(−.2)
Other	(.2)
Increases in program support provide for	4.4

Fiscal year 1989

Trainee input	4,233
Volunteer years	5,737
Volunteers on board end of year	7,686
Staff (FTE)	1,211

	Millions
Program support	48.4
RCDE	13.7
Volunteer operations	94.9
Total	157.0

Increases trainee input over 1988 by 519:	
Africa	300
Inter America	144
NANEAP	75

Major increases in education and agriculture/rural development.

Assumes no new country entries.

Increases in staff for overseas staff, recruitment, and support services.

	Millions
Basic training for new volunteers (trainees)	(3.1)
Overseas support to new volunteers (allowances, travel, in-service training, supplies, etc.)	(7.5)
Medical support	(.6)
Other (1 FTE)	(.1)
Increases in Volunteer Operations provide for	11.3
Recruitment (6 FTE)	(.4)
Support to UNV program (grant in alternating years)	(.2)
WATS equipment (one-time)	(.1)
Increases in RCDE provide for	.7
Changes in program support provide for	−1.2
Increases in:	
Overseas staff (31 FTE)	(+1.5)
Headquarters staff (5 FTE)	(+.2)
Overseas support cost (vehicles, FASS)	(+.4)
Offset by decreases in:	
One-time computer purchases	(−.5)
One-time upgrade to overseas computer systems	(−2.0)
One-time costs for new posts	(−.8)

Fiscal year 1991

Trainee input	4,890
Volunteer years	7,256
Volunteers on board end of year	9,307
Staff (FTE)	1,309

	Millions
Program support	53.6
RCDE	14.6
Volunteer operations	117.1
Total	185.3

Increase trainee input over 1990 by 318:	
Africa	254
Inter America	−36
NANEAP	100

Inter America continues slowing.

Assumes 3 new country entries (1 in NANEAP, 2 in Africa).

Major increases in education and agriculture/rural development.

Increases in staff for overseas staff, recruitment and support services.

	Millions
Basic training for new volunteer (trainees)	(1.9)
Overseas support to new volunteers (allowances, travel, in-service training, supplies, etc.)	(6.9)
Medical support	(.9)
Other (2 FTE)	(.1)
Increases in Volunteer Operations provide for	9.8
Recruitment film (one-time)	(0.1)
Recruitment (7 FTE)	(.2)
Support to UNV program (grant in alternating years)	(.1)
Increases in RCDE provide for	.2
Overseas staff (28 FTE)	(1.2)
Headquarters staff (3 FTE)	(.1)
Overseas support costs (vehicles, FAAS)	(.2)
Replace overseas computer systems	(.8)
One-time costs—new posts	(.2)
Increases in program support provide for	(2.5)

Mr. CRANSTON. Mr. President, not only would the Peace Corps be unable to begin making steps toward meeting the 10,000 volunteer goal which Congress established, but without the funding contained in the pending measure, the Peace Corps would not be able to maintain its current level of operations. Over the last fiscal year, the Peace Corps has been hard hit by a number of unanticipated costs—from fluctuations in the exchange rates of international currencies and unforeseen increases in the agency's fixed costs—which are having a severe impact on the agency's ability to place new volunteers. In fact, Mr. President, without this funding, the number of Peace Corps volunteers would drop below 5,000—the lowest level since the Peace Corps was first launched.

In Peace Corps host countries in Africa—Niger, Lesotha, and Mali—grassroots food projects operated by Peace Corps volunteers would be seriously affected by the cutbacks that would be necessary if this additional funding were not provided. The Peace Corps' presence in Zaire as well would be greatly diminished. Also, Peace Corps activities in the Philippines would be sharply reduced.

I thus wish to express my deep gratitude and appreciation to Senators Inouye and DeConcini, and other members of the Appropriations subcommittee and the full committee, for ensuring that the additional $7.2 million was included for the Peace Corps.

In order to keep the Peace Corps moving toward the 10,000-volunteer goal, on March 25, 1987, I introduced S. 842 to authorize a fiscal year 1988 appropriation for the Peace Corps of $146.2 million—the level called for in the 6-year plan. I am delighted that the Foreign Relations Committee included this legislation as well as two other provisions derived from S. 842—to provide the Peace Corps with the express authority to encourage contributions from the private sector in furtherance of Peace Corps activities and to promote the third goal of the Peace Corps, namely the promotion of a better understanding of other peoples on the part of the American people—in title VII of the proposed International Security and Development Cooperation Act of 1987, legislation which the committee favorably reported on May 22, 1987.

Mr. President, the Peace Corps is our most cost-effective program for fostering world peace and friendship. This additional funding would provide new opportunities for Americans to work toward that worthy goal as Peace Corps volunteers.

PEACF CORPS HEADQUARTERS

Mr. President, with respect to the provision, contained in section 508 of this legislation, to prohibit the General Services Administration [GSA] from requiring the Peace Corps to relocate its headquarters outside of the Capital, I again extend my thanks to Senator DeConcini, the chairman of the Appropriations Subcommittee on Treasury, Postal Service, and General Government, and the subcommittee's chief clerk, Bob Mills, for their effort in placing this prohibition in the bill after we brought this matter to their attention. The Peace Corps surely has no better friend in the Congress than Dennis DeConcini.

Mr. President, due to the expiration later this year of the Peace Corps' current headquarters' lease and the unwillingness of the owner of that building to extend the lease, the agency must find a new location for its central office. Over the objections of the Peace Corps, GSA has taken steps to secure a site in Clarendon, VA, for that purpose.

Mr. President, I am deeply concerned about GSA's efforts to force the Peace Corps to move to Clarendon. The Peace Corps needs to be near George Washington Hospital in order to monitor and coordinate the care of the 30 to 40 Peace Corps volunteers who are medically evacuated each week and cared for at that facility. Often, these volunteers also require treatment for tropical and rare diseases by private physicians located in the downtown area—these volunteers need medically specialized care which generally is absent in suburban facilities.

In addition, the Peace Corps needs to be proximate to other foreign affairs agencies and to other countries' embassies and consular offices in order to conduct routine business matters, which, in the last 6 months alone, involved over 3,262 meetings with officials from these sectors. Annually, the Peace Corps transports to and from the State Department between 75,000 and 80,000 cables and more than 100,000 pounds of mail. Over 1 year's time, the Peace Corps also works with the 62 embassies representing Peace Corps host countries to facilitate the processing of approximately 8,000 visas. Thus, not only would relocating the Peace Corps' headquarters to Clarendon result in many inconveniences, but, according to the Peace Corps, it would also increase the agency's travel and related expenses by an estimated $3.4 million over a 10-year period.

Moreover, Mr. President, the Peace Corps believes very strongly that moving its central office outside of the Nation's Capital would likely be perceived by representatives of Peace Corps host countries as signaling a decline in the Peace Corps' standing in this country. This would be a terribly unfortunate impression to convey.

Under GSA's own regulations, when choosing a site for a Federal agency, the Administrator is required to take into account the "efficient performance of the missions and program of the agencies" (41 CFR 101-17.002 (j)(2)). Reflecting this policy, on February 25, 1987, in testimony before the House Treasury, Postal Service, and General Government Appropriations Subcommittee, GSA Administrator Terence Golden stated that the top priority in such decisions "is to meet the needs of the agency. If the agency needs to be downtown, then that is where we will locate them."

One of the bids that GSA received earlier this year was for the lease of a downtown Washington, DC, property, located at 14th and L Streets NW. Although that building met the Peace Corps' criteria and was less expensive than the cost would be of extending the Peace Corps' current lease, GSA recently chose the Clarendon site—asserting that it would not harm the Peace Corps' mission and would achieve greater cost-savings.

Mr. President, in numerous communications with GSA officials, the Peace Corps has stressed, for the reasons I have mentioned, that the agency's headquarters must remain in the vicinity of downtown Washington, DC. Accordingly, ever since word reached the Peace Corps 4 months ago that GSA was considering a bid from the owner of the Clarendon building, the Peace Corps has repeatedly voiced its very firm objections to that site.

Mr. President, I ask unanimous consent that a recent exchange of correspondence between Peace Corps Director Loret Ruppe and Mr. Golden be printed in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

PEACE CORPS,
OFFICE OF THE DIRECTOR,
March 16, 1987.

Hon. TERENCE C. GOLDEN,
Administrator, General Services Administration, Washington, DC.

DEAR MR. GOLDEN: We have been notified that the "best and final" bids have been received for our future space requirements and understand that the lowest bid was from Clarendon Square, in the Virginia suburbs. We do not feel that the Carendon building will meet our needs adequately, especially over the long term of the proposed lease, and will have a negative effect on the carrying out of the mission of this important international relations agency. It was clearly indicated to GSA from the very beginning that Peace Corps must remain in the District of Columbia center city.

It is our understanding that the bids for Clarendon Square and 1400 L Street are both lower than we are currently paying at 806 Connecticut Avenue. Had we elected to stay at 806 the charge per square foot would have risen possibly as high as $32.00. The 1400 L Street location represents more than a 30% savings over what we would have been projected to pay to remain in our historic headquarters at 806 Connecticut. This is a significant figure.

The area of major concern is that of medically evacuated Peace Corps Volunteers. We have between 30-40 in Washington at any one time (over 13,000 medevac days annually). These ill Volunteers are usually poorly equipped to handle transportation problems associated with coming into the city for consultations/examinations. Clarendon is a considerable distance from George Washington Hospital and most of the medical-psychiatric consultants, *all* of whom have offices downtown. Hospitals and consultants in Clarendon who are trained and equipped to deal with the unusual diseases prevalent among our Volunteer community are few, if any, in number. This issue involves additional cost to the agency and serious inconvenience to the ailing Volunteers.

A further concern is with the access to embassies and passport offices throughout the city. We process an estimated 8,000 passports and visas per year, requiring quick access to offices situated throughout the District. The lack of easy access to taxis in the Clarendon area will significantly increase the amount of time needed to obtain these documents. Again, convenience and cost issues.

Also we feel that Clarendon poses a serious representational problem. Peace Corps Volunteers serve in 62 countries, and the Clarendon location will serve to discourage visits by foreign officials (both those working in their Embassies in Washington and those visiting from abroad) reluctant to commit to travelling the distance to Clarendon, given their very busy schedules. Such visits play a key role in maintaining our relationships with the host countries in which we serve.

The same concern exists in the area of day-to-day communications with the foreign affairs community (State, AID, USIA, private volunteer and donor organizations, and international development organizations). All of the offices with which we deal are in the District; few of them are easily accessible by subway. This will require extensive use of taxis for transportation resulting in higher costs and in more time lost from work due to the length of time needed for transportation. Taxi fares between Clarendon and center city range between $5.30 and $6.30—double current in-town costs. Again, convenience and cost issues.

As noted in the letter to Bill Sullivan from our Associate Director for Management, dated July 1, 1986, it is absolutely critical for us to have timely access to Main State. Volunteer deaths and family emergencies must be dealt with on an immediate basis. Natural disasters, military actions, and political upheavals require top management briefings for rapid response action. All telecommunications with our 48 overseas posts are handled through State's Diplomatic Telecommunications Services. An estimated 75-80,000 cables per year are transported to and from Peace Corps via State and Peace Corps couriers. A direct telecommunications link would carry an exorbitant price tag ($500,000) and must be approved by the National Security Agency.

In addition, our personnel and payroll systems are now being provided by State, per specific instructions from OMB. And OMB has directed us to convert our accounting and financial management systems to State systems over the next few years. Security problems similar to those encountered in the telecommunications area preclude a direct link for personnel, payroll and (ultimately) accounting data. We are therefore having to transport all data on "hard" tapes via courier.

Further, we rely heavily on the State Department's Diplomatic Pouch for sending emergency medical supplies and other critical items necessary to support post operations and ongoing volunteer projects. We ship 80-90,000 pounds each year through the pouch, which must be delivered to State from our agency mail room. We receive 15-20,000 pounds each year from our overseas posts.

We do not feel that access to State from Clarendon is timely enough to meet most of these needs. Although it takes approximately six minutes to get to Clarendon Square from the State Department, that time was established during best condition non-rush hours, when there was very little traffic. Traffic patterns on both I-66 and Route 50 are extremely heavy during the rush hours (which account for about half of the workday). Memorial Bridge is a major artery between Virginia and the District and, as such, suffers serious congestion problems which would impede easy access to and from State.

Use of a taxi would obviously not improve the situation, as they too have to move through traffic. And the subway system is not close enough to State to permit its use for handling these volumes of mail. All of these transportation issues involve additional cost and inconvenience to the agency and the traveller.

Aside from these concerns, all identified in our criteria for selection, we also must express strong reservations about our ability to recruit the special skills we need (especially among minority candidates) if we are located outside the District. As you know, we have a five-year limit on employment with the Peace Corps. This means a high turnover each year, and a constant need to find replacements for both clerical and professional staff forced out of Peace Corps by limited appointments. We know that the best candidates for our internationally focused positions can be found in the District, not the suburbs. This is a management issue unique to Peace Corps which must be taken into consideration.

For all of the reasons stated above, I must strongly object to the proposed lease for Clarendon Square and urge that Peace Corps be housed in 1400 L Street, N.W. or that a new solicitation be made using original unchanged criteria which address all of the above requirements. I feel that the proposed location would clearly be against the best interests of the agency as we move into our second quarter century of service to the developing world, and would be a negative signal to send to the 62 countries where Peace Corps Volunteers serve. Symbolically, Peace Corps belongs in the Nation's Capital.

I would be happy to meet with you personally to discuss other sensitive political issues that have arisen in connection with Peace Corps' relocation. Thank you for your understanding.

Sincerely,

LORET MILLER RUPPE,
Director.

GENERAL SERVICES ADMINISTRATION,
Washington, DC, April 17, 1987.

Hon. LORET MILLER RUPPE,
Director, Peace Corps, Washington, DC.

DEAR MS. RUPPE: Thank you for your letter expressing your concerns regarding the Clarendon Square Building. The General Services Administration (GSA) recommends this building be leased for your agency consolidation.

GSA leases space for Federal agencies under the provisions of Federal Property Management Regulations, Temporary Regulation D-73. The intent of this regulation is to acquire quality space which meets agency mission needs "at the most economical cost possible to the Government."

GSA recommended the Clarendon Square Building in Arlington, Virginia, because it was our belief that it provided the best value to the taxpayer considering quality, location, agency requirements and cost. It is a quality, state-of-the-art building. Moreover, it is located on the stop of the metro system. Finally, on a present value cost per square foot (psf) basis over a 10-year period, Clarendon Square, at an average rate of $17.59 psf, is 25 percent less expensive than the other building considered, 1400 L Street, at an average rate of $22.08 psf. Based upon this rate and considering operating cost escalations, rent for Clarendon Square over the next 10 years is projected to be $6.3 million less than rent at 1400 L Street on a net present value basis.

GSA has given serious consideration to your concern that Clarendon Square is less accessible to the State Department, George Washington Hospital, and Foreign Embassies, than 1400 L Street. By car, the average travel time from Clarendon Square to Main State, taken at even intervals from 9:30 a.m. to 4:45 p.m., on March 30, 1987, was 13.5 minutes as compared with 15.6 minutes from 1400 L Street to Main State. By metrorail, on the same date, travel time from Clarendon Square to George Washington Hospital was 15 minutes as compared to 10 minutes from 1400 L Street. Clearly, Clarendon Square suffers no significant disadvantage in terms of travel time either to Main State or George Washington Hospital.

Also, the headquarters office of the Arlington Red Top Cab Company is located one block from Clarendon Square at 1200 North Hudson Street and provides taxi service from Clarendon to all points in the District. Since Embassies are located throughout the District, it is impossible to say whether one location would be more accessible than the other.

You also maintained moving to the Clarendon Square Building may cause a significant loss of support staff. This experience has not been shared by other agencies. For example, GSA recently relocated 112 employees of the Agency for International Development from the Universal North Building in the District to the Twin Towers Building in Arlington, Virginia, without any loss of personnel due to the relocation. Further, the ability to recruit new minority employees would not be impaired. The Clarendon site is easily accessible from throughout Metropolitan Washington.

With regard to your concern that Clarendon Square would "pose a serious representational problem" for officials of the 62 countries where Peace Corps volunteers serve," I view the relocation as a positive signal. As one of the initial organizations selected for the Quality Workplace Program, the move from an obsolete building with inadequate systems, to a modern, well located office structure, emphasizes the importance the Administration places on the Peace Corps, its mission, and its employees. It permits the consolidation of the Peace Corps and provides it with a readily identified presence in Metropolitan Washington.

In summary, GSA believes that any perceived advantage associated with the location of 1400 L Street is not sufficient to outweigh the actual advantages of Clarendon Square. These advantages include a quality building located directly across the street from a metro station. Morever, this building offers a substantial savings to the Government. As such, it is our intention to consummate the lease at Clarendon Square.

If there are any further questions, please contact Mr. Richard M. Hadsell, Regional Administrator, National Capital Region, on 472-1100.

Sincerely,

TERENCE C. GOLDEN.

PEACE CORPS,
OFFICE OF THE DIRECTOR,
April 27, 1987.

Hon. TERENCE C. GOLDEN,
Administrator, General Services Administration, Washington, DC.

DEAR MR. GOLDEN: I have received your letter of April 17, regarding the GSA proposal that the Peace Corps lease office space in the Clarendon Square Building. I am protesting the proposed relocation because I do not feel that GSA has given our concerns sufficient consideration in the decision making process.

The Peace Corps acted in good faith in identifying the criteria critical to us in the selection process since 1984. These criteria were accepted by GSA and included in the solicitation issued by your agency. They appear, however, to have been given very short shrift in the decision process. As you know, we have noted throughout the solicitation and bidding processes, undergone over the last few years, that we felt it essential that Peace Corps remain downtown to be close to the foreign affairs community. We have repeatedly received assurances from GSA that this concern was a valid one and would be honored by GSA, as reflected in correspondence over the last two years. I am dismayed that we are now being told, in effect, that these commitments, reflecting GSA's recognition of the validity of our concerns, are being ignored.

We must reiterate that Clarendon Square does not meet the criteria established by Peace Corps and accepted by GSA. The analysis of these concerns presented in your letter appears superficial at best, and does not warrant the conclusion reached to proceed with a lease with Clarendon Square.

For example, your letter gives only cursory consideration to our concerns about the travel needs of our medically evacuated Volunteers, many of whom are on crutches and feeling poorly. Only those actually hospitalized or getting out-patient treatment travel to George Washington Hospital. Currently, the majority of our medevac Volunteers—an average of 25-40 per week—spend most of their time with Peace Corps' medical staff at headquarters and visiting with specialists primarily in the downtown area. Many of our Volunteers are in Washington because they have undiagnosed problems. Walking distance or public transportation proximity to medical consultants not only reduces the amount of time these Volunteers must travel, but also lessens the risk of infecting others. The Clarendon site would severely limit the quality of support we have been providing to these Volunteers in a downtown location.

In addition, you failed to consider the impact on the agency's role in the development community. Visits with foreign dignitaries, other government officials from agencies such as AID, State Department, Department of Agriculture, and representatives from private volunteer organizations are an integral part of Peace Corps' activities. Without a close working relationship with these groups, Peace Corps could not carry out its mission. We feel that close proximity to the development community ensures a close working relationship. Peace Corps collaborates extensively because we are not equipped to provide various kinds of program support which these other groups provide. In addition, we work closely with the diplomatic community. The Clarendon Square site would greatly disrupt our frequent communications with foreign dignitaries. Below is a list of visitations for an average 4 week period. The figures do not represent all visits made to Peace Corps Headquarters.

AID	19
State Department senior level officials	17
Other government agencies	22
Private volunteer organizations	64
Foreign dignitaries	12

A move to Virginia would also deprive us of a Washington, D.C. address. This is very important in that Peace Corps deals with the public on a national and international level. To many people, the Peace Corps represents the U.S. Government, which in turn is associated with Washington, D.C. In addition to losing a Washington, D.C. address, the agency would have to change its zip code. A move to 1400 L Street would not require us to change our zip code, and we could use our remaining envelopes. It would also preserve our national and international identity.

Another large expenditure associated with a move to Clarendon would be the installation of a secure direct communication line. Currently, we utilize the State Department service. However, continued use of the service from a Virginia location would be inefficient. The cost for installation of the communications line would be over $500,000.

You noted that the travel time between Clarendon Square and State Department was 13.5 minutes on average. But the survey was taken only between 9:30 and 4:45. Those hours do not include the bulk of the rush hour period, hours when we do in fact have significant levels of travel between our two buildings. Our averages came closer to 20 minutes as opposed to your 13 minutes. Peace Corps currently averages 5 deliveries with State Department per day. Two of these deliveries are made during rush hour—one in the morning and one in the evening. The other three made by State Department, occur during the business day. A move outside the district would require the agency to make all five deliveries, thus increasing travel time and expenditures.

I would agree that there is a Red Top headquarters office on Hudson Street, but staff testing the accessibility of taxis near Square found that considerably more waiting time was needed to flag a taxi at Clarendon than is the case downtown, given the small number of taxis in operation at any one time in Arlington as compared to the District. And the cost is significantly higher. The taxis originating in Virginia are metered taxis, and thus would triple our current expenditures on local travel. Currently, most of our taxi travel is within one zone of the District, the same zone as 1400 L Street, averaging $2.10 per trip. From Clarendon the average trip would cost approximately $6.00 to $6.50.

In addition to the delivery runs to State Department, Peace Corps contracts with a private courier to provide delivery service within the Washington, D.C. metropolitan area. A majority of these deliveries are made within the downtown area to foreign embassies, U.S. government agencies, and Congress. Currently Peace Corps makes approximately 2200 requests for deliveries per year at an average cost of $8.00 per delivery. Totaling an average of $17,000 per year.

Given the distance of Clarendon to downtown Washington, it is estimated that the average delivery cost would triple bringing the total cost to approximately $58,953. This includes a conservative estimate of a 15% increase in use by Peace Corps staff, because of the Clarendon location more personnel would rely on the service to make deliveries versus handling them on a personal level.

Additionally, approximately 1,000 returned Volunteers per year utilize our Office of Returned Volunteer Services located within Peace Corps headquarters. These volunteers require close proxmity to the majority of employment opportunities in the Washington area. The Clarendon location would hinder their accessibility to potential employment. Their limited budgets preclude extensive expenditures for transportation from Virginia.

I do not understand the argument that moving our agency into a modern, well-located office structure sends a "positive signal" in the area of representational concerns. Both the buildings under consideration are modern, but that is by no means indicative of anything positive in the eyes of foreign officials. What is indicative is the signal it sends that this Nation's only official overseas volunteer organization is not sufficiently important to our foreign policy activities to merit being in the Nation's capital. The headquarters for the Japanese national volunteer organization merits downtown Washington space, but our does not!

I strongly recommend that GSA reconsider its decision to lease space at Clarendon Square for the Peace Corps. Such a move could be considered highly detrimental to the effective accomplishment of our mission—that of carrying to our friends in the developing world the very positive signal that America cares enough to send its best and brightest to help them help themselves.

Sincerely,

LORET MILLER RUPPE,
Director.

Mr. CRANSTON. Mr. President, I do not believe that GSA is justified in its actions. Nor do I believe that it has given adequate consideration to alternative locations within the District of Columbia, including the 14th and L Streets site. I thus fully agree with the Appropriations Committee and congratulate it for concluding, in its report on the pending measure, Senate Report 100-48, page 167, that it—

> Has not had an opportunity to assess fully the competing considerations and contentions and has, therefore, added the prohibition in order to have an opportunity to do so in connection with fiscal year 1988 appropriations.

Mr. President, I plan to continue actively monitoring this issue and working closely with the members of the Appropriations Subcommittee in order to ensure that a cost-effective, convenient, and appropriate headquarters for the Peace Corps is provided in the Nation's Capital.

JOB TRAINING FUNDS

Mr. ROCKEFELLER. Mr. President, I rise to draw attention to two provisions in the supplemental appropriations bill which are of dire importance to the future of thousands of unemployed men and women. This bill earmarks urgently needed funds for the Trade Adjustment Assistance Program and the Veterans Job Training Program—$20 million is allocated for each.

Both of these job training programs are broke. When workers certified for trade adjustment assistance show up to enroll in training, they are now told "there is no money left" to pay for their classes. In my State, they are naturally extremely angry about this situation. After suffering the trauma of losing their jobs because of competition from foreign imports, laid-off steelworkers, coal miners, and other displaced workers cannot even get the training they need to obtain new, productive employment in another field.

In West Virginia, almost 3,700 displaced workers have been certified as "trade-injured" by the Secretary of Labor in the past year. The good news, within this gloomy picture, is that more and more of these workers are anxious to learn a new skill. They know the plant will not reopen, and they fully recognize that they need to become better educated or trained for a different occupation in order to qualify for today's jobs.

Many of these workers are in very real danger of financial ruin or personal despair if they are unable to obtain job training and related assistance. Over 400 laid-off coal miners in my State have been on waiting lists for months, counting the days for Congress to appropriate training funds so they can start classes at the local voc-tech center or college. Moreover, over 2,000 TAA-certified workers have not even bothered to apply for training because they have heard that signing up is a futile gesture.

Along with this, the administrators of the Veterans Job Training Program are also telling unemployed veterans seeking training that they have to wait for Congress to take action. As soon as I heard about this situation, I introduced a bill, S. 533, to authorize supplemental funds to make up the shortfall. The Senate Veterans' Affairs Committee swiftly responded by incorporating my bill into larger legislation that subsequently was approved by the full Senate.

Over 47,000 unemployed veterans are on waiting lists across the country, wondering whether they will be able to obtain the on-the-job training offered by VJTA. The Veterans Job Training Program has a proven track record of enlisting employers ready to work with Korean and Vietnam veterans, and to provide them with the skills and experience needed to make a transition into productive, long-term employment. In my State of West Virginia, more than 700 veterans have been fortunate enough to receive training through the VJTA Program since it was enacted in 1983—but until we act on this supplemental bill, no more veterans will receive this critical help.

Mr. President, the $40 million provided for these two training programs is a modest amount relative to the scope of the funds involved in the overall supplemental bill. I have, in fact, advocated larger amounts for trade adjustment assistance and veterans job training, but recognize that the Appropriations Committee was operating under difficult constraints.

My point is that these funds are urgently and, in some cases, desperately needed. I recently heard about Delmer Arthur, a coal miner laid off last July when USX Steel closed its mines in West Virginia. After his first week in training to become a computer technician, Mr. Arthur received a letter from the State informing him that the TAA funds had run out and forcing him to drop out of the training program.

We cannot afford to neglect the thousands of men and women like Mr. Arthur. The $40 million in this supplemental appropriations bill will give many trade-injured workers and unemployed veterans the means to acquire new jobs skills and experience. Again, these funds are urgently needed. In fact, this is precisely the reason for a supplemental appropriations bill—to make up for shortfalls in critical areas.

I urge my colleagues to act on this fiscal year 1987 supplemental appropriations bill so that funds are made available as quickly as possible for these retraining programs. I certainly have questions and concerns about some of its provisions, but the reality is that a legislative package of this nature must accommodate a range of interests in order to be enacted. In my view, the funds included for displaced workers and veterans are among the bill's best and most crucial features. By approving emergency funds for these programs today, we will give a new lease on life to dedicated men and women who want to enter the work force again, continue to support their families, and play a productive role in our country's economic future.

CONSERVATION SERVICE SUPPLEMENTAL

Mr. SASSER. Mr. President, I rise today to comment on a section in this bill dealing with an issue of significant importance to the Nation. I refer to language in this measure providing needed funds for soil conservation programs. This language goes far to underscore our determination to control soil erosion and protect our water resources.

This language was needed after it became apparent that the administration was failing to meet its commitments in this important area. Testimony from Soil Conservation and Forestry officials from across the country before the Agricultural Appropriations Subcommittee clearly illustrated the need for greater technical assistance to implement the multiple conservation measures called for in the Food Securities Act of 1985. This testimony echoed comments I heard from soil conservation specialists in my home State of Tennessee. There simply was no way they could meet the various mandates on soil conservation.

My colleagues will recall, Mr. President, that the Food Securities Act of 1985 created several new conservation programs. However, Congress specifically stated that new soil conservation efforts were to be in addition to, but not in place of, existing conservation measures. Unfortunately, this important provision has not been carried out across the country.

Earlier this year I questioned Soil Conservation Service officials about their ability to meet both the old and new soil conservation requirements under the Food Securities Act. While they assured they would be able to implement the new programs, they noted that all their efforts are being directed toward the new programs. They do not have the resources to continue their efforts on old programs. This is exactly what Congress warned against.

In my home State of Tennessee, we have begun to see the troubling results of this problem. Soil conservation offices simply cannot provide the technical assistance necessary to implement both the old and new conservation measures. In an effort to meet the new requirements, they are having to abandon previous conservation measures. I recently learned of a vivid example of this problem in Tennessee. I was contacted by a soil survey office in Tennessee which is being forced to shut down after completing only 72 percent of their soil survey. Why? Because the funding for the survey had to be directed to other areas for technical assistance.

This situation is by no means limited to Tennessee. The Agricultural Appropriations Subcommittee heard testimony on insufficient technical assistance from officials in Florida, Minnesota, North Dakota, Pennsylvania, South Carolina, South Dakota, Washington and other States across the country, They all make one strong point: If we are to effectively reduce soil erosion in the United States, we must provide the necessary technical assistance to farmers and landowners so that conservation programs are in practice everywhere, not just in areas of highly erodible land.

Mr. President, I have been working with the chairman of the Agricultural Appropriations Subcommittee, Senator BURDICK of North Dakota, in order to ensure that these conservation measures are put into practice and not left at the planning stages. The Appropriations Committee has approved a supplemental request that includes $20 million for the Soil Conservation Service, which will provide for additional technical assistance efforts in fiscal year 1987. I might add that the House has also approved this amount for additional soil conservation efforts.

The $20 million provided in this supplemental bill will help farmers receive the technical assistance they need to implement conservation measures now, and not after more critical erosion has occurred. I am proud to see us incorporate this supplemental language, and I urge my colleagues to support this legislation.

VETERANS' PROGRAMS

Mr. CRANSTON. Mr. President, I rise as chairman of the Veterans' Affairs Committee to express great satisfaction that the Senate is finally moving ahead with consideration of the fiscal year 1987 supplemental appropriations bill and that this measure contains greatly needed funding for Veterans' Administration programs. In particular, I am very pleased, and would like to comment specifically on the fact, that the measure as reported by the Committee on Appropriations contains a total of $295 million for VA employee salary and benefit costs—$157 million to defray fiscal year 1987 costs from the January 1987 Federal civilian pay raise and $138 million for the fiscal year 1987 costs of the new Federal Employee Retirement System [FERS]—$20 million for the Veterans' Job Training Act Program, and $100 million for the VA Loan Guaranty Revolving Fund, as well as a provision relating to the VA's hospital computer program that would enable acquisitions necessary for maintaining patient care to proceed during the current fiscal year.

PERSONNEL COSTS

Mr. President, as a result of the January 1987 Federal civilian pay raise, VA personnel costs for the work force for which funds were appropriated in the fiscal year 1987 continuing resolution—Public Law 99-591—increased by a total of $165 million. In addition, increased pay costs under the Federal Employees' Retirement System Act of 1986—Public Law 99-335—totaled $140.8 million.

Specifically regarding the VA's medical care account, which funds the operations of the VA's nationwide system of health-care facilities, the January pay raise costs for the personnel who staff those facilities will total $149.4 million in fiscal year 1987. The administration has requested supplemental appropriations of only $74.7 million for this purpose, thus proposing to require the VA to absorb the remaining $74.7 million. Fortunately, the Senate Appropriations Committee, in recognition of the vital importance of the additional appropriations, included the entire necessary amount in this bill.

The supplemental appropriation for the VA's medical care account is essential to enable the VA to provide the quality health care which veterans have earned through service to our Nation and for which Congress has mandated their eligibility and to maintain the congressionally intended staffing level of 194,140 FTEE. Should the VA not receive this supplemental funding, the consequences would include cancellation of much-needed equipment purchases, ranging from routine x-ray machines to CAT scanners; postponement of renovation projects at some 50 to 60 facilities, which are necessary for compliance with accreditation standards; limitations on the replenishment of needed medical operating supplies and pharmaceuticals; and a severe curtailment of staff recruitment, including cutbacks in the replacement of departing health-care personnel, which occurs at a rate of about 1,000 per month. The impact of these consequences would severely disrupt VA health-care facilities by reducing their ability to meet patient-care needs and could impair the quality of the health care they furnish to veterans. Overall, without this medical care account supplemental appropriation, the VA likely would be able to provide 44,000 fewer inpatient episodes of care and 220,000 fewer outpatient visits in fiscal year 1987.

The Appropriations Committee also wisely rejected the administration's proposal to rescind $75 million in medical care funds already appropriated for fiscal year 1987. This proposal would have caused a decline of 1,400 FTEE this year and 212,000 fewer outpatient visits and 15,643 fewer inpatient episodes of care. The Senate has already gone on record as opposing this proposed rescission by approving, on April 7, 1987, the text of Senate Concurrent Resolution 7 as amended and incorporating that text in House Concurrent Resolution 27 as passed in the House previously to the same effect.

With respect to the VA's general operating expenses account, which provides funding for the operation of the VA's 58 regional offices and of VA Central Office other than the operations of the Department of Medicine and Surgery, the total additional funding required for the January pay raise and FERS costs is $20.2 million. Although VA regional offices already are very thinly staffed at present and are encountering severe difficulties in processing veterans' claims for benefits in a timely fashion, and particularly in administering the VA Home Loan Guaranty Program efficiently, the administration's proposal contained only $9.2 million for those costs. Thus, I congratulate and thank the Appropriations Committee for including $1.3 million above the administration's request for this account.

DECENTRALIZED HOSPITAL COMPUTER PROGRAM

I am deeply appreciative of the excellent work by the distinguished chairman of the Appropriations Subcommittee on HUD-Independent Agencies, Mr. PROXMIRE, as well as to the very able subcommittee member and former ranking minority member from Vermont, Mr. LEAHY, in reaching an agreement on language—included in the item relating to VA's medical care account—which would allow Decentralized Hospital Computer Program [DHCP] acquisitions to meet the most urgent needs of the VA for replacement equipment. As a result of their strong efforts, the bill reported would extend through fiscal year 1988 the availability of $34,178,000 of the $44,178,000 in currently available fiscal year 1987 funding for acquisition of automated data processing equipment and support contracts. Under this provision, the $34.2 million remaining may be used only at VA medical facilities where the capacity of current ADP systems has been reached and the procurement of replacement hardware equipment is needed to maintain patient care.

Mr. President, in my view, this Leahy-Proxmire agreement is far preferable to the approach originally contemplated, of possibly rescinding or holding up all of the $34.2 million in fiscal year 1987 DHCP funding pending further study of the advisability of the VA moving further ahead toward the systemwide application of the DHCP. I believe that the VA's ability to purchase additional hardware for the DHCP system directly correlates to improved medical care for our veterans. The reason for installing a computerized system in any environment is to enhance the flow of information; in a hospital setting, the information can be critical to the life and health of individual patients. When computer terminals are not available, the results of tests and examinations, which provide an indication of the health status of a patient, are delayed in reaching the care provider. This time lag can result in therapies being postponed, various health complications, an increased length of stay for the patient, and a resultant increase in the costs of care.

Available and accessible hardware also enhances research efforts within the VA. DHCP incorporates a function which gives knowledgeable users the ability to extract information from a patient record without compromising the confidentiality of that patient. Some users have taken advantage of this by tracking variables they believe to be significant factors in disease causation and applying the information to their studies. The capability for becoming involved in research activities is a major attraction when recruiting physicians to the VA. Adequate computer support is essential to these efforts.

Mr. President, although the interim agreement to permit $34.2 million to be used by the VA to maintain its computer capacity is a good one and will benefit veteran-patient care in the days ahead, I believe that ultimately there will be no real alternative but for the VA to proceed with implementation of an improved, enhanced DHCP system. That is not to say that there are not flaws and problems relating to DHCP. There clearly are, but I believe that numerous recent reports indicate clearly that the VA understands them and is determined to remedy them. That is what should be happening now, and Congress should be monitoring the VA's remedial plans to make sure they are adequate in those respects. In addition, I believe we need to be sure that the VA addresses appropriately the cost-benefit and life-cycle cost issues and other issues that I understand the General Accounting Office will raise in its soon to be released report.

It is important that we move ahead as quickly as possible. Therefore, I look forward to the release of the GAO report reviewing the cost effectiveness of DHCP and urge prompt action by the Office of Technology Assessment on the new independent assessment of VA medical computer systems and programs, including consideration of alternative computer system strategies and their implications for the quality and cost of patient care, which the House Committee on Appropriations has asked it to undertake. Given what I understand to be the similarities in the magnitude and scope of the GAO study and the forthcoming OTA study, I very much hope and urge that the OTA would consult closely with the GAO to determine the feasibility of its conducting this latest study.

According to the VA, its immediate needs and plans would result in $25 million of the $34.2 million being used to purchase CPU hardware and terminals needed to support already developed computer modules at large VAMC's such as Hines, Tampa, and Long Beach, and many others which do not have enough computer terminals to support the software and modules developed to date. In addition, the VA plans that some of the computer equipment, for example, CPU's, disk drives, and tape subsystems now at large VAMC's would be transferred to smaller VAMC's in need of additional computer capacity to sustain the quality of their patient care. Thus, a significant number of VA medical centers would benefit through the acquisition of critically needed medical ADP equipment under the terms of this compromise provision. That is a fair and appropriate result while the Congress grapples with the larger issues about the future direction of the VA's medical ADP system.

VETERANS' JOB TRAINING ACT

Mr. President, I am also delighted that the pending measure would provide a supplemental fiscal year 1987 appropriation of $20 million for the Veterans' Job Training Act [VJTA] Program.

As the Senate author of the original legislation proposing the establishment of this program, as well as subsequent measures to extend and improve VJTA, I am intensely interested in and supportive of this effective job-training program. I am thus deeply grateful to the Senator from Arizona, Mr. DeConcini, a fellow Veterans' Affairs Committee member and ardent VJTA supporter, who in his capacity as a member of the Appropriations Committee offered the amendment in that committee to provide the additional $20 million in funding for VJTA. This latest achievement reflects Senator DeConcini's deep commitment to VJTA and follows his successful effort last year to secure a fiscal year 1986 supplemental appropriation of $35 million for this vital job-training program.

Mr. President, VJTA is designed to promote training and employment opportunities for long-term jobless Vietnam-era and Korean-conflict veterans through a program of cash incentives to employers to help them defray the costs of employing and providing training to such veterans. This job-training program was originally established in 1983 with the enactment of the Emergency Veterans' Job Training Act of 1983, Public Law 98-77. Currently eligible for VJTA job-training positions are unemployed veterans who have served during the Korean conflict or Vietnam era and have been unemployed for 10 out of the 15 weeks preceding their application and who either had more than 180 days active service or were discharged or released from service for a disability or are entitled to VA service-connected disability compensation.

Since the establishment of VJTA, the program has provided over 48,000 veterans with opportunities to gain the skills and on-the-job experience needed to help them break away from sustained unemployment and build more productive lives for themselves and their families. A 1985 evaluation, carried out by Centaur Associates, Inc., entitled "Final Report: Evaluation of the Emergency Veterans' Job Training Program," found that veterans, while participating in VJTA, earn $50 more per week than veterans eligible for but who do not participate in the program and, in the year following training, about $2,200 more.

As a result of legislation enacted on January 13, 1986, in section 201 of Public Law 99-238, $65 million was authorized to be appropriated for fiscal year 1986 to VJTA. Of this amount, $35 million was appropriated for that fiscal year—as I noted earlier, through the excellent work of the Senator from Arizona, Mr. DeConcini—in the 1986 urgent supplemental appropriations measure, enacted as Public Law 99-349. Thus, earlier this year, when virtually all funding for VJTA had been obligated, on February 19, 1987, I joined with my good friend and fellow Veterans' Affairs Committee member, the Senator from West Virginia, Mr. Rockefeller, in introducing S. 553, the proposed "Veterans' Job Training Act Extension," legislation designed to improve the effectiveness of this job training program and to extend through fiscal years 1987 and 1988 the unused authorization—$30 million—of the fiscal year 1986 appropriations for VJTA.

Following consideration of S. 553 by the Senate Veterans' Affairs Committee, this legislation was incorporated into section 106 of S. 477, the proposed "Homeless Veterans' Assistance Act of 1987," as reported, and was passed by the Senate on March 31, 1987. The extension was passed by the Senate a second time, on April 9, 1987, in section 907 of H.R. 558, the proposed "Urgent Relief for the Homeless Act," which is currently pending in the House-Senate Conference Committee. I am delighted to report that the House conferees on the veterans title—title IX of H.R. 558—have agreed to accept the Senate's $30 million additional authorization for fiscal years 1987 and 1988.

Most recently, in the course of efforts to secure a fiscal year 1987 supplemental appropriation for VJTA, the VA informed our committee and the Appropriations Committee that, as a result of deobligations of VJTA funds obligated for the training of veterans who terminated their job-training programs prematurely, up to $10 million will likely become available between now and the end of this fiscal year for reobligation. Thus, on the basis of that new information, Senator DeConcini and I decided to pursue only $20 million, rather than the full $30 million authorized, for VJTA in additional appropriations for fiscal year 1987.

It is also good news for veterans that we are making progress in other legislative efforts in connection with VJTA as well. In addition to the Senate's passage of the provisions to amend and extend this job-training program, other legislation I have more recently proposed along with Senators Matsunaga, DeConcini, Rockefeller, Mitchell, Graham, and Kerry in amendment No. 160 to S. 999, the proposed "Veterans' Employment, Training, and Counseling Amendments of 1987," introduced on April 23, 1987, includes a number of provisions to improve VJTA and to authorize additional appropriations of $60 million each year for fiscal years 1988 and 1989 for this program. After a very productive and informative hearing on April 30 chaired by Senator Rockefeller at my request, our committee has ordered S. 999 favorably reported to the Senate. It is my hope to move this measure forward in the Senate in June.

Mr. President, the additional $20 million for VJTA for fiscal year 1987 contained in this legislation, together with the anticipated deobligated balances during this fiscal year, should ensure that nearly 10,000 more jobless veterans will be provided with the opportunity to participate in job-training programs under VJTA and thereby regain their financial independence. I believe bringing that goal within the grasp of these veterans represents a truly wise investment of our Nation's resources.

VA HOME LOAN GUARANTY PROGRAM

I would also like to express my appreciation to Senator PROXMIRE for his leadership in introducing an amendment, which I joined in sponsoring, to provide the additional $100 million in supplemental appropriations required for the continued operation of the VA's Home Loan Guaranty Program. This additional appropriation to the VA's Loan Guaranty Revolving Fund, out of which guaranties are paid upon foreclosure when the lender incurs a loss, is necessary to enable the U.S. Government to continue to be able to honor its commitment to pay the claims of lenders under the guaranties. The administration forwarded a supplemental budget request for this amount on May 5.

Since 1944, the VA's Home Loan Guaranty Program has guaranteed loans totaling more than $270 billion, enabling more than 12 million veterans to purchases homes. Although this is a benefits program, over the years it has been largely self-sustaining, since veterans have generally proven to be good credit risks.

However, because of the downturn in certain areas of the economy in recent years, the rate of default on VA home loans has increased, and the continuing solvency of the revolving fund—which ultimately means the continued availability of this benefit to veterans—now, according to the administration, requires $100 million in supplemental appropriations for fiscal year 1987. When we consider that the VA guaranteed loans totaling $22 billion in fiscal year 1986 and expects to guarantee $26 billion in loans in fiscal year 1987, the amount of additional funding required for this program does not seem disproportionate, given the extent of the benefit being bestowed on veteran purchasers.

I would also like to note that the Veterans' Affairs Committee will hold hearings on the Home Loan Guaranty Program on June 17. The hearing will entail an overall evaluation of the program and its financial stability, as well as consideration of certain VA home loan legislation.

CONCLUSION

Mr. President, I wish to express my gratitude for the excellent work of the chairman of the HUD-Independent Agencies Subcommittee, Mr. PROXMIRE, and the subcommittee's ranking minority member, Mr. GARN, in seeing to it that the VA's funding needs that I have just described will be so adequately satisfied. Our authorizing committee has been working very closely with them on this supplemental appropriations bill, and I particularly want to mention the many courtesies and great cooperation extended to me and my staff by the subcommittee staff, Tom van der Voort, Marion Mayer, David Schnare, and Stephen Kohashi. This is another example of Senators PROXMIRE and GARN's strong, cooperative, bipartisan support for veterans' programs.

MEDFLY ERADICATION PROGRAM

Mr. KASTEN. Mr. President, I have an amendment to delete any funding in this and other appropriations bills for use of inappropriate techniques to control the Mediterranean fruit fly in Central America. I will not offer that amendment today so that this legislation is not held up.

I do want to go on record that this is an issue we will revisit on the fiscal year 1988 appropriation bill.

The U.S. Government is about to embark on an enormous project to try to eradicate the Mediterranean fruit fly in Guatemala. Clearly, the threat currently posed by this pest does not justify the heavy handed approach that the Department of Agriculture is about to undertake.

The USDA has proposed the aerial spraying of malathion and EDB over large areas in Guatemala. This is an entirely inappropriate technique which will have severe environmental and public health consequences. Furthermore, there is no compelling evidence that this technique will work or is necessary.

Malathion is a broad spectrum insecticide. It makes no distinction in its toxicity to beneficial insects versus the Medfly. The widespread spraying of this insecticide will not only kill the intended pest, but also countless beneficial insects.

Insects important to agriculture and commerce, such as the honey bee and predatory species of insects which hold pest populations in check will be killed by the use of this chemical. In addition, there is every indication that other beneficial and economically important species such as birds, shell fish and small mammals will be harmed by the use of this chemical.

Furthermore, the application of malathion will violate section 119 of the Foreign Assistance Act requiring AID to work for the protection of biological diversity. This insect control technique flies in the face of the congressionally mandated policy of protecting biological diversity in tropical countries.

The second chemical the USDA proposes to use is EDB. EDB is a carcinogen, whose use in banned in this country. We should not tolerate the promotion of the use of a toxant in another country which we do not allow to be used here, especially when there is no real threat to American agriculture from the target pest.

No evidence has been presented indicating that a Medfly infestation from Central America is imminent. Furthermore, there are already extensive measures in place to prohibit the spread of the Medfly. No evidence has been presented that current control techniques are inadequate.

My amendment prohibits the use of U.S. funds from being used to promote the control of Mediterranean fruit flies using malathion, EDB, or other pesticides which are banned in this country.

This amendment is widely supported by the environmental community, and will not in any way threaten domestic producers of citrus crops.

As I mentioned before, I will not offer this amendment today, but I will raise this issue in the Appropriations Committee in the next few weeks. I want the USDA and other affected agencies to know that we will not tolerate the heavy handed and indiscriminate use of pesticides in developing countries.

Mr. President, I ask unanimous consent that a copy of my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT BY SENATOR KASTEN

SEC. None of the funds appropriated in this Act, or in previous legislation may be used for projects or preparations for projects in any foreign country which involve the use of chemical pesticides which have been banned for use in the United States.

THE REQUESTED SUPPLEMENTAL APPROPRIATION FOR THE VA HOME LOAN GUARANTY PROGRAM

Mr. MURKOWSKI. Mr. President, I rise to address an issue of utmost concern to me—the Veterans' Administration Home loan Guaranty Program.

The supplemental appropriation before us includes $100 million for the Veterans' Administration Home Loan Guaranty Program. This money was not requested during the budget process. This money was not requested in the regular supplemental appropriations process. The VA requested this money as the supplemental appropriation bill was about to leave the last station on the legislative line.

Mr. President, the Home Loan Guaranty Program for which this money is requested is in financial trouble. Let me briefly review the history for my colleagues.

The loan guaranty revolving fund, from 1944, when it was first established, until 1978—a period of 34 years—received only four infusions of funds totaling $633 million.

Since 1978, Congress has appropriated a total of $606 million during 3 separate years.

Since 1978, an additional $1,480 billion has been transferred from the district loan revolving fund to the loan guaranty revolving fund to keep the program afloat.

In 1984, an additional $160 million was transferred from the readjustment benefits account to keep the program afloat.

In 1988, the VA will need approximately $145 million to redeem Federal Assets Financing Trust Participation Certificates. Funds for this purpose should have been regularly set aside over the term of these certificates. But these funds were not set aside. Instead, they were used for the operation of the loan guaranty revolving fund. This had the effect of covering up losses suffered by the fund and alleviating the need for congressional appropriations.

Mr. President, these fund transfers and appropriations, totaling $2.4 billion since 1978, are band-aids hiding the symptoms of a program in financial trouble.

The number of houses in the VA's inventory of repossessed homes has increased from 9,000 in 1979 to over 21,000.

Property acquisitions due to loan defaults continue at a record pace. In the 10 years prior to 1983, acquisitions averaged 15,600 per year. In the last 4 years, they have averaged 25,200 per year. The VA continues to acquire properties, even when it has no obligation to do so, and which it has little chance of selling without loss.

Losses suffered by the VA for each defaulted home loan continue to increase and now exceed $14,000 per home.

VA home loan losses have many causes, some of which are uncontrollable. Divorce and layoffs are just two such causes. In areas of economic depression, many veterans have lost their jobs and, as a result, their homes as well.

However, the VA can take more concrete action to reduce the enormous losses accruing to the loan guaranty revolving fund. While the losses are due in part to uncontrollable causes as I have stated above, other factors, which the VA can influence, also contribute to the fund's losses.

Credit underwriting.—If the VA guarantees loans for more than a veteran can afford.

Poor appraisals.—If the VA guarantees loans or bids on properties at foreclosures for more than the home is worth.

Loan servicing.—The VA's loss is increased if foreclosure delays allow interest and other costs to increase.

Excessive property acquisitions.—In 81 percent of foreclosures, the VA goes beyond its guaranty to the lender and takes back the property after paying off the entire loan amount, accrued debt and foreclosure costs. In a number of cases, the VA has no realistic chance of reselling the property at its appraisal value and, as a result, incurs enormous losses to the loan guaranty revolving fund. In desperation, auctions are held and properties are sold at a fraction of their fair market value.

Property management.—The VA may lose money if properties in its inventory are allowed to deteriorate or properties it owns are not promptly sold.

In the message requesting this appropriation, the administration notes that the appropriation would be unnecessary if the Congress imposes a 2.5-percent funding fee on homebuying veterans. Mr. President, I submit the amount of this appropriation could be reduced if the loan underwriting, property appraisal, loan servicing, and property acquisition and management practices of the VA were improved. I am very disappointed that the Congress has been placed in a position of imposing the costs of making good on this program's losses on either future homebuying veterans, in the form of an increased user fee, or on the American taxpayer. There are two ways to deal with a leaking bucket. You can try to add water faster than it leaks our, or you fix or replace the bucket. I believe the time has come to fix the bucket because the well in this country is bone dry and we are borrowing water from foreign countries to keep programs, such as this one, afloat. We are only kidding ourselves if we delude ourselves into thinking it can go on forever. It simply cannot.

Mr. President, I did not oppose this requested appropriation. The VA Home Loan Guaranty Program is too important to our homebuying veterans to allow it to die because of a lack of funds. Over 12 million home loans have been made using this program. Its continued health is vital to veterans, to active duty military members, to the real estate and construction industries, and to the millions of Americans who work in those industries. I will support this supplemental funding request. But I will also state that this request renews and redoubles my intention to enact further reforms in this program.

Mr. President, the VA has made progress in implementing previous reform legislation and I look forward to working with my colleagues in the Senate in enacting further reform. I welcome the assistance of the distinguished chairman and ranking minority member of the HUD-Independent Agencies Appropriations Subcommittee and the VA's Chief Benefits Director, John Vogel, for whom I have enormous respect, and his new loan guaranty management team, in assuring that additional reform can be made in this important veterans' program. I assure my colleagues we will see this issue again.

Mr. GRAHAM. Mr. President, this supplemental bill includes $300 million in economic assistance for the four Central American democracies. The Appropriations Committee is to be congratulated for taking action on this important matter, and I am very encouraged by the bipartisan support that this proposal has generated.

I am encouraged because it is important that the Congress signal our neighbors in Central America that we have a long-term commitment to supporting them in their efforts to foster democracy, economic prosperity and a respect for human rights in the region. This package will help contribute to a change in tone of a debate which has become repetitiously negative. Rather than simply continue to outline what we oppose in the region, this package helps us to begin to underscore what we stand for—economic prosperity. And democracy. And human rights. That has been, is, and always will be a compelling agenda, one certainly worthy of bipartisan support.

This money is properly part of this supplemental bill, a bill which by its very nature connotes a sense of urgency that funding such as this be provided expeditiously. Considerations of this package takes on added urgency in that expectations were raised last year that these funds would be available by the end of 1986. This didn't happen. That is why it is so important and gratifying that the Appropriations Committee saw fit to include this funding in the supplemental. I urge the Senate to insist that the House—which decided to delete these moneys—accede to the Senate position on this matter.

THE URGENCY OF THE SUPPLEMENTAL APPROPRIATIONS BILL

Mr. BENTSEN. Mr. President, for several days the Senate has been considering this legislation. Parliamentary questions have been raised and voted upon. Specific programs have been discussed and voted upon. It is time to pass this bill so that it can be reconciled with the House and sent to the President.

People in Texas need the funds provided by this bill. Some are urgently waiting for its enactment. In fact, approximately $561 million will flow to Texas if the Senate version becomes law.

Mr. President, I ask unanimous consent that a list of items which directly benefit Texas and are contained in this bill be included in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

LIST OF ITEMS FUNDED IN THE FY 87 SUPPLEMENTAL BILL WHICH BENEFIT TEXAS (WITH ESTIMATED AMOUNTS FOR A TOTAL OF $561 MILLION)

AGRICULTURE—APPROXIMATELY $444.5 MILLION

1. Texas is expected to receive about 6% of the $6.7 billion appropriated for the Commodity Credit Corporation. This amounts to roughly $400 million for Texas farmers and cattlemen. (Urgent)

2. $44.507 million for disaster assistance. The Senate expects that $44.507 million of the $135 million provided for 1986 crop disaster payment will go the Texas farmers. This amounts to Texans receiving almost one-third of the total amount appropriated for this program. (Urgent)

3. Rural Electrification Administration refinancing provision would allow for four (4) Texas generation and transmission cooperatives (out of a total of 55 cooperatives countrywide) to refinance $404.068 million of debt. (Urgent)

COMMERCE, JUSTICE, STATE AND JUDICIARY—APPROXIMATELY $36.6 MILLION

1. $35 million is provided in the bill for a Border Patrol station in El Paso, Texas. The Immigration and Naturalization Service has under consideration construction of four other Texas Border Patrol Stations at McAllen, Cotulla, Uvalde, and Yselta. These would be built using funds from the $148 million provided in the Supplemental. The bill also provides funds to hire 324 additional border patrols agents of which a proportion would be stationed in Texas.

2. $1.5 million in the bill is to be used for sixty-three new positions in the Special Bankruptcy Courts located in Texas. (Urgent)

DEFENSE—APPROXIMATELY $35 MILLION

1. Civilian defense employees in Texas are expected to receive approximately $35 million for retirement costs. (Urgent)

2. At Sen. Bentsen's request, language was included in the bill to restrict the use of funds appropriated to restore the U.S. Battleship Texas.

HUD—APPROXIMATELY $16.8 MILLION

1. Approximately $16.8 million provided in the bill is designated for pay raises and retirement costs for the 11,543 medical personnel located at the ten VA medical centers and seven nursing homes located in Texas. (Urgent)

INTERIOR—$90,000

1. The bill includes $90,000 to allow repair work to the Haggarman Fish and Wildlife Refuge in Texas.

LABOR-HHS—APPROXIMATELY $26.2 MILLION

1. Out of the $257 million transfer for Pell Grants, Texas students would receive approximately $14.5 million. If this money is not transferred, 12,500 Texan Pell Grant recipients would be denied assistance and 40,300 Texas Pell grant recipients' aid would be reduced. (Urgent)

2. Of the $50 million for the Summer Youth Jobs programs, Texas would receive about $3.4 million; of the $20 million for trade adjustment assistance, Texas has made a request for $1.8 million (urgent) and of the $10 million for elderly job assistance, Texas is estimated to receive around $500,000.

3. Texas may receive $3.3 million in federal payments to the state for foster care.

4. $800,000 may be available in the bill for maternal and child health care.

5. $1.9 million may be paid to Texas AIDS patients for AZT treatment.

TRANSPORTATION—$2 MILLION

1. The bill makes $2 million available for the construction of two runways at the Dallas-Fort Worth Airport for the development of an instrument landing system.

TREASURY

1. In 1986, Texas was one of the top five states with the most federal civilian nonmilitary employees with a total of 172,490. All of these employees would be affected by the retirement pay provided in the Supplemental. All but the postal employees (about 50,000) would be affected by the pay raise provided in the bill. Since the amount each employee would receive depends on the individual agency, specific dollar impact to Texas is not available.

Mr. EVANS. Mr. President, although I realize this is a late point in which to bring up a new matter, I feel the urgency of this matter is such that my colleagues will understand my reasons for raising it at this point. My colleague from Washington, Senator ADAMS, and I have recently been made aware of an issue of critical importance to our State. Given the constraints of the budget limits, we will not offer an amendment to add funds to take care of the problem, however, it is critical that the problem be addressed at some point.

The Bureau of Land Management has been conducting an analysis of a landfill located on property owned by the Bureau of Land Management near Oroville, WA. Although the landfill is inactive at present, at one point it was used to store hazardous wastes. The Bureau initiated a study last year to determine what dangers exist at the landfill and what would be the most appropriate method to clean up the landfill. The initial sample analysis revealed that the landfill contains significant concentrations of extremely toxic pesticides, including DDT, DDE, ethion, parathion, endosulfan I, endosulfan sulfate, and endosulfan II.

Mr. President, I cannot stress enough the present danger that this discovery has uncovered. Let me quote from the consultant's report: "The levels of pesticides present have resulted in stressed vegetation and present a clear threat to public health and the environment. Parathion, in particular, is a highly toxic substance with an extremely low lethal dose level."

The site where this landfill is located is on a slope uphill from the Similkameen River and an irrigation canal, and adjacent to a public golf course. There is an enormous threat to public health if this site becomes unstable and if there is further leaching from the waste site. The consultant's report was quite emphatic in stating that the site is in imminent danger of slumping into the river. Further, it stated, the site should be stabilized and the cleanup work begun prior to the start of the local rainy season which begins in September. That does not leave us much time.

Mr. President, I cannot stress enough how serious this threat is to the people living near Oroville, WA. Quite clear from the consultant's report is the strong possibility of toxic poisoning to the local populations should such a slump occur. Of equal importance is the effect that such a debris slump would have on the primary industry in the valley, agriculture. The southwest corner of the site overhangs not only the river, but an irrigation canal that serves an estimated 3,000 acres of orchards. A debris slump could potentially involve 3,000 tons of contaminated debris entering both the river and the irrigation canal.

Mr. ADAMS. Mr. President, I would like to add at this point that I could not agree more with Senator EVANS as to the severity of this threat. It is critical that there be some way to implement the recommendations of the consultant who worked on the project to absolutely assure the people of the State of Washington that their health and livelihoods will not be threatened. The consultant recommends the immediate stabilization of the materials on the slope and a diversion of ground water so as to reduce the effects of leachate formation of the toxic chemicals and lubrication of the remaining materials on the slope. The cost for completing this work is $2 million. This amount, I assure my colleagues, is small in comparison to the Federal liability that exists should we choose to let this situation continue.

Mr. President, we would have brought this matter to the attention of our colleagues at an earlier date had we known the results of the consultants report. However, the report was only recently completed. We are fully aware that it will be virtually impossible to have any funds added to the supplemental appropriations bill at this point in time, but clearly the exigency of this situation demands congressional attention.

Mr. JOHNSTON. I well appreciate the concerns of my colleagues from Washington, and I appreciate your not trying to hold up this bill any further by offering an amendment on this problem at this late date. If I could, I would like to pursue a couple of questions a bit further. What is the extent of the Federal Government's liability in this case, and do you know what eventual costs will be associated with the cleanup of this site?

Mr. EVANS. The Senator raises a good point about the potential liability for the cleanup of this site. Under the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act, and the Superfund Amendments and Reauthorization Act, liability for such sites is strict, joint, and several. That is, all responsible parties: owners, operators, generators, and so forth, are liable for 100 percent of the costs without regard to fault or negligence.

I believe that it is the current policy of the Bureau to pursue reimbursement from other responsible parties in cases where those parties can be identified, which it has the right to do under law. In this case, we know that the landfill was previously operated by the town of Oroville, and that the pesticides were taken there after a fire occurred in a large chemical warehouse in Oroville. I must underscore, however, that the Federal Government's liability may increase if any damages ensue as a result of the toxic wastes stored on the site. That is why we must resolve this issue in this supplemental appropriations bill.

Mr. ADAMS. There is no question that the interest of the Federal Government is to pursue the stabilization and cleanup of this site now. The $2 million figure I mentioned before is the amount the consultant believes is necessary to accomplish the stabilization of the site so as to prevent the disastrous possibility that a debris slump will occur. As far as the total costs of cleaning up the site, the $2 million figure is the tip of an unknown iceberg. That is the amount needed to stabilize the site to prevent a debris slump. The BLM estimates it will need an additional $2 million to thoroughly analyze the site to determine the most suitable method of cleaning up the site. The BLM does not know how much it will eventually cost to clean up the site. That will be determined in its analysis of the site.

Mr. JOHNSTON. I appreciate my colleagues answers to my questions. I do recognize that this is an urgent matter, and I believe that there should be some way to find funds sufficient to resolve this important problem. Would it be acceptable to the Senators from Washington if we review this matter in conference to see if there is some way to find some funds to allow the stabilization work to begin?

Mr. EVANS. As usual, the Senator from Louisiana has been very understanding in this issue. I do believe that it will be helpful if the matter could be reviewed in conference. I will be happy to provide any information that may be necessary and to talk with the Washington delegation in the House of Representatives to ensure that they are aware of the emergency nature of this situation.

Mr. ADAMS. The Senator for Louisiana has suggested a very helpful approach to assist us in resolving this concern. I do believe there should be a way to resolve this issue and I appreciate that we will have the opportunity to ensure that we take care of this drastic problem before a terrible disaster occurs.

TRADE ADJUSTMENT ASSISTANCE/TRAINING

Mr. BYRD. Mr. President, we are experiencing a serious shortfall in funding for training, relocation, and job assistance under the Trade Adjustment Assistance Act. Because of the seriousness of this situation, I requested that supplemental funding be provided, and I am pleased that this bill does include $20 million under the Trade Adjustment Assistance Act to provide help to those individuals who have lost their jobs because of foreign imports.

According to information provided by the Department of Labor, in March, the Department had received requests from 31 States totaling $48,121,402 for training moneys. Only $29.7 million has been appropriated for the trade adjustment assistance act in fiscal year 1987. Obviously, given this shortfall in funding, the requests by the States are not being met.

Although these statistics clearly indicate the demand for retraining moneys, they do not tell the whole story. West Virginia has been hard hit by imports. Our steel, glass, textile, shoe, and coal industries have been devastated.

I have heard from many West Virginians who have lost their jobs because of imports and have been accepted at vocational schools or colleges, only to find that there is no money. What are these people suppose to do?

In the words of one of those workers:

> ". . . My place of work, Kinney Shoe Factory, and many other factories have shut down in the State and Preston County.
>
> ". . . We are told there are no funds available to those of us who have chosen to go to school for retraining.
>
> ". . . My future is really riding on this program. I want to work, but without this retraining, I'll never have the chance to have what it takes to compete in the future of West Virginina and in what this State has to offer."

The United Mine Workers advised that in March that there were over 300 people in Kanawha County and 1,100 in McDowell County that were certified in January due to the impact of foreign steel imports, which has created havoc in the metallurgical coal industry. Let me point out that McDowell County has an unemployment rate of over 31 percent. I quote from one such letter:

> "We former employees of Olga Coal Company . . . lost our jobs on December 12, 1986.
>
> "The problem . . . is that we have been informed that no funds are available which would enable us to receive training for other vocations.
>
> "Without subsistence benefits for our families and funds to pay for retraining expenses for employment outside the coal industry, we are without hope for our future."

These letters from West Virginians that have lost their jobs because of imports tell the real story. It is the story of people who are struggling to overcome a situation that was brought about through no fault of their own. A story of people who are willing to work and willing to retrain so that they can support their families, pay taxes, and contribute to the economy.

These people deserve our help, and I am pleased that the Senate bill provides $20 million in funding for retraining under the Trade Adjustment Assistance Act to provide that help. I want to thank the distinguished chairman and ranking member of the Labor, Health and Human Services, Education, and Related Agencies Appropriation Subcommittee for their support.

Mr. LEVIN. Mr. President I will vote against the supplemental appropriation bill not because I don't support most of what is in the bill. I do support CCC payments and disaster payments for our farmers, summer jobs for our youth, operations and maintenance money for our Armed Forces, and assistance to our homeless. But I also support paying for these programs, and unfortunately this bill is more than $2.5 billion over budget.

Earlier during the debate I, along with Senator GRAMM, offered a motion to recommit the bill with instructions that it be brought within the budget through spending cuts of various kinds. The instructions further specified that if the Appropriations Committee could not cut spending enough to bring the bill within the budget, then the committee should urge the Senate to consider legislation to raise revenues to make up the difference. Although there was a strong vote in support of this motion to recommit, it unfortunately did not command a majority.

Having opposed the motion to waive the Budget Act to consider this bill, and having tried unsuccessfully to recommit the bill so that it could be put on a pay-as-you-go basis, I cannot now vote for final passage.

SOLIDARITY FUNDING AMENDMENT

Mr. SYMMS. Mr. President, today is an important day in the history of America. It is a day in which the U.S. Government finally takes affirmative action in support of establishing freedom and democracy in Poland. Included in H.R. 1827, the Supplemental Appropriations Act of 1987, is a provision that would provide $1,000,000 to assist the Polish independent trade union organization Solidarity.

For 5 years, Solidarity has requested the monetary assistance of the U.S. Government. Now, with President Reagan lifting the trade sanctions imposed against Poland, Congress has the opportunity to support the freedom fighters in Poland by appropriating $1 million. The money would be used to strengthen organizational structures on the factory and regional levels, increase the purchasing power for printing and communication equipment, establish legal and medical aid funds, and help fund academic and agricultural initiatives.

Mr. President, the funding is very important to the members of Solidarity in Poland and to this Senator. However, there seems to be concern among some Senators regarding the organizations or agencies that should act as intermediaries for the funding.

As the original sponsor of the Solidarity funding provision, I would like to clarify the mechanism for implementing the $1,000,000 appropriation for the independent trade union organization Solidarity. For technical reasons, funding for Solidarity is placed in the Economic Support Fund, under a category funding bilateral economic assistance through the Agency for International Development [AID].

Ordinarily, under section 2346(b) of title 22, United States Code, this would mean that the Secretary of State, in addition to the Agency for International Development, would have broad discretion in determining whether or not to expend the funds, monitoring the use of the funds, and diverting a portion of the funds to administrative expenses incurred by the Department of State and by AID. This is not my intention.

Rather, it is my intention that the National Endowment for Democracy [NED] serve as the principal dispensing mechanism for this program. It is my understanding that NED would then forward the funding through the Polish-American Congress and another Polish-American organization, Studium. Together with a comparable amount of money which is already channeled through NED and the AFL-CIO, the combination of these three funding channels will create a multiplicity of support which will strengthen both Solidarity and the supporting organizations.

Accordingly, since NED and the intermediary organizations will perform any necessary functions involving implementation and monitoring, it is my intention that the role of the Department of State, the Agency for International Development, and the U.S. Information Agency be limited to channeling the funds toward the ultimate beneficiary without playing an independent administrative role or incurring administrative expenses.

Mr. BINGAMAN. Mr. President, I must oppose the adoption of H.R. 1827, the Supplemental Appropriations Act of 1987. It is over budget and adds to our deficit and I cannot support it.

The bill has been debated on by the Senate for several days now and while certain necessary changes have been made, the bill still is fundamentally flawed in that it calls for excessive spending without any plan to pay for it.

There are a number of deserving programs in this bill, many which I support, including aid to the homeless, funding for older Americans, disaster assistance to farmers, and more. I hope that these programs can be funded in the normal course of the appropriations process.

Nevertheless, with only a few exceptions the bulk of the spending in the bill does not, in my opinion, fit into the emergency spending category. Indeed, the reality is that we cannot afford much of this spending even if it were of an emergency nature. The Senate has thus far refused to act on the issue of revenues to pay for new spending, and until we do we should not continue to add up new spending which only fuels the deficit.

The supplemental calls for new appropriations in excess of $9 billion and it is in violation of the budget we have just recently agree to. In fact our estimate show Federal outlays already exceeding the budget by $13.3 billion. When we are struggling to deal with a dangerously high budget deficit we cannot simply continue to spend. We obviously need a plan to deal with the deficit and we have tried to devise such a plan under the leadership of the chairman of the Senate Budget Committee—a plan which I supported. But this plan has not been implemented. It is unfortunately true that the President has not participated in the effort to develop a budget plan that cuts spending where it is necessary, adds spending where it is necessary, raising revenues where they are also necessary.

Mr. President, we have made no real commitment here to reduce new spending and we have made even less of an effort to explain how this new spending would be paid for. As a result I will oppose adoption of the supplemental appropriations bill.

Thank you, Mr. President.

Mr. THURMOND. Mr. President, prior to considering this bill, fiscal year 1987 spending exceeded Gramm-Rudman-Hollings targets by $13.3 billion. This spending measure appropriates an additional $9.4 billion for fiscal year 1987. Our obligation to future generations of Americans is to reduce the Federal deficit. We cannot disregard the overriding importance of this obligation.

Although I am deeply concerned about America's farmers and the need for appropriations for the Commodity Credit Corporation, I believe that this important funding can be obtained through a more streamlined, cost-efficient bill. I would strongly support such a bill and would work for its passage.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. Is there further debate?

Mr. JOHNSTON. Mr. President, I say to my colleagues that this will be the last vote on the appropriations bill.

Mr. BYRD. Yes. And it will be the last vote today.

The PRESIDING OFFICER. The yeas and nays have not been ordered.

Mr. JOHNSTON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], is necessarily absent.

I further announce that the Senator from Ohio [Mr. GLENN], is absent on official business.

Mr. SIMPSON. I announce that the Senator from Kansas [Mr. DOLE], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from Delaware [Mr. ROTH] are necessarily absent.

I also announce that the Senator from Virginia [Mr. WARNER] is absent on official business.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 71, nays 23, as follows:

[Rollcall Vote No. 145 Leg.]

YEAS—71

Adams
Bentsen
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dodd
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Gore
Graham
Grassley
Harkin
Hatfield
Heflin
Heinz
Hollings
Inouye
Johnston
Karnes
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Specter
Stafford
Stennis
Stevens
Trible
Weicker

NAYS—23

Armstrong
Baucus
Bingaman
Cohen
Dixon
Garn
Gramm
Hatch
Hecht
Helms
Humphrey
Levin
Murkowski
Nickles
Proxmire
Quayle
Rudman
Simpson
Symms
Thurmond
Wallop
Wilson
Wirth

NOT VOTING—6

Biden
Dole
Glenn
Kassebaum
Roth
Warner

So the bill (H.R. 1827) was passed.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I move that the Senate insist upon its amendments to H.R. 1827 and request a conference with the House of Representatives on the disagreeing votes thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer [Mr. GRAHAM] appointed Senators STENNIS, PROXMIRE, INOUYE, HOLLINGS, CHILES, JOHNSTON, BURDICK, LEAHY, SASSER, DECONCINI, BUMPERS, LAUTENBERG, HARKIN, MIKULSKI, REID, HATFIELD, STEVENS, WEICKER, MCCLURE, GARN, COCHRAN, KASTEN, D'AMATO, RUDMAN, SPECTER, DOMENICI, GRASSLEY, and NICKLES conferees on the part of the Senate.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make any technical corrections in the engrossment of the Senate amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I want to thank the distinguished chairman of the committee, Mr. STENNIS, the distinguished Senator from Louisiana [Mr. JOHNSTON], and the distinguished Senator from Oregon [Mr. HATFIELD] for the extremely good work that has been done on this bill.

I also congratulate Mr. GRAMM for his efforts to remold the bill to his liking. And I do not use that word with any disrespect. As a matter of fact, I use it with great respect. And that is what we all do around here. Each Senator wishes he could change a bill or amend a bill, and I respect him for it. He is fighting for his beliefs.

But I also thank all Senators on both sides. I thank those particularly who supported the waiver motion today.

I want to compliment Mr. JOHNSTON on the skill and expertise that he demonstrated in managing the bill on this side. He always astounds me with his knowledge of appropriations bills. But he should not astound me, because I know he does committee work and he is there attending the committees and he is there on votes and there representing his people always. He has done a masterful job. I often lean on him to help carry the burden in the Interior Appropriations Subcommittee, in view of the fact that I have my own burdens here on the floor. He always does an excellent piece of work. I fully trust him to do a job and do it well.

I also want to compliment Mr. HATFIELD, who, as always, was courteous and kind and considerate and understanding of all Senators. He, too, is a very able comanager of a bill.

Again, I thank my good friend, Senator STENNIS—he never left the floor; he was always here—with whom we could counsel. He is always willing to be there, carrying his share of the burden, adding his devotion to duty. I congratulate him and thank him.

Mr. President, if the distinguished acting Republican leader has no further business to transact and no speech to make, I think I will get ready to put the Senate over until tomorrow.

Mr. SIMPSON. Mr. President, I do not have any speech to make. I do want to join the majority leader in thanking Senator STENNIS for this fine work. He is our superb leader, the man with the longest tenure in this remarkable place.

We look to him with respect and affection. We appreciate his work on this. Senator JOHNSTON has done a magnificent job. I, too, am always amazed at his acumen and ability with his knowledge of appropriations issues. Senator HATFIELD has that same reputation to us all. The two of them did a masterful job of dealing with very tough issues. I commend them.

I also wanted to add that in an earlier debate this afternoon on a discussion of AIDS that I suggested the possibility of a select committee of the Senate. I will visit with the majority leader. I know the minority leader will visit, too. That is a good suggestion that I think we should pursue which was a creation of Senator STEVENS and I originally discussing that possibility. He should certainly receive appropriate credit. Whether it goes on or whether it does not, it certainly is something we should consider on this critical issue which is more than money. It is morals, ethics, racism, and so much more, as I said earlier.

ECONOMIC EQUITY ACT OF 1987

Mr. KERRY. Mr. President, I rise in support of the Economic Equity Act of 1987. As a cosponsor of both last year's and this year's omnibus package, I am extremely pleased to be associated with this legislation, and will continue to advance the efforts provided for in the Economic Equity Act of 1987. The provisions contained in this act have the potential for shaping new policies that not only recognize the demographic realities of the eighties but suggest a vision for sharpening our competitive edge. The reality is that women are a strong and growing presence in our work force. The Economic Equity Act of 1987 strives to make them independent, dignified contributing members of this force.

The Economic Equity Act of 1987 addresses the emerging profile of the present day work force. We must now recognize that the family and women have moved into the foreground of the American work place. The concerns of this comprehensive package of 17 bills are outlined in the act's two major thrusts; the work place and the family. Title I focuses on pay equity issues, equal access to commercial credit, part-time workers, and economic security. With women entering businesses at a rate four times greater then men, during the past decade, we must direct our attention toward what their presence represents.

The provisions of title II of the Economic Equity Act of 1987 balance the recommendations in title I, for bringing women into economic parity with men, especially by responding to the need for improved dependent care for children. Presently there are 26 million women of two-parent earners who are contributing to the American work force. An additional 11 million participants in the work force are single female parents. Many of these women, particularly mothers of preschool children are effectively locked out of the labor market because they cannot find satisfactory child care arrangements. Almost half of the bills in the total package reiterate the need for improved standards for dependent care, as well as increased dependent care for lower income families consonant with a desire to address welfare reform, this act addresses the need for day care for children.

To date, there is no Federal agency that looks at the economic rights of women. In this the year of the 200th celebration of the constitution, the Economic Equity Act of 1987 recognizes the need to evaluate the plan for the stability of working women and families. I am proud to support it.

TENNESSEE NOTICE OF DISAPPROVAL OF DEPARTMENT OF ENERGY PROPOSAL FOR A MONITORED RETRIEVABLE STORAGE FACILITY

Mr. BURDICK. Mr. President, I would like to explain the nature of a communication from the State of Tennessee that was referred to the Committee on Environment and Public Works last Friday.

I would like to make it clear that this communication was not a timely notice of disapproval of the Department of Energy's recommendation to Congress for authorization for the construction of a monitored retrievable storage facility—called MRS—for spent nuclear fuel.

As a matter of background, the Nuclear Waste Policy Act of 1982 establishes a program for the selection of one or more sites for the permanent deep geologic disposal of high-level nuclear waste and spent nuclear fuel.

The act also directs DOE to study the need for and feasibility of a monitored retrievable storage facility for the temporary storage of nuclear wastes prior to their shipment to a repository. Although the act authorizes DOE to construct one repository, it does not authorize DOE to construct an MRS. To date, Congress has not provided such authorization.

On March 30 of this year the DOE submitted a proposal to Congress to authorize the construction of an MRS in the State of Tennessee. This proposal was referred to the Committee on Environment and Public Works (EC-1022). The Subcommittee on Nuclear Regulation has scheduled a hearing on this proposal on June 18.

The Nuclear Waste Policy Act provides that any State—or Indian tribe—recommended by the President to host a permanent repository may veto that recommendation within 60 days of the President's recommendation. A State's notice of disapproval triggers expedited procedures in both the Senate and the House for consideration of a joint resolution to override the State veto. Unless the State veto is overriden, DOE may not apply to the Nuclear Regulatory Commission for a construction authorization at that site.

Section 141(h) of the act also provides that various provisions governing a notice of disapproval applicable to the siting of a repository shall also apply in the case of the recommendation of a State to host an authorized MRS facility. Because the procedures for selecting a site for a permanent repository are different from the procedures for selecting a site for an MRS, there has been some confusion as to exactly when these rights attach in the case of an MRS.

The State of Tennessee has maintained that the MRS veto rights attach at the time that DOE's recommendation is submitted to Congress for the authorization of the MRS. On the other hand, the Department of Energy believes that the veto rights do not apply until the Congress authorizes an MRS.

Last Thursday, Tennessee filed what it stated was a notice of disapproval of the DOE proposal for an MRS to be located in Tennessee. On Friday, this filing was referred to the Environment and Public Works Committee (POM-161; POM-162).

The Nuclear Waste Policy Act requires the chairman of the committee to which a timely notice of disapproval is referred to introduce a resolution of siting approval on the day following the referral. Because the communication from Tennessee is not a timely notice of disapproval, the committee chairman is not required to introduce a resolution of siting approval. Accordingly, Mr. President, I am not introducing any resolution of siting approval at this time.

Mr. President, in my opinion the Tennessee notice of disapproval is not timely for several reasons. First of all, the statute states that the veto provisions apply to an MRS facility that is authorized. The MRS has not been authorized.

Second, DOE's submission to Congress is only a proposal. There is nothing to veto. A State veto at this time would have no legal effect, since DOE has no authority to act on its proposal. It makes more sense to provide a State veto when the DOE has legal authority to proceed.

Third, it would appear more appropriate for Congress to first consider the MRS proposal through the normal authorizing process rather than through the expedited procedures in the NWPA. The issues surrounding the permanent repository program are complex and important to the public health and safety and our energy security. They deserve close and careful attention. The normal authorization process is the process most appropriate for these types of issues.

Only after Congress has made its initial determination on the merits of an MRS would expedited procedures be appropriate to consider objections to the precise location of that facility.

Mr. President, I am advised that the Parliamentarian concurs in the view that the notice of disapproval is not timely and that should a resolution of siting approval be introduced, the expedited procedures of the NWPA would not apply.

The issues surrounding the disposal of nuclear waste are of major interest to members of the Environment Committee. The Subcommittee on Nuclear Regulation is conducting a hearing today on the permanent repository program, a hearing tomorrow on nuclear waste transportation, and a hearing on June 18 on the MRS proposal.

The DOE also has been requested to provide the committee with draft legislation that would implement its MRS proposal. This specific draft legislation will help the committee in its consideration of the DOE proposal. We look forward to DOE's draft legislation.

This type of detailed consideration of the DOE proposal is more appropriate for this significant issue than the quick look that would occur under the expedited veto override procedures.

In sum, Mr. President, it appears that Tennessee's filing is not a timely notice of disapproval. I ask unanimous consent that a study done on this issue by the Congressional Research Service and a legal brief on this issue by DOE in recent litigation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TIMING OF STATE OBJECTIONS TO LOCATION OF MONITORED RETRIEVABLE STORAGE SITES: A LEGAL ANALYSIS

Concerning the purposes for the Monitored Retrievable Storage (MRS) provisions [1] of the Nuclear Waste Policy Act,[2] the Congress stated that:

(1) long-term storage of high-level radioactive waste or spent nuclear fuel in monitored retrievable storage facilities is an option for providing safe and reliable management of such waste or spent fuel;

(2) the executive branch and the Congress should proceed as expeditiously as possible to consider fully a proposal for construction of one or more monitored retrievable storage facilities to provide such long-term storage;

(3) the Federal Government has the responsibility to ensure that site-specific designs for such facilities are available as provided in this section;

(4) the generators and owners of the high-level radioactive waste and spent nuclear fuel to be stored in such facilities have the responsibility of the long-term storage of such waste and spent fuel; and

(5) disposal of high-level radioactive waste and spent nuclear fuel in a repository developed under this chapter should proceed regardless of any construction of a monitored retrievable storage facility pursuant to this section.[3]

On or before June 1, 1985, the Secretary of Energy shall have completed a detailed study of the need for one or more MRS's for high-level radioactive waste and spent nuclear fuel.[4] The proposal for site selection shall include, for the first facility, at least three alternative sites and at least five alternative combinations of the proposed sites and facility designs. The Secretary of Energy is required to recommend the combination among the alternatives that he deems to be preferable.[5] The Secretary of Energy must prepare an environmental assessment concerning each proposal. The assessment shall be based upon available information concerning alternative technologies for the storage of spent nuclear fuel and high-level radioactive waste. The environmental assessment shall be submitted to Congress at the same time that the proposal is submitted.[6] After reviewing the proposal, if the Congress by law specifically authorizes construction of an MRS, the requirements of the National Environmental Policy Act of 1969 [7] shall apply with respect to construction of the facility. Any such facility authorized shall be subject to licensing by the Nuclear Regulatory Commission under 42 U.S.C. section 5842(3).[8] 42 U.S.C. section

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[1] 42 U.S.C. secs. 10161 et seq.

[2] 42 U.S.C. secs. 10101 et seq.

[3] 42 U.S.C. sec. 10161(a).

[4] 42 U.S.C. sec. 10161(b)(2).

[5] 42 U.S.C. sec. 10161(b)(4).

[6] 42 U.S.C. sec. 10161(c)(1).

[7] 42 U.S.C. secs. 4321 et seq.

[8] 42 U.S.C. sec. 10161(d).

10161(h) specifies the participation of states and Indian tribes in the MRS process:

"Any facility authorized pursuant to this section shall be subject to the provisions of sections 10135, 10136(a), 10136(b), 10136(d), 10137, and 10138 of this title. For purposes of carrying out the provisions of this subsection, any reference in sections 10135 through 10138 of this title to a repository shall be considered to refer to a monitored retrievable storage facility."

Under the above-mentioned provisions, states and Indian tribes possess important veto rights for the location of a permanent repository site. The designation of a site as suitable for a permanent repository shall be effective at the end of a sixty-day period beginning on the date on which the President recommends the site to Congress unless the governor and legislature of the state in which the site is located or the governing body of an Indian tribe on whose reservation the site is located has submitted to Congress a notice of disapproval. If the notice of disapproval has been submitted to the Congress after a recommendation for approval of the site is made by the President, the site shall be disapproved unless during the first period of ninety calendar days of continuous session of the Congress after the date of receipt by the Congress of the notice of disapproval, the Congress passes a resolution of repository siting approval and the resolution later becomes law.[9] In the case of an MRS site, the procedure is somewhat different than the procedure for the permanent repository site. The Secretary of Energy recommends the MRS site to the Congress; the President recommends a permanent repository site to the Congress. Once the Secretary of Energy submits his MRS proposal, this triggers congressional review. If Congress approves of the proposal, it may authorize construction of an MRS. The authorization of any such facility, according to 42 U.S.C. section 10161(h), then triggers the possibility of using the state disapproval provisions.

Because nothing is a quick look at the legislative history of the Nuclear Waste Policy Act appears to define what Congress meant in this Act by the use of the word "authorize," it is necessary to discuss what this word has traditionally come to mean in the area of congressional procedure. The following quotation illustrates what Congress intends by the word "authorize:"

"The authorizations power is primarily a creature of Congress, established by rules of the House and the Senate rather than by constitutional or statutory authority. Even when a provision of law requires a specific authorization, usually the only thing that prevents Congress from bypassing the authorization process is a House or Senate rule. Clause 2 of Rule XXI of the House of Representatives provides that "no appropriation shall be reported in any general appropriation bill, or be in order as amendment thereto for any expenditure not previously authorized by law. . . ." Paragraph 2 of Senate Rule XVI precludes "an appropriation bill containing amendments proposing new or general legislation." The two-step procedure for authorizations and appropriations is intended to assure that program and financial matters are considered independently of one another. This division of labor is intended to enable the Appropriations Committees to concentrate on financial issues and to prevent them from trespassing on substantive legislation.

"As used here, the term "authorization" refers to authority to enact appropriations, not to broader authority to carry out programs and operate agencies. Most Federal programs and agencies have specific authorizations, but some old agencies lack such authorization. Rather, their organic legislation serves as the statutory authorization for the enactment of budget authority under the rules of the House and Senate.

"Authorizations fall into three distinct categories depending on their duration: (1) permanent authorizations remain in effect until altered or terminated by Congress; (2) multi-year authorizations usually have terms of two to five years; (3) annual authorizations expire each year and must be renewed annually in order for the program to continue."[10]

Thus, in most instances Congress must authorize an act before money is appropriated for the act. Once the authorization occurs, Congress may then consider the appropriation. In terms of the MRS provision under the Nuclear Waste Policy Act, it would appear that Congress must authorize the MRS facility before the state veto provisions may be used. Until such time as authorization occurs, a state cannot be certain that Congress will approve the proposal submitted to it by the Secretary of Energy. Thus, according to 42 U.S.C. section 10161(h), it would appear that the time for a state to object to the MRS facility is after the facility's authorization, not at the time of submission of the proposal to Congress.

Support for this interpretation is provided by the recently decided case of *Tennessee* v. *Herrington.*[11] One of the issues of this case concerned when Tennessee may object to the MRS. In this case the state of Tennessee argued that the state veto of the MRS proposal should occur before congressional consideration and approval. The Department of Energy, on the other hand, argued that "authorized" means "authorized by Congress" so that state disapproval cannot occur until after Congress has approved the construction of an MRS facility. The Sixth Circuit held that, since the legislative history does not address this question, deference should be given to the interpretation of the agency charged with enforcing the statute. At 34 the court stated:

"The DOE's interpretation of 'authorized' in section 10161(h) is a rational one. It does not totally deprive the State of its role in the MRS siting process, since the provisions set forth in section 10161(h) will apply when and if Congress approves the MRS proposal and authorizes construction of an MRS facility. Though the DOE's interpretation does give the State a more constricted role than the State would prefer, we cannot say that role is clearly more limited than Congress had intended."

MICHAEL V. SEITZINGER,
Legislative Attorney,
American Law Division.

[In the United States District Court for the District of Columbia]

NED RAY MCWHERTER GOVERNOR OF THE STATE OF TENNESSEE, PLAINTIFF, V. GEORGE BUSH, VICE PRESIDENT OF THE UNITED STATES, IN HIS OFFICIAL CAPACITY AS PRESIDENT OF THE UNITED STATES SENATE; JOHN C. STENNIS, IN HIS OFFICIAL CAPACITY AS PRESIDENT *pro tempore* OF THE UNITED STATES SENATE; AND JAMES C. WRIGHT, IN HIS OFFICIAL CAPACITY AS SPEAKER OF THE UNITED STATES HOUSE OF REPRESENTATIVES, DEFENDANTS.

CIV. NO. 87-1118

Judge Joyce Hens Green—Intervenor Department of Energy's motion to dismiss, response to Plaintiff's motion for summary judgment, and cross motion for summary judgment

Introduction

This action, stripped to its essentials, is nothing more than a request that this court interpret the relationship between the Nuclear Waste Policy Act of 1982 ("NWPA") and a nonexistent piece of legislation authorizing the construction of a Monitored Retrievable Storage ("MRS") facility. Specifically, the Governor contends that he is entitled to a declaration as to "when he is entitled to issue a Notice of Disapproval to Congress of the designation by the United States Department of Energy (DOE) of a site in Tennessee for a nuclear waste storage facility." Complaint, pp. 1-2.[1] He argues that such a Notice is timely if filed within sixty (60) days of the date DOE submits its MRS proposal to Congress.

DOE contends that such notice may only be filed after Congress passes specific legislation authorizing the construction of an MRS pursuant to the NWPA § 141. 42 U.S.C. 10161. That legislation has yet to be passed. Moreover, Section 141(h) of the NWPA incorporates by reference certain NWPA provisions applicable to a deep geologic repository siting process and applies them to an MRS facility once the latter is "authorized." 42 U.S.C. 10161(h). One of those incorporated provisions is that by which Congress defined state disapproval rights. 42 U.S.C. 10136(b).

Tennessee's earlier lawsuits against DOE similarly challenged the application to the MRS process (through Section 141) of Section 117 dealing with the State's consultation and cooperation rights. 42 U.S.C. 10137. The Court of Appeals for the Sixth Circuit held that DOE's interpretation of the NWPA was proper and that the NWPA provisions incorporated by reference in NWPA section 141(h) are not triggered until Congress specifically authorizes an MRS. *State of Tennessee* v. *Herrington,* 806 F.2d 642 (6th Cir. 1986). DOE contends that the logic of that case controls, and that the complaint should be dismissed, or in the alternative, summary judgment should be granted for intervenor DOE.

BACKGROUND

A. The Nuclear Waste Policy Act.—The Nuclear Waste Policy Act of 1982 (NWPA) was designed to provide for the establishment of programs for the safe permanent disposal of high level nuclear waste and spent fuel. H.R. Rep. No. 491, Part I, 97th Cong., 2d Sess. 26, reprinted in 1982 U.S.

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[9] 42 U.S.C. sec. 10135 (b) and (c).

[10] U.S. Congress. House of Representatives. Committee on the Budget. Congressional Control of Expenditures [committee print] (1977), at 19.

[11] 806 F.2d 642 (6th Cir. 1986).

[1] While the Governor characterizes DOE's action as a "designation", in fact DOE has made a *proposal* to Congress as required by the Nuclear Waste Policy Act, Section 141.

Code Cong. & Ad. News 3792, 3792 [hereinafter cited as H.R. Rep. No. 491, reprinted in 1982 U.S. Code Cong. & Ad. News]. Section 304 of the NWPA creates an Office of Civilian Radioactive Waste Management in the Department of Energy ("DOE") to administer the Act. 42 U.S.C. 10224(a). Section 302 establishes a Nuclear Waste Fund, funded by fees assessed the generators of the waste, to pay the costs of implementing the Act. 42 U.S.C. § 10222. This case is concerned with Subchapter I of the Act, which deals with the actual disposal and storage of high-level radioactive waste, spent nuclear fuel and low-level radioactive waste.

Subchapter I of the Act is divided into three parts. Part A authorizes and requires the DOE to construct a permanent deep geological disposal repository for high-level radioactive waste and spent nuclear fuel. 42 U.S.C. §§ 10101(18), 10131(b). Part B provides for an interim storage program for temporary storage of limited amounts of spent nuclear fuel. 42 U.S.C. §§ 10151, 10155(a), (e). Part C, which is the subject matter of this litigation, directs the Secretary to study the concept of an MRS and to develop plans for an MRS facility in the event that Congress determines at a future date that such a facility is needed. The DOE is required to study the feasibility and practicality of constructing one or more MRS facilities and to submit a proposal to Congress detailing its findings. 42 U.S.C. § 10161. Although the construction of a permanent repository is authorized by the NWPA, *see* 42 U.S.C. § 10222(d), Congress by law must explicitly authorize construction of an MRS facility. See 42 U.S.C. § 10161, (c)(2), (d), (f).

If an MRS facility were developed, spent fuel from reactors and other nuclear waste would be sent to the facility where it would be prepared, packaged and stored temporarily pending shipment to the repository. While the interim storage program "would be immediately implemented," (128 Cong. Rec. S. 15655 (daily ed. Dec. 20, 1982) (Statement of Sen. McClure)), the Act provides a complex schedule for siting, construction, and operation of a repository to support the congressional objective "to begin in the 1998 time frame this Nation's first commercial geologic repository for high-level waste." Id. Monitored retrievable storage, on the other hand, was seen by Congress as a "potentially necessary program to be sequenced between interim storage on the one hand, and ultimate disposal on the other * * *" (id.). The provisions in the Act "require [that DOE take] the initial efforts necessary to prepare for congressional consideration * * * a retrievable monitored storage facility proposal * * *" (id.). As indicated above, the Department of Energy is charged with the administration and interpretation of the NWPA. See *State of Tennessee* v. *Herrington,* 806 F.2d 642 (6th Cir. 1986).

B. The MRS process and the permanent repository process.—The NWPA provides that "[o]n or before June 1, 1985,[2] the Secretary shall complete a detailed study of the need for and feasibility of, and shall submit to the Congress a proposal for, the construction of one or more [MRS] facilities for high-level radioactive waste and spent nuclear fuel." 42 U.S.C. § 10161(B) (1). In formulating this proposal, the Secretary is required to consult with the Nuclear Regulatory Commission (NRC) and the Administrator of Environmental Protection Agency (EPA) and to submit their comments with his proposal. 42 U.S.C. 10161(b) (3). The Secretary's proposal must include at least three alternate sites for MRS storage, and at least five alternative combinations of such proposed sites. He must also submit an environmental assessment on all five alternative combinations. 42 U.S.C. 10161(b) (3). Finally, the Secretary must recommend to Congress the alternative from the considered combinations which he deems preferable. Id.

The process for establishing a permanent deep geologic repository is different from that involving an MRS. Section 116(a) requires the DOE to identify, within 90 days of the passage of the NWPA (January 7, 1983), an unspecified number of "potentially acceptable" repository sites. Within 90 days thereafter, the DOE is required to notify the governor, the legislature and any affected Indian tribe in any state affected by the identification. 42 U.S.C. § 10136(a). The DOE must "nominate" 5 sites as suitable for a repository using certain guidelines. 42 U.S.C. § 10132(b). The DOE must then choose 3 "candidate" sites and submit them to the President for approval. 42 U.S.C. § 10132(b)(1)(B). The President must review the sites in accordance with 42 U.S.C. § 10132(c). If presidential approval is forthcoming, the sites will be subject to "site characterization" under 42 U.S.C. § 10133. The DOE selects one of the 3 sites and recommends it to the President for construction of the permanent repository. 42 U.S.C. § 10134(a)(1). The President then submits to Congress such recommendation, 42 U.S.C. § 10134(a)(2)(A). At this point a state has a 60-day period to submit a notice of disapproval under sections 116(b) and 115. 42 U.S.C. §§ 10136(b) and 10135.

While the statute emphasizes a consistent concern for the timely implementation of all of the disposal provisions, this has particular application to the MRS process. As the Sixth Circuit noted:

> Compared to the permanent repository process, the MRS proposal process has been streamlined in several ways. The site characterization process applicable to repositories, *see* 42 U.S.C. § 10133, does not apply to MRS. MRS sites do not require presidential review or recommendation as do permanent repositories. *See* 42 U.S.C. § 10132(c). Although section 10136(c) provides for financial assistance to states affected by the repository site selection process, section 10161(h) does not make this assistance available to states affected by the MRS siting process. Indeed, such states are entitled to impact assistance only after Congress has authorized construction of a facility within the state. 42 U.S.C. § 10161(f). Section 10134(f) requires that the Secretary prepare a final environmental impact statement to accompany any recommendation to the President to approve a permanent repository site. Section 10161(c)(1), on the other hand, requires that the Secretary prepare only an environmental assessment to submit to Congress with the MRS proposal. A full environmental impact statement is not required until after Congress has authorized construction of an MRS facility. 42 U.S.C. § 10161(c)(2). Section 10141(a) empowers the Administrator of the Environmental Protection Agency to promulgate specific regulations regarding permanent repositories; the Administrator has no such power over MRS facilities.
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> 806 F. 2d at 649.

The statutory process led to the ultimate identification of the Clinch River Breeder Reactor site, owned by the Tennessee Valley Authority, as the preferred site. The DOE Oak Ridge Reservation and the Hartsville Nuclear Plant site were selected as alternative candidate MRS sites. All three sites are located in Tennessee.

C. Consultation with the State.—By letter hand delivered on April 26, 1985, DOE formally notified the Governor of Tennessee that its initial evaluation of sites which would be good candidates for an MRS facility had been completed and that three candidate sites had been identified in Tennessee. DOE advised the Governor that the next step was to complete evaluation of the sites and to prepare the proposal for submission to Congress. DOE also announced its identification of candidate MRS sites in the April 26, 1985, Federal Register, stating that it planned "to study these sites for inclusion in a proposal to Congress for the construction of an MRS facility", 50 Fed. Reg. 16536 (April 26, 1985), and solicited comments. Between this April identification of the three preferred sites and DOE's finalization of its proposal to Congress in February 1986, DOE provided the State with a grant of 1.4 million dollars to assist the State in its independent evaluation of the role and function of an MRS facility in the nuclear waste disposal program and DOE's proposed locations of such a facility. DOE met with numerous state and local officials and engaged in extensive transmittal of background information as well as responding to specific inquiries.

DOE's submittal of its proposal to Congress was delayed from January 15 to February 6 and then to February 10, 1986. On January 21, 1986, the Governor of Tennessee announced the State's position on the MRS facility and officially transmitted the State's comments to DOE by letter dated February 5, 1986.

D. Litigation.—The State filed a complaint with the U.S. District Court for the Middle District of Tennessee on August 20, 1985 arguing that the DOE had failed to timely consult with the State pursuant to Section 117(b) of the Act (42 U.S.C. 10137(b)) in its preparation of its MRS proposal for Congress. On October 21, 1985, the DOE moved to dismiss on the ground that the Act vested exclusive judicial review jurisdiction in the court of appeals. The district court denied the motion, but certified the order for interlocutory appeal. The Sixth Circuit granted the government's petition for permission to appeal on January 9, 1986.

On February 5, 1986, on cross-motions for summary judgment, the district court granted partial summary judgment to the State and on February 7 enjoined the Secretary from submitting the proposal to Congress. On October 17, 1985, the State had filed a "complaint" against the Secretary with the Sixth Circuit which was treated as a petition for review. The State's petition for review sought the same relief, on the same grounds, which its complaint in the district court had sought. On the Secretary's motion, the interlocutory appeal (No. 86-5087) was consolidated with the State's petition for review (No. 85-3859) and expedited consideration of these consolidated appeals was ordered on January 9, 1986. The Sixth Circuit denied the State's petition after reversing the District Court on, *inter alia* jurisdictional grounds, which permitted the DOE to submit the MRS proposal to Congress. *State of Tennessee* v. *Herrington, op. cit. supra.* DOE's MRS proposal was submitted to Congress, together with the State of Tennessee's comments, on March 30, 1987.

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[2] The date was not met: first, because of administrative delays; then, because of the litigation instituted by Tennessee described *infra.*

E. The present action.—Tennessee now comes into this Court, not naming the DOE as a party but suing instead the Senate and House of Representatives, asking this Court to construe the word "authorized" inconsistently with the command of the statute as interpreted by the Sixth Circuit, in order to accomplish uncertain ends. Specifically, the State asks this Court to issue a declaratory judgment that sections 10135 (b) and (c) and 10136(b)(2) of NWPA as incorporated by section 10161(h), requires and entitles the State to issue a "Notice of Disapproval" within 60 days of the DOE's submission of the MRS proposal to Congress. As grounds for seeking assistance from this Court, the State tells us that uncertainty over the interpretation of the statute places it in a precarious situation, in that if the State waits until after the MRS facility is "authorized," and that interpretation is incorrect, or is "constitutionally infirm," it risks losing its right to disapprove; on the other hand, if the state issues the notice now, only to find that it is premature, this action could unnecessarily and prematurely force Congress, by joint resolution, to override the State's disapproval and thereby approve the Tennessee site proposed by the Secretary.

As indicated by its request for relief, however, the State has a preferred interpretation, and that is that the statute be interpreted so that the notice requirement is triggered by the submisison of the proposal by the Secretary to Congress. The reasons proffered for this interpretation are as follows:

First, the State claims that a post-authorization disapproval will have no practical effect. Complaint, para. 21.

Second, the State claims that the post-authorization interpretation has a constitutional infirmity. Id. Para. 20. Finally, as authority for its own interpretation, the State offers the following;

1. The statute is ambiguous and the question was expressly left open by the Sixth Circuit.
2. Because Congress intended that a potential repository state have the right to issue a Notice of Disapproval over site selection prior to a final selection of a site by Congress, the clear purpose of 10161(h) is to provide the same.
3. If the post-authorization interpretation were adopted, a potential constitutional problem is posed because the State would be vetoing a law signed by the President.

Neither the grounds nor the authority offered by the State in support of its interpretation are sound.

ARGUMENT I—THE OPINION OF THE SIXTH CIRCUIT FORECLOSES THE INTERPRETATION URGED BY THE STATE

Relying on a footnote in the *Herrington* opinion which indicates that the question of when a notice should be submitted is not foreclosed by the opinion, 806 F.2d at 652 n. 10, the State argues from that premise that the opinion has no bearing on the matter at all. It is wrong; in fact the question, although not considered by the Sixth Circuit, was effectively foreclosed by the panel's opinion.

The issue before the Sixth Circuit—when the DOE was required to formally consult with the State regarding an MRS facility—turned on the proper interpretation of 42 U.S.C. 10161(h), which states: "Any facility authorized pursuant to this section shall be subject to the provisions of sections 10135, 10136(a), 10136(b), 10136(d), 10137, and 10138 of this title." The same section states that all references to "repository" in the incorporated sections are to be replaced by "MRS" for the purposes of the section. Ibid. On that basis, the State argued that the "consultation and cooperation" requirements of 10137(b) required the Secretary to involve the State in the earliest stage of its consideration of an MRS proposal and in any event, before its authorization by Congress. Since by their language none of the provisions listed in section 10161(h), including section 10137(b), becomes applicable until the MRS facility has been "authorized", the litigation centered around the meaning of that term. DOE argued that "authorized" in section 10161(h) means "authorized by Congress" so that the consultation and cooperation requirements of section 10137 did not apply until Congress has determined to go forward with the MRS program and has approved the construction of an MRS facility. The State, on the other hand, argued that "authorized" meant a facility being studied by the DOE for presentation to Congress, so that consultation and cooperation with the state must occur before congressional consideration and approval of the project.

The Court noted that the word "authorized" was used in six other instances in section 10161, and that in each case it referred to congressional authorization of an MRS facility. Citing the Supreme Court's opinion in *Sedima, S.P.R.L.* v. *Imrex Co.,* 473 U.S. 479, 105 S.Ct. 3275, 3281 (1985), it noted: "We should not lightly infer that Congress intended [a] term to have wholly different meanings in neighboring subsections." 806 F.2d at 652. The Court then noted that the legislative history of the NWPA does not reveal the meaning that Congress intended to give "authorized." It continued:

> . . . we also note that the Act and its legislative history suggest that Congress had two conflicting goals: it wanted to provide the states with a meaningful role in the development of disposal facilities, but, as discussed in Part II *Supra,* it also wanted to ensure the timely development of an MRS proposal. Adoption of the State's position would defeat the second goal, though it would further the first. The DOE's interpretation, on the other hand, would further the second goal, while impeding the first. In such an instance, we must adopt the DOE's position.
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> The DOE's interpretation of "authorized" in section 10161(h) is a rational one. It does not totally deprive the State of its role in the MRS siting process, since the provisions set forth in section 10161(h) will apply when and if Congress approves the MRS proposal and authorizes construction of an MRS facility. Though the DOE's interpretation does give the State a more constricted role than the State would prefer, we cannot say that that role is clearly more limited than Congress had intended. Though there are arguments supporting the assertion that the states would have more input into the MRS siting process, we are mindful of the Supreme Court's statement in *Chevron, supra,* that: "When a challenge to an agency construction of a statutory provision, fairly conceptualized, really centers on the wisdom of the agency's policy, rather than whether it is a reasonable choice within a gap left open by Congress, the challenge must fail." 467 U.S. at 866, 104 S.Ct. at 2793. Accordingly, we uphold the DOE's interpretation of "authorized" in section 10161(h) as meaning "authorized by Congress."

806 F.2d at 653.

The Sixth Circuit thus held that the state's right to the consultation and cooperation requirements of 10137(b) arose only after the Congress authorized the MRS facility. While the precise question presented here was not addressed by the Sixth Circuit, the State's position on the timing of the notice of disapproval would be wholly inconsistent with an interpretation that the Sixth Circuit deemed rational and entitled to deference as that of the agency charged with the administration and interpretation of the statute. As such it must fail.

II—THE STATE'S ARGUMENT THAT POSTAUTHORIZATION DISAPPROVAL IS INEFFECTIVE IGNORES BOTH THE LAW AND THE PRACTICAL CONSIDERATIONS

We first note that the State argued to the Sixth Circuit that post authorization consultation would be ineffective. That argument was soundly rejected—"It does not totally deprive the State of its role in the MRS siting process, since the provisions set forth in section 10161(h) will apply when and if Congress approves the MRS proposal and authorizes construction of an MRS facility." 806 F.2d at 863. The State now discounts, both legally and practically, the value of its own participation in the Congressional authorization process.

As a practical matter, at the moment, there is only a proposal by DOE to Congress for an MRS. Congress can do with that proposal as it wishes, including nothing at all. It may also, as it proceeds to consider the MRS proposal, decide that a different MRS be authorized than the one proposed. There is simply no way that the State, or anyone else for that matter, can be certain that Congress will approve, i.e., authorize, the proposal submitted. Simply stated, there is not now anything for the Governor to disapprove.

Indeed, it should be noted that the State's approach precludes the type of political interaction between it and the Congress which the Act contemplates will go on during the authorization process and which might lead to a change in the MRS proposal. Unlike the repository siting process where the intergovernmental political dialogue takes place between the states and DOE, for the MRS this dialogue is intended to take place with Congress during the authorization process. This is a primary point of state input, and a notice of disapproval now forecloses that interactive process. For the State to file a notice of disapproval at this proposal stage seems particularly incongruous since there is no way to determine what Congress will authorize as a result of, inter alia, the State's own input into the decision-making.

In addition, the State's position that it would be fruitless to file the notice of disapproval after Congressional authorization carries with it the assumption that Congress will not seriously consider the statement of reasons which the Act requires the State to put forward in support of its notice. The disapproval notice is not simply a slip of paper, but is contemplated to be a reasoned argument of the State against the proposal. 42 U.S.C. 10136(b)(2). While it may be understandable that the State fears that the reasons it puts forth for disapproval in its notice will have already been considered during authorization, this should not negate the importance that Congress would put on the filing of such a notice or on the seriousness with which it would consider the State's reasons in support of disapproval. Indeed, the notice of disapproval process would serve to focus the State's concerns for the entire Congress to consider in a discrete vote, i.e., the vote to override the notice.

III—THE STATE'S SUGGESTION THAT THE POST-AUTHORIZATION INTERPRETATION CREATES CONSTITUTIONAL PROBLEMS IS IN ERROR

The suggestion that the submission of a notice of disapproval after Congressional authorization operates as a veto of enacted law is ludicrous. The NWPA itself was enacted by the usual and constitutionally sound process. Therein, the Congress established a scheme by which certain steps to be taken by the executive branch would be conditioned on the passage of a set time period without a negative response from the affected State or tribe. The President, as head of the executive branch, approved of such a condition on the free exercise of his authority by signing the Congressional proposal into law.

Under that law, as construed by DOE, the agency must await the passage of 60 days following Congressional authorization of an MRS before commencing steps to implement the specific program Congress had authorized. If, prior to the expiration of that 60-day period, a State invokes its right provided in the law to restrain the executive branch agency from taking those implementing steps, the underlying statute has not been vetoed or nullified in any way. Nor has Congress and the Chief Executive abdicated to the States their fundamental powers under Article I and II of the Constitution. In point of fact, they have collectively retained the ultimate authority to take further action to unconditionally authorize the particular program. They have even gone on record in the NWPA to establish in advance the procedure by which it will be done. All that is really achieved in the NWPA scheme of a Congressional authorization of an MRS is to condition the ability of DOE to act in the face of a timely state notice.

That condition is that Congress re-visit the issue. Conceptually, there is no real difference between the NWPA scheme of permitting state restraint of Federal Action and the several environmental laws which subject Federal activities to a regime of State approval. (Cf. *Train* v. *Colorado Public Interest Research Group*, 426 U.S. 1 (1976). In either instance however Congress always has the prerogative to enact new measures which become law if the President concurs. In the MRS context, we deal with a yet to be enacted law which could either authorize the MRS or even redefine the State's role in the approval process. Accordingly, the Governor's argument clearly lacks merit.

IV—THE STATE'S ARGUMENT THAT DOE'S INTERPRETATION DIMINISHES ITS DISAPPROVAL RIGHTS IN THE MRS CONTEXT IS BASED ON A MISUNDERSTANDING OF THE STATUTE

Contrary to the State's argument, following the Sixth Circuit's interpretation does not lead to a discrepancy between the repository and the MRS siting processes when applied to the State disapproval issue. For the notice of disapproval to be filed after Congressional authorization of the MRS is not different from the filing of the notice with respect to the repository process.

The repository is already authorized in the Act, 42 U.S.C. § 10222(d), and then at some point in the future DOE will submit the proposed sites and designs to Congress. A notice of disapproval may then be filed by a state. For the MRS, DOE submits the proposed sites and designs as it has now done, and then at some point in the future Congress may authorize an MRS facility. It is when both steps in each process are completed that the notice of disapproval is appropriate for filing. Thus the Sixth Circuit's interpretation does provide consistency in the two siting processes by holding that the incorporated sections in section 141(h), including the notice of disapproval, come into play only upon Congressional authorization.

Dated: May 14, 1987.

Respectfully submitted,

Wells D. Burgess,
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Mr. STAFFORD. Mr. President, as the ranking member of the Environment and Public Works Committee, I wish to concur with the view of the chairman, Senator Burdick, on his characterization of the communication received by the Senate from the State of Tennessee.

The distinguished Senator from North Dakota has presented what I believe is a correct reading, both of the letter and intent, of the Nuclear Waste Policy Act of 1982 as it applies to congressional consideration of approving construction of a monitored retrievable storage facility.

I do not believe the law requires us—nor do I believe it would be a wise policy—to consider the authorization of an MRS on an expedited schedule. As Senator Burdick has pointed out, the Nuclear Regulation Subcommittee over the next 2 weeks is holding hearings on issues related to the Nuclear Waste Policy Act, including the Department of Energy's proposal for authorization of an MRS.

I can assure you that as far as this Senator is concerned, the subcommittee and the full Environment and Public Works Committee will give thorough and timely attention to the proposal before us, as well as to the position of the State of Tennessee.

I concur with the position of the chairman, however, that the filing of the State of Tennessee does not constitute a timely notice of disapproval and that the Environment and Public Works Committee under the Nuclear Waste Policy Act is permitted to give careful and detailed consideration to the important question of authorizing a storage facility for nuclear waste.

NETHERLANDS ANTILLES TAX TREATY

Mr. DASCHLE. Mr. President, I rise to address an issue of potential significance to the security of the United States. It involves the status of negotiations for a new tax treaty between the United States and the Netherlands Antilles, a neighbor of ours in the southern Caribbean.

Not long ago, I had the opportunity to view first-hand the economic situation in the Netherlands Antilles, and I am concerned about its potential implications for our future. This Caribbean country has suffered from a major decline in each of the four industries upon which it relies. As a result, it now finds itself in a severely depressed economic state.

In the course of the past several years, representatives of the United States and the Netherlands Antilles have been attempting to negotiate a new tax treaty. The history of these negotiations is somewhat complex and known in detail only to those who have been intimately involved. On the one hand, it has been argued that the United States through its tax policies, was responsible for the growth of at least one of the industries upon which the Netherlands Antilles has come to rely, the offshore banking industry, and should therefore work to preserve that source of revenue. On the other hand, it is claimed that the Netherlands Antilles is requesting terms that are not acceptable to the United States. Needless to say, no agreement has yet been reached, and, in fact, there has been talk on both sides of walking away from the bargaining table.

I have not been directly involved in these negotiations, and I am not standing here today to take sides or to tell those responsible what the terms of the new treaty should be. I rise to make a larger point that perhaps will put the situation with the Netherlands Antilles in perspective.

It concerns me to see a country so close to our southern border facing such harsh economic adversity. A country in the dire circumstances that the Netherlands Antilles finds itself is an inviting target for mischief by external influences hostile to United States interests. We have seen it happen before. The pattern is all too familiar.

The point I want to make today is that, if we do not strive to maintain healthy economic relations with the Netherlands Antilles and other Caribbean countries now, we could find ourselves in a position of being forced to provide military support later. The geographic proximity of the Caribbean countries compels our attention, for we have a vested interest in their economic well-being.

I do not mean to suggest that we should necessarily provide direct economic aid to these countries. In the case of the Netherlands Antilles, we cannot by law. Nor should we subjugate the interests of our own country to those of our neighbors. But we should stretch our imagination in seeking ways to give them economic guidance and to promote healthy economic relationships with them. Central to this effort is the need to keep the lines of communication open.

Mr. President, I hope that we in the Senate will strive to maintain a long-term perspective on our relations with the countries of the Caribbean, including the Netherlands Antilles, and not allow a few stumbling blocks in the short term, however large they may seem, to distort that perspective. As part of that effort, I urge my colleagues to join me in supporting negotiation of a balanced benefits treaty between the United States and the Netherlands Antilles.

MAYOR RAY FLYNN—"A BLUEPRINT FOR BOSTON'S FUTURE"

Mr. KENNEDY. Mr. President, on May 11, 1987, Mayor Raymond L. Flynn of Boston delivered an excellent address entitled "A Blueprint for Boston's Future." Speaking to 1,100 business, community, labor, and development leaders at a forum sponsored by the John Hancock Co. in Boston, Mayor Flynn presented a comprehensive and far-reaching program to guide the city's future growth.

By any measure, Boston has made impressive progress under Mayor Flynn's effective and respected leadership; it is at the same time one of America's oldest and most historic cities, and one of the most modern and most thriving. I believe Mayor Flynn's thoughtful address will be of interest to all of us concerned about the fundamental issues of growth and development in our great urban centers, and I ask unanimous consent that the full text of his address be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

ADDRESS OF MAYOR RAYMOND L. FLYNN—A BLUEPRINT FOR BOSTON'S FUTURE, MAY 11, 1987

I want to thank the John Hancock Company for taking the initiative, through this forum, to get more involved as citizens in the public affairs of our city.

I am equally gratified to look out and see so many familiar faces from the broad cross-section of the business, labor, and community leaders in Boston. For all of us in leadership positions, this is a very exciting time and a very challenging time in the life of the City. Just consider what has been happening in Boston.

By several measures Boston is enjoying one of the strongest economies in Urban America.

Let me offer some examples of what I mean—drawn from research by the Greater Boston Chamber of Commerce, the Department of Labor, and the Boston Redevelopment Authority, in the past three years alone.

Boston's downtown has experienced $3 billion in investments in new, development construction—a major sign of a healthy city.

39,000 new jobs have been added.

The addition of 6.5 million square feet of office space has enabled the economy to continue to expand and grow.

Surveys indicate that the vacancy rate for "Class A" office space, at 5.7 percent, is the lowest for any major city in the country.

State and federal labor surveys show that our unemployment rate of 4.5 percent is well below the national average and is the lowest among major American cities. Indeed, the National Planning Association has projected that from now until the year 2000, Boston will be second only to Los Angeles, among all U.S. cities, in the growth of total number of jobs.

BRA research indicates that our average annual growth in per capita income surpasses that of the nation as a whole.

All of this growth has restored the attractiveness of Boston to the rest of the country. The Rand McNally Organization rated Boston as the second most livable city in America. But only second place?

I am going to invite them to double-check their evaluation. Perhaps they missed something.

Perhaps they missed the fact that this recent period of growth has further established the City as the economic dynamo for the metropolitan area, the Commonwealth of Massachusetts, and the entire New England Region.

Consider this fact from the Chamber of Commerce: One of every three jobs in the metropolitan area is located in Boston. In the Commonwealth, one of every five persons who works, works in Boston. And try to visualize the following ratio: For the entire New England Region, one of every 10 jobs from the Canadian border to Long Island sound is located in the City of Boston.

Now, in addition to playing the role of job-generator, Boston plays at least two key roles in the economic life—both public and private—of Massachusetts. We are the chief source of capital and services for regional growth and Boston is the single most intensive generator of revenues for the Commonwealth. For example, though Boston comprises about 10 percent of the State's population, nearly 20 percent of the Commonwealth's revenues are generated within Boston.

The same is true in the area of economic activity. Of every dollar of goods and services generated in Massachusetts, 24 cents of that dollar originates in Boston.

Now, in the area of jobs, Boston residents have not shared proportionately in the opportunities created by the transformation and growth in Boston's economy. In 1950, residents held about 50 percent of all jobs. By 1980, that number had fallen off dramatically: it bottomed out at a mere 25 percent.

At the same time, the education system declined. Housing stock deteriorated in quantity as well as quality. Thus, for the thousands of neighborhood families and individuals left behind by the growth, the vibrant sights and sounds of downtown had become merely signs of someone else's good fortune. Through a combination of concrete programs and actions designed to encourage businesses to train and hire Boston residents, we have finally begun to see a reversal of the nearly 40-year trend in employment. Of the 39,000 new jobs created since 1984, 40 percent are now held by Boston residents. These early results clearly indicate that programs such as "Boston for Boston" and the new and expanded Boston jobs for Boston residents policy, backed by a steady campaign to encourage employers to train and hire residents, are making a positive impact on the quality of life of neighborhood residents. Finally—Boston residents are getting the chance to unlock the door and take a seat at the table of opportunity.

However, a seat at the table is no guarantee of a piece of the pie. And too many families and individuals are still waiting outside the door. That's why we remain vigilant in seeking to link growth with programs in the areas of housing construction, job training, and neighborhood-based economic development. Through these programs we seek to institutionalize the link between downtown growth and neighborhood revitalization. In 1987, Boston residents are finally participating in the Boston economy.

Yet, at this point, it is time to pause and to assess where we are. It is time, despite all the positive indicators, to ask some probing questions.

First, can we maintain economic growth without destroying the unique character of Boston?

Second, can we control and manage growth without stifling or killing the economy?

And third, can we carry out a grassroots, neighborhood-based planning process without stalling in discord or getting paralyzed by factionalism and special interests?

As we meet tonight, these questions urgently demand our attention. The choices we make in the coming months—the economic planning and development strategy we choose to adopt for the downtown and the neighborhoods—will have a profound impact on Boston that will be felt well into the next century.

Let it not be said of this generation of Bostonians, or its political leadership, that in their time Boston succeeded as an economy but failed as a community;

That we excelled in the development of buildings but failed to develop hope and opportunities for our neighbors;

That we won the search for new investment but lost sight of our unique heritage.

We must make choices, because Bostonians have a special responsibility. We are the keepers of the Commonwealth's economic flame and we are the trustees of a legacy and history that cannot be restored once destroyed. I want to offer my strategy—or Blueprint for the Future, if you will—to you and to all those who are proud to be part of Boston.

My central premise is this: You don't need to destroy the City to promote growth—and you don't need to destroy economic growth to protect the City.

Preservation and growth must be and will be united through the thoughtful implementation of a new downtown plan and zoning laws that are tough enough to control the present situation and that are sufficiently visionary to cope with the challenges that lie ahead. Our strategy must address the twin aspects of true historic preservation: One—the protection of individual landmarks. And two—the protection of the scale, design, and architectural essence that make up the uniqueness of Boston's core cityscape.

Leslie Larson, the Boston architectural historian, expressed it this way: "A cohesive and vital city is not composed of individual landmarks, but of streets lined with varieties of plain and fancy buildings that in combination produce an enriching visual experience * * * preservation should control what goes up—as much as what comes down."

The plan must be and will be a clear set of rules for future development. In 10 days I will delineate these new rules in a series of proposals for adoption by the Boston Redevelopment Authority. They will establish an interim planning district for downtown and a permanent set of requirements to govern growth that include:

1. Height restrictions based on Boston's historic districts that will control the skyline and protect the streetscape of our downtown neighborhoods;
2. Channeling new development into areas that need and can best accommodate it;
3. Design review of major projects by the Boston Civic Design Commission, which is already established under the chairmanship of Dean John De Monchaux of M.I.T.;
4. Historic preservation to ensure that the unique architectural character of the City is maintained by protecting both historic buildings and districts;
5. Unprecedented protections, and an innovative citywide zoning plan, for open space;
6. Incentives for the creation of new housing in the downtown core; and a related commitment to an inclusionary zoning amendment;
7. Tough, new environmental review procedures and protections against wind and shadow impacts;
8. Strong and effective, new rules for transportation management;
9. Expansion of the parcel-to-parcel linkage program; and
10. Zoning controls to protect the manufacturing economy and to preserve a balance with the surging, commercial office economy. Certain of these measures will be tested during review periods.

At the end of this process, the final plan will be amended where necessary and then adopted. Most of these measures will be permanent zoning law when adopted this year.

Upon completion, Boston will have the most comprehensive and innovative code of zoning law of any major city in America. It will be the first time Boston has redrawn its zoning map in 31 years.

In addition to the community process that has helped to shape our downtown plan and zoning amendments, an unprecedented neighborhood planning and zoning process is already in full stride.

This month, plans for new zoning for Allston-Brighton and Roxbury will be presented for adoption.

In June, plans for East Boston and the South End will be presented. Across the City, where neighbors once took to the streets to stop the planners, a bold and open community planning process has emerged. In the North End, the Neighborhood Council is shaping a plan for the inner harbor.

In Charlestown, the Council is working with the City to develop a new master plan for the Navy Yard.

In Allston-Brighton, the people who fought the "Spot Zoning" that was destroying the neighborhood wrote the new zoning law.

Neighborhood leaders in West Roxbury, Port Norfolk, Jamaica Plain, Mission Hill, Chinatown, and the Back Bay are working with us to set the new rules for growth in their neighborhoods.

In this spirit of neighborhood participation, we worked with the community in South Boston to require the developer of the Fan Pier project to make major investments in the area's roads and other transportation systems.

When this grassroots process is finished every neighborhood will be re-zoned by the neighbors, for their neighborhoods.

We have reached this important milestone in planning at just the right time. Through the hard work of this administration and the community, the plan is ready to come off the drawing board and to begin making its way into the law books.

Once the legal controls of the planning district are in place, a two-year clock begins to run. During that time, detailed district plans will be developed for at least 10 areas in the downtown and in the unique districts across Boston's neighborhoods. This process will address the important issues of urban design, historic preservation, affordable housing, traffic, economic development and others, in a context sensitive to local conditions and needs.

Each of these districts will be reviewed and will benefit from the guidance of the Civic Design Commission. I will also enlist the services of many Boston-area design professionals and firms to facilitate this process.

We are ready to move forward and we must do so together. Over the past two years, my administration has asked the following questions of many thousands of Boston residents: What is your vision of Boston, today and tomorrow? How do we reach and grab the future while keeping a firm grasp on our unique history? Out of these discussions, a set of principles has emerged.

We arrived at some important, shared goals for the city that we love; we want balanced economic growth that preserves the familiar and promotes the new in the correct proportions. To attain this goal, we needed a plan—one that is informed with a sweeping vision, but that is sensitive to the needs of each block and each street.

We are now at a critical juncture in the effort to create a Master Plan for Development in Boston. And unlike other plans from other times and places, it has not been drafted by some city technocrats working in the remote reaches of City Hall. We started by telling a talented group of urban planners to get out of their offices and into the streets, downtown and in the neighborhoods: to listen first and plan second. Thus we will finish a plan, drafted by these many hands, that will codify as law the aspirations and sensibilities that the people of Boston hold for their city.

While the proposal I will submit is a detailed, technical document, that covers a comprehensive range of planning issues both downtown and in the neighborhoods, I want to draw your attention to some of the key features of the downtown section of the proposal. This is the creation of a new Downtown Planning District that is divided into five planning subdistricts. The formal name for this district is the Interim Planning Overlay District or I.P.O.D. and we define the downtown as that area bordered approximately by the Charles River to the north, the expressway to the east, Mass. Avenue to the west and the Mass. Turnpike extension to the south.

This is the section of the City which must be directed with care in order to manage growth and to maintain the City's identity.

Since 1965, a developer who owned an acre or more of land anywhere downtown could pretty much build a structure of any height. Clearly, this is no way to balance the concerns of size and design. With the new planning district, large buildings will be restricted to the economic development subdistrict that is made up of North Station, South Station, and Bedford Street-Essex Street. Even here, a limit of 400 feet will be imposed.

The era of the 800-foot tower is over.

By contrast, in Bay Village, one of the several priority preservation subdistricts, a height limit of three stories will be imposed.

In the remaining three heights districts allowable heights will range from four stores to 12 stories, depending on the location.

In reference to historic preservation, the amendment I will submit on May 21 will be in effect for three years and will automatically protect 100 buildings that are of historic significance nationally, regionally, and/or locally.

During this period the list will be evaluated and the Landmarks Commission may petition the Zoning Commission to extend protection to cover additional buildings of historic importance. Once a building is placed under this protection, the Landmarks Commission will formulate regulations concernings how the building may be altered in anyway.

As I suggested a few moments ago, the third major piece of the downtown plan is the protection of open space. This new zoning amendment is based upon my commitment to the central objective of a vital parks and recreation system: first and foremost, parks have got to be good places for the kids to play and the elderly to relax. My goal, in the proud tradition of Frederick Law Olmsted, is to make this idea an enduring reality, from Boston Common to Carter Playground, from Ronan Park to Ringer Park.

That's why we are starting this year with a long-term, three-part plan for open space. It includes:

1. The new zoning I just announced.
2. A comprehensive open space policy that will be completed this summer—and will be a needs assessment for all open space areas in the city. And
3. A master plan for recreation.

Gaining control over development means gaining control of our future. This effort has also compelled us to take on additional planning tasks, in areas such as education; affordable housing; the clean-up and re-use of Boston Harbor; and a capital plan for the long-overdue rehabilitation of parks, school buildings, public safety facilities; the transportation infrastructure, and the construction of a new Boston City Hospital. Our ability to create a long-term capital plan was made possible by the fact that investors have renewed confidence in Boston's financial management. In the past two years, for example, Wall Street has improved our bond rating three times.

We dealt with problems that had lingered for years: We made the tough decisions to site a new house of corrections, a new solid waste disposal facility, and a new treatment plant as a key to the Harbor clean-up.

We are also on schedule in our effort to eliminate the chronic problem of vacancies in public housing. And, in a related matter just this morning, Governor Dukakis and I announced some of the first, new public housing units to be built in Boston in 10 years.

Clearly, we want a brighter future for our young people, and we want them to be prepared for the opportunities and challenges that the future holds for them. We want them to be prepared to be the leaders of tomorrow.

In the area of education, you may already know that my administration, education leaders, and school parents have embarked on a process aimed at securing fundamental reforms in the school system. During these months of discussions we have been working on initiatives to give parents more of a say in their childrens' educations; to provide the superintendent with the day-to-day authority he needs to implement educational improvements, to strengthen the educational and financial accountability of the public school system.

Tonight, I announce to you that within two weeks, as a major step toward implementing these reforms, I will be filing home rule legislation with the Boston City Council to strengthen the educational and financial accountability of the public school system.

At the same time, we are continuing to increase our financial commitment to the schools. Since I took office we have increased the education budget by some $84 million. And we have committed over $106 million through the capital plan to make the school buildings as good as the youngsters who attend them—and we intend to do more.

Of course, a critical component of the renewed commitments to education has been the series of public-private partnerships that serves as national models of effectiveness and cooperation.

Yet, there again, we readily acknowledge that so much remains to be done. We have built new floors, but we have not reached the ceiling.

Of course, no discussion of the future of any major city is complete without at least some mention of the role of the federal government. For many decades the federal government was an important partner in the job of improving the quality of life in the cities.

Programs in the areas of affordable housing, job training, homelessness, law enforcement, health care, and drug prevention helped us to make headway on some difficult urban issues. However, even while our own congressional delegation has been sensitive to the needs of the cities, the federal government generally has walked away, and slammed the door.

Clearly, we in the cities must fashion an effective and compassionate urban policy that we can use as a yardstick to measure those who would lead this nation. I look forward to continuing my work with Mayors from around the country to put the cities back on the national agenda. In coming weeks, we will be meeting in cities like Des Moines and Nashville to hammer out our plans, and to make sure that the needs of America's cities are given central attention in the upcoming presidential campaign.

This evening we covered a lot of ground, as we examined plans for managing future growth in Boston. Let me close tonight by noting that the proposals we have discussed are more than just new rules for development. The time has come to chart new directions for our City.

It is our task to faithfully execute the trust that destiny has placed in our hands: to create safe passage to a future that holds more potential—for more people—than has been true at any other time in the City's history. Our generation has the task of finally bringing together the economic forces of the new Boston with the spirit of historic Boston.

Will our plans enable this potential to be realized? Will we have the energy and the ideas that will allow it to unfold? History will have to answer these questions.

It is my mission to see that the unique spirit and environment of Boston are maintained. When the word Boston is mentioned to succeeding generations, I want them to make the same associations that I make:

A place of families; of streets we like to walk down; of neighborhood playgrounds where our kids can play ball, and parks that our parents can enjoy in safety.

I want to see future generations swimming and boating in a clean Boston Harbor, and I want them to be able to enjoy a stroll through America's oldest public park, the Boston Common.

And let me leave you with this final thought tonight:

Most of all, my friends, I want my children and their children to be filled with pride when they say—I'm from Boston.

NOTICE OF FURTHER SUSPENSION OF CERTAIN SECTIONS OF THE TRADE ACT—MESSAGE FROM THE PRESIDENT—PM 45

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Finance:

To the Congress of the United States:

I hereby transmit the documents referred to in subsection 402(d)(5) of the Trade Act of 1974 with respect to a further 12-month extension of the authority to waive subsection (a) and (b) of section 402 of the Act. These documents constitute my decision to continue in effect this waiver authority for a further 12-month period.

I include as part of these documents my determination that further extension of the waiver authority will substantially promote the objectives of section 402. I also include my determination that continuation of the waivers applicable to the Hungarian People's Republic, the Socialist Republic of Romania, and the People's Republic of China will substantially promote the objectives of section 402. The attached documents also include my reasons for extension of the waiver authority; and for my determination that continuation of the waivers currently in effect for the Hungarian People's Republic, the Socialist Republic of Romania, and the People's Republic of China will substantially promote the objectives of section 402.

RONALD REAGAN.

THE WHITE HOUSE, *June 2, 1987.*

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he had approved and signed the following bills and joint resolutions:

On April 29, 1987:

S.J. Res. 58. Joint resolution to designate the month of April 1987, as "National Child Abuse Prevention Month."

S.J. Res. 89. Joint resolution to authorize and request the President to issue a proclamation designating April 26, through May 2, 1987, as "National Organ and Tissue Donor Awareness Week."

On May 5, 1987:

S.J. Res. 57. Joint resolution to designate the period commencing on May 3, 1987, and ending on May 10, 1987, as "National Older Americans Abuse Prevention Week."

S.J. Res. 67. Joint resolution to designate the month of May 1987 as "National Digestive Diseases Awareness Month."

On May 12, 1987:

S.J. Res. 55. Joint resolution designating the week of May 10, 1987, through May 16, 1987, as "National Osteoporosis Prevention Week of 1987."

S.J. Res. 124. Joint resolution designating May 10, 1987, through May 16, 1987, as "Just Say No to Drugs Week."

On May 13, 1987:

S. 1167. An act to change the name of the "Connecticut Coastal National Wildlife Refuge" to the "Stewart B. McKinney National Wildlife Refuge."

On May 15, 1987:

S. 903. An act to extend certain protections under title 11 of the United States Code, the Bankruptcy Code.

On May 22, 1987:

S. 1177. An act to amend title 5, United States Code, to provide for procedures for the investment and payment of interest of funds in the thrift savings fund when restrictions on such investments and payments are caused by the statutory public debt limit.

On May 29, 1987:

S. 942. An act to amend title 5, United States Code, to extend the pay retention provisions of such title to certain prevailing rate employees in the Tucson wage area whose basic pay would otherwise be subject to reduction pursuant to a wage survey.

On June 1, 1987:

S.J. Res. 70. Joint resolution commemorating the 40th anniversary of the Marshall plan.

MESSAGES FROM THE HOUSE

At 10:48 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1748. An act to authorize appropriations for fiscal year 1988 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for fiscal year 1988 for the Armed Forces, to authorize appropriations for fiscal year 1989 for certain specified activities of the Department of Defense, and for other purposes.

At 2 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, in which it request the concurrence of the Senate:

H.R. 401. An act to redesignate Capulin Mountain National Monument as Capulin Volcano National Monument and to add certain public lands in the State of New Mexico to Capulin Volcano National Monument.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 401. An act to redesignate Capulin Mountain National Monument as Capulin Volcano National Monument and to add certain public lands in the State of New Mexico to Capulin Volcano National Monument; to the Committee on Energy and Natural Resources.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 1748. An act to authorize appropriations for fiscal year 1988 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for fiscal year 1988 for the Armed Forces, to authorize appropriations for fiscal year 1989 for certain specified activities of the Department of Defense, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1324. A communication from the Chairman of the National Research Council transmitting, pursuant to law, a report entitled "Rethinking Quality Control: A New System for the Food Stamp Program"; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1325. A communication from the Administrator of NASA transmitting, pursuant to law, a report on the proposed use of $4.2 million for two space shuttle landing sites in Morocco and in New Mexico; to the Committee on Appropriations.

EC-1326. A communication from the Secretary of Defense transmitting, pursuant to law, a secret report on NATO Conventional Defense; the the Committee on Armed Services.

EC-1327. A communication from the Assistant Secretary of the Army transmitting a draft of proposed legislation clarifying the method of payment for instructors in the Junior Reserve Officers' Training Corps; to the Committee on Armed Services.

EC-1328. A communication from the general counsel of the Department of Defense transmitting a draft of proposed legislation to eliminate the minimum lump-sum payment for selective reenlistment bonuses; to the Committee on Armed Services.

EC-1329. A communication from the Director of the Federal Emergency Management Agency transmitting, pursuant to law, the Stockpile Report; to the Committee on Armed Services.

EC-1330. A communication from the Acting Secretary of Commerce transmitting, pursuant to law, a report on export controls on Syria; to the Committee on Banking, Housing, and Urban Affairs.

EC-1331. A communication from the Comptroller General of the United States transmitting, pursuant to law, GAO's qualified opinion on FSLIC's consolidated financial statements for 1985 and 1986; to the Committee on Banking, Housing, and Urban Affairs.

EC-1332. A communication from the Acting Secretary of Agriculture transmitting a draft of proposed legislation to permit families assisted under title V of the Housing Act to be eligible for rural housing vouchers; to the Committee on Banking, Housing, and Urban Affairs.

EC-1333. A communication from the Secretary of Commerce transmitting a draft of proposed legislation to amend the Coastal Zone Management Act; to the Committee on Commerce, Science, and Transportation.

EC-1334. A communication from the Secretary of Energy transmitting, pursuant to law, the quarterly report of the strategic petroleum reserve; to the Committee on Energy and Natural Resources.

EC-1335. A communication from the Chairman of the Nuclear Regulatory Commission transmitting, pursuant to law, a report on abnormal occurrences at licensed nuclear facilities for the third quarter of 1986; to the Committee on Environment and Public Works.

EC-1336. A communication from the Administrator of the Environmental Protection Agency transmitting, pursuant to law, an interim report on the review of emergency system under Superfund; to the Committee on Environment and Public Works.

EC-1337. A communication from the Acting Secretary of Health and Human Services transmitting, pursuant to law, the annual report for 1986 on the committees providing advice and consultation to the Secretary; to the Committee on Finance.

EC-1338. A communication from the Assistant Secretary of State transmitting, pursuant to law, the seventh quarterly report on the Camarena investigation; to the Committee on Foreign Relations.

EC-1339. A communication from the Secretary of Commerce transmitting, pursuant to law, the monthly report on imports of strategic and critical materials from CMEA countries; to the Committee on Foreign Relations.

EC-1340. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into by the United States within the 60 days previous to May 21, 1987; to the Committee on Foreign Relations.

EC-1341. A communication from the Comptroller General of the United States transmitting, pursuant to law, a listing of GAO reports issued in April 1987; to the Committee on Governmental Affairs.

EC-1342. A communication from the Secretary of Commerce transmitting a draft of proposed legislation to change the position of the Director of the Census Bureau to level IV from level V in the Executive Schedule; to the Committee on Governmental Affairs.

EC-1343. A communication from the D.C. auditor transmitting, pursuant to law, a comprehensive 6-year review of the activities of the D.C. auditor; to the Committee on Governmental Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-163. A resolution adopted by the Legislature of Oswego County, New York opposing the termination of the Department of Agriculture's Resource Conservation and Development Program; to the Committee on Agriculture, Nutrition, and Forestry.

POM-164. A concurrent resolution adopted by the Legislature of the State of Minnesota; to the Committee on Agriculture, Nutrition, and Forestry.

"Resolution 007

"Whereas, the State of Minnesota has established a Farmer-Lender Mediation program which is mandatory for private lenders in Minnesota who wish to enforce a security agreement secured by agricultural property; and

"Whereas, mediation protects the interests of lenders while affording farmers an opportunity to contend in a rational manner with the catastrophe facing them in the farm economy; and

"Whereas, the primary purpose of the Farmer-Lender Mediation Program is to facilitate improved communication between farmers and lenders; and

"Whereas, over 5,000 mediation cases have been negotiated and settled or are in progress at the time this resolution is being considered; and

"Whereas, the Farmer-Lender Meditation Program has proven highly successful at bringing farmers and lenders together to resolve conflicts in the positive, constructive manner; and

"Whereas, the Farmers Home Administration currently holds approximately 10,500 farm accounts in Minnesota; and

"Whereas, about 2,950 of the farm accounts held by Farmers Home Administration in Minnesota are in arrears or in default; and

"Whereas, the Farmers Home Administration has failed and refused to cooperate with the Farmer-Lender Mediation Program in the State of Minnesota; Now, therefore,

"Be it resolved by the Legislature of the State of Minnesota that the Congress of the United States should immediately enact and the President of the United States should approve legislation directing the Farmers Home Administration to participate in and cooperate with the Farmer-Lender Mediation Program in the State of Minnesota.

"Be it further resolved that the Secretary of State of the State of Minnesota is directed to transmit certified copies of this memorial to the President of the United States, the President and Secretary of the United States Senate, the Speaker and Chief Clerk of the United States House of Representatives, the Chairman of the Committee on Agriculture, Nutrition, and Forestry of the United States Senate, the Chairman of the Committee on Agriculture of the United States House of Representatives, the Minnesota Representatives and Senators in Congress, the United States Secretary of Agriculture, the Assistant Secretary of Agriculture for Rural Development, and the Minnesota State Director for the Farmers Home Administration".

POM-165. A concurrent resolution adopted by the Legislature of the Commonwealth of Pennsylvania; to the Committee on Banking, Housing, and Urban Affairs:

"Concurrent Resolution

"Whereas, The Federal Community Block Grant Program under the Housing and Community Development Act of 1974 (Public Law 93-383, 88 Stat. 633) is an important and significant source of assured annual funding for 12 urban counties of this

Commonwealth for carrying out community development and economic development activities; and

"Whereas, Six of these urban counties are also considered distressed urban counties under section 119 of the Housing and Community Development Act of 1974 (42 U.S.C. § 5318): Allegheny, Beaver, Luzerne, Washington, Westmoreland and York; and

"Whereas, Beaver County will lose its status as an urban county under the present provisions of the Housing and Community Development Act of 1974 in fiscal year 1989 because of a decline in the county's population to below 200,000; and

"Whereas, The pending loss of Beaver County's status as an urban county will result in an annual loss of over $3,000,000 of Community Development Block Grant funds for Beaver County, which can ill afford such a loss of funds; and

"Whereas, In the United States there are only 20 urban counties which are considered distressed under section 119 of the Housing and Community Development Act of 1974 (42 U.S.C. § 5318) and which have a population below 200,000; and

"Whereas, Thirty percent of the urban counties referred to in the preceding paragraph are located in this Commonwealth; and

"Whereas, Amendments to the Housing and Community Development Act of 1974 are currently being considered by the United States House of Representatives under a bill referred to as the "Housing and Community Development Act of 1974"; therefore be it

"Resolved (the House of Representatives concurring), That the General Assembly memorialize the Congress of the United States to support and enact an amendment to the Housing and Community Development Act of 1974 which would preserve urban county status for counties considered distressed under section 19 of the act (42 U.S.C. § 5318) even if a county's included population drops below 200,000; and be it further

"Resolved, That copies of this resolution be transmitted to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania."

POM-166. A joint resolution adopted by the Legislature of the State of Alaska; to the Committee on Commerce, Science, and Transportation:

"RESOLUTION

"BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

"Whereas Alaska's salmon resources have a tremendous value to all of the residents of the state; and

"Whereas Alaska commercial fishermen depend upon healthy salmon populations to maintain their incomes and lifestyles; and

"Whereas shore-based and floating processors rely on healthy salmon populations to keep their industry healthy, which, in turn, promotes a healthy Alaska economy; and

"Whereas numerous rural communities in Alaska depend upon a reliable subsistence salmon harvest for their most basic nutritional needs and for the continuation of their traditional way of life; and

"Whereas numerous salmon stocks, including, among others, Kuskokwim River salmon and Yukon River salmon, are showing a marked and dangerous trend of annual declines in the number of returning fish; and

"Whereas high seas drift nets widely used by foreign fishing vessels in the fishery conservation zone indiscriminately harvest mixed stocks of salmon, containing a high proportion of salmon originating in North America; and

"Whereas high seas drift nets wastefully kill nontarget fish species, seabirds, and marine mammals, including the Pribilof Island fur seal; and

"Whereas these nets are made of nonbiodegradable and nondestructible plastics; and

"Whereas 600 miles of high seas drift nets are estimated to be lost each year, and these nets present a hazard to navigation and continue to catch salmon, other fish, seabirds, and marine mammals; and

"Whereas there is no reliable means of monitoring the destructive effect of these high seas drift nets on marine animals of the Bering Sea and North Pacific; and

"Whereas intensive and persistent efforts by the Alaska fishing industry and by environmental groups have been largely unsuccessful in achieving international regulation and reduction of the use of high seas drift nets;

"Be it resolved that the Alaska State Legislature urgently requests the Congress to pass S. 62, a bill "To improve efforts to monitor, assess, and reduce the adverse impacts of drift nets."

"Copies of this resolution shall be sent to the Honorable George Bush, Vice-President of the United States and President of the U.S. Senate; the Honorable Jim Wright, Speaker of the U.S. House of Representatives; Clement V. Tillion, Chairman, United States Section, International North Pacific Fisheries Commission; and to the Honorable Ted Stevens and the Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S. Representative, members of the Alaska delegation in Congress."

POM-167. A resolution adopted by the Senate of the State of Hawaii; to the Committee on Commerce, Science, and Transportation:

"Whereas, on March 10, 1983 the United States proclaimed internationally recognized sovereign rights over all living and nonliving resources within a 200 mile radius of the nation's coasts; and

"Whereas, the establishment of this Exclusive Economic Zone (EEZ) brought nearly four billion acres, an area of more than one and a half times the total land mass of the United States, under exclusive U.S. ownership and control for the purpose of exploring, exploiting, conserving, and managing natural resources of the seabed, subsoil, and superjacent waters within that area; and

"Whereas, vast marine resources, both known and yet to be discovered, exist within the EEZ; and

"Whereas, all Americans stand to benefit from the cultivation of these resources and the expanded use of this area for commercial, technological development and recreational activity, but it is the citizens of the coastal states who will sustain the heaviest economic and environmental impact from development of the EEZ and who must bear the greatest responsibility to protect and conserve EEZ resources for present and future generations; and

"Whereas, the present jurisdictional and regulatory framework for ownership and control of ocean resources does not take into account the direct and inherent rights and responsibilities coastal states have in the protection, conservation, and development of the EEZ, making shared decision-making difficult and revenue sharing next to impossible; and

"Whereas, the marine, coastal, and territorial environments are an interdependent system that must be managed in a manner that transcends existing federal/state boundaries; and

"Whereas, given the coastal states' proximity to and reliance on the sea, and the extent to which development of marine resources within the EEZ will affect their environment and economy, it is neither feasible nor desirable for the federal government to attempt to represent all of the public interests in ocean activities beyond the territorial sea; and

"Whereas, the coastal states must be able to influence the manner in which oceans and coasts are used in order to fulfill health and welfare responsibilities to their citizens; and

"Whereas, the coastal states must be able to protect the economic interests of their citizens by ensuring that they receive an equitable share of the associated governmental proceeds derived from the development of ocean resources; and

"Whereas, the coastal states must be able to rationally develop the ocean resources within their jurisdictions without the threat of damage or loss from development in adjacent EEZ areas; now, therefore,

"Be it resolved by the Senate of the Fourteenth Legislature of the State of Hawaii, Regular Session of 1987, that the Legislature hereby asserts and proclaims, on behalf of the citizens of the State of Hawaii, direct and inherent rights and responsibilities pertaining to the protection, conservation, and development of the living and nonliving resources now under domestic jurisdiction within the U.S. Exclusive Economic Zone; and

"Be it further resolved that the State of Hawaii must be made a full partner in the zone decision-making and management of U.S. Exclusive Economic Zone activities and share in an equitable division of benefits derived from their development of resources therein; and

"Be it further resolved that the congressional delegates of all of the coastal states are urged to take appropriate action to ensure their states achieve full partnership status with the Federal government in the decision-making process and management within the U.S. Exclusive Economic Zone; and

"Be it further resolved that certified copies of this Resolution be transmitted to each member of Hawaii's congressional delegation and the congressional delegations of all of the coastal states."

POM-168. A resolution adopted by the Senate of the State of Hawaii; to the Committee on Commerce, Science, and Transportation:

SENATE CONCURRENT RESOLUTION

"Whereas, on March 10, 1983 the United States proclaimed internationally recognized sovereign rights over all living and nonliving resources within a 200 mile radius of the nation's coasts; and

"Whereas, the establishment of this Exclusive Economic Zone (EEZ) brought nearly four billion acres, an area of more than one and a half times the total land mass of the United States, under exclusive U.S. ownership and control for the purpose of exploring, exploiting, conserving, and managing natural resources of the seabed, subsoil, and superjacent waters within that area; and

"Whereas, vast marine resources, both known and yet to be discovered, exist within the EEZ; and

"Whereas, all Americans stand to benefit from the cultivation of these resources and the expanded use of this area for commercial, technological development and recreational activity, but it is the citizens of the coastal states who will sustain the heaviest economic and environmental impact from development of the EEZ and who must bear the greatest responsibility to protect and conserve EEZ resources for present and future generations; and

"Whereas, the present jurisdictional and regulatory framework for ownership and control of ocean resources does not take into account the direct and inherent rights and responsibilities coastal states have in the protection, conservation, and development of the EEZ, making shared decision-making difficult and revenue sharing next to impossible; and

"Whereas, the marine, coastal, and territorial environments are an interdependent system that must be managed in a manner that transcends existing federal/state boundaries; and

"Whereas, given the coastal states' proximity to and reliance on the sea, and the extent to which development of marine resources within the EEZ will affect their environment and economy, it is neither feasible nor desirable for the federal government to attempt to represent all of the public interests in ocean activities beyond the territorial sea; and

"Whereas, the coastal states must be able to influence the manner in which oceans and coasts are used in order to fulfill health and welfare responsibilities to their citizens; and

"Whereas, the coastal states must be able to protect the economic interests of their citizens by ensuring that they receive an equitable share of the associated governmental proceeds derived from the development of ocean resources; and

"Whereas, the coastal states must be able to rationally develop the ocean resources within their jurisdictions without the threat of damage or loss from development in adjacent EEZ areas; now, therefore,

"Be it resolved by the Senate of the Fourteenth Legislature of the State of Hawaii, Regular Session of 1987, the House of Representatives concurring, that the Legislature hereby asserts and proclaims, on behalf of the citizens of the State of Hawaii, direct and inherent rights and responsibilities pertaining to the protection, conservation, and development of the living and nonliving resources now under domestic jurisdiction within the U.S. Exclusive Economic Zone; and

"Be it further resolved that the State of Hawaii must be made a full partner in the decision-making and management of U.S. Exclusive Economic Zone activities and share in an equitable division of benefits derived from their development of resources therein; and

"Be it further resolved that the congressional delegates of all of the coastal states are urged to take appropriate action to ensure that their states achieve full partnership status with the federal government in the decision-making process and management within the U.S. Exclusive Economic Zone; and

"Be it further resolved that certified copies of this Concurrent Resolution be transmitted to each member of Hawaii's congressional delegation and the congressional delegations of all of the coastal states."

POM-169. A joint resolution adopted by the Legislature of the State of Oregon; to the Committee on Energy and Natural Resources:

"SENATE JOINT MEMORIAL 11

"To the Senate and House of Representatives of the United States of America, in Congress assembled:

"We, your memorialists, the Sixty-fourth Legislative Assembly of the State of Oregon, in legislative session assembled, respectfully represent as follows:

"Whereas for the past several decades there has existed in America a pluralistic electric industry that includes publicly owned, privately owned and cooperatively owned electric generation, transmission and distribution utilities; and

"Whereas the Federal Government has developed a publicly owned electric power system which generates and transmits power to millions of Americans through consumer-owned distribution utilities, the sales of which completely repays the federal investment in those facilities; and

"Whereas the benefits of this federal investment are shared in Oregon not only by the residential and farm customers of investor-owned electric utilities through the "exchange" provisions of the Pacific Northwest Electric Power Planning and Conservation Act P.L. 96-501, and by the firms and thousands of employees of those companies served directly by the federal Columbia River Power System; and

"Whereas over 80 years of federal legislative and case law history has honed the role and relationship of consumer-owned utilities, and that of the Bonneville Power Administration and other federal power marketing administrations; and

"Whereas the overriding effect of these laws has been to insure competition and to provide a yardstick of comparison between types of utility organizations, thus providing citizens of this nation with the highest quality of service at lower cost and a choice of the utility providing that service; and

"Whereas the President's proposed budget for fiscal year 1988 contains calculations which assume the sale of the federal Department of Energy's power marketing administrations and which assume changes in the repayment of debt on power marketing administrations' facilities; and

"Whereas there exists in this nation's courts and Congress a challenge to the laws regulating the relationships between the federally owned dams and their consumer-owned customers as well as the relationships between the various type of utility organizations; and

"Whereas if these challenges are successful because of a lack of knowledge of the history of utility industry development or a lack of understanding of the role community-controlled electric utilities play in that industry, such action would overturn more than 30 federal statutes spanning eight decades of good public policy, sell vital natural resources held by the Federal Government in trust for all the people of the United States, to private interests be they domestic or foreign, stifle competition, perpetuate monopoly control and raise electric costs to 11 million Americans including over one million of Oregon's households; now, therefore,

Be It Resolved by the Legislative Assembly of the State of Oregon:

"(1) The Congress of the United States is memorialized to reject any budget proposal, bill, amendment or other legislative initiative that would study or authorize the sale of the Bonneville Power Administration or any other federal power marketing administration to private interests, to reject any change in the repayment schedules for debt owed on any facilities owned by a federal power marketing administration, and to reject any legislation which seeks to overturn the existing federal power program.

"(2) A copy of this memorial shall be sent to the President of the United States, to each member of the Oregon, Washington, Montana and Idaho Congressional Delegations, to the Secretary of Energy, to the Speaker of the House of Representatives and President of the Senate, and to the Majority and Minority Leaders of the House of Representatives and Senate."

POM-170. A resolution adopted by the Senate of the State of Hawaii; to the Committee on Energy and Natural Resources:

"SENATE RESOLUTION No. 192

"Whereas, economic growth and stability in the American Flag Territories and South Pacific Island nations is one of the best long-term means of countering the threat of Soviet intervention in the region; and

"Whereas, federal funding in the region should be used in the most effective way to bring about greater economic self-sufficiency, with agriculture and tourism appearing to be the most viable economic options; and

"Whereas, the Pacific Basin is characterized by culturally diverse populations, community structures undergoing rapid changes, and small-scale agriculture with pocket markets and long distances between population centers; and

"Whereas, the State of Hawaii in its Higher Education Functional Plan calls for actions that promote and develop research and education in the Pacific Basin; and

"Whereas, the University of Hawaii has included in its Strategic Plan the development of a Pacific/Asian focus, and the University's College of Tropical Agriculture and Human Resources has keen interest and a record for performance in tropical agriculture research and education in the Pacific; and

"Whereas, a major contribution to Pacific Basin societies can be made by an approach in which physical and human resources required for the production, marketing and consumption of food products are developed in the context of the social and economic environments in which agriculture functions; and

"Whereas, the College of Tropical Agriculture and Human Resources coordinated the formulation of an agricultural development proposal by representatives of American land-grant institutions of Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Associated Federated States of Micronesia, which intend to join as full and equal partners in an alliance to accelerate and complement existing agriculture research and extension programs; and

"Whereas, many problems in the Pacific region are most efficiently addressed on a regionally coordinated basis, and a major infusion of resources is needed to develop the institutions and programs that nurture agriculture and human resource development; now, therefore,

"Be it resolved by the Senate of the Fourteenth Legislature of the State of Hawaii, Regular Session of 1987, that the alliance of directors of American land-grant institutions in the American Pacific, specifically in Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Associated Federated States of Micronesia, and Hawaii be supported in its effort to secure new and additional resources to address agriculture and human resource development problems unique to the region; and

"Be it further resolved that the University of Hawaii encourage the College of Tropical Agriculture and Human Resources to continue to coordinate any support that may be forthcoming from the State of Hawaii for this worthy program; and

"Be it further resolved that certified copies of this Resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, the Secretary General of the United Nations, the President of the University of Hawaii and the Dean of the College of Tropical Agriculture and Human Resources, the Directors of American land-grant institutions in Guam, American Samoa, Commonwealth of the Northern Mariana Islands, and the Associated Federated States of Micronesia."

POM-171. A resolution adopted by the Town Commission of Lauderdale-By-The-Sea, Florida urging legislation to correct the "Notch Effect" in Social Security legislation; to the Committee on Finance.

POM-172. A resolution adopted by the House of Representatives of the Commonwealth of Pennsylvania; to the Committee on Finance.

"Resolutions Memorializing the Congress of the United States To Amend Existing Legislation so as To Not Penalize Present Recipients of Social Security for Marrying

"Whereas, it is the role of the Government to encourage the sanctity and importance of marriage as a foundation of our Nation; and

"Whereas, certain aspects of present social security policy discourage marriage by revoking the social security benefits of recipients who marry by requiring that recipients' spouses' income be included in eligibility computations; now therefore be it

"Resolved, that the Massachusetts General Court respectively urges the Congress of the United States to formulate and enact legislation to protect unmarried social security recipients who later marry, from being denied benefits based upon the income of their new spouse; and be it further

"Resolved, that copies of these resolutions be transmitted forthwith by the Clerk of the House of Representatives to the President of the United States, the Presiding Officers of each branch of Congress and to the Members thereof from this Commonwealth.

POM-173. A resolution adopted by the City Council of Tamarac, Florida favoring legislation to correct the "Notch Effect" in Social Security legislation; to the Committee on Finance.

POM-174. A resolution adopted by the Legislature of the Commonwealth of Massachusetts; to the Committee on Finance.

"Resolutions Memorializing the Congress of the United States To Enact a Medicare Part C Insurance Program for Catastrophic Illness and Long-Term Care for Persons 65 Years of Age or Older

"Resolved, that the Massachusetts general court respectfully urges the Congress of the United States to enact a Part C to the Medicare program to pay for catastrophic illness and long term nursing care for persons sixty-five years of age or over. Part C would provide coverage for a premium offered to all social security members beginning at age twenty-one. Premiums would be based upon actuarial studies of longevity and average experience. Payments for the care of persons so enrolled can be postponed for a period of five years for the purposes of building reserves sufficient to keep the fund solvent; and be it further

"Resolved, that copies of these resolutions be transmitted forthwith by the Clerk of the House of Representatives to the President of the United States, the Presiding Officer of each branch of Congress and to the Members thereof from this Commonwealth."

POM-175. A joint resolution adopted by the Legislature of the State of Delaware; to the Committee on the Judiciary.

"House Joint Resolution No. 3

"Whereas, Memorial Day, established in 1868 as May 30th, was and is set aside as a solemn occasion for honoring our war dead and, serves as a day of re-dedication to the principles for which those fallen have given their lives; and

"Whereas, that solemn day has been transformed into another 3 day holiday weekend by Public Law 90-363, by changing the original day of May 30th to the last Monday in May, as a day only to start the summer vacation season; and

"Whereas, the rationalization of "uniformity of date" under Public Law 90-363 is all but uniform by the obvious inter and intra-state inconsistencies of dates of observance of Memorial Day; and

"Whereas, the military veterans of the State of Delaware are desirous to seek the restoration of Memorial Day back to its original date of May 30th; and

"Whereas, most national veterans organizations have adopted resolutions requesting the restoration of Memorial Day to its original date; and

"Whereas, many states have adopted laws designating and celebrating Memorial Day as May 30th.

"Now, therefore:

"Be it resolved by the House of Representatives and the Senate of the 134th General Assembly of the State of Delaware, with the approval of the Governor, that Delaware's U.S. Congressional delegation introduce and enact legislation in the 100th Congress to strike Memorial Day from Public Law 90-363.

"Be it further resolved that Delaware's U.S. Congressional delegation introduce and enact legislation to restore Memorial Day to May 30th.

"Be it further resolved that upon passage and enactment of this Joint Resolution, suitably prepared copies be forwarded to the United States Senate, the United States House of Representatives.

"Synopsis

"The General Assembly is requesting Delaware's U.S. Congressional Delegation to change Memorial Day back to its original date of May 30th by sponsoring, co-sponsoring, or authoring legislation to delete Memorial Day from Public Law 90-363 and restore said date as Memorial Day."

POM-176. A concurrent resolution adopted by the Legislature of the State of Minnesota; to the Committee on the Judiciary:

Resolution 008

"Whereas, in June 1964, three young American citizens, Andrew Goodman, Michael Schwerner, and James Chaney, went to Neshoba County, Mississippi, to work for black citizens' voting rights; and

"Whereas, with the active connivance of county officials who had sworn to uphold the constitution and laws, the three were abducted, murdered, and interred where it was believed they would never be found by family and friends; and

"Whereas, the Presidential Medal of Freedom was intended to recognize the actions of those who have contributed substantially to the spirit of American freedom; and

"Whereas, the Presidential Medal of Freedom honors Americans who have made an exceptional contribution to national interest, world peace, and culture, so it is appropriate to recognize Goodman, Schwerner, and Chaney who gave their lives in pursuit of securing the free exercise of the right to vote by black citizens in the south; and

"Whereas, it is particularly appropriate to recognize the contribution of these three heroic people; and

"Whereas, it is clear from the passage of many years that the contribution of Goodman, Schwerner, and Chaney was a key in the civil rights movement that will be noted for all time in the history of this country; Now, therefore,

"Be it resolved that the President and Congress of the United States should take swift action to posthumously award Presidential Medals of Freedom to Andrew Goodman, Michael Schwerner, and James Chaney.

"Be it further resolved that the Secretary of State of the State of Minnesota is directed to prepare certified copies of this memorial and present them to the President of the United States, the President and Secretary of the United States Senate, the Speaker and Chief Clerk of the United States House of Representatives, and to Minnesota's Senators and Representatives in Congress."

POM-177. A concurrent resolution adopted by the Legislature of the Commonwealth of Massachusetts; to the Committee on Labor and Human Resources:

"Resolutions Urging the President of the United States and the Congress To Establish a National Program To Provide Financial Support to Individuals Who Participate in Public and Community Service

"Whereas, the establishment of a national program of financial support to individuals participating in public and community service would provide extensive benefits to the community at large, including: valuable public service; development of educated minds as a community resource; movement of the economy from a military emphasis to a peaceful emphasis; development of a citizenry with an increased appreciation and understanding of others; reduction of crime; and the strengthening of families; and

"Whereas, such a program would further provide important benefits to the individuals participating, including: incentives for young people to finish high school or a measurable equivalent; achievement of educational goals without onerous and unmanageable debt burdens; an alternative to military service; the raising of individuals' social consciousness and an opportunity for them to break away from drugs and/or despair; the development of a sense of responsibility toward and interest in home communities; and an increase in the individuals' appreciation and understanding of others; Now therefore be it

"Resolved, That the Massachusetts General Court hereby urges the President of the United States and the Congress to establish a national program to provide financial support to individuals who participate in public and community service; and be it further

"Resolved, That copies of these resolutions be transmitted forthwith by the Clerk of the House of Representatives to the President of the United States, the Presiding Officer of each branch of Congress and to the Members thereof from this Commonwealth."

POM-178. A joint resolution adopted by the Legislature of the State of Maine; to the Committee on Labor and Human Resources:

"Joint Resolution Memorializing the Congress of the United States Concerning the Lockout of Employees at Simplex Wire and Cable

"We, your Memorialists, the Senate and House of Representatives of the State of Maine in the First Regular Session of the One Hundred and Thirteenth Legislative Session, now assembled, most respectfully present and petition the Congress of the United States, as follows:

"Whereas, on July 30, 1986, union employees of the Simplex Wire and Cable Company, in Newington, New Hampshire, a subsidiary of Tyco Labs, Inc., were locked out of their jobs as a result of a labor dispute; and

"Whereas, the Department of Employment Security has determined that a lockout has occurred; and

"Whereas, 95 members of Local 2208 of the International Brotherhood of Electrical Workers are Maine residents; and

"Whereas, the union members of Local 2208 have collectively given over 15,000,000 hours of their lives in the employment of that company and made it a strong, profit-making organization with contracts of over $125,000,000 outstanding; and

"Whereas, last spring the members of Local 2208 of the International Brotherhood of Electrical Workers volunteered their time and labor to make the cable that permitted the lights to be turned back on the Statue of Liberty on July 3, 1986, and, in so doing, brought pride to all United States citizens for their contribution to the centennial celebration of the symbol of hope and freedom; and

"Whereas, it has long been recognized by our society that workers are entitled to be members of labor unions; and

"Whereas, a majority of workers at Local 2208 are veterans of the Armed Forces of the United States and many of them have received commendations from the United States Department of Defense for their work at Simplex; and

"Whereas, the lockout at Simplex affects the lives of many Maine citizens; now, therefore, be it

"Resolved: That We, your Memorialists, do hereby respectfully urge that the workers be allowed to return to work under the contract that expired on July 30, 1986, and that, failing to do so, the Congress of the United States take appropriate action to end a dispute that affects our nation's defense; and be if further

"Resolved: That suitable copies of this Memorial, duly authenticated by the Secretary of State, be transmitted to the President of the Senate and the Speaker of the House of Representatives in the Congress of the United States and to each Member of the Maine Congressional Delegation."

POM-179. A joint resolution adopted by the Legislature of the State of Oregon; to the Committee on Labor and Human Resources:

"Senate Joint Memorial 4

"We, your memorialists, the Sixty-fourth Legislative Assembly of the State of Oregon, in legislative session assembled, respectfully represent as follows:

"Whereas federal student financial aid provides vital assistance to students attending Oregon's post-secondary institutions; and

"Whereas federal student financial aid has been reduced by 10 percent over the past six years; and

"Whereas the Federal Department of Education budget for fiscal year 1988 proposes to reduce student financial aid by $3.7 billion by eliminating many aid programs and severely restricting eligibility for aid; and

"Whereas these proposed reductions constitute a 45 percent reduction in federal student aid over fiscal year 1987 appropriations; and

"Whereas virtually all of the more than 50,000 Oregon students receiving federal financial aid will be adversely affected by these budget proposals; and

"Whereas the proposed reductions in federal student aid will severely limit access to higher education; and

"Whereas many low and middle income students will be unable to afford higher education should these proposals be adopted; and

"Whereas the nation's security and economic growth depends on a well educated citizenry; now, therefore,

"Be It Resolved by the Legislative Assembly of the State of Oregon:

"(1) The Congress of the United States is memorialized to resist these drastic reductions in federal student financial aid programs and urged to maintain the current level of funding for student financial aid programs for fiscal year 1988.

"(2) A copy of this memorial shall be sent to the Speaker of the House of Representatives, the President of the Senate and to each member of the Oregon Congressional Delegation."

POM-180. A concurrent resolution adopted by the Legislature of the State of Minnesota; to the Committee on Veterans' Affairs:

"Resolution 006

"Whereas, Minnesota is home to 504,000 veterans, 85,700 of them over age 65; and

"Whereas, by the year 2000 there will be more than 138,300 Minnesota veterans over age 65; and

"Whereas, the mission of the Veterans' Administration health care system is to provide care tailored to meet the needs of veterans, to back up the military hospital system in a national emergency, to conduct research and train health professionals, and to provide leadership for other national medical entities in the area of geriatric care; and

"Whereas, Veterans' Administration facilities in Minnesota during fiscal year 1985 treated 23,693 people on an inpatient basis, recorded 356,385 outpatient visits, reimbursed 1,275 veterans for nursing home care, trained students in all health care disciplines, and employed 4,647 people with total salaries of $97,362,419; and

"Whereas, there are proposals in Congress to dismantle the Veterans' Administration health care system and place the responsibility for providing the health care services on individual states; and

"Whereas, the loss of Veterans' Administration health care facilities in Minnesota would have a significant economic, political, and social impact: Now, therefore, be it"

Resolved by the Legislature of the State of Minnesota, That it urges the United States Congress, and most particularly the Minnesota Congressional Delegation, to recognize the special role of the Veterans' Administration health care system and strive to maintain this system in Minnesota with adequate funding: Be it further

"*Resolved,* That the Secretary of State of the State of Minnesota is directed to transmit certified copies of this memorial to the President and Secretary of the United States Senate, the Speaker and Chief Clerk of the United States House of Representatives, and to Minnesota's Senators and Representatives in Congress."

POM-181. A petition from the Governor of the State of Idaho favoring congressional approval of an interstate mutual aid compact; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

Report to accompany the bill (S. 538) to implement the recommendations of the Secretary of Labor's Task Force on Economic Adjustment and Worker Dislocation, and for other purposes (with additional and minority views) (Rept. No. 100-62).

By Mr. PELL, from the Committee on Foreign Relations, with an amendment:

S. Res. 220: A resolution expressing the sense of the Senate regarding the need for the participants in the seven-nation economic summit in June to focus their attention on addressing agricultural issues in a coordinated manner.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations:

Charles E. Redman, of Florida, a Career Member of the Senior Foreign Service, class of counselor, to be an Assistant Secretary of State.

Robert H. Pelletreau, Jr., of Connecticut, a career member of the Senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Tunisia.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Robert H. Pelletreau, Jr.

Post: Tunisia.

Contributions, amount, date, and donee:

1. Self, none.
2. Spouse, none.
3. Children and spouses names: Katherine, Erica, Elizabeth Pelletreau—none.

4. Parents names: Robert H. and Mary P. Pelletreau.

Contributions of nominee's father, Robert H. Pelletreau.

1982:	
7/01/82—Republican National Committee	$25
7/27/82—Suffolk County Republican Committee	10
8/21/82—Republican National Committee	25
Subtotal	60
1983:	
1/08/83—Republican National Committee	25
1/24/83—New York State Republican Committee	15
4/13/83—Suffolk County Republican Committee	15
12/6/83—Republican National Committee	35
Subtotal	85
1984:	
5/05/84—New York State Republican Committee	15
1985:	
2/08/85—New York State Republican Committee	15
1986:	
1/06/86—Republican National Committee	35
1/21/86—New York State Republican Committee	15
10/24/86—Committee to Re-elect Justice William L.Underwood	50
Subtotal	100
Total	275

5. Grandparents Names: Richard and Emma K. Pigeon—deceased; Robert S. and Mary R. Pelletreau—deceased.

6. Brothers and Spouses Names: Richard Pelletreau—none.

7. Sisters and Spouses Names: Robert L. and Anne P. Woodbury.

Contributions of Nominee's sister and spouse, Anne P. and Robert L. Woodbury:

1982	None
1983	None
1984—Elizabeth Mitchell for Senate	$150
1985	None
1986—Democratic State Committee	$100
Total	250

Susan Pelletreau—none.

Sol Polansky, of Maryland, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Bulgaria.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Sol Polansky.

Post: American Embassy, Sofia, Bulgaria.

Contributions (if not, write none), amount, date, and donee.

1. Self, none.

2. Spouse, $20.00, 10/23/84, Jim Hunt Committee.

3. Children and Spouses Names: Steven Polansky, none, No spouse.

4. Parents Names: Yetta Polansky, deceased; Charles Polansky, deceased.

5. Grandparents deceased.

6. Brothers and Spouses Names: Robert Polansky, none; Betty Polansky, none.

7. Sisters and Spouses Names: Rosslyn Sullivan, none; Charles Sullivan, none.

John Shad, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Kingdom of the Netherlands.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: John Shad.

Contributions, amount, date, and donee.

1. Self, John Shad.

CONTRIBUTIONS—SELF

Date	Donee	Amount
February 1983	Republicans Abroad	$200
December 1983	Republican Nat'l Committee	10,000
April 1984	Goldwater for Senate Committee	100
October 1984	National Republican Senatorial Committee.	100
February 1985	Holtzman for Congress Committee	100
June 1985	Fund for a Conservative Majority	100
September 1985	Holtzman for Congress Committee	100
October 1985	Republicans Abroad	1,000
December 1985	Holtzman for Congress Committee	100
February 1986	Free Congress Laxalt Committee	1,000
September 1986	Senate Club '86	1,000
September 1986	Republican Nat'l Committee	10,000

2. Spouse: Patricia (less than $500).

3. Children and Spouses Names: Leslie (unmarried); Rees (wife—Pamela).

4. Parents Names: John Sigsbee and Lillian Rees Shad (deceased before 1982).

5. Grandparents Names: Loren Rees, Sara Johnson Rees; Frank Shad, Mary Campbell Shad (deceased before 1982).

6. Brothers and Spouses, none.

7. Sisters and Spouses, none.

Thomas C. Ferguson, of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brunei Darussalam.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Thomas C. Ferguson.

Post: Ambassador—Brunei.

Contributions, amount, date, and donee:

1. Self, $100.00—1981—Committee of 100—Brevard County; $100.00—1981—Lincoln Day Banquet; $10,000.00—1982—Republican Eagles; $100.00—1981—Republican Senatorial Committee; $300.00—1981, 82, 84—Republican Presidential Task Force; $10,000.00—1983—Republican Eagles; $5,000.00 (approx)—in kind-volunteer efforts and fund raising—1980-82—Reagan/Hawkins local Florida candidates.

2. Spouse: Linda Ferguson, none.

3. Children and Spouses Names: Leslie Ferguson, none; Ian Ferguson, none; Jessica Gray, none.

4. Parents Names: Grace Ferguson, $50.00 (Kind/Cash)—1984—Mitchell McConnel. Mr. & Mrs. Robt. Bleyle, $25.00—1984—Reagan/Bush (Calif.), $300.00—1982-86—Howard Jarvis.

5. Grandparents Names: Deceased.

6. Brothers and Spouses Names: John Bleyle, none.

7. Sisters and Spouses Names: none.

Robert M. Smalley, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Lesotho.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Robert Manning Smalley.

Post: U.S. Ambassador to Kingdom of Lesotho.

Contributions, amount, date, and donee:

1. Self, Robert M. Smalley, none.

2. Spouse, Rosemary Smalley, none.

3. Children and Spouses Names: Leslie Smalley Bradley, none; David Christian Smalley, none.

4. Parents Names: William Denny Smalley—deceased 1979; Helen McConnell Smalley—deceased 1935.

5. Grandparents Names: Manning Smalley—deceased approx. 1929; (Grandmother's first name not known)—deceased approx. 1930; Maternal grandfather William Oliver McConnell (deceased 1941) and wife (first name not known—deceased approx. 1920).

6. Brothers and Spouses Names: William McConnell Smalley, none; Jacqueline Smalley, none; David Beymer Smalley, none.

7. Sisters and Spouses Names: Barbara Smalley, none.

Samuel B. Thomsen, of California, a Foreign Service Officer of Class one, to be the United States Representative to the Republic of the Marshall Islands.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Samuel B. Thomsen.

Post: U.S. Representative Office, Majuro, Republic of the Marshall Islands.

Contributions, amount, date, and donee:

1. Self, none.

2. Spouse Judith D., none.

3. Children and Spouses Names: Kathryn Gale, none, Samuel P.E., none, Robert J., none.

4. Parents Names: Samuel W. and Margaret Thomsen, $10.00—7/28/86—Calif. Dem. Par.

5. Grandparents Names: Ed and May View, deceased; Ed and Lena Thomsen, deceased.

6. Brothers and Spouses Names: John and Judy Thomsen, none.

7. Sisters and Spouses Names: Mary Joan Leuba, none.

Denis Lamb, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be the Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Denis Lamb.

Post: USOECD, Paris.

Contributions, amount, date, and donee:

1. Self, none.

2. Spouse, Helen, none.

3. Children and Spouses Names: William (minor), none.

4. Parents Names: William Lamb, none; Bernadine Lamb, none.

5. Grandparents Names: Deceased.

6. Brothers and Spouses Names: Robert and Amy Lamb, none; Timothy and Margaret Lamb, none.

7. Sisters and Spouses Names: None.

Sherman M. Funk, of Maryland, to be Inspector General, Department of State;

Victor H. Frank, Jr., of New Jersey, to be United States Director of the Asian Development Bank, with the rank of Ambassador; and

Anthony J. Gabriel, of Virginia, to be Inspector General, United States Information Agency.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. PELL. Mr. President, also for the Committee on Foreign Relations, I report favorably a nomination list in the Foreign Service which was printed in the CONGRESSIONAL RECORD of January 21, 1987, and, to save the expense of reprinting, ask unanimous consent that it lie at the Secretary's desk for the information of Senators.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. McCAIN (for himself, Mr. INOUYE, and Mr. EVANS):

S. 1303. A bill to establish Federal standards and regulations for the conduct of gaming activities on Indian reservations and lands, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. SIMON (for himself and Mr. DASCHLE):

S. 1304. A bill to enhance the energy security of the United States, improve the environment, and expand markets for agricultural commodities by providing for the increased use of motor fuel blended with ethanol; to the Committee on Energy and Natural Resources.

By Mr. DASCHLE (for himself and Mr. PRESSLER):

S. 1305. A bill to settle certain claims arising out of activities on the Pine Ridge Indian Reservation; to the Select Committee on Indian Affairs.

By Mr. COCHRAN (for himself, Mr. NUNN, Mr. STENNIS, and Mr. KASTEN):

S. 1306. A bill to amend the Tariff Schedules of the United States to make the temporary modification of the tariff treatment on certain disposable surgical gowns and drapes permanent; to the Committee on Finance.

By Mr. KENNEDY:

S. 1307. A bill to extend the authorization of appropriations for programs and activities under title III of the Public Health Service Act, to establish a National Health Service Corps Loan Repayment Program, to otherwise revise and extend the program for the National Health Service Corps, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. McCONNELL (for himself, Mr. PACKWOOD, Mr. COHEN, Mr. D'AMATO, Mr. DOMENICI, Mr. EVANS, Mr. GARN, Mr. GRASSLEY, Mr. LUGAR, Mr. McCAIN, Mr. PRESSLER, Mr. QUAYLE, Mr. RUDMAN, Mr. SPECTER, and Mr. WILSON):

S. 1308. A bill to amend the Federal Election Campaign Act of 1971 to prohibit direct contributions to candidates by multicandidate political committees, require full disclosure of attempts to influence Federal elections through "soft money" and independent expenditures, and correct inequities resulting from personal financing of campaigns; to the Committee on Rules and Administration.

By Mr. CRANSTON (for himself, Mr. DURENBERGER, Ms. MIKULSKI, Mr. BURDICK, Mr. DECONCINI, Mr. EVANS, Mr. KENNEDY, Mr. KERRY, Mr. MATSUNAGA, Mr. MOYNIHAN, and Mr. RIEGLE):

S. 1309. A bill to ensure economic equity for American women by providing retirement security, making quality dependent care available, ending discrimination in insurance and commercial credit, providing equal employment opportunity and pay equity, protecting welfare of spouses of persons institutionalized under the Medicaid Program, and for other purposes; to the Committee on Finance.

By Mr. HELMS (for himself, Mr. DURENBERGER, Mr. BOSCHWITZ, Mr. LAUTENBERG, Mr. DOLE, Mr. HEFLIN, Mr. LUGAR, Mr. STEVENS, Mr. HECHT, and Mr. COCHRAN):

S.J. Res. 149. Joint resolution to designate the period commencing on June 21, 1989, and ending on June 28, 1989, as "Food Science and Technology Week"; to the Committee on the Judiciary.

By Mr. JOHNSTON (for himself and Mr. McCLURE):

S.J. Res. 150. Joint resolution to express the approval of Congress of the site on the Clinch River in the Roane County portion of Oak Ridge, Tennessee for a monitored retrievable storage facility, with respect to which a notice of disapproval was submitted by the Governor of the State of Tennessee and the Legislature of the State of Tennessee on May 29, 1987; to the Committee on Energy and Natural Resources.

By Mr. DECONCINI (for himself, Mr. GRASSLEY, Mr. LAUTENBERG, Mr. D'AMATO, Mr. NICKLES, Mr. FOWLER, Mr. SARBANES, Mr. GORE, Mr. EXON, Mr. PRESSLER, Mr. DURENBERGER, Mr. BRADLEY, Mr. DODD, Mr. ADAMS, Mr. MOYNIHAN, Mr. GLENN, Mr. LUGAR, Mr. McCLURE, Mr. REID, Ms. MIKULSKI, Mr. LEVIN, Mr. BUMPERS, Mr. QUAYLE, Mr. PELL, Mr. LEAHY, Mr. BOREN, Mr. SIMON, Mr. DOLE, Mr. KARNES, Mr. SANFORD, Mr. RIEGLE, Mr. PRYOR, Mr. STAFFORD, Mr. TRIBLE, Mr. NUNN, Mr. DIXON, Mr. MITCHELL, Mr. STEVENS, Mr. GRAHAM, Mr. HUMPHREY, Mr. INOUYE, Mr. HEINZ, Mr. HATCH, Mr. WILSON, Mr. BOSCHWITZ, Mr. McCAIN, Mr. BAUCUS, Mr. BENTSEN, Mr. BINGAMAN, Mr. BREAUX, Mr. DASCHLE, Mr. HEFLIN, Mr. HOLLINGS, Mr. JOHNSTON, Mr. KENNEDY, Mr. MELCHER, Mr. METZENBAUM, Mr. SASSER, Mr. SHELBY, Mr. GARN, Mr. ARMSTRONG, Mr. EVANS, Mr. MURKOWSKI, Mr. SPECTER, Mr. SYMMS, and Mr. FORD):

S.J. Res. 151. Joint resolution to designate August 1, 1987, as "Helsinki Human Rights Day"; to the Committee on the Judiciary.

By Mr. RIEGLE (for himself and Mr. LEVIN):

S.J. Res. 152. Joint resolution expressing the sense of the Congress with respect to the freedom and independence of the people of Estonia, Latvia, and Lithuania; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. McCAIN (for himself, Mr. INOUYE, and Mr. EVANS):

S. 1303. A bill to establish Federal standards and regulations for the conduct of gaming activities on Indian reservations and lands, and for other purposes; to the Select Committee on Indian Affairs.

INDIAN GAMING REGULATORY ACT

Mr. McCAIN. Mr. President, I am introducing today legislation which would establish Federal standards and regulations for the conduct of gaming activities on Indian reservations and lands. This bill is identical to the one introduced by Congressman MORRIS UDALL in the House on May 21. I am joined in introducing this bill by my distinguished colleagues Senator INOUYE and Senator EVANS.

As many of my colleagues are aware, this is the first piece of legislation introduced on the subject of Indian gaming since the Supreme Court handed down its decision in the Cabazon case. The Court held that neither California State statutes or municipal ordinances governing the operation of gaming activities applied to games on the reservations of the Cabazon and Morongo Band of Mission Indians. This ruling essentially upheld the civil/regulatory-criminal/prohibitory test used by lower courts in previous challenges to gambling operations on Indian reservations. That is, where a State's public policy, as a matter of criminal law, prohibits a form of gambling to be conducted within its broders, that prohibition applies to Indian reservations and lands within that State. On the other hand, where a State merely regulates a form of gambling, the State's regulations do not apply to activities conducted on Indian reservations and lands within that State.

The regulatory/prohibitory test was first applied to Indian gaming in Seminole versus Butterworth. There the Supreme Court found that the gaming laws in the State of Florida were civil/regulatory in nature. Accordingly, the Seminole Tribe, or any other tribe in that State, could engage in, or license and regulate, a gaming activity within its reservation free of State licensing and regulation where the State permitted that activity.

Another case worth noting is Santa Ana Pueblo versus Hodel. Here the district court held that parimutuel dog racing in the State of New Mexico was criminal/prohibitory in nature. Accordingly, the court upheld the Secretary of the Interior's decision to disapprove of the tribe's proposal to construct and operate a parimutuel dog-racing facility.

The legislation introduced today remains consistent with that body of law that has developed on gambling activities on Indian reservations. Some tribes assert that as a result of Cabazon legislation is unnecessary and would infringe upon their tribal sovereignty. Others argue that because the potential exists for increased criminal activity, States should be given jurisdiction, regulation, enforcement, and taxation over Indian gaming activities. I can accept neither position.

There is no doubt that gaming activities, primarily bingo, have provided tribes with an important source of revenue to offset the reduced level of Federal funding. Tribes use their profits to support tribal governments as well as the health, education, social and economic needs of their members.

States are concerned, however, about the potential for increased criminal activity. I believe this is a legitimate concern. And, I believe tribes are recognizing the importance of ensuring that adequate safeguards are in place to protect the badly needed tribal revenue they raise, especially where management contracts are used. I am familiar with at least one tribe that has been through seven management contractors and has never once received the profits they were promised or could reasonably expect.

I believe this legislation is the best attempt so far to pull together the concerns of tribes and States. It would allow tribes to continue gaming activities that are consistent with current law under Federal regulations and standards, without State intrusion, while ensuring that adequate safeguards and careful monitoring are maintained to prevent criminal activity as called for by States.

Some Members of Congress, including myself, have stated that they would rather see tribes involved in other revenue-raising activities. But we must ask ourselves if we have provided tribes with sufficient opportunities to generate revenue and further their economic self-sufficiency. My answer is no, we have not done enough. And, once legislation has passed, I challenge those of us in the Congress who have been involved in the gaming debate to devote our energies to increasing opportunities for tribes to pursue long-term economic development. We have not fulfilled our obligation to those Indian tribes across this Nation; and, for a variety of reasons, we have put them into third-country status, which I believe is a disgrace in the history of this Nation.

I encourage tribes, States, and other interested parties to carefully review this bill and be prepared to offer their comments and suggestions when the Select Committee on Indian Affairs hold its gaming hearing on June 22. I encourage my colleagues to carefully examine this bill. I think they will find it is a reasoned and balanced approach.

Mr. President, I ask unanimous consent that the text of the bill and the section-by-section analysis to it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1303

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Indian Gaming Regulatory Act".

SEC. 2. The Congress finds that—

(1) numerous Indian tribes have become engaged in or have licensed gaming activities on Indian lands as a means of generating tribal governmental revenue;

(2) Indian tribes have the exclusive right to regulate gaming activity on Indian lands which is not specifically prohibited by Federal law and which is conducted within a State which does not, as a matter of criminal law and public policy, prohibit such gaming activity;

(3) Federal courts have held that section 2103 of the Revised Statutes, as amended (25 U.S.C. 81), requires Secretarial review of management contracts dealing with gaming, but does not provide standards for approval of such contracts;

(4) existing Federal law does not provide clear standards or regulations necessary to insure the orderly conduct of gaming activities on Indian lands;

(5) a principal goal of Federal Indian policy is to promote tribal economic development, tribal self-sufficiency, and strong tribal government; and

(6) tribal operations and licensing of gaming activities is a legitimate means of generating revenues.

SEC. 3. The purpose of this Act is—

(1) to provide a statutory basis for the operation of gaming by Indian tribes as a means of promoting tribal economic development, self-sufficiency, and strong tribal governments;

(2) to provide a statutory basis for the regulation of gaming by an Indian tribe adequate to shield it from organized crime and other corrupting influences, to ensure that the tribe is the primary beneficiary of the gaming operation, and to assure that gaming is conducted fairly and honestly by both the operator and the players; and

(3) to declare that the establishment of independent Federal regulatory authority for gaming on Indian lands, the establishment of Federal standards for gaming on Indian lands, and the establishment of a National Indian Gaming Commission are necessary to meet congressional concerns regarding gaming and to protect such gaming as a means of generating tribal revenue.

SEC. 4. (a)(1) Except as provided in subsection (b), gaming regulated by this Act shall be unlawful on any lands acquired by the Secretary under existing authority in trust for the benefit of any Indian tribe after the date of enactment of this Act—

(A) if such lands are located outside the boundaries of such tribe's reservation or are not contiguous to such reservation; or

(B) with respect to tribes which do not have a current reservation, if such lands are—

(i) outside of such tribe's last recognized reservation within the State or States within which such tribe is presently located; or

(ii) are not contiguous to real property held in trust by the United States for such tribe before the passage of this Act.

(2) Nothing in this subsection shall affect or diminish the authority and responsibility of the Secretary to take lands into trust or apply to lands taken in trust as part of a settlement of a land claim or Federal acknowledgment process.

(b) Subsection (a) shall not apply if the Indian tribe requesting the acquisition of such lands in trust obtains the concurrence of the Governor of the State, and the governing bodies of the county or municipality in which such lands are located.

(c) Provisions of the Internal Revenue Code of 1986, concerning the taxation and the reporting and withholding of taxes pursuant to the operation of a gambling or wagering operation, shall apply to the operations in accord with the Indian Gaming Regulatory Act the same as they apply to State operations.

SEC. 5. (a) There is established within the Department of the Interior an independent commission to be known as the National Indian Gaming Commission.

(b)(1) The Commission shall be composed of five members who shall be appointed as follows:

(A) a Chairman who shall serve full-time and who shall be appointed by the President with the advice and consent of the Senate and who shall serve at the pleasure of the President;

(B) a member who shall be selected by the Secretary; and

(C) three members who shall be enrolled members of Federally recognized Indian tribes and who shall be appointed by the Secretary from the recommendations of tribes then engaged in or regulating gaming activities.

(2) Not more than three members of the Commission shall be of the same political party.

(3)(A) Except for the Chairman and except as otherwise provided in this paragraph, members shall be appointed for terms of three years.

(B) Of the members first appointed—

(i) the member appointed pursuant to paragraph (1)(B) and one member appointed pursuant to paragraph (1)(C) shall be appointed for a term of two years; and

(ii) the remaining members appointed pursuant to paragraph (1)(C) shall be appointed for a term of three years.

(4) Any individual who—

(A) has been convicted of a felony or gaming offense;

(B) has any management responsibility in any gaming activity regulated pursuant to this Act;

(C) has a financial interest in, or management responsibility for, any management contract approved pursuant to section 13 of this Act; or

(D) is employed by any Federal, State, or local government

shall not be eligible for appointment to, or to continue service on, the Commission.

(5) Except for the Chairman, a member of the Commission may only be removed for cause.

(c) Vacancies occurring on the Commission shall be filled in the same manner as the original appointment. A member may serve after the expiration of his term until his successor has been appointed, unless he has been removed for cause under subsection (b)(5) of this section.

(d) Three members of the Commission shall constitute a quorum.

(e) The Commission shall select, by majority vote, one of the members to serve as Vice-Chairman who shall serve as Chairman during meetings of the Commission in the absence of the Chairman.

(f) The Commission shall meet at the call of the Chairman or a majority of its members, but shall meet at least once every four months.

(g)(1) The Chairman of the Commission shall be paid at a rate equal to that of level IV of the Executive Schedule (5 U.S.C. 5315).

(2) The other members of the Commission shall be paid at a rate equal to the daily equivalent to that of level V of the Executive Schedule (5 U.S.C. 5316).

(3) All members shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

SEC. 6. (a) The Chairman of the Commission shall have power, subject to an appeal to the Commission, to—

(1) issue orders of temporary closure of gaming activities as provided in section 15(b);

(2) levy and collect civil fines as provided in section 15(a);

(3) approve tribal ordinances regulating Class II and Class III gaming as provided in section 11 and 12;

(4) approve management contracts for Class II and III gaming as provided in section 13; and

(5) promulgate regulatory schemes for Class III gaming as provided in section 12.

(b) The Chairman shall have such other powers as may be delegated by the Commission.

SEC. 7. (a) The Commission shall have specific power, not subject to delegation—

(1) upon the recommendation of the Chairman, to approve the annual budget of the Commission as provided in section 19;

(2) to adopt regulations for the assessment and collection of civil fines as provided in section 15(a);

(3) by an affirmative vote of not less than three members, to adopt the annual assessments as provided in section 19;

(4) by an affirmative vote of not less than three members, to authorize the Chairman to issue subpoenas as provided in section 17; and

(5) by an affirmative vote of not less than three members and after a full hearing, to make permanent a temporary order of the Chairman closing a gaming activity as provided in section 15(b).

(b) The Commission shall—

(1) monitor Indian gaming activities on a continuing basis;

(2) inspect and examine all premises where Indian gaming is conducted;

(3) conduct or cause to be conducted such background investigations as may be necessary;

(4) have the right to demand access to and inspect, examine, photocopy, and audit all papers, books, and records respecting income of a gaming activity and all other matters necessary to the enforcement of this Act;

(5) use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States;

(6) procure supplies, services, and property by contract in accordance with applicable Federal laws and regulations;

(7) to the extent feasible, enter into contracts with tribes, associations of Indian tribes and private entities for activities necessary to the discharge of the duties of the Commission;

(8) hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission deems appropriate;

(9) administer oaths or affirmations to witnesses appearing before the Commission; and

(10) promulgate such guidelines and regulations as it deems appropriate to implement the provisions of this Act.

SEC. 8. (a)(1). The Chairman, with the approval of the Commission, shall appoint a General Counsel to the Commission who shall have a background in Indian Affairs. The General Counsel may be paid at the annual rate of basic pay payable for GS-18 of the General Schedule (5 U.S.C. 5332).

(2) The Chairman shall appoint other staff of the Commission pursuant to the provisions of title 5, United States Code, governing appointments in the competitive service, but such appointments shall be subject to section 12 of the Act of June 18, 1934 (48 Stat. 986), as amended.

(3) The Commission may procure temporary and intermittent services under section 3109 (b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for GS-18 of the General Schedule.

(b)(1) Upon the request of the Chairman, the head of any Federal agency is authorized to detail any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this Act, unless otherwise prohibited by law.

(2) The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this Act. Upon the request of the Chairman, the head of such department or agency shall furnish such information to the Commission, unless otherwise prohibited by law.

SEC. 9. (a) The Secretary or Administrator of the General Services Administration shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

(b) The Secretary shall promptly provide staff and support assistance to provide interim regulation and orderly transition until such time as the Commission is appointed and can become organized.

SEC. 10. (a) Class I gaming shall be within the exclusive jurisdiction of the Indian tribes and shall not be subject to the provisions of this Act.

(b) Class II and Class III gaming shall be within the jurisdiction of the Indian tribes, subject to the provisions of this Act, where such Indian gaming is located within a State that permits such gaming for any purpose by any person, organization or entity and such gaming is not otherwise specifically prohibited on Indian lands by Federal law.

SEC. 11. (a) An Indian tribe may engage in, and regulate, Class II gaming activity on the Indian lands of such tribe if the governing body of the tribe adopts an ordinance which is approved by the Chairman pursuant to this Act.

(b) The Chairman shall approve any tribal ordinance concerning the conduct, licensing, or regulation of Class II gaming activity on the Indian lands of such tribe if such ordinance provides that—

(1) except as provided in subsection (c), the Indian tribe itself shall have the sole proprietary interest and responsibility for the conduct of any gaming activity;

(2) net revenues from any tribal gaming activity are not to be used for purposes other than—

(A) to fund tribal government operations or programs;

(B) to provide for the general welfare of the Indian tribe and its members; and

(C) to promote tribal economic development;

(3) annual outside independent audits of the gaming activity will be obtained by the Indian tribe and made available to the Commission;

(4) all contracts for supplies, services, or concessions for a contract amount in excess of $25,000 annually, except contracts for professional legal or accounting services, relating to such gaming activity shall be subject to such independent audits;

(5) the construction and maintenance of the gaming facility, and the operation of that gaming activity, will meet applicable environmental, health and safety standards; and

(6) the tribe shall have an adequate system to ensure that background investigations are conducted on the primary management officials and key employees of the gaming enterprise and that oversight of such officials and their management will be conducted on an ongoing basis.

(c) A tribal ordinance or resolution may provide for the licensing or regulation of Class II gaming activities owned by individuals or entities other than the Indian tribe, except that the tribal licensing requirements shall be at least as restrictive as those established by State law governing similar gaming within the jurisdiction of the State within which such tribe is located. No individual or entity, other than the tribe, shall be eligible to receive a tribal license to own a Class II gaming activity within the tribe's jurisdiction if such individual or entity would not be eligible to receive a State license to conduct the same activity within the jurisdiction of the State.

(d) Not later than sixty days after the submission of any tribal gaming ordinance, the Chairman shall approve such ordinance if it meets the requirements of this section. Any such ordinance not acted upon at the end of that sixty day period shall be deemed to have been approved by the Chairman, except as such ordinance may be inconsistent with the provisions of this Act.

(e)(1) Any Indian tribe which operates a Class II gaming activity and which—

(A) conducts such operation directly without a management contract;

(B) has continuously conducted such activity for a period of not less than four years, including at least one year after the date of the enactment of this Act; and

(C) has otherwise complied with the provisions of this section

may petition the Commission for a certificate of self-regulation.

(2) The Commission shall issue a certificate of self-regulation if it determines, from available information and after a hearing if requested by the tribe, that the tribe has—

(A) conducted its gaming activity in a manner which—

(i) has resulted in an effective and honest accounting of all revenues;

(ii) has resulted in a reputation for safe, fair, and honest operation of the activity; and

(iii) has been generally free of evidence of criminal or dishonest activity;

(B) adopted and is implementing adequate systems for—

(i) accounting for all revenues from the activity;

(ii) investigation, licensing, and monitoring of all employees of the gaming activity; and

(iii) investigation, enforcement, and prosecution of violations of its gaming ordinance and regulations; and

(C) conducted the operation on a fiscally and economically sound basis.

(3) During any year in which a tribe has a certificate for self-regulation—

(A) the tribe shall not be subject to the provisions of paragraphs (1), (2), (3), and (4) of section 7(b); subsections (i), (j), and (k) of section 13; and section 15;

(B) the tribe shall continue to submit an annual independent audit as required by section 11(b)(3) and shall submit to the Commission a complete résumé on all employees hired and licensed by the tribe subsequent to the issuance of a certificate of self-regulation; and

(C) the Commission may not assess a fee on such activity pursuant to section 14 in excess of one-half of 1 per centum of the gross revenue.

(4) The Commission may, for just cause and after an opportunity for a hearing, remove a certificate of self-regulation by an affirmative vote of not less than three of its members

SEC. 12. (a) An Indian tribe may engage in Class III gaming activity on the Indian lands of such tribe if the governing body of the tribe adopts a Class III ordinance which meets the requirements of section 11(b) and which is approved by the Chairman and such tribe has obtained a license from the Commission pursuant to subsection (b) of this section.

(b) With respect to any application for a license to operate a Class III gaming establishment, the Commission shall ascertain the ability of the prospective licensee, and any management contractor with which the prospective licensee has entered into a management contract, to comply with the provisions of this Act and the rules of the Commission, and otherwise determine the suitability and fitness of the management contractor, if any, to operate a licensed Class III gaming establishment in an honest manner, for the general economic benefit of the tribe. The Commission shall grant a license to any tribal applicant unless it makes a specific finding that such applicant cannot operate the gaming activity in accordance with the standards established under this Act and the gaming codes established by the Commission pursuant to this section.

(c) The Commission may suspend, modify, or revoke a license to operate a licensed Class III establishment if after a hearing, it concludes that, due to substantial violations of the requirements of this Act, the operator cannot continue to operate the gaming activity in accordance with the standards established under this Act. The Commission may also, with the consent of the tribe, impose additional conditions for the operation of such an establishment.

(d) Upon receipt of an application for a Class III gaming license, the Commission shall cause an appropriate review to be made and act on such application within one hundred and twenty days of the receipt of such application.

(e)(1) In any case where the Chairman first approves an ordinance under subsection (a) of this section for the conduct of a type of Class III gaming activity within any State, the Chairman, pursuant to paragraph (2) of this subsection, shall adopt a comprehensive regulatory scheme for such gaming activity. Such regulations shall be developed and adopted only after consultation with the affected Indian tribe or tribes and with the appropriate officials of the State within which such activity is to be conducted.

(2) The regulations adopted pursuant to this subsection shall be identical to those provided for the same activity by the State within which such Indian gaming activity is to be conducted which is applicable to a State licensee subsequent to the issuance of such license, except that the Chairman shall exclude any provisions of the State's regulations which impose any tax, assessment, fee, or other financial burden upon a gaming activity and shall exclude or modify any of the State's regulations which he determines are clearly inappropriate for application to Indian tribes and their operations or which would unreasonably impair the ability of the tribe to conduct its operation.

(3) The regulatory scheme adopted pursuant to this subsection shall be uniformly applied by the Commission to any other Indian tribe engaging in the same type of Class III activity within the same State.

(f)(1) Where any State law or regulation adopted by the Commission pursuant to subsection (e) involves criminal penalties for violation thereof, such criminal penalties shall be enforceable by—

(A) the State where such State has the requisite criminal jurisdiction over Indian reservations pursuant to Public Law 83-280, or

(B) the United States pursuant to the Assimilative Crimes Act (18 U.S.C. 13),

as if such criminal penalties were part of the criminal/prohibitory laws of such State.

(2) No person shall be prosecuted under paragraph (1) of this subsection where the appropriate Indian tribe has adopted the regulation in question as a part of its own laws and has prosecuted such person for violation of such law.

(g) Prior to approving a license pursuant to this section, the Chairman shall evaluate the ability of the licensee to monitor and insure that gaming operations are conducted in a fair and safe manner.

SEC. 13. (a) Subject to the approval of the Chairman, an Indian tribe may enter into a management contract for the operation and management of a Class II or III gaming activity, except that, before approving such contract, the Chairman shall require and obtain the following information:

(1) the name, address, and other additional pertinent background information on each person or entity (including individuals comprising such entity) having a financial interest in, or management responsibility for, such contract, or, in the case of a corporation, those individuals who serve on the board of directors of such corporation and each of its stockholders who hold (directly or indirectly) 10 per centum or more of its issued and outstanding stock;

(2) a description of any previous experience which each person listed pursuant to paragraph (1) has had with other gaming contracts with Indian tribes or with the gaming industry generally, including specifically the name and address of any licensing or regulatory agency with which such person has had contact relating to gaming;

(3) a complete financial statement of each person listed pursuant to paragraph (1); and

(4) all collateral agreements made in connection with such contract.

(b) Any person listed pursuant to subsection (a)(1) shall be required to respond to such written or oral questions that the Chairman may propound in accordance with his responsibilities under this section.

(c) Any management contract entered into pursuant to this section shall specifically provide—

(1) that adequate accounting procedures are maintained and that verifiable financial reports are prepared by or provided to the tribal governing body and the tribal licensee on a monthly basis;

(2) that appropriate tribal officials shall have reasonable access to the daily operations of the gaming activity and shall have the right to verify the daily income made from any such tribal gaming activity;

(3) for a minimum guarantee payment to the Indian tribe that has preference over the retirement of development and construction costs;

(4) for an agreed ceiling for the repayment of development and construction costs;

(5) that the term of the contract shall not exceed seven years; and

(6) for grounds and mechanisms for terminating such contract, except that contract termination shall not require the approval of the Commission.

(d) The Chairman may approve a management contract providing for a fee based upon a percentage of the net revenues of a tribal gaming activity if he determines that such percentage fee is reasonable in light of surrounding circumstances, but in no event shall such fee exceed forty percent of the net revenues.

(e) Not later than one hundred and twenty days after the submission of a contract, the Chairman shall approve or disapprove such contract on its merits. Any such contract not acted upon at the end of such time shall be deemed to have been approved by the Chairman.

(f) The Chairman shall not approve any contract where he determines that—

(1) any person listed pursuant to paragraph (a)(1) of this section—

(A) is an elected member of the governing body of the Indian tribe which has licensed the activity or is the party to the management contract;

(B) has been convicted of any felony or gaming offense;

(C) has knowingly and willfully provided materially important false statements or information to the Commission or the tribe pursuant to this Act or has refused to respond to questions propounded pursuant to subsection (b), or

(D) has been determined to be a person whose prior activities, criminal record if any, or reputation, habits and associations pose a threat to the public interest or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental thereto;

(2) the management contractor has, or has attempted to, unduly interfere or influence for its gain or advantage any decision or process of tribal government relating to the gaming activity, or

(3) a trustee exercising the skill and diligence that a trustee is commonly held to would not approve the contract.

(g) The Chairman, after notice and hearing, shall have the authority to require appropriate contract modifications or may void any contract if he subsequently determines that any of the provisions of this section have been violated or that the management contractor has deliberately or substantially failed to comply with the terms of the management contract or the tribal gaming ordinance or resolution adopted and approved pursuant to this Act.

(h) The authority of the Secretary under section 81 of title 25, United States Code, relating to management contracts regulated pursuant to this Act, is delegated to the Commission.

(i) The Chairman shall license all employees of a gaming operation conducted pursuant to this Act who are employed in a management capacity. The Chairman shall determine what constitutes a management capacity for the purposes of this Act.

(j) The Chairman shall grant a license pursuant to subsection (i) unless he determines that such person—

(1) has been convicted of any relevant felony or gaming offense;

(2) has knowingly and willfully provided materially important false statements or information to the Commission or the tribe pursuant to this Act; or

(3) has been determined to be a person whose prior activities, criminal record if any, or reputation, habits and association pose a threat to the public interest or the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair or illegal practices, methods or the carrying on of the business and financial arrangements incidental thereto.

(k) The Chairman, after notice and hearing, shall have the authority to suspend or revoke a license issued pursuant to subsection (i) of this section if he subsequently determines that such licensee no longer meets or is in compliance with the conditions established in subsection (j) of this section.

(l) The Commission shall require the potential management contractor to pay a fee which will be equal to the cost of the investigation necessary to reach a determination required in subsection (f)(1)(D) of this section.

SEC. 14. (a) As soon as practicable after the organization of the Commission, the Chairman shall notify each Indian tribe or management contractor who, prior to the enactment of this Act, adopted an ordinance authorizing Class II or III gaming or entered into a management contract, that such ordinance or contract and any collateral agreements must be submitted for his review within sixty days of such notification.

(b)(1) Within ninety days after the submission of an ordinance authorizing Class II gaming pursuant to subsection (a), the Chairman shall review such ordinance to determine if it conforms to the requirements of section 11 of this Act.

(2) If he determines that such ordinance conforms to section 11, he shall approve it.

(3) If he determines that such ordinance does not conform to the requirements of section 11, he shall provide written notification of necessary modifications to the Indian tribe, which shall have not more than one hundred and twenty days to come into compliance.

(c)(1) Within ninety days after the adoption by the Commission of a Class III regulatory scheme governing the type of gaming involved in a Class III ordinance submitted pursuant to subsection (a), the Chairman shall review such ordinance to determine if it conforms to such regulatory scheme and the appropriate requirements of section 12 of this Act.

(2) If he determines that such ordinance conforms to such regulatory scheme and to the requirements of section 12, he shall approve it and issue any necessary license.

(3) If he determines that such ordinance does not conform to such regulatory scheme and to the requirements of section 12, he shall provide written notification of necessary modification to the Indian tribe which shall have not more than one hundred and twenty days to come into compliance.

(d)(1) Within one hundred and eighty days after the submission of a management contract pursuant to subsection (a), the Chairman shall subject such contract to the requirements and process of section 13 of this Act.

(2) If he determines, at the end of such period, that such contract and the management contractor meet the requirements of section 13, he shall approve it.

(3) If he determines, at the end of such period, that such contract and the management contractor do not meet the requirements of section 13, he shall provide written notification to the parties to such contract of modifications necessary to come into compliance and the parties shall have not more than one hundred and twenty days to come into compliance.

(e) The provisions of this Act shall not be used by a tribe as independent grounds for terminating an otherwise valid existing contract if such contractor has agreed to modify the terms of the contract so as to bring such contract into compliance with the requirements of this Act.

SEC. 15. (a)(1) Subject to such regulation as may be adopted by the Commission, the Chairman shall have authority to levy and collect appropriate civil fines, not to exceed $25,000 per violation, against the tribal operator of an Indian game or a management contractor engaged in gaming for any violation of any provision of this Act or any regulation adopted by the Commission pursuant to this Act. Fines collected pursuant to this section shall be utilized by the Commission to defray its operating expenses. Tribal ordinances approved under sections 11 and 14 of this Act shall be adopted as Commission regulations for purposes of this section.

(2) The Commission shall, by regulation, provide an opportunity for an appeal and hearing before the Commission on fines levied and collected by the Chairman.

(b)(1) The Chairman shall have power to order temporary closure of Indian gaming activities for substantial violation of the provisions of this Act or regulations adopted by the Commission pursuant to this Act.

(2) Not later than thirty days after the issuance by the Chairman of an order of temporary closure, the Indian tribe, tribal licensee or management contractor involved shall have a right to a hearing before the Commission to determine whether such order should be made permanent or dissolved. The Commission may, by an affirmative vote of not less than three of its members, order a permanent closure of the gaming operation after such hearing.

(c) Whenever the Commission has reason to believe that—

(1) the tribal operator of an Indian game or a management contractor engaged in activities regulated by this Act or regulations thereunder has violated any provision of this Act or regulations thereunder that may result in the imposition of a fine pursuant to subsection (a) of this section or the permanent closure of such game under paragraph (2) of subsection (b) of this section or

(2) such activity may result in the modification or termination of any management contract under sections 13(f) or 14(c),

the Commission shall provide such operator or management contractor with a written complaint stating the acts or omissions which form the basis for such belief and the action or choice of action being considered by the Commission. The allegation shall be set forth in ordinary and concise language and must specify the statutory or regulatory provision alleged to have been violated, but may not consist merely of allegation stated in statutory or regulatory language.

(d) Nothing in this Act shall preclude an Indian tribe from exercising regulatory authority provided under tribal law over a gaming establishment within the Indian tribe's jurisdiction if such regulation is consistent with this Act or with any rules or regulations adopted by the Commission.

SEC. 16. Decisions made by the Commission pursuant to section 11, 12, 13, 14, and 15 shall be final agency decisions for purposes of appeal to the appropriate Federal district court pursuant to chapter 7 of title 5, United States Code.

SEC. 17. (a) The Commission may authorize the Chairman to issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence that relates to any matter which the Commission is empowered to investigate by this Act. Witnesses so summoned shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

(b) Such attendance of witnesses and the production of such evidence may be required from any place within the United States at any designated place of hearing within the United States.

(c) If a person issued a subpoena under paragraph (a) refuses to obey such subpoena or is guilty of contumacy, any court of the United States within the judicial district within which the hearing is conducted or within the judicial district within which such person is found or resides or transacts business may, upon application of the Commission, order such person to appear before the Commission to produce evidence or to give testimony relating to the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof.

(d) The subpoenas of the Commission shall be served in the manner provided for subpoenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

(e) All process of any court to which application may be made under this section may be served in the judicial district in which the person required to be served resides or may be found.

SEC. 18. (a) Except as provided in subsection (b), the Commission shall preserve any and all information received pursuant to this Act as confidential pursuant to the provisions of paragraphs (4) and (7) of section 552(b) of title 5, United States Code.

(b) The Commission may, when such information indicates a violation of Federal, State, or tribal criminal statutes or ordinances, provide such information to the appropriate law enforcement officials.

(c) The Attorney General of the United States is authorized to investigate activities associated with gaming authorized by this Act which may be a violation of Federal law, including but not limited to the Major Crimes Act (18 U.S.C. 1153), the Assimilative Crimes Act (18 U.S.C. 13), and 18 U.S.C. 1163. The Attorney General is authorized to enforce such laws, or assist in the enforcement of such laws, upon evidence of violation as a matter of Federal law, or upon the referral of information by the Commission pursuant to subsection (b) of this section.

SEC. 19. (a)(1) Not less than one half of the annual budget of the Commission shall be derived from—

(A) an assessment of not to exceed two percent of the gross revenues from each Indian Class II gaming activity; and

(B) an assessment from each Indian Class III gaming activity which shall be established by the Commission based upon the reasonable costs incurred by the Commission in its investigation, licensing, and regulation of each such gaming operation, but which shall not exceed the costs which are incurred by the appropriate State for its regulation of a similar gaming operation within its jurisdiction.

(2) The Commission, by an affirmative vote of not less than three of its members, shall annually adopt the rate of assessment authorized by this section which shall be payable on a quarterly basis.

(3) Failure to pay the assessment shall, subject to the regulations of the Commission, be grounds for revocation of any approval or license of the Commission required under this Act for the operation of tribal or individual gaming.

(4) To the extent that funds derived from such assessments are not expended or committed at the end of the budget year, such surplus funds shall be credited to each gaming activity on a pro rata basis against the assessment for the succeeding year.

(5) For purposes of this section, gross revenues shall constitute the total wagered monies less any amounts paid out as prizes or paid for prizes awarded.

(b)(1) The Commission, in coordination with the Secretary and in conjunction with the fiscal cycle of the United States, shall adopt an annual budget for the expenses and operation of the Commission.

(2) The budget of the Commission may include a request for appropriations, as authorized by section 20, in an amount not to exceed the amount of funds derived from assessments authorized by subsection (a) for the fiscal year preceding the fiscal year for which the appropriation request is made.

(3) The request for appropriations shall be subject to the approval of the Secretary and shall be included as a part of the budget request of the Department of the Interior.

SEC. 20. (a) Subject to the provisions of section 19, there is hereby authorized to be appropriated such sums as may be necessary for the operation of the Commission.

(b) Notwithstanding the provisions of section 19, there is hereby authorized to be appropriated not to exceed $2,000,000 to fund the operation of the Commission for the first fiscal year after the date of enactment of this Act.

SEC. 21. For the purposes of this Act—

(1) "Attorney General" means the Attorney General of the United States;

(2) "Commission" means the National Indian Gaming Commission established pursuant to section 5 of this Act;

(3) "Indian lands" means—

(i) all lands within the limits of any Indian reservation; and

(ii) any lands title to which is either held in trust by the United States for the benefit of any Indian tribe or individual or which is held by any Indian tribe or individual subject to a restriction by the United States against alienation over which an Indian tribe exercises governmental power;

(4) "Indian tribe" means any Indian tribe, band, nation, or other organized group or community of Indians which is recognized as eligible by the Secretary for the special programs and services provided by the United States to Indians because of their status as Indians and is recognized by the United States as possessing powers of self-government;

(5) "gaming" means to deal, operate, carry-on, conduct, or maintain for play any banking or percentage game of chance played for money, property, credit, or any representative value, and shall consist of—

(A) "Class I gaming" which shall include social games solely for prizes of minimal value or traditional forms of Indian gaming engaged in by individuals as a part of or in connection with tribal ceremonies or celebrations;

(B) "Class II gaming" which shall include card games and the games of chance commonly known as bingo or lotto and which is played for prizes, including monetary prizes, with cards bearing numbers or other designations, the holder covering such numbers or designations as objects, similarly numbered or designated, are drawn or electronically determined from a receptacle and the game being won by the person first covering a previously designated arrangement of numbers or designations on such card, including the use of electronic or electromechanical facsimiles, and shall also include pull-tabs, punch boards, tip jars, instant bingo, other games similar to bingo; and

(C) "Class III gaming" which shall include all other forms of gaming not defined in subparagraph (A) and (B) of this paragraph.

(6) "net revenues" means gross revenues of an Indian gaming activity less amounts paid out as, or paid for, prizes and total operating expenses excluding management fees; and

(7) "Secretary" means the Secretary of the Interior.

SEC. 22. Consistent with the requirements of this Act, a tribe shall be considered as a state for the purposes of section 1307 of title 18 of the United States Code.

SEC. 23. Upon the request of the Miccosukee Tribe of Indians of Florida, the Secretary of the Interior is directed to accept from the Tribe, in trust as a part of the reservation of such tribe under sections 5 and 7 of the Act of June 18, 1934 (48 Stat. 985, 986), all of the Tribe's interest in approximately twenty-five contiguous acres of land, more or less, in Dade County, Florida, located within one mile of the intersection of State Road Numbered 27 (also known as Krome Avenue) and the Tamiami Trail. Such lands shall be accepted by the Secretary subject to existing encumbrances and rights. In addition to economic, residential, cultural and social uses and notwithstanding the provisions of section 4 of this Act, Class II gaming may be operated by the Tribe on the lands taken in trust pursuant to this section. A legal description of the land taken in trust shall be published by the Secretary in the Federal Register.

SEC. 24. In the event that any section or provision of this act is held invalid, it is the intent of Congress that the remaining sections or provisions of this Act shall continue in full force and effect.

SECTION-BY-SECTION ANALYSIS OF THE McCAIN BILL ON INDIAN GAMING

SECTION 1

Section 1 provides that the Act may be cited as the "Indian Gaming Regulatory Act".

SECTION 2

Section 2 contains various congressional findings related to the conduct of gaming activities on Indian reservations.

SECTION 3

Section 3 sets out as the purposes of the Act to provide a statutory basis for gaming by Indian tribes; to provide a statutory basis for the regulation of tribal gaming; and to establish a National Indian Gaming Commission for the regulation of tribal gaming.

SECTION 4

Subsection (a) provides that gaming regulated by this Act shall be unlawful on any lands acquired in trust for an Indian tribe after the date of enactment if the lands are outside of, or not contiguous to, the existing reservation or, in the case of tribes without a reservation, outside its last recognized reservation or not contiguous to existing trust lands. Nothing in the subsection is to affect the authority of the Secretary of the Interior to take lands in trust for Indian tribes.

Subsection (b) provides that subsection (a) shall not be applicable if the tribe obtains the consent of the Governor of the State and the governing body of the county or municipality affected.

Subsection (c) provides that provisions of the Internal Revenue Code of 1986, concerning the taxation and withholding of taxes pursuant to a gambling or wagering operation, shall apply to tribal operations as they apply to State operations.

SECTION 5

Subsection (a) provides for the establishment of an independent agency within the Department of the Interior to be known as the National Indian Gaming Commission.

Paragraph (1) of subsection (b) provides that the Commission shall be composed of five members, with the Chairman to be appointed by the President with the advice and consent of the Senate. Of the remaining four members, one is to be appointed by the Secretary of the Interior and the other three are to be appointed by the Secretary from a list of Indian candidates submitted by Indian gaming tribes.

Paragraph (2) provides that not more than three of the members are to be from the same political party.

Paragraph (3) provides that, except for the Chairman, the members will serve for three years and further provides for staggered terms for the initial appointees.

Paragraph (4) prohibits the appointment to or continued service on, the Commission of any individual who has been convicted of a felony or gaming offense; has any management responsibility for a tribal gaming activity; has a financial interest in or management responsibility for any management contract approved under the act; or is a Federal, State, or local government employee.

Paragraph (5) provides that members, except for the Chairman, may only be removed for cause.

Subsection (c) provides for the filling of vacancies.

Subsection (d) provides that three members shall constitute a quorum.

Subsection (e) provides for the selection of a Vice-Chairman.

Subsection (f) provides that the Commission shall meet at the call of the Chairman, but at least once every four months.

Subsection (g) provides for rates of pay for the Chairman and, on a daily equivalent, for the members and provides for reimbursement of members for travel, subsistence, and other necessary expenses.

SECTION 6

Subsection (a) provides that the Chairman, subject to an appeal to the Commission, shall have power to issue orders of temporary closures of an Indian gaming activity; levy and collect civil fines; approve tribal ordinances for Class II and III gaming; approve management contracts; and promulgate schemes for Class III gaming.

Subsection (b) provides that the Chairman shall have such other powers as the Commission may delegate.

SECTION 7

Subsection (a) provides that the Commission shall have power, not subject to delegation, to approve a Commission budget; adopt regulations for the assessment and collection of fines; adopt annual assessments of tribal gaming by an affirmative vote of not less than three members; authorize the Chairman to issue subpoenas by an affirmative vote of three members; and to make permanent orders of closure by the affirmative vote of three members.

Subsection (b) establishes numerous other powers and duties of the Commission.

SECTION 8

Subsection (a) provides for the appointment of a General Counsel for the Commission; for the appointment of other Commission staff; and for the procurement of temporary or intermittent services.

Subsection (b) authorizes the Commission to obtain the services of personnel or information from other Federal agencies if not otherwise prohibited by law.

SECTION 9

Subsection (a) provides that the Secretary of the Interior or the Administrator of GSA shall provide to the Commission on a reimbursable basis administrative support services.

Subsection (b) provides that the Secretary of the Interior will provide staff and support assistance for interim regulation and orderly transition until the Commissioners are appointed and the Commission is organized.

SECTION 10

Subsection (a) provides that Class I gaming, later defined as social or traditional Indian gaming, shall be within the exclusive jurisdiction of the tribes and not subject to this Act.

Subsection (b) provides that Class II and III gaming shall be within the jurisdiction of the tribes and subject to this Act where the State permits the gaming activity and it is not otherwise specifically prohibited in Indian country by Federal law.

SECTION 11

Subsection (a) provides that an Indian tribe may engage in, or license and regulate, Class I gaming if it adopts an ordinance to that effect which is approved by the Chairman of the Commission.

Subsection (b) provides that the Chairman shall approve the ordinance if it meets certain minimum standards. Those standards are (1) only the tribe shall own the gaming activity; (2) net revenues must be used for tribal government operations or for governmental programs; (3) annual independent audits must be obtained and submitted to the Commission; (4) all other ancillary contracts, except for legal or accounting services, must be subject to such audit; the construction, maintenance, and operation of the gaming facility must meet applicable environmental, health and safety standards; and the tribes must have an adequate system for the investigation of management officials and key employees.

Subsection (c) provides that a tribal ordinance may provide for the licensing and regulation of Class II gaming by non-tribal persons or entities, but only if the tribe's regulatory scheme for such non-tribal activity is at least as stringent as the State's scheme and only if the person or entity to be licensed would have been eligible for licensing by the State.

Subsection (d) provides that the Chairman shall approve an ordinance within 60 days after submission if it meets the requirements of subsection (b) and that it shall be deemed approved, to the extent not inconsistent with this Act, if the Chairman does not act upon it within that time.

Paragraph (1) of subsection (e) provides that a tribe may petition the Commission for a certificate of self-regulation if it operates the activity itself; has operated it continuously for not less than four years, including at least one year after the passage of this Act; and it has otherwise complied with the provision of this section.

Paragraph (2) provides that the Commission shall issue such certificate if it makes certain findings relating to the past history of the operation of the activity and to the existing procedures and systems of the tribe for self-regulation.

Paragraph (3) provides that, upon the issuance of a certificate, a tribe shall not be subject to named provisions of this Act; shall continue to submit the annual independent audit; and shall submit resumés of all personnel hired subsequent to the issuance. It also provides that the fee assessed by the Commission for that tribal gaming activity shall not exceed one-half of one percent of the gross revenue as defined in section 14.

Paragraph (4) provides that the Commission may revoke the certificate for just cause and after an opportunity for a hearing.

SECTION 12

Subsection (a) provides that an Indian tribe may engage in Class III gaming if it adopts an ordinance which meets the requirements of section 11(b) and which is approved by the Chairman. The Tribe must also obtain a Commission license as provided in subsection (b).

Subsection (b) provides that the Commission shall grant a license if the applicant meets certain standards established in the subsection as determined by the Commission.

Subsection (c) provides that the Commission may suspend, modify, or revoke a license to operate a Class III activity if it finds that the licensee has committed substantial violations of the Commission's regulations or of the provisions of this Act and that the operator cannot continue to operate the activity in accordance with those standards.

Subsection (d) provides that the Commission shall act upon an application for a license within 120 days after submission.

Paragraph (1) of subsection (e) provides that the Chairman of the Commission shall develop and adopt a regulatory scheme for a type of Class III gaming activity in any case where he first approves a Class II ordinance within any State. The Chairman must consult with the appropriate officials of the concerned State and the affected tribe or tribes in developing such regulations.

Paragraph (2) provides that the regulations adopted by the Chairman shall be identical to those which the State has adopted and applies to its licensees subsequent to the issuance of a license. The Chairman is directed to exclude from his regulatory scheme any of the State's regulations or laws which impose any financial burden upon a licensee or which he determines are clearly inappropriate for application to an Indian tribe or which would unreasonably impair the ability of the tribe to conduct its operation.

Paragraph (3) provides that such regulatory scheme shall be uniformly applied to any other tribe within that State engaging in the same Class III activity.

Subsection (f) provides that, where any State law or regulation adopted by the Commission in its regulatory scheme involves criminal penalties, those penalties shall be enforceable by the State if it has criminal jurisdiction under P.L. 83-280 or by the United States under the Assimilative Crimes Act as if such penalties were a part of the criminal/prohibitory laws of the State. It excepts from the application of that enforcement any person who has been prosecuted by the Indian tribe which has adopted that regulation or law with the criminal penalty under its own laws.

Subsection (g) provides that prior to approving a license under this section, the Chairman shall evaluate the ability of the licensee to monitor and insure the game is operated fairly and safely.

SECTION 13

Subsection (a) provides that an Indian tribe may enter into a management contract for the operation of a Class II or III gaming activity, subject to the approval of the Chairman. The Chairman, before approving the contract, must obtain detailed information on all persons having a financial interest or management responsibility in the management firm; a detailed description of such persons previous experience with the Indian and non-Indian gaming industry; a complete financial statement of such persons; and all collateral agreements made in connection with such contract.

Subsection (b) provides that all persons identified pursuant to subsection (a) must respond to oral or written questions propounded by the Chairman.

Subsection (c) establishes required standards which must be met by any proposed management contract before approval. Those standards include accounting systems and financial reports being available to the tribe; access to the gaming facilities by appropriate tribal officials; term of the contract; payments to the tribe; and mechanisms for termination of the contract.

Subsection (d) permits the Chairman to approve a management contract involving a fee based upon a percentage of net revenues if he feels it is reasonable, but in no event to exceed 40% of the net revenues.

Subsection (e) provides that the Chairman must approve or disapprove a management contract on the merits within 120 days of submission or it will be deemed approved.

Subsection (f) provides that the Chairman shall not approve the contract where he makes certain findings, including (1) that any person identified in subsection (a) is a member of the governing body of the tribe; has been convicted of a felony or gaming offense; has knowingly and willfully provided the Commission with materially important false statement or information or has refused to respond to questions; or has a previous history or character which would pose a threat to the honest operation of a gaming enterprise: (2) that the management contractor has unduly attempted to influence tribal government: or (3) that a trustee exercising due diligence would not approve such contract.

Subsection (g) confers authority on the Chairman, after notice and hearing, to require contract modifications or to void a contract if he finds substantial violations by the contractor of the law or Commission regulations.

Subsection (h) provides that power of the Secretary of the Interior to approve tribal contracts under section 81 of title 25, U.S.C., as it applies to management contracts for gaming operations, shall be delegated to the Commission.

Subsection (i) provides that the Chairman shall license all employees of a gaming activity who are employed in a management capacity.

Subsection (j) provides that the Chairman shall grant a license under subsection (i) unless he determines that any such person has been convicted of a relevant felony or gaming offense; has provided false information to the Commission tribe; or has been determined to be a person of poor character such as to pose a threat to the honest operation of a gaming enterprise.

Subsection (k) authorizes the Chairman to suspend or revoke a license issued pursuant to subsection (i) if he determines that the licensed person is no longer in compliance with the criteria established in subsection (j).

Subsection (l) provides that the Commission shall require the potential management contractor to pay a fee sufficient to defray the expenses of the Commission in carrying out its responsibilities under subsection (f)(1)(D).

SECTION 14

Subsection (a) provides that the Chairman, as soon as possible after organization of the Commission, shall notify each tribe or management contractor who has adopted a Class II or III ordinance or entered into a management contract that they must submit such ordinance or contract to the Commission for review within 60 days of such notification.

Subsection (b) provides that, within 90 days after the submission of a Class II ordinance as required by subsection (a), the Chairman shall review and approve it if it meets the requirements of section 11 or, if it does not, to require the tribe to come into compliance within 120 days thereafter.

Subsection (c) provides that within 90 days after the adoption by the Commission of a regulatory scheme covering the type of Class III gaming involved in any Class III ordinance submitted pursuant to subsection (a), the Chairman shall review it to determine if it conforms to the regulatory scheme and the provisions of section 12. If it does, he must approve it. If not, the tribe has 120 days to bring it into compliance.

Subsection (d) provides that, within 120 days after submission of a management contract under subsection (a), the Chairman shall subject such contract to the requirements and process of section 13. If he determines that the contract meets those requirements, he shall approve it. If not, he shall give the tribe and management contractor notice of necessary modification and they shall have 120 days to come into compliance.

Subsection (e) provides that a tribe may not use the provisions of this Act as independent grounds for terminating an existing contract if the contractor agrees to modify the contract to come into compliance with the terms of the Act.

SECTION 15

Subsection (a) provides that the Chairman, under regulations adopted by the Commission, shall have power to levy and collect civil fines, not to exceed $25,000 per violation, against a tribal operator or management contractor for violations of Commission regulations or this Act. Fines collected may be used by the Commission for its expenses. The subsection also provides that tribal ordinances adopted by the tribe under sections 11 and 14 shall be adopted by the Commission for purposes of this section.

It also provides that the Commission shall provide procedures and opportunity for appeal from fines levied and collected by the Chairman.

Subsection (b) provides that the Chairman shall have power to order temporary closures of Indian gaming activities for substantial violations of the Act or regulations. It provides that the tribe, tribal licensee, or management contractor shall have the right to appeal the closure to the Commission which may dissolve the order or make it permanent. The Commission's decision must be adopted by an affirmative vote of three members.

Subsection (c) provides that the Commission, when it has cause to believe that a tribal gaming activity is being operated in a manner which brings it into substantial violation of the provisions of the Act or regulations, shall notify the operator or contractor in writing of the acts or omissions giving rise to the belief and the action or choice of actions being considered by the Commission.

Subsection (d) provides that nothing in this Act shall detract from a tribe's existing power to regulate gaming within its jurisdiction as long as such regulations are not inconsistent with this Act or Commission regulations.

SECTION 16

Section 16 provides that decisions of the Commission pursuant to section 11, 12, 13, 14 and 15 of this Act shall be final agency actions for purposes of the Administrative Procedures Act.

SECTION 17

Subsection (a) provides that the Commission may authorize the Chairman to issue subpoenas for witnesses and evidence needed in carrying out its responsibilities. Witnesses fees and expenses will be paid as in the courts of the United States.

Subsection (b) provides that witnesses and evidence may be required from any place in the United States at any designated hearing place in the United States.

Subsection (c) provides that the appropriate U.S. district court may compel a person to obey a Commission subpoena and to punish a failure to obey the court order as a contempt of court.

Subsection (d) provides that Commission subponeas shall be served in any judicial district where the person lives or may be found.

SECTION 18

Subsection (a) provides that, except as provided in subsection (b), the Commission shall keep information received pursuant to this Act confidential under section 552(b) of title 5, U.S.C.

Subsection (b) provides that the Commission may provide such information to appropriate law enforcement officials if it appears a criminal violation has occurred.

Subsection (c) reaffirms the existing power of the Attorney General to investigate and prosecute crimes on Indian reservation in connection with gaming activity.

SECTION 19

Subsection (a), Paragraph (1), provides that not less than one half of the annual budget of the Commission is to be derived from assessments of not to exceed 2% of the gross revenues from Class II Indian gaming activities and from an assessment from each Class III activity to be established by the Commission based upon its reasonable costs of regulating that activity, but not to exceed the costs which are incurred by the appropriate State for its regulation of similar acativity within its jurisdiction.

Paragraph (2) provides that the rate of assessment shall be annually set by the Commission by an affirmative vote of not less than three members and that the assessment shall be payable on a quarterly basis.

Paragraph (3) provides that failure to pay the assessment shall be grounds for revocation of any licenses or approvals required under the Act.

Paragraph (4) provides that unexpended funds derived from assessments shall be credited to each gaming activity on a pro rata basis against subsequent assessments.

Paragraph (5) provides that, for purposes of this section, gross revenue means total wagered monies less amounts paid out as, or for, prizes.

Subsection (b), paragraph (1) provides that the Commission shall adopt an annual budget in coordination with the Secretary of the Interior and in conjunction with the fiscal cycle of the United States.

Paragraph (2) authorizes the Commission to request appropriations each year in an amount not to exceed the amount which was collected as assessments for the preceding fiscal year.

Paragraph (3) provides that the appropriation request shall be subject to the approval of the Secretary and shall be a part of the budget request of the Interior Department.

SECTION 20

Subsection (a) authorizes the appropriation of such sums as may be necessary for the operation of the Commission, subject to the provisions of section 19.

Subsection (b) provides that, notwithstanding the provisions of section 19, there is authorized to be appropriated not to exceed $2,000,000 to fund the Commission for the first fiscal year after date of enactment.

SECTION 21

Section 21 defines certain terms for purposes of the Act. Indian lands is defined to mean all lands within the limits of an Indian reservation and any other lands held in trust for the tribe or individual Indian over which the tribe exercises governmental power. Gaming is defined and broken-down into three classes: Class I being social gaming for prices of minimal value or traditional Indian gaming engaged in by individuals as part of tribal ceremonies or celebrations; Class II is defined as bingo and related games and cards; and Class III is defined as all other forms of gaming not included in Class I and II.

SECTION 22

Section 22 provides that a tribe, for purposes of this Act, shall be considered a state for purposes of section 1307 of title 18, United States Code.

SECTION 23

Section 23 directs the Secretary of the Interior, upon the request of the Miccosukee Tribe of Florida, to take into trust for such tribe as a part of its reservation approximately 25 acres of land in Dade County. The section would permit Class II gaming on such lands.

SECTION 24

Section 24 is a constitutional saving clause.

Mr. INOUYE. Mr. President, I am pleased today to cosponsor, with Senators McCain and Evans, a bill to regulate gambling in Indian country.

This bill is identical to a measure recently introduced in the House by Congressman Morris Udall, H.R. 2507. It is his second bill on the subject of Indian gambling, the first one, H.R. 1079, having been introduced prior to the U.S. Supreme Court's decision in the Cabazon case that was handed down in late February. Just prior to the decision in that case, I, too, introduced a bill, S. 555, to provide for Federal regulation of Indian gaming. Though S. 555 and H.R. 1079 differed in many significant respects, both of the earlier bills represented strong compromises on the part of tribes, primarily because of uncertainty as to how the Supreme Court would rule in the Cabazon case. Now that the case has been resolved in favor of tribal regulation of gaming, essentially outside of State control, a fresh look is needed to see how we can best balance the interests of tribes, the Federal Government, the State governments, industry, investors, law enforcement agencies, and, most importantly, the public.

I continue to believe that many of the provisions of S. 555 perform this balancing test very well. However, as chairman of the Senate Select Committee on Indian Affairs, I am also committed to hearing all points of view and to being open to other ways of resolving some of the very complex issues. This is why I have agreed to cosponsor this bill with Senator McCain. A hearing will be scheduled shortly and I want to make it clear that this bill, along with S. 555, and perhaps other measures soon to be introduced by other Senators, will be given full and fair consideration. When the Indian Affairs Committee reports a bill to the Senate floor, I want it to be one that represents our very best thinking and efforts on this very complex issue.

My introductory statement on S. 555, printed in the February 19, 1987, edition of the Congressional Record, provides legislative and historical background on the subject of Indian regulation of gaming on trust lands. Subsequently, the Supreme Court decided the Cabazon case, holding that in States where bingo and certain card games are legal and do not violate the State's public policy, tribes are free to engage in such enterprises for economic reasons and to regulate such gaming free of State interference.

I look forward to working with Senator McCain and other Senators on this issue, and ultimately with our colleagues in the House, to arrive at a regulatory scheme that best protects and balances the interests of all concerned parties.

By Mr. SIMON (for himself and Mr. Daschle):

S. 1304. A bill to enhance the energy security of the United States, improve the environment, and expand markets for agricultural commodities by providing for the increased use of motor fuel blended with ethanol; to the Committee on Energy and Natural Resources.

ETHANOL MOTOR FUEL ACT

Mr. SIMON. Mr. President, I am introducing a piece of legislation cosponsored by the Senator from South Dakota, Senator Daschle, which would require that by 1992, half of the gasoline produced in this country has 10 percent ethanol. What does that do? Well, it does a number of things that are very important. No. 1, it helps America's farmers, I see the chairman of the Senate Agriculture Committee walking on the floor, Senator Leahy. He is interested in increased prices for our farmers. Requiring 10 percent by 1992 in ethanol will help America's farmers.

I would add that this bill has been introduced in the House by Congressman Durbin and Congressman Madigan, who are also interested in this.

It reduces our dependence on foreign oil. It helps on air pollution. We have tests from Denver and we know that it will help not only Denver but Los Angeles and other cities that are faced with air pollution problems. It will help on the budget. As you raise the price of corn and other grain products, you reduce the agricultural budget of this country. The estimate is that it would create 100,000 jobs.

I think it will help not only Illinois, Wisconsin, Mississippi, West Virginia, and Vermont; it will help our whole country and our whole budget. I am pleased to be introducing this, and I urge my colleagues to take a good look at it.

This bill directs the increased use of ethanol in motor fuel blends. It does that in steadily rising increments until, by 1992 and thereafter, at least one-half of all motor fuel consumed in this country will contain 10 percent ethanol.

Our success in this effort will benefit our country in several ways.

First, it will be a major step toward a more dependable, renewable domestic energy supply. With the increased use of ethanol, crude oil imports could drop by as much as 200 million barrels each year.

Second, increased use of ethanol has significant environmental advantages. In Denver, for instance, we have recently seen dramatic reductions in carbon monoxide emissions from cars using ethanol blends. As many of my colleagues know, we still have major metropolitan areas that have not been able to meet EPA air quality standards, and ethanol usage will help meet those targets.

Third, this could be a tremendous help to our farm economy and to our Federal farm programs. New and expanding uses of farm products are perhaps the brightest hope on the horizon for farmers. By 1992, this bill could mean that up to 2 billion bushels of grain will be converted to ethanol each year. That will clearly help to reduce our current surpluses and bring farm prices up through the marketplace. That will not only be good for farmers, it will help lower Federal farm program costs as well.

And finally, this measure has significant value in creating new jobs in an expanding industry. Our rural areas are in desperate need of a more diversified industrial and employment base. Ethanol plants, close to their supply of grain, can be a part of that solution.

Mr. President, I urge my colleagues to support this measure, and I ask unanimous consent that a question and answer statement and the text of this bill be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1304

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Ethanol Motor Fuel Act of 1987".

SEC. 2. ETHANOL-BLENDED FUEL REQUIREMENT.

(a) General Rule.—In any calendar year beginning with calendar year 1988, the total quantity of motor fuel sold annually in commerce in the United States by wholesale distributors shall contain, on the average, not less than the percentage of ethanol by volume set forth for the calendar year shown in the following table:

Calendar year:	Percentage of ethanol in motor fuel by volume
1988	1.0 percent.
1989	1.5 percent.
1990	2.5 percent.
1991	3.5 percent.
1992 and thereafter	5.0 percent.

(b) Computation.—

(1) The percentage of ethanol in motor fuel sold by a wholesale distributor shall be determined by measuring the ethanol content by volume of the motor fuel sold by the wholesale distributor as may be modified in accordance with paragraph (2).

(2) If a wholesale distributor sells motor fuel with an ethanol content which is in excess of the content required by subsection (a), another wholesale distributor may arrange, in accordance with regulations of the Secretary of Energy, with such wholesale distributor to have all or part of the excess ethanol credited to such other wholesale distributor in such a manner that the other

wholesale distributor shall be considered to have sold the excess ethanol.

(c) Reports.—

(1) Each wholesale distributor of motor fuel shall report to the Secretary of Energy the total amount of motor fuel sold in a calendar year and the amount of ethanol contained in such motor fuel. Such report shall be made within 30 days of the expiration of the calendar year.

(2)(A) A wholesale distributor who arranges under subsection (b)(2) to have part of its excess ethanol credited to another wholesale distributor shall report to the Secretary of Energy the amount credited to each other wholesale distributor and the identity of the other wholesale distributors who entered into such arrangement. Such report shall be made within 30 days of the expiration of the calendar year.

(B) A wholesale distributor who arranges under subsection (b)(2) to have part of the excess ethanol of another wholesale distributor credited to its sales of ethanol shall report to the Secretary of Energy the amount credited to its sales and the identity of the wholesale distributors with which it entered into such arrangement. Such report shall be made within 30 days of the expiration of the calendar year.

SEC. 3. ENFORCEMENT.

(a) Civil Penalty.—Each wholesale distributor which does not meet the requirement of section 2(a) shall pay a civil penalty of not more than $1 for each gallon of motor fuel which does not comply with such requirement. The civil penalty shall be assessed by the Secretary in accordance with subsection (b).

(b) Procedure.—

(1) Before issuing an order assessing a civil penalty against any person, the Secretary shall provide to such person notice of the proposed penalty. Such notice shall inform such person of the opportunity to elect within 30 days after the date of such notice to have the procedures of paragraph (3) (in lieu of those of paragraph (2)) apply with respect to such assessment.

(2)(A) Unless an election is made within 30 calendar days after receipt of notice under paragraph (1) to have paragraph (3) apply with respect to such penalty, the Secretary shall by order assess the penalty, after a determination of violation has been made on the record after an opportunity for an agency hearing pursuant to section 554 of title 5, United States Code, before a hearing examiner appointed under section 3105 of such title 5. Such assessment order shall include the hearing examiner's findings and the basis of such assessment.

(B) Any person against whom a penalty is assessed under subparagraph (A) may, within 60 calendar days after the date of the order of the Secretary assessing such penalty, institute an action in the United States court of appeals for the appropriate judicial circuit for judicial review of such order in accordance with chapter 7 of title 5, United States Code. The court shall have jurisdiction to enter a judgment affirming, modifying or setting aside in whole or in part, the order of the Secretary, or the court may remand the proceeding to the Secretary for such further action as the court may direct.

(3)(A) In the case of any civil penalty with respect to which the procedures of this paragraph have been elected, the Secretary shall promptly assess such penalty.

(B) If the civil penalty has not been paid within 60 calendar days after the assessment order has been made under subparagraph (A), the Secretary shall institute an action in the appropriate district court of the United States for an order affirming the assessment of the civil penalty. The court shall have authority to review de novo the law and the facts involved, and shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part such assessment.

(C) Any election to have this paragraph apply may not be revoked except with the consent of the Secretary.

(4) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order under paragraph (2) or after the appropriate district court has entered final judgment in favor of the Secretary under paragraph (3) the Secretary shall recover the amount of such penalty in any appropriate district court of the United States. In such action, the validity and appropriateness of such final assessment order or final judgment shall be subject to review.

SEC. 4. PROGRAM FOR ETHANOL DEVELOPMENT AND USE.

The Secretary of Energy shall establish a program to promote the development and use of ethanol in motor fuel. Such program shall include efforts to inform the public of the benefits of increasing the use of ethanol in motor fuel.

SEC. 5. DEFINITIONS.

As used in this Act—

(1) the term "ethanol" means any ethyl alcohol that is suitable for use by itself or in combination with other fuels as a motor fuel, except that it does not include ethanol produced from petroleum or natural gas,

(2) the term "commerce" means any trade, traffic transportation, exchange, or other commerce—

(A) between any State and any place outside of such State, or,

(B) that affects any trade, traffic, transportation, exchange, or other commerce described in subparagraph (A),

(3) the term "motor fuel" means any substance suitable as a fuel for self-propelled vehicles designed primarily for use on public streets, roads, and highways,

(4) the term "Secretary" means the Secretary of Energy, and

(5) the term "United States" means each State of the several States and the District of Columbia.

The Ethanol Motor Fuel Act of 1987

What does this piece of legislation do?

The Ethanol Motor Fuel Act of 1987 requires the use of ethanol in motor fuel in increasing amounts over the next five years until, by 1992, one-half of the motor fuel supply will contain 10% ethanol.

Why ethanol?

Increased ethanol use will do four things.

It will enhance U.S. energy security by reducing our dependence on imported crude oil from the Middle East and other politically unstable regions.

Crude oil imports could drop by as much as 200 million barrels, or $4 billion, per year.

It will improve air quality, because ethanol is environmentally benign while many other octane enhancers are harmful to the environment.

A recent study in Denver demonstrated that ethanol-blended gasoline reduces carbon monoxide emissions by 24-34%. Increased ethanol use can help cities currently exceeding EPA emissions standards to reduce their air pollution levels.

It will increase farm income and reduce our enormous grain surpluses, while reducing the need for federal farm payments.

Approximately 2 billion bushels of grain per year will be converted to ethanol by 1992, eventually eliminating our grain surpluses. Grain prices will rise substantially. By 1992, the price of corn should be well over $2.50. The rising price would eliminate or drastically reduce the need for Commodity Credit Corporation payments for feed grains, which exceeded $12 billion last year.

Finally, it will create jobs as new production facilities come on line.

Over 100,000 jobs will be available in the operation of ethanol facilities by 1992, in addition to the construction jobs involved in building as many as 100 new plants. The bulk of these jobs would probably be located in the Midwest.

The Ethanol Motor Fuel Act of 1987 addresses the critical energy, environmental, and agricultural needs in our country. This legislation would benefit not only Midwestern farmers, but all Americans.

How will the requirements be enforced?

Each marketer will report to the Secretary of Energy their total motor fuel sales and the amount of ethanol included in the motor fuel sold. Marketers will be allowed to add together the amounts of ethanol in all the motor fuel they sell. The requirement will apply in the aggregate, after accounting for any excess ethanol credited from another marketer. Marketers who fail to meet the requirements will pay a penalty set by the Secretary of Energy, not to exceed $1 per gallon for each gallon of motor fuel still not in compliance with the requirements after accounting for excess ethanol credits obtained from other marketers.

What about the USDA report which showed that ethanol is not economical?

The USDA report distorted the benefits of ethanol use and has been soundly criticized by experts throughout the ethanol industry. It used outdated information on production costs, calculated before there was any ethanol production in the United States. By overstating production costs and understating returns from the sale of byproducts, the study greatly exaggerated net costs of ethanol production. Key Administration officials, including the Vice President, have made it clear that the report is not endorsed by the Administration, and the Secretary of Agriculture has issued private assurances that the report will be replaced with a more accurate analysis.

Is ethanol safe for today's engines?

Absolutely. The criticism of ethanol as a cause of driveability problems has been misplaced. It is important to distinguish between ethanol and methanol, since they can have very different effects on automobile engines. Methanol is much more corrosive than ethanol, and industry representatives argue that methanol-blended gasoline has been engine problems unless handled properly. Unfortunately, many auto dealers and mechanics have lumped ethanol and methanol together since they are both forms of alcohol. As a result, ethanol has been certified for problems it has not caused. There have been instances where alcohol blends have been mislabeled or have contained more methanol than is permissible, but these are not caused by ethanol itself but by careless handling or blending.

Ethanol naturally cleans engines, so that over time engines should run smoother with regular use of ethanol blends. However, in addition, virtually all ethanol sold in America today contains a special detergent additive package that is not found in some gasolines that do not contain ethanol.

When properly blended, gasoline containing 10% ethanol has a long history of acceptable performance in cars. It is for this reason that every major automobile manufacturer that sells cars in America approves the use of 10%-ethanol blends under their warranty coverage.

What levels of ethanol use will be required during the next five years?

The Ethanol Motor Fuel Act of 1987 establishes a minimum percentage of ethanol that must be included in the U.S. motor fuel supply. In 1988, ethanol must be at least 1% of all motor fuel. This content level would be achieved if 10%-ethanol blends made up 10% of the motor fuel supply. (In 1986, ethanol blends comprised around 7% of the motor fuel supply.) The ethanol content requirement would increase each year according to the following table:

Calendar year	Ethanol as a percentage of all motor fuel	Percentage of motor fuel that would contain 10 percent ethanol in order to meet the requirement
1988	1.0	10.0
1989	1.5	15.0
1990	2.5	25.0
1991	3.5	35.0
1992 and thereafter	5.0	50.0

In 1992 and subsequent years, ethanol will constitute at least 5% of the motor fuel supply, replacing at least 5 billion gallons of gasoline each year.

Can the necessary production capacity be built in time to meet these requirements?

Industry experts have confirmed that this gradual increase in ethanol use would allow sufficient time for the construction of new ethanol plants, and that these targets are achievable. Current industry capacity exceeds one billion gallons of ethanol, which is enough to blend in 10% of the gasoline supply, and new capacity can be added in as little 12–24 months.

Will every gas station be required to exclusively sell ethanol-blends?

No. First, the bill only requires that one-half of the motor fuel supply contain 10% ethanol. Furthermore, some marketers will find it easier than others to meet or exceed the ethanol percentage requirements. To increase the flexibility of the petroleum industry, marketers who exceed the requirements will be allowed to sell their extra ethanol "credits" to marketers who cannot meet the targets, as long as percentage requirements are met in the aggregate. The government's role in these transactions will be limited to receiving reports of each company's "credit" transactions and ethanol sales in order to enforce the percentage requirements.

Does the bill include a program to encourage ethanol use?

Yes. The Secretary of Energy will establish a program to promote the development and use of ethanol-blended gasoline. This program will include efforts to inform the public of the benefits of increased ethanol use.

By Mr. DASCHLE (for himself and Mr. PRESSLER):

S. 1305. A bill to settle certain claims arising out of activities on the Pine Ridge Indian Reservation; to the Select Committee on Indian Affairs.

SETTLEMENT OF CERTAIN CLAIMS RELATING TO ACTIVITIES ON THE PINE RIDGE INDIAN RESERVATION

Mr. DASCHLE. Mr. President, today Senator LARRY PRESSLER and I are introducing legislation that would settle all claims against the United States arising from the occupation of Wounded Knee, SD, on the Pine Ridge Indian Reservation in 1973. Our bill would assure that the innocent victims of this occupation are compensated for losses which they suffered through no fault of their own. Senators Abourezk, McGovern, Abdnor and PRESSLER have all pursued a satisfactory resolution to the problems of those individuals who suffered damages and losses as a result of the occupation of Wounded Knee nearly 15 years ago. South Dakota's Congressman-at-large, TIM JOHNSON, joins Senator PRESSLER and myself, in working to successfully resolve this matter during the 100th Congress.

This legislation is the logical outcome of a matter which the Senate through legislation referred to the Chief Commissioner of the U.S. Court of Claims. The Court of Claims undertook an arduous review of the events leading up to, and including the occupation of Wounded Knee. Finally, in 1981, the findings of fact and recommended conclusions to accompany the opinion of the trial commissioner were filed. This final decision clearly outlined the need for legislation to compensate 113 individuals who, as innocent individuals, lost property during the occupation because of actions over which they had no control.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) in full settlement of all claims, legal and equitable, against the United States arising out of activities on the Pine Ridge Indian Reservation that were the subject of the findings of fact and recommendations submitted to the Senate by the Chief Commissioner of the United States Court of Claims (Congressional Reference 4–76) in response to a request of the Senate made in Senate Resolution 378 (94th Congress, agreed to on August 9, 1976), the Secretary of the Treasury is authorized and directed to pay, out of funds in the Treasury of the United States not otherwise appropriated, the following amounts:

(1) $731.05 to Joe Leavitt (claimant No. 1),

(2) $118,771.10 to William Leavitt (claimant No. 2),

(3) $10,954.48 to Dwight W. and Francis Afraid of Hawk (claimant No. 3),

(4) $15,073.31 to Stella Bear Shield (claimant No. 4),

(5) $3,582.00 to Samuel Crooked Eyes (claimant No. 5),

(6) $2,955.00 to Seth Eagle Bear (claimant No. 6),

(7) $4,095.00 to Frank and Gonne A. Grooms (claimant No. 7),

(8) $2,537.00 to Vera High Hawk (claimant No. 8),

(9) $21,092.00 to John and Nancy Hussman (claimant No. 9),

(10) $2,245.00 to Jackson and Carolyn Iron Horse (claimant No. 10),

(11) $4,467.00 to Frances Ice Chase (claimant No. 11),

(12) $1,838.60 to Eugene Kills in Water (claimant No. 12),

(13) $3,161.00 to Victoria Little Moon (claimant No. 13),

(14) $4,929.00 to Clement and Verla Locke (claimant No. 14),

(15) $11,672.50 to Charles and Martha Moose (claimant No. 16),

(16) $12,812.00 to Warfield Moose (claimant No. 17),

(17) $8,025.00 to Patrick and Sophia Pumpkin Seed (claimant No. 18),

(18) $6,161.25 to Oliver and Margaret Red Eagle (claimant No. 19),

(19) $24,562.00 to Paul and Eva Red Star (claimant No. 20),

(20) $7,768.00 to Lillian and Steve Sitting Eagle (claimant No. 21),

(21) $1,685.10 to Joseph Spotted Bear (claimant No. 22),

(22) $5,897.25 to Elizabeth Breast (claimant No. 23),

(23) $3,340.33 to Elmer and Nettie Two Two (claimant No. 24),

(24) $7,653.00 to Francis and Marie Randall (claimant No. 25),

(25) $5,603.00 to Fannie Bear Eagle (claimant No. 26),

(26) $3,597.00 to Eugene Black Bear, Jr. (claimant No. 27),

(27) $2,571.00 to Anthony and Linda Black Elk (claimant No. 28),

(28) $15,833.90 to Homer and Irene Black Elk (claimant No. 29),

(29) $8,762.75 to Rachel Eagle Bull (claimant No. 30),

(30) $4,723.00 to Florine (Ice) Hollow Horn (claimant No. 32),

(31) $6,050.40 to Oscar and Rachel Hollow Horn (claimant No. 33),

(32) $4,134.40 to Verlean Ice (claimant No. 34),

(33) $6,880.00 to Claudia Iron Hawk Sully (claimant No. 36),

(34) $7,735.55 to Paul R. Littlebear-Taylor (claimant No. 37),

(35) $3,248.10 to Hobart Keith (claimant No. 38),

(36) $1,350.00 to Mathew H. King (claimant No. 39),

(37) $4,285.00 to Dallas and Roselyn Little Bear (claimant No. 41),

(38) $3,053.60 to Julia Little Bear (claimant No. 42),

(39) $2,083.09 to Mrs. Theresa R. Means (claimant No. 43),

(40) $3,842.00 to Carol E. Red Star (claimant No. 44),

(41) $1,194.00 to John Mark Red Star (claimant No. 45),

(42) $3,793.50 to Neville C. Red Star, Sr. (claimant No. 46),

(43) $3,525.00 to Darlene Rosane (claimant No. 47),

(44) $14,882.00 to Garry Rowland (claimant No. 48),

(45) $2,485.00 to Beverly Running Bear (claimant No. 49),

(46) $4,025.00 to Rose Shott (claimant No. 50),

(47) $24,276.00 to Sub-Community of Wounded Knee (claimant No. 51),

(48) $3,750.00 to Paul Thunder Horse (claimant No. 52),

(49) $3,593.00 to Robert E. & Lorene E. Thunder Horse (claimant No. 53),

(50) $5,949.22 to Timothy H. and Audrey K. Thunder Horse (claimant No. 54),

(51) $1,900.00 to Lester White Butterfly (claimant No. 55),

(52) $1,455.00 to Daniel Dodge (claimant No. 56),

(53) $1,100.00 to Mr. & Mrs. Manfred Fast Horse (claimant No. 57),

(54) $2,207.00 to Helen S. Grant (claimant No. 58),

(55) $4,715.00 to Florine Hollow Horn ex rel. Bernard Ice, Sr. (claimant No. 59),

(56) $1,245.00 to Frank Jealous of Him (claimant No. 60),

(57) $5,756.10 to Matthew and Bessie J. High Pine (claimant No. 61),

(58) $5,305.00 to Cecilia (Little Moon) Fast Horse (claimant No. 62),

(59) $4,901.50 to Mabel I. Whiteface (claimant No. 63),

(60) $3,288.00 to Rachel White Dress (claimant No. 64),

(61) $2,422.30 to Dorothy Fast Wolf (claimant No. 65),

(62) $13,018.40 to Frank H. and Wilma Grooms (claimant No. 66),

(63) $4,334.67 to Jessie and Raymond Red Shirt (claimant No. 68),

(64) $28,467.95 to Carol J. Deckert Sager (claimant No. 69),

(65) $2,484.45 to LeRoy "Sunshine" Janis (claimant No. 70),

(66) $16,754.70 to Rudolph Fire Thunder (claimant No. 71),

(67) $1,535.50 to Messiah Episcopal Church (claimant No. 72),

(68) $600 to Faye Yellow Bird Steele (claimant No. 73),

(69) $1,984.26 to Ivy Goings (claimant No. 74),

(70) $2,679.60 to Dorothy Mae Richards (claimant No. 75),

(71) $1,640.00 to Elizabeth Bradshaw (claimant No. 77),

(72) $6,184.00 to Charles Dixon Sasse (claimant No. 78),

(73) $5,740.70 to Orville and Emma Lansberry (claimant No. 79),

(74) $2,129.00 to Oscar Jealous of Him (claimant No. 80),

(75) $1,984.26 to Delores Apple (claimant No. 82),

(76) $2,502.80 to Chris Hatchett (claimant No. 83),

(77) $1,920.00 to Gilbert L. and Mary A. Matthews (claimant No. 85),

(78) $5,623.00 to Irene Jumping Eagle (claimant No. 86),

(79) $69,461.83 to St. Paul Insurance Companies (claimant No. 87),

(80) $1,850.00 to John Siers (claimant No. 88),

(81) $5,505.00 to Ameilia M. Clark (claimant No. 89),

(82) $50,975.94 to George and Violet Coats (claimant No. 90),

(83) $51,290.45 to James A. Czywczynski & Jeanette J. Czywczynski (claimant No. 91),

(84) $18,436.58 to Federal Insurance Co. (claimant No. 92),

(85) $1,650.00 to Stephen E. and JoAnne Ferace (claimant No. 93),

(86) $12,331.14 to Guy and Jean Fritze (claimant No. 94),

(87) $7,000.00 to C and F Trucking (claimant No. 95),

(88) $16,615.00 to Clive A. and Agnes Gildersleeve (claimant No. 96),

(89) $12,763.08 to Gordon G. and Lorraine F. Greenamyre (claimant No. 97),

(90) $21,917.51 to H and R Plumbing and Heating, Inc. (claimant No. 98),

(91) $39,298.25 to Home Insurance Co. (claimant No. 99),

(92) $21,457.92 to Janis Roofing (claimant No. 100),

(93) $6,431.95 to Milbank Mutual Insurance Company (claimant No. 101),

(94) $4,468.00 to Mary F. Pike (claimant No. 102),

(95) $67,511.54 to R and S Construction Company (claimant No. 103),

(96) $12,405.00 to Estate of Wilbur A. Riegert (claimant No. 104),

(97) $19,620.00 to Orville G. Schwarting (claimant No. 105),

(98) $490,934.44 to Sioux, Inc. (claimant No. 106),

(99) $8,275.02 to Stuyvesant Insurance Co. (claimant No. 107),

(100) $8,028.65 to Oglala Sioux Tribe (claimant No. 108),

(101) $28,374.00 to Oglala Sioux Housing Authority (claimant No. 109),

(102) $37,679.50 to Aaron DeSersa-Sron (claimant No. 110),

(103) $5,181.45 to Lydia Black Bear (claimant No. 111),

(104) $887.50 to Thomas Casey (claimant No. 112),

(105) $3,984.00 to Roy and Pauline White Butterfly (claimant No. 113),

(106) $3,495.00 to Eleanor Big Owl for George Iron Teeth (claimant No. 114),

(107) $3,168.09 to Standard Oil (Indiana) (claimant No. 115),

(108) $7,335.00 to Shirley Blunt Horn (claimant No. 116),

(109) $1,866.00 to Eugene and Vera Hunts Horse (claimant No. 118),

(110) $2,650.40 to Clayton and Vernice Jealous of Him (claimant No. 119),

(111) $1,021.00 to Keva A. and Reuben R. Mesteth (claimant No. 120),

(112) $4,234.70 to Hobart Spotted Bear (claimant No. 121), and

(113) $1,425.00 to Employers Mutual Companies (claimant No. 122).

(b)(1) No portion of any payment made to any person under subsection (a) in excess of 10 percent of the amount of such payment shall be paid or delivered to, or received by, any agent or attorney on account of services rendered in connection with the claim for which such payment is made, and the same shall be unlawful, notwithstanding any contract to the contrary. Violation of the provisions of this paragraph is a misdemeanor punishable by a fine not to exceed $1,000.

(2) Notwithstanding any other provision of law, no portion of any payment made to a person under this Act shall be included in the income of such person for purposes of any Federal, State, or local income tax. Notwithstanding any other provision of law, payments made to a person under this Act may not be considered as income or resources or otherwise used as the basis for denying or reducing—

(A) any financial assistance or other benefit under the Social Security Act—

(i) to which such person, or the household of such person, is otherwise entitled, or

(ii) for which such person, or the household of such person, is otherwise eligible, or

(B) any other financial assistance or benefit—

(i) to which such person, or the household of such person, is otherwise entitled, or

(ii) for which such person, or the household of such person, is otherwise eligible,

under any program for which part or all of the funding is provided by the Federal Government.

(c) Pursuant to the recommendations of the Chief Commissioner of the United States Court of Claims, the Secretary of the Treasury is authorized and directed to pay, out of funds in the Treasury of the United States not otherwise appropriated, $26,486.44 to the Dakota Plains Legal Services (formerly South Dakota Legal Services Corporation) for services rendered in connection with the proceeding conducted pursuant to section 2509 of title 28, United States Code, which was initiated by reason of Senate Resolution 378 (94th Congress, agreed to on August 9, 1976).

By Mr. COCHRAN:

S. 1306. A bill to amend the tarriff schedules of the United States to make the temporary modification of the tariff treatment on certain disposable surgical gowns and drapes permanent; to the Committee on Finance.

PERMANENT DUTY SUSPENSION ON CERTAIN DISPOSABLE SURGICAL GOWNS AND DRAPES

● Mr. COCHRAN. Mr. President, today, I am introducing a bill for myself and the Senator from Georgia [Mr. NUNN], the Senator from Wisconsin [Mr. KASTEN], and the Senator from Mississippi [Mr. STENNIS], to amend the tariff schedules of the United States to provide a permanent reduction in the duties on disposable surgical drapes and sterile gowns made of bonded-fiber fabric.

In 1984, the Congress passed legislation establishing a temporary duty rate of 5.6 percent ad valorem for disposable surgical drapes and sterile gowns made of bonded-fiber fabric. The intent of that legislation was to place these products in duty parity with virtually identical gowns and drapes made of paper. That law expires on December 31, 1988, and this bill extends the parity rate and makes it permanent. If this bill is not enacted, the rates on bonded-fiber fabric products will revert to permanent tariff schedule rates that are two to three times greater than those on paper products—for example, 17 percent and 9 percent, respectively, for growns and drapes, according to current tariff schedule figures.

The tariff reduction proposed by this bill would make permanent the temporary exemption which enabled the Kimberly-Clark Corp., the major beneficiary of this legislation, to assess the success and effectiveness of its capital investments in the manufacture of the polypropylene base sheet, used by the company in the production of disposable surgical drapes and sterile gowns.

Kimberly-Clark has spent more than $150 million for the construction and expansion of its Corinth, MS, mill, which manufactures the polypropylene base sheet and employs 400 people. Additionally, Kimberly-Clark has completed a $100 million plant in La Grange, GA, that employs another 160 people.

The continuation of equal tariff rates at 5.6-percent ad valorem on bonded-fiber fabric and paper disposable gowns and drapes would be equitable and just because these products are substantially identical. The bonded-fiber fabric gowns and drapes are 100-percent polypropylene. The paper gowns and drapes, classified as reinforced paper, and, thus, eligible for the lower 5.6-percent tariff rate are about 45-percent polyester and 55-percent wood pulp.

Since the predominant value component of both products is manmade fiber, no rational basis exists for one fabric to be assessed a tariff two to three times greater than that on a substantially identical competing product. Furthermore, this legislation is narrowly drawn so that it applies only to disposable surgical drapes and sterile gowns. The tariff equalization would not apply to any other product.

Mr. President, this permanent tariff reduction will rectify an inequity in the tariff schedules, and will enable smaller health care businesses like Kimberly-Clark's health care division to be more effective competitors. It is my hope that the Finance Committee will give the bill early and positive consideration.●

By Mr. KENNEDY:

S. 1307. A bill to extend the authorization of appropriations for programs and activities under title III of the Public Health Service Act, to establish a National Health Service Corps Loan Repayment Program, to otherwise revise and extend the program for the National Health Service Corps, and for other purposes; to the Committee on Labor and Public Welfare.

PUBLIC HEALTH SERVICE AMENDMENTS

● Mr. KENNEDY. Mr. President, I rise to introduce legislation to reauthorize a number of essential health programs. These programs, located in title III of the Public Health Service Act, include the Federal effort to prevent infectious diseases through vaccination, the national effort to control tuberculosis, and Federal programs to combat sexually transmitted diseases.

This legislation also reauthorizes other key title III programs that provide the knowledge base critical to development and implementation of sound programs to protect the Nation's health. These include the Center for Health Services Research and Health Care Technology, the Center for Health Statistics and the Council on Health Care Technology.

Finally, this legislation reauthorizes the National Health Service Corps, which has brought health care to so many of our fellow citizens in both urban and rural areas that would otherwise lack an adequate supply of health personnel capable of delivering needed care.

SEXUALLY TRANSMITTED DISEASE PROGRAM

Section 106 of this legislation reauthorizes the Federal program which provides grants to States for control of sexually transmitted diseases. The authorization includes continuation of the programs aimed at treatment and prevention of such sexually transmitted diseases as gonorrhea and syphilis. These programs have produced results. For example, the number of reported cases of gonorrhea has not increased since 1976.

In addition, this bill authorizes a new initiative against chlamydia, a sexually transmitted disease which is becoming alarmingly common and is adding significantly to the increasing incidence of sterility among our young people. There are now an estimated 4 million cases of chlamydia infection annually. Between 7 and 14 percent of all pregnant women are infected by this disease. There are over 150,000 infants born to infected mothers, and they are at risk for pneumonia and conjunctivitis. In addition chlamydia accounts for approximately 40 percent of the women with pelvic inflammatory disease, which frequently leads to sterility and unnecessarily deprives far too many families of the opportunity to have children.

Recent advances have produced accurate and reasonably priced diagnostic tests for chlamydia which make this program possible. Because chlamydia is largely an asymptomatic disease, this nationwide initiative of testing and intervention is vitally important.

TUBERCULOSIS CONTROL PROGRAM

Section 105 reauthorizes our Federal efforts to combat tuberculosis [TB]. This authorization is particularly important in view of recent increases in the number of TB cases. In 1988, our national case rate increased by 2.6 percent, the first increase since 1953, while in certain areas such as New York City, there has been a 44-percent increase in the number of TB cases since 1984. Alarmingly, the increasing number of patients infected by tuberculosis which is resistant to conventional antibiotic therapies accounts for much of the increase. The increased authorization provided in this bill will allow for intensified use of control methods and enhanced transfer of new technology into clinical and public health practice.

IMMUNIZATION PROGRAM REAUTHORIZATION

Section 104 reauthorizes the Federal programs which provide protection against vaccine preventable disease. These programs assist States an communities in offering preventive health programs which immunize against polio, measles, mumps, rubella, diptheria and childhood meningitis. This bill will also allow purchase of sufficient additional vaccine to ensure a 6-month stockpile and purchase of several new vaccines that may be approved and recommended after passage of this bill. In addition, section 104 authorizes such sums as may be necessary for purchasing vaccines once the National Vaccine Injury Compensation Act goes into effect. Mr. President, there is no doubt as to the value of these programs. They prevent untold suffering, and they save an estimated $90 for every $1 spent.

NATIONAL CENTER FOR HEALTH STATISTICS

Section 102 reauthorizes our main health data gathering agency, the National Center for Health Statistics [NCHS]. NCHS is the source of essential health information regularly used by policymakers in the Congress and the administration as well as medical researchers outside the Government.

NATIONAL CENTER FOR HEALTH SERVICES RESEARCH AND HEALTH CARE TECHNOLOGY

Section 101 of the bill reauthorizes the National Center for Health Services Research and Health Care Technology. The Center develops and administers intramural and extramural research programs, evaluations and research training on the organization, financing, quality and utilization of health services. The health services research done by the Center is crucial in developing the knowledge base needed for a sound national health policy.

COUNCIL ON HEALTH CARE TECHNOLOGY

Section 103 of this bill provides for continuation of the Council on Health Care Technology. At a time when health care costs are increasing rapidly once agin and new technologies are being developed almost every day, it is important to have this unbiased, public-private collaborative venture to help evaluate new technologies for cost-effectiveness. This legislation provides $750,000 a year for the years 1988, 1989, and 1990 and modifies the current private sector matching requirement to allow the Council to fully establish itself.

NATIONAL HEALTH SERVICE CORPS

A key part of this omnibus legislation is reauthorization of the National Health Service Corps. Since its creation in 1970, the National Health Service Corps has provided essential health care services to thousands of Americans living in manpower shortage areas. Community and migrant health centers and the Indian Health Service have relied heavily on the assistance of corps professionals. At its peak in 1986, the corps had 3,127 health care providers in the field. By 1990, unless the program is reauthorized, the corps' combined field strength will have dropped to 956, about one quarter of its peak level. By 1992, only 315 corps members will remain.

The corps is an essential element in our national strategy to provide health services to those who would otherwise go without. The corps only operates in areas where no private physicians are able or willing to serve the population. Many of the most severe shortage areas are in rural

America, but urban inner city areas also lack the physicians and other health professions they need to provide essential health services.

Despite an increased supply of physician manpower, the need for the corps remains high. Indeed, as of 2 years ago, the Department of Health and Human Services had designated 2,000 shortage areas.

Up until this reauthorization, the primary means of recruiting physicians for the corps has been to provide scholarships for medical education which are then repaid through service in the corps. This legislation provides an additional method of recruitment—loan repayment. The loan repayment method has, in fact, several advantages as compared to the scholarship program. With loan repayment, the lead time between contracting to serve with the corps and actually fulfilling that contract is shortened. Thus, planning for the corps' needs will be facilitated. With two options—scholarships and loan repayments—the corps will have increased flexibility in selecting candidates and in meeting changing needs for specialists.

The Secretary of Health and Human Services will be required by this bill to report annually to Congress on the number of health care providers who will be needed for the corps during the subsequent 3 fiscal years. In addition, the Secretary shall propose in his report the proportionate number of scholarships and of loans required to meet the need identified. The bill authorizes the appropriation of such sums as needed to fund the level and diversity of field strength recommended by the Secretary.

This bill also includes a new demonstration program allowing State governments to select corps obligees for loan repayment using criteria approved by the Secretary. One million dollars would be authorized to fund this new initiative.

Another of the important features of this legislation is the proposed amendment to the current provisions designating health manpower shortage areas. With the enactment of this bill, the Secretary would not remove an area from those designated as health manpower shortage areas until the Secretary has afforded interested persons and groups the opportunity to provide information concerning this potential change and has carefully considered this testimony. In addition, the ability to pay for health services will be added to the list of indicators used to determine the need for health services in an area.

The bill also includes a reauthorization for the corps field program at $65 million per year for 3 years.

CONCLUSION

Mr. President, the programs authorized by this bill are essential to our effort to provide a healthier America. I urge prompt enactment of this legislation.●

By Mr. McCONNELL (for himself, Mr. PACKWOOD, Mr. COHEN, Mr. D'AMATO, Mr. DOMENICI, Mr. EVANS, Mr. GARN, Mr. GRASSLEY, Mr. LUGAR, Mr. McCAIN, Mr. PRESSLER, Mr. QUAYLE, Mr. RUDMAN, Mr. SPECTER, and Mr. WILSON):

S. 1308. A bill to amend the Federal Election Campaign Act of 1971 to prohibit direct contributions to candidates by multicandidate political committees, require full disclosure of attempts to influence Federal elections through "soft money" and independent expenditures, and correct inequities resulting from personal financing of campaigns; to the Committee on Rules and Administration.

FEDERAL CAMPAIGN REFORM ACT

Mr. McCONNELL. Mr. President, I rise today to introduce, on behalf of myself and my distinguished colleagues, Senators PACKWOOD, COHEN, D'AMATO, DOMENICI, EVANS, GARN, GRASSLEY, LUGAR, McCAIN, PRESSLER, QUAYLE, RUDMAN, SPECTER, and WILSON, the "Federal Campaign Reform Act of 1987."

Much attention has been devoted in recent months to the issue of campaign finance reform, from both sides of this aisle, and from the public. We believe this outpouring of concern has been, for the most part, a sincere response to very real problems and abuses in our electoral system.

Elections have grown increasingly expensive, partly because of more competition between candidates, which is beneficial, and partly because of the increased importance of expensive broadcast media as a forum for the public debate on issues and candidates' records. As the need for campaign funds has grown, so has public concern about the potential for corruption and influence buying.

Our democratic system depends on an electoral system that is free from any taint of corruption. On several occasions, Congress has acted to strengthen disclosure requirements and limit the size of contributions, most notably after the crisis of public trust following Watergate. These measures have been largely successful in eradicating corruption; nonetheless, several gaps exist in the post-Watergate reforms which must be permanently closed.

Before meaningful reform can be achieved, however, we must build a consensus on what the true problems and abuses are, and what solutions would be both effective and appropriate. Nowhere does the law of unintended consequences wreak greater havoc than in the area of campaign finance reform. One good example is how quickly political action committees [PAC's] have been transformed from yesterday's reform into today's villain.

S. 2, the campaign finance reform bill reported out of the Senate Rules Committee, is likely to open a hornet's nest of destructive consequences, without achieving any of its purported goals. Rather than address leading issues such as potential corruption or high campaign costs, S. 2 proposes a costly and cumbersome politician's entitlement program to fund Senate campaigns out of tax revenues.

Though S. 2 would cost taxpayers about $100 million every election cycle, it would shave only 9 percent off of current spending levels. Yet, this bill cracks down on grassroots political party activity, limiting sponsorship of yard signs, bumper stickers, and volunteer participation to 1 cent per voter. A penny for your political thoughts? We believe the first amendment of the Constitution places a far higher value on the right to organize and express political beliefs.

Given the strong public concern about the Federal deficit, we believe it is outrageous for Congress to pursue such an irresponsible and flagrantly self-serving program. We must be able to come up with reforms that make more sense and make a real difference, rather than throw a lot of money away on a misguided and ultimately harmful politician's entitlement program.

In the interest of expanding the campaign finance reform debate, we have introduced the "Federal Campaign Reform Act of 1987." Of course, it is nearly impossible to formulate any completely agreeable and definitive solution to matters as delicate and complex as our electoral system. Nonetheless, we have identified several key areas where the work of the post-Watergate reforms remains incomplete, and where action is needed to stop both real and perceived abuses.

First of all, our bill would prohibit direct PAC contributions to candidates. They may still express themselves independently, and give to political parties; but we should forbid any contributions which even remotely resemble influence-buying. We happen to feel that current contribution limits and disclosure laws adequately control the power of PAC's. But if the public believes that PAC's exert undue influence on national policymaking, then we ought to meet that concern directly, instead of wiping out our entire voluntary contribution system with a Government-controlled, tax-funded campaign finance program.

In fact, although S. 2 promises much with regard to PAC limits, it would still let PAC's slip at least $25 million to their favorite candidates each election, since S. 2 doesn't fund primary races. Moreover, the aggregate limit that S. 2 proposes (that is, no more than 30 percent of each candidate's contributions may come from PAC's) would encourage a first-come, first-served relationship between candidates and PAC's. Large, well-heeled PAC's will race to fill up the candidates' coffers first, ensuring that politicians hear only the voices of the richest, most powerful vested interests.

Our bill also would require disclosure of the vast amounts of "soft money" that PAC's, corporations, unions, and other organizations spend to influence elections. Presently, money and services provided in connection with "independent" ad campaigns, mass mailers, and slanted get-out-the-vote drives are wholly exempt from disclosure, a loophole that renders virtually meaningless all other limits and controls on contributions. S. 2 on the other hand clamps down on already limited, fully disclosed funds, while quietly protecting this massive, invisible flow of money to campaigns. Thus, as with PAC's, S. 2 preserves the most potentially corruptive sources of funds, and shifts the balance in favor of already powerful interests.

Real reform must also include control on independent expenditures, and on the often negative ads which these expenditures finance. Our bill requires any person or entity making an independent expenditure to disclose the nature and purpose of the expenditure to the Federal Election Commission, to all affected candidates, and to the public, if the expenditure is used to finance an advertisement. This bill also requires disclosure of independent expenditures totaling more than $10,000, and further reporting of each additional $5,000 made above the $10,000 threshold. Last, the bill tightens the definition of "independent expenditures", to stop any secret consultation or coordination of supposedly independent efforts with the candidate's campaign.

This bill would provide for better disclosure of party finances, including contributions and expenditures not directly related to elections, and "soft money" activities by Federal, State, and local political parties. Unlike S. 2, our bill does not seek to deter grassroots political organization and activity in any way; rather, it intends only that any possible abuses be deterred or flushed out by full disclosure to the public.

Further, we ought to ensure a level playing field in elections involving wealthy candidates, by eliminating the "millionaire's loophole" to the post-Watergate contribution limits. If a candidate intends to spend or loan massive personal funds on his campaign, our bill would allow his opponents to accept larger contributions. It's time to stop Congress from becoming nothing more than an exclusive club for millionaires.

Last, we need a bipartisan commission to analyze current problems and develop sensible reforms to our current campaign finance system. Rather than have different rules apply for the Senate and House, this bill would apply to elections to both Chambers. Further, we don't want to delay reform until next year; this bill is designed to take effect immediately upon enactment.

We look forward to discussing these reforms, and broadening the debate with views and concerns that have not yet been adequately addressed. In fact, we believe that many of the most pressing problems are virtually ignored in S. 2. At the same time, we must keep in mind that our system of voluntary private contributions is one of the foundations of the American electoral process, and must therefore be carefully preserved. We should address the problems within this system directly, not by laying waste to one of the original pillars of our unique democratic system.

Mr. President, we ask those sincere advocates of reform who now support S. 2 to take a closer look at the bill handed to them by the Rules Committee. We believe that if they carefully analyze what S. 2 does, they will find it an unsupportable response to the concerns they have identified. S. 2 does little to control PAC's; in fact, its aggregate limit is likely to tip the balance completely in favor of the most powerful, wealthy PAC's. S. 2 wholly ignores the vast sums of "soft money" that are pumped into campaigns, without disclosure or limit. Further, S. 2 fails utterly in limiting campaign spending, instead transferring the burden of campaign financing onto the backs of American taxpayers.

S. 2 does not create a fairer political system, only welfare for politicians—and a system that favors special interests and crushes grassroots political participation. But before any damage is done, and before the public is forced to pay the price, we ought to discard the ill-conceived proposals contained in S. 2, and address reform issues which really affect the continued vitality of our electoral system.

Mr. President, I ask unanimous consent that the text of the bill appear in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1308

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Campaign Reform Act of 1987".

LIMITATIONS ON CONTRIBUTIONS BY MULTICANDIDATE POLITICAL COMMITTEES

SEC. 2. Section 315(a)(2)(A) of the Federal Election Campaign Act of 1971 is amended to read as follows:

"(A) to any candidate and his authorized political committees, other than a national political party or a political committee maintained by a national political party, with respect to any election for Federal office;".

RANDOM AUDITS OF SEPARATE SEGREGATED FUNDS AND NONPARTY MULTICANDIDATE POLITICAL COMMITTEES

SEC. 3. Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438), is amended—

(1) in the first sentence by striking out "(b) The Commission" and inserting in lieu thereof "(b)(1) The Commission"; and

(2) by adding at the end the following:

"(2)(A) In addition to the audits authorized under paragraph (1), the Commission shall conduct random audits of separate segregated funds and nonparty multicandidate political committees.

"(B) As used in this paragraph—

"(i) the term 'separate segregated fund' means a fund referred to in section 316(b)(2)(C); and

"(ii) the term 'nonparty multicandidate political committee' means a multicandidate political committee as defined in section 315(a)(4), except that such term does not include a multicandidate political committee of a political party.".

REQUIREMENT FOR REPORTING CERTAIN EXEMPT CONTRIBUTIONS AND EXPENDITURES

SEC. 4. (a) Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end thereof the following new subsection:

"(d)(1) When used in this subsection—

"(A) the term 'election' means—

"(i) in the case of a corporation or labor organization, an election (as defined in section 301(1)) with respect to which such corporation or labor organization is prohibited from making a contribution or expenditure under section 316; and

"(ii) in the case of a national committee of a political party, an election (as defined in section 301(1)) for any Federal office;

"(B) the term 'otherwise exempt activity' means any act of furnishing, arranging to be furnished, or otherwise making available any services, payment, or other benefit described in paragraph (A) or (B) of section 316(b)(2) (2 U.S.C. 441b(b)(2));

"(C) the terms 'corporation' and 'labor organization' have the same meanings as in section 316 (2 U.S.C. 441b).

"(2)(A) At the times prescribed in paragraph (4), a corporation shall file a report with the Commission under this subsection if, during the period for which the report is filed, such corporation has engaged in any otherwise exempt activity in connection with an election.

"(B) At the times prescribed in paragraph (4), a labor organization shall file a report with the Commission under this subsection if, during the period for which the report is filed, such labor organization has engaged in any otherwise exempt activity in connection with an election.

"(C) At the times prescribed in paragraph (4), each national committee of a political party shall file a report with the Commission under this subsection containing a declaration of whether, during the period for which the report is filed, such committee has engaged in any otherwise exempt activity in connection with an election. For purposes of this subparagraph, the term 'otherwise exempt activity' refers to an activity described in paragraph (8)(B) or (9)(B) of section 301 (2 U.S.C. 431 (8)(B) or (9)(B)).

"(3) Each person required to file a report under this subsection shall include in such report—

"(A) a description of each exempt activity engaged in, in connection with an election, by such person during the period covered by the report; and

"(B) the amount of each payment and the cost and fair market value of each of the services and other benefits described in the report in accordance with clause (A).

"(4) The reports under this subsection shall be filed at each of the times prescribed in subsection (a)(4)(A) for reports of political committees other than authorized committees of a candidate.

"(5)(A) Any nonprofit corporation, receiving reduced postal rates because of its status as a nonprofit corporation, which uses the mails to engage in any activity described in paragraph (1)(B) during the period 90 days immediately prior to a general or special election shall be subject to a fine as provided in subparagraph (B).

"(B) The Commission, upon receiving a complaint under subparagraph (A), or on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, by an affirmative vote of 4 of its members, may institute a civil action, including an order for a civil penalty which is an amount equal to the postage rate for first class mail for all of the mail relating to activities described in paragraph (1)(B), which is mailed during such 90-day period.

"(e)(1) Any independent expenditures (including those described in subsection (b)(6)(B)(iii)), by any person with regard to an election which may directly result in the election of a person to the office of United States Senator, which in the aggregate total more than $10,000 shall be reported by such person to the Commission within 24 hours after such independent expenditures are made. Thereafter, any independent expenditures by such person in the same election aggregating more than $5,000 shall be reported by such person to the Commission within 24 hours after such independent expenditures are made.

"(2) Such statements shall be filed with the Commission, Secretary of State for the State of the election involved and with the principal campaign committee of each candidate in the general election, and shall contain the information required by subsection (b)(6)(B)(iii) of this section and a statement filed under penalty of perjury by the person making the independent expenditures indicating whom the independent expenditures are actually intended to help elect or defeat. The Commission shall notify any candidate in the election involved about each such report within 24 hours after such report is made.

"(3) Notwithstanding the reporting requirements established in this paragraph, the Commission may make its own determination that a person has made independent expenditures with regard to an election which may directly result in the election of a person to the office of United States Senator that in the aggregate total more than $10,000, and thereafter that in the aggregate total more than $5,000.

"(4) The Commission shall notify each candidate in the election involved about each such determination within 24 hours after such determination is made.".

(b) Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end thereof the following new subsection:

"(c) Any activity exempt under paragraph (A) or (B) of subsection (b)(2) shall be subject to the reporting requirements of section 304(d).".

DISCLOSURE OF INDEPENDENT EXPENDITURES

SEC. 5. (a) Section 318(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended by deleting the period at the end thereof and inserting in lieu thereof the following: ", except that whenever any person makes an independent expenditure through (A) a broadcast communication on any radio or television station, the broadcast communication shall include a statement—

"(i) in such television broadcast, that is clearly readable to the viewer and appears continuously during the entire length of such communication; or

"(ii) in such radio broadcast, that is clearly audible to the viewer and is aired at the beginning and ending of such broadcast,

setting forth the name of such person and in the case of a political committee, the name of any connected or affiliated organization, or (B) a newspaper, magazine, outdoor advertising facility, direct mailing or other type of general public political advertising, the communication shall include, in addition to the other information required by this subsection, the following sentence: 'The cost of presenting this communication is not subject to any campaign contribution limits.', and a statement setting forth the name of the person who paid for the communication and, in the case of a political committee, the name of any connected or affiliated organization and the name of the president or treasurer of such organization.

"(4) The person making an independent expenditure described in paragraph (3) shall furnish, by certified mail, return receipt requested, the following information, to each candidate and to the Commission, not later than the date and time of the first public transmission (e.g. first aired, mailed, published, or displayed):

"(A) effective notice that the person plans to make an independent expenditure for the purpose of financing a communication which expressly advocates the election or defeat of a clearly identified candidate;

"(B) an exact copy of the intended communication, or a complete description of the contents of the intended communication, including the entirety of any texts to be used in conjunction with such communication, and a complete description of any photographs, films, or any other visual devices to be used in conjunction with such communication;

"(C) all approximate dates and times when such communication will be publicly transmitted; and

"(D) each specific location, media channel, and publication through which the communication will be publicly transmitted.".

INDEPENDENT EXPENDITURES

SEC. 6. (a) Section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(17)) is amended by adding the following: "An expenditure shall constitute an expenditure in coordination, consultation, or concert with a candidate and shall not constitute an 'independent expenditure' where—

"(A) there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person (including any officer, director, employee or agent of such person) making the expenditure;

"(B) in the same election cycle, the person making the expenditure (including any officer, director, employee or agent of such person) is or has been—

"(i) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees,

"(ii) serving as an officer of the candidate's authorized committees, or

"(iii) receiving any form of compensation or reimbursement from the candidate, the candidate's authorized committees, or the candidate's agent;

"(C) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated with, advised, or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office;

"(D) the person making the expenditure retains the professional services of any individual or other person also providing those services to the candidate in connection with the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any services relating to the candidate's decision to seek Federal office;

"(E) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated or consulted at any time during the same election cycle about the candidate's plans, projects, or needs relating to the candidate's pursuit of election to Federal office, with: (i) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to subsection (a), (d), or (h) of section 315 in connection with the candidate's campaign; or (ii) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to subsection (a), (d), or (h) of section 315 in connection with the candidate's campaign; and

"(F) the expenditure is based on information provided to the person making the expenditure directly or indirectly by the candidate or the candidate's agents about the candidate's plans, projects, or needs, provided that the candidate or the candidate's agent is aware that the other person has made or is planning to make expenditures expressly advocating the candidate's election.".

LIMITATION ON CANDIDATE EXPENDITURES FROM PERSONAL FUNDS

SEC. 7. Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end thereof the following:

"(i)(1)(A) Within 15 days after a candidate qualifies for the primary election ballot, under applicable State law, such candidate shall file with the Commission and each other candidate who has qualified for such ballot, a declaration stating whether or not such candidate intends to expend funds and incur personal loans for the primary and general election a total amount, in the aggregate of $250,000 or more from the following sources: (i) his personal funds, (ii) the funds of his immediate family, and (iii) personal loans incurred in connection with his campaign for such office.

"(B) For purposes of this subsection, 'immediate family' means a candidate's spouse, and any child, stepchild, parent, grandparent, brother, sister, half-brother, or half-sister of the candidate, and the spouse of any such person and any child, stepchild, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate's spouse, and the spouse of any such person.

"(C) The statement required by this subsection shall be in such form, and contain such information, as the Commission may, by regulation, require.

"(2) Notwithstanding any other provision of law, in any election in which a candidate declares that he intends to expend or incur, in the aggregate, $250,000 or more by expending from personal funds and funds of his immediate family and incurring personal loans for his campaign, or does expend funds and incur loans in a total in excess of such amount, or fails to file the declarations required by this subsection, the limitations on contributions in subsection (a) of this section, as they apply to all other individuals running for such office, shall be increased for such election as follows:

"(A) The limitations provided in subsection (a)(1)(A) shall be increased to $10,000, and

"(B) The limitations provided in subsection (a)(3) shall be increased to an amount equal to 150 percent of such limitation, but only to the extent that contributions above such limitation are made to candidates affected by the increased level provided in subparagraph (A).

"(3) If the limitations in this section are increased pursuant to paragraph (2) for a convention or a primary election as they relate to an individual candidate, and if such individual candidate is not a candidate in any subsequent election in such campaign, including the general election, the provisions of subparagraph (A) of paragraph (2) shall cease to apply.

"(4) Any candidate who—

"(A) declares, pursuant to paragraph (1) that he does not intend to expend and incur, by expending from his personal funds and the funds of his immediate family and incurring personal loans in connection with his campaign an amount which in the aggregate totals $250,000 or more; and

"(B) subsequently does spend funds or incur loans in excess of such amount, or intends to spend funds or incur loans in excess of such amount,

shall notify and file an amended declaration with the Commission and shall notify all other candidates for such office within 24 hours after changing such declaration or exceeding such limits, whichever first occurs, by sending such notice by certified mail, return receipt requested.

"(5) Any candidate who makes expenditures from his personal funds or the personal funds of his immediate family, or incurs personal loans in connection with his campaign for election to office may repay such loan for such expenditures, to himself or to his immediate family, from contributions made to such candidate or any authorized committee of such candidate, except that such loan shall be repaid only to the extent of the actual amount of the loan. Notwithstanding any other provision of law, repayment of any such loan shall not include any interest on the principle amount of such loan.

"(6) Notwithstanding any other provision of law, no candidate may make expenditures from his personal funds or the personal funds of his immediate family, or incur personal loans in connection with his campaign for election to such office at any time after 60 days before the date of such election. The provisions of this paragraph shall apply to all candidates regardless of whether such candidate has reached the limits provided in this subsection.

"(7) The Commission shall take such action as it deems necessary under the enforcement provisions of this Act to assure compliance with the provisions of this subsection.".

RESTRICTION ON BUNDLING OF CONTRIBUTIONS

SEC. 8. The Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by—

(1) redesignating sections 321, 322, and 323, and any reference to such sections, as sections 322, 323, and 324, respectively; and

(2) inserting after section 320, the following new section:

"RESTRICTION ON BUNDLING OF CONTRIBUTIONS

"SEC. 321. When any person, political committee, or national committee of a political party—

"(1) solicits or accepts contributions in the form of check or money order from any source, and

"(2) combines the amount of any such contributions and contributes such combined amount (or any portion of any such amount or contribution) to a candidate for Federal office, or to the authorized agent or authorized political committee of such candidate,

then all such solicited or accepted contributions made through a check or money order shall be made payable to a specific payee by the original drawer of the check or money order.".

SEMIANNUAL REPORTS BY PARTY POLITICAL COMMITTEES OF PAYMENTS UNDER SECTION 301(8)(B)(XV) AND COSTS UNDER SECTION 301(9)(B)(XI)

SEC. 9. Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by adding at the end thereof the following:

"(11) if the committee is a political committee of a political party, with respect to payments under section 301(8)(B)(xv) and costs under section 301(9)(B)(xi) the treasurer shall file—

"(A) a report covering the period beginning January 1 and ending June 30, which shall be filed no later than July 31; and

"(B) a report covering the period beginning July 1 and ending December 31, which shall be filed no later than January 31 of the following calendar year.".

SOFT MONEY REPORTING REQUIREMENTS FOR NATIONAL COMMITTEES OF POLITICAL PARTIES

SEC. 10. (a) Section 304(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(2)) is amended—

(1) in subparagraph (J), by striking out "and" after the semicolon;

(2) in subparagraph (K), by inserting "and" after the semicolon; and

(3) by adding at the end the following:

"(L) for a national committee of a political party, all funds received, from any source, for purposes other than to influence a Federal election;".

(b) Section 304(b)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(3)) is amended—

(1) in subparagraph (F), by inserting "and" after the semicolon;

(2) in subparagraph (G), by inserting "and" after the semicolon; and

(3) by adding at the end the following:

"(H) for a national committee of a political party, person, or organization providing funds to the committee for purposes other than to influence a Federal election;".

(c) Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

(1) in subparagraph (H), by striking out "and" after the semicolon at the end thereof;

(2) in subparagraph (I), by inserting "and" after the semicolon; and

(3) by adding at the end the following new subparagraph:

"(J) for a national committee of a political party, all disbursements from funds received for a purpose other than to influence a Federal election;".

AMENDMENTS TO DEFINITION OF CONTRIBUTION

SEC. 11. (a) Section 301(8)(A)(i) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)(i)) is amended by inserting after "Federal office" the following: "or for the purpose of expressly advocating that a clearly identified individual become a candidate for Federal office".

(b) Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) in clause (xiii), by striking out "and" after the semicolon;

(2) in clause (xiv), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(xv) with respect to a political committee of a political party, any payment to such committee specifically designated to defray establishment, administration, and solicitation costs of such committee.".

(c)(1) Section 301(8)(B)(x) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(x)) is amended by striking out "by a State" and inserting in lieu thereof "by a national, State,".

(2) Section 301(8)(B)(xii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(xii)) is amended by—

(A) striking out "by a State" and inserting in lieu thereof "by a national, State,"; and

(B) striking out "for President and Vice President".

AMENDMENTS TO DEFINITION OF EXPENDITURE

SEC. 12. (a) Section 301(9)(A)(i) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(A)(i)) is amended by inserting after "Federal office" the following: "or for the purpose of expressly advocating that a clearly identified individual become a candidate for Federal office".

(b) Section 301(9)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)) is amended—

(1) in clause (ix), by striking out "and" after the semicolon;

(2) in clause (x), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(xi) with respect to a political committee of a political party, any establishment, administration, or solicitation costs of such committee;".

(c)(1) Section 301(9)(B)(viii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(viii)) is amended by striking out "by a State" and inserting in lieu thereof "by a national, State,".

(2) Section 301(9)(B)(ix) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(ix)) is amended by—

(A) striking out "by a State" and inserting in lieu thereof "by a national, State,"; and

(B) striking out "for President and Vice President".

CIVIL ACTION FOR PROHIBITED USE OF INFORMATION IN REPORTS AND STATEMENT FILED WITH THE COMMISSION

SEC. 13. Section 307(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437d(e)) is amended by inserting "and except with respect to a violation of the copied information provision in section 311(a)(4)," after "of this title,".

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SEC. 14. Section 311(a)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(a)(4)) is amended by—

(1) striking out the semicolon at the end thereof and inserting in lieu thereof a period; and

(2) adding at the end thereof the following: "Nothing in this title shall be construed to annul or limit any rights under title 17 of the United States Code with respect to any of the exclusive rights within the general scope of copyright or shall be construed to limit or delay any remedies thereunder; *provided, however*, that the Commission shall not be liable for copyright infringement for fulfilling its duties under this section;".

AUDIT PROCEDURES

SEC. 15. Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended by adding at the end of paragraph (1), as amended by section 3 of this Act, the following: "Audits under this subsection shall be conducted in accordance with procedures published by the Commission. Before any vote relating to any audit findings, the Commission shall give the political committee involved an opportunity to respond in writing to any information relating to the prospective audit furnished to the Commission by the general counsel or any other member of the staff of the Commission.".

COMMISSION ON CAMPAIGN FINANCING

SEC. 16. (a) It is the sense of the Congress that there should be established a bipartisan commission on campaign financing to develop a means of campaign financing which—

(1) promotes the availability of qualified candidates for congressional office,

(2) permits candidates, irrespective of their personal financial resources, the opportunity to communicate effectively with the electorate,

(3) protects the integrity of the legislative process, and

(4) promotes participation of political parties, including State and local political parties, in the electoral process, and

(5) promotes, to the greatest extent possible, public confidence in both the electoral and legislative processes.

(b) Such Commission should consider and study the Federal laws and regulations and public commentary relating to the financing of the elections of Members of Congress, the financial disclosure requirements made of candidates in such elections, and the effects of such laws and regulations and the practices which they permit or require. Such study and consideration should give particular attention to the extent, if any, to which current and proposed campaign financing practices and financial disclosure requirements affect the availability of candidates for congressional elections, and to the extent, if any, to which such practices and requirements affect the integrity of the legislative process or undermine public confidence in our representative form of Government.

SEVERABILITY

SEC. 17. If any provision of this Act or any amendment made by this Act, or the application of any such provision to any person or circumstance is held invalid, the validity of any other such provision, and the application of such provision to other persons and circumstances shall not be affected thereby.

EFFECTIVE DATE

SEC. 18. This Act and the amendments made by this Act shall become effective on the date of enactment and shall apply to all contributions and expenditures made after such date.

Mr. PACKWOOD. Mr. President, I am pleased to join today with Senator MCCONNELL and 13 others in introducing legislation to reform our campaign finance laws. Too often in considering legislation we lose sight of what our goals should be. Let me suggest, in my judgment, what should be the two principal goals of campaign reform legislation.

First. A significant reduction in the maximum size of contributions from political action committees.

Second. More reliance on small financial contributions from millions of people directly to political campaigns.

The bill we are introducing today would achieve both of these goals. It eliminates PAC contributions to individual candidates. This encourages candidates to be involved in the grassroots level, to go door-to-door for contributions, thus giving the voters a sense of public participation in our democratic electoral process.

Our bill is an alternative to S. 2, reported by the Rules Committee on May 14, 1987. While the Rules Committee bill limits PAC's, it does not go far enough. While it imposes an overall limit on how much a campaign may accept from PAC's, it leaves intact the $5,000 PAC contribution to an individual candidate. Our bill reduces the $5,000 PAC contribution limit to zero.

Through my past votes and amendments, I have consistently supported PAC contribution limits:

First. In 1973 I introduced an amendment to cut the PAC contribution limit from $5,000 to $3,000. My amendment passed in the Senate 74 to 7.

Second. In 1977 I again voted to reduce the PAC limit to $3,000. The amendment was tabled 63 to 33.

Third. In 1986 I voted for Senator BOREN'S amendment to reduce the PAC limit to $3,000.

The Rules Committee bill would create public financing for Senate elections; we oppose that. This type of payment does not give the voters any sense of participation in our democratic electoral process. There is no sense of public participation in taking money out of the Public Treasury and giving it to us to run for re-election. On the other hand, if we can encourage millions of people to give $5, or $10, or $50 directly to a campaign, that will ensure the sense of participation we are trying to achieve.

I do not believe most candidates have explored the extent to which they can finance a campaign through small contributions. Where candidates have tried to collect small contributions, they have succeeded. In my campaign for reelection in 1986, I had over 161,000 contributions—95 percent of those were contributions of $50 or less. As a matter of fact, political action committees provided only 14 percent of my total campaign contributions.

The goal, then, of any campaign reform legislation should be to encourage direct financial participation in political campaigns by millions of people contributing small amounts of money directly to campaigns, while at the same time limiting larger contributions of political action committees to campaigns.

The challenge is to make congressional campaigns more competitive, less dependent on large contributors, and financed by a broader segment of the population, while at the same time avoiding publicly financed campaigns paid by Treasury funds. If we force candidates to finance their campaign by thousands and thousands of small contributions, then the candidate will have to go door to door, and be involved at the grass-roots level. Ironically, the candidates this will favor the most are not incumbent U.S. Senators or Representatives, who of necessity must spend most of the year in Washington, DC. Rather it will favor their challengers, who can stay in the State all year long, who will have a good base of support, and who will have hundreds of followers who believe in them and will help them raise money through small donations.

The goal, then, should be to emphasize small donations given directly to deserving candidates—not some lump sum given to undeserving and deserving candidates alike, as would be the case under the Rules Committee bill, S. 2.

It is my hope that Senators will see the wisdom of the individual, rather than the Government, determining to whom campaign funds will go. The link between voters and candidates is strengthened under our bill by the necessary grass-roots work that would result, which requires candidates to raise money in small quantities from many donors, making candidates aware of contributors' concerns and hence more responsive once elected. That link is weakened under Treasury public financing. I look forward to working with my colleagues in the weeks and months ahead on reforming our campaign finance laws. It is time we come up with reforms that make sense and which will truly address the public's concerns.

By Mr. CRANSTON (for himself, Mr. DURENBERGER, Ms. MIKULSKI, Mr. BURDICK, Mr. DECONCINI, Mr. EVANS, Mr. KENNEDY, Mr. KERRY, Mr. MATSUNAGA, Mr. MOYNIHAN, and Mr. RIEGLE):

S. 1309. A bill to ensure economic equity for American women by providing retirement security, making quality dependent care available, ending discrimination in insurance and commercial credit, providing equal employment opportunity and pay equity, protecting welfare of spouses of persons institutionalized under the Medicaid Program, and for other purposes; to the Committee on Finance.

ECONOMIC EQUITY ACT

Mr. CRANSTON. Mr. President, on behalf of myself and the distinguished Senator from Minnesota [Mr. DURENBERGER], I am pleased to introduce today, S. 1309, the proposed Economic Equity Act of 1987 [EEA].

We are joined in cosponsoring this legislation by the Senator from Maryland [Ms. MIKULSKI], the Senator from North Dakota [Mr. BURDICK], the Senator from Arizona [Mr. DECONCINI], the Senator from Washington [Mr. EVANS], the Senators from Massachusetts [Mr. KENNEDY and Mr. KERRY], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from New York [Mr. MOYNIHAN], and the Senator from Michigan [Mr. RIEGLE].

The proposed Economic Equity Act of 1987 is being introduced and sponsored in the House by members of the Congressional Caucus for Women's Issues. The Congressional Caucus on Women's Issues which is celebrating its 10th anniversary this year has played a key role in past Congresses in developing and securing passage of the legislative initiatives contained in the Economic Equity Act.

As in past Congresses, this bipartisan, bicameral legislation is intended to provide a blueprint and an agenda for congressional action to eliminate many of the economic inequities facing millions and millions of American women. Indeed, over the past several years the EEA has become an institution in the fight for women's rights in the U.S. Congress. Beginning with some modest victories in the 97th Congress, the EEA's first year of introduction, we have made major strides in subsequent Congresses. In the 98th Congress we achieved victories with private and public pension reform, child support enforcement, and two child care initiatives. The 99th Congress enacted into law six Economic Equity Act provisions, including health insurance continuation, the enactment of provisions relating to private and military pension reforms, child care for higher education students, and tax reforms.

Before the end of this decade, no doubt many more of the provisions of the EEA will have also been enacted. Mr. President, I am convinced that before the turn of this century, we will have put behind us the arbitrary and discriminatory practices that today deny women economic equity. The EEA has and will continue to play a critical role in breaking down these artificial barriers of economic discrimination.

The 1987 Economic Equity Act, divided into two titles—Work and Family—represents a comprehensive, forward-looking approach to improving the economic well-being of American women and families. It takes into account the differing needs of older women and younger women, wage-earners and homemakers, and single heads-of-household as well as women who own their own businesses. It balances proposals for long-range, fundamental reforms with more immediate, incremental reforms. This diversity and universal applicability of the EEA to women in all walks of life is one of its greatest strengths.

I am particularly pleased that the 1987 act includes a major emphasis on the issue of child care. Lack of access to adequate child care services is a major barrier to the attainment of economic security for countless families throughout the Nation. A majority of mothers of small children are in the work force today. That is the reality that public officials and private employers must face up to.

Figures published by the Department of Labor last year indicated that almost half—46.8 percent of mothers of children under the age of 1 and nearly two-thirds—65 percent—of those with children under the age of 3 are in the work force. It is also a reality that the supply of affordable, adequate child care is simply insufficient to meet the need. In virtually every community, there are long waiting lists for existing child care programs. This problem has a profound impact upon women in the work force.

A woman must feel confident that she has left her children in good hands if she is to seek an outside job with an easy mind—and to perform that job effectively once she has found it. We must not penalize women for being mothers, or mothers for working to support their families. I am convinced that equal opportunity for women will remain a largely meaningless slogan until adequate child care is widely obtainable.

During the past year, I held an extensive series of community forums throughout my own State of California focused upon the child care crisis. At these community forums, I had the opportunity to meet with and hear the concerns of hundreds of Californians regarding the inadequacy of child care services.

Mr. President, it is not an exaggeration to say that what was once a major problem is now a major crisis. During the past 6 years under the Reagan administration, the Nation's inadequate supply of child care has deteriorated even further. At the same time that the Federal Government has reduced its funding for existing child care programs, the number of mothers of young children entering the labor force has continued to grow.

It is equally important to understand that these mothers are in the work force for one major reason; economic necessity. Two-thirds of the women in the work force are either sole providers or have husbands who earn less than $15,000. In 1983, 25 percent of the married women in the work force had husbands earning less than $10,000; 50 percent under $20,000 and nearly 80 percent less than $30,000. The earnings of these women play a critical role in the economic well-being of their families. For the one in six American families headed by a woman, of course, her earnings are a matter of simple survival.

It is well past time for us to make a major effort to address this problem of an inadequate supply of child care. I am certain that the focus of the 1987 Economic Equity Act will contribute enormously to our effort to make significant progress on this issue during the 100th Congress.

SUMMARY OF THE ACT

Mr. President, I want to describe briefly the provisions of the 1987 EEA. As I indicated earlier, the bill is divided into two principal parts—work and family. Under the work title, the EEA addresses issues of pay equity and economic security. The family title addresses the lack of affordable, quality child care available in our country today through a dependent care package.

EMPLOYMENT

Mr. President, a major focus of the 1987 EEA is fairness in the workplace. This issue directly affects the well-being and economic security of millions of American families struggling to earn a decent living.

PAY EQUITY

I am delighted that the 1987 EEA includes S. 552, the proposed Federal Employee Compensation Act of 1987, legislation which I coauthored with the distinguished Senator from Washington [Mr. EVANS]. This bipartisan measure is based upon legislation which Senator EVANS and I first introduced in the 99th Congress. It would provide for a study of the classification, grading, and pay-setting practices of the Federal Government to determine whether the wages paid in positions in which women or minorities are disproportionately represented are lower than the responsibilities, duties, difficulty, or qualification requirements of the work performed.

S. 552 currently has 35 sponsors in the Senate. Similar legislation has twice passed the House of Representatives.

Mr. President, pay equity is one of the most important elements of efforts to provide economic equity for women. Sex-based discrimination has massive consequences for millions of women in the work force and their families. The wage gap between male and female workers continues to exist. In 1985, it was estimated that women earned only 65 percent of what men earned. Although differences between male and female work force participation patterns account for some portion of this gap, there is little doubt that wage discrimination and the undervaluation of work performed predominately by women contributes significantly to the continuing wage gap. The gap exists between male and female employees of the Federal Government, and it is certainly our responsibility as the Nation's largest employer to find out the reasons for these disparities.

ECONOMIC SECURITY

As in the previous EEA, this year's bill addresses the inequities facing women under the current Social Security benefit structure. It includes the earnings sharing legislation, S. 3 in the Senate, which Representative MARY ROSE OAKAR and I have proposed in the past several Congresses. Older women are among the most economically depressed and vulnerable groups in our society, and there is little doubt that the inadequacy of the benefits they receive under the Social Security system contribute substantially to the vast number of older women—approximately 1.8 million—living below the poverty line.

Despite years of contributions to Social Security during their years in the work force, many women get little or no return for their Social Security contributions. Earnings sharing addresses these problems by treating family earnings together.

The basic concept underlying earnings sharing is relatively simple: marriage for Social Security purposes should be and would be regarded as a partnership. In order to compute benefits, all the earnings of a married couple would be combined and divided equally between the spouses upon retirement or divorce. Each member of the couple would then have established for him or her an individual Social Security account. Earnings acquired before or after a marriage would go into this individual account along with whatever share each member acquired during marriage. The result of earnings sharing would be a more equitable division of Social Security benefits and more economic security for elderly women.

In addition, the 1987 EEA includes a more immediate Social Security reform—a revision in the stringent disability definition now applied only to surviving spouses. These provisions are derived from legislation, S. 170, proposed by the Senator from Michigan [Mr. RIEGLE] who has long been a leader in the Senate on Social Security issues.

Finally, for the first time, the EEA will address the problem of spousal impoverishment. Spousal impoverishment is a problem which plagues many elderly individuals, most often women, who are left without adequate savings or income when illness or disability forces their spouse to enter a nursing home. Because such long-term medical costs are not covered by Medicare, the couple often must exhaust their assets. Under Medicaid rules regarding income, the husband's pension and Social Security check are considered his and go toward paying for his nursing home costs, leaving the spouse in the community, often a wife who has spent her work life as a homemaker and who has not accrued a pension, living in poverty. The EEA includes the provisions of S. 776, legislation introduced by the Senator from Maryland [Ms. MIKULSKI] which would set a minimum monthly maintenance allowance for community spouses and allow the community spouse to retain a certain amount of assets. The problem of spousal impoverishment is a serious issue which needs to be addressed. The inclusion of the provisions of S. 776 in the 1987 EEA represents an important recognition of this need and a step toward reaching a solution.

Other provisions of the EEA focused upon fairness in the work place include nondiscrimination in business credit and insurance, equity in pension and health coverage for part-time workers—70 percent of whom are women—and further provisions dealing with private pension equity, a major focus of the 1985 EEA. The 1987 EEA also contains the provisions of legislation, H.R. 1636, introduced by my good friend and colleague from California, Representative BARBARA BOXER, to establish a Federal Council on Women to advise Congress on an on-going basis on issues of importance affecting women.

CHILD CARE

Mr. President, as I indicated earlier, I am delighted that in recognition of the paramount importance of child care to millions of working parents throughout the country, the 1987 EEA contains major initiatives in the area of child care.

IMPROVING THE QUALITY OF CHILD CARE

The 1987 EEA contains two bills which address improving the quality of child care. First, it includes a bill I have introduced in the Senate as S. 934, the proposed Child Care Standards Improvement Act of 1987. This measure is based upon legislation I first introduced during the 99th Congress and which passed the Senate as an amendment to the fiscal year 1986 continuing resolution. S. 934 would provide $25 million to States to assist in improving the quality of child care services. It is intended to stimulate State efforts to review and upgrade State child care licensing and regulation systems and procedures, thereby providing better protections and quality of care for children.

S. 934 would require States to establish State advisory committees to review State laws, regulations, and procedures for licensing, regulating, and monitoring child care services in both family day care and center-based settings. A National Advisory Committee would be established to develop and publish model child care standards.

Second, the 1987 EEA includes the provision of S. 982, the proposed Family Day Care Provider Assistance Act. This bill authorizes payments to States to be used for grants to provide training and technical assistance for family day care providers. S. 982 would provide $10 million to States to train family day care providers, to train those who train providers, and to offer technical assistance to improve the management and level of care provided in family day care homes. This measure would also establish a National Resource Center on Family Day Care. S. 982 was introduced in the Senate by the distinguished Senator from Connecticut [Mr. DODD] who chairs the Senate Children's Caucus and the subcommittee with jurisdiction over child care on the Labor and Human Resources Committee.

IMPROVING ACCESS TO CHILD CARE FOR ALL FAMILIES

The 1987 EEA also contains a measure introduced by Senator DURENBERGER as S. 1300 to correct a problem making it difficult for some family day care providers to purchase homes or refinance existing homes. Under current law, individuals who use their homes to provide family day care are not eligible for financing from the secondary mortgage market because a family day care usage is not considered residential usage. Thus, individuals who wish to provide family day care services may find it very difficult to finance or refinance a home mortgage. The measure included in this session's EEA is intended to remove this current disincentive to prospective family day care providers who wish to operate out of their homes by changing mortgage financing eligibility rules.

IMPROVING ACCESS TO CHILD CARE FOR LOWER INCOME FAMILIES

The 1987 EEA includes several provisions aimed at improving access to child care for lower-income families. First, it includes a measure which would authorize and increase of $200 million for the title XX social services block grant, the principle source of Federal financial assistance for child care services for lower-income families. Title XX funds have been frozen for several years, decreasing the availability of child care assistance for lower-income families.

A second bill removes certain restrictions on the use of funding for the 1984 Dependent Care Block Grant Program. Under current law, Federal grants to States for dependent care programs focusing on the needs of school-aged children and resource and referral services for parents seeking child care services are not permitted to be used for operation costs of these programs. These restrictions inhibit many programs from fully developing.

A third bill addresses access to affordable child care within public housing projects. This proposed legislation would establish grants for child care programs in public housing projects. Public housing authorities would contract with nonprofit organizations within their local communities to provide lower-income families with child care services in public housing settings. In addition, the bill would seek to encourage direct involvement of public housing residents in the child care programs by offering residents employment opportunities. These three measures have each been proposed in legislation, S. 1070, S. 222, and S. 183, respectively, introduced by the Senator from Michigan [Mr. RIEGLE].

The 1987 EEA also contains provisions derived from earlier EEA proposals to expand the existing child care tax credit and make it refundable for lower-income families.

CONCLUSION

Mr. President, the 1987 EEA established, as it has in prior years, the legislative agenda in the 100th Congress on economic equity for women. I believe that the focus of the 1987 EEA upon child care and equity in the workplace will help provide the attention needed to make significant progress on these issues during the 100th Congress.

I am also honored that three major initiatives I have sponsored in the Senate—child care, social security equity, and pay equity—are critical elements of the EEA. Moreover, I am confident that, as in past years, major provisions of this session's EEA will be enacted and that we will succeed in moving closer to the goal of attaining economic equity for women and their families.

Finally, I ask unanimous consent that the full text of the 1987 Economic Equity Act be printed in the RECORD, along with a list of the endorsing organizations.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1309

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE, TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Economic Equity Act of 1987".

(b) TABLE OF CONTENTS.—

TITLE I—EMPLOYMENT

PART A—PAY EQUITY

Sec. 101. Short title.
Sec. 102. Definitions.
Sec. 103. Establishment.
Sec. 104. Study and reporting requirements.
Sec. 105. Appointment of commission.
Sec. 106. Administrative provisions.
Sec. 107. Termination.
Sec. 108. Consultant.
Sec. 109. Construction.
Sec. 110. Funding; effective date.

PART B—EQUAL CREDIT

Sec. 111. Amendment to Equal Credit Opportunity Act.

PART C—PENSION AND HEALTH BENEFITS FOR NON-FULL-TIME WORKERS

Sec. 121. Treatment of employees working at less than full-time under ERISA.

PART D—ECONOMIC SECURITY

Sec. 131. Earnings sharing.
Sec. 132. Repeal of separate definition of disability presently applicable to widows and widowers.
Sec. 133. Pension reform.
Sec. 134. Study on cost-of-living adjustments under private pension plans.
Sec. 135. Study on pension portability.
Sec. 136. Protection of income and resources of community spouse.
Sec. 137. Nondiscrimination in insurance.
Sec. 138. Federal council on women.

TITLE II—DEPENDENT CARE

PART A—IMPROVING THE QUALITY OF DEPENDENT CARE

Sec. 201. Training for family day care providers.
Sec. 202. Improvement of child care standards.

PART B—ACCESS TO DEPENDENT CARE FOR ALL FAMILIES

Sec. 211. Dependent care tax credit.
Sec. 212. Mortgages on properties including day care centers.

PART C—INCREASING AVAILABILITY OF DEPENDENT CARE FOR LOW-INCOME FAMILIES

Sec. 221. Increase in amounts authorized to be allotted.
Sec. 222. Grants to States for dependent care.
Sec. 223. Public housing child care.

TITLE I—EMPLOYMENT

PART A—PAY EQUITY

SEC. 101. SHORT TITLE.

This part may be cited as the "Federal Employee Compensation Equity Act of 1987".

SEC. 102. DEFINITIONS.

For purposes of this part—

(1) the term "position" means employee positions that are subject to classification under chapter 51 of title 5, United States Code, or the job-grading system under subchapter IV of chapter 53 of such title;

(2) the term "Commission" means the Commission on Compensation established by section 103;

(3) the term "Director" means the Director of the Office of Personnel Management;

(4) the term "employee" means an individual to whom chapter 51 or subchapter IV of chapter 53 of such title applies;

(5) the term "labor organization" shall have the meaning given such term by section 7103(a)(4) of such title;

(6) the term "economic analysis" means a method of analyzing differentials in pay between and among positions within occupations in order to determine if, and the extent to which, those differentials are attributable to factors such as seniority, merit, productivity, education, work experience, geographic factors, supply and demand factors, or any other factor exclusive of sex, race, or ethnicity, and

(7) the term "objective job evaluation analysis" means a quantitative method of rating positions within occupations based upon factors such as the skill, effort, responsibilities, qualification requirements, and working conditions involved so that comparisons may be made with respect to the positions and occupations involved.

SEC. 103. ESTABLISHMENT OF COMMISSION.

There is established a commission to be known as the Commission on Compensation Equity.

SEC. 104. STUDY AND REPORTING REQUIREMENTS.

(a) STUDY.—

(1) To determine whether distinction between rates of basic pay for Federal jobs in executive agencies of the United States Government reflect substantial differences in the duties, difficulty, responsibility, and qualification requirements of the work performed, in accordance with sections 5101 and 5341 of title 5, United States Code, and are not based on considerations of sex, race, or national origin, the Commission shall provide, by contract with the consultant selected pursuant to section 108, for—

(A) the conduct of a study of classification, grading, and pay-setting processes within and between the position-classification system under chapter 51 of such title and the job-grading system under subchapter IV of chapter 53 of such title, using standard objective job-evaluation and economic analysis techniques, to determine whether the development or implementation of these processes results in the payment of rates of basic pay for positions in which either sex is numerically predominant or any race or ethnic group is disproportionately represented that are not in proportion to the duties, difficulty, responsibility, and qualification requirements of the work performed; and

(B) the preparation and submission of a report containing the findings of such study, including a list of any such positions and the extent of the differences in the rates of pay in such cases.

(2) EXECUTIVE AGENCY.—For the purposes of this section, the term "executive agency" shall have the meaning given such term by section 105 of title 5, United States Code.

(b) REPORT.—

(1) IN GENERAL.—Not later than eighteen months after the effective date of this part, the Commission shall transmit to the appropriate Committees of the Congress the report required by section 104 and shall provide a copy of this report to the Director.

(2) CONTENTS OF REPORT.—The report shall include—

(A) the Commission's findings resulting from the study; and

(B) the Commission's recommendations (other than any recommendation which would result in a reduction in the rate of pay payable for any position) for such administrative or legislative actions, or both, as it considers appropriate (including any recommendations for modification of the provisions of section 107).

(3) Director's comments.—Not later than ninety days after the Commission submits its report to the appropriate Committees of the Congress pursuant to paragraph (1), the Director shall submit to such Committees and the Commission a report commenting on the Commission's report and specifying the Director's plan (and timetable therefor) to carry out each of the Commission's recommendations or, in the event that the Director does not specify a plan to carry out one or more of such recommendations, the Director's reasons for not specifying such plan.

(4) Response by commission.—Not later than sixty days after the Director submits the report to the appropriate committees of the Congress pursuant to paragraph (3), the Commission shall submit to such Committees any additional comments that the Commission deems appropriate in response to the Director's report.

(5) Study advisory in nature.—The consultant's study and any findings, conclusions, recommendations, or comments by the consultant or the Commission under this part with respect to such study shall be considered to be of an advisory nature only.

SEC. 105. APPOINTMENT OF COMMISSION.

(a) In General.—

(1) The Commission shall be composed of nine members as follows:

(A) Two appointed by the President of the United States.

(B) One appointed by the majority leader of the Senate.

(C) One appointed by the minority leader of the Senate.

(D) One appointed by the Speaker of the House of Representatives.

(E) One appointed by the minority leader of the House of Representatives.

(F) Three appointed by the Director to represent Federal employee labor organizations, one designated (and certified to the Director) by each of the three respective labor organizations representing, as exclusive representatives, the largest number of individuals occupying positions that are subject to chapter 51 or subchapter IV of chapter 53, of title 5, United States Code.

(2) Members of the Commission shall not be members of Congress and shall, to the maximum extent practicable, be chosen from among persons who have extensive knowledge and technical expertise in the major areas of the Commission's consideration and study.

(b) Time for Making Appointments.—All appointments under subsection (a) shall be made not later than sixty days after the effective date of this part.

SEC. 106. ADMINISTRATIVE PROVISIONS.

(a) Chairman and Vice Chairman of Commission Procedures.—

(1) The President shall designate a Chairman of the Commission from among the Commission members. The Commission shall elect a Vice Chairman from among its members. The Vice Chairman shall act as Chairman in the event of the absence or incapacity of the Chairman.

(2) The Commission shall adopt such rules and regulations as it considers necessary to establish its procedures and to govern the manner of its operations, its organization, and its personnel.

(3) Five members of the Commission shall constitute a quorum.

(4) Any vacancy in the Commission shall not affect its powers except to satisfy the quorum requirements in paragraph (3). Such vacancy shall be filled in the manner in which the original appointment was made.

(b) Compensation.—Each member of the Commission who is not an officer or employee of the United States Government shall be paid compensation at a rate equal to the daily equivalent of the rate of basic pay in effect for level IV of the Executive Schedule for each day the member is engaged in the performance of the duties of the Commission.

(c) Commission Staff.—

(1) The Commission may appoint, terminate, and subject to paragraph (2), fix the compensation of such personnel as it considers advisable to employ to assist in the performance of its duties, without regard to the civil service laws, the provisions of title 5, United States Code, or any other law relating to the number, classification or compensation of employees. The Commission also may procure temporary and intermittent services in carrying out its responsibilities. The Chairman shall appoint an executive director of the Commission with the approval of a majority of the Commission members.

(2) An employee of the Commission may not receive compensation at a rate exceeding the rate of pay payable for grade GS-18 under section 5332 of title 5, United States Code.

(3) Service of an individual as a member of the Commission or as an employee of the Commission shall not be considered service in an appointive or elective position in the United States Government for the purposes of section 8344 of title 5, United States Code.

(d) Travel and Transportation Expenses.—All members and employees of the Commission and all individuals performing temporary or intermittent services for the Commission shall, while performing the duties of the Commission, be paid per diem, travel and transportation expenses in the same manner as provided for under subchapter I of chapter 57 of title 5, United States Code.

(e) Specific Powers.—

(1) The Commission or any member authorized by the Commission may, for the purposes of carrying out this part, hold such hearings and sit and act at such times and places, take such testimony, have such printing and binding done, enter into such contracts and other arrangements, with or without consideration or bond, and take such other actions as the Commission considers advisable, to the extent that amounts provided pursuant to section 110(a) are available. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before such member.

(2) The Commission is authorized to obtain directly from any officer, department, agency, establishment, or instrumentality of the United States Government such information, suggestions, estimates, and statistics as the Commission considers necessary to carry out this part. Each such officer, department, agency, established or instrumentality shall furnish, to the extent permitted by law, such information, suggestions, estimates, and statistics directly to the Commission, upon request made on behalf of the Commission.

(3) The Commission may use the United States mails and receive administrative support from the Administrator of General Services in the same manner and under the same conditions as departments and agencies of the United States Government.

(4) No officer or agency of the United States Government shall require the Commission to submit any report, recommendation, or other matter to any such officer or agency for approval, comment, or review before submitting such report, recommendation, or other matter to Congress or committees of Congress or the President.

(f) Meeting Times.—The Commission shall meet from time to time, as its members consider appropriate.

SEC. 107. TERMINATION.

Ninety days after the date the Commission submits its comments pursuant to section 104(d), the Commission shall cease to exist.

SEC. 108. CONSULTANT.

(a) In General.—The Commission shall solicit from the Comptroller General of the United States, the Congressional Office of Technological Assessment, and the National Academy of Sciences a list of consultants which on the basis of their objectivity, extensive knowledge and technical expertise in the matters to be studied pursuant to this part are appropriate to conduct the study required by section 103.

(b) List of Consultants.—The Comptroller General of the United States and the Congressional Office of Technological Assessment shall provide the lists to the Commission within sixty days after the date of such solicitation pursuant to (a).

(c) Selection of Consultant.—From among the consultants on the lists provided pursuant to subsection (a), the Commission shall select one consultant to conduct such study.

SEC. 109. CONSTRUCTION.

Nothing in this title shall be construed to limit any of the rights or remedies provided under the Civil Rights Act of 1964, section 6(d) of the Fair Labor Standards Act of 1938, or any other provision of law relating to discrimination on the basis of race, color, religion, sex, national origin, handicap, or age.

SEC. 110. FUNDING; EFFECTIVE DATE.

(a) Funding.—Of the sums appropriated to the Office of Personnel Management for general operating expenses for fiscal year 1988 and 1989, such amount as is estimated by the Comptroller General of the United States as necessary to carry out this part shall be made available to pay the expenses of the Commission and shall remain available for such purpose until September 30, 1990.

(b) Effective Date.—This part shall take effect on October 1, 1987.

PART B—EQUAL CREDIT

SEC. 111. AMENDMENT TO EQUAL CREDIT OPPORTUNITY ACT.

Subsection (a) of section 703 of Public Law 93-495 is amended to read as follows:

"(a)(1) Subject to the provisions of paragraph (2) the Board shall prescribe regulations to carry out the purposes of this title. These regulations may contain but are not limited to such classifications, differentiation, or other provision, and may provide for such adjustments and exceptions for any class of transactions, as in the judgment of the Board are necessary or proper to effectuate the purposes of this title, to prevent circumvention or evasion thereof, or to facilitate or substantiate compliance therewith.

"(2) In no event shall any regulation promulgated pursuant to paragraph (1) of this subsection exempt from the provisions of this title any class of transactions that are primarily for—

"(A) personal, family, or household purposes; or

"(B) business or commercial purposes except that a particular type or class of business or commercial transaction may be exempted if the Board determines, after a hearing conducted on the record pursuant to chapter 5 of title 5, United States Code, that the application of this title or of any provision of this title to such transaction would not contribute substantially to effecting the purposes of this title.

"(3) An exemption granted pursuant to paragraph (2)(B) shall be for no longer than five years and shall be extended only if the Board makes a subsequent determination, in the manner prescribed by such paragraph, that such exemption remains appropriate.".

PART C—PENSION AND HEALTH BENEFITS FOR NON-FULL-TIME WORKERS

SEC. 121. TREATMENT OF EMPLOYEES WORKING AT LESS THAN FULL-TIME UNDER ERISA.

(a) SHORT TITLE.—This section may be cited as the "Part-Time and Temporary Workers Protection Act of 1987".

(b) TREATMENT OF EMPLOYEES WORKING AT LESS THAN FULL-TIME UNDER PARTICIPATION, VESTING, AND ACCRUAL RULES GOVERNING PENSION PLANS.—

(1) PARTICIPATION RULES.—

(A) IN GENERAL.—Section 202(a)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1052(a)(3)) is amended by adding at the end the following new subparagraph:

"(E)(i) For purposes of this paragraph, in the case of any employee who, as of the beginning of the 12-month period referred to in subparagraph (A)—

"(I) has customarily completed 500 or more hours of service per year but less than 1,000 hours of service per year, or

"(II) is employed in a type of position in which employment customarily constitutes 500 or more hours of service per year but less than 1,000 hours of service per year,

completion of 500 hours of service within such 12-month period shall, except as provided in clause (ii), be treated as completion of 1,000 hours of service.

"(ii) For purposes of this subparagraph, the extent to which employment in any type of position customarily constitutes less than 1,000 hours of service per year shall be determined with respect to each pension plan in accordance with such regulations as the Secretary may prescribe providing for consideration of facts and circumstances peculiar to the work-force constituting the participants in such plan.".

(B) CONFORMING AMENDMENT.—Section 204(b)(1)(E) of such Act (29 U.S.C. 1054(b)(1)(E)) is amended by striking "section 202(a)(3)(A)" and inserting "subparagraphs (A) and (E) of section 202(a)(3)".

(2) VESTING RULES.—

(A) IN GENERAL.—Section 203(b)(2) of such Act (29 U.S.C. 1053(b)(2)) is amended by adding at the end the following new subparagraph:

"(E)(i) For purposes of this paragraph, in the case of any employee who, as of the beginning of the period designated by the plan pursuant to subparagraph (A)—

"(I) has customarily completed 500 or more hours of service per year but less than 1,000 hours of service per year, or

"(II) is employed in a type of position in which employment customarily constitutes 500 or more hours of service per year but less than 1,000 hours of service per year,

completion of 500 hours of service within such period shall, except as provided in clause (ii), be treated as completion of 1,000 hours of service.

"(ii) For purposes of this subparagraph, the extent to which employment in any type of position customarily constitutes less than 1,000 hours of service per year shall be determined with respect to each pension plan in accordance with such regulations as the Secretary may prescribe providing for consideration of facts and circumstances peculiar to the work-force constituting the participants in such plan.".

(B) 1-YEAR BREAKS IN SERVICE.—Section 203(b)(3) of such Act (29 U.S.C. 1053(b)(3)) is amended by adding at the end the following new subparagraph:

"(F)(i) For purposes of this paragraph, in the case of any employee who, as of the beginning of the period designated by the plan pursuant to subparagraph (A)—

"(I) has customarily completed 500 or more hours of service per year but less than 1,000 hours of service per year, or

"(II) is employed in a type of position in which employment customarily constitutes 500 or more hours of service per year but less than 1,000 hours of service per year,

completion of 250 hours of service within such period shall, except as provided in clause (ii), be treated as completion of 500 hours of service.

"(ii) For purposes of this subparagraph, the extent to which employment in any type of position customarily constitutes less than 1,000 hours of service per year shall be determined with respect to each pension plan in accordance with such regulations as the Secretary may prescribe providing for consideration of facts and circumstances peculiar to the work-force constituting the participants in such plan.".

(3) ACCRUAL RULES.—Section 204(b)(4)(C) of such Act (29 U.S.C. 1054(b)(4)(C)) is amended—

(A) by inserting "(i)" after "(C)"; and

(B) by adding at the end the following new clauses:

"(ii) For purposes of this subparagraph, in the case of any employee who, as of the beginning of the period designated by the plan pursuant to clause (i)—

"(I) has customarily completed 500 or more hours of service per year but less than 1,000 hours of service per year, or

"(II) is employed in a type of position in which employment customarily constitutes 500 or more hours of service per year but less than 1,000 hours of service per year,

completion of 500 hours of service within such period shall, except as provided in clause (iii), be treated as completion of 1,000 hours of service.

"(iii) For purposes of clauses (ii) and (iii), the extent to which employment in any type of position customarily constitutes less than 1,000 hours of service per year shall be determined with respect to each pension plan in accordance with such regulations as the Secretary may prescribe providing for consideration of facts and circumstances peculiar to the work-force constituting the participants in such plan.".

(c) TREATMENT OF EMPLOYEES WORKING AT LESS THAN FULL-TIME UNDER GROUP HEALTH PLANS.—

(1) IN GENERAL.—Part 2 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 is amended—

(A) by redesignating section 211 (29 U.S.C. 1061) as section 212; and

(B) by inserting after section 210 (29 U.S.C. 1060) the following new section:

"TREATMENT OF PART-TIME WORKERS UNDER GROUP HEALTH PLANS

"SEC. 211. (a) IN GENERAL.—A reduction in the employer-provided premium under a group health plan with respect to any employee for any period of coverage solely because the employee's customary employment is less than full-time may be provided under such plan only if the employee is described in subsection (b) and only to the extent permitted under subsection (c).

"(b) REDUCTIONS APPLICABLE TO EMPLOYEES WORKING LESS THAN FULL-TIME.—

"(1) IN GENERAL.—An employee is described in this subsection if such employee, as of the beginning of the period of coverage referred to in subsection (a)—

"(A) has customarily completed less than 30 hours of service per week, or

"(B) is employed in a type of position in which employment customarily constitutes less than 30 hours of service per week.

"(2) REGULATIONS.—For purposes of paragraph (1), whether employment in any type of position customarily constitutes less than 30 hours of service per week shall be determined with respect to each group health plan in accordance with such regulations as the Secretary may prescribe providing for consideration of facts and circumstances peculiar to the work-force constituting the participants in such plan.

"(c) AMOUNT OF PERMISSIBLE REDUCTION.—The employer-provided premium under a group health plan with respect to any employee for any period of coverage, after the reduction permitted under subsection (a), shall not be less than a ratable portion of the employer-provided premium which would be provided under such plan for such period of coverage with respect to an employee who completes 30 hours of service per week.

"(d) DEFINITIONS.—For purposes of this section—

"(1) GROUP HEALTH PLAN.—The term 'group health plan' has the meaning provided such term in section 607(1).

"(2) EMPLOYER-PROVIDED PREMIUM.—

"(A) IN GENERAL.—The term 'employer-provided premium' under a plan for any period of coverage means the portion of the applicable premium under the plan for such period of coverage which is attributable under the plan to employer contributions.

"(B) APPLICABLE PREMIUM.—For purposes of subparagraph (A), in determining the applicable premium of a group health plan, principles similar to the principles applicable under section 604 shall apply.".

(2) CONFORMING AMENDMENTS.—

(A) Section 201(1) of such Act (29 U.S.C. 1051(1)) is amended by inserting ", except with respect to section 211" before the semicolon.

(B) The table of contents in section 1 of such Act is amended by striking the item relating to section 211 and inserting the following new items:

"Sec. 211. Treatment of part-time workers under group health plans.
"Sec. 212. Effective date.".

(d) EXPANSION OF DEFINITION OF EMPLOYEE TO INCLUDE CERTAIN INDIVIDUALS WHOSE SERVICES ARE LEASED OR CONTRACTED FOR.—

Paragraph (6) of section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(6)) is amended—

(1) by inserting "(A)" after "(6)"; and

(2) by adding at the end the following new paragraph:

"(B) Such term includes, with respect to any employer, any person who is not an employee of such employer and who provides services to such employer, if—

"(i) such person has (pursuant to an agreement with such employer or any other person) performed such services for such employer (or for such employer and related persons (within the meaning of section 144(a)(3) of the Internal Revenue Code of 1986)) for a period of at least 1 year at the rate of at least 500 hours of service per year, and

"(ii) such services are of a type historically performed, in the business field of the employer, by employees (within the meaning of subparagraph (A)).".

(e) Effective Dates.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply with respect to plan years beginning on or after January 1, 1988.

(2) Special rule for collectively bargained plans.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified on or before the date of the enactment of this section before subparagraph (A) shall be applied to benefits pursuant to, and individuals covered by, any such agreement by substituting for "January 1, 1988" the date of the commencement of the first plan year beginning on or after the earlier of—

(A) the later of—

(i) January 1, 1988, or

(ii) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof after the date of the enactment of this section), or

(B) January 1, 1990.

(3) Plan amendments.—If any amendment made by this section requires an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after January 1, 1989, if—

(A) during the period after such amendment made by this Act takes effect and before such first plan year, the plan is operated in accordance with the requirements of such amendment made by this section, and

(B) such plan amendment applies retroactively to the period after such amendment made by this Act takes effect and such first plan year.

A plan shall not be treated as failing to provide definitely determinable benefits or contributions, or to be operated in accordance with the provisions of the plan, merely because it operates in accordance with this paragraph.

PART D—ECONOMIC SECURITY

SEC. 131. EARNINGS SHARING.

(a) Short Title.—This section may be cited as the "Social Security Equity Act of 1987".

(b) Sharing of Earnings by Married Couples.—

(1) In general.—Title II of the Social Security Act is amended by adding at the end the following new section:

"SHARING OF EARNINGS BY MARRIED COUPLES

"Sec. 234. (a)(1) For purposes of determining the eligibility of an individual and the spouse of such individual for old-age and disability benefits and the amount of such benefits to which each is or may become separately entitled, the combined earnings of such individual and such spouse shall, to the extent that such earnings are attributable to the marriage period of such individual and such spouse (as determined under paragraph (2)), be divided equally between them and shared in accordance with this section.

"(2)(A) Except as provided in subparagraph (B), for purposes of this section, the term 'marriage period' means the period—

"(i) beginning with the first day of the calendar year in which the marriage of an individual and the spouse of such individual occurs, and

"(ii) ending with the last day of the calendar year preceding the earliest calendar year in which such individual or such spouse dies, they are divorced, or one of them files application for old-age or disability insurance benefits.

"(B)(i) No marriage period shall begin for any individual and the spouse of such individual if their marriage occurs after such individual or such spouse has filed an application for old-age insurance benefits.

"(ii) No marriage period shall include a period for which such individual or such spouse is entitled to disability insurance benefits or the waiting period (as defined in section 223(c)(2)) with respect to such benefits.

"(iii) A marriage period shall include the 'earliest calendar year' referred to in clause (ii) of subparagraph (A) for purposes of recomputations for that year under section 215(f)(2), in any case where an individual or the spouse of such individual dies or they are divorced, unless the survivor (where one of them dies) or either of them (where they are divorced) is remarried later in the same year.

"(b)(1) Except to the extent otherwise provided in subsections (c), (d), and (e), an individual and the spouse of such individual shall each be credited for all of the purposes of this title with wages and self-employment income, for each calendar year for which either of them is credited with any wages and self-employment income without regard to this section during their marriage period, in an amount equal to—

"(A) 50 percent of the combined total of the wages and self-employment income otherwise credited to both of them for that year if (at the close of the month for which the benefit determinations involved are being made) they are both still living, or

"(B) 100 percent of such combined total, up to but not exceeding the maximum amount that may be counted for that year without exceeding the ceiling imposed for that year under section 215(e), if (at the close of such month) one of them has died.

"(2) Nothing in this section shall affect the crediting of wages and self-employment income to any individual for any calendar year not included in a marriage period of such individual; but to the extent that wages and self-employment income are credited pursuant to this section the other provisions of this title specifying the manner in which wages and self-employment income are to be credited shall (to the extent inconsistent with this section) not apply.

"(3) Except where the context requires otherwise, for purposes of this section, the term 'spouse' includes a divorced spouse, a surviving spouse, and a surviving divorced spouse.

"(c) Subsections (a) and (b) shall not apply with respect to the crediting of wages and self-employment income for any calendar year, in the case of any individual and the spouse of such individual, if—

"(1) as a result of the application of such subsections with respect to that year such individual or such spouse would cease to be a fully insured individual (as defined in section 214(a)); or

"(2) such individual or such spouse is applying for disability insurance benefits (or for the establishment of a period of disability) and as a result of the application of such subsections with respect to that year would cease to be insured for such benefits under section 223(c)(1) (or for such a period under section 216(i)(3)).

"(d) Subsections (a) and (b) shall not apply for purposes of determining the amount of the benefit payable to any individual for any month if—

"(1) the total amount of the wages and self-employment income credited to such individual for a marriage period, as determined without regard to this section, is higher than the total amount of the wages and self-employment income credited to such individual's spouse for that period, as so determined; and

"(2) such individual's spouse (taking subsections (a) and (b) into account) has not filed application for old-age or disability insurance benefits by the close of such month.

"(e) Notwithstanding any of the preceding provisions of this section—

"(1) benefits payable under subsection (d) or (h) of section 202 on the basis of the wages and self-employment income of any individual, and benefits payable under subsection (b), (c), (e), (f), or (g) of such section 202 (on the basis of such wages and self-employment income) to any person other than a spouse who has shared in or been credited with a part of such individual's earnings under subsections (a) and (b) of this section, shall be determined as though this section had not been enacted if—

"(A) the application of this section has changed such individual's primary insurance amount from what it would otherwise have been; and

"(B) the crediting of wages and self-employment income to such individual and the spouse of such individual without regard to this section would increase the amount of such benefits; and

"(2) in the application of section 203(a) (relating to maximum family benefits) with respect to benefits payable on the basis of the wages and self-employment income of any individual, where all or any part of the wages and self-employment income of such individual and the spouse of such individual was credited to them in accordance with this section, the primary insurance amount of such individual (and the crediting of such wages and self-employment income) shall be determined in accordance with this section but the benefits payable to any other person on the basis of the wages and self-employment income of such individual shall be determined without regard to this section.

"(f) Notwithstanding any other provision of this title, no wife's, husband's, widow's, or widower's insurance benefit shall be paid to any individual for any month under subsection (b), (c), (e), or (f) of section 202, and no individual shall be entitled to any such benefit, unless—

"(1) the period of such individual's marriage (to the spouse or former spouse on the basis of whose wages and self-employment income such benefit is payable) ended before the effective date of this section;

"(2) such individual is under the age of 62 (and is otherwise entitled to such benefit);

"(3) such benefit is payable without regard to age and solely by reason of such individual's having a child in his or her care; or

"(4) the application of this section to such individual is prevented by subsection (c) or (d) (or by clause (i) or (ii) of subsection (a)(2)(B)).

"(g) For purposes of subsections (a)(2) and (d), an individual's application for old-age or disability insurance benefits shall be deemed to have been filed on the first day of the first month for which (by reason of the operation of section 202(j) or 223(b)) such individual is entitled to such benefits.".

(2) CONFORMING CHANGES.—

(A) Section 202(b)(1) of the Social Security Act is amended by striking out "The wife" and inserting in lieu thereof "To the extent permitted by section 234(g), the wife".

(B) Section 202(c)(1) of such Act is amended by striking out "The husband" and inserting in lieu thereof "To the extent permitted by section 234(g), the husband".

(C) Section 202(e)(1) of such Act is amended by striking out "The widow" and inserting in lieu thereof "To the extent permitted by section 234(g), the widow".

(D) Section 202(f)(1) of such Act is amended by striking out "The widower" and inserting in lieu thereof "To the extent permitted by section 234(g), the widower".

(E) Section 205(c)(5) of such Act is amended—

(i) by striking out "or" at the end of subclause (I);

(ii) by striking out the period at the end of subclause (J) and inserting in lieu thereof a semicolon and "or"; and

(iii) by adding at the end the following new subclause:

"(K) to reflect any changes in the crediting of wages and self-employment income which may be necessitated by section 234.".

(F) Section 215(b) of such Act is amended by adding at the end the following new paragraph:

"(5) The determination of the wages and self-employment income to be credited to an individual under this subsection shall in all cases be made after the application of section 234.".

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply only to wages and self-employment income payable after December 31, 1988, to an individual who has not attained age 50 on or before such date, and only if—

(A) the spouse of such individual has not attained age 50 on or before such date; and

(B)(i) in the case of a benefit based upon the attainment by the wage earner of age 62, such individual and such spouse attain age 62;

(ii) in the case of a benefit based upon the death of the wage earner, such death occurs after December 31, 1988, and the individual claiming such benefit attains age 62; and

(iii) in the case of a benefit described in subparagraph (i) or (ii) with respect to a divorced individual and spouse, the divorce occurs after December 31, 2001.

(2) BENEFITS BASED ON DISABILITY.—In the case of a disability insurance benefit, and a widow's or widower's insurance benefit based upon disability—

(A) if an individual is entitled to such benefit before January 1, 1989, the provisions of this section shall not apply—

(i) for the period for which such individual continues to be entitled to such benefit, and

(ii) in the case of an individual who continues to be entitled to such benefit until age 62, for the period such individual is entitled to an old-age insurance benefit;

(B) if—

(i) an individual becomes entitled to such benefit after December 31, 1988, and before January 1, 2001; and

(ii) the total benefits payable to all individuals on the basis of the wages and self-employment income of the individual upon whose disability such entitlement is based (determined without regard to the provisions of this section) exceeds the total of benefits payable to all individuals on the basis of the wages and self-employment income of the individual upon whose disability such entitlement is based, and to the spouse of such individual, under the provisions of this section,

the provisions of this section shall not apply for the period during which the conditions of clause (ii) continue to be met and during which such individual (i) continues to be eligible for such benefit, or (ii) in the case of such an individual who continued to be eligible for such benefit until age 62, is entitled to an old-age insurance benefit.

SEC. 132. REPEAL OF SEPARATE DEFINITION OF DISABILITY PRESENTLY APPLICABLE TO WIDOWS AND WIDOWERS.

(a) IN GENERAL.—

(1) Section 223(d)(2) of the Social Security Act is amended—

(A) by striking out "(except a widow, surviving divorced wife, widower, or surviving divorced husband for purposes of section 202(e) or (f))" in subparagraph (A);

(B) by striking out subparagraph (B); and

(C) by redesignating subparagraph (C) as subparagraph (B).

(2) The third sentence of section 216(i)(1) of such Act is amended by striking out "(2)(C)" and inserting in lieu thereof "(2)(B)".

(b) ENTITLEMENT TO HOSPITAL INSURANCE BENEFITS.—

(1) Section 226(e) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"(5) For purposes of determining entitlement to hospital insurance benefits under subsection (b) in the case of an individual described in clause (iii) of subsection (b)(2)(A), any month which occurred before the date of the enactment of this paragraph, and for which such individual—

"(A) was paid a supplemental security income benefit under title XVI on the basis of disability, and

"(B) met all of the requirements for entitlement to widow's insurance benefits under section 202(e) or widower's insurance benefits under section 202(f) on the basis of disability except the requirement of a disability determined under the separate definition contained in section 223(d)(2)(B) (as in effect on the day before the date of the enactment of this paragraph) and the requirement of application,

may at such individual's election (made in such manner and form as the Secretary shall prescribe) be included as one of the 24 months for which such individual must have been entitled to widow's or widower's insurance benefits on the basis of disability in order to become entitled to hospital insurance benefits on that basis.".

(2) Section 223(f) of such Act is amended by inserting after "shall not include any month" in the matter following paragraph (2) the following: "(other than a month described in subsection (e)(5))".

(c) EFFECTIVE DATES.—

(1) The amendments made by subsection (a) shall apply with respect to monthly insurance benefits under title II of the Social Security Act for months after the month in which this section is enacted.

(2) The amendments made by subsection (b) shall apply with respect to entitlement to hospital insurance benefits under part A of title XVIII of the Social Security Act for months after the month in which this section is enacted.

SEC. 133. PENSION REFORM.

(a) SHORT TITLE.—This section may be cited as the "Pension Reform Act of 1987".

(b) PENSION INTEGRATION RULES.—

(1) APPLICABILITY OF NEW INTEGRATION RULES EXTENDED TO ALL EXISTING ACCRUED BENEFITS.—Subsection (c)(1) of section 1111 of the Tax Reform Act of 1986 (relating to effective date of application of nondiscrimination rules to integrated plans) is amended by striking "benefits attributable to".

(2) INTEGRATION DISALLOWED FOR SIMPLIFIED EMPLOYEE PENSIONS.—

(A) IN GENERAL.—Subparagraph (D) of section 408(k)(3) of the Internal Revenue Code of 1986 (relating to permitted disparity under rules limiting discrimination under simplified employee pensions) is repealed.

(B) CONFORMING AMENDMENT.—Subparagraph (C) of such section 408(k)(3) is amended by striking "and except as provided in subparagraph (D),".

(C) EFFECTIVE DATE.—The amendments made by this paragraph shall apply with respect to taxable years beginning on or after January 1, 1987.

(3) EVENTUAL REPEAL OF INTEGRATION RULES.—Effective for plan years beginning on or after January 1, 2000—

(A) subparagraphs (C) and (D) of section 401(a)(5) of the Internal Revenue Code of 1986 (relating to pension integration exceptions under nondiscrimination requirements for qualification) are repealed, and subparagraph (E) of such section 401(a)(5) is redesignated as subparagraph (C); and

(B) subsection (l) of section 401 of such Code (relating to nondiscriminatory coordination of defined contribution plans with OASDI) is repealed.

(c) APPLICATION OF MINIMUM COVERAGE REQUIREMENTS WITH RESPECT TO SEPARATE LINES OF BUSINESS.—

(1) IN GENERAL.—Subsection (b) of section 410 of the Internal Revenue Code of 1986 (relating to minimum coverage requirements) is amended—

(A) in paragraph (1), by striking "A trust" and inserting "In any case in which the employer with respect to a plan is treated, under section 414(r), as operating separate lines of business for a plan year, a trust", and by inserting "for such plan year" after "requirements"; and

(B) by redesignating paragraphs (3) through (6) as paragraphs (4) through (7), respectively and by inserting after paragraph (2) the following new paragraph:

"(3) SPECIAL RULE WHERE EMPLOYER OPERATES SINGLE LINE OF BUSINESS.—In any case in which the employer with respect to a plan is not treated, under section 414(r), as operating separate lines of business for a plan year, a trust shall not constitute a qualified trust under section 401(a) unless such trust is designated by the employer as part of a plan which benefits all employees of the employer.".

(2) Limitation on line of business exception.—Paragraph (6) of section 410(b) of such Code (as redesignated by paragraph (1)(B) of this subsection) is amended by inserting "other than paragraph (1)(A)" after "this subsection".

(d) Elimination of Special Vesting Rule for Multiemployer Plans.—

(1) Internal revenue code amendment.—Paragraph (2) of section 411(a) of the Internal Revenue Code of 1986 (relating to minimum vesting standards) is amended—

(A) by striking "subparagraph (A), (B), or (C)" and inserting "subparagraph (A) or (B)"; and

(B) by striking subparagraph (C).

(2) ERISA amendment.—Paragraph (2) of section 203(a)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(a)(2)) is amended—

(A) by striking "subparagraph (A), (B), or (C)" and inserting "subparagraph (A) or (B)"; and

(B) by striking subparagraph (C).

(e) Effective Dates.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section, other than subsection (b), shall apply with respect to plan years beginning on or after January 1, 1988.

(2) Special rule for collectively bargained plans.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified on or before the date of the enactment of this section, paragraph (1) shall be applied to benefits pursuant to, and individuals covered by, any such agreement by substituting for "January 1, 1988" the date of the commencement of the first plan year beginning on or after the earlier of—

(A) the later of—

(i) January 1, 1988, or

(ii) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof after the date of the enactment of this section), or

(B) January 1, 1990.

(3) Plan amendments.—If any amendment made by this section requires an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after January 1, 1989, if—

(A) during the period after such amendment made by this section takes effect and before such first plan year, the plan is operated in accordance with the requirements of such amendment made by this section, and

(B) such plan amendment applies retroactively to the period after such amendment made by this section takes effect and such first plan year.

A plan shall not be treated as failing to provide definitely determinable benefits or contributions, or to be operated in accordance with the provisions of the plan, merely because it operates in accordance with this subsection.

SEC. 134. STUDY ON COST-OF-LIVING ADJUSTMENTS UNDER PRIVATE PENSION PLANS.

(a) Study by General Accounting Office.—As soon as possible after the date of the enactment of this section, the Comptroller General of the United States, in accordance with the authority provided under section 11016(d) of the Single-Employer Pension Plan Amendments Act of 1986 (100 Stat. 275), shall undertake a thorough study with respect to alternative methods of requiring employee pension benefit plans to provide cost-of-living and other adjustments to benefits payable under such plans.

(b) Matters To Be Studied.—The Comptroller General, in carrying out the study provided for in this section, shall address, analyze, and report specifically on—

(1) the effect inflation is having and may be expected to have on women receiving private pension benefits as either plan participants or beneficiaries,

(2) the number of plans which provide for cost-of-living or other adjustments to benefits,

(3) the manner in which plans providing for such adjustments determine when, and for whom, an adjustment will be made,

(4) the frequency with which other plans make cost-of-living and other benefit adjustments, and how the determination to make such adjustments is made,

(5) the possible application of funds currently available for employer reversions for cost-of-living and other benefit adjustments, and

(6) the costs incurred in requiring such adjustments to benefits.

(c) Report.—Not later than 2 years after the date of the enactment of this section, the Comptroller General shall submit to the Committee on Ways and Means and the Committee on Education and Labor of the House of Representatives and the Committee on Finance and the Committee on Labor and Human Resources of the Senate a report of the findings of the study provided for by this section, together with any recommendations the Comptroller General considers appropriate.

SEC. 135. STUDY ON PENSION PORTABILITY.

(a) Study by General Accounting Office.—As soon as possible after the date of the enactment of this section, the Comptroller General of the United States, in accordance with the authority provided under section 11016(d) of the Single-Employer Pension Plan Amendments Act of 1986 (100 Stat. 275), shall undertake a thorough study with respect to alternative pension portability mechanisms, including mechanisms for promoting portability of benefits, credited service, and current values of cash distributions, for preserving and enhancing the real value of deferred vested pension benefits.

(b) Matters To Be Studied.—The Comptroller General, in carrying out the study provided for in this section, shall address, analyze, and report specifically on—

(1) the types of possible portability mechanisms for both defined benefit plans and defined contribution plans,

(2) the manner in which, and extent to which, each mechanism would preserve and enhance the real value of deferred vested benefits,

(3) the most effective ways to ensure that retirement money will be used for retirement,

(4) the measures necessary to be taken to effectively ensure that the joint and survivor annuity form of benefit will be preserved,

(5) the existing rules under the Employee Retirement Income Security Act of 1974, the Internal Revenue Code of 1986, and other applicable provisions of law which can be considered portability mechanisms, their effectiveness, and the frequency of their use, and

(6) the costs of establishing effective portability mechanisms for both defined benefit plans and defined contribution plans.

(c) Report.—Not later than 2 years after the date of the enactment of this section, the Comptroller General shall submit to the Committee on Ways and Means and the Committee on Education and Labor of the House of Representatives and the Committee on Finance and the Committee on Labor and Human Resources of the Senate a report of the findings of the study provided for by this section, together with any recommendations the Comptroller General considers appropriate.

SEC. 136. PROTECTION OF INCOME AND RESOURCES OF COMMUNITY SPOUSE.

(a) Short Title.—This section may be cited as the "Medicaid Community Spouse Safety Net Act of 1987".

(b) In General.—Section 1902 of the Social Security Act (42 U.S.C. 1396a) is amended—

(1) in subsection (a)(10)(a)(ii)(V)—

(A) by inserting "(except as provided in subsection (p)(1))" before "meet the resource requirements", and

(B) by inserting "(except as provided in subsection (p)(2))" after "which is consistent";

(2) in subsection (a)(17)(A), by inserting "and subsection (p)" after "objectives of this title"; and

(3) by redesignating the subsection (l) added by section 3(b) of the Employment Opportunities for Disabled Americans Act as subsection (o) and by adding at the end the following new subsection:

"(p) Special Resource and Income Standards To Protect Community Spouses.—

"(1) Alternative resource standard.—Notwithstanding any provision of subsection (a) to the contrary, a State plan under this title must provide that, for purposes of determining the eligibility of an institutionalized spouse for medical assistance under the plan, the resources of the institutionalized spouse and the community spouse may exceed the applicable amount determined under section 1611(a)(3)(A), but may not exceed $25,000, if any such resources in excess of such applicable amount are available for the support and maintenance of the community spouse.

"(2) Alternative income standard.—(A) Notwithstanding any provision of subsection (a) to the contrary, a State plan under this title must provide that, for purposes of determining the post-eligibility treatment of income of an institutionalized spouse under the plan, the maintenance needs monthly income level for the community spouse is not less than the amount specified in subparagraph (B)(i) or the amount specified under subparagraph (C).

"(B)(i) For purposes of subparagraph (A), the amount specified in this clause is the amount that is equal to the sum of—

"(I) the amount determined under clause (ii) for a month, and

"(II) the excess shelter allowance of the community spouse determined under clause (iii) for such month.

"(ii) For purposes of clause (i), the amount determined under this clause is—

"(I) for months in fiscal year 1988 $750, and

"(II) for months in a fiscal year after fiscal year 1988, $750 increased or decreased (to the nearest $10) by the same percentage as the percentage increase or decrease, respectively, in the Consumer Price Index for All Urban Consumers (U.S. city average, as published by the Secretary of Labor) between June 1987 and the June before the beginning of the fiscal year involved.

"(iii) For purposes of clause (i), the excess shelter allowance, for a community spouse for a month, is the amount by which the sum of—

"(I) the spouse's expenses for mortgage payment (including principal, interest, taxes, and insurance) or rent for the month, and

"(II) the standard utility allowance (used by the State under section 5(e) of the Food Stamp Act of 1977) for the month, or, if the State does not use such an allowance, the spouse's estimated actual utility expenses for the month,

exceeds 30 percent of the amount determined under clause (ii) for the month.

"(C) A State plan may specify an amount which is up to one-third higher than the amount specified in subparagraph (B)(i).

"(3) Definitions.—In this subsection:

"(A) The term 'community spouse' means the spouse of an institutionalized individual, if the spouse is not residing in an institution.

"(B) The term 'institutionalized individual' means an individual who is residing in an institution.

"(C) The term 'resources' means resources as determined in accordance with section 1613.".

(c) Conforming Amendment.—Section 1903(f)(4) of such Act (42 U.S.C. 1396b(f)(4)) is amended—

(1) by striking "or" at the end of subparagraph (B),

(2) by inserting "or" at the end of subparagraph (C), and

(3) by inserting after subparagraph (C) the following new subparagraph:

"(D) who is an institutionalized individual described in section 1902(p)(3)(B) and with respect to whom section 1902(p)(1) applies,".

(d) Effective Date.—

(1) In general.—The amendments made by this section apply (except as provided under paragraph (2)) to payments under title XIX of the Social Security Act for medical assistance furnished for services furnished on or after October 1, 1987, without regard to whether regulations to implement such amendments are promulgated by such date.

(2) Delay permitted if State legislation required.—In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this section.

SEC. 137. NONDISCRIMINATION IN INSURANCE.

(a) Short Title.—This section may be cited as the "Nondiscrimination in Insurance Act".

(b) Findings and Policy.—

(1) The Congress finds that—

(A) discrimination based on race, color, religion, sex, or national origin is contrary to the established policy of the United States;

(B) such discrimination when practiced in connection with insurance contracts by an insurer—

(i) impairs the economic welfare of many consumers who rely on the protection available under insurance contracts; and

(ii) constitutes a widely prevalent unfair trade practice which adversely affects and burdens interstate commerce and is inconsistent with the Nation's nondiscrimination policy; and

(C) such discrimination in insurance can be eliminated without unduly burdening those engaged in the business of providing insurance.

(2) The Congress therefore declares that it is the policy of the United States under this section—

(A) to eliminate discrimination in insurance on the basis of race, color, religion, sex, or national origin;

(B) that no insurer may, on the basis of race, color, religion, sex, or national origin, refuse to make insurance available to any person or treat any insured or beneficiary differently than the insurer does for any other insured or beneficiary concerning the terms, conditions, rates, benefits, or requirements of any insurance contract subject to this section;

(C) to provide adequate remedies against those who fail to comply with this section; and

(D) not to affect the responsibility and authority of States to regulate the business of insurance, if such regulation is consistent with and does not prevent compliance with this section.

(c) Definitions.—For purposes of this section, the term—

(1) "aggrieved person" means an insured or a beneficiary, under any insurance contract, who alleges that a discriminatory action affecting such person has occurred;

(2) "beneficiary" means a person who has an interest in an insurance contract pursuant to its terms or under any other contract or a court order;

(3) "discriminatory action" means action by an insurer which is unlawful under this section;

(4) "insurance" and "insurance contract" mean any arrangement (whether by contract, policy, binder, reinsurance, employee benefit plan, or otherwise) including annuity and pension arrangements, whereby a person agrees to provide benefits (whether by reimbursement, periodic or lump-sum payments, provision of services, or otherwise) in case specified events occur in connection with death, disability, medical conditions, attainment of specified age, retirement from employment, accident and casualty, economic loss, theft, liability, or other events customarily dealt with in an insurance contract;

(5) "insured" means any person—

(A) with respect to whose circumstances the terms of an insurance contract apply;

(B) who is the owner of an insurance contract; or

(C) who is an applicant or has attempted to become an applicant for an insurance contract issued or offered to be issued by an insurer;

(6) "insurer" means any person who provides insurance to others or otherwise engages in the business of insurance, and whose activities—

(A) affect interstate commerce;

(B) utilize facilities of the United States Postal Service;

(C) utilize any facilities used in interstate commerce by any person; or

(D) result in a discriminatory action carried on under color of any law, statute, ordinance, or regulation, or required, permitted, or sanctioned, or supported with funds provided, by the United States, any State, any political subdivision of any State, or any agency or officer of the United States or of any political subdivision of any State;

and includes such person's agent or any other person who aids in the doing of any action prohibited by this section;

(7) "person" includes one or more individuals, governments, agencies of the United States, or of any State, or of any political subdivision of any State, labor unions, partnerships, associations, corporations, legal representatives, mutual companies, joint ventures, joint stock companies, societies, trusts, unincorporated organizations, trustees, trustees in bankruptcy, receivers, or fiduciaries;

(8) "sex" means gender, and discrimination on the basis of sex includes discrimination on the basis of pregnancy, childbirth, or related medical conditions of a female; and

(9) "State" includes any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

(d) Discriminatory Actions.—

(1) No insurer may, because of, or on the basis of, the race, color, religion, sex, or national origin of any person—

(A) refuse to make, refuse to negotiate, otherwise make unavailable or deny, or delay receiving and processing an application for, an insurance contract of the type ordinarily made or offered by such insurer;

(B) treat any insured or beneficiary differently than the insurer treats or would treat any other insured or beneficiary concerning the terms, conditions, rates, benefits, or requirements of any insurance contract subject to this section;

(C) use any statistical table (whether of mortality, life expectance, morbidity, disability, disability termination, losses or any other statistical compilation) as a basis for action prohibited by this section;

(D) discriminate in any manner against any person because such person has opposed any practice made unlawful under this section or has made a charge, testified, assisted, or participated in any manner in an investigation, proceeding, hearing or litigation under this section;

(E) make, print, publish, or cause to be made, printed, or published, any notice, statement, or advertisement relating to any insurance coverage that the insurer provides or offers to provide, indicating any preference, limitation, specification, or discrimination based on the race, color, religion, sex, or national origin of any person;

(F) address, or fail to address, any particular person or group of persons in any effort to market insurance contracts;

(G) charge or collect any premium payment or contribution which becomes due after the effective date of this section under any insurance contract; or

(H) determine the amount of, or provide to any insured or other beneficiary under an insurance contract, any benefit after the effective date of this section.

(2) Except as otherwise provided in this section, an insurer may use any method of achieving the objective of this section to prohibit discrimination based on or because of race, color, religion, sex, or national origin under any insurance contract.

(e) State Enforcement Prior to Judicial Enforcement Under This Act.—

(1) If an alleged discriminatory action occurs which is within the jurisdiction of a State law prohibiting such discriminatory action and establishing or authorizing a State agency or officer through administra-

tive proceedings to grant relief from such discriminatory action, any person alleging that a discriminatory action has occurred and desiring to preserve the right to seek judicial relief under subsection (f) must, within 180 days after the occurrence of the alleged discriminatory action, notify the State agency or officer about the alleged discriminatory action and request that agency or officer to remedy, through appropriate administrative proceedings, that alleged discriminatory action.

(2) For the purposes of this section, depositing a written statement or notice of the alleged discriminatory action in the United States mails by certified or registered mail addressed to the relevant State agency or officer shall constitute adequate filing of such notice.

(f) Civil Action by or on Behalf of Aggrieved Person.—

(1) If no State law confers jurisdiction on a State agency or officer to remedy a discriminatory action through an administrative proceeding requested pursuant to subsection (e), a civil action for violation of this section may be instituted by or on behalf of an aggrieved person under this subsection within 365 days following the alleged discriminatory action.

(2) If a State law does confer jurisdiction on a State agency or officer to remedy the discriminatory action through an administrative proceeding, but the State agency or officer has failed, within 180 days after receiving the notice and request specified in subsection (e), to remedy the alleged discriminatory action through such administrative proceeding, regardless of any provisions for judicial review thereof, a civil action for violation of this section may be instituted by or on behalf of an aggrieved person under this section within 180 days after the expiration of the time here allowed for the State agency or officer to remedy the alleged discriminatory action through the administrative proceedings requested pursuant to subsection (e).

(3) Any civil action under this subsection may be instituted in any State court having jurisdiction under State law, or in a United States district court having jurisdiction under subsection (h), and shall not be prejudiced by any action taken or omitted in the administrative proceedings or judicial review thereof.

(4) Where the alleged discriminatory action is continuing in character, any deadline for the filing of notice and request pursuant to subsection (e), or for the filing of a civil action pursuant to this subsection, shall be computed, for the purposes of this section, from the last day on which such continuing discriminatory action occurred.

(5) Upon the plaintiff's application and in such circumstances as the court may deem just, the court before which a civil action is brought under this subsection may appoint an attorney for such plaintiff and may authorize the commencement of the civil action without the payment of fees, costs, or security.

(6) Upon request of the relevant State authority or any party to a civil action brought under this subsection, the court may stay further proceedings for not more than sixty days pending the termination of State proceedings described in subsection (e).

(g) Civil Action by the Attorney General Involving Issues of General Public Importance.—Whenever the Attorney General of the United States has reasonable cause to believe that any person is engaged in a pattern or practice of violation of this section, or that any person is an aggrieved person with respect to any discriminatory action under this section, and an issue of general public importance is raised, the Attorney General may bring a civil action in any United States district court having jurisdiction under subsection (h) by filing with such court a complaint setting forth the facts and requesting such relief as the Attorney General considers necessary to ensure that the provisions and policies of this section are not violated.

(h) Jurisdiction.—Any civil action under subsections (f) or (g) instituted in a United States district court may be brought, without regard to the amount in controversy, in the United States district court of any judicial district in a State in which (1) the alleged discriminatory action occurred, (2) the defendant's principal office is located, (3) the defendant maintains and administers records relevant to the alleged discriminatory action, (4) the defendant resides or is located, (5) the defendant is incorporated or has a designated agent for service of process, or (6) the defendant transacts business.

(i) Judicial Relief.—If the court in any civil action brought under subsections (f) or (g) determines that a defendant has committed a discriminatory action under this section, the court, in addition to any other powers which it may otherwise exercise—

(1) shall order the defendant to amend any relevant insurance contract to comply with the provisions of this section;

(2) shall award actual damages for the period of noncompliance with this section equal to the difference between the value of premium payments or contributions paid and benefits received by the aggrieved person and their value, pertaining to the period of noncompliance, if the defendant had on the effective date of this section, or the date of the contract, whichever is later, equalized all premium payments or contributions and benefits to comply with this section without increasing the premium payments or contributions, or reducing the benefits, of any insured or beneficiary;

(3) may require the defendant to pay punitive damages, in addition to any actual damages, to aggrieved persons as individual plaintiffs or members of a class thereof; and in determining the amount of such punitive damages the court shall consider, among other relevant factors, the amount of actual damages awarded, the frequency and persistence of the defendant's failure to comply with provisions of this section, the defendant's resources, the number of persons affected by the discriminatory action, the extent to which the defendant was enriched through its discriminatory action, and the extent to which the defendant's failure to comply with this section was intentional; and

(4) shall award the aggrieved person reasonable attorney fees as part of any costs assessed against the defendant, as the court deems proper.

(j) Inapplicability.—Nothing in this section shall be construed to—

(1) amend or modify the rights, liabilities, or duties of, the remedies available to, or the penalties or punishments imposed upon, any employer, insurer, or any other person under any law or Executive order prohibiting discrimination in employment on the basis of an individual's race, color, religion, sex, or national origin, or under any rule, regulation, order, or agreement under such law or Executive order;

(2) exempt or relieve any person from any liability, duty, penalty, or punishment under any State or local law, other than any such law which purports to require or permit the doing of any act which would be a discriminatory action under this section;

(3) apply to any action or provision under an insurance contract or plan, related to employment or former employment of any individual, which is subject to title VII of the Civil Rights Act of 1964, as amended;

(4) affect the fixed dollar amount of benefits due under an insurance contract the terms of which provide for regularly recurring periodic benefits of a fixed dollar amount if such regularly recurring periodic benefits of a fixed dollar amount have begun to be paid before the effective date of this section and continue to be so paid, pursuant to the terms fixed in that contract;

(5) affect the fixed dollar amount of premium payments or contributions or benefits due under an individual contract of life insurance or an individual annuity contract if such life insurance contract or such annuity contract was entered into before the effective date of this section, to the extent that the dollar amount of such premium payments, contributions or benefits under such contract was specified and fixed before the effective date of this section by the terms of the contract; or

(6) prohibit an insurer who, before the effective date of this section, regularly provided insurance coverage solely to persons of a single religious affiliation from continuing to provide insurance solely to persons of that religious affiliation.

(k) Effective Date.—This section shall take effect on the first day of the first month which begins after the expiration of twelve calendar months after the date of the enactment of this section.

SEC. 138. FEDERAL COUNCIL ON WOMEN.

(a) Short Title.—This section may be cited as the "Federal Council on Women Act".

(b) Establishment.—There is established in the legislative branch of the Federal Government a council to be known as the Federal Council on Women (in this section referred to as the "Council").

(c) Duties.—The Council shall—

(1) collect and evaluate information with respect to any problems that are particular to women in the United States, including information with respect to whether a disproportionate number of women live in poverty;

(2) review and evaluate Federal policy and proposed Federal policy related to any such problems;

(3) coordinate the activities of the Council with any similar activities conducted by States, political subdivisions of States, and concerned organizations; and

(4) make recommendations with respect to actions that should be taken to alleviate any such problems.

(d) Membership.—

(1) Appointment.—The Council shall be composed of 9 members appointed as follows:

(A) 4 individuals appointed by the President pro tempore of the Senate after consultation with the Majority Leader of the Senate and the Minority Leader of the Senate. Not more than 2 of the individuals appointed by the President pro tempore may be of the same political party.

(B) 4 individuals appointed by the Speaker of the House of Representatives after consultation with the Minority Leader of the House of Representatives. Not more than 2 of the individuals appointed by the Speaker may be of the same political party.

(C) 1 individual appointed by the League of Women Voters.

(2) STATE RESIDENCY REQUIREMENT.—The appointment of members of the Council under paragraph (1) shall be carried out so that no 2 individuals appointed are, on the date of the respective appointments, residents of the same State.

(3) TERMS.—Except as provided in paragraph (4), each member of the Council shall be appointed for a term of 3 years.

(4) VACANCIES.—

(A) Any member appointed to fill a vacancy occurring before the expiration of the term of the predecessor of the member shall be appointed for the remainder of the term of the predecessor.

(B) A member may continue to serve after the expiration of the term of a member until a successor is appointed.

(C) Any vacancy in the membership of the Council shall not affect the power of the remaining members to execute the duties of the Council.

(5) CHAIRPERSON AND VICE CHAIRPERSON.—A majority of the members of the Council shall elect a chairperson and a vice chairperson from among the members of the Council.

(6) QUORUM.—A quorum shall consist of 5 members of the Council.

(7) MEETINGS.—The Council shall meet at the call of the chairperson, the vice chairperson, or a majority of the members. The Council shall meet not less than once every 4 months and may not hold more than 4 meetings during any 12-month period.

(8) COMPENSATION AND REIMBURSEMENT OF EXPENSES.—Members of the Council may not receive any compensation for service on the Council. Members may, in accordance with chapter 57 of title 5, United States Code, be reimbursed for travel, subsistence, and other necessary expenses incurred in carrying out the duties of the Council.

(e) STAFF.—The Council may appoint and determine the compensation of staff, including a full-time staff director. Staff may not be paid in excess of the maximum rate of basic pay payable for GS-13 of the General Schedule under chapter 51 of title 5, United States Code.

(f) POWERS.—

(1) IN GENERAL.—For the purpose of carrying out the duties of the Council, the Council may hold such hearings and undertake such other activities as the Council may determine to be useful.

(2) USE OF MAILS.—The Council may send franked mail through the United States mails under the conditions described in section 3210 of title 39, United States Code.

(3) OBTAINING OFFICIAL INFORMATION.—Upon the request of the Council, the heads of Federal agencies shall furnish to the Council any information available under section 552 of title 5, United States Code.

(4) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Council, the Administrator of General Services shall provide to the Council on a reimbursable basis any administrative support services determined by the Council to be useful in carrying out the duties of the Council.

(g) ANNUAL REPORT.—The Council shall, not later than June 1 of each year, submit a report to the Congress. Each report shall contain a detailed statement of the findings, conclusions, and recommendations of the Council as a result of carrying out its duties under section 3.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $200,000 for each fiscal year.

TITLE II—DEPENDENT CARE

PART A—IMPROVING THE QUALITY OF DEPENDENT CARE

SEC. 201. TRAINING FOR FAMILY DAY CARE PROVIDERS.

(a) SHORT TITLE.—This section may be cited as the "Family Day Care Provider Assistance Act of 1987".

(b) GRANTS TO STATES.—

(1) The Secretary of Health and Human Services (hereinafter referred to in this Act as the "Secretary") shall make payments to States to be used by the State for making grants to community-based nonprofit organizations in such State to—

(A) provide training to family day care providers;

(B) operate resource centers for making available to family day care providers developmentally appropriate curriculum materials;

(C) operate a system of substitute caregivers for providers;

(D) furnish technical assistance to providers in understanding local regulations and relevant tax and other policies pertaining to family day care;

(E) provide subgrants to family day care providers for the purchase of small equipment; and

(F) provide such other support to family day care providers in their communities as the State determines to be appropriate.

(2) The State shall make grants pursuant to paragraph (1) to—

(A) nonprofit organizations within the community to be served with experience in working with family day care (including child care food program umbrella sponsors, resource and referral programs, and family day care associations); and

(B) furnishing or proposing to furnish support primarily to providers serving low-income families.

(3) The Secretary shall establish such application procedures and reporting requirements for States as may be necessary to assure that payments made under this section are used only for the purposes specified in this section.

(c) NATIONAL RESOURCE CENTER ON FAMILY DAY CARE.—

(1) The Secretary shall establish a National Resource Center on Family Day Care, to be administered by the Administration for Children, Youth and Families. The center shall be operated on a regional basis, either directly or through grant or contract.

(2) The center shall—

(A) offer training to individuals involved in training family day care providers;

(B) serve as a clearinghouse for resource materials on family day care; and

(C) provide technical assistance to family day care sponsors, family day care providers, and individuals involved in training family day care providers, with respect to laws and regulations applicable to the provision of family day care services, including but not limited to zoning, tax, liability, and other issues of particular concern to family day care.

(d) AUTHORIZATION OF APPROPRIATIONS; ALLOTMENT.—

(1) There are authorized to be appropriated $10,000,000 for each fiscal year for purposes of making payments to States under subsection (b).

(2) Each State's payment under subsection (b) for a fiscal year shall be an amount which bears the same ratio to the amount appropriated under paragraph (1), as such State's payment under title XX of the Social Security Act for the same fiscal year bears to the total amount of payments to all States under title XX of the Social Security Act for such fiscal year.

(3) For purposes of operating the National Resource Center on Family Day Care under subsection (c), there are authorized to be appropriated $250,000 for each fiscal year.

(e) EFFECTIVE DATE.—This section shall be effective for fiscal year 1988 and each fiscal year thereafter.

SEC. 202. IMPROVEMENT OF CHILD CARE STANDARDS.

(a) SHORT TITLE.—This section may be cited as the "Child-Care Standards Improvement Act of 1987".

(b) GRANTS FOR IMPROVING STATE CHILD-CARE LICENSING AND REGULATORY SYSTEMS.—

(1)(A) In order to further the activities begun with funds appropriated for fiscal year 1985 by section 401(a)(2) of Public Law 98-473, making continuing appropriations for the fiscal year 1985, there are authorized to be appropriated $25,000,000 for each of fiscal years 1988, 1989, and 1990 for the purpose of making grants to the States as provided for in paragraph (2).

(B) Funds appropriated under this subsection shall remain available for expenditure until the end of the fiscal year following the fiscal year in which such funds became available.

(2)(A) From the funds made available under paragraph (1), the Secretary of Health and Human Services (hereafter in this Act referred to as the "Secretary") shall make grants, upon application and submission by a State of a plan which meets the requirements of subparagraph (B)(i), for the purpose of assisting the State in carrying out such plan.

(B)(i) Except as provided in clause (ii), any State desiring to receive a grant under this section shall submit to the Secretary a plan to carry out the recommendations, for correcting the deficiencies in or improving the State's licensing, regulating, or monitoring of child-care programs, contained in the report submitted under subsection (c).

(ii) A State's plan submitted under this paragraph may include carrying out less than all of such recommendations, but in the event that a plan omits carrying out any recommendation the plan shall include a detailed explanation of the reasons for the State not planning to carry out any such omitted recommendation.

(C) No grant may be made under this section unless the State submits an application to the Secretary therefor at such time, in such manner, and containing or accompanied by such information as the Secretary considers necessary.

(3) In making grants under this section, the Secretary shall initially allocate funds among the States in the same proportions as their regular allotments as determined under title XX of the Social Security Act, except that if any part of the amount made available under this section remains after all grants have been made in accordance with the preceding provisions of this sentence, the Secretary shall use the remaining part for making further grants to States which require additional assistance to carry out their plans submitted under paragraph (2), but for years after fiscal year 1988 priority shall be given in distributing such additional funds to those States which have developed a plan which will lead to such States meeting or exceeding the recommended standards established by the Na-

tional Advisory Committee pursuant to this section.

(4) Each State which submits an application for a grant under this section must provide satisfactory assurances that the funds therefrom will be used solely for improving the State's licensing, regulating, or monitoring of child-care programs or otherwise improving the quality of child-care programs within the State.

(c) STATE REVIEW OF CHILD-CARE LICENSING AND REGULATORY SYSTEMS.—

(1) As a condition of the State's eligibility for receiving Federal payments under this section, the Governor of each State shall establish or designate a State Advisory Committee on Child-Care Standards (hereinafter referred to as the "State Advisory Committee") which shall be composed of not less than fifteen members, of which not less than one-third shall be parents of children who are currently enrolled in child-care programs (including both center-based and family day care home programs) and not less than one-third shall be either representatives of different types of child-care programs (including both center-based and family day care home programs) or individuals who are professionals in the field of child development.

(2)(A) It shall be the function of each such State Advisory Committee to examine, investigate, and study the State's laws, regulations, and procedures for licensing, regulating, and monitoring child-care services and programs within the State, to prepare the report described in subparagraph (B), and, if requested by the Governor, to monitor such licensing, regulating, and monitoring activities on a regular basis.

(B) Each State Advisory Committee shall prepare a report outlining the committee's findings and recommendations resulting from its examination, investigation, and study under this section, including a description of the current status of child-care licensing, regulating, or monitoring within the State, the deficiencies, if any, in the existing licensing, regulating, or monitoring programs (including an assessment of the adequacy of staff to carry out effectively the State program), and recommendations to correct such deficiencies, if any, or to improve such licensing, regulating, or monitoring programs. The report shall set forth separately such information and recommendations with respect to center-based programs and family day care programs. The committee shall submit the report to the Governor not later than June 1, 1988, and the Governor of each State shall, not later than September 30, 1988, transmit it to the Secretary along with the Governor's comments and the State's plan, as provided for under subsection (b), for correcting deficiencies in or improving its licensing, regulating, or monitoring programs.

(3) In carrying out its activities under paragraph (2), each State Advisory Committee shall review and take into consideration the final 1980 HEW Day Care Regulations, volume 45, page 17870 of the Federal Register (March 19, 1980), and the options for child-care standards published by the Department of Health and Human Services in January 1985 pursuant to Public Law 98-473, including the standards set forth in the appendices to that document.

(d) NATIONAL ADVISORY COMMITTEE ON CHILD-CARE STANDARDS.—

(1)(A) In order to assist and provide guidance to the States in improving the quality of child-care services, there is established a National Advisory Committee on Child-Care Standards (hereinafter referred to as the "National Advisory Committee").

(B) The National Advisory Committee shall be composed of fifteen members who shall be individuals with expertise in the area of child-care services selected from among persons who are representatives of child-care providers, professionals in the field of child development, or parents who have been actively involved in community child-care programs. The members shall be appointed as follows:

(i) Seven by the President of the United States;

(ii) Two by the majority leader of the Senate;

(iii) Two by the minority leader of the Senate;

(iv) Two by the Speaker of the House of Representatives; and

(v) Two by the minority leader of the House of Representatives.

Not more than four of the members described in clause (A) shall be members of the same political party.

(C) All appointments under this subsection shall be made not later than sixty days after the date of the enactment of this section.

(D) A vacancy in the membership of the National Advisory Committee shall be filled in the same manner in which the original appointment was made. Any such vacancy shall not affect the powers of the National Advisory Committee except with respect to satisfaction of the quorum requirements specified in paragraph (7).

(E) The President shall designate a Chairman of the National Advisory Committee.

(F) The National Advisory Committee shall adopt such rules and regulations as it considers necessary to establish its procedures and to govern the manner of its operations, its organization, and its personnel.

(G) Eight members of the National Advisory Committee shall constitute a quorum.

(2)(A) The National Advisory Committee shall review the options for child-care standards published by the Department of Health and Human Services in January 1985 pursuant to Public Law 98-473, including the standards set forth in the appendices to that document, the standards set forth in the final 1980 HEW Day Care Regulations, volume 45, page 17870 of the Federal Register (March 19, 1980), and such other materials as the National Advisory Committee may deem appropriate and shall, not later than fourteen months after the date of the enactment of this section, submit to the Secretary proposed recommended standards for child-care programs (setting forth separate recommended standards for center-based programs and for family day care programs). Such recommended standards shall cover factors having a demonstrated impact on the quality of child care including, but not limited to—

(i) group size and composition in terms of the number of teachers and the number and age of children;

(ii) qualifications, training, and background of child-care personnel, including provision for background checks;

(iii) health and safety requirements;

(iv) parental rights and opportunities for involvement; and

(v) necessary support services (including, but not limited to, health, nutrition, and social services).

(B) The National Advisory Committee may submit to the Secretary and to the Congress such additional comments on the final recommended standards published pursuant to paragraph (3) as the National Advisory Committee considers appropriate and may provide to a State Advisory Committee (established or designated pursuant to subsection (c)), upon its request, such information and advice as the National Advisory Committee considers appropriate.

(3) Not later than thirty days after the National Advisory Committee submits such proposed recommended standards, the Secretary shall publish them in the Federal Register, along with any comments or modifications proposed by the Secretary and, not later than one hundred and eighty days after such publication and, after completion of a process of not less than sixty days for notice and opportunity for public comment and after consulting further with the National Advisory Committee, shall issue final recommended standards and publish them in the Federal Register along with any additional comments that the National Advisory Committee considers appropriate.

(4) The National Advisory Committee shall cease to exist ninety days after the date of publication by the Secretary of the final recommended standards.

(5) Each member of the National Advisory Committee who is not an officer or employee of the United States Government shall be paid compensation at a rate equal to the daily equivalent of the rate of basic pay in effect for level IV of the Executive Schedule for each day the member is engaged in the performance of the duties of such Committee and, while so serving away from his or her home or regular place of business, be paid per diem, travel, and transportation expenses in the same manner as provided for under subchapter I of chapter 57 of title 5, United States Code.

(6) The Secretary shall make available to the National Advisory Committee such personnel, technical assistance, and funds as are necessary for it to carry out effectively its functions under this subsection.

(e) ADMINISTRATION.—The Secretary is authorized to—

(1) establish such regulations as may be necessary to carry out the provisions of this section; and

(2) make payments in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

PART B—ACCESS TO DEPENDENT CARE FOR ALL FAMILIES

SEC. 211. DEPENDENT CARE TAX CREDIT.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

"SEC. 35. DEPENDENT CARE SERVICES.

"(a) ALLOWANCE OF CREDIT.—

"(1) IN GENERAL.—In the case of an individual who maintains a household which includes as a member 1 or more qualifying individuals, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the applicable percentage of the sum of—

"(A) the employment-related expenses paid by such individual during the taxable year, plus

"(B) the respite care expenses paid by such individual during the taxable year.

"(2) APPLICABLE PERCENTAGE DEFINED.—

"(A) IN GENERAL.—For purposes of paragraph (1), the term 'applicable percentage' means 50 percent reduced (but not below 20 percent) by 1 percentage point for each full $1,000 amount by which the taxpayer's adjusted gross income for the taxable year exceeds $15,000.

"(B) Cost-of-living adjustment.—

"(i) In general.—In the case of a taxable year beginning in a calendar year after 1987, subparagraph (A) shall be applied by increasing the $15,000 amount contained therein by the cost-of-living adjustment (as defined in section 1(f)(3)) for such calendar year determined by substituting '1986' for '1987' in subparagraph (B) of section 1(f)(3).

"(ii) Rounding.—If any increase determined under clause (i) is not a multiple of $10, such increase shall be rounded to the nearest multiple of $10 (or if such increase is a multiple of $15, such increase shall be increased to the next highest multiple of $10).

"(b) Employment-Related Expenses.—For purposes of this section—

"(1) Determination of eligible expenses.—

"(A) In general.—The term 'employment-related expenses' means amounts paid for the following expenses, but only if such expenses are incurred to enable the taxpayer to be gainfully employed for any period for which there are 1 or more qualifying individuals with respect to the taxpayer:

"(i) expenses for household services, and

"(ii) expenses for the care of a qualifying individual.

Such term shall not include any respite care expense taken into account under subsection (a).

"(B) Exception.—Employment-related expenses described in subparagraph (A) which are incurred for services outside the taxpayer's household shall be taken into account only if incurred for the care of—

"(i) a qualifying individual described in subsection (d)(1), or

"(ii) a qualifying individual (not described in subsection (d)(1)) who regularly spends at least 8 hours each day in the taxpayer's household.

"(C) Dependent care centers.—Employment-related expenses described in subparagraph (A) which are incurred for services provided outside the taxpayer's household by a dependent care center (as defined in subparagraph (D)) shall be taken into account only if—

"(i) such center complies with all applicable laws and regulations of a State or unit of local government, and

"(ii) the requirements of subparagraph (B) are met.

"(D) Dependent care center defined.—For purposes of this paragraph, the term 'dependent care center' means any facility which—

"(i) provides care for more than 6 individuals (other than individuals who reside at the facility), and

"(ii) receives a fee, payment, or grant for providing services for any of the individuals (regardless of whether such facility is operated for profit).

"(2) Dollar limit on amount creditable.—

"(A) In general.—The amount of the employment-related expenses incurred during any taxable year which may be taken into account under subsection (a) shall not exceed—

"(i) $2,400 if there is 1 qualifying individual with respect to the taxpayer for such taxable year, or

"(ii) $4,800 if there are 2 or more qualifying individuals with respect to the taxpayer for such taxable year.

"(B) Reduction in limit for amount of respite care expenses.—The limitation of subparagraph (A) shall be reduced by the amount of the respite care expenses taken into account by the taxpayer under subsection (a) for the taxable year.

"(3) Earned income limitation.—

"(A) In general.—Except as otherwise provided in this paragraph, the amount of the employment-related expenses incurred during any taxable year which may be taken into account under subsection (a) shall not exceed—

"(i) in the case of an individual who is not married at the close of such year, such individual's earned income for such year, or

"(ii) in the case of an individual who is married at the close of such year, the lesser of such individual's earned income or the earned income of his spouse for such year.

"(B) Special rule for spouse who is a student or incapable of caring for himself.—In the case of a spouse who is a student or a qualified individual described in subsection (d)(3), for purposes of subparagraph (A), such spouse shall be deemed for each month during which such spouse is a full-time student at an educational institution, or is such a qualifying individual, to be gainfully employed and to have earned income of not less than—

"(i) $200 if paragraph (2)(A)(i) applies for the taxable year, or

"(ii) $400 if paragraph (2)(A)(ii) applies for the taxable year.

In the case of any husband and wife, this subparagraph shall apply with respect to only 1 spouse for any 1 month.

"(c) Respite Care Expenses.—For purposes of this section—

"(1) In general.—The term 'respite care expenses' means expenses paid (whether or not to enable the taxpayer to be gainfully employed) for—

"(A) the care of a qualifying individual—

"(i) who has attained the age of 15, or

"(ii) who is under the age of 15 but has a physical or mental impairment which results in the individual being incapable of caring for himself,

during any period when such individual regularly spends at least 8 hours each day in the taxpayer's household, or

"(B) care (for not more than 14 days during the calendar year) of a qualifying individual described in subparagraph (A) during any period during which the individual does not regularly spend at least 8 hours each day in the taxpayer's household.

"(2) Dollar limit.—The amount of the respite care expenses incurred during any taxable year which may be taken into account under subsection (a) shall not exceed—

"(A) $1,200 if such expenses are incurred with respect to only 1 qualifying individual for the taxable year, or

"(B) $2,400 if such expenses are incurred for 2 or more qualifying individuals for such taxable year.

"(d) Qualifying Individual.—For purposes of this section, the term 'qualifying individual' means—

"(1) a dependent of the taxpayer who is under the age of 15 and with respect to whom the taxpayer is entitled to a deduction under section 151(e),

"(2) a dependent of the taxpayer who is physically or mentally incapable of caring for himself, or

"(3) the spouse of the taxpayer, if he is physically or mentally incapable of caring for himself.

"(e) Special Rules.—For purposes of this section—

"(1) Maintaining household.—An individual shall be treated as maintaining a household for any period only if over half the cost of maintaining the household for such period is furnished by such individual (or, if such individual is married during such period, is furnished by such individual and his spouse).

"(2) Married couples must file joint return.—If the taxpayer is married at the close of the taxable year, the credit shall be allowed under subsection (a) only if the taxpayer and his spouse file a joint return for the taxable year.

"(3) Marital status.—An individual legally separated from his spouse under a decree of divorce or of separate maintenance shall not be considered as married.

"(4) Certain married individuals living apart.—If—

"(A) an individual who is married and who files a separate return—

"(i) maintains as his home a household which constitutes for more than one-half of the taxable year the principal place of abode of a qualifying individual, and

"(ii) furnishes over half the cost of maintaining such household during the taxable year, and

"(B) during the last 6 months of such taxable year such individual's spouse is not a member of such household,

such individual shall not be considered as married.

"(5) Special dependency test in case of divorced parents, etc.—If—

"(A) paragraph (2) or (4) of section 152(e) applies to any child with respect to any calendar year, and

"(B) such child is under the age of 15 or is physically or mentally incapable of caring for himself,

in the case of any taxable year beginning in such calendar year, such child shall be treated as a qualifying individual with respect to the custodial parent (within the meaning of section 152(e)(1)), and shall not be treated as a qualifying individual with respect to the noncustodial parent.

"(6) Payments to related individuals.—No credit shall be allowed under subsection (a) for any amount paid by the taxpayer to an individual—

"(A) with respect to whom, for the taxable year, a deduction under section 151(e) (relating to deduction for personal exemptions for dependents) is allowable either to the taxpayer or his spouse, or

"(B) who is a child of the taxpayer (within the meaning of section 151(e)(3)) who has not attained the age of 19 at the close of the taxable year.

For purposes of this paragraph, the term 'taxable year' means the taxable year of the taxpayer in which the service is performed.

"(7) Student.—The term 'student' means an individual who during each of 5 calendar months during the taxable year is a full-time student at an educational organization.

"(8) Educational organization.—The term 'educational organization' means an educational organization described in section 170(b)(1)(A)(ii).

"(f) Regulations.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section.".

(b) Conforming Amendments.—

(1) Section 21 of the Internal Revenue Code of 1986 is hereby repealed.

(2) Paragraph (2) of section 129(b) of such Code is amended by striking out "section 21(d)(2)" and inserting in lieu thereof "section 35(b)(3)(B)".

(3) Subsection (e) of section 213 of such Code is amended by striking out "section 21" and inserting in lieu thereof "section 35".

(4) The table of sections for subpart C of part IV of subchapter A of chapter 1 of such Code is amended by striking out the item relating to section 35 and inserting in lieu thereof the following:

"Sec. 35. Dependent care services.

"Sec. 36. Overpayments of tax.".

(5) The table of sections for subpart A of such part IV of such Code is amended by striking out the item relating to section 21.

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1986.

SEC. 212. MORTGAGES ON PROPERTIES INCLUDING DAY CARE CENTERS.

(a) Section 302(b) of the Federal National Mortgage Association Charter Act is amended by inserting before the period at the end of the last sentence of paragraph (1) the following: ", and such term includes any loan that is secured by a single family residential property that is occupied as a single family residence in which community child care service is provided in compliance with all applicable State or local laws if the loan is otherwise eligible for purchase under this title".

(b) Section 302(h) of the Federal Home Loan Mortgage Corporation Act is amended by adding at the end thereof the following: "Such term also includes a loan or advance of credit that is secured by a single family residential property that is occupied as a single family residence in which community child care service is provided in compliance with all applicable State or local laws if the loan or advance is otherwise eligible for purchase under this title.".

PART C—INCREASING AVAILABILITY OF DEPENDENT CARE FOR LOW-INCOME FAMILIES

SEC. 221. INCREASE IN AMOUNTS AUTHORIZED TO BE ALLOTTED.

Section 2003(c) of the Social Security Act (42 U.S.C. 1397b(c)) is amended by striking paragraphs (1), (2), and (3) and inserting in lieu thereof the following:

"(1) $2,700,000,000 for the fiscal year 1987;

"(2) $2,900,000,000 for the fiscal year 1988;

"(3) $3,000,000,000 for the fiscal year 1989; and

"(4) $3,100,000,000 for the fiscal year 1990 and each succeeding fiscal year.".

SEC. 222. GRANTS TO STATES FOR DEPENDENT CARE.

(a) Short Title.—This section may be cited as the "State Dependent Care Grants Amendments Act of 1987".

(b) Operation Costs of After School Care Programs Authorized.—

(1)(A) Section 670D(b)(1) of the State Dependent Care Development Grants Act (hereafter in this Act referred to as the "Act") is amended by inserting after "establishment" a comma and the following: "operation".

(B) Section 670D(b)(1) of such Act is further amended by adding at the end thereof the following new sentence: "Amounts so paid to a State and used for the operation of such child care services shall be designed to enable children, whose families lack adequate financial resources, to participate in before or after school child care programs.".

(C) Section 670D(f) of such Act is amended by inserting after "expand" a comma and the following: "operate".

(2) Section 670D(d) of such Act is amended—

(A) by striking out clause (1);

(B) redesignating clause (2) of such section as clause (1);

(C) striking out clause (3);

(D) redesignating clause (4) as clause (2); and

(E) redesignating clause (5) as clause (3).

(c) Report by Grant Recipients.—

(1) Section 670E(c) of the States Dependent Care Development Grants Act is amended—

(A) by inserting "(1)" after the subsection designation;

(B) by adding at the end thereof the following new paragraph:

"(2) The chief executive officer of each State shall include in such report—

"(A) the number of children served in before and after school child care programs assisted under the subchapter;

"(B) the characteristics of the children so served including age levels, handicapped condition, income level of families in such programs;

"(C) the salary level and benefits paid to employees in such child care programs;

"(D) the number of clients served in resource and referral systems assisted under this subchapter;

"(E) the characteristics of clients served in resource and referral systems assisted under this subchapter, including age categories (including children and the elderly) and disability categories; and

"(F) the income level of families served by the resource and referral systems assisted under this subchapter.".

(2) Section 670E(c)(1) of such Act (as redesignated by paragraph (1)) is amended by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1991".

SEC. 223. PUBLIC HOUSING CHILD CARE.

(a) Short Title.—This section may be cited as the "Public Housing Child Care Act".

(b) In General.—In addition to any demonstration program carried out pursuant to section 222 of Public Law 98-181, the Secretary of Housing and Urban Development shall also carry out a demonstration program by making grants to public housing agencies to contract with nonprofit organizations within their communities to provide child care services for lower income families who reside in public housing. The Secretary shall design such program to determine the extent to which the availability of childcare services in lower income housing projects facilitates the employability of the heads of such families and their spouses.

(c) Eligibility.—The Secretary may make a grant to a public housing agency under this section only if—

(1) such public housing agency does not have a child care services program in operation prior to receipt of assistance under this section, or can demonstrate the need and ability to expand existing services;

(2) such public housing agency agrees to provide suitable facilities for the provision of child care services; and

(3) such public housing agency provides appropriate assurances that the child care services contracted for with funds under this section will—

(A) serve preschool children during the day or serve elementary school children before and after school, or both, in order to assist persons who head the families of such children to obtain, retain, or train for employment;

(B) be designed, to the extent practicable, to involve the participation of the parents of children benefiting from such program, with such participation including, but not limited to, training and employment with the child care program;

(C) be designed, to the extent practicable, to train and employ in part-time positions elderly individuals who reside in the lower income housing project involved;

(D) be provided only by nonprofit community-based organizations with experience in the delivery of child care services;

(E) be made available to residents of the lower income housing projects involved on a sliding fee basis; and

(F) meet state child care standards including, at a minimum, standards governing child care funding by title XX of the Social Security Act, and comply with all other applicable State and local laws, regulations, and ordinances.

(d) Allocation.—In providing grants under this section, the Secretary shall—

(1) give priority to applications of public housing agencies which propose to fund child care services in lower income housing projects in which the largest number of preschool and elementary school children of lower income families reside;

(2) seek to ensure a reasonable distribution of such grants between urban and rural areas and among lower income housing projects of varying sizes; and

(3) seek to provide such grants to the largest number of lower income housing projects practicable considering the amount of funds available under this Act and the financial requirements of the particular child care services programs to be funded by the applicant public housing agencies.

(e) Application and Use of Grants.—

(1) Applications for grants under this section shall be made by public housing agencies in such form and according to such procedures as the Secretary may prescribe.

(2) Any public housing agency receiving a grant under this section shall not use more than 10 percent of the grant for administrative costs, which costs may include expenses for minor renovations of facilities necessary for the provision of child care services under this section.

(f) Evaluations and Limitations.—

(1) The Secretary shall conduct periodic evaluations of each child care services program assisted under this section for purposes of—

(A) determining the effectiveness of such program in providing child care services and permitting persons who head lower income families and their spouses residing in public housing to obtain, retain, or train for employment; and

(B) ensuring compliance with the provisions of this section.

(2) Nothing in this section may be construed as authorizing the Secretary to establish any health, safety, educational, or other standards with respect to child care services or facilities assisted with grants received under this section.

(g) Compliance and Audit by Comptroller General.—

(1) Whenever the Secretary, after reasonable notice and opportunity for a hearing to any applicant, finds that there has been a failure to comply substantially with the provisions of this section, the Secretary shall notify the applicant that further payments will not be made under this section until he is satisfied that there is no longer any fail-

ure to comply. Until the Secretary is so satisfied, no further payments shall be made under this section.

(2) The Comptroller General of the United States, and any of his duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any applicant and any contractee receiving assistance under this section that are pertinent to the sums received and disbursed under this section.

(h) Definitions.—For the purposes of this section—

(1) the term "lower income families" has the meaning given such term in section 3(b)(2) of the United States Housing Act of 1937;

(2) the terms "lower income housing project" and "public housing" have the meanings given such terms in section 3(b)(1) of the United States Housing Act of 1937;

(3) the term "public housing agency" has the meaning given such term in section 3(b)(6) of the United States Housing Act of 1937; and

(4) the term "Secretary" means the Secretary of Housing and Urban Development.

(i) Report.—Not later than the expiration of the three-year period following the date of enactment of this section, the Secretary shall prepare and submit to the Congress a detailed report setting forth the findings and conclusions of the Secretary as a result of carrying out the demonstration program established in this section. Such report shall include any recommendations of the Secretary with respect to the establishment of a permanent program of assisting child care services in lower income housing projects.

(j) Authorization.—There is authorized to be appropriated to carry out the provisions of this section $15,000,000 for each of the fiscal years 1987, 1988, and 1989. Any amount appropriated under this subsection shall remain available until expended.

ORGANIZATIONS ENDORSING THE ECONOMIC EQUITY ACT OF 1987

AFL-CIO.
American Federation of State, County and Municipal Employees (AFSCME).
American Association of Retired Persons.
American Association of University Women.
American Jewish Committee.
American Nurses' Association.
American Women's Clergy Association.
Americans for Democratic Action.
Association of Flight Attendants.
Association of Junior Leagues, Inc.
B'nai Brith Women.
Catholic Charities USA.
Center for Women's Policy Studies.
Children's Defense Fund.
Children's Foundation.
Church Women United.
Communication Workers of America.
Disability Rights Education & Legal Defense Fund.
Displaced Homemakers Network.
Federally Employed Women.
Gray Pathers.
International Ladies Garment Workers Union.
La Raza.
Leadership Conference on Civil Rights.
League of Women Voters of the United States.
Mexican American Women's National Association.
National Association of Social Workers.
National Council of Catholic Women.
National Council of Jewish Women.
National Council of Senior Citizens.
National Council of Women of the U.S. Inc.
National Education Association.
National Federation of Business and Professional Women's Clubs.
National Organization for Women.
National Woman's Party.
National Women's Law Center.
National Women's Political Caucus.
Network: A Catholic Social Justice Lobby.
Nine to Five, National Association of Working Women.
Older Women's League.
Organization of Chines American Women.
Pension Rights Center.
Service Employees International Union (SEIU).
United Auto Workers (UAW).
United Methodist Church, Women's Division of Global Ministries.
Wider Opportunities for Women.
Women in Communications.
Women's Bar Association of D.C.
Women's Equity Action League.
Women's Legal Defense Fund.
Women's Research and Education Institute.

● Mr. **EVANS**. Mr. President, I am pleased to join with my colleagues from both sides of the aisle to introduce the 1987 Economic Equity Act. Today, we are continuing an important tradition started in Congress several years ago. This measure will set the legislative agenda for economic issues affecting women in the 100th Congress. The provisions of this package will move us further along the path to achieving equal treatment for women. They will rectify many outmoded and discriminatory policies which have disadvantaged them in the past.

We have made significant strides in past years to end discrimination against women. The EEA has been an important catalyst for these advancements. yet, much more work remains to be done. This year's package addresses the needs of older women, younger women, wage earners and homemakers, single heads of households and business women. It encompasses timely and important public policy issues. In title I, many existing barriers to women in the labor market are addressed, ranging from pay equity, equal commercial credit, pension and social security reform and insurance equity, along with part-time worker benefits and a remedy for the spousal impoverishment that now occurs in Medicaid.

I would like to comment specifically about the pay equity provision in title I. It is an issue that ranks high on the legislative agenda. This section is identical to legislation Senator CRANSTON and I introduced earlier this year. The measure, S. 552, calls for a comprehensive study of Federal wagesetting practices. Since its inception in 1923, the Federal Classification System never has been studied for sex or race bias. As a result, women in the Federal civil service consistently make less than their male counterparts at all grade levels. Furthermore, women systematically are concentrated in the lower grades of the classification system.

Inequities of outmoded pay systems are not unique to the Federal Government. Numerous States and organizations in the private sector have undertaken comprehensive studies of their own pay systems to determine the extent, if any, of discriminatory practices. Many have implemented corrective action as a result of such studies. The Federal Government can set an important example by initiating a comprehensive review of its own pay system. I therefore believe this section of the EEA is critical to ending discrimination against women in the work force.

Title II seeks to strengthen the family by offering day care reform through training and tax credit initiatives and encouraging additional funding for low-income parents through title XX social services block grants. Additionally, the problems of insufficient after school day care and public housing day care are addressed.

In conclusion, it is much too simplistic to regard this package as exclusively women's issues. For in the broader sense, they are issues involving basic human rights. The provisions of the EEA not only will benefit women, but they will help to create a better environment for the family. The EEA represents a truly comprehensive effort to provide millions of women with an equitable measure of economic security, regardless of age, marital or employment status. It will enable us to take the next major steps in the continuum that began long ago to ensure all Americans full and equal economic opportunity.

I give my enthusiastic support to the EEA. It is an agenda for action and progress. I urge my colleagues to join us in this important effort.●

● Mr. **DURENBERGER**. Mr. President, I rise today to sponsor the Economic Equity Act of 1987. It gives me great pleasure to once again join with my thoughtful and dedicated colleagues from the Senate and House in sponsoring this important legislation.

As we introduce the EEA in the 100th Congress, I can't help but pause and reflect back to the 97th Congress and the landmark introduction of the first Economic Equity Act in 1981. As it became clear that the fight for passage of the equal rights amendment would not be won soon, some of us began looking for other ways to address the inequities under which woman suffered—especially in economic areas. The Economic Equity Act became the vehicle for our efforts and concerns and it was subsequently revised and reintroduced in the 98th and 99th Congresses.

The Economic Equity Act that we are introducing today is a measure of how far we've come in eliminating the economic roots of discrimination against women since the heady introduction of the first EEA. That EEA was remarkably successful: Four major provisions of the first EEA were signed into law. Estate tax reforms recognized the role of the woman as an equal partner in building a family farm or business and protected her interests after her husband dies. The daycare tax credits were increased, especially for low-income families. Individual retirement accounts were expanded to make virtually all income-earning workers and homemakers eligible to establish IRA's. Of particular importance to my State Minnesota, the EEA eliminated the bias in farm credit that put unmarried women at the bottom of the preference list.

With that success and the participation of many of the members and groups involved today, we rewrote and updated the Economic Equity Act and introduced S. 888 in 1983. And again, through our combined efforts, major portions were enacted including a vastly improved system of child support enforcement. Private pension reform lowered the age of participation and vesting, increased the availability of survivor's benefits and allowed individuals to take time off their jobs without losing their pension rights. In addition, we enacted increased nonprofit status for dependent care facilities, spousal IRA reform, regulatory reform, and the inclusion of alimony for spousal IRA purposes.

As the 99th Congress came to a close, we were once again able to see the fruits of our labor. In the area of private pensions, the number of years a person must work to be vested was reduced from 10 years to 5 years. Military spouse pension reform allows divorced military spouses to claim a portion of retirement benefits based on years contributed to the career. In the Tax Reform Act of 1986, Congress enacted an increase in the standard deduction for single head of households and an expansion of the earned income tax credit. We also reduced the amount of pension benefit that can be offset by Social Security so low-income workers, in particular, will receive a greater pension benefit. Amendments to the Higher Education Act established a grant program to make child care available to low-income college students. Finally, the Consolidated Omnibus Reconciliation Act of 1985 incorporated a provision of the EEA which provides for the continuation of employment-based health insurance coverage for widows, divorced spouses and their independent children.

All of these provisions have had an important effect in improving the economic status of women and low- and moderate-income families. We have, without a doubt, made great strides in achieving economic equity for women. Thus, the introduction of the EEA today should be seen as an opportunity for celebration and recognition of our past achievements.

But our task is not over. For we have found that as old inequities are peeled away, we find new obstacles confronting women in their efforts to achieve economic security for themselves and their families. Thus, the bill we are introducing today is also a measure of how far we still must travel to overcome the obstacles to economic equity that women face.

We must continue our war against discriminatory laws and policies that have robbed both working women and homemakers of the economic opportunity and security that men take for granted. But we must go even further. We must acknowledge the transformation that has occurred in the American family in the past decade and develop positive approaches to this change. This is particularly important for the growing number of women who are heads of households.

Title I builds upon EEA's past efforts and successes in achieving economic equity by amending existing laws and regulations. It seeks to open up to growing numbers of business women the right to adequate business credit and insurance. It will help to ensure that part-time workers—many of whom are women with children—can receive pension and health benefits.

The economic security of women as they approach retirement age is also of grave concern and is addressed in title I. Women constitute 59 percent of the total elderly population, but they account for 72 percent of the elderly poor. The EEA recognizes the economic contribution these women have made to their family, home and society, whether as homemakers or working women. It provides for earnings sharings under the Social Security program. It amends Medicaid law to prevent the tragedy of spousal impoverishment.

Title I also includes a study of the Federal wage and classification system to determine whether discrimination based on sex, race, or ethnic origin exists in the Federal work force. I'm proud to point to Minnesota as the first in the Nation to actually implement pay equity in State government, showing it can be achieved at a reasonable cost and without disruption in the workplace.

The EEA must also respond to the evolution and transformation of the American family. As the labor force participation of women continues to grow—up 6 percent since 1980—more and more American families are relying upon the financial contribution of women for their well-being. Some polls show that close to half of the working women with young children would prefer to remain at home with their youngsters but feel they cannot afford to do so.

The traditional American family is becoming less and less common. Of the 3.6 million children who began their formal schooling in the United States in September of 1986, 14 percent were children of unmarried parents; 40 percent will live in a broken home before they reach 18; between one-quarter and one-third are latchkey children with no one to greet them when they come home from school.

For a single mother, work is the key to economic survival for herself and her children but our society does not make it easy for her. We must expand our efforts to eliminate the barriers to employment faced by women.

Title II of the EEA focuses on one of the major barriers to employment and that is the lack of affordable, quality childcare for children. While the provision of child care is rightfully a concern of both parents, if child care is not available, it is usually the women who must forego employment opportunities. For low-income families, particularly those headed by women, lack of affordable day care can be the major impediment to self-sufficiency, denying parents the opportunity to work, participate in employment programs or attend school.

Title II includes provisions for the training of family day providers, improvement of State child care standards, expansion of the dependent care tax credit, grants for child care in public housing and an increase in title XX funding. It also includes a provision I have introduced which would permit mortgages for family day care centers to be eligible for purchase by federally chartered home mortgage corporations.

We have good reason to celebrate the victories we have enjoyed. But as we can see by the introduction of the EEA today, we need a continued commitment lest hard-won gains be lost in our failure to keep up with the continuous changes in our society. I am confident that working together, we will move still closer to our goal of economic equity for all. I urge all my colleagues to join in sponsoring this important bill.●

Mr. RIEGLE. Mr. President, I rise today to join with my colleagues as an original cosponsor of the Economic Equity Act of 1987. Since it was first introduced in 1981, this legislation has become a cornerstone in the fight for women's rights in the U.S. Congress. In the 98th Congress, five sections of the 1983 Economic Equity Act were enacted into law, including private and public pension reform, child support enforcement, and two child care initiatives. The 99th Congress enacted into law six Economic Equity Act provisions dealing with the continuation of health insurance, private and military pension reforms, child care for higher education students, and tax reforms. In doing so, we have made significant progress toward economic equity for women.

Despite the progress that has been made in getting major provisions of the Economic Equity Act adopted over the past 6 years, additional work needs to be done. This session's bill is concerned with the areas of work and family. Under the work title, issues such as examining the issue of pay equity, equal access to commercial credit, part-time workers, and economic security are addressed. The family title addresses the lack of affordable quality child care available in our country today through a dependent care package.

Many of the sections of the 1987 Economic Equity Act have been or will be separately introduced. I am pleased that four bills that I introduced in the 100th Congress have been included in the act. My first bill, relating to economic security, S. 170, would amend title II of the Social Security Act to repeal the separate definition of disability presently applicable to widows and widowers. This bill provides that the months of a widow's or widower's entitlement to Social Security Insurance [SSI] benefits on the basis of disability may be used in establishing his or her entitlement to Medicare benefits on that basis.

The remainder of my bills address the need for accessible, quality childcare. S. 1070 would increase funding for the title XX social services block grant by $200 million in fiscal year 1988, $300 million in fiscal year 1989, and $400 million in fiscal year 1990. The social services block grant is a major source of funding for child care services for low-income working parents and parents seeking self-sufficiency through education and training programs. S. 222 would amend the State Dependent Care Development Grants Act, which I originally introduced in the 99th Congress, by allowing funds to be used for program operating costs, as well as start up costs. This important amendment will make before and after-school programs for latch-key children more accessible for low-income families.

Finally, S. 183, which was included in last session's Economic Equity Act, would establish grants for child care programs in public housing projects. Public housing agencies would contract with nonprofit organizations within their communities to provide child care services to lower income families in public housing. S. 183 would provide $5 million each year for three consecutive years.

The 1987 Economic Equity Act represents a comprehensive, forward-looking approach to improving the economic well-being of American women and families. I urge my colleagues to join me in cosponsoring this legislation.

By Mr. HELMS (for himself, Mr. DURENBERGER, Mr. BOSCHWITZ, Mr. LAUTENBERG, Mr. DOLE, Mr. HEFLIN, Mr. LUGAR, Mr. STEVENS, Mr. HECHT, and Mr. COCHRAN):

S.J. Res. 149. Joint resolution to designate the period commencing on June 21, 1989, and ending on June 28, 1989, as "Food and Science Technology Week"; to the Committee on the Judiciary.

FOOD AND SCIENCE TECHNOLOGY WEEK

Mr. HELMS. Mr. President, I am today introducing a joint resolution to designate the week beginning June 25, 1989, as "Food Science and Technology Week."

The abundant supply of safe, nutritious, and affordable foods in America is directly attributable to the field of food science and technology. Through the use of scientific skills and knowledge, food scientists and technologists in the United States working in education, industry, and government have advanced the production, processing, preservation, evaluation, and distribution of nutritious, safe, and acceptable foods.

As the population increases throughout the world, it is important that we continue to develop new and improved foods at a reasonable cost. The United States has been a leader in this field, which has helped assure that farm products reach consumers in a safe, high-quality, and affordable form; and countries around the world look to the United States for efficient and productive research and development.

By passing this joint resolution designating the week of June 25, 1989, as "Food Science and Technology Week," the American public will recognize the importance of food science and technology to this Nation and the rest of the world.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 149

Whereas the quality and quantity of the food supply in the United States are unmatched by those of any other country;

Whereas nutritious foods are available at a reasonable cost, for consumption both at home and away from home, throughout the year;

Whereas food scientists and technologists of the United States, working in education and government, have been innovative world leaders in the development, preservation, and distribution of safe and nutritious foods;

Whereas food science and technology has been taught in American universities increasingly and intensively for the past fifty years;

Whereas there are more than 50 universities in the United States with departments offering programs leading to B.S., M.S., and Ph. D. degrees in food science and technology;

Whereas academic institutions in the United States have trained tens of thousands of food scientists and technologists, both from this country and abroad;

Whereas food scientists and technologists have developed new technologies in food production, and their counterparts in government have guided the application of good manufacturing practices to assure a safe food supply;

Whereas the United States continues to be a leader in food technology transfer to developing countries;

Whereas low cost and nutritious foods developed in the United States can now be found in virtually every third world country;

Whereas the world has looked to the United States for innovations in food product and process development; and

Whereas American universities, and State and local governments are working together with the Federal government in researching and developing an even more nutritious and safe food supply for the nation and the world: Now, therefore, be it:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing on June 21, 1989, and ending on June 28, 1989, is designated as "Food Science and Technology Week", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such period with appropriate ceremonies and activities.

By Mr. JOHNSTON (for himself and Mr. McCLURE):

S.J. Res. 150. A joint resolution to express the approval of Congress of the site on the Clinch River in the Roane County portion of Oak Ridge, TN, for a monitored retrievable storage facility, with respect to which a notice of disapproval was submitted by the Governor of the State of Tennessee and the legislature of the State of Tennessee on May 29, 1987; to the Committee on Energy and Natural Resources.

APPROVAL OF A SITE FOR A MONITORED RETRIEVABLE STORAGE FACILITY

● Mr. JOHNSTON. Mr. President, in accordance with the provisions of section 115 of the Nuclear Waste Policy Act of 1982, I am introducing today a resolution of approval of the proposed site for construction of a monitored retrievable storage facility on the Clinch River in the Roane County portion of Oak Ridge, TN.

Section 141 of the Nuclear Waste Policy Act requires the Secretary of Energy to submit to Congress a proposal for one or more monitored retrievable storage facilities. The proposal is to be site specific and presented in sufficient detail to permit the solicitation of bids for construction and to support congressional authorization.

On March 30, 1987, the Secretary complied with this requirement, submitting to Congress a document entitled "Monitored Retrievable Storage Submission to Congress, Volume 1, The Proposal, March 1987." The proposal named as the preferred site for the facility a site on the Clinch River in Oak Ridge, TN.

On May 29, the Senate received petitions numbered POM-161 and POM-162 from the Governor and the legislature of the State of Tennessee disapproving the preferred and alternative sites described in the Secretary's proposal. The act provides an opportunity for Congress to override the objections of the State to the siting of a monitored retrievable storage facility through a joint resolution of approval for the site. The resolution I am introducing today is such a joint resolution.

Mr. President, the monitored retrievable storage facility proposed by the Secretary of Energy is an integral part of our national program for the disposal of nuclear waste, a program that simply must succeed. The debate on this proposal has begun and will now intensify with consideration of this resolution. I hope that the Senate will understand the stakes in this debate and that we can reach a satisfactory resolution that permits the essential task of providing for the safe isolation of nuclear wastes from the biosphere to go forward.

Mr. President, I ask unanimous consent that the joint resolution be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 150

Resolved by the Senate and House of Representatives of the United States of America in Congress Assembled, That there hereby is approved the site at the Clinch River in the Roane County portion of Oak Ridge, Tennessee, for a monitored retrievable storage facility, with respect to which a notice of disapproval was submitted by Ned McWherter, the Governor of the State of Tennessee, and the Legislature of the State of Tennessee on May 29, 1987.●

By Mr. DeCONCINI (for himself, Mr. Grassley, Mr. Lautenberg, Mr. D'Amato, Mr. Nickles, Mr. Fowler, Mr. Sarbanes, Mr. Gore, Mr. Exon, Mr. Pressler, Mr. Durenberger, Mr. Bradley, Mr. Dodd, Mr. Adams, Mr. Moynihan, Mr. Glenn, Mr. Lugar, Mr. McClure, Mr. Reid, Ms. Mikulski, Mr. Levin, Mr. Bumpers, Mr. Quayle, Mr. Pell, Mr. Leahy, Mr. Boren, Mr. Simon, Mr. Dole, Mr. Karnes, Mr. Sanford, Mr. Riegle, Mr. Pryor, Mr. Stafford, Mr. Trible, Mr. Nunn, Mr. Dixon, Mr. Mitchell, Mr. Stevens, Mr. Graham, Mr. Humphrey, Mr. Inouye, Mr. Heinz, Mr. Hatch, Mr. Wilson, Mr. Boschwitz, Mr. McCain, Mr. Baucus, Mr. Bentsen, Mr. Bingaman, Mr. Breaux, Mr. Daschle, Mr. Heflin, Mr. Hollings, Mr. Johnston, Mr. Kennedy, Mr. Melcher, Mr. Metzenbaum, Mr. Sasser, Mr. Shelby, Mr. Garn, Mr. Armstrong, Mr. Evans, Mr. Murkowski, Mr. Specter, Mr. Symms, and Mr. Ford):

S.J. Res. 151. Joint resolution to designate August 1, 1987, as "Helsinki Human Rights Day"; to the Committee on the Judiciary.

HELSINKI HUMAN RIGHTS DAY

● Mr. DeCONCINI. Mr. President, I am pleased to introduce today, together with many of my colleagues, a joint resolution that authorizes and requests the President of the United States to designate August 1, 1987, as "Helsinki Human Rights Day."

Twelve years ago, on August 1, 1975, representatives from 35 countries joined together in signing the final act of the Conference on Security and Cooperation in Europe, commonly referred to as the Helsinki Accords. This agreement covers every aspect of East-West relations, including military security, scientific and cultural exchanges, trade and economic cooperation, and human rights.

The principles contained in these accords require the participating states to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion." They further address a principle which is central to the underlying purpose of the Helsinki agreement; the unrestrained movement of people, ideas, and information.

Unfortunately, Mr. President, several signatory nations have not honored these commitments. Basic freedoms which should be the right of every citizen such as the free expression of thought, unrestricted emigration and family reunification have been abused and in many cases, categorically denied.

This resolution requests the President to consistently raise the issue of noncompliance with the Helsinki accords with the Governments of the Soviet Union, Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania.

The President is further requested to continue to press specifically for the release of all Soviet political prisoners, including Helsinki monitors, a significant increase in Soviet emigration, the resolution of all family reunification cases, and the cessation of radio transmission jamming.

In November 1986, representatives from the signatory states convened in Vienna to review all aspects of the Helsinki accords. While the review process is demonstrating minor improvements in some areas, much still needs to be accomplished. This resolution expresses the importance of conveying to the other signatory states at the review meeting the need for a balanced result which ensures that military security concerns do not outweigh those relating to human rights.

By proclaiming August 1, 1987, as "Helsinki Human Rights Day," we reaffirm our commitment to the principles governing the Helsinki accords; principles that mirror those upon which our own Constitution is based.

Transgressions against freedoms which are the inherent right of every individual must not be tolerated in any context. When these occur as a result of domestic policies by nations who have publicly agreed to protect and honor the fundamental human rights of their citizens, we must make an equally public statement that we expect them to live up to their international agreements.

I urge each Member of this body to support this resolution and I ask unanimous consent that the text be printed in the Record at this point.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 151

Whereas August 1, 1987, will be the twelfth anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe (hereafter in this preamble referred to as the "Helsinki Accords");

Whereas on August 1, 1975, the Helsinki Accords were agreed to by the Governments of Austria, Belgium, Bulgaria, Canada, Cyprus, Czechoslovakia, Denmark, Finland, France, the German Democratic Republic, the Federal Republic of Germany, Greece, the Holy See, Hungary, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Monaco, the Netherlands, Norway, Poland, Portugal, Romania, San Marino, Spain, Sweden, Switzerland, Turkey, the Union of Soviet Socialist Republics, the United Kingdom, the United States of America, and Yugoslavia;

Whereas the participating States have committed themselves to balanced progress in all areas of the Helsinki Accords;

Whereas the Helsinki Accords express the commitment of the participating States to "recognize the universal significance of human rights and fundamental freedoms, respect for which is an essential factor for the peace, justice and well-being necessary to ensure the development of friendly relations and cooperation among themselves as among all States";

Whereas the Helsinki Accords also express the commitment of the participating States to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion";

Whereas the Helsinki Accords also express the commitment of the participating States to "promote and encourage the effective exercise of civil, political, economic, social, cultural and other rights and freedoms all of which derive from the inherent dignity of the human person and are essential for his free and full development";

Whereas the Helsinki Accords also express the commitment of the participating States to "recognize and respect the freedom of the individual to profess and practise, alone or in community with others, religion or belief acting in accordance with the dictates of his own conscience";

Whereas the Helsinki Accords also express the commitment of the participating States in whose territory national minorities exist to "respect the right of persons belonging to such minorities to equality before the law" and that such States "will afford them the full opportunity for the actual enjoyment of human rights and fundamental freedoms and will, in this manner, protect their legitimate interests in this sphere";

Whereas the Helsinki Accords also express the commitment of the participating States to "constantly respect these rights and freedoms in their mutual relations" and that such States "will endeavor jointly and separately, including in cooperation with the United Nations, to promote universal and effective respect for them";

Whereas the Helsinki Accords also express the commitment of the participating States to "confirm the right of the individual to know and act upon his rights and duties in this field";

Whereas the Helsinki Accords also express the commitment of the participating States in the field of human rights and fundamental freedoms to "act in conformity with the purposes and principles of the Charter of the United Nations and with the Universal Declaration of Human Rights" and to "fulfill their obligations as set forth in the international declarations and agreements in this field, including inter alia the International Covenants on Human Rights, by which they may be bound";

Whereas the Helsinki Accords also express the commitment of the participating States to guarantee the right of the individual to leave his own country and return to such country;

Whereas the Helsinki Accords also express the commitment of the participating States to "facilitate freer movement and contacts, individually and collectively, whether privately or officially, among persons, institutions and organizations of the participating States, and to contribute to the solution of the humanitarian problems that arise in that connection";

Whereas the Helsinki Accords also express the commitment of the participating States to "favorably consider applications for travel with the purpose of allowing persons to enter or leave their territory temporarily, and on a regular basis if desired, in order to visit members of their families";

Whereas the Helsinki Accords also express the commitment of the participating States to "deal in a positive and humanitarian spirit with the applications of persons who wish to be reunited with members of their family" and "to deal with applications in this field as expeditiously as possible";

Whereas the Helsinki Accords also express the commitment of the participating States to "examine favorably and on the basis of humanitarian considerations requests for exit or entry permits from persons who have decided to marry a citizen from another participating State";

Whereas the Helsinki Accords also express the commitment of the participating States to "facilitate wider travel by their citizens for personal or professional reasons";

Whereas the Governments of the Union of Soviet Socialist Republics, Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania, in agreeing to the Helsinki Accords, have acknowledged an adherence to the principles of human rights and fundamental freedoms as embodied in the Helsinki Accords;

Whereas in varying degrees the aforementioned Governments consciously and systematically have violated their commitments to the Helsinki Accords by denying individuals their inherent rights to freedom of religion, thought, conscience, and belief;

Whereas in varying degrees the aforementioned Governments consciously and systematically have violated their commitments to the Helsinki Accords by restricting the free movement of people, ideas, and information;

Whereas in November 1986 representatives from the signatory States convened in Vienna to review implementation of the Helsinki Accords, including the human rights and humanitarian provisions; and

Whereas the Vienna meeting has presented important opportunities to address issues of compliance with the human rights and humanitarian provisions of the Helsinki Accords: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) August 1, 1987, the twelfth anniversary of the signing of the Helsinki Accords is designated as "Helsinki Human Rights Day";

(2) the President is authorized and requested to issue a proclamation reasserting the American commitment to full implementation of the human rights and humanitarian provisions of the Helsinki Accords, urging all signatory nations to abide by their obligations under the Helsinki Accords, and encouraging the people of the United States to join the President and Congress in observance of Helsinki Human Rights Day with appropriate programs, ceremonies, and activities;

(3) the President is further requested to continue his efforts to achieve full implementation of the human rights provisions of the Helsinki Accords by raising the issue of noncompliance with the Governments of the Soviet Union, Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania at every available opportunity;

(4) the President is further requested to convey to all signatories of the Helsinki Accords that respect for human rights and fundamental freedoms is a vital element of further progress in the ongoing Helsinki process;

(5) the President is authorized to convey to allies and friends of the United States that unity on the question of respect for human rights and fundamental freedoms is the most effective means to promote the full implementation of the human rights and humanitarian provisions of the Helsinki Accords;

(6) the President is further requested to continue his efforts to achieve the release of all political prisoners of the Soviet Union, including Helsinki monitors, the significant increase in Soviet emigration, the resolution of all family reunification cases, and the cessation of radio transmission jamming;

(7) the President is further requested to seek the inclusion, in any concluding document agreed to in Vienna, of a mechanism to assure that human rights progress is sustained following the conclusion of the Vienna Conference on Security and Cooperation in Europe; and

(8) the President is further requested to convey to signatory States the desire of the United States for a balanced result at the Vienna meeting that will not favor military security at the expense of human rights.

SEC. 2. The Secretary of the Senate is directed to transmit copies of this joint resolution to the President, the Secretary of State, and the Ambassadors of the thirty-four Helsinki signatory nations.●

By Mr. RIEGLE (for himself and Mr. LEVIN):

S.J. Res. 152. A joint resolution expressing the sense of the Congress with respect to the freedom and independence of the people of Estonia, Latvia, and Lithuania; to the Committee on Foreign Relations.

INDEPENDENCE FOR ESTONIA, LATVIA, AND LITHUANIA

● Mr. RIEGLE. Mr. President, the joint resolution I am introducing today, along with my colleague from Michigan, Mr. LEVIN, is intended to focus world attention on the fate of the captive Baltic States of Estonia, Latvia and Lithuania.

In the 47 years which have passed since Soviet forces overran the three independent Baltic republics, the Estonian, Latvian, and Lithuanian people have been denied their basic human rights, including the right to self-determination.

The Baltic people have been strengthened and reassured by the firmness of United States policy, which has consistently refused to recognize the forced incorporation of their nations into the Soviet Union. Two years ago, on July 26, 1983, President Reagan reaffirmed the U.S. position by officially informing all member nations of the United Nations of the U.S. policy of nonrecognition.

I invite my colleagues to join me in cosponsoring this joint resolution, which calls upon the President to again issue a statement on July 26, 1987, officially informing the United Nations of United States support for the self-determination of all peoples, and nonrecognition of the forced incorporation of the Baltic States into the Soviet Union.

I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 152

Whereas the subjugation of peoples to foreign domination constitutes a denial of human rights and is contrary to the Charter of the United Nations;

Whereas all peoples have the right to self-determination and to freely establish their political status and pursue their own economic, social, cultural, and religious development, a right that was confirmed in 1975 in the Helsinki Final Act;

Whereas on June 21, 1940, armed forces of the Soviet Union, in collusion with Nazi Germany, overran the independent Baltic republics of Estonia, Latvia, and Lithuania and forcibly incorporated them into the Soviet Union, depriving the Baltic peoples of their basic human rights, including the right to self-determination;

Whereas the Government of the Soviet Union continues efforts to change the ethnic character of the population of Estonia, Latvia, and Lithuania through policies of Russification and dilution of their native populations;

Whereas the United States continues to recognize the diplomatic representatives of the last independent Baltic governments and supports the aspirations of the Baltic peoples to self-determination and national independence, a principle enunciated in 1940 and reconfirmed by the President on July 26, 1983, when he officially informed all member nations of the United Nations that the United States has never recognized the forced incorporation of the Baltic States into the Soviet Union; and

Whereas the Soviet Union continues to deny the people of Estonia, Latvia, and Lithuania the right to exist as independent countries, separate from the Soviet Union and denies the Baltic peoples the right to freely pursue human contacts, movement across international borders, emigration, religious expression, and other human rights enumerated in the Helsinki Final Act: Now, therefore, be it.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress—

(1) recognizes the continuing desire and right of the people of the Baltic States of Estonia, Latvia, and Lithuania for freedom and independence from the Soviet Union;

(2) calls upon the President to direct world attention to the right of self-determination of the people of the Baltic States by issuing on July 26, 1987, a statement that officially informs all member nations of the United Nations of the support of the United States for self-determination of all peoples and nonrecognition of the forced incorporation of the Baltic States into the Soviet Union; and

(3) calls upon the President to promote compliance with the Helsinki Final Act in the Baltic States through human contacts, family reunification, free movement, emigration rights, the right to religious expression and other human rights enumerated in the Helsinki Accords.●

ADDITIONAL COSPONSORS

S. 11

At the request of Mr. CRANSTON, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 11 a bill to amend title 38, United States Code, to establish certain procedures for the adjudication of claims for benefits under laws administered by the Veterans' Administration; to apply the provisions of section 553 of title 5, United States Code, to rulemaking procedures of the Veterans' Administration; to provide for judicial review of certain final decisions of the Administrator of Veterans' Affairs; to provide for the payment of reasonable fees to attorneys for rendering legal representation to individuals claiming benefits under laws administered by the Veterans' Administration; and for other purposes.

S. 38

At the request of Mr. MOYNIHAN, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 38, a bill to increase the authorization of appropriations for the Magnet School Program for fiscal year 1987 to meet the growing needs of existing Magnet School Programs, and for the establishment of new Magnet School Programs.

S. 58

At the request of Mr. DANFORTH, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 58, a bill to amend the Internal Revenue Code of 1986 to make the credit for increasing research activities permanent and to increase the amount of such credit.

S. 368

At the request of Mr. MATSUNAGA, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 368, a bill to amend the Federal Food, Drug, and Cosmetic Act to ban the reimportation of drugs in the United States, to place restrictions on drug samples, to ban certain resales of drugs purchased by hospitals and other health care facilities, and for other purposes.

S. 402

At the request of Mr. EVANS, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 402, a bill to provide that during a 2-year period each item of any joint resolution making continuing appropriations that is agreed to by both Houses of the Congress in the same form shall be enrolled as a separate joint resolution for presentation to the President.

S. 450

At the request of Mr. ARMSTRONG, the name of the Senator from Wyoming [Mr. SIMPSON] and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of S. 450, a bill to recognize the organization known as the National Mining Hall of Fame and Museum.

S. 453

At the request of Mr. MURKOWSKI, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 453, a bill to amend title 38, United States Code, and the Veterans' Dioxin and Radiation Exposure Compensation Standards Act to improve the standards for determining whether a radiation-related disease is service connected, and for other purposes.

S. 533

At the request of Mr. THURMOND, the names of the Senator from Mississippi [Mr. COCHRAN], and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of S. 533, a bill to establish the Veterans' Administration as an executive department.

S. 567

At the request of Mr. DECONCINI, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 567, a bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.

S. 570

At the request of Mr. BAUCUS, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 570, a bill to reduce atmospheric pollution to protect the stratosphere from ozone depletion, and for other purposes.

S. 610

At the request of Mr. DOLE, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 610, a bill to authorize demonstrations of innovative methods to simplify existing programs of assistance for low-income families and individuals and increase their economic self-sufficiency through improved work opportunities, to afford States and localities the necessary flexibility to streamline programs and reduce duplicative, excessive, and inefficient expenditures, to establish an Interagency Low-Income Opportunity board, and for other purposes.

S. 708

At the request of Mr. PROXMIRE, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 708, a bill to require annual appropriations of funds to support timber management and resource conservation on the Tongass National Forest.

S. 769

At the request of Mr. JOHNSTON, the names of the Senator from Arkansas [Mr. BUMPERS], the Senator from Arizona [Mr. DECONCINI], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of S. 769, a bill to amend the Public Health Service Act to authorize assistance for centers for minority medical education, minority pharmacy education, minority veterinary medicine education, and minority dentistry education.

S. 860

At the request of Mr. BOREN, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 860, a bill to designate "The Stars and Stripes Forever" as the national march of the United States of America.

S. 863

At the request of Mr. KENNEDY, the names of the Senator from Hawaii [Mr. INOUYE] and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 863, a bill to provide for the admission of the State of New Columbia into the Union.

S. 889

At the request of Mr. Gore, the names of the Senator from Kentucky [Mr. McConnell] and the Senator from Maine [Mr. Mitchell] were added as cosponsors of S. 889, a bill to amend the Communications Act of 1934 to provide for fair marketing practices for certain encrypted satellite communications.

S. 924

At the request of Mr. Bentsen, the name of the Senator from Mississippi [Mr. Stennis] was added as a cosponsor of S. 924, a bill to revise the allotment formula for the Alcohol, Drug Abuse, and Mental Health Services Block Grant under part B of title XIX of the Public Service Act.

S. 962

At the request of Mr. Heinz, the names of the Senator from South Carolina [Mr. Hollings] and the Senator from New York [Mr. Moynihan] were added as cosponsors of S. 962, a bill to amend the Internal Revenue Code of 1986 to allow a credit against tax for expenses incurred in the care of elderly family members.

S. 1002

At the request of Mr. Cranston, the name of the Senator from Arkansas [Mr. Pryor] was added as a cosponsor of S. 1002, a bill to amend title 38, United States Code, to provide disability and death benefits to veterans (and survivors of such veterans) exposed to ionizing radiation during the detonation of a nuclear device in connection with the U.S. nuclear weapons testing program or the American occupation of Hiroshima or Nagasaki, Japan; and for other purposes.

S. 1076

At the request of Mr. Bradley, the name of the Senator from Nevada [Mr. Reid] was added as a cosponsor of S. 1076, a bill to amend title XVIII of the Social Security Act to improve the availability of home health services under the Medicare Program, and for other purposes.

S. 1179

At the request of Mr. Conrad, the names of the Senator from South Dakota [Mr. Daschle], Senator from Iowa [Mr. Harkin], and the Senator from North Dakota [Mr. Burdick] were added as cosponsors of S. 1179, a bill to amend the Consolidated Farm and Rural Development Act to improve the administration of Farmers Home Administration loans, and for other purposes.

S. 1189

At the request of Mr. Melcher, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of S. 1189, a bill to amend the Older Americans Act of 1965 to authorize grants to States for demonstration projects that provide to older individuals services in return for certain volunteer services provided to other individuals.

S. 1234

At the request of Mr. Chafee, the name of the Senator from South Dakota [Mr. Daschle] was added as a cosponsor of S. 1234, a bill to amend title 38, United States Code, to ensure eligibility of certain individuals for beneficiary travel benefits when traveling to Veterans' Administration medical facilities.

S. 1239

At the request of Mr. Armstrong, the name of the Senator from South Dakota [Mr. Pressler] was added as a cosponsor of S. 1239, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain short-term loans.

S. 1288

At the request of Mr. Garn, the names of the Senator from Rhode Island [Mr. Pell], the Senator from Wisconsin [Mr. Proxmire], and the Senator from Alaska [Mr. Stevens] were added as cosponsors of S. 1288, a bill to designate July 20 of each year as "Space Exploration Day."

SENATE JOINT RESOLUTION 44

At the request of Mr. Durenberger, the names of the Senator from Rhode Island [Mr. Chafee], the Senator from Pennsylvania [Mr. Heinz], and the Senator from New Jersey [Mr. Lautenberg] were added as cosponsors of Senate Joint Resolution 44, a joint resolution to designate November 1987, as "National Diabetes Month."

SENATE JOINT RESOLUTION 59

At the request of Mr. Thurmond, the names of the Senator from North Carolina [Mr. Helms], the Senator from Hawaii [Mr. Matsunaga], and the Senator from New Hampshire [Mr. Humphrey] were added as cosponsors of Senate Joint Resolution 59, a joint resolution to designate the month of May 1987 as "National Foster Care Month."

SENATE JOINT RESOLUTION 75

At the request of Mr. Thurmond, the name of the Senator from Missouri [Mr. Bond] was added as a cosponsor of Senate Joint Resolution 75, a joint resolution to designate the week of August 2, 1987, through August 8, 1987, as "National Podiatric Medicine Week."

SENATE JOINT RESOLUTION 87

At the request of Mr. Riegle, the names of the Senator from Oklahoma [Mr. Boren], and the Senator from New Jersey [Mr. Bradley] were added as cosponsors of Senate Joint Resolution 87, a joint resolution to designate November 17, 1987, as "National Community Education Day."

SENATE JOINT RESOLUTION 88

At the request of Mr. Bradley, the names of the Senator from Colorado [Mr. Armstrong], the Senator from South Carolina [Mr. Thurmond], the Senator from Arkansas [Mr. Bumpers], the Senator from Pennsylvania [Mr. Heinz], and the Senator from Louisiana [Mr. Johnston] were added as cosponsors of Senate Joint Resolution 88, a joint resolution to designate the period commencing November 15, 1987, and ending November 21, 1987, as "Geography Awareness Week."

SENATE JOINT RESOLUTION 101

At the request of Mr. Cranston, the names of the Senator from Arkansas [Mr. Bumpers], the Senator from Maine [Mr. Mitchell], and the Senator from New Jersey [Mr. Lautenberg] were added as cosponsors of Senate Joint Resolution 101, a joint resolution to designating June 19, 1987 as "American Gospel Arts Day."

SENATE JOINT RESOLUTION 106

At the request of Mr. Bingaman, the name of the Senator from Montana [Mr. Melcher] was added as a cosponsor of Senate Joint Resolution 106, a joint resolution to recognize the Disabled American Vietnam Veterans National Memorial as a memorial of national significance.

SENATE JOINT RESOLUTION 109

At the request of Mr. Durenberger, the names of the Senator from Kansas [Mr. Dole], the Senator from Arizona Mr. DeConcini], and the Senator from Mississippi [Mr. Cochran] were added as cosponsors of Senate Joint Resolution 109, a joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week."

SENATE JOINT RESOLUTION 111

At the request of Mr. Heinz, the name of the Senator from Alaska [Mr. Stevens] was added as a cosponsor of Senate Joint Resolution 111, a joint resolution to designate each of the months of November 1987, and November 1988, as "National Hospice Month."

SENATE JOINT RESOLUTION 122

At the request of Mr. Metzenbaum, the names of the Senator from West Virginia [Mr. Rockefeller], the Senator from Arkansas [Mr. Bumpers], and the Senator from Louisiana [Mr. Johnston] were added as cosponsors of Senate Joint Resolution 122, a joint resolution to designate the period commencing on October 18, 1987, and ending on October 24, 1987, as "Gaucher's Disease Awareness Week."

SENATE JOINT RESOLUTION 125

At the request of Mr. Roth, the names of the Senator from Texas [Mr. Bentsen], the Senator from Arizona [Mr. DeConcini], and the Senator from New Hampshire [Mr. Humphrey] were added as cosponsors of Senate Joint Resolution 125, a joint resolution to designate the period commencing on May 9, 1988, and ending on May 15, 1988, as "National Stuttering Awareness Week."

SENATE JOINT RESOLUTION 132

At the request of Mr. BENTSEN, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of Senate Joint Resolution 132, a joint resolution recognizing the service and contributions of the Honorable Wilbur J. Cohen.

SENATE JOINT RESOLUTION 135

At the request of Mr. SIMON, the names of the Senator from South Dakota [Mr. PRESSLER], the Senator from New York [Mr. MOYNIHAN], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Illinois [Mr. DIXON], the Senator from Connecticut [Mr. DODD], the Senator from Indiana [Mr. LUGAR], the Senator from Oklahoma [Mr. BOREN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Maryland [Mr. SARBANES], the Senator from Rhode Island [Mr. PELL], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Hawaii [Mr. INOUYE], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from California [Mr. WILSON], the Senator from Maryland [Ms. MIKULSKI], the Senator from Arkansas [Mr. PRYOR], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Minnesota [Mr. DURENBERGER], the Senator from New Jersey [Mr. BRADLEY], the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Delaware [Mr. ROTH] were added as cosponsors of Senate Joint Resolution 135, a joint resolution to designate October 1987 as "Polish American Heritage Month."

SENATE JOINT RESOLUTION 136

At the request of Mr. HUMPHREY, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of Senate Joint Resolution 136, a joint resolution to designate the week of December 13, 1987, through December 19, 1987, as "National Drunk and Drugged Driving Awareness Week."

SENATE JOINT RESOLUTION 139

At the request of Mr. GARN, the names of the Senator from Maine [Mr. MITCHELL], the Senator from Rhode Island [Mr. PELL], the Senator from Wisconsin [Mr. PROXMIRE], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Joint Resolution 139, a joint resolution to designate July 20, 1987, as "Space Exploration Day."

SENATE JOINT RESOLUTION 141

At the request of Mr. NICKLES, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of Senate Joint Resolution 141, a joint resolution designating August 29, 1988, as "National China-Burma-India Veterans Appreciation Day."

SENATE JOINT RESOLUTION 142

At the request of Mr. WEICKER, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from California [Mr. CRANSTON], the Senator from Oregon [Mr. HATFIELD], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Arizona [Mr. DECONCINI], the Senator from Nebraska [Mr. KARNES], the Senator from Mississippi [Mr. COCHRAN], the Senator from Michigan [Mr. RIEGLE], the Senator from Mississippi [Mr. STENNIS], the Senator from Vermont [Mr. STAFFORD], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of Senate Joint Resolution 142, a joint resolution to designate the day of October 1, 1987, as "National Medical Research Day."

SENATE CONCURRENT RESOLUTION 43

At the request of Mr. STEVENS, the names of the Senator from Indiana [Mr. LUGAR], and the Senator from Hawaii [Mr. MATSUNAGA] were added as cosponsors of Senate Concurrent Resolution 43, a concurrent resolution to encourage State and local governments and local educational agencies to provide quality daily physical education programs for all children from kindergarten through grade 12.

AMENDMENTS SUBMITTED

SUPPLEMENTAL APPROPRIATIONS, 1987

GRAMM AMENDMENT NOS. 253 AND 254

Mr. GRAMM proposed two amendments to the bill (H.R. 1827) making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes; as follows:

AMENDMENT NO. 253

At the appropriate place in the bill, insert the following:

FARMERS HOME ADMINISTRATION

RURAL HOUSING INSURANCE FUND

Notwithstanding any other provision of this Act, in order to allow the additional funding provided in this Act to the Commodity Credit Corporation for additional payments to producers under section 633(B) of the Agriculture, Rural Development, and Related Agencies Appropriations Act, 1987; and, in order to allow the additional funding provided in this Act for Agricultural Stabilization and Conservation Service, salaries and expenses, in a manner that does not increase the deficit of the United States Government for fiscal year 1987, within the resources and authority available, gross obligations for the principal amount of direct loans financed by the Rural Housing Insurance Fund shall not exceed $1,500,000,000.

RURAL DEVELOPMENT INSURANCE FUND

In order to allow the additional funding provided by this Act for relief for the homeless without increasing the deficit of the United States Government for fiscal year 1987, in addition to any sales required under any other Act, the Secretary of Agriculture, under such terms as the Secretary may prescribe, shall sell notes and other obligations held in the Rural Development Insurance Fund established under section 309A of the Consolidated Farm and Rural Development Act in such amounts as to realize net proceeds to the Government of not less than $70,000,000, in fiscal year 1987.

AMENDMENT NO. 254

On page 3, strike lines 8 through 11.

On page 16, line 6 strike "$442,000,000" and insert in lieu thereof "$382,500,000"

On page 35, strike lines 16 through 22.

On page 36, strike lines 3 through 8.

On page 38, strike lines 14 through line 8 on page 40.

On page 40, strike lines 9 through 14.

On page 48, strike lines 5 through 11.

On page 51, strike lines 3 through 6.

On page 51, line 10 strike "$3,100,000" and insert in lieu thereof "$3,000,000".

On page 51, strike lines 11 through 18.

On page 52, strike lines 1 through 5.

On page 53, strike lines 14 through 18.

On page 53, strike lines 21 through "$800,000:" on line 22.

On page 54, strike lines 22 through 25.

On page 56, strike lines 18 through 24.

On page 57, strike lines 6 through 11.

On page 61, strike lines 7 through 12.

On page 77, strike lines 1 through "Provided," on line 12.

On page 78, strike lines 4 through 24.

On page 79, strike lines 9 through 16.

On page 81, strike lines 1 through 5.

On page 82, beginning with line 23, strike all through line 3, page 83.

On page 85, strike lines 14 through 17.

On page 100, strike lines 15 through 18.

NOTICE OF HEARINGS

SUBCOMMITTEE ON NUTRITION AND INVESTIGATIONS

Mr. LEAHY. Mr. President, I wish to announce that the Subcommittee on Nutrition and Investigations of the Committee on Agriculture, Nutrition, and Forestry will hold a hearing on Thursday, June 11, 1987, at 10 a.m. in SR332 to receive testimony on the WIC Program. Senator TOM HARKIN will preside.

"For further information, please contact Bob Andros of Senator HARKIN's staff at 224-3254.

SUBCOMMITTEE ON AGRICULTURAL CREDIT

Mr. LEAHY. Mr. President, I wish to announce that the Subcommittee on Agricultural Credit of the Committee on Agriculture, Nutrition, and Forestry will hold a hearing on Tuesday, June 9, 1987 at 2:30 p.m. in SR332 to receive testimony from the Farm Credit Capital Corporation. Senator DAVID BOREN will preside.

For further information, please contact Kellye Eversole of Senator BOREN's staff at 224-4721.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LEAHY. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry will hold a hearing on Tuesday, June 9, 1987, at 9 a.m. in SR332 to receive testimony on the reform and modernization of the Farmers Home Administration. Senator KENT CONRAD will preside.

For further information, please contact Kent Hall of Senator CONRAD's staff at 224-2043.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. BYRD. Mr. President, I ask unanimous consent the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, June 2, 1987, at 4:30 p.m. to receive a briefing on the role of Iraq in the attack on the U.S.S. *Stark*.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY REGULATION AND CONSERVATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Energy Regulation and Conservation of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, June 2, 1987, to receive testimony concerning the implications of S. 694, a bill to provide a comprehensive national oil security policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SURFACE TRANSPORTATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Surface Transportation of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on June 2, 1987, to resume hearings on proposed legislation authorizing funds for the Federal Rail Safety Program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, June 2, 1987 to receive testimony concerning oil and gas leasing in the Coastal Plain of the Arctic National Wildlife Refuge, Alaska.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NUCLEAR REGULATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Nuclear Regulation, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on June 2, to hold an oversight hearing on the Department of Energy's High-Level Waste Program, including its proposal for the authorization of a monitored retrievable storage facility.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE U.S. POSITION ON STRATOSPHERIC OZONE DEPLETION

● Mr. MITCHELL. Mr. President, The recently reported administration position on stratospheric ozone depletion is irresponsible. Hopefully, Secretary Hodel's comments that sunglasses, hats and sunscreens are the solution to this serious environmental problem were intended only in jest. These placebos cannot provide the necessary protection against the adverse human health, environmental and global climate effects of increased ultraviolet radiation from depletion of our Earth's protective ozone layer.

In a recent letter to the Office of Management and Budget, Dr. Margaret Kripke, chairperson of the Stratospheric Ozone Subcommittee of the Environmental Protection Agency's Science Advisory Board, states: "* * * I am troubled by the point of view you related indicating that skin cancer is a self-inflicted disease, and therefore, we need protect people against increased UVB radiation because they should be responsible for protecting themselves." I think Dr. Kripke's response to OMB is a compelling one:

> Most of our patients with skin cancer are farmers, ranchers, oil field workers, and people who work on off-shore oil rigs. * * * I am unaware of any recent study that attempts to characterize the skin cancer population as to what proportion of cases (are) voluntary or recreational * * * Skin cancer has an economic impact regardless of how it is acquired, in loss of human productivity and in medical expenses. * * * Part of the increased exposure of our population to UVB results from the demographic trend of people moving southward, (and) many people have moved because of economic necessity, rather than because they want to play golf year round.

In comprehensive hearings the Senate Subcommittees on Environmental Protection and Hazardous Waste and Toxic Substances heard testimony from the scientific experts. There is growing evidence that the man-made chemicals called chlorofluorocarbons, or CFC's, are depleting stratospheric ozone.

The medical professionals testified on the relationship of increased ultraviolet radiation not only to skin cancer, but to cataracts and other eye disorders. There are no ultraviolet absorption standards for sunglasses, so the consumer is at risk of inflated claims. Sunglasses that only darken but do not block UV, actually increase the risk to the eye, which will dialate and let in more harmful rays.

The most serious potential human health effect is suppression of the immune system. Sunlight may cause the same kinds of alterations of the immune system in people that has been demonstrated in animals. If it does, the consequences could be of major significance for human health. Sunscreens would provide no protection from immune system effects.

Environmental effects are of equal concern. Possible longterm global climate affects from changes in temperatures and weather patterns are not well understood, but may be devastating. Increased ultraviolet radiation will reduce crop yields and impact natural vegetation. Perhaps most disturbing, marine and aquatic species at the base of the food chain are very sensitive to ultraviolet radiation, which may threaten commercial fisheries species and basic ecosystems. Obviously, individual human protection measures will not protect our environment from these adverse effects.

At a hearing on May 14, Lee Thomas, Administrator of the Environmental Protection Agency, assured the Senate that the U.S. negotiating position on international control of CFC's has not been weakened. Ambassador Richard Benedick reiterated the U.S. position for an immediate freeze and up to a 95-percent reduction in CFC's. The Senate Resolution I am introducing reaffirms this. We cannot afford to joke about an environmental problem which threatens the balance that sustains life on Earth as we know it.●

RECOGNITION OF FORMER SENATORS CHANDLER AND COOPER

● Mr. McCONNELL. Mr. President, 195 years ago yesterday Kentucky was granted admission to the Union as the first State west of the Appalachians. I thought it appropriate to commemorate this important date by recognizing two of our State's most distinguished senior statesmen, former Senators A.B. "Happy" Chandler and John Sherman Cooper. Senators Chandler and Cooper were elected at different times during the last 48 years to the same seat I now have the privilege of holding.

Senator Chandler served Kentucky with distinction in many different public positions, including 2 years in the State senate (1930-31), 4 years as Lieutenant Governor (1931-35), two different terms as Governor (1935-39; 1955-59), and over 6 years in the U.S. Senate (1939-45). He also served as commissioner of baseball (1945-51), where he added to his many public accomplishments by becoming the first commissioner to advocate racial integration of professional baseball.

Senator Chandler was followed by John Sherman Cooper who very ably served Kentucky for more than 20 years in the U.S. Senate. Senator Cooper distinguished himself as a member of the Foreign Relations

Committee and as a tireless advocate of Kentucky interests. His long and varied public career also included service as a State legislator (1928-30), Pulaski County judge (1930-38), circuit judge (1945-46), and Ambassador to India (1955-56).

These two outstanding public servants were recently reunited together in Washington and for Senator Chandler it was his first trip to the Capitol in more than 40 years. Our statewide newspaper, the Courier-Journal, printed an article on their reunion and I ask that it be printed in the RECORD.

Senators Chandler and Cooper deserve to be recognized for their long service to Kentucky and the Nation. They established standards for public service that many of us will spend a good part of our lives trying to equal.

I am pleased to honor them on this 195th anniversary of Kentucky's admission to the United States.

The article follows:

"HAPPY" RETURNS—CHANDLER, OLD PAL COOPER TOUR CAPITAL

(By Robert T. Garrett)

WASHINGTON.—Kentucky's most gregarious politician of modern times, the inimitable A. B. "Happy" Chandler, and its shyest senior statesman, the soft-spoken John Sherman Cooper, seem unlikely pals.

But pals they are, differences of party and personality notwithstanding.

And, with a certain boyish exuberance, the two octogenarians are having a nostalgic, three-day reunion in the nation's capital.

Cooper, who at 85 is Chandler's junior by three years, has been scurrying to keep up with his house guest. Chandler, since arriving Sunday, has visited the U.S. Senate for the first time in more than 40 years, denounced those who ignore his role in the racial integration of major-league baseball and bucked for a personal audience with President Reagan.

Prospects for the latter seemed uncertain late yesterday, but chances were good that Cooper, a Republican, and Chandler, a Democrat, would visit two other famous Washington residents today—Massachusetts Sen. Edward M. Kennedy and his sister-in-law, Ethel Kennedy.

When Chandler, the ex-governor and former U.S. senator, decided to pay his first visit to Washington in more than two decades, it was only natural, he said, that he stay at the posh Georgetown residence of Cooper, also a former U.S. senator.

"The beds are comfortable, the food is good and the rates are reasonable," Chandler—who's known to be frugal—said with a wink as he jumped into a taxi with Cooper yesterday. "We've been friends a long time," Cooper explained with a chuckle, recalling that when he tried out for the football team at Centre College in 1919, Chandler was the assistant coach.

In spite of, or perhaps because of, their many differences in temperament and style, Chandler and Cooper appear to enjoy one another's company greatly.

When Chandler visited the Capitol yesterday, Cooper smiled in apparent amusement as his friend gladhanded security guards and hollered, "Hi, baby!" to women he passed in Senate hallways.

Cooper, who also seemed invigorated by his visit to Capitol Hill, has recovered in recent months from cracked ribs he received in a fall but has suffered from increasing deafness.

Chandler, who now walks with a cane, took pleasure in demonstrating how his ripe baritone voice unfailingly reaches a comprehending Cooper, "John's just a young boy," Chandler quipped.

Both Chandler, who served in the Senate from 1939-46, and Cooper, a Republican who assumed Chandler's Senate seat in 1947 and served intermittently until 1973, were mavericks. They at times defied presidents of their own party but had strong personal appeal to Kentucky voters.

Chandler said yesterday that the main reason he bolted the Democratic Party so often, such as when he endorsed Cooper in 1946 and 1956, was his resentment of the Democratic faction that unsuccessfully opposed his bid for governor in 1935.

"Earle Clements, Ruby Lafoon and Tom Rhea bought time on the radio to try to defeat me," Chandler said, mentioning, respectively, two former governors he quarreled with and the man he defeated in 1935. "I never forgot."

Cooper, now retired from his partnership in the old-line Washington law firm of Covington & Burling, took Chandler yesterday to the weekly partners' luncheon at the firm. The lawyers invited Chandler to speak.

Incensed by a recent New York Times account of Jackie Robinson's breaking of the color barrier in baseball 40 years ago, Chandler denounced it and other accounts that he said have ignored his crucial role, as commissioner of baseball at the time.

"A lot of people took credit for it, and they had nothing to do with it," Chandler said he told the lawyers. "It was my decision."

Cooper and Chandler heard a speech yesterday morning by the newly appointed librarian of Congress, James Billington, and did some sight-seeing before retiring to Cooper's house. Cooper wanted to place some more telephone calls to try to arrange the visits with Reagan and the Kennedys.

Chandler said he wanted to rest for a return today to the Senate, which will be resuming work after a week's recess.

"I've gotta see my old seat," Chandler said. "That's the one thing I came here to do."●

UNDERLYING ISSUES OF THE TRADE DEBATE

● Mr. BENTSEN. Mr. President, the Senate will consider trade legislation in the near future. As reported by the Finance Committee, the Bentsen-Danforth bill would make a number of significant changes in our trade policies. Senator DANFORTH recently discussed some of the underlying issues of the trade debate in an article published by the St. Louis Post-Dispatch. I commend his article to the attention of other Senators, and ask that it be printed in the CONGRESSIONAL RECORD.

The article follows:

[From the St. Louis Post-Dispatch, May 17, 1987]

UNDERLYING ISSUES OF THE TRADE DEBATE

(By Senator Jack Danforth)

Few can doubt that within the next several months Congress will pass major trade legislation. The open question is whether the legislation will be protectionist as is the bill recently passed by the House or market opening as is the "reciprocity" bill agreed to by the Senate Finance Committee. If protectionist, the legislation will and should be vetoed by the President. If based on reciprocity, there is a chance that the President will sign the bill into law.

That Congress is moving swiftly on trade is a political reflection of an economic reality. Last year, the merchandise trade deficit was $170 billion, and that figure has brought major dislocations in our work force. When the jobs of millions of Americans are lost or threatened, politicians respond, as they should. The question is what form this response will take.

Economists of all philosophical stripes tell us that the most significant trade legislation Congress can pass is to bring the federal budget deficit under control. It now appears that the budget resolution will call for a deficit of about $133 billion in 1988, which is well below the projected 1987 deficit of about $171 billion, but still far above the Gramm-Rudman-Hollings target of $108 billion. Yet, however successful Congress may be in addressing the deficit, substantial trade problems will remain. So legislation in response to unfair practices of our trading partners is a foregone conclusion.

Many observers argue that the unfair practices of our competitors account for only about 15 percent of the trade deficit, and that the remainder results from a combination of macroeconomic policies and our own competitive sluggishness. My own view is that such neat calculations are hard to justify, and that the causes of our problems are a both/and rather than an either/or proposition. The fact is that even where America has a clear competitive advantage, even where the product is superior and the price is right, it is well nigh impossible to penetrate foreign markets, most notably Japan.

Clearly, Americans know how to make baseball bats, but we have not sold them in Japan—their game is different. We know how to make skis, but we are told that Japanese snow is different. We know how to design airports, but again, Japanese soil is different. Similarly, we have run into obstacles on exports of beef, lumber, mobile telephones and silicon, and we fear we will find similar problems selling Japan our best-in-the-world fighter aircraft.

Japan, of course, is not alone in its pursuit of protectionist practices. Europe's Common Agricultural Policy brought us to the brink of a genuine trade war. Airbus Industries seeks to exclude our own high quality, currently available passenger planes from the European market until its own plane is under production. Korea shows every sign of mimicking the mercantilist practices of Japan. Canada discriminates against our publishers and broadcasters, and the list goes on.

Even the Administration, which until recently confused retaliation against unfair practices with trade protectionism, now concedes that a more active response by the United States is in order. The question before Congress is the form such a response should take. Our alternatives are protectionism and reciprocity.

Protectionism's current emanation is the House bill's Gephardt Amendment: the mathematical reduction of bilateral trade deficits by ten percent for each of the next four years. Trading partners would be given their own choice of how to reach the target numbers. They would be free to retain all their existing barriers to imports from the United States, and to reduce exports by the required amount. If this is their choice, the result would be trade contraction rather than market opening. The consequences of such a strategy would be higher prices for American consumers, no new opportunities for American workers, and a general economic downturn.

Reciprocity does not give our trading partners the option of shutting down exports in order to meet artificial and numerical targets. Its sole aim is to open up world trade and to make it fair. It tells our Administration to negotiate away the trade barriers of other countries or to retaliate against those barriers. It says to other countries that they hold the key to our market. If they wish to sell here, we must have the opportunity to sell there.

Retaliation is not to be used for the sheer joy of striking out at another country. Its only purpose is to provide credibility to a trading system. Japan and other countries must realize that their own protectionism is not an unmixed blessing; that it carries minuses as well as pluses. A decision to shut out baseball bats or airplanes must entail costs as well as benefits, and those costs should be predictable when protectionist decisions are made.

When the President retaliated against the dumping of semiconductors, Japanese officials expressed surprise at his action. No wonder their surprise when we had never retaliated before, despite a long list of grievances. Unpredictability of American response does not serve the interests of world trade, and it is no way to treat a friendly country. The goal of reciprocity legislation is no more surprises. Henceforth, we will respond systematically, not sporadically. That is what a world trading "system" is all about.●

TRIBUTE TO BALYS GAJAUSKAS

● Mr. D'AMATO. Mr. President, I rise to draw the attention of my colleagues to the continuous plight of Balys Gajauskas, a member of the Lithuanian Helsinki Monitoring Group. This group, which Gajauskas joined while in prison, was established on May 12, 1976. The primary purpose of the group was to promote human rights in the U.S.S.R. and monitor Soviet violations of the Helsinki Final Act.

Balys Gajauskas has been imprisoned for 34 of his 60 years. He was initially imprisoned in 1948 for resisting the Soviet occupation of Lithuania. He served a 25-year sentence for this crime. Upon his release in 1973, Gajauskas returned to Lithuania and began to help families of other prisoners of conscience. Soon thereafter his internal passport was revoked, and he was forbidden to return to his hometown. Gajauskas was later arrested for dealing in anti-Soviet propaganda and sentence to 10 more years in prison and 5 years in internal exile. Balys Gajauskas has not been allowed a visitor in 3 years, and he has not received mail in several months.

Recently, the noted dissident spokesman Andrei Sakharov released a list of prisoners whom he felt deserved special attention. In particular Sakharov was concerned about prisoners at Perm Camp 36-1, because conditions at this camp are thought to be extremely harsh, and none of its prisoners are known to have been released. Balys Gajauskas' name headed Sakharov's list.

Mr. President, as a member and former chairman of the Commission on Security and Cooperation in Europe, I commend the struggle of Balys Gajauskas, his resistance to the occupation of his homeland, and his resistance to the persecution of his fellow dissenters. He has made a supreme sacrifice for his countrymen, and he has paid dearly for his work on behalf of those denied even the most basic of human rights.●

THE BALTIMORE REGIONAL BURN CENTER

● Mr. SARBANES. Mr. President, I am pleased today to pay tribute to the Baltimore Regional Burn Center at Francis Scott Key Medical Center, a unique organization which is the only institution dedicated to the care of severely burned individuals in the State of Maryland. The mission of the burn center is patient care, teaching, research and prevention. The center not only focuses on survival of the patient who is severely burned, but also the rehabilitation of the survivor into the community and the work force.

The Baltimore Regional Burn Center has been instrumental in the development of the quality of life scale. Using psychometric methodology, the center has developed and validated a measurement instrument which analyzes patients' disabilities both psychologically and physically following survival. By using this instrument the center has been able to focus on rehabilitation of specific areas of need, resulting in a rehabilitation rate that is in excess of 80 percent.

Infection accounts for 70 percent of burn deaths and is due primarily due to the weakening of the defense system following injury. The innovative research of the burn center has produced several technologies for intervention. Funding for this work has come from the National Institutes of Health, the National Center for Health Services Research, support from the Baltimore Firefighters, and the community at large.

The center utilizes a team concept when caring for the burn patient. Each member of the burn team, whether social worker, occupational therapist, nurse, doctor, clergyman, psychologist or other specialist, functions as an independent professional. New surgical techniques arising directly out of research on the surgical management of the burn wound and on pharmacological management of infections have resulted in the staff being on the leading edge of burn treatment and contributed to improved survival rates.

As a result of the efforts of the Baltimore Burn Center, the mid-Atlantic States Burn Centers Organization was founded in 1979, and serves as a forum for sharing up-to-date patient care and research information. Under a grant from the Maryland Hospitals Cost Review Commission in 1985, trained staff began to work with the school systems of the city and counties to incorporate material about burn prevention into the school curriculum. Formal pretesting and posttesting and statistical methodology for evaluation of this program were designed by the Johns Hopkins School of Public Health. After only 1 year, the awareness of the hazards of burning have dramatically increased among these targeted school children. This effort is now being expanded to the elderly and to the work force.

Mr. President, the problem of burn injury in America is a tragic one. Every 4 years, as many Americans die because of burns as were killed in the entire Vietnam war. Two million people are burned each year, and 50,000 of those are permanently disabled. Fire particularly threatens the young; 20 percent of those killed by fire in Maryland were less than 7 years old. Many of those who survive must live with heartrending disfigurement. We are fortunate in Maryland to have an institution dedicated to the care of severely burned individuals. The Baltimore Burn Center which serves as a model for the entire Nation.●

WIC

● Mr. D'AMATO. Mr. President, I rise today as a cosponsor of Senate Joint Resoluton 99 which expresses the sense of the Congress that the Special Supplemental Food Program for Women, Infants, and Children [WIC] should receive increasing amounts of appropriations in fiscal year 1988 and succeeding fiscal years.

I am very concerned about the well-being of our Nation's youth. They are this Nation's most precious resource. We can ill-afford to ignore their proper development. The WIC Program is essential in providing its participants with a proper nutritional diet.

WIC is one of the Federal Government's most successful and cost-effective programs. It provides for the nutritional needs of low-income pregnant, breast-feeding, and postpartum, women, infants, and preschool children who are at nutritional risk.

There is no time in life more critical for a woman to practice sound nutritional habits than during her pregnancy. Women who lack the proper nutrients in their diets have a greater chance of giving birth to premature, low-weight infants than do women who have well-balanced diets. Statistics show that the WIC Program has a major impact in reducing the incidence of low-weight births and late fetal deaths.

The cost-effectiveness of the WIC Program has been demonstrated by a Harvard University School of Public Health study, which indicated that for every dollar spent on the prenatal component of the WIC Program dollars are saved in later health care costs.

I would like to commend the distinguished Senator from Arizona in introducing this timely and worthwhile resolution and urge its speedy passage.●

THE "STARK" LESSON AND STAR WARS

● Mr. KERRY. Mr. President, I recently received a letter from two constituents of mine, James and Margaret Keck, who live in Andover, MA. As they suggest, the strategic lesson to be learned from the U.S.S. *Stark* tragedy is the grim fact that technologically advanced defense systems are never as reliable as we would like to believe they are. It is unwise and even dangerous to expect that any military program, let alone star wars, can protect itself against the failures that plague all complex technologies, great or small. I ask for the Keck's letter to be printed in the RECORD.

The letter follows:

ANDOVER, MA, *May 21, 1987.*

THE "STARK" LESSON

The recent attack by an Exocet missile on the frigate *Stark* provides a dramatic demonstration of some of the many reasons why President Reagan's star wars defense systems is unlikely to work. Any attack will be unexpected, the system will not be on full alert; launch of the weapons will be undetected; they will come in "under the deck of the ship in the clutter of the waves"; a computer will be "down" or will malfunction.

If a U.S. warship equipped with the most modern defense systems cannot defend itself against one or two missiles with well known characteristics in a situation known to be hazardous, what hope is there for defense against a multiple surprise attack by a variety of sophisticated weapons many of which may never have been seen before and which may not even be recognized as threatening?

The expectation that a star wars defense system can be perfected and would function properly when needed is the height of folly. Its only possible virtue is that its development would keep millions of Americans employed—but wouldn't it be far better if these same millions could be put to work on the problems of energy and the environment?

JAMES KECK,
Ford Professor of Engineering, M.I.T.
MARGARET KECK.●

PROPOSED ARMS SALES

● Mr. PELL. Mr. President, section 36(b)(1) of the Arms Export Control Act requires that Congress receive formal notification of proposed arms sales under the act in excess of $50 million, or in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD the notification I have received. The classified annex referred to in the notification is available to Senators at the Foreign Relations Committee.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, May 29, 1987.

In reply refer to: I-00999/87.

Hon. CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b)(5)(C) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 87-A and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Air Force's proposed enhancement or upgrade of capability or sensitivity of technology of a defense article previously sold to Saudi Arabia. The sale was originally notified on certification 84-23 dated 26 January 1984. The estimated net cost of this upgrade is $241 million. Soon after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIP C. GAST,
Director.

[Transmittal No. 87-A]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b)(1) AS PRESCRIBED BY SECTION 36(b)(5)(C) OF THE ARMS EXPORT CONTROL ACT [1]

(i) Prospective Purchaser: Saudi Arabia.

(ii) Total Estimated Value:

	Million
Major defense equipment [1]	$315
Other	45
Total	360

[1] As defined in Section 47(6) of the Arms Export Control Act.

Note.—The estimated net cost of the upgrade is $241 million.

(iii) Description of Articles or Services Offered: Sixteen hundred AGM-65D Maverick missiles are proposed to be sold in lieu of 1,600 AGM-65B Maverick missiles previously notified in transmittal 84-23 dated 26 January 1984. Procurement of the previously approved AGM-65B missiles and related items was held in abeyance at the request of the Saudi Arabian Government. This sale also includes training missiles, spares, support equipment and related logistics support.

(iv) Military Department: Air Force (AFU, Amendment 1).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity or Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: See Annex under separate cover.

(vii) Section 28 Report: Case not included in Section 28 report.

(viii) Date Report Delivered to Congress: May 29, 1987.

POLICY JUSTIFICATION

The Government of Saudi Arabia has requested the purchase of 1,600 AGM-65D Maverick missiles in lieu of 1,600 AGM-65B Maverick missiles previously notified in transmittal 84-23 dated 26 January 1984. Procurement of the previously approved AGM-65B missiles and related items was held in abeyance at the request of the Saudi Arabian Government. This sale also includes training missiles, spares, support equipment and related logistics support. The total estimated cost is $360 million. The estimated net cost of the upgrade is $241 million.

This sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country which has been and continues to be an important force for political stability in the Middle East.

The AGM-65D Maverick missile is a variant of the AGM-65A/B Maverick missile already sold to Saudi Arabia. The AGM-65D will expand effectiveness of this missile to include nighttime operations and low visibility situations.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be the Hughes Aircraft Company of Canoga Park, California.

Implementation of this sale will not require the assignment of any additional U.S. Government or contractor personnel to Saudi Arabia.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

PUERTO RICO'S POLITICAL FUTURE

● Mr. SIMON. Mr. President, 2 weeks ago I joined my colleague, Senator DOLE, in cosponsoring S. 1182. This important resolution would allow Puerto Ricans to decide their political future for themselves. I have often spoken out against the treatment of our fellow American citizens, the people of Puerto Rico. My own feeling is that the reason Puerto Ricans have been treated unequally is because Puerto Rico is not a State.

Unfortunately, the Commonwealth status in effect has placed Puerto Rico in political and economic limbo. That status prevents Puerto Ricans from enjoying all the rights, or equally participating in all of the responsibilities that citizens of the United States share. These Americans have been drafted since 1917, and have died for the cause of the Union, yet, by virtue of living in Puerto Rico, they are prevented from voting for their Commander-in-Chief, the President of the United States.

Also, these 3.2 million American citizens are represented by only one non-voting member of Congress in the House of Representatives. In a State the size of Puerto Rico, its residents would be represented by at least five Members of the House and two Senators.

Puerto Ricans do not pay Federal taxes. Because they do not share in this responsibility, they do not partake equally in Federal programs which would benefit the elderly, disabled veterans, handicapped persons, and disadvantaged children of single parent households, among others. Thus, the effect of not paying Federal taxes is in fact detrimental to the neediest Puerto Ricans.

I believe there is only one solution to the problem presented by this second class citizenship: statehood for Puerto Rico. This is why I am supporting Senator DOLE's legislation. A referendum on whether or not Puerto Ricans want statehood for Puerto Rico is a vital first step. And, despite my own strong views on this, the referendum will allow Congress to hear directly from the residents of Puerto Rico on their feelings about statehood. Whatever the outcome with this referendum, it is the fairest way for Congress to approach the future status of Puerto Rico.

I am convinced that Puerto Ricans will benefit from this referendum and the possibility of becoming a State of the Union. Only then will Puerto Ricans resolve their political limbo and receive all the rights and responsibilities which they deserve as American citizens.●

NAUM MEIMAN

● Mr. SIMON. Mr. President, the Soviet Union continues to promote its policy of greater openness. Boris Klotz, who has suffered psychological persecution at the hands of the Soviet Government, appealed to United States elected officials to help end his suffering. His pleas have finally been heard, and the Soviet Union has given Boris permission to emigrate.

The Soviets have also released one of the prisoners of conscience, Yuli Edelshtein. I am extremely pleased with the increased number of refuseniks that have been issued exit visas, and with the release of numerous prisoners of conscience. I encourage the Soviets to continue with these positive steps.

I sincerely hope that the Soviet Government does not continue to disregard the case of Naum Meiman during this period of change. Naum has been refused permission to emigrate to the West for over 10 years. He is in his seventies, and does not have many years left to live. The release of Naum would offer the Soviets an opportunity to demonstrate their sincerity about improving relations.

I appeal to the Soviet Union to grant Naum Meiman permission to emigrate to the West.●

ESSAY OF HILDA CANES

● Mr. CHILES. Mr. President, today, I want to pay tribute to a very special young student from Florida. I recently had the pleasure of meeting 10-year-old Hilda Canes and her parents, Jose and Hilda Canes. Hilda, a fourth grade student attending Brentwood Elementary School in Sarasota, FL, recently won the U.S. Constitution National Essay Contest sponsored by Weekly Reader magazine.

In her winning essay, Hilda reflects on constitutional freedoms and the personal meaning those freedoms hold for her. It is especially meaningful as Hilda was born in Cuba and witnessed her father being imprisoned for 3 years for simply requesting to emigrate to the United States.

Mr. President, I congratulate Hilda on her outstanding achievement and ask to have printed in the RECORD her essay entitled "What the U.S. Constitution Means to Me and to Our Country."

The essay follows:

WHAT THE U.S. CONSTITUTION MEANS TO ME AND TO OUR COUNTRY

The Constitution is not only a set of laws but a way to help our citizens live in justice and liberty. On September seventeenth, seventeen eighty-seven one of the best moves was made in America.

Forming a country is a very tough job. We should all be grateful for the privilege in living in such a free country as the United States. The idea of the Constitution was to make rules for the newborn country, and help form the government.

The Constitution guarantees freedom for all. There are twenty-seven amendments to the Constitution. The first ten were adopted in 1791. Many have been changed or amended since then.

I am very glad to be living in the United States. My family and I will never forget what freedom means. The freedom of press, speech and religion offer us a wonderful life.

Since my family and I were born in Cuba we know what freedom really is. From just wanting to come to the United States my father was put in jail three years. Just talking out could put you in jail. Whenever my relatives in Cuba write I wish they were here to enjoy the freedom I receive.

Many people take the Constitution for granted. We should all be thankful for the Constitution because we need it for our everyday rights. The Constitution is a very important legal document and the basis for the American way of life.

HILDA CANES.●

THE POTENTIAL FOR SUMMER DISASTER

● Mr. CRANSTON. Mr. President, yesterday marked the first day of the summer season schedules for the airlines and begins the traditional increase in summer travel.

Mr. President, many people, myself included, believe the air traffic control system is critically understaffed and overworked. I personally believe the system has already been stretched to its limit and the statistics I have seen confirm my belief.

Recently, the Chairman of the National Transportation Safety Board, Jim Burnett, called for action to reduce congestion at some major airports this summer. The National Transportation Safety Board predicted that the margin of safety in air travel will dwindle as summertime traffic increases. To support this, the Board points to the three major indicators of aviation safety—near midair collisions, controller operational errors, and runway incursions—all of which have increased.

The number of controller operational errors has increased 20.9 percent during the first quarter of 1987.

The number of runway incursion incidents caused by controller performance deficiencies has increased nearly 50 percent, from 77 in 1984 to 115 in 1986.

There has been an increase in the number of air carrier near midair collisions from 240 nationwide in 1985 to 340 in 1986. And this year, at the current rate, it is expected to be higher. Of those 340 near midair collisions in 1986, 57 were classified by the FAA as critical—denoting a situation where collision avoidance was due to chance.

Mr. President, we are facing a situation where an already overburdened system is required to take on additional traffic without any additional staffing capacity. This can only lead to disaster.

Earlier this year I introduced a resolution calling for an increase in air traffic controllers to 1981 prestrike levels. I have also cosponsored S. 1184, the Airport and Airway Enhancement Act of 1987, introduced by Chairman Ford, which provides for hiring an additional 1,000 controllers by the end of fiscal year 1988. This bill is a significant step toward providing the necessary funding to improve air safety and the capacity of our airports. However, this bill addresses the long-term solutions.

The problem we are facing today is what to do in the short term—the summer of 1987. I am not eager to restrict commerce or restrict any mode of transportation but I believe that safety must be our first priority. The warnings of the National Transportation Safety Board should not be taken lightly and deserve our immediate attention.●

FATHER WOODY

● Mr. WIRTH. Mr. President, those who know his vigorous energy and ardent opinions call him "Father Woody," God's streetfighter. He has spearheaded efforts to care for the needs of the homeless in Denver. He has been an effective voice as executive director of the Denver Catholic Register, a publication with a circulation of 80,000. Concerned about children who could not afford school lunches, Father Woody went to President Johnson and pressed him to sign the Child Nutrition Act of 1966.

But Father Woody is most loved and admired by his large congregation at Holy Ghost Roman Catholic Church in Denver, where he is still known as Rev. C.B. Woodrich.

I was impressed by an article from the Rocky Mountain News which gives an insightful glimpse into the life of this inspiring man, and my colleagues and others who read the CONGRESSIONAL RECORD may find it of interest. I ask that the article appear in the RECORD.

The article follows:

[From the Rocky Mountain News, Apr. 17, 1987]

THE MAN WHO IS GOD'S "STREETFIGHTER"—REV. C.B. WOODRICH: ALSO KNOWN AS FATHER WOODY

(By Terry Mattingly)

The Rev. C.B. Woodrich sat hunched over at his desk several days after the death of his mentor Denver Archbishop James Casey.

Woodrich, the 63-year-old spokesman for the Archdiocese of Denver, knew who would handle many of the snafus sure to occur during the three days of pomp and sorrow it would take to bury Casey.

"Father Woody" faced an exhausting week. But there was also the matter of Woodrich facing the loss of the shy archbishop who had offered a brash and hardworking priest the public platform he was happy to seize.

Woodrich held a rosary. Workers had just found it in Casey's desk.

"Here was the archbishop's rosary," Woodrich recalled, "It was like a chance to be with Jimmy again. I needed that."

Woodrich opened the leather case and took out the rosary, ready to speak the familiar "Hail Mary" prayers while fingering the beads in the rite.

The rosary fell apart—a fitting symbol of the emotional and physical pressures which, on Jan. 5, caused Woodrich to vanish from the archdiocesan offices at 200 Josephine St.

He left what could be three full-time jobs—executive editor of the Denver Catholic Register, spokesman for the archdiocese and director of the church's work in public relations and television. He remains pastor of Holy Ghost Roman Catholic Church, 633 19th St.

Woodrich has been in a hospital or on forced vacation most of the past 15 weeks and only now is regaining color in his cheeks and fire in his voice. In early May, he will be given the highest annual award offered by the 16-member Presbyterial Council that represents the archdiocese's 360 priests, Archbishop J. Francis Stafford said yesterday.

Bob Feeney, the former Manville Corp., communications executive who is Woodrich's successor, said he had "no idea" how Woodrich handled the workload he carried until Jan. 5.

"That said, I have to point out that it's pretty stupid for people to talk about 'Father Woody being retired.' Right. All he's doing now is running one of the city's best-known churches."

Feeney said Woodrich's friends worried about his physical condition—which can be summed up as diabetes, 70-hour work weeks, diet problems and a 2½-packs-a-day smoking habit. Heart by-pass surgery loomed on the horizon.

It would not be easy for Woodrich to change.

"This guy, more than anyone else I have ever known, was what he did. He lived his job," Feeney said. "We knew he was in for a violent wrench."

Woodrich said he could see the collapse coming, "but, the truth is, I just thought I could keep on going, at least two or three more years, I was wrong."

His life has, for five years, been buffeted by waves of change.

In the winter of 1981, with temperatures below zero, he opened Holy Ghost's pews to street people. In 1982, he helped found a ministry to the homeless, which grew into today's Samaritan House. In 1983 Holy Ghost parish's property was sold for $11 million and part of its complex destroyed. The sanctuary was restored and now sits at the heart of a glass office complex.

Casey collapsed in October 1984, struck by a near-fatal ruptured abdominal artery. During Casey's eight-month absence, Woodrich and outspoken Assistant Bishop George Evans defended plans for Samaritan House.

Days after Casey's weak return, doctors confirmed Evans has cancer. He died in September 1985. Then came Casey's death on March 15, 1986, after two weeks of bleeding at the base of his brain.

But it was in January 1983 that a less-public event rocked Woodrich's life—he was hospitalized in critical condition due to complications of diabetes. He took a brief leave of absence from his Register duties but pounded away at his other jobs.

Workaholism won that round.

Woodrich saw warning signs again in the weeks after Casey's death.

"I started having trouble even walking. I knew that was due to my diabetes, and I knew stress was playing a big part in that," he said.

Register editor Jim Fiedler, also a diabetic, recalled a fall encounter with Woodrich when laughter softened a dead serious message.

"He looked like death," Fielder said. "I yelled down the hall, 'Woody, do you have any idea how ridiculous you look?' . . . He was standing there with a bottle of insulin in one hand and a half-eaten candy bar in the other."

Woodrich's condition soon became apparent to Stafford. The new leader of the 310,000 Catholics in Denver and northern Colorado arrived in July and was impressed with Woodrich's work. Soon he began to fear for the priest's health.

"He had to let go of something," Stafford said, "I also knew he had to make that decision himself, otherwise the physical, emotional and spiritual consequences would have been even more devastating . . . I think that he decided to keep Holy Ghost parish says everything that needs to be said about Woody."

Charles Bert Woodrich was born May 5, 1923, the son of Catholic mother and Lutheran father. He grew up in Buffalo, N.Y., his life complicated by severely crossed eyes and asthma. His mother often took him to a monastery, seeking prayers for her son's healing. After three rounds of surgery, he was able to begin reading at age 12.

Denied the written word, the young Woodrich learned to love photographs and drawing. His abilities in arts and graphics brought him acceptance, and he used his skills during World War II, designing flight manuals for the military and working for an ad agency in New York City.

After the war Woodrich made the jump to the priesthood. He moved to Denver and was ordained in 1953. He worked for 14 years in an inner-city parish and as St. Joseph Hospital chaplain. A flair for publicity attracted headlines in 1966, when he discovered many children could not afford lunches at school.

Local officials said they couldn't do anything, so the priest stormed off to Washington, D.C., where his cockiness and flaming praise for President Lyndon Johnson's "Great Society" social programs earned him a trip to the Oval Office. Woodrich carried a huge photo album of children being fed, which covered most of the president's desk. Johnson was impressed and asked what he could do to help the lunch program.

"I said, "Hey, you're the great white father. You can do something.' He said, 'Well, where's your report? You must have something written.' I said, 'Mr. President, do you really need a written description from me on the benefits of a full stomach? Really?'

He said, 'Sonofabitch, you're right.' "

The result was the Child Nutrition Act of 1966. The pen used to sign the bill is framed on Woodrich's office wall, next to a signed Johnson portrait.

This wing-and-a-prayer style became familiar to Woodrich's allies—and opponents—after Casey selected him as his spokesman in 1968.

"You have to have the gut feeling of where in the hell you are, right now!" Woodrich said, waving his arms grandly as he explained his style. "I guess the key is that you have to stay in the jet stream instead of getting down where the chickens are."

This attitude, Feeney admitted, can cause trouble for "the chickens."

"Woody's just not a planner. He hates graphs and reports. And then there's the fact that Woody doesn't act all saintly and religious. He enjoys the limelight and knows how to use it. Woody's a streetfighter, a natural promoter. It helped that most of the time his instincts were right."

It is also important, Feeney said, that Woodrich's persona grew while the archdiocese was led by a man who was hesitant to seek the spotlight. Thus, " 'Father Woody' was born . . . But Father Woody is not the same person as the Rev. C.B. Woodrich."

Stafford said the Rev. C.B. Woodrich is, first and foremost, a priest.

"Woody probably has the highest total of any priest in the archdiocese when it comes to people who come to him regularly as a confessor. That says a lot about how loving a priest he is . . . I really hope that side of his personality has more room to grow, now."

Visitors to Holy Ghost Church have, in fact, seen a strange sight in recent days—Woodrich on his way to the sanctuary to pray.

"You can't believe what it means to have time to pray and after you pray to have the time to step back and reflect on what you've been saying and to think about God," Woodrich said. "I couldn't do that before. The schedule was too tight."

In spite of a recent diabetic seizure, he said he is hopeful and feels much better physically. He is smoking less and walking more. Feeney said he was "relieved and downright overjoyed" to receive a recent telephone blast from Woodrich criticizing the *Register's* graphics.

"It sounded like Woody again," Feeney said.●

ROBERT F. GEIGENGACK, U.S. OLYMPIC TRACK AND FIELD COACH

● Mr. DODD. Mr. President, I rise to speak in honor of Robert Geigengack, former coach of the 1964 U.S. Olympic track and field team, Yale University, Fordham University, and Brooklyn Prep.

Bob Geigengack is one of the few who will be remembered for his tremendous contribution to the American and international world of sports. The United States' performance at the 1964 Olympic games in Tokyo, winning Gold Medals in 12 of the 24 events, gave our country a great boost of pride and is, ultimately, a tribute to Bob's exceptional talents as a coach.

Common among all great coaches is an irresistible desire for every one of his athletes to fulfill his potential. Throughout his 46 years of coaching, including 29 years at Yale, Bob made good athletes great and great athletes the greatest because of that desire, gifted intelligence, and the ability to inspire.

The highest tribute to Bob, however, is the sense of integrity, confidence, and loyalty that today lives in each athlete he coached. As well as any experience, athletic competition teaches the meaning of those three virtues and no three words describe Bob Geigengack more accurately. The hope of every teacher, whether in academics or athletics, ought to be to achieve what Bob Geigengack achieved from his first day at Brooklyn Prep to his last day at Yale University.

The life of Bob Geigengack is one to cherish and to emulate.

I now submit an article from the New York Times on the career of Robert F. Geigengack for the Record.

The article follows:

[From the New York Times, May 28, 1987]

Robert F. Geigengack

(By Robert McG. Thomas Jr.)

Robert F. Geigengack, a former Latin teacher who spent 29 years as the track and field coach at Yale University and led the United States team at the 1964 Olympic in Tokyo, died on Monday at the Yale-New Haven Hospital. He was 80 years old and had lived in Bethany, Conn., since his retirement in 1975.

A native of Brooklyn who was graduated from Brooklyn Prep in 1925 and later from Holy Cross, Mr. Geigengack, who was on the tack teams at both schools, returned to Brooklyn Prep to teach Latin, but it was in his after-school role as track coach from 1929 to 1937 that his scholarly gifts came into full flower. After his cross-country runners went undefeated for seven seasons and his team took first places in seven straight Penn Relays, Mr. Geigengack was called to Fordham in 1938, becoming, at the age of 31, the youngest track coach at a major university.

After leading the Rams to their first Intercollegiate Association of Amateur Athletes of America championship in 1941, he spent four years in the Navy, then returned to Fordham for a year before taking over at Yale in 1946.

REVERED FIGURE AT YALE

Over the next three decades he led the Elis to four IC4A championships and 17 Heptagonal titles, and a 186-121 record in dual and triangular meets, becoming one of Yale's most revered figures and one of the nation's most acclaimed and respected track coaches.

A. Bartlett Giamatti, the former Yale president who now heads the National League, recalled yesterday that Mr. Geigengack "inspired you to do your best without being hard-nosed about it" and brought a special combination of "intelligence, integrity and perspective" to his calling.

Geig, as he was widely known, also inspired fierce loyalty, in part, perhaps, because he tended to give full credit to his athletes, sometimes, to their superstitious dismay, even before they had earned it in competition. Before the 1964 Summer Games, Mr. Geigengack, who had served as an assistant coach at the 1956 Games in Melbourne, startled the athletic world by proclaiming that his United States track team was the strongest ever assembled by a single nation. Despite the potential jinx, the American men, including such stars as Bob Hayes and Al Oerter, won a dozen gold medals, five silvers and three bronzes.

LONGTIME COMMITTEE CHAIRMAN

Mr. Geigengack, who served for many years as the chairman of the men's track and field committee of the United States Olympic Committee, also coached the United States team at the 1969 Maccabiah Games and a national team that toured China in 1975.

He is survived by his wife, the former Lucie Dowling; three daughters, Lucie Teegarden, Mary Jureller and Jane White; three sons, Robert Jr., Richard and Edward, and 20 grandchildren.●

PLANT CLOSING LEGISLATION—THE WEST GERMAN EXPERIENCE

● Mr. HUMPHREY. Mr. President, with the prospect of adding S. 538, the worker adjustment and advance notification bill, to the Finance Committee's trade bill, it is important to take a closer look at the European model of active government interference in labor market decisionmaking.

Unfortunately, the sponsors of this legislation chose not to study the results of European style plant closing laws during committee deliberation on S. 538. Had they taken a closer look at European plant closing requirements, they would have inevitably concluded that these restrictive laws serve to impede the creation of new jobs; new jobs that would otherwise offset the loss of marginal and outmoded jobs. The European experience is telling.

I ask that a recent article from the Wall Street Journal and a June 1985 article from the European Industrial Relations Review be reprinted in the Record. Both articles deal with the economic problems of West Germany that result directly from the inflexibility permitted German managers under their statutory advance notice requirements. Part B of S. 538 is patterned after these requirements and would apply to most "mass layoffs" or plant closings in this country.

Mr. President, I can hardly imagine the American people tolerating a net loss of 1 million jobs since 1973 or a consistent unemployment rate of about 10 percent, as is the case in West Germany. The proportional equivalent of their lost jobs would be roughly 4 million American jobs during the period in question. But in fact the U.S. economy, thanks in part to the absence of restrictive laws which hamstring industry's managers, has actually produced about 25 million jobs in the same timeframe. Quite a contrast. No wonder the West German Government recently changed its laws, as the second article points out to induce greater flexibility and job creation opportunities.

The U.S. Senate should learn from the mistakes of other Western governments, including Germany's. We should reject part B of S. 538 dealing with mandatory advance notice requirements, or we will surely be revisiting the issue when job creation ceases.

The article follows:

[From the Wall Street Journal, May 22, 1987]

Why Unemployment Stays So High in Germany

(By Lindley H. Clarke Jr.)

At last week's meeting of the Organization for Economic Cooperation and Development in Paris, U.S. officials professed to find some encouragement spent in the fact that West Germany's Bundesbank had cut a "key" interest rate. The U.S. has been trying for months to persuade the Germans that their economy, with high unemployment and weak growth, needs the stimulus of easy money and tax cuts.

It turned out that the key rate was the fee set on securities repurchase agreements. The change is not likely to have any significant influence on exchange rates or anything else in West Germany. Certainly it's not likely to influence German unemployment.

Germany has heard the siren song of expansionists before. In the mid-1970s it was told its economy should play locomotive in pulling the world out of recession. It would be good for the world and, by golly, it would be good for Germany, too. Germany listened and acted, and succeeded in getting a small head start in the world-wide inflation of the late-1970s.

Blue Chip Economic Worldscan, a St. Louis newsletter, polls forecasters each month on the international outlook. The latest consensus is that comsumer prices in Germany this year will rise by 0.6%.

Germans see nothing ridiculous or undesirable in low inflation rates. "We like them that way," a German businessman said at a dinner in Washington last week. Germans like fiscal prudence, too. Last week, Finance Minister Gerhard Stoltenberg expressed pride that Germany alone among major industrial countries is carrying out a tax overhaul while keeping its budget deficit in check. The tax cuts, begun in 1986 and ending in 1990, will total $27 billion, or 2.5% of economic output.

If more stimulus were the answer to high unemployment. Germans might accept a little more inflation. But in the past 15 years, Germany's economy has grown almost as fast as the U.S. economy while employment has been much worse than ours. Between 1973 and 1986, the U.S. economy created 24 million jobs, but German employment fell by a million.

At the Carnegie-Rochester Conference at the University of Rochester last month, Rudiger Soltwedel of the Kiel Institute for World Economics said the job figures by themselves did not show the size of the problem. In 1985, the long-term unemployed, those without jobs for a year or more, were 9.4% of the U.S. unemployed, up from 7.3% in 1977. In Germany, the long-term fraction of the unemployed rose to 31% in 1985 from 14.3% in 1977.

The key problem, in Mr. Soltwedel's view, is that wages are much more rigid in Germany than in the U.S. "Governmental interference in the labor market and the provisions of labor law" stand in the way "of equilibrating adjustments of real (inflation-adjusted) wages to changed conditions," he says.

Things weren't always that way. The 1966–67 recession was so deep that German unions were badly shaken up. In 1968 and 1969, as a result, the unions agreed to wage increases that some German economists regarded as "too moderate." The result was that the market bypassed the unions. Employers, eager to participate in the coming boom, granted additional wage increases. This led to wildcat strikes, challenging unions' role. The unions have been more aggressive bargainers ever since.

The unions, however, couldn't have prevailed without the help of the government, which began a full-employment policy that makes the U.S. full-employment program look picayune. Was an industry having trouble maintaining jobs? Maybe a subsidy would help. Relative to the size of the economy, Germany has gone much further than the U.S. in economic subsidies. According to Kiel figures, industrial subsidies have more than doubled since 1973.

As the government assumed responsibility for maintaining full employment, collective bargaining could ignore labor-market problems. Wage pacts increasingly aimed at improving conditions for employed workers. This raised the cost of hiring new workers. This raised the cost of hiring new workers, helping to keep outsiders out. Mr. Soltwedel thinks many outsiders drifted into the underground economy.

Labor contracts have become so complicated that any attempts to revise them are difficult and time-consuming. This impairs adjustment to changed conditions in the economy.

If a company nonetheless takes on new workers, it may have a terrible time ever firing them. Each dismissal has to be socially justified. The legal terms are vague, and must be interpreted by the labor courts. The courts by and large have tended to find in favor of the workers, creating a great deal of expensive uncertainty for the employers. According to the law, a dismissal following the sale of a firm or parts of it is "ineffective," irrespective of whether it is the buyer of the firm or the seller who fires people. This applies even if the firm is bankrupt.

Higher dismissal costs reduce employment over the business cycle because employers are reluctant to hire until they're 100% certain that an upswing is under way. The high costs of hiring and firing have encouraged companies to invest in all the labor-saving devices they can afford, although such equipment might not be desirable in a more open labor market.

The U.S. is not without its own ideas for legislation that supposedly would improve the workers' lot. Congress is considering measures to increase the minimum wage that might increase the pay for some workers by depriving certain workers of their jobs and others of job opportunities. The U.S. has done better than Germany on job creation because, up to now at least, it has not gone as far as Germany in governmental interference in labor markets.

At the OECD meeting last week, Germany did agree to take another look at its economy a little later on. There are plenty of reasons to take action to reduce governmental interfernce in the economy to make wage rates more flexible. Since the early 1970s, governmental interference has changed the rules of the game in German labor markets, and high unemployment and low job creation are the results.

As the Germans seem to recognize, more economic stimulus by itself would mainly add high inflation to the nation's problems.

The New Employment Promotion Act

(On 1 May, the new West German Employment Promotion Act 1985 came into force. One of its major elements is the relaxation of rules relating to fixed-term contracts as well as new legal provisions on part-time work and job-sharing, and the new law is designed to encourage employers to create jobs and thus help reduce unemployment by removing some existing restrictions.)

The Bill was first introduced in early 1984 (EIRR 125 p. 9) and the text, finally passed by both houses of the West German Parliament in April of this year, omits a number of the original proposals. In particular, the original provisions on limiting the employment possibilities of pensioners, restrictions on overtime and the introduction of a special identity card for construction workers have been dropped. Some sections of the new Employment Promotion Act (Beschäftigungsförderungsgesetz) apply only until 1 January 1990. In this article, we outline the major provisions of the Act and we shall be reproducing its text in a future issue of EIRR.

FIXED-TERM CONTRACTS

Among the most important sections in the Act is Section 1 which amends previous legislation to enable fixed-term contracts to be concluded for up to 18 months without any specific justification having to be given by the employer (before 1 May, the maximum permissible duration of a fixed-term contract was six months). The aim of this change is to enable unemployed people to be given work while the employer retains the flexibility to reduce his workforce when volume of work is low without having to give lengthy—and costly—notice to permanent employees.

This legislation as originally drafted provided for such contracts to be concluded only with those registered as unemployed. This requirement has, however, been dropped and the only restriction on the conclusion of fixed-term contracts is that they should relate only to new appointments. This precludes appointments for jobs covered by previous contracts (fixed-term or permanent) with the same employer and the reappointment of an employee who has been employed by the same employer within the last four months.

The Act retains the provision contained in the Bill that a fixed-term contract for up to 18 months can also be concluded with employes who have completed their vocational training with the employer granting the contract. The only restriction is that the company should not have any vacancies for employees to be taken on on permanent contracts, and the aim of this restriction is to prevent apprentices being taken on solely for fixed-term contracts after their training while the employer is in a position to recruit a permanent employee for the post in question.

Another provision retained from the original draft is that newly set up companies may conclude fixed-term contracts for up to 24 months, provided that the employer has become independent in the six months preceding conclusion of the contract and employs no more than 20 permanent employees.

The particular point of interest for employers of these new provisions is that the stringent restrictions laid down in the Protection Against Dismissal Act (EIRR 136 p. 16) both in general and for specific groups of workers, such as the disabled or pregnant women, can be circumvented. For example, pregnant women or disabled workers may be taken on on fixed-term contracts up to 1 January 1990 without the normal requirement for the employer to justify the need for a fixed-term contract.

TEMPORARY CONTRACTS IN SCIENCE AND RESEARCH

In recent years the acceptability of temporary contracts in universities and in research has been extremely controversial. To resolve the problems, a "law governing temporary contracts for scientific staff at universities and research establishments" has been passed alongside the Employment Act to regulate the conclusion of temporary contracts between scientific and creative staff, medical employees and teaching staff and universities and research establishments. It makes it possible for scientific staff to be taken on for fixed period—usually for five years—by up and coming young scientists without the obligation on the university or research establishment to employ the former holder.

PART-TIME WORK

The Employment Promotion Act defines part-time work for the first time. According to Section 2, parttimers are those employees whose regular weekly hours of work are shorter than those of comparable full-time employees in the same company if regular weekly hours have not been laid down, then average weekly hours as calculated over a year shall be used as a measure.

Part-time employees are given the same legal protection as full-time employees. Plans to relieve employers of some of their burden of social security contributions have been dropped, and the employer must, as in the past, bear the entire cost of contributions to the state pension, sickness and unemployment insurance schemes for part-time employees earning up to 500 DM (approx. £130); for full-time employees, these contributions are borne equally by the employer and the employee. The new legislation permits part-time employees to be subject to terms and conditions less advantageous than those for full-timers *only* where there are objective reasons for a difference in treatment. The provisions relating to part-time work may, however, be modified to the employee's disadvantage by clauses in new collective agreements or agreements concluded before the Act came into force.

AGREEMENTS ON FLEXIBLE WORKING HOURS

The Act also contains provisions for the first time on the areas to be covered by agreements on flexible working time. Such an agreement, it stipulates, must lay down the length of daily, weekly, monthly or annual working time. The employer may require the employee to work flexible hours only within these limits. If the agreement does not lay down working time in this way, weekly working time shall be deemed to be set at 10 hours, and the employer must pay the employee for these hours even if he actually employs him for fewer. Moreover, the employee is required to work only for hours which have been notified to him at least four calendar days in advance. However, while an employee cannot be required to work hours not notified at least four days in advance, he may do so *voluntarily*. If the agreement does not lay down the duration of daily working hours, the employer must employ the worker for at least three consecutive hours or pay him the corresponding remuneration if he in fact employes him for fewer.

JOB SHARING

The Act also contains for the first time legal provisions for the sharing of a job by two or more employees. The Act stipulates that if one of the job-sharers is unable to fulfill his or her obligations, the other(s) may be required to cover for him or her only if this is specifically provided for in the job-share agreement. If one job-sharer resigns, the employer may not give the other(s) notice purely for this reason, unless the remaining job-sharer(s) can be offered alternative employment.

CONCESSIONS FOR SMALL COMPANIES

Various provisions designed to protect the rights of employees are not always applicable to small companies employing fewer than a certain number of workers. For example, the Protection Against Dismissal Act does not apply to companies regularly employing five or fewer employees (excluding apprentices). Previously, part-timers were counted as full-timers for the purposes of calculating employee numbers, but now they will only be counted as such if their regular hours exceed 10 a week or 45 a month.

Small companies also receive help with meeting the requirement to pay employees full sick pay for the first six weeks of absence. Until now, small companies employing no more than 20 workers (including part-timers) received 80% of the cost of such payments in a subsidy from the sickness insurance schemes (Krankenkassen). Now, from 1986 onwards, this subsidy will be extended to include not only sick pay for blue-collar workers but also sick pay for apprentices and employers' maternity pay costs. As with the employment protection legislation, part-timers will only be counted as full-timers if they work more than 10 hours a week or 45 hours a month. moreover, part-timers working not more than 20 hours a week will be counted as half a full-time employee while those working not more than 30 hours a week will be counted as three quarters of a full-time employee.

Finally, the proposed changes on overtime compensation, restriction of pensioners' earnings and the introduction of an identity card for construction workers outlined in EIRR 129 p. 17 have been dropped.●

POLL RESULTS ON DEFICIT REDUCTION AND REVENUE OPTIONS

● Mr. LEVIN. Mr. President, the Congress will soon be considering legislation to implement the budget resolution for fiscal year 1988. Although the conferees have not yet completed their work, both House and Senate versions of the resolution call for significant revenue increases as part of the deficit reduction package. So, the question that the Congress will have to address over the next few weeks is "specifically, what kinds of revenues should be raised?"

We all know the conventional wisdom in Washington: There is no significant support for modifying the income tax rates of the 1986 Tax Reform Act in order to increase revenues to reduce the deficit. One of the reasons cited for removing income tax rate modifications from the table of deficit reduction is that the American people allegedly want lower tax rates and would oppose any effort to delay or modify the rate reductions embodied in last year's tax reform law. Because of this conventional wisdom in Washington, there is now talk of focusing on significant excise tax increases as a way to bridge the budget gap.

Last year, when I opposed the tax reform bill, I was struck by the lack of positive and enthusiastic support for the bill when I talked with my constituents in Michigan. This was in total contrast to the almost pep-rally support for tax reform by individuals and groups within the Washington beltway.

That is why, when current talk of revenues to meet the goals of the fiscal year 1988 budget resolution started to get specific, I sought to sample the views of the American public as to its preferences for raising revenues. My suspicion was that the conventional wisdom in Washington of what the public wanted was more conventional than it was wise.

So, I commissioned two questions to be asked in a nationwide poll of 1,015 people conducted during the period of May 22 through May 27 by the Opinion Research Corporation of Princeton, NJ. I just received the results and based on those results, it is grossly out of sync with the American public to say that the Congress and the President should not consider modifying the income tax rates in the Tax Reform Act as part of the solution to reducing the deficit.

The first question asked was:

> Do you think the top federal income tax rate for the wealthiest taxpayers should be cut next year, as scheduled, to 28%; or should the rate for the wealthiest taxpayers stay at the current level of 38.5%, with the money gained being used to reduce the federal deficit?

In response, 20 percent said that the top income tax rate for the wealthiest taxpayers should be cut to 28 percent as scheduled, 61 percent said that the top tax rate should be kept at 38.5 percent, and the remainder had no opinion. Thus, by a margin of 3 to 1, the public would prefer to modify last year's act by freezing the maximum rate for the wealthiest taxpayers and use the revenue gained by that to reduce the Federal deficit.

The second question asked was:

> There have been a number of suggestions to reduce the federal budget deficit. If more money is raised to reduce the deficit, which one of these two approaches would you prefer?
>
> (1) Increase the taxes on beer, wine and telephone bills, or
>
> (2) Freeze the top federal income tax rate for the wealthiest taxpayers at 38.5% instead of cutting the rate to 28% next year, as scheduled?

In response 20 percent chose to increase the taxes on beer wine and telephone bills, 63 percent chose to freeze the top income tax rate for the wealthiest taxpayers at 38.5 percent, and the remainder had no opinion. By a 3-to-1 margin, the public prefers modifying last year's tax act by freezing the maximum rate for the wealthiest taxpayers than to increase certain excise taxes.

So, the message is clear: The American public, by an overwhelming margin, does not view the maximum income tax rate in the new tax reform law as a sacred cow. In fact, the public recognizes the plain and simple facts that it does not make sense to give the wealthiest taxpayers income tax rate cuts at a time when we face a huge budget deficit, and that we should freeze those scheduled income tax rate cuts before asking average Americans to disproportionately share the burden of deficit reduction through excise tax increases on items like beer, wine and telephone bills. Based on this data, there is likely to be far more public support for a proposal for freezing the maximum income tax rate on married couples making over $150,000 and single individuals making over $90,000 than for focusing first on raising certain excise taxes affecting average Americans.

And the message should be clear that those who seek to rule off the table any modification of the upper income tax rate in last year's tax reform bill cannot do so on the basis that they are listening to the voice of the people. To persist in representing the public as being opposed to modifying last year's tax act by freezing the income tax rate for the wealthiest taxpayers, when the clear and most recent evidence is to the contrary, will not serve the interests of an informed debate on the difficult budget choices before us.●

THE NEED FOR ETHICAL LEADERSHIP

● Mr. HATCH. Mr. President, recently I came across a copy of a speech given by Willard C. Butcher, chairman of the Chase Manhattan Corp., at the commencement of the A.B. Freeman School of Business at Tulane University. His remarks addressed the importance of ethics, honesty, and values, and the decline of ethical behavior in our society today. I found his remarks to be right on target. His message is a timeless one: That ethical behavior and effective leadership are intertwined and inseparable. I ask that his remarks be printed in the RECORD.

The speech follows:

THE NEED FOR ETHICAL LEADERSHIP

(Remarks by Willard C. Butcher)

Thank you Dean Burnett.

President Kelly, Dean Burnett, Professor Greenleaf, members of the class of 1987, members of the class of 1937, ladies and gentlemen * * *

It is rare indeed these days for someone as old as I to be considered "the newest" anything. And so it is with considerable gratitude that I stand before you as "the newest" honorary alumnus of the Freeman School of Business.

Indeed ladies and gentlemen, while I can't claim to have graduated 50 years ago as a member of the class of '37—it has however been exactly 40 years between my own baccalaureate degree at Brown and my new doctorate at Tulane.

I am honored this morning not only by the distinction you have bestowed upon me but also by President Kelly's invitation to address this audience—an audience which is in part illustrious * * * in part successful * * * in part promising * * * but in sum total, remarkable.

In contemplating my remarks for today, I was reminded of the age-old admonition of elocution teachers everywhere, "Never apologize at the beginning of your speech."

Alas, ladies and gentlemen—and notwithstanding the speech teachers in the crowd—I'm forced to begin my remarks this morning with an apology.

The topic I've chosen is not easy to talk about. On the one hand, it is a subject about which it is easy to generalize—where one's comments become nothing more than platitudes. On the other hand, it is one where being specific often means getting into details so minute that its significance is obscured. And finally, it is a topic which, once broached, tends to lapse into preaching.

For my part today, I wish to be neither too general, nor too specific. Nor, in particular, too pontifical.

But I can make no promises. It is said about General Robert E. Lee, "He preached oh so gently, but nonetheless—he still preached."

And so having excused myself for what I'm about to say—I invite you to sit back, relax, and enjoy the sermon.

My topic is "ethics" and more specifically, the decline of ethical behavior not only in American business but across our society.

Most of you receiving your degrees today will be entering the business world. Indeed my own perspective on "ethics" is, by definition, that of a businessman. But whether you aspire to business or any other calling, my message is the same; that ethical behavior and effective leadership are intertwined and inseparable.

In fact, meaningful leadership—leadership that in the long-run counts for something—cannot be accompanied by moral collapse. The leader who acts ethically will ultimately succeed. The leader who lacks an ethical foundation will ultimately fail.

A spot check today of the American landscape indicates that something is terribly wrong with ethics in our nation. One could argue—and I would—that the principal cause is the maelstrom of change taking place in society. Rarely have times been more turbulent.

In periods of upheaval, people cut loose from their moorings * * * and thus lose their bearings. And when you combine this with today's appalling lack of historical perspective—little wonder that some among us have forgotten who we are and what we ought to stand for.

Thus the recent avalanche of ethical abuses—in cutting corners * * * in bending rules * * * in cheating.

On Wall Street, insider trading scandals have converted Phi Beta Kappa graduates of the finest business schools into convicted felons.

In Government, shocking disclosures at all levels—from the Iranian crisis in Washington to municipal payoffs in New York—call into question the ethical standards of government leaders.

And even in the pristine halls of academia, embarrassing revelations of rule-breaking in amateur athletics have caused commentator George Will to label some leading universities as "schools for scandal."

While all of this is most disturbing, such breaches of ethics are not a new phenomenon in America.

Ethical abuses have been with us since the Grant Administration and Teapot Dome scandals in government * * * through the Black Sox of 1919 in sports * * * to the Salad Oil and Equity Funding scams in business.

Often throughout our history, "doing wrong" has been a shortcut to "making good."

So why you may ask should we be overly concerned about the current crop of ethical abuses?

Well, as the British diplomat who urgently cabled back to London put it, "The gravity of the situation here is impossible to exaggerate—but I'll try!"

I am concerned that today's attitude toward ethics reflects a "graver" situation than in the past.

"Graver" because in many cases the abusers themselves either won't acknowledge or can't understand that they have done anything wrong.

"Everyone does it," they say. "And besides, our lawyers will get us off."

"Graver" because ethical abusers often are treated more like celebrities than pariahs. According to the New York Times, the best way to ensure the success of your next dinner party is to invite Ivan Boesky, Dennis Levine, or the Mayflower Madam to join you! The attitude seems to be, "If you're indicted—you're invited!"

And "graver" too because the average citizen today has almost become inured to such behavior. People are starting to accept ethical abuse as the societal norm. As comedienne Lily Tomlin says, "No matter how cynical you become, it's never enough to keep up!"

And it's this cynicism, ladies and gentlemen, that frankly is most alarming. To quote an old aphorism, "How can I trust a man not to lie—when I know I would lie in his place." The point is we will never rid ourselves of ethical abuse until we first reject categorically the notion abroad in the land that ethics today just aren't very important.

In business, the emphasis is on making a quick buck.

The "new business order," the Times tells us, "eschews loyalty to workers, products, corporate structure, businesses, factories, communities, even the nation.

"All such allegiances are viewed as expendable under the new rules. With survival at stake, only market leadership, strong profits, and a high stock price can be allowed to matter."

High premiums are paid today not particularly for quality service or long-term building of a business but rather for making money quickly, getting rich, and getting out.

And that's wrong.

Put another way, the issue isn't whether Mr. Boesky eventually does time in prison. Frankly, I don't particularly care. But what I do care about is that society condemns the kind of unacceptable conduct of which Mr. Boesky was found guilty—and condemns it to the point that a would-be-ethical violator will forever be an outcast in this nation.

By the same token, in education—particularly higher education—we have started to lose sight of the reasons schools were built in the first place * * * to teach values and to promote scholarship. As one college president said tongue-in-cheek recently, "We're trying to build a university that our football team can be proud of!"

Gallows humor to be sure. But nonetheless a chilling indicator of how far in the wrong direction the educational pendulum has swung.

U.S. Education Secretary Bill Bennett has suggested that all universities ought to teach ethics in a serious way. Not just with a course or two but with a comprehensive program.

We seem to have lost sight of the fact that there are fundamental "rights and wrongs" in our society. And I agree with Secretary Bennett that these precepts need to be reinforced to students. Indeed, the occasional inspirational speaker who gives students what someone once labeled, "the equivalent of a quick dunk in a morality bath," simply won't suffice anymore.

Beyond formal classwork in ethics, colleges also must take more of a stand on ethical issues—particularly those in their own backyard. All too often, a university is more willing to deal with moral issues that have little local relevance * * * rather than confront issues of more immediate concern on its own campus.

We need more examples of the kind of courage that this university showed in the face of an athletic scandal a few years ago—and thus reasserted its academic leadership.

Likewise, we need to reassert, throughout society, the importance and urgency of making decisions in an ethical way. Ethical decision-making isn't an option today. It's an obligation—in business, in education, in government, in our daily lives.

For example, my own company, like most others, has a Corporate Code of Conduct—a blueprint that spells out the value standards we expect our employees to live up to. But having a written document is no guarantee that decisions will be made in an ethical way.

We must constantly work at making our Code of Conduct a "Living Document" and the practice of Corporate ethics, a "living spirit" throughout the Chase organization.

Stated another way, "Church on Sunday, Sin on Monday" ethics will not cut it. We must practice what we preach and incorporate ethics into every decision we make.

Now ladies and gentlemen, I doubt seriously that anyone in this graduating class aspires to be a convicted felon. On the contrary, I suspect that most of you aspire to be leaders.

Very soon now, you will get your opportunity—to be one or the other.

What standards will you adhere to?

What principles will you embrace?

What values will you practice yourselves and instill in your co-workers?

Let me suggest a point of departure.

Michael Novak, an eminent scholar at the American Enterprise Institute, has said that, "The fundamental motive of democratic capitalism—to produce greater well-being for the world's people—is, at base, a moral motive."

I agree.

Despite what some may argue, the primary responsibility of business is much more than simply using resources to engage in activities to increase profits.

Profits, to be sure, are critical. You won't live long if you have air to breathe tomorrow but none today. And if a business intends to be around for the long-term, it must make profits in the short-term as well.

But profits alone are not the answer.

Andrew Sigler, the chairman of Champion International, has put it, "Things that affect free enterprise affect the whole society. The underlying issue isn't the shareholders of the business—it's the society."

And it's this kind of framework that you should consider as you begin to make your own way in the business world.

Forty years ago, when I sat where you do today, I received some simple advice that has stayed with me from a family friend named Marion Folsom, the architect of our nation's social security system and then a top executive of the Eastman Kodak Company.

"Bill," Mr. Folsom said, "you're going to find that 95 percent of all the decisions you'll ever make in your career could be made as well by any reasonably intelligent high school sophomore.

"But they'll pay you for the other 5 percent."

And it's those 5 percent ladies and gentlemen that will be the most difficult—the kind of subjective 51-49 decisions that will call into play your own long-term vision * * *. Your corporate ideals * * * the discipline and constancy of your character.

If, in making these decisions, you rely on clear ethical principles * * * a firm commitment toward ethical behavior * * * and an inflexible standard of what's right and what's wrong * * * then your track record will be very good indeed.

Moreover, if you use such personal standards to set corporate standards—you will exemplify the kind of business leader that seems in such short supply today.

Leaders like Reg Jones at General Electric, Irving Shapiro at DuPont, and David Rockefeller, my predecessor at Chase * * * who rightfully saw their responsibilities extending beyond quarterly profit statements and into areas of broader public policy and societal concern.

Or a leader like John Shad, our newly-named Ambassador to the Netherlands, who has battled corruption as chairman of the Securities and Exchange Commission and is the principal donor and prime mover behind a program at the Harvard Business School—if you'll forgive that blasphemy—to make the study of ethics an integral part of the curriculum.

Or a leader like Jim Burke, the chairman of Johnson & Johnson, who, when faced with the sabotaging of its largest consumer product, immediately removed Tylenol from the shelves.

As costly as that decision was, Jim Burke never hesitated. Johnson & Johnson had developed a tradition over decades for integrity. And that tradition stood it well in its moments of crisis.

Stated another way, when Jim Burke asked the American people to "Trust him"—they did just that.

So, too, will they trust you if you lead in a way that clearly indicates that at your business as well, "Ethics is spoken here."

Business leaders today can't shrink from their obligation to set a moral example for those they lead. They must draw the line between on the one hand, the perpetual push for higher profits and on the other, actions antagonistic to the values of the larger society.

Put another way, ethical business leadership requires not only harvesting the fruit we can pluck today * * * not only investing in the small trees and experimental hybrids that won't yield a thing in this quarter or the next * * * but also caring for the soil that allows us to produce such a rich harvest in the first place.

Today's painful headlines coming out of our counting houses and our court houses remind us that ethical standards are not monuments, but living ideals. They thrive and wither as our commitment to them waxes and wanes.

Mature people who aspire to leadership in the days ahead must begin to grapple much more meaningfully with this whole issue of ethical standards. They must consistently work at it and instill its importance in others.

If they do—if you do—I am confident that you will become the kind of responsible leaders that our Republic so desperately needs.●

THE PEREGRINE FALCON

● Mr. McCLURE. Mr. President, this week marks a milestone in the recovery of an endangered species—the peregrine falcon. It is a success story in which we can all be proud.

In recent years, Congress has appropriated approximately $200,000 to $300,000 annually to the Peregrine Fund, a nonprofit group widely recognized as responsible for bringing the peregrine falcon back from the brink of extinction.

Created by Prof. Tom Cade at Cornell University, with an additional facility at the University of California-Santa Cruz campus, today the organization is headquartered near Boise, ID, where it operates the World Center for Birds of Prey. The Peregrine Fund propagates rare and endangered birds of prey which are later released to the wild.

Later this week, the 2,000th peregrine falcon bred by the Peregrine Fund will be released in the New River Gorge area of West Virginia.

As late as the second half of the 1940's, the contiguous 48 States boasted a peregrine falcon population estimated near 3,500. But in the years following World War II, the use of the pesticide DDT nearly spelled the end of this marvelous bird, the fastest creature in the world.

Unknowing of DDT's side effects, the pesticide was used liberally. The result was that by the late 1960's and early 1970's the peregrine population in the lower 48 States had plunged to about 100.

Today, that population in the lower 48 States is on the rise, due largely to a partnership between Government, the private sector, and the academic community. The success of the Peregrine Fund is attributable to this joining of hands. Without the cooperation of any three of these segments of society, this notable success would have been much less dramatic, and perhaps not possible at all.

Mr. President, I ask that an article from the April 28 Wall Street Journal on the peregrine falcon be printed in the Record. I hope that my colleagues will have an opportunity to see these remarkable birds Wednesday on the Capitol Grounds. But for those who do not, this article will give them a sense of what it is like to see these birds of prey in the wild.

I ask that a brief history of the Peregrine Fund and its work be printed in the Record, so that my colleagues may see some of the accomplishments that have been made possible in part by our commitment to peregrine falcon recovery.

The material follows:

[From the Wall Street Journal, Apr. 28, 1987]

LIFE ON THE LEDGE: FALCONS AT FLIGHT PRACTICE

(By Ruth Rudner)

GALLATIN RANGE, MONT.—It's a slow afternoon at the spotting scope—too hot a day for any smart peregrine to be flying—but I am nevertheless on duty in the meadow where we've been camped for six weeks, attendants caring for four peregrine falcons. Camp is 1,000 feet and three-quarters of a mile below the hack-box perched on the edge of a high cliff, home base for the falcons, and the same distance above the trailhead.

The cliff erupts sheer out of forest. Its gray and vaguely crumbling walls carved into battlements and turrets and towers, castle enough to have done any royal medieval falconer proud.

My partner and I alternate daily walking up to the cliff, rappelling down about 60 feet in a steep, narrow slope that slides from the upper walls to the lower, traversing the slope to the hack-box, leaving eight fresh (i.e. freshly thawed) quails on top of the box for the falcons, returning to the rope at the bottom of the rappel point and climbing back up. We do this quickly so as to disturb the falcons as little as possible. Ideally, they should not associate people with food, not lose the instinctive fear that makes them less vulnerable to the people who capture them (it is illegal to capture and or sell wild peregrines) or shoot them. (Killing them nets a fine of $10,000 to $20,000 plus three to five years in jail.)

They do see us. Often one or two are on the hack-box as we approach, picking at the remains of yesterday's food, or on the rocks above or below the box. Screaming, they fly off, but with their remarkable eyesight they probably recognize us and know we are bringing food.

I like the morning walk up to the cliff. Sometimes as I walk up the trail I think what a good way this is to go to work.

And I like the job. Rock climbing may seem more dangerous than sitting at a typewriter—although I think the end result is the same—either you do it well enough to survive, or you don't—but I enjoy the climb, the rock, the height, the view of the world as a falcon sees it.

I've even gotten used to handling the dead quails so that I can easily break their wings at the humeri, which causes the wings to flap in the wind and makes any passing peregrine think there's something worthwhile eating down there.

The young falcons arrived with a freezer full of frozen quails to be installed at the nearest cooperating source of electricity. Ours is in a ranger station less than two miles up the road from the trailhead. Every three days one of us goes down to pick up a supply of quails and carries the birds to the cooler we've stowed near camp. We store our food in the same area, stringing it up into the trees at night to keep it safe from bears and chipmunks.

Our peregrines, three males and a female, were 35 days old when they arrived from the Peregrine Fund facilities at the World Center for Birds of Prey in Boise, Idaho. The Peregrine Fund, which began releasing falcons in the eastern U.S. in 1974, is largely responsible for the successful reintroduction into the wild of the once almost extinct peregrine. This ledge has been used for several summers and will continue as a site unless a wild pair of falcons chooses to nest here.

The falcons were carried to the hack-box in the two large, square cardboard cartons, air holes cut in the top, in which they had traveled from Boise. The wooden hack-box, with its open, barred front, is secured to the cliff by steel cable and just fits on a rock ledge from which the cliff extends sheer both up and down. There is space enough to one side and the back of the box for the attendants to maneuver. The box opens on to sky. Below the sky, the forest slopes down to the river, then rises again on the mountains opposite. Waves of mountains stretch to the horizon. But it is the sky that is the cure of the world. Everything else stems from it.

During the eight days the peregrines remained in the hack-box before release, my partner and I both rappelled down to it, dropped quails down the feeding tube in the top of the box, then observed the falcons' highly individual behavior, movements, quirks and habits through peepholes in the box. We would do this several hours daily, keeping a careful log of everything. If a falcon stretched or preened or ate, jumped on one of its siblings or watched the movement of swallows and insects flitting past the box, we noted it and the time.

Rather than name the peregrines who are, after all, wild, we refer to them by the color of the Peregrine Fund band on their right legs. (On the left leg each wears a black federal band with a federal number.) The result is that Blue, Red, Green and Yellow have become as much names to me as Michael or Susan. I fell in love with Blue. Most daring, aggressive and active of them all, he spent hours jumping on the others or flying at the bars and the box door. Sometimes he would perch on one of the two large rocks in the box, spread his wings in some urgency to fly, and stare out the front with his fierce, aristocratic eye. A baby still, with down sprouting from beneath his feathers, he nevertheless looked grand and royal and utterly superb. He was so eager for the world.

On the day of release we attached tiny radio transmitters, designed to fall off in about 10 days, to their legs. After being handled, all four peregrines huddled behind a board in one corner of the box that forms a little hiding place. They were in the hide when the box was opened. From distant observation points we waited at our scopes for their appearance.

They were out from the hide in 10 minutes, but it took the males between 4 and 6 hours to fly; the female 20 hours. The first flights of Green, Red and Yellow were short, the box always in sight. Blue, who had carefully studied his surroundings from the top of the box, took off over the ridge east of camp and was gone. Tracking him with the radio telemetry, we picked up his signal, three days after release, coming from a mountain several canyons away. By the fourth day we believed he must be dead of starvation or an encounter with an owl. When he returned on the fifth day, I wept with joy. And some odd kind of pride. Explorer, Adventurer, Blue.

All four became strong, skillful fliers. They've put in a lot of practice. They needed practice, as we saw well in their first landing attempts when they often missed, overshooting the spot or falling off it. Then, quickly, they would circle to come in for another try. Their joy in flight is innate and powerful, but falcons learn to fly as we learn to walk.

We watch them from dawn to last light, but dawn seems to me the miraculous time. Light sweeps up from behind the east ridge, then pours down over the cliff like liquid gold. Soft and cool, the dawn suddenly explodes with peregrines. They shoot up out of rock into sky. They soar above the cliff. Here are three . . . then a fourth, turning to the light, the early sun flashing rose-gold off their breasts, gliding, flipping over in the sky, free-falling, chasing one another, diving, tumbling through the sky as puppies do on the ground. They are playful and funny and elegant and glorious.

They are doing well.

Now they have a fair chance against any passing eagle who might want to knock them out of the sky. Two weeks from now they should be proficient enough hunters to survive without us. We'll close the site then, hoping to have four strong and independent peregrines, lucky enough to beat survival odds that have one out of three making it through the first year.

I don't like to think of closing. I'd prefer to stay here forever. I like living in a tent, eating on the ground, watching the sky for falcons. I am not eager to move back into town, sleep in a bed, turn on electrical lights, use a toilet or reinstate delivery of the local paper.

On the other hand, I wouldn't mind a really good steak.

WORLD CENTER FOR BIRDS OF PREY

Despite man's best intentions and efforts to preserve nature, expanding human needs for resources will continue to alter natural environments adversely for wild animals. As habitats for raptors deteriorate and diminish, many species, especially those on islands and in tropical forests, will face extinction by the year 2000. With creative help from The Peregrine Fund and other concerned people, some raptors will be able to adjust to environmental changes. Through augmentation of captive-reared birds, others may be able to survive as free-living populations in small preserves.

We have much to learn and much to do in order to save the unique condors, vultures, eagles, hawks, and falcons of the world. The Peregrine Fund has established the Research Program to accomplish this work. We have begun research on several raptors and are assisting other organizations in conserving birds of prey. To further public education about birds of prey and to conduct our research and propagation, we expanded our facilities. The World Center for Birds of Prey is the instrument that The Peregrine Fund has chosen to achieve these long range goals.

The World Center has become a reality through the cooperative interests of falconers, the Boise City Council, the U.S. Bureau of Land Management, and the North American Peregrine Foundation, which made the land available, and through a $450,000 contribution for construction from the Anheuser-Busch Companies. Assistance has come from many other companies, foundations, and individuals. The Center, located on 280 acres of "Flying Hawk Reserve" five miles south of Boise, Idaho, will serve as:

Home for the Rocky Mountain Peregrine Falcon Recovery Program.

Home for The Peregrine Fund's Research Program.

Interpretive center for public information and education on raptor conservation.

Research facility for The Peregrine Fund staff, visiting scientists, and graduate and undergraduate students.

Location for BLM's public exhibit for the Snake River Birds of Prey Natural Area.

Main administrative headquarters for The Peregrine Fund, Inc.

Future home for an "International Interpretive Center for Birds of Prey."

HISTORY OF ORGANIZATION

The Peregrine Fund was established in 1970 by Professor Tom J. Cade of Cornell University in response to the world-wide decline of the Peregrine Falcon and the need for developing propagation technology and management to avert extinction. This species, dangerously threatened in the United States and elsewhere because of DDT, has a long history of esteem by conservationists, naturalists, and falconers because of its great beauty, courage, and extreme speed. The species is recognized by ecologists as a sensitive indicator, through the thinning of its eggshells, of certain pollutants in the environment.

Even though The Peregrine Fund was created to save and re-establish the Peregrine Falcon and continues to successfully work toward that goal, the process and the broad implications of the dramatic results have drawn the organization into many other activities from student and public education to assisting a small group of conservationists and the government of a remote island to save a few remaining individuals of a small falcon which only occurs there. Additional goals have evolved more than been planned, but in the pursuit of each we continue to emphasize the proven qualities which have brought success with the Peregrine * * * hard work, creativity, and cooperation.

ORGANIZATIONAL OBJECTIVES

To prevent the extinction of avian species.

To promote the conservation of birds of prey.

To inform and educate the public about the value of raptors and the need for their conservation.

To provide educational opportunities and training for students.

To solve problems confronting raptors through scientific research.

To promote cooperation among businesses, agencies, conservation organizations, and the general public.

To restore the Peregrine Falcon as a reproductively viable, self-perpetuating species throughout its historical range in the United States.

SUCCESSES OF THE ORGANIZATION

It is difficult to identify those successes which may be considered the most significant by those outside of the organization. We have found that what may seem only a common sense solution to us is considered a major breakthrough to others. Therefore the following list is provided as an example rather than as a complete listing of accomplishments we feel are noteworthy.

1. The development of an overall program of sufficient magnitude to have the capability of restoring the Peregrine Falcon throughout the contiguous U.S.A.

2. The uniting of diverse interests, both public and private, in the pursuit of a single goal to restore an endangered species.

3. The education of hundreds of students in raptor ecology by involving them in laboratory and field projects associated with our Peregrine recovery program, providing many with "first opportunities" to work with endangered species and the government agencies and conservation groups responsible for their preservation.

4. The development of methods for housing, maintaining, and rearing falcons so that they will reproduce in captivity.

5. The description of the breeding behavior of several species of falcons in captivity.

6. The development of methods to promote increased egg production from falcons in captivity and in the wild.

7. The development of techniques for the artificial insemination of raptors, including the use of human-imprinted falcons for reproduction.

8. The study of both natural and artificial incubation of falcon eggs and the development of techniques for increasing hatchability, resulting in the hatching of approximately 80% of all fertile eggs.

9. The development of techniques to salvage damaged, wild-laid falcon eggs for hatching.

10. The development of techniques for rearing young falcons in captivity so that over 90% of all chicks which hatch survive.

11. The development of techniques for release of captive-hatched falcons, including hacking, direct fostering, and release of adults so that they will reproduce naturally in a wild state.

12. The establishment of a breeding population of Peregrines once again in the Eastern United States and the stabilization of the decline and an increase in the Rocky Mountains and West Coast.

13. The accomplishment of many field studies throughout the world (refer to International Activities).

14. Leading in raptor research and assisting other researches throughout the world whenever possible (see International Activities), including development of wildlife management techniques for survey, study, and enhancement of wild populations.

15. The expansion of the science of avian biology and conservation by general application of knowledge developed from falcon research.

16. The creation of the World Center for Birds of Prey (fixed value approximately two million dollars), as a permanent facility and corporate headquarters of The Peregrine Fund, Inc., from which to continue our conservation effort in perpetuity.

17. Sponsored major international conference on management and recovery of the Peregrine Falcon in Sacramento, California, 3-6 November 1985, with more than 70 invited speakers from 16 countries and more than 500 participants (book in preparation).

PROGRAMS

A. PEREGRINE PROGRAM

Peregrines are propagated in captivity for release to the wild. Releases have occurred in 27 states and the District of Columbia. As of 1987, breeding Peregrines have been established in the wild in 23 states. The program will continue until a self-perpetuating population is established throughout its historical range.

B. EDUCATION PROGRAM

The establishment of the World Center for Birds of Prey has allowed the creation of an active and ongoing public and student education program, tours, displays, lectures, and demonstrations. Approximately 100 people are annually provided "hands on" educational opportunities through field and laboratory activities associated with Peregrine recovery and public education. Graduate students have traditionally been important and are earning degrees by working on a variety of projects.

C. RESEARCH PROGRAM

Extensive research has been conducted on raptors resulting in almost 100 publications. Topics have included behavior, ecology, reproductive biology, physiology, pesticides, medicine, and microbiology. Research is a significant, growing program conducted nationally and internationally.●

TRIBUTE TO CYPRIOT-AMERICANS

● Mr. D'AMATO. Mr. President, America's greatness largely derives from the diversity of its people. We are proud of that heritage.

Only in recent decades have Cypriots come to our country, yet already they have made an enormous impact. In a short time, Cypriot-Americans have established many business enterprises which supply jobs to thousands of Americans. They have helped strengthen the bonds of friendship between the United States and the Republic of Cyprus. The Republic of Cyprus is a valued ally.

Cyprus aids in stemming the tide of international terrorism. In aiding negotiations or treating America's wounded, the Republic of Cyprus has been active during hostage crises. Cyprus also plays a role in stemming the flow of drugs. Our Ambassador to Cyprus recently commended the Cypriots' dedicated commitment to battling worldwide drug traffic.

Last month, 52 Americans of Cypriot descent were given the Pancyprian Leadership Award for their role in the American and Cypriot-American community. Mr. President, those of us concerned about the tragic situation on Cyprus particularly understand the need to paint a clear and accurate picture of that situation. We should recognize these 52 individuals for their fine brush strokes in that effort.

Mr. President, I ask that the names of the 52 Cypriot-American honorees be placed in the RECORD.

The list follows:

Mr. Chris Afxentiou.
Mr. Louis Antoniou.
Mr. Vasos Antoniou.
Mr. Antonis Argyrides.
Mr. Costas Bougdanos.
Mr. John Chambous.
Mr. Philip Christopher.
Dr. George Christoudias.
Mr. Chris Christodoulou.
Mr. Aris Constantinides.
Mr. George Christoforou.
Mr. Costas Christoforou.
Mr. Andreas Comodromos.
Mr. Alekos Christoforou.
Mr. Nick Christoforides.
Mr. Lefteris Eliades.
Mr. Theodore Ermogenous.
Mr. Panayiotis Ermogenous.
Mr. Andreas Georgiou.
Mr. Paschalis Giantzios.
Mr. Andreas Hadjioannou.
Dr. Chris Iordanou.
Dr. George Ioannou.
Mr. Dinos Iordanou.
Mr. Stelios Ioannou.
Mr. Andreas Ioannou.
Mr. Tom Kyrus.
Mr. Evris Kontos.
Mr. Demetris Kleriotis.
Mr. Chris Kleriotis.
Mr. Andreas Karacostas.
Mr. Socratis Kyritsis.
Mr. Andreas Koudellou.
Mr. Markos Koutsoftas.
Mr. Andreas Lemessianos.
Mr. George Louis.
Mr. Dennis Lyberatos.
Mr. Stalios Michaelides.
Mr. Hicos Mouyiaris.
Mr. Chris Nikias.
Mr. Menicos Spartalis.
Mr. Andreas Pieri.
Mr. Fannie Petallides.

Mr. Costas Pereos.
Mr. George Prepis.
Mr. Christos Rizos.
Mr. Mike Saittis.
Mr. Mike Savvidas.
Mr. Petros Tsangaris.
Mr. Savas Tsentides.
Mr. Andreas Vasiliou.
Mr. Christos Vrahimes.●

CASE OF TSALO AND KHAYA LIPCHIN

● Mr. KERRY. Mr. President, once again I feel compelled to speak out concerning the situation of Jews in the Soviet Union. Tens of thousands of Soviet Jews seek their right to move freely, as guaranteed under the Helsinki Accords, yet they are denied for reasons, that defy logic, understanding, and humanity.

One such case is that of Tsalo and Khaya Lipchin, 70 and 68 years old respectively. This elderly and ill couple lives in Leningrad and only wishes to come to the United States to see and be taken care of by their only child, Leonid, and his family. Since 1978, Tsalo and Khaya have applied for a visa from the Soviet Government every 6 months, as frequently as the emigration policy permits. However, their application has been rejected or ignored at every turn. On April 1, these two brave souls began a 3-week long hunger strike to alert the world to their strife and to force the Soviet Government to shoulder the responsibility of their case. Soon, they plan to begin yet another hunger strike. I am fearful that if nothing is done, Tsalo and Khaya will not survive to see Leonid again.

While I am encouraged by the release of Andrei Sakharov and others, and by the recent increase in the numbers of Jews permitted to emigrate from the Soviet Union, these changes do not go far enough. Although there has been a recent upturn in the figures of those allowed to emigrate, there are still large numbers of those applying for visas. In fact, the Soviet Government continues to reject applications from those citizens with compelling cases, such as Tsalo and Khaya Lipchin.

The glimmer of hope given by Secretary Gorbachev in his latest efforts to open up Russia cannot be seen as anything more than rhetoric until his words are backed by actions.

I therefore ask the Soviet Government to allow for the emigration of Tsalo and Khaya Lipchin, and the tens of thousands of other Soviet Jews wishing to emigrate. I urge the Soviet Government to do this so that all of these individuals may enjoy the basic rights of life and family.●

ORDER OF PROCEDURE

Mr. SIMPSON. I would ask the majority leader if he has any idea what might be the next item of business, without pressing but just to perhaps alert our Members as to what preparations they might make generally if there is something to share. Perhaps this may already have been covered and I am not aware of it.

Mr. BYRD. No, Mr. President; I have not formulated that in my own mind, as a matter of fact. I know the defense authorization bill is still hanging out there in the wings. I do not believe the trade legislation is ready yet.

Mr. SIMPSON. I would say to the majority leader the only specific inquiry we have had on our side of the aisle is to inquire perhaps about the status of S. 1041, which I do not think is terribly controversial. It is on drug testing for those who operate common carriers. I do not believe there are any holds on the measure. I would make the inquiry on behalf of one of our Members.

Mr. BYRD. There are a couple of holds on this side of the aisle so I do have some problems with that. We are trying to work that out on this side. I can only state to the distinguished assistant Republican leader that I really will have to make that decision tomorrow when Mr. DOLE is here. I cannot say what we might be doing on tomorrow. We have the defense bill, but Senator WARNER is away. I am not sure that they are ready to call that up.

The Federal campaign—I guess we would call that the campaign financing reform bill. We have the bill that the distinguished Senator mentioned but, as I say, I have some problems on that over here.

Mr. SIMPSON. Mr. President, I think I shall just say I know the majority leader will advise us when those priorities are taken care of.

Mr. BYRD. There is another one, the Foreign Assistance Act, that is on the calendar. There are several smaller ones on there. I do not have my marked calendar, but the staff has gone over these with me and several of them have problems on this side. Some we will try to work out. But I would like to come in at 10 o'clock tomorrow.

Will Mr. DOLE be back by then?

Mr. SIMPSON. The minority leader will be here at that hour.

ORDERS FOR TOMORROW

ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in ajournment until the hour of 10:30 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order tomorrow, there be a time for the transaction of morning business to extend not beyond the hour of 11:30 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that Senators be permitted to speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMPSON. Mr. President, I thank the majority leader for sharing with us what he can about the calendar. He is always very gracious about that. These priorities take place, and I know we share them on this side of the aisle. I thank him.

ADJOURNMENT UNTIL TOMORROW AT 10:30 A.M.

Mr. BYRD. Mr. President, there being no further business to come before the Senate, I move that the Senate stand in adjournment until the hour of 10:30 a.m. tomorrow morning.

The motion was agreed to; and, at 7:14 p.m., the Senate adjourned until tomorrow, Wednesday, June 3, 1987, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 2, 1987:

DEPARTMENT OF STATE

Lester B. Korn, of California, to be the Representative of the United States of America on the Economic and Social Council of the United Nations, with the rank of ambassador.

Samuel Eldred Lupo, of California, a career member of the Senior Foreign Service, class of minister-counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Guinea.

THE JUDICIARY

Jerry E. Smith, of Texas, to be U.S. circuit judge for the fifth circuit vice a new position created by Public Law 98-353, approved July 10, 1984.

John Daniel Tinder, of Indiana, to be U.S. district judge for the southern district of Indiana vice James E. Noland, retired.

NATIONAL CONSUMER COOPERATIVE BANK

Ewen M. Wilson, an Assistant Secretary of Agriculture, to be a member of the Board of Directors of the National Consumer Cooperative Bank for a term of 3 years, vice Robert L. Thompson.

NUCLEAR REGULATORY COMMISSION

Kenneth C. Rogers, of New Jersey, to be a member of the Nuclear Regulatory Commission for the term of 5 years expiring June 30, 1992, vice James Kilburn Asselstine, term expiring.

IN THE NAVY

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. John T. Parker, Jr., [redacted] [redacted]/1210, U.S. Navy.

IN THE AIR FORCE

The following officer for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform duties indicated with grade and date of rank to be determined by the Secretary of the Air Force provided that in no case shall the following officer be appointed in a grade higher than that indicated.

DENTAL CORPS

To be lieutenant colonel

Becky L. Gering, [redacted]

The following-named officers for permanent promotion in the U.S. Air Force, under the provisions of section 628, title 10, United States Code, as amended, with dates of rank to be determined by the Secretary of the Air Force.

MEDICAL CORPS

To be major

Roger D. Billica, [redacted]
Bryan Carducci, [redacted]
Robert M. Dixon, [redacted]
Roger R. Hesselbrock, [redacted]
John J. McGraw, [redacted]
Garrison V. Morin, [redacted]
Victor G. Onufrey, [redacted]
Mary Ann T. Orzech, [redacted]
John D. Ray, Jr., [redacted]
Marva L. Souder, [redacted]

DENTAL CORPS

To be lieutenant colonel

Benjamin P. Graham, [redacted]

To be major

Joseph D. Camacho, [redacted]

IN THE ARMY

The following-named officers, on the active duty list, for promotion to the grade indicated in the U.S. Army in accordance with section 624, title 10, United States Code.

CHAPLAIN

To be colonel

Charles V. Adams, [redacted]
Ignatius Butler, [redacted]
Phillip Cassibry, [redacted]
Daniel Donahue, [redacted]
Richard Donovan, [redacted]
James N. Grace, [redacted]
Douglas J. Groen, [redacted]
William McCallister, [redacted]
James H. Robnolt, [redacted]
James E. Rogers, [redacted]
John B. Smith, [redacted]
William P. Webb, [redacted]
Donald G. Wilson, [redacted]
Jimmy L. Young, [redacted]

The following-named officers, on the active duty list, for promotion to the grade indicated in the U.S. Army in accordance with section 624, title 10, United States Code. The officers indicated by asterisk are also nominated for appointment in the Regular Army in accordance with section 531, title 10, United States Code:

CHAPLAIN

To be lieutenant colonel

John A. Bauer, [redacted]
Stephen Bennett, [redacted]
David K. Bon, [redacted]
William R. Boone, [redacted]
Michael Broyles, [redacted]
Bobbie Bundick, [redacted]
Michael Chilen, [redacted]
Peter K. Christy, [redacted]
Joe R. Colley, [redacted]
Thomas R. Decker, [redacted]
Gregory J. Demma, [redacted]
Craig R. Dunham, [redacted]
James A. Durham, [redacted]
Ford F. Gsegner, [redacted]
*John B. Hart, [redacted]
Willie L. Henry, [redacted]
David H. Hicks, [redacted]
David R. Howard, [redacted]
*Vincent Inghilterra, [redacted]
Robert Jenkins, [redacted]
Ervin Jennings, [redacted]
David L. Kjosa, [redacted]
Albert E. Kramer, [redacted]
*Micheal Langston, [redacted]
Wayne J. Lehrer, [redacted]
Jerry E. Malone, [redacted]
Gerald E. Martin, [redacted]
Richard Martin, [redacted]
*Daniel McCaffrey, [redacted]
Geoffrey Moran, [redacted]
Willie Peacock, [redacted]
Glenn C. Pedder, [redacted]
Leroy Rittenbach, [redacted]
James E. Russell, [redacted]
John K. Stake, [redacted]
John D. Swedlund, [redacted]
David Tessmann, [redacted]
Louis R. Trebus, [redacted]
Donald Turkelson, [redacted]
Leonard Vanscoy, [redacted]

The following-named officers, on the active duty list, for promotion to the grade indicated in the U.S. Army in accordance with section 624, title 10, United States Code. The officers indicated by asterisk are also nominated for appointment in the Regular Army in accordance with section 531, title 10, United States Code:

JUDGE ADVOCATE GENERAL'S CORPS

To be major

*Jeffrey Addicott, [redacted]
David Eugene Bell, [redacted]
Bradley Bodager, [redacted]
Harold E. Brown, [redacted]
Edwin S. Castle, [redacted]
Cathy P. Cates, [redacted]
Emman Chiaparas, [redacted]
*Howard G. Cooley, [redacted]
Stephen Deardorff, [redacted]
Michael Ditton, [redacted]
Alfred Faustino, [redacted]
John B. Garver, [redacted]
James Gerstenlauer, [redacted]
Mark S. Graham, [redacted]
George Hancock, [redacted]
Kevin Robert Hart, [redacted]
*James Hohensee, [redacted]
*Stewart Hudson, [redacted]
Bernard Ingold, [redacted]
*Robert Johnson, [redacted]
Michael Killham, [redacted]
Patric Lisowski, [redacted]
*Douglas Macinnes, [redacted]
Christopher Maher, [redacted]
Donna C. Maizel, [redacted]
Charles Mellies, [redacted]
Sarah P. Merck, [redacted]
Robert Mosakowski, [redacted]
Earle Dee Munns, [redacted]
*Richard Musick, [redacted]
Richard Pelletier, [redacted]
David L. Pointer, [redacted]
James Pottorff, [redacted]
Samuel J. Rob, [redacted]
Oren W. Smith, [redacted]
Robert M. Smith, [redacted]
Alfonso J. Soliz, [redacted]
Dan Trimble, [redacted]
Kathy Vanderboom, [redacted]
William Venema, [redacted]
Carl M. Wagner, [redacted]
*Eddy Williamson, [redacted]

IN THE AIR FORCE

The following named officers for permanent promotion in the U.S. Air Force, under the appropriate provisions of section 624, title 10, United States Code, as amended, with dates of rank to be determined by the Secretary of the Air Force.

DENTAL CORPS

To be colonel

Achterberg, Robert J., [redacted]
Collins David C., [redacted]
Combs, Charles H., [redacted]
Edwards, Paul A., [redacted]
Farr Stephen C., [redacted]
Frank, Charles A., [redacted]
Gallagher, Steven J., [redacted]
Gieser, Dennis P., [redacted]
Gross, Stephen, [redacted]
Hablitzel, Matthew L., [redacted]
Herber, Hobert E., [redacted]
Hew, Ellsworth Y. K., [redacted]
Hill, Robert L., [redacted]
Hott, Wayne E., [redacted]
Lee, David A., [redacted]
Nielsen, Christen J., [redacted]
Piccinino, Michael V., [redacted]
Samuelson, John A., [redacted]
Sarg, Ronald G., [redacted]
Saunders, Timothy R., [redacted]
Seaman, Frank E., [redacted]
Theobald, William D., [redacted]
Trebilcock, Charles E., Jr., [redacted]
Waldrop, Thomas C., [redacted]
Warnick, John G., [redacted]

MEDICAL CORPS

To be colonel

Andre, Donald, A., [redacted]
Angstadt, Terry L., [redacted]
Aubrey, Howard L., [redacted]
Bandolon, Pura K., [redacted]
Bogner, David F., [redacted]
Bower, Jeffrey H., [redacted]
Buchanan, Millicent K., [redacted]
Cadiz, Leticia M., [redacted]
Charlesworth, Ernest N., [redacted]
Cohen, Daniel L., [redacted]
Cotlar, Alvin M., [redacted]
Dix, Richard M., [redacted]
Dsilva, Francis Raymond [redacted]
Dyer, Brien W., [redacted]
Fabian, George T., [redacted]
Gallup, James D., [redacted]
Glaeser, Richard D., [redacted]
Gormley, William T., [redacted]
Green, Robert P., Jr., [redacted]
Herrera, Moses, [redacted]
Hong, Young M., [redacted]
Iturzaeta, Nenita F., [redacted]
Kalosis, John J., Jr., [redacted]
Lockett, John S., [redacted]
Luciani, Ralph J., [redacted]
Minnick, Larry C., [redacted]
Mitchell, Spencer G., [redacted]
Nobles, Travis, [redacted]
Orzechowski, Zygmunt [redacted]
Parsons, David S., [redacted]
Plotkin, Karl J., [redacted]
Plummer, Jon K., [redacted]
Poppell, Samuel E., [redacted]
Powell, Stephen T., [redacted]
Rashid, Edward R., [redacted]
Ray, Reba, [redacted]
Reyes, Eulalia P., [redacted]
Riddle, Forrest A., Jr., [redacted]
Roberts, William E., [redacted]
Schriggins, Alan L., [redacted]
Shan, Chandrakant P., [redacted]
Shelton, David K., Jr., [redacted]
Sonoda, Takuo, [redacted]
Stratton, Robert E., Jr., [redacted]

Sweet, Robert M., [redacted]
Toth, David N., [redacted]
Twedt, Gordon H., [redacted]
Vanhal, Marvin E., [redacted]
Vigh, Sara, [redacted]
Ward, Robert C., [redacted]
Yurkosky, Theodore P., [redacted]

The following-named officers for permanent promotion in the U.S. Air Force, under the appropriate provisions of section 624, title 10, United States Code, as amended, with dates of rank to be determined by the Secretary of the Air Force.

DENTAL CORPS

To be lieutenant colonel

Abel, John R., [redacted]
Allman, James D., [redacted]
Anderson, Larry D., [redacted]
Bader, Barrett W., [redacted]
Bandoni, Lawrence W., [redacted]
Barringer, Peter S., [redacted]
Basden, James W., [redacted]
Bashor, Ronald L., [redacted]
Bassett, Gardner G., [redacted]
Beaumont, Robert H., [redacted]
Beck, Brian W., [redacted]
Bridge, Don P., [redacted]
Butasek, Joseph J., [redacted]
Canaan, Richard L., [redacted]
Chamberlain, Lyle B., [redacted]
Chance, David A., [redacted]
Chidley, Craig H., [redacted]
Clapp, David F., [redacted]
Clark, Starr W., [redacted]
Cohen, Terrell, [redacted]
Collins, Anne E.R., [redacted]
Cooley, David R., [redacted]
Cottrell, Stephen M., [redacted]
Crane, Gerald R., [redacted]
Davenport, William L., [redacted]
Davis, Samuel P., [redacted]
Day, Richard H., [redacted]
Dazey, Steven E., [redacted]
Deeley, William S., [redacted]
Dilorenzo, Scott C., [redacted]
Douglas, George B., [redacted]
Dunbar, James M., [redacted]
Felt, McLane H., [redacted]
Forsythe, Steven A., [redacted]
Gering, Becky L., [redacted]
Gibson, Donald P., [redacted]
Girvan, Thomas B., [redacted]
Guerra, Frederick G., Jr., [redacted]
Gureckis, Kevin M., [redacted]
Harvey, Joseph M., [redacted]
Henderson, Charles W., [redacted]
Hu, Vincent C. H., [redacted]
Jacobs, Michael S., [redacted]
Johnson, Robert S., [redacted]
Jolin, Timothy M., [redacted]
King, Christopher L., [redacted]
Koeppen, Raymond G., [redacted]
Kretzschmar, Samuel L., Jr., [redacted]
Langsjoen, Erik D., [redacted]
Lillard, Timothy L., [redacted]
Luethke, Larry D., [redacted]
May, David L., [redacted]
McHenry, Michael A., [redacted]
Messersmith, Marion L., [redacted]
Miller, Brock C., [redacted]
Mills, Shannon E., [redacted]
Mirrielees, Robert A., [redacted]
Mjos, David P., [redacted]
Montgomery, Carlton L., [redacted]
Morrison, John W., [redacted]
Newland, Timothy B., [redacted]
Palmer, David S., [redacted]
Parrish, Lawrence C., [redacted]
Reagan, Stephen E., [redacted]
Resch, Frank J., [redacted]
Robert, Frank T., Jr., [redacted]
Robinson, Paul M., [redacted]
Ryles, Robert L., [redacted]
Sallustio, Frank W., [redacted]
Schwartz, Richard S., [redacted]
Seifert, John H., [redacted]
Simmons, Ellen M., [redacted]
Skinner, Richard, [redacted]
Slocumb, Tyler H., Jr., [redacted]
Smith, Keith S., II, [redacted]
Starr, Clifford B., [redacted]
Stetzel, Patrick J., [redacted]
Stewart, Charles D., [redacted]
Sudholt, Alex E., [redacted]
Sweetman, Karl A., [redacted]
Thompson, William E., [redacted]
Tune, Thomas E., [redacted]
Wade, Byron M., [redacted]
Walker, Michael J., [redacted]
White, John C., [redacted]
Wood, Leighton W., [redacted]
Zurasky, John E., [redacted]

MEDICAL CORPS

To be lieutenant colonel

Abraham, Robert E., [redacted]
Abston, Phillip A., [redacted]
Adams, Jay S., [redacted]
Alford, Anthony L., [redacted]
Arroyo, Luis C., [redacted]
Bailey, Thomas D., [redacted]
Barnhill, James E., III, [redacted]
Bayne, Melvin A., [redacted]
Becker, Robert L., Jr., [redacted]
Benge, James M., [redacted]
Berdeaux, Donald H., [redacted]
Bohanon, Caroline A., [redacted]
Bonnell, Harry J., [redacted]
Breidenstein, Thomas J., [redacted]
Brown, David M., [redacted]
Brown, Edward F., [redacted]
Bunting, Gerald F., [redacted]
Butala, Pradyumna C., [redacted]
Carter, Glenn A., [redacted]
Chandler, Richard D., [redacted]
Clouse, Lawrence H., [redacted]
Colman, Richard E., [redacted]
Connelly, Daniel P., [redacted]
Coonley, Craig J., [redacted]
Cooper, Robert L., Jr., [redacted]
Coss, Pacita L., [redacted]
Cox, Foy W., [redacted]
Davis, Leon D., [redacted]
Dorsey, James S., [redacted]
Eaves, James B., [redacted]
Fokakis, Arthur N., [redacted]
Fritz, Marc A., [redacted]
Gilkey, Frederick W., [redacted]
Gillette, Robert K., [redacted]
Gould, William D., [redacted]
Grant, Richard E., [redacted]
Greenwall, Kurt, [redacted]
Gutierrez, Jose J., [redacted]
Hankins, Gary D. V., [redacted]
Harrison, Charles R., [redacted]
Hawkins, Robert A., [redacted]
Heironimus, James D., Jr., [redacted]
Hirsch, Kenneth D., [redacted]
Hjermstad, Brent M., [redacted]
Hoefer, Richard A., Jr., [redacted]
Houk, Richard W., [redacted]
Hoyt, Ronald K., [redacted]
Iway, Rene M., [redacted]
Jacobi, Jay P., [redacted]
Jens, Daniel K., [redacted]
Joshi, Sanatkumar K., [redacted]
Knox, Kirby E., [redacted]
Kunkel, Robert R., [redacted]
Kuskie, Michael R., [redacted]
Ladha, Gwendoline L., [redacted]
Land, Jack A., Jr., [redacted]
Lane, William N., Jr., [redacted]
Lawrence, Don A., [redacted]
Leavengood, Douglas C., [redacted]
LeCompte, Michael D., [redacted]
Leonard, Frederick D., [redacted]
Llamas, Hernahope R., [redacted]
Loftus, Thomas J., [redacted]
Low, Gordon J., [redacted]
Mabatid, Heidi F., [redacted]
Matos, Luis A., [redacted]
Messerschmidt, Gerald L., [redacted]
Miles, Curtis R., [redacted]
Molina, Rodolfo, [redacted]
Nall, John S., [redacted]
Nelson, Jeffrey L., [redacted]
Nelson, Thomas H., [redacted]
Newlin, Lonnie L., [redacted]
Norwood, Scott H., [redacted]
Parrish, Margaret L., [redacted]
Parry, Edward L., [redacted]
Penix, Arnold R., [redacted]
Persing, Ronald E., [redacted]
Pillai, Madhavan V., [redacted]
Polhamus, Clinton D., [redacted]
Powell, Jack B., Jr., [redacted]
Prechter, Gary C., [redacted]
Quigley, Terence M., [redacted]
Rainge, Ronnie, [redacted]
Rao, Vasantha K., [redacted]
Roth, Earl E., Jr., [redacted]
Ruffer, James A., [redacted]
Ryser, Monique A., [redacted]
Santaana, Rolando R., [redacted]
Sarva, Annapurna, [redacted]
Schenk, David A., [redacted]
Sewchand, Joel, [redacted]
Shagets, Frank W., [redacted]
Spencer, Cory D., [redacted]
Stasko, Thomas, [redacted]
Stone, Kurt A., [redacted]
Sugunan, Unnyampath, [redacted]
Sumners, William E., [redacted]
Suryaprasad, Seetha G., [redacted]
Tan, John T., [redacted]
Telep, Gerald, N.J., [redacted]
Thorpe, Robert J., [redacted]
Trivedi, Devendra V., [redacted]
Vann, Kenneth G., [redacted]
Verazain, Saul A., [redacted]
Vicente, Doroteo A., [redacted]
Whitney, Edwin J., [redacted]
Wilson, Lawrence W., [redacted]
Wohlrab, Eric P., [redacted]
Zimmer, John F., [redacted]

The following-named officers for permanent promotion in the U.S. Air Force, under the appropriate provisions of section 624, title 10, United States Code, as amended with dates of rank to be determined by the Secretary of the Air Force.

DENTAL CORPS

To be major

Alonge, John L., [redacted]
Arroyo, Kemp Bernadette C., [redacted]
Ash, Michael R., [redacted]
Baker, Jeffery F., [redacted]
Barrett, Robert D., [redacted]
Berg, Malcolm R., [redacted]
Beyerle, Marcus P., [redacted]
Blodgett, Robert F., Jr., [redacted]
Boesch, Stephen C., [redacted]
Braun, Gray A., [redacted]
Brock, Deborah L., [redacted]
Browning, Gregory C., [redacted]
Cardon, Orson P., [redacted]
Chambers, Doyle A., Jr., [redacted]
Chenet, Cedric C., [redacted]
Conlan, Michael J., [redacted]
Corman, Davis E., [redacted]
Cortes, Morales Jesus, [redacted]
Crecraft, Deborah S., [redacted]
Deas, David E., [redacted]
Defreest, Charles F., [redacted]
Delgadillo, Guy A., [redacted]
Dominov, Michael G., [redacted]
Erkes, Edward O., [redacted]
Essick, Mark, [redacted]
Exterkamp, Stephen J., [redacted]
Fasbinder, Dennis J., [redacted]
Fenzl, Steven C., [redacted]
Ford, Melvin L., [redacted]

Gill, James R., [redacted]
Gillen, Robert J., III, [redacted]
Gilliland, Brent L., [redacted]
Goodpaster, Howard T., Jr., [redacted]
Gore, David R., [redacted]
Gossett, Stephen E., [redacted]
Grasso, Daniel J., [redacted]
Gregory, Beverly G., [redacted]
Guerrant, George H., [redacted]
Guilder, Mark R., [redacted]
Heiman, Randolph T., [redacted]
Hill, Judith G., [redacted]
Huggins, Charles A., [redacted]
Hyslop, Stephen B., [redacted]
Johnson, Bruce A., [redacted]
Johnson, Douglas H., [redacted]
Jones, Lisa Darbonne, [redacted]
Kaercher, Raymond W., [redacted]
Key, Catherine, [redacted]
Kiely, Kevin D., [redacted]
Kious, Andrew R., [redacted]
Kroger, Paul W., [redacted]
Kuhn, Michael J., [redacted]
Lang, Maureen E., [redacted]
Mattie, Patrick A., [redacted]
Mayfield, Theresa G., [redacted]
McCravy, Laurier L., [redacted]
Mikitka, David, [redacted]
Miller, Craig E., [redacted]
Miller, Dennis R., [redacted]
Miller, Mark D., [redacted]
Miniotis, Nicholas J., [redacted]
Morgan, Richard W., [redacted]
Narcisse, Ellis J., Jr., [redacted]
Nelson, Elizabeth A. S., [redacted]
Nelson, Ronald G., [redacted]
Oldag, Thomas G., [redacted]
Palmer, Alan E., [redacted]
Parham, Phillip L., Jr., [redacted]
Parker, Robert C., [redacted]
Paunovich, Eleonore, [redacted]
Pierpont, William F., [redacted]
Pratt, Ronald C., [redacted]
Quist, Rhett M., [redacted]
Robbins, Darel L., [redacted]
Robertson, Odes B., Jr., [redacted]
Robinette, Richard L., [redacted]
Schaefer, Frederick L., [redacted]
Schneider, Gerald M., [redacted]
Schoonmaker, Richard J., [redacted]
Scott, Lawrence J., [redacted]
Singleton, John L., [redacted]
Smith, Alan T., [redacted]
Smith, John D., [redacted]
Solomon, Otha L., Jr., [redacted]
Spencer, Timothy E., [redacted]
Tetzner, Emil W., [redacted]
Thames, Dale C., Jr., [redacted]
Thatcher, Edward M., [redacted]
Troiani, Lendon K., [redacted]
Whitney, Steven J., [redacted]
Wire, Steven L., [redacted]
Wright, Virginia K., [redacted]

MEDICAL CORPS

To be major

Acevedo, Pablo E., [redacted]
Adams, Laurence J., Jr., [redacted]
Alvillar, Ricardo E., [redacted]
Andersen, Niels C., [redacted]
Arbona, Jose L., [redacted]
Archer, Michael O., [redacted]
Arnold, Steven J., [redacted]
Arroyopadro, Ramon A., [redacted]
Ascher, David P., [redacted]
Bach, Neil D., [redacted]
Baker, Eric J., [redacted]
Barrett, Mary E., [redacted]
Barton, Louis A., [redacted]
Basile, John J., [redacted]
Beadling, Charles W., [redacted]
Beakes, Douglas E., [redacted]
Behr, Donald A., [redacted]
Belcourt, Roger M., [redacted]
Bellinger, Raye L., [redacted]
Benitez, Juan, [redacted]
Benz, Stephen M., [redacted]
Berejan, Boris, [redacted]
Berry, Daniel K., [redacted]
Berry, Ronald A., [redacted]
Bertoldo, Robert N., [redacted]
Bitner, Alan F., [redacted]
Block, Steven C., [redacted]
Bloss, Jeffrey D., [redacted]
Bomberg, Bryan C., [redacted]
Boutiette, Lon A., [redacted]
Bowling, James R., [redacted]
Boyce, Lorenzo C., [redacted]
Breitenbach, Ray A., [redacted]
Breznik, John D., [redacted]
Brocato, Gerard D., [redacted]
Buhler, Carey C., [redacted]
Burke, Frank A., [redacted]
Burrows, Wayne R., [redacted]
Burton, James E., III, [redacted]
Butcher, Thomas M., [redacted]
Butler, Edward B., [redacted]
Byrt, William T., [redacted]
Calixtolopez, Eutimio, [redacted]
Campbell, Robert H., [redacted]
Capell, Carey M., [redacted]
Caro, Roberto A., [redacted]
Carter, Gregory E., [redacted]
Castle, James J., [redacted]
Cates, Ronald D., [redacted]
Cedeno, Philip A., [redacted]
Cesaretti, Luke S., [redacted]
Chaikin, Gary D., [redacted]
Chambers, Steven L., [redacted]
Chouinard, Mark David, [redacted]
Chow, William C., [redacted]
Cintron, Stewart Zulma, [redacted]
Clark, Reese H., [redacted]
Coleman, Sadie A., [redacted]
Cook, William A., III, [redacted]
Coyne, Edmund P., Jr., [redacted]
Crabbe, Linda S., [redacted]
Crabbe, Mark M., [redacted]
Crist, Charles L., [redacted]
Croitoru, Raquel, [redacted]
Cure, James D., [redacted]
Dann, Chandler R., [redacted]
Davis, Robert D., [redacted]
Dawkins, Bradley J., [redacted]
Deaton, Katherine H., [redacted]
Debenedictis, Dean, [redacted]
Deering, Karen C. H., [redacted]
Dejarnatte, Ralph F., Jr., [redacted]
Depriest, Charles V., [redacted]
Deprima, Steven J., [redacted]
Derby, James A., [redacted]
Desai, Rajiv D., [redacted]
Dilley, Ermilo D., [redacted]
Dimar, John R., II, [redacted]
Dixon, Rodney M., [redacted]
Donovan, Brian P., [redacted]
Dore, David D., [redacted]
Downs, Michael R., [redacted]
Drew, William E., [redacted]
Drinkwater, Mary A., [redacted]
Duginski, Thomas M., [redacted]
Dumpe, Kevin C., [redacted]
Dunn, Charles C., [redacted]
Eason, Ronald A., [redacted]
Ellis, Jay S., Jr., [redacted]
Ellwood, Hilary K., [redacted]
Emge, Frederick K., [redacted]
Epstein, Marc I., [redacted]
Epstein, Michael S., [redacted]
Ertzner, Thomas W., [redacted]
Esrick, Steven B., [redacted]
Ethier, David B., [redacted]
Evans, Isham H., [redacted]
Fain, Harold H., Jr., [redacted]
Faris, Kevin J., [redacted]
Farmer, Joseph C., [redacted]
Farr, John L., [redacted]
Finley, Brian J., [redacted]
Fiorillo, James R., [redacted]
Fitch, Stephen E., [redacted]
Flowers, Thomas M., [redacted]
Forest, Pamela Julius, [redacted]
Forte, Mark D., [redacted]
Fox, Olin M., [redacted]
Freed, Melanie G., [redacted]
Frerking, Tyrus R., [redacted]
Frey, Gregory J., [redacted]
Fuller, Douglas C., [redacted]
Gale, Thelma A., [redacted]
Garcia, Carlos J., [redacted]
Gardner, Robert A., [redacted]
Garm, Kenneth S., [redacted]
Garretson, David C., [redacted]
Garrett, Melody A., [redacted]
Garrison, Thomas E., [redacted]
Germann, William J., [redacted]
Gillen, Daniel P., [redacted]
Gladu, David E., [redacted]
Gomez, Ruben, [redacted]
Gonda, Francisco E., [redacted]
Goolsby, Philip L., [redacted]
Grady, Walter, [redacted]
Greb, David C., [redacted]
Green, James S., [redacted]
Greene, Mary L., [redacted]
Gregg, John T., [redacted]
Griner, Donald L., [redacted]
Grkovich, Ljiljana K., [redacted]
Guilfoy, Guy P., [redacted]
Gutierrez, Ralph A., [redacted]
Haley, John J., [redacted]
Halista, Scott M., [redacted]
Hanson, J. Alison, [redacted]
Hardin, Charles K., [redacted]
Harding, Clarke T., III [redacted]
Harrell, James A., [redacted]
Harrington, James J., [redacted]
Harrington, John J., [redacted]
Harris, Steven D., [redacted]
Harwick, Frederick, [redacted]
Hatton, Eric B., [redacted]
Hawes, John R., Jr., [redacted]
Hediger, Roy G., [redacted]
Ho, James P., [redacted]
Holck, Barbara A., [redacted]
Holland, Bret H., [redacted]
Honick, Arnold B., [redacted]
Howell, John M., [redacted]
Howell, Rogers G., II, [redacted]
Howell, Stephen M., [redacted]
Hsia, Rosalind Amick, [redacted]
Hunter, David L., [redacted]
Jackson, Edward A., [redacted]
Janik, Daniel J., [redacted]
Jansson, Kenneth A., [redacted]
Jaworski, Cheryl H., [redacted]
Jeu, Moon Yub [redacted]
Johnson, Arthur M., [redacted]
Johnson, George P., [redacted]
Johnson, Kent G., [redacted]
Johnson, Michael N., [redacted]
Johnson, Tommy, [redacted]
Johnston, Martha A., [redacted]
Jones, Cathy S., [redacted]
Jones, Joe S., [redacted]
Jordanwagner, Diane L., [redacted]
Josten Bruce, E., [redacted]
Kadri, Abdulhay A., [redacted]
Kaylor, Kenneth L., [redacted]
Keller, Michael P., [redacted]
Kieckbusch, Mark E., [redacted]
Kilburn, Bettina B., [redacted]
Kinne, Stephen M., [redacted]
Kirschner, Arlene G., [redacted]
Klein, Maxine J., [redacted]
Knapp, Victor R., [redacted]
Knudsen, John R., [redacted]
Koch, Paul C., [redacted]
Kohut, Tristan E., [redacted]
Koogler, Robert J., [redacted]
Koritz, Thomas F., [redacted]
Koroscil, Thomas M., [redacted]
Koskinen, Deborah L., [redacted]

Koss, Richard W., [redacted]
Krasicky, Gary A., [redacted]
Kreinest, Richard M., [redacted]
Kuhnert, Gail A., [redacted]
Kunz, Harold V., [redacted]
Lakier, Philip A., [redacted]
Lambert, Eugene J., [redacted]
Lane, Richard A., [redacted]
Latimer, Robert A., Jr., [redacted]
Latoni, Rene, [redacted]
Laurence, William R., [redacted]
Laurenzano, James G., [redacted]
Laveau, Paul J., [redacted]
Lawrence, Joseph J., [redacted]
Lawson, David L., Jr., [redacted]
Lee, Janice L., [redacted]
Lehr, Janet E., [redacted]
Lequire, Mark H., [redacted]
Levine, Ira J., [redacted]
Lewis, John C., [redacted]
Lewis, Lester B., [redacted]
Lewis, Raymond E., [redacted]
Little, James R., [redacted]
Little, Roy J., [redacted]
Lombeida, Judith A., [redacted]
Louis, David J., [redacted]
Lowrey, Charles E., [redacted]
Mackett, Charles W., [redacted]
Makatche, Timothy J., [redacted]
Mammino, Jere J., [redacted]
Manchester, Stephen F., [redacted]
Mandsager, Neil T., [redacted]
Mangano, Frank A., [redacted]
Marcum, Robert F., [redacted]
Marshall, Carol S., [redacted]
Martinez, Angel H., [redacted]
Martinez, Antonio T., [redacted]
Mashburn, Burt M., [redacted]
Mason, Teresa J., [redacted]
Mastromarino, Joseph H., [redacted]
Matula, Joseph J., [redacted]
May, Robert A., [redacted]
Mazur, Alfred W., [redacted]
McCormick, Kevin C., [redacted]
McDonough, Monica B., [redacted]
McDonough, Thomas P., [redacted]
McFall, Bruce H., [redacted]
McKnight, Martha A., [redacted]
Meadows, John R., Jr., [redacted]
Meagher, Brian D., [redacted]
Melcher, Gregory P., [redacted]
Menke, Thomas S., [redacted]
Merritt, Mark A., [redacted]
Merwin, Michael C., [redacted]
Mesko, John W., [redacted]
Messina, Michael J., [redacted]
Milbourn, Catherine T., [redacted]
Miller, Thomas R., [redacted]
Mincheff, Thomas V., [redacted]
Misasi, Roger P., [redacted]
Molinar, Jose M., [redacted]
Monson, Timothy P., [redacted]
Monteiro, Andrew R., Jr., [redacted]
Montesgarces, Ramon G., [redacted]
Moore, Randall J., [redacted]
Moriarty, Mark H., [redacted]
Murray, Ivan G., [redacted]
Myers, Frank J., [redacted]
Myers, Ronald A., [redacted]
Nadeau, Mark T., [redacted]
Navratil, David L., [redacted]
Neal, Richard C., [redacted]
Neel, Richard L., [redacted]
Nerney, Michael E., [redacted]
Neuner, Janice M., [redacted]
Newland, Guy M., [redacted]
Newman, Mark W., [redacted]
Nicholls, Danny W., [redacted]
Nielson, Lars E., [redacted]
Nord, Keith D., [redacted]
O'Brien, Lawrence A., [redacted]
O'Brien, Patrick, [redacted]
O'Brien, Robert M., [redacted]
Olive, Kenneth E., [redacted]
Oliveirasilva, Piedade P., [redacted]
Olson, Kirt S., [redacted]
Ostericher, Robert, [redacted]
Ostrow, Louis B., [redacted]
Oujevoik, America V., [redacted]
Pabalan, Francisco J., [redacted]
Paolucci, Stephen J., [redacted]
Paolucci, Susan L., [redacted]
Pappas, Nicholas J., [redacted]
Patel, Subhaschandra R., [redacted]
Pearlstein, Steven R., [redacted]
Pearse, Jon R., [redacted]
Pedersen, Mark L., [redacted]
Perrapato, Tracy H., [redacted]
Persons, Robert K., [redacted]
Peterson, Debra G., [redacted]
Peterson, Timothy M., [redacted]
Poor, Evelyn S., [redacted]
Powell, Alton W., III, [redacted]
Raggio, Michael L., [redacted]
Ralston, Randall R., [redacted]
Rawl, Dana A., [redacted]
Refvem, William E., [redacted]
Rehbein, Michael S., [redacted]
Reilly, John F., Sr., [redacted]
Remedios, David M., [redacted]
Rhode, Frank, [redacted]
Richardson, Lorinda, [redacted]
Riddles, Lawrence M., [redacted]
Ries, Penelope A., [redacted]
Riffelll, Douglas A., [redacted]
Riffle, Matthew J., [redacted]
Riley, Edward R., [redacted]
Ritchey, Robert K., [redacted]
Ritterbusch, James K., Jr., [redacted]
Robertson, Bruce A., [redacted]
Robertson, Edward J., [redacted]
Robine, Robert J., [redacted]
Robinette, Danny R., [redacted]
Rodriguez, Ismael, [redacted]
Rodriguezlopez, Rafael E., [redacted]
Rodriguezvazquez, Jose E., [redacted]
Rodriguezvazquez, Jose W., [redacted]
Roesch, Thomas A., [redacted]
Roettger, Richard H., [redacted]
Rogers, Booker T., [redacted]
Roh, Joseph J., [redacted]
Roman, Nina M., [redacted]
Ronish, Ross H., [redacted]
Rubacky, Joseph F., [redacted]
Rundell, James R., [redacted]
Sainsbury, Steven J., [redacted]
Salbert, Paul, [redacted]
Santiago, Walter J., [redacted]
Savell, Randall L., [redacted]
Scales, David K., [redacted]
Schaefgen, Madalyn, [redacted]
Schisler, John Q., [redacted]
Schlega, Meketa M., [redacted]
Schlegel, William L., [redacted]
Schneidewind, Barry S., [redacted]
Scholl, David A., [redacted]
Schwartz, Michael A., [redacted]
Sejan, Andrew J.R., [redacted]
Seltzer, Laurie S., [redacted]
Shackelford, Robert P., [redacted]
Sharp, Gary H., [redacted]
Shaw, Isaac B., [redacted]
Shields, Naomi N., [redacted]
Shue, Philip M., [redacted]
Simper, Steven C., [redacted]
Sims, Ronald S., [redacted]
Slade, Joel R., [redacted]
Smentek, Craig M., [redacted]
Smith, Bruce D., [redacted]
Snyder, Richard G., [redacted]
Solow, Brian K., [redacted]
Southwick, David A., [redacted]
Spada, Ralph E., [redacted]
Spieth, Michael E., [redacted]
Spurdon, Chantal H.J., [redacted]
Stancil, Marvin L., [redacted]
Stanley, Scott J., [redacted]
Staton, Laura L., [redacted]
Steffens, Thomas E., [redacted]
Stephensgroff, Susan M., [redacted]
Stephenson, Daniel L., [redacted]
Stith, Ruthgayle D., [redacted]
Stoner, Paul S., Jr., [redacted]
Stumpp, Dennis A., [redacted]
Suarez, Philip T., [redacted]
Suelflow, Jerry A., [redacted]
Sullivan, Donna L., [redacted]
Sullivan, Thomas S., [redacted]
Sullivan, William J., [redacted]
Sweeney, Michael G., [redacted]
Sykes, Jonathan M., [redacted]
Sykora, William S., [redacted]
Talbert, Kenneth E., [redacted]
Taylor, David L., [redacted]
Telfer, Edwin C., [redacted]
Tjaden, Bruce L., [redacted]
Tomaselli, David L., [redacted]
Travis, Thomas W., [redacted]
Tredeau, Richard J., [redacted]
Tritt, Susan H., [redacted]
Turner, Stewart J., [redacted]
Tuttle, Deborah J., [redacted]
Unger, Howard R., Jr., [redacted]
Vangoor, Anthony J., [redacted]
Verhulst, Patricia L., [redacted]
Viamari, Kathleen B., [redacted]
Vijan, Stephen R., [redacted]
Villarreal, Victor V., [redacted]
Vytlacil, Mark R., [redacted]
Waddell, George, A., Jr., [redacted]
Waite, Bradley E., [redacted]
Wakefield, Kenneth J., [redacted]
Walker, Gary M., [redacted]
Walker, Janet M., [redacted]
Walter, Marc C., [redacted]
Washington, Larry H., [redacted]
Weber, Charles A., [redacted]
Werner, Susan J., [redacted]
West, Brian J., [redacted]
Whited, Delana P., [redacted]
Whittington, Frankie K., [redacted]
Wilcox, Howard D., [redacted]
Wilkes, David S., [redacted]
Wilkowski, Michael J., [redacted]
Williams, John E., [redacted]
Williamson, Robert A., [redacted]
Windler, Henry D., [redacted]
Winget, Deborah A., [redacted]
Winters, Kathryn E., [redacted]
Wong, Marshall L., [redacted]
Woodruff, William W., [redacted]
Wutke, David E., [redacted]
Yaszemski, Michael J., [redacted]
Young, Mary E., [redacted]
Zawadski, Dennis K., [redacted]
Ziaya, Paul R., [redacted]

IN THE MARINE CORPS

The following named U.S. Naval Academy graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, section 531:

Aanonsen, Paul C., [redacted]
Alley James S., [redacted]
Alvarez, Dawn M., [redacted]
Anderson, Dale E., [redacted]
Anderson, Richardson A., [redacted]
Ashley, Darin W., [redacted]
Badger, David D., [redacted]
Bahn, Christian S., [redacted]
Baker, James M., [redacted]
Baker, Joel B., [redacted]
Bannach, Keith B., [redacted]
Basil, Daniel J., [redacted]
Blazis, Enoch J., [redacted]
Blochberger, Sean C., [redacted]
Bourgeois, Paul A., [redacted]
Boyd, Brad W., [redacted]
Bradley, Anthony J., [redacted]
Brandt, Karl D., [redacted]
Brown, Mark S., [redacted]

Brown, Suzanne M., [redacted]
Buechs, Todd R., [redacted]
Burke, John A., [redacted]
Burris, Craig M., [redacted]
Byrne, James M., [redacted]
Callahan, Timothy G., [redacted]
Carlson, Rudoph F., III, [redacted]
Carroll, Michael J., [redacted]
Chunk, Chang K., [redacted]
Clarke, Stephen A., [redacted]
Colwell, Jeffrey P., [redacted]
Coughlin, Sean T., [redacted]
Council, George H., [redacted]
Cressman, Scott A., [redacted]
Curran, Paul G., [redacted]
Dano, Eric B., [redacted]
Danzer, Michael G., [redacted]
Derrane, James P., [redacted]
Diggle, Anthony A., [redacted]
Doman, Thomas M., [redacted]
Dougherty, Daniel J., [redacted]
Dove, John C., Jr., [redacted]
Duke, Owen E., III, [redacted]
Dunn, Kenneth F., Jr., [redacted]
Ellis, Robert A., [redacted]
Emmitt, James D., [redacted]
Emons, Russell W., Jr., [redacted]
Erdelatz, Scott E., [redacted]
Esparza, Jorge A., [redacted]
Fennell, David A., [redacted]
Filyaw, Olin O., Jr., [redacted]
Fitzpatrick, Francis X., [redacted]
Flansburg, John T., Jr., [redacted]
Fletcher, Kirklin C., [redacted]
Florian, Timothy A., [redacted]
Folson, David R., [redacted]
Fulp, John D., [redacted]
Galvan, Richard, [redacted]
Georgiefski, Michael T., [redacted]
Gfrerer, James P., [redacted]
Goodbody, Robert A., [redacted]
Gosnell, Paul G., [redacted]
Grammer, William C., [redacted]
Groothuis, Mark D., [redacted]
Guyer, Michael F., [redacted]
Hallahan, William D., [redacted]
Harper, Ernest A., [redacted]
Harwood, Bartlett, III, [redacted]
Headley, Stacey L., [redacted]
Herron, Michael S., [redacted]
Hill, Gregory T., [redacted]
Holland, Kevin A., [redacted]
Hollinger, Anthony K., [redacted]
Huxhold, Paul E., [redacted]
Ihde, Alexander G., [redacted]
Ivory, Steven R., [redacted]
Jenkins, John L., [redacted]
Johnson, Christopher E., [redacted]
Kirkland, Gary C., [redacted]
Kline, Brian T., [redacted]
Kyle, John S., [redacted]
Lambert, Lee A., [redacted]
Lane, Charles D., [redacted]
Lang, Kurtis E., [redacted]
Lee, Curtis T., [redacted]
Lesniak, John F., [redacted]
Lessard, Laurence J., [redacted]
Levins, Richard M., [redacted]
Liwski, Lisa M., [redacted]
Locke, Stephen K., [redacted]
MacFarland, Robert S., Jr., [redacted]
Mack, Paul G., [redacted]
MacMurtrie, James A., Jr., [redacted]
Magee, Edward O., Jr., [redacted]
Malloy, Terence P., [redacted]
Masiello, Gregory L., [redacted]
Mason, Douglas E., [redacted]
Mattson, Thomas M., [redacted]
McCloy, Darin J., [redacted]
McGee, James D., [redacted]
McGrady, Jackson L., [redacted]
McKelvey, Jay B., Jr., [redacted]
McKenna John J., [redacted]
Metzger, John V., [redacted]
Mickelson, Lynne D., [redacted]
Miles, Mary A., [redacted]
Milliman, John C., [redacted]
Mitchell, Susan L., [redacted]
Mollon, Dennis C., [redacted]
Money, James L., [redacted]
Monk, Greggory B., [redacted]
Monroe, Robert D., [redacted]
Moore, Russell A., II, [redacted]
Moroney, Kevin J., [redacted]
Murphy, Thomas P., [redacted]
Mykleby, Mark G., [redacted]
Nerup, Carl L., [redacted]
Nickels, Trent D., [redacted]
Northcott, Tad C., [redacted]
Parrillo, Michael A., [redacted]
Parzych, Garry E., [redacted]
Penny, Arthur S., [redacted]
Permito, Curtis M., [redacted]
Peters, Stephen J., [redacted]
Plantz, Robert N., [redacted]
Poore, Louis E., II, [redacted]
Potts, Kevin M., [redacted]
Prato, Anthony W., [redacted]
Rakow, Steven W., [redacted]
Raymond, James W., [redacted]
Rideau, Errol E., Jr., [redacted]
Rizzo, Joseph R., [redacted]
Roberson, Rob B., [redacted]
Robinson, David A., [redacted]
Rodriguez, Miguel A., [redacted]
Ross, Wendell, [redacted]
Rovenstine, Michael J., [redacted]
Rowan, John G., [redacted]
Saldivar, Raul F., Jr., [redacted]
Sampson, Matthew T., [redacted]
Sanchez, Joe M., [redacted]
Schieber, Ty A., [redacted]
Schill, Daniel K., [redacted]
Sheerin, Michael T., [redacted]
Shevis, Philip G., [redacted]
Smith, Russell E., [redacted]
Snyder, Daniel J., [redacted]
Spanos, Michael L., [redacted]
Springer, Nancy A., [redacted]
Stevenson, John D., [redacted]
Stewart, Robin A., [redacted]
Stratton, Patrick T., [redacted]
Sullivan, Sean P., [redacted]
Swan, Ernest W., [redacted]
Swanson, James L., [redacted]
Sylvester, Steven M., [redacted]
Tadlock, Jimmie C., Jr., [redacted]
Tellez, Grover D., [redacted]
Tenney, Joseph W., [redacted]
Truden, Thomas M., [redacted]
Turner, Robert J., [redacted]
Tuttle, James V., [redacted]
Urbach, Scott E., [redacted]
Vajgert, Joe L., [redacted]
Vanhulzen, Chad O., [redacted]
Veach, Randall S., [redacted]
Videll, Joseph E., [redacted]
Vuillemot, Andrew J., [redacted]
Watson, Thomas C., [redacted]
Weber, William H., IV, [redacted]
Wells, John L., [redacted]
Wilkens, John D., [redacted]
Williams, George S., [redacted]
Woodaman, Ronald F., [redacted]
Wuamett, Michael G., [redacted]
Zaorski, Robert C., Jr., [redacted]

The following-named U.S. Air Force Academy graduates for permanent appointment to the grade of second lieutenant in the U.S. Marine Corps, pursuant to title 10, United States Code, section 541:

Brown, Billy B., Jr., [redacted]
Clark, Randall W., [redacted]
Couser, Robert A., [redacted]
Dunstan, Flyod W., Jr., [redacted]
Mellinger, Eric M., [redacted]
Saulski, Joseph P., [redacted]
Tesch, Gregory K., [redacted]

IN THE NAVY

The following-named lieutenant commanders in the staff corps of the Navy for promotion to the permanent grade of commander, pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

MEDICAL CORPS OFFICERS (210X)

Adkisson, Gregory Hugh
Antonio, Joseph Charles
Barber, Francis A., Jr.
Barnett, Bryan O.
Barrett, Terry L.
Barton, David Casey
Beebe, Lucius C.
Bender, Jeffrey S.
Berman, Jeffrey Michael
Binks, Terrance A.
Bohnker, Bruce K.
Bosshardt, Richard T.
Bothwell, Linda Harriet
Brewer, Eugene A.
Brice, David Alan
Bright, John R.
Brockmole, Dean M.
Brown, David E.
Brown, James A.
Bundens, David A.
Burns, James Joseph
Cagle, William D.
Caldwell, Madelene Blak
Cannon, Bruce Wayne
Carey, Benjamin Arthur
Carl, Mitchell
Carlson, Stephen Alan
Caruthers, John M.
Cashell, Alan W.
Catchings, Timothy Titu
Chang, Henry
Chang, Margan Jamieson
Clanton, Douglas W.
Classen, Ashley Molesworth
Clifford, Paul D.
Conrad, Kenneth A.
Coots, Lawrence Ernest
Counihan, Colleen M.
Coyle, Joseph P.
Crider, Steven Reid
Crooms, Jeffrey W.
Culver, Maurice M.
Davis, Bruce C.
Deafenbaugh, Martin Kei
Deakins, Dennis Eugene
Downey, Earl C., Jr.
Drum, Edward Allen
Duke, Mark Stanfield
Duran, Michael J.
Edmondson, John S.
Elliott, Allen Shipp
Ellsworth, Richard K.
Erikson, Nils S.
Faucett, Clyde J., Jr.
Finton, Chris K.
Fischer, Kathleen Foley
Fish, Hamilton Rutledge
Fisher, Winfield Stitt
Floyd, Charles
Ford, Robert E.
Freer, Douglas Hall
Furman, Richard L.
Gallo, James John
Gantt, Robert Marion
Garst, Paul Dimitre
Gilbert, Mark
Goldsworthy, Vernon P.
Goler, Michael R.
Grayson, Mitchell J.
Guary, Paul F.
Gutbezahl, Cary David
Guzley, Gregory J.
Halley, James Alfred
Hansen, Mark Krogness
Hardy, Michael Paul

Hargraves, Ronald W.
Harris, David J. Jr.,
Harvey, Kevin Gregory
Hasty, Benjamin R., Jr.
Healey, Kathleen Mary
Heindel, Donald Joseph
Holbrook, David L.
Hooper, Dennis, G.
Hunt, John Byron
Huppmann, Joseph Francis
Hutchison, Jane White
Hyams, Kenneth Craig
Ilams, Gordon John
Jeffers, Gregory Allen
Jensen, Donald William
Johnson, Alan Richard
Jones, Warren Allen
Keeley, Joseph J.
Keenen, Timothy L.
Kelly, Mark D.
Kent, Harold L.
King, John W., Jr.
Knight, James Gordon
Koomjian, Michael P.
Krook, Linda Susan
Larson, Charles Adrian
Laskin, William Bradlyn
Lees, Joel Ardell
Levin, Bradley Howard
Lewis, Donald Wray
Lombardo, Christopher P.
Lord, Jonathan T.
Luce, Ronda Fay
Lyon, Thomas H., Jr.
Maletz, Frank W.
Malone, John D.
Marshall, C. Perry
Mason, Jon Donavon
Massey, Gloria S.
Massimiano, Paul S.
Mayer, Stephen Andrew
McClelland, Scott Richard
McGowan, David G.
Medbery, Clinton, A., III
Miller, Charles D.
Mills, Leland David
Misas, Jose Enrique
Mitchell, Benjamin Sanford
Monteropearson, Per Man
Moon, James P.
Moore, Gregory Lynn
Morrison, James P.
Mothershead, Jerry Lynn
Moyer, Frank Rabe
Murray, David W.
Murray, John William
Murray Kevin M.
Nagel, John Robert
Nash, William P.
Nelson, Gerald E.
Newman, Nancy
Nowlan, Guy Jean
Oliver, Lawrence Gilmar
Olson, Patrick E.
Opsahl, Michael Scott
Oswalt, Kenneth E.
Papadimos, Thomas J.
Pemberton, Jackson Osborn
Pistone, Frank J., Jr.
Raczek, Stanley Wladysl
Romos, Raul Fausto Calu
Rigsby, Thomas W., Sr.
Rittelmeyer, James T.
Robbins, Larry Ray
Robinson, Warren L., Jr.
Romano, George Carmine
Rosas, Henry Peter
Rudoff, Joanne
Rutherford, Susan E.
Sameshima, Steven Saige
Savage, Rodney Wells
Schacherer, Timothy G.
Schultz, Robert G.
Sherman, Michael R.
Shipman, Lynn Proctor
Simpson, Charles Eugene
Sirna, Charles T.
Skelton, Henry Grady, II
Small, Roy S.
Smith, Carl V.
Smith, David Lawrence
Smith, Jack W.
Smyer, Theodore Franklin
Spiegel, David Anton
Standre, Kenneth Allen
Strauss, Mark Dana
Sucsy, Robert James
Talley, James D.
Tami, Thomas A.
Taylor, Larry D.
Tetzlaff, John E.
Thomas, Rufus M., Jr.
Tipler, Bradley M.
Trump, David H.
Valdez, Michael R.
Waack, Matthew W.
Wade, Robert Keath
Waecker, Norman J., Jr.
Walker, James H.
Walker, Michael L.
Wallace, Richard B.
Watt, George Hilary
Whalen, Barbara Kathleen
Wilhite, Charles E.
Williams, Richard Pasca
Williams, Thomas Gordon
Wotowic, Paul John
Yaunderidge, William F.
Yelverton, Charles Clin
Zimmerman, Lisa Marie
Zwingelberg, Keith Mich

SUPPLY CORPS OFFICERS (310X)

Anderson, Thomas Perry, IV
Baca, Eduardo Flavio
Baumgartner, Max Francis
Bennett, David Wayne
Bird, Linda Jeanne
Boren, Kenneth Wayne
Bosco, Arthur
Boyer, James Charles
Brackett, Anderson Edwin
Bradshaw, Richard Nelson
Braniff, Gregory James
Brooks, Stephen Bertram
Browning, Eugene Russell
Burnett, Derrold Carl
Burns, Shirley Jane
Burton, John French
Carr, Washington Sidney, Jr.
Cole, Gregory Edward
Costello, Richard Dennis
Damico, John Peter
Delorenzo, James Marc
Delost, Frank Anthony, Jr.
Dillenburg, Michael John
Dykes, James Michael
Easton, Gregory Bruce
Eberling, Glenn Deshon
Eberly, David Arthur
Eltringham, Peter Samuel
Feerer, Bruce Edward
Fishburne, Edward John
Flanagan, Patrick James
Frey, Charles Walter
Funderburk, Keith Wayne
Gaa, Patrick Joseph
Gormly, Richard Benton
Gorrie, Roland Wilfred
Graybill, Jonathan Charles
Green, Jeffrey David
Guess, Harry Samuel, Jr.
Gustafson, Charles Warren
Haven, Don Richard
Henderson, Harold Ernest
Huddy, John Kevin
Hudock, Michael David
Husty, Peter Louis
Jackson, Robert Herman, III
Jeffreys, Eugene Wayne
Kalas, Michael Robert
Kiggins, Richard Allan
Knapparisi, Nancy Carol
Koch, Dennis William
Lilieberg, Carl John, III
Lindsey, Claude Dennis, III
List, James Michael
Love, Odell Gregory
Luzynski, Anthony John, III
Maddon, David Michael
Madrid, James Charles
Mangan, Barry Patrick
Martin, James Manness
McCann, Steven Michael
McCarthy, Michael Joseph
McClurg, James Randall
McFarland, William Clarence
Messenger, Norman Keith
Mobley, Robert Alton, Jr.
Mukri, Jon Kirk
Noble, Geoffrey Thomas
Noga, Michael Walter
Oikle, James Freeman
Olson, Michael Paul
Oubre, Don Paul
Patton, Donald James
Pearsall, Gregory Howard
Peart, Douglas Thomas
Radosevich, Joseph Peter
Ralls, Walter Elwood, Jr.
Rannenberg, John Elliott
Robertson, Roderick Ray
Roluff, John Frederick
Rubin, Mark Isadore
Ruppert, Joseph Murray, Jr.
Russell, Robert Marshall
Ryan, John Francis, Jr.
Schoedler, Michael Payne
Schweichler, John Edward
Shick, Jack Eugene
Shoutelock, George Edward
Siebenschuh, Frederick Royal
Spease, Frederick Winn
Strunk, Lawrence William
Sueur, Rhys Clay
Sugihara, Ronald Yozuru
Szafran, Clifford Edward
Thompson, Brian Lee
Tomlinson, Donald Hughes
Vanhouweling, Gerald Anthony
Vizzier, Richard Morris
Wagner, Jeffrey Quigg
Walter, Arthur Ivors, III
Wasilewski, Nicholas John, Jr.
Watson, Peter Wolfgang
Witham, Michael Joseph
Worley, Randy Alan

CHAPLAIN CORPS OFFICERS (410X)

Black, Barry Clayton
Blancett, E.F.
Bumbry, Wayne Keith
Cappar, Joseph Claude, Jr.
Carter, Thomas C.
Clough, William R.
Colton, Alan Frank
Dillon, William P., Jr.
Dux, John Henry
Larriviere, Marshall Roy
Lawson, Douglas W.
Lyons, Gary Veil
Madden, John Ronald
Nickols, James P.
Oleson, Eugene E.
Resnicoff, Arnold E.
Scheible, Gordon Kenneth
Ware, Nathan Mark
Wilson, Stuart Taylor

CIVIL ENGINEER CORPS OFFICERS (510X)

Berry, Michael Gerald
Blanton, Guy Ivan, Jr.
Breitzke, Thomas Carl
Bushong, John William

Carll, David Randolph
Cornell, Wayne Lester
Diagnault, Stephen William
Dailide, Eduard Aras
Dalke, Gregory Allen
Darr, Rodger William
Fogarty, William Patrick
Hambrock, Daniel Lee
Hiller, Paul Warren
Horn, Larry Stewart
Johnson, Ralph Floyd
Kolster, William George
Kornegay, Edward Louis
Kraai, Bernard Willard, Jr.
Kubic, Charles Richard
Lasham, Lloyd Robert, Jr.
Lewis, William H., III
Mello, Raymond
Motolenich, Peter M.
Pyles, Troy Kenton
Reynolds, Glenn Edwin
Ritchie, Andrew Scott
Saunders, Peter David
Stryker, Harry Ford
Vandyk, Peter Martin
Weyrauch, Edwin Frederick
Whittaker, Harrison B., II
Wisehart, Thomas Charles

JUDGE ADVOCATE GENERAL'S CORPS OFFICERS (250X)

Bartlett, James E., III
Blackwood, Robin McGee
Burnett, Weston D.
Clark, Norman King
Connelly, Thomas Joseph
Decicco, William A.
Genzler, Partick Alan
Gonzalez, Glenn Nelson
Hardy, David Murff
Holcombe, David Patrick
Hunt, Charles Ronald
Jakubiak, Thomas F.
Kirkpatrick, Gerald Joseph
Leachman, Timothy L.
McCabe, Sally Jean
McGuire, Michael R.
Miller, William Alan
Monahan, Robert Patrick
Pointer, Homer Sterling
Rae, Robert Bruce
Ramsay, Kathleen Parker
Swanson, Ronald Victor
Switzer, David Roe
Tielens, Thomas P.
Winfrey, Ronald Ray
Young, Timothy Clay

DENTAL CORPS OFFICERS (220X)

Aldrich, David, A.
Allemang, John D., Jr.
Assad, Daniel A.
Bennett, Gerald E.
Bertrand, Peter M.
Biolo, Mark W.
Bohl, Jay L.
Bond, John Sullivan
Bowen, James A.
Burkett, Barry L.
Burton, Richard G.
Carlson, Thomas W.
Certosimo, Alfred Joseph
Cioffi, Gerald A.
Ciotti, Anthony J., Jr.
Deaton, Allen B.
Doyel, Roger Thomas
Elrod, Kenneth
Evans, Larry James
Gillette, Keith F., Jr.
Golder, Bruce Eric
Graef, Todd Richard
Hatch, Craig L.
Herscher, Carl D.
Hilgeman, James Leander
Horning, Gregory M.
Hobbs, Gary Lee
Hull, George R.
Johnson, Mark Paul
Kuzma, David J.
Liashek, Peter Jr.
Ludwig, Lawrence Thomas
Marinak, Kenneth W.
McGinley, John Leo
Meiers, Jonathan C.
Meiser, Edward T., Jr.
Merrifield, Richard Pau
Morgan, William C., Jr.
Morin, Raymond Gerard
Mucci, Paul C.
Murphy, Stephen L.
Overstreet, Harry Leroy
Parker, William B.
Paulin, William Bryant
Reed, Lon Nathaniel III
Reinhart, Gary Lee
Riding, Robert H., Jr.
Robbins, James S.
Robinson, Boyd E.
Seder, Peter G.
Smith, Langston Delano
Stone, Randall E.
Taylor, Patrick Eric
Toth, Richard W.
Tyler, Michael W.
Wilhelm, Miles L.
Young Gary Bruce

MEDICAL SERVICE CORPS OFFICERS (230X)

Anderson, Jerry Thomas
Brickeen, Jerry Wayne
Brocker, Fred Lee
Brown, Harold Thomas, Jr.
Brown, William Glenn
Calvin, James Barnard
Cline, Ferdinand Charles
Cox, Tommy Wayne
Dillard, James Burrett
Eichelberg, Wallace Chr
Garms, Peter Paul
Garrett, James McGee
Ghent, Ernest Richard
Goodloe, Murriel Edward
Hargett, David Allen
Harmon, Layton Oscar
Harris, Steven Dell
Haslam, Garth Stuart
Hayes, Betty Lou Wright
Jones, Robert Gerald
Jones, Rudolph
Knight, Michael Graham
Lamb, Martha Jane
Langston, Carl Coleman
Lockhart, Ralph Alvis
McClerklin, Aaron
McCoy, Wendel Thomas
Mell, Leroy Dayton, Jr.
Meskill, Gerard Vincent
Miller, Stanley Cairnes
Moynihan, Margaret E.
Norris, Henry Hampden J.
Nunn, Thomas Dalton, Jr.
Ollenburg Walter Alber
Olson, Steven Duane
Parrish, Gerald E.
Peters, Vernon Melvin
Rendin, Robert Winter
Renner, Vernon, Manderfe
Rutherford, Bruce Dougl
Smedley, Fulton Joseph
Soliday James Elvin
Spencer, Charles Adrian
Stein, Carl William
Tittmann, Frederick Ric
Todd, Hamilton Smith, Jr.
Trocha, Paul John
Vaughn, Charles Donald
Wheeler, David Leo

NURSE CORPS OFFICERS (290X)

Bowden, Mary Alice
Boyer, John Frederick
Hemmelgarn, Nina Terese
Hirako, Sharon N.
Kozlowski, Janet Gorczy
Marsh, George Lawrence
Ohlman, Donna Jean Van
Picchi, Christine Anne
Powers, John Charles
Robinson, Leslie Elizab
Ruschmeier, Elizabeth M.
Shaia, Evelyn Ruth
Soileau, Joseph Corley
Vannest Ronald Lawrenc

LIMITED DUTY OFFICERS (SUPPLY) (651X)

Brown, Robert Alvin

LIMITED DUTY OFFICERS (CIVIL ENGINEER CORPS) (653X)

Williams, Samuel Sidney

The following-named lieutenant commanders of the Reserve of the U.S. Navy for permanent promotion to the grade of commander in the line, in the competitive category as indicated, pursuant to the provisions of title 10, United States Code, section 5912:

UNRESTRICTED LINE OFFICERS (11XX/12XX/13XX)

Aarnes, Richard Lewis
Abbott, William Richard
Abel, Lloyd Vermillion
Adams, Robert Stark, Jr.
Albracht, Randal Theodore
Aldrich, David Oliver
Allen, Leslie Noel
Allison, Christopher Duane
Allshouse, Leo Richard, II
Andersen, William Norman
Armentrout, Olin Mark
Ayers, Frazier Ledonn
Ayers, James Robert
Ayres, James Bruton, Jr.
Backes, Mark David
Bader, Kent Grey
Baerwald, Ross Forney
Bailey, Jack McGee
Bartron, William Douglas
Bast, Michael K.
Bearden, James Thomas
Beck, Neil Stuart
Beckham, Gregory Thomas
Bendall, Michael Lee
Bender, Robert Dana
Bennett, Vaughn
Benson, Dale Russell
Benson, Larry Joe
Berlo, Andrew Joseph, Jr.
Bernardy, Jerel David
Beukema, Paul
Birkes, Larry Charles
Bishop, Stephen Clark
Bitterwolf, Thomas Edwin
Bittman, William Charles
Blackwood, Hugo Granger
Blaschke, James
Blevins, Dallas, Jr.
Blough, Allen Randolph
Bode, Ted E.
Boetsch, Charles Gregory
Bowman, William Virgil
Bozeman, Virgil, III
Brady, Patrick Norbert
Branch, Elsa Jo
Bridges, John Edward
Brinson, Buck, Jr.
Broderick, Thomas Edward
Brouhard, Jack William
Brown, Bruce Donald
Brown, Dean Robert
Burnes, Robert Michael,
Burnett, Michael Joseph
Burnham, Robert Miller
Burns, Brian Hugh
Byers, John Erwin

Cabelka, Timmy Dean
Cagle, Nathan Eugene, Jr.
Calise, Kenneth John
Campbell, Noel William
Campbell, Ross Goodwin
Carello, Larry Donald
Carey, Sandra H.
Carrozza, Wayne S.
Cassada, Jack Henry
Chaffee, Alfred Edward
Chambers, David Mohn, Jr.
Champion, Edward Larue, Jr.
Charles, Edward Barnett,
Charles, James Lawrence
Christman, Linda Cheryl
Christman, Patrick Lee
Clancy, Edward Vincent
Clark, James Robert, Jr.
Clark, Robert Martin
Clausen, Stephen Radcliff
Cochran, Michael James
Coffing, Christopher John
Conner, Ned Robert
Cordes, Bruce Allen
Cory, John Alan
Cosgrove, Ronald Patrick
Coshow, Douglas Edward
Cotton, John Gould
Craig, Peter Allen
Crews, Thomas Bouldin, Jr.
Crum, Stephen McDonald
Dalton, Joseph Andrew
Dalton, Lawrence Vincent
Daly, John Francis, Jr.
Davis, Acie Wesley, Jr.
Davis, Teresa
Dean, Kenneth Eugene
Dean, Steve Richard
Dean, Steven Michael
Decker, Geoffrey Foster
Delong, Richard Peter, Jr.
Delp, Frederick Ray
Dentico, John Paul
Depeder, Andrew Angelo
Desmarais, Mark Bernard
Dexter, Robert Edward, Jr.
Dick, John Lawrence
Dietz, Clyde Praetorius
Dillon, John Michael
Dipiazza, Nicholas Charles
Dixon, Michael Lee
Dockham, Gary Lamont
Dodds, John Thomas
Dodge, David Orin
Doerr, Michael Rowland
Donaldson, Chase Fernando
Douglas, Barry Cole
Dubay, Roland Charles
Dudley, John Roy
Earles, Larry Gene
Eckert, Gary Lee
Edvardsen, John Joseph
Ellis, Timothy John
Emerson, Ralph Waldo, Jr.
Enderle, John Philip
Epperson, Robert Mark
Eurek, Allan John
Evans, John James
Everson, John Everett
Faltemier, Edward Eugene
Faust, William Alexander
Ferguson, Robert Korbel
Fifer, Louis George
Firth, Richard Starkey
Fitzgerald, Paul Vincent, III
Flynn, Robert Henry
Forbes, Gregory Arthur
Foskett, Arthur Kevin
Foster, Glen Richard
Foster, Raymond Allen
Fox, Phillip Arthur
Fox, Tally Bernard
Frey, Dale Allyn
Fursman, Beryl Denise
Gaines, Alan Lee
Garry, William Joseph
Gaumer, David Wesley
Gerlt, Danny Harlin
Giessing, George Conrad, III
Gilliland, Charles H., Jr.
Glasnapp, Randy Edward
Glesige, Thomas August
Good, Beverly Frances
Gordon, James Wilson
Goreham, Leonard Albert
Graass, Jeffrey J.
Grabulis, Dennis David
Graham, David Joseph
Gray, Richard Lee
Grigsby, Andrew Edward, Jr.
Grissom, Nathaniel
Gunderson, Edward Charles
Guthrie, Robert Harold
Guzauskis, Steven Augustine
Haas, Gary
Hageman, Andrew Henry, Jr.
Hahn, Thomas Andrew
Hains, John Paul
Hallam, Stephen Culliton
Hansen, Allen Ross
Hansen, Steven Peter
Harris, Jean Leonard
Harris, Jerry Michael
Harris, Michael Leon
Harshfield, James Bernot
Harter, Susan Frances
Hartwell, Jerold Keith
Heckrodt, Gregory Lee
Hee, Francis James
Helmer, Dale Paul
Heming, David Millar
Hendrickson, Paul Brian
Herring, Bryan Lee
Higgins, Dennis Michael
Higgins, Kevin Daniel
Hill, Michael Allen
Hines, John Robert, Jr.
Hoesly, Michael Lee
Hoffman, William Edward
Holmes, Richard Nelson
Hopkins, Donald David
Howe, Robert Frank
Huegerich, Thomas Paul
Hughes, Michael David
Hulbert, David Joseph
Hultberg, Randy Stewart
Hutchinson, Jonathan Clay
Hutfless, Michael Joseph
Jacobson, Craig Alan
Jacobson, Robert Allen
Janes, Charles Enos
Japontich, John Christian
Johns, William Vernon
Johnson, Nicholas Ronald
Johnston, John, Jr.
Jones, Mark Webb
Kalafat, Max Eugene
Katz, Richard Mark
Kavallieros, Chris Minas
Keenan, John Joseph, Jr.
Keller, Gerald Robert
Kelley, Michael David
Kellogg, Steven Curtis
Kelly, Thomas Brian
Kennedy, William Aloysius, Jr.
Kerner, Urban L.
Kiehl, Thomas Hill
Killoren, Kevin Michael
King, Larry Arlin
Klein, Steven Allen
Koch, Mark Randolph
Kohring, Mark William
Kollender, David Bernard
Kooker, Frederick Marshall
Kowalczykbeckworth, Juan Ann
Krusa, Christopher Ebeling
Kumpf, Dwight Richard
Kurtzman, Ronald David
Kurz, William Christopher
Landers, Gregory Patrick
Lankford, Marie Louise
Lassetter, George Calvin, III
Lauer, Raymond Charles
Law, Dana King, Jr.
Lawler, Webster Runaldue, Jr.
Lawn, Robert Michael
Lawton, Norman Henry
Lee, William Eugene
Leech, James Nathan
Lees, David Gordon
Lillie, Thomas R.
Linka, Robert Anthony
Lockwood, Stephen Odell
London, Tommy Lynn
Low, Michael David
Lucier, John E.
Lumsden, John Cooper, Jr.
Lundy, Allen Francis
Lydic, Frederick William, III
Lyons, Frank Harley
Macdermid, Robert Charles
Macklin, Robin Myles
Madden, Daniel Francis
Mahaley, Joseph Simon
Majure, Wallace Junior, II
Makings, Dean Morgan
Mamikonian, Stephen Arsham
Manion, Anthony Thomas
Marcussen, William James
Margolis, Jack Harry
Massion, Dennis Daniel
Matteson, Robert Jeffrey
May, Bruce Edward
May, Patricia Lynn
Mazzeo, Michael Douglas
McCall, Gary Allen
McCamant, Robert Randall
McCarthy, John Francis
McCarthy, Joseph Bruce
McCauslin, Kevin R.
McCleskey, Kevin Brian
McConnell, Elizabeth Kotary
McDaniel, Charles Claud
McGalliard, Bruce Edward
McHenry, John Stewart
McIntosh, John Alexander, III
McKay, Michael Allen
McLean, David Gene
McNamara, Thomas Dean, Jr.
McNeil, Christopher Patrick
McVey, Barry Steven
Mellusi, Leonard Joseph
Mercker, Raymond Francis
Merritt, Glenn Stephen
Metheny, Floy Lee
Meyer, Lelia Michele
Miller, Albert
Miller, Burt Edward
Miller, David Alphonso, Jr.
Millhouse, Earnest NMN, Jr.
Minnis, Richard D.
Moore, Tommy Len
Moran, Richard
Morris, Robert Lee
Morrow, Bennett Allen
Mullaney, Michael John
Mulvey, David Richard
Murphy, James Joseph, III
Murphy, William Augustine
Murray, Michael John
Nancarrow, Clifford Allan
Newbold, John Stewart
Newton, Ivan Dexter
Nielsen, William Fredrick
Nienow, Clark Bruce
Nolan, Michael James, II
Nolan, Roger Thomas
Norman, Robert Michael
North, Robert Huddleston
Novak, Michael John
Nowak, Gary Steven
Ogden, Thomas Harold

Orbann, Marilyn Gary
Orrick, Decourcy Wright, III
Oslund, Joellen Drag
Oswald, Stephen Scot
Pace, Annette
Pache, Eugene Paul
Paloma, James Francis
Paras, Mark Jason
Parry, Stephen Raymond
Patterson, Robert Fox
Patton, John Eric
Paulk, Gerald Lee
Peace, James Thomas
Pechonis, John Samuel
Pengue, Marcy Louis, Jr.
Perkins, John Peyton
Perreault, Mark Dennis
Peterson, Harrell Everett
Pfrimmer, John Gray
Pickett, Mark Allan
Pierce, Robert John
Pilli, John Frank, Jr.
Plyer, Bruce Arnold
Pohlmeyer, Jack Martin
Pollock, Bruce Carlton
Poppy, Steven Charles
Porter, Alan Emmit
Preston, Robert Edward, Jr.
Price, Gene Hill
Price, Ronald Joseph
Prince, Thomas Alan
Pring, Brian Lee
Puhrmann, Dale Lorenz
Quiggle, Glenn Howard
Rader, David Steven
Rania, Virgilio Rudolf
Rappe, David Jay
Rautenberg, Steven Paul
Regan, Susan Katherine
Rein, Douglas Joseph
Reisdorfer, James Russell
Relin, William D.
Retzke, David Edward
Rich, Brian Charles
Richardson, Ralph Blaine
Rickey, Robert Charles
Richman, Jane Lynn
Rider, John David
Ritchie, James F.
Rivera, Robert
Rivers, Robert Allen
Robert, Leon Emile, III
Rodjom, Thomas Joseph
Rogers, Joseph Edward
Rollandi, Victor Larwence
Rose, Gregory Joseph
Ross, Elbert Rudolph, III
Rovener, Jerry Hal
Rowbottom, Jonathan Tilt
Royal, Thomas Arthur
Rubin, Bernard James
Rush, Douglas Kevin
Ryan, Jeffery Brice
Sanden, Gary Allen
Sanders, Max Franklin
Saunders, Glenn Michael
Saunders, James R.
Scammell, Scott, III
Schellhorn, Christopher Fran
Schluderberg, Larry Earl
Schneider, Mary Joseph
Schuen, Mary Jane Meroni
Schoolfield, Ernest Lynn
Scudder, Ronald Lee
Seltenright, Russell
Settlemoir, Rex W.
Shank, David Arthur
Sheller, Jon
Sherman, Christopher Mark
Schoemaker, James Edward
Simmonds, Thomas Lloyd
Simmons, Michael Leroy
Skorich, Mark Scott
Smart, Freddy Thomas
Smilari, Nicholas Bernard
Smith, Daniel Houston
Smith, James Patrick
Smith, John Robert
Sneden, Kathleen Marian
Somers, James Wilford
Sommerville, Peter Marley
Songer, Steven Michael
Sonnerlitter, John Martin
Spalding, Bruce Alla
Stacy, David Routledge
Staggs, Gary M.
Staiger, John Axton, Jr.
Stapleton, Thomas Maopherson
Starr, Lester Launius, Jr.
Steele, Mary Louise
Stein, William Blaine
Stephenson, Robert Alexander
Stevens, Bill Louis
Stevens, Charles Marion, II
Stewart, John Ross
Sticinski, Don Leo
Stielstra, Edward Alan
Stokes, John Ray
Stott, Robert Charles
Stover, Douglas Russell
Straessle, Gregory Carlton
Strand, Michael George
Strassheim, Thomas John
Sullivan, Donald Carlton, Jr.
Sutton, David Bruce
Tandberg, Sharon Presthus
Taylor, Timothy Martin
Tesoriero, Thomas Joseph
Thomas, James Bates, III
Thomas, William Clarence
Thompson, Peter Michael
Timmerman, Claude Evans, Jr.
Tobiason, Erik Arnold
Todd, Murray Redmon
Tompkins, Christoper Farrar
Toms, David Andrew
Tooke, Frank Joseph
Trent, Michael Henry
Trevino, Robert Campos
Tripp, Dale Patrick
Troxel, Harold Raymond
Twiss, John Michael
Urban, John Lawrence
Vaillancourt, David Peter
Vanderbout, Jun William
Vanhorn, Robert Gordon
Vansickle, James Lee
Vosilos, Diane Caracasis
Walker, Jerry Lee
Walker, William Benjamin, Jr.
Walkky, Kenneth James
Walkwitz, Jon Jeffrey
Walsh, Dennis Paul
Walters, Daniel Robert
Warford, Walton Robert, Jr.
Warnke, Dennis
Washington, Robert Joseph
Watt, Douglas James
Watt, George Philip, Jr.
Waylett, Stephen Frear
Weiler, Maurice David
Weise, William Steven
Wenze, Gloria Tansits
West, Ray Ferris, Jr.
Whalen, Robert John
Whalen, Thomas James
Whitehead, Geraldine
Whitelatch, Crista Claar
Whitney, Leon Emmett
Wilcox, Arthur Manigault, Jr.
Wilkinson, Gerald Edward
Willard, Ray Lemoyne
Williams, Tyler Edward, III
Wilmarth, Peter John
Wilson, Rick T.
Winter, William E., Jr.
Winters, Michael Raymond
Wirth, Milton Joe
Wolf, Dwight Shale
Woll, Jeffrey Raymond
Woodall, Jonathan Hill
Wright, Thomas Edwin, Jr.
Yates, Christopher Barrett
Young, Francis
Young, Stephen Scott
Yperman, Bernard George
Zander, Warren Edwin
Zimet, Michael Irvin
Zmuda, Raymond Anthony, Jr.

UNRESTRICTED LINE OFFICERS (TARS)

Allen, Willie Lee
Auten, Donald Edward
Bates, Geoffrey Paul
Bayman, Jaw W.
Blackwood, Riddick Lewis
Blickle, Robert Palmer
Breedlove, A., Levi, Jr.
Brooks, Ross N., Jr.
Brown, George Earl, Jr.
Burriss, Thomas Randall
Butler, Sean William
Carroll, Richard Jerry, Jr.
Cassady, Gregory Allan
Christiansen, Frank
Cohrs, Fred Lester
Enerson, Barry Eugene
Fausner, Craig Harold
Gamberger, Wladislaw
Greetis, Gregory John
Hatfield, Douglas Philip
Hill, Ronald Steven
Holland, Nathaniel Littleton
Johnson, Kenneth A.
Kalinski, Arthur Alexander
Kaufman, Gregory Douglas
Kirwan, John R.
Lewelling, Dale Alexander
Lucas, Bryan Doran
McDonald, Paul Frank
McKay, Rayburn Lloyd
Meis, Ronald J.
Moore, Kathleen Ann
Mulvaney, Michael Edward
Neil, Robert Dale
Norton, Howard Christopher
Ostrowski, Gregory R.
Rhodenbaugh, Ralph Mark
Rough, James Richard
Sakraida, Michael John
Scott, Mackey Allen
Shaffer, Neal Dean
Sperry, Catherine Elizabeth
Thurmond, James E.
Voniak, Ronald Philip
Watson, Edwin Paul
Wells, John Bennett
Wiegand, Roy A., Jr.
Wilderson, Jack Leon

ENGINEERING DUTY OFFICERS (14XX)

Bauman, William Eugene
Benevides, Francis Leo P.
Brown, Richard Michael
Carroll, George Willis
Cirone, Robert
Degrassie, John Sidney
Dieter, Kenneth Albert
Engler, Royce Alan
Garrett, Gary Gerald
Gooden, Charles Michael
Grittner, Gary Joseph
Guida, Richard Anthony
Hess, William Curtis
Marcello, David Thomas
Perry, Francis Anthony
Price, Donald Sidney
Siska, Peter Charles
Smith, Robert Gerard
Smith, Scott Temple
Stover, Dan Michael
Torisco, Thomas Frank
Trowbridge, Frank Raymond

Wakefield, Robert D.
Webb, John Oliver, Jr.
Woods, Norman Gene
Zuber, James Daniel, Jr.

AERONAUTICAL ENGINEERING DUTY OFFICERS (AERONAUTICAL ENGINEERING) (151X)

Fedison, Dennis Paul
Johnson, Paul Fritheoff, III
Musitano, John Raymond
Stepler, Richard Murray

AERONAUTICAL ENGINEERING DUTY OFFICERS (AVIATION MAINTENANCE) (152X)

Basteri, James Alfred
Chuate, John Philip
Petro, Dante John
Peugh, David Earle
Pryor, Hershel Wilson, Jr.
Schwab, Philip Lewis

SPECIAL DUTY OFFICERS (CRYPTOLOGY) (161X)

Alusow, Edward Williams
Bahill, Stephen Larry
Battson, Victor Auld
Bauer, Lynn Kay
Berry, Jimmy Dale
Buchanan, Herbert Lee, III
Camp, Kenneth Noel
Carmody, David Cunningham
Chalberg, Harry William Alfr
Davis, Michael Hunter
Deltredici, Gene Victor
Dillon, Veronique Solance
Dubar, Pearson Emmanuel, Jr.
Duggan, David George
Duhamel, David Paul
Dunn, David Patrick
Farmer, Emmett Donald, Jr.
Faust, Humer Patrick
Gore, Edison
Hanna, Cody Allen
Harmeling, Robert Kent
Jupiter, Ernest Alexander
Kolchak, George Michael
Lamb, Theodore Herbert
Lehmann, Stanley Leroy
Malloy, Joseph John, Jr.
Masters, William David, Jr.
McClintock, William Richey I
McCoy, John Harold
Meier, Michael
Miller, Glen Elmer
Puckett, Joseph William
Reininger, Robert Joseph, Jr.
Robinson, Brenton Lee
Silaghi, Robert Anton
Smith, David Franklin
Smith, Gene Stanoill
Tower, Charles Sumner, Jr.
Tripp, Howard Tompkins, III
Vogel, Frederick Quirin
Young, Donald Arthur

SPECIAL DUTY OFFICERS (MERCHANT MARINE) (16XX)

Bajowski, Francis Kenneth, Jr.
Goldberg, Victor Yewdall
Henderson, Robert Nelson, Jr.
Stewart, Richard Dow
Walton, John Robert

SPECIAL DUTY OFFICERS (INTELLIGENCE) (163X)

Aerni, Allen Robert
Aiello, Virgil Joseph
Albright, Michael James
Alfortish, Anthony Carpri
Ashcraft, Lee
Bernet, Hubert Andrew, III
Biehler, Arthur Francis, Jr.
Bittle, William George
Blake, John Harry Douglas, Jr.
Bloye, David Charles
Brinkman, Daniel John
Brown, Gordon Lavelle, Jr.
Brown, Richard Allen
Bort, Raymond Paul, III
Chagnon, Patricia Jenkins
Chen, Francis
Chilson, David Warner
Chipchase, Calvert Graham, II
Chiuminatto, Martin J., Jr.
Comerford, Gary Merritt
Cordova, Robert Wayne
Corkran, Michael Wescott
Daniels, Audrey Raiford
Daz, Lino Charles II
Dodson, Charles Richard
Dougherty, William Francis
Drake, Daniel Joseph
Duclos, Michael Ernest
Dunn, Peter Haines
Fischer, Donald Lee
Foggin, James Henderson
Frensley, Leslie Edward, Jr.
Grade, Richard Edwin
Graham, Douglas Edward
Gunderson, Halvor Peter
Hanable, William Shannon
Hansen, Ronald Leroy
Hodge, Charles Benson
Hoeche, John Wayne
Holbrook, Robert Burns, Jr.
Hoskin, Charles Patterson
Johnson, Victoria Rae
Jostrom, Eric Harrison
Kent, Robert Gene
King, Kim Alva
Kraft, James Edwin
Laurel, Amado Ernesto
Layman, James Harold, Jr.
Lynn, Arthur Bryan
Malloy, Dennis Edwin
Marosek, Conrad Francis
May, Louie Michael
McCausland, Agnes Ann
Morgan, Elizabeth Turner
Mowl, Thomas Lawrence
Ouellette, John Albert
Pare, John Alfred
Parham, Louis
Patterson, Walter Donald
Pedersen, John Edward
Pierce, Judith Lynch
Rafanelli, Gregory Donadel
Ray, Richard Archer
Reynolds, Robert Leo
Roberts, Thomas Fredrick
Rockwell, Charles Douglas
Ross, Thomas Charles
Sanford, Cecil Leroy, Jr.
Schaar, William Carl, II
Searcy, Robert Humphrey, III
Selig, Charles Dennis
Smith, Douglas Edward
Sourbeer, Geoffrey Scott
Sprague, George Alden, Jr.
Springstead, Roger Bradley
Stiling, Rodney Lee
Strickland, David Wayne
Studzinski, Edward Alfred
Sutton, Terence Morrison
Tjader, Theodore Robert
Tucker, Melvin Lane
Turner, Geoffrey Whitney
Vandriel, James Nicholas
Vanson, Paul Biggs
Verdel, Thomas Hearne, III
Walaitis, William Ralph
Webster, Bobby Ronald
Weiss, Marilyn Frances
Weyburn, Bevan Connell
Willard, Carlisle B.
Wilson, Donaid Hal
Windham, Jerry Mitchell

SPECIAL DUTY OFFICERS (INTELLIGENCE) (1637) TARS

Andrews, John Anthony

SPECIAL DUTY OFFICERS (PUBLIC AFFAIRS) (165X)

Barber, Rufus R., Jr.
Bellino, John Battista, Jr.
Connors, Tracy Daniel
Estey, Wellington Eugene
Lufriu, Silvio
Whitaker, Wayne Richard

SPECIAL DUTY OFFICERS (OCEANOGRAPHY) (18XX)

Bepristis, Donald Joseph
Harned, Stephen William
Schneider, David Frank
Shayne, George Robert
Weigand, Charles Anthony

EXTENSIONS OF REMARKS

FOREIGN COAL LANDS IN PENNSYLVANIA ESCALATING THE THREAT TO DOMESTIC INDUSTRY

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. RAHALL. Mr. Speaker, At first it was Florida, then Texas. Foreign coal entering the United States made its first inroads in those States and yet, few beside myself seemed concerned as the tonnage was relatively small and Florida and Texas are so far from the country's Appalachian and Powder River basin coalfields. When Massachusetts and Virginia electric utilities imported foreign coal concerns began to mount. And now, Colombian coal has finally landed in Pennsylvania, the fourth largest coal-producing State in the Nation.

As a representative of the Keystone Bituminous Coal Association noted in the following newspaper article from the June 1, 1987, Journal of Commerce: "The fact that we are now looking at Colombian coal having come into our own backyard * * * scares the hell out of us." He added: "It is something we have been dreading and something we had hoped would not be visited on us."

A coal-rich America becoming dependent upon foreign sources of coal? Incredible as it may seem, between 1982 and 1986 the amount of coal imported into this country increased by over 66 percent. Various government and private studies have all found an upward trend in the amount of coal that will be imported into the United States. At stake is not only domestic energy security, but employment and the economic well being of regions dependent upon coal production for their livelihood.

The reasons for this infiltration of foreign coal into the United States are varied, but include the fact that producers in countries such as Colombia do not have to pay as much as domestic producers to comply with government imposed health, safety and environmental standards, the presence of government subsidies, lower transportation costs due to the use of water borne vessels and in this country the high cost of domestic long-haul railroad coal transportation. It should also be noted that no duty exists on imported coal entering the United States.

To combat this situation, I and many other Members are working for the enactment of some fine-tuning amendments to the Staggers Rail Act of 1980. However, several coal import specific bills are also currently pending before the Congress and I commend them to any of my colleagues who are concerned with this issue. The first bill, H.R. 512, would prohibit the issuance of Federal coal leases to any company involved in the production and importation of foreign coal into the United States. The largest Colombian coal mine responsible for shipping coal to the United States, for example, is a joint venture between an American corporation and the Colombian Government and a number of other United States firms—all with a stake in Federal coal—are expressing interest in similar projects. The bill not only seeks to provide a disincentive to U.S. firms from going offshore to produce coal, but also provides an incentive to produce coal in this country and thereby contribute to the domestic employment level and economy. Another bill, H.R. 513, would impose a basic $8 per ton duty on imported coal. the third bill, H.R. 1065, would require an electric utility interested in purchasing foreign coal to provide notification so that domestic producers have the opportunity to counterbid.

Mr. Speaker, if we do not act now at some future point segments of the coal industry may very well be in the same position as is our domestic copper, textile, and footwear industries today.

The newspaper article follows:

[From the Journal of Commerce, June 1, 1987]

COLOMBIAN CARGO SETS OFF TREMORS IN PENNSYLVANIA

(By James Asher)

PHILADELPHIA.—Carrying coals to Newcastle, the seaport for an English coal-producing region, was such a silly notion that the phrase came to mean doing something absurd.

The phrase might well have been "Carrying coal to Philadelphia," seaport for Pennsylvania's coal regions. But asburdity has become reality.

For the first time in the 300-year history of the Port of Philadelphia, coal mined in a foreign land has been shipped here. Despite an ocean voyage from South America, the foreign coal was cheaper than domestic coal.

The cargo of coal brought up the Delaware River in the General Bonifacio on April 21 has sent tremors into Pennsylvania's mountains, whose bituminous and anthracite coal fueled America's industrial revolution and where 73 million tons of coal are still produced each year.

"The fact that we are now looking at Colombian coal having come into our own backyard . . . scares the hell out of us," said John Shirvinsky, president of the Keystone Bituminous Coal Association, which represents the state's mines. "It is something we have been dreading and something we had hoped would not be visited on us."

For Pennsylvania coal, already hurt in the marketplace because its relatively high sulfur content makes it more expensive to burn cleanly, the added competition from foreign coal could be devastating.

"Hopefully, this will send up another red flag that we are going to lose this industry in Pennsylvania if we don't get serious about keeping it," Mr. Shirvinsky said.

The 8,000 metric tons of bituminous coal was unloaded from the General Bonifacio at the South Jersey Port Corp. terminal in Camden, N.J., opposite Philadelphia, and was trucked to the Container Corp. of America plant in Philadelphia.

The coal is firing boilers to generate electricity for the plant, said John Craigie, purchasing agent for Container Corp.

"There is a significant spread (in cost). You can't ignore it," Mr. Craigie said. His company had been burning West Virginia coal because it was cheaper than Pennsylvania coal for comparable quality. Mr. Craigie would not say what the company paid for its Colombian coal.

Those involved in the Colombian coal deal call it a test, to assess potential demand and to see whether the coal meets environmental standards and boiler specifications.

Mr. Craigie said Container Corp. is pleased with the performance of the Colombian coal.

Will it buy more foreign coal?

"The odds are very good," he said. "There is a very high chance of continuing further." Negotiations on another purchase are under way, he said.

Container Corp.'s purchase could be the first of many. South Jersey Port Corp. officials predict that hundreds of thousands of tons of foreign coal might one day be shipped into the Philadelphia region.

Nationally, imports of coal increased 72% from 1984 to 1986, from 1.28 million tons to 2.21 million tons. The U.S. Department of Energy forecasts that coal imports nationally will reach 5 million tons by 1990.

The imports are a tiny fraction of United States coal production—more than 800 million tons a year. The United States also exports about 85 million tons.

The trend has caused a rethinking of strategy at Conrail, the Philadelphia-based freight railroad. Conrail spent $43 million on a terminal in South Philadelphia, from which it hoped to export huge quantities of coal. Instead, coal shipments from Philadelphia declined: In the last year alone, shipments were down 21% to 4.15 million tons, compared with 5.25 million tons in 1985.

Now the railroad figures it can use the coal terminal for imports.

"The importation of coal is an interesting subject in which we want to participate," said Warren Barber, assistant vice president for coal marketing and sales at Conrail.

ANNIVERSARY OF THE FOUNDING OF THE ITALIAN REPUBLIC

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. ANNUNZIO. Mr. Speaker, June 2 marks a stirring event in the rich history of Italy, for it was 41 years ago in 1946 that the Italian people voted to replace their monarchy with a political democracy.

With this resounding vote of confidence for democratic rule, and with the aid of the Marshall plan, Italy entered into a new era of

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

social, political, and economic progress. Within 1½ years after the establishment of the Republic of Italy, on January 1, 1948, the Italian Constitution was completed. This document embodied the principle that "sovereignty belongs to the people who exercise it within the forms and limits of the Constitution." It proclaimed "the inviolable rights of man," and guaranteed "equal social dignity" for all citizens and equality before the law regardless of sex, religion, race, language, political opinions, or social condition.

In the last four decades, the growth of Italian industry has been unprecedented, social and education programs have prospered, and the arts and humanities have achieved new prominence. In addition to these postwar domestic achievements, Italy remains a loyal Western ally in its participation in the North Atlantic Treaty Organization. Italy's contributions to Western civilization in such diverse fields as art, religion, science, and philosophy have been enormous, and many of the greatest names in the history of the Western World are of Italian ancestry.

The beautiful land of Italy, washed by the blue waves of the Mediterranean and cradled within the Alps, has boasted an advanced civilization for thousands upon thousands of years. It may be truly said that Italy constitutes a mosaic of human history. As a major source of Western culture, her legal system is a model for the West, her language is the tongue of music, and her renaissance stands as one of mankind's greatest achievements.

Mr. Speaker, on the occasion of the 41st anniversary of the Italian Republic, I take this opportunity to extend my greetings and best wishes to the people of Italy, as well as to Italian Americans living in the 11th Congressional District of Illinois, which I am honored to represent, and Americans of Italian descent throughout the United States, who are joining in this observance. May the Republic of Italy continue to experience prosperity, progress, and stability, and may the friendship between our countries and our people continue to flourish in the years ahead.

A CONGRESSIONAL SALUTE TO ARTHUR W. BAYLISS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. ANDERSON. Mr. Speaker, I rise today to honor a distinguished business and civic leader in my district, Arthur W. Bayliss. Art will be honored this month, June 12, at the 1987 installation dinner dance of the Downey Chamber of Commerce. He is the outgoing president of the Downey Chamber of Commerce, 1986-87, and previously served the chamber as president-elect. Art has sat on the Downey chamber's board of directors since July 1, 1984, where he has served as chairman of the special events committee.

Born in Victoria, BC, Canada, Art attended St. Louise College in Victoria, where he earned a degree in business administration. After arriving in the United States, he attended the American Institute of Banking and the United States Officer Candidate School in Fort Benning, GA.

Art first got his start in the financial services industry in California when he took a job as an operations officer at a branch of Bank of America. He then progressed to the level of regional operations officer at U.S. National Bank. This position would prove to be a springboard for Art's subsequent move up the management ladder in the banking industry in California. He subsequently moved to positions as assistant vice president and manager of Lloyds Bank and vice president at South Coast Bank. After securing a position as vice president and manager of a local branch of Sanwa Bank California, then known as Golden State Sanwa Bank, he gained his present title of vice president-regional marketing officer, through which he oversees the operations of 12 branch banks.

While dedicated to a career in financial services, Art has given significant amounts of time and energy to various civic duties. In addition to his participation in professional organizations, such as the American Institute of Banking, and the Pomona Bankers Association, which he served as vice president, Art has been active in the Temple City Lions Club, Pomona Junior Chamber of Commerce, and the Pomona Chamber. He is a former member of the Rotary Club of Downey.

Mr. Speaker, it gives me great pleasure to recognize the achievements of Arthur W. Bayliss and the benefits he has bestowed on his community. My wife, Lee, and I wish him, and his son, Graham, continued success and prosperity, and all the best in their future endeavors.

HONORING THE CAREER OF DR. J. NORMAN HAYES

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. NOWAK. Mr. Speaker, at the end of this month, Dr. J. Norman Hayes will complete a 51-year career as a distinguished educational leader in the Buffalo, NY, area.

Officially, he will retire June 30 after 18 years as the superintendent of the Lancaster Central School District, which is located in the 33d Congressional District I am privileged to represent.

His more than a half-century career, however, included service as teacher or administrator in a variety of public and private educational institutions in the Buffalo area. In addition to his service in Lancaster, he served as a teacher and high school principal for the Buffalo Public School System and had teaching assignments at Canisius High School and Canisius College.

The following profile which appeared in the Buffalo News chronicles Dr. Hayes' career and highlights some of his contributions.

LANCASTER SUPERINTENDENT CLOSES BOOKS ON LONG EDUCATION CAREER

(By Kim Klesty)

When Lancaster School Superintendent J. Norman Hayes leaves his office June 30, he will close the door on a 51 year career in education.

Hayes, 70, has announced he will retire at the end of the school year from the post he has held for the last 18 years.

He began his career as a math teacher at Canisius High School, after scrapping a college dream to become a sportswriter.

"I wanted to be a sportswriter, but I took education courses as an insurance policy," he said. "I was sports editor of the Canisius College Griffin, and I'm still the greatest grandstand quarterback you've ever seen.

"It was the Depression years then. I was looking for stability. I didn't want to be living out of a suitcase, like sportswriters do, and I'm awfully glad I'm not in the ranks."

After a 3½-year stint in the Army during World War II, Hayes taught one more year at Canisius High and landed a job in the Buffalo Public Schools. He taught at eight different schools over a seven-year period and in 1958 was named principal of South Park High School.

"I brought a major distinction to South Park. I was the first married man to be principal. Although the school opened in 1915, it only had three principals. And my wife, Rita, was a former student at South Park," Hayes said.

He later became the associate superintendent for instructional services in the city district but yearned to be a full superintendent.

He heard about a job opening in Lancaster, home district for some of the education students he taught at Canisius College—where he still teaches part time—and applied. Among those students are current Lancaster High School Principal Oscar Roaldi, Assistant Principal John Visone and Assistant Superintendent for Instruction John Toolen.

He was interviewed by the Board of Education in a local hotel over a weekend and assumed the post July 1, 1969. Since then, he said, he has seen changes in the students who attend Lancaster schools and in the educational system.

"I enjoy the kids today," he said. "They're better-informed. They're more willing to do things for their school and for their community. There are some shortcomings. They're less polite. And the students of years ago dressed more formally than kids do today.

"But I think we underestimate them. We don't realize how much they can do and how much they are willing to do."

He lists the district's instructional program, tight discipline, responsive School Board, expansion of school sports for girls, classes for the handicapped and contact with students as his accomplishments over the years.

"I think the thing that pleases me the most in Lancaster is our instructional program," Hayes said. "I think we have an excellent program from elementary right on up. Discipline is number two. I'm a fussbudget for discipline. If I look someone in the eye and tell them they're through, they are through.

"We also have a good board. It treats critics with the same dignity as it treats people who come in with accolades. One of my most memorable moments was the night we presented the closing of Bowmansville (Elementary School). It was not decided yet, and there were 500 people in the audience.

"After we explained it all, the board received a standing ovation for its openness."

He also said he was proud of the expansion of interscholastic sports to girls, noting, "In my youth, a girl who was an athlete was a tomboy. So many of the girls had talents comparable to the boys, but never had the chance to demonstrate them. They do now."

The recent return of about 100 handicapped children to the district's schools corrected "an inconsistency," Hayes said. Previously, the handicapped students were assigned to various schools in the area for their specialized programs.

Hayes said he maintained contact with the district's staff and students by visiting every classroom once a year and by creating a student advisory committee, composed of high school and middle school students, that meets monthly with him and the principals.

"You can't grow old if you surround yourself with people who are young," Hayes said. Although Hayes said he has "no regrets" about retiring, he does have some concerns about the future of education.

"America is at a crossroads as far as financing education is concerned," he said.

"I'm worried about that. There are so very few that are entering the schools of education right now. The thing that diverts them, I think, is the financial unattractiveness of teaching. Yet, people feel just the reverse. They see an individual who works only 10 months a year.

"Taxpayers are confronted with a horrible dilemma. What we're asking people to do is leave their homes on a nice summer evening and vote themselves a tax increase. One hundred percent of the residents have a stake in a county, town or village budget. They see services, like police protection. But many school budgets, people feel they have no stake in. They have no children, no grandchildren or no kids in public schools.

Although Hayes admits he will miss the job, he is anxious to spend time with his family, perfect his golf game and travel.

"After 51 years, you don't know whether you're celebrating or commemorating," Hayes said.

"They say you should be tired before you retire. I don't feel tired. I've got a lot of energy. I think winding down the batteries is a challenge for any retiree. But I don't have a single regret about the decision. I know I'll miss the job, the friendships and the companionships.

"People are the name of the game in every aspect of life. The nicest thing is, I'd want to do the same thing all over again."

His many friends wish him good health and happiness during his upcoming retirement.

Clearly, we will miss the zest and dedication he brought to this important task of bringing quality educational opportunities to our young people.

Yet, we know the example he set will serve his successors in good stead and that our community will continue to benefit from the high standards he set and the leadership he exerted.

On behalf of so many, therefore, I extend this wish of gratitude and good luck to a fine American, Dr. J. Norman Hayes.

PATTERN OF ABUSES LAID TO SANDINISTAS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. LAGOMARSINO. Mr. Speaker, in a recent, extensive article in the Washington Post, May 18, Foreign Correspondent William Branigin details a pattern of human rights abuses attributable to the Sandinista regime in Nicaragua. Media attention to Sandinista human rights abuses is rare, and I call to the attention of my colleagues this informative report.

[From the Washington Post, May 18, 1987]

PATTERN OF ABUSES LAID TO SANDINISTAS

(By William Branigin)

TIPITAPA, NICARAGUA.—Last month, two carloads of Sandinista secret police pulled up to Rosa Moreira Trana's rickety wooden shack here and arrested the 58-year-old widow and two of her 12 children; a 26-year-old son and a 22-year-old pregnant daughter.

So began 18 days of suffering and terror for one of the thousands of Nicaraguans who have passed through the Sandinista prison system. Moreira's story reflects a pattern of human rights violations—including arbitrary arrests and torture—under the Sandinista government as it wages an escalating war with U.S.-backed rebels, who also have been charged with widespread abuses.

According to Moreira, she and her children were taken to Managua's notorious El Chipote prison, where she was accused of being a rebel leader and placed in a tiny, stifling, lice-infested cell with a steel door, no light and only a hole in the ceiling to let in air.

Already at the facility operated by the secret police was another son, who had been picked up at work in Managua the day before. She said she was targeted as a suspected rebel because her family hails from a southern part of the country, where the insurgents enjoy support.

During her detention, Moreira said, guards deprived her of sleep, menaced her with a snake, gave her pills that made her sick and threatened to kill her children. At one point, she said, she heard a man being beaten and was told it was one of her sons.

Finally, ill and terrified after 18 days of solitary confinement in a dark cell, Moreira said, she signed a confession that she was not allowed to read and was released along with her daughter. Now, Moreira said, police have told her that she and her daughter are under indefinite "house arrest," although neither has appeared in court. Her two sons are still in El Chipote.

Nearby, in Tipitapa's state penitentiary known as the Model Prison, Isidora Zapata Zeledon, a 29-year-old nurse, is serving a 30-year sentence for what is officially described as an "offense against public order and security." A Sandinista official said she was the wife of a rebel task force chief. A human rights activist said she was accused of treating wounded rebels.

In a letter smuggled out of prison last year, Zeledon said that after her arrest in December 1982, when she was two months pregnant, she was beaten and sexually abused by guards, confined in a coffin-like cell, deprived of food and water for three days and locked in a toilet, where she was forced to sleep naked on a wet floor.

Zeledon wrote that she became so thirsty at one point that she drank slimy water from the toilet tank. She was interrogated with a pistol at her temple and eventually signed a confession that her interrogators said would lead to her release, Zeledon wrote. Instead, according to a human rights advocate, it was used as the only evidence against her when a Sandinista court sentenced her to 30 years in prison in 1984.

On April 22, according to an Interior Ministry communique, three suspected "counterrevolutionaries," or contras, accused of blowing up utility pylons were shot to death after they were taken to point out an arms cache and allegedly tried to escape.

Three days later, Gen. Humberto Ortega, the Sandinista defense minister, said, "Now the government will get tough with terrorists and tower-dynamiters." He added, "The Army and the people have been directed to execute revolutionary justice against all those elements who are surprised while carrying out terrorist acts against civilian and economic targets," as well as "those who indirectly collaborate in such actions."

Interviews with former detainees, relatives of political prisoners and human rights activists, as well as reports by human rights investigators, suggest that Nicaragua's Sandinista government violates the human rights of its citizens on a large scale. The interviewees and the written reports cite instances of arbitrary arrest, psychological and physical torture, disappearances, trials by kangaroo courts, mysterious deaths of suspects under detention, forcible resettlement of peasants and aerial bombing of civilians in remote areas.

The government acknowledges that its military and security forces abuse some human rights, but insists these are isolated cases that result in severe punishment. Authorities generally deny or decline comment on the most serious violations. A governmental human rights commission focuses almost exclusively on abuses by the rebels, which have been documented and condemned as well by a number of foreign human rights organizations.

INTERNATIONAL FOCUS

These human rights violations by the contras—including the killing of civilians, kidnaping, torture, summary executions, attacks on non-military targets and indiscriminate use of land mines—also have been extensively reported by news media. Less has emerged about Sandinista violations, which generally have not attracted as much international attention as the contra abuses.

Reporting on Nicaragua's human rights situation takes place in a highly charged political atmosphere in which the built-in biases of groups that oppose the contras or the Sandinistas must be taken into account. None of the human rights groups operating in Nicaragua is generally recognized as impartial.

One of the first detailed studies by an independent international human rights organization was a 211-page report published last July by the New York-based International League for Human Rights. The study charges that the Sandinista government violates several international agreements it has signed, notably the International Covenant on Civil and Political Rights, through "arbitrary arrest and detention," use of "torture and cruel, inhuman and degrading treatment or punishment" of prisoners, failure to "comport with the minimum due process standards effective even in a state of emergency" and other practices.

In a 117-page report issued in February, the human rights group Americas Watch states, "The government of Nicaragua engages, as a matter of policy, in abusive interrogation tactics against prisoners, including psychological pressure and threats used to secure their confessions." It cites "the use of very small cells, sleep deprivation and food and water deprivation."

However, the organization, which says it opposes U.S. support for the contras, absolves the Sandinista government of the systematic use of torture, noting that cases it has found “represent isolated instances, not part of a deliberate policy.”

Unlike some other non-Nicaraguan groups Americas Watch does not see “a pattern of violations” of the laws of war, the right to life and physical integrity of detainees and forced disappearances. It says such cases that do occur “do not reflect a governmental policy to commit them or to tolerate them.”

That view is disputed by Nicaragua’s Permanent Commission on Human Rights, an independent body that began by denouncing violations under the former regime of Anastasio Somoza in 1977 and now documents charges against the Sandinistas.

In a 26-page report published April 30, it charges that “the government uses policies of terror and intimidation, of persecution and blackmail, against those persons who hold different opinions and who refuse to submit without protest to a political and ideological plan that essentially ignores the fundamental rights of the Nicaraguan people.”

The report asserts that in the General Directorate of State Security’s “operations centers,” of which there are nine major ones, including El Chipote, political detainees are “subjected to all kinds of torture and mistreatment so that they sign declarations that in most cases they are not permitted to read and in which they incriminate themselves or implicate others in ‘counterrevolutionary activities.”

OBSERVERS EXCLUDED

These detention facilities are off limits to all human rights organizations, including the government’s own commission and the International Committee of the Red Cross. The report also says that since October 1985; it has received complaints of 33 cases in which persons were killed upon or after being arrested. In addition, it says, the Permanent Commission is currently investigating 280 cases of persons who disappeared after having been captured by Sandinista authorities.

Another recent study by the Puebla Institute, a New York-based lay Roman Catholic human rights organization headed by a Nicaraguan critic of the Sandinista government, says that more than 300,000 Nicaraguans, at least 10 percent of the population, have left their country since the 1979 Sandinista takeover because of abuses including arbitrary arrest, torture and the bombing of homes in rural areas where contras are active.

In an interview, Interior Minister Thomas Borge denied most of these charges as “ridiculous.” He said that “historically a large number of Nicaraguans have lived outside the country” and that they could amount to 300,000, “but only a minor part of them are refugees.” He said that “probably there have been air attacks by planes or helicopters against counterrevolutionary units” in areas cited by the Puebla Institute report, but he denied that any civilian settlements had ever been attacked.

Borge denied that interrogators torture or “practice violence” against prisoners, but he indicated that state security prisons would continue to be off-limits to human rights groups. “We don’t permit prisoners to be seen during interrogation because that would obstruct the investigations,” he said.

The interior minister, one of nine *comandantes* on the Sandinista National Directorate that runs the country, also denied charges by a high-ranking Interior Ministry defector, Alvaro Jose Baldizon Aviles, that Borge had ordered “special measures” meaning summary executions, of certain political enemies of the Sandinistas. Borge called Baldizon a “traitor” who is “full of calumny for the revolution” and “invented this out of thin air.”

“I am opposed historically to all types of abuses, and everyone in Nicaragua knows it,” Borge said. “No leader of the revolution has ever ordered a murder,” he added. “I don’t want to say that murders have not been committed, but those comrades who have committed murders have been prosecuted by courts and sentenced up to 30 years in prison.”

Borge said that among the security forces, “hundreds have been punished” for various offenses, including abuse of prisoners.

According to figures released by Borge in the interview May 9, there were 10,293 prisoners in various Sandinista prisons, including 132 in State Security centers. He estimated that about 70 percent of the rest were jailed for “common crimes.” He indicated that snags have delayed a plan to release about 600 former National Guardsmen jailed since 1979.

Vilma Nunez, the president of the National Commission for the Protection and Promotion of Human Rights, a government-sponsored group, gave somewhat different figures. She said there were about 9,500 prisoners, including 300 in State Security detention centers, 2,322 former National Guardsmen and 1,500 to 1,600 other “counterrevolutionaries.”

However, according to Lino Hernandez, the head of the nongovernmental Permanent Commission on Human Rights, only the figure for the imprisoned National Guardsmen is not in dispute. In addition, he said, there are “no fewer than 7,000 political prisoners” in a total estimated prison population of about 14,000, including up to 1,500 held in State Security facilities.

In an interview, Hernandez criticized what he said were understated figures on political prisoners published by some international organizations, including Americas Watch, whose latest report gives figures for National Guard and “political prisoners” that total slightly less than the Sandinista commission’s figures.

Hernandez also complained that anticontra U.S. groups such as Americas Watch, Witness for Peace and the Washington Office on Latin America tended to soft-pedal Sandinista human rights violations or explain them as “isolated cases” out of government control.

“They try to call attention to violations by the contras,” Hernandez said. “They do work that is eminently political against the North American administration. We think these organizations have every right to oppose their government’s policy of arming warring factions in any part of the world, but they don’t have the right to distort our reality to achieve this.”

A Witness for Peace spokesman in Managua countercharged that the Permanent Commission does “selective reporting” and takes a “biased view.”

Hernandez mentioned the case of Sofonias Cisneros, president of the Nicaraguan Union of Christian School Parents’ Associations, who was arrested May 14, 1985, at his home after making a speech denouncing what he said was the Marxist-Leninist orientation of the Sandinista education program.

In a written account, Cisneros said he was taken to El Chipote prison, where he was tortured and threatened with death by the chief of the General Directorate of State Security, Commandante Lenin Cerna. Later that night, Cisneros said, he was dumped naked in a Managua street. “You can’t say it’s a case out of control if it was handled personally by Lenin Cerna,” Hernandez said.

“A KIND OF ABUSE”

Borge acknowledged that Cisneros was “subjected to a kind of abuse, but not to the extent he claimed,” because he had “insulted” leading “martyrs of the revolution.” But Borge denied that Cerna was involved and said “another comrade” had been punished in the case. Cerna did not respond to a request for an interview.

According to Hernandez and other Nicaraguan sources, Sandinista authorities recently have been cracking down on a new organization called the Jan. 22 Movement of Mothers of Political Prisoners. The group, founded in January to lobby for a general amnesty and better treatment for political detainees, says it numbers more than 150 active members and some 4,000 affiliated relatives of prisoners.

Several members interviewed said they had been threatened by State Security men recently and warned to quit the movement. At least five have been detained briefly by the secret police.

One member, Tomasa Hernandez, a former Sandinista militant who says her imprisoned husband was once a bodyguard for Daniel Ortega, said authorities had threatened to jail her for her activities and already had drafted her 16-year-old son in “reprisal.” She said her husband had been jailed several times after falling out with the Sandinistas in 1980 and joining the Social Christian Party. He was sentenced in 1985 to three years for involvement in a contra “internal front.”

“After the revolution, we saw that there wasn’t democracy, that there wasn’t the system we had been fighting for,” Hernandez said. She said she would remain in the Jan. 22 Movement because “it’s the only way we can face up to a totalitarian dictatorship.”

Another member, Violeta de Rugama, said her 26-year-old son, Manuel Adan Rugama Suazo, was arrested in June 1984 shortly after graduating from medical school in Mexico and sentenced to nine years in jail for alleged involvement in the contra “internal front.” She called the sentence “revenge” because a relative with a similar name, Manuel Adan Rugama Acevedo, also a doctor, is an active contra commander. She said her family’s private hospital had been confiscated, her son had been punished in prison and a warden had warned her that the son would “disappear” if she continued in the movement.

In a separate interview at her shack in Tipitapa, Rosa Moreira Trana told of similar threats as she described her imprisonment last month in El Chipote with her sons, Marcial and Lorenzo, and a daughter, Maria Ignacia. At one point as she listened to the screams of a man she thought was a son, she said, a guard came and “told me, ‘We’re going to kill Lorenzo,’ He said I had to say who were the contras among the people, that I was a leader of the counterrevolution, that my children and I were comrades of those who were blowing up pylons.” She continued, “They told me I was counterrevolutionary, that I was with the CIA, that I was in contact with Reagan. But I don’t know the contras, and neither do my children."

Sitting on a stool in her yard as naked grandchildren played around her and chickens pecked in the dirt, Moreira sobbed as she recalled the terror of her interrogation:

"I'm afraid they're going to kill my children. They told me they were going to kill them all . . . kill all my children and grandchildren."

Her daughter, Maria Ignacia, added, "They told us that if we talk about what they said to us, they were going to make me disappear. They were going to take my brother Lorenzo and me and make it look like we were killed in combat by the contras."

"This is the clean revolution that we have in Nicaragua," Rosa Moreira said when she had calmed down. "If I were younger and healthy, maybe I would be with the contras."

In Managua, Vilma Nunez, the head of the Sandinistas' rights commission, said she was not aware of such complaints and that her commission has not received "any denunciations of torture." Seated in her office, which is decorated by a large Sandinista flag, portraits and busts of revolutionary leaders and books by Fidel Castro, Nunez acknowledged she is a "Sandinista militant" and said she believes in being a "good Sandinista."

Of the mothers' movement, she said, "Officially we don't know of their existence. They haven't come to the commission." She added, "I don't know why these persons don't come here. If they would come and make a complaint, we would immediately attend to it."

ASIANS AND AMERICAN EDUCATION

HON. PATRICIA F. SAIKI

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mrs. SAIKI. Mr. Speaker, I believe my colleagues in the House will be interested to read an article from the January 1987, issue of the World and I, entitled "Asians and American Education."

This article, written by Ms. Diane Pikcunas, provides insightful commentary on the assimilation of Asian schoolchildren into the American educational system. Ms. Pikcunas stresses that American educators must develop new sensitivities in order to teach Asian children, and that the challenges raised by the influx of Asian children must be met through an awareness of deeply rooted cultural values, traditions and expectations on the part of these Asian children and their families.

As a former schoolteacher, I know that our Nation's educators, and our public policy for education, must constantly change and adapt to new situations. This article contributes to the kind of understanding necessary for us to meet the Nation's educational needs.

Mr. Speaker, I include the following excerpts from this article into the CONGRESSIONAL RECORD as follows:

ASIANS AND AMERICAN EDUCATION

The United States has long been known as a melting pot because of the mixture of various nationalities that settle within its borders. The public school system serves as an important factor in assimilating these new groups into American culture. One of the fastest growing groups in recent years has been Asian-Americans. This demographic change has great importance for an educational system that must now deal with groups that have cultural backgrounds significantly different from the Anglo-American heritage. This situation offers educators the challenge of learning more about those new Americans whose roots originate from the Far East.

Although Asian culture is different from Anglo-American culture, there also exist pronounced differences among Asian cultural groups. We cannot overgeneralize and state that because they are different from us, they must all be alike. Chinese, Koreans, Japanese, Filipinos, and Indochinese have distinct and highly diverse backgrounds. There are, however, certain characteristics of Asian-Americans that we can identify and that are important to know as more and more of their children enter our school system.

The growth of this population is also important as U.S. interests grow in Asia. The United States first attempted formal contact with Asians when the *Empress China* sailed to China in 1785 for the purpose of trade. Asia was an important focus in three of the most recent wars in which the United States engaged—World War II, the Korean War, and the Vietnam War. U.S. aid was significant in the post-World War II reconstruction of Japan, Korea, and the Republic of China on Taiwan. All three are now significant trading centers. The United States opened diplomatic relations with the People's Republic of China in recent years, and trade has grown from slightly under $100 million to about $7 billion. U.S. transpacific trade is more in dollar amount than U.S. transatlantic trade. Besides a growing Asian population, many students from throughout Asia study in the United States.

* * * Review of the literature and research findings indicate that Asian-American cultural groups have specific and unique characteristics that do influence the behavior, attitudes, and values of students. Often the behavior, attitudes, and values differ from the dominant Anglo-American culture of the American public school. In addition, there exist variations among the Asian-American subcultures based on historical, cultural, and learning differences. It would be unfair to consider the Asian-American group a homogeneous ethnic culture. Specific, educational implications for Asian-American students must, therefore, take into account the variations between the dominant Anglo culture and within the Asian subgroups.

Based on analysis of data regarding the growing Asian-American minority population, scholars of education must continue to study the nature of various Asian cultures in order to better meet the needs of the changing student population. The research and findings must be disseminated to the implementers of the programs in a pragmatic manner. Dialogue must be continued between the experts in the field of research and the practitioners to facilitate program growth and development for the students of the Asian-American subculture.

HARVARD COACH SUPPORTS FOOTBALL COACHES RETIREMENT BILL

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. DUNCAN. Mr. Speaker, on February 11 I introduced legislation which would allow the American Football Coaches Association to provide collegiate football coaches a 401(k) retirement plan, H.R. 1093. Coach Joe Restic, Harvard's head football coach provided the following comments about the proposal because he was unable to attend a luncheon in Washington which was attended by many coaches from across the country. I want you to be aware of his support for my bill.

HARVARD UNIVERSITY,
DEPARTMENT OF ATHLETICS,
Cambridge, MA, April 23, 1987.

Mr. ROBERT A. ROSEBERRY,
American Football Coaches Retirement Trust Fund, Athens, TN.

DEAR BOB: The forgotten people in this great game of football are the assistant coaches. These loyal, dedicated, hard working professionals are charged with the major responsibility of directing and guiding the youth of this country thru the most critical period of their lives.

Those coaches who were fortunate enough to survive the whim and fancy of a 'win-at-all-cost' society find themselves victimized by a system that did not protect them for their retirement years.

This is a sad and tragic commentary after a lifetime of dedication and service to their work and this nation—one is relegated to the welfare rolls.

I sincerely hope the AFCA continues the fight on their behalf and the Congress of the United States sees fit to offer whatever help it can so that a retirement program can become a reality for these outstanding Americans.

Sincerely,

JOE RESTIC.

UKRAINIAN HUMAN RIGHTS AWARENESS DAYS

SPEECH OF

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 27, 1987

Mrs. MORELLA. Mr. Speaker, I would like to commend my colleagues, especially DON RITTER, DENNIS HERTEL, and BEN GILMAN, for their outstanding effort in designating today as Ukrainian Human Rights Awareness Day.

I share their wish that Ukrainians in the Soviet Union will be allowed more freedom in the upcoming months. Incarcerated Ukrainians constitute more than 50 percent of all Soviet political prisoners languishing in jails, psychiatric institutions, forced labor camps and internal exile. Their human rights as expressed by the Helsinki Accords, United Nations Charter, and Universal Declaration of Human Rights are being denied.

Our support of human rights activists in the Soviet Union exemplifies our Government's affirmation of the high priority it places on human dignity and freedom. Our commemoration of Ukrainian Human Rights Day also helps reinforce the determination of Ukrainians and others under Soviet domination to continue their struggle against Soviet tyranny.

I call upon General Secretary Gorbachev to continue to expand the human rights aspect of his policy of glasnost (openness). I challenge him to allow no more Ukrainian political prisoners to die in jail as four have during his first 2 years in office. In addition, I ask the General Secretary to show compassion toward Mykola Rudenko, the decorated war veteran who is the head of the Ukrainian human rights monitor group. Mr. Rudenko languishes in exile, deprived of the writing materials that are as important to him as food or water.

Only actions like these will show that the current leadership of the Soviet Union is truly committed to improving upon the human rights record of its predecessors.

TELEVISION NEWS AND THE CONGRESS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. RICHARDSON. Mr. Speaker, recently, the House Subcommittee on Telecommunications, on which I serve, held a hearing on mergers in the broadcast media. Needless to say, this hearing provided a lot of news coverage and a lot of commentary.

Here are two examples of the reaction from network types. One, from NBC, in my judgment provides a rational, positive and realistic approach and reaction. NBC and in particular Mr. Grossman are to be commended for their openness and understanding of the congressional process. The other, from two former network executives, was disappointing in its defensivenss and holier than thou attitude. These two contrasting approaches are evidence that the hearing has served a positive purpose in raising these issues.

[From the New York Times, May 17, 1987]

TELEVISION NEWS AND THE CONGRESS

To the EDITOR:

The New York Times's John Corry expressed the concern of many in the news business when he chastised the network news presidents for appearing before a Congressional committee without insisting on a subpoena ["Whose Business Is TV News?," May 10]. "It's unlikely that any self-respecting newspaper editor would have appeared before Congress so willingly," Mr. Corry said. "It's even more unlikely that Congress would call on a newspaper editor to explain how he does business."

Mr. Corry is certainly right about Congress and newspapers, which are immune from Congressional oversight. But, unfortunately, he is wrong about Congress and television since television, unlike newspapers, is a regulated industry. Television stations are licensed by the Federal Communications Commission, a Government agency that is a creature of the Congress. And for better or worse, television news operates under limitations and requirements imposed by Congress and the F.C.C. (e.g., the Fairness Doctrine and equal time requirements), from which newspapers are totally immune. I would argue that those Governmental intrusions in television news are neither appropriate nor desirable, but the fact is they exist.

The issue the Congressional committee posed—the effect of corporate mergers and takeovers on the networks' service to the public—was raised not to restrict the free flow of television news, but ostensibly to encourage it. It is an issue that should be discussed openly and forthrightly, since Congress has the power to regulate television ownership. And while one should always be wary of Congressional intrusion on the content of news, that was not described as the intent of the hearing that Representative Edward J. Markey, Democrat of Massachusetts and chairman of the Energy and Commerce Subcommittee on Telecommunications and Finance, invited us to attend.

Indeed, in response to my request, I received assurances from the chairman in advance that no questions about news content or editorial judgments would be considered appropriate. And I assured the chairman that if such questions did surface, I would refuse to answer them in order to protect our First Amendment rights. In this context, it is important to recognize that the First Amendment was put into the Constitution not to protect the press, but to protect the public's right to know.

Nor was the appearance before a Congressional committee of the network news executives unprecedented. For example, the Congress has taken a keen interest in network coverage of Presidential election results and the networks' policy with regard to broadcasting vote projections to the West Coast when polls were still open. Despite the fact that no self-respecting newspaper would ever consider defending its elections reporting policies before a Congressional committee, The New York Times supported this Congressional inquiry in an editorial.

If television news presidents had wrapped themselves in the First Amendment out of fear of even discussing with the Congress of the United States issues of vital public interest, I believe we would have properly been viewed as arrogant and irresponsible. On issues of broadcasting ownership, over which the F.C.C. does exercise jurisdiction under the Congress's direction, it is critical that Congress be informed rather than ignorant.

The real issue, it seems to me, is not whether we should have shown up to testify, but whether television news should be subject to Congressional restrictions and requirements that newspapers, magazines and even cable operators fortunately do not have to face.

LAWRENCE K. GROSSMAN,
President, NBC News, New York City.

To the EDITOR:

Some days have passed since the sad spectacle of the three heads of the network news divisions discussing the intimate details of their operations before a House Subcommittee, but not enough time for shivers to subside in the souls of two former network news presidents. What were our old colleagues doing there? They had been invited, not subpoenaed. We recalled countless inquiries touching on news questions fielded in the past before Congressional committees not by newsmen but by the men ultimately responsible for them, very notably Frank Stanton in the celebrated "Selling of the Pentagon" case in 1971.

The subcommittee chairman, Mr. Markey, fully conscious that he was treading a thin line, reaffirmed on several occasions during the hearings that it was the *quality* of network news that would be examined and that this was an appropriate concern—as if forewarned, as indeed he must have been, that crossing the line into questions of news content would be patently a violation of the First Amendment.

But in less time than it takes to say Fairness Doctrine, the line was gaily crossed, and indeed news content became the core subject of that part of the hearings that centered on the news presidents.

Representative John Bryant, Democrat of Texas, worried that cutting out a Texas bureau might shortchange coverage of Texas issues.

Representative William B. Richardson, Democrat of New Mexico, objected to the stereotyping of blacks and Hispanics. He was also unhappy about sex, violence and heavy breathing.

One committee member wanted to know why someone was not assigned to alternate with John Chancellor's nightly commentary.

Member after member had questions relating directly or indirectly to news judgment. Could there and should there be an hourlong evening news? Why are some news salaries so high? Why does it cost so much to run a news division and what will happen if it cost less?

One conservative Republican member of the committee, Representative Thomas J. Tauke of Iowa, said firmly that he thought the whole procedure was in violation of the First Amendment; and the network news chiefs gave lip service to this concern in their statements, but they and the committee went merrily on, answering fully and freely any and all questions of content. Not once did one of them decline to answer.

The undersigned find ourselves in a peculiar position. Quite the reverse of disagreeing with everything you say and willing to die for your right to say it, we agree with most of what was said—by the committee members in their questions and the news executives in their answers. We simply question their right to say it.

It is tempting to reach out for the helping hand of Government for the "good things" we want and indeed believe the public should have—a longer evening news, more documentaries, broader coverage in general. But it is wise to remember that the Government that giveth one day may be the Government that taketh away the next. The Congress that can force a one-hour news one year can follow the suggestion made to network affiliates in the 60's by an official of the Nixon Administration—get rid of network news.

Justice William O. Douglas of the Supreme Court of the United States used to say, in connection with the press, that the purpose of the First Amendment is to get government off our backs.

We should make it clear to well-meaning friends that as we do not want government to hinder, we do not wish its help.

RICHARD S. SALANT,
BILL LEONARD,
New York City.

CONGRATULATIONS TO COL. RUFUS C. YOUNG

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. HUNTER. Mr. Speaker, I am proud to offer congratulations to Marine Corps Col. Rufus C. Young, Jr. Colonel Young is the Marine Corps Recruiting Depot's staff judge advocate, and he has recently been named Public Lawyer of the Year by the San Diego Bar Association.

Colonel Young is the son of Mrs. Betty Young of Coronado, a retired member of my staff, who is greatly missed by us all. I share her pride in the accomplishments of her son, a dedicated and distinguished American patriot.

JUDGE ADVOCATE NAMED "LAWYER OF THE YEAR"

(By Elaine Veloz)

Like most of society, recruits in the United States Marine Corps have their share of legal problems. And, as staff judge advocate (or in civilian terms, chief counsel) at the Marine Corps Recruit Depot (MCRD), Col. Rufus C. Young Jr. is responsible for helping the young recruits handle these problems.

It was his skill in handling that task, plus a variety of other contributions to the legal profession, that earned Young the honor of being named Public Lawyer of the Year by the San Diego Bar Association.

Terming himself "never one to practice false modesty" Young said he is especially pleased with the honor because it highlights the contributions made by military lawyers, not only to the military, but also to society in general. "A lot of what we do is very important," Young said. "I'm kind of proud of what we do."

One contribution of which he is especially proud is the work he did at Camp Pendleton in halting the progress of the controversial bullet train through that military preserve. In trying to gain approval for the project, the developer, American High Speed Rail, had to deal with the Marine Corps in attempting to route the train through Camp Pendleton.

Since he was stationed at Camp Pendleton at the time, Young found himself deeply involved in the legalities and environmental issues surrounding the project. "I found myself asking a lot of hard questions and getting soft answers," he said, in trying to determine what impact the proposed bullet train would have on the base and on some of its operations.

"We had to determine what a high speed rail system would do to our high speed electronic equipment," he explained. "Conversely, we had to determine what our equipment would do to the train."

There were also environmental issues involved. Two probable nesting sites for the American Eagle exist on the base, he said, along with a number of other habitats for endangered species.

Young credits his work at least partly for the fact that American High Speed Rail eventually abandoned the bullet train project, which was heavily opposed by residents of communities all up and down the San Diego County coastline. "Fortunately," he said, "we were able to do something."

In his present position at the recruit depot, Young is now deeply involved in negotiating with Lindbergh Field over the noise impacts of their take-offs and landings. As owner of the land, MCRD is responsible for seeing that the port district complies with sound abatement policies outlined in their lease, he explained.

As head of the MCRD legal staff, Young also finds himself often involved with the myriad of legal problems that tend to beset the 21,000 19- to 21-year-olds that pass through that facility each year. While most such cases revolve around divorce settlements, minor accidents and the kind of financial difficulties to which that age group is prone, there are occasional surprises.

One particularly memorable case, Young recalls, involved a young recruit who approached him waving a document and asking "What does this mean?" It turned out to be a notice that the young man had just inherited $19 million. There was also the client who had inherited eight oil wells and needed help with his newly acquired tax problems.

Young was also the first member of his law school class to be involved in a murder case—a stabbing resulting from a fight between two Marines.

An all too common case, though, is the kind of consumer problem that seems to particularly affect the young and gullible. Much of his work at Camp Pendleton involves helping young Marines extricate themselves from "deals" involving long-term payments for everything from a set of pots and pans to a used car barely capable of making it off the lot.

One particularly popular scheme a few years ago, he recalled, involved the sale of a cheap camera accompanied by a lifetime supply of film "for only $3.98 per week for 15 years."

Among activities that led to Young's selection for the Bar Association award was his chairmanship of a city-wide "Law Week" program sponsored by the San Diego Bar Association. "He did an outstanding job," said Bar Association President Daniel Broderick.

Activities Young organized included oratorical contests for high school students, writing contests for junior high students, and mock trials at the elementary school level. He was also responsible for organizing a "free law" day at local shopping centers, during which attorneys stationed themselves in local malls to answer legal questions from the general public.

The family law program at MCRD, too, was recently honored by the American Bar Association for its outstanding legal assistance program. A major reason for that award, Young said, was a guide to family law published by his office in conjunction with the San Diego County Bar Association. That guide is now widely used throughout the Marine Corps and other military organizations throughout the country.

In 22 years as a military lawyer, Young has served as prosecutor, defender and judge at various times. One of his most memorable experiences, though, was as an observer of civilian trials when he was stationed in Japan from 1970 to 1973. An agreement with the Japanese government, Young explained, stipulates that the Japanese have jurisdiction over any non-military crimes committed by American servicemen. But, as part of the agreement, an American attorney is required to attend every session and report the proceedings to the United States ambassador.

Although he wasn't required to learn the language, Young did study Japanese, taking an advanced class from the widow of a Japanese ambassador. It was only later that he discovered that the polish with which he learned to speak the language apparently conveyed the impression that "this is a person to be reckoned with." That skill turned out to be quite useful, he remembers, in making travel arrangements and in other situations where his language skill tended to prompt special treatment.

In one instance, he and his family were even invited to stay in a temple dating from the 13th century, at which the priest was the 21st generation of his family to hold that position.

A "virtual" native of San Diego County (with the exception of some absences over the years), Young and his wife Carole moved to Rancho Santa Fe about a year ago, after eight years in Encinitas.

NATIONAL INSTITUTE HELPS DEAF STUDENTS

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. HORTON. Mr. Speaker, as one of three Members of Congress representing Rochester, NY, I would like to share with my colleagues an article recently appearing in School Board News (May 27, 1987). The article presents an excellent overview of the National Technical Institute for the Deaf [NTID], our country's foremost postsecondary, hearing impaired institution for the technical fields. Along with its sister college, Gallaudet, NTID has placed tens of thousands of hearing impaired young people into productive, responsible positions.

Each year, NTID offers a program for hearing impaired high school seniors who are interested in technical careers. The seniors travel to the campus to learn about the many career opportunities, degree requirements and other information about NTID and its curriculum.

Mr. Speaker, I am proud to represent the Rochester area and NTID. Its accomplishments speak highly of its director, Dr. William Castle, and the many fine administrators, teachers and students at the 20-year-old college.

The article follows:

NATIONAL INSTITUTE HELPS DEAF STUDENTS

School districts with hearing impaired children among their students can find resources for both student and staff development through the National Technical Institute for the Deaf at Rochester Institute of Technology, Rochester, N.Y.

The institute offers an annual summer program for deaf students interested in technical careers and is preparing an outreach program for teacher training.

During the one-week "Explore Your Future" program, up to 120 deaf students and their parents learn about career opportunities and the requirements of earning a technical degree. The program is for students entering the 12th grade.

Students selected for the program must have severe or profound hearing loss, demonstrate an aptitude for math and science and exhibit personal and social maturity, said Jean Bondi-Wolcott, the program's coordinator. The students also must be recommended by a vocational rehabilitation or guidance counselor.

Even 20 years ago, when Congress created NTID, deaf students' career options were limited, explained Bondi-Wolcott. Most were steered toward liberal arts or vocational professions.

This program is "an educational experience to assist students in choosing the appropriate career path," she said. The week's activities include hands-on workshops, career exploration laboratories and visits with deaf professionals employed in technical fields.

Professors of business, science, engineering and visual communications, along with other NTID staff, provide individual and group career and academic counseling.

For many students, the program is their first chance to be close to other deaf people, Bondi-Wolcott said. So in addition to career development, the program offers activities to increase students' self-awareness and self-confidence.

At the "Red Barn," an outdoor activity center, participants scale walls, swing on trapezes and carry out other exercises that encourage risk taking, teamwork and communication. Other games teach students about deaf culture. In the evenings, NTID students lead group discussions.

NTID can provide to school districts consultants that can train teachers with hearing-impaired students, said Professor Judy Egelston-Dodd.

The institute recently conducted a needs assessment to determine what services it can provide to elementary and secondary schools. NTID is developing outreach strategies to assist local districts in the following areas:

providing support services, such as interpreters and note-takers, and information on the teaching/learning process;

training teachers of the deaf in a specific discipline, such as math;

helping students develop communications skills, such as signing, speaking, reading and writing; and

helping students develop personal and social skills.

The outreach program may include a component to provide role models to deaf students. "We haven't laid out a strategy yet, but we have so many successful alumni, it makes sense to get them out in the schools," Egelston-Dodd said.

For more information on NTID's programs and services, contact James Carroll, director of outreach, NTID, Rochester Institute of Technology, 1 Lomb Memorial Drive, P.O. 9887, Rochester, N.Y. 14623; (716) 475-6705.

ISRAELI INDEPENDENCE DAY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. ANNUNZIO. Mr. Speaker, at midnight, May 14–15, 1948, the fifth and sixth days of Iyar 5708, under the Jewish calendar, the British mandate of Palestine came to an end, and the independent State of Israel was born. It is a pleasure for me to salute the people of the State of Israel on the occasion of the 39th anniversary of this historic event when their country was proudly able to join the community of free nations in the world.

The Founding of Israel is a vital living monument to the persistence and heroism of a people who have suffered many centuries of persecution and have known only too well the bitterness and despair of an existence without even the most basic freedoms. The creation of the State of Israel represents the outcome of centuries of struggle by the Jewish people to obtain these political and religious freedoms. In their May 14, 1948 Declaration of the Establishment of the State of Israel, the Jewish people proudly declared that their new country "will be based on freedom, justice and peace as envisaged by the prophets of Israel; it will ensure complete equality of social and political rights to all its inhabitants irrespective of religion, race or sex; it will guarantee freedom of religion, conscience, language, education and culture; it will safeguard the holy places of all religions; and it will be faithful to the principles of the charter of the United Nations."

Today, the State of Israel remains as the only democracy in the Middle East, and during the last 39 years, Israel's citizens have developed their nation with vigor and enthusiasm. They have accomplished in a few short years what most nations fail ever to achieve. All of this has been done while under the constant threat of some hostile neighbors, who repeatedly have tried to destroy this tiny nation. Nevertheless, the commitment of the State of Israel to peace in the Middle East has never wavered, and the people of Israel have been willing to make great sacrifices to achieve this objective.

Mr. Speaker, it is with pride that I join the people of Israel in celebrating their 39th anniversary of independence, and I extend to them my best wishes for peace and prosperity. I send my greetings to Americans of Jewish descent in the 11th Congressional District of Illinois, which I am honored to represent, and Jews all over the world, as they join in celebrating this milestone in mankind's struggle for lasting peace, liberty, and religious freedom.

A CONGRESSIONAL SALUTE TO DR. JULES M. PERLEY

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to Dr. Jules M. Perley for his outstanding service as president of the Los Angeles County Medical Association's Long Beach District 3 during the past year.

During his distinguished medical career, Dr. Perley has made substantial contributions to the medical community, the university, and to the lives of many of his former patients.

Dr. Perley received his M.D. from Tufts University in 1961. From 1966 to 1968, he served as a captain in the United States Army Medical Corps as well as serving as a Green Beret in Vietnam. After this service to his country, Dr. Perley entered his medical residency in urology in 1968 at the State University of New York's Downstate Medical Center completing his work in 1971. From 1972 to the present, Dr. Perley has been a faculty member of the University of California, Irvine, Medical School staff, where he has served as a clinical professor of urology.

During his 15 years of service to the University of California, Irvine, and its medical students, Dr. Perley has experienced numerous medical achievements. He became certified by the American Board of Urology in 1975, and participated as a fellow at the American College of Surgeons in 1976.

Dr. Perley is clearly a leader and role model within the medical community. His membership in the Los Angeles County Medical Association, the Los Angeles County Urological Society, the American Urological Association, the Long Beach Surgical Society, and the American Fertility Society, all demonstrate his commitment to, and pride in, the medical profession. I know that his presence as president of the Long Beach district chapter of the Los Angeles County Medical Association will be missed by the association's members, as well as by the Long Beach community at large.

My wife, Lee joins me in commending and congratulating Dr. Jules Perley for his excellent service as president of the Long Beach District 3 chapter of the Los Angeles County Medical Association. We wish him, his son Jonathan, and daughter Marisa, continued success and happiness in the years ahead.

BUFFALO, NY, HOSTS CANAL STAMP CEREMONY

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. NOWAK. Mr. Speaker, on April 11, 1987, my hometown of Buffalo, NY, was honored to host the dedication of the first day cancellation of the U.S. Postal Service's new 10 cent canal boat stamp.

Buffalo was chosen because of its location as the western terminus of the historic Erie Canal, which featured the canal boats.

As the Postal Service described it in its program brochure for the ceremony marking the issuance of the new blue and white stamp in its transportation series, "the canal boat was a far cry from the hardships of stagecoach travel, and the sturdy craft contributed to a historic expansion of travel and commerce in America."

At this point in the RECORD, I would like to include the text of the Postal Service news release providing more detail on the canal boat stamp and its historic background:

The Canal Boat stamp was designed by William H. Bond of Arlington, Virginia, who also designed the 4.9-cent Buckboard, 8.5-cent Tow Truck, 14-cent Iceboat and 25-cent Bread Wagon stamps in the Transportation Series, and the 20-cent Alaska Statehood commemorative stamp of 1984. His work was under the direction of Howard E. Paine, a design coordinator for the Citizens' Stamp Advisory Committee. Jack Williams served as a Postal Service's program manager for this project.

The opening of the Erie Canal in 1825 spawned a method of transportation whose heyday lasted more than 60 years. Canal boats by the hundreds carried freight and passengers on waterways that crisscrossed the Middle Atlantic and Great Lakes states.

Surprisingly, it had taken nearly 150 years from the time canals began to be seriously advocated until the first were built. But canals and canal boats quickly caught the public fancy and helped solve the problem of commerce between inland cities.

Cost and comfort were keys to the success of the canal boat. In 1826, $4 a day would cover the hiring of a boat captain, a mule and mule driver, and would pay for the mule's feed and the rental of a 25-ton canal boat. The standard freight charge on the Erie was three cents per ton per mile, but many canals charged less. And while stagecoaches were faster, many travelers preferred the relative comfort and serenity of a canal boat's placid 4-mph pace.

Canal boats, characterized by their low, wide profiles typically had rounded bows and blunt sterns and included cabins in the rear which seldom stood more than 30" above deck level. Passenger space, usually on the cabin roof, often was graced by tables and chairs and an awning to provide shade. The boats were steered by a sweep or rudder and were pulled by horses, donkeys and mules which were tethered to the boat with long ropes as they walked on towpaths alongside the canals.

Forwarding stations, grist mills, stores, hotels and taverns sprang up along canal routes, and canal traffic sustained many local economic activities: towns, industries, shops, boatyards, feedstores and wharf and warehouse activities.

Master of ceremonies at the first day of issue ceremony in the Marine Midland Bank Auditorium in Buffalo was William J. Miller, general manager/postmaster of the USPS Buffalo Division. The invocation was delivered by Rev. Jacob C. Ledwon, associate rector, St. Joseph's Cathedral, and the benediction offered by Rev. Richard E. Blemaster, pastor, Salem Lutheran Church.

Participants included Judith A. Nolan, vice president and department manager, regional public relations-marketing Marine Midland Bank; D. Ward Fuller, president and chief executive officer, American Steamship Co.; and Gordon C. Morison, assistant postmaster general for philatelic affairs.

Among the honored guests were the stamp's designer, Bill Bond; former Representative Thaddeus J. Dulski, who had served as chairman of the House Committee on Post Office and Civil Service; Dr. Matt A. Gajewski, past commander, Adam Plewacki American Post 799; and Raymond A. Gallagher, Chairman, Niagara Frontier Transportation Authority.

Presentation of colors was by the 107th Security Police Flight, New York Air National Guard. Musical selections were offered by the "In Concert" Quartet.

IF THE CONTRAS COLLAPSE, UNITED STATES FACES BIGGER TASK IN CONTAINING MARXISM

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. LAGOMARSINO. Mr. Speaker, many critics of the administration's policy of support for the Contras in Nicaragua have failed to offer a realistic alternative to that policy. In the May 18 Wall Street Journal, an article entitled, "If the Contras Collapse, U.S. Faces Bigger Task in Containing Marxism," describes the costs involved in an alternative to the Contras as staggering both in terms of human lives and financial investment. The article quotes Susan Kaufman Purcell, an expert on Latin America at the Council on Foreign Relations, saying.

If Americans are chafing now at having to spend $100 million a year to support the Contras, wait till they see what they'll have to spend to contain the Sandinistas after the Contras are disbanded.

I urge my colleagues to read the following article and consider carefully the costs involved in a policy other than supporting the Contras.

[From the Wall Street Journal, May 18, 1987]

IF THE CONTRAS COLLAPSE, UNITED STATES FACES BIGGER TASK IN CONTAINING MARXISM

(By Clifford Krauss)

TEGUCIGALPA, HONDURAS.—Congress last year approved aid to Nicaragua's Contras by a whisker, and that was before the Iran-Contra arms scandal.

Now, Congress probably will cut off military aid—a move that many think will doom the rebels' seven-year effort to oust Nicaragua's Sandinista government. And observers throughout Central America worry that Washington still isn't focusing on the vital question: What happens then?

"If the Contras lose the war, as seems likely, there definitely won't be peace in Central America," says Guillermo Lacayo Guevara the Christian Democratic president of El Salvador's legislative assembly.

Refugees would be a big problem. Honduran officials have been seeking a U.S. pledge to give haven to the estimated 15,000 Nicaraguan guerrillas and their families in the event of a Sandinista victory. Otherwise, it is feared, the Contras would seek permanent sanctuary in Honduras, then destablize Tegucigalpa's shaky democracy. One concern is that the rebels are mostly illiterate peasants who wouldn't fit neatly in U.S. society, either.

HARBINGER OF INSTABILITY?

Unless a verifiable, regional settlement can be negotiated before Washington loses its Contra card, many see an outright Sandinista victory as a harbinger of greater instability in Central America, with guerrilla movements in El Salvador and Guatemala gaining new momentum. It is commonly believed that Contra pressure has reduced Sandinista supply shipments to the Salvadoran revolutionaries since 1981.

Some people see a need for an expensive, long-term U.S. containment policy intended to control Marxist advances in the area. Such a program might entail billions of dollars in new economic assistance as well as deepening military involvement, perhaps even a permanent U.S. base in Honduras.

"If Americans are chafing now at having to spend $100 million a year to support the Contras," argues Susan Kaufman Purcell, an expert on Latin America at the Council on Foreign Relations, "wait till they see what they'll have to spend to contain the Sandinistas after the Contras are disbanded."

AN AID CUTOFF

The Contras seem likely to survive 1987, but they may then be in serious trouble. Washington Rep. Don Bonker, a Democratic member of the Western Hemisphere subcommittee of the House Foreign Affairs Committee, says: "Any additional funds, particularly military aid to the Contras have no better than a 30% chance of passing the House, with odds just a little bit better than that in the Senate." Those odds could grow longer, depending on the revelations of the current congressional hearings on the Iran-Contra scandal. Contra leaders themselves say they need the aid if they are to persist.

The Contra dependence on Washington for money and on former Nicaraguan National Guard officers for leadership doesn't bode well for their future. But while the Contras can't defeat the Sandinistas militarily, their eventual disappearance might nevertheless jar the regional balance of power.

"My guess is the Sandinistas would not return to their old ways immediately," comments a ranking U.S. diplomat serving in Central America. "They would continue to fear a direct U.S. invasion from the Reagan administration, which Congress cannot control." The diplomat, however, suggests that the Sandinistas "might test the new administration" in 1989. "It's difficult to assume they're just going to sit in Managua."

No one knows the future of Nicaragua. The image of a triumphant, militaristic, Marxist-Leninist Nicaragua torments anti-Communists. Others think the Sandinistas will broaden civil and economic liberties once the Contra pressure is released. Some observers speculate that Managua will face serious internal political pressures from the Nicaraguan public and from within the Sandinista party itself once the war fades and domestic crackdowns are no longer justifiable. The Sandinistas' future may be profoundly affected by whatever commitment the Soviet Union makes in Nicaragua, and by the moves Washington makes.

"We don't have a wall to stop Sandinista ideology or subversives," complains William Hall Rivera, the Honduran president's chief of staff. "It won't be a fight over land, but over minds." He adds: "We'll need a Marshall Plan."

In the early 1960s, President Kennedy faced an arguably comparable situation. Fidel Castro quickly consolidated his revolution in Cuba, defeated a U.S.-organized counterrevolutionary force and attempted to export his ideology to the Dominican Republic, Colombia, Venezuela and Boliva. His adventurism failed, partly because Washington pushed Alliance for Progress social programs and military training in Latin America, but mostly because of indigenous anti-communism in the hemisphere.

Things could be worse. Left-wing movements in Central America have lost strength over the past few years, and revolution doesn't seem to be brewing in the region. Still, Nicaragua's neighbors aren't fully prepared to face a consolidated Sandinista government and the ideological and military forays that such a regime, unchallenged, might make.

Costa Rica has no army to protect the jungle frontier it shares with Nicaragua. Honduras, El Salvador and Guatemala are impoverished countries with shaky democracies. And civilian leaders in those nations predict that long-term regional tensions will give their militaries excuses to remain fully mobilized and to exert political power. All of Managua's neighbors share similar fears: that cities will swell with refugees, that foreign investors will shy away from the region and that the Sandinistas will infiltrate their countries with Marxist-trained student, union and peasant leaders promoting Nicaragua's "revolution without frontiers."

PRESSURE ON COSTA RICA

Costa Ricans don't expect to see Sandinista tank columns rolling into San Jose. Their concern is that Nicaragua won't be able to stem the migration of dissidents. Refugees would increase Costa Rica's already serious housing and employment shortages. "Social pressures will build," warns German Serrano Pinto, a leading Costa Rican opposition politician.

To avert such a situation, Costa Rican President Oscar Arias is pushing his fellow Central American presidents to sign a peace plan, calling for cease-fires and amnesties, an end to aid to guerrilla forces and free elections across Central America, before the U.S. Congress votes on Contra aid again. He says his plan has a greater chance to be accepted by the Saninistas now because "afterwards, there won't be the pressure" on Managua to seek a settlement.

Nevertheless, President Arias says the existence of the Contras may make a bad situation in Central America even worse. Since every dictator needs a scapegoat, he says the Sandinistas might miss the Contras once the rebels withered away. "Managua uses the Contras," claims the Costa Rican president, "as an excuse to take away individual liberties, as an excuse to justify the catastrophe of their Marxist-planned economy and as an excuse to justify to the world having a hungry people."

The view from Managua is as varied as the ideologies that manage to survive under the revolution. Enrique Bolanos, the leader of Nicaragua's besieged business community, says he expects the Sandinistas to crack down harder on the private sector and political opposition if the Contras are defeated. Carlos Huembes, a dissident labor leader, believes that "without the Contras, the Sandinistas will have to invent other pretexts to explain their repression. There will be more instability in Central America, including Nicaragua. . . . It's historical that Marxists in power eliminate each other."

BROADEN FREEDOMS?

Alejandro Bendana, the secretary general of Nicaragua's foreign minstry, says a relaxation of U.S. pressure would bring about broader political freedoms, including the reopening of opposition newspaper La Prensa and Radio Catolica. The Nicaraguan diplomat said negotiations with the U.S. and Nicaragua's neighbors could even eliminate Nicaragua's need for Soviet block military advisers. But he, like others on the Central American left, sees a cut in Contra funding as a possible precursor of more unrest.

"The closer we come to a final defeat of the Contras," warns Mr. Bendana, "the greater the possibility of a direct American intervention. Ronald Reagan won't want to go riding off into the sunset without a Sandinista feather in his 10-gallon hat."

Another leftist, Salvadoran rebel leader, Ruben Zamora, thinks an end to the Contras would help his revolution. "The U.S. would be abandoning its child," he claims. "If Washington cuts aid to the Contras, what assurance will there be that Washington won't also eventually cut aid one day to [President Jose Napoleon] Duarte? Duarte will feel insecure."

The stakes are highest for Honduras, to which thousands of Contras would escape a Sandinista romp. Honduran-Contra relations have been testy for years, with Tegucigalpa sometimes blocking U.S. aid shipments to Contra camps. Following reports that Contras were getting drunk and beating and raping Honduran peasants along the border in 1985, the Honduran commander-in-chief at the time, Gen. Walter Lopez, ordered the Contras to concentrate their forces in one frontier region where they could be better controlled. Gen. Lopez, speaking through an intermediary in Honduran army intelligence, told Contra leaders that he would deploy the air force and three battalions of the 110th Brigade to enforce his decision. The Contras moved.

OUT OF HONDURAS

Last November, in the wake of the Iran-Contra scandal, Honduran President Jose Azcona and the top military brass asked the U.S. for assurances that the Contras would be out of Honduras and doing their fighting within Nicaragua by midyear. Washington agreed. Honduran and U.S. sources say the agreement has been largely implemented, with all but about 3,000 Contras now out of Honduras and with Contra logistical resources gradually being transferred from the Honduran mainland to Swan Island in the Caribbean.

But most Honduran analysts believe that it is just a matter of time before the Contras return. "It's much better if the Contras win and we get a democracy in Nicaragua," says Honduran Vice President Jaime Rosenthal, "but in Honduras, there's a sense of opposition to the Contras. We have to think about our democracy.

And what do the Contras say about a future without their own presence? Carlos Ulvert, the Contras' former foreign secretary, says rebel forces have been a key element in the Reagan administration's successful containment of the Sandinistas over the past seven years. Without congressional aid to the Contras, he predicts, pressure would build in Central America for the U.S. to open its doors to thousands of unemployed Nicaraguans whose only training is in the handling of assault rifles. "South Miami Beach," he adds, "would become the South Bronx.

PERSONAL EXPLANATION

HON. PATRICIA F. SAIKI

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mrs. SAIKI. Mr. Speaker, I was unavoidably absent during several rollcall votes last week, and I would like to express my position on those votes.

On rollcall No. 145, I would have voted "aye"; on rollcall No. 154 I would have voted "aye"; and on rollcall No. 155 I also would have voted "aye" had I been present.

FARRAGUT MIDDLE SCHOOL: RECOGNIZED FOR EXCELLENCE

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. DUNCAN. Mr. Speaker, Farragut Middle School, located in Knoxville, TN, has been recognized by the Department of Education as one of the outstanding schools in the country. I consider it a great honor to pay tribute to the school, the students, faculty, and principal, Dr. Donald Rhodes, for this accomplishment.

The school was judged superior on the basis of several attributes, including its academic goals, its increased academic standards for the students, the drug-free environment, the students' proficiency on national achievement tests, and students and teachers attendance and dropout rates.

I am proud to have this outstanding school located in my district and congratulate all those who contributed toward its success.

HEARINGS ON IRAN-CONTRA CONNECTION LEAD TO REVELATIONS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. FLORIO. Mr. Speaker, as the hearings on the Iran-Contra affair continue to unearth new findings, indications are emerging that the picture that we have so far is becoming more complex.

Ties between key administration figures and the unfolding involvement in the funding of the Contras in Nicaragua are being made every day as the hearings progress. For example, testimony from individuals who were personally involved in the resupply of the Contras, such as Tomas Castillo, contradicts earlier versions that the administration had given out in November 1986. Others who have been at the heart of the operation from the days when it was first formulated and through its execution, such as former National Security Adviser Robert McFarlane, have shown that the President was, indeed, aware of what was going on in the White House basement office of Oliver North. More and more information is pointing to the conclusion that we did not have an accurate story in the beginning.

Both the select committee hearings and special prosecutor Lawrence Walsh have one goal in mind: The truth. Finding that truth and making the final connections may take more time. But that truth is important for the United States and for the confidence of the people.

Hopefully, the hearings and the truth will restore our confidence in the law that we all swear to and live by.

The repercussions of the Iran-Contra hearings and the facts that are coming out piece by piece have already had their effect upon the American people. I am including below an editorial from the Gloucester County Times of Woodbury, NJ:

LINKS TO REAGAN SLOWLY BEING FORGED

An unsettling picture of President Reagan's foreign policy is emerging from the Iran-contra hearings. Rather than being based on strategic commitments, foreign policy degenerated into dangerous backroom dealing in which contributions to the Nicaraguan contras could earn sweetheart deals from a grateful U.S. administration.

That a quid pro quo existed between the United States and such countries as Saudi Arabia, Brunei, Taiwan, South Korea and Israel has not been proven. But there are troubling indications that the executive branch solicited the aid of many of its allies and trading partners to undermine the intentions of the legislative branch. Such a cynical use of power by a president undermines the fundamental democratic principles of the nation and threatens to destroy U.S. credibility in foreign capitals.

It is difficult to believe the administration's protestations that there were no connections between the multi-million-dollar donations by foreign powers to the contras and the willingness of the United States to deliver immediate favors or long-term benefits, although the White House continues to attribute it to pure coincidence and collective naivete.

Lurking behind the testimony are disturbing suggestions that the president's involvement could make him vulnerable to charges of deliberately violating a congressional ban on supplying aid to the contras.

Former National Security Adviser Robert C. McFarlane has testified that he briefed the president somewhat regularly about the contras aid program. McFarlane also said that he solicited contributions for the contras from the Saudis at least once. Reagan now has conceded that he not only thanked the Saudis for their contributions but that he held discussions with them before deciding to double their monthly donations.

The White House originally denied that the President was consciously aware of the massive civilian and National Security Council effort to funnel foreign dollars into the contra fund, and administration spokesmen had denied that the president actually had solicited funds for the contras.

But as more revelations come out of the hearings, the White House line is being altered to suggest that even if the president did solicit contra aid and condone the solicitation of foreign support, the law barring contra aid could not restrict the president from exercising his "constitutional historical power" to conduct the nation's foreign policy as he sees fit.

The administration has even suggested that the Boland amendment, barring all non/humanitarian aid to the contras between 1983 and 1985, is unconstitutional. This theory could provide a defense for White House officials who might find themselves in court someday.

McFarlane, a major player in the formulation of the policy, has introduced some fairly credible evidence linking the president directly to the contra aid scam. It will be left to former national security advisor, Rear Adm. John M. Poindexter, who is scheduled to testify in June, to fill in the blanks.

But regardless of the extent of Reagan's involvement legal or illegal, there is little question that this president saw fit to pursue a foreign policy that was one-dimensional in its goals and dangerously self-defeating in its ultimate impact.

PRODUCT LIABILITY REFORM—AN ISSUE WHOSE TIME HAS COME

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. LENT. Mr. Speaker, suddenly, although not surprisingly, product liability reform has become an important issue in the House. I view this as a positive step because I believe these reforms are long overdue. Although I have always been a supporter of Federal product liability reform, I have withheld cosponsoring any particular legislation in the past. I am this day, however, cosponsoring H.R. 1115 in order to demonstrate my wholehearted support for product liability reform.

I join a growing number of cosponsors for this important legislation and look forward to moving a viable, bipartisan bill through the House. I commend Chairman FLORIO of the Subcommittee on Commerce, Consumer Protection and Competitiveness of the Energy and Commerce Committee for holding hearings on this important issue. I look forward to working with Chairman FLORIO and the author of H.R. 1115 to expeditiously move product liability legislation through the subcommittee.

THE UNPRECEDENTED TREK OF HERNANDO DE SOTO

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. BENNETT. Mr. Speaker, although many people associate the discovery of the Mississippi River with Hernando de Soto, not much more is popularly known about the trek of this bold explorer and conquistador. Floridians are familiar with his name because it was in our State that the De Soto expedition began. In fact, the State of Florida has taken a keen interest in tracing De Soto's path and has successfully marked and researched three-fourths of the trail within the State. Other States crossed by the De Soto expedition are either in the process of marking or have completed the marking of the trail. In commemoration of the May anniversary of De Soto's arrival in Florida, I am introducing the "De Soto National Trail Study Act of 1987," which would authorize the study and identification of De Soto's trail, doing so in cooperation with the junior Senator from Florida, BOB GRAHAM, who is a strong supporter of the trail.

In the early 1530's, De Soto gained fame in the conquest of the Incas of Peru. He is acknowledged as being the first European to have entered Cuzco, the Inca capital. After returning to Spain with many riches, he married a woman of notable prominence, but soon grew tried of the civilized life of the times. Spain then appointed him as the royal deputy for the Floridas.

In late May 1539, De Soto and his men came ashore somewhere on the west coast of Florida, the exact location being still disputed. They spent several months in what is today Florida and then moved on. Although the exact route is unclear, the party traveled northward through Georgia, the Carolinas, and probably as far north as Tennessee. From there, De Soto traveled, we believe, through Alabama, Mississippi, and Arkansas and possibly through Oklahoma, and Louisiana. He died on May 21, 1542, and was buried in the Mississippi River.

Last Friday, Senators GRAHAM, CHILES, BUMPERS, FOWLER, HEFLIN, PRYOR, SANFORD, SHELBY, and STENNIS introduced a bill to study the De Soto Trail in hopes of including it in the National Trails System. Today I, along with Representatives IRELAND, LEHMAN, HUTTO, NELSON, CHAPPELL, GRANT, FASCELL, TOM LEWIS, BILL YOUNG, SAM GIBBONS, MICHAEL BILIRAKIS, CLAY SHAW, CONNIE MACK, CLAUDE PEPPER, ANDY MACKAY, BILL MCCOLLUM, LARRY SMITH, and DANIEL MICA, am introducing similar legislation. This bill would provide for the identification and marking of the entire trail of Hernando de Soto from the time he came to Florida and marched across the land bridge of the Santa Fe River and went northward and westward to the Mississippi where his bones were laid to rest in those troubled waters. Imagine, those 3 years of journey—an education to himself and to mankind. He was first to know intimately, over a long period of time, the Indians of the Southeast. He was a courageous man, and his route is a spectacular historical route, which needs to be adequately marked. I am glad to share the enthusiasm of Senator GRAHAM and other Members of Congress in this effort and hope that my colleagues will join in support of this piece of legislation.

JOHN H. ESTERLINE RETIRES

HON. ROBERT E. WISE, JR.

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. WISE. Mr. Speaker, Dr. John H. Esterline, professor of political science at the California State University at Pomona, has decided to retire after a distinguished career both in diplomacy and higher education. The academic quarter now just ending will be Dr. Esterline's last at Cal Poly.

Dr. Esterline, although a resident of California, spent a week in my congressional district during the last election cycle to observe politics mountaineer style. Before long he was marching in local town parades, feasting at pig roasts, and generally becoming an adopted West Virginian. Although from "that big State out West," John was able to learn much from my constituents—a memory he now shares in his travels to other areas of the country and world—a walking, talking advertisement for West Virginia. We would welcome him back at any time.

I would like to add my heartiest well wishes to John on this change in his status. I do know that he will continue to write and lecture in the United States and around the world, and hope that he will make West Virginia a frequent destination.

TRAGEDY OF LIFE IN CASTRO'S CUBA

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. SHUMWAY. Mr. Speaker—

Fidel Castro kills, maims and tortures. It is that simple. Today, yesterday, tomorrow. No one seriously denies it. Most ignore it.

This statement by Gen. Vernon Walters, our ambassador to the United Nations, recently appeared in the Wall Street Journal. The Ambassador goes on to discuss the tragedy of life in Castro's Cuba and the failure of the United Nations to address this issue.

I commend this article to my colleagues and invite them to join with over 85 Members from both sides of the aisle in a resolution I have introduced which condemns Castro's atrocities and urges the United Nations to investigate the continuing violation of fundamental rights in Cuba.

[From the Wall Street Journal, May 21, 1987]

CASTRO'S GULAG SHOULD BURDEN U.N.'S CONSCIENCE

(By Vernon Walters)

Fidel Castro kills, maims and tortures. It is that simple. Today, yesterday, tomorrow. No one seriously denies it. Most ignore it. When I escorted Mr. Castro in Washington in 1959, he was imposing "revolutionary justice" at home by shooting people in front of national television cameras. "Be gentle with him," many urged President Eisenhower, "lest we force him into the arms of the Russians." Shortly thereafter, Mr. Castro received a ticker-tape parade, spoke at Harvard, and met with Vice President Richard Nixon and Secretary of State Christian Herter.

He then went home to imprison hundreds, indeed thousands, of Cuban citizens. In his first year of power he seized all 250 Catholic schools in Cuba, expelled 500 of 700 Catholic priests, and drove out all but 200 of the 3,000 Catholic nuns. Armanndo Valladares, a junior clerk, found himself caught in the vortex of this revolutionary purification. His autobiography, "Against All Hope," recounts in horrifying and verifiable detail the filth and degradation of Cuban prison life—22 years of it.

When Mr. Castro celebrated the 10th anniversary of the Cuban liberation, Mr. Valladares was still in prison. Yet we were encouraged to be patient, to understand. We were told that threats and denunciations would not move Mr. Castro, but that trade would. We were advised to coax him away from the Soviets and to ease him out of totalitarianism. The sympathetic analysts of the day even urged us to understand the Cuban regime's need to violate human rights in the name of revolutionary justice and equality.

Mr. Castro has confirmed repeatedly that he became a Communist at age 17 and will remain one to the day he dies. Nevertheless, some still argue that one cannot believe what he says in these matters. His admirers treat him as if he were a young, naive revolutionary. To do so is to condenscend to Mr. Castro and to delude ourselves.

By the time I next met with Mr. Castro in March 1982, to see if there were any grounds for negotiations between the U.S. and Cuba, Mr. Valladares and countless others were entering their third decade of torture and humiliation in Cuban prisons. I regret to say that I did not know of Mr. Valladares' plight then. I should have known. I should have asked.

This year I did ask—at last month's meeting in Geneva of the United Nations Human Rights Commission. I wasn't asking for Armando Valladares himself, since President Francois Mitterrand of France and Belisario Betancur of Colombia had obtained his release in 1982. I asked for the release of those who still struggle, still persevere against all hope, in the Cuban gulag.

In Geneva last month, the U.S. called upon the conscience of the world to condemn Mr. Castro's concentration-camp treatment of political dissenters. No one outside the Soviet bloc denied our allegations. Few even disputed the merits of our case. Nevertheless, when we began our efforts no one gave us a chance of success. Many of our friends warned that human-rights abuses in Cuba are old news and too political. Some pointed to the solidarity of the nonaligned bloc, to which Cuba belongs, and to the unity of the Latin American countries to justify preventing even consideration of our resolution condemning Mr. Castro's atrocities. Why now? they asked repeatedly. If not now, when? I replied. We have seen 28 years of Mr. Castro's censorship, religious persecution and psychiatric terror. How many generations of Cubans must suffer before the world takes note?

To those who accused the U.S. of "politicizing" human rights, I replied that if the human-rights issue is not political, what is? I challenge anyone to name a U.N. issue that is without a political aspect. To those who cited a duty to support a fellow "nonaligned" nation, I ask, does "nonalignment" demand remaining nonaligned between the torturer and the victim? Besides, Cuba is about as nonaligned as the Byelorussian Soviet Socialist Republic.

To those Latin American nations that proudly exercise their recently won democratic freedoms, I ask: How can you wave the banner of Latin solidarity to protect Mr. Castro's dictatorship and then vote to condemn Chile for human-rights abuses? Pope John Paul II's recent visit to Chile focused press attention upon human rights under President Augusto Pinochet.

Compare Gen. Pinochet's Chile to Mr. Castro's Cuba. Both nations have populations of roughly 10 million. Cuba has 1.4 million exiles; best estimates give Chile fewer than 5,000. Moreover, emigration from Chile is essentially open. Buy a ticket and leave. Cuban emigration is virtually airtight. Chile cooperates with U.N. rapporteurs on human rights. Not even the Red Cross is allowed to peer into the Cuban gulag. The newspapers La Epoca and Hoy speak for the Chilean opposition in Santiago. No voice speaks for the opposition in Havana. Members of the Chilean opposition met with the pope and foreign reporters to denounce the Pinochet government. In Cuba, no one talks freely to foreigners, especially to representatives of the foreign press.

In Geneva, when crippled victims of Cuba's prisons entered commission meetings, I overheard a West European diplomat ask, "What kind of circus is this? Not a very reassuring comment from a concerned Western observer. Nevertheless, this "circus" of survivors caught the attention of the world—or at least of the world press. Diplomats who have instructions to vote with Mr. Castro clearly felt uncomfortable and embarrassed. They sought a face-saving solution.

India, the world's largest democracy, the motherland of Mahatma Gandhi, provided the "solution." The Indian delegate introduced a procedural escape clause that stopped the growing human-rights momentum. By one vote, the so-called principled practitioners of apolitical human rights denied the U.N. the opportunity to judge Mr. Castro's generation of torture. Venezuela, Argentina, Peru, Colombia and Mexico all voted with India to spare Mr. Castro's reputation. Costa Rica, unarmed and threatened by a Cuban instrument on its border, cast its vote against Mr. Castro—a vote of conscience and courage.

Yes, the U.S. lost the procedural vote, but it won the campaign. Those who protected Mr. Castro shamed themselves. Now, when their citizens demand explanations they offer claims of "sovereignty" and "independence"—answers that would sound hollow to those still captive in Cuba. Few of my U.N. colleagues ask anymore, "Why now?" The question has become, "What took you so long?" The Castro regime stands accused before the world.

Jose Marti—the father of Cuban independence—once said, "A battle lost is a commitment to a battle to be won." Mr. Castro's gulag remains. The "circus" is not over. The U.S. will be back. The conscience of mankind demands no less.

SUPPORTS ARMENIAN GENOCIDE COMMEMORATIVE

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. BONIOR of Michigan. Mr. Speaker, I wish today to register my support for House Joint Resolution 132, a measure to name April 24, 1988 as a national day of remembrance for the Armenian genocide of 1915 through 1923.

There is always much controversy over the passage of this commemorative resolution. We routinely pass hundreds of commemorative measures each session with the greatest of ease. Why is it that when we have it within our power to designate a day to remember the brutal deaths of 1.5 million human beings, so many difficulties are encountered?

The intent of this legislation is to let our Nation pause and reflect on the importance of the basic human right to live regardless of race, creed, color, minority or majority status. I have cosponsored House Joint Resolution 132 for this reason.

My colleagues and I who have cosponsored this measure do not intend to reprimand the present-day descendents of the Ottoman Empire. We are not making any judgments on their morals and values or those of their ancestors. What we wish to do is simply memorialize the loss to the human race of the lives, talents, and culture of those Armenians killed in the genocide.

In 1981, Elie Wiesel said of the Jewish Holocaust, "Before the planning of the final solution, Hitler asked, 'Who remembers the Armenians?' He was right. No one remembered them, as no one remembered the Jews. Rejected by everyone, they felt expelled from history."

By passing House Joint Resolution 132, the House of Representatives vows to remember, and commits the American people to never forgetting the horrors suffered by the Armenian people.

ARIZONA STATE COACH SUPPORTS FOOTBALL COACHES RETIREMENT BILL

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. DUNCAN. Mr. Speaker, on February 11, I introduced legislation which would allow the American Football Coaches Association to provide collegiate football coaches a 401(k) retirement plan, H.R. 1093. Coach John Cooper, Arizona State University's head football coach provided the following comments about the proposal because he was unable to attend a luncheon held for coaches from across the country. I want you to be aware of his support for my bill.

Telegram

BOB ROSEBERRY,
Washington, DC.

I am sorry I am unable to join you today. Please pass along this message.

Due to the job displacement factor within the coaching profession, quality educator-coaches do not have a retirement program even though they give many years of service to their profession. House bill 1093 represents a self-initiative on the part of the membership of the American Football Coaches Association to rectify this problem. I strongly urge you to act favorably on this bill so this worthy group can begin to determine its own destiny.

JOHN COOPER,
Head Football Coach, Arizona State University, Tempe AZ.

RAY-BANS AND LOTION: THE NEW AND IMPROVED HODEL PRESCRIPTION

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. FLORIO. Mr. Speaker, a centerpiece of this administration's policy has been the idea that Government should play a minimal role in protecting its citizens and that individuals should use their bootstraps to improve their situations.

When schools across the country were calling for improved nutrition programs and for protection of the School Lunch Program, this administration was classifying ketchup as a vegetable and promoting tofu over hamburgers.

When citizens were expressing fear of nuclear annihilation and concern about the futility of evacuation plans in the event of a nuclear holocaust, this administration—instead of seeking negotiated agreements to reduce nuclear weapons—wanted to pass out shovels so that individuals could dig holes for themselves and hide.

Not to be undone by his predecessors, Interior Secretary Hodel now wants to pass out hats, sunglasses, and suntan lotion to help individuals protect themselves from skin cancer and other diseases caused by the depletion of the ozone layer.

Mr. Speaker, for years scientists have been warning us that CFC's—chlorofluorocarbons—are destroying our ozone layer. The destruction of the ozone layer is, in turn, producing higher incidences of skin cancer for not only suntan enthusiasts but also for anyone involved in routine outdoor activities. In other words, if we do not take action now, even walking the dog or mowing the lawn will involve a high skin cancer risk.

Radiation from ozone depletion can also cause eye cataracts and has grave implications for not only humans but also animals and fish, crops and plants.

Up until recently, our Nation had a record we could be proud of in the area of CFC reduction. CFC's were banned from aerosols 10 years ago. However, CFC's continue to be used in refrigerants and in styrofoam. It was encouraging to see the Environmental Protection Agency and the State Department involved in international negotiations to reduce CFC's and insisting on a 95-percent reduction worldwide. It was encouraging to see agreement in principle among 31 nations that CFC production should be reduced by 25 percent as a first step.

What is not encouraging is the concerted effort apparent in Secretary Hodel's remarks to undercut these negotiations. When asked about this irresponsible remarks, Hodel said that he was only trying to provide the President with a second option.

Mr. Speaker, I say to my colleagues that the Hodel remedy is no option. Even if it were workable, even if you could provide every man, woman, child, and every species of plant or animal with a hat, sunglasses, and SPF-15 lotion, this would only be a Band-Aid. This interim measure would not prevent further deterioration of the ozone layer and our children and their children will be paying for this type of shortsightedness.

Rather than looking at a no-option-option, Hodel and his associates should be actively supporting efforts to conclude negotiations. By taking such a questionable position, Secretary Hodel is damaging our Nation's credibility and commitment in the international negotiations.

A DIFFERENT VIEW

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. GINGRICH. Mr. Speaker, I have been very interested by the recent death of Benjamin Linder in Nicaragua and its indirect connection to the Iran-Contra hearings in Washington. I think columnists William Buckley and Joseph Sobran have put these events in the proper context.

[From the Washington Post, May 21, 1987]

WAS LINDER A COMMUNIST?

(By William F. Buckley Jr.)

The poignant—and infuriating—appearance of the parents of Benjamin Linder before a congressional committee last week requires us to ask: What on earth is going on? Rep. Connie Mack (R-Fla.) tried to tell the grieving parents that the moment was not ideal for discussing the circumstances of their son's death; but no, the parents yanked across the exchange that huge tapestry of historical disorder that is making it all but impossible to recognize what the essential story line is.

The tapestry in question shows the contras as a demonic force, fed by mean-minded cold warriors, bent on killing innocent people engaged in pastoral reforms. I swear, anyone watching the nightly news on CBS would never think to associate the contras with the idea of liberation. There is not, on CBS, a moment given over to the idea of the contras or to the inequities of the government they are fighting. Hollywood could go no further than Dan Rather in polarizing the principals: Daniel Ortega, bowing his head reverentially, mourning the death of Benjamin Linder, Mrs. Ortega kissing the weeping mother. Then rat-tat-tat machine gun bursts of contras, preparing with their illegal arms to kill more Benjamin Linders, more innocent Nicaraguans.

And we get further personalizations. Eugene Hasenfus, like Benjamin Linder, was involved in Nicaragua. What he did was to get shot down by the Sandinistas, caught trying to get arms to the contras. He became the object of media ignominy. The reckless merchant of death, helping on a voluntary basis to bring more misery to a torture-ridden people. He is the complement of Benjamin Linder.

It is ironic that, one continent removed, a trial proceeds against Klaus Barbie. There it is absolutely clear who are the heroes, who are the villians. The villians were those Frenchmen who simply went along. The heroes were the men and women of the night who struggled to save one Jew here, one there; one innocent child on Monday, another on Friday. These were people headed for death camps, at the hands of a totalitarian regime. Nicaragua's regime has not reached the level of intensity in its war against its own people reached, say, in Cambodia by Pol Pot and the Khmer Rouge, but the question to ask is: In what direction is it headed?

The 200,000 Nicaraguans who have fled Nicaragua during the past eight years, preferring to do it while they can rather than to leave as the boat people left Indochina, know the direction in which Ortega is taking Nicaragua—in the direction that Castro—so volubly admired by Oretga—has taken Cuba; a totalitarian, militarized state. The heroes, in an orderly canvas, are hardly the Benjamin Linders who travel to Nicaragua primarily to encourage the regime, rather than merely to build dams. But try, just try, to get that story via CBS—or, indeed, via the most talkative Democratic spokesman.

The frustration is brilliantly captured by Joseph Sobran, who writes: "Was Benjamin Linder, the young American engineer killed by anticommunist forces in Nicaragua, a communist? He was, says the columnist Richard Cohen, 'a man whose intent was to make life a bit better for Nicaraguan peasants . . . a dreamer out to bring a little light to a dark corner of the world.' Yeah, but was he a communist? The New York Times reports that his friends described him as a 'political activist interested in Central American causes.' Well, was he a communist? He was 'a founder of a campus group called Committee in Solidarity with the People of El Salvador.' And was he a communist? 'He was a self-effacing, gentle person with a twinkle in his eye and a laugh,' says his friend Millie Thayer. The nearest thing to a straight answer is provided by The Washington Post: Linder and other foreigners in Nicaragua 'are among the thousands of internacionalistas who have come to Nicaragua to work for the Sandinistas cause. Many are Cubans or East Europeans sent by their governments, but a larger number are American and West European volunteers.' "

The Sandinistas have given their people genocide (of the Miskito Indians), poverty (national income down about 40 percent), a one-party state (the opposition for all intents and purposes does not exist), an end to press freedom (La Prensa is finally shut down completely), an end to civil rights ("suspended") and compulsory military service (75,000 men under arms). There have always been some Americans who sympathize with the communists, but not many of them have been lionized.

[From the Washington Times, May 21, 1987]

WHY NOT PROBE THE INVESTIGATORS?

(By Joseph Sobran)

On the same newcast that announced the death of Rita Hayworth, and maybe for related reasons, the nation was apprised of a bawdy and baseless rumor that Fawn Hall, Oliver North's secretary, had smuggled documents out of the White House in her underwear. Coverage of the Iran-Contra hearings has sunk perilously near the Rona Barrett level.

We are in for every detail, however trivial, of administration misconduct, however technical, with the added proviso, the juicier the better. Keeping perspective in such an atmosphere isn't easy. Whether the Reagan administration violated the Boland Amendment, while it was in effect, is being focused on as if, in isolation, it were a morally critical fact.

But if you step back from these proceedings and the histrionic indignation that attends them, and look at the profile of recent congressional investigations, you are struck by a remarkable pattern.

At one time it was customary to investigate communist and pro-communist activities. Now our elected officials concentrate their attention on anti-communist activities—whether by the CIA, the FBI or the National Security Council. We referee our own side, while ignoring infractions by the other side.

What is missing from the current investigation is more than scrutiny of overtly pro-communist forces, however. We need some investigation of the investigators themselves.

As Congress seeks links between the Nicaraguan Contras and the White House, it is pertinent to ask about links between members of Congress and the Sandinista government. Some visits between congressmen (including Democratic Rep. Pat Schroeder of Colorado) and the Sandinistas have been publicized. Others have not. A few questions:

Did two congressmen and a senator have amorous affairs with a Sandinista diplomat in Washington?

The answer is more consequential for the fate of this hemisphere than the well-ventilated question of what time Donna Rice left Gary Hart's townhouse. Rumors about the unnamed senator's alleged affair briefly reached the papers a few years ago; allegations about the two congressmen, if memory serves, did not.

Did Sen. Edward M. Kennedy act on disinformation fed him by the Sandinista government?

Has Democratic Rep. Ronald Dellums of California had close personal ties with Fidel Castro and the former communist regime of Grenada?

Did Rep. Edward P. Boland himself, the Massachusetts Democrat who sponsored the amendment in the headlines, conceal evidence of some fellow Democrats' association with a Soviet front organization?

The answer to all these questions is yes, according to "The Revolution Lobby," by Alan Brownfeld and J. Michael Waller. This booklet, published in 1985 by the Council for Inter-American Security, not only cites chapter and verse for its charges, but even includes reproductions of some of the documents it quotes. Yet Congress and the press have ignored these charges and the evidence for them.

Of course, it is understandable that Congress should avoid confronting possible derelictions and misdeeds of its members. But an adversary press, whose duty is to be critical of the legislative as well as the executive branch, of Democrats as well as Republicans, and of the left as well as the right, has no excuse for passing over them.

A strange ethos pervades the press nowadays. Digging up scandal about anti-communist forces is honored as "investigative journalism," while funding scandal on the left is scorned as "McCarthyism." The result is that pro-communist groups, some of them funded and directed from abroad, may operate not only with legal impunity, but also with exemption from embarrassing publicity, even when they inveigle elected officials into their doings.

Is it plausible that furtive misbehavior occurs exclusively on the political right? On the contrary, doesn't it stand to reason that countries with no opposition parties, no independent judiciaries and no free press would seize the present chance to dispatch agents to subvert the United States ("the enemy of humanity," according to the Sandinista national anthem) and, if possible, to compromise some of our leaders?

If Mr. Boland is any indication, Congress is not going to investigate itself without some prodding. And the communist countries are not going to investigate themselves. There is no Kremlin Ethics Committee; there are no crusading muckrakers from Pravda.

If the Free World is going to get the full picture it needs, the American press is going to have to do double duty and start scrutinizing the left along with the right.

COLUMN DETAILS CONGRESSIONAL MEDDLING IN FOREIGN POLICY

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. SOLOMON. Mr. Speaker, we usually have to wait for the syndicated columns of Evans and Novak if we want to read the definitive account of any controversy. Such is the case with the most dangerous tendency of the postwar era, the rampant encroachment of Congress on the foreign policy prerogatives of the President.

Key passages include the following: "* * * quiet words from the White House that fine tuning by 535 presidents or secretaries of state can wreck any military operation are scrupulously ignored on Capitol Hill." And "micromanaging President Reagan's policies from Capitol Hill is foolhardy in the big issues of arms control and U.S.-Soviet relations. But trying to dictate the minutiae of complex military decisions in a policy so delicate as guaranteeing the 'free flow of oil' out of the Persian Gulf makes micromanaging from Capitol Hill an especially dangerous game."

MEDDLING IN THE GULF

(By Rowland Evans and Robert Novak)

Although President Reagan announced on Feb. 25 that the United States was "committed to insuring the free flow of oil" from the Persian Gulf, his message was ignored by a Congress now reveling in second-guessing his Persian Gulf policy, including demands by the pro-Israel bloc that Saudi Arabia provide U.S. landing rights for air cover.

Regarded by some Republicans as the keeper of the Reagan flame in the Senate, Republican Leader Robert Dole did not desert Reagan to lash him for Persian Gulf recklessness until the presumably inadvertent Iraqi missile attack. Overnight Dole switched from protector of Reagan to protector against the use of U.S. power in the Gulf without string after string attached.

With Dole in the lead, wild swings from Congress have laid down demands to ensure perfect health and safety for U.S. sailors manning Navy ships assigned to protect Kuwaiti tankers. One such demand, which the president could not accept and which further splits the United States and Saudi Arabia, is the demand for landing rights.

A White House aide remarked privately: "The attack on the Stark increased the threat to the United States in the Gulf, but it increased the threat to the president in Congress a whole lot more."

Capitol Hill micromanaging efforts were a clear signal that with the 1988 election fast approaching, Congress wants to control even delicate military operations that clearly fall within the constitutional responsibility of the president. That seems true even if the chance of their resulting in combat somewhere, sometime is remote.

The micromanagers should know that an insurance policy against combat has never existed. Yet, quiet words from the White House that fine-tuning by 535 presidents or secretaries of state can wreck any military operation are scrupulously ignored on Capitol Hill.

The demand for Saudi Arabian landing rights is completely out of line with what Adm. William Crowe, the chairman of the Joint Chiefs of Staff, told President Reagan last Friday. Air cover to protect the sailors who will protect the tankers is "definitely" not needed at this time, he claimed.

The election-year politics that is now demanding landing rights from the Saudis is the same brand that produced an anti-Saudi fire-storm two weeks ago. The pro-Israel congressional bloc, always eager to embitter the United States against the Arabs, infuriated Reagan by demanding that he kill the sale of 12 F-15s to Riyadh to punish the Saudis for not chasing the Iraqi jet that attacked the Stark. The Pentagon claimed the Saudis were blameless in the incident. As for the sale of the F-15s, Reagan had not even drafted a message to Congress.

That attack on the Saudis set the stage for the new demand for landing rights as the congressional micromanagers stepped up their interference in the Persian Gulf crisis. Republican Sen. Richard Lugar, usually shrewd and level-headed on delicate foreign policy concerns, said over the weekend that failure of the Saudis to provide landing rights could undermine the entire Reagan plan for protecting Kuwaiti tankers.

But instead of air cover, Adm. Crowe wants help from the Saudi AWACS early-warning aircraft, supplied by the United States. He may well get it, even though the cautious Saudis have asked nothing from the United States in the way of military protection, and still have diplomatic relations with Iran.

Two American diplomats were attacked last week in Egypt, a foremost American friend in the Arab world. That is new evidence of why even the pro-U.S. Arab states prefer to keep the American profile between low and invisible in their countries. Pro-Iranian Shiite extremists are strategically placed underground in Kuwait and other Gulf states, waiting to blacken the eyes of America.

Micromanaging President Reagan's policies for Capitol Hill is foolhardy in the big issues of arms control and U.S.-Soviet relations. But trying to dictate the minutiae of complex military decisions in a policy so delicate as guaranteeing the "free flow of oil" out of the Persian Gulf makes micromanaging from Capitol Hill an especially dangerous game.

HONDURAS CONFERENCE

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. LEWIS of California. Mr. Speaker, I recently attended the meeting of the First Central American Conference on Trade, Investment and Development, cosponsored by the Global Economic Action Institute and the National Congress of Honduras. This most informative and dynamic gathering of business leaders and public sector officials from Guatemala, El Salvador, Costa Rica, Honduras, and Panama, as well as the United States and Europe, represents the kind of initiatives which must be undertaken by serious individuals, both governmental and private, in order to bring long-term stability and economic growth to this beautiful but troubled region, our neighbor to the south.

As the debate continues regarding the United States' role in the region, let us acknowledge the fine efforts being made by organizations such as the Global Economic Action Institute in bringing together the public and private sectors of Central and North America toward a new and more beneficial partnership. Let us also listen and learn from those individuals participating in these efforts, working very hard for the sake of all people. With this kind of dedication, there can be a resolving of the problems facing us.

The Global Economic Action Institute, following this conference and in concert with leading public and private sector individuals, is developing a strategy for the region based on the results of the conference. I look forward to this initiative and welcome the participation of all concerned.

OVERVIEW OF THE CONFERENCE

Certain fundamental values, basic orientations and pervasive attitudes provided a distinctive framework within which the First Central American Conference on Trade, Investment, and Development conducted its deliberations on the topic of economic development. These basic principles were clearly set forth by John Svahn, former domestic policy advisor to President Ronald Reagan. They include:

First, a recognition of individuals as rational economic decisionmakers;

Second, a role for Government which centers on determining and removing obstacles to individual initiative; and

Third, an emphasis on the positive economic and social consequences of the notion of "pride of ownership".

This emphasis on economic freedom based on a commitment to private enterprise finds its counterpart in the public realm in a profound dedication to political liberty or liberal democracy. The intimate link between the two was reiterated throughout the conference by both North American and Latin American participants. The opening remarks by former Senator Eugene McCarthy, chairman of the Global Economic Action Institute, explicitly addressed this connection as they advocated continuity in American foreign policy based on the twin principles of economic freedom and political liberty. The perspective of the Central American participants was also forcefully expressed in the prepared remarks of former Costa Rican President Luis Alberto Monge as well as in the address of Honduran President Jose Azcona. The process of democratization, they both argued, is inseparable from the pursuit of peace and economic development in Central America. As Carlos Montoya, President of the National Congress of Honduras, put it: "Economic freedom and political liberty always march together."

Combined with these fundamental values was a basic orientation toward dealing with these issues of political economy from the standpoint of a broad international perspective. This was evidenced not only by the presence of European and Asian representatives but in the pronounced tendency to address the issues at hand in light of the increasingly important reality of global interdependence. Isolation, whether political or economic, was advocated by no one. Instead the emphasis was on open markets and the free exchange of goods and ideas, including the commitment to take seriously successful models of development regardless of geographic proximity. Not surprisingly, the development experience of the newly industrialized nations of the Far East was the subject of considerable discussion.

Even the most casual participant would no doubt have observed that the impetus for this global orientation was provided by a most conscious commitment on the part of the Global Economic Action Institute to an essentially activist agenda. As special advisor Jeremiah Schnee reminded task force members, "action" is the institute's middle name. This attitude was confirmed througout the conference as each discussion was purposely guided toward fashioning specific policy recommendations and the forging of a global action network to implement them. Recalling the wisdom that progress comes only from unreasonable people, Dr. Mose Durst, the Senior Director of the Institute, pointedly challenged the participants during the farewell dinner to act according to the lofty ideals propounded at the conference and embedded in the GEAI's Jakarta Proposals.

KARL DREXEL: A LIFETIME OF SERVICE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. MILLER of California. Mr. Speaker, Karl Drexel was a man who spent his whole life helping the people of Contra Costa County and promoting education. Karl died on Saturday, May 23, at the age of 73 after a lifetime of devotion to the educational development of the Contra Costa community. He is survived by his wife, Liz, three children, and seven grandchildren.

Karl was a dear friend of the Miller family. He was a close friend and a valued advisor to my father and to me.

Karl Drexel began his educational career as an English teacher at Alahambra High, my alma mater. He then spent a number of years in the Navy as a lieutenant commander and was awarded 10 battle stars. After leaving active service, Karl became a reserve officer and commanded a squadron at the Alameda Naval Air Station. His love for the Navy, and his continued service to naval activities, demonstrated his love of this country and his understandings of the burdens of keeping it free. His greatest achievements were still to come. He was appointed assistant dean of student services at Contra Costa College in San Pablo and soon became assistant dean of student services at Diablo Valley College, which he eventually served as President.

Karl became chancellor of the Contra Costa County College District in 1965 and served the district until 1974. Many say, and I am one of them, that Karl made the Contra Costa College District what it is today. During his term as chancellor, the district expanded from two campuses to three, and enrollment doubled to 34,000 students. After retiring as chancellor, Karl continued working for his community as a consultant for the district.

Throughout his entire life, Karl Drexel willingly helped students to grow into well-educated and responsible citizens. His legacy is an educational system committed to serving the people of the county he helped build. I am proud to say I knew Karl and will always remember his great friendship, how good he was to my family and the people of California. I know that the Members of the House of Representatives join in sending our respects to his wife, Liz, and his children, Kit, Marby, and Clay.

I am enclosing an editorial from the Contra Costa Times which cites Karl Drexel's many contribtutions to our community.

CC STUDENTS ARE DREXEL'S LEGACY

In the death of Karl Drexel, Contra Costa County has lost a pioneer and a man of vision who had a dream of helping to build his home county into a wonderful place to live and worked a lifetime to see it fulfilled. He died of cancer Saturday at the age of 73.

Drexel, a native of Richmond, went to work for the Contra Costa Community College District in 1950, a few months after it was formed. He soon became dean of students at what was then East Contra Costa Junior College, now Diablo Valley College in Pleasant Hill. He worked his way up to president of the college and then chancellor of the entire district. He retired in 1974 but was called back as interim chancellor and in other capacities when needed.

Drexel could see, looking over the tin huts and classroom tents that were the first structures at the then-ECCIC campus, the kind of education the students would need in order to bring the rapidly growing county toward fulfillment. He spent most of life working to see that education was available to anyone in Contra Costa County who wanted it.

His education credits are too numerous to mention here. But one of his greatest contributions came from his belief the school must not limit itself to the campus. He wanted the community colleges to be truly integrated with the communities they serve. To this end he gave of himself to many parts of the community.

For example, he served as president of the Contra Costa Development Association. What better way to expand real opportunitites for his students than to become so involved with the business and industrial leaders of the county?

He was a friend and unofficial counselor to many community leaders, and particularly to Rep. George Miller, whose father, the late state Sen. George Miller, Jr., had been his classmate at Richmond High School. He watched young George grow up and, Miller said, "we spent a great deal of time talking my entire time in Congress."

A decorated World War II Navy veteran, he was a patriot who continued his Navy-associated activities long after he retired as a captain in the Navy reserves.

In his retirement, he continued his dedication to education, working as a consultant to many community college districts, helping set up such programs as teacher credentialing and educational oversight. He traveled as far away as the American Trust Territories in the Pacific to help set up local systems of higher education.

Karl Drexel leaves many legacies, the most important being the students, past, present and future, for whom he provided an education based on excellence and service. It is a foundation to which the county can look for generations.

The community should honor his memory by rededicating itself to maintaining the excellence of the Contra Costa Community College District.

TRIBUTE TO MARILYN TAT SIMS

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. LENT. Mr. Speaker, on May 26, 1987, I lost a very dear friend and invaluable staff member to a lingering illness. Marilyn Tat Sims was a senior caseworker on my staff and had been with me since I came to Congress in 1970.

As many of my colleagues know, a caseworker's job is one of the most challenging—and demanding—of any congressional staff position. The essence of the caseworker's job—solving the individual problems of constituents—is an integral part of our service to our constituents. And I can tell you that Marilyn's expertise in this area will be sorely missed not just by me but by the many Long Island constituents Marilyn has assisted over the years.

Marilyn's skill and effectiveness as a caseworker were widely recognized. Despite numerous constituent requests for assistance, Marilyn treated each case with vigor and a genuine concern which demonstrated her compassion and dedication. Newsday, one of our Nation's foremost daily newspapers, wrote of Marilyn's talents as a caseworker in an article on the importance of that position in congressional offices.

Included in that article was a particular case which Marilyn managed and which illustrates her resolve in handling constituent casework. The Hungarian Embassy had apparently lost the passport of a man who had submitted the document for visa approval. After several diplomatic phone calls yielded no response, Marilyn decided to take more dramatic action by going directly to the chancery for a personal search. Marilyn's mission was a success and she found the passport in a rather illogical place—filed alphabetically under the hometown of the man's daughter—Walla Walla.

Prior to her career as a caseworker in my office, Marilyn worked 8 years on the staff of Representative Catherine May. And before entering employment on Capitol Hill, Marilyn worked for the Central Intelligence Agency in Turkey and West Germany.

During her many years in government service Marilyn's humour and warmth won her many close friends. Always interested in the welfare of others, she was never too busy to lend an ear or offer advice. Her originality and humour were always refreshing and welcome. She was respected and admired by her colleagues for her professionalism and dedication to duty.

Marilyn's spirit of loyality and devotion cannot be diminished by her death. My staff joins me in expressing our deepest sympathy to Marilyn's husband and family. Our prayers and thoughts are with you.

GEN. JOHN A. WICKMAN, JR., ADDRESSES WEST POINT'S CLASS OF 1987

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. GILMAN. Mr. Speaker, last week's graduation exercises at the U.S. Military Academy in West Point, NY, were a bittersweet experience for many of us. As is traditional, we were impressed and gratified by the excellent academic record achieved by the class of 1987. We need not fear that our Armed Forces are not in capable hands.

Lt. Gen. David Palmer, the Superintendent of West Point, proudly noted that the 1987 graduating class of 1,017 represented a higher percentage of cadets successfully completing their 4-year course of study than has been the case with any class in 30 years.

Our experience was bittersweet, however, because the commencement address was probably the last public pronouncement by a man whose sterling career is about to lead to a well-earned retirement.

Gen. John A. Wickham, Jr. is an outstanding native of my congressional district, an outstanding alumnus of West Point, and a brilliant Chief of Staff of the U.S. Army. His retirement, which is due to begin this month, marks the conclusion of a distinguished career marked by selflessness and devotion to his country.

General Wickham was an excellent choice for commencement speaker for the West Point class of 1987. His remarks were an inspiration to all of us who had the privilege of being on hand to hear General Wickham deliver them. For the benefit of our colleagues who did not have the opportunity to avail themselves of this honor, I would like to take this opportunity to insert the full text of his remarks into the CONGRESSIONAL RECORD. I also wish to insert a full biography of this outstanding public servant into the RECORD. He will be sorely missed by his Nation, but we wish him a healthy, happy, and lengthy retirement.

REMARKS PREPARED BY GEN. JOHN A. WICKHAM, JR., CHIEF OF STAFF, ARMY

Distinguished guests, families, and graduating cadets . . .

This is a special honor for my wife, Ann, and me to return to West Point and participate in the graduation ceremonies for the class of 1987. West Point has deep meaning for us. Forty-one years ago. My formative experiences about duty, honor, and country began here. Also, two of our three children were born here and baptized at the cadet chapel during a subsequent tour as an instructor.

One of the inevitable aspects of life is that the young take up the responsibilities of those who have gone before. You members of the graduating class are about to don the Army green at the same time as I—after thirty-seven years as an officer—prepare to lay aside my Army uniform and retire from active duty. You will understand if I say that my emotions run deep today. West Point represents an inspirational starting point for all of us in the long grey line.

On this special occasion, let me offer several congratulations.

First. To West Point and its superb staff and faculty: Congratulations on behalf of the Army and the Nation. You have worked well. Your graduates continue to make history, as they have for 185 years, in the defense of our Nation, in all segments in our society, and even in the exploration of space. You educate, train, and inspire young men and women so that they are ready to take their places as leaders of excellence in the Regular Army. There is no institution in the world that better prepares its graduates for the profession of arms than West Point. Thank you for your historic efforts.

Second. Congratulations to the families and friends of the graduating cadets: Your support and encouragement have kept these young people on the right path. You can be proud of their accomplishments which in a way are yours, too. West Point presents demanding challenges to its cadets—and that's how it always should be. Character comes from choosing the harder right instead of the easier wrong. Family and friends provide the lifeline that helps us to weather adversity, and also to enjoy in full measure the successes that come our way. Thanks, on behalf of the Army and West Point, to families and strong friends who are represented here today.

Third. Congratulations to the class of 1987. Clearly your class has accomplished much these past four years; you have earned academic degrees, learned much about leadership, and developed yourselves mentally, militarily, physically, and ethically. As you well know, today marks the end of one phase in your life, but the beginning of another. You have chosen a high road that will be demanding, and you should never shy away from the tasks ahead. A wise man once said:

"We live in deeds, not years; in thoughts, not breaths . . . he most lives, who thinks most, feels the noblest, and acts the best."

The challenges that you face will stretch your capacities, but the rewards for service to your country and your own personal development will be worth your commitment. There is no greater satisfaction than that derived from one's devotion to comrades and our fellow citizens. From my own experience, I'm sure that you will never have occasion to regret the choices you have made.

This year, as you know, marks the bicentennial of the U.S. Constitution. Two hundred years ago, on May 25, the Constitutional Convention opened in Philadelphia. Many of the Constitution's authors served as soldiers during the Revolutionary War. Most of the authors were in their thirties and Alexander Hamilton, for example, served as George Washington's aide at age twenty-two.

Our Nation's roots, and those of the Army, are intertwined with the Constitution, a document that the framers designed for all centuries. Our values and beliefs are forever defined in this work that constitutes the legal and moral justification for the Armed Forces of the United States.

You understand the Constitution, and the Bill of Rights, because you have studied constitutional law. You know, better than most perhaps, that only members of the Armed Forces are charged to provide for the common defense. Only upon our shoulders falls the ultimate responsibility to secure the blessings of liberty for our generation and to pass them on. Intact, to generations upon generations of Americans who will surely follow.

In a few moments, you will take the oath of commissioning. This oath is a sacred trust; one that should never be borne lightly or forgotten. You will pledge, without reservation or regard for personal sacrifice, to "support and defend the Constitution of the United States against all enemies, foreign and domestic, and to obey the orders of officers appointed over you * * *"

Your commission will instruct you that the Commander in Chief, representing all the people of this Nation, reposes "special trust and confidence" in your "patriotism, valor, fidelity, and abilities." These are simple words, but they have extraordinary meaning because they involve the essence of character. Being "specially trusted" carries with it the obligations of dedicated service and behavior above reproach.

Upon receiving a commission, every officer accepts a lasting obligation. No matter what the assignment, to cherish and protect the country, and to sustain the dignity and integrity of its sovereign power, even after the military uniform is put aside. This solemn obligation, is what sets apart the military professional in our society. Just as the U.S. Constitution was designed for all ages, America will always need soldiers of character, for all seasons, to defend the Constitution.

You assume leadership in the Army during historic times. Our challenges in peacetime, perhaps, have never been greater. At home, we face increasingly constrained fiscal resources as the Congress struggles to allocate funds for competing national priorities. Abroad, the Soviets continue to modernize their armed forces and to expand their influence aggressively; regional and low-intensity conflicts are ongoing throughout the world; and, terrorism is an international threat that undermines peace and security. As a society, we see all around us values eroded and quality of leadership wanting in virtually every walk of life.

The global responsibilities of the Army demand balance. Flexibility, and readiness—and the need for quality soldiers as well as leaders of exemplary character. Landpower is what changes history, keeps the peace, and protects all that we hold dear. The U.S. Army is the bulwark of American landpower. The total Army—Active, Reserve, and civilian components—includes 28 divisions, which, with our special operations forces, are prepared to operate across a complex, dangerous spectrum of conflict.

The Army is in the midst of an unprecedented modernization program—a program we must complete with the help of Congress and the American public. We have made great progress during recent years. We have better people, better equipment, better training, and better support than ever before. Although we are a small Army given the size of our assigned missions, we are a good Army—probably the best in the world—and, we are getting better.

Today's Army is a strategic force contributing to deterrence because:

First, about 40 percent of the Army is forward deployed. Thus the Army demonstrates our determination to honor defense commitments, to force credible links to U.S. strategic forces, and to fight any aggressor that threatens our interests and those of our allies if deterrence fails.

Second, as the backbone of America's strategic reserve, 6 Active and 10 Reserve divisions are available to handle contingency or reinforcement missions, especially our NATO commitment;

Third, five light infantry divisions, our airborne, air assault, and motorized rifle divisions, plus our special forces and rangers, can quickly deploy anywhere in the world to contain and defuse emerging crises or meet contingencies; and

Finally, the Army provides security assistance, performs peace keeping operations, and can fight terrorism. Thus, our 28 divisions and supporting forces perform absolutely essential roles in the execution of our national military strategy. Moreover, if we as a people are serious about reducing the risk of nuclear warfare, we must be committed to strengthening the conventional capabilities of our Army.

As you enter today's Army as second lieutenants, you will find great opportunities awaiting you. As our inspired recruiting phrases say, "The Army is a great place to start" because you will be given the chance "to be all you can be." I urge you to get off to a fast start—make the most of this golden opportunity because service and life itself are shorter than we think.

Your soldiers are the best I have seen during my military career. They will expect you to be role models of the best—perhaps not perfect in every respect—but very good indeed. You must, therefore, be standard bearers of excellence throughout your life. This is what your family, your friends, the Army, and the long grey line expect of you.

The difference between a good Army and a great one is simply the quality of leadership. I have tried as Chief of Staff to nurture a climate of command in the Army with leadership that cares, teaches, mentors, and allows our soliders and families the "freedom to grow" so they can mature and capitalize on their God-given talents. You must help them put those talents to full use. Your challenge will be to provide ethical, caring leadership that sparks the Army's greatest strength—its people and their spirit.

You will relate to a story I want to share with you because it occurred in the fall of your plebe year. In October 1983, our Armed Forces carried out a successful military operation in Grenada. With warning orders of only a few days, soldiers from the Army's Ranger Regiment, our Delta Force, and the 82d Airborne Division, along with U.S. Marines, invaded the island to free American medical students who were being held hostage. After the fighting was over. I visited wounded soldiers in various hospitals. As I pinned the Combat Infantryman Badge and the Purple Heart Medal on one young solider in a wheel chair. The photographers tried to take pictures, but the soldier held up his hand and asked them to wait. He reached into his bathrobe and pulled out a small American flag which had been sewn on his combat fatigues. Placing the flag above the medals and pointing to it, he said to the photographers, "OK, now you can take your pictures because this flag is what I am proudest of!"

This is a story about patriotism of our people and of the soldiers you will lead. As you travel the wide road of opportunity that awaits you in the Army and this great Nation of ours, I hope you will be ever mindful of the blessings you share and of what this flag means to you and to me. This is our emblem of national unity, of liberty, and of the world's most successful system of government "of the people, by the people, and for the people." The character of this emblem comes only from the courage competence, candor and commitment of each generation.

History tells us liberty is never free and every generation must make a down payment of service and perhaps sacrifice for its sake. If we enjoy peace today, it is because of our military strength and because of those who served before us. If we want peace for our children and our children's children, we as a people must remain ever vigilant, militarily and economically strong, and led in every walk of life by people of character so that their values can be emulated and ensured.

And so young officers of our Army, go out from this great academy with its commitment to duty, honor, country; join the long grey line; and, really make a difference during your lifetime. As St. Matthew said, "Let your good works glorify your Maker." Make history on your watch. Make all of us who cheer you and pray for you, proud. God bless you all.

BIOGRAPHY OF GEN. JOHN A. WICKHAM, JR., CHIEF OF STAFF, U.S. ARMY

General Wickham was born in Dobbs Ferry, New York on 25 June 1928. He was commissioned a second lieutenant and awarded a Bachelor of Science degree in Military Science in 1950 from the United States Military Academy. He also holds a Masters of Public Administration degree and a Masters of Arts degree in Political Economy and Government from Harvard University. His military schooling includes the Infantry School, United States Army Command and General Staff College, Armed Forces Staff College, and the National War College.

He has held a wide variety of command and staff assignments, including twelve years in joint and allied headquarters. General Wickham has had three tours of duty with the Joint Staff, the last as Director. He served two Secretaries of Defense as Senior Military Assistant. His extensive overseas service includes six tours, two each in Germany, Korea, and Vietnam. During his last tour in Vietnam he served as deputy negotiator on peace treaty issues with North Vietnamese and Viet Cong military leaders.

He commanded an Infantry Battalion with the 1st Cavalry Division in Vietnam. In Germany he was a Brigade Commander and Division Chief of Staff with the 3d Infantry Division. He commanded the 101st Airborne Division (Air Assault) and deployed the division with most of its equipment to Europe for allied maneuvers in REFORGER 1976. During his last tour in the Republic of Korea he was Commander of the Eighth United States Army and United States Forces, Korea and Commander in Chief of the United Nations Command with responsibility for enforcing the Armistice; and Commander in Chief of the ROK-US Combined Forces Command consisting of over one-half of a million military personnel. General Wickham left Korea and assumed the duties of Vice Chief of Staff, Army effective 17 June 1982.

His awards include the Defense Distinguished Service Medal (with 2 Oak Leaf Clusters), Army Distinguished Service Medal, Silver Staff (with Oak Leaf Cluster), Legion of Merit (with 3 Oak Leaf Clusters), Bronze Star Medal with V Device, Meritorious Service Medal, Air Medal (11), Army Commendation Medal, Purple Heart, Expert Infantryman Badge, Secretary of Defense Identification Badge, Joint Chiefs of Staff Identification Badge, and the Army General Staff Identification Badge. HIs foreign awards include the Republic of Korea Taegueg Medal, the highest Korean military decoration.

General Wickham is married to the former Ann Lindsley Prior. They have three children: Lindsley, John A. III, and Matthew.

General Wickham became the 30th Chief of Staff of the Army on 22 June 1983.

EFFORTS OF THE UNIVERSITY OF MISSOURI

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. CLAY. Mr. Speaker, recently, the University of Missouri—St. Louis Chancellor Marguerite R. Barnett addressed an assembly of community leaders in St. Louis regarding the efforts of the University of Missouri to meet the challenges facing public schools. I am very impressed with Chancellor Barnett's efforts to improve the opportunities for higher education in St. Louis and I am happy to share her inspiring remarks.

The remarks follow:

[From the St. Louis Sentinel, Thursday, May 14, 1987]

UM-ST. LOUIS CHANCELLOR'S REPORT STRESSES CHALLENGE, ACHIEVEMENT

University of Missouri-St. Louis Chancellor Marguerite R. Barnett highlighted achievements of her inaugural year in a speech to 900 community leaders (May 5) at a luncheon at the Adam's Mark Hotel.

Dr. Barnett, who became the fifth chancellor of UM-St. Louis on June 1, 1986, also announced the establishment of a new center, the UM-St. Louis Center for Science and Technology, that will facilitate the university's cooperative research partnerships with regional business and industry.

The Chancellor also announced that a $100,000 endowed scholarship fund, the Monsanto Scholarship Fund for minority math and science students, has been established with the first installment received from the Monsanto Fund on the $500,000 unrestricted gift it pledged to the university in January.

A recent achievement celebrated by Dr. Barnett was the designation of the UM-St. Louis political science department as a "Center of Eminence." This designation, approved May 1 by the UM Board of Curators, means that the department will receive additional resources over the next five years to add faculty and develop academic programs of greater national and international focus.

In her address, titled "A Time of Promise," Chancellor Barnett emphasized several major accomplishments of her first year at UM-St. Louis:

Development of Partnerships for Progress, a comprehensive project that will focus the campus' selection of academic and community service priorities for the next several years. One component, the Bridge Program for high school students, was tested in a successful pilot project at two St. Louis high schools.

Development of a reciprocal admissions policy between UM-St. Louis and UM-Kansas City for students interested in pursuing professional degrees in dentistry, law and optometry.

Enhancement in fund raising from private and federal sources. 1986-87 was the most successful year in the university's history, with $2.4 million in pledges and gifts, a 150 percent increase over the previous year. Major gifts included $1.2 million combined from McDonnell Douglas, Emerson Electric and Anheuser-Busch for an addition to the Thomas Jefferson Library; $500,000 unrestricted from Monsanto for Partnerships for Progress and minority scholarships, and other major gifts from Southwestern Bell, the Harris Corporation and AT&T. Another $500,000 grant, from the U.S. Department of Education, went towards construction of a new $19 million science building.

Recognition of faculty achievement. In addition to the Center of Eminence designation for the Political Science Department, three faculty were chosen as Curators' Professors, the highest academic faculty rank given by the University of Missouri and an honor reserved for outstanding scholars.

Development of a campus five-year plan and adoption of a new campus mission statement.

Chancellor Barnett told the audience that increased support for education is the best economic development strategy the state and nation could adopt.

"Our urban mission and our land-grant tradition give us a special responsibility to contribute to the economic development of the region; to prepare our citizens for employment in a variety of fields; to nurture the liberal arts and humanities and support their development during an era which will be shaped largely by rapid advances in math, science and technology; and to reach out and assist in the democratization of society through extending high-quality educational opportunities to the broadest possible mix of students," she said.

Dr. Barnett closed her remarks by noting that the UM-St. Louis campus will observe its 25th anniversary in 1988-89.

"Twenty-five years ago, men and women of vision dreamed of a public university of stature for the St. Louis region," she said. "Today, we dream of a world-class university working to keep St. Louis dynamic, vital and prosperous. We can become a world-class university if all of us continue to work together in partnership. The accomplishments of this past year show we are on our way—we are moving in the right direction."

ALABAMA COACH SUPPORTS FOOTBALL COACHES RETIREMENT BILL

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. DUNCAN. Mr. Speaker, on February 11 I introduced legislation which would allow the American Football Coaches Association to provide collegiate football coaches a 401(k) retirement plan, H.R. 1093. Coach Bill Curry, The University of Alabama's Head Football Coach, provided the following comments about the proposal because he was unable to attend a luncheon held for coaches from across the country. I want you to be aware of his support for my bill.

THE UNIVERSITY OF ALABAMA,
DEPARTMENT OF ATHLETICS,
Tuscaloosa, AL May 11, 1987.
Mr. ROBERT A. ROSEBERRY,
American Football Coaches Retirement Trust Fund, Athens, TN

DEAR BOB: In response to your letter, please convey the following remarks, in my behalf, to the Senators and Congressmen in attendance at the luncheon on May 13th.

I believe in young people, and further believe that assistant coaches have a major impact on their lives. Anything we can do to attract high quality people to this important position can be crucial at this time.

It makes sense to have a secure pension plan that is transferable, and I hope we can begin implementation through this legislation."

Warmest regards,

BILL CURRY,
Head Football Coach.

HOUSE JOINT RESOLUTION 300, THE NATIONAL DRUNK AND DRUGGED DRIVING AWARENESS WEEK, DECEMBER 13, 1987

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mrs. MORELLA. Mr. Speaker, today, I am introducing a joint resolution designating December 13, 1987, through December 19, 1987, as "National Drunk and Drugged Driving Awareness Week." You will notice that the date is a week before the holiday season.

Holidays are times for love, recollection, giving, and celebration. But, there are more deaths during the holiday season because there are more drivers on the highways and increasingly more social events where drinking and use of drugs are part of the festivities. It is for this reason that House Joint Resolution 300 designates the holiday season to make the American public aware of the perils of mixing driving with drinking or drug taking whether they are legal or illegal drugs.

We have just observed "Memorial Day"—a national holiday, a day of rememberance of those who have fought for our country and, of course, the official beginning of summer. Though this is a day of celebration for many, there are those who will remember it because they lost a loved one as a result of a tragic accident from drunk and drugged driving. We lost 416 people over the weekend in automobile accidents. The National Safety Council estimates that 50 percent of the deaths were a result of alcohol or drug abuse.

Approximately 46,000 deaths occurred last year due to traffic accidents. The National Highway Traffic Safety Administration has estimated that 39 percent of the drivers killed in 1986 were legally drunk. The figure rises to 54 percent for single vehicle crashes.

Society's burden, because of irresponsible driving due to alcohol and drug use, is over $26 billion per year. And, there can be no estimate rendered for the pain and suffering which is caused needlessly.

We need to have increased public awareness to warn drivers about the gravity of mixing alcohol and drugs with driving. Even legal drugs, such as a prescribed antihistamine, may cause drowsiness and impairment of judgment while driving. The public should be cautioned about this aspect of safety hazards.

Mr. Speaker, this resolution has passed for 5 years but a reminder each year is still necessary, as our shocking statistics show. I hope, Mr. Speaker, that we will have 100 percent support on this joint resolution.

STATE DEFENSE FORCES

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. TRAFICANT. Mr. Speaker, today I am introducing legislation designed to strengthen our National Guard and provide Federal financial backing to State defense forces.

State defense forces presently exist in 20 States and have been a valuable asset to the National Guard and Reserve forces in these States. These forces serve as State military reserve units and are being trained to become operational if and when National Guard forces are federalized or otherwise unable to adequately meet the needs of their State. These units would be responsible for maintaining public safety and order, protect valuable resources and facilities, combat terrorism, and perform other essential services when the National Guard units are not available.

Under my proposal, State defense forces would be eligible to receive military equipment, supplies, arms, ammunition, uniforms, and related items. Under current law, Federal support for these forces is not adequately defined, therefore making it difficult for these units to receive the necessary training and experience. I believe these two elements are essential to having quality reserve units ready for action.

It is my view that developing and maintaining State defense forces are necessary if our Nation is to have a comprehensive national defense capability. I believe my proposal outlines more specifically the role of these State defense forces and how the Federal Government can assist in the growth and maintenance of these units.

I have consistently supported a strong and viable conventional force. The legislation I am introducing today will help the United States expand that conventional force strength and solidify our overall defense structure.

The text of the legislation follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FEDERAL SUPPORT OF STATE DEFENSE FORCES.

(a) IN GENERAL.—(1) Title 32, United States Code, is amended by adding at the end the following new chapter:

"CHAPTER 9—STATE DEFENSE FORCES

"Sec.
"901. Definitions.
"902. General policy.
"903. Membership.
"904. Arms and equipment.
"905. Uniforms: sale and wear.
"906. Training assistance.
"907. Command and control.
"908. Death and injury.
"909. Security clearances; criminal history information.

"§ 901. Definitions

"In this chapter:

"(1) The term 'State defense force' means a military force or defense force organized by a State to serve as a State military reserve force that would train to become actively operational when the State National Guard forces are federalized or otherwise not available in or adequate to the needs of the State. A State defense force need not be so named by the State to be a State defense force for purposes of this chapter.

"(2) The term 'State' includes the District of Columbia and any territory or commonwealth that has an organized National Guard.

"(3) The term 'national emergency' means an emergency declared by the President or the Congress.

"§ 902. General policy

"(a) State defense forces are considered to be in the national interest as a reserve force of the several States—

"(1) to maintain public safety and order;

"(2) to protect essential resources and facilities;

"(3) to combat terrorism; and

"(4) to perform essential services when National Guard forces are federalized or otherwise not available or adequate to the State.

"(b) State defense forces meet an essential need of the Nation. It is national security that such forces be supported by the armed forces within operational, readiness, and fiscal limits.

"§ 903. Membership

"(a) Membership in a State defense force shall be determined by the State sponsoring such defense force. However, a member of the armed forces may not be a member of a State defense force unless such membership is authorized under regulations prescribed by the Secretary of Defense or, in the case of the Coast Guard, by the Secretary of Transportation. Membership in a State defense force does not exempt any person from the provisions of the Military Selective Service Act or from any military duty or service which such person may be required to perfom by virtue of membership in the armed forces.

"(b) A State may require an oath of allegiance to a chief executive of a State before a person becomes a member in a State defense force. However, any oath administered shall include an affirmation of support for the Constitution of the United States and shall not include a provision that would limit a person's appointment or enlistment in an armed force.

"(c) Membership in a State defense force may not by itself limit a person from enlistment or appointment in an armed force.

"§ 904. Arms and equipment

"(a) The Secretary of a military department may issue or loan military equipment, supplies, arms, ammunition, uniforms, and similar items to a State for the use of its State defense force.

"(b) The Secretary of Defense shall prescribe such policies and procedures as he considers necessary to carry out the provisions of this section. Such policies and procedures shall—

"(1) ensure that the items specified in subsection (a) may not be issued or loaned if to do so would affect adversely the readiness of active or reserve forces; and

"(2) provide that when any property issued or loaned is no longer needed by a State defense force, it shall be reported to the Secretary of the military department concerned and any property disposal shall be carried out in accordance with the provisions of the Federal Property and Administrative Services Act of 1949.

"§ 905. Uniforms: sale and wear

"(a) Notwithstanding chapter 45 of title 10, a member of a State defense force may wear a uniform normally prescribed for wear by members of an armed force if—

"(1) such uniform prescribed for wear by a member of a States defense force includes distinctive devices or accoutrements identifying it as a uniform of a State defense force;

"(2) such uniform does not include a designation bearing the name of an armed force; and

"(3) the Secretary of the military department concerned approves State regulations for the wear of such uniform.

The Secretary's approval shall ensure that such regulations include provisions regarding manner of wear of the uniform and periods of wear in such a manner that the wear of the uniform will not tend to discredit that armed force.

"(b) Under regulations prescribed by the Secretary of Defense, the Secretary of a military department may sell uniforms, items of uniforms, indicia of grade, and individual equipment to members of State defense forces.

"(c) A former member of an armed force, a member of the Retired Reserve, or a regular member who is retired may wear such decorations and medals awarded for military service or valor on the uniform such person wears as a member of State defense force.

"§ 906. Training assistance

"(a) Under regulations prescribed by the Secretary of Defense, the Secretary of a military department may provide a member of a State defense force and States with defense forces training and training assistance may include—

"(1) the provision of training manuals and instructional materials, including training devices and for active and Reserve forces;

"(2) the use of Federal military training facilities;

"(3) attendance at service schools on a space-available basis; and

"(4) the services of active or Reserve members of the Armed Forces skilled in training.

The Secretary of the military department concerned may establish such priorities and conditions as appropriate for the provision of the training authorized by this subsection.

"(b) Under regulation prescribed by the Secretary of Defense, an executive department and an independent agency of the Federal Government may provide such training and training assistance to a State for the State defense forces of such State as in the interests of national security and not detrimental to the primary operational requirements of the department or agency concerned. Training under this subsection may be of the same quality as the training authorized by subsection (a) and shall be with the agreement of the chief of the National Guard Bureau.

"§ 907. Command and control

"The chief executive officer of a State sponsoring a State defense force or in the case of the District of Columbia, the commanding general of the District of Columbia National Guard, is the responsible official for that force. The Chief of the National Guard Bureau shall serve as the means of communication between a State and the Federal Government on matters involving the State defense forces.

"§ 908. Death and injury

"A member of a State defense force is not a member of an armed force or an employee or agent of the United States for any purpose, including legal liability or legal defense. Such person is responsible to the State sponsoring the defense force. A member of a State defense force who is injured or who dies while performing training or duties on behalf of the State defense force is not authorized military or federally sponsored health care, other than emergency care. Federally sponsored disability and death benefits are not authorized as a consequence of a person's status as a member of a State defense force.

"§ 909. Security clearances; criminal history information

"(a) The Secretary of a military department may conduct such background investigations as the Secretary determines necessary and appropriate to grant clearances to classified information for personnel of State defense forces.

"(b) A State sponsoring a State defense force is encouraged and requested to make available to officials of the State defense force the criminal history information designated in section 520a of title 10. The State defense force should maintain a record of criminal history information pertaining to a member in order that security clearances may be expedited in time of mobilization or national emergency.".

(2) The table of chapters at the beginning of such title is amended by adding at the end the following:

"9. State Defense Forces .... 901".

(b) CONFORMING AMENDMENTS.—Section 109 of title 32, United States Code, is amended as follows:

(1) In time of peace, a State or territory, Puerto Rico, or the District of Columbia may maintain no troops other than those of its National Guard, a naval militia authorized by chapter 659 of title 10, and defense forces authorized by chapter 9 of this title.".

(2) Subsection (b) is amended by striking out "by subsection (c)" and inserting in lieu thereof "by chapter 9 of this title".

(3) Subsections (c), (d), and (e) are repealed.

GEORGE C. MARSHALL MONTH

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. BROOMFIELD. Mr. Speaker, yesterday President Reagan signed into law a bill which designates this month George C. Marshall Month. I would like to bring this significant foreign policy statement to the attention of my colleagues.

In remembering the contributions of General Marshall to the Allied victory in World War II and the successful rebuilding of war-torn Europe, some important themes are raised that retain significance in the European alliance today. The goals of the Marshall Plan were twofold: to rebuild the morale of Europeans in the face of adversity, and to create a sense of unity among the European nations. The products of the Marshall Plan, including the European Community, the General Agreement on Trade and Tariffs and the Organization for Economic Cooperation and Development, have forged a lasting cooperation between market economies of the world.

The components of the Marshall Plan serve as a firm base for the continued development of the Western Alliance. The issues addressed by General Marshall in announcing his plan for European reconstruction 40 years ago are similar to the issues which President Reagan will address in the upcoming Venice economic summit meeting. The alliance must grow closer in order to confront the economic and security challenges of the future.

As the President noted in his speech yesterday, this year is also the 40th anniversary of the Truman Doctrine, a strategy which formalized the Western Alliance's commitment to provide economic and security assistance to defend the free nations of our world. By remaining consistent with the ideals of Marshall and Truman we will ensure the strength and prosperity of the free world.

The text of the President's remarks follow:

REMARKS BY THE PRESIDENT DURING SIGNING CEREMONY DECLARING GEORGE C. MARSHALL MONTH

The PRESIDENT. Thank you very much and welcome to the White House. I'd like to thank you for being here. It's a pleasant coincidence that George C. Marshall Month, which we will proclaim today, coincides with the upcoming summit—economic summit. I'm certain that General Marshall would approve of my taking advantage of this opportunity to speak with you also about some of our expectations, our goals, for that important gathering.

First and foremost, today we gather to honor George C. Marshall, a gallant soldier, a visionary statesman, and an American who set a standard of honor and accomplishment for all who have followed.

George Marshall is the only professional soldier ever to win the Nobel Prize for Peace. It was a fitting tribute. Even in time of war, Marshall was a champion of peace. During his tenure as Chief of Staff of the United States Army, a war—the greatest conflagration in human history—was won. And that victory was not a triumph of conquerors in a struggle for power and domination, but a desperate fight of free peoples for the preservation of the humane values and democratic institutions they held dear.

What made the Second War different from all those that had preceded it was that Western civilization, by its outcome, was left in the hands of leaders like George Marshall—individuals dedicated to ideals which were not forgotten after the enemy was vanquished.

It's difficult in this time of plenty to imagine the destitution, devastation, and hopelessness that pervaded Europe after the close of the Second World War. The conflict had taken the lives of millions of Europeans, many of them the young leaders who are the greatest asset of any society.

Resources used to fuel the war machines were gone. Great destruction has been brought upon the face of Europe. Germany lay in almost total ruin. Throughout the rest of the continent, cities and factories were in disrepair, the whole economic infrastructure had been devastated. The monumental job of rebuilding seemed overwhelming.

It was at this time of despair when, under the leadership of wise and decent individuals like George C. Marshall, by then secretary of state, our country stepped forward with a program Winston Churchill referred to as the "most unsordid act in history."

Forty years ago June 5th, Secretary of State George Marshall gave the commencement address at Harvard University. In it, he laid out a proposal for the reconstruction of Europe, the foundation for what has been the most remarkable period of peace and prosperity in the history of that continent.

In today's money, the Marshall Plan was a commitment of extraordinary proportions, about $60 billion. And with that, industry, large and small, was provided capital; harbors, canals, roads, electic systems were rebuilt; and the production lines began to roll as Europe went back to work.

The Marshall Plan was an investment America made in its friends and in the future. If it had simply been a gift of resources, it would likely have been a colossal failure. The success of this greatest of undertakings, the rebuilding of a battle-scarred continent, can be traced to goals that are easily distinguished from the mere transfer of money.

First, it was designed to generate hope where there was none. George Marshall, as a soldier, well understood the role of motivation. "It is the spirit which we bring to the fight that decides the issue," he once wrote. "It is morale that wins the victory."

George Marshall's speech was viewed by many Europeans as a lifeline thrown to them at a time when they were foundering. It gave them reason to work, to build, to invest. And in short order, purpose replaced aimlessness. Enterprise replaced inertia.

The second and most important goal of the Marshall Plan was to provide incentives for Europeans to find common ground, to bring down the political barriers which stifle economic activity and growth. Our leadership helped officials overcome local interest groups and work with other governments to beat back the pressures for protectionism and isolation, to free the flow of commerce, materials, and resources across international frontiers, to integrate transport and power systems, and to develop economic and political ties that would serve as an engine for progress.

The Marshall Plan led to the creation of institutions that today are pillars of the free world's economy—the European Economic Community, the General Agreement on Tariffs and Trade, the OECD.—and created the environment where the World Bank, and the IMF could function. The Marshall Plan was an act of generosity, but it was not a give-away program. Instead, it was the beginning of a process of cooperation and enterprise that has carried the peoples of the Western democracies to new heights.

But there was one most important achievement, too much overlooked. A reading of history reveals that in past wars, the peace settlement laid the foundation for the next war. Hatreds and enmity remained. And today, we have known 40 or more years of peace, and one-time enemies are the closest of friends and allies as a result of the Marshall Plan.

With us today is an individual who, at President Truman's direction, took a central role in polling the leadership, gathering the ideas, and putting together a comprehensive overview of foreign policy strategy. This effort was the genesis of the Marshall Plan. His dedication, creativity, and resourcefulness were of great service to his president and his country at that pivotal moment. And Clark Clifford, we are proud to have you with us today. (Applause.)

Now, in a few days, I will leave for the economic summit in Venice. It will be the 13th time the seven major industrial democracies have so met, and the seventh time I've been privileged to represent the United States. While our country is still looked to for leadership, the free world is now undeniably a partnership among democracies, to a large degree because of initiatives we set in motion four decades ago.

Today, free world efforts—economic, political, and security—depend on genuine cooperation. Self-determination, as we've recognized since the time of Woodrow Wilson, is consistent with the interaction of free peoples. We sought it and, brother, we've got it.

The governments of Western Europe, North America, and Japan face the future together, and meetings like the economic summit build unity and sense of purpose. And that unity is increasingly important. The velocity of economic change reshaping our world is making greater demands on our governments, individually and collectively. This change flows naturally from the open economic system we've established in the West. Our peoples and countries are now operating in a global market. Instantaneous communications, multinational corporations, the flow of international investment, widespread computer technology, and the integration of financial markets are facts of life.

The progress of mankind, however, remains dependent on political as well as economic and technological momentum. Today, we face challenges comparable to those that confronted struggling democracies four decades ago. We sought to achieve prosperity; now we seek to preserve it and ensure that our standard of living continues to improve. Nothing can be taken for granted.

We must be active and vigorous to be successful. And we must work together. And that is what freedom is all about. And that's why we call the portion of the planet on which we live the free world. People here are not told what we must do. We talk things over and decide what to do for ourselves.

There's a story about an American and a Russian. As is often the case, the American was bragging about how in the United States everyone was free to speak. Well, the Russian replied, "In Russia we're just as free to speak; the difference is in your country you're free after you speak." [Laughter.]

The greatest challenge for those of us who live in freedom is to recognize the ties of common interest that bind us, to prove wrong those cynics who would suggest that free enterprise and democracy lead to short-sighted policies and undisciplined self-interest.

Today—and we can't say this too often—it is in the common interest of all of us, in every free land, to work against parochialism and protectionism, to keep markets open and commerce flowing. By definition, protecting domestic producers from competition erodes national competitiveness, slows down economic activity, and raises prices. It also threatens the stability of the entire free world trading system.

Some countries, which have taken full advantage of America's past openness, must realize that times have changed. Today, any country selling heavily in the United States, whose markets are not substantially open to American goods, risks a backlash from the American people. No country that closes its own markets, or unfairly subsidizes its exports, can expect the markets of its trading partners to remain open. This point will be driven home in Venice. It was the central theme of our agreement at last year's Tokyo summit to launch the Uruguay trade round.

While the vibrancy of the U.S. economy has contributed enormously to the world expansion, preserving a growing world economy is the business of every member of the world trading community. It is the special responsibility of the larger economic powers. It will be made clear, especially to our friends in Japan and the Federal Republic of Germany, that growth-oriented domestic policies are needed to bolster the world trading system upon which they depend.

We and our allies must always fulfill our agreements concerning exchange rate stability. Economic policy decisions made last year in Tokyo, and at this year's meetings of Group of Seven finance ministers in Paris and in Washington, cannot be ignored or forgotten. The commitments made at these meetings need to be translated into action.

Talks continue to flow about the necessity of a coordinated attack on market-distorting agricultural policies, policies which are found in almost every Western country. The time to act is fast approaching.

One concern shared by the industrialized powers is what to do about the Third World countries which are not developing, not progressing; countries that, if something doesn't happen, will be left behind.

Japan has made admirable strides in this direction by offering to share some of its wealth—some of its trade surplus—with lesser-developed nations. I hope that during the course of this summit, Japan will clarify what form this aid will take. I also hope that other countries will consider following Japan's good example.

However, as I noted about our—the European example of four decades ago, the transfer of cash alone is not the solution. If tax rates are too high, if markets are not free, if government is big, corrupt, or abusive, a country cannot expect to attract the expertise and private investment needed to advance, nor will its own people have the incentives needed to push their economy forward.

After the war, German industry was little more than a shell. If Ludwig Erhard and Konrad Adenauer, courageous democratic post-war leaders of that country, had not dramatically, in one fell swoop, eliminated most of the intrusive controls on the West German economy in 1948, Marshall Plan aid might not have had the miraculous impact that it did. If we're serious about changing the plight of less fortunate nations, we must, at the very least, be candid with them about these economic realities-open their eyes to the secret of Germany's restoration and the secret of the amazing growth taking place on the Pacific Rim. That secret is a Marshall Plan of ideas. It is simply that freedom of enterprise, competition, and the profit motive work. They work so well that the United States now must maneuver with economically powerful competitors, friendly competitors.

And, yes, let us admit the recognizable friction among the great democracies about trade and economic policy. Our heated debates and maneuverings—and the fact they're front-page news—are a healthy sign. First, during economic movement, close friends disagree, but no one should lose sight of the impressive strides taking place. Second, the attention paid to complex economic issues, which decades ago were subject matter only for specialists, suggests the wide degree of consensus our nations have reached on the vital issues of war and peace, human rights, and democracy.

Today, the unity of the West on security issue is something which George Marshall and his contemporaries would look on with a deep and abiding pride. Marshall led America through war and out of isolationism. Like protectionism, isolationism is a tempting illusion. Four decades of European peace and the greatest economic expansion in history stand as evidence that isolationism and protectionism are not the way. We must work with like-minded friends to direct the course of history, or history will be determined by others who do not share our values, and we will not escape the consequences of the decisions they make.

Nowhere is this burden heavier than in the Middle East, a region that has been plagued with turmoil and death. If we retreat from the challenge, if we sail to a distance and wait passively on the sidelines, forces hostile to the free world will eventually have their way.

Two weeks ago, we lost 37 of our sons in the Persian Gulf. They were the pride and joy of their families, fine young men who volunteered to wear the uniform and serve their country. We have none better than these. They died while guarding a chokepoint of freedom, deterring aggression, and reaffirming America's willingness to protect its vital interests.

Yet, the American people are aware that it is not our interests alone that are being protected. The dependence of our allies on the flow of oil from that area is no secret. During the upcoming summit in Venice, we will be discussing the common security interests shared by the Western democracies in the Persian Gulf. The future belongs to the brave. Free men should not cower before such challenges, and they should not expect to stand alone.

And we are working together in a number of critical areas. Our friends and allies have been cooperating ever more closely to combat the scourge of terrorism. Democracies are peculiarly vulnerable to this form of international criminality, and, at the upcoming Venice summit, we will give renewed impetus to the momentum which has developed in the past year.

The Western Alliance, with courage and unity of purpose, has time and again thwarted threats to our prosperity and security. During the last decade, as American military spending declined, the Soviets raced ahead to gain a strategic advantage, deploying a new generation of intermediate-range missiles aimed at our European allies. This hostile maneuver—part of a long-term strategy to separate Europe from the United States—was countered by a united Alliance. Pershing and cruise missiles were deployed in Western Europe, even amidst the noise and clamor of sometimes violent opposition and an intensely hostile Soviet propaganda campaign.

Let no one forget, six years ago we offered to refrain from deploying our intermediate-range missiles, if the Soviets would agree to dismantle their own. It was called the "zero option." The other side refused. At that time, a vocal minority in Western countries, including the United States, suggested if we moved forward with deployment of our Pershing and cruise missiles, all hope of arms control agreements would be lost.

The pessimists, however, have been proven wrong, and western resolve is paying off. In recent months, we've witnessed considerable progress in our talks with the Soviet government. The Kremlin now, in principle, accepts the "zero option" formula in Europe and our negotiators are busy seeing if the details can be worked out. In short, we may be on the edge of an historic reduction of the number of nuclear weapons threatening mankind. If this great first step is taken, if nuclear arms reduction is achieved, it will be due to the strength and determination of allied leaders across Western Europe who refused to accept the Soviet nuclear domination of Europe.

European leaders, and indeed most Europeans, have come to understand that peace comes only through strength. Strength and realism are the watchwords for real progress in dealing with our Soviet adversaries. As we view changes which seem to be happening in the Soviet Union with cautious optimism, let it be remembered that, four decades ago, the Kremlin rejected Soviet participation in the Marshall Plan.

If the current Soviet leadership seeks another path, if they reject the closed, isolated, and belligerent policies they inherited, if they wish their country to be a part of the free world economy, we welcome the change. Let there be no mistake: The Soviet government is subject to the same rules as any other. Any government which is part of our deals with the West's major economic institutions, must do so with good faith, open books, and the open government on which both depend. Economic transactions are not maneuvers for political gain or international leverage; such destructive tactics are not tolerated. Countries which are part of the system are expected to do their best to strengthen the process and institutions, or be condemned to economic isolation.

The Soviet Union must also understand that the price of entry into the community of prosperous and productive nations is not just an economic price. There is a political price or even greater significance: respect for and support for the values of freedom that are, in the end, the true engines of material prosperity.

Time will tell if the signs emanating from the Soviet Union reflect real change or illusion. The decisions made by the Soviet leaders themselves will determine if relations will bloom or wither. Any agreement to reduce nuclear weapons, for example, must be followed by reductions in conventional forces. We are looking closely for signs that tangible changes have been made in that country's respect for human rights; and that does not mean just letting out a few of the better-known dissidents. We are waiting for signs of an end to their agression in Afghanistan.

This year is also the 40th anniversary of the Truman Doctrine, which fully recognized the need for economic assistance, but underscored the necessity of providing those under attack the weapons needed to defend themselves. On March 12, 1947, President Truman addressed a joint session of Congress and spelled out America's commitment. "It must be the policy of the United States to support free people who are resisting attempted subjugation by armed minorities or by outside pressures. I believe that we must assist free peoples to work out their own destinies in their own way."

Nineteen forty-seven was a volatile political year for our country. I was a Democrat back then. President Truman was under attack from both sides of his own party, and the opposition controlled both houses of Congress—and believe me, I know how frustating that can be.

Even amidst the deep political divisions so evident in 1947, the Marshall Plan and Truman Doctrine were approved by Congress. In the end, it was our ability to overcome our own domestic political discord, and forge a bipartisan approach that made the difference. Greece and Turkey were saved. Western Europe was put on the path to recovery. Human freedom was given a chance. Democracy has its weaknesses, but its strengths will prevail.

I leave for Europe with confidence. This generation of free men and women, too, will work together and succeed. We will pass on to our children a world as filled with hope and opportunity as the one we were handed. We owe this to those who went before us, to George C. Marshall and others who shaped the world we live in.

With this said, I will sign the order proclaiming George C. Marshall Month.

Thank you and God bless you.

EDUCATION OR CATASTROPHE

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. PICKLE. Mr. Speaker, a few weeks ago this House passed a strong new trade measure which I believe is a significant step toward reducing our gigantic trade deficit and helping American industry compete in world markets.

However, I think the debate on that measure highlighted the key to making America truly competitive. The key that will unlock the hopes of the future is education.

My good friend, the Honorable JIM WRIGHT, Speaker of the House of Representatives, addressed this crucial issue in his address at the commencement ceremonies at the University of Texas at Austin on May 23, 1987. He stressed the need for more education and to take positive steps to pursue peace, to express hope we might find better ways to improve our relations with Russia.

The text of his remarks follow:

EDUCATION OR CATASTROPHE

(By Hon. Jim Wright, Speaker, U.S. House of Representatives)

When I left this campus at the end of 1941 to enter the Army Air Corps, it was my intention to return. I didn't know it would take ths long.

Engraved on the main building which forms the base of the tower behind me are these words: "Ye shall know the truth, and the truth will make you free."

Knowledge is liberating. Education frees us from many things. It can free us from hunger and want and economic denial. Between now and tomorrow's first sunlight, several hundred children will die of starvation—in Africa and other places on our globe. We can blame this on weather—on geography—on social customs—on history. But the real reason is ignorance.

The principle difference between us and them is not race—nor a belief in capitalism—nor a fundamental difference in religious persuasion. The basic difference is education—the tradition of educational opportunity of which we are the beneficiaries.

I don't know how much it cost your family in financial investment for you to reach this point tonight. The nationwide average now is about $7,000 a year—$28,000 for four years.

Whatever it did cost, two things are true. From your point of view, it was worth it. However expensive education may be, it's not nearly as expensive as ignorance. From our nation's point of view, it was too much. For America's sake it ought to be less—so that more of our children might enjoy it's benefits.

Mirabeau B. Lamar was right. The "cultivated mind" is the "guardian genius of Democracy." If ours is truly the world's greatest Democracy, it will not be preserved by an elite few of us, but by all of us.

We have differed in one important respect from the older cultures that preceded ours. We did not set out to create an aristocracy and install it as a ruling class. And, unlike the French and Russian revolutions, we did not set out to destroy the aristocracy and supplant it with a dictatorship of the proletariat, reducing everything to the lowest common denominator.

Our aim was entirely different. Our goal is to expand the aristocracy until its benefits are available to all Americans. We haven't achieved that goal. But the American Revolution is still in progress. And education is the key.

Sometimes we tend to lose sight of that fact. We skew our priorities. Last week in the U.S. House of Representatives we passed two major bills—a military authorization and an elementary and secondary education bill.

We are budgeting about $300 billion for Pentagon spending—and about $18 billion for our federal investment in education. One thing is clear to me: We cannot long be first in military power—nor ever regain our position as first among the nations in world commerce—if we settle for second best in education!

This is important to the graduates, because it is central to the economy in which they will be able to use the education which we celebrate tonight.

The very best investment this country ever made was the G.I. Bill of Rights which allowed another generation of Americans to get a college education.

It unleashed the sleeping giant of our nation's untapped intellectual potential, and our industrial might soared fueled by the power it generated.

That G.I. Bill has paid for itself many times over—not just in a richer social fabric but in dollars and cents to the U.S. Treasury through higher taxes paid on higher earnings.

For the past several years, unfortunately, we have downgraded education in our national set of priorities—and we are paying the penalty today.

Last year the United States graduated some 54,000 Americans in mathematics and engineering degrees while Japan with half our population graduated half again more.

Or consider it in another context. Today Japan has 10,000 business representatives in our country selling Japanese goods to the American market. All of them speak excellent English.

We by contrast have only about 500 representatives of American firms in Japan, and practically none can speak any Japanese.

We downgrade education and wonder why we are running a $170 billion trade deficit that erodes our industrial base, depresses median wages in this country and in four short years has made us the world's largest debtor nation.

But I do not want to sing a funeral dirge.

Tonight I want to give you some good news, and a message of hope. The good news is that this year for the first time in this decade, Congress is increasing the financial commitment to educational excellence in America.

We are doubling the commitment to language training—helping the young from families where English is not spoken to master the language which is the currency of the realm in this continent—and we are upgrading the commitment to foreign language training for Americans to help us compete in the world.

We have rejected the shortsighted pleas to cut our commitment to anti-drug education for elementary grades.

We have rejected the Presidential budget plea to kill vocational education entirely. We have to keep it alive and even strengthen it to improve job skills to meet the needs of today's and tomorrow's job markets.

Rather than do away with Pell grants, college loans and grants, we are renewing our commitment to these goals and the long-term good.

It was 1921 when H.G. Wells wrote:

"Human history become more and more a race between education and catastrophe."

My message of hope is that I have recently seen some modest progress—and at least an outside prospect of a major breakthrough—on the side of the human race.

A few weeks ago I accompanied a delegation of Congressional leaders to the Soviet Union. We had a free-flowing, far-ranging conversation for two hours with Mikhail Gorbachev. We talked at length with Shevardnadze, with Ligachev, and for four days with the ranking Soviet military and civilian leadership.

What we saw was a process of considerable change. I do not know how far it will go or how long it will last. But there is absolutely no doubt that meaningful change is taking place. People are free to read the books and see the movies that previously were banned. Some political prisoners have been released.

Elections are giving people a choice for the first time between multiple candidates. Criticism of government performance and the offering of new ideas are being officially encourage, even formally solicited. Russian clergymen have told me that religion, while not encouraged, is no longer officially discouraged.

Members of the Politburo boast that Russia has 10,000 active churches. Mr. Gorbachev, speaking in my presence of the opportunity for peace, said: "Thank God, there is movement at last in that direction." Addressing the Komsomol, the national youth movement, he counseled that the young should not be satisfied. He even told them that they shouldn't believe everything they read in Pravda.

Certainly we must be on guard against euphoria or wishful thinking. These reforms have not transformed the underlying character of the Soviet system. It is not a democracy. It remains a totalitarian power which continues to deny some very basic human rights to its citizens. It does not allow people to emigrate freely. By our standards, it remains an oppressive government though clearly less repressive than it was. Nobody we know would change places with a Soviet citizen.

Nevertheless, there is undeniable movement. Watching something as ponderous as the Soviet Union is like watching a glacier. Any movement is significant. And as President Dwight D. Eisenhower counseled, we must be prepared to respond to any sign or opening within the Soviet Union that could increase the prospects for peace.

While I was in Moscow, I was offered the chance to speak on Soviet television. This may have been a first. I eagerly accepted that offer. Soviet television reaches more than 80 percent of the public. My goal was to share a vision of peace with the ordinary people of that country and to evoke their response.

At the end of my remarks, I invited the viewers to write me a note or letter. I offered to send to each who did so a little lapel pin depicting the U.S. and Soviet flags. As of this week, I have received more than 2,000 letters from Soviet citizens. They come from every part of the Soviet Union—from young couples, from school students, from people of my generation who remember World War II. Two-thirds of the letters are in Russian and one-third English, some perfect and some very imperfect.

One of them came from a young woman named Natalia Kashirskaya, a 23 year-old mother and student at the University of Kalinin. She wrote: "While listening to you, we all had an increasing hope that the problem of the peace all over the world would be solved. . . . As for us, I've never met a person in my life who was eager for a war . . . This is an awful misunderstanding existing between our countries. Please assure the Americans that we are not fanatics and that we do not hate them. Explain that we like what we know about them—and that we want to know them better."

Having read these letters, I am certain of one thing—the Soviet people want peace and the relaxation of the tensions of the cold war. They do not want to continue an arms race. I earnestly believe that the opportunity for negotiating a mutual, verifiable reduction in nuclear and even conventional armaments and the oppressive burden of military spending which afflicts both countries—and for doing so in a way which will clearly serve our own interest—is better today than it has been at any time in the last 50 years.

The United States is spending this year some $300 billion on the unproductive implements of warfare and the Soviet Union is spending a like amount. Each of us does so because we're afraid of what the other would do if we didn't. Between us we already stockpile 60,000 nuclear warheads with a total destructive power one million times that of the bomb which destroyed Hiroshima. It would take less than five percent of the number we already have to destroy every major city in the world. Today one submarine carries more destructive power than all the bombs dropped on all the countries in all the years of World War II.

Yet each week we add 35 more nuclear bombs to our stockpile—while many Americans go hungry and some go homeless, illiterate go without learning and hundreds of thousands of young people in our country are unable to get the financial assistance they need to go to college.

Here is a challenge for your heart and a dream for your mind. Here is a life's work worthy of your commitment. Enlist with me in the struggle for a better society and in the battle for peace, and enjoy the fulfilling life of being an ongoing part of the American Dream.

DEDICATED TEACHERS

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. CLAY. Mr. Speaker, the first week of June in my district officially ends the spring semester. It also ends the careers of many of our teachers who have long toiled to raise the educational levels of our youth. I would like to share with you and my colleagues some remarks about four of our most deserving teachers, who after many years of dedicated service, are ending their active teaching careers.

Mrs. Angelica N. Hart—Graduated from Stowe Teacher's College in January 1949. She began her teaching career shortly thereafter at Simmons School. She then, after a few years, took a leave of absence to start her family. Upon her return, she was assigned to Howard School where she remained for 25 years, then to Lindenwood School and finally to Buder School where she remained until her retirement this semester. The quality of Mrs. Hart's teaching has been recognized by the St. Louis Board of Education, her colleagues and by the community that she served for 37 years.

Miss Carmelina Castiglione—Miss Castiglione was borne in Italy and went to first grade in Italy. Upon arrival in the United States, her family settled in St. Louis where she attended Shaw Elementary and Southwest High School. She received her Bachelor of Arts Degree from Harris Teacher's College. Her teaching experience has only been at two schools in St. Louis. Nineteen of these years she taught in the primary grades at Madison School and 21 years at the Buder School. It is from Buder School that she is retiring. Her students in first grade have written two books; "Recipes from First Grade" and "What I am Going To Be". Her artistic contributions and academic innovations will always be remembered by the many students whose lives have been enriched by her.

Ms. Vivian Bolar—Ms. Vivian Bolar, a native St. Louisian, was educated in the St. Louis public schools and graduated from Stowe Teachers College. She later attended workshops at Chicago University and some in the St. Louis area. Ms. Bolar began her teaching career at O'Fallon School, then was transferred to Jefferson School. Her final years were completed at Jefferson.

While teaching, Ms. Bolar was actively involved with the Girl Scouts, the YWCA and was active in church affairs. She travelled extensively and brought back to her classroom the benefits of her travels. Ms. Marian G. Dix—Ms. Marian G. Dix was also educated in the St. Louis public schools. She received her bachelors degree from Harris-Stowe College and her M. ED from St. Louis University. She is listed in Who's Who Among American Teachers.

Ms. Dix dedicated 44 years of her life to the children of St. Louis and taught at every grade level in the elementary area. Ms. Dix is also listed in Who's Who Among American Teachers. She also found time to actively participate with various groups at her church, the NAACP, YWCA and the Annie Malone Children's Home.

I ask my colleagues to join me in commending these dedicated teachers for a job well done and in wishing them the very best in their retirement years.

PEACE OFFICERS' MEMORIAL DAY—1987

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. BIAGGI. Mr. Speaker, May 15 marked the 24th annual observance of Peace Officers' Memorial Day, a time to pay a special and richly deserved tribute to those brave and selfless law enforcement officers who die in the line of duty.

The numbers are far more shocking than most would expect. Last year, there were 159 law enforcement line of duty deaths, according to figures compiled by the Concerns of Police Survivors and the Ladies Auxiliary of the Fraternal Order of Police. These figures include 8 officers from my home State of New York: Kenton Britt, Maureen Callanan, Scott Gadell, James E. Holmes, George Klimpel, Anthony M. Libertone, Arthur A. Scarafile, and Anthony J. Venditti. The State of California had the most line of duty police deaths in 1986 with 15, followed by Georgia with 12, and Florida and Michigan with 9 each.

According to the FBI, over the 10-year period ending in 1985, there were 1,508 line of duty police deaths in our country. That's 150 a year, or 1 police officer killed in America nearly every 2 days.

The FBI reports that 921 of these officers were killed "feloniously," usually by a firearm (9 out of 10 cases). The other 587 law officers who died in the line of duty between 1976 and 1985 were listed by the FBI as "accidentally killed," most of them in automobile accidents (236 police deaths), or run over by automobiles during traffic stops or while directing traffic (144 police deaths).

Some have suggested that death is merely one of the many risks a police officer willingly assumes when he or she applies for the job—almost as if to say, "It's a shame, but that's what they get paid to do." Wrong! We do not pay anyone in our Nation to die, and the death of a law enforcement officer should neither be expected, nor accepted as part of life.

But, isn't that exactly what happens? When a police officer dies, we pause—for a moment—but after some kind words and some tears, all but a few lives are left unchanged—most notably the police survivors. These are the thousands of Americans who are emotionally and permanently scarred by the sudden and usually violent death of their loved one. And, the police officer who remains on the job is left to wonder whether the risks and sacrifices are worth it; whether anyone really cares about the service they provide.

It is for all of these reasons that an effort is now underway to build a National Law Enforcement Memorial in our Nation's Capital. I am proud to be a founder of this project, along with Senator CLAIBORNE PELL. Together, we authored the legislation that was unanimously approved by Congress and signed by President Reagan allowing this memorial to be built in Washington, DC.

For the survivors, it will remind them that the sacrifice of their loved one was not in vain and will not be forgotten. For active law enforcement officers, it will remind them that their work and sacrifice is fully recognized and highly valued. For other Americans, it will remind them that law enforcement is a uniquely perilous, necessary, and demanding profession. For all, it will be a symbol of pride.

I am proud to report that, recently, a number of other very prominent individuals have joined as sponsors of this project, including U.S. Attorney General Edwin Meese (Chairman, National Sponsoring Committee, National Law Enforcement Officers' Memorial Fund, Inc.), First Lady Nancy Reagan, Senator ALAN K. SIMPSON, former U.S. Attorney General Elliott Richardson, and House Sergeant at Arms Jack Russ.

The National Law Enforcement Officers' Memorial Fund (1575 Eye Street, NW, Suite 1075, Washington, DC. 20005, phone: 202-682-9211) has been authorized by Congress to develop site and design recommendations for the memorial and to raise funds—the memorial will be paid for solely through private contributions. The fund is managed by 15 of our Nation's leading law enforcement groups. They include: the Concerns of Police Survivors; the Federal Law Enforcement Officers Association; the Fraternal Order of Police; the Fraternal Order of Police Ladies Auxiliary; the International Association of Chiefs of Police; the International Brotherhood of Police Officers; the International Union of Police Associations/AFL-CIO; the National Association of Police Organizations; the National Black Police Association; the National Organization of Black Law Enforcement Executives; the National Sheriffs Association; the National Troopers Coalition; the Police Executive Research Forum; the Police Foundation; and the United Federation of Police.

Mr. Speaker, on May 15, more than 5,000 police survivors, uniformed officers and concerned citizens attended a moving Peace Officers' Memorial Day ceremony on the West Front of the Capitol. Senator EDWARD KENNEDY eloquently delivered the keynote address, and appropriately called on Congress to do more to help make the police officer's life safer, and their job easier.

Suzie Sawyer, president of the Fraternal Order of Police Ladies Auxiliary, delivered what was clearly one of the most poignant messages of the day when she quoted from the song, "The Way We Were," saying, "What is too painful to remember, we simply choose to forget." The death of a law enforcement officer is truly a painful experience—for all of us—and too many of us do simply choose to forget. That's why we need an important reminder—not of death, but of thousands of lives well-lived and well-served. The National

Law Enforcement Memorial, which is planned for the Ellipse, will serve as that reminder.

Mr. Speaker, as a police veteran, myself, it is my distinct honor to pay a very personal tribute to the 159 law enforcement officers who died in the line of duty during 1986. Listed below (by State) is the name, department served, and date of death of each law enforcement officer who died in the line of duty during 1986:

LAW ENFORCEMENT OFFICERS WHO GAVE THE SUPREME SACRIFICE IN 1986

ALABAMA

Leonard W. Brand, Tallapoosa County Sheriff's Department, May 25.

Frank H. Dunn, Birmingham Police Department, October 14.

Volmer D. Owen, Jefferson County Sheriff's Department, September.

John R. Price, Autauga County Sheriff's Department, July 13.

Stevie L. Thompson, Crossville Police Department, September 13.

ALASKA

Harry B. Hanson, Jr., Anchorage Police Department, July 17.

Ronald E. Zimin, Alaska Village Public Safety Division, October 21.

ARIZONA

Robert T. Fike, Phoenix Police Department, January 8.

Randall W. Graves, Pima County Sheriff's Department, January 19.

Gary Maas, Yuma Police Department, April 9.

Jose Ordunez, San Luis Public Safety Department, April 9.

ARKANSAS

James A. Avant, Pulaski County Sheriff's Department, July 24.

Charles M. Bassing, Arkansas State Police, July 24.

Kevin L. Brosch, Jefferson County Sheriff's Department, July 24.

Billy W. Simms, Ft. Smith Police Department, April 18.

Wayne M. Warwick, Hot Springs Police Department, September 5.

CALIFORNIA

Raul Adauto, Los Angeles County Sheriff's Department, April 5.

Ronald L. Ball, Los Angeles Police Department, February 8.

Kelly A. Bazer, San Diego Sheriff's Department, January 13.

Ray D. Bockman, Kern County Sheriff's Department, August 18.

Lawrence E. Breceda, Siskiyou County Sheriff's Department, July 31.

George F. Butler, California Highway Patrol, December 8.

Donald J. DeMeulle, San Bernardino Sheriff's Department, July 31.

Thomas J. Keller, Torrance Police Department, April 17.

Marvin R. Kline, Kern County Sheriff's Department, August 16.

Timothy F. Littlefield, San Bernardino Sheriff's Department, September 14.

Arleigh E. McCree, Los Angeles Police Department, February 8.

Douglas B. Miller, Santa Clara County Sheriff's Department, June 9.

Dale S. Rossetto, Siskiyou County Sheriff's Department, July 31.

Timothy Ruggles, Placer County Sheriff's Department, February 9.

Gary W. Wolfley, Rialto Police Department, March 3.

COLORADO

Patrick J. Pollock, Denver Police Department, December 12.

William J. Truesdale, Jefferson County Sheriff's Department, June 18.

CONNECTICUT

James H. Savage, Connecticut State Police, January 22.

FLORIDA

James M. Beasley, Sweetwater Police Department, June 25.

Ephraim Brown, Opa-Locka Police Department, June 3.

Herbert W. Grimes, Manatee County Sheriff's Department, November 24.

John Healy, Seminole Indian Police Department, February 9.

David W. Herring, Miami Police Department, September 3.

Emilio Miyares, Hialeah Police Department, November 6.

Floyd M. Moore, Jr., Bay County Sheriff's Department, January 28.

Richard R. Raczkoski, Indian River County Police Department, September 23.

Joseph S. Pellicano, Melbourne Police Department, October 17.

GEORGIA

Harvey J. Adams, Marietta Police Department, August 30.

Robert G. Bridges, Clayton County Sheriff's Department, July 9.

Sammy G. Bullock, La Grange Police Department, January 21.

Ronald L. Burgess, Federal Postal Inspector, March 10.

Cleveland R. Christian, Brunswick Police Department, May 16.

Lee Coxwell, Georgia Probation, November 15.

Robert Cunningham, Iron City Police Department, August 27.

Larry J. Osborne, Hancock County Sheriff's Department, January 26.

Daniel S. Ray, Jr., Houston County Sheriff's Department, May 10.

John H. Rowe, Jr., Lowndes County Sheriff's Department, April 17.

Leslie G. Warden, Roswell Police Department, June 14.

Tony R. Wilder, Colquitt County Sheriff's Department, January 31.

ILLINOIS

Jay F. Brunkella, Chicago Police Department, October 4.

Richard W. Clark, Sr., Chicago Police Department, April 3.

Richard Davenport, Chicago Police Department, August 4.

Elmer M. Harris, St. Clair County Sheriff's Department, December 5.

John H. Kugelman, Illinois State Police, November 10.

William P. Osborn, Bloomington Police Department, February 19.

INDIANA

Thomas E. Gahl, U.S. Probations, September 22.

Malcolm E. Grass, Hancock County Sheriff's Department, May 8.

Dave L. Sandler, Indianapolis Police Department, June 4.

KANSAS

Maureen K. Murphy, Bonner Springs Police Department, January 13.

KENTUCKY

Charles F. Cash, KY Corrections, May 9.

Jack L. Dueser, Jefferson County Police Department, July 29.

Michael R. Green, Jefferson County Metro Corrections, January 26.

John R. Herron, Falmouth Police Department, December 20.

Robert T. Walker, Irving Police Department, February 16.

John R. Weiss, Shively Police Department, February 12.

LOUISIANA

Michael W. Bourgoyne, Port Allen Police Department, October 7.

MAINE

Michael R. Veilleux, Maine State Police, June 17.

MARYLAND

Robert Alexander, Baltimore City Police Department, September 20.

Gregory M. May, Maryland State Police, June 19.

Richard T. Miller, Baltimore City Police Department, June 12.

Carey S. Poetzman, Maryland State Police, January 19.

Robert F. Pyles, Sr., Maryland Toll Facilities, September 26.

Robert W. Zimmerman, Baltimore County Police Department, November 14.

MASSACHUSETTS

Leslie H. Peters, Jr., Haverhill Police Department, June 26.

Stephen A. Lukas, Auburn Police Department, January 1.

MICHIGAN

Giacoma Buffa, Detroit Police Department, February 5.

Carl L. Darling, Otsego County Sherriff's Department, May 3.

Gary Greer, Detroit Police Department, June 6.

Freddie Lee Jackson, Detroit Police Department, October 6.

Mark C. Radden, Detroit Police Department, February 5.

Johnnie C. Shoates, Detroit Police Department, November 9.

Joseph F. Taylor, Grand Rapids Police Department, November 17.

Anthony C. Williams, Detroit Police Department, July 20.

Everett Williams, Jr., Detroit Police Department, September 27.

MINNESOTA

David Mack, Minneapolis Police Department.

MISSISSIPPI

Osborne Bell, Holly Springs Sheriff's Department, May 7.

Travis O. Biddle, Rankin County Sheriff's Department, February 6.

Wilbert L. Bogan, Shannon Police Department, June 13.

MISSOURI

Wyman S. Basinger, Cole County Sheriff's Department, February 6.

NEW JERSEY

Donald P. Carroll, Jersey City Police Department, November 6.

NEW MEXICO

Ronald T. Baca, Gallup Police Department, January 3.

Leo Chavez. Valencia Sheriff's Department, December 12.

Kenneth S. McWethy, Albuquerque Police Department, February 1.

Sherman L. Toler, New Mexico State Police, March 5.

NEW YORK

Kenton Britt, New York Police Department, November 12.

Maureen Callanan, Nassau County Sheriff's Department, December 12.

Scott Gadell, New York Police Department, June 28.

James E. Holmes, New York Housing Authority, March 23.

George Klimpel, Nassau County Sheriff's Department, December 12.

Anthony M. Libertone, New York State Parole Division, June 12.

Arthur A. Scarafile, New York State Police, May 8.

Anthony J. Venditti, New York State Police, January 21.

NORTH CAROLINA

Danny Ray Griffin, Rowan County Sheriff's Department, June 1.

OHIO

Mark Decker, Veterans Administration Police, January 31.

Murray W. Griffin, Belle Center Police Department, July 5.

Gary A. Paster, Macedonia Police Department, May 29.

Gordon J. Rich, Columbus Police Department, April 5.

Leonard Wilcox, Veterans Administration Police, January 31.

OKLAHOMA

Henry L. Cotton, Perkins Police Department, April 29.

Albert C. Gaston, Woodward County Sheriff's Department, February 12.

Richard O. Riggs, Oklahoma City Police Department, January 7.

James A. Slay, Tulsa Police Department, November 10.

PENNSYLVANIA

Thomas A. Bateman, Bucks County Sheriff's Department, September 22.

Ralph M. Galdi, Philadelphia Police Department, March 31.

Daniel T. Gleason, Philadelphia Police Department, June 5.

Richard Janaczewski, Avoca Police Department, May 26.

Roark H. Ross, Pennsylvania State Police, May 15.

George M. Warta, Jr., Bucks County Sheriff's Department, September 22.

SOUTH CAROLINA

Allen R. Brazzell, Sumpter County Sheriff's Department, October 12.

John R. Floyd, Horry County Police Department, June 25.

Douglas M. Jones, Lexington County Sheriff's Department, August 19.

Henry O. Stalvey, Jr., Horry County Police Department, September 12.

Gary A. Thompson, Gray Court Police Department, October 28.

John C. Williamson, Dillon County Sheriff's Department, April 11.

TEXAS

Gary R. Blair, Dallas Police Department, March 20.

Danny F. Cordes, Mansfield Police Department, May 23.

Ronnie D. Cox, Addison Police Department, December 15.

George W. Gross, Jr., Port Isabel Police Department, August 15.

Jose G. Herrera, Webb County Sheriff's Department, February 3.

Frank D. Howell, Tarrant County Sheriff's Department, November 3.

Manuel A. Segovia, Jr., Hidalgo County Sheriff's Department, October 31.

William K. Thurston, Denton County Sheriff's Department, December 10.

UTAH

Thomas M. Rees, West Jordan Police Department, February 23.

VIRGINIA

Ricky M. McCoy, Virginia State Police, January 3.

David W. Rickman, Roanoke Police Department, April 12.

George R. Taylor, Jr., Richmond Police Department, June 15.

WASHINGTON

Michael J. McNabb, Klickitat County Sheriff's Department, April 17.

Louis Millard, Colville Tribes Police Department, August 27.

Larry W. Walker, Tacoma Police Department, October 25.

WISCONSIN

Robert W. Dickson, Vernon County Sheriff's Department, August 8.

DISTRICT OF COLUMBIA AND FEDERAL OFFICERS

Jerry Dove, FBI, April 11.

Benjamin P. Grogen, FBI, April 11.

Manuel de J. Otero Marrero, U.S. Secret Service, December 31.

James K. McAlister, FBI, April 18.

Glenn R. Miles, Sr., U.S. Customs Service, February 21.

William Ramos, Drug Enforcement Administration, December 31.

Norman R. Salinas, INS-U.S. Border Patrol.

Ivan S. Sanabria, U.S. Customs Service, February 1.

Kevin J. Welsh, Metropolitan Police Department, August 4.

PUERTO RICO

Wilfredo Calderon Morales, Puerto Rico Police Department, February 2.

Jose Antonio Alvarez Rivera, Puerto Rico Police Department, June 13.

Miguel Gonzalez Torres, Puerto Rico Police Department, July 23.

Moises Ortiz Torres, Puerto Rico Police Department, March 11.

JUDGE JOHN W. REYNOLDS AND JUDGE MYRON L. GORDON

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. KASTENMEIER. Mr. Speaker, I would like to share a few thoughts about two Federal judges from my home State of Wisconsin who were recently honored at a dinner in Milwaukee, WI.

Judge John W. Reynolds was appointed a Federal judge by President Lyndon Johnson in 1965. Prior to his appointment, he was attorney general of the State of Wisconsin from 1958 to 1962. He was Governor of the State from 1963 to 1965. Judge Reynolds assumed senior status in October 1986.

Judge Myron L. Gordon was appointed by President Johnson in 1967. Prior to that, he practiced law, served as a State circuit judge and as an associate justice on the State Supreme Court. Judge Gordon became a senior judge in 1983.

Both judges served on committees of the Judicial Conference of the United States.

I could go on indefinitely about the contributions of Judges Reynolds and Gordon not only to the Federal Government but also to the State of Wisconsin. Suffice it to say that they ably and honorably served as Federal judges for more than a collective 40 years. They have brought respect to their office and have remained true to their oaths. Judges Reynolds and Gordon are good people and good friends.

The main speaker at the Milwaukee dinner was another friend and former colleague, Judge Abner Mikva. Judge Mikva recounts some of the cases decided by the two judges and then shares several reflections about the importance of the Federal judiciary and the lifetime tenured judges that compose it.

I would like to share Judge Mikva's thoughts with my colleagues. I encourage a close reading of his remarks.

Judge Mikva's remarks follow:

REMARKS OF ABNER J. MIKVA, U.S. CIRCUIT JUDGE, U.S. COURT OF APPEALS, DISTRICT OF COLUMBIA CIRCUIT, AT THE DINNER HONORING JUDGE JOHN REYNOLDS AND JUDGE MYRON GORDON, MILWAUKEE, WI, FEBRUARY 25, 1987

Chief Justice Heffernan, distinguished honorees, ladies, and gentlemen:

* * * * *

Well you can see from this briefest review of the judicial efforts of Messrs. Reynolds and Gordon, that they are not the kind of judges you want your daughter to marry. They don't seem to care one whit about popular opinion or the opinion of our government leaders.

* * * * *

Is that what Article III is all about? Is that why we gave them life tenure—to go on doing those things for the rest of their lives?

Well, some us think that is exactly what Article III was all about. Some of us think that one of the fundamental grievances which led to the American Revolution and the Constitution was the way in which colonial judges were kept subservient and leashed by making their appointments at the pleasure of the crown—or of the colonial governors. Some of us think that whatever the wisdom of capital punishment as a weapon in the criminal law arsenal, the wrong signal can be sent out to elected judges when their tenure is ended by a referendum on the way they handled capital cases—or any other kind of cases. I still remember vividly the scene from the movie version of "Tale of Two Cities" where Dickens, interpreted by Hollywood, has the defendants brought into the town square and the roar of the crowd determined their guilt and their fate on the guillotine. Justice in individual cases cannot be distributed by popular decision and popular will, and our founders proposed a tough answer to this tough problem—an independent judiciary, appointed for life, who in theory, at least, would be encouraged to rise above popular passions and prejudices, and call them as they see them.

I say in theory because the notion of an independent judiciary is fine for 4th of July speeches, but hard to love when it bites next door. And so you have Presidents complaining about the independence of judges and justices. During the 1980 Presidential campaign, then-candidate Reagan said:

"Time and again in recent years, we have seen the Supreme Court override public opinion concerning school prayer, forced busing, the treatment of criminals. * * * There must be new justices on the Court, women and men who respect and reflect the values and morals of the American majority. I pledge to make such appointments."

President Reagan's goals in appointing Justices are very similar to those of President Roosevelt when the Supreme Court began to strike down his New Deal Legislation:

"[If the Supreme Court strikes down the Wagner Act, the Social Security Act, and other pieces of New Deal legislation], he said Congress can enlarge the Supreme Court, increasing the number of justices from nine to twelve or fifteen."

While the specific court packing plan FDR proposed died aborning, FDR did get to appoint Justices who shared his New Deal Views, including Hugo Black. Justice Black met opposition from all quarters when he was nominated, due to his advocacy of New Deal legislation while a Senator and his alleged membership in the Ku Klux Klan as a young lawyer in Alabama. Upon Black's confirmation, former President Hoover remarked, "The Court is one-ninth packed." The media was equally critical of Black. The Chicago Tribune dubbed his nomination "the worst the President could find," while the New York Herald Tribune called it "a nomination as menacing as it is unfit." We all know that Justice Black went on to a long and distinguished career of confounding his critics.

* * * * *

Sometimes the judges whom Presidents criticize are the very ones they appointed. President Eisenhower developed a minimum of enthusiasm for his decision to appoint Earl Warren as Chief Justice.

But the theory calls for judges who constantly remember that popular decisions can be made easily by the popular branches of government, but that his function is to protect minority rights from majority passions. By minorities I mean not only racial, religious and political groupings—I include every defendant in every criminal case. By definition a minority is one who the public-square judges of the French Revolution would guillotine first and try later. Think of any important criminal law precedent where a constitutional right was upheld. Every one of these cases would have been decided differently if the decision had been by referendum. *Miranda, Monte Durham, Mapp* v. *Ohio, Escobedo, Gideon.*

It gets harder to remember the need for the independent judiciary as the cases get harder and have more public policy ingredients in them. While it is difficult enough to hand down unpopular decisions in criminal cases, the public passion can cool with the passage of time. Public policy controversies have a longer life expectancy.

Let's parse out the criminal case. The community is aroused because a heinous crime has been committed. The important facts fueling the public passion are that the crime was heinous and that it has been committed. While it would be nice to convict the guilty party, it is important that somebody be convicted—Round up the usual suspects as the Inspector (Claude Rains) said in "Casa Blanca." Along comes some fearless judge and says "Hold on, the confession cannot be admitted into evidence because of some technicality dealing with rubber hoses." The body politic gets very angry at this judicial setback to their spleen-venting, but the anger will pass. And if the judge hopefully has enough of a mix of civil cases, or at least drunk and disorderly cases, the public may forget about him.

But when a judge hands down a decision ordering an end to segregated schools—he has created a storm that lasts a long, long time. The least objective people in the world are parents to begin with. More important, every day that the judges order impacts some children—read parents—every twist and turn in the judicial process—the hearings, the appeals, the temporary restraining orders, the proposed settlement, all fan the white heat of popular indignation.

It is a serious problem that we ought to recognize. Take Judge Reynolds' Decision in the Milwaukee school case. You can start out with the given that virtually nobody read the decision. Neither the defenders nor the detractors spent the time trying to follow the difficult decisional process that Judge Reynolds had to employ. They chose up sides on the result—a result declared and analyzed first by the media—well known constitutional scholars all. And then the result was chewed up by the politicians, all of whom of course pored over the—pages of Judge Reynolds' decision before they pronounced judgment on his judgment. And since the decision impacted, on a daily basis, a large part of the Milwaukee citizenry, the controversy rolled on.

The situation we confront today is not the result of judges marching into the fray. It is rather the result of judges being drawn into the battle by the sheer enormity of the wrongs and by the unrelenting demands of citizens who believe their complaints are being ignored by everyone else. As de Tocqueville also remarked, "The American judge is dragged in spite of himself onto the political field."

Even though the current situation is not quite as new as some critics suggest, I do agree that we may be approaching the point of excess. More importantly, people generally—both liberals and conservatives—perceive the courts as being overly involved in political affairs. This may be one of those instances in which what is, is less important than what seems to be.

I am afraid that I cannot offer you a cure for the current disease. I can, I hope, give you some suggestions as to why the situation has become as bad as it is.

The beginning of wisdom, I believe, is the frank recognition that the judiciary, as a branch of the government, is a political institution. Even though we expect judges to be impartial, our courts are not isolated from the political domain. Being detached from day-to-day partisan affairs is one thing: being wholly divorced from the world of real people is something else. The judgment of a court, especially in areas we would all regard as involving public policy, takes place in a political context that cannot be ignored. The major pronouncements of our courts—the ones that most directly affect the social and economic life of the nation—are unavoidably political.

People who view the courts from a broader perspective than jurisprudence or constitutional law quickly realize that a court's decision is influenced by political events. Mr. Dooley—the humorous pundit of the Chicago Tribune—was painfully blunt but reasonably accurate when he said, "[N]o matter whether th' Constitution follows th' flag or not, th' Supreme Court follows th' iliction returns."

This fact conflicts with our high school civics ideal, but it is not really what concerns me most. The effect of political events on judicial decisions is, I think, less worth thinking about than is the effect of judicial decisions on political events. Sometimes we are dismayed to learn that a judicial decision has had almost no effect. On other occasions it has had substantial political effects, but they are not the ones we would have expected or hoped for.

There is a tendency to become so mesmerized by the awesome trapping of the judiciary that we overlook just how fragile its political power really is. The legislature controls the money, the executive the army; all the judiciary really has is its own moral authority.

Of course, if a direct order of a court is disobeyed, the court can hold the party in contempt, and if all else fails, order his arrest. But lest we lose touch with reality altogether, let us recall that at the time of *Brown* the Supreme Court had under its direct command one, and only one, U.S. marshal—hardly sufficient to forcibly desegregate the South.

In 1962, the Fifth Circuit tried and tried again to force Governor Ross Barnett to allow James Meredith to enroll in "Ole Miss." they were able to succeed only when President Kennedy called out the National Guard. From events like this we should learn just how tenuous judicial power really is. There is no getting around the basic fact that the ability of courts to bring about social change is almost wholly dependent on popular acceptance of their judgments or on the support of other agencies of government.

The limited political resources of the courts are further restricted by the judge's inability to marshal public support for an unpopular—even though necessary—decision. The President or a member of Congress can always take his or her case to the people. A judge cannot. For the sake of maintaining the impartiality of the court—a crucial element of its long-term legitimacy—it is absolutely essential that this be the way it is. And the election process—that final arbiter of the correctness of a political decision—is not and cannot be present in judicial process. This means, however, that a court's decision can have political influences in only one of two ways: by the persuasiveness of the court's opinion or by how that opinion is interpreted by other political actors and the press. Those are meager tools in the arsenal of social change.

The practical, real-world effectiveness of a judicial decision, therefore, almost always depends on who, among those with more substantial political power, is willing to side with the courts. Possible supporters of a judicial decision include public officials, both national and local, the press, and organized groups of citizens who are willing to work in the political domain for social change. When judges begin to think they can "go it alone," they fool themselves about the political context which does and should limit their authority. When judges are foolish enough to try to go it alone, they are quickly stymied by political forces they cannot control.

To put the matter quite plainly, it really does not matter how awful the situation is in the Alabama mental hospital—if Judge Johnson could not persuade, cajole, induce, or shame the Alabama legislature into appropriating more money for mental health, the efficacy of his order would be almost nil. And even if the changes the legislature and executive are willing to make fall far short of what needs to be done, they are better than what a judge can engineer alone.

We should never forget that there is no simple correlation between the egregious-ness and enormity of the wrongs the court confronts and the court's ability to set matters right. We must also be quite candid in admitting that we know far less than we would like to believe about how a major court decision actually does affect political events.

What I am saying is that as the judiciary are called upon more and more to resolve these policy questions in cases and controversies that cannot be avoided, it is incumbent on all of us to preserve and protect that branch of government—even when it doesn't always come out the way we want it to. The institution of an independent judiciary was too hard to get and too hard to keep to fritter it away just because those independent judges don't always do what we want them to.

And mostly, we need to remember that the sine quo non of an independent judiciary is the judges who have the courage to carry out their role. That's why all of us have reason to be grateful to John Reynolds and Myron Gordon for being the quintessential judges that our founders had in mind.

Well John and Mike, you have had enough encomiums for one evening. I would remind you what John Peter Altgeld said in his retiring address as Governor of Illinois,

"[W]hen a public man gives to his country the very best services in his power he has done no more than he agreed to do and * * * no more than the public had a right to expect."

And for the rest of us, I would close by reminding us what Clarence Darrow said in describing Altgeld—that is very pertinent to the careers of Reynolds, J. and Gordon, J. Darrow said of Altgeld:

"He so loved justice and truth and liberty and righteousness that all the terrors that the earth could hold were less than the condemnation of his own conscience for an act that was cowardly or mean."

Thank you for being the very model of Article III judges.

THE DAV VIETNAM VETERANS NATIONAL MEMORIAL BILL

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. RICHARDSON. Mr. Speaker, it was a great honor to see H.J. Res. 97, a bill to declare the DAV Vietnam Veterans Memorial in Angel Fire, N.M. a national memorial, pass the full House. This memorial took tremendous effort on the part of many constituents in my district, and its recognition is long overdue. In 1968, Dr. and Mrs. Victor Westphall along with their younger son Douglas sought to build a lasting memorial to their son and brother, David, who was killed in Vietnam. His idea became a reality through his own perserverance, and because other people in my district shared his vision of a lasting monument to our veterans. Mr Ted Luna, the architect, designed a structure which is truly inspirational. With the help of Vedeler Engineering & Construction Inc., the monument went from idea to concrete reality. Mr. Georg Vedeler directed the building of the basic structure. He and his crew put in many hours of hard work because they wanted to see this idea of Dr. Westphall's become a reality. I would like to extend special recognition to them because their work is often overlooked when recognition is given to this chapel. The erection of this chapel truly was a tremendous effort, and achieved outstanding results.

The chapel in Angel Fire stands on a hill in northern New Mexico overlooking the Moreno Valley. The structure rises above the brow of the hill to a height of nearly 50 feet with inward curving walls sweeping down each side. It truly makes an impression when seen from a distance—one of the reasons why it has received an award for architectural excellence from the New Mexico Society of Architects. The chapel they built served for many years without official recognition. In fact, Dr. Westphall had exhausted all funds for the chapel before it was completed. But fortunately Mr. Speaker, the DAV—Disabled American Veterans—learned of the memorial in 1977 and began providing funding. On Memorial Day, 1983, the chapel was rededicated and named the DAV Vietnam Veterans Memorial. It was made a State memorial in 1983 during the first session of the 36th New Mexico State Legislature.

I know I have said thanks to many people, but I would again like to take a moment to personally thank Mr. DYMALLY for his help in passing this legislation through the House. It was a great an honor to the people in my district who devoted so much of their time and effort.

SUPREME COURT BACKS LABOR RIGHTS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. CONYERS. Mr. Speaker, the Supreme Court yesterday returned two major decisions backing the rights of organized labor in two critical areas: plant closings and mergers and acquisitions.

The Supreme Court recognized the right of a State to require companies to provide compensation to workers affected by sudden plant closings. I hope that unions will seize this initiative and press their State legislators for similar statutes.

The Supreme Court also strengthened unions in this era of mergermania by stating that the official recognition of a union cannot be erased by a merger or the changed ownership of a company. Both court decisions are welcomed by the labor movement in America.

I would like to insert an article by Stuart Taylor, Jr., which appeared in today's New York Times and which further explains these decisions. The article follows:

TOP COURT UPHOLDS SEVERANCE PAY FOR WORKERS WHOSE PLANTS CLOSE

(By Stuart Taylor, Jr.)

WASHINGTON, June 1.—The Supreme Court today upheld, 5 to 4, a Maine law requiring employers to pay severance benefits to some workers laid off in plant closings. The ruling could encourage passage of similar laws by other states hard hit by foreign competition and economic dislocation.

While no other state has a law like Maine's plant closing law, the Chamber of Commerce of the United States argued in its brief in the case that upholding the law would lead to "mass intrusion by the states into the federally regulated areas of welfare benefits and collective bargaining." This, it said, would saddle multistate employers with inconsistent obligations in different states and cause "economic turmoil."

The chamber's brief said that in 1986, 18 state legislatures considered 38 separate bills concerning plant closings, relocations and reductions in force, including mandatory severance pay provisions and bills to require continuation of health insurance plans at the employer's expense.

REJECTED FEDERAL PRE-EMPTION

The Court, nonetheless, rejected arguments by the chamber, the Reagan Administration and the Fort Halifax Packing Company Inc. that the Maine law was pre-empted by the Federal Employee Retirement Income Security Act of 1974, or Erisa, which broadly regulates employee benefit plans including severance pay plans.

The majority opinion, by Justice William J. Brennan Jr., also rejected arguments by the company that the Maine law was pre-empted by the National Labor Relations Act, the principal Federal law regulating collective bargaining agreements.

Paula Connelly, a lawyer with the Chamber of Commerce, and David Silberman, a lawyer with the American Federation of Labor and Congress of Industrial Organizations, both said today that the importance of the decision outside Maine would depend on whether other states decide to pass similar severance pay laws, or other laws imposing social obligations on employers for laid-off workers. Both said it was hard to forecast what other states would do.

The Maine law, intended to mitigate the effects of dozens of plant closings in the state on workers and their communities, requires that employers that terminate operations at plants with more than 100 employees, or relocate those operations more than 100 miles away, provide one week's pay for each year of employment to all employees who had worked at the plant for at least three years.

SOME EMPLOYEES EXEMPTED

The employer has no such obligation if the employee accepts work at the new location or is covered by a contract that deals with severance pay.

Today's ruling, Fort Halifax Packing Co. v. Coyne., No. 86-341, rejected the company's appeal involving its closing in 1981 of a poultry packaging and processing plant in Winslow, Me. After it laid off almost all the plant's employees, the company was ordered by the state, and eventually the Maine Supreme Judicial Court, to make severance payments under the state law.

The main issue in the case was whether the Maine law must be struck down because it was pre-empted by the Federal pension law, which explicitly supersedes "any and all state laws insofar as they may now or hereafter relate to any employee benefit plan" of the type regulated by the Federal law.

Justice Brennan wrote for the majority that the Maine law was not pre-empted because the severance pay it required, unlike pension and health care and other employee benefit plans, was a lump-sum payment that did not involve administration of "an employee welfare benefit 'plan'" or employer payments of "ongoing benefits on a continuous basis."

CREATION OF LOOPHOLE CITED

Justice Byron R. White, in a dissent joined by Chief Justice William H. Rehnquist and Justices Sandra Day O'Connor and Antonin Scalia, said the Court had created a "loophole" that "will undermine Congress's decision to make employee-benefit plans a matter of exclusive Federal regulation."

In a second victory for organized labor, the Court voted 6 to 3 to uphold the National Labor Relations Board's practice of requiring a company that buys a failed business and otherwise takes over another company's assets to recognize and bargain with the union representing the predecessor's employees.

The decision, which upheld the labor board's broad interpretation of a 1972 Supreme Court ruling, will make it difficult for companies that buy plants or assets from other companies or take over the operations of failed companies to avoid dealing with unions.

The case begain in 1982, when an unprofitable Massachusetts textile company called Sterlingwale was closed and liquidated by the family that had owned it for more than 30 years.

NEW OWNER REFUSED TO NEGOTIATE

Seven months later, a customer and a former executive of Sterlingwale started a new company, the Fall River Dyeing and Finishing Corporation, that bought Sterlingwale's plant, equipment and some of its other assets, but not its trade name or good will, and resumed some but not all of its operations. Within six months, 51 of the 105 people working at the new company were former employees of Sterlingwale.

The new company refused to negotiate with the union that had long represented employees at the old company, the United Textile Workers of America. But the Supreme Court, affirming split decisions by the labor board and a Federal appeals court, ruled today that it must recognize the union.

Justice Harry A Blackmun's majority opinion, in the case Fall River Dyeing v. N.L.R.B., 85-1208, held that the new company was a "successor" to the old one because there was a "substantial continuity" in operations.

The Court also held that the new company's obligation to bargain with the union was fixed from the time it started operations with a "substantial and representative complement" of its total planned work force, because at the time a majority of its employees had been with the defunct company.

Justice Lewis F. Powell Jr. dissented, jointed by Chief Justice Rehnquist and Justice O'Conner. He said the new company was "a completely separate entity" and "there was a clear break" in operations. He also said that by requiring the company to recognize the union at such an early stage in its operations, the Court unfairly denied the employees "the opportunity to choose their union."

RONALD LUCAS COMPLETES 31 YEARS OF FEDERAL SERVICE

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. DYMALLY. Mr. Speaker, it gives me pleasure to recognize the substantial contribution Ronald Lucas has made to those who have experienced discrimination in employment. He has spent a long and productive career in the San Francisco regional office of the Equal Employment Opportunity Commission. When he retired on Friday, May 29, he was serving as EEOC Supervisor in the San Francisco office. Ron is deservedly proud of his achievement in this senior level position because he got there the hard way, by working his way up through the ranks. Ron Lucas earned his stripes in the trenches.

Ron began his Federal career in the Air Force. After 10 years of patriotic service in the country's defense, he joined the then-Department of Health, Education, and Welfare's Equal Employment Opportunity Commission. For 21 years, it has been his business to see that the opportunity to work is extended without prejudice to all Americans.

That he served honorably in the people's behalf has been recognized time and again through commendations and awards. He labored long and hard as the chairman of the Human Services Civil Rights Committee in the San Francisco region. For that work he received the Health and Human Services Award for Outstanding Service. The quality of his work has also been recognized by local government. Ron Lucas is the recipient of the Marin County, California Martin Luther King Humanitarian Award. The board of supervisors of Marin County has also singled out Ron for its certificate of merit.

Ron Lucas has spent a career making America a land of fair employment practices. Blacks, Hispanics, women, the physically handicapped, people from all these groups and more are better off because Ron Lucas worked tirelessly to uphold their right to equal employment opportunity. We add our thanks to that of all those fortunate people who have a livelihood today because Ron Lucas cared. Congratulations, Ron, on a job well done.

"CITIZEN OF THE YEAR"

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. RINALDO. Mr. Speaker, the State of New Jersey has made impressive progress in restoring its sense of pride through a series of actions taken by Gov. Thomas Kean and his administration. It can be measured in business development, progress in education reform, the reconstruction of New Jersey's highways and mass transit system, and a perception that New Jersey is a State with its own character and identity, a State over 7 million people are proud to call home.

This spirit of achievement could not have taken place without the help of private citizens and community leaders. One of those who has helped serve as a symbol for family involvement in such areas as fighting drug and alcohol abuse and caring for the mentally retarded is Mrs. Debbie Kean, New Jersey's First Lady and the wife of Gov. Tom Kean. She recently was honored as "Citizen of the Year" by the Union Hospital Foundation for her contributions to family life and the community.

I had the honor to be the principal speaker at this event, and I wish to include in the RECORD my remarks on this occasion.

The text of my speech follows:

I want to congratulate Vic Fresolone, President of Union Hospital; Lou Giacona, President of your foundation; and the director of Union Hospital's Drug and Alcohol Treatment Program, Ron Gaetano.

Union Hospital has never suffered from a lack of ambition or vision. It's been expanding into community health care, geriatrics, health education, emergency services and outreach clinics.

You've been tremendously successful, thanks to good planning and a dedicated staff.

Your foundation has honored outstanding leaders. People like Jim Schaeffer, director of the Union Chamber of Commerce who's been involved in senior housing, cultural activities and business development.

Jim Conlan, who was one of Union's most popular mayors, and Union County Prosecutor John Stamler, one of our Nation's finest prosecutors with an outstandng record in investigating and successfully prosecuting drug dealers.

Debbie, that puts you in very good company.

In honoring Debbie Kean tonight as citizen of the year, you are sending an important message to the people of New Jersey that parents have a crucial role to play in the battle against teenage drug and alcohol abuse.

We badly need role models like Debbie Kean. Debbie Kean takes her responsibilities as a mother seriously.

She has done it with quiet dignity, and in her own way with gentle honesty and a firm conviction in the kind of moral and family values that are part of the Kean family tradition.

Debbie Kean is making a difference in helping to increase public awareness of the problems of drug and alcohol abuse.

She's succeeded in enlisting other parents, schools, church groups, and community organizations in the fight to say no to drugs and alcohol.

Debbie's also been committed to promoting public understanding and support for the programs to aid the mentally handicapped with training, sheltered workshops and group homes.

She's also been a strong supporter of the Governor's efforts to improve the quality of education in New Jersey.

If you've followed this issue closely, I'm sure you're aware that it was Tom Kean who ignited a national crusade to improve education in our State and Nation, and he deserves to be congratulated for his leadership in that area.

When you combine all these interests and activities that Debbie Kean has been involved in, she has earned the title of New Jersey's First Lady. Debbie Kean epitomizes the many women of this State who care deeply about the kind of society and culture that will shape and influence the next generation.

In making this award to Debbie Kean, we thank her for bringing us together in the fight for decency and for those traditional family values that are the real source of our strength and hope for the future.

Debbie, congratulations.

SALUTING THE "NOTCH BABIES"

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. WALGREN. Mr. Speaker, today thousands of Americans gathered in peaceful assembly at the White House to ask for a basic right—the right to be treated like their fellow citizens who just happened to be born a year or two earlier.

These men and women—called the notch babies—are citizens who have been denied an equal share of Social Security benefits because they were born between 1917 and 1921.

In 90-degree weather thousands of notch babies assembled in front of the White House today to protest the unfair and inequitable treatment they have received.

I want to commend all these citizens who came a very long way to the Nation's Capital to express with their feet the wrong in their treatment. The basic question is whether the United States will honor and meet its obligations to those who are retiring. If we as a society run from this obligation and treat this generation unfairly, the problems are only going to get worse as we live longer and more and more people depend on Social Security.

Mr. Speaker, I especially want to salute the leaders of the notch babies rally, many of whom come from Pittsburgh. In particular, Tony Purcell and Jennie McGonigle have sacrificed a great deal of time and effort on behalf of their fellow senior citizens. They—and all the organizers—deserve our special thanks.

I am proud to be a part of this national effort to restore Social Security benefits to these Americans. I am an original cosponsor of H.R. 1917, legislation to protect these notch babies from this abrupt reduction in their benefits.

On behalf of the thousands who rally today in Washington and the thousands more who could not join us here, I want to urge my colleagues in the Congress to act swiftly in approving this important legislation. We owe no less to these citizens.

IN HONOR OF JAMI FOOTE

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. HANSEN. Mr. Speaker, I would like to take this opportunity to salute a celebrated young constituent of mine, Miss Jami Foote, who is the winning contestant from my State for the Veterans of Foreign Wars of the United States and its Ladies Auxiliary Voice of Democracy scriptwriting contest. Jami is 17 years old, and is the daughter of Bruce and Susan Foote of Clearfield, UT. As is evidenced by her award-winning script, she enjoys reading, writing, and communicating with people.

This year more than 300,000 secondary school students participated in the contest. Jami's speech, entitled "The Challenge of American Citizenship," was awarded the best all around in the State of Utah. I would like to acknowledge her efforts and accomplishments by printing her speech in the CONGRESSIONAL RECORD.

We don't often hear enough about the good things achieved by our youth as they strive to become adults, but there are many positive actions that our young people take that often are overlooked. I did not want to let the opportunity go by without honoring Jami and giving my colleagues an opportunity to read her speech.

Jami, may I join your family, teachers, and friends in saying "I'm very proud of you."

THE CHALLENGE OF AMERICAN CITIZENSHIP

Imagine with me. Picture blackness . . . nothingness. A bleak, dreary darkness that envelopes the earth like a cloud. This darkness has a name. It is Chaos—Turmoil created by anarchy, rebellion, and confusion. Can a worse fate for the world be imagined? A world without freedom; a world without liberty; a world without hope?

And what would you think if I told you that this darkness is a reality—a very real reality? Hard to believe, but it's true. It exists in the hearts of men who fight the divine right of man, those who deny the inherent privileges of the human race. This cloud exists because people do not accept challenges, the challenges of responsibility.

American citizenship is not merely a privilege to be enjoyed. It is a trust to keep and maintain. A challenge to reach for rather than accomplish. For, you see, challenges always extend beyond our present position. That is why they are so important. Freedom is not a condition. It is becoming rather than being. American citizenship has no set standards. It should always grow and expand with us. Freedom can be easily lost, but it is never fully won. It is like a huge potential, existing only in possibility—not in actuality. Freedom is in the hearts, actions, and spirit of the people and it must be earned daily—or, like a flower cut from its roots, it will wither and die. Never an actuality—always a possibility of what we can become. We are not the same as we were yesterday, and, by the grace of God, we are less today than what we will be tomorrow. Always greater; always better; always stronger. That this is our goal, our constant challenge in being Americans.

What a responsibility for the American people! However, rights are privileges granted only through the acceptance of responsibility. Growth is achieved only by reaching beyond our grasp, reaching beyond ourselves. If you leave something unchallenged, will it better itself? No. The result of a sculptor's cutting and carving is a masterpiece of creation. In the same manner, the American way of life is shaped and molded. All of our actions today will result in the creation of our tomorrows.

The story is told of a young Lebanese girl who came to the United States recently. After living for years in the war ravaged country, bombs exploding all around her, the cries of the dying screaming in her ears and returning to haunt her when they are no longer there, she settled down in New York. One day, a motorcyclist slid underneath a bus and was smashed to death right in front of her. She didn't even blink an eye. It was as if she had no heart. There was no feeling left inside of her. Only an emptiness. Then—a flashback. She was in Lebanon again. A 19-year-old girl was tied between two cars and split apart when her torturers finally decided to end her suffering by driving off in opposite directions. An innocent girl was killed right in front of hundreds of people. But not a finger was raised in an effort to save her. Any effort would have been in vain. Or would it?

Are we, as Americans, avoiding our challenge and sinking into a pit of mediocrity? We do not get involved with the excuse that "it is beyond us". This is the very attitude that has caused Lebanon ten years of unbearable violence. This is the attitude that has created dark clouds of chaos, turmoil, and nothingness. The black cloud is real. It exists in Lebanon, Nicaragua, and South Africa. And it is closing in on us. If something is not done, if our challenges are not met today, we will become the victims. We will be haunted by the screams that aren't there, the killing, the dying, the violence.

We must all change our way of thinking. We must all take a stand. It is our responsibility, our challenge, to do so.

WISDOM, FORESIGHT, AND A SENSE OF JUSTICE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. CRANE. Mr. Speaker, last month, U.S. Supreme Court Justice Thurgood Marshall was reported as being critical of this year's 200th anniversary celebration of the signing of the Constitution of the United States. Justice Marshall referred to the historic document as being defective from the start.

In this respect, Ben Franklin agreed with Justice Marshall. In his final speech at the Constitutional Convention, Franklin opened by saying: "I confess that there are several parts of this Constitution which I do not at present approve."

For all of this, Franklin added:

> I agree to this Constitution, with all its faults * * * because I think a general government necessary for us, and there is no form of government, but what may be a blessing to the people if well administered; and believe further, that this is likely to be well administered for a course of years, and can only end in despotism, as other forms have done before it, when the people shall become so corrupted as to need despotic government.

In fact, there was not a single delegate to the Convention who believed they had created a perfect document nor were capable of doing so. After all, these were men who embraced Judeo-Christian values and as such recognized that perfection is reserved to the Almighty. Their ratification of this value is found in their provision for amendment in article V.

Justice Marshall is quoted as saying he did not "find the wisdom, foresight and sense of justice exhibited by the framers particularly profound." Certainly this concession of their own fallibility demonstrated great wisdom. And while they had to compromise on the question of slavery to bring the southern half of the States into the Union, it was a compromise dictated of necessity at that point in history if we were to have a Union. But there were many delegates—including southerners—whose "sense of justice" was profoundly disturbed over the institution of slavery. And in that same article V they opened the door for a congressional restriction on the spread of slavery after the year 1808. Furthermore, the Northwest Ordinance, which had passed in July of 1787, converted Virginia's western lands—Ohio, Indiana, Michigan, Illinois, and Wisconsin—into territory where slavery was prohibited as new States were created. Moreover, most anticipated a natural end to slavery early in the 19th century on economic grounds.

But the most profound wisdom and sense of justice demonstrated by the Founding Fathers rests upon the creation of a system of government that had no parallel in history. The preamble to our Constitution invokes the authority for this action from "We the people." The significance of this lies in the premises of Jefferson's Declaration of Independence.

Jefferson postulated the existence of God as the ultimate sovereign, man created in His image and as such endowed with inalienable rights, and government as a servant of man created to make us more secure in the possession of our divine inheritance. All governments anterior to our own had a different order of priorities: either governments pretended to be God or put themselves on a parity with God. The British Parliament in 1766 passed the Declaratory Act, which stated that Parliament had a right to regulate the lives of British citizens "in all cases whatsoever." Madison took especial pains, by contrast, to point out that ours was a government of "limited and enumerated powers."

Operating on a second Judeo-Christian principle that holds man's nature to be flawed, the Foundation Fathers not only divided authority between a national government and State governments—a federal republic—but they created a national branch that uniquely incorporated the three known systems of government in one—on the assumption that all were flawed based upon historic experience: government in the hands of the one—monarchy; government in the hands of the few—aristocracy; and government in the hands of the many—democracy. These are posited with delineated powers and responsibilities, in our President, Senate, and House of Representatives.

Knowing there is no such thing as a perfect form, they felt that the tensions generated between these conflicting forms were best calculated to prevent any one of them from dominating the others. As a further restraint on the potential for abusing power, they created an independent Judiciary to make sure the players obeyed the guidelines set forth in the rule book, the Constitution.

Today there are 162 nations with written constitutions embracing many or most of these concepts. But in 1787 this "experiment in liberty" was a first. Small wonder William Gladstone could observe a century later: "I have always regarded that Constitution as the most remarkable work known to me in modern times to have been produced by the human intellect, at a single stroke * * * in its application to political affairs."

To be sure, it took the greatest blood-letting in our history to end the institution of slavery 76 years after ratification. But remember that the idealism that sprang from this system produced the War Between the States. Never before or since have brothers slain brothers in such numbers to permit members of another race to participate as equals in this grand "experiment in liberty."

To say that one doesn't find "the wisdom, foresight, and sense of justice" exhibited by this extraordinary body of men "particularly profound" is profoundly disturbing. Especially when it comes from a member of the U.S. Supreme Court.

This is why the members of the Bicentennial Commission embraced Chief Justice Burger's hope that this year we might "stimulate an appreciation and understanding of our national heritage—a history and civics lesson for all of us."

George Santayana observed that those who cannot remember the past are condemned to repeat it. In a recent speech Chairman Burger cited a quote from George Mason's Virginia Declaration of Rights: "no free people, nor the blessings of liberty, can be preserved to any people, but * * * by frequent recurrence to fundamental principles." The Chief Justice noted that the framers made provision for change; but considering the fact that Americans have enjoyed unprecedented blessing of liberty, by unprecedented numbers of people, for the longest period of time in history, the framers demonstrated incredible wisdom and foresight. It is for these reasons that the Chief Justice cautioned: "We should examine the changes which have occurred over two centuries and ask ourselves whether they are faithful to the spirit as well as the letter of the Constitution."

Rather than attacking the Foundation Fathers and our Bicentennial observance, all Americans should immerse themselves in study and understanding of just how remarkable the achievements of these men were and what a unique system still survives because of their "wisdom, foresight and sense of justice." Our liberty is their enduring legacy—if we can keep it.

TRIBUTE TO ROLAND LUEDTKE OF LINCOLN, NE

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. BEREUTER. Mr. Speaker, this Member requests permission to have printed in the CONGRESSIONAL RECORD a very special tribute to good friend and distinguished public servant, Roland Luedtke, who served until recently as the mayor of Lincoln, NE.

Roland and this Member became colleagues during our service in the Nebraska legislature. We went on to become partners in serving the great capital city of Nebraska: he as mayor and I as Congressman.

Roland served as a respected and very effective member of the Nebraska legislature from 1967 to 1978. This Member saw first hand the reason for the respect he receives when I joined that body in 1974. Roland quickly became a colleague I respected and admired—one I looked to for advice and support on legislative initiatives. In 1978 he was elected Lieutenant Governor and in 1983 he was elected mayor of Lincoln.

Roland compiled an impressive list of achievements during his 12 years in the legislature. They include: a lead role in passing landmark legislation for major court, criminal justice and penal reforms as chairman of the judiciary committee; sponsorship of legislation authorizing the construction of the Bob Devaney Sports Center and the State office building; and he was instrumental in the formation of the Nebraska 2000 Task Force, a preview of Nebraska's future. One of his fellow State senators was Terry Carpenter, a legendary senator with 19 years of service and a former member of the U.S. House of Representatives. Before Carpenter's death, he cited Roland Luedtke as one of a half dozen colleagues worthy of special citation for individual achievements. He was impressed by Luedtke's quiet effectiveness in directing an increasing volume of legislative proposals into State law. Luedtke was praised for his parliamentary prowess and his practice of introducing his bills early and moving them to the floor with great speed and low visibility. To cap his legislatives career the Nebraska legislature to choose him by secret ballot as its Speaker.

It was this quiet style of leadership that made Roland Luedtke an effective mayor. I was pleased to work in cooperation with him on a series of projects to benefit Lincoln. In the 4 years of the Luedtke administration these Federal grants were awarded to Lincoln: $6.5 million grant for downtown redevelopment—the largest UDAG grant award in the history of our State; $1 million loan guarantee for downtown redevelopment; $1 million for renovation of the Hardy Building as low-income housing; $700,000 for the renovation and conversion of the Burlington Northern Railroad Depot as a keystone project in the Haymarket area; $450,000 for the purchase of six buses for the handicapped; and $6.7 million for construction of the "K" and "L" Streets extension.

Mayor Luedtke and this Member also worked together so that the old city hall building in Lincoln could be released for quasi-public uses under city administration by a long-sought agreement with the General Services Administration. The dedication last year of the North 27th Street Viaduct capped a special cooperative effort to secure Federal funds for Lincoln's railroad transportation safety district.

Roland Luedtke possesses a style of quiet delegation of authority. In his own words he "* * * let the pros run the departments." His philosophy is epitomized when he says, "The goal is more important than the gain. I don't care who gets the credit, just get an awful lot done." The same low key, but effective style of government is regrettably quite possibly the very reason he fell short in his bid for reelection as Lincoln's mayor, for his many crucial achievements did not receive the visibility they deserved.

Roland Luedtke left office with the same good grace he displayed while in office. This dignity was most evident to those present as he personally appeared to concede at the winner's victory celebration. The words of former Gov. Robert Kerrey, a member of the opposite party, had this to say about Mayor Luedtke after that evening's events:

> Roland Luedtke's concession speech was an exceptional act. That he did more than issue a perfunctory statement was exceptional. That he came into a room filled with Bill Harris supporters to deliver his remarks was exceptional. However, far more exceptional than any of these or all of them combined was what Roland Luedtke said. Softly he talked about the city and the people he loved . . . In a short and sincere address he was a living example of duty, honor and courage. I was genuinely lucky to have heard him. Roland Luedtke gave us a reason to hope and a reason to be grateful. He showed us that the impossible is possible and that dreams can come true. He showed us how love for others can set us free, and why it is better to give than to receive.

Mr. Speaker, an unfortunate political reality is the tendency by the public to remember the loss which ends a great political career. This Member will not, and all of Roland Luedtke's friends and constituents should not—not for a moment, have anything but great respect, gratitude, and admiration for the exemplary service to Lincoln and the State of Nebraska which has been delivered so effectively and unselfishly by Roland Luedtke of Lincoln, NE. In that service he was faithfully supported and assisted by his wife Helen and by his family. Well done, Roland; well done and thank you. You were a good man for the job, first and foremost, because you are indeed a good man.

I'M PROUD TO CALL HIM MY UNCLE

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. HOCHBRUECKNER. Mr. Speaker, congratulations are in order for Richard Hochbrueckner, upon his election to the office of Nassau County commander of the American Legion on June 6, 1987.

Richard served with honor in the U.S. Army in Europe during World War II. After leaving the service, he joined the Sperry Corp. in 1948, where he is still employed. In 1956 he joined the Charles Wagner Post in Hicksville, NY, where he has served on numerous committees and held offices up to and including commander in 1963. Honored with life membership in 1977, he has been active in the legion's oratorical program and is presently serving in his eighth year as chairman of the Department of New York.

Joining me in the congratulations are my wife Carol Ann, Richard's wife and partner, Cynthia, and their three daughters: Susan, Jayne, and Bette. I'm proud to call him my uncle.

1987 VENICE ECONOMIC SUMMIT

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. HAMILTON. Mr. Speaker, I urge my colleagues to read an article by Richard N. Gardner on the forthcoming Venice Summit. Published in the New York Times on May 24, 1987, the article provides a thoughtful commentary on what may or may not happen at this annual summit.

Dr. Gardner, who participated in the last Venice Summit in 1980 when he was Ambassador to Italy, points to the fairly poor record of recent economic summits. Considering the increase in international indebtedness, the growth of protectionism, and the continued problems in currency stabilization, it is hard not to agree with Dr. Gardner's judgment that the summit communiques are to be read with a sense of embarrassment.

Ambassador Gardner warns that this latest summit is unlikely to accomplish much. Part of the problem rests with the relative weakness of some of the major governments involved. He also suggests that the participants simply are not inclined to take major action on current world economic problems.

I believe Members will find Professor Gardner's observations stimulating and provocative. The article follows:

[From the New York Times, May 24, 1987]

A VENICE SUMMIT "DREAM SCENARIO"

(By Richard N. Gardner)

"The only good thing about this summit is that it's in Venice—and Venice is sinking." This gloomy assessment by an official helping to prepare next month's meeting of the leaders of the seven main industrialized democracies is somewhat off the mark. Because of Italy's corrective action, Venice is no longer sinking, but because of the political paralysis of the summit leaders, the world economy is.

The incomparable stage set that is Venice should not take the public's mind off the fact that this 13th annual summit conference faces interrelated North-North and North-South economic crises of unusual dimensions.

On the North-North front, the falling dollar and rising United States interest rates are clear signs that the markets can no longer finance America's huge external deficit without unacceptable risks to stability. Last year, the deficit reached $140 billion, while Japan and West Germany ran surpluses of $90 billion and $36 billion, respectively.

Morever, real economic growth in the industrialized democracies is headed downward toward a meager 2 percent. Key economic indicators are flashing warning lights that signal recession. Necessary action by the United States to reduce its domestic and external deficits will hasten that recession if Japan, West Germany and other countries with surpluses continue to delay adequate measures to stimulate their economies.

On the North-South front, the trillion dollar debt problem is moving to a dangerous stage. The plan by James A. Baker 3d, the Treasury Secretary, assumed that it could be managed with domestic adjustments in the indebted countries, a minimum of 3 percent growth in the industrialized world and a healthy resumption of lending by commercial banks. With the second and third elements now missing, many third world debtors soon will face a cruel choice between default and politically unacceptable cuts in living standards.

The debt crisis is further complicated by the need for a radical change in North-South trading patterns. The United States takes a disproportionate 60 percent of the manufactured exports of third world countries, compared with 20 percent by Europe and less than 10 percent by Japan. The necessary reduction of our trade deficit will bring the debt situation to a ruinous climax unless Europe and Japan open their markets to third world countries as well as to the United States.

What could the summit partners do about this ominous prospect? Consider a "dream scenario."

President Reagan announces at the opening session that he realizes that America cannot continue to consume 3 to 4 percent more than it produces and borrow the difference from its friends overseas. He promises to seek not just the $18 billion in additional taxes called for in the Congressional budget resolution but an annual tax increase of no less than $50 billion, to be raised through a 30 cent per gallon gasoline tax and full taxation of Social Security payments to upper-income taxpayers. He makes these commitments contingent upon the countries with surpluses assuming their share of economic responsibility.

Prime Minister Yasuhiro Nakasone and Chancellor Helmut Kohl, stunned, consult their delegations, then return with a dramatic annoucement. Since the United States is now accepting its share of the responsibility for international adjustment, their countries will adopt new tax cuts and spending increases designed to push their growth to 3.5 to 4 percent by year's end. Moreover, they will make immediate unilateral reductions in trade barriers on products of interest to the third world. The President of the European Commission announces that he will recommend similar action from other European countries with surpluses. The other summit leaders agree.

In the resulting euphoria, all seven leaders take an unexpected step. Noting the inadequacy of flows of private capital, and wishing to avoid drastic debt write-downs or defaults that could damage their banks and financial systems, they agree to double the capital and lending operations of the World Bank. Japan pledges $10 billion in additional untied concessional aid each year to enable the Bank and other multinational financial institutions to meet the needs of developing countries that put their domestic houses in order.

What are the chances for this dream scenario? Negligible, to put it mildly. President Reagan's political weakness has not made him any more willing to face fiscal realities. Prime Minister Nakasone, under fire for his economic policies, is to leave office in a few months. Chancellor Kohl, never a creative economic thinker, is preoccupied with his party's internal divisions over intermediate-range missiles. The leadership of France is hampered by divisions between President François Mitterrand and Prime Minister

Jacques Chirac. The popularity of Prime Minister Brian Mulroney of Canada is at an all-time low, while Prime Ministers Margaret Thatcher of Britain and Amintore Fanfani of Italy will face elections within days.

So what are we likely to get? Perhaps agreement on some form of debt relief for the poorest countries of Africa. Probably a promise to reduce protectionism in agriculture. Very likely acceptance of the concept that an "early harvest" of trade results should be sought in the Uruguay Round of the General Agreement on Tariffs and Trade by the end of 1988, including new formulas to regulate protectionist "safeguard" measures and to improve GATT's dispute-settlement mechanism.

Though useful, these results would not be enough. What is needed are major changes in the domestic fiscal and monetary policies of the United States, Japan, West Germany and other key actors in the world economy to reduce unsustainable surpluses and deficits, stabilize currencies and avert a world depression.

The last four summit meetings produced high-sounding communiqués promising more stable exchange rates and improved multinational surveillance designed to foster convergence of domestic economic policies. In the light of what has happened, it is embarrassing to read these communiqués today.

More empty rhetoric would further depreciate the currency of the summit process and confirm the cynical comment on coordination of economic policy by a former official of the European Community, Viscount Etienne Davignon: "The first year, we discuss it. The second year, we decide about it. The third year, we don't do anything about it."

It is time to look for new ideas to revitalize the summit process so that it can reinforce the political will of the world's leaders and help them do multilaterally what they fear to do unilaterally.

We need an international mechanism to promote a sense of shared responsibility for adjustment on the part of nations with surpluses and deficits that was present at the founding of the postwar economic institutions: the World Bank, the International Monetary Fund and GATT.

Let the heads of these international agencies appoint a "wise men's group of nongovernmental experts to prepare a report on the kinds of adjustments that developed and developing countries will need to undertake to assure a safe economic transition to the 1990's and beyond. In that decade, we will probably see Japan as a trillion dollar creditor and America as a trillion dollar debtor.

How would such dramatic changes in economic power be managed? The report of such a group, if prepared for the 1989 summit meeting, could challenge our next President and the other leaders to answer some hard questions. To put more discipline into the summit process, at the end of each year the "wise men's group" could issue evaluations of the governments' post-summit performance of their agreed summit obligations.

Just as the reports before the leaders at the conference could help them concentrate on the central issues, post-summit report cards could make it more likely that summit agreements were carried out.

Of course, reform of the summit process two years hence will not deal with today's crisis. If not at Venice, then very soon the world's economic leaders must change economic direction or face unpalatable consequences.

At the economic summit conference in Venice in 1980, everyone nodded when the leader of the Japanese delegation, Saburo Okita, warned, "We are all in the same gondola." This year's leaders have to prevent that gondola from sinking.

A TRIBUTE TO DELMARVA POULTRY INDUSTRY, INC.

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. DYSON. Mr. Speaker, I rise today to salute the Delmarva Poultry Industry, Inc. [DPI], which raised a record $367,445 in donations and pledges at their annual poultry booster banquet in Salisbury, MD.

DPI works for the progress of the poultry industry through research, legislative review, educational activities, and the promotion of poultry consumption. The organization has provided the poultry industry with stable leadership and accurate information. Also, DPI has been instrumental in combating the avian influenza virus, which threatened to destroy the mid-Atlantic poultry industry.

I am sure that DPI will continue to make invaluable contributions to the Delmarva Peninsula's leading agricultural industry. It is because of the strong support of the poultry industry that I salute the Delmarva Poultry Industry, Inc., which stands as a source of great pride to all in Maryland's First Congressional District.

IN MEMORY OF DEPUTIES MILLER AND CLARK

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. SMITH of Florida. Mr. Speaker, as a member of the American Police Hall of Fame Legislative Advisory Board, I would like to take a moment to pay tribute to the memory of two police officers who lost their lives en route to a call for help.

Deputies Donna M. Miller and Frederick T. Clark protected the citizens and property of Hillsborough County in the State of Florida. As every police officer knows, the streets are home to a multitude of crime. In light of these dangers, brave police officers prepare for the unknown. They wear their bulletproof vests, carry tear gas and walk cautiously when they enter foreign areas. But on May 8, 1987, 1 week before National Police Memorial Day, Deputies Miller and Clark were killed in an auto accident as they sped to the scene of a crime.

An accident like this is testimony to the countless hazards intrinsic to this line of work. Not only must police officers worry about the dangers at the scene of a crime, but also the dangers involved in traveling to the scene of the crime. High speed chases and timely response to the cry for help can be as life threatening as the crime itself.

As long as crime pervades our society, our citizens as well as police officers will be in danger. It doesn't just take a gun to end a life, unfortunately an officer's rush to protect citizens in need of help can be just as fatal. Deputies Miller and Clark will be missed by the community and State they served. This accident underscores my efforts to continue the fight against crime and its ugly repercussions.

KEY CONCEPTS OF WELFARE REFORM LEGISLATION

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. MARTINEZ. Mr. Speaker, I'm sure you and my esteemed colleagues will agree that the time has come to reform our outdated welfare system. Also, a consensus has developed that reform efforts must include comprehensive employment and training programs if they are to produce long-term success. H.R. 2245, which I introduced on April 30, takes such an approach to solving our welfare problems.

H.R. 2245 would require States to provide comprehensive and coordinated "employability-building" services to welfare recipients, including education, job training, and support services. States' strategies could also include the grant diversion/work supplementation approaches used with so much success in Massachusetts' "ET Choices" programs.

A Governor-designated agency would develop a 3-year plan, working with the Governor and an advisory council of representatives from business, labor, the Job Training Partnership Act, community-based organizations, local governments, and State labor, welfare, and economic development agencies. This workable, hands-on approach to developing and coordinating programs for welfare recipients strengthens the link between job trainers and job suppliers.

Program participants would work jointly with State-designated personnel to develop a plan outlining the specific steps which will be taken to increase their employability. This plan is based on intake assessments, the participants goals, and the availability of services. Priority in the allocation of scarce resources is given to those welfare recipients most likely to cost a great deal to support—long-term recipients and teenage mothers. Also, no AFDC applicant would leave the agency's office empty handed: They would be supplied with a list of referrals to existing job training in their area.

Performance standards and interim performance measures would be established in order to assess outcomes of States' activities and determine eligibility for incentive grants. These standards would be based on realistic goals and outcomes—such as educational attainments and reductions in welfare dependency—rather than simple placement percentages, and would effectively encourage service providers to reach out to the hard to serve.

Although H.R. 2245 is not the last word in welfare reform, the components mentioned above—along with many others contained in the bill—must be considered in our larger reform efforts. We must avoid band-aid solutions to the problem, and instead take a serious, long-term approach to reducing welfare dependency, a costly drag on our society.

I urge my colleagues to join these efforts by cosponsoring H.R. 2245. Please feel free to contact my subcommittee staff at 225-7594 with any questions, or to have your name added as a cosponsor.

A section-by-section analysis of the bill follows:

SECTION-BY-SECTION ANALYSIS OF H.R. 2245, "THE ECONOMIC SELF-SUFFICIENCY ACT OF 1987"

Section 430 outlines purposes, and requires the establishment of comprehensive and coordinated programs of job training, education, and support services for recipients of Aid to Families with dependent Children (AFDC). The aim is to reduce long-term welfare costs by increasing the opportunities for welfare recipients to participate in programs that will increase their long-term employability.

Section 431 gives top priority to serving those most likely to experience costly, long-term periods of welfare receipt—recipients who are teenage mothers, and recipients who have been on the rolls for two or more years. This section also contains provisions which limit the use of Community Work Experience Programs (CWEP) to instances where skills-benefits can be shown from the placement and the participant cannot be placed in either direct training or unsubsidized work. This section also specifies that an individualized mix of services may be offered.

Section 432 specifies the timetable and component requirements of the state plan, which must be submitted and approved before a state can obtain Federal funds under the Act. The Governor is to decide which state agency will administer ESS Act programs. In the plan, the state is required, among other things, to (1) spell out the coordination arrangements made among various employment and training agencies within the state; (2) describe the efforts made to increase the involvement of the private sector in providing job training programs under the Act, and (3) describe how they will meet performance standards and measures.

The state agency will develop their plan in close cooperation with the Governor and an advisory council of gubernatorial appointees, which includes repesentatives from related state agencies (including economic development), elected officials, private industry councils, the business community, and community based organizations. This council structure is designed to strengthen cooperation and planning between those who provide education and training services, and those who provide jobs.

Section 433 outlines the terms and conditions for developing an employability plan. This plan is developed by the recipient and a state-authorized person, and describes the training and services the state will provide (according to the recipient's choices) and the steps a program participant will take to achieve economic self-sufficiency. Because the employability plan is jointly developed, the participant becomes an active player in improving their future and reaching their goals.

Section 434 outlines the state-provided services that can be chosen as components of an employability plan. This list includes job search activities, various educational and job training programs (including on-the-job training, JTPA programs, grant diversions, and other work experience programs), and support services. These services are available to participants on a first-come, first-served basis according to the priorities established in section 431. A participant's progress is to be checked every six months. Support services may be provided for up to six months after a person leaves the welfare rolls, in order to facilitate their entry into the workplace. It is stated in this section that enrollment in secondary or post-secondary education programs under this part fulfills participation requirements. Also, it is specified that, at the very least, every applicant is immediately given a list of referrals to existing job training and support service programs.

Section 435 outlines the states' reporting and recordkeeping requirements, and authorizes investigations into the use of funds under the Act.

Section 436 describes the timetables for issuing performance standards and measures, and outlines their general direction. The Office of Technology Assessment (in consultation with the Secretaries of Labor and Health and Human Services, state officials, and other experts) will develop them, with an emphasis on measuring goals and outcomes rather than simple placement percentages or participation rates. By allowing the state to "get credit" for increasing employability and educational levels, and reducing welfare dependency, they are encouraged to reach out to the hard-to-serve. Preliminary performance measures (the first official performance guidelines) are issued three months after the Economic Self-Sufficiency Act becomes law, and final performance standards are issued eighteen months later. However, states are encouraged to immediately target services on the hard-to-serve.

States that meet or exceed performance standards become eligible for incentive grants. To determine whether or not a state qualifies for an incentive grant, their progress is evaluated at eighteen-month intervals during the three years their plan is in effect. If, at any evaluation, a state fails to meet the measures or standards, the Secretary of Labor is to provide technical assistance and guidance, and progress is reevaluated within six months.

Section 437 sets forth guidelines and participants' rights for hearing and consultation in the event a disciplinary sanction should be proposed. States retain their right to determine what constitutes "good cause for refusal to participate" in programs, but a participant cannot be punished if a state's failure to provide services makes it impossible for them to participate.

Section 438 specifices the allotment of funds. States with approved plans receive, on a formula basis, 95% of the funds; the balance is kept by the Secretary of Labor for use as incentive grants.

Section 439 authorizes appropriations and specifies the Federal share of program costs. For FY 1988, $600 million is authorized, and, thereafter, such sums as are necessary. The Federal share of training and support services is 70%, and the Federal share of the administrative costs of such programs is 50%; however, if a state significantly expands their non-CWEP programs under the Act, the Federal administrative share can be increased to 60%.

Section 440 contains definitions and conforming/technical amendments. Also, this section will further increase cooperation and coordination between the welfare and job training community by placing state welfare personnel on Job Training Partnership Act private industry councils and the State Job Training Coordination Council.

TEACHER OF EXCELLENCE AWARDS

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. COELHO. Mr. Speaker, on June 11, Thomas Downey High School in Modesto, CA, will not only graduate its class of 1987—it will also honor Dorothy Brown and Art Turner with "Teacher of Excellence" awards.

Dorothy Brown has been a business education instructor at Downey High since 1952. When she began teaching, computers belonged more in science fiction movies than classrooms. Now, however, her colleagues refer to her as a "leader in new approaches in computer accounting." Dorothy Brown's students benefit from a teacher who is committed to progress and excellence.

For 31 years, Art Turner has been a mainstay of the Downey High foreign language department, serving as an outstanding Spanish teacher. The study of foreign languages and the humanities have not always been favorites of students, but we have come to appreciate how important such academic pursuits are in understanding our culture and relationships with other nations. Art Turner has always known the value of foreign language study, and has encouraged excellence in his students, who have benefited from his knowledge.

As we realize that the future of our Nation rests in the hands and minds of our young people, we also learn that a sound educational system is imperative. That is why I salute Dorothy Brown and Art Turner for setting such fine examples.

A DANGEROUS WORLD

HON. ROBERT E. BADHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. BADHAM. Mr. Speaker, the recent attack on the U.S.S. *Stark* is a tragic illustration that we live in a dangerous world. Conflict at all levels is a persistent part of the international scene. Most regrettably 37 American sailors have paid the ultimate price while serving their country in an area of conflict far from our shores but essential to Western security. We watch news reports of the surviving families of the men of the *Stark*, a natural tendency is to ask why did this happen and was it necessary? Both understandable questions, both with difficult answers. As to why it happened we must wait for a full investigation into the events surrounding that fateful Sunday evening. On the larger question of was it necessary, one is tempted to say that nothing in terms of national policy is worth the loss of so many men during peacetime. But such a conclusion does not take into consideration the very important role that the *Stark* and her crew were undertaking at the time of the attack. While it is difficult to tell a 5-year-old boy that his father died for the somewhat abstract principle of "right of passage," in international waters, or to tell a young bride that the Persian Gulf is a geostrategic importance to the West, it is even more disturbing to tell that son or wife that their loved one died for nothing. In Beruit our marines were killed by a terrorist bomb. The outcry after the loss of 243 men was not one of revenge but one of recrimination. Why were they there, why did they die, when will the survivors be pulled out? In the Persian Gulf the same standard has applied—who is to blame, that is what American is to blame—the captain, the weapons manufacturer, the President. And while we figure out who is to blame, lets pull out our forces. The Senate's response to the attack on the *Stark* was to express disapproval with the administration's plan to protect Kuwaiti ships during transit through international waters. Our political pundits have begun to analyze why, other than to distract the public's attention from the Iran-Contra hearings, the administration would undertake such a risky mission. Again our men die and we become angry at ourselves. The world once again witnesses America's penchant for self-recrimination in the face of adversity. In 1941, the apprehensive Japanese commander of the Pearl Harbor attack after hearing of the success of his mission concluded that Japan had "awakened a sleeping giant and filled it with a terrible resolve." Today, I fear such an attack would result in headlines about the distance of Hawaii from Washington and a barrage of bills introduced in the Congress and designed to keep United States ships away from Japanese aircraft. Mr. Speaker we all feel for our lost servicemen and for the families they leave behind. But we should commit ourselves to making their sacrifice worthwhile by continuing their mission. We must once again make those who wish us harm aware of the consequences. To paraphrase Churchill concerning the use of military force, if we are going to go in, lets go all out. Let us not scurry away from responsibilities as a world leader. The principle of peaceful use of the seas is not an esoteric one and we should enforce it with our ships and with a terrible yet justifiable resolve.

NORLAND MIDDLE SCHOOL: ONE OF THE NATION'S BEST

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. LEHMAN of Florida. Mr. Speaker, as a former member and chairman of the Dade County School Board, I know that excellence in education doesn't just happen; it requires a lot of hard work. That is why all of Dade County can be proud of the accomplishments of the students and parents, faculty, administration of Norland Middle School which, after an intensive evaluation, has been designated by the U.S. Department of Education as one of the country's outstanding schools.

The competition began several months ago, when 670 schools from across the country were nominated for the "Schools of Excellence" award. Each was evaluated by a panel of 71 judges, who compared their climate for learning, attendance rates for both students and faculty, community involvement, test scores, and teacher-student interaction.

When the evaluation was complete, only 271 middle, junior, and senior high schools were good enough to be called the best. One of those was Norland Middle School.

Principal John Gilbert has created an atmosphere of cooperation, caring, and learning. Norland students try hard to figure out ways to avoid missing school; their attendance record is the best in Dade County. The dedication of Norland teachers also shows. In addition to regular classwork, each spends at least 1 day a week as a group counselor, working with the students.

I want to congratulate everyone at Norland Middle School for a job well done. I am glad that their commitment to excellence has finally gotten the national recognition it deserves.

CAMPAIGN FINANCE REFORM BILL

HON. TIMOTHY J. PENNY

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. PENNY. Mr. Speaker, today I am introducing a campaign finance reform bill that limits spending for House campaigns and limits PAC influence by providing for partial public financing through a voluntary tax surcharge.

If one examines reports filed with the Federal Election Commission over the last decade it is clear that the cost of congressional campaigns has escalated dramatically. This trend is unhealthy for our democracy in that it creates the impression that seats in Congress go to the highest bidder. We need to put a limit on the amount that may be spent in a campaign, as well as attempt to equalize spending between incumbents and challengers. In addition, encouraging more small contributions and curbing the growing dependence on PAC money is necessary.

I would like to emphasize that my bill is unique in that it has the advantage of a public financing approach without cost to the U.S. Treasury. Like the Presidential campaign checkoff, my bill provides for taxpayers to contribute through their tax form. However, that money would come from the individual, not the Federal Government. If a candidate chooses to participate in this program he or she is limited to spending $300,000—$350,000 for challengers—no more than half of which can come from PAC's. In addition, my bill would restore a tax credit up to $50 per individual as a way of encouraging contributions to political campaigns.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT TO FEDERAL ELECTION CAMPAIGN ACT OF 1971.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 301 et seq.) is amended by adding at the end the following new section:

"limitation on total contributions to general election candidates for the office of representative who agree to accept amounts from the House of Representatives campaign trust fund

"SEC. 324. A general election candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may, in such manner as the Commission shall prescribe by regulation, agree to accept amounts from House of Representatives Campaign Trust Fund under section 9510 of the Internal Revenue Code of 1986. A candidate who so agrees may not accept contributions from all sources (including funds from the House of Representatives Campaign Trust Fund) with respect to such election totaling in excess of $300,000 ($350,000 if the candidate is not an incumbent of the office involved), of which not more than one-half may be accepted from nonparty multicandidate political committees or from separate segregated funds of corporations, labor unions, and national banks."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to elections taking place after December 31, 1989.

SEC. 2. AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986 RELATING TO DESIGNATION OF SURCHARGES FOR THE HOUSE OF REPRESENTATIVES CAMPAIGN TRUST FUND.

(a) IN GENERAL.—Subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to returns and records) is amended by adding at the end the following new part:

"PART IX—DESIGNATION OF SURCHARGES FOR THE HOUSE OF REPRESENTATIVES CAMPAIGN TRUST FUND

"Sec. 6097. Designation.

"SEC. 6097. DESIGNATION.

"(a) IN GENERAL.—With respect to each taxpayer's return for the taxable year of the tax imposed by chapter 1, such taxpayer may designate a surcharge of any specified amount over the taxpayers liability to the House of Representatives Campaign Trust Fund.

"(b) MANNER AND TIME OF DESIGNATION.—A designation of a surcharge under subsection (a) may be made with respect to any taxable year only at the time of filing the return of tax imposed by chapter 1 for such taxable year. Such designation shall be made on the 1st page of the return.".

(b) CLERICAL AMENDMENT.—The table of parts for such subchapter A is amended by adding at the end the following new item:

"Part IX. Designation of surcharges for the House of Representatives Campaign Trust Fund.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1987.

SEC. 3. AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986 RELATING TO THE HOUSE OF REPRESENTATIVES CAMPAIGN TRUST FUND.

(a) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 (relating to trust fund code) is amended by adding at the end thereof the following new section:

"SEC. 9510. HOUSE OF REPRESENTATIVES CAMPAIGN TRUST FUND.

"(a) CREATION OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the 'House of Representatives Campaign Trust Fund', consisting of such amounts as may be appropriated or credited to such trust fund as provided in this section or section 9602(b).

"(b) TRANSFER OF DESIGNATED AMOUNTS.—There are hereby appropriated to the House of Representatives Campaign Trust Fund amounts equivalent to the amounts received in the Treasury pursuant to designations under section 6097.

"(c) EXPENDITURES.—Amounts in the House of Representatives Campaign Trust Fund shall be available to carry out the purposes of section 324 of the Federal Election Campaign Act of 1971. Expenditures from the Fund shall be made, in such manner as the Federal Election Commission may prescribe by regulations, to each candidate who, not later than September 1 of the year of the election, certifies to the Commission that such candidate and the authorized committees of such candidate have received contributions, during a 2-year election cycle, aggregating not less than $25,000, in contributions of $100 or less from individual contributors.".

(b) CLERICAL AMENDMENT.—The table of sections for such subchapter A is amended by adding at the end the following new item:

"Sec. 9510. House of Representatives Campaign Trust Fund."

SEC. 4. AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986 RELATING TO THE CREDIT FOR CONTRIBUTIONS TO CERTAIN CANDIDATES FOR THE HOUSE OF REPRESENTATIVES.

(a) GENERAL RULE.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 23 the following new section:

"SEC. 24. CONTRIBUTIONS TO QUALIFIED CANDIDATES FOR CONGRESS.

"(a) GENERAL RULE.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 50 percent of the qualified political contributions which are made by the taxpayer during the taxable year.

"(b) LIMITATIONS.—

"(1) MAXIMUM CREDIT.—The credit allowed by subsection (a) for a taxable year shall not exceed $50 ($100 in the case of a joint return under section 6013).

"(2) VERIFICATION.—The credit allowed by subsection (a) shall be allowed, with respect to any qualified political contribution, only if such contribution is verified in such manner as the Secretary shall prescribe by regulations.

"(c) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED POLITICAL CONTRIBUTION.—The term 'qualified political contribution' means any contribution or gift of money to—

"(A) an individual who is a qualified candidate for election to the office of Representative in any general election for use by such individual to further his candidacy for election to such office; or

"(B) any authorized committee (as defined in section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) of a qualified candidate for election to the office of Representative.

"(2) QUALIFIED CANDIDATE.—The term 'qualified candidate' means, with respect to the office of Representative, an individual who—

"(A) publicly announces before the close of the calendar year in which the contribution or gift is made that he is a candidate for election to such office, and

"(B) is a candidate for election to such office within the meaning of section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431).

"(3) OFFICE OF REPRESENTATIVE.—The term 'office of Representative' means the office of Representative in, or Delegate or Resident Commissioner to, the Congress."

(b) CONFORMING AMENDMENTS.—

(1) Section 642 of such Code (relating to special rules for credits and deductions of estates or trusts) is amended by adding at the end the following new subsection:

"(j) CREDIT FOR POLITICAL CONTRIBUTIONS NOT ALLOWED.—An estate or trust shall not be allowed the credit against tax provided by section 24."

(2) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 23 the following new item:

"Sec. 24. Contributions to qualified candidates for the Office of Representative.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1987.

CONCERN FOR THE SIKHS IN INDIA

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. FEIGHAN. Mr. Speaker, I am here today to express my concern, once again, about the state of unrest still surrounding the Sikh community in India, especially in the Punjab where most of India's 14 million Sikhs live.

Over the past 4 years, thousands of lives have been lost as a result of violent conflict between Sikh and Hindu. In June of 1984, Indian Army troops entered the holiest shrine of the Sikh community, the Golden Temple in Amritsar, to capture Sikh separatists who reportedly had found sanctuary there. Several hundred Sikhs and 50 soldiers died at that time, and thousands of Sikhs were massacred the following week. In October of that year, India's leader Indira Gandhi was shot to death by her Sikh bodyguards in retaliation for the assault on the Golden Temple. Tragically, the violence still continues. Over 600 people were killed last year, and 300 have died already in 1987, most of them since March of this year, as Sikh extremists campaign for an independent homeland.

Last month, India's Prime Minister, Rajiv Gandhi, imposed "president's" or direct rule on the Punjab, which allows Mr. Gandhi to control the Punjab's government and police, as well as the army, from New Delhi for the next 6 months. During this time, I respectfully urge Mr. Gandhi to protect the human and civil rights of the Sikh community living in India, while he deals with the unrest in his country. It is my strong hope that Mr. Gandhi and the Sikh community will begin to plan and work together toward peaceful resolutions of their differences in order to help strengthen the territorial integrity of democratic India—rather than to continue fanning the flames of violence.

GOSPEL MUSIC DAY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. RODINO. Mr. Speaker, I take great pride in announcing that on June 15, all gospel music lovers in Newark and throughout the great State of New Jersey will celebrate Gospel Music Day.

Gospel music is much more than sweet sounds—it is the cornerstone of American culture, the first truly American form of music. The original spirituals created by slaves were a combination of African and European musical styles. They incorporated symbolic lyrics and moving melodies as expressions of hope for a better day. Those beautiful songs have lasted for centuries and have been renewed with new meaning throughout our history.

The city of Newark, designated this year's gospel music capital of New Jersey, has always been at the forefront in the promotion, study and appreciation of gospel music. It will once again host numerous celebrations during Gospel Music Week, June 14-21.

Gospel Music Day festivities will begin with a ceremony in the municipal council chambers of city hall in Newark, from 12 noon to 2 p.m. the program is dedicated to the senior citizens of Essex County. Video coverage will be provided by Mr. Kelvin Johnson, director of public access local coordination of Storer Cable in Plainfield, NJ. Audio coverage will be handled by Mr. Forris Payne. The program will be aired on CTN Cable Network. Ms. Barbara Kukla, religion editor of the New Star Ledger, will provide written coverage.

Performers at the program include: the Montgomery Street High School Gospel Chorus; Miss Connie Pitts; Evangelist Sharon Dodd and the Choral Group; and Madame Margaret Simpson. Special thanks to all of these participants and to Professor Albert Lewis, Jr., president and founder of the World Gospel Music Association, and Reverend Martin, principal of the Montgomery Street High School. Their hard work and devotion make Gospel Music Day a smashing success year after year.

As we celebrate this special event, let us reflect on the unique role gospel music has played in enriching our Nation's culture with uplifting song, and let us take this time to rededicate ourselves to preserving this beautiful tradition for our children.

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (JUNE 2)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. SHARP. Mr. Speaker, on several occasions, a delegate would propose an idea which was ignored or voted down, only to see the proposal later win approval. Such was the case with James Wilson's amendment to give citizens the right to vote for the special electors who would choose the executive branch.

Later in the summer, Wilson's proposal would become part of the Constitution. But, on June 2, the proposal was rejected, in favor of a plan giving that power to State legislatures.

Soon after, Pennsylvania's Benjamin Franklin, who was too weak to stand, gave his notes to Wilson to read. Franklin's speech urged that those who served in the executive branch should not receive any compensation or the new Nation would develop a monarchy.

Although many delegates disagreed, they did not want to offend 81-year-old Franklin, and consideration of the proposal was politely postponed.

TRIBUTE TO THE AMERICAN INDIAN

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. DURBIN. Mr. Speaker, I rise to pay tribute to the American Indian. There are many reasons why all Americans should pay tribute to native Americans, but allow me to highlight two basic reasons as to why we should. First, the American Indian has contributed much to the history and evolution of our great country. Second, the United States has done little but hurt the American Indian, and it's time we show our apology by paying tribute to native Americans.

We are indebted to American Indians for their contributions to our existing society. For instance, the corn, potatoes, and other plants originally domesticated by American Indians now furnish almost half the total food supply of the world. Also, our present progress that we are making in the area of astronomy received a tremendous boost from the advanced Indian knowledge of astronomy that European settlers acquired upon first arriving in North America. Moreover, in the lines of technology and agriculture, the American Indians relayed to our forefathers their advanced style of farming which created food for them, and ideas for the future.

In a lighter sense, American Indians have contributed greatly to our culture by revealing to us their culture. Many words in our present vocabulary originated from the American Indian and much of our art work in the form of dance, song, and painting has come to us via American Indians.

I think it easy to see what American Indians have done for us, but now I want to focus your attention to what we have done for the American Indian.

Population figures reflect as well as any index the changing fortunes of the native Americans since European contact. Starting with a prehistoric population of about 2,500,000 in what is now the United States (excluding Alaska), numbers fell to a low of about 250,000 in 1890, and then rose steadily to 509,000 in 1960 and an estimated 600,000 in 1968. In 1960, 308,000 Indians were members of tribes or other groups under the jurisdiction of the Bureau of Indian Affairs; the remainder lived outside the reservations.

In 1787 the Confederation Congress passed the Northwest Ordinance, which promised that land and other property would not be taken from Indians without their consent, except in just and lawful wars authorized by Congress. This was reaffirmed in 1789 in the Constitution of the United States. Unfortunately, the settlement of most conflicts have violated this ordinance.

In 1830, Congress passed the Indian Removal Act calling for the transfer of all Indians east of the Mississippi to lands west of that river. Congress appropriated only $500,000 to compensate Indians for the loss of lands and the expenses of moving. As a result of being hurried on by soldiers of the U.S. Army, thousands of Indians died on the way.

Mr. Speaker, I realize that a few comments such as these do not fully repay the debt we owe to American Indians. However, I think it is vitally important that we occasionally look back into our history and recognize what native Americans have done for our country.

RETIREMENT OF ARNOLD BEJOT FROM THE BUREAU OF RECLAMATION

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. MARLENEE. Mr. Speaker, I want to acknowledge the retirement of a fine Federal employee, Arnold Bejot. Arnold Bejot has been with the Bureau of Reclamation for 25 years and has made a vital contribution to that agency in the many different locations in which he has served. Many times, in my opinion, we do not involve ourselves, as much as we should, in community activities and local organizations, be they: the church, civic, or schools. Arnie has actively been involved in them all.

Now that he will have more time available for community activities and for pursuing his passion of buying and selling firearms we all may be seeing the new beginning of Arnie's second career. We all look forward for your continued standing as an outstanding citizen of eastern Montana for many, many more years.

IN SUPPORT OF HOUSE JOINT RESOLUTION 289 "NATIONAL FOSTER CARE MONTH"

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. STOKES. Mr. Speaker, as you may be aware, legislation has been introduced in the House of Representatives to designate May 1988 as "National Foster Care Month." I am a cosponsor of this bill, House Joint Resolution 289, which was introduced by my colleague, FLOYD SPENCE. In the 21st Congressional District which I represent, the Cuyahoga County Department of Human Services has also designated May as a special month to recognize the efforts of foster parents.

In the 21st Congressional District approximately 650 families serve as foster parents. This makes the district among the largest for participation in the Foster Care Program. According to reports, most children entering foster care are likely to come from a disrupted home with only one or neither parent present. Usually they are from low income, chronically deprived families living under stressful conditions. Foster parents give their time, energy, financial resources, and, most importantly, their love to help these children grow into mature, responsible, and productive adults.

Foster parents have a tradition of reaching out to those children who need them most. The success of the Foster Care Program is evidence of their unselfish commitment and dedication to these children.

Mr. Speaker, I would like to take this opportunity to salute foster parents in the 21st Congressional District and throughout the Nation who are committing their time and talents toward developing America's greatest resource—our children. I hope that my colleagues will join me in support of House Joint Resolution 289.

EXPLANATION OF VOTES

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. PORTER. Mr. Speaker, I regret that I was unavoidably absent for the vote on the Journal and one other vote held earlier today. Had I been present, I would have voted "yea" on the Journal (rollcall No. 157), "yea" on final passage of H.R. 1039 the Mineral Lands Leasing Act (rollcall No. 158).

THE 75TH ANNIVERSARY OF THE WHITE HOUSE CHILDREN'S BUREAU

HON. GEORGE C. WORTLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. WORTLEY. Mr. Speaker, I rise today, to introduce a resolution, designating June 1987 through May 1988 as the 75th anniversary of the White House Children's Bureau. As a member of the Select Committee on Children, Youth, and Families, I have witnessed the recent upswing in attention being paid to maintaining the family base, I feel it is most appropriate to celebrate the anniversary of the bureau in hopes that it will have another 75 successful years in highlighting the needs of children.

A few important parts of the resolution include special attention to foster care, child care, employment problems, and societal, developmental and environmental situations affecting children. The bureau has also taken a strong leadership role in partnership with the States and national organizations to reduce through prevention, education, and treatment all forms of child mistreatment.

Given the great success of the Chidren's Bureau, I encourage my colleagues to join me in celebrating its 75th anniversary with the appropriate ceremonies. At this date of introduction, there are 25 cosponsors out of the 218 needed for passage of the resolution. Tomorrow's leaders deserve to have a focal point of recognition. Won't you lend your support to this worthy cause for our children?

PERSONAL EXPLANATION

HON. WILLIAM E. DANNEMEYER

OF CALIFORINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. DANNEMEYER. Mr. Speaker, unfortunately due to a longstanding commitment I was unable to attend a portion of today's session, Tuesday, June 2, 1987. As a result, I missed three recorded votes. Aside from the vote on approving the Journal, had I been present I would have voted:

Nay, on final passage of H.R. 1039, to amend section 37 of the Mineral Lands Leasing Act of 1920 relating to oil shale claims, and for other purposes; and

Yea, on the motion to suspend the rules and pass H.R. 1444, to amend titles XI, XVIII, and XIX of the Social Security Act to protect beneficiaries under the health care programs of the act from unfit health care practitioners and otherwise to improve the antifraud provisions relating to those programs.

A TRIBUTE TO MR. NORMAN J. PHILLIPS

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. MATSUI. Mr. Speaker, I rise today to pay special tribute to one of Sacramento's outstanding civic and business leaders, Mr. Norman J. Phillips, who will retire shortly after having served for 46 years with Pacific Bell.

On Friday, May 29, 1987, his friends, family, and working associates gathered to recognize him as one of this community's most respected and honored civic leaders and for his dedicated service, commitment to excellence and genuine interest in people, whether they be customers, coworkers, or friends.

As area vice president for the company's 30-county northern California region for the past 10 years, Mr. Phillips has been responsible for the coordination of activities related to the delivery of service for 1.5 million telephone company customers. He joined Pacific Bell in 1941 as a lineman, was promoted to a management position in 1947 and served as assistant vice president of the company's regulatory activities from 1972 to 1976.

Since moving to Sacramento, Mr. Phillips has established a long history of active involvement and leadership in a number of civic, cultural and business associations, including the Camellia Festival Association, the Air Force Association, the Sacramento Symphony, my Third Congressional District Academy Selection Committee, and the Sacramento Chamber of Commerce. He served as chamber president in 1985–86 and was named the chamber's "Sacramentan of the Year" in 1986. He also chaired two major fund drives—the U.S. savings bonds "Take Stock in America" campaign and the Sacramento Tri-County United Way effort, of which he is past president.

As a long-time personal friend of Mr. Phillips, I greatly respect and admire his dedication and caring spirit and his willingness to give so freely of his time, talents and resources. The lives of many people in this community have been greatly blessed by his unselfish contributions and involvement in their programs.

Mr. Speaker, on behalf of my colleagues, I would like to thank Mr. Phillips and his family for their many years of tireless service to the Sacramento community and extend my best wishes for a happy and productive retirement.

INTRODUCTION OF LEGISLATION TO CREATE A VISA REVIEW BOARD WITHIN THE DEPARTMENT OF STATE

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. GONZALEZ. Mr. Speaker, today I am introducing legislation establishing a Visa Review Board within the Department of State to ensure that those aliens and Americans with the greatest stakes in the alien admission process are not injured by arbitrary decisions.

Each year U.S. consular officers around the globe deny over half a million visa applications, in many cases rendering decisions of monumental importance to both the alien applicants and to those American individuals and firms with connections to them. Consular officers are charged with applying statutory standards in considering visa applications. However, current statues expressly insulate consular decisions from any meaningful review, thus giving consuls power that is virtually unparalleled in American law. Even the Secretary of State is without authority to reverse an entry-level consular officer's decision to deny a visa.

Existing procedures were enacted over President Truman's veto as part of the McCarren-Walter Act of 1952. Virtually every witness who testified regarding the subject during congressional hearings on the McCarren-Walter legislation opposed the "consular absolutism" created by that law. It was felt that such procedures did violence to bedrock American political theory that places a premium on official accountability, and that, in practice, they would be grossly inadequate to ensure that statutory standards governing visa applications were applied. Yet in the cold war climate of the early 1950's, the Senate Judiciary Committee rejected review procedures in order to raise "fences for the alien to surmount."

Experience under current law and the record under review procedures that were implemented during World War II demonstrate the necessity and viability of a Visa Review Board. One study commissioned by the State Department during the late 1970's found that many consuls did not follow internal guidelines for visa adjudication, that eligibility standards were often applied inconsistently from office to office, even within the same country, and that visa refusals often were not documented due to the ineffectiveness of internal departmental review procedures. On the other hand, a two-person Board of Appeals on Visa Cases that operated during World War II successfully processed over 22,600 visa appeals during its 3½-year existence and overturned lower level decisions that had rejected visa applications in more than 26 percent of the cases.

My Visa Review Board bill would not establish a right to judicial review. It would not establish an alien's right to enter the United States prior to the issuance of a visa. It would not change the standards governing an alien's eligibility for admission. It would, however, enable those aliens with the greatest stake in the visa process—immigrants, investors, foreign workers, returning students, finances—to pursue an administrative appeal to ensure that they are not improperly denied visas under existing statutory standards. Equally important, the bill would protect the legitimate personal and economic interests of American individuals and firms who support an alien's application for admission.

My legislation would end a procedure of "consular absolutism" that is unsound both in theory and in practice. I invite my colleagues to join me in support of this bill.

BEATING UP ON SMALL BUSINESS

HON. DONALD E. LUKENS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. DONALD E. LUKENS. Mr. Speaker, I rise today to share with my colleagues an editorial from the June 1, 1987, issue of the Washington Times.

The article tells how the liberal-controlled Congress is at war with small business as almost never before.

Mandated benefits and greater Government regulation are at the core of the debate. If the proposed pieces of legislation are successful, small business faces a gloomy future.

The article follows:

[From the Washington Times, June 1, 1987]

BEATING UP ON SMALL BUSINESS

(By Warren T. Brookes)

Over the past six years more than 90 percent of the new jobs created in the United States have been with companies with fewer than 100 employees, and more than half of the new jobs with companies with fewer than 20 employees.

In other words, the key to America's economic growth has been small business, and it's getting more so. This alone explains why in the last 16 years the United States has created almost 31 million new jobs, while Europe has created none.

Since 1975, for example, companies with payrolls exceeding 1,000 have created only 6 percent of the new jobs in this country—and since 1979, they have actually lost about 600,000. (See Table.)

You would think, then, that Congress, and especially the Democrats eager for national power, would be champing at the bit to help small business in every way possible.

You would be wrong.

In fact, as George Melloan of The Wall Street Journal pointed out recently, this new Congress is at war with small business as almost never before, thirsting to pass at least four major bills harmful to small and new companies.

For example, the House Education and Labor Committee has approved Colorado Democratic Rep. Patricia Schroeder's bill requiring all employers with 15 or more employees to guarantee them a minimum of 18 weeks of parental unpaid leave, with full benefits and job-retention rights. Since most large and unionized companies already provide such benefits, the only target of this legislation is the small business that can least afford the cost.

A similar measure being considered would require that all companies provide group health insurance. Once again, since all large and unionized companies provide such benefits, the only target is the small, new business that can't afford them if it wants to compete.

The Senate Labor Committee, under the leadership of Democratic Sen. Edward M. Kennedy of Massachusetts and his ultra-liberal Democratic henchmen Sens. Howard Metzenbaum of Ohio and Paul Simon of Illinois, is proposing two other devastating attacks on small business:

One is a so-called "plant closing" law that would require any company cutting its payroll by 50 to 500 employees to submit to a process that would make it almost impossible to close down, short of total bankruptcy or endless litigation.

The bill would require an employer to give 90 days' notice before closing down, and even then would force him to submit his reasons for closing to a government-labor "committee" that would try to force him to come up with an alternate plan. If he ignored that plan, he would face "class action" in court.

This nightmare would make it exceedingly dangerous to start up a new business of any significant potential (to have 50 or more employees, for example)—and would make current small- and medium-sized businesses become risk-avoiders so they wouldn't have to face the possibility of an infinitely more costly failure.

But this is nothing compared to Mr. Kennedy's proposal to raise the minimum wage by more than 37 percent, from $3.35 to $4.61 per hour.

Since the average payroll wage is now $8.89 an hour, and in manufacturing $9.87—even in the textile mills it is now $7.18 and in the apparel industry $5.92—it is obvious that this increase is aimed not at the big unionized company but at the small employer.

For example: 65 percent of all minimum-wage jobs are now part-time; more than 76 percent of minimum-wage receivers are *not* heads of households; 59 percent are single; and more than one-third are teen-agers. More important, since 1982, the percentage of jobs paying the minimum wage has actually fallen, from 12.8 to 8.8 percent.

In other words, the minimum wage is not an issue for the full-time employed American head-of-household—and raising it would do only one thing: kill off, according to Congress' own General Accounting Office, between 124,000 and 619,000 youth jobs at a time when teen-age unemployment exceeds 17 percent.

No, the only effect of raising the minimum wage would be to make it harder for small companies and new enterprises to compete.

The Democrats' dilemma is that they are so wed to Big Labor that they are forced to use their legislation power to protect it, no matter the economic or political costs. Since 1975, union membership has fallen from 22.2 million to about 16.6 million in 1986. This means that from 1975 to 1984, while the nation gained 17.6 million new jobs, labor unions lost 4.9 million.

Until the Democrats are prepared to abandon or recaulk this leaking ship, they cannot be serious about competitiveness.

THE PEREGRINE FUND

HON. RICHARD H. STALLINGS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. STALLINGS. Mr. Speaker, I would like to bring to my colleagues' attention the noble efforts which have been made on behalf of the peregrine falcon, a species once in danger of extinction. Because of its speed and beauty, the peregrine is one of the world's most admired birds of prey. Anyone who has seen a peregrine in flight would have to agree that it is a bird which represents the very best of America's wildlife.

However, years ago human error unwittingly brought the peregrine falcon close to extinction in the continental United States. Because of reproductive failures induced by the pesticide DDT, the peregrine's numbers quickly dwindled until in 1970 there were less than 100 of them in the lower 48 States. At this time, many scientists feared that the peregrine would be lost forever unless human intervention could restore what human mistakes had caused.

The Peregrine Fund was founded in 1974 for the purpose of saving the peregrine falcon. Since then the private, academic, and public sectors have been united in an incredible drive to save the peregrine. This effort has met with unprecedented success in the last 13 years and the Peregrine Fund now believes that there are enough falcons in the wild to repopulate much of the eastern United States. I would like to congratulate the fund on its achievements, and I would also like to thank the many Idaho businesses which have been major contributors to this outstanding program.

The Peregrine Fund is commemorating the recovery of the falcon with a display in the Capitol tomorrow afternoon, followed by a reception to be held in the evening at the Hyatt Regency Hotel. I would urge my colleagues to attend these events and to support this cause which has brought the peregrine falcon back from the brink of extinction.

NEW U.N. OFFICE FOR RESEARCH AND THE COLLECTION OF INFORMATION

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 2, 1987

Mr. YATRON. Mr. Speaker, recently several Members from the other body raised concerns about the United Nations' new Office for Research and the Collection of Information. They were concerned that the office would promote anti-American ideas.

On the contrary, creation of this new office was sought by the American, French, and British delegations to the United Nations. The U.S. permanent representative to the United Nations, Ambassador Vernon Walters, supported the establishment of that office to save money and to transfer the job of compiling press summaries out of a Eastern bloc-dominated department.

This new office was formed as a result of legitimate complaints from Western nations about the anti-Western bias of the Political Information News Service division of the United Nations. The Office for Research and the Collection of Information is headed by Assistant Secretary General James Jonah of Sierra Leone. I recently had the opportunity to meet with Dr. Jonah who assured me that the new office will conduct its operations in a manner consistent with the Charter of the United Nations. To be sure, only 1 of the 18 professionals in the new office is from the Eastern bloc.

The office will provide a vital service to the Secretary General. It will gather information from public sources to enhance his ability to resolve conflicts and to preserve peace and security. Specifically, the office is designed to help the Secretary General by improving the early warning system and improving the effectiveness of diplomacy, to collect political information and prepare sound analysis, to conduct research and draft speeches, statements and reports, and to monitor factors related to possible refugee flows and comparable emergencies.

Mr. Speaker, as chairman of the House Subcommittee on Human Rights and International Organizations which has jurisdiction over the United Nations, I am confident that this new office will enable the Secretary General to make informed decisions on international issues based on unbiased information for its internal use. Providing impartial information could be a step toward reducing polemics in that world body.

SENATE—*Wednesday, June 3, 1987*

The Senate met at 10:30 a.m. and was called to order by the Honorable TERRY SANFORD, a Senator from the State of North Carolina.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Make a joyful noise unto the Lord, all ye lands.

Serve the Lord with gladness: come before His presence with singing.

Know ye that the Lord He is God: It is He that hath made us, and not we ourselves; we are His people, and the sheep of His pasture.

Enter into His gates with thanksgiving, and into His courts with praise: be thankful unto Him, and bless His name.

For the Lord is good; His mercy is everlasting; and His truth endureth to all generations.—Psalm 100.

Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 3, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TERRY SANFORD, a Senator from the State of North Carolina, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. SANFORD thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that no resolutions or motions over under the rule come over, and that the call of the calendar be waived.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AIRLINE SAFETY

Mr. BYRD. Mr. President, in the growing debate over airline safety, I have long felt that the administration is downplaying the safety problems facing our Nation's air traffic control system.

After watching the CBS News show "Face the Nation," on Sunday, I am more convinced than ever that that is the case.

Appearing on that show was our colleague and friend, Senator FRANK LAUTENBERG of New Jersey, the widely respected chairman of the Appropriations Committee's Transportation Subcommittee.

Senator LAUTENBERG has demonstrated strong leadership on the issue of airline safety. He has authored legislation to improve safety and has chaired important hearings on this issue. He is held in high regard by all of us who work with him.

The supplemental appropriations bill we debated yesterday included funds for 225 new air traffic controllers, as well as funds for improvements in airport safety facilities which were recommended by Senator LAUTENBERG and his subcommittee.

Senator LAUTENBERG warned on "Face the Nation" that in his opinion we are faced—

> With an urgent matter of air safety because of the summer's increase in traffic.

And he observed what he felt has been a—

> pattern that goes back over 5 years of an unwillingness of the administration to get into the air traffic control system and to manage it properly.

I could not agree more. I was astounded to hear Mr. James Burnley, the Deputy Secretary of Transportation, who also appeared on the CBS program, characterize Senator LAUTENBERG's concerns as "gibberish, nonsense and untrue." I was astounded, not only because I found Mr. Burnley's comments intemperate and misleading, but also because I found his behavior was unbecoming of a Deputy Secretary.

As chairman of the Transportation Subcommittee, Senator LAUTENBERG has done an excellent job of representing not only the best interests of the people of his State but of air travelers everywhere.

Senator LAUTENBERG said on "Face the Nation" that the administration has been "stubborn" in confronting the problems of air safety—and it has been stubborn. I know, because it took 6 months—well beyond the statutory deadline—for the administration to appoint members to the Aviation Safety Commission that was mandated by overwhelming majorities in the 99th Congress.

In the lead op-ed in the New York Times on the day before yesterday, Senator LAUTENBERG cited specific problems with our air traffic control system and outlined his recommendations for ensuring passenger safety.

I hope that Mr. Burnley and others in the administration will begin to devote as much energy and effort to improving the margin of aviation safety as they do to attacking their critics, so we might actually have an air traffic system that is dependable and safe.

Mr. President, we in Congress take our responsibilities very seriously. Day in and day out, we deal with problems that affect the lives and futures of our constituents.

For anyone in the administration to dismiss the concerns we have on any issue as "loose, quick, and glib"—as Mr. Burnley did on network television—is an affront to the elected representatives of the people.

Mr. President, I ask unanimous consent that Senator LAUTENBERG's op-ed be included in the RECORD.

There being no objection, the article was order to be printed in the RECORD, as follows:

[From the New York Times, June 1, 1987]

SUMMER AT THE AIRPORT?

(By Frank R. Lautenberg)

WASHINGTON.—The National Transportation Safety Board, the Government's watchdog safety agency, has warned of a serious "erosion of safety" in our skies. Citing extreme shortages in America's air traffic control system, it has issued an urgent recommendation to restrict rush-hour flights at 22 major airports this summer. Otherwise, it says, the risk of a "catastrophic accident" is drastically increased.

The Reagan Administration, through the Federal Aviation Administration, rejects this warning out of hand. It points to its new national aircraft situation display system as an answer. But that is not the answer yet: It is still being tested and cannot do the things the F.A.A. says it can. Instead, the Reagan Administration downplays sobering facts:

Near-collisions in midair are increasing. From 1985 to 1986, they grew from 758 to

839; figures for the first quarter of 1987 already are well ahead of 1986's. Contrary to F.A.A. assertions, this is not an aberration: it's a trend and a warning.

Severe staffing shortages exist in the air traffic control system. The General Accounting Office, Congress's investigative arm, recently studied the situation at 43 major air traffic control facilities. It found that although air traffic had significantly increased, there are extreme shortages of fully qualified controllers at those facilities. Of the 6,311 fully qualified controllers authorized, only 3,802 actually are on board.

These shortages come at a time when air traffic is growing steadily. At Newark International Airport, it has jumped by 58 percent since 1981; despite that increase, fewer fully qualified controllers are directing that traffic today than in 1981.

The situation could worsen. Of the 740 controller supervisors on board at the facilities surveyed, 265—almost 30 percent—are eligible to retire. Their ranks will have to be filled by the already thin controller force.

Runway mishaps increased from 77 in 1984 to 115 in 1986. Although not in the air, runway planes still remain under the direction of the air traffic control system.

The obvious conclusion is that our national air traffic control system is failing. It is undermanned and overworked. Controllers are on the verge of forming another union. That in itself should signal the F.A.A. that something is wrong: The workforce is discontented.

To address the long-term problems in our system, the following steps must be taken:

First, selectively rehire former controllers dismissed by President Reagan in 1981. They violated Federal law by striking—that is not disputed. They've been punished. Further punishment is misguided: The traveler may be the victim now.

Many of us in Congress have long implored the Administration to get an increased number of fully qualified controllers back in the towers. But the Administration, stubbornly standing on principle, has refused to take the reasonable step of selectively rehiring controllers.

Second, get the national airspace plan for upgrading and modernizing the air traffic control system back on course. Technical and managerial problems—not insufficient funding—have put this plan at least $6 billion and eight years behind schedule. In fact, the F.A.A. has not been able to spend the money it has been given: In 1986, about $1 billion went unspent.

Finally, make better use of the Aviation Trust Fund. Its money is collected for one purpose: to improve and upgrade airport facilities and capacity.

These are long-term steps. But we are also faced with an immediate problem: this summer's peak traffic, which is likely to challenge the control system. No quick infusion of money and effort, no matter how large and immediate, will resolve this dilemma.

Changes must be made soon, but our choices are limited. Until the system can handle more traffic, flights in major corridors must be restricted. That appears to be the only alternative.

Through its outright rejection of the National Transportation Safety Board's findings and recommendations, the Reagan Administration is flying a blind course—and taking public safety with it.

Mr. PROXMIRE. Mr. President, will the Senator yield on that subject very briefly?

Mr. BYRD. Yes; I yield to my good friend.

Mr. PROXMIRE. May I say to my good friend, the majority leader, that he is 100 percent right. I saw FRANK LAUTENBERG on that CBS show. I was very, very impressed. He is doing an excellent job as chairman of the Transportation Subcommittee of the Appropriations Committee and he is right. What he is fighting for is safety. There is very likely to be a catastrophic accident with many, many innocent people killed. We have a situation that is very dangerous now. I think Senator LAUTENBERG is speaking out with great foresight and the case he made was most important. I, too, was shocked by the response of the Deputy Under Secretary.

Mr. BYRD. Mr. President, I thank my distinguished friend, the senior Senator from Wisconsin, for his very pertinent comments. I yield the floor.

RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the Republican leader is recognized.

Mr. DOLE. Mr. President, I thank the distinguished Presiding Officer. I have been routinely giving what I call bicentennial minutes and I start today with one concerning Jefferson Davis.

BICENTENNIAL MINUTE

JUNE 3, 1808: BIRTH OF JEFFERSON DAVIS

Mr. DOLE. Mr. President, on June 3, 1808, 179 years ago today, Jefferson Davis was born in Christian County, KY. Although he was better known for his service as President of the Confederacy during the Civil War, Davis was also an important Member of the Senate.

Davis spent most of his childhood in Wilkinson County, MS. He graduated from the U.S. Military Academy at West Point in 1828 and served in the Army until 1835. Davis spent 10 years running his Mississippi plantation, and began his political career in 1845, when he was elected as a Democrat to the U.S. House of Representatives. His term turned out to be very brief, however, as he left in June 1846 to serve in the Mexican War.

By the end of that war, Davis had established a reputation as a skilled military commander. In 1847, after retiring from the Army, he became a Senator from Mississippi. In the Senate, Davis enthusiastically supported President James K. Polk's manifest destiny policy. He had a vision of increasing the South's political influence through westward expansion, yet he strongly opposed the admission of California to the Union since it would enter as a free State.

In 1851, Davis resigned from the Senate to run for Governor of Mississippi. His bid was unsucessful, but Davis continued in politics as Secretary of War from 1853 until 1857, when he was again elected to the Senate. Back in the Senate, he defended slavery and the South up until his famous January 21, 1861, farewell address. On that day, Davis and four other Southern Senators resigned following the secession of their States from the Union. Davis subsequently became President of the Confederacy and was captured while fleeing to Mexico at the end of the Civil War. He lived the rest of his life in poverty and never petitioned the Federal Government for a pardon. On April 21, 1977, however, Senate Joint Resolution 16, introduced by the distinguished senior Senator from Oregon, Senator HATFIELD, posthumously restored his full rights of citizenship.

Mr. BYRD. Mr. President, will the distinguished minority leader yield?

Mr. DOLE. I will be happy to yield.

Mr. BYRD. Mr. President, I compliment the minority leader on regularly bringing to the floor these interesting vignettes that tell of important Senators, people, times, places, actions, issues, and happenings, all of which shed a very interesting and informative light upon our Nation's history and the history of the Senate.

I hope that one day we might see these vignettes printed as a Senate document. I will continue to listen with interest and will hope for, and will lend my support to, the action in due time that will make it posible for these vignettes to be encompassed into one volume, kept for our children and grandchildren, to be used in libraries across the country, and bearing the name of the illustrious author, ROBERT DOLE of Kansas.

Mr. DOLE. I thank the distinguished majority leader. This effort in no way matches his outstanding work on your history of the Senate, which all of us read very carefully. Because of his knowledge about the Senate, I appreciate very much those remarks.

Mr. BYRD. I thank my friend.

EXTRADITION OF TWA HIJACKER

HIJACKING OF TWA 847

Mr. DOLE. Mr. President, 2 years ago today, TWA flight 847 departed Athens Airport, bound for Rome. It never arrived, because, sometime after takeoff, the flight was hijacked by two heavily armed men.

The next 48 hours were a period of blood and brutality for the 153 innocent people—most of them Americans—who were on board. All were threatened and terrorized. Some, including the crew, were beaten and pistol-whipped. One, a Navy diver named Robert Stethem, was bound, beaten unconscious, shot in the head, and dumped on the tarmac of Beirut Airport.

WEST GERMANY REFUSES EXTRADITION

One of those two hijackers—those two murderers—a man named Mohammed Hamadei, is now in West German prison. The United States has requested his extradition, to stand charges in this country for the terrible crimes of which he is accused. So far, West Germany has not seen fit to honor our request.

And now—according to reliable reports in the press and from other sources—the West Germans may be negotiating a deal with Iran, under which Hamadei would not be extradited; would have his wrists slapped in a West German court; and would eventually be swapped for two German nationals taken hostage in Beirut—apparently, for the express purpose of pressuring Bonn not to send Hamadei here for trial.

It looks like terrorist blackmail works in Bonn.

OBJECTION BLOCKS D'AMATO RESOLUTION

Two months ago, Senator D'AMATO drafted a resolution urging the West German Government to go forward expeditiously with the extradition, and stating that failure to do so would have serious consequences for bilateral relations between our countries. I was 1 of more than 60 Senators who cosponsored that resolution.

At that time, an objection blocked our effort to get immediate consideration of the resolution. Yesterday, we sought again to gain clearance to bring up the resolution today, as the President departs for Venice; but that, too, was objected to.

LETTER TO PRESIDENT

As a result, Senator D'AMATO and I decided to write the President directly, urging him to press Chancellor Kohl hard on this issue. I ask unanimous consent that the text of the letter that Senator D'AMATO and I sent to the President be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
OFFICE OF THE REPUBLICAN LEADER,
Washington, DC, June 2, 1987.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: As you prepare to depart for the Venice Summit, we urge that you place high on your agenda for talks with West German Chancellor Kohl the need for speedy action by Bonn to extradite accused terrorist Mohammed Hamadei to the United States.

Hamadei has been charged with and indicted for murder and other crimes in this country. Our extradition request—made under clearly established terms of our bilateral extradition treaty—has been with the West Germans for about five months. Now we see reports that the Bonn Government may actually be negotiating a deal with Iran, under which Hamadei would not be extradited; would have his "wrists slapped" in a sham trial in Bonn; and then would be swapped for West German nationals kidnapped in Beirut.

That outcome would be totally unacceptable to us and, we believe, to the Senate and the people of the United States.

It is easy to talk tough about terrorism. It is harder to act tough, when the time comes. Now is the time for West Germany to act tough; to do what is right. And now is the time for us to make clear that, if West Germany is party to an arrangement under which Hamadei is not brought to justice, it inevitably will have a negative impact on our bilateral relations.

Sincerely yours,

ALFONSE D'AMATO.
BOB DOLE.

Mr. DOLE. Mr. President, there is a lot of tough talk about terrorism. But talk is cheap. Now it is time for Bonn to put up or shut up.

The West Germans hold this person, who is accused of the most disgusting crimes. We have asked for his extradition, under procedures clearly laid out in our Extradition Treaty with West Germany. There is no excuse—no excuse whatsoever—for Bonn's refusal to extradite.

Mr. President ought to make that point to Kohl—directly, frankly, no punches pulled. Either West Germany does what is right and sensible; or, inevitably, there will be serious repercussions for our bilateral relations.

Mr. President, I reserve the remainder of my time.

Mr. D'AMATO. Mr. President, on April 3, I spoke on the Senate floor concerning information from very reliable sources that the West German Government may not extradite Mohammed Hamadei. Hamadei is charged with cold-bloodedly killing Navy Diver Robert Stethem during the hijacking of TWA flight 847 nearly 2 years ago.

Since then, we have repeatedly asked the German Government these questions: Where does the Hamadei case stand? Is it in the courts? With the prosecutor? At the foreign ministry? Where? We have received no answers.

Today, President Reagan left for the economic summit in Venice. Before he left, the distinguished Republican leader and I sent the President a letter strongly urging him to make unmistakably clear to Chancellor Kohl of West Germany that the American people want Mohammed Hamadei extradited, and to reiterate that anything less than full prosecution of Hamadei for the senseless murder of an American citizen would have serious consequences for the relationship of our two nations.

It is my sincere hope that the President deliver this important message to the West German Chancellor before it is too late.

Since April, 65 Senators have signed on as cosponsors to a resolution urging this course of action.

In early April, I was hoping that the German Government would provide reassurances that it was going to extradite Hamadei, as its Ambassador, Mr. Van Well, had originally indicated it would.

No such assurances have been forthcoming. Instead, we learned this week that a German negotiator has held talks in Iran concerning a possible deal with the terrorists. The only point of dispute with the terrorists, apparently, is how light Hamadei's sentence shall be. The German Government is reportedly prepared to try Hamadei on minor charges rather than extradite him to the United States.

Such a deal must not be concluded. We must not permit terrorists, hijackers, and kidnapers to thwart the rule of law.

The facts of this case are clear. Hamadei was arrested by the Germans on January 13, 1987. At that time, the Germans indicated they would not prosecute, but would extradite him to the United States to stand trial for much more serious crimes: air piracy; resulting in murder; hostage taking; conspiracy; and the other offenses for which he was indicted in November 1985 in the U.S. District Court for the District of Columbia.

Then, two German nationals were taken hostage, and everything changed.

Now it seems, the hijackers and the kidnapers may prevail. If we stand by, and do nothing, they will.

Under the extradition treaty and its other agreements with the United States, the Federal Republic of Germany has two basic choices. It can extradite Hamadei to the United States or prosecute him under German law for comparable crimes.

We are insisting on extradition for two basic reasons:

First. Anything less will be caving in to the demands of the kidnapers; and

Second. The equities favor prosecution in the United States. Robert Stethem was an American citizen; Hamadei is charged with far more serious crimes here; and our conspiracy law offers a better opportunity for a full and fair trial.

I am not proud of our having traded arms for hostages. The West Germans, however, should surely learn from our mistake, and not repeat it. To do otherwise would render hostage the rule of law itself.

NUCLEAR TESTING TREATIES

Mr. DOLE. Mr. President, I recently received a letter from President Reagan on the threshold test ban and the peaceful nuclear explosions treaties. The President believes that further consideration of the treaties at this time would be unproductive. However, he is optimistic about the prospects for negotiating effective verification, and proceeding to ratification of TTBT and PNET. At the Moscow meeting between Secretary Shultz and Soviet Foreign Minister Shevardnadze the Soviets indicated that they are willing to concentrate on TTBT and PNET verification in the meetings of nuclear testing experts. The President writes that "if they follow through on this agreement, it could mark a genuine Soviet willingness to negotiate the verification improvements which will permit final ratification of the treaties."

As he seeks effective verification, the President believes that passage of the Evans-Kassebaum resolution which is now on the calendar would send the right message to the Soviets. If this resolution can help those negotiations along, I believe the Senate should take it up as soon as possible.

I commend the President's letter to my colleagues and ask that it be printed in the RECORD.

The letter follows:

THE WHITE HOUSE,
Washington, DC, May 19, 1987.

Hon. ROBERT DOLE,
Republican Leader,
U.S. Senate, Washington, DC.

DEAR BOB: Thank you for your March 11 letter setting forth your thoughts on the best way to proceed with respect to Senate consideration of the Threshold Test Ban Treaty (TTBT) and the Peaceful Nuclear Explosions Treaty (PNET). My position on ratification of these treaties has remained unchanged throughout our recent discussions. I believe the treaties should not be ratified without significant verification improvements.

Despite this belief, in October, I agreed to submit the treaties to the Senate and to work with the Senate on a reservation to ensure they would not take effect until they were effectively verifiable. I took this step for two reasons. First, I sought to avoid a devisive issue between myself and the Congress on the eve of my meeting with General Secretary Gorbachev. Second, I hoped to make it clear to the Soviets that, whatever our differences on details, the Senate and I were united on the need for effective verification.

In preparing my recommendations, which I submitted to the Senate in January, I sought to work closely with the Senate Foreign Relations Committee. Several details of my January proposal were based on suggestions from that Committee. During the course of Senate consideration of this matter, there has been substantial disagreement over the question of requiring an additional Senate vote on the improved verification procedures to be negotiated. Dropping the important constitutional safeguard of two-step ratification could suggest that the enhanced verification provisions to be negotiated were less important than the rest of the treaties or that those provisions remaining to be negotiated could simply be approved in advance. Such an outcome would clearly not be in our interests.

My consistent position has been that any arrangements for ratification must provide for essential verification improvements, but that I am willing to be flexible on the exact approach. Because I remain seriously concerned about verification, I could not agree to simply drop the second advice and consent vote as Senator Byrd has suggested without some alternate way of ensuring that appropriate verification provisions result. Unfortunately, it has not been possible to devise an approach that would meet our twin concerns of proper constitutional procedure and effective verification without two-step ratification.

Given this fact, I agree with the Majority Leader that further consideration of these treaties at this time would be unproductive. This is particularly true following the recent meeting in Moscow between the Secretary of State and his Soviet counterpart. At that meeting, the Soviets agreed with Secretary Shultz to have our experts focus on verification in their discussions in Geneva. If they follow through on this agreement, it could mark a genuine Soviet willingness to negotiate the verification improvements which will permit final ratification of the treaties.

I also agree that adoption of the resolution proposed by the Republican members of the Foreign Relations Committee would send a strong message to the Soviet Union that the United States, while committed to the objectives and obligations of the treaties and eager to see them ratified, is not prepared to abandon the requirement for effective verification. I would welcome such a step by the Senate.

I appreciate the strong support you have given me and our national security interest on this matter. I can certainly endorse the approach you suggest.

Sincerely,

RON.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond 11:30 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from Wisconsin is recognized.

NIXON-KISSINGER RECOMMENDATIONS FOR ARMS CONTROL MOSTLY RIGHT

Mr. PROXMIRE. Mr. President, on Sunday, April 26, the Washington Post carried an article from former President Nixon and former Secretary of State Kissinger. That article deserves the attention of all of us. The article deals with the pending arms control negotiations between the United States and the Soviet Union. Many Senators will disagree with it. Both the former President and the former Secretary of State are controversial figures. But they have had unmatched experience in dealing with the Soviet Union on arms control and in doing so with success They are convinced that there will be a new superpower agreement on arms control achieved this year. They say, however, that it is an open question—whether the superpowers will sign an agreement that will strengthen the prospects of peace or an agreement that "could create the most profound crisis of the NATO alliance in its 40-year history." Mr. President, it is because the former President and his Secretary of State are concerned about the danger of such a crisis that they have chosen to speak out together for the first time since both of them left office.

What so deeply concerns these men about the prospective agreement with the Soviet Union? They are concerned that the sharp reduction or elimination of intermediate nuclear weapons from Western Europe and the possible follow-on elimination of short-range missiles and even tactical missiles would cut the heart out of the "flexible response" doctrine that has been the bedrock basis for the defense of Western Europe for more than 20 years. They envision the possibility that the Soviet superiority in conventional military weapons, specifically in tanks, planes, and artillery, might enable the armies of the Warsaw Pact to sweep through Western Europe in a few weeks. As long as NATO has tactical, short-range and medium-range nuclear weapons deployed and ready to fire, the Soviet Union knows that NATO could stop their attack by a low-level, tactical and shortened medium-range nuclear missile defense aimed at troop concentrations, supply depots, and transportation centers.

Nixon and Kissinger reason that the deployment of such a medium- and low-level nuclear force would convince the U.S.S.R. that NATO means business, that it could and would, if necessary, go low-level nuclear to stop a Soviet conventional attack. Therefore, the attack would fail. Furthermore, if the Soviets responded to such a low-level nuclear defense with an all-out strike with their massive long-range ICBM's against American targets, any President would surely retaliate and there would be nothing but losers.

So, what happens if the lower level nuclear weapons come out of Western Europe on boths sides? The Kissinger-Nixon scenario might, indeed, develop. There are two reasons, however, why it might not. First, the nature of the U.S. nuclear deterrent is mobile, not stationary. And that makes an enormous difference. The United States can bring its nuclear-warhead-carrying submarines right up to the border of the Soviet Union. It can fly its nuclear-warhead-carrying bombers into the Western European battle area. Since 75 percent of all the United States immense nuclear deterrent is submarine and bomber based, the reduction or elimination of middle and lower range nuclear weapons does not significantly enfeeble the massive NATO deterrent.

If this Senator is wrong—and obviously these two wise experts would disagree with my analysis—there is a second course we can pursue. And we should. It is a course the Nixon-Kissinger article itself recommends. We should negotiate a linkage for any reduction or elimination of the smaller nuclear weapons in Europe to the negotiation of a balance of conventional military forces between NATO and the Warsaw Pact. As the Nixon-Kissinger article proposes, it would be wise to tie this negotiation into the nuclear weapon reduction that Gorbachev is now pushing. Superficially this might appear to be a mission impossible. Why would the Soviet Union negotiate a reduction in the one distinct and acknowledged military advantage they now so clearly hold?

The answer must be very obvious to Mr. Gorbachev. Here we have a country, the Soviet Union, suffering far more than the United States from the burden of supporting a huge military force. With half as productive an economy, the Soviets are spending more than twice as much of their total economic production as the United States must spend to maintain their king-size military. And where does that military spending go? A huge 85 percent of the Soviet's military spending goes to developing, producing, manning and maintaining strictly conventional weapons. There can be no big, major relief for the Soviet economy; no real chance to grow and develop; no improvement in living standards for the Russian people; no big progress for Soviet science and technology until some of this huge burden is lifted. If the Soviets agree to a tank-for-tank and plane-for-plane and ship-for-ship cutback in their conventional military force, in tandem with a corresponding reduction in their military manpower, they could enormously ease this huge cost on their burdened economy and people. They could still retain the oh-so-convincing deterrent of their great nuclear arsenal. Here is the kind of agreement that could permit further progressive reductions of both nuclear and conventional military forces on both sides down to the lowest level consistent with credible deterrence.

So, yes, the agreement to reduce or even eliminate low-level nuclear weapons from Europe should proceed; but as Nixon and Kissinger have recommended, it should proceed in tandem with the elimination of the vast Soviet conventional military superiority. Here is an arms control agreement that would in the long run greatly benefit both sides.

Mr. President, I ask unanimous consent that the article by former President Nixon and former Secretary Kissinger to which I have referred from the April 26 Washington Post be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 26, 1987]

AN ARMS AGREEMENT—ON TWO CONDITIONS

(By Richard M. Nixon and Henry A. Kissinger)

President Reagan has a historic opportunity to take a major step forward in American-Soviet relations. There is little doubt that a summit meeting will occur this year and that an arms control agreement will be signed. But whether this leads to a breakthrough toward peace depends on whether it is the right kind of a deal. That is still an open question.

How did we reach this point? There are two principal factors.

The first is Reagan's success in restoring American self-respect and military strength. He has made the United States worth negotiating with. No one can deny the decisive role of the Strategic Defense Initiative in bringing the Soviets to the negotiating table.

The second is that General Secretary Gorbachev needs a deal. He wants a relaxation of tensions with the West in order to pursue his desperately needed domestic reforms.

All attention is now focused on the possibility of an agreement on medium- and short-range missiles. With respect to medium-range missiles, Gorbachev offers to give up 922 warheads on SS-20 missiles if we give up 316 warheads on Pershing II and cruise missiles. He has also offered to destroy 142 shortrange SS-12/22s and SS-23s. Each side would retain 100 warheads on medium-range missiles, with Moscow's based in Soviet Asia and ours in the United States. It seems almost too good to be true—an offer we apparently cannot refuse.

Why does a leader whose entire career was in the Communist Party with its emphasis on balance of power offer apparently unequal reductions? Gorbachev is by far the ablest of all Soviet leaders since the end of World War II. He has an acute intelligence, a forceful presence and a contagious chairman. He is making some bold domestic reforms. But this does not mean he is a philanthropist. He knows that the Soviet cuts do not reduce in any significant manner the Soviet capacity to attack Europe with nuclear weapons and that they increase the Soviet conventional threat to Europe. He seeks to advance the calculated purpose of weakening the ties between the United States and Western Europe and between Germany and the Atlantic Alliance.

If we strike the wrong kind of deal, we could create the most profound crisis of the NATO alliance in its 40-year history—an alliance sustained by seven administrations of both parties. Because we are deeply concerned about the danger, we who have attended several summits and engaged in many negotiations with Soviet leaders are speaking out jointly for the first time since both of us left office.

When NATO was created, faced with Moscow's massive conventional superiority, the allies chose to confront Soviet manpower by threatening to respond to a Soviet conventional attack with nuclear weapons. So long as the United States had superiority in strategic nuclear weapons, that strategy was credible. But since the late 1970s the Soviet strategic arsenal has grown to equal, and in land-based missiles to exceed, that of the United States. This meant that a nuclear war would involve scores of millions of American casualties in a matter of hours. We need not debate whether an American president would under these circumstances initiate strategic nuclear war in response to an attack on Europe. It is enough to recognize that if the Soviets believe he might not, deterrence could fail.

That is why NATO developed a doctrine—flexible response—which would permit a graduated application of its nuclear power. Medium- and short-range missiles placed on the continent of Europe restored the credibility of the threat of nuclear retaliation, if only because the Soviets had to calculate that the United States would not permit them to be overrun without using them. This was especially important for the Federal Republic of Germany, which, unlike France and Britain, has no nuclear weapons and, unlike Italy, has large Soviet armies on its borders. Three years ago, NATO governments overcame bitter Soviet-sponsored demonstrations to deploy these medium-range missiles.

It is regrettable that in the late 1970s the deployment of those weapons was justified solely on the ground that they were needed to balance the new Soviet SS-20 missiles and that Western statesmen said a withdrawal of the SS-20s would permit us to withdraw our missiles as well. In fact, these missiles were not needed to offset their equivalents. Their real function was to discourage Soviet nuclear blackmail of Europe by whatever weapon from whatever location and to raise the risk of nuclear retaliation by NATO to Soviet conventional attack. They closed a gap in deterrence caused by the apocalyptic nature of strategic nuclear war.

The Soviets' strategy since the end of World War II has been to exploit the West's fear of nuclear weapons by calling repeatedly for their eventual abolition. If we acquiesce in this strategy, we will create a far more dangerous world. Any Western leader who indulges in the Soviets' disingenuous fantasies of a nuclear-free world courts unimaginable perils.

If we eliminate American medium- and short-range forces in Europe without redressing the conventional imbalance, the Soviet nuclear threat to Europe will remain, and the nuclear threat to Europe will remain, and the gap in deterrence to conventional attack will be reopened. Even after the proposed reductions the entire Soviet nuclear arsenal of 19,000 warheads can, if the Soviet Union chooses, be aimed at Western Europe from the Soviet Union a few hundred miles away. But given the catastrophic consequences of general nuclear war, the credibility of the strategic U.S. threat is eroding, all the more so if it must be initiated on behalf of distant allies and after we have just withdrawn our strategic missiles across an ocean.

Deterrence cannot be based on either U.S. battlefield nuclear weapons, because their range is too short, or on tactical bombers, because of the formidable Soviet air defenses. Reliance on battlefield nuclear weapons has two other disadvantages. It stakes the nuclear threat on the nuclear weapons most difficult to control by civilian leaders. Above all it would confine the use of nuclear weapons in effect to German soil.

Faced with such prospects no German government will be able to resist for long the siren song of denuclearization, on the one hand, or the acquisition of nuclear weapons, on the other. And this in turn would leave American forces in Europe without adequate nuclear protection.

In retrospect, NATO should not have offered the zero option in the late 1970s. But we have crossed that bridge. The Soviets have accepted our offer. But it would be a profound mistake to conclude the agreement in its present form. We must insist on at least two conditions:

1. No missiles in Asia: We must demand that the zero option eliminate all intermediate-range missiles worldwide. From just beyond the Ural Mountains, Soviet SS-20 missiles could still reach Germany and, being mobile, could quickly be moved into positions that threaten all of Europe. Also, given the enormous Soviet nuclear arsenal, the sole Soviet purpose in retaining 100 warheads in Asia is to intimidate China, Japan and Korea with American acquiescence. Finally, by permitting 100 warheads in Asia, the verification problem becomes enormous because that would allow Moscow to maintain its production lines and test firings.

2. Linkage to conventional balance: Since the missiles reductions are slated to take place over five years, we should link the final phase of withdrawals to the elimination of the huge Soviet conventional superiority. The agreement must provide that negotiations to this end begin immediately and be concluded before the final phase of missile withdrawal begins. In particular, we must insist on the right of equal numbers of short-range missiles until the conventional balance is established. Otherwise, removing medium- and short-range nuclear weapons would simply make Europe safe for conventional war.

Our negotiators must hold their ground on these points. No deal is better than a bad deal. But that is not our choice. We can reach a good deal, for both sides, if we always keep in mind that Gorbachev needs a deal as much as we do. Indeed, if he is genuinely interested in peace, he should want an agreement that increases the security of both sides. Unilateral concessions now may bring a temporary respite but only at the cost of grave risks later.

In addition to arms control, it is vital that a summit convened to sign a missile agreement deal with the major political U.S.-Soviet issues. If summitry is to promote the chances of peace, the superpowers must address the potential causes of war. It is not weapons that cause war, but rather the political differences that lead to the use of those weapons. Therefore, when Reagan and Gorbachev meet, there must be significant progress toward resolving key political issues, such as the Soviet occupation of Afghanistan, Soviet arms shipments to Nicaragua and Soviet-sponsored subversion in Central America. Gorbachev has taken the first steps toward reform at home but has not retreated one inch from Moscow's posture abroad. Indeed, his policy can be said to be a subtler implementation of historic Soviet patterns. He has criticized Brezhnev, but he still enforces the Brezhnev Doctrine.

Every president has an understandable desire to ensure his place in history as a peacemaker. But he must always remember that however he may be hailed in today's headlines, the judgment of tomorrow's history would severely condemn a false peace. If President Reagan stands firm for the principles that he has maintained so steadfastly throughout his career, he will be able to sign the right agreement and make a significant step toward real peace in the world.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

THIRTEEN QUESTIONS ON LEVIN-NUNN

Mr. DOLE. Mr. President, the so-called Levin-Nunn amendment has stopped the defense authorization bill in its tracks, and sparked an arcane legal debate in the Senate. Volumes of legal discussion cloak the important issues at stake.

The Senator from Indiana [Mr. QUAYLE] has circulated a "Dear Colleague" letter which shows why Levin-Nunn must be dropped with clear answers to 13 straightforward questions. I commend this letter to my colleagues and ask that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, May 20, 1987.

DEAR COLLEAGUE: This is the second of several letters to explain why the Levin-Nunn provision (Section 233) should be dropped from the National Defense Authorization Act for Fiscal Year 1988 and 1989.

Several arguments have been made to try and sustain this provision's inclusion in the bill. As the attached question and answer sheet makes clear, however, each of these arguments is unsound.

I hope the attached will help guide the debate on the floor. If you have any questions or would like to help in opposing the Levin-Nunn provision, please contact me or my military assistant, Henry Sokolski at 224-5623.

Sincerely,

DAN QUAYLE,
U.S. Senator.

1. Is the Levin-Nunn language unconstitutional?

Yes, on two counts.

First, it is the executive branch—not Congress—that interprets and implements treaties after they've been conditioned and then approved for ratification by the Senate.

And second, while Congress can legislatively protest the way in which a president has interpreted a treaty, it can only do so after the President has set his interpretation in motion.

2. Can't the Senate Interpret Ratified Treaties?

Only when it considers implementing legislation specifically required by the treaty itself (e.g., treaties that require annual funding of a specific institution). Otherwise the Senate has no authority to interpret ratified treaties. Only the president can do so.

"Attempts by the Senate to withdraw, modify or interpret (a ratified treaty) . . . have no legal weight," wrote Louis Henkin in Foreign Affairs and the Constitution. "Nor has the Senate any authoritative voice in interpreting a treaty or in terminating it."

The Supreme Court likewise has ruled that the Senate has no authority to interpret treaties they've already consented to. As it noted, in ***Fourteen Diamond Rings v. US*** 183 US 176, "The meaning of (a) treaty cannot be controlled by subsequent explanations of some of those who may have voted to ratify it," . . . The Senate has no right to ratify (a) treaty and (then) introduce new terms into it, which shall be obligatory upon the other power."

3. Does the Levin-Nunn actually interpret the ABM Treaty?

Yes. While its supporters say it only quotes the treaty, its provisions nevertheless have the net effect of interpreting it. The reason why is simple: Levin-Nunn selectively quotes from one part of the treaty (Article V) as if its strictures covered SDI but it ignores Agreed Statement D that explicitly speaks to futuristic technologies such as SDI.

By doing so the amendment emphatically promotes the narrow interpretation of the treaty while fencing money for any move toward the broad interpretation.

4. Is Levin-Nunn in effect a one-house veto?

In practice, yes. It still, in effect, gives one house of Congress effective veto power over a presidential prerogative.

In fact, it adds insult to injury here by allowing the House veto power over the executive branch's right to interpret and implement ratified treaties.

Under constitutional procedures, if the president acts on a signed treaty and funds a specific program in a way that Congress opposes, Congress can then—and only then—pass a law to stop that funding.

A law, however, requires a majority of both houses and then two-thirds of both houses if the president vetoes the bill.

Levin-Nunn would block the president before he acts and—by forcing him to seek a joint congressional resolution of approval before moving forward under a broad treaty—give one house veto power.

5. Without Levin-Nunn, wouldn't Congress be signing a "blank check" for SDI?

Absolutely not. In fact, under current law, Congress can control SDI spending directly. The procedure is simple. If, at some point in the future, the White House conducts SDI experiments that would violate the narrow interpretation, Congress at that point can step in and condition its funding—or halt SDI spending altogether.

6. Isn't Levin-Nunn the same as Congress' fencing of MX money in 1982?

Not at all. When Congress fenced money for the MX missile in 1982, it simply required the president to report his decision on a basing mode and allow that report to sit before Congress for 30 days.

The MX fencing language did not require a joint resolution of approval for the president to move forward with MX deployment.

Also, unlike Levin-Nunn—which quotes the ABM Treaty and, in effect, tries to legislate a specific interpretation—the MX fencing language did not in any way refer to or suggest a specific interpretation of SALT or any other treaty.

In addition, the MX fencing language was agreed to by the administration in advance and supported by Congress because, at the time, all concerned wanted to make sure that the MX would be based properly.

7. Isn't the treaty ambiguous?

The treaty's words are themselves quite clear:

Article II defines ABM systems as systems to counter strategic ballistic missiles or their elements in flight trajectory, currently consisting of ABM interceptor missiles, ABM interceptor missile launchers, and ABM radars.

Article V prohibits the testing, development or deployment of space-based, sea-based, air-based, of land-mobile systems as defined in Article II.

Agreed Statement D stipulates that if ABM systems based on other physical principles are created including components capable of substituting for ABM interceptors, launchers, or radars, that specific limitations on these systems and their components would be subject to discussion.

From this direct reading of the treaty only a broad interpretation—the conclusion that testing and development of space-based ABM systems based on other physical principles is allowed—is possible.

8. What's required to sustain a narrow interpretation?

To sustain a narrow interpretation one must prove that:

1. Article II's definition of ABM systems is illustrative, not exclusive; that when it says "currently consisting of," Article II implicitly includes any and all types of systems including those based on other physical principles.

2. Article V's prohibition on testing, development, and deployment of space-based, air-based, sea-based, and land-mobile ABM systems applies not just to "ABM systems currently consisting of" ABM interceptor missiles, launchers, and radars, but to all future types of ABM systems as well and that Article V only allows development and testing of futuristic ABM systems that are fixed and land-based.

3. Agreed Statement D's explicit discussion and allowance of ABM systems based on other physical principles is not a clear contradiction to the above, but merely reiterative.

9. Shouldn't we interpret the treaty narrowly if there is any doubt?

No. When there is a question whether a treaty should be interpreted narrowly or broadly, the Supreme Court has said that it is in the United States' best interests to move to the broad interpretation. As the Court noted in *Nielsen* v. *Johnson* 279 U.S. 47, "When a treaty provision fairly admits of two constructions, one restricting, the other enlarging rights which may be claimed under it, the more liberal interpretation is to be preferred."

The Supreme Court also made the same point in *Jordan v. Tashiro* 278 US 123 (1928), "The principles which should control the diplomatic relations of nations, and the good faith of treaties as well, require that their obligations should be liberally construed so as to effect the apparent intentions of the parties to secure equality and reciprocity between them."

10. Didn't Soviet and U.S. negotiators ban the testing and development of space-based futuristic ABM systems?

The negotiating record clearly shows that although the U.S. attempted to ban development and testing of any and all futuristic ABM systems (including fixed, land-based systems), the Soviets resisted and succeeded in getting our proposed restrictions on research, tests and development of ABM systems based on other physical principles to be removed from Articles I and V.

The end result, despite the U.S. negotiators' best efforts, was a watered-down Agreed Statement D, which only prohibits deployment of futuristic ABM systems in space without prior discussion with the Soviets.

11. Shouldn't we heed what some of the negotiators are now saying against our going to the broad interpretation?

No. In fact, Mr. Graybeal, who is one of these negotiators, has already instructed the Senate on this point. As he noted back in 1979 when hearings were held concerning SALT I restrictions on "heavy" ICBMs and our mistaken hopes raised by our negotiators that SS-11 silos would not be filled with SS-17s or SS-19s:

"It is the letter of the agreement that counts. Unilateral interpretations and statements are not binding and cannot be relied upon to influence the Soviets . . . The language of the agreement, the agreed statements and the common understandings reflect what could be negotiated and what is binding on the two parties. Presentations to Congress can help explain the language and how it was derived, but they should not change the meaning of the language or the scope of the provisions of the agreement."

This same point was driven home by Secretary Schlessinger, who made it clear that the Soviets never adopted our unilateral interpretation.

12. What evidence, if any do we have that the Soviets themselves adopted the broad interpretation of the AMB Treaty?

Two rather disturbing facts. First, in March of 1985 the Soviets in Geneva proposed to prohibit all testing, development and deployment of space-based ABM systems or components even though this would already be banned under a narrow interpretation of the ABM Treaty. Presumably, the Soviets sought this ban precisely because they did not think the ABM Treaty banned such activities.

Second, the Soviets recently announced that they intended to conduct an experiment involving a space-based directed energy device that would knock a portion of Mars' moons off. Apparently, they did not believe that such experiments were prohibited by the ABM Treaty.

13. If SDIO has already stated that it plans no tests that would violate the narrow interpretation, what does this amendment cost us?

Plenty. SDIO made this assertion only with regard to this fiscal year. It would like to test outside of the narrow interpretation soon thereafter.

Passing Levin-Nunn now would prevent such a move not just in Fiscal Year 1988 but Fiscal Year 1989 as well since the authorization bill for the first time this year is a two-year authorization.

This would carry real costs. A recent Pentagon report determined that operating the SDI program under a broad treaty will bring us at least two years closer to a viable system and save us $3 billion or more.

DRUG ENFORCEMENT

Mr. DECONCINI. Mr. President, last Saturday, the President of the United States announced in his weekly radio address that, among other things, the National Drug Policy Board had finally designated the lead agency to head our Federal drug interdiction effort.

After months of often cantankerous deliberations, the Attorney General appointed the U.S. Customs Service to be the lead agency for drug interdiction and named the U.S. Coast Guard to be the principal deputy in our interdiction effort. I believe the Attorney General made the right decision, and I compliment him for it. It has taken a long time, and many of us have been critical of the Attorney General for not moving swifter, and I wish he had, and the Policy Board for not managing this particular problem in a more expeditious way.

I guess it is easier to criticize when you are not trying to put these Cabinet people together. In any event, the Attorney General did the right thing, and it is high time.

I still firmly believe, without a doubt, that an independent national drug coordinator is still necessary. The chairman of the Judiciary Committee, the distinguished Senator from Delaware [Mr. BIDEN], has introduced such legislation. I will continue to support that legislation. I hope that legislation is reported by the Judiciary Committee very soon. But at least we have moved in the right step. You cannot have four or five bosses, or even two bosses, in this drug interdiction area and expect to have any success. Though some claim great success, I think we have a long way to go to attempt to win the war against drugs.

At the same time, I believe that in this particular instance, the Attorney General, as head of the National Drug Policy Board, deserves the credit for being able to put this together and convince the President that this was necessary.

The Customs Service has the capability and capacity and in the past has done a good job; and I think we can expect the Coast Guard, with its history, to continue at present the good job that was done in the past.

The head of the Coast Guard, Admiral Yost, demonstrated, when he was head of the Atlantic Coast Guard Fleet, how aggressive he could be. He indicates that he is prepared to accept this decision and to lay aside the problems that these two agencies had. Believe me, they have had some problems, as well as other agencies.

There is no easy way to get at this, but bickering between the different law enforcement agencies is obviously not the way to curb drugs into this country.

I also believe that though the decision of the Attorney General left still up in the air, not to misuse the phrase here, who is going to do air interdiction—in the fact that over the sea that would be done primarily by the Coast Guard and over the land by the Customs Department and over, and in the sea, the major interdiction would be by the Coast Guard—we still have the problem of a large division of who is going to listen to whom, if, indeed, a decision has to be made.

I hope from what I read in the news coverage of this from the Coast Guard officials and the Customs officials, the commissioner and the head of the Coast Guard, that we will see an end to the bickering and the debate.

The Customs Service, in my opinion, has stepped forward on a number of occasions; offered as much as $8 million to be transferred to purchase equipment, helicopters in particular, for the Service in the Bahamas. We have seen problems and problems, and, hopefully, we are now on the right track.

They should be able to cooperate in their interdiction. In time of war, various military units that have air power under different branches of the service do not have a problem where they cannot deliver the mission, accomplish the mission. So I think it is doable here, and I truly believe that a coordinated effort can be put together; if men and women of good will want it to work, it will work.

I want to assure both the Customs Service and the Coast Guard, that as one Senator, and as chairman of the appropriations subcommittee that funds the Customs Service, I intend to watch very carefully. I intend to be there in a cooperative effort to assist them in any way I can.

I hope that a similar committee over the Transportation Department, which has jurisdiction over the Coast Guard, will do the same, and I feel very, very secure that they will.

Mr. President, it is a good step forward. We have to crawl before we can walk and run. We are on the crawling stage still, on the interdiction of drugs in this country but we have finally chosen one agency to head it. That is very positive.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I want to thank the majority leader for making time available for morning business.

Mr. BYRD. Mr. President, will the distinguished Senator yield?

Mr. GRASSLEY. Yes.

Mr. BYRD. The time for morning business has expired. I ask unanimous consent that morning business be extended by an additional 5 minutes.

Mr. GRASSLEY. Six minutes.

Mr. BYRD. Six minutes.

The ACTING PRESIDENT pro tempore. The original order was for until 11:30.

Mr. BYRD. Yes; that is right. I was thinking we went in at 10, as I originally ordered. I am sorry.

Mr. GRASSLEY. I thank the distinguished majority leader, regardless of whether I need additional time, for whatever time is available for morning business, for so doing.

Mr. BYRD. I thank the Senator.

The ACTING PRESIDENT pro tempore. The order was to extend until 11:30 a.m., with Senators permitted to speak therein for not to exceed 5 minutes.

Mr. BYRD. I ask unanimous consent that the Senator may speak for up to 10 minutes, in case he wants to speak beyond 5 minutes. It is up to him.

Mr. GRASSLEY. Well, I probably will not use 10 minutes. I will try to live within that rule.

The PRESIDING OFFICER (Mr. REID). Without objection, it is so ordered.

(Mr. GRASSLEY's remarks are printed under Statements on Introduced Bills and Joint Resolutions.)

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN ITEMS ON THE CALENDAR

Mr. BYRD. Mr. President, I ask the distinguished Republican leader if Calendar Order Nos. 139 and 140 are cleared on the other side of the aisle for passage.

Mr. DOLE. Yes, Mr. President, they have been.

Mr. BYRD. I thank the Republican leader.

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of both items en bloc, that they be agreed to en bloc, and that the motion to reconsider be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

OBSERVANCE OF 300TH COMMENCEMENT AT THE OHIO STATE UNIVERSITY

The joint resolution (H.J. Res. 280) to observe the 300th commencement exercise at the Ohio State University on June 12, 1987, was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

RECOGNIZING THE CONTRIBUTIONS AND SERVICE OF WILBUR J. COHEN

The joint resolution (H.J. Res. 283) recognizing the service and contributions of the Honorable Wilbur J. Cohen, was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

EXECUTIVE CALENDAR

Mr. BYRD. Mr. President, I ask the Republican leader if the following nominations have been cleared on the other side of the aisle: Beginning on page 2, under Department of Health and Human Services, Calendar Order No. 88; going to the Army, on the same page, Calendar Order No. 171; going to Department of State, on the same page, Calendar Order Nos. 172 and 173; continuing under the Department of State, on page 3, Calendar Order Nos. 174, 175, 177, 178, 179; and on the same page, Calendar Order No. 180, under Organization for Economic Cooperation and Development.

On page 4, Calendar Order No. 181 under Asian Development Bank; and all nominations placed on the Secretary's desk in the Foreign Service on page 5.

Mr. DOLE. Mr. President, has Calendar Order No. 182 been mentioned?

Mr. BYRD. That is not yet cleared on this side.

Mr. DOLE. And Calendar No. 88 has not yet been cleared on this side, on page 2. As I understand it, Calendar Order No. 90 is not yet cleared on that side.

Mr. BYRD. That is correct, Mr. President. I wish to say, however, that that nomination has been on the calendar since May 1. I have discussed the nomination with certain parties on this side of the aisle to indicate that it is my intention to move to take up that nomination soon, conceivably today. I am not likely to call it up today, but soon, if it is not otherwise cleared for action, and let the Senate reach a decision on it.

Mr. DOLE. With reference to Calendar No. 88, we shall make the same inquiry of the distinguished Senator from New Hampshire [Mr. HUMPHREY] and see if that might be ready for disposition.

Mr. BYRD. Very well. Personally, Mr. President, I want to say, too, that I support the nomination to the Judiciary of David Bryan Sentelle, of North Carolina, to be U.S. circuit judge for the District of Columbia circuit vice Antonin Scalia, elevated. I hope the Senate will not be delayed much longer in disposing of that nomination because it is my clear intention to call it up.

EXECUTIVE SESSION

Mr. BYRD. Mr. President, if the distinguished Republican leader has no other comments concerning the calendar orders that have been enumerated, is there a need, I ask the Chair or the clerk, to repeat the enumeration of items that have been cleared?

The PRESIDING OFFICER. It does not appear to be necessary.

Mr. BYRD. I thank the Chair, and I thank the clerk.

Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations en bloc that I have enumerated, with the exception of the ones that the distinguished Republican leader has pointed out are not ready yet; that the Senate proceed to the consideration en bloc of the nominations; that they be confirmed en bloc; that the motion be made en bloc to reconsider the vote and that it be laid on the table; that the President be immediately notified of the confirmation; and that the

Senate then return to legislative session.

Mr. DOLE. Mr. President, reserving the right to object, and I shall not object, I think we discussed the nomination of Melissa Wells. That is not in this group?

Mr. BYRD. No, I did not mention that one. It is cleared on this side. I know there is a problem on the other side of the aisle. I have discussed it with the distinguished Republican leader and another Senator on the other side of the aisle. So I am not including that one today, but I am hopeful some action can be taken one way or the other on that nomination, because it has been on the calendar since March 31 of this year. That was not included.

Mr. DOLE. I thank the distinguished Senator.

The PRESIDING OFFICER. Without objection, the request by the distinguished majority leader is so ordered.

The nominations considered and confirmed en bloc are as follows:

IN THE ARMY

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be general

Gen. John R. Galvin, 005-28-5597, United States Army.

DEPARTMENT OF STATE

Charles E. Redman, of Florida, a Career Member of the Senior Foreign Service, Class of Counselor, to be an Assistant Secretary of State.

Robert H. Pelletreau, Jr., of Connecticut, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Tunisia.

Sol Polansky, of Maryland, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Bulgaria.

John Shad, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Kingdom of the Netherlands.

Thomas C. Ferguson, of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States to Brunei Darussalam.

Robert M. Smalley, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Kingdom of Lesotho.

Samuel B. Thomsen, of California, a Foreign Service Officer of Class one, to be the United States Representative to the Republic of the Marshall Islands.

ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT

Denis Lamb, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be the Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador.

ASIAN DEVELOPMENT BANK

Victor H. Frank, Jr., of New Jersey, to be United States Director of the Asian Development Bank, with the rank of Ambassador.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE FOREIGN SERVICE

Foreign Service nominations beginning Charles J. O'Mara, and ending Claude J. Nelson, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 21, 1987.

LEGISLATIVE SESSION

The Senate returned to legislative session.

ENHANCEMENT OF RETIREMENT CREDIT FOR U.S. MAGISTRATES

Mr. BYRD. Mr. President, the following item now has been cleared on this side and was previously cleared by the leader on the other side.

I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 138.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the bill.

The legislative clerk read as follows:

A bill (H.R. 1947) to amend title 5, U.S. Code, to provide enhanced retirement credit for U.S. Magistrates.

The bill was considered, ordered to a third reading, read the third time, and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SEQUENTIAL REFERRAL OF H.R. 1451

Mr. BYRD. Mr. President, I ask unanimous consent that, if H.R. 1451 is reported by the Committee on Labor and Human Resources, it be referred sequentially to the Select Committee on Indian Affairs for a period not to exceed 30 days, provided that the Select Committee on Indian Affairs be limited to amendments to section 41 of H.R. 1451 or an amendment proposed to the subject matter contained in that section.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, has morning business been closed?

The PRESIDING OFFICER. It has not been closed.

Is there further morning business? If not, morning business is closed.

LEGISLATIVE AGENDA

Mr. BYRD. Mr. President, I have been discussing the program or lack of a program for today with the distinguished Republican leader. For the record, let me say that we are in a situation right now when I do not have major legislation that I can call up, with one exception.

Let me explain further. I do not feel that I can call up the defense authorization bill because we made considerable effort in that direction not too long ago, and were unable to provide the votes to invoke cloture on the motion to proceed, so that the defense authorization bill cannot be taken up.

There are problems with the foreign assistance authorization, some severe problems at the moment. I hope those problems can be worked out.

The conference report on the budget, I am not sure we will be ready to call it up this week. I have had several meetings with Mr. CHILES and the House leadership. I talked with Mr. CHILES only this morning and I understand that progress has been made since yesterday, but of course that conference report, when finally agreed to by conferees, has to be taken up in the House and adopted before it comes over to the Senate. So the conference report on the budget will not be ready yet.

The trade legislation which came over from the House, of course, is on the calendar, but the legislation that has been reported from the Senate Finance Committee is not quite ready. As I had indicated earlier on in the year, I hoped to have the various components from other committees so that they could all be fused together into an omnibus bill, although the Finance Committee has the major portion of that bill and has ordered reported its bill. I understand that the written report will be available soon. I am presently awaiting the return of Mr. GLENN and Mr. WARNER from a visit to the Middle East where they have been visiting various countries looking into the Persian Gulf situation. Mr. GLENN is chairman of the Governmental Affairs Committee and has a piece of the legislation dealing with trade and he indicated to me before he left that he should be ready within a week, I believe, after his return, so it will be a few days before we can take up the bill.

The bill to provide for testing for the use, without lawful authorization, of alcohol or controlled substances by the operators of aircraft, railroads, and commercial motor vehicles, for the time being, has some holds on it. I cannot take up the bill just now.

As I look over the calendar, I do not see measures that are ready to be called up, with the exception of one measure, and that is the campaign financing reform bill.

I am also constrained to act in a situation in which, as we look down the road, and if we go to July 17 and work backward, on July 17 we are due to have the extension of the debt limit completed by the Senate again, and we also hope to have the reconciliation bill which would come right along at about that time. So those are two very important pieces of legislation that have to be done, and consequently we have to leave some little time for those.

Working back then toward the present, we have the trade legislation, which will take some time in the Senate. There is still the defense authorization bill which, hopefully, can be taken up at some point. There is also the budget conference report, and these are major items. Consequently, if I do not try to take advantage of this opportunity, it is quite likely that I would not be able to get to campaign finance reform before late July or even September, considering the August recess and the fact that appropriations bills will be coming along.

So we are in a situation in which the opportunity is here now, there is a window now, but there will not be another window after this one for some time down the road. I have acquainted the distinguished Republican leader with this situation.

As we look at campaign finance reform, I do not now see 60 votes to invoke cloture on the bill. I am not sure we would ever get 60 votes to invoke cloture on S. 2. But if we can get the bill up and debate it, see where the problems are, hopefully, we can deal with the legislation and whatever amendments the Senate feels would be appropriate, whatever changes have to be made, make them, and in that way perhaps arrive at a bipartisan consensus that will support passage of meaningful and effective and needed legislation. But we can only do that if we get the measure up. I do not think we would ever reach a consensus on this bill unless we get it up and start debating it.

So I have said to the Republican leader that I would like to proceed with this bill, get it up, recess until 1 or 1:30, at which time Mr. BOREN and Senators on the other side of the aisle can be here, and proceed with debate and amendments, and let us see where we go on it.

So, I would ask the Republican leader, then, if he is in a position to give me unanimous consent to proceed to take up the measure at this time?

Mr. DOLE. Mr. President, will the majority leader yield?

Mr. BYRD. I yield.

Mr. DOLE. I have been in contact with the principals on this side. I am not in a position at this point to give unanimous consent, but I would say this, generally: I think there is a great deal of interest in reaching some consensus. I think the biggest problem on this side would be the public financing portion. But, again, I do not agree with the majority leader.

One way to find out is to debate the motion to proceed or the bill itself, have the people who have an interest on the floor.

As I indicated earlier, I think we were very close last week to working out some consensus, and then there were some on this side who felt that was not the time to move, and I think there still may be a majority. But I am not in a position—I say respectfully to the majority leader—to give consent. There is some indication that there may be some debate—I am not certain how long—on the motion to proceed, on this side. I have been notified by the distinguished Senator from Kentucky [Mr. MCCONNELL] that he would like to debate the motion to proceed.

Mr. BYRD. He is here.

Mr. DOLE. That is correct.

Mr. BYRD. Mr. President, I certainly understand what the distinguished Republican leader is saying. I think that if it could be left up to the Republican leader and myself, we could work out some legislation, but there obviously are many others involved.

The distinguished Republican leader cannot give me unanimous consent.

I understand that the distinguished Senator from Kentucky is going to manage the bill on that side if it is called up. I wonder if he could give me consent, and whether or not he could do so, if he would tell the Republican leader.

Mr. McCONNELL. Mr. President, I say to the distinguished Democratic leader that that is a decision yet to be made, I think, by our leader, as to precisely how the management will be handled. That is something, I suppose, that will be discussed today.

Mr. DOLE. Mr. President, if the majority leader will yield, I think we might try to find out on this side, because there are about four people primarily involved and a number of others on the periphery.

If the majority leader made the request, I would object, and then he could move, and maybe go out until 1:30. Maybe at that time I would be in a position to give the majority leader specific information of (a) who will manage the bill on this side, (b) how long they might want to debate the motion to proceed.

Mr. BYRD. Mr. President, the motion to proceed would not be debatable under the prevailing circumstances. I would like to make that motion now and then recess until 1:30, or whatever hour would be convenient to the Republican leader. Then we could come back, and perhaps consent could be given then; or, if not, we perhaps could vote on the motion to proceed. I am in no great hurry to press for action on the legislation itself today, but I would like to get the legislation up; because only then can we hope to develop the bipartisan consensus or at least the kind of support that would be needed to pass the bill.

Mr. President, momentarily, I ask that the Chair simply protect my right to the floor, my right to hold the floor for the moment, until I make a motion.

Mr. President, the distinguished Republican leader and I have agreed that I proceed to make the motion, which will be a nondebatable motion, and then recess until the hour of 2 o'clock, which will give both leaders an opportunity to have the principals on both sides come to the floor. Hopefully, unanimous consent can be given to take up the bill, and debate could begin on the bill. I would prefer it that way rather than having a vote on the motion to proceed, even though the motion is not debatable. I would be just as glad to have consent to go directly to the bill. But I believe that the Republican leader will be in a position to tell Members on this side that if consent is not granted, the motion is not debatable, and there would be a rollcall vote immediately on the motion to proceed.

Therefore, Mr. President, if the Republican leader is ready——

Mr. DOLE. Yes.

SENATORIAL ELECTION CAMPAIGN ACT

Mr. BYRD. I move that the Senate proceed to the consideration of Calendar Order No. 128, S. 2.

The PRESIDING OFFICER. The question is on agreeing to the motion.

Mr. BYRD. Temporarily, I ask for the yeas and nays and will be happy to vitiate them later, if it is agreeable.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader for his cooperation. I hope that, during the remainder of the day, after 2 o'clock, we can make some progress on debate of this legislation.

RECESS UNTIL 2 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 2 p.m. today.

There being no objection, the Senate at 11:49 a.m, recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. GRAHAM].

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the yeas and nays on the motion to proceed be vitiated.

The **PRESIDING OFFICER.** Is there objection? Without objection, it is so ordered.

SENATORIAL ELECTION CAMPAIGN ACT

Mr. **BYRD.** Mr. President, before the Chair puts the question, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 128.

The **PRESIDING OFFICER.** The clerk will report.

The assistant legislative clerk read as follows:

A bill (S.2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

The **PRESIDING OFFICER.** Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Rules and Administration, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

That this Act may be cited as the "Senatorial Election Campaign Act of 1987".

SEC. 2. The Federal Election Campaign Act of 1971 is amended by adding at the end the following new title:

"TITLE V—SPENDING LIMITS AND PUBLIC FINANCING FOR SENATE ELECTION CAMPAIGNS

"DEFINITIONS

"SEC. 501. For purposes of this title—

"(1) unless otherwise provided in this title the definitions set forth in section 301 of this Act apply to this title;

"(2) the term 'authorized committee' means, with respect to any candidate for election to the office of United States Senator, any political committee which is authorized in writing by such candidate to accept contributions or make expenditures on behalf of such candidate to further the election of such candidate;

"(3) the term 'candidate' means an individual who is seeking nomination for election, or election to the office of United States Senator and such individual shall be deemed to seek nomination for election, or election, if such individual meets the requirements of subparagraph (A) or (B) of section 301(2);

"(4) the term 'contribution' includes a payment described in section 301(8)(B)(x), made by a State or local committee of a political party, if—

"(A) the sum of the amount of such payment and the total amount of all previous such payments by such committee during the same election cycle exceeds the amount determined by multiplying one cent times the voting age population of the State in which the election is held; or

"(B) if any portion of such payment is used—

"(i) for the purpose of purchasing, leasing, or otherwise procuring, or procuring the use of, any telephone, computer, computer program, or mass mailing equipment; or

"(ii) for any purpose other than the purchase of materials described in section 301(8)(B)(x) which are to be used by individuals in the performance of services described in section 301(8)(B)(i) or are to be distributed by individuals providing such services;

"(5) the term 'election cycle' means—

"(A) in the case of a candidate or the authorized committee of a candidate, the term beginning on the day after the date of the last previous general election for such office or seat which such candidate seeks and ending on the date of the next election; or

"(B) for all other persons, such term shall begin on the first day following the date of the last general election and ending on the date of the next election;

"(6) the term 'eligible candidate' means a candidate who is eligible under section 502 to receive payments under this title;

"(7) the term 'expenditure' includes a payment described in section 301(9)(B)(viii), by a State or local committee of a political party if—

"(A) the sum of the amount of such payment and the total amount of all previous such payments by such committee during the same election cycle exceeds the amount determined by multiplying one cent times the voting age population of the State in which the election is held; or

"(B) if any portion of such payment is used—

"(i) for the purpose of purchasing, leasing, or otherwise procuring, or procuring the use of, any telephone, computer, computer program, or mass mailing equipment; or

"(ii) for any purpose other than the purchase of materials described in section 301(9)(B)(viii) which are to be used by individuals in the performance of services described in section 301(8)(B)(i) or are to be distributed by individuals providing such services;

"(8) the term 'general election' means any election which will directly result in the election of a person to the office of United States Senator, but does not include an open primary election;

"(9) the term 'general election period' means the period beginning on the day after the date on which the candidate qualifies for the general election ballot under the law of the State involved and ending on the date of such election or the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election, whichever occurs first;

"(10) the term 'immediate family' means a candidate's spouse, and any child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister, of the candidate and the spouse of any such person and any child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate's spouse and the spouse of any such person.

"(11) the term 'major party' means 'major party' as defined in section 9002(6) of the Internal Revenue Code of 1986, the Presidential Election Campaign Fund Act, provided that a candidate in a general election held by a State to elect a Senator subsequent to an open primary in which all the candidates for the office participated and which resulted in the candidate and at least one other candidate qualifying for the ballot in the general election, shall be treated as a candidate of a major party for purposes of this title;

"(12) the term 'primary election' means any election which may result in the selection of a candidate for the ballot of the general election;

"(13) the term 'primary election period' means the period beginning on the day following the date of the last Senate election for the same Senate office and ending on the date of the first primary election for such office following such last Senate election for such office or the date on which the candidate withdraws from the election or otherwise ceases actively to seek election, whichever occurs first;

"(14) the term 'runoff election' means the election held after a primary election, and prescribed by applicable State law as the means for deciding which candidate(s) should be certified as nominee(s) for the Federal office sought;

"(15) the term 'runoff election period' means the period beginning on the day following the date of the last primary election for such office and ending on the date of the runoff election for such office;

"(16) the term 'Senate Fund' means the Senate Election Campaign Fund maintained by the Secretary of the Treasury in the Presidential Campaign Fund established by section 9006(a) of the Internal Revenue Code of 1986; and

"(17) the term 'voting age population' means the resident population, 18 years of age or older, as certified pursuant to section 315(e).

"ELIGIBILITY TO RECEIVE PAYMENTS

"SEC. 502. (a) To be eligible to receive payments under this title a candidate shall, within 7 days after qualifying for the general election ballot under the law of the State involved—

"(1) certify to the Commission under penalty of perjury that during the period beginning on January 1 of the calendar year preceding the year of the general election involved, or in the case of a special election for the office of United States Senator, during the period beginning on the day on which the vacancy occurs in that office, and ending on the date of such certification, such candidate and the authorized committees of such candidate have received contributions in an amount at least equal to 10 cents multiplied by the voting age population of such State or at least equal to $150,000, whichever is greater, up to an amount that is not more than $650,000;

"(2) certify to the Commission under penalty of perjury that all contributions received for purposes of paragraph (1) have come from individuals and that no contribution from such individual, when added to all contributions to or for the benefit of such candidate by such individual, was taken into account to the extent such amount exceeds $250;

"(3) certify to the Commission under penalty of perjury that such candidate and the authorized committees of such candidate have not expended and will not expend, for the primary election, more than the amount equal to 67 percent of the general election spending limit applicable to such candidate pursuant to section 503(b) or more than $2,750,000, whichever amount is less, unless such amount is increased pursuant to section 503(g);

"(4) certify to the Commission under penalty of perjury that such candidate has not expended and will not expend for runoff elections, if any, more than 20 percent of the maximum amount of the limitation applicable to such candidate as determined under section 503(b), unless such amount is increased pursuant to section 503(g);

"(5) certify to the Commission under penalty of perjury that 75 per centum of the aggregate amount of contributions received for purposes of paragraph (1) have come from

individuals residing in such candidate's State;

"(6) certify to the Commission under penalty of perjury that at least one other candidate has qualified for the same general election ballot under the law of the State involved;

"(7) agree in writing that such candidate and the candidate's authorized committees—

"(A) have not made and will not make expenditures which exceed the limitations established in section 503, except as otherwise provided in this title;

"(B) will not accept any contributions in violation of section 315;

"(C) will not accept any contribution for the general election involved except to the extent that such contribution is necessary to defray expenditures for such election that in the aggregate do not exceed the difference between the amount of the limitation on expenditures established in section 503(b) and the amount of payments provided for in paragraph (1)(A) or (2)(A) of section 504(a), as the case may be;

"(D) will deposit all payments received under this section at a national or State bank in a separate checking account which shall contain only funds so received, and will make no expenditures of funds received under this section except by checks drawn on such account;

"(E) will furnish campaign records, evidence of contributions and other appropriate information to the Commission;

"(F) will cooperate in the case of any audit and examination by the Commission under section 507; and

"(G) will not use any broadcast station, as such term is used in section 315 of the Communications Act of 1934, for the television broadcasting of a political announcement or advertisement during which reference is made to an opponent of such candidate unless such reference is made by such candidate personally and such candidate is identified or identifiable during at least 50 percent of the time of such announcement or advertisement, if such opponent has agreed to the requirements of this title or has received funds pursuant to the provisions of this title; and

"(8) apply to the Commission for a payment as provided for in section 504.

"(b) For the purposes of subsection (a)(1) and paragraph (2) of section 504(a), in determining the amount of contributions received by a candidate and the candidate's authorized committees—

"(1) no contribution other than a gift of money made by a written instrument which identifies the person making the contribution shall be taken into account;

"(2) no contribution made through an intermediary or conduit referred to in section 315(a)(8) shall be taken into account;

"(3) no contribution received from any person other than an individual shall be taken into account, and no contribution received from an individual shall be taken into account to the extent such contribution exceeds $250 when added to the total amount of all other contributions made by such individual to or for the benefit of such candidate beginning on the applicable date specified in paragraph (4) of this subsection; and

"(4) no contribution received prior to January 1 of the calendar year preceding the year in which the general election involved or received after the date on which the general election involved is held shall be taken into account, and in the case of a special election for the office of United States Senator no contribution received prior to the date on which the vacancy occurs in that office or received after the date on which the general election involved is held shall be taken into account.

"(c) The threshold amounts in subsection (a)(1) shall be increased at the beginning of each calendar year based on the increase in the price index as determined under section 315(c), except that for purposes of determining such increase, the term 'base period', as used in such section shall mean the calendar year of the first election after the date of enactment of the Senatorial Election Campaign Act of 1987.

"LIMITATIONS ON EXPENDITURES

"SEC. 503. (a) No candidate who receives a payment for use in a general election under this title shall make expenditures from the personal funds of such candidate, or the funds of any member of the immediate family of such candidate, aggregating in excess of $20,000, during the election cycle.

"(b) Except as otherwise provided in this Act, no candidate who receives a payment for use in a general election under this title shall make expenditures for such general election which in the aggregate exceed $400,000, plus—

"(1) in States having a voting age population of 4 million or less, 30 cents multiplied by the voting age population; or

"(2) in States having a voting age population over 4 million, 30 cents multiplied by 4 million plus 25 cents multiplied by the voting age population over 4 million;

except that the amount of the limitation under this subsection, in the case of any candidate, shall not be less than $950,000, nor more than $5,500,000.

"(c) The limitations on expenditures in subsections (b), (d), and (e) shall be subject to the provisions of subsections (b) and (c) of section 504.

"(d) No candidate who is otherwise eligible to receive payments for a general election under this title may receive any such payments if such candidate spends, for the primary election, more than the amount equal to 67 percent of the limitation on expenditures for the general election determined under subsection (b), or more than $2,750,000, whichever amount is less, except as provided in subsection (g).

"(e) No candidate who is otherwise eligible to receive payments for a general election under this title may receive any such payments if such candidate spends for a runoff election, if any, more than an amount which in the aggregate exceeds 20 percent of the maximum amount of the limitation applicable to such candidate as determined under subsection (b), except as provided in subsection (g).

"(f)(1) For purposes of this section, the amounts set forth in subsections (b), (d), and (e) of this section shall be increased at the beginning of each calendar year based on the increase in the price index as determined under section 315(c), except that for purposes of determining such increase the term 'base period', as used in section 315(c), means the calendar year of the first election after the date of enactment of the Senatorial Election Campaign Act of 1987.

"(2) Notwithstanding the provisions of subsection (b), in any State with no more than one transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, no candidate in such State who receives a payment for use in a general election under this title shall make expenditures for such general election which in the aggregate exceed the higher of—

"(A) $950,000; or

"(B) $400,000 plus 45 cents multiplied by the voting age population up to a population of 4 million, plus 40 cents multiplied by the voting age population over 4 million, up to an amount not exceeding $5,500,000.

"(3) The limitation set forth in subsection (b) shall not apply to expenditures by a candidate or a candidate's authorized committees from a compliance fund established to defray the costs of legal and accounting services provided solely to insure compliance with this Act; provided however that—

"(A) the Fund contains only contributions (including contributions received in excess of any amount necessary to defray qualified campaign expenditures pursuant to section 313) received in accordance with the limitations, prohibitions, and reporting requirements of this Act;

"(B) the aggregate total of contributions to, and expenditures from, the Fund will not exceed 10 percent of the limitation on expenditures for the general election determined under subsection (b); and

"(C) no transfers may be made from the Fund to any other accounts of the candidate's authorized committees, except that the Fund may receive transfers from such other accounts at any time.

In the event that, subsequent to any general election, a candidate determines that the costs of necessary and continuing legal and accounting services require contributions to and expenditures from the Fund in excess of the limitations of this paragraph, the candidate may petition the Commission for a waiver of such limitations up to any additional amounts as the Commission may authorize in connection with such waiver. Any waiver, or denial of a waiver, by the Commission under this paragraph shall be subject to judicial review under section 508. Any funds left when the candidate terminates or dissolves the fund, shall be—

"(i) contributed to the United States Treasury to reduce the budget deficit, or

"(ii) transferred to a fund of a subsequent campaign of that candidate.

"(g) If, during the two-year election cycle preceding the candidate's election, independent expenditures by any person or persons aggregating an amount in excess of $10,000 are made in opposition to a candidate or for the opponent of such candidate, the limitations provided in subsection (d) and subsection (e), as they apply to such candidate, shall be increased in an amount equal to the amount of such expenditures.

"(h) If the provisions of section 506(c) apply and such candidate does not receive his full entitlement, such candidate may accept aggregate contributions in an amount which, when added to the aggregate expenditures made by such candidate do not exceed the limitation on expenditures applicable to such candidate pursuant to section 503.

"ENTITLEMENT OF ELIGIBLE CANDIDATES TO PAYMENTS

"SEC. 504. (a) Except as otherwise provided in section 506(c)—

"(1) an eligible candidate who is a major party candidate shall be entitled to—

"(A) a payment under section 506 in an amount equal to the difference between the amount of the limitation for such candidate determined under section 503(b) and the amount required to be raised by such candidate to establish eligibility under section 502(a)(1); and

“(B) a payment under section 506 in an amount equal to the amount of the limitation determined under section 503(b) with regard to such candidate, if any candidate in the same general election not eligible to receive funds under this title either raises aggregate contributions or makes aggregate expenditures for such election which exceed the amount of the limitation determined under section 503(b) for such election; or

“(2) an eligible candidate who is not a major party candidate shall be entitled to—

“(A) matching payments under section 506 in an amount equal to the amount of each contribution received by such candidate and such candidate's authorized committees, provided that in determining the amount of each such contribution—

“(i) the provisions of section 502(b) shall apply; and

“(ii) the contributions required by section 502(a)(1) shall not be eligible for matching payments under this title; and

the total amount of payments to which a candidate is entitled under this subsection shall not exceed 50 percent of the amount equal to the difference between the amount of the limitation for such candidate determined under section 503(b) and the amount required to be raised by such candidate to establish eligibility under section 502(a)(1); and

“(B) matching payments under section 506, equal to the amount of each contribution received by such candidate and the candidate's authorized committees if any candidate in the same general election not eligible to receive payments under this title either raises aggregate contributions or makes aggregate expenditures for such election which exceed the amount of the limitation determined under section 503(b) for such election, provided that in determining the amount of each such contribution—

“(i) the provisions of section 502(b) shall apply; and

“(ii) contributions matched under subparagraph (A) of this paragraph or required to be raised under section 502(a)(1) shall not be eligible to be matched under this paragraph; and

the total amount of payments to which a candidate is entitled under this subsection shall not exceed 50 percent of the amount of the limitation determined under section 503(b) applicable to such candidate; and

“(3) all eligible candidates shall be entitled to—

“(A) the broadcast media rates provided under section 315(b) of the Communications Act of 1934; and

“(B) payments under section 506 equal to the aggregate total amount of independent expenditures made or obligated to be made, in the general election involved by any person in opposition to, or on behalf of an opponent of, such eligible candidate, as reported by such person or determined by the Commission under subsection (f) or (g) of section 304.

“(b) A candidate who receives payments under paragraph (1)(B), (2)(B), or (3)(B) of subsection (a) may spend such funds to defray expenditures in the general election without regard to the provisions of section 503(b).

“(c) A candidate who receives payments under this section may receive contributions and make expenditures for the general election without regard to the provisions of subparagraphs (A) and (C) of section 502(a)(7) or subsections (a) or (b) of section 503 if and when any candidate in the same general election not eligible to receive payments under this section either raises aggregate contributions or makes aggregate expenditures for such election which exceed twice the amount of the expenditure limit applicable to such candidate under section 503(b) for such election.

“(d) Payments received by a candidate under this section shall be used to defray expenditures incurred with respect to the general election period for such candidate. Such payments shall not be used (1) to make any payments, directly or indirectly, to such candidate or to any member of the immediate family of such candidate, (2) to make any expenditure other than expenditures to further the general election of such candidate, (3) to make any expenditures which constitute a violation of any law of the United States or of the State in which the expenditure is made, or (4) to repay any loan to any person except to the extent the proceeds of such loan were used to further the general election of such candidate.

“CERTIFICATION BY COMMISSION

“SEC. 505. (a) No later than 48 hours after an eligible candidate files a request with the Commission to receive payments under section 506 the Commission shall certify such eligibility to the Secretary of the Treasury for payment in full of the amount to which such candidate is entitled, unless the provisions of section 506(c) apply. The request referred to in the preceding sentence shall contain—

“(1) such information and be made in accordance with such procedures, as the Commission may provide by regulation; and

“(2) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirements of this title.

“(b) Certifications by the Commission under subsection (a) and all determinations made by the Commission under this title, shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 507 and judicial review under section 508.

“ESTABLISHMENT OF FUND; PAYMENTS TO ELIGIBLE CANDIDATES

“SEC. 506. (a) The Secretary shall maintain in the Presidential Election Campaign Fund (hereafter referred to as the ‘Fund’) established by section 9006(a) of the Internal Revenue Code of 1986, in addition to any other accounts maintained under such section, a separate account to be known as the ‘Senate Fund’. The Secretary shall deposit into the Senate Fund, for use by candidates eligible to receive payments under this title, the amounts available after the Secretary determines that the amounts in the Fund necessary for payments under subtitle H of the Internal Revenue Code of 1986 are adequate. The monies designated for such account shall remain available without fiscal year limitation.

“(b) Pursuant to the priorities provided in paragraph (3) of subsection (c), upon receipt of a certification from the Commission under section 505, the Secretary shall promptly pay to the candidate involved in the certification, out of the Senate Fund, the amount certified by the Commission.

“(c)(1) If at the time of a certification by the Commission under section 505 for payment to an eligible candidate, the Secretary determines that the monies in the Senate Fund are not, or may not be, sufficient to satisfy the full entitlement of all such eligible candidates, the Secretary shall withhold from such payment such amount as he determines to be necessary to assure that an eligible candidate will receive a pro rata share of such candidate's full entitlement. Amounts so withheld shall be paid when the Secretary determines that there are sufficient monies in the Senate Fund to pay such amounts, or portions thereof, to all eligible candidates from whom amounts have been withheld, but, if there are not sufficient monies in the Senate Fund to satisfy the full entitlement of an eligible candidate, the amounts so withheld shall be paid in such manner that each eligible candidate receives his or her pro rata share of his or her full entitlement. The Secretary shall notify the Commission and each eligible candidate by registered mail of the reduction in the amount to which that candidate is entitled under section 505.

“(2) If the provisions of this subsection result in a reduction in the amount to which an eligible candidate is entitled under section 505 and payments have been made under this section in excess of the amount to which such candidate is entitled, such candidate is liable for repayment to the Fund of the excess under procedures the Commission shall prescribe by regulation.

“(3) If the provisions of this subsection apply and the monies in the fund are not sufficient to satisfy the full entitlement of all candidates, in addition to the procedures provided in paragraph (2), the Secretary shall give priority to general election payments and pay such payments, or portions thereof, before other payments made pursuant to this title.

“EXAMINATION AND AUDITS; REPAYMENTS

“SEC. 507. (a)(1) After each general election, the Commission shall conduct an examination and audit of the campaign account of 10 per centum of the eligible candidates of each major party and 10 per centum of all other eligible candidates, as designated by the Commission through the use of an appropriate statistical method of random selection to determine, among other things, whether such candidates have complied with the expenditure limits and other conditions of eligibility and requirements of this title.

“(2) After each special election, the Commission shall conduct an examination and audit of the campaign accounts of each eligible candidate in such election to determine whether such candidates have complied with the expenditure limits and other conditions of eligibility and requirements under this title.

“(3) The Commission may conduct an examination and audit of the campaign accounts of any eligible candidate in a general election if the Commission, by an affirmative vote of four members, determines that there exists reason to believe that such candidate has violated any provision of this title.

“(b) If the Commission determines that any portion of the payments made to a candidate under this title was in excess of the aggregate payments to which such candidate was entitled, the Commission shall so notify such candidate, and such candidate shall pay to the Secretary an amount equal to the excess.

“(c) If the Commission determines that any amount of any payment made to a candidate under this title was not used as provided for in this title, the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount

equal to 200 per centum of the amount of such funds.

"(d) If the Commission determines that any candidate who has received payments under this title has made expenditures which in the aggregate exceed by 5 per centum or less the limitation set forth in section 503(b), the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to the amount of the excess expenditure.

"(e) If the Commission determines that any candidate who has received payments under this title has made expenditures which in the aggregate exceed by more than 5 per centum the limitation set forth in section 503(b), the Commission shall so notify such candidate and such candidate shall pay the Secretary an amount equal to three times the amount of the excess expenditure up to an amount not in excess of the payments received pursuant to section 504.

"(f) Any amount received by an eligible candidate under this title may be retained for a period not exceeding sixty days after the date of the general election for the liquidation of all obligations to pay general election campaign expenses incurred during this general election period. At the end of such sixty-day period any unexpended funds received under this title shall be promptly repaid to the Secretary.

"(g) No notification shall be made by the Commission under this section with respect to an election more than three years after the date of such election.

"(h) All payments received under this section shall be deposited in the Senate Fund.

"CRIMINAL PENALTIES

"SEC. 507A. (a) No candidate shall knowingly or willfully accept payments under this title in excess of the aggregate payments to which such candidate is entitled or knowingly or willfully use such payments for any purpose not provided for in this title or knowingly or willfully make expenditures from his personal funds, or the personal funds of his immediate family, in excess of the limitation provided in this title.

"(b) Any person who violates the provisions of subsection (a) shall be fined not more than $25,000, or imprisoned not more than 5 years, or both. Any officer or member of any political committee who knowingly consents to any expenditure in violation of the provisions of subsection (a) shall be fined not more than $25,000, or imprisoned not more than 5 years, or both.

"(c)(1) It is unlawful for any person who receives any payment under this title, or to whom any portion of any such payment is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion except as provided in section 504(d).

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(d)(1) It is unlawful for any person knowingly and willfully—

"(A) to furnish any false, fictitious, or fraudulent evidence, books, or information (including any certification, verification, notice, or report), to the Commission under this title, or to include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Commission or an examination and audit by the Commission under this title, or

"(B) to fail to furnish to the Commission any records, books, or information requested by it for purposes of this title.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(e)(1) It is unlawful for any person knowingly and willfully to give or accept any kickback or any illegal payment in connection with any payments received by any candidate who receives payments under this title, or the authorized committees of such candidate.

"(2) Any person who violates the provisions of paragraph (1) shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

"(3) In addition to the penalty provided by paragraph (2), any person who accepts any kickback or illegal payment in connection with any payments received by any candidate pursuant to the provisions of this title, or received by the authorized committees of such candidate, shall pay to the Secretary for deposit in the Fund, an amount equal to 125 percent of the kickback or payment received.

"JUDICIAL REVIEW

"SEC. 508. (a) Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within thirty days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

"(b) The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551(13) of title 5, United States Code, by the Commission.

"PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS

"SEC. 509. (a) The Commission is authorized to appear in and defend against any action instituted under this section and under section 508 either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) The Commission is authorized through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined under section 507 to be payable to the Secretary.

"(c) The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate in order to implement any provision of this title.

"(d) The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears, pursuant to the authority provided in this section.

"REPORTS TO CONGRESS; REGULATIONS

"SEC. 510. (a) The Commission shall, as soon as practicable after each election, submit a full report to the Senate setting forth—

"(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible candidate and the authorized committees of such candidate;

"(2) the amounts certified by the Commission under section 505 for payment to each eligible candidate;

"(3) the amount of repayments, if any, required under section 507, and the reasons for each payment required; and

"(4) the balance in the Presidential Election Campaign Fund, and the balance in the Senate Fund and any other account maintained in the Fund.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) The Commission is authorized to prescribe such rules and regulations in accordance with the provisions of subsection (c), to conduct such examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(c) Thirty days before prescribing any rules or regulation under subsection (b), the Commission shall transmit to the Senate a statement setting forth the proposed rule or regulation and containing a detailed explanation and justification of such rule or regulation.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 511. There are authorized to be appropriated to the Commission for the purpose of carrying out functions under this title, such sums as may be necessary.".

SENATE FUND

SEC. 3. Section 6096(a) of the Internal Revenue Code of 1986 is amended—

(1) by striking out "$1" each place it appears in that subsection and inserting in lieu thereof "$2"; and

(2) by striking out "$2" each place it appears in that subsection and inserting in lieu thereof "$4".

BROADCAST RATES

SEC. 4. Section 315(b)(1) of the Communications Act of 1934 (47 U.S.C. 315(b)(1)) is amended by striking the semicolon and inserting in lieu thereof the following: ": Provided, That in the case of candidates for United States Senator in a general election, as such term is defined in section 501(8) of the Federal Election Campaign Act of 1971, this provision shall apply only if such candidate has been certified by the Federal Election Commission as eligible to receive payments under title V of such Act;".

REPORTING REQUIREMENTS

SEC. 5. (a) Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end thereof the following new subsections:

"(d)(1) Not later than the day after the date on which a candidate for the United States Senate qualifies for the ballot for a general election, as such term is defined in section 501(8), each such candidate in such election shall file with the Commission a declaration of whether or not such candidate intends to make expenditures in excess of the amount of the limitation on expenditures for such election, as determined under section 503(b).

"(2) Any declaration filed pursuant to paragraph (1) may be amended or changed at any time within 7 days after the filing of such declaration. Such amended declaration may not be amended or changed further.

"(e)(1) Any candidate for United States Senator who qualifies for the ballot for a general election, as such term is defined in section 501(8)—

"(A) who is not eligible to receive payments under section 502, and

"(B) who either raises aggregate contributions or makes aggregate expenditures for such election which exceed the amount of the limitation determined under section 503(b) for such Senate election,

shall file a report with the Commission within 24 hours after such contributions have been raised or such expenditures have been made or within 24 hours after the date of qualification for the general election ballot, whichever is later, setting forth the candidate's total contributions and total expenditures for such election. If such total is less than two times the limit, such candidate thereafter shall file a report with the Commission within 24 hours after either raising aggregate contributions or making aggregate expenditures for such election which exceed twice the amount of the limitation determined under section 503(b), setting forth the candidate's total contributions and total expenditures for such election.

"(2) The Commission, within 24 hours after such report has been filed, shall notify each candidate in the election involved who is eligible to receive payments pursuant to the provisions of this title under section 504, about each such report, and shall certify, pursuant to the provisions of subsection (i), such eligibility to the Secretary of the Treasury for payment of the amount to which such candidate is entitled.

"(3) Notwithstanding the reporting requirement established in this subsection, the Commission may make its own determination that a candidate in a general election, as such term is defined in section 501(8), who is not eligible to receive payments under section 504, has raised aggregate contributions or made aggregate expenditures for such election which exceed the amount of the limitation determined under section 503(b) for such election or exceed double such amount. The Commission, within 24 hours after making such determination, shall notify each candidate in the general election involved who is eligible to receive payments under section 504 about each such determination, and shall certify, pursuant to the provisions of subsection (i), such eligibility to the Secretary of the Treasury for payment of the amount to which such candidate is entitled.

"(f)(1) All independent expenditures, if any, (including those described in subsection (b)(6)(B)(iii)) made by any person after the date of the last Federal election with regard to a general election, as such term is defined in section 501(8), and all obligations to make such expenditures incurred by any person during such period, if any, shall be reported by such person to the Commission as provided in paragraph (2), if such expenditure or obligation is described in such paragraph.

"(2) Independent expenditures by any person as referred to in paragraph (1) shall be reported within 24 hours after the aggregate amount of such expenditures incurred or obligated first exceeds $10,000. Thereafter, independent expenditures referred to in such paragraph made by the same person in the same election shall be reported, within 24 hours after, each time the aggregate amount of such expenditures incurred or obligated, not yet reported under this subparagraph, exceeds $5,000.

"(3) Each report under this subsection shall be filed with the Commission and Secretary of State for the State of the election involved and shall contain (A) the information required by subsection (b)(6)(B)(iii) of this section, and (B) a statement filed under penalty of perjury by the person making the independent expenditures, or by the person incurring the obligation to make such expenditures, as the case may be, that identifies the candidate whom the independent expenditures are actually intended to help elect or defeat. If any such independent expenditures are made during the general election cycle, and if such candidate is eligible to receive payments pursuant to title V of this Act, the Commission shall, within 24 hours after such report is made, notify such candidate in the election involved about each such report, and shall certify such eligibility to the Secretary of the Treasury for payment of the amount to which such candidate is entitled.

"(4)(A) Notwithstanding the reporting requirements established in this subsection, the Commission may make its own determination that a person has made independent expenditures, or has incurred an obligation to make such expenditures, as the case may be, with regard to a general election, as defined in section 501(8), that in the aggregate total more than the applicable amount specified in paragraph (2).

"(B) The Commission shall, within 24 hours after such determination is made, notify each candidate in the election involved who is eligible to receive payments under section 504 about each determination under subparagraph (A), and shall certify, pursuant to the provisions of subsection (i), such eligibility to the Secretary of the Treasury for payment in full of the amount to which such candidate is entitled.

"(g)(1) When two or more persons make an expenditure or expenditures in coordination, consultation, or concert (as described in paragraph (2) or otherwise) for the purpose of promoting the election or defeat of a clearly identified candidate, each such person shall report to the Commission, under subsection (f), the amount of such expenditure or expenditures made by such person in coordination, consultation, or concert with such other person or persons when the total amount of all expenditures made by such persons in coordination, consultation, or concert with each other exceeds the applicable amount provided in such subsection.

"(2) An expenditure by one person shall constitute an expenditure in coordination, consultation, or concert with another person where—

"(A) there is any arrangement, coordination, or direction with respect to the expenditure between such persons making the expenditures, including any officer, director, employee or agent of such person;

"(B) in the same two-year election cycle, one of the persons making the expenditures (including any officer, director, employee or agent of such person) is or has been, with respect to such expenditures—

"(i) authorized by such other person to raise or expend funds on behalf of such other person; or

"(ii) receiving any form of compensation or reimbursement from such other person or an agent of such other person;

"(C) one of the persons making expenditures (including any officer, director, employee or agent of such person) has communicated with, advised, or counseled such other person in connection with such expenditure; or

"(D) one of the persons making expenditures and such other person making expenditures each retain the professional services of the same individual or person in connection with such expenditures.

"(h)(1) Every political committee, as defined in section 301(4), active in non-Federal elections and maintaining separate accounts for this purpose shall file with the Commission reports of funds received into and disbursements made from such accounts for activities which may influence an election to any Federal office. For purposes of this section, activities which may influence an election to any Federal office include, but are not limited to—

"(A) voter registration and get-out-the-vote drives directed to the general public in connection with any election in which Federal candidates appear on the ballot;

"(B) general public political advertising which includes references, however incidental, to clearly identified Federal as well as non-Federal candidates for public office; or which does not clearly identify Federal candidates but urges support for or opposition to all the candidates of a political party or other candidates in a classification or context which includes Federal candidates; and

"(C) any other activities which require an allocation of costs between a political committee's Federal and non-Federal accounts reflecting the impact on Federal elections in accordance with regulations prescribed or Advisory Opinions rendered by the Commission.

"(2) Reports required to be filed by this subsection shall be filed for the same time-periods required for political committees under section 304(a), and shall include:

"(A) a separate statement, for each of the activities in connection with which a report is required under paragraph (1), of the aggregate total of disbursements from the non-Federal accounts; and

"(B) supporting schedules, providing an identification of each donor together with the amount and date of each donation with regard to those receipts of the non-Federal account which comprise disbursements reported under subparagraph (A), provided, however, that such schedules are required only for donations from any one source aggregating in excess of $200 in any calendar year.

"(3) Reports required to be filed by this subsection need not include donations made to or on behalf of non-Federal candidates or political organizations in accordance with the financing and reporting requirements of State laws, or other disbursements from the non-Federal accounts in support of exclusively non-Federal election activities, provided that such donations or disbursements are governed solely by such State laws and not subject to paragraph (1) of this subsection.

"(i) The certification required by this section shall be made by the Commission on the basis of reports filed with such Commission in accordance with the provisions of this Act, or on the basis of such Commission's own investigation or determination, notwithstanding the provisions of section 505(a).".

(b) Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended by—

(1) inserting "except for purposes of reporting and disclosing, pursuant to section 304, such amounts in excess of $200," at the beginning of subparagraphs (v), (viii), (x), and (xii); and

(2) inserting at the end thereof the following:

"(C) The exclusions provided in subparagraphs (v), (viii), (x), and (xii) of paragraph (B) shall not be exclusions from the definition of contributions for purposes of report-

ing contributions as required by section 304, and all such contributions shall be reported.".

(c) Section 301(4) of the Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following:

"For purposes of this section, the receipt of contributions or making of expenditures shall be determined by the Commission on the basis of facts and circumstances, in whatever combination, demonstrating a purpose of influencing any election for Federal office, including, but not limited to, the representations made by any person soliciting funds about their intended uses; the identification by name of individuals who are candidates for Federal office, as defined in paragraph (2) of this section, or of any political party, in general public political advertising; and the proximity to any primary, run-off, or general election of general public political advertising designed or reasonably calculated to influence voter choice in that election.".

(d) Section 301(9)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)) is amended by—

(1) inserting "except for purposes of reporting and disclosing, pursuant to section 304, such amounts in excess of $200," at the beginning of subparagraphs (iv), (vi), (viii), and (ix); and

(2) inserting at the end thereof the following:

"(C) The exclusions provided in subparagraphs (iv), (vi), (viii), and (ix) of paragraph (B) shall not be exclusions from the definition of expenditures for purposes of reporting expenditures as required by this Act, and all such expenditures shall be reported.".

(e) Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end thereof the following:

"(20) The term 'election cycle' means—

"(A) in the case of a candidate or the authorized committees of a candidate, the term beginning on the day after the date of the last previous general election for such office or seat which such candidate seeks and ending on the date of the next election; or

"(B) for all other persons, the term beginning on the first day following the date of the last general election and ending on the date of the next election.".

(f) Section 304(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(2)) is amended by striking out "for the reporting period and calendar year," and inserting in lieu thereof "for the reporting period and calendar year in the case of committees other than authorized committees of a candidate, and for the reporting period and election cycle in the case of authorized committees of candidates,".

(g)(1) Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended by striking out "for the reporting period and calendar year," and inserting in lieu thereof "for the reporting period and calendar year in the case of committees other than authorized committees of a candidate, and for the reporting period and election cycle in the case of authorized committees of candidates,".

(2) Section 304(b)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(3)) is amended—

(A) in subparagraph (A), by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,";

(B) in subparagraph (F), by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,"; and

(C) in subparagraph (G), by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,".

(3) Section 304(b)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by inserting after "calendar year," the following: "in the case of committees other than authorized committees or in excess of $200 within the election cycle in the case of authorized committees,".

(4) Section 304(b)(6)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(6)(A)) is amended by striking out "calendar year" and inserting in lieu thereof "election cycle".

(h) Section 301(13) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(13)) is amended by striking out "mailing address" and inserting in lieu thereof "permanent residence address".

(i) Section 304(b)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by adding before the semicolon at the end thereof the following: ", except that if a person to whom an expenditure is made is merely providing personal or consulting services and is in turn making expenditures to other persons who provide goods or services to the candidate or his authorized committees, the name and address of such other person, together with the date, amount and purpose of such expenditure shall also be disclosed".

LIMITS ON CONTRIBUTIONS BY MULTICANDIDATE POLITICAL COMMITTEES AND SEPARATE SEGREGATED FUNDS

SEC. 6. (a) Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended by—

(1) striking out "or" at the end of subparagraph (B);

(2) striking out the period at the end of subparagraph (C) and inserting in lieu thereof a semicolon; and

(3) adding at the end the following new subparagraphs:

"(D) to any candidate for the office of Member of, or Delegate or Resident Commissioner to, the House of Representatives and the authorized political committees of such candidate with respect to—

"(i) a general or special election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress (including any primary election, convention, or caucus relating to such general or special election) which exceed $100,000 ($125,000 if at least two candidates qualify for the ballot in the general or special election involved and at least two candidates qualify for the ballot in a primary election relating to such general or special election), when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election); or

"(ii) a runoff election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress which exceed $25,000 when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such runoff election;

"(E) to any candidate for the office of Senator and the authorized political committees of such candidate with respect to—

"(i) a general or special election for such office (including any primary election, convention, or caucus relating to such general or special election) which, when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election) exceeds an amount equal to 30 percent of the amount provided in section 315(i); or

"(ii) a runoff election for the office of United States Senator which exceeds, when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such runoff election, an amount equal to 30 percent of the limitation on expenditures provided in section 315(j), for runoff elections; or

"(F) to any State committee of a political party, including any subordinate committee of a State committee, which, when added to the total of contributions previously made by multi-candidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such State committee exceeds an amount equal to—

"(i) 2 cents multiplied by the voting age population of the State of such State committee, or

"(ii) $25,000,

whichever is greater. The limitation of this subparagraph shall apply separately with respect to each two-year Federal election cycle, covering a period from the day following the date of the last Federal general election held in that State through the date of the next regularly scheduled Federal general election.".

(b)(1) Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end thereof the following:

"(i) For purposes of subsection (a)(2)(E)(i), such imitation shall be an amount equal to 67 percent of the aggregate of $400,000, plus—

"(1) in States having a voting age population of 4 million or less, 30 cents multiplied by the voting age population; or

"(2) in States having a voting age population over 4 million, 30 cents multiplied by 4 million plus 25 cents multiplied by the voting age population over 4 million;

except that such amount shall not be less than $950,000, nor more than $5,500,000.

"(j) For purposes of subsection (a)(2)(E)(ii), such limitation shall be an amount equal to 20 percent of the aggregate of $400,000, plus—

"(1) in States having a voting age population of 4 million or less, 30 cents multiplied by the voting age population; or

"(2) in States having a voting age population over 4 million, 30 cents multiplied by 4 million plus 25 cents multiplied by the voting age population over 4 million;

except that such amount shall not be less than $950,000, nor more than $5,500,000.".

(2) Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended by—

(A) striking out "subsection (b) and subsection (d)" in paragraph (1) and inserting in lieu thereof "subsections (b), (d), (i), and (j)"; and

(B) inserting "for subsections (b) and (d) and the term 'base period' means the calendar year of the first election after the date of enactment of the Senatorial Election Campaign Act of 1987, for subsections (i) and (j)" before the period at the end of paragraph (2)(B).

(c) Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking out "(2) and (3)" and inserting in lieu thereof "(2), (3), (4), and (5)";

(2) by adding at the end thereof the following:

"(4) No congressional campaign committee may accept, during any two-year election cycle, contributions from multicandidate political committees and separate segregated funds which, in the aggregate, exceed 30 percent of the total expenditures which may be made during such election cycle by that committee on behalf of candidates for Senator, Representative, Delegate, or Resident Commissioner pursuant to the provisions of paragraph (3).

"(5) No national committee of a political party may accept contributions from multicandidate political committees and separate segregated funds, during any two-year election cycle, which, in the aggregate, equal an amount in excess of an amount equal to 2 cents multiplied by the voting age population of the United States.

"(6) The limitations contained in paragraphs (2) and (3) shall apply to any expenditure through general public political advertising, whenever made, which clearly identifies by name an individual who is, or is seeking nomination to be, a candidate in the general election for Federal office of President, Senator or Representative; provided that this paragraph shall not apply to direct mail communications designed primarily for fundraising purposes which make only incidental reference to any one or more Federal candidates.".

INTERMEDIARY OR CONDUIT

SEC. 7. (a) Section 315(a)(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(8)) is amended to read as follows:

"(8) For purposes of this subsection—

"(A) contributions made by a person, either directly or indirectly, to or on behalf of a particular candidate, including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate, shall be treated as contributions from such person to such candidate;

"(B) contributions made by a person either directly or indirectly, to or on behalf of a particular candidate through an intermediary or conduit, including all contributions delivered or arranged to be delivered by such intermediary or conduit, shall also be treated as contributions from the intermediary or conduit, if—

"(i) the contributions made through the intermediary or conduit are in the form of a check or other negotiable instrument made payable to the conduit or intermediary rather than the intended recipient; or

"(ii) the conduit or intermediary is a political committee, other than an authorized committee of a candidate, within the meaning of section 301(4), or an officer, employee or other agent of such a political committee, or an officer, employee or other agent of a connected organization, within the meaning of section 301(7), acting in its behalf; and

"(C) the limitations imposed by this paragraph shall not apply to—

"(i) bona fide joint fundraising efforts conducted solely for the purpose of sponsorship of a fundraising reception, dinner, or other event in accordance with rules and regulations prescribed by the Commission by (I) two or more candidates, (II) two or more national, State, or local committees of a political party within the meaning of section 301(4) acting on their own behalf, or (III) a special committee formed by (a) two or more candidates or (b) one or more candidates and one or more national, State, or local committees of a political party acting on their own behalf;

"(ii) fundraising efforts for the benefit of a candidate which are conducted by another candidate within the meaning of section 301(2).

In all cases where contributions are made by a person either directly or indirectly to or on behalf of a particular candidate through an intermediary or conduit, the intermediary or conduit shall report the original source and the intended recipient of such contribution to the Commission and to the intended recipient.".

INDEPENDENT EXPENDITURES

SEC. 8. (a) Section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 (17)) is amended by adding at the end thereof the following: "An expenditure shall constitute an expenditure in coordination, consultation, or concert with a candidate and shall not constitute an 'independent expenditure' where—

"(A) there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person (including any officer, director, employee or agent of such person) making the expenditure;

"(B) in the same election cycle, the person making the expenditure (including any officer, director, employee or agent of such person) is or has been—

"(i) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees,

"(ii) serving as an officer of the candidate's authorized committees, or

"(iii) receiving any form of compensation or reimbursement from the candidate, the candidate's authorized committees, or the candidate's agent;

"(C) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated with, advised, or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any advice reverting to the candidate's decision to seek Federal office;

"(D) the person making the expenditure retains the professional services of any individual or other person also providing those services to the candidate in connection with the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any services relating to the candidate's decision to seek Federal office;

"(E) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated or consulted at any time during the same election cycle about the candidate's plans, projects, or needs relating to the candidate's pursuit of election to Federal office, with: (i) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or (ii) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or

"(F) the expenditure is based on information provided to the person making the expenditure directly or indirectly by the candidate or the candidate's agents about the candidate's plans, projects, or needs, provided that the candidate or the candidate's agent is aware that the other person has made or is planning to make expenditures expressly advocating the candidate's election.".

INDEPENDENT EXPENDITURE BROADCAST DISCLOSURE

SEC. 9. Section 318(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d(a)(3)) is amended by deleting the period at the end thereof and inserting in lieu thereof the following: ", except that whenever any person makes an independent expenditure through (A) a broadcast communication on any television station, the broadcast communication shall include a statement clearly readable to the viewer that appears continuously during the entire length of such communication setting forth the name of such person and in the case of a political committee, the name of any connected or affiliated organization, or (B) a newspaper, magazine, outdoor advertising facility, direct mailing or other type of general public political advertising, the communication shall include, in addition to the other information required by this subsection, the following sentence: 'The cost of presenting this communication is not subject to any campaign contribution limits.', and a statement setting forth the name of the person who paid for the communication and, in the case of a political committee, the name of any connected or affiliated organization and the name of the president or treasurer of such organization.".

PERSONAL LOANS

SEC. 10. Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)), as amended by section 7 of this Act, is further amended by adding at the end thereof the following paragraph:

"(9) For purposes of the limitations imposed by this section, no contributions may be received by a candidate or the candidate's authorized committees for the purpose of repaying any loan by the candidate to the candidate or to the candidate's authorized committees.".

REFERRAL TO THE DEPARTMENT OF JUSTICE

SEC. 11. Section 309(a)(5)(C) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)(C)) is amended by striking out "may refer" and inserting in lieu thereof "shall refer".

EXTENSION OF CREDIT

Sec. 12. Section 301(8)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)) is amended by—

(1) striking out "or" at the end of clause (i);

(2) striking out the period at the end of clause (ii) and inserting in lieu thereof "; or"; and

(3) adding at the end thereof the following:

"(iii) with respect to a candidate for the office of United States Senator and his authorized political committees, any extension of credit for goods or services relating to advertising on broadcasting stations, in newspapers or magazines, by direct mail (including direct mail fund solicitations) or other similar types of general public political advertising, if such extension of credit is—

"(I) in an amount of more than $1,000; and

"(II) for a period of more than 60 days after the date on which such goods or services are furnished, which date in the case of advertising by direct mail (including a direct mail solicitation) shall be the date of the mailing.".

SEVERABILITY

Sec. 13. If any provision of this Act or any amendment made by this Act, or the application of any such provision to any person or circumstance is held invalid, the validity of any other such provision and the application of such provision to other persons and circumstances shall not be affected thereby.

EFFECTIVE DATE

Sec. 14. (a) Except as provided in subsection (b), this Act and the amendments made by this Act shall become effective for any election held more than one year after the date of enactment of this Act.

(b) The amendments made by section 3, section 7, section 8, and section 9 shall become effective on the date of enactment of this Act.

Mr. BYRD. Mr. President, the bill, S. 2, is now before the Senate for debate. I hope that we could have a good debate for the remainder of the afternoon. I do not personally anticipate any efforts to amend the measure from this side, at this point, at least. It would seem to me that if we had some debate we could determine where the problems are, where the warts are, and then perhaps give consideration to amendments accordingly.

Mr. President, I ask unanimous consent that David Magleby of my staff be accorded privileges of the floor during consideration of and votes on S. 2, campaign finance reform.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that Senators may speak out of order. I understand that Senator Cranston and Senator Packwood have some statements on another subject matter. I ask unanimous consent that they may speak out of order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. FORD. Mr. President, will the distinguished Senator yield for a question?

Mr. PACKWOOD. Yes.

Mr. FORD. How long do you think this would be?

Mr. PACKWOOD. I will be about 5 minutes and I do not know how long the distinguished Senator from California will be.

Mr. CRANSTON. Three minutes.

Mr. FORD. So, in the next 10 minutes, we would actually be on S. 2? I want to try to get my schedule fixed.

Mr. PACKWOOD. Yes.

Mr. FORD. I thank the Senator.

Mr. PACKWOOD. I thank my good friend from Kentucky.

Mr. BYRD. Will the Senator yield?

Mr. PACKWOOD. Yes.

Mr. BYRD. If there is no objection, in view of the fact that Mr. Ford is chairman of the Rules Committee, which has jurisdiction over this legislation, I will not ask unanimous consent, but I hope we could have an understanding that, when the speeches out of order by Mr. Cranston and Mr. Packwood have run their course, Mr. Ford then could be our leadoff speaker. I will not make that as a request, but I hope I will have the understanding of all Senators.

I thank the distinguished Senator from Oregon for yielding.

RESOLUTION OF DISAPPROVAL FOR THE SAUDI ARMS SALE

Mr. PACKWOOD. Mr. President, what we are going to speak out of order on is the proposal of the administration to sell the Maverick missiles to Saudi Arabia. The reason that this is so urgent is the administration has claimed they do not have to pay attention to the previous 20-day notice because it was given earlier. Therefore, the timeclock is running against us. Senator Cranston and I and the other 32 cosponsors we have on this resolution want to get it in.

I might say that we got this many cosponsors just today. It was not difficult. I would expect we will have 50 or 60 or 70 cosponsors. I would encourage any other Senators listening or any legislative staff listening, if their bosses want to be on this resolution, to let us know as soon as possible.

Mr. President, I rise today, along with 34 of my colleagues at the moment—and I expect more before the day is over—to introduce a resolution of disapproval for the proposed sale of additional arms to Saudi Arabia.

On Friday, May 29, 1987, the administration sent formal notification to Congress of plans to sell 1,600 Maverick D air-to-ground missiles and related services and equipment to Saudi Arabia. The total value of this proposed package is approximately $360 million. The bill we are introducing today would prohibit this proposed sale.

I am opposed to this sale because I do not believe the sale of additional military equipment to Saudi Arabia is in the interest of the United States or our allies and friends in the Middle East. I continue to believe that our interests in the Middle East are best served by encouraging peace through negotiations. This sale will do nothing to encourage peace in the region, or to further U.S. interests. I am concerned that instead it will simply contribute further to the instability in that volatile region of the world.

Mr. President, we should not lose sight of what our goals are in the Middle East or what standard we should set for approving the sale of sophisticated weapons to countries in that region. We should not sell additional arms to Saudi Arabia until they join the peace process and make peace with Israel. To date, the Saudis have not only failed to support American efforts to promote peace in the region, but they have worked actively against those peace efforts.

The Saudis have consistently opposed every American peace initiative in the Middle East. They have consistently refused to negotiate for peace with Israel. And, time and again, they have opposed directly or indirectly other American efforts in the Middle East, such as our efforts to combat world terrorism or protect American interests in the region.

Let me also remind my colleagues that this is not the first time we have faced a proposal to sell Maverick missiles to Saudi Arabia. In 1984, the administration proposed the sale of a less sophisticated version of the Maverick missile, the Maverick B, but that sale was never completed, because Saudi Arabia eventually turned down the deal. In addition, the current proposal to sell Maverick missiles to Saudi Arabia was part of a larger arms package that the administration has been considering for some time. The larger package included the Maverick missiles, which have been separated out and are now before us, as well as F-15 fighter aircraft and tank improvements. I have been working with a number of my colleagues on a letter to President Reagan advising him of our strong opposition to such a sale. So far the response on that letter has been overwhelming. The message is clear—Congress does not believe the sale of military equipment to Saudi Arabia is wise policy at this time.

The proposed sale of Maverick missiles is clearly the "nose of the camel in the tent." If this sale is approved there is every indication that Congress will be asked to approve the rest of the package as well. Mr. President, I would hope that the administration would reconsider the proposed sale, and withdraw it from consideration while there is still time to avoid a divisive fight on this issue.

I personally am not looking for a quarrel with the President. But if he insists upon pursuing this sale, there will be a quarrel and I am quite confident, Mr. President, that this Congress will turn down that sale.

If the sale is not withdrawn, therefore, I believe it is in the best interest of this country that it be defeated.

I urge my colleagues to join me in supporting this resolution in opposition to the proposed arms sale to Saudi Arabia. We have already sold Saudi Arabia billions of dollars worth of our most sophisticated military equipment. Now, it is time to insist that Saudi Arabia first support our interests and work for peace in the region before we sell them any more. I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 153

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the proposed enhancement or upgrade in the sensitivity of technology of, or the capability of, Maverick missiles for Saudi Arabia, with related defense articles and defense services, pursuant to section 36(b)(5)(C) of the Arms Export Control Act, described in the numbered certification transmitted to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate on May 29, 1987 (Transmittal No. 87-A), is prohibited.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. Mr. President, I join with my friend from Oregon in strenuously opposing the sale of upgraded Maverick missiles to Saudi Arabia. It is a pleasure to work with him once again in working together in yet another effort to block an unwise Middle East arms sale.

The question I keep asking myself about this proposed sale is: Why?

Why does Saudi Arabia want a 64-percent increase in its inventory of Maverick missiles?

Why does it want 1,600 of these infrared, all-weather 24-hour-a-day, ultrasophisticated weapons to add to the 2,500 Mavericks it already has?

Why do the Saudis need a total arsenal of 41 of these air-to-ground missiles for each of their aircraft?

Why do they want such a huge arsenal of these antitank missiles? It is Iran's planes that are the current threat in the gulf—not their tanks. Iran's armor forces pose no real threat to Saudi Arabia.

Saudi Arabia already has nearly three times as many Maverick missiles as does Israel. Why do they want to have nearly five times as many?

The only tank force that the Saudis do consider a threat belongs to Israel—with whom they are still technically at war.

That may be the answer.

That may be why the Saudis keep asking—and getting from—the administration more and more of our most technologically advanced weapons.

But what is the answer to why the administration sells them these weapons?

Why does the administration knowingly increase the military pressure on Israel—the only real democracy and our only reliable ally in the Middle East?

Why does the administration consider the Saudis such good friends of America and the West?

Except for being anti-Communist—which describes just about every nation in the area—what have the Saudis done to help us or to help the peace process in the Middle East?

We have never seen any evidence that they have been of help in any crisis in the past—in fact, they raised their oil prices shortly after we sold them our AWACS.

In all fairness, I do not fault them for their recent failure to respond to our request that they intercept the Iraqi plane that hit the U.S.S. *Stark.* It is my impression that they simply could not clear the request in the very short time that was available. In this trigger-happy era, command control for the use of ever more deadly weapons is a vital necessity. So I can understand the Saudis' failure to respond to a foreign request for an almost instantaneous military act on their part, even when the source of the request was the United States of America.

On the other hand, however, there is now a report that the Saudis have made it clear that they are not going to help us keep the shipping lanes open in the gulf.

Their message to us reportedly was:

> We're not going to help you so don't ask us for help. It'll only embarrass us both.

What kind of friend is this, anyway?

All in all, and not just in this one particular issue alone, I cannot figure out the administration's policy in the Persian Gulf.

And what little I can figure out, I do not like.

I intend to do everything I can to block this proposed sale.

It is a thoroughly bad idea—a loser.

Mr. President, I yield the floor.

Mr. LAUTENBERG. Mr. President, I join with my distinguished colleagues, Senators CRANSTON, PACKWOOD, DIXON, DECONCINI, METZENBAUM, KENNEDY, and others in introducing a resolution to block the administration's proposed sale of Maverick D air-to-ground missiles to Saudi Arabia.

Mr. President, I am opposed to this sale because I do not believe that it is in the best interests of the United States or our allies in the Middle East.

We have sold the Saudis over $50 billion in weapons since 1953 in an effort to win their friendship and their cooperation in the peace process. However, the Saudis have proven that they are anything but true blue friends of America.

In addition, the Saudis have consistently opposed every American peace initiative in the Middle East, and have refused to come to the peace table with Israel, our most reliable ally in the region.

Not ony have the Saudis failed to take steps of their own toward peace, they have been a negative influence on other moderate Arab nations. They refuse to help Egypt reenter the Arab world, and caution Jordan against joining talks with Israel.

Nor have the Saudis supported the achievement of our other foreign policy goals in the region. They have repeatedly opposed United States interests in the Middle East, including our efforts to curb the outlaw Qadhafi regime, our attempts to expand our strategic presence in the gulf, and attempts to stop the terrorist activities of the PLO and Syria. In fact, it is the Saudis who bankroll the PLO and who heavily subsidize Syria, a country that since 1979, has been on our own State Department's list of countries that support and sponsor terror.

According to the International Institute for Strategic Studies, Saudi Arabia has been spending an average of $20 billion a year since 1980 in an unprecedented military buildup which has already significantly eroded Israel's qualitative edge and forced Israel to expand its defenses in an area which previously posed no significant threat. Is this an effort to which America ought to contribute, in light of the Saudis lack of cooperation with American and our strategic alliance with Israel? I think not.

I urge my colleagues to ask themselves what we have gained by our past sales of arms to the Saudis before we give our approval to still more such sales. The answer is, not much, and we should quickly pass this resolution to disapprove this sale.

Mr. FORD. Mr. President, I understand that one of our distinguished colleagues has notified the staff that he would like to speak on this particular subject. We do not have an order but a basic agreement that I would be next up. I do not want to jeopardize any of my colleagues about making a statement about a subject that I endorse very much. I see the distinguished Senator from Illinois has now entered the Chamber. I will yield the floor so he might make his statement.

Mr. DIXON. Mr. President, the administration is seeking approval for a sale of 1,600 Maverick air-to-ground missiles to Saudi Arabia. I rise to oppose the sale. I believe this sale will not further the interests of the United States, or the prospects for peace in the Middle East. On the contrary, this sale threatens to destabilize the fragile balance which exists in the region.

The Saudi Air Force already has 2,400 of the Maverick A, guided air-to-surface missiles. The administration wants to sell the Maverick D, which has never before been exported to Saudi Arabia. This is an improved version of the Maverick, using an infrared guidance system which makes night attack possible, and doubling the range of target recognition.

The Congress and the American people have repeatedly been told that Saudi Arabia is one of America's best friends in the region, and that Saudi Arabia is moderate and acts to advance United States interests and peace in that vital part of the world.

We have been repeatedly urged to support one arms sale after another to Saudi Arabia—totaling more than $29 billion since 1981. These sales went forward based on the promise of Saudi friendship and support. The record, unfortunately, shows otherwise.

The Saudis have consistently opposed every American peace initiative in the Middle East. They still vehemently oppose the Camp David accords. They have consistently refused to negotiate for peace with Israel, our most reliable ally in the region.

Rather than supporting the peace process, Saudi Arabia has helped to derail it. The Saudis reportedly pressured King Hussein into abandoning his peace initiative by threatening economic sanctions if Jordan should enter into direct negotiations with Israel. They pressured the Lebanese to abrogate the 1983 Lebanon-Israel accord, and have refused to use their leverage to persuade Syria to pull out of Lebanon.

The Saudis have also repeatedly opposed other United States interests in the region, including our effort to curb the outlaw Qadhafi regime, United States attempts to defend its strategic presence in the Persian Gulf, and attempts to isolate and weaken the terrorist activities of the Palestine Liberation Organization and Syria, both of whom enjoy enormous Saudi financial support.

The United States has sold billions of dollars worth of arms to Saudi Arabia in what we are told are "litmus tests" of American friendship. America has proven her friendship. Regrettably, we have not seen the same result from the Saudis.

In 1981, the Saudis raised the price of oil by $2 per barrel just 1 day after the Senate AWACS vote, forcing the price to an all-time high of $34 a barrel. Within a month, they gave more than $28 million to the PLO, and participated in an urgent campaign against Oman's agreement to cooperate militarily with the United States.

Closer to home, Mr. President, is another particularly upsetting example of our truly poor relations with the Saudis. I speak of the case of an Illinoisan, Patricia Roush. For the past year and a half, I have been attempting to secure the release of her two children, who are being held illegally in Saudi Arabia by her divorced husband. Although United States courts have awarded the custody of the children to Ms. Roush, and charged the father, a Saudi citizen, with kidnaping, the Saudi Government refuses to take an active role in securing the return of these American children to their mother.

Are these the actions of a friend? Are these the actions of a country helpful in the search for peace? Clearly they are not. I do not believe it is in the best interests of the United States to transfer weapons to Saudi Arabia, and I will vigorously oppose the sale of these Maverick missiles.

I yield the floor.

Mr. D'AMATO. Mr. President, I rise to join the distinguished junior Senator from Oregon, and many others, in cosponsoring this resolution to disapprove the sale of 1,600 Maverick missiles to Saudi Arabia.

The administration has formally notified Congress that it intends to sell $360 million worth of the highly advanced Maverick D missiles to Saudi Arabia. To justify the sale, the administration cites Saudi Arabia's moderating influence in the Middle East, its close friendship with the United States, and the dangers it faces from the Iran-Iraq war.

Mr. President, Saudi Arabia neither needs nor deserves this sale. To supply Saudi Arabia with such sophisticated weaponry will not serve the best interests of the United States or the volatile Middle East region. We have provided over $50 billion in military assistance to Saudi Arabia since 1953. I am at a loss to see what we have to show for it. That nation's failure to provide the assistance we requested when Iraq attacked the U.S.S. *Stark* only demonstrates Saudi Arabia's unreliability as a friend of the United States.

The truest ally we have in the Middle East is Israel. Time and time again, Mr. President, that small nation, surrounded by hostile nations, has proven to be a loyal friend and ally. Unfortunately, the proposed sale of Maverick missiles will do less to protect Saudi Arabia, than it will to endanger the State of Israel.

The Maverick is an air-to-surface missile. The D model Maverick is infrared guided which makes it capable for night attack and doubles the range of target recognition. The missile primarily targets armored vehicles and fortified buildings. Saudi Arabia already has purchased 2,582 Maverick A missiles, which currently provide them with substantial firepower. No other nation has purchased the D version of the Maverick. The sale of these advanced Mavericks is simply unnecessary. We must ask ourselves whether this sale is worth putting at risk the present delicate balance of forces in the Middle East.

Mr. President, this proposed sale raises two other vital questions: Why does the United States continually have to prove its commitment to Saudi Arabia through arms sales, and does Saudi Arabia deserve this sale?

Saudi Arabian policies in the Middle East are inimical to those of the United States. Every Arab-Israeli peace initiative supported by the United States has been opposed by the Saudis. Saudi Arabia supports two of America's main terrorist threats, Libya and Syria. Saudi Arabia has also provided substantial monetary assistance to the PLO.

Mr. President, the burden of proof should be on the Saudis, not the United States. Let them prove their friendship to us. Saudi Arabia should openly support Middle East peace efforts. They should allow the use of their bases for U.S. aircraft so we can provide adequate air cover for our ships in the Persian Gulf.

When the chips are down, Mr. President, I simply do not believe we can trust the Saudis. Saudi Arabia has not even lived up to the AWAC's agreement. Congress was assured at the time of the sale that future deliveries to Saudi Arabia of AWAC's and other advanced arms would take place only if peace efforts in the region have the "substantial assistance" of Saudi Arabia. Such assistance has not only been conspicuously absent, but the Saudis consistently work to undermine peace efforts in this region. What message do we send to Saudi Arabia, and other Arab nations, when we ignore provisions that favor Middle East peace efforts in order to allow the sale of more instruments of Middle East strife?

We must also remember, Mr. President, that just a few short years ago, a moderate and strong ally of ours in the Middle East, Iran, fell quickly and dramatically to an Islamic fanatic. This harsh lesson should not be lost on our relations with Saudi Arabia.

Saudi Arabia has not proven to us or the world that it stands for peace in the Middle East. That must be our primary standard, Mr. President. Sales of our sophisticated weaponry in the Middle East should be sold as a deterrent to aggression and as a reward for strong efforts toward peace and stability. Such sales should not be used as a bribe for recalcitrant nations to accept regional peace initiatives.

Mr. President, Saudi Arabia has not demonstrated it deserves to be rewarded.

I strongly urge my colleagues to join me in cosponsoring this important resolution.

Thank you, Mr. President.

SALE OF MAVERICK MISSILES TO SAUDI ARABIA

● Mr. DURENBERGER. Mr. President, I rise today to state my opposition to the administration's proposed sale of 1,600 AGM-65D Maverick missiles to the Kingdom of Saudi Arabia. I am pleased to be an original cosponsor of the resolution of disapproval of this sale.

I am saddened that this body yet again is forced to consider the sale of advanced arms to a state that it is still in a state of war with one of our closest allies. It seems that this administration continues to believe that arms sales can substitute for effective policy. I do not believe that arms sales, in and of themselves, make a policy. In many cases, selling weapons can be a useful adjunct to policy—one tool among many. But the fundamental test that any arms sale must pass is the test of U.S. national interest: does a particular arms sale demonstrably enhance U.S. national security?

Successive United States administrations have embarked on the path of selling some of our most advanced weapons to Saudi Arabia. This began with the sale of F-15's in 1978 under President Carter. At that time there was threefold justification used: First, a need to protect Western oil supplies; second, defense against an Iraqi threat to the Saudis; and third, the hope that Saudi Arabia would play a constructive role in the Arab-Israeli peace process. It is useful to examine how each of these justifications have stood the test of time.

There is still a need to protect Western oil supplies originating from Persian Gulf states. We faced a major upheaval in 1979—the price of oil leaped upward, long lines at gas pumps, and economic chaos from which it took years to recover. While many analysts disagree over all the causes and implications of the 1979 oil shock, there is widespread agreement on two basic points. First, the immediate cause of the crisis was the turmoil in Iran which led to the downfall of Shah Reza Pahlavi and the proclamation of an "Islamic Republic" by the Ayatollah Khomeini. Second, the crisis was intensified at a crucial juncture by the Saudi decision to cutback oil production. Whether the decision was the result of political calculation, fear, or simply bad judgment, the fact remains that Saudi action exacerbated an already confused situation.

The sale of F-15's to Saudi Arabia, approved in 1978, did absolutely nothing to insure Western oil supplies. One could certainly argue that the sale of 60 fighters should not be expected to guarantee the free flow of oil from the Persian Gulf but that is not the point. The point is that oil supplies can be threatened from many sources, including internal unrest and revolution. And the point is that Saudi actions, far from moderating the panicked oil market, worsened an upward price spiral.

The second justification used in support of the F-15 sale was the need to help Saudi Arabia defend itself from hostile external threats. The threat cited at the time was the traditional rival of Saudi Arabia: Iraq. In the shifting sands of Middle Eastern politics, rivalries and alliances change with a bewildering rapidity. Nothing illustrates this point better than the new political constellation in the Persian Gulf. The threat most feared by the Saudis is no longer Iraq but Iran. Iraq, after invading Iran in what must rate as one of the greatest strategic miscalculations in history, has been fighting for its life for the past 7 years. The most pressing threat to United States interests in the region is an Iranian victory. We, together with the Saudis, have a tremendous stake in insuring that the Khomeini's mad mullahs and their revolutionary guards do not run rampant over the states of the Persian Gulf littoral.

But it is not clear to this Senator how selling 1,600 advanced upgrades of one of our most capable air-to-surface missiles will prevent an Iranian victory. If the Saudis truly became a "front-line" state, if the Iranians soundly defeat the Iraqis, and if Riyadh faced an imminent threat of a ground invasion from the north, then the United States should and would consider transferring weapons which would enhance Saudi defense capabilities. But this is not the case. While we do hear of periodic Iranian offensives, and they have gained some ground in recent months, I know of no reports that indicate the stalemate of the past 7 years is about to change in favor of Iran. As long as Saudi Arabia is not in imminent danger of invasion, and as long as the Middle East remains a cauldron of conflict where loyalties and commitments can change literally overnight, it does make sense to further upgrade the Saudis already formidable arsenal.

The third reason used to justify the sale of F-15's was to encourage the Saudi royalty to play an active and constructive role in the Arab-Israeli peace process. I do not need to elaborate in great detail on the lack of Saudi commitment to a genuine search for peace in the Middle East. There were high hopes in 1978 that the Saudis would join with Egypt in the Camp David peace process. These hopes were not realized.

In 1982, after the sale of AWAC's which were also supposed to enlist the Saudis as peacemakers, President Reagan announced his peace plan. This was a bold initiative designed both to address some of the more difficult issues left unresolved by the Israeli-Egyptian peace treaty and to bring other "moderate" Arab states into the peace process. But support was not forthcoming from Saudi Arabia. And support has not been forthcoming since 1982 either. As long as the Saudis are unwilling or unable to support constructive efforts to resolve the conflicts in the Middle East, it does not make sense to continue the sales of advanced weapons to them, especially when the inevitable justification for the sale includes the hope that the Saudis will join the peacemakers. If we want to sell arms as a "reward," we need to witness some action that deserves reward.

This brief examination of the historical record shows how the original justifications for selling advanced weapons to Saudi Arabia have proven to be flawed. This record provides essential context for the sale Congress is asked to consider now.

The Maverick missile is an air-to-ground, rocket propelled, tactical missile which provides attack capability against a wide variety of targets. The missile has a "stand off" capability, that is, it can be launched and can rely on its own guidance system to find targets. The variant of the Maverick proposed by the administration for sale to the Saudis is the AGM-65D. The AIM-65D utilizes an advanced guidance system—the imaging infrared system. The IIR system has the capability to guide the Maverick in day or night. The capabilities of this missile make it a very potent weapon—this underscores why a decision to sell 1,600 Mavericks to an uncertain ally must be taken with the greatest care.

Before this body moves to approve the sale of 1,600 Mavericks to Saudi Arabia, we must consider just what kind of an ally the Saudis are. We have all seen the newspaper accounts of how the Saudis were asked to intercept the Iraqi Mirage that attacked the U.S.S. *Stark.* We know that 2 Saudi F-15's—sold by the United States to Saudi Arabia—were airborne and had the capability to intercept the Iraqi jet. The Saudis did not intercept the Iraqi despite a request to do so from the joint United States-Saudi crew manning an airborne warning and control aircraft—sold to the Saudis by the United States.

We still cannot be sure why the Saudis did not intercept the Iraqi jet which was responsible for the deaths of 37 *Stark* crewmen. Perhaps the ground officials would not approve the intercept. Or perhaps ground officials were unable to get the proper authorization in time to intercept the Mirage. Whatever the reason, one must conclude that further sales of advanced weapons to a state unwilling or unable to carry out a rather simple interception guided by an AWAC's plane do not make strategic or political sense.

There are other reasons why this sale does not make sense. Recent reports indicate that the Saudis are unable to man the AWAC's aircraft by themselves. Even though the American crewmen were scheduled to be phased out, they will not be because Saudi nationals cannot handle the complex task of flying and utilizing the AWAC's platform. The AWAC's is not an easy system to operate effectively; to the contrary, it is very difficult. This is one of the reasons why so many of us argued against selling such an advanced system to a nation still struggling to join the modern world. We should not compound a past mistake by selling more advanced equipment to the Saudis.

Finally, there is the issue of Israel. Weapons sales to Saudi Arabia involve many complex and difficult issues. Among them is the effect such a sale would have on the military balance between Israel and those nations that refuse to make peace with Israel. The massive Saudi defense buildup of the last decade and a half goes far beyond what is needed to defend Saudi oil fields or even Saudi territory. The Saudis spend nearly $20 billion a year upgrading their formidable defense capabilities: army, air force, and navy. Most objective analysts conclude that the Saudi buildup is too large, too broad based, and too technologically advanced to simply fulfill the legitimate needs of Saudi defense. It has become increasingly clear that Saudi military forces pose a very serious threat to the state of Israel. More and more, we a Saudi force structure that does not more effectively defend oil facilities but instead threatens our closest ally in the Middle East: Israel.

For all of these reasons, Mr. President, I oppose the sale of 1,600 Mavericks to Saudi Arabia. I join with many of my colleagues in this position. I hope the indication of disapproval made today in the Senate leads to a reconsideration of this sale by the administration. I ask that two newspaper articles elaborating on several of the points I made be printed in the RECORD.

The articles follow:

[From the Washington Post, Feb. 16, 1987]

SAUDIS BUILD ARSENAL AGAINST ISRAELI MIGHT

(By Patrick E. Tyler)

RAS TANURA, SAUDI ARABIA.—A multi-billion-dollar buildup of armaments is under way in Saudi Arabia that western military analyst and diplomats say they believe goes well beyond what the Saudis need to protect their oil wealth and the vital shipping lanes of the Persian Gulf.

Rather, these sources say, the influential Saudi military establishment under Prince Sultan, brother to King Fahd, has focused its new military buildup on Israel as a significant military threat in the region. "The Saudis are mesmerized by the Isreali threat and they plan their forces against it," said one western military analyst based here.

Recent decisions to purchase British attack-bombers, a nationwide air defense network and a fleet of attack submarines and submarine-hunting aircraft all will give Saudi Arabia a military strike capability it never before has possessed.

Although Saudi defense officials say they see the six-year-old Iran-Iraq war as the most immediate threat to the region, and protection of the gulf sea lanes as the top priority for the buildup, western analyst say the new equipment is far more than is needed to defend vulnerable targets such as the crude oil loading terminal and refinery complex here that is one of the most important addresses in the kingdom of oil.

The United States, which in past weapons sales has been able to balance Saudi defense needs against Israeli security interests, has lost much of its moderating influence as Saudi Arabia has turned to European and British suppliers.

Still, Saudi Arabia's burgeoning air and naval forces are no match for Israel, by far the strongest regional military power. But as an important component in the Arab world's expanding arsenal, these Saudi military advances into new modes of air and seapower are significant, military sources say.

For instance, no Middle East power except Israel has acquired a fleet of modern attack submarines whose wartime missions include sinking enemy shipping, blockading ports and landing commandos.

"If you look at the experience of the Falklands war, the threat of a couple submarines kept the Argentine Navy mostly in port and Argentina had no capability to reliably locate submarine threats," said one military expert.

In December, Saudi Arabia asked several European countries to submit bids to provide the Saudi Navy with six to eight diesel-electric attack submarines. The United States, whose nuclear-powered submarine Navy has built only a handful of diesel-electric boats in the past two decades, largely for intelligence gathering and research, was not asked to join the bidding.

The following month, the Saudi Defense Ministry alerted French and U.S. defense contractors to ready bids to supply both Saudi Arabia and, separately, the six-nation Gulf Cooperation Council with 10 to 20 "maritime surveillance" aircraft, whose wartime mission is to detect and destroy enemy surface ships and submarines.

The council, made up of Saudi Arabia, Kuwait, Bahrain, Qatar, the United Arab Emirates and Oman, already operates a small unified infantry command dedicated to common defense. Council members, however, are far from achieving effective military cooperation, according to western officals.

The American version of the maritime surveillance aircraft is the submarine-hunting Lockheed P3 Orion, a long-range turboprop that carries Mark 46 air-dropped torpedoes and Harpoon antiship missiles along with an array of sensors to detect its targets.

The French version, the Atlantique II, is still in the prototype stage, "but the French are always tough competitors internationally," said one defense firm representative.

There are several indications that Saudi Arabia's procurement strategy is designed to give it military capabilities well beyond protection of Persian Gulf shipping lanes and key economic installations.

For instance, Saudi Arabia could have addressed its maritime surveillance needs, according to military sources, by adding a readily available surface ship detection package to the fleet of U.S. early warning AWACS planes, the first of which was delivered last summer.

With this "maritime modification," the AWACS can display airborne as well as seaborne targets on their computer consoles. The AWACS crew members can then direct Saudi fighter pilots to them.

The AWACS, however, is strictly a surveillance platform that carries no weapons, while the Atlantique II and P3 Orion carry formidable antiship weapons that can be used offensively and at longer range than jet fighters.

Military analysts also point out that a Saudi submarine fleet would be of little use protecting shipping lanes in the shallow waters of the Persian Gulf, where Iranian gunboats have attacked a number of oil tankers with impunity.

According to these military sources, even the U.S. and Soviet submarine fleets do not venture into these waters.

Thus, Saudi submarines would be restricted to deeper waters at the entrance to the Persian Gulf and would be much more active in the Red Sea. Israel operates its only southern port at Eilat, in the Gulf of Aqaba, which opens into the Red Sea.

In the air, Saudi Arabia recently took delivery of the first six British Tornado fighters out of a total order of 72 aircraft. But Britain's willingness to include advanced avionics, fire control and munitions systems will give Saudi Arabia 48 Tornados configured as bombers with the ground attack capabilities it has been seeking to acquire for more than a decade.

Saudi officials, who historically have preferred American technology, chose the British system after the Reagan administration withdrew a plan to sell 40 U.S. F15s to Saudi Arabia in 1985.

Had the F15 sale gone through, it would have restricted the technology of the McDonnell Douglas jets to air defense missions.

U.S. restrictions also would have prevented Saudi Arabia from basing its F15s at Tabuk, an air base in northwestern Saudi Arabia, within striking distance of Israel. No such restriction is included in the British deal.

"Ironically," noted Middle East scholar Anthony H. Cordesman in one analysis of the deal, "the U.S. rejection of the Saudi F15 request not only hurt the United States, but Israel." Cordesman said the loss of the deal "reduced U.S. ability to influence Saudi policy and military actions, and increased the theoretical military threat that Saudi forces could prevent to Israel in some future war."

In another major upgrade, Saudi Arabia has contracted with the American firms Boeing, General Electric, and Litton to build a nationwide array of ground-based early warning radar sites interconnected with high-speed computers to give the Saudi Air Force a command center capable of directing an air war simultaneously over the Red Sea, Persian Gulf and the Arabian mainland.

As a strategy for defending gulf shipping lanes, a number of defense analysts noted one glaring deficiency: the lack of coordination between Saudi Arabia and its Gulf Cooperation Council neighbors.

"When the war starts, you need automatic data exchange," said one western military salesman, "but there are no data links in the [council] at this time."

This defense firm executive said a similar problem plagues the military services within the country. For instance, within a few miles of each other in downtown Riyadh, the Saudi Defense Ministry, Navy headquarters and Air Force each has its own independent "war room" for directing their forces.

However, there is scant communication between them, according to western defense sources.

As the Saudis continue to spend $17 billion to $18 billion a year on defense, their focus on the Israeli military threat, according to a number of diplomatic sources here, is certain to fuel the regional arms race and complicate future initiatives to strike a peace between Israel and its Arab neighbors.

[From the Washington Times, May 18, 1987]

SAUDIS CAN'T GET THE HANG OF OPERATING AWACS

(By James M. Dorsey)

Saudi air force crews are unable to operate most of the U.S. radar surveillance aircraft bought by the kingdom in 1981 for $6 billion, according to administration officials.

The officials said Saudi Arabia has trained personnel sufficient to operate only one of the five Boeing E-3A Airborne Warning and Control Systems officially turned over to the kingdom last year.

Saudi difficulties in achieving full operational capability of all five AWACS could keep an estimated 500 U.S. military men in the kingdom years longer than initially planned, the officials said.

A Pentagon spokesman said "the transition schedule" for the AWACS "is still under discussion between our two governments."

The Saudi inability to operate its own AWACS is certain to fuel the expected controversy over the Reagan administration's plans to sell Saudi Arabia $500 million worth of F-15 fighter planes.

Sources said the administration will notify Congress this week of the planned sale.

They said most of the 12 to 15 planes the administration intends to sell would be kept in the United States as replacements for aircraft Saudi Arabia may lose in accidents or future combat.

Saudi Arabia bought 62 F-15Cs and F-15Ds in 1978 following a bitter debate in Congress. The planes' manufacturer, McDonnell Douglas Corp. intends to discontinue their production next March.

The sources said Saudi Arabia had lost an estimated five aircraft in accidents during the past eight years. The sale would allow Saudi Arabia to maintain its number of F-15s at approximately 60, they said.

Officials said part of the Saudi air force's problem in achieving full operational capability on all five AWACS was attracting qualified personnel. Skilled Saudi pilots, they said, preferred to operate fighter aircraft than fly the AWACS in circles for long hours collecting intelligence on the aircraft's computer monitors.

"The training of personnel is going slower than everyone expected," one offical said.

"I don't see how they will be able to find people to fill the job. It requires people with very marketable skills," said another.

Some officials, however, say the delay in the withdrawal of U.S. personnel in Saudi Arabia may serve U.S. purposes as both the United States and the Soviet Union increase their involvement in the Persian Gulf.

The U.S. Coast Guard currently is completing a process that will put almost half of Kuwait's oil tankers under American protection by transferring them to U.S. flags. The move follows a Soviet agreement to lease three tankers to Kuwait for oil shipments that wold be shielded by Soviet warships.

The Kuwaiti request for help from both superpowers is an attempt to persuade Iran to halt its attacks on commercial vessels bound to and from Kuwait. Iran has made Kuwait a target, in part because arms shipments bound for Iraq are transhipped in the port. Iraqi reliance on Kuwait has increased since Iraqi gulf ports were rendered useless in the early stages of the war with Iran.

Iran has attacked 17 vessels in the gulf this year that had been on their way to or from Kuwait.●

Mr. PACKWOOD. Mr. President, I ask unanimous consent that Senators Mikulski, Karnes, Burdick, Gore, Grassley, Wirth, Levin, Leahy, Reid, Danforth, Proxmire, Bond, Matsunaga, and Sanford be added as original cosponsors of the Saudi arms resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATORIAL ELECTION CAMPAIGN ACT

The Senate continued with the consideration of the bill (S. 2).

Mr. FORD. Mr. President, what is the question before the Senate.

The PRESIDING OFFICER. The question is on the committee substitute to S. 2.

Mr. FORD. I thank the Chair.

Mr. President, on April 29, the Committee on Rules and Administration ordered the report of S. 2, the Senatorial Election Campaign Act of 1987 as amended by a committee amendment in the nature of a substitute.

This action by the committee followed 4 days of hearings during which the committee received testimony from over 30 witnesses and written statements from any other people who were interested in campaign finance. The testimony of those witnesses, the statements received from interested parties and the entire record of the committee's hearings during the 99th Congress which was incorporated in the record, were considered by the committee in drafting its comprehensive amendment to the original bill. In so doing, the committee has had the opportunity to draw upon an invaluable wealth of information and expertise. Taken together these resources provided a comprehensive review and in-depth examination of the entire process of campaign finance under the present statutes.

Mr. President, this bill is the most extensive and far-reaching revision of the campaign finance laws undertaken by the Senate since the adoption of public finance for Presidential elections in 1974. The Senatorial Election Campaign Act of 1987 will: First, provide a comprehensive system of Senate campaign finance based on public financing and voluntary spending limits; second, encourage candidate responsibility and discourage negative political advertising—in Senate campaigns; third, improve and extend reporting and disclosure of campaign finance activities; fourth, limit political action committee contributions and fundraising activities; and fifth, generally improve the operation of the present system of campaign finance.

The bill, as amended, is a comprehensive approach to the revision and improvement of the campaign finance system. While it may not be perfect, it represents a sincere effort to deal with the various problems confronting this system and to improve its operation. It attempts to achieve a workable system while respecting the constitutional limitations related to the rights of speech and assembly that are such an integral part of the election campaign and political process. It is no easy task to fashion a system without infringing on these constitutionally protected rights, but I believe that every effort has been made in the drafting of this substitute amendment to do so.

In that regard, the bill provides for a voluntary system of public funding with restrictions and limitations, but leaves any person who chooses to do so free to fund a campaign with personal funds or those of individuals, political committees, or political party committees. It protects the right of any person, group, or organization to make its views known with regard to any candidate or issue without limitation or restriction, provided the activities and expenditures or any such person, group, or organization are truly independent of any candidate affected. And it leaves all candidates free to determine the content of their political campaign advertisements—whether to take the high road or the low—but does require that if they wish to finance those ads with public funds, they must agree to make any references about their opponent in person. They must agree, that is to take the responsibility for their statements. That is the very least we can ask, I believe, in exchange for the use of public money in a campaign.

Mr. President, one of my colleagues told me yesterday that he did not like the bill, but he said that if he had written it himself, he probably would not like it, but we must do something about the financing and campaigning of today. My colleague, who will oppose this bill and submit a substitute, must admit that, in Kentucky recently, we had a Democratic primary for the nomination for the various statewide offices. In the Governor's race alone, some $12 million, I think, was the approximate figure that was used to attempt to secure that nomination. We found in that particular campaign millions of dollars were placed in that campaign by individuals out of their own pockets. Even in the Lieutenant Governor's race, one candidate spent at least $1.5 million of his own money, and another one almost that much just to run for the office. We found in that particular campaign negative advertising that I think was very distasteful to the people in my State.

Since May 26, the date of our primary in Kentucky, I have had more people tell me that they do not believe that we ought to keep a person from spending his or her own money in a political campaign, but surely, something must be done to limit the amount of money that is now being spent in political campaigns.

Mr. McCONNELL. Would my colleague yield on that point?

Mr. FORD. If my colleague will wait until I finish.

The Supreme Court, as related to campaign financing, says that some form of campaign financing must be used in order to put limits on campaigning, must be used in order to acquire a voluntary agreement among those candidates. So we are looking at a constitutional problem that we hope, in this piece of legislation as it relates to negative advertising, will not infringe upon the constitutional rights of individuals.

Mr. President, I ask unanimous consent that I may yield the floor now to the distinguished Senator from Oklahoma [Mr. BOREN].

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOREN. Mr. President, I am very proud to be one of the authors of S. 2, which has been introduced by myself, the distinguished majority leader originally, and 45 other cosponsors. Forty-seven Members of the Senate have come together to originally sponsor this particular piece of legislation. It was referred to the Rules Committee, presided over by the distinguished Senator from Kentucky [Mr. FORD], from whom we have just heard. That committee, making some changes in the legislation, reported out the committee substitute for S. 2 for consideration by the full Senate.

Mr. President, all of us experience frustrations from time to time as we serve in this body from the feeling that we are devoting time and attention on some legislative days to matters of trivial importance. There are days when we move as fast as we can go and work as hard as we can work from morning until late at night and end the day asking ourselves, "Have we really dealt with any major policy decisions which are of fundamental importance to this country?"

I think I can say without fear of contradiction that today, the Senate of the United States is turning its attention to one of those fundamental questions about our political process that is of lasting and major importance to this country, to its future, and to the democratic system itself.

We have begun a historic debate today, 10 years after the last major debate on comprehensive campaign reform in the U.S. Senate. We have begun a debate today a year after 69 Members of the Senate voted in essence to say that something needs to be done.

Last year, when the legislation authored by myself and my distinguished colleague from Arizona, a Member of the U.S. Senate for many years, former Senator Barry Goldwater, offered a first step toward reform, 69 Members of the Senate voted with us; another announced his position in favor of that legislation; but sadly, we were not able to complete action on that piece of legislation. We missed that particular opportunity to move forward because of parliamentary delays and filibuster against the action that was then pending.

So we today, Mr. President, are returning to that subject—the integrity of the election process itself, which is the very heart and soul of our constitutional system, in the bicentennial year of the Constitution. Therefore, it is appropriate that we take as much time as is necessary to hammer out on the floor of the Senate true comprehensive campaign reform, that we not wait for another year to pass before we deal with the problem of the erosion of the elective process itself because of the unwholesome influence of the scandalous amount of money that is now being spent on campaigns in order to get elected to the high positions of public trust in this country.

The elective process gives legitimacy to our whole form of government. The Constitution set up a representative form of government under which the people themselves can be assured that laws, policies, and burdens of taxation upon them will not be adopted without their own consent as reflected through the consent of their elected representatives in the Congress, in the White House, through the elements of Government that are responsive to the elective process.

And so it is the votes of the people through the election process itself that give legitimacy to the Senate of the United States, the House of Representatives, indeed to the policymaking in our entire system. And that election process, Mr. President, today is being threatened.

A few weeks ago I had the privilege of speaking to a group of outstanding young people from our State. They were high school seniors. They were here to see how their Government works, to observe firsthand how decisions are made in this democratic society. They expressed great knowledge about these issues and a great interest and desire to participate. When I was through visiting with them, I began to ask them some questions. I said, "How many of you some day think that you might be interested in running for public office? A number of hands went up, and I was glad to see that interest and commitment to public service from that group of young people. I said, "How many of you think some day you might like to run for the Senate?" And again, a number of hands went up.

And then I had to ask them the question: "Of those of you who hope to run for the Senate some day, how many of you have started thinking about how you will raise the $15 million it will take to run in an average-sized State by the time that you are eligible to run?"

I wish, Mr. President, that all of my colleagues could have experienced, as I did, the feeling that swept through that room. I wish that the camera could have caught the expressions on the faces of those young people with their idealism, with their desire to render public service, with their desire to help their country, when they began to reflect upon the fact that they might have to raise $15 million if they wanted to run for the Senate by the time they were eligible.

They were 18 years old. Twelve years from now they will be 30. They will be eligible to run for the Senate. I was not talking in hypothetical terms when I projected the figure $15 million. If we go back 12 years, if we realize that only 10 years ago, in 1976, it cost $600,000 to run a successful race for the Senate in an average-sized State and we realize that in 1986 it cost approximately $3 million to run successfully for the Senate in an average-sized State, if we use those exact figures and we look back historically at the last 12 years at the rate of increase in campaign spending and we use exactly the same rate of increase—and it is not abating; it is continuing to increase—and we project it forward 12 years, it will take, Mr. President, $15 million to run successfully for the Senate.

What will that do to our political system if we allow it to happen? What kind of impact is that going to have? How many hopes of young people who want to render public service will be dashed? How much cynicism will be bred in this country by our failure to deal with this problem?

We were down in the last election to only 37 percent of the eligible voters participating. How much more cynicism are we going to allow to breed because of the appearance that the highest offices in this land are in essence being placed upon the auction block available to those who can effectively raise the largest amounts of money to run for office instead of upon decisions by the grassroots citizens based upon an honest debate of the issues and personal knowledge and contact with the voters in the districts back home? How much more cynicism are we going to allow to be bred in this country before we deal with the problem? Are we going to wait until 30 percent of the electorate participate in the election or 25 percent or 20 percent? How long are we going to wait to do something about the escalation of campaign costs?

My colleagues always say to me, "Let's wait another year." We have an election upcoming next year. We will have an election in 1988. They said the same thing the year before. They said, "We have an election in 1986, so let's wait another year." And every year that we wait the campaign spending just goes up a little higher. When will it become a crisis? It obviously did not. Whether it was $600,000, that was the amount taken to run for the Senate. Then it went to 1 million and then it went to 1½ million and we had not reached a crisis. Now it has gone to 3 million and we still have not had it. Are we going to wait until it is 6 million, 9 million, 12 million?

When are we going to wake up to what is being done to the political process in this country because of the amount of money, the scandalous amount of money, that is now being spent on campaigns?

We have people, Mr. President, who come to this body and have their first fundraisers in this town before they ever cast their first votes as Members of the House and Senate. Why? Because they know from the very day that they are elected that they better start raising money for the next election because the costs are going to be so astronomical by the time that it comes time to run.

What about the problems that we have in this country; serious problems? What are we going to do to build a bipartisan policy for Central America, for example, that will preserve our interests in our own hemisphere? What are we going to do about the trade deficit which is facing this country and debilitating our economic future?

In 4 years, as we moved from a surplus nation to a net debtor nation, we wiped out, because of our overconsumption, because we have consumed more than we have been able to produce and sell into the international marketplace, we have squandered the net international capital accumulation of four generations.

There are immense problems that we were elected to deal with by the people back home. They sent us here to deal with the budget deficit, they sent us here to deal with the trade deficit, they sent us here to deal with security in our own hemisphere, they sent us here to deal with what is happening in the educational system of this country and the need to revive it and plow our resources back into it, to improve the educational levels of our children and the productivity of our work force. Mr. President, we should be dealing with all of those problems.

But, day after day, we have to take time away from dealing with those problems. What for? To raise money; to raise money for the next campaign. Hours and hours and hours and days and days and days, we are spending our time raising money for the next campaign instead of having the Congress of the United States spending its time and attention solving the problems with which the people sent us here to deal.

So it is eroding the effectiveness of our institution; it is eroding the effectiveness of the Senate of the United States; it is eroding confidence of people in their own Government.

Voters begin to think: What can I, as one voter back in some small community at the grassroots, do to elect people to office when we all know that those candidates who usually win, statistically, are the ones that can raise the largest amounts of money?

So, Mr. President, this trend is eating away at the heart of our democratic process—the ability of our institutions to function, and the confidence of our people in their own Government.

It is not only the amount of money that is causing the problem. It is also the source of the funds.

In 1974, there were only 600 political action committees in the United States. By 1987 there were over 4,000.

The amount of contributions from political action committees to congressional candidates has increased from $12 million in 1974 to $140 million in 1986.

What is happening? It is not so much that political action committees, be they business or labor groups, are inherently evil in themselves. It is the alarming fact that their funds have begun to replace local individual contributors at the grassroots as the source for campaign funding in the United States.

In 1982, 98 people elected to Congress received over half of their total contributions, not from the people back home, not from the citizens in their own States or districts, but from political action committees, most of them with absolutely no contact with their home States whatsoever, mainly controlled by lobbyists here in Washington who made a decision about the giving of these funds based upon the need to have access to certain Members of Congress. That was in 1982, 98 Members.

By 1986, 194 Members of Congress received all but half of their money from these groups instead of from the people back home.

At the current rate, by 1990 over half of all the Members of Congress, Mr. President, will have received more of their campaign funds from these groups with very little or no contact with their home States instead of from the people back home.

What does that do to the concept of grassroots democracy and the involvement of people themselves as voters and as contributors in their own home States and districts? It clearly threatens the concept of grassroots democracy.

In addition, the money is not going in a fair way in terms of the balance between incumbents and challengers. Eighty percent of all of the political action committee contributions have been going to incumbents. Why?

It is obvious. Incumbents are here. They are part of the process. They are members of important committees. They are chairing important committees. They are ranking members of important committees. These groups need access to those members now.

If someone should happen to upset one of those people, a challenger should happen, surprisingly, to get elected, there is always an opportunity for those groups to give contributions to pay off the election campaign deficits after the new person has already arrived.

So, what happens? A new person, with new ideas and new thoughts, thinking about running for the Senate or the House, looks at the fact that they may be able to raise as much money in their home State as the incumbent; but what happens when the vast amount of outside money, 80 percent of which is going to go to incumbent according to historical records, is going to be poured in that race at the last minute? They simply throw up their hands and all too often say, "I don't think I am going to try to enter the political arena as a candidate."

So the status quo has become an incumbent's protection plan that is stifling new ideas and keeping new people out of the political process and, again, reinforcing the cynicism about what is going on.

Everyone is now being victimized by the present system. Those who are giving the money are being victimized. I know people who represent groups here in Washington, very professional people, honorable and honest people, who are literally almost being blackmailed by the current system. They have to hire a car and a driver so they can move from fundraiser to fundraiser, sometimes as many as a dozen in one night, going in and giving the check; groups are played off against each other.

People who are running for office say to the banker, for example: "The savings and loan industry, which has different interests than you, has given, we are going to win. We are going to notice if you are going to give, too." Then, if they get the savings and loans and banks to give, they will go to the insurance companies and say: "Your rivals, the banks and S&L's, have given; you better get on board this winning train; and then they get them to give. Then they go to the securities people and say: "Do you know that the banks and savings and loans and insurance interests, all of whom may not see things exactly the way you do, your rivals, have all given? Now you better give."

So this process goes on and on and on. The business community itself and the labor community become victimized, played off one against another, in a vicious cycle that is doing nothing but generating more and more and more money into the system. The more money that is generated into the system, the more money you have to raise to run a successful campaign and the more that the Members of the Senate and the House are forced, in essence, to become panhandlers, begging for money, spending their time raising money, instead of dealing with problems.

So we are caught in the middle of a vicious cycle that is showing no sign of abating.

It is just like the arms race. There seems to be a moving force that continues to escalate it higher and higher and higher and will go on, Mr. President, until all of us collectively, in a bipartisan way, not as Democrats or Republicans, but as Americans, say, "Something is badly wrong with the status quo."

We cannot continue to let this election process run out of control as it is now running out of control. We must have true reform. And what does true reform mean? First of all and foremost, it means we must limit the amount of money that can be spent in terms of campaigning for a public office.

We must not allow our offices to be sold to the highest bidder. We must put a limit on total spending through one mechanism or another so we can devote our attention to solving problems, stop this vicious cycle of seeking money from whatever source in order to get reelected.

The money and the amount of money that has been spent has done nothing to enhance or educate the people about the issues of the day. In this last election if there was ever direct evidence of what the money is buying, we can just look to this last election. A record amount of money was spent and sadly a record few went to the polls and why? Because that money time and time again was used to buy those 30-second spots that did nothing but speak negatively about the other candidate, that did not talk about the issues, that did not talk about the substance. All too often it simply involved itself with character assassinations and innuendoes and the kind of mudslinging, as we call it in my home State, that turned off the electorate and alienated people from the political process.

So, Mr. President, it is time for us to say enough. I believe Senate bill 2 is a good start. I believe that it is a good answer to the need for reform.

Is it perfect? Will we not have some way to improve it in this process? I hope we can improve it. Anyway we can find to improve will certainly be welcome by this Senator.

It is not easy to come up with a perfect solution, but Senate bill 2 does give us a mechanism, consistent with the Supreme Court decisions—whether we like those decisions or not we have to live with them until they are overturned—to impose limits on total campaign spending through a voluntary system which combines an incentive to accept a voluntary limit through the provision of some public funds gathered through the voluntary checkoff system on the tax return but also through a system which requires the raising of small individual private contributions principally in a citizen's own State, increasing the likelihood that we will involve participation on a wide scale in the private sector from the citizens back home at the grassroots, those who should be participating in and helping to fund election campaigns.

It also restores a reasonable balance between the contributions of political action committees and the individual citizens back home so that we will not allow anyone to receive more than approximately 20 percent of his total campaign funding from these sources, that he will be forced to go back to the people back home to raise his campaign funds for the election process.

Mr. President, I know there are others who wish to speak on this issue. I will reserve the remainder of my remarks for a later time.

Mr. President, I ask unanimous consent to have printed in the RECORD a list of over 180 major newspapers across the country that have indicated their support for S. 2.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

SUPPORT FOR S. 2—MAY 20, 1987

Listed below are the 177 newspapers which have published editorials expressing support for S. 2, the Senatorial Election Campaign Act. The newspapers, from 40 states and the District of Columbia, are listed in alphabetical order by city.

Aiken Standard; Aiken, South Carolina.
The Alpena News; Alpena, Michigan.
The Recorder; Amsterdam, New York.
Anderson Daily Bulletin; Anderson, Indiana.
The Athens Messenger; Athens, Ohio.
Journal; Atlanta, Georgia.
Kennebec Journal; Augusta, Maine.
Illinoian-Star Daily; Beardstown, Illinois.
The Beaumont Enterprise; Beaumont, Texas.
Beaver County Times; Beaver, Pennsylvania.
The Bennington Banner; Bennington, Vermont.
The Globe Times; Bethlehem, Pennsylvania.
The Sun Herald; Biloxi-Gulfport, Mississippi.
Press & Sun Bulletin; Binghamton, New York.
Boca Raton News; Boca Raton, Florida.
Daily Camera; Boulder, Colorado.
The Boston Globe; Boston, Massachusetts.
Bozeman Daily Chronicle; Bozeman, Montana.
Brattleboro Reformer; Brattleboro, Vermont.
The Courier-News; Bridgewater, New Jersey.
Herald-Courier; Bristol, Virginia.
South Idaho Press; Burley, Idaho.
Cadillac News; Cadillac, Michigan.
Chronicle Independent; Camden, South Carolina.
The Daily Breeze; Cape Coral, Florida.
The Cedar Rapids Gazette; Cedar Rapids, Iowa.
Queen Anne's County Recorder-Observer; Centreville, Maryland.
Champaign-Urbana News-Gazette; Champaign, Illinois.
Charleston Daily Mail; Charleston, West Virginia.
Sunday Gazette-Mail; Charleston, West Virginia.
The Daily Calumet; Chicago, Illinois.
The Bolivar Commercial; Cleveland, Mississippi.
The Columbia Record; Columbia, South Carolina.
The Dallas Morning News; Dallas, Texas.
Dallas Times Herald; Dallas, Texas.
The Davis Enterprise; Davis, California.
News-Journal; Daytona Beach, Florida.
Delray Beach News Journal; Delray Beach, Florida.
The Des Moines Register; Des Moines, Iowa.
Dodge City Daily Globe; Dodge City, Kansas.
The North Jersey Advance; Dover, New Jersey.
The Intelligencer/Record; Doylestown, Pennsylvania.
The Courier-Express; Du Bois, Pennsylvania.
The Star-Democrat; Easton, Maryland.
El Dorado News-Times; El Dorado, Arkansas.
Daily Courier-News; Elgin, Illinois.
Elk City Daily News; Elk City, Oklahoma.
Enid Morning News; Enid, Oklahoma.
Erie Daily Times; Erie, Pennsylvania.
The Register-Guard; Eugene, Oregon.
The Evansville Press; Evansville, Indiana.
Fayetteville Observer; Fayetteville, North Carolina.
The Flint Journal; Flint, Michigan.
Fond du Lac Reporter; Fond du Lac, Wisconsin.
The Messenger; Fort Dodge, Iowa.
Fort Myers News-Press; Fort Myers, Florida.
The Journal-Gazette; Fort Wayne, Indiana.
The Fresno Bee; Fresno, California.
The Gadsen Times; Gadsen, Alabama.
Gainesville Sun; Gainesville, Florida.

The Dispatch; Gilroy, California.
The Leader; Glendale, California.
The Post-Star; Glens Falls, New York.
The Union; Grass Valley, California.
The Recorder; Greenfield, Massachusetts.
The Index-Journal; Greenwood, South Carolina.
Grundy Center Register; Grundy Center, Iowa.
The Record; Hackensack, New Jersey.
The Times; Hammond, Indiana.
The Journal-News; Hamilton, Ohio.
Hannibal Courier-Post; Hannibal, Missouri.
Valley Morning Star; Harlingen, Texas.
The Hartford Courant; Hartford, Connecticut.
The Gleaner; Henderson, Kentucky.
Kentucky New Era; Hopkinsville, Kentucky.
Herald-Dispatch; Huntington, West Virginia.
Tri-City Times; Imlay, Michigan.
The Clarion-Ledger—Jackson Daily News; Jackson, Mississippi.
Post-Journal; Jamestown, New York.
The Daily Journal; Kankakee, Illinois.
The Kansas City Star; Kansas City, Missouri.
Kansas City Times; Kansas City, Missouri.
The Kokomo Tribune; Kokomo, Indiana.
The Ledger; Lakeland, Florida.
Intelligencer-Journal; Lancaster, Pennsylvania.
La Porte Herald-Argus; La Porte, Indiana.
The Lawton Constitution; Lawton, Oklahoma.
Lawton Morning Press; Lawton, Oklahoma.
The Leavenworth Times; Leavenworth, Kansas.
Valley News; Lebanon, New Hampshire.
The Daily News; Lebanon, Pennsylvania.
Leesburg Commercial; Leesburg, Florida.
The Dispatch; Lexington, North Carolina.
Times-News; Lincolnton, North Carolina.
Lodi News-Sentinel; Lodi, California.
Newsday; Long Island, New York.
The Journal; Lorain, Ohio.
Los Angeles Herald Examiner; Los Angeles, California.
The Courier-Journal; Louisville, Kentucky.
The Manhattan Mercury; Manhattan, Kansas.
The McDowell News; Marion, North Carolina.
The Marion Star; Marion, Ohio.
Times-Republican; Marshalltown, Iowa.
The Ledger Independent; Maysville, Kentucky.
The Monitor; McAllen, Texas.
Midland Reporter-Telegram; Midland, Texas.
The Minot Daily News; Minot, North Dakota.
Missoulian; Missoula, Montana.
The Modesto Bee; Modesto, California.
Monessen Valley Independent; Monessen, Pennsylvania.
The Advertiser; Montgomery, Alabama.
The Murray Ledger & Times; Murray, Kentucky.
The Napa Register; Napa, California.
The Advocate; Newark, Ohio.
The Sun Journal; New Bern, North Carolina.
The Central New Jersey Home News; New Brunswick, New Jersey.
Daily Press; Newport News, Virginia.
New Jersey Herald; Newton, New Jersey.
The New York Times; New York, New York.
The Norman Transcript; Norman, Oklahoma.
The Transcript; North Adams, Massachusetts.
Messenger-Inquirer; Owensboro, Kentucky.
The Press-Courier; Oxnard, California.
Palatka Daily News; Palatka, Florida.
Palos Verdes Peninsula News; Palos Verdes, California.
The Paris Daily Beacon-News; Paris, Illinois.
The Parkersburg Sentinel; Parkersburg, West Virginia.
North Jersey Herald-News; Passaic-Clifton, New Jersey.
The Berkshire Eagle; Pittsfield, Massachusetts.
Daily American Republic; Poplar Bluff, Missouri.
The Portsmouth Herald; Portsmouth, New Hampshire.
The Daily Herald; Provo, Utah.
Reno Gazette-Journal; Reno, Nevada.
Times-Union; Rochester, New York.
Daily Sentinel; Rome, New York.
The News-Review; Roseburg, Oregon.
Roswell Daily Record; Roswell, New Mexico.
The Sacramento Bee; Sacramento, California.
St. Louis Post-Dispatch; St. Louis, Missouri.
St. Petersburg Times; St. Petersburg, Florida.
The Daily Times; Salisbury, Maryland.
The Salisbury Post; Salisbury, North Carolina.
The Tribune; San Diego, California.
Santa Maria Times; Santa Maria, California.
The Times; San Mateo, California.
Daily American; Somerset, Pennsylvania.
The State Journal-Register; Springfield, Illinois.
Robertson County Times; Springfield, Tennessee.
Statesville Record & Landmark; Statesville, North Carolina.
The Daily News Leader; Staunton, Virginia.
Daily News Sun; Sun City, Arizona.
Tallahassee Democrat; Tallahassee, Florida.
Temple Daily Telegram; Temple, Texas.
Texas City Sun; Texas City, Texas.
The Daily Breeze; Torrance, California.
Register Citizen; Torrington, Connecticut.
Ukiah Daily Journal; Ukiah, California.
The Dispatch; Union City, New Jersey.
Union City Daily Messenger; Union City, Tennessee.
Urbana Daily Citizen; Urbana, Ohio.
Vallejo Times-Herald; Vallejo, California.
Vero Beach Press-Journal; Vero Beach, Florida.
The Washington Post; Washington, D.C.
Waterloo Courier; Waterloo, Iowa.
Watertown Public Opinion; Watertown, South Dakota.
The News-Sun; Waukegan, Illinois.
The Wausau Daily Herald; Wausau, Wisconsin.
Westfield Evening News; Westfield, Massachusetts.
Wheeling News-Register; Wheeling, West Virginia.
The Chronicle; Willimantic, Connecticut.
The Winchester Star; Winchester, Virginia.
The News Tribune; Woodbridge, New Jersey.
York Daily Record; York, Pennsylvania.

Mr. BOREN. Mr. President, I wish to thank our 47 colleagues who have joined together to offer this particular piece of legislation and to say that now the time has come for the Senate of the United States to no longer postpone a decision, to no longer wait to another year, to no longer wait to another time, to deal with the disease that is going to imperil the political health of this Nation if we do not stop now to render some effective treatment, and that is the erosion of the electing process itself because of the undue influence of money in the campaign process.

Mr. President, I see the distinguished ranking minority member of the Rules Committee on the floor who, of course, was a part of the Rules Committee that considered this legislation and I yield to him at this time.

The PRESIDING OFFICER (Mr. FOWLER). The Senator from Oklahoma yields to the Senator from Alaska.

The Senator from Alaska.

Mr. STEVENS. Mr. President, I would like the floor in my own right. The Senator is finished; is that correct?

Mr. BOREN. This Senator yields the floor.

The PRESIDING OFFICER. The Senator yields the floor.

The Senator from Alaska.

Mr. STEVENS. Mr. President, I thank the distinguished Senator from Oklahoma.

Let me start off by commending him and also the distinguished chairman of the Rules Committee, Senator FORD, for the time that they have put into this very difficult subject.

Let me say to my good friend from Oklahoma, and he is a good friend, that we have no argument concerning the fact that there is a problem with regard to the campaign financing laws. We do no happen to agree totally on the solution, however.

My good friend from Oklahoma speaks of this bill, Senate bill 2, in it application to Members of the Congress and speaks of Members of the Congress who rely upon contributions from PAC's for more than half of their expenditures for campaign purposes.

I am sure he would agree that he is not talking about any Members of the Senate. Mr. President, with but one exception, no sitting Member of the Senate has accepted PAC contributions to the extent of more than 50 percent of their expenditures for election.

That is not true in the House, and I think that the statistics that my good friend from Oklahoma is speaking of are statistics that apply to the House.

The average for Members of the Senate in terms of PAC contributions as a percentage of total contributions is from 19 to 22 percent.

I think we have to keep in mind where we are now as compared to where we were in the past.

Mr. President, I am one of three current Members of the Senate who were involved in the conference committee in 1974 which developed the Campaign Reform Act. At that time we were dealing with an entirely different system, we are dealing with cash. We did not have to report contributions of less than $5,000. We had a whole series of instances on both sides of the aisle, as a matter of fact, over a period of years that involved contributions in cash. It was not the ethic of American campaigns for the Congress in 1974 that we had reporting contributions and expenditures. Most States had reporting systems, but Members of Congress were not covered by those systems, and the 1974 act brought into being a system of campaign contribution limitations and expenditure limitations. The Buckley Supreme Court case in 1976 said that in effect we could not constitutionally limit the amount of money that an individual could spend of his own money for election and, as a consequence, Congress abandoned the expenditure limitations and we still to this day, have the contribution limitations.

Mr. President, the problem is that we have the contribution limitations of 1974 operative in 1987. They have never been changed. We are running campaigns not that cost by definition, and the Senator from Oklahoma and I agree upon this, about 10 times as much as they did at the beginning of the seventies, and yet the contribution limitations are the same and the bill of the Senator from Oklahoma really does not deal with that. It does not deal with the increased time it takes to raise money under those outdated contribution limitations and we agree about the increased cost of campaigns. They are increasing rather substantially.

But I think we now have to address the central premise of this bill. It is not the Boren bill that our distinguished former colleague, Senator Goldwater, agreed with the Senator from Oklahoma on in 1985-86. It is not the Boren bill that we voted on last year. We are dealing with a new bill now.

This bill, no matter how we explain it or rationalize it, focuses on one central issue, and that is that Members of Congress are required by the current finance system to rely upon contributions from a "narrow special interest," and that only if the taxpayers of this country would fund the treasuries of Senate candidates, those special interests; namely, the political action committees, would vanish from the political scene.

I do not agree with that premise. In the first place, Members of the Senate do not get more than half of their campaign expenditure money from political action committees. To the contrary, the average for all Senators in 1986 was less than 25 percent.

I believe that the American taxpayer is not interested in putting up $95 to $100 million to finance the campaigns of Senators. Furthermore, I do believe that if such a scheme were implemented, the reasoning of the Senator from Oklahoma would then be valid and there would be a demand that we extend it to all Members of Congress.

If S. 2 were to be expanded to cover all Members of Congress, we would need $300 to $400 million each election cycle to finance campaigns for the U.S. Congress.

Now, I do not think it is time now for us to enact an entitlement program for candidates for the Congress. It has been said that this would be the same thing as initiating a program of food stamps for the Senate. It means that all you have to do is raise a minimum amount of money and you automatically get a draw down from the Treasury as a Senate candidate, or eventually as a House candidate, in a fashion similar to that which is in place for the Presidential candidates who campaign in every State of the Union; a much different concept.

S. 2 is the wrong solution at the wrong time. Prof. Michael Malbin, when he was before our Rules Committee, accurately stated that "The public finance and spending limit provisions of S. 2 is an idea whose time has come for a decent burial." If we are going to be sincere about correcting the flaws in the Federal Election Campaign Act—and there are many, I think, that the Senator from Oklahoma and the Senator from Kentucky and I would agree upon—then I would suggest that the Senate should examine the need for comprehensive reform, a compromise measure, which a majority of the Senate on both sides of the aisle can support.

I have never seen, in my almost 20 years here, a bill that pertained to campaign reform, election reform, passed that did not have strong bipartisan support. Because, by definition, it affects the political system, and if a substantial minority from either side of the aisle objects, that bill is not going to become law.

Any compromise to S. 2, in my judgment, must be aimed directly at the very real problems of the campaign finance situation that exists in 1987. I think we should keep in mind that whatever we do now will not affect the 1988 elections. It is just too late to have a bill passed which would be fair to those people who are already out raising campaign contributions, where we are one quarter through that election cycle. And I think that most people on both sides of the aisle would agree that it is just not possible to have campaign reform concepts considered now that could be put into effect for the 1988 senatorial or congressional elections. I think we are talking about a 1990 law.

It seems to me that we ought to have a compromise. And let me state for myself now, and I think there are a substantial number of the Members on this side of the aisle that would agree with this statement, that we should have a compromise that would require that candidates who seek the lowest unit rate for their broadcast advertisements must either be identified or identifiable in 100 percent of any ad during a campaign. We believe that a compromise should require a clear disclosure of the sponsorship of any kind of negative ad, no matter what medium is used to get the message across to the voters. A fair compromise would place limits in reporting requirements on wealthy candidates who seek to use their own funds to finance their own campaign.

Above all, Mr. President, a fair bill must require new and more thorough disclosures of all "soft money" expenditures and require public notice of the mounting of any expenditure on an independent basis in any campaign.

We believe a fair bill would remove the subsidized mailing rate from any tax-exempt 501(c)(3) or 501(c)(4) corporation which engaged in any campaign effort within 90 days of a general election. It would substantially change the current mix of campaign contributions so as to place more reliance on individual contributors and less reliance on PAC's. And it would tighten the definition of an "independent expenditure" and call for the creation of a bipartisan national commission on election law reform in a general way.

In short, I believe—and those on this side of the aisle who are working with me believe—that a well reasoned compromise would require more disclosure, more public reporting of campaign contributions and expenditures, more reliance on the traditional supporters of congressional campaigns—that is individuals and political parties—and less on political action committees.

At this point in the consideration of these campaign finance measures, I believe we need a comprehensive look at the present state of the election law and campaign finance issues. it seems to me that we ought to take a look at election law as it exists now, as it survives from the 1974 Reform Act that I worked on.

It was under current campaign law that the Republicans turned the tables here in 1980 and became a majority in the Senate and held the Senate for 6 years. It was the same law that the Democrats in 1986 turned the tables and once again become the majority party in the Senate.

Now, is that an unfair law? Is that a law that, on its face, ought to be deemed suspect? Or is it the excesses under the law that we ought to look at? I believe we are looking at the excesses under this law. And, basically, the 1974 Act was not so bad. It has been proven fair.

Mr. Canfield, who is my assistant and the Republican chief counsel on the Rules Committee, and I had occasion to look at the amounts that were raised and spent in the last election cycle by Senate candidates on both sides of the aisle. I invite the Senate and the public to look at it.

As a matter of fact, Mr. President, I ask unanimous consent that the report be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE 1986 SENATE RACES: HOW MUCH THEY COST

[All figures are from Jan. 1, 1985, to Jan. 1, 1987, unless otherwise noted. Candidate marked with * raised less than $5,000]

State and candidates	Total raised	PAC funds
Alabama:		
Richard C. Shelby (D)[1]	$2,400,488	$883,186
Jeremiah Denton (R)	4,682,587	676,320
Alaska:		
Frank H. Murkowski (R)[1]	1,423,961	588,508
Glenn Olds (D)	412,857	150,772
Arizona:		
John McCain (R)[1]	2,478,650	768,052
Richard Kimball (D)	550,024	190,187
Arkansas:		
Dale Bumpers (D)[1]	1,726,383	507,419
Asa Hutchinson (R)	916,436	81,221
California:		
Alan Cranston (D)[1]	10,851,596	1,376,483
Ed Zschau (R)	11,789,533	1,241,898
Colorado:		
Timothy E. Wirth (D)[1]	3,819,309	849,905
Ken Kramer (R)	3,818,565	925,429
Connecticut:		
Christopher J. Dodd (D)[1]	2,395,798	626,196
Roger W. Eddy (R)	466,915	35,613
Florida:		
Bob Graham (D)[1]	6,215,911	890,337
Paula Hawkins (R)	6,566,447	946,605
Georgia:		
Wyche Fowler, Jr. (D)[1]	2,912,638	606,586
Mack Mattingly (R) (to Nov. 24, 1986)	4,808,390	978,063
Hawaii:		
Daniel K. Inouye (D)[1]	1,173,721	540,750
Frank Hutchinson	31,844	3,450
Idaho:		
Steven D. Symms (R)[1]	3,510,389	1,367,677
John V. Evans (D)	2,204,244	695,322
Illinois:		
Alan J. Dixon (D)[1]	2,219,982	986,508
Judy Koehler (R)	871,586	74,178
Indiana:		
Dan Quayle (R)[1]	2,300,827	855,641
Jill Long (D) (to Nov. 24, 1986)	124,914	52,850
Iowa:		
Charles E. Grassley (R)[1]	2,749,564	979,692
John P. Roehrick (D)	256,057	88,672
Kansas:		
Bob Dole (R)[1]	2,640,050	1,037,824
Guy MacDonald* (D)		
Kentucky:		
Wendell H. Ford (D)[1]	1,519,672	844,982
Jackson M. Andrews (R)	58,616	3,500
Louisiana:		
John B. Breaux (D)[1]	2,990,614	899,673
W. Henson Moore (R)	5,982,459	1,204,936
Maryland:		
Barbara A. Mikulski (D)[1]	2,160,812	664,060
Linda Chavez (R)	1,716,186	285,253
Missouri:		
Christopher S. Bond (R)[1]	5,460,244	1,319,854
Harriett Woods (D)	4,380,643	776,014
Nevada:		
Harry Reid (D)[1]	2,089,247	820,477
Jim Santini (R)	2,696,285	614,278
New Hampshire:		
Warren B. Rudman (R)[1]	852,677	5,200
Endicott Peabody (D)	309,968	46,950
New York:		
Alfonse M. D'Amato (R)[1]	6,523,396	862,418
Mark Green (D) (to Oct. 15, 1986)	1,070,251	0
North Carolina:		
Terry Sanford (D)[1]	4,181,701	571,787
James T. Broyhill (R)	5,182,187	1,369,212
North Dakota:		
Kent Conrad (D)[1]	993,040	453,490
Mark Andrews (R)	2,063,395	1,091,095
Ohio:		
John Glenn (D)[1]	2,061,316	643,186
Thomas N. Kindness (R)	664,227	172,648
Oklahoma:		
Don Nickles (R)[1]	2,993,458	886,841
James R. Jones (D)	2,529,161	995,492
Oregon:		
Bob Packwood (R)[1]	6,725,087	992,517
Rick Bauman (D)	63,394	16,260
Pennsylvania:		
Arlen Specter (R)[1]	5,450,763	1,261,726
Bob Edgar (D) (to Nov. 4, 1986)	3,828,026	784,321
South Carolina:		
Ernest F. Hollings (D)[1]	2,395,632	952,382
Henry D. McMaster (R)	584,834	49,722
South Dakota:		
Thomas A. Daschle (D)[1]	3,515,482	1,162,156
James Abdnor (R)	3,300,267	1,073,962
Utah:		
Jake Garn (R)[1]	1,014,148	576,364
Craig Oliver (D) (to Nov. 24, 1986)	24,508	0
Vermont:		
Patrick J. Leahy (D)[1]	1,919,740	825,431
Richard A. Snelling (R)	1,495,491	258,377
Washington:		
Brock Adams (D)[1]	1,973,142	635,386
Slade Gorton (R)	3,316,124	1,193,293
Wisconsin:		
Bob Kasten (R)[1]	3,196,093	1,099,726
Ed Garvey (D)	1,307,524	459,906

[1] Winners.

Mr. STEVENS. You will see some challengers raised more money than the incumbents they defeated. You will find that some incumbents raised more money than the challengers who defeated them anyway. You will find that many challengers did not raise as much money as their incumbent opponents and still defeated them. You will find some incumbents who did not raise much money, did not campaign much, and were overwhelmingly reelected. In other words, the problem of getting elected is a personal problem in each State with each candidate's constituents. It is not a national problem. What might work in Oklahoma and be fair in Oklahoma might not be fair at all in the State of Alaska.

Let us just consider that for a minute. My State is one-fifth the size of the entire United States. I travel a greater distance at home, after I get home, than 90 Senators travel to get home.

What does that mean in a campaign? It means that I am chartering jet planes and keeping them under charter for 3 and 4 and 5 and 6 days. I wager that not many people in other States have to have jet planes standing by in order to make appointments on the campaign trail. Not only do I have to do that, my challenger has to do that as well.

We have a situation that requires that we travel back and forth from Washington to our home State. How much does that cost someone who lives in Maryland or Virginia when he is going home for political purposes? Not much. But, what does it cost the Senators from Hawaii and the Senators from Alaska to go home for a political event? Somewhere around $1,500 roundtrip.

Now, what I am saying to anyone that comes up with a suggestion that says, "Everybody is going to have the right equality in terms of campaign contributions and expenditures," is that we ought to look at such a suggestion. Because if you pull out money from the Federal Treasury, as suggested by S. 2, you have to look at the fairness of such an idea to all States.

The spending limit in a small State would be $950,000 and in large States $5,500,000. Let us look at some of the experiences in recent elections. On the limitation for North Dakota—and this is from the "Minority Views" that appear in the report on S. 2, report No. 100-58, on page 65, we point out that in North Dakota where the spending limit would provide $1.68 million for a candidate, in the 1986 election cycle each of the candidates spent more than that.

In Alaska, I can tell you that under the current cost of travel and of television advertising, S. 2 would provide for about 50 percent of the amount necessary to meet the current costs of campaigning.

But it is deemed to be "fair" because it is taken out of the Treasury. I do not feel that we ought to look to the Treasury to finance campaigns in 50 different States. We have relied historically on the private sector, on individual contributions, to finance our Senate and House campaigns and I think we should continue to do so.

In effect, then, Mr. President, the changes that are suggested now—and I want to be kind about this and fair to these suggested changes—appear to this Senator to be an attempt, now that the majority is the majority party once again, to put into effect changes in law to assure that that majority stays in the majority for some period of time. It becomes a protection measure for incumbents. It would protect those on this side as well as that side of the aisle, but would protect the majority over a long period of time.

I do not believe that the Congress ought to sanction a bill which would give an advantage to incumbents. That result is almost guaranteed by the implementation of the public financing provisions of S. 2.

It would be a method of limiting the ability of a challenger to get the money to take his message to the voters.

Finally, Mr. President, this is a bill that would start a new demand on the Treasury, one of almost unlimited future cost because no one knows what is going to be deemed important enough to be contained in campaigns in the future? It will shift the basic cost of congressional campaigns to the taxpayer.

In my judgment, I think we ought to go back to the thesis we had in 1974, when we decided to take cash out of campaigns, and require written documentation of contributions; when we decided on disclosure. Unfortunately, we did not go far enough in 1974 but we should now require full disclosure.

I believe that the time has come for us to take a look at that original act from the point of view of determining whether the limitations which were placed upon contributions were balanced. It is my judgment that we should increase the amount that an individual can contribute and we should decrease the amount that PAC's contribute to each individual candidate. The reason is simple: There are now more PAC's than there were then, and individuals ought to have some increased opportunity in view of the inflationary spiral since 1974.

Mr. President, I ask unanimous consent to place in the RECORD at the conclusion of my statement a letter dated May 4, 1987, which was part of the statement of the Department of Justice to the Rules Committee on S. 2. It appears on page 66 of the report of the Rules Committee. It is a letter to the chairman, Senator FORD, from the Office of Legislative and Intergovernmental Affairs of the Department of Justice. I do so because that letter expresses an important point of view concerning the constitutionality and legality of some of the provisions of S. 2, as it was proposed. I hasten to point out that there were some changes in that bill in the committee that were not reflected in that letter.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. STEVENS. Mr. President, there are a series of other comments that we have made in our minority views to S. 2. I might point out that the distinguished Senator from North Carolina [Mr. HELMS] has separate, additional views in the report. All of these I would call to the attention of Members of the Senate and those who are interested in our approach to this measure.

I personally believe that we need campaign financial reform. I personally believe that the advent of "soft money" contributions is in many ways more pernicious than the cash that once flowed through campaigns because now we have backdoor financing with corporate checks coming to political parties, State political parties and national political parties, which are expended in Senate and House races and not reported.

We have money coming from the corporations that were organized as nonprofit corporations, bona fide under the law, dealing with national issues, dealing with the dissemination of information on national issues, and suddenly they are conducting telephone drives immediately before a general election, or they are putting our direct mail to raise funds before a primary in which the impact of the direct mail is not to raise money for the nonprofit corporation but to influence the voters for or against a particular candidate in the election.

Those nonprofit corporations were never intended by Congress to be involved in the political process. The compromise we suggest would take away one of the benefits of being a "nonprofit," their postal subsidy, if they engaged in political activities as they did in past elections.

I think the worst problem in campaigns today is soft money, money that is unreported, money that is unaccounted for, money that appears as legal expenditures, by corporations and nonprofit corporations but is used in the political process in the wrong way.

I would urge that the manager of the bill look at the alternative provisions we have suggested in terms of soft money. There are no provisions to deal with soft money in S. 2 and that is one of the main reasons we have developed our substitute. It is one of the main reasons that there was not bipartisanship in this bill as it came out of the Rules Committee.

The vote to report S. 2 was the first vote this year, as a matter of fact, in the Rules Committee, which was totally partisan, with all Republicans voting against the bill and all Democrats voting for the bill, and the primary reason was the failure of that bill to include soft money as one of the areas of true reform of the campaign finance laws.

I would hope that those on the other side, and I am particularly talking to my good friend from Oklahoma, look at the soft money provisions of the compromise bill when we present it as a substitute to S. 2.

Mr. President, I think this is going to be a long debate. Anyone who thinks that the Senate can deal with election law legislation in a short period of time is wrong. We must have time for consideration of this bill on the floor. In addition, I believe there are going to be some meetings in the various committees that deal with aspects of this bill to report back suggested changes, to have discussions and to see where a consensus may be developed. But from my point of view, for my own purpose, let me state I am dedicated to passing a bill. I say this as an absolute condition, that I will not vote for a bill that contains Federal financing.

In closing, I want to make sure that everyone understands I did vote for such a proposition once when we first started looking for a solution in the 1970's. We first looked at Federal financing. The more we examined it, the more we came back to the Senate and said, "This will not work." The Senate first passed and sent to the House in the 1970's a Federal financing bill and many of us here today voted for that. When we went over and tried to work it out, it would not work and we came back to another system and finally enacted the Campaign Reform Act of 1974.

Having gone that route once, I can say categorically, I will not vote for a campaign finance reform bill now that contains a provision to pass to the taxpayers the cost of elections to the U.S. Congress or even to the Senate alone. Beyond that, I think we can obtain a compromise on a bipartisan basis that will be fair to Republicans and Democrats, to the public as a whole, to the taxpayers, and to those who want to form political action committees. I believe we can improve the election process if we will take the time to do it right. I urge everyone to get ready to take a long time to work this out. It is an important measure, not only for us but for every American.

I agree with the Senator from Oklahoma that there should be more participation in our campaigns.

EXHIBIT 1

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AND
INTERGOVERNMENTAL AFFAIRS,
Washington, DC, May 4, 1987.

Hon. WENDELL H. FORD,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This letter expresses the views of the Department of Justice on S. 2, S. 50, S. 179, and S. 207, bills to amend the Federal Election Campaign Act of 1971 to provide for public financing of Senate general election campaigns, and for other purposes. These bills provide for public financing of senatorial elections, largely tracking the language and structure of the Presidential Election Campaign Fund Act, Pub. L. No. 92-178, 85 Stat. 563 (1971) (codified as amended at 26 U.S.C. 9001-9013). The Department believes that these bills violate the First Amendment, and accordingly, opposes their enactment.

MONETARY SANCTIONS

All four bills provide for federal grants to candidates from major parties in general elections to the United States Senate. They also would impose expenditure limitations on those candidates who choose to participate in the public funding program. Although participation in the public funding program and adherence to the expenditure limitations would be voluntary, the bills impose some form of monetary sanction on those candidates who choose not to participate and who raise and expend sums in excess of the limitation applicable to participating candidates.

In the case of S. 50 and S. 179, each candidate would be required to notify the Federal Election Commission in writing of his intention to accept or not to accept public funds. If a major party candidate elects not to accept such funds, his opponent "shall receive additional funds in the amount of one dollar for every dollar of contributions or expenditures raised, incurred, or expended by the candidate not accepting funding. . . . Such additional funds shall only match those contributions or expenditures raised, incurred, or expended by the candidate not accepting funding which are in excess of the entitlement of such eligible candidate." S. 50, § 504; S. 179, § 504. S. 2 would provide that a major party candidate is eligible for additional funds "if any candidate in the same general election not eligible to receive funds under this title either raises aggregate contributions or makes aggregate expenditures for such election which exceed the [statutory limits]," and matching payments within specified limits in the case of a candidate who is not a major party candidate. S. 2, § 504(5)(6). Finally, S. 207 would provide that an eligible candidate who receives public funding "based, in part, on the fact that an opposing candidate in such election did not agree to abide by the limitations on expenditures, shall have such limitation increased pursuant to this Act." S. 207, § 506.

These provisions pose grave constitutional problems. Their obvious intent is to discourage candidates from opting out of the public financing system, even if they believe that they can thereby raise more funds through their own resources and contributions. In the process, they place what seems to us to be undue burdens on the rights of individual candidates to expend their funds on their campaigns and on the rights of contributors.

Direct limitations on a candidate's right to expend his personal resources on his own political campaign plainly violate the First Amendment. See *Buckley* v. *Valeo*, 424 U.S. 1, 50-54 (1976). The only rationale thus far accepted by the Supreme Court for regulation of campaign financing and expenditures—"preventing corruption or the appearance of corruption," see *FEC* v. *National Conservative Political Action Committee*, 470 U.S. 480, 496-497 (1985)—does not in any way support, and indeed affirmatively undercuts, the validity of restrictions on a candidate's personal expenditures. See 424 U.S. at 53. These bills seek to impose such restrictions indirectly, by placing what amounts to a penalty on a candidate's personal expenditures in excess of his hypothetical entitlement to public funds. This penalty amounts to a matching grant of public funds to his opponent. Personal expenditures by a candidate thus serve to trigger the subsidization of views with which the candidate presumably does not agree. While this type of indirect restriction does not fall within the precise holding of *Buckley*, we believe it is clearly embraced by its reasoning.[1]

Statutes or regulations compelling an individual to support viewpoints which he opposes have been subject to successful constitutional challenge in a number of contexts. In *Miami Herald Publishing Co.* v. *Tornillo*, 418 U.S. 241 (1974), the Court found unconstitutional Florida's "right of reply" statute, affording political candidates whose character or record is attacked by newspaper columns a right to have their replies printed by the offending newspaper. The Court held that government can no more tell newspapers what they must publish than what they are forbidden to publish. See 418 U.S. at 256. The Florida statute, the Court held, "exacts a penalty on the basis of the content of a newspaper." Ibid. by expressing a particular viewpoint, the newspaper is forced to subsidize views with which it disagrees. See also *Pacific Gas & Electric Co.* v. *Public Utilities Comm'n of California*, 106 S.Ct. 903, 908 (1986) (plurality opinion) ("PG & E") (which comnmented on *Tornillo* saying "by forcing the newspaper to disseminate opponents' views, the statute penalized the newspaper's own expression"). The provisions of these bills are analogous. Congress plainly cannot forbid candidates from expending resources on their campaigns. Rather than directly doing so, the bills "exact[ ] a penalty," 418 U.S. at 256, for such conduct, by making the size of the public subsidy to the candidate's opponent dependent upon the candidate's own First Amendment conduct. The more the candidate does to promote his own views, the more he fosters the promotion of views he opposes.[2]

Subsequent cases similarly affirm the individual's right to decline to support causes not of his own choosing. In *Abood* v. *Detroit Board of Education*, 431 U.S. 209 (1977), the Court determined that compelling nonunion public employees to pay union dues violated their First Amendment rights when those dues were used to advance political causes with which the forced contributors disagreed. Citing *Buckley* for the proposition that the right to contribute is constitutionally protected, see 431 U.S. at 234, the Court reasoned that "[t]he fact that the appellants are compelled to make, rather than prohibit from making, contributions for political purposes worked no less an infringement of their constitutional rights." Ibid. (footnote omitted). The Constitution, the Court continued, "prohibit[s] . . . requiring any of the appellants to contribute to the support of an ideological cause he may oppose as a condition of holding a job as a public school teacher." Id. at 235. The Constitution would similarly prohibit conditioning the exercise of the right to expend resources on a political campaign on the candidate's direct support of his opponent. We are unwilling to conclude that the same is not true of a requirement that the candidate indirectly support his opponent's views by increasing the public funds available to him.

These principles were reaffirmed in *PG & E, supra*, which held that requiring public utilities to include materials published by ratepayer groups in their mailings to customers violated the First Amendment. The plurality opinion found that such compelled access "penalizes the expression of particular points of view and forces speakers to alter their speech to conform with an agenda they do not set." *PG & E*, 106 S.Ct. at 908 (plurality opinion). The Court gave significance to the fact that the "appellant must contend with the fact that whatever it speaks out on a given issue, it may be forced—at [the ratepayer group's] discretion—to help disseminate hostile views." Id. at 910. Similarly, under these bills, candidates who spend their own funds in greater than the prescribed amounts are "forced to help disseminate hostile views." To be sure, the situations are not precisely the same. The Court in *PG & E* specifically distinguished the case before it from content-neutral subsidies, which it had previously upheld against First Amendment challenge, because the California utility commission's order "forces the speaker's opponent—*not the taxpaying public*—to assist in disseminating the speaker's message." Id. at 911 (emphasis added). Thus, one could argue that only a requirement that a candidate personally finance his opponent would run afoul of the First Amendment. But again, we think that requiring the candidate to "assist" in the financing of his opponents views by making his expenditures the trigger for an increased public subsidy more closely resembles the prohibited regulation in *PG & E* than a permissible subsidy.

In sum, we think that the proposed provisions, by trying a candidate's funding of his own campaign to increased public funding of his opponent's likely represents an unconstitutional infringement on the right to use one's own resources to disseminate political messages.

RIGHTS OF CONTRIBUTORS

For many of the reasons outlined above, the bills may also unconstitutionally burden the rights of contributors. Under the bills, contributions to candidates in excess of the statutorily specified amounts result in the payment of additional public funds to their opponent. Thus, contributors see their contributions fostering the spread not only of the ideas they wish to support, but also of those they do not. The predictable result is a chilling effect on the right to contribute. While the Court in *Buckley* upheld reasonable restrictions on the amount that individuals and groups can contribute to candidates, id. at 23-29, such limitations implicate protected First Amendment interests id. at 22-23, and were subjected by the *Buckley* Court to a "rigorous standard of review." Id. at 29. They passed constitutional muster because of "the weighty interests served by restricting the size of financial contributions to political candidates." Ibid. These interests are not served to the same degree, if indeed they are served to all, by "counterbalancing" small contributions above a statutory maximum with public funds. Accordingly, it is doubtful whether the Court would reach the same result with respect to these bills' effect on contributors as it did with the provisions in *Buckley*.[3]

Because the direct effect of the provisions is to increase the funds at the disposal of candidates, the provisions do not obviously fail a First Amendment test as did, for example, the flat limitation on campaign expenditures struck down in *Buckley*. See 424 U.S. at 54-58. Thus, it can be argued that the bill permissibly serves the purpose of equalizing the voices of candidates by raising the volume of all rather than stifling the voices of some. Cf. id. at 48-49. ("the concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment") (emphasis added). But in reality the bills may well restrict speech, at least if candidates are effectively compelled to accept public funding in lieu of the greater absolute amounts they could obtain in its absence.[4] Furthermore, equalizing the amount of money available to candidates is at best a crude, and at worst a perverse, means of equalizing voices, particularly when one of those voices is a incumbent or has greater name recognition that can only be overcome through greater expenditures. Finally, and most significantly, we doubt whether an equalizing measure that has as its trigger protected speech of a particular character (such as qualified campaign expenses) is safe from constitutional infirmity even if it is thought that, in some vague, unspecifiable sense, it thereby increases the "total amount" of speech. See *PG & E*, 106 S.Ct. at 914 (plurality opinion).[5]

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[1] The Framers of the Constitution explicitly limited the power of the federal government to regulate the political process. See Cooper, *The First Amendment, Original Intent, and the Political Process*, 10 Har. J.L. & Pub. P. 15 (1987).

[2] The bills are obviously different from the statute denying tax-exempt status to contributions to organizations engaged in lobbying that was upheld in *Regan* v. *Taxation With Representation of Washington*, 461 U.S. 540 (1983). The holding in that case was that Congress does not abridge First Amendment rights by declining to subsidize them. See 461 U.S. at 545-546. A challenge to section 504, however, would not be based on Congress' failure to subsidize candidates who expend their own funds, but rather on Congress' decision to increase the funds available to some candidates based on the First Amendment activities of others. Cf. *Federal Election Comm'n* v. *Mass. Citizens for Life*, U.S. , 107 S.Ct. 616, 627, n.9 (1986) (plurality opinion).

[3] Moreover, the bills might present problems under the equal protection component of the Fifth Amendment's Due Process Clause. Contributors to candidates who eschew public funds but do not exceed their entitlement have their contribution serve entirely the cause they favor. By contrast, contributors to candidates who exceed their hypothetical public funding limits see their contributions in effect do double duty, increasing the ability of both their candidate and his opponent to spread their messages. Because it is unlikely, however, that a candidate will refuse to accept public funds unless he is confident of raising more than the amount available under the bills, this possibility is a remote one.

Accordingly, all of these bills raise serious constitutional questions with respect to the rights of contributors. Since they are not even designed, much less narrowly tailored, to prevent corruption, they appear to us to be inconsistent with the First Amendment.

PAC CONTRIBUTIONS

S. 2 and S. 50 also propose a number of amendments to sections 301, 315, and 318 of the Federal Election Campaign Act of 1971, 2 U.S.C. 431, 441a, 441d ("Election Act"). Both of these bills would reduce the present $5,000 limit on contributions by multicandidate political action committees ("PACs") to $3,000.[6]

More substantively, S. 2 would prohibit PACs from contributing to a candidate if that candidate has already received contributions from other PACs in specified amounts (essentially $125,000 for congressional candidates, and between $200,000 and $750,000 for senatorial candidates, depending on the size of the state). Reasonable limits on campaign contributions by individuals and PACs were upheld against a First Amendment challenge in Buckley, 424 U.S. at 23-38, and the proposed amendment to the dollar amounts that PACs can give to candidates raised no new constitutional problems. See id. at 30. As a matter of policy, however, we are deeply concerned about the provision that would limit total PAC contributions to candidates. In some circumstances, the effect of these provisions could well be entirely to deny PACs the opportunity to contribute to their favored candidates if other groups have been diligent or fortunate enough to have their checks arrive first. For example, if 50 PACs each contribute $2,500 to a congressional campaign, the 51st PAC would be entirely barred from making a contribution. The bill thus raises the very real possibility—indeed the likelihood—of a total ban on contributions by some groups, in essence, a contribution limit of $0. This goes far beyond the regulations upheld in *Buckley*. The *Buckley* Court made clear that the limitations it was upholding were reasonable and had only a "limited effect upon First Amendment freedoms." 424 U.S. at 29. In rejecting a challenge to the $1,000 individual contribution limit as too low, the Court noted that "[s]uch distinctions in degree become significant only when they can be said to amount to *differences in kind.*" Id. at 30 (emphasis added). A restriction that can amount to a total ban on contributions by certain groups is surely "different[t] in kind" from a dollar limit of $5,000 or $3,000.

Nor are the government's interests in this regulation as strong as its interests in the kind of restrictions upheld in *Buckley*. As previously stated, the Court has recently emphasized that "preventing corruption or the appearance of corruption are the only legitimate and compelling government interests thus far identified for restricting campaign finances. "*FEC* v. *National Conservative Political Action Committee*, 470 U.S. at 496-497. These interests are served much more directly by restricting the amount of contributions coming from a single source or a few sources than by limiting the number of (relatively small) contributors donating to a given campaign. Indeed, one would think that a limitation on the number of contributors (which is what the proposed amendment amounts to) would be entirely *antagonistic* to the goal of preventing corruption or its appearance. The receipt of small contributions from many sources—a prerequisite, one should not, for receiving matching federal funds in presidential primaries, see 26 U.S.C. 9033(b)(3)—would seem to indicate that the candidate is beholden to no one interest group in particular, and indeed has broad support among the electorate. Given the relatively weak connection between S. 2 and the goals approved as permissible in *NCPAC*, and the substantial restrictions the bill would impose on the exercise of First Amendment freedoms, we think that the bill's limitation on total PAC contributions is unconstitutional.

CRIMINAL PENALTIES

Two of the bills, S. 50 and S. 179, contain specific criminal penalties for violations (section 508). These penalties are similar in both bills: Any person who "knowingly and willfully" violates the expenditure limitations imposed on candidates "voluntarily" participating in public funding programs can be fined not more than $5,000 and/or imprisoned for not more than one year. The "knowing and willful" misuse of public funds by Senate candidates participating in public financing programs can result in fines of up to $10,000 and/or imprisonment for up to five years. "The knowing and willful" submission of fraudulent documentation to the Federal Election Commission for the purpose of supporting claims for matching funds is likewise subject to fines of up to $10,000 and/or imprisonment for up to five years. The giving or acceptance of "illegal payments" or "kickbacks" in connection with the making of qualified compaign expenses from federal funds is subject to fines of up to $10,000 and/or imprisonment for up to five years. Finally, both bills contain an anti-leak provision that imposes misdemeanor penalties of one year imprisonment and/or $5,000 fines for any person who discloses information obtained under the provisions of these bills "except as may be required by law."

Both of the existing public funding programs for presidential candidates have specific criminal felony penalties for fraud offenses. See 26 U.S.C. 9012, 9042. Candidates for President who participate in the public funding programs described above are also subject to expenditure limitations imposed under the Federal Election Campaign Act ("FECA"), 2 U.S.C. 441a(b). Violations of those expenditure limitations are subject to the administrative, civil, and criminal enforcement sanctions applicable to all violations of the FECA. See 2 U.S.C. 437g.

The penalties for presidential candidates and their campaigns who have chosen to participate in the existing public funding programs are treated as though they were campaign financing offenses, which we believe them to be. Specifically, these limitations on Expenditures are codified in the FECA at 2 U.S.C. 441a(b), and violations of them are subject to the same enforcement machinery as pertains to other violations of the FECA's substantive provisions. We believe that this format should apply to the new Senatorial public funding programs embraced by the bills at issue here, rather than providing special criminal (but no non-criminal) sanctions for violations such as is done in S. 50 and S. 179. We also believe that those bills which do not have criminal penalties, S. 2 and S. 207, should include them.[7]

For all of these reasons, the Department of Justice strongly opposes S. 2, S. 50, S. 179, and S. 207.

The Office of Management and Budget has advised this Department that there is no objection to the submission of this report from the standpoint of the Administration's program.

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[4] Some candidates, of course, will in all likelihood decline public funding and seek to spend at the higher level that would prevail in the absence of the statute even if it means adding to the public resources at the disposal of their opponents. Candidates who suffer from lack of name recognition, for example, may have no practical choice but to seek higher funding levels.

[5] The Fairness Doctrine, 47 C.F.R. 73-1910, and the Personal Attack Rule, at 73.1920, which require broadcast licensees to air a representative cross-section of viewpoints as a result of the expression of other viewpoints, are in some ways similar to these bills. The constitutionality of these rules was upheld against a First Amendment challenge in *Red Lion Broadcasting Co.* v. *FCC*, 395 U.S. 367 (1969). The Court in *Red Lion*, however, made clear that its holding was based on the peculiar circumstances of the broadcasting industry, which requires its own particularized First Amendment inquiry. See 395 U.S. at 389, 389-390. Moreover, subsequent case law questions the continuing validity of *Red Lion* in light of the technological expansion of broadcast opportunities. See *FCC* v. *League of Women Voters*, 468 U.S. 364 n.12 (1984).

[6] S. 50 would also raise the limit on individual contributions in section 315(a)(1)(A) of the Election Act from $1,000 to $2,000. The Department approves of this increase, which is a long overdue, if only partial, recognition of the effects of inflation since the law was enacted. We would be prepared to see a much higher limit, or even the total repeal of contribution limitations.

Both S. 2 and S. 50 propose an extensive definition of the phrase "cooperation or consultation with any candidate," as it is used in the Election Act's definition of an "independent expenditure." See 2 U.S.C. 301(17). We are opposed to the provision that retention of the same provider of "professional services" as the candidate constitutes "cooperation or consultation" with that candidate. The term "professional services" is not defined by the bills, and we are unaware of any definition—of for that matter, any use—of the term elsewhere in the Election Act. We are thus concerned about its vagueness and potential for confusion.

[7] The anti-kickback provision which S. 50 and S. 179 incorporate is new to campaign financing legislation. We feel that it is a good idea, and we recommend that the substance of this provision be made applicable to the two existing public financing programs for presidential candidates. The anti-leak provision in S. 50 and S. 179 is confusing, in that it does not identify the data to which it pertains. The existing FECA contains an anti-leak provision, which should be adequate to address whatever confidentiality concerns might have prompted this provision. See e.g., 2 U.S.C. 437g(a)(4)(B) and 437g(a)(12).

Sincerely,

JOHN R. BOLTON,
Assistant Attorney General.

Mr. BOREN. Will the Senator yield for a comment?

Mr. STEVENS. For a comment, yes, Mr. President.

Mr. BOREN. Mr. President, I thank very much the Senator from Alaska. I appreciate the tone of his remarks. He takes very seriously the need to make some changes and accomplish some true reforms. While it is clear from his remarks that we have some differences of opinion as to how to proceed, I still want to thank him and commend him for the very constructive nature of the remarks he has made. I assure him that this Senator, as an individual Senator, will take very seriously the suggestions made by the Senator from Alaska and will certainly give very thorough consideration to the ideas that he will advance for discussion on this measure. I thank him for his comments.

Mr. STEVENS. I thank my good friend.

Mr. President, having put into the RECORD the 1986 election results with regard to political action committee contributions to Republican Senators, I think it only fair that we put in 1984, as well. I ask unanimous consent that that be done.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SOURCES OF INCOME FOR CONTRIBUTIONS TO INCUMBENT SENATORS 1984 REELECTION CAMPAIGNS

State Incumbent	PAC funds	Total contributions
Alaska—Stevens	$558,063	$1,202,849
Colorado—Armstrong	726,774	3,073,360
Idaho—McClure	511,465	1,209,951
Illinois—Percy	1,005,324	5,006,568
Iowa—Jepsen	727,085	2,529,005
Kansas—Kassebaum	169,810	586,510
Maine—Cohen	374,163	1,111,237
Minnesota—Boschwitz	828,351	5,280,078
Mississippi—Cochran	813,543	2,443,162
New Hampshire—Humphrey	556,640	1,373,628
New Mexico—Domenici	668,964	2,259,772
North Carolina—Helms	723,872	14,638,571
Oregon—Hatfield	317,380	847,035
South Carolina—Thurmond	517,900	1,864,159
South Dakota—Pressler	459,614	1,096,131
Virginia—Warner	645,737	2,298,563
Wyoming—Simpson	357,255	877,790
Total	9,961,940	47,698,369
Percent of total	20.9	

Mr. PACKWOOD. Mr. President, as most people in the Senate who are aware of my record know, I am not one noted particularly for harsh partisanship. I have on many occasions voted with the Democratic Party in opposition to my own party or in opposition to the President of my own party. But I want to say very baldly and boldly what I think this campaign reform bill is. It is an effort by the Democratic Party to take $300 million or $400 million from the taxpayers of this country to perpetuate their majority status in the U.S. Congress, period. And they want the public to pay for it.

Why do I conclude that? One, on average, on balance, all things being equal, incumbents win reelection over challengers—all other things being equal. So any kind of bill that has a spending limit in it that allows a challenger to spend no more than an incumbent is going to favor the incumbent, because the incumbent is better known; because the incumbent has been in Congress; because the incumbent has franking privileges; because the incumbent has travel allowances to travel around the State; because the incumbent can get news coverage that the challenger cannot get. So anything you can do to limit the power of the challenger, the spending of the challenger to no more than the incumbent can spend favors the incumbent.

Two, all other things being equal, the majority party wins more elections than the minority party—all other things being equal. The Democratic Party has been a majority in this country since roughly the New Deal. The Republicans, interestingly, are a majority party in this country from roughly the Civil War to the New Deal. By majority party, I do not mean can the Republicans elect the President half the time or more? We have proven we can do that.

By majority part, I mean they control city councils, county commissions, State legislatures. Because it is from the county commissions, city councils, and State legislature that eventually come the Governors, Secretaries of State, Attorneys General, Senators, House Members, and eventually Presidents. So, all things being equal, the majority party wins more elections than the minority party. Therefore, anything you can do to put spending limits on a campaign that allow the minority party to spend no more money than the majority party favors the majority party.

We have a situation in this country today where the Democrats are the majority party, they are the majority in Congress. They understandably would like to maintain that status. If the Republicans were the majority, we would like to maintain that status. That is fair. It is fair to argue the reasons why you should or should not be in the majority, but is it not fair to ask the taxpayers of this country to put up $300 million to $400 million to pay for it—that is what it is, Mr. President. We are not talking about $100 million; that is for the Senate. We are not going to do anything for public financing that excludes the House of Representatives, so add another $200 million to $300 million for the House, for a total of $300 million to $400 million from the unwilling taxpayers whose pockets we are going to pick to keep the Democrats in the majority.

Let us take the argument my distinguished friend from Oklahoma makes. He wants reform. He lists two things that are part of reform: One, let us get the spending limits on, or spending down in campaigns; spending is getting out of hand. This despite the fact that the best single piece of research done on this subject worldwide states that we in the United States do not spend anywhere near what other democratic countries do in their elections. We do not come near spending what we do in this country on toothpaste or lipstick or beer or pet food or even advertising for pet food. So, in terms of priorities and importance, let us not get things out of scale. I would like to think that the value of an election for Congress or the Senate is worth as much as a can of cat food or dog food.

The second thing the Senator from Oklahoma said we must accomplish is to eliminate the special interest influence, sometimes called PAC's. He cited how many Members in the House get over half of their total campaign spending from PAC's.

My good friends on the floor today, the Senator from Arizona [Mr. MCCAIN] and the Senator from Kentucky [Mr. MCCONNELL], and I have introduced a bill that would prohibit PAC's from contributing to congressional candidates. Zero. If you want to stop their influence, pass our bill. Political action committees will not be able to give you a cent.

But I will go even further, Mr. President, to tell you how you can achieve the reform that the Senator from Oklahoma wants if you really want to achieve it. I will say again what his reform goals are: To reduce spending and limit or eliminate special-interest contributions, which allegedly buy our ears and give those special interests a disproportionate influence over the common man or woman or American taxpayers in this country. Do you know how to do it, Mr. President? Limit contributions for the Senate and campaigns for the House to $100 and no political action contributions, none.

Do you know what the effect of that will be? First, it would mean with very few exceptions you would probably have to raise most of the money for your election in your own State because not many people living in West Virginia are sufficiently interested in the election in Georgia or Oregon or Arizona to give you $50, $70, $80, $100. They are going to give to their own races. The inevitable effect of a $100 contribution limitation would also severely hurt incumbents because we have to spend our time—and I am not complaining about this—in Washington, DC, 8, 9, 10, 11 months a year fulfilling our duties as Members of Congress.

If we are challenged by somebody who lives at home in our State who is there all year long, and we are faced with a $100 campaign limitation, most of which is going to come from voters at home, that challenger is going to raise more money than we will.

So I am realistic enough to know that we have no chance of passing a bill in this Congress that would limit campaign contributions to $100 and nothing from political action committees.

Oh, I can hear the moans we would get from our Members: "Do you know how long it takes me to raise money if I can't raise more than $100 or less at a time? I would have to work weekends, nights, doing it." And they will not add in parens, "and I'm being challenged by some 35-year-old challenger who is in the State legislature who is working weekends and evenings and raising that money and he or she is going to beat me because they are working harder than I do." So do you know what their answer is? "I want the taxpayers to give it to me. Let them work evenings and weekends and we will take it out of their pockets and put it in our pockets."

That is what the Democratic Party wants. They want it for the purpose of maintaining their majority in this Congress.

Well, Mr. President, if that is where we are going to fight this battle, let us fight it on those lines. I am happy to do so day after day after day—and we are going to be here day after day after day—to see if the average American voter wants us to pick his or her pocket to pay for our elections.

Can we raise the money ourselves if we are willing to work on it? You bet we can. And so long as you allow $5,000 political action contributions, as the bill reported by the Rules Committee does, the incumbents can go to those political action committees that will give us the money—easy; you do not have to make a lot of phone calls, you do not have to work too hard and political action committees are very, very loathe to give money to challengers who might beat us. So do not put any limits on that money. And S. 2 introduced by the Senator from Oklahoma and 44 other Democrats as reported by the Rules Committee does not put any limit on the $5,000 PAC contribution. Chalk up one for the incumbent. Then, in order to fortify the advantage that the Democratic Party has because they are the majority party and because they are the incumbents, to fortify the advantage now that we can go out and get the money from the PAC's and we are going to keep that, we want to make sure that no challenger can spend any more so we are going to put in a public financing bill that will ensure that no challenger can spend more than we can spend and then we are going to go out and take this $300 million to $400 million out of the taxpayers' pockets and give it to us to keep us in office. That is what this bill is.

Now, Mr. President, I understand partisan politics. I have been at this a long time. I understand the desire of any majority party, Republican or Democrat, to stay the majority party. But I am prepared to fight it out all summer if necessary. I am willing to argue with the majority party about whether we ought to spend $285 billion for defense or $300 billion for defense. I am willing to argue with them about school prayer or abortion or any of the other major issues that divide this country. Those are legitimate issues to debate. And it is over those issues and 100 others that the voters ought to determine whether they want to keep the Democratic Party as a majority or turn to the Republican Party.

But the one thing we should not do and I will not support is to turn to the taxpayers of this country to keep the Democratic Party a majority party because we, all of us, incumbents, are too lazy or too tired or too old to raise money in small amounts from thousands of our fellow citizens who might express confidence in us not just by voting but giving us $10 or $20 or $30 in our own States.

Mr. President, this bill is a sham. If there is any one last thing you can point to as the evidence of the sham, it is what my good friend and colleague from Alaska was talking about when he referred to "soft money." Let me redefine it. Soft money is money that is not given to a candidate by a contributor. Soft money is money that is spent independently by an individual or spent by an organization for the purpose of influencing the election. You are not required to account for it the same way that we must account for it. You do not have to tell where you got your contributions. You do not have to tell where you spent your money.

That is soft money. Soft money is sometimes spent by political parties. They have phone banks. They have computers. They identify their voters and get them out. Soft money is sometimes spent by corporations. Soft money is sometimes spent by labor unions and other very broad-based membership organizations with thousands or hundreds of thousands of members. And it is interesting which soft money the bill from the Senator from Oklahoma limits. It is the spending by political parties. Is it not interesting the one place, the one place where the Republicans have been more successful than the Democrats in the last decade, is that our party has been able to raise more money in small amounts than the Democratic Party? You talk about dependence on big money and special interests and fat cats. It is the Democratic National Committee. It is the Democratic Congressional Campaign Committee, the Democratic Senatorial Campaign Committee that are dependent upon large PAC special interest contributions. The Republican Party in the last decade has been immensely successful in raising millions of dollars in contributions of $10, $20, $30, most of it by direct mail. The Democratic Party has tried it and failed.

So in this bill the one thing that they attempt to limit in terms of soft money is party activities, the place where the Republicans have been successful. In those areas of soft money spending that favor mainly the Democrats—and frankly, Mr. President, that is union spending, some private groups, and others, whose associations tend to tilt more to the Democrats than Republicans—they are not limited; they do not have to report. That is one more thing that this bill is designed to do, to keep the Democratic Party in the majority.

I will say again in closing, if this Senate is serious about wanting a campaign reform bill that limits special interest contributions, if the Democratic Party is interested in a bill that will effectively limit campaign spending by reducing the size of contributions, if the Democratic Party is genuinely interested in a bill that traces and requires all soft money to be accounted for and reported, whether that be soft money spent by organizations that might tilt toward the Democrats or those that tilt toward the Republicans, including political parties, they will find me a willing ally. But if it is the intention of the Democratic Party to attempt to heist $300 million to $400 million an election cycle from the taxpayers of this country for the sole purpose of keeping themselves in the majority, then they can find that I am as tenacious an enemy as I would be a willing ally if the cause for which they fought was the cause for which they speak.

Mr. BYRD. Mr. President, our Nation can take great pride in the fact that the system of government designed by the Founders in Philadelphia will soon mark its 200th anniversary.

Much has changed in our Nation—and the world—since the Constitution was ratified and the first Congress was elected, but the dynamics of Government, the representative role of the legislature, and the fundamental importance of the citizens selecting their representatives via popular elections has not changed.

Elections in which U.S. Senators and Representatives are chosen are, if anything, even more vital today to the preservation of our democratic system of government.

The sad truth, however, is that our electoral system is in crisis, and badly in need of overhaul. What we see today is the perception of the undue influence of money and those who have it and contribute it to congressional candidates.

The recognition of this problem and the prescriptions for solution do not break generally along party lines. This is not, in my view, a problem which is a Democratic problem or a Republican problem, or which has a Democratic solution or a Republican solution. It is a problem which confronts every candidate for the Senate or House. It is a situation which has a detrimental effect on the body politic, regardless of location, or political persuasion, or ideology.

Today, we face serious challenges to the integrity of democracy and the electoral process.

They are the high cost of running for the House and Senate, the excessive time it takes to raise funds, and the dangers of undue influence gained by special interests who contribute large sums of money. This campaign spending explosion undermines public confidence in Congress and creates a sense that politics is open only to the affluent.

In 1971 and again in 1974, the Congress responded to public outcries over the campaign finance mess by enacting a sweeping reform of Presidential campaign financing procedures. While part of that legislation was stricken by the courts, the remaining parts have corrected some of the worst abuses in Presidential elections. Gone are the days of money in suitcases, corporate funds laundered through foreign banks, and wealthy individuals contributing very large sums of money in return for personal favors or Presidential appointments. While the public finance and disclosure provisions of the amended Federal Election Campaign Act are not perfect, it is fair to say that they have made this part of our democracy more honest, and have permitted candidates to focus more on the issues and less on courting weathly contributors.

I believe we can do no less for congressional elections. We must face the diminishing appeal of public service that I believe is largely the result of the time demands that result from what I have termed the "Congressional money chase." Some of my young constituents from West Virginia agree.

Kevin Andrew Smith, a senior at Doddridge County High School, Salem, WV, wrote and said that if we could sit down together, he and I, and talk together, he would most like to discuss, "ways to change the fact that the key words in politics are 'money talks.' "

For most of our history, the ability to raise large sums of money for campaigning was not necessary. That has changed and so, too, may the character of the Congress as a result, if we do not act to prevent it.

As I said in my remarks on the opening day of this historic 100th Congress, "it will be a tragedy if the entrance requirement for service to this great forum is not intelligence, integrity, ability, and public spiritedness, but rather the willingness and ability to play the deadly-earnest game of fundraising, or personal wealth and the willingness to spend it or risk it in order to gain election."

In recent years, several alarming trends have arisen in financing congressional election campaigns. Perhaps the most frightening is the rapidly growing cost of running for office. From 1972 to 1984, the cost of congressional elections rose a staggering 485 percent, with the average expenditure for 1986 Senate general election candidates exceeding $3 million. This explosion in campaign costs, if permitted to continue, poses serious danger to our system of free and open elections, the very foundation of our democratic system of government. This is not lost on our constituents. Even the young, who comprise the future of our Nation, see this clearly. Michelle Edmonds, a 12th grader from Milton High School, Milton, WV, asked this question: "Why is it necessary to spend so much money on campaigns? It's almost like buying your position."

How do I, as her Senator respond to this?

If I were starting out today, a person with a background like mine—grocerman, welder, produce salesman, butcher, small businessman—could not hope to raise the large sums of money needed for today's campaigns. If I had been forced to raise the large sums of money required for an election race the first time I ran for the U.S. Congress in 1952, I would have been unable to even contemplate running. There is a danger in this: Not only could the U.S. Congress become the exclusive domain of the very wealthy, the common man could be removed from effectively competing in the political arena, reserving it for the exclusive use of the wealthy and the well connected. It is obvious that this lesson has not been lost on our young people.

In the quest for money, many candidates receive large donations from special interest groups. In the 1986 general election, 13 U.S. Senate candidates received $1 million or more from political action committees or PAC's. Thirteen each received $1 million or more. These donations, at least in the public's perception, tie the candidate to the group's interests. This is not necessarily the case, but that is the perception. Many claim that because of the large number of competing PAC's, their effect is nullified. This is not true; most Americans are not represented by political action committees. My distinguished colleague, the Republican leader, clearly recognizes the danger inherent in PAC's. He said: "When these political action committees give money, they expect something in return other than good government. Poor people don't make political contributions. You might get a different result if there were a poor PAC up here."

It is clear that PAC's may remove the common man from the legislative process.

This is not to condemn PAC's. Many of them likewise have become victims of the system.

We must stop the mad, seemingly limitless escalation of campaign costs that has resulted in campaigning for single Senate seats that cost over $20 million, and in average expenditures by winning candidates in 1986 nearing $3 million.

It is not surprising, Mr. President, that public confidence in the Congress is declining as news reports surface of the larger and larger amounts Members receive in each election from special interests. I know it is a concern of the distinguished chairman of the Rules Committee, Mr. **Ford**, as it is a concern of mine that more and more citizens are choosing not to vote. One of the reasons they give is that much of this money spent on campaigning is used to purchase television time in which one candidate tears down another, a candidate tears down his opponent, and often this institution itself. In short, voters are fed up with the present expensive, negative, and personalized campaigns that are funded more and more by special interest groups. Senate bill 2 addresses these concerns.

Another negative effect of expensive campaigns is that Senators must begin fundraising immediately upon election. Because fundraising is so time consuming, many Senators are away from Washington on Mondays or Fridays, more than they would like to be. Both Senator **Dole** and I have experienced the challenge of scheduling important votes around Senators fundraising needs. At the beginning of this historic 100th Congress, I warned about the danger of our Senate becoming a group of part-time legislators and full-time fundraisers. This has already to some considerable degree become reality.

It is clear that steps must be taken to alleviate these problems. I am concerned about the future of this great representative democracy, and I am unwilling to idly watch it drift, drift from its funding principles. In order to ensure that this government of the people, by the people, and for the people does not perish from the face of this Earth, steps have to be taken.

Therefore, in order to alleviate these difficulties, Senator DAVID BOREN of Oklahoma and I introduced S. 2, which would voluntarily limit campaign spending in Senate races. The bill, as reported from the Rules Committee, will help keep government in the hands of the people. The system is similar to the current campaign finance system used in Presidential elections, a system that has proved to be very effective. Ronald Reagan used it during his 1976, 1980, and 1984 campaigns: In fact, he has accepted and spent more than $90 million in public funds in his three Presidential races. He is not alone; of the 35 candidates since the law took effect in 1976, only 1 has not participated. From 1972 to 1984, when the cost of congressional campaigns rose 485 percent, the cost of Presidential campaigns under the system of voluntary participation rose only 10 percent. The Presidential campaign finance system is working, and I hope that we could see it expand to the Senate.

S. 2, the Senate campaign finance bill, will increase public participation in the Democratic process and bring the U.S. Senate into the reach of the common man once again. It will also bring into check the obscene spending which currently occurs. This important piece of legislation will result in more open, more honest elections. When S. 2 is adopted we move closer to a system where the merits of a candidate's platform and his ability to discuss the issues and to govern wisely are more important than extravagant media blitzes and lavish spending.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. DASCHLE). The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I particularly commend my friend and colleague from Oregon for a truly outstanding speech moments ago about S. 2 and about campaign financing and where we ought to go from here. I have listened with interest all afternoon to the debate by a number of our distinguished colleagues who have participated in this issue over the last few months.

One of the statements that seems to me that kind of hangs out there uncontested is the oft repeated statement that somehow campaign spending is bad. Everybody seems to think that spending on campaigns is bad.

As my colleague from Oregon pointed out, we spend more on advertising pet food in this country than we do on campaigns. We spend more on an awful lot of things than we do on campaigns.

The other side of the coin is, of course, where does that money come from? It is a measure of participation because the 1974 law prescribes rather severe limits, not to exceed $1,000 in the primary and not to exceed $1,000 in the general election for individuals and for political action committees $5,000 in the primary and $5,000 in the general, although the typical PAC gives about $1,000.

So, clearly this money is being generated from a broad base of folks out across America and most particularly in our States.

Is that bad? I think it is good. The current system encourages broad-based participation.

My senior colleague from Kentucky referred in his opening remarks to the gubernatorial primary of his party in my State last Tuesday and he said there was some $12 million spent in that race and the implication was that somehow that was obscene or inappropriate.

I might interpret for my colleagues what happened in Kentucky a week ago. We had five credible candidates for Governor, we had five credible candidates for Lieutenant Governor, and two credible candidates for attorney general, each of whom had a heck of a lot of supporters, each of whom did an outstanding fundraising job. And the reason there was a lot of money spent in Kentucky a week ago was because we had real competition—real competition; people out there, the gladiators in the ring going for the prize and attracting a broad base of support in the process. That is not bad. That is good.

The reason more and more money is being spent in campaigns is because more and more is being raised. And, under our law, in order to raise a lot of money, you have got to go to a lot of folks, a lot of people, a lot of participants. And that is what is happening in politics in America today. A whole lot of people are participating. They are contributing. They are speaking up. They are saying, "I am for Bob or Bill or Joe." And that is not bad. That is good.

S. 2 purports to take the people out of the process and put the Government in the driver's seat; let the taxpayers pick up the tab on an involuntary basis to fund the races. Now, let us make sure they cannot express themselves too well. We will have a limit on what can be spent.

Well, that will certainly make sure almost no incumbent ever loses. Is that in the best interest of the Republic? I think not. It is not our responsibility here in this body to ensure our re-elections.

We ought to get back to the basic reforms that were exemplified in the 1974 law. And the notions were not complicated. There would be a limit on contributions and there would be full disclosure. We could not be influenced to any great degree by any individual contributor because they could not give us very much. And, second, we would have to report it. So, if our opponent thought it was inappropriate that we got a contribution from a given political action committee or individual, they would feel free to make an issue of it in the campaign.

Second, there is the widespread notion that somehow before the last 10 years or so there was not much money spent in politics. I listened with great interest to the distinguished majority leader, whose State is adjacent to mine. And legend has it that in the mountains of West Virginia and Kentucky there were a variety of devices used over the years on election day. Some said there was cash handed out; some said there were half-pints of whiskey handed out in those dry counties in the hills.

Mr. President, there has always been a lot of money spent in politics. Will Rogers said 50 years ago that it takes a lot of money even to get beat with. What is different? What is different is we know what is being spent and we know where it is coming from. Should we discourage that? Absolutely not.

The majority leader expressed some frustration over the time involved in raising money. Of course, it could be a time-consuming process, particularly if one procrastinates. If one puts it off until the last minute, as in a lawyer preparing a case or as in a reporter waiting for the deadline to file a story, it can become a rather onerous task. If one chooses to prepare well, to do things all along the way, whether he is a challenger or incumbent, of course, he can raise enough money to compete effectively. But that is our own decision. It is our own decision. It need not be all that time consuming.

Second, you could deal with the time problem by raising the limits on what individuals can contribute. But that would not be good public policy. It did not take much time in the old days. Go out and get $100,000 from a fat cat. It does not take much time at all. It takes you a while, with limits and some discretion with disclosure, in order to put it together.

I do not think it ought to be easy to run for public office. I think it ought to be difficult. I think we ought to have to go out and work and get support and raise money. Nobody handed us these jobs. And we ought not to make it any tougher for somebody to take it away from us. That is not reform. That is a step backward.

The distinguished Senator from Oregon, Senator PACKWOOD, and I introduced yesterday a measure that we think is real reform. Our colleague from Arizona was there when we announced the bill and is 1 of the 14 cosponsors.

I think a lot of us in this body would like to see real reform. The question is: What adds up to real reform? We have heard a lot of discussion from the Senator from Oklahoma and others about the evil influence of political action committees. Of course, my friend from Oklahoma's bill does not do much about political action committees. They can still contribute exactly as much as they can contribute now; that is, $5,000 in the primary and, in the general, to the extent that that helps qualify the campaign for the public match out of the Treasury.

If PAC's are a problem, if PAC's are perceived to have too much influence on those who are seeking public office, then I would suggest we simply eliminate PAC contributions to candidates. And that is what the McConnell-Packwood bill would do. It would say to political action committee, "You go ahead and do your thing. You contribute to the party of your choice or, yes, you can even make an independent expenditure if you choose to. But when it comes to a candidate for office, you give zero."

So, if we are interested in this body in doing something about campaign reform—and I will bet you, if you ask any Senator in this body, "When you ask your constituents about campaign reform what do they think about?" I will bet you what they think about is PAC's. They are not thinking about taking the money out of the Treasury. We tripled the national debt in the last 10 years. They do not want us to take anything else out of the Treasury, particularly to finance our races. When the people out there are thinking about campaign reform, they are thinking about PAC's because, rightly or wrongly, the perception is that PAC's have too much influence around here.

And so the Senator from Oregon and I say, "OK, if that is the perception, let's just take the PAC's out of the game. And in races for Federal office, let's have the PAC's give nothing."

So if Senators in this body are willing to go for true reform, then we suggest a provision that zeros PAC contributions to candidates.

The Senator from Alaska, the ranking member of the Rules Committee, referred to the soft money problem. If there is a scandal out there in the land today, Mr. President, it is the soft money problem. And that is the gap, the loophole in the 1974 law through which the truck is being driven. Under our current system unlimited and untold amounts of money can be spent on voter registration, or turnout, or telephone banks, and we will never know about it. No one will ever know. The McConnell-Packwood bill requires full disclosure of soft money contributions.

If there is another scandal out there in the system today it was created not so much by the Congress but by the Supreme Court, and that is the question of independent expenditures. The Court in Buckley against Valeo said you cannot tell somebody they cannot come into a race and spend all of their money if they want to to influence the outcome of an election. You cannot constitutionally solve that problem, Mr. President, but there are some things you can do about independent expenditures. And the bill the Senator from Oregon and I are recommending would require that there be full disclosure of independent expenditures in excess of $10,000.

Not only that, it would require the independent spender to notify the candidates in the election of the content of those commercials. And also in the television commercials it would require the source of the commercial to be identified throughout the commercial, so that the people out there in the States being influenced by the independent expenditure could know from whence the money came. That is about as far as you can go constitutionally, Mr. President, in the area of independent expenditures.

The other big gap created by Buckley against Valeo was the so-called millionaire's loophole. There are some Members of this body in both parties who have benefited substantially from the fact that they either were successful in owning or lucky enough to inherit a large amount of money.

The Supreme Court held in that case that it would be unconstitutional, by law, to restrict what any of us could put into our own races for public office, but anyone else, "I can only give $1,000," to myself "I can give everything I have."

We cannot constitutionally cure that problem, but our colleague from New Mexico, Senator DOMENICI, has an interesting proposal which we have incorporated into the McConnell-Packwood bill. It simply states as follows: That if you are, Mr. President, going to put a quarter million dollars or more of your own money into the race you have to notify the FEC and thereby your opponent. When that notification occurs, then your opponent would be able to solicit contributions from individuals up to $10,000 per person.

It would not entirely solve the millionaire's loophole problem but it would go a step in that direction, so that no longer would an individual of great wealth be able to go out and purchase the campaign and have his opponents stuck with the $1,000 per election letter.

Those are the kinds of reforms that cry out to be made. If PAC's are the problem, Mr. President, then let us zero PAC's to Federal elections. If soft money is a problem, Mr. President, then let us require its disclosure. If independent expenditures are a problem, then let us disclose those to the extent that we are constitutionally able. If the purchase of office by millionaires is a problem, then let us try to even the playing field a little bit by giving some opportunities to the opponent to get more money from individual contributors.

In conclusion, Mr. President, let me say, at the risk of being redundant, spending on political campaigns is not bad. It is good. It represents participation. It represents expression. It represents support. Show me a race in which spending is low and I will show you a race in which there is not much competition.

My good friend from Oklahoma benefited from that the last time he ran. As a result of his good work and early fundraising, which he is in some respects decrying today, his opponent was able to raise and spend only $31,000. I hope to have good fortune someday down the road.

But spending comes about when there is real competition and when there is broad support from a lot of individuals out there. We should not be discouraging that; we ought to be encouraging participation.

Mr. President, the Senator from Oregon and I believe that our option is much more desirable from a whole variety of points of view than S. 2, and we hope, as this extended debate goes on, that there will be an opportunity to see if there are some provisions of our bill that might be agreed to on the other side because for campaign reform to become law, as we would all like to see it become law, it has to be mutually beneficial.

It is not our job here to try to nail the other side in dealing with the rules of the game. The rules of the game should be structured in such a way that both sides can compete on equal footing. That would add up to true reform, and true campaign reform, Mr. President, is what I hope will come of the debate over the next few days.

I yield the floor.

The **PRESIDING OFFICER.** The Senator from Arizona.

Mr. **McCAIN.** Mr. President, I first want to express my appreciation to Senators MCCONNELL and PACKWOOD for the hundreds of hours they have spent trying to come up with a compromise proposal for campaign finance reform, which we all agree is a crying need in this country if we are going to restore the confidence of the American people in the electoral process.

I would also like to express my appreciation to my colleague and friend, the Senator from Oklahoma, Senator BOREN, for not only his devoted hundreds of hours, but years on this effort. In conjunction with my predecessor, Senator Goldwater, he has worked very hard and in a dedicated fashion on this issue.

I also have serious concerns. I just finished a political campaign of my own, which probably cost more than it probably should have, as all political campaigns have in recent years, as the Senator from Oklahoma has pointed out in a very graphic fashion.

Let me say, however, that I think there are two issues here upon which this entire debate will revolve. One is the issue of political action committees and the other is the issue of public financing. I believe there is common ground, in fact near agreement, on many of the other aspects on the Boren bill and the McConnell-Packwood bill, but I believe we are still a long way from each other on the role of the political action committees and on the role of public financing.

Before I get into those two items, I would like to comment on the eloquent speech made by the majority leader a few moments ago. He said there were Senators who missed votes on Monday and missed votes on Friday because they were out fundraising.

I object to that characterization. Many of us in the West think that the best way to represent the people in our States is to be with them as much as possible. Those who live with and communicate with the people they represent on a regular basis are best able to represent them here in Washington. In fact, there is the case made by many of my constituents that too many representatives go to Washington and live in the artificial atmosphere that exists around here and do not return home and are not, therefore, sensitive to the cares, concerns and issues that affect the people of their State.

With all due respect to the majority leader's statement about Mondays and Fridays, I would hope that he understands that many of us who represent Western States feel a compelling need to be back with the people we represent, including getting their views on campaign financing and the ills that exist.

Recently, in connection with the introduction of the Boren campaign bill, various consumer groups wrote to people all over the country—many of them in my State—and provoked quite a response. I got quite a few letters, quite a few hundred letters, saying, "Please, Senator McCain, support S. 2."

I can fully understand and appreciate their views. But the American people, or at least the people who wrote to me, Mr. President, have been deceived because they believe that S. 2 does away with political action committees.

Mr. President, I would just like to read, if I could, a couple of letters that I have received:

> Dear Senator McCain: Please vote for legislation S. 2. How can we hope for a moral society when corruption starts with our leaders taking money from groups having only their own best interests at heart?
>
> Senator McCain: Please vote for S. 2. Let us all stop the corruption and abuse associated with the present special interest political action committees' contributions in political campaigns.
>
> Dear Senator McCain: Please support S. 2. Put integrity back in the election process. We need government of the people, not government of the PAC's.

On and on.

The American people, or at least the majority of those writing to me, believe that the Boren bill does away with PAC's. But, indeed, that is not the case. In fact, up to 30 percent, under the Boren bill, as I understand it, of campaign contributions can still be made by those in political action committees.

I would suggest to my distinguished and indeed outstanding colleague from Oklahoma that we join together and do away with political action committee individual contributions, and I believe we will remove the single most aggravating and concerning aspect of campaign financing on the part of the American people today.

Are the American people concerned about too much money being spent? Yes. Are they concerned about so-called soft money? Yes. Are they concerned about people who are very wealthy who can afford to finance their own campaigns? Yes.

But what is the single most important issue as far as the American people are concerned? Mr. President, I would suggest it is the role of political action committees. They believe that it distorts the political process as far as the elections are concerned, and they believe that the influence of so-called special interests is corrupting to the legislative process as far as representation is concerned.

I would urge my colleagues, and my distinguished colleague from Oklahoma, to carefully look at an amendment that will come from me at some time or another to do away with political action committees as far as contributions are concerned.

Let me also now talk a little bit about the issue of public financing. My colleague from Oklahoma said a scandalous amount of money is being spent on political campaigns. I suggest that it is scandalous to ask the American taxpayer to bear an additional burden of somewhere between $350 million a year and a half billion dollars a year to finance political campaigns.

Why do I use that number, Mr. President? Because I think we know full well that, if there is to be public financing of Senate campaigns, there will also be public financing of House campaigns. According to the numbers I have read, it will come to somewhere around $350 million a year to a half billion dollars a year, every 2-year cycle. In these days, when we are running multitrillion dollar deficits, hundreds of billions of dollars of deficits annually, we are going to ask the American people, Mr. President, to devote more of their tax dollars to finance campaigns? I think that is a little bit much.

Let me also say that it is important now for us to appreciate what public financing has done to Presidential campaigns. One of the intentions of this bill, and of the Presidential campaign financing law, was to prevent frivolous candidates from being able to be eligible for public funds. We were not successful in that effort in the last campaign cycle in the Presidential campaign, Mr. President. Mr. LaRouche, who, I believe, most Americans think was not a serious candidate for President of the United States, was able to become eligible for public funds—taxpayers' dollars—to finance his campaign. I believe from my reading of the standards of eligibility in this law that we will not be able to prevent a clever candidate from raising the minimum amount of money in order to quality for public financing.

At the same time, we do not want to devise a system which only allows party candidates from the two major parties. There have been in the past history of this Nation parties, including my own, that arose and came into prominence long after our independence. There is a possibility of that happening in the future. If that does happen, we do not want to prevent it from happening by having too stringent regulations concerning eligibility for campaign financing.

Mr. President, one of the oft-repeated phrases that we will hear during this entire debate is, we want to put the challenger and the incumbent on a "level playing field." We must put the challenger and the incumbent on a level playing field. I agree with that. Fairness and the American way of life demand that. But if we are going to put the challenger on a level playing field, where in this bill or in any other legislation likely to be passed by both bodies is the restriction on the number of trips home that an incumbent can make when he is up for reelection? Where is stricter restriction on the mass mailings that have a tendency to go out, which cost millions of dollars in taxpayers' money and seem to pour out in much greater quantity before election time?

Where are the restrictions which would give the challenger a level playing field, which he or she can simply not attain if both the incumbent and challenger are restrained by the same spending limit?

Mr. President, some people, a little more sarcastic than I, have called this the "Incumbent Protection Act of 1987." I do not believe that is the intention of the author of this bill. In fact, I believe the intentions of the author of this bill are of the highest order. It is clear that if we are going to allow the incumbent to have the enormous advantages he has, ranging from access to media, to phones, to travel, we are not giving the challenger an equivalent opportunity to realize his or her ambition of serving this Nation in public office.

Mr. President, what I am hopeful of here, as we begin this debate which my distinguished colleague from Oregon has stated, as well as my colleague from Alaska, may be long and drawn out, I hope we can come together on common ground here. There is great commonality. We share the same goal. As opposed to many pieces of legislation before this body, there is no difference of opinion as to whether there should be legislation or not. I think there is unanimous agreement that there should be some kind of campaign reform.

Let us come together. Let us agree that there are areas of disagreement. And let us also understand that, it the majority eventually rules and passes this bill on a partisan basis, then the chances of a veto by the President and of that veto being sustained are excellent. We will then have wasted the time and energy and effort of many important people in this body.

Finally, I wish to say to my colleague from Oklahoma that I thank him for his efforts on behalf of campaign reform. He has been a leader and a person who is listened to throughout this Nation, not only on this issue but many others. We appreciate it.

Mr. President, I appreciate the efforts of my colleagues from Oregon and Kentucky and I hope that, together, we can come to an agreement which will give the American people what they deserve. That is a fair and honest electoral process.

I yield the floor.

Mr. BOREN. Mr. President, I thank my distinguished colleague from Arizona for the very gracious comment he just made. I say to him I am involved in this cause not for any partisan political reason but because of my concern about what is happening to the election process in the United States.

Mr. President, this is not a Democratic problem, this is not a Republican problem; this is an American problem. We are all called upon, no matter which side of this aisle on which we may be sitting, to safeguard the constitutional process of the United States, to safeguard the integrity of this system. This Senator has to say, in all good conscience, that I do not think we can adequately safeguard the integrity of the system and sit back and allow the cost of campaigns, the cost of running for office, to continue to escalate during the next decade at the rate at which it has escalated during the last decade.

I cannot feel, I cannot look into the eyes of those high school seniors I mentioned in my opening remarks, who expressed a deep interest in the problems of this country and a great desire, in the American tradition, as all of us have felt it who serve in this body, to make some kind of contribution to the solving of the problems of this country and to give something of themselves so they can pass on an enhanced heritage in the next generation.

Public service is a high and honorable call. I think all of us who serve in this body feel that very, very deeply. We are not here because we desire to achieve some great material success. If that were the case, we would choose other occupations. I do not believe we look at serving in the U.S. Senate as merely a job or merely an occupation or merely some kind of commercial enterprise. We look at this as an opportunity to render service to our country.

When those young people raised their hands and said, "I hope to have an opportunity some day to serve in the U.S. Senate myself," that is the kind of commitment and interest that I think warms the hearts of all of us. We see in the views of the next generation that same kind of commitment and that same kind of concern about this country that previous generations have felt, and it makes us feel good about the future. Then, you have to turn around and look those same young people in the eyes and say to them that at the rate we are going, if they want to run for the U.S. Senate, by the time they are old enough to run, if we just keep increasing the campaign spending at the current rate, it is going to cost $15 million to run in 12 years in an average-size State. I do not see how we can say that we are being true to our responsibility to safeguard the election process or an opportunity for those who want to render service to their country to render such service, or for the average citizen of this country to fully participate in the political process.

Mr. PACKWOOD. Will the Senator yield?

Mr. BOREN. I will yield at a later time.

So that is why the proposal that we have put forward is not meant to be a partisan proposal. I have heard some of my colleagues indicate that they do not see anything wrong with the amount of money that is being spent, they do not see anything wrong with it if it just kept on growing and growing and growing. They regard that that is a wholesome influence. I just have to say that is the issue, that is the principal issue: Should we reform the campaign process to try to stop the ever escalating amount of money that is being spent in campaigns? Should we do something about it? Is it good for the country? Would it be good for the country if the cost of campaigns for the Senate went to $15 million? Was it good for the country when it went from $600,000 to $3 million in the last decade? Has it increased the amount of time and attention and dedication that the Members of this body can have toward solving the problems which we face? Has the increasing cost of campaigns given us more time to work on the problems of the country? No. Has the increasing cost of campaigns given us a greater opportunity to go back to the people in our home States and spend time with them so that we can understand their problems, so that we can listen to them, so that we can walk the main streets in our States? We all know the answer to that question.

I talked to a Member of the Senate the other day who said,

> You know, I sat down and I totaled it up. I figured out that over the last couple of years I had to spend 38 days in other States other than my own raising money. Why? Because with the huge costs of campaigning I cannot raise $3 million in my small State where income levels are not very high; I have had to go to other places, and so I have spent 38 days in New York, in Boston, in Miami, in Dallas, in Los Angeles, and other places around this country raising money.

He said,

> Those are 38 days I could have spent talking to the average people in my State understanding the problems of the rank and file citizens of this country.

What a shame. What a tragedy.

The Senator from Kentucky said,

> Well, it is poor planning if you spend a lot of time raising money. If you started early enough and spaced it out, why, that would solve the whole problem.

I guess I just happen to disagree with that. When I hear colleagues say, "I had to have my first fundraiser before I even cast my first vote, before I was even sworn in as a Member of this U.S. Senate," I cannot believe in my heart that that is good for this country and good for the political process. "Before I made my maiden speech on the floor I made my maiden speech at a Washington special interest fundraiser," is that good for the United States of America? If there are those in this body who think that is good, I simply have to say I disagree with that. And there are those on both sides of the aisle who disagree.

I am extremely proud of the fact that a man for whom I have had great admiration all of my adult life, who happens to be a Republican, joined with me last year in introducing a bill to take the first major step toward campaign finance reform. The people of his State in the election last year on a special State question voted to adopt a very similar proposal and they voted to do so by a wide margin. I refer to Senator Barry Goldwater. Senator Goldwater wrote me a letter on March 7 of this year in regard to Senate bill 2. Here is what he wrote.

MARCH 7, 1987.

Hon. DAVID BOREN,
U.S. Senate, Washington, DC.

DEAR DAVE: I have had a good opportunity to read your proposed legislation, and frankly Dave, I like it a little better than what we put in last year.

The important thing is to eliminate the growing, dreadful use of money, money to get elected. It is a costly procedure, and I think any kind of a law that would prohibit, or limit, expenditures on certain items, such as television and other advertising, would be a boon to everyone running for politics.

As I sit on the outside now, and look back at my time of campaigning, I almost get sick at the amount of money I had to spend to achieve what I did.

My best wishes are with you for your success in this. I think you are doing a great thing for our country.

With all good wishes,

BARRY GOLDWATER.

We cannot have true reform without some ability to limit spending. Now, much has been said about whether or not some kind of limit on overall spending will favor incumbents. I am almost incredulous when I hear this, when we look at the current system. The Senator from Kentucky himself said, "Oh, we ought to not think ahead, let us not spend this time all in one batch raising this money, spread it out over the 6 years." That is exactly what happens now when you have campaigns that cost this much, $3 million, growing toward 4, growing toward 15. The people who are already in office, who are in the Senate know from the first day they arrive that they are very likely to run for reelection and so they start raising money right then, on the very first day. The challenger, sitting back in the home State, he or she does not know 6 years ahead that they are going to run for the Senate. They probably do not know 4 years ahead. At most they might know a year or two ahead. They are probably still being convinced to run, urged to run; they are testing the water. And so they have to get involved and do their fundraising more or less at the last minute, in the last year, perhaps in the last 2 years, whereas the incumbent, when you have costly campaigns, when you have huge amounts of money being spent, obviously is favored under the current system by having all of this time to do advance planning, to set up computers, to do all sorts of direct mail. We have heard about the small contributions, the average size of a contribution. We have not heard about the up-front money that it takes to set up a system, a computerized mailing system to do that, how much money was spent by the various parties and others to do that over the long run.

In addition, what about the status quo? You talk about an incumbent's protection plan. Where is this PAC money going? Where did the $140 million of PAC contributions go? Did they go to challengers, to open up the system, to give them a chance to run? No. Eighty percent—eighty percent—went to incumbents.

Now, I think we need to be pretty careful about looking at the fine print of any particular proposal that has been introduced. My good friend from Oregon has indicated that he has misgivings about some of the portions of the bill in which I have been joined by 47 Senators—in addition to those on this side of the aisle, Senator CHAFEE and Senator STAFFORD as well have joined in sponsoring this piece of legislation. There may be some things that need to be changed along the way. This Senator did not come here today to say I introduce this bill with a closed mind. This Senator did not come here today to play party politics. I think my colleagues on the other side of the aisle know my record in that regard. Virtually every voting analysis made of the U.S. Senate since I have been here has rated me in that block of 8 or 10 or 12 Senators who tend to vote most independently in both parties in terms of not necessarily following a party line.

I try conscientiously to do what I think is right for the country. I do not question the motives of those on the other side. But I have to say, and I hope they hear me because this has been called a plot introduced for some partisan reason, there is no hidden plot. There is no partisan reason on the part of this Senator. There is a sincere desire to do something for this country. I see a trend underway that is going to destroy the democratic process if we do not do something about it. It is absolutely eroding the integrity of the election process, and if we cannot read in the 37 percent voter turnout in the last election alienation and deep concern on the part of the American people about what is going on in our political system, we have to be blind to what is going on in the hearts and minds of our own constituents.

It is a tragedy, for this Government does belong to them, even those who believe at this point in time that they are no longer going to participate because no one listens to them. I believe that every one of the men and women who serve with men in this body share that conviction with me.

We wish we could find a way to let them know that we do care about them, that we are here to try to serve them, that we do want their participation in the political process.

I say to my good friend from Oregon that he is not going to find this Senator drawing the lines of battle on this bill or on amendments that are proposed to this bill on the basis of partisan politics, and I should not. In my opinion, neither should any other Senator on this side of the aisle or on the other side of the aisle try to draw this issue in partisan political terms.

Something important to this country is at stake, and there is a time for what I can only call old-fashioned statesmanship to try to deal with it.

If there are problems with this bill that can be pointed out that we can deal with, whether the proposals come from this side of the aisle or the other side of the aisle, this Senator is going to listen to them. This Senator is going to try to work in a constructive way to see that we can get some progress.

Mr. PACKWOOD. May I ask a question?

Mr. BOREN. Certainly. I yield.

Mr. PACKWOOD. DAVID BOREN, who is a good friend of mine—and we have worked on the Finance Committee for 10 years—I told him I do not think this bill is his bill. I do not think it is a plot. I like his bill. I like his statements on plots. But the Senator said in his comments before I made the first vote, you and others, before I made the first speech, I made the speech to a group of public interest people: Why do you not put into this bill zero on PAC's, getting rid of the special interest contribution?

Mr. BOREN. I say to my good friend that he knows as far as this Senator is concerned that might not give me a great problem. We are trying to put together here a coalition to pass this bill. But I must say in all honesty, in reading proposals which the Senator from Oregon introduced with the Senator from Kentucky yesterday, I find that that bill does not really do, I do not believe, what it purports to do; because, No. 1, it still allows the political action committees to contribute to political parties without restrictions, so it does not zero out PAC's. It allows PAC's to contribute to political parties.

The other interesting thing about it is that it would allow PAC's to bundle.

We know that in the past PAC's could give $5,000 to a candidate, but that under the existing law—which is one of the real problems with the existing law—in addition to giving $5,000, the PAC itself can be the money-raising vehicle to go out and raise $100,000, $200,000 more and give it to a candidate. So the director of the PAC cannot only say, "Here's $5,000." The director of the PAC can say, "And generously I have gone out and raised from our participants and supporters and others $200,000 which I am also giving you," for which, of course, the implication is "Our PAC should get credit."

Under this bill, as I understand it, as opposed to our bundling language—because we under S. 2 provide that if a PAC raises money for a candidate, distributes money to that candidate, it counts against the $5,000 limit. So that stops it. But, as I read this particular provision, it simply says that if the PAC raises money from individuals, they have to make the check out to the candidate, so they can still go out and raise $200,000 through the PAC, not give as a PAC but, in essence, give as a PAC bundler, and give even more than the $5,000.

So I would be concerned that we would need to close that, and, again, I am not saying that is the intent. I think when we begin to read all of these proposals, we can find problems, and we can get together perhaps and find a way to iron them out; but, in all honesty, I find a problem in the way this is now written.

Mr. McCONNELL. Will my friend from Oklahoma yield? That is my point. Is he suggesting, then, that quite possibly the basis for a new bill might be to simply limit PAC's altogether? I think that is something that——

Mr. PACKWOOD. Including budgeting.

Mr. McCONNELL. Yes, all the way around. Just get rid of PAC's.

Mr. BOREN. The Senator is talking about not allowing them to give to parties.

Mr. McCONNELL. They will simply be out of action and you would put the individuals back in the driver's seat. Senator McCain, I just might add, cited some letters from his constitutents. I think most of us, when we hear from people on this issue—people are talking about PAC's and, quite possibly——

Mr. BOREN. I think people are talking about PAC's. I think they are also talking about total spending as well.

But let me say that, again, there are 47 authors on the legislation S. 2, which has been introduced. This is not simply my individual proposal. This is a proposal put forward by 47 people and so this Senator has to enter into discussions, just as we have said.

There cannot be a bill passed out from the U.S. Senate on the issue of campaign reform that is the Boren bill, only David Boren's bill. I cannot write it in a vacuum as if I were the only Member of the Senate and get it passed. It cannot be a Democratic bill, cannot be a Republican bill.

I think what we are going to have to do as we move along—frankly, I think Senate bill 2 is a well thought-out proposal. It balances the committee's interests.

But as we go along, I assure the Senator that I will listen to the kinds of suggestions that are made and what we will have to do to see if we can find some consensus on these.

Mr. McCONNELL. Will my friend from Oklahoma agree that if the issue here is the influence of special interests, the best way to get at that would be to craft a bill that simply eliminated the PAC contributions altogether from any source? Just eliminate PAC's?

Mr. BOREN. As I said, I think one of the things we must do is to try to restore the balance between contributions by individual citizens at the grassroots, and I think all of us know that that is a very healthy thing. If you can get a person to give a dollar at the grass roots in your own State, you not only secure their contribution, but you secure, probably, their real involvement in the campaign. They are going to follow the issues, follow the candidates, put on a bumper sticker, talk to the neighbors. This is a healthy kind of participation.

But I would have to say to the Senator that, in addition to trying to restore this balance—and it is a question of balance between what is being given by those out of the State—quite frankly I am concerned whether it comes from PAC's or comes from individuals, that we maintained a balance of in-state contributions. I think it is very healthy that most of the candidates' contribution, all of us, from time to time, have contacts, friends, people in other States who might have some contact in our State or have an interest there, who are going to want to contribute to our campaign.

I know, for example, that in my last campaign I believe 89 or 90 percent of all of my contributions came from people inside my own State. The other 10 percent came from people here or elsewhere who were born in Oklahoma or had some interest or went to college with me or had some other tie to my State or me or some interest in all of this.

I think that is healthy. I think we should have as a goal encouraging that as well. But I have to say I do not think we can accomplish total reform, true reform.

When you talk to people about what they are really concerned about, it is not just PAC's. I think people are genuinely concerned about the money being spent on campaigns. I think they are concerned about what they perceive as the failure of Congress to deal with the problem because we are spending so much time raising money.

Let me get to that point, and I will yield the floor in a minute, and my friends will respond and perhaps offer their suggestions.

The question has been raised about public financing. This Senator does not particularly like the concept of any kind of public financing philosophy, although I think we have to point out that in some instances it has worked. No. 1, public financing has worked rather well.

This President, the current President of the United States, Ronald Reagan, has accepted more public funds than any other candidate in the history of the United States to run for office. He has participated in this program.

The distinguished minority leader, who is a candidate for President—on that side of the aisle—has also certified his intention to participate, and has participated in the past, in the receipt of matching funds.

When you look statistically at what has happened to the cost of Presidential campaigns since this system came into effect, the cost of Presidential campaigns has gone up almost not at all. It has stayed virtually static and had been doubled over the prior two election cycles.

So there has been some benefit derived from limited circumstances.

Here is the problem we are dealing with, and I think we have to be honest about it. If some other way can be found to limit total campaign spending, this Senator is certainly willing to look at it.

The case of Buckley versus Valeo has been mentioned, I believe, by the Senator from Kentucky, and he and I both share some concerns about that decision and certainly some problems with portions of that decision.

The Court, in essence, ruled we can no longer impose as we did in the past direct limits on campaign spending. We can no longer say the candidate for the U.S. Senate can only spend so much per voter and no more.

Since that is the Court's decision and it is the decision which equates, in a sense, freedom of speech with the right to spend money in campaigns, it is a decision which I think is extraordinary and one with which I happen to disagree because I think that the Congress of the United States in protection of the election process, the preservation of it, should have the right to regulate the election process itself and make sure that it is fair and it is not unduly influenced by the spending of money or other unfair tactics or any other unwise trends, because, as I said, the integrity of the election process is at the heart of the integrity of our constitutional system itself.

But whether or not I like the Supreme Court decision, and I do not, I agree with Justice White's dissent in that case, it is the law. There are a lot of Court decisions that I have not particularly liked. I tend toward a more literal interpretation of the Constitution than some of the Justices of the past have tended toward. But that is the law.

Now given the fact that we cannot directly limit or impose mandatory limits on how much candidates can spend, how then can we get at this problem, this terrible problem of the exponential growth of campaign spending? Under the model set down under the Court decision, there is really only about one way that this Senator can figure out. I have gone through this process very reluctantly. This Senator began as an opponent of public financing and remains very unenthusiastic about it. Frankly, in accepting it—I am speaking only for myself—it is as a necessary evil if we are to get campaign spending limits.

The Court said you can have voluntary spending limits. What mechanism can you put in place to get candidates to voluntarily accept spending limits? There have to be certain incentives.

For one thing a candidate has to know if I accept the voluntary spending limits and my opponent does not and comes in and outspends me 10 to 1 and beats me, I have to have some protection against that. So under S. 2 here is what we do: We do not displace the private individual citizen with public funds. We do not make public funding or what has been referred to as picking the taxpayers' pockets, we do not resort to that to displace private participation in the funding of campaigns. Here is what we say: If you accept a voluntary spending limit, and that is what we are trying to do—we are trying to get candidates to accept a spending limit, so we can get this thing back under control so we do not put our offices on the auction block so we do not contribute to the cynicism of the American people about the election process—we say if you will accept a spending limit voluntarily on yourself, in the general election, if you have been nominated by your party, if you accept a voluntary spending limit in the general election, if you accept a voluntary spending limit in the primary election as well, and if you go back to your home State and raise the contributions of $250 or less in your home State, a threshold amount of money, you will then qualify for partial Fedeal funding of your general election campaign.

Now, notice, I said "general election." You have to agree to a voluntary spending limit in your primary as well, but there are no public funds at all involved in the primary. Under this bill you have to raise all your primary contributions from private contributors. Second, you have to raise from private contributors 80 percent of money in your home State, the threshold amount in small contributions. So instead of displacing, instead of using this mechanism of Federal funds gained through the checkoff on the income tax form, instead of using Federal funds to replace participation by the individual back at the grassroots we use it as an incentive, No. 1, to get a voluntary spending limit and, No. 2, to cause people to go back to their home States to raise those contributions from the small contributors.

I believe very strongly in trying to get people to participate not only just by voting but also by contributing. I grew up in a household where I was taught at a very early age that if I beleived in a candidate, even before I was old enough to vote, I should get out and campaign for him and tack up posters and if I wanted to save back some of my allowance money and send a contribution to a candidate, and I assure you it was nothing like the amount of PAC's or wealthy individuals are able to send now, I should do so. That was a part of my involvement in the political process, and I believe in that.

So this bill attempts to encourage that kind of involvement at the grassroots by the private citizens. It does not displace it. It encourages it.

What else does it do? It says that only those candidates who accept voluntary spending limits will have the right to preferential advertising rates in the broadcast media. That is a very important incentive again to get a candidate to accept a voluntary spending limit.

It also says that if I accept a spending limit but my opponent does not, at which time and in which he has exceeded the spending limit that I have agreed to accept, I begin to become eligible for his Federal sharing funds. That should discourage him from refusing to accept the limit.

Finally, it says that if the other candidate spends at least twice what I have been spending on my campaign under the voluntary limit, at that point in time the limit comes off on my side as well.

So we give a very strong incentive from the point of view of public policy to a candidate to agree to accept a voluntary spending limit.

Now, is that a perfect proposal? I cannot tell my colleagues that I think it is perfect. It is simply better than any other alternative that we could find while conscientiously working on it.

We must find a way to limit total spending and under the Supreme Court decision, until that decision is changed or overturned, the only way you can have spending limits is for them to be voluntary.

You can give incentives to candidates to accept them but the limits themselves must be voluntary.

So we said to ourselves, how can we give that incentive, how can we give some Federal funds funded through the checkoff in a way that will get spending limits to be agreed to but in a way that will not drive the private citizen out of the process?

So we leave the private donor completely as a sole means of financing the primary and we require that in the general election as well that that threshold amount be raised in the home State because there is something wrong going on now when more and more of our Members of Congress, and it is not just—I correct one thing said earlier—it is not just in the House. There have been some instances, I believe two instances in which the Senate has now passed the 50-percent mark in terms of raising more money from out State groups and political action committees than are raised back at the grassroots from individual contributors, so it is becoming a serious problem across the board in the Congress.

So this is the system. This is the reason for the public financing component.

We have had, in essence, taxpayer contributions in the past. My good friend, and we are good friends, and I think that we understand each other's motivation, and I hope before this is all over all of us will be able to work out some kind of consensus, that we can say at the end of this debate we are ready to pass something, I hope with 100 votes. Perhaps that is overly optimistic; maybe I should just say I hope with 75 or 80 votes with a broad cross-section on both sides of the aisle, because, as I said, this is an American problem and we will try to work together to do it.

My good friend from Oregon, I believe, has supported the tax credit in the past as a method for encouraging campaign contributions. The tax credit is paid out of the pockets of the taxpayers. The last time we had the tax credit used, it did not cost us $50 million as we estimate the cost of this will be each year, or $94 million, which is the very top amount if every candidate received the maximum amount available. The maximum amount is $94 million per year. The last time the tax credit was used, it cost over $220 million to the taxpayers of the United States. We said to everyone, we will give you a tax credit up to $100 on campaign contributions which you made. I happen to think that was a good thing, too. I was reluctant to see it removed from the Tax Code.

I was sorry to see it happen. But that was using the taxpayers' funds more than twice as much as is anticipated under this bill. We did it for years in this country. The only problem with it was it was not effective. We were spending over $200 million a year of taxpayers' money but it was not efffective in terms of doing anything to get total campaign spending under control.

In this case, we are talking about spending less than half of what has been spent under the tax credit method in the past to get something in return. And what we would be getting in return is some reasonable, effective limit on the amount of money that is spent to influence the outcome of election campaigns. So that is the reason for it.

I can tell the Senator that there are a number of people in this body—and I am sure Senator Goldwater, who has since retired from this body, had the same reluctance that I had about this particular principle when we started.

Senator STENNIS, who I know will join in this debate in future days, who has served so long in this body, longer than anyone else, the President pro tempore of this institution, has said again and again that he reluctantly came to this concept, but he came to it because he felt that more important than anything else was to start to get some limits on what these campaigns were spending; so that the citizens could feel that they had a chance to participate again; so that the image of offices being sold on the auction block could be erased; so that the time being spent to raise money could be spent in solving the Nation's problems; and so that candidates would be thrown back to the grassroots again to raise those funds that would be necessary under the system.

(Mr. CONRAD assumed the Chair).

Mr. BOREN. So there are reasons for these proposals. There are tradeoffs. We have to ask ourselves a question. Is it worth $50 million a year—that is the reasonable estimate, or even if you want to take the worst figure possible, $94 million a year—is it worth us investing that much to preserve the integrity of the election process of this country in a manner that would put some reasonable limits on what can be spent in a campaign?

I simply do not believe that the status quo is defensible. I do not believe it is good for this country that the amount spent on campaigns continues to escalate. There may be some honest difference of opinion about that. But I do not think that is good for the country. I do not think there is any way you could say that the status quo is defensible. You could raise hypothetical problems, putting a limit on spending, making it hard for different groups in the future. I do not think so, not if we are careful to put the limit high enough.

Some people came to me and said, "Why did you only cut the amount spent in the last election in half under this bill?" Roughly, if these limits were in effect, a little less than half would be spent on the next election as Congress has spent on the last election. They said, "Why don't you really chop it down, chop it down to say only 10 percent as much? If $3 million was spent last time, only let $50,000 be spent this time?"

Well, we did not write the bill that way, because it is a legitimate concern. If you put the limit too low, incumbents do have the advantage of access to the media, do have the franking privilege, do have the newsletter privilege. They do have other ways of getting known. If you do that, put the limit too low, it is true you would make it very difficult for a challenger to ever have a chance.

We know that a challenger has a terrible burden under the current system when the incumbent is starting to raise money from day 1, planning 6 years ahead, with 80 percent of PAC money. So we tried to come up with a system that would be fair and put the limits high enough that a challenger would have an adequate opportunity to get known and get enough media time to make his or her case.

Now, if that figure needs to be changed a little bit here and there, if there are those who want to suggest we change it a little bit, if that is what it takes to assure those individuals that we will have a system that is fair to the challenger, this Senator will certainly listen to that.

But I think we still, in the very worst case, have a proposal that is much more open to challengers, much more fair to give challengers a chance than the current system. If there are those who want to suggest cutting back on the benefits of incumbents like the amount of mass mailings that we can do, like the number of newsletters we can send out, this Senator will support that.

This Senator has consistently supported those. There have been a number of Senators that have been involved in those proposals and I know that some of my colleagues who are here now supported those proposals in the past to cut back on mass mailings and newsletters and perhaps there are other kinds of reforms that should be considered. This Senator agrees with that concern.

So we are starting today a very important process. I would just simply urge my colleagues to let us not make this partisan. I can tell you that in the writing of this bill we sat down and put some provisions in it that, frankly, were to the disadvantage of the Democratic Party.

Last year, when we were debating the Boren-Goldwater proposal on the floor, the Senator from Minnesota, Senator BOSCHWITZ, who I saw here just a few minutes ago, said,

> You know, the Democratic Party, as a party, gets more from PAC's than the Republican Party gets. And, therefore, we should have an amendment that would put limits on that and that would work to the disadvantage of the Democratic Party.

And, after reflecting upon that—and, by the way, that amendment was adopted as an amendment to the Boren-Goldwater bill—and, upon reflection, as we were participating in the drafting of this bill, we decided, that is right, and one of the ways we could demonstrate we were trying to be fair, trying to be open, is to put that limit on, even though that, obviously, was somewhat of a partisan disadvantage to those on this side of the aisle.

Our job is not to try to sustain any party in power. Parties change their definitions. They change their philosophical bent. Our job is certainly not to keep the incumbents who are here now in their jobs, in their offices. Some deserve to be kept; some do not. All of us have to earn that right to stay here and our performance is judged by the people of our own districts.

The status quo, I am afraid, the current system is tending to keep people here simply because of the advantage of the PAC system and the long-range fundraising advantage. So, let me just urge my colleagues and say to them the spirit in which I am operating—I know them individually and I think it is the way in which they want to operate—that if they have any feelings that anyone is trying to tilt this for partisan reasons, in all honesty, those feelings, I believe, are simply not correct. This Senator looks forward to all of us working together to try to hammer out meaningful campaign reform for this Nation. And I hope that, as we debate this matter, we can take political labels off of it.

It is very interesting. Last year, we had caucus luncheons immediately before the vote on the Boren-Goldwater proposal. I think it is no secret—and we do not often discuss, and I will not divulge any secrets, I do not think, on either side of the aisle—I was told what we said in the Republican caucus and I heard what was said in the Democratic caucus. It was very ironic.

Those who were joined together, Senator GOLDWATER and myself and others, Senator KASSEBAUM on that side of the aisle joined in, and there were many others on this side of the aisle, both sides. But, colleagues in the Republican caucus were coming up to those Republican authors of that proposal, saying "You have fallen for a Democratic plot. Do you realize that that bill is going to be a real advantage to Democrats if it is passed? What in the world are you doing helping those people?"

And, at the very same moment, a few feet away in another room where the Democrats were meeting, there were Democratic colleagues saying to me and others who were supporting that legislation: "What in the world are you doing? Don't you know this is going to be to the Republicans' advantage if you pass this particular piece of legislation? Don't you know you have fallen into the trap?"

And I guess we are always concerned. And when you talk about changing the elections, yes, we are talking about something that is important to the Constitution, important to the public. I suppose it is very difficult for any of us, since we are elected to office, not to sit back and analyze these bills, thinking back to our own personal experiences in elections on what might help us in our own State, what might help our party in our own States.

It is kind of interesting because, very often, it all balances out in different ways than we might think at first reading.

So, I would just say to my colleagues, when we introduced that bill last year and when I worked to help with others to introduce this bill this year, I simply thought we were trying to come up with something that would be good for the country. We were trying to look at the unintended consequences and we wanted it to be balanced and we wanted it to be fair. Because, if you do not like what is going on in politics today, wait a minute and it will change. One party is in power now; the next party will be in power after the next election. One party holds the White House and one holds the Congress. These things will come and go, just like we are all going to come and go out of this place. Yet, the U.S. Senate is going to go on.

I remember when I came to the legislature in Oklahoma, there was a man who had been there for 20 years. He was up on the floor one day. He did not particularly like the proposal I was making He said, pointing his finger at me: "I was here a long time before you got here and I will be here a long time after you are gone."

And I had no doubt that he thought the State would be better off if I had been gone sooner rather than later.

We are dealing with issues here which are important and fundamental, which go far beyond our own individual political careers and far beyond the well-being of our own individual political parties. I think it is exceedingly important that we try to work together.

Let me say this: I am very encouraged by what I have heard here overall. I am encouraged because I know the people, number one, who have made the comments today. I know from where they come, and I think I know their own concern for this country. I know their own sincerity.

I am also feeling good about the opening round of the debate. I have not heard anyone come to the floor and say, "We like the system exactly as it is now. We do not think there is really a need for reform. We do not think there is anything to be done to improve the system."

In fact, I have heard every voice say in a different way, "We think there are some real problems; we think there are some things wrong with the current system that really need to be changed. We may have different ways of approaching the problem; we may have different cures to offer."

Indeed, I am a great believer in the process. I am hopeful that whatever will come out as an end result will be a perfecting piece of legislation that will be better than the legislation that any of us started with. It is with that spirit I am pleased to see us with this issue on the agenda because for 10 long years we totally neglected even to talk about it, let alone have a real opportunity to place it on the national agenda and decide not only here but all of us as Americans what to do about this problem.

Mr. McCAIN. Mr. President, I would like to make a few more remarks in response to the statements of the distinguished Senator from Oklahoma, which I am largely in agreement with.

I am a bit concerned about the lack of bipartisanship that has seen this bill come to where it is at this point. My distinguished colleague from Oklahoma has mentioned there are 46 or 47 cosponsors. I do not know of any cosponsors on this side of the aisle; well, there were two. Excuse me. There were 2 out of 47. I do not believe that is an overwhelming display of bipartisanship.

It might have been better for this bill if it had come to the floor with a little more supportive consultation with other Members.

It seems to me also that my friend from Oklahoma has the priorities of the American people concerning campaign reform on its head. I have not had any American yet, or any citizen of my State write me and say, "Please, Senator, help me spend more taxpayer dollars on political campaigns. I want you to spend $350 million every 2 years and more to help finance political campaigns."

I have not had a single person, with the exception of Common Cause. Please make that perfectly clear. They have written.

In fact, as I want to point out again, they have deceived the people in my State by telling them, or making them believe, or giving them the impression, that political action committees are done away with under S. 2. That is the impression that has been created because that is the mail that I am receiving.

My distinguished colleague from Oklahoma said that he does not want to change or do away with the political action committees, even doing away with bundling and, of course, the ability of PAC's to contribute to political parties, because it requires 47 signatures. At the same time, I know of no one who has supported a campaign finance with public funds to finance campaigns. I would suggest that if we are going to address this issue in a bipartisan fashion, perhaps we should look at the role of PAC's and what the American people are concerned about first, which is the undue influence of political action committees, in their view, the undue and sometimes corrupting influence of political action committees on the political as well as the legislative process. Then address the issue of how we are going to finance political campaigns.

I think that if the American people were asked if they should spend an additional quarter to half billion dollars every 2 years on political campaigns, I do not think you would receive an enthusiastic response.

I fully understand why the Senator from Oklahoma has turned to this as a way to come to finance political campaigns, but I do not think it is a viable one and I do not think the American people would accept it.

So I hope, again, as the distinguished Senator from Oklahoma said, we will get about this in a bipartisan fashion, but it appears to me that unless we take a sharp turn toward the center, the debate here could get very bitter.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, my friend from Oklahoma was talking about his discussion with schoolchildren in his State, about the possibility of running for office. He said he described to them what it took to run for public office and he said they were overwhelmed at the difficulty.

I would say to my friend from Oklahoma when he asks the question, "What do I tell the children?" I think the answer is you say, "When you are older and meet the constitutional requirements for age, you will find out that it is possible to run for the U.S. Senate but it is not easy, and in order to put together the wherewithal to go out and campaign in a modern, high-technology society in which most people get their information over the television, you must, under our campaign laws, which do not allow any particular individual to give you very much money, have a broad base of support out across your State in order to raise the money necessary to employ the same kinds of communications techniques that anybody else in a modern society must employ."

So I would say to my friend that is the answer to the children in Oklahoma. Tell them they will have to go out and work. They will have to spend a lot of time on it, and it will not be easy. But in America, you can buck the odds, you can gain the support under the current system and, yes, you can beat an entrenched incumbent. I want you to know you can; I did that. The Senator occupying the Chair did that as well. You can have change under the current system.

My friend from Oklahoma said he was going to have to tell those kids that the cost of running for the Senate race, even in a small State, might be $15 million in the very near future.

Well, that could be a bit of exaggeration, but let me say this: Under our current law, if you can raise that kind of money, you would have a heck of a broad base of support. You would have a lot of people who believed in your cause in order to raise that kind of money.

The suggestion was also made by my friend from Oklahoma that somehow the necessity of raising money for reelection is keeping us from meeting our people.

I have 120 counties in my State. The good Lord made a beautiful State but he did not give us the wisdom to have just a few counties. He made it very difficult to go out and see our people. Yet in the first 2 years I managed to have a town meeting in every one of the 120 counties. I can say without any fear of contradiction that any fundraising I may have done over the last 2 years certainly did not keep me from getting out and seeing my people. I do not think it will keep any of the rest of us, who have some energy level, who have some interest in going home and talking to our people, finding out what is on their minds. We are not being kept from doing that. Nothing is keeping us from doing that now.

I might also say there is no particular necessity of going out and raising money. Nobody is making us do that. I do not recall a requirement in the current law that suggests we do that. I would suggest that the only ones who are doing that are the ones who are smart, who are taking the tactical advantage of being incumbents. But it is not required.

In every cycle, there are incumbents who run who start late and who win. There are some who start early and who lose.

The current system is no particular respecter of incumbents or challengers. It is a rather level playing field.

There are one or two glitches, if you will, in the current system. One of them is the influence of PAC's, and a lot of people feel that that is undue. I would suggest that we could pass thorough this body very quickly a bill that simply eliminated PAC contributions altogether, not just campaigns for candidates, as the McConnell-Packwood bill suggests but eliminate them altogether. If you want to do something about the undue influence, the perception of undue influence, let us talk about passing that kind of bill. I think it could well be a significant reform bill that would improve the system.

There are two other things we could do. One is do something about the disclosure of soft money, which I think almost everybody in this body would agree is a massive loophole being driven through today by both corporations and labor unions.

The third thing we could do is consistent with the Constitution: try to do something about the millionairs loophole. That one little avenue was left there by Buckley against Valeo. It allows the rich man to spend all he has or all he may inherit to win public office. Our provision would simply raise the limits for your opponent so that he has a better chance of competing.

That is true reform. That is the kind of bill we could agree on. Let us work toward having a bipartisan bill that we can all get behind.

Mr. President, I yield the floor.

Mr. DASCHLE. Mr. President, I had not expected to speak this afternoon, although I certainly have had a great deal of interest in this issue, going back to the time the Presiding Officer and this Senator and many others experienced the difficulty of raising funds over the last couple of years that we have and expended them in the manner that we have. But presiding as I was for the last hour, I found this debate to be extraordinarily interesting and very helpful to me—and, I must say, somewhat encouraging.

The Senator from Kentucky has made a profound contribution to this debate, first by introducing the bill and, second, by the comments he has made this afternoon. His description of the difficulties we are facing in campaign fundraising at this point as "glitches" perhaps leaves me disagreeing with him to a certain extent, because I think they may be beyond the term "glitch." Nonetheless, hearing the debate as I have this afternoon, I am far more optimistic that we can, on a bipartisan basis, come up with a solution, a Republican and Democratic solution, to the glitches, the concerns, the problems, the obstacles, the difficulties that exist today with regard to campaign reform.

The Senator from Kentucky made the comment that we really have to come to a conclusion when we analyze this whole issue that spending is good. To a certain extent, I agree with that. But I must say so is eating, so is sleeping, so is everything we do in life, that all is good. The real question is, Is sleeping 24 hours a day good? Is eating 17 meals a day good? Is campaigning to the extent that one has to raise, in a State as small as mine, with some 700,000 people, $3.5 million, is that good? I daresay, having just experienced that, we have come too far, that that is a glitch that we have to address.

The Senator from Oregon, in a very impassioned and eloquent speech, said that we spend more on pet food and many other commodities as we consider advertising today. But I hasten to add to his comments that we ought not to be compared to pet food. This is something far more important than pet food or virtually anything else that we put on as a message through commercials on television. I would not want to demean the process by saying that all we are doing here is trying to sell something akin to pet food.

Frankly, we have a real question here and we debate it each and every time there is an election. That debate is who will be the best candidate to send to Washington to represent the States, large and small; not how much will we serve Spot or any other particular animal we may have around the House.

So the issue, with regard to the importance here, whether it is in TV advertising or the broad range of campaign exercises, goes to the very heart of what we are talking about here: How do we do it well? How do we do it within reason? How do we raise the money and spend the money without becoming so dependent on those resources that it skews our judgment once we get here? That is what we are talking about. I do not think we have any answers.

It is a question of values; it is a values issue here. There is no black and white way of saying that in Kentucky or South Dakota or North Dakota or any other State, we can say safely that this is the unequivocal way we raise money, the amount of money to be raised, and the way it will be spent. We cannot do that. So we have to say the next best thing; we have to come up with some guidelines.

I share the view and the frustration of the Senator from Oklahoma that there is no one perfect way to do this. Like the Senator from Arizona, I have not had anybody clamoring to come to the defense of public financing. God knows, I do not think you will find anybody out there who wants that, especially after the deficit we have created and the concern there is for spending in the first place. But, like the Senator from Oklahoma, I feel if we do not like that, we must ask ourselves, what is it that we can do? What is the alternative? How is it that we can come up with a better formula by which we can ensure that there will be some voluntary limits on the amount of money we spend in a campaign?

Spending is the real issue, Mr. President. I think whether one is Democratic or Republican, on a bipartisan basis, we can agree virtually unanimously that spending is the question here. And how do we address it? How do we raise it?

Frankly, to say that we give unlimited authority to any one entity, whether he is a large contributor or a PAC, or to abolish his or her opportunity or the opportunity of a PAC, that goes too far in either direction.

Frankly, I am one who believes that PAC's have contributed favorably to the process. Giving an individual, a small contributor an opportunity to play a role is what we envisioned 10 years ago and, to a large extent, I think it has worked. It has given people in South Dakota a chance to participate.

Have they gone too far? To a certain extent, one can find examples where they have gone too far. But do we eliminate them entirely, precluding the chance for someone who is involved now, for perhaps the first time, telling them, no, we do not want to give you the opportunity to participate? That is going too far. We need to strike a balance with regard to spending, with regard to the sources of those contributions and ultimately, in the political process itself, how much each candidate raises.

Spending is the issue. Ten years ago, everyone thought that perhaps spending had already come too far, but in that short 10 years, we have seen the average cost of a senatorial campaign go up 276 percent. The average cost of a successful candidate running for the Senate has gone up 400 percent. That means in the State of South Dakota, having spent $3 million in the last race, in 10 short years, we are going to be spending $12 million, and in 20 short years, we will have spent almost $50 million in the State of South Dakota getting elected. Fifty million dollars in 20 years if we use that kind of accelerating, exponential increase in costs. So I think we have to deal with the cost of campaigns.

It is not just a question of how hard you work. It is a question of access, of opportunity, of giving a chance to someone who is sitting in the heart of a small town in Kentucky or North or South Dakota, who has no contacts, who has never been to Washington, who dreams of someday becoming a U.S. Senator and wonders where he goes for the first dollar and, after the first dollar, the second, without disenfranchising a particular group of people by saying, "No, I won't take your position on a given issue until I get there," or "No, I won't take your money until I find out whether it is in good conscience." It is a question people who are needing financial support who are willing to work to get it find they are having to ask themselves before they can make a commitment on an issue in a campaign.

So I think this debate is healthy. I certainly hope before it is over with that, on a bipartisan basis, we will have the opportunity to come to a consensus about these issues dealing with campaign reform, dealing with the broad range of issues that have been brought up this afternoon, but dealing with what I believe to be the heart of the issue. That is how do we limit spending to give that access, to give that opportunity, and ultimately to give confidence to the American people and that young person who would like to run for public office one day.

I yield the floor.

Mr. McCONNELL. Mr. President, I commend my friend and colleague from South Dakota for an excellent presentation. Not to belabor it further, I just make the point that the way you limit spending is with a constitutional amendment. I do not know whether that is being proposed by anyone in the course of this debate but that is clearly the way to do it under Buckley against Valeo.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I commend my friend and colleague from South Dakota for an excellent presentation. I think he has responded explicitly to the points of criticism that have been made this afternoon.

I listened to the comments of the Senator from Kentucky about a constitutional amendment. That is not necessary, as the Senator knows very well from the Supreme Court holdings. We have every right and opportunity as well as the responsibility to address this issue, and we are doing so with this legislation. It is not a new concept to this body. We addressed this 10 years ago when the Senate of the United States actually passed a public financing bill for House and Senate as well as Presidential elections, for primaries and general elections. During that debate and discussion, points were made about the constitutionality of the measure and they were responded to, and we have had the Supreme Court's holding in terms of the legitimacy of the legislature addressing the question of public funding for political campaigns. I think this legislation is important and necessary and it really deserves support.

I congratulate Chairman FORD and the Rules Committee on a superb job in bringing forth this bill.

I was a cosponsor of S. 2, which we introduced on the first day of this Congress.

It was a good bill and the Rules Committee has produced a stronger and even more comprehensive product.

When I testified before the Rules Committee earlier this year, I said that five principles should guide us in preparing real campaign finance reform:

First: The arms race in campaign spending must be halted.

We need firm and realistic spending limits for Federal candidates, and we must close the loopholes that allow surrogate spending to make a mockery of current law.

Second: Those limits must apply to primaries as well as general elections.

Third: We must dam the rivers of special interest money that are flooding our candidates and our parties.

That means tough restrictions on political action committees, including steps to ensure that, once limited, PAC money does not pop up somewhere else under some other name. Soft money, bundling, and independent expenditures must also be cut back.

Fourth: The only realistic way to achieve these goals is to adopt public financing of Federal elections.

That is how we took Presidential elections off the auction block in the 1970's, and it is time to do the same for Congress in the 1980's.

We are mindful that President Reagan himself took public financing in his Presidential campaigns. It was not mandatory that he do so. He did not express at that time a resentment or suggest that Congress was acting illegally in ensuring that there were going to be public funds available for the funding of the Presidential campaign. The fact is that the funding for Presidential campaigns was the last remnant of the legislation that passed the Senate overwhelmingly. That was the only provision that would be accepted by the House Rules Committee. I was a conferee on that bill and unfortunately we missed an important opportunity at that point. We are attempting to readdress that with this measure today.

Fifth: The net impact of our proposals must be to encourage, not discourage, participation by citizens, both as candidates and as campaigners. Campaign reform must not become an exercise in incumbent protection.

We must not impose entry barriers which are unrealistic or constrain parties from encouraging citizens to be involved.

I hope that if we are able to develop a responsible program what would occur is that Members of Congress and the Senate would be accountable to the people, spending their time talking about the issues, trying to engender greater participation by the American electorate rather than spending the extraordinary amount of time that each and every one of us in this body spends in terms of both raising funds for our initial election or for reelection.

I daresay that underneath a good deal of the rhetoric in opposition is concern among many Members in this body who do not want to see an opponent funded. It is not in our self-interest, so to speak, to see an opponent, who is going to have adequate, decent funding, who will stand in opposition to each and every one of us every 6 years. That, Mr. President, is a factor and it is one which many of our colleagues do not like to talk about too much. Quite frankly, it was one of the driving forces at the time we debated this more than 10 years ago and when we were in conference with the House of Representatives. Many of us do not want to have a fully-funded opponent every 6 years.

We should ask ourselves what is in the public interest. What is clearly in the public interest, in congressional districts and senatorial districts, is to have adequately funded candidates who are going to be able to spend their time talking to people about the issues. What is not necessarily in the public interest is having incumbents who do not face any opposition or the widely skewed campaign budgets which have played such an important and significant role in terms of the outcome of the various senatorial campaigns. This is obviously a balance. We all understand that. There are those well-intentioned, fairminded individuals who can draw different conclusions than this Senator. I feel that a publicly funded and financed legislature would be the best money that the American people could spend. There are those who differ with me.

We all too often find individuals or groups contributing based on their interest in issues before our committees. We have seen that year in and year out in years past in terms of the taxwriting committees. The amount that is lost to the public in terms of loopholes is hundreds of times more than would be expended by the public if we had an adequate and decent program for funding the elections of the House and Senate.

I think there is an important point that has been made by our colleagues about involving the small contributors. This bill addresses that issue, and I think that is something that Members of this body feel strongly about, and I think the committee bill is an improvement in that respect.

We have addressed some of the other kinds of concerns and the balances in terms of limitations on PAC's through percentage limits in primaries and general elections. One might prefer different percentages or limits on overall expenditures but, Mr. President, these are minor issues. This legislation is soundly crafted. I do believe that it has been strengthened as a result of a very considerable amount of work that has been done by the Senator from Kentucky [Mr. FORD], the Senator from Oklahoma [Mr. BOREN], and the two Republican cosponsors who have been very much involved in this effort to ensure that it would not be partisan.

The committee bill addresses each of the principles that I think are fundamental to any campaign financing legislation. It does so brilliantly. This is a strong and thoughtful measure. No matter that is before the bicentennial Congress is more important than taking our democracy off the auction block.

I urge bipartisan support for this proposal.

Mr. President, I yield the floor.

Mr. DECONCINI. Mr. President, I intend to address this bill, too. I am a cosponsor of S. 2, and I am pleased that it is before the Senate. I think the time to debate this issue is very important.

Mr. ARMSTRONG. Mr. President, I want to take a moment to comment on the pending proposal for financing of elections by taxpayers. I would like to begin by expressing my affection for the Senator from Oklahoma. He is one of my best friends in the Senate. He is one of the most skillful Senators to come to the U.S. Senate. We have been allies in many projects and I expect will stand shoulder to shoulder in good causes in the future. I admire him not only for his skill in a professional sense, but for many personal reasons as well. He is one of the most outstanding persons ever to come to the U.S. Senate.

I say this with the utmost sincerity, but as a prelude to saying I think this is one of the worst pieces of legislation that I have ever heard of.

Let me say to my friend from Oklahoma that each of us has at least one perfectly terrible idea buried deep within us.

There are a number of Members of the Senate that probably have a lot of such ideas. This is the first time I can recall when I have had a serious difference of opinion with my friend from Oklahoma. But let me say to my colleague—and to others who may be flirting with the idea that we ought to compel taxpayers to pay for the elections—that this is an unwise idea; it is an improvident idea, it is an untimely idea. I would be hopeful, though I am not certain, it is an unconstitutional idea.

I think it is an idea which will, and well ought to, stir up feelings of bitter resentment among the taxpayers who will be forced to pay for elections which are now well financed, adequately financed, handsomely financed through voluntary means.

Mr. President, I do not take this lightly at all, although I am convinced this bill is a dead duck, it is not going anywhere.

We are going to talk about it; we are going to horse around with it; we may amend it. At some point in time, it may even pass but sooner or later it is going to stall out and will not, in my opinion, be enacted into law in 1987 or 1988.

One way or the other, either the Senate will have the good judgment to turn it down or the majority leader will have the good judgment to take it down; or, if it passes, it will get bogged down in conference; or, if it finally reaches the desk of the President of the United States, I am fairly confident that he would see fit to veto a monstrosity such as this.

But even though I do not think it is going anyplace, I would not want to let this measure come before the Senate without at least expressing really the keen sense of disappointment, concern, and alarm that we would be taking seriously such a far-fetched idea as requiring the taxpayers to pay the cost of elections.

There are two themes that are implied in this legislation. One is let us make the taxpayers pay for it and, second, let us put spending limits on what anybody else can do to somehow shut down that part of the process.

Well, Mr. President, I do not only think this is misguiding. It appears to me this is one of the most self-serving propositions that Senators have ever considered.

I would just like to address briefly the two or three arguments that I have heard advanced in support of this proposition.

First, it is suggested that we ought to have taxpayer financing of campaigns because, by gosh, Senators just have to spend too much time raising money, that they are busy men and women, that the legislative demands upon them and their other responsibilities just keep them too occupied to be running around raising a lot of money.

That is absolutely hogwash. The fact of the matter is that anyone who is a candidate for public office generally is not constrained about the time available to raise money. There are lots of candidates who may have trouble raising money, but I never yet have met a candidate whose campaign floundered for lack of time. For lack of popularity, yes, but not for lack of time.

I relate a personal experience, and I do not know that I am unique in this respect, although I may be unusual in this Chamber. During the first 5 years of my first term in office I declined to do any fundraising. I know it has become the custom around here that as soon as you get elected to a 6-year term you sort of wait until you get sworn in and about 30 days later you start having fundraisers. You have fundraisers in a low-key way the first 2 years and in an increasingly intensive way you have fundraisers later and soon have them every night and twice a week and whatever. I never did that.

It is a funny thing. I never had any trouble raising any money. In fact, I was sending back campaign contributions to people who volunteered them to me up until Labor Day of the year prior to the election.

When it was all over, and even before it was all over, I found that if you asked people to contribute there are a certain number of them who are willing to do so and in my campaign for reelection about 25,000 individual persons came forward, with some encouragement on my part, I might say, to write a check or make a donation to my campaign. I did not find it a time-consuming kind of proposition. I did not find it to be a great burden. As a matter of fact, in some ways, the opportunity to go out and pass the hat at various kinds of meetings was an important and rewarding part of the campaign.

When you go out and look someone in the eye and say, "I am running for office. Would you please write me a check," for $25, or $100, $1,000, or whatever it is—it could not be over $1,000; that is the limit—you find out pretty quickly whether or not they are dead serious about supporting your candidacy. That is the American way. Part of the political marketplace is candidates going out to people in a position to contribute $1, $10, $100, or $1,000 and saying to them: "Put up or shut up. You say you are interested in my campaign. Now is your chance to say so."

The idea of having car washes and bake sales, and so on, to finance campaigns, writing a lot of letters to people around the State and around the country in support of a candidacy I do not think that is bad. I do not think that is evil, and it certainly is not time consuming.

The notion this is a great imposition on the time of candidates I will tell you, Mr. President, if any candidate is too busy, if that is really the essence of the argument, if any candidate is too busy, then I say that person is too busy to be in the U.S. Senate.

A second argument that I hear advanced in support of the concept of taxpayer financing is the notion that by having the taxpayers foot the bill for these election campaigns somehow we are going to reduce the influence of these single-interest groups.

You do not hear this so much out on the floor, but back in the Cloakroom and other private places around here you can hear a lot of criticism of single-interest groups, somebody who comes forward and organizes a group of citizens because they care about abortion, prayer in school, or a tax amendment or they care about gun control or whether they are for it or against it and all of these other groups, I do not think that is a bad thing, Mr. President. In fact, participation in these single-interest groups, and I have been shot at by as many of them as any Senator I would guess, is about the only effective way that a lot of the people in this country have to express their opinions on matters that they care about.

So I do not believe that if I had it within my power I would wish to restrict these special interest groups from impacting on the election process. But the notion that by publicly financing the campaigns we would do so is really far fetched.

I guess in the last Senate campaign in Colorado, we spent among all who ran for office, I do not know, maybe $6 million—I do not know exactly but something like that. That says there was 6 million dollars' worth of interest in that campaign. If none of the people who put up that money could spend it by donating to candidates does that mean they still would not have the interest, there still would not be maybe 30,000 or 40,000 people who would wish to contribute in support or against a candidate? Of course not.

It means that they would do it in some other way, through some kind of independent expenditure. I know there is an attempt going to be made to limit the independent expenditures. That is unconstitutional in my opinion, and if no one has said it so far, I will be glad to volunteer. That is unconstitutional. It will not meet the test of the case of Buckley versus Valeo in my opinion. It should not meet the test.

To attempt to prohibit that kind of independent expenditure, and I know there are some in this Chamber who are eager to do so, to prohibit that kind of expenditure is to place a limit on the very kind of free speech, political speech, which the first amendment quite properly seeks to protect. I do not think that the courts are going to stand for that.

So I believe what will happen as a practical matter is we will not restrict the opportunity for people to influence the outcome by contributing privately but instead of giving people an opportunity to do it through support of a candidate, instead they will just do it in the so-called independent expenditures.

The single-purpose groups, the special-interest groups, which while I applaud them, have on some occasions at least been pretty irresponsible and have gone far beyond the boundaries of normal and civilized political discourse in this country, will, if anything, be encouraged to behave in an even more erratic manner. They will be even more completely liberated from reality. They will have no connection whatsoever with the candidates. They will just be off by themselves doing their own things, sending out their own mailings, buying their own television spots and all of that.

So any notion that somehow we are going to restrict the power of such groups I think is not only far fetched, I do think indeed it is unconstitutional.

A third reason I hear advanced is that if we could impose spending limits, we could somehow control the costs of these campaigns. Some people are just offended by how much it costs to get elected to public office these days. I do not know what the experience has been of my friend from Oklahoma. When I first ran for office, not the U.S. Senate, but the State legislature, I believe, let me say that I spent more money than had ever been spent by a candidate for the State legislature in the State of Colorado, at least in my home county of Arapahoe, up to that time. I spent over $2,000. That has been a few years ago. And I understand that now routinely candidates for the legislature spent $10,000, $20,000, $50,000. When I ran for Congress the first time I spent the breathtaking sum of $100,000. When I ran for the Senate the first time I spent, I guess, $1,200,000. When I ran for reelection, I have forgotten exactly, but I raised and spent something like $3 million, and that has long since been eclipsed by those who ran in the 1986 election.

Is that a bad thing? Is that offensive for someone to want to spend $2 or $3 million of funds raised from thousands of people throughout his home State? I do not think so.

But I call the attention of my colleagues to the report of the committee which, on page 8, points out sort of in a tone of outrage that in 1986 the cost of the election campaigns for the U.S. Senate rose to the enormous sum of $182 million. Evidently this is supposed to shock Senators that we spend $182 million to decide who would be in control of the U.S. Senate, who would make the decisions of life or death importance on war and peace, on environment, the state of the economy, the national debt, that somehow these decisions did not live up to $182 million worth.

I would like to put that number in perspective. That is not an inconsequential sum. But I tell you this: $182 million just to put it in perspective, I believe that there are a number of packaged goods advertisers like Proctor & Gamble and so on, the big soap companies, who will spend four times that amount each year. That is to say six times that amount by biennium. I do not mean a collection of companies. I do not mean the top 20 companies. I mean there are several individual companies whose job is to sell soup and razor blades in this country who spend as much as 8 or 10 times the amount that was spent on all the Senatorial elections about which the committee report complains and which is being used to justify this unconstitutional proposal to limit spending and to make the taxpayers pay the cost of running for office.

Let me give you another perspective of what $182 million is to buy television and newspaper ads and to do the kind of printings and mailings that are part of a modern-day campaign. One hundred eighty two million dollars is approximately—that is for the nationwide cost of all the Senate campaigns in 1986, $182 million—that is approximately one-half of the amount that will be spent in Denver, CO, along on television advertising in a biennium. Now, that is just in Denver, CO, which is not even one of the largest television advertising markets in the country. I do not know offhand exactly how much is spent on television advertising in total in the country, but you can imagine it is a figure that runs way, way up in the billions of dollars.

So, while I do not say $182 million is peanuts, to suggest that somehow this is an exorbitant amount for candidates and their supporters to spend to reach the electorate, and who, in turn, are expected to make life or death decisions about who gets elected to this Chamber on treaties, Presidential appointments, confimations, and war and peace, I just think they are missing the point.

Now, I heard it said that the reason that we ought to support this is so that challengers will be funded. If that is not the most far-fetched, self-serving, hypocritical thing I have ever heard in my life, I do not know what it is.

I say to the Senate, this is an incumbent's protection bill. Anybody who holds this proposal—or either of the proposals, the Republican proposal or the Democratic proposal—out as something that is going to help challengers unseat the incumbents, that is offensive to common sense. I mean, if words have any meaning, that is not what this is all about.

Now, the reality of it is, I say as one who has run as an incumbent and one who has run as a challenger to an incumbent, that if you have a vulnerable incumbent and you have a strong challenger, he or she is going to be able to raise enough money from conventional sources to put on a winning campaign if he or she is otherwise electable. Does that mean that he or she is going to be able to raise as much as the incumbent? Sometimes; sometimes not.

But I would not want to leave the impression that the candidate that has the most money is necessarily going to win the election. My experience is that that is not the case. I think that if we went back and looked at the challengers who presented their credentials for elections in the 1986 races for the U.S. Senate, one of the things we find out is that it takes money to win, but the person who had the most money did not always win.

But I cannot honestly think—there may be an example of this—I cannot honestly think of one case in 1986 where somebody was elected to office or was defeated in running for office for the U.S. Senate—because that is what we are addressing in this bill—because of the fundraising differential. I know a lot of cases where people raised a lot of money, sometimes vastly more than their opponents, and still got defeated. The examples of that are well-known, and they are a matter of public record.

So the motion, Mr. President, that somehow this is going to help the challengers at the expense of the incumbents is, at bottom, a notion which is not borne out by the facts.

Mr. President, I may have some more to say about this if, as, and when it appears that there is any real prospect that we are going to adopt this legislation. If that appears to be the case, I may come back and ask for permission to speak again and give a detailed critique of everything that is wrong with this bill.

But I would just appeal to my colleagues to think very carefully about what they are doing. I have listened to the discussion of this behind the scenes, kind of the cloakroom chatter. I have talked to my colleagues about it in private and unguarded moments. I am not going to violate any confidence in what I am about to say.

But I will tell you this: If anyone approached this legislative task with any sense of idealism, it would be quickly dispelled by what Senators are saying to other Senators behind the scenes. I would like to hear a discussion of the first amendment. I would like to hear a discussion of where the justice is of seeking deliberately to limit the access to the political system, the free-speech rights of people who get together and form an association because of their common employment in a company and, thereby, form a political action committee, or because they all care about a particular issue, whether it is one of the ones I have mentioned or some others.

What in the world are a bunch of Senators in either party—and I realize that I am a minority within my own party on this, at least for the moment—why would we be sitting around trying to find ways to limit the free speech rights, the free political speech rights of anybody?

Now, I do not think that does us any credit. I hope that, after we have aired this topic a little and everybody has had a chance to think it through, perhaps we will take it down and move on to other things.

In closing, Mr. President—because I do not want to speak at any length just now—I want to remind my colleagues of the words of the great journalist, who made this observation about leadership. Mr. President, he said: "Leaders are the custodians of the Nation's ideals, of the beliefs it cherishes, of its permanent hopes, of the faith which makes a Nation out of a mere aggregation of individuals."

We are leaders, Mr. President. I would suggest to you that the ideals represented by this legislation do us nor our country any credit.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER (Mr. BREAUX). The Senator from Oklahoma.

Mr. BOREN. Mr. President, I am always puzzled when the same speaker could make so many good points starting out and then fall into such error as he proceeds.

In all seriousness, I appreciate the introductory comments made by the Senator from Colorado about this Senator. And, as he well knows, those feelings are reciprocated in that respect. He is one of the most thoughtful, able, and articulate Members of this body and is a person who always speaks with absolute sincerity, as he has today.

I would just say to my good friend that there are those, I realize, who have cynical feelings about legislation dealing with campaign reform. But there are those who are sincerely concerned.

I have had lengthy discussions with our colleague, Senator Goldwater, for example, stretching over the last 2 or 3 years, and with our colleague, Senator STENNIS, who is still serving in the Senate after many, many years. Let me say that I believe it is not coincidental that those Senators, who served here for a long period of time—I see the distinguished majority leader has just joined us, who has also served in this body for a long period of time and is a student of its history—I do not think it is coincidental that those people have a sincere concern about some of the things that are going on.

In listening to my colleague from Colorado. I noted that he, himself, drew some lines about how he conducts his own fundraising and when he conducts it.

My good friend and colleague said he did not follow the practice of starting having fundraisers the week or month after he starts a new term. He does not try to schedule them over a 6-year period. He tries to constrain them. And I would gather from listening to the remarks of my good friend that he has some concern that this sort of thing is happening with increasing frequency.

I would just say that, for this Senator, I do have a sincere concern about what is going on. I do not think it is good or healthy for the process that we have gone from spending reasonable amounts of money to get elected, where shoe leather and personal contact can still, to some degree, offset the amount of money spent in the mass media.

I have had the same experience as the Senator from Colorado. The first time I ran for State legislature in an individual House district I think I spent something like $2,000.

I frankly think that was healthy. I think that for me to run for the same House seat today with 25,000 people in my district and spend $50,000 to $100,000, which is not unusual for legislative races in this country, would not be very healthy. I do not think it is good that we have to spend so much time raising money and I do not think it is good in close elections.

I will go back and figure out the statistics because I cannot quote them off the top of my head, but I did look over the last 6 or 7 years at elections decided by 1- or 2-point margins and I did see that a couple of those were decided in favor of those that had the most money, especially at the last minute.

I am concerned not only with the amount of money being spent but the time being taken, hearing some of my colleagues saying they spend 38 days raising money. Instead of being able to go back and talk to my own people in my State about the problems they have, that causes me concern. And I worry about the amount of money that is coming from single-issue groups.

Of course, I believe in the right of individuals to get together and form associations, fight for ideals that they believe in and programs that they believe in. But I think there is a point at which the balance has to be kept and when we have 194 Members of the Congress now elected with over half of their campaign money not coming from the citizens back home but coming from groups that have very little if any contact at all with the home States of those Members, I think there is something unhealthy about that kind of shift in the balance.

Most of these groups can only rate candidates, and they do rate candidates based on their votes on a narrow range of issues. For example, the economic interest of that one group. They make their contributions usually based upon whether or not the particular Senator or Congressman has voted for that group 70 or 80 percent of the time. They are not able to rate the total record of a Member of the Congress, the total content of the service of that individual.

So what happens is that our campaigns are being financed more and more through sources that are fragmenting the country and fragmenting the political consensus.

It is harder and harder to form a consensus on the budget, for example, when more and more campaigns are being financed by groups that have their own special interest or narrow range of interests in the process.

So I would just say to my good friend from Colorado that he may agree or disagree. I do not mark him down as yet at this point as uncertain but knowing that he is intellectually an honest person I want to mark him down at this point as one with whom I want to have further conversations about these issues.

I do hope he would join me in recognizing that there are certain things that are going on under the current system that are not exactly wholesome, that need to be changed; that there does reach a point at which the amount of spending on campaigns becomes unwholesome; that we do reach a point in which the amount of time is of concern. The Senator is very well thought of in his State and may find it easier to raise funds than others. He has a career now and a record to go by. People have followed him for a long time.

I think that he would admit that at some point the amount of money being spent would be unwholesome and we have to be concerned about that; concerned about the amount of influence.

For example, I think it would be unhealthy if this Senator were to get 90 percent of his campaign funds outside the State of Oklahoma from groups that would rate his service on a narrow range of issues rather than my total service so that people in my own State could, in essence, be overwhelmed by outside money. This happens. People are thought of in their States as either incumbents or challengers, and can only raise so much money in their State. It is not healthy, I do not think, for a candidate to know that they may get overwhelmed, that he may get three or four times as much money coming from people outside the State who have no real involvement in that State and overwhelm candidates at the last minute.

That has happened to candidates on both sides of the aisle. I have seen that in my own experience where vast amounts of money have been raised outside the State, where there has been, in essence, parity within the State, maybe even the candidate not getting the outside money raising more money inside the State. And yet they can get overwhelmed at the last minute by a vast amount of influence money from outside the State.

I worry about that. How will people in our States feel that they are really having the last say in electing their own Representatives if that happens?

I was in a meeting not too long ago—and I know the Senate is getting ready to go out for the evening and I will not prolong this as I know we will have further opportunities—I was in a meeting the other day when a person asked me with a straight face, "Senator, why would it not be a good thing if we could just raise all the money from PAC's here in Washington, DC?"

I talked to one Congressman and he said, "I would like it if I could raise 100 percent of my money from PAC's. I raise a lot."

He was clearly one of those who raised far more than 50 percent from PAC's instead of the people back home.

He said, "I really like the fact that I can raise $300,000 or $400,000 in one night here in Washington, DC, in a fundraiser because now I do not have the embarrassment of having to go back to the people in my home district or home State and ask them to contribute to my campaign."

He said, "Why would you not be glad if you could take all your money from political action committees from fundraisers here in Washington and you would not have to go back and ask people in Oklahoma to participate in your campaign?

I said, "Thank God the Constitution requires us to require the people to participate in elections, and it requires us to ask them for their votes."

I would hope my colleague would agree that at some point in terms of the matter of balance we should keep our eye on where we are going and where the trend lines are moving in terms of what is happening in the status quo, even if he might not agree with the solutions that are set forth in this proposal.

Mr. ARMSTRONG. Will the Senator yield?

Mr. BOREN. I am happy to yield.

Mr. ARMSTRONG. I have an uneasy feeling that I may have talked to the same Senator because I think I have heard the same story, that he did not want to go home and look the voters in the eye and ask for their financial support and he found it very comfortable, very cozy, to raise all the money from PAC's.

Regrettably, the proposal which the Senator from Oklahoma brings forward would be even cozier for a Senator of such a mind because he would not have to go to anybody, not even the PAC's. He would get the money automatically from the taxpayers.

If the Senator would indulge me one more moment on his time, I want to close for tonight because, if this issue is still alive later on, I will probably be back for another bite at the apple.

I began by complimenting the Senator from Oklahoma as a skillful legislator and as a person who I admire greatly. Then during the course of my remarks I made it plain that much of the support for this measure, in my opinion, is hypocritical, insincere, self-serving, and I do not back away from that.

But I would not want this evening to close with anybody in doubt as to how I feel about the Senator from Oklahoma. I think the Senator from Oklahoma is greatly mistaken but I do not think he is hypocritical or insincere.

I do think, however, and I urge my friend to reflect on this, he is leading a band whose motives are beneath him. I think if he will reflect on the conversation which he has related to the Senate, he will see the unworthy motives of those who are supporting this bill.

So, if a motion should arise to return this bill to committee or to table it, or to take it down, I would at least hope that the Senator would be willing to consider that. If I may, I would like to chalk him up as undecided.

Mr. BOREN. Mr. President, I thank my colleague again for his directness. I do not need to repeat the equal respect in which we hold each other. That is evident from the remarks of each of us. I will say the comments are not exactly accurate as to the motives of those who are supporting this bill. I talked about the Senator or the Congressman who said, "Why don't we just let the PAC's fund it all and I will not have to go back home?"

The Senator from Colorado implied that under this bill the Treasury would simply finance the campaign and the candidate would not have to go back home, to the people back home.

Quite the contrary, in fact, this bill requires that candidates accept voluntary spending limits before they are eligible for any kind of partial public funding through the voluntary checkoff in the income tax form, which requires that the Senator also finance from private contributions, under a voluntary spending level, the total cost of his primary election.

In addition, it requires that Senator to go back to his home State and raise a threshold amount of contributons from the people back home. He must go back to them. He has to raise a certain amount.

In my State, a State the size of my State, over $200,000 would have to be raised as a threshold amount, 80 percent of it coming from citizens in my State, contribution of $250 or less in terms of qualifying to be a part of the threshold amount.

So far from allowing a candidate to sit in Washington to have his campaign financed by the Treasury, this would require the candidate to go back to the voters in his home State, in his home district, to raise the threshold amount. I think that is a very important change from the present system, where we see growing numbers of people depending upon raising funds outside of their home States, outside of their home districts, and all too often simply through special interest headquartered and controlled here, in the Nation's Capital.

Mr. President, I think there are no others remaining who wish to speak on this issue tonight. I think it is very healthy that we have a discussion of this topic. It is a matter that has belonged on the national agenda. I commend the majority leader for bringing it to the floor for action. For too long, we have swept under the rug the growing problem of the way in which we finance campaigns in this country. We have swept it under the rug, but the American people know we have been sweeping it under the rug. They are increasingly disillusioned by the fact that more and more money is being spent on elections, less and less time is spent by Members here dealing with the Nation's problems as more and more people go out to raise campaign funds. They are more than ever aware that more and more of those funds are coming from special-interest groups. They are alarmed by the impact of this flood of money on the political system and on the integrity of the election process themselves.

As we struggle to find bipartisan political solutions to this problem, with none of us pretending we have the final word or the perfect solution, I hope that we will all give our best thoughts, our best efforts, to the solution of this problem. I think in doing so we will make a great contribution to the future of this country. I can think of no finer way to observe the bicentennial of the Constitution of the United States than for the U.S. Senate to take action to preserve the integrity of the election process itself.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair recognizes the majority leader.

WEST VIRGINIA'S CANCER CENTER

Mr. BYRD. Mr. President, West Virginia University is in the process of building a new cancer center. Cancer is the second leading cause of death in West Virginia, yet, we have no comprehensive cancer education, detection, or treatment center. Many West Virginians are given the choices of going out of State for treatment or not getting the specialized treatment they may require. For some, it is simply a matter being unable to meet the cost of traveling out of State.

I have been able to obtain $8.8 million in Federal funding for the first two phases of construction of the Mary Babb Randolph Cancer Center. However, this cancer center will not be built by Federal effort alone. It will also require private moneys and involvement to make this center the very best of its kind. In this regard, an "Only the Best * * * for West Virginia's Cancer Center" event was held at the Greenbrier in West Virginia on April 3, 4 and 5, 1987. This was a successful event—$180,000 was raised for the cancer center.

Mrs. Kelly L. George served as general chairman of that event. I commend Kelly and her committee for a job well done.

MESSAGES FROM THE HOUSE

At 4:13 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 5. An act to improve elementary and secondary education, and for other purposes;

H.R. 403. An act to establish the El Malpais National Monument, the Masua Trail, and the Grants National Conservation Area in the State of New Mexico, and for other purposes;

H.R. 953. An act to authorize appropriations for fiscal year 1988 for certain maritime programs of the Department of Transportation and the Federal Maritime Commission;

H.R. 1039. An act to amend section 37 of the Mineral Lands Leasing Act of 1920 relating to oil shale claims, and for other purposes;

H.R. 2533. An act to require a report on security arrangements in the Persian Gulf; and

H.J. Res. 106. Joint resolution to designate June 19, 1987, as "American Gospel Arts Day".

MEASURES REFERRED

The following bills and joint resolution were read the first and second times by unanimous consent, and referred as indicated:

H.R. 5. An act to improve elementary and secondary education, and for other purposes; to the Committee on Labor and Human Resources.

H.R. 403. An act to establish the El Malpais National Monument, the Masua Trail, and the Grants National Conservation Area in the State of New Mexico, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 953. An act to authorize appropriations for fiscal year 1988 for certain maritime programs of the Department of Transportation and the Federal Maritime Commission; to the Committee on Commerce, Science, and Transportation.

H.R. 1039. An act to amend section 37 of the Mineral Lands Leasing Act of 1920 relating to oil shale claims, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 2533. An act to require a report on security arrangements in the Persian Gulf; to the Committee on Armed Services.

H.J. Res. 106. Joint resolution to designate June 19, 1987, as "American Gospel Arts Day"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

S. 958: A bill to dedicate the North Cascades National Park to Senator Henry M. Jackson.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

Max Charles Graeber, of Virginia, to be a Member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1989;

Van B. Poole, of Florida, to be a Member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1989;

Paticia Hill Williams, of New York, to be a Member of the National Advisory Council on Women's Educational Programs for the remainder of the term expiring May 8, 1987;

Paticia Hill Williams, of New York, to be a Member of the National Advisory Council on Women's Educational Programs for a term expiring May 8, 1990;

Paul J. Olscamp, of Ohio, to be a Member of the National Council on the Humanities for a term expiring January 26, 1992;

Anne Paolucci, of New York, to be a Member of the National Council on the Humanities for a term expiring January 26, 1992;

John Shelton Reed, Jr., of North Carolina, to be a Member of the National Council on the Humanities for a term expiring January 26, 1992;

Fay S. Howell, of Georgia, to be a Member of the National Museum Board for a term expiring December 6, 1991;

Bonnie Guiton, of California, to be Assistant Secretary for Vocational and Adult Education, Department of Education; and

Janet L. Norwood, of Maryland, to be Commissioner of Labor Statistics, United States Department of Labor, for a term of 4 years.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. KENNEDY. Mr. President, for the Committee on Labor and Human Resources, I report favorably six lists in the Public Health Service which were printed in the Congressional Records of March 25, May 12 and May 19, 1987, and, to save the expense of reprinting them on the Executive Calendar, I ask unanimous consent that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ROCKEFELLER:

S. 1310. A bill relating to the tariff treatment of tin plate and tin-coated sheets; to the Committee on Finance.

By Mr. GRASSLEY (for himself and Mr. Simon):

S. 1311. A bill to amend section 504(f) of the Public Health Service Act to authorize the Secretary of Health and Human Services to make grants for demonstration projects for mental health services and related services for residents of rural areas; to the Committee on Labor and Human Resources.

By Mr. CHILES:

S. 1312. A bill to establish the Interagency Coordinating Committee on Federal Participation in Sematech, and for other purposes; to the Committee on Governmental Affairs.

By Mr. RIEGLE:

S. 1313. A bill to continue for a 3-year period the suspension of the duties of dicyclomine hydrochloride, mepenzolate bromide, desipramine hydrochloride, rifampin, terfenadine, clomiphene citrate, and lactulose; to the Committee on Finance.

By Mr. DOMENICI:

S. 1314. A bill to amend the Archeological Resources Protection Act of 1979 to prohibit attempted excavation, removal, or defacing, and to reduce the felony threshold value of illegally removed artifacts to $500; to the Committee on Energy and Natural Resources.

By Mr. HATCH (for himself, Mr. Hecht, and Mr. Inouye):

S. 1315. A bill to provide for Federal incentive grants to encourage State health care professional liability reform; to the Committee on Labor and Human Resources.

By Mr. BURDICK:

S. 1316. A bill to amend the Agricultural Act of 1949 to mandate marketing loans for each of the 1988 through 1990 crops of wheat, feed grains, soybeans, and sunflowers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BURDICK:

S. 1317. A bill to amend the Commodity Credit Corporation Charter Act to require the Commodity Credit Corporation to pay at least as much to use privately owned farms for grain storage as is paid to commercial storage facilities for such purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BRADLEY:

S. 1318. A bill to extend for 3 years the reduction of duty on caffeine; to the Committee on Finance.

By Mr. ROCKEFELLER (for himself and Mr. McCain):

S. 1319. A bill to establish within the National Bureau of Standards an Office of Extension Services to support, advise, and assist the various States Industrial Extension Services, and to provide for a 3-year pilot grant program to demonstrate methods by which the Federal Government can help States establish, improve and expand such services; to the Committee on Commerce, Science, and Transportation.

By Mr. BUMPERS (for himself, Mr. Fowler, Mr. DeConcini, Mr. Matsunaga, and Mr. Cranston):

S. 1320. A bill to provide adequate funding levels for solar energy research and development, to encourage Federal procurement of solar energy systems, to encourage Federal loans for solar energy equipment, to enhance the international competitiveness of the solar industry, and for other purposes; to the Committee on Energy and Natural Resources, and, pursuant to rule XXV (1) (o)(1), if and when reported, to the Committee on Small Business.

By Mr. McCain (for himself and Mr. DeConcini):

S. 1321. A bill to declare that the United States holds certain lands in trust for the Camp Verde Yavapai-Apache Indian Community; to the Committee on Energy and Natural Resources.

By Mr. MURKOWSKI:

S. 1322. A bill for the relief of Sotiries George Mastroyanis; to the Committee on the Judiciary.

By Mr. PACKWOOD (for himself, Mr. Cranston, Mr. D'Amato, Mr. Dixon, Mr. Heinz, Mr. Metzenbaum, Mr. Trible, Mr. DeConcini, Mr. Boschwitz, Mr. Kennedy, Mr. Durenberger, Mr. Lautenberg, Mr. Kasten, Mr. Pell, Mr. Wilson, Mr. Harkin, Mr. Weicker, Mr. Daschle, Mr. McConnell, Mr. Sarbanes, Mr. Moynihan, Mr. Specter, Mr. Ford, Mr. Kerry, Mr. Melcher, Mr. Simon, Mr. Sasser, Mr. Shelby, Mr. Riegle, Mr. Mitchell, Mr. Chiles, Mr. Johnston, Mr. Bradley, Mr. Graham, Mr. Hecht, Mr. Fowler, Mr. Pressler, Ms. Mikulski, Mr. Karnes, Mr. Burdick, Mr. Grassley, Mr. Gore, Mr. Wirth, Mr. Levin, Mr. Leahy, Mr. Reid, Mr. Danforth, Mr. Bond, Mr. Matsunaga, Mr. Sanford, Mr. Proxmire, and Mr. Bingaman):

S.J. Res. 153. A joint resolution prohibiting the enhancement or upgrade in the sensitivity of technology of, or the capability of, Maverick missiles for Saudi Arabia; to the Committee on Foreign Relations.

By Mr. PELL:

S.J. Res. 154. A joint resolution to designate the period commencing on November 15, 1987, and ending on November 22, 1987, as "National Arts Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BURDICK:

S. Res. 224. A resolution to express the sense of the Senate that the Secretary of Agriculture should promote a multilateral agricultural agreement with the top five agricultural producing countries; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY (for himself and Mr. Simon):

S. 1311. A bill to amend section 504(f) of the Public Health Service Act to authorize the Secretary of Health and Human Services to make grants for demonstration projects for mental health services and related services for residents of rural areas; to the Committee on Labor and Human Resources.

RURAL AREAS MENTAL HEALTH SERVICES ACT

Mr. GRASSLEY. Mr. President, I am introducing legislation, with my distinguished colleague from Illinois, Senator Simon, which would authorize the National Institute of Mental Health to provide grants for the development, improvement and demonstration of systems of mental health and related services to residents of rural areas. This legislation complements the Rural Dislocation Assistance Act, S. 890, which I introduced on March

31, 1987 and which was ordered reported by the Committee on Labor and Human Resources last week.

Mr. President, as my colleagues know, some of our rural States, including my own State of Iowa, have experienced serious hard times for the last several years. I think that all of my colleagues have seen the statistical indicators—the farm foreclosures, the closing of rural banks, the failure of rural small businesses, the increase in the welfare rolls, and the downturn of State and local government revenues.

Another dimension of this problem that I have heard much about from constituent mail, from visits to my office by representatives of farm crisis organizations, and from my own travels around my State, is the difficulty that many farm families, and others dependent on a healthy farm economy have experienced, and are experiencing, in coming to grips with the loss of livelihood, the loss of farms which may have been in the family for generations, and with what, for some, is a need to completely change a way of life. In other words, making your living other than from the land.

For various reasons, Mr. President, the traditional helping networks have not been able to be as effective in responding to rural economic dislocation as they have been in responding to urban economic dislocation. The primary reason for this is that the people who could benefit from assistance are not like the people with whom the traditional helping networks have worked.

Many of those most in need of assistance are physically isolated. Even more important is the fact that these are people who have been self-reliant all of their lives and who, after a difficult period of adjustment, will probably be self-reliant again. In the meantime, however, because they have always been self-sufficient, contributing members of their communities, they are unwilling to present themselves at some of the traditional helping settings—such as community mental health centers.

Furthermore, because for many of these individuals and families we are talking about changing an entire way of life, more than the traditional counseling services are needed. Hence, the resources of different types of agencies, not just those which offer mental health services, must be coordinated and brought to bear in the most effective way possible.

Last year, the Senate Labor/HHS Appropriations Subcommittee responded to the urging of myself and other members of the rural health caucus to provide $1.2 million for the National Institute of Mental Health. This money was to be used for a small number of demonstration projects in the States most affected by the downturn in the farm economy. As helpful as that money will be, it is an amount insufficient to help more than a small number of States.

This bill, if signed into law, will make it possible for the National Institute of Mental Health to assist State governments, local governments, and private agencies in their efforts to respond to these problems. It would enable grant recipients to develop, improve, and demonstrate effective State and local systems for the provision of mental health and related services.

Mr. President, the governments of States like my own are doing their best to help rural communities which have been hit by the economic downturn. However, they are hard pressed to find the resources to do so. The kind of support which the National Institute of Mental Health will be able to provide them if this legislation becomes law will help them to do the job they want to do for their rural communities.

Mr. President, I ask unanimous consent that the text of the legislation we are introducing be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1311

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Rural Areas Mental Health Services Act of 1987".

SEC. 2. Section 504(f) of the Public Health Service Act is amended—

(1) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively;

(2) by inserting after paragraph (1) the following new paragraph:

"(2) The Secretary, acting through the Director, may make grants to States, political subdivisions of States, and private nonprofit agencies for the development, improvement, and demonstration of effective State and local systems for the provision of mental health services and related services to residents of rural area.";

(3) by inserting "or (2)" after "paragraph (1)" in paragraph (3) (as redesignated by clause (1) of this section);

(4) by striking out "$24,000,000 for fiscal year 1988" in paragraph (4) (as redesignated by clause (1) of this section) and inserting in lieu thereof "$34,000,000 for each of the fiscal years 1988, 1989, and 1990"; and

(5) by striking out "this subsection" each place it appears in paragraph (5) (as redesignated by clause (1) of this section) and inserting in lieu thereof "paragraph (1)".

● Mr. SIMON. Mr. President, today I rise to cosponsor this bill with my colleague from Iowa. It concerns not only the farm crisis, but the mental and emotional well-being of rural communities in this country.

I believe we are in a position to provide leadership by assisting rural areas in addressing the increasing problems of depression, stress, family conflict, and dysfunction that are resulting from the farm crisis.

A great deal is to be said for the community support in rural America. In a network of family, neighbors, and friends a lot can be accomplished. But I do not think most rural communities are in a position to fund and finance new community service programs. With estimates that 30 to 50 percent of all farms in the United States will fail during the next decade, it is my sense that we have a responsibility to address those changes and to assist the communities in managing the tremendous impact that farm failures have had and will continue to have on local residents.

In response to some of these needs, the State of Illinois initiated "Innovations in Agriculture" early in 1986. One of the three components of this program is "Stress: Country Style," an aggressive outreach crisis intervention service to farmers and farm family members. "Stress: Country Style" under the direction of the Farm Resource Center, began this service February 3, 1986 with three objectives: first, to provide an intervention strategy to prevent farmer suicides and other major dysfunctional behavior; second, to educate the farm community to the appropriateness of utilizing human service programs in the same manner as nonrural populations; third, to encourage the existing mental health and substance abuse agencies to become more oriented in their service delivery to the needs of farm families.

Involved in this quality demonstration project are the State of Illinois Departments of Agriculture, Mental Health and Developmental Disabilities, Alcohol and Substance Abuse, Commerce and Community Affairs, the Illinois Farm Bureau, Illinois Farmer's Union and State associations of mental health. The goal at the end of the 3-year program period is for the traditional mental health service delivery system to be able to make the types of adjustments necessary in order to deal with the direct service needs of rural Illinois.

Although this particular program is funded under the Department of Agriculture, it is indeed a mental health service delivery program. There is a statewide 800 number mental health outreach counselors in masters degrees. The "Stress: Country Style" model had been adopted by the Rural Family Issues Coalition as having the components that are necessary and desirable for this type of intervention.

The goal of the Rural Family Issues Coalition, with membership in over 20 States is to provide to rural families immediate, confidential access to professional help with emphasis on resolving persons; and emotional crisis. It is a necessary and commendable goal.

Through this grant program, it is my hope that grantees can: first, provide 24 hour phone crisis intervention; second, provide aggressive outreach by trained human services professionals who will provide immediate, one-to-one assistance for rural families in distress any time or place, and to continue assistance until problems are resolved; third, develop local peer support groups; fourth, after immediate crisis resolution, connect referrals to the appropriate traditional helping services, for example, public health, mental health, extension, community and human services.

Data from the first 14 months of "Stress: Country Style" indicates 7,278 clients being served with a combined total of 13,331 phone and face to face contacts. This, in a State that is not generally considered to be the single hardest hit by the farm crisis, is a statement of the necessity for Federal support. The numbers of new clients have nearly doubled each month for the past 3 months.

Clearly the Illinois project is an indication of the severity and depth of the rural crisis. Community mental health centers are a viable source for intervention and assistance and we should be doing more to improve their ability to assist State and local governments in responding to this need. I urge my colleagues to join us in recognition of this and in providing Federal support to such programs under the National Institute of Mental Health.●

By Mr. CHILES:

S. 1312. A bill to establish the Interagency Coordinating Committee on Federal Participation in Sematech, and for other purposes; to the Committee on Governmental Affairs.

INTERAGENCY COORDINATING COMMITTEE ON FEDERAL PARTICIPATION IN SEMATECH ACT

● Mr. CHILES. Mr. President, today I am introducing a bill to establish an interagency coordinating committee on Federal participation in Sematech.

Sematech is the proposed semiconductor industry research consortium. It's goal is to restore American leadership in semiconductor chip manufacturing technology. As currently envisioned, the project would be jointly funded by private semiconductor firms and the Federal Government and would last 6 years.

Why is such a major research effort required? The simple answer is that the U.S. competitive position in high technology industries is under assault. Foreign governments and businesses are combining forces to lift their key industries into positions of world dominance.

And no industry is more critical to our high-technology hopes than semiconductors. It is the foundation of the electronics industry which is the U.S. largest manufacturing sector—accounting for 2.5 million jobs. Advances in semiconductors spur rapid advances in computer, telecommunications, robotics, defense industries, and consumer electronics.

The uncomfortable truth is that our semiconductor industry is at risk. The report of the Defense Science Board Task Force on Semiconductor Dependency stated that—

> U.S. technology leadership in this critical area is rapidly eroding and this has serious implications for the nation's economy and immediate and predictable consequences for the Defense Department.

And just this year, Eric Bloch told the Budget Committee that—

> Losing this very important field of industry could be a great disaster.

One reason I'm excited about Sematech is that the research will concentrate on manufacturing technology. America has long been the world's best at basic research. But we have fallen behind some of our competitors in the technologies which embody this research. Sematech will develop advanced manufacturing processes and equipment with which our semiconductor industry can produce the world's best products.

This legislation establishes an interagency group to coordinate and oversee the Sematech effort. This is critical for several reasons:

The research at Sematech will lead to breakthroughs in several areas. Some will have defense applications while others will be geared toward civilian uses. The coordinating group will have to sort out the tradeoffs between national security concerns and the need for rapid commercialization. It will have to determine lines of jurisdiction for key projects and make sure the agencies involved don't duplicate, or worse, undermine the work of others.

We also know that technology development usually generates scientific discoveries as we grapple with the problems raised by the development of new technologies. We want these basic breakthroughs to be applied broadly throughout our scientific infrastructure. We need a concerted and coordinated effort by our major science and technology agencies to make sure the job gets done.

Sematech is a new undertaking. We are taking a belated but essential step toward cooperative ventures in technology development. We want the agencies responsible for administering our technological progress both to lend their wisdom and to learn along with us. There are questions concerning licenses, patents, antitrust, and foreign participation that must be settled. We need input from several vantage points, and want to devise a framework that can be applied in a number of agencies.

Because this is a new venture we have to realize that, like it or not, Sematech will be a test case for further joint projects of this sort—perhaps in superconductivity or computerized manufacturing. If we do a poor job here, the well may be poisoned for years to come.

This bill requires the interagency group to present a detailed plan for Federal involvement in Sematech—before we jump in. The good people in the semiconductor industry are understandably eager to start right up. But their business plan has just been completed. We need to study that plan and make some decisions on how and in what forms Federal aid should be supplied. We must resolve questions on tax status, licenses, patents and possibly antitrust. We need input from the private sector on how to get the most bang for the buck, and make sure we ultimately turn this project into commercial advantage. My bill guarantees that we will get the answers to these questions—so Sematech can go forward on a firm foundation.

Mr. President, Sematech is an idea whose time has come. We need to move forward together on a coordinated basis—to ensure a successful venture over the next 6 years.●

By Mr. DOMENICI:

S. 1314. A bill to amend the Archeological Resources Protection Act of 1979 to prohibit attempted excavation, removal, or defacing, and to reduce the felony threshold value of illegally removed artifacts to $500; to the Committee on Energy and Natural Resources.

ARCHEOLOGICAL RESOURCES PROTECTION ACT AMENDMENTS

● Mr. DOMENICI. Mr. President, I rise today to introduce a bill that will make much-needed changes in the Archeological Resources Protection Act [ARPA]. ARPA was passed in 1979 to assure that archeological sites on public and Indian lands and the historic treasures which they contain would be protected against destruction and looting.

The measure that I am introducing will strengthen the provisions of ARPA by extending the coverage of ARPA to include the attempted destruction or looting of archeological sites and by making any theft or looting where the value of the artifacts involved is over $500 a felony. This will allow more effective prosecution of individuals who plunder our public lands.

In recent years, the price of archeological treasures has skyrocked. This has led to unscrupulous individuals digging up ancient artifacts on Federal land to sell to collectors. There are an estimated 2 million archeological sites in New Mexico, Arizona, Colorado, and Utah. Over 800,000 of these sites are in New Mexico alone. One-third of all recorded archeological sites in the Southwest have been looted. In southwestern New Mexico, 90 percent of the classic Mimbres sites, which date from approximately 1000 A.D., have been looted or destroyed. These pothunters are stealing the cultural history of the people of the United States.

Let me point out that the theft and destruction of archeological treasures is not only a southwestern problem. It also affects colonial sites in the Northest, battlefields in the South, burial mounds in the Midwest, and other areas throughout our Nation. As a matter of fact, two-thirds of all the documented archeological vandalism on National Park Service land in 1985 occurred in the mid-atlantic region.

Although the Antiquities Act of 1906 prohibited the taking of artifacts from Federal lands, until several years ago Federal law did not provide adequate protection against the loss and destruction of archeological sites and resources. Thousands of ancient Indian pots and other archeological artifacts had being stolen from Federal lands and the Federal authorities were powerless to stop it.

In order to put a halt to this practice, I sponsored legislation that became the Archeological Resources Protection Act. ARPA makes it illegal to excavate, remove, or damage archeological resources, such as pottery, baskets, rock carvings, and dwelling houses, found on Federal or Indian land without a permit. Under ARPA, it is also illegal to buy or sell archeological resources that were removed from Federal or Indian land without a permit.

Where the value of the resource involved is greater than $5,000, a violation of the provisions of ARPA is a felony and the offender is subject to a $20,000 fine and 2 years in jail. Where the value of the resource is $5,000 or less, the offense is a misdemeanor punishable by a maximum fine of $10,000 and 1 year in jail. Persons who commit a second offense may be jailed for up to 5 years and may be fined up to $100,000. ARPA also provides authority for civil penalties to be levied.

Yet despite the fact that there have been over 1,200 documented looting incidents in the Southwest since the enactment of ARPA, there have been only 27 ARPA convictions in the Southwest.

In the 99th Congress, I chaired a hearing in Albuquerque to review the implementation of ARPA and to identify ways to improve the enforcement of the act. Out of that hearing and additional subsequent inquiry, several conclusions came to light.

First, ARPA is an excellent act and is fundamentally sound.

Second, ARPA has led to a reduction in casual looting—looting by individuals as a "hobby," rather than for commercial purposes.

Third, commercial looting has continued, and even increased as the value of archeological treasures has increased.

Fourth, the level of archeological looting on Federal land is underreported.

Fifth, the problem of continued looting of archeological sites on Federal lands is primarily due to inadequate implementation and enforcement of ARPA.

Sixth, enforcement of ARPA is hampered by inadequate staffing, training, and funding.

Seventh, the general public and law enforcement personnel, prosecutors, and judges need to be educated about the seriousness of the problem of archeological looting and the need to enforce the provisions of ARPA.

Eighth, prosecution of ARPA offenses is hampered by the high felony threshold of the act and by the fact that the attempted stealing of a pot or destruction of an archeological site, as opposed to the actual looting or destruction of archeological resources, is not an offense under ARPA.

The bill I am introducing today addresses the provisions of ARPA which have made prosecution difficult.

Currently, in order for the looting of an archeological artifact on Federal land to be a felony, the value of the artifact must total $5,000. This threshold of damage is too high, as demonstrated by the fact that three-quarters of all ARPA convictions are misdemeanor convictions. Expert witnesses often cannot place a market value on an artifact since each is unique. Even when a value can be established, the value of many artifacts—although priceless from an historical and scientific vantage—does not reach the $5,000 felony threshold. Finally, when a value can be determined, that value does not take into account the loss of scientific value when artifacts are removed from a site. Much of the value of archeological artifacts is the scientific knowledge gained by relating the artifacts to the site from which they come. Lowering the felony threshold to $500 will remove this unnecessary obstacle to prosecution while continuing to assure that only crimes involving substantial injury are classified as felonies.

In addition, currently under ARPA, the attempted looting or destruction of an archeological site is not a crime. Actual damage must have occurred before a violation exists. One almost literally has to catch an individual with a shovel in one hand and a pot in the other. By that time it is too late. Although this loophole in the law has yet to become a serious impediment to the enforcement of ARPA, this loophole needs to be closed before cases are lost because of it. My bill would clarify that the attempted looting or destruction of an archeological site is an offense under ARPA.

Although my bill will remove obstacles to prosecution of pothunters and other archeological thieves under ARPA, we need to take other steps to assure that the archeological treasures that remain on Federal and Indian lands are preserved for future generations. We need to educate the public about the problem of archeological looting. Additional funds are needed to provide for enhanced enforcement of ARPA. Prosecutors must place a higher priority on ARPA cases, and judges need to hand out stiffer penalties for violations. I hope that when hearings are held on my bill the committee will explore ways to achieve these goals.

Mr. President, my bill will strengthen ARPA and remove obstacles to prosecution under the act. I hope that it will enjoy the support of the entire Senate, as we need to protect the archeological resources which are the irreplaceable heritage of all Americans.

Mr. President, I ask unanimous consent that the text of the bill which I am offering be printed in the RECORD at the conclusion of my remarks, as well as a letter of support for the Society for American Archeology.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1314

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (a) of section 6 of the Archeological Resources Protection Act of 1979 (Public Law 96-95; 16 U.S.C. 470ee(a)) is amended by inserting after "deface" the following: ", or attempt to excavate, remove, damage, or otherwise alter of deface,".

(b) The proviso of subsection (d) of section 6 (16 U.S.C. 470ee(d)) is amended by striking "$5,000" and inserting in lieu thereof "$500".

SOCIETY FOR AMERICAN ARCHEOLOGY,
OFFICE OF PUBLIC AFFAIRS,
Washington, DC, June 2, 1987.

Hon. PETE DOMENICI,
U.S. Senate, Washington, DC.

DEAR SENATOR DOMENICI: The Society for American Archaeology is pleased at your interest and concern for protecting archaeological resources. As you are aware, problems facing these resources are growing. Archaeological sites throughout the country are being robbed. Prehistoric and historic sites, civil war burials, Afro-American slave burials and Anasazi Indian burials, sacred sites and house pits, none are safe—all are being desecrated. Archaeological sites are similar to endangered species: once destroyed, they are gone forever.

The Society has been supporting a major initiative to address looting in several areas including increased funding, increased resource protection, staff training, increased prosecution of looters, and education of the public and the judicial system. We, therefore, welcome the opportunity to address the problems of archaeological vandalism and looting in Congressional legislation and hearings.

Your proposed legislation to amend the Archaelogical Resources Protection Act offers a wonderful opportunity to help address the problem of archaeological looting and resource protection. We look forward to working closely with you on this.

If the Society for American Archaeology can be of any assistance to you please do not hesitate to contact us.

Sincerely,

LORETTA NEUMANN,
Washington Representative.●

By Mr. HATCH (for himself, Mr. HECHT, and Mr. INOUYE):

S. 1315. A bill to provide for Federal incentive grants to encourage State health care professional liability reform; to the Committee on Labor and Human Resources.

NATIONAL PROFESSIONAL LIABILITY REFORM ACT

Mr. HATCH. Mr. President, I am pleased today to join with Senator HECHT and Senator INOUYE to introduce the National Professional Liability Reform Act of 1987.

It is clear that the medical liability crisis continues and, in some cases, has worsened. Reports and studies from the Justice Department, GAO, the Rand Institute and others emphasize the scope of this truly national problem. Hardly a day passes without a story of a community losing its physicians because of the unavailability of liability insurance, either because insurance companies have withdrawn from the market or because of the totally prohibitive cost of the policies.

Significant steps have been undertaken by the medical profession and by Federal and State governments to address the problem of the bad doctor. Last year, we worked with the medical profession to strengthen protection for bona fide peer review activities to enable them to better police and discipline their ranks. The Omnibus Health Act of 1986 established a national clearinghouse to prevent the incompetent physician from simply moving from a State to avoid detection of discipline or loss of licensure.

While these steps are important, they will not end the professional liability crisis. A very small percentage of all health care providers are responsible for the majority of medical malpractice, yet the litigation explosion affects all health care providers and all of society. The impact of outrageous awards falls on all physicians, regardless of their record.

The crisis transcends the interests of the medical community. It affects all of us. It increases the cost of health care, decreases the availability of care, and may well destroy the greatest health care system in the world.

While this is primarily a State problem, the Federal Government can help guide the States toward solutions which will maintain the quality and availability of health care in the United States. This is similar to legislation I introduced last year. It rewards States with incentive grants for enacting tort reforms which have been proven effective in controlling the crisis. Among the reforms included are:

Periodic payment of damages greater than $100,000, to spread the cost out over the actual period of the injury;

Elimination of the collateral source rule—which allows plaintiffs in effect to double dip by receiving damages from several sources for the same injury;

Limiting pain and suffering and punitive damages to $250,000; and

Limiting attorneys' fees so that the injured party receives a larger share of the recovery.

The bill contains these and other suggested reforms, yet retains flexibility to encourage States to be innovative and explore different options.

Although there are costs attached to this legislation, the costs of doing nothing are far-reaching. We cannot afford the luxury of ignoring the problem, because, unless checked, the liability crisis will destroy our health care system. I urge you to support this bill.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Professional Liability Reform Act of 1987".

FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds that—

(1) there are serious problems with current systems for compensating individuals injured by the malpractice of health care professionals and health care providers;

(2) the increasing costs and unavailability of professional liability insurance are causing competent health care professionals to cease or limit practice of their profession;

(3) current health care malpractice compensation systems cause substantial numbers of health care professionals and health care providers to engage in defensive health care practices, such as the conduct of tests and procedures primarily to provide protection against legal actions, and such practices result in unnecessary health care costs;

(4) the number of professional liability claims against health care professionals and health care providers is increasing at disproportionate rates, beyond any relationship to the quality of the health care provided;

(5) the increase in the number of liability claims and the size of awards and settlements, and the excessive time and expense devoted to the resolution of such claims, pose threats to State systems for compensating individuals injured through negligence and to continued access by all individuals to health care;

(6) the Federal Government has an interest in State health care malpractice compensation systems because the Federal Government pays health care costs through Medicare, Medicaid, and other Federal health care programs;

(7) experience in States which have enacted reforms in their tort and judicial systems indicates that certain reforms can reduce unnecessary expenditures related to health care liability claims while providing more rapid and more efficient compensation for individuals injured by malpractice; and

(8) Federal incentives to encourage States to adopt reforms to improve State health care malpractice compensation and professional disciplinary systems will result in—

(A) the maintenance of access to quality health care;

(B) a more rational health care malpractice compensation system; and

(C) substantial savings by the Federal Government and State governments.

(b) The purposes of this Act are—

(1) to assure continued access to high quality health care;

(2) to assure fair and adequate compensation for injuries arising from medical negligence;

(3) to reduce health care costs incurred by the Federal Government, State governments, and the private sector which are attributable to defensive medicine and the high cost of professional liability insurance;

(4) to reduce the costs of resolving professional liability disputes so that a larger share of the professional liability insurance premium goes to compensating injured individuals;

(5) to resolve professional liability claims speedily and efficiently;

(6) to recognize the unusual vulnerability of physicians providing medical care to professional liability claims and the effect such vulnerability could have on the availability of needed medical care in the United States;

(7) to encourage States to adopt reforms in their laws in order to improve the system for resolving medical professional liability actions;

(8) to strengthen public and private efforts aimed at detection and discipline of health care professionals found to violate professional standards; and

(9) to provide for the development of mechanisms to promote risk control activities and to reduce the occurrence of actual negligence.

DEFINITIONS

SEC. 3. For purposes of this Act—

(1) the term "injury" shall have the meaning given to such term by each State in its State liability reforms, except that in defining such term, each State shall include in such term injuries arising from the negligent delivery of health care services by a health care professional or health care provider;

(2) the term "health care professional" means any individual who provides health care services in a State and who is required by State law to be licensed or certified by the State to provide such services in the State;

(3) the term "health care provider" means any organization or institution which is engaged in the delivery of health care services in a State and which is required by State law to be licensed or certified by the State to engage in the delivery of such services in the State;

(4) the term "malpractice" shall have the meaning given to such term by each State in its State liability reforms, except that in defining such term, each State shall include in such term malpractice or professional negligence by a health care professional or health care provider in the delivery of health care services;

(5) the term "professional liability" shall have the meaning given to such term by

each State in its State liability reforms, except that in defining such term, each State shall include in such term liability arising from the negligent delivery of health care services by a health care professional or health care provider;

(6) the term "Secretary" means the Secretary of Health and Human Services;

(7) the term "State" means each of the several States, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands; and

(8) the term "State liability reforms" means the reforms described in section 6 or section 7.

DEVELOPMENT GRANTS

SEC. 4. (a) A State may submit an application to the Secretary for a grant to develop programs to undertake State liability reforms. Any such application shall—

(1) be submitted to the Secretary within 180 days after the date of enactment of this Act;

(2) contain assurances that the State intends to obtain enactment or adoption of the State liability reforms described in section 6 or section 7 in order to qualify for incentive grants under section 5; and

(3) contain such other information, and be in such form, as the Secretary may prescribe.

(b)(1) If a State submits an acceptable application under subsection (a), the Secretary shall make a grant to such State.

(2) The amount of a grant under paragraph (1) to a State (other than Puerto Rico, Guam, and the Virgin Islands) shall be $250,000, except that if the amount appropriated under section 9(a)(1) is less than $12,000,000, the amount of a grant under paragraph (1) to such a State shall be an amount equal to the quotient obtained by dividing the total amount appropriated under section 9(a)(1) by the number of States (other than Puerto Rico, Guam, and the Virgin Islands) submitting acceptable applications under this section, except that no grant to such a State under this section shall exceed $250,000.

(3) The amount of a grant under paragraph (1) to Puerto Rico, Guam, or the Virgin Islands shall be $125,000, except that if the amount appropriated under section 9(a)(2) is less than $375,000, the amount of a grant under paragraph (1) to Puerto Rico, Guam, or the Virgin Islands shall be an amount equal to the quotient obtained by dividing the total amount appropriated under section 9(a)(2) by 3.

(c) The Secretary may provide technical assistance to States in planning and carrying out activities with grants under this section.

INCENTIVE GRANTS

SEC. 5. (a) A State may submit an application to the Secretary for a grant under subsection (b)(3). Any such application shall—

(1) be submitted to the Secretary within three years after the date of enactment of this Act;

(2) contain a certification by the chief executive officer of the State that, on the date the application is submitted, the State has enacted, adopted, or otherwise has in effect, the State liability reforms described in section 6 or section 7;

(3) be accompanied by documentation to support the certification required by paragraph (2), including copies of relevant State statutes, rules, procedures, regulations, judicial decisions, and opinions of the State attorney general; and

(4) contain such other information, and be in such form, as the Secretary may prescribe.

(b)(1)(A) Within 60 days after receiving an application under subsection (a), the Secretary shall review the application and determine whether the application demonstrates that the State has enacted, adopted, or otherwise has in effect, the State liability reforms described in section 6 or section 7. If the Secretary determines that the application makes such a demonstration, the Secretary shall approve the application.

(B) If an application submitted under subsection (a) cites a State statute or other evidence of compliance with the standards for a State liability reform described in section 6 or section 7, the Secretary shall consider such State to be in conformance with the requirements of such section with respect to such reform if the statute or other evidence of compliance cited in such application is equal to or more stringent than the reform described in such section.

(2) If, after reviewing an application under paragraph (1), the Secretary determines that the application does not make the demonstration required under such paragraph, the Secretary shall, within 15 days after making such determination, provide the State which submitted such application with a written notice which specifies such determination and which contains recommendations for revisions which would bring the State into compliance with this Act.

(3)(A) Within 30 days after approving an application of a State under paragraph (1), the Secretary shall pay to the State a grant in the amount required under subparagraph (B) or (C), as the case may be.

(B) The amount of a grant under subparagraph (A) to a State (other than Puerto Rico, Guam, or the Virgin Islands) shall be $2,000,000, except that if the amount appropriated under section 9(b)(1) is less than $102,000,000, the amount of a grant under subparagraph (A) to such a State shall be an amount equal to the quotient obtained by dividing the total amount appropriated under section 9(b)(1) by 51.

(C) The amount of a grant under subparagraph (A) to Puerto Rico, Guam, or the Virgin Islands shall be $1,000,000, except that if the amount appropriated under section 9(b)(2) is less than $3,000,000, the amount of a grant under subparagraph (A) to Puerto Rico, Guam, or the Virgin Islands shall be an amount equal to the quotient obtained by dividing the total amount appropriated under section 9(b)(2) by 3.

(c)(1)(A) One year after the date on which the Secretary makes payment of a grant to a State (other than Puerto Rico, Guam, or the Virgin Islands) under subsection (b)(3), the Secretary shall pay to such State a grant in an amount equal to $1,000,000, except as provided in paragraph (3)(A) and subsection (d).

(B) One year after the date on which the Secretary makes payment of a grant to Puerto Rico, Guam, or the Virgin Islands under subsection (b)(3), the Secretary shall pay to Puerto Rico, Guam, or the Virgin Islands, as the case may be, a grant in an amount equal to $500,000, except as provided in paragraph (3)(B) and subsection (d).

(2)(A) Two years after the date on which the Secretary makes payment of a grant to a State (other than Puerto Rico, Guam, or the Virgin Islands) under subsection (b)(3), the Secretary shall pay to such State a grant in an amount equal to $1,000,000, except as provided in paragraph (3)(A) and subsection (d).

(B) Two years after the date on which the Secretary makes payment of a grant to Puerto Rico, Guam, or the Virgin Islands under subsection (b)(3), the Secretary shall pay to Puerto Rico, Guam, or the Virgin Islands, as the case may be, a grant in an amount equal to $500,000, except as provided in paragraph (3)(B) and subsection (d).

(3)(A) If the amount appropriated under section 9(c)(1) for grants under paragraph (1)(A) is less than $51,000,000, or if the amount appropriated under section 9(d)(1) for grants under paragraph (2)(A) is less than $51,000,000, the amount of a grant to a State (other than Puerto Rico, Guam, or the Virgin Islands) under paragraph (1)(A) or paragraph (2)(A), as the case may be, shall be an amount equal to the quotient obtained by dividing the amount appropriated under section 9(c)(1) or section 9(d)(1), respectively, by 51.

(B) If the amount appropriated under section 9(c)(2) for grants under paragraph (1)(B) is less than $1,500,000, or if the amount appropriated under section 9(d)(2) for grants under paragraph (2)(B) is less than $1,500,000, the amount of a grant to Puerto Rico, Guam, or the Virgin Islands under paragraph (1)(B) or paragraph (2)(B), as the case may be, shall be an amount equal to the quotient obtained by dividing the amount appropriated under section 9(c)(2) or section 9(d)(2), respectively, by 3.

(d)(1) If, at any time after a State receives a grant under this section, the Secretary determines that the State does not have in effect all of the State liability reforms described in section 6 or section 7, the Secretary shall provide the State with written notice of such determination. Such notice shall specify—

(A) the reason for the determination of the Secretary;

(B) that after the date of such determination, the State will not be eligible to receive a grant under paragraph (1) or (2) of subsection (c) unless the State takes such corrective action as may be necessary to ensure that such State liability reforms are in effect in the State, except as provided in paragraph (2) of this subsection; and

(C) that the State may request a hearing before an administrative law judge to appeal the determination of the Secretary.

(2) After making a determination under paragraph (1) of this subsection, the Secretary shall not pay any grant to a State under paragraph (1) or (2) of subsection (c) unless the determination of the Secretary under paragraph (1) of this subsection has been reversed by an administrative or judicial decision.

(e)(1) Any grant received by a State under this section shall be used by the State to—

(A) supplement, and not supplant, funds expended by the State on programs for the provision of health care services, including programs supported with any type of Federal assistance, except as provided in paragraph (2);

(B) support programs of peer review and risk management for health care professionals and health care providers in the State; or

(C) conduct studies of professional liability problems in the State, including studies to determine the impact of the State's malpractice compensation system on health care availability and health care costs in the State.

(2) A grant received by a State under this section may not be used by such State to satisfy any provision of Federal law which requires that, in order to qualify for Federal

assistance under such law, the State pay a portion of the costs of the project, program, or activity to be conducted with such Federal assistance.

STATE LIABILITY REFORMS

SEC. 6. (a) The State liability reforms which shall be developed with a grant under section 4, which shall be enacted, adopted, or be in effect in a State in order for the State to receive a grant under section 5(b)(3), and which shall be in effect in a State in order for the State to receive grants under section 5(c), are the reforms specified in subsections (b) through (f) of this section or the reforms permitted under section 7.

(b) A State shall require that, in any legal action for damages for malpractice in which a court of the State awards an individual future damages in excess of $100,000—

(1) the payment of such future damages shall be made on an annual or other periodic basis, in such amounts and at such intervals as may be determined by the court;

(2) the court shall determine a schedule for such payments to ensure that damages are paid over the estimated lifetime of such individual or until the total amount of such award is paid to such individual, whichever occurs first, except that—

(A) in any case in which such individual dies prior to the date on which the final payment is to be made under such schedule to such individual, the party obligated to make payments to such individual shall not be required to make any additional payments to the heirs or assigns of such individual unless, after application by the spouse or child of such individual, the court orders such party to make payments to such spouse or child for the support of such spouse or child; and

(B) in any case in which such individual lives beyond the date on which final payment is to be made to such individual under such schedule, such individual may apply to the court for additional payments for economic damages resulting from such malpractice, which shall be calculated at the annual rate at which such damages were calculated under such schedule; and

(3) the court shall require that such periodic payments be made through the establishment of a trust fund or the purchase of an annuity for the life of such individual or during the continuance of the compensable injury or disability incurred by such individual.

(c)(1) A State shall require that, in any legal action for damages for malpractice in which a court of the State awards damages to an individual, the total amount of such damages shall be reduced by any other payment which has been made or which will be made to such individual to compensate such individual for the injury sustained as a result of such malpractice, including payments under—

(A) Federal or State disability or sickness programs;

(B) Federal, State, or private health insurance programs;

(C) employer wage continuation programs; and

(D) any other source of payment intended to compensate such individual for such injury.

(2) The amount by which an award of damages to an individual for an injury shall be reduced under paragraph (1) shall be an amount equal to the difference between—

(A) the total amount of any payments (other than such award) which have been made or which will be made to such individual to compensate such individual for such injury, minus

(B) the amount paid by such individual (or by the spouse or parent of such individual) to secure the payments described in subparagraph (A).

(d) A State shall require that, in a legal action for damages for malpractice, the amount of any award of damages for noneconomic losses resulting from such malpractice shall not exceed $250,000. For purposes of this subsection, the term "noneconomic losses" means losses for pain, suffering, inconvenience, physical impairment, disfigurement, and other nonpecuniary losses, and punitive damages.

(e)(1) Except as provided in paragraph (2), a State shall require that in any legal action for damages for malpractice in which an individual receives a settlement or an award of damages, the amount of payments to such individual's attorney shall be in accordance with the following:

If the total settlement or award is:	The attorney's fee shall not exceed:
Not more than $50,000	40% of such amount
More than $50,000 but less than $100,000.	$20,000 plus 33⅓% of the excess over $50,000
More than $100,000 but less than $200,000.	$36,667 plus 25% of the excess over $100,000
$200,000 or more	$61,667 plus 10% of the excess over $200,000.

(2) A State shall require that in any legal action to which paragraph (1) applies, the court may, after receiving a petition from the attorney representing the individual who receives a settlement or an award of damages, permit such attorney to be paid an amount of fees in excess of the amount specified by paragraph (1) if such court determines the petition has adduced evidence justifying such additional fees.

(f)(1) Each State shall provide for the allocation of the total amount of fees paid to the State in each year for the licensing or certification of each type of health care professional, or an amount of State funds equal to such total amount, to the State agency or agencies responsible for the conduct of disciplinary actions with respect to such type of health care professional.

(2) The State shall require each health care provider to have in effect a risk management program which complies with the laws of the State and which is acceptable to the agency responsible for licensing or certifying such health care provider.

(3) The State shall require each company which provides health care professional liability insurance in the State to establish, from the data available to such company, programs of risk management for health care professionals, and require each such professional, as a condition of maintaining insurance, to participate in such programs at least once during each three-year period.

(4)(A) The State shall authorize each State agency responsible for the conduct of disciplinary actions for a type of health care professional to enter into agreements with State or county professional societies of such type of health care professional to permit the review by such societies of any malpractice action, complaint, or other information concerning the practice patterns of any such health care professional. Any such agreement shall comply with subparagraph (B).

(B) Any agreement entered into under subparagraph (A) for the review of any malpractice action, complaint, or other information concerning the practice patterns of a health care professional shall—

(i) provide that the health care professional society conduct such review as expeditiously as possible;

(ii) provide that after the completion of such review, such society shall report its findings to the State agency with which it entered into such agreement and shall take such other action as such society considers appropriate; and

(iii) provide that the conduct of such review and the reporting of such findings be conducted in a manner which assures the preservation of confidentiality of medical information and of the review process.

(C) The State shall provide that any activity conducted pursuant to an agreement under this paragraph shall not be grounds for any civil or criminal action under the laws of the State.

(D) Notwithstanding any other provision of Federal law, any activity conducted pursuant to an agreement under this paragraph shall not be grounds for any civil or criminal action under Federal antitrust laws, as defined in the first section of the Clayton Act and in section 4 of the Federal Trade Commission Act.

ALTERNATIVE REFORMS

SEC. 7. For purposes of awarding grants under section 3 and section 4, the State liability reforms of a State, may, at the discretion of the Secretary, consist of reforms other than the reforms specified in section 6 if the Secretary determines that such State liability reforms have a substantial likelihood of achieving the purposes of this Act and consist of substantial alternative reforms to the State's system for resolving professional liability claims. Such alternative reforms may include any of the reforms specified in section 6.

REPORTS

SEC. 8. (a) Within two years after the date of enactment of this Act, and every two years thereafter, each State which receives a grant under section 5 during any such two-year period shall prepare and transmit to the Secretary a report which describes—

(1) the State liability reforms enacted, adopted, or in effect in the State;

(2) the activities conducted by the State with any grants received under section 4 or 5 during the preceding two-year period; and

(3) any current problems in the State with respect to health care professional liability or health care professional liability insurance.

(b) Within 30 months after the date of enactment of this Act, and every two years thereafter, the Secretary shall prepare and transmit to the Congress a report which summarizes the information submitted to the Secretary in the most recent reports of the States under subsection (a).

AUTHORIZATION OF APPROPRIATIONS

SEC. 9. (a)(1) For grants under section 4(b)(2), there are authorized to be appropriated $12,500,000 for fiscal year 1988.

(2) For grants under section 4(b)(3), there are authorized to be appropriated $375,000 for fiscal year 1988.

(b)(1) For grants under section 5(b)(3)(B), there are authorized to be appropriated $102,000,000 for fiscal year 1988.

(2) For grants under section 5(b)(3)(C), there are authorized to be appropriated $3,000,000 for fiscal year 1988.

(3) Amounts appropriated under this subsection shall remain available from October 1, 1987, to September 30, 1990.

(c)(1) For grants under section 5(c)(1)(A), there are authorized to be appropriated $51,000,000 for fiscal year 1989.

(2) For grants under section 5(c)(1)(A), there are authorized to be appropriated $1,500,000 for fiscal year 1989.

(3) Amounts appropriated under this subsection shall remain available from October 1, 1988, to September 30, 1991.

(d)(1) For grants under section 5(c)(2)(A), there are authorized to be appropriated $51,000,000 for fiscal year 1990.

(2) For grants under section 5(c)(2)(B), there are authorized to be appropriated $1,500,000 for fiscal year 1990.

(3) Amounts appropriated under this subsection shall remain available from October 1, 1989, to September 30, 1992.

By Mr. BURDICK:

S. 1316. A bill to amend the Agricultural Act of 1949 to mandate marketing loans for each of the 1988 through 1990 crops of wheat, feed grains, soybeans, and sunflowers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

S. 1317. A bill to amend the Commodity Credit Corporation Charter Act to require the Commodity Credit Corporation to pay at least as much to use privately owned farms for grain storage as is paid to commercial storage facilities for such purposes; to the Committee on Agriculture, Nutrition, and Forestry.

AGRICULTURE LEGISLATION

Mr. BURDICK. Mr. President, as I've said before, we need more common sense in our farm programs. Today I am introducing a package of bills modifying our present farm bill. My goal is to raise farm income for family farmers while limiting the cost to the Government.

I recently mailed a questionnaire to rural residents of my State. A majority of those responding said they would rather make adjustments to the 1985 farm bill than leave it alone. They also support a farm program based on marketing loans for major commodities and targeted to medium-sized farms. Three out of four think marketing loans are a good idea.

The first bill I am sending to the desk S. 1316, would mandate marketing loans for the 1988, 1989, and 1990 crops of wheat, feed grains, soybeans, and sunflowers. I have set the marketing loan rates at a level that will help our struggling farmers—$5 per bushel for wheat and soybeans, $3.50 per bushel for corn, and $9 per hundredweight for sunflowers. I have capped the total amount of loans for all commodities at $150,000, so that small and medium-sized farms can benefit the most. More than 60 percent of North Dakotans responding to my survey thought $150,000 was a reasonable limit.

Marketing loans are an idea whose time has come. The main benefit of such loans is that they make our commodities more competitive. After farmers sell their grain at the local elevator, they would repay their Government loans at the average price for their county. The Government would let them keep any difference between that price and the loan rate.

Eligible farmers would use approved conservation practices and set aside up to 25 percent of their acreage base to limit production.

This proposal ties benefits to production, and eliminates the base and yield formulas that farmers have been complaining about.

My second bill, S. 1317, would force the Commodity Credit Corporation to pay the same rates for the storage of grain on farms as it pays for storing grain in commercial storage facilities. Farmers deserve the same CCC payments as elevators. It is only fair that the Government recognize the fact that farm storage is not cheap. Grain bins, silos, sheds, and other facilities cost farmers thousands of dollars to build. Maintaining quality is just as difficult on a farm as it is in a commercial facility. Farmers storing Government commodities have not been given a fair shake. This bill would correct that.

The package I am introducing today also includes a resolution, Senate Resolution 224, asking the Secretary of Agriculture to promote a multilateral agreement with the top five agricultural producing countries to limit production.

This, again, is common sense. It is not enough that we reduce production in this country—we must work with other countries to gain a better balance between supply and demand for agricultural commodities.

Marketing loans, fair storage payments, and international production controls all make sense. Each of these three elements is designed to move farmers a little bit further ahead on the road to prosperity.

I ask unanimous consent that the text of my proposals be printed in the RECORD.

(The text of Senate Resolution 224 is printed in today's RECORD with the submission of resolutions immediately following "Additional Cosponsors".)

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1316

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. WHEAT.

(a) LOAN RATE.—Effective only for the 1988 through 1990 crops of wheat, section 107D(a) of the Agricultural Act of 1949 (7 U.S.C. 1445b-3(a)) is amended—

(1) in paragraph (3)—

(A) by striking out "and" at the end of subparagraph (A);

(B) by striking out "each of the 1987 through 1990 crops" in subparagraph (B) and inserting in lieu thereof "the 1987 crop";

(C) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; and"; and

(D) by adding at the end thereof the following new subparagraph:

"(C) in the case of each of the 1988 through 1990 crops of wheat, not be less than $5.00 per bushel."; and

(2) in paragraph (4)(A)—

(A) by striking out "Except" and inserting in lieu thereof "In the case of each of the 1986 and 1987 crops of wheat, except"; and

(B) by striking out "each of the 1987 through 1990 crops" in clause (ii) and inserting in lieu thereof "the 1987 crop".

(b) MARKETING LOAN.—Effective only for the 1988 through 1990 crops of wheat, paragraph (5) of section 107D(a) of such Act is amended to read as follows:

"(5)(A) The Secretary shall permit a producer to repay a loan made under paragraph (1) for a crop at a level that is the lesser of—

"(i) the loan level determined for such crop; or

"(ii) the average county price for the crop, as determined by the Secretary.

"(B) The Secretary shall prescribe by regulation—

"(i) a formula to determine the average county price for a crop; and

"(ii) a mechanism by which the Secretary shall announce periodically the average county price for the crop.".

(c) ACREAGE LIMITATION PROGRAM.—Effective only for the 1988 through 1990 crops of wheat, section 107D(f)(1) of such Act is amended—

(1) in subparagraph (A)(i), by striking out "subparagraphs (B) through (F)" and inserting in lieu thereof "subparagraphs (B) through (G)";

(2) in subparagraph (D), by striking out "each of the 1987 through 1990 crops" and inserting in lieu thereof "the 1987 crop";

(3) by redesignating subparagraph (E) as subparagraph (F); and

(4) by inserting after subparagraph (D) the following new subparagraph:

"(E) In the case of each of the 1988 through 1990 crops of wheat, the Secretary shall provide for an acreage limitation program (as described in paragraph (2)) under which the acreage planted to wheat for harvest on a farm would be limited to the feed grain crop acreage base for the farm for the crop reduced by not more than 25 percent.".

SEC. 2. FEED GRAINS.

(a) LOAN RATE.—Effective only for the 1988 through 1990 crops of feed grains, section 105C(a) of the Agricultural Act of 1949 (7 U.S.C. 1444e(a)) is amended—

(1) in paragraph (2)—

(A) by striking out "and" at the end of subparagraph (A);

(B) by striking out "each of the 1987 through 1990 crops" in subparagraph (B) and inserting in lieu thereof "the 1987 crop";

(C) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; and"; and

(D) by adding at the end thereof the following new subparagraph:

"(C) in the case of each of the 1988 through 1990 crops of corn, not be less than $3.50 per bushel."; and

(2) in paragraph (3)(A)—

(A) by striking out "Except" and inserting in lieu thereof "In the case of each of the 1986 and 1987 crops of feed grains, except"; and

(B) by striking out "each of the 1987 through 1990 crops" in clause (ii) and inserting in lieu thereof "the 1987 crop".

(b) Marketing Loan.—Effective only for the 1988 through 1990 crops of feed grains, paragraph (4) of section 105C(a) of such Act is amended to read as follows:

"(4)(A) The Secretary shall permit a producer to repay a loan made under paragraph (1) or (6) for a crop at a level that is the lesser of—

"(i) the loan level determined for such crop; or

"(ii) the average county price for the crop, as determined by the Secretary.

"(B) The Secretary shall prescribe by regulation—

"(i) a formula to determine the average county price for a crop; and

"(ii) a mechanism by which the Secretary shall announce periodically the average county price for the crop.".

(c) Acreage Limitation Program.—Effective only for the 1988 through 1990 crops of feed grains, section 105C(f)(1) of such Act is amended—

(1) in subparagraph (A)(i), by striking out "subparagraphs (B) through (D)" and inserting in lieu thereof "subparagraphs (B) through (E)";

(2) in subparagraph (C), by striking out "each of the 1987 through 1990 crops" and inserting in lieu thereof "the 1987 crop";

(3) by redesignating subparagraph (D) as subparagraph (E); and

(4) by inserting after subparagraph (C) the following new subparagraph:

"(D) In the case of each of the 1988 through 1990 crops of feed grains, the Secretary shall provide for an acreage limitation program (as described in paragraph (2)) under which the acreage planted to feed grains for harvest on a farm would be limited to the feed grain crop acreage base for the farm for the crop reduced by not more than 25 percent.".

SEC. 3. SOYBEANS.

(a) Loan Rate.—Effective only for the 1988 through 1990 crops of soybeans, section 201(i) of the Agricultural Act of 1949 (7 U.S.C. 1446(i)(1)) is amended—

(1) in paragraph (1)—

(A) by striking out "each of the 1987 through 1990 crops" in subparagraph (C) and inserting in lieu thereof "the 1987 crop"; and

(B) by adding at the end thereof the following new subparagraph:

"(D) The support price for each of the 1988 through 1990 crops of soybeans shall be $5.00 per bushel."; and

(2) in paragraph (2), by striking out "If" and inserting in lieu thereof "In the case of each of the 1986 and 1987 crops of soybeans, if".

(b) Marketing Loan.—Effective only for the 1988 through 1990 crops of soybeans, paragraph (3) of section 201(i) of such Act is amended to read as follows:

"(3)(A) The Secretary shall permit a producer to repay a loan made under paragraph (1) for a crop at a level that is the lesser of—

"(i) the loan level determined for such crop; or

"(ii) the average county price for the crop, as determined by the Secretary.

"(B) The Secretary shall prescribe by regulation—

"(i) a formula to determine the average county price for a crop; and

"(ii) a mechanism by which the Secretary shall announce periodically the average county price for the crop.".

SEC. 4. SUNFLOWERS.

Effective only for the 1988 through 1990 crop of sunflowers, section 201 of the Agricultural Act of 1949 (7 U.S.C. 1446) is amended—

(1) in the first sentence, by inserting "sunflower seeds," after "soybeans,"; and

(2) by adding at the end thereof the following new subsection:

"(l)(1) The Secretary shall support the price of sunflower seeds through loans and purchases for each of the 1988 through 1990 crop of sunflowers at such level as the Secretary determines will take into account the historical price relationship between sunflower seeds and soybeans, the prevailing loan level for soybeans, and the historical oil content of sunflower seeds and soybeans, except that the level of loans and purchases may not be less than 9 cents per pound.

"(2)(A) The Secretary shall permit a producer to repay a loan made under paragraph (1) for a crop at a level that is the lesser of—

"(i) the loan level determined for such crop; or

"(ii) the average county price for the crop, as determined by the Secretary.

"(B) The Secretary shall prescribe by regulation—

"(i) a formula to determine the average county price for a crop; and

"(ii) a mechanism by which the Secretary shall announce periodically the average county price for the crop.".

"(3) For purposes of this subsection, the marketing year of sunflower seeds shall be prescribed by the Secretary by regulation.

"(4)(A) The Secretary shall make a preliminary announcement of the level of price support for sunflower seeds for a marketing year not earlier than 30 days before the beginning of the marketing year. The announced level shall be based on the latest information and statistics available at the time of the announcement.

"(B) The Secretary shall make a final announcement of such level as soon as complete information and statistics are available on prices for the 5 years preceding the beginning of the marketing year. Such final level of support may not be announced later than 30 days after the beginning of the marketing year with respect to which the announcement is made. The final level of support may not be less than the level of support provided for in the preliminary announcement.

"(5) Notwithstanding any other provision of law, the Secretary shall not require participation in any production adjustment program for sunflower seeds or any other commodity as a condition of eligibility for price support for sunflower seeds.".

SEC. 5. LOAN LIMITATION.

Effective only for each of the 1988 through 1990 crops, subparagraph (C) of section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(2)(C)) is amended to read as follows:

"(C) For each of the 1988 through 1990 crops, the total amount of loans that a person shall be entitled to receive under one or more of the annual programs established under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) for wheat, feed grains, upland cotton, extra long staple cotton, rice, soybeans, honey, and other commodities may not exceed $150,000, less the amount of payments, as described in paragraph (1) and subparagraphs (A) and (B) of this paragraph, received by such person for the crop year involved.".

S. 1317

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COST OF GRAIN STORAGE ON PRIVATELY OWNED FARMS.

The third proviso of section 4(h) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(h)) is amended by striking out "and (3)" and inserting in lieu thereof the following: "(3) the Corporation shall pay rates for the storage of grain in a farm facility that is no less than the rate the Corporation pays to store grain in a commercial storage facility, and (4)".

By Mr. ROCKEFELLER (for himself and Mr. McCain):

S. 1319. A bill to establish within the National Bureau of Standards an Office of Extension Services to support, advise, and assist the various State industrial extension services, and to provide for a 3-year Pilot Grant Program to demonstrate methods by which the Federal Government can help States establish, improve, and expand such services; to the Committee on Commerce, Science, and Transportation.

FEDERAL INDUSTRIAL EXTENSION ACT

● Mr. ROCKEFELLER. Mr. President, I am today introducing, along with my colleague Senator McCain, the Federal Industrial Extension Act of 1987. The bill should bolster the States' efforts to move technology from the laboratories to small- and medium-sized businesses. It also will ensure that the States are aware of the research efforts that are ongoing at the Federal level.

The Federal Industrial Exension Act has two major components. First, it establishes a State outreach office within the National Bureau of Standards. This office, called the Office of Extension Services, would serve as the central point of contact—and expertise—for all of the State Extension Programs. It would be both a collector of information about the technology transfer activities in the States as well as a disseminator of information about research efforts at our Federal research institutions.

Second, the Federal Extension Act sets up a small Federal Grant Program to assist States in their efforts to transfer technology. This 3-year, $15 million Pilot Grant Program would improve the transfer of federally funded research to businesses in the States.

The Federal Industrial Extension Act of 1987 is not a new idea. It is based on time-tested concepts and a proven legislative program—the Agricultural Cooperative Extension Service—that has been enormously successful in reaching out to our rural communities. This would not be the first time that the Federal Government has attempted to apply the agriculture extension idea to the transfer of technology to industry. From 1965 to 1970 the Department of Commerce administered a technology transfer program called the State Technical Services Act [STS] of 1965. A 1969 evaluation of the STS Program by the Arthur D. Little Co. found that,

> The STS Program through the use of relatively small amounts of money, increased the viability of technology transfer to industry for a fairly wide range of programs, particularly in medium- and small-sized industry.

The Federal Extension Act responds to the needs expressed by States and universities for a Federal partnership with the States to transfer technology to small- and medium-sized businesses. For example, West Virginia University has informed me that they have some existing technology transfer programs, but that they need additional help from a legislative program such as this one. Other universities such as Cornell University have come to Congress to ask that we set up a technology extension program.

The House counterpart to this bill, H.R. 2492, was introduced by Congressmen BOEHLERT and MACKAY on May 21. I am hopeful that this measure will be included in the technology proposals that are currently being considered by the Senate Committee on Commerce, Science, and Transportation and the House Committee on Science, Space, and Technology.

As one scientist aptly described it, technology transfer is a "contact sport" that requires one-on-one human contact. The purpose of the Federal Industrial Extension Act is to facilitate that contact between the States, the Federal Government, our universities, and the private sector. If American businesses are going to reap the fruits of our successes in basic science research, we must work together to ensure that our scientific advances move from the confines of our laboratories to our factory floors.●

By Mr. McCAIN (for himself and Mr. DECONCINI):

S. 1321. A bill to declare that the United States holds certain lands in trust for the Camp Verde Yavapai-Apache Indian Community; to the Committee on Energy and Natural Resources.

CAMP VERDE YAVAPAI-APACHE LAND TRANSFER ACT

● Mr. McCAIN. Mr. President, I am pleased to introduce today the Camp Verde Yavapai-Apache Land Transfer Act. I am joined by my distinguished colleague from Arizona, Senator DECONCINI.

The act would transfer 6,577.93 acres from the Coconino National Forest in Arizona into trust for the benefit of the Yavapai-Apache Indian community. The forest land is located near the Montezuma Castle National Monument and is intended to benefit the tribe in three primary ways.

First, the land transfer would assist the Yavapai-Apache Indian community meet current and future housing needs. The existing reservation is made up of five separate parcels of land. Much of the land on these parcels is unsuitable for housing due to natural conditions such as flood plains, steep hills/cliffs or gullies. The only other option for the tribe would be to take agricultural land out of production. This option is economically infeasible, however, since leases for agricultural land provide the largest source of revenue for the tribe. The land acquisition would provide the necessary space for housing families presently living in substandard units and for housing needs foreseen in the near future.

Second, the land proposed for transfer contains a tribal cemetery and religious sites of great importance to the tribe. The land also contains areas traditionally used by the tribe for food gathering. Tribal control of these lands would protect these areas from further vandalism and destruction.

Third, the land acquisition will provide the Yavapai-Apache community with the opportunity for increased employment and business development. The current unemployment rate is an astounding 40 percent. Nearly half of the tribal members are minors who will soon be entering the work force. Unless jobs are created these young people will join the ranks of the unemployed.

One of the primary areas for economic development will be in the area of tourism. The tribe has already experienced great success in its economic development activities around the Montezuma Castle National Monument. These activities include building a visitors center which is rented to the National Park Service, constructing and renting a convenience market, and constructing and operating a recreational park. The tribe has already broken ground for a hotel to serve travelers on Interstate 17 and visitors to the National Monument. The land acquisition would allow the tribe to begin long-term development on additional recreational facilities.

In addition to tourism development, tribal plans call for land to be set-aside for light industrial development. The tribe has completed a land use plan which fully explains its justifications and the intended uses for the land that would be transferred under the act. This plan has been shared with the local community.

This legislation has been in the development stages for over 2 years. The Yavapai-Apache Tribe has consulted with a broad range of local groups affected by this land transfer. The tribe has listened and talked with all parties who have expressed interest in the legislation. This type of interaction has on more than one occasion resolved potential problems. For example, during meetings with local interests, it was discovered that the Yavapai public schools were in need of additional land to construct a middle school across the street from the existing school site. The land across the street, however, was contained within the tribe's proposal. After discussing the matter, the tribe and school agreed to cooperate on a joint venture to benefit the school district and enhance the educational opportunity for tribal members. This agreement is reflected in section 6 of the bill.

I want to commend the tribe for the work they have done to develop this legislation. Their efforts are reflected in the wide range of local support. The Land Transfer Act has been endorsed by Governor Mecham, the Camp Verde Chamber of Commerce, the town of Camp Verde, the County Board of Supervisors, the Camp Verde Public Schools, and the Northern Arizona Paddler's Association.

Senator DECONCINI and I intend to call for a hearing on this bill so that a thorough discussion may take place. I encourage interested parties to carefully examine the bill and to share their concerns not only with Senator DECONCINI and I but with the Yavapai-Apache Tribe. I know they will find the tribe ready and willing to listen and discuss all parts of this bill.

Mr. President, I ask unanimous consent that the text of the bill and the section-by-section analysis of it be printed in the RECORD immediately following these remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1321

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) Subject to the other provisions of this Act, all rights, title, and interests of the United States in the following lands (including all improvements thereon and appurtenances and accretions thereto) located in Yavapai County, Arizona, are hereby declared to be held by the United States in trust for the benefit and use of the Camp Verde Yavapai-Apache Indian Community and are hereby declared to be part of the reservation of the Camp Verde Yavapai-Apache Indian Community:

Gila and Salt River Base and Meridian, Arizona:

T. 15 N., R. 4 E.

Sec. 25: S½ (unsurveyed), consisting of 320 acres, more or less

Sec. 26: S½, consisting of 320 acres, more or less

Sec. 35: All, consisting of 636 acres, more or less

Sec. 36: All, containing N½; N½ S½; and lots 1, 2, 3, and 4 consisting of 636 acres, more or less

T.15 N., R. 5 E.

Sec. 30: Portion of lot 2 lying south of a line from the E¼ corner of sec. 25, T.15 N., R. 4 E., extended thence due east to the east line of lot 2; and lots 3 and 4 consisting of 134.42 acres, more or less

Sec. 31: Lots 1, 2, 3, and 4, consisting of 196.24 acres, more or less

T.14 N., R. 4 E.

Sec. 1: Lots 5, 6, 10, 11, 7, 8, and 9; SW¼ NW¼; E½ SW¼; lots 14, 15, 12, and 13; and S½ SE¼ containing 665.56 acres, more or less

Sec. 12: N½; NE¼ SW¼; and lots 6, 7, 8, 9, 11, and 12 consisting of 531.82 acres, more or less

Sec. 13: NE¼ NE¼; N½ SE¼ NE¼; and lots 12 and 13 containing 89.84 acres, more or less

T.14 N., R. 5 E.

Sec. 4: Lots 2, 3, and 4; and portion of SW¼ NE¼ and S½ NW¼ situated northerly from Interstate Highway 17 northern most easement line, as shown on Arizona Department of Transportation (ADOT), Job Numbers 1-17-2(10) and (15), containing 198.09 acres, more or less

Sec. 5: Lots 1 and 2; S½ NE¼; lots 3, 4, 5, 6, 7, 8, 11, and 12; SW¼ SW¼; lots 13, 10, and 14; and portion of lots 9 and 15 situated northwesterly from Interstate Highway 17 northwestern most easement line, shown on Arizona Department of Transportation (ADOT), Job Numbers 1-17-2(10) and (15), containing 665.78 acres, more or less

Sec. 6: Lots 1, 2, 7, and 8; S½ NE¼; lots 3, 4, 5, 6, and 9; SE¼ NW¼; E½ SW¼; lots 10 and 11; and SE¼ consisting of 703.80 acres, more or less

Sec. 7: NE¼; E½ NW¼; lots 3 and 4; NE¼ SW¼; lots 5, 6, 12, and 7; N½ SE¼; and lots 8 and 9 consisting of 623.36 acres, more or less

Sec. 8: Portion of W½ NE¼, NW¼ and N½ N½ SW¼ situated northwesterly from Interstate Highway northwestern most easement line, as shown on Arizona Department of Transportation (ADOT), Job Numbers 1-17-2(10) and (15); S½ NW¼ SW¼; SW¼ SW¼, containing 285 acres, more or less

Sec. 17: Portion of lot 1 lying westerly of Beaver Creek as found by the survey of Vance McDonald of April, 1984 consisting of 2 acres, more or less

Sec. 18: lot 8; Tract 37; lots 17, 9, 15, 1, 11, 16, 10, 18, 19, 20, 21, and 22; and Tract 38 consisting of 330.89 acres, more or less

Sec. 19: E½, exclusive of FX PAT. 02-73-0040, FX PAT. 02-78-0005, FX PAT. 02-75-0005 and HE PAT 789, consisting of 93.13 acres, more or less

Sec. 20. Portions of E½ NW¼ and lots 5, 1, 2, and 6 which lie west of Beaver Creek, as found by the survey of Vance McDonald of April, 1984, consisting of 146 acres, more or less

(b) Nothing in this Act shall deprive any person of any right-of-way, mining claim, grazing permit, water right, or other right or interest which such person may have in the lands described in subsection (a) on the date preceding the date of enactment of this Act.

SEC. 2. There is hereby reserved to the holder of the livestock grazing permit issued by the Forest Service of the Department of Agriculture for the Montezuma Allotment an easement on the customary and usual passageways along and in the bed of Beaver Creek within the lands described in section 1(a) for the purpose of moving livestock to and from pastures.

SEC. 3. If title to any lands located within Township 14 North, Range 4 East, Gila and Salt River Base and Meridian, Arizona which are contiguous to the reservation of the Camp Verde Yavapai-Apache Indian Community are acquired by the Camp Verde Yavapai-Apache Indian Community, such lands shall become part of, and shall be within, the exterior boundaries of the reservation of the Camp Verde Yavapai-Apache Indian Community.

SEC. 4. The Camp Verde Yavapai-Apache Indian Community is hereby granted a permanent public easement over United States Forest Service Highway, No. 119A from the United States Forest Service Highway, No. 119 to the Middle Verde Road, within sections 3, 24, 25, 26, 34, and 35, Township 15 North, Range 4 East, and sections 18 and 19, Township 15 North, Range 5 East, Gila and Salt River Base and Meridian, Yavapai County, Arizona.

SEC. 5. The Montezuma Castle Background Management Unit shall remain in effect over those lands described in section 1(a) to the extent provided in the Memorandum of Understanding dated April 1, 1970, between the Forest Service of the Department of Agriculture and the National Park Service of the Department of the Interior. The Camp Verde Yavapai-Apache Indian Community shall be treated as if it were a signatory to such Memorandum of Understanding with respect to such lands.

SEC. 6. During the 30-month period beginning on the date of enactment of this Act, the Camp Verde Yavapai-Apache Indian Community may, subject to the approval of the Secretary of the Interior, or his delegate, transfer, assign, or exchange up to 40 acres of the lands described in section 1(a) for an educational use or for the purpose of consolidating these lands with the reservation of the Camp Verde Yavapai-Apache Indian Community.

SEC. 7. All special use permits issued by the Forest Service of the Department of Agriculture for uses on lands described in section 1(a), which are in effect on the date of enactment of this Act, shall remain in effect until the earlier of—

(1) the date that is 25 years after the date of enactment of this Act, or

(2) the date on which such uses are abandoned.

SEC. 8. (a) The Secretary of the Interior, prior to approving any contract, agreement, or lease (under any authority provided by a law relating to Indians) for activities to be undertaken within the portions of section 17, 18, 20 of Township 14 North, Range 5 East, Gila and Salt River Base and Meridian, Arizona, that have been designated by the Camp Verde Yavapai-Apache Indian Community as the Yavapai-Apache Tribal Natural Recreation Area shall first consult with those authorities having land use control over the riparian areas contiguous to such Recreation Area. The Secretary may approve activities or land development within such Recreation Area only if such activities or development are compatible with the land use regulations, or management plans, for such contiguous lands that exist at the time the approval of the Secretary is sought.

(b) Notwithstanding subsection (a), the following activities are authorized within the Yavapai-Apache Tribal Natural Recreation Area:

(1) limited camp site development with low speed access roads and restroom facilities, and

(2) effluent ponds for wastewater treatment.

(c) Notwithstanding subsection (a), the following activities are not allowed within the Yavapai-Apache Tribal Natural Recreation Area:

(1) residential development,

(2) major structural development,

(3) sand and gravel extraction, and

(4) any disturbance within the streamside riparian zone and a 50-yard buffer of mature mesquite forest.

(d) Nothing in this Act shall affect the right of any person to canoe or float along Beaver Creek, including the right to portage obstacles.

SECTION-BY-SECTION ANALYSIS

The Camp Verde Yavapai-Apache Indian Community Land Transfer Act transfers certain land is Yavapai County, Arizona, into trust for the benefit of the Camp Verde Yavapai-Apache Tribe. The land is Service.

Section 1(a)

Subsection (a) of Section 1 describes the 6,577.95 acres which will be made a part of the Camp Verde Reservation in Yavapai County, Arizona. The land is contiguous to existing tribal land and will be used for expansion of the tribal tourist activities in the vicinity of the Montezuma Castle, National Monument, United States Park Service. The lands transferred by this Act will enhance the economic development activities already undertaken by the Camp Verde Yavapai-Apache Tribe, including its existing tourist center leased to the National Park Service, convenience market, and recreational vehicle park. The Camp Verde Tribe has recently begun construction of Castle Cliff Lodge, a hotel on existing tribal land. A portion of the land transferred under this Act will be used for a sanitation system for Castle Cliff Lodge and be available for residential and other municipal users both on and off the reservation.

The land transferred to the Camp Verde Vavapai-Apache Tribe will be available for use for needed residential, governmental, commercial and recreational purposes. The land is transferred pursuant to federal policy to provide a tribal homeland and a viable economic base for Indian tribes.

Section 1(b)

This section protects all existing non-federal right holders who may have rights in the land. This section protects existing rights-of-way for utility lines, roads, and irrigation canals.

Section 2

The holder of the United States Forest Service Montezuma grazing allotment moves cattle across lands subject to this Act. This Section 2 reserves to the allotment holder an easement for moving cattle along the usual and customary passages over the land.

Section 3

This section provides that if the Yavapai-Apache Tribe acquires contiguous non-federal land, it will become a part of the reservation. This bill facilitate the consolidation of tribal land in the event the Tribe can acquire non-federal land joining the lands in Section 1 with the existing Middle Verde Reservation. This section is consistent with existing federal law and supports the federal policy of consolidating Indian land.

Section 4

Section 4 assures the Camp Verde Yavapai-Apache Tribe a right of access to the lands described in Section 1. This section protects existing access to the land described in Section 1 by granting a right-of-way over Forest Service road to the Middle Verde Road, a county highway. The access rights are thereby protected in the event that the adjoining Forest Service land is transferred to a non-federal party.

Section 5

The Camp Verde Yavapai-Apache Tribe has a history of cooperation with the National Park Service in promoting the Montezuma Castle, National Monument. The Camp Verde Yavapai-Apache Tribe currently rents to the National Park Service the Visitors' Center for the National Monument. The Camp Verde Tribe's economic development plans are based largely on recreational development, an important aspect of which is the attraction provided by Montezuma Castle. The National Park Service and the United States Forest Service have previously agreed through a Memorandum of Understanding to a joint management of a scenic perimeter around the National Monument. Section 5 provides for the enforcement of the Memorandum of Understanding by the Camp Verde Yavapai-Apache Tribe.

Section 6

This section grants the Tribe authority, with approval of the Secretary of Interior, to use up to 40 acres of land described in Section 1 for an exchange to effect a consolidation of land with the Middle Verde Reservation. Section 6 also grants the Camp Verde Tribe the necessary authority to effect an exchange of land for educational purposes. This section will allow the Camp Verde Yavapai-Apache Tribe and the Camp Verde Public Schools to cooperate in a joint proposal to expand the Camp Verde Public Schools to improve the quality of education for both Indian and non-Indian students.

Section 7

The United States Forest Service has granted several Special Use Permits for various easements, rights-of-way, and other uses on the land described in Section 1. Although Section 1(b) protects any such rights, several of these Special Use Permits were issued with short terms with the understanding that they would be renewed. This section extends those permits for 25 years. If prior to expiration, the permit rights are abandoned, then such rights would revert to the United States to be held in trust for the Camp Verde Yavapai-Apache Tribe.

Section 8

Subsection (a) designates portions of Sections 17, 18, and 20 of T.14N.R.5E, G&SRb&M as the Yavapai-Apache Tribal Natural Recreation Area.

Subsection (b) requires the Secretary of the Interior to consult with those authorities with control over the riparian areas that are contiguous to the Natural Recreation Area. The Secretary can only approve activities or land development in the Natural Recreation Area that are compatible with the existing regulations or management plans in the contiguous riparian areas.

Subsection (c) authorizes exceptions to subsection (b).

Subsection (d) lists for activities not allowed in the Natural Recreation Area even if such activities were permitted in the contiguous riparian areas mentioned in subsection (b).

Subsection (e) permits the public to continue canoeing or floating down Beaver Creek.●

By Mr. MURKOWSKI:

S. 1322. A bill for the relief of Sotirios George Mastroyanis; to the Committee on the Judiciary.

RELIEF OF SOTIRIOS GEORGE MASTROYANIS

● Mr. MURKOWSKI. Mr. President, today I am introducing a private relief bill making Dr. Sotirios George Mastroyanis of Palmer, AK a lawful permanent resident of the United States.

Dr. Mastroyanis is a citizen of Greece who is presently in this country on an extended J-1 cultural exchange visa teaching talented and gifted elementary school students for the Matanuska-Susitna Borough School District in Palmer, AK. He and his wife are also foster parents.

All of his efforts through the Immigration and Naturalization Service [INS] and the U.S. Department of Labor [DOL] to legally remain in this country have been exhausted. Unless something is done soon to help Dr. Mastroyanis he will be forced to leave this country by the end of this school year of June 1987.

Dr. Mastroyanis has been employed by the district since August 1984. He was recruited by a special committee following an extensive nationwide search through the Gifted Education Placement Service for a talented and gifted elementary school teacher. The committee traveled to four States interviewing various applicants for the position and on August 6, 1984, hired Dr. Mastroyanis for the job.

At the time of his hire, Dr. Mastroyanis was deemed by the district to be the best quality candidate for the job. He was in this country working on a Ph.D in educational psychology with an emphasis in gifted education at the University of Georgia. He was also employed as an elementary school teacher working with the gifted. He had spent 11 years studying and earning five degrees at major universities on three continents and had taught students from preschool to postgraduate level.

His academic qualifications and professional skills are exceptional and uniquely suited for Alaska. There may be no one in the State better qualified than he to work with gifted and talented Alaska elementary school children. He has spent nearly 3 years doing this with the district. He has his Ph.D in educational psychology and a doctoral dissertation on "life skills for the future: perceptions of experts, Alaskan educators and Alaskan gifted children."

Dr. Mastroyanis' background and teaching skills have added a new dimension to the education of the district's elementary schools. Greek, computer literacy, cross country and track, and a vibrant talented and gifted extended learning program are choices that are now available to many of the district's children. Countless letters from Alaska students, parents, school administrators, and State public officials bear testimony to this.

The district has tried, but failed, to secure a visa from the INS to permit Dr. Mastroyanis to work permanently in this country. The problem lies primarily with DOL's refusal to certify that the employment of Dr. Mastroyanis would not displace a U.S. resident worker.

By law, before the INS can issue a permanent work visa to an alien, the DOL must certify that the employment of an alien at the time of an application for a permanent work visa would not displace or adversely affect the wages or working conditions of other U.S. resident workers.

To obtain certification, the employer must prove to DOL that it adequately recruited U.S. resident workers for the job offered to an alien. To demonstrate adequate recruitment of U.S. resident workers, DOL regulations require the employer to post a job notice at its place of employment, recruit through the State Employment Service, and place an ad in a trade or national publication.

It is possible for an employer to forgo DOL's recruitment requirements, and use its own recruitment sources, if it can show it adequately recruited U.S. resident workers with no success within 6 months of its application for a permanent work visa.

In February 1985, approximately 6 months from the recruitment and hire of Dr. Mastroyanis, the district applied for what it thought was the necessary paperwork for a permanent work visa for Dr. Mastroyanis with the INS office in Anchorage, AK. Dr. Mastroyanis had personally driven on two separate occasions to Anchorage from Palmer, AK to determine the correct procedure for application for permanent residence.

However, a series of apparent INS administrative foul-ups, delays, and misinformation kept this from happening and the district was forced to reapply. If the proper paperwork for the permanent work visa had been originally filed, it is highly likely that the district's recruitment sources would have been sufficient for DOL purposes.

The proper paperwork for DOL certification reached DOL in October 1985, but by then it was too late. Since the paperwork was filed more than 6 months after the recruitment of Dr. Mastroyanis, the district's request to waive or reduce DOL's recruitment requirements was refused. This meant the district would have to recruit again for Dr. Mastroyanis' position, and do it through the State's employment service, not through its own recruitment procedures.

The district did not appeal the denial of its recruitment reduction request because it was told by the INS that it was the duty of Dr. Mastroyanis to appeal. This was inaccurate, and before this could be straightened out, the time for appeal had expired. The district reapplied for a permanent work visa in the fall of 1985. Its recruitment reduction request was again denied, but this time because of the "apparent availability of applicants on file with the State Employment Service."

There may have been "an apparent availability of applicants for the job on file with the State Employment Service," but it appears that DOL failed to determine whether the applicants were as equally qualified for the job as Dr. Mastroyanis. That determination is required by law under 8 U.S.C. 1182(a)(14). It in effect requires applicants to be as equally qualified as the alien if they are applying for a job offered to an alien in the teaching profession.

On the other hand, DOL regulations require that an applicant only be minimally qualified for a job offered to an alien in the teaching profession unless the job is in higher education, such as a college teaching post. Those regulations are too restrictive.

The result of Dr. Mastroyanis' certification may very well have been different if it had not been for this. The applicants for the job offered to Dr. Mastroyanis would have had to have been at least as qualified as Dr. Mastroyanis before the DOL would have been able to claim that Dr. Mastroyanis' hire would have displaced available U.S. resident workers.

Dr. Mastroyanis' administrative remedies to remain in this country are now exhausted, and he must leave this country by June 30, 1987. He is the victim of administrative foul-ups, delays misinformation, and an overly restrictive regulation. If it had not been for those things, he more than likely would now have a permanent work visa.

The district did an extensive national search to find a elementary schoolteacher for its gifted and talented program. It used a national executive job placement service and a special committee to travel to four other States to interview prospective candidates. At the time the district did its job search there were no other qualified U.S. resident workers for the position offered to Dr. Mastroyanis. It hired the best available candidate—someone with an exceptional background and professional skills uniquely suited to Alaska.

Mr. President, I believe the facts and circumstances of this case have given rise to a moral obligation for our Government to not seek a forced exit of Dr. Mastroyanis. To do so, would not only be unjust, but a disservice to the parents and elementary schoolchildren in Palmer, AK.

In an effort to help Dr. Mastroyanis, I therefore am introducing a private relief bill granting him permanent legal residence in the United States.●

By Mr. PACKWOOD (for himself, Mr. CRANSTON, Mr. D'AMATO, Mr. DIXON, Mr. HEINZ, Mr. METZENBAUM, Mr. TRIBLE, Mr. DECONCINI, Mr. BOSCHWITZ, Mr. KENNEDY, Mr. DURENBERGER, Mr. LAUTENBERG, Mr. KASTEN, Mr. PELL, Mr. WILSON, Mr. HARKIN, Mr. WEICKER, Mr. DASCHLE, Mr. MCCONNELL, Mr. SARBANES, Mr. MOYNIHAN, Mr. SPECTER, Mr. FORD, Mr. KERRY, Mr. MELCHER, Mr. SIMON, Mr. SASSER, Mr. SHELBY, Mr. RIEGLE, Mr. MITCHELL, Mr. CHILES, Mr. JOHNSTON, Mr. BRADLEY, Mr. GRAHAM, Mr. HECHT, Mr. FOWLER, Mr. PRESSLER, Ms. MIKULSKI, Mr. KARNES, Mr. BURDICK, Mr. GORE, Mr. GRASSLEY, Mr. WIRTH, Mr. LEVIN, Mr. LEAHY, Mr. REID, Mr. DANFORTH, Mr. BOND, Mr. MATSUNAGA, Mr. SANFORD, and Mr. PROXMIRE):

S.J. Res. 153. Joint resolution prohibiting the enhancement or upgrade in the sensitivity of technology of, or the capability of, Maverick missiles for Saudi Arabia; to the Committee on Foreign Relations.

(The remarks of Mr. PACKWOOD and the text of the legislation appear earlier in today's RECORD.)

By Mr. PELL:

S.J. Res. 154. Joint resolution to designate the period commencing on November 15, 1987, and ending on November 22, 1987, as "National Arts Week"; to the Committee on the Judiciary.

NATIONAL ARTS WEEK

● Mr. PELL. Mr. President, today I am introducing a joint resolution to designate the week of November 15 through 22, 1987, as "National Arts Week." I believe such a proclamation by the U.S. Congress is an important endorsement for the artists and arts organizations of our Nation.

The Congress first designated "National Arts Week" in 1985 in recognition of the 20th anniversary of the establishment of the National Endowment for the Arts. Last year, we continued this celebration with National Arts Week 1986. It is my hope that we can expand upon the great successes of the last 2 years, and designate "National Arts Week" this year as well. By so doing, we will express our support for generating increased public interest in the arts.

Throughout our Nation's history, the arts have played an important role in creating a national identity and contributing to our intellectual development. The arts provide an important documentation of our Nation's history and emotions. From the radiant optimism of our growing Nation as expressed in the art of the Hudson River Valley School of the 19th century, to the mood of the future in contemporary synthesized music, artists have reflected the mental state of our great Nation. The arts have inspired us, stimulated us, and served as a cultural focus for various ethnic groups, preserving the diversity so fundamental to our Nation's strength.

During the past 2 years, National Arts Week has enjoyed tremendous success and growth. Last year, over 1,500 arts events took place and the Governors and mayors of our Nation issued over 100 proclamations of support. In 1987, we hope to double the number of proclamations and triple the number of events during National Arts Week. The celebration encourages a great number of diverse events which contribute to the richness of our Nation. From philharmonic concerts to poetry readings, from a Latin American folklore festival here in Washington to storytelling in the Adirondacks of New York, and from facility exhibits in the public schools of Woonsocket, RI, to sidewalk paintings by fifth graders in Woodridge, IL, the people of our Nation came out last November in great support of this celebration of the arts.

National Arts Week provides a distinctive national focus, uniting the pubic and private sectors, to celebrate the rich artistic heritage of our Nation. National Arts Week is a nationwide event built from the grass roots and dependent on the participation of the ever-growing network of local arts agencies. The National Assembly of Local Arts Agencies is taking an important lead role in promoting National Arts Week 1987, while the National Endowment for the Arts and the National Assembly of State Art Agencies have also given their endorsements to this celebration. Support for National Arts Week has come from the business community as well, as expressed by the Corporate Committee, under the leadership of Paul Elicker, chairman of the SCM Corp. The vital support of these organizations ensures that National Arts Week 1987 will be a great success.

By endorsing this legislation, we will fuel the celebration of one of our Nation's greatest treasures, the arts. National Arts Week offers the focus for a united effort in commemoration of our Nation's artistic heritage and in encouragement of our future artists, whose gifts we will receive for years to come. Therefore, I strongly urge you to join me in this celebration of the human spirit by cosponsoring this legislation.●

ADDITIONAL COSPONSORS

S. 3

At the request of Mr. CRANSTON, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 3, a bill to amend title II of the Social Security Act to provide that the combined earnings of a husband and wife during the period of their marriage shall be divided equally and shared between them for benefit purposes, so as to recognize the economic contribution of each spouse to the marriage and ensure that each spouse will have Social Security protection in his or her own right.

S. 62

At the request of Mr. Stevens, the name of the Senator from California [Mr. Cranston] was added as a cosponsor of S. 62, a bill to improve efforts to monitor, assess, and to reduce the adverse impact of driftnets.

S. 248

At the request of Mr. Lautenberg, the name of the Senator from Nevada [Mr. Reid] was added as a cosponsor of S. 248, a bill to amend title 10, United States Code, to permit members of the Armed Forces to wear, under certain circumstances, items of apparel not part of the official uniform.

S. 332

At the request of Mr. DeConcini, the name of the Senator from Delaware [Mr. Biden] was added as a cosponsor of S. 332, a bill to provide for a General Accounting Office investigation and report on conditions of displaced Salvadorans, to provide certain rules of the House of Representatives and of the Senate with respect to review of the report, to provide for the temporary stay of detention and deportation of certain Salvadorans, and for other purposes.

S. 422

At the request of Mr. Bradley, the names of the Senator from New York [Mr. Moynihan], the Senator from North Dakota [Mr. Conrad], and the Senator from Maine [Mr. Mitchell] were added as cosponsors of S. 422, a bill to amend title XIX of the Social Security Act to permit States to provide Medicaid benefits to additional poor children and pregnant women.

S. 441

At the request of Mr. Heinz, the name of the Senator from Michigan [Mr. Levin] was added as a cosponsor of S. 441, a bill to amend the Steel Import Stabilization Act.

S. 533

At the request of Mr. Thurmond, the names of the Senator from Pennsylvania [Mr. Specter] and the Senator from Kentucky [Mr. Ford] were added as cosponsors of S. 533, a bill to establish the Veterans' Administration as an executive department.

S. 548

At the request of Mr. Metzenbaum, the names of the Senator from Alabama [Mr. Heflin], the Senator from Delaware [Mr. Biden], and the Senator from Wisconsin [Mr. Proxmire] were added as cosponsors of S. 548, a bill to amend title 11, United States Code, the Bankruptcy Code, regarding benefits of certain retired employees.

S. 567

At the request of Mr. DeConcini, the name of the Senator from North Dakota [Mr. Conrad] was added as a cosponsor of S. 567, a bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.

S. 738

At the request of Mr. Kerry, the names of the Senator from North Carolina [Mr. Sanford], the Senator from Utah [Mr. Hatch], and the Senator from Nevada [Mr. Hecht] were added as cosponsors of S. 738, a bill to amend the Foreign Assistance Act of 1961 to modify provisions relating to the trade and development program.

S. 744

At the request of Mr. Mitchell, the names of the Senator from Maryland [Mr. Sarbanes] and the Senator from Arizona [Mr. DeConcini] were added as cosponsors of S. 744, a bill to assist States in responding to the threat to human health posed by exposure to radon.

S. 831

At the request of Mr. Bingaman, the name of the Senator from Hawaii, [Mr. Matsunaga] was added as a cosponsor of S. 831, a bill to provide grants to States for fellowships for individuals who have outstanding ability, demonstrate an interest in a teaching career, and will teach in areas of the State in which there is a shortage of quality elementary or secondary schoolteachers or in fields of study in which there is a shortage of quality elementary or secondary schoolteachers, or both, and for other purposes.

S. 837

At the request of Mr. Kennedy, the name of the Senator from Maryland [Ms. Mikulski] was added as a cosponsor of S. 837, a bill to amend the Fair Labor Standards Act of 1938 to restore the minimum wage to a fair and equitable rate, and for other purposes.

S. 860

At the request of Mr. Boren, the name of the Senator from West Virginia [Mr. Byrd] was added as a cosponsor of S. 860, a bill to designate "The Stars and Stripes Forever" as the national march of the United States of America.

S. 997

At the request of Mr. Pell, the name of the Senator from Hawaii [Mr. Matsunaga] was added as a cosponsor of S. 997, a bill to require the Director of the National Institute on Aging to provide for the conduct of clinical trials on the efficacy of the use of tetrahydroaminoacidine in the treatment of Alzheimer's disease.

S. 1116

At the request of Mr. Exon, the name of the Senator from North Dakota [Mr. Conrad] was added as a cosponsor of S. 1116, a bill to establish the Office of Barter and Countertrade within the Department of Commerce.

S. 1189

At the request of Mr. Melcher the name of the Senator from Hawaii [Mr. Inouye] was added as a cosponsor of S. 1189, a bill to amend the Older Americans Act of 1965 to authorize grants to States for demonstration projects that provide to older individuals services in return for certain volunteer services provided to other individuals.

S. 1203

At the request of Mr. Grassley, the name of the Senator from Tennessee [Mr. Sasser] was added as a cosponsor of S. 1203, a bill to amend title 22, United States Code, to make unlawful the establishment or maintenance within the United States of an office of the Palestine Liberation Organization, and for other purposes.

S. 1224

At the request of Mr. Kasten, the name of the Senator from Florida [Mr. Chiles] was added as a cosponsor of S. 1224, a bill to provide for 3 years duty free treatment of certain power-driven weaving machines and parts thereof.

S. 1279

At the request of Mr. Hatfield, the name of the Senator from Mississippi [Mr. Cochran] was added as a cosponsor of S. 1279, a bill to extend the Renewable Resources Extension Act of 1978.

S. 1309

At the request of Mr. Cranston, the names of the Senator from Pennsylvania [Mr. Heinz] and the Senator from Oregon [Mr. Hatfield] were added as cosponsors of S. 1309, a bill to ensure economic equity for American women by providing retirement security, making quality dependent care available, ending discrimination in insurance and commercial credit, providing equal employment opportunity and pay equity, protecting welfare of spouses of persons institutionalized under the Medicaid Program, and for other purposes.

SENATE JOINT RESOLUTION 15

At the request of Mr. Pressler, the names of the Senator from Hawaii [Mr. Matsunaga] and the Senator from West Virginia [Mr. Rockefeller] were added as cosponsors of Senate Joint Resolution 15, a joint resolution designating the month of November 1987 as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 40

At the request of Mr. Kasten, the names of the Senator from Rhode Island [Mr. Chafee], the Senator from

California [Mr. Wilson], the Senator from Delaware [Mr. Biden], the Senator from Indiana [Mr. Quayle], and the Senator from Massachusetts [Mr. Kerry] were added as cosponsors of Senate Joint Resolution 40, a joint resolution to give special recognition to the birth and achievements of Aldo Leopold.

SENATE JOINT RESOLUTION 72

At the request of Mr. Gore, the names of the Senator from Kansas [Mr. Dole], the Senator from New York [Mr. Moynihan], the Senator from Georgia [Mr. Nunn], the Senator from California [Mr. Cranston], the Senator from Connecticut [Mr. Dodd], the Senator from Maine [Mr. Mitchell], and the Senator from North Dakota [Mr. Conrad] were added as cosponsors of Senate Joint Resolution 72, a joint resolution to designate the week of October 11, 1987, through October 17, 1987, as "National Job Skills Week."

SENATE JOINT RESOLUTION 88

At the request of Mr. Bradley, the names of the Senator from Colorado [Mr. Wirth], and the Senator from Missouri [Mr. Bond] were added as cosponsors of Senate Joint Resolution 88, a joint resolution to designate the period commencing November 15, 1987, and ending November 21, 1987, as "Geography Awareness Week."

SENATE JOINT RESOLUTION 101

At the request of Mr. Cranston, the names of the Senator from Kansas [Mrs. Kassebaum], the Senator from Louisiana [Mr. Johnston], and the Senator from Arizona [Mr. DeConcini] were added as cosponsors of Senate Joint Resolution 101, a joint resolution designating June 19, 1987 as "American Gospel Arts Day."

SENATE JOINT RESOLUTION 105

At the request of Mr. Lautenberg, the names of the Senator from North Dakota [Mr. Conrad] and the Senator from Alaska [Mr. Stevens] were added as cosponsors of Senate Joint Resolution 105, a joint resolution to designate December 7, 1987, as "National Pearl Harbor Remembrance Day" on the occasion of the anniversary of the attack on Pearl Harbor.

SENATE JOINT RESOLUTION 109

At the request of Mr. Durenberger, the names of the Senator from Georgia [Mr. Nunn] and the Senator from Missouri [Mr. Bond] were added as cosponsors of Senate Joint Resolution 109, a joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week."

SENATE JOINT RESOLUTION 110

At the request of Mr. Leahy, the names of the Senator from Wisconsin [Mr. Kasten], the Senator from Maine [Mr. Mitchell], and the Senator from Alaska [Mr. Stevens] were added as cosponsors of Senate Joint Resolution 110, a joint resolution to designate October 16, 1987, as "World Food Day."

SENATE JOINT RESOLUTION 111

At the request of Mr. Heinz, the names of the Senator from Oklahoma [Mr. Boren], the Senator from Iowa [Mr. Grassley], the Senator from Idaho [Mr. McClure], and the Senator from Florida [Mr. Chiles] were added as cosponsors of Senate Joint Resolution 111, a joint resolution to designate each of the months of November 1987 and November 1988 as "National Hospice Month."

SENATE JOINT RESOLUTION 138

At the request of Mr. Helms, the names of the Senator from Kansas [Mr. Dole], the Senator from Oklahoma [Mr. Nickles], the Senator from Nevada [Mr. Hecht], and the Senator from New York [Mr. D'Amato] were added as cosponsors of Senate Joint Resolution 138, a joint resolution to designate the period commencing on July 13, 1987, and ending on July 26, 1987, as "U.S. Olympic Festival—1987 Celebration," and to designate July 17, 1987, as "U.S. Olympic Festival—1987 Day."

SENATE JOINT RESOLUTION 139

At the request of Mr. Garn, the name of the Senator from Illinois [Mr. Simon] was added as a cosponsor of Senate Joint Resolution 139, a joint resolution to designate July 20, 1987, as "Space Exploration Day."

SENATE JOINT RESOLUTION 141

At the request of Mr. Nickles, the name of the Senator from Pennsylvania [Mr. Specter] was added as a cosponsor of Senate Joint Resolution 141, a joint resolution designating August 29, 1988, as "National China-Burma-India Veterans Appreciation Day."

SENATE JOINT RESOLUTION 142

At the request of Mr. Weicker, the names of the Senator from South Dakota [Mr. Pressler], the Senator from Georgia [Mr. Nunn], the Senator from Idaho [Mr. Symms], the Senator from Alabama [Mr. Shelby], the Senator from Alabama [Mr. Heflin], the Senator from Minnesota [Mr. Boschwitz], the Senator from New York [Mr. Moynihan], and the Senator from Vermont [Mr. Leahy], were added as cosponsors of Senate Joint Resolution 142, a joint resolution to designate the day of October 1, 1987, as "National Medical Research Day."

SENATE JOINT RESOLUTION 147

At the request of Mr. Levin, the names of the Senator from Missouri [Mr. Bond], the Senator from North Dakota [Mr. Burdick], the Senator from Florida [Mr. Chiles], the Senator from Mississippi [Mr. Cochran], the Senator from Connecticut [Mr. Dodd], the Senator from Ohio [Mr. Glenn], the Senator from South Carolina [Mr. Hollings], the Senator from Hawaii [Mr. Inouye], the Senator from Louisiana [Mr. Johnston], the Senator from Massachusetts [Mr. Kerry], the Senator from New Jersey [Mr. Lautenberg], the Senator from Hawaii [Mr. Matsunaga], the Senator from Ohio [Mr. Metzenbaum], the Senator from Georgia [Mr. Nunn], the Senator from Arkansas [Mr. Pryor], the Senator from North Carolina [Mr. Stanford], the Senator from Mississippi [Mr. Stennis], and the Senator from California [Mr. Wilson], were added as cosponsors of Senate Joint Resolution 147, a joint resolution designating the week beginning on the third Sunday of September in 1987 and 1988 as "National Adult Day Care Center Week."

SENATE JOINT RESOLUTION 148

At the request of Mr. D'Amato, the names of the Senator from Minnesota [Mr. Boschwitz], the Senator from Idaho [Mr. McClure], the Senator from South Carolina [Mr. Hollings], the Senator from Arkansas [Mr. Pryor], and the Senator from Minnesota [Mr. Durenberger] were added as cosponsors of Senate Joint Resolution 148, a joint resolution designating the week of September 20, 1987, through September 26, 1987, as "Emergency Medical Services Week."

SENATE CONCURRENT RESOLUTION 15

At the request of Mr. Heflin, the name of the Senator from Vermont [Mr. Leahy] was added as a cosponsor of Senate Concurrent Resolution 15, a concurrent resolution expressing the sense of the Congress, that no major change in the payment methodology for physicians' services, including services furnished to hospital inpatients, under the Medicare Program should be made until reports required by the 99th Congress have been received and evaluated.

SENATE CONCURRENT RESOLUTION 29

At the request of Mr. DeConcini, the name of the Senator from Florida [Mr. Graham] was added as a cosponsor of Senate Concurrent Resolution 29, a concurrent resolution expressing the sense of Congress regarding the inability of American citizens to maintain regular contact with relatives in the Soviet Union.

SENATE CONCURRENT RESOLUTION 59

At the request of Mr. Moynihan, the names of the Senator from Arkansas [Mr. Bumpers], the Senator from Mississippi [Mr. Stennis], the Senator from Colorado [Mr. Wirth], the Senator from Michigan [Mr. Riegle], and the Senator from Hawaii [Mr. Inouye] were added as cosponsors of Senate Concurrent Resolution 59, a concurrent resolution to express the sense of the Congress that the Harlem Hospital Center be recognized for one hundred years of community service.

SENATE RESOLUTION 176

At the request of Ms. Mikulski, the names of the Senator from North Dakota [Mr. Conrad], and the Senator from Minnesota [Mr. Boschwitz] were added as cosponsors of Senate

Resolution 176, a bill calling for the immediate release of all the children detained under the state of emergency regulations in South Africa.

SENATE RESOLUTION 224—RELATING TO A MULTILATERAL AGRICULTURAL AGREEMENT WITH THE TOP FIVE AGRICULTURAL PRODUCING COUNTRIES

Mr. BURDICK submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. Res. 224

Resolved, That it is the sense of the Senate that the Secretary of Agriculture should—

(1) meet with appropriate government officials of the top five agricultural producing countries to negotiate an agreement limiting agricultural production in the countries and the United States; and

(2) promote, among the countries a multilateral agreement to limit agricultural production.

NOTICE OF HEARINGS

SUBCOMMITTEE ON MINERAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. MELCHER. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Subcommittee on Mineral Resources Development and Production of the Committee on Energy and Natural Resources on Tuesday, July 14, 1987, at 10 a.m. in room 366 of the Dirksen Senate Office Building. The purpose of the hearing is to consider S. 1006, the Geothermal Steam Act Amendments of 1987.

Those wishing to submit written testimony should address it to the Committee on Energy and Natural Resources, room 364 Dirksen Senate Office Building, U.S. Senate, Washington, DC 20510.

For further information, please contact Patricia Beneke at (202) 224-2383.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on June 3, 1987, to hold a hearing on judicial nominations.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

SUBCOMMITTEE ON NUCLEAR REGULATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Nuclear Regulation, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on June 3, to hold a hearing on the transportation of radioactive materials.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

ADDITIONAL STATEMENTS

IN PRAISE OF TEACHERS

● **Mr. SANFORD.** Mr. Speaker, I have always believed that North Carolina has some of the best teachers to be found anywhere. My belief was confirmed recently when Mrs. Donna H. Oliver, a biology teacher from Burlington, NC, was named the National Teacher of the Year. Today, I salute Mrs. Oliver and her able colleagues in North Carolina and throughout the Nation.

As this Nation grows to appreciate the importance of education, we are developing a greater appreciation of teaching as a profession and of teachers as professionals. From this appreciation must come action. If we are to keep the best and brightest teachers in the classroom, we must treat teachers as professionals and pay them accordingly.

Mrs. Oliver recognizes that better teacher pay isn't the only answer. She points to the need to give teachers better support staff, to relieve them of paperwork chores and free them up to devote their time to their students. We must also give teachers a broader role in determining what goes on in their classrooms, allowing them to help shape curricular and select textbooks.

After 14 years in the classroom, Donna Oliver is still driven by her desire to help young people fulfill their dream. She takes her greatest pleasure in helping students achieve more than they dreamed possible, in encouraging them to finish college, when they doubted they would make it through high school. She is the kind of teacher who inspires students throughout their lives.

I am proud to say that Mrs. Oliver is not the first North Carolina teacher to be named National Teacher of the Year. In 1976, Ruby Murchison of Fayetteville received this award. And in 1972, James Rogers, from my hometown of Durham, won this title. I am confident that, as long as North Carolina continues its dedication to excellence in education, our teachers will continue to enjoy deserved national acclaim. I would like to thank and acknowledge all of them.●

CONGRATULATIONS TO WILLIAM H. WILSON

● **Mr. SANFORD.** Mr. President, I wish to congratulate William H. Wilson of Sparta, NC, for his selection as North Carolina's Small Business Person of the Year for 1987.

Since founding Pioneer/Eclipse Co. in 1971, Mr. Wilson has built this business into one of the Nation's fastest growing enterprises. The company is engaged in the design, manufacturing, and sale of high-speed floor buffers, related cleaning equipment and cleaning chemicals.

Wilson, 35, started the business in 1971 as a contract cleaning business specializing in the cleaning of supermarkets. By 1976, he had developed an ultra high-speed floor cleaning system, which was a revolutionary development in this labor-intensive business.

Since 1981, after placement of the first national advertisement for the high-speed cleaning system, the company's growth has been phenomenal. Gross sales for 1982 totaled $2.3 million. The following year, sales reached $4.5 million. In 1984, gross sales hit $7.4 million, rose to $12.6 million in 1985, and reached $16 million in 1986.

Pioneer/Eclipse Corp. is also important to Alleghany County. It has about 125 employees and is the only major employer headquartered in the county. Thus, it is an important part of the economy in this rural North Carolina county.

The company continues to grow. It has now grown to a complex of seven buildings and recently broke ground for a new 100,000 square foot facility.

It is this growth, innovation, and community orientation that earned William Wilson the honor of Small Business Person of the Year. As a result, I am pleased to congratulate him on his honor.●

CONGRESS AND ARMS CONTROL

● **Mr. LEVIN.** Mr. President, our good friend and colleague, DANTE FASCELL, has written an illuminating article in the spring 1987 issue of Foreign Affairs entitled "Congress and Arms Control." The article sets forth some of the many issues that we face in the Congress relative to arms control, and does so in a logical and straightforward fashion. It would benefit all of us to read the article. I ask that it be printed in the RECORD.

The article follows:

[From Foreign Affairs, Spring 1987]

CONGRESS AND ARMS CONTROL

(By Dante B. Fascell)[*]

The executive and legislative branches of the United States government have arrived at a historic crossroads: more than at any time since the advent of nuclear weapons, the future of arms control will depend to a large extent on whether the President and Congress can reach consensus on the requirements of national security. Neither can go it alone.

Unfortunately the legacy of 1986, when congressional initiatives on arms control were condemned by the Administration, hangs thickly in the halls of Capitol Hill. Following the summit at Reykjavik, members of Congress watched with concern as

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[*] Dante B. Fascell (D-Fla.) is Chairman of the Committee on Foreign Affairs, U.S. House of Representatives.

President Reagan faced his last chance to achieve meaningful agreements with the Soviet Union. There simply is not much time left for the Reagan Administration to create and implement a bipartisan arms control policy which commands the respect of the American people as well as that of the Kremlin. Yet the opportunity for such a policy exists: in February General Secretary Mikhail Gorbachev offered to delink the issue of European-based intermediate nuclear forces (INF) from a space and strategic agreement, and the President wisely moved to submit a draft INF treaty at the Geneva negotiations.

The task of forging a common policy will be made no easier by those who continue to believe that Congress have no role in the fateful business of arms control. Every year Congress is confronted, even by some of its own members, with the argument that the president requires total flexibility to negotiate with the Soviets and to gain agreements compatible with U.S. national security. The argument typically stresses that the Constitution empowers the president, and only the president, to conduct the nation's foreign affairs and, hence, to administer the arms control agenda. An interventionist Congress is criticized as stripping the president of his negotiating leverage and endangering the national security if it mandates restrictions on the administration's weapons procurement programs, or if it calls for negotiations on specific issues, such as nuclear testing. In short, Congress runs the risk of being accused of waging an unconstitutional grab for power.

Protecting the separation of powers while at the same time building a bipartisan consensus on arms control is no mean feat. But both objectives were realized in the 1960s and 1970s. In fact, it has been only during the last seven years, beginning with the withdrawal of the second Strategic Arms Limitation Talks (SALT II) Treaty from Senate consideration in early 1980, that the consensus forged between the executive and legislative branches and between Republicans and Democrats has unraveled. Traditional congressional support of and collaboration with the executive branch on arms control initiatives was a meeting of the minds, not an admission that the president's arms control agenda was his constitutional prerogative, or that Congress had no business asking tough questions, challenging funding requests for weapons programs, and mandating the strictest requirements of compliance with treaty law. In 1981, when the Reagan Administration entered office, disdainful of past arms control efforts, and launched an ideological attack against the "evil empire," the stage was set for a dangerous breakdown in a consensus that for some 25 years had been the guardian of a democratic commitment to American security and to world peace.

The argument, then, that Congress must defer to the president on all arms control issues must be rejected. Especially in light of the spectacle at the Reykjavik summit, where the President's astonishing perception of national security diverged widely from congressional mandates, the 100th Congress would be evading its constitutional responsibility if it were to leave the security of the country strictly in the hands of the executive branch. The modernization of America's intercontinental ballistic missile force, the funding for and direction of the Strategic Defense Initiative (SDI), the testing of antisatellite weapons, the numerical limits on U.S. strategic weapons, the testing of nuclear warheads and the production of chemical weapons—all are the business of Congress to debate, modify and approve or disapprove. And, finally, the compliance of the United States and the Soviet Union with treaty obligations is also the business of Congress.

II

The president's responsibility to conduct the nation's foreign policy and to make treaties has never been one devoid of checks and balances, or one executed in a vacuum. Congress may encourage, though not dictate, the commencement of negotiations with foreign powers. Congress determines the amount of resources that the U.S. government is prepared to dedicate to the building and limiting of nuclear arms. That determination inevitably influences the negotiating process. One need only review the last 20 years to recognize the critical role Congress has played in the development of weapons systems which are at the heart of the U.S.-Soviet nuclear arms negotiations. For example, congressional votes have been decisive in determining the fate of the Safeguard antiballistic missile system, multiple independently targetable reentry vehicles (MIRV's), the B-1 bomber, the cruise missile, the MX missile, the Midgetman missile, binary chemical weapons and SDI.[1] Congress also passes final judgment on arms control agreements. Whether an agreement is submitted as a treaty, requiring the approval of two thirds of the Senate, or as a congressional-executive agreement, requiring the approval of the majority in both the Senate and the House, the fact remains that there is a critical legislative role that must be honored in the making of arms control agreements.[2]

The executive branch, of course, asserts that Congress should not interfere with presidential decisions on arms control issues. Citing constitutional injunctions that the president shall conduct foreign policy, make traties and serve as commander in chief of the armed forces, some conclude that the only business of Congress is to approve presidential edicts on the arms control agenda. Under this approach, the 99th Congress was expected simply to sanction the Administration's abandonment of the numerical sub-limits set by the SALT II treaty, its unilateral revision of the interpretation of the Anti-Ballistic Missile (ABM) Treaty of 1972, its determination to build the flawed Bigeye chemical bomb, its continuance of nuclear weapons testing and its ambitous plans to deploy SDI.

Clearly, this "King George" approach is not what the Founding Fathers envisaged; nor is it embodied in the Constitution. The Supreme Court has long held that certain provisions of the Constitution confer broad power on Congress to prescribe the limits of military procurement and to impose appropriate conditions on defense policy. Article I of the Constitution empowers Congress to acquire or to limit arms for the nation. No arms, including strategic arms, can be purchased, tested, serviced, maintained, manned or otherwise paid for except pursuant to legislation. Congress has the constitutional responsibility to "provide for the common Defense and general Welfare of the United States," to "raise and support Armies," to "provide and maintain a Navy" and to "make rules for the government and regulation of the land and naval forces. Justice Robert H. Jackson declared in *Youngstown Co.* v. *Sawyer* (1952) that the Article I powers give Congress "primary responsibility for supplying the armed forces." "Congress alone," he wrote, "controls the raising of revenues and their appropriation and may determine in what manner and by what means they shall be spent for military and naval procurement." The annual defense authorization and appropriations bills are ample evidence of congressional performance of these constitutional duties.

In my view, during 1986 Congress faced up to its constitutional responsibility. Several arms control initiatives were passed by the House of Representatives in August 1986, and each of these provisions which eventually emerged from the conference talks with the Senate in October conformed to a fundamental principle in the arms control process. Those initiatives and principles will assume an even larger role in the 100th Congress.

III

The principles which typically have guided Congress in considering arms control issues are four in number. First, any proposed international agreement or proposed weapons system must enhance the national security of the United States. Administration views on what constitutes the "national security" carry much influence on Capital Hill, but because no administration is infallible its decisions do not, and should not, go unquestioned. Every member of Congress will want to examine any bilateral accord with the Soviet Union on its merits; few would blindly accept or reject an agreement. Nor are many members mesmerized by the sense of security so often promised with each new weapons program, e.g., increased numbers of missile warheads or exotic technologies such as SDI.

In the name of national security, administrations, particularly the current one, have been known to take extraordinary liberty with democratic processes to implement whatever policies they deem to be in the best interest of the nation. But what is argued as being in the national interest cannot be accepted at face value, especially in light of recent revelations of the private agenda of rogue masterminds of intrigue sitting in the White House basement. Indeed, although far removed from the nuclear arms talks, the covert sale of military arms to Iran and the apparent illegal diversion of funds from those sales are the latest evidence of the means by which the executive branch is capable of promoting an arrogant, ill-conceived notion of national security. It was precisely to avoid this kind of abuse of power that checks and balances were written into the Constitution.

In the field of arms control, nothing better exemplified the dilemma which often confronts Congress than the Reagan-Gorbachev talks at Reykjavik (October 11-12, 1986). These discussions almost achieved significant reductions in nuclear strategic systems, only to be squandered with surreal visions of a disarmed world.[3] President Reagan's surprising proposal to eliminate all American and Soviet strategic ballistic missiles within ten years was apparently based on, among other presumptions, the argument that the United States then would be adequately defended by space-based strategic defenses. In my view this approach unwittingly endangers the national security of the United States. It is inconceivable that the United States could adopt as a policy objective the elimination of America's entire ballistic missile arsenal based almost entirely on the unproven hypothesis that SDI will be cost-effective, will function effectively and will be deployable within the next ten years. As former Secretary of Defense Robert S. McNamara told the House Subcommittee on Arms Control, International Security and Science in January. "Until there are inventions that have not yet been imagined, a defense robust and cheap enough to replace deterrence will remain a pipe dream." This is only one example of why Congress has no choice but to try to hold the Administration accountable to one standard of national security.

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[1] See *Fundamentals of Nuclear Arms Control*, report prepared for the Subcommittee on Arms Control, International Security and Science, Committee on Foreign Affairs, House of Representatives, by the Congressional Research Service, Library of Congress, December 1986, pp. 397-404.

[2] *Ibid.*, pp. 387-396.

[3] See *The Reykjavik Talks: Promise or Peril*, report of the Subcommittee on Arms Control, International Security and Science to the Committee on Foreign Affairs, House of Representatives, January 1987.

The second principle which guides congressional examination of arms control issues is the historic mandate of arms control itself—to prevent an uncontrolled nuclear arms race. Congress has never taken the position that production of certain new weapons systems is inherently undesirable or that modernization is not in many instances essential. But it is determined that an arms buildup that achieves no stabilizing purpose be avoided. An administration must prove its case each time it seeks budget authorizations from Congress. This is what the Constitution wisely requires.

For six years Congress has supported the Administration's modernization and buildup of American nuclear and conventional forces. The United States has insisted on strategic parity, even when this quest for parity has required a buildup to match Soviet efforts. Congress, however, has consistently conditioned its restrictions on the Administration's more ambitious and questionable arms building programs with the requirement that such programs remain within defined limits of testing and production as agreed with the Soviet Union. If Moscow violates those standards of compliance, then Congress has seen to it that the executive may follow suit. But efforts to achieve overall superiority over the Soviets in nuclear weaponry have been opposed by a bipartisan congressional majority. Through the power of the purse, Congress is constitutionally empowered to limit or encourage the research, development, testing and production of nuclear arms. It will continue to use that power, in particular whenever the executive seeks to convert "modernization" into "superiority."

The third principle of arms control—mutual deterrence—has been challenged by the President's vision of a space-based strategic defense, one which would be "shared" with the Soviet Union. It is sometimes forgotten that we have been at this juncture before. The Nixon Administration determined in the early 1970s that it would not attempt to shield the United States with a land-based, antiballistic missile defense system. The rationale, first advanced by Secretary McNamara, was that an endless competition would erupt between ABM defensive systems and new and proliferating offensive weapons developed to outsmart and overwhelm such defenses. What the ABM systems promised—strategic defenses—would spawn the very threat—offensive weapons—which ABM systems were designed to make obsolete. Thus the United States and the Soviet Union in 1972 agreed to persist with the unsettling but rational policy of mutual deterrence, which promised to dissuade either side from launching a nuclear attack by maintaining a threat of mutual annihilation. It is this strategy which first encouraged each side to place limits on the buildup of their respective nuclear arsenals and, during the Carter and Reagan Administrations, to propose radical reductions in both the number of launchers and the number of warheads.

This rejection of a shift to a defensive strategy was, and remains, embodied in the 1972 Anti-Ballistic Missile Treaty between the United States and the Soviet Union. The Reagan Administration has proposed to reverse this course by articulating a new interpretation of the ABM treaty which opens the door to testing in outer space, and thus to SDI. Congress has neither abandoned the treaty obligations of the United States nor thrown overboard the doctrine of mutual deterrence. Congress has a duty to insist that the case for a major shift in strategic nuclear strategy be convincingly made by the Administration and that it obtain bipartisan support (neither of which has occurred).

That support will not be forthcoming if the Administration continues to insist on its reinterpretation of the ABM teaty as a vehicle by which to dismantle the doctrine of mutual deterrence. The Administration's tactics in this respect encroach on the Senate's constitutional responsibility to approve only one text of a treaty as the law of the land. The executive branch has no constitutional power to unilaterally reinterpret treaties.

Congress also would have to be convinced that such a fundamental reversal of the nuclear equation will not be implemented under circumstances which would allow the Soviets to overwhelm America's defense. Interestingly enough, Secretary of Defense Caspar Weinberger expressed this very concern to President Reagan in a letter dated November 13, 1985: "Even a probable [Soviet] territorial defense would require us to increase the number of our offensive forces and their ability to penetrate Soviet defenses to assure that our operational plans could be executed."

Finally, the fourth principle which influences congressional thinking about arms control concerns the technological reliability of weapons systems. It would be quixotic to approve funding for production of weapons systems which are unproven or are likely to be defective or to be based in a manner that invites their own destruction. When the Department of Defense persists in seeking funding for weapons systems which do not meet commonsense criteria for technological reliability, then it is incumbent upon Congress to scrutinize and sometimes to restrict or otherwise regulate the development of such weapons. Not only is that Congress' constitutional duty, it makes for a more reliable national defense. This is amply demonstrated in the binary chemical weapons production program, the wisdom of which Congress has not finally accepted, and which it therefore has not fully approved. Congress is determined to avoid boondoggles like the Divisional Air Defense gun (DIVAD), an antiaircraft weapon system which, after expenditure of $1 billion on actual deployments, never worked properly.

IV

"The House defense bill is a reckless assault upon the national defense of the United States." President Reagan leveled this charge on August 15, 1986, shortly after the House approved five "arms control" amendments to the Defense Department authorization bill for fiscal year 1987. The Administration's rhetoric sought to portray these amendements as dangerous impairments to the national defense, but I believe they reflected genuine congressional concern about national security, the avoidance of an arms race, the doctrine of mutual deterrence and the technological reliability of the country's weapons systems.

The first of these amendments prohibited funds for conducting nuclear tests about a very low level—one kiloton—unless the president certified to Congress that the Soviet Union had tested above one kiloton, tested outside any designated area, or rejected reciprocal in-country monitoring arrangements. This was the first congressional effort to require the cessation of nuclear weapons testing. Previous measures had been nonbinding legislation calling on the Administration to negotiate a ban on nuclear tests. Although the Senate did not adopt the House amendment in August, the issue had been placed squarely before the Administration and would become a key component of the conference bill which emerged in October.

This nuclear testing amendment reflected frustration over the Administration's apparent indifference to negotiation any further restrictions on nuclear testing. Before 1981, every president since Eisenhower advocated and worked toward an end to the escalation of the arms race through a mutual, verifiable and comprehensive test ban. What President Reagan's predecessors recognized was a simple truth—that the arms race depends for its lifeblood upon the testing of more sophisticated nuclear weaponry. A mutual agreement to halt such testing could assist in preventing the introduction of new, destabilizing weapons. As long as the Soviets are not leapfrogging the United States with technologically superior nuclear weapons, only zealots in quest of an unattainable strategic superiority see any point in creating dazzling new weapons of mass destruction.

On this issue, the Reagan Administration stood logic on its head and sent out confusing signals. First, the Administration argued that a mutual test ban was unverifiable. When it became clear that nuclear weapons testing could, in fact, be monitored, the Administration's rationale quickly shifted. It claimed that testing was needed to ensure the safety and realiability of America's existing nuclear warheads. As Congressman Richard Gephardt (D-Mo.) noted during the debate on the amendment, "This is a hollow excuse, for the vast majority of reliability checks are mechanical and we have never conducted more than one or two explosive tests a year." In the end the Administration frankly admitted its real rationale: that the United States must test in order to "modernize" its nuclear weapons arsenal.

The nuclear testing amendment was a logical extension of House Joint Resolution 3, which passed both houses of Congress in 1986 and was incorporated in the 1987 defense authorization bill. This legislation urged Mr. Reagan to request the ratification of two nuclear testing limitation treaties that had been signed in the 1970s, but which were never submitted for ratification, and urged the President to propose to the Soviet Union the resumption of negotiations on a comprehensive test ban treaty. Since the Soviets were, at the time, observing a unilateral moratorium on nuclear weapons testing, the nuclear testing amendment passed by the House was an attempt to call the Soviets' bluff and test the Administration's resolve to enter into serious negotiations.

If the Administration had been serious about seeking a test ban, then its opposition to the nuclear testing amendment defies explanation. The amendment provided numerous safeguards for the United States. First, it permitted testing if the Soviets violated the testing ban with an explosion above one kiloton. This provision would encourage continuance of the Soviet moratorium on testing, an objective that is manifestly in the interest of national security. Second, the amendment assisted verification efforts by requiring that tests occur only within designated areas of Soviet or U.S. territory. If any Soviet tests occurred outside the designated areas of the Soviet Union, then the administration would be free to resume testing. Third, as a further assist to verification, the amendment requires that the Soviet Union accept and implement reciprocal in-country monitoring arrangements for 1987. If the Soviets refused, then the administration again could ignore the amendment and resume testing.

Following House passage of the nuclear testing amendment in August, the prospects for Senate adoption of identical language during the hard-fought conference deliberations were diminished when Mr. Reagan suddenly announced that he would travel to Reykjavik for talks with Soviet General Secretary Mikhail Gorbachev. Considering his opposition to all of the arms control amendments, President Reagan pulled off a political coup. After taunting Democratic members of Congress with the prospect of being perceived as the spoilers of a superpower "pre-summit," the President's supporters succeeded in transforming binding language into nonbinding provisions in two amendments and modifying the terms of two others. Congressmen came under unprecedented pressure not to "tie the President's hands" for the forthcoming talks at Reykjavik. The Administration argued, for example, that nuclear testing was going to be a major topic of discussion there. In conference between the House and the Senate, House members agreed to withdraw the nuclear testing amendment, provided that the nonbinding languagae of House Joint Resolution 3 was strenghtened with a last-minute agreement by the President to submit to the Senate "as a first order of business for the 100th Congress" the unratified Threshold Test Ban Treaty of 1974 and the unratified Peaceful Nuclear Explosions Treaty of 1976.

Unfortunately, there appears to have been no discernible understanding at Reykjavik on how to proceed toward talks on nuclear testing. In fact, it appears that the two principals, Mr. Reagan and Mr. Gorbachev, hardly discussed nuclear testing. Many in the House feel that they were taken advantage of when they agreed to withdraw the nuclear testing amendment from the conference bill in expectation that achieving a nuclear test ban would be the top priority at Reykjavik. It is no wonder that the Administration's credibility on this issue was severely damaged.

Now Congress is confronted with obstructionist tactics by the Administration in connection with both the unratified test ban treaties and with pursuing talks with the Soviet Union on further limiting nuclear weapons testing. During the 100th Congress efforts will continue to steer the Administration back to a policy which encourages both the White House and the Kremlin to achieve a total cessation of nuclear testing.

V

The second arms control amendment of 1986 limited funding for the SDI program to $3.1 billion during fiscal year 1987. This was substantially less than the Administration's original request of $5.4 billion. Earlier, the Senate had approved a $3.95-billion SDI program, partly on the basis that SDI should be programmed for the defense of American missile bases and not as an "umbrella" defense of the population.

SDI has been the subject of constant and controversial debate in Congress since its public unveiling in 1983. Although majorities have always been mustered to support SDI research, there has never been and there continues to be no majority support for development, testing or deployment of SDI components or systems. The debate over SDI funding has responded to the well-known fact that the Soviet Union is engaged in similar research for its strategic defense. It would be foolish if the United States did not match Soviet research with its own vigorous program. But there is a quantum conceptual and strategic leap from the research of a strategic defense and the actual development, testing and deployment of its components and systems.

Proponents of SDI continue to argue the point which the Reagan "revolution" was supposed to have disabused us from believing—that merely by throwing money at a government program miracles would occur. The research on SDI did not merit an expenditure of $5.4 billion in fiscal year 1987.[4] The Administration failed to offer convincing evidence that the additional $2 billion it requested was anything more than an attempt to promote dubious "research" projects before their time. The fact that little effort was needed in either chamber to reach a compromise SDI budget of $3.5 billion reflects a belief shared by most members of Congress that the Administration's request was much too high for a responsible research program. In any event, the funding approved by Congress represented more than a 20-percent increase over 1986 spending on SDI, while the entire federal budget increased by less than three percent in 1987. Thus in percentage terms, the increase in SDI funding in 1987 was seven times greater than the overall increase in all federal spending. The approved budget also reflected congressional interest in assuring that SDI work be conducted within the confines of the traditional interpretation of the ABM treaty.[5]

Since the 1986 budgetary battle on SDI, three developments have given rise to new concerns on Capitol Hill. First, the American delegation at Reykjavik appears to have insisted on the Administration's revisionist interpretation of the ABM treaty. This interpretation would permit the development and testing of a space-based antiballistic missile defense system. Such a unilateral interpretation is a radical reversal of the last 13 years, during which the U.S. government had supported the traditional interpretation which prohibits the development and testing of a space-based ABM system. The Administration has attempted to have it both ways on the ABM treaty. The revisionist interpretation is touted by some U.S. officials as the correct legal reading of the treaty text and negotiating record. But in response to the overwhelming dissent of members of Congress, former negotiators of the treaty and legal scholars, the Administration has held since October 1985 that the operative policy of the U.S. government will be to conduct SDI research in accordance with the traditional interpretation.[6] All testing programs under SDI have been officially described as meeting the requirements of the traditional interpretation.

The utility of the revisionist interpretation is that it purports to allow the Administration to break out of the ABM treaty when it decides to step beyond the research of SDI to the development and testing of SDI components and systems. By reinterpreting the treaty, the Administration has replaced the original script, clearly approved by the Senate in 1972, with one that suits the President's vision of strategic defense. At Reykjavik, the United States was willing to agree not to withdraw from the ABM treaty for ten years, but on the apparent condition that during that period the development and testing of SDI components and systems be permitted. The American delegation thus would have codified the revisionist interpretation in a new agreement with the Soviets. This fundamental shift in American strategic defense policy occurred without any prior consulation with Congress, which had explicitly reminded the Administration of its support for the traditional interpretation. Until Congress is prepared to launch a development and testing program of SDI components and systems (at an estimated cost of scores of billions of dollars), it will have to maintain a vigilant watch over the ABM treaty to ensure that no administration either violates or rewrites its provisions.

The second development which has concerned many in Congress is how the American delegation at Reykjavik transformed the rationale of SDI. Congress has funded SDI as a research program to determine whether an advanced strategic defense system is scientifically and technologically possible, whether it is deployable, and whether it will do the job of protecting the United States from a ballistic missile attack by the Soviet Union.

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[4] Total SDI funding was $1.612 billion in FY 1985 and $2.943 billion in FY 1986.

[5] Section 216 of the National Defense Authorization Act for fiscal year 1987 sets forth the congressional finding that "the Secretary of State declared on October 14, 1985, that 'our research program has been structured and, as the President has reaffirmed, will continue to be conducted in accordance with a restrictive interpretation of the treaty's obligations.'" Congress also declares in Section 216 "(1) that it fully supports the declared policy of the President that a principal objective of the United States in negotiations with the Soviet Union on nuclear and space arms is to reverse the erosion of the [ABM treaty] . . . and (2) that action by the Congress in approving funds in this Act for research on [SDI]—(A) does not express or imply an intention on the part of Congress that the United States should abrogate, violate, or otherwise erode such treaty; and (B) does not express or imply any determination or commitment on the part of Congress that the United States develop, test, or deploy ballistic missile strategic defense weaponry that would contravene such treaty."

[6] See ABM Treaty Interpretation Dispute, Hearing before the Subcommittee on Arms Control, International Security and Science, Committee on Foreign Affairs, House of Representatives, Oct. 22, 1985.

In Iceland, that logic was turned upside down. In the talks at Reykjavik's Hofdi House, SDI suddenly was transformed from a research program into a deployable system, albeit one which does not yet exist. The American delegation negotiated as if SDI were a certainty. The elimination of America's most important deterrent, its ballistic missile arsenal, was almost bartered away for a presumption that SDI not only could be deployed, but that it would work. Moreover, the Administration argued for the deployment of SDI even after the supposed elimination of all ballistic missiles, the very threat SDI is intended to confront. U.S. officials argued that the country would still need SDI as an "insurance policy" to protect against Soviet cheating and against the stray missile that a madman might hurl at us. Evidently, no one thought to mention that land-based strategic defenses, at substantially cheaper cost, might do a better job, or that verification of Soviet compliance should continue to be of the highest priority.

SDI is a hypothesis on a piece of paper. To bargain away America's deterrent shield today for the hypothesis that SDI will be cost-effective, functional and deployable sometime in the near future, not to mention within ten years, would be the height of folly. If ever there were case made for congressional oversight of the arms control agenda, the Administration created it at Reykjavik.

The third development related to SDI is the Pentagon's recent efforts to persuade President Reagan, and ultimately Congress, to approve early deployment of a partial space-based strategic defense. This raises so many concerns that the future of SDI now, more than ever, requires the utmost congressional scrutiny. It was only last October that the American delegation at Reykjavik proposed delaying deployment of SDI for at least ten years. The Pentagon now has undermined the Administration's diplomatic position with its new effort to deploy SDI rapidly so that, in the words of Attorney General Edwin Meese, SDI cannot be "tampered with by future administrations."

In my view, the Pentagon's rush to judgment on SDI is a politically motivated scheme only superficially based on the national interest. The proposal would cause the United States to unilaterally abrogate the ABM treaty. Premature deployment of SDI would cost the U.S. taxpayer untold billions of dollars during the critical years when the budgetary constraints on Congress will be most severe. More important, there is abundant evidence that premature deployment of SDI will not achieve its strategic objective and would only stimulate Soviet efforts to overwhelm the leaky "umbrella" being proposed by the Administration. Be it arms control or deficit spending, the buck stops at the president's desk and on Capitol Hill.

VI

The third House arms control amendment of August 1986 sought to limit the deployment of launchers for ICBM's, of SLBM's carrying MIRV's, and of heavy bombers equipped for air-launched cruise missiles, to the deployment levels permitted under the unratified SALT II treaty (1,320). The House approved the amendment, which prohibited the obligation or expenditure of funds for deployments beyond this limit unless the president certified to Congress that the Soviet Union had deployed strategic forces in excess of the SALT II limitations.

This amendment was a particularly critical one. Earlier in the summer of 1986, the House had approved, by a strong bipartisan vote of 256 to 145, nonbinding legislation calling on the President to continue adherence to the sub-limits of the SALT II treaty. This legislation was unavoidable in light of Mr. Reagan's declaration of May 27 that beginning in the autumn of 1986 the United States would no longer adhere to the SALT II limitations. The House amendment, which passed in August, was intended to convey to the White House the message that to abandon the SALT II limitations was not in the national interest. Congressman Howard Berman (D-Calif.) aptly noted on the House floor, "If the United States needs a higher aggregate of nuclear weapons over the coming months and years, it will only be because the Administration has created that need by allowing the Soviets to build more weapons of their own. This doesn't make strategic sense."

And yet the SALT II amendment was attacked by Administration supporters as unconstitutional, as an effort by the House unilaterally to engraph a treaty into statute law without going through the ratification process embodied in the Constitution. The House majority was chastised for trying to micromanage the strategic arms negotiations in Geneva. The Administration asserted that Soviet violations of other SALT II provisions (such as the alleged modification of the Soviet SS-13 ballistic missile to create a prohibited "new" ICBM, as well as the encryption of telemetry on missile test flights by the Soviets) justified American violation of the SALT II provisions, and that any such decision was the President's alone to make.

An unratified treaty may express a present or past presidential policy, and the president may have sole power to negotiate, renegotiate or abandon it. If a congressional mandate happens to coincide with a former presidential policy expressed in the unratified treaty, then that is certainly not unconstitutional and it has nothing to do with the president's treaty-making power. The House determined a benchmark for weapons production, and in this case it conformed with the sub-limits set forth in the SALT II treaty.

Critics of such congressional "interference" sometimes point to Section 33 of the Arms Control and Disarmament Act, which prohibits any action "under this or any other law that will obligate the United States to disarm or to reduce or to limit the Armed Forces or armaments of the United States, except pursuant to the treaty-making power of the President under the Constitution or unless authorized by further affirmative legislation by the Congress of the United States." The House amendment in question did not create any international obligation to limit "armaments." The limits it mandated were to be authorized by further legislation, namely the amendment itself.

The Administration and its allies in the Senate killed the SALT II amendment during conference deliberations in October. Again their major argument was that the amendment would tie the President's hands during the hastily called Reykjavik talks. Nonbinding language was adopted instead, expressing "the sense of the Congress that it is in the national security interests of the United States to continue voluntary compliance with the central numerical sub-limits of the SALT II treaty as long as the Soviet Union complies with such sub-limits." But even this was to no avail. Compliance issues pertaining to the SALT II treaty apparently were not discussed at Reykjavik, and by late November the 131st heavy bomber had been equipped with cruise missiles and was operational, thereby clearly exceeding the SALT II sub-limits.

The 100th Congress will return to this issue. In an age threatened by nuclear annihilation, an arms control agreement that constrains nuclear arms (such as the SALT II treaty) is better than no agreement at all.

VII

The one arms control amendment that survived the October conference intact was the long-standing ban on antisatellite weapons (ASAT). The House prohibited the secretary of defense from carrying out a test of ASAT against an object in space until the president certified to Congress that the Soviet Union has tested a dedicated ASAT against an object in space. The one-year prohibition expires on October 1, 1987. This is the fourth consecutive year Congress has banned ASAT testing and, consequently, production and deployment.

Continuing the ASAT weapons ban reaffirmed congressional belief that an agreement between the United States and the Soviet Union on banning ASATS would represent a major step toward averting a costly and destabilizing arms race in space. Since enactment of the first ASAT ban in 1983, the Soviet Union has not tested any ASAT weapon. Congressman Lawrence Coughlin (R-Pa.) explained that "the Soviets have a crude and unreliable [ASAT] system, which has failed in 11 of the 20 tests conducted with it to date, including all six tests of a more 'advanced' heat-seeking version. The United States, on the other hand, has an ASAT that is relatively more advanced but only partially tested."

The logic behind this amendment is compelling. The United States relies on a vast array of satellites for communication, intelligence-gathering and early warning of a Soviet attack. In fact, for military purposes alone the United States is far more dependent on satellite technology than the Soviet Union. In the event of SDI deployment, space-based technology would become the all too critical link in U.S. strategic defense. Breaking the mutual moratorium on ASAT testing would invite the Soviets once again to test ASAT's which could knock out U.S. satellites and accelerate development of their ASAT technology. A continuation of the ban on ASAT testing remains a top priority of Congress in its 100th session.

VIII

The final arms control amendment prohibited spending funds for procurement of binary chemical munitions, including the Bigeye bomb, or for the establishment of a production base for such munitions. The House amendment also prohibited the United States from removing its unitary chemical munitions stored in Western Europe unless they are replaced with binary chemical munitions stationed on the soil of at least one European member nation of NATO, a responsibility which no NATO member in Europe has yet agreed to shoulder.[7]

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[7] Binary chemical weapons contain two relatively harmless agents which, when mixed together after firing, become lethal nerve gas. The Bigeye bomb is a 595-pound aircraft-delivered binary chemical weapon.

The current U.S. stockpile of chemical weapons in Western Europe is an integral part of NATO's deterrent against Soviet use of chemical weapons in Europe. The Administration's plan to withdraw these weapons from Europe and base new ones solely in the United States, thousands of miles from the European battlefields where they would be needed, amounts to unilateral dismantling of NATO's chemical deterrent. The chemical weapons amendment assured that the United States would not waste money on a program costing some $3 billion in the next few years. The General Accounting Office has continued to uncover testing failures, technical and structural deficiencies, and structural flaws within the binary weapons program which clearly demonstrate that the Bigeye binary bomb is not even ready for operation tests, let alone production.[8]

During conference deliberations in October 1986, the strict prohibitions of the House-approved amendment were loosened. First, the conference agreed to prohibit funding for the Bigeye bomb production program and Bigeye components during fiscal year 1987 and to prohibit final assembly of the Bigeye bomb through fiscal year 1988. Second, the conference provision authorized funding for the production of the 155-mm chemical artillery shell but prohibited final assembly through fiscal year 1987. Third, the conference declined to authorize the $15.4 million of fiscal year 1987 funds requested for Bigeye production facilities, and it limited the fiscal year 1986 funding to $90 million, subject to a certification by President Reagan that the production of the Bigeye is in the national interest and that all design, planning and environmental requirements for such facilities have been met.

While not as conclusive as many members of Congress would have liked, the House-Senate conference position reaffirmed congressional opposition to funding a weapons system that does not work, is not proven safe for NATO troops, needlessly adds billions of dollars to the deficit, unilaterally eliminates the present chemical deterrent in Western Europe, and undermines efforts of the superpowers to negotiate an arms control agreement that bans chemical weapons.

IX

Each of these arms control amendments of 1986 will be pursued again during the 100th Congress. Despite the obvious need to work toward a consensus with Congress on the nation's arms control policy, the Administration once again has thrown down the gauntlet. It was understandable that President Reagan, in his State of the Union message this year, would call on Congress to support his negotiating stance with the Soviets. But then he warned: "Enacting the Soviet negotiating position into American law would not be the way to win a good agreement. So I must tell this Congress I will veto any effort that undercuts our national security and our negotiating leverage." By likening legislative mandates to the Soviet negotiating position, the President distorted reality. There is considerable concern in Congress about whether some of the Administration's surreal proposals for complete nuclear disarmanent and premature deployment of SDI would damage U.S. national security and undercut the leverage American negotiators will need in future talks with the Soviets.

What, after all, is the Reagan Administration's arms control policy? That is the question which for more than six years has mystified Congress. The bureaucratic infighting which has marked the Administration's policymaking has never been resolved. Members of Congress have had to try to make sense out of an unending barrage of conflicting, contradictory and ambiguous signals from the executive branch (not to mention from the Soviets). When positions change hourly, depending on who is speaking for the Administration, the nation's security suffers. In comparison, Congress has maintained a fairly consistent approach to arms control and the national defense. The arms control amendments demonstrate congressional support for long-standing arms control objectives. Congressional approval of unprecedented defense budgets during the Reagan Administration speaks for itself.

Threatening to veto arms control legislation which has broad-based, bipartisan support in Congress is not a constructive strategy for the President to pursue. The Administration will need to speak with one consistent and well-informed voice. There must be a renewed commitment by Administration officials to strive for achievable objectives in their negotiations with the Soviets, rather than belabor surreal proposals which many believe mask the intentions of those who see no future in arms control. As with any policy, the way to win congressional approval is to consult fully with Congress and to pay heed to the concerns raised by those men and women who also represent the interests of the American people. The Reagan Administration's partisan approach to the national defense and to arms control, which was acutely reflected during the 1986 election compaign, may have needlessly alienated members of Congress without whose support the Reagan era will continue its precipitous fall from grace.

The 100th Congress thus faces its most difficult session on arms control. Arms control cannot be premised on defense systems which are flawed or nonexistent. The American people deserve better. They deserve a comprehensive, bipartisan policy supported by the Administration and by Congress.

That bipartisan policy is within reach. In my view, Congress would support: (1) deep cuts in strategic offensive weapons of the magnitude (30-50 percent) discussed at Reykjavik and previously at Geneva; (2) a negotiated end to nuclear weapons testing; (3) an efficient level of research on SDI without committing the nation to premature deployment; (4) mutual adherence to the long-standing interpretation of the ABM treaty; (5) mutual compliance with the SALT II treaty limitations; and (6) prevention of a destabilizing race of antisatellite weapons and of lethal chemical weapons.

If consensus within the Administration and between the President and Congress could be reached on these issues, then a unified American government would confront the Soviets with a formidable arms control policy.

Reciprocal measures by the Soviets are essential. That is why Congress safeguards arms control legislation with conditions that permit the lifting of legislated restrictions on nuclear weapons in the event the Soviets violate the constraints being observed by the United States.

To see the majority votes in the House last year on arms control legislation as political assaults on the Administration is simply wrong. They were a sincere, bipartisan effort to preserve and enhance the national defense. The arms control amendments reflected the fact that Congress has a constitutional duty to ensure that the funds it appropriates for the defense of the nation ultimately will provide the best security money can buy.•

CUBAN POLITICAL PRISONERS

• Mr. CHILES. Mr. President, last Friday, Cuba's longest serving political prisoner was finally released after 27 years behind bars. But he had to be convinced to leave. At first, Roberto Perez Rodriguez refused his freedom, demanding that the 248 other prisoners who were his cell mates also be released.

At the urging of officials of the Panamian Government, however, Rodriguez accepted his release and flew to Panama. Here, he was reunited with his family. Flying from Miami to meet him were his 84-year-old mother, Candida Rodriguez; his daughter, Glenda, who was 1-year-old at the time of his arrest; and his two grandchildren, whom he had never seen.

Mr. Rodriguez is 54 years old. A former truckdriver, he was arrested in 1959 in Trinidad, south of Cuba's coast, for his participation in the first attempt to overthrow the Castro government. In prison, Mr. Rodriguez attested to torture at the hands of Castro's guards. He lost one testicle when shot by a guard. He also reported that a Cuban official shot and killed a man on April 20, 1987, in the Boniato prison where he was held.

Mr. President, I would like to welcome Mr. Rodriguez to freedom. I also honor him for his courage, his perseverance, and his compassion. His term and treatment in Castro's prisons represents a gross injustice. A victim of Castro's tyranny, the 27 years spent by Mr. Rodriguez in Castro's prisons can never be recovered. But we can learn from the experiences of Mr. Rodriguez, and we can work to support his goal of seeing that the 248 prisoners and all others he left behind can follow him to freedom in the future.

Mr. Rodriguez's plight is but the latest in a long string of Castro's human rights abuses. And it also points out, yet again, the shortcomings of American policy. Since the breakdown of the Mariel Migration Agreement in 1985, it has been our Nation's policy to process only those political prisoners—and their families—who are or were in prison for more than 10 years.

Mr. President, as I have said before, this policy makes no sense. It does not punish Castro so much as it punishes the political prisoners who are in jail simply for their belief in freedom. It punishes men like Roberto Rodriguez.

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[8] See *Bigeye Bomb: An Evaluation of DOD's Chemical and Developmental Tests*, U.S. General Accounting Officer, May 1986; *Chemical Warfare: The Chemical Warfare Review Commission Did Not Comply With the Federal Advisory Committee Act*, U.S. General Accounting Office, January 1987.

These political prisoners are not and never should be bargaining chips in our negotiations with the Castro government.

To assist prisoners like those Mr. Rodriguez left behind, I have joined Senators LAUTENBERG and GRASSLEY in introducing legislation directing the Immigration and Naturalization Service [INS] to process current and former political prisoners after they have served any amount of time in Castro's prisons. It also directs INS to restore normal Cuban immigration from Cuba and third countries to the United States instead of allowing immigration only under certain narrow circumstances.

Mr. President, I urge my colleagues to consider the example of Mr. Rodriguez and support this legislation. He spent 27 years in Castro's jails. Then he had the compassion to consider rejecting an offer of freedom on behalf of his fellow prisoners. I believe our Nation should show equal compassion for the suffering experienced by prisoners like Roberto Perez Rodriguez. We must facilitate their road to freedom, not place obstacles in their path.●

COMMENDING HENNING HILLIARD

● Mr. McCONNELL. Mr. President, I rise today to recognize one of Kentucky's distinguished citizens, a leader in Kentucky business, Henning Hilliard. Last fall, Henning went into retirement after 38 years with J.J.B. Hilliard-W.L. Lyons, Inc., an investment firm founded by his grandfather in 1872. At 71, he has had a full and successful career, and has provided direction and vision for Kentucky's securities investment industry.

A recent article in Louisville, Kentucky's Courier-Journal gave an excellent profile of Henning's rich and diverse career. After receiving a law degree from the University of Virginia, he went into private law practice, which he continued after a tour of duty as a master sergeant in the Army Air Force. He joined J.J.B. Hilliard & Son in 1948, was named partner in 1951, and in 1965 Henning became a managing partner when that firm merged with W.L. Lyons & Co. His professional accomplishments include tenure as chairman of the Securities Industry Association, and, most notably, a term as a member of the Board of Governors of the New York Stock Exchange, the first Kentuckian to serve in that capacity.

Henning's years with Hilliard-Lyons have given him a unique and valuable perspective on the securities exchange industry, and the direction it is heading. Given some of the turmoil and challenges facing Wall Street, I think Henning's comments in the Courier-Journal article are worthy of note.

Henning still remains active in community and civic affairs, and keeps a desk at Hilliard-Lyons corporate headquarters in Louisville—I hope this is an indication that Henning will continue to provide the industry and our State his valuable insight and leadership.

I ask that the text of the article be inserted in its entirety in the RECORD.

The article follows:

THE LAST HILLIARD WATCHED BROKERAGE FIRM BLOSSOM

(By Jim Thompson)

Although instances of insider trading are in the news on a fairly regular basis, veteran securities executive Henning Hilliard believes the illegal activity is less prevalent than in the roaring stock market days of the 1920s.

"There are better ways of detecting it today and more people are looking for it now," Hilliard said.

The acts, however, remain "very disturbing to all of us who are trying to run an honest business."

Hilliard put some of the blame on business schools, which, he said, "don't do a good enough job teaching ethics to business school grads."

Hilliard retired last fall after 38 years with J. J. B. Hilliard-W. L. Lyons Inc., ending a stretch of 110 years in which a Hilliard had been active in management of the investment firm. He no longer has an ownership interest in the firm his grandfather founded, but still maintains a desk in the headquarters office at 545 S. Third St.

He noted that, through the years, his firm has been sanctioned for minor wrongdoings, usually related to broker-client disputes.

"Yes, we've had a slap on the wrist from time to time. (But) the slaps we've had have almost been love type of things." None of the acts, "that I know of, hurt customers," he said. "My concern is those who try the shortcut."

In an interview Hilliard, 71, reminisced about the dramatic changes that have occurred within the industry over nearly four decades and made a few predictions of what's ahead.

"On this I'm convinced there will be more money than ever to invest," he said. But the investments will be worldwide in scope—"no longer just the United States. The Japanese have so much money."

There will be more competition, too, with much of it coming from banks, as the emphasis shifts from just stocks and bonds to money management.

"That's good in a way, it will make us work harder," Hilliard said with a laugh. In the early 1950s "they told me Merrill Lynch would put us out of business. We're going to survive."

Earlier this month, the company opened an office in Florence, Ala., its 47th in a 10-state arc from Louisville across the lower Midwest and Southeast. The brokerage had just two offices when he joined it. Employment has soared past 700, compared with 35 nearly 40 years ago.

Hilliard is adamant that banks shouldn't be permitted the same latitude in dealing in stocks and the underwriting of new issues that brokerages have, although he was successful a few years ago in starting a trust operation—a domain normally reserved for banks.

There's a bit of irony also in that John James Byron Hilliard, the founder, got his start as a partner in a private bank that dealt in gold, among other things.

Henning Hilliard's anti-bank stand is the same position held by the Securities Industry Association, a national trade group whose members represent about 90 percent of U.S. securities trading. He was chairman of the organization in 1974, the first time it had picked a leader from outside New York City.

Automation will continue to make a "tremendous difference" in the way brokers operate, Hilliard said. The industry is "gearing up to handle 500 million-share days," compared with the roughly 200 million now traded on the New York Stock Exchange.

Of Hilliard-Lyons he says, "We've always been automated."

In the mid-1930s, the company installed IBM punch-card data-processing—the second investment company in the United States to do so—and "we change it every three or four years," Hilliard said.

"In the 1970s, when other securities firms were choking to death" on their back-office paperwork backlog, "our books were always in good shape." It was about this time that Hilliard was serving a three-year term on the board of governors of the New York Exchange, the first time a Kentuckian had been elected.

"We were spending all our time trying to keep companies afloat," he recalled.

Commissions from dealing in New York Stock Exchange issues account for about 20 percent to 25 percent of revenue today, down from 50 percent only a decade ago. The remainder comes from dealing in municipal bonds, mutual funds, over-the-counter stocks, options, corporate finance and corporate underwriting.

There's been a decline, however, in the amount generated by underwriting new issues, he said. Louisville Gas and Electric and Kentucky Utilities "always used to come to us," but now usually go to the larger New York underwriters with offices nationwide.

Hilliard-Lyons did put together earlier this year the $1.2 billion offering by Duff & Phelps, the largest ever by a U.S. corporation. It's had a few less-successful ventures, however, including a $4.2 million offering by the Fresher Cooker chain that filed for bankruptcy 15 months after it went public in 1984 and barge sales that resulted in lawsuits by three Eastern Kentucky investors.

Over the years there were dozens of Hilliards and Lyonses and assorted relatives in the business.

Now there are none, since Hilliard stepped down as chairman in 1982 and as senior executive last fall. Hilliard says his three daughters have other lines of interest.

The firm is owned by about 100 stockholders and all are in the business.

"Nobody owns a lot," said Hilliard, explaining that it would take a half dozen or so to constitute a majority.

He owns no stock because the firm's bylaws require that a shareholder begin to sell his or her interest to others at age 60. All must be sold by age 70.

Hilliard had practiced law until 1948 when he moved to the brokerage business to take the place of his brother, Richard, who was killed in an auto accident. He gradually moved up in the firm and spearheaded the expansion that included the merger with the W.L. Lyons firm in 1965. He became managing partner at that time and chairman several years later when the firm was incorporated.

In retirement, Hilliard continues to remain active in both corporate and civil affairs, but still finds time to play tennis.

He's director of Vermont American Corp., the Hilliard-Lyons Government Fund and the Hilliard-Lyons Trust Co. He remains involved with Bellarmine College, Shakertown and the church.

Travel also accounts for some of his spare time. He and wife, Mary, toured the Far East over the winter. In early May they went to Arizona, but their first trip in a hot-air balloon was a bumpy one as the basket tipped when a wind gust caught it on landing. Hilliard's watch was lost and his glasses were broken.

Of his 38 years in the business, he says:

"It seems like no time at all, it's been fun."●

WHO SPEAKS FOR NICARAGUA?

● Mr. KERRY. Mr. President, In recent weeks, I have found myself engrossed in the details and complexities of the Iran-Contra scandal. As a result, I have frequently needed to be reminded that with every passing day of hearings and debate over the technical issues involved, we continue to pour money into the Contras' coffers to finance terror in the Nicaraguan countryside.

Today, I wanted to share with my colleagues an article written by a constituent of mine, Dr. John Mack, which brought the reality of Nicaragua back to my attention. As a Pulitzer prize winning author and a man who does not overlook the failures of the Sandinista government, Dr. Mack is in a unique position to offer his assessment of the effects of our war on Nicaragua.

I ask that Dr. Mack's article be printed in the RECORD.

The article follows:

WHO SPEAKS FOR NICARAGUA?

(By John E. Mack, M.D.)

During the past few weeks I have watched and listened with increasing anguish as a stream of self-congratulatory patriots, generals-turned-profiteers, terrorist leaders and their backers and gullible millionaires have used the bully pulpit provided by a deferent Congress to make a sordid subversion of the United States Constitution appear like a heroic mission. Observing the Iran-contra hearings has left me with the feeling that my family and I live in a different universe than the witnesses and their questioners.

Early in 1985 my son Kenneth worked for a month on a plantation in the Matagalpa area of northern Nicaragua, helping with the coffee harvest. Soon after he left, the plantation was attacked and destroyed by the contras. From January to April of this year another son, Tony, worked with a group of University of Michigan students building a soil testing laboratory on the outskirts of Managua. Ken and Tony are two among thousands of Americans and other "internationals" who have travelled to Nicaragua to help the country overcome the hardship created by severe shortages and the constant drain on this impoverished land imposed by the American government's economic pressures and the ravages caused by the U.S.-backed contra war.

My wife Sally, a psychiatric social worker, and I joined Tony for two weeks in April to learn what we could about Nicaragua for ourselves and see how we might be of help. During our time in Nicaragua we travelled outside of Managua to several cities and villages, visited hospitals, clinics and schools and had extensive conversations with Nicaraguans and Americans living in the country.

What struck us most powerfully, as it does many other Americans who visit, is the irrepressible spirit of the Nicaraguan people as they struggle to build a new society in the face of extraordinary odds. Health care, education and social services that were not available during the Somoza period are reaching increasing numbers of people despite the diversion of so much of Nicaragua's strained economy to the country's defense. The status of women has also improved markedly. Whereas before the revolution men might treat their wives cruelly with impunity, women are now protected by new laws and are gaining an increasing sense of their rights and dignity as human beings. Although Americans are repeatedly told of how oppressed the Nicaraguan people are by the Sandinista government, we were impressed by the extent to which ordinary Nicaraguans feel that they are participants in the process of building a society which, after decades of living under a United States imposed dictatorship, is truly their own.

I found irritating the ubiquitous revolutionary slogans and dedication of seemingly every institution to the "Heroes and martyrs of the Revolution." But it is a fact that Nicaragua has lost more than 50,000 of its people—equivalent to 4,000,000 Americans—in the war against Somoza, followed soon after by the need to resist the contras. We deplore the closing by the Sandinistas of the newspaper La Prenza and the imprisonment or expulsion of political opponents. But recalling our treatment of Japanese-Americans living in the United States during World War II who presented no known security risk I wonder what measures we would take in the name of security against people who advocated or engaged actively in the violent overthrow of our government.

And there is a brutal, sadistic war being waged against Nicaragua, draining its strength and life blood. Each family we visited told of a father or mother, son or daughter killed or maimed by the contras. In Managua each day we heard of neighbors who were wounded or did not return from the war. We learned of surgical patients dying from infection because of shortages of medicines. Nearer the war zones we spoke with health care workers saddened by the deaths of children because the medicines they needed had spoiled after the contras blew up the towers carrying the electrical power lines necessary for their refrigeration. When we learned from Maria Theresa, a well educated mother of four daughters in Leon, Nicaragua's second largest city, that she lost her only son soon after childbirth from tetanus because of lack of medical supplies, we wondered if American taxpayers would continue to support this war if they really knew of the suffering it was bringing to ordinary people.

The contras have made clear that their primary strategy is psychological, the terrorization of the civilian population. And the emotional toll of a war characterized by random murders and torture of rural family members, assassination of health care workers and frontline technical assistants like Benjamin Linder, the uprooting of communities and the splintering of families due to death, separation, and the abduction and orphaning of children (estimated at 8,000) has indeed been enormous. A British psychologist, Derek Summerfield, who traveled extensively in Nicaragua in 1986, has documented the widespread psychological symptoms among combatants and non-combatants, the staggeringly high suicide rate and the extensive psychiatric disturbances among children for which, despite the best efforts of the government, there cannot begin to be adequate care.

In Managua we talked with Gary Campbell and John Isherwood, veterans of the Korean War and World War II, who are members of the Veterans Peace Action Teams based in Nicaragua. Campbell, Isherwood and several Vietnam veterans had recently completed a 73-mile march unarmed through the northern Nicaragua war zone and reported the terrible suffering of the rural population caused by contra policies of deliberate terror, killing of civilians and forced abduction into the contra forces. Despite their ordeal, the peasants were fiercely loyal to the Sandinistas. Members of the Veterans' group were planning to risk their lives to rebuild health posts destroyed by the contras with American money, reasoning that only when American lives are at risk will the U.S. public become concerned.

What then is the justification for this policy of terror, waged against helpless civilians? Each witness during the hearing has asserted in strident tones the presence of a Soviet military threat to the United States posed by the Marxist-Leninist Sandinista government and its Cuban and Russian advisors. The Sandinista revolution is, of course, Marxist inspired, as are other revolutionary movements in Latin America which seek to free their countries from many decades of American political, military and economic dominance. But even the Sandinistas' most severe critics laughed when we asked if they thought Nicaragua represented a military threat to the United States. Nicaragua *has* turned increasingly to the Soviet Union and Socialist bloc countries for economic and military support as the United States has cut off its aid, embargoed trade and increased its military pressure. But what is the evidence that this support, essential now for Nicaragua's survival, represents an immediate or long term threat to United States security?

I suspect that the real threat which Nicaragua presents to us is something quite different than the Soviet spectre. Perhaps this revolution challenges the political and economic dominance to which we believe ourselves entitled. When members of Ken's group protested contra atrocities to an official at the American Embassy he dismissed the complaints with, "Well, we're the biggest kid on the block." A Nicaragua that refuses "to turn around and say . . . 'uncle'," as President Reagan demands, may offer a powerful example to other countries in the region with large numbers of disadvantaged and oppressed people.

And there is something more, I think, a deeper threat to our image of ourselves that Nicaragua represents. Behind our Orwellian mislabeling of the contras as "democratic resistance forces," etc. and the relentless, undocumented assertions that democracy is lost in Nicaragua under the Sandinistas, may lie an unwillingness to look at the failures of our own democracy, a vague uneasiness at our consumption of so much of the world's resources at the expense of poorer countries and peoples. Whatever prove to be the answers, these, I think, are questions which the Congress and the American public should be researching and debating—not only how money was handled or what rules or laws were broken in this war of annihilation against an impoverished neighbor struggling to survive.●

AN ASSOCIATION FOR NORTH AMERICA?

● Mr. WIRTH. Mr. President, implicit in the new cry for American competitiveness is an understanding that our economic prosperity depends on our participation in the international marketplace. And that participation begins on our own continent: North America.

Slowly, our country—along with Canada and Mexico—is recognizing the problems and opportunities we share in facing an uncertain economic future.

For the first time, the foreign ministers of the United States, Canada, and Mexico held a joint meeting last month—at Stanford University's centennial celebration—to begin developing a coordinated approach to address these problems and seize these opportunities. The ministers' meeting is but a first step toward an idea that has long been considered in the American West, but is only now moving to a broader national platform: An economic association for North America.

In a recently written editorial, Profs. John Wirth and Clark Reynolds consider the forces behind a potential North American association and the benefits that might flow from it. Mr. President, I ask that the editorial be printed in the Record. Further, I urge our colleagues to consider the trends highlighted in the piece, their implications for America's future and the future of our hemisphere, and the potential benefits such as association might provide our Nation.

The editorial follows:

An Association for North America?

Stanford.—Taking another look at relations with Canada and Mexico comes more easily in the west, where development always depends on trans-continental ties. Today California is the largest market for Canadian natural gas. The state depends heavily on Mexican labor for its major exports, and together with Texas, Arizona, and New Mexico, its economic future is linked to trade and investment relations with Mexico. And the Pacific Rim countries are already viewing Canada and Mexico as platform to penetrate the U.S. market, beginning in the west. Indeed, as the world's seventh largest economy, California sees only benefits from an upgraded trilateral relationship. It is no accident that prominent Californians across the political spectrum have taken the lead, from ex-Governor Jerry Brown's call for a "North American Accord" in the late 1970's to ex-Governor Ronald Reagan's campaign plank for a "North American Common Market" in 1980.

But at that time neither Canada nor Mexico wanted any part of it. Both were pursuing their own nationalist development policies that precluded closer structural ties to the North American political economy. And the incoming Reagan Administration itself chose policies of fiscal nationalism and rearmament, driving up the dollar and focusing more on the trappings of American power than on its economic substance. It was forgotten that true security for the U.S. comes from enhanced productivity at home, in an economy that already extends well beyond our borders. Whether or not Canada or Mexico were seen to be "our most important foreign policy relationship" depended on the circumstances: the two were rarely linked together in a broader continental vision. Why, then, reconsider some association of the three?

For one thing, both Canada and Mexico have become more trade-dependent on the United States, while the oil wealth that fueled independent foreign policies disappeared, leaving huge debts. For another, the United States faces an increasingly competitive and unforgiving world trade environment, while the industrial and financial base that sustains it as a great power erodes. To become competitive in Asia, Canada must first compete in the huge American market, and for this reason it is seeking a comprehensive free trade agreement with us. Any hope for Mexico to regain its historic post-war 6 per cent growth rates is predicated upon access to the vast American labor, capital and consumer markets and the sharing of its technology. But this means more access to American exports, as the United States cannot indefinitely sustain negative trade balances with our first (Canada) and third (Mexico) largest trading partners.

Recent trends in North American trade, migration, and finance have left the three neighbors more interdependent than ever before. Yet many of their actions are partial, reflecting fears and prejudices of the past, despite a growth realization that our destinies are irrevocably entwined. Examples are recent duties by the U.S. imposed on Canadian wood products and those by Canada on American corn, taken in the midst of discussions about free trade; or the unilateral imposition of restrictive immigration legislation by the U.S., despite the consequences for Mexico, with both governments ignoring the increasingly binational nature of their labor markets.

Given this growing de facto interdependence, the three countries should take immediate steps to manage their increasingly complex relationship. This involves learning more about the options for cooperation from admittedly widely different perspectives. Before beginning the current free trade discussions with the U.S., Canada's Macdonald Commission carefully analyzed the pros and cons of further reductions in trade barriers between two nations with the largest bilateral exchange of any two countries in the world. One convincing element was the pressure of growing global competition, a process that is forcing changes in the market place regardless of decisions by the U.S. and its neighbors. Mexico, with a history of much greater protection, is also disposed toward greater openness. Yet it is moving more cautiously, given the weaknesses of its debt-ridden economy, the vulnerability of previously protected industries, and severe underemployment. Were it not for present barriers, Mexico's trade, investment, production, and employment relations with its northern neighbors would greatly increase, benefiting all three countries into the next century.

If a common market is premature, and it is, the underlying issues of transcontinental restructuring and growth must be faced. New and constructive ways should be found to bolster this contiguous market of 335 million people. This means moving immediately to freer trade and investment with Canada and to substantial debt relief, trade, and investment with Mexico, in arrangements which share the gains among the three partners. Such an approach would recognize that neither Canada nor Mexico can soon accept the political and economic risks of full integration with an asymmetrically powerful United States, any more than the U.S. is able to open its doors freely to Mexican labor. The disparities are too large. Even the European Common Market began step by step, with the Coal and Steel Community.

A North American approach must accommodate different values. Canada is determined to retain and enhance cultural sovereignty, however the trade talks turn out. Mexico is committed to the social goals of its great Revolution, whatever the logic of greater openness to market forces. The U.S. has its own strong convictions on how to run an advanced industrial democracy. Nor can the three nations' different foreign policy goals be easily reconciled: for example, neither Canada nor Mexico supports the current U.S. position on Central America. Perhaps above all the asymmetries of power and scale are what divide the three, despite the relative decline of U.S. power in the world system.

Despite these obstacles, a closer regional association based on greatly intensified trilateral contacts should now be placed high on the agenda. At issue is the better management of the financial, trade and social flows that are making North America more and more interdependent. Furthermore, in order to safeguard its great power status in the rest of the world, the United States may well begin to appreciate the importance of a strong manageable *regional* relationship as a practical way to reward friends and pressure competitors, while retaining the overall goal of an open world trading system. It is probably true that Canada with its traditional resource-based economy in transition, and debt-ridden Mexico attempting to restructure with austerity, have more to gain at the outset. But now that all three nations have abandoned economic nationalism and are in trouble together, it is not just the west that should be singing the praises of North American association.

Note.—Economist Clark W. Reynolds and historian John D. Wirth belong to the Americas Program at Stanford which is exploring complex interdependency in the Western Hemisphere.●

AIDS

● Mr. KERRY. Mr. President, while I have joined with many of my colleagues in voting for the Helms amendment, I do so reluctantly and with considerable reservations. I am deeply concerned about the spreading epidemic of AIDS. But I am also concerned that, in our efforts to combat the spread of AIDS, we do not give in to measures which compromise our civil liberties, and foster additional discrimination against minority groups.

AIDS seems to have become a litmus test issue for rightwing conservatives. Unfortunately, President Reagan seems to have succumbed to the temptation to play politics with this issue. I am pleased that the President has finally recognized the gravity of the AIDS epidemic, and has belatedly addressed the issue of AIDS. But I believe that his impulse to test first and ask questions later is a mistaken approach to the problem of AIDS.

As the New York Times editorialized today, "Mr. Reagan's emphasis on testing is misplaced. There are much more important things to do first." As the Times points out, one of the things that urgently needs to be done is public education about AIDS. Yet this administration is so determined to make AIDS a moral issue that they are not willing to take basic steps to conduct a public education program about AIDS.

Mr. Reagan's own Surgeon General, Dr. C. Everett Koop, has been made a virtual pariah within this administration because of his insistence on treating AIDS as a public health issue, and speaking honestly and clearly about the need to use condoms and to educate students about the threat of AIDS. The Surgeon General's report on AIDS, which is an excellent summary of the problem, has yet to be embraced by the President, or to be widely disseminated by this administration to the American people.

Meanwhile, Vice President Bush has once again demonstrated his insensitivity by his off-hand comments at the Third International Conference on AIDS. Faced with booing by a group of scientists at the meeting, Mr. Bush turned and said "Who was that, some gay group out there?" This comment demonstrates the lack of leadership and understanding from this administration on the AIDS issue.

What is needed is not more prejudice and more discrimination in response to the plague of AIDS. This is not only a disease which affects gays, and blacks, and Hispanics. It affects heterosexual men and women, of all races and colors, and all socioeconomic groups. No one is immune to the plague of AIDS. And all of us must work together with compassion and understanding to try to find a solution to this disease, and to care for those who are suffering.

I ask that an editorial from the New York Times, entitled "Mr. Reagan's AIDS Test," be printed in the Record.

The article follows:

Mr. Reagan's AIDS Test

"This is a battle against disease, not against our fellow Americans." In his first speech devoted to AIDS, President Reagan made plain that his heart was in the right place. What's less evident is why he ignores the best advice of public health officials and recommends compulsory AIDS testing that has little relevance to the incidence of the disease.

Mr. Reagan would like to see the AIDS test applied to immigrants, Federal prisoners, patients at veterans' hospitals, people getting married and those attending sexual disease clinics. Apart from prison populations containing drug addicts, these are not the groups at highest risk for AIDS.

As for premarital testing, the Federal Centers for Disease Control finds that it "is unlikely to be very effective," because most AIDS victims are drug addicts and homosexuals and the incidence of marriage among these groups is low.

There is historical precedent and good reason for testing and excluding would-be immigrants with communicable diseases. And offering the AIDS test to those attending sexual disease clinics makes excellent sense if it is voluntary. Otherwise, all that would accomplish is to discourage people from attending the clinics.

That's why Mr. Reagan's emphasis on compulsory testing is counterproductive. Public health officials prefer voluntary testing lest they drive away the high-risk groups they most need to reach. To encourage wider voluntary testing, the Government needs to provide firmer guarantees of confidentiality and protection from discrimination. Mr. Reagan warned against discrimination but offered no specific ways to deter it.

Why test? The AIDS virus, he said "is surreptiously spreading throughout our population." The question of spread needs to be addressed by wider AIDS testing, but a scientifically designed program would be preferable to the miscellaneous testing the President advocates. Besides, Mr. Reagan's emphasis on testing is misplaced. There are much more important things to do first.

One is to encourage changes of behavior, to prevent people from acquiring the virus and from passing it on. That calls for a widespread public education program, something the Federal Government is ideally situated to conduct. Yet Mr. Reagan seems willing to leave that task to the ad hoc efforts of states, schools and private businesses.

After education should come voluntary testing, accompanied by counseling, which is what makes a testing program effective in changing people's behavior regardless of test results. Washington could encourage wider voluntary testing in many ways, none of them cited by Mr. Reagan.

If a wide program of education and voluntary testing had been tried and failed, there might be grounds to consider the merits of compulsory testing, whether one calls it "mandatory" or "routine." Mr. Reagan's Administration has been slow to respond to the AIDS epidemic, yet its first thought is to compel testing. That is inconsistent with what public health officials advise and with the compassion evident in Mr. Reagan's words.●

SPECIAL EDUCATION WEEK IN NEW JERSEY

● Mr. BRADLEY. Mr. President, I would like to draw the attention of my colleagues to a significant event which occurred recently in my home State—Special Education Week in New Jersey, sponsored by the New Jersey School Boards Association and the Association of Schools and Agencies for the Handicapped. The purpose of this week was to recognize the outstanding contributions made by school board members, educators, schools and agencies for the handicapped, as well as the students and their families themselves to improve the quality of education for the exceptional citizens of New Jersey.

Nearly 165,000 children receive special education instruction in New Jersey's schools, and more than 6,700 special needs children are enrolled in preschool and early intervention programs in the State. In addition, Mr. President, thousands of special needs adults receive job counseling, housing assistance, continuing education, and other assistance in New Jersey.

Mr. President, I am pleased to tell you that the week was a great success. In fact, the number of students, parents, educators, and school officials who participated in Special Education Week Proclamation Day was the largest ever. The theme of the week was the "Rainbow of Accomplishments" of special education students, and the wide variety of events which occurred during this week clearly illustrated the tremendous achievements of these exceptional people.

Mr. President, I would like to add my voice to those that have already been raised in support of these exceptional citizens and all those who work with, serve as advocates for, and simply care deeply about them. Their struggle to achieve their potential and to be accorded the rights and responsibilities to which they are entitled will continue to be an arduous one—they deserve our assistance and support.●

NAUM MEIMAN

● Mr. SIMON. Mr. President, the treatment of Jews in the Soviet Union remains a pressing concern for Western citizens. Although the Soviet Government has instigated certain reforms that suggest a transformation is taking place in Soviet society, most United States officials remain unconvinced. I, for one, will not recognize glasnost as reality until the Soviet Union ends its blatant disregard of human rights.

There have been slight improvements in the situation facing Soviet Jews. Emigration figures have picked up somewhat. A handful of prisoners of conscience have been released. Andrei Sakharov was permitted to return to the Soviet Union from exile. Each of these changes is important, and I strongly encourage the Soviet Government to expand its efforts. Many Jews in the Soviet Union are still suffering.

If the Soviets are sincere about implementing reforms, they will end the persecution of Naum Meiman. For over 10 years, the Soviet Government has denied Naum any happiness. As he approaches his final years, he is still striving toward one goal—to live life in the West.

I implore the Soviet Government to grant Naum Meiman permission to emigrate to the West immediately.●

HOW SOVIETS AND AMERICANS PERCEIVE EACH OTHER

● Mr. SIMON. Mr. President, I would like to call attention to a new book recently published by the Committee for National Security. It is entitled, "The Other Side: How Soviets and Americans Perceive Each Other," written by Robert D. English and Jonathan J. Halperin. It is important reading.

There are many studies published each year on Soviet-American relations, the arms race, and the global balance of power. But there are very few studies that examine how we view each other, what moves each side to act in a certain way, what Soviet papers and citizens think about us, and how we think about the USSR. The Other Side does exactly this, and it does it superbly.

The book touches upon how each side views the other's political history, the news media, books, and films. The section on comparative coverage and styles in news reporting and the role of the media is especially important. The Soviet Union's emphasis on literature and film—Lenin said that "Of all the arts, for us the most important is film"—is of more than academic interest, particularly with the spread of relatively new information technologies like video cassette recorders and direct broadcast satellites. More and more American movies are being viewed inside the Soviet Union.

I have long been a staunch supporter of United States-Soviet exchanges, as one of the best ways to understand each other. Last year I sponsored the United States-Soviet Student Exchange for Peace resolution, which called for exchanging 2,000 youths aged 15-20. President Reagan has also made exchanges, and especially youth and citizen exchanges, an important agenda item in his summits with Mr. Gorbachev, and I am pleased to say that the Foreign Relations Committee accepted a provision of mine in the State Department authorization bill for fiscal years 1988 and 1989 authorizing $2 million per year to the United States Information Agency's United States-Soviet exchange initiative.

This book moves us in the right direction. We have to understand each other if we are going to avert war and misperceptions. Quoting Senator J. William Fulbright's 1983 address to Duke University, "The Other Side" closes with a warning: "In a very real sense, the future of the world is hostage to the ability of the Soviets and the Americans to evaluate correctly their intentions toward each other."

I commend the authors and the Committee for National Security for their fine work, and I recommend this book to all who seek a greater understanding of the United States-Soviet relationship.●

SALLY GRATCH PARTICIPATES IN AMERICAN SOVIET PEACE WALK

● Mr. SIMON. Mr. President, I would like to pay tribute to Sallie Gratch of Evanston, IL, for her participation in the American Soviet Peace Walk. She is not the only Illinoisan to march for peace, but she will probably carry Illinois' banner in the forefront of our delegation.

Grassroots citizen efforts, like the Great Peace March and this American Soviet Walk, go a long way to stimulate awareness of the dangers of the runaway arms race. I am glad that American and Soviet marchers are walking in each other's countries to demonstrate their desire for peace. Human contacts, exchange programs, and joint projects between peoples are preferable to piling up more and more nuclear weapons. I wish the walkers success in their endeavor.●

ORDERS FOR TOMORROW

ADJOURNMENT UNTIL 9:45 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:45 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERIOD FOR MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized on tomorrow, there be a period for the transaction of morning business not to extend beyond the hour of 10:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESUMPTION OF CONSIDERATION OF UNFINISHED BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that at the conclusion of the morning business at 10:30 a.m. tomorrow, the Senate resume its consideration of the then unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERMISSION FOR SENATORS TO SPEAK DURING MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that Senators be permitted to speak during that period for morning business for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered

NO RESOLUTIONS OR MOTIONS, OVER UNDER THE RULE, TO COME OVER; WAIVER OF CALL OF THE CALENDAR

The PRESIDING OFFICER. The Chair recognizes the majority leader.

Mr. BYRD. Mr. President, the order that has been entered probably precludes such from happening anyway, but just to be sure, I ask unanimous consent that any resolutions or motions, over under the rule, not come over tomorrow; and that the call of the calendar under rule VII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENTS ON BEHALF OF THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to 22 U.S.C. 276d-276g, as amended, appoints the Senator from Georgia [Mr. FOWLER] as chairman of the Senate delegation to the Canada-United States Interparliamentary Group during the 100th Congress.

The Chair, on behalf of the Vice President, pursuant to 22 U.S.C. 276d-276g, as amended, appoints the following Senators as members of the Senate delegation to the Canada-United States Interparliamentary Group during the first session of the 100th Congress, to be held in Vancouver, Canada, on June 4-8, 1987: the Senator from Idaho [Mr. MCCLURE], the Senator from Iowa [Mr. GRASSLEY], and the Senator from Alaska [Mr. MURKOWSKI].

Mr. BYRD. Mr. President, does the very able and distinguished acting Republican leader have any further statement or any business he would like to transact?

Mr. ARMSTRONG. Mr. President, I thank the majority leader for his courtesy. We have nothing on our side.

Mr. BYRD. Mr. President, I thank my friend. If no other Senator seeks recognition—I do not see any other Senator seeking recognition.

ADJOURNMENT UNTIL TOMORROW AT 9:45 A.M.

Mr. BYRD. Mr. President, there being no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in adjournment until the hour of 9:45 a.m. tomorrow.

The motion was agreed to and, at 6:26 p.m., the Senate adjourned until tomorrow, Thursday, June 4, 1987, at 9:45 a.m.

CONFIRMATION

Executive nominations confirmed by the Senate June 3, 1987:

DEPARTMENT OF STATE

Charles E. Redman, of Florida, a career member of the Senior Foreign Service, class of Counselor, to be an Assistant Secretary of State.

Robert H. Pelletreau, Jr., of Connecticut, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Tunisia.

Sol Polansky, of Maryland, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Bulgaria.

John Shad, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States to the Kingdom of the Netherlands.

Thomas C. Ferguson, of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brunei Darussalam.

Robert M. Smalley, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Lesotho.

Samuel B. Thomsen, of California, a Foreign Service officer of class 1, to be the U.S. Representative to the Republic of the Marshall Islands.

ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT

Denis Lamb, of Virginia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be the Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador.

ASIAN DEVELOPMENT BANK

Victor H. Frank, Jr., of New Jersey, to be U.S. Director of the Asian Development Bank, with the rank of Ambassador.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE ARMY

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Gen. John R. Galvin, [redacted] U.S. Army.

FOREIGN SERVICE

Foreign Service nominations beginning Charles J. O'Mara, and ending Claude J. Nelson, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on January 21, 1987.

HOUSE OF REPRESENTATIVES—*Wednesday, June 3, 1987*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are grateful, O God, for the gift of the spirit, a gift that lifts us from ordinary routines to the life of understanding and vision, of caring and respect for one another. Though we live in a world of busy events and necessary tasks, help us, gracious God, not only to do those things that must be done, but may we aspire to do that which should be done, so every person is treated with the dignity and respect that You have given. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. BLILEY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BLILEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 283, nays 94, not voting 55, as follows:

[Roll No. 161]

YEAS—283

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Applegate
Archer
Aspin
Atkins
AuCoin
Baker
Barnard
Bartlett
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Bilbray
Boggs
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Buechner
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clinger
Coats
Coelho
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dicks
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Dwyer
Dymally
Dyson
Early
Edwards (CA)
English
Erdreich
Espy
Evans
Fawell
Fazio
Feighan
Flake
Flippo
Florio
Foglietta
Foley
Ford (TN)
Frank
Frost
Gallo
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Grant
Gray (IL)
Green
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hertel
Hochbrueckner
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jeffords
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Livingston
Lloyd
Lott
Lowry (WA)
Lujan
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Patterson
Pease
Perkins
Petri
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Quillen
Ravenel
Regula
Richardson
Rinaldo
Ritter
Robinson
Rodino
Roe
Rose
Roth
Rowland (CT)
Rowland (GA)
Roybal
Sabo
Saiki
Sawyer
Scheuer
Schneider
Schuette
Schumer
Sharp
Shaw
Shumway
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Snowe
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauke
Taylor
Thomas (GA)
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whitten
Wilson
Wise
Wortley
Wyden
Wylie
Yates
Yatron

NAYS—94

Armey
Badham
Ballenger
Barton
Bentley
Bilirakis
Bliley
Boehlert
Boulter
Brown (CO)
Bunning
Burton
Callahan
Chandler
Cheney
Coble
Coleman (MO)
Coughlin
Craig
Dannemeyer
Daub
Davis (IL)
Dickinson
Dreier
Durbin
Edwards (OK)
Emerson
Fields
Frenzel
Gallegly
Gekas
Gingrich
Goodling
Grandy
Gregg
Hansen
Hastert
Henry
Herger
Hiler
Hopkins
Hunter
Inhofe
Ireland
Jacobs
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Lewis (CA)
Lewis (FL)
Lightfoot
Lukens, Donald
Lungren
Mack
Madigan
Martin (IL)
Martin (NY)
McGrath
McMillan (NC)
Miller (OH)
Molinari
Moorhead
Parris
Pashayan
Penny
Ridge
Roberts
Roukema
Saxton
Schaefer
Schroeder
Sensenbrenner
Shuster
Sikorski
Skeen
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Stangeland
Stump
Sundquist
Swindall
Thomas (CA)
Upton
Vucanovich
Walker
Weber
Whittaker
Wolf
Young (AK)

NOT VOTING—55

Anthony
Bevill
Biaggi
Boland
Clay
Courter
Crane
Daniel
DeLay
Dingell
DioGuardi
Dixon
Dornan (CA)
Eckart
Fascell
Fish
Ford (MI)
Garcia
Gephardt
Gray (PA)
Guarini
Hefner
Holloway
Jenkins
Kemp
Leach (IA)
Lipinski
Lowery (CA)
Marlenee
McCandless
McEwen
Michel
Miller (CA)
Mrazek
Nagle
Pepper
Porter
Rahall
Rangel
Ray
Rhodes
Roemer
Rogers
Rostenkowski
Russo
Savage
Schulze
St Germain
Sweeney
Tauzin
Torres
Torricelli
Williams
Wolpe
Young (FL)

☐ 1015

So the Journal was approved.

The result of the vote was announced as above recorded.

PERMISSION FOR SUBCOMMITTEE ON FISHERIES AND WILDLIFE CONSERVATION AND THE ENVIRONMENT OF THE COMMITTEE ON MERCHANT MARINE AND FISHERIES TO MEET ON THURSDAY, JUNE 4, 1987, DURING THE 5-MINUTE RULE

Mr. STUDDS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Fisheries and Wildlife Conservation and the Environment of the Committee on Merchant Marine and Fisheries be permitted to sit tomorrow while the House is meeting under the 5-minute rule for the purpose of a hearing and markup of the bill, H.R. 2480, and a markup of the bill, H.R. 2020.

This has been cleared with the minority.

The SPEAKER pro tempore (Mr. BARNARD). Is there objection to the request of the gentleman from Massachusetts?

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

There was no objection.

ANNOUNCEMENT OF SPECIAL ORDER ON THE LATE HONORABLE STEWART McKINNEY

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute.)

Mr. GEJDENSON. Mr. Speaker, less than a month ago I had the sad responsibility to announce to my colleagues that our friend and colleague, STEWART McKINNEY, had passed away.

This evening at the close of legislative business there will be a special order on behalf of STEWART McKINNEY. His family members will be with us today, and those people interested in coming and saying a few words about our friend, STEWART, are invited to do so at that time at the close of legislative business today.

CONGRATULATIONS TO PRESIDENT REAGAN AND VICE PRESIDENT BUSH FOR THEIR CALL FOR AIDS TESTING

(Mr. COUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COUGHLIN. Mr. Speaker, I want to congratulate President Reagan and Vice President BUSH for their call for AIDS testing of applicants for marriage licenses, prisoners, immigrants, and those seeking treatment for drug abuse and sexually transmitted diseases.

The sometimes hostile reaction to their policy proposals neglects the fact that we must both seek a cure for AIDS and prevent the spread of AIDS to the uninfected.

Critics claim that little money has been provided for research efforts aimed at finding a safe and effective treatment or cure for AIDS. That claim simply is not true.

The Reagan administration requested and Congress provided $436 million last year for AIDS research and will increase that amount to about $1 billion next year. We are providing—and will continue to provide—all of the money that can be spent prudently to find a cure or treatment for AIDS.

Critics of the President say he is insufficiently sensitive to justifiable fears that testing would result in discrimination against AIDS victims, sadly compounding their physical affliction with social stigma. But the President has been anything but insensitive to the plight of AIDS victims. The President's words bear repeating:

> What our citizens must know is this: America faces a disease that is fatal and spreading. This calls for urgency, not panic. It calls for compassion, not blame. And it calls for understanding, not ignorance. It's also important that America not reject those who have the disease, but care for them with dignity and kindness. Final judgment is up to God; our part is to ease the suffering and find a cure. This is a battle against disease, not against our fellow Americans.

Quick and ready critics of every administration initiative ought to concentrate their attention on a few basic truths.

One, we have neither a cure nor vaccine, and will not have any for years. Two, anything we do to help stop the spread of AIDS will be remedial, imperfect, and insufficient until we find a cure. Third, testing is one of the few remedial measures we can take to stop the spread of AIDS. Education is another.

The only thing that can halt the spread of this disease at the current time, President Reagan reminded us all, "is a change in the behavior of those Americans who are at risk."

President Reagan called for mandatory AIDS testing in only two areas. Immigration applicants have always been subjected to tests for communicable diseases, and the Government is well within its rights in excluding AIDS carriers. Testing of Federal prisoners recognizes the obligation to protect the uninfected prisoners who must live in close proximity to carriers.

In other areas the President called for "voluntary" AIDS testing. He encouraged the States to "offer" AIDS tests to those who apply for marriage licenses or use disease or drug treatment clinics.

Vice President BUSH called for confidentiality of test records and urged that help be provided to those who test positive.

All of this is neither harsh nor unreasonable. The unreasonableness is originating with the so-called activists who recognize no responsibility to protect society from a deadly infection.

LOOK AT THE FACES OF AMERICA

(Mr. STAGGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STAGGERS. Mr. Speaker, ladies and gentlemen of the House, I am flanked with the pictures of many employees from Parsons Footwear Inc., located in Parsons, WV, many who sent their pictures to me with their request that the House pass H.R. 1154.

Look at the faces of these people. These are the faces of America. These are the faces of the mothers and fathers, sisters and brothers, children of our country.

These people work hard, pay their taxes, care about the communities, and love their families and their country. These are the faces of Americans who are looking for an opportunity to work—with fair trade policies that don't make these Americans the punching bags or the chips we give away to our international trading partners.

I plan to be with these people next week in Parsons. I invite the President and his administration to join me, to look into these faces and tell them why the loss of their jobs is good for America.

I urge my colleagues to look at these faces and help. Look at these people and support effective trade policies. Help these families. Urge your constituents to send their faces to the President, maybe he will look at their faces and recognize that those faces are America.

THE ECONOMIC EQUITY ACT OF 1987

(Ms. SNOWE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SNOWE. Mr. Speaker, balancing the competing demands of work and family are at the center of life for millions of American women—and to an unprecedented extent, to their employers, employees, husbands, and children.

To address this dilemma, Congresswoman SCHROEDER, and I, along with over 80 original cosponsors, have introduced the Economic Equity Act of 1987. This legislative package of 17 separate bills is designed to help American women reach full and equal participation in our society.

In this year's EEA, the fourth such package to be introduced, we focus on two major issues: work and family. With 55 percent of all American women in the work force, some 20 million of whom are mothers with children under age 18, resolving the problems they face can lead to greater productivity on the job and security at home.

To that end, this legislation addresses such issues as child care, pay equity, equal credit for women in business, support for latchkey children, and other economic and domestic security issues.

I urge my colleagues to join us in supporting this package which represents another step toward legal, economic, and social equity for women.

SUPPORT HOUSE JOINT RESOLUTION 296 TO START WAR POWERS ACT CLOCK TICKING

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute.)

Mr. DEFAZIO. Mr. Speaker, I would like to read the first paragraph of the war powers resolution, titled "Purpose and Policy."

It is the purpose of this joint resolution to fulfill the intent of the Framers of the Constitution of the United States and insure that the collective judgment of both the Congress and the President will apply to the introduction of United States Armed Forces into hostilities or into situations where imminent involvement in hostilities is clearly indicated.

Yesterday we passed a resolution which directs that a report on this administration's plans be provided to the Congress. It's too bad we had to pass a bill to get a report which the President is already obliged to issue, by law. Our next step, very simply, should be to require the President to work with the Congress by invoking the war powers resolution. Last week, I introduced legislation which will do that. House Joint Resolution 296 starts the war powers clock ticking as of May 17, 1987. I ask my colleagues to support this effort.

FEDERAL RESERVE BOARD'S PROPOSED REGULATIONS ON REAL ESTATE ACTIVITIES OF BANKS

(Mr. HERGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HERGER. Mr. Speaker, I rise today to express my strong concern over the Federal Reserve Board's proposed regulations to allow banking interests to engage in a variety of real estate activities. Rather than involving the Congress to carry out these regulations, the Fed is choosing to use a provision of the Glass-Steagall Act, a piece of legislation passed in the 1930's in response to the Great Depression.

The merits of allowing banking interests to participate in real estate activities should be thoroughly discussed by the appropriate congressional committees and here on the House floor. Without question, proposals which would have such a dramatic effect on our economy must only be properly and specifically authorized by Congress, rather than by the unelected Federal Reserve Board. I urge my colleagues to keep in mind the actions of the Fed as we continue to take up banking legislation this year.

□ 1030

IN SUPPORT OF JOINT RESOLUTION OF DISAPPROVAL TO PROHIBIT SALE OF MAVERICK MISSILES TO SAUDI ARABIA

(Mr. LEVINE of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVINE of California. Mr. Speaker, today I join the gentleman from Florida, Mr. LARRY SMITH; the gentleman from Minnesota, Mr. VIN WEBER; and a bipartisan group of Members in introducing a joint resolution of disapproval to prohibit the sale of Maverick missiles to Saudi Arabia.

Mr. Speaker, there is no compelling foreign policy rationale for this sale. Gone is the pretense that it will induce the Saudis to further the peace process, a process they continue to subvert, not support.

Gone is the pretense that such a sale is needed to deter the Iranian threat, since it seems clear the Saudis acquire these weapons for use against Israel, not Iran. And, as recently demonstrated, the Saudis continue to refuse to engage the Iranians in the gulf with the weapons they already have, or to assist our efforts in that vital waterway.

And gone is the pretense that there are thorough consultations with Congress on sales of sophisticated weaponry. This sale was sent to the Hill without the traditional 20-day prenotification period, and at a time—5 o'clock last Friday afternoon—designed solely to steal 3 days on Congress as the clock started ticking on the 30-day disapproval period.

So what is the rationale? There is none, except for the desire to pour more arms into the Saudi arsenal, a fact the administration does not deny. Mr. Speaker, enough is enough.

I urge my colleagues to support this resolution of disapproval.

CONGRESS SHOULD BE MAKING DECISIONS AFFECTING OUR BANKING SYSTEM

(Mr. CHANDLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHANDLER. Mr. Speaker, I would like to take this opportunity to encourage the House Banking Committee to report legislation to establish a 1-year moratorium on Federal agencies' abilities to expand banks' securities, real estate, and insurance powers.

The scope of the banking environment today is in a state of flux—it encompasses a broad range of often complex relationships that reach beyond the banking arena.

Determining how these relationships should evolve, and who should do what, is a responsibility of Congress. These issues should not be addressed piecemeal, but in a comprehensive manner.

In simple terms, Congress, not the Federal Reserve Board, should be making policy decisions affecting the Nation's banking system. Let's not stand by idly while the Federal Reserve exercises prerogatives that are rightfully ours.

INTRODUCTION OF RESOLUTION DISAPPROVING SALE OF MISSILES TO SAUDI ARABIA

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, as you just heard from the gentleman from California [Mr. LEVINE], I am introducing a resolution today, together with a bipartisan group, to disapprove the sale of Maverick missiles to Saudi Arabia.

Once again the administration is exhibiting its fixation with selling arms to the Saudis. I would like to ask my colleagues: Why do the Saudis need more antitank missiles? They already have over 3,000 of them. Who threatens Saudi Arabia with tanks? Iran? South Yemen? Clearly not.

The influential Saudi military has been engaged in an unprecedented $20 billion per year military buildup, and yet the only thing that we can do is follow on and sell more arms. What have we gotten in return? Consistent refusals from the Saudis to help us in any way, shape, or form to structure a sound, viable, legitimate peace-achieving process in the Middle East.

During every recent debate, during every recent probe in the Middle East, we have not been able to convince the Saudis. What did we get just recently? A request from us to the Saudis to help us in the *Stark* incident? Refused. Peace with Israel? Refused.

All of these things are a reality in the region, and what is even more a reality is that we do not have a clear, coherent policy, except to try to sell arms.

This has got to stop. There has been no strategic survey, no study, nothing but an attempt to buy friends and influence their vote to virtue of arms, and it has not worked.

I urge my colleagues to join with us.

KANSANS SADDENED AT PASSING OF FORMER SENATOR FRANK CARLSON

(Mr. ROBERTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBERTS. Mr. Speaker, last Saturday, the citizens of Kansas were saddened to learn of the passing of the only man they have elected to serve in the Congress, as their Governor, and as U.S. Senator, Senator Frank Carlson.

Yesterday, in services in Concordia, KS, Frank Carlson was eulogized as a true Christian statesman by the Governor of Kansas Mile Hayden and by the Chaplain of the Senate and his long time friend, Dr. Dick Halversen.

Mr. Speaker, I have reserved 1 hour at the close of business tomorrow so that Members may pay tribute to this great man. I had the privilege and honor of working for the Senator as his administrative assistant during his final 2 years in office.

This is the man who founded the many Prayer Breakfast activities here in Washington and throughout the world. And this is a man who in terms of legislative accomplishments, example, and integrity stands second to no one in the proud annals of Kansas history.

CONGRESS, NOT FEDERAL RESERVE BOARD, SHOULD DECIDE REAL ESTATE ISSUE

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, I would just like to first echo the comments of my colleague, the gentleman from Kansas [Mr. Roberts], in connection with the passing of Senator Frank Carlson.

Mr. Speaker, I understand that the Federal Reserve Board recently closed its public comment period on a proposed regulation which would for the first time allow bank holding companies and their respective nonbanking subsidiaries to become involved in a variety of real estate activities. Without delving into the pros and cons of the issue, I have some serious concerns about the regulatory agency acting without congressional involvement on what could amount to a rewrite of one aspect of the Nation's banking laws.

Congress should have the opportunity to address the issue to ensure that all sides are heard. Included in the omnibus banking bill passed by the Senate is a 1-year moratorium on any expanded real estate activities for banks and bank holding companies. I urge the conferees, when they are selected, to retain this provision. Let's leave decisions on changing the laws where they rightfully belong, in Congress.

RIP VAN CONGRESS

(Mr. WORTLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WORTLEY. Mr. Speaker, Congress should not play the role of Rip Van Winkle when it comes to the oversight of laws governing financial services provided by banks and others. It's time to wake up and become involved. Congressional responsibility in this area is currently being undercut by aggressive regulators and market changes.

While Congress sleeps, the regulators work overtime to explore questionable openings in the laws regulating the products and services that banks offer. I and many of my colleagues may approve the substance of some of these recent actions, but I cannot condone allowing unelected and unaccountable officials to make decisions that will have significant consequences for providers and consumers of financial products and services.

Are safety and soundness being preserved? Are dangerous conflicts of interests occurring? Are the issues of competitiveness and concentration of economic resources being addressed? Are consumers having their needs met?

These are the questions which must be asked and answered by elected officials. And a 1-year moratorium on new banking powers as proposed by the Senate is not the answer. Banks have already witnessed their historic lines of business—commercial loans, home mortgages, consumer loans—relentlessly eroded by outside competitors who do not have to comply with the same strict standards applied to banking. Banks have also seen an exodus of deposits as funds are shifted to banklike accounts provided by other financial firms.

It is quite apparent that changing markets facilitated by new technology has radically altered the financial services industry in ways that were unimaginable when the bulk of our laws in this area were passed during the 1930's. It is also apparent that the regulators are not going to be as passive as Congress has been. An overdue and comprehensive review of this situation is needed now.

PERMISSION FOR COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO SIT ON TOMORROW DURING THE 5-MINUTE RULE

Mr. SCHUMER. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Finance and Urban Affairs be permitted to sit during proceedings of the House under the 5-minute rule on Thursday, June 4, for the consideration of a motion to move to go to conference with the Senate on H.R. 27, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The ranking minority member, the gentleman from Ohio [Mr. Wyle], concurs in this request.

The SPEAKER pro tempore (Mr. Smith of Florida). Is there objection to the request of the gentleman from New York?

There was no objection.

INTRODUCTION OF H.R. 1873, DEFENSE CONSTRUCTION EMPLOYMENT OPPORTUNITIES ACT OF 1987, AND H.R. 1874, FEDERAL CONSTRUCTION EMPLOYMENT OPPORTUNITIES ACT OF 1987

(Mr. ORTIZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ORTIZ. Mr. Speaker, I rise today to inform my colleagues of legislation I have introduced that can increase employment opportunities in every congressional district. H.R. 1873, the Defense Construction Employment Opportunities Act of 1987, and H.R. 1874, the Federal Construction Employment Opportunities Act of 1987, are related bills which would correct underlying problems in the administration of Federal construction contracts.

My two bills provide my colleagues with the opportunity to promote economic growth, and provide them with a concrete example of your efforts to provide jobs for their constituents. The construction employment opportunities legislation would require that 25 percent of certain Federal construction contracts be reserved for local contractors. Local contractors are defined as those with "a substantial degree of permanent facilities and operations," within 175 miles of the construction site. To preserve flexibility in this legislation, a waiver is granted if no qualified contractor is located within the 175-mile radius.

I doubt this waiver will be applied regularly. We all know of quality and qualified contractors within our districts. It is very aggravating to work hard to bring needed Federal construction to your district, only to discover that some distant company intent on employing imported labor was rewarded the contract. We work for Federal contracts because they offer long-term benefits to our districts. This legislation ensures that our efforts in Washington translate into short-term rewards for our districts as well.

I ask Members to join me by cosponsoring this legislation. They may contact me if they have any questions or want to participate in this textbook example of representative government.

□ 1040

HOUSING OPPORTUNITIES FOR HOMELESS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the Washington Post reported today that 18 million Americans will be homeless by the year 2003. The reasons are quite clear.

There is an increasing number of poor people in this country, and a decreasing number of housing opportunities for poor people.

Is anybody really surprised? The fact is, if Congress can continue to spend billions of dollars on the MX, we should be able to attack poverty. If Congress can continue to throw money away at the star wars program, we could provide housing opportunities.

If Congress could fund Contras, Congress could finance housing for the American homeless.

We have a tendency around here to wait until an issue butts up and bites our "keester."

I think we have an opportunity now to do something. We should, because Americans should not be living on steel grates, and I believe the Washington Post article should send a signal to all of us here in this Congress.

BAIL REFORM

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, last week the Supreme Court made a very important decision with respect to an element of the 1984 Comprehensive Crime Control Act, and that deals with bail reform.

Unfortunately, it was often reported as a question of advancing the idea of guilt or innocence; that is, punishing someone before they were determined to be guilty as charged.

In fact, it was nothing of the sort. It was a question of whether people shall be granted bail when they are charged with violent crimes.

It is a question as old as the Constitution, and it is a question that was recognized by our constitutional founders in which they determined that there were a series of crimes for which bail would not be granted.

All we have done is step in that tradition and established the procedures under which Federal judges can deny bail to those who are charged with particularly serious offenses.

In essence, all it is is a simple yet eloquent response to the oft-heard lament from the average citizen, why does my mugger get out of jail before I have even been released from the hospital?

That is what it comes down to. It is a common sense decision by the Supreme Court that says what we did in the Congress was correct. We ought to be proud of it and not be defensive about it.

CONGRESS SHOULD DECIDE MAJOR POLICY ISSUES SUCH AS PROPOSALS TO EXPAND THE POWER OF FINANCIAL INSTITUTIONS

(Mr. BATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATES. Mr. Speaker, Congress and only Congress should consider the ramifications of proposals to expand the powers of financial institutions such as those under consideration by the Federal Reserve.

Decisions of this magnitude shuld be made by Congress only after adequate debate and analysis by the Committee on Banking.

An amendment now before the other body in the banking legislation would provide the time for Congress to consider the implications of these proposals by instituting a moratorium until March 1988 on increased activities for federally chartered banks and bank holding companies in real estate, insurance, and securities.

I think the Congress should be especially concerned about what impact any new activities in these high-risk areas would have on consumers and on the safety and financial soundness of our system.

CONGRESS MUST DECIDE SECURITY POWERS OF FINANCIAL INSTITUTIONS

(Mr. BILBRAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BILBRAY. Mr. Speaker, last Thursday the distinguished chairman of the House Committee on Banking, Finance and Urban Affairs asked that we commit the FSLIC recapitalization bill to conference. Unfortunately, a minority objected and stalled this critical piece of legislation.

Between 1980 and 1986, FSLIC assisted 166 institutions and closed 44 for liquidation. Twenty-one savings and loans were closed in 1986 alone. FSLIC insurance losses have risen from $23 million in 1980 to an estimated $10.8 billion in 1986. Unless we in the House move quickly to commit H.R. 27 to conference, FSLIC recapitalization will be in great peril. Holding these insurance funds hostage is no more than playing a dangerous game of chicken with the hard-earned savings of Americans.

Moreover, Mr. Speaker, in conference our colleagues will be able to address serious questions that exist with respect to the role of Congress in determining the future of banking, securities, insurance and real estate. Congress, not Federal regulators such as the Federal Reserve, must decide the securities powers of financial institutions.

NO REFLAGGING OF FOREIGN SHIPS UNLESS CONGRESS APPROVES

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, yesterday, by a vote of 302 to 105 we passed legislation requiring the administration to explain to us how it plans to protect U.S. interests in the Persian Gulf. Today, we must do more.

My distinguished Republican colleague, the gentleman from Iowa [Mr. LEACH], and I are providing our colleagues the mechanism to take the next, necessary step. Legislation we introduced mandates that the administration obtain prior congressional approval before reflagging any foreign vessels in the Persian Gulf or other regions of hostility on this globe.

This is the way for Congress and for the American people to play their proper role in the decisionmaking process involving such a momentous step. If any administration wants the support of Congress, Congress must have the opportunity of saying yes or no before we leap. We must be in on the takeoff so America avoids a crash landing.

CONGRESS MUST DETERMINE PROPER POWERS FOR BANKS

(Mr. LELAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LELAND. Mr. Speaker, while there is little argument anywhere that the Federal Savings and Loan Insurance Corporation requires a swift infusion of capital, it is clear that this issue involves more than recapitalizing FSLIC. We cannot provide new capital for FSLIC in a vacuum—unmindful of the actions of Federal regulatory agencies that could have a dramatic impact on how the financial market place functions.

In my home State of Texas, many savings and loans have been closed down and others are in critical financial trouble because of bad real estate investments. Yet, the Federal Reserve Board last November proposed expanded powers for federally chartered banks and bank holding companies that would allow them—for the first time—to hold direct equity positions in real estate, an activity prohibited by the 1933 Glass-Steagall Act, which was enacted by Congress during the Great Depression to separate investment banking from commercial banking.

I believe that the rational for this separation is as sound today as it was then. But whether my colleagues agree with me on this point is not the issue here today.

The issue is over whose responsibility it is to determine the proper powers of banks in today's financial marketplace—the Federal Reserve Board or the U.S. Congress.

I strongly submit, Mr. Speaker, that it is the responsibiity and duty of Congress to make such critical policy decisions.

I urge my colleagues on the Banking Committee to go to conference with the other body, and to accept a provision in the other body's bill to prevent expanded powers for banks through March 1, 1988, by which time, Congress will determine the proper powers for banks in todays financial marketplace.

HOLDING THE PRESIDENT ACCOUNTABLE FOR ACTIONS IN THE PERSIAN GULF

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, what a day we had yesterday.

While Elliot Abrams was admitting under oath that he lied to Congress about this administration's foreign policy, on the floor of the House of Representatives we passed a resolution asking this same administration to provide us with the facts on our Persian Gulf policy.

While the administration ignores the clear dictates of the War Powers Act, this House passed a resolution yesterday and never mentioned the President's responsibility to Congress and the American people under that law.

It is not difficult to understand why Congress has little voice in the formulation of foreign policy when we abdicate our constitutional responsibility with such abandon.

For those who feel that this President should be held accountable for the hopeless muddle of this Nation's foreign policy in the Middle East, I hope you will join with me and the gentleman from Oregon [Mr. DEFAZIO] in cosponsoring House Joint Resolution 296, a resolution which triggers the War Powers Act, a law which the President ignores and many in Congress are too timid to assert.

ABRAMS' DISHONEST TESTIMONY

(Mr. MOODY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOODY. Mr. Speaker, yesterday in the joint committee investigating the Iran-Contra event, Elliot Abrams was, in effect, asked why he purposely misled Congress when he testified that neither he nor the State Department was "in the business of raising money for the Contras." In fact, that is exactly what Secretary Abrams was in the business of doing, having solicited $10 million from the Sultan of Brunei.

When asked yesterday why he lied to Congress, Secretary Abrams said he was "not authorized" to tell the truth.

For a high member of any administration to conspire to thwart the law and thwart congressional intent, such as was done by this administration under the Boland amendment, is bad enough. But if Congress ever permits the excuse that lying to Congress by an administration spokesman is justified because he is "not authorized to tell the truth," then the relationship between the executive and the congressional branch as contemplated by the Constitution will have been badly debased.

Our system depends on full and honest testimony before Congress. Elliot Abrams' lame excuse for lying to Congress cannot be tolerated.

INSTRUCTIONS TO CONFEREES ON FSLIC BILL

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLATTERY. Mr. Speaker, after the Great Depression, Congress enacted several laws to ensure the stability of our financial institutions. Recently, however, the lines between banking and other areas of commerce have become blurred. These changes have occurred in a helter skelter fashion, without sufficient consideration by policymakers of the potential dangers they may pose to the safety and soundness of our financial system.

The Senate version of the FSLIC recapitalization legislation contains a 1-year freeze on authorization of new bank powers. This 1-year window would give the Congress time for full hearings and the development of comprehensive legislation. Hopefully during the next year all interested parties will have the incentive to work together to correct the inequities and distortions in the current financial marketplace. I urge the House conferees to support the Senate bill in this area.

NATIONAL BARTER PROGRAM

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, I would like to speak to the House for a moment about the subject of barter, that is countertrade.

Barter is nonconventional trade, but it works. Barter is Thailand sending 60,000 metric tons of rice to Senegal in exchange for fertilizer. Barter is New Zealand sending meat and dairy products to Brazil to pay for cars being sent in the opposite direction.

Ten percent of the world's trade is noncash, barter, yet the United States is involved in very little of this growing market because we do not have a national barter program. It would help farmers in our country and help our agricultural exports if we were involved in barter.

For those reasons, I worked a couple of years ago to include a provision in the farm bill that requires the U.S. Department of Agriculture to initiate a pilot barter program to demonstrate that the United States could increase its agricultural exports to cash-poor countries through barter. The law requires that USDA complete at least two deals with other countries for barter in the fiscal years 1986 and 1987.

There are only a few months left in this 2-year window in which we require that barter, and to date the USDA has done nothing. I repeat that, the Secretary of Agriculture and the USDA have done nothing to carry out this law.

Mr. Secretary, Congress is watching. We fully expect you to carry out the law.

I intend week after week to ask you why you have not done so. When we pass laws down here, we expect you to listen and we expect you to take notice.

Barter is important. Expanding our ability to export agricultural products from this country is important and countertrade is one way to do it. It's a buyers' market for agricultural commodities. Some of the most important customers for the future cannot pay cash now but have other things to offer. We can't give those customers away to our competitors. But USDA is ignoring this promising avenue.

We did not pass this law for frivolous reasons. We passed it because we want you, Mr. Secretary, and the USDA to do what is necessary to initiate a pilot barter program for the good of this country and the good of America's farmers.

So we continue to watch and we are going to continue to ask tough questions and expect you to take action.

FOOD SECURITY IMPROVEMENT ACT OF 1987

(Mr. BRUCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRUCE. Mr. Speaker, yesterday was "Corn Day" in my home State of Illinois, and on that occasion the House Agriculture Committee passed a bill which means good news for all the thousands of corn and soybean farmers in Illinois and across the United

States. Yesterday, the committee passed H.R. 625, the Food Security Improvement Act of 1987. This bill steps up the schedule for delivery of final installment, income-deficiency payments to producers of 1986 crop corn and other feed grains. It also restores equity to the commodity programs.

The 1985 farm bill required that the final deficiency payment for the 1986 crop be paid 12 months after harvest for all grains. However, to better meet farmers' needs, the final payment for 1986 wheat was moved up from 12 to 5 months after harvest. Unfortunately, corn and other feed grain farmers, who need this earlier payment just as badly, continue to have to wait a full year for their money.

Mr. Speaker, much of Illinois including most of my 19th Congressional District lies in the heart of the Corn Belt. Several counties in my district rank in the top corn- and soybean-producing counties in the United States. White, Wabash, Effingham, Crawford, Vermilion—Champaign County alone produces approximately 40 million bushels of corn each year on nearly 300,000 acres of productive land.

Corn and soybeans account for nearly one-half of the farmer's receipts in Illinois. Moreover, we have many, many small towns which are almost entirely dependent upon agriculture, including the businesses and the banks. In the present depressed agriculture climate, moving up the payment of funds that will be spent in any case is the least Congress can do for hard-pressed farmers. Additionally, the need to maintain equity between the different grain programs argues for the passage of H.R. 625.

I would like to thank my friend and colleague from Illinois [Mr. MADIGAN] for all his hard work on this bill in behalf of the Nation's corn and soybean farmers. I urge my colleagues to vote for passage of this legislation when it comes to the House floor.

SUPPORT MORATORIUM ON FEDERAL RESERVE'S REAL ESTATE REGULATION

(Mr. BONER of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONER of Tennessee. Mr. Speaker, the Federal Reserve Board recently closed its public comment period on a proposed regulation which would for the first time allow bank holding companies and their respective nonbanking subsidiaries to become involved in a variety of real estate activities, including investment, development, brokering, and management.

The effect of this proposed regulation is to allow the Federal Reserve Board to rewrite the fundamental of our Nation's banking laws without congressional involvement.

Recognizing the adverse effects that may come from allowing the Federal Reserve Board to take action in the area of expanded real estate powers, the Senate has acted to ensure time for congressional review. Included in title II of the Senate-passed omnibus banking bill is a 1-year real estate moratorium of any expanded activities for banks and bank holding companies.

I urge my colleagues on the House Banking Committee to agree to a conference with the Senate on this important issue. If Congress does not give itself time in which to review the issue, the Federal Reserve will alter the fundamentals which govern not only the banking industry but also its interaction with other service industries like real estate.

□ 1055

FAIRNESS IN BROADCASTING ACT OF 1987

Mr. HALL of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 179 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 179

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1934) to clarify the congressional intent concerning, and to codify, certain requirements of the Communications Act of 1934 that ensure that broadcasters afford reasonable opportunity for the discussion of conflicting views on issues of public importance, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce, the bill shall be considered for amendment under the five-minute rule, and each section shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore (Mr. SMITH of Florida). The gentleman from Ohio [Mr. HALL] is recognized for 1 hour.

Mr. HALL of Ohio. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN] for the purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 179 is an open rule providing for the consideration of H.R. 1934, the Fairness in Broadcasting Act of 1987.

The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce.

The bill shall be considered for amendment under the 5-minute rule, and each section shall be considered as having been read.

It should be noted that there are no waivers provided by this rule.

Finally, the rule provides for one motion to recommit.

Mr. Speaker, H.R. 1934 seeks to codify the fairness doctrine to ensure that broadcasters afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

The fairness doctrine had its origins in the Federal Radio Act of 1927, and was formalized as a practice by the Federal Communications Commission in 1949. Many communications experts believed that the fairness doctrine was codified in the Communications Act Amendments of 1959. However, the TRAC decision of the U.S. Court of Appeals in September 1986, held that the doctrine was not a statutory mandate. This ruling could open the door to repeal of the fairness doctrine by the FCC.

The Fairness in Broadcasting Act of 1987 would clearly and unambiguously codify the fairness doctrine.

To permit open debate on issues relating to the fairness doctrine, the Rules Committee has granted the open rule requested by the Committee on Energy and Commerce.

Mr. Speaker, I am not aware of any opposition to this open rule, and I urge my colleagues to adopt it.

Mr. QUILLEN. Mr. Speaker, I yield myself as much time as I may use.

Mr. Speaker, this is an open rule, and I ask for its adoption.

The rule makes in order for consideration H.R. 1934, the Fairness in Broadcasting Act of 1987. There is a difficult and important public question that is raised by this bill. I would urge Members to consider carefully the arguments which will be advanced by those supporting this bill and those opposing it.

H.R. 1934 enacts into law the so-called fairness doctrine and applies it as a Government-imposed obligation on the country's television and radio broadcasters. On the surface, this means that the television stations and the radio stations will be required by the Government to provide coverage of controversial issues of public importance, and also that they must provide it in a fair and balanced manner. Now it is certainly appropriate to present contrasting views on controversial issues over the airwaves and broadcasters do it every day, all across the country. So this sounds fine initially, but when you look into this question and study its implications thoroughly, it does not sound so fine at all.

The first thing to remember is that this so-called fairness doctrine applies only to television and radio broadcasters. It does not apply to owners of newspapers, even though newspapers are generally more expensive to start up than broadcasting stations, and even though many newspapers enjoy a newsprint monopoly in their home markets.

When the idea of the so-called fairness doctrine was put into effect, there were only about 2,000 radio stations in the country. Today there are more than 2,000 radio stations in the country. Today there are more than 10,000 radio stations and about 1,500 television stations. So the industry has changed considerably over the past 50 years or so. Do we really need to place this Government-imposed burden on our television and radio broadcasters? I think not. And it certainly should never be imposed on the newspapers and the print media.

With so many broadcasting stations competing with each other on the airwaves, not to mention the cable television operations which are not restricted in any way by this bill, we do not need to force content-based rules and prohibitions on the television and radio broadcasters through regulations enforced by the Federal bureaucrats at the Federal Communications Commission. Federal bureaucrats should not be empowered to dictate broadcast content. With so much choice out there, people can turn the dial of their television set or radio and pick up something else whenever they wish. This makes more sense to me than ordering the FCC bureaucrats to enforce some vague concept of fairness on the broadcasters.

The heart of the argument against this bill goes beyond the fact that it is not necessary in order to promote some public purpose. It goes beyond the belief that imposing this concept by codification in law on the broadcasters will cause them to actually avoid controversial issues of public importance because of fear of running afoul of the Government. The heart of the argument against this bill is that this bill infringes on the first amendment rights of the broadcasters.

The first amendment to the Constitution of the United States explicitly provides the press freedom to report and comment on matters of public importance without Government intervention, control, or influence. Do our television and radio broadcasters not deserve equal protection under the first amendment? I believe they do and this is really the firm ground on which I stand in opposition to this bill.

Broadcasters should not be required by law to base their general news judgments on a guess of how each report will or will not square with a particular point of view or even an organized ideology. And further, the so-called fairness doctrine can lead to actual Government control of broadcast content. This could easily result in a reduction by broadcasters in the amount of air time they devote to controversial issues of public importance out of fear that the FCC bureaucrats will second-guess their news decisions, and they will be in trouble with the Government.

This bill is a bad idea. We do not need it. We should defeat it. The television and radio broadcasters are entitled to the full protection of the first amendment. What is wrong with that?

Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. OXLEY].

Mr. OXLEY. Mr. Speaker, as we consider H.R. 1934 today, I hope that we will bear in mind the many compelling arguments for not codifying the fairness doctrine. As I listened to the panelists that came before the House Telecommunications and Finance Subcommittee during the recent hearing conducted on this legislation, I was struck by one overriding impression: the codification of the fairness doctrine cannot be justified unless one accepts the spectrum scarcity rationale.

Sheer weight of numbers prevents me from accepting this argument. There are now approximately 10,000 radio stations and 1,300 television stations reaching 98.2 percent of all U.S. households. With the availability of home dishes, cable, VCR's, and microwave technology, there are numerous sources of information for broadcast audiences to choose from.

Although no one is even suggesting that we consider applying the fairness doctrine to newspapers, it is interesting to contrast the broadcast numbers with the figures for the print media. For example, there are only 1,700 daily newspapers in this country, and many major cities are only one- or two-paper towns. Yet 96 percent of U.S. households receive five or more television signals, and 71 percent of all households receive nine or more signals. In addition, there are 7,300 cable systems reaching 46 percent of homes in the United States. Far from a scarcity, the numbers indicate convincingly that the broadcast audience has a great many information alternatives available.

As my good friend, the gentleman from Iowa, perceptively pointed out at the subcommittee hearing on H.R. 1934: in considering the spectrum scarcity rationale, a distinction must be made between the availability of opportunities to broadcast programming and the availability of the opportunities to receive programming. Proponents of this bill have continually focused on the former distinction when the very purposes of the fairness doctrine command that we focus on the latter distinction.

I am concerned that enacting the fairness doctrine will intrude on the constitutional rights of broadcasters. I see the fairness doctrine as a dangerous precedent of Government regulation over content. Government officials should not be dictating broadcast content—that should be determined solely by the tastes and information needs of the people. The dial of the television set is a far more desirable regulatory tool than a vague concept of fairness enforced by a Government agency.

Mr. QUILLEN. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. LENT].

Mr. LENT. Mr. Speaker, I want to join my colleagues from both the Committee on Rules and the Committee on Energy and Commerce today in supporting the open rule which is before us. I plan to support H.R. 1934, the Fairness in Broadcasting Act of 1987, and will support an amendment which I understand will be offered by the gentleman from New York [Mr. GREEN] to delete radio from the coverage of this legislation.

With this amendment, I think it is a good bill. It is designed to ensure that all sides of controversial issues are presented fairly.

The open rule that we have with House Resolution 179 provides for a complete discussion of H.R. 1934. My colleagues, including those who disagree with me, are thus afforded an opportunity to fully present their positions. The rule, which permits this objective and fair presentation of views during consideration of H.R. 1934 by the House of Representatives, reflects the spirit of H.R. 1934.

For these reasons, Mr. Speaker, I support this rule, and I urge its adoption.

Mr. QUILLEN. Mr. Speaker, I yield back the balance of my time.

Mr. HALL of Ohio. Mr. Speaker, I have no requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BLILEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 397, nays 0, not voting 35, as follows:

[Roll No. 162]

YEAS—397

Ackerman
Akaka
Alexander
Anderson
Annunzio
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Donnelly
Dorgan (ND)
Dowdy
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Frank
Frenzel
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Manton
Markey
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Penny
Perkins
Petri
Pickett
Price (IL)
Price (NC)
Pursell
Quillen
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Wilson
Wise
Wolf
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)

NOT VOTING—35

Andrews
Anthony
Bevill
Biaggi
Coble
Daniel
DeLay
Dixon
Dornan (CA)
Downey
Flippo
Ford (TN)
Garcia
Hefner
Kemp
Lipinski
Marlenee
McCandless
Michel
Mrazek
Pepper
Pickle
Porter
Rahall
Ray
Roemer
Rostenkowski
Russo
Schulze
St Germain
Tauzin
Torres
Williams
Wolpe
Young (FL)

□ 1125

Mr. SCHEUER changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. SMITH of Florida). Pursuant to House Resolution 179 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1934.

□ 1131

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1934) to clarify the congressional intent concerning, and to codify, certain requirements of the Communications Act of 1934 that ensure that broadcasters afford reasonable opportunity for the discussion of conflicting views on issues of public importance, with Mr. MOODY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Massachusetts [Mr. MARKEY] will be recognized for 30 minutes and the gentleman from New Jersey [Mr. RINALDO] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of H.R. 1934, the Fairness in Broadcasting Act of 1987. I am proud to be a coauthor of this legislation with my good friend and the chairman of the House Energy and Commerce Committee, the gentleman from Michigan [Mr. DINGELL]. The bill would clarify congressional intent concerning the fairness doctrine, and would codify the doctrine.

H.R. 1934, which has over 70 House cosponsors, has broad bipartisan support and is supported by virtually every civic, religious, labor, civil rights, and public interest organization and group in our Nation. In fact, it is supported by virtually everyone who cares about a free and informed citizenry.

The fairness doctrine, which has its origins in the Federal Radio Act of 1927, has been described as the cornerstone of our Nation's broadcast policy, and that is an apt description. The fairness doctrine forms a crucial part of broadcasters' public trustee obligations.

Simply stated, the fairness doctrine imposes two affirmative obligations on broadcasters. First, it requires broadcasters to devote reasonable attention to the coverage of controversial issues of public importance. Second, broadcasters are required to provide a reasonable, although not necessarily equal, opportunity for the expression of opposing views on such controversial issues.

Some critics of the fairness doctrine argue that broadcast licenses should be treated like newspapers for first amendment purposes. But, unlike newspapers, broadcasters are granted a license to use a scarce public resource, the electromagnetic spectrum. And, as long as broadcasters are granted exclusive use of a scarce and valuable resource, Congress can and should condition the grant with an obligation to serve the public in a fair and balanced manner.

Despite rhetoric to the contrary, the fairness doctrine is not a censorship doctrine. It does not allow the Government to sit in judgment of the broadcaster's editorial judgment. The Federal Communications Commission merely judges whether the broadcaster has made a "reasonable and good-faith" effort to comply with the doctrine. Moreover, the Commission is not empowered to require a broadcaster to cover an issue or specific issue.

The fairness doctrine only requires broadcasters to do what any good broadcaster would do anyway: address important issues in a fair and impartial manner.

No, the fairness doctrine does not serve to censor broadcasters. It does, however, prevent broadcasters from censoring the rest of us—those of us who don't have broadcast licenses.

The constitutionality of the fairness doctrine was unanimously upheld by the Supreme Court in the Red Lion decision 17 years ago. The Court held that in the context of broadcasting, the rights of the viewing and listening public are paramount, and that the fairness doctrine is both a permissible and effective method of vindicating those rights.

The Court also noted that a license to use the public airwaves is a privilege. It is not for the personal or private use of any individual or group of individuals. Broadcasters do not own the airwaves, the American people do. As the Supreme Court stated in Red Lion, and I quote:

> The first amendment confers no right on licensees to prevent others from broadcasting on "their" frequencies and no right to an unconditional monopoly of a scarce resource which the Government has denied others the right to use.

Notwithstanding the rhetoric of the Federal Communications Commission, the electromagnetic spectrum still is a scarce public resource. Although there are new audio and video services available to the American public, there still are many more applicants for radio and television licenses than there are available frequencies. And a basic tenet of economics is that whenever demand exceeds supply, you have scarcity.

For almost 60 years, the fairness doctrine has assured the rights of the American people to free and unfettered discussion of important issues. Last year, however, the D.C. Court of Appeals, in the TRAC decision, indicated that the Congress never actually codified the fairness doctrine, and therefore, the Federal Communications Commission can repeal it without congressional approval. The FCC, which for 6 years has sought to modify or eliminate the fairness doctrine, has indicated that at the earliest possible opportunity it again will launch an attack on the doctrine.

We must act today to forestall regulatory repeal of this seminal doctrine. Democracy turns on a fully informed electorate. Loss of the fairness doctrine would cause the loss of a precious and valuable tool of democracy.

I urge my colleagues to cast their vote for this bill and to oppose all weakening amendments. Let's establish once and for all that we support balanced and fair broadcasting.

□ 1135

Mr. Chairman, I reserve the balance of my time.

Mr. RINALDO. Mr. Chairman, I yield myself such time as I may consume.

(Mr. RINALDO asked and was given permission to revise and extend his remarks.)

Mr. RINALDO. Mr. Chairman, as stated, H.R. 1934 provides for the fair reporting by broadcasters on controversial issues of public importance.

Consideration of H.R. 1934 today provides the first opportunity for my good friend and colleague, Ed Markey, the new chairman of the Subcommittee on Telecommunications and Finance to bring a subcommittee bill to the floor of the House of Representatives. I look forward to many such initiatives under the leadership of the gentleman from Massachusetts.

The fairness doctrine has been a regulation of the Federal Communications Commission for over 25 years. It has been challenged, studied, threatened, and bantered about for the last several years.

Over the last 2 years the FCC has undertaken an effort to repeal the fairness doctrine. That effort has sparked the current debate. The legislation before us today is intended to settle the debate by codifying the fairness doctrine into our communications laws.

It is important to note, however, that the debate is not simply a legislative issue; the doctrine is currently subject to court challenge and, quite frankly, it will be settled in the court. I believe by codifying the doctrine it actually assists the courts in ruling on the doctrine's constitutionality.

I understand that the communications laws place special duties and privileges with broadcasters. This unique treatment arises from the right to broadcast given by the Government to a chosen few.

The broadcaster accepts an obligation to the community when he receives his license. Broadcasters are obliged and licensed to serve their communities. Fair and complete news is inherent in such public service. It is unfortunate that we must resort to any form of Government requirements for enforcing that obligation.

But I also acknowledge that the fairness doctrine is not an overly burdensome restriction imposed by the Government, as presently administered under the current state of technology and the market.

The doctrine does vest broad editorial responsibility with the broadcaster, with appropriate deference given to the good faith and reasonable judgment of licensees. Only a handful of complaints are actually processed by the Government. Under current circumstances, it is not an intrusive program of Government censorship or control.

Technology has brought us all sorts of alternative electronic means to reach the public. But at this time alternative sources simply do not permeate the electronic horizon sufficiently for us to conclude at this moment that would-be broadcasters have adequate opportunities to reach the public through these budding technologies.

Not only is technology changing, but so is the broadcast industry. I considered offering an amendment in the markup of H.R. 1934 by the Subcommittee on Telecommunications and Finance to exempt radio from this bill because radio marketplace is so different than television. Such an amendment lacked support at that time. However, I remain concerned, and I am pleased to support my colleague from New York, Mr. Green, in his amendment to exempt radio.

One other issue concerns me and that is the references in the committee report to the fairness doctrine application to cable providers not now covered. I do not recall one single mention of a fairness doctrine for cable during our hearing or markups.

My understanding is that H.R. 1934 merely codifies the existing fairness doctrine regulation for the time being and that is all. Any other notions of how it ought to be expanded are beyond the scope of H.R. 1934 as I understand it.

Mr. CHAIRMAN. I reserve the balance of my time.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentlewoman from Illinois [Mrs. Collins].

Mrs. COLLINS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, as an original cosponsor of H.R. 1934, I rise in support of this important legislation.

I want to commend my distinguished colleagues, the chairman of the Energy and Commerce Committee, Mr. Dingell, and the Telecommunications Subcommittee, Mr. Markey, for bringing this issue to the floor, in an effort to reverse the irresponsible decisions made by the Federal Communications Commission to drop the fairness doctrine.

If any Member has the slightest doubt why the fairness doctrine should be codified, they should look at last Monday's Washington Post which describes the demise of a long-standing public affairs program right here in Washington.

Like most public affairs programs, "Panorama" was a victim of low ratings. But if ratings were the sole criterion, this program would have disappeared long ago. Instead, it survived for 20 years because the FCC used to require broadcasters to devote a portion of their stations' air time to a discussion of issues in the public interest.

Today, that requirement is gone. It fell victim to the FCC's deregulation of the broadcasting industry.

This has meant one thing—the exchange of vital public information on the Nation's airwaves has been sacrificed to "cutthroat" competition between broadcasters to get more and more ad revenues.

The need for, and the fate of, the fairness doctrine is tied closely to what has happened with this public affairs requirement.

Simply stated, the doctrine requires broadcasters to provide an opportunity for discussion of conflicting viewpoints on issues of public concern. It does not, however, dictate what specific issues a broadcaster must cover.

Since 1959, Congress has reaffirmed its strong support for this doctrine. And, until recently, the FCC monitored the activities of broadcasters to ensure "reasonable and good faith" compliance with the doctrine.

In its unrestrained zeal to deregulate the industry, the current Commission has first challenged, then argued against, and, finally, tried to destroy the doctrine. Worse, a Federal appeals court has recently endorsed the FCC's actions.

Contrary to the Commission's views, there is a defined segment of the broadcasting spectrum that the public is "tuned into." Unless broadcasters are required to present differing views on controversial issues, the public will be deprived of a critical exchange of information. Someone said earlier today that one need only turn the dial if he disappears with what is being said regarding an issue. Well even if every home in this Nation had cable, the public is not going to turn the dial to find an obscure cable station to listen to such a debate.

Mr. Chairman, the time has come to tell the FCC, it should have learned by now that deregulation does not work. And, even if you disagree, Congress has established a legal mandate which you are obligated to follow.

In view of the Commission's actions, and the recent Federal appeals court decision, I urge my colleagues to support passage of H.R. 1934 as reported by the Energy and Commerce Committee.

Mr. RINALDO. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. LENT], the distinguished ranking member of the full committee on Energy and Commerce.

Mr. LENT. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I join the distinguished chairman of the Committee on Energy and Commerce, the sponsor of H.R. 1934, in support of this legislation to codify the fairness doctrine. The fairness doctrine is now a Federal communications commission regulation, but its future is in doubt. Making this regulation a permanent feature of our communications law will help solidify our commitment to the fairness doctrine and its purpose.

That purpose is to require broadcasters to air controversial issue of importance to their communities. When such controversies are aired, the fairness doctrine also requires the broadcasters to fairly report all points of view. This permits the viewer and listeners to obtain a full portrayal of these controversies.

I would object to H.R. 1934 if the fairness doctrine was not so mild. I believe it imposes a de minimis burden on broadcasters and, at the same time, provides an important benefit to the viewing and listening public.

The fairness doctrine blunts the dominance of the broadcast licensees over their competitors in the newspaper, satellite, and cable fields. These alternative electronic media efforts to reach the public are overshadowed by traditional broadcast methods.

Broadcasters are afforded the privilege of broadcasting. With that privilege comes the duty to broadcast in the public interest. Part of that public interest obligation is a commitment to the very principles that form the fairness doctrine. Those who do broadcast assume a commitment to balanced coverage of controversial issues.

Without the fairness doctrine, some stations might be tempted to air just one side of a controversial issue. This danger is highlighted by the inability of those on the other side of an issue to respond by broadcasting their side.

The report accompanying H.R. 1934 discusses at great length changing the application of the fairness doctrine to cable providers. This was never discussed during the course of the hearings or markups, and I am always somewhat leery about these kinds of statements absent any investigation of the matter.

We clearly intended to impose the fairness doctrine only as that rule is interpreted today—no more and no less. I believe that was, and remains, our view of H.R. 1934.

In a perfect world, the fairness doctrine should not be. But the pervasiveness and the power of the broadcast media in the current setting justifies this minimal assurance of fair play. For these reasons, I support the codification of the fairness doctrine and urge the adoption of H.R. 1934.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. ECKART].

Mr. ECKART. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, the gentleman from Massachusetts [Mr. MARKEY], the gentleman from New York [Mr. LENT], and the gentleman from Michigan [Mr. DINGELL] deserve the kudos of this committee.

The fairness doctrine is something that is important to the living, breathing hope of the practice of democracy in a republic.

The fairness doctrine requires simply that: fairness. It simply means that a broadcaster's obligation as originally enshrined in the law 50 years ago is to broadcast in the public interest.

In so doing, they cover issues of importance; and in covering those issues, they do so fairly.

We are going to hear stories about radio ought to be exempted because of competition, but the simple fact is that, as we heard in adequate testimony from the Assistant Secretary for Communications, and information from our own U.S. Department of Commerce, that radio is still a very scarce commodity.

In fact, it is a finite national resource that must be managed efficiently.

□ 1150

As we think and talk about deregulation, let us not make sure that deregulation applies in a way that allows only those who have access to the media to own the media. If we fail to extend the fairness doctrine to radio, candidates would lose the right to reply, parties out of power would not be able to respond, radio stations could allow supporters of one candidate to dominate the news, and local and State ballot issues could no longer be covered.

Remember that we are not regulating or legislating only for large markets. In fact, in the smaller communities of America it is radio which provides almost exclusively the most important sources of news for individuals in those communities.

Enshrining in law the status of the fairness doctrine will mean that we will restore some sanity to a series of FCC decisions that were turned on their head by its previous Chairman.

It means that we would guarantee for all who wish to participate in the political process the right to have access to it.

Passage of the bill and defeat of the Green amendment will give us a communications system of which we can all be proud.

Mr. RINALDO. Mr. Chairman, I yield 15 minutes to the gentleman from Iowa [Mr. TAUKE].

The CHAIRMAN. The gentleman from Iowa [Mr. TAUKE] is recognized for 15 minutes.

Mr. TAUKE. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. COBLE].

Mr. COBLE. I thank the gentleman for yielding.

Mr. Chairman, I must rise in opposition to H.R. 1934, the Fairness in Broadcasting Act. I do so with the utmost respect for many of my distinguished colleagues who support this measure in good faith and with the best of intentions.

I must say at the outset that it may seem difficult—on the surface—to oppose any measure which ostensibly promotes fairness, but I believe that in the case of H.R. 1934, the true substance of this bill requires us to look beyond a very tempting title.

In the abstract, "fairness" is laudable. In the reality of an often expanding regulatory atmosphere, a governmental determination of "fairness" will consistently fall short and fail to serve faithfully the public interest.

It is clear that the fairness doctrine interjects the Government into the process of journalism. The Federal Communications Commission is placed in the role of determining reasonableness of programming content. Having observed the working of both journalists and the Government regulators, and with a belief in the first amendment, I would opt for enhanced journalistic freedom over Government control.

When the first admendment was adopted, it was based on the idea that vigorous, robust speech stimulates debate and ultimately seeks the truth. Government monitoring and adjudication of this important process cannot achieve this purpose.

Originally, the fairness doctrine was justified on the basis of scarcity on the broadcast spectrum. Today, there is no shortage of broadcast stations. In fact, there has been a 400-percent increase in stations since the doctrine was put in place in 1949. Moreover, new technology has assured us of access to a wide variety of effective types of electronic communications.

I'm also concerned about the very persuasive argument that the fairness doctrine poses a genuine burden to broadcasters in terms of legal costs of compliance. This is especially true for smaller stations. These costs may arise in connection with defending a specific complaint or during the license renewal process.

There is, in addition, the less tangible burden upon broadcasters of requiring compliance with understanding the "proper" interpretations of the doctrine. That very reasonable lack of understanding, coupling with the fear of legal costs, together have a chilling effect on the free speech we cherish.

Let us not give way to this tempting, misnamed bill which is attractively wrapped in a package, tied with a bow and ribbon and labeled "fairness." it becomes motherhood and flag and apple pie, where we are placed in a position if we oppose it we are perceived as one who opposes fairness and this conclusion is ludicrous. Let us cast a vote today to protect the people from government. The first amendment requires nothing less.

I thank the gentleman for yielding.

Mr. TAUKE. Mr. Chairman, I yield 4½ minutes to the gentleman from Indiana [Mr. COATS].

Mr. COATS. Mr. Chairman, I rise in opposition to H.R. 1934. While I do not believe there is any Member in this legislative body who is opposed to the intent of this fairness doctrine, I think we ought to look at several concerns regarding this legislation before we decide to vote for it. We need to examine the constitutionality of the fairness doctrine, examine whether it has achieved its intended goals, and examine the validity of the arguments for codifying the doctrine at this particular time.

First, let us look at the constitutional argument. I am concerned that the fairness doctrine contradicts important constitutional principles by restricting journalistic freedoms of broadcasters.

Certainly we all expect broadcasters to cover controversial issues and to be fair in their reporting of the news. But I do not believe we want these things to occur as the Government sees it. This bill is more than simply a codification of the fairness doctrine. It is symbolic of whether the Federal Government has the power to tell broadcasters what to program, when to program it and how views should be presented.

Second, I question whether the fairness doctrine has achieved its intended goals. In fact, a compelling case can be made that just the opposite has occurred. Many broadcasters tell me that they shy away from controversial topics, despite the public's need to be fully informed, for their fear of unfounded challenges under the fairness doctrine.

It has been noted here today that the fairness doctrine was implemented to assure that controversial issues were covered by broadcasters using a public resource, the air waves, by virtue of their Federal license. This was justified, it is said, because of the scarcity of the licenses. Mr. Chairman, that rationale is outdated. With the advent of cable systems, video cassette recorders, low-powered television stations, multichannel multipoint distribution services and satellite master antenna systems, the scarcity rationale breaks down. In fact, today there are more than 10,000 radio and television broadcasting stations, 7,300 cable systems are available to roughly 80 percent of all television households; over 96 percent of U.S. television households now receive 5 or more TV signals and 71 percent receive 9 or more signals. But there are less than 1,700 daily newspapers nationwide. Yet the bill before us would regulate a no longer scarce resource, broadcasting, and exclude the much more limited newspaper publishers from the effects of the law.

It seems to me that if what we are trying to accomplish here today is an assurance that fairness and the right to respond is preserved so that differing views can be aired, it would seem that that is at least partially why we have a licensing process to protect the public interest. When there is a relicensing procedure, fairness is a factor that the FCC has to take into consideration.

Finally, with regard to the validity of the argument for codifying the doctrine, I have trouble understanding the necessity for moving forward on the legislation at this time.

Just last year the Congress adopted as part of the continuing resolution a requirement that the FCC report to Congress by September 30, 1987, on less intrusive alternatives to administering and enforcing the fairness doctrine that is persently applicable.

The FCC is now undertaking that study and by virtue of this legislation it is evident that the House has no intention of waiting for the results of the study. To me this is a waste of money and resources as well as a missed opportunity to improve on the current doctrine.

Mr. Chairman, a number of valid reasons are present to reject the argument that Government should dictate the presentation of news and views. Members should seriously weigh these objections in deciding how they will vote on this particular issue.

I thank the gentleman from Iowa for yielding me this time and for his leadership on this issue.

Mr. TAUKE. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, I thank the distinguished gentleman from Iowa for yielding.

I also want to thank the gentleman for his leadership which he has given in calling to the attention of this body some arguments that I think need to be heard and thought about as we vote on a very important issue today.

The simple fact is, the fairness doctrine today in 1987 is not needed. It is really an anachronism. We are dealing with a doctrine first adopted in 1949. Think of the changes which have taken place in the communications media between 1949 and today.

In 1949, there were 2,600 radio stations, and 51 television stations. Today, 1986 we have more than 10,000 radio stations, more than 13,000 television stations, and 7,300 cable systems not even heard about in those days, 1.6 million satellite dishes and, of course, VCR's that nobody even thought about in those days. In the electronic area, the markplace seems to be working. Interestingly enough, contrast this with newspapers which have continued to decline steadily through the years. Seventeen hundred daily newspapers exist today and many very large cities of the United States now have only one newspaper that publishes in that city. But no one is suggesting that we should use a fairness doctrine for the print media. The point is it simply is not needed here.

I think the Wall Street Journal said it very well not too long ago when, in an editorial, they said:

> Support for the fairness doctrine is support for a government's deciding what the public should be watching or hearing.

We do not need government to decide what the public should be watching. When in doubt, it seems to me Congress should always come down on the side of not intruding, not intruding in the marketplace. And when it comes to the first amendment rights that we all enjoy, then certainly Congress should especially not be intruding.

The Supreme Court ruling that has been referred to here today, the Red Lion case of 17 years ago, one wonders today how the Supreme Court would be ruling given the changes which have taken place in the electronic media.

I note with interest that the Circuit Court of Appeals said a few years ago, and I quote very briefly from that:

> The broadcast frequencies are scarce, but it is unclear why that fact justifies content regulation of broadcasting in a way that would be intolerable if applied to the editorial processes of the print media.

Whatever Congress—or whatever the Supreme Court or other courts have said, it is this body, the Congress, which has the ability to change public policy. Mr. Chairman, I urge us today to defeat this ill-conceived and dangerous codification of a rule that has outlived its usefulness and which in law can only play mischief with a far more important right of all Americans, that of a free and unfettered press.

Mr. TAUKE. Mr. Chairman, I yield 30 seconds to the gentleman from Pennsylvania [Mr. Walker].

Mr. WALKER. I thank the gentleman for yielding.

Mr. Chairman, I too rise in opposition to this bill. In a free society one of the problems is that liberty and fairness sometimes come into conflict. What our constitutional system has been all about and what our Declaration of Independence was all about was that liberty should always supercede fairness.

This is an issue where we have to make that choice and I would hope, I would hope that today this Congress would stand on the side of liberty.

I thank the gentleman for yielding.

Mr. MARKEY. Mr. Chairman, how much time do both sides have remaining?

The CHAIRMAN. The gentleman from Iowa [Mr. Tauke] has 3½ minutes remaining and the gentleman from Massachusetts [Mr. Markey] has 20 minutes remaining.

The gentleman from Iowa [Mr. Tauke] still has the floor.

Mr. TAUKE. I thank the Chairman.

Mr. Chairman, this issue is in reality a first amendment issue. The first amendment, just to refresh your memory, says that Congress shall make no law abridging the freedom of speech or of the press.

The Supreme Court has interpreted that amendment to the Constitution to suggest that the central purpose of the first amendment is to achieve, and I quote, "Uninhibited, robust, and wide open debate," including, "vehement, caustic and sometimes sharp attack on government and public officers."

In my view it is absolutely contrary to the intention of the first amendment for us to make a law which intends in some way to control or inhibit freedom of expression.

In 1791 when the first amendment was adopted, there were very few forms of communication in this country. We did not have the electronic media. All we had were the written words of the newspapers.

So obviously the Founding Fathers did not include the electronic media but they did include the press. It seems to me the same arguments which were used to free the press ought to be used to free the electronic media.

Those who want to set a different standard for the electronic media assert that there is a scarcity of electronic media outlets.

First, I note that the Founding Fathers apparently were not concerned about scarcity.

□ 1205

When they adopted the first amendment, there were only eight daily newspapers in the country.

All of them were highly partisan, and some of them were apparently not very responsible, but the Founding Fathers said liberty is more important than fairness, so they adopted the first amendment.

Today the scarcity notion, it seems to me, has little validity, not only because it should not overrule our desire for liberty but also because the electromagnetic spectrum is no longer scarce. We have had adequate testimony that we can add additional broadcast outlets beyond what we have today. But we already have 10,000 radio stations in the country, 1,300 TV stations, 7,300 cable systems, 1,600,000 satellite dishes, and a very high penetration of video cassette recorders. We only have, in contrast, 1,700 daily newspapers in the country.

So scarcity certainly does not exist among the electronic media and should not be used as a rationale for controlling the electronic media.

The administration has taken a strong position in opposition to the fairness doctrine, and it is a position that is well founded. The administration suggests that the fairness doctrine should not be codified because: First, it is unnecessary, especially in light of the dramatic increase in the number of broadcast information sources in recent years; second, it does not promote, but actually inhibits, the free and open discussion of important and controversial issues; and third, it may violate the first amendment to the Constitution.

I caution my colleagues, as we debate this issue, to remember that the fairness doctrine is totally separate from the equal time doctrine. Some Members have come to me and said, "I don't want my opponent to get time on the radio without me having the opportunity to have time on the radio." That is not an issue in the fairness doctrine. That is a separate issue.

Mr. Chairman, what we are talking about here is whether or not it is appropriate for the FCC or the Government in general to look over the shoulders of television and radio journalists and tell them whether or not they are presenting the news in a fair and equitable way. That is not the proper role for Government, and I oppose this bill.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. Schumer].

Mr. SCHUMER. Mr. Speaker, I rise in support of H.R. 1934, the Fairness in Broadcasting Act of 1987.

I salute the chairman of the committee, the gentleman from Michigan [Mr. Dingell], and the chairman of the subcommittee, the gentleman from Massachusetts [Mr. Markey], for bringing this legislation to the floor.

I am proud to be a supporter of this important legislation codifying the fairness doctrine. The fairness doctrine underscores the fundamental public trust concept on which the broadcast industry was founded and on which the broadcast industry still exists. It provides an essential means of ensuring that broadcasters, as trustees of the public airwaves, serve in the public interest. The doctrine simply requires that broadcasters afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

This minimal requirement that is placed on broadcasters, in my opinion, can in no way be construed as a form of censorship or infringement upon broadcasters' first amendment rights. The American Civil Liberties Union, hardly a shrinking violet when it comes to defending the first amendment, is in fact in support of this legislation.

The doctrine does not insinuate the Government into a broadcaster's programming or editorial decisions. The Federal Communications Commission, charged with enforcement of the doctrine, is not empowered to require broadcasters to cover a specific issue or give response time to a particular person or group. The FCC merely ensures that where a broadcaster airs specific views, those with opposing views are granted a reasonable opportunity to respond. Rather than limit free speech, I would argue that the fairness doctrine actually enhances the discussion of issues, and that if the Founding Fathers were debating this issue, they would come out on the side of the fairness doctrine, particularly in light of the fact that we have a limited number of broadcasting outlets.

A broadcast license, created and granted at no cost to the broadcaster by the American people, is conditioned on service to the American public. The fairness doctrine is the cornerstone of that public interest obligation.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. SYNAR].

Mr. SYNAR. Mr. Chairman, let me join with my colleague, the gentleman from New York [Mr. SCHUMER], in commending the gentleman from Michigan [Mr. DINGELL], and the gentleman from Massachusetts [Mr. MARKEY] for their excellent work.

I had some prepared remarks, but as I listened to the debate, I realized that most of the issues have been responded to, so let me take my 2 minutes to talk directly to the 8 million or more people who are watching this on C-SPAN and the millions or more who will be listening on radio with respect to this debate.

What this debate is all about, ladies, and gentlemen, is the fact that wherever you live in this country, you have the opportunity, where a broadcaster may take a legitimate position on an issue, the same opportunity to respond and have the same audience that that broadcaster has used to try to advance that issue.

Nothing could be more clear than the principles of our country that the fairness doctrine is trying to portray, and that is that all Americans should have equal opportunity to access the audiences of our country. For those who are opposing the codification, I think the question we have to ask them is: Why? We have seen through the process of the fairness doctrine that only one time in the 50 years since its involvement has a broadcaster ever had his license removed. It has not had a chilling effect on allowing broadcasters to move forward on controversial issues.

What it does, however, is to ensure that people from all walks of life and different opportunities will have equal access to those same airwaves, and hopefully, because of the fairness doctrine, will have an improved debate and from that improved debate a better resolvement of the issue, whether it be local, State, or Federal.

TALKING POINTS: FAIRNESS DOCTRINE

Codification of the fairness doctrine does not violate the first amendment.

It is a legitimate "time, place, and manner" restriction. Red Lion case said broadcasters are trustees of the broadcast frequency. It's their duty to present balanced coverage. The spectrum they broadcast on isn't owned by them, it's owned by the public.

It won't discourage broadcasters from airing controversial issues.

In over 50 years only once has a broadcaster been denied a license renewal for fairness doctrine violations.

The free market won't automatically ensure coverage of controversial issues.

Without the fairness doctrine, broadcasters might not be willing to report news or air views contrary to their economic interests—the parent company, a large advertiser, and so forth. Four radio stations in one town doesn't ensure divergent views when the subject is: the fairness doctrine, some copyright issues, bans on alcohol advertising.

There is still a scarcity of frequency.

There still are more people applying for broadcast licenses than there is spectrum available.

A person with a differing viewpoint can simply start up their own magazine or newspaper. It's not that simple for a radio or TV station.

The CHAIRMAN. The Chair would request all speakers to address themselves to the Chair and not refer to the television audience.

Mr. MARKEY. Mr. Chairman, may I inquire, how much time remains on both sides?

The CHAIRMAN. The gentleman from Massachusetts [Mr. MARKEY] has 16 minutes remaining and the gentleman from New Jersey [Mr. RINALDO] has 7 minutes remaining.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. LELAND].

Mr. LELAND. Mr. Chairman, I rise today to urge my colleagues to support H.R. 1934 as it has been reported to this body by the Energy and Commerce Committee. I am proud to be a cosponsor of this legislation and regret that this Congress has been compelled to codify this fundamental tenant of this country's broadcast policy in response to the open hostility the FCC has exhibited toward the fairness doctrine.

H.R. 1934 clarifies Congress' endorsement of the fairness doctrine which, in my mind, is nothing more than a restatement of basic journalistic ethics. I subscribe to the notion that when the right to use a public resource—in this case the broadcast spectrum—is granted to a few, the Government has the responsibility to require those select few—the broadcast licensees—to act in the public's interest and adhere to those basic journalistic ethics.

The broadcasters argue that the fairness doctrine is unduly burdensome and chills their first amendment rights. This argument totally ignores the fact that the fairness doctrine preserves important first amendment rights of the public to receive information, opinions, and ideas about public controversies.

Additionally, I am convinced that the broadcasters' opposition to this doctrine is predicated, in large part, upon a misunderstanding and ignorance—convenient or otherwise—of the meaning and application of the fairness doctrine.

The FCC was well aware that broadcasters did not understand the fairness doctrine and in the 1970's its staff began work on a primer which was designed to clarify the doctrine. But instead of releasing this primer when it was completed in 1981—6 years ago—the FCC withheld this document and allowed broadcasters to continue to operate under their misconceptions and fears of the doctrine. And now the FCC wants to repeal the doctrine it deliberately allowed the public to be confused about.

Instead of repealing the fairness doctrine, I urge my colleagues to support this legislation which codifies the doctrine's noble purpose. But passage of this bill is not enough. When the fairness doctrine becomes the law of the land, Congress must make sure that the FCC takes affirmative action to ensure that the doctrine is understood and adhered to.

Mr. RINALDO. Mr. Chairman, I yield 6 minutes to the gentleman from Virginia [Mr. BLILEY].

Mr. BLILEY. Mr. Chairman, as a cosponsor, I rise to express my unqualified support for the legislation before us today, which would codify the fairness doctrine. I would like to take this opportunity to commend the chairman of the Energy and Commerce Committee, the gentleman from Michigan [Mr. DINGELL] for his outstanding and dedicated leadership on this issue, and I commend also the gentleman from Massachusetts [Mr. MARKEY] for his leadership on this issue.

The fairness doctrine is essential to the preservation of the first amendment rights of all Americans. Codifying the fairness doctrine does not impose new and radical obligations on broadcasters. The fairness doctrine simply enforces their commitment not to impose a single viewpoint on the American public by requiring them to air-conflicting views on issues of public importance.

The fairness doctrine has enabled nonmedia groups to challenge the power of the media and to force it to be responsive to community wishes. Some groups of concerned citizens have found the fairness doctrine an indispensible tool in their fight against pornography. Joyce Tuomy, president of Morality in Media of Massachusetts wrote, "If it were not for the fairness doctrine we would be helpless against pornographic peddlers for a profit."

H.R. 1934 is supported by a diverse coalition of civic, political, business, labor, consumer, and religious groups. Included in the list of supporters of the fairness doctrine are Eagle Forum, Accuracy in Media, and the Conservative Caucus. These Groups all understand that the fairness doctrine is essential to bring the full range of opinion to the American people.

We will hear some argue that the fairness doctrine is unconstitutional and that broadcasters ought to be treated like newspapers. The Supreme Court rejected this argument in its 1969 Red Lion case when it ruled that the fairness doctrine vindicates the paramount first amendment right of viewers and listeners to a diversity of opinion on issues of public importance.

During our subcommittee hearings on this legislation, we had the privilege of hearing Phyllis Schlafly reply to the contention that the fairness doctrine violates the first amendment. She noted, "It is unacceptable that the first amendment right to speak on radio and television should be limited only to those who have the money to buy a station." She added: "* * * in the print media, we have other alternatives. When no newspaper would print my views on the equal rights amendment, I could publish the Schlafly Report at a modest expense and circulate it and sell it myself. On the radio and television, there is no way I could speak a word unless some manager indulges me and sells me the time which he exercises like a royal prerogative. When I complained to the FCC Chairman, Mark Fowler, about this his answer to me was 'Phyllis, go buy a radio station.' In a democracy that is not a satisfactory answer."

Mr. Chairman, I do not consider that to be a satisfactory answer either. Broadcasters are given the right to the exclusive use of a scarce public resource. As such they have a responsibility to use that spectrum in a manner consistent with the public interest. I urge my colleagues to strike a blow for the first amendment by adopting this legislation.

I would like to take this opportunity to engage the distinguished chairman of the Energy and Commerce Committee in a brief colloquy.

Mr. Chairman, let me ask this question of the distinguished gentleman from Michigan [Mr. DINGELL]:

I understand that in your view it is within the ambit of the current rules and policies, and permitted under H.R. 1934 for the Commission to apply the fairness doctrine to cable satellite delivered programming. Am I correct that you do not believe, however, that H.R. 1934 by itself would require nonbroadcast services delivered by satellite to provide coverage of local and national issues?

Mr. DINGELL. Mr. Chairman, will my dear friend, the gentleman from Virginia, yield?

Mr. BLILEY. I am happy to yield to the gentleman from Michigan.

Mr. DINGELL. That is correct. However, H.R. 1934 does not disturb the authority of the FCC to determine whether and to what extent fairness doctrine obligations apply to cable satellite delivered programming.

Mr. BLILEY. Do I further understand the gentleman's views that nothing in H.R. 1934, by operation of this statute alone, would require a cable operator to produce programming locally that covers issues of importance to the community?

Mr. DINGELL. Mr. Chairman, if my dear friend will yield again, the gentleman is again correct. Many cable operators may already be required by their franchises to produce programming of this type locally and if they do, the fairness doctrine would apply; but H.R. 1934 does not itself impose any affirmative programming obligations on cable operators. The FCC has authority to address the manner in which fairness doctrine obligations are applied to local cable programming.

Mr. BLILEY. I thank the gentleman for his clarifications.

Mr. MARKEY. Mr. Chairman, I yield 3 minutes to the gentleman from Kansas [Mr. SLATTERY].

□ 1220

Mr. SLATTERY. Mr. Chairman, I rise to support H.R. 1934, which would codify the fairness doctrine. The fairness doctrine has served both the American public and the American broadcast industry for more than 40 years. Critics of this legislation have relied almost solely on the argument that the fairness doctrine has a chilling effect on the first amendment rights of broadcasters; but during committee hearings on this legislation, little or no evidence was presented to support this argument. In fact, in the 50-year history of the fairness doctrine there has only been one broadcast license renewal denied because of the fairness doctrine, only one in 50 years, hardly what I would call a chilling effect.

The fairness doctrine merely requires broadcasters to afford reasonable opportunity for the discussion of conflicting views on issues of public important. Broadcasters are not required to provide equal time to both sides. They are merely required to provide a reasonable opportunity for both sides to be heard. This is a very minor burden to impose on the Nation's trustees of our airways.

Mr. Chairman, we are having this debate today because the Federal Communications Commission is attempting to change a law that has served our country for more than 40 years. An issue of this importance should and must be decided by the elected representatives of the people of this democracy.

Mr. Chairman, I am concerned that if the fairness doctrine is repealed, broadcasters could use the public airways as their private bully pulpit. They could every day pound away at their point of view, with absolute, total disregard to the other point of view. This would be a radical departure from the concept of fairness that has been the historic practice of the broadcast industry in this country, and we should not permit it.

Mr. Chairman, in closing, I would observe that the fairness doctrine has not and will not have a restricting effect on the first amendment rights of broadcasters in this country.

I certainly do not want to restrict in any way and censor the broadcasters, as some have suggested in this country, but I do not want the broadcasters to censor the information that the American public gets from the broadcasters in this country. That is what is at stake here.

With the fairness doctrine, we are merely saying tell us both sides, to the best of your ability, give us a reasonable opportunity to hear both sides.

So let us not talk about censoring the broadcasters, but let us not repeal a doctrine that has prevented the broadcasters from censoring the rest of us. That is what is at stake here. The fairness doctrine provides a minor safeguard and one that we should all defend in this legislation.

Mr. MARKEY. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Mr. Chairman, I thank the distinguished chairman for giving me this opportunity to state my strong support for H.R. 1934, to codify the fairness doctrine.

Frankly, I cannot understand how anyone could vote no.

The central point in this debate is that the airways are public property. Because there is a limit to the number of stations that can broadcast at any one time without interfering with one another, there must be Government licensing in order for the industry to function at all.

Therefore, I think that the reasonable and fair conditions on these licenses are legitimate and they protect the public trust.

The fairness doctrine does not constitute burdensome Government regulation. It only says that it is the ethical and profession obligation of the broadcasters to refrain from presenting just one side of important public issues.

One of the arguments frequently heard against the fairness doctrine is that it takes away first amendment rights. In fact, this bill would increase first amendment rights by expanding them to those who cannot afford to own radio or television stations. In this country, it would be terrible if the only people who could express their views would be those who could afford to own radio and television stations.

If this fairness doctrine is allowed to lapse, a broadcaster could censor anyone he or she disagrees with. Is that democracy? I say no.

Does the fairness doctrine foster free speech and democracy? I say yes.

If you believe in freedom of speech and if you believe in providing information to the public on controversial issues of the day, support this bill, because an informed public makes for a healthy democracy. Trust the American people, that is what it really comes down to, and vote "yes" on the fairness doctrine.

Mr. MARKEY. Mr. Chairman, I yield 3 minutes to the gentleman from Washington [Mr. SWIFT].

Mr. SWIFT. Mr. Chairman, the fairness doctrine is something that has been operating for 38 years. It is not something new. It is not something untried. It is not a doctrine that is radical and has a great deal of unintended consequences that we will learn about if we pass this bill. In fact, quite the contrary. If we fail to pass this bill, the doctrine of unintended consequences is going to be replete in the months and years ahead.

We hear that the fairness doctrine has a chilling effect. There are broadcasters all over this country who editorialize vigorously, who produce documentaries and other programming that deal with controversial issues and do so in a very straightforward and aggressive manner.

I have three stations in the city of Seattle just outside of my district; while each handles things a little differently from the other, all have demonstrated records over many years of aggressively pursuing what they wish to say and put on the air and doing so within the confines of the fairness doctrine.

There are some stations who do not. I submit to you that the station which does not today will not tomorrow if there is no fairness doctrine, because very frankly, it is troublesome. To deal with controversy, whether you have a fairness doctrine or not, is troublesome. It requires some courage and the station that has management that neither wants to go to the effort or has the courage to deal with controversy in its community is not going to do it if you repeal the fairness doctrine. It is not going to want to upset potential advertisers. It is not going to want to deal with the mail and the phone calls. It hides today perhaps behind the fairness doctrine, but if we remove the fairness doctrine, it is not going to march forth with new-found courage. It is going to find some other reason to cower in the back rooms and not deal with those controversial issues.

The broadcasters who are willing to deal with them are dealing with them today. They have been dealing with them for the past 40 years, while the fairness doctrine has been on the regulatory books of the Federal Communications Commission.

What has happened is the court says the FCC could repeal this doctrine. Congress thought it had codified it some time ago. The FCC has indicated that it will repeal it, in spite of repeated signals from this body and from the other body that the Congress does not want this provision repealed, and that leaves us, unfortunately, having to take action to give specific direction to the Federal Communications Commission, which is after all a creature of the Congress, as to the policy we want them to pursue.

This simply reaffirms what has worked for 40 years, a policy that is working today and a policy that assures the listeners and the viewers of America that controversy will be heard on the radio and television stations of America and that it will be presented fairly. That is a modest proposal and I would urge my colleagues to support this legislation.

Mr. MARKEY. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. DOWDY].

Mr. DOWDY of Mississippi. Mr. Chairman, I rise to explain why I will be voting "present," because of what I think to be a conflict of interest; however, I do feel it necessary to briefly express my concerns as a citizen of this Nation and a broadcaster.

> Our liberty depends on freedom of the press, and that cannot be limited without being lost.

Thomas Jefferson, one of the most dedicated champions of our first amendment rights, made that statement 200 years ago. How ironic it seems, that we're considering legislation which goes against the very thread of this great document, especially during the year of its 200th anniversary.

In the next few minutes, we will be asked to cast our votes to codify the fairness doctrine. While I want to make it clear that I will not be voting on the measure because of a conflict of interest, I do feel it necessary to briefly express my concerns—as a citizen of this Nation—rather than a broadcaster.

I know that this doctrine will discourage the discussion of controversial issues. Those issues in which broadcasters feel that they can be accused of impartiality. Rather than foster discussion, it will only be stymied.

I also know that the assertion that scarcity exists in the electronic media market is a fallacy. Over the past 20 years alone, we've seen a proliferation of radio and TV stations, newspapers, magazines, cable, and satellite systems.

I also know that its unfair to impose certain restrictions on electronic media while allowing the print media to continue to enjoy its protective status under first amendment rights. Which brings me to what I believe is the most overriding reason for my concern. This legislation clearly challanges the very liberty that we celebrate this year—first amendment rights.

Mr. RINALDO. Mr. Chairman, I yield the remaining 2 minutes to the distinguished gentleman from New York [Mr. GREEN].

Mr. GREEN. Mr. Chairman, I want to commend the committee members on both sides of the aisle for bringing this issue to the floor. It is an important issue, and obviously it ought to be decided by the Congress and not by the bureaucracy. But, having said that, I also think that the Congress should decide to exempt radio from the provisions of this bill.

The fairness doctrine is a limitation on our normal actions under the first amendment. No one in this body thinks that we could pass a law imposing the fairness doctrine on print media or that any State could pass such a law. That would be plainly unconstitutional.

The different treatment of the electronic media has been upheld by the Supreme Court only because of the concept of scarcity, and the Court made that clear fairly recently in Federal Communications Commission versus the League of Women Voters of California. That was in 1984.

I submit that, at a time when there are 10,000 radio stations in the United States, as opposed to only 1,600 daily newspapers, and even fewer TV stations, a very clear case can be made that the fairness doctrine and its limitation on how the first amendment is applied to the electronic media ought not to be applied to radio. There is broad access to the radio waves throughout this country. Many, many views are heard. You can hear many different voices, different views, different sounds on your radio.

That contrasts to TV, where the electronic revolution has not yet brought that multiplicity of voices to everyone. Maybe TV will get there some day with cable and satellites and VCR's, but I think that it is not there today and that the committee is justified in proposing to continue the fairness doctrine for TV.

But when there are 10,000 radio stations in this country, as opposed to only 1,600 daily newspapers and even fewer TV stations, I do not see why the Congress ought to be imposing the fairness doctrine on the radio medium anymore.

I think it is time for us to say that radio outlets are sufficiently numerous that radio has graduated to full first amendment status, and I shall offer an amendment to that effect.

Mr. MARKEY. Mr. Chairman, I yield the balance of our time to the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, I want to commend the distinguished chairman of the subcommittee, the members of the committee, my colleagues on both sides of the aisle, the groups inside and outside of the Congress who have spoken out on this issue. The debate has been a useful and a good one.

The fairness doctrine dates from a long time back. It has been tested in the courts and found constitutional.

□ 1235

It is supported by a large number of groups outside the Congress, and I know of no one save the broadcasters and few editorialists in the press who oppose what is done today.

The reason that the Congress is addressing this question is that the FCC has done its best, in spite of repeated instructions from the Congress that the fairness doctrine was important and was to be kept in place, to do away with the fairness doctrine.

The doctrine is supported by Catholics, Protestants, and Jews. It is supported by labor. It is supported by the American Conservative Union, conservative groups, liberals like the ADA. It is supported by the AFL-CIO and UAW. It is supported by management, such as Mobil and General Motors. It is supported by Phyllis Schlafly and Ralph Nader. There is no group in our society which is devoted to community action in any of its forms which does other than actively support the fairness doctrine.

I have heard the comment made that it impinges upon liberty. That question was answered beautifully by the former Chairman of the FCC. When Phylllis Schlafly observed that the fairness doctrine is important, he said,

> Go out, Phyllis, and buy a radio station.

That is hardly that way that free speech is enhanced in this Nation.

I have heard the comment that there are lots of radio stations, we have 10,000 radio stations. Well, we have 3,000 counties, and we have some 19,000 municipalities. We also have 240 million people who want to be heard, and there is much to be said on controversial issues.

The idea behind the freedom of speech was to ensure that anybody who wanted to be heard could in fact be heard, and they could put their soapbox up in the center of the park and be heard. If they wanted to publish a newspaper, they could buy themselves a printing press and go into business. But under the licensing provisions—and there is a certain poetry in the numbering of this bill. It is 1934, which is the year of the Communications Act, which was the successor to the 1927 Radio Act, which was not passed by request of the citizens, but rather the request of the broadcasters, because under this statute we give the broadcasters an absolute federally supported and sustained monopoly which denies anybody else the right to broadcast who does not have a license.

Now we can all be sympathetic with the broadcasters in their desire to avoid controversial issues. But remember, if we substitute "liberty" here for protection of a broad public right, the persons who get the protection will be those who have money enough to buy a radio or television station, and these are now going for millions or hundreds of millions of dollars.

If we want there to be a diversity of views heard, if we want to join the citizens' groups in protecting the rights of our people to be heard, then we should support this legislations against the attempts of the FCC to repeal the fairness doctrine.

Mr. Chairman, most Members of Congress and communications experts believed that the fairness doctrine has been codified in the 1959 amendments to the Communications Act. Indeed, this belief prevented the FCC from repealing the doctrine administratively. However, the District Court of Appeals—in its September 1986 TRAC decision—held that the doctrine was not a statutory mandate.

H.R. 1934 unambiguously codified the doctrine, thereby restoring the legal situation that existed prior to September 1986. The bill requires that the administration and application of the doctrine shall be consistent with current rules and policies. This will protect the core policies which have governed the application of the fairness doctrine from any administrative assault by the current FCC—but it is intended to permit any needed administrative reform and adjustments to meet new situations.

In addition, the bill contains several findings which address the constitutional questions regarding the fairness doctrine.

The fairness doctrine has already been upheld as constitutional by the Supreme Court in its 1969 Red Lion case. The Supreme Court held that as long as there were substantially more people who wanted to broadcast than there are frequencies to allocate, the fairness doctrine advanced first amendment values.

Nothing has happened since then to alter this fundamental fact. Indeed, the number of comparative renewal applications pending at the FCC and the prices of broadcast properties—which greatly exceed the value of the physical assets involved—strongly indicate that broadcast scarcity is still present.

The fairness doctrine furthers a substantial government interest by allowing the viewing and listening public reasonable opportunity to hear views other than those acceptable to broadcast licensees. Indeed, a broad coalition of organizations from the left, right, and center support the fairness doctrine for precisely this reason.

H.R. 1934 has broad bipartisan support with over 70 cosponsors from both sides of the aisle.

I follow my remarks with a list of organizations in support of the bill, H.R. 1934.

The list includes organizations of Catholics, Protestants, Jews. It includes management and labor. It includes liberal, conservative, and middle-of-the-road organizations. It includes organizations of all racial groups. It includes consumers and producers and groups from all walks of life and all areas of activity. Their wisdom and wishes should be heard. Vote for H.R. 1934:

GROUPS SUPPORTING LEGISLATION TO CODIFY THE FAIRNESS DOCTRINE

Accuracy in Media.
Action for Children's TV.
AFL-CIO.
American Baptist Churches.
American Civil Liberties Union.
American Clothing & Textile Workers' Union.
American Conservative Union.
American Federation of State County and Municipal Employees.
American Jewish Committee.
American Lung Association.
Americans for Democratic Action.
Anti-Defamation League of B'nai B'rith.
Black Citizens for a Fair Media.
Center for Science in the Public Interest.
Center for Study of Responsive Laws.
Church Women United.
Christian Church (Disciples of Christ).
Citizens Communications Center.
Common Cause.
Communications Workers of America.
Conservative Caucus.
Consumer Federation of America.
Consumers Union.
Department for Professional Employees, AFL-CIO.
Eagle Forum.
Environmental Action.
Environmental Policy Institute.
Episcopal Church-Office of Communication.
Friends of the Earth.
Fund for Renewable Energy and the Environment.

General Motors.
International Ladies Garment Workers Union.
Media Access Project.
Mobil Oil Corporation.
Morality in Media of Massachusetts.
Motion Picture Association of America.
National Association of Arab Americans.
National Conservative Political Action Committee.
National Council of Churches-Communications Commission.
National Education Association.
National Federation of Local Cable Programmers.
National League of Cities.
National Organization for Women.
National Rifle Association.
People for the American Way.
Public Citizen.
Safe Energy Communication Council.
Seagrams and Sons, Inc.
Sierra Club.
United Auto Workers.
United Church of Christ-Office of Communications.
United Food and Commercial Workers International.
Upjohn.
U.S. Catholic Conference-Department of Communications.
Union of Concerned Scientists.
U.S. Public Interest Research Group.

Mr. MORRISON of Connecticut. Mr. Chairman, I am opposed to H.R. 1934, the bill that would codify the fairness doctrine.

The fairness doctrine is an exception to our usual understanding of the first amendment—the amendment specifically designed to prevent the Government from regulating the content of speech or the media unless absolutely necessary.

When the fairness doctrine was adopted, there were severe technological limits on the number of electronic media outlets. This scarcity of media outlets was widely believed to pose a threat to viewers' ability to have access to a broad spectrum of views on important public issues.

However, the potential problems that may have been posed by a scarcity of media outlets have been dramatically reduced. Widespread availability and use of cable delivery systems and home satellite receivers and the development of hundreds of independent stations have greatly expanded the number of voices and images to which citizens have access from their own living rooms. We now have far more electronic media outlets than daily newspapers and access to electronic media is increasingly available to people wishing to express their views to the public. The argument that scarcity justifies the intrusive level of content required by the fairness doctrine is no longer valid.

By contrast, the trend in print media appears to be toward less public access. In the past, individuals had access to a significant number of local newspapers and few local electronic communication systems. Now the opposite seems to be the case. This is in part due to the virtual disappearance of afternoon newspapers. In my own personal experience, I often find it more difficult to gain access to the print media than the broadcast media to express my views.

Of course, there are problems of bias and access with respect to both print and electronic media. However, in both cases, these arise primarily from economic barriers to diversity of media ownership. This problem affects both the print and electronic media. I much prefer to attack this source of bias in the media that compromises first amendment principles by addressing the concentration of economic power in the media rather than regulating content through the fairness doctrine.

I commend to my colleagues an op-ed article written by A.M. Rosenthal that appeared in the May 21, 1987, edition of the New York Times. The Rosenthal article follows:

SAVE THE TV GIRAFFE

(By A.M. Rosenthal)

A long time ago, some government officials and Congressmen had an inspiration. Their goal was to make sure that this burgeoning way of carrying news to the American people, called radio, did not get away from government control, as had that older way, called newspapers.

They hit upon a form of regulation that would insure control. And their inspiration was to call this particular technique the Fairness Doctrine. Who can argue with Fairness?

That inspiration for 60 years has been used to sanctify government intervention in an area where the First Amendment clearly means that it has no business at all—the press.

The most pervasive method of spreading news—radio and television—so far has been excluded from the First Amendment's protection against government interference. The whole issue is now up before Congress.

The theory has been that the "scarcity" of broadcast airwaves and channels demands licensing and licensing permits regulation. And for years, broadcasters went along without worrying excessively about First Amendment matters—but no longer.

The government has deliberately declined to see that TV and radio are obviously press within the meaning of the First Amendment. It is like the farmer who saw a giraffe for the first time, shook his head and said there ain't no such animal.

The Fairness Doctrine says that broadcasters must cover matters of public importance and that the coverage must fairly reflect different viewpoints; simple.

The doctrine has been used effectively to intimidate a broadcast industry terrified of challenges to its licenses. The very group that is supposed to enforce it, the Federal Communications Commission, believes that it is unconstitutional.

The F.C.C. has said that it often inhibits rather than encourages debate. The less controversy, particularly local controversy, the fewer troublesome demands from Congressmen and government regulators.

The F.C.C. also says that the argument about "scarcity" is now invalid. There are now about 10,000 radio stations and 1,800 TV stations not even counting cable. And 74 percent of households with cable can get more than 10 signals. Compare that with newspapers: 1,650 dailies, most of them in one-paper towns.

Late last month the Senate passed a bill writing the Fairness Doctrine, which could be called the Press Regulation Doctrine, into law because of the F.C.C.'s own distaste for it. The House will vote soon.

Some liberals drop their enthusiasm for the First Amendment when it comes to TV, apparently because they believe regulations help more voices get on their air. That could be said about the print press too, but nobody is making that argument, yet.

Both Democratic and Republican Administrations have used the "Fairness" Doctrine for political purposes. And that shows why the debate directly affects every Ammerican with a television set or a radio.

The Kennedy Administration used "fairness" to intimidate stations that broadcast statements against a nuclear test ban treaty. It flooded them with demands for equal air time.

The Johnson people monitored stations suspected of being ornery and tried to get them to drop anti-Administration programs. And Nixon aides plotted to use "fairness" to prove broadcaster bias and make the "enemies" tremble for their licenses.

The Reagan Administration is against the bill. So the Friends of the First Amendment, just created, are holding a flower for President Reagan if the House passes the Senate's bill and he vetoes it.

But in any case the doctrine will probably go back to the Supreme Court, which ruled in favor of it in 1969. The Court was then impressed by the "scarcity argument," which has since been demolished by the F.C.C. This time, the case involves a fairness challenge by the Syracuse Peace Council to a local TV station owned by the Meredith Corporation.

Meantime, colleagues in radio and TV land, there is something you could do yourselves to help fight the Regulation Doctrine. Don't rush down to Washington the next time a Congressional committee beckons you for questioning.

The heads of the news departments of the three major TV networks did submit to unconstitutional questioning about newsgathering recently. They did not like it but did not want to appear "arrogant."

Courage. Remember, TV friends: "Arrogance" in defense of constitutional rights can be duty. "Fairness" in destruction of constitutional rights can be arrogance.

Mr. FRENZEL. Mr. Chairman, as noted by the proponents of H.R. 1934, the fairness doctrine is the regulatory law of the land now. This bill does not represent new policy, it is merely a codification of unwise policy.

The issue is both simple and complex. It provides hours of fun and amusement for real and imagined constitutional lawyers, but it ought to be determined on the basis of common sense.

The question is not whether the Government can force restrictions on the electronic press. The real question is whether it should do so. I don't believe that the Government should tell one branch of the press, but not another, how to be fair.

Nobody questions the first amendment protection of the print media. Very few people believe the Government should restrict the press. I suspect that few Americans trust their Government to know, much less to direct, fairness.

Just as it is unwise to restrict the print media it is also unwise to restrict the electronic media. Will the press be fair if left to its own devices? Probably not is my answer. But I don't believe the majority in this House is fair either, but the Republic will probably survive both of those indignities.

If you want a double standard on the issue of freedom of the press, and if you are satisfied with the imposition of governmental restrictions on the free market of ideas, you may want to vote for this bill.

On the other hand, if you believe in an uneroded set of first amendment rights or prefer a single standard for this issue, you will probably vote against the bill, as I shall.

Mr. TOWNS. Mr. Chairman, I rise in full support of H.R. 1934. For more than half a century, the fairness doctrine has been the cornerstone of our Nation's broadcasting policy. It has worked well over the years to protect the rights of citizens to a full airing of public controversies in the electronic media.

As early as the 1920's, the Federal Radio Commission, predecessor of the Federal Communications Commission, found that the public interest requires ample play for the free and fair competition of opposing views on controversial issues. Initially, broadcasters were expected to provide fair coverage of views on issues while refraining from expressing their own views. This limitation was dropped by the FCC in 1949.

The fairness doctrine strikes a reasonable balance between the first amendment rights of the public and broadcasters. It does so by obliging broadcasters to devote attention to controversial issues and requiring them to provide a reasonable, not necessarily equal, but reasonable opportunity for the expression of opposing views on those issues.

This important legislation will ensure that the FCC cannot repeal the fairness doctrine and instead, will be required to enforce it vigorously. I call on my colleagues to support this measure and vote against any amendments designed to weaken it.

A vote for this bill is a vote to protect the rights of Americans to air their views on controversial issues of public importance. I urge my fellow Members of Congress to act now to prevent the FCC from dismantling this protection of the public-owned airwaves.

The CHAIRMAN. Pursuant to the rule, each section of the bill is considered as having been read for amendment under the 5-minute rule.

The Clerk will designate section 1.

Mr. MARKEY. Mr. Chairman, I ask unanimous consent that the bill be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The text of the bill is as follows:

H.R. 1934

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fairness in Broadcasting Act of 1987".

SEC. 2. FINDINGS.

The Congress finds that—

(1) despite technological advances, the electromagnetic spectrum remains a scarce and valuable public resource;

(2) there are still substantially more people who want to broadcast than there are frequencies to allocate;

(3) a broadcast license confers the right to use a valuable public resource and a broadcaster is therefore required to utilize that resource as a trustee for the American people;

(4) there is a substantial governmental interest in conditioning the award or renewal of a broadcast license on the requirement that the licensee assure that widest possible dissemination of information from diverse and antagonistic sources by presenting a reasonable opportunity for the discussion of conflicting views on issues of public importance;

(5) while new video and audio services have been proposed and introduced, many have not succeeded and even those that are operating reach a far smaller audience than broadcast stations;

(6) even when and where new video and audio services are available, they do not provide meaningful alternatives to broadcast stations for the dissemination of news and public affairs;

(7) for more than thirty years, the Fairness Doctrine and its corollaries, as developed by the Federal Communications Commission on the basis of the provisions of the Communications Act of 1934, have enhanced free speech by securing the paramount right of the broadcast audience to robust debate on issues of public importance; and

(8) the Fairness Doctrine (A) fairly reflects the statutory obligation of broadcasters under that Act to operate in the public interest, (B) was given statutory approval by the Congress in making certain amendments to that Act in 1959, and (C) strikes a reasonable balance among the first amendment rights of the public, broadcast licensees, and speakers other than owners of broadcast facilities.

SEC. 3. AMENDMENT TO THE COMMUNICATIONS ACT OF 1934.

Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) by redesignating subsections (a) through (d) as subsections (b) through (e), respectively; and

(2) by inserting before subsection (b) the following new subsection:

"(a)(1) A broadcast licensee shall afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

"(2) The enforcement and application of the requirement imposed by this subsection shall be consistent with the rules and policies of the Commission in effect on January 1, 1987.".

SEC. 4. EFFECTIVE DATE.

This Act and the amendment to the Communications Act of 1934 added by this Act shall take effect upon the date of enactment.

AMENDMENT OFFERED BY MR. GREEN

Mr. GREEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GREEN: Page 4, line 10, strike out "broadcast licensee" and insert "licensee for a television broadcasting station".

Mr. GREEN. Mr. Chairman, as I think is clear, the purpose of my amendment is to exempt radio stations from the purview and coverage of this legislation. Let me reiterate my thanks to the committee and to the subcommittee for bringing this legislation to the floor. This is a very important issue, and as I said before, it is an issue that we ought to decide, not the FCC.

However, I do think that the time has now come to recognize that radio is different from TV, and one can talk about stations being sold for hundreds of millions of dollars and the limited access that one has, but one is really talking most of the time about TV when one cites those situations.

Indeed, I, too, thought that it was rather interesting that the bill was H.R. 1934, because in many ways the bill as it applies to radio is reflecting conditions that existed in 1934 but that do not exist in 1987. The fact of the matter is that today you do not have radio airwaves that are dominated by the Red Network, the Blue Network, CBS, and the Mutual Broadcasting System. You now have 10,000 radio stations, as compared with only some 1,600 newspapers, and with even fewer TV stations. Obviously access to radio and to hearing a lot of different viewpoints on it is much greater than access to hearing a lot of different viewpoints through newspapers and certainly through television.

The suggestion has been made on the other side that somehow the fairness doctrine is an improvement on the first amendment, a better form of the first amendment, a fairer version of the first amendment. With all deference to my colleagues who have enunciated that point of view, I prefer to stick with the Founding Fathers. I think it is very clear that fairer, newer, better, however they may choose to characterize the fairness doctrine, no one in this House could, and I hope no one would, suggest that we have the right to impose a fairness doctrine on the print media in this country. We know that we cannot, and we know that we should not.

I suggest therefore that the fairness doctrine is a doctrine which applies and has been found constitutional by the Supreme Court because of very special circumstances, and that as circumstances change, its application ought to be reviewed. I suggest that circumstances have now changed when you get to radio broadcasting. I suggest that radio broadcasting, with over 10,000 stations in this country, six times more numerous than daily newspapers, now is a fairly open medium, and I suggest therefore that the balance as to whether we ought to impose the fairness doctrine on radio has shifted.

I think that it is wrong to blur the situation of TV with the situation of radio. They are two entirely different media today, and simply because the committee concluded—with considerable logic, in my opinion—that there still is a scarcity of access on TV does not per se mean that there is a scarcity of access on radio. We all know that on radio there is a wide variety of formats, there is a wide variety of points of view, a wide variety of audiences for different kinds of stations, and I suggest that we therefore ought to say that the time has now come when we no longer need this limitation on the full scope of the first amendment for radio.

I suggest that today we ought to adopt this amendment and decide that radio has graduated to the point where it is entitled to the fullest panoply of first amendment protections just as the print media have them.

Mr. SWIFT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman who offers the amendment comes from New York City. There are 50 or 60 radio stations in New York City. His argument has consistency in New York City or Boston or Los Angeles or Chicago, but his argument has no validity whatsoever as it is applied to rural America. His city has twice as many radio stations as my whole district. My largest city has two; Mount Vernon, WA, has three; Port Angeles, WA, has two; Anacortes, WA, has one; Forks, WA, has one; Whidbey Island, a whole county, has one; and so on.

Now you might say, "Do they get signals from the larger cities—in this case from Seattle and Vancouver, British Columbia?"

Of course, they do. But the question is, because stations are licensed to serve their local community, what local programming is provided out of Seattle or Vancouver, BC, in Canada?

□ 1245

The answer is, precious little.

The fact is that it is local stations which will be dealing with the local issues that are of primary importance to the local people in the area which the station is licensed. They cannot look to the larger markets or to all the diversity about which the gentleman speaks in order to be sure that the controversial issues of their community are presented and presented fairly.

I am sure that the gentleman does not intend to treat urban America differently than rural America. The argument that there is no scarcity has no validity whatsoever as it is applied to most of the area of this great country; and unless we are going to treat New York, Boston, Los Angeles different than we are going to treat Anacortes and Forks, then it seems to me that the fairness doctrine applies just as well to radio as it does to television, which the gentleman accepts.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. SWIFT. Mr. Chairman, I yield to the gentleman from New York.

Mr. GREEN. Mr. Chairman, I thank the gentleman for yielding.

How many daily newspapers are published within the gentleman's congressional district?

Mr. SWIFT. Mr. Chairman, the proper comparison is with television.

The gentleman is granting that we are going to be applying the fairness doctrine to the television. The gentleman is arguing that we should apply this to television; the gentleman does not argue with that.

Let us be consistent. Broadcasters are broadcasters; and therefore, if the gentleman is going to apply it to television, it must be applied to radio unless the gentleman can make the scarcity argument which cannot be made for rural America.

Mr. GREEN. Mr. Chairman, again I ask the gentleman, how many TV stations and how many daily newspapers are in the gentleman's district?

The gentleman was counting the number of radio stations.

Mr. SWIFT. Mr. Chairman, as the gentleman from New York knows, in terms of newspapers, there are hardly any 2 newspaper cities left in America, certainly not in my congressional district; but it is also irrelevant to the central argument that the gentleman makes.

The gentleman makes a scarcity argument, saying there are plenty of radio stations. Yet the gentleman from Michigan [Mr. DINGELL], the chairman of the full committee, said there are 10,000 radio stations in 3,000 counties.

There are about three stations per county in this Nation. You average that out, and it is perfectly clear that the gentleman's argument is one that makes sense only if it is perceived from the standpoint of a large urban center from which the gentleman comes.

I do not blame the gentleman from New York for having that particular point of view, but the fact is that it is not representative of America. The fairness doctrine has as much validity applied to radio stations across the great warp and woof of this country as it does to television.

The gentleman would be consistent if the gentleman opposed it altogether, but it is inconsistent to make the argument the gentleman is and suggest in New York it does not apply, but it has to apply in Forks.

Mr. GREEN. Mr. Chairman, if the gentleman will yield further, the gentleman will not tell me how many daily newspapers there are in his district and how many TV stations; but I infer from that there are significantly fewer than there are radio stations; and yet we get along very nicely with the Founding Fathers' original concept of the first amendment when it applies to reading newspapers.

Mr. SWIFT. The gentleman is making an argument that has perfect validity if the gentleman opposes all of this bill.

The fork in which the gentleman finds himself is, he accepts the argument of the fairness doctrine for television, than tries to make a distinction that does not exist between radio and television. The logic of the gentleman's amendment falls at that point.

Mr. GREEN. I think there is a distinction between 10,000 radio stations and what it is, 1,300 TV stations? The logic of that is rather clear; not only that, but the gentleman knows that the nature of the TV signal is much more limited than the radio signal.

As the gentleman has acknowledged, in addition to some 10 stations that the gentleman enumerated within his district, and then went "and so on," there are plenty of signals from elsewhere, so that the gentleman from Washington seems to concede that his listeners to radio will get many, many viewpoints over radio compared with the amount of TV coverage they have, and certainly compared with the amount of daily newspaper coverage they have, and that is the basic reason for my amendment.

The CHAIRMAN (Mr. MOODY). The time of the gentleman from Washington has expired.

(By unanimous consent, Mr. SWIFT was allowed to proceed for 30 additional seconds.)

Mr. SWIFT. There are more radio stations in existence now than in the past, but scarcity still exists in radio as well as television.

You cannot go out and just open up a radio station. In recent proceedings, 1,050 applications were filed for 221 newly opened FM channels.

Scarcity exists. The fairness doctrine is based on scarcity and being able to look at a multiplicity of stations in major urban areas does not change that at all.

The gentleman may be for or against the fairness doctrine. The gentleman will have an opportunity to vote on that in final passage, but the logic of the gentleman's amendment to the bill makes no sense whatsoever.

Mr. RINALDO. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment offered by the gentleman from New York.

I have to say, frankly, there is a significant difference in television and radio; and I say that as a result of hearings and testimony received at the last hearing.

I say that as a result of the statements of Mr. Ferris and Mr. Minow, both former FCC Commissioners, who testified at length as to the fact that there are significant differences between radio and TV.

This amendment by the gentleman from New York to limit the application of the fairness doctrine to television broadcasts makes a lot of sense. It is a well thought out and practical improvement to the legislation.

Many people support this bill because of their concern over network bias in world of network-dominated television news. When the majority of

Americans get their news from television, this so-called network bias becomes an important basis for the enactment of H.R. 1934.

But that dominance we have to admit in all candor, in all fairness, does not exist in radio. The thousands of radio programs are not controlled by a few networks. They are broadcast through an area. They are not limited to one geographical area, one municipality; and for the most part, they are individual creations by thousands of independent stations.

The divergence of new programming in radio is outside of the problem being addressed by this bill, and I cannot buy the argument that there are no difference when we have already acknowledged the difference in radio and TV. We acknowledged that difference when radio was deregulated in 1978.

Radio also lacks the level of scarcity that we experience with television broadcast licenses. We have 1,570 television stations. By comparison, there are 10,837 radio stations, some of them that broadcast practically halfway across the country, and that is over seven times as many radio stations as TV stations, so I wanted to take this opportunity to commend the gentleman from New York [Mr. GREEN] for offering this amendment.

I have supported this concept since our hearing on the fairness doctrine. I have supported it because the testimony at that hearing was replete with evidence that there is a distinct difference between radio and TV, and that radio could be separated out without causing any harm whatsoever.

In fact, at that hearing most of the testimony centered on why television should be included, why we needed a fairness doctrine for television. Radio was not mentioned at all except in the context by expert witnesses that radio did not have to be covered by the fairness doctrine.

So I want to say for all of the reasons I have mentioned I support the amendment and I urge its adoption.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. RINALDO. I am pleased to yield to my good friend, the gentleman from Iowa.

Mr. TAUKE. I thank the gentleman for yielding.

It seems to me that ultimately the debate we are going through here today comes down to a question of whether or not the Government ought to be controlling the ideas that are aired over the broadcast airwaves of our country. I think the notion that Government should in some way control those ideas is one that is inimical to the first amendment to the Constitution.

But if one does accept the notion that Government has a role in judging what is and what is not good journalism, then it seems to me there is a tremendous burden to overcome.

If one can justify overcoming it in the area of television, which I cannot but some Members can, then it seems to me that it is impossible to justify it when it comes to radio. That is why I think there is a legitimate distinction.

Mr. RINALDO. I think the gentleman and I have a little difference of opinion. The only reason I got up on my feet was to point out that there is a difference.

I think because of scarcity a case can be made for justifying it when it comes to television. But I do not think it can be justified when it comes to radio.

The fact of the matter is, as I said in my statement on the debate on this legislation, I feel confident, based on everything I know and have read about this subject, that it is really not going to be decided here, but ultimately in court. I would think we would be in effect strengthening the fairness doctrine if we removed radio from it and made the court's job a lot tougher.

Mr. TAUKE. Will the gentleman yield further?

Mr. RINALDO. I am pleased to yield to the gentleman from Iowa.

Mr. TAUKE. I think the gentleman is correct. In essence, I believe those who want the fairness doctrine have the burden of proof, and the case obviously is weaker for radio than it is for television because of the large number of radio outlets in the country.

If the gentleman and I go home this evening in an automobile with a radio, we probably can get 45 to 50 stations in this area, and in most areas of the country. Even in my congressional district, which is quite rural, there are a whole host of choices in the radio.

Mr. COOPER. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I oppose the Green amendment on these grounds, although I admit there are more radio stations, and on the face of it it is a tempting amendment to support. It is like most weakening amendments, it has a kernel of goodness, but it is surrounded by a lot of bad.

I urge my colleagues not to support the Green amendment. While there are more radio stations than there are television stations, there plainly are not enough to provide the plentiful forum we need to air especially local news. I happen to represent a rural area. My friend from Manhattan represents obviously an urban district. There are more radio stations in his district. I am lucky in one of my counties to have more than one or two stations.

It is vital that both sides of the issues, all sides of issues be presented in my county. It is important to realize that even in an urban area, however, all radio stations are not the same. There are important market niches, and I would hate to see the day in this country in which, for example, most of the talk show radios or most of the upscale youth market radio stations, or most of the easy listening radio stations were dominated by one group or another that did not allow opposite points of view to be broadcast.

So while this amendment is appealing on its face, it does have a certain superficial appeal. It is very important for Members to understand the danger of this amendment. Certainly any Member that represents any rural area, but even those who represent urban areas, should understand that there are market niches in the radio business. It is important that no market niche be dominated by a group that would prevent opposing views from being broadcast.

What is wrong with the idea of presenting opposing viewpoints? It is important. It has been the American way for over 50 years now.

I would urge we go ahead and codify the status quo.

For any Members who do have doubts, next time they listen to one of the President's weekly radio messages, think of what it would be like if that local station carrying that message chose not to broadcast the Democratic response. One day there will be a Democratic President again, and my Republican colleague should realize what it would be like if the local station chose not to carry a Republican response to a Democratic President.

There are more radio stations, but there are still not enough. Therefore, I oppose the Green amendment.

Mr. BLILEY. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I rise in strong opposition to the amendment offered by the gentleman from New York. The fairness doctrine's requirement for a balanced discussion of public issues has applied to radio ever since the beginning of broadcast regulation in the 1920's.

It is true that there are more radio stations now than in the past. But there are even more listeners and more people who want to be radio broadcasters. Scarcity still exists in radio—there are more people who want to air their views on radio than there are radio frequencies available. The fact remains that radio broadcasters, just like television broadcasters, are given the exclusive use of a scarce public resource for their own profit.

It is the continued scarcity of spectrum that justifies regulation to provide balance. If anyone doubts that a scarcity of radio spectrum exists, I would point to the fact that the FCC has received 1,050 applications for 221 newly opened channels in the FM bands.

Some radio stations have grossly abused their public trust by broadcasting racist and anti-Semitic material. If radio were exempt from the fairness doctrine, those individuals would be able to escape all responsibility to air contrasting views.

Exempting radio would lead to overwhelming change in the electoral process. For instance, candidates would lose the right to reply to station endorsements of their opponents. Radio stations could allow supporters of one candidate unlimited air time without charge, while refusing even to sell time to the other. Local and State ballot issues would no longer be covered by the fairness doctrine. Stations could editorialize in favor of, sell time to, and cover one side of an issue to the complete exclusion of opposing views. The political party out of power would lose the right to reply to Presidential speeches and statements.

I would submit that the fairness doctrine is needed just as much for radio as it is for television. I would remind my colleagues of the very succinct comment I quoted earlier in the debate, "It is unacceptable that the first amendment right to speak on radio or television should be limited only to those who have the money to buy a station."

Mr. Chairman, there is no fundamental difference between radio and television where the fairness doctrine is concerned. I urge my colleagues to reject the amendment.

□ 1300

Mr. LENT. Mr. Chairman, I move to strike the last word and I rise in support of the amendment of the gentleman from New York [Mr. GREEN].

Mr. Chairman, this amendment I think is a good one. I expect to support the fairness doctrine. But I think the bill is a stronger bill eliminating radio from its coverage and retaining television. Radio and television are two very different things. I think there is as much difference between ratio and televsion as there is difference between an automobile manufacturing plant and a body and fender shop.

There are over 10,000 radio stations in this country. I have here the latest edition of Broadcasting magazine which has literally pages and pages of advertisements of radio stations for sale, some of them for $200,000, $300,000. I also have today's Washington Post which has an ad for a coin operated laundromat in it for $235,000. So there is not that much difference between a small business and radio. In fact, I think the point can be made that radio definitely falls into the category of being a small business.

Mr. Chairman, second, there is no network dominance in radio like that which exists in the television market. This dominance was the major concern of Phyllis Schlafly, who testified before the subcommittee. People who support this bill because they are concerned about network dominance over televsion news should support this amendment because that problem, simply put, doesn't exist in radio.

Finally, I point out to my colleagues that this bill does establish a burden for broadcasters that should be imposed only where necessary. I believe the fairness doctrine is at this time necessary for television news broadcasts, but I fail to see the need for this doctrine in the radio broadcast area.

I, therefore, support the amendment offered by colleague from New York, and I urge its adoption.

Mr. MARKEY. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I am in fundamental disagreement with Members on the other side, because at the heart of their argument is the contention that there is no scarcity in the access that exists to radio stations in this country. But the point of the matter is that there is a fundamental flaw in the argument that we have here from the other side. The scarcity rationale that underscores the fairness doctrine is not based upon the number of radio stations available locally or nationally. Rather, it turns on the demands by the public for the use of the scarce public resource, the electro-magnetic spectrum. And by that definition and under any possible analysis there is a clear and unequivocal scarcity of the spectrum. People who want to in fact own, to operate, to run radio stations in this country stand 10 deep trying to get access to a radio station. And for those who are denied access to the spectrum in their attempts to in fact run, operate and communicate through the radio spectrum, they have no other means of, in fact, getting out their message using that spectrum.

If the gentleman from New York or I decided to go out into our backyard and to set up a tower that would begin to broadcast on a frequency, that would get our message out so that we could be heard in our locality, the FCC police would be over later on that afternoon with handcuffs to walk the gentleman from New York and I over to the latest jail because we would be breaking the law. We are not allowed to go out and start up our own radio stations. It is against the law.

If we want to start up our own magazine, if we want to start up our own newspaper, if we want to put out our own newsletter, we are permitted to do that under the Constitution. Anybody that can come up with the money can go out and start up their own print medium. But in the broadcast area, the electro-magnetic spectrum, that is not the case. As a result, 60 years ago we worked out a deal: in return for being granted a free license, radio operators, in turn, made a commitment that they would in fact serve the public convenience and necessity. Part of that agreement was the fairness doctrine, that they would in fact insure that all would have access to the air waves so that their messages could in fact be communicated.

Now, if there is an anti-Semitic or a racist comment which is printed in a newspaper, well, it is their newspaper. But if it is in fact aired over the airways of this country, it is the public's airways, it is not their airways. And they have to give others opportunity to get their messages out on the airways over which that privilege was in fact exercised because others who have been disadvantaged also own those airways. The individual holds it as a trustee for a period of time, not to the exclusion of all others who happen to exist in the world.

In addition, let us not in any way contend that any of the 240 million people in this country can gain access to the airways. These stations which cost hundreds of thousands of dollars only 10 years ago, now go for $10 million, $20 million, $30 million, $50 million, $100 million for radio stations in this country in major markets. Not just anybody or group of individuals can come up with that amount of money. A very small number of people in this country.

We do not begrudge them the profits which they can obtain from this access to a license to print money; that is their free enterprise opportunity and we do not begrudge them that. But on the other hand, they have a concomitant responsibility to ensure that all in the community have access to the information which in fact will be, in fact, disseminated to the public.

So the information that the public has accessible to it is in fact the key issue here. And if we are going to hand over in perpetuity to those who have enough money to buy these stations, the public airways, the right to be able to decide who gets on, how issues are framed, how people in fact are able to react to those issues, then there is something fundamentally wrong with this country. We have a special case here, it is the electro-magnetic spectrum. It is not unlimited, it does not lend itself to the free enterprise system and that is why the fairness doctrine has been carved out, to ensure that all Americans, but especially minorities with minority viewpoints, including Phyllis Schlafly to Ralph Nader, have the opportunity to get their views disseminated.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. MARKEY] has expired.

(By unanimous consent Mr. MARKEY was allowed to proceed for 1 additional minute.)

Mr. MARKEY. The point here, as Phyllis Schlafly testified before our committee, that when she began her anti-ERA campaign, not only could she not get her views on in rural America, she could not get them on in Chicago either on radio stations. And it was only through the fairness doctrine that she was able to gain access to the air waves of this country to get her message across.

Well, I may disagree with Phyllis Schlafly on her position on the equal rights amendment but I think she has a right as an American to make her point of view and no radio station ownership, liberal or conservative, moderate or so-called responsible ought to have the right to be able to sensor either Phyllis Schlafly or Ralph Nader or anybody else from getting their point of view across as long as there are others who are given equal opportunity to rebut and present their points of view.

That is what this amendment is all about. That is why the gentleman from New York's amendment ought to be rejected, because the fairness doctrine as it has been implemented over the years does, in fact, protect all Americans.

Mr. TAUKE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I hesitate to continue to speak on this amendment when I think most of the people have made their positions known, at least those who are present on the floor have done so. But there have been a number of statements made which it does seem to me should be clarified. The first statement that has been made by several of the speakers is that somehow the fairness doctrine gives people an opportunity to present their points of view via the airways.

I just want to clarify two things: First, we are not talking about the equal time provisions which some Members apparently believe we are talking about. Second, we are not guaranteeing through the fairness doctrine Phyllis Schlafly or anybody else access to the airways.

The fairness doctrine, plain and simple, suggests that somebody at the FCC looks over the shoulder of journalists who are broadcasting on TV and radio to determine whether or not they are doing a good job of presenting the news to the American people.

Now, it's true. We cannot go out and buy television stations in this country. We cannot buy radio stations. I submit we also cannot buy newspapers. Phyllis Schlafly has no more ability to buy the New York Times today than she does to purchase a television station. But we are not here saying that we ought to ensure that Phyllis Schlafly gets in the New York Times, nor do we try to guarantee that she has her views presented in the New York Times. Instead we suggest that journalists who are acting responsibly will make certain that views are presented in a responsible way. That is the same thing that I think we should be doing with the broadcast media of the Nation. We should be suggesting that as journalists we anticipate they will do their job well and if they do not we have the opportunity to look elsewhere for our news.

The Founding Fathers, when the first amendment was adopted, recognized that not all journalists would do their job well. Certainly in those days a lot of them did not. But they suggested that having Government control over the presentation of the news was a greater danger than unfair journalism.

I would suggest to you today that the same issue is before us in Congress. Is the greater danger that somebody in the radio or television is going to be a bad journalist or is the greater danger that Government is going to exert control over the presentation of the news?

My judgment is, I think, the same as the Founding Fathers, and that is that we can tolerate some unfairness, we can tolerate in this Nation some bad journalism, but Mr. Chairman, we cannot tolerate Government control over journalism.

Mr. GREGG. Mr. Chairman, I move to strike the requisite number of words.

I would like to join the gentleman from Iowa with the Founding Fathers. It seems to me that is a pretty good group to align yourself with. And in my opinion it was very clear in our Constitution that the press was not to be subject to a fairness doctrine. Had there been television and had there been radio at that time I am sure Benjamin Franklin or James Madison would have taken a little caret and put it in the Constitution, and written in "radio and TV." Regrettably, they were not quite farsighted enough to anticipate the wonders of the electronic age.

But it is very obvious to me that the fairness doctrine is not compatible with our Constitution. It essentially is an infringement on the right of free press. If we are to stand here today and say that the media, written media, should be protected constitutionally from the infringement of the fairness doctrine then we must also apply that evenly to the radio and television media.

So I strongly support the gentleman from New York's amendment and hope that it passes.

Mr. LOTT. Mr. Chairman, I move to strike the requisite number of words and rise in opposition to the amendment.

I only speak briefly about the amendment itself. I think if we are going to have the fairness doctrine it should be applicable to the entire industry or none at all and not start subdividing it and distinguishing it between television and radio. I think you are really stretching when you begin to do that. I think some of the same arguments that are applicable as to why we should have the fairness doctrine for television does apply to radio stations. We do have many areas in the rural areas in the South and the West which only have access to one radio station or one television station or maybe no television station.

□ 1315

And they are at the mercy of one radio station. So I would urge my colleagues to not pass this Green amendment.

I also want to talk about the overall issue we are dealing with here. I have read a lot about it, I have looked at the arguments on both sides, and I have cross-examined myself as to why I am taking the position that I am, because I realize that some people are surprised perhaps at the position I am taking or at some of the people I am joining in this effort. But I do support the fairness doctrine, and I do think it should be put in place in this bill. I do think it should be in the law, as we had thought it was in the law for years and certainly as it has been in place for years in practice and in principle as to how the fairness doctrine should work with our communications industry.

Some people say, "Well, it is a constitutional question." Well, after all these years, if there had been a serious, legitimate constitutional question, do we not think that there would have been lawyers beating at the doors to make this point and trying to get it upheld in the Supreme Court? I think that alone is not a satisfactory argument when we look at the history of what has happened in the courts.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. LOTT. Let me make my points, and then I will come back and yield to the gentleman. I want to make sure I get in a few points to explain my own position.

Some people also say, "Well, this is a deregulation initiative. It is deregulation, and you ought to be for that."

Yes, basically I have been in principle. Yes, I was for deregulation back when we voted for airline deregulation. That was back in 1979, I believe, under a different administration. Oh, yes, it was going to work fine. Yes, there would be initial problems, but it would work out in 5 or 6 years and we would get service at cheaper rates.

Has it worked? Do we have better service at cheaper rates? Can you even get to your home areas? Deregulation is beautiful in principle, but I think we have to also look beyond that and look at what it is going to do to people and how it is really going to work in fact.

So I have to ask Members, does this fairness doctrine give us control over the news? No, it just says that you have to deal with unpopular issues. It just says that you have to give both sides an opportunity to be heard.

Do we tolerate unfairness? In my opinion, yes. We have unfairness right now in the electronic news media, even with the fairness doctrine. Heaven knows what would happen if we did not have some basic fairness doctrine.

When the argument is made, "What about the news media?" I realize that we are getting into constitutional questions, but I would say this: that I am not exactly in love either with what the printed media is doing in this particular area.

The principle has been in practice for years. We are not creating some new regulations. We are not heaping new requirements on the industry. We are just saying, let us have this basic fairness doctrine in place that we have had for years.

I have talked to some of my own electronic media people. I called them in advance and said, "I want to warn you in advance that I am going to be for this thing."

They said, "Well, we have lived with it, we have dealt with it, and we think we can continue to do that." They do not have any great big problem with it. But even if they had, I would have taken the same position I am taking. I do think the fairness doctrine serves the general populace well. It gives both sides an opportunity to be heard, although that is not always pursued by both sides, and I am concerned about what the situation would be if we did not have it.

Now, Mr. Chairman, I would be glad to yield to the gentleman from Iowa for his scholarly constitutional comment.

Mr. TAUKE. Mr. Chairman, the gentleman's comments relating to the newspapers were every revealing. Obviously he prefers to have Government regulation of the media.

Mr. LOTT. I did not advocate regulating it; I am just not real serious about changing it.

Mr. TAUKE. Well, just a little oversight. The gentleman wants just a little oversight to make sure they do well.

But the point I wanted to make with the gentleman is that first the Congress has some responsibility on constitutionality as well. We swear to uphold the Constitution, and we have to make our own interpretations. We do not have to wait for the courts to act.

So I hope the gentleman will reread the first amendment before he votes on this to see if he is making a law which abridges freedom of the press.

The CHAIRMAN. The time of the gentleman from Mississippi [Mr. LOTT] has expired.

(On request of Mr. TAUKE, and by unanimous consent, Mr. LOTT was allowed to proceed for 2 additional minutes.)

Mr. TAUKE. Mr. Chairman, if the gentleman will yield further, the second point I would make is that I think it would be inappropriate to suggest that the courts are enamored with the fairness doctrine. That is inappropriate, first, because the courts long have made mistakes, and some that they have sustained for a long period of time.

Mr. LOTT. Mr. Chairman, if I may reclaim my time on that, I certainly would acknowledge that the courts have made mistakes, many of them, and they are still making them. I also would have to acknowledge that usually when the Congress starts wrapping itself in the Constitution and saying there are constitutional questions here, that does not make me feel very comfortable either, because for one thing, a lot of us are not lawyers and almost none of us are constitutional lawyers.

So I ask the gentleman the question: Has the Supreme Court ruled that the fairness doctrine is unconstitutional?

Mr. TAUKE. No; the Supreme Court has not.

Mr. LOTT. No.

Mr. TAUKE. And if the gentleman will yield further, the District of Columbia Court of Appeals has recently ruled on the fairness doctrine.

Mr. LOTT. Yes; but not that it was unconstitutional.

Mr. TAUKE. No; but they referred it back to the FCC to look at the constitutionality of the fairness doctrine, and they raised the question. And the courts have on several occasions recently virtually invited some challenge of the fairness doctrine so they would have a chance to look into the constitutionality of it.

Mr. LOTT. Mr. Chairman, it is amazing to me that of all the constitutional lawyers we have here some constitutional lawyer did not take this to the Supreme Court. And for one particular Federal appellate court to refer it back to the FCC for review, I am sure they would list all possible considerations that should be taken up.

Mr. COATS. Mr. Chairman, will the gentleman yield?

Mr. LOTT. I am glad to yield to my friend, the gentleman from Indiana.

Mr. COATS. Mr. Chairman, I thank our leader for yielding to me, and I just want to make a couple of points.

The gentleman is in opposition to the amendment offered by the gentleman from New York because he says, if we are going to include one, let us include them all. But surely the gentleman realizes that that area which is the most scarce is the area of print, and if we are going to include them all, why not include the newspapers?

The gentleman says, "Well, I have just a few rural, local stations." But I am sure the gentleman's district is much like mine and like many of us in this Chamber.

The CHAIRMAN. The time of the gentleman from Mississippi [Mr. LOTT] has again expired.

(On request of Mr. COATS, and by unanimous consent, Mr. LOTT was allowed to proceed for 3 additional minutes.)

Mr. COATS. Mr. Chairman, if the the gentleman will continue to yield, most of us have only one newspaper in each of our towns, and sometimes none. If there is an argument for scarcity, it is in the area of the printed page, not in the area of broadcasting. If the gentleman wants to include them all, let us include the newspapers.

Mr. LOTT. Mr. Chairman, I do think there is a difference between them, and I do think we have access not only to our local newspaper but to area newspapers, State newspapers, national magazines, local magazines, and one-page documents that can be mailed in the mail, a whole variety of ways you can get access to printed media, which you do not always have. In fact, you certainly do not have that in the case of the electronic media in my district.

Mr. TAUKE. Mr. Chairman, if the gentleman will yield, when the fairness doctrine was first elicited, it is true there was some scarcity of broadcast outlets. However, as a number of us have indicated earlier in the debate, that scarcity no longer exists, and the proliferation not only of broadcast outlets through radio but through television, VCR, cable, satellite, and so forth, has really limited or eliminated that scarcity.

Mr. LOTT. Mr. Chairman, I do acknowledge that there is a lot more available now than there was. There are still areas that do not have that multiplicity of choices in electronic media, plus also I pointed out that argument is one that is made, one that I have listened to, but it is not a controlling argument with me. I do not think, just because you have two network stations or two radio stations means that the public is going to be able to have access in that electronic media to hearing an unpopular issue discussed, or that the fairness of opposing views is having an opportunity to be heard if we do not have this basic fairness doctrine in place.

Mr. MARKEY. Mr. Chairman, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Massachusetts.

Mr. MARKEY. Mr. Chairman, I thank the gentleman for yielding.

I ask for recognition only to make this point: in 1969, in the Red Lion decision the Supreme Court ruled that the fairness doctrine was constitutional. In the case that was referred to earlier, the more recent District of Columbia Federal court case, the court dealt only with the procedural question of whether the Federal Communications Commission could repeal it or not. It dealt not only with the constitutional question but with the question of the administrative authority of the agency in question.

Mr. LOTT. Mr. Chairman, if I may reclaim my time, we are beginning to sound like typical lawyers, which I doubt we really are.

Mr. DINGELL. Mr. Chairman, will my dear friend, the gentleman from Mississippi, yield to me?

Mr. LOTT. Surely, I yield to the chairman of the committee.

Mr. DINGELL. Mr. Chairman, I want to say that I have enjoyed seeing my very able friend, the gentleman from Mississippi, the distinguished minority whip, at work because he is always a pleasure to watch, whether he is on one's side or not. I have seen him on both sides, and I have always repected his authority.

I would observe, Mr. Chairman, that it is appropriate for the devil to quote scripture, and at this point I would like to quote no less a person than Mr. Edward Fritts, who is the president of the National Association of Broadcasters. He recently commented on the availability of spectrum. He said, "No one challenges the fact that valuable spectrum space is scarce. It should be used to serve all the public."

There we have an authority who has a strong adverse interest in this legislation who says we have a scarcity of spectrum.

The Red Lion case upheld the constitutionality of this matter.

Mr. Chairman, I urge my colleagues to reject this amendment.

Mr. COATS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I simply want to make a point to our distinguished minority whip and ask him this question: I understand his frustration with airline delays and lost luggage and his regrets over having supported airline deregulation, but I ask the gentleman not to use this as a vehicle to get back at the airlines. Hopefully, we can revisit that issue some other time.

I do not think the deregulation argument is valid in this case. Again I say that I appreciate the gentleman's frustration with getting from Washington to Tupelo or whereever he goes in Mississippi and the problems that have ensued from that. I do not think the deregulation argument is directly applicable to what we are dealing with.

Mr. LOTT. Mr. Chairman, if the gentleman will yield, I only made that point because it is one argument that has been made on the other side, and I have thought about it, that usually it is one that would appeal to me. But having been to the gentleman's district and finding how difficult it was to get to his district, I certainly hope that as a member of this committee he would also look at the many problems we have with airline service.

Mr. COATS. And I hope the gentleman remembers how well he was covered on radio and television while he was in my district.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. COATS. I am happy to yield to the gentleman from Iowa.

Mr. TAUKE. Mr. Chairman, there is another aspect of this issue that was raised by the chairman of the full committee when he talked about the use of the spectrum.

As the gentleman from Indiana knows, it is not just radio stations or television stations that use the spectrum. There are other uses of the spectrum, including the transmission of newspapers over the spectrum. USA Today and the Wall Street Journal, for example, use the spectrum in order to publish across the Nation. And I say that when we sweep aside some of the limitations that have been placed on the fairness doctrine in the past and when we suggest that the scarcity question is the only issue, then we are looking at the prospect of finding an excuse to regulate not only radio and television but other transmissions via the use of the spectrum. It seems to me, as a result, as the gentleman from Indiana has stated, that ultimately we have to ask, how do we want our journalism controlled? Do we want it controlled by the Government, or do we want it controlled by the journalists?

Mr. COATS. Mr. Chairman, I think the gentleman from Iowa states the crux of the case.

Mr. DINGELL. Mr. Chairman, I move to strike the requisite number of words, and I rise in strong opposition to the amendment offered by my dear friend, the gentleman from New York [Mr. Green].

Mr. Chairman, this legislation is not hostile to the broadcasters. It simply keeps in place something which has been there for a long time. The radio broadcasters were the first to be affected by this, and I do not believe anyone can make any other than a somewhat tenuous claim that it chills debate. If we want to see chilled debate on radio, just repeal the fairness doctrine and we will see chilled debate, because the debate will be controlled on that station by only one person and the view which will flow from that station will be the view of one person.

I have heard a lot of talk about constitutionality, and I want to say that that question has already been decided by the Red Lion case. There is a magnificent picture outside this Chamber, and I would urge my colleagues who want to make a constitutional argument to go out and look at it, because that picture shows the signing of the Constitution. I urge my colleagues who feel a deep sense of need for constitutional protection for broadcasters to go out and look at that and come back in and tell me how many microphones or how many television cameras they see in that picture. The answer is that they do not see even one.

The hard fact of the matter is that in 1927 this Nation, at the request of the broadcasters—nay, at the demand of the broadcasters—passed the Radio Act of 1927. The Radio Act of 1927 was passed to give broadcasters a monopoly on a particular portion of the spectrum.

They demanded it of the Congress for one reason, and that was that there was such a cacophony of dissonant voices on the same parts of the radio spectrum that no one could be heard. The Congress brought to order this mess by passing the Radio Act and setting up the Radio Commission and empowering it to franchise different people to hold a monopoly to broadcast on different parts of the spectrum. In exchange for that, those people gave a commitment to function in the public interest. The FRC—and its successor, the FCC—as part of defining what that public interest was, years ago said that it would require what we call now and what we address as the fairness doctrine.

□ 1330

That fairness doctrine has had as its purposes simply assuring that where a controversial issue was broadcast, the broadcaster would then have to publish and air a different view. If the broadcaster, for example, says that Members of Congress are not entitled to a pay raise, a Member of Congress can get on and say yes, they are entitled to a pay raise, or if a broadcaster says Members of Congress are entitled to a pay raise, then a citizen can get up and say no, they are not. That is the function of the fairness doctrine, to assure that there is debate and discussion upon the airways.

Now, I have heard my colleagues talk about the print media. The print media is quite different. The print media is specifically mentioned in the Constitution; but more importantly, there is no role of the Congress or the Government, and no franchise which must be secured for a person to use the print media. All he has got to do is to go out and rent or buy himself a printing press and he is in business. It is the same if he wants to make a speech in a public park—all he has got to do is to tote his soap box out there and get on it and start saying what is on his mind.

If you try to get yourself the privilege of speaking on the air or setting yourself up a broadcasting facility without the approval of the FCC and without a license, somebody is going to be around to take you off to the local lockup.

Now, one of the reasons this legislation is before us is that the FCC has been doing its best to essentially repeal this fundamental protection of all our citizens that promotes the broadest possible airing of views in this country, as is required under the fairness doctrine.

There are some very specific instances. There is a rotten, stinking, anti-Semitic broadcasting record on the part of one broadcaster in the Western United States. Without the fairness doctrine there is no way that a person can get on that particular station to denounce and deny the false and the scurrilous comments that are made by that broadcaster.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(By unanimous consent, Mr. DINGELL was allowed to proceed for 3 additional minutes.)

Mr. DINGELL. There is no way, Mr. Chairman, that a citizen can get on that station to denounce the scurrilous, outrageous and false statements that are made by that broadcaster, unless there is in place a fairness doctrine.

You might say, well, this is only one instance. Perhaps it is. Repeal the fairness doctrine and find out how many more instances you will find of that particular circumstance going on.

Now, I quoted a little earlier the head of the National Association of Broadcasters. He said, and I repeat again, "No one challenges the fact valuable spectrum space is scarce. It should be used to serve all the public." I concur in that.

When the constitutional question of the Red Lion case was raised with regard to broadcasters, the Supreme Court said definitively, "Where there are substantially more individuals who want to broadcast than there are frequencies to allocate, it is idle to posit an unbridgable first amendment right to broadcast comparable to the right of every individual to speak, write or publish." That sets out the issue.

Recently there were some 200 FM stations which came available. Those stations had over a thousand applicants. All I ask is to look at the prices at which the stations are now sold. FM stations are sold for $45 million in Pasadena, CA; $27 million in St. Petersburg, FL; for $32 million in Philadelphia, PA. We are talking about big bucks, not just for television, but also for radio.

When the chairman of the FCC says that if Phyllis Schlafly wants to be heard on the radio, she should go out and buy a radio station, what that says is that if Phyllis Schlafly is going to broadcast on the air, she had better have a pile of money or she had better have the fairness doctrine, and the same goes for any Member of this body or any member of the large number of groups of citizens and citizen organizations that join us in insisting that the fairness doctrine remain in place so that we can hold trustees of the right to use a public resource accountable for their behavior and see to it that the broadest possible disposition of views is available to the American people.

Mr. Chairman, I urge my colleagues to support the legislation. I urge them to vote down the amendment which is offered, I am sure, with good will, but nonetheless, in great error.

I would urge my colleagues to move speedily to protect one of the basic and fundamental rights of the American people against a group which has everything to gain by denying the American people the right to full access to the airways. They have got their access and they are making a lot of money with them.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. GREEN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. GREEN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 71, noes 333, answered "present" 2, not voting 26, as follows:

[Roll No. 163]

AYES—71

Armey
Baker
Barnard
Bartlett
Barton
Boulter
Brown (CO)
Bunning
Byron
Cheney
Clinger
Coats
Coble
Daub
Davis (IL)
Edwards (OK)
Fish
Frenzel
Goodling
Gradison
Green
Gregg
Gunderson
Hall (TX)
Hammerschmidt
Hefley
Hiler
Houghton
Hubbard
Hunter
Jeffords
Kolbe
Kyl
Lent
Lightfoot
Livingston
Lungren
Mack
Madigan
Marlenee
Martin (NY)
McEwen
Molinari
Moorhead
Morrison (CT)
Myers
Nagle
Pease
Penny
Petri
Rinaldo
Rogers
Schaefer
Sensenbrenner
Shaw
Shumway
Shuster
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stangeland
Stratton
Stump
Tauke
Thomas (CA)
Upton
Walker
Whittaker
Wortley

NOES—333

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Applegate
Archer
Aspin
Atkins
Ballenger
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Buechner
Bustamante
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Dannemeyer
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Flake
Flippo
Florio
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Gordon
Grandy
Grant
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hamilton
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Henry
Herger
Hertel
Hochbrueckner
Holloway
Hopkins
Horton
Howard
Hoyer
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Konnyu
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
MacKay
Manton
Markey
Martin (IL)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (WA)
Murphy
Murtha
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Packard
Panetta
Parris
Pashayan
Patterson
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Quillen
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith, Robert (OR)
Snowe
Solarz
Spence
Spratt
Staggers
Stallings
Stark
Stenholm

Stokes
Studds
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)

ANSWERED "PRESENT"—2

Dowdy
Rahall

NOT VOTING—26

Anthony
AuCoin
Badham
Bevill
Biaggi
Broomfield
Burton
Daniel
DeLay
Dornan (CA)
Foglietta
Gephardt
Hefner
Kemp
McCandless
McGrath
Michel
Mrazek
Oxley
Pepper
Porter
Ray
Russo
St Germain
Tauzin
Young (FL)

□ 1355

The Clerk announced the following pair:

On this vote:

Mr. Oxley for, with Mr. Foglietta against.

Messrs. GEJDENSON, FEIGHAN, GARCIA, and RICHARDSON changed their votes from "aye" to "no."

Messrs. HAMMERSCHMIDT, SHUMWAY, and WHITTAKER changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. MYERS of Indiana. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have been listening to the debate this morning and this afternoon hoping to find some reason to support this legislation.

I am troubled with the legislation. It is difficult to oppose a bill with a title "Fairness in Broadcasting Act of 1987."

How can anyone be opposed to fairness, whether it be in broadcasting or in the exercise of education or individuals rights?

Fairness is something all of us accept as an American way; but what is fairness, and fairness to whom? This is what troubles me.

One of the measures that has often been advanced here today is that the Federal Government has the right to place some regulations, controls, over broadcasting, because of scarcity of the electronic media in the spectrum; and if that is the case, in my hometown of 2,500 people, we have no newspaper, but we have two broadcasting stations, two radio stations in my hometown, so I voted for the last amendment.

If in fact it is not scarcity, and you say the fact that it is licensed, gives us authority to regulate, then are we giving the authority to the FCC to impose regulations on the freedom of speech of the broadcaster? Is that because they have a license, we have a right to do this in the future?

Will it not be the case then that some authority from the FCC will start telling broadcasters what their programs may be, interfering with types of programming and what they may air? I do not think we want to really vote for that, so I am troubled with this.

The fact that we have x numbers of newspapers, x numbers of broadcasters in radio and television, I think is relevant; but the thing that disturbs me more than anything else here is the fact that what I read in the brief prepared by the subcommittee is one of the reasons for regulating: The fact that we think we should have the FCC regulating, is the fact that if someone has an opposing view, and they should have a right then to have access to broadcasting, not necessarily the right to the news media, as far as newspapers are concerned, but as a practical matter, can anyone just go out and buy printing presses, start printing a newspaper?

Sure, they have the right to do it; but economically they cannot afford to do that. How could anyone come in to Washington and start a newspaper against the Washington Post? How could anyone afford to do it, so, as a practical matter, we are barred from going out and starting to print a newspaper or a magazine. If the intent here is to control access, we are not doing it here. The thing that disturbs me, the so-called Cullman doctrine is the basis for this legislation and provides that if a person with an opposing view cannot afford to buy an opposing view, time on radio, television, then that station has the obligation of airing those opposing views free.

This concerns me. As an example, and I give this as a hypothetical, and I ask the committee this, if a new industry moves into a community and decides to build a new industry. They buy commercial time, advertising on the local radio, local television, to explain the type of work that will be done, what the industry will be doing, yet someone else in the community now decides that is not the type of industry they want in their community, so it becomes a controversial issue.

Now, the industry bought the time, but does that mean the radio or television station which in good faith aired that program, or the advertising to explain what that new industry will do, are they obligated to give the same comparable time to opposing views without being paid for that time?

Is this what we are saying? One will pay for it and the next one gets it free because they oppose.

We are going a long way in this. I believe in the fairness doctrine, but is this fair to all parties concerned?

I will vote against it. I am afraid we are getting into a deeper area here than we wish to.

Mr. TAUKE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to make just a couple of points relating to this issue before we vote.

First, this bill has nothing to do with equal time provisions of the law. There are a number of Members who have come to the floor saying: I do not want to be accused of denying my opponent the right to get on radio.

That has nothing to do with the fairness doctrine. We are not talking about equal time or anything relating to elections.

What we are talking about, Mr. Chairman, is journalism. The Founding Fathers, when they adopted the first amendment to the Constitution, made it very clear that they did not want the government controlling the media or the presentation of the news to the American people. Instead, they said Congress shall make no law abridging the freedom of the press.

How is it then that we got this fairness doctrine? We got the fairness doctrine based on the assumption that there was a scarcity of electronic media.

While that may have been true years ago, today we have an abundance of electronic media available. Under those circumstances, we have to ask ourselves is there justification for Federal control over the content of the news.

The administration officials recommend a no vote because they conclude that we do not have justification for Federal control over the news. A variety of media outlets, ranging from the Washington Post to the Wall Street Journal have argued against this measure. But perhaps most importantly we ourselves have to ask the question: Can we as Members of Congress who have a duty to uphold the Constitution justify a vote which says to the FCC that it should exercise journalistic discretion over what is presented over the airwaves?

Do we have the right to suggest that government is better able to determine what is good journalism in this Nation than the journalists themselves? I think it is critically important that there be a strong no vote against the fairness doctrine, not because we are opposed to fairness, but because we are opposed to Government control over the presentation of the issues.

Sometimes one has to choose between liberty on the one hand and fairness on the other. In my judgment, there is some danger if we have a free press that there will be unfairness. But it seems to me that the danger of unfairness is much less than the danger that comes from Government control of the media and Government control of the presentation of the news.

That is why I urge my colleagues to extend these same freedoms to the broadcast media that have always been extended to the print media in our country and vote against extending the fairness doctrine.

Mr. FRENZEL. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take the same position on this bill as the distinguished gentleman from Iowa [Mr. TAUKE] who last addressed the body.

I concede that this is not a new policy that the sponsors propose to impose upon the Republic, but I submit that it is still an unwise policy. I do not think it is a question of whether Congress can impose restrictions on the electronic media. It is a question of whether Congress should impose restrictions on the electronic media.

The important constitutional question is really for us to determine by good common sense whether it is better for the government to control an element of our daily life or whether it is better for free people in a free country to control their daily lives, and that is one of the reasons that I am disappointed that a large number of conservative organizations seem to believe that a little Federal tinkering is a good thing if they think it is going to advance their cause.

It has been pointed out that we do not impose such restrictions on the print media. They have first amendment protections. That simply is an accident of chronology that the electronic media was invented slightly later than our Constitution was invented. Otherwise, James Madison and Thomas Jefferson would have been able to provide the same protection for the electronics as they provided for the prints.

☐ 1410

Mr. Chairman, if we release the burden of fairness from the electronic media, I do not think the electronic media is going to be fair. I do not think the print media is fair today. But that is only my judgment.

I do not think the House's majority is fair to the minority.

In spite of all those indignities our Republic is able to survive and thrive. I do not think that is the question. The question is rather whether the Government should impose its brand of fairness. I suspect if we went out to our constituents and inquired of them whether they would rely on us, the Government, to be the arbiter of fairness, I suspect that they would reject our arbitration in the matter.

I am not certain that the people would think that the Government knows fair from foul in most instances.

My personal decision is that the little Federal restriction is bad because a little Federal restriction, particularly enshrined now in the codification of law, is going to lead in my judgment to more Federal restriction. We will be codifying a double standard for the press. I believe that this bill erodes what I believe our first amendment protections of the press are and therefore some Members may like a double standard and be inclined to vote for this bill. Others who would like to see the Government out of this business, who think there should be no control of any kind of press by the Government, would probably do as I am going to do and vote no.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Are there any other amendments to the bill? If not, under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. GRAY of Illinois] having assumed the chair, Mr. MOODY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1934) to clarify the congressional intent concerning, and to codify, certain requirements of the Communications Act of 1934 that ensure that broadcasters afford reasonable opportunity for the discussion of conflicting views on issues of public importance, pursuant to House Resolution 179, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MARKEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 302, nays 102, answered "present" 2, not voting 26, as follows:

[Roll No. 164]

YEAS—302

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Applegate
Aspin
Atkins
AuCoin
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Buechner
Bustamante
Byron
Callahan
Campbell
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Courter
Coyne
Craig
Crane
Crockett
Dannemeyer
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Flake
Flippo
Florio
Foglietta
Foley
Ford (TN)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hefner
Henry
Herger
Hertel
Hochbrueckner
Hopkins
Horton
Houghton
Howard
Hoyer
Huckaby
Hughes
Hutto
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Lott
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Marlenee
Martin (IL)
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McDade
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Mollohan
Moody
Morella
Morrison (WA)
Murphy
Murtha
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Patterson
Pease
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Rangel
Ravenel
Regula
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rose
Rostenkowski
Roth
Roukema
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spratt
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Studds
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Yates
Yatron

NAYS—102

Archer
Armey
Baker
Ballenger
Barnard
Bartlett
Barton
Boulter
Brown (CO)
Bunning
Cardin
Cheney
Coats
Coble
Combest
Coughlin
Daub
Davis (IL)
DeWine
Dickinson
Dreier

Duncan
Edwards (OK)
Fish
Frenzel
Gallegly
Gekas
Gordon
Gradison
Grandy
Gregg
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Hastert
Hayes (LA)
Hefley
Hiler
Holloway
Hubbard
Hunter
Inhofe
Kasich
Kolbe
Konnyu
Kyl
Latta
Leath (TX)
Lewis (CA)
Lightfoot
Livingston
Lloyd
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Martin (NY)
McEwen
Meyers
Molinari
Montgomery
Moorhead
Morrison (CT)
Myers
Nagle
Ortiz
Packard
Penny
Petri
Quillen
Rhodes
Rogers
Rowland (CT)
Rowland (GA)
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Stratton
Stump
Tauke
Taylor
Thomas (CA)
Vander Jagt
Walker
Watkins
Whittaker
Wortley
Wylie
Young (AK)

ANSWERED "PRESENT"—2

Dowdy
Rahall

NOT VOTING—26

Anthony
Badham
Bevill
Biaggi
Burton
Clay
Daniel
DeLay
Dornan (CA)
Ford (MI)
Gephardt
Hawkins
Kemp
Martinez
McCandless
McCurdy
McGrath
Michel
Mrazek
Oxley
Pepper
Porter
Ray
St Germain
Tauzin
Young (FL)

□ 1425

The Clerk announced the following pair:

On this vote:

Mr. Pepper for, with Mr. Porter against.

Mr. PACKARD changed his vote from "yea" to "nay."

Mr. SAXTON changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. MARKEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 742) to clarify the congressional intent concerning, and to codify, certain requirements of the Communications Act of 1934 that ensure that broadcasters afford reasonable opportunity for the discussion of conflicting views on issues of public importance, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. Gray of Illinois). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 742

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fairness in Broadcasting Act of 1987".

SEC. 2 FINDINGS.

The Congress finds that—

(1) despite technological advances, the electromagnetic spectrum remains a scarce and valuable public resource;

(2) there are still substantially more people who want to broadcast than there are frequencies to allocate;

(3) a broadcast license confers the right to use a valuable public resource and a broadcaster is therefore required to utilize that resource as a trustee for the American people;

(4) there is a substantial governmental interest in conditioning the award or renewal of a broadcast license on the requirement that the license ensure the widest possible dissemination of information from diverse and antagonistic sources by presenting a reasonable opportunity for the discussion of conflicting views on issues of public importance;

(5) while new video and audio services have been proposed and introduced, many have not succeeded, and even those that are operating reach a far smaller audience than broadcast stations;

(6) even when and where new video and audio services are available, they do not provide meaningful alternatives to broadcast stations for the dissemination of news and public affairs;

(7) for more than thirty years, the Fairness Doctrine and its corollaries, as developed by the Federal Communications Commission on the basis of the provisions of the Communications Act of 1934, have enhanced free speech by securing the paramount right of the broadcast audience to robust debate on issues of public importance; and

(8) the Fairness Doctrine (A) fairly reflects the statutory obligations of broadcasters under that Act to operate in the public interest, (B) was given statutory approval by the Congress in making certain amendments to that Act in 1959, and (C) strikes a reasonable balance among the first amendment rights of the public, broadcast licensees, and speakers other than owners of broadcast facilities.

SEC. 3. AMENDMENT TO THE COMMUNICATIONS ACT OF 1934.

(a) Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) by redesignating subsections (a) through (d) as subsections (b) through (e), respectively; and

(2) by inserting before subsection (b) the following new subsection:

"(a)(1) A broadcast licensee shall afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

"(2) The enforcement and application of the requirement imposed by this subsection shall be consistent with the rules and policies of the Commission in effect on January 1, 1987.".

SEC. 4. EFFECTIVE DATE.

This Act and the amendment to the Communications Act of 1934 added by this Act shall take effect upon the date of enactment.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 1934) was laid on the table.

GENERAL LEAVE

Mr. MARKEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1827. An act making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes.

The message also announced, that the Senate insists upon its amendments to the bill (H.R. 1827) "An act making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes," and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Stennis, Mr. Proxmire, Mr. Inouye, Mr. Hollings, Mr. Chiles, Mr. Johnston, Mr. Burdick, Mr. Leahy, Mr. Sasser, Mr. DeConcini, Mr. Bumpers, Mr. Lautenberg, Mr. Harkin, Ms. Mikulski, Mr. Reid, Mr. Hatfield, Mr. Stevens, Mr. Weicker, Mr. McClure, Mr. Garn, Mr. Cochran, Mr. Kasten, Mr. D'Amato, Mr. Rudman, Mr. Specter, Mr. Domenici, Mr. Grassley, and Mr. Nickles to be conferees on the part of the Senate.

NATIONAL SCIENCE FOUNDATION AUTHORIZATION ACT FOR FISCAL YEAR 1988

Mr. GORDON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 183 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 183

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2330) to authorize appropriations to the National Science Foundation for the fiscal year 1988, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science, Space, and Technology, the bill shall be considered for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from Tennessee [Mr. Gordon] is recognized for 1 hour.

Mr. GORDON. Mr. Speaker, I yield the customary 30 minutes, for the purpose of debate only, to the gentleman from Mississippi [Mr. Lott] pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 183 is an open rule providing for consideration of the bill H.R. 2330, to authorize appropriations to the National Science Foundation for fiscal year 1988. The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science, Space, and Technology. The bill shall be considered for amendment under the 5-minute rule and is free of any waivers.

Finally, Mr. Speaker, the rule also provides that at conclusion of consideration of the bill for amendment, the Committee shall rise and report the bill to the House. The previous question shall be considered as ordered on the bill without any intervening motions except one motion to recommit.

Mr. Speaker, the future economic vitality and competitiveness of the United States in the world marketplace will ultimately depend on the strength of the Nation's scientific and technological advancements. H.R. 2330 reflects the committee's commitment to strengthening the National Science Foundation's mission of promoting both basic research in science and engineering as well as curriculum improvements in both disciplines. The fiscal year 1988 authorization level for the National Science Foundation of nearly $1.9 billion is identical to the administration's request level. It also enjoys strong bipartisan support within the committee.

Mr. Speaker, this bill is a strategic investment in improving our Nation's competitive posture and a tribute to the leadership of the chairman of the committee, Mr. Roe, and his colleagues. I urge the House membership to join me in adopting House Resolution 183 making in order this important legislation.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 183 is an open rule under which the House will consider legislation authorizing roughly $1.9 billion for the National Science Foundation activities for the upcoming year.

The rule is a routine one, in that after 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science, Space, and Technology the bill will be considered for amendments under the 5-minute rule.

Although the amounts authorized in the bill are in line with the request of the administration some of the funding priorities differ.

Mr. Speaker, I understand that the National Science Foundation plays a central role in the support of basic science and engineering research in our universities. It enables the United States to continue to be competitive in the science marketplace throughout the world, and not to be dependent on other nations that could effect our economic security.

And Mr. Speaker, it is also a science program and an education program as well. For it allows for our young people and the schools of higher education to continue to make a significant contribution to our society.

However, Mr. Speaker, I have serious reservations about repealing the requirement in current law that the awardees of the National Science Foundation subscribe loyalty to the United States and report on any criminal record. Some feel that since these requirements have existed for over 30 years, and no information received as a result of them has changed an award decision.

I urge the adoption of the rule, however, since it is an open rule and any germane amendment will be in order.

Mr. Speaker, I yield back the balance of my time.

☐ 1440

Mr. GORDON. Mr. Speaker, I have no further requests for time and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 183 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2330.

☐ 1442

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2330) to authorize appropriations to the National Science Foundation for the fiscal year 1988, and for other purposes, with Mr. Barnard in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from New Jersey [Mr. Roe] will be recognized for 30 minutes, and the gentleman from New Mexico [Mr. Lujan] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. Roe].

Mr. ROE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the National Science Foundation authorization for fiscal year 1988, H.R. 2330, provides a total of $1.893 billion. These funds represent a critical investment in the Nation's future since they will be used to generate new knowledge and to develop the human resources which are essential for meeting the challenge of international economic competition.

I congratulate Mr. Walgren of Pennsylvania, chairman of the Science, Research and Technology Subcommittee, for his leadership in crafting H.R. 2330 and Mr. Boehlert of New York, the ranking Repuhlican member, for his diligent efforts on behalf of this legislation.

The National Science Foundation [NSF] plays a central role in the support of basic science and engineering research in U.S. universities and also in the training of future generations of scientists and engineers. This role encompasses generating new knowledge and helping sustain a highly trained work force to exploit new technologies spawned by this new knowledge. The future economic vitality and competitiveness of the U.S. in the world marketplace will ultimately depend on the strength of the Nation's science and technology base. Basic scientific research and the education of scientists and engineers create this base for technological advances. History has shown that a sustained investment in basic research contributes to economic growth, to an impoved quality of life and to enhanced national defense capabilities.

Although NSF is a relatively small Federal agency, it has a big impact both on support of basic research and on development of enhanced basic research capabilities in American universities. For example, an NSF Program with the long-term goal of developing first-rate research universities in all geographic regions of the United States is called the Experimental Program to Stimulate Competitive Research or EPSCoR. The value of EPSCoR is vividly illustrated by the results of a grant to the University of Alabama-Huntsville. The grant was used by a young professor to build a strong research group studying superconductivity. Recently, this group produced one of the first sets of research results on a class of materials that are superconducting at relatively high temperatures. As TV and press accounts have highlighted, this breakthrough has enormously important implications for a wide range of technologies, including high speed computers, medical diagnostic systems, electric power generation, and transportation systems.

The NSF budget proposed by the administration for fiscal year 1988 provides for an increase of almost 17 percent above the previous year and is the first of five proposed increases to produce a doubling of the NSF budget by fiscal year 1992. The Science, Space, and Technology Committee supports and endorses this proposal, which is consistent with the committee's firm belief in the importance of NSF's contribution to the Nation's well-being. Despite the serious Federal budget deficit, the committee believes that the increase in funding for NSF is essential to address important concerns about the health of the U.S. basic research enterprise and, in particular, concerns about the state of science and engineering education. The proposed budget increase would also allow NSF to pursue new research opportunities, including interdisciplinary, multiple-investigator efforts involving linkages with industry.

The total authorization in H.R. 2330 of $1.893 billion includes $1.625 billion for research and related activities, $150 million for science and engineering education and $118 million for the U.S. Antarctic Program. Although H.R. 2330, as reported by the Science, Space, and Technology Committee, provides a total authorization at the level of the administration's request, it makes redirections and establishes certain priorities reflecting the concerns of the committee members. The major change from the administration's request is an increase of $35 million for the science and engineering education directorate.

U.S. economic competitiveness is ultimately tied to the availability and excellence of scientific and technical manpower. Unfortunately, a decreasing fraction of American college students are choosing science and engineering studies at a time when the total pool of college-aged students is declining significantly. Over the past 15 years, the proportion of the U.S. population engaged in science and engineering has declined appreciably relative to other technologically advanced nations. During the same period, the Federal investment in undergraduate and precollege science education has dropped dramatically and is now at a level well below that of the 1960's in constant dollars. At a time when the United States must compete against strong economic rivals in a global marketplace, these trends are disquieting. NSF must have the resources to play a strong role in strengthening science and mathematics instruction at the precollege and undergraduate levels to ensure that the pipeline of scientists and engineers remains filled and to maintain a large, technically literate, inventive and adaptable work force.

In order to provide the significant increase in funding primarily for precollege science education programs, a small decrease was imposed on the administration's requested funding levels for four scientific directorates and a cut of $25 million was imposed on the U.S. Antarctic Program, which effectively maintains this program at the fiscal year 1987 funding level. The reduction to the Antarctic Program does not reflect concern for the quality of the research program. However, only about a third of the total budget for this program is for research and direct research support. The remainder is required to support the U.S. presence in the Antarctic. In light of current priorities within the overall range of NSF programs, level funding the large operations support budget of the Antarctic Program seems jsutified, in particular, since the funds will augment science and engineering education programs which have been neglected in recent years.

Besides the strengthening of programs in science education, H.R. 2330 provides funding level increases that will sustain NSF initiatives in scientific areas such as biotechnology, global geosciences, and advanced scientific computing. Also, H.R. 2330 will allow NSF to expand its efforts in developing interdisciplinary research groups to explore new scientific frontiers at the interfaces between traditional disciplines. These enterprises, such as the Engineering Research Centers Program, often involve industrial participation, which both opens new communication channels to facilitate transfer of new discoveries to industry and also exposes university researchers to industrial technology problems. The creation of links between university researchers and industrial laboratories and, equally important, the training of scientists and engineers who are familiar with the industrial culture will contribute to improving U.S. performance in the commercialization of new discoveries, which is a critical factor in maintaining economic competitiveness.

Mr. Chairman, H.R. 2330 is balanced proposal which is essential to the health of the U.S. basic research enterprise and to the training of a new generation of scientists and engineers. I urge my colleagues to support the bill as reported.

Mr. LUJAN. Mr. Chairman, I yield myself such time as I may consume.

I rise in support of H.R. 2330, the National Science Foundation [NSF] fiscal year 1988 Authorization. However, as stated in the minority views filed with the report on this legislation, there are reservations I do have with specific provisions of this legislation. I will seek to work these issues out in conference with the Senate.

The administration requested a 5-year authorization for NSF, with a fiscal year 1988 authorization request of $1.89 billion. The NSF request for an increase of $270 million over the fiscal year 1987 levels, or a 17-percent increase, is a sign of this administration's commitment to enhancing our educational and research base, as well as promoting the relationship between industry, university and the Federal Government so our investments are sound ones.

H.R. 2330 is a 1-year authorization, with a bottom-line level equivalent to the administration request. I commend the committee's decision to support this level of funding.

This administration is committed to doubling NSF's budget by fiscal year 1992, an initiative the director of NSF, Eric Bloch, is to be congratulated for. The committee is very encouraged by this proposal and very supportive of the increased level of funding for NSF. Nevertheless, given the present and the projected rate of growth, interest in assuring a balance between individual grants and "centers" funding, and a commitment to exercise appropriate congressional oversight, the committee chose to continue on the annual authorization.

H.R. 2330 redistributed $38.5 million from the request, of which $25 million was redirected from the Antarctica Program. I am concerned about the impact this will have on the Antarctica Program and NSF's research base. The remaining $13.5 million was taken from the research and related account. A total of $35 million was used to increase the science and engineering education account above the request. Finally, the supercomputer inititative was increased by $3.5 million.

The minority recognize that science education activities could adequately expend a higher level of funding than that requested. Thus, we offered an amendment in committee redirecting funds into this account. Our recommendation would have redirected $5 million from the Antarctic Program. We are confident this level could be manageable. Any further cut in this program will lead to significant setbacks in the operations and inevitably in research.

It has been argued that the committee's $25 million redirect would have no impact on the research conducted in the Antarctic. I do not agree. One cannot do research if scientists cannot be transported to the Antarctic. Furthermore, at a time when scientific data on the ozone depletion in the atmosphere is most alarming, we can ill afford to cripple the ability to transport researchers to the Antarctic. We heard this in recent testimony from the senior scientist on the U.S. expedition to the Antarctic. Dr. Solomon expressed concern that the research stations are not open long enough during the year. Several witnesses expressed concern over the cost of travel to the Antarctic. Given the threat to our environment and the increasing risk of cancer due to over exposure to sun rays, reductions in the Antarctic Program are not advisable. Finally, I am a strong supporter that the science community must maintain control over the operations of this program so as to assure that unclassified research is conducted properly.

Finally, in committeee, amendments were offered to delete those sections—subsections—of the bill which earmark the engineering research centers and the science and technology centers. However, such amendments were not adopted. I would hope these issues are addressed in conference.

Let me take this opportunity to commend the committee for its response to express concern for the supercomputer initiative at NSF. During the 98th Congress, the committee, responding to the scientific community and operating in concert with NSF and the National Science Board undertook the creation of national supercomputer centers. There were initially two phases to the program, the first being a stopgap measure to purchase advanced computational time on available university and commercial machines.

While I believe the strategy we chose is a wise one, the demand for computational time has continued to soar and the technology of the machines continues to advance. Therefore, without compromising the national centers, in any way, the committee authorized NSF to continue serving the research community through all available unique computational resources.

Another topic which has come up in discussions with the university research community is the need for refurbishing and modernizing our academic research infrastructure. It is clear that our campuses are experiencing severe problems in this area. NSF has made significant contributions to instrumentation and equipment support. There remains a question of financing what we call the "bricks and mortar." I understand the Senate may report an NSF authorization that contains a provision for infrastructure modernization. Our committee will hold hearings at the end of this month on a similar proposal. I would like to work toward a sound recommendation in this area, that is responsive to the academic institutions, to individual researchers and cognizant of the Federal, State, local, and private education roles.

Finally, I would like to conclude my remarks by noting two aspects highlighted in the committee report. The first is the expressed support and encouragement that our Federal R&D laboratories be brought into the circle of NSF's efforts to establish new research centers where industry, university, and the Government can collaborate on basic research problems. A significant amount of taxpayers dollars goes into funding our national labs. Their intellectual talent, as well as, capital investments are invaluable resources upon which NSF can draw. Second, there is ample opportunity for NSF to work with the R&D agencies on efforts to collaborate with our neighbors in Latin America. The committee report spells out such a recommendation.

Mr. ROE. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. WALGREN].

Mr. WALGREN. Mr. Chairman, I rise in support of H.R. 2330, the National Science Foundation Authorization Act for fiscal year 1988, which provides funds for basic science and engineering research education activities of the National Science Foundation.

This is a very important bill for the country's future. As chairman of the subcommittee, I want to particularly credit those on the subcommittee on both sides of the aisle and single out the ranking member of the minority, the gentleman from New York [Mr. BOEHLERT], and also to credit the members of the full committee, led on the minority side by the gentleman from New Mexico [Mr. LUJAN] along with the chairman of the full committee, Mr. ROE of New Jersey, for their support of a strong effort by the National Science Foundation.

□ 1455

There may be no Federal agency, bar none, that is more important to securing the future for America than the National Science Foundation. The investment that we make through the National Science Foundation is critical both to our future economic strength and to our national security.

The National Science Foundation was created after the nuclear weapons breakthrough that enabled the United States to win World War II. It was created out of the realization that in many ways we were just lucky in 1945; and out of the realization that new discoveries in science and technology were obviously so important in our period of history that we could not afford to rely on being just lucky again.

As a result, we established the National Science Foundation and gave it, in its charter, the responsibility "to initiate and support basic scientific and engineering research and to strengthen science and engineering education programs at all levels"—all in order to assure that our Nation benefits from the potential that science and engineering hold for the future.

There are clear warning signs that our education system is falling behind. Not one but a number of evaluations strike the same theme as "A Nation at Risk," describing a rising tide of mediocrity in the American educational system. The lack of preparation of American high school students for careers in science and engineering compared to the disciplined training of students in Japan and Europe should stop anyone cold in his tracks. The training of those who teach America's high school students compared to the teachers in countries whom we must compete with can only leave us shaking our heads. It is a sad and dangerous commentary on our educational system that not one person of the three research teams that are generally credited with the major breakthroughs in superconductivity of electricity, a development that promises to literally revolutionize almost everything that we do, not one person received his background education in science in the American high school system.

The 1980's are a critical decade in the development of new science and engineering capabilities. The rapid development of greater and greater computer capabilities and new information technology is changing the way we work, and changing what we can do, with unprecedented speed. If we are to keep up with what other countries may be able to do, and if we are to assure that Americans are not put at a terrible disadvantage by modern science and technology, we must multiply our national effort in this area severalfold.

The administration, after failing to support the National Science Foundation's role in science education in their initial years, has come full circle—and now calls for the doubling of the National Science Foundation's budget over the next 5 years. The support of even this administration is a measure of the urgency of this effort and the breadth of recognition of its importance.

The total authorization for the NSF provided by H.R. 2330 is $1.893 billion. That total is identical to the President's budget request. However, compared to the administration proposal, the Committee on Science, Space, and Technology proposes to take $38 million that the administration sought to use to increase the spending for research in the Antarctic and add that money to precollege science and math education here at home.

The administration's fiscal year 1988 proposal for science and engineering education was $115 million, 6 percent of the total NSF budget. This 6 percent is in stark contrast with the average 30 percent of the NSF total effort that was specifically devoted to education in the years from 1955 to 1970, when almost all acknowledge the National Science Foundation to have had effective programs in education.

Worse yet, the administration has proposed essentially zero increase for precollege programs in teacher enhancement, curriculum development and informal science education—zero increase in a year that overall they recommend NSF's budget be increased by 17 percent.

This flat funding of precollege education programs comes at a time when approximately 60,000 of the 200,000 high school science and math teachers are in immediate need of upgrading their subject knowledge and their teaching skills. In response to that clearly evident need, this bill would double the present effort for teacher training institutes from $22 to $42 million, allowing that program to reach an additional 7,000 teachers. It will leave a great problem, but it will significantly reduce the time to reach teachers in need of upgrading their skills.

We also propose an increase of $13 million for materials development and informal science education, providing a 60-percent increase in these activities. These are essential activities if our education system is to be improved. Increased support for informal science activities is particularly important to support educational television outreach and science activity centers that do so much to interest young people and reach those who are not now involved in science education.

Under this bill, the College Science Instrumentation Program is enhanced by $2 million—to support the purchase of instructional laboratory equipment at 4-year undergraduate institutions, a level of our educational system largely passed by in recent years by the National Science Foundation priorities.

Additionally we ask for increases for the computer and information science and engineering directorate of $3.5 million. This increase is designated to specifically support the National Science Foundation supercomputing support to allow the NSF to meet their projected commitments to the several national supercomputer centers and provide other needed support for supercomputing capability. The bill specifically allows the use of all research funds to be allocated for unique advanced computing resources wherever available in support of research needs that may be met outside the national computer centers.

In order to provide for these programs and yet stay within the total amount proposed by the administration, which is the reality in these years, reductions were necessary. The principal change was to reduce by $25 million the amount recommended by the administration for the U.S. Antarctic Program. This, I want to remind the Members, is simply reducing the increase in the Antarctic Program. It is no cut of the present level of effort. In fact the Antarctic Program has received a 14-percent increase in its effort over the last 2 years—not bad for something that is important research in the longer run but which common sense must give a lower priority in view of the needs and responsibilities of NSF in precollege education.

The balance of the funds for the redirection in this bill, $13.5 million, is obtained by a 1-percent reduction across the board of the research budgets of the mathematical and physical sciences; the biological, behavioral, and the social sciences; and the engineering and geosciences directorates. We do that reluctantly, very reluctantly, but we also appreciate that 1 percent represents the kinds of reduction that can most probably be constructively absorbed and which can even contribute to greater program efficiency. When we weigh priority of education that we have devoted these moneys to, I think that all would agree that this is the kind of common sense that this Congress should respect.

We also require that 50 percent of the new funds allocated to engineering research centers be committed to research related to new manufacturing technologies. Nothing is changing faster than the way in which we manufacture goods as the computer has come into automated manufacturing technologies. We looked in a recent year for the amount of effort on the Federal level in research on new manufacturing technologies and sadly found only $80 million. Twenty million dollars of that was civilian, $60 million from the military. Clearly we have to underscore, and all we do is underscore, the focus of the NSF's effort in new engineering research centers on manufacturing technologies, because if we fail to make that transition well in our country, lots of people are going to suffer.

We also reflect in this bill a renewed recognition of the critical role that must be played by the 2-year and community colleges by focusing the NSF on curriculum development specifically for these institutions. These colleges are right where the people are who deserve our attention most, and are in the greatest danger of being left behind by the rapid change in science and technology in our economy. Certainly if the National Science Foundation has responsibility in its charter for the science and engineering education of all levels of society, it has a commitment to community colleges as well.

□ 1505

Mr. Chairman, this bill will make a strong contribution to the national effort for strengthening our basic research and education base.

The time is now for focused and decisive action that this bill provides, and I urge the Members to support it.

Mr. LUJAN. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong support of H.R. 2330, the authorization for the National Science Foundation [NSF].

I don't claim the bill is perfect. Indeed, there are several provisions to which I object, and I hope they can be dealt with in conference. Specifically, I'm concerned with the excessive reduction in the Antarctic Program and the excessive restraints on the Engineering Research Center and Science and Technology Center programs.

But these differences pale in comparison with the bedrock support of the entire Science, Space, and Technology Committee for the National Science Foundation.

It's a little easier every year to explain why we value this agency so highly. That's because each year we're a little bit more disturbed by problems that we simply cannot solve without the help of NSF.

For example, there's been a great deal of discussion lately—some of it ridiculous—about how to react to the depletion of the ozone layer. Research funded by NSF—much of it in the Antarctic—will help us determine what additional steps are necessary to stave off the skin cancer, crop damage, and other ills associated with ozone depletion.

We in Congress talk about the need to modernize our basic manufacturing industries. NSF plans to spend almost $51 million on manufacturing research next year, much of it as part of joint research projects with industry at engineering research centers.

We also harp on the need to take the lead in emerging industries. NSF-funded research has set the international pace in biotechnology, and the agency is planning to fund new centers in that field. NSF has almost single-handedly reversed the scandalous inability of American researchers to gain access to supercomputers, opening new research frontiers. And NSF is in the forefront of the effort to probe superconductivity.

Finally, we spend time lamenting the state of American education and bemoaning its effect on our economy. NSF is funding teacher training, curriculum development, and equipment purchases at all levels of education. And, thanks in part to prodding from our committee, the agency's commitment to education will grow significantly next year. I hope that growth will eventually include a fund for grants to improve university facilities as envisioned in Mr. Roe's bill, H.R. 1905.

NSF is a model agency, funding education and research, research with long-term and short-term payoffs, large projects and small ones, centers and individuals. It has earned the support of Republicans and Democrats, liberals and conservatives, Congress, and the administration.

The Ithaca Journal, a newspaper in my district, once opened a back-to-school story with a quote from a first-grader who said, "I don't like school; I've already learned everything." The student said she already knew enough because "I'm on my orange book."

I sometimes think that's the only attitude that could explain opposition to the National Science Foundation. Those of us who don't think we've learned everything are delighted that NSF is around, still pushing the frontiers of knowledge, still rewriting the "orange book."

H.R. 2330 deserves to be passed by acclamation.

Mr. ROE. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. Skaggs].

Mr. SKAGGS. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, it is the concern of every Member of Congress that the United States be as strong a country as it possibly can, and the nearly month-long debate over the defense bill aptly demonstrates that concern. But the real strength of our Nation depends on more than just military preparedness. To build and maintain a strong and competitive America means investing in education, in research, in training, and in our infrastructure.

No one would suggest we spend a month debating the National Science Foundation authorization bill, but it is past time for us to devote far more attention in this country to basic science and research.

One of the most important issues facing the Nation is competitiveness, and whether we can regain our position of manufacturing preeminence in the world. Although many factors have contributed to our problems in this area, our own refusal adequately to fund science and research has significantly impeded our efforts to make a comeback in international markets.

For that reason, I applaud the administration's initiative in increasing the NSF budget for fiscal year 1988 by 16 percent and the administration's proposal to double the NSF budget over the next 5 years. These increases show we are finally getting serious about investing enough in basic science and research to compete again in the world.

At the same time, we need to begin restoring a more sensible balance between civilian and military R&D. Fully two-thirds of all Federal R&D spending is consumed by the military, putting our domestic civilian laboratories and industries at a disadvantage relative to our international competitors. The often-touted spin-offs from military R&D simply are not adequate to justify this imbalance.

Finally, I would like to thank Chairman Walgren for the special attention he has given to precollege science education programs in the NSF budget. Fewer and fewer American youth have been entering science as a career; if this is allowed to continue, it will be that much harder to compete internationally in science and technology. These percollege science programs will upgrade the skills of our science and math teachers, help develop innovative new teaching techniques and materials, and encourage and inspire our youth to enter science-related fields. This is a smart investment in this Nation's science future, and I applaud the chairman's efforts.

Mr. LUJAN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Maryland [Mrs. Morella].

Mrs. MORELLA. Mr. Chairman, I thank the gentleman for yielding time to me.

I am pleased to rise in strong support of the National Science Foundation authorization bill, H.R. 2330. As a member of the Committee on Science, Space and Technology, I urge my colleagues to give their approval to full funding of the proposed fiscal year 1988 budget of $1.893 billion.

In a year when international trade and industrial competition has been dominating our conversation, newspaper headlines, and congressional legislation, funding for the National Science Foundation is critical.

The NSF is the Nation's single largest source of funding for university research in basic science and engineering. It is also the only agency specifically charged with improving science and math education at all levels. Almost the entire NSF budget—everything except administrative costs—is spent on grants.

Research supported by the NSF consistently leads to scientific innovations. The global information revolution with its microchips and supercomputers was marshaled in by scientists with NSF grants. Major advances in genetics and virus research were made with Science Foundation fellowships. Engineering innovations such as "thinking" robots and earthquake-proof buildings became realities in part because of NSF funded research. Quasars, pulsars, distant galaxies, and black holes in outer space are being identified by experts who use National Science Foundation resources.

The National Science Foundation plays a central role in the support of basic science and engineering research in U.S. universities and also in the training of future generations of scientists and engineers. This role encompasses generating new knowledge and helping sustain a highly trained work force to exploit new technologies spawned by this knowledge. History has shown that a sustained investment in basic research contributes to economic growth, to an improved quality of life and to enhanced national defense capabilities.

Strategic investment in basic science is a fundamental step in improving the Nation's competitive posture reinsuring future technological innovations. American industry, and especially the type of high-technology industry located on the I-270 corridor in my district, depends for its competitive edge on the basic science research funded by the National Science Foundation grants.

The proposed budget increases would allow the NSF to better address concerns about the health of U.S. basic research enterprise and, in particular, concerns about the state of science and engineering education. The increase would also allow the NSF to pursue new research opportunities, including interdisciplinary, multi-investigator efforts involving linkages with industry.

Support of funding to NSF is crucial to the maintenance of our competitive edge. Ultimately, our economic strength depends on people coming together to generate ideas and create products that keep us ahead of our competitors. The Foundation's research and education programs are an important part of creating economic strength. The Nation cannot prosper without sustained investment in science, engineering research, and education in our universities.

Mr. Chairman, I would like to commend the gentleman from New Jersey [Mr. Roe], the chairman of the Committee on Science, Space, and Technology, and the gentleman from New Mexico [Mr. Lujan], the ranking minority member, and the gentleman from Pennsylvania [Mr. Walgren], the subcommittee chairman, and the gentleman from New York [Mr. Boehlert] the subcommittee ranking member, for the work they have done in shepherding this excellent bill which I hope we will favor by acclamation.

Mr. ROE. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. Brown].

Mr. BROWN of California. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in strong support for H.R. 2330, the National Science Foundation Authorization for fiscal year 1988. H.R. 2330 reflects a strong commitment to strengthening the National Science Foundation's ability to perform its mission of nurturing basic research and education. A strategic investment in scientific research and science education, as reflected in H.R. 2330, is a fundamental step in improving the Nation's competitive ability and spawning future technological innovations.

In the field of academic research, the Federal role is unique. There are no other major sources of support for academic research in all scientific and engineering disciplines. Other than NSF, no Federal agency provides such a side scope of support to the Nation's 2,300 colleges and universities. While the NSF budget is relatively small in comparison to the total national effort in research and develpment, it is nonetheless the primary source of support for fundamental science and engineering research and education at colleges and universities.

Since the academic community performs most of the basic research in the physical and life sciences, NSF plays a critical role in these research and development efforts. The laboratories and classrooms of academia are the training grounds for scientists and engineers who will advance the state of knowledge in the future. Thus, H.R. 2330 sustains the efforts to maintain our leadership in basic research, and with it, our long range economic health.

With this in mind, H.R. 2330 was approved by the Committee on Science, Space, and Technology on May 20, 1987. Total authorized funds in H.R. 2330 for fiscal year 1988 is $1.89 billion. Within this total, $1.62 billion is for research and related activities, $150 million for science and engineering education, and $118 million for the U.S. Antarctic Program. The total amount of authorized funds in H.R. 2330 is identical to the President's budget request.

More than a century ago, Adam Smith wrote, "The skill, dexterity and knowledge of a nation's people is the most powerful engine of its economic growth." Modern societies run on human talent. It is imperative that the United States make quality education a priority for all people, beginning in the early school years and extending for a lifetime. Therefore, I wish to emphasize the importance of NSF's science and engineering education programs, H.R. 2330 redirects $35 million from the U.S. Antarctic Program and the research directorates into the science and engineering education directorate for precollege education activities. This raises the level of authorized funds for the science and engineering education directorate from the proposed level of $115.0 to $150.0 million. By expanding the reach and effectiveness of the NSF education programs we can train future scientists and engineers as well as lift the technical literacy of all students. This is essential if we are to reverse the current trends in student achievement in science and math as well as meet the technical and economic challenges of tomorrow.

H.R. 2330 also continues support for the various activities in the research directorates. Increased funding in such areas as supercomputer centers, Engineering Research Centers, biotechnology, mathematics, and physics will help keep the United States on the leading edge of new technologies. In this regard, I want to draw special attention to the Engineering Research Center [ERC] Program. I am pleased with the recent expansion of the ERC program to include new centers at the University of Colorado, the University of California at Los Angeles, and partial funding of a center at Duke University. Not only will the ERC's improve engineering education but they will develop new knowledge for use by industry. As a Member of Congress who supports the concept of a National Technology Foundation, I am particularly pleased with NSF's thrust in the ERC program.

Mr. Chairman, the investment we make through H.R. 2330 is worth the improvements it will help bring about in the quality of life, national security, and economic growth.

□ 1520

Mr. LUJAN. Mr. Chairman, I yield 8 minutes to the gentleman from Missouri [Mr. BUECHNER].

Mr. BUECHNER. I thank the gentleman for yielding and for his work on the bill.

Mr. Chairman, the administration has requested a total of $1.893 billion for the National Science Foundation for fiscal year 1988. This represents an increase of 17 percent over last years level. As a member of the Budget Committee and of the subcommittee which has worked on this bill, I am especially pleased that the bill before us today matches the President's request.

Mr. Chairman, although I support the NSF bill, I am concerned about a particular provision that could be adverse to the nation's scientific enterprise.

This provision centers around the new Engineering and Research Centers or ERC's. Language was adopted in the subcommittee which stipulates that 50 percent of all funds for new ERC's focus on research relating to manufacturing technologies.

This provision implies that NSF has been ignoring manufacturing. This is just not true. Since the inception of the ERC program, manufacturing research has always been emphasized. In fact, by NSF's conservative estimate, one-third of ERC's have been devoted to manufacturing. Numerous other NSF programs also focus on manufacturing, bringing the total estimated fiscal year 1988 spending in the field of $51 million, up from $36 million for fiscal year 1987.

In addition, the National Academy of Sciences opposes this provision. They state that it "stands in opposition to the spirit and intent of the ERC program and to the expressed wishes of the involved communities." Specifically, they cite "The 1983 report of the National Academy of Engineering on Guidelines for Engineering Research Centers". That report states that an advance topic for particular NSF centers is not necessary. A check of the committee record will show it was admitted that if the "manufacturing related" applications are 15th or 16th in quality they will still receive 50 percent of the grants if this provision remains in the bill.

Furthermore, I believe that in its most basic form, the provision brings the committee a step closer to "pork barrel" politics, in which specific money would be earmarked for specific projects at specific schools.

At the committee level I offered the amendment to drop this needless intrusion into the merit-based peer review system. It was defeated and I do not wish to take the Houses' time, but I feel we should be forewarned.

Nevertheless Mr. Chairman, the bill contains some excellent programs that will strengthen our science and engineering facilities and institutions. I am particularly pleased with advanced scientific computing and networking in the new computer and information science and engineering directorate. Through this directorate, NSF is making breakthroughs in computer technology. NSF is also entering phase two of the supercomputer program. This will give scientists access to the fastest computers available.

In addition, I am pleased with the funding level the committee has proposed for the science and engineering education directorate. One of the objectives of this program is to ensure that a high quality precollege education in science and mathematics is available to every child in the United States. I believe that it is vital that we provide the proper resources at the precollege level to encourage our children in these areas.

Finally, this bill provides researchers with increased science and engineering knowledge about earthquakes. Many people do not know this, but in 1811 a massive earthquake occurred in New Madrid, MO. of such magnitude that the mighty Mississippi River flowed south to north for 2 days. It was greater in force than the earthquakes that destroyed Tokyo and San Francisco in the last 100 years. The New Madrid Fault line goes through my district of St. Louis. It also touches Kentucky, Tennessee, and Arkansas. Some 200 times a year, faint tremors shake the ground beneath the New Madrid line and geologists expect another massive earthquake in our generation. Unlike the San Andreas Fault, which meets the Earth's surface and can be observed more easily, the New Madrid Fault lies many miles under the Earth's surface. Learning the secrets of the miles-deep New Madrid rift has been difficult, but this bill will aid our researchers who are collecting seismic information.

Mr. Chairman, the NSF bill will improve U.S. productivity and overall competitiveness. I urge my colleague to support the bill and I commend the chairman, and subcommittee chair and minority ranking members of the Science Space and Technology Committee for their excellent work on the bill.

Mr. HENRY. Mr. Chairman, will the gentleman yield?

Mr. BUECHNER. I yield to the gentleman from Michigan [Mr. HENRY].

Mr. HENRY. I thank the gentleman for yielding.

Mr. Chairman, I must say I have to take a bit of exception to the characterization of the gentleman of the committee's action in designating some of the funding would go to centers for applied technology. The effort behind this is that it has been very clear to the committee in terms of our science task force and the committee as a whole that the major area in which we are falling behind much of the competition we face is not in the area of basic research, but our seeming inability to apply that research immediately in the technology process. That is why the committee designated this as a particular targeted effort in this year's authorization bill. There was clearly no indication that this would diminish in any way the quality of the funding of the NSF. It would target it qualitatively into a subject area in which I think it is recognized that we are strategically weak. I would appreciate it if the gentleman would at least admit that concession.

Mr. BUECHNER. Reclaiming my time, in rejoinder to that I would just point out that the gentleman's emphasis on quality I think was already in the preexisting guidelines set out by the academy. Unfortunately it was admitted at the hearing that if the manufacturing-related topics in the application mainstream are 15th and 16th in quality there would still, under this earmarking of 50 percent, have to take priority over the other subject matter which may, on a scientific basis, be more deserving of the funds.

I guess my point is that these Members of Congress here I do not think should be making those designations when there is no real showing that there is a fault in the existing system.

So we move from 33 to 50 but what we are doing is we are saying the quality is no longer important but rather congressional designation.

Mr. WALGREN. Mr. Chairman, would the gentleman yield?

Mr. BUECHNER. I yield to the gentleman from Pennsylvania [Mr. WALGREN].

Mr. WALGREN. I thank the gentleman for yielding.

Mr. Chairman, I would like to associate myself with the remarks of the gentleman from Michigan and underscore the statement of the gentleman in the well that this might be a step forward but it does not yet reach any kind of the sort of designation that would violate those who emphasize quality and require merit review and the like.

Mr. ROE. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from Louisiana [Mrs. BOGGS].

Mrs. BOGGS. I thank the gentleman for yielding.

Mr. Chairman, I rise to compliment and to thank Mr. ROE and Mr. LUJAN and Mr. WALGREN and Mr. BOEHLERT, all the members of the committee and the members of the majority and minority staffs for bringing us such an excellent piece of legislation and especially to thank them for enhancing many of the programs in which I have a particular interest. I would like to thank them for continuing their work with the youngest children of the Nation in the TV program "Contact 3-2-1" and in the other TV program called "TV Squared."

I would like to thank them for adding undergraduate programs for the undergraduates, particularly in initiating programs at 2-year and community colleges and for adding to the minority research initiatives which supports minority scientists and engineers who have not previously received Federal support, and adding to the research opportunities for women by giving support for research planning grants and for career advancement awards. Also for adding to the Presidential Young Investigator Award, to young faculty members working with undergraduates and who have not previously been able to receive awards, in order to take advantage of many of the private sector awards from industry which could otherwise come their way.

Science education, Mr. Chairman, among all levels of ages and conditions of persons in the United States is absolutely necessary and these initiatives and these additions to science education are greatly appreciated and I thank the committee very much for them.

Mr. LUJAN. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. HENRY].

Mr. HENRY. I thank the gentleman for yielding time to me.

Mr. Chairman, I want to express my support for H.R. 2330, and my appreciation to Chairman ROE and to the ranking Republican on the full committee, Mr. LUJAN, for their efforts in getting to this point with this legislation. The degree of bipartisan support for this bill is a reflection of the committee's coordinated efforts to strengthen science and engineering research and education in this country.

I particularly want to commend the committee's recognition of the needs of 2- and 4-year colleges. These educational institutions have long provided valuable training for students moving on to graduate level studies and for others who directly enter the science and engineering profession upon the completion of their undergraduate work. However, in recent years, funding for these schools' science and engineering programs has been severely neglected. Further, it is a well-known fact that our Nation has seen a severe drop in the number of individuals pursuing math and science related careers. There are many keys to restoring our Nation's excellence in these fields. One such key is the strong commitment of the National Science Foundation to support both research institutions and undergraduate colleges. It is my belief that H.R. 2330 will give notice to the NSF, that funds should and will be distributed with the commitment in mind.

I would also like to draw attention to the fact that this bill will have a considerable impact on our Nation's manufacturers' ability to compete with foreign producers. As proposed, H.R. 2330 continues to prioritize engineering research centers, but with a special focus on research relating to centers for applied manufacturing technologies. These funds will go toward taking the knowledge we have gained, and applying it to the manufacturing process. We have fallen considerably behind countries like Japan, who have continually capitalized on their ability to do this. We must push our Nation forward on the application of technology. No one will argue that our Nation's industry needs to regain competitiveness in the international marketplace. Therefore, I urge this body to support H.R. 2330. It is a strong initiative to put our country back at the forefront of science and engineering research, education, and their application in the industrial arena.

The CHAIRMAN. The gentleman from New Mexico [Mr. LUJAN] has 7½ minutes remaining and the gentleman from New Jersey [Mr. ROE] has 8 minutes remaining.

Mr. ROE. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. I thank the gentleman for yielding. I appreciate the work and congratulate the initiative of the gentleman from New Jersey and the gentleman from New Mexico.

I rise, of course, in support of the bill. I would like to take a moment to say a word about the National Science Foundation and its work under the division of polar programs. I have for many years been interested in the antarctic research program and have had the opportunity to travel to the Antarctic at the invitation of the National Science Foundation and even to participate in a dive under the ice with some of the professional divers who have been interested in the work of life under the ice.

It is a highly specialized interest and one that I expect no one here is interested in except me. That is why I am here today to congratulate the excellent work that is going on in highly specialized areas that dramatically effect life on this planet and the national interests of antarctica as well as the national interests of the United States.

The people who are dedicated to science in the polar regions are people who receive little acclaim because of the lack of knowledge and therefore the lack of interest in the work that they are doing. So, noticing the debate taking place on this bill today, I wished to come here for the purpose of offering my support and my commendation and my encouragement to those who are continuing this vital work for the benefit of our Nation and for the benefit of our planet.

I congratulate the gentleman for his initiative.

Mr. LUJAN. Mr. Chairman, I yield 3 minutes to the gentleman from New Hampshire [Mr. Gregg].

Mr. GREGG. I thank the gentleman.

Mr. Chairman, I rise today to commend the Committee on Science, Space and Technology for bringing us a bill that offers the resources to help prepare our youth for the complex technological world in which we live.

Much of our attention today has been focused on the need for greater Federal support for scientific research and development, and the desire to return America to its preeminent competitive position in world trade. While there is certainly a need for more research and better transfer of that research into useful new products, I am convinced that the real solution to our Nation's competitiveness problems lies in the area of education. The bill we have before us recognizes this need and provides expanded resources for the improvement of science, math and engineering education for both college and precollege students; and it does so without encroaching on the prerogatives of local citizens to control and direct their own school systems.

Until recently, National Science Foundation support for science and engineering education has been directed primarily at our colleges but, in my judgement, it is the early educational experiences of our students that really determine America's ability to grow and prosper. We in Congress began to recognize the need for better early education several years ago and in the past few years have provided increased support for precollege science and math education. This is an extremely crucial time in the student's life, for it is a time when the student's sense of curiosity is awakened. I feel strongly that it is especially important to extend this curiosity to the area of math and science education. Students need to be intrigued by the principles of science that have provided us with advancements in the quality of life which have become so very much a part of our daily existence. Continued advancement is paramount if we are to assure our well-being. As Members of Congress we are confronted daily by the need to make policy to deal with an array of problems. Not only do we need to be sure that technical experts will be available to provide solutions in the future, but also that the general population is equipped with an understanding of basic concepts that are the foundation of scientific thought.

In spite of our serious problems with budget deficits, I believe we cannot afford to do anything less than is authorized by this bill. To understand this point, one need only look at the way our students perform in competition with students of other nations. For example, a recent study found that the average 12th grade math student in Japan outperforms 95 percent of comparable United States 12th graders. Even at the fifth grade level, the highest average math achievement in typical United States schools is below the lowest scores from similar schools in China and Japan.

I believe that we should dedicate the next 8 years to doing for education what was done for computers and electronics in the 1970's and 1980's. During the past two decades, concentrated support for development of advanced electronics for consumer, space and military applications has produced unprecedented gains in items ranging from medical instrumentation and personal computers to digital watches and video-audio systems. Similar dedication to the development of educational technology and new curricular materials should set the stage for similar dramatic improvements in the quality of education offered to our children. But let us not forget teachers serve as a catalyst between students and knowledge. This critical relationship cannot be overlooked. The bill also provides opportunities to increase our teachers' knowledge in the scientific disciplines. Education of our teachers is as important as educating our students. Of course we must remain aware that there is only so much that can, or should be done by the Federal Government. State and local governments bear a major responsibility for improving our schools. Our teachers are the backbone of our educational system and we must make a commitment to support and reward them when they put forth extra effort and their students show special levels of achievement. We parents must also be willing to meet our responsibilities. We must encourage student discipline and inquisitiveness and support school officials in these areas.

Quality education can only be achieved by a partnership of parents, teachers and government at all levels. By supporting this legislation we demonstrate that the Federal Government is willing to shoulder its share of the burden, even though the cost is significant.

□ 1535

Mr. Chairman, I again wish to congratulate this committee, especially the chairman of the subcommittee, the gentleman from Pennsylvania [Mr. Walgren], the ranking minority member, the gentleman from New York [Mr. Boehlert], and the ranking minority member of the committee, the gentleman from New Mexico [Mr. Lujan], for producing an excellent bill.

Mr. LUJAN. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. Ritter].

Mr. RITTER. Mr. Chairman, I rise in support of the bill.

Mr. Chairman, I want to commend my colleagues for expeditiously bringing this bill to the floor. It is a start. It starts by doubling the NSF budget.

I would like to comment on the remarks of my colleague, the gentleman from New Hampshire [Mr. Gregg] and others, including the gentlewoman from Louisiana [Mrs. Boggs]. Other Members have talked about education, science, and mathematics, and I want to call the attention of my colleagues to what amounts to a real crisis. In 1981, the Nation's colleges granted fewer than 1,400 bachelor's degrees in the fields of math and science education combined, while, in the following school year, (1982-83), about 18,000 math and science teachers left their teaching positions. About 37 percent of these teachers left for nonteaching employment, 9 percent retired, and the remainder took other teaching-related jobs.

I would like to point out to my colleagues that the average teacher's college student has SAT scores 70 points below the average SAT scores of the average students entering college. This is a real crisis.

We have entered a request in this bill for the National Science Foundation to come up with a report on the outcome of flexible reward systems where school districts or individual schools have treated science and mathematics teaching professionals with some salary flexibility in order to recruit and retain them. We need to understand the impact of salary reward systems so that we can find out better what is the cause of the lack of ability to recruit and retain mathematics and science teachers in our public schools.

We have been given information by the Carnegie Foundation in its publication, "A Nation Prepared: Teachers for the 21st Century, the Report of the Task Force on Teaching as a Profession," published in May 1986. That publication indicates that it is not necessarily the average salaries in teaching that is the problem, either at the entry or at the long-term level, but that there are no variations from the average, there are no peaks. Other college graduates, depending on their levels of skill and achievement, can achieve greater levels of reward and higher salaries, than the norm if they are in demand by the market, or if they excel, but this is not the case with those in the teaching profession. The Carnegie report indicates, that we need new methods of reward such as flexible or variable salaries for teaching professionals. Indeed, we need to stimulate a far greater degree of professionalism than is presently the case in the teaching profession.

Mr. LUJAN. Mr. Chairman, I yield the remaining time to the gentleman from Pennsylvania [Mr. WALKER].

The CHAIRMAN. The gentleman from Pennsylvania [Mr. WALKER] is recognized for 2½ minutes.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of this legislation. I think it is a good bill. I congratulate all those who have put a lot of work into it. I congratulate the chairman of the full committee, the chairman of the subcommittee, and the ranking member of the full committee, the gentleman from New Mexico [Mr. LUJAN].

We have here a bill that I think will help us improve the competitive position of the United States. We are in fact building a National Science Foundation program that we can be proud of as a Nation, and I think this committee over a period of some years now has helped contribute to the fact that across America today the National Science Foundation is far more highly regarded than it was a few years ago.

I want to make special mention of the fact that the committee adopted an amendment of mine during the course of our deliberations. The amendment is in the bill, in section 11, and it would have a requirement for a special report by the director of the National Science Foundation to congressional committees detailing Soviet efforts to compromise and penetrate ongoing United States science research programs.

The reason for that amendment is that it is the belief of this gentleman and others that we do in fact face a serious problem in the world and in the country today that the Soviet Union is making determined efforts to try to utilize technologies being developed here and science being developed here for their own ends. In order to get a handle on that, it seems to me that a report to the appropriate committees would make sense. It would give us some idea of just exactly what the nature of the problem might be.

On the recommendation of the chairman of the committee during those deliberations, we said that this should be done in cooperation with the National Security Council so we are not dealing in classified areas here, but, rather, are dealing in areas on which the National Science Foundation legitimately reports.

For a short period of time it appeared as though the administration might have some objection to that particular amendment. They in fact put out an administrative position at one point that indicated they had a problem with that particular section of the bill. I wish to point out to the House that that was a momentary thing, and that in fact the White House informed me just a little while ago that they have withdrawn their objection to that particular aspect of the bill, and that that in fact is not a concern of the administration at this time, and they do in fact support that particular section.

Mr. CLINGER. Mr. Chairman, throughout its long history, the National Science Foundation [NSF] has had the reputation of being a tough, fair, and nonpartisan organization. Indeed, they have awarded literally billions of dollars to universities, laboratories, and scientists to improve and widen our scientific knowledge. Yet when the academic community applies for these grants, they know that their application must be thorough and that their project must be worthwhile. The NSF does not bow to political or other types of pressure; they have consistently maintained the highest standard of integrity and at the same time have helped the American scientific community to be the best in the world. They have established the process of competitive evaluation as the standard for awarding Federal funds and I commend them for it.

In recent years, many institutions have sought to bypass the NSF's tough guidelines and obtain Federal funds through direct congressional grants. However, several weeks ago, over 40 top research universities, including Penn State University, which I represent, supported a moratorium on lobbying for and accepting these grants. They wanted to send a strong signal that such grants and a lack of competitive evaluation was hurting American research; they sent a signal that in this time of scare Federal dollars, that they wanted no part of wasteful spending, but would rather work within the objective guidelines such as those of the NSF. They see, as the NSF saw years ago, that science is best served if limited funds go to those people and projects that will use them in the most beneficial way.

I am pleased that my colleagues supported this authorization bill and I commend both the National Science Foundation, Penn State University, and other institutions for agreeing with competitive evaluation.

Mr. MINETA. Mr. Chairman, I rise in support of H.R. 2330, authorizing appropriations for the National Science Foundation.

It isn't often that I can wholeheartedly endorse the thrust of a proposal from this administration, but in this instance, I think that the administration has made a sincere effort to strengthen our competitive posture through research and education.

Often we in Congress engage in "crisis management." By its very nature, a crisis is not manageable. This bill turns away from the short term approach to problem solution, or crisis management, and takes a long term approach to strengthen our competitive edge.

The bill will significantly strengthen precollege science education, and thereby enhance scientific literacy of the population. NSF programs benefit precollege, undergraduate, graduate, and postgraduate education in science, mathematics, and engineering. These programs will enable American industry to profit from creating a labor force with better technical skills. The recommended increase in the science and engineering education directorate supports a long-term approach to enhance competitiveness. I look forward to seeing the benefits from this approach.

Another issue we addressed in the committee was the condition of facilities and instrumentation infrastructure. We heard in testimony before the committee that it would cost between $1 billion and $4 billion to bring university laboratory equipment up to a level equal with private industry. The bill makes a modest start toward rectifying this problem, by funding the College Science Instrumentation Program at $11.5 million. This increase of $2 million over the President's budget request can be considered as a downpayment on our future.

Mr. Chairman, I believe H.R. 2330 will contribute substantially toward enhancing our competitive position. I urge passage of the bill. I congratulate Mr. ROE and Mr. WALGREN for their contribution in providing substance to the rhetoric of "enhancing competitiveness."

Miss SCHNEIDER. Mr. Chairman, I rise in strong support of H.R. 2330, the National Science Foundation Authorization Act for fiscal year 1988. The authorization for NSF in this bill, which is consistent with the President's proposed increase of 17 percent, is a downpayment on our commitment to double the NSF budget over the next 5 years.

According to NSF, roughly half of our Nation's contribution to increases in productivity comes from technological innovation. The basic research conducted at our Nation's universities with NSF support is critical to our ability to improve our productivity and compete in world markets.

Unfortunately, some of the trends in research and education of our next generation of scientists are troubling:

The United States is now behind Japan, West Germany, and France in the fraction of gross national product invested in civilian research and development. And the fraction of

Federal R&D support going to our Nation's universities has been dropping in the 1980's;

The proportion of our young people who are attracted to science and technology has declined since 1970. In recent years, half of our engineering Ph.D's and a rising proportion of mathematicians and physicists have been foreign nationals; and

In the past 20 years, Federal investment in university research facilities has declined in real terms by 95 percent.

H.R. 2330 begins to address these problems by providing increased support for basic research and science education.

The bill also implements one of the key recommendations in the Packard-Bromley report to establish university-based, interdisciplinary, problem-oriented research and technology centers. These centers will address problems that are scientifically important and relevant to industrial technology. This close coupling of industry with academic research will improve technology transfer from research labs to the marketplace.

To further improve technology transfer from NSF supported centers, the bill includes my amendment directing NSF to encourage the transfer of information developed at its engineering and science and technology centers to small and medium-sized businesses which are not members of the centers.

H.R. 2330 includes two other amendments I offered. First, the bill increases funding for the College Science Instrumentation Program by $2 million over the President's proposed freeze level for this program. This program provides funds for instrumentation at nondoctoral degree granting colleges and universities. These schools, which have an outstanding record of producing our Nation's next generation of scientists and educators, are finding it increasingly difficult to maintain high quality laboratory instruction. My amendment recognizes the importance of this program in developing future scientists and science educators.

H.R. 2330 also includes my amendment to require NSF to give special consideration to improving research facilities at U.S. marine biological laboratories. According to a 1986 NSF funded study, large capital needs exist at U.S. marine laboratories. We need a strong U.S. marine laboratory system if we are to confront the variety of natural resource and environmental problems affecting our coasts.

Mr. Chairman, the challenge we face is summed up in the very first words of the Packard-Bromley report:

> How we as a nation, succeed in achieving our goals in matters of health, economic strength and national security will depend critically on how effectively we deploy our science and technology. This * * * depends * * * upon the flow of new knowledge and of trained personnel equipped to utilize that knowledge effectively.

H.R. 2330 is an important step in meeting this challenge. I urge my colleagues to support H.R. 2330.

Mr. GILMAN. Mr. Chairman, I rise in support of H.R. 2330, the National Science Foundation authorization for fiscal year 1988. I also commend the gentleman from Pennsylvania [Mr. WALGREN] for introducing this bill and for his commitment to helping the United States move forward in the field of science and technology.

H.R. 2330 authorizes $1.9 billion in fiscal year 1988 for National Science Foundation activities, an increase of $270 million over the fiscal year 1987 appropriation level. Included in this total is $1.6 billion for research and related activities and $150 million for science and engineering education. This bill provides funding for the pending problem of acid rain, as well as expanding into the emerging area of superconductors.

At a time when we are facing the largest trade deficit in the Nation's history, I believe that science and engineering research and education will provide the foundation for present and future economic competitiveness in an increasingly global marketplace. A critical factor in maintaining economic competitiveness is the ability to bring new technologies to the marketplace rapidly. As my colleagues are aware, there has been a recent deterioration in the U.S. share of world exports of high-technology products. Accordingly, the increase in funding the NSF is essential to address important concerns about the health of the U.S. basic research enterprise and the state of science and engineering education.

I invite my colleagues to join me today in supporting H.R. 2330, the National Science Foundation authorization, fiscal year 1988, in order to expand the U.S. role in the international marketplace of science and technology.

Mr. ROE. Mr. Chairman, we have no further requests for time on our side, and I yield back the balance of our time.

The CHAIRMAN. All time has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Science Foundation Authorization Act for Fiscal Year 1988".

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. (a) There are authorized to be appropriated to the National Science Foundation, for the fiscal year 1988, the sums set forth in the following categories:

(1) Biological, Behavioral, and Social Sciences, $294,000,000.

(2) Computer and Information Science and Engineering, $146,500,000.

(3) Engineering, $202,900,000.

(4) Geosciences, $326,700,000.

(5) Mathematical and Physical Sciences, $508,900,000.

(6) Scientific, Technological, and International Affairs, $51,000,000.

(7) Program Development and Management, $95,000,000.

(8) Science and Engineering Education, $150,000,000.

(9) United States Antarctic Program, $118,000,000.

(b) Notwithstanding any other provision of this Act—

(1) of the amount authorized in subsection (a)(2), not less than $48,500,000 is authorized only for purposes of funding NSF Supercomputer Centers;

(2) of the amount authorized in subsection (a)(8)—

(A) not less than $56,000,000 is authorized only for purposes of Teacher Preparation and Enhancement activities (and of this amount $42,000,000 is directed for precollege Teacher Enhancement activities);

(B) not less than $39,000,000 is authorized only for purposes of Materials Development and Informal Science Education; and

(C) not less than $11,500,000 is authorized only for purposes of the College Science Instrumentation Program; and

(3) in the obligation, use, and expenditure of the amounts authorized in subsections (a)(1) and (a)(4), emphasis shall be placed on improvements in research facilities at U.S. marine biological laboratories.

(c) The Foundation shall ensure that 50 percent of all funds authorized in subsection (a)(3) which are allocated for creating new Engineering Research Centers are used for Centers that focus on research relating to manufacturing technologies.

AVAILABILITY OF APPROPRIATIONS

SEC. 3. Appropriations made under the authority provided in section 2 shall remain available for obligation for periods specified in the Acts making the appropriations.

CONSULTATION AND REPRESENTATION EXPENSES

SEC. 4. From appropriations made under authorizations provided in this Act, not more than $7,500 may be used for official consultation, representation, or other extraordinary expenses at the discretion of the Director of the Foundation. The determination of the Director will be final and conclusive upon the accounting officers of the Government.

TRANSFER OF FUNDS

SEC. 5. (a) Funds may be transferred among the categories listed in section 2(a), so long as the net funds transferred to or from any category do not exceed 10 percent of the amount authorized for that category in section 2(a).

(b) In addition, the Director of the Foundation may propose transfers to or from any category exceeding 10 percent of the amount authorized for that category in section 2(a). An explanation of any such proposed transfer must be transmitted in writing to the Committee on Science, Space, and Technology of the House of Representatives and the Committees on Labor and Human Resources and Commerce, Science, and Transportation of the Senate. The proposed transfer may be made only when 30 calendar days have passed after transmission of such written explanation.

REPORTS ON ACTIVITIES WHICH SUPPORT UNDERGRADUATE SCIENCE AND ENGINEERING EDUCATION

SEC. 6. The Director of the Foundation shall submit by January 15 of each year, to the House Committee on Science, Space, and Technology and the Senate Committee on Labor and Human Resources, a report on the programs funded by the Foundation which support undergraduate science and engineering education. The report shall include descriptions and funding levels for relevant educational activities supported from each Directorate of the Foundation, shall provide information on the geographic distribution of awards, and shall provide a break-out of the awards by type of institution funded, such as 2-year college, 4-year college, PhD-granting university, Federal laboratory, science museum, or other institution.

CENTER TO STUDY INFORMATION TECHNOLOGIES RELEVANT TO INSTRUCTION IN 2-YEAR AND COMMUNITY COLLEGES

SEC. 7. From that portion of the amount authorized in section 2 which the Foundation designates for establishing Science and Technology Centers, sufficient funds shall be set aside to create at least one Center dedicated to the study of information technologies relevant to instruction in two-year and community colleges. The Center shall focus on research toward applying new information technologies in teaching and learning which are relevant to science and mathematics education at the lower division, college level and shall also facilitate transfer of the results of this research to two-year and community colleges.

REPORT ON THE NEEDS OF COMMUNITY AND 2-YEAR COLLEGES

SEC. 8. The Director of the Foundation shall submit by January 1, 1988, to the House Committee on Science, Space, and Technology and the Senate Committee on Labor and Human Resources, a report on the state of science, technology, and engineering programs in the nation's two-year and community colleges. The report shall include an assessment of the programs at those colleges, a description of what their greatest deficiencies are, an estimate of the cost of remedying those deficiencies, and recommendations for programs the Foundation could establish or expand to remedy those deficiencies, including a discussion of the criteria that would be used to evaluate applications to those programs. The Director shall consult with other interested Federal agencies, including the Department of Education and the Department of Labor, in preparing such recommendations.

ELIGIBILITY OF 2-YEAR AND COMMUNITY COLLEGES TO PARTICIPATE IN UNDERGRADUATE SCIENCE EDUCATION PROGRAMS

SEC. 9. Two-year and community colleges shall be eligible to participate in all programs of the Foundation which address undergraduate science and engineering education.

REPORT ON TEACHER SALARIES

SEC. 10. The Director of the Foundation shall submit, by November 1, 1988, to the House Committee on Science, Space, and Technology and the Senate Committee on Labor and Human Resources, a report on the impact of salary levels on the recruitment and retention of science and mathematics teachers at pre-college levels. The report shall gather and analyze data from across the country and shall include case studies of school systems in which salaries have been changed to attract and retain science and mathematics teachers.

NSF ADMINISTRATIVE AMENDMENT

SEC. 11. Section 15(c) of the National Science Foundation Act of 1950 (42 U.S.C. 1874(c)) is repealed.

Mr. ROE (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

Mr. ROE. Mr. Chairman, I ask unanimous consent that the committee amendments printed in the report be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Committee amendments: Page 2, after line 21, insert the follow new paragraph:

(1) the amounts authorized in subsection (a) shall be available for unique advanced computing resources in support of research needs;

Page 3, line 1, strike "(1)" and insert "(2)".
Page 3, line 4, strike "(2)" and insert "(3)".
Page 3, line 17, strike "(3)" and insert "(4)".

Page 7, after line 11, insert the following new section:

REPORT ON SOVIET EFFORTS TO COMPROMISE U.S. CIVILIAN RESEARCH PROGRAMS

SEC. 11. The Director shall, in cooperation with the National Security Council, submit by December 31, 1988, to the House Committee on Science, Space, and Technology and the Senate Committee on Labor and Human Resources, a report detailing Soviet efforts to penetrate, utilize, and compromise the civilian science research programs of the United States.

Page 7, after line 20, insert the following new section:

NSF BOARD MEETINGS

SEC. 12. Section 4 of the National Science Foundation Act of 1950 (42 U.S.C. 1863) is amended by adding at the end the following new subsection:

"(k) Portions of Board meeting in which the Board considers possible Foundation budgets for a particular fiscal year that might be submitted to the Congress may be closed to the public until the President's budget for that fiscal year has been submitted to the Congress.".

Page 8, line 5, strike "11" and insert "13".

Mr. ROE (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. GEKAS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, no doubt during the course of the general debate Members may have covered some of the questions that I wish to share and the comments I wish to make for the Record on what the block of amendments will be in effect modifying.

One thing that I have been greatly worried about and was worried about in this regard when the issue of tax reform came up last year is this: When we were anticipating the bill to come up on tax reform, may of us were concerned over what impact the new reforms would have on corporate contributions in kind of machinery and computers and new technological instruments to institutions of higher learning or to manufacturing concerns and others for the purposes of job training.

I would yield to the gentleman from New Jersey [Mr. ROE] if he could describe this to me: First of all, are there any adverse effects involved with this very question I am posing on tax reform? And, second, what are we doing in this bill or in the language of the bill at least to forecast new solutions of this problem?

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman for an answer.

Mr. ROE. Mr. Chairman, I thank the gentleman for yielding.

The committee notes in our report that the Tax Reform Act of 1986 will cause significant changes for students and universities that may require reexamination of NSF policies and the provisions that affect students and universities, most directly including those dealing with taxation of fellowships and scholarships, deductibility of student loan interest, credits for business contributions to university research, and limits on issuance of tax-exempt bonds.

I think that is the area of inquiry the gentleman is raising.

Mr. GEKAS. That is what I am referring to.

Specifically, as the subcommittee chairman knows, we are now in a new world, so to speak, after the Tax Reform Act.

When a manufacturer, as may happen in my district, wishes to contribute a whole series of welding machines to a vocational technical community college for the purpose of allowing that college to train its students and from which a pool of workers would develop for this manufacturer, how are we now preparing for the advent of the fact that tax reform is no longer going to give that kind of credit?

Mr. ROE. Mr. Chairman, I think the gentleman is making an extraordinarily important point and an important observation to this whole legislative process, particularly with this bill.

We do not have the jurisdiction in this bill so far as the tax reform bill is concerned, but I think what the gentleman is saying is that basically we kind of shot ourselves in the foot with a lot of those amendments. This is my personal opinion. I do not speak now for the committee.

It seems to me that there were great tools that we had to work with that were contributing highly to advanced technology and advanced science education, and so forth, that are just not available at this point. In a way, it is sad because here we are trying to cut jobs back and reduce the budget deficit and at the same time we now tax student loans and student fellowships, and so forth.

I think what will happen along the line, as Members get together, is that they will start to change the legislation and make recommendations, because we must do something about this. Otherwise it is taking it out of one pocket and putting it in the other, basically.

Mr. GEKAS. Mr. Chairman, I thank the gentleman for his answer.

This is the theme I wish to express for the purposes of the record, that I am fearful that another unforeseen consequence of tax reform, which was supposed to save the world, is hitting us directly in the face in these particular portions of legislation, referring to what we are attempting to do in the authorizations that are before us.

□ 1550

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, I just also wanted to call to the distinguished gentleman's attention, we have provided a provision in our committee structure now and our committees are looking into this to get a more definite feeling on what the facts and the impact of the tax situation is as far as the Science Committee is concerned.

Mr. GEKAS. And I will look forward to that.

I was going to say that I want the House of Representatives at some point, I would like to see it happen that we can begin to look at what tax reform has done in this arena with the view to making substantive changes. We are going to have to attack the philosophy that tax reform, good or bad, has to stay in place and we are not going to change any portion of it, no matter how good the former Tax Code was or no matter how good it would be to change the present system; so I think we have ample evidence just in this little particle of this authorization how tax reform can be actually at cross purposes with the purposes of the National Science Foundation.

Mr. Chairman, I thank the gentleman for the discourse.

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

The CHAIRMAN. Are there other amendments to the bill? If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MURTHA] having assumed the chair, Mr. BARNARD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2330) to authorize appropriations to the National Science Foundation for the fiscal year 1988, and for other purposes, pursuant to House Resolution 183, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALGREN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 408, nays 3, not voting 21, as follows:

[Roll No. 165]

YEAS—408

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Daniel
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
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Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McEwen
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Penny
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)

NAYS—3

Crane
Hefley
Stump

NOT VOTING—21

Anthony
Badham
Bevill
Biaggi
Burton
DeLay
Dornan (CA)
Gephardt
Kemp
Leland
McCandless
McGrath
Mrazek
Owens (UT)
Oxley
Pepper
Ray
St Germain
Tauzin
Wortley
Young (FL)

□ 1605

Mr. BLILEY changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed?

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 2355, ENVIRONMENTAL RESEARCH, DEVELOPMENT, AND DEMONSTRATION AUTHORIZATION ACT OF 1987

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 182 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 182

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2355) to authorize appropriations for environmental research, development, and demonstration for the fiscal years 1988 and 1989, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against consideration of the bill for failure to comply with the provisions of clause 2(1)(6) of rule XI are hereby waived. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science, Space, and Technology, the bill shall be considered for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore (Mr. MURTHA). The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

□ 1615

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Missouri [Mr. TAYLOR], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 182 is an open rule providing for the consideration of H.R. 2355, the Environmental Research, Development and Demonstration Authorization Act of 1987. The rule provides for 1 hour of general debate, with the time equally divided and controlled by the chairman and ranking minority member of the Committee on Science, Space and Technology. The rule waives clause 2(1)(6) of rule XI, which prohibits consideration of legislation until it has laid over for 3 days after being reported. Since H.R. 2355 was not reported until last Thursday, this waiver was provided in order to allow this legislation to be considered as soon as possible this week. Finally, the rule provides for one motion to recommit.

Mr. Speaker, H.R. 2355 authorizes $295.5 million for environmental research, development, and demonstration activities of the Environmental Protection Agency in fiscal year 1988. This is the amount requested by the administration. The bill also authorizes $307.1 million for fiscal year 1989. These amounts are in addition to Superfund research funding which was authorized in last year's Superfund reauthorization.

Mr. Speaker, I want to commend the Committee on Science, Space and Technology and its chairman, Mr. ROE, for bringing this legislation to the floor in a timely manner, in compliance with the budget, and without the need for numerous waivers of points of order. The job of the Rules Committee and the entire House would be much easier if every committee did its work so well.

Mr. Speaker, this is a very simple, straightforward rule which will allow full and open consideration of this legislation. I urge everyone to support it.

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 182 is the rule under which the House will consider legislation authorizing $294.4 million for research and development activities of the Environmental Protection Agency.

The rule waives clause 2(l)(6) of rule 11 in order to permit our consideration of the bill, H.R. 2355, today—Wednesday. This waiver is included because the committee report was not available in printed form until Monday, and therefore the bill should not be up for consideration until at least Thursday.

Mr. Speaker, the Committee on Rules is very often referred to as the "leadership's committee", because we are usually able to accommodate requests to give certain bills priority treatment.

Mr. Speaker, is this situation, the Committee on Science, Space and Technology wants to take up the bill today, and the leadership wants us to be able to take up the bill today. In order to do that, we need this waiver.

I want to congratulate the new chairman of the Committee on Science, Space and Technology, the gentleman from New Jersey [Mr. ROE], for his leadership on this important legislation.

Mr. Speaker, our environmental laws require the EPA to do research and to develop scientific data so our Nation's Government can better understand the environmental problems we all face.

The rule is a straight, 1-hour, open rule with the usual and customary language regarding the division of time, consideration of amendments under the 5-minute rule and it contains one motion to recommit.

Mr. Speaker, I urge adoption of the rule.

Mr. Speaker, I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 2160, NATIONAL BUREAU OF STANDARDS AUTHORIZATION ACT FOR FISCAL YEAR 1988

Mr. BEILENSON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 184 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 184

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2160) to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1988, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science, Space, and Technology, the bill shall be considered for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore (Mr. MURTHA). The gentleman from California [Mr. BEILENSON] is recognized for 1 hour.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Ohio [Mr. LATTA], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 184 is the rule providing for consideration of H.R. 2160, the National Bureau of Standards authorization for fiscal year 1988. It is an open rule, providing for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science, Space, and Technology. The rule provides for one motion to recommit.

H.R. 2160, the bill for which the Rules Committee has recommended this rule, authorizes $147 million in fiscal year 1988 for the National Bureau of Standards and related programs. That level of funding is about $23 million more than this year's level but, if the full amount is appropriated, it will be the Bureau's first budget increase since 1982.

The National Bureau of Standards has the very important responsibility of providing measurements and other reference data for industry, Government, and the scientific community. Its work is critical to virtually every segment of our industrial economy, from our traditional industries such as communications, steel, and chemicals to new ones such as automated manufacturing and biotechnology. Its role is taking on special significance, as U.S. industry finds it must make products with greater precision, in order to contend with serious competitive challenges from abroad.

Mr. Speaker, I urge the adoption of House Resolution 184, so that we can proceed to consideration of H.R. 2160.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the administration request for fiscal year 1988 funding for the National Bureau of Standards calls for 14-percent increase over current levels.

The Committee on Science, Space, and Technology then reported this bill at a level $4.4 million over the administration request.

In addition to objecting to the funding level in this bill, the administration is also concerned about several additional provisions.

It opposes the prohibition against contracting out National Technical Information Service operations, and it also opposes the prohibition against charging fees for National Bureau of Standards research associates.

Even though there are differences over provisions in the bill Mr. Speaker, both the Democrat and Republican representatives of the Committee on Science, Space, and Technology concurred in requesting this open rule.

Mr. Speaker, I will support the rule but oppose the bill unless an amendment is adopted to strike the prohibition against contracting out.

Mr. Speaker, I yield back the balance of my time.

Mr. BEILENSON. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 810 AND H.R. 1272

Mr. NIELSON of Utah. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of H.R. 810 and H.R. 1272.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

ORDER OF BUSINESS

Mrs. JOHNSON of Connecticut. Mr. Speaker, I ask unanimous consent that my special order follow the special order of the gentleman from Connecticut [Mr. GEJDENSON] in recognition of the gentleman from Connecticut, Mr. McKINNEY.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Connecticut?

There was no objection.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. ROGERS] is recognized for 5 minutes.

Mr. ROGERS. Mr. Speaker, I was unavoidably absent during the proceedings of the House on Tuesday, June 2, 1987.

Had I been present, I would have voted in the following manner: Yea on passage of H.R. 1444, the Medicare and Medicaid Patient and Program Protection Act; nay on H.R. 1039, the Mineral Lands Leasing Act; and yea on passage of H.R. 2533, to require a report on security arrangements in the Persian Gulf.

"ASIA BUSINESS NEWS" PROJECT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. ACKERMAN] is recognized for 5 minutes.

Mr. ACKERMAN. Mr. Speaker, like most Americans, I am concerned about the staggering economic and trade issues between Japan and the United States.

Despite the current efforts on both sides to deal with these issues, the gaps are deep rooted and just won't go away through assurances, patchwork actions or through simplistic solutions. The more economic the aspects of the problem become, the more the confusion and frustration on the part of the American public. The reports we receive through the media, both print and electronic, are presented in such a way that may make some sense to certain economists, international financial analysts and business academicians, but are almost undecipherable, no less understandable, to the average American.

Let's face it, Mr. Speaker, even though we are all affected one way or another by these issues, too few American taxpayers and consumers are knowledgable of the causes and effects here resulting from economic development in other parts of the world, especially in Japan and other Pacific rim nations.

Despite the sophistication of today's communications, there remains a wide gap of clear and factual information between the United States and Japan, as well as between the United States and other industrialized Asian nations. This woeful lack of clarity in communication is largely responsible for the confusion, unawareness, misconceptions, and speculations, all of which affect our own economic and consumer markets.

The current reports we get from Asia, usually out of Tokyo, are too general and too incomprehensible for the average public. The coverage is mostly confined to financial news pages, business publications, economic journals and occasional television spots. Despite the crying need for better understanding and broader knowledge, there is virtually no concentration or focus on day-to-day financial developments in order to provide a realistic perspective for American business, for the investor, for the consumer and yes, Mr. Speaker, for officialdom on all levels of government.

The thing that concerns me, Mr. Speaker, in regard to Japan in particular, is that we're not just talking about autos, semiconductors, oranges, beef or dollars and yens. We're talking about Japan and our relationship with that nation. We're talking about foreign policy as well as trade in its broadest and most serious implications. I believe we have to come to grips with these issues; otherwise, the whole relationship is in jeopardy—a most important relationship for Japan, for the United States and for the world.

That is why I feel we must emphasize the broad implications of wide trade inbalances and currency fluctuations. Since trade and finance are integral ingredients of industrialized nations, the United States and Japan must act together to bring sanity, clarity, and understanding in mutually dealing with the many intricacies of these issues.

With the need for better understanding of complex international finance and trade issues being more timely now than ever before, what better way to reach all segments of the American public than through the magic of television?

That is why, Mr. Speaker, I am particularly pleased to learn of a proposed television project, "Asia Business News," being initiated by a New York constituent, Michael Cooper, president of Cooper & Co., a United States-Japan business consulting organization. Mr. Cooper, who has had long experience in virtually every phase of television production and telecommunications, together with his associates here and in Japan, has put together a Tokyo-based project which, when implemented, will be the first and only daily live English language televised program to emanate from Japan and satellited to the United States concentrating solely on interrelated business news and financial developments between our two countries as well as between the United States and the Pacific rim nations.

The "Asia Business News" program will be an up-to-the-moment half hour presentation, continuing daily and initially beamed at a networked national audience of at least 26 million American viewers. The program will have an eye catching and unique format, segmenting spot economic news, emerging situations, expert analysis, inside stories, and special features. It will report on intergovernmental activities, investment opportunities, stock and currency trends and new markets. It will offer simplified explanations of developments, visual examples of effects on consumers and, of particular significance, exchange of views between recognized American spokespersons and their Asian counterparts.

Mr. Speaker, as business and government information needs expand with the mammoth growth of the cross-cultural Pacific market, and as we become more and more aware of Asia becoming the fastest growing economic focus of the United States, I ask what could be more opportune than a continuing televised financial program such as projected in "Asia Business News?"

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Kansas [Mrs. MEYERS] is recognized for 5 minutes.

Mrs. MEYERS of Kansas. Mr. Speaker, yesterday I attended the funeral of a former distinguished Member of this body, Frank Carlson. Had I been present, I would have voted:

"Yes" on rollcall 157, to approve the House Journal;

"Yes" on rollcall 158, the Mineral Lands Leasing Act;

"Yes" on rollcall 159, the Medicare, Medicaid Patients Protection Act; and

"Yes" on rollcall 160, the Persian Gulf Security Act.

MEDICARE CATASTROPHIC PRESCRIPTION DRUG BENEFITS ACT OF 1987

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, the need for including outpatient prescription drugs in pending catastrophic illness legislation has been clearly established.

More than 2½ million elderly spend $500 a year, or more, on prescription drugs. at the same time, more than half of the elderly have an income of less than $10,000 a year. So, drugs are a catastrophic illness expense for many elderly.

Low-income elderly, in particular, face a tough choice. They can spend their limited income on basic necessities, such as food or clothing, or on costly drugs needed to control painful symptoms or to prevent further progression of disease.

Under my bill, all outpatient prescription drug costs would be covered, subject to a $500 annual deductible and 20 percent coinsurance. The benefit will be fully paid for by the elderly.

Half of the cost will be financed by an increase in the flat monthly Medicare part B premium. The remainder of the cost would be financed by an increase in the income related supplemental premium contained in H.R. 2470.

A variety of measures will be included to ensure that the elderly's money is well spent.

Payments to pharmacies will be limited to the lower of actual charges or average wholesale price plus a dispensing fee. The use of low-cost generic drugs will be encouraged. The Secretary will be authorized to develop a formulary to exclude selected high-cost drugs from reimbursement if there are safe and effective alternatives available at a lower cost.

There may be some concern that the subcommittee is moving too fast with this legislation. We are not.

Inclusion of prescription drugs in Medicare was one of the first issues considered after enactment of Medicare more than 22 years ago. A 1969 report by the Department of Health, Education, and Welfare led to Senate passage of a prescription drug benefit in 1972.

While coverage of outpatient drugs is new to the Medicare Program, we have more than 20 years of experience with 48 different Medicaid programs at the State level. We also are able to draw on the experience of private health benefit plans which provide prescription drug coverage.

We have already waited too long. Now is the time to remedy this major shortcoming in the Medicare benefit.

TRIBUTE TO THE LATE HONORABLE STEWART B. McKINNEY

The SPEAKER pro tempore (Mr. DURBIN). Under a previous order of the House, the gentleman from Connecticut [Mr. GEJDENSON] is recognized for 60 minutes.

Mr. GEJDENSON. Mr. Speaker, the gentleman from Connecticut, STEWART MCKINNEY, was a good friend of all of the Members; and on the day of his passing, there was such a tremendous outpouring from people of both sides of the aisle and so many requests for opportunities to place additional comments in the RECORD, that today I have asked for the Connecticut delegation to have a special order with the McKinney family present and to talk about the gentleman from Connecticut, our friend, STEWART.

I would first like to place into the RECORD a tribute that appeared in the Bridgeport Post by Gerry McKiernan and additional comments.

I include that article in the RECORD at this point.

[From the Sunday Post, May 10, 1987]

A LOOK BACK AT A DISTINGUISHED CAREER

(By Gerald J. McKiernan)

It was John Dempsey who gave Stewart McKinney his first big break in politics. At least, that's how John Bailey saw it.

It was early in 1969, McKinney, a little-known second-termer in the state House of Representatives, had just been catapulted into the position of House Majority Leader, a move engineered by Fred Biebel of Stratford, who went on to become Republican State Chairman, and John Hughes, another Stratfordite, who was also a state representative at the time. They saw McKinney as an up-and-comer, and how right they were, but even they never dreamed of the help they'd get from an unexpected source.

Early in his term, McKinney was invited to make a political speech in Greenwich, not an uncommon experience for a newly elected House Republican leader. As he recalled it later, the speech wasn't much, either, made up of basic boiler-plate rhetoric railing against the Democrats in Hartford who, he said, were playing fast and loose with the taxpayers' money.

But, that was not quite how the local newspaper played it. According to the Greenwich Times, McKinney called Governor John N. Dempsey a "thief." While I would not question the credibility of the long-forgotten reporter, I believed Stewart when he said he didn't say it—for two reasons: He never did have a bad word to say about anybody and, if you called John Dempsey a "thief," no one would believe it, since he was probably the most honest elected official the state has ever known.

Dempsey, however, was livid. He summoned McKinney to his office and, in full view of the State Capitol press corps, gave this political neophyte a tongue-lashing he would not soon forget, all the while wagging his finger in McKinney's face. As the finger wagged, the cameras flashed.

Leaving, Charlie Morse of The Hartford Courant ran into Bailey, the Democratic State Chairman, who was shaking his head in disbelief. Puzzled, Morse asked why. Bailey said Dempsey had just committed an uncharacteristic political blunder. "Nobody ever heard of this guy and, now, his picture is going to be on the front page of every newspaper in the state in the morning." And, indeed, it was. Bailey knew the political value of name recognition, and one of the best-known Democrats in state politics had just given that intangible to a Republican unknown.

And that was the beginning. McKinney was soon being touted as the Republican candidate for governor in 1970 but, as the spring of that year unfolded, it was not a coincidence that within days of one another, former Congressman Tom Meskill announced his candidacy for governor, Fairfield County's Lowell Weicker said he'd run for the U.S. Senate, and Stewart rounded it out by announcing he'd run for Weicker's 4th Congressional District seat.

It was a strong ticket and, in November, all three won. As time passed, McKinney would be mentioned often as a candidate for governor and U.S. Senator, but it wasn't just fate that caused him to stay in the House. He loved it; it became his life.

He went on to serve eight-plus terms and, as Fairfield County records go, his length of service was second only to Schuyler Merritt, a nine-term member for whom the parkway is named.

As he began to win election after election, we would share our amusement over those political pundits who would write off the victories as obvious occurrence in a "solid Republican district." In fact, at the time, the registration in the district was evenly split among Republicans, Democrats and Independents. As Stewart would say, "Toby Moffett's got more Republicans than I do."

Also, before Stewart first won in 1970, the six previous elections in the 4th Congressional District had been evenly split, the Democrats winning three, and the Republicans, three.

And then there was the canard that the Democratic Party never put forward its strongest candidates against McKinney. In the 10 years I was with Stewart, I didn't think so.

Roy Daly of Fairfield had had a record of singular accomplishment as a U.S. attorney and he is now a distinguished jurist on the Connecticut bench. Jim McLaughlin of Bridgeport was the Deputy Majority Leader of the state House of Representatives when he ran against Stewart and had the strong support of the State democratic Party. Jim Kellis, a successful businessman from Fairfield, had had a notable career in the service of his country during and after World War II. Mike Morgan was a prominent member of the Stamford business community who we feared wouild erode the support we had built in the western part of the county and John Phillips of Norwalk had gained national prominence for his A-bomb experiments while a student at Princeton.

McKinney won his elections not because of weak candidates but because he worked hard and provided good constituent service. He leaves not a solidly Republican district but a McKinney district.

A self-described Rockefeller Republican, he initially joined the moderate wing of his party in the House in 1971 but as time went on, he became more liberal and as such, became a minority within a majority. But even with those odds stacked against him, he sure could get things done.

He took on the big issues and the small and fought for whatever he thought was right. In the early '70s, when New York City floundered, it was Stewart McKinney whose legislative package helped that city put its financial house in order. When the Chrysler Corporation was on its knees, it was Stewart McKinney who came to the rescue and you can check that out with Lee Iaccoca. He became deeply concerned with the nation's energy crisis and authored legislation prohibiting the export of Alaskan oil. He believed U.S. energy resource should be used by Americans. His motivations of the Alaskan oil issue was national in nature but, by a quirk of fate, the Alaskan oil he saved was ultimately refined and used to heat homes in Bridgeport. His heart went out to the abandoned children of U.S. servicemen who had served in Vietnam, Laos, Thailand and Cambodia, and he convinced Congress to give these less fortunate youngsters preferential immigration treatment.

He also took on the less popular causes, but only on behalf of those who could not help themselves. In 1972, when Richard Nixon was at the height of his power, Stewart said amnesty should be granted to those who had resisted the draft and refused to serve in Vietnam. Some called him anti-American at the time, a specious charge against a Korean War Air Force veteran. It was no small solace to him when, four years later, another Republican president, Gerald Ford, granted that amnesty he had called for at a less popular time.

He spoke out against a social theorist's view of what became known as deinstitutionalization, a program which allowed the release of physically able but psychologically troubled mental patients. He joined the war against drugs early, seeking more federal funds for treatment and prevention and, as one of his last causes, he secured passage of legislation which would provide relief for the homeless. In the last few years, he also sought ways to combat the diseases which took his life. AIDS.

But when asked about his proudest achievements, he would point to his service on the House Banking Committee's Housing Subcommittee, which allowed him to help create thousands of housing units in Fairfield County and hundreds of thousands across the country. He steadfastly believed that it was every Americans' right to have a roof over his or her head.

He would also point to the legislation which turned Chimmon Island into a wildlife preserve. He told me there are few things in life you can do that will last forever and this is one that will.

Some, who did not know him, may have though him to be a rich man from Fairfield. He was not a rich man; his wife, Lucie, had the money, a fact she was happy to point out in the middle of a debate McKinney was having with his Democratic opponent in 1978. It startled the crowd but only endeared Lucie more to those who worked for Stewart and knew her to be a resolute an compassionate women. She was not flaunting her wealth; she was protecting her husband.

And, although he lived in Westport these last few years, his roots were in Fairfield, but there was never any doubt that his heart was in Bridgeport. He called it "my city." He bled when it bled and rejoiced when it succeeded. He paid considerable heed to the rest of the district but Bridgeport always came first.

He was a wonderful man to have known personally. I never felt I worked "for" him; at best, I worked "with" him and at most I was his friend, a friendship I valued and will always treasure.

Last week, I was in his office and among the many awards which adorned the walls, one caught my eye. It had been presented to him a few years ago by the Judeo-Christian Womens' Association. The inscription read, "The just shall be an everlasting remembrance." He was that and I will always remember him.

Gerry worked for STEWART from 1969 to 1981, and is now with the Commerce Department; and this is a well-written piece that conveys many of our feelings.

I would like to momentarily yield to the gentleman from New York [Mr. GREEN] for comments about my friend, STEWART MCKINNEY.

Mr. GREEN. Mr. Speaker, I thank the gentleman for yielding.

I got to know STEWART MCKINNEY almost instantly when I arrived in this House in February 1978 because at that time I was newly elected from New York City, and STEWART MCKINNEY was managing for the Republican side of the aisle the New York long-term financial aid legislation.

Obviously, in that spring and summer, as that legislation first made its way through the Subcommittee on Economic Stabilization, where STEW was the ranking Republican member, and in the full Committee on Banking, Finance and Urban Affairs, and finally the House itself, I had an opportunity to observe STEWART MCKINNEY's leadership, his style in committee and on the floor, and to benefit greatly from that association.

He took a bill that was considered a very, very difficult bill and through the astuteness of his leadership and his knowledge of the subject matter in the end to put it across with a very substantial majority in the House, a majority, I might add, that was so large that some in the Senate who had hoped never to take it up there felt compelled to take it up. As a result, that bill became law. At that point, millions of members of the population of New York City, some of whom perhaps never heard, STEW MCKINNEY's name, nonetheless owe him a deep debt of gratitude for that endeavor.

□ 1630

Subsequently, it was my privilege within the Banking Committee to work with him on some measure, particularly our piece of the omnibus energy package; against him on some others where he happened to disagree such as the Chrysler legislation. But always I was struck by STEW's devotion to duty, his good humor, his hard work, his knowledge of whatever subject matter he turned his attention to and the respect that he always had for those even who held differing points of view from his own.

Most recently as I left the Banking Committee and became ranking Republican on the HUD and independent agencies appropriations subcommittee, I continued to work closely with STEW MCKINNEY, trying to work together on housing issues, he from the vantage point of his ranking position on the Subcommittee on Housing, I from the appropriations point of view, and I think in a way it was sort of symbolic that in the end his final illness was triggered by his devotion to the cause of the homeless and by his decision to spend a night outdoors in the middle of winter to dramatize the plight of the homeless to the Congress and to the Nation.

STEW was a marvelous person to work with. He meant a great deal to me in the course of my career here in the Congress and I know we shall all miss him.

Mr. GEJDENSON. I thank the gentleman from New York.

Mr. Speaker, I yield to the gentlewoman from the First District of Connecticut, BARBARA KENNELLY.

Mrs. KENNELLY. Mr. Speaker, this tribute to our beloved colleague, STEWART MCKINNEY, arouses in me both sorrow and joy: Sorrow that a man who so generously served his State and his Nation is no longer among us, and joy at the memory of his accomplishments, his dedication, and his humanity.

The night of STEW's death, we gathered here in the well spontaneously—finding comfort in our shared sorrow, and talking out our grief. In many ways, we still felt STEW was with us. There has been no opportunity to say goodbye.

Today, reality has set in. We no longer look for the light next to STEW's name to see how the dean of our delegation has voted. There are no longer six votes from Connecticut; it's now five.

Since that night of May 7, we have gone to Old Greenwich in Connecticut to pay tribute to STEW in his own district, sitting in his beautiful Episcopalian church on the green as his bishop officiated. We knew that no one would have appreciated more than STEW how handsome and articulate his children were as they read their poems of love to him. No one would have appreciated more than STEW how brave his wife, Lucie, and his granddaughter, Lucie III, were as they sat in the front pew giving moral support to those at the altar. He would have so loved the eulogies so brilliantly given by his friends, HAMILTON FISH and LOWELL WEICKER.

And now, today, we gather again to say thank you to STEW. Thank you to one who cared enough to make a difference. Thank you to a man who knew that politics was not a matter of rhetoric; it was a matter of principle and of action. Thank you to a man who had a marvelous way of cutting through things, telling you how he felt, and what he valued, and why. He was not one to cut the cloth of his conscience to suit today's fashion; he believed in what he believed in, and he fought for it.

Here in this House, STEW took on the toughest issues. He was truly the voice of the voiceless. And in that, he should live forever in the memory of this Chamber as a fine and true example of what a Representative is truly called on to be.

Perhaps his most unique quality was his ability to relate to people of every background and every walk of life. As a graduate of Yale University, STEW was a man with a superb intellectual grasp of issues, comfortable in dealing with ideas at the highest levels. But he was gifted also in human understanding and compassion. It showed in his ease in dealing with his costituents in one of the poorest cities in our Nation. And it showed in those causes STEW adopted as particularly his own—the abandoned children of our servicemen; the poor of our cities; and the homeless of our streets. He represented those who cherished a healthy environment and wanted it protected. He understood that only by having a free enterprise system could we have democracy.

I know STEW's wife, Lucie, and his children are with us today. I can only hope that they will find comfort in knowing that we share their sense of loss, and that we, like them, will never forget our friend, STEWART MCKINNEY.

Mr. GEJDENSON. Mr. Speaker, I yield to the gentleman from New York [Mr. GARCIA].

Mr. GARCIA. I thank my colleague from Connecticut for yielding to me. I would like to take just a second to say that I have a statement prepared but do not have it with me. I want to make sure that the statement is included as part of this RECORD for STEW MCKINNEY.

Mr. GEJDENSON. I thank the gentleman.

Mr. Speaker, I yield at this time to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, I congratulate my colleagues from Connecticut for this special order for the McKinney family.

STEW MCKINNEY had two passions—his family and his congressional duties. He not only loved his family but was also enormously proud of them. Our colleague LYNN MARTIN reminded me how STEW's face would light up when he would talk about the "Lucie bed"—a bed that for years had been handed down from one Lucie to another in the family, and his joy of knowing that there was yet another Lucie, his granddaughter, who would some day possess it.

STEW knew his district. No problem was too small. He learned how to communicate complex issues to a highly diversified constituency. He listened. He shared their concerns—transcending party label, ethnic background, and levels of status and power. The poorest and highest responded with affection.

STEW understood the highest and best uses of the power and resources of the Federal Government, from which flowed easily his efforts to continually break the bonds of parochialism and regionalism, and enlarge the sphere of freedom and opportunity for the individual. The beneficiaries of STEW's philosophy and efforts were often the least fortunate, the ill housed, the homeless, the disenfranchised, the world's orphans, and the oppressed.

When we consider the problems our Nation must face in coming decades—affordable housing, homelessness, wise management of our natural resources and of our economy—we recall that STEW was already addressing them. His legacy to us is to confidently and humanely meet these challenges.

STEW understood the vital difference between a compromise of interest and a compromise of principle—the one essential to politics, the other corrupting of man. He never let taking a position which might jeopardize his reelection prevent his doing what he knew was right. When he addressed the Chamber, which was infrequently, it was for a cause to which he was dedicated, and it was from his heart.

Yes, STEW is a friend we all sorely miss. But millions more across the country who never met him will also miss STEW MCKINNEY because of his tireless efforts on their behalf.

We, STEW's House colleagues, this evening speak for the millions he helped and the thousands of Amerasian children—who STEW called "our children"—and are here to thank his family and the people of the Fourth District of Connecticut for this life, this public servant, this friend.

☐ 1640

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. GEJDENSON. I yield to the distinguished minority leader, the gentleman from Illinois, Mr. BOB MICHEL.

Mr. MICHEL. Mr. Speaker, I thank the gentleman very much, first of all, for taking this special order that we might pay special tribute to our departed friend, STEW MCKINNEY, whose recent death took away from this House one of the most admired and effective Congressmen from this body.

It is very appropriate that the gentleman who just preceded me, the gentleman from New York [Mr. FISH] should have been recognized, because I do not know when I have attended a more beautiful funeral memorial service than the one I attended for STEW in this home community. On that occasion Congressman FISH did such a superlative job for the House side, as did the senior Senator from Connecticut, Mr. LOWELL WEICKER. And then, too, the pastor, who was such a personal friend of STEW's, made it something extraordinarily special. And, yes, too, lest I forget, there were those beautiful bits of poetry that were recited by STEWART's children. It was something extra special that this Member is always going to recall as one of the more beautiful memorial services for any Member who has departed this scene.

When STEW died, I came across a list of his many accomplishments since he came to the House in 1971. It was a very lengthy list that told of his work on such important matters as energy, housing, and urban issues, and as ranking member of his District of Columbia Committee and on his other committee assignments, he pursued his legislative goals with skill and diligence, as we pointed out during the course of those brief remarks we made on the afternoon when he passed away.

On every issue he confronted, you always knew STEW's position because, as we all recall, he was forthright and always willing to debate the issues in an open and often humorous fashion. Yet despite all his legislative accomplishments, it is the personal side of STEW MCKINNEY that I remember best.

He was affable and always eager to fight for what he believed was right. He retained the affection and the admiration of colleagues on both sides of the aisle. After more than 30 years in this House, I see many of our colleagues leave us through death or retirement or political loss, and when it comes time to recall what they meant to the House, the issues they were involved in often take second place to the kind of persons they were. You remember the personalities and the characters of the people long after you have forgotten the politics.

In the case of STEW MCKINNEY, that memory is a fond one, because he was a decent, likable, and sincere colleague and a superlative legislator.

We are going to miss STEW, and I certainly appreciate the opportunity that we have today to again pay our special respects to STEW MCKINNEY and particularly to give acknowledgement to the members of his family who, as I said, participated so beautifully in that memorial service and who have such fond recollections of their father.

Mr. PURSELL. Mr. Speaker, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from Michigan.

Mr. PURSELL. Mr. Speaker, I would like to associate myself with the remarks of our wonderful House leader and our group that is here today on both sides. It is true that STEW was a bipartisan leader of the House, commanding respect on both sides.

As a former chairman of the Group 92 and the Gypsy Moth Group, STEW and our Members speaking on the floor today for the most part worked for independent thinking, intellectually challenging the great ideas of our time, both on domestic and foreign policy issues.

We have a great respect for his leadership and his legislative skills.

So, Mr. Speaker, I, too, want to associate my remarks with the remarks of the House leader.

Mr. MORRISON of Connecticut. Mr. Speaker, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. Mr. Speaker, I would like to thank the gentleman from Connecticut for yielding, and I would like to thank him also for once again taking the leadership in organizing this special order to give us all an opportunity again to say a few words in memory of STEWART MCKINNEY, not about his death but in the memory of the way he lived and what he has left us that is so precious.

I want to associate myself with the comments made by the distinguished minority leader with respect to the memorial service which was held in Southport, CT. Many people who were at that service have spoken to me about it and about the profound effect it had on them and that it had on all of us, in fact. That effect was such that people said to me—and I think appropriately—that a memorial service in fact is for the living. It is to give people a sense of the importance of the life led by the person being memorialized and how that relates to our own. This was a service that was particularly effective in that regard. It honored STEWART in deep and moving ways and showed how his life was in fact an inspiration to all.

Certainly our colleague, the gentleman from New York, Mr. HAMILTON FISH, made a very moving address and at the same time included a light and touching set of remembrances about STEWART's life that I think everyone was pleased to have shared. And our senior Senator, Mr. LOWELL WEICKER, spoke eloquently about STEWART's many achievements. STEWART's children, in what had to be a difficult moment for them, spoke so beautifully and eloquently in poetry. They spoke of their love and respect for their father. The priest also gave us a message that touched us and reminded us in pleasant and moving ways about STEWART's life.

I have been speaking to many people across Connecticut since STEWART died, and the subject of the kind of things he did always comes up. These people speak with respect about how much he was admired, not just in his own district but in the far corners of Connecticut.

I was pleased that the day after STEWART's death the House and Senate both acted to rename the Connecticut Coastal Wildlife Refuge as the Stewart B. McKinney National Wildlife Refuge. That was an achievement, as I have said before, for which STEWART was especially proud. The refuge is a permanent preservation of a piece of Connecticut for the good of the environment and the good of the people of the State for all time. It is certainly an appropriate memorial by this Government to a person who had served all of us so well.

We are going to be taking up a comprehensive housing bill next week. It is a product of the subcommittee of which STEWART MCKINNEY was the ranking member. He exercised his energies and his abilities to create alliances across party lines and across ideological lines, especially in the area of housing. He committed himself to the idea that this Nation had an obligation to see that all of its citizens would be adequately housed, and that a Federal bill was required to create more housing.

One of the provisions of that bill that will come to the floor next week is for the Nehemiah Housing Program. This is a new housing initiative based on something that has been successfully carried out in Brooklyn. It involves creating home ownership opportunities for people of modest income, both for their own benefit and for the communities being rebuilt. It is also about for creating opportunities for lower-income individuals to occupy the apartments that are now held by those people who could afford to own a house if only a little bit of help were provided up front.

STEWART was one of the leaders in bringing that new program into being. He was one of the cosponsors of it. He was the primary sponsor on the Republican side of this initiative to create this new kind of housing opportunity. I hope that we will act next week to pass that initiative in the House. It is something that he cared so deeply about.

In the area of housing, as well as other important needs, STEWART was able to balance the difficulties of budget deficits and budget restraint with the need to do things that are important. And he was willing to ask his constituents to pay for the housing needs of the people of his district and the people of the Nation.

I always respected greatly his ability to talk sensibly about budgets but also to talk compassionately about the needs that we had to address within our limited resources.

It is important that we remember the compassion, the good sense that STEWART brought to issues of need when we address the problem of AIDS, the disease which claimed him.

□ 1700

Even though there is not a lot of money around, this is one of the priorities that must be met.

I hope that as this House faces choices in spending money for research, for education, for doing what is needed to combat AIDS, we will think of STEWART MCKINNEY, our friend and our colleague, for example, a man of courage, conviction, compassion. If we think of STEWART, we will know how to vote to help to see to it that others in the future might be prevented from suffering from this cruel and debilitating disease, and from the kind of untimely death that claimed our dear friend, STEWART MCKINNEY.

Mr. GEJDENSON. Mr. Speaker, I thank the gentleman from Connecticut.

I yield to the gentleman from Pennsylvania [Mr. COUGHLIN].

Mr. COUGHLIN. Mr. Speaker, I thank my colleague for yielding and I thank him for taking this time in honor of STEWART MCKINNEY.

If there are two words that I would associate with STEWART MCKINNEY, they are the words compassion and love. STEW proved as few could that compassion carries no political label. He cared deeply about his fellow human beings. He cared particularly about those with problems, the homeless, the ill, the disadvantaged, people with problems.

He demonstrated that time after time through his career in Congress. He demonstrated it in both his public and in his private life.

He loved his family. I can remember visiting Lucie and STEWART in the house they had on Stratton Mountain on an occasion of skiing and seeing the warmth of that family life.

He cared deeply about the little people, the ones that other people sometimes do not think about. He cared deeply about this Nation and he cared about this Nation's Capital.

As ranking member of the District of Columbia Committee, he was a principal author of this District's Home Rule Charter and his popularity as a champion of this measure was made evident when Washington's Mayor Barry ordered the District flag flown at half-mast when STEWART died.

I served as STEWART's opposite member, as ranking member on the

District of Columbia Appropriations Committee, and know the endless hours and the total dedication that Stewart provided to this Nation's Capital because of his love and to the people of this Nation's Capital and to the people of his district who were in need, who were in need of love and compassion and care.

Stewart's earlier illness occurred in my home district outside of Philadelphia when Stewart was hospitalized there briefly. During that time I remember talking to him about his care for the Amerasian children. He has thousands of children literally in this country who can be called children of Stewart McKinney, because he cared.

As has been reported, the cause of death was AIDS. Stewart would have wanted that news to be reported openly and honestly. He was that kind of a candid person.

Stewart would have been a leader in seeking a cure for AIDS even if he had not contracted the disease. He was that kind of a person, and he would have been a leader in his willingness to talk candidly about AIDS and about its prevention.

If there is something that we can do that would be particularly great in tribute to Stewart, it is to be able to talk as he would do in a nonjudgmental fashion about how we approach the problem of AIDS and how we deal with this problem in our society, because Stewart would have been a leader in that, had he been here today.

It is indeed with sadness that I will go from here down to a host a meeting of the group called the Wednesday Group, of which Stewart was a member. He was a constant attender. He was diligent. He was always there. He always made a contribution. He made a contribution to that group as he made a contribution in Congress.

He was a friend to each of us in this House and was a friend to millions upon millions of Americans and we mourn his passing.

Mr. GEJDENSON. Mr. Speaker, I yield to the gentlewoman from the Sixth District of Connecticut [Mrs. Johnson].

Mrs. JOHNSON of Connecticut. Mr. Speaker, I thank the gentleman from Connecticut for yielding to me at this time.

Each week I write a column for those small newspapers that communicate regularly with the people that I represent and so the week that Stewart died, I decided to do my column about Stewart and the remarkable service that he had provided to Connecticut as a State leader and as a member of Congress, the quality of that service and the man that he was for all of us. As I finished that column and sent it out for distribution, the very next day I went to the town of Bethlehem, CT, and took part in the celebration of their 200th anniversary of their founding. As we stood after the parade at the green in the center of town and the Boy Scouts raised the flag that we had flown over the Capitol in recognition of Bethlehem's 200th anniversary, the flag stopped at half-mast, and I thought to myself, how nice an opportunity for me and for Stewart; so I devoted my remarks on that small green again to the service that Stewart had provided to all of us in recognition of all of us who were not his constituents, but who very truly benefited from this remarkable man.

After the service, I was amazed to have the experience of a whole number of people coming toward me and telling me about how they remembered Stewart at their Bethlehem fair when their families would be there to compete in the fair events and there Stewart would be laid out on a blanket on the fairgrounds with all his papers around him doing his homework, but also talking to those who came, to listen to their concerns, though this was not his district. I thought it was a lovely image and one I wanted to share with you and one that showed through which we see how much Stewart and his family in their participation in our lives and in our State have been to all of us.

So I want to share with you the column that I wrote the week that Stewart died, because it is something that went to all those who I consider important, that is, my constituents, in recognition of the service that Stewart provided.

THE HERO THAT WAS STEWART MC KINNEY

The legacy of the late Stewart B. McKinney is one of public service with a passion.

Stewart was a friend and counselor to me. He leaves the record of a man committed to comforting the afflicted, to upholding and assuring social and civil rights for all, and to tireless assistance to his constituents and to the people of Connecticut. Above all, Stewart was a man committed to what he thought was right, beyond the politics, the party labels, and the publicity.

Indeed, it was not long ago that Stewart stood before us in this House and, with an eloquence born of conviction, urged us to support legislation, which he in large part wrote, to help the homeless. We did, approving $500 million for emergency aid: shelter, physical and mental health care, nutrition—the elements of hope.

Hope sprang eternal in Stewart. He was a man empowered by optimism. Even when it became unpopular to speak out for the notion that Government must catch those free-falling in society, Stewart continued to believe that Government had this responsibility, and that reasonable people would agree.

Stewart's was a voice that was passionate, strong, articulate and determined. He took stands that were blind to the tenets of party. Nowhere is this more evident than in his advocacy for urban America—his beloved Bridgeport and other troubled cities across the Nation.

He was one Member who really understood the big cities and their problems. His advocacy for the urban poor, urban transportation, and urban housing was passionate and constant.

Indeed, Stewart McKinney could rattle off line and section references to the housing laws and the history of efforts to provide decent housing to families both urban and rural.

He was the author of an experimental inner-city housing development program in the recent Housing Act, and a bill to spark neighborhood housing reconstruction and to tap the power of small business for inner-city redevelopment.

In his lifelong campaign to humanize our cities, Stewart grappled with the human rights and economic challenges America faces, as well as with the dearth of liveable housing that perpetuates the discrimination, bitterness, and disappointment felt by many urban disadvantaged.

Stewart fought armed with the premise that Government and people can bring positive change if only we care and are strong, passionate, and dedicated enough to want change. With humor, humility, and no trace of righteousness he convinced many that they, too, want to support what is right.

His legacy includes as well the Connecticut Coastal National Wildlife Refuge, which saved critical wetlands in Long Island Sound from development. How fitting that the islands were recently renamed the Stewart B. McKinney Wildlife Refuge.

Stewart also is known for the Amerasian Immigration Act of 1982, which recognizes the tragic plight of children fathered by United States soldiers in Vietnam and elsewhere in Southeast Asia, and facilitated their finding new homes in the United States.

The list of his legislative efforts, achievements and advocacy is long and impressive. In recent years he was a strong voice on such matters as South Africa, parental leave, women's rights, and the need to nationally face and solve the growing AIDS crisis.

Stewart expressly asked that we know that he died of AIDS. His request was a final courageous act that challenges us to recognize that we all are vulnerable, that it isn't just the other person's life at stake, that we must meet the challenge of finding a cure for AIDS if legions are not to be struck down and their abilities and potentials wasted.

I will miss him; we all will. Stewart McKinney leaves us with a memory, yes, but also with a responsibility to care as deeply as he did and to act as vigorously as he did to make our cities, towns, State, Nation, and world a better place for us all.

Mr. Speaker, I also would like to submit for the Record an editorial by Joe Owens, editor of the Bridgeport Post:

Representative Stewart B. McKinney—He Did Us Honor

It has been said, "A dying man needs to die, as a sleepy man needs to sleep."

U.S. Rep. Stewart B. McKinney was a man with intuitive perception and infinite compassion. From 1971 until his death, he represented Connecticut's 4th District in the U.S. House of Representatives.

Some of the wealthiest people in the country reside in the district. Conversely, pockets of poverty exist in the cities. These neighborhoods have been injected with the poison which is the plague of the 20th Century—drugs.

Stew was deeply concerned about the urban ghettos for a number of reasons, especially because the youths in these areas are prey for the human parasites who sell drugs. In a sense, Stew was a Republican whose thinking and actions paralleled those of the late Senator Robert F. Kennedy.

There was no phony pretense about him. In conversation, he was candid. Perhaps, at times, Stew was reckless with words. But, always, he spoke his mind.

Stew never feigned to be what he was not. He loved being a congressman. The U.S. Senate had no appeal for him, nor did the governorship. The gentleman who has been taken from us had a special affection for the House of Representatives.

The facts of the Congressman's life do not fully reveal the nature of the man. Yes, he dealt with international and national issues with intelligence and decisiveness. Of equal or more importance was his genuine desire to help the disadvantaged. Because Stew McKinney never saw himself as a man deserving special treatment, he could visit shelters for the homeless and provide comfort and encouragement for people cruelly trapped by fate.

Always alert to the possibility that he might be able to make life a little better for others, he obtained a multimillion-dollar grant last year for the rebuilding of Father Panik Village in Bridgeport.

It was not difficult in Congress for Rep. McKinney to cross the aisle and gather the support of Democrats for his proposals. The public good, not politics, dominated his thinking and actions. His colleagues knew this. Stew was dedicated to the belief that the American process, if not tinkered with, would work for the benefit of all.

Not generally known is the fact that he and the late Gov. Ella T. Grasso corresponded regularly. Many of the notes were written by Ella when she was bored during a meeting in the state Capitol. Often, Stew's writings were done while a long-winded bureaucrat or representative of a special interest group testified during a committee hearing.

Ella, the Democrat, and Stew, the Republican, had much in common. Both enjoyed a good humor and had little regard for practitioners of pomposity.

Stewart B. McKinney cherished the principles upon which this nation and state were built. He loved to debate, but he did not seek to wound. Back in the 1960s, while in the General Assembly, he made a remark which was reported out of context. It appeared that he had questioned the integrity of Gov. John N. Dempsey.

The following morning, the legislator from Fairfield went to the Capitol early, awaited the governor's arrival and apologized for any embarrassment the reports may have caused Gov. Dempsey. On that occasion, a bond was formed, a friendship that endured, with each man holding the other in high esteem. There was nothing superficial about Rep. McKinney. When he believed a Republican or Democratic president was right, he supported the chief executive. If he disagreed with policies emanating from the White House, he followed the dictates of his conscience.

At 56, Stewart B. McKinney was too young to die. And at 56, he had suffered from pain for far too many years. While Stew was in his forties, a coronary bypass saved his life. In the past few years, he was beset by a variety of medical problems, but somehow he managed to carry on, insisting that tomorrow would be a better day.

Maybe he knew the odds were against him, but he fought hard and was cheerful to the end. During his campaign in 1986, Stew was open and frank. He invited voters to scrutinize his record. They did and he won a 9th term. As he traveled about the 4th District, the unthinkable was thought. It might be the last campaign for the elected official people had come to view as "Old Reliable."

Members of the Congressman's staff knew people were his first priority. This was a reflection of his thoughtful nature, his belief that government exists to serve people, not cause them grief. It was an endearing characteristic of the man.

U.S. Rep. Stewart B. McKinney did the 4th District, the entire state of Connecticut and the U.S. Congress honor by devoting much of his adult life to public service.

He never demanded, or asked, or maneuvered anything for himself. Always, he was alert to the possibility of privately performing an act of kindness. Sadly, today the old saying, *"The good die young,"* rings true.

□ 1700

Mr. EARLY. Mr. Speaker, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from Massachusetts.

Mr. EARLY. I thank the gentleman for yielding.

Mr. Speaker, I want to thank my colleague, the gentleman from Connecticut [Mr. Gejdenson] for taking this special order, and I want to especially thank him for yielding a few minutes to me.

As a Democrat from Massachusetts I met Stew McKinney 13 years ago, when I arrived in Congress. Stew McKinney was truly an outstanding legislator. He was compassionate and he was understanding. He did more for the image of this institution than any other Member whom I met in my 13 years. His values were simple: they were family, country, and State. And he did them all so well.

In my opinion this country would be better off, would be much better off, if this institution had 435 Stew McKinneys. I am just proud to have met and to have been associated with Stew McKinney, and I want to thank the gentleman again for taking this special order for truly an outstanding legislator.

Mr. GEJDENSON. I thank the gentleman from Worcester for his very heartfelt remarks.

Mr. ROWLAND of Connecticut. Mr. Speaker, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentleman from Connecticut.

Mr. ROWLAND of Connecticut. I thank the gentleman for yielding.

Mr. Speaker, when word first reached the Chamber that Stewart had passed away, the Connecticut delegation quickly got together and discussed how to inform the rest of the House. At that time it was decided that we would all stand up and make a brief remark about Stewart, that the Speaker and minority leader would then also make some remarks, and then what ensued over the next hour and a half was one of the most memorable, spontaneous reactions that I have ever seen, not only in the Congress but I think in the State and throughout all of our busy lives. That outpouring at that time is going to be very difficult to top.

I thought that until I went to the memorial service, where many of us had the opportunity to listen to Stewart's children, to listen to friends, to listen to colleagues look back and remark on Stewart's life.

Today, tonight, there will be many of us who will have an opportunity to talk about Stewart the Congressman, there will be discussions about Stewart's work on the Banking Committee, housing issues, the Committee on the District of Columbia, environmental issues, stands he took for the working man, equal rights, education issues, the homeless, constituent problems, drug abuse, neighborhood concerns, and on and on and on.

I would like to take a moment to pay tribute to Stewart McKinney the man, the individual, and indeed he was an individual. I do not think that there has been a speaker yet who has not used the words "caring" or "compassionate." But he was also selfless, he was open, and in my opinion and I am sure in the opinions of all of my colleagues, brutally honest. How many times Stew took an unpopular position, never pulling his punches, never holding back, always speaking his mind.

During that opportunity when we all stood up to honor Stewart when he passed away I referred to Stew as a teacher, and indeed he was a a teacher and a great example to all of us. He lived a full life of accomplishment for his Nation, for our Nation, a full life of achievement for our district, and a full life of achievement for our State.

During Stew's memorial service we were reminded of Stew's passion for life, his passion for his family, his passion for his district and his constituents—a great leader, a great man, who touched so many lives.

I believe that there will be many monuments to STEW. Indeed, the Connecticut Coastal National Wildlife Refuge has been renamed the "Stewart McKinney National Wildlife Refuge." There has been discussions about other monuments talked about in housing issues and housing memorials. But for many of us he leaves monuments of memories. He leaves many monuments to the future—his five wonderful children and his wife. And to thousands of people across the State and to thousands of people across the Nation he leaves dreams and goals—dreams and goals for us to strive toward, unfinished work for us to do, and work to be accomplished with STEWART's compassion and dedication.

I thank my colleague from Connecticut for the special order, and I thank all of our colleagues on both sides of the aisle for sharing their memories and their thoughts with all of us, including his family.

Mr. KOLBE. Mr. Speaker, I rise in recognition of the passing of our friend and colleague, STEW MCKINNEY.

It has been said that in a body of this sort that we do not always have an opportunity to get to know one another. Many of us, due to the various assignments, do not really get to work together. I had the privilege of serving with STEW, both for my first 2 years in this body on the Banking Committee and also in one of those informal groups that spring from this body. I think his loss is not only my loss, and a loss to his delegation, but also a loss to this institution.

Though it has been said in many different ways, I think that if there is any single characteristic of STEW MCKINNEY that had impact upon me it was his love of life. He was an extraordinarily passionate individual who was deeply involved in whatever issues were before him and before this body.

He was a man committed to the remedy of social inequities within our society, and he was enormously courageous in taking on both the challenges that we are facing in this country of ours and equally courageous in addressing the challenges that he was facing just through his deterioration of health over so many years.

I join all my colleagues in extending to Lucy, his dear wife, and his children my feeling of sadness and compassion for their situation, and hope that they will have the strength to carry on.

Mr. MOAKLEY. Mr. Speaker, recently, this Chamber was especially saddened to hear of the death of one of our brightest and most well regarded colleagues, Hon. STEWART B. MCKINNEY of Connecticut.

I have known STEW throughout all 15 years that I have been privileged to serve in the House. As a fellow New Englander, STEW and I served together on the House Committee on Banking and Finance during my first term in the House. For the past 10 years, STEW has also been a neighbor of mine on the second floor of the Cannon Building. In all of my encounters with STEW, on the House floor, in the hallways, or in committee, he was the warm, honest, and sincere man that we knew him to be. STEW was invariably cheerful and outgoing, even when many of us knew him to be in a good deal of pain or recovering from a recent surgical procedure. That was STEW, though. He was a man who always placed others first, who based all of his actions, both legislatively and personally, on the impact they might be expected to have on those in our society so often lacking a voice—the homeless, the impoverished, the sick, those too young or too old to be part of mainstream America.

It's an interesting facet of STEW's life and service to this body, that although born to substantial wealth and representing one of this Nation's wealthiest congressional districts, STEW's heart and soul reached out to those on the other end of this Nation's economic and social scales. As the second most senior minority member on the House Banking Committee, STEW became an expert on public housing, often differing with the present administration on questions of policy and priority. I recall the windy, cold night in March, just 2 months ago, when STEW and a number of our other colleagues spent the night on a Washington street grate to dramatically indicate this administration's lack of commitment in remedying the ever-escalating crisis of homelessness. STEW also became one of the most tireless advocates for home rule for the District of Columbia, so much so that all flags throughout the District of Columbia flew at half mast on the day he died.

I extend to Mrs. McKinney and the McKinney children my most profound sympathies at STEW's passing. STEW's record of accomplishment, both personal and legislative, is quite a legacy. STEW MCKINNEY was an ally, a capable legislator, a wily floor tactician, an effective advocate, but, most importantly, a trusted and valued friend that this Chamber as a whole and I as a Member will miss dearly.

Mr. ROE. Mr. Speaker, I rise to join my colleagues in honoring the memory of one of this body's most distinguished members, the gentleman from Connecticut, the Honorable STEWART B. MCKINNEY. His untimely passing has deprived us of a great public servant, and I want to express my condolences to his devoted wife and to his family.

STEW was, in the best sense of the term, a legislative statesman. His conscience preempted his party affiliation when it came to matters that he knew would have a decisive impact upon the welfare of the disadvantaged. He was a tireless defender of the homeless, the mentally ill, and the disadvantaged, and he fought to preserve programs that aided those segments of our society.

As the ranking minority member of the District of Columbia Committee, STEWART MCKINNEY was a champion of full self-determination for the people of the District, and one who worked tirelessly on their behalf to make this matter a reality. He strove incessantly to improve the quality of life for the residents of the District.

Another area of concern for STEW was wildlife and its preservation. He spent 7 years introducing and carrying out legislation that created a wildlife refuge in Connecticut. He conceived of it, fought for the money to pay for it, and within a 3-year period, unprecedented in the creation of such refuges, brought it together. It is in his honor as fitting tribute to him that Connecticut Coastal National Wildlife Refuge has been renamed the "Stewart B. McKinney National Wildlife Refuge."

Mr. Speaker, the Congress and the Nation have lost a great public servant. We will sorely miss his leadership and counsel. His courage was an inspiration to us all, and it would do us well to rededicate ourselves to the noble causes that STEWART MCKINNEY espoused.

Mr. HORTON. Mr. Speaker, I want to join my colleagues today in expressing profound sympathy to the many friends and the family of STEWART MCKINNEY, our colleague who passed away last month.

I served with STEW during his entire congressional career, which began in 1971, and was always a great admirer of his dedication to causes in which he believed. Some of the causes he devoted his time and energy to included home rule and statehood for the District of Columbia, children's education and nutrition and, of course, affordable housing. It was the latter issue that STEW excelled in. Sadly, it was his resolve to publicize the plight of the homeless that contributed to his death as he contracted bacterial pneumonia during the recent congressional sleep-out. STEW knew he was suffering from AIDS, which dramatically weakens the immune system. He knew that the harsh weather conditions of the streets of Washington in March could do irreparable harm to his body. That he went through with his efforts shows as clear as anything the selflessness of our great friend from Connecticut.

Mr. Speaker, I came to this Chamber in 1963. During the decade of the sixties I served on the Committee on the District of Columbia. Although I left that committee the following decade, I continued to work closely with STEW and a handful of other Republicans in support of D.C. matters. No matter what the issue was, STEW fought for what he believed was right. He refused to put party before principle. That attitude perhaps frustrated many of his fellow Republicans, but he gained the respect of each and every Member of this body. I know that STEW's wife, Lucie, and much of the McKinney family has joined us here today for this tribute to him. My wife Nancy and I want to express our deepest condolences to the McKinney family during this extremely difficult time. Our hearts and our love go out to the family and the scores of friends that STEW left behind. Congress has lost a man of true integrity and personal honesty who made untold contributions in many areas. I have lost a dear, dear friend whose memory will be with me for the rest of my life.

Mr. MCDADE. Mr. Speaker, it is with great sadness that I learned of the passing of one of our special colleagues and dear friends, STEWART B. MCKINNEY. I rise today to pay tribute to STEWART and to recount some of the notable accomplishments that crowned his public career and to express gratitude for his contributions to this body in the furtherance of the national interest. These form a noble legacy that will remain with us and guide us as we continue to tend to the important affairs and business of our Nation.

STEWART served with distinction as the second-ranking Republican on the House Banking, Finance and Urban Affairs Committee. As the ranking minority member of the Subcommittee on Housing and Community Development, STEWART was known as a resolute advocate of preserving community development block grants and urban development action grants. Because of his strong support of these programs, he often found himself at odds with his own administration which sought to eliminate them. Nonetheless, believing in their fundamental worth to the Nation, he did not relent in his efforts to save the programs from termination. In his capacity as the ranking minority leader of the District of Columbia Committee, STEWART championed the cause of home rule for the District and authored the 1973 D.C. Home Rule Act to extend the right of self-government to District residents. STEWART was a forceful spokesman on economic and budget issues and took positions that frequently placed him in opposition to his party's general program. He felt passionately about issues that many purposely neglected or carefully avoided. And so it was with the plight of the Amerasian children and the Nation's homeless. He showed a depth of caring and a generous sensitivity to their suffering and needs that few can comprehend and fewer still can match. Legislation to help these people grew out of his great desire to see them helped.

Having served with STEWART on the House Small Business Committee has shown me that the same care and concern he demonstrated for people in need were also magnified in his interaction with small business men and women and the issues affecting them.

STEWART was known for his independence as a thinker and deliberator on the issues and questions that face us as lawmakers. It can be said of him that he was truly bipartisan and understood the necessity of compromise for the sake of progress. STEWART knew how to influence the machinery of Government and the legislative process to achieve those worthwhile things that strengthen the Nation and improve the quality of life for its citizens.

Even though STEWART had a problematic medical history, this did not deter him in any way. It did not diminish his determination to serve the public and his constituents or dampen his enthusiasm for and dedication to public service. Despite his illness and suffering, STEWART was not given to rancor or resentment. Instead, he gave himself completely to his tasks and carried them out with dignity, honor, and great sacrifice.

Why must it be that the best are always taken from our midst? We feel so poor in spirit today but are so richly blessed and rewarded for having had STEWART with us as our friend and colleague. The torch is extinguished, yet our memory endures of its warmth and brightness.

Our thoughts and prayers are with STEWART'S wife, Lucie; his sons, Stewart and John; and his daughters, Jean and Elizabeth and the rest of his family.

Mr. QUILLEN. Mr. Speaker, I want to thank the Members of the Connecticut congressional delegation for calling this special order to honor Congressman STEWART B. McKINNEY, who died on May 7. STEW'S death is a great loss for this House because he was an outstanding and effective Member of Congress.

I recall when I heard of STEW's death as I was walking from the Rayburn Room to the House Chamber and saying to the person who told me the sad news: "He will be missed".

STEW McKINNEY was serving his ninth term as a Member of the House when he died and so I served with him during his entire congressional career. For a number of those years his office was just down the hallway from mine in the Cannon Building. It was during this time that I got to know STEW and that our association with one another grew into friendship.

Congressman McKINNEY and I came from very different backgrounds. He was a Connecticut Yankee and a Yale man. I am the son of tenant farmers from southern Appalachia. We did not always agree on the issues of the day for his general outlook was more liberal than mine. But we were both proud to be Republicans and to work in public service. And we enjoyed working together when we were on the same side of an argument or political debate.

Two occasions especially stand out in my mind when I think of Congressman McKINNEY'S work here in the House. The first was about a decade ago when he took the lead on a couple of good bills changing our national energy policies during the oil crisis. He felt strongly, as I do, that we needed to make some big changes and he worked hard to push them through the Congress.

In my judgment, his views were sound in this regard and he worked diligently to enact the bills into law. For this, the country owes Congressman McKINNEY a debt of gratitude.

Included in these efforts on his part was the creation of the Synthetic Fuels Corporation. STEW really believed in this approach, as I do. We were both disappointed when the Congress threw in the towel on synfuels a few years ago. We fought to keep the program going. But we lost, though I am convinced time will prove Congressman McKINNEY right on synfuels and will accord his high marks for his leadership. Likewise, his leadership on the prohibition on the export of Alaskan oil should not be forgotten.

The second occasion I especially recall is STEW'S testimony before the Rules Committee on the homeless aid bill this past March 4. Here was another case of leadership and strong commitment on his part. He felt strongly that the situation out on the streets of many American cities in regard to the plight of the homeless is a national disgrace. We now know that his work for the homeless on the cold, wet streets of Washington that winter night may well have caused the pneumonial infection that killed him. Certainly, STEW knew he was running a grave risk of infection in view of his struggle with AIDS, which he probably contracted from tainted blood transfusions during his heart bypass operation some years back.

At the Rules Committee, Congressman McKINNEY was eloquent and impassioned in his indignation over the plight of those poor souls on the cold streets of the cities. He was absolutely sincere. And he was absolutely going to do something about it. And he did. That was STEW McKINNEY. That's the friend I will always remember.

Over the years, of course, Congressman McKINNEY made a difference on many other issues such as banking and housing, and the government of the District of Columbia. He worked hard and he was effective when he believed in something. I respect him for that work and commitment.

So, I will miss STEW McKINNEY, I can see him now driving his old black convertible to the House steps to make a rollcall vote, and his cheery wave and "hi," as he roared by. His good humor and his sincerity and his friendship; these things I will miss. He loved the House and the House loved him. STEW McKINNEY was a good man with a big heart.

To his lovely wife, Lucie, and their five children, I extend my deepest sympathies at his passing.

Mr. LENT. Mr. Speaker, I join with my colleagues in paying tribute to a former classmate and very dear friend, Congressman STEWART B. McKINNEY. I am deeply saddened by STEW's death and welcome this opportunity to recognize his many laudable achievements.

STEW was noted for his untiring efforts on behalf of the needy and less fortunate in our society. His commitment to this worthy cause has left an indelible impression upon all of us and has certainly promoted the betterment of mankind.

Throughout his distinguished career in Congress, STEW'S social conscience and empathy made him a leader on such issues as womens' equality and human rights in South Africa. His compassion for the needy was demonstrated by his vigorous efforts to enact legislation to provide assistance to our Nation's homeless. Indeed, this commitment to providing shelter to the disadvantaged earned him the National Housing Council's prestigous Carl A.S. Coan Award in 1986.

As the senior Republican on the Housing and Community Development Subcommittee under the Committee on Banking, Finance and Urban Affairs, STEW was widely recognized as an expert on housing law and urban issues. In this Congress, STEW was instrumental in crafting one of the first major housing packages expected to pass Congress since 1983—a measure which will ensure Federal assistance in resolving national housing problems.

STEW served as ranking member of the House DC Committee where he dedicated his efforts to improving our Nation's Capital saying, "(it) belongs to all of us and I love it, as everyone should." STEW worked in this capacity to establish a DC constitutional amendment which would have given DC voting representation in Congress and a voice to Washington residents.

I have heard it said that "death does not end all" and I know this to be true for STEW McKINNEY. STEW's good works and idealism cannot be diminished by his death. His efforts to improve our world and the courage of his convictions will endure. I extend my deepest sympathy to STEW's wife, Lucie, and his family. Our thoughts and prayers are with you.

Mr. BOLAND. Mr. Speaker, I want to thank the Members of the Connecticut delegation for taking this time to allow us to pay tribute to the life, and mourn the death of STEW MCKINNEY.

The New England delegation, like the region it represents, is not large. The successes we have enjoyed over the years in the Congress have been a result of our ability to put aside differences of party and adopt unified positions that I think have benefited all of our people. STEW MCKINNEY was a leader in that effort. I doubt that there was a person in this House less interested in ideology and more interested in getting things done than he. STEW possessed an uncommon ability to cut through the rhetoric and identify the heart of a problem and solutions to it. New England was a frequent beneficiary of that ability on issues like energy, transportation, and trade, and those of us who served with STEW on the New England Congressional Caucus can certainly testify to his effectiveness in this body.

But STEW MCKINNEY was a person who saw issues in terms other than how they appeared in factsheets or briefing books. He saw them in terms of their effect on people—his constituents and people throughout the Nation. STEW had a tremendous empathy for those Americans who didn't have a decent place to live, or a job, or whose communities had been bypassed by the development of new industries. He believed that government had a responsibility to those people, a responsibility that needed to be discharged with programs that reflected compassion, commonsense, and creativity. He spoke out often and well for those kinds of programs and sometimes he must have felt that his was a lonely voice. But if he felt that, he didn't let it show, and it certainly didn't affect his willingness to take on new challenges, even when his health might have dictated that he conserve his energies. He was a good person with strong convictions and the courage to live them, and for that he was much admired in this House, in this Capital City, and in New England. We will miss him in the days ahead and I want to extend my sympathies to his family.

Mr. STOKES. Mr. Speaker, I would like to thank the Members of the Connecticut delegation for reserving this time to pay tribute to our colleague, the late STEWART B. MCKINNEY. With his passing, the Congress and our Nation lost a great leader and good friend.

Upon learning of STEWART's death, I thought a great deal about his career with this body. I know that Members on both sides of the aisle will agree that STEWART MCKINNEY was truly a great statesman.

Mr. Speaker, I had the good fortune of serving with STEW on the House Select Committee on Assassinations which I chaired. Over a 2-year period we worked together investigating the facts and circumstances surrounding the assassinations of President John F. Kennedy and Dr. Martin Luther King, Jr.

That was the first time I had the opportunity to work with STEW. We developed an excellent working relationship and friendship. Even during the most difficult and trying times, STEW never lost sight of the important and sensitive nature of the committee's work. It was important to him that we dedicate ourselves to finding the answers to those two assassinations on behalf of the American people. As a result of that association, I formulated a high regard for STEW's legislative ability. Moreover, I developed a deep sense of respect for STEW's compassion and commitment to the American people.

That simply was the manner of STEWART MCKINNEY. He was a conscientious and hard-working committee member. Those characteristics were displayed not only in his work on the House Assassinations Committee but also during his nine tems in the Congress.

Mr. Speaker, as the senior member of the Connecticut congressional delegation, STEW focused his efforts on issues concerning cities, energy, and housing. The solar energy bank, Low-Income Weatherization Program and synthetic fuel bill are just a few of the measures authorized or coauthored by him.

An expert on Federal housing law and spokesman for urban affairs, STEW amended both the National Housing Act and the Community Development Act to better target Federal urban aid to smaller cities. He initiated legislation creating the Neighborhood Reinvestment Corporation to assist low-income persons with housing modernization.

STEW was one of two engineers of the first omnibus housing package now moving through Congress, one that will ensure a continued Federal role in solving housing problems. The legislation includes a MCKINNEY proposal to redirect a major housing program for the elderly to aid handicapped persons.

Mr Speaker, I know that the residents of Connecticut's Fourth Congressional District will mourn the loss of Congressman STEWART MCKINNEY. I personally will miss STEW's compassion and dedication to the Congress, to America, and to the people. He was a good friend and colleague to me.

I take this time to extend my condolences to STEW's wife, Lucie, and his children.

Thank you again, Mr. Speaker, for allowing me to join in this tribute to my friend, the late STEWART B. MCKINNEY.

Mrs. ROUKEMA. Mr. Speaker, I stand here speaking as a friend and colleague of STEW MCKINNEY and one who served with him on the Banking Committee.

I guess what comes to my mind on this occasion is that STEW MCKINNEY was a breath of fresh air in this House. Whether you agreed with him or you disagreed with him, you always knew where STEW MCKINNEY stood, and I think we will all agree in our heart of hearts that that is a rare quality in the public arena today. You always knew where he stood because he had personal honesty and intellectual honesty.

I refer to the fact that I have served for 6 years now, going on 7 years, with STEW on the Banking Committee, and I have got to tell you that it is an education serving on that committee with him. STEW had complete command of his subject matter, whether he was dealing with the HUD bureaucracy—his favorite committee, of course, was Housing—or whether it was the big money-center banks or Paul Volcker at the Fed, STEW knew the issue. He did not express himself with pomposity. He reduced every issue to its essence, did away with the verbiage, spoke plain English, and got right to the point, which is a rare quality. I believe all of us could learn from his example.

Finally, I would like to assure the MCKINNEY family that they should take great pride and comfort in the knowledge that this House holds his memory in high esteem and with genuine affection. They should know that we have lost a great friend here, but more than that, the American people have lost a great fighter for justice, a great fighter for humanity. And we have lost a superior intellect in this House.

Mr. MINETA. Mr. Speaker, I rise to join my colleagues in mourning the loss of our distinguished colleague STEWART B. MCKINNEY.

I first met STEW in 1972, when I was the mayor of San Jose and chair of the Conference of Mayors Committee on Community Development.

At that time, even though he was only in his second term, STEW was clearly one of the key people in this House on housing and community development issues.

During those years, I had the chance to work with STEW often as together we wrote the Housing and Community Development Act of 1974. This landmark legislation created the Community Development Block Grant Program.

We could not have enacted this important bill without STEW. His wisdom and understanding of the problems faced by local officials was unsurpassed. At the same time, he clearly understood the Congress and played a key role in enacting this bill.

I always enjoyed working with STEW, and I am proud of what we accomplished together.

When I came to this House in 1975, I was delighted to have the opportunity to work on a wide variety of issues with STEW. On issues from home rule for the District of Columbia to the rights of Amerasian children, STEW was always speaking out for the unrepresented and voiceless.

This historic 100th Congress has now lost two of its most compassionate and committed Members. First we mourned Sala Burton, and now STEW; they have left us all too soon.

We will miss you, STEW.

Mr. SHUMWAY. Mr. Speaker, I would like to take this opportunity to pay tribute to a dear friend and former colleague, STEWART B. MCKINNEY. Additionally, I appreciate this special order having been requested by his colleagues in the Connecticut delegation.

STEW and I have sat side by side on the Banking Committee for several years, and, in fact, I succeeded STEW as ranking minority member on the Economic Stabilization Subcommittee. Because STEW always demonstrated a certain degree of empathy for me with some of the hearings I went through with the subcommittee; because he understood that aspect of my work, I felt especially close to him. STEW often spoke out very forcibly on legislative issues, but even when we held opposing viewpoints, STEW would never be critical of me. Our friendship always superseded any differences of opinion, and I respect STEW a great deal for these reasons.

STEWART MCKINNEY represented his district, his State, and our form of government with commitment and dedication. He spoke out for that in which he believed, and he left his mark. I know that my colleagues join with me in offering our deepest condolences to his wife and family, and in saying that his presence will truly be missed.

Mrs. MORELLA. Mr. Speaker, I share with my colleagues great sadness over the death of our friend and fellow Representative STEWART B. MCKINNEY.

My colleagues have spoken eloquently of his selflessness, compassion, and dedication. STEWART B. MCKINNEY was a champion of housing for the poor and a leader in protecting deinstitutionalized handicapped people. Just a few months before he died, STEWART showed his commitment to the homeless by spending the night on a grate near the Capitol. It is ironic that this evening spent fighting for better lives for others apparently contributed to his own death.

Congressman MCKINNEY was an intelligent, articulate spokesman for those least able to speak out for themselves. He made an important contribution to the betterment of this Nation. In this Chamber, we will always remember and admire his accomplishments. STEWART B. MCKINNEY's wife and five children have much to be proud of. He will be missed.

Mr. ROYBAL. Mr. Speaker, I rise today to join my colleagues in honoring the memory of STEWART B. MCKINNEY. STEWART was a man dedicated to public service. His efforts on behalf of the homeless were practically unmatched in the House. He was an active supporter of the Hill Staffers for the Homeless, and he spent an evening with them distributing food to the homeless. STEWART spent a night sleeping on a heating grate to protest the treatment of the homeless in the United States, even when he knew his health was poor.

STEWART's commitment to the people of his district and to all Americans is evident when looking at his many accomplishments during his term in Congress.

As STEWART's colleagues, we can learn from the contributions he made to the people of the United States during his years of service. My heart goes out to his family and closest friends, and I know we will all miss this very talented and dedicated man.

Mr. YATRON. Mr. Speaker, I am honored to join my colleagues today in paying tribute to our late, distinguished colleague Congressman STEWART B. MCKINNEY. STEWART was tremendously dedicated to public service and to representing the citizens of the Fourth District of Connecticut in the U.S. House of Representatives. Moreover, he was a man of deep compassion and humanity.

STEWART's service in the House began in 1970. His hard work, leadership, and outstanding service ensured his reelection in each consecutive term. STEWART was concerned about many national issues and his nonpartisan outlook allowed him to work on both sides of the aisle in seeking and finding solutions to national, regional, local, and international problems. As ranking minority member of the Subcommittee on Housing and Community Development, STEWART tried to improve the Nation's housing programs and he cared deeply about the homeless. Indeed, STEWART's commitment to helping the homeless and to bringing greater attention to their plight was boundless. Without regard to his own health and well-being, STEWART participated in the March 3 sleep-out on the Capitol grounds to heighten awareness of homelessness. His devotion to this cause was completely selfless and the illness he contracted that cold night contributed to his untimely death.

STEWART was concerned about many other issues that affected the lives of his constituents and the citizens of this Nation. He was a man of principle, honor, and compassion and, he was a kind and good friend to many in Congress. The memory of STEWART and all the ideals he stood for will live on in the halls and chambers of this great democratic institution and in the hearts and minds of those who were privileged to know him. Mr. Speaker, I know I join with all my colleagues in expressing deep sorrow and sympathy to Mrs. MCKINNEY and her children.

Mr. DE LA GARZA. Mr. Speaker, today we gather to honor our late colleague STEWART B. MCKINNEY. While there are a million things one could say about him and still not cover all his accomplishments, I will mention what I consider to be his foremost—championing the rights of the homeless and disadvantaged.

A person of great ability and great dedication, STEWART MCKINNEY fought for the rights of the underprivileged. He did this not as a matter of right, but as a matter of need. In this identical manner when fighting waste in government, STEWART MCKINNEY did so weeding out the worthless from the worthwhile and the seemingly worthwhile from that which never proved its worth.

When he spoke for the homeless STEWART MCKINNEY did so believing that all Americans deserve an equal opportunity and chance in society. But he was more than just a voice for the disadvantaged—STEWART MCKINNEY served as an example by his actions. The record he leaves behind him is a monument to constructive thinking, farsightedness, and acumen.

STEWART MCKINNEY rendered great service to the Nation and particularly to the District of Columbia. We miss him. I think we find our work to be less productive because of his absence, and while it is easy in the midst of these eloquent tributes to lose one's sense of perspective, this is not the case when I say STEWART MCKINNEY's legacy will live on.

God bless this man.

Mr. DELLUMS. Mr. Speaker, I rise again today to express my deep sense of personal loss at the passing of my friend and colleague from Connecticut, the late STEWART B. MCKINNEY.

In the intervening weeks since his death I have had almost daily reminders of the importance of his personal and political presence in the Congress, both in committee and on the House floor. We were truly congressional colleagues in the best sense of the term, because he never allowed partisanship to intrude upon the struggle for shared values and legislation designed to promote the cause of social and economic justice for all.

His loss has also been a distinct loss for the people of the District of Columbia, because he was a passionate champion of home rule and full self-determination for all its citizens. I served with STEW on the House D.C. Committee during his 16-plus years in the Congress. For the past 8 years he, as ranking Republican, and I as Chair, worked in tandem to make this dream a reality.

In my judgment, STEW was truly a legislative statesman. Conscience always triumphed over partisanship when he knew that the issue under debate would have a decisive impact upon the welfare of this society or the survival of the planet. Adherence to principled conscience compelled him to advocate improved health care, housing, and educational opportunities. That conscience also compelled him to argue with equal passion against aid to the Contras, SDI, and the escalating threat of the nuclear arms race.

STEW was both a true gentleman and a truly gentle man. He was one Member of Congress who consistently sought to reach out to everyone, regardless of his or her station in life. He set an example for all of us to follow by the courteous manner in which he treated staff and strangers alike. He was always willing to listen to the problems of others, and to help in constructive fashion whenever and wherever he could—which was often.

Mr. Speaker, the passing of STEW MCKINNEY leaves this House less wise and less compassionate, but it also leaves us with the challenge to continue his high standards of commitment and caring about all in this society, especially the very least among us. The people of Connecticut's Fourth Congressional District have lost an outstanding Representative, and the Nation has lost a man who fulfilled the ideal of what public service ought to be about.

The members and staff of the District of Columbia Committee join me in expressing our collective sorrow at the loss of this wonderful human being who possessed so much decency, integrity, and compassion. I have lost a colleague—but we have all lost a true friend. STEW MCKINNEY is gone, but the memory of who he was and what he accomplished on this earth will live in our hearts and minds for always.

Mr. CONTE. Mr. Speaker, I rise today with my colleagues to pay tribute to STEWART B. MCKINNEY. Joining with the people of the Fourth District, I mourn the loss of this deeply caring Congressman from Connecticut.

With the death of STEW MCKINNEY, the Nation has lost a tireless advocate for the poor, homeless, mentally ill, and others without political strength. And as a Republican, I personally miss the strong-willed Congressman who never failed to vote his conscience, regardless of political pressure.

A man of compassion, he remained always willing to take whatever action was necessary to draw attention to the plight of others. And in the process, he built a legacy of working to better the lives of the disadvantaged during his 16 years of service in the House of Representatives.

As a leading player on the Banking Committee, he was a strong and successful advocate for housing legislation. He was a staunch defender of community development block grants and urban development action grants as tools for breathing new life into low-income areas. He was a leader in the battle to obtain the legislation that gives the children of U.S. servicemen in Southeast Asia a priority right to obtain visas into this country. He was a man who could be proud of his accomplishments.

While working to improve conditions on a national and international level, STEW also worked long and hard for the benefit of the district he was sent to represent. A man who cared deeply both for people and the environment, he led a successful fight to preserve some of the last unspoiled coastline in his home State through the creation of the Connecticut Coastal National Wildlife Refuge.

He was a man of initiative, energy, and devotion, who is missed by those who had the honor of serving with him.

Mr. GARCIA. Mr. Speaker, STEW MCKINNEY exemplified what is best about this institution. He practiced the politics of compassion. He worked for an issue not because it was popular or in the headlines. He worked for things he believed in.

I had the pleasure of serving with STEW on the House Banking Committee's Subcommittee on Housing. Because of all the cutbacks to Federal housing programs over the past several years, working on housing legislation could often be a frustrating experience. Yet, STEW kept at it. He kept working for what he believed in—a fair deal for all Americans not just a privileged few.

You can't replace a man like STEW MCKINNEY. His years of dedication and his fine intellect set him apart from the crowd. He was not afraid to meet life head on. He was not afraid to work in the trenches. He could have avoided the responsibility of fighting for the underdog had he chosen to do so. Instead, he worked for the poor and homeless with great enthusiasm.

I am certain that STEW MCKINNEY is continuing with his fight for the needy. Certainly the legacy he has left behind serves as an inspiration for us all to carry on his work. We will miss you STEW.

Mr. SCHULZE. Mr. Speaker, I am deeply saddened that the House of Representatives recently lost one of its most respected and hard-working Members. STEWART MCKINNEY served Connecticut and this Nation with distinction and dignity for 16 years. His passing should be a time when we all should reflect on his accomplishments as a legislator and his integrity and courage as a man.

STEW was an outstanding Member of Congress. His tenure on the Banking Committee highlighted his ability to solve difficult problems with understanding and a complete command of the facts. The Federal rescue packages crafted for Chrysler and New York City were, in large measure, STEW MCKINNEY's handiwork. STEW MCKINNEY also served with distinction on the Committee on the District of Columbia and is remembered for his articulate advocacy of home rule for the District.

STEW was a marvelous guy to know. His quick humor and easy going manner was greatly appreciated, especially when the House was in late session. He had a pretty good golf game, too. But, most importantly, STEW was a Member who loved his District and worked his hardest for the people of Connecticut. While you could disagree with some of his positions and votes on the issues, you could never deny that STEW MCKINNEY was a man of integrity and wisdom, a man who voted with the conviction that he was doing his best for the Fourth District.

I am grateful to have known STEW MCKINNEY, my good friend, and my deepest condolences are extended to his wife, Lucie, and their children and families. All of us share their deep sense of loss.

Ms. OAKAR. Mr. Speaker, I want to thank the gentleman for scheduling this special order to pay tribute to STEWART MCKINNEY. STEW served eight terms in Congress following his election in 1970. Throughout that time, he served on the Committee on Banking, Finance and Urban Affairs where he distinguished himself both with his work on the Economic Stabilization Subcommittee and the Housing Subcommittee.

When STEW served as the ranking minority member on the Economic Stabilization Subcommittee he actively participated and made valuable contributions on three of the most important measures reported by that subcommittee, namely, the loan guarantees for New York City and the Chrysler Corp. and the creation of the Synthetic Fuels Corporation. After completing work on those measures, STEW turned his attention to housing. During the 97th and 98th Congresses STEW MCKINNEY was an ardent defender of the programs instrumental to the economic development of urban areas throughout the country.

STEW had a keen sense of the importance of developing our urban centers and in doing so the need for a cooperative partnership between the Federal and local levels of Government, working in concert with the private sector, to facilitate the recovery and rebirth of our cities STEW repeatedly fought against elimination of Federal participation through the Community Development Block Grant Program and the Urban Development Action Grant Program. His leadership on these issues earned him the respect of his colleagues on both sides of the aisle.

STEW's dedication, wisdom, integrity, and honor led him to speak out not only on issues of economic stability and housing, but also issues of preserving our Social Security System, supporting equal rights for all citizens, and improving education for our youth. Additionally, STEW was deeply moved by the plight of Amerasian children. During the 97th Congress he was instrumental in the passage of the Amerasian Immigration Act which gave the children of United States servicemen in Southeast Asia the same priority rights to obtain visas into this country as all other children of American citizens. This legislation typifies the compassion and sensitivity that STEW MCKINNEY had for his fellow human beings.

It is in recognition and in tribute to all his tireless work on behalf of the homeless that the conferees to H.R. 558 have renamed it the Stewart McKinney Homeless Relief Act.

STEW trully dedicated his life to public service. As a young sergeant in the Air Force he served his country from 1951–55. Then in 1967 he ran for and won a seat in the Connecticut Legislature where he served until 1971, when he began his service in the U.S. House of Representatives. The citizens of the Fourth District of Connecticut could not have had better representation in Congress than in STEWART MCKINNEY.

I thank the gentleman for reserving this time. We were indeed fortunate to have known STEW MCKINNEY, worked with him, and counted him among our friends.

Mr. WAXMAN. Mr. Speaker, the death of Congressman STEWART MCKINNEY last month was a far greater loss to our country than most people realize.

During his 16 years in the House, STEW MCKINNEY was a legislative craftsman. He never picked an idea from someone else's brain or some newspaper headline. His proposals were the results of his own brilliant and painstaking analysis of problems which engaged him. His speeches and bills bore the clear stamp of his Yale University education and his uncompromising commitment to lucidity of expression.

Many of us seek committee assignments and focus on issues on the basis of the concerns of our constituents. Certainly, no one can fault an elected official for being concerned with the people who elected him.

For the most part, STEWART B. MCKINNEY set his priorities on the basis of considerations quite removed from the day-to-day politics of his Connecticut district. Whenever STEW immersed himself in issues remote from his district, he did so as a matter of conscience.

The clearest example of STEW MCKINNEY's willingness to put his heart into an issue that would pay no political dividends back home is his dedication to home rule for the District of Columbia. With all due respect for the people of Connecticut's Fourth District, I doubt if home rule for Washington, DC, has ever been high on their list of concerns.

STEW MCKINNEY was appalled that the residents of the District of Columbia literally live in the shadows of the greatest monuments to democracy—the Capitol, the White House, the Supreme Court, the Washington Monument, and the Lincoln Memorial, yet, they have no vote in either the U.S. Senate or the House of Representatives. Until fairly recently, they had no control over the own municipal government. This was the kind of injustice that MCKINNEY simply could not stomach.

STEWART MCKINNEY was a man of many facets. He was a ranking member of the House Banking Committee. He is nationally recognized as an expert on the intricacies of Community Development Block Grants and Urban Development Action Grants.

Despite his competence over the most arcane and intricate legislation, his passion often went to quite simple matters. In the 97th Congress he made the simple but bold move of winning for Amerasian children, usually the offspring of American servicemen and Vietnamese women, precisely the same immigration rights enjoyed by the children of other American citizens. He was repelled by the racism that rejected children of American fathers because they might have black skin and green eyes.

If I were to choose a single contribution by which STEWART B. MCKINNEY should be remembered, I would focus on his unrelenting pursuit of one of the most basic issues of our time: shelter for the homeless. STEWART MCKINNEY embraced this issue long before it became a favorite topic of the mass media. His grounds were simple enough so that they could be understood by firstgraders. "People without a place to live are not criminals. The expectation of minimum housing is one which should be met in a society so affluent as ours."

A shrewd student of public housing, McKinney was not about to build abominable ghettoized highrises such as those constructed in the fifties. In his usual thorough manner, he had examined every facet of homelessness—from the financial problems of constructing shelters from homes, to the psychological problems of the homeless. As much as he believed in self-reliance, he had the wisdom and compassion to recognize those unfortunate individuals incapable of elevating themselves simply by their own efforts.

My remarks would be incomplete if I were not to address the question of partisanship. Stewart B. McKinney was a good and loyal Republican. He was deeply respected in his own party. Yet, from the Democratic side of the aisle, we saw not only a man who often voted with us but also a man of such fearless integrity that no one ever questioned the motive of his vote or the diligence that had gone into his deliberations. Stew was not the kind of man to swayed by conventional political pressures.

Would that the American people could have seen Representative Stewart B. McKinney at work in Congress, his every act belied the cynical assertion that politicians are a lower breed. He was a fine a human being, as sterling in character, as compassionate and self-effacing as any man or woman you are likely to find among clergymen, physicians, judges, or scholars.

I do not know his family, yet I humbly feel that I have some sense of their loss. I know I speak for the entire House in reiterating to them the heartfelt condolences which poured forth when the sad news of Representative McKinney's passing stunned this Chamber. My prayers are that Representative McKinney's family will find solace in their memory of his role in their lives and in our national life. I also pray that we whom Stew left behind be blessed with a fraction of the courage to emulate some of Stew's most outstanding characteristics.

Mr. LaFALCE. Mr. Speaker, it is with a mixture of sadness and pride that I rise to pay tribute to our departed colleague, Stewart McKinney of Connecticut: sadness at his death, and pride to be able to call him a colleague and a friend. We who had the privilege to serve with him in the House admired the acumen and vigor he brought to his work, the compassion and selflessness that characterized his life, and the courage with which he faced his untimely death.

I served with Stew as a member of the Committee on Banking, Finance and Urban Affairs, especially on the Subcommittee on Economic Stabilization, where he was the ranking minority member, and know the pride that he took in contributing to the financial assistance plans for Chrysler and the city of New York, among his many other accomplishments.

But the work which he loved most was serving on the Subcommittee on Housing and Community Development, and it is a fitting tribute to him that the full House will soon consider both H.R. 4, the "Housing, Community Development, and Homelessness Prevention Act of 1987," and the conference report on H.R. 558, the "Homeless Relief Act." Stew will not be on the floor of the House when we act on these bills, but he will be on our minds and in our hearts.

He was a tireless worker and a zealous advocate of those causes in which he believed, and he was willing to sacrifice himself to see his goals accomplished. His work for the homeless is well known. He demonstrated the seriousness of the problem and the depth of his commitment to easing it by joining others sleeping out on a grate this past winter, at a time when his health was already in serious jeopardy. His weakened condition made him more susceptible to the pneumonia that was the immediate cause of his death. He should not have been there, but Stew just would not have missed it.

Stew was a friend to those in our society who needed help, and the greater their problem the greater the energy he gave to them. He downplayed his illness because he did not want it to distract him from his work in the House. Shortly before his death, however, he made it known that he had AIDS, in the hope that he might contribute to the betterment of the lives of others by his death as he had done so many times in his life.

While we mourn the passing of the man, Stew's name will continue to live. On May 13, the President signed into law a bill to change the name of the "Connecticut Coastal National Wildlife Refuge" to the "Stewart B. McKinney National Wildlife Refuge."

I offer my heartfelt condolences to Stew's wife Lucie, his children and grandchildren and all those who loved him. They have lost a husband, father, and grandfather.

The people of the Fourth Congressional District and all the people of Connecticut have lost a great Representative in Congress. His seat in this Chamber will be taken by a worthy successor, but Stew McKinney can never be replaced.

We, his colleagues, have lost a trusted and respected friend. We will miss him.

Mr. VENTO. Mr. Speaker, I would like to join my colleagues in paying tribute to a most dedicated Member of Congress—Stewart McKinney. I knew Stewart for the six terms I have served in Congress. The tremendous talent, the compassion and the service that he provided to his district and to the people of this country really stand as an example for all of us that aspire to do well in our congressional duties.

I am privileged to have served with him on the Banking Committee and on his beloved Housing Subcommittee. He commanded immense respect in those committee hearings. He brought to each hearing a rich background and thorough understanding of the issues that made the difference in terms of crafting public policy that lasts and works.

In recognition of Stewart McKinney's final contribution, we have named the homeless legislation in his honor. He has put in a tremendous amount of work over the years for providing housing for low-income people and assistance for the homeless. This is simply an indication of our appreciation for the concern and compassion that he has displayed.

I will always remember Stewart McKinney with joy, with inspiration, and certainly with compassion, setting an example and demonstrating how we can attain a bipartisan consensus.

Today our hearts, our feelings, and our concern go out to his wife Lucie and to his family. We share your sorrow and share in your loss.

The spirit of Stewart McKinney will live on in this institution. He has left us with a model of extraordinary dedication, compassion, and commitment that we can all strive to fulfill in our future work.

Mr. GEJDENSON. Mr. Speaker, let me take a few minutes as the last Member of the Connecticut delegation to try to say a few words about Stewart. I think that I first want to apologize to Lucie and the children, because I find myself, as I think all of us here, feeling a little inadequate.

The sum of the parts do not get even close to what the whole man was. I do not think that I have to tell anyone that. Our ability to speak about the things that we feel really comes up short today.

There are so many places to start. The legislative accomplishments are impressive. I think any of us, no matter how long we have served here, would feel that we have done our service to our country and to our constituents had we achieved just part of what Stewart had achieved.

But Stewart was a lot more than that. I am not sure if his 1970 Chevy convertible, which I will miss from the steps of the Capitol, was symbolic of his entry into the legislative process in 1970 in the Connecticut General Assembly. Although Stewart was gone when I came there, I served there as an intern, as a page in the statehouse, and remember in Connecticut in 1970 that both Democrats and Republicans admired Stewart McKinney.

□ 1710

In those halls in the statehouse where the partisan battles are often more heated than they are here, Stewart McKinney was one of the few people that was admired across the aisle, that Democrats could feel as proud of their friendship with him as members of the Republican Party.

It is hard to come here to try to somehow talk about what we feel and what will be missed. I think of this old gentile, this old Catholic woman in Poland who saved my father in the midst of World War II. She is a woman that I always use as a kind of standard for courage. She was in occupied Poland, with Nazis and their military forces throughout her neighborhoods. She risked not only her own life but she risked the lives of her eight children to save this one individual.

There are not many people, myself included, that I would dare to compare to this woman for courage. I think I can put Stewart McKinney next to her and feel confident that Stewart McKinney had that kind of courage.

It is easy for us here to be courageous on the floor, the civil rights and civil liberties and the protections that we all have. But how many people, whether in this Chamber or the friends that you have do my colleagues feel confident would have the courage to stand up, even when it risked their safety and security? We all know that Stewart was that kind of individual.

It would have been politically easier often if Stewart had only done the right thing and kept quiet, but he would come to the well and speak out for Amerasians, for Americans sleeping on grates, and coming from the wealthiest district in America and the State with the highest per capita income, Stewart McKinney fought for the homeless who slept on the grates of Washington, DC. Stewart McKinney is someone who not just this generation of Members of Congress but those who will replace all of us will be able to look to as a standard by which to measure ourselves.

There is an old saying where I come from "the Prophet" by Gibran Khalil. It goes something like this: "If I am not for me, who will be? If I am only for me, what am I? If not now, when?"

For Stewart McKinney, he knew the fight was now and he knew that he had to fight for more than just himself or his own constituents. He came to Washington and fought for all of us, all of us that cared about decency and humanity, all of the people of this Nation whose stomachs turn when they understand that the richest Nation on Earth has a substantial portion of its citizenry going to bed hungry and cold each night.

Stewart McKinney took the fights that more of us ought to have the courage to take on. It is never easy to lose a friend. It is clearly much more difficult to lose a father or a husband or a grandfather. It is never good, and there is no way I think to erase the pain.

But for so many people who spend their lives wandering around, failing to do the slightest good deed for others, for the McKinney family you can look over and remember that Stewart McKinney made thousands and millions of people in this country have a better life, and for that we all owe him a great debt of gratitude.

I yield back the balance of my time.

GENERAL LEAVE

Mr. GEJDENSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order in honor of Stewart McKinney.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

TRIBUTE TO THE LATE HONORABLE STEWART B. McKINNEY

The SPEAKER pro tempore (Mr. Durbin). Under a previous order of the House, the gentlewoman from Connecticut [Mrs. Johnson] is recognized for 60 minutes.

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Maryland [Mr. Hoyer].

Mr. HOYER. Mr. Speaker, I thank the gentlewoman for yielding.

Mr. Speaker, on May 7 of this year, the residents of the District of Columbia lost one of the most vigilant defenders of their city's governmental autonomy with the death of Congressman Stewart B. McKinney of Connecticut.

Stew McKinney began his career in this House in 1971. Nine times the people of the Fourth District voted by substantial margins to return him to office. Perhaps his service on the House District Committee was not uppermost in the minds of the voters as a reason to vote for Stew McKinney, but it is the reason that citizens of this city and this region shall be forever in his debt.

Two years ago, Stew McKinney called for the abolition of the District Committee. At first glance that proposal may have seemed unusual for someone who was the ranking Republican member of that committee. But given Stew's record in support of District home rule, it made perfect sense that he should feel that the Congress should remove itself as soon as possible from District affairs.

In 1973 Congressman McKinney was the key author of the District of Columbia Home Rule Act. Through all his career on the District Committee, Stew McKinney strictly adhered to the principles of fairness and self-government for the District.

He was a leader in the area of voting rights. He championed the Metro System, which is so essential to the transportation system of this region. Had he continued here, I am sure Stew would have played a pivotal role in the battle to gain statehood for the District of Columbia.

Stew McKinney's legislative achievements extend far beyond his work on the District Committee. As a key member of the Banking Committee, he played a major role on a number of the legislative initiatives coming out of that committee in the past decade. And he was a leader of the moderate wing of his party. He was recognized and respected by all of his colleagues as a compassionate and effective legislator.

Stew McKinney's record will long stand as a reminder of his commitment to the people of Connecticut's Fairfield County and to the ideals of participatory democracy for all Americans.

Mr. Speaker, I rise to join in this most appropriate recognition of the contributions made by one of the finest Members that I think will have served in this House in the course of its history. I rise particularly as the Representative of the Washington metropolitan area, an area that did not elect Stewart McKinney to office. The District of Columbia does not have a voting Representative in this body. It has a fine Representative in Walter Fauntroy, but we have not accorded him a vote.

So the almost three-quarters of a million people who live in the District of Columbia need a voice, need a representative, need all of us to attend to their interests as Members of this great democratic Nation. The residents of the Washington metropolitan area, those who surround the District of Columbia, who live in Virginia, who live in Maryland, also need support for metropolitan issues from the Congress of the United States.

I rise to in some small way add the voice of the approximately 3 million of us who live in the Washington metropolitan area to say thank you, to say we join with the colleagues so close to him from Connecticut in grieving the loss of Stewart McKinney.

I rise to say we very much appreciated Stewart McKinney's courage and commitment, appreciated the fact that he would rise time after time on issues of little, if any consequence, and perhaps adverse political consequences in his district in Connecticut, rise on behalf of home rule for those three-quarters of a million people who live in Washington, DC, rise on behalf of the Washington Metropolitan Area Transit System that Bill Lehman and Stew McKinney alike liked to call America's subway system.

Stewart McKinney took on the tough issues. I had the privilege of coming to this House in 1981. I was elected in a special election, and I was automatically assigned to the committees of my predecessor. Mrs. Spellman served on the Committee on Banking, Finance and Urban Affairs and on the Committee on Post Office and Civil Service. I came to the Committee on Banking, Finance and Urban Affairs in June 1981 when Gramm-Latta was on the agenda, and I remember there was a real rush to get me on the committee, and I was not sure exactly why.

But the day I arrived, which was the day after I was sworn in, I came in and the committee voted on the Gramm-Rudman targets, and the roll was called and the vote cast 24 for the chairman's position and 23 against. It became immediately clear to me why I had been rushed on to the committee, having supported the chairman.

On that date I had the opportunity of talking to Stewart McKinney and, of course, having lived in the Washington metropolitan area all of my adult life, I knew of Stewart McKinney because he is a famous and revered Member of the Congress of the United States, if you live in the Washington metropolitan area.

□ 1720

So I knew of Stewart McKinney. But he came up to me and we had a brief conversation and he exuded the warmth and, as has been referred to earlier, the caring that I am sure he has demonstrated over the years that he served in this body to literally hundreds of us. And it was not a long or deep or involved conversation, but it was a conversation that made me feel more at home in the House of Representatives and on the Banking Committee. Over the past 6½ years that I had the opportunity to serve in this body with Stewart McKinney, there was never a time when I did not know why he was so respected in our area. That is not to say we always agreed. I remember we had a little disagreement about whether or not we were going to put seats in the Washington Convention Center because I was concerned that that was going to compete with the Capital Centre that is located in my district in Prince Georges County. Stewart told me, really that is not our decision, that is the District's.

Notwithstanding my concern about the Capital Centre, the logic that he conveyed was indisputable. And he approached those with whom he was opposed with a warmth and intellectual conviction that made it almost impossible to be angry at Stewart McKinney. So I am pleased that this special order was taken. I would like to say to the family of Stewart McKinney who are watching us and listening that they can be assured that there was not a Member of this House who did not, in a significant but certainly small way, share with them a love for and a respect for a great representative of the people of the United States, Stewart McKinney.

I, like all of you on this floor and those of us who serve in this body was proud to be his friend and proud to be his colleague.

I join the House in sending our condolences and prayers to Stew's wife Lucie and to their children and grandchildren.

Mr. Speaker, I thank the gentlewoman from Connecticut for yielding this time to me.

Mrs. JOHNSON of Connecticut. I thank the gentleman for being with us this evening.

Mr. Speaker, I yield to the gentlewoman from Maine [Ms. Snowe].

Ms. SNOWE. I thank the gentlewoman for yielding.

Mr. Speaker, I first would like to commend my colleagues from Connecticut for taking this special order. I think they'd agree that the outpouring of Members in response to his commemoration only begins to show the depth of warmth and love this House harbored for our late colleague.

Mr. Speaker, our Chamber is much diminished today. We are one fewer in number; we are incalculably fewer in compassion, in talent, and in good spirit.

With the passing of Stew McKinney, I am saddened to have lost a dear and beloved colleague. He was one for whom politics was not an end, but a means of bettering the world around him. For Stew, government was the vehicle by which his neighbors, his city, his State, and his country could improve themselves. His eyes focused not on power, but on the virtues public service could yield to the Nation. It's not surprising then, that he would devote his exceptional public service to help the homeless and those less fortunate in life.

He saw, for example, the importance of bringing this Nation's fiscal house in order. Since 1981, really, I had the chance to work with Stew in formulating approaches to Federal budgetmaking that were both compassionate and fiscally responsible. He was not content with simply issuing a wish list of programs and issues he wanted to protect.

No, Stew did his homework. He threw himself into the process of creating alternative proposals, first with the loose federation of Republicans known as Gypsy Moths, and later with the 92 Group, recognizing the practical as well as idealistic considerations.

We also worked together as fellow New Englanders to fend off fees on imported oil. Particularly in the early 1980's, when the economy of New England was trying to lift out of an extended trough, Stew recognized the perhaps irreparable damage such a fee would create—particularly for lower income residents for whom he always had a special concern. His work helped block an action that could have hindered the subsequent growth that has benefited so many in our region.

These instances briefly illustrate that, as a fellow Member of Congress, one with whom I worked my entire career in this House, he will be sorely missed. But it is as a friend that I shall miss Stew the greatest. The English poet Byron once wrote a stanza which aptly describes Stew McKinney's openness and friendship:

> His heart was one of those which most enamor us,
> Wax to receive, and marble to retain.

Neither legislative battle nor political difference could crack the marble of Stew's friendship, for which I shall always be grateful. Indeed, I will miss him at our weekly 92 Group meetings, always held in his office, not solely for his valuable legislative and political contributions. Stew was—and the use of the past tense is difficult to use—one of the people genuinely enjoyable to be around. He was the kind of man who truly lent a sense of membership to the House of Representatives. I will miss his compassion, his friendship, his intelligence, his sense of humor, and his dedication.

Mr. Speaker, to his wife and to his family I join in sending my heartfelt condolences. They are to be thanked for sharing with the Nation an extraordinary individual. But to Stew, let me again turn to Byron:

> Fare thee well! and if forever,
> Still forever, fare thee well.

Mrs. JOHNSON of Connecticut. I thank the gentlewoman for her kind remarks.

Mr. Speaker, I yield to the gentleman from Vermont [Mr. Jeffords].

Mr. JEFFORDS. Mr. Speaker, previous speakers have well delineated the legislative accomplishments of Stewart McKinney and my predecessor, the gentlewoman from Maine, has certainly struck onto what I think I would like to elaborate on and that is the friendship that Stewart showed to us.

In this body we find that as we go through it many people come and many go and some legislative accomplishments are made. But I think it is always shocking to see when someone goes like Stewart, how quickly that name leaves this body on the wall before us. Yet, there are few Members of this House, a few who have that human quality, a few that really touch us deeply. I can think of Bill Natcher and others.

Stewart was one of those. He was one of those who befriended many of us, came to our aid when we needed him.

I arrived here, again, as the previous speaker from Massachusetts, some 13 years ago. I was one of the survivors at that point, one of 16 freshman republicans, survivors of the Watergate massacre. I came here literally homeless in the sense that I had run up such a monstrous debt that I had no place to live in. Stewart naturally took a liking to me as he would any homeless Congressman or homeless person in that category. He assisted me in finding a way to live, in the sense of a place to live, through a little bit of luck and a little bit of Stewart's help.

I remember without his help I threw my first fundraiser and almost lost more money than we made. Stewart, again, came to my rescue and said "Jim, that is not the way to do it. Here is my home, I will open it to you. Come there and we will help you raise some money." And he did. And to a large extent, through his help I was able to get myself out of debt.

Through time he often helped me again to locate a place to live because there was no one in this House who knew Washington, DC, or Washington real estate better than STEW did.

Finally, I was able to scrape enough money together and I went to STEWART and he helped me find a place where I presently abide.

But STEWART had another quality that I know that many of us who knew him well and whose office he shared many memories with as we had offices close to his and we had friendships through our offices, and our staffs over the years.

But the day that I looked forward to almost as much as any other day in this House was the STEWART McKINNEY party. I will tell you if you were there at the first party or one of the first as I was, and able to go to most of them over the years, there was no other day during the year when you had a chance to unload, to have a good time and STEWART would be there and all of his staff, making sure that your life was most enjoyable that evening. I will remember those nights; perhaps some of them I do not remember like I should remember, when there are others that I remember that I should not remember. But anyway, STEWART knew just that correct balance between how to work hard and how to play hard, how to be a human being and how to be a hard legislator.

I also have a kinship with STEWART as a few of us do in this body; the Gypsy moths have been alluded to as the "92 Group."

I will tell you, STEWART was one, when we had those difficult votes and some of us would find ourselves at that end of the political spectrum of our party and we often faced that and he and I would confer with each other and perhaps console each other as to the votes that we knew we were going to cast. We would find ourselves often with half a dozen other members of our party who would bolt and vote in the opposite direction. And to STEWART I have "thanks" to say for saving me many times from being the furthest out on the limb on those votes, and being able to point to the rating scales and say, "Oh, no, I wasn't the furthest out. There was STEWART McKINNEY, he was further out than I was." So I would be able to say that I was not the farthest out.

I will remember those days and those times with great memories. I remember the McKinney staff and the family, so many wonderful memories.

As I said when I started, we all go through here and most of us will pass without too much notice and a few legislative accomplishments, perhaps, but only a few, when they leave here, will have touched so many as STEWART has, that we remember him not only for his legislative accomplishments but because he was a true friend.

Mrs. JOHNSON of Connecticut. I thank the gentleman from Vermont.

Mr. Speaker, I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. I appreciate the gentlewoman yielding and want to thank her and her colleagues for this special order and for this opportunity to remember a good and dear friend.

It was in the afternoon of STEW's death that we came down here and discussed what he had meant to each of us, each and every one of us. At that time I said, "You know, today we mourn his death and tomorrow we celebrate his life." Well, tomorrow has arrived and today we celebrate his life. As I was sitting here waiting for my colleagues to finish I was thinking that if we were sitting in 237 Cannon which was STEW's office and STEW were in there he would be walking back and forth and he would say, "Are those people going to pretty soon cut out that rhetoric and get some work done?"

□ 1730

That is exactly what he must be thinking right now, that "this is all very nice, but thank you, you've got things to do." But that is a little bit of the spirit, I think, and the personality of STEW that we came to love.

In many ways STEW was a kindred spirit of mine. I must say that I do not know why, but in those early weeks and months of my service here in the Congress he picked me out as one of the Members he wanted to be sure to say an encouraging word to every once in a while. I do not know if it is legal or illegal to swear on the floor, but I know that his family is listening and I am sure once in a while, without disappointing them, they would understand that he would talk about this "blank place," called the Congress and its frustrations.

But he would always come up to me and he would say, "Steve, don't get frustrated. Don't lose your commitment or your enthusiasm for this place." More than that, what he really did was say, "Steve, keep the courage to stand up for what you believe." That was one thing that STEW McKINNEY tried to suggest to each and every one of us, and that was to have the courage to stand for our beliefs here in the House of the U.S. Congress when pressures are going to come at us from different perspectives to ploy or to follow a course that seems a more convenient path to follow.

In addition, I think we remember STEW as a Republican with compassion, and if there is one thing that he would like us all to believe and pursue as a party and as a Congress and as a nation, it was that as we pursue our respective political ideologies, we do it with a concern and a commitment to the people we represent and the people we serve.

We also had a kindred spirit in ideology. As mentioned here, the 92 Group was not only born in STEW McKINNEY's office, it grew up in STEW McKINNEY's office, and as long as the 92 Group exists in this Congress, it will be in large part reflective of STEW McKINNEY and his patience, his enthusiasm, his commitment, and his encouragement and patience, along with that of his staff, when we barged in there every Tuesday at 4 o'clock with a whole bunch of chairs and a few cans of Coke, and once in a while doing some substantive work and rhetoric as well.

In addition to that, STEW was a kindred spirit to me because he was also one of those people who suggested that Republicans can be concerned about the environment. For me and my district, it is the Mississippi River; for STEW McKINNEY, it was, of course, his particular district and the Connecticut Coastal Waterway that we have mentioned here before this afternoon, the National Wildlife Refuge. We have also mentioned Long Island Sound. Those were both legislative priorities of his.

One of the things that has come to my mind since the passing of STEW's life is the discussion by so many of my colleagues who are present and those who spoke previously about the quality of the people who worked for STEW McKINNEY. Certainly his staff has always had a reputation as being not only one of the kinder and more personal staffs of the U.S. Congress but, I think to their credit, also one of the most competent. I would suggest to the Members that I have been blessed to have one of his staff people work for me, and I asked him to sit down and share with me what he would want to include in a special order about STEW McKINNEY's major legislative accomplishments. He suggested the two environmental issues I have mentioned, but he suggested five others:

His ability and his willingness in the Banking Committee to deal with New York City's economic emergency in 1975 and again in 1978; his political savvy and his ability to cross party lines and help Chrysler in 1979; his work in 1973 and 1979 and again in 1985 on behalf of the Alaskan oil export ban; forth, his humanitarian work for the Amerasians, which has been mentioned earlier, in the 97th Congress; and, finally, throughout his career, his work on behalf of the homeless and for adequate housing wherever it might be.

Perhaps it was appropriate, when we look at such issues as these, that those words and those sounds of music which finally destroyed the stature and composure of everyone at STEW's funeral came through when the song, "That's What Friends Are For," was played. I think it got to everyone because that was the time we found in STEW's theme song what his life stood for.

But I will have to say that I will remember probably just as vividly something that happened the night before STEW's memorial service. I happened to be driving along the area of Union Station, and I do not know that his family or his staff has ever taken an opportunity to drive by that area and take a look at it, but the fact was that not only flies there the American flag but also there flies the flag of every State and territory of the Union. That evening, as I drove by, I noticed that not only was the American flag at half staff, as was mentioned earlier in our remarks, but also the flags of every State and territory of the Union were at half staff. I thought how touched STEW would truly be if he knew that his loss was felt not only in Connecticut and in the United States capital but was felt by his friends in every State and territory of the United States.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I thank the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. FRANK. Mr. Speaker, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Speaker, I thank the gentlewoman from Connecticut for her role in giving us the opportunity to talk about how much we admired and how much we will miss STEWART MCKINNEY.

I first came to work with STEW in the 97th Congress. Other Members have referred to the bill for Amerasian children. I was on the Immigration Subcommittee, and he taught me about that issue. I was honored to have the role of a soldier in his army in that case in getting that bill through.

At the same time, he and I were members of the Housing Subcommittee. He was the ranking Republican, beginning in the 98th Congress, and he worked very hard on that issue.

In both cases he did something to which attention has to be called, not just for STEW MCKINNEY but to point out one of the reasons I think there are so many of us here on the floor, that we are in a job that all of us like. Politicians sometimes complain about the job, but I cannot remember the last time somebody put a gun at somebody's head and said, "If you don't run for office, I am going to pull this trigger." So we are all here pretty voluntarily.

But sometimes we feel a little bit chagrined that public esteem of what we do is not as high as what we would like. We do OK in our districts, but we come back and they say, "You know, you're wonderful, but, you know, those bums you work with, how do you stand it?"

STEW MCKINNEY was one of those Members who made you proud to be an elected official. I would be asked sometimes, "All right, tell me, who are some of these people you think are so great?" And STEW would be one of the ones I would mention. And it was not just his energy level and his dedication and the extent to which he was pursuing this job 200 percent of the time, and, typically of him, even at significant cost to his own health, but it had to do with the issues he chose.

We are seen sometimes as very self-interested. People have this stereotype that politicians only do things they are going to get votes for. The number of Amerasian children who voted in Fairfield County, CT, is not great. I doubt if there was enough to tip an election. Yet STEWART MCKINNEY put a passion into that issue. And, frankly, if you look at the demographics of Fairfield County, I do not think there were many of the parents of those children voting there, and, as you know, by the way, if you followed that issue, the Americans who may have fathered those children unfortunately were as happy to see them come as the Iraqis are to see the Iranians.

So there was nobody in America who had any kind of self-interest in the Amerasian issue. Despite the fact that it clearly had no relevance whatsoever in narrow political terms, STEW MCKINNEY worked as hard on that issue as I have ever seen any Member work on any issue. It was an example of selflessness. It was an example of a man who said, "I have a responsibility to try to help some people who are badly off, and I am going to do it."

Similarly, with regard to housing, nobody in this Congress cared more, fought harder, and accomplished more in trying to deal with our terrible housing crisis.

These have not been the best of times for low-income housing. We have Federal policies which I think are at fault. We worry about the homeless, and sometimes we act kind of puzzled. We ask, where did these homeless come from? They did not come from Mars. These are Americans who used to have houses, and economic trends and other things, along with individual problems, left them homeless.

□ 1740

STEWART MCKINNEY understood that as well as anybody in this Congress and fought very hard, and again if the Members had heard STEWART MCKINNEY talk about the need for housing for former mental patient, that is not one of the largest voting blocks in America.

The former mental patient PAC is something I have not yet encountered.

Time and again, STEWART MCKINNEY was one of the most effective, diligent Members of this Congress. He was a man who thought compassion really meant something.

He took his considerable abilities, the influence he had acquired as a relatively senior Member of this body on the other side, and STEWART used them on behalf of people who needed it.

When the mayor of San Francisco, Wil Moscone, along with Harvey Milk years ago was killed, I remember somebody saying that George Moscone said that he wanted his obituary to say, "I was a power broker for the poor." So was STEWART MCKINNEY.

STEWART MCKINNEY was a power broker in that he acquired the respect people had for his ability and he had some serious power around here. He used that not for self-advancement, not to take care of the comfortable, to get his majority higher and higher and higher, but he used it on behalf of the poor, people who were homeless, Amerasian children.

We are all in STEWART's debt for the example he showed for what a truly moral profession this can be when it is practiced at its best.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I thank the gentlewoman for yielding. It is with deep regret that I join with my colleagues to pay tribute to an outstanding Member of this body.

STEWART MCKINNEY first came to Congress in 1970, and early earned for himself a reputation as one of our Nation's most thoughtful and independent-minded legislators. STEW had proud tradition to uphold, since his Connecticut district had been represented by such outstanding legislators as Clare Booth Luce and LOWELL WEICKER. STEWART MCKINNEY filled their shoes admirably, providing superb representation to the townships along the Long Island Sound in Fairfield County, CT.

STEW MCKINNEY and I saw eye to eye on many issues not only as one our Gypsy Moth and 92 Club members, but on many local issues. Since many transportation lines run between STEWART's district and my own, just over the border in New York, we fought many battles shoulder to shoulder. I especially remember STEWART's concern for the rail lines and rail bridges in our region. Had STEWART's advice been followed many years ago, our rail transportation network would not now be facing crisis.

STEW MCKINNEY was also a distinguished member of the Banking, Finance and Urban Affairs Committee, and on the House District of Columbia Committee. In the former position, STEW was careful to consider what was the best for the housing, homeless and urban needs of the Nation as a whole, and of his district in particular, a district which includes the national headquarters of many of the major national financial institutions, as well as many proud urban centers.

STEWART McKINNEY made history as ranking minority member on the District of Columbia Committee in his role as one of the few Members of Congress in all history to recommend that his own committee be abolished. STEW had served on the District Committee since first coming to Congress, and was one of the spearheads of the successful move for home rule for the District in the early 1970's. This was a thankless role which brought STEWART no political capital in his home district; but STEW championed the cause because he knew it was right. STEWART believed that the functioning of the District of Columbia Committee was made superfluous by home rule, and wasn't afraid to say so.

I knew STEWART best for his devoted, inspiring work with us on our Select Committee on Narcotics. For STEWART, this was not merely fulfilling a congressional assignment—for STEWART McKINNEY it was more than a commitment—it was a McKinney crusade against narcotics—a crusade which motivated so many of us to do so much more.

So many of us looked to STEW McKINNEY for leadership and guidance, that his loss is shared by all of us in this Chamber. I personally consider my work with STEWART McKINNEY to be one of the highlights of my congressional service.

Mr. Speaker, I thank the gentleman from Connecticut [Mr. GEJDENSON] and the gentlewoman from Connecticut [Mrs. Johnson,] for providing us with this opportunity to join in expressing our condolences to STEW's widow, Lucie, and their five lovely children. We can assure them that they are not alone in their grief, that we all share their loss and that we are grateful for the opportunity to have known and to have worked with such a dedicated, compassionate humanitarian—Congressman STEWART B. McKINNEY.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield to the gentleman from Wisconsin [Mr. PETRI].

Mr. PETRI. Mr. Speaker, I thank the gentlewoman for yielding.

Mr. Speaker, it is with great sadness that I stand here today. After all it is Wednesday, and the Wednesday group is meeting without one of its most dedicated members, STEWART McKINNEY. I want to extend my condolences to his widow, Lucie—members of his family and our friend Emil Frankel are here today.

Many of STEWART's finest qualities were noted and honored here on the floor immediately following the sad news of his death on May 7. I would like to add my voice to those who lauded his bipartisan approach to problems, his concern about the unique issues facing the District of Columbia, his honesty, and his dedication to this body and to the people of the Fourth District of Connecticut.

As ranking member of the Committee on the District of Columbia, STEWART wound up serving two constituencies: the one that reelected him to nine terms and the one which had no vote on the floor of the House, the residents of our Nation's Capital. In serving both, STEWART doggedly pursued those goals which he felt best met the needs of the residents of both Washington and Connecticut. No one can argue that STEWART McKINNEY did not pursue what he believed in.

Many Members would have shied away from such long service on the District of Columbia Committee since the issues the committee faces don't matter much to the folks back home. But STEWART felt that the unique situation faced by District of Columbia residents and officials deserved long-term supervision and interest. He won the respect and gratitude of this city's residents in so doing.

In truth, there is little difference between the needs of DC and the needs of the Fourth District of Connecticut. Each has its wealthy areas like Georgetown or Greenwich and its areas of abject poverty like Shaw or Bridgeport. He served them both with dedication, honesty, and humor. STEWART McKINNEY spent much of his life in service to his country, first in the Korean conflict, and then in the House. The people of Connecticut's Fourth District, the District of Columbia, the 100th Congress and our Nation as a whole will be poorer for his loss.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. RIDGE].

Mr. RIDGE. Mr. Speaker, I thank the gentlewoman for yielding.

I think the gentlewoman from Connecticut can recall when we were both candidates in 1982. We had a mutual friend whose name was, and still is, Bill McInturff; and he is still a mutual friend.

For some reason, he decided during that very hectic election cycle to bring me to Washington to have me meet an individual whom he respected and regarded as one of the finest legislators in the House of Representatives, and one whom he regarded as a close personal friend. That individual happened to be STEW McKINNEY.

I can recall rather vividly walking into STEW's particular office in June or July 1982, when there was so much activity going on.

We sat there, and STEW's tried to be hospitable; and there were so many legislative demands being made on him at that time. One that stood out most significantly was, "You got a call from the White House."

STEWART took the call from the White House on a rather unique phone that he had close to his desk, and for those of the Members that were not aware of the phone, it was a caricature of Mickey Mouse. He responded to an inquiry from the White House, using that phone, very forcefully and agressively, as STEW's was inclined to do, and said basically, "Look, I told you before what my position is. I am not going to change. Thank you very much," very forthright, and obviously very conclusive, as far as STEWART was concerned.

I would say to the Members, from that short time in STEW's office, and from conversation that I was able to observe on that rather unique phone, I learned about many qualities that were mirrored in a relationship and in a friendship that I had with STEW for 5 years.

☐ 1750

In a town where equivocation and obfuscation is often reversed as an art form, STEW set a refreshing standard in candor and openness that is really unparalleled, I think, in my limited history here, and perhaps in the history of this Chamber.

If you did not know how STEW McKINNEY felt about an issue, you were not listening to STEW, whether it was Paul Volcker at a committee or his friend, Malcolm Baldrige, whether they were realtors, bankers, insurance folks, business people, lobbyists or the President of the United States, you knew that once STEW had analyzed an issue and decided that he had to take a stand on that issue, there would be no equivocation and no uncertainty as to what that stand would be and how he felt about his responsibility to project that opinion.

STEW KcKINNEY took his responsibilities in this Chamber as seriously and conscientiously as any Member that I have met, but never without that humor or levity that was reflected in that phone and perhaps never without taking himself too seriously, in addition to having a kind word for people and an encouraging word for people, there was always an effort to bring some humor to the discussion, and indeed that first experience reflected that.

STEW McKINNEY felt if you believed deeply about an issue, if you cared strongly enough about people affected by an issue, then you must, not that you should, but that you must stand up, use every conceivable means at your disposal to speak as openly, as publicly and as persuasively as possible about that issue and you did not worry about the political fallout. You did not worry about political advantage. You did not worry about political gain. If you believed, then you pursued it with a vigor, with an energy and a will, and you did it as best you possibly could with all that you could muster.

To his family and his friends, I think most of us would share with you that he truly enjoyed doing it just that way, his way. He relished it, not the controversy, but he relished it in a way that we all do when there is a goal or an objective that we pursue and that we can actually affect or potentially affect the outcome. That was STEW MCKINNEY.

I will tell you that in my experience no one has ever better identified himself or herself with his particular legislative district, no one. If I heard him mention Bridgeport five times in 5 years in specific relationship to a specific piece of legislation, he mentioned it 500 times, and I probably did not hear the other 5,000 times.

His constituents were not nameless and faceless people. They had specific meaningful identities to STEW MCKINNEY. He bled when they bled. He cried when they cried and their needs were his needs and he did the best he could to translate that into action and into legislation in this Chamber.

That empathy, that sympathy with people, has been chronicled to expand beyond his legislative district, to the residents of the District of Columbia, the Amerasian children, the homeless, those who looked to him for his leadership on public housing. These people with their unique or special needs, regardless where they were, if they were voiceless, if they were disenfranchised, if they were disadvantaged, they were STEW MCKINNEY's people and he was willing to admit that if you stand up for those people from time to time, you had to stand up to very, very special interests, and he was willing to do that with as much vigor and energy as he could possibly muster as well.

Finally, on a more personal note, after that first meeting with STEW and after I barely survived the 1982 election, I came back and chose to look to him as one of the few people upon whom I could call and contact for counsel, advice, and encouragement, frankly because there were times I needed it and frankly at no time did STEW MCKINNEY not have time for this Member of Congress, whether it was back here as we observed the debate, as we checked out the computers to see how many in that small group from time to time parted company with the rest of the Republicans in the Chamber, whether it was walking back to his office or in his office or in the Banking Committee, STEW always had the time.

But as we noted from the discussion with all our other colleagues, it seems he left that impact not just on those who came in 1982 and not just on Republicans, but on many of us on both sides of the aisle in the Chamber, regardless when they started their legislative career.

So the one final word I want to say to the MCKINNEY family is thank you, to his wife, to his children and to his grandchildren, for sharing STEW with us.

God bless you.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I thank the gentleman from Pennsylvania.

I yield to the gentleman from the District of Columbia [Mr. FAUNTROY].

Mr. FAUNTROY. Mr. Speaker, I want to express my heartfelt appreciation to the gentlewoman from Connecticut and the entire delegation, as I did on the day that STEW left us. We were here then to mourn his passing and I want to thank the gentlewoman for giving us an opportunity today to celebrate his life.

It was the immortal Shakespeare in his memorable work Julius Caesar who said, "The evil that men do lives on and the good that they do is often interred with their bones."

The fact is that STEW MCKINNEY's life reversed that adage. The fact is that we are here to celebrate the life of STEW MCKINNEY, a life dedicated to the least of these, God's little ones.

As I said then and I say now, I had a particular fondness for STEW MCKINNEY, not simply because throughout my 16 years on Capitol Hill I served with him on the Banking Committee and on the District of Columbia Committee, but my kinship with him was as a minister of the gospel. STEW MCKINNEY understood, as few people do, that the gospel is not just good history, it is good news, that it is good news to the least of these, the young, the old, the sick, the poor. He dedicated his life to try to declare good news to the least of these.

Those of us in the District of Columbia who loved and watched him could not help but believe that he was from the District of Columbia.

When I first heard him speak on the Banking Committee on the question of housing, I could not believe that he was from Fairfield. I said certainly from Bridgeport, but for me and for the residents of our Nation's Capital, he was our Congressman.

I do not have a vote on the floor of the House, but as I have said so often, STEW MCKINNEY was my vote on the floor of the House, and not only my vote, but the vote of the homeless and the helpless and the hopeless across this Nation whose causes he championed. For that reason, STEW MCKINNEY lives on.

He found somehow what I call the fountain of youth. Another now anonymous writer said that youth is not a time of life, it is a state of mind. It is not a matter of ripe cheeks and red lips and supple knees. It is a temper of the will. It is a quality of the imagination. It is a freshness in the deep springs of life. Youth means a temperamental predominance of courage over timidity, the appetite for adventure over the love of ease. This often exists more, he said, in a man of 80 than in a boy of 20.

He said that nobody grows old merely living a number of years. People grow old only by deserting their ideals. Years wrinkle the skin, he said, but to give up your faith in justice and right wrinkles the soul.

STEW MCKINNEY was and is eternally young. He lives today and whenever Members of this Congress take to the well or sit in a committee or prepare to vote, to build a nation and a world of justice where none shall prey upon the weakness of others, a nation and a world of plenty where greed and poverty shall be eliminated, a nation and a world of brotherhood and sisterhood, where success is founded upon service and where honor is given for the kind of nobleness that STEW MCKINNEY represented in his life, we will know that he lives and we will celebrate his life every time we stand for the principles for which he stood.

□ 1800

Finally, I would just like to say that it may be said of STEW MCKINNEY, as of few in his generation of Members of Congress, that he possessed that rare combination of intellect and courage and unwavering compassion for the disadvantaged that enabled him to be a genuine leader of the people of this Nation.

I can say without fear of successful contradiction of him what TED KENNEDY said of his brother at his funeral, you may recall, now nearly 20 years ago, that STEW MCKINNEY just saw wrong and tried to right it, he saw sickness and suffering and tried to heal it, he saw war and tried to stop it, and for that he is blessed with eternal life.

I thank the gentlewoman for this opportunity to share that love and expression of celebration of that life today.

Mrs. JOHNSON of Connecticut. I thank the gentleman from the District of Columbia, the representative of a city that STEWART truly loved.

Mrs. MEYERS of Kansas. Mr. Speaker, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentlewoman from Kansas.

Mrs. MEYERS of Kansas. I thank the gentlewoman for yielding.

Mr. Speaker, I would like to extend my deep sympathy to the McKinney family and to share with them my feelings about their beloved father and husband.

I remember how shocked and sorry I was when the news of STEWART's death was first announced here in the House Chamber. As I listened to speaker after speaker express his sorrow, I was moved by how spontaneous the outpouring of grief was.

My time with STEWART was relatively short. But in those 2 years that I knew STEW I came to respect so much a man that loved this place, loved the issues that were debated, the personalities involved, and the intellectual challenges ahead. STEW was a tireless champion for what he believed. It didn't bother him if he was fighting a lonely battle, or an uphill battle, or a battle that others left for lost. If STEWART believed, he was there. His presence somehow assured us that things would be OK, and that the fight was worth fighting.

STEW was a leader among moderate House Republicans, and he was proud of his role. He was always a Republican, but was never afraid to cross the aisle if he thought it was right to do so. He was as dedicated a public servant as I have witnessed. It amazes me that he stayed hard at work almost till the end. I was in STEW's office just a few weeks before he died and I watched him sign mail, as he always did, full of his usual vigor. It is hard to realize the pain he must have been in as I watched unknowing.

STEWART with all the corporate headquarters and his Fortune 500 companies had a Snoopy phone in his office. I think that says an awful lot about the kind of man STEWART was. He didn't put on airs, he wasn't pretentious; he was kind, gentle, fun, and—what you saw was what you got.

I noticed the number of pictures of his family in his office. It was obvious to me that STEW cared a great deal about his family, and if he wasn't with them in person, they were never far from his thoughts. He also proudly displayed artifacts that were made especially for him. Some might try to hide those, but STEW displayed them proudly, because they were so much a part of him.

We all know that STEWART was outspoken. I mean, you didn't sit in a meeting with him and not expect at least a few STEW comments. Maybe it was the way he said them, or maybe it was because they needed to be said and no one else but STEWART would do it.

We will miss his intellectual honesty, his love of human kind, his humor, his dedication, his commitment and grace. We have lost a wonderful friend, a brother in battle, and a truly outstanding Member of the House of Representatives.

Mr. TAUKE. Mr. Speaker, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from Iowa.

Mr. TAUKE. I thank the gentlewoman for yielding.

Mr. Speaker, I very much appreciate the opportunity to join with the gentlewoman and so many others in paying tribute to our departed friend, STEWART MCKINNEY. I have to say that as I have listened to the remarks this afternoon, I have never heard before on this floor such eloquence in describing our feelings about an individual Representative in this body. I fear that my remarks will fall far short of the statements that have been presented thus far.

I did not know STEWART MCKINNEY as well as some of the Members of this House did during their time of service here and during his time of service. In fact it was about 3 years that I worked in this body before I really had much opportunity to encounter STEWART at all.

Then the gentlewoman from Maine, Ms. OLYMPIA SNOWE, and I decided that it would be a good idea to see if we could pull some Members together to talk about issues, and one of those whom we asked to participate in the group was STEWART MCKINNEY. I thought, "Why was it that we asked STEW MCKINNEY to participate in this group?"

One reason I know was because of his independence on issues. He was always willing to stand up and be counted. Another reason I think was because of his insight and his intellectual prowess. He was vigorous in thinking and presenting his views. I think another reason was because of his courage. When he spoke, STEWART was always very open, he was candid. I think that you could go so far as to say that he was often reckless in his statements. There was never any pretense at all with STEWART. He told you exactly where he was. If the emperor had no clothes, STEWART was the first one to say, "The emperor has no clothes."

So I think that we asked STEWART because he could contribute something very special to a group that wanted to explore the issues before this body. How great it was that STEWART MCKINNEY was part of the group which became known as the 92 Group, because he was a senior Member who took some of us who were more junior and kind of nudged us along. And when we were ready to throw in the towel, he would say, "Good job; keep going." "The rest of those guys need you," he would tell us.

He invited us to meet regularly in his office. That is why so many of us know whether he had a Snoopy phone, or about pictures of his family. We met in his office and he in a sense became part of the glue that held our group together.

STEWART laughed a lot. When you met with STEWART and you talked about the issues, he would always interrupt you with some comment, but then he would also laugh a lot about the things that were going on in the House. But he also was very, very serious about the issues of the day.

He first was serious in the sense that he was totally dedicated to accomplishing the goals that he had set out for himself. He was also serious in the sense that he took very intently, he understood very intently the views and interests of his constituents, and he was totally committed to that. He would spend hours signing mail. Whenever you were talking to him, you always were worried that you had to compete with the mail. He was very serious about his service here in the House and service to his constituents.

I think that his spirit, a spirit of enjoyment of this work, a spirit of dedication to his position and to his constituents, a spirit that upheld the promise of the Constitution, a spirit that looked out for those who needed that kind of protection, that spirit I think is going to live in this body an awful long time through many of us who came in contact with STEWART MCKINNEY.

☐ 1810

When I had first thought about saying a word or two about STEWART after his passing, I pulled a few lines from an E.E. Cummings poem. When I went up to the memorial service, which was such a wonderful outpouring in his hometown, I heard those lines read at that service. They are:

> Do not stand by my grave and weep,
> I am not there,
> I do not sleep,
> I am the thousand winds that blow,
> I am the diamond glints in the snow.

STEWART MCKINNEY enjoyed life and he also left something behind that is still in this House. When we talk about STEWART, we have to think that he is here now in a sense sharing with each of us those experiences which he has given us, sharing his commitments and inspiring us to move forward and carry on those challenges that he left us. He always challenged, and so tonight as we in a sense say goodbye, I think we also say welcome to the challenges and let us carry forward in the work that you began.

I thank the gentleman from Connecticut for joining me and many others in saying yes to that challenge and recognizing that as we continue to do our work here and do it well, I hope, that we will be having STEWART MCKINNEY behind us and encouraging us along.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield to the gentleman from Michigan [Mr. Levin].

Mr. LEVIN of Michigan. Mr. Speaker, I thank the gentlewoman from Connecticut and am pleased to join. The occasion is sad, though there is joy in the memories.

I knew Stew for only 4-plus years. I liked him very much. Like everybody else here today and so many others, I was drawn to him. He was so natural, and he was that way on the floor. He was always where the gentlewoman from Connecticut is on that side of the aisle, though now and then some of us over here would say to Stew, why really are you over there.

But although he was on that side, there was no line, at least not very much of one. There was a naturalness, a magnetism, a realness that drew us.

He had high intelligence. I do not know where that came from. It was a gift from others, I would think; in part it came with him at birth, though only in part. He had a lot of compassion and a great deal of perseverance. Those qualities came very much from his own doing, his own experiences, his own efforts.

Like a lot of my colleagues, I was at the service in Connecticut, and it was clear how rooted Stew McKinney was in Connecticut what was said there. So he was a Connecticut Member of Congress. But for us here, he was a national Member of Congress because his interests spanned all regions of the country.

I believe we last worked together on the fair housing initiative program. It was a small program. Others here worked on it with Stew, and he looked at it not simply, but very clearly. Why are we battling here at such length about something that should be the right of every American, to live where he or she could afford to. He saw that issue, yes, with its complexities, but also with its gist, and he fought hard, and like on many other battles, he won.

So we here and others in this body are going to truly miss Stew McKinney. I would say that if we do not remember him on a regular basis as we work here, as we talk here, as we listen here, if we do not miss him, that will be our loss and the Nation's loss.

The SPEAKER pro tempore (Mr. Durbin). The time of the gentlewoman from Connecticut [Mrs. Johnson] has expired.

TRIBUTE TO THE LATE HONORABLE STEWART B. McKINNEY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Mr. Rowland] is recognized for 60 minutes.

Mr. ROWLAND of Connecticut. Mr. Speaker, first let me say that it is highly unusual that we would take more than one 60-minute special order in memory of one of our colleagues. I observe that at this point we are on our third 60-minute special order.

Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. Clinger].

Mr. CLINGER. Mr. Speaker, I thank the gentleman very much for yielding.

The first time I saw Stew McKinney I did not know who he was, but I saw this gentleman in this magnificant antique convertible car driving away from the Capitol. This was shortly after I came here, and the person driving the car had such a flare and such panache that he got your attention. I asked somebody who it was and they said, "Oh, that's Stew McKinney from Connecticut."

Over the intervening 9 years I have gotten to know Stewart very well. Ironically, the last time I saw Stewart he was in that same car, or one very much like it, a beautiful convertible, driving away from the Capitol after having cast a vote.

So it is with a real sense of sadness, and certainly a deep sense of loss that I think we all recall our associations with this kindest and most compassionate of men that we will ever be privileged to know. He was indeed a dear friend.

We were both Members of the House Wednesday Group and shared an awful lot of laughs and great conversation. As the gentleman from Wisconsin [Mr. Petri] has already indicated, the Wednesday Group is meeting tonight, and if Stew were here tonight he would be downstairs signing mail, interjecting comments, attacking this idea, putting forward that idea. We have a little custom where you get a 2-minute egg timer and you are allowed to speak for 2 minutes on any subject of your choice. That was the only problem we ever had with Stewart, you could hardly hold him to that 2-minute egg timer, he just had too many ideas, and they just had to come out.

He was, I think, Mr. Speaker, a real American in the truest sense of the word, a thoughtful Member rather than a patriot. He never wrapped himself in the flag, but he was an excellent Representative of that flag.

He served in the Air Force from 1951 to 1955, which is the same period that I served in the Navy, so we used to tell old war stories together, among other things.

It has already been noted he was the man who turned down so many opportunities to seek higher office because he loved this House so much. I think that it was so clear in everything that Stewart did that he was genuinely a man of the House and he loved this institution, he throve on it, and he liked to work in it and enjoyed the combat, the battle, the arguments, the debate. It was all fascinating for him, and he was an active participant in it.

He was a man of means, yet one who did not hesitate to speak out on behalf of the homeless, the downtrodden, and as the Washington Post put it in their orbituary, those who had little or no voice in Federal affairs or whose views were unpopular to many.

As has already been noted, he was the champion and the first person to draw attention to the tragic plight of the Amerasian children, the youngsters born of American servicemen and Asian mothers during the Vietnam war who today are persecuted by a culture that does not recognize them as people.

Mr. Speaker, I think that more than anything typifies what Stew McKinney was all about. He cared about people and he believed that Government had a responsibility to help those who needed help, and that was sort of his pole-star, I think, of everything that he did and everything that he tried to do in this Chamber.

☐ 1820

He was not afraid, never backed away from and not afraid to fight a lonely fight, far from the headlines, out of the glare of television. It was nitty-gritty work in many cases and not popular, but he was willing to shoulder that burden, carry that fight.

I wish that I had known him longer. But I think like everyone who has spoken here I cherish those years that I did know Stewart, enjoyed his company, his advice, his counsel, and his marvelous wit.

He was indeed one of the wittiest, cleverest, most enjoyable people to be around that I have ever had the opportunity to know.

So I join with all of my colleagues in giving profound sympathies to his wife, Lucie, and to the five McKinney children.

The United States was made a better place indeed by far because of Stewart McKinney and this Congress has been left with a sad emptiness because of his passing.

Mr. ROWLAND of Connecticut. I thank the gentleman.

Mr. Speaker, I yield to the gentleman from New York [Mr. Schumer].

Mr. SCHUMER. Mr. Speaker, it is a sad day to remember Stewart McKinney because we all do miss him so. Stew McKinney is the kind of person I think of when I sit back at home or maybe on vacation and think about how much I really care about this body and love this body. I, as my colleagues know, come from a little corner of this country called Brooklyn. Brooklyn is a different place. It is its own little world in many ways. It is a curiosity to the rest of the Nation. Just as Brooklyn is a curiosity to the rest of the Nation, the Nation is often a curiosity to those of us in Brooklyn.

Until I came here I really did not have really a great idea—I never served in the Army, I went to an eastern college, all of that—of what this country and the American people were all about. I must say that being in this body for 6½ years which I have been here has both made me a patriot and optimistic about the future of this country because I believe that people in this body are truly representative of the American people and they are a great bunch of people, my colleagues.

And when I sit back at home and think of the different people, this one from this part of the world—of the country, although different worlds, as I said to many of us in Brooklyn in some ways—and this person from this part of the country and why I love this body, my mind would often turn to Stew McKinney.

He and I were from different backgrounds. He was born in a well-to-do family in Pittsburgh and I was born from a family of far humbler means in Brooklyn. He was a Connecticut Yankee. That is something no one will ever describe me as.

But we had a bond and a sympathy. Stew was just a great, great guy. He came from old line stock, yet he cared about the poor and the needy and he had compassion. He just was able to do things in so many different ways.

In the Banking Committee on which I served, Stew McKinney was indeed the fulcrum. He had the compassion that many of us on this side of the aisle had and the dedication to fiscal responsibility that many of those on that side of the aisle had. Both sides would come to Stew and say, "What do you think of this?" And we knew we would get a fair judgment. And more likely than not if Stew said, "I don't like it," it would not fly. He would always give you that fair hearing, he would give you that grin, he would tell you an anecdote. I know more anecdotes I think about Stew McKinney than any other Member of this Congress. Yet then he would draw it out and tell you why he thought it was a good idea or a bad idea.

So I would say in all respect to all of my colleagues that Stew was the fulcrum of that committee. He understood, he combined the needs. In that sense he was a man of the future, really, because where America is going to go and has got to go is where Stew McKinney was already going, caring about people and our problems but realizing that we just could not continue to throw money at them.

So I say as a friend, I will miss Stew McKinney. I say as a Member of this body, this body clearly misses Stew McKinney. But as so many have said before me, we really stand in the joy, in the knowledge that Stew McKinney's way, Stew McKinney's understanding of the legislative process and ability to combine both a need for responsibility and the need for compassion, marches onward.

I thank the gentleman.

Mr. ROWLAND of Connecticut. I thank the gentleman.

Mr. Speaker, I yield at this time to the gentleman from Minnesota [Mr. Frenzel].

Mr. FRENZEL. I thank the gentleman for yielding.

I thank all of the sponsors of this program for having given up their time so that many of us could, in our own good time, have the opportunity to help celebrate the life of Stew McKinney and to say a few words for and about a person that we have known pretty closely over the past years.

It is a great treat for me to be able to say something. For some of us, there may be some redundancy, because when we first became aware of Stewart's death there was a sort of spontaneous demonstration on the floor of this House which I found personally to be almost overwhelming primarily because the oratory was delivered in very short bursts and it was extremely emotional, extremely personal and probably is the best kind of eulogy that any person could have.

Stewart was a friend of all of ours. We are all equally disadvantaged by his passing.

You have seen today, as we saw in previous weeks, that people who speak in such glowing terms and with references to such close personal friendships, obviously are talking about an unusual person. We have seen in this Congress people who could walk both sides of the street, that many of the Republicans have been suspected of being closet Democrats and the Democrats of being closet Republicans. But with Stewart there was never any doubt that he was a Republican and Republicans were proud of him. There was also never any doubt that Democrats could make an arrangement with Stewart if they had the right kind of program. And as has been already suggested here, he was the first person many Democrats would come to because they knew he kept an open mind and they knew they would get a good hearing from him. And if they could elicit support they had an awfully good chance of getting not only a good margin for their bill but that elusive utopia we all seek, a bipartisan consensus.

I came to this Congress in the class of the 92d Congress. That was the year that Stewart was elected also. We had something in common. We both ran "kiddie" crusades of volunteers; congressional committees and national committee had given up on us and we went ahead, unknowingly, and surprisingly got ourselves elected. We had other things in common. Stewart was a businessman and so was I. Both of us operated in what I would call kind of a pickey business, where every sale was an emergency and every delivery was subject to some kind of criticism later or a demand or claim of missed shipment, et cetera. We had much fraternity over our previous occupations.

We both were assigned to the Banking and Currency Committee. He sat on my left on the lower row which meant that by the luck of a coin flip or a draw of a card he was senior to me on the committee. We served there for 4 years of servitude during which time the elderly chairman of the committee was not able to identify either of us by name during that entire period.

I was lucky enough to break out of that rather confining environment and escape to another committee where I joined a very large alumni club of the Banking and Currency Committee, in other assignments. Stewart McKinney thought about it; we talked about it; but Stewart, who at the time was describing himself as an urbanist—that is one who loves cities—told me on several occasions, "Yes, there is probably greener grass over the hill and, yes, I am not making rapid progress in this ram pasture we call the Banking and Currency Committee.

"But this is where I belong. This is the kind of thing I want to do. The Housing Subcommittee is going to be my home and where I make my mark."

□ 1830

Of course, that committee and the District of Columbia Committee was where he made his mark.

There are plenty of others around here to tell of the tributes and the good things that Stewart did. I would like to affirm those things as well, but I would not like anybody to think that Stewart spent all of his time in simple do-gooder activities, flapping around, trying to take care of poor people. Stewart was still the hard-headed businessman. Stewart knew black numbers from red numbers, and on the Banking Committee he had a clear voice of reason when we were doing things wrong, when we were going too far with the program, even if he thought it was something he would like to have later or something he would like to build up to.

Stewart was that terribly interesting blend of sensitivity and reality that is usually undiscovered in this body, and when we do discover it, we never recognize it nor acclaim it or applaud it until it is much too late. But Stewart did have that rare blend.

I remember his service on the District of Columbia Committee, and I used to say to Stewart that every one of us is perhaps doing some atonement for sins in our previous occupations or maybe depending on our religious beliefs in a previous life, but very few Members chose to wear the hair shirt and rub the ashes on their heads as vigorously as STEWART did on the District of Columbia Committee. He endured all of our jibes, all of our insults, all of our jokes, because he knew darned well that what he could accomplish there might eclipse the things that he could do on his major committee, the Banking Committee.

I remember standing here a couple of weeks ago and hearing WALTER FAUNTROY pay tribute to him and say, "I never worried about not having a vote because STEWART MCKINNEY was my vote in the House of Representatives."

I do not think WALTER knew just how true that was. I remember particularly when we had a little vote on giving the right to vote to the Delegate to the District of Columbia. When I came to the floor, I was wholly convinced that I was going to vote against that bill until I ran into STEWART, who reminded me of something about the origins of our republic and how we all got here as a result of representative government, and that if we honored the process at all, we ought to honor it in terms of the people that live in this city.

So he took my arrogant no vote and turned it into a yes vote on that issue on this very floor. So if WALTER had known that, he would have said, "Not only is STEWART MCKINNEY my vote, he may be 2 or 3 or 3 or 4 or 10 or 20 votes for me when I really need him on matters of importance to the people of the District of Columbia, which is our Nation's Capital."

Mr. Speaker, I am probably overdoing this, but I suppose all of us get a little overcome in these circumstances. A couple of weeks ago I mentioned that I never could understand STEWART's district. It is populated by terribly disadvantaged people and by superrich people. Not only do they seem to get along, but STEWART never had any difficulty in getting along with either group, and both of them seemed to feel that he represented them well. I think the simple answer was that he did, and they understood it and kept returning him to the Congress.

There is one thing, when we tell others about our friends, particularly those we love, that we sometimes are guilty of doing, and that is what an old accountant I had one time used to call "putting wings on the dog." STEWART was not perfect, he was not any superman; he just happened to be very good at this job, and he was the kind of person that we all loved and respected. But he had fun, and he made mistakes, and he did all the things that we do. That was part of his attractiveness to us.

I can remember him hunched over the back rail day after day mumbling things about the Government and about the House of Representatives, about his committee or his subcommittee. "Madhouse" was one of his favorite words. "Total insanity" was a descriptive phrase he used a lot.

STEWART suffered massive frustrations, like all of us do. But in the end he turns out to be, at least in my judgment, the kind of person that I would hold up to people whom I would like to recruit to run for future Congresses and say that "If you can be like this one Representative, you will make a difference and you will serve the republic. You will serve the people not only of your district but of the whole United States." And I would say, "It doesn't make any difference whether you are in the majority or the minority, and it doesn't make much difference who your friends are or where your district is, if you have the kind of attitude STEWART had, you are going to do well, and people are going to know that you are doing well."

We are all saying good-bye to STEWART, and that is no fun, but in a way we are terribly lucky because we are celebrating the fact that all of our lives have been made a lot better because we knew him, because we were inspired by him, and because we worked with him. Let us hope that a little of STEWART rubbed off on all of us.

It will be different for those of us who knew him well, and yet the best lesson we learn from his life is to keep on marching and do the kind of things that we believe in and that he believed in and do the best we can, knowing that we are never going to be wholly successful.

Finally, as a personal aside, I would say also that of the people who came to Congress with me, STEWART was the all-time favorite of my wife, Ruthie. She always thought that STEWART was like us. This is a very flattering thought for me, but she thought that STEWART was a person like us, one that we understood, one who never minced any words, who was exceedingly direct and had the kind of background that we understood, the business background. She, too, would want to have her thoughts expressed on the floor, that while she saw him with increasingly less frequency during the last couple of years, he was a favorite of hers, one whom she, too, will miss very much.

I wish to extend our sympathy to Lucie and the family, and I can say to them in consolation that even though the process was interrupted in an untimely fashion, what terribly good fortune it was to have lived with or been fathered by or to have known such a man. That is my consolation as well. I am, I think, much enriched and much improved from having known the man.

Mr. Speaker, I thank the gentleman for yielding.

Mr. ROWLAND of Connecticut. Mr. Speaker, I thank the gentleman from Minnesota [Mr. FRENZEL] for his gracious remarks.

Mr. BOEHLERT. Mr. Speaker, will the gentleman yield?

Mr. ROWLAND of Connecticut. I yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Speaker, I thank the gentleman for yielding, and I thank the gentleman and those who preceded him in the well for having taken these special orders.

This is unprecedented. We have had 3 consecutive hours of tribute to someone who is very special and who touched all of our lives.

When I think of STEWART MCKINNEY, I think of two oft-used quotes for two very famous people, Shaw and Webster.

Shaw said: "Some men see things as they are and ask why. I dream things that never were and ask why not."

That personified STEWART MCKINNEY. He was the first to admit the greatness of this country, but he was the last to concede in fighting for a solution to a problem.

□ 1840

When I first came here as a junior Member, and I had been here before many years as a staff member, so I knew a little bit about how the system worked, I sought out STEWART MCKINNEY. I sought him out for his advice and for his counsel, because I knew that he was a pack above the crowd. He wanted to make a difference. He cared.

He demonstrated a willingness to tackle the toughest, the most difficult of problems.

He never would concede an inch in his quest for righting a wrong. He did so always with compassion.

Compassion is one word that immediately comes to mind when I think of STEWART. He did so with reason. He was intellectually honest, and he was something else. He was among those senior Members who was willing to take the time and listen to a junior Member.

He was quick as he so often said to me, "BOEHLERT, you are all wet. You've got it all wrong."

I would say, "Yes, STEWART, tell me what is right."

He would take the time to explain something, something very difficult, sometimes which would seem incomprehensible to me coming out of that committee; but he always had the time for us.

He was a leader. We discovered that, those of us who proudly run under the banner of the 92 Group of moderate progressive Republicans, STEWART was one of us. He was a leader.

He had the wisdom, but he had the wit, and that was an unbeatable combination.

If STEWART were here today, I know what he would say. "BOEHLERT, why don't you stop saying in a few words what you are trying to say in 38 paragraphs."

That brings me to the second famous quote, and it is etched in stone just above the Speaker's desk; and I would like to quote, because this too said something special about the man we honor today.

Webster said, and I often look at it as a reminder, but I do not have it yet committed to memory—"Let us develop the resources of our land. Call forth its powers. Build its institutions, promote all its great interests, and see whether we also in our day and generation may not perform something worthy to be remembered."

STEWART McKINNEY did so many things worthy to be remembered. We are the richer because he touched and influenced our lives.

Mr. ROWLAND of Connecticut. Mr. Speaker, I yield to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I thank the gentleman for yielding time to me.

The gentleman from Connecticut and the entire delegation from Connecticut is to be commended for taking these special orders. As was pointed out recently here on the floor, this is the third consecutive special order this evening in tribute to our colleague, STEWART McKINNEY; and it is because, of course, he was such an extraordinary man, an extraordinarily able and very much loved, perhaps one of our best loved, colleagues, a man who so many of us admired for his attributes and talents.

That is the reason why all of us want to say a few things that need to be said about STEW McKINNEY.

In reality, while it is a sad occasion, I think we all ought to take great pleasure in the stories that our colleagues have told about STEW McKINNEY, and the kinds of things that impressed them about STEW McKINNEY and the contributions that he made here.

When I think about the words that I would want to use in short phrases about STEW McKINNEY, I would say things like irrepressible, passionate in his compassion for those of us that are less fortunate.

He had no patience whatsoever for pomposity, an attribute that is in great quantity around here. He would put a pin to it in a hurry. In a body of hyperkinetic people, he stood out for his activity, energy, zest for activity and unfailing good humor which were attributes you could see in STEW even as he was suffering in failing health, unfailing good humor.

STEW had 8 years of seniority on me, and I joined him and began to know him better early in my second term when I joined the Committee on Banking, Finance and Urban Affairs.

He, of course, was one of the very best known and really most capable leaders in the Congress on matters of community development and housing, and his talents in that area are widely recognized.

He knew the housing programs and the HUD bureaucracy probably better than any other Member of this body and of the Congress.

He was more than a legislative technocrat. Of course, he cared. He really cared about the people that these programs were designed to serve, and he tried to assure by the kind of oversight and constant attention that they in fact were meeting those goals that we had set for them.

STEW McKINNEY would battle against his colleagues whose answer to housing problems was to throw more money at them. He would do battle with his own administration and more conservative colleagues who wanted to eliminate housing programs, that were serving legitimate purposes as he saw them, as I did. STEW McKINNEY brought both sides together to draft a housing bill that could be passed by Congress and could have an impact.

So, he was that necessary bridge and source of ideas and compromise that are so important in a legislative body.

His efforts directed to resolving housing issues earned him the 1986 Carl A.S. Coan Award presented by the National Housing Council.

Many of us had the privilege to cosponsor his legislation to permit the abandoned sons and daughters of U.S. servicemen in Vietnam, Korea, Laos, and Cambodia to be accepted as immigrants to the United States.

He was a leader in civil rights, human rights issues, including domestic integration, and in working to eliminate South African antiapartheid legislation.

In the previous Congress, STEW McKINNEY won passage of his bill creating the Connecticut Coastal National Wildlife Refuge to save wetlands threatened by developers. Many of the Connecticut members had a major role also in that effort, and I know that the Members know the details that went into that long effort.

Finally, just to give you some additional idea of the kind of activity he was involved in outside of housing, community development, the Clean Water Act passed by this Congress, includes a provision offered by STEW McKINNEY to establish a pollution management program for Long Island Sound.

His wife, Lucie, five children, do know, I am sure, that he was very highly regarded by his colleagues in this body, and that his work truly made this Nation a better place for its citizens; but we want to reaffirm it here tonight and to explain why some of us feel so strongly about STEW McKINNEY and why the loss is so great for us.

This Member will miss STEW McKINNEY very greatly. It was an honor, an education, and a privilege to serve with him in this great body.

He was one of a kind, and we are very much the better for the fact that STEW McKINNEY was here as a Member of the U.S. House of Representatives, an American citizen legislator exactly like the type that some of our Founding Fathers envisioned when the Constitution was passed and the groundwork was laid for this great legislative body, exactly the prototype.

Mr. Speaker, I thank the gentleman from Connecticut for granting me some time to participate in this special order, and I thank the gentleman and the entire Connecticut delegation for giving us this chance to say a few things that we wanted to have our colleagues and other Americans remember about STEW McKINNEY.

Mr. ROWLAND of Connecticut. Mr. Speaker, I yield to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Speaker, I thank the gentleman for yielding.

We have spent many hours this evening remembering STEWART as a legislator and STEWART as our colleague.

An important measure of a Member is the relationship that that Member has with his or her staff; and by that measure, STEWART was truly one of the greatest.

He loved his staff. He admired them. He respected them. He took enormous pleasure in the work that they went on to after they left his office.

He rejoiced in the births of their offsprings. He shared their joys, their sorrows while they were with him and after they left him.

It is a special pleasure that this evening we have had with us tonight many of his staff members, present and former, his family, his wife Lucie, his children, his larger family.

It has meant a lot to me to know that you are here, because it is his relationship with you that set me on my way on a solid and fruitful path.

You have seen tonight what you knew. You knew he loved his work. You knew he served with pride and dedication, but you have seen how his mind and spirit have animated the work of this House, and that truly we do send our sympathy.

We share your sorrow, and this Nation will miss him.

Mr. ROWLAND of Connecticut. Mr. Speaker, it is quite difficult to bring to an end almost 3 hours of tribute to one of our colleagues, and indeed the second outpouring from our colleagues.

□ 1850

We talked about achievements. We talked about the many, many lives he has impacted.

I think we are a little bit remiss in not referring, as the gentlewoman from Connecticut [Mrs. Johnson] referred to, one other group that was very special to Stew, and that was his staff.

We talked about the pictures on Stew's walls and all the memories in his office. One of the things that struck me that was so different about Stew's office from other Members was when you walked in the door and looked immediately to the right up above the doorway, there were dozens and dozens, perhaps even hundreds of pictures, throughout the office of former staff people, of interns, of people who had worked for Stewart.

I think it is safe to say, and I do not think anyone would contradict me when I say that Stewart was probably one of the best bosses in Washington. He treated his staff with respect and dignity.

As a matter of fact, for those of us who watched Stewart working and interacting with his staff, he treated them like family. Quite frankly, he loved them very, very much, and that respect and that dignity and that love went both ways.

I know from working with many of the staff people and getting to know them over the years, they had true admiration for Stewart, just as we did.

I guess when we talked about the thousands of people he had impacted and the impact he has had on people that we do not even know, it is also important to remember that he was an inspiration to so many people who graced his office.

At that memorial service I could not help but notice as I looked out at the honorary pallbearers, I think there were some eight or nine former AA's, people who have come through the ranks with Stewart McKinney, people who have learned from Stewart McKinney, people who have been dedicated to Stewart McKinney, and his causes. I think when we look back and look ahead on the monuments that we will be presenting to Stewart, indeed the many, many lives that he touched in his office, will be yet another monument to his efforts

This will not be the last said of Stewart McKinney. It certainly will not be the last that all of us have thought about Stewart McKinney and the time we have had with him.

I know there will be many of us, and I want his family and his staff to know, that will be sitting back in those aisles in the back of the Chamber and there will be many, many times when we look at each other and talk about Stew McKinney and share in some of the memories and some of the good times that we had with our beloved friend, beloved father, beloved husband and beloved boss.

I want to take this moment to thank all of my colleagues from Connecticut for sponsoring this special order, I should say the third special order this evening. Even some former Members have come to the Chamber, people like Ron Sarasin, to pay tribute to this outstanding gentleman.

I want to thank the dozens and dozens of Members who participated in the first spontaneous special order, who participated this evening, and took time out of a very busy day to attend the memorial service in Connecticut.

Stewart, I think you would have liked this.

A reporter walked up to me after the memorial service and said, "What did you think?"

And I could not think of much to say and I said, "Well, Stewart would have liked this," and I think Stewart would have enjoyed this evening.

COMMUNICATION FROM CHAIRMAN OF SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS OF COMMITTEE ON ENERGY AND COMMERCE

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Subcommittee on Oversight and Investigations of the Committee on Energy and Commerce:

Subcommittee on
Oversight and
Investigations,
Washington, DC, May 28, 1987.

Hon. Jim Wright,
Speaker, House of Representatives,
Washington, DC.

Dear Mr. Speaker: This is to notify you, pursuant to Rule L(50) of the Rules of the House of Representatives, that the Subcommittee on Oversight and Investigations of the Committee on Energy and Commerce has been served with two subpoenas issued by the United States District Court for the District of Columbia. After consultation with the General Counsel to the Clerk, I will notify you of my determinations as required by the House Rule.

Sincerely,

John D. Dingell,
Chairman.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Young of Florida (at the request of Mr. Michel), for today, on account of illness in the family.

Mr. Flippo (at his own request), for June 4, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DeLay) to revise and extend their remarks and include extraneous material:)

Mr. Rogers, for 5 minutes, today.

Mr. DeLay, for 60 minutes, on June 11.

Mrs. Meyers of Kansas, for 5 minutes, today.

Mrs. Bentley, for 5 minutes, on June 4.

Mrs. Bentley, for 60 minutes, on June 11.

Mrs. Bentley, for 60 minutes, on June 18.

(The following Members (at the request of Mr. Mfume) and to include extraneous material:)

Mr. Bustamante, for 5 minutes, today.

Mr. Ackerman, for 5 minutes, today.

Mr. Yatron, for 5 minutes, today.

Mr. Stark, for 5 minutes, today.

Mr. Gonzalez, for 60 minutes, on June 4 and June 8.

Mr. Moody, for 60 minutes, on June 9.

(The following Member (at the request of Mr. Rowland of Connecticut) to revise and extend his remarks and include extraneous material:)

Mr. Rowland of Connecticut, for 60 minutes, today.

(The following Member (at the request of Mr. Rowland of Connecticut) to revise and extend his remarks and include extraneous material:)

Mr. Dymally, for 60 minutes, on June 4.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Gekas, during general debate on H.R. 1934, in the Committee of the Whole.

Mr. Lujan, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $1,621.

(The following Members (at the request of Mr. DeLay) and to include extraneous matter:)

Mr. Fields.
Mr. Badham.
Mr. Callahan.
Mr. Konnyu.
Mr. Solomon.
Mr. Molinari.
Mr. Tauke.
Mr. Shumway.
Mr. Kemp.
Mr. Green.
Mr. Barton of Texas.
Mr. McCollum.

Mr. CONTE.

Mr. WEBER.

Mr. CLINGER.

(The following Members (at the request of Mr. MFUME) and to include extraneous matter:)

Mr. MONTGOMERY.

Mr. LANTOS.

Mr. BEILENSON.

Mr. RANGEL in two instances.

Mr. ROE.

Mr. FAZIO.

Mr. TOWNS.

Mr. MICA in two instances.

Mr. FEIGHAN.

Mr. MINETA.

Mr. EVANS.

Mr. BENNETT.

Mr. VENTO in two instances.

Mr. MORRISON of Connecticut.

Mr. PEPPER.

Mr. DYSON.

Mr. TRAFICANT.

Mr. KOSTMAYER.

ADJOURNMENT

Mr. ROWLAND of Connecticut. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 55 minutes p.m.), under its previous order the House adjourned until tomorrow, Thursday, June 4, 1987, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1518. A letter from the Director, Defense Security Assistance Agency, transmitting a copy of Transmittal No. 07-87, concerning a proposed supplement to a memorandum of understanding with the United Kingdom concerning development of night attack capability for AV-8B and Harrier GR-5 aircraft, pursuant to 22 U.S.C. 2767(f); to the Committee on Foreign Affairs.

1519. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's proposed letter(s) of offer to Colombia for defense articles and services estimated to cost $36 million (Transmittal No. 87-25), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1520. A letter from the Assistant Secretary of the Interior transmitting a draft of proposed legislation to amend Public Law 94-423, relating to the Oroville-Tonasket Unit, Chief Joseph Dam project, and for other purposes, pursuant to 31 U.S.C. 1110; to the Committee on Interior and Insular Affairs.

1521. A letter from the Director, Office of Civilian Radioactive Waste Management, transmitting the fourth annual report on the activities and expenditures of the Office of Civilian Radioactive Waste Management, pursuant to 42 U.S.C. 10224 (c); jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

1522. A letter from the Acting Secretary of Health and Human Services, transmitting a copy of the report, "Additional Benefits (Benefits Above Those Required by Medicare) Provided by Health Maintenance Organizations (HMO's) and Other Eligible Organizations Under Risk Sharing Contracts," pursuant to 42 U.S.C. 1395mm nt.; jointly, to the Committees on Energy and Commerce and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ASPIN: Committee on Armed Services. H.R. 2112. A bill to authorize appropriations for fiscal year 1988 for intelligence and intelligence-related activities of the U.S. Government, for the intelligence community staff, for the Central Intelligence Agency retirement and disability system, and for other purposes (Rept. 100-93, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. Supplemental report on H.R. 4. (Rept. 100-122, Pt. 2). Ordered to be printed.

Mr. ROE: Committee on Science, Space, and Technology. H.R. 2310. A bill to amend the Airport and Airway Improvement Act of 1982 for the purpose of extending the authorization of appropriations for airport and airway improvements, and for other purposes; with an amendment (Rept. 100-123, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. EDWARDS of California:

H.R. 2583. A bill to authorize additional appropriations for the San Francisco Bay National Wildlife Refuge; to the Committee on Merchant Marine and Fisheries.

By Mr. BEILENSON (for himself, Mrs. COLLINS, Mr. FRANK, Mr. MRAZEK, Mr. MILLER of California, Mr. HAYES of Illinois, and Mr. OWENS of New York):

H.R. 2584. A bill to amend the Motor Vehicle Information and Cost Savings Act to require that the motor vehicle bumper standard established by the Secretary of Transportation shall be restored to that in effect January 1, 1982; to the Committee on Energy and Commerce.

By Mr. HUGHES (by request):

H.R. 2585. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 to suppress the diversion and trafficking of precursor chemicals and essential chemicals utilized in the illicit manufacture of controlled substances; jointly to the Committees on Energy and Commerce and the Judiciary.

By Mr. KASTENMEIER (for himself, Mr. RODINO, Mr. MOORHEAD, Mr. FISH, Mr. SYNAR, Mr. EDWARDS of California, and Mr. BOUCHER):

H.R. 2586. A bill to provide for retirement and survivors' annuities for bankruptcy judges and magistrates, and for other purposes; jointly, to the Committees on the Judiciary and Post Office and Civil Service.

By Mr. KEMP (for himself, Mr. TORRICELLI, Mr. HERGER, Mr. MICA, Mr. LAGOMARSINO, Mr. SMITH of Florida, Mrs. MORELLA, Mr. WYDEN, Mr. WOLF, Mr. DWYER of New Jersey, Mr. PORTER, Mr. RICHARDSON, Mr. KYL, Mr. FROST, Mr. BATES, Mr. DAUB, and Mr. GALLEGLY):

H.R. 2587. A bill to make unlawful the establishment or maintenance within the United States of an office of the Palestine Liberation Organization, and for other purposes; to the Committee on Foreign Affairs.

By Mr. LaFALCE:

H.R. 2588. A bill to facilitate the provision of additional financial resources to the Federal Savings and Loan Insurance Corporation and, for purposes of strengthening the reserves of the Corporation, to establish a forbearance program for thrift institutions and to provide additional congressional oversight of the Federal Home Loan Bank Board and the Federal Home Loan Bank System and to limit the number of days a depository institution may restrict the availability of funds which are deposited in any account, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LIVINGSTON:

H.R. 2589. A bill to provide for the creditability of certain service in determining the order of retention for competing employees in a reduction in force affecting the Federal Grain Inspection Service; to the Committee on Post Office and Civil Service.

By Mr. McCOLLUM:

H.R. 2590. A bill to amend the Immigration and Nationality Act to clarify that immigrant visas may not be issued to aliens who are infected with the etiologic agent for acquired immune deficiency syndrome; to the Committee on Judiciary.

By Mr. MOODY (for himself (by request), Mr. DELAY, Mr. MACKAY, and Mr. LEWIS of California):

H.R. 2591. A bill to amend subtitle IV of title 49, United States Code, to increase productivity and competitiveness by reducing regulation of motor carriers of property, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. STARK:

H.R. 2592. A bill to amend title XVIII of the Social Security Act to provide for coverage of catastrophic expenses for prescription drugs and insulin under the Medicare Program; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. TOWNS:

H.R. 2593. A bill to amend the Animal Welfare Act to protect farm animals used in nonagricultural research; to the Committee on Agriculture.

H.R. 2594. A bill to amend the Animal Welfare Act to prohibit the unnecessary surgery or alteration of animals; to the Committee on Agriculture.

By Mr. WAXMAN (for himself and Mr. DINGELL):

H.R. 2595. A bill to amend the Federal Food, Drug, and Cosmetic Act to make improvements in the regulation of medical devices; to the Committee on Energy and Commerce.

By Mr. YOUNG of Alaska (for himself and Mr. MILLER of California):

H.R. 2596. A bill to improve Federal management of lands on Admiralty Island, AK; to the Committee on Interior and Insular Affairs.

By Mr. SMITH of Florida (for himself, Mr. WEBER, Mr. LEVINE of California, Mr. Foley, Mr. Coelho, Mr. Annunzio, Mr. Atkins, Mr. AuCoin, Mr. Ballenger, Mr. Bates, Mr. Beilenson, Mr. Biaggi, Mr. Bilbray, Mr. Bilirakis, Mr. Boehlert, Mr. Bonker, Mr. Borski, Mrs. Boxer, Mr. Brown of Colorado, Mr. Bryant, Mr. Buechner, Mr. Bunning, Mr. Cardin, Mr. Carr, Mr. Coble, Mr. Coleman of Texas, Mr. Courter, Mr. Daub, Mr. Davis of Illinois, Mr. Dellums, Mr. DioGuardi, Mr. Dornan of California, Mr. Downey of New York, Mr. Durbin, Mr. Eckart, Mr. Erdreich, Mr. Fazio, Mr. Feighan, Mr. Florio, Mr. Foglietta, Mr. Frank, Mr. Frost, Mr. Garcia, Mr. Gejdenson, Mr. Gilman, Mr. Glickman, Mr. Gordon, Mr. Grandy, Mr. Green, Mr. Guarini, Mr. Hall of Ohio, Mr. Harris, Mr. Hertel, Mr. Hochbrueckner, Mr. Hoyer, Mr. Kennedy, Mr. Konnyu, Mr. Lantos, Mr. Lehman of Florida, Mr. Leland, Mr. Lent, Mr. Levin of Michigan, Mr. Lewis of Florida, Mr. McEwen, Mr. McGrath, Mr. McHugh, Mr. Mack, Mr. Matsui, Mr. Mavroules, Mr. Mica, Mr. Miller of California, Mr. Miller of Washington, Mr. Moody, Mr. Obey, Mr. Owens of Utah, Mr. Panetta, Mr. Pepper, Mr. Richardson, Mr. Rinaldo, Mr. Robinson, Mr. Rodino, Mr. Rose, Mr. Scheuer, Mr. Schumer, Mr. Schuette, Mr. Shaw, Mr. Sikorski, Mr. Smith of New Jersey, Ms. Snowe, Mr. Solarz, Mr. Stokes, Mr. Synar, Mr. Tallon, Mr. Torricelli, Mr. Traficant, Mr. Watkins, Mr. Waxman, Mr. Weiss and Mr. Wyden):

H.J. Res. 302. Joint resolution prohibiting the enhancement or upgrade in the sensitivity of technology of, or the capacity of, Maverick missiles for Saudi Arabia; to the Committee on Foreign Affairs.

By Mr. DYSON (for himself, Mr. Callahan, Mr. Young of Alaska, Mr. Manton, Mr. Tauzin, Mr. Thomas of Georgia, Mr. Anderson, Mr. Horton, Mr. Bevill, Mr. Fazio, Mr. Levin of Michigan, Mr. Howard, Mr. Hayes of Louisiana and Mr. de la Garza):

H.J. Res. 303. Joint resolution designating the week of November 1 through November 7, 1987, as "National Watermen's Recognition Week"; to the Committee on Post Office and Civil Service.

By Mr. VENTO (for himself, Mr. Florio, Mr. Bevill, Mr. Clinger, Mr. Daub, Mr. DeFazio, Mr. Dowdy of Mississippi, Mr. Eckart, Mr. Fazio, Mr. Frost, Mr. Gray of Illinois, Mr. Hefner, Mr. Howard, Ms. Kaptur, Mr. Levin of Michigan, Mrs. Lloyd, Mr. Martinez, Mr. Morrison of Connecticut, Mr. Murphy, Mr. Oberstar, Mr. Olin, Mr. Owens of New York, Mr. Robinson, Mr. Roe, Mr. Savage, Mr. Scheuer, Mr. Smith of Florida, Mr. Staggers, Mr. Stokes, Mr. Walgren and Mr. Yatron):

H. Con. Res. 133. Concurrent resolution expressing the sense of Congress with respect to the administration's proposal to transfer certain railroad retirement system functions to the Social Security Administration; to the Committee on Energy and Commerce.

By Mr. JENKINS:

H. Res. 185. Resolution designating the week beginning October 18, 1987 as "Financial Independence Week"; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mrs. MORELLA introduced a bill (H.R. 2597) for the relief of Mrs. Anne Gabriel Janney; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 535: Mr. Dannemeyer.

H.R. 593: Mr. Buechner.

H.R. 602: Mr. Barnard, Mr. Buechner, Mr. Crane, and Mr. Edwards of Oklahoma.

H.R. 817: Mrs. Johnson of Connecticut.

H.R. 940: Mr. Walgren, Mr. Vento, and Mr. Crockett.

H.R. 956: Mr. Brennan.

H.R. 1018: Mr. Rowland of Connecticut.

H.R. 1036: Mr. Jeffords and Mr. Madigan.

H.R. 1049: Mr. Derrick and Mr. Hansen.

H.R. 1158: Mr. Lent and Mr. Traxler.

H.R. 1242: Mr. Hamilton, Mr. Murphy, Mr. Lipinski, Mr. Ackerman, Mr. Frank, Mrs. Boxer, and Mr. Oberstar.

H.R. 1282: Mr. Courter, Mr. Kyl, Mr. Edwards of Oklahoma, and Mr. Lungren.

H.R. 1347: Mr. Packard, Mr. Howard, Mr. Smith of New Jersey, Mrs. Vucanovich, Mr. Weber, Mr. Edwards of Oklahoma, Mrs. Collins, Mr. Walgren, Mr. Kolter, Mr. Chapman, Mr. Owens of New York, and Mr. Erdreich.

H.R. 1470: Mr. Crockett.

H.R. 1543: Mr. Clarke.

H.R. 1544: Mr. Clarke.

H.R. 1583: Mr. Packard, Mr. Feighan, and Mr. Kyl.

H.R. 1647: Mr. Bilirakis.

H.R. 1711: Mr. Jontz, Mr. Yatron, and Mr. Glickman.

H.R. 1742: Mr. Lewis of California.

H.R. 1807: Mr. Gray of Pennsylvania.

H.R. 1841: Mr. Chandler.

H.R. 1885: Mr. Gray of Illinois, Mr. Ridge, Ms. Snowe, and Mr. Gordon.

H.R. 1924: Mr. Lagomarsino, Mr. Roe, Mr. Davis of Illinois, Mr. Ackerman, Mr. Darden, and Mr. Petri.

H.R. 2036: Mr. Lewis of Georgia.

H.R. 2057: Mr. Edwards of Oklahoma and Mr. Hawkins.

H.R. 2059: Mr. Bevill and Mr. Crane.

H.R. 2062: Mr. Davis of Illinois.

H.R. 2115: Ms. Snowe, Mr. Bevill, and Mr. Richardson.

H.R. 2116: Mr. Bevill, Mr. Bustamante, and Mr. Richardson.

H.R. 2138: Mr. Thomas of Georgia.

H.R. 2148: Mr. Weber, Mr. Ackerman, Mr. Leland, Mrs. Kennelly, Mr. Johnson of South Dakota, Mrs. Boxer, Mr. Scheuer, and Mr. Kolter.

H.R. 2198: Mr. Hayes of Louisiana, Mrs. Boggs, Mr. English, Mr. Hall of Texas, and Mr. Ortiz.

H.R. 2240: Mr. Roe, Ms. Oakar, Mr. Frank, Mr. Conyers, Mr. Bennett, and Mr. Smith of Florida.

H.R. 2241: Mr. Davis of Illinois, Mr. Dornan of California, Mr. Smith of New Jersey, and Mr. Miller of Ohio.

H.R. 2248: Mr. Valentine.

H.R. 2251: Mr. Lagomarsino, Mr. Jeffords, Mr. Wilson, Mr. Shumway, Mr. Penny, Mr. Evans, Mr. Neal, Mr. Lewis of Florida, Mr. Chapman, Mr. McHugh, Mr. Gunderson, and Mr. Roth.

H.R. 2272: Mr. Buechner.

H.R. 2273: Mr. Buechner.

H.R. 2304: Mr. Wortley, Mr. Lagomarsino, Mr. McEwen, Mr. Dornan of California, Mr. Frank, and Mr. Kolter.

H.R. 2328: Mr. Jeffords, Mr. Goodling, Mr. Inhofe, Mr. Rhodes, Mr. Upton, and Mr. Young of Florida.

H.R. 2343: Mr. Martinez, Mr. Roybal, Mr. Hochbrueckner, and Mr. de Lugo.

H.R. 2363: Mr. Lightfoot, Mr. Lewis of Florida, Mr. Bateman, Mrs. Vucanovich, Mr. Barton of Texas, Mr. Sweeney, Mr. Schuette, and Mr. DeWine.

H.R. 2375: Mr. Combest, Mr. Kyl, Mr. Young of Florida, Mr. Swindall, and Mr. Bliley.

H.R. 2400: Mr. Beilenson, Mrs. Bentley, Mr. Hochbrueckner, Mr. Lancaster, Mr. Lipinski, Mr. Matsui, Mr. Miller of California, Mr. Mrazek, Mr. Solarz, Mr. Weiss, and Mr. Gunderson.

H.R. 2425: Mr. Kleczka, Mr. Kolbe, and Mr. Moody.

H.R. 2435: Mr. Tallon, Mr. Schuette, Mr. Panetta, Mrs. Smith of Nebraska, Mr. Daub, Mr. Pashayan, Mr. Torres, Mr. Rose, and Mr. Frank.

H.R. 2505: Mr. Davis of Illinois, and Mr. Lagomarsino.

H.R. 2546: Mr. Jeffords and Mr. Daub.

H.R. 2556: Mr. Parris.

H.J. Res. 100: Mr. Lewis of California, Mr. Conyers, Mr. Ritter, Mr. Mack, Mr. Sunia, Mr. Bateman, Mr. Shaw, and Mr. Hatcher.

H.J. Res. 132: Mr. Rinaldo, Mr. Courter, Mr. Leach of Iowa, Mr. de Lugo, Mr. Anthony, and Mr. Saxton.

H.J. Res. 180: Mr. Hayes of Illinois, Mr. Broomfield, Mr. Dymally, Mr. Yatron, Mr. Lehman of California, and Mr. Scheuer.

H.J. Res. 194: Mr. Anderson, Mr. Atkins, Mrs. Boxer, Mr. Brown of California, Mr. Bryant, Mr. Bustamante, Mr. Coyne, Mr. Daub, Mr. de Lugo, Mr. DeWine, Mr. Dymally, Mr. Dyson, Mr. Feighan, Mr. Frank, Mr. Green, Mr. Guarini, Mr. Hatcher, Mr. Hoyer, Mr. Howard, Mr. Hughes, Mr. Jontz, Mr. Kennedy, Mr. Lancaster, Mr. Lehman of Florida, Mrs. Lloyd, Mr. Martinez, Mr. McGrath, Mr. McMillen of Maryland, Mr. Rowland of Connecticut, Mr. Savage, Mr. Scheuer, Mr. Sharp, Mr. Traficant, Mr. Waxman, and Mr. Weiss.

H.J. Res. 206: Mr. de Lugo, Mr. Bates, Mr. Whittaker, Mr. Lungren, Mr. Hatcher, and Mr. DeWine.

H.J. Res. 224: Mr. Anderson, Mrs. Saiki, Mr. Packard, Mr. Lewis of California, Mr. Akaka, Mr. Petri, Mr. Smith of New Hampshire, Mr. Valentine, Mr. Stallings, Mr. de la Garza, Mr. Campbell, Mrs. Martin of Illinois, and Mr. Scheuer.

H.J. Res. 252: Mr. Bustamante and Mr. Atkins.

H.J. Res. 266: Mr. Russo, Mr. Davis of Illinois, Mr. Towns, Mr. Cardin, Mr. Buechner, Mr. Vento, Mr. Regula, Mr. Hayes of Illinois, and Mr. Gregg.

H.J. Res. 272: Mr. Berman, Mr. Bliley, Mr. Bustamante, Mr. Carper, Mr. Coelho, Mrs. Collins, Mr. Conte, Mr. Coyne, Mr. Daniel, Mr. DeFazio, Mr. Dellums, Mr. Dowdy of Mississippi, Mr. Dymally, Mr. Fawell, Mr. Fish, Mr. Frenzel, Mr. Frost, Mr. Fuster, Mr. Hughes, Mr. Kasich, Mr. LaFalce, Mr. Leach of Iowa, Mr. Leland, Mr. Levin of Michigan, Mr. McMillen of Maryland, Mr. Roe, Mr. Staggers, Mr. Crockett, Mr. Daub, Mr. Darden, Mr. Schuette, and Mr. Lewis of California.

H.J. Res. 277: Mr. KLECZKA, Mr. SLATTERY, Mr. JEFFORDS, Mr. OBERSTAR, Mr. CROCKETT, Mr. CONYERS, Mr. HALL of Ohio, Mr. OWENS of New York, Mr. FEIGHAN, Mr. DYMALLY, Mr. MARKEY, Mr. BEILENSON, Mr. FLORIO, Mr. BONIOR of Michigan, Mr. VENTO, Mr. CARDIN, Mr. COOPER, Mr. FOGLIETTA, Mrs. BOXER, Mr. RODINO, Mr. GARCIA, Mr. HAYES of Illinois, Mr. KOLTER, Mr. WEISS, Mr. FAUNTROY, and Mr. DORGAN of North Dakota.

H.J. Res. 287: Mr. NIELSON of Utah.

H. Con. Res. 50: Mr. RICHARDSON.

H. Con. Res. 96: Mr. PACKARD and Mr. DELAY.

H. Con. Res. 126: Mr. LAGOMARSINO.

H. Res. 110: Mrs. BENTLEY and Mr. CHAPMAN.

H. Res. 168: Mr. DAUB, Mr. HEFNER, Mr. BONIOR of Michigan, Mr. VALENTINE, and Mr. DANIEL.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 810: Mr. NIELSON of Utah.

H.R. 1272: Mr. NIELSON of Utah.

EXTENSIONS OF REMARKS

ECHOES FROM ANTIQUITY: CLASSICAL ORIGINS OF THE CONSTITUTION

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. LUJAN. Mr. Speaker, there are some significant events occurring here at the Capitol to celebrate the Bicentennial of our Constitution, that great charter of human liberty. The Congressional Staff Club [CSC], the oldest and largest bipartisan organization composed of both Senate and House staff has organized a series of activities over the next year to generate discussion about the ideas embodied in the Constitution. I think this a worthy goal and it is important that staffs of the Congress are learning more about the origins of the Government they serve. I think the framers would be proud to know that the staff of the 100th Congress is actively engaged in discussion of their work.

The events have been organized by CSC's President Hyde Murray, House minority counsel, and Belle Cummins, chair of CSC's Bicentennial Celebration Committee and counsel to the Committee on the Judiciary. On April 24 CSC with the Senate and House Toastmasters' Club conducted a debate on whether the Constitution needs a 200-year tuneup, moderated by the Honorable Elliot Richardson. On May 19 former Congressman Peter Kyros of Maine, presented a paper on "Echoes From Antiquity: Classical Origins of the Constitution." Future events promise to be just as interesting. On June 8 Prof. Dick Howard of the University of Virginia Law School, father of the New Virginia Constitution, will discuss "The Constitution: Its Roots and Evolution." At 6 p.m. there will be a reception to meet Professor Howard, whose remarks will begin at 7 p.m. in 1300 Longworth House Office Building. On July 23, James Kilpatrick, a distinguished journalist, will discuss "Separation of Powers: Making Constitutional Government Work." CSC plans to discuss controversial topics too, like the role of minorities and women with the Constitution during its framing and evolution.

I want to share with everyone the insightful paper that my former colleague, Peter Kyros, delivered before CSC on May 19. He traces the classical training of the framers in Greek and Roman history and philosophy; ably describes the philosophical underpinnings of our Constitution; and, demonstrates that it is a profound document on human dignity. I commend it highly for your consideration. The full text follows:

ECHOES FROM ANTIQUITY: CLASSICAL ORIGINS OF THE CONSTITUTION

(Hon. Peter N. Kyros)

I. INTRODUCTION

How could the classic age of Greece and Rome influence the framers of the Constitution at the Philadelphia Convention with nearly 2000 years separating these events? Not only are these cultures distant in time but also distant in geography. How could that distant land in a storm tossed wine colored sea, as Homer like to describe the Greek homeland, influence the writing of the Constitution? If these ancient cultures did influence the writing of the Constitution, why is it important to us 200 years later? These are the major questions I intend to focus on this evening.

Before we travel back two thousand years, let's first imagine the delegates assembling in Philadelphia in May of 1787. Who were these men? They were men of diverse background. Some, like Washington, represented the planter aristocracy of the South, others, like James Wilson, James Madison and John Dickinson were bona-fide men of law and letters. The restless and intense Hamilton, Washington's protege, had excelled both in military and civilian life before his 30th birthday. The aged and learned Benjamin Franklin gave breadth and perspective to the Convention's deliberations. Roger Sherman of Connecticut was a simple shoemaker called to public life. All the delegates were eminently practical men, with few, if any ivory tower dreamers among them.

And yet historical records freely demonstrate that the men of Philadelphia possessed a wide knowledge of and respect for the classicial thinkers of Greece and Rome. Although they were not scholars of the classics, their acquaintance with the ancients and their ideas was considerable. The educational system of colonial America placed a strong emphasis on the classics. The ability to read the Bible in Greek or Virgil in Latin was required for admission to colleages and universities in the colonial era.

It should not be difficult to imagine that the framers would consult the past and particularly classical resources in drafting a new Constitution. Aristotle was an unparalleled source, since he analyzed 158 constitutions used by Greek city states and is credited with drafting the Athenian Constitution. If this compendium of constitutional history would not be enough to prove that the framers used classical resources, the debates at the Constitutional Convention and later writings like the "Federalist Papers" are replete with allusions to the classic Republics of Greece and Rome. One scholar of the period has stated, "the framers' thoughts ran to Greece and Rome as water runs downhill, and the ten centuries that separated the fall of western Rome and the Ninety-nine Theses was to them more remote than the ages of Pericles and Cicero." To eighteenth century man, the problems faced by the ancient city states in experiments with cooperation, growth, and development offered lessons that instructed them. The framers often turned to classical allusions rather than the political writers of the 18th century because as a remote, unifying tool it released them from the prejudices of colonial politics. They did not merely imitate the classical institutions; it was a method of empirical analysis of the successes and failures of ancient empires. Also, to use such referencs with ease was a sign of erudition in this era. The less able or unschooled were intimidated by such displays of ancient knowledge. James Madison spent two years of his life, from 1785 to 1787 collecting books on the ancient leagues of city states, with the help of his mentor Thomas Jefferson, who, while minister to France, shipped trunk loads of classical works from France not printed in the colonies for Madison's use. When Madison packed his bags for Philadelphia in the Spring of 1787, he included his own 40 page paper on "Study of Ancient and Modern Confederacies." Madison came to the Philadelphia Convention armed with his experience from the Virginia State Constitutional Convention. He was prepared to defend the need to create a strong central government outlined in his Virginia Plan and prepared to defend the Plan by his study of ancient confederacies and their failures.

The reason we delve into the classical origins of the Constitutions is to better understand the form of government the framers were attempting to create. In my introduction to this evening's discussion, I have used two words which are not often justaposed. They are classicism and constitution. Classicism to Americans of the eighteenth century meant not just the culture of antiquity or a literary style but, it meant the whole civilization of the Greeks and Romans from the rise of these great people to their fall. To ancient thinkers like Plato and Aristotle, a constitution was called "Politeia"; it is how a state organize and conduct itself. Both Plato and Aristotle stated that an ideal constitution is in accordance with man's nature and needed by man to pursue the good, thus fulfilling his potential. An ideal state would have a constitution in harmony with people's nature and would allow for the pursuit of good or as Aristotle defined good, as the pursuit of happiness.

In exploring the classical influences on the delegates in Philadelphia in 1787, five men stand out and were constantly referenced. They are a triumvirate of classical authority and two 18th century advocates: Aristotle, the earliest political sage; Polybius, the Greek historian of Rome who urged for a balance of power among free people and a government structure to insure it; Cicero, the defender of Roman liberty from the tyranny of Caesar; the 18th century advocate Locke, who popularized the natural law of Aristotle to mean inalienable rights for humanity, and Montesquieu, who expanded on Polybius' work on the separation of powers. These men will be given special attention because of their unique relationship to the American Constitution. Some may have other suggestions of other classic thinkers that should be nominated to this group. Why is Plato excluded? In the debates on the Constitution, Plato was consulted as a spiritual advisor. Jefferson and John Adams agreed that he was too visionary for practical purposes.

As we discuss the influence of these five men upon the framers, we will concentrate on three ideas. First, a discussion of the underlying philosophy of the Constitution—the dignity of the individual; second, the

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

need to create a more perfect union; and, third, the balance and separation of power.

II. THE CLASSICAL PHILOSOPHY OF THE CONSTITUTION

Justice William Brennan has called the Constitution that great "charter of human liberty." He has further stated that "The Constitution is a sublime oration on the dignity of man." However, nowhere outside the preamble within the seven articles of the Constitution will you find the words liberty or dignity of the individual, but these concepts are implied. Where did we get this idea that people have fundamental rights which government may not abridge?

In the history of human events there was an archaic period when people believed that irrational forces controlled their lives and fates. People were pawns subjected to forces beyond their influence and control. The tyrant and the despot find fertile ground in a society with such views.

Herodotus, in his "Histories," documents a dramatic change in human thought which separates Eastern civilization and Western civilization beginning in the classical times of Greece and Rome. That change of thought in Western consciousness was best pronounced by Protagoras a generation before Socrates in this simple axiom, "Humanity (Man), is the measure of all things." With this statement, Protagoras chases away the supernatural as the basis for morals and human conduct. In the affairs of humanity and the state, Reason surfaces as supreme. This is a seminal change in the conduct of human affairs which gives intrinsic rights to the individual. Protagoras was among the first to urge the rationalist approach to life by rejecting all traditions not supported by the evidence of the senses or the logic of reason. In Protagoras, individualism finds a voice and a philosophy. By examining social and political institutions Protagoras, and he empiricists like Aristotle and Locke who followed him, set the stage in human consciousness for revolution to create new institutions for those that Reason destroyed. Man was in control of his society and his destiny, with the ability to order his life. At the debates in the convention in Philadelphia, it was universally expressed that the power of any one individual should be limited. The delegates quoted from their Latin texts the words of tyrants as a warning, "This is my will and my command; let my will be the voucher for the deed." Contrast this with the Constitution's asertion of "We the People." As Franklin pointed out, the ancient republics contained the seeds of their own dissolution. Free men must guard against the despot or they would slip back to that age before Reason triumphed.

With the old superstitions dispelled by the light of Reason, what was to replace them? Without the supernatural to punish individuals, could morality survive? Socrates and Aristotle both set out standards of conduct for the individual that would be the basis for the citizen in the ideal state. A natural ethic was possible meaning that morality could distinguish between good and bad, through the pursuit of knowledge. Goodness was that which is useful to the human condition. Wrong is injurious to humanity. The best interests of the human condition became the basis of morality and not the wiles of distant gods.

Delegate James Wilson, a classic scholar and Latin instructor from the College of Philadelphia, instructed the other delegates at the convention on Aristotle's man of superior qualities. To Aristotle the subjects of individual morality and the political structure of the state were one and the same. Morality, as the basis for individual conduct, embraced the behavior of the group. Ethics was, therefore, a part of politics and the reverse could be stated. The pursuit of these ideals formed the basis of Aristotle's most important works, "Ethics" and "Politics." The search for an ideal state and the best constitution are the very heart of Aristotle's "Politics." Aristotle's formula for the best state and constitution was again presented to the framers by Delegate Wilson. Man should organize his political structure in harmony with people's nature. The ideal constitution would harness the interests of the people to the interests of the state and would not impose itself against the will of the people. Hamilton would later use this same argument in urging the Congress to honor its war debts from the Revolution.

Of course, no delegate at the convention could pursue the quest for the best constitution without consulting Cicero and Locke. As was stated by historian John Corbin:

"The theory of our Constitution derives from Aristotle, and was put into successful practice in Ancient Rome, in eighteenth-century England, and in our early state constitutions, before it was given, perhaps, its more perfect embodiment by the Convention of 1787."

Cicero implements in the political arena the views of Aristotle and the Greek classical tradition. Cicero fought against the dictatorships of Sulla and Caesar that were destroying the Roman republic. In resisting the tyrants, Cicero cited moral authority for the freedom of the individual. Real authority came from unchangeable moral principles which dictators are not competent to abridge. The restatement of the Greek ideals are found in the following passage from his treatise, on the State:

"True law is Reason, right and natural, commanding people to fulfil their obligations and prohibiting and deterring them from doing wrong. Its validity is universal; it is immutable and eternal. Its commands and prohibitions apply effectively to good men, and those uninfluenced by them are bad. Any attempt to supersede this law, to repeal any part of it, is sinful; to cancel it entirely is impossible. Neither the Senate nor the Assembly can exempt us from its demands; we need no interpreter or expounder of it but ourselves. There will not be one law at Rome, one at Athens, or one now and one later, but all nations will be subject all the time to this one changeless and everlasting law."

Cicero advanced the concept that politics and ethics are part of a single philosophical whole and that the basis for an ideal state exists where human cooperation is the keystone. Cicero's law of nature is identical with the universal or the divine and applies to human affairs. A spark of this divinity is uniformly distributed among humanity. According to Cicero, virtue joins man to God. From this concept two things follow: first, regardless of class, all human beings count for something and have value—the basic premise of western humanism—and second, the spark of divinity in each person is a bond of kinship between one man and another, disregarding race, caste or state—a universal brotherhood of man. Although this concept was later debased to an empty platitude, it formed a fundamental basis for Cicero's activities and writings. He used Greek sources to reinforce his belief that man's impulse for affection for his kind is natural and that nature is good.

Nearly 2000 years later, Locke also consulted Cicero and Aristotle in formulating his political philosophy, so often heard in the debates at Philadelphia. Locke echoed that law or government was restrained by moral forces found in the natural law. Natural law was a claim to innate, indefeasible rights inherent in the individual. Both government and society exist to preserve individual rights. Locke held that moral rights and duties are intrinsic and prior to law. Government by law must follow what is natural and morally right. Locke depended upon Aristotle to define what is meant by the law of nature, and he did not give much analysis to the doctrine. However, Locke did list natural rights of which the most commonly used was "life, liberty, and estate (i.e. property)." Although Locke was that last link to the delegates in Philadelphia in the chain of rational or empirical thought, he offered no proof of an a priori existence of natural law. Thomas Jefferson had simply stated in the Declaration of Independence that it was self-evident that all individuals are endowed by their creator with the right to life, liberty and property. In the tradition of Aristotle and Cicero, Locke makes no distinction between what is morally just and what is legally actionable. These are fundamental laws not made by any legislature. It is these fundamental laws that are contained in the Constitution. Madison resisted the Bill of Rights which he shepherded through Congress, because such a document would enumerate rights thus reducing the framework of fundamental rights that the Constitution protected. This is the classical philosophical basis for distinguishing between constitutional law and statutory law. Some delegates advocated a strong central government while others favored the weak Articles of Confederation, but all were concerned about establishing a government that would protect the dignity of the individual which is the basis of the philosophical tradition from Aristotle to Locke.

III. TOWARD A MORE PERFECT UNION

In the years immediately preceding the Constitutional Convention in 1787, the thirteen original states experienced severe problems under the Articles of Confederation. Foremost was a rapidly deteriorating economic situation remarkably parallel to our own. The balance of trade with England was to their disadvantage and American cargo ships were barred from the West Indies and England. American agricultural and manufactured products were excluded from England. The value of the currency was declining and the Continental Congress was heavily in debt from the war, with many urging that the Congress not honor its debts. The Congress had no direct relationship with the people and could not levy taxes but only request the state legislatures to honor the debts of the central government. Farmers were failing and there were rebellions reminiscent of France. In these troubled times, a few leaders came forward calling for a union that would control war, peace, finance, trade and foreign affairs. Two men played significant roles in the creation and adoption of a Constitution toward this more perfect union; they are Alexander Hamilton and James Madison.

In our exploration of the classical origins of the Constitution, it is important to recall that those two men, authors with John Jay of the "Federalist Papers," were schooled in the histories and philosophies of ancient Greece and Rome. They would both draw from this well often to urge for a strong central government and avoid the personal prejudices of the delegates steeped in the current American political situation. Hamilton found his way to King's College, now Columbia University, from St. Croix in the British West Indies with a childhood past made difficult by the vindictive behavior of his mother's first husband. Rachel Faucett Levine found her marriage to Levine unbearable and left him and their son, Peter. Levine pursued her and under the sex biased laws of the day had her jailed for whoring. This did not make her contrite but even more rebellious. They were never reconciled and Rachel met James Hamilton, a charming Scotch drifter and bore him two sons, James, Jr. and Alexander. Levine divorced Rachel and had her children by Hamilton declared illegitimate and barred her from remarriage. According to the laws of the day, this was possible. Alexander, at the age of 13 years, was on his own with the death of his mother and abandonment by his father. Since Levine had Alexander and James declared illegitimate they were unable to inherit her small estate which went to their legitimate son, Peter. Alexander was apprenticed as a clerk to an import-export firm where he demonstrated a great facility for figures and business acumen. He caught the attention of visiting clergy who secured a scholarship for him at King's College in New York City. From this insecure beginning, Hamilton forged his basic financial philosophy. He adopted the Aristotelian doctrine of enlightened self-interest. The government was to be secured by protecting the currency and honoring its debts, thereby making it the immediate interest of men of property to cooperate with the government.

A parvenu, Hamilton married into the wealthy Schuyler family of New York and continued a long-term affair with his wife's sister, as well as other illicit relationships. Hamilton had a pessimistic view of women, formed from the humiliations of youth he unjustly attributed to his mother. In the sixth Federalist paper, Hamilton, whilst delineating the dangers of domestic factions in a weak union, consults the classics to blame three "loose" women for undue influence causing a national convulsion. Aspasia, a courtesan, allegedly counseled Pericles to attack the Samnians. (Hamilton's citation is in error). Madame de Maintenon and Madame de Pompadour, mistresses of Louis XIV and XV, led them to religious persecution, political intrigues and national disaster.

In a state of disunion, Hamilton warned of the dangers that the states were exposed to from foreign nations.

Hamilton, while a delegate from New York under the Articles of Confederation was charged with collecting New York's share of the taxes for the Confederation government. He received no funds. The problems of the Confederacy were clear.

Hamilton found an ally in James Madison in urging the states to abandon the Articles of Confederation and to establish a central government, which in the classical tradition would protect, not destroy their liberty. Madison was an unlikely partner for Hamilton's efforts. The contrasts between the two were visually striking. Hamilton was handsome, self assured, a dashing urbane companion. Madison, frail in health as a child, stood only five and a half feet with a shyness that made some of his remarks during the debates inaudible. But Madison was not truly dwarfed by his peers, because this sedate, introspective man usually attired in prim black, earned the right to be called "the father of the constitution." It was in essence his Virginia Plan establishing a new government, with sweeping powers of legislation rather than the New Jersey Plan amending the Articles of Confederation by granting a few inadequate additions to the powers of the existing Congress that the delegates finally adopted. Madison at the beginning of the convention seated himself at the front of the room so he could make copious notes of the debates. Every evening he retired to his rooms to write new position papers in response to the day's events, while other delegates enjoyed the local taverns.

The son of a prosperous Virginia planter of English heritage he never had to earn a living. He was tutored at the family estate of Montpelier by Donald Robertson from the University of Edinburgh who drilled the young Madison on the University's basic curriculum of Latin and Greek. With this preparation, Madison was admitted to Princeton where he was further exposed to the Scottish enlightenment and its dislike for state established religion. This was a fitting beginning for the author of the First Amendment declaring the free exercise of religion, but prohibiting its establishment by the state. When Madison entered the Continental Congress as a delegate for Virginia in 1780, he devoted himself exclusively to committee duties. Madison's diligence on the Foreign Affairs Committee acquainted him with John Jay's mission to Spain and peace making role in Paris. Two years later, 1782, Madison was joined by Hamilton in the Continental Congress where they began to share the view that the Congress under the Articles of Confederation were unable to correct the nation's fiscal crisis. Madison proposed to the Congress that they take sanctions against states to fulfill their federal obligations. He thought Congress should be authorized to seize the vessels and goods of offending states. This was 1781, Madison was six years too early.

During the Spring and summer evenings in 1787, Madison, back in his boarding house room in Philadelphia consulted the Greek historian Polybius, in books shipped to him from Paris by Jefferson. There have consulted his own paper on the ancient leagues of Greek city states that he gleaned from Polybius. The "Achaean," "Lycian," "Aetollian' and "Amphictyonic Leagues" were a favorite topic of debate for the delegates in May of 1787. Madison wrote Jefferson in 1786 about the similarities between the present Confederation of American States and the "Amphictyonic League." He warned of the danger of a Philip of Macedon, able to gain influence of over a few leading men in the smaller states. Madison cited the need for acting in concert against a common enemy. In the "Federalist No. 18" written by Madison with Hamilton, all the ancient Greek leagues are analyzed, revealing that a weak government even when not at war is still in danger from internal disputes and rivalries of member states. They summarized their views on the ancient leagues in the following statement from "Federalist No. 18:" "had Greece, says a judicious observer on her fate, been united by a stricter confederation and persevered in her union she would never have worn the chains of Macedon; and might have proved a barrier to the vast projects of Rome." This was a portentous challenge to the confederated states of the dire consequences that might befall them, if they failed in creating a more perfect union.

IV. THE BALANCE OF POWER

Once the delegates in Philadelphia became convinced that the Articles of Confederation contained the seeds of destruction found in the ancient confederacies, what new constitution would they create to replace it?

It is a common axiom in American political philosophy that democracy is best preserved by a social and economic order which is neither too rich nor too poor. A strong middle class is the backbone of a republic. Where did we gain this concept? Madison states in "Federalist No. 10:"

"But the most common and durable source of factions has been the various and unequal distribution of property. Those who hold and those who are without property have ever formed distinct interests in society. Those who are creditors, and those who are debtors, fall under a like discrimination. A landed interest, a manufacturing interest, a mercantile interest, a moneyed interest, with many lesser interests, grow up of necessity in civilized nations, and divide them into different classes, actuated by different sentiments and views. The regulation of these various and interfering interests forms the principal task of modern legislation, and involves the spirit of party and faction in the necessary and ordinary operations of the government."

I believe this passage to be Madison's most instructive on the formation of an ideal constitution and perhaps the most relevant to us today. It was the chief duty of government to balance the interests of various economic classes. He points out that society is composed of an aristocracy, the mercantile middle class and the debtor. A government must respond to all these "factions" and interests.

This balance of power needed to form a stable government is the basis of Aristotle's ideal constitution of the middle way or mesos. Aristotle's sense of balance appealed to the delegates. Both Madison and John Adams counselled the recommendation of Aristotle that "the more perfect the mixture of the poliltical elements, the more lasting will be the state." This derives from "The Politics" (1295a25-1296b12) on the Merits of the Middle Constitution, a very important section, as made clear by these additional examples:

1. "In all states there are three state-sections: the very well off, the very badly off, and thirdly, those in between. Since therefore, it is agreed that moderation and a middle position are best . . ." (1295b1) "Politics."

2. "It is clear then both that the best partnership in a state is the one which operates through the middle people . . ." (1295b34) "Politics."

3. "The superiority of the middle constitution is clear also from the fact that it is free from factions." (1296a7) "Politics."

Aristotle also instructs why democrats and oligarchs should cultivate the middle ground:

"The better mixed a constitution is, the longer it will last. It is a mistake made by many, even by those seeking to make an aristocratic constitution, not only to give too great a preponderance to the rich, but to cheat the people. In the long run, mistaken good inevitably gives rise to unmistakable evil; for the greedy grabbing of the rich does more harm to the constitution than that of the people." (128796) "Politics."

As the previous passages from "The Politics" demonstrate, Madison in "Federalist

No. 10" was echoing Aristotle's warnings against factions and the need to include the majority of the people to support the Constitution. Now you may ask what do the three classes of individuals have to do with the notion of separation of powers in a government, among the executive, legislative and judicial branches? Philosophically, we have come full circle because as stated in the first section, the ideal state is in harmony with the nature of man. There will always be people of different ability and station in life. Our system of checks and balances credited often to Montesquieu is an attempt to attain this ideal mixture.

Polybius once again was the best resource for the delegates in the practical aspects of the doctrine of checks and balances of power. Polybius credited the Romans with the most perfect system at the time of the Hannibalic War, . . . "there was a complete balance of consuls, senate and populace." . . . "The mixture," he stated, "was so effective that it was impossible even for a native to pronounce whether the procedure was aristocratic (senate), democratic (people), or monarchical (consuls)." Polybius praises the workings of the Roman Republic in that none of the three are absolute and an agressive impulse by one is sure to be checked. He compared it to "the equilibrium of a well-trimmed boat." There is both balance and separation of power in his examples.

As the delegates compromised between the New Jersey Plan and the Virginia Plan, or the interests of large states and the small states, the practical political realities of their times were not eclipsed by the desire to form a stable government as counselled by the ancients. The balance of interests to serve the majority was achieved in establishing various bodies: the executive (monarchical), the Senate (aristocratic), and the House (democratic). Although the debates on whether to establish one legislative body or two were steeped in practical political problems between large and small states, its solution in the Great Compromise has a classical echo. Perhaps no other decision at the convention was more important in guaranteeing the future of the government they hoped to establish.

V. THE SEPARATION OF POWERS

The debates at the Convention often centered on the structure of the new central government. How was the power alloted to it to be distributed among its parts? The doctrine of separation of powers was not unknown to the framers because both the Virginia Plan and New Jersey Plan in their various forms of consideration contained provisions for a federal executive, legislative and judicial branch. Madison in "Federalist No. 47," expresses the delegates' views on separation of powers by quoting Montesquieu: "There can be no liberty where the legislative and executive powers are united in the same person, or body of magistrates," or, "if the power of judging be not separated from the legislative and executive powers." The framers were also inspired by the example of Roman governmental practices. Quoting Polybius on the doctrine: "As for the Roman Constitution, it had three elements, each of them possessing sovereign powers."

When discussing the creation of the departments of the federal government, the direct influence on the framers by ancient institutions is most clear when they discussed the Executive and Legislative branches. The Judiciary branch was most influenced by the framers own experience, since they could not find adequate precedents in Roman and Greek history. The establishment of the Executive branch was most difficult for the framers. Hamilton had offended the delegates in the early debates of the convention by suggesting that the executive be selected for life. Although viewed with suspicion as a monarchist, Hamilton warned against the possible threat to liberty by the executive in "Federalist No. 70:"

"Every man the least conversant in Roman story, knows how often that republic was obliged to take refuge in the absolute power of a single man, under the formidable title of Dictator, as well against the intrigues of ambitious individuals who aspired to the tyranny, and the seditions of whole classes of the community whose conduct threatened the existence of all government, as against the invasions of external enemies who menaced the conquest and destruction of Rome."

Hamilton points out that opponents of the new Constitution had equated the president of the United States to historically dreaded despots to stir the passions of the people. The debates also focused on whether the executive should be a single person or a group. James Wilson argued that executive power should be in one person. He stated:

"A plurality in the Executive of Government would probably produce a tyranny as bad as the thirty Tyrants of Athens or as the Decemvirs of Rome."

Hamilton agreed with Wilson and referenced ancient examples:

"The Decemvirs of Rome, whose name denotes their number, were more to be dreaded in their usurpation than any ONE of them would have been." ("Federalist No. 70").

Hamilton also cited the two consuls of Rome as to how the plurality of the executive would destroy its unity in the following functions: "decision, activity, secrecy and dispatch."

The establishment of the Federal legislature with the unique concept of two houses caused many objections. Many feared the creation of the Senate as an aristocratic body would oppress the Republican House, the representatives of the people. Hamilton argued in the debates for the creation of a Senate stating:

"The history of ancient and modern republics had taught them that many of the evils which these republics suffered arose from the want of a certain balance and mutual control indispensable to a wise administrational."

According to Madison, Athens failed because it did not have a Senate to check the misguided policies and temper the people's passions. "Federalist No. 63." The proposed Senate was feared by many as the voice of the property-owning citizens. Hamilton did not deny that this was the character of the Senate. He argued that inequality of property among the citizens was a reality and was unavoidable. As long as all offices were open to all men and no constitutional rank is established, Hamilton thought the republic would be preserved by a Senate body. Both Madison and Hamilton use classical examples to show how the Senate in Sparta and Rome were threatened by the executive and the people. In these examples, the short term, popularly elected house was always more than a match for the more aristocratic longer tenured senate. These classic allusions helped to calm people's fears of a powerful senate and did much to advance the idea.

VI. CONCLUSION

That the Constitution is a classic document is best summarized by a University of Chicago history scholar, who wrote:

"The influence of classicism on the Constitution can be found only in its character and not in the similarity of its clauses with those of the Greeks and Romans. They who try to find such provision underestimate the intelligence of the Framers and degrade them into uncritical imitators. Actually, the Constitution itself is a classic document. It combines all the features attributed to a classical work: clarity, elegance, maturity of thought, simplicity despite complexity of structure, perfection of language, loftiness, idealism. The most fundamental characteristic of classical creations, the deep sense of balance, is also an outstanding characteristic of this document. There is in it a balance and symmetry not of a static character, but dynamic, displaying a balance of powers which calls to mind the dynamic symmetry found in the structure of the Parthenon, of the ancient drama, of the works of Thucydides, of the Greek vase, of every classical creation. This balanced relationship among counteracting powers, together with its other qualities, give the Constitution the forceful life and magnificence which is common to all things classic; it also suggests the quality of background, taste and thought of the men who framed it."

Finally, if the only duty of government were to provide for the common defense, then Aristotle concluded that such a government was merely a military compact. The ideal state should cultivate the virtue of its citizens. Virtue, or *arete* is the ultimate achievement of an individual's potential. What then should be the citizen's obligation to the state? For us, this day, this year it is to study the framers of the Constitution with all our hearts and minds. There is no better way to realize fully the magnificent heritage that these noble and remarkable men have entrusted to all of us.

IN TRIBUTE TO ERROL BARROW

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. RANGEL. Mr. Speaker, my heart grieves today for a close friend of mine; a man who served his government well, most recently as its Prime Minister. When Barbados Prime Minister Errol Walton Barrow died an untimely death on Monday, June 1, he left behind a legacy of progress and concern for the people of that tiny West Indies Island Nation that they will not forget.

As one who had the pleasure of knowing him well, I too, will not forget the legacy that Prime Minister Barrow has left behind. In remembering this great man whom some will always look to as the father of what is now an independent Barbados, I believe that it is appropriate that we take a look at a snapshot of his distinguished life and accomplishments as a tribute to him:

Prime Minister Barrow was born January 20, 1920, in St. Lucy, Barbados. Educated in the West Indies and in London, he served for 7 years, from 1940, to 1947, as a pilot for the Royal Air Force.

His political career took off in 1951 when he was elected to the Barbados House of Assembly. After serving in the House of Parliament, he served from 1961 to 1966, under the old colonial rule, as Premier and as Finance Minister.

Perhaps his breakthrough as a world-class leader occurred in 1966. That year, after helping successfully lead the Barbados independence movement, Mr. Barrow was elected as that nation's first-ever Prime Minister.

For 10 years after Barbados gained its independence, Errol Walton Barrow served as Prime Minister and his leadership during that period has had a lasting effect on Barbados and its People. But in 1976, Prime Minister Barrow experienced something that many of us in politics have dealt with at one time or another, defeat. His Democratic Labour Party was ousted from power in the 1986 elections.

Despite defeat, Prime Minister Barrow did not sit idly by as Barbados continued its maturation as an independent nation. Instead, Prime Minister Barrow continued to take an active role in the politics and activities of Barbados as leader of the opposition while the other government assumed its control.

As any good politician, Mr. Barrow was able to bounce back from earlier political defeat, and, I believe stronger than ever. And that, I believe, is what makes his death untimely. In May of 1986, barely more than a year ago, Errol Walton Barrow was reelected as the Prime Minister of Barbados after a 10-year absence.

The People of Barbados realized that if they were to press ahead to improve their standing in the world, particularly their economic condition, they would have to do it with Mr. Barrow at the helm. I suspect that Mr. Barrow's clearly defined plan for economic recovery—including the elimination of income tax for Barbados citizens earning below $7,500 annually—is the reason why he was returned as Prime Minister in such a decisive fashion.

Barbados is certainly not one of the big fish in the scheme of things. It is not one of those priority nations we call on or confer with on economic or military support in time of crisis. But that in no way makes it less important to the United States.

Because of the leadership of Errol Barrow, the United States and Barbados have been able to maintain a good, working relationship that, in the final analysis, has contributed to the overall scheme of things in the free world. For that reason, I do not think we can allow this man's passing to just be skimmed over. Errol Barrow, you will be sorely missed by your colleagues here in the United States as well as your people in Barbados.

ADM. RAYMOND SPRUANCE

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. BENNETT. Mr. Speaker, 45 years ago, specifically on June 4, 1942, the U.S. Navy defeated a superior fleet at the island of Midway. This victory was a turning point in the war in the Pacific, and it was due in large part to the brilliant leadership of and performance of Adm. Raymond Spruance.

Nearly a half century later, only limited understanding is shown of the relevance of Midway to the future of our Nation. Midway looms, in historic perspective, along with Salamis, which preserved the culture of western man.

Admiral Spruance was featured in the May 1986 issue of Shipmate, in an article written by Lt. Comdr. David Meyer, USNR (retired). It tells us well of the character and achievements of this remarkable man.

WITH THE QUIET MAN—ADMIRAL RAYMOND SPRUANCE—IN THE PACIFIC

(By Lt. Comdr. David Meyer, USNR (Ret.))

One of my most prized possessions is an old, dilapidated sheet of paper, faded yellow. It is a letter of August 1945, from Admiral Raymond Spruance to me as Signalman, second class, USNR. In the letter, Admiral Spruance, then Commander, Central Pacific Force, and Commander, Fifth Fleet, expresses his appreciation for my services in connection with 11 battle operations and the occupation of Japan—ships of the Fifth Fleet being the first to sail into Yokohama harbor.

In September of 1943, when I first reported aboard USS *Indianapolis*, Spruance was a vice-admiral, only six months short of being promoted, and thus achieving the distinction of becoming, at age 57, the youngest naval officer ever to become a full admiral. I can picture him now—more than four decades later—as vividly as I saw him then. He was climbing up the high ladder to the signal bridge of the heavy battle cruiser, to the tune of the "The Wabash Cannonball" ("Listen to the captains as they rumble and they roar/As they climb up the ladder of the Fifth Fleet Cannonball.") Immediately upon first sight of him, some 30 to 40 young signalmen, myself included, jumped off the flagbag and stood rigidly to attention. To our amazement—and delight—the Admiral spoke casually, "That's all right, boys. You don't have to salute me."

This small incident contravenes somewhat the impression of Spruance that mainly prevailed during World War II as being a man with little or no visible warmth or humor—an image which has by no means completely disappeared to this day. One article by Robert Sherod in *Time* for 26 June 1944, called Spruance, a "cold, calculating, mechanical man." Another piece that also came out during my tour with Spruance—in an issue of *Argosy* early in 1945—was pointedly titled "Ice Water Admiral." But these and other stories in the public print hardly did more than confirm a view of Spruance's character and personality already widely entertained in the Fleet itself. "Spruance had a reputation as a cold fish," recalls a very recent, in-depth history of the war against Japan. In this memoir, I hope further to lay to rest the persistent notion of Adm. Spruance as only a "fighting machine"—a man who remained unflappable and remote in virtually any and all circumstances.

On this particular September day of 1943, of which I speak, I was a signalman third class—a young man originally from the cornfields of Iowa. Prior to my voluntary enlistment in the Navy, I had never seen the Great Lakes much less the ocean. This omission was to be amply corrected during the following three and one-half years on active duty. It was, in fact, this September that Spruance chose *Indianapolis* for his flagship as Commander, Central Pacific Force. Then, too, began the greatest adventure of my young life. I continued to serve on Flag Allowance under Spruance for almost two years, until November of 1945, and had full opportunity to observe him in many situations during this period.

While it is hard to epitomize so complex an individual in a few words, I would say that the Admiral was basically a rather shy, introverted, even bookish man, with a droll sense of humor, but possessed also of a steel will and one driving compulsion: to end the war victoriously and as quickly as possible. This determination to get it over with is well reflected, for example, in the fact that after each one of his operations, unlike some of the other top naval commanders, Spruance nearly always stayed within the confines of his Pacific headquarters, spending his entire time planning the next operation rather than availing himself of the luxury of going stateside.

Afloat, Adm. Spruance loved to walk, and often paced back and forth on deck, frequently accompanied by one of the very few officers that he clearly regarded both as a friend and most probably as an intellectual equal—LCdr. Gilven Slonim, '36 his Japanese language officer. A picture that remains indelibly imprinted on my memory is that of the two officers traversing the long deck of USS *New Jersey* shortly after news of the tragic sinking of USS *Indianapolis* reached them. It will be recalled that the *"Indy"* was hit by two Japanese torpedoes while midway between Leyte and Guam near midnight of 29 July 1945, causing 900 officers and men to be plunged into the sea. Of these, 600 became fatalities. On this occasion, Spruance and Slonim were not talking at all.

The impressions that I gained of Adm. Spruance during the two years that I was privileged to serve under him can best be conveyed, I believe, in a few vignettes, drawn from operations during the sea offensives toward Japan from the fall of 1943 forward.

At Tarawa Atoll, in the Central Pacific, our first operation, a ship was to be volunteered to go within a mile of shore to test the shore batteries by drawing fire. As a matter of course, Spruance offered the *Indy* and himself—and us! On this gambit we lucked out—no big guns blasting us from shore.

At the Marshalls in the North Pacific, a young seaman managed to get ashore and came back to the ship with a frightened mongrel that he had found on the beach tucked under his arms. Prudently, but unmilitarily bypassing his Division Officer, he went directly to the Admiral and said, "Please, Sir, may I keep him?" With a twinkle in his eye, the Admiral replied, "It's okay with me, sonny, if you can convince your Division Head."

At Okinawa, in the Ryukyus chain, not far from the southernmost Japanese mainland island of Kyusku, occurred an instant of his wry humor, which could flash forth at the most unexpected times. When the cruiser USS *Louisville*, anchored next to us, accidentially sent a five-inch shell into the head compartment of *Indy* while we were at General Quarters, Spruance called up the skipper of the cruiser and asked him if he wanted his ammunition back.

The Okinawa operation reminds me of one of the many misrepresentations that seem to have dogged the footsteps of this quiet officer. Contrary to the portrayal of him by Glenn Ford in the movie, Midway, I never once saw the Admiral smoke nor use a word of profanity other than "hell" but even then he did not employ the term as an expletive. At Okinawa I heard him say the word "hell" twice. The first time was when about 36 of us signalmen could not identify by name one of our merchant vessels that had slipped into a mooring spot hard by us during the night. Without a smile this time, Spruance barked, "What the hell are you signalmen up here for?" The second occasion that called forth profanity from on high happened on 30 April 1945, at the time when Okinawa was to be secured. Admiral Halsey was approaching in the great battlewagon, USS *Missouri*, during the most ferocious Kamikaze attack of the whole war. By signal light, Admiral Spruance sent this message to Halsey: "Keep the hell out of here. I am still in command."

As a kind of coda to the foregoing brief comment on Spruance's occasional use of a swear word, I have talked at length then and later with both enlisted men and officers, many of the latter with high rank, who regarded Spruance as their idol. They would not have minded his reference to hell. On the contrary, at his say, they would gladly have followed him there and back.

It is also on connection with action at Okinawa in the spring of 1945 that we on *Indy* had an opportunity to become aware of two qualities seldom associated in the literature with the character of Adm. Spruance: a keen sense of justice and a capacity for expressing emotion. One day at dawn we had just secured from routine General Quarters. All of a sudden the one gunner left on the 40-millimeter opened fire on a *kamikaze.* The rounds from the anti-aircraft gun succeeded in knocking the suicide plane off the main target, but the oncoming aircraft still crashed into the ship. The CO of *Indy*, C.B. McVay, III, '20 rushed down from the bridge, grabbed hold of the gunner's mate, and told him he would be court-martialed for firing without a command. Adm. Spruance, in turn, laid his own hand on the captain's sholder and remarked in a mild manner, "I wouldn't do that, sonny (his favorite term of address.) He just saved our lives."

In the book *All the Drowned Sailors* by Raymond B. Lech, there is an official picture showing Spruance pinning Purple Hearts on the men injured in this action. What the picture does not show is the tears in the eyes of the four-star admiral as he solemnly shook each hand and spoke a few words.

Later on Okinawa, on 12 May 1945, after we had transferred with the Admiral to the battlewagon, USS *New Mexico*, and while we lay at the Hagushi, Anchorage we were again hit, this time by two *kamikazes.* Both Adm. Spruance and the Fleet Medical Officer, a commodore, themselves carried stretchers bearing injured men, of which there were 119. (Fifty-four were killed or missing.) Amid all the confusion that prevailed, a scared young sailor ran smack into the Admiral, knocking him down. Shaking like a leaf in the wind while he awaited the expected caustic reprimand, the bluejacket heard instead these word, spoken casually and with a barely repressed smile, "It's allright, sonny. It's my fault that I'm getting too old to move out of the way fast enough."

Once concluding example may suffice to dispel any lingering notion that Adm. Spruance was simply an efficient fighting machine, quite lacking in the ordinary virtues of humanity and compassion. Perhaps those who have criticized him for chasing the Japanese fleet too far and too long may not be aware of one command that he issued during the second Phillippine Sea Battle early in 1945. The danger of pilots running out of fuel after a far pursuit of enemy vessels in the night was very great. If they did, their fate would be to plunge into the murky darkness of the cold Pacific.

In order to minimize the chances of this happening, the Admiral gave the command that all carriers turn on all exterior lights so that the flyers, no matter whether it was their own carrier or not, could glimpse the little bit of haven and land safely on whatever flattop deck they could spot. The Admiral knew full well, of course, that the carriers themselves could be prey to enemy submarines lurking in the area. But, coolly assessing the risks, he gave the daring order—one which doubtless saved hundreds of American lives.

Since this personal recollection attempts in a small way to correct what has been a generally unfavorable image of Spruance as a man, it will perhaps not be amiss to mention the erroneous statement in the book *A Glorious Way to Die* by Raymond Spurr to the effect that the Navy made Spruance Administrator of the Philippines in 1946 to assuage his hurt feelings at not getting the fifth star. But I can still remember Spruance saying, early in 1945 when he, along with Halsey, was being considered for promotion to the highest rank possible, "I don't deserve it." (Halsey became the last-designated of only four fleet admirals.)

Incidentally, it is also quite interesting to recall the little-known fact that while Spruance was Administrator of the Philippines he suggested to Washington that Okinawa had served its purpose and should be given back to Japan. To which Washington promptly responded in effect that he should stick to being an admiral and not try to pass as a statesman. Of course, as is well known, Washington did give the island back to Japan some 20 years later, after spending billions of dollars on it.

His detractors notwithstanding, this quiet man, Adm. Raymond Ames Spruance, U.S. Navy (Ret.), who died in 1969 at age 83, left his mark upon military history for all time. Those of us who were fortunate enough to serve under him may perhaps lay claim to a small place on his shining escutcheon.

Over the mist of the passing years, I see him yet, standing there on that embattled bridge, moderate of statute but large of heart. I hear him saying with that wry smile on his face, "Well done, boys!"

Respectfully, well done to you, too, Skipper!

ARTHUR SACKLER DIES AT 73; DONATED SMITHSONIAN GALLERY

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. MINETA. Mr. Speaker, on May 26, 1987, the art world and the city of Washington lost a great friend with the death of Dr. Arthur M. Sackler.

Dr. Sackler was one of the foremost art collectors in the world, and his collections of art from China, Japan, and the other nations of Asia is beyond comparison. In his lifetime, Dr. Sackler was extraordinarily generous with his collection, and has donated a remarkable series of museums and galleries around the world.

Washington and the Nation will see the magnitude and scope of this collection this fall, when the Arthur M. Sackler Gallery of the Smithsonian Institution opens.

As a member of the Board of Regents of the Smithsonian, and as chair of the Sackler Gallery Visiting Committee, I am saddened by the loss of this distinguished man. Along with others, I am particularly saddened that he will not be with us to see the opening of the marvelous new Sackler Gallery.

Following are two articles on Dr. Sackler: from the May 27, 1987 editions of the Washington Post, and from the New York Times:

[From the Washington Post, May 27, 1987]

ARTHUR SACKLER DIES AT 73; DONATED SMITHSONIAN GALLERY

(By J.Y. Smith)

Dr. Arthur M. Sackler, 73, a psychiatrist who made a fortune in advertising and publishing, an art collector of breathtaking scope and discernment, and a founder of various museums, wings, galleries and other institutions that keep his pictures and objects in the public eye, died of a heart ailment yesterday at the Harkness Pavilion of Presbyterian Hospital in New York City.

"Great art doesn't belong to anybody. Never did. Never will," Dr. Sackler told The Washington Post in September. "The more successful your collections are, the more they cease to be your property."

Next September, the Arthur M. Sackler Gallery of the Smithsonian Institution is scheduled to open on the Mall. It will house an initial collection of 1,000 pieces of Chinese and Near Eastern art with an appraised value of at least $50 million. The pictures, bronzes, jades, lacquers and ceramics are a small fraction of the Sackler holdings—and according to Thomas Lawton, the director of the Freer Gallery of Art, their value may be closer to $100 million than $50 million.

Dr. Sackler donated $4 million of the $75 million in construction costs of the project.

The Sackler Gallery is only one example of the doctor's beneficence. Some years ago he established the Arthur M. Sackler Gallery for Early Chinese Stone Sculpture at the Metropolitan Museum in New York City and the Metropolitan also has a Sackler Wing. There is an Arthur M. Sackler Gallery at Princeton University and in 1985 the Arthur M. Sackler Museum opened at Harvard University. Last year, the Arthur M. Sackler Museum was dedicated at Beijing University in China.

A biographical sketch compiled by Dr. Sackler's office said that his collections "range over different cultural horizons and media, in Asia from China and India to the Middle East; in Western art ceramics, bronzes and paintings from pre-Columbian and pre-Renaissance periods through the School of Paris."

It notes that he began collecting shortly after graduating from medical school at New York University and that "in the 1940s he focused on pre- and early Renaissance and French Impressionist and post-impressionist paintings. At this time he also actively supported contemporary American painters. In 1950, he started his collection of Asiatic arts, first Chinese ceramics, and then sculpture and paintings."

Dr. Sackler donated a collection of drawings and paintings by the Italian master Piranesi to the Avery Library at Columbia University and it is considered one of the finest of its kind. The same accolade has been offered to his collection of Italian terra cottas, which were displayed at the National Gallery of Art in 1979.

The Sackler Gallery at the Smithsonian not only will house a notable collection in its own right, but also will supplement in a special way its next-door neighbor, the Freer Gallery. The Freer has one of the world's finest collection of Chinese art. But its founder, Charles Lang Freer, decreed that nothing be added to it and that none of its treasures go out on loan.

No such restrictions apply to the Sackler. According to Lawton, the Freer's director, the Freer and the Sackler, which are connected by a tunnel, will make a center of Asian art that no scholar in the field will be able to ignore.

The Sackler name is also well known in medicine and science. There is the Sackler School of Medicine of Tel Aviv University in Israel, the Sackler Institute of Graduate Biomedical Science at New York University, the Arthur M. Sackler Sciences Center at Clark University in Worcester, Mass., and the Arthur M. Sackler Center for Health Communications at Tufts University.

"I used to think that creativity was limited by age," Dr. Sackler told The Post. "But the more time passes, I have come to realize that creativity is not that age-restrained. There are fascinating examples, in terms, let us say, of scientists such as Linus Pauling. Or a choreographer, Martha Graham. . . . In both cases, I think you will find a residual development of irreverence. Not for great achievements, but for conventional wisdom. I once asked Linus Pauling, "What is the role of heresy in science?' And he looked at me and said, 'Arthur, isn't heresy the source of all real progress?' "

Arthur Mitchell Sackler was born in Brooklyn, N.Y., on Aug. 22, 1913. He received his undergraduate and medical degrees at NYU.

Dr. Sackler was a pioneer in the use of ultrasound as a diagnostic tool and in histamine therapy for psychiatric disorders.

While he practiced medicine, he began making investments. He bought stocks in pharmaceutical companies and these became the foundation of his fortune. In the 1940s, he joined William Douglas Adams Inc., a medical advertising agency, and in 1947 he bought it.

He later went into the vastly profitable medical publishing field. His publications were printed in 10 languages and his organization had offices in 11 countries. Among periodicals he owned was Medical Tribune.

Forbes magazine once estimated Dr. Sackler's financial worth at "$175 million plus." He lived on Fifth Avenue in New York City.

Dr. Sackler's marriages to the former Else Jorgensen and Marietta Lutze ended in divorce.

Survivors include his wife, the former Jill Lesley Tully, of New York City; two children by his first marriage, Dr. Carol Ingrid Master of Boston, and Elizabeth Anne Sackler of New York City; two children by his second marriage, Arthur Felix Sackler of New York City and Denise Marica of Venice, Calif.; two brothers, Dr. Mortimer D. Sackler of London, and Dr. Raymond R. Sackler of New York City, and seven grandchildren.

[From the New York Times]

DR. ARTHUR SACKLER DIES AT 73; PHILANTHROPIST AND ART PATRON

(By Grace Glueck)

Dr. Arthur M. Sackler, a research psychiatrist, entrepreneur and philanthropist who became one of this country's leading art collectors and patrons, died of a heart attack yesterday at Columbia-Presbyterian Medical Center. He was 73 years old and lived in Manhattan.

Dr. Sackler's collecting ranged over many cultures, from China and India to the Middle East; from pre-Columbian and Renaissance periods through the School of Paris. His holdings numbered in the tens of thousands.

The physician, who made his fortune in medical advertising, medical trade publications and the manufacture of over-the-counter drugs, gave much of the art away, along with museums and galleries to house it. His latest benefaction is the Arthur M. Sackler Gallery at the Smithsonian Institution, a museum of Asian and Near Eastern art based on the gift of 1,000 items from his collections and a contribution of $4 million. The museum is to open in Washington next September.

BENEFACTOR TO HARVARD

Dr. Sackler was also the principal donor of the museum at Harvard that opened two years ago bearing his name, built to contain works from Asia, the Middle East and the Mediterranean. With his brothers, Raymond and Mortimer, he helped to finance the construction and installation of the Sackler Wing at the Metropolitan Museum of Art, which houses the Temple of Dendur and the Met's new Japanese galleries. And last September, he attended ground-breaking ceremonies for the Arthur M. Sackler Museum on the ground of Beijing University; an archeological facility supported by Dr. Sackler and his wife, Jill, it will also teach museology to students.

The sciences and humanities also benefited from Dr. Sackler's largest contributions of more than $2 million to Long Island University, where he established a laboratory for therapeutic research at the school of pharmacy made him one of the largest donors to that institution. An $8 million contribution to Clark University in Worcester, Mass., helped to establish the Arthur M. Sackler Sciences Center there. And with his brothers, he helped set up biomedical institutions at Tufts University and New York University, as well as the Sackler School of Medicine in Tel Aviv.

MORE THAN 140 RESEARCH PAPERS

Known in the scientific field as a pioneer in bilogical psychiatry, Dr. Sackler published, with his physician brothers and other collaborators, more than 140 research papers, most dealing with how alterations in bodily function could affect mental illness.

He was the first to use ultrasound for medical diagnosis, and among other pioneering activities, identified histamine as a hormone and called attention to the importance of receptor sites, important in medical theory today.

His art interests were eclectic, and he preferred the purchase of entire collections to that of individual pieces. He liked to think of himself as "more of a curator than a collector."

"I collect as a biologist," he once said. "To really understand a civilization, a society, you must have a large enough corpus of data. You can't know 20th-century art by looking only at Picassos and Henry Moores."

STUDIED AT N.Y.U.

Dr. Sackler, born in Brooklyn on Aug. 22, 1913, to Issac and Sophie Sackler, took a premedical course at New York University. He also studied art history at N.Y.U. and at the Cooper Union. To finance his medical studies at N.Y.U., he joined the William Douglas MacAdams advertising agency, a medical advertising concern, and eventually became its principal owner.

In 1960, he began publication of Medical Tribune, a biweekly newspaper for doctors, which expanded into an international publishing organization with offices in 11 countries. In 1958, he founded the Laboratories for Therapeutic Research, a nonprofit basic research center at the Brooklyn College of Pharmacy of Long Island University, and served as its director until 1983. With his two brothers, Dr. Sackler also had an interest in the Purdue-Frederick drug company.

Dr. Sackler's art collecting began in the mid-1940's. Picking his way from field to field, he went from pre-Renaissance to post-Impressionism to the School of Paris, and also supported contemporary American painters.

He made the acquaintance of Oriental art by happening on a small Chinese table at a cabinetmaker's. "I came to realize that here was an esthetic not commonly appreciated or understood," he said.

Later, advised in the Chinese paintings field by the chairman of the Metropolitan Museum's Far Eastern department, Wen Fong, and in other areas by trusted dealers, he wound up with what Mr. Fong has called "by far the largest and most important collection of ancient Chinese art in the world."

His collection became a subject of controversy at the Metropolitan Museum, which had provided him in the 1960's with a small enclave that housed thousands of the Chinese works.

Material from the enclave was to be used for an exhibition of masterpieces from the Sackler Chinese holdings, according to Dr. Sackler. But, though discussed by him and the Met for years, the show never took place.

Dr. Sackler is survived by his wife; his two brothers, both of New York; and four children: Dr. Carol Master of Boston; Elizabeth Sackler and Arthur F. Sackler, both of New York, and Denise Marica of Venice, Calif., and seven grandchildren.

LANGUAGE, LATVIANS AND FREEDOM

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. MICHEL. Mr. Speaker, the Communist Party domination of the Soviet Union extends, as we all know, beyond the boundaries of Russia itself to nations such as Latvia, Lithuania, and Estonia. As you know, the United States does not recognize Soviet Communist control of those Baltic nations.

One of the ways in which many ethnic groups dominated by Soviet Communists seek to express their individuality and cultural identity is through use of their native tongue. In Latvia, recently, the Latvian human rights group, "Helsinki 86," criticized the Secretary of the Latvian Communist Party's Central Committee for an assault on the Latvian language.

An open letter from Linards Grantins, leader of the "Helsinki 86" group tells us of the bizarre, nightmarish oppression of innocent human beings under communism.

At this point I wish to insert in the RECORD copies of two letters dealing with human rights in Latvia.

OPEN LETTER FROM "HELSINKI 86" TO A. GORBUNOVS, SECRETARY OF THE LATVIAN COMMUNIST PARTY CENTRAL COMMITTEE

[Translator's note: The following letter, written by the leader of the Latvian human rights group "Helsinki 86," is a response to a speech given by Anatolijs Gorbunovs, secretary of the Latvian Communist Party Central Committee. In his speech, Gorbunovs criticizes recent public calls for increased emphasis on the use of the Latvian language.]

We were shocked by the speech of Anatolijs Gorbunovs, which was published in the issue #1 of "Literatura un Maksla" [Literature and Art]. How can an editor publicize such a speech, which openly and without shame promotes the domination of the Russian language?

Gorbunovs says: "I categorically oppose the demand which has been put into the forefront—let us call things by their real names!—which states that the Latvian language should take priority in all our republic's social affairs, in opposition to the Russian language. The most favorable conditions have been created for the voluntary learning of the Latvian language—this principle is even promoted on television."

What kind of cynicism against Latvia and the Latvian people hides behind these words, that state that the Latvian language can be known only on some kind of a voluntary basis?

In whose name do you speak in this period of democratization? As can be seen in the article, you use the words "I" and "me", therefore you want to impose your subjective opinions or wishes upon the Latvian people, and teach writers how to shape their social thinking. This is a step down for Gorbunovs, who had disgraced himself and made a lot of noise before the eyes of the world. You should look at yourself with some self-criticism; who are you, compared to [Latvian writers] Imants Ziedonis, Mara Zalite, Janis Peters, Klavis Elsbergs, Ojars Vaciets and others? To put it mildly, nothing.

You forcibly impose bilingualism on the Latvians. You should first ask the Latvians whether they do not despise that other language, for everything that is done with force is resented. No one chases the Russians here by force. If they had but a minimal sense of morality or conscience, then they would understand that one must respect a native people and their language, and not make themselves comfortable in well furnished apartments and jeer at us.

Gorbunovs criticizes "Literatura un Maksla" editorial staffer A. Meier for distorting Leninist national political principles. We can safely say that Gorbunovs himself has mixed up Lenin's writings about national politics with Stalin's instructions on the same theme. If Gorbunovs continues in such a manner, then Alma-Ata will repeat itself in Riga as well.

Writing this piece, my attention was accidently drawn to the Latvian Soviet encyclopedia. Let us look at what is said there about Fascism and turn to Volume III, page 258—and my goodness!—from there breathes a repugnance similar to that in Gorbunovs' speech.

If Gorbunovs and the Party are right, then why should there be fear of a referendum? Give the Latvian people the opportunity to express their thoughts freely and not with help from the basement of KGB headquarters, as you employ it against us.

From our side we can give some valuable advice to one or another chauvinist bully and bureaucrat—don't get underfoot of the people or democratization, for it can end unpleasantly.

LINARDS GRANTINS,
"Helsinki 86".

AN OPEN LETTER FROM LINARDS GRANTINS, LEADER OF THE LATVIAN HUMAN RIGHTS GROUP, "HELSINKI 86"

[Translator's note: Linards Grantins, Raimonds Bitenieks and Martins Bariss founded the human rights group 'Helsinki 86' in the city of Liepaja in Soviet-occupied Latvia in July, 1986. At the time they wrote several letters—addressed to the Central Committee of the Communist Party, the UN, Pope John Paul II and other groups—asking that, among other things, the Russification of Latvian be halted and that the Latvian people be allowed to participate in a referendum to decide whether they wish to remain a part of the Soviet Union. Grantins and Bitenieks were arrested in August and Bariss was put under house arrest. All were released from custody in January 1987. Following is an account of their experiences written by Linards Grantins. This and other documents written by 'Helsinki 86' in March were smuggled out of Latvia and translated by the World Federation of Free Latvians in May 1987]

I would like to tell, in a few words, how we have been since the founding of the group "Helsinki 86". In the early morning of August 21, 1986, I (Grantins) was deceptively lured from my house. (I have two places of employment, "Dailrade" and at the gasworks. I was on vacation from the gasworks at the time of my arrest. There are three other people under my care. My wife Ida, who is taking a postpartum vacation with a 14 month old son Klavs, and Viktors, a 14 year old son from her first marriage. I also have two daughters from my first marriage, Gita, 13 and Liga, 11.) A driver came in his "Volga" and told my wife that something had happened at the gasworks and that supervisor Akselrods had requested my immediate presence.

Approaching the gasworks I saw a "Bobik" [van] parked in front, Our car had not yet stopped when the three doors of the "Bobik" flew open and three men came running toward our "Volga", blocking my path. I had seen the exact same scene in Russian films where they showed how the Gestapo arrested Communist patriots, the only difference being that they had firearms under their belts, but I, if one can draw a comparison, had only a letter to the Central Committee.

Bitenieks was arrested in a similar manner at the city hospital where he works; he was summoned by his supervisor and arrested. Bariss was held but not arrested.

This was Bariss' first serious meeting with the KGB. I've had numerous talks with them at work (at the bus park) and was last warned by the Liepaja KGB in 1980. For I, you see, listen to foreign radio broadcasts and supposedly use subtle means to propagandize them further. They attempted to explain to me that the Russians aren't occupiers, but instead are helping us overcome our backwardness by sending us their specialists. I will not use my own words to express what I think of them, let the great Lenin speak. In the first issue of this year's "Lauka Dzive" [Country Life] it is written, by Lenin's own hand, that to the Russian people one must say something 20 times and they must be checked 30 times, in order to get anything good from them. If such people have forced themselves on the Latvians as specialists and pathfinders, then there is only one path, to hell, where we also now find ourselves. But, if you think about it, then the respective situation can be exploited in order to gain something. If the Hollywood moviemakers need to film post-war bedlam, or scenes from hell, then let them travel here to Liepaja, Latvia. In talks with Bitenieks, even KGB procurator Batarags allowed himself to admit the fact that Liepaja and other Latvian cities look like garbage dumps.

Regarding Bitenieks, in 1983 he took a motor boat across the sea to Sweden, but had a misfortune with the motors and fell into the hands of Russian border guards 18 kilometers from Gotland. In the boat with Bitenieks was his older daughter, and his friend, Janis Vanzovics with his son. For wanting to see how the Swedes live, without permission from the Russians, they each had a chance to spend several years behind barbed wire.

Bariss was kept in isolation under house arrest. There was a KGB car in front of his house for the entire time the conference with Americans was taking place in Jurmala. On work days he was brought to work and returned home, and when there were scheduled free days, he was brought to the KGB office where he was held all day. That is how that great freedom manifests itself here.

I sat in the KGB basement with Bitenieks for 5 months. Our trial was on January 19. We were brought into the courtroom, where we were informed that the procurator had asked that our trial be postponed for one week, since he had not been able to familiarize himself with the breadth of the issue. Regarding the written charges against us, which Bitenieks and I have in our possession, one can only say this, that only the KGB, in the manner of the 30's and 40's, can allow itself such unintelligible babble. Criminal charges had been initiated against those who had signed the Central Committee letter, as well as three others who merely knew that such a letter existed. People were intimidated and terrorized, and some even lost self-control. How can there be talk of openness or trust, when repression and criminal charges are initiated against those who write letters to their government? If the documents had not reached their target, who knows how it all would have ended. The KGB works with enthusiasm. The original, a copy and six photonegatives were found in various places during the searches. My house was searched twice. It was done so thoroughly that two tons of coal were sifted through, every logend was studied, the wallpaper was almost torn down and women's underwear was fondled. When my wife Ida asked one of the investigators, Voldemars Zarins, whether it didn't make him uncomfortable to handle a woman's underwear, Zarins answered, that it was indeed uncomfortable, but one gets paid well for it.

I spent the first month after my arrest together with Rolands Silaraups. His investigator was the section head, Strautmanis.

Strautmanis was polite and open with Silaraups, and informed him that he was the third generation in his family to have dealings with the KGB. The first had been his grandfather, who was a policeman during Latvia's independence. His father had been a volunteer in the Latvian Legion. He earned 10 years for that. The grandson again seems to have no use for the Soviet regime or Russians. Strautmanis announced to Silaraups, "None of you enjoyed the Stalin era, but for us those were the best of times." I asked Silaraups for a "patent" on those words.

When I was brought to my usual interrogation, I asked my investigator, Major Janis Vilovic Stikans, what kind of co-worker of theirs is this Strautmanis, who feels that the Stalin era was the best of times. Thousands of Latvian political workers were murdered, a hundred thousand were forced out of their homeland—this to Strautmanis is the best of times? I ask Stikans in what kind of atmosphere are they training their new personnel? Stikans tried to defend his boss, claiming he hadn't quite meant it on that level. I answered him that his words could only be interpreted in one way, and that there are no 'levels' here since Strautmanis defends murder.

My investigator was Special Investigator of Important Matters, Major Stikans. When we "fixed" my views on paper, specifically where I had asked that a referendum be held in Latvia so that Latvians themselves, without Russian help, could decide their own fate, Stikans explained that a referendum is a primitive social approach to determining the will of the people. "Back then people had operated thusly: two baskets were placed on the ground and each person was given a stone to throw into the basket of his choice." This kind of answer, from a person with a higher education, I never expected. I then told Stikans that according to the Latvian Soviet Socialist Republic constitution, important problems are to be decided with a referendum. I received an ever more informative answer. "We are not interested in the constitution, we operate according to the criminal codes."

I also had more serious confrontations with Stikans. Stikans called my grandfather, Kalvis Grantins, a criminal because he had once owned land and livestock. That's why all bourgeoisie, he said, were sent to Siberia. I waited until he finished his attack and then asked him whether it was a crime to keep livestock on the land, is there such a law? Stikans answered "No". "If there is no law," I answered Stikans, "then there are no criminal violations. Therefore, you have committed a crime against my family."

My grandfather and his family were deported to Siberia. Even that was not enough, for there he was apprehended and sentenced to 10 years. The documents used as evidence against him were fabricated and the signatures were forged. In prison, he was brought before some officer, who put his muddy feet on the table, lit a cigarette and said, "I know that you are not guilty, but I will give you 10 years anyway."

When the "moustachioed one" [Stalin] died, my grandfather was released. He had nevertheless spent 10 years in prison camp. It is not possible to write about the horrors he personally saw, or heard about from others.

On March 4th, Bitenieks and I were called to Riga to meet with the procurator Batarags. He asked us how we were and how we were living. Bitenieks answered that he was living badly for he was not able to return to his original place of residence. He is now losing 40 rubles a month and has to live in one room with his adult daughter. Batarags answered that he had no interest in the fact that Bitenieks has no place to live. Bitenieks responded, "Why then did you ask me how I was living?" I answered that I had no complaints about work for presently I am not experiencing any repression. "But I do wish that both of my places of employement would compensate me for the 6 months I spent in the KGB prison. "We have no intention to do that" Batarags responded, "for you have committed a crime." Batarags then gave us a document to read and sign, which stated that due to a change in circumstances criminal charges against us would be halted, but if we were to continue in the same spirit, then we would have to deal with them for the charge itself has not been dropped. "I have no intention to lie or keep silent, for you have done much evil against my homeland and people," I answered. "Those who get underfoot of my people or of democratization, will get stepped on."

Regarding my living conditions, we are still living in the same old shack, one end of which has fallen into the cesspool. In summer one has to walk about with a gas mask and fly swatter. By Soviet Latvian standards, this is not considered dangerous to public health. Nevertheless, even of such a house, we only have a 3-year lease. What happens after that we don't know.

FAIR TRADE FRENZY

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. SHUMWAY. Mr. Speaker, as the following article makes clear, all of Washington has been seized by a protectionist frenzy.

I am frankly appalled and disgusted by this shortsighted, irresponsible drive, which totally ignores the disastrous effect of protectionism in the past. Do we want to encourage a trade war? Do we really want to require our citizens to pay higher prices? Do we want to discourage new jobs? In short, as the author of the article puts it, "should we shoot ourselves in the foot to fight (foreign competition)?"

I think not. I hope my colleagues will see likewise after reading "Fair Trade Frenzy:"

FAIR TRADE FRENZY

(By Marty Zupan)

All of Washington is now hell-bent on protectionism. The ill consequences are sure to be profound and painful.

Congress has threatened to pass tough trade legislation almost since President Reagan took office. "Mr. Free Trade" has responded with an escalating barrage of his own protectionist measures. At each turn, Reagan winks at dismayed free-market champions and whispers that he is only throwing a bone to keep a yelping Congress at bay.

As strategies go, this is a poor one. Congress caught on pretty quickly that barking and braying about the evil of imports works. With Reagan's move against Japanese semiconductors last summer, followed up with a 100 percent tariff on some Japanese electronic products in March, protectionists in Congress smell victory and are moving in for the kill. In late April, in a week dominated by see-who-can-be-tougher-on-trade talk in Washington, the House passed legislation with an amendment by Rep. Richard Gephardt (D-Mo.) that would require the president to slap tariffs and import quotas on any country running a large trade surplus with the United States (read: Japan). The Senate was to submit its own "tough" bill in short order.

And the size of the protectionist pack is growing. Without Reagan's leadership, longtime Republican free-traders are defecting. Said Rep. Bill Frenzel (Minn.), explaining why he helped the Democrats get a trade bill before the House: "I've changed. Free-traders are getting run out of town." Now, Frenzel is positively panting for an anti-trade bill, fretting that inclusion of the Gephardt amendment might doom trade "reform" in this session of Congress.

With an eye on the much-feared trade deficit, the new watchword of the protectionists is "fair trade," or as Reagan said of Japanese Prime Minister Nakasone when he visited Washington, trade "flowing equitably between our peoples." Was trade, then, unfair and inequitable when the United States was running a trade surplus?

The fact is that international trade accounts, long downplayed by economists, are increasingly irrelevant and even deceptive in today's global economy. Consider last year's $58-billion U.S.-Japan trade deficit, which is supposed to show how much more of their stuff we bought than they bought of ours. But goods made by Japan-based affiliates of U.S. companies are counted in a strange way: if the goods are shipped here, they're lumped in with Japanese exports, and if they're sold to Japanese they don't count at all.

This may not seem very important, but in fact U.S. firms that have been successful at cracking Japan's market have tended to do it from within. By 1985, U.S. companies produced and sold in Japan goods worth more than the entire U.S. "trade deficit" with that country—$53.1 billion versus $49.7 billion. Why are we even looking at the balance of trade?

America's trade deficit with Japan is about the same percentage of its total trade deficit as it was in 1980. True, the total deficit went from $39.1 billion in 1981 to $166 billion last year. But the U.S. economy grew 43 percent faster than West Germany's or Japan's from 1982 to 1986. Nor was all this growth in the "low-level service sector"—manufacturing output was up by 30 percent. And the number of jobs climbed from 101.2 million to 111.3 million. The trade deficit hardly seems to be a sign of economic weakness.

Even if the deficit did matter, there is wide agreement that very little of it can be attributed to our trading partners' barriers against U.S. imports—the supposed source of the problem and the reason for threatening tariffs and quotas of our own. Estimates of how much would be lopped off the U.S.-Japan deficit if Japan were to drop all its trade barriers range from a low of $6 billion to a high to $15 billion—at best, 25 percent of the current imbalance. In contrast, it's been estimated that we could cut 50 percent by eliminating just two of our own export controls, on Alaskan oil and national-forest timber. So much for scapegoating Japan.

The worst part of the protectionist frenzy that has seized Washington is that retaliation against trade practices that we perceive to be unfair is self-destructive. Japan does use tariff and nontariff barriers to protect some domestic industries against foreign competition. But should we shoot ourselves in the foot to fight it?

Should we force consumers to pay more for Japanese products they obviously want? That's what we do with tariffs and quotas already in place—to the tune of $55 billion in 1985. Should we protect some industries (such as semiconductors) at the expense of others (such as computers)? That's what last year's price-fixing semiconductor accord does—memory chips account for about one-third the cost of making a personal computer. Should we risk a trade war, jeopardizing the thriving trade we already do have with the Japanese? Last year the Japanese spent $27 billion on goods made in America, including $5 billion on agricultural products.

The consequences of protectionist retaliation don't sound very fair at all. Free trade is fair trade. It's fair to consumers, it doesn't single out some of our workers and businesses for special treatment, and it plays honest with our trading partners, who, after all, don't owe us anything. Trying to coerce them in the name of "fairness" is unfair—and unfree. We shouldn't stamp protectionism "made in America."

JOHN BRADEMAS—BLAZING NEW TRAILS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. RANGEL. Mr. Speaker, I want to take this opportunity to officially recognize the achievements of one of our former colleagues whose good works and noble efforts at this time are benefitting my State of New York.

John Brademas, a former 11-term Democratic Congressman from the great State of Indiana, today stands tall among the many thousands of college and university presidents in this country because of the extraordinary amount of progress that his administration at New York University has seen in a short amount to time.

In his first 2 years at the largest private university in this country, according to a recent article in the New York Daily News, Mr. Brademas raised more than $100 million for faculty, scholarships and various types of academic research. That is an astonishing figure and a symbol of the dedication and commitment that Mr. Brademas has shown to higher education in taking over the New York University presidency in 1982.

In addition, President Brademas has appointed 7 new deans, has endowed 22 professorships, as instituted several new study programs and has led several major construction projects at New York University including the building of new dormitories and a sports center.

President Brademas is not wasting time basking in his early success either. He is already pursuing higher goals for the university community, such as the raising of $1 billion for New York University by 2000. That is a remarkable undertaking, a task of gigantic proportions. But given his present accomplishments, I believe that President Brademas will be very successful in this next level of challenge as he strives to make New York University all that it can be in the world of education.

Mr. Speaker, the State of New York is proud and lucky to benefit from the services of John Brademas. New York State appreciates his innovativeness and vision in leading one of our finest institutions. New York State appreciates his personable demeanor, which has helped attract support for the university and its many programs.

I would hope that in this day and time when many private colleges and universities are feeling the pinch of fewer dollars and reduced support, and, in some cases, when they are striving to maintain a good marriage between academic excellence and athletic and other nonacademic endeavors, they will look to New York's selection of this quality individual as an example of what a fine university leader is all about. He is undoubtedly a symbol of what can be accomplished when creativity, intelligence, experience, and character are the chief qualities components found in an individual.

We in Congress should be particularly proud of President Brademas' achievements at New York University. As a former Member of Congress, he continues to carry the torch of public service even though he no longer holds elective office.

By the way, Mr. Brademas' mother said in the article published on him recently in the New York Daily News that she was glad her son lost his congressional reelection bid several years ago. She was quoted as saying, "I told him I was tickled pink he'd lost—that I had a lot better and bigger things in mind for him, and I was right." Mr. Speaker, she was right, and we in New York are elated.

A TRIBUTE TO MARK VIEHMEYER

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. TRAFICANT. Mr. Speaker, today I rise on behalf of Mark Viehmeyer, an outstanding student who attends the Poland Seminary High School located in my 17th Congressional District. Mark has recently been honored as a finalist in the competition for participation in the fourth year of the high school student program of the U.S. Congress-West German Bundestag Youth Exchange Program. As one of the 310 students chosen from 2,000 applicants, Mark's prestigious award includes a 12-month visit to West Germany where he will attend high school and reside with a host family there.

The purpose of the Youth Exchange Program is to promote a better understanding among American and West German students of the importance of their countries' alliance and role in Western security. The program was officially announced on October 4, 1983 at joint sessions of Congress attended by German President Karl Carstens. Although relatively new to the student exchange program arena, this exchange program has enjoyed remarkable success in providing cultural insights to both American and West German students. Mark will initially spend several weeks in Washington, DC for preparation in cultural orientation and language training, whereupon he will embark on his visit to West Germany.

I am confident that Mark will gain a great deal from his experiences in West Germany based on his active participation in activities at school and within his community. Mark has won local, State, and national awards in gymnastic competitions, while also demonstrating superior ability in choral and other musical endeavors. In addition to these activities, Mark has maintained an academic record worthy of his acceptance into the Youth Exchange Program.

Mr. Speaker, I extend my highest congratulations to Mark Viehmeyer on behalf of his commendation. The exchange of views, ideas and values between youths of different countries is an opportunity which should be enjoyed and promoted to the fullest extent in hope of broadening international awareness.

THE RECOGNITION PROGRAM

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. DIOGUARDI. Mr. Speaker, it is with great pleasure that I rise today to bring recognition to five schools in my district: Blindbrook High School, Mount Vernon High School, White Plains High School, White Plains Middle School, and the Academy of Our Lady of Good Counsel. These schools have been recognized as outstanding academic institutions under the Secondary Schol Recognition Program administered by the Department of Education.

The Recognition Program observed a total of 1,200 schools and judged them on their overall academic environment. Two hundred seventy-one finalists were chosen in all. The schools were judged on 14 measures which included high expectations for both teachers and students, rewards and incentives for both teachers and students, the monitoring of individual progress, administrative leadership, good character and values, ordered discipline and drug use monitoring, as well as the overall social environment that surrounds the academic institution. From these criteria one can clearly understand that it is a great honor to be chosen as one of the 271 finalists.

A ceremony will be held in Washington, DC, this fall in order to recognize the finalists. The ceremony will take place at the White House. Each school will also be visited by a representative from the Department of Education at which time they will be presented with an honorary plaque and banner. I feel very proud to see that five schools in my district are represented among the top finalists. It is comforting for me to learn that the educational system in my district continues to display exceptional results. I would like the Members of the House to join me in congratulating these schools for their outstanding academic achievement.

H.R. 1873, DEFENSE CONSTRUCTION EMPLOYMENT OPPORTUNITIES ACT OF 1987

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. ORTIZ. Mr. Speaker, I rise today to inform my colleagues from across the Nation of legislation I have introduced that can increase employment opportunities in every congressional district.

H.R. 1873, the Defense Construction Employment Opportunities Act of 1987, and H.R. 1874, the Federal Construction Employment Opportunities Act of 1987 are related bills which would correct underlying problems in the administration of Federal construction contracts.

Our primary responsibility as Federal legislators is to represent the residents of our individual congressional districts. While national and international debates are of significant concern to the House of Representatives and the other body, our constituents elected us with the understanding that we would be strong and effective representatives of our particular areas of the country, its interests, and residents. During campaigns, we promise to fulfill this role, in fact, I would imagine that every Member of Congress has promised their constituents more than once that if elected, their primary goal in Washington is to create economic growth and bring jobs to their districts.

My two bills provide you with the opportunity to promote economic growth, and provide you with a concrete example of your efforts to provide jobs for your constituents. The construction employment opportunities legislation would require that 25 percent of certain Federal construction contracts be reserved for local contractors. Local contractors are defined as those with "a substantial degree of permanent facilities and operations," within 175 miles of the construction site. To preserve flexibility in this legislation, a waiver is granted if no qualified contractor is located within the 175-mile radius.

I doubt this waiver will be applied regularly. We all know of quality and qualified contractors within our districts. It is very aggravating to work hard to bring needed Federal construction to your district, only to discover that some distant company intent on employing imported labor was rewarded the contract. We work for Federal contracts because they offer long-term benefits to our districts. This legislation ensures that our efforts in Washington translate into short-term rewards for our districts as well.

Please join me by cosponsoring this legislation. Contact me if you have any questions or want to participate in this textbook example of representative government.

EXEMPLARY SCHOOLS

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. BUECHNER. Mr. Speaker, I rise today to congratulate three outstanding schools in my home district that were selected as exemplary high schools. Parkway Central Junior High School, Parkway East Junior High School and Parkway South High School.

Of the 760 schools nominated nationwide, 271 were selected for this award. And the three are among six schools in the entire State of Missouri to be selected by the Department of Education's Secondary School Recognition Program to receive the Exemplary High School Award. It is quite significant that half of Missouri's winners are Parkway schools, but not surprising. Parkway schools have an enviable record of academic excellence and a tireless commitment to excellence.

Excellent schools renew our faith in American education. They have worked extraordinarily hard and, as a result, they have much to show for it. Parkway Central, East, and South have demonstrated their commitment to excellence by turning out well-rounded young citizens who will go on to become our leaders of tomorrow.

Exemplary schools require a delicate balance of talented teachers, parental and community support, eager students, and dedicated leadership. The hours of service working with our young people clearly shows that the principals and staff of Parkway Central, East, and South have demonstrated the requisite kindness, ability, and compassion in ways that surpass many others.

Secretary of Education William Bennett said:

> In these schools, students are receiving a good education; teachers, principals and staff are achieving the results every school strives to achieve; parents are involved and making a difference in their children's education; and communities enthusiastically provide strong support.

It is clear that our community has been enriched and strengthened by the selfless contributions of the staff, and by the sincere commitment of the students of Parkway Central, East, and South. To those associated with those exemplary schools, I congratulate you, thank you, and wish you much future success.

RULE ON FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1988 AND 1989

HON. DAN MICA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. MICA. Mr. Speaker, I rise to advise Members that the Committee on Foreign Affairs will request a modified open rule for the consideration of H.R. 1777, the Foreign Relations Authorization Act, fiscal years 1988 and 1989, as reported by the Committee on Foreign Affairs.

This rule would require that all amendments to this legislation be printed in the RECORD by Wednesday, June 10, 1987.

MEMORIAL DAY 1987—PRAYER AT UNION CEMETERY, REDWOOD CITY, CA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. LANTOS. Mr. Speaker, on Memorial Day last week, I participated in a moving memorial service at Union Cemetery in Redwood City, CA, honoring the many brave men and women who have given their lives for our country through the years.

Union Cemetery was established over a century ago as a final resting place for many Americans who fought in the Civil War, but our service there honored all who have given their life to preserve our country and the freedom and liberty which it guarantees to all of us.

The Memorial Day service was held in the shadow of the death of 37 brave American sailors who were killed just 1 week earlier when the U.S.S. *Stark* was attacked by an Iraqi fighter while on patrol in the Persian Gulf. This tragedy made this Memorial Day most meaningful.

Mr. Speaker, the prayer offered at the memorial service by Jack Savage Wildman, chaplain of American Legion Post 105 of Redwood City, was particularly appropriate and moving. For the benefit of my colleagues, I ask that this prayer be included in the RECORD.

> PRAYER BY JACK SAVAGE WILDMAN
>
> Please join me in prayer.
>
> Almighty God, giver of all victories, we thank you for the opportunities that abide in our land, and for your guidance in the times of peril when our nation has been threatened. Today, we remember the men and women who followed the flag during these times of peril and the price they paid for the freedoms we enjoy today.
>
> We gather here today amid the grave markers of those who fought to preserve our nation over 100 years ago at places such as Bull Run, Shiloh and Gettysburg * * * and our prayer turns to other men in other wars that preserved our nation * * * the men who stood at Belleau Wood, Saint Mihiel, and the Argonne Forest. We remember the men and women who served our country a generation later around the world from Guadalcanal and the sands of Iwo Jima to the Normandy beachheads and the snow-covered village of Bastogne. We stand in reverence to the men who answered their country's call and served at the Pusan perimeter and Inchon and the Yalu River. We hold before you, oh Lord, those who suffered our most recent war and we remember the Tet Offensive and Places such as the Mekong Delta and Da Nang.
>
> And in recent days, oh Lord, we have been reminded that those who serve our nation in times of peace may also be called upon for the ultimate sacrifice. We pray for the men who died aboard the U.S.S. *Stark*. We mourn their loss and through prayer grieve with their families.
>
> We pray today with solemn awareness of the sacrifice so many of our men and

women have made who answered our nation's call in time of peril.

But we also pray with the blessed knowledge of your great love for us all and your assurance that even though we walk through the Valley of the Shadow of Death, we need fear no evil for you are with us.

We pray for your holy guidance as we go forward from this day that we may preserve the high ideals for which our comrades died. May your merciful blessings rest upon those they have left behind. Keep us forever firm in righteousness * * * humble of heart * * * and unselfish in purpose.

Amen.

VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program [DHCP] system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987 on this important subject, I have received many letters from veterans and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter sent to the chairmen of the House and Senate Appropriations Committees which I received from Mr. J. Lamar Warnock, Director of the VA Medical Center at Jackson, MS, that demonstrates how the VA employees feel about "their" medical computer system. The letter follows:

MAY 11, 1987.

Hon. JAMIE WHITTEN,
Chairman, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR MR. WHITTEN: I am writing to express my concern that the $35 million appropriated for the Veterans Administration Decentralized Hospital Computer Program (DHCP) may be recinded. As Director of the Veterans Administration Medical Center in Jackson, Mississippi, I have a working knowledge of the present and future capabilities of DHCP and appreciate the opportunity to express my opinions on this matter.

The purpose of clinical and managerial data automation in the Veterans Administration is to allow us to enhance the process of health care delivery. Our goal is to provide optimal care for patients using a cost effective system, not the most elaborate or the most all inclusive one. This is particularly important at this time as we are attempting to restrain the expenditures of the Federal Government.

The Jackson VA Medical Center is affiliated with the University of Mississippi Hospital which utilizes a number of commercial software systems. It is our understanding that among housestaff and medical students who have experience with both systems the VA system is consistently judged more user friendly. Moreover, both physicians and students feel that the interface between the VA system and automated laboratory instruments is particularly noteworthy. The direct input by lab instruments to the computer system means automatic lab results reporting to the requesting clinic or ward area. The process is characterized by high speed diagnostic support with minimum human resource investment. This support means better patient care at less cost.

The pharmacy DHCP system has also improved patient care by regularly providing the physician with a summary of the patients medication history. Additionally, the national drug file allows the patient medication history to accompany the patient from Medical Center to Medical Center without loss of information.

Recently, Booz-Allen and Hamilton, Inc., a consulting and auditing company delivered the results of their assessment of DHCP. The study, while flawed in some respects presented a well documented review of the VA computer system. Although recommending some managerial and systems support enhancements, the Booz-Allen and Hamilton report states that "the present DHCP program provides the best foundation for future VAMC information systems support . ." My experience with the system certainly confirms that assessment.

I believe it to be critically important for us to continue development of this system on a timely schedule in order to meet the cost efficiency and quality standards the veterans programs deserve and we are expectd to meet. The systems and equipment at this center have reached their maximum capacity. Without continuing enhancement we will not be able to provide the level of support required by the workload. Therefore, I respectfully urge you to support the Veterans Administration DHCP program by working for full funding of this patient care oriented information system.

J.L. WARNOCK,
Center Director.

A TRIBUTE TO MR. RICHARD R. JEREN

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to Mr. Richard R. Jeren, a very special resident of my 17th Congressional District. Hundreds of persons in the Mahoning Valley have had their youths touched and enriched by this outstanding individual. I am deeply honored to be able to pay tribute to Mr. Jeren, who exemplifies commitment to education, upon his retirement as a teacher at Princeton Junior High School in the Youngstown City School District.

Mr. Jeren's career in education began in 1950. He has developed young minds as an elementary teacher in Hubbard, as a teacher at both Science Hill Junior High School and North High School, as dean of boys at Science Hill, and as an assistant principal and principal at several schools in the Youngstown School District. He capped his wonderful career in education as a date center manager for Youngstown schools and as a teacher at Princeton.

Mr. Jeren's own burning desire to educate himself led him to receive a bachelor's degree in education from Youngstown College, and a master's degree in education from Westminster College. His red-blooded patriotism moved him to become a radioman for the U.S. Navy in both World War II and the Korean War.

Mr. Jeren has also been deeply involved in community activities. He is a life member of the National Education Association, a charter member of the local chapter of Phi Delta Kappa, and has served as director of the West Side Merchants and secretary of the Mill Creek Kiwanis.

Mr. Jeren, on behalf on all of your past and present students, I salute you for your inspiring life of service. Thus, it is with pleasure and special thanks that I join the people of the 17th Congressional District in recognizing the outstanding accomplishments and very admirable character of Richard R. Jeren.

TRIBUTE TO ALFRED LAPORTA

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. DIOGUARDI. Mr. Speaker, I rise today to pay tribute to a constituent of mine, Mr. Alfred LaPorta. Mr. LaPorta, a resident of Pelham, NY, is a recent graduate of the Georgetown School of Dentistry. I would like to commend him on his degree and his impressive list of achievements while in school, such as editor of the senior class yearbook.

Recently, the Georgetown School of Dentistry announced that it would be closing its doors in 3 years. This unfortunate incident has motivated Mr. LaPorta to actively seek support to help to keep the school open. I would like to especially pay tribute to Mr. LaPorta's efforts in this area, and his dedication to seeing this fine institution continue its record of producing outstanding dentists and providing dental care to low-income patients.

Please join me in commending Mr. LaPorta's dedication as a student and an activist. We can all learn from this example.

H.R. 1874, FEDERAL CONSTRUCTION EMPLOYMENT OPPORTUNITIES ACT OF 1987

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. ORTIZ. Mr. Speaker, at the present time, various provisions in Federal law ensure that small businesses and minority-owned businesses obtain a fair share of contracts awarded by the U.S. Government. These laws have been passed for a number of reasons, including a desire to allow selected businesses the opportunity to compete with larger, more established corporations. The Federal Government has recognized an important duty through these laws, and acknowledged the advantage of having many firms benefit from purchases the Federal Government makes each year. I would say that the Government has succeeded in leveling the playing field so a variety of businesses have the chance to obtain valuable Government contracts.

These laws have also offered Congressmen and Congresswomen the opportunity to earn their keep and demonstrate our value to our constituents. When businesses headquartered in our districts bid upon these contracts, quite often we write letters to the appropriate Federal agencies in support of our local businesses. I believe this parochial behavior is an appropriate exercise of our responsibilities as congressional representatives. If we cannot go to bat for our constituents, then we really do not deserve, and probably will not get, their respect and support on election day.

All Congresspeople welcome the opportunity to assist their constituents in this manner. We realize that dedication to the welfare of our constituents is the highest calling we can answer as public servants. In addition, when a local businesses' bid is accepted by the Federal Government, it produces tangible benefits for the local economy. With these lofty accomplishments associated with the minority business and small business set-asides, it is not surprising that these Federal initiatives are popular with Congress and many businesses across America.

A similar process occurs when a Federal agency considers locating a storage facility, a regional service office, or some other function of that agency within our districts. We realize the long-term benefits which accompany the location of Federal agencies in our districts. Quite often, however, we wrongly assume that if our districts are chosen to host the regional headquarters of some agency, the benefits will begin immediately. This line of reasoning assumes, and not surprisingly, that local contractors will be involved with constructing the necessary facilities or supplying these initial efforts. This simply is not the case, and any Member who has visited Federal agency construction sites may become dismayed at the number of out-of-State license plates on location.

I have introduced legislation that will provide at least a partial correction to the problems faced by local contractors attempting to bid on Federal projects slated for their geographic area. This will be achieved through two similar bills, one of which applies to construction performed by the Department of Defense, and one bill which covers all other Federal construction. H.R. 1873, the Defense Construction Employment Opportunities Act of 1987 and H.R. 1874, the Federal Construction Employment Opportunities Act of 1987, both provide a set-aside on Federal construction contracts for firms from the geographic area where the construction is scheduled.

According to this legislation, 25 percent of these Federal contracts would be reserved for local contractors. Local contractors are defined as those with "a substantial degree of permanent facilities and operations," within 175 miles of the construction site. To preserve the flexibility of this legislation, a waiver is granted if no qualified contractor is located within a 175-mile radius.

I doubt this waiver to the legislation will regularly be applied. We all know of contractors within our districts who perform quality work and should be able to qualify for most Federal contracts. Shouldn't these members of our constituencies reap a portion of the rewards which result from the permanent location of Government facilities in our districts?

I don't accept that our communities should have to endure a long waiting period before securing the positive economic benefits inherent in the establishment and operation of Government facilities. In addition, I believe that every available portion of the community should have access to some of these benefits. H.R. 1873 and H.R. 1874 will ensure that a broader share of individuals and businesses in our districts actually obtain the rewards of our efforts in Washington. That, in my opinion, is truly a textbook example of representative government. I encourage your cosponsorship of the Defense Construction Employment Opportunities Act of 1987, and the Federal Construction Employment Opportunities Act of 1987. Come and participate in Government the way it is supposed to be.

SUCCESS OF THE SUBURBAN JOURNALS NEWSPAPERS

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. BUECHNER. Mr. Speaker, I would like to take this opportunity to congratulate Mr. McMullin on his ascent to president of the Suburban Newspapers of Greater St. Louis. His outstanding achievements in mass media—as president of Woodward Communications in Dubuque, IA—will serve Mr. McMullin and our community well in his new position at Suburban Newspapers.

It is exciting to watch the success of the Suburban Journals Newspapers as they continue to grow. The community newspaper is a vital link that provides the news and information that the larger media would otherwise miss.

The Suburban Journals are no longer considered "shoppers" that are clipped for the coupons, glossed over and then thrown out. It is a part of a new trend in media—toward specialization, toward more thorough coverage of smaller areas. This is a great service to the many small communities that make up the St. Louis metropolitan area.

In assuming the presidency of the Suburban Journals of Greater St. Louis, Mr. McMullin is taking on a great responsibility—one that I am confident he will fulfill with the utmost honor and dignity.

I wish Mr. McMullin well in his future at the Suburban Journals of Greater St. Louis.

THE FACTS ON DOMESTIC SPENDING

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. TAUKE. Mr. Speaker, the Washington Times printed an article on Federal spending by Gene Grabowski which I believe my colleagues may find of interest. Given our upcoming debates on appropriations measures, it is important for all Members to understand what has happened to Federal spending over the past 6 years. It may come as a surprise to some of my colleagues, but domestic Federal spending has steadily grown—both in real terms and in constant dollars.

I commend Mr. Grabowski's essay to your attention, and I look forward to working with my colleagues to bring fiscal sanity back to the Federal Government.

The essay follows:

DOMESTIC SPENDING UP AS GRAY LAMENTS "CUTS"

(By Gene Grabowski)

House Budget Commitee Chairman William Gray III likes to tell listeners during his speaking engagements across the country that the fedral budget is "like a sponge that is being wrung dry" by domestic spending cuts.

A look at the government's budgets, however, shows that domestic spending has grown steadily in the six years under President Reagan, both in real terms and constant dollars, according to the Office of Management and Budget.

In fact, OMB's figures shows that entitlements and other assistance to the poor and elderly grew by 24 percent between fiscal years 1982 and 1987. In dollar terms, benefit payments to those groups grew from $356.7 billion to an estimated $465.3 billion during this period.

Even trying to account for inflation by using constant dollars doesn't alter the upward trend in spending. In 1987, the amount paid out in benefits, when translated into 1982 dollars, is $391 billion— a 9 percent increase over 1982.

All domestic spending, excluding the amount set aside for interest on the budget deficit, went from $475 billion to $587 billion from fiscal 1982 to 1987.

Mr. Gray, a Pennsylvania Democrat, acknowledges the growth in domestic programs, but says it has been kept well below levels that had been projected in 1981 and pales in comparison to the growth in defense spending.

"In real dollars, domestic spending did go up, yes, but it's misleading to look at it strictly in those terms," Mr. Gray said. "Look at its percentage of the entire budget. It held the line as a percentage of the budget while defense spending grew as a percentage."

Records shows that as a percentage of the entire budget, defense spending has grown under President Reagan from $185.3 billion, or 25 percent of all government outlays, to $282.2 billion, or about 28 percent. In that same period of time, domestic spending for benefits has hovered at about 50 percent.

Mr. Gray and other budget makers also point to the fact that when spending on entitlement programs such as Medicare, Medicaid, welfare and pensions is separated from the domestic budget, the remaining programs have suffered a 4 percent loss from 1982 to current year.

"In what's left, you're talking about spending for education, transportation, air traffic controllers the criminal justice system and drug enforcement," Mr. Gray said. "Those are the areas that are taking the beating."

The programs suffering cuts are in what's known as the "discretionary spending category," because those programs are funded through the appropriations process and can be raised or cut from year to year. In contrast, entitlement programs continue to grow automatically as more and more people become eligible for them and as Congress allows them to keep pace with inflation.

"You have 33 million to 34 million people receiving checks form entitlements every month," said Sen. Pete Domenici of New Mexico, ranking Republican on the Senate Budget Committee. "The entitlements will keep rolling along unless Democrats, Republicans and the president simultaneously decide to take a political risk and reform the system. I don't expect that to happen."

Observers of the budget process emphatically agree with Mr. Domenici's assessment because, they say, many people believe they have already absorbed major budget cuts under the Reagan administration and don't want more.

"Politicians and newspapers continue to discuss the budget in terms of cuts, so the average person who doesn't sit down with the budget at night assumes that his local congressman is cutting spending," said Dr. Ronald Utt, deputy chief economist at the U.S. Chamber of Commerce, "The reality is that nobody is cutting anything. The best we can do in domestic programs is hold down their growth."

Mr. Gray said the root of the spending problem in Congress is that almost every proposed cut effects a broad enough constituency to destroy its changes of passage.

"One man's lard is another man's meat," Mr. Gray said, using another of his favorite budget analogies. "In a democracy, a consensus must be built. The difficulty is to come up with spending cuts that will win 218 votes [a majority] in the House. Without that, there can't be any cuts."

DOMESTIC SPENDING DURING THE REAGAN YEARS

[Outlays by agency—In billions of dollars]

Department	1982	1983	1984	1985	1986	1987 estimate
Agriculture	45.7	52.4	42.0	55.5	58.7	55.1
Defense—military	180.7	204.4	220.8	245.3	265.6	274.2
Education	14.8	14.6	15.5	16.7	17.7	16.8
HHS (except Social Security)	98.0	125.9	121.1	132.1	143.3	145.3
HHS—Social Security	155.1	150.7	171.2	183.4	190.7	202.9
State	2.2	2.3	2.4	2.6	2.9	3.3
Transportation	20.0	20.6	23.0	25.0	27.4	26.2
Veterans' Administration	23.9	24.8	25.6	26.3	26.5	26.8
Other independent agencies	10.5	11.0	11.7	9.8	11.4	17.9

Source: Office of Management and Budget.

WALL STREET JOURNAL EXPOSES CONGRESSIONAL INTERFERENCE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. SOLOMON. Mr. Speaker, probably more than any other periodical, the Wall Street Journal has published the most intelligent analysis of what we call the Irangate affair. It's editorial this morning was superb, must reading for every Member of Congress.

For example, the first paragraph reminds us that congressional micromanaging of Nicaraguan policy was at least as big a problem as Ollie North's entrepreneurship.

The last paragraph describes this body's all-too-frequent intrusions into foreign affairs as producing legislation containing "about the same clarity they imposed on the Environmental Policy Act."

Mr. Speaker, it amazes me that certain members of the select committee on this affair shed large tears before television cameras about the erosion of our system of checks and balances. Those same members should look in the mirror first.

CONGRESS GETS A LESSON

The Iran-Contra panel yesterday received its best testimony so far about how the Contras were kept alive while U.S. aid was suspended. If the members had listened carefully, they would have learned that their micro-managing of Nicaragua policy was at least as big a problem as Ollie North's entrepreneurship. We only hope this bitter lesson will not lead them to assassinate the reputation of witness Elliott Abrams out of spite.

Mr. Abrams, the assistant secretary of state for inter-American affairs, is one of the young stars of the Reagan administration. At the age of 39, he is in his third post as an assistant secretary of state. He told the panel how he tried to help the Contras while abiding by fluctuating congressional restrictions. What was most interesting was to listen to his detailed answers about how foreign policy is made in modern Washington.

In going over the history of congressional restrictions on U.S. aid for the Contras, Senate counsel Mark Belnick referred to the August 1985 version of the Boland amendment, which authorized $27 million in humanitarian aid. He noted that Congress made the State Department the conduit for the funds.

Mr. Abrams: "I think it's worth noting that that was done over our dead body. We all, from the secretary on down, felt that that was crazy. What did the State Department know about buying boots and shipping them down to Central America? It would take us months to set up an office from scratch, to figure out how we do this. There were two agencies of government that do it, that know how to do it, that know how to account for it, that are all set: CIA and the Defense Department. And we fought and fought to not have to do this and to try to persuade Congress that this was not a sensible thing to do and we lost."

Congress forced the wrong executive-branch department to oversee Contra aid. This oversight entailed rather bizarre considerations that had nothing to do with effectively running foreign policy. Take the Case of the Nonlethal Timepieces.

Mr. Abrams recalled a request from the Contras for wristwatches: "I remember us saying, well, you know unless you've got a very large wristwatch and hit somebody with it, it was not lethal aid. But this was deadly serious, deadly serious, because of legal restrictions. And we actually debated, of course wristwatches weren't 'lethal aid,' but were they 'humanitarian aid?' Did they fit, because we thought Congress basically meant uniforms, medicine and food . . . I decided, yeah, a wristwatch is OK. But that was the kind of discussion that we had—was that doable?"

The Tower Commission made similar points about how the Boland amendments and the immersion of foreign policy in trivial legalities contributed to Iran-Contra. The CIA and Defense Department were prohibited from participating. State was told to run the humanitarian-aid program, despite its objection that this made no sense. Then Mr. Abrams had to fall back on his Harvard Law degree to parse the confused language of Boland.

After all this, the case against Mr. Abrams is being reduced to another legalism. Congress expressly had authorized the State Department to solicit humanitarian aid from third countries as part of the 1986 Intelligence Authorization Act. Yet reports say special prosecutor Lawrence Walsh is thinking about indicting Mr. Abrams for lying to Congress about U.S. solicitation of aid from Brunei. This seems to boil down to a claim that Mr. Abrams did not tell Congress about the sultan of Brunei quickly enough. "We promised confidentiality to Brunei," Mr. Abrams said. He said he told Congress about the solicitation as soon as he got permission from Secretary Shultz.

Mr. Abrams resumes his testimony today. The members can keep berating him for not informing them more quickly about the sultan. They can keep insinuating that he lied. Or they can discuss with him how Congress can stay involved in foreign policy without getting so involved that it forces the executive branch into semisecret policy making.

While the Iranamok terriers are running the Brunei Connection to ground, we suggest that the rest of the country consider how U.S. foreign policy stumbled into its current swamp. Congressional Democrats and a few free-lance Republicans such as Sen. William Cohen don't like executive branch foreign policy, so they decide to run their own. Using the legislative process, they write up policy with about the same clarity they imposed on the Environmental Policy Act. So ordered, the secretary and an assistant secretary of state spend their days setting up quartermaster operations and defining how wristwatches fit within the ambit of congressional foreign policy. This is a mess. We trust that those viewing these hearings will be able to decide who created it.

BANKRUPTCY JUDGES AND MAGISTRATES RETIREMENT

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. KASTENMEIER. Mr. Speaker, I am pleased today to introduce the Retirement and Survivor Annuities for Bankruptcy Judges and Magistrates Act of 1987 and to be joined in sponsoring this bill by my full committee chairman, Mr. RODINO, the ranking minority member of the full committee, Mr. FISH, my subcommittee's ranking minority member, Mr. MOORHEAD, and other respected members of the committee, Mr. SYNAR, Mr. EDWARDS of California, and Mr. BOUCHER.

The bill is an outgrowth of a resolution adopted by the Judicial Conference of the United States calling for a retirement system more likely to attract and retain skilled lawyers for these judicial positions. The bill provides for a new retirement system and survivors' benefits for bankruptcy judges and magistrates based on that already in effect for territorial judges. The bill would provide a pension system for bankruptcy judges and magistrates that takes into account the limited years of Federal service such judicial officers often have.

I have long supported the imposition of merit selection standards for bankruptcy judges and magistrates as well as provisions defining and enhancing the authority of these judicial officers. Recently, Congress has approved an additional 52 bankruptcy judges, a nearly 25-percent increase in the total number. Obviously it is important that these judges be recruited from among the best available lawyers. Yet experienced lawyers in this area, like the experienced trial lawyers who are strong candidates for magistrates positions, are among the most highly sought after and best compensated members of the bar.

As it stands now we are seeking clear signs that well-qualified people are shying away from these positions. Stories are rampant of lawyers who express a strong initial interest in applying for a position as a magistrate or bankruptcy judge and then, after discussing the salary and benefit structure, withdrew their names from consideration.

In many instances, even those who proceed with the process and gain appointments are not staying very long. The turnover rate among bankruptcy judges over the past 8 years has been phenomenal. An estimate provided by the Administrative Office of U.S. Courts puts it at 73 percent. While there may be other reasons for this figure, the compensation and perquisites package has clearly been a major factor.

The ranks of these judicial offices are becoming filled with younger and less experienced lawyers. In the increasingly complex world of Federal litigation, this trend is alarming. A better retirement and survivors annuities system will be a significant sign that Congress wishes to maintain a high-quality corps of magistrates and bankruptcy judges.

But competitiveness is not the only rationale behind this proposal. Magistrates and bankruptcy judges handle hundreds of thousands of matters each year, from jury trials, to search warrants, to distribution of hundreds of millions of dollars. These are high responsible positions, of vital importance to the operation of the Federal judicial system. Yet the compensation package for magistrates is less attractive than that of some assistant U.S. attorneys and that of bankruptcy judges is less attractive than that of some U.S. bankruptcy trustees.

This situation is unfair and clearly destructive of morale. The legislation proposed by the Judicial Conference would be a significant step toward curing this inequity.

Described briefly, the bill would provide for a noncontributory retirement system in which a magistrate or bankruptcy judge with 8 or more years of service would receive a pension, at age 65, based on the percentage that his or her years of service was of 14 years. Fourteen years is based on the basis for calculation because it represents the term of a bankruptcy judges appointment. The pension would cap at 14 years of service at which time the retiree would be eligible for a pension, receivable at age 65, equal to the salary of the office at the time the person left office. It is further capped so as not to exceed the salary of active magistrates and bankruptcy judges. Survivors benefits are based on the Judicial Survivors' Annuity Program recently enacted last Congress for article III judges. This latter program would be contributory.

Currently, bankruptcy judges are in a contributory retirement system similar to that of Members of Congress. They contribute 8 percent of their salary and their pension is computed by multiplying their years of eligible service times 2½ percent. They can retire at age 62 with 5 years of service or at age 60 with 10 years of service.

Magistrates are currently in several different systems though, H.R. 1947, passed by the House last week and now pending in the Senate, would put them in the same system as bankruptcy judges.

The bill further provides for recall of retired magistrates and bankruptcy judges. This provision, similar to that in many State court systems, should significantly reduce the pressure to create and fund new positions.

In sum, this bill—suggested by the judicial branch of Government—is an attempt to attract and retain highly qualified judicial officers. It remains to be seen whether the proposed benefit package is calibrated at the optimal level to achieve this goal while at the same time satisfying budgetary realities.

I urge all Members to examine the proposed legislation and to give imput on whether it attains its avowed goals in a rational and cost-effective manner.

MEDICAL DEVICE IMPROVEMENT ACT OF 1987

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. WAXMAN. Mr. Speaker, I am today, with the cosponsorship of the distinguished chairman of the Energy and Commerce Committee, Mr. DINGELL, introducing H.R. 2595, the Medical Device Improvement Act of 1987. As documented by a hearing held by the Subcommittee on Health and the Environment on May 4, 1987, this is a bill that is long overdue. Despite our best intentions in passing a comprehensive medical device law in 1976, FDA has been unable to implement the law in the manner we intended. As a result, consumers have suffered and continue to suffer from defective medical devices.

This can clearly be seen in just a few statistics. Even though the law has been in effect for over a decade, FDA has yet to complete a single review of the safety and effectiveness of any device that was on the market when the law passed in 1976. Nor has FDA been any more successful in promulgating performance standards. Even though FDA has concluded that roughly 1,100 device categories need performance standards in order for the public to be adequately protected, in fact, the agency has written none.

Unfortunately, these unregulated devices do not sit in warehouses waiting for FDA to act. To the contrary, they get sold to, used by, used on and even implanted in members of the public—sometimes with disastrous results. As we saw in our May 4 hearing, there are many consumers who have experienced serious injuries from unregulated medical devices. Greater FDA scrutiny might have avoided their injuries.

The reason that unregulated devices reach the market is that the 1976 medical device law contains a large loophole. Under the law, if a device was on the market before 1976, it can be sold without restriction until FDA requires that it go through permarket approval or comply with a preformance standard. Moreover, under another provision of the law, any post-1976 device that is "substantially equivalent" to a pre-1976 device can be sold without restriction until the earlier device is reviewed for safety and effectiveness. Since none of these older devices has yet been regulated, the effect of this provision is to create a loophole through which roughly 98 percent of all new devices reach the market each year.

It's bad enough that so many unregulated devices reach the market. But, equally distressing is that fact that FDA doesn't have a truly effective information feedback system for finding dangerous products once they injure people. Recently, the General Accounting Office issued a report noting that hospitals serve as one of the main arenas in which medical devices—especially the riskier ones—get used. Yet, hospitals rarely turn to FDA's voluntary system for reporting potentially hazardous medical devices. To the contrary, GAO found that the more serious an incident involving a medical device in a hospital, the less likely it is that the hospital will notify anyone outside of the hospital.

Not only do too many unregulated devices get onto the market, not only is it difficult for FDA to uncover problems that arise with defective devices, but even where FDA has discovered a serious health hazard associated with a device, the agency faces a major obstacle in removing the device from the market. Under section 518(b) of the law, FDA must prove that a dangerous device did not meet state of the art at the time the device was designed and manufactured. This requirement, which is unique to FDA among the health and safety agencies, effectively bars FDA enforcement of the law.

In order to address these and other problems, we have drafted a series of provisions to streamline the law, to remove unworkable sections of the law and to give greater flexibility to FDA's enforcement efforts. Among the more significant provisions of the law we have introduced today are:

First, a requirement that hospitals and certain other health care entities notify FDA whenever they obtain information that resonably suggests that a medical device may have caused, or contributed to, a dealth or illness of a patient;

Second, a provision that permits FDA to waive unnecessary requirements when processing premarket approval applications;

Third, a provision that provides criteria for the processing of devices under section 510(k) of the law with respect to "substantial equivalence;"

Fourth, a provision that directs FDA to revise the classification of all pre-1976 class III devices and all transitional devices that do not present sufficient safety and effectiveness concerns to justify retaining them in class III;

Fifth, a repeal of unnecessary and cumbersome procedural requirements for the promulgation of performance standards;

Sixth, a repeal of section 518(b)(1)(A)(ii), which requires FDA to prove that a manufacturer of a dangerously defective medical device failed to design and manufacture a device according to the state of the art; and

Seventh, a clarification of the term "manufacture" in the law to indicate that it includes the "remanufacture" of devices.

Mr. Speaker, I'd like to add a few words about the bill's approach to the issue of "substantial equivalence." When we introduced H.R. 5516 last year, we included a provision that required manufacturers seeking a determination by FDA of "substantial equivalence" for their products to demonstrate that the new devices met "current criteria" for safety and effectiveness.

After the bill was introduced, we heard from a number of interested persons that these words change the 510(k) process from a procedure for comparing devices into an approval process for devices. Although we certainly intended to provide greater flexibility to FDA in processing 510(k) notifications, we never intended to transform this section into an approval mechanism. To the contrary, we would be fooling the public if we were to suggest that because a device has gone through a 510(k) determination, FDA has concluded that it is safe and effective. Our intention was, and is, to allow FDA, when judging whether a new device should be found to be substantially equivalent to a pre-1976 device, to make that determination with regard to modern versions of the pre-1976 device. We think that our revised language makes this point clear. Section 510(k) remains a system for comparing, not approving, devices.

Mr. Speaker, this bill was in large part stimulated by the excellent investigation which my distinguished cosponsor, Mr. DINGELL, conducted of FDA's implementation of the medical device law. It has been 4 years since his Subcommittee on Oversight and Investigations published its report, "Medical Device Regulation: The FDA's Neglected Child." We have been discussing the need for changing this law for almost 2 years. The time for studies and discussions is over and the time for making changes is upon us. We sincerely hope that we will have the cooperation of all interested parties in making these revisions.

TRIBUTE TO RABBI ALVAN D. RUBIN

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. BUECHNER. Mr. Speaker, I rise today to congratulate and extend my gratitude to Rabbi Alvan D. Rubin for his devotion of 20 years of dedicated service to the Temple Israel Congregation in my home district.

Few other areas of service require the characteristics of kindness and compassion that religious leaders must possess. Rabbi Rubin's 20 years at Temple Israel clearly shows that he has demonstrated that kindness and compassion in a way that surpasses many others.

All of the members of the community have all been enriched and strengthened by Rabbi Rubin's selfless contributions on their behalf.

Rabbi Rubin has done much good work not only for the spiritual development of the Jewish people, but for the fair and just treatment of all citizens alike. He has made an outstanding contribution to the community to end discrimination and support the civil rights of all people.

I wish Rabbi Rubin a prosperous and enjoyable future in his role as rabbi emeritus of Temple Israel Congregation, and in his retirement.

CONGRESSIONAL SALUTE TO HON. THOMAS VOELKNER, THEODORE ROEHRS, AND ROBERT C. MOORE III, "PAUL HARRIS FELLOWS," ROTARY CLUB OF WAYNE

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. ROE. Mr. Speaker, on Wednesday, June 10, the residents of the Township of Wayne, my congressional district, and the State of New Jersey will join together with all fellow Rotarians in testimony to three outstanding community leaders, distinguished citizens and good friends, the Hon. Thomas Voelkner, Theodore Roehrs, and Robert C. Moore III, whose standards of excellence throughout their lifetimes have earned them the most highly coveted honor of being chosen 1987 Paul Harris Fellows of the Rotary Club of Wayne—the highest award that Rotary can bestow upon any of its members.

Mr. Speaker, I know you and our colleagues here in the Congress will want to join with me in extending our heartiest congratulations to these recipients and their families: Mr. Voelkner, his wife Jean, and their three children, Robert, Karen, and Marianne; Theodore Roehrs, his wife Lillian, and their daughter, Barbara; and Robert C. Moore III, his wife Barbara, and their children, Mrs. Lisa Castania, Robert C. Moore IV, Guy Moore, and Danya Moore. All three of these recipients have been staunch civic supporters and active participants in many community improvement programs and we applaud the quality of their leadership endeavors in the vanguard of service to people's needs.

Thomas Voelkner was born in Paterson, NJ, where he attended local schools. For the past 27 years he has been associated with State Farm Insurance Co. as an agent. He has also served many years as a Wayne Republican county committeeman, and for 6 years was on the Wayne Board of Adjustment, his last year as chairman. Since 1975, Tom Voelkner has rendered invaluable service to the community through his involvement as a Rotarian. He has served the Wayne Rotary as attendance chairman, sergeant at arms, a member of the charity ball committee, installment dinner committee, treasurer, and as a member of the board of directors. Mr. Voelkner also served as distribution chairman for the fruit committee, which is the Wayne Rotary's main fund raiser, this year attaining a grand total of $27,000.

Theodore Roehrs was born in Passaic, NJ, and has lived in Bloomingdale, NJ, since 1949. He has been with the First National Bank of Bloomingdale for the past 38 years, being appointed manager of the Mountain View office in 1951. In 1961, 6 years after the First National Bank of Bloomingdale merged with the National Bank of Passaic County, Mr. Roehrs became manager of the Preakness office, and in 1962 he was appointed vice president. Mr. Roehrs, through a multitude of activities, epitomizes community services at its highest level. He has been a member of the Wayne Rotary for more than two decades, serving as chairman of the high school career conference, trustee, treasurer, and president of the Rotary's foundation for the handicapped and president of the Wayne Rotary from 1965 to 1966.

Mr. Speaker, among Theodore Roehrs many other community and civic activities, he is a member of the Bloomingdale Citizen's Advisory Committee, treasurer for the Wayne Township March of Dimes, member of the board of directors of the Passaic County Heart Association, member of the Bloomingdale Republican Club and past president of the Pompton Lakes Kiwanis Club and the Wayne Chamber of Commerce. Clearly, he has been a vital part of his community and well deserving of this high honor.

The third recipient, Robert Cowell Moore III, is a charter member of the Wayne Rotary, which was formed in 1958, so it is indeed appropriate that he be chosen for this esteemed award. Mr. Moore, the only child of Robert C. Moore, Jr., a prominent Passaic County political figure, and Ruth Lindquist Moore, graduated Paterson Central High School in 1952 and eventually joined the family's funeral service business, becoming the third generation involved at Moore's Home for Funerals. This business was founded by Bob's grandfather in 1902 in Paterson, where it is still in operation, and has since expanded with another facility in Wayne in 1957.

Mr. Speaker, despite being involved with the family business, Mr. Moore wasn't too busy to help his community grow and become strong through a wide variety of activities. After helping the Wayne Rotary Club become established nearly three decades ago, he served as cochairman of the club's Charity Ball, chairman of its Hole-in-One Golf Tournament, as the Rotary's secretary (1962–1963), vice president and program chairman (1963–1964), president (1964–1965) and on its board of directors (1969–1970).

His numerous other civic and community activities include being a former member of the board of directors of the Edward Sisco Senior Citizens Complex in Wayne, the board of directors of the Wayne Chamber of Commerce, past president of the Passaic County Funeral Directors Association, current vice president of the New Jersey State Funeral Directors Association and current secretary of the board of trustees of Wayne General Hospital.

Mr. Speaker, it is indeed appropriate that we reflect on the deeds and achievements of our people who have contributed to the quality of life and way of life in America. As we gather together on June 10 in tribute to the leadership and personal commitment these three outstanding people have dedicated to their community, I know that you will want to join with the Rotary Club of Wayne, NJ, in honoring our good friends, Thomas Voelkner, Theodore Roehrs, and Robert C. Moore III, as outstanding citizens and great Americans. We do, indeed, salute the Wayne Rotary Club's "Paul Harris Fellows."

NEW IRANIAN POLICY

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. CLAY. Mr. Speaker, the troubled nation of Iran continues to dominate world attention. As Members of the United States Congress we have a growing obligation to maintain a clear understanding of current events in Iran and to improve our vision of future developments.

It is established that the Khomeini regime, which has executed 70,000 dissidents and imprisoned 140,000 people, is bankrupt and liable to succumb to opposition forces in the very near future. It appears that the disintegration of the Khomeini regime is creating an opportunity for the formation of a democratic government in Iran. As a nation we must advocate the benefits of a democratic government for all people. As we in Congress continue to study and reflect on our Nation's policy toward Iran, I recommend the following editorial, "An Opportunity for United States To Develop a New Iranian Policy," by Representative MERVYN DYMALLY.

[From the Boston Globe, May 11, 1987]

AN OPPORTUNITY FOR UNITED STATES TO DEVELOP A NEW IRANIAN POLICY

(By Mervyn M. Dymally)

WASHINGTON.—Iran's strategic importance precludes our disregard of it. But flawed policy toward that country paralyzed one presidency and has severely damaged another's credibility. In the wake of the current debacle, we have a fresh opportunity to formulate policy. Again, will we support a tyrant instead of the citizens, or will we demonstrate that we value freedom as a universal right, not a privilege of the few?

Apparently missing from our current reevaluation of policy is any assessment of how it may have damaged the people of Iran and how we might avoid doing so in the future. Although Ayotollah Khomeini is much more brutal than his predecessor, the people of Iran still remember bitterly the quarter-century of US complicity in the shah's dictatorship. Now we have sold arms to Khomeini's mullahs to gain a foothold when the ayatollah dies. We termed the mullahs "moderates."

Those who think we dealt with moderates should speak, as I have, to torture victims who have managed to escape. Some of those moderates issued orders to torture and execute citizens. Some went further and participated in the torture.

TORTURE, EXECUTIONS

If these people are construed as moderates, to what should the people of Iran look after Khomeini? The answer is more torture, more executions. The main difference may be that these atrocities will again be perpetrated with US complicity. That is the message our actions have conveyed to the Iranian people because they know from experience what to expect of the "moderates."

When will our Iran policy become consistent with our professed values? We have armed a government that held our diplomats hostage for 444 days; that is responsible for killing 241 of our Marines in Lebanon; that maintains the largest terrorist network in Europe; that has tortured and killed tens of thousands of Iranians and has admitted arresting more than 100,000 citizens in the past year alone; and that has brought Iran's economy to the verge of bankruptcy by pouring its resources into a senseless war with more than 1.5 million casualties.

In reevaluating our policy, we should remind ourselves that Khomeini, almost from the start, has faced an organized resistance movement, the People's Mojahedin. This movement has consistently worked to overthrow oppressive governments in Iran and has resisted foreign intervention there.

In response, the shah jailed or killed many Mojahedin leaders and members. Khomeini has also murdered many of its members, including the wife of the leader. Yet the movement lives, and its popular base and effectiveness are clear from the frequency with which Khomeini's officials speak out against it.

HOSTILE POSITION

Ironically, the State Department has taken a hostile position against the Mojahedin, accusing it of employing "terrorism and violence as standard instruments of its policies."

A letter from Manucher Ghorbanifar, the Iranian go-between in the Iran arms deal, was included in the Tower Commission Report; it sets the State Department position in a new light. The letter enumerates the steps our government took as a "goodwill gesture" toward Khomeini's terrorist regime, including the issuance of an official announcement branding the Mojahedin as "terrorist and Marxist." Incidentally, the letter demonstrates how anti-Mojahedin gestures placate the mullahs.

To be sure, the Mojahedin resistance is not benign. Nevertheless, it embodies the resolve of a nation to gain liberty and self determination. The State Department contends the Mojahedin killed six Americans during the mid-1970s in the course of opposition to the shah.

The Mojahedin denies this, noting that the entire leadership was imprisoned in 1971, and that the only surviving leader, Massoud Rajavi, was released only 10 days before Khomeini came to power. The Mojahedin also denies the accusation that it was involved in the taking of U.S. hostages. I have seen no evidence to refute its denial.

Now the State Department acknowledges that the Mojahedin is the most powerful resistance movement inside Iran, and a CIA analysis in December 1984 cites it as the only organized force "likely to succeed Khomeini." It appears significant that, according to Western media, the Mojahedin since February has escalated its attacks on the revolutionary guards and military bases throughout the country.

FREE ELECTIONS PROMISED

The Mojahedin has stated in writing its plans for post-Khomeini Iran. It plans fair and free elections within six months of Khomeini's overthrow, commits itself to the Universal Declaration of Human Rights, and recognizes equal rights for all citizens before the law. The Mojahedin leader, Massoud Rajavi, long ago negotiated the terms of peace with Iraq in the Iran-Iraq war. And only a few weeks ago, he successfully negotiated a halt in bombing of civilian targets.

Inquiries made at the State Department by myself and Rep. Dan Burton (R-Ind.)—two politicians who on most issues could not represent more divergent views—are said to have helped prompt the State Department to reexamine its view toward the Mojahedin. Nevertheless, State contemplates no change in policy toward the group. It is this apparent tendency to reach the conclusion before thoroughly examining the evidence that makes me pessimistic that our "new" policy toward Iran will be anything more than the old policy warmed over. And that is a cause for deep concern.

Alternatively, we could project a forthright policy of sympathy with the Iranian people and their struggle to be free. Maybe we would not begin to support the Mojahedin as though they were the contras of the East. Not even they want that. But maybe we could achieve a more objective understanding of the struggle that is being waged in that part of the world. And maybe that objective view, grounded in concern for the people of Iran, could be the driving force behind our policy.

I hope that when the government of Iran does change hands, the power will be vested in a government that is the friend rather than the enemy of the people of Iran. I also hope that the next time power is passed on in Iran, our country will find itself on the side of the people rather than on the side of their oppressors.

To this end, we must reestablish our credibility not by accusing those who fail to advocate policies we see as flawed, but by our genuine respect for the Iranian people's aspirations for peace and freedom.

ANGOON-KOOTZNOOWOO LEGISLATION

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. YOUNG of Alaska. Mr. Speaker, today I am introducing legislation designed to take an important step toward improving land management of the Admiralty Island National Monument in Alaska. I am delighted to be joined in sponsorship of this bill by the gentleman from California, the chairman of the Subcommittee on Water and Power Resources, Mr. GEORGE MILLER.

In the last Congress, former Rep. John Seiberling and I cosponsored H.R. 4883, the "Admiralty Island Land Exchange Act of 1986." This bill, which passed the House by unanimous vote, would have put an end to years of dispute over Admiralty Island. H.R. 4883 offered a "comprehensive solution" to resource issues related to Admiralty Island by: first, offering the Shee Atika Native Corp. a combination of land and financial incentives in exchange for acquiring their substantial land holdings on Admiralty for inclusion into protected status within the monument; second, making changes necessary to allow an economically important mine development to proceed in a joint venture with the Sealaska Native Regional Corp. outside the monument boundaries on the north end of the Island; and third, acquiring Kootznoowoo, Inc.'s inholdings near Angoon in exchange for selected properties in southeast Alaska with recreational development potential and other consideration. After negotiation and modification, H.R. 4883 passed the House without controversy on August 11, 1986.

Unfortunately, H.R. 4883's "comprehensive solution"—developed after many months of negotiations between all involved parties, including the environmentalists—was not successful in the Senate. The reason had little to do with the merits of the Admiralty Island provisions; rather, the legislation became linked to efforts to alter the Forest Service's management practices in the Tongass National Forest. In the House, we avoided connecting the Admiralty Island bill to this later, more complex, and controversial issue. Senate negotiations were unable to reconcile the two matters and the Admiralty Island bill did not reach the floor.

I remain committed to achieving a comprehensive solution to the problems on Admiralty Island. The people of Alaska need the jobs and long-term economic benefits of the Greens Creek mine. Shee Atika, Inc., whose inability to make use of their full entitlement under the Alaska Native Claims Settlement Act has caused great hardship, deserves to be put on an equal footing with other Native corporations. Much depends on the decision of Shee Atika leaders regarding their own lands. Hopefully, we will be able to obtain these goals during this Congress.

In the meantime, Mr. Speaker, I am introducing legislation today that limits itself to a number of lesser issues which affect only the people who actually live on Admiralty Island. This new bill deals with the relatively straightforward concerns of the Village of Angoon and its Native village corporation, Kootznoowoo, Inc. The Native people of Angoon have gone to great lengths to see that their land and subsistence lifestyles are protected. This bill, the "Admiralty Island Land Management Act of 1987," addresses Angoon's concerns, serves the public interest by eliminating certain smaller areas of potential development adjacent to the monument, and by consolidating land owned by Kootznoowoo in order to improve resource management both by Kootznoowoo and the Forest Service.

Kootznoowoo's provisions are relatively small scale, yet will benefit the public interest, and resolve an important segment of the problems on Admiralty Island. It is vital to keep in mind the need to treat the people of Angoon with the special consideration that they deserve, as the only residents of the islands. This is a good place to start.

This bill in no way limits or redefines my existing intent to sponsor a comprehensive solution for Admiralty Island. My intention here is to address Angoon's specific concerns in order to start the process moving toward a comprehensive Admiralty Island legislative solution. Working together, the other involved parties have the opportunity to resolve the other more complicated issues that were addressed last year in H.R. 4883. It is my hope that this will be the catalyst, and that this bill will serve as the legislative vehicle for resolving the other public interest concerns related to Admiralty Island.

ATTENDEES AT TOWN HALL MEETING IN GEORGIA SPEAK OUT

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. GINGRICH. Mr. Speaker, participants at a Town Hall Meeting that I conducted in McDonough, GA, on April 25, 1987, had a lot to say about some of the major issues we face today. We conducted a secret ballot poll of those who attended, asking several important questions on how they wanted Congress to act. They responded with some remarkable answers to current public policy questions, and I present here the results of our poll for the benefit and education of the Congress as well as those who peruse the CONGRESSIONAL RECORD.

These are the results:

First. By a vote of 49 to 2, those present preferred to cut spending on appropriations bills, even if it led to the loss of funding for projects in our own district. The discussion was quite specific and participants spoke and voted emphatically to take on the problem of "pork barrel" spending in the budget.

Second. By 49 to 1, my constituents asked me to speak out on ethics in Congress. They felt strongly that corruption was unacceptable and had to be challenged whenever it occurred.

Third. By 41 to 13, Georgians voted to make containing and stopping AIDS the No. 1 domestic priority. People are clearly concerned about the reports of over 1 million carriers of the disease and increasing evidence that it is spreading into the general population.

Fourth. By 45 to 3, they voted to encourage politicians to focus on long-term solutions rather than short-term policies. In a lengthy discussion people expressed a real understanding of how much trouble we are in and a real commitment to solving our problems with long-term, bold solutions, rather than focusing on short-term issues. For many Members this may be the most surprising and most hopeful of all of my findings.

Fifth. By 46 to 4, this meeting preferred my new Social Security plan (which abolishes the FICA, replaces it with a VAT, and establishes a mandatory IRA for everyone under 40) over the current system. The average age person at the meeting was 50 or over, with about 20 percent of the group under 40. Interestingly, savings, trade and capital investment to create jobs were the focus of the discussion. Once the retired citizens understood that the new plan would continue to pay their Social Security checks, they were enthusiastic about making the system secure for their children and grandchildren.

This set of answers showed more foresight and courage among typical American citizens than most Members would have expected. It encourages me to continue the fight and to believe that some folks out there are concerned about their country and their children's future.

PERSONAL EXPLANATION

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. TORRES. Mr. Speaker, I was unavoidably absent on official business during rollcall votes No. 157 through No. 162 Tuesday, June 2 and Wednesday, June 3. Had I been present on the House floor, I would have cast my votes in the following manner:

Roll No. 157: Yea, Journal approval.
Roll No. 158: Yea, passage of H.R. 1039.
Roll No. 159: Yea, passage of H.R. 1444.
Roll No. 160: Yea, passage of H.R. 2533.
Roll No. 161: Yea, Journal approval.
Roll No. 162: Yea, approval of House Resolution 179.

INSIGHT ON THE DEBT CRISIS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. GARCIA. Mr. Speaker, in the May 22 edition of the Los Angeles Times, Dr. Paul Sacks of Multinational Strategies, Inc., wrote an excellent op-ed piece on the Third World debt crisis, discussing the "value gap" facing banks as they try to come to grips with this crisis.

This gap is the difference between the face value and the market value of loans to Third World debtors. The recent decision by Citicorp to dramatically increase its reserves has forced the banks to officially recognize this reality. Dr. Sacks gives a fine rendering of what this means to the financial markets and the entire strategy of dealing with Third World debt. I urge my colleagues to read his article.

LET BANKS CLOSE THE VALUE GAP—SECONDARY MARKETS COULD BE ROUTE OUT OF LATIN DEBT CRISIS

(By Paul M. Sacks)

Citicorp's bold and dramatic decision to set aside $3 billion of reserves against its outstanding loans to Third World countries carries several messages to financial markets.

One of the most important is that for the first time, the difference between the face value and the market value of these loans—the "value gap"—has been publicly recognized.

Financial innovators have recognized this gap for more than two years, and so-called secondary markets, in which banks sell each other their developing-country loans at substantial discounts, have cropped up to help close it. The rapid development of these markets has made it possible to reduce the debt burden on lenders and borrowers alike—and without bankrupting either.

Secondary markets make clear just how much banks overvalue their developing-country loans by keeping them at original book values. By last September, commercial banks had on their books $77 billion in outstanding loans to the 12 biggest problem debtor nations. Secondary markets valued these loans at no more than $50 billion. Thus Third World debt remains a problem, largely because this $27-billion "value gap" remains open.

Foreign governments have been quick to recognize the worth of secondary markets in reducing the value gaps that their banks face. The Japanese in particular have begun to draft rules allowing their banks to take advantage of the new opportunities.

Unimaginative regulators in this country, however, have hobbled U.S. banks in their efforts to compete. America's dominant position in global finance may be shaken badly before Washington wakes up.

Regulators remain fairly unconcerned, perhaps because secondary markets were born not in the corridors of multilateral development banks, or in the offices of regulatory authorities, but on the profit-oriented trading floors of the world's major banks. Traders literally buy and sell the rights to receive interest and principal payments from Third World debtors. Buyers of such loans pay less than face value because of the risk that these payments will be made late or even never. Sudan's debt, for instance, trades for as little as two cents on the dollar. Secondary market volume came to about $6 billion last year, most of it U.S. commercial bank loans to the very biggest developing-country borrowers now in trouble.

What makes all this buying and selling so important to reducing the debt problem? Secondary markets now offer a compelling way both to value high-risk debt and to transfer this debt to those who can bear the risk best, and sometimes even use it. Market-generated alternatives now exist to the familiar lend-and-reschedule formula.

Last month's deal between commercial banks and the Philippine government illustrates how secondary markets give new flexibility. The Philippines will soon start to cover part of its interest payments with zero-interest investment notes convertible into equity there.

But such debt-equity swaps are not the only way to use a thriving secondary market to make sovereign debts more flexible, more bearable and more payable. Trading debt also allows banks to clear their balance sheets of developing country loans, freeing capital to support more profitable fee-based activities such as note issuance facilities. The question now is whether enough buyers can be found to absorb the billions in debt that banks would like to sell.

The Japanese, ahead of the pack in exploring the potential of secondary debt markets, have already come up with one possible answer to this problem: create a company jointly owned by banks to buy and hold developing country loans. The cleverly designed plan is supposed to have little or no impact on either the Japanese government's tax revenues or Japanese banks' tax payments.

But while Japan and the Philippines push back the frontiers in the use of secondary markets, the United States lags far behind. A new American approach is needed, with three main elements.

Some regulation of secondary markets is needed to ensure that full information on traded debts is available to buyers. Such regulations would tend to broaden the range of buyers and help prevent dubious practices.

Bank regulators should borrow ideas from the Securities and Exchange Commission on how to regulate trading and how to use market costs rather than historic costs. Bank regulators know loans best. The SEC knows tradeable instruments. As the securitization of debt continues, bank regulators must supplement loan regulations with trading regulations.

Legislation should be enacted obliging the accounting profession to prepare a softer playing field for U.S. banks. Especially needed are provisions permitting written-down loans to be charged off over several years instead of immediately.

The prime goal of creating a new regime would be to shut the value gap in commercial bank portfolios of developing country debt. This $27-billion gap needs to be closed before U.S. banks can be considered out of grave risk from defaults on sovereign debt. Regulatory changes that free banks to solve their problems will be cheaper and simpler in the long run than a government bailout of a crippled major bank.

The alternative is to stay chained to an unstable cycle of crises, reschedulings and involuntary lending. Today's regulatory environment offers banks no real choices, no real escape.

(Paul Sacks is president of Multinational Strategies, an international political and economic consulting firm based in New York.)

RETIREES ARE BEING RAILROADED

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. VENTO. Mr. Speaker, today I am introducing a resolution to send a clear message to the administration that Congress will not tolerate any further attacks leveled at railroad retirees and employees. The resolution is in response to the administration's most recent attempt to undermine the railroad retirement system by dividing it between the Social Security Administration and the Railroad Retirement Board.

Railroad retirees and employees have been on the receiving end of far too many administration assaults. They have sacrificed a great deal over the past few years in order to restore the financial balance of their retirement system. They have committed themselves to the retirement system and are asking for nothing but fair and equitable treatment in return. They deserve nothing less.

Yet the administration continues to attempt to dismantle the railroad retirement system. The administration's recent proposal would transfer the payment of tier I benefits to the Social Security Administration thereby forcing railroad retirees to deal with two agencies. The proposal would subject retirees to unnecessary disruptions and would inhibit the ability of the Congress to maintain its commitment to railroad retirees to ensure fair and equitable treatment.

Mr. Speaker, I urge my colleagues to express their support for railroad retirees and employees by becoming cosponsors of this resolution, House Concurrent Resolution 133.

PORTUGAL DAY

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. RODINO. Mr. Speaker, this Sunday, June 7, Newark residents of all races will join together in celebration of Portugal Day. It is a day to pay tribute to the countless achievements of Americans of Portuguese heritage and express our appreciation for their many contributions to our Nation. It is a day to celebrate their rich cultural heritage and the blessings it brings to America. It is a day in which each of us—regardless of our ethnic background—salute our friends in the Portuguese community.

This year's festivities, sponsored by the Portuguese American Federation of New Jersey, will begin at Newark City Hall and end with a grand parade and closing ceremonies in the Ironbound Section of Newark. The federation directors are: Mr. Bernardino Coutinho, Pe. Antonio Pinho, Mr. Jose Borges, and Mr. Fernando Martino. Their devotion and hard work are invaluable to our community, and I'm sure that, under their guidance, this year's celebration will be a smashing success.

Portugal Day as it is known in the United States is also referred to as the Day of Camoes or of the Portuguese Communities marking the date which in 1580 Luis Vaz de Camoes, the greatest of our poets and patriots, died.

He is chiefly remembered for having written the Lusiads ("Os Lusiadas"), an epic poem celebrating the 10-month voyage by which Vasco da Gama opened the seaway to India. The poem recites the heroic history of the Portuguese nation and its victories over the Spanish and the Moors. The poem, a document of history as well as of literature, reflects the zenith of a country of little more than 1 million inhabitants which carried its flag and its faith across the world from Brazil to Japan to establish the first European sea empire.

The celebration of Portugal Day is one of brotherhood for all Portuguese throughout the world. Its essence was captured well by a 17th century thinker, Antonio Vieira, who said of his countrymen: "God gave the Portuguese a small nation as cradle but all the world as their grave."

The Newark Portuguese community which numbers close to 40,000 has observed this day since 1980, and with each passing year the festivities have attracted several hundred thousand visitors of many ethnic and cultural groups to the East ward.

FIRST-HAND ACCOUNTS CONFIRM PATTERNS OF ABUSE AMONG CONTRAS IN NICARAGUA

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. EVANS. Mr. Speaker, I would like to draw attention in the RECORD to the following letter I received recently from the Veterans Fast for Life/Veterans Peace Action Teams. I think it helps to underscore how U.S. policy has resulted in a tragic level of violence and cruelty in Nicaragua. I also believe it disputes recent assertions that the Contras are not involved in the terrorism of innocent Nicaraguans:

DEAR FELLOW CITIZENS: The first Veterans Peace Action Team has completed its mission in Nicaragua. We wish to speak to you from our hearts about what we have seen and heard and to share with you what we have concluded about the illegal and immoral war which the United States is waging against the Sovereign nation of Nicaragua.

We spent much of our six weeks in Nicaragua in the war zones where we heard numerous testimonies by the victims of U.S. terrorism. We have seen the recent destruction of peasant homes, schools and coffee processing plants. We have seen and spoken to the children, mothers and elderly who have lost arms and legs as a result of the explosion of our anti-tank mines. We have talked to victims minutes after bloody ambushes. What we have concluded is that you euphemistically call low intensity warfare is one of the most vicious and barbarous forms of warmaking devised in the history of mankind. While you would have the people of our nation believe that the killing and maiming is an unintended consequence of the war, we have come to a realization of a far different truth: This is not a war between two armies over territory but a war whose objective is the demoralization of the Nicaraguan people and the disintegration of their government. It relies on terror and fear and economic deprivation to accomplish its immoral and illegal ends. The acts of terror against innocent civilians is deliberate and intentional; it is conceived, organized and carried out by the United States government and its proxies and paid for by the tax dollars of United States citizens. Our hands are all stained by the blood of the war's innocent victims. You, we and the North American people have much to answer and atone for.

We concluded our mission by walking 73 miles unarmed and undefended through war zones of Nicaragua from Jinotega to Wiwili. On the walk we each felt the terror and fear the United States is causing. We experienced the same apprehension felt by the Nicaraguan people who walk or ride along the road: that at any moment they may be maimed or killed by ambush or mines. We witnessed funerals and the grief of mothers and children because of the death of their loved ones. We were given 22 letters with nearly 800 signatures appealing to the United States to "stop attacking us so that we may live and raise our children and return to our land to raise crops without having to carry weapons to defend ourselves." We found in these brave people a faith, an endurance, a dignity and a spirit of forgiveness that broke open all of our hearts.

We also found that the people strongly support their government. They perceive it as striving mightily under increasingly difficult conditions to achieve the objectives of their revolution, especially humanizing and empowering the lives of the poor. We heard testimonies about how individuals who were exploited and repressed by the United States proxy government of Somoza now actively support the Sandinista government with full freedom of dissent and criticism. Despite the terrible sufferings caused by this U.S. imposed war, the people show no signs of giving up on themselves or their government. Indeed they are prepared to defend the hard-won fruits of their revolution—their freedom and their independence—to the last man, woman and child.

Mr. President, Senators and Members of the House: Dr. Martin Luther King challenged us in the United States to "get on the right side of the world revolution." We invite you to remember our own revolutionary values and our ideals of equality, justice and self-determination, and reconsider what you are doing to the nation of Nicaragua . . . and to ourselves.

While we are deeply ashamed and outraged by the suffering we have seen, we are inspired by the hope, the courage, and vision of the Nicaraguan people and their revolution. We are committed anew to our own revolutionary values and principles. We are committed anew to stopping the violation of those principles in Nicaragua. To that end some of us will remain in Nicaragua where we will continue to place ourselves at risk in the war zones. We will be joined by new teams of veterans who will rebuild what is being destroyed by U.S. warmaking. Where our government is offering death, hate and despair, United States veterans will bring life, compassion and hope. Others of us will return to the United States where we will engage—and invite others to engage with us—in tireless and unremitting resistance to the immoral and unjust war through tax refusal, civil disobedience and other forms of noncooperation.

Mr. President, Senators, and Members of the House: We are outraged that you continue to support and finance the barbaric terrorism in Nicaragua which is violating international and U.S. law, our own constitution, various treaties and an order of the world court. It has earned our country the contempt of peace-loving nations throughout the world. Stop the support of the Contra terrorists. Call home the troops from Honduras. End the economic embargo. Support the Contadora peace process. In the words of Archbishop Oscar Romero: "We implore you, we beseech you, we order you to stop the killing."

Nicaragua must live and be free. To this we commit ourselves.

Members of the first,
Veterans Peace Action Team.

RETURN TO STRONGER 5-MILE-PER-HOUR AUTO BUMPER PROTECTION STANDARD

HON. ANTHONY C. BEILENSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. BEILENSON. Mr. Speaker, today I am reintroducing legislation I introduced in each of the last two Congresses to restore automobile bumper protection standards to the 5-mile-per-hour requirement which was in force when the Reagan administration took office.

As part of the President's plan to ease the so-called regulatory burden on the automobile industry the National Highway Traffic Safety Administration [NHTSA] rolled back the 5-mile-per-hour standard, which had been in effect since the mid-1970's, to a much weaker 2.5-mile-per-hour standard.

The bumper standard is the speed at which a car crashing directly into a flat barrier would sustain no damage. Actually, the benefits are even greater: bumpers meeting a higher standard also sustain less damage in angular crashes and crashes into poles.

The Reagan administration's argument for relaxing the standard to 2.5 miles per hour was that weaker bumpers would be cheaper to install and replace, and their lighter weight would improve fuel economy, saving consumers money on the purchase price and operating cost of their cars. The administration also promised to provide bumper data to consumers, so that car buyers could make informed choices about the amount they wished to spend for extra bumper protection.

None of these economic benefits has materialized. Not only is the Government ignoring the consumers' need for adequate, accessible crash safety and damage information—by making bumper and crash test information difficult for new car purchasers to find—but the car makers themselves are not reducing the prices on cars that they have equipped with the weaker bumpers. And in at least some cases the weaker bumpers are actually heavier than the stronger ones, so they do not provide an advantage in fuel economy either.

Further, consumers have spent hundreds of millions of dollars in extra repair costs because of the extra damage incurred in slow speed accidents: in 5-mile-per-hour crash tests done by the Insurance Institute for Highway Safety, cars with the weaker bumpers sustained up to $2,000 in needless damage. And, to add insult to injury, on some models the stronger bumper actually costs less to replace than a weaker bumper from the same manufacturer.

Mr. Speaker, the administration made a serious, costly mistake when it rolled back the bumper standard. It has cost consumers many millions of dollars, with no offseting benefit at all. Some manufacturers have continued to supply the stronger bumpers voluntarily, but consumers have no easy way of knowing whether cars have the stronger or weaker bumpers.

It is time for Congress to reverse this foolish and costly error by establishing in law the same standard that existed by regulation prior to 1982. We can save consumers millions of dollars by a proven regulation that worked well in actual practice only a few years ago. This administration has shown that it will allow rhetoric about the burden of Government regulation and the advantages of free market economics to blind itself to the reality of the economic and human costs of automobile accidents. It is up to Congress to restore rationality to automobile bumper protection standards.

Mr. Speaker, I urge my colleagues to join me in cosponsoring this simple, straightforward bill.

TRIBUTE TO RUTH E. ANDERSON

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. FAZIO. Mr. Speaker, today I rise to honor Dr. Ruth Anderson who is retiring as the dean of women and associate dean of students at the University of California at Davis. After 25 years of devoted service to the field of education, Dean Anderson, will retire from UC Davis, Tuesday, June 30, 1987.

Ruth has contributed so much to UC Davis, its students, and the Davis community that she will be greatly missed. She is, by far, one of the most well-loved advisers on the Davis campus and certainly one of the most advanced thinking educators in California. I know I am not alone in saying that I respect Dr. Anderson very much and am grateful for everything she has done. UC Davis will be losing one of its best, but the effect of her years of service will be felt for a long time to come.

Born in 1917, in Logan, UT, she came to UC Davis, the "university farm," with her father as a child. Dr. Anderson received her BA in English from UC Berkeley and her master's in education administration from Sacramento State University. National University in San Diego later conferred upon her an honorary doctorate in human relevancy. A teacher at both the elementary and junior high school levels, she eventually became vice principal of Davis Junior High School. While vice principal she accomplished many things: The introduction of foreign language education, the initiation of special classes for gifted students, the organization of a televised Spanish class for elementary school classes, and the introduction of both adult and preschool education programs to the school district.

In 1962, Ruth Anderson became the second dean of women at UC Davis and has now been in that post for 25 years. As dean, Ruth Anderson worked very hard to establish equality between male and female students by eliminating those rules applied only to women scholars. She established the Women's Center, now known as the Women's Resource and Research Center. Dean Anderson organized "Latecomers," a support group for women returning to college, and "Network for Graduate and Faculty Women," targeted toward women entering male-dominated fields.

Dr. Anderson has been active in a number of the university's organizations. Associated Women Students Advisor from 1962-68, Women's Representative Assembly Member from 1970-73, Prytnean Honor Society adviser from 1962-present, Faculty Women's Caucus, cochair Association for Academic Women, Academic Senate Education Abroad Committee, Steering Committee member from 1980-present, Faculty Women's Research and Support Group, Leadership Alliance for Women, and chair of several committees for the Status of Women at Davis Administrative Committee.

An innovative and extremely creative person, Ruth Anderson has kept up with the changes in our society. The University of California at Davis has been fortunate to have worked with Dean Anderson. Though she will truly be missed by all the faculty, staff, and student body at UC Davis, Ruth Anderson will always be remembered as a bold leader and a true friend who lived by her own tenet, "* * * look at all the options open. Be willing to look at alternatives, courageous enough to take chances."

STATE SUPER COLLIDER FUNDS SHOULD BE CONSIDERED

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. FIELDS. Mr. Speaker, the Senate has passed an amendment to the supplemental appropriations bill that prohibits the Department of Energy from considering financial incentives on the part of States in deciding where to locate the proposed superconducting super collider.

In the very near future, the House Science and Technology Committee is likely to consider an amendment similar to the one passed by the Senate. I strongly oppose this amendment because I believe that it is the Government's responsibility to accept the best possible proposal at the lowest possible cost.

State assistance in funding construction of the super collider would greatly reduce the cost of the project to the Federal Government.

With the budget woes of the Federal Government and deficit reduction targets to meet, any type of State support should be welcomed, not discouraged.

Mr. Speaker, my home State of Texas, for example, is prepared to provide up to $1 billion in assistance for the super collider project, should it be located in Texas. The issue here is not one of small States versus large States.

The issue is how to get the best possible deal for America's taxpayers.

Regardless of which State receives the bid to host the super collider, the Government has a responsibility to build it at the lowest cost possible to the Federal Government. And aid provided by the States should be factored into the total equation when deciding where the super collider should be located.

I want to commend my colleague, JOE BARTON, who serves as chairman of the Texas SSC Task Force, for promising to oppose the Senate amendment when it comes before the Science and Technology Committee. In this case, we have the opportunity to be fiscally responsible, and we should not let that opportunity slip away.

FINANCIAL INDEPENDENCE

HON. ED JENKINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. JENKINS. Mr. Speaker, I respectfully submit for introduction a resolution naming the week of October 18-24 "National Financial Independence Week."

Keeping financially fit involves the same commonsense principles as keeping physically fit. You develop a sound program that fits your needs and particular situation, stick to it, monitor it, diagnose and treat any difficulties and measure the results on a regular basis.

But many Americans are far from fiscally fit these days, and find it very difficult to become financially independent.

Americans save less than our counterparts in the industrialized world. Our national savings rate is about 3.6 percent of gross national product, compared with 15 percent in Japan and 7 to 10 percent for our European allies.

According to the Social Security Administration, the median financial net worth for an American couple at age 65 is $20,000. The net worth for an unmarried American woman at age 65 is $5,000, and the average unmarried man's net worth is $3,500.

A recent survey of parents revealed that none were saving regularly for their children's college education. Their stated reason was they have nothing to save, feel they could never save and don't know how to save systematically.

Saving is as difficult as losing weight, exercising or attempting to quit smoking. It requires self-discipline.

Fiscal discipline has been out of style for a few decades, with the Federal Government leading the way by outspending its income for 17 consecutive years. And the current lifestyle dictates spending more than we make in the hope that our earnings will catch up to bail us out.

There is an old adage, "People don't plan to fail, they just fail to plan."

The simple secret of wealth accumulation is a disciplined, long-range financial plan based on personal goals.

This resolution is intended to set aside a week to remind and encourage Americans to set up a plan to become financially independent.

If an individual does not have the time or inclination to do their own planning and financial monitoring, I urge that they seek out a qualified financial planner in their community to help.

I want to thank the International Association for Financial Planning [IAFP], the Institute of Certified Financial Planners [ICFP], American College, College for Financial Planners, American Society of CLU's and Chfcs and the American Library Association for joining me as sponsoring organizations for this effort.

ALIENS WITH AIDS

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. McCOLLUM. Mr. Speaker, today I have introduced a bill that would amend the Immigration and Nationality Act to prohibit issuing immigrant visas to aliens with AIDS. Federal regulations now bar aliens from entering the United States on seven grounds, all involving health and this bill would specify AIDS as a dangerous contagious disease. In doing this bill, we recognize that the administration has executive power to enforce what this legislation does. It does not in any way diminish support of the administration to protect the health of all Americans. My bill would codify this sentiment into law. As you are all aware, the Senate voted unanimously to test immigrants for the AIDS virus, which directs the President to act by August 31 to add AIDS to the Government's list of dangerous and contagious diseases and to require that immigrants be tested for it.

AIDS is without a doubt a threat today to public health. I have a deep concern for the public interest and the health of the population. It is estimated today that more than 600,000 immigrants annually apply for permanent-resident status and it is necessary that these people be tested for exposure to AIDS as part of a required medical examination. Infected persons would then be denied entry on the grounds that they have a dangerous contagious disease.

Studies by the World Health Organization concludes that neither vaccine nor therapy for large populations is likely to become available for at least several years. Numbers of reported cases of the acquired immunodeficiency syndrome [AIDS] and countries reporting AIDS have increased dramatically. As of December 1982, 711 AIDS cases were reported to the World Health Organization from 16 countries; by February 1987—5 years later—40,770 AIDS cases were reported from 91 countries representing all continents—a 570-percent increase.

It is well known that there is a lot of underreporting going on to national health authorities by countries other than the United States, which means that the number of reported AIDS cases throughout the world represents only a small fraction of the total cases to date. These are estimated to be in excess of 100,000. Because of AIDS' long incubation period, it will take years to know if a vaccine works. In addition, as a result of the long incubation period—up to 6 years or longer—from HIV infection to the development of clinical disease, the number of AIDS cases provides a misleading view of the real extent and intensity of the HIV infection.

Therefore, I have introduced a bill today that would curb the spread of AIDS to our citizens by denying entry by immigrants into the United States who are carrying this dreadful disease. I am very concerned about the AIDS disease. It is becoming more evident with each passing day that AIDS is just as easily spread through heterosexual contact as it is through homosexual contact. We have a major health risk, for the entire society looming ahead of us. America faces a disease that is fatal and spreading. We must take steps now to do what we can to stop people who have AIDS from seeking permanent-resident status in our country and spreading the disease to Americans.

TRIBUTE TO DR. JOSHUA FELDSTEIN

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. KOSTMAYER. Mr. Speaker, I rise today to bring the accomplishments of a great educator to the attention of my colleagues. Dr. Joshua Feldstein, president of the Delaware Valley College of Science and Agriculture for the past 12 years, and a constituent of mine, will be retiring from his office at the end of June.

Dr. Feldstein emigrated from Lithuania to the United States in 1939 at the age of 17. Without the benefit of support from family, and no command of the English language, he graduated from the National Farm School, the predecessor of Delaware Valley College of Science and Agriculture, in 1942. He received his bachelor of science degree from the National Agricultural College, the later name of the National Farm School, in 1952. Dr. Feldstein received both his master of science degree and his Ph.D. in horticulture at Rutgers University.

Dr. Feldstein never forgot his educational roots. Since his first days at the National Farm School he continued his affiliation with his alma mater where he advanced through the ranks of the faculty, first as an assistant instructor at the school, and later as professor of horticulture and chairman of both the horticultural department and the plant and science division of the college. In 1969 he assumed administrative duties when he was appointed associate dean of the college, becoming dean in 1973.

Ultimately, in 1975, Dr. Feldstein was elected president of the college by the board of trustees. During his tenure as president, Dr. Feldstein accomplished a great deal to improve the facilities and the educational standards of the college. He made a sustained effort to renovate existing buildings and build additional structures including a student center, and facilities to house the school of animal husbandry. He also oversaw the construction of an agricultural machinery complex, a greenhouse laboratory, an equine facility, and a stadium. The development of the campus is certainly indicative of the broadening of course offerings at the college. Over the past 12 years, the curriculum of the college has expanded into business and computer fields from its agricultural and science base.

Mr. Speaker, I think I speak for all in the Delaware Valley in commending Dr. Feldstein for his great contributions to his community and to the numerous men and women educated at the Delaware Valley College of Science and Agriculture.

CHEMICAL DIVERSION AND TRAFFICKING ACT OF 1987

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. HUGHES. Mr. Speaker, as part of the Anti-Drug Abuse Act of 1986, the Congress requested the Attorney General to study the need for legislation and regulation to control the diversion of legitimate precursor and essential chemicals to the illegal production of drugs of abuse. The Attorney General has transmitted to the Congress the findings of his study and a proposed bill.

Today I am introducing by request the bill proposed by the Attorney General to permit examination of these issues by the Congress. The bill creates many new crimes that narrowly focus on conduct that would be committed by the clandestine manufacturers of synthetic drugs. In many cases these persons could be prosecuted for attempting to manufacture controlled substances.

The bill needs and will receive careful examination by the Subcommittee on Crime, which I chair, and the subcommittee welcomes the views of the public and industry.

Violation of the provisions of the new act would be a felony carrying a 5-year prison sentence under 21 U.S.C. 841 with heavy fines, forfeiture, and in some cases a prohibition from conducting business activities with these chemicals for a minimum of 10 years.

Essentially it gives broad authority to the Attorney General to require recordkeeping and reporting on the part of manufacturers, distributors, importers, and exporters of any listed substances concerning the distribution, receipt, sale, importation, or exportation of any listed substance. Records must be kept 5 years and be available for inspection.

Listed substances include 10 precursor chemicals and 4 essential chemicals, and the Attorney General is given the authority to add, by rule, other chemicals which can be used to manufacture a controlled substance and which are being used in illegal controlled substance manufacture.

The four essential chemicals initially listed—potassium permanganate, acetic anhydride, acetone, and ethyl ether—have widespread legitimate industrial uses. At least two of the precursor chemicals—ephedrine and pseudoephedrine—are widely used in over-the-counter drugs. A great many businesses may be affected by this legislation.

Import of a precursor chemical would require a permit from the Attorney General, and import of an essential chemical would require notification to the Attorney General, unless the chemical is imported for commercial, scientific, or other legitimate uses.

The bill also prohibits the distribution, sale, import, export, or transfer of any "commercial tableting machine or encapsulating machine" unless the recipient presents a certification of lawful use and identification to the seller. All such transfers must be reported to the Attorney General. It would be a felony to possess any drug manufacturing equipment, tableting, or encapsulating machines, or gelatin capsules with intent to manufacture a controlled substance except as authorized by the Controlled Substances Act.

It would be a felony to possess any precursor or essential chemical with knowledge that the recordkeeping or reporting requirements or regulations have not been adhered to.

The section-by-section analysis prepared by the Attorney General follows:

SECTION-BY-SECTION ANALYSIS

Sec. 1—Title.

Sec. 2—This is the section that provides the basic framework of the control mechanisms of the "Chemical Diversion and Trafficking Act of 1987" by amending Section 310 of the Controlled Substances Act (21 U.S.C. 830) to provide the following:

Section 310(a)(1) makes mandatory the maintenance of records and the making of reports by any person who distributes, purchases, imports or exports a listed precursor or essential chemical. It also requires that the records be kept separately and be readily retrievable and available for inspection for five years. The Attorney General is authorized to designate by regulation the required records and reports, including establishing a minimum threshold for each substance under which records and reports need not be made. Failure to make required reports or keep required records would be punishable under 21 U.S.C. 842 or 843, or under 21 U.S.C. 841(d) for knowing or intentional violations.

Subparagraphs (A) and (B) provide details as to the extent of the information the Attorney General may require. This primarily involves names, addresses, dates, type of chemical, quantity and other relevant information concerning distribution, import or export.

Section 310(a)(2) establishes an identification requirement similar to the identification requirement in the existing piperidine legislation. However, there is an additional requirement of certification by the purchaser that the purchase is not for unlawful purposes. The exact form of the certification would be established by regulation. But, it is expected that it will include, at a minimum, that the purchase is not for unlawful purposes and that the purchaser has not made purchases from other sources in order to avoid record-keeping and reporting requirements.

Subsection (a)(3) provides an exemption for agents, employees, common carriers, and those exempted by the Attorney General. This, again, is the same as currently exists for piperidine and, in some cases, controlled drugs. Additionally, it clarifies that these provisions do not apply to drug products lawfully marketed under the Federal Food, Drug and Cosmetic Act containing these listed chemicals.

Section 310(b) establishes an import-export permit requirement for listed precursors and a declaration requirement for essential chemicals. It also sets the grounds that can be used to deny permits or declarations.

Section 310(c) establishes a mechanism and criteria for adding or deleting chemicals from the lists.

Section 310(d) establishes two lists. One list is for precursors and the other for essential chemicals.

Section 310(e) establishes confidentiality of information and exemption from release under Freedom of Information except for enforcement purposes.

Section 310(f) defines "customs territory" and "import". Other definitions are included elsewhere in the Controlled Substances Act.

Subsection (g) provides for required identification for tableting and encapsulating machines, as well as for certification of lawful use by the purchaser.

Subsection (h) establishes a reporting requirement for the distribution, sale, import or export of tableting or encapsulating machines.

Sec. 3—This section has three primary purposes. Section 3(a) amends Section 401(d)(1) (21 U.S.C. 841(d)(1)) of the Controlled Substances Act to establish criminal penalties for possession of listed chemicals with intent to illicitly manufacture controlled substances.

Section 3(b) amends Section 401(d)(2) (21 U.S.C. 841(d)(2)) of the Controlled Substances Act to establish criminal penalties for possession or distribution of precursor or essential chemicals with knowledge that they will be used in illicit manufacture.

Section 3(c) provides penalties for knowingly or intentionally manufacturing, distributing, importing, or exporting precursor or essential chemicals except as provided by this Act. It also makes the possession of these chemicals illegal when they are possessed with knowledge that the record-keeping or reporting requirements have not been adhered to. Finally, it prohibits the receipt or distribution of a reportable amount of a listed chemical in small units with the intent of evading the record-keeping or reporting requirements.

Sec. 4—Subsection (a) of this section amends Section 402(a)(9) (21 U.S.C. 842(a)(9)) of the Controlled Substances Act to establish for all listed chemicals the penalties for distribution or sale when there is a violation of identification or certification requirements.

Subsection (b) deletes Section 402(c)(2)(C) (21 U.S.C. 842(c)(2)(C)), concerning piperidine reporting violations.

Sec. 5—This section establishes prohibited acts under Section 403(a) (21 U.S.C. 843(a)) for violations involving listed chemicals as well as for manufacture, distribution, sale, import or export of drug manufacturing equipment, tableting or encapsulating machines, or gelatin capsules with intent to violate the Controlled Substances Act.

Sec. 6—Adds to the penalties for violations of the Act, a provision for enjoining violators from further activity involving listed chemicals for a period of at least ten years.

Sec. 7—Authority to seize and forfeit chemicals, drug manufacturing equipment, and gelatin capsules under Sec. 511 (21 U.S.C. 881).

Sec. 8—Establishes intent of Congress that the Attorney General will maintain an active program against the diversion and trafficking of chemicals both domestically and worldwide.

Sec. 9—Amends the definitions of "distribute" and "deliver" to include delivery of a listed precursor or essential chemical. Also establishes definitions for "precursor chemicals" and "essential chemicals".

Sec. 10—Amends Section 506(a) (21 U.S.C. 876(a)) authorizing the Attorney General to issue subpoenas with respect to "precursor chemicals" and "essential chemicals".

Sec. 11—Amends the table of sections for the Controlled Substances Act.

Sec. 12—Provides a delayed effective date for the Chemical Diversion and Trafficking Act of 1987.

ONE-YEAR MORATORIUM ON REAL ESTATE ACTIVITIES FOR BANKS

HON. WAYNE DOWDY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. DOWDY of Mississippi. Mr. Speaker, I would like to go on record in support of a 1-year moratorium on new and expanded real estate activities for banks and bank holding companies.

I believe that this measure is needed to ensure that Congress has the opportunity to fully study this issue before broad new powers are granted to bank holding companies and their respective nonbanking subsidiaries.

The Federal Reserve Board has proposed a regulation to grant expanded powers to financial institutions beyond those approved by Congress. My concern is that the proposed regulation allows the Federal Reserve Board to change the fundamentals of our Nation's banking laws without the involvement of Congress. I think it is a mistake to dismantle the Glass-Steagall Act, which has traditionally protected the independent role of the real estate industry. The realtors I have met with from my home State of Mississippi have voiced their concern over this situation, and I certainly concur with them on the danger of granting broad new powers to banks without fully examining the consequences. Mr. Speaker, I urge my colleagues in Congress to give favorable consideration to a 1-year moratorium on new and expanded real estate activities for banks and bank holding companies, so that Congress will have time to fully review this major change in our Nation's banking laws.

ORANGE COUNTY SCOUTING

HON. ROBERT E. BADHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. BADHAM. Mr. Speaker, it is my pleasure today to honor two men who have served their community well for years and who are scheduled to be recognized for their achievements on June 12.

Mr. Ernie Ellsworth and Mr. Larry Buchheim have been leaders in the El Camino Real District of the Boy Scouts of America for years and have improved the Scouting experiences of countless numbers of young men. Currently, they serve more than 1,600 Scouts in southern Orange County.

Mr. Ellsworth, a resident of Laguna Hills, has served in several capacities for the El Camino Real District, including Scoutmaster of Troop 729 from 1981 until 1985. He became a lawyer after serving his church for 2 years in Chile. He also spent 8 years in the Army Reserve and National Guard, attaining the rank of captain.

Mr. Ellsworth served as president of the Saddleback Regional Chamber of Commerce in 1980–81. He remains a member of the chamber's board of directors and he is chairman of the chamber's cityhood study committee. He is also a member of the board of directors of the Laguna Hills Rotary Club.

Mr. Buchheim, a resident of San Juan Capistrano, served on the chairman's advisory team of the El Camino Real District of Boy Scouts of America during the terms of the past three district chairmen. In 1984, he served as chairman of the district's sustaining membership campaign and was instrumental in helping the campaign top its financial contribution goals.

Mr. Buchheim was also active in leading San Juan Capistrano to cityhood and in 1961 and is now a member of its city council. He is also a member of the local American Legion Post, the Elks Lodge, and the San Juan Capistrano Lions Club.

Both of these men, and the leadership of all scouting organizations nationwide, deserve the highest commendation for the unselfish work they do for our children. Involvement in Scouting not only helps us today—it helps shape our future by developing leadership skills and a sense of responsibility in our youth.

Efforts such as Mr. Ellsworth's and Mr. Buchheim's demonstrate the true spirit of volunteerism that President Reagan so often speaks of and they serve as examples that all of us should try to follow, although few will be able to match their accomplishments.

OPPOSE UNITED STATES MISSILE SALE TO SAUDI ARABIA

HON. VIN WEBER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. WEBER. Mr. Speaker, today I join several colleagues in introducing a resolution opposing the recently proposed United States sale of 1,600 air-to-surface Maverick AGM-65D missiles worth $360 million to Saudi Arabia. I urge my colleagues to support this resolution.

The administration has presented this sale as routine; a replacement of 1,600 missiles for a similar number approved in 1984. Accordingly, these missiles will contribute to U.S. foreign policy and security interests in the Middle East and help provide security for a friendly nation to the United States.

I strongly disagree. Since 1976, we have delivered a total of 2,500 Maverick antitank missiles to Saudi Arabia. But, Saudi Arabia argues they need an additional 1,600 Maverick missiles for full protection from the threat from Iran and Iraq. I do not believe this is true.

Let's look at one threat that is used to justify this sale. Iraq has more than 3,000 tanks, one of the largest tank inventories in the region after Syria and Israel. I don't expect Syria to attack Saudi Arabia. Iraq, however, may attack it. Saudi Arabia does not need an additional 1,600 AGM-65D missiles for defense. Not only is it an upgraded missile designed for day and night operation, even in low visibility weather, but, they already have 2,400 AGM-65B missiles for antitank defense. With their 100 F-5 planes, capable of carrying two Maverick missiles, they would have to launch a full 3-day air strike, with four sorties, against Iraq to use up this supply. This is not a likely military strategy. Even if they would need more missiles, there is nothing to prevent the United States from coming to their aid at this time. This leaves Israel as the only real country that would be a potential target for 4,000 Maverick missiles.

I have opposed arms sales to Saudi Arabia and other countries in the past because of my concern for our interests and our allies' interests in the Middle East. Every time Congress has debated the merit of an arms sale to this country, we have examined Saudi Arabia's past behavior and their willingness to establish ties with Israel, and to stop financially assisting the Palestinian Liberation Organization [PLO]. I have not been satisfied with their response and I urge my colleagues to work for U.S. interests in the Middle East and support this resolution.

CARMINE C. IOSUE HONORED AS COMMANDER OF DISTRICT 2, VETERANS OF FOREIGN WARS

HON. GUY V. MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. MOLINARI. Mr. Speaker, I rise today to pay tribute to Carmine C. Iosue of Staten Island, NY, who is being honored for serving as commander of district 2, Veterans of Foreign Wars—the largest district areawise in New York State.

A native Staten Islander, Mr. Iosue entered military service in February 1969. He served in Vietnam for 9 months when he was wounded in a minefield during a rescue mission. He was evacuated to the United States and was in danger of losing both legs as a result of his injuries. He spent the following 3½ years in physical therapy and braces fighting to retain the use of his legs. As a result of his service in Vietnam, Mr. Iosue was awarded the Purple Heart, the National Defense Medal, the Vietnam Service Medal, and the Vietnam Campaign Medal.

When he became well enough, Mr. Iosue assumed an active role in the North Shore Post 7172, VFW. He was the first Vietnam veteran to serve in this capacity and also the first to serve as commander of the Richmond County Council, VFW. In addition to his current duties as commander of district 2, VFW, he has just been appointed, by Gov. Mario Cuomo, to be a member of the Temporary State Commission on the Readjustment Problems of the Vietnam Veteran. This commission was created by the State legislature to "investigate and evaluate" existing State, local, and Federal programs available to Vietnam veterans. Mr. Iosue is 1 of 7 members appointed by the Governor to this 13-member panel.

Mr. Iosue has tirelessly devoted many hours to improving the quality of life for those who served in the Vietnam war. I am proud to represent a fine citizen such as Carmine Iosue and I ask my distinguished colleagues to join with me, his family and friends in honoring him.

A TRIBUTE TO THE DISTINGUISHED WOMEN OF CALVERT COUNTY

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. DYSON. Mr. Speaker, I rise today to commend the accomplishments of the distinguished women of Calvert County, who will be recognized by the Calvert County Commission for Women on June 7, 1987.

It is with great pleasure that I pay tribute to the achievements of women, not only in Calvert County, but throughout the United States. In the past two decades, women in the United States have attained positions in the highest levels of government and society. Today we have women in the U.S. Senate, the House of Representatives, and even on the Supreme Court. I am proud of these and the many other accomplishments of women in the United States.

I would therefore like to take this opportunity to bring to the attention of my distinguished colleagues, the honor role of women to be recognized by the Calvert County Commission for Women: Ms. Katharine Carr, Ms. Jacqueline Gray, Ms. Jeltje Hutchins, Ms. Juanita Nelson, Ms. Patricia Pease, Ms. Constance Rowe, Ms. Shirley Slusher, Ms. Deborah Smith, Ms. Chris Sydnor, Ms. Bonnie Zinn.

The contributions of these women of Calvert County have been invaluable to the enhancement of both our community and our country. So, I ask my colleagues in the House to join me in saluting the Commission for Women's 1987 honor roll. You can be proud of your achievements and community services.

H.R. 1728, DEPARTMENT OF DEFENSE AUTHORIZATION

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. DUNCAN. Mr. Speaker, I unavoidedly missed the final vote on H.R. 1728, the DOD authorization bill and would like to state the reasons for my opposition to this measure.

Having always supported a strong national defense, my primary objection with H.R. 1728 is the funding level. The House approved $289 billion for defense programs, a massive reduction of $23 billion from President Reagan's request. This total is not sufficient to meet our countries' military needs and obligations.

The continuation of the "Star Wars" Program is one of the key elements of future U.S. defenses, but the House banned all testing of space-based antimissile weapons. I further oppose the ban on nuclear weapons testing and the continued U.S. compliance with SALT II, a treaty as yet unratified.

The process by which the House developed this measure should not go unnoticed. Four rules were ultimately considered before the bill could even be debated. It is obvious to me the process is too cumbersome and backward to develop efficient and responsible legislation of such importance to the United States and our allies.

It is for these reasons I would have voted nay on H.R. 1728. The bill, as passed, is not in the best interest of U.S. defenses.

A DEDICATED TEAM FOR SSC

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. BARTON of Texas. Mr. Speaker, I would like to share with my colleagues a decision made on Tuesday, May 12, 1987, by the Texas National Research Laboratory Commission [TNRLC]. The commission on that day, voted unanimously to select the Dallas-Fort Worth in Ellis County as the "best" Texas site for the superconducting super collider.

This decision was based on the technical merits of the site as demonstrated by the preponderance of supporting evidence prepared by the Dallas/Fort Worth SSC Authority. This decision by the commission would not have occurred without the months of dedicated, tireless effort of the members of the Board of Directors of the Dallas/Fort Worth SSC Authority, who include: G. Stephen Howerton of Ennis; E.L. (Buddy) Langley of Irving; the Honorable Annette Strauss, mayor of Dallas; the Honorable Bob Bolen, mayor of Fort Worth; Nicholas B. Jordan, Jr. of Waxahachie; Charles Pinto of Midlothian; Robert W. Sokoll of Waxahachie; Catherine R. Burns of Ennis; Dr. Hylan B. Lyon, Jr. of Fort Worth; Robert M. Althoff of Ennis; C. Edwin Farrar of Waxahachie; Standard D. Lambert of Ennis; John M. McKinney of Waxahachie; Gene Rodgers of Midlothian; John R. Johnson of Dallas; Rhys Best of Dallas; John Stevenson of Fort Worth; and Robert D. Duke of Waxahachie.

These men and women were just the "tip of the iceberg," who led the activities of literally hundreds of other community citizens in the SSC proposal for the north central Texas area. I salute the work of these individuals, and wish to bring their achievement to the attention of my colleagues in the House of Representatives.

COMMEMORATING FEDERAL JUDGE EDELSTEIN'S THIRTY-FIFTH ANNIVERSARY

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. GREEN. Mr. Speaker, I rise to recognize one of my constituents, Federal Judge David Norton Edelstein of the U.S. District Court. Judge Edelstein is today celebrating his 35th anniversary of service on the bench in the southern district of New York.

A graduate of Fordham University, Judge Edelstein began his illustrious career as a lawyer in New York City. From 1945 to 1947 he served as a special assistant to the attorney general in charge of the land division. The following year he secured a position as assistant attorney general in charge of the customs division. In 1951, Judge Edelstein was appointed to the U.S. District Court of the southern District of New York. From 1971 to 1980, he presided as Chief Judge.

In addition to his service on the bench, Judge Edelstein has served on many oversight committees and participated in many forums at the city, State, and national level. He is a former member to the Judicial Conference of the United States. He was a delegate to the National Conference of Federal Trial Judges and assisted the President's Temporary Commission on Employee Loyalty. Presently Judge Edelstein is a member of the White Plains Courthouse Committee and a member of the National Advisory Board of the Center for the Study of the Presidency.

To complement such efforts, Judge Edelstein has been an active member of both the American and Federal Bar Association where he has held over seven officerships.

In tribute to such service and guidance, Judge Edelstein has been awarded honorary memberships by the American Trial Lawyers Association, the National Lawyers Club, and the Phi Delta Phi.

Judge Edelstein's efforts and achievements are to be valued and praised.

Mr. Speaker, I ask that my colleagues join me in recognizing and honoring Judge Edelstein for his 35 years of dedication and service as a lawyer and judge.

A VICTORY FOR DEMOCRACY IN MALTA

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 3, 1987

Mr. FEIGHAN. Mr. Speaker, on several occasions during the past 2 years, I have brought to the attention of my colleagues a series of events on the Republic of Malta, and I am now pleased to report that the political atmosphere in Malta improved considerably. In January 1987, the two major parties in Malta achieved a compromise on a series of constitutional amendments, the most important of which guaranteed the party obtaining an absolute majority of the popular vote the right to govern the country. Further electoral reforms were agreed upon dealing with the equal access to the state-run broadcasting media, bipartisan control over voting registers and polling stations, and bipartisan and free media access to the central voting facility.

On May 9 national elections were held under the new rules and, contrary to the worst fears of many, the elections were fair and took place without major incidents. A record 96.11 percent of the Maltese voted. Both leaders—Dr. Fenech Adami and Dr. Mifsud-Bonnici urged calm during the lengthy vote counting process. Their joint cooperation and statesmanlike behavior averted violence as the Nationalists garnered 50.91 percent of the vote. On Tuesday, May 12, a smooth transfer of power took place and Dr. Fenech Adami was sworn in as Malta's Prime Minister.

Mr. Adami has promised closer relations with the United States and less reliance on Libya and North Korea. Now is the time for the administration and Congress to act positively by supporting Dr. Adami and the Maltese people as they seek a closer relationship with the United States and the West. A policy of benign neglect is not in the best interest of Malta or the United States. I urge my colleagues to join with me and extend congratulations to Prime Minister Adami and wish him and his party every success in their quest for freedom, democracy, and prosperity for the Maltese people.

Mr. Speaker, we look forward to meeting him again on his next visit to the United States.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, June 4, 1987, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 5

9:30 a.m.

Armed Services

To hold open and closed hearings on military implications of the Administration's plan for the United States military force to protect re-flagged Kuwait oil tankers.

SR-253

Banking, Housing, and Urban Affairs

Housing and Urban Affairs Subcommittee

To hold oversight hearings on the preservation of the national low-income housing stock.

SD-538

Energy and Natural Resources

Water and Power Subcommittee

To hold hearings on current water-related programs of the U.S. Geological Survey, focusing on quantification and analysis of groundwater resources.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SD-325

Joint Economic

To hold hearings on employment-unemployment statistics for May.

SD-628

10:00 a.m.

Environment and Public Works

Hazardous Wastes and Toxic Substances Subcommittee

To hold hearings on the Resource Conservation and Recovery Act, focusing on the land disposal ban.

SD-406

Finance

Energy and Agricultural Taxation Subcommittee

To hold hearings on tax incentives to increase energy security.

SD-215

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 8

2:00 p.m.

Governmental Affairs

To hold hearings on S. 1233, Economic Competitiveness, International Trade, and Technology Development Act.

SD-342

JUNE 9

9:00 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings on proposed reform and modernization of the Farmers Home Administration.

SR-332

Office of Technology Assessment

The Board, to meet to consider pending business.

S-205, Capitol

2:00 p.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To hold oversight hearings on the implementation of the Staggers Rail Act (P.L. 96-448).

SR-253

Governmental Affairs

To continue hearings on S. 1233, Economic Competitiveness, International Trade, and Technology Development Act.

SD-342

2:30 p.m.

Agriculture, Nutrition, and Forestry

Agricultural Credit Subcommittee

To hold hearings on activities of the Farm Credit Capital Corporation.

SR-332

JUNE 10

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Environment and Public Works

Business meeting, to mark up S. 744, State Radon Program Development Act.

SD-406

10:00 a.m.

Labor and Human Resources

To hold hearings on S. 837, Minimum Wage Restoration Act.

SD-430

Small Business

To hold hearings to review the impact on small business of certain provisions of S. 79, to require notification to workers who are at risk of occupational disease.

SR-428A

10:30 a.m.

Environment and Public Works

Environmental Protection Subcommittee

To hold hearings on pending clean air proposals.

SD-406

JUNE 11

9:30 a.m.

Energy and Natural Resources

To resume hearings on oil and gas leasing in the coastal plain of the Arctic National Wildlife Refuge in Alaska.

SD-366

Governmental Affairs

Business meeting, to mark up S. 1233, Economic Competitiveness, International Trade, and Technology Development Act.

SD-342

10:00 a.m.

Agriculture, Nutrition, and Forestry

Nutrition and Investigations Subcommittee

To hold hearings on the Special Supplemental Food Program for Women, Infants, and Children (WIC).

SR-332

Environment and Public Works

Environmental Protection Subcommittee

To continue hearings on clean air proposals.

SD-406

JUNE 12

9:30 a.m.

Energy and Natural Resources

To continue hearings on oil and gas leasing in the coastal plain of the Arctic National Wildlife Refuge in Alaska.

SD-366

Governmental Affairs

Business meeting, to mark up S. 1233, Economic Competitiveness, International Trade, and Technology Development Act.

SD-342

10:00 a.m.

Finance

Health Subcommittee

To resume hearings on the quality of long-term health care.

SD-215

JUNE 16

9:30 a.m.

Commerce, Science, and Transportation

Business meeting, to consider pending calendar business.

SR-253

Environment and Public Works

Environmental Protection Subcommittee

To resume hearings on pending clean air proposals.

SD-406

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JUNE 17

9:30 a.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To resume oversight hearings on the implementation of the Staggers Rail Act (P.L. 96-448).

SR-253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

10:00 a.m.

Labor and Human Resources

Business meeting, to consider pending calendar business.

SD-430

Veterans' Affairs

To hold oversight hearings on the implementation of the Veterans' Administration loan guaranty program, and on proposed legislation relating to the VA loan guaranty program.

SR-418

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JUNE 18

9:30 a.m.

Agriculture, Nutrition, and Forestry

Agricultural Production and Stabilization of Prices Subcommittee

To hold hearings on S. 658, to provide price and income protection to family farmers through the management of the supply of the 1988 through 2000 crops of certain agricultural commodities, to enhance the ability of eligible farm borrowers of qualifying States and the farm creditors of such borrowers to restructure farm loans, and to provide grants to States to assist persons leaving farming.

SR-332

Energy and Natural Resources

Water and Power Subcommittee

To resume hearings on current water-related programs of the U.S. Geological Survey, focusing on quantification and analysis of groundwater resources.

SD-366

Environment and Public Works

Nuclear Regulation Subcommittee

To resume oversight hearings on the Department of Energy's high level waste program, including a proposal for the authorization of a monitored retrievable strong facility.

SD-406

Small Business

To hold hearings on S. 437, to revise certain provisions of the Small Business Investment Act of 1958 to permit prepayment of loans made to State and local development companies.

SR-428A

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JUNE 22

2:00 p.m.

Select on Indian Affairs

To hold hearings on S. 555, to regulate gaming on Indian lands.

SR-485

JUNE 23

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

10:00 a.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 693 and S. 695, bills to designate certain lands in the Great Smoky Mountains National Park in North Carolina and Tennessee as wilderness.

SD-366

Environment and Public Works

Water Resources, Transportation, and Infrastructure Subcommittee

To hold hearings to review infrastructure issues.

SD-406

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 24

9:20 a.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To resume oversight hearings on the implementation of the Staggers Rail Act (P.L. 96-448).

SR-253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 25

9:00 a.m.

Veterans' Affairs

To hold hearings on S. 9, Service-Disabled Veterans' Benefits Improvement Act, S. 453, Veterans' Ionizing Radiation Compensation Improvements Act, S. 1002, Veterans' Radiation Exposure Disability and Death Benefits Act, and other related measures.

SR-418

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 26

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 29

10:00 a.m.

Special on Aging

To hold hearings on the need for a new Consumer Price Index (CPI) to reflect the inflation rate that the elderly face and the process by which the Department of Labor should develop such an index.

SD-628

JUNE 30

2:00 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 59, National Forests and Public Lands of Nevada Enhancement Act, and S. 854, Nevada-Florida Land Exchange Authorization Act.

SD-366

JULY 7

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 8

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 9

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 10

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 13

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 14

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 15

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 16

9:30 a.m.

Veterans' Affairs

Business meeting, to consider S. 6, Veterans' Health Care Improvement Act, S. 9, Service-Disabled Veterans' Benefits Improvement Act, S. 917, to authorize a headstone allowance for prepurchased grave markers and to modify eligibility requirements to the plot allowance, S. 1090, Veterans Administration Insurance Amendments, and related proposals, and proposed legislation providing for disability payments, based on nuclear-detonation radiation exposure.

SR-418

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 20

2:00 p.m.

Commerce, Science, and Transportation Communications Subcommittee

To hold hearings on S. 889, to provide for fair marketing practices of certain encrypted satellite communications.

SR-253

JULY 21

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 22

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 23

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 24

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 27

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 28

9:30 a.m.

Select on Secret Military Assistance to Iran and Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 29

9:30 a.m.

Select on Secret Military Assistance to Iran and Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 30

9:30 a.m.

Select on Secret Military Assistance to Iran and Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 3

9:30 a.m.

Select on Secret Military Assistance to Iran and Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 4

9:30 a.m.

Select on Secret Military Assistance to Iran and Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 5

9:30 a.m.

Select on Secret Military Assistance to Iran and Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 6

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 7

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

POSTPONED

JUNE 4

10:00 a.m.

Judiciary Constitution Subcommittee

To resume hearings on S. 558, to revise the procedures for the enforcement of fair housing under title VIII of the Civil Rights Act of 1968.

SD-226

SENATE—*Thursday, June 4, 1987*

The Senate met at 9:45 a.m. and was called to order by the Honorable TERRY SANFORD, a Senator from the State of North Carolina.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

He hath showed thee, O man, what is good; and what doth the Lord require of thee, but to do justly, and to love mercy, and to walk humbly with thy God?—Micah 6:8.

Eternal God of truth and light, with heavy hearts we pray for all involved in the Iran-Contra hearings. You know the mixed feelings of the members of the select committee, their counsel, those being questioned, the press and media—as well as the audience and TV viewers. You know, Father, this is not an enjoyable experience for anybody. You understand the pain of those under intense questioning and cross-examination—their struggle to remember—their caution under pressure to select the right words, but, Gracious Father, it is no less painful for those who must question—who are mandated to discover the truth. We pray that Thy Spirit will brood over the hearings—that the love, mercy, and grace of God shall be experienced. May the light of God illuminate hearts and minds that truth and justice may be served. We pray in the name of Him who is truth incarnate. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 4, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TERRY SANFORD, a Senator from the State of North Carolina, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. SANFORD thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATORIAL ELECTION CAMPAIGN ACT OF 1987

Mr. BYRD. Mr. President, yesterday the Senate agreed to take up and debate S. 2, the Senatorial Election Campaign Act of 1987. I am very pleased that the Senate now will be debating and will be acting on a measure which I believe speaks to one of the most critical issues of our day; namely, the integrity of our election process and the confidence that the people of this Nation have that the elected representatives are holding to no one other than the constituencies that elected them and to the well-being of these United States.

Mr. President, we act in the Senate on any number of matters in a given year. Many of them are significant; some of them are truly important; and a very few of them are momentous. I firmly believe that this is one such item of legislation.

The debate that began yesterday was good. It was substantive. It is healthy. It is beneficial. By the time the Senate completes action on the bill, the Members of this Chamber, I believe, should and will have a clear understanding of the problems with our existing system of campaign financing and the alternative proposed solutions to those problems.

The American people also, by means of live television coverage, the coverage of the electronic and print news organizations, can have a much clearer understanding of the problems and various proposed solutions by the time this debate is concluded. This subject is worthy of the time and the energy that will be invested in it.

I am deeply hopeful that we will see a bipartisan consensus emerge as this debate proceeds which will result in the enactment of a strong bill. Some of my colleagues, especially some on the other side of the aisle, yesterday made appropriate statements to the effect that partisanship should not be a primary consideration in this debate. Mr. President, I eagerly associate myself with those remarks. That has been my attitude from the very beginning.

This is not a Democratic problem; it is not a Republican problem. It is not a Democratic bill; it is not a Republican bill. It is a problem that all of us ought to give the most serious consideration to, give our best efforts to it, and try to work together to develop a piece of legislation that will effectively deal with this growing problem. It is a growing and serious problem.

Mr. President, I cosponsored S. 2 with the distinguished senior Senator from Oklahoma [Mr. BOREN], not because I am a Democrat. I do some things because I am a Democrat. But I did not cosponsor this legislation just because I am a Democrat. I am not supporting it just because I am a Democrat.

I am supporting it because I am an elected officeholder who has been victimized, as we are all victimized, by the present system. I am supporting it because I love this institution, the U.S. Senate. I think the institution is being undermined by the present campaign financing system; and I think this representative form of democracy is being badly undermined.

Mr. President, if we do not get action on this legislation, we are all going to see the day when something will be done, becasue the people of this country are going to rise up, and they are going to demand that something be done about the current system. We are all going to be disappointed and sorry if we do not act on this legislation.

For those who have better ideas as to how we can effectively improve this legislation, I hope they will debate the bill and let us see what they have to offer. But we cannot wait forever.

It is the same as was the issue of television in the Senate. I said it is coming. Surely, we are not going to enter the 21st century without the debates in this body being covered by television and radio. It is unthinkable. It is unavoidable. It is something that has to happen, something that ought to happen, and we ought to make it happen. The same can be said about the subject matter that is before the Senate now. It is going to happen. There is going to be some legislation passed, and I hope that this will be the time and that this will be the place where that will come to fruition.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Mr. PROXMIRE. Mr. President, before the distinguished majority leader leaves that subject, I congratulate him.

He is talking about a very critical subject. There is no question that this country has been corrupted by enormous contributions for Members of the Senate and Members of the House of Representatives. It is a disgrace.

I congratulate my good friend, the majority leader, for leading the fight for legislation that would provide for an orderly, sensible, moderate solution to this problem. If we do not do that, as the Senator points out so well, we are going to have scandals and corruption that will disgrace this great body.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Wisconsin for his thoughtful, incisive, and prophetic comments. I thank him for the support he is giving the legislation.

Mr. President, I do not want to take too much time of the Senate. I will have more to say about this. Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. FOWLER). Does the Democratic leader wish to reserve his time?

Mr. BYRD. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The majority leader has 2 minutes and 10 seconds remaining.

Mr. BYRD. Mr. President, I yield my time to the distinguished Senator from Wisconsin, which, when added to his morning business time, would be of some help; and if he needs additional time, he will ask unanimous consent to get it.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The minority leader, Mr. DOLE of Kansas, is recognized.

BICENTENNIAL MINUTE

SENATOR ARTHUR PUE GORMAN DIES

Mr. DOLE. Mr. President, on the wall outside the Senate Chamber hangs an oil portrait of a person whose career in this institution is unique. Over a span of 56 years, Arthur Pue Gorman of Maryland served in positions ranging from Senate page to Democratic Party leader. Eighty-one years ago today, on June 4, 1906, Gorman died following a long illness.

Gorman began his Senate career in 1852 at the age of 13. Although he had ended his formal schooling to work here, his education in the ways of practical politics—and of human nature—was just beginning. As the Nation raced toward the crisis of disunion, and the Senate Chamber served as the major theater for that drama, Gorman had a front-row seat. One of the principal actors in that drama, Senator Stephen A. Douglas, hired him as a private secretary. In that capacity, Gorman accompanied the Illinois Senator during the 1858 senatorial campaign tour which featured the now legendary series of debates between Douglas and Abraham Lincoln. After that campaign, Gorman moved up through the ranks of choice Senate patronage positions, first as messenger, than Assistant Doorkeeper, Assistant Postmaster, and finally as Senate Postmaster during the Civil War. Gorman's political ties to President Andrew Johnson cost him his job in 1866, as Senate Republicans locked horns with this increasingly unpopular President.

In the 1870's Gorman served in the Maryland Legislature, but by 1880 he had decided that the most interesting political arena in the Nation was the U.S. Senate. When Maryland Senator William Whyte refused to support Gorman in his wish to be elected Secretary of the Senate, Gorman put his political education to work. To Whyte's surprise, Gorman maneuvered within the State legislature and defeated him in the 1880 senatorial election. In 1893 he became the first official chairman of the Senate Democratic Caucus. Although defeated for reelection in 1898, he returned to the Senate in 1903, and resumed his post as Democratic floor leader. He served in that capacity until his death in 1906.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond 10:30 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each, with an additional 2 minutes and 10 seconds to the Senator from Wisconsin [Mr. PROXMIRE].

TENDER OFFER DISCLOSURE AND FAIRNESS ACT

Mr. PROXMIRE. Mr. President, today, along with Senator RIEGLE, who is chairman of the Securities Subcommittee of the Banking Committee, and Senators CRANSTON, SARBANES, DODD, DIXON, SASSER, SANFORD, and WIRTH, I introduce the "Tender Offer Disclosure and Fairness Act of 1987."

It is significant that an overwhelming majority of Democrats on the committee are supporting Senator RIEGLE and me in this matter.

Mr. President, the purpose is to redress the rampant manipulation now undermining the stability of our capital markets and, in turn, undermining corporate economic efficiency and American competitiveness.

Anybody who reads the papers knows that we are in the throes of a massive white-collar crime wave.

Our capital markets are beseiged by a new breed that makes Ponzi look like a petty pickpocket. This new breed is the market-manipulating corporate raider. Already, prosecutors have jailed numerous law violators who have operated on the fringe. Dennis Levine traded on inside information; Martin Siegel sold tips on pending mergers his firm was managing in exchange for suitcases of payola. Ivan Boesky bought those tips, and made millions on his winnings. Now, Federal prosecutors are boring down to the core of the takeover scheme, to the investment bankers who engineer the deals, and the raiders themselves.

Mr. President, just look at the mounting evidence. In the 50 years before 1984, how many criminal prosecutions were there for insider trading in the United States? Exactly 12. From 1984, up to the time of the notorious Dennis Levine case—that is about 2 years—Government prosecutors have successfully jailed or fined another 40 insider traders. In the few months since the Levine case, another 12 have been prosecuted. And this is, in the cold assessment of U.S. Attorney Rudolph Giuliani, "the tip of the iceberg."

As Mr. Giuliani told our Senate Banking Committee a month ago, "There's no doubt that there is a connection between the number of insider trading cases * * * and the substantial increase in the number of takeovers." Agreed Gary Lynch, the Securities and Exchange Commission Director of Enforcement, "I definitely think there is a causal relationship."

The crooks are now notorious. We cannot afford to ignore the lessons their misadventures teach. to be sure, we would be irresponsible not to confront this ineluctable conclusion: Takeovers are now the toys of white collar criminals.

Raiders devastate healthy companies, loading lean and hungry firms with huge debt burdens, and terminating thousand of jobs.

How does the raider operate? What is the scheme that is the core of the takeover game? Let's walk through a manipulative raid, and see how current laws can be exploited.

Begin with a company whose stock price is undervalued. They are not hard to find. The average publicly traded stock sells for 75 percent of the replacement value of its underlying assets. As we've witnessed during the last 3 or 4 years, the stock market swings widely, so there's often a time when the stock of even the best of firms will trade cheaply. It's important for the manipulator to begin with an undervalued firm, because the profit is made when the stock price rises to its true value. At this stage, the manipulator appears no different than the honest investor looking for bargains, or the sincere management team seeking to take over the firm as a means of economic growth.

But the differences soon become apparent. The manipulator attempts to purchase shares quietly on the open market. Typically, the shares are bought in small portions.

Under the Williams Act of 1968, those who acquire 5 percent of a company must file a disclosure form with the SEC within 10 days. This disclosure includes the history of purchases, financing, and the acquirors intentions—whether the acquiror wants to take over the company, or is simply making an investment.

Manipulators abuse this 5-percent threshold. Because they have 10 days after amassing the 5 percent to file disclosure, they continue to buy quickly but quietly through day 10 of the deadline, often accumulating as much as 15 percent of the company before the public ever finds out about the raid. This enables the raider to maximize the initial stake or foothold at the cheapest price possible. It's this cheaply bought stake on which the raider later profits—by selling once his hyped raid drives up the stock price.

Once disclosure is required, raiders shout their intentions as loudly as possible. They want the stock investing public to know about their raid. They seek wide recognition of the raid because they want stock buyers to bid up the price in a trading frenzy that will put the company into play and force the hand of the target management.

The disclosure form of 5-percent ownership is known as a 13(D). In a manipulative raid, the 13(D) is followed shortly by the 14(D), or the tender offer. In this form, the raiders offer a sizable premium over the prevailing market price, to be paid in 20 business days, and only if a specified minimum number of shares are tendered.

Though manipulators don't want or plan to assume control of the company, they nevertheless declare that this is their intention. This prompts the target into expensive defensive positions. In "greenmail," the target pays off the raider in the form of a premium on the stakehold. More complicated is the "white knight," where the target sells out to another, friendly company. In a leveraged buyout, the target management mortgages its assets to buy out its own stock. In every case, the manipulative raider wins. More recently, we have seen recapitalizations where the target discourages a raid by paying huge cash dividends to its stockholders with borrowed funds.

If none of these defensive strategies work, then the raider must honor the tender offer. But how can an individual or a group even hope to finance a tender offer especially for a large company several times the size of the raider?

If the tender is successful, and the raider wins voting control, there is a ready source to pay for all the shares—the target company itself. The assets of the target company are used to secure its own takeover. The money comes from a commercial or investment bank, or in the form of high yield bonds. Often, the debt is exchanged for bonds a few months after the takeover is completed. Among the assets of the target pledged against these loans are the pension surpluses—money that most agree belongs to the employees.

How easy is it to arrange such loans? For the lender, it's a sweet deal—safe and lucrative. It is safe because the lender rarely enters into a binding commitment unless the raid is successful, and the raider has secured the assets against which the loan is pledged. What's more, these loans are usually very short in term, such as 3 or 6 months before they are due. And it is lucrative because lenders usually earn a hefty bonus up front—often $1 million or more—plus a fat bonus if the deal goes through: $30 million for a $3 billion company is not uncommon.

Whether or not the raider winds up with control, the target company will undoubtedly increase its debt burden. "Greenmail" is a relatively cheap way out. "White knight" and leveraged buyouts, however, are much more costly, and entail heavy use of loans. Naturally, a raid spells new debt for the target.

How is this debt serviced? Even in the strongest of firms, there is little way that a company's own earnings can service the new debt loads, especially high-interest bearing, short-term debt common to hostile raids. The mathematics is grim and inescapable. In the best of cases, the target firm must refinance. More often, the target must close otherwise productive plants and lay off employees to raise immediate cash to pay off short-term debt.

It is this last, sad circumstance that is most devastating to our economy. For the last 3 years, the Senate Banking Committee has held hearings on the role of corporate takeovers in the economy. This year, we supplemented the record. We have established a clear and damning litany of the victims and costs of corporate takeovers.

Economists have highlighted the dangers of debt. Fueled by hostile takeovers, American corporations sold 263 billion dollars' worth of debt in 1986, double the 1985 figure, and five times the figure of 1982.

Investment Banker Felix Rohatyn explained the dangers before the Banking Committee. In the aggregate, it increases the Nation's vulnerability in a recession. For each company, it means that in an downturn of sales, the firm must be broken up to service its debt.

Our hearings earlier this year revealed that last year, American industry spent some $177 billion in hostile raids, much of that in the form of new debt. This is, for the first time in U.S. history, greater than the amount spent on acquisitions of new plants and equipment. What this illustrates is the enormous diversion of money that could be used to build for the future, but is instead spent pillaging and defending against pillagers.

As Economist John Kenneth Galbraith warns in an article alarmingly titled "The 1929 Parallel":

> The end for those in the present play will come when either recession or a tight money crunch to arrest inflation makes the debt load they have so confidently created no longer tolerable. Then, there will be threats of default and bankruptcy, a drastic contraction in operations.

American labor and American communities also suffer extraordinary losses. Expensive raids have cost an estimated 80,000 jobs of members of unions affiliated with the AFL-CIO, according to testimony delivered to our committee by Thomas Danahue, secretary-treasurer of the organization. As he puts it, "This job loss is the direct result of the need * * * to sell off assets in order to retire some of the heavy debt created by the takeover process."

Some of these numbers are difficult to comprehend. But each unemployed person constitutes a tragedy, a drama of hardship. Unemployment is itself shorthand for personal devastation. Labor leaders that testified before the Senate Banking Committee spoke of divorce, alcoholism, child beating, depression, drug abuse, suicide, crime and mental breakdowns.

Already, most Americans believe corporate takeovers are harmful. Consider the results from a poll taken in January 1987 by Louis Harris & Associates commissioned by the University of North Carolina's Frank Hawkins Kenan Institute of Private Enterprises. A full 58 percent of the American people feel that hostile takeovers do more harm than good, while only 8 percent say they do more good than harm, with 28 percent saying they make little difference in the overall economy. Among stockholders, a full 60 percent feel they do more harm than good. What's more, 67 percent favored legislation to "sharply restrict" takeovers.

Our hearings have clarified both the crime and its victims in this takeover scheme. The crime is the useless manipulation of markets for the profit of a few. The victims include workers, American competitiveness, and, in the end, the entire American economy.

The crime the raiders and the Wall Street investment bankers play can only be described as financial strip mining. Strip mine operators, however, are required by law to rebuild and replenish the land they have ravaged. Corporate raiders, having made their millions, leave the victims to fend for themselves.

Mr. President, we must acknowledge the manipulative corporate raid for the crime it is by making it illegal. Therefore, I introduce the Tender Offer Reform Act.

ELEMENTS OF THE LEGISLATION

With the example in mind of how the manipulation scheme works, let me outline the major provisions of the legislation.

Tender offer reform rests on several principles. First, as with all market transactions, complete and timely disclosure is paramount for honest evaluation of securities. Second, market manipulation must be prevented when possible, and severely punished when discovered. And finally, tender offers themselves should be neither encouraged nor discouraged by law; egregious defenses as well as coercive takeover tactics should be limited.

Based on these principles, I have worked with a variety of groups and interested parties to come up with the following proposal.

The Tender Offer Disclosure and Fairness Act would provide the following:

Public disclosure is required within 1 day of acquiring 3 percent of a company's stock. Further acquisitions are barred until the disclosures are disseminated to the public;

Disclosure must include the identity of people with whom an acquisition was discussed within the last 90 days, the terms and source of financing, and fees paid;

Those who indicate they have acquired shares for investment purposes are barred from making a tender offer for 6 months;

The definition of a group subject to the disclosure rules is tightened to include persons "acting in concert or in a consciously parallel manner";

If disclosure requirements are violated, the violator can be sued by private citizens;

Acquisitions of more than 15 percent of a company's stock cannot be made unless by a tender offer open to all shareholders;

The time period for responding to tender offers is increased from 20 to 35 business days;

Greenmail is outlawed: companies cannot pay premiums to raiders beyond what is paid to all shareholders;

Companies cannot adopt new poison pill or golden parachute provisions during a tender offer;

Target companies can sue raiders who violate the Federal Reserve Board's margin rules;

Unregulated arbitrageurs must register with the Securities and Exchange Commission;

The criminal penalties for insider trading violations are increased from 5 to 10 years and from $100,000 to $1,000,000;

A 1-year minimum jail term is required for those convicted of perjury or obstruction of justice in connection with an insider trading investigation;

Raiders are forbidden from using the pension fund surplus of the target company to repay takeover incurred debt;

Pension funds are allowed to reject a tender offer without violating their fiduciary duties under ERISA; and

States may control the internal affairs and governance of corporations which they charter.

The overriding theme of these provisions is to enhance disclosure. If our capital markets are to be run efficiently, then information must be disseminated quickly. Currently, buyers are given 10 days before they must disclose purchases of 5 percent of a company's stock. And they can continue to purchase during the 10-day period. Technology makes immediate disclosure possible, and I think we should take advantage of it.

Rapid disclosure is justified even in the absence of market manipulation. But this change will also correct abuses by manipulative raiders. Recall in the example of how the typical scheme works that the game depends on maximizing that first cheaply bought stake. Current law permits raiders to gain 10 to 15 percent before their raid is announced. If this stake is limited to 3 percent, the chance for profit is limited. Since manipulators must often pay attorneys and financing fees, the profit they can earn on the premium they'll earn on this stake is negligible.

In 1983, the SEC Advisory Committee found that the 10-day window presented "a substantial opportunity for abuse" and recommended that the 10-day window be closed "to provide adequate notice of the shareholder's investment and intentions regarding the issuer and—to give—time for the market to assimilate such information."

On the other hand, those who sincerely attempt to take over a company should not object to early disclosure. Because they don't plan on selling the stock, the gap between the stakehold price and the tender premium is unimportant.

Reforming the tender process itself addresses not only the manipulator who has no intention of succeeding in a takeover, but also the raider who aims to buy the company on the cheap without remunerating shareholders a fair purchase premium.

Tender offers are the common manner in which hostile takeovers are executed. For many of the largest companies, shares are spread widely. To make sure that shareholders have adequate time to become informed on the benefits of a tender offer, it is important to increase the mandatory tender offer period from the present 20 business days, to 35 business days at the very least.

Yet another way to discourage manipulative raids is to outlaw what's known as greenmail. This is a premium that is paid by the target company to the raider in exchange for calling off the raid. Whether or not the target or the raider is the more blameworthy is unimportant here; what's important is that greenmail must stop.

To date, many raiders have quietly worked with silent partners whose existence, identity, and level of financial help have escaped public view. This, too, is important information. By requiring bidders to disclose contacts with whom a prospective deal was discussed in the previous 90 days, we will discourage illicit collusion. I am always amazed at how individuals of financial means nowhere near the level necessary to swallow huge American corporations are nevertheless able to secure financing for such deals. The provisions address the recent phenomenon of modern pools—operations in which investment bankers, institutions, arbitrageurs and others join with stock accumulators in takeover activities—which increase the possibilities for market manipulation. If they are working with a cabal, the shareholding public has the right to know. And if they are manipulating the market, perhaps some of this added disclosure will help lead authorities to the crime.

When market manipulation is perpetrated, through acts that should have been disclosed, then the full force of the law should be brought to bear. Private shareholders and others who may have suffered financial harm should have the right to sue for disclosure violations.

While manipulative raids must be discouraged, management must not be allowed to entrench itself. The defensive tactic known as the "poison pill," where target firms create new stock to thwart a purchase, is wrong. I propose to ban the adoption of poison pills during a tender offer.

The same for golden parachutes. These are the self-serving bonuses that executives pay themselves if they are ousted. Clearly, the compensation is unrelated to their performance, and simply milks shareholder value.

WHERE THE BILL IS SILENT

There are several provisions conspicuously absent from this draft. One idea that deserves attention is the economic impact statement. This would represent an assessment of the proposed takeover and its impact on the general economy, the community in which the target firm operates, and on the health of the target firm. If the proposed takeover is simply a game to put the stock in play, or load the company with debt to be serviced by gutting the company, then this will become clear in the impact statement. Unemployment and the devastation of communities cannot be tolerated for the pleasure of heartless raiders. We must be careful, naturally, that such an economic impact statement not interfere with the efficient merger of companies. I realize that many economic studies can be abused as tools to slow down an otherwise efficient process.

Another crucial area not addressed directly in this bill is the use of debt in takeovers. Some call for the abolition of so-called junk bonds in hostile takeovers. Defenders of junk bonds point to a relatively low default rate compared with the high yields offered investors. Junk bonds have only recently proliferated, so there is little history to make such a determination of risk. What's more, junk bonds are not widely held, they are owned by a relative few who are capable of bearing this risk at least in the short term. Personally, I have serious concerns about the liquidity of the secondary market for junk bonds.

Yet to limit debt financing restricts capital to legitimate ventures as well, and to the overall corporate debt market. Of the $600 billion in outstanding corporate debt, about $150 billion is in junk bonds. But only about 5 percent of these junk bonds are used for hostile takeovers. The balance comes largely from bank loans. Should bank loans be limited? Certainly there are serious conflicts. Security Pacific maintained an intimate business relationship with Unocal spanning four decades. Then the bank turned around in 1985 to give advice and loans to a Unocal raider. Yet limiting bank financing is also a dangerous proposition, since commercial bank loans are the lifeblood of short-term financing for all of American business. Many of us live in homes even though we have only paid for a small percentage; the rest is borrowed.

There are other ways to limit the use of highly speculative financing for manipulative raids that depend on the uneconomic dismemberment of target firms. For example, we could bar tender offers unless financing has been arranged with funds placed in escrow accounts.

We also need to consider a ban on partial or two-tier tender offers. These type of tender offers are inherently coercive in that they place enormous pressure on the stockholder to sell his shares to the raider in order to avoid a lower price on the second tier or on a subsequent freeze-out merger. Because of their coercive nature, partial or two-tier offers unfairly tilt the scales on the side of the raider and make it easier for raiders to put companies into play.

We also need to look at proposals that deal directly with manipulative raids. One suggestion is to require raiders to rebate trading profits back to the target company unless they actually take it over. This would not inhibit legitimate takeovers, but it would act as a powerful disincentive against manipulative raids whose only purpose is to put a company into play.

Another worthy idea is to bar the so-called highly confident letter by requiring that tender offers be accompanied by a binding committment for financing. This would make the lenders think more carefully before entering into the apparently loose but lucrative contracts that lead to asset stripping of the target.

At the same time, it may turn out that provisions in the bill aimed at improving disclosure, and discouraging market manipulation, will in turn discourage the types of reckless financing we have witnessed during the last several years.

I encourage my colleagues in Congress to consider such alternatives that could be added to this legislation before we begin the process of voting and amending the bill.

REASONS FOR MERGER MANIA

To understand the merits of hostile takeovers, and the provisions I propose that are designed to reform takeover tactics, let us consider the context and the motivation behind this merger mania. Before, I spoke of the archtypical raider whose motives do not extend beyond selfish greed, and who suffers no guilt that his actions devastate entire communities. How serious is this charge? What are the motivations behind merger mania?

ECONOMIC UNDERPINNINGS

Motivating mergers are a number of factors. Some are promoted for tax purposes. Some companies may purchase another to exploit loss carry-forwards.

In the 1960's, the great conglomerates spoke of "synergy." Under this theory, two enterprises somehow mesh forces to create greater profitmaking power than is possible under separate management and control. Resources can be shared, or cross-fertilized. In some cases, this "synergy" borders on monopoly, a clear way in which two firms can join to increase profits by jacking up prices.

Risk diversification is another reasonable motivation. Firms plagued by cyclical depressions might naturally look to businesses that enjoy countercyclical profits.

Not to be overlooked is the pride of empire-building managers. In the American mythology, size commands respect, and there is no quicker way to gain size than to buy it.

There are sound economic reasons for many takeovers, including hostile raids. In most basic terms, takeovers can be a "good deal." Alan Greenspan, chairman of Townsend-Greenspan, and the President's nominee to serve as chairman of the Fed, put it this way in a hearing before the Senate Banking Committee:

> The extraordinary increase in recent years of mergers, acquisitions and leveraged buyouts is a response to a significant incentive—the perception that the potential value of a takeover candidate could be substantially higher than the cost of acquisition.

Some economists have pointed to the so-called Q ratio. This is a ratio between purchasing plant, equipment, raw materials and the like in the open market, and acquiring it through the purchase of a firm that owns these products. Five years ago, the Q ratio was only about 50 percent, according to estimates of Harvard economist Lawrence H. Summers. Today, the ratio is 75 percent, still well below 100 percent, or the price that should discourage a hostile raid.

The oil patch represented a tangible example of the Q ratio at play. It became cheaper to drill for oil on Wall Street than finding it offshore. As industry observer Jeff Madrick writes in "Taking America," T. Boone Pickens held a "firm conviction that most oil companies were worth more dead than alive."

We all agree that management of publicly held companies should not be entrenched. Shareholders should be able to remove incompetent managers.

Now, step back and consider these motivations—taxes, empire building, synergy through diversification, and monopoly.

The diseconomy of a tax-motivated merger is self-evident.

Empire building is also clearly a motive with questionable economic merit. Merger mania reduced some of the best managers to slap-happy decisions. Edward Hennessy of Allied Corp. acknowledged he bought a manufacturing firm named Eltra on little better recommendation than a favorable article in Business Week. It was a bad move, he later lamented.

There is no doubt that merger mania has been fueled by a newly relaxed antitrust enforcement policy of the Reagan administration. The Justice Department itself openly declares that the traditional rules of trust busting do not apply in a world now governed by global competition. In 1981, the first year of the Reagan administration, merger activity doubled to $81 billion, from a level that was already considered active. There were 94 mergers of $100 million or more. Of the 25 largest deals undertaken through 1982, 15 were accomplished in 1981 and 1982 alone.

Risk diversification appears to be a more defendable position as a merger motivator. Yet this too is a facile reason belying an extraordinary and all too often impossible task. Prof. Peter Drucker has long criticized managers for venturing outside their area of expertise through diversification. The great conglomerates of the 1960's have nearly all contracted or collapsed. Management giant Harold Geneen's ITT is a shell of its former self. LTV Corp. is in bankruptcy.

Even where raiders have examined targets carefully, assuming control of a company can prove as difficult as starting one anew. Airline raider Frank Lorenzo has encountered more than his fair share of turbulence in merging Continental, People Express, and Eastern Airlines. According to a Wall Street Journal article, "flight delays and cancelations, long lines and lost baggage have plagued the company" causing some analysts to lower their 1987 earnings estimates.

Perhaps most importantly, even economists agree that the benefits of hostile raids are questionable.

Numerous studies by other esteemed economists highlight that hostile raids are not always economic. David Ravenscraft of the Federal Trade Commission and F.M. Scherer of Swarthmore College came to several devastating conclusions in a study called "The Profitability of Mergers."

For starters, target companies are not laggards. The average target in a study by Scherer & Ravenscraft, in fact, were "extraordinarily profitable companies."

What's more, "7 or 8 years on average following merger, profitability had declined sharply relative to premerger levels."

In sum, Scherer & Ravenscraft conclude that "the evidence mandates considerable skepticism toward the claim that mergers are on average efficiency enhancing."

Or more bluntly, says Scherer, "Takeovers frequently lead to short-run profit-maximizing strategies, eventually leaving wasted corporate hulks in their wake."

Scherer's studies have been reinforced by those of Prof. Louis Lowenstein of Columbia University. In an interesting and sweeping study, he found that in a 6-year period, target firms enjoyed a 16-percent return on equity, greater than the average firm."

William E. Wall, chairman of the Kansas Power & Light Co. made a good point in testimony before the Banking Committee:

> It isn't the poorly-managed, stumbling companies (raiders) are after. Quite the opposite. It's companies of the stripe of Phillips Petroleum, Owens Corning, Goodyear, Gulf Oil, and ITT. When Chrysler was at the brink, in its darkest hour, its management was safe from the raider's insults.

Raiders typically claim that the free market should not be marred by legislated rules on takeovers. The free market fairly values all companies. Yet defenders of the free market cannot both argue that the market is efficient in reflecting the true value of a company, yet also claim that hostile raids exploit undervalued companies. Harvard Economist Michael Jensen, a champion of hostile takeovers, acknowledges that "changes in stock price during takeovers overestimate the future efficiency gains from mergers."

The fact is that the efficient market nevertheless produces an occasionally good bargain. There are companies whose stock price does not reflect its good management. It is this same stock market that might gain or lose 5 percent of its value in a single day, even though none would claim the American economy's prospects make such abrupt changes. It is this same stock market that has tripled in value during the last 3 years, even though gross national product has limped along at a 3-percent growth rate.

In other words, hostile raids exploit market inaccuracy, and are not evidence of market efficiency.

TAKEOVER PROFITS

If the result of hostile takeovers is often at best questionable and may even be counterproductive to the economy, then why are they pursued in the first place? How is it that the invisible hand appears uncoordinated? I think there are several reasons.

I suspect there is another, extraordinarily powerful force, motivating many of these hostile raids. Building on the natural hubris of American management's desire to grow through aquisition is an army of investment bankers paving the way. And these investment bankers have good reason to make the roadway smooth.

Hostile takeovers can be outrageously profitable to a select minority.

The most prominent beneficiaries, needless to say are the raiders. And insidiously, the raiders win even when they lose. Carl Icahn cleared $50 million on his unsuccessful raid of Phillips Petroleum; T. Boone Pickens pocketed $90 million for his attack on the Bartlesville company. The Bass Bros. earned $60 million at the expense of Blue Bell; James Goldsmith made $50 million on his failed bid for St. Regis, and a tidy $94 million on a raid of Goodyear Tire. Saul Steinberg made $60 million at the expense of Walt Disney Productions. The Haft family made millions in a Safeway raid. Asher Edelman attacked Burlington Industries Inc., the world's largest textile company, and in failure will earn some $90 million. When Icahn succeeded in his takeover of TWA, I'm told he despaired.

If these raiders ever suffer a tinge of guilt, they're quickly assuaged by a retinue of investment bankers. This select crew of merger advisers, not coincidentally, has discovered they can stick their hands into the waterfall of cash flow generated by merger mania.

Consider some of these deals: During the Burroughs Corp. merger with Sperry Corp., Lazard Freres earned an estimated $7 million; James D. Wolfensohn another $4.5 million; First Boston about $9 million; Salomon Bros. another $8 million, and Paine Webber also an estimated $8 million. Morgan Stanley profited a staggering $35 million advising Union Carbide in its tangle with GAF Corp. The Chevron-Gulf merger meant a collective $63.5 million for the various investment advisers.

The investment banking firm of Drexel Burnham Lambert is estimated to have earned $1.5 billion in profit in 1986. That is a 100-percent return on capital.

Investment advisers do not earn these fees with hard work; these fees are 99 percent gravy. In 1977, the Harry Gray and Ed Hennessy team at United Technologies employed the elite investment banking firm of White, Weld & Co. to help in a planned raid on Babcock & Wilcox. The fee, which is assumed to have been adequate compensation, was $20,000. During the Texaco-Getty takeover in 1984, a Harvard Business School professor figured that one investment banker earned $127,000 an hour for his labor.

Because of the lure of these profits, investment bankers have begun to "shop deals" to potential raiders. Why not? Just as an encyclopedia sales representative promotes his or her volumes door to door, or an advertising firm promotes its services to a manufacturer, merger experts approach companies and investors about the attractiveness of certain takeovers. First Boston Corp. even employs what it calls a creative director to think up deals it can promote at firms.

Humorist Mark Russell said investment banking has become to productive business what mud wrestling is to the performing arts.

Financial World magazine's list of the best paid Wall Street professionals is littered with takeover specialists and players. Ivan Boesky led the list in 1985 at an estimated $100 million. The top 20 earners all made more than $15 million.

Once, the major players of industry eschewed takeovers as an ungentlemenly sport. Now, the takeover game is center court.

Wise observers of our economy despair about the waste of talent of this game. Yale Economist and Nobel Laureate James Tobin suffers "an uneasy suspicion we're throwing more and more of our resources, including the cream of our youth, into financial activities remote from the production of goods and services, into activities that generate high private rewards disproportionate to their social productivity."

Felix Rohatyn, of Lazard Freres, himself an innovator in the takeover business, is nevertheless worried about an erosion of principles:

> This is the age of the financial samurai. The same is true of many law firms and the behavior of financial institutions is mostly geared to short-term results. Too much money is coming together with too many young people, with little or no institutional memory for tradition, under enormous pressures to perform and under the glare of Hollywood-like publicity.

Along with the gentlemen attracted to the game, there are plenty of crooks. Merger mania has attracted insiders.

With the rise of merger mania, we have witnessed the rise of nefarious insider trading and market manipulation schemes. In fact, the American economy may well be at the mercy of one of the most cunning, and devastating schemes of all. We face the prospect that our leading investment banking firms are threatening to churn our publicly held corporations into a frenzy that exhausts underlying value.

Unraveling before us is an enormous case of insider trading that has been discussed extensively even by officials such as Messrs. Giuliani and Lynch who are conducting the investigation. The case was made possible by the conviction of Dennis Levine, whose own attorney describes it as, "One of the most significant investigations ever undertaken by the Federal Government—a massive, ongoing investigation into the takeover activities of the financial community both here and abroad." Are the culprits worried? Mr. Levine's life has been threatened several times, according to his attorneys.

We hear constantly from enforcement officials that additional disclosure is imminent. The SEC promises "major new cases in the next few months as the biggest crackdown in history against securities fraud expands in size and scope," reports the Washington Post. SEC Chairman John Shad told the Banking Committee on May 13 that "there will be a succession of shoes dropping through this summer."

Not all of the evidence has been—or perhaps can ever be—collected. But there are serious questions raised in a number of outstanding lawsuits. Are investment firms extorting firms with the threat of arranging a hostile raid? Are firms raided with the aid of a relatively small cabal that finances the short-term bonds that are serviced with the economically destructive dismemberment of the company? Are takeovers simply a new investment sport for the bright but yet unwise young executives of Wall Street?

Perverse gamesmanship, I fear, may have overtaken concern for economic efficiency and even stifled the invisible hand that is supposed to police our markets. Strategies employed in raids and defenses echo of little boys playing with toy soldiers. There are poison pills, staggered elections, supermajority votes, self-tenders, leveraged buyouts, and so on.

John Brooks, whose astute Wall Street observations have resulted in such marvelous books as "The Go-Go Years," and "Once in Golconda," comes to an unsettling conclusion in his forthcoming work entitled "The Takeover Game"—to be published in September by E.P. Dutton.

He writes:

> Instant new offerings with reduced public disclosure; massive short-term trading in already-issued securities; a wave of hostile takeovers that, whatever else they do, are virtually certain to increase the debt loads of important companies, and may end in their partial or total dismemberment; a rash of leveraged buyouts, which by definition have a similar effect: these and other characteristics of the new investment banking all point to the presence of a new speculative era in American finance, with greater emphasis on short-term profit and less thought to the day after tomorrow—sowing the wind, and not worrying about reaping the whirlwind.

What this means for managers is described by Harvard Business School Prof. William Franan. Every manager who wants to avoid becoming a target must constantly ask how to "manage the gap between my share price and the breakup estimate of the wildest-eyed maniac."

Revolutions are fought when economic equity is upset on the scale that hostile takeovers threaten to upset our capital markets.

Certainly, we are not confronted with such a problem now. We must be careful of hyperbole. But we cannot ignore the comparatively modest reforms I propose here.

THE PATHOLOGY OF MERGER MANIA—LEVERAGE

So far, I have outlined the motivations for merger mania, and described the perversions of some of these motivations. Now, let me return to the broad problems of merger mania.

Perhaps the most dangerous of these problems is the leveraging of American corporations. As I've mentioned, we already face a highly leveraged government, and we face a terrible trade deficit. Our consumers are also swamped with personal debt. Now, the engine of our economy—the American corporation—is sinking in debt. As I said, American corporations sold $263 billion worth of debt in 1986, double the 1985 figure, and five times the figure in 1982.

American companies have grown addicted to debt. The average ratio of long-term debt to equity in the average corporation has increased from 35.3 percent in 1961, to 46.7 percent in 1971, to 71.4 percent in 1986.

There is no shortage of raided companies whose debt load has multiplied precisely because of hostile takeovers. Phillips Petroleum, pummelled successively by T. Boone Pickens and Carl Icahn, witnessed its debt triple to $7.3 billion. Unocal fattened its debt from $1.2 to $5.2 billion after its fight with raider T. Boone Pickens. Goodyear now services $4 billion in debt. Owens Corning was forced into loading up with some $2.6 billion in debt. Continental Group boosted debt $2 billion after a raid by James Goldsmith. Twentieth Century-Fox Film Corp., faced similar straits after a raid by Denver financier Marvin Davis.

Nearly all of this new debt carries a relatively low rating, and therefore, companies must service it at high interest rates. Ten years ago, 60 companies in this country earned triple A ratings for their bonds. Now, only 26 can make this claim.

Precisely because of the high interest that companies must bear, they are especially vulnerable to recession in sales. Companies can reduce or stop dividends without facing closure; default on bonds spells bankruptcy, plant closure, and economic dislocation.

Investment Banker Rohatyn explained the dangers before the Banking Committee:

> The risk * * * is twofold. First, in the security of the paper. With the servicing of very high levels of debt, at rates of interest in excess of most targets return on investment, requires significant asset dispositions which may not always be possible or desirable. The alternative to a breakup requires significantly improved cash flow. This requires cutbacks in research and development, capital spending, and usually significant reductions in employment. It may cause some companies to be more competitive. It may also require sacrificing the future. The second element of risk is liquidity. In many instances, no large-scale, liquid public market exists in these securities and purchases and sales are handled through private transactions.

The sentiment is echoed by Federal Reserve Chairman Paul Volcker:

> Whatever the circumstances and justifications for the particular companies involved, a financial structure that tends toward more debt relative to equity becomes more vulnerable over time. More cash flow must be dedicated to debt servicing, exposure to short-run increases in interest rates is magnified, and cushions against adverse economic or financial developments are reduced.

SHORT-TERM FOCUS

Leveraging corporate America bodes gravely for the economy generally. It also threatens corporate competitiveness. Raids are expensive. As Unocal Corp., chairman, Fred Hartley, said:

> These stock raids and hostile takeovers have not added a barrel of new oil reserves. They have merely shifted them around. They have not inspired one new technology or innovation; they have simply drained off investment capital. They have not strengthened companies, they have weakened them, loading surviving firms with onerous new debt.

Because of a fear of raids, American corporations must concentrate on maximizing stock price at all times. In the 1960's, according to Prudential-Bache Securities analyst, Greg A. Smith:

> The typical investment cycle was three to five years. Then money managers looked for good results over a year. That became a quarter. Now it's weekly and daily. It used to be we had an investment policy committee. Now there's no restraint on decision-making. It's more a casino operation.

What this means is that companies must divert funds from research and development. Robert B. Luciano, chairman of Schering-Plough Corp., stated the case well in testimony before the Banking Committee:

> The pharmaceutical industry is on the verge of the most dramatic step in its history—the giant leap from treatment to prevention. Because we have cracked the genetic code, we can now develop products that may provide actual cures for a wide range of diseases rather than merely their symptoms. Research and development and capital investments are the driving force behind such achievements. They are the lifeblood of our industry and of my company. Over the last five years, Schering-Plough has invested $852 million in R&D and $914 million in capital expenditures, almost one billion dollars on each. * * * We have always believed that our corporate strategy was sound for the long-term interests of our shareholders, employees, customers and the communities that we serve. (But) the corporate bust-up artist isn't content to benefit in the medium- or long-term from his investment. He wants to benefit now, today, in his pocketbook.

Goodyear chairman, Robert Mercer, told a similar story to the Banking Committee. Beginning in 1977, the Akron, OH, based firm began investing hundreds of millions of dollars in new plants and equipment. Plants in Lawton, OK, Alabama, Tennessee, North Carolina, Texas, and Maryland were modernized.

> Those investments are responsible for the fact that Goodyear's U.S. tire plants are holding their own today in global competition. In many foreign countries, it takes from 25 to 50 man-minutes to manufacture a 13-inch tire. Our modern U.S. plants do it with less than ten. Our advanced technology and equipment make it possible to support higher American wages and benefits—more than $20 an hour versus as low as $1.60 in Korea. Had we been forced into the short-term planning and investment now a way of life for American industry because of the takeover frenzy, none of those investments could have been made—at least not in this country.

American management dean, Peter Drucker, unequivocally condemns the hostile merger mania.

> It is increasingly hard to defend the unfriendly takeover as benefiting anyone other than the raider (and a few investment bankers and merger lawyers). Anyone working with management people knows that fear of the raider paralyzes our executives. Worse, it forces them into making decisions they know to be stupid and to damage the enterprise in their charge. A good many experienced business leaders I know now hold takeovers fear to be a main cause of the decline in America's competitive strength in the world economy. It contributes to the obsession with the short term and the slighting of tomorrow in research, product development, market development and marketing and in quality of service.

SHAREHOLDER RIGHTS

The most vehement argument advanced by raiders is the right of shareholders. Entrenched management should be ousted unless they maximize shareholder value. Antitakeover laws will only interfere with capital markets.

In a study by the SEC, an Ohio law aimed at protecting Ohio-based corporations from hostile raids depressed the average stock price by about 2 percent. The study concluded that the 2-percent average decline in the stock prices supports the theory that strengthening takeover defenses "may not be in the best interests of shareholders," the SEC's chief economist concluded. However, the economist added, the Ohio law "may not be detrimental to Ohio" because it may preserve jobs and keep companies in the State.

It is not my intention to rob shareholders. Yet if we are to make a choice about this issue, I acknowledge that shareholder rights cannot be paramount in the management of the Nation's economy. Were they paramount, then we would not tax corporate profits, or dividends, but in fact, grant tax breaks.

Professor Drucker asks:

> Can a modern democratic society tolerate the subordination of all other goals and priorities in major institutions, such as the publicly owned corporation, to short-term gain? And can it subordinate all other stakeholders to one constituency—the shareholder?

SEC Chairman, John Shad, warns shareholders about true value:

> The greater the leverage, the greater the risks to the company, its shareholders, creditors, officers, employees, suppliers, customers and others. * * * The more leveraged takeovers and buyouts today, the more bankruptcies tomorrow. During the past few years, the multi-billion dollar premiums shareholders have received in leveraged takeovers and buyouts have been a multiple of their losses from acquisition-related bankruptcies. The premiums come first, the consequences later.

And there are other shareholders to consider. For example, shareholders of the raiding company very often suffer. While the target firm stock generally leaps with the news of a raid, the stock of the acquiror often declines. Studies show that the stock prices of acquiring companies drop significantly, by as much as 30 percent, within a year after the acquisition. As I have mentioned above, the stock price of the resulting firm usually declines. So much for shareholder rights.

EMPLOYMENT

Takeovers have led directly to the elimination of jobs. AFL-CIO secretary-treasurer, Thomas Donahue, gave this eloquent explanation before the Banking Committee:

> This job loss is the result of the need of the acquiror—or of the target which has successfully resisted a raid—to sell off assets in order to retire some of the heavy debt created by the takeover process. And this job loss inevitably adversely affects the communities in which the jobs were located as each community will confront an increasing demand for public services at the same time that the community's tax base is reduced.

Many raiders make no secret that they plan to oust unions as a means of lowering wages. Texas Air chairman, Frank Lorenzo, took newly acquired Continental Airlines into bankruptcy to rid it of a union he considered overpaid.

In 1985, GAF Corp., tangled with Union Carbide. When the dust settled, Union Carbide was expected to let go some 25,000 of the company's 96,000 employees. Chevron has layed off some 18,000 employees, with another 12,000 apparently due to be axed following a takeover tangle. Baxter Travenol Laboratories, Inc., acquired American Hospital Supply Corp. in 1985 erasing some 6,000 jobs. Phillips Petroleum laid off some 7,000 workers after its fight with Boone Pickens. The Burroughs-Sperry merger resulted in 11,790 job losses.

American workers are plundered even when they are not terminated. According to the Employee Benefit Research Institute, American firms have terminated more than 1,400 pension plans over the last 6 years in order to skim the surplus off their pension funds for purposes other than paying retired workers. According to Federal statistics, some $12 billion in pension surpluses have been diverted to raiders. Now, Connecticut-based Schick, Inc., which recently acquired Reeves Bros., Inc., is planning to terminate Reeves' pension plan to exploit the surplus funds of $25 million to pay off debt incurred when it bought Reeves. None defend this plan. Not Drexel, which advised Schick on the takeover; not National Westminster, which helped Schick with loans, and not Schick, which declined to respond to a congressional query on the subject.

Countless workers who have labored productively at productive plants stand aghast as those plants are closed and they are terminated because of a hostile raid. James E. Hatfield, international president of the Glass, Pottery, Plastics & Allied Workers stressed this point:

> America is looking at the willful dismemberment of its productive economic structure. We are watching as good jobs are eliminated. We stand by as communities lose their industrial mainstays * * *. We in the American labor movement believe in the free enterprise system. However, we believe that corporate America has a multiple responsibility to its stockholders, employees, products, customers and their communities.

Hearings with labor leaders revealed that hostile takeovers can lead to cruel results. "I wish some of these people could listen to the women crying," pleaded Clayton C. Oster, president of a local rubber union, who told of the havoc wreaked by Goldsmith's raid on Goodyear.

> I had a guy that I knew all my life, one of the most sound people that you would want to talk about, as far as his being a good worker, a devoted family and community man * * *. The man was 61 years old and had the opportunity to retire with no problem, whether there was a shutdown or not or whether Goldsmith would have come along or not * * *. And he committed suicide, basically due to what we are talking about.

CONCLUSIONS

This legislation is the result of careful and lengthy deliberations.

This draft reflects the efforts of a diverse group, whose members may intensely disagree on some of the basic elements. This is a realistic bill that weighs the relative merits against the dangers of its provisions.

My design is not to inhibit those mergers by acquirors who aim to buy, build, and grow, but to ban those acquirors who aim to buy, strip, and sell.

The crowd of followers that merger mania has attracted reminds me of the crowd described in Mark Twain's Huckleberry Finn: "Hain't we got all the fools in town on our side? And ain't that big enough majority in any town?"

Mr. President, I ask unanimous consent that a summary of the bill and the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1323

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tender Offer Disclosure and Fairness Act of 1987".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) under the laws as they exist, investors have not received timely, adequate, or sufficient information with respect to accumulations of securities in the market and with respect to conduct involved in tender offers or otherwise;

(2) investors have been denied fair treatment in the course of tender offers;

(3) private investors and issuers have been denied the opportunity to secure relief when they have been harmed or may be harmed by violations of the disclosure and fairness provisions of the law in the course of tender offers;

(4) the integrity of financial markets and the confidence of the public in them, which are essential to the economic welfare of the country, have been undermined by the conduct of parties in tender offers; and

(5) certain individuals and entities have sought to precipitate, intensify, and prolong speculation in connection with acquisitions or proposed acquisitions of corporations to the detriment of corporations and their shareholders—

(A) by engaging in acts and practices designed to circumvent the equal treatment of all shareholders;

(B) by failing to disclose the nature and extent of their speculative activities; and

(C) by acting in concert with others to further the common objective of speculation in the market for control.

(b) PURPOSES.—Therefore, in order to protect the public interest, the purposes of this Act are to foreclose the opportunities for abuse under the present provisions of law and to expand the protective mechanisms of the Federal securities laws.

SEC. 3. 10-DAY WINDOW; CONTENTS OF REPORT.

(a) Section 13(d)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(d)(1)) is amended—

(1) by striking out "5" and inserting in lieu thereof "3"; and

(2) by striking out "within ten days after such acquisition" and inserting in lieu thereof "not later than the close of business on the next trading day after such acquisition".

(b) Section 13(d)(1)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(d)(1)(A)) is amended by inserting before the semicolon at the end thereof the following: "and, if within 90 days preceding the acquisition, such filing person has had communications regarding his intention to purchase the securities which are the subject of such filing person's statement with any other person (i) who has filed a statement pursuant to this section or pursuant to section 13(g) of this title, or (ii) who, to the knowledge of such filing person, as a result of such communications, acquired or agreed to acquire any equity securities of the same class as those subject to the filing person's statement, the background, identity, residence, and citizenship of such other person, and the fact of each such communication and the date thereof but not otherwise including the content of such communications".

(c) Section 13(d)(1)(B) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(d)(1)(B)) is amended by striking out "security, a description of the transaction and the names of the parties thereto, except that where a source of funds is a loan made in the ordinary course of business by a bank, as defined in section 3(a)(6) of this title, if the person filing such statement so requests, the name of the bank shall not be made available to the public" and inserting in lieu thereof the following: "security—

"(i) a summary of each agreement or arrangement relating to the extension of credit, the issuance of securities for cash, or the other acquisition of such funds, including the identity of the parties, the term, the collateral, the stated and effective interest rates, all fees to be paid to any person in connection with the agreement or arrangement, and all other material terms or conditions relative to such loan agreement or arrangement; and

"(ii) any plans or arrangements to finance or repay any amount of such funds representing indebtedness incurred or to be incurred, or if no such plans or arrangements have been made, a statement to that effect".

(d) Section 13(d)(1)(C) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(d)(1)(C)) is amended by inserting before the semicolon at the end thereof the following: ", and the Commission shall prescribe, in the rules and regulations governing the contents of such statement, the means by which such statement would be required to designate whether the purpose of the person filing such statement (i) is to acquire, or influence the, control of the issuer, including having the effect of permitting any other person to acquire or influence such control, or (ii) is only for investment, without any purpose or effect of changing or influencing the control of the issuer, including participating in any transaction having such purpose or effect".

(e) Section 13(d)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(d)(1)) is amended—

(1) by striking out "and" at the end of subparagraph (D);

(2) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following:

"(F) a reasonably itemized statement of all expenses incurred or estimated to be incurred in connection with the acquisition of such beneficial ownership, including filing fees, legal, accounting, financial advisory, and investment banking fees and similar fees and expenses indicating whether or not such person has paid or will be responsible for paying any or all such expenses.".

(f) Section 13(d)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(d)(1)) is amended by adding at the end thereof the following:

"Any person required to send and file such a statement may not acquire or agree to acquire, directly or indirectly, the beneficial ownership of any additional amount of such equity securities after the transaction that required such person to send and file such statement until after such statement has been filed with the Commission and an announcement has been publicly disseminated in the manner and containing such of the material information disclosed in such statement, as the Commission by rule or regulation may prescribe.".

SEC. 4. TIME FOR FILING AMENDMENTS.

Section 13(d)(2) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(d)(2)) is amended by inserting after "shall be filed with the Commission" the following: "not later than the close of business on the next trading day after such change occurs".

SEC. 5. ENFORCEMENT MEASURES.

Section 13(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(d)) is amended—

(1) by striking out paragraph (6)(B), and by redesignating paragraphs (6)(C) and (6)(D) as paragraphs (6)(B) and (6)(C), respectively;

(2) by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) For purposes of this subsection, the term 'person' shall include two or more persons acting in concert or in a coordinated or consciously parallel manner (whether or not pursuant to an express agreement) or as a partnership, limited partnership, syndicate, or other group (whether or not formally organized) for the purpose of acquiring, holding, or disposing of securities of an issuer, or influencing the management or policies of an issuer."; and

(3) by redesignating paragraphs (4) through (6) as paragraphs (6) through (8), and by inserting after paragraph (3) the following:

"(4) It shall be unlawful for any person who has disclosed in any statement required to be filed under this subsection or any amendment thereto that the acquisition of securities is for investment purposes, by making a designation of purpose pursuant to paragraph (1)(C)(ii) of this subsection, to acquire by tender offer or request or invitation for tenders, directly or indirectly, beneficial ownership of any additional shares of the class of equity security that is the subject of the statement required by this subsection until 6 months after the date an amendment is filed under paragraph (2) of this subsection disclosing that the purpose of the purchases or prospective purchases is to obtain or influence the control of the issuer of such securities unless such person can demonstrate to the Commission that there has been a material change of circumstances which resulted in a change in the purpose for which such securities are held or were acquired. The Commission shall have the power, by order, upon application, and after notice and opportunity to participate are given to interested persons, to grant exemptions from the prohibition of this paragraph upon the applicant's making such a demonstration.

"(5) It shall be unlawful for any person to make any false statement of a material fact or omit to state any material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, or to engage in any fraudulent, deceptive, or manipulative acts or practices, in connection with any statement required to be filed under this subsection. The Commission shall, for the purposes of this subsection, by rules and regulations define, and prescribe means reasonably designed to prevent, such acts and practices as are fraudulent, deceptive, or manipulative.".

SEC. 6. CIVIL LIABILITY.

Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m) is amended by adding at the end thereof the following:

"(i)(1) The issuer of the securities in question or any other person aggrieved in his business or property by reason of any violation of section 7 of this title or the rules or regulations thereunder in connection with the financing of a tender offer, a request or invitation for tenders, or other acquisition of equity securities in an effort to obtain or influence the control of an issuer, or by reason of a violation of subsection (d), (f), or (g) of this section or the rules and regulations thereunder, including but not limited to any false statement of material fact or omission of a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading, may bring suit in any court of competent jurisdiction, without respect to the amount in controversy, to recover actual damages sustained by that person, and the cost of the suit, including reasonable attorney's fees, and to seek such equitable relief as the court deems proper to carry out the purposes of those sections, including an order enjoining any person violating any such provision of those sections from voting securities acquired in connection with such violation, an order to compel divestiture of such securities, or an order enjoining the making of any tender offer or other effort to acquire control for such period of time as the court may order. The provisions of sections 18(b) and 18(c) of this title shall be applicable to any such action seeking monetary damages.

"(2) A person shall not be liable for monetary damages under this subsection for a violation which resulted from a bona fide error notwithstanding the maintenance of, and compliance with, procedures reasonably necessary to prevent such violations.".

SEC. 7. TENDER OFFERS.

(a) Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n) is amended by striking out the heading of such section and inserting in lieu thereof the following:

"PROXIES AND TENDER OFFERS".

(b) Section 14(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78n(d)) is amended—

(1) by striking out paragraph (2);

(2) by redesignating paragraphs (3) through (8) as paragraphs (5) through (10); and

(3) by inserting after paragraph (1) the following:

"(2) Any person making a tender offer for, or a request or invitation for tenders of, shares of any class of any such equity security shall hold such offer, request, or invitation open for a period of at least 35 business days from the date on which such offer, request, or invitation is first published, sent, or given to security holders, or such longer period as the Commission may, by rule or regulation, prescribe.

"(3) For purposes of this subsection, the term 'person' shall include two or more persons acting in concert or in a coordinated or consciously parallel manner (whether or not pursuant to an express agreement) or as a partnership, limited partnership, syndicate, or other group (whether or not formally organized) for the purpose of acquiring, holding, or disposing of securities of an issuer, or influencing the management or policies of an issuer.

"(4)(A) It shall be unlawful for any person by use of the mails or by any means or instrumentality of interstate commerce or of any facility of a national securities exchange or otherwise, to acquire, or agree to acquire, directly or indirectly, any shares of any class of any equity security described in paragraph (1) of this subsection, if such person is, or after consummation of such acquisition would become, directly or indirectly, the beneficial owner of more than 15 per centum of such class unless such acquisition is made pursuant to a tender offer, or a request or invitation for tenders, subject to the provisions of this section and the rules and regulations thereunder.

"(B) The Commission shall by rule, or by order upon application, conditionally or unconditionally exempt any person, security, or transaction from the provisions of this paragraph, to the extent that such exemption is necessary or appropriate in the public interest and for the protection of investors, and consistent with the purposes and policy fairly intended by this paragraph.".

(c) Section 14(d)(8) of such Act, as redesignated by subsection (a), is amended by striking out "paragraph (7)" in the last sentence and inserting in lieu thereof "paragraph (9)".

SEC. 8. ACTIONS BY ISSUERS.

Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n) is amended by adding at the end thereof the following:

"(h)(1) It shall be unlawful for an issuer of securities described in subsection (d)(1) to purchase, directly or indirectly, any of its securities at a price above the market value of such securities from any person who holds more than 3 percent of the class of the securities to be purchased and has held such securities for less than 6 months, unless such purchase has been approved by the affirmative vote of a majority of the aggregate outstanding voting securities of the issuer, or the issuer makes an offer, of at least equal value per share, to all holders of securities of such class and to all holders of any class into which such securities may be converted. For the purpose of this subsection, the market value of such securities shall be the average market price of such securities during the 30 trading days preceding a purchase of securities subject to this subsection, provided that, if such person has commenced a tender offer or has announced an intention to seek control of the issuer, such average market price shall be determined during the 30 trading days preceding the commencement of such tender offer or the making of such announcement.

"(2) During a tender offer for, or request or invitation for tenders of, any class of equity security described in subsection (d)(1), other than an offer, request, or invitation by the issuer, it shall be unlawful for the issuer of such securities to enter into or amend, directly or indirectly, agreements containing provisions, whether or not dependent on the occurrence of any event or contingency, that increase, directly or indirectly, the current or future compensation of any officer or director, except that this provision shall not prohibit routine increases in compensation, or other routine compensation agreements, undertaken in the ordinary course of the issuer's business.

"(3) The Commission may, by rule, regulation, or order, in the public interest or for the protection of investors, provide exemptions, subject to such terms and conditions as may be prescribed therein, from any or all of the provisions of paragraph (1) or (2).

"(i) An issuer of equity securities described in subsection (d)(1) which are the subject of a tender offer, or a request or invitation for tenders, may not from the time the tender offer or request or invitation is commenced until such offer or request or invitation expires or otherwise terminates, grant, declare, or establish any rights to acquire any securities, if such rights would—

"(1) entitle the holder of such rights to purchase at less than market value securities of a corporation other than the issuer or securities of the successor to such a corporation; or

"(2) entitle the holder of such rights to purchase at less than market value any securities of the issuer;

where such entitlement or requirement is conditioned upon a change in control of the issuer, or the acquisition of securities by a third party, or may be invoked only during the pendency of a tender offer or other contest for control of the issuer. The Commission may by rule or regulation, or by order upon application, conditionally or unconditionally exempt any person, security, or transaction from the provisions of this paragraph to the extent that such exemption is necessary or appropriate in the public interest and for the protection of investors and consistent with the purposes and policy fairly intended by this paragraph.".

SEC. 9. REGISTRATION AND REGULATION OF ARBITRAGEURS.

(a) Section 3(a)(5) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(5)) is amended—

(1) by inserting "(A)" after "means"; and

(2) by striking out "otherwise, but" and inserting in lieu thereof "otherwise, and (B) a tender offer arbitrageur. Such term".

(b) Section 3(a) of such Act (15 U.S.C. 78(c)) is amended by inserting before paragraph (48) the following:

"(47) The term 'tender offer arbitrageur' means any person who regularly buys and sells, for its own account or for the account of others, in response to, or in anticipation of, a merger, tender offer, recapitalization, restructuring, or other similar transaction, equity securities of classes that are registered pursuant to section 12 of this title, equity securities of insurance companies that would have been required to be so registered except for the exemption contained in section 12(g)(2)(G) of this title, or equity securities issued by closed-end investment companies registered under the Investment Company Act of 1940. The term 'tender offer arbitrageur' does not include any natural person; any issuer, including a separate account, that is registered under the Investment Company Act of 1940; any 'employee benefit plan' subject to section 401 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1101); or any person, or class of persons, that the Commission may, by rule or order, as it deems consistent with the public interest and the protection of investors, either conditionally or upon specified terms and conditions or for stated periods, exempt from this definition of 'tender offer arbitrageur'.".

(c)(1) The amendments made by subsections (a) and (b) of this section shall take effect 180 days after the date of enactment of this Act.

(2) No person may continue to act as a tender offer arbitrageur within the meaning of the amendments made by subsections (a) and (b) of this section after the expiration of 270 days after the date of enactment of this Act unless such person has been registered with the Commission as required by the amendment made by subsection (a).

SEC. 10. ERISA AMENDMENT.

(a) Section 409 of the Employee Retirement Income Security Act (29 U.S.C. 1109) is amended by adding at the end thereof the following:

"(c) Notwithstanding any other provision of this title, no fiduciary to which a tender offer or exchange offer is made pursuant to section 14(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78n(d)(1)), shall be liable under this section or section 405 for any decision not to tender securities held in trust by an employee benefit plan subject to this title in the absence of gross negligence or willful malfeasance if the decision not to tender is made by a fiduciary who does not have interests in the transaction that are adverse to the interests of the plan participants and beneficiaries.".

(b) Section 405(a) of such Act (29 U.S.C. 1105(a)) is amended by inserting after "part" the following: ", except as otherwise provided in section 409(c),".

(c) Section 4404 of such Act (29 U.S.C. 1344) is amended by adding at the end thereof the following new subsection:

"(e)(1) Notwithstanding subsection (d)(1), a distribution otherwise permitted pursuant to such subsection shall be prohibited if any part of the residual assets of the plan are used to finance, directly or indirectly, any acquisition of the securities of the employer pursuant to a tender offer subject to section 14(d) of the Securities Exchange Act of 1934 (12 U.S.C. 78n(d)) (or which would be subject to such provisions except for the exemption provided in paragraph (8)(B) of such section) by any person, including the repayment, redemption, or refinancing of any indebtedness incurred by such person in connection with any such acquisition.

"(2) For purposes of this subsection:

"(A) The term 'person' means a natural person, company, or partnership including an employer, two or more persons acting in concert or in a coordinated or consciously parallel manner (whether or not pursuant to an express agreement) or as a partnership, limited partnership, syndicate, corporation, or other group (whether or not organized) for the purpose of acquiring, holding, or disposing of the securities of the employer, or influencing the management or policies of the employer.

"(B) The term 'employer' includes any person that, directly or indirectly, owns or controls 50 percent or more of the voting power or total value of the outstanding stock of an employer.".

SEC. 11. INCREASED PENALTIES FOR INSIDER TRADING, PERJURY, AND OBSTRUCTION OF JUSTICE.

Section 32 of the Securities Exchange Act of 1934 (15 U.S.C. 78ff) is amended by adding at the end thereof the following:

"(d) Any person who willfully violates section 10(b) of this title or the rules and regulations thereunder by purchasing or selling a security while in the possession of material nonpublic information, in a transaction on or through the facilities of a national securities exchange or from or through a broker or dealer, but not including transactions which are part of a public offering by an issuer of securities other than standardized options, shall upon conviction be fined not more than $1,000,000, or imprisoned not more than 10 years, or both.

"(e) Any person who willfully in the course of an investigation of a violation of this title relating to the purchasing or selling of a security while in the possession of material nonpublic information violates section 1505, 1510, 1621, or 1622 of title 18, United States Code, shall upon conviction be imprisoned for one year which shall be in addition to and served consecutively to any other term of imprisonment for the violation.".

SEC. 12. ROLE OF STATE LAW.

The Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by adding at the end thereof the following:

"ROLE OF STATE LAW

"SEC. 36. The Congress declares that the internal affairs or governance of corporations shall be subject to regulation by the laws of the State under which such corporation is organized. Nothing contained in section 13 or 14 of this title or any rules or regulations thereunder shall be construed to invalidate, impair, or supersede any law enacted by any State regulating the internal affairs or governance or contests for control of any corporation organized under its laws, except where compliance with such law would preclude compliance with the filing, disclosure, procedural, or antifraud requirements of sections 13 and 14 of this title.".

SUMMARY OF THE TENDER OFFER DISCLOSURE AND FAIRNESS ACT

I. Improved Disclosure under 13(d):

A. Lower the disclosure threshold from 5 percent to 3 percent stock ownership;

B. Reduce the ten day filing period to 1 day;

C. Prohibit further stock acquisitions until the disclosures are filed with the SEC and the information is disseminated to the public;

D. Expand disclosures to:

1. Identify persons with whom the acquisitions were discussed within the last 90 days;

2. Include fees paid to lenders or others in connection with the stock purchases;

3. List the source of financing;

4. Specify whether the purpose of the acquisition is for investment or control. If investment is specified, the person is precluded from making a tender offer for six months;

E. Tighten the definition of a group required to make 13D disclosures.

II. Tender Offer Procedures:

A. Extend the tender offer period from 20 to 35 business days;

B. Restrict "creeping tender offers" by prohibiting acquisitions of more than 15 percent unless pursuant to a tender offer;

III. Management Defenses:

A. Prohibit greenmail;

B. Prohibit golden parachutes during a takeover contest unless approved by a majority of directors;

C. Prohibit the adoption of poison pills during a takeover contest unless approved by a majority of stockholders;

IV. Enforcement Provisions:

A. Allow a private right of action against disclosure violations under section 13 or margin requirements under section 8;

B. Increase insider trading criminal penalties from a maximum of five years to ten years and increase the maximum fine from $100,000 to $1,000,000;

C. Require a minimum one year penalty for perjury or obstruction of justice in connection with an insider trading investigation;

D. Require the registration of risk arbitrage funds not currently subject to SEC regulation.

V. Pension Funds:

A. Allow managers of pension funds to take into account long term investment prospects without violating their fiduciary responsibilities under ERISA;

B. Prohibit pension funds surpluses from being used to repay takeover incurred debt for five years following the takeover.

VI. Role of States:

A. The role of states in regulating the internal affairs and governance of corporations is affirmed.

Mr. PROXMIRE. I thank my good friend, the chairman of the Securities Subcommittee, who has done such a fine job on our committee and has been a leader in this area and who is sponsoring the bill with me.

I refer, of course, to my good friend, Senator RIEGLE of Michigan, although I have great admiration, too, for the majority leader, of course, Senator DOLE.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Michigan [Mr. RIEGLE] is recognized.

Mr. RIEGLE. Mr. President, I wish to address the issue Senator PROXMIRE has discussed and that is the very important legislation that we are offering together today with other colleagues called the Tender Offer Disclosure and Fairness Act of 1987.

This legislation is one of the most important pieces of legislation that will come before the Senate this year.

As we bring it forward today with substantial cosponsorship, it is my hope that we will move on soon to a markup and report the bill to the floor and bring it to the floor, have it acted upon by the Senate as a whole, go into conference with the House, be enacted by the Congress and signed into law by the President this year.

It is clear from the pattern of trading abuses that we have been learning about through major cases that have been brought by the Securities and Exchange Commission and the Department of Justice that responsible and very carefully crafted changes should be made in the tender offer area. This package has that kind of balance and that kind of careful engineering with respect to what it is that we plan to do.

Mr. President, the Tender Offer Disclosure and Fairness Act of 1987, which we are introducing today, has been the subject of considerable debate, negotiation, and compromise among the principal sponsors over the past number of months.

As chairman of the Securities Subcommittee, I have worked closely on this legislation with the chairman of the full Banking Committee, Senator PROXMIRE, and with Senators DIXON, SASSER, CRANSTON, SANFORD, WIRTH, SARBANES, DODD, and METZENBAUM.

Two basic principles form the foundation for much of this legislation: first, that insofar as possible all shareholders should be treated fairly during the tender-offer process; and second, that full and timely disclosure of basic information about a tender offer is in the best interest of an efficient capital market and responsible shareholder decisionmaking. A former Supreme Court Justice once said that "sunlight is the best disinfectant." Given the rash of securities law violations recently uncovered by the Securities and Exchange Commission and the Justice Department, more sunshine on certain aspects of the tender-offer process is clearly warranted. A recent Wall Street Journal editorial noted that our markets are driven by information: "the more information the more efficiency." With the revolution in the telecommunications industry and the linkage of telephones with computers, it is harder than ever to justify withholding basic information from the investing public.

Let me stress at the outset that this proposal is a product of negotiation. I do not believe that any of the sponsors are completely satisfied with the contents. The legislative process in this area is just beginning. There will be additional hearings, there will be changes, there will be a committee print and then there will be a markup. But the leadership of both this committee and the Congress are determined to move forward on tender-offer reform and this package is likely to be the focus of the debate.

The need for the legislation is clearly spelled out in the findings and purposes section of the bill, which provides:

> "(a) FINDINGS.—The Congress finds that—
>
> (1) under the laws as they exist, investors have not received timely, adequate, or sufficient information with respect to accumulations of securities in the market and with respect to conduct involved in tender offers or otherwise;
>
> (2) investors have been denied fair treatment in the course of tender offer;
>
> (3) private investors and issuers have been denied the opportunity to secure relief when they have been harmed or may be harmed by violations of the disclosure and fairness provisions of the law in the course of tender offers;
>
> (4) the integrity of financial markets and the confidence of the public in them, which are essential to the economic welfare of the country, have been undermined by the conduct of parties in tender offers; and
>
> (5) certain individuals and entities have sought to precipitate, intensify, and prolong speculation in connection with acquisitions or proposed acquisitions of corporations to the detriment of corporations and their shareholders—
>
> (A) by engaging in acts and practices designed to circumvent the equal treatment of all shareholders;
>
> (B) by failing to disclose the nature and extent of their speculative activities; and
>
> (C) by acting in concert with others to further the common objective of speculation in the market for control.
>
> (b) PURPOSES.—Therefore, in order to protect the public interest, the purposes of this Act are to foreclose the opportunities for abuse under the present provisons of law and to expand the protective mechanisms of the Federal securities laws."

The Tender Offer Disclosure and Fairness Act of 1987 is designed to do essentially what its title implies.

Greater fairness to all shareholders is assured in several ways.

For example, the act sharply restricts greenmail—the practice by which a takeover entrepreneur invests in a company and then is bought out by that company at a price significantly above that available to all other shareholders.

Creeping tender offers are also restricted. Both the securities industry and the corporate community recognize the need to establish a threshold above which a bidder must tender for additional shares rather than purchase them on the open market. The securities industry would establish that threshold at 20 percent; the business community, at 10 percent. Our legislation provides that once a bidder controls 15 percent of a corporation, that person must use a tender offer to purchase additional shares. A tender offer is widely acknowledged as providing greater fairness to all shareholders because it allows everyone the opportunity to participate in the premium which usually accompanies a tender offer but which is not available to stockholders through purchases on the open market.

In addition, our legislation extends the minimum tender-offer period from 20 to 35 business days. Although business, labor, and the States among other argue for a period considerably longer than 35 business days, our proposal still allows for more of an auction market in the takeover process and thus affords shareholders additional time to consider their alternatives and maximize their return on their shares.

These are some of the more important items dealing with fairness to shareholders which are contained in this legislation.

In the disclosure area, the legislation takes into account recent cases brought by the SEC and the Justice Department which raise significant questions about possible collusion among some arbitrageurs, institutional investment managers, investment bankers, and corporate raiders with respect to certain takeover-related activity.

Serious charges have already leveled, and in many instances proven, involving insider trading, market manipulation, parking, pooling activity, and other major securities law violations. At hearings before the Securities Subcommittee and the full Banking Committee, SEC Chairman John Shad, SEC Division of Enforcement Director Gary Lynch, and U.S. Attorney Rudolph Giuliani have each indicated that more indictments are anticipated. Many are expected to involve takeover-related activity.

Given the concerns raised by such developments, it is extremely important to buttress confidence in the integrity of our securities markets. One of the easiest and most practical ways of doing this is to increase the disclosure to the public and the marketplace of takeover-related information.

The Tender Offer Disclosure and Fairness Act of 1987 does this in several different ways, primarily by increasing the disclosure already required under the Securities Exchange Act of 1934.

Currently, a person is required to disclose his or her holdings in a corporation once that person controls 5 percent of a company's stock. Many people have argued forcefully that the threshold should be lowered to 1 or 2 percent. We proposed a 3-percent threshold. At 3 percent a person must file and indicate to the public whether he or she is accumulating shares for investment purposes or for control. Such filings will more timely alert the marketplace to large rapid accumulations of target company shares, alert the target company's shareholders and directors and provide every shareholder an equal opportunity to share in any possible control premium.

Our legislation also requires that people who act as a group report that fact to the marketplace. The pertinent language requires disclosure of "two or more persons acting in concert or in a coordinated or consciously parallel manner, whether or not pursuant to an express agreement, or as a partnership, limited partnership, syndicate, or other group (whether or not organized) for the purpose of acquiring, holding, or disposing of securities of an issuer, or influencing the management or policies of an issuer."

To assist shareholders and the marketplace in assessing a bidder's resources, possible affiliations, and probable future conduct, this proposal requires a bidder to disclose: First, communications with other interested parties within the 90 days prior to the required filing with the SEC; second, information provided lenders in order to obtain financing, including the identity of such lenders and a summary of the financing agreements; and third, the amount of any fees paid in connection with such purchases, including the identity of any person to whom such fees have been paid.

The aim of many of the provisions in this legislation is not to prevent hostile takeovers but rather to ensure that the ordinary shareholder is given a fairer shake and that shares are purchased for legitimate purposes rather than to manipulate the market for short-term gain. This legislation in no way seeks to discourage takeovers by people who want to actually acquire and run a company and produce better products or services. Instead, it seeks to restrict the abuses of those financial entrepreneurs who have little interest other than to make a fast profit, often at the expense of the target company, its long-term shareholders, its employees, and the community in which it is located.

At the same time that the Tender Offer Disclosure and Fairness Act of 1987 seeks to address some of the abuses of bidders in the tender-offer process, it also recognizes certain corporate target management abuses. Greenmail, golden parachutes, and poison pills would be prohibited during the tender-offer process.

Our proposal also recognizes the harm done to working people and their pension funds in these contests for control. We specifically restrict the use of a pension fund surplus to fund either the bidder or target in a takeover contest. Abuse of a pension fund in such a contest is wrong and must be prohibited.

Other important provisions of the Tender Offer Disclosure and Fairness Act of 1987 include the following:

The 10-day window period under section 13(d) is closed. In the past, persons were required to disclose their holdings and certain other information once they acquired 5 percent of a company's stock. However, they were not required to disclose this information for 10 days. As a result, bidders and others would acquire 5 percent and then keep right on accumulating stock up to the 10th day without any disclosure at all. In addition to lowering the threshold from 5 to 3 percent, this legislation restricts a person from accumulating additional shares until after he or she has made the appropriate filing with the Commission and has publicly disseminated an announcement containing such information as the Commission may provide.

In another section, pension fund managers are encouraged to consider the long-term prospects of a company as well as the more immediate benefits of a takeover—benefits which might be short lived.

Increased penalties are provided for insider-trading violations as well as for perjury or obstruction of justice during an insider-trading investigation. Currently, the law for an insider-trading violation provides for criminal fines of up to $100,000 and imprisonment for up to 5 years. This legislation increases the maximum penalties to $1,000,000 and 10 years imprisonment. In addition, we agree with U.S. Attorney Giuliani and SEC Chairman Shad that the best way to deter insider trading is to impose a prison sentence. We adopt the recommendations made by Mr. Giuliani, before the Senate Banking Committee on April 22, 1987, that a mandatory penalty of 1 year be imposed upon anyone who is proven to have been engaged in perjury or obstruction of justice in an SEC insider-trading investigation.

Private rights of action are specifically provided to those harmed by false or misleading disclosures made involving a tender offer, as well as for violations of the margin requirements in takeover financing under section 7 of the Securities Exchange Act of 1934.

The act also provides for the registration and regulation of tender-offer arbitrageurs by the SEC. This provision will enable regulatory authorities to better identify the parties involved in tender-offer arbitrage and to more accurately assess the broader marketplace impacts of this practice.

And finally, the legislation specifically reaffirms the role of the States in the internal affairs and governance of corporations.

That said, let me outline just a few of the more contentious issues which, although not included in this legislation, are sure to be subjects of continuing interest during our hearings:

First, financing takeovers. A number of Senators believe strongly that the many issues surrounding the use of less-than-investment grade securities to finance hostile takeovers should be thoroughly examined. There have been proposals to tighten the margin rules on debt used for corporate takeovers; restrict the percentage of less-than-investment grade securities that may be held by any federally insured depository institution; restrict the use of "highly confident" letters; and ensure that legally binding commitments back the financing of corporate takeovers. There is considerable concern that a number of recent tender offers have not been supported by firm financing.

Second, there is a strong body of opinion that bidders should be required to tender for the entire company once a certain threshold of ownership is reached. Under the British system, once an acquiror gains a 30-percent interest in a company that person must tender for the entire company if he or she wants to accumulate more shares.

Third, recent cases brought by the SEC and the Justice Department have led some to suggest that a multiservice firm should be prohibited from engaging in both risk arbitrage and merger-and-acquisition activity at the same time, under the same roof.

Fourth, a number of Senators would like to increase the liability of firms and their senior management for the misconduct of their firms employees.

Fifth, there is a considerable body of opinion that supports extending the minimum tender-offer period well beyond the 35 business days included in this legislation.

Sixth, a number of thoughtful groups have argued that bidders in the tender offer process should be required to file an "economic impact statement" indicating their intentions with respect to the future of the target, its employees, and the community involved.

Seventh, there is growing concern about corporate bondholders who find the value of their bonds dramatically effected by actions taken either as a result or in anticipation of a takeover.

Eighth, and there is also concern about the adequacy of the existing disclosure requirements applicable to institutional investors in light of the substantial percentage of the stock of many companies which they control. Some people argue that institutional investors should be required to provide more timely disclosure of their holdings.

We considered each of these issues in drafting this legislation and agreed for the time being to put them aside pending future examination and information during the hearing process.

In conclusion, the Tender Offer Disclosure and Fairness Act of 1987 is intended to bring the securities laws into line with current corporate takeover realities. It is designed to limit certain current abusive practices in corporate takeovers through a balanced approach which addresses actions by both tender offerors and their targets. The primary thrust of the legislation is to improve disclosure in the takeover process in order to give shareholders and the marketplace more accurate and timely information to make reasoned decisions in response to a tender offer. The act does not attempt to outlay corporate takeovers or otherwise interfere with orderly, fair changes in corporate control.

I ask unanimous consent that a more complete summary of the Tender Offer Disclosure and Fairness Act of 1987 be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF TENDER OFFER REFORM LEGISLATION

SECTION 1. SHORT TITLE

Section 1 of the bill states that the bill may be cited as the "Tender Offer Disclosure and Fairness Act of 1987."

SECTION 2. FINDINGS AND PURPOSE

Section 2 of the bill discusses the abuses which have, in recent years, become a substantial part of the corporate acquisition process, especially in connection with tender offers. The purpose of the bill is "to foreclosure the opportunities for abuse under the present provisions of law and to expand the protective mechanisms of the Federal securities laws."

SECTION 3. 10-DAY WINDOW; CONTENTS OF REPORT—CLOSING THE "10 DAY WINDOW"

Currently any person who acquires more than 5 percent of a class of registered equity security must publicly disclose, among other things, the amount and percentage of securities beneficially owned, the identity of the beneficial owner, the source and amount of funds, the purpose of the transaction, and any contracts or arrangements with respect to the subject securities, within 10 business days. During the 10 day window period, however, such person may acquire additional securities without public disclosure.

In 1983, the SEC Advisory Committee on Tender Offers (the "Advisory Committee") found that the 10 day window presented "a substantial opportunity for abuse," and recommended that the 10 day window be closed to "provide adequate notice of the shareholder's investment and intentions regarding the issuer and [to give] time for the market to assimilate such information."

The proposed amendment would reduce the acquisition threshold to 3 percent and require disclosure by the close of business on the next trading day. The purpose of the proposed legislation is to more timely alert the marketplace to every large rapid accumulation of target company shares and to provide every shareholder as equal opportunity to share in any possible control premium, as well as to alert the target company's board of directors, and its shareholders to such accumulation.

OTHER DISCLOSURE

The proposed legislative language is intended in part to address the recent phenomenon of modern pools—operations in which investment bankers, institutions, arbitrageurs, and others join with stock accumulators in takeover activities—which increase the possibilities for market manipulation. These entities, representing potent allies to an acquiror in its potential acquisition of control, are proper subjects of disclosure.

Accordingly, the proposed legislative language would require that persons subject to Section 13(d)'s reporting requirements disclose: (1) any communications in the 90 days prior to the filing with a third party regarding such third party's intention to purchase the securities which are subject of the filing person's statement if such third party (i) previously has filed a statement under either Section 13(d) or 13(g) or (ii) to the knowledge of the filing person, subsequently acquired, or agreed to acquire, such securities, (2) information relating to such person's financing of the purchases, including the identity of the lenders and a summary of the financing agreements, and (3) the amount of any fees paid or to be paid in connection with such purchases, including the identity of any person to whom such fees have been or will be paid. Such information would assist shareholders and the marketplace in determining the future course of conduct of the acquiror, its resources, and possible affiliates.

The legislative proposal also contemplates that, in Section 13(d)(1)(C), the Commission would be required to provide a means by which persons would be required to choose between a control intention and an investment intention in stating the purpose for which they have acquired the securities. Currently, many people are able to avoid any meaningful disclosure of their purposes by narrative descriptions which are designed more to conceal than to illuminate the reasons for their acquisition of the securities.

The proposed legislation would also bar further purchases by a person first crossing the 3 percent threshold until the initial statement is filed and the purchaser publicly disseminates an announcement containing such information as the Commission may prescribe. This requirement will give the shareholders and the marketplace time to learn of those disclosures.

SECTION 4. TIME FOR FILING AMENDMENTS

The proposed legislative language would also require public disclosure of any material change in facts relating to a filing by the close of business on the next trading day following such change. Currently, SEC rules require the disclosure of such changes including additional acquisitions of at least 1 percent, but merely provide that such disclosure should be made "promptly."

SECTION 5. ENFORCEMENT MEASURES

Group activity

The concept of a "group" required to report their aggregate holdings would be expanded to encompass persons acting in a parallel manner with knowledge of one another's transactions. Under the legislative proposal, it would no longer be necessary to detect or prove the existence of an agreement between persons in order to require that they report their combined holdings and purposes.

Remedial provisions

Additional enforcement mechanisms are needed to ensure compliance with the disclosure requirements of Section 13(d).

New paragraph 13(d)(4) would prohibit for six months any further acquisitions by means of a tender offer where the purchaser indicates he or she is holding the stock for investment purposes unless the purchaser files, six months in advance of the tender offer, a revised disclosure statement indicating his purpose is to seek control. The SEC is empowered to waive the six month waiting period upon a showing that there has been a material change in circumstances.

The most basic necessity of the disclosure statements is that the information they contain must be accurate and complete. Accordingly, the proposed language makes illegal any untrue statement of material fact or any omission of material facts needed to make the other statements not misleading. It is also made illegal to engage in any fraudulent, deceptive or manipulative acts or practices in connection with any such disclosure.

SECTION 6. CIVIL LIABILITY

New Section 13(i) provides for a private right of action not now uniformly recognized by the courts for any intentional disclosure violations of Section 13(d), 13(g) or 13(f) or for any violation of the margin requirements under Section 7 in connection with tender offer financing. The proposed language bars liability where the violation resulted from a bona fide error.

SECTION 7. TENDER OFFERS

Extension of the Minimum Offering Period

The proposed legislative language would require a tender offer to remain open for a minimum of 35 business days. Currently, a bidder may limit the offering period to only 20 business days.

Essential to providing an equal opportunity to all target company shareholders to participate in the offer is a minimum offering period that is sufficient to permit a reasonably diligent shareholder (individual or institution) to evaluate the merits of often complex transactions (particularly in the case of a front end loaded offer) and to make an informed decision.

Extension of the tender offer period would also allow for more of an auction market, allowing shareholders as well as management to consider another bid or other ways of maximizing shareholder wealth. It would also provide all parties additional time to make fundamental decisions regarding the future of the company.

As with any bright line rule, the choice of 35 business days is to an extent arbitrary. Various alternative measures have been proposed both before and after the adoption by the Commission of Rule 14e-1, requiring that a tender offer be held open for 20 business days.

In 1983, the SEC Advisory Committee on Tender Offers recommended that the minimum offering period be changed to 30 calendar days.

A proposed bill by Senator D'Amato would extend the minimum offering period to 30 calendar days, while legislation introduced by Senator Simon would extend the minimum offering period to 45 business days and legislation introduced by Senator Metzenbaum would extend it to 60 calendar days. A bill introduced by Congressmen Dingell and Markey would also extend the period to 60 calendar days.

The investment banking community generally favors a minimum offering period of 30 calendar days although Felix G. Rohatyn, senior partner, Lazard Freres and Company, testified before the Senate Banking Committee on January 28, 1987, in favor of lengthening the tender offer period to 60 days.

Business executives testified on March 4, 1987, in favor of 90 days.

Labor favors a minimum offering period of at least 90 days.

The North American Securities Administrators Association, Inc., advocates 60 days. And, a minimum offering period of 6 months has been proposed. Lowenstein, *Pruning Deadwood in Hostile Takeovers: A Proposal for Legislation,* 83 Colum. L. Rev. 249, 317 (1983).

Regardless of the measure chosen, the purpose of these proposed measures uniformly has been to permit target company shareholders and directors the time necessary to make an informed decision.

Prohibition of "Creeping Tender Offers" and "Sweeping the Street" Transactions

Section 7 of the bill would add a new Section 14(d)(4) to the Securities Exchange Act in order to deal with several abuses.

Creeping Tender Offers. On January 28, 1987, Nicholas F. Brady, Chairman of Dillon, Read and former Republican Senator from New Jersey, testified before the Senate Banking Committee that "we should outlaw the creeping tender."

According to Brady, "There is something unfair when a bidder acquires economic control in the open market without paying a control premium and without offering all holders the ability to sell at the same price." According to Brady, "I believe that 'control' is, in effect, an asset of the corporation that should be transferred only in the light of day, with all holders—particularly the unsophisticated ones—having the opportunity to share in the proceeds. This rule should also apply to issuers tendering for their own stock."

In July 1986, the Commission proposed for comment the concept that during a tender offer "any person seeking to acquire a substantial amount of target company securities (*e.g.,* 10 percent) would be required to effect that acquisition through a conventional tender offer." The Commission was concerned with the consequences of regulating conventional tender offers "while permitting other large acquisitions (*i.e.,* open market purchases) to compete with such offers, unfettered by such restrictions."

The proposed legislative language would prohibit the acquisition of more than 15 percent of a corporation through open market purchases or private transactions.

Large, open market purchases, even when resulting in a change of control, generally do not constitute tender offers. Control is primarily a corporate asset. Requiring acquisitions of control to utilize the tender offer process and its protective mechanisms (*i.e.,* adequate disclosure and equal treatment of shareholders) assures that target company shareholders will have an equal opportunity to share in any premium paid for such asset.

Most interested persons support establishing a threshold above which all purchases of a company's securities must be by tender offer. There is disagreement over what this threshold should be, however. The securities industry generally favors a 20% threshold. The business community generally favors a 10% threshold.

The proposed amendment would also maximize shareholder wealth by ensuring that bidders do not use techniques to reduce the takeover premium—such as open market or privately negotiated purchases in lieu of a tender offer.

The current disparate treatment between open market or negotiated purchases and tender offers places the tender offer bidder at a competitive disadvantage in a control contest. A bidder may only buy in a tender offer, and the tendering shareholder may be subject to proration under the tender offer bid, Section 14(d)(6) of the Exchange Act. The proposed language would equalize the competitive position of the tender offeror and open market purchasers.

Finally, given the current absence of a definition of the term "tender offer," the proposed amendment, by requiring any transaction resulting in the acquisition of a defined magnitude to be pursued by means of a tender offer, adds certainty to the planning of transactions and diminishes the needless possibilities of litigation.

"Sweeping the Street". By requiring that acquisitions of more than 15 percent of a corporation be made by tender offer, the proposed language would also address the practice known as "sweeping the street". Under that practice, a bidder withdraws a tender offer and acquires control from a few arbitrageurs who hold large blocks, depriving other shareholders of the benefit of the tender offer. Nicholas F. Brady also recommended that this practice be eliminated. Written Statement of Nicholas F. Brady before the Senate Banking, Housing, and Urban Affairs Committee (January 28, 1987).

The purpose of the proposed legislative language is to ensure that individual investors are afforded the protection of the tender offer process. As noted by the SEC, "After the announcement of a tender offer, shares of the target company often become concentrated in the hands of a smaller number of investors. This concentration represents an allocation of the risk created by uncertainty over the outcome of the takeover process. Shareholders who wish to receive some portion of the tender offer premium but who are unwilling to assume the risk that the tender offer will not be consumated frequently sell into the market. These shares are often purchased by professionals, who assume the risk and provide liquidity to the market."

Concentration of a large block of stock in relatively few hands permits the acquisition of control through open market purchases and privately negotiated transactions without the substantive protections afforded by the tender offer process including adequate disclosure, equal treatment of shareholders and sufficient time to make an informed investment decision.

SECTION 8. ACTIONS BY ISSUERS

Anti-Greenmail Provision

Under current law, the ability of a target company to repurchase shares from dissident shareholders at a premium has created an incentive for an investor to accumulate blocks with the intention of reselling them to the purchaser. This practice has become known as "greenmail."

The proposed legislative language would prohibit an issuer from buying back its securities at a price above the market value from any person holding more than 3 percent of those securities if that person held the stock less than six months, unless the stock is purchased by a tender offer open to all shareholders or the repurchase is approved by a majority of the issuer's shareholders. Market value for this purpose is defined as the average market price either during the 30 trading days preceding the purchase of the securities, or, in the case of a tender offer or other announced intention to seek control, the 30 trading days preceding the commencement of the tender offer or the making of such announcement.

From January 1979 to March 1984, approximately $5,500,000,000 has been paid by issuers to repurchase blocks of common stock from individual shareholders at an aggregate premium of over $1,000,000,000. Office of the Chief Economist, Securities and Exchange Commission, *The Impact of Targeted Share Repurchases (Greenmail) on Stock Prices* (Sept. 11, 1984) (*"SEC Impact of Greenmail"*). This practice is objectionable on the grounds that it derails the auction process, and thwarts equal shareholder participation in the control premium.

Empirical evidence suggests that nonparticipating shareholders suffer substantial and statistically significant share price declines upon the payment of greenmail.

The purpose of the proposed legislative language is to limit the practice except as specifically permitted by the issuer's shareholders or unless made pursuant to an offer open to all shareholders.

Restrictions on Adoption of Golden Parachutes and Poison Pills During Tender Offers

In recent years, targets of takeover bids have, during the pendency of such bids, resorted to certain defensive measures that critics have suggested can be detrimental to shareholders. One such defensive measure is the adoption of "golden parachute" agreements that generally give its officers the right to substantial severance payments, without further action by the target, in the event of their termination following a change in control of the target.

Another measure which has been the subject of controversy in recent years involves the adoption of so-called "share purchase rights plans," or "poison pills." Such plans typically provide for the issuance of stock purchase rights to shareholders that automatically, without any further action by the target, permit such shareholders to purchase securities of an acquiring company or the issuer in takeover situations not approved by the issuer's board of directors. These rights generally provide for a purchase of those securities at a substantial discount and on terms designed to make the issuer a less attractive takeover candidate. Such plans have generally been adopted without shareholder approval.

The legislative language would prohibit the adoption of golden parachute agreements or poison pills during the pendency of a tender offer unless the Commission provides an exemption by rule, regulation or order. The effectiveness of any golden parachutes or poison pills adopted prior to commencement of the tender offer, however, would not be affected, even if the tender offer has the effect of triggering such preexisting rights.

SECTION 9. REGISTRATION AND REGULATION OF ARBITRAGEURS

The purpose of the proposed amendment is to provide a scheme for the registration and regulation of "tender offer arbitrageurs."

Because of the secretiveness of arbitrageurs, most accounts of their activities are based on estimates and speculations. It is clear, however, that arbitrageurs are a force in the market. It has been stated that "arbitrageurs may be responsible for up to 90 percent of the trading activity in the two securities involved in an uncontested exchange offer and that over 50 percent of all tenders comes through arbitrageurs."

The common wisdom holds that tender offer arbitrageurs provide an alternative to target company shareholders who are unwilling to assume the risk that the tender offer will be unsuccessful, stabilize the price of the securities involved, and provide liquidity to the market. It has also been contended that tender offer arbitrageurs overprice target company shares, tipping the balance in favor of the bidder. Thus, many tender offers succeed for reasons only "tangentially related" to the merits of the offer itself.

Subsection (a) of the proposed amendment would make it unlawful for any person to be a "tender offer arbitrageur" unless registered as such with the Commission.

The definition of tender offer arbitrageur (new subsection (3)(a)(47) of the Exchange Act) makes use of the definitions of broker and dealer presently found in Section 3 of the Exchange Act. Thus, any person, who for his own account through a broker or otherwise, or for the account of others, regularly engages in tender offer arbitrage as part of a business, must register with the Commission.

It is generally thought that most tender offer arbitrageurs are registered brokers of dealers. Recent news reports, however, indicate that controlling shareholders of small, publicly held companies are issuing stock the proceeds of which are used to engage in arbitrage, *Forbes*, Feb. 23, 1987, at 35, and that insurance companies and pension funds have become neophyte investors in arbitrage pools, *Bus. Week*, Dec. 8, 1986, at 36.

SECTION 10. ERISA AMENDMENTS—FIDUCIARY DUTIES AND TENDER OFFERS

The proposed legislative language would permit employee benefit plan trustees in discharge of their fiduciary duty to consider the long-term benefits of continued stock ownership in the event of a tender offer.

The Employee Retirement Income Security Act ("ERISA") is silent with respect to the fiduciary duty of plan trustees in the face of a tender offer. It currently requires that plan fiduciaries discharge their duty with the care of a "prudent man" and "solely in the interest" of the plan's participants and beneficiaries. Thus, in the face of a premium, plan trustees may find themselves with no recourse but to tender the shares of the target company.

This required response is arguably a source of institutional investors' "short-time horizons" and, because of their recognized dominance of the market (accounting in 1985 for approximately 45 percent of public stock ownership), contributions to corporate managements' preoccupation with short-term earnings at the expense of capital investment, research and development, and other long-term goals.

EXCESS PENSION PLAN ASSETS

The proposed legislation would prevent a company from transferring excess pension plan assets from a plan to the company's general coffers if any part of such assets are used to finance, directly or indirectly, any acquisition of the employer's securities, whether by a bidder who has obtained control by tender offer or by an issuer self-tender.

In recent years, there have been a number of instances in which an acquiring company has utilized funds of a target company's pension plans to partially finance the acquisition. This occurs when, following an acquisition, the acquiror terminates one or more of the target's pension plans and transfers the excess plan assets into the target's general operating funds, which moneys the acquiror then uses to pay down acquisition-related debt.

Although current law requires acquirors to leave sufficient assets in terminated plans to fund, on an actuarially determined basis, already earned benefits, it does not mandate that the excess assets be left in place to provide benefits to be earned in the future or to provide a cushion in case the actuarial assumptions and calculations prove to be too optimistic or there is a later shrinkage in the value of the plans' assets. Thus, not only are employees of a target subject to termination or forced resignation following an acquisition, but also the assets of the pension plans which would provide them their earned benefits in such event are being stripped after such acquisitions, leaveing them with only the minimum mandated amount of assets to protect those benefits. As a consequence, they have no cushion to protect them if the plans' investments falter or the entity which results from the merger is forced into bankruptcy during an economic downturn.

The proposed amendment would prohibit any earned assets from being transferred to finance an acquisition of securities and the full amount of excess assets in pension plans at the time of an acquisition would remain in such plans to provide a cushion in case the acquisition proves to have been ill-considered or ill-timed, or in case the value of the plans' assets decline during such period. It would thus help ensure that they do not suffer a loss of already earned retirement benefits solely because a raider wanted to acquire their former employer.

SECTION 11. INCREASED PENALTIES FOR INSIDER TRADING, PERJURY, AND OBSTRUCTION OF JUSTICE

In light of the recent insider trading scandals and the minimal deterrence which the civil and criminal sanctions provided for in the Insider Trading Sanctions Act of 1984 apparently have engendered, the need for increased deterrence has become apparent. The bill would amend Section 32 of the Exchange Act to provide for criminal fines of up to $1,000,000 and imprisonment for up to 10 years for any willful insider trading. The bill would also provide for an additional one year sentence, to be served concurrently, for intentional obstructions of justice and perjury in connection with any investigation of any alleged insider trading.

On April 22, 1987, Rudolph W. Giuliani, United States Attorney for the Southern District of New York, testified before the Senate Banking Committee on the subject of improper activities in the securities industry. Mr. Giuliani recommended a "mandatory minimum additional penalty of a year or two years for those who are proven beyond a reasonable doubt to have been engaged in perjury or obstructing [an SEC] investigation."

On May 13, 1987, Securities and Exchange Commission Chairman John Shad testified before the Securities Subcommittee during oversight hearings on the SEC authorization stating "I think the greatest inhibitor of insider trading is imprisonment."

The proposed provision would follow the recommendations of Mr. Giuliani and Chairman Shad.

SECTION 12. ROLE OF STATE LAW

The continued role of states in the internal affairs and governance of corporations is affirmed by this section of the bill.

Mr. RIEGLE. If I may, then, make just two additional comments.

It is very significant that joining in this legislation effort are the chairman of the full committee, Senator PROXMIRE, and myself, along with Senators DIXON, SASSER, CRANSTON, SANFORD, WIRTH, SARBANES, DODD, and I would expect that before long we will have other cosponsors. So this is a significant body of Senate sponsorship that brings this legislation before the Senate today.

I would just say again that we have tried in every way, after hearing all the parties at interest and conducting lengthy and detailed hearings, to structure a package that is carefully balanced. We need to enable our capital markets to work efficiently and for capital to be able to flow readily to the places in our society where it is needed.

To maintain the efficiency of the capital market system and at the same time put an end to the abuses requires very careful adjustments in the law. I think, upon study, that Members will find that this legislation has that balance and I think you will find that the responses from the corporate community, the labor community, and the investment banking community will be ones that indicate that we have managed, I think, quite well, to achieve that kind of balance.

I hope that we would have broad cosponsorship within the Senate. I ask Senators who are within the sound of my voice and professional staff people that support them in this area to look at this legislation. We would ask that you consider becoming a cosponsor of this legislation.

There are abuses in this area. This legislation deals with those abuses. The broader the sponsorship that we have, hopefully on a bipartisan basis, the more quickly we will be able to act to tighten up the laws, and that will be profoundly for the better for our country, our people, and our economy.

Mr. DODD. Mr. President, today I join a distinguished group of my colleagues on the Banking Committee in sponsoring the "Tender Offer Disclosure and Fairness Act of 1987." I want to commend Chairman PROXMIRE and Chairman RIEGLE for their diligent work on this legislation. They have developed a bill with a number of progressive measures to improve disclosure and enhance the fairness of the tender offer process for shareholders.

This legislation fills some long-recognized gaps in the Williams Act, which, in the past, have permitted unequal and unfair treatment of shareholders. It addresses the problem of large-scale open market or privately negotiated purchase programs, which deprive certain shareholders of equal opportunities to receive takeover premiums. This has been recognized as a problem since the late 1970's; the SEC proposed rules to address it in 1979 and proposed legislation to the Congress in 1980. The "creeping tender offers" and "street sweeps" we have seen in recent years have made it clear that the problem will continue unless addressed by SEC rule or legislation. While there may be some debate about the precise threshold in a purchase program at which a bidder should be required to make an offer equally to all shareholders, as well as what types of purchases should be excluded from such a requirement, there should be broad agreement on the need to address this issue.

Similarly, there is broad agreement on the need to close the 10-day period of time currently permitted under section 13(d) for making disclosure to the marketplace of significant purchases of securities. The precise way in which the 13(d) "window" is closed, as well as the threshold amount triggering the disclosure requirement, may be debated during hearings, but the need to address the issue is clear. Shareholders deserve better and more timely disclosure than they are getting under current law.

The legislation also curbs "greenmail"—a practice which has resulted in millions of dollars of losses to shareholders in recent years. The manner in which the legislation does this is consistent with the policy of equal treatment of shareholders; there should be little debate over these provisions.

The legislation lengthens the minimum offering period for tender offers. In my judgment, this should help to provide more time for fully informed decisionmaking by shareholders, as well as provide corporate boards sufficient time to make reasoned decisions about the best course of action in accepting or rejecting a tender offer. Some would argue over the optimum period of time, or whether the period should be measured in calendar days or business days, but the need to address this issue in some way is clear to most observers.

I might add that the above provisions, in some form, were included in legislation introduced last year and again this year by my good friend from New York, Senator D'AMATO. Since this legislation in many respects builds upon the work of his hearings in the past Congress, I hope he will join with the sponsors of the bill as the legislation goes through hearings and further refinement.

There are a number of new provisions which have not been in prior legislation. Some of them are critical to providing maximum deterrance to insider trading, as well as to give law enforcement officials more effective tools to deal with obstruction of justice and perjury in connection with these cases. Few would argue with the need for these provisions, nor should there be controversy over requirements that arbitrage firms be registered with the SEC.

Recent developments in the SEC's prosecution of insider trading cases and tender offer cases have also pointed to the need for additional disclosure in Williams Act filings and a rethinking of the concept of "group" activity, as well as the need for enhanced governmental and private enforcement mechanisms to ensure that the Williams Act protections are meaningful and are carried out. It is my hope that these measures, included in the legislation, will be further examined and clarified as a result of the hearing process.

I am encouraged that Chairman PROXMIRE has announced a full and complete set of hearings to further refine the legislation and to perhaps address areas which are not included in the bill. In the hearings, we really must focus upon just what the legislation does to what has long been viewed as a national policy goal—maintaining the "balance" in takeover contests. We must debate whether takeovers will continue to be viewed as tools of corporate accountability, making stronger, more competitive companies, and if so, whether the overall package we have crafted tilts that balance in one way or another.

More broadly, however, I hope the hearings will further define not only what the goals of Federal regulation in this area should be, but will also address some of the broader, long-term issues that are raised by the takeover debate. While it may be that we cannot address some of these issues in the immediate legislation, they should not be overlooked in our efforts to expedite passage of the bill.

For example, while the legislation deals with one aspect of the impact of takeovers on employees—the issue of the use of excess pension fund assets to fund takeover-related debt—it shortchanges some of the major employee concerns. I am not sure we can address the problems of the massive employee layoffs in the context of William Act amendments, but there are some obvious measures that should be considered, such as providing for improved disclosure of plans for employees during a takeover contest.

In addition, while the legislation deals with ERISA obligations of plan trustees in the face of a tender offer, this is only one of a much broader set of questions relating to the increased institutionalization of the securities markets and what that means for corporate governance generally. By the end of the next decade, it is expected that more than half of all corporate equities will be held by pension funds. Whether in the context of this bill or otherwise, I believe our committee should fully explore the implications of this trend for corporate governance, and also examine whether those who invest in our capital markets through pension funds are adequately protected.

By addressing some, but not all, takeover defenses, and by declaring that the States shall continue to regulate the "internal affairs" of corporations—without debating the critical question of just what constitutes "internal affairs," the legislation does not squarely address the Federal-State role in corporate governance, the protection of shareholders rights and corporate takeovers. Some of these issues have been debated from time to time throughout this century, and we may find they defy clear resolution in the context of a bill designed primarily to address takeover abuses. Even so, I believe they should be part of the debate as we proceed with hearings in the coming month.

I look forward to some very thorough hearings on this important legislation and these important issues. Again, I want to commend the drafters of this legislation. It represents a significant first step in making the takeover process more rational and more fair, for the benefit of shareholders, employees and all corporate constituencies.

The PRESIDING OFFICER. The Senator from Tennessee [Mr. SASSER] is recognized.

Mr. SASSER. Mr. President, reform of our corporate takeover laws is one of the most serious and sensitive issues facing Congress today. It is an issue with far-reaching economic and social implications.

In a perfect world, corporate takeovers should be as beneficial as any other business transaction. They should result in better managed and more efficient companies. They should instill our economy with greater long-range employment opportunities. And they should foster America's competitiveness worldwide.

Clearly, many takeovers have accomplished these goals. However, Mr. President, I am afraid that a large number of the takeovers we have witnessed lately have had the exact opposite effect.

In fact, many very well-managed and efficient companies have been the targets of these takeover raids. As a result, companies often have been, first, burdened with enormous and expensive debts. And second, many have been "busted up" on a fire sale basis, to retire the debt. Many plants have been closed, thousands of jobs have been eliminated, and numerous communities have been devastated.

Even if the impact is not this severe, a company subject to a takeover is often left with little money for needed investments in plants and equipment. Indeed, no money at all may be left for research and development. The long-term effect is a further deterioration of the competitive position of American industries. Mr. President, it is no accident that the Japanese, the

Germans, the Koreans, and others, do not permit corporate takeovers to occur as we do.

Even the threat of takeovers has had a detrimental effect on American businesses. Companies constantly worry about the position of their stock. They are often reluctant to make needed long-term investments and to engage in long-term planning. Short-term profits become the primary objective—our economy suffers.

Why is this happening? The simple answer is: our takeover laws are not functioning as Congress intended. The truth is: our laws have become subject to widespread abuse.

Mr. President, it is no secret that a great many of the insider trading violations, which appear to be rampant on Wall Street, have occurred in the context of corporate takeovers. Further, raiders have used loopholes to acquire large blocks of a company's shares without notice. And groups of affiliated parties have been able to act in concert without detection. Most of all, companies have been put in play by "fast buck" artists who actually have no intention of buying the company—their only desire is a quick and easy profit.

And I'm not saying that abuses have all been on the side of corporate raiders. The practice of management paying "greenmail"—blackmail money, to a certain extent—to a raider, so that he will end his takeover attempt, can be just as damaging to the long-term health of a corporation as if it were restructured by a corporate raider.

Thus, Mr. President, today I join my colleagues on the Banking Committee in introducing legislation designed to end these abuses of our takeover process. The bill we are introducing does not call for a fundamental change or overhaul of our Nation's securities laws. Instead, it represents a series of provisions to permit our takeover law, the Williams Act, to operate as it was originally intended. I believe that it is a fair and balanced approach. The bill will not unduly restrict the takeover process—beneficial and economically sound takeovers will still occur. However, the bill will go a long way toward ending the abuses which have beset both sides of the takeover process.

By providing for more disclosure, by lowering filing thresholds, and by extending the tender offer waiting period, the bill will give interested parties more time, and more information, to enable them to respond, in a reasonable manner, to a takeover. This will help avoid more needless restructuring of companies, will help avoid the terrible job loses that many workers in many communities have encountered, and other economic and social dislocation.

Equally important, the bill also contains provisions to prevent employee pension funds from being used to finance takeovers. And the bill will drastically increase the penalties for insider trading and for obstruction of justice in the course of an SEC investigation. Further, the bill will outlaw the practice of paying "greenmail" as I said earlier.

Mr. President, there are other issues that I will urge the Banking Committee to consider along with this bill which I am pleased to cosponsor.

We should consider requiring a community impact statement to be filed by persons initiating tender offers. We should recognize that communities have a stake in corporatre takeover provisions.

We should curb "two tier" and partial tender offers.

We should explore the financing of takeovers, to see if we can find a way to reduce the amount of leveraging, and the consequent restructuring and job losses which often occur with takeovers.

Last, we need to examine the efficacy of enforcing the takeover laws by providing private parties access to the courts. We may be better served by increasing the capabilities of SEC enforcement, rather than pursue an option that might bring forth a torrent of litigation.

Mr. President, I am looking forward to working with my colleagues, the distinguished chairman of the Committee on Banking, Mr. PROXMIRE; Senator RIEGLE, the chairman of the Securities Subcommittee, and others on the Banking Committee as we move toward the enactment of this vitally important legislation.

I yield the floor, Mr. President.

SECRETARY DONALD HODEL'S BAND-AID APPROACH TO THE ATMOSPHERE

Mr. REID. Mr. President, when the Senate Environment and Public Works Committee held 3 days of hearings last month regarding the stratospheric ozone depletion, Interior Secretary Donald Hodel was listed as a witness. He did not bother to show up, but perhaps he should have. He might have learned something.

Ignorance of the potential dangers of chlorofluorocarbons and of ozone depletion have not, however, limited Mr. Hodel's creativity. His suggestion regarding floppy hats, sunglasses, and sunscreen gives new reality to the belief which may have long held that the administration is only interested in cosmetic solutions.

Secretary Hodel's band-aid approach to the atmosphere is unique, but I see no reason to limit it to ozone depletion. Let's give him full scope to apply his line of thinking to this Nation's environmental problems. I foresee a full line of Don Hodel cosmetic solutions: color-coordinated gas masks under those floppy hats as the answer to air pollution, fashion designer gloves to resolve our Nation's toxic waste problems, and a full range of perfumes and colognes bearing the essence of garbage barge to get us used to the future as seen by Mr. Hodel.

I guess some of you were a little amazed by the Interior Secretary's approach to the environment he is supposed to protect. Let me tell you, Nevadans were not surprised one bit. Secretary Hodel's unique view of his duties at Interior was demonstrated to us last year by his strident opposition to the establishment in Nevada of the Great Basin National Park.

That park, a gem which the Department of the Interior had been pursuing for 50 years, was created by the Congress in spite of Mr. Hodel. We have not forgotten, however, his interesting view of the natural treasures he has sworn to protect.

Mr. President, I know, now that the Great Basin is part of our system of national parks, Mr. Hodel will do his creative best to protect it. I would like a little advance warning though, so I can be there when he tries to put that floppy hat on one of our mountain lions. I do not even want to think about the sunglasses.

OUR OBJECTIVES IN THE PERSIAN GULF

Mr. CHAFEE. Mr. President, our objectives in the Persian Gulf are surrounded by some confusion. Secretary Shultz states that we must insure freedom of navigation in the gulf. Senator MOYNIHAN has spoken of the danger that the gulf will become a "Soviet Lake."

No responsible person is suggesting that the U.S. Navy or U.S. presence be removed from the Persian Gulf. For nearly 40 years, we have had U.S. Navy vessels operating out of Bahrain. Since World War II, our warships have gone in and out of the gulf whenever we chose to do so.

It is inconceivable that, because lives were lost on the *Stark*, we would now pull up anchor and depart those waters. Were we to do so, those nations in the area friendly to the United States—namely, Kuwait, Bahrain, Saudi Arabia, Qatar, Oman, and the United Arab Emirates—would rightfully regard us as paper tiger and a pusillanimous ally. They would be forced to make radical adjustments in their relationship with other nations in the area, especially with the Soviets.

We must not reduce our presence from what it is now. We are helping to preserve freedom of navigation and, as long as we continue to do so, the gulf will not become a "Soviet lake."

However, there is a world of difference between maintaining what we have been doing and making a quantum change by flying American flags on Kuwaiti tankers.

What are some of the factors we must consider as we debate placing our flag on tankers of Kuwait?

First, One we must recognize that this is not a short-term venture that will last until christmas or a year from now. The Iraq-Iran war has been going on for 7½ years and there is no sign of it coming to a conclusion. It could well last into the 1990's; and once we start our involvement with the tankers, there will be no graceful way to end it, absent a termination of the war.

Second, by flying our flag on the Kuwaiti vessels, like it or not, we will have effectively chosen sides in the war—something we have not done so far. Our lot will have been cast with Iraq. Maybe that's what we want, but we had better be prepared for the consequences.

In 1982, we went to Lebanon as part of a peacekeeping force. We were a neutral party. Then, in September 1983, we turned our naval guns loose on that hapless country, destroying a few houses and changing our status from a neutral to a participant. One month later, retaliation came in the form of a bomb that killed 241 Americans.

Those who go tiger hunting better be prepared to find tigers.

Third, we must conduct this operation successfully. The United States recently has had too many military failures, due to lapses in planning or in execution. The Iranian desert rescue mission, the marine barracks in Lebanon, and now the *Stark* all illustrate that point.

Proper protection for tankers and our vessels means adequate air cover. It is unrealistic to suggest that such cover can be provided for the indefinite future by aircraft flying from our carriers, 500 miles away in the Gulf of Oman. The strain on our personnel, our equipment, and our Treasury to operate at such distances makes it imperative that we have available land bases close to where the tankers will be operating.

But where? Clearly, Kuwait should supply its fields, but these are 600 miles from the Straits of Hormuz. What about Saudi Arabian air fields? It is my understanding we have asked the Saudis, but there is little reason for them to agree. Saudi Arabia is neutral in the Iran-Iraq war and wishes to remain so. Once they agree to the use of their fields, they also will have chosen sides.

While it would be nice to have the Saudis comply, their self-interest dictates that they remain on the sidelines in the war. Thus, providing adequate air cover is going to be a difficult task.

Fourth, what do we do if a United States-flag tanker is hit by an Iranian air-to-surface or a surface-to-surface missile? While it is not necessary to tell the world what our reaction would be, we must know in what manner we will retaliate and recognize that whatever action we take, it undoubtedly will escalate our participation in the conflict.

After thus recognizing the difficulties inherent in our undertaking to place our flag on Kuwaiti tankers, we come to the real question: Why are we doing it?

The answer seems to be that if we do not, the Soviets will. But that is not an adequate answer. Surely, we do not lift every burden in the world because, if we do not, the Soviets would. Every decision the Soviets make, does not inevitably advance their global influence and damage ours. Their capacity to blunder or to act stupidly is equal to ours.

It may well be that it is truly in our national interest to fly American flags on those tankers, but to date the rationale has not been adequately expressed. It is essential that there be popular support for such a venture and a recognition that tenacity is an absolute requirement. If history can tell us anything, it is that no amount of forethought can disclose to us the unknowns, usually unfavorable, that arise when we intervene in wars far from our shores.

My message today is: Let us not place American flags on Kuwaiti tankers until we clearly understand why we should do so, until we recognize the potential consequences of such action and are prepared to accept those consequences over a very long period.

I thank the Chair.

Mr. SASSER. Mr. President, I commend the Senator from Rhode Island for his very thoughtful and perceptive statement this morning. He quite correctly points out that the issue is not whether the United States should withdraw from the Persian Gulf. No one is suggesting that. The Senator from Rhode Island quite correctly points out that the question is whether we wish to escalate our presence in the Persian Gulf and whether we are willing at this juncture to allow ourselves to be sucked into the savage violence that has wracked that region of the world for the past 6 or 7 years. It is a matter on which I think we ought to reflect at some length.

As the Senator from Rhode Island has pointed out, if we go tiger hunting, we ought to be prepared to hunt tigers and we ought to be prepared for the consequences that might result. It may very well be that we will, after careful examination, determine that we should go forward with the flagging, that it is in our national interest to do so, but we should not rush pellmell into this situation, as my distinguished friend has pointed out, without first carefully considering all the consequences and carefully considering all contingencies. I compliment the Senator from Rhode Island [Mr. CHAFEE] for his very thoughtful and informative statement this morning.

Mr. CHAFEE. Mr. President, I thank the senior Senator from Tennessee for those kind remarks. As we all know, he has been very active in his consideration and presence, actually, in the area. So his comments are very flattering. I appreciate receiving them.

It seems to me the point we forget so often is that this is not for the short haul. If we make the decision, it is a decision that we are going to be involved in for a considerable period. As I mentioned, it is not going to end by January 1, 1988. We are there for a while. We do not know how long. And maybe that is right. Maybe that is what we ought to do.

The other point that the senior Senator from Tennessee stressed and I would like to refer back to is that no one is suggesting we are leaving the gulf or it is going to be a Soviet lake or that there will be no freedom of navigation. We are there, we are going to continue to be there, and we are not pulling out. But what is suggested is a major step forward. It is a step, anyway, a quantum leap, and we just better carefully evaluate all the pros and cons before we go into it.

I thank the Chair and thank again the distinguished senior Senator from Tennessee.

EXTENSION OF MORNING BUSINESS

The PRESIDING OFFICER. The majority leader of the Senate, Mr. BYRD.

Mr. BYRD. If the Senators would like additional time for morning business, or if other Senators would, I ask unanimous consent that there be an additional 15 minutes for morning business under the same restrictions as heretofore ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DR. RUSSELL LEWIS OF THE MARSHFIELD CLINIC: OUTSTANDING ACHIEVEMENT IN RURAL HEALTH

Mr. PROXMIRE. Mr. President, in the heart of north central Wisconsin you will find one of the most impressive rural health centers in the country: the Marshfield Clinic. Operating since 1916, the Marshfield Clinic last year provided health care services to over 500,000 Americans from a multi-State area, primarily in the Midwest. With over 235 physicians concentrated in a rural community of 16,000 and a 524-bed hospital next door, the Marshfield Clinic is distinctive by nearly any standard.

But it is not its size, nor its outreach, that makes Marshfield special. It is the remarkable and special people that the Marshfield Clinic has managed to attract and retain.

Just last month, the National Rural Health Association recognized one of Marshfield's finest leaders, Dr. Russell F. Lewis, as its 1987 recipient of the Louis Gorin Award for Outstanding Achievement in Rural Health Care. The award is named for Louis Gorin, a Federal employee who devoted 25 years of his life to the design and operation of health initiatives for rural America, and is meant to honor creativity, unselfishness, compassion and a cooperative attitude in providing lasting contributions to rural health care. They could not have chosen a more deserving recipient.

Dr. Lewis, trained in obstetrics and gynecology, has just retired as medical director of the Greater Marshfield Community Health Plan—Marshfield's Health Maintenance Organization—but, true to form, at age 70 he continues to see patients and functions as an assistant to the new medical director.

The award was presented on May 8 at the annual convention of the National Rural Health Association by Earl Thayer, who led the Wisconsin State Medical Society for the past two decades. In making his presentation, Earl made it clear that health policymakers struggling to find solutions for assuring health care for the "uninsured and uninsurable" would find much of value in looking at Russ Lewis' career.

In the 1960's he created the Marshfield HMO which anyone, regardless of their health status, can join.

He was the driving force behind the creation of the Marshfield Community Health Center. Both of these initiatives did much to improve access to health care for over 5,200 low-income rural residents of Marshfield's service area.

In 1983 during the recession, he was a prime mover behind the creation of Project ShareCare, which would eventually provide health care to over 20,000 unemployed Wisconsin residents in 17 counties. It was Dr. Lewis who mobilized the State Medical Society and its members to provide over $1.4 million in free medical services as part of that effort, arguing that physicians had an obligation to their patients and their communities during economically hard times.

In all of these efforts Dr. Lewis was merely continuing and expanding a long tradition of public service. In 1980 he served as president of the State Medical Society and chaired the Society's Health Care Costs Liaison Committee. He has served on the Wisconsin Regional Medical Program's Advisory Committee, the Governor's Task Force on Medical Education, the Kellet Commission Task Force on Education, the Laird Youth Leadership Foundation Board of Directors and the North Central Area Health Planning Committee.

At the Marshfield Clinic, he was president of the Marshfield Clinic from 1960 to 1962 and 1966 to 1968, served on its executive committee from 1953 to 1968, was medical director of the clinic from 1969 to 1977 and was director of the former Marshfield Clinic Foundation for Education and Research from 1958 to 1971.

In every aspect of his life, Russ Lewis has been a model of the type of individual for whom the Louis Gorin Award was intended. The citizens of Marshfield have come to know and love him personally. But the citizens of all of Wisconsin and in rural communities across America have benefited from his vision and compassion as well. I know that they join me in saluting him for all that he has given us.

Mr. President, I ask unanimous consent that the presentation speech of Earl Thayer and additional commentary regarding Dr. Lewis' career be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE LOUIS GORIN AWARD, TO RUSSELL F. LEWIS, M.D., MARSHFIELD, WI, AT THE 10TH ANNUAL NATIONAL CONFERENCE ON RURAL HEALTH

The Louis Gorin Award for outstanding achievement in Rural Health Care is to honor creativity, unselfishness, compassion, and cooperative attitude in providing lasting contributions to rural health care.

Russell F. Lewis, M.D., of Marshfield, Wisconsin, is the living spirit of Louis Goren.

Since receiving his medical degree from the University of Wisconsin 1941, Doctor Lewis has spent most of his practice life as a leader of the Marshfield Clinic, a group practice of 188 physicians in a city of 16,000 in the heart of rural north central Wisconsin.

Doctor Lewis, specializing in obstetrics and gynecology, has just retired as medical director of the Greater Marshfield Community Health Plan, one of the nation's largest exclusively rural HMOs. He has been intimately involved in myriad aspects of life—medicine, government, education and business—selected by peers, governors and congressmen because he has a knack for getting people to work together for the common good.

In the 1960's he helped create the Marshfield HMO in which anyone, no matter how sick, can join. He was the driving force to create the Marshfield Community Health Center. Together they improved access for some 5,200 low income rural citizens. He understood and found solutions for the "uninsured and uninsurable" nearly two decades before the terms found popular usage.

Then, in 1983, in the midst of recession, Doctor Lewis was the cohesive force in launching ShareCare, a program of health care for the unemployed. He persuaded the State Medical Society and its members, as well as pharmacists, to donate their services to this new program, thus freeing up scarce federal and state dollars to pay for X-rays, lab tests and pharmaceuticals. The value of donated time totals $1,400,000 and is still growing. The program has provided 20,000 people in 17 counties with primary care when it is needed most and when money is scarce.

Many can lay claim to the success of this project, but all agree that the strength of Doctor Lewis's early leadership made it go.

The only disagreement would come from Doctor Lewis himself who sees his role in this and so many other accomplishments for rural people as nothing more than doing what's right.

We can only wonder what a better world this would be if the special professional talents of Doctor Lewis were in fact typical, and if his personal commitment and compassion were the common denominator.

What he has witnessed to all of us is an undeniable dedication to humanity and an unending supply of initiative and creativity that has sprung out to address the needs and challenges of rural health care, not only in Wisconsin, but nationwide.

I am pleased and honored, in the spirit of Louis Gorin, to present the 1987 award for outstanding achievement in Rural Health Care to Russell Lewis.

EARL R. THAYER,
On behalf of the National Rural Health Association.

WISCONSIN PRIMARY HEALTH CARE ASSOCIATION,
Madison, WI, March 2, 1987.

CAROLINA FORD,
Chair, Awards Committee, National Rural Health Association, Kansas City, MO.

DEAR MS. FORD: On behalf of the staff and Board of the Wisconsin Primary Health Care Association (WPHCA), I am writing in support of the nomination of Dr. Russell Lewis, M.D. of Marshfield, Wisconsin, as NRHA's Rural Health Practitioner of the Year.

Others are more qualified to speak of his years of concerned patient service, and of his role in building the Marshfield Clinic, the Marshfield Medical Research Foundation, and one of the most impressive rural health care networks in the nation. We can, however, speak with first hand knowledge of Dr. Lewis' commitment to assuring access to health care for all people, regardless of their location of their ability to pay.

Dr. Lewis was instrumental in the development and ultimate success of our Association's largest project, Share-Care, a program of health care for the WisconCare program.

In 1983 when the U.S. Congress passed the Jobs Bill, aimed at stimulating employment, it also allocated a portion of the funds to go to federally funded migrant and community health centers and State Maternal and Child Health block grant programs to provide health care for families who had lost jobs or health insurance due to the recession. Recognizing that seven M/CHC's in Wisconsin, by themselves could not hope to reach all those parts of the State severely affected by the recession, Wisconsin M/CHC's decided to pool their allotments under the Jobs Bill and develop a statewide program to be administered by WPHCA, to pay for medical care provided by private practitioners in Wisconsin's hardest hit areas.

While this program was still in the idea stage, Dr. Lewis as Medical Director of one of the seven, the Family Health Center based in Marshfield, became involved. Using his influence as Past President of the State Medical Society (SMS), Dr. Lewis sought the SMS Board's endorsement of the idea of having physicians and other providers donate their personal time to this new program in exchange for the federal funds being used to pay for out-of-pocket the technical portion of lab tests and X-rays, and the cost of pharmaceuticals prescribed for enrollees. The value of the donated time and services was then to be pledged as "local match" to the MCH block grant funds, enabling the State to join in the ShareCare effort.

Dr. Lewis argued, successfully, that physicians had an obligation to their patients and their communities during economically hard times, and that this proposed program would be a fitting way to put into practice the "We Care" pledges made earlier by hundreds of Medical Society members to serve the unemployed, without payment if necessary. He countered arguments that this could be done without the funding and resulting paperwork by pointing out that patients would get better care because of the availability of lab tests and medications they could not otherwise afford. The SMS Board agreed and became partners in the program eagerly through his efforts.

During the program's development process, Dr. Lewis was an active participant in helping to define the scope of services that could be offered within Federal and State guidelines, taking part in negotiating differences among funding offices, WPHCA, and provider groups. He also personally worked with other physicians at turning the resulting broad policy agreements into a set of specific procedure codes to be used in provider reimbursement, and in determining what level of reimbursement would cover out-of-pocket costs. He helped defend the donation of time among physicians, while also helping WPHCA staff to design the program in such ways as to minimize provider resistance, which was strong in some areas.

He continued to be a resource to staff throughout the ShareCare program, and continues to do so under its State sponsored successor program, WisconCare, which WPHCA also administers.

The ShareCare program has been regionally and nationally cited as an important model of public-private cooperation in an era of scarce resources. It provided nearly 20,000 people in 17 target counties with primary medical care when they needed it most, and it raised the awareness of the problems of the uninsured among many State legislators. The value of the services donated by providers together with discounts off their usual fees total is to date over $1.4 million and continues to grow.

Many people can legitimately lay claim to having originated the ideas that became the ShareCare program. More than a thousand physicians or pharmacists donated their services. The tireless work of dozens of WPHCA staff and local activists made ShareCare work. But everyone would agree that without the strength of Dr. Lewis' early leadership on its behalf, there might have been no program, or one which served only a fraction of the nearly 20,000 people who eventually benefited over its first eighteen months of operation.

The only likely disagreement would probably be from Dr. Lewis himself, who sees his own committment to serving the underserved as average and his own high level of ethics as merely traditional professionalism.

We can only wonder what a better world this would be if the special strengths of Dr. Lewis were in fact typical, or his moral standards a common denominator. We feel it is altogether fitting that, in the year of his retirement, Dr. Lewis be honored as Rural Health Practitioner of the Year, not only for his many fine achievements but also because of the example he has set for others in his lifelong commitment to access to health care for all.

Sincerely,

KATHLEEN E. FARNSWORTH,
Executive Director.

PERSIAN GULF MISSIONS DANGEROUS FOR MEN AND WOMEN

Mr. PROXMIRE. Mr. President, I would like to call your attention to an article by Norman Black of the Associated Press about women serving aboard Navy ships in the Persian Gulf. The destroyer tender, the U.S.S. *Acadia*, that went into the gulf region to repair the U.S.S. *Stark*, counted 240 women among its crew, serving in a full range of positions. These women are not on combat ships and do not have a combat mission, but, clearly, they do not have a safe job.

Women make up an integral 10 percent of our total forces, and women are—today—serving in dangerous positions at sea, on land, and in the air. It is of the utmost importance that Congress and the American public realize this and that our assignment policies for women reflect current threats.

Army women serve throughout the European theater in critical command and control units. Air Force women flew tankers that refueled the planes used in the Libyan bombing mission. These are not safe jobs. To try to keep women far from danger only confuses commanders and burdens them with extra considerations during any deployment.

Women are currently restricted both by what they do and by where they serve. A much more logical system would be to restrict women only by what they can do and to allow commanders to deploy them where needed. The Army recently completed an excellent, comprehensive review of its assignment policies for women in which they tackled this difficult issue head-on. One of the conclusions was that "geographical-based lines are not feasible as assignment boundaries in the fluid air-land battle environment." The same is true for the Navy and Air Force.

If Congress wants women to be restricted from combat then we should say women cannot serve in jobs or units that have a primary offensive weaponry mission, but otherwise we should let commanders deploy their female specialists as needed. We should not tie their hands by making them second-guess congressional intent every time they want to deploy a combat support unit.

This is the philosophy behind the combat support bill Senator COHEN and I introduced earlier this year. This bill, S. 581, says that combat is what you do, not where you serve. It would open up the gray areas of the combat support sector by saying that all combat support jobs are suitable for the assignment of women.

In the article I am submitting for the RECORD, a Navy official is quoted as saying:

> You can't have it both ways. If women are going to go to sea on support ships, then they have to be available to go wherever that ship is needed.

I agree. But I would like to add that the Navy can't have it both ways either. In a hearing this year before the Senate Armed Services Committee's Personnel Subcommittee, Adm. Dudley Carlson brandished pictures taken during World War II of sinking combat support ships to deflect legitimate questions about its assignment of women.

The Navy can't come to hearings with pictures of sinking World War II ships and say to Congress, "You don't want to put women on dangerous ships do you?" and then turn around and send women into the Persian Gulf.

The recent bombing of the *Stark* was a shock and a tragedy. It underlines the dangerousness of all military missions and the volatility of many regions in which we maintain a military presence. It underlines the great sacrifices made by those who devote their lives to military service and the great debt we owe them all. I believe we owe a debt to our female service members to take a good look at what we are allowing them to do and to remove arbitrary restrictions. They have chosen the military as a career and deserve full opportunities within the law.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington (DC) Times, June 2, 1987

240 WOMEN ABOARD TENDER IN BAHRAIN

(By Norman Black)

A destroyer tender sent Bahrain to repair the USS Stark after an Iraqi missile attack has about 240 female sailors among its crew, but officials yesterday denied the Navy was violating a law against sending women into combat areas.

The USS Acadia arrived in Bahrain yesterday under a special escort from the guided-missile cruiser Fox. The Fox was temporarily detailed from the battle group supporting the aircraft carrier Constellation to make sure the tender arrived without incident.

The Navy declined comment when asked about the propriety of sending female sailors into the troubled Gulf region. But a ranking officer who requested anonymity denied the service was ignoring prohibitions against women serving in combat-related jobs.

"This is not a combat zone and the Acadia is not a combat ship," said the official. "And she is not going to be steaming around the Gulf. She is going to be tied up in port in Bahrain working on the Stark."

"You can't have it both ways," another official added. "If women are going to be allowed to go to sea on support ships, then they have to be available to go wherever that ship is needed. And the Acadia is needed in Bahrain."

The approximately 240 female officers and enlisted personnel are part of a crew of 1,300. The tender is expected to remain in Bahrain for at least six weeks repairing the Stark so that it can sail home.

Questions about the composition of the Acadia's crew arose yesterday with the revelation that a cruiser had been detailed to accompany the ship through the lower Gulf to Manama, Bahrain, where the Stark has been tied up since shortly after a May 17 attack by an Iraqi jet fighter, which killed 37 sailors.

The use of such a large warship to escort a tender was unexpected, since smaller frigates and destroyers are already in the Gulf.

"They sent the cruiser because they didn't want to take any chances," said one source. "It was a precaution."

The Pentagon officials said the Navy had originally planned to send the Fox back through the Strait of Hormuz today to the northern Arabian Sea to await the arrival of the Constellation. Those orders were canceled, however, and the sources said the cruiser might remain in the Gulf for awhile.

The Fox, a so-called Belknap-class cruiser, is now the largest warship among the U.S. vessels in the Gulf. At 7,900 tons, it is more than twice as heavy as the Stark, a guided-missle frigate.

In the Iraqi missile attack, a 15-foot hole was ripped in the Stark's hull and several large forward compartments, including sleeping areas, were devastated by fire.

In related developments yesterday:

Sources said military investigators had begun asking questions about the failure of the Stark's officers to order certain precautionary maneuvers as the Iraqi warplane approached the ship.

The sources stressed the Defense Department still believes the Stark had no reason to expect the Iraqi warplane would actually open fire.

A ranking military officer said it now appeared the Navy might not begin providing escorts to Kuwaiti tankers flying the American flag until July. President Reagan has vowed to provide protection to the tankers to safeguard the world's oil supplies.

ORDER OF PROCEDURE

Mr. BUMPERS. Mr. President, yesterday I introduced S. 1320, the Solar Development Initiative Act of 1987. My accompanying statement and section-by-section analysis were inadvertently not included in yesterday's Record. I ask unanimous consent that my statement and the section-by-section analysis of the bill be included in today's Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SOLAR DEVELOPMENT INITIATIVE OF 1987

Mr. BUMPERS. Mr. President, I am pleased to be introducing today legislation which will help the United States retain its technological lead in solar energy. The solar development initiative is intended to further solar energy research, expand domestic and foreign markets, and build our domestic renewable energy industry. By utilizing existing Federal programs, this bill is designed to be of practical assistance to the solar energy industry at minimal cost to the Federal taxpayer.

First, the legislation authorizes funding at current levels for the Department of Energy solar research and development programs for a 3-year period. While Federal support has been cut by 70 percent over the last 5 years for the international, photovoltaics, solar buildings and solar thermal programs, our international competitors have increased their funding. Between 1977 and 1985, according to international energy agency data, Japan's expenditures for solar research have increased eightfold and West Germany's solar budget has tripled. Other countries show similar trends.

Mr. President, we must keep our technological lead in order to maintain an aggressive posture in international markets. A strong research and development program is essential to this effort. In addition to the long-term high risk research which the DOE has carried out under Reagan administration guidelines, there is a need for solar research with practical, short-term commercial applications. My legislation would direct DOE to consult with the solar industry to develop a program of cooperative Federal/industry research in this area.

Second, the solar development initiative addresses the need for the United States to expand the markets for solar energy technologies, so that our industries can scale up their production facilities and subsequently cut their costs. The legislation offers two concrete actions to expand Federal procurement: First, educating procurement officers about the successful solar demonstration projects installed in Federal buildings; and second, applying the Defense Department's solar procurement policies to other Federal agencies.

Third, the legislation directs the existing Federal loan programs for small business, development, and exports to be more responsive to the needs of the solar industries. These programs have tended to be more available to conventional energy development and need to be opened to new technologies.

Mr. President, renewable energy sources are making and can continue to make an important contribution to the Nation's energy policy goal of a balanced and diversified energy supply system at a reasonable cost. A recent Department of Energy white paper, entitled "Renewable Energy Profile 1975-1984," found that for a Federal expenditure of $6 billion, renewables produced energy valued at $39 billion, and displaced 4.2 billion BOE—barrel of oil equivalent—which we would have had to produce from conventional sources. Many of these systems can be expected to produce energy well into the 1990's, thereby contributing roughly 3 billion BOE of additional energy to the U.S. supply by 1994.

The current low oil prices have already caused a decline in the domestic production of petroleum and an increase in imports. The energy security study released by DOE states that "key projections show U.S. oil imports increasing from 5.2 million barrels per day—about one-third of the Nation's oil consumption—in 1986 to between 8 to 10 million barrels a day in the 1990's." The pursuit of a diversified energy supply system becomes even more critical under these circumstances.

While other industrialized nations increase their commitments to solar thermal and photovoltaics technologies, the United States is relying on laissez-faire policies for solar energy development. The solar development initiative which I introduce today will catalyze Federal action without costing additional revenues. For the quality of life of all the world's peoples, and to maintain the United States' competitive edge in solar energy, I urge the Congress to sustain its support for solar energy development and pass this legislative initiative.

I ask unanimous consent that the text of the bill and a section-by-section analysis be printed in the Record immediately following my remarks.

There being no objection, the material was ordered to be printed in the Record, as follows:

Section-by-Section Analysis

SECTION 1—SHORT TITLE

SECTION 2—FINDINGS AND PURPOSES

SECTION 3—DEPARTMENT OF ENERGY SOLAR ENERGY RESEARCH AND DEVELOPMENT PROGRAM

Provides three year minimum authorization levels for existing solar energy research and development programs in the Department of Energy (Solar Buildings, Photovoltaic energy systems, Solar Thermal, International), based on FY 1987s appropriation levels. Directs the Secretary to develop in consultation with the solar and renewables energy industry a research, development and demonstration program with near term applications to complement the existing long term research efforts. The program shall emphasize projects which have near term commercial applications and which will enhance the international and domestic competitiveness of solar energy technologies.

SECTION 4—FEDERAL SOLAR BUILDINGS DEMONSTRATION PROGRAM

Directs the Secretary of Energy to establish an information and education program for federal loan officers and procurement officers on the potential for the use of solar technology in federal buildings. The program shall include technical briefings and on-site inspections of Federal buildings which have received installations of solar heating and solar heating and cooling technology under the National Energy Conservation Policy Act federal buildings demonstration program.

SECTION 5.—INTERNATIONAL MARKET ENHANCEMENT

(a) and (b) Reaffirms Congressional support for the Committee on Renewable Energy Commerce and Trade and establishes a minimum funding level for the programs authorized by P.L. 98-370 for the next three fiscal years.

(c) The Caribbean Basin Economic Recovery Act authorizes the President to proclaim duty-free treatment for certain eligible exports from designated beneficiary countries. This subsection adds to the "factors" which the President is to take into account in designating beneficiary countries the promotion of "energy self sufficiency using locally available renewable resources".

SECTION 6—FEDERAL PROCUREMENT

Modifies the language of Title 10 U.S.C. Sec. 2857 (Defense Procurement) as suggested by the Department of Defense to allow the DoD more flexibility to decide which new designs have the greatest potential for solar energy or other renewable energy applications. Makes the provisions of Sec. 2857 as amended apply to other federal agencies with major procurement programs for buildings construction.

SECTION 7—AMENDMENT TO THE EXPORT IMPORT BANK ACT OF 1945

Provides for a set-aside of .025 percent of the Bank's loan authority for solar and renewable energy loans.

SECTION 8—AMENDMENT TO FOREIGN ASSISTANCE ACT

Reestablishes feasibility study monies through OPIC by directing that monies be made available to initiate incentives, grants, and studies for renewable energy and other small business activities.

SECTION 9—AMENDMENT TO THE SMALL BUSINESS ACT

Repeals separate energy loan program in section 7(l) of the Small Business Act and replaces it with a set-aside for solar and renewable loans in the general SBA loan program. Directs the SBA administrator to give due consideration to solar and renewable exports in issuing loan guarantees under the Export revolving line of credit program. Directs the Administrator to include list of loans and loan guarantees provided to solar energy companies in annual report.

THE OWENSBORO NOON CIVITANS PRESENT CIVITAN SAM

Mr. FORD. Mr. President, the Noon Civitans in my hometown of Owensboro, KY, have recently completed an outstanding service project which deserves the attention of the Senate. The Owensboro Civitan Club, under the leadership of committee chairperson, Sarah Morrison Baker, and club president, Wayne Milligan, have produced a Civitan coloring book for young people which teaches them how to "just say no" to drugs and alcohol. The coloring book features Civitan Sam whose message is respect yourself, say no drugs and alcohol, and practice good safety.

The coloring book was developed in consultation with the local substance abuse council, police and sheriff's departments, and other local agencies. The booklet was distributed free of charge to all schoolchildren in grades kindergarten through five in the city, county, and private schools systems within Daviess County, KY. The booklet has come to the attention of the Civitan International and we are hopeful that Civitan Sam will soon become a national figure recognized by young people across this Nation for his message to say yes to yourself and no to drugs and alcohol.

Our young people today are facing challenging times and they will need all the guidance we can provide them. I commend the Owensboro Noon Civitans for their long legacy of community service and their commitment to promoting good citizenship. Civitan Sam, the creation of the Noon Civitans, is another example of the dedication of this fine service group to making our world a better place for this and future generations.

Mr. President, I ask unanimous consent that the Civitan Creed be printed in the RECORD following my remarks.

There being no objection, the creed was ordered to be printed in the RECORD, as follows:

THE CIVITAN CREED

I AM CIVITAN: as old as life
as young as the rainbow, as endless as time.
MY HANDS do the work of the world
and reach out in service to others.
MY EARS hear the cry of children
and the call throughout the world
for peace, guidance, progress, and unity.
MY EYES search for others to join in
the fellowship and service of Civitan.
MY MOUTH utters the call to daily duty
and speaks prayers in every tongue.
MY MIND teaches me respect for law
and the flag of my country.
MY HEART beats for every friend,
bleeds for every injury to humanity,
and throbs with joy at every triumph of truth.
MY SOUL knows no fear but its own unworthiness.
MY HOPE is for a better world through Civitan.
MY MOTTO: builders of good citizenship.
MY BELIEF: do unto others
as you would have them do unto you.
MY PLEDGE: to practice the Golder Rule
and to build upon it a better and nobler citizenship.

THE ENGLISH LANGUAGE AMENDMENT

Mr. SYMMS. Mr. President, America is a nation of many traditions and cultures bonded together by a common language—English.

Since the first settlers landed on America's shores, millions of immigrants have left their homelands and most of their worldly possessions behind, bringing their folklore and family histories to their new country. These people have passed their heritage from father to son, and generation to generation. Many Americans observe these traditions through the celebration of ethnic and religious holidays, such as: St. Patrick's Day, St. Lucia Day, Bastille Day, the Chinese New Year, and Hanukkah, to name a few. In our local newspapers and park recreation brochures you can read of organizations and schools which offer many opportunities to learn folklore, songs and dances from countries around the world.

Because our ancestral heritage is important to us, we maintain and share our traditions enriching the lives of those around us. This has been and will continue to be done by using English as the medium of sharing our heritage with others, while we and all communities participate in the enrichment of one united America.

While it is important to maintain the cultural activities of our ancestral roots, it is necessary to establish a unity in order to join the mainstream of the American way of life. This unity is achieved by communication in a single common language—English. The common language necessary to establish and maintain a place in America's mainstream does not preclude participation in one's ancestral traditions; rather it enhances one's ability to share one's culture with others, and it serves as a vehicle to conduct America's business.

Mr. President, I ask unanimous consent to have printed in the RECORD a paper written by Jerry Williams, a member of my staff, which describes the current problems encountered by those who fail to see the importance of learning English. It presents the arguments of what the English language amendment would and would not do and indicates the strong public support for the amendment. I urge my colleagues to review this paper and join me as a cosponsor of Senate Joint Resolution 13, The English language amendment.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OUT OF MANY, WE CAN BECOME ONE—THE ENGLISH LANGUAGE AMENDMENT

(By Jerry L. Williams)

OUTLINE

I. This paper will address some of the reasons the United States is becoming a multilingual society, and how a constitutional amendment might solve the problem.

II. The United States has multi-lingual problems.

A. Language communication problems exist in communities throughout the United States.

1. U.S. cities consists of multi-lingual communities who do not share a common language.

2. U.S. English-speaking citizens who apply for basic jobs are discriminated against.

3. Communication problems arise when employers and employees cannot speak a common language.

4. Immigrants who cannot speak English isolate themselves, and therefore cannot fully participate in Americas' mainstream.

5. Immigrants who cannot speak or understand English can lose their lives.

B. The Federal and state governments support multi-lingualism.

1. The Federal and state governments publish materials in foreign languages.

2. Government sponsored tests are given in more than one language.

3. The Federal government negates its immigration laws by allowing multi-lingual election ballots and materials.

4. The Government has changed the bilingual education programs from learning English, as soon as possible, to maintaining the students' native language and their culture.

III. The English Language Amendment (ELA) is a solution to the multi-lingual problem.

A. The English Language Amendment would accomplish many things.

1. The ELA would make English the official language of the U.S.

2. The ELA would establish English as the official language of the national, state and local governments.

3. The ELA would enforce immigration laws.

4. The ELA would require English-only ballots.

5. The ELA would change the bilingual education programs back to its original concept—to learn English.

6. A territory seeking to become a part of the U.S. would be required to declare English as its official language.

B. The English Language Amendment would not totally do away with the use of foreign languages in the U.S.

1. The amendment would not prevent schools from teaching modern foreign languages.

2. The amendment would not change the judicial process that allows for foreign languages to be used in court proceedings.

3. Foreign languages would not be prohibited for private use.

IV. General support for the English Language Amendment comes from all parts of the United States.

A. Many American ethnic organizations support the ELA.

B. Many naturalized citizens support the ELA.

C. Grassroots groups have been formed to promote English as the official language of the United States.

V. The English Language Amendment would prevent the United States from becoming a diverse multi-lingual country by establishing a common language, and signed to immigrants that the way to full participation in America's political and economic mainstream is to learn English. The bilingual education system would be changed from a maintenance program to its original concept—to learn English. The ELA would protect, bind, and treat all ethnic groups equally by the U.S. government, because all government business would be conducted in English.

America is a nation of immigrants, and one of its great strengths has been its ability to incorporate people from many countries with their different cultures and ethnic traditions into a nation of people who can communicate with each other. What allowed our ancestors to work out their problems and form a cohesive country was their total acceptance of learning to speak, write, and read English.

United States Senator Steve Symms (R-ID) stated:

"The unquestioned acceptance of this language [English] by immigrants from every linguistic and culture background enabled us to discuss our differences, to debate our problems, and to agree on solutions. It has allowed us to develop a stable and cohesive society that is the envy of language-fractured nations." [1]

President Theodore Roosevelt expressed the importance of having one language saying, "We have room for but one language here, and that is the English language, for we intend to see that the crucible turns our people out as Americans and not as dwellers in a polyglot boarding house." [2]

For the past seventeen years there has been a strong internal movement to linguistically fractionalize the United States, a fractioning to change our country from a one common language nation to a "polyglot boarding house." [3] This situation has led us to a major piece of legislation that is currently before the United States Senate.

This paper will address some of the reasons the United States is becoming a multilingual society, and how a constitutional amendment might solve the problem.

It is assumed by most U.S. citizens, as they travel throughout the country, that communication will not be a problem. If one encounters a difficult situation, he can make a telephone call or talk to someone on the street and in simple English begin to solve the problem. This is not necessarily so today in America. In communities throughout the United States many information and instructional signs, T.V., radio, and magazines are in several different foreign languges. Miami Mayor Maurice Ferre relates how his Hispanic residents could live in an English-speaking country, while remaining totally immersed in a Spanish-speaking culture. Mr. Ferre said:

"You can be born here in a Cuban hospital, be baptised by a Cuban priest, buy all your food from a Cuban grocer, [and] take your insurance from a Cuban bank.

"You can get all the news in Spanish—read the Spanish daily paper, watch Spanish television, listen to Spanish radio. You can go through life without having to speak English at all." [4]

The crux of Miami's problem can be seen in the example of two English speaking women who were seeking a job with a Miami office-cleaning firm, and were rejected because they could not speak Spanish, and therefore would not be able to understand their Hispanic supervisors.[5] Mayor Ferre said that in ten years, "there [will] not be a word of English spoken—English is not Miami's official language—residents [will] have to learn Spanish or move." [6]

New York, like Miami, has had its share of communication problems due to the fact that New York consists of many multi-lingual communities. In the past four years, the New York City Transit Authority has hired over 408 engineers to oversee a $6.5 billion program to rebuild the bus and subway systems. Of those 408 hired, 291 lack basic English language skills.[7] New York State Comptroller Edward V. Reagan reported that these engineers "can't communicate with their supervisors, their subordinates or with each other." [8] He added, "Make no mistake about it, these deficiencies have been extremely costly. They have wasted time, and they have wasted money." [9]

Migrant workers come to the United States to seek better paying jobs to support their families, but since they cannot speak English, these workers isolate themselves in their own groups, away from the mainstay of American society, and usually remain poor and secluded the rest of their lives. Richard Rodriguez, a guest writer for the *Wall Street Journal* put it well when he wrote:

"For the Spanish speaking, especially, it is possible today to live in a quasi-public life apart from English. And those who have the most to lose in a bilingual America are the foreign-speaking poor, who are being lured into a linguistic nursery, quite apart from power and money in English-speaking America." [10]

Mr. Rodriguez continued to say, "there must be one public language in America." [11]

Ms. Chris Crystal, a writer for UPI, reported a major fire at the Los Angeles Dorothy May [residential] Hotel in which 24 lives were lost. Most of those who perished were members of a large Mexican family who could not understand rudimentary English. When the Los Angeles Fire Department (LAFD) arrived at the fire, they called out to the occupants and instructed them to stay in their fireproof rooms. The firefighters in turn would rescue them from each window. Not understanding the officers, the family panicked and ran into the hall where they died. The rooms on the other hand did not catch on fire and had the family understood English, they would have lived.[12] Having been ignorant of English these immigrants lost more than their jobs or a chance at higher education, they lost their lives. Communication between emergency personnel and its respective community is of the utmost importance for the safety of all residents.

The Federal and state governments try to help immigrants by printing pamphlets on subjects ranging from rules of safety in the home, to the collection of welfare. These publications cover over 2,000 subjects and are printed in over 32 languages. Former United States Senator Dee Huddleston of Kentucky noted that the 2,000 subjects are just the tip of the iceberg and there are many more non-English government printed materials provided for foreign-speaking people.[13]

Many state governments, showing their concern for the problem, administer the drivers license exam in more than one language. Michigan, for example, gives the drivers exam in 16 different languages.[14]

One of the most basic rights of a U.S. citizen is the privilege to vote. According to former California Senator S.I. Hayakawa, the Federal and state governments are supporting multilingualism and negating the immigrant law by providing multilingual ballots.[15]

United States immigration laws state that for a person to become a naturalized citizen, he must pass an English competency test. The exam is to show the person can communicate: read, write, and speak English.[16]

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[1] Footnotes at end of article.

Senator Hayakawa stated:

"According to law, a person must be able to 'read, write and speak English in ordinary usage' to become a citizen. Nevertheless, the law now requires a so-called 'bilingual' ballot for those who do not read English. The bilingual ballot law simply negates our naturalization laws." [17]

Providing multilingual election ballots can cause many problems. First it gives the non-English speaking community the feeling that it is not necessary to learn English. And second, though multilingual ballots are used to provide a necessary service to preserve minority voting blocks, it allows for local candidates and ethnic leaders, who speak the minority community's language, to interpret and control all pertinent information. Since most political ads and debates are in English, these ethnic leaders can present a biased view to their constituents, and seriously undercut the opportunity for every voting individual to be informed about the candidates and the issues. The individuals' inability to communicate with the English-speaking world outside their immediate community would make it impossible for them to determine what issues were relevant to the campaign, and which candidates were best suited to the office in question. Therefore the communities' political leaders have great control over these isolated people.[18]

A newsletter called *Washington Alert*, published by Leadership Foundation, Inc., reported that since immigrants can receive information in their own language, they have no intention of learning English.[19]

The Department of Education reported that "26 million people in the U.S. (one out of every eight) are relying on a language other than English to communicate in their homes and their work place." [20] That is far more than three times as many as in 1975.[21]

Patrick B. Patterson, the Public Information Officer for the city of Los Angeles made the point, "There are currently 88 different dialects spoken within L.A. City schools. The largest majority speaking English and Spanish.[22]

In 1968 the Federal government passed the Bilingual Education Act to assist non-English speaking children in gaining fluency in the English language so they could progress educationally. This would allow possible upward mobility in the American society.[23]

Under the 1968 Education Act the Federal government allowed each state and local school district to decide which bilingual method would best work for their students.[24] Studies have shown that one national bilingual program or one method used throughout the United States would not work.[25] The majority of educators welcomed the Act due to the fact that each state has different problems depending on the student's language, cultural background, and individual abilities.[26]

Ten years later, when the bilingual program came up for review the law was changed from pushing for fluency in English, as rapidly as possible, to teaching and maintaining the students' native language as well as their culture. This was called the Bilingual-Biculture method.[27] The thought was since proficiency in one language is good, then proficiency in two languages would be better. This new program would help develop the students' native tongue as well as work on their English.

Theodore H. White wrote in his book *America in Search of Itself* about how the Hispanics felt about bilingual-biculture edcuation:

"Some Hispanics have . . . made a demand never voiced before: that the United States, in effect, officially recognize itself as a bicultural, bilingual nation . . . (They) demand that the United States become a bilingual country, with all children entitled to be taught in the language of their heritage, at public expense." [28]

At the 13th International Bilingual-Bicultural Education Conference of the National Association for Bilingual Education a resolution was promoted which stated:

"[The] Federal government must play a lead role in bilingual education with legislative and major funding resulting in a) a national multicultural/multilingual society, and b) a national language policy, with English and Spanish recognized as the two 'legal languages' of the United States." [29]

In 1974, the U.S. Supreme Court ruled in *Lau v. Nichols* [30] that failure of school districts to provide supplemental instruction to non-English speaking students is a violation of Title VI of the 1964 Civil Rights Act,[31] the Equal Education Opportunity Act of 1974,[32] and the Equal Protection Clause.[33] The problem was, the Court did not supply a solution or guidelines to define what was meant by supplemental instructions.

During the Carter Administration, members of the Federal Education Personnel drew up a list of restrictive guidelines known as the Lau remedies.[34] These remedies formed a bilingual teaching method called Transitional Bilingualism. The method basically meant non-English proficient children are taught about their culture and all academic subjects, excluding art, music and physical education, in their native tongue, until they are proficient in English. Transitional Bilingualism is a language and cultural maintenance program.[35]

At this point we need to ask after 18 years and $1.7 billion of federal funding of Bilingual Education,[36] what do we have to show for it?

A *New York Times* editorial commented, "The trouble with much [of the] bilingual education is that it isn't bilingual."[37] In other words the education system maintains the students native tongue, and does not teach English. President Reagan said:

". . . bilingual programs should serve as a bridge to full participation in the American mainstream. They should never segregate non-English speaking students in a way that will make it harder, not easier, for them to succeed in life."[38]

A study made in 1980, for the Carter administration by Dr. Keigh Baker and Adriana DeKanter of the Department of Education, [39] and a Harvard study in 1982, by Iris Rolberg[40] established similar findings. Transitional bilingual education had worked in some settings, but "had been ineffective and even harmful in others."[41]

In 1981, the Department of Education's report *Effectiveness of Bilingual Education: A Review of the Literature*, and a very critical 1982 study by the American Psychological Association for the Congressional Hispanic Caucus revealed no single bilingual teaching method was better than any other.[42]

The research proved how inconclusive the effectiveness of bilingual education was, and helped to explain why the Hispanic students, who constitute about 75 percent of those in language-assistance programs nationwide, are so very far behind the national average.[43]

Testimony given by Congressman James Scheuer of New York, the father of the Bilingual Education Act said the Act's "original purposes were perverted and politicised,"[44] and:

"English has been sort of thinned out and stretched out and in many cases banished into the mists and all of the courses tended to be taught in Spanish. That was not the original intent of the program."[45]

Secretary William J. Bennett of the Department of Education commenting on the bilingual education system said: "we have no evidence that the children whom we sought to help—that the children who deserve our help—have benefitted." [46]

In the San Diego school system, the second largest in California, the coalition of Chicano Organizations which was very concerned about the high dropout rate and the poor test scores, have been pushing the school district since 1981, to improve their bilingual education.[47] Mr. Gus Chavez, a San Diego University official and a member of the Coalition for a Better Education, asked, "If we have all of this great bilingual program in place, why weren't our kids doing better in school? [48]

Mrs. Feliciani Asencio from McAllen, Texas (a small town just over the Mexican border) was very disappointed with bilingual education. In a newspaper article she related that her 5th grade daughter had four years of the old programs and did not do well in school.[49] She said:

"When you get instructions in two languages, it's confusing. I say give them only English in school. Here in the [Rio Grande] Valley, we already speak Spanish all the time at home."[50]

Parents in McAllen, Texas, became so upset over the low ACT score results and the large dropout rate that they rallied together and petitioned to dissolve the local school board. Voting in a new school board, they pushed through a new language program called Immersion and have had much success.[51] "It has made a world of difference," [52] said Wilbur Harper, Sam Houston's Elementary Principal. He continued to say:

"We'd been using a bilingual education program and it just didn't seem to be working. It took too long for the transition from Spanish to English to occur. And the longer it took, the further behind the children would fall." [53]

Structured Immersion is becoming more and more popular. And the program should be used by more school districts when the Federal government changes the law and allows the local school districts to choose the program they prefer without losing money.

Testifying before the Senate Subcommittee on the Constitution, Senator Jeremiah Denton (R-Al) brought to the nation's attention:

"We [America] are witnessing a dangerous development in the culture history of our nation: the federal government is endorsing and supporting the development of a multicultural United States . . . The bilingual policy of the government is discrimanatory in nature. There is no room for upward mobility in a society if one does not speak the language." [54]

The responsibility of the federal government, as explained by Secretary Bennett, is to "help ensure that local schools succeed in teaching non-English speaking students English, so that every American enjoys access to the opportunities of American society." [55]

With the reported problems and study findings previously mentioned, a strong warning signal swept through educational and business institutions. The 20th Century

Fund Task Force on Federal Elementary and Secondary Education Policy stated, "anyone living in the United States who is unable to speak English cannot fully participate in our society, its culture, (and) its politics." [56] They strongly recommend the Federal government state the objective of elementary and secondary education in the United States is the development of literacy in the English language. The task force also directed federal funds now going to bilingual programs be used to teach non-English-speaking children how to speak, read, and write English.[57]

The National Academy of Sciences held a conference inviting representatives from big and small businesses, labor unions, education, and government for the purpose, "to define the education competencies that will be needed by the high school graduates for success in the workplace, both at entry level and throughout a 45 to 50 year career in a constantly changing economic environment." [58] Representatives came from such organizations and corporations as: Dupont, Kellogg, Woolworth, Becthtel, Hughes, Citibank, Control Data, AT&T, and D.C. General Hospital as well as the Federal Office of Personal Management, the National Federation of Independent Business, the Department of Labor, the AFL–CIO, the Department of Defense, and representatives of major school boards.[59]

This distinguished group looked at the problem from the employers perspective, that business in America is conducted in English. In a report entitled "High Schools and the Changing Workplace," [60] these representatives formed a list of "10 Core Competencies" [61] which are "vital to almost every job except the least skilled, and essential to upward mobility and adaptability." [62]

The first competency listed was a "command of the English language," [63] which was declared as "the most basic skill of all." [64] They continued to say "a command of the English language is essential for success and mobility in American society." [65] While they stated a second language could be helpful in getting a job, "all American young people, regardless of their home or native tongue, need a functional command of standard English in its written and spoken forms." [66]

The next three competencies were reading, writing and oral communications—all in English." [67]

Our Federal government established a bilingual program to teach new immigrants English in the shortest time, allowing them to have an opportunity to participate in upward mobility, but once the momentum was going, the government changed its direction and decided to maintain the immigrants' native language. This severely inhibited the students' ability to learn English and many even graduate from high school with little or no English skills.

What is most interesting is national education and ethnic organizations who sincerely try to help these people are actually preventing them from full participation in America's mainstream and its political process.

Former California Senator S.I. Hayakawa caught the vision of the problem, and in 1981, introduced in the United States Senate a constitutional amendment designating English as the official language of the United States.[68] The legislation was called the English Language Amendment (ELA). Before Senator Hayakawa retired from the Senate in 1982, he was able to convince several Senators to join him as co-sponsors.

When Senator Hayakawa retired from the U.S. Senate, former Senator Walter Huddleston (D-Ky) took the initiative and in 1983, introduced another version of the ELA.[69] During this time, hearings were held by the Senate Subcommittee on the Constitution, which was chaired by Senator Orrin Hatch, (R-UT).[70]

Later Senator Steve Symms became the ELA's sponsor and with sixteen co-sponsors introduced the amendment in both the 99th [71] and the 100th [72] Congress. The ELA, which is Senate Joint Resolution 13, simply reads:

"Section 1. The English language shall be the official language of the United States.

"Section 2. The congress shall have the power to enforce this article by appropriate legislation." [73]

The ELA would give English a special legal status and be the only official language in the United States. There would be no other legal or equally shared status by any other language. To the immigrants, it would signal the seriousness of learning English, so they could fully participate in the mainstream of America's political process and socioeconomic lifestyle. The ELA would unify the United States with the bond of a common language, and show that we have a unified and cohesive society that can work, debate and solve problems together.

The amendment would establish English as the official language of the national, state, and local governments. All matter of official business would be conducted in English. These governments would no longer print pamphlets and other information in foreign languages, and all government postings, billings, and government-funded tests would be in English.[74]

Making English the official language of the United States should help enforce certain laws, such as immigration laws that require a person to pass an English competency test before he can become a U.S. citizen. If a person can pass the English competency test, and become a naturalized citizen, then multilingual ballots should not be needed.

In a letter to an editor, Senator Symms listed six important points for English-only ballots:

"English ballots do not keep anyone from voting. Anyone who needs help can bring an interpreter into the voting booth.

"Foreign language ballots invite abuse. A check of San Francisco bilingual ballot users in 1981 disclosed that 20 percent were not U.S. citizens.

"Foreign language ballots are not necessary because virtually all applicants for U.S. citizenship must pass an English language test.

"Foreign language ballots are discriminatory. Only Spanish, Native American, and Asian languages are targeted for special treatment within the law.

"Foreign language ballots are an insult to millions of immigrants who learned English in order to participate fully in American life.

"Foreign language ballots are costly. The cost to California tax payers is $1.3 million annually." [75]

In addition to the above, the government would not pay for election materials, booklets, or other information printed in a foreign language.[76]

The English amendment would change the United States bilingual education system from a bilingual-bicultural method, to teaching English as rapidly as possible. The amendment does not promote one method over another, but would, as the Reagan Administration is currently promoting, allow the state and local school districts the authority to determine which bilingual method they feel would best help their students, as long as the end goal is to promote English.[77] It would also do away with teaching other academic subjects in foreign languages.[78]

And last, the ELA would require that a territory seeking to become a state, must make English its official language.[79]

On the other hand, according to the intent of its author, the ELA would not prohibit the use of foreign languages in the matters of "public convenience and safety; for example: warning labels on poisons, insecticides, and construction dangers." [80]

The constitutional amendment would not affect teaching foreign languages in public or private schools. The Supreme Court ruled in *Meyers v. Nebraska* [81] that states cannot prohibit teaching any modern foreign language in public or private schools, because it infringes upon the parents liberty to make "educational decisions for their children." [82] Also academic establishment could continue to require foreign language credit as a requirement to graduate.[83]

In cases of the judicial process, the ELA would not affect the use of another language where federal law states that interpreters could be used in the "physical and mental examination of alien immigrants seeking entry into the United States." [84] And courts could have interpreters in federal civil and criminal proceedings where the parties primary language is not English." [85] Another language could be used when the United States or state courts have a suit involving a foreign state, its political subdivisions, or agencies which would need a translation "into the official language of the foreign state." [86]

Finally the bill's sponsor maintains the ELA would not forbid or discourage foreign languages to be used at home, church, religious ceremonies, private schools, commerce, funerals, games, and entertainment, or by private organizations, etc.[87]

Letters from over one hundred different American ethnic organizations, representing nationalities from all over the world, were sent to Senator Symms in strong support of the ELA. The common feeling was that the amendment would be a crucial element to bind, protect, and preserve this multi-ethnic republic. These organizations expressed all minority and ethnic groups would be treated equally by the U.S. government if English were the official language. The following quotes are excerpts from these letters.

The Anti-Communist Legion in the Free World Corp., stated:

"Those of us with homelands in Central Europe and the Balkans are all too painfully aware of the dangers of the national divisions along linguistic lines. A pluralistic society such as ours definitely requires the unifying strength of one official national language." [88]

The Afghan National Islamic Council wrote:

"Through the medium of the English language the Afghan community can share our heritage with Americans and others, and they with us, while we, and all communities, can participate in the enrichment of one, united American." [89]

The World Federation of the Cossack National Liberation Movement expressed how the government discriminates against some groups and not others:

"Like countless immigrants, the Cossack-American community learned English while retaining their ethnic identity and heritage. It is improper, and discriminatory for certain new immigrant groups to demand government subsidies for their national languages." [90]

Pointing out the cost of being a bilingual country, the Serbian National Committee commented:

"The cost of bilingualism is not born only by a federal government, but by state and even hard-pressed city budgets." [91]

The Serbian organization expressed the harm and the reverse discrimination that would occur if the U.S. were to have a second language. They wrote:

". . . officializing the Spanish language would actually work against this Spanish speaking young people. They would be so encouraged to remain unilingually Spanish that they would end up permanently in an economically depressed ghetto, never being able to integrate successfully into the economic and social mainstream of the country. This would create whole non-integrated, economically depressed regions in America which would feel alienated from the rest of the country and be open to external political influences which are contrary to the national interest and security of the U.S. Those of us who have had to cope with learning English as a new language, know very well the necessity of doing so. Our people who failed to do this will have not been able to 'realize the American dream' like those who have mastered English well." [92]

An ethnic group representing Americans from Vietnam, Laos, and Cambodia called the IndoChinese Coalition for a Free Indo-China, strongly endorses the ELA, and felt the language policy currently held by the U.S. government is wrong. This group explained:

"Such respect for our ethnic diversity and protection for our political unity is undermined by the language policy mistakenly being pursued by our government. Instead of strengthening a common citizenship, this policy, which is unwarranted, unwise, and ethnically divisive, is creating linguitic ghettos. And ghettos are barriers between people; barriers, both physical and emotional, which nurtures suspicion, fear, and intolerance." [93]

A group of American immigrants from Turkey, the Turkestanian American Association, exemplified the importance of a united people and language saying:

"Any nation to claim to be as an Nation should have One National Flag, and One National or official Language." [94]

Support for the ELA has also come from individuals such as Mr. John Drost who came to America from Czechoslovakia with his wife and family. When they arrived, they could not speak English. In Mr. Drost's letter to Senator Symms, he told how he and his family became successful because they learned English.[95] He emphasized how:

". . . important it is to master the English language, which opens up every possibility for a successful career . . .

". . . bilingualism is not our great land of opportunity. Recognition of a common language is necessary to preserve the basic internal unity required for political stability and national cohesion. The proposed amendment [ELA] would reaffirm the importance of English in our national life. It would clarify to newcomers that learning English is indispensable for full participation in American society and economy. It would reaffirm that we are truly 'One Nation, indivisible'." [96]

Another naturalized citizen came to the U.S. to study at the Columbia University, and each day while traveling to the university he heard public announcements in Spanish, and saw Spanish emergency instructions and official notices declaring acts of discrimination to be illegal printed by the State of New York.[97] He said:

"This bilingual notice was the most galling as the state government was expressing its opposition to discrimination through the medium of blatant language discrimination. Over one hundred linguistic communities living in New York State have adopted English as their language, their instrument of communications with other ethnic-Americans . . .

"The government policy of subsidizing a few select languages endangers our unity and promotes ethnic strife. It creates linguistic bantustans and insults all other immigrants, past and present, who have learned and adopted English. For these immigrants learning English was not an act of ethnic betrayal but a reconfirmation of their ethnic identity and a commitment to their political identity as Americans." [98]

Rabbi Peter E. Tarlow, leader of the College Station, Texas B'nai B'rith Hillel Foundation, felt:

". . . when one group of Americans cannot speak with another group, or when children are kept from learning the daily language of the land in which they live, both economic slavery as well as political chaos is sure to follow." [99]

Hollywood actor Arnold Schwarzenegger, who came to the United States from Austria in 1968 after winning the Mr. Universe title, learned English the old fashioned way, he worked at it.[100] He said:

". . . I do believe that anyone who comes to this country should learn the language. I think that if one lives in America, they should be educated in the English language." [101]

Since the introduction of the ELA in 1981, there has been a growing grassroots movement throughout the United States. National English support groups have been formed in support of the English Language Amendment, for example: U.S. English, English First, and EL PAC. The largest and most active of the groups, U.S. English, was founded and chaired by Senator Hayakawa. Its organization has branched out to almost all fifty states, and its board members included such people as Walter Cronkite and Gore Vidal.

These groups and others have used the ELA as a mechanism to persuade eight states, (California, Georgia, Illinois, Indiana, Kentucky, Nebraska, Tennessee, and Virginia), to make English as their official language. Thirty other states have currently before their state legislatures resolutions or constitutional amendments to establish English as their official language.[102]

In the 1986 November elections, California's electorate voted in favor of Proposition 63 (73.2% to 26.8%) making English the official language of California.[103] Several cities, such as Fillmore [104] and Alameda, [105] California, have also declared English as their official language.

In an Orlando, Florida, newspaper sound off there were 9,334 callers who responded to whether the English language amendment should pass. Of the 9,334 callers, 8,931 or 96% supported the ELA and 403 opposed it. The *Orlando Sentinel* reported the response was one of the largest the paper has ever had.[106]

America has been richly endowed with a vast number of different and exotic ethnic cultures and traditions. Throughout our history we have learned and shared from the immigrants who have come to the United States and preserved their heritage. Although there was diversity of culture, there was a basic understanding for the need of a common method of communication—a common language.

Our forefathers felt that having a common language was important since they wrote the Declaration of Independence, the Constitution, and the Bill of Rights in English.

Though we come from many different backgrounds, we in the United States are one people because as, our Declaration of Independence clearly states, "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their creator with certain unalienable rights, (and that) Governments are instituted among Men, deriving their just powers from the consent of the governed." [107] Secretary Bennett said, ". . . government by consent means government by discussion, by debate, by discourse, by argument. Such a common enterprise requires a common language." [108]

The English Language Amendment would prevent the United States from becoming a diverse multi-lingual country by establishing a common language, and signal to immigrants that the way to full participation in America's political and economic mainstream is to learn English. The bilingual education system would be changed from a maintenance program to its original concept—to learn English. The ELA would protect, bind, and treat all ethnic groups equally by the U.S. government because all government business would be conducted in English.

Our national motto "E Pluribus Unum" [109] means out of many, (we have become) one.[110] With a common language we would remain as a nation of many cultures, but be a strong, united and cohesive nation because America's citizens can communicate with each other.

FOOTNOTES

[1] Senator Steve Symms, "Introduction Of The English Language Amendment" (Press Conference, Washington, D.C., January 1985), p. 1. (Mimeographed.)

[2] "English Language Threatened In the United States," *Washington Alert*, no. 9, March 1984, p. 4.

[3] Ibid.

[4] "Bilingual education program does need to be restructured," *The Idaho Falls* (Idaho) *Post-Register*, 6 October 1985; sec. A, p. 5.

[5] "Language Discrimination," *Border Watch: Newsletter of the American Immigration Control Foundation*, February-March 1985, p. 4.

[6] *Tampa* (Florida) *Tribune*, 2 November 1982.

[7] "English a Problem," *Border Watch: Newsletter of the American Immigration Control Foundation*, February-March 1985, p. 4.

[8] Ibid.

[9] Ibid.

[10] "Unilingual, Not Unilateral," *The Wall Street Journal*, 25 June 1985, p. 30.

[11] "Unilingual, Not Unilateral," *The Wall Street Journal*, 25 June 1985, p. 30.

[12] Mark Davis, Senator Steve Symms' Deputy Press Secretary, Memorandum to Taylor Bowlden, Senator Steve Symms Legislative Assistant, Washington, D.C., 10 February 1985, Personal Files of Andy Jazwick, Washington, D.C.

[13] U.S., Congress, Senate, Committee on the Judiciary, *Hearing on the English Language Amendment*, by Orrin Hatch, Subcommittee on the Constitution on S.J. Res. 163. 98th Cong., 2nd sess., 1984, pp. 13-14.

[14] "English Language Threatened In the United States," *Washington Alert*, no. 9, March 1984, p. 4.

[15] "Second language: a barrier to American mainstream," *Long Beach* (California) *Press-Telegram*, 12 January 1983.

[16] Naturalization Act, 8 U.S.C.A. 1423.

[17] "Second language: a barrier to American mainstream," *Long Beach* (California) *Press-Telegram*, 12 January 1983.

[18] Senator Steve Symms, "Introduction of The English Language Amendment," (Press Conference, Washington, D.C., January 1985), p. 1. (Mimeographed.)

[19] "English Language Threatened In the United States," *Washington Alert*, no. 9, March 1984, p. 1.

[20] Ibid, p. 4.

[21] Senator Steve Symms, "Introduction Of The English Language Amendment," (Press Conference, Washington, D.C., January 1985), p. 2. (Mimeographed.)

[22] Patrick B. Patterson, Los Angeles Public Information Officer, to Mark Davis, Senator Steve Symms Deputy Press Secretary, Washington, D.C., 5 February 1985, Personal Files of Andy Jazwick, Washington, D.C.

[23] Angela Evans, *Bilingual Education: Federal Policy Issues* (Washington, D.C.: The Library of Congress, [1983]), p. 1.

[24] William J. Bennett, speech given to the Association for a Better New York on bilingual education, New York, New York, 26 September 1985. (Mimeographed.)

[25] "Bilingual education: costly, unproductive," *The Christian Science Monitor*, 8 August 1985, p. 16.

[26] "Reagan administration wants to change Bilingual education," *The Christian Science Monitor*, 27 September 1985, p. 3.

[27] Interview with Dr. Ross E. Butler, U.S. Department of Education, Washington, D.C., 5 March 1987.

[28] S.I. Hayakawa, *The English Language Amendment: One Nation . . . Indivisible?* (Washington, D.C.: The Washington Institute for Values in Public Policy, Inc., 1985), p. 13.

[29] U.S. Congress, Senate, Committee on the Judiciary, *Hearing on the English Language Amendment*, by Orrin Hatch, Subcommittee on the Constitution on S.J. Res. 167, 98th Cong., 2nd sess., 1984, pp. 111-112.

[30] *Lau* v. *Nichols*, 414 U.S. 563 (1974).

[31] Civil Rights Act, 41 U.S.C.A. 2000d et seq.

[32] Equal Education Opportunity Act, 20 U.S.C.A. 1703(f).

[33] U.S., *Constitution*, amend. XVI.

[34] Interview with Dr. Ross E. Butler, U.S. Department of Education, Washington, D.C., 5 March 1987.

[35] "Bilingual Education, in Plain English," *The Largo* (Florida) *Sentinel*, 26 June 1986, p. 3.

[36] William J. Bennett, speech given to the Association for a Better New York on bilingual education, New York, New York, 26 September 1985. (Mimeographed.)

[37] U.S., Congress, Senate, Committee on the Judiciary, *Hearing on the English Language Amendment*, by Orrin Hatch, Subcommittee on the Constitution on S.J. Res. 167, 98th Cong., 2nd sess., 1984, p. 42.

[38] William J. Bennett, speech given to the Association for a Better New York on bilingual education, New York, New York, 26 September 1985. (Mimeographed.)

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[41] "Bilingual education: costly, unproductive," *The Christian Science Monitor*, 8 August 1985, p. 16.

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[43] "Language Lab: Grade-School Project Helps Hispanic Pupils Learn English Quickly," *The Wall Street Journal*, 30 November 1983, sec. 1, p. 1.

[44] William J. Bennett, speech given to the Association for a Better New York on bilingual education, New York, New York, 26 September 1985. (Mimeographed.)

[45] Ibid.

[46] Ibid.

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[48] "Language Lab: Grade-School Project Helps Hispanic Pupils Learn English Quickly," *The Wall Street Journal*, 30 November 1983, sec. 1, p. 1.

[49] "Parents' Disenchantment With Bilingual Education Found Rising," *Washington Post*, 10 April 1984.

[50] Ibid.

[51] Ibid.

[52] "Parents' Disenchantment With Bilingual Education Found Rising," *Washington Post*, 10 April 1984.

[53] Ibid.

[54] U.S., Congress, Senate, Committee on the Judiciary, *Hearing on the English Language Amendment*, by Orrin Hatch, Subcommittee on the Constitution on S.J. Res. 167, 98th Cong., 2nd sess., 1984, p. 9.

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[56] "Bilingual education program does need to be restructured," *Idaho Falls* (Idaho) *Post-Register*, 6 October 1985, sec. A, p. 5.

[57] U.S. Congress, Senate, Senator Symms speaking for the English Language Amendment, S.J. Res. 20, 99th Cong., 1st sess., 7 March 1985, *Congressional Record* 131:2651.

[58] U.S. Congress, Senate, Senator Symms speaking for the English Language Amendment, S.J. Res. 20, 99th Cong., 1st sess., 7 March 1985, *Congressional Record* 131:2651.

[59] Ibid.

[60] Ibid.

[61] Ibid.

[62] Ibid.

[63] U.S., Congress, Senate, Senator Symms speaking for the English Language Amendment, S.J. Res. 20, 99th Cong., 1st sess., 7 March 1985, *Congressional Record* 131:2651.

[64] Ibid.

[65] Ibid.

[66] Ibid.

[67] Ibid.

[68] U.S., Congress, Senate, Committee on the Judiciary, *Hearing on the English Language Amendment*, by Orrin Hatch, Subcommittee on the Constitution on S.J. Res. 167, 98th Cong., 2nd sess., 1984, p. 45.

[69] U.S., Congress, Senate, *Proposing an amendment to the Constitution of the United States with respect to the English language*, S.J. Res. 167, 98th Cong., 1st sess., 1983, pp. 1-2.

[70] U.S., Congress, Senate, Committee on the Judiciary, *Hearing on the English Language Amendment*, by Orrin Hatch, Subcommittee on the Constitution on S.J. Res. 167, 98th Cong., 2nd sess., 1984, p. 1.

[71] U.S., Congress, Senate, Senator Symms speaking for the English Language Amendment, S.J. Res. 20, 99th Cong., 1st sess., 22 January 1985, *Congressional Record* 131:515-519.

[72] U.S., Congress, Senate, Senator Symms speaking for the English Language Amendment, S.J. Res. 13, 99th Cong., 1st sess., 6 January 1987, *Congressional Record* 133:155.

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[75] Senator Steve Symms, to the Editor of the Twin Falls, Idaho *Times News* paper, Washington, D.C., 2 April 1985, Personal Files of Senator Steve Symms, Washington, D.C.

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[79] S.I. Hayakawa, *The English Language Amendment: One Nation . . . Indivisible?*, (Washington, D.C., The Washington Institute for Values in Public Policy, Inc., 1985), p. 14.

[80] Interview with Tom Lowery, Office of Senator Steve Symms, Washington, D.C., 2 March 1987.

[81] Meyers v. Nebraska, 262 U.S. 390 (1923).

[82] Meyers v. Nebraska, 262 U.S. 390 (1923).

[83] U.S., Congress, Senate, Senator Symms speaking for the English Language Amendment, S.J. Res. 20, 99th Cong., 1st sess., 7 February 1985, *Congressional Record* 131:1232.

[84] Entry and Exclusion Act, 8 U.S.C. 1224.

[85] Judicial Procedure, 28 U.S.C. 1827.

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[88] General Vladimir Secen, Commanding Officer of the Anti-Communist Legion, to Senator Steve Symms, Coral Gables, Florida, 15 January 1986, Personal Files of Senator Steve Symms, Washington, D.C.

[89] Afghan National Islamic Council, to Senator Steve Symms, Flushing, New York, 11 February 1986, Personal Files of Senator Steve Symms, Washington, D.C.

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[91] Dr. Gorge M. Radojevick, Secretary-General of the Serbian National Committee, to Congressman Norman Shumway, Libertyville, Illinois, Personal Files of Senator Steve Symms, Washington, D.C.

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RECESS

Mr. BYRD. Mr. President, our colleague, Senator Boren, who is managing the bill, S. 2, on this side of the aisle is momentarily delayed by actions in the Select Committee on the Iran-Contra Affair. I therefore ask unanimous consent that the Senate stand in recess for 15 minutes so as to allow time for the managers to dispose of problems elsewhere and be present on the floor.

There being no objection, the Senate, at 10:44 a.m., recessed until 10:59 a.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. Simon].

EXTENSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, while awaiting the arrival of Mr. Boren, who is for the moment I think tied up in the Iran-Contra meetings, I ask unanimous consent that there be an additional 10 minutes for morning business under the same limitations as heretofore ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Florida.

ON SECURING OUR BORDERS

Mr. GRAHAM. Mr. President, on Thursday evening, May 28, a single-engine Cessna, piloted by a 19-year-old West German, landed without incident or interception in Red Square in Moscow.

Thursday, May 28, was an "average" day in Miami, according to the medical examiner's office; 11 deaths investigated—4 of them drug deaths, including at least 1 execution, 1 victim of a drug war, 1 shoot out, and 1 cocaine suicide.

Narcotics detectives picked up 8½ kilos of pure cocaine in three small drug busts.

And, if it was truly an "average" day, 50 unauthorized, undetected, and noninterdicted boats or planes landed with the objective of importing illegal drugs.

On Saturday, May 30, Soviet leader Mikhail Gorbachev announced that, in response to the teenager's prank violation of Soviet airspace, he had dismissed both the Soviet Defense Minister and the commander of the Soviet Air Defense Forces.

On Saturday, President Reagan announced that U.S. Customs will have the ultimate drug interdiction authority from now on, nominally ending a turf battle over which agency tries to interdict what and where.

The Soviets treat their Cessna as a national security emergency.

We respond to escalating, daily willful violations of our borders by criminals smuggling in a deadly cargo by reorganizing bureaucratic systems.

Our borders are under attack and it is the highest function of our military to protect our national sovereignty.

Mikhail Gorbachev's reaction may seem extreme. And no one is suggesting that our society become as closed and restricted as a totalitarian regime. But we are facing an extraordinary incursion, a specific and deadly threat—and we can no longer afford to be lax in dealing with it.

The message we send should be clear. We, in the Federal Government are not going to duck this problem by wrapping ourselves in redtape. We must use every resource. We must be absolutely unshakable in our commitment. We must meet flagrant disregard for our laws and the integrity of our borders with all the power and purpose of a great nation.

That means reevaluating the contribution our defense forces can make to defending our borders. Our national security is being challenged. It is time we retake control of access to our own, sovereign territory.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Graham). Without objection, it is so ordered.

Mr. SIMON. Mr. President, I would like to speak just briefly on the campaign reform measure that will be pending in a few minutes before the Senate once again.

There is no greater contribution——

Mr. BYRD. Mr. President, will the distinguished Senator allow me to interrupt him for a moment?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator?

Mr. SIMON. I certainly yield to the majority leader. At any point I yield to the majority leader.

Mr. BYRD. I thank the Senator.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that the morning business end.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. This will allow the Senator to speak longer than 5 minutes without his having to ask unanimous consent once the clerk lays down the unfinished business.

SENATORIAL ELECTION CAMPAIGN ACT

The PRESIDING OFFICER. The Senate will now resume consideration of the unfinished business, S. 2, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

The Senate resumed consideration of the bill.

Mr. BYRD. Mr. President, I thank the able Senator from Illinois for yielding. I would hope that he would speak longer than 5 minutes. I would be interested in hearing what he has to say about this important legislation. I did not want him to have to use morning business to speak on this subject. I thank him.

Mr. SIMON. I thank the majority leader. It is probably the first time in all my years in Congress that anyone has asked me to speak more than 5 minutes. I frequently have had requests to cut it short, but never to speak longer.

I thank the majority leader not only for his generosity to me but for his leadership as well as the leadership of Senator BOREN on this issue.

There is nothing that we are going to be faced with in this session that is more fundamental to really seeing that our Government responds to the needs of people and not simply to the whims and wishes of the rich and the powerful who are able to help in campaign financing.

Obviously, every American ought to have representation in this body, but it should not be disproportionate so that some have much greater representation.

I do not know of any Member of this body who has introduced a bill saying let us do away with the system that we now have for voluntary contributions for the Presidential race.

Right now after the two nominating conventions, thanks to a voluntary checkoff, both candidates have the same amount of money to spend. And I do not think there are very many people in this broad country who do not believe we are much better off having made that change.

Now the question is should we have a voluntary checkoff for the senatorial races? And I suggest to you that we will serve this country well by doing that, that the present system does several things but among the things it does are these: Number one, Members of the Senate are forced to spend a great deal of time raising money.

I saw an item in the New York Times the other day where the majority leader was a little unhappy because Members were not here. We all know that when we have caucuses we will say let us keep certain nights free because we have to raise money on certain nights. That is the reality that the driving force in politics in this country to much too great an extent is raising money and it affects all of us.

I have never in all my years in public life ever promised anyone anything for a campaign contribution. But I will later today end up in New York City. Let us say that I get back to my hotel room at midnight. There are 20 phone calls waiting for me, 19 of those phone calls from names I do not recognize; the 20th is from someone who gave me a $500 campaign contribution.

Now, at midnight, I am not going to make 20 phone calls. I might make one. Which one of those 20 am I going to make? We all know the answer. Because you feel a sense of gratitude to people who are generous enough and, obviously, wise enough to contribute to your campaign.

But it means that the financially articulate have an inordinate access to policymakers; that the person who lives in West Virginia or Florida or Kentucky or Idaho or Illinois who is out of work does not have the same influence and power on this body that someone who has the ability to make heavy campaign contributions has.

We have twisted what our Government does in the process. Just no question about it. I think we have to recognize that.

I believe, in terms of fundamental reform for our system of Government to make sure that democracy really serves the people, there is no issue that we are going to confront that is more important, more fundamental, more basic than this issue of campaign finance reform. And we are not talking about reaching down to taxpayers to reach down to get money that is involuntarily given. We are talking about the voluntary checkoffs.

I think the time has come to recognize that the present system warps democracy. We have to change that. And I hope we have the judgment and the courage to do precisely that.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois has yielded the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, this body has a long and distinguished history of application of calm wisdom to pressing societal problems. No problem facing the American people more affects the continued vitality of our system, than the public perception of unfairness in our electoral process.

That perception has long been the subject of continued legislation and debate in the United States, as well it should be.

The framers of the Constitution dealt with the issue on the most basic level. During the long hot Philadelphia summer 200 years ago, that brilliant and enlightened body argued the questions of how a Senator or how a Representative were to be elected. The specter of Shay's rebellion still hung over them. It was in light of that sort of violent action that the Founding Fathers repeatedly expressed the concern that the American people must accept that whatever process they developed gave them a fair voice in the governance of their new Nation.

In 1913, the 17th amendment rewrote the process by which this body is elected. That revision to our basic law was passed for one underlying purpose; to assure to the people that their power over the Government remained intact.

In the 1970's, the Congress passed comprehensive legislation designed to once again assure the American people that the process by which they chose those who pass their laws and spend their money are fairly elected. The scheme created by that legislation was well thought out and workable. Unfortunately, it has not proven to be workable.

Part of the reason it has not worked has been, in my opinion, and in the opinion of many, lack of sufficient enforcement of the law by the Federal Election Commission. There is plenty of blame to go around for that failure; structural defects in the Federal Election Commission, lack of institutional enthusiasm, and lack of funding and staff are all our fault as much as the Commission's. All my colleagues have heard me speak on that issue, and I do not doubt you will hear me again.

Today, however, I wish to address a different aspect of the issue; the question of election financing reform. I have discussed this issue with many of my colleagues. They are not uniform in their responses, but almost all of them agree that some sort of reform is necessary.

We can all agree on certain basic principles. The American people think elections are too long and too expensive. The people believe that politicians are tied too much to special interests and not enough to the general commonweal. The most precious right we possess as a free people, the right to vote, has in the view of many been cheapened to the point where it is viewed as a commodity for sale which they do not even care to exercise.

My colleagues, our system is ill. It is within our ability to cure those ills. We are trustees of the public health; to do other than to unite to cure the system would be an abject failure of our duty, and an abrogation of our honor.

On those principles we can easily agree. On the means to a cure we are much further apart. But, let us look at the long-term interest of the Nation, and not at the short-term goals of either or any party.

Senator BOREN and Majority Leader BYRD have introduced Senate bill 2. I have cosponsored that bill. Although public financing was for me a bitter pill to swallow, I supported and continue to support the bill because, as far as I can tell, it is the only medicine which will cure the cancer which now eats at our body politic. The bill has been hammered out with a great deal of thought, and I urge this body to support it.

But, support it or not, the problem which we face must be resolved. We must deal with the excessive spending, the length of time which electoral battles are fought, and the perception of the people that an election can be purchased like a fungible commodity.

I implore, Mr. President, this body to think about the future of the Nation. We must come up with a bill which cures those ills. And if that bill involves compromise on both sides, then I say to my colleagues that politics is the art of compromise. Let us all have our say, but let that speech be rational and let us reason together. It is our right in this body to debate. It is also our duty to reach a reasonable and just conclusion based on that debate.

If, in the end, we reach some such conclusion, then this exercise will have been a valid and healthy expression of our obligation to the American people. If we do not, then we will have failed the people, we will have failed the country, and we will have failed in our obligation to history.

Let us avoid that failure and perform our duty. Let us reach a reasonable and valid conclusion after full debate, and let us perform our duty to the people, the Nation, and to history.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, I listened with keen and great interest to the remarks of my colleague from my neighboring State of Nevada.

I might just say, with all esteem and respect for my friend, that I really do not think our elective system in this country is sick and it does not have cancer. I know of no nation that avails more opportunities for people in their private lives, in their personal religious side of their lives, their educational choices that they make than is offered in this great country of ours.

Now, it is true that it may not be a completely perfect system. But, Mr. President, I would have to say, compared to what?

It would appear to this Senator that the appropriate kind of a system to deal with elections, the key to the whole process, in my view, is to have full disclosure of where the money comes from, who the workers are who work and participate in election processes, who pays them, and have it all disclosed. In other words, if a candidate is running for public office, the national Congress of the United States, the House or the Senate, they have to disclose who finances the campaign, how they spend the money and how much money is left over so it is all accounted for, where it is deposited, and so forth. So it keeps the system clean, compared with the way it used to be 25 or 30 years ago, where there really was no accounting. There were many, many more opportunities for people to have some of the campaign money stick to somebody's hands as it ran through the election process.

We have stepped one step above that now, as Senator STEVENS and others pointed out on the floor yesterday, by requiring that all moneys have to be accounted for and where they come from above a certain amount. So we do not have big amounts of cash floating around in campaigns today.

I would say as one who has been in the Congress for the last 14 years, the system has been much improved over what it was before.

My good friend from Nevada talked about the 17th amendment that was passed in 1913. I tell my constituents all the time when they say we are spending too much money in politics:

> If you want to cut out some of the money spent on Senate races, let us repeal the 17th amendment and let the legislators appoint the Senators. That is the way the framers of the Constitution intended.

I suspect we spend more money in selecting Senators because of the way we choose them.

The point I am making is that we do have a constitutional system. We have a system concerning those of us who were elected on the first Tuesday of November in 1986 where anyone in our State or around the Nation can look and say that in November 1992 those Senators will be up for reelection, so they can start running against them right now, if they want to.

That is exactly what happened in the case of my State and many other States. That is the way the system works. People who were choosing to seek the office that I now hold started running 3 or 4 years ahead, running for that seat.

Mrs. Thatcher, the head of the parliamentary government in Great Britain, is able to declare they will have an election and the vote will be taken in a matter of a few weeks. They do not have the same system we have. That shortens the time for election processes.

Mr. McCONNELL. Will the Senator yield?

Mr. SYMMS. I am happy to yield for a question.

Mr. McCONNELL. I would like to refer to the Senator's observation about spending. It is important to ask the question, spending compared to what?

Last year in this country, people across the country voluntarily contributed roughly $500 million to Federal election campaigns. Voluntarily. It was no taxpayer money. They voluntarily contributed about $500 million to participate in the American political process. Only $200 million was spent on Senate elections. Those same consumers voluntarily spent $23 billion on cosmetics and $55.4 billion on alcohol, voluntary consumer decisions about how to spend their money. In fact, the consumers of America are spending very little, it could be argued a pittance, on political campaigns.

Mr. SYMMS. I would like to ask my good friend from Kentucky a question. Does he have the figure here on the floor of how much was spent to elect 33 U.S. Senators in 1986?

Mr. McCONNELL. The figure I just gave was the senatorial figure.

Mr. SYMMS. What was it? $200 million?

Mr. McCONNELL. Total.

Mr. SYMMS. That was the total spent on all the Senate races, just the Senate races, to elect 33 U.S. Senators in 1986.

I think the Senator makes an excellent point of compared to what. I have read numbers when McDonald's started the Chicken McNugget program, they spent $39 million in the opening salvo, just to bring in people. I do not know how much Miller Lite and others spent in their advertising budgets.

Mr. McCONNELL. The bill that the Senator from Nevada supports provides for 9 percent reductions in overall spending, but shifts the majority of that spending to the Government so that the Government picks up the largest piece of that pie rather than the private sector. It really does not do much, if anything, about the overall spending. It shifts it to the taxpayers.

Mr. SYMMS. It shifts it to the taxpayers and the taxpayers are forced to support candidates which they do not agree with, which, in my opinion, runs contrary to the first amendment, the right to free speech. You have to finance your opposition by the coercion, whips, and guns of the tax collector of the United States is what it amounts to. We are talking about having a free society. Why would we want to impose this on our constituents?

I say the system is not sick and I think the Senator makes an excellent point.

I would also say that representative government is not a spectator sport.

Mr. REID. Will the Senator yield for a question?

Mr. SYMMS. I am happy to yield for a question.

Mr. REID. I appreciate the Senator's comments on my statement. I would indicate a couple of things in response to my neighbor from Idaho.

I think we would acknowledge that there is too much time spent on elections, too much time, period. I think the Presidential election is an example. If we use the figure we have been given, that $200 million was spent on 33 Senate races, that is an average of about $6 million a race. If you eliminate those races where there was very little competition, if any, we are up in big bucks.

Take a small State like Nevada. I do not think we know even yet how much we spent in the race we had. In a State stretching at 1 million people, probably $6 million was spent in that race, in a small State like Nevada.

I think while you may not agree with my thought, you would have to acknowledge, and I tried to make the statement, that our system needs looking at. We need to look at the system. A lot of people complain about what is wrong. That may not be the right figure, but I think we have to recognize something needs to be done. I am certainly one who believes that in a State like Nevada, $6 million is too much money.

Mr. McCONNELL. Will the Senator yield on that point?

Mr. SYMMS. I am happy to yield for a question.

Mr. McCONNELL. If I may ask the Senator from Nevada, what, in his judgment—

The PRESIDING OFFICER. The Senator from Idaho has the floor.

Mr. SYMMS. I am happy to yield to my friend from Kentucky to ask a question of my friend from Nevada without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. The Senator from Nevada states the conclusion, it seems to me, that spending is inevitably bad. It seems to me that under our current system, unless you happen to be a millionaire—and the bill that the Senator from Oregon and myself are proposing will do something about the so-called millionaires' loophole—unless one happens to be a millionaire and puts a large amount of his own money into it, the spending that my friend from Nevada decries comes from a whole lot of people. It is called participation. That is where the money comes from. It comes from the people who believe in the candidate who is credible enough to reach out and get a lot of support.

I am having a hard time grasping the point of my friend from Nevada as to why this spending is evil if it comes from a lot of people in small denominations and which is spent in communications, in large measure. Will the Senator explain why this is somehow evil?

Mr. SYMMS. I am happy to yield to the Senator to answer the question without losing my right to the floor.

Mr. REID. My friend raises points which are valid points.

First of all, all the statistics indicate that of the 100 Members of the Senate, approximately 40 Members are millionaires, indicating to the lay public, and I think reasonably so, that if you have money, it is easier to get elected.

Second, I think we can talk all the platitudes that we want, but when we get down to the real world, we recognize that much of the money that comes to people who are running for Congress comes from special interest groups. We can say all we want about the special interest groups being composed of people who have no concerns or no special interests, but the fact of the matter is I think we have to acknowledge that people recognize these special interest groups are just that, and they are the ones who go out and raise the money and the ones who deliver the money. How many of us in this body, other than the personal money that we raise, how many of us who have taken money from the PAC group have received the money from the contributors? Most of us receive the money from the presidents of the groups for obvious reasons.

Mr. SYMMS. Mr. President, I think I shall reclaim the floor.

I hear what my good friend from Nevada is saying. The fact is that PAC contributions come from many, many small donations, from people who work together. It brings them into the political process. The money then goes into the political campaign of the candidate for Senate and it is spent on advertising; so it brings no personal gain to the candidate.

I know that it is very popular to come in and talk about reform and we must change the system and the system is bad. Certainly, it is a lot of money to spend. This Senator does not argue that the amount of money that was spent in Idaho, for example, in this last race was not a lot of money. Many of my friends said, "Why not take all the voters out to lunch? You could afford to do that for what it costs to run in a State that has big geography, several media centers, and few people." So the costs are big.

When you see the newspapers start pushing for campaign reform, you have to remember that everyone in this country wants to have their share of influence. Political power is a zero-sum game. So if you can take away the power of some people to run their own campaigns under the Constitution of the United States, the right to free speech, you give the newspapers and the other media centers more power to select who the candidates are.

All I am saying is that I think the system is not as bad as often talked about. I claim that the United States Government's elective process, though not perfect, certainly does not suffer from cancer. It is imperfect, but certainly, when you compare it with what it was 25 years ago, with unreported amounts of cash in the campaigns—we do not have that today. All campaign committees' moneys have to be accounted for. The moneys are reported, whom they come from. The public could decide if they do not like who is getting their money from the so-called special interest groups.

If you examine the so-called special-interest groups, most of them represent people and people all have a special interest in their opportunities in the society we live in—the opportunity to work, to raise their families, to have a job, to go to church where they want to, to read what newspaper they choose or not read one at all—whatever their choice is. I think that is something we should not overlook.

Mr. McCONNELL. Will the Senator from Idaho yield for a question?

Mr. SYMMS. Yes; I yield for a question, Mr. President.

Mr. McCONNELL. The influence the Senator from Nevada proposes to limit is not included in the bill. He talks about the undue influence of political action committees and special interests. The bill the Senator supports, S. 2, does not say anything about that. It keeps the committee contribution to $5,000. To the extent that it still allows private participation in the election system, it does nothing to the PAC's at all.

It sounds to me like the Senator from Nevada should be supporting the bill of the Senator from Oregon and myself. That allows the political action committees to give nothing to candidates. That bill more aptly would describe the influences that the Senator from Nevada seeks to do something about.

Mr. REID. Will the Senator from Idaho allow the Senator to respond to the Senator from Kentucky?

Mr. SYMMS. Mr. President, this Senator came to the floor originally and asked the majority leader if it were possible for me to speak out of order. I did not realize I was going to stir up such a controversy here.

I do have some remarks which I shall withhold, since the debate has picked up some interest on the floor.

Mr. President, I shall at this point simply say, in summarizing my remarks, that I am one Member of the Senate who believes that, even though a lot of money is spent on politics and elections, we can not overlook the fact, and I want to make this point to my colleagues, that the Constitution of the United States sets the election. It says Senators shall be elected every 6 years. The 17th amendment says they will be elected by popular election of the people of the States.

The distinguished occupant of the chair [Mr. GRAHAM] who was successful in his election last fall—and I congratulate him for that—is one who was running for the U.S. Senate from the office of Governor. There are many in this Chamber who were Governors. The distinguished Senator from Oklahoma [Mr. BOREN] was a Governor in his State. They ran from a platform. This Senator had a Governor as an opponent. I want to state from experience that a Governor has a great advantage without having to contribute anything from his campaign coffers.

As Governor, he can go to any town in his State, make speeches, make declarations, have resolutions that this be the fair city of the State that day, to honor citizens. They can do this at the taxpayers' expense in their own State, and it is perfectly in bounds, perfectly within his carrying out the responsibilities of Governor. That is perfectly OK. I am not criticizing that.

But if a Governor decides that he is going to run for U.S. Senate and looks down the road and says, "In 4 years, I am going to run against Senator Such-and-Such," he has the ability to make news and the unlimited number of talks that go into that. If he is adept at it, he can be positively viewed by the voters because of the things he does and do a lot of it at the expense of the taxpayers of his State.

I am not criticizing that. That is just the facts. He can know that on a certain date 4 years from now, 3 years from now, 2 years from now, Senator Such-and-Such will be up for reelection because the Constitution dictates it.

I think maybe what we need in this country is more scholarship on the Constitution of the United States, how it evolved and why it is that it costs money to run, rather than our coming in here and trying to tax the taxpayers to force them to put up money to pay for elections. I think it is outrageous personally to even suggest that we get the taxpayers further involved in electing people to office.

As a matter of fact, if a candidate does not have the ability to get the people to help him run for office and raise the necessary funds, maybe that is one to the market tests of being a successful U.S. Senator today. If they do not have that ability, maybe they should not be in the U.S. Senate.

I know the Senator pointed out the problem of the Senate having a lot of millionaires. This Senator has only complaint about the millionaires club of the U.S. Senate: There are one too few members in that club. I would not complain at all if one or two more of us should happen to be fortunate enough to end up in that category.

I just want to say that the money that is spent on politics by citizens of this country is really their way to participate in the democratic process in this country, in a representative Government, their ability to participate in citizenship. It is a participatory system that we have. It calls upon people to know and understand and exercise their sovereignty for the things that they believe in.

The Constitution has allowed us the opportunity to have a system where the people can be sovereign over the Government. We give the Government certain powers and we tell the Government to do certain things for us. It is not the other way around; the Government is not telling us. I think when we come in and completely condemn the system, I would say it has served this country well over the past 200 years. It has been improved a great deal, and in my judgment, the key to the whole process is disclosure. As long as the money is accounted for—where it comes from, how it is spent, how much is left over, is it in the bank, what is it used for—then it is the decision of the voters. The voters of this country, the citizens of this country, have an incumbent responsibility with their citizenship to be well-informed electors, so that they can make sound judgments on who it is they want to represent them in the Senate, in the House, in the Governor's chair, the State legislature, the county commissioners. If they are not willing to do this, then I say God help this country. But I think the people are willing to do it.

Good disclosure is the key to the whole process, equity for all people so they have the opportunity to enter the process, so the market is open for those who wish to run for these jobs, for the privilege of representing their States in the U.S. Senate. That is in this Senator's view.

The key ingredient is to protect the opportunity for open entry into the political market, and then also to protect the public being able to find out who is financing whom, where their money comes from and how they spend it and for what it is being spent. If we protect those basics in this bill, then I think that is the approach we should be taking.

I compliment my colleagues, Senators MCCONNELL, PACKWOOD, STEVENS, and others for their efforts, but I personally would be very cautious about anything that interferes with encouraging small contributors to participate in the process. If we start limiting the ability of people to make contributions, I think we may be limiting participation in the system.

Mr. REID. Will the Senator yield for one last comment?

Mr. SYMMS. I yield the floor.

The PRESIDING OFFICER. The Senator yields the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I have just a couple of brief comments in response to my friend from Idaho.

First of all, there have been a number of comments about how things used to be, to go back and maybe do away with the 17th amendment, have a State legislature select Senators.

That is not going to happen. We all agree that the system is better than when there was no reporting requirements. But as with all things in life, we cannot stand still. You either go forward or backward.

Now, I believe S. 2 gives us the ability to move forward. The process is not working well. All of those who have been involved in costly Senate races in recent years know that the system must change; as Senator SIMON said, we should not spend the majority of our time during the election process out raising money.

Sure, there are political action committees, but, remember, they are not group contributions. They are made by individuals, 90 percent of the time. This bill, S. 2, reaches to some real problems we have in the system such as bundling, where people are giving money but they do not really know that they are giving to a political candidate. There are many other examples.

The point is, Mr. President—and I tried to make it clear in my remarks—that the system needs improvement. This debate certainly should lead to that. It is time that we as reasonable men and women recognize that there are problems with the system and try to improve it.

I commend and applaud the two sponsors of this legislation, Senator BOREN and the majority leader, for having the foresight to initiate this legislation and being responsible for this debate taking place on the Senate floor.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada has yielded the floor.

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Mr. President, I commend my colleague from Nevada for his statements.

We are dealing with an exceedingly important piece of legislation that is absolutely necessary for the sake of this country, that we no longer postpone action. Every time we attempt to do something in the area of campaign finance reform, there are always those who say, "I am for campaign reform in general, in the abstract, but let's wait. An election will soon be coming up. Let's wait until after the next election before we take action."

The problem is that we are always within 2 years of an election for all of the Members of the House of Representatives and one-third of the Members of the Senate. So the vast majority of the Congress are always within 2 years of an upcoming election.

Year in and year out we have waited; we have postponed action; we have failed to move. And every time we have waited, the problem has gotten more severe. More and more Members of Congress have become dependent for more than half their campaign contributions on groups outside their own States instead of people at the grassroots, individual citizens in their own States, their own districts and their own communities.

Six years ago we had over 90 Members of the Congress who had received more than half of their contributions from these sources instead of from the people back home. In the last election cycle it was over 190. Every time we wait, the problem gets more and more and more serious.

A decade ago it cost $600,000 on the average to run a successful campaign for the Senate. There were those who said, "We do not have a serious enough problem, we should wait rather than deal with this problem." And then we saw expenditures go to over a million dollars, and then we saw them go to over $2 million. In the last election cycle, we saw expenditures go to approximately $3 million on the average to run for the Senate.

As I said yesterday, how much is enough? At what point will we finally decide that the increasing amount of time and money that is being spent is simply so far out of balance that we have to act to avert a national crisis. Already we are giving the impression to our own citizens that money has an undue influence on the outcome of the election process. I am convinced, and there is strong evidence to believe, the cynicism which is causing people in this country to no longer vote, to stay away from the election process, to not express themselves through the ballot box, is at least in part due to the feeling that the people back home at the grassroots level simply do not have control of their own government anymore.

This morning, as I was driving into the Capitol, I heard a radio report. It was one of those little segments that are being played in the broadcast media this year as a tribute to the bicentennial of the Constitution. This commentary started out with the words, "We the people." The person giving the commentary said we are unique in terms of our political system. The entire document which is the basis for our governmental framework starts with the words:

> We the people through our elected representatives will make policy, we the people will chart the future course of this government.

The elected Representatives and officials in government are not those who control the people. They work for the people. We are only trustees of the people. We are only employees of the people, and therefore it is the people themselves who ultimately bear sovereignty and it is the people themselves whose voices must be heard, and it is the people who must feel a part of their own government.

Tragically, more and more people are being alienated from the process. It is easy to understand why. I related the incident yesterday where one person was quoted as saying, "It certainly is easy under the present system; we ought to feel good about it, because you can raise several hundred thousand dollars in one evening now in a fundraiser in Washington, DC." There are some Members of Congress who are receiving far more than 50 percent; virtually all of their campaign contributions are from special interest groups located outside their home States, led and directed by people who have never even had any contact with their own States or districts and do not know anything about the problems there. That person said, well, perhaps that was a good trend because we would not have to embarrass ourselves or impose upon the people back home by asking them to support our campaigns and finance our campaigns. I think that is the feeling that people are getting at the grassroots.

What good did it do to participate in the political process? What good did it do to encourage candidates which we believe in to run from our home States and districts if those candidates can be overwhelmed by a tidal wave of outside money coming from outside sources from people that have little interest and involvement in their own States?

So we lose the concept of grassroots democracy.

The people of this country, likewise, become concerned about the fact we are spending too little time in the Congress dealing with those large problems that are going to be very difficult to deal with in the long run if we do not start to deal with them now.

Slowly, but surely, we are eroding the economic strength of this country. We all understand it. We know that the current trade deficit simply must be dealt with or we are going to have to pay a severe price in the long run.

In the years between 1980 and 1985, the United States went from a net creditor nation with a surplus of some $200 billion, in terms of American investment in other countries versus investment by those countries in the United States. We had $200 billion of investment, more investment in the rest of the world than the rest of the world owned of the United States.

Five years later, less than 5 years later, a little over 4 years later, the reverse was true: We found ourselves in a negative position. We found ourselves as a net debtor nation. That has only happened to the United States twice since it became a nation.

It happened one other time, in the 1870's, the 1880's, and it happened then because our people were expanding so quickly, we were expanding our productive capacity so quickly. We were building the railroads to connect the country. We were building the transportation system. We were building new factories. We were plowing back into new equipment every single dollar we could find to build a productive mechanism for the future of this country.

This time, however, we simply did not have the capital available in the United States to meet all those needs to build for our future productivity.

This time, in the 1980's, now, the situation is quite different. We became a net debtor nation not because we were plowing back, not because we were building for our future productivity, but because we were simply consuming far more than we were able to pay for, in terms of what we were producing.

It was not because we had a shortage of investment money; it was not because we were investing so much that we just simply could not meet that demand to plow back, to build for the future, that we became a net debtor nation this time. It was because we were saving too little; plowing back too little; doing things that will build the future productivity in this country in very small measure and not in large measure.

We became a debtor nation because we were consuming so much and producing so little and we were, therefore, buying a lot more than we were selling in the international marketplace.

If that goes on much longer, the economic future of the next generation in this country is going to be severely diminished. Our generation will become the first generation that will pass on not an enhanced heritage; not an enhanced opportunity; not a more secure nation; not a stronger nation to the next generation; but a much weaker nation to the next generation—one that did not have the economic strength that it now has.

One author recently pointed out that we wiped out in 4 years the net capital accumulation of four generations. We have to deal with that, Mr. President. The people of this country are looking to us to deal with it. They are looking to us, to the President, to others, to provide leadership. They understand what an author of an article that I read recently meant when he said, that if we allow this to go on for another decade, we are going to face the choice by the year 2000 to do one of two things. We are going to either have to cut in half the amount that we are now buying from other countries or we will have to find a way to double what we are selling in the world marketplace. Either is going to result in a sharp sacrifice for that generation of Americans at that time.

They are either going to have to do without about half of what they are now consuming by cutting down on the imports into this country, or they are going to have to do without about half of it because they are going to have to be plowing that money back into savings, back into investment, to increase our own productivity, instead of consuming it and enjoying it at the current time.

So, a very massive adjustment in the real standard of living, in terms of what our people can afford to consume, is down the road for this country in the future. It will be even more massive and an even greater shock to this country if we do not find a way to deal with it.

Here we are, spending more and more and more of our time out raising money for the next election because campaigns have become so expensive. Instead of dealing with the problems that the people sent us here to solve; instead of dealing with the true items on the national agenda, we have our people concerned with raising money.

What kind of perception does that create in the American people? How is it possible for people not to be cynical about their Government when they read that the very people who are voting on key pieces of legislation are also the same people who were receiving large economic contributions to the campaign fund for their own reelection from groups that are impacted by those economic decisions?

I am not here talking about the motivation of any individual Member of this body. I think that if anyone came into the office of a Senator and said: "If you will vote this way on a bill, my PAC will put so much money in your campaign fund," they would be shown the door in a hurry. But I am talking about the perception that the American people have of the interrelationship, the appearance of the interrelationship between decisions on major issues and campaign contributions; all of which has become necessary; all of which has happened because the cost of campaigning has so much gone out of sight.

When I heard comments on the radio this morning about "We the people, under our Constitution," about "The government of the people, for the people, and by the people," I could not help but think there are a growing number of people in our country who have been infected with the cynicism that has led them to believe that instead of having government of the people, for the people and by the people, we are in danger of having government of the special interests, for the special interests, and by the special interests.

I have heard those in other countries, and let me say those in the Eastern bloc, and those speaking out for forms of government in which we do not believe, which are inherently contrary to our own, have been turning the cost of campaigns in the United States to their own propaganda advantage. They have been saying that we in the United States say we believe in free elections but, in fact, it is the amount of money the candidates can raise that all too often determines the outcome; that the highest offices in our land are really for sale, put up for auction on the public auction block to those who can raise the most money to finance campaigns. This is the kind of cynicism that we simply cannot afford.

There is an editorial this morning in the Washington Post which indicates and affirms, I think very correctly, that true campaign reform can only come when we get the amount of campaign spending under control. Without that, you cannot stop this vicious cycle that is going on, playing off of one interest group against another.

It concluded by saying that anything short of true reform which stopped the scandalous escalation of campaign spending would not be reform at all and would better be called a "fool the voter" bill than it would be called a true measure of campaign reform.

So we cannot afford to wait. We simply must restore some balance and some sense to the election process.

For years and years and years, it was understood in this country that one of the responsibilities which we had as people who were elected and sworn to uphold the Constitution was to make sure that the integrity of the election process itself was maintained.

That is the responsibility which we must exercise, and I urge my colleagues to participate in the discussion which is now ongoing; to participate in discussions on or off the floor, so that we can find a formula, put together a strong bipartisan consensus to enable us to act in this bicentennial year of the Constitution, to preserve the integrity of the election process itself.

Mr. PACKWOOD. Mr. President, will the Senator from Oklahoma yield?

The PRESIDING OFFICER. Will the Senator from Oklahoma yield for questions?

Mr. BOREN. I will be happy to yield.

Mr. PACKWOOD. I have a series of questions to ask the Senator, but I notice the Senator from Maine is here. Is he here for a long comment or to put something in the RECORD?

Mr. MITCHELL. Well, I was hoping to make my remarks in person, if I am able to do so. Perhaps 8 or 10 minutes or so.

Mr. PACKWOOD. May I ask the Senator a couple of questions first, then?

Mr. BOREN. I will be happy to respond.

The PRESIDING OFFICER. The Senator from Oklahoma yields.

Mr. PACKWOOD. Can the Senator explain to me how the bundling provisions in his bill work, on page 81? I have read it and reread it, and I do not quite understand how they work.

Mr. BOREN. The essence of it is that the PAC's or other groups would not be able to bundle. In other words, if they are out raising contributions, if the group has given DAVID BOREN the amount of contribution that I can accept which under current law will be $5,000, they cannot then go out and solicit on my behalf additional funds, let us say, $25,000 more, even though those checks are written to me. They cannot go out and solicit that amount of money and then pass it on to me and not have it count against their limit.

Earmarking would be explicitly outlawed. They cannot go out and solicit checks written by their members designated to me. The bundling would be prohibited by PAC officers or employees of PAC's, and officers or employees of connected organizations, acting for those organizations except in joint fundraising events.

Now, for example, if I as an individual person held a fundraiser for Senator PACKWOOD and Senator PACKWOOD came and attended and I had it, let us say, at my home, then obviously that is an actual event where those people are attending and I might be collecting the checks that night simply as a host or have a table at the front door. That would not constitute bundling.

Mr. PACKWOOD. Let me ask for instance, the bill defines conduit intermediary. Other than an authorized committee within the meaning of section 301(4), an "authorized committee" means principal campaign committee or any other committee authorized by the candidate, and so forth.

Mr. BOREN. Which means political parties. That means political parties.

Mr. PACKWOOD. That is not what it means. Candidates now are entitled to have any number of authorized committees. They do not have to have just one principal committee.

Mr. BOREN. The intent of that is to mean your own political committee or the political party. I have to get that part in front of me.

Mr. PACKWOOD. Or political party. The Senator means to limit it to that?

Let me ask him if that is what he means to limit it to, because that is not what it says. You are going to have a Boren-for-Senate fundraiser in Dallas. I realize you do not take political action committee money, but let us say you get someone you know in Dallas that you met and who supports you. You say, "Do a dinner for me, and charge $500 apiece." You authorize him to do it.

Mr. BOREN. Yes.

Mr. PACKWOOD. OK?

Mr. BOREN. Yes.

Mr. PACKWOOD. He is not a political committee.

Mr. BOREN. No; but I have to be there.

Mr. PACKWOOD. Why? Where does it say that? You do not have to be there.

Mr. BOREN. I think under the definitional section—what we meant to exempt was those who if you are there for a fundraiser, it is held for you, no matter who gives that fundraiser, that is perfectly all right. You come and the contributions are given.

Mr. PACKWOOD. Do you mean to say you have made this person in Dallas part of your committee—this is your Dallas chairman for BOREN, and he raises you money and there is going to be a dinner. On the night of the dinner, you cannot go because we had business on the floor. You call up; you cannot go. The money they collected becomes illegal and they cannot give it to you?

Mr. BOREN. You have to be there.

Mr. PACKWOOD. You have to be there?

Mr. BOREN. You have to be there.

Mr. PACKWOOD. All right. That is one. Then I think your bill needs to be changed.

Second, assume you are going to be there. Can you designate whoever you want as your agent as part of your principal committee to raise the money? Let us say it is going to take 2 months in preparation for the dinner and it is going to be held on December 15. On November 15 you designate the committee and the person starts to raise the funds. You are going to be at the dinner. Is this all right?

Mr. BOREN. I think it goes back again to whether or not you are physically present.

Mr. PACKWOOD. Let us assume you are going to be physically present.

Mr. BOREN. Yes.

Mr. PACKWOOD. Then it is OK.

Mr. BOREN. It is all right.

Mr. PACKWOOD. I want to read this definition of "authorized committee" again. The term authorized committee means the principal campaign committee or any other political committee authorized by the candidate. Under section 442(e), we are allowed to have 10, 20, 50 committees if we want, and they all have to report. I want to make sure we are talking about the same definition.

Mr. BOREN. It cannot be a political action committee. You cannot designate a political action committee.

Mr. PACKWOOD. You cannot designate a political action committee?

Mr. BOREN. It cannot be.

Mr. PACKWOOD. That is correct. But as I read it you could designate someone who belongs to a political action committee because your clause here is totally exclusionary.

Mr. BOREN. It cannot be an officer of the PAC.

Mr. PACKWOOD. OK.

Mr. BOREN. For example, let us say you had someone who belonged to X professional group. I have no idea what it might be. Let us say you have a banker. He has contributed to a banking PAC. He is not an officer of that PAC. And you decide that you want him to have a fundraiser for you and invite his friends. He can do that and you can designate him to receive those contributions at that event which you have to attend.

Mr. PACKWOOD. Or reasonably before the event, but he is going to be present.

Mr. BOREN. To be present.

Mr. PACKWOOD. As long as a person is not an officer of the PAC, it is OK.

Mr. BOREN. Yes.

Mr. PACKWOOD. Or employee or other agent.

Mr. BOREN. Or other agent, that is correct.

Mr. PACKWOOD. Say, you are going to have a function in Washington. Take Mike Bromberg, as an example, one of the very good lobbyists for hospitals. If he is not an officer, employee, or agent of the committee, you could designate him to do a fundraiser for you here and collect the money?

Mr. BOREN. There is nothing to keep you from doing that. It does not prohibit a fundraiser in Washington, DC.

Mr. PACKWOOD. Basically, all this does is prohibit bundling by an existing or newly created political action committee?

Mr. BOREN. A political action committee.

Mr. PACKWOOD. The bill does not stop fundraisers at all by individuals.

Mr. BOREN. And political parties. It prevents you from exceeding the limits on that particular PAC or that political party by doing what is being done now. As you know, what is being done now is that once PAC's give their $5,000 or $10,000, the PAC itself then solicits additional contributions and asks that those checks be made out to that individual Senator, or the Boren-Packwood Reelection Committee. Then they give those to you.

Under our bill that would then be counted against the $5,000 limit. So, they could not exceed the limit by doing that.

Mr. PACKWOOD. As my good friend from Kentucky, Senator MCCONNELL, and the leader of this bill, the Senator from Oklahoma, Senator BOREN, indicated yesterday there might be some room for some agreement here because it was alleged our bill does not stop political party bundling.

Mr. BOREN. Political action committee. In the discussion yesterday I thought there was implication that the bill zeroed out political action committees. In fact, it would still allow political action committees to give to political parties and would also under the way the bundling language was written, as I read it, it would allow a PAC to receive checks made out to the candidate and, in essence, be the bundling agent so that you could go to a candidate and curry perhaps more favor because you could say that X PAC, let us call it, not only has given you $5,000, here is $200,000 in individual checks from our members.

Mr. PACKWOOD. I think there is some room for genuine compromise here and I think I can speak for the Senator from Kentucky. I think we would be willing to move toward what you are saying. I want to be sure what your bill allows. Let us go back to the Texas example. Pick a banker. Say you have a president of one of the principal banks in Dallas and he likes you. He offers to put on a fundraiser for you in Dallas. He might even be president of the county banker's association, but he is not a member of the American Bank PAC or an officer.

Mr. BOREN. Right.

Mr. PACKWOOD. That is OK. He could, and I will use the word, "bundle."

Mr. BOREN. Not the treasurer of the Democratic or Republican Party, either.

Mr. PACKWOOD. No. But the fact that he belongs to the American Bankers Association does not preclude him?

Mr. BOREN. No.

Mr. PACKWOOD. That is everybody?

Mr. BOREN. Every individual belongs to some organization.

Mr. PACKWOOD. I would use the word "bundling." I do not mean here to use it derogatorily. He could over a number of months collect these checks payable to the Boren-for-Senate committee and present them to you and that would not be counted as bundling?

Mr. BOREN. I honestly will have to think about that, because I know it would not if he had an event.

Mr. PACKWOOD. We are going to have an event. It is going to be a dinner.

Mr. BOREN. If he collected some of these checks in advance.

Mr. PACKWOOD. Not only that. As you and I are aware, you better collect the checks in advance before the dinner or you are going to pay for a lot of dinners. They come in over the weeks ahead of the dinner.

Mr. BOREN. Sometimes they come to dinner, meet the candidate, and decide they would rather not give the contribution.

Mr. PACKWOOD. Neither of us wants to get in that kind of dinner. We will lose our shirts.

Mr. BOREN. I think what you are saying is correct. I will doublecheck that. In other words, if you have an event and someone designated, hopefully, there are going to be lots of events. In my State, for example, last time I think I had some 200 different fundraisers. Some of them were quite small and different people in different towns put them on for me. So you can designate all those people.

Mr. PACKWOOD. I think we are close to agreement on this.

Let me ask you about spending generally. The figure was used——

(Mr. SHELBY assumed the Chair).

Mr. BOREN. If I say one thing, I ought to clarify in our Dallas example since neither one of us live in Dallas or in Texas. In terms of the out-of-State contributions, we do provide that here in terms of meeting your threshold under our spending limitation provision in order to get the matching funds that we are talking about or the partial Federal funds funded through the income tax checkoff, you would have to raise a threshold amount within your home State, 80 percent of the money. Say the threshold in Oklahoma was $200,000. You have to raise all the money from the primary privately and then have to raise that threshold amount in contributions of $250 or less, 80 percent of which have to be in our home State.

Now, that does not mean someone could not give you a thousand dollars in Dallas and you might spend that in your primary. But, under the provisions of this bill, you could not count that thousand dollar contribution from Dallas toward the requirement, only from the home State.

Mr. PACKWOOD. I understand that. I hope before we are done on the issue of public financing, the taxpayer-supported financing is out and we can agree upon a bill, a compromise bill, that does not include that.

I want to ask a question on spending generally. Earlier someone said that $200 million was spent on Senate campaigns last year.

Mr. BOREN. Generally, correct.

Mr. PACKWOOD. For the purposes of argument, let us say $200 million. Here is where I find the argument seems to shift back and forth and a speaker will even sometimes shift back and forth. We are spending too much money coming from special interest groups. They put it all together, without even a comma. What is wrong with spending that much money if you can raise it from 10 million or 20 million people at $10 to $20 apiece, thus involving many small donors in the political process?

Mr. BOREN. I would say I would still think that would be unhealthy if most of that was being raised from people outside the home State of the person involved. I would still prefer to see us have some sort of formula that would require the raising of funds within, principally—not completely, because we realize we are one country and we do represent national interests as well as local interests—but I think some fair balance should be maintained.

I think, again, we have to be careful about how we craft this. I want to see it be fair. I want to see it have partisan balance to it that is fair so we do not tip the scales one way or the other. That is your concern, as well.

It costs a lot of money to raise money, and particularly that is true if you are starting from scratch as a candidate. Again, we are speaking about also opportunities for the challengers as well as the incumbents. We probably, you and I both, and our colleagues, have large mailing lists. We know those who have contributed to us in the past. We know the likely prospects, so we run a direct mail campaign. We are not really starting from scratch. It is pretty well targeted already and we are not going to spend a lot of postage on people very unlikely to return a contribution.

But, particularly those that are starting up their direct mail campaigns, that can be very much of an expense. It is a strange sort of thing, kind of like the old saying, "You have to have money to make money." In a way, you have to have a pretty good headstart to have the kind of data base necessary. And that could be expensive, in terms of purchasing the data base to start a direct mailing effort.

Fundamentally, I think it is very healthy for people to participate in the political process by contributing, as well as by voting. I have always wanted somebody to contribute a dollar to me because you get interest as well as their vote.

Mr. PACKWOOD. Assuming we can reach an agreement on in-State versus out-of-State contributions, although I must confess I am ambivalent about that, because for the better part of the last 19 years I have been involved in the fight for pro-choice on abortions for women in this country. I guess I get thousands of contributions from people in New York, Georgia, and Maine that support me on that issue. These people have no special interest ax to grind, other than that they share my view on pro-choice. I am not sure they ought to be precluded from giving to me simply because I am not in their State.

To come back further, you and I agree that if we can get the small contributors to give, that is good.

Mr. BOREN. Yes.

Mr. PACKWOOD. If we could get them to give $200 million or $300 million—let us say get 30 million people to give $10 a piece. That is going to cause the total spending in campaigns to go up, but is that bad?

Mr. BOREN. Is that bad, per se?

Mr. PACKWOOD. Yes.

Mr. BOREN. Well, I think at some point it does become bad, per se. No. 1, I think we have to make sure there are some outer limits so that you do not get extreme imbalances in the amount of money that is being raised. I think at some point we need to get back to the basic concept that it is individual votes that should count rather than dollars.

With dollars, unfortunately, in the times in which we are living, very often, all of us know that media campaigns can be run very effectively. We sometimes, I would say, I think, rarely, but sometimes I think we have all experienced meeting people who have hired the right media director and, if they have a vast amount of money, they can hide that candidate away from the people so that they do not realize that image created in a 30-second spot is not really too accurate. Sometimes those people get elected, even though they really do not have capabilities of governing or participating in government once they get here. That is true in both political parties.

I think you have two problems here. One, you have a problem of a large imbalance that can go up between the amounts of money—and, again, I know some commercial analogies have been drawn, but we are not here marketing soap or some other consumer item. We are dealing with selecting people for positions of public trust.

I think at a certain point of time, with the volume of money that is being spent and simply engaging in competition on the basis of money rather than in competition on the basis of ideas, a platform, and program, it becomes unhealthy.

At least, I would say that the vast increase in the expenditure of money by candidates—I happen to think that when I ran in 1978, there were probably more people, and if you want to go back further, that were being informed about the issues and the candidates in the kind of elections that were being run than there were in 1984, 1986, and probably will be in 1988. I do not think the massive amount of money that has been poured into the system has done anything to really further the illumination of the public.

The other thing I think we have to sit back and think about is that, with anything we do in terms of fundraising, there is a balance that has to be built here between the time required to do these things. Now, if the average cost of the campaign went up to $10 million, obviously the amount of time needed to raise $10 million is much greater than it is to raise $3 million, generally.

Mr. PACKWOOD. Not if you raise it from thousands of people in small amounts.

Mr. BOREN. It still can be. I can tell you that I think my decision—and this is something I had to balance myself—my decision to go back and raise the funds that I raised rather than raising them through political action committees—and I certainly do not hold myself out to be holier than thou, because I have made it clear that if I had a race against somebody who is a multimillionaire themselves or could spend their own money or had vast amounts of PAC money, that I might have to accept it as a realist to just stay even.

But I did make the decision—and I was able to abide by it, fortunately, in the last election and the preceding election in 1978, as well—that I would not take political action contributions; that I will essentially go back to my home State where 90 percent of my funds were raised. But, instead of having, say, 10 fundraisers in Washington, DC, that translated to 200 fundraisers, approximately, back in Oklahoma. So my wife and I sat down and talked about it, knowing that this decision would mean we would have to have more fundraisers and spend many more evenings and so on and do we want to do that. We decided, yes, because they were essentially being done mainly in my home State.

I think it had the additional positive effect of putting me in touch with my constituents. I was back there working, raising the funds from my constituents.

But there are limits. We are not talking in terms of absolute right or wrong or black or white.

Mr. PACKWOOD. Now, I am stunned by the lack of imagination I find in politicians—and I do not mean this is true of my good friend from Oklahoma—as to the ways that you can reach people without having to go out one by one by one.

Mr. BOREN. I certainly know there are a lot of ways of doing that.

Mr. PACKWOOD. I have seen the device used—and it seems to work well—that is, you rent some television time and 50 of your friends have coffees and they say, "At 8:30, we are going to watch Senator BOREN on television." At 8:30, you come on and you speak for 15 minutes and all of these friends collect money at their functions. So what you have done in one night, you have collected tens of thousands of dollars from thousands of people. That is a good process. That tightens democracy, not lessens it. It does not make you depend upon any single fat cat and it has not taken a great deal of time.

Mr. BOREN. I do not fundamentally disagree with what you are saying. What I am saying is that I think there are limits.

In other words, it is healthy to get people to give contributions.

On the other hand, is it healthy to require the average person to raise $20 million in revenue? Let us take it to the extreme conclusion, to make my point. I do not think it would be healthy if it cost $100 million in the State of Oregon or the State of Oklahoma to run for the U.S. Senate. I do not think that would be healthy at all for a number of reasons. If we used every kind of creative device we could think of to spare your time, raising that amount of money is a very, very major time-consuming enterprise, not only in terms of physical time but in terms of the creative thinking that you are going to have to put into raising that money.

Then there is another factor as well, and this goes back to the fairness between challenger and incumbents. Those who are have pretty fairly much decided, most of them, that they are going to run again. If it all seems to be a disease, maybe it is a good disease. I do not think it is a cynical matter but a lot is public service. There are days when we leave here when we feel that maybe we have done something good for the country. We try to. There is a satisfaction in that. People tend to want to continue to serve. I want to say that they can start that 6 years ahead. If it costs $100 million, to use an extreme example—the reason I say is that there has to be some balance maintained in all of this—to run for the U.S. Senate and the incumbents start raising it on day one, really, because of the amount of money now required, they have the first fundraisers before they are sworn in.

That challenger who is sitting out doing something else with his life or her life, running a small business or farm, whatever it is, or teaching, and they decide they want to run a year before election, is already at a huge disadvantage in terms of being able to set up this huge commercial enterprise to raise that kind of money.

I would suggest that there is an element of truth in what you are saying, an element with which I strongly agree, but I still think you have to maintain some balance in the system.

I do not go to the conclusion that it is an absolute good for the cost of campaigning to continue to soar and soar and soar. I think there is definitely a negative side to that.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Mr. MITCHELL. Mr. President, I am pleased to support the Senatorial Election Campaign Finance Act. This is one of the most important legislative issues that will be decided by this Congress.

Our system of campaign finance is integral to our governmental system. While the authority of the Government derives from the specific powers written in the Constitution and law, the substance of its authority derives ultimately from the trust of the people.

If the American people do not have faith that their government fairly represents them, that it functions in the best overall interests of the Nation, and that it respects the guarantees of liberty and justice on which our system rests, the authority of government is undermined.

There is no more certain way for government to lose the public confidence—and with it the substance of its authority—than for government to appear to be beholden to narrow, special and favored interests, separate from the common good.

Nowhere in government do we risk eroding public faith and undermining public confidence more than through the manner in which we finance our election campaigns.

With each successive election cycle, the public and Members of Congress alike see a degeneration of the process. The system is out of control. The modern campaign for the Senate has in some cases become virtually a nonstop fundraising effort.

That spectacle erodes public faith, both in election campaigns as contests based on issues, and ultimately in the legislative product as well.

And the reality means that Senators must each year devote more and more time to financing campaigns, for ourselves and our colleagues. The process is disliked by all participants: Members of Congress on whose time fund raising imposes enormous demands; voters who wonder whether their small contribution or volunteer effort or vote means anything at all; and even lobbyists themselves, who are forced to compete against each other in an ever-rising cycle of contributions.

The 1986 congressional election campaign was the most expensive in history. Almost $400 million was spent on the 469 elections for congressional office, up 20 percent in just 2 years.

For Senate campaigns, spending increased almost 30 percent between 1984 and 1986. It more than doubled over the last 6 years.

And what did that money buy? Many races degenerated into nonstop fundraising efforts to finance television commercials rebutting rival commercials. Where in such a spectacle is there time for candidates to meet ordinary voters, to set out ideas and proposals, to debate opposing views?

It is no coincidence that last year's voter turnout was one of the lowest in our history, even for an off-year election.

Something must be done to reform the manner of raising funds and to control the costs of running for elective office.

I am pleased that under the leadership of Senators BYRD and BOREN as well as Senator FORD and others who have put this legislation together, we now have a chance to enact meaningful reform of our campaign finance laws.

In the last three Congresses, I have introduced legislation to provide for public financing of Senate campaigns and I am pleased that elements of that legislation have been incorporated in this bill including limits on primary spending.

The essential element of this legislation is the overall spending limits that would be placed on campaigns for election to the Senate. Unfortunately, the Supreme Court decided in the case of Buckley versus Valeo that the Constitution does not permit Congress to impose mandatory spending limits on campaigns for Federal office. Under that decision, such limits can be imposed only on a voluntary basis.

I believe that decision to be one of the most loosely reasoned, poorly written, internally inconsistent legal opinions I have ever read. But it is the law of the land and unless and until it is changed, we must adhere to it.

That decision has left Congress with only one alternative—to provide public financing as an inducement for candidates to agree to overall spending limits.

There has been a lot of discussion in the last couple of days about the cost of this legislation and how this Nation cannot afford public financing of Senate campaigns. This bill would cost less than $50 million a year. That is less than one-hundredth of 1 percent of total Federal spending. It is only one-fifth of what taxpayers spent on an annual basis to fund the political contribution tax credit that was recently repealed as part of tax reform. It is less than the annual cost of military bands. It is less than one-half the annual Federal expenditures to subsidize the production of honey in the United States. Nevertheless, opponents of public financing of Senate campaigns maintain the country cannot afford the cost.

The opposite is true. We cannot afford not to do this because the cost to our democratic society of not doing it is too high.

The argument has also been presented during this debate that this legislation is designed to keep the Democratic Party as a majority in the Senate.

The argument has also been put forth during their debate that this legislation is somehow designed to keep the Democratic Party a majority in the Senate.

This argument evidently relates to the claim that public financing Senate campaigns will protect incumbents and there are now more Democratic incumbents than Republican.

The first point to be made is that public financing of congressional campaigns enjoys bipartisan public support and it has for years.

Some Senate Democrats, including myself, have worked for years to put in place a system of public financing that would limit spending for Senate campaigns. We did this while we were the minority party in the Senate and we have continued now that we are the majority party.

Why? Because public financing is in the national interest. There are a number of Senators on the other side of the aisle who agree but they have been constrained by their leadership to stay away from this legislation. Not because this bill would confer some special advantage to the Democratic Party but because it could limit the financial advantage the Republican Party now enjoys.

I introduced such legislation when Democrats were in the minority in the Senate, each time, until this year. I continue to support it now that we are the majority party. But if the allegation is that it was intended only to keep the current majority in place, then how account for the fact that many of us introduced and attempted to push such legislation while we were in the minority?

The claim that public financing of Senate elections is going to protect incumbents is always made when this issue arises. But there is no evidence to support that argument.

Instead, the opposite is true. It is incumbents who now have an overwhelming advantage in raising campaign funds over their challengers. Every PAC in Washington can attest to that. Except in rare instances, they simply will not give as much, if anything in contributions to challengers to run against an incumbent who votes regularly on legislation affecting the PAC.

The numbers bear this out. In the last Senate election in 1986, incumbents raised almost twice as much as challengers in total campaign receipts. Incumbents raised almost 2½ times as much from PAC's as did challengers. And, most of that challenger PAC money was raised by candidates who were incumbent Members of the House of Representatives and thus more able to depend on PAC's than challengers not then serving in the Congress.

Of the 68 candidates for the Senate in the last election, 42 were sitting members of either the House or Senate. Thirty-nine of those forty-two incumbents raised more contributions from PAC's than would be permitted under this legislation. In contrast, of the 26 challengers running for the Senate who were not Members of Congress, only 10 raised enough contributions from PAC's to be affected by the limits in this bill.

Those numbers bear repeating in another way. If it had been in force last November, this bill would have reduced the PAC contributions received by 93 percent of the incumbents running in the last election. However, it would have limited the PAC contributions of only 38 percent of the challengers.

The same story can be told by comparing the spending limits in this bill to the actual amount spent in the 1986 Senate elections by incumbent Members of the House and Senate running for the Senate and their challengers. Of the 42 incumbent Senators or Members of the House running for election to the Senate, 31 spent more than permitted by this legislation. In other words, 74 percent of the incumbents would have been limited by this bill. In contrast, only 6 of the 26 nonincumbent challengers—23 percent—would have been limited by the bill.

The conclusion is inescapable. This legislation is not an incumbent protection bill. It will restore a balance to the election process by imposing far tougher limits on the spending of incumbents than on the spending of challengers.

A real argument can be made that those who purport to be against protecting incumbents are in reality seeking to preserve the enormous fundraising advantage that incumbents have over challengers. That is particularly true when challengers are not already Members of the House.

The Senators from Oregon and Kentucky have proposed alternative changes in the campaign finance system including the elimination of PAC contributions to candidates and disclosure of soft money contributions.

If the Senators were serious about eliminating PAC contributions to candidates, the effect would be to channel PAC contributions to the national party committees. But just last year, the alternative from their side of the aisle proposed to eliminate all PAC contributions to the national party committees as a substitute to PAC limits on candidates. The Senators from Oregon and Kentucky voted for that amendment. Now they offer a proposal that is the exact opposite of what they voted for last year.

But the Senators need not worry about that inconsistency because their proposal would not actually result in a decline in PAC contributions to candidates. Instead, it would simply lead to PACs' changing their methods so that contribution checks are bundled through the PAC to the candidate. Thus the alternative would accomplish nothing, other than to permit Senators who are opposed to campaign finance reform the opportunity to vote for something which they can later claim to have been a campaign finance reform bill.

There will be several amendments offered to this bill maybe even an attempt to filibuster the legislation—not because the Members of this body aren't in agreement that the current system is in need of change—but because each of us perceives this issue through the prism of our personal interest, or through the prism of what we believe to be the interest of the political party of which we are members.

I want to say to my colleagues on the other side, in the late 1970's, the last decade, the Democratic Party failed to meet the test of national interest. Democrats then controlled the Presidency, the Senate, and the House, and Democrats could not see beyond the narrow interests of their party, so did not take the opportunity to make the kind of correction which this system needs. Now, as fate would have it, a decade later, Republicans are in the position of perceived political advantage, and unfortunately, they are responding now in the manner similar to that in which Democrats responded in the 1970's. They are unable to see the national interest beyond their narrow political interest, I hope very much that they will rise to the occasion and not repeat the error that Democrats made in the latter part of the last decade.

I recognize that because the stakes are so great, there is fear of change. That is human and understandable. But this issue demands that we put aside our self-interest and act in the common good. We have an opportunity in this 100th Congress to restore confidence in the election process and we must not let that opportunity pass.

Mr. President, I yield the floor.

Mr. McCONNELL. Will the Senator from Maine yield for a question?

Mr. MITCHELL. I yield the floor.

Mr. McCONNELL. Mr. President, I listened with great interest to the Senator's speech. I noted that he made the observation that others have made, that our current funding system has contributed to the cynicism of the voters and evidence of that is the declining participation at the polls. Is that largely the view of the Senator from Maine?

Mr. MITCHELL. I think that is one factor contributing to it. I do not by any means suggest that is the exclusive factor.

Mr. McCONNELL. I raise that only because a number of other speakers have made that point. I think this might be an appropriate time to point out that in the only elections in which we have experienced public funding, a situation exists which may be similar.

In recent Presidential elections, where there has been total public financing, both preelection and postelection, there has been a continuing decline of interest in those races.

In 1968, 60.9 percent of our people participated in the Presidential race; in 1972, there was a drop to 55.3 percent. Those were the last two entirely privately funded Presidential elections. In 1976, it dropped a percent to 53.5 percent; in 1980, it dropped a point; and in 1984, there was a slight dip upwards. It seems to me voter participation can be blamed on a lot of things: There is some cynicisms out there; we do not have the kind of elections they have in a lot of other countries. But I do not see any correlation whatever between public or private contributions and voter turnout. I do not think the Presidential race, which has been publicly funded now three times, gives any indication whatever of voter reaction to the funding system.

Mr. MITCHELL. Mr. President, I shall just note that in each of those years where a Presidential race occurred, congressional races occurred, also, so you had identical elections in which one or two candidates, President and Vice President, were elected with a system of public financing, whereas others were elected through a system of private financing. So I think it is difficult to draw any conclusion from that. I acknowledge the Senator's point is well taken.

Mr. McCONNELL. The Senator will agree that the turnout in a Presidential year is hardly dictated by a Presidential race and there has been a continued decline in participation in Presidential races, even after public funding. So I think it is really hard to reach the conclusion that getting money from the Government to run the campaign is going to make people want to participate more.

Mr. MITCHELL. The Senator mentioned the Presidential system. Does the Senator favor repealing the system by which Presidents are elected or is his opposition to public financing limited to Senate campaigns?

Mr. McCONNELL. Yes. To be perfectly frank with the Senator from Maine, I sort of have mixed views on the way in which we elect the President in this country. I do not think I have a very strong opinion one way or the other. That is, of course, not the issue before us.

Mr. MITCHELL. Right.

Mr. McCONNELL. The question is whether we are going to institute a system which greatly diminishes the participation in elections for Members of the Senate. I do have a very strong belief about that as the Senator knows, but I have no particular view one way or the other about the way the Presidential system under public financing has worked.

Mr. MITCHELL. I would just make the observation before I leave, I believe that the system of electing Presidents with partial public financing represents an improvement over what it previously was, particularly following on the disclosures of some of the events that occurred under the previous system. I think it is much healthier for the candidates and for the public and I think it is pretty generally well accepted.

If it is good enough to elect Presidents in that way, I do not see why it is not good enough to elect Senators. I do not want to suggest that Senators individually are in the same position as the President; certainly they are not, but collectively the Senate is an institution of significance in our society and the decisions made by the Senate collectively I think are such that they impact on the Nation to a significant degree similar to that of the executive branch.

Mr. McCONNELL. I know the Senator from Maine indicated he had to leave, but I might say there is one thing that the Presidential system clearly has done and this might be a good time to make that point. If the Senator from Maine has to leave, I understand. But it was a point I intended to make anyway. It is pretty clear one thing has happened under public financing of Presidential races, and that is that there has been a proliferation of candidates. It certainly has encouraged a large number of people, Mr. President, to go out and run for President.

One of the reasons for that, one of the obvious reasons, is that with rather limited success in the area of raising money, one can anticipate an entitlement check from the Federal Government to go on. And so I think it is reasonable to assume that that kind of experience would be expected in races for the Senate under S. 2.

We had an interesting debate yesterday afternoon for 4 hours, we covered a lot of ground, but one of the areas we did not touch on was the proliferation of candidates that is likely to be anticipated under S. 2.

So let us talk for a minute about how the system would operate as I understand it.

In Kentucky, the State in which I have some interest, the minimum threshold amount that would have to be raised by a candidate in order to qualify for public funding is $271,500. In Alabama, Mr. President, the figure is $293,800.

What that means is that if you go out and raise that amount of money, you will get from the Federal Government, if you are the nominee of the Democratic Party or the Republican Party in Alabama, an entitlement of $987,600 to run your campaign and your Republican opponent the same.

But alas, there is an opportunity for a proliferation of candidates in that general election campaign. Someone who has maybe aspired over the years to see his name not only on the television could go out and upon raising that same threshold amount, which is really not that large amount of money; if a candidate just has some credibility, he can go out and raise that amount of money in Alabama—he would then on a dollar-for-dollar basis—in other words, the next additional dollar he raised above the threshold amount he would get a dollar from the public up to one-half of that entitlement figure in Alabama, which is $987,600.

So to go back, this third party candidate, not credible enough to be the nominee of either party in the primary, by the act of raising $293,800 would then, as soon as he got above that figure, on a dollar-for-dollar basis be able to get up to $494,000 from the taxpayers of this country in order to seek public office in the State of Alabama.

Now, my suspicion is that there might just be a number of those folks out there in Alabama and in Kentucky and in Oregon who with a rather modest degree of success at the business of garnering support will get a rather large amount of taxpayers' money to run their campaigns.

I think it is totally logical to assume, Mr. President, that we are going to have a proliferation of candidates all across America, a proliferation of candidates whose races are going to be funded by the taxpayers of this country. We said very little about that yesterday and none about it today—the little-known parts of S. 2 that are going to make this bill enormously expensive.

Now, I might say, Mr. President, I think it ought to be a little bit difficult to run for public office. I think you ought to have to work for it, you ought to have to get a lot of support to do it, and to pull it off it should not be easy.

I am not sure that it is good public policy, in fact I know it is not, to just make it very easy for everybody out here who can demonstrate just a little bit of support to get a check from the Federal Government to keep on going.

The Senator from Oklahoma I see has come back on the floor now and he asked rhetorically yesterday about those youngsters in Oklahoma who asked him, "Senator BOREN—I forget the exact question—"What is it like to run for office? What does it take"? And he described to them the amount of money that they might have to raise. He said they were appalled.

I might say that under the proposal of the Senator from Oklahoma they would not have to raise all that much. One could go out in the elections as an independent candidate and in Oklahoma by raising $237,900, they would then on a dollar-for-dollar basis match up to—I am getting my trusty assistant to divide that.

Every one of those students, I say to my friend from Oklahoma, may well be able to run for the Senate for S. 2. It may not be all that difficult and they will be able to do it at taxpayers' expense. And so the Senator can say to those youngsters next time he is before them, "If you go out in our State of Oklahoma and raise $237,900"—and many people can do that—"then our taxpayers on a dollar-for-dollar basis will provide you an additional amount up to $437,000 to run for office and most of you, the Senator can say to those students there in the classroom, "will indeed be able to run for the U.S. Senate and the taxpayers of America will pay for it."

Mr. BOREN. Will the Senator yield?

Mr. McCONNELL. I yield to the Senator from Oklahoma.

Mr. BOREN. The Senator does understand that under the terms of the primary elections under which they might well have to run—and have to run in the State of Oklahoma—there would be no public funding at all in terms of the fundraising for primaries.

Mr. McCONNELL. I might say to the Senator from Oklahoma, the Senator from Kentucky completely understands. We are not talking about running in the parties. We are talking about independent candidates.

Mr. BOREN. In the general election?

Mr. McCONNELL. In the general election.

Mr. BOREN. Did the Senator from Kentucky support the concept of payment of the tax credit, $100 tax credit which previously was in effect for those who gave to political candidates?

Mr. McCONNELL. I had no particular position on that one way or the other. I did not mind seeing it go in the tax reform debate.

Mr. BOREN. I just want to make sure he is being consistent because, as he knows, the tax credit under which we have operated—I assume that the Senator from Kentucky, when he ran the first time, told those who gave to his campaign that they could get a $100 tax credit for doing so. That cost $220 million a year, which was a much higher figure than the projected cost of the partial public financing.

Mr. McCONNELL. As my friend knows, we are not subsidizing elections these days. I think that is fine. I think people will still be able to raise an adequate amount of money to go out and campaign, because we have all said frequently—at least some of us on this side of the aisle—that the amount you are able to raise is participation. This was the point I was seeking to make when my friend from Oklahoma was on the floor a while ago, but I could not get his attention.

Mr. BOREN. Will the Senator yield further?

Did the Senator know of any other means, under the case of Buckley versus Valeo, to limit total spending, other than through some sort of voluntary spending limit system which involves at least some partial public funding as under the Presidential system?

Mr. McCONNELL. Yes. I might say to my friend from Oklahoma, I do not think there is another way, nor do I think that is desirable. As the Senator from Oklahoma knows, it is the position of the Senator from Kentucky that the ability to secure support, particularly under the current law where no individual can give you very much, that that is an example, indices of broad support. I think that what drives the costs of campaigning is good competition.

My friend from Oklahoma was lucky in 1984. He did not have much competition. I congratulate him for that. Obviously, people from Oklahoma thought he had done a spectacular job and nobody had the courage to take him on.

The amount raised was $31,000, so there was not much spending in Oklahoma; and that is great. But in a State where you have a truly competitive race with two credible, qualified, capable candidates, it is going to create support in the form of financial contributions, and it is going to generate them from a large number of people.

So I say to my friend from Oklahoma, I do not think it is desirable to put an artificial cap on how much support a candidate can achieve.

Mr. BOREN. May I ask a hypothetical of my good friend from Kentucky? Would he think it would be all right, not a bad thing, if, say, it cost $50 million to run for the Senate; if in the next election cycle or 10 years from now it would jump to, say, $50 million? Would there be anything wrong to take $50 million to run for the U.S. Senate from Kentucky? Would it bother the Senator at all if the cost got that high?

Mr. McCONNELL. The Senator is asking a hypothetical, of course, that is never going to occur. He is assuming, of course, the rate of increase in campaign spending is never going to ease.

Mr. BOREN. Suppose it did.

Mr. McCONNELL. If I may, I have the floor. Let me go on on that one point and then I will yield to the Senator.

The rate of increase in campaign spending is actually coming down. From 1976 to 1978, there was a significant increase in spending for congressional races; it went from $115.5 million to $194.8 million, which was a 70-percent increase; 1976 to 1978.

Then, from 1980 to 1982, from $239 to $342 million, a 43-percent increase;

then, from 1984 to 1986, $374.1 million to $450 million, a 20-percent increase.

That is still an increase. I will put it another way, it is still a greater and greater number of people participating in the process. More and more people stepping up to a campaign and saying: Yes, I want to support candidate so-and-so, and I am willing to make a contribution to support my view.

But that rate of increase is coming down, and I think the hypothetical that my friend from Oklahoma suggests, some astronomical amount of money to be raised out there in a given State, is pretty remote. I do not think that is what we are dealing with.

But I say to him, if there were that many individuals, that many individuals under our rather severe limitation on individual contributions, who would seek to contribute, then I think that would be a candidate who had a heck of a lot of support, and that should be commended and not condemned.

Does the Senator from Oklahoma want to pursue this further?

Mr. BOREN. I apologize. I was being engaged by another colleague. Will the Senator restate what he just asked?

Mr. McCONNELL. Basically, we were just continuing the discussion about the desirability of spending. I was making the point that I thought the estimation of the $50 million expenditure in a State the size of Oklahoma and Kentucky, with all due respect, is an absurd suggestion. I do not think that is in the cards, because the rate of increase is already beginning to come down, and my friend knows that what drives the cost of campaigns is two things: Good competition among two capable opponents who are able to attract a lot of support and the cost of television.

I want to make an observation about the cost of television. My colleague from Kentucky, Senator FORD, and I yesterday were talking about the Kentucky gubernatorial election, which was about a week ago, and the cost of it.

Now, the bill of the Senator from Oklahoma did not address that, nor did my bill address that. But it is a legitimate subject for inquiry, whether or not we should. We can do that, require lower prices for television, which is clearly the most effective and efficient means of reaching the voters these days. Maybe we ought to be taking a look at lowering the cost of the most effective means of communicating with our constituents.

I noted in Monday's Kentucky Post, which is the northern portion of Kentucky, some observations about the way the television stations operate as you move down toward election day.

I quote from the article by the reporter named Bill Straub, a political reporter from the Kentucky Post.

> All television stations are required under the FEC itself to sell candidates ad time at the lowest possible rate. Stations traditionally increase their lowest rates during the campaign season.

Before the 1987 guberatorial primary, Wilkinson—that is the fellow who won the Democratic primary in Kentucky—

> Said he was able to purchase a 30-second spot during Wheel Of Fortune in election season for $550. The cost increased to $950 when the election got interesting.

So, the two things are clearly driving up the costs of campaigns. One is the cost of television, the cost of television itself.

I wonder if my friend from Oklahoma would have any interest in that kind of approach as we approach areas of potential compromise.

Mr. BOREN. We provided in our bill, and I think very validily, that the lower rates of advertising would be available to only those who would accept voluntary spending limits. I think that is an appropriate area of concern.

I would say that I think that the spending is being driven as much as anything else by the availability of money; and that it is no coincidence that as money available from PAC's, for example, has gone from $12 million to over $140 million, the cost of campaigns has gone up correspondingly, because however much money is available tends to get spent.

Those that are running for office want to make sure they win so that if there is an additional $1 million available or $2 million available, whatever the advertising rates are. I think whatever the mailing costs are, I think candidates rather than take it for granted that they are going to win the election are going to spend that amount of money.

So I think that the availability of money—that is one of the reasons why I feel so strongly that there have to be some sort of limitations if we are going to have true reform; that the availability of money itself will continue to drive the cost.

The costs of media consultants, for example, I was amazed when I ran last time. I continue my practice of writing my own television spots. They might be a little better if I could get somone else to write them for me. but I tend to write them myself.

People came in and they wanted to charge me $400,000, up front, to be my media consultant and to advise me about how to talk to the people of Oklahoma. Then they wanted a commission on top of that, 10 or 20 percent on every spot that was run. I thanked them very much and continued to limp along by writing my own.

But I think that, again, we have in place an industry now that is growing and is delighted with the tidal wave of money that is coming in, because I dare say that 10 years ago when we were not spending nearly as much on campaigns, the media consultants and others were not charging as much either.

So I think it is a part of the problem, but I certainly do not think it is the whole problem.

Mr. McCONNELL. I say to the Senator from Oklahoma that we refigured the spending limits in S. 2, and I have to correct my observation of yesterday.

The fact is that if you count in the appliance money, S. 2 involves only a 1.7 percent reduction in spending.

So, my friend from Oklahoma has argued that we ought to have reduction in spending, certainly S. 2 did not accomplish that.

A 1.7 percent spending reduction is really not very significant.

Mr. BOREN. Mr. President, will the Senator yield?

Is the Senator saying that the spending limits, if the candidates spent the amount that they are authorized to spend, that that only reduces it 1.7 percent?

Mr. McCONNELL. The 1.7 percent spending limit, as I understand it from staff, overall spending limits envisioned under the Senator's bill, set out State by State, if you add in the applicance figures, represent only a 1.7 percent spending reduction over what was spent in 1986.

Mr. BOREN. I do not believe that is correct. I think that the Senator will find that the result amounted to about a 50 percent reduction in the amount actually spendable, unless he is also including the fact that we require a candidate, to be eligible under the general election system, to set a spending limit in the primary which would also be 60 percent of the amount spent on the general election.

But, for example, the formula in my State works out to I believe it is approximately $1 million, which would be $2.2 million between the two nominees. The candidates last time together spent well over $5 million.

Mr. McCONNELL. We can debate on that.

Mr. BOREN. As to the cost of campaigns in contested races last time, I know the example of California, for example, which I believe would result in something like a 400 percent reduction in that State, the overall ceiling compared to what was spent.

Mr. McCONNELL. The point of the Senator from Kentucky is that the overall amount of spending allowed under S. 2 according to our figures, and we will be glad to huddle in the cloakroom on this, if you like, but according to our figures I said yesterday represented only a 9-percent reduction in overall campaign spending and that was not contested by the Senator from Oklahoma.

I say today that we refigured that including the compliance cost allowed in S. 2 and there is only a 1.7-percent overall decrease in spending.

So, if the Senator wants to do something about the reduction of spending in campaigns S. 2 seems to me does not accomplish that.

If I could ask my friend from Oklahoma a question, I do not think I got the answer to a while ago, let me repeat: Would the Senator from Oklahoma be interested in including in some kind of compromise bill that we can make bipartisan addressing the costs of television?

Mr. BOREN. I would say that I certainly would be willing to look at that. I think we would have to be fair in terms of how we would address that and it would not be fair, I think, for one industry to be asked to bear the full costs. You have all other kinds of media other than just television. You have direct mail and you have a lot of other things that go into campaign costs at this time.

Mr. McCONNELL. Given the cost I am sure my friend will agree the cost of television is high. I referred to the Kentucky experience, which is very common. This is what happened last week. The stations came in and jacked the rates way up toward the end of the campaign. They were required to give the television spots the lowest unit rate but if you raise the lowest unit rate then what you do is get rich off the candidates right around election time.

It seems to me that one way of addressing this business of holding down costs is to get at the question of how much they can charge candidates who are running for public office—not selling soap, running for public office—how much they can charge us. Thus my question to my friend from Oklahoma, how about taking a look at doing something about the escalating cost of television which is in fact what is driving the cost up?

Mr. BOREN. I would say to my good friend, and I think that is fair, that we should look at that. What I was saying a while ago, those who participate under our system would be allowed the lower rate. I do think we have to put in some sort of requirement—I do not know if we want to get in the business of direct price control here—setting up some kind of mechansim where the Government would determine advertising rates of television stations.

But I think the Senator just pointed out an abuse where we say that the political candidates should receive the lower rate. If the station can get around that by coming in during the election season and raising all their rates temporarily in order to obviously elevate that rate, then they are really getting around the intent of the law and the policy now in place. We might well need to come back in and make it clear when we talk about the lower rate, we are talking about the lower prevailing rate or the historic rate in a way that they could not come in at the last minute and make excessive profits off the campaigns.

Mr. McCONNELL. Right. That is precisely what they do now in most places.

I think you could, however, draw a distinction between appropriate Government involvement in setting prices for running for public office as opposed to Government involvement for setting prices for selling soap.

Mr. BOREN. Yes.

Mr. McCONNELL. I do not think it would be entirely inappropriate. We have encouraged them to provide equal access and we have encouraged them to provide equal time for matters relating to public affairs now. It seems to me not totally unthinkable to say that when you are selling advertising for a race for public office some kind of more favorable rate structure would be in the public interest.

Mr. BOREN. That is something I think that should be explored and I think particularly as to the kind of abuse that the Senator just outlined, there should be some way to prevent that kind of abuse. I think that is something that certainly I would like to explore with the Senator. I think it is very worthwhile. I think we do have to still keep some sort of balance in terms of the burden on one particular group to bring back campaign reform or to also monitor or to enforce. This was an objection raised as to an earlier provision patterned on one offered by Senator DANFORTH which Senator Goldwater and I included in the original draft of out legislation last year. The broadcast media came over and said:

> We don't think we alone ought to be asked to be, in essence, the enforcers of those who decide about standards of attacking a candidate or negative attacks.

There are all sorts of areas in which we could become involved. I think certainly it is an area we should explore, particularly this economic side, within the bounds of not being unfair.

Let me say to the Senator, a moment ago I think I did answer incorrectly to his question, when he was talking about the amount of total spending you were cutting back. The Senator is correct. We are not cutting back tremendously on the present amount. We are reducing it very slightly from the total amount that is being spent out.

The Senator from Oklahoma had in his mind the amount that is being spent by PAC's. When I talked about the reduction of approximately half or little more than half, I was thinking in my own mind that you were asking me about PAC's. With our formula, we would be cutting back on the amount that PAC's gave in the last election cycle by a little more than half.

Now, on total spending, we did not make a drastic reduction in total spending but more or less held it to very slight reduction. The Senator is correct.

The reason for that is a reason that partially has been raised by the Senator from Kentucky.

The feeling was that if we were to set a limit that was too low, very low, that you would not unduly handicap the challenger. The Senator from Kentucky has pointed out that with the exposure that certainly there is a certain point at which a challenger is not given a chance unless the challenger has an opportunity to explore his views, his character, and his qualifications for office.

So we want to make sure we did not set the limits so low as to handicap the challenger.

So the Senator was correct in that the Senator from Oklahoma was thinking about total PAC spending which would be reduced by approximately 50 percent.

Mr. McCONNELL. I understand the point of the Senator from Oklahoma. I thank him for the correction on the spending limits.

I want to say to my friend from Oklahoma, he has made several references to political action committee contributions. Not only the Senator from Oklahoma, but others who have spoken in favor of S. 2 have made the point that political action committees and the proliferation of political action committees and the size of their contributions have no doubt contributed to the cost of campaigns.

I might say to my friend, the Senator from Oklahoma, the Senator from Oregon and I have suggested that we eliminate that source of contribution entirely; we just simply zero out political action committees' contributions to candidates entirely. So that we eliminate one source of money that I gather my friend from Oklahoma thinks has been driving the cost of campaigns upward.

I might say, beyond that, I understand there has been some criticism by Common Cause and others that the Senator from Oregon and I simply want to open up a loophole, whereas we want to keep the PAC's to give to parties and make independent expenditures. I want to say, for myself, and I believe also the Senator from Oregon, we certainly are willing to eliminate PAC's altogether, whether they give to candidates, parties, or independent expenditures. If you do that, then certainly you deal with a source of funds, a relatively new source of funds that has been coming into the system over the last 10 years. I wonder if my friend from Oklahoma might agree that that kind of approach would do something to inhibit the increasing cost of campaigns.

(Mr. BREAUX assumed the chair.)

Mr. BOREN. Mr. President, I certainly agree with the Senator from Kentucky that it would. And I am very pleased to hear him restate a part of our conversation of yesterday that he is very interested in pursuing the possibility of zeroing out PAC's altogether in terms of contributions all the way around. And I do think that there is some relationship very definitely between the increasing amount of money being poured into the process by PAC's and the escalation of costs and otherwise, and also the erosion of the number of people at the grassroots participating and contributing. So this is something I would certainly be willing to explore with the Senator from Kentucky.

Mr. McCONNELL. Mr. President, the rate of increase in campaign spending is already coming down without any new legislation. If one adjusted the system further by doing something reasonable about the cost of television—for example, requiring the stations to sell the time at the lowest unit rate for the year prior to the election, so that the rate is tied to a time when there is presumably not an election going on. And if you zeroed out the PAC's altogether, it would seem to the Senator from Kentucky that the rate of increase in campaign spending would take care of itself without an arbitrary limit on spending which tends to decrease the percentage of people out there across America, and in particular in our States, without limiting their participation in the process.

After all, Mr. President, that is what spending limits do. They say to the American people: "You can't participate beyond a certain point."

The Senator from Kentucky does not understand the argument that somehow spending has—the word "scandal" was used on the floor yesterday; the spending going on in political campaigns was scandalous. In fact, the amount of money being spent on political campaigns in America is a pittance compared to what is being spent by the consumers of this country on a variety of other products much less important to the country then choosing our elected officials.

I might say, on the spending issue, the top six cosmetic manufacturers spent $882.7 million on ads in 1985 alone; just on cosmetics. Revlon alone spends 8 percent of its sales income on ads; 8 percent of its sales income on ads, certainly a larger percentage than the average voter contributes from his disposable income to campaign.

Quaker Oats, Mr. President, will spend $20 million advertising just Ken-L-Ration and Kibbles 'n Bits—$20 million on that.

Consumer spending—this is voluntary spending, not advertising, how much our consumers out there, just like our voters out there contributing to races; our consumers out there make decisions about how they are going to spend their money on their behalf. Consumers in America last year, just on eating out, just on eating out, spent $121.4 billion. We spent a little under $200 million for voluntary contributions on Senate races. The consumers of America voluntarily spent $121.4 billion eating out.

Why, Mr. President, even on bottled water, consumers of America spent more on bottled water—$229.9 million—than we spent on Senate races last year; more on bottled water.

So, Mr. President, when they say that spending on political campaigns is scandulous or outrageous, I say: Compared to what? Compared to what? Compared to almost nothing it is outrageous.

Mr. REID. Will the Senator from Kentucky yield?

Mr. McCONNELL. Yes, I yield to the Senator from Nevada.

Mr. REID. My friend from Kentucky has several times during the course of this debate used the example of what people spend on other things. Of course, we just heard the Senator talk about cosmetics again and Kibbles 'n Bits.

My response to that simply would be that we are not talking about dog food, nor are we talking about face makeup. We are talking about 33 people, 33 men and women, who spent for these 33 offices—and sometimes of course there were more than 33 people, but basically 33 offices—spent $200 million, which is the figure that you used, compared to 260 million people that are spending money on other things. I, frankly, do not think that it is a good comparison. I think we are talking about 33 Senate seats and trying to make it a more reasonable, rational system.

Again, going back to some of the discussion earlier held, the system has improved over the years. I think it is better now that we have some spending limits, I think it is better now that we have disclosure than previously when none of those existed. But let us look at some of the aspects of this bill.

Let us not talk generalities, even though I, again, suggest that the analogy made is not a good one between dog food, cosmetics, and running for the U.S. Senate.

If we look at some of the specifics of this Senate bill, S. 2, you will find some very good things. Let us talk about the antibundling language.

In the Senate race I just completed, I had some experience with bundling. This bill, S. 2, explicitly outlaws earmarking; that is, contributions made to political committees which the committee then transmits to candidates as contributions from the original contributions outside the committee's contribution limits.

Let us talk specifics rather than the language of the proposed statute. In my race the Republican Senatorial Campaign Committee and the Democratic Senatorial Campaign Committee could legally give to a candidate running for the Senate from the State of Nevada approximately $100,000. It is interesting to note, however, in the State of Nevada, through this bundling concept, that is probably under the present law illegal—but certainly S. 2 makes it explicitly and unequivocally clear that bundling would no longer be allowed—but in Nevada $800,000 came from bundling.

There is only one other State that I understand had more money that came from the bundling concept, South Dakota in the Daschle race.

This law specifically prohibits bundling.

I heard the Senator talking to Senator BOREN earlier. Let us talk about maybe compromising, let us talk about limits with television spending.

I would like to talk about this antibundling language and find out if my friend from Kentucky has any opposition to having this provision in the law.

Mr. McCONNELL. If the Senator will yield for a response, I am happy to respond to his observation.

First of all, I know my friend from Nevada is an enthusiastic supporter of S. 2, and I believe he knows it does not decrease campaign spending. There is only 1.7 percent reduction in campaign spending. What it does is to institutionalize and codify that level of spending and then allow it to adjust upward in coming years.

As the Senator from Kentucky pointed out, the rate of increase in campaign spending on its own is already beginning to wane.

On the question of bundling, which the Senator from Nevada has raised, I would yield to my friend and colleague from Oregon on that issue.

Mr. PACKWOOD. Exactly what does the Senator from Nevada mean by bundling? What are we talking about?

Mr. REID. I did read from the statute, but basically—and let us be specific in a case that I am familiar with—money is solicited, for example, by the Republican Senatorial Campaign Committee, saying, "We want you to help us maintain the Republican majority in the Senate."

People send money in. There is a law that says that a senatorial campaign committee can only give to a candidate from the State of Nevada $100,000. The money that is sent in by these individuals from all over the country is then bundled and earmarked not to the senatorial campaign committee but to an individual candidate.

The New York Times, as an example, went out and conducted a survey. They went to individuals and said, "We see you have given money to candidate X."

They said, "We don't know who candidate X is. We gave money to the senatorial campaign committee."

They never heard of the candidate to whom their money was directed.

That is a process where, in the State of Nevada, $800,000 was put into the State of Nevada.

Mr. PACKWOOD. I want to know what you mean, however, by bundling. For example, do you intend to stop all bundling? Much of what the courts will interpret or the FEC will interpret may depend on what we say here. Can a person put on a fundraising dinner for you, collect money from all kinds of people, and give it to you? Is that bundling?

Mr. REID. I do not know how all dinners are conducted. I have not been involved in a number of them, but I have been to a few where a person says, and I am using your name instead of mine, "Senator Packwood makes a great Senator from the State of Oregon. We want him to stay there. I am going to help him. Will you help him?"

People write out checks. We have all had experiences like that. That is not bundling. That person makes out a check to Senator Packwood.

Mr. PACKWOOD. And can a person who is a lobbyist in Washington, who is not precluded by your bill because he is not an officer, agent, or employee of a political action committee, can he put on a dinner for you and collect money from different people, write a check out to reelect Reid and give it to you?

Mr. REID. Is there any problem under present law? Absolutely not, and there would not be any problem under this law.

Mr. PACKWOOD. That is what I thought. So we really are not stopping bundling in the broadest sense of the word. You are aiming at a particular type of bundling.

Mr. REID. If the Senator will yield, of course there is a significant difference. In the instance you have just given, that person is directing the money specifically to a Senator Packwood or a Senator Reid. In the instances that I have given, a person is giving a check to the Senatorial Campaign Committee and there are limits, legal limits, that that committee can give.

Mr. PACKWOOD. I want to make sure I understand. Now, can the Senatorial Campaign Committee then go out and instead of having the check made payable to them solicit the check made payable to you and pass it along as an intermediary?

Mr. REID. I see nothing wrong with that whatsoever. But understand also, there is a limit. They can go out and solicit but after you reach the $100,000 limit, and it is more in Oregon because there are more people, after you arrive at that limit you are limited by law.

Mr. PACKWOOD. In other words, that is a contribution not from an individual but from the committee.

Mr. REID. What I am saying is that if the committee goes out and solicits these $5 and $10 amounts they can do it as much as they want because that individual is giving a check to Senator Packwood or to Senator Reid.

Mr. PACKWOOD. So that is not limited by the amount that the Senatorial Campaign Committee can give.

Mr. REID. Of course not.

Mr. PACKWOOD. So if the Senatorial Campaign Committee did not take the checks made payable to the committee but instead writes the check to you but says this check came from Mr. Jones, that is not allowed; but if Mr. Jones sends the check directly to you or to the committee and they forward it to you, that is OK.

Mr. REID. I think it is clear that if they direct the check to you or to me and it goes to our campaign committee, it is legal. There may be a legal question if, in fact, the money is directed to the committee.

Mr. PACKWOOD. Let us skip that for the moment. They send out a mailed piece. Instead of giving your opponent $100,000 because that is the limit, they spend $100,000 on your opponent's behalf, and they send out a mailing to 2 million people. They ask those 2 million people to mail money to your home, straight from the donor to you or your opponent, and that raises $400,000 for your opponent. That would be OK?

Mr. REID. My clear understanding is that it would be.

Mr. PACKWOOD. Mr. President, I do not know if we are coming close to an agreement here or not. In talking to the Senator from Oklahoma, I am hoping we are. Again, I want to put some things in some perspective, if I might. The Senator from Kentucky and myself, as far as we are concerned, and I do not know if we can speak for the majority of our side or not, we are willing to put PAC's out, that they cannot bundle. That is out. That, I hope, will take care of the charge of special interest money. This is the derogatory term often used for PAC contributions. They would just be out. We cannot stop them from spending their money independently. Buckley versus Valeo does that, particularly under the present law. We do not have the legal power to stop that. But they will not be able to contribute.

I do not know if we have the votes in this body to do that or not, but they can count me as one vote that would do it.

Second, the argument is raised, apart from the allegation that special interests buy our ear, buy our votes, that we are spending too much money anyway, regardless of where it comes from.

That spending, I have suggested, could be significantly reduced, I think if we set a contribution limit of $100 per donor, not $1,000 as presently.

One of two things would happen if we set a contribution limit at $100. Either the total amount of money that comes into campaigns would go way down because you have cut off the big money, the PAC's, and you are limiting it to $100 donations; if it goes way down, that should satisfy those say we are spending too much money.

Or, if by chance you dramatically increase the number of people who give you $10, $20, or $30, the spending level might stay the same; but you would be bringing it in from literally millions of people. I have made the argument before that I think the political process would be furthered if we can encourage 20, 30, or 40 million people in this country to give $10 or $20 apiece to congressional and senatorial campaigns. If they give $10, they will be interested in the campaign, they will be interested, they will lick envelopes, help you get your vote out, make telephone calls. I think that is a good way to further democracy.

I do not buy the argument of those who advocate public financing as the hook to reduce spending, that that is the only way you can do it. If you set the limit low enough, you will get the spending down. If $100 does not get it down far enough, lower it to $40 or $50, and finally it will be low enough that you will not collect as much as now.

But do you know the argument made against that? It would make us work too much. We would have to work weekends and evenings to collect all this money in $10, $20, and $30 amounts. So, rather than us work, we will make the taxpayer work. Let the taxpayer work evenings. Let the taxpayer work on weekends and then we will take the money from them. It is a lot easier than us working.

I am happy to put that issue to the Senate and to the public. As between the taxpayer and the politician, which of us ought to have to work for the money for our elections, us or them? I think us.

It is not going to have to be just the Senator or the Congressman calling up night after night 10,000 people, 50,000 people to give $10 apiece. The people who will be able to raise this money are those who have extraordinarily zealous volunteer supporters in their States.

While an argument might be made that somebody in West Virginia or Oklahoma would give $1,000, or $2,000 for a husband and wife, or $3,000 for a husband and wife, primary and general, or $10,000 for a political action committee—$5,000 primary and $5,000 general—to a race in Oregon, the implication might be that they are doing it for a special interest that they might have—maybe it is related to coal mining—in West Virginia. But you are going to be hard pressed to get somebody in West Virginia to give $5 or $10 to a race in Oregon so they can have some special access for some interest they have in West Virginia.

So my hunch is by making the rate low enough, you ipso facto force most of the candidates to raise the money in their States, where the voter does have a direct interest in you.

I have been in the Senate almost 19 years now and I am fully aware that the likelihood of getting the Senate or the Congress to pass a bill which sets campaign limits at $100 and totally eliminates political action committees and forces us to work hard to raise the money is almost nil. I think that it is an infinitely better system than forcing the taxpayers to work hard and then give us the money.

Mr. REID. Mr. President, would the Senator yield?

Mr. PACKWOOD. I am happy to yield.

Mr. REID. I made a statement on the floor this morning. I indicated that one of the things that should flow from this discussion on this bill is looking at the overall system. We, as reasonable men and women, should come up with a better system. I would very much suggest that the statement just made by the Senator from Oregon is in that spirit.

I think his statement has great merit. I think if we could make sure that there would be no conduiting of those moneys, it would be a good system. It sounds good to me. I saw the Senator raise his hand in support of that and I would raise my hand in support of it. I think it is an excellent idea and I think it is something we should work toward during this debate. Hopefully, those people managing the bill, with our support, could arrive at at least that part of it. I think it sounds very, very good.

Mr. PACKWOOD. Mr. President, I thank the Senator.

The reason I suggested it is that in the Washington Post this morning—the Washington Post is one of my favorite papers. I enjoy going around the country reading different newspapers, and I like the Washington Post—in their editorial this morning, they made two points. First, it says the PAC's are where the strongest smells now come from.

That can be eliminated. That is a relatively easy problem to take care of. You prohibit the PAC's from giving to parties, prohibit them from bundling, prohibit them from giving to candidates, and at least they are out of that part of the process.

Then the Post, in concluding, says:

> The system is now wrong. The combination of spending limits in the context of public financing is the only way to right it.

Mr. President, it is not the only way. If the two things you want to accomplish are, one, to eliminate the PAC's, which is where the Washington Post says the worst smell comes from, you can do that easily.

If, second, what you want to eliminate is excessive spending, you can do it by getting the contribution low enough so you can just literally not be able to raise that money. I would support that.

I do not know what kind of compromise we are going to reach, but I do know, speaking for myself, that one element of that compromise, as far as I am concerned, will not include picking the pocket of the taxpayer so this hard money that they spend their weekends and evenings earning is given to us so we have an easier time, a more restful time, running for reelection. That is neither good for the system nor fair to the taxpayer.

I am hoping that before we are done, Mr. President, we will be able to work out some compromise that at least 75 or 80 Senators from both parties can live with.

I thank the Chair.

Mr. McCONNELL. Mr. President, I believe the Senator from Kentucky still has the floor, but if no one wishes to speak now, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SYMMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair recognizes the Senator from Florida.

Mr. CHILES. Mr. President, I understand yesterday and again today somebody has been ringing my bell around here with the mention of $100 campaign limitations. I want them to know that I have gotten the message; I have heard. I understand my distinguished friend from Oregon mentioned yesterday that maybe we ought to limit our campaign contributions to $100 per person, and I wanted him to know that I think maybe he has a pretty good idea.

I hope he does not mind if I steal it. I am confident, though, that if I steal that idea, if I try to do that this year, he certainly would follow me next time and would do the same thing.

Obviously, there should not be any PAC contributions, obviously there should not be any out-of-State contributions, if you limit them to $100.

I hope my good friend is not prophetic when he said this would be a serious mistake for an incumbent to make because it would allow somebody to spend full time in their State raising money. That might be true, but what I find, Mr. President, is the people are very alarmed at the amount of money that is being spent in campaigns now. And I find that while I limited my contributions in 1976 to $10 and then in 1982 to $100, I will have to say frankly I never felt there was a lot of benefit in those years. I did not seem to get much credit. But this year already I notice a perceptible difference out there. I think people are for the first time very alarmed at the amount of money that is being spent in campaigns, very concerned about it. And I think that there is a perceptible difference. So, I think the Senator from Oregon has an idea that has some merit.

Maybe I am prejudiced in that regard, but it seems to me that what we were all about in elections was trying to get people to participate, get people to inform themselves, get people that will come forward and sort of take a side, and I think that what we are seeing is more and more people turning over. It is all sort of done in a 30-second spot. It is done with a cocktail party up here, where the moneys raised it is done with all of the professionals and all of that. I think people sense that they are not able to participate, and I think we are seeing fewer and fewer people vote.

Mr. PACKWOOD. May I ask my good friend a question?

Mr. CHILES. Yes.

Mr. PACKWOOD. I have to say, in his defense, he is probably the only candidate whose biggest expense was shoes. He walked the entire State of Florida, around the perimeter, and got his publicity and succeeded in winning.

In the last campaign, how much did the Senator raise?

Mr. CHILES. Raised about $160,000.

Mr. PACKWOOD. And the Senator is limiting himself again to $100 this year?

Mr. CHILES. Yes.

Mr. PACKWOOD. In this campaign, roughly what does the Senator think he will raise this time?

Mr. CHILES. Well, I anticipate—I hope to be able to raise—I think I can raise between $2.5 million and $3 million.

Mr. PACKWOOD. This is a big State, this is Florida. The Senator is not talking about Oregon or Nevada. They are much smaller States. But the point I am making is, you put in this kind of campaign limit, and if you did not have this kind of limit, you might be spending $10 million, if you take $1,000 PAC money.

Mr. CHILES. The two candidates last time—the incumbent, Senator HAWKINS, and then Governor Graham, now Senator GRAHAM—each spent over $6 million in their campaign last year.

Mr. **PACKWOOD**. The point I was making earlier, because the Senator from Florida is a powerful Senator and chairman of the Budget Committee, is that he can attract a fair amount of money, could attract $6 million, or $7 million, or $8 million, or $9 million if he chose to go that route.

But putting this limit, on, if we want to bring campaign spending down and get rid of the special interests, the Senator is living proof that it can be done. It did not have to be done by taxing the taxpayer to do it. There is another way to do it and he succeeded at it.

Mr. **CHILES**. Well, I think it is possible and I think what I hear many Senators say is that we do not like raising the big money, especially as we sit in the dining room together, where we talk. And we do not like that we have to fly around the country and spend half of our time—I do not know, not half of our time but a tremendous amount of our time raising campaign funds, going out weekends, dinners, flying all around to do that.

But I have to do that because someone else is doing it. The other side is doing it.

I had a decision to make this time. After seeing the amount of money, everybody I sought advice from said: take the limit off. You have made your point. Or, you have tried to do that, you cannot do that anymore, especially in the advent, now, of negative campaigning, at the advent of which your party could put together tremendous sums of money and put those in.

But, I guess when it came down to the value judgment it was that, well, I did get by in those other times. The people did honor that. Should I leave that because I am an incumbent?

I do have name recognition, as far as that goes. I think you can spend considerably less money, if you raise your money this way.

I do not think I have to have as much money as I would have to traditionally.

I think if it was something where it was fairness, where you did not have to worry that your opponent could do this, then it would become reasonable.

Somebody asked me: "Well, are you saying that everybody in the Senate ought to do what you are doing?" No, I cannot really say that.

If they say we are subject to the outside, if there is some limitation where nobody could do it, I think it would be the healthiest thing for the electorate that we could possibly have. I think it would be very, very helpful.

Mr. **STEVENS**. Mr. President, I state for the information of the Senate that I had told people I was going to introduce the substitute that I have put together with 24 other Members of the Senate on this side of the aisle, and I will do that sometime this afternoon. I am waiting for copies to be made. I want to make sure the bill is available for distribution when I do introduce it.

Mr. President, yesterday, during the debate on this bill, I engaged in a discussion with the distinguished Senator from Oklahoma, my good friend, Senator BOREN, concerning the participation of political action committees in senatorial campaigns. During that discussion, I reflected upon the unsubstantiated contention that Senators rely upon too high a percentage of contributions from PAC's. To discuss that contention, I asked unanimous consent that I be able to include in the RECORD a listing of campaign contributions to Senators in 1986 and 1984. Unfortunately, I was not able to completely tabulate those by the time the Journal was closed last night, and I did not have the complete records for 1984 and 1982.

So I now renew the request, today, that I be permitted to place in the RECORD the contribution records for Senators only in the 1982 and 1984 campaigns. I ask unanimous consent to do that.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

1982 CANDIDATES

State candidate	Receipts	PAC money	Percent of PAC to receipts
Arizona:			
DeConcini	$1,788,678	$416,166	23
Dunn	906,290	45,610	5
California:			
Wilson	7,190,985	1,187,832	17
Brown	5,482,877	462,415	8
Connecticut:			
Weicker	2,306,720	447,054	19
Moffett	1,393,814	202,187	15
Delaware:			
Roth	841,146	354,744	42
Levinson	1,262,047	184,172	15
Florida:			
Chiles	848,266	10,558	1
Poole	478,014	56,881	12
Hawaii: Matsunaga	782,666	266,650	34
Indiana:			
Lugar	3,001,570	712,639	24
Fithian	886,799	272,577	31
Maine:			
Mitchell	1,216,550	562,253	46
Emery	1,075,747	462,794	43
Maryland:			
Sarbanes	1,614,820	465,487	29
Hogan	591,430	142,606	24
Massachusetts:			
Kennedy	2,609,514	306,965	12
Shamie	2,308,363	98,840	4
Michigan:			
Riegle	1,698,907	602,946	36
Ruppe	1,055,051	157,862	15
Minnesota:			
Durenberger	3,974,879	1,030,239	26
Dayton	7,175,368	1,113	.02
Mississippi:			
Stennis	949,213	232,300	24
Barbour	1,135,939	113,629	10
Missouri:			
Danforth	1,766,934	572,658	32
Woods	1,194,854	265,151	22
Montana:			
Melcher	771,603	435,528	56
Williams	712,307	6,073	.9
Nebraska:			
Zorinsky	572,180	290,259	51
Keck	489,312	56,052	12
Walsh	105,716	3,000	3
Nevada:			
Cannon	1,642,261	595,665	36
Hecht	1,397,197	250,010	18
New Jersey:			
Lautenberg	6,491,679	155,949	2
Fenwick	2,623,179	7,563	.3
New Mexico:			
Schmitt	1,706,963	606,973	36
Bingaman	1,606,965	310,717	19
New York:			
Moynihan	2,479,867	366,221	15
Sullivan	121,893	25,200	21
North Dakota:			
Burdick	908,527	489,419	54
Knorr	418,103	149,444	36
Ohio:			
Metzenbaum	3,779,650	401,528	11
Pfeifer	1,046,054	394,490	38
Pennsylvania:			
Heinz	2,967,802	588,444	20
Wecht	424,948	56,068	13
Rhode Island:			
Chafee	1,003,605	409,253	41
Michaelson	447,686	192,788	43
Tennessee:			
Sasser	2,131,995	641,970	30
Beard	1,657,604	320,120	19
Texas:			
Bentsen	4,545,315	800,443	18
Collins	4,285,384	117,182	3
Utah:			
Hatch	4,779,971	902,002	19
Wilson	1,689,811	321,322	19
Vermont:			
Stafford	395,107	295,332	75
Guest	283,308	119,800	42
Virginia:			
Trible	2,228,862	671,016	30
Davis	1,194,274	241,400	20
Washington:			
Evans	1,921,438	490,137	26
Lowry	972,235	267,322	28
West Virginia:			
Byrd	1,841,580	710,541	39
Benedict	1,104,815	261,679	24
Wisconsin:			
Proxmire	145		
McCallum	133,002	20,330	15
Wyoming:			
Wallop	1,115,179	472,240	42
McDaniel	392,351	174,483	45

1984 CANDIDATES

State and Candidate	Receipts	PAC	Percent of receipts
Alaska:			
Stevens	$1,325,135	$637,798	48
Havelook	92,982	6,050	7
Alabama:			
Heflin	2,247,582	847,573	38
Smith	584,002	49,629	8
Arizona:			
Pryor	1,910,676	711,574	37
Bethune	1,076,792	247,237	23
Colorado:			
Armstrong	3,105,821	800,256	26
Dick	843,191	134,157	16
Delaware:			
Biden	1,429,164	404,905	28
Burris	817,586	173,119	21
Georgia:			
Nunn	1,292,637	381,914	30
Hicks	0	0	0
Iowa:			
Jepsen	2,661,443	865,442	33
Harkin	2,848,763	800,827	28
Idaho:			
McClure	1,268,707	550,496	43
Busch	30,777	6,500	21
Illinois:			
Percy	5,331,736	1,090,872	20
Simon	4,586,036	907,762	20
Kansas:			
Kassebaum	576,455	234,595	41
Maher	32,909	2,450	7
Kentucky:			
Huddleston	2,189,001	809,279	37
McConnell	1,591,303	284,496	18
Louisiana:			
Johnston	1,484,557	553,085	37
Cooper	5,050	0	0
Massachusetts:			
Kerry	2,162,530	5,170	.2
Shamie	4,196,521	21,185	.5
Maine:			
Cohen	1,158,160	421,451	36
Mitchal	437,517	450	.1
Michigan:			
Levin	3,517,444	707,766	20
Lousma	1,772,925	473,204	27

1984 CANDIDATES—Continued

State and Candidate	Receipts	PAC	Percent of receipts
Minnesota:			
Bosch	5,983,410	1,005,187	17
Growe	1,611,348	434,148	27
Mississippi:			
Cochran	2,768,728	960,361	35
Winter	741,534	340,167	46
Montana:			
Baucus	1,239,892	653,749	53
Cozzens	581,826	158,630	27
North Carolina:			
Helms	16,522,266	847,337	5
Hunt	10,031,502	834,601	8
Nebraska:			
Exon	885,505	511,613	58
Hoch	585,231	74,125	13
New Hampshire:			
Humphrey	1,699,044	728,608	43
D'Amours	1,070,220	506,570	47
New Jersey:			
Bradley	4,317,423	665,782	15
Mochary	965,782	40,350	4
New Mexico:			
Domenici	2,638,991	784,295	30
Pratt	304,186	106,073	35
Oklahoma:			
Boren	983,553	4,241	.4
Crozier	31,380	0	0
Oregon:			
Hatfield	822,875	326,693	40
Hendrickson	225,897	127,551	56
Rhode Island:			
Pell	745,270	210,592	28
Leonord	164,275	33,850	21
South Carolina:			
Thurmond	1,921,179	530,973	28
Purvis	11,688	0	0
South Dakota:			
Pressler	1,249,604	522,649	42
Cunningham	174,268	83,721	48
Tennessee:			
Gore	3,166,007	795,581	25
Ashe	1,777,975	241,571	14
Texas:			
Gramm	9,863,651	1,479,851	15
Dogget	5,958,005	804,929	14
Virginia:			
Warner	2,630,558	694,588	26
Harrison	496,124	82,817	17
West Virginia:			
Rockefeller	12,093,549	533,322	4
Raese	1,161,862	178,310	15
Wyoming:			
Simpson	906,121	407,708	45

Mr. STEVENS. Mr. President, I have listened in my office, with interest, to the debate that is going on here, and I will participate again if I am able to get to the floor this afternoon.

I merely want to repeat, once again, what I said yesterday, and I hope Senators are listening in their offices, as I have been, as they perform their duties. I still believe, Mr. President, that it is not possible for us, as elected politicians, to pass a bill that will reform the election laws on a partisan basis. I do not believe that this bill can or should be written on the Democratic side of the aisle or the Republican side of the aisle.

I regret that I am introducing a bill with 24 cosponsors from this side of the aisle, and I understand why: because the basic difference between us is Federal financing of campaigns.

I want to call attention to the fact that both versions from this side of the aisle deal with soft money; that the bill that has been promoted from the majority side of the aisle does not deal with soft money.

I believe that many people who are here as Democratic Members of the Senate want to deal with the soft money issues, and I think there are many things in S. 2 that some of us want to deal with. It is imperative that we start thinking about this bill as a bipartisan measure and find a way to develop a bipartisan consensus, so that it can be enacted.

Once again, I want to extend a hand across the aisle and urge some of my colleagues on the Democratic side of the aisle to consider what it will take to get bipartisanship this year and to be able to enact a truly bipartisan campaign reform measure. I think it is possible, but it takes two to tango; and it takes a lot of couples to tango in order to get an overwhelming majority on this floor. However, I think we are prepared to do that, and I would like to do that.

I would like to get a bill that would deal with some of the things that I think are wrong with this campaign reform measure.

My staff member, who is working with me on this measure, said to me, "It's almost impossible to get this bill done, because each one of you has been through campaigns, and each one of you has something you think was wrong in your campaign that you would like to deal with in this bill."

We will have to get down to some common denominators in order to bring about meaningful reform that is in the public interest.

I urge a bipartisan approach to this bill, Mr. President.

Mr. REID. Mr. President, in response to the Senator from Alaska, I think that the discussion by him this day has been very constructive.

There was a colloquy between me and the Senator from Oregon that indicated areas of considerate compromise. I think that the posture of the Senator from Alaska on the floor this day is certainly one that means that we have the potential to work something out, because we all recognize the need for compromise.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WIRTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WIRTH. I thank the Chair.

Mr. President, I wanted to take a few minutes at this point to commend the Senator from Oklahoma, Mr. BOREN, and the distinguished majority leader for their cosponsorship of this enormously important piece of legislation.

The issue of campaign finance reform is one that the American public has been slowly but surely coming to understand and becoming more and more important and the time has come for us in the U.S. Senate and the U.S. House of Representatives to act and to act carefully, thoroughly, and expeditiously.

I do not think there is any doubt about the fact that anybody who has been involved in campaigns in recent years is not sick and tired of the role that finances are playing in American campaigns and the amount of time and attention that has to be focused just to raise the money for increasingly expensive campaigns. I mean, it has gotten to the point that there is so much money now in campaigns for the House and the Senate that those who are running for office are trying to figure out ways to spend money. My guess is that what we are doing now is going out and spending an enormous amount of time raising money so that we can put names or name recognition on anything that moves.

I suspect we are going to slowly but surely move from television to other vehicles and perhaps get various birds with bumper stickers on them, or cows with bumper stickers, or whatever, to figure out a way to spend this enormous wash of money. Things are thoroughly out of control, not only from the perspective of those who have to run for public office, but clearly I think people who are on the other end of it, who are giving this money, making these contributions, are also sick and tired of the current process that we have.

What is all of this doing to the whole process of public debate? I think public debate in the campaigns is diminishing as candidates for the House and candidates for the Senate are finding themselves spending more and more time just going about the process of raising the money necessary to fuel this huge machine. Even in the short 12 years that I have been in public office, I have noted the decline in time spent talking to the public, talking to voters, and debating issues. The time for that has gone down every year and the time that each of us has to spend raising money has gone up every year.

Are the American people well served in such a process? I think not. I think the American people would like to see us spending our time and focusing our attention on the debate of the great issues of our time, not going around having one kind of a fundraising event after another to try to keep up with the other guy. We have a kind of Parkinson's law going on here, Mr. President, in which, if one person raises money, the other person has to raise money. If the other person raises the money, then you have to raise the money. And we get into this continually upward cycle of campaign financing, campaign expenditures.

The time has come to say: "Let's stop this. Let's put a lid on this. Let's put some great rationality into the whole process."

Now, how do we go about doing it? Can we get voluntary restraint on this? I think not. The only way the Supreme Court has said that we can go about doing this is to move toward some form of public financing. There are those who say this is an enormous trip by public officials to the public trough. Well, let us wait a minute and review what that particular criticism means. We might look back to the early 1970's and look at all of the abuses of the campaign financing at the Presidential level. All of us, unfortunately, remember the abuses of Watergate and all of the problems that came out of the 1972 campaign. During that campaign, a small handful of individuals was funding the whole of that Presidential campaign.

The country said at this point, just as they ought to say now: "Let's put a lid on this. Let's put a halt on this. Let's slow this down. Let's develop a more rational process."

And what did we do at the Presidential level? What we did at that level, Mr. President, was to move to a form of shared public-private financing of campaigns. The dollar checkoff is familiar to most taxpayers and millions of Americans have contributed, believing that that was the way in which we ought to fund the majority of Presidential campaigns.

Is that totally public financing of campaigns? No. In order to qualify for public financing of Presidential campaigns, one has to be able to qualify in a certain number of States with a large number of contributions at a minimal level to prove that you are a serious candidate.

Then there is only so much in private funds that can be spent thereafter.

What has happened since the 1972 campaign, Mr. President? I think what we have seen is a campaign finance system for the Presidency that is back in control. I do not think that anybody would argue that since we changed the rules for Presidential campaigns in the mid-1970's that there have been significant abuses of campaign financing at the Presidential level.

It is just the opposite. The process is now working very, very well for Presidential campaigns. We have cleaned it up. We got rid of the abuses of a few individuals being able to have undue influence. Presidential campaign financing reform worked and worked very well.

The only mistake that we made in the mid-1970's, and the Senator from Oklahoma will remember this as well, as he was, I believe, a Governor at that time, but we were all observing the process of campaign finance reform—the only mistake that we made was not including Members of the Senate in that campaign finance law at that time.

Unfortunately, in the 12 years since, we have seen a dramatic escalation of campaign financing at the House level and the Senate level that I spoke of earlier.

The time has come, Mr. President, for us to follow the very good and sound example set by public financing at the Presidential level and apply that to House and Senate races as well.

The Court has said that the only way we can do that is to have some form of public financing that allows us to reach out and put a cap on financing of the private sector going into House and Senate campaigns. So let us go about doing that. In the bill drafted by the Senator from Oklahoma and the distinguished majority leader, it provides us precisely that valuable and important opportunity.

There is another reason, Mr. President, why the American public is going to be pleased with this. That is that we put limits on spending. They are going to be able to peacefully watch television programs without this enormous amount of political broadcasting that is there.

The distinguished Senator in the chair knows just as well as I do what happens in modern campaigns. What you do is one side puts a commercial on and the other side responds, then the first side responds to that response and pretty soon you have all-out media wars paid for by a whole variety of people out there who had their arms broken, who are sick and tired to feel that they have to do it, to respond to the other side who have had their arms broken, who are sick and tired of having to do it, and who benefits? The American public is sitting there listening to one accusation after another, probably one misrepresentation after another, probably one set of problems after another.

We would also, I believe, have a very salutary effect on the airwaves if we limited the amount of money that is out there for throwing accusations around.

At this point, Mr. President, I would like to close with a final comment. I will have a greater statement on this later, a little more detailed statement. That will be the issue of independent expenditures.

One of the major problems that we currently have in the financing of House and Senate campaigns is the irresponsible, unaccountable independent expenditures. These groups that are out there banded together for the purpose of passing one small piece of legislation, banded together for the purpose of purchasing one particular special interest, one particular outcome, are banded together and spending literally hundreds of thousands of dollars not to say anything positive about somebody but, in fact, to run them down.

Mr. SYMMS. Will the Senator yield for a question?

Mr. WIRTH. I am happy to yield for a question.

Mr. SYMMS. The question I would like to ask the Senator is: Does he call the American Automobile Dealers Association an irresponsible group?

Mr. WIRTH. I do not have the experience with the American Automobile Dealers Association, but I will tell you an example of where I believe truly irresponsible conduct came, and that was a large group called the National Association of Realtors. The National Association of Realtors decided in the last campaign, 1986, that what they were going to do was to target an extraordinary amount of resources on two or three races around the country, and they decided they were going to befriend somebody in Oklahoma and spent almost, as I remember, $600,000 trying to eliminate one of our colleagues in this body from public office, $600,000 running negative campaigns against, as a matter of fact, somebody on your side of the aisle, somebody who, for some reason, had probably made some muckety-muck down here in the National Association of Realtors here in Washington unhappy with his behavior. So $600,000 was spent, unaccountable to anybody in the State of Oklahoma, in a race that was in the State of Oklahoma. That, in my opinion, is irresponsible. What in the world does a decision being made by some functionary here in town for the national association have to do with the Senate race in the State of Oklahoma? Nothing.

A similar sort of thing happened in the State of Colorado. They decided to work on the other side of the aisle, without any reference to anybody in Colorado. The Colorado realtors were not consulted. The group of people in the State of Colorado were not consulted. They came in and spent nearly $300,000 for that very same purpose, eliminating somebody from public life because of some guy downtown here reaching out and telling all the realtors in the country that they ought to send their hard-earned money in for the purpose of saving the world, that the sky was going to fall in if the realtors were not allowed to go out there and drop this enormous amount of money.

Why in the world do we want to continue that kind of process of one particular group raising all that money, reaching out to people who do not know the details of what is going on, to their constituency in Colorado and Oklahoma, raising all this money? What does the response have to be? They have to turn around and raise a lot of money to respond to this group of functionaries downtown who have been raising this special interest money to pollute the airwaves and run a more negative campaign.

One of the best parts of the legislation introduced by the Senator from Oklahoma, who was not, by the way, involved in this particular incident, I might add—one of the best parts of this bill is getting rid of these special interest abuses that are most clearly illustrated in independent expenditures.

Why in the world should we allow one group to come in and try to purchase politicians and purchase political outcomes? There is no reason for that and the American public, I believe, are sick and tired of that and we ought to get rid of it. That independent expenditure provision is the one that I think ought to be ranking right up there at the top of the list.

I want to commend in particular this Senator from Oklahoma, Senator BOREN, for his aggressive action on that. I think that makes an enormous amount of sense.

Mr. SYMMS. Will the Senator yield?

Mr. WIRTH. I am delighted to yield.

Mr. SYMMS. I thank my friend for yielding. This is something that had gone unnoticed by this Senator.

Mr. WIRTH. I would be happy to give you the doubt on it. But the other Senator in this body can tell you all about it because you ought to know about this kind of abuse and this kind of lack of accountability by a large sky-is-falling-in organization. These people can contribute through a political action committee. There is nothing wrong with that. Let them go in and contribute. But why in the world should they be allowed with this vast abuse of power and independent expenditure to come in and operate the way they do? Why in the world should we allow that to happen? What good does it do other than polluting the airwaves and saying negative, negative, negative? I am happy to yield.

Mr. SYMMS. I might say in my State the automobile dealers ran some very positive pro ads for a Senator who was running for reelection last year. Nothing negative.

Mr. WIRTH. Who was it?

Mr. SYMMS. This Senator. It was all positive, nothing negative.

I might say that the good people in Oklahoma evidently did not buy the negative campaign so the money was probably wasted. If we start telling people they cannot spend money, we are tampering with the first amendment to the Constitution.

Mr. WIRTH. Nobody is saying that the automobile dealers in their great virtue cannot come into the State of Idaho and support the record of the distinguished incumbent from the State of Idaho. There is nothing in this bill that says the automobile dealers cannot do that. There is nothing in this bill that says the realtors cannot come into Oklahoma and spend money as a political action and contribute just like other groups.

The abuse is this vast loophole called the independent expenditure, where literally hundreds and hundreds of thousands of negative dollars are spent by a narrow interest group for the express purpose of purchasing a politician and if not doing that, purchasing a political outcome.

That is one of the most important elements of this legislation, one that I hope we shall hear a great deal more about.

I am delighted to yield to the distinguished Senator from Oregon.

Mr. PACKWOOD. How does S. 2 stop that?

Mr. WIRTH. I think if we look at the provisions of S. 2, the provisions for the elimination of the independent expenditures, being able to do that is eliminated in this legislation, S. 2. As I said, tomorrow, we shall have a lot more discussion of that in great detail.

Mr. PACKWOOD. I would love to have more, but it is news to me. How does S. 2 stop it?

Mr. WIRTH. I shall come back and talk about that particular provision of the legislation tomorrow. As I say, I wanted to talk generally about the legislation today and talk about the specifics of this issue tomorrow. I should be delighted to have us engage in a debate, a discussion of the validity and legitimacy of this kind of independent expenditures.

Mr. McCONNELL. Will the Senator yield, Mr. President?

Mr. WIRTH. I am happy to yield to the distinguished Senator from Kentucky.

Mr. McCONNELL. Mr. President, in response to the question of my friend, the Senator from Oregon [Mr. PACKWOOD], I think S. 2 does not do anything about independent expenditures. We cannot constitutionally do anything about independent expenditures. I think we would all like to do something about them, but there is a constitutional problem.

S. 2, as I understand it——

Mr. WIRTH. If the Senator will yield——

Mr. McCONNELL. Let me answer the question, if I may.

Mr. WIRTH. If the Senator from Kentucky wanted to do something about independent expenditures, he would vote for S. 2. In S. 2, there is that kind of independent expenditure coming into somebody's campaign above a particular level, through the financing mechanism in the legislation—well within the context of what is allowed by the Supreme Court—within the financing mechanism in the legislation, the person on the receiving end of that negative special-interest attack is given a similar amount of money to spend.

What that does is, it is going to be discouraging that sort of broad, irresponsible expenditure which, I think most of us agree, ought to be kept out of the campaign.

How, within the context of the first amendment, can we eliminate that? If the Senator has a better idea of how to do it, I would be the first in line to support that kind of amendment. What we have to do is make sure we get to the point where that independent expenditure gets out of American politics and we get everything back to a much more democratic and participatory playing field than the one we have now.

Mr. McCONNELL. If the Senator is correct, the response to negative ads by way of independent expenditures will be financed by the taxpayers. That is what happens under S. 2. It seems to be a rather expensive way to deal with the problem we are concerned with, but has not had much impact. In the race that the Senator from Colorado cites, the Oklahoma race, the $500,000 in independent expenditures were of no use. The incumbent was reelected.

Mr. WIRTH. If the Senator will yield, the American public is sick and tired of that. If the American public getting sick and tired of watching this negative nonsense now happening in campaign after campaign is the definition of the Senator from Kentucky of not having much impact, he is not listening to the same people I am listening to. Maybe it is not done in the State of Kentucky, but it was certainly done in Colorado and certainly in the example I cite in the State of Oklahoma. The impact is there, and it is growing every year.

We are watching these groups go out every year and collect this money for the express purpose of pushing one very tiny, small set of interests. If they want to participate in the political process, they can certainly do so. There is no prohibition against their being involved and contributing to a political action committee if they want to, getting involved in a campaign, sending out their volunteers. It is the bald and coarse purchase of outcomes that I find objectionable and that I think most people in the country are sick and tired of.

If there is a better idea for eliminating independent expenditures, one that can be done within the context of the Constitution and the rulings of the Court, let us do it. I would support anything the Senator would come up with in that context, but the best thing I have seen so far is the provision drafted by the Senator from Oklahoma [Mr. BOREN].

In closing, Mr. President, I urge my colleagues to examine this legislation very carefully, examine the way it takes care of many of the abuses that are creeping up—really, galloping up—in our current state of campaign finance performance. I commend the Senator from Oklahoma and our majority leader and I hope we do find the support that we need from all elements of the U.S. Senate. The people of this country are asking us to go on with the Nation's business in a balanced, careful, and pluralistic fashion, not to go on with the Nation's business focused only on the interests of a very few.

Mr. President, I yield the floor.

Mr. McCONNELL. Mr. President, in response to the remarks of the Senator from Colorado, S. 2 does not do anything about independent expenditures, because under the Constitution, we cannot do anything about them. What it does do is have the taxpayers finance the response, which further escalates the amount of public money to be spent in the political arena.

The other observation the Senator from Kentucky was seeking to make but was unable to complete his comment is are we overreacting to the independent expenditure in any event? It did not work in Oklahoma. The incumbent was reelected. It did not work in the State of Colorado, obviously. The Senator form Colorado was elected despite his concern. I suspect it is not working in most places.

I ask at what point do we not dip into the public till to make a response in spite of the fact that it is not having much effect?

Mr. PACKWOOD. The Senator from Colorado first says S. 2 stops independent expenditures. Upon further inquiry, it is clear it does not stop them at all. It is unconstitutional to stop them. What it does say is that not only are we going to ask the taxpayer to finance a candidate initially, we are going to take another $600,000 from the taxpayers and spend it against the National Association of Realtors if the National Association of Realtors goes out and spends $600,000 in the State of Oklahoma. If that is the proponents' way of solving the problem, one more tap on the taxpayers' pocket, I suspect there is no limit to the problems we can solve, barring some limit on the sufferance of the taxpayers to work hard to finance our campaigns so we do not have to work too hard.

Mr. McCONNELL. Mr. President, the costs associated with S. 2 by the proponents are just the tip of the iceberg. We anticipate that it is reasonable to assume—I know it would happen in my State—that you are going to have independent candidates in the general election.

They are going to be able to get a substantial amount of public money as well. So you are going to have the taxpayers not only financing responses to independent campaigns against a candidate, but also financing the campaigns. It is going to turn running for office into a major national pastime. There is going to be a proliferation of candidates like nothing we have ever seen and the cost will be indeed astronomical.

Mr. PACKWOOD. If my colleague will yield again, the figures we are given for the cost of this bill are very illusory. First, it cited $50 million a year. You are better off to say $100 million an election, but it does not count including the House of Representatives. That is only the Senate. We are not going to pass a bill that does not include the House. So we are talking about a $400 million cost.

Second, it does not at all estimate how many of these 3, 4, 5, 6, or 7 party candidates are going to get in. All you have to do in the State of Alaska is raise $150,000 and you get $800,000 of the taxpayers' money. You can do the same thing in Vermont, in Utah, in Wyoming.

It is not just a one-party candidate. Any single-issue organization worth its salt can raise $150,000 and get on the ballot, whether it is somebody interested in gun control or school prayer or abortion, or whatever it might be. You are going to have 6, 7, 8, 9, 10 candidates on the ballot, all paid for by the taxpayers, in many cases advocating things the taxpayers do not like and are utterly opposed to.

Mr. McCONNELL. I just had my staff tote up the cost of one independent candidate per State. That is an extra $15 million for just one independent candidate in one State. That is $15 million of the taxpayers' money just to finance this proliferation of candidates under this bill.

I yield the floor.

Mr. BOREN. Mr. President, I believe that only $7 million was spent in independent expenditures in 1986 and I think it would be far less than that under our bill because I do not think the independent expenditures would be made when it is known that there are so many provisions in this bill that would make it ineffective for an independent expenditure to be made. I think they simply are not going to engage in that kind of expenditure.

Why would a group make an expenditure if they knew that all it would do would be to generate funds for the opposing candidate to put forward a positive message of his own? I think they simply will not engage in it.

In addition, under this specific piece of legislation, under S. 2, we provide that when independent messages are broadcast on television, let us say in a 30-second spot, in large lettering throughout, continuously throughout the 30-second spot, there must be a message displayed upon the screen identifying the interest group that is paying for that particular message.

We did have an experience that has been referred to in my State of Oklahoma in the last Senate race in which there was a large independent expenditure made. Those 30-second spots were made by actors. They appeared on the screen and of course the lettering was so small at the end and on for such a brief time that it was not clear to the viewing public what group was paying for this particular piece of advertising. The implication could have been left that it was just coming from the general public or it was coming from the campaign of one of the candidates. Under the proposal in our bill, throughout that 30-second spot showing—in this case it was the realtors political action committee—who had paid for that particular piece of advertising I think it would have made it much less attractive to them; it certainly would have detracted from the message the actor was reading.

In addition, if that group had also known their expenditure was going to generate payment to the opposing candidate with which to respond, I think that would have made it very, very unlikely such expenditure would have been made in the first place.

I mentioned yesterday a number of major newspapers across this country have spoken out in favor of Senate bill 2 and in favor of meaningful campaign reform. I want to share with my colleagues some thoughts from two of those most recent editorials in two newspapers because I think they are worth hearing and contain some ideas upon which we should all reflect.

The first is from the New York Times on May 8, 1987. It is headed, "The Most Vital Skill in Congress." Here is what the editorial says:

> What's the single most important quality or skill in a United States senator or representative?
>
> (A) Legal and analytical capacity, like that reflected in the Congressional Iran-contra hearings.
>
> (B) Honesty and integrity.
>
> (C) Substantive expertise in fields like national defense, taxes or social welfare.
>
> (D) Experience in public office.
>
> (E) Ability to raise money.
>
> A, B, C and D are wishful answers. In terms of practical politics, (E) is undisputably right. Yet to judge by a little-noticed vote Tuesday night, 1987 might finally be the year of reform. Under a bill soon to come before the Senate, private campaign contributions would finally be limited, offset by a system of public finance. These would be breathtakingly welcome changes, relieving members of Congress of the influence wielded by big givers and retrieving endless hours spent courting them.
>
> There was nothing encouraging about the Senate vote in question.

I will skip over this part of it. This was on a procedural vote that we had.

Here is what the editorial goes on to say:

> The reform bill sponsored by the Senate majority leader, Robert Byrd, and David Boren, Democrat of Oklahoma, would limit campaign contributions in the only way the Supreme Court is likely to tolerate—by financing general election campaigns with public funds. Taxpayers who now send $1

into Presidential campaigns could check off another $1 to cover the costs.

We have talked about participation in the political process. I think it is a very encouraging thing that 37 million Americans last year voluntarily checked off that contribution to the checkoff fund. This indicates a real desire on the part of those people to clean up the election process, to try to hold spending down, to try to have a system of reform that will work.

Mr. President, I have to say that system has worked in the case of Presidential elections. Costs for running for President in the last three election cycles during which time this system has been in effect has increased very, very little. It has remained basically the same.

I have not heard anyone come to this floor and condemn Ronald Reagan, for example, the President of the United States, for participating in that system. Indeed, he has received more public funds under a partial public funding system, the Presidential system, which is very much like the system under S. 2, some $90 million more than any other individual in the history of the United States.

I say that simply to point out we are dealing with an American problem, a problem which cries out for a bipartisan solution. The President of the United States himself has participated to the maximum degree possible in the present system set up in the Presidential election system. And 37 million Americans by checking that box on their tax return are giving a vote of confidence to this system every year.

Only candidates who raised specified amounts would be eligible. Total PAC contributions would be sharply limited and the amount one PAC could give one candidate would drop from $5,000 to $3,000. Candidates' spending would be limited according to their states' population and they could spend no more than $20,000 of their own money.

In these ways, the Byrd-Boren bill would give members back some time, and reduce special interest influence. Perhaps just as important, it would eliminate the appearance of influence. The cynicism it breeds is poisonous.

We have talked about that, Mr. President, on the floor at an earlier time. The appearance of special interest influence is breeding a cynicism which is poisonous in our country, which is discouraging people from participating in the election process and which has brought us to an all time low of only 37 percent participation in the last election.

The head of a Washington trade association was talking about his PAC last week: "I know you can't *buy* a Congressman," he said. "But what's wrong with renting a few?"

Mr. President, I do not think any of us believe anyone is going to be bought or anyone is going to be rented, but the appearance of special influence is causing this kind of cynical feeling to exist in the country.

I ask unanimous consent that I might put the full text of the New York Times editorial of May 8 into the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 8, 1987]

THE MOST VITAL SKILL IN CONGRESS

What's the single most important quality or skill in a United States senator or representative?

(A) Legal and analytical capacity, like that reflected in the Congressional Iran-contra hearings.

(B) Honesty and integrity.

(C) Substantive expertise in fields like national defense, taxes or social welfare.

(D) Experience in public office.

(E) Ability to raise money.

A, B, C and D are wishful answers. In terms of practical politics, (E) is undisputably right. Yet to judge by a little-noticed vote Tuesday night, 1987 might finally be the year of reform. Under a bill soon to come before the Senate, private campaign contributions would finally be limited, offset by a system of public finance. These would be breathtakingly welcome changes, relieving members of Congress of the influence wielded by big givers and retrieving endless hours spent courting them.

There was nothing encouraging about the Senate vote in question. It was a parliamentary skirmish by Republican opponents. They came close, losing 50 to 48. What's encouraging is that they even made the effort; if campaign finance were not a live subject, they would not have bothered.

Anyone who doubts the need for reform might heed the view of Senator Tom Harkin, Iowa Democrat: "The average cost of winning a Senate campaign in 1984 was $3 million. What that means to an incumbent is, at best, that he or she must spend an inordinate amount of time fund-raising—time that . . . most likely should be spend on Senate business."

Much of the money comes from special interest political action committees, PAC's. The Senators elected in 1986 include 14 who collected $1 million or more from PAC's. That brings to 24 the number of "PAC millionaires," in the words of Fred Werthemier, president of Common Cause. In 1974 there were 608 PAC's, now there are 4,000-plus.

The reform bill sponsored by the Senate majority leader, Robert Byrd, and David Boren, Democrat of Oklahoma, would limit campaign contributions in the only way the Supreme Court is likely to tolerate—by financing general election campaigns with public funds. Taxpayers who now sent $1 into Presidential campaigns could check off another $1 to cover the costs.

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In these ways, the Byrd-Boren bill would give members back some time, and reduce special interest influence. Perhaps just as important, it would eliminate the appearance of influence. The cynicism it breeds is poisonous. The head of a Washington trade association was talking about his PAC last week: "I know you can't *buy* a Congressman," he said. "But what's wrong with renting a few?"

Mr. BOREN. Mr. President, just this morning, an excellent editorial on the subject of campaign reform appeared in the Washington Post, and as we begin this debate it is an editorial which I hope all my colleagues will read and seriously ponder. This editorial says:

The balloon has gone up on congressional campaign finance. Senate Majority Leader Robert Byrd facing a Republican filibuster that he lacks the 60 votes to break, has nonetheless called up the public financing bill of which he is cosponsor. The idea is to force a search for a compromise. The Republicans don't like the Democratic bill, but no one wants to be seen in the public embrace of the present system either. The reason is that the system is, if not corrupt, then fetid and at least embarrassing. That's also the reason for the Democratic bill. Mr. Byrd thinks maybe shame will help him move it. We hope so.

The Republicans, to guard against the charge that they are naysayers awash in cash, have come up with alternatives. The more responsible, because more straightforward, was by Sen. Ted Stevens in the Rules Committee. The PACS are where the strongest smells now come from. As the cost of campaigning has leapfrogged in recent years—the average Senate seat now costs $3 million, a contested seat much more—the PACs have become bankers. They gave $132 million in the last election cycle. The Realtors alone gave $2.7 million. The list of the 50 biggest contributors also includes such disinterested parties as the doctors, teachers, auto workers, Teamsters, home builders, trial lawyers, Seafarers, life underwriters, auto dealers, dairy co-ops, airline pilots, railway workers and rural letter carriers. All they want, of course, any of them, is good government.

Mr. Stevens suggested that PACs be permitted to give less per candidate than now, individuals and the parties more. That sounded virtuous; in many ways it is. It happens that Republicans are also better at raising individual and party money, but that's the Democrats' problem. Now a second alternative has been put forward by Sen. Bob Packwood and others. It is flashier; it purports to bar direct PAC contributions to candidates. But it would still permit them through the back doors of the parties, and critics say it would also legitimize the practice of bundling, whereby PACs evade the law by presenting large sums as the separate contributions of many individuals.

Too cynical, and in any case both these alternatives miss the point. The cost of office has doubled in the past 10 years; it is being bid out of sight. Expenditures are rising at a rate of some 20 percent per cycle. The Capitol floats on money; the members are obsessed with it. They will tell you so. It has to stop. There have to be limits. The Supreme Court has said there can be limits only in the context of public financing, as a quid pro quo for public funds. This is the sticking point for the Republicans. They argue against public funding as a form of piggery, Congress itself at the trough. That's doubly good politics for a party that both preaches smaller government and looks to its fund-raising advantage as the only way out of minority status. But public

> financing will not benefit just Democrats. It will cut different ways in different races.
>
> The system now is wrong. The combination of spending limits in the context of public financing is the only way to right it. As both parties reach for compromise, there will be a temptation to rubberize the definition of reform.

I want to repeat that, Mr. President.

> As both parties reach for compromise, there will be a temptation to rubberize the definition of reform. But there have to be spending limits. Otherwise they're just playing Fool the Voter.

Mr. President, I call attention particularly to the last two sentences and the point that the cost of office has been doubling over the past 10 years, the fact that the Capitol floats on money; as the editorial says, the Members are obsessed with it and they will tell you that it has to stop. This certainly is an editorial which contains thoughts that merit our serious consideration.

Mr. BOREN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DIXON). Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I will be very brief in my remarks about the campaign finance reform bill that has been offered by the majority leader and the distinguished Senator from Oklahoma.

I want to say first of all that it is not and does not propose to be a perfect solution to the problem.

I think people on both sides of the aisle in the U.S. Senate recognize that campaign giving and campaign spending is out of control and that something has to be done.

There obviously is considerable difference in the measures suggested to address the problem.

But I can tell you that one of the most erosive effects of Presidential campaign fundraising and the enormous amount of spending that is going on is on our political process and the cynicism that results among about 95 percent of the people who do not give in campaigns.

Take my State. When I ran for Governor the first time, I forget how many thousands of contributions we got but the average contribution was less than $25, and everyone in the State felt that they had a piece of the new Governor, Governor Bumpers, and they felt that nobody owned too big a piece because nobody had really given that much money in one chunk.

Let me go on to say, because we all relate to our own personal experiences much better, when I announced that I was going to run for Governor, I was a country lawyer, had never sought political office and was the least known of eight candidates in the primary. When I made that announcement, if I am not mistaken it was the day before the ticket closed and the primary election between those eight candidates was going to be held 2½ months later, and I did not have one dime in the bank, hardly had a promise from anybody for any money.

So I started trying to raise a little money knowing that the primary was just 2½ months away and that I was the last person in the race. Everyone else was fairly well heeled. Of course, you might make the argument that all things ended well so it must not have been a big disadvantage because really I won the primary and then went on to win the general election.

I tell you that story just to dramatize the differences now and then and I promise you that that would not be possible today, and that has been 16 years ago. I spent about $75,000 to $90,000 in that first primary, about $75,000 the next 2 weeks in what we call our runoff. Then about $150,000 that fall.

Mr. President, I ran for reelection last year and I spent twice as much money as I had spent in all the preceding seven election combined, twice as much as all of my entire 15 years of political service combined.

When you talk about costs, I can remember occasionally one of the television stations in Little Rock would call and say they had a cancellation on some prime time show. I remember we got a 30-minute time slot one night, 30 minutes. We did not know what to do with it, so I just went on and started answering questions, letting people call in. It cost $150 for 30 minutes prime time. This last election, it cost $2,000 for 30 seconds on the Cosby Show. If you want to be reelected, you better use those 30-second spots on the Cosby Show.

So those are just dramatic illustrations of what has happened to the political process in this country, and during the period of time that these costs have escalated exponentially and PAC's have come to dominate political giving in this country and these enormous sums required to run for office, the people participating in elections in this country have declined. I submit to the U.S. Senate that there is a corresponding relevance between those two things. As the amount of money we collect has gone up and the cost of running for office has gone up, people are becoming more cynical about the process, more turned off by it, more indifferent to it and they believe that the U.S. Congress is owned lock, stock, and barrel by the fat cats. And you know that there is enough credence in that to keep that idea afloat.

Mr. McCONNELL. Mr. President, will the Senator yield on that point?

Mr. BUMPERS. Yes.

Mr. McCONNELL. Just in response to the observation of my friend from Arkansas tying the turnout to the current system, my friend knows that in, I believe it was 1974, there was the change in the way in which we select Presidents in this country in a manner similar to what S. 2 would do for congressional races and yet there has been a continuing decline in turnout in Presidential races. In 1968, a race which was privately funded, 60.9 percent turned out; in 1972, a race which was privately funded, 55.3 percent; in 1976, the first publicly funded race, the turnout is down to 53.5 percent; in 1980 down to 52.5 percent; and 1984 just a slight upward jag of 53 percent.

I heard that argument made by a number of our colleagues over the last 2 days. I am having a hard time drawing this correlation between bundling and a reduction in voter cynicism. It seems to me it does not necessarily follow.

I wonder if my friend would respond to that.

Mr. BUMPERS. Mr. President, I do not believe that it is the public financing—this is just a belief on my part—I do not believe public financing of the Presidential race every 4 years would ever erase the constant bombardment of publicity and stories of campaign giving by the wealthy, of abuses of the giving process through such tactics as bundling and all the negative publicity that you see on the evening news.

I daresay, there are not many people who even know that the Presidential races are financed by public funds. And when I say "public funds," as you and I both know, it really is not public money, because people are voluntarily paying for it on their income tax returns, I think, are they not?

Mr. McCONNELL. Yes.

Mr. BUMPERS. So my point is that, as long as the press and Common Cause and other similar organizations issue one press release after another about the abuses of the existing system, people are going to become increasingly cynical about how small a part they play. And they often wonder who up there is representing them.

When I left the Governor's office, I made a speech to a joint session of the legislature. I admonished them in the legislature—and I did not intend to be paternalistic about it—but I said, "Just remember one thing, that 95 percent of the people in the State do not have anybody down here roaming the halls lobbying for them. You are their only lobbyist."

If you walk down the streets of Charleston, AR, population 2,000, and say, "How do you feel about the comparison between regressive and progressive taxation?" they probably would not know what you were talking about. If you were to say, "How do you feel about the intermediate range nuclear missile treaty we are about to enter into?" they do not know what you are talking about. Those are complicated subjects, and they don't have time to become experts on such subjects.

But if you were to ask them how they feel about campaign financing, I can tell you they will tell you that they think the fat cats control the U.S. Congress.

I do not think anybody here on either side of the aisle denies that something needs to be done about this. If something does need to be done about it, there is only one way to do it and that is through public financing.

The other day, when the financial reports of all the Senators came out, I noticed there were 25—there are 100 U.S. Senators—25 of them are known millionaires and another 7 suspect.

Now, 32 millionaires in the U.S. Senate is hardly a microcosm of America. And yet, as long as the system exists as it does now, if I am wealthy I can spend any amount I want to on my campaign, if I have the money.

Some of the finest Senators in this body are extremely wealthy and I don't intend to denigate them or to relegate those people to an inferior class.

I was a country lawyer from Charleston—and this is history. One day I made a decision to run for Governor. I had to sell my cattle to raise money to run. Sometimes I wish I had my cattle back. Winthrop Rockefeller was Governor and he spent about $3 million and I spent, I think, I do not know exactly, $150,000 to $200,000, and won. That sort of negates what I am saying. But you see, one of the reasons I did win was because there was a tremendous resentment against his personal spending.

But if you look through the statistics for the past several years, you will find that most of the people who have spent millions of dollars of their own money have won, especially if they were incumbents.

Mr. McCONNELL. Will the Senator yield on that point?

Mr. BUMPERS. Yes.

Mr. McCONNELL. As the Senator knows, of course, S. 2 would not do anything about that.

But I agree with him, a major concern was created by the Supreme Court decision which held, in fact, that it was constitutional to limit what I could give to your campaign but not to limit what I could give to my own campaign. So there is no legislative way to completely cure what I have called the millionaire's loophole.

The bill that Senator PACKWOOD and I introduced yesterday, or the day before, at least gets at it in the following way. It, in effect, lifts an idea that our colleague, Senator DOMENICI, had. Under our proposal, if you were going to spend in excess of one-quarter of a million dollars of your own money, you would have to notify the FEC and thereby your opponent and then at least your opponent could go out and raise from others larger amounts. It would raise the individual contribution limit to $10,000 per person as opposed to the current limit of $1,000 per person. I cannot constitutionally solve the problem that my friend from Arkansas is talking about. I agree it is a big one. The only way we could solve it, unfortunately, would be with a constitutional amendment, which I would be more than happy to support.

Mr. BUMPERS. Mr. President, I thought for a moment I had misunderstood this bill. It is my understanding that under the bill it is true you cannot constitutionally prohibit somebody under the first amendment from spending his own money. But it is my understanding also that if somebody chooses to exceed the $20,000 limit on personal spending set under this bill, his opponent will receive a like amount of public funds under the fund; is that not correct?

Mr. McCONNELL. That is correct. There are a couple of threshold amounts you would get from the Treasury. But there is nothing in there to keep the wealthier person from keeping on spending all the way to the limit they desire to spend in his own behalf.

Mr. BUMPERS. Incidentally, I am a great believer in not tinkering with the Constitution, except under the most compelling circumstances. But if we do not get some campaign finance reform around here before long, I am going to cosponsor and push the constitutional amendment that has been offered by the Senator from South Carolina, Mr. HOLLINGS, providing the right of Congress to set limitations on how much money we spend. I would rather not address it that way, because I just do not want to tinker with the Constitution. But I do not like the idea of somebody that is unknown going up against a rich incumbent who is going to spend $10 million of his own money.

Mr. McCONNELL. I could not agree more. I say to the Senator, if the constitutional amendment were directed to close the millionaire's loophole, he could get me as a cosponsor.

Mr. BUMPERS. The amendment, as I recall it, just simply says the Congress shall have the right to set limits on campaign financing in Federal elections.

Mr. McCONNELL. That is not the amendment I am talking about, because I do not favor limitations on people's discretion. That is what political giving is.

I do think the same rules on political contributions ought to apply as to what we put into our own races and as to what applies to what we put into somebody else's race.

Mr. BUMPERS. Mr. President, let me ask the Senator this question, since we are just visiting here. If I have $20 million and I decided to run for the Senate, and the limit that I can spend under this bill is $1 million, and I choose to spend another million dollars of my own money and exceed the $20,000 limit by $980,000, my opponent is also going to be eligible for $980,000 in public funds. Now, what is the incentive for me to spend my money if he is going to get the same amount given to him?

Mr. McCONNELL. I say to my friend from Arkansas, there is a limit to what he can get. In your State, the most he could get with any of these triggering mechanisms would be $1,727,000. That would be the end of the tapping of the public till. As we know, there are some current Members of this body who spent well in excess of that of their own money to get here and some who have tried it who have not gotten here. But that is as far as the public matching dollars would go under S. 2 to counter the problem that the Senator decries and I also decry.

Mr. BUMPERS. This may not be a perfect solution, but I would be reluctant to spend $1 million of my own money if I knew by doing so I was virtually guaranteeing my opponent a similar amount of money. I think it takes away the incentive for people to spend their own money. That is not a perfect solution, but it is certainly better than the one we have now, where, if you happen to be a multimillionaire and want to spend your own money, you can do it, and if your opponent cannot match that in gifts and contributions from people, he is at a decided disadvantage. This at least improves the disadvantage.

Mr. President, I have said about all I want to say on this, but I do want to point out again that I like the grassroots provision of this because a candidate in order to be eligible for this has to raise, I believe, 20 percent of the limit in his home State in contributions of $250 or less. So he has to be viable and he has to be viable in his home State. He has to be viable among people who will give him $250 or less. I think that people who give $50 to $100 would feel that they are really a participant, that they were a player.

Nowadays, the Arkansas papers do not bother to print your name if you give under $500. They have a list in small print, reporting just the names of the people who gave $500 to $1,000. Do not expect to get your name in the paper for $250 in my State. You do not even get any notoriety for $250 in my State. And we are one of the smaller States.

The whole thing about reporting campaign contributions was that disclosure would eliminate abuses. If you want to take money from the Mafia, you can, but you have to report it and let everybody know you are taking money from the Mafia. That is good. I applaud that. But I am simply saying people are not going to be interested in giving you $10 or $20 when all they ever see in the newspapers are the people who gave you $1,000.

I was such a neophyte when I ran for Governor the first time a lot of people gave me money and said, "All we want is good government." I had not been Governor 2 weeks when I found out some people wanted a little bit more than good government.

So while this is not a perfect solution, it will eliminate the amount of money PAC's are going to be able to give, or at least the amount you are going to be able to take. This will enhance the political process. It will make little people feel once again that they are part of the process. And the bill eliminates insidious things, such as bundling.

I do not believe in being an ungracious loser. I won and I am grateful I won last year. But I must say one of the most disturbing things I saw was when I picked up a paper and saw that my opponent has received $125,000 from all over the Nation that came in from the Republican Senatorial Campaign Committee. One of the newspapers in Arkansas began to call the people who presumably gave the money. They called 10 people and not one of them had ever heard of my opponent.

That is what is called bundling, where you just send a check in to one of the campaign committees and apparently they write down the name of whoever they want to get the money and they bundle it up and send it to them. The candidate does not know them and they do not know him. It is just a solicitation that goes out that says, "We are in this monumental battle for control of the Senate. The world will come to an end if the Republicans"—or Democrats—"do not control the Senate. Send money now. And if it is OK with you, we would like to help 'Old Joe Blow' over in Tennessee" or Missouri, or someplace else. So you send in a check for $100 with no name on it and they put the name on it and send it wherever they want to send it. That is one of the most flagrant abuses. I could not believe that had actually happened. It seemed to me that there ought to be a criminal violation involved in that, but there was not. I found out it was a very common practice.

This bill eliminates that and eliminates a lot of other abuses. What I would like is for the Republicans and Democrats to quit fighting about the necessity for election campaign reform because I feel there is a lot of feeling on both sides that this has to be done, and instead of being here championing S. 2 or something else, and I do not know the number of the other bill, we ought to be sitting down in good will and in the spirit of promoting good government and sensible campaign giving within limits, letting the American people know that we are really serious and concerned about this and we are not trying to gain some kind of partisan advantage by insisting that this bill be passed.

I yield the floor.

Mr. McCONNELL. Mr. President, there has been a good discussion in the last few days on potential areas of compromise. I listened with considerable interest to the Senator's comments. I would point out that the Senator from Oregon, Senator PACKWOOD, and I have a bill that would eliminate PAC contributions to candidates altogether and we have both indicated a willingness to go beyond that and eliminate political action contributions to parties as well. I think if PAC's are the pervasive influence that we are concerned about here, the Senator from Arkansas might find that there is a pretty broad agreement on that on both sides of the aisle.

On the question of public finance, I think that is a highly divisive issue. The question of spending limits for many of us is a divisive issue. My own view—and the Senator has run for office more times than I have—is I would expect that his biggest spending came in races where there was big competition. Competition has a way of generating interest and support. That is what spending is. If you take away the millionnaire problem, which you and I agree ought to be solved and we wish it could be solved, and talk about where the balance of campaign spending comes, it comes from a whole lot of folks with $1,000 or less. A good candidate can raise money. A candidate who is not any good cannot.

My bet is that the Senator from Arkansas had good spending when he had a tough opponent and less spending when he did not have a good opponent. I wonder if that is the situation.

Mr. BUMPERS. Well, I ran against a 30-year incumbent opponent in 1974. I called that good competition.

Mr. McCONNELL. Did you spend more in races where you had a real opponent instead of just someone who filed?

Mr. BUMPERS. We do not have many who just file. We believe in running down there.

I think you heard me say initially I did not spend twice as much money as I spent in all my other campaigns put together because I enjoyed spending the money. I did it, as I pointed out, because what used to cost $150 for 30 minutes on TV now costs $2,000 for 30 seconds.

Mr. McCONNELL. Was it also true that he had a reasonably credible opponent last year as opposed to 1980?

Mr. BUMPERS. The Senator is correct, but I got more votes this year than I did in 1980.

Mr. McCONNELL. Will he not conclude, though, that the quality of competition frequently determines the spending in the sense that you are attracting more money and have more to spend?

Mr. BUMPERS. Let me just evade that question for a moment and make one additional point, which is this:

When I ran in 1970 for the first time, as I told you, the day I announced I did not have a thin dime in the bank. It was an act of faith. I do not think I really intended to win. But everything came out well. Then when I got ready to run for reelection as Governor, the election was in May and I do not think I raised a dime before March.

In 1974 when I ran against a 30-year incumbent, I announced that I was going to run for the Senate 1 week before the ticket closed and at that moment I did not have one dime in the bank. I started raising money then. I raised all the money I was going to raise in 2 months' time.

In 1980 I did not raise any money for the Democratic primary, and I did not raise any money until about 4 months before the general election. A lot of Senators in this body can make the same statement as to their beginnings in politics. But today Senators start collecting money 4 and 6 years before the race. I held my first big fundraiser almost 2 years before the election last fall.

You go to these forums about how to win your reelection bid and they say, "Start raising money early." There are Senators here who come in bleary-eyed after a fundraising trip to California, who will not stand for reelection for 4 years.

I know one Senator, and I am sure there are others—I just happen to know about this because this Senator was holding a fundraiser at the same hotel where I had a fundraiser. He had been reelected 3 months before, he was holding another fundraiser downtown. And he already had a surplus; he did not go into debt. He started raising money within 3 months after he was elected, 6 years before he had to stand for reelection.

That is what Senators have been doing to finance their campaigns, going out with their tin cups, begging and pleading.

Mr. McCONNELL. Mr. President, I say to the Senator that no one requires us to do that.

Mr. BUMPERS. They may not be required, but they may not be here either. I think it is excessive. I do not think it is necessary for Senators to do it but a lot of them do it.

Mr. McCONNELL. The Senator from Arkansas did not do it but he got reelected. The Senator from Colorado did not do it. He got elected.

I understand the Senator from Arkansas is a lawyer and a rather good one. Some lawyers wait until the day before the trial to get ready, others decide to prepare in advance. That is the option we all have. Some do it, some do not.

I do not think we ought to go out and change the law just because some people decide they ought to wait until the last minute to engage in fundraising. That is an option some of us can choose to employ or not employ, depending on our personalities.

Mr. BUMPERS. Does the Senator not agree that the workload of a U.S. Senator, with arms control, budget, trade legislation—every kind of bill under the shining sun—coming up before this body, that our primary responsibility is to be here, on the floor of the Senate, debating these issues? And does not the Senator agree with me that the time consumed by U.S. Senators in fundraising has been doubled since he has been here?

Mr. McCONNELL. I do not agree with that.

Mr. BUMPERS. I have been here 12 years and I promise the Senator, it has tripled in that time. It was unthinkable when I came here for somebody to be raising money more than 2 years before an election.

Mr. McCONNELL. Does the Senator think that is a good reason to change the law?

Mr. BUMPERS. Yes, I do.

Mr. McCONNELL. The solution here is let the taxpayers pay for it.

Mr. BUMPERS. They can pay for it if we want to. This is a voluntary checkoff system. It is estimated that it will raise $38 million a year. I will give—I think most people will.

Mr. McCONNELL. The current tax system is voluntary, truly voluntary. A voter can make a choice. The current system makes it completely voluntary. They check off on their tax returns whether they want to contribute a dollar.

Mr. President, I yield to the Senator from South Dakota.

The PRESIDING OFFICER. The Senator from Arkansas had the floor and yielded to the Senator from Kentucky to make a comment.

Mr. BUMPERS. I yield the floor, Mr. President.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. BINGAMAN. Mr. President, I hesitate to follow the Senator from Arkansas.

Mr. President, I rise today in support of S. 2, the Senatorial Election Campaign Act of 1987, of which I am an original cosponsor. I believe this is legislation that has been needed for many years, and I hope its time has finally come.

I think the problem has been well described by several Senators already. I have come across a study that the Congressional Research Service has done, in April 1987, which I believe very clearly points up the nature of the problem. I would like to briefly summarize four tables contained in this report.

Mr. President, I ask unanimous consent at this time that the portion of this report from the Congressional Research Service issued in April 1987 entitled "Election Costs and the Role of PAC's" be included in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. President, these tables depict the change from 1976 to 1986 in campaign expenditures in the House and the Senate. To summarize it very briefly, the total cost of campaigns, in 1976, was $115.5 million. Ten years later, in 1986, that cost had gone to $435 million. This is a clear sign that the cost of campaigns is totally out of control.

The increase is clearly dramatic.

The second of these tables is for the same period, 1976 to 1986, and deals with the average campaign expenditures by the winning House and Senate candidates. In the House, from 1976 to 1986, the cost went from $87,000 in 1976 to $355,000.

In the Senate in 1976, the average winning candidate spent $609,000. In 1986, the average winning candidate spent $3,099,554. So I think again, that is clear evidence of the escalating cost.

The third of these tables gives a breakdown of PAC contributions for the 12-year period from 1974 until 1986. In 1974, PAC's contributed $12.5 million to congressional candidates; in 1986, they contributed $140 million.

The final table that I wish to cite from this report is the level of PAC contributions among total receipts of congressional candidates. In other words, of those funds that congressional candidates raised, what percent came from PAC's? In 1974, the percentage was 15.7 percent; in 1986, 12 years later, it was 31.3 percent.

So, Mr. President, it is clear to me that these tables demonstrate a serious problem in the growth of the cost of campaigns; they also demonstrate a serious problem in the growth of the PAC contributions to the campaign process. I think it is something that is addressed very effectively in S. 2. For that reason, I am proud to cosponsor the bill.

I am pleased that Senator BOREN has reintroduced his measure from last year as S. 2 in this Congress. He is joined in this effort by our distinguished majority leader, Mr. BYRD, and 45 other Senators—a clear signal of the substantial desire in this body for real campaign reform. This measure would improve our current election campaign laws in three basic ways. First, it would establish specific spending limits in each State for both primary and general U.S. Senate elections. Furthermore, it would set an overall limit on spending over the 6-year election cycle of 167 percent of the general election limit for each candidate's State.

Second, this measure would establish public financing for general elections under very specific requirements. This is necessary to encourage candidates to voluntarily limit their personal contributions to their own campaigns. In return for this financing, the bill establishes a total limit on PAC contributions of 30 percent of each State's primary financing limit under this bill.

Last, S. 2 limits the amount of money PAC's can contribute to both national and State political party committees. The legislation also includes important provisions to reform the use of electronic and print media and to disallow "bundling" and other destructive financing processes.

I believe the "anti-bundling" provision is of particular importance. It is necessary to ensure that the PAC's, despite the direct limits placed on their contributions, are not able to circumvent these rules by bundling funds contributed by their officers or employees. This bill would not only prohibit the earmarking or bundling of contributions by PAC's, but also by their officers or employees, or the officers or employees of a connected organization or political party committee. I believe this provision will help ensure that loopholes do not exist through which PAC's can avoid the limits placed on their contributions.

Mr. President, I cannot stress enough the essential need for this legislation. Year by year, election by election, we are losing control of our political election process. Political influence in this country is shifting further toward well-financed special interest groups represented by PAC's and away from individuals. It is also clear that Members of Congress are spending ever-increasing amounts of time raising funds for their campaigns and less time working on the crucial issues facing this country. I believe this legislation is an important step toward limiting campaign spending and the degenerating influence of PAC's. I urge my colleagues to support the measure.

EXHIBIT 1

ELECTION COST AND THE ROLE OF PACs

The dual phenomena of rising costs of congressional elections and the increased importance of political action committees (PACs) as a source of campaign funds have contributed to the growing interest in campaign finance regulation since the enactment of landmark reform legislation in the mid-1970s. While numerous subsidiary issues have been raised about the perceived inadequacies of existing law, these two interrelated developments have received the most media attention and have stimulated the current debate.

The limits on contributions by individuals, PACs, and political parties, in conjunction with an absence of limits on spending in congressional elections, have formed a critical convergence in the flow of money in congressional elections during the past 10 to 12 years. This system is in marked contrast to that governing presidential elections. In addition to the uniform contribution limits affecting all Federal candidates, the availability of public funds is conditioned upon a presidential candidate's agreement to limit expenditures.

While spending on congressional elections—free of limits—has risen greatly, the sources of funds have been circumscribed by the limits set in 1974 and 1976, unindexed for inflation. This dichotomy has led candidates to place a premium value on readily available sources of campaign funds. As a practical matter, this has meant candidates themselves—particularly for those who are affluent (such expenditures being free of limitations)—and PACs, which are limited at a higher level than individuals and which have proliferated in number during the past decade. Available data do not support any suggestion of a significant increase in numbers of wealthy candidates. There is abundant evidence of a sharply increased role of PACs in funding congressional campaigns.

INCREASED COST OF ELECTIONS

At all levels of government, campaign expenditures in the U.S. have risen greatly since the early 1970s (one notable exception being the presidential election of 1976, which, by virtue of spending limits associated with public funding, probably cost less than that of 1972). Campaign finance authority Herbert Alexander (Citizens' Research Foundation) estimated that $540 million was spent on all elections in the U.S. in 1976 at all levels, on ballot propositions as well as candidate elections; his comparable estimate for 1984 (the most recent presidential election year) was $1.8 billion. Even accounting for the increase in the cost-of-living during this period, which was 83%, this represented a significant increase.

In congressional elections, the uniform disclosure laws enacted in the 1970's have made it possible to more accurately gauge any trends in spending levels. As Table 1 shows, House and Senate candidates in primary and general elections spent an estimated $435 million in 1986, compared with $115.5 million 10 years earlier—a 278% increase (or 106%, controlled for inflation).

TABLE 1.—*Campaign expenditures in House and Senate elections: 1976-86*

	Million
1976	$115.5
1978	194.8
1980	239.0
1982	342.4
1984	374.1
1986 (estimate)	435.0

Source: Herbert Alexander (1976); FEC (1978-84); CRS (1986).

Even greater than the increases in aggregate campaign costs have been those for the average expenditures by successful candidates, a useful measure of the real cost of running for office. As Table 2 demonstrates, the average cost for a winning House candidates rose from $87,200 in 1976 to $346,000 in 1986 (a 300% increase), and the average for a successful Senate race increased from $609,000 to $3,099,554 during this same period (a $400% increase in current dollars unadjusted for inflation).

TABLE 2.—AVERAGE CAMPAIGN EXPENDITURES BY WINNING HOUSE AND SENATE CANDIDATES: 1976–86

Year	House	Senate
1976	$87,200	$609,100
1978	126,900	1,208,600
1980	177,300	1,176,500
1982	261,300	2,066,700
1984	289,294	2,954,545
1986	355,126	3,099,554

Source: CRS calculation, based on FEC data.

Even greater were the amounts spent by those candidates in the most competitive races: successful House candidates in elections decided by a margin of 10% or less spent an average of from $309,000 in 1980 to $532,277 in 1986. These data reflect only the level of spending by candidates (under both their authorization and direct control); they do not include the levels of independent expenditures (by outside groups and individuals), coordinated expenditures by the political parties, or the more difficult to gauge activities of unions, corporations, and other interest groups beyond direct contributions to candidates. Thus, the real cost of winning a House or Senate seat is actually understated in these figures by an indeterminate amount.

Most observers cite the increased centrality of media in modern elections and the rapid growth in the cost of TV and radio advertisements as the prime contributors to the escalating costs of elections today. While there are no aggregate data on the breakdown of Federal campaign budgets (because of the FEC's reporting formats), it is generally estimated that 50-60% of a typical Senate campaign budget is allocated to broadcast media advertising (such media does not play as great a role in the typical House campaign, as the concentration of districts in urban media markets often makes such costs prohibitively high).

Three other factors can be cited as contributing to the high cost of elections today:

The professionalization of politics—the shifting of election campaigns to full-time, ongoing operations by political consultants, pollsters, etc.;

The increased degree of regulations and disclosure requirements, necessitating a greater role for legal and accounting assistance; and

The high costs of fundraising—primarily through direct-mail.

Ironically, the cost of fundraising has risen in response, at least in part, to the limitations on contributions under the Federal Election Campaign Act. Candidates, especially in large jurisdictions (such as States), must raise more money from more people in smaller amounts, a democratic, but inherently more time-consuming and expensive, process.

To many observers, the data presented above reflect what are seen as exhorbitant levels of campaign expenditures, posing a threat to our democratic system of government. Critics argue that too much time is spent raising campaign money, diverting candidates from attention to the issues of the campaign and officeholders from their public duties. The high cost of elections and the perception that they are "bought and sold" are seen as contributing to public cynicism about the political process. Also, to the extent that high election costs may be resulting in more wealthy individuals seeking office (an unproven assertion), opportunities for public service by those of more limited means or lacking in financial contacts may become increasingly foreclosed. Finally, in the wake of the 1986 elections, some observers have speculated about a correlation between the availability of excessive amounts of campaign money and the perceived increased reliance on sophisticated, negative media advertising; this view is based on the central role of both media and consultants and the widespread belief among the latter that "negative" advertisements are most effective in today's campaigns.

The increase in election costs is by no means universally viewed with alarm. Many, including some political scientists and campaign finance authorities, insist that we do not spend too much money on elections, when viewed in the context of both the cost of other goods and services in today's society and the expansion of government functions over the past five decades. They note that election spending constitutes only a fraction of a percent of what governments at all levels spend, commenting that the cost of educating the public about critical policy choices on the disposition of those large sums is hardly excessive. Because so much of election expenditures take the form of communicating with voters, comparisons are made with the costs of commercial advertising, and, in that context, election costs appear less shocking. For example, the nation's leading commercial advertiser, Proctor & Gamble, spent $872 million promoting its products in 1984, more than was spent by candidates for the presidency, Senate, and House combined.

Observers also raise the question of whether or not such phenomena as wealthy candidates and negative campaigning are simply more visible today than in earlier years—a result of better disclosure and the dominant role of TV in today's politics. They also note that more money does not necessarily guarantee electorial success, as was seen recently, and notably, in 1986. Finally some even suggest that too little may be spent on elections, rather than too much, from the perspective of meaningful competition in elections. Many incumbents accumulate large warchests, with the effect of deterring significant oppositon. Challengers, facing a massive fundraising task just to reach competitive capability, may well decline candidacy. Those not deterred often cannot raise and spend enough to mount a credible challenge.

PACS AND THE SOURCES OF FUNDS

The increased expense of getting elected to Congress and its many ramifications are closely linked to issues about the sources of those funds, particularly the ever greater candidate reliance on contributions from PACs as agents of "special interest" groups. As pressures to raise large campaign warchests lead—or are perceived to lead—candidates to tailor appeals to the most affluent and narrowly interested sectors, questions arise about the extent to which all elements of society are fairly and equally represented. The role of PACs, in itself and in relation to other funding sources, has thus become a central issue in the campaign finance debate.

As with the date on election costs, the statistics on the role of PACs reveal an unmistakable growth, by any standard of measurement—whether in numbers, in amount contributed to candidates, or in the level of PAC support relative to other sources of campaign money. In terms of numbers, Federally-registered PACs increased from 608 to 4,157 between the end of 1974 and the end of 1986 (with the largest increases among the corporate and the independent—the latter generally the issue-oriented and ideological—PACs). As shown in Table 3, the amount contributed by PACs to House and Senate candidates during this period rose from $12.5 million to an estimated $140 million—a more than 400% rise, controlling for the effects of inflation.

TABLE 3.—*PAC contributions to congressional candidates: 1974-86*

	Million
1974	$12.5
1976	22.6
1978	35.2
1980	55.2
1982	83.6
1984	105.3
1986 (estimate)	140

Source: Common Cause (1974-76); FEC (1978-84); CRS (1986).

Perhaps the most meaningful measurement of the role of PACs is reflected in the percentage of candidate receipts constituted by PAC contributions, as it shows the relative importance of each major funding source (PACs, political parties, individual citizens—giving directly, and candidates—giving to their own campaigns). As Table 4 shows, 31.3% of House and Senate candidates' (those on the general election ballot) receipts came from PACs in 1986, compared with 15.7% in 1974.

TABLE 4.—*Level of PAC contributions among total receipts of congressional candidates in general elections: 1974-86*

	Percent
1974	15.7
1976	19.6
1978	20.1
1980	25.7
1982	26.6
1984	29.3
1986	31.3

Source: CRS calculations, based on Common Cause and FEC data.

Perhaps of greater significance than the increased role of PAC contributions among all candidates in their greater importance just among those who are either in office or are well-positioned to win their elections. (It is also worth noting that House candidates have generally been more reliant on PAC contributions, vis-a-vis other sources, than Senate candidates, in large part because of the larger funding base in Senate campaigns.) Major party House candidates received 36.6% of their funds from PACs in 1986; among House incumbents it was 43.4%. House winners received 41.3% of their funds from PACs in 1986, up steadily from 25.6% in 1976. Examined another way, the percentage of House winners receiving at least half their funds from PACs rose from 9% in 1974 to 41% in 1986:

UNANIMOUS CONSENT AGREEMENT

Mr. BYRD. Mr. President, I am authorized by the distinguished Republican leader to make this request now while he is temporarily off the floor.

I ask unanimous consent that when the Senate considers a resolution relating to the President's trip to Venice for the European economic summit to be offered by myself and other Senators, there be the following time limitation: Not to exceed 10 minutes equally divided between the majority and minority leaders; that no amendments be in order; that no motion to recommit the resolution be in order, either with or without amendments; and that the majority leader may call up the resolution after consultation with the minority leader.

As part of that request, and I have consulted with the minority leader, that a vote on the resolution occur today at the hour of 4 o'clock p.m.—this would also accommodate the distinguished chairman of the Foreign Relations Committee—and that there be no time on any motion to reconsider.

The PRESIDING OFFICER. Is there objection?

Mr. PRESSLER. Mr. President, the Republican leader has cleared this agreement. There is no objection on this side. I have been asked to announce that. I thank the majority leader.

Mr. BYRD. I thank the distinguished Senator from South Dakota.

Mr. President, I ask unanimous consent that it be in order at this time to order the yeas and nays on the resolution.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask for the yeas and nays to the resolution.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. I urge our cloakrooms to notify Senators that there will be a rollcall vote at 4 p.m. today.

SENATE ELECTION CAMPAIGN ACT

The Senate continued with consideration of the bill.

Mr. PRESSLER addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. Mr. President, I am happy that we are discussing campaign reform. I certainly am open to improving our campaign laws. I hope that a compromise can be reached because I think that the public wants to see action to limit the negative campaigning and spending that we have seen in some of these races.

I have now been in Congress for 13 years. When I first came here we had a reform bill and we have had a reform bill just about every year. I think we should be very careful not to pass just a campaign reform bill, but to really have some discussion and allow amendments to be offered and considered. As I understand it, there is some amendment tree planned or considered that, if cloture is invoked and if we go into amending this bill, many amendments would not be in order or they might be voted down along party lines.

That would trouble me a great deal because, very frankly, I think that both of the major bills we are talking about have some merit.

Let me say from a personal point of view that I have never been blessed with such huge amounts of campaign funds as have some of my colleagues. Perhaps that is because I come from a small State, although the last Senate races in my State, according to what I read in the papers, cost about $3 million on each side, which is about as expensive as any State in the Union.

I read that one of Senator McGovern's campaigns—again I read in the paper and hope it is right—was the second most expensive in the Nation, exceeded only by a California race. So, we have had some very expensive Senate races in my State.

I believe the record will show that in terms of campaign expenditures, I have spent somewhere between $500,000 and $800,000 on an actual campaign, although during the entire 6-year period it may have added up to more. That sounds like a lot of money to me, but it is not very much money as Senate races go in my State where people are spread out a great deal and it is expensive.

I do not feel I have a great ax to grind. I do not spend a big percentage of my time fundraising, although it is a consideration. I tend not to believe in public financing. I think moneys can be raised privately. Maybe there can be limitations on the amounts or the political action committees can be zeroed out or limited. But I believe I reflect the thinking of the people of my State that we would not favor public financing.

I also see in this bill a ceiling on spending. I know what we do with the national debt ceiling—we raise it almost every year, and I am afraid if we had the taxpayers' money in there, PAC money, private contributions, every year we find a reason to raise the ceiling. That is what has happened with the national debt. It has happened on spending for everything else.

Also I see there is an entitlement program in here for primaries. I know my colleague from the State of Kentucky is an expert in this area. I want to yield to him because I think that this business of what would be spent in primaries and how people would qualify is very interesting.

I would like at this time to yield to my colleague, but not yield the floor, to explain how the primary funding would occur. If he has the State of South Dakota on the chart, I would be much interested in exactly how that would work because, Mr. President, I tend to think, when all is said and done, this is going to be an incumbents' protection bill.

I will comment on what my colleague has to say, but could I yield to learn what will occur in primaries under this bill?

The **PRESIDING OFFICER**. Without objection, the Senator from Kentucky is recognized to respond to the question of the Senator from South Dakota.

Mr. **McCONNELL**. As my friend from South Dakota knows, I am neither a supporter or enthusiast of S. 2. But as I understand his question, it would be, What would be the primary spending limit under S. 2?

The primary spending limit under S. 2 in the Senator's State would be 67 percent of $950,000, which is the general election spending level.

Now, there is, of course, the option to go privately, to just say, "I am not going to accept public funding, I am going to raise my own money, and I am going to do it that way."

There is, of course, an enormous disincentive under S. 2 to rely strictly on private contributions rather than public money. Because what happens under S. 2, I say to my friend from South Dakota, is that if he should opt, as a matter of principle to say to his people in South Dakota, "I don't think the taxpayers ought to have to pay for this race so I am going to raise it," the moment my friend from South Dakota exceeded the spending limit for his State, which is $950,000, the moment he exceeded that figure in private donations, his opponent, who under this hypothetical chose public funding, would get what we call a second entitlement payment of an additional $950,000.

So he would be, under that scenario, $949,000 behind at taxpayers' expense, the moment he exceeded the $950,000 limit in the general election.

Mr. **PRESSLER**. Let me ask my colleague this, and maybe the cosponsor of S. 2 might better answer it.

What would occur with funds raised previously? As pointed out by the Senator from Arkansas, some Senators raise money every year.

Say, a Senator had $1 million in the bank under this scenario at the beginning: How would that be counted under S. 2? My friend from Kentucky need not account for S. 2, since he is an opponent of it, but as he understands it.

Mr. **McCONNELL**. I say to my friend from South Dakota that I do not think I could answer that question.

Mr. **PRESSLER**. I have not been able to get a clear answer to that.

Mr. **PACKWOOD**. I asked that question before of some of the sponsors. They are not quite sure of two things: First, what do you do with the money you now have raised? The effective date is when the bill comes into effect, not what happened before. I have not got an answer on that.

As to the second question, what happens if you go out to raise the matching funds and by chance, assuming you are matching funds of $200,000 and you raise $300,000 by direct mail that comes in, what happens then?

Have you raised too much in the way of matching funds or do you only get $700,000 because you have raised $300,000 and you could spend $1 million? I have not got the answer to that. There may be one, but I have not been able to find it.

Mr. **PRESSLER**. I believe I have the floor.

The **PRESIDING OFFICER**. The Senator from South Dakota does have the floor.

Mr. **PRESSLER**. We have received about 100 telegrams and letters on this subject, and we have been talking to the people who are writing in. Most of them do not really know what is in S. 2. They do not know there is public funding, using taxpayers' money; that Senators will be under an entitlement program. I could very easily raise $150,000 in my State, and then, as I understand it, I would be entitled to $800,000 of taxpayers' money.

Now, it is true that this would only be coming from a $2 checkoff; but, adding up the numbers, I do not see how it could possibly be true, and I think inevitably we would be taking money out of the Treasury. Also, I predict the ceiling will be increased every year under this bill. So, we will not only have public money; we will have PAC money; we will have private money.

But the people who have responded to our office's inquiries seem to be concerned. First, they do not know that under this bill, we would have public financing in part. When they are told that, they are usually somewhat surprised. I do hope that, in the mailings by the groups supporting this legislation, they will be completely candid.

Second, a concern by people is political action committee contributions. I would agree with that, and that is why I have added my name to the McConnell-Packwood bill, which zeroes out political action committees. S. 2 did not even reduce the amount that a political action committee could give. A political action committee still could give $5,000 per election.

Number three, the people who have contacted our office want spending ceilings, and that I would concur in or grant to S. 2. It does do that, and our bill does not. A spending ceiling does not bother me because I have never been anywhere near a spending ceiling.

As I have pointed out, my campaigns—and it may be a blessing—have never cost more than 33 percent of what other recent Senate campaigns in my State have cost.

So, the point I am making is that I think there is much misunderstanding out in the country about what is in S. 2. This Senator would love to have a situation where there was an opportunity to offer amendments which would not be voted down on a partisan basis.

Also, I am very concerned about the reporting of soft money. By soft money I mean money that is spent by business or labor unions or teachers' groups, or even 504(b) groups, to inform their members. The fact of the matter is that before an election, they say: "We don't care who you vote for. We are a tax-exempt group. But we would like to point out to you that Senator So and So voted against you on such and such a date." That is legal, I guess.

In my mind, it is a violation of the law, but it is being done. And those are soft money contributions.

So what we would be doing under S. 2, it seems to me, is placing a limitation on reported expenditures without doing anything about soft money.

Also, I think that S. 2, without amendments would be an incumbent's dream.

As a matter of fact, I would find it much easier to run for election under S. 2 than I would under the present system. It would be much easier for me to run in 1990. But it would be hard for an opponent to run against an incumbent because they are going to have to spend more dollars to do it. I have had the advantage of being in office, and I have had the advantage of communication with my constituents over the years. I have also put a lot of work and elbow grease into it, I might say.

So, if someone is going to work to defeat me, they are going to have to raise more money than I, and that is why I see this as an incumbents' protection bill.

In conclusion, Mr. President, I would say that I see many good things in both S. 2 and the McConnell-Packwood bill. I wish there could be a blending together. I do not like public financing. I think the money should be private. I think we do need to reduce or zero-out the individual PAC's to individual campaigns. That seems to be something that our people want in my State. They do not want public financing. I wish that we could find a way to have more of a level playing ground between incumbents and challengers.

I recall that when I first arrived in Washington, everybody was all excited about political action committees. They were the reform of that time.

After PAC's came, they said well, now we can trace where this money is coming from.

Before PAC's, you could have 10 executives of General Motors give $1,000 each, and it would just be their name and home address. We would have no idea there may have been a bundling effort, but with a PAC, you could tell where the money was coming from. It was a great reform.

But what happened under PAC's was that the amount of spending accelerated. A lot of people participated; PAC's were successful; and people watching the political process said, "This is bad, per se."

I do not think it is bad, per se, but some of the results, the negative campaigning and independent expenditures are. It is time for a review.

Let us be careful that we do not throw the baby out with the bath and have another reform bill that is called reform and in 2 or 3 years we will have all the same groups clamoring for another reform.

Of the 100-or-so people who have contacted my office, we are trying to find out what they really want. What they really want really is more in the Packwood-McConnell bill than in S. 2.

But this Senator is ready to compromise, is ready to work on amendments, if the ground rules are laid out in a fair fashion.

I yield the floor.

RESOLUTION RELATING TO THE VENICE SUMMIT

Mr. BYRD. Mr. President, I send to the desk the resolution on which the agreement was earlier entered with respect to a vote at 4 o'clock p.m. today.

The PRESIDING OFFICER. The clerk will report the resolution.

The bill clerk read as follows:

A resolution (S. Res. 225) to express the sense of the Senate regarding commitments that the President should seek to obtain at the Venice Summit on trade, on AIDS, on agricultural exports, and on security matters.

Mr. BYRD. Mr. President, I ask the clerk read the resolution.

The bill clerk read as follows:

S. RES. 225

Whereas the heads of state of seven leading industrialized nations will soon convene in Venice for an economic summit meeting;

Whereas the strong growth of imports into the United States has provided most of the stimulus to world trade for the last several years, but this stimulus has ended with the decline in the dollar;

Whereas Germany and Japan have, in contrast, had export-led growth and sluggish imports resulting in exraordinarily large trade and current account surpluses over the last several years that derive not only from macroeconomic policies but trade practices;

Whereas Germany and Japan can promote the expansion of world trade and growth by using their enormous trade surpluses to increase their imports substantially;

Whereas returning to relative balance in our international accounts will require concerted efforts in both macroeconomic and trade policies by the other nations attending the economic summit;

Whereas the United States Congress is committed to act expeditiously to correct our own internal imbalances by reducing the budget deficit and improving the competitiveness of American industry;

Whereas Germany and Japan have moved slowly to correct their own macroeconomic and trade imbalances;

Whereas the sharp appreciation of the German and Japanese currencies is depressing their exports and compelling the governments of those two countries to adopt policies to stimulate demand for their own domestic production, but their internal domestic pressures will discourage greater demand for imports;

Whereas the current value of the dollar is now being supported by sustantial purchases of U.S. securities by foreign central banks at levels that will be difficult to sustain indefinitely;

Whereas further substantial reductions in the value of the dollar would erode the standard of living of the United States and disrupt the economies of nations whose currencies appreciate;

Whereas the United States economy has been far more open to imports than the economies of Germany and Japan and this has contributed to the current wide imbalances in world trade;

Whereas fundamental programs by Germany and Japan to ensure much greater openness to imports would contribute to a restoration of balance in world trade and act as an alternative to further substantial reductions in the value of the dollar;

Whereas the European Community's highly protectionist variable levy is the primary cause of the $5 billion, 50 percent reduction in U.S. agricultural exports to Europe and Japanese trade barriers cost U.S. farmers at least $1 billion every year;

Whereas the worldwide spread of Acquired Immune Deficiency Syndrome (AIDS) threatens the lives of millions of the world's citizens; and

Whereas the spread of AIDS poses grave risks to the economic development of certain less developed countries;

Whereas a coordinated, global response to this international health crisis will hasten the day when AIDS will be defeated;

Whereas the participant nations at the Venice summit should make a firm commitment to work together to combat this epidemic;

Whereas recent developments in the Persian Gulf have emphasized the importance of the region to Western economic security;

Whereas the continued freedom of navigation and flow of commerce in the Gulf region is in the interest of the Western Alliance as a whole;

Whereas the United States is committed to ensuring the continued access of commercial shipping to the Persian Gulf;

Whereas the Iran-Iraq war constitutes a continuing threat to Allied interests and to freedom of navigation in the Gulf; Now, therefore be it

Resolved, That it is the sense of the Senate that:

(1) the United States should seek commitments from Germany and Japan at the upcoming Venice economic summit to reduce their trade surpluses by substantially increasing their imports, not only by stimulating demand, but restructuring their economies to become permanently more open to imports of goods and services;

(2) the United States should seek commitments from the European Community and Japan to liberalize their agricultural import policies;

(3) the United States should seek commitments from other participants at the Venice summit to contribute and cooperate with the United States and international efforts, particularly those of the World Health Organization, to combat and prevent the spread of AIDS; and

(4) the President should encourage the Allies at the Venice summit to cooperate in diplomatic and military measures which may be necessary to ensure Western security interests in the Persian Gulf.

Mr. PELL. Mr. President, today the Senate is considering a resolution submitted by our distinguished majority leader, Senator ROBERT BYRD. This resolution is intended to put the Senate on record concerning matters to be discussed by President Reagan and the heads of state of the United Kingdom, France, Germany, Japan, Italy, and Canada at the Venice Economic Summit next week.

Since 1975, the heads of state of the seven most powerful industrialized nations of the world have met annually to discuss major economic issues of mutual concern. These sessions have proven to be very useful not only in terms of affording an opportunity to exchange views on specific matters, but in highlighting to the world the importance which economic issues have come to play in our overall relations with each other.

The majority leader has concisely spelled out the major issues which deserve serious attention by the summit participants. Certain matters such as the serious trade imbalances brought on by unwise economic policies and unfair trade restrictions should be discussed in depth. The instability of the dollar on foreign exchange markets must also continue to be an issue of shared concern. So too, the serious threat to our shared economic and security interests posed by recent events in the Persian Gulf deserves serious attention.

Mr. President, I commend our distinguished leader for authoring this resolution. I think it conveys an important message to President Reagan and to the other participants who will attend the Venice Summit next week of the significance that the Senate accords to the discussions which will be held. I urge my colleagues to support this resolution.

The PRESIDING OFFICER. The hour of 4 p.m. having arrived, the question is on agreeing to the resolution. On this question, the yeas and nays were ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Montana [Mr. BAUCUS], the Senator from Tennessee [Mr. GORE], the Senator from Ohio [Mr. METZENBAUM], and the Senator from Illinois [Mr. SIMON] are necessarily absent.

I also announce that the Senator from Hawaii [Mr. INOUYE] is absent because of questioning witness in Iran/ Contra hearing.

Mr. SIMPSON. I announce that the Senator from Wyoming [Mr. WALLOP], the Senator from New Hampshire [Mr. RUDMAN], and the Senator from Washington [Mr. EVANS] are necessarily absent.

I also announce that the Senator from Maine [Mr. BOND] is absent on official business.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 90, nays 1, as follows:

[Rollcall Vote No. 146 Leg.]

YEAS—90

Adams
Armstrong
Bentsen
Biden
Bingaman
Boren
Boschwitz
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Sanford
Sarbanes
Sasser
Shelby
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Warner
Weicker
Wilson
Wirth

NAYS—1

Bradley

NOT VOTING—9

Baucus
Bond
Evans
Gore
Inouye
Metzenbaum
Rudman
Simon
Wallop

So the resolution (S. Res. 225) was agreed to.

The preamble was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SENATORIAL ELECTION CAMPAIGN ACT

The Senate continued with the consideration of the bill (S. 2).

Mr. DECONCINI. Mr. President, am I correct that S. 2 is the pending legislation?

The PRESIDING OFFICER. The Senator is correct.

Mr. DECONCINI. Mr. President, the events of the past several months have caused the American people to question the integrity of their Government, and I think for good reason.

Disillusionment is running high in this country. Surveys in my State show that; public forums that I have held domonstrate that.

S. 2 now before the Senate, will do more to restore public confidence in Government officials than any other single thing we could do, any single act we could take in this body.

This year, 1987, is the bicentennial of both the U.S. Constitution and the U.S. Congress. Our Founding Fathers envisioned a Republic governed by citizen legislators—a representative democracy where the average citizen had some input, where the average citizen had a voice.

However, this process in which all of us here are involved more and more is dominated by dollars, and large dollars. It is not dominated by that democracy in which we all think we are so deeply involved.

Many of our colleagues spend a lot of time ensuring that the democratic process, that process of letting the average citizen's voice be heard, is not affected by money. But it is this Senator's fear that it is being affected by money.

S. 2 will change this by severely limiting campaign spending, altering the way in which we raise money, and diminishing the role of special interests, but not eliminating special interests.

There is nothing wrong with special interests coming before any democratic body and attempting to educate. I only say that this influence should be diminished. I feel that special interests play too big a role in campaigns.

Between 1976 and 1986 the cost of Senate elections increased from $38.1 million to $211 million. Last year, two party nominees in California spent more than $22 million. It may be closer to $27 million or $28 million when all the figures are in.

The South Dakota election for the Senate, as we heard from the junior Senator from South Dakota, cost almost $7 million in a State with a population just a little under 750,000 people. I think too much money is being spent on elections and too much time is being spent in the process of raising that money.

Those of us who are running in this cycle and those who have run in the past realize that the time commitment necessary to raise the kind of money necessary is excessive.

Not only are the winners spending an incredible amount of money, but the losers are spending as much and sometimes more. Four candidates in the 1986 election spent in excess of $1 million in a losing primary effort. One candidate in fact spent $6.2 million and lost the primary.

The voters of my State of Arizona have seen the light of this issue. Last fall the Arizona voters passed a referendum by 72 percent which places new very tough campaign financing regulations on all State candidates.

That new Arizona law might have gone a little too far, quite frankly, and I am concerned about it, but I supported it and I voted for it because the time had come to address the cost of elections within our own State. I am proud of Arizona having stepped out on this issue. Arizonans have spoken loudly. It is very clear that they wanted a change and they have it, an it is causing some pain. It may have to be altered slightly, but the purpose of that bill was to curtail the horrendous amount of money that it was costing just to run for the State legislature.

I believe that the Arizona vote is indicative of a nationwide frustration with our system of electing officials.

I have been surprised to hear a number of Senators who oppose the bill ranting and raving that this bill is an incumbent protection act and arguing that the Democrats are supporting this bill in order to preserve our status as a majority party.

This Senator has supported this type of reform when the Democrats were in the majority some 7 years ago, and all during the time the Republicans were in the majority, because it is right, because the time is long past due for us to do something about this problem that is out of control.

I have been surprised at these changes because I do not think that is why this bill is before us today, and I do not think any thoughtful Member of this body is going to say that is the purpose for which we are here. We were here with a bill last year, the Boren-Goldwater bill, and the Republicans were in the majority and we passed that bill, though, for procedural reasons, it was later dropped. Nevertheless, I do not believe there was any charge there that this was an effort to keep Senator Goldwater's party in the majority. It was done because those who supported it, I think, felt the time was ripe to do something about it.

Mr. President, these accusations, to me, are not true. They are false and they are misleading to the American public. The present system is incumbent protection. It is far easier for an incumbent to raise money; that is no secret. In the 28 Senate races where an incumbent was running last year the incumbent outspent the challenger in 26 of those 28 races.

So, are we dramatically changing this? I think we are, by putting some limits on spending. The incumbents have the advantage now and when you think about it, if you want to be honest with yourself, you have to come to that conclusion: When you are an incumbent, it is easier to raise money than when you are not.

I know that firsthand, for I have run both as an incumbent and also when I was not an incumbent. By putting spending limits in place, we will force the incumbent back down to the spending level of the challenger. It is more difficult for the challenger to raise funds; it always will be; spending limits will help to equalize this system and provide a level playing field.

If I were constructing an ideal campaign finance reform bill, I must admit I would not include public financing. However, another fact that is very clear to all of us is the Supreme Court has made that decision for us. Their 1976 decision, Buckley versus Valeo, specified that spending limits could only be legal if they were tied to a system of partial public financing. Spending limits are the key, and if the only way to obtain spending limits is to accept a system of partial—and I emphasize partial—public financing, then I will support public financing.

I think it is the right way to go. I think it is an investment in democracy.

I do not like public financing, as I indicated. It is abhorrent to me, as it was in the Presidential elections. But there is no way to limit and curtail the abuses we have seen in the recent past in Presidential elections but to enact public financing. Without spending limits, there will be no real reform of the present system, and without partial public financing, there can be no spending limits.

Following the abuses of the 1972 Presidential campaign, the American people demanded reform. And the Congress responded with the Presidential public financing system. Ronald Reagan has accepted more than $90 million through this system and it has indeed worked.

How much would have been spent by President Reagan's committees and other candidate's committees for their elections without spending limits? I daresay it would have been hundreds of millions of dollars if there had not been a Presidential public financing system on the books. Spending has been limited in the Presidential election system; there is no longer an appearance that Presidential candidates can be bought.

We no longer have headlines about indictments of sitting attorneys general or former sitting attorneys general or other campaign officers in Presidential elections. Headlines of how they are accused of extorting industries to make huge under-the-table contributions, to do all types of bundling and what-have-you to be sure there is a sufficient flow of money to sustain a Presidential campaign. I believe what has worked in the Presidential system will also work in the Senate.

The fault for the current mess lies not just with PAC's. I want to make it very clear that this Senator is not opposed to political action committees. I support them. I urge employees of businesses from Arizona to join a PAC.

A PAC is more than just giving money. A PAC is to educate, a PAC is to encourage participation in the political process to know what the issues are of particular candidates, of attending forums, hopefully of getting involved in the precinct work or in the mailing or composing of letters, debating, learning about the process. But as the PAC director of one of Arizona's largest PAC's told me, "You know, we have gotten pretty lazy ourselves. We now just give the money or we agree to underwrite the mailing. That is what our contribution now is to this political process. We no longer go and try to stir the interest of our employees; we just ask them to join, because that is the political process."

The political process is a lot more than that, Mr. President. PAC's are going to survive under this bill. I think they are going to do better, because rather than just raising money from their employees, they are going to get involved and give their members a real education.

The fault for the current mess lies not alone with the PAC's, lies not alone with candidates, and lies not alone with fundraisers or parties. Likewise the answer is not simple. I do not seek to eliminate PAC's because that would not solve the problem; I do not seek to gut political parties because that would not solve the problem. The problem can only be solved with the comprehensive approach presented in S. 2.

The American people have a right to expect integrity from those they have elected to positions of public trust. Barry Goldwater, my now-retired colleague from Arizona, stated it very well:

> Our Nation is facing a crisis of liberty if we do not control campaign expenditures. Unlimited campaign spending eats at the heart of the democratic process.

This bill will help us overcome this crisis of liberty that Senator Goldwater spoke of.

Mr. LEAHY. Mr. President, I rise today to speak in support of S. 2, the Boren-Byrd Senatorial Election Campaign Act. This bill finally puts a halt to the spiraling costs of campaigns and the influence of special interests.

This bill will radically change the way campaigns for the U.S. Senate are financed. It will diminish the worst part of campaigning—the constant pursuit of dollars to fund races. This bill is timely, it is necessary and it is eminently fair.

This bill sets a ceiling on the amount of money candidates can spend based on the voting population of the State, provides public funds for Senate candidates willing to abide by the limits, and restricts the amount of money candidates can accept from political action committees.

The current process forces candidates to become dependent on money from out of State and from political action committees in order to remain competitive. Since the cost of campaigns keeps going up, so does the dependence. The bill introduced by Senator BOREN has the best intentions. It seeks to shift the candidate's reliance.

Instead of candidates having to spend 2 years of their lives flying to New York or Los Angeles to get the funds to pay for the endless media, mailings, polls, and phone banks, they will now be required to fund their races primarily with contributions from the folks back home.

Instead of candidates being attacked by negative 30 or 60 second spots that make a barrage of charges, this bill will force the sponsor of the ad to appear personally when reference is made to an opponent who is accepting Federal funds.

The costs of running for the U.S. Senate are skyrocketing. The 1986 Senate elections were the most expensive ever. During the 1986 cycle, Senate candidates spent $189 million. Candidates for this body spent an average of $2 million per race. At the same time contributions from political action committees to Senate candidates exceeded $37 million.

The ever increasing cost of campaigns is putting elective office out of the reach of the average American who lacks personal financial resources and is unable to raise large amounts of money from out of State or from special interest groups. We are making elective office only available to a certain class of citizen. If this standard were always the way our leaders were selected this country would have missed out on having the leaders like Abraham Lincoln and Harry Truman—leaders of modest beginnings and no wealth. If we continue on this path and do not reform the system we are indeed in danger of having Mark Twain's remark "the best Congress money can buy" become the truth.

Many Senators oppose the public financing provisions of this bill. However, the Supreme Court in Buckley versus Valeo, made clear that legislation to limit spending must be tied to a voluntary system that includes public financing. In order to place limits on these spiraling costs we must get over the hurdle of public financing. It has worked in Presidential elections and it will work in senatorial campaigns as well.

Last year's overwhelming vote on the Boren-Goldwater campaign reform legislation made clear that the current system is no longer viable. The bipartisan support of that measure indicates the Republicans and Democrats are tired of spending so much of their time pursuing money for campaigns. I want to compliment Senator Boren and his staff who have been pushing campaign finance reform in the last Congress as well as in this Congress. Their diligence and persistence in having the Senate face up to this issue is commendable. I think Senator Boren has tried to create a bill that is palatable to both parties.

This bill is an attempt to restore some integrity to the election process. This bill tries to level the playing field. Candidates running for the same office must raise and spend the same amounts and must get the bulk of their general election money from home. That is genuine reform. It is time that Members of the Senate bite this bullet and pass the Boren-Byrd Senatorial Election Act.

Mr. STEVENS addressed the Chair.

Mr. BYRD. Mr. President, will the Senator yield to me for an announcement?

Mr. STEVENS. Yes, Mr. President.

Mr. BYRD. I thank the Senator.

Mr. President, I announce there will be no more rollcall votes today.

THE FEDERAL CAMPAIGN REFORM ACT OF 1987

Mr. STEVENS. Mr. President, I send to the desk a bill entitled "The Federal Campaign Reform Act of 1987," a bill in which I have been joined by 24 of my colleagues on this side of the aisle.

I have mentioned this bill earlier today. This bill will be offered either as a substitute to S. 2 somewhere along the line or in terms of the process as amendments. We can break it down. As Members will see, it is in separate titles, so we may offer it as amendments to S. 2.

This bill seeks to address many of the very serious campaign finance problems which have been discussed in the Senate over the last 2 days, but it does so without resorting to the unacceptable solution for many of us of financing Senate campaigns by asking the taxpayers for their money.

The bill which I introduce will restrict the amounts of money which political action committees may contribute to Senate candidates and at the same time it will raise the amount an individual citizen can contribute to a Senate candidate.

These changes would have the effect of making candidates more dependent on individual contributors and less dependent upon PAC's. The simple truth is there are more PAC's in 1987 than there were in 1974, yet individuals now ought to be able to contribute more, not less, to the election process. A $1,000 contribution in 1974 would be equivalent to about $2,500 in 1987 or you could put it the other way and say if we had set the same limit in 1974, an individual would have been able to contribute only $450 in 1974. I believe that the amount that an individual may contribute ought to be indexed.

This bill will also require audits of political action committees and nonparty multicandidate political committees. It will for the first time require complete public disclosure of all soft money campaign expenditures including those made by corporations, labor unions, and political parties.

Mr. President, in the hearings we have held in the Rules Committee it has become obvious to me that soft money is the most vexing problem facing the political process in the United States today. Day in and day out groups are making contributions of time and effort and money to campaigns for such things as voter registration efforts, get-out-the-vote efforts, and these soft money contributions are completely unreported to the Federal Elections Commission. I do not believe that they are necessarily wrong, I do not argue they are wrong, but I do believe such expenditures must be disclosed to the public.

This bill will provide penalties for those nonprivate 501(c)(3) and 501(c)(4) organizations which engage in political activities while using taxpayer subsidized postal rates during the 90 days immediately preceding any general or special election. This proposal will also require the disclosure of all independent political expenditures and will redefine the term "independent expenditure" to make certain the definition is consistent with recent court decisions.

The bill that we present to the Senate will also incorporate a provision to limit the effect of the loophole which was created by Buckley versus Valeo, the decision in 1976 by the Supreme Court. That loophole allows independently wealthy candidates to spend unlimited amounts of their own money and I feel that loophole should be closed.

In addition, our proposal will restrict the bundling of campaign contributions, that is, of putting campaign contributions together in one package from a series of contributors, and calls for the creation of a bipartisan commission to study the entire issue of campaign financing.

Mr. President, over the last 2 days we have heard a great deal of discussion about the need for campaign finance reform, and I am one of those who believes that such reform is needed. I do not think any of us should question the need for campaign reform.

However, I do not agree that the solution is to ask the already hard-pressed taxpayers of the country to bail out Senate campaign treasuries in order to bring about campaign expenditure limitations.

As I indicated earlier this afternoon, no campaign finance reform bill in my judgment will be adopted by the Senate this year unless it has broad bipartisan support, support from both sides of the aisle.

Based on my experience in the Senate—it is not as long as many others here but it is almost 20 years now—a bipartisan approach is a prerequisite to any campaign act amendment and I believe those who favor a realistic approach to this issue should examine the proposal that now 25 of us on the side of the aisle have offered and really determine that it is time for true bipartisan negotiations to bring us a bill that can have overwhelming support of the Senate.

I look forward to those negotiations, Mr. President, and offer myself to anyone to participate in them.

Mr. President, let me read the Members of the Senate who are joining me just so the record is clear. This bill is cosponsored by Senators Bond, Cochran, D'Amato, Danforth, Dole, Domenici, Evans, Garn, Grassley, Karnes, Kassebaum, Kasten, Lugar, McConnell, Murkowski, Nickles, Rudman, Simpson, Thurmond, Warner, and Wilson.

I send the bill to the desk and ask that it be properly referred.

The PRESIDING OFFICER (Mr. Dodd). The bill will be received and appropriately referred.

Mr. STEVENS. Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1326

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Campaign Reform Act of 1987".

CONTRIBUTION LIMITS

Sec. 2. Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended by—

(1) striking out "$1,000" and inserting in lieu thereof "$1,500" in paragraph (1)(A); and

(2) striking out "$5,000;" in paragraph (2)(A) and inserting in lieu thereof "$2,500;".

RANDOM AUDITS OF SEPARATE SEGREGATED FUNDS AND NONPARTY MULTICANDIDATE POLITICAL COMMITTEES

Sec. 3. Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438), is amended—

(1) in the first sentence by striking out "(b) The Commission" and inserting in lieu thereof "(b)(1) The Commission"; and

(2) by adding at the end the following:

"(2)(A) In addition to the audits authorized under paragraph (1), the Commission shall conduct random audits of separate segregated funds and nonparty multicandidate political committees.

"(B) As used in this paragraph—

"(i) the term 'separate segregated fund' means a fund referred to in section 316(b)(2)(C); and

"(ii) the term 'nonparty multicandidate political committee' means a multicandidate political committee as defined in section 315(a)(4), except that such term does not include a multicandidate political committee of a political party.".

REQUIREMENT FOR REPORTING CERTAIN EXEMPT CONTRIBUTIONS AND EXPENDITURES

Sec. 4. (a) Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end thereof the following new subsection:

"(d)(1) When used in this subsection—

"(A) the term 'election' means—

"(i) in the case of a corporation or labor organization, an election (as defined in section 301(1)) with respect to which such corporation or labor organization is prohibited from making a contribution or expenditure under section 316; and

"(ii) in the case of a national committee of a political party, an election (as defined in section 301(1)) for any Federal office;

"(B) the term 'otherwise exempt activity' means any act of furnishing, arranging to be furnished, or otherwise making available any services, payment, or other benefit described in paragraph (A) or (B) of section 316(b)(2) (2 U.S.C. 441b(b)(2));

"(C) the terms 'corporation' and 'labor organization' have the same meanings as in section 316 (2 U.S.C. 441b).

"(2)(A) At the times prescribed in paragraph (4), a corporation shall file a report with the Commission under this subsection if, during the period for which the report is filed, such corporation has engaged in any otherwise exempt activity in connection with an election.

"(B) At the times prescribed in paragraph (4), a labor organization shall file a report with the Commission under this subsection if, during the period for which the report is filed, such labor organization has engaged in any otherwise exempt activity in connection with an election.

"(C) At the times prescribed in paragraph (4), each national committee of a political party shall file a report with the Commission under this subsection containing a declaration of whether, during the period for which the report is filed, such committee has engaged in any otherwise exempt activity in connection with an election. For purposes of this subparagraph, the term 'otherwise exempt activity' refers to an activity described in paragraph (8)(B) or (9)(B) of section 301 (2 U.S.C. 431 (8)(B) or (9)(B)).

"(3) Each person required to file a report under this subsection shall include in such report—

"(A) a description of each exempt activity engaged in, in connection with an election, by such person during the period covered by the report; and

"(B) the amount of each payment and the cost and fair market value of each of the services and other benefits described in the report in accordance with clause (A).

"(4) The reports under this subsection shall be filed at each of the times prescribed in subsection (a)(4)(A) for reports of political committees other than authorized committees of a candidate.

"(5)(A) Any nonprofit corporation, receiving reduced postal rates because of its status as a nonprofit corporation, which uses the mails to engage in any activity described in paragraph (1)(B) during the period 90 days immediately prior to a general or special election shall be subject to a fine as provided in subparagraph (B).

"(B) The Commission, upon receiving a complaint under subparagraph (A), or on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, by an affirmative vote of 4 of its members, may institute a civil action, including an order for a civil penalty which is an amount equal to the postage rate for first class mail for all of the mail relating to activities described in paragraph (1)(B) which is mailed during such 90-day period.

"(e)(1) Any independent expenditures (including those described in subsection (b)(6)(B)(iii)), by any person with regard to an election which may directly result in the election of a person to the office of United States Senator, which in the aggregate total more than $10,000 shall be reported by such person to the Commission within 24 hours after such independent expenditures are made. Thereafter, any independent expenditures by such person in the same election aggregating more than $5,000 shall be reported by such person to the Commission within 24 hours after such independent expenditures are made.

"(2) Such statements shall be filed with the Commission, Secretary of State for the State of the election involved and with the principal campaign committee of each candidate in the general election, and shall contain the information required by subsection (b)(6)(B)(iii) of this section and a statement filed under penalty of perjury by the person making the independent expenditures indicating whom the independent expenditures are actually intended to help elect or defeat. The Commission shall notify any candidate in the election involved about each such report within 24 hours after such report is made.

"(3) Notwithstanding the reporting requirements established in this paragraph, the Commission may make its own determination that a person has made independent expenditures with regard to an election which may directly result in the election of a person to the office of United States Senator that in the aggregate total more than $10,000, and thereafter that in the aggregate total more than $5,000.

"(4) The Commission shall notify each candidate in the election involved about each such determination within 24 hours after such determination is made.".

(b) Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end thereof the following new subsection:

"(c) Any activity exempt under paragraph (A) or (B) of subsection (b)(2) shall be subject to the reporting requirements of section 304(d).".

DISCLOSURE OF INDEPENDENT EXPENDITURES

Sec. 5. (a) Section 318(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended by deleting the period at the end thereof and inserting in lieu thereof the following: ", except that whenever any person makes an independent expenditure through (A) a broadcast communication on any radio or television station, the broadcast communication shall include a statement—

"(i) in such television broadcast, that is clearly readable to the viewer and appears continuously during the entire length of such communication; or

"(ii) in such radio broadcast, that is clearly audible to the viewer and is aired at the beginning and ending of such broadcast, setting forth the name of such person and in the case of a political committee, the name of any connected or affiliated organization, or (B) a newspaper, magazine, outdoor advertising facility, direct mailing or other type of general public political advertising, the communication shall include, in addition to the other information required by this subsection, the following sentence: 'The cost of presenting this communication is not subject to any campaign contribution limits.', and a statement setting forth the name of the person who paid for the communication and, in the case of a political committee, the name of any connected or affiliated organization and the name of the president or treasurer of such organization.

"(4) The person making an independent expenditure described in paragraph (3) shall furnish, by certified mail, return receipt requested, the following information, to each candidate and to the Commission, not later than the date and time of the first public transmission (e.g. first aired, mailed, published, or displayed):

"(A) effective notice that the person plans to make an independent expenditure for the purpose of financing a communication which expressly advocates the election or defeat of a clearly identified candidate;

"(B) an exact copy of the intended communication, or a complete description of the contents of the intended communication, including the entirety of any texts to be used in conjunction with such communication, and a complete description of any photographs, films, or any other visual devices to be used in conjunction with such communication;

"(C) all approximate dates and times when such communication will be publicly transmitted; and

"(D) each specific location, media channel, and publication through which the communication will be publicly transmitted.".

INDEPENDENT EXPENDITURES

Sec. 6. (a) Section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(17)) is amended by adding the following: "An expenditure shall constitute an expenditure in coordination, consultation, or concert with a candidate and shall not constitute an 'independent expenditure' where—

"(A) there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person (including any officer, director, employee or agent of such person) making the expenditure;

"(B) in the same election cycle, the person making the expenditure (including any officer, director, employee or agent of such person) is or has been—

"(i) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees,

"(ii) serving as an officer of the candidate's authorized committees, or

"(iii) receiving any form of compensation or reimbursement from the candidate, the candidate's authorized committees, or the candidate's agent;

"(C) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated with, advised, or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office;

"(D) the person making the expenditure retains the professional services of any individual or other person also providing those services to the candidate in connection with the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any services relating to the candidate's decision to seek Federal office;

"(E) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated or consulted at any time during the same election cycle about the candidate's plans, projects, or needs relating to the candidate's pursuit of election to Federal office, with: (i) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to subsection (a), (d), or (h) of section 315 in connection with the candidate's campaign; or (ii) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to subsection (a), (d), or (h) of section 315 in connection with the candidate's campaign; and

"(F) the expenditure is based on information provided to the person making the expenditure directly or indirectly by the candidate or the candidate's agents about the candidate's plans, projects, or needs, provided that the candidate or the candidate's agent is aware that the other person has made or is planning to make expenditures expressly advocating the candidate's election.".

LIMITATION ON CANDIDATE EXPENDITURES FROM PERSONAL FUNDS

SEC. 7. Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end thereof the following:

"(i)(1)(A) Within 15 days after a candidate qualifies for the primary election ballot, under applicable State law, such candidate shall file with the Commission and each other candidate who has qualified for such ballot, a declaration stating whether or not such candidate intends to expend funds and incur personal loans for the primary and general election a total amount, in the aggregate of $250,000 or more from the following sources: (i) his personal funds, (ii) the funds of his immediate family, and (iii) personal loans incurred in connection with his campaign for such office.

"(B) For purposes of this subsection, 'immediate family' means a candidate's spouse, and any child, stepchild, parent, grandparent, brother, sister, half-brother, or half-sister of the candidate, and the spouse of any such person and any child, stepchild, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate's spouse, and the spouse of any such person.

"(C) The statement required by this subsection shall be in such form, and contain such information, as the Commission may, by regulation, require.

"(2) Notwithstanding any other provision of law, in any election in which a candidate declares that he intends to expend or incur, in the aggregate, $250,000 or more by expending from personal funds and funds of his immediate family and incurring personal loans for his campaign, or does expend funds and incur loans in a total in excess of such amount, or fails to file the declarations required by this subsection, the limitations on contributions in subsection (a) of this section, as they apply to all other individuals running for such office, shall be increased for such election as follows:

"(A) The limitations provided in subsection (a)(1)(A) shall be increased to $10,000, and

"(B) The limitations provided in subsection (a)(3) shall be increased to an amount equal to 150 percent of such limitation, but only to the extent that contributions above such limitation are made to candidates affected by the increased level provided in subparagraph (A).

"(3) If the limitations in this section are increased pursuant to paragraph (2) for a convention or a primary election as they relate to an individual candidate, and if such individual candidate is not a candidate in any subsequent election in such campaign, including the general election, the provisions of subparagraph (A) of paragraph (2) shall cease to apply.

"(4) Any candidate who—

"(A) declares, pursuant to paragraph (1) that he does not intend to expend and incur, by expending from his personal funds and the funds of his immediate family and incurring personal loans in connection with his campaign an amount which in the aggregate totals $250,000 or more; and

"(B) subsequently does spend funds or incur loans in excess of such amount, or intends to spend funds or incur loans in excess of such amount,

shall notify and file an amended declaration with the Commission and shall notify all other candidates for such office within 24 hours after changing such declaration or exceeding such limits, whichever first occurs, by sending such notice by certified mail, return receipt requested.

"(5) Any candidate who makes expenditures from his personal funds or the personal funds of his immediate family, or incurs personal loans in connection with his campaign for election to office may repay such loan for such expenditures, to himself or to his immediate family, from contributions made to such candidate or any authorized committee of such candidate, except that such loan shall be repaid only to the extent of the actual amount of the loan. Notwithstanding any other provision of law, repayment of any such loan shall not include any interest on the principle amount of such loan.

"(6) Notwithstanding any other provision of law, no candidate may make expenditures from his personal funds or the personal funds of his immediate family, or incur personal loans in connection with his campaign for election to such office at any time after 60 days before the date of such election. The provisions of this paragraph shall apply to all candidates regardless of whether such candidate has reached the limits provided in this subsection.

"(7) The Commission shall take such action as it deems necessary under the enforcement provisions of this Act to assure compliance with the provisions of this subsection.".

RESTRICTION ON BUNDLING OF CONTRIBUTIONS

SEC. 8. The Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by—

(1) redesignating sections 321, 322, and 323, and any reference to such sections, as sections 322, 323, and 324, respectively; and

(2) inserting after section 320, the following new section:

"RESTRICTION ON BUNDLING OF CONTRIBUTIONS

"SEC. 321. When any person, political committee, or national committee of a political party—

"(1) solicits or accepts contributions in the form of check or money order from any source, and

"(2) combines the amount of any such contributions and contributes such combined amount (or any portion of any such amount or contribution) to a candidate for Federal office, or to the authorized agent or authorized political committee of such candidate,

then all such solicited or accepted contributions made through a check or money order shall be made payable to a specific payee by the original drawer of the check or money order.".

SEMIANNUAL REPORTS BY PARTY POLITICAL COMMITTEES OF PAYMENTS UNDER SECTION 301(8)(B)(XV) AND COSTS UNDER SECTION 301(9)(B)(XI)

SEC. 9. Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by adding at the end thereof the following:

"(11) if the committee is a political committee of a political party, with respect to payments under section 301(8)(B)(xv) and costs under section 301(9)(B)(xi) the treasurer shall file—

"(A) a report covering the period beginning January 1 and ending June 30, which shall be filed no later than July 31; and

"(B) a report covering the period beginning July 1 and ending December 31, which shall be filed no later than January 31 of the following calendar year.".

SOFT MONEY REPORTING REQUIREMENTS FOR NATIONAL COMMITTEES OF POLITICAL PARTIES

SEC. 10. (a) Section 304(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(2)) is amended—

(1) in subparagraph (J), by striking out "and" after the semicolon;

(2) in subparagraph (K), by inserting "and" after the semicolon; and

(3) by adding at the end the following:

"(L) for a national committee of a political party, all funds received, from any source, for purposes other than to influence a Federal election;".

(b) Section 304(b)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(3)) is amended—

(1) in subparagraph (F), by inserting "and" after the semicolon;

(2) in subparagraph (G), by inserting "and" after the semicolon; and

(3) by adding at the end the following:

"(H) for a national committee of a political party, person, or organization providing funds to the committee for purposes other than to influence a Federal election;".

(c) Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

(1) in subparagraph (H), by striking out "and" after the semicolon at the end thereof;

(2) in subparagraph (I), by inserting "and" after the semicolon; and

(3) by adding at the end the following new subparagraph:

"(J) for a national committee of a political party, all disbursements from funds received for a purpose other than to influence a Federal election;".

AMENDMENTS TO DEFINITION OF CONTRIBUTION

SEC. 11. (a) Section 301(8)(A)(i) of the Federal Election Campaign Act of 1971 (2

U.S.C. 431(8)(A)(i)) is amended by inserting after "Federal office" the following: "or for the purpose of expressly advocating that a clearly identified individual become a candidate for Federal office".

(b) Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) in clause (xiii), by striking out "and" after the semicolon;

(2) in clause (xiv), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(xv) with respect to a political committee of a political party, any payment to such committee specifically designated to defray establishment, administration, and solicitation costs of such committee.".

(c)(1) Section 301(8)(B)(x) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(x)) is amended by striking out "by a State" and inserting in lieu thereof "by a national, State,".

(2) Section 301(8)(B)(xii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(xii)) is amended by—

(A) striking out "by a State" and inserting in lieu thereof "by a national, State,"; and

(B) striking out "for President and Vice President".

AMENDMENTS TO DEFINITION OF EXPENDITURE

SEC. 12. (a) Section 301(9)(A)(i) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(A)(i)) is amended by inserting after "Federal office" the following: "or for the purpose of expressly advocating that a clearly identified individual become a candidate for Federal office".

(b) Section 301(9)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)) is amended—

(1) in clause (ix), by striking out "and" after the semicolon;

(2) in clause (x), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(xi) with respect to a political committee of a political party, any establishment, administration, or solicitation costs of such committee;".

(c)(1) Section 301(9)(B)(viii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(viii)) is amended by striking out "by a State" and inserting in lieu thereof "by a national, State,".

(2) Section 301(9)(B)(ix) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(ix)) is amended by—

(A) striking out "by a State" and inserting in lieu thereof "by a national, State,"; and

(B) striking out "for President and Vice President".

CIVIL ACTION FOR PROHIBITED USE OF INFORMATION IN REPORTS AND STATEMENT FILED WITH THE COMMISSION

SEC. 13. Section 307(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437d(e)) is amended by inserting "and except with respect to a violation of the copied information provision in section 311(a)(4)," after "of this title,".

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SEC. 14. Section 311(a)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(a)(4)) is amended by—

(1) striking out the semicolon at the end thereof and inserting in lieu thereof a period; and

(2) adding at the end thereof the following: "Nothing in this title shall be construed to annul or limit any rights under title 17 of the United States Code with respect to any of the exclusive rights within the general scope of copyright or shall be construed to limit or delay any remedies thereunder; provided, however, that the Commission shall not be liable for copyright infringement for fulfilling its duties under this section;".

AUDIT PROCEDURES

SEC. 15. Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended by adding at the end of paragraph (1), as amended by section 3 of this Act, the following: "Audits under this subsection shall be conducted in accordance with procedures published by the Commission. Before any vote relating to any audit findings, the Commission shall give the political committee involved an opportunity to respond in writing to any information relating to the prospective audit furnished to the Commission by the general counsel or any other member of the staff of the Commission.".

COMMISSION ON CAMPAIGN FINANCING

SEC. 16. (a) It is the sense of the Congress that there should be established a bipartisan commission on campaign financing to develop a means of campaign financing which—

(1) promotes the availability of qualified candidates for congressional office,

(2) permits candidates, irrespective of their personal financial resources, the opportunity to communicate effectively with the electorate,

(3) protects the integrity of the legislative process, and

(4) promotes participation of political parties, including State and local political parties, in the electoral process, and

(5) promotes, to the greatest extent possible, public confidence in both the electoral and legislative processes.

(b) Such Commission should consider and study the Federal laws and regulations and public commentary relating to the financing of the elections of Members of Congress, the financial disclosure requirements made of candidates in such elections, and the effects of such laws and regulations and the practices which they permit or require. Such study and consideration should give particular attention to the extent, if any, to which current and proposed campaign financing practices and financial disclosure requirements affect the availability of candidates for congressional elections, and to the extent, if any, to which such practices and requirements affect the integrity of the legislative process or undermine public confidence in our representative form of Government.

SEVERABILITY

SEC. 17. If any provision of this Act or any amendment made by this Act, or the application of any such provision to any person or circumstance is held invalid, the validity of any other such provision, and the application of such provision to other persons and circumstances shall not be affected thereby.

EFFECTIVE DATE

SEC. 18. This Act and the amendments made by this Act shall become effective on the date of enactment and shall apply to all contributions and expenditures made after such date.

Ms. MIKULSKI. Mr. President, I am pleased to speak out this afternoon on behalf of Senate bill No. 2, the Senatorial Election Campaign Act of 1987. Having just completed my own Senate campaign, I could attest to the very great need that exists for campaign finance reform in our country. In my five terms in the House of Representatives, I was fortunate never to have to raise more than a few hundred thousand dollars per election. Because of that, I was able to spend my time doing what the voters elected me to do—work on issues, focus on the day-to-day needs of my constituents, and worry about the future needs of the country.

Well, this changes when you become a candidate for the U.S. Senate. For those of us who choose to run for statewide office or the U.S. Senate, we are faced with the responsibility of raising millions of dollars. This saps our strength, it takes time, and I think robs us potentially for our independence.

In my own campaign contest in Maryland, through essentially running a no-frills campaign, I was able to hold my expenses to $1 million in the primary and $1 million in the general. But, having said that, we are talking about a contest that took $2 million to be able to run; $2 million in which I had to raise the money. Fortunately, through a variety of efforts—small givers, direct mail, again from small contributors, and the generosity of longstanding friends—I was able to meet that obligation. However, one of the lessons to be learned from that campaign is that it is too much money; it takes too much time.

Therefore, I think what this bill does is to be able to set the kind of limits that are important. Senate bill No. 2 is far from a perfect bill. But it certainly is a very good start. Under its system of partial public financing, a Senate race in Maryland would cost no more than $2 million from start to finish. Of that, $1 million would come from public finance and only $279,000 would come from PAC or special interest groups.

I think that is an important point to be made, because what I truly believe is that the voters want us to be independent. They do not want us to be a coin-operated Congress. They want us to be able to exercise judicious judgment and take a look at the needs of the country. Because of that, they do not want us to be captive of special interests or particular individuals.

Therefore, I think that the limits in this bill and what it calls us to be able to observe on a voluntary basis will now once again restore the process to some semblance of rationality. I think it certainly warrants not only our consideration but our support.

I thank the Chair for his attention.

Mr. KERRY. Mr. President, we need to reform campaign finance laws and this legislation, as reported out by the Senate Rules Committee, is the right way to do it.

Today, as more and more members of the public have become disillusioned with the process, as campaign costs continue to surge, in the words of Majority Leader ROBERT BYRD, Senators are becoming "part-time legislators and full-time fundraisers," even as public participation in the campaign process reaches a historic low, and public trust in the process by which we are elected continues to diminish.

Thirteen years later, it is clear that the reforms of 1974 themselves need to be reformed. As Richard Reeves has written, "the campaign reforms have solved one set of problems by creating another one. Citizens and their money are being driven out of the process." In the words of political writer Elizabeth Drew, "we have allowed the basic idea of our democratic process—representative government—to slip away" through the role that money is playing in politics.

All of us know from personal experience that campaigns cost too much, that candidates spend too much time fundraising, and that the balance which the 1974 law tried to create between individuals and institutions has shifted. We have seen too many campaigns turn on the use of expensive and unfair negative advertising, and with bundling and conduiting by special interests, too much reliance on litmus tests for candidates, with the result that the public believes public policy is not necessarily addressed.

The lack of limits on spending has had many unfortunate consequences. As my friend and colleague, the distinguished junior Senator from Maine has said, "campaigns last too long and cost too much. Fundraising is time-consuming and absorbs the personal attention of candidates, so candidates focus on the most efficient means of fundraising." That means that candidates focus on the most efficient means of fundraising, which means PAC's, which a decade ago numbered 600 and now number over 4,000. The result is that the balance that once existed is gone. To quote Senator MITCHELL:

> It is not surprising that ordinary people feel that the proliferation of PAC's and the amounts they can donate overwhelm the role of smaller individual contributions.

Thus, several related problems need to be addressed at once. Campaigns are too costly, fundraising is too time-consuming, PAC's are perceived by the public as overwhelming citizen participation in politics, the balance struck by the 1974 reforms appears to be lost.

As a result, no legislation can fairly be said to reform the system unless it addresses these issues. As a result of the combined work of the majority leader, Senator BOREN, Senator FORD, Senators CRANSTON and MITCHELL and a number of others, this legislation does so.

It does so not only by capping campaign spending, but by curbing the process of bundling and conduiting which clearly violate the intent of current law. It responds to the problem of independent expenditures, which if left untouched would create a practically unlimited loophole in any spending limits we enact, and significantly, it creates a public funding mechanism for general elections.

When I ran for Senate, even as I personally experienced the treadmill of fundraising in the midst of a tough campaign, I made a personal decision not to accept political action money, and I have continued not to accept political action money for my Senate committee. I also made a committment to seek campaign finance reform, and began to press for public financing as an alternative to the current system.

Last year, I filed legislation which paid for public financing for general elections through the elimination of the deduction for political contributions then contained in the Tax Code. In filing such legislation, I was following in the footsteps of one of my predecessors in this Senate seat, Henry Cabot Lodge, Jr., who suggested that "all this breeding of suspicion and cynicism would disappear, I believe, overnight if the primary cause of the evil were obliterated at its root" by public financing. Lodge's championship of public financing for campaigns itself had predecessors going back to Teddy Roosevelt who in 1907 called public finance "a substantial improvement in our system of conducting a campaign."

This year, with the inclusion of public financing in this legislation, we can finally make Roosevelt's "improvement" a reality. Public financing can replace the current system of too heavy dependence on institutional money and in simultaneously creating a legal framework for a better mix, consisting of public funds, institutional funds, and funds from private individuals.

Furthermore, we know from the case of Buckley versus Valeo that restrictions on overall campaign spending may not be valid unless they are placed in the framework of a voluntary decision. Public financing of the kind in this bill does just this, creating an appropriate constitutional basis for specific spending limits to stop the unconscionable increases in campaign spending. Such limits would for the first time put all serious candidates on an equal and fair footing in the general election, preventing soaring campaign costs from favoring persons of personal wealth over those without such wealth, and insuring that candidates have equal access in getting their message before the public.

Public financing is the foundation of significant reform. This bill builds on that foundation to provide a framework for campaign finance of which we—and the public—could be proud. I strongly urge its adoption.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. BYRD. Mr. President, if I may, I would like to ask the distinguished Senator from Alaska, the acting Republican leader, if Calendar No. 142 has been cleared on that side of the aisle.

Mr. STEVENS. Mr. President, I am pleased to respond that it has been, and we are prepared to act on the matter now.

SEVEN-NATION ECONOMIC SUMMIT IN VENICE

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 220.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> A resolution (S. Res. 220) expressing the sense of the Senate regarding the need for the participants in the seven-nation economic summit in June to focus their attention on addressing agricultural issues in a coordinated manner.

The Senate proceeded to consider the resolution which had been reported from the Committee on Foreign Relations with an amendment.

Mr. HELMS. Mr. President, this Monday marks the start of the seven-nation economic summit in Venice. The pending resolution expresses the sense of the Senate that President Reagan should make discussions and resolution of agricultural issues a high priority during the summit.

This resolution comes at a most opportune time, and the able Senator from South Dakota [Mr. PRESSLER] is to be commended for his efforts to cause the Senate to focus on this issue. All too often, agricultural issues occupy the back burner at economic summits, despite the fact that there is no greater problem in our economic relations with the Western nations than agricultural trade.

Given the importance of agricultural trade problems, it is not easy to understand why such issues tend to fall to the backdrop. However, a contributing factor is the problem that the Europeans simply are not serious about ending their predatory trade practices. They do not want predictable and swift resolutions of disputes in the

GATT, and in fact, do not want to see the current GATT negotiations round reach an early conclusion.

The Pressler resolution will help impress upon the parties in the Venice summit that the U.S. Senate remains concerned about agricultural trade practices, and desires to see the problems in agricultural trade resolved. The resolution should be of great help to President Reagan as he broaches the subject of predatory agricultural subsidies with our allies.

Mr. PRESSLER. Mr. President, I am pleased that the Senate is considering a resolution I recently introduced expressing the Senate's support for including agricultural trade and agricultural subsidies as a priority topic for discussion at the seven-nation summit June 10-12, 1987. This action is very timely and shows the support of the Senate for President Reagan's efforts to effectively address international agricultural disputes at the economic summit.

The high cost of farm programs and unfair agricultural trade policies have created problems for all of the seven nations participating in the summit in Venice. Last year, the nations spent a combined total of over $100 billion on farm programs. Japanese farmers received over half of their income from Government subsidies. The U.S. and EEC subsidy rate was approximately 20 percent.

The recent action taken by the Organization for Economic Cooperation and Development recognizes the world agricultural problems. The members unanimously agreed to reduce agricultural production subsidies. The participants at the Venice summit should build on the agreement reached by OECD members in Paris. It is vital that agricultural problems be addressed on an international basis at the upcoming summit. All of the nations involved would benefit from the resolution of these problems.

In the past, agricultural programs were considered a domestic issue and were seldom discussed on an international basis. However, with increased agricultural production and trade, agriculture has moved from a domestic issue to an international issue. Nations are afraid to take unilateral action for fear of losing market share. It is time to recognize this fact. The seven leading nations of the free world should discuss this important issue and try to agree on a rational policy that would be in everyone's best interest.

The resolution we are considering today points out the common agricultural problems the seven nations face and emphasizes the need for agricultural trade and domestic policies to be a primary issue of discussion at the seven-nation summit. The President has expressed his intention to include agricultural issues in the discussion. Passage of this resolution will send a clear signal to the other participating nations that the U.S. Senate places a high priority on agricultural issues and supports the President's efforts in this regard.

Mr. President, I urge the adoption of this resolution.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the resolution, as amended.

The resolution (S. Res. 220), as amended, was agreed to.

The preamble was agreed to.

The resolution, as amended, and the preamble, are as follows:

S. Res. 220

Whereas worldwide supplies of grain and other agricultural products are at or near record levels;

Whereas the cost of farm programs is at record levels in many nations;

Whereas the ongoing GATT negotiations will take time to resolve agricultural trade issues;

Whereas domestic agriculture and trade policies of the seven nations have a direct impact on other nations;

Whereas current agricultural policies of the seven nations encourage overproduction;

Whereas export subsidy programs increase protectionist pressures in competing nations;

Whereas the seven nations participating in the economic summit would all benefit from reduced grain and other agriculture products supplies and the elimination of agricultural export subsidies; and

Whereas the most effective measure to address the global agricultural issues is through a coordinated effort; Now, therefore, be it

Resolved, That the United States continue to aggressively pursue reaching an agreement on current international conflicts in agricultural trade policies.

That it is the sense of the Senate that the President should make discussions and a resolution of agricultural issues a high priority during the seven nation economic summit in June.

That the seven nations participating should work in a coordinated fashion to effectively reduce global grain and other agricultural products supplies and eliminate agricultural export subsidies.

That the Secretary of the Senate will transmit copies of this resolution to the President, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Treasury, the United States Trade Representative and the Ambassadors of the six nations participating in the economic summit.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution, as amended, was agreed to.

Mr. STEVENS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. I thank my good friend from West Virginia.

OZONE DEPLETION—HODEL IS WRONG

Mr. BIDEN. Mr. President, one of the Reagan administration's few environmental initiatives has been its prominent role in the negotiation of a proposed international agreement to freeze production of chlorofluorocarbons [CFS's] and reduce their use by 20 percent over the next decade. Under the leadership of the Environmental Protection Agency and the State Department, the United States has played a leading role in bringing about this agreement among 31 nations, which is a significant first step toward halting the destruction of the ozone.

It now appears that the White House is reconsidering its support of the CFC agreement, however, due to the opposition of Interior Secretary Donald Hodel. Hodel opposes the agreement on the grounds that it involves excessive governmental regulation. He argues alternatively for a program of personal protection against ultraviolet radiation, including the wider use of hats, sunglasses and sun-screening lotions.

This position is absurd. First, his proposal would not protect the health of the American people. It is widely recognized that further ozone depletion would significantly increase the incidence of skin cancer. Millions of Americans would undoubtedly lack either the resources or the inclination to heed the warnings proposed by Hodel.

Second, Secretary Hodel's position shows a shocking disregard for natural resources. While the full implications of global ozone depletion are uncertain, it is clear that ozone depletion has serious, harmful implications for a variety of plant life, wildlife, and aquatic life. Even a small change in the ozone layer could have vast implications for our delicately balanced ecosystem. Secretary Hodel's proposal ignores this crucial aspect of the ozone depletion threat. As one representative of the Natural Resources Defense Council has noted, "It is very hard to get fish to wear sunscreen."

Secretary Hodel's proposal is merely the latest in a long line of the Reagan administration's strained rationalizations for avoiding governmental action. As my colleagues will recall, the Reagan administration opposed air pollution regulations on the grounds that trees are a major source of pollution, and attempted to redefine ketchup as a vegetable in school lunch programs. Now we learn that our only response to global ozone depletion should be to encourage wider use of sunglasses. I suppose that we can next expect to be told that we should repeal the Clean Air Act and instead encourage Americans harmed by air pollution to purchase respirators.

Secretary Hodel's views may sound laughable, but they will really not be very funny if they prevent us from seriously addressing ozone depletion.

As a more serious and responsible approach to the threat posed by global ozone deterioration, I suggest a two-part approach. First, I urge the administration to complete negotiations on and sign the proposed CFC international agreement. Second, I urge my colleagues to join me in passing S. 420, the Global Climate Protection Act. The global warming issue is closely related to the ozone issue because the same product—CFC's—is a substantial cause of both ozone depletion and global warming.

S. 420 establishes a top-level executive branch task force to assess, within 12 months, the global warming threat and to develop a governmentwide strategy to respond to that threat by national and multinational means. The task force is specifically charged with developing special recommendations for cooperative action to be undertaken with other nations. Three months following its completion, the President is to submit the strategy to Congress with specific recommendations for further legislative action.

Any sensible strategy that addresses global warming will have to include expanding energy conservation efforts, restricting CFC use, and preserving tropical forests.

It is also clear that we should proceed with international efforts like the one Hodel is trying to torpedo, as the United States cannot solve the global warming problem by itself. This legislation thus seeks to encourage an effective international strategy for dealing with global warming. To emphasize the international nature of this problem, the legislation designates the Secretary of State as chairman of the task force. The legislation also directs the President to appoint an Ambassador-at-Large to coordinate and lead U.S. participation in the multiple and diverse multilateral activities related to global warming. Finally, the legislation calls upon the President to give high priority to global warming on the agenda of United States-Soviet relations.

Global ozone depletion, like global warming, poses a deadly threat to our future. We cannot allow our efforts to protect our environment against long-term catastrophic changes to be sidetracked by frivolous and insensitive proposals that completely fail to address the problem. Instead we must begin a process designed to develop and build a worldwide consensus for serious and vigorous action to address the threat of man-caused global climatic change. S. 420 is an important step in achieving that goal.

S. 420 has been incorporated as title V into the Foreign Relations Authority Act of 1987, as reported by the Senate Foreign Relations Committee. The Senate, therefore, will soon have an opportunity to address this key issue.

CONGRATULATING IRMA HANNEMAN ON 25 YEARS OF SENATE SERVICE

Mr. COCHRAN. Mr. President, today marks a major milestone in the career of an outstanding Senate staff member. Irma Hanneman, who is a professional staff member for the Committee on Appropriations, celebrates 25 years as an employee of the U.S. Senate.

Irma came to the Senate on June 4, 1962. For 15 years, she served with distinction on the staff of Senator Gale McGee, of her native State of Wyoming. In 1977, Irma joined the staff of the Senate Appropriations Committee. Through years of dedicated service to the committee, she worked her way up to become the clerk of the Subcommittee on Agriculture, Rural Development, and Related Agencies. During my tenure as chairman of that subcommittee, Irma served very capably as the subcommittee staff director. She continues to serve, in an exemplary fashion, as the minority clerk for the subcommittee, and as my principal adviser on matters coming before the subcommittee.

Irma Hanneman has always exhibited the highest standard of professionalism in everything she has done for the Appropriations Committee and for me. Her commitment to that standard, her absolute dependability, and her hard work have all contributed to her reputation as a highly respected professional.

Mr. President, I congratulate Irma and extend to her my gratitude and our sincerest thanks for her 25 years of dedicated and excellent service to the Senate and to our country.

TRIBUTE TO IRMA I. HANNEMAN FOR 25 YEARS OF SENATE SERVICE

Mr. HATFIELD. Mr. President, I stand before the Senate to recognize a very distinguished member of our Appropriations Committee staff who today is celebrating 25 years of service in the U.S. Senate.

Irma I. Hanneman is known by many Members and staff as the minority clerk for the Agriculture Subcommittee, which produces one of the most important and perennially controversial of our 13 appropriations bills. Irma is better known, however, not by her title or by the committee she works for, but for the thorough, courteous, and highly professional manner in which she has conducted herself during her 25-year Senate career.

It was my pleasure to meet Irma in 1977 when she joined the committee staff from the office of Senator Gale McGee. After she became majority clerk to the Agriculture Appropriations Subcommittee in 1982, I came to appreciate Irma as the hard-working professional she is, toiling through some very difficult issues and times in those early days of the new Senate majority. It was about then that I also began to observe Irma's devotion to her family, and her dedication to community service, including a lengthy term of service to the Senate Employees Credit Union. Quite honestly, one would be hard pressed to find a staff person who brings more impressive personal and professional attributes to the Senate than Irma Hanneman.

Mr. President, it is my personal pleasure to recognize Irma on this important day. I ask my colleagues to join me in thanking Irma for her service, her loyalty, and her cheerful dedication to the U.S. Senate.

ROOSEVELT JUNIOR HIGH SCHOOL'S WINNING DRUG AWARENESS PROGRAM

Mr. ROCKEFELLER. Mr. President, with great pride and respect, I rise today to draw attention to a very special school in my State of West Virginia. On April 19, Roosevelt Junior High School, of Charleston, WV, was selected as the winner in a nationwide competition recognizing drug education programs. They were chosen as No. 1 for a determined, energetic push against drug and alcohol abuse among all students.

Roosevelt Junior High worked hard for this extraordinary honor. School faculty and students were fully aware of the lingering stereotypes that hurt the image of this so-called inner-city school. When the Concerned Businessmen's Association of America announced its "Set a Good Example" contest last August, the Roosevelt community seized on the opportunity to let others know about one of the most positive aspects of their school—their effort to curb and prevent drug and alcohol use.

The "Roosevelt Pride—Set Drugs Aside" program is truly an example for schools throughout the country to follow. For one, the effort has spurred everyone from the school—teachers, administrators, and students—to join together in a collective battle against drugs and alcohol. After intensive planning, a number of special events were launched to build upon antidrug curricula and programs already in place.

Roosevelt's special antidrug activities were conducted during the month of March of this year. Beginning with a Drug Seminar Day, that brought experts in drug education to the school to conduct presentations, "Roosevelt Pride—Set Drugs Aside" went on to sponsor a series of creative, highly visible projects. The goal has been to instill a schoolwide commitment to reject drug and alcohol use. As drug education professionals know, the key to a drug-free school is peer pressure that frowns on illicit substances and makes it clear that their use is not "cool."

This Friday, June 5, Roosevelt Junior High School will celebrate its victory in the national drug education contest. I know that all West Virginians are immensely proud of this special achievement. Roosevelt is a pace setter that will surely inspire and motivate schools throughout the country. This winning school has shown how students and faculty can be mobilized together to make their school drug free and alcohol free.

Mr. President, when Congress passed the Anti-Drug Abuse Act of 1986, we included new funding to support intensive drug education programs in every State. Our goal was to spur dedicated efforts such as "Roosevelt Pride—Set Drugs Aside." Thanks to this contest, the entire Nation is now hearing about this extraordinary antidrug program.

I congratulate the students, teachers, and administration of Roosevelt Junior High School for their deserved success.

IMPORTANCE OF GEOGRAPHY

Mr. THURMOND. Mr. President, our Nation's social and economic prosperity for the future is not guaranteed. It is a goal that we must work to achieve. It will be achieved only if we recognize that we operate in a global economy and that this Nation has worldwide responsibilities. A thorough understanding of geography is essential if we are to meet this challenge.

Yet, the news on the homefront is disheartening. Recent findings of a survey of 5,000 high school seniors in seven major cities on their basic knowledge of geography and social studies revealed that in Dallas, 25 percent of students tested could not identify the country that borders the United States on the south. In Boston, 39 percent could not name the six New England States. In Minneapolis-St. Paul, 63 percent could not name all seven continents. In Baltimore, 45 percent could not correctly respond to the instruction, "On the attached map shade the area where the United States is located." In Hartford, 48 percent could not name three countries in Africa. In Kansas City, 40 percent could not name three countries in South America. In Atlanta, 42 percent could not answer the question: "When it is noon in Atlanta, what time is it in San Francisco?"

Results of this survey support previous studies indicating widespread geographic illiteracy among American students.

A 1985 University of Georgia survey revealed that 292 freshmen and sophomores scored an average of 57 percent on a test that asked them to correctly label 40 locations on a blank world map.

A University of North Carolina survey in 1984 demonstrated that less than 50 percent of college students tested could identify Alaska and Texas as the two largest States. Only 21 percent knew that Delaware and Rhode Island were the two smallest States. Sixty-five percent never had a class in junior high school relating specifically to geography, and 73 percent had no geography in senior high school.

Mr. President, these results are disturbing. How can we appreciate the significance of the strategic importance of Soviet adventurism in Angola, South Africa, Nicaragua, South Yemen, and Afghanistan without a sound background in geography?

How can we increase our exports and develop markets if we have no basic knowledge of other nations?

Fortunately, however, this challenge is not going unanswered. I would like to call the attention of my colleagues to the outstanding program developed by the National Geographic Society and commend them for their efforts.

In April 1985, the National Geographic Society established the Geography Education Program—a 10-year effort to enhance geographic education in the United States.

This effort includes:

Sponsorship of geographic alliances in 13 States and the District of Columbia which bring together teachers, university faculty, and public policymakers to implement local curriculum change and improve the teaching of geography.

Establishment of an annual 4-week Summer Geography Institute at society headquarters designed to improve educators' knowledge of geography and enhance their teaching of the subject. Participants return to their communities to lead workshops in geography for their peers.

Support of two pilot junior high school programs in Washington, DC, and Los Angeles.

Publication and free distribution to secondary schools nationwide of more than 6 million specially prepared maps.

Publication of a free resource guide with off-air taping rights for teachers interested in using the society's Chevron-sponsored television specials in the classroom.

Research and development of computer software, video disc programs, and a telecommunications system to enhance the teaching of geography.

Commission of a national assessment of geographic knowledge among 17-year-old high school seniors.

For 1987, the society has budgeted close to $4 million of its own fund to initiate and sustain these and other efforts to improve geographic education.

Mr. President, as I mentioned, the society is fighting geographic illiteracy by supporting geographic alliances networks throughout the country. Support comes in the form of the vast informational resources available from the society, as well as financial assistance in starting an alliance.

Mr. President, I ask unanimous consent that a brief description of the geographic alliance network and how to apply to the National Geographic Society for financial support be included in the RECORD following these remarks.

Mr. President, I commend the National Geographic Society for its efforts to solve this serious problem. Without private initiatives such as this, we will never solve the educational problems facing this Nation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GEOGRAPHIC ALLIANCE NETWORK

HISTORY OF THE GEOGRAPHIC ALLIANCE NETWORK

In January, 1986, the National Geographic Society invited academic geographers in Northern California, Texas, Colorado, Oregon, Tennessee, New Jersey, and the District of Columbia to form Geographic Alliances in their areas, basing their efforts on the California Geographic Alliance established in Los Angeles in 1983.

The following year Alabama, North Carolina, Missouri, Minnesota, Kentucky, Illinois, and Virginia joined the Geographic Alliance Network.

These Geographic Alliances coordinate the grass roots energies of classroom teachers, academic geographers, administrators, and students toward the increase and improvement of geographic education. The Alliances provide an effective forum in which discussions can be held on curriculum guidelines, the availability and use of classroom materials, new and effective presentation methods, and professional outreach activities.

To help support the operations and project activities of the Geographic Alliances, the National Geographic Society is committing substantial time, materials resources, and financial support to each of the Alliances within the Society-sponsored network.

Examples of recent Society-sponsored Alliance activities included the 1986 three-day PLACE curriculum conference hosted by the California Geographic Alliance at UCLA and supported by matching funds from the Society and the California State Department of Education. Alliance activities in 1987 sponsored, in part, by the Society include 9 regional summer geography institutes in California, New Jersey, Oregon, Tennessee, and Texas; a Colorado-based Western PLACE Conference, and inservice workshops for teachers in the District of Columbia.

The Alliances also nominate the teachers who attend the Society's annual four-week Summer Geography Institute. During this institute, participants are given in-depth geography instruction, leadership training, academic credit, and opportunities to work with their peers to develop new teaching units and presentation methods. Involvement of the Alliances in the Summer Geography Institute reflects the Society's commitment to engage Alliance members in all facets of the Geography Education Program.

THE FUTURE OF THE ALLIANCE NETWORK

To achieve the highest quality programs, the National Geographic Society intends to limit the number of Geographic Alliances it sponsors to 22 per year (8 in 1986, 15 in 1987, with the expansion to 22 in 1988 and subsequent years). The Society intends to rotate other regions and states into the Alliance network as existing alliances complete their third year of NGS support and, presumably, have achieved some measure of self-sufficiency.

SELECTION CRITERIA FOR NEW ALLIANCES

The ability of prospective Alliances to generate and sustain interest and support for geographic education that reaches beyond the Society's commitment is crucial. The criteria for selection of the seven additional Alliances, which should be addressed in the application to the National Geographic Society, include:

The identification of one or more Alliance coordinators who show strong motivational and organizational talents, as well as demonstrated leadership in educational improvement activities;

An established base on a university campus which provides the Alliance and Alliance coordinator with administrative support, program endorsement, and meeting facilities;

A plan for contacting and including local K-12 teachers in Alliance programs;

A program of organizational meetings (preferably three per year) and content workshops (such as teacher institutes, curriculum conferences, and inservice training sessions) geared toward enhancing geography in the curriculum;

Mechanisms for communicating with and involving Alliance members and state policy makers, such as newsletters, regular meetings, or a lecture series;

The capacity to stimulate financial support beyond that which NGS provides for Alliance activities;

Coordination with institutions such as state geographic societies, social studies and science councils, international studies associations, appointed public officials, other university facility and departmental groups, and other professional groups.

SUPPORT FOR SOCIETY-SPONSORED GEOGRAPHIC ALLIANCES

To nurture the Alliances, the Society will provide consultant services, informational resources, and financial assistance to each Society-sponsored Alliance during its first three years. To the greatest extent possible, the Society will help planning program events, in coordinating activities with those planned by other Alliances, in reporting Alliance progress in the Society's Geography Education Program UPDATE newsletter, and in counseling on the content and direction of Alliance activities.

Financial assistance will also be provided by the Society. The Society will award small annual operating grants to each of the Alliances and will consider applications for additional funding for teacher institutes, curriculum conferences, and other specific projects. In all cases, Alliances will be required to show evidence of matching support, either through additional grants or through in-kind services.

APPLICATION

If you are interested in applying for Geographic Alliance status, mail your application to the National Geographic Society, Geography Education Program, 17th and M Streets, N.W. Washington, DC 20036. Attn: Christopher Salter. Applications should be postmarked no later than October 1, 1987. New Alliances will be chosen by mid-December, 1987.

IDAHO FARMERS AFFECTED BY IMMIGRATION AND NATURALIZATION ACT

Mr. SYMMS. Mr. President, I rise today to make some observations and express some of my concerns with regard to the Immigration and Naturalization Act that took effect this year and how it affects Idaho Farmers. Not only farmers in Idaho, I might say, but with any of the perishable commodity producers, particularly in the Western part of the United States—Washington State, Oregon, Idaho, in California particularly—is where the problems are starting to show up here. We have a severe crunch and a labor shortage in the making.

First, Mr. President, I am very concerned with the final interim H-2A regulations promulgated by the Department of Labor. I believe we in Congress have a differing point of view than those proffered by DOL when it comes to implementing this law. Many of my colleagues and I thought to streamline the H-2 program so that farmers could have easier access to reliable, legal alien workers when domestic workers are not available, and to cover the labor needs for those not qualified under the seasonal agricultural worker provision of the new law.

The regulations limit employment tenure of H-2A workers to less than 1 year. This limitation effectively excludes some farmers with year-round operations from participating in the H-2A Program, such as the dairy and feed lot industries and the sheep and cattle industry, where herders and workers to handle the livestock are necessary. The program should include 3-year contracts.

Another defect in the H-2A regulations is the methodology by which the adverse effect wage rate [AEWR] is calculated. It is regressive as well as inflationary.

The regulation proposes to average the field and ranch hourly wage and use the average as a minimum for the adverse effective wage rate [AEWR]. And I submit, Mr. President, if the Department of Labor itself used that methodology in their own Department, they would be bankrupt tomorrow.

I would also suggest, Mr. President, that if those of us in the Senate used that formula to run our own offices, we would find out, if we had to pay as an entry wage in a Senate office an average, you would have to start all employees in the neighborhood of $25,000 to $30,000 and you would have a severe crunch on the operating budget of a Senator. It is just an impractical application.

My suggestion is that the AEWR be based on the national minimum wage or prevailing rate by region and commodity.

I think it is important that we address this issue and that we do it soon.

I am also critical of the department's plan to establish a fee structure for processing applications, that is, those that are exorbitantly high and inequitable. In my State, we have an agricultural employers association, Snake River Farmers Association, that has 450 members and brings in 2,000 H-2 workers each year. Under the Department's fee structure an employer would pay $110 per employee with a maximum of $1,000. Very few Idaho farmers hire more than 10 workers per season. But in other States there are employers who are hiring as many as 3,000 or 4,000 employees and they are under the same $1,000 cap. This means that the employers contracting for thousands of workers will pay the same as those contractors with 10 workers and in my judgment the smaller farmers should not have to pay the exorbitantly high $110 cost per employee.

Now, I suggest that the fee per employee be decreased and the cap be increased to correct this inequity and still maintain the revenue necessary to operate the program.

Mr. President, the only way this will be resolved is if the Attorney General of the United States sits down with the Secretary of Agriculture to work out the issues that I have just mentioned. The Attorney General is the person who has the authority to make the final decisions. I appeal to him to address this important issue and work with the Secretary of Agriculture, with the Department of Labor and the INS to solve this problem.

Mr. President, on a different note but in the same vein, I would like to quote a statement made by Mr. Alan Nelson, the Director of Immigration and Naturalization Service on May 26:

> The balanced theme of border enforcement, employer sanctions and a fair legalization program will help America regain control of it's borders and give qualified illegal aliens the ability to step out of the shadows of exploitation into the light of freedom and dignity.
>
> Recent apprehensions at the border indicate that this balanced approach is working. Since January, border apprehensions are

down 40 percent from last year's record number. This 5-month sustained reduction may reflect a trend. In interviewing those caught crossing illegally, there is evidence that concern over the ability of the illegals to get employment in the United States because of employer sanctions is a large part of this reduction in attempted illegal entries.

Mr. President, I suggest that success for some may spell disaster for others.

Now, Mr. Nelson of INS may think it is successful, it is working, there are less people coming across the border but there is one group of people, a very, very large group of people who like to eat fresh fruits and vegetables, produce, perishable commodities, the American consumers, who are going to be devastated if this trend continues. It is going to cause disaster in the highly perishable fruit and vegetable industry.

As you know, this industry has historically been dependent on the available work force where crops must be harvested on a limited schedule.

I am already hearing rumblings from my State and other States in the perishable commodity production business that they are short of help in California, they are short of field workers, there is not enough cherry pickers in California. It is already starting to show up. If that is the case in May and June, Mr. President, wait until September and October when the big harvest season comes on. We are going to find a tremendous crunch, particularly in the States of Oregon, Washington, and Idaho, in those producing areas where we rely heavily and have relied heavily in the past on Mexican nationals to do a large part of the harvesting of the crop.

Because of the new immigration law, fewer aliens are coming across the border. While this may be good for the Border Patrol, it can be devastating, as I say, for the produce industry as well as those who like to consume fresh produce.

If the reported decline in border apprehensions is a barometer of things to come, then I can only hope that the principals at the Departments of Agriculture, Justice, Labor and the Congress itself will be prepared to adjust to an emergency situation.

There has always been a shortage of labor at the peak harvest times but if the growers are short by 40 percent of their crews at the early part of the season, I can predict gloom and doom—we can have all kinds of problems for the growers and consumers who have to foot the bill in highly inflated food costs.

Mr. President, I urge and appeal to my colleagues in the Senate on the Judiciary Committee, the leadership, who have worked on this immigration legislation, Senators SIMPSON and KENNEDY, and others, that we sit down with the leadership in the Congress, the Attorney General, the Secretary of Agriculture, the Secretary of Labor, and address this approaching problem.

There are some adjustments that could be made to make the law a little more flexible temporarily so the word can get out, so the workers can come across the border and harvest these perishable crops.

COURAGE AND INTEGRITY

Mr. HOLLINGS. Mr. President, as another academic year draws to a close, colleges and universities are holding that annual rite of spring—commencement. Leaders and achievers from all walks of life are called upon to address thousands of new graduates as they set out on their chosen careers. Many in this body, Mr. President, have had the honor and privilege of speaking at commencement ceremonies. It is always a challenge to prepare remarks that are worthy of the high occasion, remarks that will be remembered by the graduates and their guests.

Mr. President, a particularly notable commencement address was delivered by Ambassador Gabriel Lewis last month at the University of the Ozarks in Clarksville, AR. Of course, we remember Gabriel Lewis as Panama's exceptionally capable Ambassador to the United States during the Senate's consideration and passage of the Panama Canel treaties. As one who served at that time and took an active role in the consideration of the treaties, I acquired a very high regard for the intelligence, wisdom, and competence of this fine man.

Ambassador Lewis' commencement address reflects these qualities and is highly deserving of a wider audience. Accordingly, Mr. President, I ask that it be reprinted in the RECORD.

In his remarks, the Ambassador meditates on the qualities of "courage"—the quiet strength to do what is right regardless of obstacles or unpopularity; and "integrity"—the adherence to moral and ethical principles. Members of this body will be interested to note that Ambassador Lewis illustrates these qualities of courage and integrity by citing the actions of our esteemed former colleague, Howard Baker, during the course of the Panama Canal treaties debate. Ambassador Lewis lauds Senator Baker's willingness to swim against a floodtide of opposition to the treaties—to do what he believed was right, regardless of the risk to his own political future. The Senator's leadership, we are reminded by the Ambassador, was modern-day "profile in courage." And he goes on to praise President Reagan's decision to bring Senator Baker into the White House to help guide the administration's final 20 months.

Mr. President, Ambassador Lewis' observations come as no news to the Members of this body. Those same qualities of courage and integrity witnessed by Ambassador Lewis during the canal treaties debate were on display throughout Howard Baker's extraordinary career in this body. And, more recently, they have been amply evident during his tenure as White House Chief of Staff.

Mr. President, I commend to my colleagues the full text of Ambassador Lewis' address to the University of the Ozarks. It deserves reprinting on its own merits. But especially as a tribute to our former colleague, Howard Baker, I ask unanimous consent that the Ambassador's commencement remarks be included in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

COMMENCEMENT ADDRESS AT THE UNIVERSITY OF THE OZARKS BY GABRIEL LEWIS

President Ehren;
Trustees of this great school;
Distinguished members of the Faculty;
All the soon-to-be-graduates of the University;
Dear friends.

I have had trouble finding words that would express adequately my feelings on this occasion. Most of you know—and the rest will soon discover—that there are times when language falls short of intentions, when words somehow fail to convey the emotions one feels. Let me simply say that this is a day of great joy, great pride, and high honor—for me, for my wife Nita, and for my whole family. The decision to make me an honorary member of this wonderful academic community is an award that I will treasure as long as I live.

That is especially true, since—as those of you who have read my biographic sketch know—most of my life has been spent in the non-academic world. I was fortunate to attend two good universities in Panama and in Florida. But most of my education was outside the walls of Academe. From my earliest years, I watched my father and those of his generation. I learned what hard work meant. And I also learned how important it was to treat one's fellow human beings with honesty and dignity. Later, in dealing with those of my own generation, I was able to distinguish between those who sought only power and wealth, and those for whom life had a higher and richer meaning. But I am still learning.

I know it is customary on occasions like this for a guest speaker to praise the glories of education. Others lay stress on the need to acquire skills that meet the needs of the marketplace. Still others take one side or the other in the continuing debate between the advocates of specialized education versus the broad humanities.

Forgive me if I do none of these. I start with the assumption that the young men and women who are about to leave this campus and go into the world understand the importance of education. Why else would they have come to this great school? Why else devote four years of their lives to the pursuit of knowledge?

I also assume that you know that mastery in one field—whether it be accounting or zoology, music or political science, history or psychology—will better equip you for an increasingly competitive society. At the same time, I know that this capable faculty has alerted you all to the dangers of over-specialization. Remember what B.F. Skinner said: "Education is what survives when what has been learned has been forgotten".

So I will not talk more about education or skills. You must know—or you will learn before long—that there is much more to the successful life than intelligence or competence. So I would prefer to talk today about some of those noncerebral qualities that are the mark of greatness. They are what divide superior men and women from the average. They are what separate the statesman from the demagogue. Indeed, I think they are what determines whether a town or a university, a state or a country, will prosper or die, or merely plod ahead in time-worn paths of mediocrity.

The qualities I have in mind are courage and integrity.

By courage I do not mean the sudden burst of bravery that makes a soldier crawl through the mud under enemy fire to rescue a fallen friend. Nor do I mean the frenzy that makes a frantic father dash into a burning building to save his threatened children. I have in mind the far less dramatic, but perhaps more difficult, quiet strength that allows men and women to do what they believe is right—regardless of obstacles or unpopularity. It permits them to take risks—often against heavy odds. It lets us dare—dare to be different, dare to stick our necks out, dare to swim against the tide.

Some of you have read John Kennedy's "Profiles in Courage". I commend it to those who have not. It is a collection of essays about leaders in Congress who, at crucial historical moments, acted firmly on the basis of conscience rather than on political expediency. It illustrates the courage of which I speak.

Integrity is closely related to the kind of courage I mean. It is the staunch adherence to a body of moral and ethical principles. It should not be confused with a domineering and rigid orthodoxy. It does not say: "This is what I believe—and I know I am right". Rather it says: "This is what I believe and you can count on me to act accordingly". We should, of course, keep well in mind the warning of Samuel Johnson: "Integrity without knowledge is weak and useless, and knowledge without integrity is dangerous and dreadful".

I have been fortunate in my life—especially in the last fifteen years—to travel through much of the world. And I have met many leading figures in numerous countries. For the most part, they were people of intelligence and reasonable competence—with some notable exceptions that I will leave for some other occasion. These were national leaders, politicians, captains of industry.

For me, what set apart the good from the bad, the dynamic leaders from the mere holders and exploiters of power, were the qualities of courage and integrity. Those who had them shine out in my memory, those who did not will soon be forgotten.

Let me cite an example from my own experience.

When I served as my country's Ambassador in Washington, the Panama Canal Treaties were my main item of business. Upon arrival at the White House for the first time to meet President Carter, I found that he, with great courage and vision, had decided to correct past inequities and make the conclusion of a fair agreement with Panama the priority foreign policy issue of the new administration. I worked day and night, months on end, to help complete negotiations of the agreements. Then I worked equally hard to win Senate approval of the Treaties. It was a gruelling struggle—but wellworth every minute that went into it.

I know, of course, that the Panama Canal Treaties were not the most popular item on the political agenda here in Arkansas, as in many parts of your country. But permit me to say a few words about those treaties. First, they are working and working well. The canal is operating smoothly. Americans and Panamanians are working side-by-side to keep the waterway functioning well. Many Americans are surprised to learn that today under the treaty the United States still has the main responsibility for the canal operations—and will continue to have it until the end of the century.

I believe the treaties were the wisest and most statesmanlike action the United States has taken in Latin America in this century. It was an example for the world of how a great and powerful nation can deal with a weak and tiny friend—with wisdom and fairness. It cut the ground from under the arguments the Communists had used against you for many decades. It largely healed the frustrations and bitterness that had existed for seventy years. It turned antagonism into partnership.

Those of you who look into the Panama Canal treaties should look hard at what they have accomplished for both our countries. You must also consider the reverse side of the coin—what would have happened if the treaties had not been approved. The canal would almost certainly have been closed. Your military authorities tell us that this would have meant sending from 50,000 to 100,000 young Americans to Panama to reopen the waterway—and to protect it against an angry and embittered populace. It would have made recent events in El Salvador and Nicaragua look like a Sunday school picnic. With the treaties, we have avoided what could have been a disaster for all moderate and democratic forces in both countries.

While the battle for the treaties was going on—and it was the longest foreign policy debate in the U.S. Senate since the Versailles Treaty was before that body—there were daily examples of what I have been discussing: courage and its absence; integrity and its lack; statesmanship and demagoguery aplenty. Fortunately for us all, the course of wisdom and moderation and foresight prevailed in the end. But it took more courage than we are accustomed to expect from our politicians.

I could mention countless examples, but one stands out in my memory. Howard Baker of Tennessee was then Minority Leader in the Senate. He could have gone down the road that some of his colleagues chose, walked—bowing to the flood of angry mail they were all receiving, shaking before the threats some heard over the phone, catering to those who promised financial support in the politician's next campaign. Baker resisted both threats and promises. He decided to look into the matter in depth. He came to Panama and talked with both Americans and Panamanians. He spent long hours with those who worked on the canal and lived in the Canal Zone. He gave equal time to my fellow countrymen of all political shades. Then he went to other Latin American countries to get the views of leading figures there. He received in-depth briefings on the Panama question from American specialists, both pro-and antitreaty.

Then Baker went off by himself, toted up all the plus and minus factors, and made his decision. He would support the treaties. As an astute politician, he knew the risks involved. With passions in the anti-treaty camp running at floodstage, he knew he was putting his political future at risk. Indeed, their votes in support of the Canal Treaties probably helped end the careers of four or five other Senators. But Baker's view was that what is right is right, and he would fight the good fight on that basis. He was sure the good people of Tennessee would some day understand and agree with what he did. His was a new "Profile in Courage".

Recently, as you know, a beleaguered President was faced with confusion and disarray in the West Wing. He desperately needed someone to get rid of the broken crockery and to get the executive office back in full operation. What he sought was someone with political savvy, wisdom, courage, and integrity. The President turned to Howard Baker—and he could hardly have done better.

Incidentally, on a recent trip to Washington, I was able to meet with many old friends—and a few old antagonists. I was delighted to learn that some of those who were most outspoken and emotional in their opposition to the Canal Treaties have since changed their minds. They now believe that the agreement was the best thing for both countries—an idea whose time had come.

As I wind up these remarks—let me make one final point. I have dwelt at length on courage and integrity in public affairs. But please understand that these qualities have a major role to play in all our lives. If we look, we can find them in the professions, in business, in the churches, in each of our home towns. Actually, we need look no farther than this present company.

My dear friend Sam Walton started with a small store and built it into one of the major retailing chains in the world. It was possible not merely because he was bright and full of imagination, but because he had courage and total integrity. Now he and his wonderful Helen are sharing the fruits of their long labor with many others—including this splendid university and with many of its students.

You all know the Stephens Family. I am proud to be their friend. They began with a small operation selling bonds and developed it into the largest investment banking house outside of Wall Street. They did it not simply with intelligence and good sense but with imagination, courage and a bed-rock integrity.

Young people, do not for a minute imagine that you have to go to Washington or to far-flung capitals half a world away to find courage and integrity. Look for it and treasure it in your friends and neighbors. Most of all, I hope you find these qualities in your own hearts and souls. If you do, you will be truly blessed.

Thank you all for your patience and for your great kindness to Nita and me.

THE SUPERCONDUCTING SUPER COLLIDER

Mr. DIXON. Mr. President, I ask unanimous consent to have printed in the Record a letter I received from the president of the St. Louis Regional and Growth Association, expressing the support of that association for the superconducting super collider to be located at the Fermi Laboratory in my State, as well as my response to that letter, expressing the gratitude of the Illinois congressional delegation.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

ST. LOUIS REGIONAL
COMMERCE AND GROWTH ASSOCIATION,
St. Louis, MO, May 7, 1987.

Hon. ALAN J. DIXON,
U.S. Senate, Senate Office Building, Washington, DC.

DEAR ALAN: At the regular meeting of the St. Louis Regional Commerce and Growth Association Board of Directors on April 23, 1987, the members of the board took note of recent government announcements and press accounts of the decision by the Reagan administration to go ahead with the atom smasher, known as the superconducting supercollider (SSC). It was noted that a number of states are competing to be the location of this important research facility and that the state of Illinois is one of the leading competitors. The Board adopted a resolution to support locating the SCC at the Fermi Laboratories in Illinois. The Board further instructed me to communicate the sense of this resolution to the members of the St. Louis Congressional Delegation and to request their active support for locating a SCC at Fermi.

This resolution is based on two reasons. First, the SCC at Fermi will benefit from existing facilities already located there and will save the government as much as 500 million dollars in construction costs. In view of the critical importance of balancing the federal budget, it is believed that this substantial saving should not be overlooked. Second, the presence of this major research facility in Illinois will favorably impact economic development in the entire Midwest. We believe that technological growth in the Midwest offers the nation its best opportunity for a high return on investment in research facilities.

For these reasons, we urge you to actively support locating the SCC at Fermi.

With all good wishes.

Sincerely,

NED TADDEUCCI,
President.

U.S. SENATE,
Washington, DC, May 21, 1987.

Mr. NED TADDEUCCI,
President, St. Louis Regional Commerce and Growth Association, St, Louis, MO.

DEAR NED: Thanks so much for letting me know of the St. Louis Regional Commerce and Growth Association's (RCGA) support of locating the Superconducting Super Collider (SSC) at Fermi National Laboratory in Batavia, Illinois.

As you know, the President approved the construction of the SSC in January, and the Department of Energy (DOE) issued an invitation for site proposals to all 50 states in April. It is important the August 3, 1987, deadline remains unchanged if the United States is to maintain its lead in high energy particle physics. Congress needs to approve funding promptly and keep to the DOE schedule so that the SSC will be in operation in 1996 as planned.

Illinois is definitely a strong contender for the siting of the SSC, and I am working closely with the entire Illinois Congressional Delegation and Governor Jim Thompson to attract this very viable project to Fermilab.

Fermi is the home of the largest particle accelerator in operation today. This accelerator will remain at the forefront of scientific research until the SSC comes on line. Many states will bid for the SSC. I believe that Illinois offers the best site. In fact, though California is one of the leading contenders for the SSC, the Los Angeles Times has stated its support of selecting Illinois as the site. Enclosed is a copy of the February 3, 1987, editorial.

While I support the construction of the SSC, I am also aware of my fiscal responsibility as a legislator, and believe that the cost of this project should be kept as lean as possible. Illinois is one of the leading contenders for the SSC because it is conservatively estimated that a cost savings of at least $350 million could be realized if the Fermilab accelerator is used as an injector facility. Further, the Illinois State Energy and Natural Resources Department has performed extensive study of the geology and the environment around Fermi, and found that it meets the preliminary guidelines and the preliminary test for resources, having abundant water and power supplies.

The SSC is vital if the United States is to remain at the forefront of high energy physics research, and Illinois is an excellent choice for the location of the project. The Midwest, and, indeed, the entire Country will benefit from the construction of the SSC at Fermilab.

For your perusal, I have enclosed a copy of a floor statement I made in the Senate on February 4, 1987, and a copy of my latest Weekly Report to Illinois, which explains my position further.

If you should have any questions or believe we can be of further assistance on this matter, please feel free to call my assistant, Mary Beth Dahm, or me.

Kindest personal regards,

Your friend,

ALAN J. DIXON.

THE SUPERCONDUCTING SUPER COLLIDER

The recent announcement by the Administration that the federal government would build the Superconducting Super Collider, the world's largest atom smasher, will give the U.S. the opportunity to lead the world in basic physics research well into the 21st century.

This project would bring world-wide prestige, as well as many economic benefits to our state, from the $4.5 billion in federal funding allocated for the project.

No one can be sure exactly what volume of knowledge can be gained from building the world's largest atomic smasher. Today, the Europeans and the Soviets are developing their own high-energy collider which will easily surpass anything we now have here in America. When the Soviet Union launched Sputnik into orbit in 1957, and thereby surpassed us in the space race, we responded with a commitment to have the finest space program in the world. The United States cannot squander its lead in scientific research to foreign competition.

The project itself will be enormous. It will consist of two rings 200 hundred feet underground, roughly 52 miles in circumference. Inside, superconducting magnets will accelerate subatomic particles to velocities approaching the speed of light as they circle in opposite directions. This Superconducting Super Collider will be 20 times more powerful than the highest energy accelerator in the world, now located at Fermi National Laboratory in Batavia, Illinois. The experiments conducted with this awesome power will reveal previously undetected forms of energy and will serve as a giant microscope for seeing the building blocks of nature and for revealing the forces that hold the universe together.

More important than the enormous scientific implications of the SSC would be the significant economic benefits to the state of Illinois should it be located here. This project will mean an average of 8,000 jobs in construction, manufacturing, services, retail trade among others, in each of the seven construction years. It is estimated that this will create approximately $1.5 billion for the local economy and other businesses throughout the state. I want to point out that the entire state would benefit from the creation of $115 to $140 million in additional state tax revenue during the construction process.

I feel very optimistic about the chances of Illinois to host the Superconducting Super Collider. So far Illinois has spent more hours than any other state in a concerted effort to convince the Department of Energy that Fermi is the place to locate the SSC. Although the final decision on location is not expected until 1989, we must continue to do our homework to make sure that Illinois is seen as the best possible site.

[From the Los Angeles Times, Feb. 3, 1987]

SUPERBOOST FOR SCIENCE

The decision of the Reagan Administration to ask Congress to authorize the construction of a huge atom smasher worth billions of dollars is a boost for theoretical physics and for all of science. If Congress goes along, as it should, this nation's commitment to research and to scientific enterprise will be supported into the next generation.

To be sure, $6 billion (the final cost of the super-collider after a decade of construction) is a lot of money to come up with, especially when budgets are pressed and the deficit continues out of control. But the United States cannot expect to remain the world leader in science and technology without investing large sums of money. This investment would repay dividends in direct knowledge and in new, uncharted areas that cannot be forecast.

The one danger of the supercollider project is that Congress would pay for it by taking money out of the rest of the science budget. Scientists in other disciplines are understandably concerned that this is exactly what is going to happen, and that physics' gain will be their loss. If that does occur, it will be a serious mistake, for all the other sciences will be decimated to pay for the new cyclotron.

No, the present science budget must be retained at least at its present level, and the supercollider should be added to it, taking money from elsewhere in the federal budget. The Pentagon would not miss $6 billion over 10 years.

There is also the very serious question of where to put the new machine, which would be in an oval-shaped tunnel 52 miles in circumference buried under ground. Twenty states, including California, are vying for this prize, but if the decision is made on the merits, the machine should most probably be sited at Fermilab in Batavia, Ill., near Chicago, where the country's largest cyclotron (4 miles in circumference) already exists.

In order to use the 52-mile supercollider, atomic particles would first have to be revved up in a smaller machine, like the one at Fermilab. If the supercollider is built somewhere else, a new starter machine will also have to be built—at a cost of about $500 million. Other than the federal pork barrel, there is no apparent reason to build the supercollider anywhere but Fermilab, which is surrounded by flat and lightly populated farmland with solid limestone beneath it.

The decision to locate the existing 4-mile cyclotron in Illinois was made in 1966 after the consideration of 200 proposals from virtually every state. Fermilab has been a great success. Much as we would love to have the new machine in California, no argument that has been advanced so far outweighs the claims of Illinois.

TRIBUTE TO FORMER SENATOR FRANK CARLSON

Mrs. KASSEBAUM. Mr. President, Kansans paid final tribute on Tuesday, June 2, to a native son whose influence reached for beyond our State borders. Senator Frank Carlson offered long and distinguished service to the Republican Party and to the State of Kansas in a public career which spanned 40 years. In fact, Senator Carlson and my father started their political careers together.

Although he became one of the most popular political figures in Kansas history, Carlson was a reluctant entrant into public life. His first love was farming, and he was working in the fields when first approached about running for the Kansas House. He told his would-be supporters he "didn't have time to fool with that." It was only after he was assured he would lose the race that he agreed to have his name placed in the running.

Fortunately for the State, he did not lose and, in fact, never lost an election for any office. Prior to serving in the Senate from 1950 to 1969, he served in the Kansas House of Representatives, the U.S. House of Representatives, and as Governor of Kansas.

But that summary of his career only provides us with a frame of reference. Throughout his lifetime, Senator Carlson commanded enormous respect because of his own respect for the people and their role in a democratic society. Senator Carlson noted that "I've always figured that the determining factor on any issue was the people."

Moreover, Frank Carlson was a person who lived his values. As Governor, he worked actively to improve mental health and rehabilitation programs. Later, in the U.S. Senate, he championed the cause of farmers.

His objectivity and evenhandedness were recognized by his colleagues, who selected him as one of six Senators to serve on the select committee that ultimately recommended censure of Senator Joseph McCarthy. This was perhaps the most difficult and painful assignment he undertook throughout his long career.

As a man with deeply held religious beliefs, Senator Carlson initiated in 1953 the first Presidential Prayer Breakfast, which has grown to be one of the major events in the Nation's Capital.

A devoted family man, Senator Carlson spent long hours in caring for his wife Alice during her lengthy illness.

I think the memory of Senator Carlson which will live longest in the minds of Kansans is that of a decent man whose roots were firmly planted in Kansas soil. Although his career took him far afield from his home in Concordia, KS, his thoughts never left its farms and people.

Senator Carlson probably said it best himself when he commented, "If I am dedicated to one thing, it is the preservation of the opportunities I had, for our children and grandchilden."

We bow our heads in tribute to a man who served both his family and his nation with dignity and determination.

MESSAGES FROM THE HOUSE

At 10:41 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 742. An act to clarify the congressional intent concerning and to codify, certain requirements of the Communications Act of 1934 that ensure that broadcasters afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

ENROLLED JOINT RESOLUTION SIGNED

At 12:26 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

H.J. Res. 280. Joint resolution to observe the 300th Commencement exercise at the Ohio State University on June 12, 1987.

The enrolled joint resolution was subsequently signed by the President pro tempore [Mr. STENNIS].

MEASURES REFERRED

The following joint resolution, previously received from the House of Representatives, was read the first and second times by unanimous consent, and referred as indicated:

H.J. Res. 106. Joint resolution to designate June 19, 1987, as "American Gospel Arts Day"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary, with amendment and with a preamble:

S.J. Res. 15. Joint resoltuion designating the month of November 1987 as "National Alzheimer's Disease Month."

By Mr. BIDEN, from the Committee on the Judiciary, with amendments and an amendment to the title and with a preamble:

S.J. Res. 39. Joint resolution to provide for the designation of the 69th anniversary of the renewal of Lithuanian independence, February 16, 1987, as "Lithuanian Independence Day."

By Mr. BIDEN, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 75. Joint resolution to designate the week of August 2, 1987, through August 8, 1987, as "National Podiatric Medicine Week."

S.J. Res. 76. Joint resolution to designate the week of October 4, 1987, through October 10, 1987 as "Mental Illness Awareness Week."

S.J. Res. 86. Joint resolution to designate October 28, 1987, as "National Immigrants Day."

S.J. Res. 88. Joint resolution to designate the period commencing November 15, 1987, and ending November 21, 1987, as "Geography Awareness Week."

S.J. Res. 110. Joint resolution to designate October 16, 1987, as "World Food Day."

S.J. Res. 117. Joint resolution designating July 2, 1987, as "National Literacy Day."

S.J. Res. 139. Joint resolution to designate July 20, 1987, as "Space Exploration Day."

S.J. Res. 143. Joint resolution to designate April 1988, as "Fair Housing Month."

S.J. Res. 151. Joint resolution to designate August 1, 1987, as "Helsinki Human Rights Day."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation:

Sheila Tale, of Virginia, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1991;

William Lee Hanley, Jr., of Connecticut, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1992;

Archie C. Purvis, of California, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1991; and

Marshall Turner, Jr., of California, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1992.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PROXMIRE (for himself, Mr. RIEGLE, Mr. CRANSTON, Mr. SARBANES, Mr. DODD, Mr. DIXON, Mr. SASSER, Mr. SANFORD, and Mr. WIRTH):

S. 1323. A bill to amend the Securities Exchange Act of 1934 to provide to shareholders more effective and fuller disclosure and greater fairness with respect to accumulations of stock and the conduct of tender offers; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SANFORD:

S. 1324. A bill to amend the Securities Exchange Act of 1934 to provide for more effective disclosure and to curb abuses with respect to accumulations of stock and the conduct of tender offers; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CHAFEE (for himself, Mr. Stafford, Mr. Gore, Mr. Lugar, Mr. Levin, Mr. Metzenbaum, Mr. Conrad, Ms. Mikulski, Mr. Hollings, and Mr. Cohen):

S. 1325. A bill to require the Secretaries of Agriculture and Health and Human Services to enforce certain food labeling requirements for packaged foods sold by certain restaurants; to the Committee on Governmental Affairs.

By Mr. STEVENS (for himself, Mr. Bond, Mr. Cochran, Mr. D'Amato, Mr. Danforth, Mr. Dole, Mr. Domenici, Mr. Evans, Mr. Garn, Mr. Grassley, Mr. Karnes, Mrs. Kassebaum, Mr. Kasten, Mr. Lugar, Mr. McCain, Mr. McConnell, Mr. Murkowski, Mr. Nickles, Mr. Packwood, Mr. Rudman, Mr. Simpson, Mr. Thurmond, Mr. Trible, Mr. Warner, and Mr. Wilson):

S. 1326. A bill to amend the Federal Election Campaign Act of 1971 to further restrict direct contributions to candidates by multicandidate political committees, require full disclosure of attempts to influence Federal elections through "soft money" and independent expenditures, and correct inequities resulting from personal financing of campaigns; to the Committee on Rules and Administration.

By Mr. PELL (for himself, Mr. Hatfield, and Mr. Cranston):

S. 1327. A bill to prevent United States involvement in hostilities in the Persian Gulf; to the Committee on Foreign Relations.

By Mr. EXON (for himself and Mr. Karnes):

S. 1328. A bill to authorize the Secretary of the Interior to modify the construction, operation, and maintenance of the O'Neill unit, Pick-Sloan Missouri Basin Programs, Nebraska; to the Committee on Energy and Natural Resources.

By Mr. COHEN:

S. 1329. A bill for the relief of Roswitha Starins; to the Committee on the Judiciary.

By Mr. TRIBLE (for himself and Mr. Warner):

S. 1330. A bill to authorize the Board of Engineers for Rivers and Harbors to review the report of the Chief of Engineers on James River, Virginia, and to conduct flood control study of the James River Basin; to the Committee on Environment and Public Works.

By Mr. BIDEN (for himself, Mr. Mitchell, Mr. Baucus, Mr. Lugar, Ms. Mikulski, Mr. Kasten, and Mr. Wirth):

S. 1331. A bill to authorize the Administrator of the Envornmental Protection Agency to establish the Waste Reduction Clearinghouse, and for other purposes; to the Committee on Environment and Public Works.

By Mr. MOYNIHAN:

S. 1332. A bill to establish a remedial education treatment program as an alternative to criminal incarceration for first-time juvenile offenders who are determined to be learning disabled as a means of reducing recidivism rates among such offenders; to the Committee on Labor and Human Resources.

By Mr. McCONNELL (for himself and Mr. Nickles):

S. 1333. A bill to allow the 65 miles per hour speed limit on highways that meet interstate standards and are not currently on the National System of Interstate and Defense Highways; to the Committee on Commerce, Science, and Transportation.

By Mr. McCAIN (for himself, Mr. Johnston, Mr. Glenn, Mr. Stennis, Mr. Matsunaga, Mr. Grassley, Mr. Bumpers, Mr. Bond, Mr. Gore, Mr. Sanford, Mr. Thurmond, Mr. McClure, Mr. Levin, Mr. Cochran, Mr. Humphrey, Mr. Burdick, Mr. Metzenbaum, Mr. Nunn, Mr. Shelby, and Mr. Lugar):

S.J. Res. 155. Joint resolution to designate the period commencing on September 13, 1987, and ending on September 19, 1987, as "National Reye's Syndrome Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD (for himself, Mr. Dole, Mr. Pell, Mr. Kennedy, and Mr. Leahy):

S. Res. 225. Resolution to express the sense of the Senate regarding commitments that the President should seek to obtain at the Venice Summit on trade, on AIDS, on agricultural exports, and on security matters; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PROXMIRE (for himself, Mr. Riegle, Mr. Cranston, Mr. Sarbanes, Mr. Dodd, Mr. Dixon, Mr. Sasser, Mr. Sanford, and Mr. Wirth):

S. 1323. A bill to amend the Securities Exchange Act of 1934 to provide to shareholders more effective and fuller disclosure and greater fairness with respect to accumulations of stock and the conduct of tender offers; to the Committee on Banking, Housing, and Urban Affairs.

(The remarks of Mr. Proxmire and Mr. Sasser and the text of the legislation appear earlier in today's Record.)

By Mr. SANFORD:

S. 1324. A bill to amend the Securities Exchange Act of 1934 to provide for more effective disclosure and to curb abuses with respect to accumulations of stock and the conduct of tender offers; to the Committee on Banking, Housing, and Urban Affairs.

CORPORATE TAKEOVER AND INSIDER ABUSE REFORM ACT

Mr. SANFORD. Mr. President, I rise in support of the bill Senator Proxmire and Senator Riegle introduced this morning. I fully support that bill and applaud the distinguished chairman of the Banking Committee and the distinguished chairman of the Securities Subcommittee for drafting a bill addressing the serious problems affecting our takeover process. I am proud to be a cosponsor of that bill and intend to work for its passage.

I also rise today to introduce a bill that complements the "Tender Offer Disclosure and Fairness Act." While I heartily endorse that bill, I am concerned that it does not address a number of additional issues that I believe are central to any meaningful reform of our takeover laws. These issues are primarily those affecting the ways in which takeovers are financed, with the resultant tremendous leveraging of our corporations, and the lack of emphasis on the impact that takeovers have on the employees and communities that our corporations serve. I applaud the remarks made earlier by Senator Proxmire and Senator Sasser noting the need for an examination of the financing methods of takeovers and for some assessment of the impact of a takeover on our communities. My bill is designed to address those specific concerns.

My reasons for introducing this legislation are simple—I am very concerned that in allowing the rash of debt-financed, buy-them-up and break-them-up takeovers, we are leaving our corporations so debt-ridden that they cannot afford needed investment in plant improvements and equipment, nor in long-term research and development, much less afford to service these debts should interest rates rise.

In addition, while our takeover laws, particularly the Williams Act, were carefully crafted to favor neither the corporate raider nor the takeover target, such laws do not even consider the implications the takeover undoubtedly has on the employees, customers, or managers of the corporation, or the community in which the corporation is located. The legislation I am introducing is designed to limit the tremendous leveraging of our corporations in response to tender offers, in addition to calling for an analysis of the impact a proposed takeover will have on the entire constitutency of a corporation—not just the shareholders and the raider. The bill, like the "Tender Offer Disclosure and Fairness Act" introduced by Senator Proxmire and Senator Riegle, takes important steps to bring our disclosure laws up to date with the speed with which our capital markets now operate.

I am sure that certain of my colleagues will immediately begin questioning the wisdom of any legislation that seeks to discipline the free-market nature of the American corporate system. However, even a free market can approach a point where the freedoms available to, and exercised by, a few can wreak havoc on the interests of a great many others. Therefore, this bill does not restrict takeovers per se, even hostile takeovers. Rather, it focuses on the loopholes and weaknesses in the Securities

Exchange Act of 1934 that allow manipulative takeovers and takeover attempts, and which provide tremendous financial incentives for insider trading.

Flaws in the Securities Exchange Act and creative new financing techniques have allowed self-interested parties, driven by the promise of immense short-term profit, to put some of this Nation's largest corporations into play with scarcely a penny of their own at risk. And for what purpose? These raiders claim that they are aiding shareholders in an effort to get rid of staid or entrenched management. I believe that such claims are often made only to distract us from their true motive—plain and simple greed. Raiders, who put companies in play, sometimes for greenmail purposes, sometimes to purchase and subsequently plunder their target, are people who all too often do not care if they load the surviving company with so much debt that it cannot possibly make the future capital expenditures and research investment necessary to modernize and compete in an ever more demanding domestic and international marketplace. They do not care if factories are closed and thousands of jobs are lost as a result of their strategising. Too rare is a raider who stays around to effectively manage what he tendered for. Few targets of this type come out of a tender situation as anything more than an over-leveraged shell, a shadow of its former self.

This legislation focuses on disclosure requirements and financing mechanisms in addressing these problems. It would amend the Securities Exchange Act of 1934 as follows:

DISCLOSURE

Current law requires that any person acquiring 5 percent or more of a class of a company's stock must file notice of such acquisition with the SEC within 10 days. During this 10-day window, however, such person may acquire additional securities without public disclosure. The ability to continue to purchase securities during the 10-day window has allowed holders to buy significant amounts of stock, well above the 5-percent threshold, without any notice to the corporation or the market that someone has obtained a large or even controlling position in a company.

In 1983, the SEC Advisory Committee on Tender Offers found that the 10-day window presented a "substantial opportunity for abuse," and recommended that the window be closed to "provide adequate notice of the shareholder's investment and intentions regarding the issuer and [to give] time for the market to assimilate such information."

The proposed bill would reduce the acquisition threshold to 2.5 percent and require disclosure by the next business day. The proposed legislative language would also require public disclosure of any additional acquisition of 1 percent or more by the next business day, and would require the acquiror to wait 2 days after the initial 13(d) filing to purchase additional shares.

Finally, the bill addresses the recent growth of pools—operations in which investment bankers, institutions, accounting firms, law firms, and arbitrageurs join in takeover attempts, which raises the potential for market manipulation. To address these concerns, the bill calls for disclosure of the financing used in purchasing the stock reported in 13(d) filings, including reports on how such financing is to be repaid, fees paid in connection with the purchase of the stock, and any parties with whom the transaction has been discussed. The proposed legislation also adds a new definition of "group" to include persons acting in a consciously parallel manner to acquire or hold securities.

CIVIL LIABILITY

In order to encourage accurate and full disclosure in filings under section 13 and to clarify the current ambiguity in the courts, this bill provides for a private right of action to sue for damages or injunctive relief based on false statements made, or omission of material fact, in any SEC filing.

ECONOMIC IMPACT STATEMENT

In order to ensure that the public is well informed about the plans of the bidder with regard to the future of the corporation, the bill requires that an economic impact statement be filed with the SEC and the issuers of the securities. Such a statement would disclose plans to close plants and other facilities, terminate employees, and abide by collective-bargaining agreements, as well as list the assets and liabilities of the acquiring company and the extent to which the assets of the acquired company will be pledged or used in any way to finance the transaction.

EXTENSION OF MINIMUM OFFERING PERIOD

The bill extends the period that a tender offer must be left open from 20 business days to a minimum of 45 business days. This additional time is needed to permit all target company shareholders the opportunity to participate in the offer by providing sufficient time for shareholders to evaluate the merits of any particular tender. The extension of the tender offer period also allows the target company's board of directors more time to solicit competing bids, thereby maximizing the potential share price for the shareholders.

PROHIBITION OF TWO-TIERED TENDERS

In order to prohibit two-tiered or creeping or partial tenders, this bill would require that any bidder purchasing 20 percent or more of a target's stock tender for all remaining outstanding shares at one price and on the same terms. Exceptions would be available from the target's board of directors or from the SEC. The provision is designed to eliminate the unfairness that results when a bidder acquires economic control in the open market without paying a premium for that control and without offering all stockholders the opportunity to sell their stock at the same price.

COOLING OFF PERIOD

The bill prohibits the former bidder from buying additional stock of the target company for a period of 30 days following the withdrawal of the tender offer, thereby banning the practice known as "sweeping the street." This practice deprives shareholders of the benefit of the tender offer because it allows the bidder, following the withdrawal of its tender offer, to acquire control through open market purchases from a few arbitrageurs who hold large blocks of stock in response to the initial tender offer.

SHORT SWING PROFITS

The section prohibits so-called short swing profits by providing that any person who commences a tender offer must return to the issuer all profits—less reasonable expenses—made on the sale of the securities within the 6-month period after the tender offer was made, unless the SEC exempts the transaction from such a requirement. Transactions that the SEC determines were bona fide tender offers terminated as a result of a competing tender offer are among those that would be exempted. The provision is designed to take the profit out of manipulative takeovers, where the bidder has no intention of going forward with the tender offer, but knows that the stock price will go up as a result of the filing of a tender offer and wishes simply to take advantage of that manipulated price increase.

ANTIGREENMAIL, POISON PILL, AND GOLDEN PARACHUTE PROVISIONS

Under current law, the ability of a target company to repurchase shares from dissident shareholders at a premium has created an incentive for an investor to accumulate blocks with the intention of reselling them to the issuer. The purchase of such sales at a premium has become known as greenmail.

The bill would outlaw greenmail by prohibiting a corporation from buying back its securities at a price above the market from anyone holding more that 2.5 percent of those securities if that person has held them for less than 2 years. The Commission is granted the authority to allow exemptions.

Similarly, the bill prohibits "poison pills" and "golden parachutes" adopted during the course of a takeover. Poison pills are actions taken by corporations to alter their corporate structure during a tender offer to make them more difficult to acquire, and golden parachutes are the payment of lucrative severance benefits for the former management of the acquired corporation. Both are broadly defined in the bill and the SEC is given discretion to determine how to regulate them.

TAKEOVER FINANCING

As a result of borrowing to finance takeovers, the average ratio of corporate long-term debt to equity based on market values has increased from 35.3 percent in 1961, to 46.7 percent in 1971, to 71.4 percent in 1986. Should interest rates rise or an economic downturn begin, U.S. corporations are at a higher level of risk as a result of this debt.

The proposed legislation addresses this concern regarding the tremendous leveraging caused by takeovers by prohibiting a hostile tender offer which is more than 25-percent debt-financed with borrowings or issues of securities dependent on the pledging or treatment as collateral of any of the target corporation's assets. This section defines a hostile takeover as one that has not been recommended for approval by the board of directors of the takeover target.

The bill also addressed the inequities created through the current use of "highly confident letters" and "bridge loans," which allow the bidder to put a company in play with virtually no money down, no substantial commitment fees for a loan, and no secure financing in place. The bill requires that financing be in place before the tender offer is commenced.

REGULATION OF GOING PRIVATE TRANSACTIONS AND LEVERAGED BUYOUTS

The bill addresses the problems raised by "going private" transactions and leveraged buyouts, where management is making the decisions to buy itself out. In order to protect minority shareholders in such transactions, the proposed legislation provides the SEC with rulemaking authority to regulate the fairness of "going private" transactions. The bill also restricts leveraged buyouts by providing for a 60-day waiting period and requiring an independent appraisal of the fairness of the valuation of the company before the buyout can proceed.

PENSION FUND SURPLUSES AND ERISA

In order to make the pooled pension plan surplus assets of a target company unavailable to corporate raiders as a cash source, the bill protects pension funds for 5 years following a change in control of the target company.

Additionally, to reduce pressure on pension and stock plan fiduciaries to trade a plan's assets based only on short-term considerations such as tenders, the legislation allows plan managers to consider long-term stock ownership options in discharging their fiduciary duties.

INSIDER TRADING PENALTIES

In order to discourage the use of insider information in structuring takeover plans, this bill provides for an increase in insider trading penalties from $100,000 to $500,000 and extends permitted sentences form 5 to 10 years. The bill also calls for a 1-year mandatory sentence for perjury or the obstruction of justice in the course of an SEC insider trading investigation.

Mr. President, I believe that this bill is essential to bringing discipline to a practice that has gotten out of hand and is threatening the future long-term viability of our corporations. I ask unanimous consent that the text of the bill and a section-by-section analysis be printed in the RECORD and urge my colleagues to support this crucial piece of legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1324

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Corporate Takeover and Insider Abuse Reform Act of 1987."

SEC. 2. FINDINGS.

The Congress finds that—

(1) many corporate takeovers, and the huge debt incurred to finance them, have resulted in the forced and rapid restructuring of many of America's businesses, have caused the elimination of thousands of jobs as well as severe economic dislocation in numerous communities;

(2) many healthy and efficiently run companies have been subject, without adequate warning, to destructive corporate takeovers;

(3) On an aggregate basis, corporate takeovers have been a factor in an enormous increase in corporate debt—the average ratio of corporate long term debt to equity based on market values has increased from 35.3% in 1961, to 46.7% in 1971, to 71.4% in 1986;

(4) the increasing debt could have serious economic ramifications in the event of recession or an interest rate spiral;

(5) these destructive corporate takeovers have been in part facilitated by inadequacies in our existing securities laws;

(6) under existing law, corporations do not receive adequate or timely notice of a takeover attempt, while the actual tender offer period is too short for the corporation and its shareholders to reasonably evaluate the offer;

(7) due to inadequacies in the law, groups of investors and others acting in concert can actually own a majority of a corporation's stock before management and other shareholders are notified;

(8) many takeover attempts are initiated so that management will buy back stock at a high premium over the market price, thereby discriminating against long-term shareholders and contributing to the corporation's debt burden;

(9) the large amount of debt incurred by corporations either as a result of, or to stave off takeovers has resulted in a decrease in research and development budgets and needed investments in plant improvements and equipment at a time when U.S. industry is struggling to maintain its international competitiveness;

(10) corporations with well-funded employee pension funds have become the targets of takeovers and such pensions funds have been used to pay for takeovers once they are consummated;

(11) the enormous amounts of money involved in corporate takeovers, as well as the necessity to accumulate large amounts of stock quickly, has been one of the factors leading to profiteering by insiders;

(12) the integrity of financial markets and the confidence of the public in them have been undermined by the conduct of parties in tender offers.

(13) Therefore, in order to protect the public interest, it is necessary to correct inadequacies in, and curb abuses of, our existing securities laws.

SEC. 3. 10-DAY WINDOW; FILING REQUIREMENTS.

(a) Section 13(d)(1) of the Securities Exchange Act of 1934 (15 U.S.C. § 78m(d)(1)) is amended—

(1) by striking out "5" and inserting in lieu thereof "2.5"; and

(2) by striking out", within 10 days after such acquisition," and inserting in lieu thereof "cease to acquire additional shares of such class until the expiration of two (2) business days after such acquisition (or such shorter period as the Commission may by rule prescribe), and shall, no later than the first business day after initially acquiring such direct or indirect beneficial ownership, make a public announcement of such acquisition and".

(b) Section 13(d)(1)(A) of the Securities Exchange Act of 1934 is amended by adding at the end thereof the following: "and the background, identity, residence, and citizenship of any other person to whom such purchases have been disclosed or discussed".

(c) Section 13(d)(1)(B) of the Securities Exchange Act of 1934 is amended by striking out "security, a description of the transaction and the names of the parties thereto, except that where a source of funds is a loan made in the ordinary course of business by a bank, as defined in section 3(a)(6) of this title, if the person filing such statement so requests, the name of the bank shall not be made available to the public;" and inserting in lieu therof the following: "security—

"(i) a summary of each agreement or arrangement relating to the extension of credit, issuance of securities for cash or other acquisition of such funds, including the identity of the parties, the term, the collateral, the stated and effective interest rates, all fees to be paid to any person in connection with such an agreement or arrangement and all other material terms or conditions relative to such loan agreement or arrangement; and

"(ii) any plans or arrangements to finance or repay any amount of such funds representing indebtedness incurred or to be incurred or if no such plans or arrangements have been made, a statement to that effect;"

(d) Section 13(d)(1) of the Securities Exchange Act of 1934 is amended—

(1) by striking out "and" at the end of subparagraph (D);

(2) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof"; and "; and

(3) by adding at the end thereof the following new paragraph:

"(F) the amount of any fees paid or proposed to be paid in connection with purchases or prospective purchases, or in connection with the obtaining of funds representing any part of the purchase price or proposed purchase price, a description of the services rendered or proposed to be rendered in consideration of such fees, and the identity of any person to whom such fees have been or are proposed to be paid.".

SEC. 4. TIME FOR FILING STATEMENTS.

(a) Section 13(d)(2) of the Securities Exchange Act of 1934 (15 U.S.C. § 78m(d)(2)) is amended by inserting after the words "shall be filed with the Commission" the words "no later than the following business day."

(b) Section 13(d)(2) of the Securities Exchange Act of 1934 is further amended by adding at the end thereof the following new sentence:

"For purposes of this subsection, the additional acquisition or disposition, directly or indirectly, of the beneficial ownership of 1 per centum or more of the class of equity security that is the subject of the statement required by paragraph (1) of this subsection shall be deemed material."

SEC. 5. REQUIREMENT TO FILE.

Section 13(d) of the Securities Exchange Act of 1934 (15 U.S.C. § 78m(d)) is further amended—

(a) by striking out paragraph (6)(B) of subsection (d), and redesignating paragraphs (6)(C) and (6)(D) as (6)(B) and (6)(C), respectively;

(b) by striking paragraph (3) thereof and by inserting in lieu thereof the following:

"(3)(A) When two or more persons act as a partnership, limited partnership, syndicate, or other group (whether or not organized) for the purpose of acquiring, voting, holding, or disposing of securities of an issuer, such syndicate or group shall be deemed a 'person' for purposes of subsections (d), (e), and (g) of this section and subsections (d), (e), and (h) of section 14 of this title.

"(B) In making a determination under this paragraph, the Commission (or any court having jurisdiction)—

"(i) may rely on the extent to which the syndicate or group acted in a consciously parallel manner, without regard to the existence of a contract or agreement;

"(ii) shall consider actions taken by a person to conceal the beneficial ownership of the securities by depositing such securities with another person as evidence of the participation of both such persons in a group within the meaning of subparagraph (a); and

"(iii) may consider such other actions or circumstances as the Commission (or such court) considers relevant to the determination.".

(c) by inserting the following new paragraphs at the end of subsection (d):

"(7) It shall be unlawful for any person, who fails to file the statement or information required by this subsection, to acquire, directly or indirectly, beneficial ownership of any additional shares of the equity security that is the subject of the statement required by this subsection until such statement or information is filed.

"(8) It shall be unlawful for any person, who has not disclosed in any statement required to be filed under this subsection that the acquisition of securities is for the purpose of obtaining, or seeking to influence, control of the issuer, to acquire by tender offer or request or invitation for tenders, directly or indirectly, beneficial ownership of any additional shares of the class of equity security that is the subject of the statement required by this subsection during the 6 month period beginning on the date an amendment is filed under paragraph (2) of this subsection disclosing that the purpose of the purchases or prospective purchases is to obtain control of the issuer of such securities.".

SEC. 6. CONFORMING AMENDMENT.

(a) Section 13(g)(1) of the Securities Exchange Act of 1934 (15 U.S.C. § 78m(g)(1)) is amended by striking out "5" and inserting in lieu thereof "2.5";

SEC. 7. CIVIL LIABILITY.

Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. § 78m) is amended by adding at the end thereof the following new subsections:

"(i)(1) The issuer of the securities in question or any other person aggrieved in his business or property by reason of any violation of section 13(d), or 13(f) of this title, including, but not limited to, by any false statement of material fact or omission of a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading, may bring suit in any court of competent jurisdiction, without regard to the amount in controversy, to recover actual damages sustained by that person, and the cost of the suit, including reasonable attorney's fees, and seek such equitable relief, including, but not limited to, an order enjoining any person liable under this subsection from voting securities acquired in violation of the provisions of those sections or divestiture of such securities, or an order enjoining the making of any tender offer or other effort to acquire control for such period of time as the court may order, as the court deems proper to carry out the purposes of those sections.

"(2) In any action under this subsection alleging harm based on a misrepresentation or an omission of a material fact, or upon a failure to file a statement or provide information required by section 13(d), 13(g), or 13(f) of this title, it shall not be necessary in order to establish a cause of action for the person bringing suit, or on whose behalf suit is brought, to show reliance on the misrepresentation or omission. Such person may establish a cause of action on a showing that he did not have knowledge of the relevant facts as they should have been disclosed and that there is substantial likelihood that a reasonable investor would have considered the fact important in deciding how to act or that a proper disclosure would have significantly altered the total mix of information available.

"(3) A person has no liability under this subsection for a violation which was not intentional and resulted from a bona fide error notwithstanding the maintenance of procedures reasonably necessary to prevent such violations.".

SEC. 8. CONFORMING AMENDMENT.

Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. § 78n) is amended by striking out the heading of such section and inserting in lieu thereof the following:

"PROXIES AND TENDER OFFERS"

SEC. 9. TENDER OFFERS.

(a) Section 14(d) of the Securities Exchange Act of 1934 (15 U.S.C. § 78n(d)) is amended—

(1) by redesignating paragraphs (2) through (8) as paragraphs (4) through (10) of such subsection, and by inserting the following new paragraphs:

"(2) Any person making a tender offer for or a request or invitation for tender offers of any class of any such equity security shall hold such offer, request, or invitation open for a period of at least 45 business days from the date on which such offer, request, or invitation is first published, sent or given to security holders, or such longer period as the Commission may, by rule, prescribe.

"(3)(A) It shall be unlawful for any person by use of the mails or by any means or instrumentality of interstate commerce or of any facility of a national securities exchange or otherwise, to acquire, or agree to acquire, directly or indirectly, any class of any such equity security if, after consummation thereof, such person would become, directly or indirectly, the beneficial owner of more than 20 per centum of such class, unless such acquisition is made, pursuant to a tender offer, or a request or invitation for tenders, which includes an offer under the same terms as the outstanding tender offer for all of the outstanding shares of such class (including all shares of such class issuable upon conversion or exercise of other outstanding securities, warrants, options or other rights issued or granted by the issuer).

"(B) It shall be unlawful for any person to acquire, directly or indirectly, the beneficial ownership of any covered equity security of a class, if after such acquisition such person will be the beneficial owner, directly or indirectly, of more than 10 per centum of such class, except by tender offer or request or invitation for tenders or by purchase from the issuer.

"(C) The provisions of subparagraph (A) shall not apply to any acquisition of any equity security approved in advance by the board of directors of the issuer thereof, or exempted by the Commission by regulation or order.

"(D) It shall be unlawful for any person, who has withdrawn or otherwise terminated any tender offer or request or invitation for tenders of any class of such equity security to acquire, directly or indirectly, beneficial ownership of any additional share of the class of equity security that was the subject of the tender offer or a request or invitation for tenders for a period of 30 calendar days from the date of such withdrawal or termination, or such other longer period as the Commission may, by rule, prescribe; provided, however, that any acquisition made after the expiration of the 30 day period shall be fully subject to the restrictions contained in paragraph (4) of this section."; and

(2) by adding at the end thereof the following:

"(11) where any person makes a tender offer, such person shall provide to the Commission and the issuer of the securities within 48 hours of the making of the tender offer a statement—

"(A) specifying whether the acquiring person intends as a result of the acquisition—

"(i) to sell or close any facility, or

"(ii) to terminate or alter any operation, or

"(iii) to abide by the collective bargaining and other agreements of the person to be acquired;

"(B) estimates of the number of employment positions of the acquiring person and of the person to be acquired that are likely to be lost, in each year of the 5-year period beginning on the date such acquisition is to be consummated, as a result of such acquisition;

"(C) estimates of the revenue likely to be lost, in each year of such 5-year period, by each governmental entity in the geographical jurisdiction where the major facilities of the acquiring person or of the person to be acquired are located;

"(D) specifying the aggregate amount of the liabilities the acquiring person has, and the aggregate amount of equity the acquiring person has (in all assets in which the acquiring person has an interest) immediately before the acquiring person begins to carry out such acquisition;

"(E) specifying the aggregate amount of the liabilities the acquiring person is likely to have, and the aggregate amount of equity the acquiring person is likely to have (in all assets in which the acquiring person is likely to have an interest) after such acquisition is consummated;

"(F) specifying whether any assets of the person to be acquired are or are likely to be pledged, contracted to be pledged, treated as collateral or consideration, or used in any way (directly or indirectly) to obtain credit or financing to carry out such acquisition; and identifying each such asset; and

"(G) the background identity, and citizenship of any person to whom such plans or proposals have been disclosed or discussed.".

(b) Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n) is amended by adding at the end thereof the following new subsection:

"(h)(1) For the purpose of preventing the unfair making or threatening of a tender offer for an issuer's stock by persons who do not intend to complete or make a tender offer for, or change or influence the control of, the issuer, all profit (less reasonable expenses) realized by any person from any sale or other disposition of any equity security of an issuer within any period of less than six months after the date on which such person commenced a tender offer for, or made a request or invitation for tenders of, any class of equity security of such issuer or made a public announcement of an intention to make a tender offer for or otherwise seek control of such issuer, shall inure to and be recoverable by the issuer; provided, however, that the provisions of this subsection shall not apply to any such sale or other disposition of any equity security of an issuer of which such person was the direct or indirect beneficial owner on or before the date six months prior to the date on which such person commenced such tender offer, requested or invited such tenders or made such announcement. This subsection shall not be construed to cover any transaction or transactions which the Commission by rules and regulations or, upon application, by order may exempt as not comprehended within the purpose of this subsection. Among any other exemptions, the Commission is instructed to exempt any person who has made a bona fide tender offer and who terminates such offer and tenders his securities to a person making a competing tender offer. For purposes of this subsection, the term 'person' shall have the same meaning as provided in section 14(d)(2) whether or not there is express agreement between the parties."

SEC. 10. ACTIONS BY ISSUERS DURING TENDER OFFERS

Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n) is further amended by adding at the end thereof the following new subsections:

"(i)(1) An issuer of equity securities described in subsection (d)(1) which are the subject of a tender offer, or a request or invitation for tenders, shall not from the time the tender offer or request or invitation is commenced until such offer or request or invitation expires or otherwise terminates, undertake any of the following actions:

"(A) enter into or amend any agreement which provides for an increase, directly or indirectly, in the current or future compensation of any officer or director of such issuer, conditioned upon a change in control of the issuer, except that this provision shall not prohibit any routine increase in compensation consistent with past practices or any agreement to effect any such increase, or the grant of reasonable severance pay;

"(B) purchase, directly or indirectly, any of its securities at a price above the market price for such securities from any person who holds more than 2.5 per centum of the class of securities to be purchased and who has held such securities for less than 1 year; or

"(C) grant, declare or establish any rights to acquire any securities, if such rights would—

"(i) entitle the holder of such rights to purchase at less than market value securities of a successor to such corporation;

"(ii) entitle the holder of such rights to purchase at less than market value any securities of the issuer; or

"(iii) require the issuer to repurchase its securities from the holder of such rights at greater than market value; where such entitlement or requirement is conditioned upon a change in control of the issuer, or the acquisition of securities by a third party, or may be invoked only during the pendency of a tender offer or other contest for control of the issuer.

(2) The Commission may by rule, or by order upon application, conditionally or unconditionally exempt any person, security or transaction from the provisions of this subsection to the extent that such exemption is necessary or appropriate in the public interest and for the protection of investors and consistent with the purposes and policy fairly intended by this subsection.

SEC. 11. FINANCING OF TAKEOVERS.

(a) Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n) is amended by adding at the end thereof the following new subsection:

"(ii)(1) It shall be unlawful for any person, directly or indirectly, by use of the mails or by any means or instrumentality of interstate commerce or of any facility of a national securities exchange or otherwise, to make a tender offer for, or a request or invitation for tenders of, any equity security of a class described in section 14(d)(1) of this title if both (A) more than 25 per centum of the funds or other consideration for the purchase of the maximum number of securities for which such tender offer or request or invitation for tenders is being made is provided or is expected to be provided, directly or indirectly, out of the proceeds of borrowings or the incurrence of debt or the issuance of bonds, notes, debentures, participations, other debt securities or other obligations to pay money (or money's worth in one or more other forms) and (B) it is reasonably expected by the issuer of the equity securities subject to such tender offer or request or invitation for tender, at the time such tender is announced that any one or more of the assets, cash flows, earnings or credit of such issuer of its then affiliates will be looked to, directly or indirectly, to secure or service any of such borrowings, debt, bonds, notes, debentures, participations, other debt securities or other obligations: *Provided, That* the provisions of this paragraph (1) shall not apply to a tender offer for, or a request or invitation for tenders of (a) equity securities of the tendering person or (b) equity securities of any company of which a majority of the persons who were directors of such company immediately prior to the announcement of such tender offer, or request or invitation for tenders, approved the tendering person's plan of acquisition or (c) equity securities of a class the total value of which is less than $100 million or (d) to borrowings or the incurrence of debt or the issuance of bonds, notes, debentures, participations, other debt securities, or other obligations to pay money (or money's worth in one or more other forms) to provide for the purchase of "qualifying employee security" purchased or acquired by an "employer stock ownership plan" both as defined in 26 U.S.C. 4975(e).

"(2) It shall be unlawful for any person, directly or indirectly, by use of the mails or by any means or instrumentality or interstate commerce or of any facility of a national securities exchange or otherwise, to make a tender offer for, or a request or invitation for tenders of, any equity security of a class described in section 14(d)(1) of this title, other than equity securities of such tendering persons, if the funds or other consideration to be offered, in whole or in part, consists of cash.

"(A) unless such cash is at the time of announcement of the tender offer on deposit in an unrestricted, or an interest bearing demand deposit account of the tendering person at a bank or trust company organized under the laws of the United States, a state or the District of Columbia; or

"(B) the offering person has entered into legally enforceable, unconditional and irrevocable commitments (not subject to execution of further definitive agreements) to provide such cash from such banks and trust companies, which commitments are not contingent in any manner upon the success or failure of such tender offer or request or invitation for tenders, or

"(C) a combination of the foregoing, provided that the provisions of this paragraph (2) shall not apply to a tender offer for, or a request or invitation for tenders of (a) equity securities of the tendering person or (b) equity securities of any company of which a majority of the persons who are directors of such company immediately prior to such tender offer, or request or invitation for tenders, approved the tendering person's plan of acquisition or (c) equity securities of a class the total value of which is less than $100 million.

"(3) The Board of Governors of the Federal Reserve System, in consultation with the Securities and Exchange Commission, shall prescribe rules and regulations to effectuate the purpose of this subsection. The Board of Governors is empowered to grant exceptions to the provisions of this subsection by order. In acting on an application for an exemption, the Board of Governors of the Federal Reserve System shall consider the positive economic aspects of the transaction, the fairness of the transaction to shareholders, debtholders and creditors of both the acquired and acquiring corporation, and the economic dislocation, including unemployment risks, likely to be caused by consummation of the transaction. The Board of Governors of the Federal Reserve System will be required to respond affirmatively or negatively within twenty business days of receiving an application for an exception. Decisions of the Board of Governors of the Federal Reserve System denying such exceptions shall not be reviewable in any court, nor shall they be considered by any court by reason of any extraordinary writ or remedy.

"(4) PENALTIES.—

"(a) Any person that violates or conspires to violate sections (1) or (2) of this paragraph shall be subject to a civil penalty of not less than 5% of the borrowings such person has publicly represented it would need to fund the entire proposed transaction.

"(b) Any person (other than an individual) that agrees to provide funds in violation of this paragraph, whether contingently or otherwise, shall be subject to a civil penalty of not less than 1% of the amount of such funds such person agreed to provide plus any interest payment in excess of 1% per annum paid in respect of such funds.

"(c) Any agreement or contract, including contracts of insurance and agreements for indemnity or contribution, in respect of any civil panalty imposed by this paragraph, and all contracts for indebtedness in violation of this paragraph, shall be void.

"(d) On application by any person, any United States Federal District Court shall issue any and all injunctions necessary to prevent any violation of this paragraph."

SEC. 12. TRADING HALTS.

(b) Section 12(k) of the Securities Exchange Act of 1934 (U.S.C. s 781(k) is amended—

(1) by inserting "(1)" after "(k)"; and

(2) by adding at the end thereof the following:

"(2)(A) It shall be unlawful for a broker or dealer to make use of the mails or any means or instrumentality of interstate commerce to effect any transactions in, or to induce or attempt to induce the purchase or sale of any security (including any put, call, straddle, option, or privilege or any such security, or any certificate of interest or participation in, temporary or interim certificate for, receipt for, or warrant or right to subscribe to or purchase such security, but excluding any exempted security), during any period that the primary market for such security has suspended trading in such security for the purpose of facilitating the orderly dissemination of material information concerning the issuer, the security, or the market for the security.

"(B) Any primary market determination to suspend trading—

"(i) shall be effective for purposes of subparagraph (A) for not more than one business day;

"(ii) shall be subject to review by the Commission, on its own motion, or upon request of any adversely affected issuer, broker, dealer, or self-regulatory organization, pursuant to procedures the Commission shall prescribe by rule or regulation; and

"(iii) may be renewed or extended only with the approval of the Commission pursuant to procedures prescribed by such rule or regulation.

"(C) The Commission, by order, shall approve such suspension of trading unless it finds that—

"(i) the grounds for such suspension do not exist in fact;

"(ii) the primary market has not followed its own rules in suspending trading;

"(iii) such rules of the primary market are being applied in a manner inconsistent with the purposes of this title; or

"(iv) such suspension imposes an unnecessary or inappropriate burden on competition.

"(D) If the Commission makes any such findings, the Commission shall set aside such suspension or modify it as appropriate in furtherance of the protection of investors and the public interest. The Commission decision shall be based solely upon consideration of the record before the primary market and such other information as the Commission may deem appropriate. An appeal pursuant to this subsection shall not stay the suspension.

"(E) The Commission shall, by rule or regulation, define the term 'primary market' for purposes of subparagraph (A) of this paragraph. The Commission may, by rule, regulation, or order, exempt a broker or a dealer or class of brokers or dealers from the prohibition contained in subparagraph (A) with respect to a particular transaction or classes of transactions or a particular security or class of securities.".

SEC. 13. FORFEITURE.

Section 32(c) of the Securities Exchange Act of 1934 (15 U.S.C. § 78ff(c) is amended by redesignating subsection (c) as subsection (d) and inserting the following new subsection:

"(c)(1) Any person who fails to file a statement or information, or who files statement which contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statement not misleading, required to be filed under subsections (d), (f)(2), or (g) of section 13 of this title or any rule or regulation thereunder, shall—

"(A) in cases in which no statement or information was filed, forfeit to the United States a sum of not less than $1,000 [per day], as determined by the court in its discretion for such failure to file; and

"(B) in cases in which a materially false or misleading statement was filed, forfeit to the United States a sum equal to the greater of (i) one per centum of the aggregate market value of the equity securities beneficially owned by such person and required to be reported thereunder for each and every day such statement remained materially false or misleading, or (ii) the difference between (I) the highest market price of such equity securities during the 10 trading days immediately following the filing of a corrected statement or report, and (II) the lowest market price of such equity securities between the date on which such false or misleading filing was made and the date on which such filing was corrected.

"(2) Such forfeiture shall be payable into the Treasury of the United States and shall be recoverable in a civil suit in the name of the United States or in a civil suit brought by the Commission or by the issuer of such equity securities (in which case the reasonable expenses of such suit shall be awarded the issuer out of the proceeds of the forfeiture), in either case upon a showing that such failure to file or such false or misleading filing was not the result of inadvertence on the part of the filing party, but no such suit shall be brought more than [two] years after the date on which such report initially was required to be filed. The Commission, as it deems consistent with the public interest and the protection of investors, may, by order, conditionally or unconditionally exempt from this subsection any such failure to file.".

SEC. 14. ROLE OF STATES.

The Securities Exchange Act of 1934 is further amended by adding at the end thereof the following new section:

"SEC. 36. (a) The Congress declares that the continued regulation by the several States of matters involving the internal affairs of governance of corporations organized under the respective laws of such States is in the public interest. The internal affairs or governance of corporations shall be subject to regulations by the laws of the State under which each such corporation is organized.

"(b) Nothing contained in Sections 13 or 14 of this Act or any rules or regulations thereunder shall be construed to invalidate, impair or supersede any law enacted by any State regulating the internal affairs or governance of any corporation organized under its laws, notwithstanding any effect thereof upon any person's ability to cause a change of control of such corporation by means of a tender offer.

"(c) Notwithstanding subsection (a) or (b) hereof, this section does not authorize any state to enact any law which would preclude compliance with the filing, disclosure or other procedural requirements, or the antifraud requirements of Sections 13 or 14 of this Act.

"(d) For purposes of this section, the internal affairs or governance of a corporation shall include, but not be limited to, matters relating to the voting rights of security holders, mergers and other business combinations and the approval thereof, the rights and obligations of controlling or other significant shareholders, and other matters relating to the control, management or government of such corporations or to the relative rights and obligations of, and between and among, security holders, directors, officers and their corporations.".

SEC. 15. LEVERAGED BUYOUTS AND GOING PRIVATE TRANSACTIONS.

(a) Section 14 of the Securities Exchange Act of 1934 (15 U.S.C. 78n) is amended by adding at the end thereof the following new subsection:

"(j)(1) It shall be unlawful for one or more officers, directors, or employees of an issuer of any security which is registered pursuant to section 12 of this title, or which would have been required to be so registered except for the exemption contained in section 12(g)(2)(G) of this title, or any closed-end investment company registered under the Investment Company Act of 1940, to acquire all or substantially all of the shares of a class of that issuer's or company's equity securities unless—

"(A) at least 60 days have elapsed between the day the proposed acquisition is publicly announced and the day the acquisition occurs; and

"(B) the issuer or company has obtained a report by an independent appraiser, as provided in paragraph (2), on the proposed acquisition.

"(2) For the purpose of paragraph (1)(B), an issuer or investment company may apply to a United States district court for the district in which it is located for the appointment of an independent appraiser, and such court shall have jurisdiction to appoint an appraiser to review the terms of the proposed acqisition and to report to the issuer or the company the proposed acquisition. The costs of conducting the review and preparing the report shall be paid by the party proposing to acquire the shares.".

(b) Amend Section 13(e)(1) of the Securities Exchange Act of 1934 (15 U.S.C. § 78n) by adding after the first full sentence in that paragraph the following new sentence:

"For purposes of this subsection the term 'manipulative' shall not be limited to acts or practices based solely on misrepresentation or nondisclosure."

SEC. 16. ERISA.

Section 404 of the Employee Retirement Income Security Act (15 U.S.C. s 1104) is amended by redesignating paragraph (2) of subsection (a) as paragraph (3) and adding the following new paragraph:

"(2) In discharging the duty of care required by paragraph (1)(B) of this subsection in connection with a tender offer or request of invitation for tenders, a fiduciary shall consider the benefits of continued security ownership to participants and their beneficiaries.".

SEC. 17. PENALTIES AND ENFORCEMENT.

Section 32A(a) of the Securities Exchange Act of 1934 (15 U.S.C. § 78fa) is amended by striking out "$100,000" and inserting in lieu thereof "$500,000" and by striking out "five years" and inserting in lieu thereof "ten years," and by adding at the end thereof "A mandatory one year term of imprisonment will be imposed on any person convicted of obstructing justice or who commits perjury, in the course of any investigation by the Commission."

SEC. 18. FEDERAL RESERVE BOARD STUDY OF THE FINANCING CORPORATE TAKEOVERS.

(a) The Board of Governors of the Federal Reserve System ("the Board") in consultation with such other agencies as it deems appropriate, shall conduct a comprehensive study of the issuance of and investment in high yield, noninvestment grade bonds used to finance corporate takeovers during the 5 years prior to the date of enactment of this Act, including but not limited to—

(1) the identity of the issuers and the purchasers that invest in such high yield, noninvestment grade bonds that are issued as a method of financing corporate takeovers;

(2) the distribution system, the liquidity and the secondary market for such high yield, noninvestment grade bonds that are issued as a method of financing corporate takeovers;

(3) the relationships between issuers, investors and underwriters of high yield, noninvestment grade bonds that are issued as a method of financing corporate takeovers.

(b) The Board in consultation with such other agencies as it deems appropriate, shall conduct a comprehensive study of the role and extent of commerical banks in the financing of corporate takeovers, including but not limited to, the level of risk involved in commerical banks, the average terms and conditions of such financing, and the effect on the commerical bank.

(c) The Board in consultation with the Securities and Exchange Commission and with such other agencies as it deems appropriate, shall conduct a comprehensive study of the role of "bridge loans" and other financing by investment banking firms or their affiliates which are extended in the course of a corporate takeover, including but not limited to the extent to which such financing occurs, the average terms and conditions of such financing and the effect on the acquiring company or person, the risks incurred by lenders who provide the funds to such firms or affiliates, the investment banking firm, or affiliate and the company acquired.

(d) The Board, in consultation with such other agencies as it deems appropriate, shall conduct a comprehensive study of the increase in corporate debt and its relation to equity capital during the 5 years prior to the date of enactment of this Act, including, but not limited to—

(1) the causes and reasons for this increase in corporate debt;

(2) the short and long-term implications of such an increase in corporate debt; and

(3) the need, if any, of imposing additional or more restrictive requirements regarding the use of debt to finance corporate takeovers.

(e) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, shall furnish to the Board, upon its request, such information as the Board deems necessary to carry out its functions.

(f) Upon request of the Board, each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, shall detail staff and personnel as necessary to assist the Board.

(g) The Board shall, within 180 days after enactment of this Act, submit to the Senate Committee on Banking, Housing, and Urban Affairs and the House Committee on Energy and Commerce a final report containing a statement of the findings and conclusions of the Board resulting from the study undertaken under this section, including recommendations for such administrative and legislative actions as it deems advisable.

SEC. 19. EFFECTIVE DATE.

The effective date of the legislation is its date of enactment.

CORPORATE TAKEOVER AND INSIDER ABUSE REFORM ACT OF 1987—SECTION-BY-SECTION ANALYSIS

SEC. 1. TITLE OF LEGISLATION: "CORPORATE TAKEOVER AND INSIDER ABUSE REFORM ACT OF 1987."

SEC. 2. FINDINGS.

SEC. 3. 10 DAY WINDOW; FILING REQUIREMENTS.—This section requires that anyone acquiring over 2.5% of a corporation's stock file a 13(d)(1) form with the SEC no later than the first business day after such acquisition, thus shortening the "10 day window." It prohibits the purchase of any additional stock for two days after the 2.5% purchase.

The section also requires the disclosure of: (1) the names of any other parties with whom the purchase was discussed, (2) a summary of the financing of the stock purchases and plans to repay such financing, and (3) the amount of fees paid in connection with the stock purchase as well as the identity of the persons to whom such fees were paid.

SEC. 4. TIME FOR FILING STATEMENTS.—This section requires that filings relating to material changes under Section 13(d)(2) of the Securities Exchange Act be made by the following business day, and provides that for purposes of section 13(d), acquisitions of an additional one per centum of shares is deemed a material acquisition requiring disclosure.

SEC. 5. REQUIREMENT TO FILE.—This section adds a new definition of "group" to include persons acting in a consciously paralled manner to acquire or hold securities.

The section also makes it unlawful for any person who fails to file a required statement to acquire additional shares, or for anyone who has failed to declare that the acquisition of shares is for the purpose of obtaining control to make a tender offer.

SEC. 6. CONFORMING AMENDMENT.—Amends Section 13(g) of the Act to conform to the 2.5 per centum filing requirement.

SEC. 7. CIVIL LIABILITY.—This section provides a private right of action to any aggrieved party to sue for damages or injunctive relief based on false statements or omissions of material facts in filings made under Section 13(d), 13(f) or 13(g) of the Act. The section provides that persons bringing such actions are not required to show reliance on the misrepresentation or omission; rather the aggrieved party must demonstrate that a reasonable investor would have considered the fact important in deciding how to react.

SEC. 8. CONFORMING AMENDMENT.

SEC. 9. TENDER OFFERS.—This section extends the tender offer waiting period from 20 business days to 45 business days.

The section also requires that once a person acquires 20% of the outstanding shares of a corporation that he tender for all outstanding shares, under the same terms as the then current and outstanding tender, unless his acquisition is approved by the board of directors of the issuer, or exempted by the SEC by rule or regulation, or, upon, application, by order. This so-called 100% tender provision is designed to curb abusive takeover techniques of "two-tier" and creeping tender offers.

This section also makes it unlawful for any person who has withdrawn or terminated a tender offer to acquire any additional shares of the securities that were the subject of the tender offer for a period of 30 calendar days from the date on which the tender offer was withdrawn, thereby prohibiting "sweeping the street."

This section also requires that an economic impact statement be filed with the SEC and the issuers of the securities. Such a statement must disclose plans to close plants and other facilities, terminate employees, and abide by collective bargaining agreements, as well as list the assets and liabilities of the acquiring company and the extent to which the assets of the acquired company will be pledged or used in any way to finance the transaction.

SEC. 10. ACTIONS BY ISSUERS DURING TENDER OFFERS.—This section prohibits so-called short swing profits by providing that any person who commences a tender offer and then withdraws that offer must return to the issuer all profits made by the sale of securities of the issuer during the six month period after the tender offer was made, unless the SEC exempts the bidder from such a requirement based on its asssessment that the offer was bona fide and was withdrawn as a result of a competing offer or other valid reason.

This section prohibits the payment of greenmail by an issuer. Greenmail is the repurchase of shares from a person attempting a takeover at above the market price. In addition, the section prohibits poison pills and golden parachutes adopted during the course of a takeover. Poison pills are actions taken by corporations to alter their corporate structure during a tender offer to make them more difficult to acquire, and golden parachutes are the payments of lucrative severance benefits for the former management of the acquired corporation. This section further provides that for the purposes of defining the meaning of the herein described practices, the SEC shall be the arbiting body.

SEC. 11. FINANCING OF TAKEOVERS.—This section would prohibit a hostile tender offer which is more than 25% debt financed with borrowings or issues of securities dependent on the pledging or treatment as collateral of any of the target corporation's assets. This section defines a hostile takeover as one that has not been recommended for approval by the board of directors of the takeover target.

This section would also prohibit the use of "highly confident" letters by investment banking houses as the sole basis of a tender offer and requires that financing be in place at the time a tender offer begins.

SEC. 12. TRADING HALTS.—This section makes it unlawful for a broker or dealer to continue to trade or to induce the purchase or sale of any security during any period that the primary market for the security has suspended trading for the purpose of facilitating the orderly dissemination of material information concerning the issue, the security, or the market for the security. A primary market determination to suspend trading under the provision shall be effective for not more than one day, shall be subject to review by the SEC upon its own motion or that of an adversely affected party, and may be renewed or extended only with the approval of the SEC.

SEC. 13. FORFEITURE.—This section provides for penalties for misstatements and omissions in filings.

SEC. 14. ROLE OF STATES.—This section reaffirms the role of the states in matters involving the internal affairs of corporations.

SEC. 15. LEVERAGE BUYOUTS.—This section would prevent officers, directors or employees of a corporation from acquiring substantially all of the corporation's share until 60 days have elapsed since the public announcement of the transaction, and unless an independent appraiser has reported on the fairness of the valuation of the company. This section also gives the SEC rulemaking authority to promulgate regulations governing "going private transactions."

SEC. 16. ERISA.—This section provides that fiduciaries of pension funds can consider the benefits of long term ownership of stock in discharging their duties in connection with a tender offer. Under current law, fiduciaries are often forced to sell to a person seeking to acquire the stock of a company merely because the offer is at a higher price than the market price. This section also would prevent a company from transferring excess pension plan assets from a plan to the company's general coffers for a period of 5 years from the date of a change in control.

SEC. 17. PENALTIES AND ENFORCEMENT.—This section increases the penalties for insider trading from $100,000 to $500,000, and from five years to ten years. It also provides for a mandatory one year sentence for obstruction of justice and perjury in the course of an SEC investigation of insider trading.

SEC. 18. FEDERAL RESERVE BOARD STUDY.—This section requires the Fed to conduct a comprehensive study of the financing of corporate takeovers and report to the Congress within three months.

SEC. 19. EFFECTIVE DATE.—The effective date of this legislation is date of enactment.

By Mr. CHAFEE (for himself, Mr. STAFFORD, Mr. GORE, Mr. LUGAR, Mr. LEVIN, Mr. METZENBAUM, Mr. CONRAD, Ms. MIKULSKI, Mr. HOLLINGS, and Mr. COHEN):

S. 1325. A bill to require the Secretaries of Agriculture and Health and Human Services to enforce certain food labeling requirements for packaged foods sold by certain restaurants; to the Committee on Governmental Affairs.

FAST FOOD INGREDIENT INFORMATION ACT

Mr. CHAFEE. Mr. President, today I am introducing legislation to give American consumers the tools they need to build a good diet. Joining me are Senators STAFFORD, GORE, METZENBAUM, LUGAR, COHEN, CONRAD, HOLLINGS, LEVIN, and MIKULSKI.

Our proposal would simply require that fast food—now a staple in the American diet—be labeled in accordance with existing labeling laws. With over 40 million Americans a day—roughly one-fifth of the population—eating in these restaurants, it is critical that we know what we are getting.

There is nothing radical about fast food labeling. In fact, the Food and Drug Administration and the U.S. Department of Agriculture—the two agencies with jurisdiction in this area—have acknowledged that they could, under existing laws, require that fast food be labeled. But unfortunately for the consumer, this has not been done.

Why label fast food? Because we need this basic information about the food we eat every day. Over the years, we have seen the evidence steadily accumulate: good nutrition equals good health. This knowledge really puts us in the driver's seat as far as our health is concerned. While we cannot control many of the things that affect our health, diet is one thing we can control—if we have the facts about the food we eat every day.

Take heart disease, for instance. It is now this Nation's No. 1 killer, claiming the lives of 400,000 Americans every year. But we are not helpless against it: we can reduce our risk by cutting down on sodium, cholesterol, saturated fat, and caloric intake.

We are now beginning to see distressing evidence of the early signs of heart disease in a group that must be counted among the heaviest consumers of fast food—children and teenagers.

This is no mere hypothetical concern. Physicians are now finding high blood cholesterol levels in children as young as 3 and 4, and a recent study of 35 children who died between the ages of 7 and 24 found early signs of heart disease in all but 6 of them. Clearly, heart disease has its roots much earlier in life than one might expect.

Our bill simply calls on FDA and USDA to enforce the existing requirement that food sold in a wrapped or packaged form bear a list of ingredients. Thus, under our bill, labeling requirements would apply to fast food restaurants that: First, sell food in a packaged form; and second, are part of a chain of 10 or more outlets.

This does not apply to the family restaurant where there is not a chain. It does not apply to restaurants that do not have packaged food, where you step up and order this or that and it comes in a package and you carry it away.

Fast food being highly standardized, lends itself easily to labeling. If you go into a McDonald's in Peoria, IL, or Puerto Rico, you get the same thing.

In cases where printing information on a label would be impractical, the restaurant would be allowed to provide it in some other way—by posting it on a wall chart, for example, or printing it in a brochure.

Fast food labeling would put all the marketing genius of the fast food giants squarely in the corner of the health-conscious consumer. Consumers could vote with their fast food dollars, avoiding meals heavy in fat, sugar, and sodium. They would know whether their french fries had been cooked in vegetable oil or in beef fat, and whether their "shake" contained any real milk or not. And, in the case of allergy-sufferers, they could be reasonably certain that their meal would not mean a trip to the emergency room. We would get better quality food, more choices, and new versions of old favorites—ones that taste just as good, but that do not promote heart disease.

The bill also has the support of a number of consumer and health organizations, including the American Heart Association, the American Cancer Society, the National PTA, the Consumer Federation of America, the American College of Allergists, the Center for Science in the Public Interest, the National Heart Savers Association, and the Public Voice for Food and Health Policy.

Mr. President, fast food has become a mainstay in the American diet—and yet we know nothing about it except what the chains choose to tell us. I urge my colleagues in the Senate to support our proposal, and strike a blow for consumer information and good nutrition.

I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1325

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Fast Food Ingredient Information Act of 1987".

TITLE I—RESPONSIBILITIES OF THE SECRETARY OF HEALTH AND HUMAN SERVICES

ENFORCEMENT OF LABELING REQUIREMENTS

SEC. 101. (a) Except as provided in subsection (b), the Secretary shall enforce section 403(i) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 343(i)) with respect to the information required by such section to be included on the labels of packaged foods sold for consumption by customers of fast food restaurants.

(b) If the Secretary determines that it is impracticable for fast food restaurants to comply with section 403(i) of the Federal Food, Drug, and Cosmetic Act through the inclusion on the labels of packaged foods of the information required by such section, the Secretary may prescribe regulations which permit such restaurants to comply with such section through the display of such information on notices in conspicuous places in such restaurants or through the provision of such information on other media determined appropriate by the Secretary, such as menu notices, brochures, or food tray liners.

DEFINITIONS

SEC. 102. For purposes of this title—

(1) the term "fast food restaurant" means a restaurant which is part of a chain of 10 or more restaurants;

(2) the term "label" has the meaning prescribed for such term by section 201(k) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(k));

(3) the term "food" has the meaning prescribed for such term by section 201(f) of such Act (21 U.S.C. 321(f)); and

(4) the term "Secretary" means the Secretary of Health and Human Services.

TITLE II—RESPONSIBILITIES OF THE SECRETARY OF AGRICULTURE

ENFORCEMENT OF LABELING REQUIREMENTS

SEC. 201. (a) Except as provided in subsection (b), the Secretary shall enforce the provisions of—

(1) subparagraph (9) of paragraph (n) of the first section of the Federal Meat Inspection Act (21 U.S.C. 601(n)(9)); and

(2) section 4(h)(9) of the Poultry Products Inspection Act (21 U.S.C. 453(h)(9)),

with respect to the information required by such provisions of law to be included on the labels of packaged foods sold for consumption by customers of fast food restaurants.

(b) If the Secretary determines that it is impracticable for fast food restaurants to comply with the provisions of law specified in paragraphs (1) and (2) of subsection (a) through the inclusion on the labels of packaged foods of the information required by such provisions of law, the Secretary may prescribe regulations which permit such restaurants to comply with such provisions of law through the display of such information on notices in conspicuous places in such restaurants or through the provision of such information on other media determined appropriate by the Secretary, such as menu notices, brochures, or food tray liners.

DEFINITIONS

SEC. 202. For purposes of this title—

(1) the term "fast food restaurant" means a restaurant which is part of a chain of 10 or more restaurants;

(2) the term "label"—

(A) with respect to a food subject to the Federal Meat Inspection Act, has the meaning prescribed for such term by paragraph (o) of the first section of such Act (21 U.S.C. 601(o)); and

(B) with respect to a food subject to the Federal Poultry Products Inspection Act, has the meaning prescribed by section 4(s) of such Act (21 U.S.C. 453(s));

(3) the term "food" has the meaning prescribed for such term by section 201(f) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(f)); and

(4) the term "Secretary" means the Secretary of Agriculture.

TITLE III—REGULATIONS; EFFECTIVE DATE

REGULATIONS

SEC. 301. Within 6 months after the date of enactment of this Act, the Secretary of Health and Human Services shall promulgate final regulations to carry out title I and the Secretary of Agriculture shall promulgate final regulations to carry out title II.

EFFECTIVE DATE

SEC. 302. (a) Except as provided in subsection (b), this Act shall take effect 12 months after the date of enactment of this Act.

(b) Section 301 shall take effect on the date of enactment of this Act.

By Mr. STEVENS (for himself, Mr. BOND, Mr. COCHRAN, Mr. D'AMATO, Mr. DANFORTH, Mr. DOLE, Mr. DOMENICI, Mr. EVANS, Mr. GARN, Mr. GRASSLEY, Mr. KARNES, Mrs. KASSEBAUM, Mr. KASTEN, Mr. LUGAR, Mr. MCCAIN, Mr. MCCONNELL, Mr. MURKOWSKI, Mr. NICKLES, Mr. PACKWOOD, Mr. RUDMAN, Mr. SIMPSON, Mr. THURMOND, Mr. TRIBLE, Mr. WARNER, and Mr. WILSON):

S. 1326. A bill to amend the Federal Election Campaign Act of 1971 to further restrict direct contributions to candidates by multicandidate political committees, require full disclosure of attempts to influence Federal elections through "soft Money" and independent expenditures, and correct inequities resulting from personal financing of campaigns; to the Committee on Rules and Administration.

(The remarks of Mr. STEVENS and the text of the legislation appear earlier in today's RECORD.)

By Mr. PELL (for himself, Mr. HATFIELD, and Mr. CRANSTON):

S. 1327. A bill to prevent United States involvement in hostilities in the Persian Gulf; to the Committee on Foreign Relations.

PREVENTING UNITED STATES INVOLVEMENT IN PERSIAN GULF HOSTILITIES

Mr. PELL. Mr. President, together with Senators HATFIELD and CRANSTON, I am today introducing legislation to prohibit the implementation of any agreement to place Kuwaiti ships, or those of any other Persian Gulf nation, under our American flag.

The administration has proposed to reflag 11 Kuwaiti tankers with the American flag. These newly designated American-flag tankers would then be escorted by the United States Navy through the Strait of Hormuz into the Persian Gulf.

In my view, this proposal is poorly conceived and dangerous. It is being undertaken without balancing the possible benefits against the very real risks of greater American involvement in the Persian Gulf hostilities.

The United States has real interests in the Persian Gulf and a real stake in the outcome of the Iran-Iraq war. The administration's proposal will not, however, significantly advance these interests.

The administration justifies the reflagging proposals as an affirmation of America's interest in free navigation through the Persian Gulf and as an act of solidarity with Kuwait. An unspoken, but real objective, is also to assist the Iraqi war effort by protecting the oil lifeline of its ally, financier, and port access point, Kuwait.

The administration's proposal will do nothing to advance our interest in freedom of navigation in the Persian Gulf. This interest is adequately safeguarded by the presence of the United States Navy—a presence of 40 years standing—in the Persian Gulf.

Changing the mission of our naval presence to the protection of the shipping of quasi-belligerent Kuwait is more likely to undermine our interest in freedom of navigation than to enhance it. So far, Iran has not challenged the United States naval presence.

However, the involvement of our Navy on behalf of Iraq's ally Kuwait could well change this. I have no doubt the United States Navy could prevail militarily over Iran. I question, however, whether the American people are prepared to pay the price, in treasure and in lives, entailed in a United States-Iran conflict over the protection of Kuwait's ships. If the American people are not prepared to pay the price then we may end up in the position of allowing Iran to drive us from the Persian Gulf. For precedent, one need look no further than the administration's ill-fated intervention in Lebanon's civil war.

The second stated objective of the administration proposal is to reassure Kuwait about United States reliability as a security partner. The administration, understandably, does not explain why Kuwait needs this reassurance. Kuwait needs reassurance because of justifiable doubts generated by President Reagan's covert policy of selling arms to Iran's Ayatollah Khomeini. Thus, American lives are being placed in jeopardy in good measure to compensate for the folly of last year's policy. To my mind, this is totally unacceptable.

Finally, the convoying of Kuwaiti ships is intended to help a key ally of Iraq, and indirectly to assist Iraq's effort to resist Iran's onslaught.

An Iranian victory over Iraq would be a disaster for American interests of major proportions. After Iraq, there is no nation in the gulf region with the population or military strength to stand up to Iran's battle-tested military. An Iranian victory would, of course, also provide an immense psychological boost to its virulent form of Islamic fundamentalism.

As long as Iran refuses to negotiate with Iraq, the United States must do what it can to prevent an Iranian victory. The single most important step we could take is to reinvigorate "Operation Staunch"—the United States initiated arms embargo on Iran. This embargo has been seriously undermined by the administration's policy of covert weapons sales to Iran.

Pursuing Operation Staunch with renewed vigor is far more likely to reestablish U.S. credibility than the ill-conceived reflagging scheme. In this connection, I urge the administration to seek a mandatory arms embargo against Iran in the United Nations Security Council. My bill also urges our President to seek a Security Council meeting to establish a United Nations peacekeeping force to protect nonbelligerent shipping in the Persian Gulf and to seek an early end to the Iran-Iraq war.

The reflagging proposal would protect only a fraction of Kuwaiti-owned shipping. Further, the proposal would presumably not protect other oil tankers calling on Kuwait or supplies bound for Iraq.

In short, the benefit conferred on Kuwait and its Iraqi ally does not nearly match the costs of a possible United States-Iran conflict.

I believe the administration has not thought through the possible consequences of its proposal. Ideally, of course, flying the American flag on Kuwaiti tankers will serve as an effective deterrent to an Iranian attack. If so, the United States will have made a small contribution to Kuwaiti commerce and a modest, but useful, assertion of American power and prestige in the region.

We need to consider, however, what happens in the likely event the Iranians see the reflagging and convoys as provocation. Suppose Iran attacks a convoyed tanker, or even worse, a United States Navy vessel? In military terms this may not be a rational action, but Iran's leadership appears more guided by the divine than by mere mortal calculations, by emotion more than by reason. Further, people who believe their blows against the "great satan" will earn them immediate entry into paradise are not easily deterred by threat of retaliation.

An Iranian attack on United States escort vessels will clearly lead to United States retaliation. But what next? Suppose Iran responds to a United States retaliatory attack by an assault on one of the poorly defended and sparsely populated Gulf States? Are we prepared to match Iran in an escalating spiral of violence? Are we prepared to commit young American lives to the defense of Persian Gulf Arab nations?

American military force can be a powerful tool to defend American interests. It should be used, however, where the interests are clear, where the consequences are understood, and where the benefits justify the costs. The provision of a naval escort to reflagged Kuwaiti ships serves no clear interests, could have consequences we are not prepared to face, and yields minimal gain as opposed to potential costs. Quite simply, it should not be done.

Finally, I would note that the administration ignored the Kuwaiti request for reflagging until Kuwait approached the Soviet Union for comparable assistance. Now, it is suggested that since Kuwait is leasing three Soviet-flag tankers, the United States must get involved lest the Soviet Union gain a foothold.

In my view, it is highly unlikely that the Soviet Union can gain any real foothold among the conservative gulf monarchies—who abhor both the Soviet Union's communism and its atheism—or for that matter, with Islamic Iran. The fact that the Soviets may do something is no excuse for undertaking an action which is manifestly not in our interest.

We are this year coping with the consequences of the administration's policy of selling arms to the Ayatollah Khomeini. On a military level, United States arms sales have assisted Iran in its assault on the Iraqi city of Basra and, as a result, have enhanced the Iranian threat to Kuwait. Diplomatically, the Iran arms sales have undermined Operation Staunch and have therefore increased Iran's war fighting capability. Politically and militarily, the Iran arms sales have undermined the credibility of United States security commitments to our Arab Gulf friends.

Understandably, the administration wishes to repair the damage done by last year's Iran policy. This should not be done, however, at the risk of the lives of young American servicemen in the Persian Gulf.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S.1327

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any other provision of law and for the duration of the current hostilities in the Persian Gulf, the United States shall not enter into, and shall not implement, any agreement, formal or informal, with any country bordering on the Persian Gulf under which any vessel owned by such a country or by a national of such a country is registered under the United States flag. No funds appropriated or otherwise made available under any other provision of law may be used to implement any such agreement.

(b) The Congress urges the President to seek a United Nations Security Council meeting to establish a United Nations Peacekeeping Force to protect non-belligerent shipping in the Persian Gulf and to seek an early end to the Iran-Iraq War.

By Mr. EXON (for himself and Mr. KARNES):

S. 1328. A bill to authorize the Secretary of the Interior to modify the construction, operation, and maintenance of the O'Neill unit, Pick-Sloan Missouri Basin programs, Nebraska; to the Committee on Energy and Natural Resources.

O'NEILL UNIT OF THE PICK-SLOAN MISSOURI PROJECT

Mr. EXON. Mr. President, today I am introducing legislation requiring the Secretary of the Interior to modify the principal features of the authorized O'Neill unit of the Pick-Sloan Missouri River Basin Program, replacing the decades old dam and reservoir components of the project with an innovative ground water recharge plan. I introduced this legislation in the last Congress and will do all I can to secure its quick passage in this Congress. I am pleased to have my Nebraska colleague, Senator KARNES, as an original cosponsor.

These modifications are designed to implement the recommendations of the State-led study of less costly, less environmentally harmful alternatives as required by Public Law 98-63. This study was conducted by the State's water experts as a preliminary evaluation of workable alternatives to the use of a dam and reservoir.

The State recommends an O'Neill unit project that can be built to meet the water needs of north central Nebraska without the use of a costly and controversial dam and reservoir. The State plan recommended to the Bureau of Reclamation could be built in a third of the time, at less than half the cost.

This "consensus" proposal meets two important criteria: Preservation of the existing authorization; and resolution of the conflicts and opposition to the dam and reservoir components of this long-debated water project for north central Nebraska.

This project, originally authorized in 1954 and again reauthorized in 1972, has been plagued with fatal problems. The project narrowly escaped deauthorization by the House in 1980 by only two votes. Recognizing the perils facing the authorized project, Nebraskans began the process of searching for a workable alternative.

An entrenched bureaucracy resisted any efforts to design a more acceptable alternative. The 1982 House vote to terminate all funding for the Norden Dam again underscored the need to find an acceptable alternative. In 1983 I called for a study which relied upon the State's leadership and expertise in advancing an economical and environmentally sound alternative.

This study, conducted by the director of the Nebraska Department of Water Resources, was released in January 1985. The report, entitled "Nebraska State-Led O'Neill Unit Alternatives Study" provides the basis of the changes to the O'Neill unit which my legislation seeks to implement.

The search for an alternative was based upon a firm belief that failure to do so will end all water development opportunities for north central Nebraska.

I greatly appreciate the Bureau's recognition that alternatives which meet the water needs of north central Nebraska without the use of a costly dam and reservoir must now be considered if we are to have any project at all. Our choice is not between the old Norden Dam or an alternative. The choice, quite simply, is between an alternative or nothing at all.

It is now clear that the original decades-old concept for the O'Neill unit will never prevail. I am proposing legislation to modify the features of the authorized project, eliminating the dam and reservoir and replacing those features with ground water recharge components consistent with the State's recommendations.

This project can offer benefits to the entire Nation. Future agriculture production potential will be drastically curtailed due to our depleting ground water resources. While that occurrence would help alleviate our current price-depressing agricultural surplusses, it does not make long-term sense for the State of Nebraska, those dependent on the Ogallala aquifier, or the Nation. The fact remains that we must make good use of otherwise lost resources.

Mr. President, this legislation offers a unique opportunity for the future of water development in our Nation. It is an opportunity for the Bureau of Reclamation to move forward into the future. We have been building water projects over the past 80 years in the same way, using costly and controversial surface impoundments. This legislation offers an opportunity to head down a new, more affordable water development path.

This legislation will reduce the cost of this water project by more than half of the original cost. With Federal dollars becoming more constrained, these modifications to the authorized project may offer a model for other Federal projects using new technology to meet an age old problem in a less costly and less environmentally harmful manner.

Certainly, this new direction for the O'Neill unit would not be entirely possible without the support of the local reclamation district as well. It has been a long and trying journey for these Nebraskans who have been waiting 30 years for this project.

In addition, this project is located on the Niobrara River, the only remaining east-west running river on the northern Great Plains unimpeded by a major reservoir. This is a beautiful and biologically unique area which must be preserved. The Niobrara River is a treasure of Nebraska. With this project, water development and conservation can exist together. Unfortunately, the President recently proposed that the O'Neill alternative study be denied funding in his 1988 budget report. Funds for this study are needed to allow the Bureau of Reclamation to implement the revised project I am reintroducing this year. It does not make any fiscal or planning sense for the administration to abandon the O'Neill alternative since it is clearly one of the most innovative and cost-saving projects in the country. It is also the product of the cooperative efforts at the local, State and Federal levels. This project must go forward.

Mr. President, I urge the Senate's favorable and prompt consideration of this legislation which not only will save the Nation's taxpayers hundreds of millions of dollars but will also help pave the way for affordable and environmentally sound water development in the year's ahead.

By Mr. TRIBLE (for himself and Mr. WARNER):

S. 1330. A bill to authorize the Board of Engineers for Rivers and Harbors to review the report of the Chief of Engineers on James River, VA, and to conduct a flood control study of the James River basin; to the Committee on Environment and Public Works.

JAMES RIVER FLOOD CONTROL AND NAVIGATION STUDY

Mr. TRIBLE. Mr. President, I am introducing legislation along with my colleague, Senator WARNER, to authorize the Army Corps of Engineers to update and expand flood control studies for the upper James River, and to provide for a James River navigation study.

The James River basin is located in the heart of Virginia and drains approximately 10,000 square miles, or about 25 percent of the State. The area has been ravaged by severe flooding on three occasions in the last 18 years. The most recent incident occurred in November 1985, causing damages of $230 million throughout the entire region. Gathright Dam, the only major flood control project in this area, prevented an estimated $70 million in damages during the 1985 flood.

Although a floodwall is under construction at Scottsville, VA and studies are in an advanced stage at Richmond for a floodwall, the potential for major damage to the upstream localities remains. The problem is obviously a persistent one. There are however, measures that can be undertaken to reduce devastation and loss floods have caused. I believe that this study will provide important information on the steps which can be taken to mitigate future flood problems.

This legislation also provides for a James River navigation study. The James River flows 340 miles from the mountains of western Virginia to the Hampton Roads on the coast of Virginia and is an important link to the State economy.

Many problems still exist. The channel depth and widths are inadequate to accommodate vessel traffic. This situation hinders economic growth and job creation. My legislation authorizes the corps to determine that improvements are needed for navigation purposes along the James River from the Hampton Roads to Richmond.

I urge my colleagues to support this bill.

Mr. President, I ask unanimous consent that the text of my legislation be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1330

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Board of Engineers for Rivers and Harbors, created under section 3 of the River and Harbor Act, approved June 13, 1902, is hereby requested to review the report of the Chief of Engineers on James River, Virginia, submitted in House Document 586, 87th Congress, Second Session, and other reports, with a view to determining whether the existing navigation project should be modified in any way at this time.

SEC. 2. The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to conduct a flood control study of the James River Basin, Virginia and West Virginia, which basin drains approximately 10,000 square miles. In conducting such study, the Chief of Engineers shall, among other things, concentrate on that portion which encompasses Lynchburg, Virginia, and its upstream watersheds, involving a drainage area of 3,314 square miles and major subbasins which include the Jackson River, Craig Creek, Catawba Creek, and the Maury and Pedlar Rivers.

By Mr. BIDEN (for himself, Mr. MITCHELL, Mr. BAUCUS, Mr. LUGAR, Ms. MIKULSKI, Mr. KASTEN, and Mr. WIRTH):

S. 1331. A bill to authorize the Administrator of the Environmental Protection Agency to establish the Waste Reduction Clearinghouse, and for other purposes; to the Committee on Environment and Public Works.

WASTE REDUCTION CLEARINGHOUSE ACT

● Mr. BIDEN. Mr. President, today I am pleased to be joined by a number of my colleagues in introducing a bill to revise our national approach to the problems of hazardous and toxic wastes. The basic change called for this bill is a new emphasis on reducing the production of hazardous wastes, rather than searching for ways or places to dispose of them.

Reduction of hazardous wastes at their source has been shown to be feasible and cost effective in hundreds of manufacturing plants across the Nation. But these success stories are just a small percentage of the total number of waste reduction efforts that are possible. The bill I am introducing today with Senators MITCHELL, BAUCUS, LUGAR, MIKULSKI, KASTEN, and WIRTH will establish the beginning of a coordinated approach to pave the way for more widespread use of waste-reduction techniques.

Mr. President, waste reduction is an nontraditional approach to our Nation's hazardous waste problems, but has proven to be remarkably successful in a wide range of applications. 3M, one of the recognized pioneers in this field, reports savings of $3 million from its 10-year corporate waste-reduction program. For example, 3M's electronics plant in Columbia, MO, changed a metal cleaning process so it would not rely on hazardous cleaning solvents. The effort cut liquid hazardous waste generation at the plant by 40,000 pounds per year.

A textile plant in Virginia found it could save $4.5 million per year by recovering a chemical solution it used to dispose of in a landfill. Cleo Wrap, of Memphis, TN, switched from organic solvent-based inks to water-based inks in the production of wrapping paper. The company found it saved $35,000 in waste-disposal costs, eliminated the need for underground storage tanks, and lowered its fire insurance premiums.

Contrary to many assumptions, smaller plants can also adopt waste-reduction processes. A furniture plant in North Carolina discovered a method to recycle solvents used in its operations. The recycled solvent is 35-percent less expensive than virgin solvent, and saves the company in material and waste, disposal costs. The payback period on the investment was 1 year. I note that other companies that have invested in waste reduction have often found a similarly short payback period. The 3M example described earlier cost $59,000 to implement, but saved the plant $15,000 per year in raw material, disposal, and labor costs. The investment was paid back in a little over 3 years.

The benefits of waste reduction do not just flow to those companies that are willing to take a look at this unconventional approach of handling their wastes. States are also rewarded for investing their resources in these programs. The Georgia Tech Research Institute estimates that each dollar invested in waste-reduction programs yields $3 in regulatory compliance and enforcement cost savings.

The cornerstone of a comprehensive program to cut hazardous waste production is making information available to companies on reduction techniques and processes that can be used in their plants. The legislation we are introducing today will establish, in the Environmental Protection Agency, a national clearinghouse for information on existing efforts that have been shown to reduce the production of hazardous wastes. A clearinghouse at the national level builds on the information already collected by State programs, expands the resources that waste-reduction information can be drawn from, and reduces duplication of effort at the State level.

The bill also calls for the creation of an Office of Waste Reduction at the Associate Administrator level in EPA. In the decade since the EPA listed it as the preferred environmental protection option, it has done very little about waste reduction. Responsibility for waste reduction in the existing EPA structure is buried five levels down in the Office of Solid Waste, hardly a situation in which we can expect forceful advocacy. A separate office makes clear that this approach should receive a higher priority in the EPA than it does not.

The result of the existing EPA organization is minimal devotion of resources to waste-reduction research and development, and only a minor presence in long-range plans of the agency. Waste minimization programs only account for one-tenth of 1 percent of the EPA's hazardous waste budget. This is simply too small of a funding level for an approach that is supposed to be the preferred choice in addressing hazardous wastes.

A separate Office of Waste Reduction also facilitates a cross-media approach to pollutant control. It is widely recognized that regulations to control pollution is one media only result in shifting that burden to another media. This does nothing to resolve the overall problem of toxics in the environment. Effective waste reduction demands coordination at a level that avoids this shifting of pollution. An Office of Waste Reduction provides the needed leadership.

I will also offer a funding mechanism for the clearinghouse as an amendment to this bill. During these times of tight budget constraints, it is especially important to explain how new programs are going to be paid for. The proposal I will put forth calls for fees on hazardous waste shipment manifests required under the Resource Conservation and Recovery Act and the Marine Protection, Research, and Sanctuaries Act. The fee is targeted on those large quantity generators which account for 99.6 percent of the hazardous waste produced in the United States.

I am not tied to the specific mechanism outlined in the amendment. There are a number of methods that have been suggested to pay for the clearinghouse, including tapping into the Superfund Program, offsetting reduction in other EPA programs, fees on use of the clearinghouse services, general revenues, or piggybacking a fee on the Superfund tax. The manifest fee I have proposed may not be the best means to raise the needed funds, but is intended to spark debate on this important aspect of the program.

In general, I will look for a funding system that targets the costs to generators of hazardous waste, provides direct incentives to reduce the amount of waste produced, and, in effect, rewards those companies that use the clearinghouse and state technical assistance programs to the fullest extent possible. I look forward to a lively debate on this provision.

Mr. President, a report by the Office of Technology Assessment released last year found that Federal leadership is needed to achieve the benefits of waste reduction sooner rather than later. This measure will provide for that leadership, but it is by no means the only step that should be taken. In the weeks ahead, I plan to work with my fellow cosponsors on legislation to assist States in getting the waste-reduction information of the clearinghouse into plants and factories.

As a waste-reduction study conducted by Ventura County, CA, found, managerial attitudes are the greatest hurdle to wider adoption of waste-reduction practices. Management is too often inclined to select proven methods of disposal rather than to look for innovative new methods to permanently solve their waste problems.

A little assistance may be needed to open up closed minds. One of the most effective ways to bring about a shift in this thinking is an outreach program that allows waste-reduction experts to go on to the factory floor to look for potential savings. North Carolina established one of the earliest programs in the Nation of this type, and it has proven to be highly successful. Minnesota, Georgia, Pennsylvania, Indiana, and New York have also started technical assistance programs in the last few years.

The clearinghouse will notify hazardous waste generators of the services available at the State level, but this alone will not overcome managerial inertia. I plan to review proposals that build on State technical assistance efforts, and encourage all States to establish similar programs, so companies across the Nation that want to look at waste reduction as an option, but simply lack the technical expertise to evaluate the possibilities, are no longer held back.

Waste reduction represents a major shift in the way we think about solving environmental problems. Companies are finding that it is much better to prevent the creation of a hazardous waste in the first place, than to try to clean up its mess later. Business owners are also discovering the gains they realize from reduced input and disposal costs from increased efficiency.

Under these new circumstances the Federal Government has an important role as a catalyst to action, not necessarily by requiring it through regulation, but by providing the help that will allow companies, with the assistance of the environmental community, to escape the financial penalties associated with hazardous wastes through reduction programs. The waste-reduction information clearinghouse and technical assistance programs represent a unique opportunity to bring industry and environmentalists together in controlling hazardous wastes. I urge my colleagues to join us in support of this bill.

Mr. President, I ask unanimous consent that the text of the waste-reduction clearinghouse bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1331

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; DEFINITIONS

SECTION 1. (a) This Act may be cited as the "Waste Reduction Clearinghouse Act".

(b) As used in this Act, the term—

(1) "waste reduction" means practices that reduce, avoid, or eliminate the generation of hazardous waste so as to reduce risks to health and environment, whether undertaken in-plant or off premises, including, but not limited to, source reduction and onsite and off-site recycling. Such term does not include any action that merely treats or concentrates the hazardous content of a waste after it is generated to reduce waste volume or dilutes it to reduce the degree of hazard;

(2) "hazardous" means harm to human health or the environment; and

(3) "hazardous waste" means all nonproduct hazardous outputs from an industrial operation into all environmental media, even though they may be within permitted or licensed limits.

ESTABLISHMENT OF OFFICE OF WASTE REDUCTION AND CLEARINGHOUSE

SEC. 2. (a) The Administrator of the Environmental Protection Agency (hereinafter referred to as the "Administrator") shall, within the 180-day period following the date of the enactment of this Act, establish, within the Environmental Protection Agency, the Office of Waste Reduction (hereinafter referred to as the "Office"). The Office shall be headed by an Assistant Administrator appointed by the Administrator. It shall be the function of the Office to administer the Waste Reduction Clearinghouse established pursuant to subsection (d), and to provide assistance to technical assistance programs at the State level.

(b) The Assistant Administrator is authorized to appoint and remove such personnel, not less than eight, nor to exceed eleven, as may be necessary to enable the Office to perform its function.

(c) The Assistant Administrator may fix the compensation of such personnel in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates.

(d) The Administrator shall, within the 180-day period following the date of the enactment of this Act, establish and maintain, within the Environmental Protection Agency, a Waste Reduction Clearinghouse (hereinafter referred to as the "Clearinghouse"). It shall be the function of the Clearinghouse to collect and disseminate data and information on waste reduction technical assistance and grant programs carried out by the several States; technical articles and other available technical information on waste reduction; the names of individuals, corporations, or other entities who may want to share information and data on their successes and failures in the area of waste reduction; waste reduction research conducted by the Federal Government under Federal contract, to the extent that information can be made available to the public; and any other information or data which the Assistant Administrator determines would be of assistance to any such individual, corporation, or other entity in developing and implementing a waste reduction program.

CLEARINGHOUSE SERVICES

SEC. 3. (a) In establishing and maintaining the Clearinghouse, the Assistant Administrator shall take such action as may be necessary to assure that—

(1) the Clearinghouse shall have on-line computer access for the public and State waste reduction programs as well as personal assistance for potential users;

(2) the Clearinghouse shall have all reference material and other information and data computerized;

(3) the Clearinghouse shall include, at a minimum, within its data bank—

(A) appropriate information on economically practicable techniques to reduce the volume or quantity and toxicity of waste, and information relating to the waste reduction techniques currently available which minimizes the present and future threat to human health and environment, such information to be acquired by the Administrator as part of the certification required by section 3002(b) of the Solid Waste Disposal Act; and

(B) appropriate information from reports filed with the Administrator pursuant to section 3002(a)(6)(C) of the Solid Waste Disposal Act relating to the efforts undertaken to reduce the volume and toxicity of waste generated;

(4) all waste reduction techniques shall be categorized along the following three lines:

(A) SIC codes;

(B) waste stream components; and

(C) industry;

(5) computer software developed by the Environmental Protection Agency to categorize and disseminate information to the public shall be made available to interested individuals, State waste reduction programs, corporations, or other entities, upon request, by the Assistant Administrator at a cost determined by the Assistant Administrator to be reasonable; and

(6) the services of the Clearinghouse shall be accessible by toll-free numbers from any part of the United States.

(b) The Assistant Administrator shall take such action as may be necessary to inform individuals, corporations, or other entities engaged in the generation of hazardous waste as to the existence of the Clearinghouse and the availability of its services. These actions shall include, but not be limited to, providing the information referred to in this subsection by including such information on permit applications and other forms which those engaged in the generation of hazardous waste are required to fill out, and on other appropriate notices sent to those so engaged.

AUTHORIZATIONS

SEC. 4. (a) For fiscal year 1988, there is authorized to be appropriated, but not from the Account, such sum, not to exceed $3,000,000, as may be necessary to initiate the provisions of this Act. Monies appropriated pursuant to this authorization shall remain available until expended. Monies appropriated for the 1988 fiscal year shall be repaid from funds collected in the Waste Reduction Account at a schedule to be determined by the Administrator. The repayment schedule shall be at a rate that does not interfere with the proper functions of the Clearinghouse as described in section 3.

(b) For fiscal year 1989, and each fiscal year thereafter, there are authorized to be appropriated from the Account such sums as may be necessary to carry out the provisions of this Act. Monies appropriated pursuant to this authorization shall remain available until expended.●

● Mr. LUGAR. Mr. President, I am pleased to cosponsor the "Waste Reduction Clearinghouse Act." Industries and citizens organizations in Indiana are keenly interested in finding new ways to minimize the generation of hazardous waste. These efforts can lead to enhanced protection of the environment as well as to important cost savings for industry. The Indiana Department of Environmental Management has launched an important program to assist industries in minimizing waste generation.

The "Waste Reduction Clearinghouse Act" will establish a high-level office within the Environmental Protection Agency. This office will collect and disseminate data and information on how to economically minimize the generation of hazardous waste. From this information clearinghouse, citizens may obtain technical articles, case studies, and other information on waste minimization, including the names of firms that may wish to share information on new processes for hazardous waste reduction.

I urge my colleagues to examine this important legislation.●

By Mr. MOYNIHAN:

S. 1332. A bill to establish a remedial education treatment program as an alternative to criminal incarceration for first-time juvenile offenders who are determined to be learning disabled as a means of reducing recidivism rates among such offenders; to the Committee on Labor and Human Resources.

LEARNING DISABLED YOUTHFUL OFFENDER REHABILITATION ACT

● Mr. MOYNIHAN. Mr. President, I rise today to introduce the Learning Disabled Youthful Offender Act of 1987. The purpose of this bill is to provide remedial education and treatment as an alternative to imprisonment for first-time youthful offenders who have a learning disability. Such treatment can be anticipated to reduce the presently high recidivism rates among these individuals.

That a significant correlation exists between learning disabled individuals and incidences of criminal behavior is clear. Although only 15 percent of the U.S. population is considered to be learning disabled, 36 percent of juvenile offenders are individuals with learning disabilities. It is estimated that within a typical jail population, at least 40 percent of the inmates suffer from learning disabilities. According to a study by the learning disability/juvenile delinquency project at Fordham University, learning disabled individuals are 220 percent more likely to be adjudicated delinquent than those free from such disabilities. Learning disabilities are clearly significant contributors to delinquent and criminal behavior. Yet, the criminal justice system fails to recognize or treat these problems, preferring rather to ignore their very existence.

The high rate of recidivism vividly demonstrates that as long as learning disabilities remain unaddressed, delinquent or criminal behavior will continue upon release from imprisonment. However, there is a way to break this cycle. Diagnostically based treatment programs for learning disabled individuals can drastically reduce delinquent behavior and repeat offenes.

The program envisoned in this bill would greatly benefit learning disabled young offenders by treating what may be the root of their criminal behavior—rather than ignoring the learning disability and relegating the individual to possible incarceration and a probable life of crime. Not just the individual offenders are helped by such a program. Society will also benefit if we can reduce the number of crimes committed and lessen the serious prison overcrowding problem that now besets us.

The bill I am introducing today, the Learning Disabled Youthful Offender Act of 1987, is not based on untried theories or wishful thinking. Rather, it is based on an existing program begun last year by the Bronx, NY district attorney, Mario Merola. Both Merola and Assistant District Attorney Tom Olin deserve much credit for their innovative program which has successfully dealt with over 215 young offenders since its inception in September 1986.

The Bronx district attorney's program operates in conjunction with the Rose F. Kennedy Center of the Albert Einstein College of Medicine in New York. The Bronx program enjoys widespread support from numerous associations, universities, businesses, and public officials, ranging from the mayor of New York, the National Association for Children and Adults with Learning Disabilities, the New York State Commission of Corrections, the New York University College of Dentistry, Fred the Furrier, and BIC Pens, Inc.

Specifically, this bill would provide $15 million to the U.S. Attorney General for distribution to district attorneys who submit acceptable applications. Funds would be used for hiring additional personnel to identify, evaluate, and treat those learning disabled juveniles who are regarded as suitable condidates for the program. The bill envisions the same close coordination between participating district attorneys and local universities and/or treatment facilities which exists in the Bronx Program.

Defendants will be accepted into the program based on the following criteria: the candidate must be a first-time offender under the age of 21 who has committed a misdemeanor where there is no serious injury to the victim; one who has been diagnosed as having a learning disability which the district attorney, in consultation with experts, regards as treatable; and finally, the defendant's participation in the program is determined by the district attorney to be in the best interests of the society. After meeting these criteria, the defendant is then "sentenced" to a minimum of 100 hours in the educational and vocational program that is tailored to his or her individual needs. In order to receive credit, the defendant must comply with a number of "conditions" as sanctioned in a contract with the district attorney. If these conditions are not fully complied with, the defendant would have to appear before the court for traditional sentencing.

It would be a tragedy for our criminal justice system to continue to ignore the problems of these young people. This bill, based on a highly successful program in New York, will give them a second chance. With my bill, which has the endorsement of a number of individuals and organizations, including the New York District Attorneys Association and the National Learning Disabilities Association, these learning disabled individuals will be redirected away from a life of crime, and toward a more productive role in our society. The Learning Disabled Youthful Offender Rehabilitation Act will also reduce the prison population, thereby alleviating the overcrowding which has reached crisis proportions in many areas of the country.

Therefore, I urge my colleagues to support this important proposal. I ask that articles about the Bronx Program which appeared in the Christian Science Monitor and in the New York Times be printed at this point in the RECORD. I also ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1332

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Learning Disabled Youthful Offender Rehabilitation Act of 1987".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress makes the following findings:

(1) A significant correlation exists between learning disabled individuals and incidences of criminal behavior. Although only 15 percent of the United States population is considered to be learning disabled, 36 percent of juvenile delinquency cases involve individuals with learning disabilities.

(2) It is estimated that within a typical jail population, at least 40 percent of the inmates suffer from learning disabilities.

(3) Learning disabled individuals are more prone to a life of delinquency than nonlearning disabled individuals.

(4) While a learning disability is clearly a significant contributor to delinquent and criminal behavior, the criminal justice system fails to recognize or attempt to treat individuals with learning disabilities.

(5) As long as the learning disability of an individual remains unaddressed, the delinquent behavior of the individual will continue upon release from imprisonment as evidenced by the high rates of recidivism among such individuals.

(6) Research has found that the neurological deficiencies resulting in problems of self-image, self-control and interpersonal activities contribute to academic failure of learning disabled individuals and are key elements in related criminal tendencies.

(7) Studies have found that diagnostically-based treatment programs for learning-disabled individuals can reduce recidivism and delinquent behavior among juveniles.

(b) PURPOSE.—The purpose of this Act is to establish a comprehensive educational and psychosocial prevention and intervention program in order to reduce the rate of recidivism among learning disabled first-time offenders. To accomplish this goal, the specific learning disability which accounts for the criminal behavior involved will be treated.

SEC. 3. DEFINITIONS.

For purposes of this Act, the term "local district attorney" means the chief criminal attorney for a general purpose unit of local government.

SEC. 4. GRANTS TO THE LOCAL DISTRICT ATTORNEYS.

The Attorney General is authorized to award grants to local district attorneys to develop educational programs offering an alternative to learning disabled defendants meeting the eligibility criteria as described in section 5.

SEC. 5. APPLICATIONS TO RECEIVE GRANTS.

(a) APPLICATION.—To request a grant under section 4, a local district attorney shall submit an application at such time and in such form as the Attorney General may require.

(b) PROGRAM PROPOSAL AND ELIGIBILITY CRITERIA.—Each application submitted pursuant to this section shall include a program proposal. The program proposal shall include the following guidelines and eligibility criteria:

(1) In order to be accepted into the program the defendant must—

(A) be a first-time offender under the age of 21 who has committed a misdemeanor in which there was not serious injury to the victim;

(B) have been diagnosed as having a learning disability which the local district attorney regards as treatable; and

(C) be subject to a determination by the local district attorney that it is in the best interests of society to allow the defendant into the rehabilitation program rather than incarceration.

(2) The following procedure shall be utilized by the local district attorney in determining which defendants are suitable as candidates for the program:

(A) Each defendant shall be recommended to the local district attorney's evaluatory staff by the defendant's defense attorney.

(B) Upon referral, the defendant shall complete a questionnaire which shall then be reviewed by a select evaluation committee.

(C) The select evaluation committee, in conjunction with the local district attorney's staff, shall make the final determination as to whether the program will be offered to the defendant.

(D) If the defendant is approved and chooses to participate in the program, such defendant shall comply with the conditions provided in paragraph (3) in order to receive credit for the program and avoid imprisonment.

(3) In order to receive credit for participation in the program the defendant shall be subject to the following conditions:

(A) The defendant shall be granted a conditional deferred prosecution and plead guilty to a crime or violation. The local district attorney shall have discretion to recommend sentencing on a case-by-case basis.

(B) The sentence or condition shall be a minimum of 100 hours in the educational and vocational program tailored to the needs of the individual defendant. The defendant shall specifically agree to the requirements and procedures of this program.

(C) When a finding of default has been filed against a defendant, the case shall be restored to the court calendar for execution of sentence or further proceedings.

(D) If the defendant has absconded, a bench warrant shall be issued for the defendant.

(c) APPLICANT CERTIFICATION.—Each applicant for funds under this Act shall certify that the applicant's program meets all the requirements of this section, that all the information contained in the application is correct, and that the applicant will comply with all the provisions of this Act and all other applicable Federal laws. Such certification shall be made in a form acceptable to the Attorney General.

SEC. 6. USE OF FUNDS.

Funds authorized by this Act shall be used for devising a system for—

(1) identifying learning disabled individuals; and

(2) hiring evaluatory and remedial agents in order to identify and treat eligible learning disabled defendants.

SEC. 7. REPORT.

Each applicant receiving funds under this Act shall prepare and transmit to the Attorney General a report setting forth with respect to the program of the applicant during the preceding 12-month period—

(1) a complete accounting of the expenditure of funds;

(2) the number of learning disabled individuals eligible for the program and the number that completed the program;

(3) the estimated cost of treatment for each such learning disabled individual in the program;

(4) the estimated cost savings which resulted from carrying out the program in lieu of prosecuting and incarcerating each learning disabled individual in the program;

(5) an evaluation of the change in academic ability and employment success of each learning disabled individual resulting from participation in the program;

(6) the change in recidivism rates for learning disabled individuals in the program using such individuals as a standard against which the national average shall be measured in order to test the effectiveness of the program; and

(7) recommendations regarding whether the program should be instituted on a wider basis.

The information required by clause (5) shall be supplemented by a second report, to be issued 12 months later, again evaluating each individuals academic and employment status in order to gauge the longer-term effectiveness of the program.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $15,000,000 for each of the fiscal years 1988, 1989, and 1990 to carry out this Act.

[From the Christian Science Monitor, Mar. 23, 1987]

THROWING THE BOOKS AT YOUNG OFFENDERS

(By Victoria Irwin)

Tito Merced listens quietly while the Bronx assistant district attorney discusses his future. "You're young and you have your whole life ahead of you," says Thomas Olin. "We don't want you to have a record. If you shape up, we'll give you a clean slate. The rest is up to you."

A 17-year-old high school dropout, Tito was arrested on assault charges stemming from a fight with some other youths. But instead of being cycled into a justice system that sometimes seems to offer only a "diploma in crime," Tito has been given a chance to finish high school through General Educational Development (GED).

The education outreach program that Mr. Olin directs for the Bronx County District Attorney's Office targets first-time offenders who are learning disabled, illiterate, or high school dropouts.

Pointing out that there is a link between learning disabilities and criminal behavior, Bronx District Attorney Mario Merola says he hopes the program can help defendants get back on the right road. Criminal-justice experts say the program is innovative and on target.

"What we're trying to do is put total emphasis on education," says Olin. "And we use the long arm of the law to do this."

"I want my GED," Tito tells Olin. With that a deal is sealed; Tito is given an ACD—adjournment and contemplation of dismissal. In return, the slight, handsome teenager pledges to attend evening GED courses twice a week for six months. He will also report to the Bronx criminal courthouse once a week. And if he fails to live up to the terms of the bargain, his case will become active again.

More than simply an alternative sentencing program that frees needed jail space through work programs, the Bronx effort is community based, and does intensive screening, careful matching of defendents with educational programs, counseling, and regular contact. Followup and job placement efforts are being considered.

The need has always been there, says Mr. Merola.

The defendants are often unemployed, and have few marketable skills. Reading level is often very low—around third- or fourth-grade level. And not a small number have learning disabilities that have gone unattended for years. Some studies estimate that as many as 40 percent of the criminal population have learning disabilities.

While Merola admits he likes the program because it helps relieve the need for jail space, he also says these kinds of defendants are often entitled to a better deal than jail.

"[Olin] says we should be guilty for not providing them with services, and there is a certain truth to that," says Merola. The outreach program helps divert defendants from the system, which he says is a revolving door.

Why should a district attorney's office be offering this program?

"The education system is not doing its job," says Merola. "We take it for granted, but they can't read or write. Don't we owe them at least this much?"

Offenders have been charged with car theft, drug selling, possession of crack. But Denise O'Daly, a junior high school teacher by day who teaches a GED course at night, says she very much enjoys teaching the program members.

"[The defendants] are just like the other students," Ms. O'Daly says. "They are extremely motivated."

Olin points out that the district attorney's first duty is to the community—to improve the quality of life and keep a lid on crime.

He sees this program as working in tandem with that goal.

"He's off the street, rubbing shoulders with people who are learning," says Merola. "You can't minimize that. We try to make them part of the mainstream, and not something to be discarded."

He tells what often happens to kids like Tito Merced—they come before a judge who looks at the case, tells them to be good or they'll go to jail next time, and then sends them out on the street.

"That's discarding him," says Merola. "We're not going to solve it all. We're not running a Hollywood gimmick. . . . Life is a game of inches."

[From the New York Times, Nov. 16, 1986]

HELP OF COURTS SOUGHT FOR LEARNING DISABLED

(By Kirk Johnson)

The world of the learning-disabled child—clouded by frustration and failure in school—often descends into an orbit of crime, courtrooms and prison, according to law-enforcement studies. Society's efforts to help usually stop at the schoolyard gate.

In New York, a group of officials in education and criminal justice—including a judge and prosecutor who themselves have learning disabilities—are taking the first steps toward changing that pattern, by changing the attitude of the courts.

Their message is that learning-disabled children can be helped by the court system through education and training when they first get into trouble.

"What I'm obsessed with is how much more we could be doing," said Thomas Olin, an assistant district attorney in the Bronx. Mr. Olin, a 28-year-old native of Rockland County, has dyslexia—a disorder that makes printed letters and words appear in reverse or jumbled. He joined the prosecutor's office last year after graduating from Fordham University Law School entirely by oral examination.

Learning disabilities—which affect the mind's ability to gain, retain or express certain information but do not affect intelligence—were first recognized around the turn of the century. But the link to crime is a recent one: law-enforcement experts say the idea began to gain acceptance in 1983, when the American Bar Association passed a resolution recognizing it.

The connection is borne out by statistics: though 15 percent of the population have learning disabilities, more than 36 percent of juvenile-delinquency cases involved such people, according to Federal and private studies. But, the experts say, the reasons remain unclear.

Last month, at Mr. Olin's suggestion, the prosecutor's office established what it calls the Education Outreach Program, with the goal of identifying learning-disabled defendants, and in certain instances, putting them into training or educational programs instead of jail. So far, three such defendants have been admitted to the program, of which Mr. Olin is the director. Seven others, who are not considered learning-disabled but have had severe problems in school, have been enrolled in other types of training.

Law enforcement officials say there have been several other recent developments in New York. But progress, they say, remains tentative. Money for large programs has not yet been found.

ESTIMATES ON INMATES

At the state Commission of Correction, for example, several programs have been started this year to determine how disabled persons become enmeshed in the justice system. Preliminary estimates from the studies show that from 10 percent to 40 percent of the inmates in the state's county-jail system may have some learning or other developmental disability. About 60 percent do not have high-school diplomas.

In the city's Family Court system, a manual for judges—the first of its kind, according to law-enforcement experts—has been distributed on how to deal with and recognize learning-disabled defendants. A similar manual for attorneys representing learning-disabled defendants, prepared by the American Bar Association, was distributed nationally last year, and recently updated.

The manuals were financed by the New York-based Foundation for Children with Learning Disabilities, a 10-year-old organization that began financing research into the disability-crime link two years ago and has worked with Mr. Olin.

Judge Jeffry H. Gallet, a 43-year-old Queens native, overcame several learning disabilities, including dyslexla, dyscalculia (difficulty in making mathematical calcultions) and dysgraphia (difficulty in writing) sufficiently enough to graduate from law school and write five books on civil-law proceedure. But he said he still had to look at his watch to tell his right hand from his left.

"I'd love to say there's an up side, a good program," the Judge said. "But I can't. It's just all too slow."

"It's mostly been just a change of awareness," said Dr. Julie Gilligan, a spokesman for the foundation.

But judges and correction officials said that though the efforts of people such as Mr. Olin, Judge Gallet and the foundation's officials have increased recognition of the problems of learning-disabled people in the courts, the lack of money for large-scale testing or education programs means that, in effect, little has changed.

Education researchers said that 20 different types of learning disabilities have been identified, from dyslexia—the most well-known—to dysacusis (a hearing impairment that causes a distortion of pitch) to dysnomia (the inability to recall certain words).

The reasons for the connection between those disabilities and crime, however, are much less clear, they said. According to Judge Thomas McGee, a juvenile court judge in Louisiana—and one the pioneers in treating the learning disabled on the court level—there are several current theories. The first is that frustration in school and at home leads to crime. The second is the learning-disabled people get convicted more in the courts, often because they don't understand their legal rights, and are less able to "talk their way out of situations" or explain their behavior to the police and judges.

For the moment, Judge Gallet said he is relying on the personal touch. When he thinks a defendant might be learning-disabled, the judge calls him or her into chambers and talks about himself and his disabilities, and how he "beat it."

"Sometimes you can teach a kid that way," he said.●

By Mr. McCONNELL (for himself and Mr. NICKLES):

S. 1333. A bill to allow the 65-mile-per-hour speed limit on highways that meet interstate standards and are not currently on the National System of Interstate and Defense Highways; to the Committee on Commerce, Science, and Transportation.

ALLOWING 65-MILE-PER-HOUR SPEED LIMIT ON CERTAIN STATE HIGHWAYS

● Mr. McCONNELL. Mr. President, the bill I am introducing today with my good friend and colleague from Oklahoma would correct an oversight in the law dealing with the 65-mile-per-hour speed limit. Specifically, Mr. President, the highway legislation recently enacted into law allows States the option to raise the speed limit to 65 miles per hour on rural interstates. In fact, yesterday Kentucky officially became the 29th State to raise the speed limit on its Interstate System. Yet, notwithstanding the fact that segments of highways across Kentucky and the rest of the country essentially meet interstate standards in rural and small urban areas, motorists will not be allowed to drive 65 miles per hour on these portions. Why? Because they don't have little red, white, and blue interstate shields with numbers on them. That's, by and large, the only difference. This isn't fair, Mr. President. This is inconsistent.

My State of Kentucky happens to have hundreds of miles of noninterstate toll-financed highways. Regardless of the fact that eight of Kentucky's parkways are four lane, limited access highways compatible with interstate standards, they are not allowed to post a 65-mile-per-hour sign. The law says that these 100 percent State-financed parkways must remain at the 55-mile-per-hour speed limit even though they are as safe or safer than interstates. This doesn't make sense, Mr. President. We made a mistake in drafting the language too narrowly, and this bill would fine tune and open up an option that numerous States have embraced.

Kentucky is not the only State that faces this problem. The Department of Transportation estimates that 44 different States have divided, four lane, fully controlled access highways in small urban and rural areas which are ineligible for the 65-mile-per-hour speed limit. Some with the greatest mileages are in California, Connecticut, Florida, Illinois, Kansas, Michigan, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, Virginia, and Wisconsin. At this point in the RECORD, I ask unanimous consent to insert a listing provided by the Department of Transportation which provides a rough estimate of the mileage effected across the country.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

NONINTERSTATE DIVIDED HIGHWAYS HAVING FOUR OR MORE LANES AND FULL CONTROL OF ACCESS

State	Rural total	Small urban total	State-wide: total (R & SU)
Alabama	0	0	0
Alaska	0	0	0
Arizona	0	0	0
Arkansas	18	14	32
California	687	135	822
Colorado	11	6	17
Connecticut	104	11	115
Delaware	0	0	0
District of Columbia	0	0	0
Florida	167	0	167
Georgia	9	17	26
Hawaii	0	0	0
Idaho	0	3	3
Illinois	233	7	240
Indiana	0	0	0
Iowa	92	17	109
Kansas	177	7	184
Kentucky	637	32	669
Louisiana	1	1	2
Maine	47	9	56
Maryland	87	5	92
Massachusetts	56	37	93
Michigan	339	27	366
Minnesota	7	4	11
Mississippi	25	29	54
Missouri	57	6	63
Montana	0	1	1
Nebraska	0	0	0
Nevada	19	0	19
New Hampshire	11	7	18
New Jersey	81	6	87
New Mexico	0	0	0
New York	460	66	526
North Carolina	296	38	334
North Dakota	0	1	1
Ohio	160	51	211
Oklahoma	304	22	326
Oregon	7	11	18
Pennsylvania	467	83	550
Puerto Rico	0	4	4
Rhode Island	0	7	7
South Carolina	5	0	5
South Dakota	1	0	1
Tennessee	8	1	9
Texas	84	57	141
Utah	0	7	7
Vermont	5	1	6
Virginia	145	4	149
Washington	0	3	3
West Virginia	2	3	5
Wisconsin	418	29	447
Wyoming	0	1	1
Totals	5,227	770	5,997

I don't think we should penalize these and other States just because they had the initiative to go forward and build well-designed, safe highways. Furthermore, current law allows for quicker travel on the interstate system between major population areas. I believe rural and small urban areas not located on the interstate system should have the same advantage.

The bill we are offering today is not as broad as the amendment defeated during the 99th Congress which would have allowed States the ability to raise the speed limit to 65 miles per hour on all rural highways. This bill narrows the field to those segments outside an urbanized area of 50,000 population which meet interstate standards or which are divided four-lane, fully controlled access highways built to design and construction standards the Secretary of Transportation believes are adequate for a 65-mile-per-hour speed limit. Let me report that these segments are essentially the same as those on the Interstate System. The only obvious difference is that they don't have the little interstate shield.

This is fair, Mr. President, and I am pleased that it has the endorsement of the Federal Highway Administration. I hope that this bill will be considered and reported promptly so we can correct this oversight in the law.●

● Mr. NICKLES. Mr. President, I join my friend from Kentucky [Mr. McCONNELL] in sponsoring this important legislation. This bill would help solve a dilemma that States like Oklahoma and Kentucky are facing in raising the speed limit to 65.

When Congress acted as to the 65-mile-per-hour speed limit for rural interstates, its action extended only to officially designated interstate highways. This discriminated against a category of highways which are built to interstate standards or very close to them.

In Oklahoma we have three turnpikes that are not classified as interstates. These turnpikes, the Cimarron, Muskogee and Indian Nation, are among the safest highways in the State because of their rural character and restricted access. On the Cimarron and Indian Nation, exits can be as much as 30 miles apart.

The new speed limit law, when applied in Oklahoma's case, has created confusion and is inconsistent. Although the State has already changed the speed limit on our three interstates, drivers have been unaware that the changes have not applied to the three turnpikes. All three of these turnpikes intersect with an interstate at some point. Drivers switching highways are often unaware of the speed limit differences, assuming it continues under the interstate speed limit.

For enforcement purposes, this inconsistency is a problem. Likewise, the Oklahoma Turnpike Authority is very concerned that this inconsistency will result in a decline of traffic and reduced revenues. Currently, the turnpikes are operating on a thin margin.

This legislation would restrict the use of highway trust fund contract authority in a narrow fashion, to eliminate enforcement action and sanctions by the Federal Highway Administration in the area of speed limit enforcement as it applies to Oklahoma's three noninterstate turnpikes. These highways meet every design and safety standard for interstates except for the width of the median. Currently, the State is in the process of adding additional impact barriers on these highways to make them even safer.

This bill is important to ensure the equitable treatment of all highways in Oklahoma as they relate to the speed limit change. The Department of Transportation recognizes the inequity of current law and agrees that highways such as the Cimarron, Muskogee, and Indian Nation should be treated in the same manner as the interstates and be allowed to raise the speed limit to 65. I urge my colleagues' support in this matter.●

By Mr. McCAIN (for himself, Mr. JOHNSTON, Mr. GLENN, Mr. STENNIS, Mr. MATSUNAGA, Mr. GRASSLEY, Mr. BUMPERS, Mr. BOND, Mr. GORE, Mr. SANFORD, Mr. THURMOND, Mr. McCLURE, Mr. LEVIN, Mr. COCHRAN, Mr. HUMPHREY, Mr. BURDICK, Mr. METZENBAUM, Mr. NUNN, Mr. SHELBY, and Mr. LUGAR):

S.J. Res. 155. Joint resolution to designate the period commencing on September 13, 1987, and ending on September 19, 1987, as "National Reye's Syndrome Week"; to the Committee on the Judiciary.

NATIONAL REYE'S SYNDROME WEEK

● Mr. McCAIN. Mr. President, I am introducing a joint resolution dedicating the week beginning September 13, 1987, as "National Reye's Syndrome Awareness Week."

I am joined in this effort by Senators JOHNSTON, GLENN, STENNIS, MATSUNAGA, GRASSLEY, BUMPERS, BOND, GORE, SANFORD, THURMOND, McCLURE, LEVIN, COCHRAN, HUMPHREY, BURDICK, METZENBAUM, NUNN, SHELBY, and LUGAR.

From the years 1981 to 1985, 1,003 children in our country were stricken with a disease about which we know very little. Known as Reye's syndrome, this illness—for which there is no cure—affects the liver and brain of children and adolescents recovering from viral illnesses. Of these 1,003 children stricken with Reye's syndrome 291 died, and up to one-third of the surviving children incurred permanent brain damage.

The symptoms are unfamiliar to most parents and many health care professionals. This lack of education often leads to misdiagnosis and improper treatment, causing death or irreversible brain damage to its victims. The seriousness of this illness is not to be discounted, with death being the result for over 30 percent of its victims and another 15 to 25 percent left with irreversible brain damage.

Reye's syndrome is among the 10 major causes of death in children between the ages of 1 and 10, and no child is immune from the illness. Recent medical research has proven a link between the use of aspirin and the development of Reye's syndrome. The April 3 edition of the Journal of the American Medical Association published a study which linked more than 90 percent of the children with Reye's syndrome with the consumption of aspirin during the recovery of a viral illness.

The Surgeon General, the Centers for Disease Control, the American Academy of Pediatrics and the National Reye's Syndrome Foundation have issued warnings against the use of aspirin for children and young adults recovering from influenza-like illnesses and chicken pox.

Early detection of Reye's syndrome is vitally important if treatment is to be successful. Satistics indicate an excellent chance of recovery when Reye's syndrome is diagnosed and treated in its earliest stages; the earlier the diagnosis and treatment, the better the chances for successful recovery.

With two young children of my own, the fear of this disease is very real. While I am aware of the risk of aspirin consumption for children, many parents are not. It is my hope that as a result of the Reye's Syndrome Awareness Week, and all of the attention that will be focused on this issue, parents and health care professionals alike will learn about one of the deadliest diseases of childhood—Reye's syndrome.

I hope that my colleagues will join with me in the effort to bring this issue to the attention of the American public.

Mr. President, I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 155

Whereas Reye's Syndrome is a disease of unknown origin that swiftly strikes children, adolescents, and some adults recovering from viral illnesses;

Whereas Reye's Syndrome has no cure, and as a result over 30 percent of its victims die, and another 15-25 percent are left with brain damage;

Whereas recent medical research has proven a link between the use of aspirin (salicylate) and the development of Reye's Syndrome;

Whereas the Surgeon General, the Center for Disease Control, the American Academy of Pediatrics, and the National Reye's Syndrome Foundation have issued warnings against the use of aspirin for children and young adults recovering from influenza-like illnesses and chicken pox;

Whereas the symptoms of Reye's Syndrome are unfamiliar to most citizens and health professionals;

Whereas this lack of knowledge often leads to misdiagnosis and improper treatment;

Whereas the current reporting of cases of Reye's Syndrome is not a true incidence of the disease because it is not reportable nationwide and annually more cases are reported to the National Reye's Syndrome Foundation than to the Center for Disease Control;

Whereas the National Reye's Syndrome Foundation is a volunteer organization with affiliates established throughout the continental United States and is supported by thousands of volunteers;

Whereas the National Reye's Syndrome Foundation exists to assist in the broad communication of information aimed at the general public and medical community, to stimulate the scientific community by sponsoring symposiums, to support investigation that will identify the cause, develop a cure, and lead to the prevention of Reye's Syndrome, to give families experiencing the personal trauma of Reye's Syndrome support and guidance, and to encourage the Federal Government to support and sponsor Reye's Syndrome research; and

Whereas there is a lack of urgency to resolve the mystery of Reye's Syndrome at the Federal level: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing on September 13, 1987 and ending on September 19, 1987, is designated as "National Reye's Syndrome Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such period with appropriate ceremonies and activities●

ADDITIONAL COSPONSORS

S. 14

At the request of Mr. BIDEN, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 14, a bill to amend the Energy Reorganization Act of 1974 to create an independent Nuclear Safety Board.

S. 38

At the request of Mr. MOYNIHAN, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 38, a bill to increase the authorization of appropriations for the Magnet School Program for fiscal year 1987 to meet the growing needs of existing Magnet School Programs, and for the establishment of new Magnet School Programs.

S. 42

At the request of Mr. ROTH, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 42, a bill to amend title 5, United States Code, to establish an optional early retirement program for Federal Government employees, and for other purposes.

S. 368

At the request of Mr. MATSUNAGA, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 368, a bill to amend the Federal Food, Drug, and Cosmetic Act to ban the reimportation of drugs in the United States, to place restrictions on drug samples, to ban certain resales of drugs purchased by hospitals and other health care facilities, and for other purposes.

S. 491

At the request of Mr. D'AMATO, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 491, a bill to repeal the provision of the Tax Reform Act of 1986 which disallowed the treatment of certain technical personnel as self-employed individuals.

S. 508

At the request of Mr. LEVIN, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 508, a bill to amend title 5, United States Code, to strengthen the protections available to Federal employees against prohibited personnel practices, and for other purposes.

S. 541

At the request of Mr. PRYOR, the names of the Senator from Pennsylvania [Mr. SPECTER], the Senator from Virginia [Mr. TRIBLE], the Senator from Utah [Mr. HATCH], and the Senator from South Dakota [Mr. PRESSLER] were added as cosponsors of S. 541, a bill to amend title 39, United States Code, to extend to certain officers and employees of the U.S. Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded under title 5, United States Code, to Federal employees in the competitive services.

S. 560

At the request of Mr. CHAFEE, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 560, a bill to implement the provisions of annex V to the International Convention for the Prevention of Pollution from Ships, as modified by the Protocol of 1978.

S. 596

At the request of Mr. CHAFEE, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 596, a bill to promote expansion of international trade in telecommunications equipment and services, and for other purposes.

S. 604

At the request of Mr. PRYOR, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of S. 604, a bill to promote and protect taxpayer rights, and for other purposes.

S. 675

At the request of Mr. MITCHELL, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 675, a bill to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1988, 1989, 1990, 1991, and 1992.

S. 685

At the request of Mr. QUAYLE, the names of the Senator from Wyoming [Mr. WALLOP], and the Senator from Minnesota [Mr. BOSCHWITZ] were added as cosponsors of S. 685, a bill to amend the Deficit Reduction Act of 1984 to make permanent the administrative offset debt collection provisions with respect to education loans.

S. 721

At the request of Mr. INOUYE, the names of the Senator from Arizona [Mr. DECONCINI], the Senator from South Dakota [Mr. DASCHLE], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from North Dakota [Mr. BURDICK], the Senator from Arizona [Mr. MCCAIN], and the Senator from Washington [Mr. EVANS] were added as cosponsors of S. 721, a bill to provide for and promote the economic development of Indian tribes by furnishing the necessary capital, financial services, and technical assistance to Indian owned business enterprises and to stimulate the development of the private sector of Indian tribal economies.

S. 769

At the request of Mr. JOHNSTON, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 769, a bill to amend the Public Health Service Act to authorize assistance for centers for minority medical education, minority pharmacy education, minority veterinary medicine education, and minority dentistry education.

S. 879

At the request of Mr. BYRD, the names of the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Montana [Mr. MELCHER] were added as cosponsors of S. 879, a bill to encourage the deployment of clean coal technologies so as to assure the development of additional electric generation and industrial energy capacity.

S. 933

At the request of Mr. FORD, the name of the Senator from Montana [Mr. MELCHER] was added as a cosponsor of S. 933, a bill to amend the Congressional Budget Act of 1974 to minimize the impact on State and local governments of unexpected provisions of legislation proposing the imposition of large unfunded costs on such governments, and for other purposes.

S. 936

At the request of Mr. Durenberger, the names of the Senator from Mississippi [Mr. Cochran], and the Senator from Connecticut [Mr. Weicker] were added as cosponsors of S. 936, a bill to amend title XVIII of the Social Security Act to permit certain individuals with physical or mental impairments to continue medicare coverage at their own expense.

S. 962

At the request of Mr. Heinz, the name of the Senator from Virginia [Mr. Trible] was added as a cosponsor of S. 962, a bill to amend the Internal Revenue Code of 1986 to allow a credit against tax for expenses incurred in the care of elderly family members.

S. 998

At the request of Mr. DeConcini, the names of the Senator from Indiana [Mr. Lugar], the Senator from Illinois [Mr. Dixon], the Senator from South Dakota [Mr. Pressler], and the Senator from Minnesota [Mr. Boschwitz] were added as cosponsors of S. 998, a bill entitled the "Micro Enterprise Loans for the Poor Act."

S. 1059

At the request of Mr. Moynihan, the name of the Senator from Maine [Mr. Mitchell] was added as a cosponsor of S. 1059, a bill to terminate the application of certain Veterans' Administration regulations relating to transportation of claimants and beneficiaries in connection with Veterans' Administration medical care.

S. 1106

At the request of Mr. Hatfield, the names of the Senator from South Dakota [Mr. Daschle], the Senator from Massachusetts [Mr. Kerry], the Senator from Iowa [Mr. Harkin], the Senator from Colorado [Mr. Wirth], the Senator from Maine [Mr. Mitchell], the Senator from Maryland [Ms. Mikulski], the Senator from North Dakota [Mr. Burdick], the Senator from North Dakota [Mr. Conrad], and the Senator from Illinois [Mr. Simon] were added as cosponsors of S. 1106, a bill to provide for simultaneous and verifiable moratorium on underground nuclear explosions above a low-yield threshold.

S. 1234

At the request of Mr. Chafee, the name of the Senator from New Mexico [Mr. Bingaman] was added as a cosponsor of S. 1234, a bill to amend title 38 United States Code, to insure eligibility of certain individuals for beneficiary travel benefits when traveling to Veterans' Administration medical facilities.

S. 1264

At the request of Mr. Sanford, the name of the Senator from Alabama [Mr. Heflin] was added as a cosponsor of S. 1264, a bill to place a moratorium on hostile foreign takeovers.

SENATE JOINT RESOLUTION 48

At the request of Mr. Hatch, the names of the Senator from Maryland [Ms. Mikulski], the Senator from Alaska [Mr. Stevens], the Senator from Minnesota [Mr. Durenberger], the Senator from California [Mr. Wilson], the Senator from Utah [Mr. Garn], and the Senator from Pennsylvania [Mr. Heinz] were added as cosponsors of Senate Joint Resolution 48, joint resolution designating the week of September 14, 1987, through September 20, 1987, as "Benign Essential Blepharospasm Week."

SENATE JOINT RESOLUTION 51

At the request of Mr. Exon, the names of the Senator from Colorado [Mr. Armstrong], the Senator from Mississippi [Mr. Cochran], the Senator from Missouri [Mr. Danforth], the Senator from West Virginia [Mr. Rockefeller], the Senator from South Dakota [Mr. Pressler], the Senator from Maryland [Ms. Mikulski], the Senator from Arkansas [Mr. Pryor], the Senator from Wisconsin [Mr. Proxmire], the Senator from Florida [Mr. Chiles], the Senator from North Dakota [Mr. Conrad], the Senator from Texas [Mr. Bentsen], the Senator from Oklahoma [Mr. Boren], the Senator from West Virginia [Mr. Byrd], the Senator from Alaska [Mr. Stevens], the Senator from Kentucky [Mr. Ford], the Senator from Georgia [Mr. Fowler], the Senator from Florida [Mr. Graham], the Senator from Vermont [Mr. Leahy], the Senator from Indiana [Mr. Lugar], the Senator from Arizona [Mr. McCain], the Senator from Kentucky [Mr. McConnell], the Senator from Oregon [Mr. Packwood], the Senator from Pennsylvania [Mr. Specter], and the Senator from Vermont [Mr. Stafford] were added as cosponsors of Senate Joint Resolution 51, joint resolution to designate the period commencing on July 27, 1987, and ending on August 2, 1987, as "National Czech American Heritage Week."

SENATE JOINT RESOLUTION 109

At the request of Mr. Durenberger, the names of the Senator from Hawaii [Mr. Inouye], the Senator from Utah [Mr. Hatch], and the Senator from Nevada [Mr. Hecht] were added as cosponsors of Senate Joint Resolution 109, joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week."

SENATE JOINT RESOLUTION 111

At the request of Mr. Heinz, the names of the Senator from Tennessee [Mr. Gore], the Senator from South Carolina [Mr. Hollings], and the Senator from Kansas [Mrs. Kassebaum] were added as cosponsors of Senate Joint Resolution 111, joint resolution to designate each of the months of November 1987, and November 1988, as "National Hospice Month."

SENATE JOINT RESOLUTION 121

At the request of Mr. Trible, the names of the Senator from Mississippi [Mr. Cochran], and the Senator from Mississippi [Mr. Stennis] were added as cosponsors of Senate Joint Resolution 121, joint resolution designating August 11, 1987, as "National Neighborhood Crime Watch Day".

SENATE JOINT RESOLUTION 133

At the request of Mr. DeConcini, the name of the Senator from Connecticut [Mr. Weicker] was added as a cosponsor of Senate Joint Resolution 133, joint resolution prohibiting the sale to Saudi Arabia of 12 F-15 aircraft.

SENATE JOINT RESOLUTION 136

At the request of Mr. Humphrey, the names of the Senator from Arizona [Mr. McCain], and the Senator from Utah [Mr. Hatch] were added as cosponsors of Senate Joint Resolution 136, joint resolution to designate the week of December 13, 1987, through December 19, 1987, as "National Drunk and Drugged Driving Awareness Week."

SENATE JOINT RESOLUTION 149

As the request of Mr. Helms, the name of the Senator from Nebraska [Mr. Karnes] was added as a cosponsor of Senate Joint Resolution 149, joint resolution to designate the period commencing on June 21, 1989, and ending on June 28, 1989, as "Food Science and Technology Week."

SENATE CONCURRENT RESOLUTION 31

At the request of Mr. Pressler, the name of the Senator from Florida [Mr. Graham] was added as a cosponsor of Senate Concurrent Resolution 31, a concurrent resolution commending the Czechoslovak human rights organization charter 77, on the occasion of the 10th anniversary of its establishment, for its courageous contributions to the achievement of the aims of the Helsinki Final Act.

SENATE CONCURRENT RESOLUTION 32

At the request of Mr. Grassley, the name of the Senator from California [Mr. Wilson] was added as a cosponsor of Senate Concurrent Resolution 32, a concurrent resolution to express the sense of Congress that volunteer work should be taken into account by employers in the consideration of applicants for employment and that provision should be made for a listing and description of volunteer work on employment application forms.

SENATE RESOLUTION 204

At the request of Mr. Kennedy, the names of the Senator from Ohio [Mr. Glenn], and the Senator from South Dakota [Mr. Daschle] were added as cosponsors of Senate Resolution 204, a resolution to express the sense of the Senate regarding funds provided by the Anti-Drug Abuse Act of 1986.

SENATE RESOLUTION 220

At the request of Mr. PRESSLER, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of Senate Resolution 220, a resolution expressing the sense of the Senate regarding the need for the participants in the seven-nation economic summit in June to focus their attention on addressing agricultural issues in a coordinated manner.

SENATE RESOLUTION 225—RELATING TO THE UPCOMING VENICE SUMMIT

Mr. BYRD (for himself, Mr. DOLE, Mr. KENNEDY, AND Mr. LEAHY) submitted the following resolution; which was considered and agreed to:

S. RES. 225

Whereas the heads of state of seven leading industrialized nations will soon convene in Venice for an economic summit meeting;

Whereas the strong growth of imports into the United States has provided most of the stimulus to world trade for the last several years, but this stimulus has ended with the decline in the dollar;

Whereas Germany and Japan have, in contrast, had export-led growth and sluggish imports resulting in extraordinarily large trade and current account surpluses over the last several years that derive not only from macroeconomic policies but trade practices;

Whereas Germany and Japan can promote the expansion of world trade and growth by using their enormous trade surpluses to increase their imports substantially;

Whereas returning to relative balance in our international accounts will require concerted efforts in both macroeconomic and trade policies by the other nations attending the economic summit;

Whereas the United States Congress is committed to act expeditiously to correct our own internal imbalances by reducing the budget deficit and improving the competitiveness of American industry;

Whereas Germany and Japan have moved slowly to correct their own macroeconomic and trade imbalances;

Whereas the sharp appreciation of the German and Japanese currencies is depressing their exports and compelling the governments of those two countries to adopt policies to stimulate demand for their own domestic production, but their internal domestic pressures will discourage greater demand for imports;

Whereas the current value of the dollar is not being supported by substantial purchases of U.S. securities by foreign central banks at levels that will be difficult to sustain indefinitely;

Whereas further substantial reductions in the value of the dollar would erode the standard of living of the United States and disrupt the economies of nations whose currencies appreciate;

Whereas the United States economy has been far more open to imports than the economies of Germany and Japan and this has contributed to the current wide imbalances in world trade;

Whereas fundamental programs by Germany and Japan to ensure much greater openness to imports would contribute to a restoration of balance in world trade and act as an alternative to further substantial reductions in the value of the dollar;

Whereas the European Community's highly protectionist variable levy is the primary cause of the $5 billion, 50 percent reduction in U.S. agricultural exports to Europe and Japanese trade barriers cost U.S. farmers at least $1 billion every year;

Whereas the worldwide spread of Acquired Immune Deficiency Syndrome (AIDS) threatens the lives of millions of the world's citizens; and

Whereas the spread of AIDS poses grave risks to the economic development of certain less developed countries;

Whereas a coordinated, global response to this international health crisis will hasten the day when AIDS will be defeated;

Whereas the participant nations at the Venice summit should make a firm commitment to work together to combat this epidemic;

Whereas recent developments in the Persian Gulf have emphasized the importance of the region to Western economic security;

Whereas the continued freedom of navigation and flow of commerce in the Gulf region is in the interest of the Western Alliance as a whole;

Whereas the United States is committed to ensuring the continued access of commercial shipping to the Persian Gulf;

Whereas the Iran-Iraq war constitutes a continuing threat to Allied interests and to freedom of navigation in the Gulf; Now, therefore be it

Resolved, That it is the sense of the Senate that:

(1) the United States should seek commitments from Germany and Japan at the upcoming Venice economic summit to reduce their trade surpluses by substantially increasing their imports, not only by stimulating demand, but by restructuring their economies to become permanently more open to imports of goods and services;

(2) the United States should seek commitments from the European Community and Japan to liberalize their agricultural import policies;

(3) the United States should seek commitments from other participants at the Venice summit to contribute and cooperate with the United States and international efforts, particularly those of the World Health Organization, to combat and prevent the spread of AIDS; and

(4) the President should encourage the Allies at the Venice summit to cooperate in diplomatic and military measures which may be necessary to ensure Western security interests in the Persian Gulf.

AMENDMENTS SUBMITTED

WASTE REDUCTION CLEARINGHOUSE ACT

BIDEN AMENDMENT NO. 255

(Ordered referred to the Committee on Environment and Public Works.)

Mr. BIDEN submitted an amendment intended to be proposed by him to the bill (S. 1331) to authorize the Administrator of the Environmental Protection Agency to establish the Waste Reduction Clearinghouse, and for other purposes; as follows:

At the end of the bill, add the following new section:

FEES, CHARGES; ACCOUNT

SEC. 5. (a) The Administrator is authorized to establish and collect fees and charges for permits for the treatment, storage, or disposal of hazardous waste pursuant to the Solid Waste Disposal Act or section 102 of the Marine Protection, Research, and Sanctuaries Act. In any calendar month, no such fee shall apply to the generation of waste by any person who generates less than 1,000 kilograms of hazardous waste in that month. Monies so collected shall be deposited in the Waste Reduction Account established pursuant to subsection (c) of this section.

(b) Such fees and charges shall be established, and reviewed on an annual basis, by the Administrator after considering the annual cost of operating the Clearinghouse, and the projected amount of hazardous waste which will be produced by any such firm on person requiring a permit under the Solid waste Disposal Act or section 102 of the Marine Protection, Research, and Sanctuaries Act.

(c)(1) All of the fees and charges collected by the Administrator pursuant to subsection (a) of this section shall be deposited in a separate account within the Treasury of the United States. Such account shall be known as the Waste Reduction Account (hereinafter referred to as the "Account").

(2) All funds in the Account shall be available only to the extent provided in appropriation Acts, for carrying out the provisions of the Act.

(3) The Administrator may prescribe such rules and regulations as may be necessary to carry out the provisions of this Act.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. BOREN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 4, 1987, only for the purpose of final committee passage of trade legislation falling under its jurisdiction.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BOREN. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, June 4, 1987, at 9:30 a.m. to continue oversight hearings concerning oil and gas leasing in the Coastal Plain of the Arctic National Wildlife Refuge, Alaska.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. BOREN. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Thursday, June 4, 1987, at 9:30 a.m. to hold a hearing on foodborne illnesses in the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. BOREN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on June 4, 1987, at 9:30 a.m. to consider S. 907, technology competitiveness, and S. 800, authorizing maritime programs for DOT.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BOREN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on June 4, 1987, to hold a business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENT

SOUTH DAKOTA—MENTAL ILLNESS AWARENESS WEEK

● Mr. DASCHLE. Mr. President, I am proud to inform my colleagues that South Dakota has become the first State in 1987 to proclaim Mental Illness Awareness Week as October 4-10, 1987. On April 16, 1987, Gov. George S. Mickelson issued an executive proclamation to this effect so that attention can be focused on the stigma imposed on the mentally ill population.

In so doing, South Dakota set an example for other States, as well as the Congress. By proclaiming October 4-10, 1987 as Mental Illness Awareness Week, we direct the public's attention to the plight of a very fragile population—the mentally ill. Recent research breakthroughs on the physiological etiology and concomitants of mental illness have resulted in significant diagnostic and treatment innovations. Publicizing the many advances assists in easing the stigma associated with mental illness.

I hope my colleagues, in addition to supporting Senate Resolution 76, will encourage their States to join South Dakota in proclaiming October 4-10 Mental Illness Awareness Week.●

MENTAL ILLNESS AWARENESS WEEK

● Mr. D'AMATO. Mr. President, I rise today in support of Senate Joint Resolution 76, a resolution designating the week of October 4-10, 1987, as "Mental Illness Awareness Week." I commend my colleague from Indiana, Mr. QUAYLE, for introducing this resolution, which will focus public attention on the concerns surrounding mental illness and the advances that have been made in treating this disease.

The impact of mental illness is felt throughout our society. Every year, between 31 and 41 million Americans experience significant disability with respect to employment, attendance at school, or independent living as the result of a clearly diagnosable mental disorder. More than 10 million Americans are disabled for extended periods of time by schizophrenia, manic depressive disorder, and major depression. Mental illness is a major contributor to homelessness; it is estimated that between 30 and 50 percent of the homeless suffer from serious, chronic forms of mental illness. The elderly are particularly vulnerable to mental illness; nearly one-fourth of the elderly who are thought to be senile actually have treatable mental disorders. Mental illness also impairs the healthy development of as many as 12 million of our children. All told, mental illness costs our Nation $106.2 billion annually in health care expenses and lost productivity.

Fortunately, research in recent decades has led to a wide array of treatments for some of the most incapacitating forms of mental illness, including schizophrenia, major affective disorders, phobias, and phobic disorders. These treatments—which may be pharmacological, behavioral, or psychosocial—have been demonstrated to be highly effective. Nearly two-thirds of all mentally ill patients show significant signs of recovery with their initial treatment. Moreover, appropriate treatment of mental illness can result in restored productivity, reduced utilization of more costly medical services, as lessened social dependence—all of which help reduce the cost of mental illness to society.

By informing the public that mental illness is a disease—and that it can be treated—we can do much to diminish the fear and misunderstanding that commonly surrounds this disease. I commend Mr. QUAYLE for drawing attention to this disease and for recognizing the role of research in helping us to understand and treat mental illness. I urge support and passage of this important resolution.●

INDIANAPOLIS

● Mr. QUAYLE. Mr. President, in August, thousands of world-class athletes from 38 countries will descend on the capital of my State, Indianapolis, for the quadrennial Pan-American Games.

This international sports achievement, however, is only a symbol in a long series of successes for Indianapolis.

As a recent article in Smithsonian magazine points out, Indianapolis can justifiably call itself the national amateur sports center of the Nation.

The Pan-Am Games are, of course, a noble and highly visible international competition.

But Indianapolis also hosted the National Sports Festival in 1982, and it will host the Olympic track and field trials in July 1988.

In addition, the Amateur Athletic Union has its headquarters in Indianapolis, and the governing bodies of a number of amateur sports—track and field, diving, gymnastics, rowing, synchronized swimming and canoe-kayak—have located there as well.

Indianapolis is also the home of two well-known professional sports franchises—the NFL's Colts and the NBA's Pacers—as well as two prominent professional sports events, the Indy 500 and the U.S. Open Clay Court Championships.

But its sports successes aren't all Indianapolis has going for it these days.

The nationally renowned Hudson Institute is there. Indy has the world's largest Children's Museum. And the New York Times calls the Indianapolis Symphony Orchestra one of the Nation's 15 best.

Most importantly, perhaps, is the fact that Indianapolis has diversified its economic base and established itself as a vital hub of the Midwestern economy. The rebuilt and reinvigorated downtown of Indianapolis is visible evidence of the renewed economic strength of Indiana's capital.

Indianapolis, as this article notes, is an urban jewel in America's heartland, a noteworthy story of achievement in the difficult circumstances of the industrialized Midwest. I would commend this article to anyone who would like to see how this success story was accomplished.

I ask that a copy of the Smithsonian article appear in the RECORD.

The article follows:

INDIANAPOLIS: A BORN-AGAIN HOOSIER DIAMOND IN THE RUST

(By Donald Dale Jackson)

Mayor William H. Hudnut III of Indianapolis glanced down at the notes on his desk. "How's this?" he began. "*Bue-nos di-as. May ya-mo es,* uh, *Gee-ler-mo.* No, *Gee-yer-mo.*" The accent was as flat as an Indiana cornfield, but the spirit was willing. "*Coma,* I mean, *Como say ya-mo?*" He looked up and smiled. "Yesterday all I could say was Taco Bell. I had my first lesson today. Okay-uh, *Con mu-cho gu-sto.*" He frowned in concentration. "*El gu-sto es mee-o,*" he said in conclusion.

By signing up for a six-week spanish course, Hudnut—"Mayor Bill" to the citizens of Indianapolis who have elected him to three terms as *El Jefe*—was demonstrating both his leadership style and the singular blend of Hoosier try and savvy planning that has transformed once droopy Indianapolis into a stunning American Oz, a wonderville on the prairie. His Spanish lessons were part of the Mayor's preparation for the Tenth Pan American Games, the quadrennial Western Hemisphere sports extravaganza to be held in Indianapolis in August. The Pan Am event, in which athletes from 38 countries including Cuba and Nicaragua will compete in 27 sports, is only the latest in a series of coups brought off by wide-awake Indy.

Like the city's other successes in recent years, ranging from the snaring of the former Baltimore Colts to the luring of the Hudson Institute think tank from New York and the emergence of first-flight cultural institutions, Indy's achievement in snagging the Pan Am Games came about through calculated planning and positioning. The city's leaders consciously set out to attain big-league status. When the brass rings came around, they were ready. As illustrated by the Mayor's return to the classroom, Indy also tries harder.

Not just the Mayor but hundreds of other Indy residents are studying Spanish in anticipation of the arrival of thousands of Spanish-speaking swimmers, pole vaulters, volleyball spikers and other athletes and officials. Cab drivers, policemen, waiters and others are broadening their linguistic horizons in the cause of good neighborliness; the art museum is mounting a special Latin American exhibit; the restaurant in the downtown Holiday Inn is even considering changing its lunch hours to accommodate the latin siesta.

"We have to look at it, to make the effort," Hudnut explains, "because we're not a dynamic Sun Belt city. We have to create and manage our growth." Bill McGowan, who as president of the Indianapolis Convention and Visitors Association is the city's public relations point man, says that Indy feels compelled to fuss over its guests. "We go all out, that's what sets us apart, and there's nothing cocky about us," he says. "We know that the phones in Boston and New York ring a lot more than ours do." Indy has to scramble.

Six months before the Pan Am Games the event's managers had already heard from more than 32,000 Hoosiers eager to work as volunteers; and $3.9 million worth of tickets had been sold, close to half the projected goal for ticket sales. Though most of the competitive venues were already in place—with its Hoosier Dome, its natatorium (left) and other arenas Indianapolis is equaled only by Los Angeles among U.S. cities as a home of world-class sports facilities—workers were plugging the few remaining gaps by readying sites for the soccer, equestrian and shooting events.

The way that the Indiana capital landed the Pan Am Games—the only other U.S. city to host the event was Chicago in 1959—is a textbook illustration of the canny mix of calculation, diplomacy and all-ahead-full hustle that Indianapolis has evolved in its drive for major-league status. "Our strategy," says Ted Boehm, an attorney who heads the nonprofit Indiana Sports Corporation, "was to apply the same skills we would use in a complex business operation to bringing major amateur sports events to Indianapolis: accounting, public relations, computer systems—with the whole works on a volunteer basis."

Opportunity beckoned when first Chile and then Ecuador withdrew from the role of host for the 1987 Games. The alert Hoosiers eyed these developments with the barely restrained avidity of a poker player holding four queens and watching his rivals fold. Indy had already captivated the U.S. Olympic Committee and emerged as the leading U.S. candidate by the time Ecuador bowed out. Mayor Hudnut, ever ready to sprint into action waving the Indy banner, led a group to Mexico City to make the city's pitch, and the selection of Indianapolis followed in late 1984.

The Pan Am coup confirmed what astute city-watchers had known for some time: Indianapolis has emerged as a strikingly successful contender in the perennial American urban sweepstakes, the jousting for recognition and visibility that can often be converted into economic gain. "Cities compete with each other all the time," Hudnut points out. "We're an entrepreneurial city—we take risks, we build on our strengths, we look for niches of opportunity and we market ourselves." The numerous admirers of Indy's victories in the urban marketplace are given to tying various belts around the city ("Star of the Snow Belt"—Wall Street Journal; "Cinderella of the rust belt"—Newsweek; "a Corn Belt city with Sun Belt sizzle"—Chicago Sun-Times) in stories that multibelted Indy's PR boosters tack on their office walls. But for all its self-promoting hype, which is considerable, Indianapolis is a sure-enough all-American success story, all the more impressive because of how far it came to get there.

"INDIA-NO-PLACE" BECOMES SOMEPLACE

Less than a generation ago Indianapolis was a dull and deteriorating city with a self-esteem problem, disparaged by natives and aliens alike as "India-no-place" and "Naptown." It was a place where the action wasn't, a cornfield-ringed metropolis with a self-perception as a good place to raise a family. It woke up once a year for the Indianapolis 500, but otherwise it was content to doze. A self-deprecating Hoosier joke told of the visitor in search of a good restaurant who was directed to Chicago. Dozens of downtown stores were boarded up in the early 1960s, and derelicts colonized the seedy warehouse district around the old Union Station. Indy was minor league all the way; it seemed fitting that its Triple-A baseball team performed at Bush Stadium.

The city slowly began to rouse in the late 1960s. The concept of "image" had entered the American vocabulary, and Indy's Chamber of Commerce became curious about how their city rated in outsiders' eyes. They commissioned a consultant to find out, but the answer was not comforting. "They said we didn't have a good or bad image, we had no image," says Sid Weedman, a onetime college professor who became a leader in the Indy revival. Amid the ensuing teeth-gnashing and stock-taking, a coalition of civic leaders called the Greater Indianapolis Progress Committee emerged, with a self-assigned mission to create something positive on the blank page that was the Indy image.

They knew they would have to do it themselves, to make it happen, because nature had not been kind to them. Indianapolis is abjectly deficient in mountains, beaches, scenic splendor or a soothing climate. Its unimposing White River, which the city's original settlers had mistakenly believed was navigable, was hardly going to lure a stampede of tourists. To halt and reverse the city's slide they had to accentuate and enhance their positives. Indy's location, for one, had always made it a crossroads—it was on the way to everywhere. Another plus was a focus on health and nutrition. The Eli Lilly pharmaceutical company was the largest homegrown business in town, and the Indiana University Medical School was there. There was also the long-standing Hoosier infatuation with basketball and sports in general. The question was whether they could fashion something marketable out of this slender portfolio of assets.

Indy's location made it a logical convention site, so the first decision, in the late 1960s, was to build a major convention center. Next came Market Square Arena, which became the home of the National Basketball Association's Indiana Pacers. The big league, at least one big league, had arrived. Downtown Indianapolis, though still a low-voltage building, was finally beginning to glow a bit, albeit fitfully.

With the election of a popular Republican, Richard Lugar (now a U.S. Senator), as Mayor in 1967, the city's conservative business community had a leader they felt comfortable with. Lugar helped engineer a sweeping change in the city's governmental structure, which proved to be a major turning point for Indianapolis. In 1970 the city merged with most of surrounding Marion County into a new entity called "Unigov," which nearly doubled the population (at 710,000 it was the nation's 14th largest city in 1984) and enhanced its eligibility for federal funds. Democrats grumbled that Unigov was a formula for permanent GOP control, since the annexed suburbs were largely Republican, but businessmen saw it as the beginning of a congenial public-private partnership in downtown development—which it turned out to be.

Builders who now felt they had a friend at city hall began to remake the city's skyline. A Hilton and then a Hyatt Regency hotel went up downtown, the latter erected as part of a multibuilding complex facilitated by $4 million in city bonds. Indy's image-makers decided that a great city needed a great center of learning and the State of Indiana obliged by creating Indiana University-Purdue University at Indianapolis (IUPUI), a new campus close to downtown which united the two leading state institutions. Down-to-earth Hoosiers promptly nicknamed the new school "Ooey-Pooey."

The beginnings of a downtown comeback and the academic infusion were gratifying, but Indy wanted more. In the mid-'70s the city leaders hit on an answer—sports. Sports was the way. Market research confirmed it: they found statistics showing that 80 percent of the American public was to some degree interested in sports. Amateur sports, especially—wholesome, healthy, competitive, a Hoosier natural, an American natural. "We were selling ourselves as mainstream America," Sid Weedman says.

The Indianapolis Establishment pounced on the idea ("Everyone began thinking that way," says Weedman) and buzzed into action. The headquarters of the Amateur Athletic Union had moved to Indianapolis in 1970, and Indy recruiters bearing gifts—foundation money, low-rent or no-rent office space—now began romancing the governing bodies of various amateur sports, eventually bagging the national offices for track and field, diving, gymnastics, rowing, synchronized swimming and canoe-kayak. They reasoned correctly that this would generate national events with an Indy dateline. And they also realized, as Ted Boehm has observed, that "now we had to have the hardware"—the arenas.

Seeded by money from the city, from corporations and from Indy's most munificent municipal angel, the philanthropic legacy of the Lilly family called the Lilly Endowment, the facilities began to rise. The directors of the hugely wealthy Endowment (its current assets are valued at nearly $2 billion) had made a fortuitous decision to concentrate its largess on its hometown, a second turning point for the city. Two splendid world-class venues, a track and field stadium and the natatorium, were built on the Ooey-Pooey campus before the school had a track or swimming team. A tennis complex constructed nearby became the site of the U.S. Open Clay Court Championships. A velodrome for bicycle racing materialized. Gleaming with promise, the new arenas were ready when Indy staged its first mega-event, the National Sports Festival, in 1982. Thousands of volunteers donned badges and pitched in, and the festival turned a profit for the first time. The strategy had delivered its first payoff, though the payee was the U.S. Olympic Committee. More important, Indy was edging its way onto the national sports map.

The event that erased any doubt about Indy's status as a big-league sports town, the shift of the Baltimore Colts pro football franchise to Indianapolis in 1984, is viewed today, ironically, as something of a civic embarrassment. The Colts' midnight move shocked Baltimore and threatened to tarnish Indy's hard-won image, and Major Hudnut is still at pains to avow that "We didn't steal the Colts, Baltimore lost them." Preparedness was again the Hoosier secret: with the help of another generous grant from the Lilly Endowment, the 60,500-seat Hoosier Dome was completed and in business by the time the Colts kicked off their first season in Indiana, before a sell-out crowd of season-ticket holders.

The Dome as well as the other athletic theaters and downtown projects were all built on schedule, an achievement traceable to a serendipitous agreement hammered out more than a decade ago between contractors and construction unions. With the addition of the Dome to the other arenas, the conversion of Indianapolis to a kind of permanent Wide World of Sports was complete. Judo, water polo, free-throw contests, fast-pitch softball, slo-pitch softball, archery, kayaking—you name it, Indy sells tickets to it. Hardly anyone mentions the Indy 500 nowadays; like the handsome dome on the downtown state capitol, the race has been eclipsed by newer and shinier phenomena. After the Pan Am Games the focus will shift to the Olympic track and field trials in July 1988. If Indy had a hill, it would be bucking for the Winter Olympics. "If you think a proposal won't work here," says Bill Carr, a onetime New York newspaper editor who now runs the Indianapolis office of a New York public relations firm, "you'd be ill-advised to say so. The people here are so gung ho that they can't cope with that."

Big-league baseball is perhaps the only badge of bigtime sports status that has thus far eluded Indy. When baseball expansion seemed possible a few years back, a group of Indy investors promptly formed a paper team, the Arrows, and collected deposits for more than 11,000 season tickets. But Indy's reputation for athletic aggressiveness also has its downside. When word got out that Art Angotti of the Arrows group was going to Pittsburgh to confer with the owner of the struggling Pirates, Angotti got a call from a Pittsburgh city official threatening to arrest him for "tampering with a municipal facility" if he showed up in the city. He didn't; the owner went to Indianapolis.

While the sports explosion snared most of the headlines, the city's cultural institutions were quietly expanding and striving upward with their own form of Hoosier hustle. The two leading museums, the Indianapolis Museum of Art and the Children's Museum (the world's largest), both moved to more capacious quarters in the 1970s and both are expanding again. The celebrated Children's Museum has five floors of beguiling hands-on exhibits ranging from the most extensive toy train collection anywhere to an Indy racing car and a working carousel. A modern dance troupe arrived in 1972, a ballet theater and an opera company a year later, and two decaying downtown movie palaces were restored to house a repertory theater and the Indianapolis Symphony Orchestra. In 1984, New York Times critic Harold Schonberg ratified the orchestra's status by ranking it among America's top 15.

Indy takes none of this in stride. Success has bred more success, one risk has spawned another, but the hustling never quits. In its own down-home, heartland way the Indianapolis story is a classic expression of the characteristic American drive to get ahead, to triumph through hard work, to make it. Rave reviews for touring Indy performers are reprinted in the local papers. The recent acquisition of highly regarded British conductor Raymond Leppard as music director of the symphony was reported as a civic coup. "We all feel the pressure to grow, and we accept it," says Robert Yassin, director of the Museum of Art. "Sometimes you feel caught in a whirlwind here. It all happened so fast. But there's a feeling that tomorrow will be a brighter day, the city just keep going." The museum conducted classes in Latin American culture and is presenting a special exhibit, "Art of the Fantastic: Latin America 1920–87," in conjunction with the Pan Am Games. With Hoosier practicality, the Pan Am organizers are using the orchestra's theater on Monument Circle as the venue for the weight-lifting event.

The most visible symbol of the Indianapolis renaissance is its gleaming downtown heart. More than a billion dollars in public and private funds has been poured into the new hotels, office buildings, theaters, restaurants and other kinds of development in the area once marked by dust-caked storefronts and empty sidewalks after dark. A visitor craving a croissant need not fret nowadays—a "food court" is never far away. A new hotel is rising next to the capitol building; the unfinished Pan Am Plaza a block away will contain two ice rinks and an office complex. The Indiana Roof, a ballroom with a Spanish Baroque motif that enjoyed its heyday in the 1930s, reemerged in the '50s and reopened last year with a $5.5 million face-lift and a computer-generated weather machine that drops snow made from shredded cellophane on the dancers.

The old Union Station terminal, restored and transformed into a hotel-restaurant-food court and retail shops complex at a cost of $60 million, is a showpiece of Indy's new downtown. With its lovingly rehabilitated tile columns, varnished wood, steel girders and ghostlike plaster mannequins representing travelers in an earlier America, the station has become the most popular show in town, attracting more than 13 million visitors in the first year following its opening in the spring of 1986. Developer Bob Borns lopes around the clangorous station with long, sweeping strides, eyeing the ringing cash registers and chatting amiably with anyone who halts his flight. "That's the Hoosier litmus test," statewide newsletter publisher Harrison Ullmann observes. "They won't let you get too big for your britches." Borns, who has financed several downtown projects, sees Indy's dazzling new city center as a potential "urban Disney World."

"EVERY CITY HAS ITS MOMENT"

He may be right. The $200 million White River State Park, including a 65-acre downtown zoo, a pleasuring-ground modeled on Copenhagen's Tivoli Gardens, and a controversial 750-foot-high tower which is still on the drawing board, is due to open in stages over the next few years. The Lilly Endowment, again, was the park's principal financial angel. "I think every city has its moment, its time when things can happen," says Sid Weedman, who runs the White River Park project. "Ours is now." A new commercial mall featuring a covered walkway spanning the several blocks between Monument Circle and the Hoosier Dome is in the planning stage.

A few voices in the Hoosier wilderness complain that Indy's leaders have ignored or neglected some unpleasant social and economic realities in their drive to glitz and glory. "With the exception of Lilly, the city still doesn't control its own economy," says Harrison Ullmann, who publishes the muckraking Indiana Letter; "most of the big employers are from out of town." Ullmann also points out that the city's declining industrial base has not been offset by the new development.

Fay Williams, a prominent black attorney, contends that human problems have been slighted in the building boom and that "civic pride is a luxury" for people without job skills or adequate low-cost housing. "Development here is a game only a few can play," she says. "They draw the covered wagons around them." (Two old men encountered in an office building lobby, one resembling Frank Bartles and the other Ed James, dismissed the downtown revival as "nice, but all for the rich.") Williams faults the Lilly Endowment for "failing to lead a renaissance in human development." Mike Carroll of the Endowment replies that although housing and neighborhood revitalization have been neglected, the foundation has now moved them "to the front burner. I think we'll focus on that in the next five years," he says.

Mayor Hudnut, the Spanish student, orchestrates and overseas the Indianapolis revival from his top-floor office in the 25-story City-County Building. Lean and energetic, the 6-foot-5 ex-preacher is liable to pop up almost anywhere Indy's name is mentioned. He's in Asia, talking to businessmen who are considering moving a plant to the United States. He's in New York to quash a putative raid on the NBA Pacers. He's in Mexico City lobbying for the Pan Am Games. At home he plays chess with the Indy grammar schoolers who won a national championship (the Mayor lost), he dispatches moving vans to Baltimore to collect the Colts' belongings, and he writes a letter to Time objecting to a passage that said Indy is "in a positive fever to become someplace else." He brings his abundant charisma to his pursuit of the Indy grail; he has "so much charm," says Ullmann, "that if he fired you you'd feel gratified to be singled out for his distinction."

The Mayor acknowledges that "Nirvana hasn't arrived yet" and declares that he hopes to build low-cost housing and improve the city's economy base along with its image. Indy offers various inducements to businesses moving into town, including zoning concessions and tax abatements that enable a firm to defer some payments for as long as ten years. The scorecard on new businesses has thus far been mixed: Purolator Courier and Overland Express recently relocated there, but Western Electric and Stokely-Van Camp decamped.

A recent catch was the Hudson Institute. Thomas Bell, Jr., Hudson's president, says that escalating expenses mandated a move and that the Institute was courted by several Western and Midwestern cities including Phoenix and Columbus, Ohio. The Indy contingent was "organized, united, they knew what they were doing and they could move fast," he says. They also offered a satchel of sweetners, including subsidized moving expenses and $2.5 million in grants from the Lilly Endowments and Indiana corporations.

Bell has no regrets. "Here we're in the middle of what most of the country is all about—agriculture, education, business-labor relations, Washington and New York are more parochial than Indianapolis. They ask us what's going on 'out there' because we now represent 'out there.' And Indianapolis appreciates us. I'm sold," he declares, "We're not going anyplace. I'm a Hoosier." He has the volunteer obligations to prove it—he's on the boards of the art museum, the Pan Am Games and the Indiana Sports Corporation.

In the final analysis Indy's most marketable asset may well be the Hoosier personality: eager, likable, sensible, self-effacing. In 1850 a Missourian named William Rothwell sketched a collective portrait of the Hoosiers he met on his way to the California goldfields. They were "plain, open, free and sociable," he wrote, with "a certain simplicity of countenance and manner peculiar to Hoosiers." They still are. "We want visitors to like us," Sid Weedman says, "not just to come here for an event." Harrison Ullmann believes that Indy has not yet shed its self-doubts. "It's still pretty aw-shucks here," he says. "There's a hesitancy to brag to out-of-towners. It's as if we think that if something were really good it wouldn't be in Indianapolis." Counters Ted Boehm: "I'm ready to declare victory on the question of whether we're a big-league city."

Despite its well-orchestrated campaign for a national name, Indy still behaves like the one-on-one, home-and-family town it's always been. An intermission at a "family day" NBA game features a lay-up contest between two Hoosier families—Mom, Dad and two kids each. The home folks are free to use most of the elaborate world-class sports facilities. Cab drivers, policemen and others who deal with the public are regularly briefed on the details of such attractions as Union Station and the Pan Am Games. "I want Indianapolis to be a major-league city with a hometown atmosphere," Mayor Hudnut says, and so far it still is. Its new eminence and the attendant complications may eventually alter homespun Indy, but it hasn't happened yet; there are no signs of an identity crisis.

The closest thing to it may have been a slogan Indianapolis latched onto a few years ago: "Apple [as in the Big Apple] is our middle name." But the T-shirts bearing this misleading message are nowhere to be seen nowadays. Indy's grown out of them.●

THE NEED TO PROVIDE A PREFERENTIAL TAX RATE FOR CAPITAL GAINS

● Mr. BOSCHWITZ. Mr. President, this will be my sixth floor statement advocating a preferential tax rate for capital gains. I will continue to speak on the issue in the future.

By way of background, the Tax Reform Act of 1986 which we passed last year—with my enthusiastic support—repealed the exclusion that had existed for long-term capital gains. Under that exclusion, 60 percent of eligible long-term capital gains were not taxed. Since the top tax rate was 50 percent, the maximum tax rate on long-term capital gains was 20 percent.

Under the new law—that is, the law after the Tax Reform Act of 1986—capital gains will be taxed as ordinary income, so that the maximum marginal tax rate on capital gains at the Federal level could increase to as high as 33 percent. In prior floor statements I have spoken on why I disagree with the decision to repeal the exclusion. I have pointed out that the exclusion was not a loophole for the wealthy but was instead an important economic incentive, the loss of which will, among other things, have a negative impact on our international competitiveness and a negative impact on low and middle-income taxpayers.

Today, I would like to talk about my friend, the late Congressman William Albert Steiger. Steiger is an important name in the long history of capital gains, which dates all the way back to 1921. From 1921 until enactment of the Tax Reform Act of 1986, we had a differential tax rate for capital gains. So repealing the exclusion last year was certainly a very significant change in tax policy.

From 1967 until 1978 Bill Steiger served in the House of Representatives as a Republican Congressman representing the Sixth District in Wisconsin. Bill carried the ball in the push for the larger capital gains differential which was eventually enacted in 1978. As I pointed out in my last floor statement, he encountered no small amount of resistance in his efforts. Opposing proposals to change the tax treatment of capital gains, then Secretary of the Treasury W. Michael Blumenthal wrote Bill in 1978 that increasing the differential between ordinary income and capital gains would cost the Treasury $2 billion annually in lost revenues.

As the evidence clearly demonstrates, we should now know that decreasing the tax rate on capital gains will not result in a loss of revenue to the Treasury. To the contrary, the historical data clearly show that increasing the tax rate on capital gains decreases collections, while lowering rates increases capital gains collections. Congressman Steiger's unrelenting efforts finally paid off in 1978 with passage of the "Revenue Act of 1978"—H.R. 13511, Public Law 95-600—which increased the capital gains exclusion to 60 percent.

Congressman Steiger was born in Oshkosh, WI, in 1938. He attended Rose C. Swart Campus School, Oshkosh High School, and then the University of Wisconsin, from which he was graduated in 1960. Bill was elected to the Wisconsin State Assembly from the first district of Winnebago County in 1960, and reelected in 1962 and again in 1964. He was a delegate to the Republican National Convention in 1968, 1972 and 1976. In 1968, the U.S. Jaycees named Bill Steiger as one of the 10 outstanding young men in America. Prior to coming to the Congress Bill was president of Steiger-Rathke Development Co.

So in the history of capital gains in this country, the name of William Albert Steiger has a very special place. And it is important that capital gains not simply fade into history as a provision from a prior era. We need a capital gains differential in the tax law. I have introduced legislation—S. 444—which would reinstate a capital gains differential into the tax law. Under my proposal, a 40-percent exclusion would be allowed for assets held for 1 year. In the case of assets held 3 years or longer, the exclusion would be increased to 60 percent. I invite my colleagues to join me in supporting a reinstatement of the capital gains rate differential.●

THE IMPACT OF INTERNATIONAL TRADE ON NATIONAL ECONOMY

● Mr. McCONNELL. Mr. President, it would be an understatement to say that international trade has a pervasive impact on our national economy. Our commerce with foreign countries affects, directly or indirectly, every sector of our economy, and has a profound influence on the basic industries which fuel our Nation. We enjoy the benefits of international trade, and we allow other nations access to our commercial market—the largest in the world.

Unfortunately, not every nation affords us equivalent free access to their markets. As a result, we are experiencing unprecedented trade deficits which place severe constraints on our economy, costs us jobs, and have given urgency to trade legislation in this Congress.

Japan serves well as a paradigm of those countries which take blatant advantage of our openness. It is no secret that Japan's economy is primarily export driven. They guard their own markets jealously, while they sell aggressively to ours. Tobacco is a case study with which I am intimately familiar—they have constructed an intricate maze of tariffs, quotas, bureaucracies, regulations, and Government monopolies, for the simple purpose of excluding American cigarettes from their markets. Ours is clearly a superior product, and these barriers are in place for no other reason than to protect their own domestic tobacco industry. And this is but one of countless products which find Japanese doors closed to trade.

Recently, Bosworth M. Todd, Jr. addressed himself to the Japanese economy, and the effects of their unwillingness to open their markets, in a speech to the Southern Teacher's Retirement Conference held in Lexington, KY. I think that Bos Todd makes some most insightful observations and interesting projections, and I commend him for his thoughtful and detailed approach to a complex situation. I am asking that the text of his speech be included in the Record, and bring it to the attention of my colleagues as the basis for serious thought about our trade relations with Japan, as well as the entire trade policy debate.

I ask that the text of this speech be printed in the Record.

The speech follows:

A Bloodless Pearl Harbor

(Speech by Bosworth M. Todd, Jr.)

In April, 1985, I wrote a magazine article expressing skepticism about meaningful relief from our trade deficit with Japan. At that time, they had a trade surplus of $37 billion with the rest of the world, much of it with us, and had emerged as the world's largest creditor nation.

I cited protectionist tariffs and trade restrictions, which hurt our efforts to sell our goods to them. They still do.

The Japanese don't play by the same rules we do. They are tough negotiators. They'll do anything to keep out unwanted competition.

They overprotect farmers. High taxes restrict supply of land, and shares of stock. In my article, I complained they "managed" the yen, (247 per dollar) keeping it cheap to give exports a price advantage.

Two years have gone by and the Japanese trade surplus is up 2½ times to $90 billion, in spite of the yen nearly doubling, to 139. Barriers continue, and manufacturers have absorbed much of the change in their currency rather than raise the price of a Toyota to $24,000.

Japan has half our population, half our GNP, yet its stock market, at $2.8 trillion, recently passed our own. . .up 100% in the past 12 months alone. Stocks are 56x earnings, versus 15-20x for the rest of the world. That's speculation.

Tokyo real estate prices tripled in the last three years. Here is a country the size of California, much of it mountains, one-third habitable. Walking on Tokyo streets is like Grand Central Station at rush hour.

I was thinking about using my Delta Airlines bonus points for a free flight to Tokyo until I learned from a friend it can cost $700 a day, once I arrive. . .$130 cab ride from the airport. . .$7 for an orange juice. . .$17 to have a suit cleaned. . .nearly $4 for a cup of coffee. Ridiculous.

Japan's economy in many ways is archaic, such as their weird political structure and excessive protectionism. Another flaw is their lack of military strength. They are dependent on us. We spent billions on a carrier task force in the Arabian Gulf so Japan can get its oil. We spend 6%; they spend 1% on defense.

The hourly wage is about 15% below ours. But living costs are 2½ times ours, so living standards are low. Their consumer markets are limited. No wonder. Protectionism limits their access to imported goods.

Japanese corporations now divert much of their profits into the stock market instead of capital investment. Individuals are taking out loans against their property to speculate in the market.

The astonishing rise in Nippon Telegraph, a mature telephone utility, to 280x earnings is dramatic evidence of excessive speculation. The former government-owned company came public with a portion of their shares in February, at $10,500 a share, and has since doubled. . .now a $320 billion in market value, or 4x that of the much larger IBM.

Two-thirds of all Japanese shares never change hands. Many corporations for years have owned stock in other Japanese companies. Such cross-ownership is like a seaweed, a hangover from power conglomerates. If they sold, they would pay a 55% corporate tax on the profit. . .hence limited floating supply.

Some of the reasons why the value of land in Japan exceeds that of all the U.S. are *restrictive zoning* and costly *food price supports*. This leads to such bizarre activity as rice farming on the outskirts of Tokyo. Those policies along with high taxes on land sales mean 94% of Japanese land never comes up for sale.

Perhaps that explains why a large Tokyo taxi company recently bought the 1,200-room Hyatt on Maui for $360 million or $300,000 per room, a record price for a hotel.

Half of Japan's habitable land is devoted to farming, half of that in rice. Japan forbids importation of rice. The government pays huge price supports to farmers. Consumers thus pay 11x the world price, the price it could be shipped in from California.

There are thousands of inefficient one-acre rice paddies in the Tokyo suburbs, tended by factory workers in their free hours.

The average price of a very small 400 sq. ft. house in a middle class Tokyo district is 10x annual pretax earnings of the family—a heavy burden. By contrast it is only 4x in the U.S.

Real estate, since so little land does come into the market, gets resold thereafter once very two months. More than $200 billion in bank loans feed this speculative commerical real estate trading activity.

The Tokyo stock market is antiquated . . . like ours 60 years ago . . . market rigging is common. Margin buying and speculative short term trading are widespread.

It's a thin market, but trading volume is 6x ours, due to heavy turnover. It's an easily manipulated market.

Nissan lost money last year selling cars, but more than offset it by trading shares in other companies. Sony used the proceeds of a recent debenture not for plant but to speculate in the market . . . and included trading profits . . . even after the 55% tax . . . in reported earnings.

Japan's rising trade surplus is feeding this fever. In a world of uncoordinated money policy and floating exchange rates, this surplus has driven up the yen so dramatically, Japanese investors have suffered big foreign exchange losses on their investments in our country. Long U.S. governments purchased two years ago have lost one-third of their value to Japanese investors. Realizing this, some Japanese investors including corporations, have exchanged their dollar holdings back to yen . . . swamping Japan in even more liquidity.

However, the wide spread between U.S. and Japanese bond yields encourages some Japanese investors to remain in our market. The five point yield spread on a five-year Treasury (8.5% vs. 3.5%) means that even if the yen rises over the next five years to 100 to the dollar, versus 139 now . . . the extra yield offsets the currency loss.

If Japan were to open up to exports, there would be plenty for Janpanese consumers to buy. They would not have to spend 35% of their income on food, twice our portion. The strong yen would enable them to draw in a wealth of cheap imports, expecially food, and allow development of Japan's stunted consumer markets, reduce their huge trading surplus, raise Japanese living standards, and restore some balance to the foreign exchange markets. What can we do?

We should encourage "one man-one vote" in Japan, as recently proposed by Sam Nakagama. Agriculture is a powerful voice in Japan, way out of proportion to their number. It's ridiculous to see steak selling for $45/lb. in their supermarkets because the powerful farmers' lobby inhibits beef imports.

Since Japan is the most speculative market in the world today, and now the biggest, we should watch for signs of weakness in the market as an early warning for a cooling off in our own market.

Japan is the focus of speculation in the world today. I'm cautious about our market outlook because I'm aware we live in an interdependent global financial village, one member of which has gone mad at the moment.

What's ahead? There will be tougher trade negotiations with Japan. The yen will stabilize. Our trade deficit will shrink. There will be an increase in our discount rate, a lowering of Japan's, maybe Germany's; an agreement—not for fixed exchange rates, but trading bonds—more policy coordination, some trade concessions in return for cancelling our April 17 semiconductor tariff penalty . . . possibly some Japanese help in lending money to Latin America. We are in the eye of the storm at the moment.

Lee Iaccoca, in his book, quotes Dr. Kubo, chairman of Mitsubishi: "We in Japan look out for our self-interest. What I don't understand is why your country does not do the same."

Perhaps we are learning to do just that.●

ORIGINAL S. 777, THE GUARANTEED JOB OPPORTUNITY ACT OF 1987

● Mr. SIMON. Mr. President, on March 18, 1987, I introduced S. 777, the Guaranteed Job Opportunity Act of 1987. From the outset, this bill has had the enthusiastic support of friend and colleague Harry Reid, the distinguished junior Senator from Nevada.

Senator Reid is the only member of this body, to my knowledge, who has spent the night in a shelter for homeless people. He has come face to face with poverty and deprivation, in a way most of us have not. He has done so without fanfare and media coverage.

In my haste to introduce S. 777, I neglected to include the names of each of the original cosponsors of this measure to guarantee a job for every American that wants to work. In addition to Senator Reid, Senator Harkin, and Senator MIKULSKI should also be listed as original cosponsors.

I want to apologize for any inconvenience or misunderstanding that may have been caused by my failure to include each Senator's name on the bill. I appreciate their strong support of this important measure.

The next major commitment America must make is to the development of our human resources—we must put America back to work.

Mr. President, as I said, on March 18, 1987 I introduced legislation to establish a guaranteed job opportunity for every American. Achieving full employment is the next logical step of a humane society and a society that squarely confronts the issues of competitiveness and productivity. Since we are not going to let people in America starve, we have two options—to pay them for doing nothing or to pay them for doing something.

The Full Employment Act of 1946 declared our Nation's commitment to providing jobs for every American who was able and willing to work. Since 1946, the Congress has enacted legislation declaring a "war on poverty" and has restated its commitment to full employment in the Humphrey-Hawkins Act, the Full Employment and Balanced Growth Act of 1978. Unfortunately, our record since the passage of the Humphrey-Hawkins bill in 1978 is not good. One reason is that we have been short on work and long on words when it comes to carrying out our promise to put Americans back to work. I want to emphasize to my colleagues that this proposal is different. It is short on words—just a 22-page bill—it would establish no new Federal bureacracy to administer the program, and it will work.

The Guaranteed Job Opportunity Act of 1987 will create the Guaranteed Job Opportunity Program. In each community a local board composed of equal numbers of business, labor, and public sector representatives will develop employment projects. Those who are eligible for employment must have been unemployed for at least 5 weeks. S. 777 also contains the following essential elements which are as follows:

> Employment—Eligible participants will be hired on a project-by-project basis to work a maximum of 32 hours per week; pay will be at the minimum wage ($3.95 an hour, $107.20 per week, or ten percent above the participant's welfare allotment or unemployment compensation, if applicable, and where the welfare allotment or unemployment compensation due would exceed the minimum wage; the participant would continue to be eligible for a (minimum wage) Guaranteed Job Opportunity Program (GJOP) job should his or her welfare allotment be reduced or the unemployment compensation benefits expire.
>
> Testing and Educaton—all applicants will be tested for basic reading and writing ability, with basic skills instruction provided for those with limited or marginal skills, but who holds a high school diploma or a GED, and required of those with no high school diploma or GED. Those in the latter category will receive counseling and must attend evening or weekend classes until they obtain a GED. Bilingual classes will be provided for the limited English speaking and waivers would be made available for handicapped persons or those requiring special education.
>
> Job Clubs—will be formed to assist with résumé preparation, the development of good interviewing techniques, and to provide feedback to club members on what each is doing in the job search process.
>
> Benefits—persons employed through GJOP will receive medical coverage, Social Security retirement and disability coverage, but will not receive unemployment compensation coverage. Supportive services such as child care and transportation to education and training centers will also be provided.
>
> Work Projects—Jobs will be decided on a project-by-project basis according to guidelines established by the Secretary of Labor. If an objection to a project is filed by 2 union representatives from the committee, or by 2 business representatives, the project would be vetoed. Supervisors will be assigned project-by-project and will be paid the local prevailing wage. Transportation and equipment may not exceed 10% of the total project cost.

While the guaranteed job opportunity is the centerpiece of my proposal, those eligible will participate in a process that will emphasize education, training, and job skill development. The focus will remain on private sector employment, and as a last resort, a guaranteed job opportunity in the public sector. These jobs will be assigned on a project-by-project basis and may last from 1 day to several months.

This bill is not a simple answer or panacea to the problem of unemployment in America. I have joined a bipartisan majority of the members of the Senate Committee on Labor and Human Resources in sponsoring S. 514, the Jobs for Employable Dependent Individuals Act [JEDI], which provides an incentive for States to train and place AFDC and SSI recipients, in particular the young, potentially long-term welfare recipients. Under this program, States will receive a bonus for each AFDC recipient placed as a result of participation in a training program. The bonus rewards States using a portion of what would otherwise be the AFDC benefit check. I am also an original sponsor of S. 538, the Economic Dislocation and Worker Adjustment Assistance Act of 1987. This bill implements the recommendations of Secretary of Labor Brock's task force on economic adjustment and worker dislocation in a competitive society. It promises to substantially enhance our current Federal efforts to retrain and reemploy persons displaced by plant closings, adverse economic conditions and other circumstances beyond the worker's control. Farmers and displaced homemakers will also benefit from the provisions in S. 538.

There is, however, a longer term employment program than will be addressed by these pending bills or this year's budget proposal by the Reagan administration. The Washington Post touched upon the real issue in a June 15, 1986, editorial "Not Enough Jobs":

> * * * Sometime in the 1970s there was a silent and profound change in the politics of economics. The unemployment rate was no longer the single crucial number that could swing elections. Memories of bad years in the 1930s and, for the Europeans, the post-war 1940s had faded. A substantial structure of Social Security and unemployment benefits had been written into law, and the fear of losing a job no longer went so deep. As the pivotal number in elections campaigns, unemployment was replaced by inflation. To push inflation down, governments throughout the world have resorted to policies that have left the numbers of people without jobs far above the levels that, until the mid-1970s, were traditional.
>
> Here in the United States, the massive loss of industrial jobs in chiefly attributed—correctly—to the excessively high exchange rate of the dollar. But over a longer period there is a pattern of decline in manufacturing employment that is common to all of the advanced industrial countries, even Japan. Productivity has typically risen much faster in manufacturing than in most other sectors of these economies.
>
> A high general level of unemployment is not the only measure of the social damage that results. Another is the length of time that each person remains unemployed, and it has generally been increasing. Still another is the age distribution of unemployment. Americans worry, with good reason, about unemployed youth. But the Europeans have far more to worry about. In the United States, one out of every seven working people under the age of 25 is out of a job. In France it's one out of four, and in Spain nearly half.
>
> Of all the industrial countries, only Japan has cut inflation without letting unemployment rise to levels that, at any time before the last dozen years, would have been considered intolerable. In Europe and North America there have been endless attempts to bring down both together, and none has worked. It is correct to celebrate the return to (comparatively) low inflation. But it would be quite wrong to ignore the costs at which it has been accomplished.

We must make eliminating unemployment our No. 1 priority.

THE PROBLEM

Unemployment will not disappear by wishing it away, by a policy of drift and hope, by making pious speeches about it. Doing a politically safe ballet dance around the issue will not solve it. And we need to solve it because a massive waste of humanity is taking place each day, and that waste is slowly but certainly eroding our economic future.

The Nation heard editorial cheers when the unemployment rate dropped to 7.2 percent for 1985, but between the Great Depression and 1980 there were only 2 years—1975 and 1976—when the unemployment rate was that high. Although there has been some month-to-month variation in joblessness, the overall unemployment rate has increased by more than 1 percentage point each decade since 1950. Our colleague, Senator DANIEL PATRICK MOYNIHAN, has accurately noted, "rates of unemployment that were thought intolerable in the early 1960's are thought unattainable in the 1980's."

Under the leadership of President Harry Truman, Congress passed the Full Employment Act of 1946, making a commitment in words to provide employment opportunities to all Americans. Truman then was worred about 1 million people unemployed. Forty years later, with 10 million people unemployed, the hope and the promise of that act remain unfulfilled.

Nothing restricts the future as much as our failure to use our human resources more fully. Why has Japan made such tremendous strides, moving form income that was 5 percent of the average American's income in 1950, to 67 percent in 1984? Japan, a nation the size of California and half our population, has few natural resources. Yet Japan has surpassed most nations in economic growth through developing ideas and human potential. Japan has announced a goal of having the world's highest per capita income by the year 2000, and few contest that possibility.

For the United States to fail to understand the need to develop ideas and human resources much more fully is not simply economic folly, not simply lacerating ourselves with self-inflicted wounds, it is causing untold and needless agony across this good and rich land. Unfortunately, most of us don't see the agony. In the play named for the lead character, Zorba draws laughs when he says the obvious to a man he meets, "We are strangers because we do not know each other." The agony of joblessness is a stranger to most Americans because we do not know it personally. We may experience it slightly through seasonal unemployment, through a temporary layoff, through a temporary transition period of a week or two from one job to another, but not the hard, real thing. Even if we do not encounter joblessness in its full harshness, it touches us every day in a multitude of ways. We face the indirect spinoffs from unemployment: high crime rates, and tax money going for welfare, prisons, and unemployment compensation. But, for most of us, the confrontation with unemployment's grimness is distant, indirect. The ugly realities do not penetrate most middle-class homes.

Unemployment leads to poverty, and the poverty statistics are not pleasant. In 1984 1 in every 7 Americans lived in a family that fell below the poverty line of $10,609 for a family of four. In 1968 the poorest fifth of U.S. families had 91 percent of the money needed for basic requirements, but 15 years later that had fallen to 60 percent. Most of the poor are white, but blacks are three times as likely as whites to live in poverty; Hispanics are more than twice as likely. Thirty-four percent of those living in female-headed families are poor. The only good news in poverty statistics is that the percentage of elderly Americans living in poverty is declining. Older Americans are being lifted by Social Security and programs like supplemental security income. But those over 65 are only 14 percent of our population. For the nonelderly poor in our midst the main answer must be jobs.

In all, we have at least 10 million people unemployed or significantly underemployed—working 2 days or less a week when they want to work full time. Ten million people is almost twice the population of Switzerland. If Switzerland suddenly lost all its employment, the United States Government would galvanize our resources to help the Swiss people. Lions Clubs and women's clubs and churches and synagogues would volunteer help. As they should. But when more than twice the employable population of Switzerland is unemployed within our own borders, we have yet to make it a matter of major national concern. It is not a high priority for us. One-third of that 10 million number fortunately are unemployed for less than 30 days, but the average length of unemployment had grown to more than 15 weeks by 1985.

The figure of 10 million unemployed is higher than the rosy official estimates of 8 million but lower than the estimates of others. Dr. Leon Keyserling, once Chairman of the Council of Economic Advisers for President Truman, believes the accurate figure today is closer to 12 million. No one knows the number precisely. Ten million unemployed may understate joblessness slightly, but it is probably close to accurate.

From 1979 to 1984, 11.5 million Americans lost their jobs because plants had shut down or moved or modernized production techniques or because of decreased demand. Of that 11.5 million, more than a million have simply dropped out of the labor force. They are no longer counted among the unemployed. Of those who were able to find new jobs, over half found themselves earning less money.

The Federal Government estimates that more than 2 million women who were homemakers have suddenly found themselves divorced or widowed or abandoned. They generally have little or no paid work experience, in the sense of a 9 to 5 job. Almost half of these women either are alone in their poverty or are part of a family with total income below $10,000. They often have an extremely difficult time getting a job.

What is true politically is that the gravity of what unemployment means to those who face joblessness has not penetrated deeply—nor is there a widely held belief that Government action can change the picture much. Inaction is tolerated and the misery is accepted or ignored.

A 1980 study of 127 men measuring 42 possible lifechanging emotional events found loss of job trailing only two other experiences in its emotional intensity: death of a spouse or death of a close family member. A 1983 psychiatric study reached the conclusion that unemployment "has a profound impact on emotional and physical health."

UNEMPLOYMENT IS EXPENSIVE

When we fail to provide employment, the costs reach far beyond the jobless. Many of my colleagues have seen a TV commercial by the oil filter company in which a grease-stained mechanic utters the prophetic words about failure to make the timely repairs on an automobile—"You can pay me now or pay me later." The same thing can be said about investing in our human resources through preschool education, basic skills education, compensatory education, and education for handicapped, and language classes for linguistic minority children—if we do not invest now, we pay a much higher price later.

For example, it would cost no more than about $2,000 per child per halfday to provide preschool education to every child in Illinois. Annual tuition and fees at some of the most prestigious universities in the Nation cost, for example, $17,510 per year at the University of Chicago, or $16,175 per year at Northwestern University and $17,750 per year at Yale University. While the Secretary of Education complains about the rising cost of higher education—and it does cost a great deal in too many cases—he proposes a fiscal year 1988 budget which will raise the barrier of cost even higher. Higher education must be both affordable and available.

Even at these prices, we are better off investing on the front end. By contrast, it cost between $70,000 and $75,000 per year to incarcerate someone in our prisons, depending on the facility.

Ultimately, in all too many circumstances, we have a choice between paying now, or we can pay later. A recent editorial in the Chicago Tribune, "Education, the Best Investment," captured the whole idea in a few words:

> Last week, the Chicago school system reported that children from poor neighborhoods who attended its 12 full-day kindergartens jumped five to eight months ahead, academically, of those who did not. And this is not just a modest program. Think of the impact on the school system—and on this entire area—if this opportunity existed for

> all disadvantaged children, beginning at age 2 or 3 instead of age 5.

Mr. President, every Member of this body has a Chicago in their State and if they do not, they certainly have a disadvantaged child there who could benefit from preschool and/or improved education. Education is our best investment.

The economic impact of the trade deficit—which widened to $14.8 billion in January—and the balance of payments deficit—which rose to a record $38.37 billion in the last quarter of 1986—on domestic employment and local economies cannot be overstated. In Peoria, IL, Caterpillar employed 32,770 people in 1980 but only 18,000 in 1985. That one company purchased $418 million in supplies from firms within 50 mile radius in 1980, $300 million in 1985. Real estate taxes paid in the three immediate counties dropped $1 million over the same period. The value of homes plummeted. How many people in grocery stores and clothing shops and car dealerships and hardware stores lost their jobs as a result of the Caterpillar layoffs? No one knows. Thanks to hard work and good leadership, I sense that Peoria and Caterpillar are starting to rebound. But in the meantime thousand of people have been hurt.

While the depression in sectors of the agricultural economy is not the same as unemployment, its economic impact beyond those immediately hit causes unemployment. In 4 years, employment at agriculture-dependent International Harvester—now Navistar—dropped from 97,000 to 15,000. Small towns are devastated by the agricultural slump. The havoc of unemployment is more visible in a small community. But the economic suffering, even through it is less dramatically visible than it is in Peoria and small communities, is felt in any community were there is joblessness.

Not surprisingly, areas of high unemployment are also areas of high crime. The cost of crime in economic terms is huge. The cost of crime in agony to the victims is even greater. By tolerating unemployment and the resultant poverty, we also tolerate a discouragingly high crime rate; 1 of every 40 black men born in the United States will be murdered; 1 of every 131 white men will be murdered. For women the statistics are better, but not good.

Rockford, IL, is in many ways a typical American city of medium size, population 139,712. It is a community that until recently had significantly above average income. The economic recession of the early 1980's, together with a depression in the machine tool industry, sent incomes plummeting and unemployment skyrocketing. The author of a comprehensive study of a new phenomenon in Rockford, youth gangs, wrote:

> Rockford unemployment has been the single most contributive factor in the rise of youth gangs, youth offenders, and youth-at-risk.

Unemployed youth want money, and if they have no alternative, crime, is too often the obvious answer. Unemployed youth have time on their hands and abundant energy, and when a job does not demand that time and energy, something else will. Sometimes they choose crime. During the past 6 years there has been both national population growth and growth in the total number of jobs, but the number of full-time jobs held by teenagers has dropped almost 30 percent, a major cause of crime.

Children who grow up in families where no one works do not learn basic attitudes and work habits that are essential to performing effectively in our society. In a real sense unemployment can be "inherited."

The cost of joblessness in family breakups and child abuse is overwhelming, as studies have shown.

Business is harmed by unemployment. People who do not work do not buy new cars or air conditioners or suits. Tax incentives to stimulate business investment sometimes can be effective, but creating an economic climate in which people are working and buying always stimulates the economy.

The Federal budget suffers. President Reagan uses the figure that 1 million people unemployed costs the Federal Government $28 billion. Others in his administration use the figure $35 billion. Let's be conservative and say that the Federal expenditure for food stamps, welfare, unemployment compensation, Medicaid and a host of other expenditures—plus loss of revenue—amounts to $25 billion for each 1 million unemployed. If we had programs that reduced the numbers of those unemployed from 10 to 5 million, the net savings to the Federal Government would be $125 billion, using the most conservative figure. Cutting unemployment in half would also result in a growth of our gross national product of at least 4 percent, or approximately $700 for every man, woman and child in the Nation. What a tremendous economic loss we suffer through our indifferent acceptance of high unemployment.

Even that great financial impact is not as important as the psychological cost. Three thousand years ago, Solomon told us: "There is nothing better than that a man should rejoice in his own work." Three centuries before Christ, Aristotle wrote: "The happy life is thought to be virtuous; a virtuous life requires exertion." And 200 years before that, the famed lawmaker Solon warned: "An abundance of laborers should not be left idle." Plato wrote: "A State is not one, but two States, the one of poor, the other of rich men; and they are living on the same spot and always conspiring against one another." Machiavelli said much the same thing. To the extent that a government can avoid hopelessness among the poor—and reduce the number of the poor—the two States can become one State.

Those who are unemployed feel left out of society. They do not have a feeling of contributing, of belonging. Yes, they can vote, but in a very real sense, they feel disenfranchised. There is a growing sense among them that their voice is not being heard.

America's economy is facing two human resource trend lines—the supply of unskilled labor, and often uneducated, labor is going up, and the demand for unskilled labor is declining. Between now and the year 2000, employment in professional and managerial jobs will increase by 5.2 million, while operative and laborer positions will grow by only 1.3 million. Minorities, especially native Americans, black Americans and Hispanics, dominate this pool of unwanted and increasingly unused labor.

For those who ask how much does it cost and insist on the bottom line for the budget, a preliminary cost estimate suggests that, if fully implemented, GJOP would cost about $8 billion. How much is that? Over the past 3 years, we have appropriated exactly $8.2 billion for the President's strategic defense initiative or star wars. I am confident that we can spend that much to develop fully America's human resources.

Some doubt the practicality of enacting this legislation because of the President's opposition to new taxes or Federal spending on new programs. Others have said that the Congress, given its concerns about the budget deficit, cannot afford a new $8 billion jobs program. We should look at the President's views more closely. The President's connection with the WPA is an intimate one—his father, an unemployed salesman in Dixon, IL, rang doorbells for FDR in 1932. He received a reward, a job in the Roosevelt relief operation, first with the Federal Emergency Relief Administration [FERA], and then with the WPA. The President is a fan of the WPA. He said as recently as 1980:

"Now, a lot of people remember it as boondoggles and raking leaves," he noted. But that was not right, Reagan said. "Maybe in the big city machines or something. But I can take you to our town and show you things, like a riverfront that I used to hike through. Once that was a swamp and is now a beautiful parklike place built by WPA." There were other good things that a WPA had done for Dixon, Reagan added, his voice vibrant, such as the improvements in the town's airport.

In addition, after initially rejecting the idea, the President has recently proposed that we provide a safety net to protect those who need catastrophic health insurance. This bill also provides a safety net—catastrophic job insurance for those who are otherwise unable to find a job.

FASHIONING A NEW APPROACH TO ERADICATING UNEMPLOYMENT

A basic concern that I have is the Federal Government's failure to recognize the need for an integrated/comprehensive approach to the unemployment problem. We must simultaneously address the preschool and elementary/secondary education needs of those students likely to become dropouts or those underachievers in our public schools who simply attend and don't really learn; we must provide the training and retraining for those who are dislocated or displaced by economic conditions; and we must make special provisions for those who may require individualized treatment, including individuals with handicaps; individuals who still wish to work but are over 40, and frequently disregarded as useful members of the work force, and the hardcore unemployed.

If we look at the unemployment rates in high unemployment States, we find, not surprisingly, that these are often the States with the highest high school dropout rates, and the lowest investments in elementary and secondary education. In addition, these States often provide minimal public assistance to those who are unable to find work. While underinvestment in education is not the sole cause of high unemployment rates, it is a major factor. We must not allow individuals who have been victims of the system to be allowed to further fall through the cracks and join the ranks of the unemployed without being given a chance to work.

We must also stop treating the unemployed as one great monolith.

The unemployed represent a diverse group of individuals from all walks of life, and all regions of the country. Unemployment is not a rust-belt phenomenon; unemployment is a problem throughout the country. In addition, the unemployed include individuals who have lost their jobs, and those who are just starting out. Half of all unemployed persons are workers who have lost their jobs. Another quarter are individuals trying to reenter the work force after a period of absence from it. The remainder are new entrants to the work force, and individuals who have left a job and are seeking a new position. Some are uneducated and lack any real skills. Others are educated beyond the basics, but possess outmoded skills which are not in demand in today's job market.

Whatever the circumstance, and whatever the region, everyone deserves a chance.

Early next month, I will be introducing a companion bill, the Full Employment and Work Opportunity Act. This comprehensive legislation will have four basic parts: First, amendments to the Social Security Act to provide for a single intake system in each State and a comprehensive work program for all AFDC recipients, together with an employment and training program; second, the guaranteed job opportunity program; third, creation of the education, retirement and training account [ERTA]; and fourth, revenue producing proposals to support GJOP. The ERTA concept, based on the individual training account idea advanced in the House of Representatives by my friend and colleague from Illinois DICK DURBIN, will encourage saving for education, training and retirement purposes based on tax-deferred incentives to the contributing party up to a maximum of $4,000 per year. I believe this concept will have three important positive effects:

Parents will be encouraged to save for their children's college education because of the tax benefits, thereby reducing the need for middle-income and lower-upper income families to rely on federally subsidized loans to pay for the cost of college—this approach will also allow families of limited means to save for college and gain a modest tax advantage;

ERTA will also allow every American to prepare, in advance, for the inevitable change in one's job and/or career that is a virtual certaintly in today's economy; and

ERTA will encourage saving for training, for life-long education and retraining, but if the account is not used for either of those purposes, prior to age 65; then it could be used for retirement, except the interest rate applied to the principal would be the same as would be applied to a regular IRA.

The Committee on Labor and Human Resources, under the capable leadership of our chairman, the distinguished senior Senator from Massachusetts, has gotten off to a fast start in the 100th Congress by addressing the problems of unemployment, poverty and welfare reform. Recently, we had a witness before the committee, Dawn Lawson, who was a former welfare recipient in Massachusetts but who has been lifted out of the welfare cycle through Governor Dukakis' "ET" Program in Massachusetts. Ms. Lawson, who has a young son in school, told the committee how she and her family were lifted as a result of getting a job and removing herself from the welfare roles:

> My son, Brian, was always very shy and almost withdrawn from other people. He was just shy. I suppose he did not learn where self-esteem comes from.
>
> When I started to work, all of a sudden, there was a big change for him. He started getting involved in all the sports at school, and he wanted to get involved in art classes and karate. So now, I cannot afford to keep him with everything he wants to do now.
>
> But I do as much for him as I can. Every year, he started off with good marks, and as the year went on, he withdrew and his marks went down. This year, his marks went up even higher, to like all straight A's and B's this term, where he was more B's last term. And he is just going up, and his teacher cannot believe how much of a change she sees in him just from semester to semester.
>
> I have noticed a big change. He is so much happier, so much more outgoing, and he is so friendly. It is a real big change to him.

That kind of testimony cannot be quantified in dollar terms, nor can the Congressional Budget Office give you an estimate of the cost benefit of putting Dawn Lawson and thousands of other Americans back to work. What I can tell you is this. An opportunity to work gives people self-esteem, something we all need. When self-esteem disappears, alternatives that are not good for society emerge. People without self-esteem cannot convey self-esteem to their childen; people without hope cannot give hope to others.

After more than three decades of public life and working with people who have every variety of problem, I have learned that the great division in our society is not between black and white, Anglo and Hispanic, Jew or gentile, or rich and poor. The great division is between those who have hope and those who have given up. There is nothing like a job to raise self-esteem, to make you feel you are contributing something to society and to your family. For too many in our society, hopelessness and joblessness are the same.

Finally, the Reverend Dr. Martin Luther King, Jr. once said:

> In our society, it is murder, psychologically, to deprive a man of a job or an income. You are in substance saying to that man that he has no right to exist.

The Nation's highest commitment—our most important national goal—must be to guarantee a job opportunity for everyone who wants to work.●

1986-87 SECONDARY SCHOOL RECOGNITION PROGRAM

● Mr. McCONNELL. Mr. President, last week Secretary of Education William J. Bennett announced that 271 outstanding public and secondary schools had been selected for the 1986-87 Secondary School Recognition Program. I am pleased to call to the attention of the Congress that three of these schools were in Kentucky. Kentucky has often been criticized in the past for its lack of emphasis on education but I believe this national recognition shows the gains we are making in education in Kentucky. The schools were recognized based on characteristics that contribute to school effectiveness and student success. The Kentucky schools that were honored were: Ballard High School, Louisville, Jefferson County, Mrs. Alexandra Allen, principal; Maryhurst School, Louisville, Jefferson County, Ms. Janet McWilliams Calvert, principal; Oldham County High School, Buckner, Oldham County, Mr. Blake Haselton, principal. I want to congratulate the school board members, administrators, teachers, students, parents and the support staff who were instrumental in their schools receiving these awards. All Kentuckians are proud of these significant achievements.●

ORDERS FOR TOMORROW

ADJOURNMENT UNTIL TOMORROW AT 10 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

NO RESOLUTIONS OR MOTIONS, OVER UNDER THE RULE, TO COME OVER; WAIVER OF CALL OF THE CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow, no resolutions or motions, over under the rule, come over, and that the call of the calendar under rule VII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERIOD FOR MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that after the two leaders have been recognized under the standing order on tomorrow, there be a period for morning business, not to extend beyond 10:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESUME CONSIDERATION OF UNFINISHED BUSINESS

Mr. BYRD. Mr. President, on tomorrow at 10:30, I ask unanimous consent that the Senate turn to the consideration of unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL TOMORROW AT 10 A.M.

Mr. BYRD. Mr. President, if my distinguished colleagues on the other side of the aisle have no other speeches or business to transact today, I will be glad to adjourn the Senate.

Mr. STEVENS. There is nothing further that we know of on this side.

Mr. BYRD. Mr. President, there being no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in adjournment until the hour of 10 o'clock tomorrow morning.

The motion was agreed to; and the Senate, at 5:27 p.m., adjourned until June 5, 1987, at 10 a.m.

HOUSE OF REPRESENTATIVES—*Thursday, June 4, 1987*

The House met at 11 a.m.

The Reverend Dr. John R. Anschutz, rector emeritus, Christ Church, Georgetown, Washington, DC, offered the following prayer:

We praise You, O God. We acknowledge You to be the Father of all that is and ever shall be. Because You have made us in Your own image, we are endowed with the priceless gift of freedom, freedom to make every important choice in our private and public lives. So here we stand as our forebears stood in this House created to represent all the people, one by one, and as a united community of States. Realizing that there are vexing mental and physical and spiritual illnesses already in our midst that threaten our Nation and that could divide us, we entreat You, O God, to perpetuate among us that never-ending succession of patriots. They are here. They come from every corner of this land and also in each branch of this, our Government, men and women who, with courage and intelligent caring, are seeking and working for Your final will—peace, peace for our Nation and peace for all mankind.

O God, through the power of Your divine indwelling, release all of us when we are tempted from the crippling bondage of self-service. Strengthen our faith, brighten our hopes, and let Your great love draw us together that with quiet minds we may see the needs of our fellow Americans and the poor and the hungry of Your world so that we may help feed and clothe them.

And finally, O God, for our children, their future and our country's future is now at this moment. Bless all who teach, all who learn, that we today and they tomorrow may move our world into Your nearer presence where righteousness, peace, love, and joy are not just pious dreams but everlasting reality. Accept these, our petitions, and remain with us, O God, forever, for we are Yours. Use us. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill and joint resolutions of the House of the following titles:

H.R. 1947. An act to amend title 5, United States Code, to provide enhanced retirement credit for U.S. magistrates;

H.J. Res. 280. Joint resolution to observe the 300th commencement exercise at the Ohio State University on June 12, 1987; and

H.J. Res. 283. Joint resolution recognizing the service and contributions of the Honorable Wilbur J. Cohen.

The message also announced that pursuant to sections 276d-276g, of title 22, of the United States Code, as amended, the Chair on behalf of the Vice President appoints Mr. McCLURE, Mr. GRASSLEY, and Mr. MURKOWSKI, as members of the Senate delegation to the Canada-United States Interparliamentary Group during the 1st session of the 100th Congress, to be held in Vancouver, Canada, on June 4-8, 1987.

The message also announced that pursuant to provisions of Public Law 99-603, the Chair on behalf of the Republican leader appoints Michael J. Teitelbaum of New York, NY; Dr. Ester Lee Yao of Houston, TX; and Edward Riviera of Sacramento, CA; from private life; to the Commission for the Study of International Migration and Cooperative Economic Development.

The message also announced that pursuant to sections 276d-276g, of title 22, of the United States Code, as amended, the Chair on behalf of the Vice President appoints Mr. FOWLER as chairman of the Senate delegation to the Canada-United States Interparliamentary Group during the 100th Congress.

TAKE THE FSLIC RECAPITALIZATION BILL TO CONFERENCE

(Mr. CHAPMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHAPMAN. Mr. Speaker, it is essential that the Federal Savings and Loan Insurance Corporation recapitalization bill be approved as soon as possible. Throughout the debate on the bill in the House, Member after Member spoke of the millions of dollars that would be wasted by delay. I believe that the House should put its votes where the money is; let's stop the wasteful game of political ping-pong, bouncing the ball from the House to the Senate; let's take the bill to conference and allow the process to work.

I would like to see the conferees report a bill that puts an end to the Federal Reserve Board monarchy. Repeal of any statute is the sole prerogative of the Congress. The Fed has no license to repeal the Glass-Steagall Act by regulation. I support the moratorium in title 2 of the Senate FSLIC bill, preserving the constitutional role of the Congress, placing a moratorium on the Fed's power grab, and making sure that the people's branch of Government, not the banking industry, balances the interests of the American people with respect to the future of our banking system.

Let's take the FSLIC bill to conference, let the process work, let the elected representatives of the people work the will of the people.

URGING CONFERENCE ACTION ON FSLIC LEGISLATION

(Mr. DeLAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DeLAY. Mr. Speaker, I want to speak briefly this morning to Banking Committee members of the House and the Senate to urge them to go to conference over H.R. 27 to recapitalize the Federal Savings and Loan Insurance Corporation.

Both of these bills provide funding plans to revitalize the S&L insurance system. But the longer we wait to go to conference, the more S&L's are going to fail, the more confidence is going to be lost in our S&L system, and the more lives will be destroyed by the economic havoc in many areas of the country.

If the Banking Committees would start the process of restoring the S&L system, then the many other industries and businesses that rely on S&L's could have firm ground to put their feet on. One of the most important of these industries is the real estate industry which has seen the steady decline of land values and commercial property values caused by regulators repossessing properties and selling them at firesale prices. This action affects all property values in those areas and, ultimately, affects hundreds of unsuspecting investors.

The insurance fund must be recapitalized so that repossessed properties can be "managed into a better economy" where they won't pull the values of other properties into the quicksand along with them. I urge my colleagues on the Banking Committee to go to conference and resolve this issue as soon as humanly possible.

LEGISLATION TO DENY ADVERTISING EXPENSE DEDUCTION FOR CERTAIN PRODUCTS

(Mr. DONNELLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DONNELLY. Mr. Speaker, today I am introducing legislation to deny a deduction for advertising expenses for tobacco or alcohol products.

Many individuals have suggested totally prohibiting advertising for both alcohol and tobacco because of the obvious health problems caused by their use and the increased loss of life caused by drunk driving. This approach, however, raises serious first amendment and freedom of speech constitutional questions.

My bill would instead provide that no deduction is allowed for tax purposes for expenses incurred to advertise alcohol or tobacco products. This bill is important and justified. The Federal Government should not be subsidizing, through the Tax Code, products that are harmful to the people of this country.

An internal Office of Management and Budget study suggests that the Federal Government spends $7.7 billion per year on health care because of illnesses attributable to smoking and $8 billion because of illnesses caused by alcohol abuse. The excise taxes which we collect on these products do not come near to covering those costs. My bill will make up the difference, and could very well avoid the need for an excise tax increase.

I hope this change in the Tax Code will be included in the reconciliation bill. It will help reduce the deficit and is both good tax policy and good social policy.

SUPPORT GLASS-STEAGALL

(Mr. BLILEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLILEY. Mr. Speaker, while there is little argument anywhere that Federal Savings and Loan Insurance Corporation requires a swift infusion of capital, it is clear that this issue involves more than recapitalizing FSLIC. We cannot provide new capital for FSLIC in a vacuum—oblivious to actions by Federal regulatory agencies that could have a dramatic impact on how the financial marketplace functions. Many S&L's that are now in financial trouble are in that condition because of bad real estate investments. Yet, the Federal Reserve Board last November proposed expanded powers for federally chartered banks and bank holding companies that would allow them—for the first time—to hold direct equity positions in real estate, an activity prohibited by the 1933 Glass-Steagall Act. I need not remind my colleagues that Congress enacted Glass-Steagall in the wake of the Great Depression with the expressed purpose of assuring the integrity and long-term viability of this Nation's banking system by clearly separating investment banking from commercial banking.

I believe the rationale for this separation is as sound today as it was then. But whether my colleagues agree with me on this point is not the issue here today. The issue is over whose responsibility it is to determine the proper powers of banks in today's financial marketplace—the Federal Reserve Board or the U.S. Congress? I strongly submit, Mr. Speaker, that it is the responsibility and duty of Congress to make such critical policy decisions.

With this in mind, I urge my colleagues on the Banking Committee to go to conference with the other body, to work out an agreement on recapitalizing FSLIC and to accept a provision in the other body's bill to prevent expanded powers for banks through March 1, 1988, by which time, Congress will determine the proper powers for banks in today's financial marketplace.

THE USE AND NONUSE OF THE LIE DETECTOR IN THE WEDTECH CASE

(Mr. BIAGGI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BIAGGI. Mr. Speaker, during my 18 years in the House, I have come to this well on hundreds of occasions. I have spoken to defend the rights of individuals, groups, and nations. I will continue to do so in the future.

Today I speak on a far more personal issue—my own individual rights as a Member of Congress and a citizen of these United States.

Yesterday I was named in an indictment handed down by the southern district of New York related to the Wedtech Co.

As I stated yesterday, I intend to fight this indictment because I am innocent and want to prove it.

Yet I want to emphasize another point I made yesterday and in previous days. On two separate occasions in the days and weeks prior to the indictment—I offered to submit to a lie detector test administered by the prosecutors. I made the offer in New York and in Washington.

The offer was made because I took a lie detector test several months ago on the central issue in this case—and passed it.

The two essential questions were—was my son Richard ever my nominee to receive Wedtech stock? The answer was no—the second question was did I receive any stock from Wedtech, or benefit from the sale of such stock? The answer was no.

These are obvious crucial issues in the investigation. Yet my offer to submit to another lie detector test—was never even responded to by the Justice Department. Never even responded to. Is that justice? Is that the way to seek the truth?

A lie detector test is worthless now since it is inadmissible as evidence in a Federal court. However, it can be very pertinent in the preindictment process. It could have been in this case but now I will never know.

Our justice system allows prosecutors to make charges but juries render verdicts. There will be a trial and I await it with the confidence that the justice that has thus far been denied to me will be achieved and my innocence confirmed.

□ 1115

BANKING COMMITTEE HOLDS FSLIC TIME BOMB

(Mr. DAUB asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAUB. Mr. Speaker, I am fearful that we are sitting on a time bomb that is about to go off and the Banking Committee is holding the detonator, as they have for far too long already. Today the House Banking Committee will vote on whether to go to conference with H.R. 27, the FSLIC recapitalization bill. This bill is vital to our Nation's savings and loans and our financial system and is long overdue. Our citizens deserve better than the continued tactical delays their representatives continue to use. Now is the time to move and restore the depositors' confidence in the system.

To add insult to injury, while Congress sits on its hands the regulators are writing the laws that should be written by elected officials, and not appointed regulators. I am referring to actions taken by appointed public officials that could expand the powers controlled by statute. Let me stress, "powers placed in existence by Congress." To me it is offensive to think of anyone addressing this issue besides the Congress.

I urge my colleagues in the Banking Committee to move forward by voting today to go to conference with H.R. 27. In addition, I strongly urge the conference committee to adopt the 1-year moratorium contained in title II of the Senate version, thus permitting Congress and not a Federal regulatory authority to decide what direction our banking system will take.

WHERE IS THE BUDGET?

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, the majority controls both sides of the rotunda but still can't get a budget conference report out on time. The budget is now 7 weeks late. This means that once again we will use that unconscionable end-of-the-year expedient—the continuing resolution.

While waiting for a budget, we have meandered through several authorizations including a defense bill governed by four separate nonsensical rules. Now, we are starting to move the individual appropriations bills that will end up in the continuing resolution although we have no actual budget allocations.

And we still haven't seen one very important piece of legislation—the one approving $20 billion in new taxes. Mr. Speaker, it would be nice to see your new taxes before we start marking up appropriations bills because those spending bills are all based on Democratic budgets that includes new taxes.

I suppose it's too much to expect a budget conference agreement anytime soon, Mr. Speaker. But if you are not going to deliver your new taxes, please tell us now so we can cut back the spending bills and stop ignoring the deficits that ruin our long-term economic performance and our children's future.

THE DEPARTURE OF PAUL VOLCKER

(Mr. CLARKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.

Mr. CLARKE. Mr. Speaker, the New York Times describes him as "one of the most powerful economic policy makers in the nation's history." The Wall Street Journal writes that the Federal Reserve Chairman "leaves behind him a Federal Reserve Board that enjoys as much respect and power as it has at any time since Congress set up the central bank in 1913."

Paul Volcker has provided our country and the world with stable economic leadership during the past 8 years, a period filled with economic uncertainty and crises. When President Carter nominated Mr. Volcker in 1979, the inflation rate had soared to 13.3 percent. The prime rate jumped to 21.5 percent during the following year, and a severe recession and the Third World debt crisis in 1982 further clouded the economic future.

Largely because of his wise, able, and courageous guidance of the Federal Reserve, Mr. Volcker leaves the Federal Reserve Board in the midst of our longest economic recovery since World War II. Last year, inflation fell to a rate of 1 percent, and interest rates are currently hovering around 8 percent. In addition, Mr. Volcker's strong leadership at the Federal Reserve has helped defuse the many crises surrounding Third World debt.

All Americans are indebted to Mr. Volcker for his 8 years of strong leadership. We hope that Alan Greenspan, the new Chairman, will continue the successful work of his able predecessor. To Paul Volcker we offer our deepest thanks.

THE PERSIAN GULF RESOLUTION

(Ms. SNOWE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SNOWE. Mr. Speaker, the United States is not alone in having national and strategic interests in the Persian Gulf region. Many of our allies have similar, sometimes greater interests in the gulf.

It thus only makes sense, Mr. Speaker, that the United States should not be alone in defending those interests. Regardless of what specific steps the U.S. Government pursues in that region, they should be taken with the direct or indirect participation of our allies.

As the President prepares for his meetings with the leaders of the Western alliance, it is important that the Congress reinforce our belief and the President's position at the Venice summit that the United States should not shoulder the entire burden of maintaining an open Persian Gulf.

To that end, I am today introducing, along with Representatives HAMILTON, BROOMFIELD, and GILMAN, a resolution which urges our European allies and Japan to join the United States in defense of our mutual interests in the Persian Gulf, sharing either a military or financial burden.

Mr. Speaker, this resolution neither endorses nor contradicts either the administration stance or the actions of the House. It simply is a commonsense endorsement of a multilateral, rather than unilateral, defense of our Persian Gulf interests, and I urge my colleagues to support it.

BANKING COMMITTEE SHOULD GO TO CONFERENCE WITH SENATE ON FSLIC RECAPITALIZATION

(Mr. TALLON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TALLON. Mr. Speaker, on May 5, the House approved a bill which would provide $5 billion over 2 years to shore up the ailing Federal Savings and Loan Insurance Corporation. From the very start, this bill was surrounded by dispute and disagreement: over the amount of funds for FSLIC, exit fee increases, and allowable activities in which thrifts may engage.

To add to this diversity of views, my colleagues on the House Banking Committee must soon decide on whether to go to conference with the Senate on the banking bills, H.R. 27 and S. 790.

The Senate bill contains two important provisions. One would eliminate the nonbank bank loophole, and the other would instate a 1-year moratorium on any expanded activities for banks and bank-holding companies.

These two provisions in the Senate bill along with the urgently needed FSLIC recapitalization are matters which need to be addressed by Congress. I urge my colleagues on the House Banking Committee to go to conference with the Senate so that we may have the opportunity to decide on these important issues.

THE TOSHIBA AFFAIR—COLD-BLOODED ESPIONAGE?

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, when it was recently discovered that Toshiba Electronics Co. of Japan and Kongsberg of Norway had sold to the Soviets our sophisticated milling machines, which gave away our secrets regarding the silent movements of our submarines, we were at first told that this was a mistake, an aberration from the normal strict control maintained over sensitive materials by our allies, particularly the Japanese.

A week ago, a Japanese newspaper reported that the sale of the milling machinery was the result of a complicated scheme in which the Japanese Ministry of International Trade and Industry, a Government Cabinet agency, played a major part. Together with officials of Toshiba, Ministry officials contrived to classify the machinery as "primitive" and not subject to trade restrictions.

Even worse, these people knowingly dealt with professional KGB industrial spies. It is essential that we begin a thorough investigation to review and strengthen our restrictions on the export of critical technology. We must insure that our position in trade and our military advantages are not sold to the highest bidders, to our economic and military disadvantage.

INTRODUCTION OF DEFENSE PROTECTION FEE BILL

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, today I am introducing legislation to impose a defense protection fee on countries which rely on the United States for their defense.

At this very moment, American warships are patrolling the Persian Gulf. No Japanese ships are patrolling the Persian Gulf despite the fact Japan gets 60 percent of its oil from the gulf. There are no French, German, or British warships in the gulf, despite the fact that Europe gets 35 percent of its oil from the area. Once again, the United States is paying the price to protect the rest of the world.

Look at the cycle: United States warships protect the tankers leaving the Persian Gulf. The tankers steam to Japan where the oil is offloaded and piped to an automobile factory. That factory uses the oil to produce low-priced cars which are then driven on cargo ships. United States warships stand guard while these ships steam over the sealanes linking Japan with the American west coast.

In this way, Japan sells Subarus to our ski team. And, we spend nearly 7 percent of our gross national product [GNP] on defense, while the Japanese spend barely 1 percent.

I do not think this is fair. So, today I am introducing the Defense Production Fee Act. The concept behind this bill is simple: the United States will impose a defense protection fee on imported goods with the fee based on how much the exporting country does for the common defense. On allies, the fee would equal the percent of GNP the United States spends on defense minus the percent of GNP the ally spends. So, in the case of Japan, the fee would be 5.6 percent. In the case of Germany, the fee would be 3.2 percent.

On neutral countries, the fee would equal the percent the United States spends on defense and, in the case of Soviet Bloc countries and countries that sponsor state terrorism, the fee would equal 10 percent. The bill also permits the government of the exporting country to rebate the fees so that the cost will be borne by the government and not passed on to consumers.

We have negotiated until we are blue in the face to try to get our allies to do more for the common defense. We have threatened them with troop reductions. Richard Perle even went to Europe to insult them. All of it has come to naught. It's time to do something direct. Stop cajoling them to do more for the common defense and start charging them for what we do on their behalf.

The bill is rather modest. I figure it will raise about $15 billion next year. And, if you assume that half of our defense budget goes for the protection of the territory, shipping lanes, or other vital needs of our allies, we spend $150 billion on their defense. Hence, the bill only charges our trading partners for 10 cents on the dollar.

Finally, this bill is not meant as an attack on our allies in NATO and in Japan. You can hardly blame them for accepting something for nothing. But, this free ride must stop. This bill is a start on a redistribution of responsibilities among friends.

URGING CONFERENCE ACTION ON FSLIC RECAPITALIZATION BILL

(Mr. HEFLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEFLEY. Mr. Speaker, I want to direct my comments here today to my colleagues on the House Banking Committee, and encourage them to agree to go to conference with the Senate over the temporary moratorium on expanded banking powers that the Senate added to the FSLIC recapitalization bill.

The Fed is well along in its drive to grant commercial banking institutions the authority to expand into the real estate, insurance, and securities markets. The Senate amendment would put a stop to any further expansion of powers until March of next year. It does so, properly I think, because this expansion, if it is to take place, is a decision that should be reserved for Congress.

The path the Fed is taking may offer competitive advantages that would benefit both the consumer and America's balance of trade; it could also mean a dangerous concentration of economic power, and new business risks that might destabilize a critical industry.

When these sorts of questions are involved, who should be investigating the answer? A Federal regulatory agency without any direct connection to the voters, or Congress?

The Senate has expressed a commitment to provide an answer to these questions before the moratorium expires next spring. The House should join them in that commitment, and support the moratorium in order to make certain that the Banking Committee's deliberations are not made moot by the Fed.

□ 1130

HONORING GEORGE C. MARSHALL AND THE MARSHALL PLAN

(Mr. OLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OLIN. Mr. Speaker, on Monday, June 1, the President signed into law Senate Joint Resolution 70, proclaiming June 1987 George C. Marshall Month and commemorating the 40th anniversary of the Marshall plan.

The Marshall plan provided for the rebuilding and economic recovery of Europe at the end of World War II.

At Monday's signing ceremony at the White House, the President, in light of the upcoming economic summit in Venice, pointed out the parallels and certain differences between today's economic situation and that of 40 years ago. The President noted that the basis for today's relationship between the United States and our European allies has been largely shaped by the philosophy the Marshall plan set forward 40 years ago.

On next Tuesday, May 9, I will be holding a special order in honor of General Marshall and the Marshall plan. I invite my colleagues to join me in honoring this great man.

WHERE IS THE BUDGET RESOLUTION?

(Mr. BUECHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUECHNER. Mr. Speaker, I rise today to ask a question that many people have been asking. Where's the budget resolution?

The Democrats have been meeting behind closed doors now for the past few weeks but we have heard nothing. The House Republicans have been effectively barred from putting together an agreement with the other body. The Democrats have finally taken hold of both Houses of Congress and yet they have been unable to come up with an agreement.

The Wall Street Journal tells us that the Democrats are nearing a compromise. Still, we are waiting. How many weeks have passed since we were supposed to complete action on the budget? When will the American people know how much the Democrats are going to ask they pay in more taxes? The Wall Street Journal tells us that it is nearly $20 billion. The Congress wants to know and so does the Nation.

If the majority is going to continue secret negotiations on our Nation's budget without the benefit of public scrutiny, they that is a sad commentary on our budget process. It is my hope that we will hear the news of the state of the budget resolution before we start to consider our appropriation bills. Mr. Speaker, we have a right to know.

INTRODUCTION OF LEGISLATION PROVIDING FOR UNIFORM LICENSING FOR PARI-MUTUEL SPORTS

(Mr. STAGGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STAGGERS. Mr. Speaker, today I will be introducing legislation with my distinguished colleague from Kentucky, Mr. HOPKINS, that would streamline the licensing procedures for participants in parimutuel sports. Currently, these participants must apply for a license in each State in which they wish to race. After applying, the States then run a criminal history check on each applicant. For the individual who operates in more than one State, and for the FBI, who has to complete the criminal history checks this current system of licensing is time-consuming and duplicative. Our legislation would remedy this situation by allowing the FBI to share criminal history information with the National Association of State Racing Commissioners, which would then share that information with the States, thereby allowing the participants to apply only once for a license to race in multiple States.

This legislation includes all desirable aspects a Member could want. It does not cost any money, it causes less bureaucracy, and the Justice Department has no objections to it. What more could you want in a bill? For those Members who have not had the opportunity to see the racetrack industry firsthand, my office will provide any member passes to the Charlestown Race Track located in my nearby district.

CONGRESS, NOT FEDERAL RESERVE, SHOULD RESOLVE CERTAIN BANKING ISSUES

(Mr. SCHAEFER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHAEFER. Mr. Speaker, I would like to express my concern with a proposed Federal Reserve Board rulemaking that would change our banking regulations to permit bank holding companies and their subsidiaries to expand their activities.

The Federal Reserve Board has closed its public comment period on this proposed regulation to permit these companies and subsidiaries to participate in real estate and other activities. At this time I do not wish to express my views on the merits of this proposal, but rather on the way congressional intent may be circumvented.

I believe that this is an issue to be resolved by Congress, and not the Federal Reserve Board. The other body has approved an amendment to the FSLIC recapitalization bill to impose a moratorium on such expanded activities until March of next year. I urge my colleagues on the Banking, Finance and Urban Affairs Committee to go to conference on this measure to give this provision every consideration as we try to arrive at a compromise on this important legislation.

IRAN/CONTRA HEARINGS—A GAME OF "TRUTH OR CONSEQUENCES"

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT, Mr. Speaker, first the President said that he had to wait for the Tower Commission to find out really what happened. Then the President said, after the Tower Commission came back, that he could not remember if all that stuff had really happened. Then he said that he is going to have to wait for the congressional hearings. Now that the congressional hearings have started, he said, "Really, the law in effect doesn't really apply to me."

That is not all now. Yesterday Elliott Abrams said that Ambassador Tambs was lying. He further said that he has utmost respect for General Singlaub, but he too was misrepresenting the truth.

Mr. Speaker, we really have a soap opera here: self-pity, lies, greed, guilt, names dropping—right out of Hollywood. In fact, it looks like a Hollywood game of "Truth or Consequences." The problem is, we cannot tell who is telling the truth, and the consequences are being paid by the American people and the credibility of our Government around the world.

I ask Congress, After seeing this charade, how many Americans do you really believe would buy a used car from any of these people?

FEDERAL RESERVE BOARD'S ACTION ON REAL ESTATE ACTIVITIES OF BANKS

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, it has come to my attention that the Federal Reserve has recently proposed regulations that expands the powers for bank holding companies and their respective nonbank subsidiaries by allowing involvement in a variety of real estate activities including investment, development and potentially brokerage and management.

The Federal Reserve has acted without a mandate from Congress and taken upon themselves to reinterpret and expand section 20 of the Glass-Steagall Act.

A Federal regulatory authority like the Federal Reserve should not decide what direction our banking system will take nor should they rewrite our Nation's banking laws without congressional involvement. This matter should be fully examined and debated by the Congress because of its effect on our banking system. I urge my colleagues to keep these thoughts in mind as we continue to work on banking legislation this year.

BANKING COMMITTEE SHOULD ACCEPT SENATE'S MORATORIUM PROVISION

(Mr. HEFNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEFNER. Mr. Speaker, it is well known that the Federal Savings and Loan Insurance Corporation is in immediate need of an infusion of capital. The House has passed such a bill, as has the Senate, and it is imperative that we allow this bill to go to conference so that differences can be resolved on the recapitalization of FSLIC.

We must also consider that this issue involves more than an infusion of capital. Many S&L's that are now in financial trouble are in that condition because of bad real estate investments. Yet, the Federal Reserve Board last November proposed expanded powers for federally chartered banks and bank holding companies that would allow them—for the first time—to hold direct equity positions in real estate, an activity prohibited by the Glass/Steagall Act.

The Senate bill places a moratorium on such activities until March 1, 1988. This provision would give Congress the necessary time to determine the proper powers for banks in today's financial marketplace.

The Glass/Steagall Act was enacted by Congress in the wake of the Great Depression with the express purpose of assuring the integrity and longterm viability of this Nation's banking system by clearly separating investment banking from commercial banking. I believe it is Congress and not any regulatory agency that should decide whether or not this policy should be changed.

I urge the Banking Committee to go to conference with the Senate and to accept this moratorium provision in the Senate bill.

□ 1140

GLASNOST IS LOST ON IRINA RATUSHINSKAYA

(Mr. BILIRAKIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BILIRAKIS. Mr. Speaker, much is being made of the current glasnost or openness in the Soviet Union. Despite these reports, the wonders of glasnost are lost on Irina Ratushinskaya, a Soviet Christian. They are meaningless to her because she does not believe them—though her release to the West just before the Iceland summit was hailed by Soviet authorities as yet another example of their good intentions.

I know this because I know Irina. Two years ago, I adopted her through the Soviet Christian Adoption Project. At the time, she was in the midst of a 7-year sentence of hard labor in the Gulag, and I wrote letters to Mikhail Gorbachev on her behalf. Her crime was being a poet and caring enough about human rights to speak out.

Recently, I had the opportunity to meet her and welcome her to freedom. She is a gentle woman of great courage, as one might expect of someone who refused to abandon her faith in God and her art even in the face of deprivation and torture.

She is happy to be free, but she admits that the thousands who remain locked in the Gulag always will be in her mind. To talk with Irina Ratushinskaya and to consider those still imprisoned, is to hear the hollow voice of glasnost.

LEGISLATION TO HALT SLIDE IN FARM PRICES

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, as Chairman of the Agriculture Subcommittee on Wheat, Soybeans and Feed Grains, I am introducing a bill designed to halt the relentless slide in farm commodity prices. At a time when some glimmer of hope may be appearing on the horizon for farmers, now is definitely not the time for the Federal Government to be pushing prices down. Unless this House acts to reverse what has been the administration's policy for 6 years, that is exactly what will happen. In fact, the administration will likely propose significant further reductions in commodity loan rates over the next 3 years which would result in lower market prices of wheat and feed grains by approximately 15 percent.

My bill, which is cosponsored by several member of my subcommittee, prevents any further reductions of existing commodity loan rates for wheat and feed grains, the producers of which are the ones most in need of better market prices. In addition to firming market prices, the legislation will save the Federal treasury some $500 million in fiscal year 1988.

We will have a choice in the budget debate, and it is: Do we protect farmers, or do we protect ideology? I say we protect farmers while saving the taxpayers' dollars by stabilizing farm prices. This legislation will accomplish that goal and I urge my colleagues' support.

CONGRESS MUST DECIDE ROLE OF FEDERAL RESERVE BOARD

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Mr. Speaker, I rise today to urge Members of the Committee on Banking, Finance and Urban Affairs to go to conference on H.R. 27, to recapitalize the Federal Savings and Loan Insurance Corporation.

Action is needed on the recapitalization of FSLIC and other banking matters.

I am concerned about title II of this bill which would place a moratorium on further action by the Federal Reserve Board on expanded powers of federally chartered financial institutions.

The Federal Reserve Board has recently closed its public comment period on a proposed regulation which would allow bank holding companies to become involved in a variety of real estate activities.

This action follows the Fed Reserve Board's approval of applications from three bank holding companies to establish subsidiaries that underwrite and deal in various securities.

Regardless of our position on bank involvement in the real estate and securities market, the fundamental question today is the proper role of the Federal Reserve Board in its regulation of the banking industry. Without a congressional mandate to the contrary, regulation of the banking and savings and loan industries properly resides with State governments and the Congress of the United States.

I support quick adoption of title II of H.R. 27 so that the Congress may thoroughly consider the proper role of the Federal Reserve Board in regulating the banking industry.

PREVENTION OF AIDS EPIDEMIC

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, today I am sending a newsletter to all of the constituents in the congressional district that I am privileged to represent.

It is about a very serious problem, about the problem of acquired immune deficiency syndrome or AIDS.

AIDS is the most serious health problem that this planet has perhaps ever faced. AIDS, as all of the Members know in this body, is a lethal disease. There is no known prophylactic for it except knowledge, and there is no known cure for it.

The death rate in AIDS is almost over 60 percent for those who now have it. It is predicted that all people who now have AIDS will die before any kind of prevention is found.

I think it is incumbent upon all of the Members to give knowledge to our constituents, and I have done this through their newsletter.

I would encourage other Members of Congress to take a look at this newsletter. It took about 1 month to prepare, and it is a very accurate description of the problem that we face.

Hopefully, if our constituents understand the problem, they can prevent the spread of AIDS, and that we can finally gain control of this disease.

CONGRESS MUST ADDRESS ISSUE OF BANKS' EXPANDED POWERS

(Mr. RAVENEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RAVENEL. Mr. Speaker, the House Banking Committee will decide later this week whether to go to conference with the Senate on the banking bills H.R. 27 and S. 790. I urge my colleagues to accept title II of the Senate bill which provides for a moratorium on expanded powers for banks until March 1, 1988.

Last November, the Federal Reserve Board proposed to expand the powers of federally chartered banks by allowing them to engage in nonbank activities, such as insurance and real estate. As you know, these businesses have been off limits to banks.

S. 790 affords Congress the time necessary to thoroughly study this matter and decide how, if at all, our Nation's banking laws should be changed. Furthermore, the legislation affirms that it is the responsibility of Congress, not the Federal Reserve Board, to make this decision.

SUPPORT 1-YEAR MORATORIUM IN BANKING LEGISLATION

(Mr. HOCHBRUECKNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOCHBRUECKNER. Mr. Speaker, today, the House Banking Committee will decide whether to adopt proposed amendments to H.R. 27 in conference with the Senate. One of these amendments, included in title II of the Senate passed Omnibus Banking Bill, S. 790, provides for a 1-year moratorium on expanded activities by banks and bank holding companies into the real estate, insurance and securities industries. This amendment should be adopted in conference.

The Federal Reserve Board recently closed its public comment period on a proposed regulation which would give new and expanded powers to financial institutions beyond those granted or contemplated by Congress.

I do not believe that these expanded powers should be given to bank holding companies without at least some direction from Congress. The moratorium provided by title II would give Congress the time to review the ramifications of these proposed changes and to assess the impact of these changes on the industries involved including the banking system.

A 1-year moratorium is a commonsense measure allowing time to evaluate these impacts, as well as the effect on the home real estate market. Please join with me and support this moratorium.

WHERE IS THE BUDGET RESOLUTION

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, where is it? Have you seen it? Will we ever see it? Does it really matter?

I think the answer to all of them is probably no. We are not going to have a budget resolution.

We thought we would have had it back days ago, weeks ago, but really what difference would it make? The Congress is not going to pay any attention to the budget resolution anyway. We would immediately waive the budget.

But how are we now going to bring appropriations to the floor of the House of Representatives beginning in a week or two? I understand we are going to mark to the House budget resolution, and what is that? The sky is the limit.

No budget resolution. No budget resolution when you have an enormous majority on the Democratic side of the aisle in the House of Representatives and a majority in the Senate, and yet we have no budget resolution.

I do think that while we are fiddling around with hearings on other investigations, Rome is burning, America is burning because we are not dealing with the budget, we are not dealing with the deficit.

And oh, by the way, if you would like to be with your constituents or your children the week of the Fourth of July, you better act quickly, my colleagues, because the Speaker is fixing to tell you that you are not going to have that opportunity.

PUSH FOR CONFERENCE COMMITTEE ACTION ON BANKING LEGISLATION

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, today, the House Banking Committee is planning to meet and decide whether to go to conference with the Senate on H.R. 27 and S. 790. I want to express my support for having a conference committee act on this legislation. Both bills contain important provisions which deserve to be addressed by this body. Both bills have been passed out of their respective Houses and it is my opinion that the banking committees should exercise their obligation to debate these bills in conference and discharge the legislation.

Our Federal savings and loans institutions need to be recapitalized. There are two amendments which I strongly supported to help minority savings and loans by expanding the present definition of institutions eligible for capital forbearance. In fact, I myself introduced legislation on this very subject. I do not want to see unnecessary delays in this area.

There are also important provisions in the Senate bill that require our consideration. Of significance in the Senate bill is a moratorium providing Congress with time to review proposed regulation changes by the Federal Reserve Board which expand the ability of banks to invest in real estate. Mr. Speaker, neither House of Congress has reviewed this proposed change by the Federal Reserve Board and it is certainly reasonable for Congress to examine a change in banking law before it is made. We need to carefully examine the effects this could have on the real estate industry.

Regardless of the agreements and disagreements we may have, we need to address them by sending these bills to conference and acting on them. Mr. Speaker, I urge my colleagues on the banking committees to push for conference committee action.

STRENGTHENING LICENSING PROCESS FOR PARTICIPANTS IN PARIMUTUEL SPORTS

(Mr. HOPKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOPKINS. Mr. Speaker, today I am introducing legislation which will improve and strengthen the licensing process for participants in the parimutuel sports of horse racing, dog racing, and jai lai.

Presently, all participants, owners, trainers, jockeys, and other employees must be licensed each year by each State in which he/she will compete and today that includes 35 States.

Each State then processes the application and may run a background check on the applicant through the FBI's criminal history records. In many cases the applicant must be fingerprinted in each State he applies—a time consuming duplicative and expensive process.

This legislation would enable the licensee to fill out one application, submit one set of fingerprints and for one fee, receive all of the licenses he needs. This will not take away from State commissions licensing authority or reduce revenues from fees—it will facilitate stronger surveillance—and it will streamline the licensing process for thousands of racing participants who travel the national circuit competing in their particular sport.

This bill initiates a multistate licensing system by allowing the National Association of State Racing Commissioners, to run the criminal background check and share the results with the States involved to do this, the restriction on the FBI regarding the dissemination of criminal history records must be changed so that the National Association of State Racing Commissioners will be included in the loop between the States and the FBI.

The only change sought by the legislation is to give the National Association of State Racing Commissioners access to and the authority to share the information with the States and individual commissioners—who have access now.

I encourage my colleagues to join me in improving the integrity of licensing procedures in parimutuel sports by cosponsoring this long overdue legislation.

THE BUDGET RESOLUTION

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, my friend from Mississippi asked the question: "Where is the budget?"

I do not know where the budget is, but I will say this, that about 6 or 7 years ago this President took us into this economic quicksand called "supply side economics." He said we can dramatically increase defense spending, cut our revenues, and still balance the budget. In so doing, he guaranteed the breakdown in fiscal policy that we now see in this country today. We have got to find a way out of that morass.

We will find a budget, but it will not be apparently with the cooperation of that side of the aisle or this President.

OLIVER NORTH AND ELLIOT ABRAMS ARE EMBARRASSMENTS TO AMERICA

Mr. DORGAN of North Dakota. Mr. Speaker, this morning in the newspaper the question is, Should Oliver North be given immunity? That is the question the special prosecutor asks, and the answer is "No," Oliver North ought not be given immunity for anything.

My colleagues have all heard the testimony that is going on around here about the Iranian arms sale and the scandal about the diversion of funds to the Contras. Oliver North is not an American hero. Oliver North is an embarrassment, and Oliver North ought not get immunity under any conditions.

He and his friends, particularly Elliot Abrams, who now says he did not necessarily tell the truth to Congress when he was testifying, he and his friends, in my judgment, have embarrassed and deceived this country. Oliver North ought not get immunity, and as for Elliot Abrams, while I am on the subject, he ought to leave his post and he ought to be replaced by somebody this Congress can trust. That is why I have joined with my good friend Mr. Moody, in circulating a letter to the Secretary of State which asks for Assistant Secretary Abrams' immediate resignation.

□ 1155

NATIONAL BUREAU OF STANDARDS AUTHORIZATION ACT FOR FISCAL YEAR 1988

The SPEAKER pro tempore (Mr. Montgomery). Pursuant to House Resolution 184 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2160.

□ 1157

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2160) to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1988, and for other purposes, with Mr. Rahall in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from New Jersey, [Mr. Roe] will be recognized for 30 minutes and the gentleman from New Mexico, [Mr. Lujan] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. Roe].

Mr. ROE. Mr. Chairman, I yield myself such time as I may consume.

Mr. ROE. Mr. Chairman, I rise in support of H.R. 2160, which authorizes appropriations for fiscal year 1988 for the National Bureau of Standards, and two smaller agencies, the Office of Productivity, Technology, and Innovation, and the National Technical Information Service.

I want to congratulate Mr. Walgren of Pennsylvania, the chairman of the Subcommittee on Science, Research and Technology, for his leadership in bringing this legislation to the floor. I want to acknowledge the efforts of our colleagues on the other side of the aisle, our ranking Republican members, Mr. Lujan of New Mexico, at the full committee level, and Mr. Boehlert of New York, at the subcommittee level. Mr. Skaggs of Colorado, and Mrs. Morella of Maryland, in whose districts the Bureau resides, also have been especially helpful in our efforts.

The National Bureau of Standards, the Nation's oldest national laboratory, for almost a century has worked to make American industry more competitive both here and abroad. Measurement is vital in all segments of the industrial economy from new technologies like advanced ceramics, automated manufacturing, and biotechnology, to more traditional fields such as communication, steel, and chemicals. Most industry measurements are based on NBS research and standards and are verified using NBS standard reference materials and calibration services. NBS' verification of engineering data provides the confidence engineers need in using the data to design to specification. The economy cannot function without the standards, services, and other information NBS provides. We pay the price in more expensive, overdesigned, and lower quality goods when NBS is denied the resources it needs.

The bill would authorize $142,997,000 for the National Bureau of Standards; $500,000 for the National Technical Information Service; and $2,400,000 for the Office of Productivity, Technology and Innovation. The committee arrived at the recommended levels for these activities after careful consideration of the President's budget. For the NBS, the total includes all the initiatives proposed by the administration plus the restoration of funding for the vital fire and building research programs. For the fifth year in a row, the administration has proposed cuts in these essential programs, although we have a signed agreement from OMB not to do so. The committee bill reflects an intention to honor this agreement.

The President's budget request includes $138,625,000 for the Bureau. Although the increase for the Bureau represents a reversal of the funding trend of the past several years, most of the funds are for inflationary increases. The total in the committee bill exceeds the administration's request only by the amount necessary to live up to our agreement with OMB to continue NBS' fire and building programs at the current reduced level.

Funding for the Office of Productivity, Technology, and Innovation, the Japanese Technical Literature Program, and the National Technical Information Service would continue at their current modest levels of effort. The committee continues to believe in the importance of these programs to the overall competitiveness effort in spite of attempts by the administration to undercut them.

Mr. Chairman, more needs to be done, especially at the National Bureau of Standards, but the committee felt constrained by overall budget limitations. I urge my colleagues to support this important piece of legislation.

Mr. LUJAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as the ranking Republican member of the Science, Space and Technology Committee, I join my colleagues in supporting full consideration of H.R. 2160, the fiscal year 1988 authorization for the National Bureau of Standards [NBS].

NBS is one of the Nation's oldest Federal laboratories and has the closest ties to the U.S. industry insofar as assuring that Federal investment in research and development find their greatest utility.

The fiscal year 1988 request by the administration calls for a 14-percent increase over current levels. I find this to be a very promising proposal and one which Members of the House could have supported as a strong statement for enhancing U.S. competitiveness. I regret that the committee chose to increase the authorization by $4.4 million above the already generous increase, though I do not differ with the principles behind the legislation. The increase was to permit the reinstatement of the Center for Fire Research [CFR] and the Center for Building Technology [CBT]. The committee rational for adding above the 14-percent increase rests with an unfortunate dispute with OMB.

Last fall, as the House and Senate finalized the fiscal year 1987 authorization for NBS, we negotiated with OMB to reinstate the Center for Fire Research [CFR] and Center for Building Technology [CBT] at a level $1 million less than current spending. In the past, the administration proposed the elimination of these centers so that the funds could be directed for construction of the cold neutron facility. OMB requested that the President's budget of $124 million for fiscal year 1987 be maintained in order for the agreement to go forward. Both the House and Senate authorizing committees did support the $124 million. However, the Appropriations Committee, during conference on the continuing resolution, approved $122 million, a shortfall of $2 million. The Congress did not see this as abrogating our commitment to fund construction of the cold neutron, as the authorization clearly permits for any necessary redirection of funds, should the agency choose to do so. The contract could still proceed and construction commence.

Continuing this dispute serves no ones purpose—certainly not NBS'—nor the ability of Congress and the executive branch to work together. I intend to see an end to the finger pointing that is going on with this issue so we can all get to work on supporting a strong NBS.

Regarding the committee's action in the past, we have always reinstated CBT [Center for Building Technology] and CFR [Center for Fire Research] within the President's overall budget request. In past years, we have not had budget increases to work with. This year, NBS has a 14-percent increase. In committee I offered an amendment to accommodate the funding of these programs within the requested increase. I regret that this amendment was not adopted. I continue to believe the House must exercise its oversight jurisdiction within a framework of fiscal responsibility.

There are a number of additional provisions contained in H.R. 2160, some of which are being opposed by the administration. I would like to provide specific comments on a few of these.

I believe the committee would have no objection to deleting section 9 of the bill in conference. This provision does correspond with H.R. 145, the Computer Security Act of 1987. We would support H.R. 145 being considered under suspension of the rules so long as the Science, Space, and Technology version of the bill is in order. This bill has bipartisan support, and we will not try to amend out section 9 at this time since H.R. 145 will come to the floor later.

Furthermore, H.R. 2160 would prohibit the privatization of the National Technical Information Service [NTIS] without approval of the Congress. While I am generally a supporter of privatization initiatives, I am uncomfortable with this particular proposal. The Committee on Science, Space, and Technology intends to examine this in far greater detail, particularly through hearings at the end of the month. I would add that the Office of Management and Budget and the Department of Commerce are also reexamining options. There are several complicated questions which must be resolved, not the least of which are the consequences of privatization on current and future bilateral and multilateral agreements with foreign countries, where technical information and data base exchanges are crucial. Offshore ownership of NTIS must also be safely avoided.

Even with these reservations, I support the bill and will work during the House and Senate conference to delete section 9 and to keep within the President's budget.

Mr. ROE. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Pennsylvania [Mr. WALGREN].

Mr. WALGREN. Mr. Chairman, I rise in support of this bill to authorize appropriations for the National Bureau of Standards, for the Office of Productivity, Technology, and Innovation, and the National Technical Information Service.

This bill is the result of a great deal of bipartisan and hard work on the part of the Committee on Science, Space, and Technology. Particular credit should be given to the gentleman from New York [Mr. BOEHLERT], who is the ranking Republican member of the subcommittee I chair, the Subcommittee on Science, Research, and Technology, and also to the gentleman from New Mexico [Mr. LUJAN], and, of course, to the chairman of the full committee, the gentleman from New Jersey [Mr. ROE], for the roles they have played in developing the breadth of the agreement we have on this bill. Credit should also be given to the gentlewoman from Maryland [Mrs. MORELLA] and the gentleman from Colorado [Mr. SKAGGS], who have served actively on the subcommittee and contributed the direct experience they have with the National Bureau of Standards operations within their districts.

On the surface, the National Bureau of Standards is not the most interesting agency, especially for political debate, but despite its name and its relatively small size, the Bureau of Standards is one of the most important agencies the Federal Government has to attempt to contribute to making American industry more productive and more competitive both here and abroad. When we think about it, the science and technology of measurement is the critical science and capability required to ensure quality. When they ask whether the hood of your car fits, they are talking about measurement. Without that kind of quality improvement, American industry will not succeed in the worldwide economy that we now face. And more fundamentally, the science of measurement is really the basis of all science.

If we stop to think about it, that is what scientists do; they measure. The science that lies behind the ability to measure with the same process, with the same focus that leads to the development of new capabilities of working with new materials, is what leads to new technologies, and that is what leads to new products. That is why the National Bureau of Standards over the history of this country has become the necessary preeminent laboratory for industrial science and industrial engineering. The National Bureau of Standards in that history has developed a true cooperative relationship with science and industry. As a result, industry has no trouble turning to the National Bureau of Standards for help.

What does industry do when they do not trust Middle Eastern oil merchants to be able to calibrate the density of oil? They call the National Bureau of Standards, and in that exercise they help to develop true accurate measurements for the import of most of this country's energy base.

What does industry do to solve the problems of the measurement of the flow of natural gas through large pipelines? They call the National Bureau of Standards, and that leads to sophisticated measuring capabilities that then result in the public's not being charged literally billions and billions of dollars for gas which was apparently in the pipeline but inaccurately measured, gas which they then never received.

□ 1210

What does industry do when it attempts to develop flammability standards for pajamas? It calls the NBS and as a result, hundreds of children have not been scarred and lives lost because of flammable clothing that should not be there in the first place.

What does industry do to develop ways to measure corrosion in bridge reinforcement rods in our efforts to extend the life of bridges? They call the NBS.

What do you do when the submarine commander needs to know exactly the minisecond to access the satellite to receive instructions from the Pentagon? They call the NBS and they turn to the atomic clock in Denver and the measurement of time in the infinite degree that the NBS has developed in-house.

What do you do if you are an AWAC's pilot and you want to calibrate your antenna so you can tell which direction an Iraqi fighter is coming from and where a U.S.S. *Stark* is? You call the NBS, because they are the ones who have developed the technology of calibrating antennas to accurately access the information that radar provides.

What do you do when you want to know what energy efficiency a new air-conditioner or a new heater provides to your building or to your house? You call the NBS.

The NBS is literally the ghostbuster of American industrial technology.

This bill authorizes $143 million for the National Bureau of Standards. That represents an increase of $22 million over the 1987 levels, an increase that is really the first substantial increase that has been allocated to this agency since the Reagan administration took office; yet while we applaud that, I think we have to be sure to look behind the numbers and realize that a full two-thirds of that increase in the 1988 budget recommendation will be consumed by unavoidable costs related to payroll and personnel charges, along with some specific efforts to remove asbestos and remove PCB's from some of the Bureau's facilities.

Just $6 million will go toward actual increased efforts, increased efforts, and that $6 million divided among such things as process control and quality assurance, bioprocess engineering, which literally we are trying to develop the measurement techniques to unleash a whole new industry that does not know what it wants to measure at the outset to begin with; lightwave measurement for fiberoptic transfer; high performance composites and superconductivity, all these efforts will divide that $6.8 million of increased effort in this 1988 budget.

So although we are doing more, it is a very little more at best. In fact, after accounting for these increases that are essentially required by law and the small increases in the specific efforts, this budget essentially will not even support the present levels of effort in the rest of the NBS Bureau at this point.

The Committee on Science, Space, and Technology, made just one change in the administration's budget. That change affects the budget totals of the National Bureau of Standards, as was raised by the gentleman from New Mexico [Mr. LUJAN], but that change was simply to level fund the Center for Fire Research and the Center for Building Technology, level fund them from present 1987 efforts. That change was made both as a matter of principle and a matter of public safety.

Last October, through difficult negotiations, there was an agreement reached and signed between conferees of both the House and the Senate on the National Bureau of Standards authorization and the senior management of the Office of Management and Budget. We agreed to reduce the budgets of both the Center for Fire Research and the Center for Building Technology and the Institute for Computer Sciences and Technology and to use that money to provide the startup funds for the Cold Neutron Research Facility which all of us agreed was badly needed.

In return for those reductions, the Office of Management and Budget agreed not to propose further cuts in fire and building research for the remainder of this administration.

They also agreed not to propose merging the Center for Building Technology and the Center for Fire Research as a back door way of simply reducing those programs.

Three months later, apparently, they forget the agreements they have made and once again these two Centers have been proposed for both reductions and mergers.

We could have voted to restore the Centers to their preagreement funding levels, because that level of support in view of the importance to the public and the national interest in safety were broadly supported on both sides of the aisle in this House, but we are not rubbing it in. We are just standing on the ground which we agreed up 3 months ago. We are simply reinstating the reduced level of effort that was incorporated in that agreement, and I will include in my statement for the RECORD the text of that letter with the Members of the House and Senate and the Office of Management and Budget.

The letter is as follows:

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC.

Hon. SHERWOOD BOEHLERT,
House of Representatives,
Washington, DC.

DEAR MR. BOEHLERT: This is to confirm recent staff discussions on the National Bureau of Standards (NBS) authorization and appropriation bills.

The Office of Management and Budget (OMB) and the Department of Commerce will support a total NBS budget authorization of $123,953,000 for FY 1987. This level will include $6.5 million for initiation of the Cold Neutron Facility and reductions from the pre Gramm-Rudman-Hollings FY 1986 operating levels of $.5 million for the Fire Program, $.5 million for the Building Program and $2.5 million for Computer Sciences and Technology. There will also be reductions of $1.5 million in the Competence Program and $1.641 million in the Post Doctoral Program. Neither the Department of Commerce nor OMB will propose further programmatic reductions in the Fire, Building, and Computer Sciences Programs in FY 1987, FY 1988 or FY 1989. In the case of across-the-board budget changes such as reductions the President must make to achieve Gramm-Rudman-Hollings deficit targets or a subsequent sequester, these programs will be treated the same as the other NBS programs.

Our commitment is, of course, contingent on successful implementation of this compromise in both the final authorization and appropriation for NBS in FY 1987.

Sincerely,

CAROL T. CRAWFORD,
Associate Director for
Economics and Government.

NATIONAL BUREAU OF STANDARDS,
Gaithersburg, MD, September 25, 1986.

Hon. SHERWOOD BOEHLERT,
Ranking Minority Member,
Subcommittee on Science, Research, and Technology, House of Representatives,
Washington, DC.

DEAR MR. BOEHLERT: This is to confirm recent staff discussions on the National Bureau of Standards' Authorization Bill. I will not propose any reorganization to the Centers for Fire Research and Building Technology in FY 1987, FY 1988, and FY 1989.

Sincerely,

ERNEST AMBLER,
Director.

Mr. WALGREN. The other budget actions of the committee are straightforward. We authorized funding of the Office of Productivity Technology and Innovation.

We authorized the Patent Licensing Program of the National Technical Information Service and we authorized the Japanese Technical Literature Program, all at current levels of funding.

There is one other provision that I think should be underscored. Section 15 of the bill prohibits the National Technical Information Service from contracting out activities not currently performed by outside contractors, and I understand my colleague, the gentleman from Pennsylvania [Mr. WALKER] has an amendment to that provision that he will offer at the appropriate time. That amendment seems very recommendable.

But the underlying protection and purpose of this language in the bill should not be underestimated and that is that the National Technical Information Service is essentially a library function. There is a reason why most of the libraries in this Nation are charitable and not for profit and that is because if the profit motive decides what is to be done in the library function, you will have an improper emphasis given to certain kinds of information that may not presently be appreciated in the marketplace, but may be literally critical to be accessed by various users of information and users of a National Technical Information Library; so that is preserved in this bill, and it is my understanding will not be undercut by the amendment that the gentleman from Pennsylvania will offer.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. WALGREN. I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I want to assure the gentleman that the aspect of the National Technical Information Service to which the gentleman alludes would not be all touched by amendment.

I appreciate the gentleman's words about it.

What it seeks to do is simply assure that when the NTIS begins the process of printing information to make it available to the public that they would seek quality printing services from a variety of services, if the GPO can provide that at the most cost-effective rate, the GPO would be used; but if some other entity could provide cost-effective quality printing for public dissemination, then that would be permitted, too.

The amendment basically solves one of those minor problems that the administration has with the bill.

I want to assure the gentleman that nothing in my amendment will get in the idea of essentially the library functions of the service, and I thank the gentleman for yielding.

Mr. WALGREN. Well, Mr. Chairman, we certainly recognize the constructiveness of that amendment and look forward to it.

Mr. Chairman, this bill is an important bill. The only disputes between us and the administration really are over the Center for Fire Research and the Center for Building Technology.

We in the Congress almost without exception have repeatedly, year after year, emphasized that those are absolutely essential public safety functions.

If there ever was a Washington Monument strategy to reduce on a superficial level a budget sent by the administration, it is one that cuts the Center for Fire Research and the Center for Building Technology.

So I urge my colleagues to support the bill in view of the contributions that it makes both in that area and to our industrial competitiveness and capabilities as a whole.

Mr. LUJAN. Mr. Chairman, I yield such time as he may consumer to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Chairman, I rise in strong support of H.R. 2160, the authorization for the National Bureau of Standards.

I recognize that this Federal laboratory—the Nation's oldest—is a mystery to many of my colleagues. But its work is no mystery to American industry, which has depended on its services and has contributed money, equipment and people to support its work for the past 86 years. Indeed, the very mission of the National Bureau of Standards is to aid American business through the science of metrology.

Some of the Bureau's planned initiatives for next year give a hint of the Lab's importance. The Bureau plans to enhance its work in quality control, composites, fiber optics and biotechnology—all areas in which our Nation must stay ahead to maintain prosperity. The Bureau will also be contributing its expertise to the race to develop superconducting materials.

The Bureau also helps make America safer through the work of the Center for Building Technology and the Center for Fire Research. The Building Center is helping investigate the tragic building collapse in Bridgeport, CT. The Fire Center was instrumental in determining the cause of last New Year's Eve's fatal blaze at the Dupont Plaza Hotel in Puerto Rico.

The lessons learned from these investigations as well as the ongoing research at the Centers will help make American homes and offices more efficient, less expensive, more durable and more safe.

Despite the record, and the promise, of the Fire and Building Centers, the proposed budget would have cut these programs in half. Our committee resoundingly rejected that proposal as we have rejected past attempts to eliminate the Centers entirely.

For too long, the Bureau has been treated as the "ugly duckling" of the Federal scientific establishment, eeking out a precarious existence in the face of stagnant budgets, inflexible personnel rules and growing technological needs. I hope the current "competitiveness crisis" has opened our eyes to the fact that the Bureau is, in actuality, a beautiful swan.

A quotation from the British scientific sage, Lord Kelvin, provides a clear statement of the significance of the Bureau's work. Kelvin wrote at the end of the last century: "When you can measure what you are speaking about, and express it in numbers, you know something about it; when you cannot express it in numbers your knowledge is of a meager and unsatisfactory kind: it may be the beginning of knowledge, but you have scarely, in your thoughts, advanced to the stage of science."

The National Bureau of Standards continues to strive mightily to keep us at the "stage of science." It merits our unswerving support.

Mr. ROE. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from North Carolina [Mr. VALENTINE].

Mr. VALENTINE. Mr. Chairman, I rise in support of H.R. 2160, legislation authorizing the National Bureau of Standards for fiscal year 1988. During consideration of this bill before the Science, Research and Technology Subcommittee, the subcommittee sought to report a bill that would have the greatest bipartisan support. I am pleased to associate myself with the chairman, Mr. WALGREN, in lending my support to this bipartisan bill.

Mr. Chairman, the National Bureau of Standards is our country's preeminent national laboratory for scientific measurements and standards. The Bureau exemplifies the ideal of collaboration and cooperation between industrial- and public-supported research. At any given time, hundreds of industrial science researchers, academicians, and other Government personnel are working side by side at the Bureau to solve scientific problems, update research methods, and generate new scientific procedures.

The Bureau's programs improve our competitiveness in foreign markets, help us understand hazards such as fires and earthquakes, and provide a resource for State and local governments in standards work involving safety programs.

At the $142.9 million authorization level approved by the committee, the Bureau represents a relatively small but important investment in this Nation's standards and measurements.

I am disappointed that the administration continues to request further and deeper cuts in the budget for the Bureau. For the past several years, the administration has proposed budgets that would have wreaked havoc on the Bureau if they had been adopted. This year, the administration again submitted a budget that is less than satisfactory. Even though the administration proposed a slight increase of $16.6 million for fiscal year 1988, it requested substantial cuts in other important functions such as the Office of Productivity, Technology, and Innovation and fire and building safety and research programs. It also provided no funds for the National Technical Information Service, which continues to be the focal point for domestic and international patent and licensing activities.

The bill, as reported by the subcommittee, restores funding for the Bureau and its many functions. It includes all the initiatives proposed by the administration, such as process and quality control, high performance composites, bioprocess engineering, and lightwave measurement technology. The subcommittee did not accept the proposed reductions for fire and building research programs; instead, we restored the funding level to $4.3 million. The subcommittee also restored funding for the National Technical Information Service program at the fiscal year 1987 level. These restorations are extremely important for the Bureau, and I support them fully.

Mr. Chairman, the United States is in a race for its technological life, and this race will continue well into the next century. The National Bureau of Standards must remain a state-of-the art, scientific organization. It must have the resources to interact with the industrial community and the university community preserve and promote our scientific standards. The authorization of the Bureau before us today will maintain and enhance this relationship. It will also continue to foster the climate for American industrial competitiveness and U.S. resurgence in the world economy.

Mr. Chairman, I urge my colleagues to support this bill, to support America's future. I also urge my colleagues to resist any attempt to reduce the funding levels for this important authorization bill.

□ 1225

Mr. LUJAN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Maryland [Mrs. MORELLA], who I must say has worked very hard on behalf of the National Bureau of Standards. She even took us out there to see all the programs so that she could have all the imput in protecting all those agency functions out there.

Mrs. MORELLA. Mr. Speaker, I want very much to thank the ranking minority member, the gentleman from New Mexico [Mr. LUJAN], for his very kind words. I also would like to pay tribute to the chairman of the Committee on Science, Space, and Technology, the gentleman from New Jersey [Mr. ROE], and to the subcommittee chairman, the gentleman from Pennsylvania [Mr. WALGREN], the ranking minority member on the subcommittee, and the gentleman from New York [Mr. BOEHLERT]. It is because of the leadership that was given by these members that such a bill could come before us.

Mr. Chairman, a few weeks ago I hosted a congressional tour of the National Bureau of Standards main campus, located in Gaithersburg, MD. Our visit convinced me that NBS is one of the best-kept secrets in the Washington area. We saw the cold neutron source reactor, being put into operation at far less than the cost of similar facilities overseas, and saw materials, formulated with the help of the reactor, that didn't exist 3 years ago. The scientists in charge of the reactor spoke with pride of NBS innovations allowing America to stay ahead of the Japanese and Western Europeans in the critical field of materials research. Progress in this field is rapid and the NBS reactor's computer is linked to computers at both Government and industry laboratories throughout the Nation so that new developments can be disseminated as quickly as possible.

We also toured NBS' Automated Manufacturing Research Facility, where the factory of the future is being designed. In factories today, there must be a separate machine to create each different nut and bolt. At NBS we saw a single machine that, controlled by a computer, can quickly switch from making one product to making another, different product. When this technology is perfected and transferred to the private sector, the implications for increased manufacturing efficiency will be astounding.

Implementation of new technology has been an American weakness, as has been the relative lack of cooperation between Government and business. The National Bureau of Standards is known among Goverment laboratories for establishing an exemplary record of cooperation between industry, Government, and academia. Through the Bureau's Research Associate Program, research associates have their salaries paid by the sponsoring private-sector organizations while NBS contributes its expertise and permits researchers to use the Bureau's excellent facilities and equipment.

The National Bureau of Standards has a particularly fine record of cooperation with high-technology businesses in Montgomery County, MD, the county in which the Bureau's main campus is located and which I represent. Don Johnson, the Director of NBS' National Measurement Laboratory, is also vice chairman of the Montgomery County High-Technology Council, made up largely of local business men and women. NBS shares its knowledge with the council, whose members together employ over 11 percent of the county's work force, at monthly breakfasts held at the Gaithersburg campus. I was pleased to support Mr. Johnson's recent appointment as an adviser to the House Science, Space, and Technology Committee's Technology Policy Task Force, on which I serve.

NBS' record of close cooperation between business and Government, relatively common in many of our economic rivals, could if emulated more broadly make a significant contribution to American competitiveness.

But the issue now before us is funding for the National Bureau of Standards. In the Science, Space, and Technology Committee and also in that committee's Science, Research, and Technology Subcommittee, on which I serve, we have heard much eloquent testimony as to how badly underfunded the Bureau has been, its funding kept level for a number of years now. I salute the President for calling, in this year of competitiveness, for an increase in the Bureau's budget and congratulate the Science, Space, and Technology Committee for recommending the specific figures included in the legislation before us.

The National Bureau of Standards is a keystone of the American effort to increase our competitiveness. There is no better investment in the future of American technology. I call on my colleagues to fully support funding for the Bureau.

Mr. LUJAN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Rhode Island [Miss SCHNEIDER].

Miss SCHNEIDER. Mr. Chairman, I rise in strong support of H.R. 2160, the National Bureau of Standards Authorization Act for Fiscal Year 1988. H.R. 2160 provides a $21 million increase for the Bureau over its 1987 appropriation. This bill allows the Bureau to initiate critically needed research programs to support standards development for a variety of high-technology industries and to increase the Bureau's abilities in process control and quality assurance.

Although the United States still leads the world in scientific discoveries, we now trail a number of countries in manufacturing technology and in the development of new products. The President's Commission on Industrial Competitiveness summed up this problem:

> Manufacturing technology needs more emphasis. Perhaps the most glaring deficiency in America's technological capabilities has been our failure to devote enough attention to manufacturing or "process" technology. It does us little good to design state-of-the-art products, if within a short time our foreign competitors can manufacture them more cheaply.

The Bureau has a unique role to play in addressing the shortcomings identified in this report and in our Nation's effort to restore its industrial competitiveness. The Bureau is responsible for establishing standards for measurements which are necessary for assuring quality and cost-competitiveness of U.S. high-technology products and services. NBS assists industry by sharing its specialized facilities with the private sector, focusing research in emerging technologies including materials science, computer science and manufacturing technology, and transferring technology to industry.

Our subcommittee's hearing on NBS demonstrated strong industry support for the Bureau. For example, there are today over 200 research associates from industry working on a wide variety of problems at the Bureau with NBS employees. In addition, over 30 companies and numerous academic institutions are providing assistance for NBS's recently completed automated manufacturing research facility. The AMRF, which is the Nation's most advanced manufacturing facility, is studying new methods of measurement and quality control for automated factories. At least 20 companies already have commercial adaptations of portions of this facility's research.

Because the work of the Bureau is so important to efforts to restore U.S. competitiveness, we need to enhance the Bureau's efforts to transfer its research to U.S. industry. That is why I am pleased that H.R. 2160 includes my amendment to require NBS to prepare and implement a strategy to transfer technology to small businesses. At our subcommittee hearing on the NBS budget proposal, we heard testimony from the NBS Director and others that the Bureau does not have a comprehensive strategy for transferring its research to small business. NBS must have an aggressive program to transfer technology to small business because small businesses are responsible for much of the innovation in this country.

The work of the NBS is one critical component in our Nation's fight to regain our industrial footing in the global marketplace. I urge my colleagues to support H.R. 2160

□ 1235

I commend the gentleman from New Jersey [Mr. ROE], the chairman of our full committee, and the gentleman from Pennsylvania [Mr. WALGREN], the chairman of our subcommittee, and the ranking members for their leadership in seeing to it that we can make this progress within a reasonable amount of time and to show the world that we are very serious about making tangible and substantive changes to improve the quality and quantity of goods and services produced on behalf of the United States.

Mr. MINETA. Mr. Chairman, I rise in support of H.R. 2160, which authorizes appropriations for the National Bureau of Standards for fiscal year 1988. I would like to thank Mr. WALGREN, Mr. ROE, and Mr. BOEHLERT for their tireless efforts on behalf of this important bill.

The National Bureau of Standards is intimately involved in improving the competitiveness of American industry. This bill will provide resources to the Bureau to continue its work in communications, steel, chemicals, advanced ceramics, automated manufacturing and biotechnology. The growth in these programs will help restore American industry and manufacturing to a position of preeminence.

Mr. Chairman, I applaud the committee's decision to restore funding levels for the Center for Building Technology and the Center for Fire Research. The Center for Building Technology has helped the construction industry by providing information on structural reliability, seismic design, rehabilitation of existing buildings, building energy conservation standards and advanced manufacturing technology. The restoration of funds for the Center for Fire Research will support State and local programs to train firefighters. I urge my colleagues to support these provisions of this bill.

Mr. Chairman, I turn now to another portion of this bill which is particularly important to me—the Japanese Technical Literature Act. This bill provides $1 million to continue the activities authorized in the Japanese Technical Literature Act of 1986.

Without question, some of the finest scientific and commercial research is presently being done in Japan, and yet we have failed to train enough translators with proficiency in both the Japanese language and in handling technical information. As a result, we have only scant awareness of the range of research being carried out in Japan, and we are in many instances oblivious to the progress made by first-rate researchers and innovators.

Significant advances in science and technology are expected to continue in Japan in the coming years. The purpose of the Japanese Technical Literature Act is to improve awareness by Americans of the technological advances in Japan and to make such information more accessible. It is our intention that we no longer allow the language barrier to impede the flow of information from Japan to the United States. Greater access to this material will help us not only to understand our competition, but also to set new directions for our own commercial and academic enterprises.

Mr. BROWN of California. Mr. Chairman, while the National Bureau of Standards may not be the first agency that the Members are likely to associate with competitiveness, this is not the fault of the Bureau. While others are moaning about our inability to compete, the Bureau, in its own quiet, competent tradition is providing the underpinnings for U.S. industry to participate in world markets.

The Bureau, through its membership on over 1,000 private sector standards committees and through the hundreds of conferences for industry that it sponsors annually, is collecting information on what measurement and quality standards U.S. industry must meet in order to compete. Then it goes about doing the research, development, and applications work necessary to develop the knowledge for these standards and to solve these problems hand-in-hand with industry.

The work of the Bureau gets more complex every year as emerging industries such as advanced ceramics and bioprocessing all compete for the Bureau's limited resources which must also serve traditional industries, themselves in the midst of major technological change. The Bureau has managed, despite it all, to stay a world leader in technologies as diverse as teaching robots and machine tools of various manufacturers to work together to the accurate measurement of the quantity of oil or gas flowing through a pipeline. It is hard to think of an industry that has not been made more competitive by the development of the precision standards resulting from the Bureau's research.

Yet we have not been kind to the National Bureau of Standards at budget time. To be blunt, we have been penny-wise and pound-foolish. We have starved a critical agency by pretending that our competitiveness is part of the discretionary portion of the Federal budget and at the mercy of those ruthless knaves: Gramm-Rudman. Competitiveness is not at our discretion if we are to survive economically.

I would like to remind my colleagues of two Bureau budgets we received in January 1981 from two very different administrations. The Carter administration, with 4 years of experience, had just finished a major study on competitiveness, or "innovation," as we called it then. They decided that the agencies authorized by this bill, the Bureau, the National Technical Information, should receive a total of $150 million for fiscal year 1982. The Reagan administration came in and reduced the total to $131 million. It is hard to believe that in spite of 7 years of inflation and declining market share for American firms in this country, we are being told by the administration that we cannot afford $146 million for these agencies. Witness after witness told the Science Committee that NBS is stretched too thin and needs dramatic increases in its funding in order to do the research on basic standards, to verify the accuracy of engineering data that American industry relies on, and to provide the preliminary standards for emerging industries that will be the basis of a high American standard of living in the future.

Mr. Chairman, I hope against hope that this body can wake up today and realize how important a healthy National Bureau of Standards is to our Nation. We have been arguing that $4 or $5 million above the administration's request will break our bank. It is time we recognized that a few well-spent dollars at the Bureau pays for itself many times over in terms of higher quality, less expensive goods that can compete in domestic and international markets. Let us get on with the job of rebuilding the Bureau and its associated agencies so that they can once again make their contribution to a strong, competitive America.

Additionally, Mr. Chairman, I wish especially to add my support to the language of section 15 of H.R. 2160. This section, which prohibits the administration from contracting out, or otherwise transferring, functions of the National Technical Information Service [NTIS] which are now being performed by that agency, is necessary.

The Office of Management and Budget, for reasons which are neither clear nor cogent, has attempted for several years to privatize this resource.

NTIS is an agency of the Commerce Department, and is the principal source of Federal scientific and technical information to the public and private sectors. NTIS has successfully performed its mission as a clearinghouse for this vital information for several decades.

The organic legislation for NTIS, enacted in 1970, requires that NTIS perform its mission on a cost-recovery basis, and at no cost to the Government. That NTIS has been able to do this—to be virtually totally self-supporting—is a tribute to the wisdom of those who created the agency and to the National Treasure which NTIS has become. NTIS now maintains an archive of about 2 million documents and an electronic database which includes over 1½ million bibliographic references.

If NTIS were to be contracted out or privatized, it is very probable that some of the most important functions of the agency would be irretrievably lost. The return on investment for maintaining NTIS is not sufficiently great that the private sector would be willing to perform all of the valuable services and provide all of the important products which NTIS now offers.

NTIS is able to collect, with ease, not only United States Federal scientific and technical information because it is a Federal agency, but also, because it is a Federal agency, it has been able to enter into government-to-government agreements which are now bringing into the NTIS collection valuable foreign scientific and technical information from such nations as Japan, West Germany, and various members of the European Economic Community. It is obvious that the NTS Federal agency status enhances and expedites its ability to perform these functions, and we need this information if we are to keep abreast, both technologically and economically, with our trading partners and competitors.

NTIS is an American asset which is assisting in enhancing the crucial function of transferring Federal and foreign technology to the private sector. This means that NTIS is playing a vital role in providing real assistance to the health and well-being of our Nation's business and industry, and in improving American competitiveness.

We cannot afford, given the importance of the functions of this agency, to allow it to be jeopardized by permitting it to be, in this instance, subject to the whim of an administrative ideology which is devoid of logic.

Under the terms of this legislation, the administration will have ample opportunity to offer recommendations regarding improving the functioning of NTIS. But the administration will be required to submit its recommendations essentially as statutory changes. This will allow us all to share in the responsibility of ensuring that any such changes are rational and will only result in real improvements to the functioning of the agency and the carrying out of its mission more effectively.

I urge my colleagues, therefore, to join me in voting for H.R. 2160, and thereby provide for both the needed authorization for the National Bureau of Standards, and the protection and enchancement of the National Technical Information Service.

Mrs. SCHROEDER. Mr. Chairman, as chairwoman of the Subcommittee on Civil Service, I rise to discuss the alternative personnel system authorized for the National Bureau of Standards in last year's bill. This program was designed jointly by the Committee on Science and Technology and the Committee on Post Office and Civil Service.

Planning within the National Bureau of Standards for this program is now well underway and implementation should begin later this year. The report of the Committee on Science and Technology contains some important points about this demonstration plan, which I think should be stressed.

Frankly, one of the fundamental purposes of the alternative system is to close the massive gap between private sector salaries for scientists and those paid by the National Bureau of Standards. Closing the pay gap cannot be done without spending more money. We put in a 1-year only requirement for cost neutrality in the legislation. After September 30 of this year, the National Bureau is under no obligation to maintain existing costs. If the Bureau does not fully fund the pay increases required by this system, it will not give the alternative personnel authority a chance to work.

Second, there are a number of ways to view the alternative personnel system: as a way to rationalize the Bureau's own personnel system; as a way to create a new system for Government labs; or as a way to test a model personnel system for the entire Government. There are some things which the Bureau can do which would pose serious problems if attempted on a broader scale. One of those is extending the probationary period beyond 1 year. I think that the National Bureau of Standards should concentrate first and foremost on developing a first class personnel system for itself. If that system can later be expanded, so much the better.

I congratulate Chairman WALGREN and the committee for supporting this alternative personnel system. I pledge to work with them to make sure this program helps the National Bureau of Standards fulfill its vital mission.

Mr. SKAGGS. Mr. Chairman, although we are still by far the most productive Nation on Earth and still the most advanced technologically, we are often stumbling at the point of turning our advanced technologies into everyday products.

Many factors have hurt our ability to compete in the international market, but mostly it's been a case of shooting ourselves in the foot. The sad fact is that we have been failing to invest intelligently in those areas that pay the greatest dividends: in education, in research, in training and in infrastructure. I strongly support the National Bureau of Standards authorization bill before us today because the NBS is one of the strongest tools available to the Government to help regain our industrial superiority.

The Bureau has the mission of establishing the measurements and standards used by U.S. industry, Government, and science. This task is often ignored as unglamorous, but industry simply cannot manufacture precision high-technology products without exact measurements and standards.

These measurements and standards are the key to shortening the delay between new discoveries in science and the practical application of new knowledge to everyday products. The bill before us emphasizes the Bureau's role in transferring this technology to the private sector, and in particular to small business.

THE BUREAU AND SUPERCONDUCTIVITY

The international race on superconductivity is a perfect example of why NBS funding is so important. Literally thousands of American scientists have been working around the clock for months now to discover new chemical compounds that will act as a superconducter of electricity at higher temperatures. Such discoveries could revolutionize industry and would have countless practical applications—creating millions of new jobs. But they won't be new American jobs unless our country can turn its discoveries into products as quickly and with the same quality as our international competitors.

The Bureau can significantly accelerate the efforts of American industry to make use of superconductivity breakthroughs by providing the measurement methods and materials data critical to all stages of research, development, and marketing. Bureau measurements and data will be critical for characterizing the properties of new superconducting materials, for designing new products, for controlling manufacturing processes, for testing final products, and for proving the performance of those products in the international marketplace.

I am proud to point out that NBS scientists in Boulder, CO, have built what is probably the first practical device made from new high-temperature superconducting materials. The name of it is too long for a 2-minute speech, but it has a number of medical applications, including pinpointing tumors in the body so as to reduce the need for exploratory surgery.

The bill before us includes an additional $500,000 for NBS superconductivity work, and I thank the subcommittee chairman, Mr. WALGREN, for his leadership in this regard. As the committee noted, this amount should be seen as only a beginning for the superconductivity work the NBS needs to do. The committee has requested from the Bureau a plan for its proposed additional activities to keep the United States at the forefront of superconductivity research and development.

This bill is an important step in promoting the revitalization of America's manufacturing industry, and I urge my colleagues to join me in voting for it.

Mr. ROE. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. LUJAN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 2160

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Bureau of Standards Authorization Act for Fiscal Year 1988".

AUTHORIZATIONS FOR PROGRAM ACTIVITIES

SEC. 2. (a) There are authorized to be appropriated to the Secretary of Commerce (hereinafter referred to as the "Secretary"), for fiscal year 1988, to carry out activities performed by the National Bureau of Standards, the sums set forth in the following line items:

(1) Measurement Research and Standards, $43,196,000.

(2) Materials Science and Engineering, $24,557,000.

(3) Engineering Measurements and Standards, $40,219,000.

(4) Computer Science and Technology, $8,266,000.

(5) Research Support Activities, $20,259,000.

(6) Cold Neutron Source Facility, $6,500,000 (for a total authorization of $13,000,000).

(b) Notwithstanding any other provision of this or any other Act—

(1) of the total of the amounts authorized under subsection (a), $2,000,000 is authorized only for steel technology;

(2) of the total amount authorized under paragraph (3) of subsection (a)—

(A) $3,710,000 is authorized only for the Center for Building Technology, and

(B) $5,662,000 is authorized only for the Center for Fire Research,

and the two Centers shall not be merged; and

(3) of the total amount authorized under paragraph (5) of subsection (a), $7,371,000 is authorized only for the technical competence fund.

(c)(1) Funds may be transferred among the line items listed in subsection (a), so long as the net funds transferred to or from any line item do not exceed 10 percent of the amount authorized for that line item in such subsection and the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate are notified in advance of any such transfer.

(2) In addition, the Secretary may propose transfers to or from any line item exceeding 10 percent of the amount authorized for the line item in subsection (a); but a full and complete explanation of any such proposed transfer and the reason therefore must be transmitted in writing to the Speaker of the House of Representatives, the President of the Senate, and the appropriate authorizing committees of the House of Representatives and the Senate, and the proposed transfer may be made only when 30 calendar days have passed after the transmission of such written explanation.

OFFICE OF PRODUCTIVITY, TECHNOLOGY, AND INNOVATION

SEC. 3. In addition to any sums otherwise authorized by this Act, there is authorized to be appropriated to the Secretary for fiscal year 1988 the sum of $2,400,000 for the activities of the Office of Productivity, Technology, and Innovation.

NATIONAL TECHNICAL INFORMATION SERVICE

SEC. 4. In addition to any sums otherwise authorized by this Act, there is authorized to be appropriated to the Secretary for fiscal year 1988 the sum of $500,000 for the patent licensing activities of the National Technical Information Service.

JAPANESE TECHNICAL LITERATURE

SEC. 5. In addition to any sums otherwise authorized by this Act, there is authorized to be appropriated to the Secretary for fiscal year 1988 the sum of $1,000,000 to carry out the purposes of the Japanese Technical Literature Act of 1986.

COLD NEUTRON SOURCE FACILITY

SEC. 6. In addition to any sums otherwise authorized by this Act, there are authorized to be appropriated to the Secretary for fiscal year 1988 such sums as were authorized but not appropriated for the Cold Neutron Source Facility for fiscal year 1987. Furthermore, the Secretary may accept contributions of funds, to remain available until expended, for the design, construction, and equipment of the Cold Neutron Source Facility, notwithstanding the limitations of section 14 of the Act of March 3, 1901 (15 U.S.C. 278d).

SALARY ADJUSTMENTS

SEC. 7. In addition to any sums otherwise authorized by this Act, there are authorized to be appropriated to the Secretary for fiscal year 1988 such additional sums as may be necessary to make any adjustments in salary, pay, retirement, and other employee benefits which may be provided for by law.

AVAILABILITY OF APPROPRIATIONS

SEC. 8. Appropriations made under the authority provided in this Act shall remain available for obligation, for expenditure, or for obligation and expenditure for periods specified in the Acts making such appropriations.

COMPUTER SCIENCES AND TECHNOLOGY

SEC. 9. Section 2 of the Act of March 3, 1901 (15 U.S.C. 272), is amended—

(1) by redesignating paragraphs (17) through (19) as paragraphs (18) through (20), respectively; and

(2) by inserting after paragraph (16) the following new paragraph:

"(17) perform research to develop standards and test methods to advance the effective use of computers and related systems and other equipment, procedures, and systems for automatic acquisition, storage, manipulation, display, and transmission of information, and its use to control machinery and processes, and to protect the information stored, processed, and transmitted by those systems;".

FULLY AND CURRENTLY INFORMED

SEC. 10. The Act of March 3, 1901, is further amended by adding at the end thereof the following new section:

"SEC. 19. The Director shall keep the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate fully and currently informed with regard to all of the activities of the National Bureau of Standards.".

RESEARCH ASSOCIATES

SEC. 11. The National Bureau of Standards shall not implement a policy of charging fees to research associates in the absence of express statutory authority to do so.

ADJUSTMENTS TO FEE SCHEDULES

SEC. 12. The Director of the National Bureau of Standards shall justify in writing all proposed changes in fees for currently offered standard reference materials and calibration services, including a description of the anticipated impact of any proposed changes on demand for and anticipated revenues from the materials and services. Changes in fees shall not be effective unless and until the Director has submitted the proposed schedule and justification to the Congress and a period of 30 days has elapsed since that submission; except that the requirement of this sentence shall not apply with respect to adjustments which are based solely on changes in the costs of raw materials or of producing and delivering standard reference materials or calibration services.

ASSESSMENT OF EMERGING TECHNOLOGIES

SEC. 13. The Board of Assessment of the National Bureau of Standards programs shall include, as part of its annual review, an assessment of emerging technologies which are expected to require research in metrology to keep the Bureau abreast of its mission including (but not limited to) process and quality control, technology transfer, engineering databases, advanced materials, electronics and fiber optics, bioprocess engineering, and advanced computing concepts. Such review shall include estimates of the cost of the required effort, required staffing levels, appropriate interaction with industry, and the period over which the research will be required.

IMPROVEMENT OF TECHNOLOGY TRANSFER WITH SMALL BUSINESSES

SEC. 14. The Director of the National Bureau of Standards shall prepare a plan detailing how the Bureau will make small businesses more aware of the Bureau's activities and research, and how the Bureau will seek to increase the application by small businesses of the Bureau's research, particularly in manufacturing. The plan shall be submitted to the House Committee on Science, Space, and Technology and to the Senate Committee on Commerce, Science, and Transportation no later than October 1, 1987.

PERFORMANCE OF THE ACTIVITIES AND FUNCTIONS OF THE NATIONAL TECHNICAL INFORMATION SERVICE

SEC. 15. None of the activities or functions of the National Technical Information Service which are not currently performed by contractors shall be contracted out or otherwise transferred from the Federal Government unless such transfer is expressly authorized by statute. The Secretary shall report his recommendations for improvements in the National Technical Information Service (including methods for automating document distribution and inventory control), and any statutory changes required to make those improvements, to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate by December 31, 1987.

SCIENCE AND TECHNOLOGY FELLOWSHIP PROGRAM

SEC. 16. There is hereby established within the Department of Commerce a Commerce, Science, and Technology Fellowship Program with the stated purpose of providing a select group of employees of the executive branch of the Government with the opportunity of learning how the legislative branch and other parts of the executive branch function through work experiences of up to one year. The Secretary shall report to the Congress within six months after the date of the enactment of this Act on the Department's plans for implementing the Program in fiscal year 1988.

Mr. ROE (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: On page 8, line 20, after the period, add the following new language:

"Nothing in this section shall preclude the National Technical Information Service and its contractors from procuring quality printing services at the most cost-effective rate."

Mr. WALKER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALKER. Mr. Chairman, this is the amendment that we discussed briefly during the presentation by the gentleman from Pennsylvania [Mr. WALGREN].

It is an amendment designed to assure that as the National Technical Information Service is preparing materials for public dissemination and doing the printing thereto, that those materials can be obtained through private printing firms.

There are many printing firms in this country, including some in the 16th District of Pennsylvania that are really capable of doing very high quality work and can do so very cost effectively.

What this amendment says is that as we look toward the problems that might accrue in privatization of some aspects of NTIS, we do not preclude them from looking to places other than GPO for printing services as it relates to the dissemination of information.

Let me clarify precisely that this does not preclude them from going to GPO if GPO can provide the highest quality at the best cost. This is certainly permitted under this amendment, but it does ensure that there can be private envolvement, that small business private firms can also be involved through the process.

I hope that this amendment can be adopted. It seems to me that it is simply offering some assurance that in a vital area of interest to small businesses, that they be included in the competition.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Mr. Chairman, I yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, I thank the gentleman for yielding.

I join with the gentleman in strong support for the amendment. It adds a great deal to the legislation and gives us the flexibility to get the work done at the best price for the American taxpayer.

Mr. Chairman, I salute the gentleman and strongly support the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The amendment was agreed to.

The CHAIRMAN. Are there other amendments to the bill?

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. GRAY of Illinois] having assumed the chair, Mr. RAHALL, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 2160) to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1988, and for other purposes, pursuant to House Resolution 184, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks, and to include extraneous matter, on H.R. 2160, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

ENVIRONMENTAL RESEARCH, DEVELOPMENT, AND DEMONSTRATION AUTHORIZATION ACT OF 1987

The SPEAKER pro tempore. Pursuant to House Resolution 182 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2355.

□ 1241

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2355) to authorize appropriations for environmental research, development, and demonstration for the fiscal years 1988 and 1989, and for other purposes, with Mr. RAHALL in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from New Jersey [Mr. ROE] will be recognized for 30 minutes and the gentleman from New Mexico [Mr. LUJAN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. ROE].

Mr. ROE. Mr. Chairman, I yield myself such time as I may consume.

H.R. 2355, which was reported by the Committee on Science, Space, and Technology on May 13, authorizes appropriations for EPA research and development activities for fiscal years 1988 and 1989, and for other purposes.

The bill authorizes research activities of EPA's Office of Research and Development under the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the Resource Conservation and Recovery Act, the Federal Insecticide, Fungicide and Rodenticide Act, and the Safe Drinking Water Act. Authorizations for research under the Superfund Amendments and Reauthorization Act are not included because such programs were separately authorized for 5 years under that act.

H.R. 2355 authorizes appropriations of $294.4 million for fiscal 1988, equal to the President's fiscal 1988 request, which represents an $11 million decrease from current fiscal 1987 levels.

H.R. 2355 authorizes appropriations of $307.2 million for fiscal 1989, which provides for level funding for these programs, taking the Congressional Budget Office's inflation estimate of 4.3 percent into account.

While the committee has accepted the President's funding levels for fiscal 1988, it has redirected funding in several areas. In fiscal 1988, $3 million has been redirected from the Acid Rain Research Program to increase funding for programs that were critically underfunded, such as research on methods to reduce radon contamination in homes, biotechnology, and grants to university researchers.

In fiscal 1989, the committee has provided additional resources above baseline for important research in the areas of biotechnology, stratospheric change, hazardous waste minimization, and basic research at universities. The committee also provided for a modest 2-percent increase above inflation to enhance EPA's in-house research efforts.

In addition to program authorizations, H.R. 2355 contains provisions intended to provide guidance on EPA's research program, including a mandate for EPA to conduct and support long-term environmental research for immediate regulatory needs.

H.R. 2355 also contains provisions which will enhance the role of EPA's independent Science Advisory Board in advising Congress on the direction of EPA's research program and its research budget.

The bill also directs EPA to undertake several research studies in areas which are not presently being adequately addressed in EPA's research program.

Mr. Chairman, the importance of science and engineering research is usually overlooked during our debates over various environmental issues.

But whether the issue is hazardous wastes, or acid rain, or groundwater contamination, or stratospheric ozone depletion, the fundamental questions we must ask ourselves inevitably involve science and engineering. What human health effects are caused by what levels of exposure to chemicals in the environment? How do we control or clean up those pollutants? What effects do pollutants have on ecosystems and wildlife?

We can bring our own policy judgements to the questions of what role Government can play, but we depend on the scientists and the engineers to give us answers to these fundamental questions.

Without an adequate investment in research, without a sound scientists base, our best intentions and our greatest efforts to protect the environment amount to nothing more than expensive guesswork.

I want to express my appreciation for the work of the Subcommittee on Natural Resources, Agriculture Research and Environment on this bill. I would like especially to commend the chairman of the subcommittee, Mr. SCHEUER, of New York, and the ranking minority member of the subcommittee, Miss SCHNEIDER, of Rhode Island, for their bipartisan cooperation in developing this legislation.

Mr. Chairman, I reserve the balance of my time.

Mr. LUJAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I support H.R. 2355, authorizing appropriations for environmental research, development and demonstration activities at the Environmental Protection Agency for fiscal years 1988 and 1989. The funds authorized for fiscal year 1988 total $294.4 million—the President's request level—which is $10.1 million below the current year's appropriations of $304.5 million. For fiscal year 1989, the committee recommends $307.1 million to provide an inflation increase of 4.3 percent. The research authorized under this bill is designed to ensure that EPA has an adequate scientific basis for its regulatory programs and for addressing emerging environmental issues.

I want to congratulate the distinguished chairman of the subcommittee, Mr. SCHEUER, and the distinguished ranking Republican, Miss SCHNEIDER, in their handling of this legislation. They have been able to bring forward a package which is both fiscally sound and which addresses our Nation's needs, such as providing additional funds for high priority programs in radon exposure and biotechnology.

The bill also directs EPA to conduct basic long-term research which addresses important environmental information beyond the Agency's immediate regulatory needs. In a related provision, the Administrator is required to submit recommendations for improving EPA's capacity to identify and assess emerging environmental problems and research needs. In addition, the bill includes a requirement that the Agency develop a comprehensive research strategy to address the reduction of hazardous waste at its sources of production, and authorizes the funding needed to expand the embryonic efforts now underway at EPA.

Finally, Mr. Chairman, I will be proposing an amendment to require that EPA assess the current status on research into the use of ethanol and methanol in gasoline to reduce carbon monoxide and ozone emissions from automobiles. This bill, as amended, Mr. Chairman, warrants strong bipartisan support, and I urge its adoption.

Mr. Chairman, I reserve the balance of my time.

Mr. ROE. Mr. Chairman, I yield 3 minutes to the gentleman from Texas [Mr. DE LA GARZA], the distinguished chairman of the Committee on Agriculture.

Mr. DE LA GARZA. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I do not wish to impede the progress of H.R. 2355, and I want to commend the gentleman from New Jersey [Mr. ROE], the chairman of the full committee, and the gentleman from New York [Mr. SCHEUER], the subcommittee chairman, for the work that they have done on this bill.

However, the interests of the Committee on Agriculture must be expressed and protected.

I believe that the matters of concern are relatively minor and can be easily resolved, and I thank the gentleman for his interest and his cooperation in this endeavor.

Mr. Chairman, the Committee on Agriculture and the Committee on Science, Space, and Technology share jurisdiction over certain environmentally related research activities of the Environmental Protection Agency [EPA], and other Federal agencies. Our committees have worked together in the past on these matters and I am sure this positive relationship will continue.

As reported, H.R. 2355 provides an authorization for research under the Federal Insecticide, Fungicide, and Rodenticide Act [FIFRA]. Specifically, the bill provides $13,690,200 for fiscal year 1988, and $14,496,300 for fiscal year 1989 for research activities authorized under the FIFRA. While I believe these amounts will initially provide adequate authorizations for research under FIFRA in fiscal years 1988 and 1989, the Committee on Agriculture will review these levels this year as it works on a comprehensive FIFRA reform effort. I note that in last year's House-passed FIFRA bill (H.R. 2482) the authorization for FIFRA research was $14,343,600 for fiscal year 1988 and $14,978,200 for fiscal year 1989. The bill was not enacted in the 99th Congress, but it will provide a vehicle for our effort to pass a comprehensive FIFRA bill this year.

Mr. Chairman, H.R. 2355 also includes other matters that touch on the jurisdiction of the Committee on Agriculture. With regard to water quality and drinking water, our committee will be reviewing pesticide related ground water initiatives as part of the FIFRA effort this year. Later, we will look at the ground water issue as it relates to the prevention of ground water contamination, and the education of farmers through the Cooperative Extension Service at the Department of Agriculture.

With regard to energy research, the bill provides authorizations for acid rain research projects. The Agriculture Committee is particularly interested in the work being conducted by the National Acid Precipitation Assessment Program [NAPAP], which is an interagency group that seeks to coordinate research on acid rain. I believe that the forest ecosystem implications of air pollution should constitute a major part of the work being conducted by NAPAP. In the 99th Congress the House passed H.R. 2631, the Forest Ecosystems and Atmospheric Pollution Research Act of 1986, that would have established a 10-year program to document the threat to forests from air pollution, and a plan for research to deal with the problem. The Committee on Agriculture plans to move an identical bill (H.R. 2399) in this Congress.

Two provisions in section 7 of the bill also concern pesticide related research. Specifically, section 7(c) directs the Administrator of the EPA, in cooperation with the Secretary of Agriculture, to conduct a research study on the environmental effects of pesticide resistance and the potential of pesticide resistance management techniques to reduce such effects. It is worth noting that the 1985 farm bill required a similar study by the Department of Agriculture that was transmitted to the Committee on Agriculture on January 14, 1987. I believe any future study of this subject should build on, and not duplicate, the study done previously by the USDA. In addition, the FIFRA effort in the 99th Congress recommended a more comprehensive EPA pesticide resistance program to conduct research on pesticide resistance and pesticide resistance management techniques to control or reduce the development of pesticide resistance. Because the Committee on Agriculture will reconsider this proposal, I need to understand that the study provision in H.R. 2355 is not intended to hamper the effort to establish a broader program later this year.

A similar problem is presented by section 7(d) of the bill. Section 7(d) requires the EPA to establish a research program to develop testing protocols to determine the efficacy of antimicrobials—disinfectants. Last year's FIFRA effort included a similar provision that required the EPA to establish efficacy standards for antimicrobials, conduct compliance monitoring, and implement an enforcement program. Again, the Committee on Agriculture will reconsider this proposal later this year. I hope to receive clarification that the study required by H.R. 2355 is not intended to slow any effort to move ahead on the establishment of efficacy standards for antimicrobials.

Mr. Chairman, I do not wish to impede the progress of H.R. 2355, and I want to commend Chairman ROE and subcommittee Chairman SCHEUER for the work that they have done on the bill. However, the interests of the Committee on Agriculture must be expressed and protected. I believe that the matters of concern are relatively minor and can be easily resolved.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. DE LA GARZA. Mr. Chairman, I yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I thank the gentleman for his interest and support. I read with interest the statement the gentleman submitted to the Rules Committee on Tuesday. As the gentleman stated:

> Our committees have worked together in the past on these matters and I am sure this positive relationship will continue.

I am aware that the Committee on Agriculture will be working on amendments to FIFRA this year, as well as legislation on the effects of air pollution on forests, and we look forward to working with you and members of the committee on these and other issues.

I did want to emphasize to the gentleman that there are provisions of this bill on pesticide resistance and disinfectant efficacy which are intended to complement the broader provisions included in last year's FIFRA reauthorization effort.

Indeed, we support the provision referred to and wish to make it clear that we believe these are necessary. Nothing in this bill is intended to preempt adoption of those two provisions as contained in last year's FIFRA bill.

Mr. DE LA GARZA. I thank the gentleman.

□ 1250

Mr. ROE. I thank the distinguished gentleman from Texas, the chairman of the Committee on Agriculture.

Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. SCHEUER], the chairman of the subcommittee.

Mr. SCHEUER. I thank the chairman of the full committee for yielding this time.

Mr. Chairman, I would like to thank the gentleman from New Jersey for his remarks and express my appreciation for his strong support of the subcommittee's efforts to develop this legislation.

Anyone familiar with the work of the gentleman from New Jersey on the amendments to Superfund and the Clean Water Act knows that he is one of the most dedicated and determined Members of this House when it comes to environmental protection. His support of this bill is therefore particularly welcome.

Mr. Chairman, in recognition of the budget realities facing us, H.R. 2355 funds fiscal 1988 EPA research activities at $294.4 million, equal to the level requested by the President in his budget.

H.R. 2355 continues these programs at level funding for fiscal 1989, taking inflation into account.

While the committee has accepted the President's funding request, it should be made clear that we are paying a price for meeting this budget.

Over the last 6 years, we have witnessed the slow erosion of science and research at the EPA. In real terms, research funding has declined 26 percent since fiscal 1981.

From 1980 to 1985, scientific equipment funding has declined 43 percent. Total scientific full-time personnel have declined by 500 positions—nearly 20 percent—since fiscal 1980.

Mr. Chairman, I include in my remarks a copy of an article in a recent edition of Science entitled "Erosion of R&D at EPA," which discusses this problem in more detail.

R&D ERODING AT EPA

When Howard S. Neufeld left the Environmental Protection Agency's Corvallis, Oregon, research laboratory after 22 months, his postdoctoral research was unfinished. Equipment failures foiled his efforts to replicate experiments on ozone's effect on slash pine, a tree harvested by the southern timber industry. Breakdowns in the laboratory's 22-year-old plant-growth chambers and trouble with rickety computers, he says, ate up 25% of his time.

Neufeld's experience is not uncommon. Around the country the productivity of EPA researchers is taxed by needless glitches in experiments. Agency scientists often have to patch together old mass spectrometers, gas chromatographs, and other instruments because there is little money to replace worn out machinery. But equipment troubles are just part of the problems that beset EPA's research program.

Demands on agency researchers are growing, while staff additions and budget resources lag. Morale is slipping as facilities decline and long-term research increasingly is put off so that current regulatory needs can be addressed. This ongoing erosion in EPA's research program, especially research performed by the agency itself, alarms some congressional leaders. "The lack of solid scientific evidence has led to delays and has forced policy makers to make judgments in the face of substantial scientific uncertainty," says James H. Scheuer (D-NY), chairman of the House subcommittee on natural resources, agriculture research, and environment.

The primary purpose of the research program is to support the agency's regulation of air and water quality, pesticides, radiation, toxic substances, and hazardous waste disposal. This role is generally defined as consisting of three functions: performing applied research for near-term problem solving, providing states with technical advice, and conducting basic research, which may or may not address a current need. Support for research, however, has not expanded with EPA's growing regulatory activities in areas such as toxic chemicals, hazardous wastes, and the efforts of atmospheric pollutants.

For example, funding of exploratory grants, a key vehicle for long-term research, has declined steadily from $22 million in 1981 to a proposed $8 million in FY 1988. The number of competitive grants funded by EPA between 1981 and 1986 fell from 131 to 59. Bernard D. Goldstein, a professor at the Robert Woods Johnson Medical School in New Jersey, and a former assistant administrator of research at EPA, says the agency "needs at least $20 million to make [the program] viable."

EPA's proposed $353-million research and development budget for fiscal year 1988 looks impressive to an outsider. But track agency spending from 1980 forward and a different picture emerges. In 1982 former administrator Anne M. Gorsuch sent the R&D program on a roller coaster ride. By 1983 R&D spending had plunged to $221 million. Not until this year did research funding match the 1981 budget of $342 million—and inflation has eroded much of the purchasing power.

Although total spending now approximates outlays at the beginning of the decade, the overall depth of the agency's research effort has diminished. Since 1980, the research work force has shrunk by almost 500 to 1844. Research conducted at universities and by private contractors also trails historic levels. The one segment of the program that is responsible for pushing up the R&D budget is Superfund research, which is financed separately through the Superfund trust fund. In real terms, says Scheuer, the FY 1988 research program is 26% below the 1981 budget of $342 million.

Thus, it is not surprising that laboratories such as EPA's facility in Athens, Georgia, find it difficult to meet the agency's deadlines. Rosemarie C. Russo, director of the laboratory, says her staff is working "fast and furiously" on fate and transport analyses of some 3000 chemical compounds connected with industrial and municipal waste water. But she worries about the lack of backup staff to carry on research that relies heavily on mass spectrometry, technology for identifying chemical substances in ground water and other media. "We are understaffed to handle the amount of work we have to, complains Russo.

These analyses are critical to EPA's Office of Solid Waste and Emergency Resource, which is struggling to meet congressional deadlines restricting the land disposal of hazardous waste (*Science*, 9 January, p. 156). Congress also has charged EPA with implementing the Superfund Amendments and Reauthorization Act of 1986 and the Safe Drinking Water Amendment Act. These laws combined with problems such as radon emissions in homes, the threat to the environment posed by depletion of stratospheric ozone, and global warming have further burdened EPA's research apparatus.

Although Lee Thomas supports the agency's research program, as EPA administrator his options are limited. The Office of Management and Budget will not allow him to expand the agency's budget. And he finds it difficult to shift funds away from burdensome regulatory programs to R&D. Congress is aware of the research program's needs. But except for restoring some of the reductions imposed by Gorsuch, there has not been a concerted effort to expand funding across the research program. "EPA does not have a strong, vociferous constituency," observes John Neuhold, chairman of the EPA Science Advisory Board's panel on research and development.

As a result, EPA laboratories often must scrounge for dollars to buy equipment and to do research. Donald J. Ehreth, deputy assistant administrator for the Office of Research and Development, has tried to help laboratories acquire major pieces of equipment by sequestering a small portion of the equipment budget in recent years. Even so, last year Russo's laboratory had to settle for a used Vax computer that seems to break down too frequently. Scientists there also need to replace a 13-year-old high-resolution mass spectrometer and a 15-year-old infrared spectrometer.

Most of EPA's research budget funds work done outside the agency by contractors, university grants, and cooperative agreements. Since 1980 this segment of the R&D budget has experienced the widest swings. Part of the reduction in spending during the decade is attributed to the winding down of research efforts in areas of waste water treatment and noise abatement. Other program cuts, such as energy related R&D, resulted from efforts to reduce spending.

The remaining one-third of the budget falls under "salaries and expenses." This pool of money not only pays the salaries of EPA's in-house research staff, but is supposed to fund purchases of scientific equipment, laboratory maintenance and support, internal research, and other expenses.

A quick look at the history of the salaries and expenses budget reveals why many EPA laboratories are under stress. Since 1980, that budget has hovered around $100 million. Even with the reduction in research staff, salaries consume a greater share of the account than ever before—about 80 percent in 1988 versus 59 percent in 1980. After salaries, rent, and utilities are accounted for, Goldstein notes, not much is left to support actual in-house research needs such as equipment, supplies, and travel. In 1988, that support is thought to be under $17 million, and perhaps as little as $5 million.

The pressure on EPA's equipment and internal research accounts could be eased somewhat if the agency had the flexibility to reprogram funds from contract research to the salaries and expense budget. Scheuer's subcommittee sought to empower the agency to do this in the FY 1988 authorization bill. The idea was rejected by the House and Senate Appropriations committees early this month, allegedly because of concern that the Office of Management and Budget could cite the practice as a sign that the contract research program had excess funds.

For now most of EPA's 14 laboratories are getting by. They have learned to leverage available research and equipment budgets by pooling funds for related work on problems such as hazardous waste disposal and Superfund cleanups; to utilize equipment at neighboring universities; and to interpret regulations so that equipment or supplies can be charged off to contractor research and Superfund accounts.

But this ingenuity has a price. "We are spending a horrendous amount of time on bureaucracy rather than on science," says Thomas Murphy, director of the Corvallis laboratory. "To me, that is not productive." Some laboratory directors worry that their top scientists could tire of the hassles, quit, and leave them in a jam. Thomas W. Devine, of EPA's Office of Solid Waste and Emergency Response, says the agency can respond to turnover by transferring personnel from another laboratory if necessary. He concedes, however, that some research and regulatory programs could suffer for a while.

Good scientists are attracted to EPA by the opportunity to do exciting research, says Al W. Bourquinn, the recently departed chief of the agency's biotechnology laboratory at Gulf Breeze, Florida. If the current climate of growing workloads, scarce supplies, and aging equipment persists, working at EPA will become less attractive, notes Bourquinn, who reluctantly left the agency after 15 years because "there is no room for advancement."

Representative Claudine Schneider (R-RI), an outspoken member of Scheuer's subcommittee, says there is a growing frustration in Congress over the erosion of EPA's research program. In hearings held in April, EPA was criticized for its plan for next year to halve research on how to mitigate radon buildup in buildings, its failure to report to Congress research plans for indoor air pollution, and for reductions in the exploratory grants program. She notes that although EPA's research budget would rise by $10 million in FY 1988, there would be an equal decline in R&D programs except for efforts supporting the Superfund site cleanups.

The Science Advisory Board is equally critical. In consecutive analyses of the agency's proposed budgets for FY 1987 and FY 1988, it has concluded that the in-house research program is underfunded. Not only are EPA's in-house scientists expected to conduct research, many also must oversee research performed by assorted commercial and university contractors. But without strong in-house capability, says the board, the Office of Research and Development can not manage its contract research budget.

The board also says EPA must conduct more long-term research. This is needed, says Neuhold, to help the agency foresee future scientific and regulatory issues. Richard M. Dowd, a consultant, who served as acting director of the research office in 1980 and 1981, agrees. The agency, he says, must have a research program "that does more than just solve the problems of the day."

At this point more is needed than just money. The Science Advisory Board, Dowd, and others believe the agency also needs a new road map. The board wants EPA to define for the Office of Management and Budget and Congress its scientific staffing needs in the context of its aging work force, workload, current mix of scientific skills, and the agency's goal of establishing a risk-based decision-making apparatus.

"I think there is a real interest on the part of people who are concerned that we take a strong look at how to decide research priorities," says Dowd, who notes that "an infusion of money often does not make things more efficient." There is both concern and confusion in the Senate Appropriations Committee about EPA's R&D program. Says one committee aide, "EPA has an internal set of [research] priorities that nobody really understands too well."

The need to redirect facets of the research and development program is recognized by Thomas. In February, the agency released a multivolume report, *Unfinished Business: A Comparative Assessment of Environmental Problems.* Prepared by agency scientists at Thomas's direction, it has helped focus attention on the agency's research program and reflects pressures within the agency to set an environmental agenda for the 1990s.

The Science Advisory Board appears ready to keep pressure on the agency to "articulate a core research agenda" that will withstand scrutiny by the scientific community. It has established a new panel, tentatively dubbed the research strategy subcommittee, under the leadership of Alvin L. Alm, deputy administrator of EPA between 1983 and 1985. The group is expected to examine the challenges facing the agency and outline research priorities for the 1990s.

Congress, too, appears to be focused on the next decade. Hearings being planned in the House and Senate are aimed at laying the groundwork to set EPA's research program on a new course. Scheuer's subcommittee, for example, has written language into the FY 1988 House budget authorization bill that stipulates that EPA's mandate includes a responsibility to conduct broad-based, long-term environmental research.

As for Congress providing the agency with significant new research dollars, Schneider says Congress' "hands are tied" for the immediate future. Indeed, things may not improve much, she says, until "we wake up the American people." For even when the budgetary climate moderates, adds Schneider, winning new support for R&D at EPA will not be easy.

The predictable result of our failure to invest adequately in environmental research is a serious deficiency in many areas of scientific knowledge. Faced with substantial scientific uncertainties, policymakers procrastinate and delay, and limited resources are spent in litigating the few standards that are set.

H.R. 2355 contains several provisions which are intended to ensure that EPA spends its limited research resources more wisely. The bill reflects a number of suggestions made by EPA's Science Advisory Board.

H.R. 2355 directs EPA to conduct and support basic long-term environmental research, to ensure that EPA looks at potential future problems while obtaining the information needed to solve present ones. To ensure at least a minimum level of support, the bill sets aside at least 10 percent of the authorized funds to conduct or support basic environmental research.

H.R. 2355 also will provide Congress with expanded advice and assistance from the Science Advisory Board. The bill directs the Science Advisory Board to review EPA's annual research budget and to evaluate at least three research programs each year.

To assist the committee in its oversight of EPA's research management, the bill requires EPA to prepare a report which identifies EPA's key scientific staffing needs and their budget implications.

The bill requires EPA to conduct several research studies in important areas. For example, section 7(b) requires EPA to conduct research to determine the significance and sources of airborne toxic particles which are contributing to the toxic contamination of the Great Lakes.

Section 7(c) directs the EPA to study the environmental effects and implications of pesticide resistance, that is to commonly used pesticides, a phenomenon of growing economic importance to farmers, consumers, and agricultural chemical companies.

Section 7(d) directs EPA to develop protocols for again recommencing the practice of testing hospital disinfectants for efficacy, in response to complaints about the growing number of disinfectants which simply do not work.

Section 7(e) requires EPA to start up a new research effort to demonstrate promising new methods for reducing the generation of hazardous waste at the source. I particularly want to commend the ranking minority member of the subcommittee, CLAUDINE SCHNEIDER, for her leadership and diligence on this issue.

In addition to these and several other specified studies, H.R. 2355 also redirects the funding requested by the administration in certain areas.

In fiscal 1988, the committee has redirected $3 million from acid rain research to increase funding for important areas which has not received sufficient funding.

In particular, the administration had proposed cutting in half EPA's Radon Program which is developing and testing low-cost, reliable ways to reduce radon contamination in homes. The committee has restored $1.5 million to continue this program at the fiscal 1987 level.

The committee supports the EPA Acid Rain Research Program. Nevertheless, given the dramatic recent growth of the funding for acid rain research—about 324 percent in 4 years—the committee believes that a modest reduction in the request is warranted and will not adversely affect or delay the program.

Mr. Chairman, this bill represents a bipartisan effort to give EPA's research programs new direction. H.R. 2355 will help to ensure that EPA's limited research funds are addressed to the protection of the public health and the environment.

I ask for my colleagues' support.

Mr. LUJAN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Rhode Island [Miss SCHNEIDER], the ranking member of the subcommittee.

Miss SCHNEIDER. Mr. Chairman, I rise in strong support of H.R. 2355 which authorizes appropriations for fiscal years 1988 and 1989 for EPA's research and development programs. This is a fiscally responsible bill which sets research priorities for the Environmental Protection Agency within the financial parameters established by the President's fiscal year 1988 budget request. For 1989, we have authorized an increase for inflation of 4.3 percent as assumed by the House budget resolution.

The primary purpose of the research activities authorized by this bill is support of the Agency's regulation of air and water quality, pesticides, radiation, toxic substances, and hazardous waste disposal. The research program includes applied and longer term activities as well as technical advice to regions, States and other entities concerned with environmental protection.

Mr. Chairman, while I support enactment of this bill, additional resources are necessary if environmental research and development activities are to keep pace with EPA's continually expanding responsibilities for protecting the Nation's air, land, and water from pollution. Excluding research which is authorized separately under Superfund, the President's request for fiscal year 1988 is $294.4 million, a reduction of $11 million from the fiscal year 1987 level. Even including funding for research responsibilities related to Superfund, the R&D budget is 26 percent lower in purchasing power than it was in fiscal year 1981. Ideally, it should be more generous to cover our responsibilities because of amendments to the Clean Water Act, the Safe Drinking Water Act, the Resource Conservation and Recovery Act, and Superfund.

Reductions in our investment in environmental research and development are particularly ill-timed. This past spring in its EPA report entitled "Unfinished Business: A Comparative Assessment of Environmental Problems," identified a number of areas of relatively high risk but relatively low EPA funding. These environmental problems are ones in which we have significant gaps in our knowledge problems like indoor air pollution, indoor radon, stratospheric ozone depletion, and global warming—to name only a few. Research affords us the opportunity to identify emerging environmental problems, and is the key to developing timely and effective protection strategies. Without research, we leave ourselves no choice but to react to each environmental crisis once it is upon us. Sound environmental policies must be built on a strong and dynamic research foundation.

In the event the final budget resolution allows for a freeze in EPA's R&D Program I will support restoration of this program to its fiscal year 1987 resources levels.

Mr. Chairman, I would now like to take a few minutes to address two provisions of H.R. 2355 which I believe are particularly noteworthy. The first concerns EPA's role in reducing exposures to indoor radon gas contamination. Our subcommittee has held a number of hearings over the last few years on the hazards to human health posed by radon and other indoor air pollutants. In 1985, I introduced with Chairman SCHEUER the Indoor Air Quality Act of 1985 which required EPA to set up a research program to address these concerns. This legislation was incorporated into title IV of the Superfund Amendments and Reauthorization Act of 1986.

EPA and other scientific groups have estimated that from 5,000 to 20,000 lung-cancer deaths a year in the United States may be attributable to radon gas exposures. While radon is present everywhere in the atmosphere, outdoor levels generally are low. Typical indoor levels, however, are usually 5 times higher than average outdoor levels and have actually been detected at levels as much as 10,000 times higher. Indoor radon is potentially a widespread problem, and EPA's preliminary data suggest that more than 10 percent of the 85 million homes in the United States may have radon levels which exceed the target recommended by EPA for corrective action.

Mr. Chairman, there is both good news and bad news about this situation. The good news is that EPA is developing effective, low-cost methods for reducing radon gas to safe levels for a wide variety of housing types in the United States. The bad news is that the administration proposed a 50-percent reduction in this mitigation research program. Chairman SCHEUER and I rejected this proposal and the committee bill authorizes funds necessary to maintain this vital program at a slight increase over current resource levels.

This second provision of H.R. 2355 that I would like to call my colleagues' attention addresses an equally critical problem which I have spoken about many times in the past—namely, reducing the Nation's production of hazardous wastes. The committee bill includes my amendment directing EPA to develop and implement a comprehensive research strategy to stimulate the design and use of industrial techniques that cut the generation of hazardous wastes at their sources of production.

A recent report by the Office of Technology Assessment estimates that the Nation currently spends $70 billion a year on pollution control. Two-thirds of this cost is borne by American industry to treat and manage the wastes generated by domestic production processes. OTA and EPA have said that the amount of hazardous wastes generated could be cut by anywhere from 20 to 50 percent through the adoption of cost-effective industrial waste reduction practices. Yet the Agency is spending only a couple of hundred thousand dollars on developing and encouraging these promising approaches.

Individual cases of industry innovation in this area demonstrate that the use of less toxic raw materials or relatively simple changes in plant operations can produce dramatic decreases in waste as well as significant cost savings for the company. According to the OTA, in 1980, capital investments in pollution control by American industries as 1 percent of gross industrial domestic product were nearly four times greater for the United States than for Japan and France and nearly three times greater than for West Germany. Manufacturing industries in newly industrializing nations such as South Korea and Brazil have an even larger cost advantage because of far fewer environmental requirements. A concerted national effort to reduce the generation of hazardous wastes and environmental pollutants at their sources is the logical step. Not only will it allow us to improve our environmental quality, but it will reduce industry's costs, making us better able to compete successfully in world markets.

Mr. Chairman, in closing I want to express my gratitude to the chairman of our committee, BOB ROE, and to the ranking Republican member, MANUEL LUJAN, for the support they have both shown for EPA's research program and this bill. Finally, I want to express my deep appreciation and respect for the subcommittee chairman, JIM SCHEUER. Under JIM SCHEUER's leadership, we have brought this bill to the floor with the bipartisan support that is so typical of the even-handed manner with which he chairs our subcommittee.

Mr. Chairman, I urge my colleagues to support enactment of H.R. 2355.

□ 1305

Mr. ROE. Mr. Chairman, I yield 6 minutes to the distinguished gentleman from Oklahoma [Mr. SYNAR].

Mr. SYNAR. Mr. Chairman, I rise in support of H.R. 2355. I want to speak for a moment in support of a particular provision of importance in this bill, but I also want to raise some issues of concern about EPA's research budget.

In the bill before us today, Congress has the opportunity for the first time to make a major commitment to the reduction rather than regulation of hazardous waste. This bill will authorize $4 million—$1 million in fiscal year 1988 and $3 million in fiscal year 1989—for projects which demonstrate how to minimize the generation of hazardous waste. These funds will be made available as grants to individual States, and the States will be required to provide matching funds.

Our ability to effectively manage the generation of as well as the disposal of hazardous waste is one of the foremost challenges confronting our Nation. At hearings before my Environment, Energy and Natural Resources Subcommittee last year, the General Accounting Office testified that no one—including EPA—really knows how much hazardous waste is generated each year. Estimates range from 250 million tons per year to as high as 1 billion tons.

Combined with increased efforts to clean up old abandoned waste sites and tighter restrictions on hazardous waste disposal methods, our capacity to treat and dispose of all of these wastes is under question. I believe we are facing a genuine capacity crunch that may lead to increased instances of illegal disposal. It is therefore time to expand our efforts from the regulation of waste disposal to the reduction of waste generation.

Last year a study by the Office of Technology Assessment found that a significant reduction in the quantity of hazardous waste being generated is both technologically possible and economically feasible. But the study also found that the potential for hazardous waste reduction is not being fully realized for a variety of reasons.

One reason is that EPA has done virtually nothing to encourage industry to invest in waste reduction. This administration prefers to rely on market forces to dictate technology development and disposal choices. I believe that this issue—and the public's health—is too important to leave to the chance forces of the marketplace.

Many States have undertaken impressive programs to assist industry in the development of waste reduction technologies. It is time that the Federal Government expand on these limited efforts and provide needed leadership in this critical area. Today's bill is the first important step in this direction.

As I mentioned Mr. Chairman, I do have some concerns about this bill. My primary concern is that we in Congress have allowed environmental research activities to be severely scaled-back over the past 6 years. The administration's fiscal year 1988 proposal represents a 26-percent reduction in research funds since 1981, when inflation is accounted for. These cuts merely postpone to another day the solutions to and costs of the environmental problems we face today.

And so I fear that we are leaving for future generations not only a budget deficit, but also a tremendous environmental deficit. A deficit of environmental problems that in many ways may be more threatening, more difficult and perhaps more costly to resolve. Our ability to meet the challenges of today's environmental problems and prepare for those of tomorrow is directly related to our commitment to environmental research.

While I believe that we are beginning to head in the right direction with hazardous waste reduction, I also believe that we are losing valuable ground in many other important areas. Pesticide regulation is one such area.

This bill authorizes $13.7 million for pesticide research. The fact is that some or all of these funds may never be available for pesticide research. Rather they may be used, as other pesticide program funds are now being used, to reimburse manufacturers for removing dangerous pesticides from the market.

Under present pesticide law, the taxpayer bears the costs for the disposal of banned pesticides and assumes an obligation to indemnify all holders of the banned material for the product cost. Hearings before my subcommittee have clearly shown that these costs—disposal and indemnification—can be enormous.

Already millions of taxpayer's dollars have been paid to major pesticide manufacturers for the indemnification of products containing dangerous chemicals such as 2, 4, 5-T and EDB. EPA is spending millions more on efforts to have these products safely destroyed.

Why should the taxpayer pay a pesticide manufacturer to remove its poison from the market? This is an absurd notion. No other industry enjoys such a privilege. When the Food and Drug Administration finds a drug to be dangerous, it is the drug manufacturer—not the taxpayer—that bears the burden and cost of recalling the drug and having it properly destroyed.

More importantly, indemnification and disposal costs are already ravaging the pesticide program and impeding EPA's ability to ensure that pesticides currently on the market and those coming into the market are safe and acceptable for use. Mr. Speaker, this situation can not continue as it is and I look forward to an opportunity later this year to have it corrected.

Finally, I would like to add my support for the amendment to be offered by our colleague from Illinois [Mr. BRUCE]. The Bruce amendment will restore acid rain research funding to levels requested by EPA. I would like to emphasize however that GAO has recently identified a number of problems in the study program, not all of which can be resolved with money. I fully expect that the program will implement GAO's recommendations and management problems that have been identified will be corrected.

Mr. LUJAN. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. Mr. Chairman, I rise in strong support of H.R. 2355, the fiscal year 1988 EPA research and development authorization bill. I want to call attention to one section that directs the Administrator of the Environmental Protection Agency to examine the feasibility of developing a management model for the control of aquatic plants and other fresh water pollutants.

In my discussions with scientists who conduct research on the control of pollutants in lakes and the related ecosystem, the point has been made that many management efforts may correct one problem but create another. For example, in my own district, plans to divert streams containing high levels of phosphates, which contribute to the growth of aquatic plants, from Lake Okeechobee, could have disastrous results on the marsh lands receiving the phosphate water.

As a consequence, I have become convinced that a better management framework model must be developed that would allow decisionmakers to predict in advance the long-term impact of various cleanup actions. This section of H.R. 2355 will be a step in the direction of creating the needed management framework model that could be used by State and local decisionmakers resolving these problems.

Data from scientific research on aquatic plant overgrowth, for example, would be fed into the computerized model and the management product would list the various solutions along with the advantages and disadvantages of each option.

The use of a master plan for the cleanup of a lake ecosystem, which the management model could be used to develop, would be available to State and local officials to use in making long-ranged plans. This is an important concept because many of the well-intentioned cleanup projects of the 1960's and 1970's had a negative long-term impact. In case after case the scientific community has pointed out that this could have been prevented if a long-range master plan had been utilized.

In the initial stage, the management model will focus on the control of aquatic plants, a problem found in over 40 States. Future models could be used for management of many pollution problems ranging from toxic chemicals in streams to the placement of hazardous waste dump sites.

Finally, Mr. Chairman, I want to express my appreciation to Mr. SCHEUER, subcommittee chairman, and to Miss SCHNEIDER, ranking Republican, for their assistance and support, and to Mr. ROE and Mr. LUJAN for their leadership in bringing this important legislation to the floor in a timely fashion.

I urge my colleagues to support this very good legislation, the EPA research authorization for fiscal year 1988.

Mr. LUJAN. Mr. Chairman, I yield 3 minutes to the gentleman from New Hampshire [Mr. SMITH].

Mr. SMITH of New Hampshire. Mr. Chairman, I urge support for the fiscal year 1988 EPA research budget authorization and the Science and Technology Committee recommendations for environmental research funding. The bill is consistent with the administration request of $294.4 million in fiscal year 88 for EPA's Office of Research and Development.

The research authorized in this bill is among the most significant, groundbreaking environmental research work going on today. The environmental research at EPA and in our colleges and universities is what ultimately drives private sector involvement in the environmental field and commercial development of the technology needed to comply with our environmental laws. The work we are authorizing in this bill is critical in determining how well we protect the environment into the 1990's and beyond.

This is a lean, very focused bill which uses environmental R&D funds effectively and wisely. We recognized in subcommittee the responsibility of Congress to be knowledgeable about the dynamics, benefits and consequences of biotechnology development. The subcommittee has been primarily responsible for focusing EPA on how to go about protecting the public from indoor air pollution. Another important goal of the subcommittee is to identify readily available methods that citizens can use to entrap and dispose of radon in their homes, as well as research the area of groundwater radon contamination, the type of radon contamination we see in New Hampshire and Maine. To carry out the responsibility of protecting our Nation's environment into the 1990's and beyond, today we also seek to authorize toxic and solid waste disposal funds. Together with methods which reduce the amount of hazardous waste produced in this country, it is my hope that the very judicial amount of funding we are authorizing in this area will help us stop creating more and more superfund sites. In this area, truly an ounce of prevention is worth a pound of cure. Finally, H.R. 2355 authorizes the majority of funding for the Nation's Interagency Acid Rain Research Program, and most of my colleagues, and certainly a large majority of people of New Hampshire will agree with my view that we know enough about the threat of acid rain to implement a program to reduce harmful and nitrogen emissions. Nevertheless, I also recognize that this is terribly important, crucially significant environmental research, which has benefited from healthy funding levels supported by both Congress and the administration because this is an issue which is so very much a concern to the American people.

Mr. Chairman, I wish to commend the chairman of my committee, the gentleman from New York [Mr. SCHEUER], and certainly the ranking member, the gentlewoman from Rhode Island [Miss SCHNEIDER], for the leadership they have shown in championing environmental research. Their efforts have been outstanding, and I share their commitment.

Mr. Chairman, this is a fine bill, and it is worthy of the Members' support.

Mr. LUJAN. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. HENRY].

Mr. HENRY. Mr. Chairman, I thank my ranking member for yielding this time to me.

Mr. Chairman, I rise in strong support of H.R. 2355. And I remind my colleagues that portions of this bill address some of the most critical issues facing the environmental quality of the present and future generations of American citizens.

I would like to indicate special support for two important environmental initiatives in this legislation which address the problems of the Great Lakes. One program will assess the contribution of airborne toxic chemicals to the overall toxic pollution in the Great Lakes and attempt to identify their sources. It has been estimated that in some parts of the Great Lakes waters, up to 80 or 90 percent of all pollutants now come from the air. This is without doubt one of the most important environmental questions facing the Great Lakes region.

Second, this legislation addresses one aspect of the many environmental problems the Great Lakes region is having with high water levels on the Great Lakes. Several proposals have been introduced which seek to manage the water levels of the Great Lakes—and substantial debate exists within the Congress and the environmental community on questions pertaining to "water level management" vis-a-vis "water diversion." Meanwhile, reports have circulated that the Great Lakes water levels threaten to flood some of the major municipal sewer plants abutting the Great Lakes shorelines.

This bill requires the EPA to initiate a research study to advise the committee and the Congress as to the threat which high-water levels may or may not have on municipal sewage treatment plants, and possible implications of such high-water flooding which are obviously germane considerations when debating the broader question of water-level management.

□ 1320

Mr. ROE. Mr. Chairman, I yield 4 minutes to the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Mr. Chairman, I rise today to commend my good friend and colleague from Rhode Island for successfully amending the EPA research authorization to include a set-aside for waste reduction activities.

The bill now earmarks $1 million in fiscal year 1988 and at least $3 million in fiscal year 1989 for State matching grants and a clearinghouse to disseminate information on waste-reduction techniques. These provisions will be essential to fostering the important work being done in the States to help business get access to waste reduction information.

The need for reducing the amounts of waste produced in our society should not be underestimated. The garbage barge floating aimlessly along our eastern coastline is only the most recent indication that the United States is producing more waste than it can handle. Toxic wastes, in particular, are posing an ever greater threat to our environment, the public health, and the economy. The office of technology assessment has estimated that we produce annually a shocking 1 ton of hazardous waste for every man, woman, and child in the Nation.

The long-term environmental benefits of a Federal waste reduction effort are obvious. The short term economic payoffs are surprising. We spend approximately $70 billion each year managing hazardous wastes. The elimination of a portion of that waste would save us millions of dollars. For example, a Ventura County, CA, waste-reduction program is saving industry $67 in land disposal costs for every dollar it spends on waste reduction. Indeed, the Office of Technology Assessment estimates that a Federal waste-reduction program would pay for itself in less than a year based simply on the increased tax base it would create.

The Federal Government has a responsibility to help American industry realize its tremendous waste-reduction potential. This authorization is a good start. The gentlewoman from Rhode Island and I want to proceed further, however. We are planning to introduce a comprehensive waste-reduction bill in the coming weeks. Our bill will authorize substantial support for state waste-reduction programs. It will also establish a toxic waste accounting system at EPA so that we can gain a full picture of the waste-reduction potential of various sectors of industry and help those industries meet that potential.

I believe this program will be vital to helping industry gain access to one of the few free lunches left in the world, and I am very pleased to see today's legislation give waste-reduction efforts a head start.

Mr. LUJAN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Chairman, I rise in support of the bill authorizing the programs of the Environmental Protection Agency for 1988, but I'm afraid I must express serious concern that EPA's research on acid rain has not made its way into policy recommendations.

In fact, the pattern of delay and denial of research results, and the total lack of policy recommendations leads one to wonder whether politics is interfering with the proper conduct of research. Sometimes EPA doesn't seem to publish research results as much as run away from them.

It's been 7 years since Congress established the National Acid Precipitation Assessment Program [NAPAP] to study the causes, effects, and potential solutions to the so-called acid rain problem, a problem that I know concerns the Speaker.

The EPA is first among equals in directing the program and has received slightly more than half the total research funds. For 1987, $85 million total, EPA gets $55 million; since fiscal year 1982, a total of $303 million, with EPA getting $180 million. The EPA Administrator deserves a great deal of credit for redirecting his Agency toward greater attention to air pollution issues.

But something is fishy here. While the EPA-led program has spent more than $300 million, NAPAP officials tell us the information they have gathered isn't sufficient to decide whether the problem is serious enough to warrant new controls.

The 1985 research assessment document is more than 2 years late, because a new director of research, named in 1985, decided to completely rework the original draft document, putting a greater emphasis on complexity and unknown factors.

A General Accounting Office [GAO] investigation of the research program released this week reveals that by the 1990 deadline, NAPAP still won't have sufficient information on forest or materials damage. They've actually halted their research on the total economic value of damage. But they've told GAO they'll have sufficient information to make policy recommendations by 1990. How do these claims fit together?

I would like to know what magic is going to occur in the next 2 to 3 years to ensure that NAPAP's research is completed, and will meet its statutory requirements.

Over 1,200 nongovernment studies on acid rain point to a very clear conclusion: sulfur and nitrogen oxide emissions, in the huge quantities currently allowed, contribute to a long list of damages to human health and the environment. The NAPAP evidence to date does not contradict this conclusion—but it does go to extreme lengths to demonstrate that the phrase "acid rain" is too simple to explain the full nature of the problem.

We are learning that acid rain is really a combination of several complex factors including acid deposition, climate, high ground-level concentrations of ozone, and local conditions. But as our friends in Canada, West Germany, and elsewhere have learned from the massive, tragic losses of living lakes and forests, there is no other explanation but that air pollution plays the key role in creating this and other kinds of damage.

What we need is not more confusion—we need to start setting some things straight. At a bare minimum, we need EPA and NAPAP to complete their research on time, and to focus on problem-solving. Then we in Congress need some courage to look at the evidence and set this country on a course to fix our air pollution problems.

Mr. Chairman, I would like at this point to engage in a colloquy with the chairman of the subcommittee, my distinguished colleague, the gentleman from New York [Mr. SCHEUER].

Mr. Chairman, based on the recent GAO report and the gentleman's general knowledge of the program, does the gentleman feel that EPA or NAPAP will meet the 1990 deadline for completing its research into the causes, effects, and potential solutions to the acid rain problems?

Mr. SCHEUER. Mr. Chairman, will the gentleman yield?

Mr. BOEHLERT. I yield to the gentleman from New York.

Mr. SCHEUER. Well, the GAO report makes it clear beyond peradventure that they will not be able to do that and the reason they will not be able to do that is that NAPAP has downgraded its analysis of the economic results of acid rain to the point where it would be virtually impossible for them in 1990 to have sufficient information about the economic results of acid rain in order to make any sensible cost-benefit recommendations on an action program. They have structured their research to be a nonstarter by 1990 and to make it impossible for them to make any sound public policy recommendations on an action program. This administration for the last 7 years has said that we have to know everything about acid rain until we can do anything, and since they have downgraded their research on the assessment of economic results of acid rain, they have produced a self-fulfilling prophecy of not having that information by 1990 and not being able to make public policy judgments and recommendations to the Congress.

Mr. BOEHLERT. Well, Mr. Chairman, I am just as anxious as is the gentleman from New York to move forward.

Let me ask a second question. Based on the gentleman's understanding of the intent of Congress when it created the research program, does anything in the record indicate that Congress must wait for the research to be completed before it may take action to reduce the pollution that causes acid rain?

Mr. SCHEUER. Well, Mr. Chairman, if the gentleman will yield further, you know, a chap went up to the information booth in a Pennsylvania station this morning and said, "When is the last train to Buffalo?"

And the man said, "You should live so long."

Well, the research is never going to be completed. You can go to the pearly gates and I can to to the pearly gates and there will still be more to know, and if we have to wait until we have a perfect, complete, total research base, we will never do anything.

Mr. BOEHLERT. So the answer is no.

Mr. SCHEUER. And of course, we must go ahead when we have an adequate responsible research base.

Mr. LUJAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. HASTERT].

Mr. HASTERT. Mr. Chairman, I appreciate the gentleman from New Mexico for yielding this time.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield to me?

Mr. HASTERT. I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, I thank the gentleman for yielding. I appreciate the gentleman from New Mexico [Mr. LUJAN] making this time available to the gentleman from Illinois so that we might have the opportunity to acquaint the gentleman from New Jersey and the gentleman from New Mexico with a problem in our State of Illinois that may very well be a research related problem.

A few moments ago I had an amendment to this bill that I was going to offer which the gentleman from New Mexico persuades me is not germane to this bill, so I am not going to offer it, but I did want to acquaint both the gentleman from New Jersey and the gentleman from New Mexico with a problem that exists in Illinois and perhaps in other places.

I have in my district a town that has passed a referendum to try to comply with the EPA standards on radium content in the municipal water supply.

Now they are levying at the maximum rate with the referendum and are still a million dollars short of having enough money to meet the low bid of the various contractors who have bid on a project to bring them into compliance with the EPA guideline. They have no other way of getting any more money. They simply have no way of coming into compliance.

The gentleman from Illinois [Mr. HASTERT] has 40 communities in his district wrestling with a problem like this, which we think may be a research problem because the scientific community, notably at the Argonne Laboratory in Illinois tells us that the standards that we are being required to meet are excessive and unwarranted to protect the public health of the citizens of Illinois.

I would ask the gentleman from Illinois [Mr. HASTERT] if he would be willing to relate to the gentleman from New Mexico and to the gentleman from New Jersey the kind of information that is being given to him by the Argonne National Laboratory.

Mr. HASTERT. Well, I thank the gentleman from Illinois, and I will reclaim some of my time.

In my district, I have 40-some communities who have a problem meeting standards for radium in water. Now, this radium is a naturally occurring substance. It comes out of the glacier system millenniums ago and it is actually the deterioration of ground up uranium. Radium is a natural byproduct. The radium is found in the water anywhere from 15 picocuries to 11 picocuries and the EPA has set a standard for 5 picocuries per liter.

Now, that standard is not really in our understanding a substantiated standard. It could be 5 picocuries. It could be 15 or it could be 25.

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One of the things that we see is the phenomenon that we have small towns and large towns that are actually saying that they have to shut down their water supplies to meet this standard which nobody knows if it is a relevant standard or not.

Certainly the problem that the gentleman from Illinois and I both share is that we have to go back to these communities and tell them that these are relevant standards, that these things are going to cost anywhere from $40 million for some cities to $4 million for other cities or towns, and what we see is they shut down water supplies, people who normally would buy water from a municipality say, "We're not going to pay that," they dig their own well, and the water comes from the same source.

It is really a problem, and it is a problem in dealing with those municipalities. I would appreciate it if the gentleman could shed some light on that.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. HASTERT. I yield to the gentleman from New Jersey.

Mr. ROE. I thank the gentleman for yielding.

Mr. Chairman, I understand exactly where the gentleman is coming from, because we have had comparable problems in some of our legislation in the Committee on Public Works and Transportation.

I share the gentleman's concern most extensively and most substantively, and I will assure both gentlemen that we will look into this matter with dispatch to see what kind of suggestions and recommendations we can make to come back and see if we can help to cure the issue.

I think that it is a very legitimate concern, and we will give it our fullest attention, that I promise the gentleman.

Mr. HASTERT. Mr. Chairman, I appreciate the gentleman's concern, and he can understand our perplexity in trying to find out what those standards are and how we can deal with those.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. HASTERT. I yield to the gentleman from Illinois.

Mr. MADIGAN. I thank the gentleman for yielding.

Mr. Speaker, if we might just suggest this, because there is a body within the scientific community willing to say that a 15-picocurie-per-liter is an adequate standard, we would like to suggest the possibility of considering in the conference the suspension of this EPA regulation as it affects our communities until such time as research can be done to determine whether or not a 15-microcurie-per-liter standard would be just as effective for public health as the 5-microcurie standard that is being presently insisted upon in the regulation.

Mr. BROWN of California. Mr. Chairman, I would like to commend the chairman and the ranking minority member of the committee, Mr. ROE and Mr. LUJAN, and the subcommittee chairman and ranking minority member, Mr. SCHEUER and Miss SCHNEIDER, for their work in developing this important bill.

As the former chairman of the Science Subcommittee with responsibility for EPA research, I have a particular interest in noting the historical trends in environmental research. At the same time that Congress has been increasing EPA's workload with amendments to the Clean Water Act, Superfund, Safe Drinking Water Act, and the Resource Conservation and Recovery Act, EPA's research budget has dwindled. Excluding the two research growth areas of Superfund and acid rain, for example, the EPA research budget has decreased nearly half since fiscal 1981, adjusting for inflation.

It is hardly surprising, then, that EPA has tended to conduct only that research which meets immediate needs of the regulatory programs.

This short-term focus, however, has serious consequences. It prevents EPA from developing the kind of basic scientific information on environmental processes and effects that are needed to address some of the fundamental uncertainties that hinder decisionmaking.

We know very little, for example, about the physical, chemical, and biological forces at work in the soil and in ground water. Until very recently, for example, it was thought that no organisms existed in ground water which could help degrade contaminants through natural biological processes. Researchers at EPA's ground water labs in Ada, OK, have upset that notion with the discovery that there are bacteria in ground water that can degrade contaminants. This discovery can have major policy consequences. Tests done to date suggest that contaminants in ground water may not spread as far as had been feared, due to these biological mechanisms.

Similar scientific uncertainties abound. We know little about microbial interactions in soil. As a result, it is difficult to predict, in advance, what effects releasing a genetically engineered organism will have on a microbial ecosystem. Since microbes sustain agricultural activity, risks could be great—or they could be small. We just do not know.

In addition, a short-term focus prevents EPA from looking ahead to emerging environmental problems, to identify and assess possible issues at early stages where mitigation or prevention might be less costly. A recent report by EPA officials which compared environmental risks of different types of environmental problems showed that EPA pays relatively little attention to emerging environmental problems such as stratospheric ozone depletion and climate change even though they may pose significantly greater threats to human health and the environment than well-known problems.

As EPA's Independent Science Advisory Board has said, "What is needed is for EPA to develop a better system of eyes and ears that can alert it to issues beyond today's immediate regulatory and statutory priorities."

I am pleased that H.R. 2355 addresses these concerns by mandating EPA to conduct and support long-range environmental research. The bill requires at least 10 percent of the authorized funds to be used for this type of basic research. Much of those funds will be used to support research at universities and research centers, thereby enabling EPA to tap the existing expertise in the academic community.

The bill also requires the Administrator to report to Congress on ways to improve the Office of Research and Development's capability to identify and assess potential environmental problems.

If we are ever to escape the usual "regulation by crisis" mentality that pervades environmental law, we must begin to anticipate problems before they become a crisis.

H.R. 2355 will help restore some balance to EPA's research program, and I urge my colleagues to vote for the bill.

Mr. DAVIS of Michigan. Mr. Chairman, I would like to vocalize my support for Mr.

ROE's bill, H.R. 2355, to authorize appropriations for environmental research programs at the Environmental Protection Agency.

Of particular interest to me and my colleagues representing the Great Lakes States are the provisions of section 7 of the bill. This section provides for two special studies of Great Lakes resource problems: toxic pollution and water levels. The National Academy of Sciences has concluded that Great Lakes residents are exposed to more toxics than the U.S. population as a whole, and many of these contaminants come from the air from unknown sources. In addition, the shores of this treasured national resource are dissolving from the action of devastating, millennium-high water levels, which flood beaches and erode bluffs, endangering the lives and property of Great Lakes shoreline residents. These problems must be addressed immediately to reduce the threat to human health and safety in the Great Lakes area.

Section 7(b) of H.R. 2355 requires the EPA to assess the effect of airborne toxic pollutants on the Great Lakes and to identify their sources. A report to Congress on the progress of this program is due 1 year after enactment. This program could be a crucial element in implementing the 1978 Great Lakes Water Quality Agreement, signed by the United States and Canada to coordinate cleanup efforts to control pollutants draining into the lakes from both countries. It is also my hope that the information developed by EPA will aid the Great Lakes States in addressing the deadly problem of PCB's, heavy metals, and dioxins in their waters and sediments, and improve the health of Great Lakes residents and wildlife alike.

Section 7(f) requires EPA to submit a report to Congress describing research programs identifying the effects that rising lake levels will have on sewage treatment works and efforts to mitigate the problem. This provision dovetails neatly with H.R. 1068, legislation I cosponsored creating a Federal Guaranteed Loan Program for the protection of residential real property along the Great Lakes shore. As Republican vice chairman of the House Merchant Marine and Fisheries Committee, I have cosponsored legislation reauthorizing the National Sea Grant College Program, which has assisted Great Lakes shoreline residents through outreach-education programs on coastal hazards. I am also exploring other avenues of relief, including grants through the Coastal Zone Management Act for shoreline erosion and flooding, and prohibiting Federal expenditures encouraging development in certain limited unprotected and undeveloped shore areas under the Coastal Barrier Resources Act. The EPA report, due 180 days after Mr. ROE's bill is enacted, will add to the information pool and might result in other measures designed to save Great Lakes shoreline structures from further devastation.

Mr. TRAFICANT. Mr. Chairman, today I rise in strong support of H.R. 2355, the Environmental Protection Agency research authorization for fiscal years 1988 and 1989. The House Science, Space, and Technology Committee reported this measure by a voice vote.

H.R. 2355 provides authorization primarily for the EPA Office of Research and Development. About two-thirds of EPA's research budget is for research conducted outside the Agency, and is carried out through grants, contracts, and cooperative agreements with universities, consultants, and private research consultants.

H.R. 2355 authorizes $294 million in fiscal year 1988 and $307 million in fiscal year 1989. The bill's total authorization is equal to the administration's fiscal year 1988 budget request, and is $11 million less than the fiscal year 1987 appropriations level.

This measure requires that at least 10 percent of the funds appropriated for environmental research be used to conduct basic, long-term research, and that 70 percent of these long-term research funds be used to support research outside the EPA at universities and other research centers.

The bill also requires EPA, in conjunction with other agencies and the Canadian Government, to conduct a study on the contribution of airborne toxic chemicals to toxic pollution in the Great Lakes area, and to identify the sources.

Finally, the measure requires that at least $1 million of the funds authorized by the bill in fiscal year 1988 and at least $3 million in fiscal year 1989 be used for State grants for demonstration projects to show how to minimize the generation of hazardous wastes.

H.R. 2355 enjoys strong bipartisan support on the House Science, Space, and Technology Committee and I urge my colleagues to support the passage of this bill.

Mr. LUJAN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. ROE. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 2355

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Environmental Research, Development, and Demonstration Authorization Act of 1987".

SEC. 2. GENERAL AUTHORIZATIONS.

(a) ENVIRONMENTAL RESEARCH, DEVELOPMENT, AND DEMONSTRATION.—There are authorized to be appropriated to the Environmental Protection Agency for environmental research, development and demonstration activities, the following sums:

(1) $65,462,800 for fiscal year 1988 and $68,099,800 for fiscal 1989 for activities authorized under the Clean Air Act.

(2) $24,665,400 for fiscal year 1988, and $25,689,100 for fiscal year 1989 for activities authorized under the Federal Water Pollution Control Act.

(3) $23,929,500 for fiscal year 1988 and $24,570,800 for fiscal year 1989 for activities authorized under the Safe Drinking Water Act (title XIV of the Public Health Service Act).

(4) $45,236,800 for fiscal year 1988 and $48,151,700 for fiscal year 1989 for activities authorized under the Solid Waste Disposal Act.

(5) $13,690,200 for fiscal year 1988 and $14,596,300 for fiscal year 1989 for activities authorized under the Federal Insecticide, Fungicide and Rodenticide Act.

(6) $2,878,100 for fiscal year 1988 and $2,952,400 for fiscal year 1989 for radiation activities authorized under section 301 of the Public Health Service Act.

(7) $23,905,900 for fiscal year 1988 and $26,202,400 for fiscal year 1989 for interdisciplinary activities.

(8) $29,017,500 for fiscal year 1988 and $30,215,300 for fiscal year 1989 for activities authorized under the Toxic Substances Control Act.

(9) $55,866,600 for fiscal year 1988 for energy activities of which not more than $52,331,100 shall be for acid deposition research, and $56,216,900 for fiscal year 1989 for energy activities of which not more than $56,611,900 shall be for acid deposition research.

Nothing in this Act shall affect amounts authorized for fiscal year 1988, and for fiscal year 1989 for Superfund research activities as authorized by the Superfund Amendments and Reauthorization Act of 1986.

(b) PROGRAM MANAGEMENT AND SUPPORT.—There is authorized to be appropriated to the Environmental Protection Agency, Office of Research and Development, $9,796,400 for fiscal year 1988 and $10,414,600 for fiscal year 1989 for program management and support.

(c) REVIEWS.—The Administrator of the Environmental Protection Agency (hereinafter referred to as the "Administrator") may utilize funds authorized in subsection (a) or (b) for the purpose of conducting appropriate scientific and professional reviews of research and development grant, contract, and cooperative agreement applications and to enter into cooperative agreements to conduct such reviews.

(d) TRANSFERS.—

(1) 10 PERCENT LIMIT.—Except as provided in paragraph (2), funds may be transferred among the categories listed in subsections (a) and (b) so long as the net funds transferred to or from any category do not exceed 10 percent of the amount authorized for the category in such subsections.

(2) TRANSFERS EXCEEDING 10 PERCENT LIMIT.—The Administrator may propose transfers to or from any category exceeding 10 percent of the amount authorized for that category in subsection (a) or (b) if a full and complete explanation of any such proposed transfer and the reason therefor is transmitted in writing to the Speaker of the House of Representatives, the President of the Senate, and the appropriate authorizing committees of the House of Representatives and the Senate. The proposed transfer may be made only when 30 calendar days have passed after the transmission of such written explanation.

(3) COMPLIANCE.—If any funds are transferred from one category listed in subsection (a) or (b) to another category so listed, and the transfer of such funds or any part thereof is not in full compliance with the requirements of paragraphs (1) and (2) then (from and after the date of such transfer) none of the funds otherwise available in the category to which the transfer is made (including but not limited to the transferred funds themselves) may be obligated, expended, or otherwise used, for any purpose, until such time as all of such requirements have been fully complied with.

(e) CLOSING OFFICES, ETC.—No funds authorized to be appropriated pursuant to this Act shall be used by the Administrator to close any field station, regional office, laboratory, or other research center, or for any payment for a reduction-in-force, and no such closing or reduction shall be finalized, unless at least 30 days prior to issuing any general notice of such closing or reduction the Administrator informs the appropriate legislative and appropriation committees of the Senate and the House of Representatives in writing of the reasons for such closing or reduction, the impact of such closing or reduction on carrying out the provisions of this Act, the details of such reduction or closing, and other pertinent information.

(f) Availability.—Appropriations made pursuant to the authority provided by this Act shall remain available for obligation for expenditure, or for obligation and expenditure, for such periods as may be specified in the Acts making such appropriations.

(g) Limitation.—No funds appropriated pursuant to this Act may be used for any activities other than those authorized by this Act.

SEC. 3. BASIC ENVIRONMENTAL RESEARCH PROGRAM.

(a) Basic Long-Term Research.—In addition to providing direct research support for the regulatory needs of the program offices, as required by section 7 of the Environmental Research, Development and Demonstration Act of 1977, the Administrator shall also conduct, and support at universities and other research centers, basic long-term research which furthers the scientific understanding of environmental pollution and processes and their effects upon human health and the environment or improves scientific and engineering capabilities to identify, assess, and reduce existing and potential risks to human health and the environment. Unless otherwise specified by law, at least 10 percent of the funds appropriated for environmental research, development and demonstration shall be obligated and expended for basic long-term environmental research, of which at least 70 percent shall be used to support such research at universities and other research centers.

(b) Report.—The Administrator shall provide to Congress an annual description of the basic long-range research activities funded in the previous fiscal year under this section.

(c) NAS Study.—The Administrator shall provide support for a study by the National Academy of Sciences which shall review the adequacy of Federal funding of environmental research at the Nation's universities and research centers.

SEC. 4. REPEAL OF 5 YEAR RESEARCH REPORT REQUIREMENT.

(a) Repeal.—Section 5 of the Environmental Research, Development and Demonstration Act of 1976 is repealed.

(b) Amendments to ERDDA.—The Environmental Research, Development and Demonstration Act of 1978 is amended as follows:

(1) Strike section 4.

(2) Strike the words "including those defined in the five-year research plan." at the end of section 7(a).

(3) Strike section 8(c).

(4) Strike the language in subsection (a) of section 9 beginning with the phrase "The Administrator shall include" down through the end of such subsection.

SEC. 5. REPORT ON EMERGING ENVIRONMENTAL PROBLEMS.

Within 180 days after the enactment of this Act, the Administrator shall submit a report to the Committee on Science, Space, and Technology in the House of Representatives and the Committee on Environment and Public Works in the Senate making recommendations to improve the capability of the Office of Research and Development to identify emerging environmental problems, to assess the potential risks to human health and the environment associated with such problems, and to develop appropriate research programs in response to such problems.

SEC. 6. SCIENCE ADVISORY BOARD.

(a) Annual Report.—The Science Advisory Board established by the Environmental Research, Development and Authorization Act of 1978 shall submit an annual report to the Committee on Science, Space, and Technology in the House of Representatives and the Committee on Environment and Public Works in the Senate providing the Science Advisory Board's views on the President's budget request for research, development, and demonstration activities at the Environmental Protection Agency. Such report shall be submitted to Congress as soon as practicable after the submission of the President's budget to Congress.

(b) Evaluation.—The Science Advisory Board shall evaluate ongoing and planned research, development, and demonstration activities in at least 3 areas in each fiscal year. The areas for evaluation shall be selected by the Science Advisory Board after consultation with the Administrator, the Committee on Science, Space, and Technology in the House of Representatives and the Committee on Environment and Public Works in the Senate. Reports containing the Science Advisory Board's evaluations and recommendations shall be filed with such committees. The Administrator shall provide to such committees a written response to the Science Advisory Board's evaluations and recommendations within 60 days after the Science Advisory Board's report has been filed with Congress.

SEC. 7. SPECIAL STUDIES.

(a) Scientific Staffing Needs Assessment.—Within 180 days after the enactment of this Act, the Administrator shall prepare and submit to the appropriate committees of Congress a report which identifies the Environmental Protection Agency's key scientific staffing needs and the budgetary implications of meeting such needs. The report should address the significance and extent of problems with the Agency's current scientific skills mix; identify training and other needs of existing scientific staff; identify which new scientific skills are needed and their relationship to new hiring decisions; develop realistic cost estimates for key assessment activities and their relationship to workload models; and identify steps to improve the Agency's risk assessment capacity.

(b) Great Lakes Air Toxics Study.—In cooperation with other Federal agencies, the Canadian Government, State agencies, and the International Joint Commission, the Administrator shall initiate a research program to assess the relative contribution of atmospheric deposition of toxic substances to the total toxic loading of the Great Lakes Basin and to identify the sources of such toxic substances. Such substances shall include, but are not limited to, polynuclear aromatic hydrocarbons, PCB's, dioxins and furans, DDT, Mirex, Dieldrin, heavy metals, solvents, phtalates, and hexachlorobenzene. The Administrator shall submit a report to the Committee on Science, Space, and Technology in the House of Representatives and the Committee on Environment and Public Works in the Senate within one year after the enactment of this Act to report on the progress of such research program.

(c) Pesticide Resistance Management.—The Administrator, in cooperation with the Secretary of the Department of Agriculture, shall conduct a research study on the environmental effects of pesticide resistance and the potential of pesticide resistance management techniques to control or reduce such effects. The Administrator shall submit a report containing the results of such study to the Committee on Science, Space, and Technology in the House of Representatives and the Committee on Environment and Public Works in the Senate within 20 months after the enactment of this Act to report on the progress of such research program.

(d) Efficacy of Disinfectants.—The Administrator shall establish a research program to evaluate existing test protocols, and develop alternative protocols, for assessing the efficacy of antimicrobial control agents, including disinfectants. The Administrator shall submit a report to the Committee on Science, Space, and Technology in the House of Representatives and the Committee on Environment and Public Works in the Senate within 20 months after the enactment of this Act to report on the progress of such research program.

(e) Hazardous Waste Minimization.—By October 1, 1987, the Administrator shall prepare and submit to the Committee on Science, Space, and Technology in the House of Representatives and the Committee on Environment and Public Works in the Senate a research strategy for the minimization of hazardous wastes. The strategy shall be designed to stimulate the development and acceptance by industry of techniques that will result in the reduction of hazardous wastes at the source of their production. The strategy shall include programs which provide matching assistance to States to fund the demonstration and evaluation of a wide range of innovative source reduction techniques for small businesses in a variety of industries and the establishment of a clearinghouse for the dissemination of information on promising hazardous waste minimization approaches.

(f) Within 180 days after enactment of this Act, the Administrator shall prepare and submit to the Committee on Science, Space, and Technology in the House of Representatives and the Committee on Environment and Public Works in the Senate a report which describes EPA's research program and any other relevant research (1) to identify the threat that rising lake levels in the Great Lakes poses to nearby sewage treatment facilities and (2) to mitigate the problem.

Mr. ROE (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

Mr. ROE. Mr. Chairman, I ask unanimous consent that the committee amendments printed in the bill as reported be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read as follows:

Committee amendments: On page 3, line 17, amend "$56,611,900" to read "$52,611,900".

On page 12, line 3, add the following at the end of subsection (e):

The strategy shall provide funding levels and implementation timelines for each program proposed.

On page 12, add the following paragraph after line 14:

(g) Within 180 days after enactment of this Act, the Administrator shall prepare and submit to the Committee on Science, Space, and Technology in the House of Representatives and the Committee on Environment and Public Works in the Senate a report which (1) assesses the state-of-the-art in water resource aquatic plant management models and (2) determines the feasibility of updating the Agency's existing model.

Mr. ROE (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendments be considered en bloc, considered as read, and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The CHAIRMAN. The question is on the committee amendments.

The committee amendments were agreed to.

AMENDMENT OFFERED BY MR. LUJAN

Mr. LUJAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LUJAN: On page 12, add a new subsection section 7(h) as follows:

"SEC. 7(h). Within 180 days after the enactment of this Act, the Administrator shall prepare and submit to the Committee on Science, Space, and Technology in the House of Representatives and the Committee on Environment and Public Works in the Senate, a report which assesses the current status on research into the use of oxygenated fuels containing ethanol or methanol to reduce carbon monoxide and ozone emissions."

Mr. LUJAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. LUJAN. Mr. Chairman, my amendment directs the EDA Administrator to prepare a report to Congress which assesses the current status on research into the use of oxygenated fuels to reduce carbon monoxide and other emissions which could be damaging to the ozone layer. Oxygenated fuel is fuel blended with additives such as ethanol and methanol.

By way of background, in typical urban areas, the primary source of carbon monoxide emissions is motor transportation. It is estimated, for example, that cars, trucks, and buses account for 75 percent of the carbon monoxide emitted in the city of Albuquerque in my district. In Denver, it is estimated at 85 percent and in Los Angeles it is 90 percent.

Many States and local air Districts are considering mandating the use of oxygenated gasoline in order to reduce carbon monoxide emissions from motor vehicles.

I think it is time that the Congress reviewed the current research results into the use of oxygenated fuels. If they look promising, we should then direct the appropriate regulatory agencies to consider the use of oxygenated fuels as an alternative to mandatory automobile inspection and maintenance programs. This may prove to be a cost-effective way of reducing ambient carbon monoxide levels and other pollutants harmful to the ozone layer.

I urge my colleagues to support this amendment.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. LUJAN. I yield to the gentleman from New Jersey.

Mr. ROE. I thank the gentleman for yielding.

Mr. Chairman, I support the amendment offered by the gentleman from New Mexico. It is a constructive amendment and addresses an important research issue.

One of the most intractable problems we have had in meeting the clean air requirements is the urban pollution caused by cars. Major urban areas of the country have made progress over the last several years in reducing ozone concentrations, but still exceed the limits of the Clean Air Act. Included among these areas are California, the Northeast, the Texas gulf coast, and the Chicago area.

Alternative fuels for cars may give cities another tool in fighting air pollution. Several Federal agencies and States, including the EPA, are conducting research and small-scale demonstrations on methanol-fueled vehicles.

While preliminary results appear promising, there still remain questions whether the technology will provide substantial emission reductions at a reasonable cost.

The amendment offered by Mr. LUJAN will give the Congress and the EPA an opportunity to pull all of this research together and assess a future course of action.

I congratulate the gentlemen on his amendment and welcome his contribution.

Mr. SCHEUER. Mr. Chairman, will the gentleman yield?

Mr. LUJAN. I yield to the gentleman from New York.

Mr. SCHEUER. I thank the gentleman for yielding.

Mr. Chairman, I rise in strong support of this very constructive and thoughtful amendment.

Mr. Chairman, New York City is one of the cities, like my colleagues' urban areas, that are having a difficult time in meeting the end-of-the-year deadline for compliance with the ozone and the carbon monoxide standards in the Clean Air Act. Despite very strenuous efforts, progress in meeting these standards has been difficult and slow.

The gentleman from New Mexico [Mr. LUJAN] has identified one possible option that seems to show a great deal of promise. Just recently the city of New York has announced that it would be implementing an experimental program to test fleet vehicles that are powered by methanol and compressed natural gas.

We need to bring together all the data that can be generated on these technologies to see if we have a sensible, cost-effective, reasonable, and reliable method for improving air quality. So I congratulate the ranking minority member for his very constructive amendment, and I urge all my colleagues to support it.

Mr. DURBIN. Mr. Chairman, will the gentleman yield?

Mr. LUJAN. I yield to the gentleman from Illinois.

Mr. DURBIN. I thank the gentleman for yielding.

Mr. Chairman, I would like to commend my colleague, the gentleman from New Mexico [Mr. LUJAN]. Half of the ethanol manufactured in the United States is manufactured within 50 miles of my home city, and the State of Illinois is known by some as the Saudi Arabia of ethanol.

I think that this effort that is being made to develop the technology base and the scientific research base concerning the environmental impact of ethanol and methanol is a very timely request, not only for the environmental concerns raised by the gentleman from New York, but also in the context of the massive agricultural surpluses which we have in this country and the fact that many of these feed gains could be dedicated toward ethanol production, not to mention the fact that lessening our dependence on imported oil would lessen the problems and pressures that have been created in places like the Persian Gulf.

So I commend the gentleman for this effort, and I hope that we can move forward as a nation, recognizing that oxygenated fuels are an absolute necessity as part of tomorrow's energy picture in America.

Mr. LUJAN. Mr. Chairman, I thank the gentleman very much for his comments, and I really do believe that in addition to helping us clean up our environment, it certainly is going to be a boon to the agricultural community, so we get two for one.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico [Mr. LUJAN].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BRUCE

Mr. BRUCE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BRUCE: An amendment to section 2(a) General Authorizations:

On page 3, line 13 strike "$55,866,600" and in lieu thereof add "$58,866,600".

On page 3, line 14 strike "$52,331,100" and in lieu thereof add "$55,331,100".

On page 3, line 15 strike "$56,216,900" and in lieu thereof add "$59,216,900".

On page 3, line 17 strike "$52,611,900" and in lieu thereof add "$55,611,900".

Mr. BRUCE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BRUCE. Mr. Chairman, I offer an amendment to section 2 of this legislation. It is a very straightforward amendment. It would restore $3 million of funding to the EPA's Acid Rain Research Program, bringing the funding level up to the President's request for fiscal year 1988.

Before I begin, I would like to commend my chairman for his hard work on this bill, and especially the chairman of the subcommittee, the gentleman from New York [Mr. SCHEUER]. He did an excellent job in crafting this bill and in bringing it to the floor. He spent a great deal of time in trying to match all the needs of the environment and the problems that we have in having a clean environment in this particular piece of legislation.

□ 1345

However, Mr. Chairman, since the committee markup of this bill on May 13 important new information on acid rain research has come to light which the committee was unable to consider at that time.

They heard the bill on May 13. On May 28, GAO released a report on the National Acid Precipitation Assessment Program, or NAPAP. This report was requested by Representative DINGELL, chairman of the Oversight and Investigations Subcommittee and clearly indicated that NAPAP had a need for additional funding. The GAO report specifically indicated that NAPAP, a 10-year multiagency research project established by Congress in 1980, has need of "adequate staff" and needs "increased funding to expand field monitoring sites, initiate research on concrete and paint damage, and intensify work on damage functions for certain materials and air pollutants."

Those quotes are on pages 48 and 63.

Then yesterday, Mr. Chairman, NAPAP introduced and presented this operation research plan for 1986 and 1988 which very few Members, including this Member, had had a chance to review. That report also puts forth their operating research program and their fiscal 1988 budget tables.

This is again material not available to the committee or the subcommittee.

In addition, I have been in contact with scientists working in this program who assure me they need this money if they are to issue a credible report in 1990.

I listened to the comments of the gentleman from New York [Mr. BOEHLERT]. It is important that they make their deadline if that research is to be credible, and that they make recommendations.

One does that by funding the program.

The GAO report supported their claim by indicating that dry deposition and materials research were especially needy as additional fundings, also mentioned in this plan just yesterday.

There are several proposed solutions to the acid rain problem, all of which will cost billions of dollars. Estimates of the Waxman-Sikorski bill run between $4 and $6 billion per year.

I believe restoring money to the EPA so that this study can go forward so that they can complete their research on schedule is an extremely prudent investment of $3 million.

Mr. Chairman, I am concerned, as we all are, with the need to restrain Government spending. However, denying adequate funding to scientists studying the acid rain problems seems to be a penny-wise and pound-foolish approach to this important environmental issue. This amendment brings the authorization to the President's request, and the funding level currently in the EPA bill represents a 5-percent cut from last year's level, and even if we put this $3 million back in and add it back to the EPA budget, this year's total authorization level will be $8 million below the level appropriated by the EPA last year.

I think it is important to make clear that this amendment does absolutely nothing to block any sort of acid rain control legislation. It has nothing to do with that particular idea.

It is in this committee that we made the authorization. It is in another committee that legislation concerning the control and removal of acid rain will be.

In fact, I am informed that a bill will be introduced either today or tomorrow concerning the disposition of acid rain control.

This amendment does nothing to lengthen the amount of time. It does nothing to make sure that this 10-year study will not go on.

If anything, this amendment will speed up the study, not slow down the progress toward getting a comprehensive solution to acid rain.

We need to assure that the NAPAP study will be completed in a timely fashion.

If we do not pass this amendment, we could actually stall further legislation, because people argued that the research was incomplete, inadequate, and a solution is not appropriate.

The President says we need this money. The GAO says we need this money. The research scientists say they need this money to complete this study.

No matter what you think of acid rain controls, our best solution is the one which makes full use of available scientific research, and I ask the Members to support this amendment.

Mr. BLILEY. Mr. Chairman, I move to strike the last work.

Mr. Chairman, I rise in strong support of the gentleman from Illinois' amendment. This amendment is essential if this Congress is to have the information that it needs to make sound, scientifically based decisions on acid rain legislation.

It was in recognition of this very principle that Congress established this 10-year multiagency research project in 1980 to study the cause and effects of acid rain, and recommend actions to reduce its harmful effects.

The bill before us today continues funding for the National Acid Rain Precipitation Assessment Program, better known as NAPAP. But, and this is a big but, it contains $3 million less than the amount requested by EPA for the timely completion of the study.

I am as concerned as anyone here about the need to restrain Government spending. To deny adequate funding to NAPAP would be foolish.

Mr. Chairman, on May 28, the chairman of the Oversight and Investigations Subcommittee of the Energy and Commerce Committee released a General Accounting Office report indicating that NAPAP has need of "adequate staff" and needs "increased funding to expand field monitoring sites, initiate research on concrete and paint damage, and intensify work on damage functions for certain materials and air pollutants."

The GAO report indicated that NAPAP should have sufficient information to recommend control options "over the next 2 to 4 years." Mr. Chairman, I submit that this program is in the words of my friend from New York, the head of the 92 Group, "vital to further progress."

There is only one reason I can think of that anyone would oppose this amendment—they are afraid that they won't like the answers that NAPAP will deliver when it concludes its work and therefore they have a stake in denying NAPAP adequate funding.

Mr. Chairman, it is our responsibility to do everything that is reasonably within our power to pursue the answers and the best course of action on acid rain. Approve the gentleman's amendment. Let's not turn our backs on this vital research program by hiding our heads in the sand.

Mr. RAHALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the amendment being offered by the gentleman from Illinois to restore $3 million in budget authority for EPA's research effort into the causes and effects of acid deposition.

The EPA is a participant in the National Acid Precipitation Assessment Program, conducted by an interagency task force of 12 Federal agencies. The Congress in establishing this research effort as part of the Acid Precipitation Act of 1980 recognized the need for unbiased and sound scientific data on acid deposition and provided the interagency task force with a 10-year study mandate with annual reporting requirements.

Last year a columnist for the Washington Post wrote:

> If this is spring, it must be time for the annual shower of comprehensive, unequivocal, statistically significant, scientifically hard-nosed and utterly unassailable pronouncements on acid rain. Depending on whose scientist you heed, either the United States must move quickly to curb the sulfur pollution that is damaging lakes and forests in the Northeast and Canada, or it should not move at all.

I would submit that every spring it does, indeed, rain cats, dogs, and acid rain reports, but the rainbow after this thunderstorm of studies since 1982 has always been the annual report by the National Acid Precipitation Task Force.

This report is the most informative and unbiased of them all and has added greatly to our knowledge on the causes and effects of acid deposition. The EPA receives about 50 percent of all Federal funds dedicated to acid rain research and their work has been of the highest quality whether it be related to atmospheric processes or aquatic effects.

The amendment we are currently considering would simply restore EPA's acid rain funding to the level proposed by the administration. I would submit that if the Congress is to consider the so-called acid rain issue fairly, and from the standpoint of sound scientific evidence rather than emotionalism and screaming newspaper headlines, then this funding is warranted and necessary.

I urge my colleagues to support the Bruce amendment.

Mr. LUJAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I recognize the value of what the gentleman from Illinois is saying. There is no question that acid rain reflects negatively on surface waters, on forests, on different materials.

There is no question about it, and I applaud the gentleman for looking after those particular interests.

We tried in committee, Mr. Chairman, to balance out the best use of the money available to us.

What we did, we took some money out of the acid rain moneys and transferred it on over to radon mitigation, to biotechnology, and to university grants.

The reason that we did that is because we felt that the acid rain category had sufficient money in it. The administration proposed some $55 million and we took $3 million from that because there are moneys other than in this bill for acid rain work.

At the Department of the Interior there is in addition to the $53 million a year here some $5.2 million. At the Department of Energy there is $9 million for research on acid rain. The U.S. Department of Agriculture has $11 million and NOAA has $4.1 million. The Tennessee Valley Authority has $640,000. That is a total just in 1987 of $85,665,000. There is a total spent from 1982 to 1987 of $303 million.

So we are not saying that the cause is not worthy. We are saying we wish we had more money. If we had more money, there would be a lot more money in there for acid rain.

I am not sure that we can just absorb additional amounts of money into the research. There have been quotes from the GAO report on NAPAP that says they are not efficiently using the money that they now have. So I would tell the gentleman that while I agree with the purposes of the amendment I think we just kind of have to be a little careful at this point to make the best use of our money, and maybe this additional million into acid rain is not the best use of the money because there are already sufficient amounts of money there.

Mr. THOMAS A. LUKEN. Mr. Chairman, will the gentleman yield?

Mr. LUJAN. I am happy to yield to the gentleman from Ohio.

Mr. THOMAS A. LUKEN. Mr. Chairman, did I hear the gentleman say there is no question that acid rain negatively reacts on forests and surfaces? The gentleman said that there is absolutely no question about that in the gentleman's mind?

Mr. LUJAN. In my mind there is not.

Mr. THOMAS A. LUKEN. If the gentleman will yield further, he is opposing research funds now in order to get the answers and to pursue those questions that the gentleman assumes in his mind to be incontrovertible.

I have sat in on hearings for many years in the Health and Environment Subcommittee and we have heard the National Academy of Sciences, we have heard the witnesses, the experts who come in and testify on the effects of acid rain. I think there is a great question whereas the gentleman thinks there is none, there is a great question as to whether acid rain as we describe acid rain from manmade sources has caused damage to forests. As a matter of fact, the weight of opinion, the weight of scientific opinion, is on the other side.

But the gentleman assumes it to be incontrovertible, so I can understand, therefore, on that basis the gentleman would not want to find out the facts if he has already assumed a set of facts.

But the point is, the facts are very much in dispute, and we have agreements to go ahead and get to the bottom of this, to get the scientific facts, and this research is a means of doing so. So if the amendment passes, the funds will be restored and we will get more light on the subject. We will get more facts and we will get more information on the controversy.

Mr. LUJAN. I understand what the gentleman is saying. All I am saying is that we have $53 million here rather then $54 million, and whether that additional $1 million is going to do that much good is not something that I feel very strongly about.

The CHAIRMAN pro tempore (Mr. GRAY of Illinois). The time of the gentleman from New Mexico [Mr. LUJAN] has expired.

(By unanimous consent, Mr. LUJAN was allowed to proceed for 1 additional minute.)

Mr. LUJAN. Mr. Chairman, I will tell the gentleman that, while there are arguments as to what causes the pollution of lakes and the destruction of forests and the deterioration of buildings, that it is kind of like smoking. I guess you know, nobody can definitely tell you that smoking a cigarette is going to give you cancer or you are going to die or whatever, but you know that it is going to cause some damage, and that is the position I am taking on acid rain.

□ 1400

And I am not opposing your research on acid rain. We have $85 million in acid rain moneys for 1987 and an equal amount for 1988 and I think that what we tried to do was just take the money that was available to us and leave a lot of it in acid rain research, but move some to some of the other areas.

Mr. THOMAS A. LUKEN. Mr. Chairman, will the gentleman yield?

Mr. LUJAN. I yield to the gentleman from Ohio.

Mr. THOMAS A. LUKEN. I thank the gentleman for yielding.

Mr. Chairman, what the gentleman is suggesting is that this money which is in the President's budget, $3 million, be taken out. The money is in the President's budget, so we are not affecting the budget process. As far as finding out the facts about the effects of acid rain, it may well be that ozone may be the cause of what the gentleman assumed to be the damage to the forests, and there are many other issues that remain undecided and we need these funds in the budget in order to get the facts.

So the amendment should be supported.

Mr. SCHEUER. Mr. Chairman, I move to strike the requisite number of words and I rise in very reluctant opposition to the amendment offered by the gentleman from Illinois [Mr. BRUCE].

I wish to note my profound respect for the gentleman. He is a staunch supporter of the environment and we have joined forces in many battles to protect our national resources and I am sure we will be joined again in the future, often, in the good fight.

However, on this amendment I reluctantly part company with him. Mr. Chairman, the question is basically one of priorities. The President has proposed spending $55 million on acid rain research in fiscal year 1988. Now, the total budget that has been requested is $86 million, because the Department of Energy is also spending money on acid rain research. Almost 1 in 5 of all the research dollars that we are spending is in acid rain research.

Now, I want to make it very clear that none of this research is spent on ways to control acid rain. It is all research on causes and a little bit on the effects.

Now, we have already spent $250 million on acid rain research since 1980 in EPA and another $150 million on acid rain research in the Department of Energy and other Federal Agencies. So we have spent $400 million on acid rain. What we are trying to do in this bill is to redirect less than 1 percent of the moneys that have already been spent on acid rain, to redirect less than 1 percent onto other critical matters.

For example, as I mentioned before on the question of radon. Radon is the second cause of lung cancer in this country, up to 30,000 deaths, the second most important causation of lung cancer after cigarette smoking, 30,000 deaths a year. Eight million homes seem to have a radon problem. Surely, that is worth some attention.

We are dramatically and perhaps irreversibly changing our atmosphere with very little understanding of the potential effect on human health, climate, and our environment. For example, the carbon dioxide problem that produces a global warming can have absolutely mind blowing and catastrophic implications for our country and for the rest of mankind. The problem of chlorofluorocarbons, which produces ozone depletion which in turn produces a whole rash of skin cancer, cataracts and perhaps, scientists are afraid, a devastating effect on our immune systems. These are the things that promise to critically effect the health of the people and the wellbeing of our environment.

Yet the President's budget requested only $3 million to further our understanding of what may be truly a global threat.

American industry now, for example, is developing a number of genetically engineered products which can make crops resistant to drought disease and pests, products which can reduce our dependency on chemical pesticides and fertilizers, products which can destroy hazardous wastes. These have enormous promise, enormous promise for the quality of life here and abroad. But the commercialization of these projects is being slowed to the vanishing point because EPA does not know how to assess what environmental risks these products may produce.

The President's budget does not even have enough funds to support an EPA lab for conducting biotechnology research that meets NIH safety standards. Imagine that. Because we do not have a lab of sufficient sophistication we cannot even investigate and test and assess these potentially marvelous improvements in the quality of life that the new biotechnology field of commercial enterprise offers to us.

I could go on, Mr. Chairman, the list is long. Let me just reiterate we have already spent $400 million on acid rain research. I hope we will spend more. But what we are asking be directed is less than 1 percent of that sum for these other, also equally critical, areas of needs.

Let me just say that the GAO report on NAPAP makes it clear to any reasonable person who reads it that the administration and the EPA have no intention of producing the kind of result-oriented research which would enable us to make some public policy judgments in 1990.

Let me just read a sentence here.

The CHAIRMAN. The time of the gentleman from New York [Mr. SCHEUER] has expired.

(On request of Mr. WALKER and by unanimous consent Mr. SCHEUER was allowed to proceed for 2 additional minutes.)

Mr. SCHEUER. Let me just read a sentence or two from the GAO report of April:

> NAPAP's annual reports have been issued late and have not included policy recommendations. NAPAP officials stated that the reports are late because of extensive reviews, staffing constraints and do not contain recommendations because scientific uncertainties are still too great to reach controlled strategy conclusions. According to NAPAP officials the scope of NAPAP assessments will not be as broad as envisioned. For example, although required by this Congress by law to evaluate the economic effects of acid rain, NAPAP has reduced its efforts in this area considerably since 1985 and will probably include only minimal economic effects information on its first assessment.

It was due in 1985. We have not seen it yet. It is 2½ years late even as we speak and God knows when it will be coming up.

NAPAP officials believe at this point it is more important to fund scientific rather than economic research.

So you see we are not going to have accounts assessments that are going to give us guidance for hard public policy decisionmaking in 1990. It has been structured that way. And since we have engaged in scientific research on acid rain up to our gazoo to the extent of $400 million. I think we could redirect less than 1 percent of that to areas that have pressing needs for scientific research.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first of all let me say to those who have argued that there are no budget implications in this, they are just wrong. What the gentleman proposes to do is add $3 million to an item that was brought by the subcommittee and by the committee to this floor in compliance with the President's budget. What we are talking about here is a pure add-on and so therefore it will make what was a budget-responsible bill into a budget-buster.

But let me also say that if it were a purely budget argument that was being made here, if that was the real issue here, this gentleman, maybe surprisingly to some, would probably be on the floor arguing that we ought to go ahead and approve the gentleman from Illinois' amendment, because I think this is one of the areas where we do have a Federal responsibility.

But let me also say this: the problem with the gentleman's amendment is that what we are doing is doing something in research so that we do not have to do anything real.

That is what this argument is really all about here on the floor today, whether or not you want to put some additional money into research so that you do not have to do anything real about acid rain.

We have arguments here on the floor today by people who want us to say "Put a few dollars more into research and then don't do anything at all about acid rain in the future."

Well, I will tell you. I am someone who has bought that research argument for several years. I have come to the floor and I have bought onto that argument and I have said more research is what we need.

I will tell you, it is now time to drop that argument, it is no longer real. The problem is ongoing. We understand enough about it that now, after spending $300 million for acid rain research, we ought to get on with doing something to solve the acid rain problem. And that is what we are, exactly what we are trying to stop with this amendment on the floor. This amendment is on the floor purely as a sop, in my opinion. I think what we are doing is trying to say to people "We won't do anything about acid rain but we will do a lot more research."

Mr. SCHEUER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I will be glad to yield to the gentleman from New York.

Mr. SCHEUER. I thank the gentleman for yielding.

Mr. Chairman, I wish to congratulate my colleague on his lucid analysis of this whole business.

For years the scientists were saying, in partial conscience, "We really don't know enough. This is a very complicated question, the transport of air pollutants is incredibly complicated." Even the computer cannot understand it.

But they have changed their tune. Now scientists are saying, "We know enough to take responsible, practical cost-effective action."

Mr. WALKER. The gentleman is absolutely right. I think the gentleman would agree with me that the $3 million that we are talking about here is not going to get us one bit more of significant research, that we are not going to get anything really significant out of this, that what we will simply get is a vote that everybody can point to to say, "Look, I did something more on acid rain," which is not in fact really anything about acid rain. It will buy us a bit more research of a nonsignificant matter, maybe, but it will assure that we do not get anything real done this year and perhaps next on the real problem of dealing with acid rain. And I think that is a shame.

Mr. BRUCE. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I will be glad to yield to the gentleman from Illinois.

Mr. BRUCE. I thank the gentleman for yielding.

Mr. Chairman, if the gentleman from Pennsylvania were correct that that is the purpose for this amendment I would be in complete and absolute agreement with him and I would withdraw this amendment. Please do not confuse the question of getting an acid rain solution with the question of acid rain research. And I am concerned as the gentleman is, that some of the debate here has flowed from one side to the other; it is a question of whether this Congress 5 years into a study ought to continue it and find out the adequate solutions to stop acid rain. I stand in favor of that with the gentleman and agree with him. This $3 million, though, if we say that the $3 million is not intended, then why not cut out all the money and say let us go to the solution?

Mr. WALKER. Reclaiming my time, the gentleman now argues the ridiculous. If he really is saying that we have got to continue the research what we are saying is $52 million is enough to do the research. We do not need $55 million; $52 million will do the research.

What we are also saying, though, is that that research is not enough anymore, that you have got to do more than research; you have got to get on with solving the acid rain problem and that we are afraid that this $3 million amendment on the floor is largely an attempt to say that we are doing something more about acid rain when we are really doing nothing more about acid rain. We are not moving on to a solution.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I will be glad to yield to the chairman, the gentleman from New Jersey [Mr. Roe].

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. Walker] has expired.

(On the request of Mr. Boehlert and by unanimous consent, Mr. Walker was allowed to proceed for 5 additional minutes.)

Mr. ROE Mr. Chairman, will the gentleman continue to yield?

Mr. WALKER. I yield to the gentleman from New Jersey [Mr. Roe].

Mr. ROE. Mr. Chairman, I have been listening to the debate very, very carefully. You know, there is an assumption here that there is a study going on. There is not one study going on; there is about 350 studies going on. The question we ought to ask ourselves is, What is the $3 million to go for? We spent $400 million and we have not done a tinker's damn in any acid rain control in this country.

□ 1415

This is a situation where Canada is going to be visiting with us time and time again because we are destroying their forests. All along the east coast and Pennsylvania and New Jersey, we are being destroyed.

I did not choose to bring up a battle today on acid rain at all. We simply came back and said, "You've got $85 million." We have shorted program after program in the whole science and technology operation. We are arguing over whether we can fly our shuttles again, and this argument stems over $3 million.

I will continue, if the gentleman will continue to yield.

Mr. WALKER I am glad to yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, the question is that the operation was successful but the patient died. What we should be doing here is not adding $3 million; we should be adding $50 million if we feel strongly about it. That is what we should be doing. We should be coming back and saying to the American people, "phony-baloney," because we are talking about not producing anything until 1990. Good God, we will all be dead of lung disease by then.

So anybody who comes back and says this issue is going to be addressed and that will finish the report is wrong. The report is not going to be perfect, and we have a decision to make if we go this way. That is absolutely a fraud upon the American people, and the value of this debate, which I strongly support, I say to the gentleman from Illinois [Mr. Bruce] is that now it is on the table. It is on the table now. Do the people fight among one another, the oil States and the coal States, or do we do the right thing for America?

The assumption that a $1 trillion bill is going to solve that problem and that this $3 million is going to make the difference is a fraud on the American people. It is not going to do it. We have kept that $3 million back in reasonable amounts. They are getting $53 million. And we must remember that Public Works is the agency over the top of EPA, and we have dealt with EPA in 25 different areas. Let EPA come back to this committee and say to this committee that this is what we are going to do with the $3 million. Let them say that we need three more scientists. Well, they have got $400 million and they have had nothing going yet. That is the question that is before us.

Mr. WALKER. Mr. Chairman, I thank the gentleman, and I agree with him completely.

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Chairman, I want to thank my colleague for bringing this subject up so forcefully and so lucidly.

I would respond to my chairman by saying that the right thing to do for America is finally to establish some standards and a timetable. This is a smokescreen behind which a lot of Members are going to hide. They are going to vote for this amendment and they are going to go back home and tell their people that they are environmentalists. To all the people who are really concerned about the quality of life, they are going to tell them, "We are doing something. Why, we supported an amendment to add $3 million for research."

We have researched this issue to death. We have had the National Academy of Sciences, we have had all sorts of groups that can document clearly the source of acid rain. The

Governor of the gentleman's own State, Governor Kean of New Jersey, said, "If all we do is continue to study this problem, we will have the best-documented environmental disaster in history."

It is time to start some action, to set a timetable, to establish some standards, and to get on with the job, not to create little smokescreens that allow people to hide behind them and say, "I am a warrior in the battle against acid rain."

Mr. Chairman, I urge defeat of this amendment.

Mr. JEFFORDS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Vermont.

Mr. JEFFORDS. Mr. Chairman, I just want to join the gentleman from New Jersey and the gentleman from New York, and I would just invite anyone to come to Vermont. If you want to see acid rain and if you want to see the destruction, I urge you to come up some weekend and take a walk with me and take a picture of what Camels Hump looks like and what it used to look like, and go up there now and see the destruction on the top of that mountain, where you walk through a forest of dead trees staring at you.

I would like you to take a look at what is happening to our maple trees and to what is happening to our maple forests and see them dying. I would like you to take a look at our streams and our ponds on top of those mountains and see how pure they are with nothing in them—no fish, no life at all. That is where you ought to come. You do not need a study. You need a little observation of those areas that are suffering.

I am going to offer an amendment in a while that will try to get a bill on this floor that will allow us really to do something about it. It will not get very far, I am sure, but at least we are here today discussing what must be done to end this.

To put up this smokescreen today is to say to my people in Vermont, "It is all right if you have the Brown Mountain State instead of the Green Mountain State. We don't care if you have any more maple sugar to sell or not. All we care about is to keep the cost a little bit down in some of our utilities out in the Midwest."

Mr. Chairman, we have ways to solve this problem, and our people are tired of waiting for it. We want action now.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has again expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. GREGG. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New Hampshire.

Mr. GREGG. Mr. Chairman, I thank the gentleman for yielding, and I just wish to join the gentleman from Pennsylvania and the gentleman from Vermont in their opposition to this amendment. Those of us in the Northeast and our neighbors in Canada find it just incredible that this Congress refuses to act on the acid rain issue, and it is incredible that we would try to cover up that inaction by continuing to add funds to conduct studies which are becoming very repetitive in their conclusions. That is just outrageous. We know what these studies are going to show because they have been showing the same thing for the last 5 years. The pollution goes up in the Midwest, and it comes down in the Northeast.

That may be a cheap way to get rid of your pollution if you are in the Midwest, but it is very expensive for those of us in the Northeast and in Canada. What we want is some action. There are a number of good pieces of legislation in this House to address an active response to this problem, but they are being stonewalled in certain committees in this House.

I hope that we do not fall for this sophistry of adding more and more money to studies when it is not studies that we need but it is action.

Mr. WALKER. Mr. Chairman, I thank the gentleman from New Hampshire [Mr. GREGG].

Mr. Chairman, I simply say that if Members would do the thing that is environmentally sound, they will vote against this amendment. If they want to do something that will make certain that we get real action on this problem of acid rain, they should vote against this amendment. If they simply want to do research after research and nothing real, they can vote for the amendment, but they will be wrong.

Miss SCHNEIDER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentlewoman from Rhode Island.

Miss SCHNEIDER. Mr. Chairman, I concur with the remarks the gentleman has made.

I for one have been very frustrated by the tendency to assume that if we have a problem and we attempt to do crisis management, the way to solve that problem is to throw money at it. It is very clear that we have thrown an enormous amount of money at the acid rain issue.

My colleagues have already stated some very succinct points with which I concur. The fact remains that unless we take action, unless we enforce and implement policies that call for mitigating measures, we are not going to reduce the amount of acid rain. The research that has been done is conclusive enough to move us to the action mode.

So I encourage all my colleagues to support no more funding for acid rain research or no more increases for funding for acid rain research but, rather, programs that move us ahead toward mitigation, because as we all know, action speaks louder than words, and certainly throwing money at the problem is not going to solve our problem of acid rain.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has again expired.

(On request of Mr. BOEHLERT, and by unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. BOEHLERT. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Chairman, we should never, never stop studying. We will never know all we need to know about this subject or any other subject, but what I suggest is that what we need most of all at this critical juncture is not just studies but a little backbone. It is time that we had some standards, it is time that we had a timetable. It is time that we were all able to go back home to our districts across this country and look at our people eyeball to eyeball and say, "We are doing something meaningful about acid rain, not just more studies."

Let me point out that this is not just a Northeast problem. The most heavily and negatively impacted waterways in the United States of America are not in my home State of New York. They are in the State of Florida, one of the fastest-growing States in the Nation. We have got to do something about it. More than studies, we need backbone.

Mr. SMITH of New Hampshire. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New Hampshire.

Mr. SMITH of New Hampshire. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I would like to commend my colleagues today for taking a very strong, aggressive position on this amendment. I was inclined to support it because of the political perception of it, but the right vote on this amendment is a no vote. The environmental vote is a no vote.

We all know where the problem is. It lies right here in some of the committees of this Congress that refuse to let acid rain implementation legislation out on the floor. Let us be fair about it. Let us vote this amendment down.

As my colleagues have said, let us not be so concerned about addtional money for research, but let us be concerned about getting an acid rain bill out on the floor of this Congress, hopefully as a good tribute to the 100th Congress.

Mr. DURBIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not believe this debate is about $3 million, and I do not believe it is about busting the budget. I think we have finally been given the opportunity to vent a lot of frustration over the whole acid rain issue.

I do not think that anyone in good conscience is willing to stand on either side of the aisle and say, "Let's put an end to research." I think the gentleman from New York [Mr. BOEHLERT] just said it very succinctly when he said, "Let us continue with the research."

Let me try to put this in some political and historical perspective, being a Congressman from an area that is considered to be a source of these pollutants. Not too many years ago those who were elected to Congress from my area of the country denied that acid rain exists. Not too many years after that there were candidates from all over the country who would say such things as "Acid rain is caused by trees." Do we remember that remark?

All of these different things have happened in the evolution of America's attitude toward acid rain. I am prepared to say as I stand here today, representing an area that is rife with high-sulfur coal, that acid rain does exist, that in fact sulfur emissions have something to do with it, and that in fact we have to work on this problem to solve it.

There are people who are very sensitive around the country who say that the solution is obvious: close down those plants, find a different source of fuel, one that does not have sulfur in it, and move forward. But let me suggest to the Members that if they have strong feelings, I understand them because I have a good environmental record. Those strong feelings of Members in the Northeast about the damage to the environment are shared by me in the Midwest. But I look across the faces of literally thousands of coal miners that I represent who will be out of work if we take that approach. It is a simple approach. Maybe it would work. I say, "maybe." But in so doing, it would wreak havoc on the economy of the area in which I live.

What the gentleman from Illinois [Mr. BRUCE] and I are trying to do in supporting this amendment is to say to the Members that we accept the responsibility of moving forward, but for goodness sakes, do not ask us to take an approach that would give us a solution that could wreak havoc on the local economy. And it is an approach that could fail. What if we followed that program and found out in fact that the sources of the pollution are totally different than those we suspect today?

There is good scientific research available today that suggests to us that perhaps the largest polluters are not the largest contributors. Those who are polluting and living in the areas that happen to be in a certain airstream or windflow may cause more problems for the Northeast and Canada, so we may get more problems from smaller polluters than the larger polluters that we are going after.

Let us take a look at this problem dispassionately, objectively, and scientifically, but please give us the opportunity to move forward. Do not draw the line and say that it is all or nothing. That just creates a situation where we will be unable to solve this problem and we will spend years in the future debating it on the floor of the House.

Mr. MADIGAN. Mr. Chairman, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from Illinois.

Mr. MADIGAN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I was very impressed by the remarks of the gentleman from New York who spoke about research. Some of the research that I have read that is done by institutions in the Northeast, notably the Massachusetts Institute of Technology, says in reports on acid rain deposition that their conclusion is that the long-range transport theory is without merit, that the sources of SO_2 emissions in the area represented by the gentleman in the well do not have any impact whatsoever upon the problems in the Adirondacks, in Canada, and other places. I think the argument is made for a requirement for further research when we have an institution as reputable as MIT from the area of the United States that is most heavily impacted by this problem disagreeing with the research that has been quoted by other Members from the Northeast here today. I think that makes the point that more needs to be done.

I noticed also that the gentleman spoke about the ecological damage occurring in the State of Florida. While I do not want to be argumentative about what has gone on in the past, because the past is past, I would just remind the Members assembled here today that the acid control legislation being advocated by the gentleman and by others and sponsored by them last year and in previous years did nothing whatsoever about the problem in the State of Florida. In fact, it specifically excluded Florida from the first round of controls that would have been visited upon the area represented by the gentleman from Illinois and others.

Mr. Chairman, I thank the gentleman for yielding.

Mr. DURBIN. Mr. Chairman, I would just say in closing that I think the request of the gentleman from Illinois [Mr. BRUCE] is reasonable. It is $3 million. We will still be below last year's funding level for research on this important national problem. I think we ought to dedicate these funds and move forward to get the information in place. We share a commitment to solve the problem, and I ask the Members to give us the resources.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. DURBIN] has expired.

(On request of Mr. FIELDS, and by unanimous consent, Mr. DURBIN was allowed to proceed for 1 additional minute.)

Mr. FIELDS. Mr. Chairman, will the gentleman yield?

Mr. DURBIN. I yield to the gentleman from Texas.

Mr. FIELDS. Mr. Chairman, I appreciate the gentleman's yielding.

Mr. Chairman, I have not heard anyone yet quote from the GAO study. But GAO said this:

> Research in several areas, including the effects of acidic deposition on forests and man-made materials, will be needed for several years to better understand the complexities involved in damage caused by air pollution.

That to me indicates the need for further study. The GAO also said this:

> Given these uncertainties, decisionmakers will continue to be faced with weighing the risks of further, potentially avoidable environmental damage against the risks of economic impacts from acid rain controls that may ultimately prove to be ineffective.

Now, it seems to me that the import of those words is that further study is needed, and, therefore, the Bruce amendment, putting back $3 million, is extremely essential if we are to make the right decisions in Congress.

Mr. MOLLOHAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, if this lively debate we have just had is a preview of the debate on acid rain, indeed we are going to have a contentious session when the issue comes before the Congress four square. However, as my colleague, the gentleman from Illinois, pointed out, the issue is not before us four square. The question today is not acid rain control legislation per se.

□ 1430

The question is simply financing an adequate study.

Let me point out that I feel a bit like the man at a lynching with the mob standing around screaming for his life, without really wanting to hear the facts—wanting to dispose of the accused without a trial.

We need the facts. Studies to date have shed considerable new light on this issue and are beginning to dispell a lot of the presumptions initially adopted by acid rain control proponents.

Regardless of whether you now support acid rain legislation, or you want to move cautiously on the question of what kind of additional acid rain controls to impose, I do not see how one can stand up and argue against additional study. What are we concerned about? Are we afraid of additional information?

Are we going to adequately study this issue before imposing very expensive controls?

We have heard expressions of concern about the amount of money that has been spent on studies. I have heard the figure of $400 million. It pales to insignificance in comparison with the cost of the additional Clean Air Act emission limits that are proposed in acid rain legislation pending before the Congress. These costs have been estimated in a range that begins at $4 billion per year. The best investment we can make in this country is to invest in study and research to know what benefits will accompany those costs.

Let me put this in context. We have an acid rain control program in force in this country. It is called the Clean Air Act. Indeed, those people who have expressed concerns about sulfur emissions from the Midwest, should understand that while we have increased the coal burn in this country by about 78 percent during the last 15 years, we have, at the same time, reduced sulfur emissions from stationary coal-fired sources by approximately 20 percent; so the point is that emissions coming from the stationary sources that acid rain legislation targets have already been reduced—as a result of the Clean Air Act. If the problem is increasing in the northeastern part of the United States—and there is little evidence that it is—then Mr. Chairman, it is not increasing because of the long distance transport of sulfur from stationary sources. The studies are beginning to show that the major sources of acid deposition are local rather than distant.

The acid rain legislation that is pending before the Congress, unfortunately, targets long-distance sources. Perhaps that is not the major cause of whatever acidic deposition is occurring in New England. The question can only be answered by completing the very studies in question.

Study is absolutely mandatory if we are going to fashion additional Clean Air Act emission limitations in a sensible way.

I urge this body to support the Bruce amendment.

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. MOLLOHAN. I yield to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Chairman, I thank the gentleman very much for yielding.

Mr. Chairman, I want to talk about two issues. There is no one in the House for whom I have greater respect than the gentleman from New York [Mr. BOEHLERT] or the gentleman from New Jersey [Mr. ROE], our fine chairman. They have done a great job in taking over this committee.

I guess I represent a district that has the smokestacks that everybody is sort of complaining about, as did the gentleman from Illinois [Mr. DURBIN].

I would like to talk about the budget-busting situation. When Mrs. Aquino was here last year after having received $500 million, Congress gave her $200 million more.

I want somebody in this House to tell me what greater asset America has than its coal. We have a great salable resource that we are not maximizing the potential from, No. 1.

No. 2, I want someone to tell me where Canada has installed one scrubber on one of their powerplants.

I think it is time we start looking at these particular areas. I think we have to focus on a policy and I think that policy is prudent for us to attack this very technical problem with a technical solution.

I will not yield at this point, except to say that Ohio has enough coal to handle America's full energy needs for 100 years, and I think we should maximize the resources we have.

Mr. Chairman, I support the amendment.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

(At the request of Mr. WALKER, and by unanimous consent, Mr. MOLLOHAN was allowed to proceed for 2 additional minutes.)

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. MOLLOHAN. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding.

I just wanted to reply to at least one of the questions the gentleman from Ohio posed. The gentleman said that he would ask us what greater resource America has other than its coal. I will admit that coal is a great resource, but I would give the gentleman two: liberty and its people.

Mr. BOEHLERT. Mr. Chairman, will my colleague yield?

Mr. MOLLOHAN. I yield to the gentleman from New York.

Mr. BOEHLERT. Mr. Chairman, I want to thank the gentleman for his very fine remarks. I was paying very close attention to what the gentleman said. The gentleman expressed some surprise that there are those of us opposed to study. We are not opposed to study. We recognize that we have to study more. We will never have enough information on this or any other sensitive subject. What we oppose is the smokescreen created by this amendment, which allows people to support a modest $3 million additional contributions for research and then run home and tell their people that they are voting and doing something to fight acid rain. This will do very little.

Second, there was some confusion expressed—not confusion, but surprise—we will vote in a minute after we get through arguing the subject—the gentleman expressed surprise that people were so concerned about spending $300 million, when it is a very serious problem.

Mr. MOLLOHAN. $400 million.

Mr. BOEHLERT. It is a serious problem and we spent $300 million and we are going to have to spend some more, but we have got to do more than just study it. It is about time that we had standards and a timetable, because the National Academy of Sciences and scientists across this country have documented the problem.

Finally, please do not make this a Northeast United States problem. It is a universal problem, border to border.

Mr. MOLLOHAN. Mr. Chairman, reclaiming my time, I thank the gentleman for his comments.

I would simply suggest that we have done something. We passed acid rain control legislation in 1970. It is called the Clean Air Act.

To put this argument in context, it has reduced sulfur emissions by about 20 percent from the stationary sources that have been targeted, while the amount of coal burned has actually increased.

In addition, I would close by urging support for the amendment and asking my colleagues, What do we have to fear by additional information?

Certainly this amendment would not in any way preclude the consideration of the issue on its merits in any acid rain control legislation that may progress through the authorizing committee.

Mr. ROE. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to this amendment.

I know the gentleman from Illinois wants to have a couple of minutes, so I yield to the gentleman from Illinois [Mr. BRUCE].

Mr. BRUCE. Mr. Chairman, I just want to clear up a few things that have been said here. I am a new player on the acid rain question. I am a little disturbed by what I have heard said here today. No one has questioned my personal integrity in offering this amendment, but the words "smokescreen" have been used up here and they concern me. This is no smokescreen.

I asked in the beginning to remember that we talked about two things when we talked about acid rain. The money that is going to be needed to fund the research and the money that is going to be needed by all of us to find a solution.

We are not debating an acid rain bill today, but I can assure you from what

I have heard today that if we do not have adequate research on this floor we are never going to get an acid rain bill out of here—never. I do not want that and I do not think anybody else wants that.

We have got to quit talking about smokescreens and all the other problems and get down to what is being asked for.

I do not believe the President of the United States or the EPA put up a smokescreen. I am asking that he be given what he asked for. That is all I am saying. Let us give the EPA and the President his budget request. If we get to that, then we can fight on acid rain.

Mr. ROE. Mr. Chairman, I reclaim the balance of my time.

Mr. Chairman, we have had a spirited debate and it has been a good debate. Emotions run high because the issue is an emotional issue, to say the least, but the fact still remains that this committee, which is your committee, that decides what the research of this Nation should be that has to put together the requirements and the levels of funding that we need across the board is appropriating $52 million for this program and we are shorting other areas.

The full committee and subcommittee believe that that is adequate funding, if not more than adequate funding.

The gentleman from West Virginia when he was making his presentation said he heard something like $400 million has been expended. We have expended $300 million, and maybe $400 million before this year is out.

On the basis of that, I would urge bipartisan support on both sides. This is not a partisan issue. I would urge that we vote this $3 million down, because it is inappropriate. It will not do the job and it will not achieve what we want to do.

Mr. MARTIN of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. I will not take all the time that I am allotted, but I would like to be associated with the remarks of my colleague, the gentleman from New York [Mr. BOEHLERT], and my neighbor, the gentleman from Vermont [Mr. JEFFORDS].

Mr. Chairman, the point was made here earlier that this is a debate on acid rain. The sad part of this whole discussion is that in the 6 years and 5 months that I have been privileged to be a Member of this body, we have not had the privilege of even having a bill come to the floor so that we could debate acid rain. What we are talking about now, with all due respect to the gentleman and everybody else who spoke before me, is another $3 million for more study.

I said many times on the floor how I felt about more and more studies. What I am saying is why not bring a bill to the floor dealing with the subject of acid rain and let the body work its will? Come with an open rule and give us the opportunity.

But one thing that strikes me as ironic about this entire debate, which is about as close as we have come to discussing acid rain on the floor, is that this afternoon starts the 28th Interparliamentary Group Meeting of Canada and the United States to discuss things of mutual interest to us. It is ironic that we would be here and delay that as we discuss again this $3 million study.

I would only hope the questions that are brought up concerning what Canada is doing about acid rain is something that we can debate fully here someday and hopefully soon in a bill dealing with the drastic problem of acid rain.

Mr. Chairman, in deference to my colleagues, I yield back the balance of my time.

Ms. SLAUGHTER of New York. Mr. Chairman, I rise in opposition to the amendment which would increase by $3 million the committee's recommended funding for the National Acid Rain Precipitation Assessment Program [NAPAP].

Acid rain is one of the most serious environmental problems facing our Nation. Those of us from New York State know the wide-ranging damage which has already occurred and is continuing. In our great, forever wild Adirondack Reserve, thousands of acres of forest are slowly dying from acid rain. Several lakes, formerly teeming with life, are now sterile.

Not only are our natural resources threatened, but acid precipitation is endangering our architectural and historical heritage as well. Real and personal property damage exacts an additional cost from every New Yorker.

Since 1980 the Environmental Protection Agency [EPA] has spent $195,830,000 on acid rain research. Since 1970 over 3,000 scientific studies have been completed on acid rain. The recent Government Accounting Office report on NAPAP reveals that all this money and effort has not been productively spent. We are still waiting for NAPAP's statutorily required midcourse assessment which was due in 1985.

Enough is enough. We cannot afford to postpone action while awaiting more studies. I ask my colleagues to join me in opposing this amendment; we don't need additional funding for studies. Our scarce funds would be better spent in beginning the difficult, but essential task of cleaning up our air.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. BRUCE].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BRUCE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 124, noes 278, not voting 30, as follows:

[Roll No. 166]

AYES—124

Ackerman
Annunzio
Anthony
Applegate
Archer
Ballenger
Bartlett
Bliley
Boland
Bosco
Boucher
Bruce
Bryant
Bunning
Burton
Carr
Clinger
Coats
Coble
Coleman (MO)
Coleman (TX)
Cooper
Coyne
Crockett
Daniel
Darden
Davis (IL)
Davis (MI)
de la Garza
DeLay
DeWine
Dingell
Dorgan (ND)
Downey
Durbin
Eckart
Emerson
Erdreich
Evans
Fawell
Feighan
Fields
Ford (MI)
Frost
Garcia
Gaydos
Gibbons
Gonzalez
Gordon
Grant
Gray (IL)
Hall (OH)
Hamilton
Harris
Hastert
Hayes (IL)
Hertel
Hiler
Hopkins
Houghton
Hoyer
Hubbard
Huckaby
Hyde
Jacobs
Johnson (SD)
Jones (TN)
Jontz
Kanjorski
Kasich
Kildee
Latta
Leath (TX)
Levin (MI)
Lipinski
Luken, Thomas
Lukens, Donald
Madigan
Manton
Marlenee
Martin (IL)
McCloskey
McCurdy
McEwen
Michel
Miller (OH)
Mollohan
Murphy
Murtha
Myers
Obey
Olin
Oxley
Parris
Perkins
Pickett
Price (IL)
Rahall
Regula
Ritter
Roemer
Savage
Sawyer
Schaefer
Schulze
Schumer
Sharp
Sisisky
Skelton
Spratt
Staggers
Stenholm
Sweeney
Synar
Tallon
Torres
Towns
Traficant
Traxler
Visclosky
Wheat
Wise
Wylie
Yates

NOES—278

Akaka
Alexander
Anderson
Andrews
Armey
Aspin
Atkins
AuCoin
Baker
Barnard
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Biaggi
Bilirakis
Boehlert
Boggs
Bonker
Borski
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Buechner
Byron
Callahan
Campbell
Cardin
Carper
Chandler
Chappell
Cheney
Clarke
Clay
Collins
Combest
Conte
Conyers
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
DeFazio
Dellums
Derrick
Dickinson
Dicks
DioGuardi
Dixon
Donnelly
Dornan (CA)
Dreier
Duncan
Dwyer
Dymally
Dyson
Early
Edwards (CA)
Edwards (OK)
English
Espy
Fascell
Fazio
Fish
Flake
Florio
Foglietta
Foley
Frank
Frenzel
Gallegly
Gallo
Gejdenson
Gekas
Gilman
Gingrich
Glickman
Goodling
Gradison
Grandy
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Hatcher
Hawkins
Hefley
Hefner
Henry
Herger
Hochbrueckner
Holloway
Howard
Hughes
Hunter
Hutto
Inhofe
Ireland
Jeffords
Jenkins
Johnson (CT)
Jones (NC)
Kastenmeier
Kennedy
Kennelly
Kleczka
Kolbe
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Lent
Lewis (CA)

Lewis (FL)
Lewis (GA)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Lungren
Mack
MacKay
Markey
Martin (NY)
Martinez
Mavroules
Mazzoli
McCandless
McCollum
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Owens (NY)
Owens (UT)
Packard
Panetta
Pashayan
Patterson
Pease
Penny
Pepper
Petri
Pickle
Porter
Price (NC)
Quillen
Rangel
Ravenel
Rhodes
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Saxton
Scheuer
Schneider
Schroeder
Schuette
Sensenbrenner
Shaw
Shumway
Shuster
Sikorski
Skaggs
Skeen
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
St Germain
Stallings
Stangeland
Stokes
Stratton
Studds
Stump
Sundquist
Swift
Swindall
Tauke
Thomas (CA)
Thomas (GA)
Torricelli
Udall
Upton
Valentine
Vander Jagt
Vento
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Whittaker
Whitten
Williams
Wolf
Wolpe
Wortley
Wyden
Yatron
Young (AK)

NOT VOTING—30

Badham
Berman
Bevill
Bilbray
Boner (TN)
Bonior (MI)
Bustamante
Chapman
Coelho
Dowdy
Flippo
Ford (TN)
Gephardt
Hayes (LA)
Horton
Kaptur
Kemp
Kolter
Leland
Levine (CA)
Matsui
Mrazek
Ortiz
Pursell
Ray
Stark
Tauzin
Taylor
Wilson
Young (FL)

□ 1455

Messrs. MOAKLEY, HEFLEY, VALENTINE, FAZIO, ATKINS, SWINDALL, WOLF, MacKAY, and SOLOMON changed their votes from "aye" to "no."

Messrs. HALL of Ohio, CARR, CROCKETT, JONES of Tennessee, and YATES changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. RICHARDSON

Mr. RICHARDSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Richardson: Page 3, line 6, after the period insert: "In carrying out the radon mitigation and prevention demonstration program, the Administrator shall insure that the results of the program are applicable in all areas of the nation where exposure to radon in buildings may be a significant problem."

Mr. RICHARDSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. RICHARDSON. Mr. Chairman, I have a noncontroversial amendment to H.R. 2355 that is designed to ensure that EPA's radon mitigation demonstration program is applicable to homes throughout the Nation where it is determined that those homes do not meet EPA radon safety levels.

I am delighted that the Science and Technology Committee has recognized the critical importance of EPA's radon mitigation program which develops, tests, and evaluates technologies which may be useful in reducing high levels of cancer-causing radon gas in homes and that the committee has increased the authorization for radiation research activities.

Mr. Chairman, the concern that my amendment is designed to address is the notion that most of the residential radon contamination is concentrated in homes in the East. That misconception may be brought about by EPA's program concentrating its efforts in demonstrations in trial homes built over the Reading Prong, a geological formation in Pennsylvania, New Jersey, and New York areas.

Residential radon contamination is not just an eastern problem. It affects the West and South as well. Earlier this week, the New Mexico Environmental Improvement Division released results of their radon study which shows that out of 241 homes monitored in northern New Mexico, 28 percent exceeded the recommended action guidelines established by EPA. An alarming 73 percent of 30 homes surveyed in Taos, NM exceeded the radon safety levels established by EPA.

Mr. Chairman, it concerns me that EPA has focused its attention on its residential radon mitigation programs in the East and that the results from those studies may not produce techniques that would be effective in the West or the South for that matter. Homes constructed in the West, for example, use different building materials and have different designs that homes in eastern areas. Most homes in the West do not have basements. Many are constructed from adode materials and the soil composition is different. Radon is produced in the decay of uranium, found in small quantities in soil. Uranium is found in high concentrations in the West. Houses in Colorado built on uranium mill tailings were found in 1984 to have high concentrations of radon. Health experts say long-term exposure is associated with a risk of lung cancer.

Mr. Chairman, my amendment will simply ensure that EPA's residential radon mitigation program is national in scope and that it will produce an array of techniques which can reliably and consistently reduce radon to safe levels in a variety of homes and geographic locations. My amendment will ensure that techniques developed by EPA will apply to homes in the Reading Prong area as well as for homes in New Mexico, Florida, or Washington State.

I would like to take this opportunity to enter into a short colloquy with the Chairman Roe of the Science and Technology Committee to further explain the intent of my amendment.

Mr. ROE. If the gentleman will yield, I would be happy to enter into a colloquy.

Mr. RICHARDSON. Is it the intent of the committee that the residential radon mitigation demonstration program be national in scope and that the techniques developed be applicable to homes throughout the Nation?

Mr. ROE. Yes, Mr. Richardson. It is the intent of the committee that the radon program be national in scope. I view the Richardson amendment as constructive and believe that it will remove any doubt that through EPA's research in dealing with this critical residential radon contamination problem that techniques developed will be sensitive to a variety of homes and geographic locations. I commend the gentleman from New Mexico for offering the amendment and I urge my colleagues to support it.

Mr. RICHARDSON. Mr. Chairman, I thank the gentleman. I appreciate your support and commend you and the subcommittee chairman, Jim Scheuer, for their outstanding work on this legislation. I hope that my colleagues will provide their bipartisan support to my amendment.

Mr. Chairman, I include the article on the EID survey.

[From the Albuquerque Journal, Thursday, June 4, 1987]

EID Survey Reveals Unsafe Radon Levels

(By David Staats)

Santa Fe.—More than one in four homes sampled in seven New Mexico cities contained higher levels of deadly radon than deemed safe by the U.S. Environmental Protection Agency, a state agency said Wednesday.

Twenty-eight percent of 241 houses surveyed in Albuquerque, Santa Fe, Pojoaque, Española, Los Alamos, White Rock and Taos had levels high enough to warrant action by homeowners to cut their exposure to radon, the Environmental Improvement Division said.

A division scientist cautioned against overreaction to the findings, however. "This is not a panic level situation," said J. Margo Keele, manager of the surveillance and monitoring section EID's Radiation Protection Bureau.

The highest percentage was in Taos, where 73 percent of 30 homes surveyed during the winter had excessive exposure to the colorless, odorless gas. The lowest was in Los Alamos, where none of the homes had excessive amounts.

In Albuquerque, two of 24 homes surveyed, or 8 percent, exceeded EPA recommended levels. A separate previously disclosed survey by a University of New Mexico geologist of 175 homes in Albuquerque found 28 percent above the recommended level.

The figures elsewhere are: Pojoaque, 40 percent of 37 homes; Española, 23 percent of 48 homes; White Rock, 30 percent of 20 homes; Santa Fe, 17 percent of 54 homes.

The survey was limited to Albuquerque and six Northern New Mexico communities because the division lacked the staff to install testing equipment statewide, Keele said. However, the division plans statewide tests next winter using simpler sampling devices that volunteers can mail to the division's headquarters in Santa Fe.

Radon is a product of the radioactive decay of uranium 238. It decays in less than four days to other radioactive products that spin off tiny alpha particles. The particles can lodge in lungs, damaging cells and causing cancer.

The gas is produced naturally in soil and rocks. Outdoors, it poses no health problem. Indoors, it can build up to dangerous levels in poorly ventilated buildings, such as homes whose doors and windows are closed in cold weather. The state study was conducted in homes from December through April.

EPA estimates that radon kills 5,000 to 20,000 people yearly in the United States through lung cancer.

The agency recommends that people act when home radon levels exceed 2 percent of one "working level," a measure of radon exposure developed for use in uranium mines.

At the 2 percent level, EPA estimates that between one and five people in 100 would die of radon-induced lung cancer if they spent three-fourths of their time in the dwelling for 70 years.

Taos had both the highest average concentration, 2.8 percent of one working level, and the highest single concentration, 7.8 percent. The high single concentration is roughly equivalent to smoking a pack of cigarettes a day.

The New Mexico levels are only a fraction of levels found in homes of some areas of New York, New Jersey and Pennsylvania, Keele said. Radon problems in the Northeastern states prompted the New Mexico study and have spurred congressional proposals to help states finance testing and the training of contractors and home diagnosticians.

Previous research in the Grants area has found higher than normal levels of radon in the air near uranium mill tailings piles. However, samples taken inside homes there found levels that generally were no higher than homes in Santa Fe, Keele said.

State scientists tried to correlate high radon levels with geologic, atmospheric and building conditions, but discerned no pattern, Keele said. The division may later attempt a study aimed at showing whether radon causes higher cancer rates in particular communities.

People who would like their homes sampled may contact Keele's office to get on a waiting list for next winter's sampling program, to be conducted at no cost to participants. Free literature about radon also is available. Contact the Radon Program, Environmental Improvement Division, P.O. Box 968, Santa Fe, 87504.

Private companies that perform tests for a fee include Radon Measurement and Control of New Mexico in Albuquerque, and Controls for Environmental Pollution Inc., in Santa Fe.

RADON RISK EVALUATION

This chart gives an idea of how exposure to various radon levels over a lifetime compares to the risk of developing lung cancer from smoking and chest X-rays.

WL [1]	Deaths [2]	Comparable exposure levels	Comparable risk
1.0	440–770	1,000 times average outdoor level.	More than 60 times non-smoker risk 4 packs-a-day smoker
0.5	270–630	100 times average indoor level.	20,000 chest X-rays per year
0.2	120–380	....	2 packs-a-day smoker
0.1	60–210	100 times average outdoor level.	1 pack-a-day smoker
0.05	30–120	10 times average indoor level.	5 times non-smoker risk
0.02	13–60	....	Non-smoker risk of dying from lung cancer
0.006	3–13	Average indoor level	20 chest X-rays per year
0.001	1–3	Average outdoor level	20 chest X-rays per year

[1] Working level: measure of radon exposure developed for use in uranium mining industry.

[2] Estimated number of lung cancer deaths due to radon (out of 1,000).

Note: The EPA recommends that action be taken to reduce exposure in homes with radon levels above 0.02.

Source: Citizen's Guide to Radon, U.S. Environmental Protection Agency.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. Mr. Chairman, I yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, I thank the gentleman for yielding.

We have reviewed the amendment of the gentleman from New Mexico in reference to an equitable program on radon throughout the United States, and we agree to the amendment. We accept the amendment on this side.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. Mr. Chairman, I yield to the gentleman from New Mexico.

Mr. LUJAN. Mr. Chairman, I thank the gentleman for yielding.

On this side we accept that amendment also. There has been a survey, as the gentleman knows, in Albuquerque by a professor at the University of New Mexico which says that about 28 percent of the homes that we surveyed were found to have radon levels above EPA recommended action levels, and so I want to congratulate the gentleman on his amendment.

Mrs. MORELLA. Mr. Chairman, I rise in strong support of the amendment introduced by my colleague from New Mexico, Mr. RICHARDSON.

This amendment directs the Environmental Protection Agency to take steps to ensure that radon mitigation demonstration projects will be applicable to all regions of the country where homes do not meet the EPA radon safety levels. The techniques developed from research on radon and indoor air pollution will be national in scope and applied to all parts of the country, recognizing the varying soil conditions.

I know first hand, how serious the radon problem is. In my district, Montgomery County in Maryland, a report released just this week found 28 percent of all county homes have levels of radon gas above the safety standard set by the Environmental Protection Agency. The predicted annual death rate from radon approximates the death rate from automobile accidents.

Mr. Chairman, I urge my colleagues to support the Richardson amendment. Action is needed, and this amendment addresses the serious nature of radon pollution.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico [Mr. RICHARDSON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. RICHARDSON

Mr. RICHARDSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICHARDSON: Page 12, after line 22, insert the following:

(i) "Within 90 days of the date of submission of the report on methanol/ethanol oxygenated fuels to the Congress, The Administrator shall develop a technology transfer program to provide this information and other appropriate technical assistance to States and localities, including high-altitude nonattainment areas, to carry out research and demonstration projects on the effectiveness of fuel ethanol blends, neat methanol/ethanol fuel, oxygenated fuels and other alternative fuels in reducing carbon monoxide, ozone and other air pollution resulting from mobile source emissions."

Mr. RICHARDSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

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Mr. RICHARDSON. Mr. Chairman, Mr. LUJAN's amendment recognizes that there is a fair body of information available that supports the effectiveness of alternative fuels in reducing carbon monoxide and ozone in the air. This information, however, is widely dispensed and its dissemination is haphazard at best.

I have contacted a number of people within the Government and outside of it, all of whom are involved in research or implementation of alternative fuels programs. Without fail, they have all said that information on the efficacy of alternative fuels was available but not easily obtainable, and that only an informal structure existed at EPA to share research and applications information. In addition to information on studies already completed, there is ongoing research being conducted by both Government entities and private enterprises—such as the effects of alternative fuels on vehicles in use or on emissions reductions in high altitude areas. This valuable information needs to be shared as it is developed. No formal mechanism exists to do so.

While the Office of Mobile Sources within EPA is responsible for responding to requests for information on oxygenated fuels, it does not take the initiative in disseminating this information—I would like to see EPA's efforts in this regard changed from a reactive to a proactive mode.

It is clear from the intent of the amendment offered by my colleague, Mr. LUJAN—to pull all of this data together and to present it to the Congress in report form—that he shares my concern that this information needs to be centralized. I would like to take this concern one step further and ensure that this information is actually used by the Government entities who are interested in alternate fuels as a means to attain air quality standards.

Mr. Chairman, there are 80 major urban areas in the country which have been unable to obtain carbon monoxide reductions necessary under the Clean Air Act; auto emissions account for 90 percent of the carbon monoxide found in these areas. In my home State of New Mexico, Albuquerque ranks fourth in the Nation in carbon monoxide levels. This problem not only affects Albuquerque proper but the entire metropolitan area including Sandoval, Valencia, and Santa Fe Counties. My constituents are concerned for their health; local businesses fear a drop in tourism, one of the area's economic mainstays. Studies show that the use of oxygenated fuels can reduce carbon monoxide emissions by as much as 27 percent—I believe we should be doing everything possible to encourage the use of oxgenated fuels to combat this serious health problem.

My amendment is simple. It would, 90 days after the report called for in the Lujan amendment is submitted to Congress, direct the EPA Administrator to develop a technology transfer program to ensure that this and other valuable information is provided to those States and localities who would like to establish programs to meet air-quality standards by utilizing alternate fuels. The amendment authorizes no fund but its eventual monetary and environmental benefits could be invaluable. I urge my colleagues to support this important amendment.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Arkansas, who has been a leader in this effort throughout the Congress.

Mr. ALEXANDER. I thank the gentleman for yielding.

Mr. Chairman, I rise today in support of the amendment offered by the gentleman from New Mexico [Mr. RICHARDSON] to H.R. 2355, the research and development authorization for the Environmental Protection Agency.

The Richardson amendment would require EPA to provide technical and research assistance to States and localities for demonstration projects on the effects of fuel ethanol blends, neat methanol and ethanol, and other oxygenated and alternative fuels on carbon monoxide and ozone levels in the atmosphere.

Much is already known about alcohol fuels, going back to the 1980 report of the National Commission on Alcohol Fuels, on which I served with the distinguished manager of the bill, Chairman ROE, and even further.

We know, for instance, that increasing the use of alcohol fuels is a good deal for the Nation's farmers, who are now choking on surplus.

Mandating the use of ethanol-gasoline blends in a percentage of the Nation's fuel supply could create a market for billions of bushels of grain.

We also know that alcohol fuels enhance energy independence by displacing imported oil. Alcohol fuels research is without a doubt safer and more cost effective than sending the Navy to the Persian Gulf to protect oil shipping.

We also know that alcohol-blended fuels reduce air pollution. There is no question that gasoline-alcohol blends reduce carbon monoxide emissions.

But, there are some important questions still unanswered, however, and the answers to these questions could point the way to a future with cleaner air, reliable energy supplies, and a more secure economy for all Americans.

Specifically, there is a debate over whether, and to what extent, blending gasoline with 10 percent ethanol aggravates ozone pollution by increasing gasoline volatility and emissions of hydrocarbons and nitrogen oxides.

It is also apparent that, even if gasoline-ethanol blends may increase ozone levels, gasoline refiners may modify the gasoline that is blended with ethanol in order to mitigate this problem.

But it is unclear just what they would have to do to achieve this, and how much it would cost them to do it.

In May, I wrote the Secretary of Energy urging him to provide answers to these questions. It is important that EPA's scientists continue to dig for the answers.

The letter follows:

CONGRESS OF THE UNITED STATES,
Washington, DC, May 12, 1987.

Hon. JOHN S. HERRINGTON,
Secretary of Energy,
Washington, DC.

DEAR MR. SECRETARY: For more than a decade I have worked for the formulation of a national energy policy to include alternative fuels. Accordingly, I have introduced a bill, H.R. 2031, that would amend the Clean Air Act to require the use of a certain percentage of ethanol and a certain percentage of a methanol-ethanol blend in the nation's gasoline supply.

It is my opinion that, in addition to providing substantial benefits to the nation by expanding the market for farm products and reducing our dependence on foreign oil, alcohol-blended fuels provide a tremendous opportunity for the nation to address the difficult air pollution problems posed by carbon monoxide and ozone.

Since I introduced H.R. 2031, it has become apparent that there is division within the scientific community regarding the effect of alcohol-blended fuels on ozone levels. Specifically, the question of whether gasoline blended with ten percent ethanol aggravates ozone pollution by increasing gasoline volatility and emissions of hydrocarbons and nitrogen oxides is apparently still a subject of debate.

Additionally, it is apparent that, even if gasoline blended with ten percent ethanol increases hydrocarbon emissions, refiners may make adjustments to the gasoline before it is blended with ethanol in order to reduce vapor pressure and mitigate any such increase—thereby producing a "super-fuel" that has higher octane, provides real reductions in carbon monoxide emissions, and has no harmful effect on ozone levels.

However, it is unclear just what gasoline refiners would have to do to achieve this, and how much it would cost them to do it.

I therefore request that DOE's Office of Alcohol Fuels, in cooperation with the Office of Research and Development at the Environmental Protection Agency, provide as best it can conclusive answers to the following questions:

1. Does the use of ten percent ethanol blended with gasoline increase or decrease emissions of hydrocarbons and nitrogen oxides?

2. What is the most economical method by which gasoline refiners could produce a gasoline feedstock that would, when blended with ten percent ethanol, yield a fuel that results in the release of no more hydrocarbons at the pump and from the tailpipe than does straight gasoline? How much would it cost refiners to produce this particular feedstock?

3. Specifically, would the above result be achieved by taking steps to reduce the vapor pressure of the gasoline feedstock by .75 psi from current levels and reducing the octane level of the feedstock by two points?

While I realize that much time is necessary to conduct in-depth research on these subjects, I would hope answers could be obtained as speedily as possible. The results of the research will no doubt have a great bearing on consideration of solutions to the air pollution problem in the 100th Congress.

Thank you for your consideration.

With kindest regards, I am,

Sincerely,

BILL ALEXANDER,
Member of Congress.

The gentleman from New Mexico's amendment would be a step in the direction of acquiring necessary research on those important issues. I urge its adoption.

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from North Dakota, who has been a leader in this effort.

Mr. DORGAN of North Dakota. I thank the gentleman for yielding. I just want to emphasize that what we are really interested in here are demonstration projects. We do not want to get bogged down on the research side of this, because we do need research but we are especially interested in demonstration projects. And I hope that is the gentleman's intent, because my particular interest is in ethanol-alcohol production demonstration projects for what that can mean to the larger cities in the country.

Mr. ROE. Mr. Chairman, will the gentleman from New Mexico yield to me?

Mr. RICHARDSON. I yield to the distinguished chairman of the committee, the gentleman from New Jersey [Mr. ROE].

Mr. ROE. I thank the gentleman for yielding.

Mr. Chairman, we have reviewed this amendment. It is a good amendment. It further amplifies on amendment offered by the gentleman from New Mexico [Mr. LUJAN]. We have no objection on this side.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to my colleague the gentleman from New Mexico.

Mr. LUJAN. I thank the gentleman for yielding.

Mr. Chairman, let me tell the gentleman I appreciate the additional effort in this, and that we are in support of the amendment on this side.

Mr. RICHARDSON. I thank my colleague.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico [Mr. RICHARDSON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. JEFFORDS

Mr. JEFFORDS. Mr. Chairman, I offer an amendment.

Mr. ROE. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from New Jersey [Mr. ROE] reserves a point of order against the amendment.

The Clerk read as follows:

Amendment offered by Mr. JEFFORDS: Page 12, after line 22, insert the following new section:

SEC. 8: ACID DEPOSITION CONTROL.

Title I of the Clean Air Act is amended by adding the following new part at the end thereof:

"PART E—ACID DEPOSITION CONTROL

"SEC. 181. EMISSIONS FROM UTILITY BOILERS.

"(a) STATE PLANS TO CONTROL EMISSIONS.—Not later than one year after the enactment of this section, the Governor of each State shall submit to the Administrator a plan establishing emission limitations and compliance schedules for controlling emissions of sulfur dioxide and oxides of nitrogen from fossil fuel fired electric utility steam generating units in the State. The plan shall meet the requirements of subsections (b) and (c).

"(b) PHASE I REQUIREMENTS; 1993 SO_2 EMISSION RATE.—The emission limitations and compliance schedules contained in the plan under this section shall be adequate to ensure that, by January 1, 1993, and thereafter, Statewide emissions of sulfur dioxide (per million Btu of heat input) from the total of all fossil fuel fired electric utility steam generating units in the State shall not exceed an average monthly rate of 2.0 pounds per million Btu of heat input.

"(c) PHASE II REQUIREMENTS.—The emission limitations and compliance schedules contained in the plan under this section shall be adequate to ensure that, by January 1, 1997, and thereafter, Statewide emissions from the total of all fossil fuel fired electric utility steam generating units in the State shall not exceed the average monthly rate provided in table 1.

TABLE I

Pollutant	Average Monthly Rate*
Sulfur dioxide	1.2
Oxides nitrogen	0.6

*Rates are expressed in pounds per million Btu of heat input.

"SEC. 182. EMISSIONS FROM INDUSTRIAL BOILERS.

"(a) STATE PLANS TO CONTROL EMISSIONS.—Not later than June 1, 1994, the Governor of each State shall submit to the Administrator a plan establishing emission limitations and compliance schedules for emissions of sulfur dioxide and oxides of nitrogen from fossil fuel fired steam generating units in the State other than fossil fuel fired electric utility steam generating units. Such State plan may include any emissions limitations and compliance schedules, applicable to any such units within the State, which the State deems appropriate and which are adequate to ensure compliance with subsection (b) and (c).

"(b) 1997 STATEWIDE AVERAGE SO_2 EMISSION RATE.—The emission limitations and compliance schedules contained in the plan under this section shall be adequate to ensure that, by January 1, 1997, and thereafter, Statewide emissions of sulfur dioxide (per million Btu of heat input) from the total of all fossil fuel fired steam generating units in the State (other than fossil fuel fired electric utility steam generating units) shall not exceed an average monthly rate of 1.2 pounds per million Btu of heat input.

"(c) 1997 STATEWIDE AVERAGE NO_x EMISSION RATE.—The emission limitations and compliance schedules contained in the plan under this section shall be adequate to ensure that, by January 1, 1997, and thereafter, Statewide emissions of oxides of nitrogen (per million Btu of heat input) from the total of all fossil fuel fired steam generating units in the State (other than fossil fuel fired electric utility steam generating units) shall not exceed an average monthly rate of 0.6 pounds per million Btu of heat input.

"SEC. 183. INDUSTRIAL PROCESS EMISSIONS.

"(a) INVENTORIES.—The Administrator shall conduct and periodically update a comprehensive annual inventory of emissions of sulfur dioxide and oxides of nitrogen from stationary sources of such air pollutants, including fossil fuel fired electric utility steam generating units, other fossil fuel fired steam generating units, and stationary sources of industrial process emissions.

"(b) IDENTIFICATION OF EMISSION REDUCTIONS FROM INDUSTRIAL PROCESSES.—The Administrator shall identify the total Statewide potential reductions in emissions of sulfur dioxide and oxides of nitrogen which are economically and technically achievable by December 31, 1996 by stationary sources of industrial process emissions in each State. By December 31, 1990, the Administrator shall transmit to each State a statement containing a calculation of the total reductions identified for that State under this subsection, together with an explanation of such calculation.

"(c) EMISSIONS LIMITATIONS.—Not later than June 1, 1994, the Governor of each State shall submit to the Administrator a plan establishing emission limitations and compliance schedules for emissions of sulfur dioxide and oxides of nitrogen from stationary sources of industrial process emissions. Such State plan may include any emissions limitations and compliance schedules, applicable to any sources of industrial process emissions within the State, which the State deems appropriate and which are adequate to ensure that, by January 1, 1997, the aggregate annual reductions in emissions of sulfur dioxide from the total of such sources located in the State will be at least equal to the total Statewide potential emission reductions for each of such air pollutants identified by the Administrator under subsection (b).

"SEC. 184. GENERAL PROVISIONS APPLICABLE TO STATE PLANS.

"(a) CHOICE OF COMPLIANCE MEASURES UNDER STATE PLANS.—State plans under this part may provide for compliance with the requirements of this part through any emission limitations and other requirements which the State deems appropriate.

"(b) DISPROPORTIONATE EFFECTS AMONG UTILITIES.—The State shall make reasonable efforts to ensure that the emission reductions required for fossil fuel fired electric utility steam generating units under the State plan do not have an unnecessarily disproportionate economic effect on electric utility ratepayers in any region of the State or in any utility service area.

"(c) STUDY AND REPORT TO CONGRESS.—The Administrator shall conduct a study to determine the reduction in acid deposition achieved pursuant to phase I requirements under section 181(b). The study shall also examine the feasibility of meeting the phase II requirements specified in section 181(c). A report containing the results of the study shall be submitted to Congress on or before June 30, 1993.

"(d) CONGRESSIONAL REVIEW OF REQUIREMENTS.—The phase II requirements of section 181(c) and the requirements of section 182 and 183 shall not take effect if, after the receipt of the study under subsection (c), but before January 1, 1994, the Congress enacts legislation providing that such requirements shall not take effect.

"(e) APPROVAL.—

"(1) IN GENERAL.—Within 6 months after the submission of a State plan under this part, the Administrator shall approve the plan if he determines that the plan contains provisions, including compliance schedules with enforceable increments of progress, adequate to ensure that the requirements of this part will be achieved within the applicable time period specified in section 181, 182, or 183, as the case may be.

"(2) CONDITIONAL APPROVALS DISALLOWED.—The Administrator may not approve a plan under this part unless he finds that, under provisions of the plan without any amendment, condition, or other contingency, each emission rate specified in section 181, or 182 or each aggregate reduction level specified in section 183 (as the case may be) will be attained by the date required under those sections.

"(f) DISAPPROVAL.—

"(1) Electric utility boilers.—If a State plan is submitted under subsection 181 on or before the required date and the Administrator disapproves such plan, the Administrator shall notify the State of the reasons for such disapproval and the State may resubmit such plan within 6 months from the date on which such notice is provided. If no State plan has been submitted under section 181 within 18 months after the enactment of this section or if no State plan has been approved by the Administrator within 2 years after the enactment of this section, each fossil fuel fired electric utility steam generating unit in the State shall comply with the emissions rate specified in table 2 by the applicable date and thereafter:

TABLE II

Pollutant	Applicable Date	Emission Rate*
Sulfur dioxide	January 1, 1993	2.0
Sulfur dioxide	January 1, 1997	1.2
Oxides of nitrogen	January 1, 1997	0.6

*Rates are expressed in pounds per million Btu of heat input, averaged on a calendar month basis.

"(2) Industrial boilers.—If a State plan is submitted under section 182 on or before June 1, 1994 and the Administrator disapproves such plan, the Administrator shall notify the State of the reasons for such disapproval within 6 months after the submission by the State. The State may resubmit such plan within 6 months from the date on which such notice is provided. If no State plan has been submitted under section 182 on or before June 1, 1994 or if no State plan under section 182 has been approved by the Administrator on or before June 1, 1995, each fossil fuel fired steam generating unit in the State shall comply with the emissions rate specified in table 3 by January 1, 1997 and thereafter:

TABLE III

Pollutant	Emission Rate*
Sulfur dioxide	1.2
Oxides of nitrogen	0.6

*Rates are expressed in pounds per million Btu of heat input, averaged on a calendar month basis.

"(3) Plans for process emissions—If a State plan is submitted under section 183 on or before June 1, 1994 and the Administrator disapproves such plan, the Administrator shall notify the State of the reasons for such disapproval within 6 months after the submission by the State. The State may resubmit such plan within 6 months from the date on which such notice is provided. If no State plan has been submitted under section 183 on or before June 1, 1994 or if no State plan under section 183 has been approved by the Administrator on or before June 1, 1995, the Administrator shall promulgate a State plan under section 183 for such State on June 1, 1995.

"(g) Enforcement.—Each emission limitation in effect under subsection (f) and each requirement of a State plan approved or promulgated by the Administrator under this part shall be treated, for purposes of sections 113, 114, 116, 120, and 304 as a requirement of an applicable implementation plan.

"(h) Other Applicable Requirements.—Nothing in this part shall be construed to affect or impair the requirements of section 110 (or of any applicable implementation plan) or of any other section of this Act, except that any stationary source which is subject to any such requirements may also be subject to additional requirements under this part.

"SEC. 185. FEES.

"(a) Imposition.—Under regulations promulgated by the Administrator, the Administrator may impose a fee on the generation and importation of electric energy. Such fee shall be established by the Administrator at such level (and adjusted from time to time) as will ensure that adequate funds are available to make interest subsidy payments in the amount authorized under section 187. The amount of such fee shall not exceed ½ mill per kilowatt hour. The fee shall not apply with respect to the generation of electric energy within the United States by hydroelectric or nuclear power.

"(b) Period of Application.—No fee under subsection (a) may take effect before December 31, 1988. No such fee may continue to apply after December 31, 1996. The Administrator may terminate the fee at an earlier date if, under estimates made by the Administrator, sufficient funds have been collected from the fee to fund the interest subsidy payments authorized to be made under section 187.

"(c) Regulations.—Any regulations promulgated by the Administrator under subsection (a) shall be promulgated by March 1, 1988. The regulations shall set forth the time and manner required for payment of the fee imposed under subsection (a) and the information required to be reported in connection with the payment of such fee.

"(d) Enforcement.—

"(1) Penalties.—Any electric utility (or importer of electric energy) which fails or refuses to pay any amount of a fee imposed under the authority of this section (a) or which fails or refuses to file any report or other document required by the Administrator in connection with the imposition of such fee shall, in addition to liability for any unpaid amount of such fee (and interest on any such unpaid amount), be liable for a civil penalty of $50,000 for each day during which such failure or refusal continues. Any person who makes any false or misleading statement in any such report or other document required by the Administrator in connection with the imposition of such fee shall be liable for a civil penalty of $50,000.

"(2) Civil action.—If any electric utility (or importer) which fails or refuses to pay any amount of a fee imposed under subsection (a), fails or refuses to file any report or other document required by the Administrator in connection with the imposition of such fee, or makes any false or misleading statement in any such report or other document required by the Administrator in connection with the imposition of such fee, the Administrator shall bring a civil action against such electric utility (or importer) to collect such fee and any civil penalty applicable under paragraph (1).

"SEC. 186. FUND.

"(a) Fund.—There is established in the Treasury of the United States a trust fund to be known as the 'Acid Deposition Control Fund' (hereinafter in this section referred to as the 'Fund'), consisting of such amounts as may be transferred to such Fund as provided in this section.

"(b) Transfer of Fees.—There are hereby credited, out of any money in the Treasury not otherwise appropriated, to the Fund amounts determined by the Secretary of the Treasury (hereinafter in this section referred to as the 'Secretary') to be equivalent to the amounts received in the Treasury from the fees under section 185.

"(c) Use of Fund.—Amounts in the Fund shall be available only for purposes of making interest subsidy payments under section 187.

"(d) Management of Fund.—

"(1) Transfers.—The amounts appropriated by subsection (b) shall be transferred at least monthly from the general fund of the Treasury to the Fund on the basis of estimates made by the Secretary of the amounts referred to in such subsection (b). Proper adjustments shall be made in the amount subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

"(2) Reports.—The Secretary shall be the trustee of the Fund, and shall report to the Congress for each fiscal year ending on or after September 30, 1989, on the financial condition and the results of the operations of such Fund during such fiscal year and on its expected condition and operations during the next 5 fiscal years. Such report shall be printed as a House document of the session of the Congress to which the report is made.

"(3) Investments.—It shall be the duty of the Secretary to invest such portion of such Fund as is not, in his judgment, required to meet current withdrawals. Such investments shall be in public debt securities with maturities suitable for the needs of such Fund and bearing interest at rates determined by the Secretary, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. The income on such investments shall be credited to, and form a part of, such Fund.

"SEC. 187. INTEREST SUBSIDY PROGRAM FOR ELECTRIC UTILITIES.

"(a) Interest Subsidy Program.—The Administrator shall promulgate regulations not later than 18 months after the enactment of this part establishing an interest subsidy program under this section. The program shall provide for the payment of interest on debt incurred by any electric utility to pay all or a portion of the interest on qualified pollution control debt incurred by the utility.

"(b) Payments To Assure Ratepayer Protection.—The purpose of the interest payments under the program established pursuant to this section shall be to protect the residential customers of the electric utility from excessive rate increases due to the installation of pollution controls required to comply with this Act. Payments shall be in such amounts as the Administrator deems necessary to ensure that no monthly residential customer rate payment will exceed by more than 10 percent the monthly rate payment which would have been required if no qualified pollution control debt were incurred by the utility.

"(c) Qualified Pollution Control Debt.—For purposes of this section, the term 'qualified pollution control debt' means debt incurred by a utility to purchase and install any technological system of continuous emission reduction (not limited to flue gas desulfurization devices) which meets each of the following requirements:

"(1) The system is installed on a steam generating unit in order to comply with emission limitations established for that unit under State plan provisions adopted pursuant to section 181.

"(2) The steam generating unit is specifically designated by the Governor of the State as a unit on which a technological system of continuous emission control is to be installed for purposes of meeting such emission limitations.

"(3) The construction of the steam generating unit commenced on or before September 18, 1978 so that the unit is not subject to new source performance standards under 40 CFR 60.40a.

"(d) Ineligible Applicants.—No person who brings an action against the Administrator challenging the validity or application of any provision of this part shall be eligible to receive any interest subsidy payment under this section after the date on which such action is brought.

"SEC. 188. DEFINITIONS.

"As used in this part:

"(1) The terms 'Steam generating unit', 'electric utility', and 'fossil fuel' have the same meanings as provided in regulations set forth in 40 CFR 60.41a.

"(2) The term 'stationary source of industrial process emissions' means any major stationary source in any category of stationary sources (other than fossil fuel fired steam generating units) which the Administrator determines, by rule, contributes significantly to concentrations of sulfur dioxide in the ambient air.".

SEC. 102. REVISIONS OF NEW SOURCE PERFORMANCE STANDARDS FOR CONTROL OF NITROGEN OXIDE EMISSIONS.

Section 111 of the Clean Air Act is amended by adding the following new subsections at the end thereof:

"(k) NO_x Emissions From Certain Electric Utility Boilers.—The Administrator shall revise the standards of performance for emissions of nitrogen oxides from electric utility steam generating units which burn bituminous or subbituminous coal. Such revised standards shall prohibit the emission of nitrogen oxides from such units at a rate which exceeds:

"(1) 0.30 pounds per million Btu's, in the case of subbituminous coal, based on a 30-day rolling average.

"(2) 0.40 pounds per million Btu's, in the case of bituminous coal, based on a 30-day rolling average.

Such revised standard shall take effect with respect to units which commence construction after the date of the enactment of this subsection. As used in this subsection, the terms 'electric utility steam generating unit', 'bituminous coal', and 'subbituminous coal' have the same meanings as when used in 40 C.F.R. part 60, subpart Da, as in effect on January 1, 1983.

"(l) NSPS for NO_x Emissions From Industrial Boilers.—The Administrator shall promulgate standards of performance under this section for emissions of oxides of nitrogen from all fossil-fuel-fired steam generating units which meet each of the following requirements:

"(1) The units are new sources within the meaning of subsection (a)(2).

"(2) The units are capable of combusting more than 50 million Btu's per hour heat input of fossil fuel (either alone or in combination with any other fuel).

"(3) The units are not owned or operated by an electric utility.

The standards under this section applicable to fossil-fuel-fired steam generating units which are capable of combusting more than 250 million Btu's per hour heat input may vary from the standards applicable to units which are not capable of combusting more than 250 million Btu's per hour heat input.".

SEC. 103. SMELTERS.

Section 119(c)(2) of the Clean Air Act is amended by adding the following at the end thereof: "Each primary nonferrous smelter which has applied for, or been granted, a second order under this section with respect to an emission limitation or standard for sulfur oxides under the applicable implementation plan shall be in compliance with such limitation or standard by January 2, 1988. No order under section 113 and no action under any authority contained in this Act or in any other provision of law (including any State implementation plan) and no order of any court shall permit any extension or delay of the effective date of such compliance beyond January 2, 1988. Within 180 days after the date of the enactment of this sentence, the Administrator shall complete action on all applications for an order under this section which are pending on such date. Within 60 days after the date of the enactment of this sentence, the Administrator shall amend each order in effect on such date under this section to require final compliance by the primary nonferrous smelter before January 2, 1988, with the emission limitations and standards for sulfur oxides under the applicable implementation plan.".

SEC. 104. CONFORMING AMENDMENTS.

The Clean Air Act is amended as follows:

(1) Section 113(a)(3) is amended by inserting "or is in violation of any requirement in effect pursuant to subpart 1 of part E," after "inspections, etc.)".

(2) Section 113(b) is amended by inserting the following immediately after paragraph (5): "Whenever any person violates any requirement in effect pursuant to subpart 1 of part E, the Administrator may commence a civil action for permanent or temporary injunction or to assess and recover a civil penalty of not more than $25,000 per day of violation, or both.".

(3) Section 113(c)(1)(C) is amended by inserting "or violates any requirement in effect pursuant to subpart 1 of part E," before "or".

(4) Section 307(b)(1) is amended by inserting ", any final action taken by the Administrator under part E of title I" after "120" in the first sentence thereof.

TITLE II—CONTROL OF EMISSIONS FROM MOBILE SOURCES

SEC. 201. EMISSIONS OF OXIDES OF NITROGEN.

(a) NO_x Emissions From Certain Motor Vehicles.—Section 202 of the Clean Air Act is amended by adding the following new subsection at the end thereof:

"(g) NO_x Emissions From Certain Motor Vehicles.—Effective with respect to the model years specified in table 1, the regulations under subsection (a) applicable to emissions of oxides of nitrogen from the motor vehicles (and from motor vehicle engines for such vehicles) specified in table 1 shall contain standards which provide that such emissions may not exceed the level specified in table 1:

TABLE 1

NO_x EMISSIONS FROM CERTAIN PASSENGER CARS AND TRUCKS

Vehicle Type	Model Year	Standard
Passenger cars	1989 and after	0.7 gpm
Gasoline powered trucks weighing up to 8,500 lbs	1988 and after	1.2 gpm
Gasoline powered trucks weighing from 8,500 up to 14,000 lbs	1988 and after	1.7 g/Bhp-hr
Diesel trucks weighing up to 6,000 lbs	1988 and after	1.2 gpm
Diesel trucks weighing from 6,000 up to 8,500 lbs	1988 and after	1.7 gpm

The weights specified in the first column of table 1 (and in table 2 of subsection (h)) shall be based upon the gross vehicle weight rating determined by the Administrator. In the case of any motor vehicle specified in the table (and in the case of motor vehicle engines for such vehicles) the standard established pursuant to this subsection shall apply in lieu of any standard otherwise applicable pursuant to this section.

"(h) Hydrocarbon Standards for Trucks.—Effective with respect to model year 1990 and thereafter, the regulations under subsection (a) applicable to emissions of hydrocarbon from the motor vehicles (and from motor vehicle engines for such vehicles) specified in the first column of table 2 shall contain standards which provide that such emissions may not exceed the level specified in the second column of table 2:

TABLE 2

HYDROCARBON STANDARD FOR TRUCKS: MODEL YEAR 1990 AND AFTER

Vehicle Type	Standard
Trucks weighing up to 6,000 lbs	0.41 gpm
Trucks weighing from 6,000 up to 8,500 lbs	0.53 gpm

In the case of any motor vehicle specified in the table (and in the case of motor vehicle engines for such vehicles) the standard established pursuant to this subsection shall apply in lieu of any standard otherwise applicable pursuant to this section.".

(b) Definitions.—Section 216 of the Clean Air Act is amended by adding the following at the end thereof:

"(6) The terms 'passenger car' and 'truck' shall have such meaning as shall be prescribed by the Administrator.

"(7) The term 'gpm' means grams per mile.

"(8) The term 'g/Bhp' means grams per brake horsepower hour.".

(c) Regulation of Sulfur in Diesel Fuel.—

(1) 0.05 percent limit.—Section 211 of the Clean Air Act is amended by adding the following new subsection at the end thereof:

"(h) Regulation of Sulfur in Diesel Fuel.—The Administrator shall promulgate regulations under this subsection requiring that the sulfur content of any motor vehicle diesel fuel shall not exceed 0.05 percent (by weight). After January 1, 1989, no manufacturer or processor of motor vehicle diesel fuel may sell, offer for sale, or introduce into commerce any fuel which does not comply with such regulations. In the case of a State standard which is more stringent than the standard under this subsection, section 211(c)(4)(A) shall not apply to regulations regarding the sulfur content of any motor vehicle diesel fuel.".

(2) ENFORCEMENT.—Section 211(d) of such Act is amended by inserting after "under subsection (c)" the following "or (h)".

(d) EVAPORATIVE HC.—Section 202(a)(6) of the Clean Air Act is amended to read as follows:

"(6) EVAPORATIVE HC.—Not later than 6 months after the enactment of this paragraph, the Administrator shall promulgate regulations requiring one or both of the following on a nationwide basis:

"(A) The use of onboard hydrocarbon control technology by motor vehicles manufactured for any model year after the model year 1988.

"(B) The use of gasoline vapor recovery of hydrocarbon emissions emanating from the fueling of motor vehicles.".

(g) CONFORMING AMENDMENT.—Section 202(a)(3)(A)(ii) of the Clean Air Act is amended by inserting "and except as otherwise provided in subsections (g), (h), and (i)" after "(E)".

TITLE III—INTERNATIONAL COOPERATION

SEC. 301. INTERNATIONAL COOPERATION.

(a) ANNEX TO BORDER AGREEMENT.—The Congress expresses its concern and sense of urgency regarding the ongoing and prospective environmental impacts of transboundary air pollution between the United States and Mexico, particularly from existing and future point sources of sulfur dioxide in both countries. The Congress finds that the progress of the United States in negotiating an Annex concerning transboundary air pollution to the August 4, 1983, United States-New Mexico Border Environmental Agreement has been unsatisfactory and therefore directs the Secretary of State and the Administrator of the Environmental Protection Agency to, with all due dispatch, conclude with the Government of Mexico an Annex concerning transboundary air pollution to the 1983 Border Environmental Agreement. All feasible efforts shall be made to conclude a final version of said Annex as soon as possible and in no case later than 3 months after enactment of this section.

(b) NEGOTIATIONS.—

(1) In negotiating the Annex referred to in subsection (a), the Secretary shall give special emphasis to ensuring that an agreement is concluded that will ensure that the Nacozari smelter in Mexico will meet pollution control standards that are at least as stringent as new source performance standards under the Clean Air Act, as codified in 40 CFR part 60 subpart p, preferably before start-up of that smelter but in no case later than January 1, 1988.

(2) In negotiating such Annex the Secretary shall ensure that an agreement is concluded that will ensure that the Cananea smelter in Mexico will—

(A) at a minimum, achieve a level of pollution control for any increased emissions before any proposed expansion that is at least as stringent as new source performance standards under the Clean Air Act, as codified at 40 CFR part 60 subpart p; and

(B) if technically feasible, achieve that level of pollution control for the entire source before any expansion.

(3) In negotiating such Annex the Secretary shall ensure that an agreement is concluded for a mutually acceptable arrangement for monitoring, inspection and enforcement of pollution control standards for copper smelters in both countries in the air quality control region (within 100 kilometers in each direction from the border) encompassing the copper smelters at Douglas, Arizona; Nacozari, Sonora; and Cananea, Sonora.

(4) In negotiating such Annex the Secretary shall promote a final version that in its other provisions is in no case less stringent in terms of absolute emissions and ambient air quality standards, and in the schedule for coming into force of such standards, then set out in the July 18, 1985, joint communique of the national coordinators of the 1983 Border Agreement.

(c) REPORT.—The Secretary of State and the Administrator of the Environmental Protection Agency shall submit a report to Congress no later than 6 months after enactment of this section, on their implementation of subsections (a) and (b) of this section.

(d) FIELD EXPERIMENTS.—The Environmental Protection Agency shall perform atmospheric field experiments to determine the effects of emissions of sulfur dioxide from the Nacozari smelter in Mexico, before and after implementation of pollution controls, on concentrations of oxides of sulfur and deposition thereof in the States of Arizona, Colorado, Idaho, Montana, New Mexico, Utah, and Wyoming. The experiments shall place particular emphasis on the effects of the smelter, before and after implementation of pollution controls, on acid rain and visibility in the above-mentioned States.

(e) STUDY AND REPORT.—The Secretary of State, in consultation with the Administrator of the Environmental Protection Agency, shall establish a duly constituted international agency, or make use of an already constituted international agency to prepare and report on the effects of transboundary air pollution originating from copper smelters on public health and welfare in the United States and in Mexico. The study and report shall address, to the extent available data permit, the magnitude and effects of transborder pollution by sulfur dioxide, including pollution expected from further industrial expansion. The report shall make a finding as to whether such transborder pollution by sulfur dioxide originating from copper smelters may reasonably be expected to endanger public health and welfare in the territories of the United States and in Mexico and shall make recommendations for prevention or elimination of such endangerments as may be documented in the report.

Mr. JEFFORDS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Vermont?

Mr. GRAY of Illinois. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk continued to read the amendment.

Mr. GRAY of Illinois (during the reading). Mr. Chairman, with a better understanding. I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Vermont.

There was no objection.

Mr. JEFFORDS. Mr. Chairman, I rise to offer an amendment to H.R. 2355 that will address to problem of acid rain. As this bill contains an authorization for acid rain research, I believe it is an appropriate vehicle to address this critical problem.

I recognize that this is an unusual procedure for bringing this bill to the floor of the House. However, those of us who have been fighting for years to get an acid rain bill to the House floor face unusual obstacles.

My amendment would insert the text of H.R. 4567, a bill that was introduced in the last Congress and garnered the bipartisan support of over 170 Members. This bill was the subject of lengthy hearings in the Environment Subcommittee. On May 20, it was reported from the subcommittee on a 16 to 9 vote. The Energy and Power Subcommittee considered the bill and discharged it to the full committee for consideration. And nothing happened. For the next 6 months, despite pleas from many Members of both sides of the aisle, the full committee took no action.

Mr. Chairman, Vermont deserves better, and this country deserves better. We need to pass an acid rain bill that attacks the problem head-on. And we need that bill now.

My home State of Vermont, due to its peculiar location, was the first to feel the impacts of acid rain. Pollutants from the Ohio Valley, dispersed into the upper atmosphere by tall stacks, are carried northeast by the jet stream and dumped on the great mountain ranges of the Northeast—the Green Mountains, the White Mountains, and the Adirondacks.

Acid rain is not a new problem for Vermont. Back in 1979, I introduced legislation on behalf of the citizens of Vermont to accelerate acid rain research and establish an interagency committee to implement a comprehensive plan to reduce acid rain. And in 1980, when President Carter proposed to convert more than 100 oil-fired plants to coal, I pushed, along with Mr. CONTE and others, for a strong acid rain title in the 1980 Omnibus Energy Act.

In the past decade, the impact of these airborne pollutants upon our environment has become strikingly clear, particularly in the Northeast. The decline of high-elevation forests in Vermont is well documented, as is the acidification of hundreds of lakes throughout the Northeast. Most recently, sugar maple trees in Vermont have been dying at an alarming rate. Acid rain is threatening to turn Vermont—the Green Mountain State and the home of maple syrup—into the Brown Mountain State with sour syrup, dead lakes, and stunted trees.

Despite the abundance of evidence, Vermonters are repeatedly told that more study is necessary. But I don't think Vermont sportsmen, maple producers, and outdoorsmen would agree.

And scientific experts don't either. Their message is: "the science does support the bill." Last August, the EPA released the preliminary results of its eastern lakes survey which showed startling new signs of damage. In the East, over 1,000 lakes are dead, and over 4,000 lakes have virtually no buffering capacity left to neutralize acid rain.

The prestigious National Academy of Sciences has found a direct link between sulfur dioxide emissions and acid rain damage. In a March 1986 report, the NAS concluded that a casual relationship exists between SO_2 emissions and acidification of lakes in the Adirondacks.

Research conducted by the U.S. Forest Service made public at a Senate Environment and Public Works Committee hearing last December turned up alarming declines in growth through the Southeastern United States in yellow pines, an important commercial species. The regional survey of southern pine stands found growth reductions of 40 to 50 percent over the last 20 years.

This study is significant for two critically important reasons. First, it illustrates that acid rain is not exclusively a Northeastern problem. Florida lakes and southern Appalachian forest are dying, while fragile alpine environments in the West are also threatened.

Second, this study is especially significant because it illustrates the economic costs of not acting to reduce acid rain. Opponents of the bill complain loudly about the cost of reducing emissions, but they ignore the costs of inaction. Forest decline could have a devastating economic impact on the forest products industry in the East. In addition, a draft study prepared by EPA, Brookhaven National Laboratory, and the Army Corps of Engineers estimated that materials damage to statues, monuments, and historical buildings may be as high as $6 billion per year. If Congress weighs the costs of action against the costs of inaction, I am confident that Congress will move expeditiously and favorably on this legislation.

After 4 years and a number of approaches, we have finally developed an acid rain bill which can pass the House of Representatives. H.R. 4567, as approved by the Health and Environment Subcommittee, will mandate the emissions reductions necessary to curb acid rain. And it will give the States maximum flexibility in achieving these emissions reductions.

This bill has several advantages.

The first is flexibility: The bill mandates tough new statewide average emissions standards for sulfur dioxide and nitrogen oxide. The Governor of each State will have the flexibility to choose from a wide array of options to meet this statewide emissions standard. The bill does not mandate scrubbers. In many States, switching from high-sulfur to low-sulfur coal will be sufficient to meet the emissions standard. By providing this flexibility, H.R. 4567 will promote least-cost methods of meeting emissions standards and saving ratepayers millions of dollars. The flexibility of H.R. 4567 also allows Governors concerned about the loss of high-sulfur coal jobs to preserve these jobs.

The second criterion is ratepayer protection. The bill would create a pollution control trust fund with a small fee on fossil fuel power produced in or imported into the Untied States. This trust fund would be used to cap residential rate increases attributable to the bill to no more than 10 percent. This fee would increase the average residential customer's monthly rate by an average of only 25 to 50 cents per month. The inclusion of this provision in the bill illustrates the willingness of the sponsors to reduce to the extent possible the regional inequity in rate impacts.

The third and most important criterion: large and meaningful reductions. Recent scientific evidence suggests that reductions of sulfur dioxide alone is not enough to ensure the future protection of our forests, lakes, and streams. In addition to a 10-million-ton reduction in sulfur dioxide, our bill requires a 4-million-ton reduction in nitrogen oxide emissions. Nitrogen oxide is a precursor of ozone, which has been linked to forest decline and crop damage in numerous studies. Nitrogen oxide emissions will be reduced by tightening emissions standards on cars and trucks. The tough emissions reductions contained in H.R. 4567 will ensure that our forests, lakes, and streams do not meet a fate similar to those in Europe.

Mr. Chairman, this is the year for acid rain legislation. This approach has been endorsed by a wide range of groups, including the New England Governors Conference. It has also been strongly endorsed by the League of Women Voters, the League of Conservation Voters, the Sierra Club, the National Audubon Society, the National Clean Air Coalition, and numerous other groups.

I urge all Members to join this bipartisan effort by supporting my amendment.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from New Jersey [Mr. ROE] insist on his point of order?

Mr. ROE. I do, Mr. Chairman.

On the point of order, Mr. Chairman, the committee feels that the amendment as drafted by the gentleman from Vermont [Mr. JEFFORDS] has a regulatory purpose which goes beyond the R&D programs authorized by this bill. And for this reason the amendment is not germane.

Mr. JEFFORDS. Mr. Chairman, I would like to be heard on a point of order.

The CHAIRMAN. The gentleman from Vermont is recognized to speak on the point of order.

Mr. JEFFORDS. Mr. Chairman, I would like to point out that section 2 of this bill states as follows, the first sentence after the title of section A: "There are authorized to be appropriated to the Environmental Protection Agency for environmental research, development and demonstration activities the following sums" and it delineates the amounts of those sums. Some of those are for activities which are authorized under the Clean Air Act. So we have money authorized here. The amendment I have will use little or no funds of those. There is nothing in here that says it is prohibited from using those funds. The amendment that I offered and as I say has no budgetary impact in addition to what is already authorized under this bill, it provides for the development of State plans to take care of the problems of acid rain. It authorizes studies which are research programs. It also authorizes development programs to control the emissions consistent with the Clean Air Act by amending the Clean Air Act to do that, both for stationary sources and mobile sources and also authorizes certain field experiments.

I believe it is well within the authority that is gathered and given by this bill which is a bill of general nature within the areas being authorized. So I feel it is well within the jurisdiction of the committee, there is no question about that and I believe it is germane.

The CHAIRMAN (Mr. RAHALL). Does any other Member wish to be heard on the point of order? If not the Chair is prepared to rule.

The Chair is ruling that the gentleman's amendment, the gentleman from Vermont, amends a law that does not come within the jurisdiction of the Committee on Science, Space, and Technology. In addition, the pending bill is research and development legislation and the gentleman, concedes that he not only addresses a research issue, but addresses regulation regarding acid rain that is outside the jurisdiction of the committee reporting the pending bill.

The gentleman from New Jersey's point of order is sustained.

The CHAIRMAN. Are there any further amendments to the bill? If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MURTHA] having assumed the chair, Mr. RAHALL, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2355), to authorize appropriations for environmental research, development, and demonstration for the fiscal years 1988 and 1989, and for other purposes, pursuant to House Resolution 182 he reports the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The **SPEAKER** pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. **ROE**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days during which to revise and extend their remarks, and to include extraneous matter, on H.R. 2355.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

REQUEST FOR RECOGNITION

Mr. **QUILLEN**. Mr. Speaker, I have a parliamentary inquiry.

The **SPEAKER** pro tempore. The gentleman was not recognized as seeking recognition. We have already gone to other business. The Chair apologizes.

Mr. **QUILLEN**. Mr. Speaker, I was on my feet with a parliamentary inquiry. I was going to ask for a recorded vote.

The **SPEAKER** pro tempore. The gentleman was not seeking recognition when the Chair put the question.

Mr. **QUILLEN**. I was on my feet seeking recognition, but you recognized him.

The **SPEAKER** pro tempore. The Chair apologizes.

ADJOURNMENT TO MONDAY, JUNE 8, 1987

Ms. **OAKAR**. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Ms. **OAKAR**. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

CONGRESSMAN SEES RED

(Mr. **DYMALLY** asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. **DYMALLY**. Mr. Speaker, yesterday, our colleague Congressman McCollum made an unfair inference about two of our colleagues and me, during the Iran-Contra hearings, by accusing us of undermining the administration's war efforts in Central America.

The Florida Congressman saw red, because we supported United States church humanitarian organizations in raising funds to assist innocent women and children, who were victims of a tragic war in El Salvador.

My Republican colleague sought to equate the illegal sale of arms to Iran, with helping innocent victims of war in Central America.

There are those who support violating the laws of this land, and call themselves patriots.

There are others, like me, who employ peaceful and legal means to try and stop the war, and boast not about what we do.

Congressman McCollum, McCarthyism is dead. I think.

At this point I include the following:

House of Representatives,
Washington, DC, June 4, 1987.

Hon. Jim Wright,
Speaker, House of Representatives, H204, The Capitol, Washington, DC.

Dear Mr. Speaker: Yesterday (6/4/87) Congressman Bill McCollum, Republican of Florida used a letter I signed to raise funds for victims of the war in El Salvador to accuse two of my colleagues and me of undermining the Administration's war efforts in Central America.

I am attaching for review the letter to which Mr. McCollum referred.

Sincerely,
Mervyn M. Dymally.

Washington, DC,
Wednesday afternoon.

Dear Fellow American Citizen: The United States is deeply involved in a civil war in El Salvador—a war which has cost over a billion taxpayer dollars, killed 50,000 Salvadorans, and driven over one and a half million more from their homes.

U.S. arms provide firepower in the Salvadoran civil war. U.S. advisors provide training and oversight, and U.S. pilots use infrared equipment to identify targets.

The war will not stop without your help. There are three things you can do to help stop the bombing in El Salvador and end U.S. aid to the Nicaraguan Contras. But before telling you what they are, I must make clear how seriously I view this situation.

During my six years on the Foreign Affairs Committee, I have listened to witnesses chronicle our deepening military involvement in Central America. In my Los Angeles County home district, Salvadoran refugees have told me about the high human toll of the war.

Sporadic news reporting fails to convey a full picture of the intensity of the fighting or of its impact:

Our tax dollars fund an escalating air war which features daily bombings of civilian areas. U.S.-trained pilots fly AC-47 gunships which can put a bullet in every square foot of an area the size of a football field—within three seconds.

Since January, the Salvadoran military has been conducting "Operation Phoenix"—a massive drive to depopulate Guazapa Province, a few miles north of El Salvador's capital city.

Once, 50,000 people—mainly farmers—lived in the area around the Guazapa Volcano. Now, less than 1,500 civilians are estimated to be left. The army has methodically killed livestock, burned fields and fruit trees, and destroyed food stocks—all violations of the Geneva Accords.

According to an April 18th report from the Christian Committee for the Displaced of El Salvador, Operation Phoenix has produced 245 civilians murdered, including 5 pregnant women; 1,345 civilians captured; and 13 villages totally destroyed.

On January 13, 1986 the Washington Post (p. A21) reported, "El Salvador's Roman Catholic Archbishop [Arturo Rivera y Damas] said he witnessed a government aerial bombardment of a populated area during his pastoral visit to guerilla-controlled areas this week . . . he witnessed the bombing last Monday as residents of the embattled northern Chalatenango Province were singing songs of welcome to him . . . Defense officials denied that there was any bombing in the area where Rivera y Damas visited."

The American people and their representatives in Congress must not allow our government to support the bombing of civilians. That is why the U.S. Committee in Solidarity with the People of El Salvador (CISPES) is organizing a National Emergency Campaign to Stop the Bombing. I ask you to support the campaign.

Members of CISPES are working in local communities across the country, informing their neighbors about the threat of full-scale war in Central America—and asking them to also take action.

With 450 committees in towns and cities in all 50 states, and close working relationships with many other organizations, CISPES is ideally suited to inspire public opposition to the widening U.S. role in Central America. Through films, slideshows, and public discussions in churches, community centers, and homes, CISPES' volunteer members are showing Americans what is really happening in Central America.

In its 5½ years of existence, CISPES has helped hundreds of thousands of Americans take action for peace—many for the first time.

CISPES efforts have motivated thousands to call Members of Congress and to write letters voicing opposition to the U.S. war in Central America.

CISPES volunteers are breaking through the news media blackout in El Salvador. Op-ed articles, letters to the editor, and newspaper ads are telling the facts. "Stop the Bombing" bus and subway placards are up in urban transit systems across the country.

CISPES has sent hundreds of thousands of dollars to help meet the basic human needs of those in El Salvador suffering from war. In 1985 alone, CISPES grassroots committees sent over $180,000 in humanitarian aid.

My House and Senate colleagues have access to the same information as do I. "War stories" will not change their votes—unless they also know that a consensus in opposition to the war is building among their own constituents.

Through organization, that consensus can be built. That is why CISPES is embarking on a two-year educational campaign in 50 key Congressional districts. With trained full-time organizers, CISPES will reach the unconvinced, recruit volunteers and build effective opposition to the bombing.

With generous initial contributions, CISPES has begun the effort—and already shown results in Congress:

47 Members of Congress have co-sponsored a resolution by Rep. John Conyers condemning the continuing human rights violations in El Salvador and calling for a halt to the indiscriminate air and ground attacks on civilians.

At CISPES' urging, House Ways and Means Chair Dan Rostenkowski wrote letters to our colleagues, David Obey, Chair of the Foreign Operations Appropriations Subcommittee, and Michael Barnes, Chair of the Western Hemisphere Subcommittee of the Foreign Affairs Committee. He voiced opposition to the Administration's supplemental request of $54 million in Central American police training funds.

The police training measure failed—thanks in part to the opposition of Rep. Rostenkowski and other members of Congress contacted by CISPES.

Following Rep. Rostenkowski's letter and thousands of letters from CISPES members, Rep. Barnes held Subcommittee hearings on the human rights situation in El Salvador.

Rep. Frank Annunzio, a former supporter of military aid to El Salvador, credits CISPES members in his district with changing his point of view about the effects of that aid in El Salvador.

But now our government is escalating the U.S. military role in Central America in ways reminiscent of the expansion of the war in Vietnam—and we must all redouble our efforts to respond.

Here are the three things YOU can do right now to help stop the bombing:

(1) Write a check to CISPES today for $35—or for $25, $50 or $100—and send it to us in the enclosed postage—paid envelope.

The day-to day work of CISPES is carried out by volunteers, and the CISPES staff are paid subsistence wages. But other expenses are unavoidably high. To finance its National Emergency Campaign to Stop the Bombing, CISPES must raise over $45,000 in the next two weeks—and most of it must come from individuals like yourself.

(2) Sign the "Urgent Reply Memorandum" I am enclosing and return it along with your contribution. We need to obtain thousands of signatures as part of CISPES' effort to deliver these pledges by the truckload to Members of Congress. Your representatives must recognize that you want them to *act* to stop the bombings.

(3) If you wish to participate actively in your local community as well, write down your phone number on the enclosed reply memorandum. CISPES staff or other volunteers in your area will contact you with details about grassroots activities in which you may take part.

The Reagan Administration and the Congress are at a crossroads. You can help point out the right path.

One path leads to peace and economic justice. It is the route to the recognition of human rights and the sanctity of human life.

The other path—the way of death squads and massive bombardment—leads to large-scale death and destruction. We took that path in Southeast Asia.

Let us not allow our government to lead us down that path again.

Sincerely,

MERVYN M. DYMALLY,
Member of Congress,
Committee on Foreign Affairs.

P.S.—Your check for $100 or more will be tax-deductible if made payable to the "Institute for Effective Action". Contributions will fund CISPES' ongoing educational work.

WASTE REDUCTION CLEARINGHOUSE ACT OF 1987

(Mr. CARPER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. CARPER. Mr. Speaker, today I will introduce legislation to promote waste reduction as the most environmentally sound and politically viable way of addressing the growing threat posed by hazardous waste in this country.

The Waste Reduction Clearinghouse Act of 1987 establishes an Office of Waste Reduction within the U.S. Environmental Protection Agency to facilitate the exchange of information on new waste reduction technologies, while minimizing the regulatory burden on industry, accomplishing both at virtually no cost to the American taxpayer.

The clearinghouse will also alert hazardous waste generators to State and Federal technical assistance and grant opportunities to assist in waste reduction efforts.

The waste reduction clearinghouse would be funded through fees assessed on large generators of hazardous waste, thus adding an additional incentive for those generators to pursue waste reduction efforts.

Experts agree that the best way to manage hazardous waste is to produce less of it. The challenge we face is to find economically viable ways to do that. This legislation can help us meet that challenge. To the extent that it does, it will also focus national attention on the need to reduce sharply the amount of hazardous waste our country produces each year.

I encourage my colleagues to join me in this effort.

WASTE REDUCTION CLEARINGHOUSE ACT—SECTION-BY-SECTION

SECTION 1

Short title—Waste Reduction Clearinghouse Act.

Definitions.

SECTION 2

Establishes—within 180 days of enactment—the Office of Waste Reduction within the Environmental Protection Agency headed by an Associate Administrator.

Authorizes the appointment of from 8 to 12 persons to work in the Office of Waste Reduction.

Establishes—within 180 days of enactment—a Waste Reduction Clearinghouse to collect and disseminate data and information on (1) State waste reduction technical assistance and grant programs; (2) technical articles and other available technical information on waste reduction and waste minimization; (3) the names of individuals, corporations, and other entities who may want to share information and data on their successes and failures in waste reduction; and any other information the Associate Administrator determines would be useful in developing and implementing a waste reduction program.

SECTION 3

Specifies the following clearinghouse services: (1) on-line computer access for the public; (2) computerization of all reference material and other information and data; (3) compilation of information on economically practicable techniques to reduce the volume or quantity and toxicity of waste, information on waste reduction techniques currently available which minimize the present and future threat to human health and environment, and relevant information generated according to reporting requirements under the Solid Waste Disposal Act (4) categorization of waste reduction techniques by SIC codes, waste stream components and industry; (5) availability—at a reasonable cost to interested parties—of computer software developed by the EPA to categorize and disseminate waste reduction information; and (6) accessibility of clearinghouse services by toll-free numbers from any part of the United States.

Requires the Associate Administrator to inform hazardous waste generators of the existence of the clearinghouse and the availability of its services, including notices on forms which waste generators are required to fill out.

SECTION 4

Requires the Administrator to establish and collect fees and charges on wastes transferred by a generator to any other person for treatment, storage, or disposal pursuant to the Solid Waste Disposal Act and the Marine Protection, Research and Sanctuaries Act. The Solid Waste Disposal Act fee would apply only to those who generate more than 1,000 kilograms of hazardous waste per month.

Requires that fees and charges be established and reviewed on an annual basis to reflect the cost of operating the clearinghouse and the projected amount of hazardous waste which will be produced by those who must pay those fees.

Places all fees and charges in a separate account within the Treasury. All funds in the Account shall be available only through appropriations.

SECTION 5

Authorizes $3 million in fiscal year 1988 from the General Fund to initiate the functions, programs, and actions required under this Act. Moneys appropriated for fiscal 1988 must be repaid from funds collected in the Waste Reduction Account.

Authorizes such sums as may be necessary for fiscal year 1989 and each fiscal year thereafter.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 157, CONSTITUTION DAY

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-125) on the resolution (H. Res. 186) providing for the consideration of the bill (H.R. 157) to designate September 17, 1987, the bicentennial of the signing of the Constitution of the United States, as "Constitution Day," and to make such day a legal public holiday, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2112, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1988

Mr. PEPPER, from the Committee on Rules, submitted a privilege report (Rept. No. 100-126) on the resolution (H. Res. 187) providing for the consideration of the bill (H.R. 2112) to authorize appropriations for fiscal year 1988 for intelligence and intelligence-related activities of the U.S. Government, for the intelligence community staff, for the Central Intelligence Agency retirement and disability system, and for other purposes, which was referred to the House Calendar and ordered to be printed.

HOLOCAUST MONUMENT DEFACED IN SKOKIE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, I rise to call to the attention of my colleagues in the House of Representatives the recent outrageous and appalling defacement of a newly dedicated Holocaust memorial in the village of Skokie, a suburb located in the 11th Congressional District of Illinois which I am honored to represent.

Last Sunday, on May 31, a solemn and inspiring ceremony took place during which a monument was dedicated in Skokie in memory of the victims of the Holocaust. The bronze sculpture on a stone base, includes five figures—a Jewish resistance fighter, a mother holding her slain child, and a little boy clinging to an elderly rabbi, and the front inscription states that this memorial is "In Honor of the Ghetto Fighters, the Underground Resistance and U.S. Armed Forces who Helped Defeat the Scourge of Nazism." This memorial, built with funds raised by Sheerit Hapleitah, Remnant of the Holocaust, a Chicago-area Holocaust survivors organization, is a stirring tribute to the victims of the Holocaust, as well as a sad reminder of the unspeakable crimes systematically perpetrated against the Jewish people and against all humanity.

Sometime between Sunday night and Monday morning, unknown vandals—cowardly hoodlums under the false protection of darkness—covered the monument with spray-painted swastikas and insults. This thoughtless and barbaric act has reminded us that our world still harbors elements of hate and antisemitism. At the same time, this contemptible act has strengthened our commitment to keep the lessons of the Holocaust alive for all generations to follow. On Tuesday, June 2, village residents, along with local clergy from all religious denominations, gathered for another memorial service at the defaced monument, to reflect on the lessons from this most tragic event.

Mayor Albert J. Smith of the Village of Skokie has courageously acted to restore and protect this monument, and his actions have renewed the respect and admiration of the residents of Skokie, of whom about 10 percent are Holocaust survivors, and who recall Mayor Smith's tireless efforts to prevent the Nazis from marching in Skokie in 1978.

At this point in the RECORD, I would like to include an editorial which appeared in the June 3 edition of the Chicago Tribune, regarding the defiling of Skokie's Holocaust memorial. The editorial follows:

THE SICK WORLD OF SKOKIE'S VANDALS

Less than a day after Skokie had dedicated a sculpture commemorating the 6 million Jewish victims of the Holocaust, vandals had defaced it. They did a thorough job, smearing swastikas and insults over the work—five figures representing a young man, a woman, two children and an old man, all facing the inhuman horror of Hitler's murder camps.

This was not mere brainless destructiveness, like most graffiti. The word "Liars" smeared on the pedestal showed that this was the work of a mind twisted far out of shape, one that has renounced reality in favor of a strange, sick fantasy. If there is a horror worse than the concentration camps, it is minds that find them not horrible enough, and invent for themselves lies to outdo the truth.

The first reaction to this crime is rage. But if one thinks about it for awhile, the rage gives way to a disgusted sort of pity.

Those who did this are total failures as human beings. They are on a treadmill, and must know it. Their lives have the bilious taste of hate; every breath they draw, every thought that goes through their minds, is steeped in it. They have sacrificed everything else to it; balance, intellectual honesty, humor, peace of mind, enjoyment of the everyday good things of life. Hate is all they have.

If the vandals are caught, they should of course be punished with whatever penalty the law provides. It will be nothing compared to the constant, living hell they inflict on themselves.

Mr. Speaker, I condemn the thoughtless actions taken by the hooligans which defiled the Holocaust monument. It is my sincere hope that they are caught and prosecuted within the fullest extent of the law. I join with the many Holocaust survivors and their families living in the 11th Congressional District of Illinois who have been touched by this incident, as we remember the victims of the Holocaust, and as we vow to carry in our hearts and our minds and to pass on to our children, the words, "remember" and "never again," so that we insure that another Holocaust will not be repeated.

TRIBUTE TO ANDRES SEGOVIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. DE LA GARZA] is recognized for 5 minutes.

Mr. DE LA GARZA. Mr. Speaker, we will no longer be enchanted by the incomparable music of the great Andres Segovia for he has passed from this world, never to play again.

Perhaps it is my love for the Spanish people that prompts my comments on the life of Maestro Segovia, and of course it is my own fascination and respect for his supremely unique guitar music.

Andres Segovia took an instrument called the guitar and made it into something else entirely. To so many Americans, the guitar is a stringed instrument found everywhere but those places where Segovia saw fit to introduce it. Maestro Segovia showed us how the guitar can be as lyrically beautiful as the violin and the cello, and as hauntingly cool as the oboe.

Throughout the ages there are but a few who are touched by the hand of God with what we call "genius." Andres Segovia was so touched. He played before Kings and Queens in the grand concert halls of the world. His music exemplified the mystique of the gypsy, the bravery of the bullfighter, the sadness of the peasant, the joy of the children, the thunder of the heavens, and the tranquility of an evening beneath the arbors in Andalusia or Castilla. He infused the classical guitar with an energy heretofore unknown.

We mourn his recent passing, but rejoice in his contributions. A few of us—for having had the privilege of being in his presence—consider this a great fortune in our lives. His music will remain now for the world to savor, and every Spaniard will be proud of the Andres Segovia legacy.

GENERAL LEAVE

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the life, character and public service of our late colleague, the Honorable Frank Carlson.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

THE LIFE, CHARACTER AND PUBLIC SERVICE OF THE LATE HONORABLE FRANK CARLSON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. ROBERTS] is recognized for 60 minutes.

Mr. ROBERTS. Mr. Speaker, I have taken this special order in behalf of the Kansas congressional delegation in order to pay tribute to our former colleague, former Senator, and former Kansas Governor, Frank Carlson. On Tuesday of this week, in his hometown of Concordia, KS, funeral services were conducted for Senator Carlson who died last Saturday at the age of 94.

During those services, the Senator was described by our Kansas Governor, Mike Hayden, as a true public servant and a man for all Kansans. He was also eulogized by his good and long friend. Dr. Richard Halverson, the Chaplain of the Senate, as a "saint and a true giant in Kansas and our national history."

Mr. Speaker, it is not often that we find those in public service, those who go through the rough and tumble world of politics, even in the finest sense of the word, described as a saint. But, Dr. Halverson's description of Frank Carlson certainly is appropriate.

As his successor and personal friend, Senator BOB DOLE said in his eulogy in the Senate, Senator Frank was more than bills he introduced, and there were many, bills signed, and there were many. He was flesh and blood, spirit and soul, a warm heart, a keen eye, a chuckle in the throat and the knowledge no man is better than his neighbor. And, in the case of Frank Carlson, he was to everyone who knew him, a good Christian neighbor.

Mr. Speaker, if length and breadth of service, if the number of friends, and if the amount of activity in a man's lifetime are any measure, then Frank Carlson was one of my State's greatest statesmen—and there have been several. He is the only person to serve in all three of our State's highest elected positions, as Congressman, Governor and Senator.

In addition, as former State chairman of the Kansas Republican Party and a tireless worker in local, State and national campaigns, he played a key role in our Republican Party for over 50 years. From county chairman in Cloud County to helping select Dwight Eisenhower as President, his was the role or mentor, adviser, and worker.

I am honored to count myself as one of the many for whom the Senator served as mentor. Since he had been a family friend of my grandfather and my father, who served as State party chairman when he was Governor, my relationship with the Senator was even more special when I became a member of his staff back in 1967 and 1968. And, he was the first person to make a contribution when I considered running for Congress 7 years ago.

Mr. Speaker, Senator Carlson's life and achievements have been well chronicled and I commend to my colleagues and to all the biography I will insert for the record. I would like to add a few personal observations.

I worked for Senator Frank Carlson as a young intern and a decade later as his administrative assistant, and you get to know a person pretty well going from a young pup to chief cook and bottle washer. In all of that I never saw this Christian gentleman lose his temper or his practice of treating others with human dignity. Oh, as a stubborn Swede, there were times when he would answer our queries with "yup, yup," and you knew when you reached the "yup, yup" stage, your time was up. But, the point is he treated everyone like family. Every morning at 9:30, regardless of the pressures of the day, Senator Frank would meet with his staff over coffee. It was like a family gathering and we truly were family. So was every employee of the Senate. Even today, some 19 years following his retirement, long-time Senate employees remember him with special fondness. Whether on the campaign trail, advising Presidents, or working with the most contentious and difficult issues, he genuinely loved people and they in return instinctively loved him. We, on his staff, or more correct, we, who were part of his official family loved him, miss him, and are better people for having the privilege of working for him. I make these comments in behalf of his long-time administrative assistant and right arm, George Stafford, and all of the staff members down through the years.

Mr. Speaker, I have one additional personal observation. Just this morning the many members of the House Prayer Breakfast Group met for fellowship and sharing as we do every Thursday morning. And that fellowship is repeated in the Senate and in agencies throughout Washington, and in fact in governments throughout the world. It was Senator Frank Carlson who founded the President's Prayer Breakfast and was instrumental in the founding of the Senate and House groups.

Sometime after being elected President in 1952, Dwight Eisenhower confessed to Senator Frank the White House was the loneliest house he had ever lived in. At the Senator's invitation, Ike attended the Senate Prayer Breakfast. A tradition was born. The first Presidential Prayer Breakfast has over 400 in attendance. This year, over 3,000 were in attendance with 600 from nations all over the world.

When he retired in 1968, Senator Carlson spoke at the prayer breakfast he helped found and organize. The remarks were reprinted by U.S. News & World Report; they were entitled "Wanted a Man Who Will Stand." Mr. Speaker, these thoughts are as relevant today as they were some 20 years ago, perhaps even more so. The full text will follow my remarks as will the biography of Frank Carlson.

Mr. Speaker, during that address, Frank Carlson quoted from Ezekiel, the prophet:

> And I sought for a man among them who would build up the wall and stand in the breach before me for the land, that I should not destroy it.

May I suggest that the good Lord, Kansas, and our Nation found such a man in Frank Carlson and through the efforts of those who try to emulate his example, his memory and work will live on.

A biography and a magazine article follow:

PARENTS FROM SWEDEN

Frank Carlson was born January 23, 1893 in Concordia, Kansas, the son of immigrant parents who were from their native country, Sweden. His father, Charles Eric Carlson, (January 31, 1862 to April 5, 1931) was from the province of Ostergotland. His mother, Anna Johannson Carlson, (May 27, 1866 to April 9, 1948) was from the province of Vermeland. Both were employed by Colonel and Mrs. N.B. Brown in Concordia. They were married in Brownstone Hall in 1891.

The Carlsons had one son, Frank 1893, and two daughters, Lillian 1895, and Edna 1897 (married Harry Johnston 1924).

MARRIES ALICE FREDRICKSON

August 26, 1919, Frank Carlson and Alice Fredrickson were married by Rev. C.W. Anderson at Concordia. The Carlsons' wedding occurred at 8:00 in the morning. Just after the wedding ceremony, they boarded the Union Pacific Railway for a wedding trip to Junction City, then on to Kansas City for their honeymoon. Alice as a homemaker-wife of legislator-congressman-governor and U.S. Senator served with dignity and charm and made friends throughout the country.

During World War I, Frank Carlson served in the United States Army Infantry. After the war, he returned to Concordia, Kansas where his experimentations with a new type of wheat established him as a successful farmer.

IN AGRICULTURE

Owning and operating a farm near Concordia, Kansas, since 1914, has given Frank Carlson insight to the problems of those engaged in agriculture. He has consistently worked at keeping imports at a level which will encourage profitable production for the American farmer. Many completed flood control and soil conservation projects may be attributed to his efforts. The Public Law providing for the extensive watershed projects in Kansas is the result of a bill introduced by Frank Carlson and Clifford Hope.

He is a member of many farm organizations and a Charter Member of the Farm Bureau. In 1959, the Missouri Farmer's Association awarded him the Distinguished Service to Agriculture Award. He received the Wheat Industry Man of the Year Award in 1964 from the Kansas Wheat Commission and the Kansas Wheat Growers Association. In 1965, Frank Carlson received Distinguished Service in Agriculture Awards from the Future Farmers of America and also from the Kansas State Grange. In the same year, the Kansas 4-H Foundation awarded him a special certificate of appreciation and gratitude.

During his service in the House of Representatives, Frank Carlson began to acquire publications of the U.S. Department of Agriculture, particularly the annual yearbooks. Early editions were acquired from his friends and colleagues, Congressman and Mrs. Kahn of California. The complete collection of these publications from 1894 is in the library.

A CHRISTIAN LEADER

Frank Carlson has always been an active member of the Baptist Church. At sixteen, he became Superintendent of his Sunday School, a position he held for twenty years.

During his terms as Governor of the State of Kansas, he was named Chairman of the International Council for Christian Leadership. He later served as the International President of this organization. While living in Topeka, Governor Carlson attended the First Baptist Church just east of the State Capitol on 9th Street.

Frank Carlson is recognized as the man who established the Annual Presidential Prayer Breakfast in 1953. He presided over this breakfast for many years. Also during his years as U.S. Senator, he was a member who was in regular attendance at the Senate Prayer Breakfast each Wednesday.

As the International President of the Council for Christian Leadership, he and Queen Wilhelmina of Holland chaired the International Conference at The Hague, Holland in 1951 and 1953. Senator Carlson also conducted a church service in Swedish at Stockholm, Sweden. He was received by Pope Pius XII at the Vatican in 1963. In 1964, his recorded Christman message was distributed throughout the country. In 1965, the Central Baptist Theological Seminary in Kansas City, Kansas awarded Frank Carlson the churchmanship citation.

FRANK CARLSON GOES TO KANSAS LEGISLATURE

As a young man, Frank Carlson was interested in his government and his political party, the Republican Party. While serving as the Cloud County Chairman of the Republican Party, he was asked to run for the State Legislature to help fill the ticket. Although some thought chances for a Republican victory were slim, he won by a landslide in 1928 and was reelected to a second term in 1930.

From 1932 to 1934, Frank Carlson served as Chairman of the Republican State Committee during the term of Alfred M. Landon as Governor. Alf Landon wanted someone to talk to the farmers in Western Kansas that the farm population could trust. His choice was Frank Carlson.

Having worked closely with Governor Landon, it was only natural that while Frank Carlson was a Congressman from Kansas' Sixth District, he was active in the campaign of Alf Landon for President of the United States. Frank Carlson and several other Congressmen from the Mid-West traveled with Landon during his campaign.

During his forty years as an elected official, Frank Carlson was very active in three presidential elections. He worked on the campaign of Alf Landon in 1933, Dwight D. Eisenhower in 1951, and was a nominee for the office in 1967.

GOVERNOR OF KANSAS

In 1946, after six terms in the U.S. House of Representatives, Frank Carlson returned to Kansas where he was elected the State's 30th governor. He was reelected for an additional two year term in 1948.

During his administration as Governor, Kansas financed a sound and effective improvement program.

New and modern treatment in mental hospitals was begun, and today Kansas has one of the best State sponsored mental health programs in the country. Working with the Menningers and other leaders in mental health, the theory of "rehabilitation rather than warehousing" those with mental illness became a reality.

The educational system was expanded and improved. New buildings were provided for state colleges. State financial aid to elementary schools was doubled. Better salaries were provided for the faculties of state schools. Farmers and businessmen benefited from the provision for research for new industrial opportunities.

A long range highway improvement plan was inaugurated. A formal industrial training program for the blind began. During his administration, Kansas advanced with progressive programs and solid growth.

RETIRES FROM PUBLIC OFFICE

On December 19, 1967, at a press conference in the Jayhawk Hotel, Topeka, Kansas, Frank Carlson announced, after 40 years of public service, he would not seek reelection to the United States Senate. He planned to retire from the Senate when his term expired in January of 1969, so he could return to Kansas where he could look after his farms and be with his family.

In retirement, Frank Carlson remained active. He was able to personally look after his three Cloud County farms, visiting each of them several times a week.

Several times each year, he would return to the East Coast to attend meetings of the Direct Mail and Marketing Association and the Directors' Meetings of the National Liberty Corporation at Valley Forge, Pennsylvania. Early in 1969, he became a Director of the Central National Bank in Junction City, Kansas as well as a member of the Bank's Trust Committee.

During his retirement, Frank Carlson served as a Trustee for the Menninger Foundation, Kiwanis' Foundation, 4-H Foundation, the Masonic Foundation, and the Carlson Lecture Series at Kansas Wesleyan College in Salina.

Frank Carlson was the Chairman of the Kansas Cancer Crusade, and Chairman of the Wheat Center, U.S.A., and the Food Conference at Kansas State University.

[From the U.S. News & World Report, July 1, 1968]

"WANTED A MAN—A MAN WHO WILL STAND"

(By Frank Carlson, U.S. Senator from Kansas)

(Frank Carlson is a member and frequent leader of the Senate Breakfast Group, which meets every Wednesday morning to pray together and ponder the issues of a spiritual heritage. About 20 Senators—of all denominations and from all parts of the country—usually are present. For 27 years this writer has attended as the only regular member outside the Senate.

What is said at these gatherings is generally not for publication, but the talk made by Senator Carlson on June 19 so impressed his listeners that special permission was granted for this printing of excerpts from it.

Senator Carlson is retiring at the end of the current session after 18 years in the Senate. Prior to that he served 12 years in the House of Representatives and four years as Governor of the State of Kansas.—David Lawrence, Editor.)

The subject of the text I am using is "Wanted a man—a man who will stand." We have had men in both ancient and modern history who have had the courage to stand and stand firm. . . .

In Ezekiel 22:30, the Prophet says:

"And I sought for a man among them who would build up the wall and stand in the breach before me for the land, that I should not destroy it."

God is searching for men who are unique, thoroughly saved, and filled to running over with His spirit. God and the world need men who will stand in the gap. . . .

Modern Americans have accepted and are tolerating conditions never before permitted by any generation of our ancestors.

Never have so many hated on such flimsy cause. Never have so many denounced so many with such little knowledge. Never has the dollar been as important as it is today. Never has wild pleasure or physical abandonment been considered fitting human behavior as it is today.

Never have public officials been so brazen and open in seeking the vote of the people through promises of things that are morally and spiritually wrong. Never have ministers of the Gospel turned their pulpits and their pastoral duties toward direction of the social order to the near exclusion of the salvational order as abounds in our time.

In that same 22nd chapter of Ezekiel, the Prophet speaks of Israel's religious leaders in these words:

"Her priests have done violence to my law and have profaned my holy things; they have made no distinction between the holy and the common, neither have they taught the difference between the unclean and the clean, and they have disregarded my Sabbaths, so that I am profaned among them."

Israel's religious leaders of that earlier time would be appalled to observe what is transpiring in the churches of God today. Even the daily press—notoriously indifferent to religious news—reports a few lines on the inner and back pages that tell us clearly how growing numbers of Americans treat holy things with irreverence and sacred things with contempt.

Not only have vast numbers of Americans lost all sense of the sacred, the moral, and the ethical, but the spiritual leaders from both the laity and the priesthood are often found in the forefront of this irreligious pursuit of comfort rather than conviction—of accommodation rather than truth—of the pleasant life rather than the meaningful life.

If God is to have men who will stand in the gap and hold back the flood of destructive emotional and spiritual forces we must first understand the nature of the problem and why things are the way they are.

There are three major forces that have brought about the chaos, frustration, and anti-Christian era in which we live. They touch both the philosophical and religious bases, were first voiced by few in number whose intensity deceived millions, and have been permitted to flourish by both the unwary and the fearful.

First, we live in this age of uncertainty because we have either accepted or endured a doctrine of universal conformity.

The forces that reduce the power of an influence of God and Christ in the lives of our people are seeking to become levelers of men. It is their conviction that only through lowering mankind to a dependency upon the ideas, ideals, and material judgments of superior people can we live together in harmony and peace.

Evidence is rampant that this kind of meddling and interference with God's natural law brings fearful conflict, death, destruction, riots, crime, and disregard of decency and principle among our people.

Today there is widespread devotion to the idea that nothing absolutely nothing, can be allowed to remain the same. All things must change, and there is practically no consideration given as to whether the change is good or bad—right or wrong—easy or difficult—necessary or unnecessary.

The doctrine of change stands on just the precise idea that change is inevitable. That is absolutely true. Change of various kinds and sorts takes place every day everywhere. But irresponsible, erratic, violent change only for the sake of making things different is as illogical and as unreasonable as it is unspiritual.

No intelligent person argues against the necessity of using question marks after many of our inherited ideas and practices of the past. But when the question mark is turned into a totem pole or a marble altar on which the people are supposed to lay their sacrificial offerings, such people have escaped the general limits of common sense and sound judgment and have launched off into material idolatry and a rushing toward a degree of spiritual insanity.

If human reason has so totally lost its respectability and no one is allowed to go from a major and minor premise to some sort of orderly conclusion, then the welfare of our people is entrusted to the care of strange and weird people.

Great changes had to take place during these recent years, and even greater changes will have to take place in the future. But no safe and proper change seen in recent times—and certainly none of the irrational changes that outnumber the sane ones—can justify the wholesale abandonment of the safe and sure principles of God and this country which have brought us safely this far. In the face of greater changes we Christians have to remember that we have a firm point of view and that we operate from certain unchanging foundations.

We believe in a God who does not change—in human nature which does not change except for its accommodation with and acceptance of God—in standards of right and wrong that do not change—in death and judgment which are inescapable—and we believe in a truth that is absolute, not relative, and which is forever settled in heaven and can never pass away.

The Christian today—even in the midst of the erratic and erotic commitments of irreligious leaders—does not follow the failing steps of the priests of Israel. Christians make a clear distinction between the holy and the common. They teach the difference between the clean and the unclean. They observe and keep the Sabbath and they do not profane either the name, the spirit, nor the power of God.

The third cause of our uncertainties in this time is the doctrine of universal criticism. Today man is taught not to accept anything until he has first put it under strong and critical examination. Trust nobody—believe nobody—have faith in nothing—and accept no truth until it has been proved to you with mathematical exactness and material demonstration. That is the agony of the hour when the doctrine of criticism has taken over our people.

You cannot pick up a paper, a magazine, or a book that is not in and of itself critical of something or somebody, even including among its victims almighty God Himself In truth, the criticisms of God rank well above almost all other criticisms of the hour. More people—in more ways and on more occasions—cast doubt, hurl darts, and throw charges against God such as this country has never seen in all of its history.

To accept the doctrine of universal criticisms leaves us with almost nothing that is sacred—almost nothing that is absolute—and nothing that is eternal. So real has our acceptance of the doctrine of criticism become that even the word "indoctrination" has been turned into an evil word that must be shunned like "discipline," "disciple," or "patriotism."

These three doctrines—universal conformity, universal change, and universal criticism—have left our nation without moorings or anchors. We are being tossed about in the sea of doubt and uncertainty that is about to sink the ship of God before our very eyes.

The world today is looking for:

Men who are not for sale;

Men who are honest, sound from center to circumference, true to the heart's core;

Men with consciences as steady as the needle to the pole;

Men who will stand for the right if the heavens totter and the earth reels;

Men who can tell the truth and look the world right in the eye;

Men who neither brag nor run;

Men who neither flag nor flinch;

Men who can have courage without shouting it;

Men in whom the courage of everlasting life runs still, deep, and strong;

Men who know their message and tell it;

Men who know their place and fill it;

Men who know their business and attend to it;

Men who will not lie, shirk or dodge;

Men who are not too lazy to work, nor too proud to be poor;

Men who are willing to eat what they have earned and wear what they have paid for;

Men who are not ashamed to say "No" with emphasis and who are not ashamed to say "I can't afford it."

God is looking for men. He wants those who can unite together around a common faith—who can join hands in a common task—and who have come to the kingdom for such a time as this. God give us men.

□ 1525

Mr. GLICKMAN Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I am delighted to yield to my colleagues the gentleman from Kansas.

Mr. GLICKMAN Mr. Speaker, I would like to echo the thoughts of my colleague, the gentleman from Kansas [Mr. Roberts], who knew Frank Carlson very, very well. I only met him on three occasions, but there was one thing that was always impressed upon me, to reinforce what the gentleman said, and that is that he was a person of unquestioned integrity and respect, and he gave extraordinary meaning to the word, "politics."

A lot of folks in this world think that politics is a dirty business, but really politics is nothing but the art of making policy. Frank Carlson spent 18 years in the Senate, and years before that as Governor and Congressman and legislator, making policy, doing what was right for the country, and he made politics a very honorable profession. He was a partisan, but beyond that and more important than that, he was an American who wanted to do the right thing for his country.

So far all the young folks growing up and looking at politics are thinking, gee, there is nothing there but a bunch of crooks or a bunch of people who are not honest or who are on the take and that kind of thing, I would say: No. 1, the legacy of Frank Carlson is a goal these people should ascribe to, because he was the kind of politician this country was founded upon: and No. 2, the fact of the matter is that it is not true, that politics is an honorable profession, that most people in this world may not be quite as good as Frank Carlson was, but generally they are all trying to do the best thing for this country.

Mr. Speaker, that is the legacy that he leaves, and it is one that we in Kansas and everybody around the country ought to be very proud of.

Mr. PEPPER. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I yield to the gentleman from Florida.

Mr. PEPPER. Mr. Speaker, I thank the able gentleman in the well for giving me a chance to add a word to the eloquent remarks he has already given to the House.

I had the privilege of knowing Senator Frank Carlson for a long time and being a friend of his. Many times have I attended the Presidential Prayer Breakfasts and heard his eloquent and moving words. He was a great patriotic American, a great Christian gentleman, and I subscribe heartily to all the eloquent words spoken of him by the distinguished gentleman in the well.

Mr. ROBERTS. Mr. Speaker, I thank my friend, the gentleman from Florida [Mr. Pepper].

Mr. WHITTAKER. Mr. Speaker, will the gentleman yield?

Mr. ROBERTS. I yield to the gentleman from the Fifth District of Kansas.

□ 1535

Mr. WHITTAKER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I want to express my appreciation to the gentleman from Kansas [Mr. Roberts] for organizing this special order. I am privileged, though I was not privileged to work with Senator Carlson, as you were lucky enough to do so in your early career, but I am privileged to join with the Members today in paying tribute to one of our former Members of the House, Senator Frank Carlson of Concordia, KS.

His career is unmarked in Kansas history; he was a Governor and also a U.S. Senator. Frank Carlson will be very long remembered for his devotion and service to his country and his God.

His career and life was one that was marked by all of the characteristics and virtues that we all strive to attain and reach.

Throughout his career he never lost touch with the concerns and aspirations of his fellow Kansans. His decisions, his votes, and his values reflected his strong attachment to his State and its people.

Frank Carlson's traditional roots and beliefs led him to found the Presidential Prayer Breakfast, as has been mentioned earlier, and to go on and help a fellow Kansan and politician, President Dwight Eisenhower, find a new way to bring their beliefs and spiritual strengths into the public policy arena. The fact that the Presidential Prayer Breakfast continues today, and is a success that it is, indeed is a testament to his impact on this body and this city.

There are very few people in the history of this Congress who can truly be described as both a statesman and the conscience of this body, but Frank Carlson was one of them.

I join with my colleagues in paying a brief tribute to this great man. The words which are spoken on this floor today can help us remember his spirit but will never measure up to the reality of the man.

Mr. ROBERTS. Mr. Speaker, I yield to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I commend the gentleman from Kansas [Mr. ROBERTS] for taking this time for a tribute to Frank Carlson.

It was my privilege back in the early 1960's to serve on the staff of then Kansas Congressman Bob Ellsworth. In Kansas, they had a small delegation then, as it does now, and there were not as many staff people then as there are now, so there was always a great deal of camaraderie in the delegation.

We knew each other well. It was a real privilege to get to know Senator Carlson.

He was a gentle, kindly man of great character and integrity. I hope in my public service, that when the end of it comes, we can look back and say that I served by the same precepts that Frank Carlson did, because he was a great Christian gentleman, a great patriot, and one who cared deeply about his country.

Although he had been retired now for 17 years, I understand that he remained very active almost up until the end; and that is a further mark of tribute to the gentleman really, because of his zest for life and his desire always to be of service.

Mr. ROBERTS. Mr. Speaker, I would note that at age 94, Senator Carlson was still very active in the last Governor's campaign and was the first endorsee of our current Governor. He remained very active right up until the end.

Mr. Speaker, I yield to the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. Mr. Speaker, I thank the gentleman for yielding.

I commend the gentleman for requesting this time for all of the Members to pay tribute to a truly great man who will be sorely missed by all Kansans, regardless of their political philosophy.

Rare is the individual who combines character and integrity, intelligence and humility, compassion and sincerity. To find a person who possesses all of these qualities, I doubt seriously if he is referred to as "common folk."

The State of Kansas mourns the death of Frank Carlson, a man who had all of those qualities and then some.

Frank Carlson's neighbors described him in a 1940 article published in the American Swedish Monthly as "common folk," but his accomplishments belie that description.

Frank Carlson began his political career as a precinct committeeman in 1924, and then after serving as a Republican chairman for Cloud County, he was asked to run for the Kansas State Legislature. When he expressed concern that the demands of working and managing a growing wheat and cattle farm operation would not allow time to campaign, the delegation responded: "Don't worry, you won't be elected anyway."

They were dead wrong. He won that election and all 13 election contests he entered. In his rise from precinct committeeman, Frank Carlson was never defeated and was the only man in the history of Kansas to serve as a U.S. Representative, Governor, and Senator. He served 12 years in the House, 4 as Governor, and 16 as a U.S. Senator.

Described by the Washington Post as a liberal Republican, Frank Carlson was a man of common sense. He was not an ideologue.

Frank Carlson was known chiefly for his sponsorship of farm legislation and as one of the fathers of the income tax withholding system. He was also the first to introduce legislation calling for the creation of a nationwide system of reservoir projects for the dual purposes of flood control and irrigation. He also served as chairman of the Ways and Means Committee.

For that matter, he may be one of the last chairmen of the Committee on Ways and Means from his side of the political aisle. He resigned from public service at the end of 1968.

Frank Carlson was a deeply committed Christian. At the young age of 16, he organized a community Sunday school in his home area, and was superintendent of a Baptist Sunday school for 20 years.

He established a Bible class in Washington that is still active, and he started the Presidential prayer breakfast in 1953. In fact, as one of President Eisenhower's closest friends and most trusted advisers, he is generally credited with having played an important behind-the-scenes role in Eisenhower's affiliation with a church. It is told that when Kansas State College built a new chapel, Carlson invited Eisenhower—then president of Columbia University—to dedicate the new structure. The two spent about a half hour talking during which they were gripped by powerful emotions at the time, prompting Eisenhower to say: "Frank, if we are to continue to grow as a world-leading nation, there is one thing we will simply have to do—and that is to get back to the fundamental teachings of the great man who walked the shore of Galilee."

My State of Kansas is immeasurably fortunate that when Frank Carlson's Swedish father—Charles Carlson—landed at Ellis Island, he was told to "go west, young man." The young immigrant went as far west as his meager funds would carry him. Charles Carlson got off the train in Concordia, KS, with only 12 cents in his pocket. He had gone as far west as he could, but far enough west to make Kansans eternally grateful.

Indeed, I join my fellow Kansans in mourning the death of Frank Carlson, who dedicated much of his life to serving the people of Kansas. Frank Carlson, a Christian gentleman, a devoted family man, a political giant.

Enough cannot be said about Frank Carlson—who was aptly described by journalist Edna Nyquist, who I never heard of, as:

> A politician without insincerity—a good man without pious self-righteousness—a popular man without being a social climber—and a confident man without a touch of the braggart.

I cannot add any more to that eloquent description of a truly great Kansan and a great American.

Mr. ROBERTS. Mr. Speaker, I yield to the gentleman from Minnesota [Mr. STANGELAND].

Mr. STANGELAND. Mr. Speaker, I thank the gentleman for yielding.

I thank the gentleman for taking this time to stop and pause and remember a great American, a great statesman. Certainly I was never, ever privileged to know Frank Carlson personally, but had read about him as a younger person active in politics back in Minnesota.

Frank Carlson was one who was of the soil and the sod, a very folksy, very human, very homey kind of a person who rose to greatness, and certainly one of the landmark or hallmark things that he did was to start with President Eisenhower the prayer breakfast which was started in 1953, an institution that has lived now for some 34 years and will continue on, something that many of the Members who are a part of that group thank him for beginning, and who believe that it is a very important part of our lives here.

We will always remember Frank Carlson for this, but beyond that, Kansas can be extremely proud, and I think the whole Nation; and I pay tribute to Frank Carlson and would tell his descendants that you can be extremely proud that you had as a father, grandfather, uncle, someone so well esteemed as the gentleman from Kansas, Frank Carlson.

Mrs. MEYERS of Kansas. Mr. Speaker, I am honored to participate in this tribute to Frank Carlson of Kansas.

He was a humble man, from humble beginnings. He never lost his perspective on who he was, or where he came from. Frank Carlson was a Kansas wheat farmer who served his State and his Nation with distinction, with grace, and with a deep sensitivity and compassion for his fellow man.

His public service career spanned four decades from 1928 when he was first elected to the Kansas House of Representatives where he served three terms, to 1968 when he retired from 18 years of service in the U.S. Senate.

During those other years, Frank Carlson was Governor of Kansas for 4 years, and a Member of the U.S. House of Representatives for 12 years. He was the only person to ever hold the offices of Governor, Congressman, and U.S. Senator from Kansas.

As his political career drew to a close, Senator Carlson was nominated for President of the United States as a favorite son from Kansas at the 1968 Republican National Convention in Miami.

Frank Carlson was closely associated with other favorite sons of Kansas.

Former Governor and 1936 Republican Presidential Nominee Alf Landon appointed Frank Carlson chairman of the Kansas Republican Party in 1932.

And Dwight Eisenhower relied heavily on the advice and counsel of Frank Carlson both in his campaign for the Presidency, and in his conduct of foreign and domestic policy as President.

Frank Carlson had a deep and abiding faith. He was the founder of what today is known as the Presidential prayer breakfast. As a result of Senator Carlson's initiative, prayer breakfasts have become an institution throughout the United States and the world.

Before coming to Congress, I was a Member of the Kansas Senate, and had the pleasure of serving with Frank Carlson's grandson, Representative Ed Rolfs of Junction City, KS. Frank Carlson's tradition of genuine concern for the people and humility about one's self lives on in his grandson who embodies many of the fine qualities of his distinguished grandfather.

Mr. Speaker, this year we celebrate the 200th anniversary of the Constitution of the United States. It is reassuring to reflect upon those who have gone before, who showed us the way, who set the standard of excellence.

Had he lived in the time of the birth of our Nation, Frank Carlson would have been among our Founding Fathers who pledged their lives, their fortunes, and their sacred honor establish and defend the American way of life.

Mr. ROBERTS. Mr. Speaker, I would like to thank all of the gentlemen for their contributions, and I yield back the balance of my time.

☐ 1545

A DEVASTATING CASE OF INTERNATIONAL AND CORPORATE ESPIONAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. HUNTER] is recognized for 60 minutes.

Mr. HUNTER. Mr. Speaker, I am not going to take the whole hour, but I want to talk with my friends and colleagues about one of the most devastating cases of international espionage and corporate espionage that has accrued to the great detriment of not only the United States, but the security of the entire Western World and discuss a few things that could be done to try to remedy or at least punish the guilty parties in this particular act.

I am speaking of the Toshiba case. It is a case in which the Toshiba Corp., along with Kongsberg of Norway, conspired to sell to the Soviet Union equipment that allowed the Soviet Union to quiet their submarines and effectively place at great risk the security of tens of thousands of American men and women who man our naval vessels, but also the security of every family in the Western World who rely on our submarine force, that third leg of the triad, which to date has been the most reliable and most invulnerable leg for their safety.

The Soviet Union through the Walker case and other sources of information understood that they had to quiet their propellers to reduce the turbulence, so to speak. There were machines that were made by the Toshiba Corp. in Japan that are milling machines that had the capability because they can mill on a high number of axes that could mill these extremely quiet propellers. They are restricted by Cocom section 1019 from selling these milling machines to our adversaries, to Communist countries, to the Soviet Union.

Knowing this, they removed the heads from the machines. They put on phony labels. They put on false destinations. They took the numerical controller off the machine and then they submitted it to MITI, which is the Ministry for Trade in Japan, as an unprohibited vertical lathe, rather than a prohibited milling machine.

At the same time, the Kongsberg Corp. in Norway, which was undergoing some difficult times and had a complicated numerical controller to put on one of those machines that would allow them to mill these very quiet submarine propellers——

Mrs. BENTLEY. Mr. Speaker, will the gentleman please yield to me?

Mr. HUNTER. I am happy to yield to the gentlewoman from Maryland.

Mrs. BENTLEY. Mr. Speaker, the gentleman mentioned the Walker case. The gentleman is talking about the Walker spy case?

Mr. HUNTER. Yes.

Mrs. BENTLEY. And the information that the Walker family provided to the Soviets about how our Navy functioned?

Mr. HUNTER. That is right.

Mrs. BENTLEY. And the secrets of our Navy, so that the Soviets knew exactly what they had to go after?

Mr. HUNTER. That is right. What they did, I would answer the gentlewoman from Maryland, they were able effectively to quiet their submarine fleet and are in the process of doing that right now.

In attack submarines, we only have about 100 in the United States. The Soviet Union has 300; so we have a 3-to-1 disparity. The reason we have been able to live with that is because in the past their submarines were not as quiet as ours were and we could detect theirs from great distances.

Today because of the corporate conspiracy by Toshiba, and combined with the Walker information, the Soviet Union is able to quiet their submarines and now get closer to us without our being able to detect them.

I yield further to the gentlewoman from Maryland.

Mrs. BENTLEY. We are always very shocked and surprised when we hear of a corporation which might engage in espionage or the selling of trade secrets or the selling of security secrets and always for the buck. We hear about the greed. But the thing in this case that has really stunned me and what was presented to the gentleman yesterday and the gentleman was kind enough to share with me, is the fact that the Ministry of Industry and Trade in Japan apparently played a role in this.

It would appear from this newspaper article that came out of the Japanese newspaper on Friday, May 29, the daily Yomiuri, that says specifically that memos seized by the Metropolitan Police Department indicate that officials of the International Trade and Industry Ministry helped the Toshiba Machine Co. skirt restrictions on exports to Communist countries when the company sold sophisticated milling machines to the Soviet Union.

Does that shock the gentleman as much as it shocks me?

Mr. HUNTER. Mr. Speaker, I will tell the gentlewoman it absolutely shocks me and it means that this was not just a couple corporate executives in Toshiba who did this. This was handled with the approval of the Japanese Government, or a large portion of the Japanese Government, in selling out the security of the Western World.

If I could for just a second, let me just run down what happened here. The Russians because of the information they got from the Walkers realized they needed to procure these very sophisticated milling machines to quiet their propellers. They knew that Toshiba was one of the few places in the world they could get it. Toshiba knew they were restricted from selling it because those milling machines have a military application. They disguised the machines. They put phony labels on them and then Kongsberg, which had the numerical controller, that is the brains of the milling machine, sent the numerical controllers from Norway to Tokyo. They married up the numerical controllers with the milling machines.

The Soviet agents came in from the Soviet Union and met with the officials of Toshiba, the same company that sells us our televisions and computers, and they tested the machines, but further, what the gentlewoman has brought out, it has now come to light that the members of the Japanese Government met with the Soviet agents who were attempting to buy out this very, very important technology, and members of the Japanese Government helped to sell out the Western World and the security of the Western World.

It is my estimation that it is going to cost us $30 billion minimum——

Mrs. BENTLEY. Minimum.

Mr. HUNTER. Minimum to put us back in the position with the Soviet Union that we were in before this treachery by Toshiba and the Government of Japan.

Mrs. BENTLEY. Let me read to the gentleman this paragraph in this story, if the gentleman would yield further.

Mr. HUNTER. I am happy to yield to the gentlewoman from Maryland.

Mrs. BENTLEY. The article says:

> According to the police, officials belonging to MITI's Machinery and Information Industries Bureau were entertained aboard the floating hotel Scandinavia in a bay on Izu Peninsula, Shizuoka-ken, in 1981 when they visited the company's Numazu plant in Shizuoka-ken. The bureau is in charge of checking whether machine tools and other items violate COCOM regulations before exporters apply to the Export Division of MITI's International Trade Administration for permission to export.
>
> Soviet technical experts dined with the MITI officials and Toshiba representatives on the same occasion, the MPD learned.
>
> When Toshiba applied to MITI for permission to export the milling machines, it said they did not come under the COCOM regulations because they were of a primitive type having only two-pivot control. The Machinery and Information Industries Bureau subsequently issued Toshiba a certificate saying that the machines were not covered by the COCOM regulations.
>
> KGB CONTACTS
>
> On Thursday the MPD learned that KGB agents acting as trade officials proposed buying the Toshiba machine tools in 1979 when employees of the company were visiting the Soviet Union on business.
>
> The Soviets were identified as I.A. Osipov, vice president of Techmashimport and A.P. Troitskiy, vice president of Prommashimport.
>
> Osipov proposed the purchase and Troitskiy handled the detailed negotiations in working-level talks on the deal, the MPD said. Osipov was engaged in espionage activities in West Germany for four years beginning in 1963 and Troitskiy was expelled from Britain in 1971 for spying, it said.

□ 1555

Mrs. BENTLEY. I think that that spells it out pretty thoroughly, and I again am just shocked and stunned that MITI would engage in anything of this type.

Mr. HUNTER. Mr. Speaker, I thank the gentlewoman, and I would like to yield to one of the real experts in this House on technology transfer, the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. I thank my good friend, the gentleman from California [Mr. HUNTER] for yielding, and I want to compliment him for taking this special order to make the Members of the House and people of this country aware of this particular case that has been so injurious to our national defense.

The Toshiba-Kongsberg high-technology-diversion case that has been brought to our attention I think shows us the stakes that are involved in safeguarding Western technology.

The gentlewoman from Maryland [Mrs. BENTLEY] I think also in her comments I think is pointing out some of the very dangers that we are experiencing.

These are not just paper exercises when we are dealing with our allies, and the gentlewoman from Maryland mentioned Cocom, this is very serious business. When we have legislation on the floor, for example our Export Administration Act, I think that it demonstrates now how important that legislation was that we considered, and ramifications of it that we will be considering again.

Export licensing is a very serious matter with serious consequences for the Western Alliance and also for the people in our uniform, the uniform of our country. As the ranking member of the Subcommittee on International Economic Policy and Trade I am constantly made aware by our exporters how difficult it is for us to export overseas, but how easy it is for our competitors overseas to deal with their governments and how the governments deal with our potential adversaries.

I think that this case points out why it is so dangerous, because of what the Japanese Government has been involved in, for example. But in a way it is not a secret, because you know when Shinto Abe, Japanese Trade Minister, visited the United States, he said that the Soviet Union has been able to upgrade their technology to a great degree because of diversion from Japan. So the Japanese have not really made a secret of it, they have admitted that much of the Soviet Union's high technology comes, for example, from Japan.

Now when the Soviet Union looks at a new—whether it is a tank or whether it is a missile—they do not ask themselves like we do, "How much is this going to cost for R&D?" We may spend $20 billion a year on R&D, but the Soviets, the first question that they ask themselves is, "What can we get diverted from the West, or what can we steal from the West in technology?" So they do not have those billions that we have to put into R&D, because they come to the Western World and pick it up.

When the KGB comes to the West, they come to the West with a shopping list. We already know what they are looking for. I think that that is why it is so important for Congress to look at the Export Administration Act to follow what the gentlewoman has mentioned and to follow what the gentleman from California has so often admonished us to do.

I think that this case demonstrates how important these issues really are. I think that many times we in our own Congress do not give enough emphasis to the importance of the diversion of high technology. It costs us $289 billion a year. That is 27 cents out of every dollar for defense, and a lot of that goes into R&D.

I want to compliment my friend, the gentleman from California, who said that this is going to set us back some $30 billion. How much did these companies make in diverting this technology? I have been told some $20 million. Is that right?

Mr. HUNTER. Yes; I think that Toshiba made some $17 or $18 million on this sale, and it reminds me of the Bryant grinders that were sold in 1971 or 1972 to the Soviet Union that make the tiny ball bearings that allowed them to accurize their SS-18 missile guidance system. They made a few million dollars on the sale from this Western technology, Western corporations did, and because we sold them those Bryant grinders, it allowed them to accurize their missiles. We now have to build a mobile missile system, like an MX missile system, that will cost us many, many billions of dollars.

I think that Melvin Kraus calls that the defense feedback cost. That is what the United States and other

Western nations have to pay in their own defense budgets to offset what the greed of their own enterpreneurs and capitalists has cost them by making these sales of very high-tech equipment to the Soviet Union.

You know, I would like to ask both of my colleagues while they are here, where do we go from here? Now we know that Toshiba has done this after the statute of limitations conveniently ran on any criminal action against the executives of Toshiba, the Japanese Government kicked in the doors and they got the information and they have made a case, and I think that the president of Toshiba Machine has resigned. The Government of Japan has said, "OK, for 1 year Toshiba Machine, which is just a subsidiary of Toshiba, can't make any sales to the Soviet Union." They gave them essentially a slap on the wrist.

The same thing is going to happen with Kongsberg. Kongsberg of Norway has contracts with the U.S. Department of Defense. While they are selling us out to the Russians, they are making dollars, they are receiving American taxpayer dollars for defense materiel.

My suggestion is that the only way in which we are going to be able to deter companies from selling out the West for a few dollars is to punish them in the only way that is really meaningful to them, and that is to take away their market. Now Toshiba, while they are selling out the security of the families of the United States, are hand-over-fist selling computers, tape recorders, televisions——

Mrs. BENTLEY. Copy machines.

Mr. HUNTER. And other electronic equipment, copy machines, to American industry and to American families. My suggestion is that the only way that we are going to stop other companies from doing what they have done in this devastating blow to our security is to ban from here on out every single Toshiba product that is imported into the United States. And I would just ask if the gentleman has any alternatives to that.

Mr. ROTH. Mr. Speaker, will the gentleman yield?

Mr. HUNTER. I yield to the gentleman from Wisconsin.

Mr. ROTH. I thank the gentleman for yielding.

Mr. Speaker, I think that the gentleman has made an excellent suggestion, because Toshiba's top executives were well aware of this diversion. Now Toshiba has been fined. What has their fine been? Their fine has been $23 million essentially, which is what they normally sell in 1 year to the Eastern bloc, $23 million. They made about $30 million on this transaction. So they are still $7 million ahead.

So we have got to have some teeth into the reprimand that Toshiba receives. I think, rather than not being allowed to sell to the Eastern bloc for 1 year, Toshiba should not be allowed to sell to the United States for 1 year. That would hurt their pocketbook.

But there is another issue here that we have to look at, my friends, and that is this: Before, we were always able to find the Soviet subs easily because of the noise factor. Today we cannot do that. So the people in our submarines and the people who are guarding the ramparts of freedom have been jeopardized to a great degree. We have an obligation to them also.

Mrs. BENTLEY. Mr. Speaker, will the gentleman yield?

Mr. HUNTER. I yield to the gentlewoman from Maryland.

Mrs. BENTLEY. I thank the gentleman for yielding.

Mr. Speaker, what the gentleman from Wisconsin was pointing out about the use of our technology, that Toshiba and the Japanese MITI actually are biting the hand that has fed them in the past—I have a book here which was put out by a group from the Council on Foreign Relations called "The High Technology Gap," and it notes that from 1950 to 1959, 64 percent of the technology that Japan received came from the United States—64 percent. That says something. It says something, either that we are really fools in this country and we do not know what to do with it, or that they just outsmart us every day, and we are going to have to get a handle on this and put a stop to it.

I agree with him that we should stop Toshiba products, but I would hope that it would be for longer than 1 year. I would put a ban on permanently, and I would hope that we do have legislation now that the three of us have cosponsored, which was introduced by the gentleman from California [Mr. HUNTER], calling for a stoppage of all Toshiba and Kongsberg products in the United States. But in the meantime I would hope that the people of the United States would just go ahead and boycott Toshiba products and just stop buying them and let them know that we mean business here, because it could take a while to get such a bill through the Congress.

Mr. HUNTER. Mr. Speaker, I thank the gentlewoman for her remarks, and I think that we should have a permanent ban also, because if you look at the severity of what occurred, we could—there were voices in this Nation, reasonable voices, that called for execution for the spies who have been selling out America's security. Essentially the corporate executives in Toshiba did the same thing—in fact, perhaps worse—than the Walkers and other spies have done.

They are people who are in positions of great, great responsibility. They receive enormous benefits from this system of free enterprise that Japan enjoys and the trade that they enjoy with the United States. And yet for a few bucks they literally sold out the security of every man and woman who puts to sea in an American warship, and every American family that depends in some way—and we all do—on the viability and the survivability of our submarine force.

So I go back to the "Shoeless Joe" Jackson case, when "Shoeless Joe" Jackson, who I think was pitcher for the Chicago Black Sox in the early part of this century, threw a game. And "Shoeless Joe" Jackson, as I recall, was banned from baseball forever. I remember the saying, the kids used to go around saying, "Say it ain't so, Joe." That became an American expression. "Say it ain't so, Joe. You didn't really sell out this great sport, did you?"

□ 1605

The point is a lot of people thought "Shoeless Joe" Jackson was given an extremely severe punishment, but nobody threw another game for about 20 years. And what we have to remember right now is that the Soviet Union has a very simple formula for acquiring Western technology. Mr. Lenin spelled it out. Mr. Lenin said the capitalists themselves, because they are so greedy, will sell us the rope with which to hang them.

So you have a Soviet KGB policy that says if you want to get information from young marine guards you give them women, and if you want to get technical information from American capitalists you give them money and they sell out.

So the point is we have other companies in the Western World right now, maybe in the United States, maybe in other places, France, Japan, other places who are being offered large sums of money to sell out the security of the West.

The only way, in my estimation, to get the attention of such companies as Toshiba, and the would-be Toshibas of the world, is to say if we catch you doing this we are going to deprive you forever of the market in the United States. I think it is, in fact, maybe less than an appropriate punishment. Maybe the punishment should be more severe than banning them from where the Sun now shines forever from access to American markets. But I think in the least we should ban Toshiba and all of the subsidiaries from access to the American markets forever.

Mrs. BENTLEY. I concur with the gentleman.

Let me ask the gentleman a question that I am sure may be on the minds of many of the citizens of this country. How did Toshiba in the first place get ahold of this milling machine? How was it made available to them?

Mr. HUNTER. The Toshiba Machine Co., which is the machine arm or machine tool arm of Toshiba, the giant corporation, makes those milling machines for its subsidiary.

Mrs. BENTLEY. For us?

Mr. HUNTER. They make very few of them and they make them for us, but they make them for other Western countries.

Mrs. BENTLEY. Why can we not make our own?

Mr. HUNTER. We do. We do make machines that have the same capabilities as the Toshiba machine. That is the information I have. But the Soviet Union, which needed these machines, felt that it would be easier to get a Japanese company to sell out the security of the West than it would be to go to the United States or to the United Kingdom or some other place. So they went the easiest route.

Mrs. BENTLEY. Is the reason that Toshiba gained access to this particular piece of equipment because we have allowed our machine tool industry to be depleted, to be run down and have to depend on foreign sources for machine tools?

Mr. HUNTER. I think to some degree that is true.

However, Toshiba Machines builds these machines, so even if the United States has several places that builds them too, Toshiba is a competitor at least, and builds the machines themselves.

Mrs. BENTLEY. Who designed it originally?

Mr. HUNTER. It was a Toshiba machine, as I understand it, that works on the 9 axis.

But the point the gentlewoman is making is a good point, and that is that the United States, from this incidence, should come to the conclusion that in a time of war or a time when we need these critical national resources in our machine tool industries that we may not be able to rely on partners like Japan. In this case, they have been a very poor partner.

Mr. ROTH. Mr. Speaker, will the gentleman yield?

Mr. HUNTER. I am happy to yield to the gentleman from Wisconsin.

Mr. ROTH. I thank the gentleman for yielding.

There is another issue that we should take a look at that is even broader than this. This is not the only case of diversion. There are hundreds of cases of diversion, and I hope that when the President meets with our Free World allies in Venice this week that he brings up some of these issues.

For example, the Soviet Union is asking for $5 billion worth of credits from the West. If they receive these credits, they can have all kinds of diversion. With $5 billion they can buy a great deal of Western technology. So this is not even the tip of the iceberg.

There are going to be many many more cases such as this, and if we are going to put a stop to it, then we have to put a stop to these credits to the Soviet Union.

So it is not only the Japanese that are arming the Soviet Union. It is our own Western bankers and so on who loan the money to the Soviet bloc and to the Soviet Union.

Mr. HUNTER. I thank the gentleman for his comments and I think they are appropriate.

I think it was William Buckley who said the only thing wrong with capitalism is capitalists. I think the Soviets have a cynical view of United States industry and Western industry in general. I think they feel anything they want, that they need in their military system to kill Americans they will be able to buy from some Western entrepreneur or corporate executive or company, and I think that is a tragedy.

There is one last thing I would like to mention because I think we are getting down now to what do we do about this. I offered an amendment to the trade bill and to the Armed Services bill that was just up on the House floor that would have banned Toshiba products of all kinds from being imported into this country. I referred to the classified report on this particular situation that any Member could go read. I went to the Rules Committee of this House and asked for this amendment that would ban Toshiba from doing business in America to be made in order so the Members of this House would have a chance to vote on it.

The gentleman from Florida [Mr. PEPPER], who is the chairman of the Rules Committee, read to me when I asked for this to be placed on the agenda for the Armed Services bill a letter from the gentleman from Illinois [Mr. ROSTENKOWSKI], who is the Democrat chairman of the Ways and Means Committee, saying essentially that he did not think it was advisable at this time for the Hunter amendment to be made in order so that it could be debated and voted on by the Members of this House.

Maybe that is because the gentleman from Illinois [Mr. ROSTENKOWSKI] and his committee would like to hold some hearings on this particular action, and they would like to have a hand in shaping the legislation themselves. I hope that is the reason. If that is the reason, then I would hope that they would handle the matter expeditiously so we can have hearings, so that the company that has placed in jeopardy the lives of all of the young Americans at sea and all American families can be prohibited from selling and making a profit on their sales in the United States.

If that is not the case, and in fact if we see some delaying tactics, and the Democrat chairman of the Ways and Means Committee and other committees do not allow this legislation to come to the floor, I can guarantee that this Member is going to be back on the floor talking to my colleagues and to the American people about a reluctance on the part of the Democrat leadership of this House to do something meaningful about one of the most critical and dangerous violations of security that has taken place in this century against the security of the United States.

Mrs. BENTLEY. Mr. Speaker, will the gentleman yield?

Mr. HUNTER. I am happy to yield to the gentlewoman from Maryland.

Mrs. BENTLEY. Mr. Speaker, I would certainly join the gentleman and thank him. I join him in his effort because I do think the American people need to be made aware of it, and I think the information that has been presented here today by the gentleman from California and the gentleman from Wisconsin will be of great interest to the American people. I thank the gentleman for taking this time so that we could present it.

Mr. HUNTER. I thank the gentlewoman, and again hope that with all good wishes the Committee on Ways and Means will take this amendment up, or this bill up, very expeditiously.

Mr. Speaker, I thank the gentleman from Wisconsin [Mr. ROTH] for his contribution also as one of the experts in this House, and I yield back the balance of my time.

DEFENDING MY OFFICE AND MY HONOR

The SPEAKER pro tempore (Mr. HUBBARD). Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I do not think it will be necessary to take anywhere near my allotted time. As a matter of fact, under the rules and privileges of the House, I could have arisen on a plea of personal privilege during this past week to address the subject matter that impels me to speak today since it has to do with an occurrence back home last December 4 which was widely publicized, covered throughout the country, through the wire services and even internationally. It has to do with a fray as such, if we want to call it that. I call it a confrontation, I call it a standing up for the honor of one's name and the office which I happen to be occupying at this moment as a result of the full universal manhood suffrage of the constituency of the 20th Congressional District from the State of Texas.

□ 1615

I want to say that I have felt impelled to rise today because I believe that this matter now transcends the purely personal involvement in this matter and that it has to do with more important situations involving the privileges and immunities of the House of Representatives.

Only once before has that, on my account, been invoked and it was under somewhat similar circumstances though not identical at all. I will refer to that later.

But all through my career as an elected public official, a career which I had not planned, intended, or even dreamed of aspiring to until 1950 when I sought the office of State representative to the State Legislature of Texas and in the July primaries—then held in July in Texas—and when I did seek office even though that first time I was defeated, in a manner of speaking it was a moral victory but an electoral defeat; I had felt then that the integrity and the honor of an American citizen participating in these wonderful glorious free democratic processes of which we rightfully boast, above all had the supreme duty and commitment to defending that integrity and that honor and after over 34 years of service in an elective public capacity, I am no richer, no poorer then when I started. Even though, as I said and repeated, I had never intended to enter the arena of public contest or activity, the reason being that I grew up in the context of a world that has long disappeared and in the context of a world that required many of us to identify and seek self-identification with the birthplace that was ours.

Some of my brothers and some of my own playmates and some of those that grew up in the context and environment of that world 70 years ago did not fare well and became victim of the horrible social forces that have been loosed throughout that part of the country and even up to this day and time.

So that my identification came as a result of World War II. I was fortunate because I was able to struggle—and when I say struggle I mean that literally—at a time when there was a bitter struggle for survival, and I mean that literally. When we talk of poverty today, thank God, there is nobody living in America today, living at that time and having little memory of it, that can evoke the definition of poverty as of that day. It was cruel, it was grinding, it was a real hungry-striken poverty.

In my city which became known as the tuberculosis capital of the Nation if not the world, I saw pathetic instances of cousins and second cousins dying off day by day, victims of this terrible disease which incidentally and by way of parentheses I have been keeping track of for the last 3 years as chairman of the subcommittee on housing and community development, because of the growing density and overcrowdedness in our shelter situation in the country, which I think dramatically has been illustrated, particularly during the winter with this growing and disturbing number of homeless. The incidents of social diseases such as tuberculosis with poverty, and overcrowdedness particularly.

I want my colleagues to know that I have been checking on that and the developments are most alarming.

Here in the District of Columbia in what the Atlanta Centers For Disease Control calls the homeless area but which they mean the high density overcrowded area, the incidents of tuberculosis within the last 2 years has gone up by over 18½ percent. In Boston, MA, in the same years the incidents have increased by over 22 percent. The reason is that these social diseases such as tuberculosis are identified with these two endemic problems of malnutrition, poverty, and overcrowdedness.

San Antonio had that. That is the reason I consecrated myself to fighting that forever and a day even though at that time the group I came from was considered wholly a conquered group, literally an enslaved group. The only difference between the group I came from and the fellow Texans who happened to be of black descent was that, fortunately or unfortunately, no statute such as the "Jim Crow" laws or constitutional provisions had been directed against this group. And the reason is simple, the so-called Hispanic group today—a word I do not like at all—but which we designate as the Mexican-American group in my part of the country, especially in the case of the darker complexioned brothers and sisters. And in my family I might say by way of parentheses I am the lighter complexioned in my family. So I can recall when I was just about 10 years old in 1927 going with my brother, now a doctor, 3 years younger, and some friend from the neighborhood to the great San Pedro swimming pool at that time, which was really public, open at all hours and at no charge, and going in the middle of a hot summer afternoon having what seemed to me then a gigantic lifeguard come up and say "We don't want Mexicans swimming around here." And my brother, together with the neighbor who was also, as I say, swarthy or darker complexioned, got up and was shivering and I said, "Wait awhile." The guard turned to me and said, "Well, not you, you are Spanish."

I said even then, because I do not know what it has been ever since I have memory, but I have never taken anything even from my own father who was a stern "pater familia" father. If something did not seem right I said so even though that gave me many a thrashing. The only thing that saved me as I grew up at 8, 9, or 10 years old was that I could outrun my father. But I stood up and always have and pray God I always shall. I said "Mister, you can't do that." And he says, "I told you you are Spanish, it is all right." In the meanwhile my brother started crying and shivering. He was just about 7½, 8 years old. So did his friend, a neighborhood friend we called Little George Faz. And they got to shivering and crying and did not want to come in.

So I went to the bathhouse where the lady in charge was a neighbor by the name of Mrs. Vidaurri, and I said, "Mrs. Vidaurri, I want to complain and I want to know what you are going to do about it."

Well, low and behold, she closed the bathhouse, went down with me in hand, got ahold of the lifeguard, chewed him out and he said, "Well, you know, we don't want these Mexicans around here." She said, "It is not what you want. I am going to report you." But by that time I could not convince my brother or the neighbor to come back in so we went home.

The next day I had picked nine buddies of mine that lived across the creek, San Pedro Creek.

My family was fortunate; we lived in the inner, in a nice neighborhood where we were the only Mexican-American family. But across the creek was predominantly 100-percent Mexican-American families.

□ 1625

I went over and I got the darkest complexioned friends I could find, and we went to San Pedro swimming pool and we went right in front of that red-haired lifeguard—because I remember that—and jumped right in the water and splashed as much as we could. Then he started to come at me, and I said, "Mister, I'm going to get Mrs. Vidaurri, because you're just not going to do what you did yesterday."

And lo and behold, he left us alone.

So I learned early that you do not take any guff of an unjust kind from anybody if you will just stand up. I recognized that in our country. Some of our schoolmates demonstrated that and told me that, and I learned that that is something that we in America respect, that is, the courage to stand up for one's convictions and being willing to fight for them—not to talk a fight but to fight a fight.

I say all of this because on December 4 I was presented with a situation that I think my colleagues will recognize as one that we all try to avoid, the loud, bullying type, the loud-mouthed, insulting kind in a public place. But on this particular morning the situation was such that it was the fifth morning in a row that I had met at this restaurant known as Earl Abel's in San Antonio. It is a near 50-year-old establishment, and it is very popular. The original owner, Earl Abel, was a personal friend of mine. He died a few years ago, and his brother is running the business. Outside of the House dining room here, it is the best meeting place I have had for meetings back home, preferably at breakfast time, to clear the calendar.

Thursday, December 4, 1986, happened to be the fifth morning in a row that I had met with constituents ranging from members of the city council to businessmen who had matters to discuss concerning the Federal Government. So in the place, the table that I had sat at became known by all and sundry as Henry B's table. On this particular morning I had as a guest a sergeant major who had retired from the Army after 30 years and 7 months of honorable service, heroic and patriotic service in both Korea and Vietnam. He had retired at formal ceremonies at Fort Sam Houston, which is in the middle of my district, on or about October 15, but being that we were in session right before closing out that Congress last year, I could not make the retirement ceremonies, so I invited him to join me and finally we could get together so I could make a presentation of a small momento with a seal of the House of Representatives to show and reveal my high respect for this patriotic man and give these things to him. He happened to be the half-brother of a young attorney who is working currently on my San Antonio office staff.

We got to talking about his experiences, and before I knew it, it was 9:30 in the morning. We had met there at 8 a.m., and at 9:30 in the morning we were the only ones in that entire dining room.

Being that the table I would sit at had the only hatrack, which was to my immediate right behind me, I noticed that a group of three men came in from the outer door, the outer entrance on the far side. Having at least 20 tables to pick from, they decided to come in and sit right at the one next to us.

Since two of the little waitresses had been coming in to talk to me about some personal problems they had, one of them not being in my district, I counseled her to get hold of my next-door colleague, and I gave her his phone number and his office address. Her problem was serious. She and her husband were hard-working people, lower income, middle-class people, and they had just been presented with a $10,000 doctor's bill on her mother's case, and it developed that it had just been ascertained that she was suffering from Alzheimer's disease, and the nursing home wanted to kick her out. So I advised her that she should make sure she got hold of the Congressman, and that if she failed to do that or could not communicate with him, to let us know. I gave her my number and my card.

The other little lady came up. This waitress had worked longer at the place, and she lived in my district. I had been trying to help her with respect to a son of hers. But even as I was talking to them, I heard my name mentioned, I heard the word, "Communist," and then I felt somebody brush my elbow behind me, and out of the corner of my eye I realized he was hanging a cowboy hat on the hat rack.

But at that point the second waitress came back and said to the first one, "Say, some customers are waiting for you." And then she said, "Look, Congressman, where would I be able to get you in case I miss you at the office?"

So I gave her my residence number. At that point I heard my staff member say, "Mister, you're wrong about that."

So I looked around, but at that point the other waitress came back in. Then I looked at my watch and I said, "My goodness, it is 10 minutes to 10, and at 10 a.m. I am supposed to have a taping session for a 30-second spot on the bicentennial of the Constitution to be aired next year." I said, "I've got to go."

My two guests got up and walked around the table toward the exit nearest to that table which leads to the cash register along a narrow corridor. Then I got up and with my left hand picked up my car keys and the ticket. As I was getting up and going around the table, I heard loudly, clearly and distinctly: "There's **Henry B. Gonzalez**, our No. 1 leading damned Communist around here."

In the meanwhile my guests had stopped about 1 foot across the threshold. So I said, "Hey, just a minute."

And then my staff assistant said, "Hey, they've been calling you a Communist all morning long."

So I turned around, came to the table, and I said, "Gentlemen, have you been calling me a Communist here?"

The two men opposite me nodded their heads negatively, vigorously, saying, no, no. The one nearest but facing them and with his right side facing me, said, "I did."

Then I said, "Well, can you tell me what brings this all up here at this time in this way?"

□ 1635

He said, "Well, because you are the leading No. 1 damn Communist around here."

I noticed that he had a hunting knife in a scabbard on his belt, the right side. I thought in the back of my mind that these were hunters. The hunting season was on, and this establishment which remains open practically all 24 hours, sometimes in the morning will host some of the hunters coming back or going out on a hunt, so I thought perhaps this is what they were.

When this man talked the way he did, I said, "Well, Mister, I'll tell you what. Stand up like a man and tell me that to my face."

He pushed away from his table, dropped his hand to the scabbard, and I was not about to wait to have him pull the knife. I hit him on the right cheekbone.

In order to turn him around, and if he had made further moves to grab the knife, picked him up and hit him with my knee in the groin and disable him and disarm him.

I have had experiences like that coming up through the jungle that I have. I have had to face alley fights in which knives were pulled on me.

Later when I was juvenile probation officer, at 2:30 in the morning, I had a man put a .45, what we call a hoglet, against my midriff, my belt, pressed the hammer.

Well, I am here to tell you about it. I do not know where that guy is. All I know is that had it not been for his father-in-law, maybe I would not be here today, because I grabbed his arm so hysterically, that I dug my fingernails in his flesh more than one quarter of an inch.

In the meanwhile, being larger than I was and bigger, because at that time my weight was about 134 pounds, and even though I was always sinewy and could take on heavies, this man undoubtedly with the pistol in his right hand could have pushed me. His father-in-law came in, hit us both, threw us on the mud and gravel.

It was an October night after the war, and it was drizzly, wet, cold; and then the father-in-law proceeded to get his belt, wrap it around this man's neck and compel him to loosen the pistol.

I was in such a hysterical state that I got the the pistol and threw it over the little shack across the alley.

It was the alley they call Burnette Alley. The reason I was there was that the chief juvenile probation officer who was the only women in the history of the Barcony Juvenile Office that they ever had as a women chief, called me after supper and said, "Ricky, this little fellow," and I won't mention his name, "has run away from Miss Whittaker."

Mrs. Whittaker was a caseworker. "You know how the police have been riding us. You have got to go and retreive him before the morning," she said.

Knowing the ways, I waited until midnight and decided I would go out and see what I could do, which was a mistake, because I had long held to the principle, and was the first one in the Barcony Juvenile Office not to carry a pistol, that we were not police officers, and we were not equipped to do police work; but I went and I learned the lesson firsthand.

That is the reason I was there, but what happened was that this brother-in-law of this kid had come from Camp Polk, LA, and had been drinking. The family had been told about the young 15-year-old facing a possible term in the training school, and even though it was not my case, since I was a male, I was asked to try to pick him up.

If the chief had not been so defensive with that police department, she probably would have called in. As the facts remain, I have faced these situations, and I have faced others.

In the case on December 4, I felt that the attempt was to try to intimidate me into accepting an insult, which I consider that an insult, and I considered those words fighting words, just like any attack on my honor and my integrity or my honesty.

As I said before, I do not have anything in the way of worldly wealth that I did not have when I entered politics; and that is not much, but all I have is my name and my honor, and that never is going to be smirched, never, and anybody ever having attempting it has had to fight, and by golly, that is the way I am.

When I hit this fellow, the two guests that had been with me came behind me and then he stood still. He was going to get up, no question in my mind that he certainly was not moving his right hand to the scabbard just to play with it, and I have never waited for anybody to get a chance to do that.

I have had at least four encounters with knives, and I have never been scratched, and I was able to take care of myself.

The whole venture into public office has been a constant confrontation with danger, violence. We live in a very violent society, and violence is all around us, and those of us, or any one of us that has been around in the public arena long enough, in all areas of society, not just in select segments, I think will accept the truth and validity of what I am saying, that violence, like the Scriptures say, a crouching lion at the door was imminent, and you never know.

I have been in situations like in what we call llevate, downtown San Antonio, beautiful reconstruction of the Spanish community. It was a beautiful dance being sponsored by one of the most respected and beautiful young ladies ever having a social club in San Antonio.

They had asked me to be the master of ceremonies, and I was sitting there when all of a sudden, I heard a crack, piece of glass hit our table where my wife was seated, and a friend of mine, a doctor, was on the corner.

I looked up and saw an individual covered with beer foam with this head down; and it seemed that, and it was so fast, that I cannot remember when instead of the neck of the broken beer bottle, there was a revolver.

I did notice that the man was holding it very professionally, just like Jack Ruby when he killed Oswald. That was no casual individual, and I heard one shot, and then the next thing another, and a bullet singeing my coat, and cutting my neck as if a saw had cut it off and hitting over where the orchestra was, and the orchestra was in panic, all trying to hide behind the piano.

I pushed my wife and the doctor, then got up. I heard four more shots, and I saw this individual following a man that was just crawling down toward the gate. Finally, almost at the gateway, when I reached the man, he turned around, gave me the gun, and said, "Do you have a cigarette?"

I said, "What is the matter with you?" I leaned over, and I saw the fellow on the ground was expiring.

Who would have suspected that kind of violence under those circumstances at that time? Yet, it happened.

If the insult on December 4 had been unattended with an illegal weapon, because under the ordinances of the city of San Antonio, that type of hunting knife is against the law in a public place.

When this man saw the two guests come up, he just sat there. The sergeant-major came and grabbed me by the shoulder and said, "Congressman, you don't need any of this, come on."

He pulled me back, and then I remembered that I still had the meal ticket and the car keys in my left hand; and I said, "Oh, my God, I got to pay the bill."

I went to the cash register when my staffer said, "Congressman, look out, here comes this fellow," and I saw this fellow approaching me in this narrow corridor, so I got set thinking, well, he is going to come at me. He did not. He passed by and went outside.

My assistant said, "He's going to get a gun." I said, "Well, look, don't worry."

□ 1645

In the meanwhile the cashier—mind you, at the time of all this encounter there was not a soul in that dining room, except us, my two guests and, the three individuals.

When I saw that he was approaching me in this narrow corridor, there was no way that he could pass by without coming right next to me, I looked to see if he was going to start anything, and I was ready to kick him, but he did not. He passed by with a smirk on his face. He went out to the car.

When my assistant said, "He's going to get a gun," I said, "You don't know that. Just stay aside. Let me take care of it."

As we were going out, he was coming back in and he deliberately had this shirt jacket and he was deliberately trying to get our attention to show that he did not have the knife in the scabbard, so he obviously went to his pickup to leave the knife, knowing full well it was illegal.

But he did not do anything, so we left.

I went on to the office and taped the program, when I received a call from a newspaper reporter who said, "There is a fellow here saying that you hit him at Earl Abel's. Is that true?

I said, "Well, do you know him?"

He said, "Do you know what his name is?"

I said, "No. I didn't ask for his calling card."

"Well, did you hit him?"

I said, "Well, Mister, what is it that you want to know? Do you want to know the circumstances?"

He said, "Well, I just want to know, did you hit him?"

Now, mind you, all of the newspaper stories printed were as a result of his having gone to the newspapers. I did not go to the press. He did.

It was not until after the next day that I was interviewed in depth. By then his version was out that I had hit him.

Then he lied, as he continued to. He said that I had hit him on the left eye and had cut his face.

Well, I do not wear rings. There was no way I could have hit him on the left eye unless I had gone around the table to do it, so I knew he was lying.

It turns out that there is no bad or evil but for what some good comes out of it, and with all this publicity spreading around that I had hit a man, but he did admit, but he did not say, he said he had just said in a low voice that I was a Communist, but then he said, "What I have against him is that he is attacking my President, Ronald Reagan."

This is the real animus and this is the real thrust of the situation today, which I will sum up in just a few minutes.

The reason I am going into this detail is because I think I owe it to my colleagues, just as I did 24 years ago when a colleague, also from Texas, had called me a Communist in the newspapers and then here, and then had reported to another colleague who took personal privilege and reported on something he had not seen.

The first story he gave was that I had hit him. Well, of course, there was no way I could have hit him without leaving some telling marks on him.

The second story that came out, and remember, those stories also were his version, actually not even his. It was his colleague who had reported the incident and described me as having attacked this man.

Well, in the first place, I did not pull a punch. I did not throw a punch. The guy for some reason or other broke through those two doors there, swinging doors, almost knocked over Representative Bailey from West Virginia. So even if I had wanted to, I was not about to come on the House floor and tackle him or hit him.

But the second story after the press went to him and said, "Well, where did he hit you?", and he could not say.

The story came out that he had not been hit at all, but by then the first reports were out and I was pictured as a mad Mexican who had lost his head or something.

Well, when they also had some quotes out of context which, of course, will be accessible to those who do not want to research the newspaper morgues.

In any event, the incident grew out of the same attempt to besmirch and denigrate.

However, as a result of the publicity, within 24 hours I had two phone calls from down in south Texas, southeast in Brazoria County and another one from the adjacent county from the former sheriff there, who said, "Say, I'm calling you, Congressman, because that no-count individual that I saw on these TV reports is the same guy that I arrested in 1972 here for enciting to a riot, a sawed off shotgun in his possession, and we intercepted an order he had just placed in Atascosa County for some dynamite, and we arrested him."

I said, "Well, Sheriff, I'm glad you called me, but this is an ad hoc situation and it will stand on its own."

The individual hid out. The press started calling me and saying, "Hey, have you seen or heard of him or have you made any contact?"

I said, "No."

They said, "Well, we can't locate him."

For 2 weeks nobody saw him, obviously because he knew that I had not hit him on the left eye. I could not have given him a left eye black eye, but he hid out for 2 solid weeks and then came and went to the police, who at that time were on the defensive because of the murder of one policeman by another under very, very unbelievable circumstances, and in which my name became involved because the policeman killed had been involved in some kind of vigilante activity. In fact, he had killed some members of minority, racial or ethnic minority, black or brown, and in fact was under suspension for the death of three, and was reputed to be a member of the Aryan brotherhood.

The FBI and other law enforcement agencies began to recall that a few years ago just about half a block from this restaurant, Earl Abel's, an explosive device had been placed in this automobile with congressional license tags belonging to my colleague from Houston, BILL ARCHER. It turns out that Mr. ARCHER's son had come to a wedding reception at the old San Antonio country club, which is another half a block away, and while at this reception somebody had blown up his car.

I got tipped off by some of my former and since retired law enforcement agents, when I was a juvenile officer, and said, "Congressman, that was meant for you. They thought that was your car."

I said, "Well, I'll have to wait and see what comes out of it."

In 1976, the FBI reported, and this was soon after the formation of the Assassination Committee that my resolution had brought into being and in which immediately we found ourselves involved in very, very subversive speculation, the FBI reported, to be precise on October 26, 1976, at near midnight to my wife, I was attending a planning session for the coming visit of candidate Jimmy Carter to appear before the Alamo on the 30th, and when I came in my wife was very nervous and said the FBI had called and said they had a most urgent report.

□ 1655

When I called the number, the night attendant said that they had been trying to get ahold of me to tell me that they had a report of a $35,000 contract on my life. Then after they gave me this report, the FBI acted as if they were more interested in protecting the would-be assassin than they were me.

So it took 4 years before I could get the Freedom of Information Act and a new FBI Director, Mr. Webster. The first FBI Director, Kelley, refused to give me that information.

I finally got the report, and it was astounding. Not only had the FBI received that one, they had received four other threats against my life, and never once reported them to me. The dossier went back to the time that I was in the State senate. On the day after my election to the Congress, which was November 5, 1961, the day after the election, the local agent-in-charge had sent to J. Edgar Hoover a memo saying:

> State Senator Henry B. Gonzalez, liberal Democrat, has just been elected to the Congress with Communist help.

Now if anybody in San Antonio has ever rubbed elbows with a live and kicking Communist, I have yet to know about it.

I was born in San Antonio; I have lived there all along. I have never in my life been arrested for anything, even a traffic violation. There is no record, even though I grew up at a time when everybody around me in the neighborhood had a record. I had to resist them. I had to fight them then. In fact, two of those four fights I referred to involved that, because there was something that was said to me, "That is not for you." I had to fight it. The pressures were there. They call it "peer pressures" today. We did not know what the hell it was then.

So where do we stand today? Well, the police were on the defensive. The CBS had come to me and had interviewed me because the crew that had gone to San Antonio stumbled across the fact that the special grand jury had information that tied in the dead policeman Smith with the bombing of the Congressman's car, and that it was a mistaken identity that he thought it was mine. At that time he was living in that area.

They also know that he had been guilty of attacking the former chief of police's house by blasting the house with shotgun fire. He had also been accused of many other things, some of them obviously corroborated, some not.

When the CBS came to interview me, I said, "This is a local matter. What is it you want to know?"

They said, "Well, you were down there, and we find that the people are scared of the police department. They still are scared."

I said, "Well, all I can testify to you is that I go back to my district every weekend. I have been, off and on, intimately associated with the law-enforcement processes."

It used to be that it was taken for granted that if you were a minority, you could get shot and killed, and nobody would give a hoot. That was my first fight as a juvenile officer. I went to the grand jury, protested. It got to the point where I could not walk through the police station without being cursed, until one day I confronted four detectives and said, "Which one of you called me a name?" They all had guns.

They said, "Well, suppose we all did?"

I said, "Well, then, take off your doggone guns and I'll proceed to knock you through the door."

They did not take me on, but it got to where I could walk through the police corridors without being insulted, and I won the case with the grand jury, even though the juvenile court judge called me down and said that politically I was getting him in trouble, blah, blah, blah. I said, "Well, here's my resignation."

He said, "No." He did not take it.

So it has been a constant fight. It still is. What I told the CBS reporter was, "Look, mister, yes, there are entire areas, both on the east side—that is predominantly black, and on the west side—that is predominantly brown, where people do not look upon that policeman as a friend. They look upon him—in fact, they have a word in

Spanish, they call them "perros." That means "dogs." On the east side you had out-and-out coldblooded murders, except that it was policemen doing it.

Who gave a hoot? Who gives a hoot now? I then communicated with the special prosecutor who as of this week, incidentally, is prosecuting the case. It has finally come to trial. At that time he was a special prosecutor handling the special grand jury.

This grand jury issued its report just about the time that CBS was interviewing me, and they said, "We don't have the resources on the State level, and we recommend that the Federal grand jury be impaneled to look into this pattern of civil rights violations and the decomposition in the San Antonio Police Department."

I then sat down and wrote a letter to the Federal district attorney, a woman. One month went by, and I received no acknowledgment. I then wrote her another letter. Another 3 weeks went by, and finally she acknowledged and said, "Well, I think what you ought to do is get ahold of the Justice Department in Washington, DC." So, I let it go.

But in the meanwhile CBS tells me that they are going to air the show 3 weeks later. Two nights before they were scheduled to air it, they called and told my administrative assistant that they were very sorry, but they were going to have to delete my portion of the interview.

Then it turns out that the mayor of the city, who is a friend—one whom I have known since he was born, known his family before they were married—it seems that he had gotten nervous that the city was going to get a bad name, and had intervened with CBS to censor that program.

Now I do not care about that, except that since it is my hide that is still at stake, I naturally am going to defend every right of mine.

Then comes, right immediately after that, the fact that the new district attorney—and incidentally, those who would want to make it a racial matter, let me point out that he is a so-called Hispanic, and he just took office on January 1—Police Officer Summey—S-u-m-m-e-y—called me exactly 2 weeks after the incident and said, "Congressman, I really apologize for bothering you, but we just took this complaint from this fellow Allen and apologize, but you know, to tell you the truth, we get about four or five of these a day, and they either end up nowhere or they go to the police court, the city court, or the JP, but you know, this is 'HENRY B.' This is what makes this different."

I said, "What are you trying to tell me, Officer Summey?"

He said, "Well, what I am trying to tell you is that we are going to have to go out of here and investigate and maybe refer it, but I do not see where it will go anyplace."

I said, "Well, that's not the point. If you have waited 2 weeks."

He said, "I tried. You know this guy waited 2 weeks."

I said, "Did you take it?"

He said, "Yes."

"Did you see any marks on his face?"

He said, "No."

I said, "OK. Then I want to file a complaint that he had a prohibited weapon on his person."

"Oh, no, I can't do that, I can't do that, I just can't do that."

I said, "Why not?"

"Well, too much time's gone by."

I said, "Look. Good day." And I hung up.

Next thing, on January 1, which was the day that the new district attorney, the present district attorney, assumed office, he had a release in the newspaper saying that this case was being reviewed and that they were going to request more information from the police.

At that point I knew that this was a setup. Why? Because there is no case in history where a simple assault case goes anywhere on the county or the district attorney's level. They have all gone to the police court or the JP court, at the worst.

Not getting involved in Democratic primaries, I had incurred the anger of this elected district attorney, who had been considered an underdog. But precisely because the former district attorney had been involved in this bizarre police killing of another policeman, he had fallen into great disfavor.

□ 1705

At no time did that district attorney ever make any effort to contact any one of us three, either my two guests or myself. So that time went by. I knew full well, after all I had been in the county courthouse for 4 years as a juvenile officer, that an obviously politically motivated, frivolous case would at the least be sent to the municipal court, police court, when all of a sudden there was a big story in both newspapers quoting an assistant district attorney, and of course putting my picture saying, this case is serious and we are looking into it, and we are trying to get more information.

The next 3 weeks went by, nothing was said or done, at no time were we contacted, when another story comes up, same vein, same replay. In the meantime there were and there are two radio talk shows that are conducted by very, very right wing elements who had this assistant district attorney on their show. They had also had the man whose name turned out to be Allen on their show day after day demanding that I be prosecuted. The district attorney's assistant appeared on the show, not once, several times, to discuss the case. In the meantime, the district attorney then calls my oldest son, who is an attorney—I have eight children in all, four boys, four girls, and three of the boys are attorneys—and he said, listen, you know you did help me, and I can let you have the address and the name of this individual, and I would suggest that maybe you could, or some friend of your dad's could talk to him and see if you could get some accommodation. Maybe you could have some kind of a mutual apology.

At that point my son called me and I said, "Look, forget about it, and I am going to consult a friend of mine who had volunteered to help, an attorney, and I said let him. I said I do not get my family involved in my fights. I think it is very, very questionable that the district attorney should call you and suggest that he would give you this man's name and address and phone number and you set up a meeting. I said I do not authorize it, I advise you to drop the matter. Tell the district attorney to either get hold of me or get hold of the guy I am going to tell him to get hold of.

The next thing, the district attorney called a very long, long time business friend of mine, one of the leading businesses in the community there, who calls me and says the district attorney called me and said, you know, it is strange because I did not support him, I supported the incumbent, a fellow by the name of Sam Hillsup, but he says he wants me to talk with him, meet with him and talk to him about this case of yours. He seems nervous, and he said that he really had a dilemma and he thought maybe I could suggest a peg he could hang his hat on. And I said, Bill, you have no authority to represent me. The district attorney I think is violative, of course, of conduct that would be proscribed in such cases. He said, oh, but he told me that he had an appointment with this other fellow in his office and I committed myself to meet with him. So I said, well, just remember, you do that on your own, you are not speaking for me, and you are in no way authorized to do so. He said fine.

He called me back after the meeting and he said, you know, Henry, this fellow said that he had met with your adversary and that your adversary had said that well, maybe if you made a public apology. I said, look, Bill, I do not want to discuss it with you. What I will ask you to do is to call this individual, who is a lawyer.

In the meantime, this individual had absented himself quite a bit from the city and was not aware of what was happening. So it was a few days before my friend got hold of him.

Then finally another bizarre thing. The assistant to the district attorney, never would the district attorney be quoted in the papers, he always had these assistants, some unknown assistant speaking, came out with a story that they were going to do something by the following week. That was on a Thursday. That same afternoon here in D.C., in my office, I got a call from the lawyer and he said the district attorney got hold of me and he says that he has met with this fellow, and that if you will publicly apologize they will drop all charges. I said stop right there. I said I will have nothing to do with a despicable deal with a despicable character arranged by a despicable moral and political coward in the person and shape of the district attorney.

Well, that was on Friday, I go home every weekend, and that particular Sunday my wife had arranged a birthday celebration for me, for all of the people that I have always wanted to have with me but could never afford a ticket to get into any kind of a fundraiser. I do not have fundsraisers except in a contest, and for instance, this year is a nonelection year. I would not think of having a fundraiser. So I do not have one of these kitties, and my wife thought it would be a good idea to open up to all who wanted to come, and she did. We ended up with about 10,000 people.

Then I had to leave on Monday morning at 5 a.m., as I do usually on Monday mornings, and later that morning the district attorney filed in the county court at law, with a Republican judge who is highly partisan, who has political ambitions. He has just taken over the county judgeship and is already planning a race for the district judgeship. He is very bitterly partisan and has demonstrated that time and time again.

So then the attorney calls my wife at home and says, listen, if an officer or a deputy comes around to serve papers, well just tell him the Congressman is not around.

So then I get hold of him. When my wife tells me that, I told my wife, I said, look, do not worry about anything, and I called this lawyer and I said, look, you volunteered, you wanted to help. I told you one thing, you just do not want to get sandbagged. I know there are people in this town that want to do that. They would like to embarrass, they would like to sandbag for purely political reasons, mostly because they cannot forgive me for being an inveterate opponent of President Ronald Reagan's policies, of having introduced the impeachment resolution that I did on March 5.

□ 1715

And I certainly have not hidden my candle under a bushel. Everybody knows where I stand here and back home. In fact, I talk home first and then here.

Anyway, to make a long story short, this judge was going to have a warrant served to drag me in, except that the county clerk, mind you, not the lawyer but the county clerk, bless his soul, said, "Wait awhile. That is abnormal process. We usually provide for an agent or a spokesman to come in and particularly in a case such as this, sign the papers, either for waiver or arraignment or for the equivalent of a bond of appearance. And, by golly, I am issuing them."

This Republican judge came down and chastised him and tried to intimidate him, but since the county clerk knows his law he said, "You had better go back to your chambers. Don't try to come around here and intimidate me." Then the attorney that I find out later has in the last 2 months joined a Republican law firm and is a former teacher of this Republican judge, calls and says, "Tell you what, Congressman, I have managed to arrange for you to come in on Friday and we will go to the courthouse and sign the papers." And I said, "I am sorry; the county clerk has already taken care of that." So then the proceedings intended for me are a kangaroo Republican court and I want to advise everybody it will be a long day, a long sunny day before that shall happen.

THE MEDIATING ROLE OF INDIA IN THE SRI LANKAN CONFLICT

The SPEAKER pro tempore (Mr. HUBBARD). Under a previous order of the House, the gentleman from California [Mr. DYMALLY] is recognized for 60 minutes.

Mr. DYMALLY. Mr. Speaker, I have asked for time tonight to lend some perspective to our discussions about the country of India. Despite the efforts of India's leadership, our country has remained decidedly cool toward that country. That has always seemed odd to me. India and the United States share one precious thing that should make our two countries close. Both countries are democracies. In a time when we spend a good deal or our time worrying about places where democracy is nothing more than a distant dream, we look on the largest democracy on the face of this Earth with something that looks like polite indifference.

We have spoken on this floor in condemnation of the Indian Government's relationship with the Sikh minority. We have not been totally supportive of the particular measures the Government has taken to deal with this problem. At the same time, I recognize the extremely complex nature of that situation. The historical and cultural roots are so deep that there is no easy solution. While we need not agree in every instance with how the problem is handled, we must at least show some degree of respect for the complexity of the problem, and for the sincerity of Mr. Rajiv Gandhi's efforts to bring about a peaceful and lasting resolution to the problem.

In this vein of trying to give some perspective on the largest democracy in the world, I want to discuss an important mediating role that the Indian Government has been playing in the conflict between the Tamil minority group and the Government of Sri Lanka.

To begin, let me read for you a statement on this matter issued by Prime Minister Gandhi on May 28, 1987, 3 days after the beginning of the Sri Lankan Government's Operation Liberation on the Jaffna Peninsula:

> Violence has already claimed thousands of lives in Sri Lanka. The military option is adding to the carnage. Hundreds have died in the last few days. The death toll will quickly rise, as thousands of defenseless civilians in Jaffna are strafed from the air and repeatedly and systematically subjected to carpet-bombing.
>
> The Sri Lankan authorities know this and acknowledge it. Yet they justify this massacre of unarmed noncombatant civilians on this scale.
>
> The horrific loss of innocent life of this magnitude is totally disproportionate to the avowed aim of exterminating the Tamil militant groups. The calculated slaughter of thousands of Sri Lankan citizens by their own Government cannot promote a solution. It is a gross violation of every tenet of human rights. The international community must impress upon the Sri Lankan authorities the imperative need for restraint.
>
> While India was patiently and painstakingly working towards a political solution, it is apparent now that the Sri Lankan government was buying time for pursuing the military option. The present offensive is part of this plan. India has done everything to find solutions compatible with the unity of Sri Lanka but by mercilessly bombing defenseless people and spreading misery, on the basis of only ethnic difference, Sri Lanka is itself putting its unity and integrity in jeopardy. From the rubble and the ashes, there can only arise the total alienation of an entire people, a more determined militancy, more extreme options.
>
> The time to desist from a military occupation of Jaffna is now. Later may be too late.

To make clear just how important India's role is in this conflict, I need to tell you something about the conflict itself. Its origins are rooted in religious and ethnic history. The Sinhalese ethnic group has always made up the majority of Sri Lanka's population, and the Tamil ethnic group has always been a minority. The Sinhalese subscribe to the Buddhist religion while the Tamils have traditionally been Hindus.

The religious and ethnic conflict between the two groups has been built through history. While the Tamils have always been a minority, there was a time during the period of British colonial rule when the Tamils were not only protected but even shown favor by the British. Presumably, this somewhat privileged position of the minority served to deepen the antagonism between the two groups.

As early as the first decade of this century, Leonard Woolf, familiar to most of us as Virginia Woolf's husband, in his role as British High Commissioner, of what was then called Ceylon, observed that the Sinhalese would immediately move to dominate and subjugate the Tamils once Ceylon was granted independence—unless something was done to keep the two groups from each other's political throats. Woolf was an enlightened High Commissioner. He advocated freedom from British rule for Ceylon. And his stewardship of the country is remembered and respected in Sri Lanka even today. Unfortunately, his ideas about how the country should constitute itself after the end of colonial rule have not been entertained. His prophecy about subjugation of the Tamils by the Sinhalese has come to pass.

After observing how other countries dealt with a population in which there were sharp differences between ethnoreligious majorities and minorities, he suggested a model he referred to as the "Swiss model." Basically, he suggested a federal system in which the country would be split into cantons, or area. One ethno-religious group would dominate in a canton. Each canton would be tied to the central government but would also have its own semi-autonomous government. The relationship, presumably, would resemble the relationship between Washington and our own State governments.

On its face the idea has merit. One might even argue that to the extent that India has managed to control differences among its own ethno-religious groups, a good measure of that control is due to the cantonment of the country along ethno-religious lines. We see from the occasional breakdowns in that system that it is not a total solution, but it does hold promise. At the very least, it creates a framework in which political solutions to differences may be considered on an equal footing with military solutions.

The Tamils make up less than one-fifth of the country's population of 16 million. Since 1985, Prime Minister Rajiv Gandhi has been working hard to mediate a political settlement between the Sri Lankan Government and the Tamils. The current round of tensions flared 4 years ago when the government imposed harsh rules prohibiting Tamils from holding jobs or places in the university and making Sinhalese the sole official language of the country.

One gains some insight into why India takes such a deep interest in the conflict when one realizes that while there are about 3 million Tamils in Sri Lanka, there are more than 50 million Tamils in India. Many of them live in the Indian State of Tamil Nadu, which I visited some years ago, which is poised directly across Palk Strait from Sri Lanka, and serves as a distribution point for goods to the Tamils. One complexity in this matter is that Mr. Gandhi politically cannot cut off the traffic to the Tamils. He must work with the moderate Tamils to win political compromises that will eliminate the driving factors behind militancy. His work is made the more difficult by the radical Tamils who have been killing known moderates as a way of terrorizing others into forsaking moderation.

Monday, despite the efforts of Gandhi to negotiate a settlement in Sri Lanka, the General Secretary of the Indian political party Dravidar Kazhagan, Mr. K. Veeramani, and 18 others staged a human blockade on the railroad tracks in the city of Madras. They were attempting to disrupt transportation to protest Gandhi's inactivity on the Tamil issue. Obviously Mr. Gandhi is under intense pressure within India to act in a strong manner. In the face of this pressure, Mr. Gandhi has worked admirably in my opinion. He has resisted the pressure to use direct military intervention, and has worked patiently to reach a political end to the conflict. It appeared as late as December that he was making progress. At that time, the Sri Lankan Government had agreed in principle to extend a quite limited degree of power to the nine provinces comprising the country, although true control would have remained decisively in the hands of the central government. Now there is great danger that even the rudimentary progress contained in that concession will be negated.

Operation Liberation, a military move by the Sri Lankan Government to impose strict control over the Jaffna Peninsula, where perhaps one-third or more of the Tamils live, began early last week. The government has reportedly killed hundreds of Tamil civilians in the course of the military action. It has reportedly bombed the towns where the Tamils live, and then when the Tamils fled to churches and schools for refuge, the troops bombed them as well. Bombing and strafing have destroyed the shops and stores which are distribution points for food and the other necessities of life. The Jaffna Peninsula contains two hospitals. Both have been rendered useless by bombings. Many are said to be dying of their military-inflicted injuries because treatment in unavailable. The Red Cross has been prohibited entry to the peninsula. As a result, more than a million inhabitants of the peninsula may be facing death from starvation or injuries.

Prime Minister Rajiv Gandhi is being pressured by citizens of his own country to intervene militarily. So far he has been able to take less drastic measures. Through the Indian Red Cross, he has dispatched $3 million in food and medical supplies to the Jaffna Peninsula in a flotilla of fishing boats. He has noted that the boats come on a humanitarian mission and are not escorted by naval ships. The Sri Lankan Government, as of my last information, has not allowed the boats to dock or to dispense their cargo. It strikes me that when one looks back over history one can distinguish critical turning points, decisions that, once made, close off options and thereby decisively alter the course of history. We are on the very brink of such a decision on the part of the Sri Lankan Government.

To this point, it has been possible to identify moderate Tamils in both India and Sri Lanka, people with whom there is the possibility that the Sinhalese moderate in the government can work, through the mediation of Mr. Gandhi, to achieve a peaceful end to the conflict. The decision to make Sinhalese the national language, and to cut the Tamils off from jobs and places in the university revivied Tamil militancy, which, in turn sparked a revival of Sinhalese militancy. Still, there was the possibility of backing away, of reducing the polarization between the two groups. The need to do so was accentuated by the barbaric acts of violence carried out by militants of both sides. The military invasion of the Jaffna Peninsula with its accompanying wholesale massacre of civilians, may prove to be the historic turning point in Sri Lankan history. It may be the decision that turned Sri Lanka irrevocably toward a genocidal bloodbath.

If there is yet a chance to take another course, to back away from regrettable violence, the mediator Mr. Rajiv Gandhi is the bearer of that last hope. His partner is Sri Lankan President Junius Jayewardene who must exercise the courage in the face of mounting Sinhalese militancy to not break faith with Mr. Gandhi, to give him the chance that will almost surely be the last chance for a peaceful settlement to the conflict.

Prime Minister Rajiv Gandhi has issued a plea to the leaders of governments around the world to strongly support his effort. We in the United States of America have a moral obligation to respond to his call. In concert with the other nations of the United Nations, we must exert whatever diplomatic pressure we might be able to bring to bear to create an atmosphere in which a negotiated compromise is a more attractive solution than is genocide. We must see that those Red Cross boats land and that this becomes the first step back from the brink. Mr. Rajiv Gandhi put the urgency of the matter simply and truth-fully on Monday when he said, and I quote: "The time to desist from a military occupation of Jaffna is now. Later may be too late."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BILBRAY (at the request of Mr. FOLEY), after 2:30 p.m. today, on account of official business.

Mr. BONIOR of Michigan (at the request of Mr. FOLEY), for today, on account of official business.

Mr. YOUNG of Florida (at the request of Mr. MICHEL), for today, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. INHOFE) to revise and extend their remarks and include extraneous material:)

Mr. HUNTER, for 60 minutes, today.

Mr. BEREUTER, for 5 minutes, today.

Mr. DANNEMEYER, for 60 minutes, on June 16.

Mr. DANNEMEYER, for 60 minutes, on June 17.

(The following Members (at the request of Mr. HARRIS) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. DE LA GARZA, for 5 minutes, today.

Mr. ALEXANDER, for 60 minutes, on June 8.

Mrs. COLLINS, for 5 minutes, on June 9.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mrs. MORELLA, prior to the vote on the Richardson amendment on radon on H.R. 2355, in the committee today.

(The following Members (at the request of Mr. INHOFE) and to include extraneous matter:)

Mr. CALLAHAN.
Mr. FAWELL.
Mr. WHITTAKER.
Mr. DAUB.
Mr. GALLO.
Mr. YOUNG of Alaska.
Mr. KYL.
Mr. GALLEGLY.
Mr. PACKARD.
Mr. MICHEL.
Mr. FRENZEL.
Mr. KEMP.
Mr. SHAW.
Mr. HANSEN.
Mr. DAVIS of Michigan.
Mrs. BENTLEY.
Mr. CRANE.
Mr. WELDON.
Mr. UPTON.

(The following Members (at the request of Mr. HARRIS) and to include extraneous matter:)

Mr. MONTGOMERY.
Mr. PEPPER.
Mr. SHARP.
Mr. PEASE.
Mr. BONIOR of Michigan.
Mr. SCHUMER.
Mr. VENTO.
Mr. BONKER.
Mr. MILLER of California.
Mr. GORDON.
Mr. DOWNEY of New York.
Mr. OBEY.
Mr. CLAY.
Mr. HOYER.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee has examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 280. Joint resolution to observe the 300th commencement exercise at the Ohio State University on June 12, 1987.

ADJOURNMENT

Mr. DYMALLY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 35 minutes p.m.) under its previous order, the House adjourned until Monday, June 8, 1987, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1523. A letter from the Deputy Assistant Secretary of Defense (Administration), transmitting a report on the financial condition and operating results of the Working Capital Funds of the Department, pursuant to 10 U.S.C. 2208(i); to the Committee on Armed Services.

1524. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of the intent to continue antiterrorism assistance for El Salvador, pursuant to FAA, section 574(a)(1) (97 Stat. 972); to the Committee on Foreign Affairs.

1525. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of a travel advisory issued by the Department for Fiji which has security implications for Americans traveling or residing in that country, pursuant to 22 U.S.C. 2656e; to the Committee on Foreign Affairs.

1526. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting copies of reports of political contributions by Samuel Eldred Lupo, of California, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Guinea, Lester B. Dorn, of California, to be the Representative on the Economic and Social Council of the United Nations, with the rank of Ambassador, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1527. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1528. A letter from the Assistant Secretary for Legislative and Intergovernmental Affairs, transmitting a report on the application of bonuses and penalties to overseas construction and the requirements for bonds and guarantees; the proposed definition for disqualifying contractors associated with Libya also included, pursuant to 22 U.S.C. 4856(a); to the Committee on Foreign Affairs.

1529. A letter from the Assistant Secretary for Health, Department of Health and Human Services, transmitting notification of an altered Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1530. A letter from the Freedom of Information Officer, Environmental Protection Agency, transmitting a report of the Agency's activities under the Freedom of Information Act during calendar year 1986, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

1531. A letter from the Benefits Administrator, Farm Credit Banks of Baltimore, transmitting the annual report on the Farm Credit District of Baltimore Retirement Plan for 1986, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1532. A letter from the Comptroller, General Services Administration, transmitting the annual report on the President's Retirement System for the fiscal year ending September 30, 1986, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1533. A letter from the Administrator, General Services Administration, transmitting the semiannual report of the Inspector General for the period October 1, through March 31, 1987, pursuant to 5 U.S.C. app. (Inspector General Act of 1978) 5(b); to the Committee on Government Operations.

1534. A letter from the Secretary of Defense, transmitting the semiannual report of the Inspector General for the period October 1, 1986 through March 31, 1987, pursuant to Public Law 95-452, section 5(b) (96 Stat. 750); to the Committee on Government Operations.

1535. A letter from the Administrator, Veterans' Administration, transmitting a report on the activities of the Inspector General for the period October 1, 1986, through March 31, 1987, pursuant to 5 U.S.C. app. 5(b); to the Committee on Government Operations.

1536. A letter from the Administrator, Federal Aviation Administration, transmitting a copy of the revised National Airspace System Plan, which is the fifth updated edition of the original version published in December 1981, pursuant to 49 U.S.C. app. 2203(b)(1); to the Committee on Public Works and Transportation.

1537. A letter from the Acting Assistant Secretary (Civil Works), the Department of the Army, transmitting a report on Illinois

Shoreline Erosion, Casino Beach, IL, together with other pertinent reports, pursuant to Public Law 99-662 (H. Doc. No. 100-81); to the Committee on Public Works and Transportation and ordered to be printed.

1538. A letter from the Acting Assistant Secretary (Civil Works), the Department of the Army, transmitting a report on St. Louis Harbor, MO and IL, together with other pertinent reports, pursuant to Public Law 99-662 (H. Doc. No. 100-82); to the Committee on Public Works and Transportation and ordered to be printed.

1539. A letter from the Secretary of Labor, transmitting the quarterly report to the Congress on the expenditure and need for worker adjustment assistance training funds under the Trade Act of 1974, pursuant to 19 U.S.C. 2296(e); to the Committee on Ways and Means.

1540. A letter from the Secretary of Labor, transmitting a draft of proposed legislation to amend the Internal Revenue Code of 1954 to provide for the coverage of railroad workers under the Federal-State unemployment compensation system, and for other purposes; jointly, to the Committees on Energy and Commerce and Ways and Means.

1541. A letter from the Acting Chairman, Nuclear Regulatory Commission, transmitting a report of the nondisclosure of Safeguards Information by the Nuclear Regulatory Commission for the quarter ending March 31, 1987, pursuant to 42 U.S.C. 2167(e); jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1530. A bill to grant the consent of the Congress to the Western Low-Level Waste Disposal (Rept. 100-124, Pt. 1). Ordered to be printed.

Mr. PEPPER: Committee on Rules. House Resolution 186. Resolution providing for the consideration of H.R. 157, a bill to designate September 17, 1987, the bicentennial of the signing of the Constitution of the United States, as "Constitution Day", and to make such day a legal public holiday (Rept. 100-125). Referred to the House Calendar.

Mr. BEILENSON: Committee on Rules. House Resolution 187. Resolution providing for the consideration of H.R. 2112, a bill to authorize appropriations for fiscal year 1988 for intelligence and intelligence-related activities of the United States Government, for the Intelligence Community Staff, for the Central Intelligence Agency Retirement and Disability System, and for other purposes (Rept. 100-126). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 2243. A bill to designate the Federal Building located at 10 Causeway Street, Boston, Massachusetts, as the "Thomas P. O'Neill, Jr., Federal Building" (Rept. 100-127). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 307. A bill to designate the Federal Building and United States Post Office located at 315 West Allegan Street in Lansing, Michigan, as the "Charles E. Chamberlain Federal Building and United States Post Office." (Rept. 100-128). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 436. A bill to designate the Federal Building and United States Courthouse at 316 North Robert Street, St. Paul, Minnesota, as the "Warren E. Burger Federal Building and United States Courthouse" (Rept. 100-129). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 517. A bill to designate Soldier Creek Diversion Unit in Topeka, Kansas, as the "Lewis M. Paramore Diversion Unit" (Rept. 100-130). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 614. A bill to designate the new United States courthouse in Birmingham, Alabama, as the "Hugo L. Black United States Courthouse" (Rept. 100-131). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 1276. A bill to name the lake formed by the Felsenthal Dam on the Ouachita River, Arkansas, as "Lake Jack Lee" (Rept. 100-132). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 1473. A bill to designate the building which will house the Federal Court for the Eastern District of Texas in Lufkin, Texas, as the "Ward R. Burke Federal Court Building"; with amendments (Rept. 100-133). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 2100. A bill to designate the border station at 9931 Guide Meridian, Lynden, Washington, as the "Kenneth G. Ward Border Station"; with amendments (Rept. 100-134). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LOWRY of Washington (for himself, Mr. Young of Alaska, Mr. Miller of Washington, and Mr. Bonker):

H.R. 2598. A bill entitled: "The Commercial Fishing Industry Vessel Anti-Reflagging Act of 1987"; to the Committee on Merchant Marine and Fisheries.

By Mr. CARPER (for himself, Mr. Dyson, Mr. Daniel, Mr. Lowry of Washington, and Mr. Sabo):

H.R. 2599. A bill to authorize the Administrator of the Environmental Protection Agency to establish a Waste Reduction Clearinghouse, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Energy and Commerce.

By Mr. DINGELL (for himself, and Mr. Markey):

H.R. 2600. A bill to extend and amend the authorization of appropriation for the Securities and Exchange Commission, and for other purposes; to the Committee on Energy and Commerce.

By Mr. BLAZ:

H.R. 2601. A bill to provide for the disposition of excess Federal land located on Guam, and for other purposes; jointly, to the Committees on Interior and Insular Affairs Armed Services, and Government Operations.

By Mr. COBLE (for himself, Mr. Neal, Mr. Jones of North Carolina, Mr. Valentine, Mr. Lancaster, Mr. Price of North Carolina, Mr. Rose, Mr. Hefner, Mr. McMillan of North Carolina, Mr. Ballenger, and Mr. Clarke):

H.R. 2602. A bill to amend the Trade Act of 1974 to promote expansion of international trade with Canada regarding furniture, recreational marine craft, and printed products, and for other purposes; to the Committee on Ways and Means.

By Mr. DAUB (for himself, Mr. Brown of Colorado, Mr. Emerson, Mr. Lightfoot, Mr. Stallings, and Mr. Dorgan of North Dakota):

H.R. 2603. A bill to amend the Internal Revenue Code of 1986 to allow institutions of the Farm Credit System to deduct amounts added to a reserve for bad debts under rules applicable to the deduction of such amounts by small banks; to the Committee on Ways and Means.

By Mr. DeFAZIO (for himself and Mr. Bonker):

H.R. 2604. A bill to amend the Tariff Schedules of the United States to clarify the definition of hardboard, and for other purposes; to the Committee on Ways and Means.

By Mr. DioGUARDI:

H.R. 2605. A bill to amend title 18, United States Code, to prohibit the rental or other transfer to minors of obscene videotapes by persons in the business of renting or selling videotapes; to the Committee on the Judiciary.

By Mr. DONNELLY:

H.R. 2606. A bill to amend the Internal Revenue Code of 1986 to disallow deductions for advertising expenses for tobacco products or alcoholic beverages; to the Committee on Ways and Means.

By Mr. DORGAN of North Dakota:

H.R. 2607. A bill to amend the Public Health Service Act to establish a grant program for the purpose of providing for certain State programs of education with respect to acquired immune deficiency syndrome; to the Committee on Energy and Commerce.

By Mr. DUNCAN:

H.R. 2608. A bill to amend the Internal Revenue Code of 1986 to provide that no gain shall be recognized on the involuntary conversion of property without regard to whether the property is converted into property similar or related in service or use to the property converted; to the Committee on Ways and Means.

By Mr. GALLO (for himself, Mr. Saxton, Mrs. Johnson of Connecticut, Mr. Conyers, Mr. Boehlert, Mr. Smith of New Hampshire, Mr. Howard, Mr. Murphy, Mr. Courter, Mr. Lagomarsino, Mr. Schaefer, Mr. Schuette, and Mrs. Roukema):

H.R. 2609. A bill to amend the Truth in Lending Act to prohibit creditors from extending credit for any residential mortgage transaction under terms and conditions which are less favorable to the consumer than the terms and conditions disclosed to the consumer at the time of application for such credit, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. GLICKMAN (for himself, Mr. English, Mr. Jones of Tennessee, Mr. Nagle, Mr. Jontz, Mr. Olin, Mr.

Volkmer, Mr. Penny, Mr. Johnson of South Dakota, Mr. Panetta, Mr. Alexander, Mr. Dorgan of Nouth Dakota, Mr. Skelton, Mr. Evans, Mr. McCloskey, Mr. Bruce, and Mr. Anthony):

H.R. 2610. A bill to revise the price support loan rates for the 1987 crop of corn and the 1988 crop of wheat; to the Committee on Agriculture.

By Mr. HOPKINS (for himself, Mr. Staggers, Mr. Mazzoli, Mr. Bunning, Mr. Hubbard, Mr. Gekas, Mr. Fuster, Mr. Denny Smith, Mr. Harris, Mr. Jeffords, Mr. DioGuardi, Mr. Thomas A. Luken, Mr. Synar, Mr. McGrath, Mr. Rogers, Mr. Callahan, Mr. Lehman of Florida, Mr. Borski, Mr. Walgren, Mr. Lujan, Mr. Frenzel and Mr. Perkins):

H.R. 2611. A bill to amend title 18, United States Code, to allow the National Association of State Racing Commissioners, State racing commissions and regulatory authorities that regulate parimutuel wagering to receive and share Federal Government criminal identification records; to the Committee on the Judiciary.

By Mr. KEMP:

H.R. 2612. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mrs. KENNELLY:

H.R. 2613. A bill to amend the Internal Revenue Code of 1986 and title I of the Employee Retirement Income Security Act of 1974 with regard to pension integration, participation and vesting requirements, and to provide for studies relating to cost-of-living adjustments and pension portability; jointly, to the Committees on Ways and Means and Education and Labor.

By Mr. LOWRY of Washington:

H.R. 2614. A bill relating to internships under the Sea Grant Fellowship Program; to the Committee on Merchant Marine and Fisheries.

By Mr. McCANDLESS:

H.R. 2615. A bill to provide that certain lands shall be in trust for the Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation, CA; to the Committee on Interior and Insular Affairs.

By Mr. MONTGOMERY (for himself, Mr. Hammerschmidt, Mr. Solomon, Mr. Mica, Mr. Stump, Mr. Penny, Mr. McEwen, Mr. Staggers, Mr. Smith of New Jersey, Mr. Rowland of Georgia, Mr. Bilirakis, Mr. Bryant, Mr. Ridge, Mr. Florio, Mr. Rowland of Connecticut, Mr. Gray of Illinois, Mr. Kanjorski, Mr. Robinson, Mr. Stenholm, Mr. Harris, Mr. Kennedy, Mr. Evans, and Mr. Dickinson):

H.R. 2616. A bill to amend title 38, United States Code, to improve health-care programs of the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. MURPHY (for himself and Mr. Kolter):

H.R. 2617. A bill to improve the Worker Adjustment Assistance Program; to the Committee on Ways and Means.

By Mr. PEPPER (for himself, Mr. Bennett, Mr. Fascell, Mr. Gibbons, Mr. Chappell, Mr. Young of Florida, Mr. Lehman of Florida, Mr. Ireland, Mr. Hutto, Mr. Mica, Mr. Nelson of Florida, Mr. McCollum, Mr. Shaw, Mr. Bilirakis, Mr. Lewis of Florida, Mr. Mack, Mr. MacKay, Mr. Smith of Florida, and Mr. Grant):

H.R. 2618. A bill to amend the Internal Revenue Code of 1986 to authorize the issuance by States of tax-exempt bonds for high-speed intercity rail transportation projects under certain circumstances, and for other purposes; to the Committee on Ways and Means.

By Mr. ROWLAND of Connecticut:

H.R. 2619. A bill to amend title 11 of the United States Code to make nondischargeable any debt arising from a judgment or consent decree requiring an individual debtor to make restitution as a result of a violation of State law; to the Committee on the Judiciary.

By Mrs. SCHROEDER (for herself and Mr. Tallon):

H.R. 2620. A bill to impose an additional fee on the importation of goods into the United States for purposes of offsetting the impact of defense expenditures on the United States economy; to the Committee on Ways and Means.

By Mr. SYNAR:

H.R. 2621. A bill to establish grazing fees for domestic livestock on the public rangelands; to the Committee on Interior.

By Mr. WAXMAN (for himself and Mrs. Boxer):

H.R. 2622. A bill to amend section 112 of the Clean Air Act to regulate the emissions of certain hazardous air pollutants; to the Committee on Energy.

By Mr. WOLPE (for himself and Mr. Levine of California):

H.R. 2623. A bill concerning United States policy toward Pakistan; to the Committee on Foreign Affairs.

By Mr. CARPER:

H.J. Res. 304. Joint resolution designating the period commencing on May 9, 1988, and ending on May 15, 1988, as "National Stuttering Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. PARRIS:

H.J. Res 305. Joint resolution disapproving the action of the District of Columbia Council in approving the "Constitution for the State of New Columbia Approval Act of 1987; to the Committee on the District of Columbia.

By Mr. SCHUMER:

H.J. Res. 306. Joint resolution proposing an amendment to the Constitution of the United States relative to expenditures of candidates in Federal elections; to the Committee on the Judiciary.

By Mr. McEWEN (for himself and Mr. Carper):

H. Con. Res. 134. Concurrent resolution commending the citizens of the city of Jerusalem on the occasion of the 20th anniversary of the reunification of the city; to the Committee on Foreign Affairs.

By Ms. SNOWE (for herself, Mr. Fascell, Mr. Broomfield, Mr. Hamilton, and Mr. Gilman):

H. Con. Res. 135. Concurrent resolution expressing the sense of the Congress that United States allies with significant security and economic interests in the Persian Gulf should join the United States in protecting our mutual interests in the region; to the Committee on Foreign Affairs.

By Mr. SCHULZE (for himself, Mr. Flippo, and Mr. McEwen):

H. Res. 188. Resolution to amend the Rules of the House to require that each House committee that reports legislation that requires employers to provide new employee benefits secure an objective analysis of the impact of the legislation on employment and international competitiveness and include an analysis of the impact in the report of the committee on the legislation; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

101. By the SPEAKER: Memorial of the Senate of the State of Michigan, relative to the high levels of the Great Lakes; to the Committee on Public Works and Transportation.

102. Also, memorial of the Legislature of the Territory of Guam, relative to the Ad Valorem Tax; to the Committee on Ways and Means.

103. Also, memorial of the House of Representataives of the State of Hawaii, relative to a national health insurance program; jointly, to the Committee on Ways and Means and Energy and Commerce.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 67: Mr. Berman.

H.R. 77: Mr. DioGuardi, Mr. Bevill, Mr. DeLay, and Mr. Bryant.

H.R. 281: Mr. Aspin.

H.R. 544: Mr. Clinger, Mr. Ackerman, Mr. Jontz, Mr. Rogers, Mr. Solomon, and Mrs. Lloyd.

H.R. 567: Mr. Jacobs, Mr. Ridge, Mr. Whitten, Mr. Edwards of Oklahoma, Mr. DeFazio, Mr. Hopkins, Mr. Mavroules, Mr. Lightfoot, Mr. Alexander, Mr. Kostmayer, and Mr. Taylor.

H.R. 573: Mr. Wolpe.

H.R. 579: Mr. Mazzoli.

H.R. 709: Mr. Cardin.

H.R. 722: Mr. Florio.

H.R. 753: Mr. Jeffords and Mr. Rahall.

H.R. 809: Mr. Stenholm.

H.R. 954: Mr. Coleman of Texas.

H.R. 1069: Mr. Packard and Mr. Bryant.

H.R. 1101: Mr. Schaefer and Mr. Weiss.

H.R. 1201: Mr. Hayes of Illinois, Mr. Solarz, Mr. Biaggi, and Mr. Kildee.

H.R. 1212: Mr. de Lugo.

H.R. 1255: Mr. Atkins, Mr. Espy, Mr. Hughes, Mr. Dwyer of New Jersey, Mr. Gejdenson, Mr. Morrison of Connecticut, and Mr. Towns.

H.R. 1443: Mr. Conte, Mr. Carper, and Mr. DioGuardi.

H.R. 1546: Mr. Weiss, Mr. Kostmayer, and Mr. Ford of Michigan.

H.R. 1558: Mr. Weber.

H.R. 1604: Mr. Mineta, Mr. Boucher, Ms. Kaptur, Mr. Kolter, Mr. Scheuer, Mr. Daniel, and Mr. Pepper.

H.R. 1606: Mr. Shaw, Mr. DeLay, and Mr. Brown of Colorado.

H.R. 1638: Mr. Sabo and Mr. Kildee.

H.R. 1647: Mr. Wolf.

H.R. 1726: Mr. Gunderson and Mr. Daub.

H.R. 1732: Mr. Rangel.

H.R. 1742: Mr. Daub.

H.R. 1787: Mr. Lagomarsino and Mr. Hatcher.

H.R. 1794: Mr. Yatron, Mr. Bonior of Michigan, Mr. Wortley, Mr. Studds, Mr. Weber, and Mr. Wolpe.

H.R. 1800: Mr. Weber.

H.R. 1843: Mr. Berman.

H.R. 1866: Mr. Bates, Mr. Fascell, Mr. Edwards of Oklahoma, Mr. Udall, and Mr. Boner of Tennessee.

H.R. 1900: Mr. Jontz, Mr. Martinez, and Mr. Clay.

H.R. 1924: Mr. Jontz.

H.R. 1942: Mr. Murphy, Mr. Fauntroy, Mr. Kastenmeier, Mr. Bevill, Mr. Ackerman, Mr. Mrazek, and Mr. Walgren.

H.R. 2017: Mr. Buechner.

H.R. 2021: Mr. Lewis of Georgia, Mr. Owens of New York, Mr. Feighan, Mr. Guarini, Mr. Mavroules, Mr. Hughes, and Mr. Stokes.

H.R. 2056: Mr. Walgren.

H.R. 2070: Mr. Lancaster.

H.R. 2114: Mr. Madigan and Mr. Watkins.

H.R. 2126: Mr. Kildee and Mr. Bilbray.

H.R. 2138: Mr. Kostmayer.

H.R. 2217: Mr. Obey.

H.R. 2232: Mr. Ballenger, Mr. Brown of Colorado, Mr. DioGuardi, Mr. Hastert, Mr. Hefley, and Mr. Nielson of Utah.

H.R. 2248: Mr. Robert F. Smith and Mr. Brooks.

H.R. 2249: Mr. Vento, Mr. Bateman, Mr. Berman, Mr. Manton, Mr. St Germain, Mrs. Boxer, Mr. Thomas A. Luken, and Mr. Staggers.

H.R. 2260: Mr. Buechner, Mr. Volkmer, Mr. Bunning, Mr. Jacobs, Mr. Olin, and Mr. Hefley.

H.R. 2279: Mr. Markey, Mr. Atkins, Mr. Ackerman, Mr. Oberstar, Mr. Fauntroy, Mr. Berman, Mr. Marvroules, Ms. Kaptur, Mr. Kildee, Mrs. Boxer, Mr. Feighan, Mr. Jontz, and Mr. Lowry of Washington.

H.R. 2306: Mr. DeLay and Mr. Barton of Texas.

H.R. 2337: Mr. Biaggi, Mr. Manton, Mr. McHugh, Mr. Ackerman, and Mr. Scheuer.

H.R. 2383: Mr. Nielson of Utah, Mr. Boehlert, Mr. Bustamante, Mr. DeFazio, Mr. Atkins, Mr. Fazio, Mr. Lancaster, Mr. Martinez, Mrs. Bentley, and Mrs. Boxer.

H.R. 2428: Mr. Levine of California and Mr. Berman.

H.R. 2464: Mrs. Byron, Mr. Gregg, and Mr. Dorgan of North Dakota.

H.R. 2522: Mr. DeFazio, Mr. Applegate, Mr. Owens of New York, Mr. Bonior of Michigan, Mr. Hayes of Illinois, and Mr. Ford of Michigan.

H.R. 2546: Mr. Boehlert.

H.J. Res. 48: Mr. Duncan.

H.J. Res. 50: Mrs. Boxer, Mr. Crockett, Mr. Cooper, Mr. Wortley, Mr. Jones of North Carolina, and Mr. Sundquist.

H.J. Res. 61: Mr. Young of Florida, Mr. Gregg, and Mr. Ireland.

H.J. Res. 100: Mr. Tallon, Mr. Grant, Mr. Rowland of Connecticut, and Mr. Hansen.

H.J. Res. 171: Mr. Gray of Illinois, Mr. Roemer, Mr. Gunderson, Mr. Hayes of Louisiana, and Mrs. Saiki.

H.J. Res. 197: Mr. Lungren.

H.J. Res. 208: Mr. Valentine, Mr. Mrazek, Mr. Daub, Mr. Kasich, Mr. Hughes, Mr. Whittaker, Mr. Savage, Mr. Scheuer, Mr. Moakley, Mr. Waxman, Mr. Wortley, Mr. Oberstar, Mr. Bateman, Mr. Lungren, Mr. Crockett, Mrs. Bentley, Mr. Carper, Mr. Bevill, Mr. Fields, Mr. Coyne, Mr. Bustamante, Mr. Conyers, Mr. Fazio, Mr. Schumer, Mr. Frost, Mr. Chapman, Mr. Buechner, Mr. Biaggi, Mrs. Boxer, and Mr. Kolter.

H.J. Res. 251: Mr. Weiss, Mr. Rinaldo, Mr. Livingston, Mr. Courter, Mr. Howard, Mr. Rodino, Mr. Rose, Mr. Torricelli, Mr. Dwyer of New Jersey, Mr. Guarini, Mr. Martinez, Mr. Feighan, Mr. Frenzel, Mr. Crockett, Mr. Gallo, Mr. Brooks, Mr. Nielson of Utah, Mr. Wortley, Mr. DeFazio, Mr. Scheuer, and Mr. Weber.

H.J. Res. 253: Mr. Wise, Mr. Wortley, Mr. Frank, Mr. Lehman of California, Mr. Fish, Mr. Dymally, Mr. Donnelly, Mr. Stark, Mr. Kasich, Mr. McEwen, Mr. Jeffords, Mr. Moakley, Mr. Martinez, Mr. Neal, Mr. Traficant, Mr. St Germain, Mr. Vento, Mr. Montgomery, Mr. Stangeland, Mr. DeFazio, Mr. Rahall, Mr. Davis of Illinois, Mr. Lungren, Mr. Morrison of Connecticut, Mr. Hall of Ohio, Mrs. Collins, Ms. Snowe, and Mr. Bartlett.

H.J. Res. 261: Mr. Hayes of Louisiana.

H.J. Res. 275: Mr. Traficant, Mr. Bliley, Mr. Savage, Mr. Dornan of California, Mr. Dymally, Mr. Horton, Mr. Hatcher, Mr. Dixon, Mr. Daub, Mr. Gray of Illinois, Mr. Hughes, Mr. Martinez, Mr. Schaefer, Mr. Vento, Mr. Lungren, Mrs. Boxer, Mr. de Lugo, Mr. Fazio, Mr. Frost, Mrs. Roukema, and Mr. Buechner.

H.J. Res. 291: Mr. Skaggs, Mr. Gray of Illinois, Mr. de la Garza, Mr. DeFazio, Mr. Bennett, Mr. Fazio, Mr. Bryant, and Mr. Hayes of Illinois.

H.J. Res. 296: Mr. Levine of California, Mr. Edwards of California, Mr. Durbin, Mr. Lowry of Washington, Mr. Weiss, Mr. Kennedy, Mr. Hayes of Louisiana, Mr. Lehman of California, Mr. Lewis of Georgia, Mr. AuCoin, Mr. Wyden, Mrs. Boxer, Mr. Dellums, and Mr. Gejdenson.

H. Con. Res. 31: Mr. Wolpe, Mr. Grandy, and Mr. Jontz.

H. Con. Res. 113: Mr. Traficant, Mr. Morrison of Connecticut, Mr. Hayes of Illinois, Mr. Pepper, Mr. Bonior of Michigan, and Mr. Cardin.

H. Con. Res. 114: Mr. Jacobs, Mr. Olin, and Mr. Frank.

H. Con. Res. 122: Mr. Oberstar, Mr. Coleman of Texas, Mr. Bevill, Mr. Davis of Illinois, Mr. Hertel, Mr. Walgren, and Mr. Nowak.

H. Res. 53: Mr. Grandy.

H. Res. 110: Mr. Rangel and Mr. Swindall.

H. Res. 141: Mr. Aspin, Mr. Studds, Mr. Gilman, Mr. de la Garza, Mr. Dwyer of New Jersey, Mr. de Lugo, Mr. Feighan, Mr. Walgren, Mrs. Schroeder, Mr. Bustamante, Mr. Wheat, Mr. Lehman of Florida, Mr. Owens of Utah, Mr. Jontz, Mr. Lowry of Washington, Mr. Eckart, and Mr. Brown of California.

H. Res. 169: Mr. Stenholm and Mr. Sweeney.

H. Res. 177: Mr. Bereuter and Mr. Kolter.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

43. The SPEAKER presented a petition of Mr. Frank M. Portusach, Guam, relative to the late Honorable Antonio Borja Won Pat which was referred to the Committee on Interior and Insular Affairs.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1777

By Mr. UDALL:

—Page 62, after line 22, add the following new section:

SEC. 211. UNITED STATES-SOVIET STUDENT EXCHANGES.

Of the amounts authorized to be appropriated for "Salaries and Expenses" by section 201(1), not less than $2,000,000 for the fiscal year 1988 and not less than $2,000,000 for the fiscal year 1989 shall be available only for student exchanges between the United States and the Soviet Union pursuant to Article IV of The General Agreement Between the Government of the United States of America and the Government of the Union of Soviet Socialist Republics on Contracts, Exchanges and Cooperation in the Scientific, Technical, Educational, Cultural and Other Fields (done at Geneva on November 21, 1985).

H.R. 2112

By Mr. BROOMFIELD:

—At the end of the bill, add the following:

TITLE VII—MOUNT ALTO EMBASSY SITE

ASSESSMENT OF SOVIET ELECTRONIC ESPIONAGE CAPABILITY

Sec. 701. (a) Review and Assessment.—The Secretary of Defense shall review and assess the present and potential capabilities of the Government of the Soviet Union to intercept United States communications involving diplomatic, military, and intelligence matters from facilities on Mount Alto in the District of Columbia. The Secretary shall submit to Congress a report on such review and assessment not later than 90 days after the date of the enactment of this Act.

(b) Determination of Consistency With National Security.—The report required by subsection (a) shall include a determination by the Secretary of Defense as to whether or not the present and proposed occupation of facilities on Mount Alto by the Government of the Soviet Union is consistent with the national security of the United States.

(c) Classification of Report.—The report required by subsection (a) shall be submitted in both a classified and unclassified form, except that the determination required by subsection (b) shall be submitted in an unclassified form.

(d) Limitation on Delegation.—The Secretary of Defense may not delegate the duty to make the determination required by subsection (b).

EXTENSIONS OF REMARKS

VOTING RECORD OF HON. DON J. PEASE

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. PEASE. Mr. Speaker, I am pleased once again to insert in the CONGRESSIONAL RECORD a list of the key votes that I have cast in the U.S. House of Representatives since the beginning of this Congress.

The list is arranged in the following manner: Each item begins with the rollcall vote number of the bill or resolution that the House was considering, followed by the bill number and a summary of the issue. This is followed by my own vote on the issue and the vote outcome.

This list of votes covers the period of January 6, 1987 to May 13, 1987:

KEY VOTES OF CONGRESSMAN DON J. PEASE

(6) H. Res. 12. Creates the House Select Committee to Investigate Covert Arms Transactions with Iran, to probe the Reagan Administration's sales of weapons to Iran and possible diversion of funds to anti-government forces in Nicaragua. Yes. Passed 416-2.

(8) H.R. 1. The Clean Water Act Reauthorization. Amends and reauthorizes the Clean Water Act, authorizing $20.1 billion for controlling water pollution and aiding local governments in building sewage treatment plants. The bill includes $18 billion in sewage aid for FY 1986-FY 1994. Yes. Passed 406-8.

(9) H. Res. 26. Establishes the Select Committee on Hunger. Other titles of the bill, including establishment of Select Committee on Children, Youth and Families, and Select Committee on Narcotics Abuse and Control, were later adopted by voice vote. Yes. Passed 312-89.

(12) H.R. 2. The Omnibus Highway Reauthorization. Authorizes approximately $90 billion in funds for highway and mass transit programs in FY 1987-FY 1991. Yes. Passed 401-20.

(14) H.R. 1. Clean Water Act Reauthorization. Overrides President's veto of the bill to amend and reauthorize the Clean Water Act. Yes. Passed 401-26.

(19) H.R. 558. The Urgent Relief for the Homeless Act. Amendment requiring that funding for H.R. 558 be provided from existing budget authority and not through new budget authority. No. Failed 203-207.

(20) H.R. 558. The Urgent Relief for the Homeless Act. Amendment requiring that recipients of outpatient health services administered under H.R. 558 be tested for the AIDS virus. No. Failed 101-292.

(21) H.R. 558. The Urgent Relief for the Homeless Act. Amendment prohibiting the authorization of funds under H.R. 558 from violating any other federal law, including balanced budget statutes. No. Failed 154-230.

(24) H.R. 558. The Urgent Relief for the Homeless Act. Authorizes $725 million over four years for new aid to the homeless. Yes. Passed 264-121.

(30) H.J. Res. 175. Moratorium on Contra Aid. Places a six-month moratorium on $40 million in aid to the Nicaraguan contras during which time the president must account for funds previously provided to the rebels. Yes. Passed 230-196.

(31) H.R. 1085. The New G.I. Bill Educational Assistance Program. Makes Chapter 30 permanent, authorizing 36 months of educational benefits to participating active duty, National Guard, and Reserve military personnel. Yes. Passed 401-2.

(32) H.R. 1157. Farm Disaster Assistance. Provides income-support payments to certain grain producers who could not plant their crops in 1986 due to weather disasters; makes hay farmers and apple growers eligible for benefits under a 1986 disaster payment program; and authorizes increased spending for the disaster program subject to further appropriations. Yes. Passed 304-100.

(35) H.R. 2. Omnibus Highway Reauthorization. Amendment allowing States to raise the speed limit to 65 mph on Interstate highways located outside urbanized areas of 50,000 population or more. No. Passed 217-206.

(39) H.R. 2. Omnibus Highway Reauthorization. Overrides President Reagan's veto of the bill authorizing funds for highway and mass transit programs through FY 1991. Yes. Passed 350-73.

(40) H. Con. Res. 34. Human Rights Violations. Protests continued violations of human rights in the Soviet Union. Yes. Passed 415-0.

(49) H. Con. Res. 93. FY 1988 Budget Resolution. President Reagan's proposal setting FY 1988 budget totals as follows: new budget authority, $1.142 trillion; outlays, $1,024 trillion; revenues, $916.6 billion; deficit, $107.8 billion. No. Failed 27-394.

(52) H. Con. Res. 93. FY 1988 Budget Resolution. Budget Committee substitute setting FY 1988 budget totals as follows: new budget authority, $1.142 trillion; outlays, $1.039 trillion; revenues, $930.9 billion; deficit, $107.6 billion. Yes. Passed 230-192.

(66) H.R. 1827. FY 1987 Supplemental Appropriations. Appropriates $9 billion in supplemental funds for fiscal year ending September 30, 1987. Yes. Passed 208-178.

(69) H.R. 3. Omnibus Trade Bill. Amendment adding to list of principal negotiating objectives for the Uruguay Round of multilateral trade talks under the General Agreement on Tariffs and Trade (GATT) the objective that most-favored-nation status does not need to be extended to any country that fails to maintain equally open markets. Yes. Passed 398-19.

(70) H.R. 3. Omnibus Trade Bill. Amendment requiring actions to prevent circumvention of existing Federal prohibitions on imports from Cuba. Also requires the U.S. Trade Representative to report to Congress on such actions. Yes. Passed 394-27.

(72) H.R. 3. Omnibus Trade Bill. The Gephardt Amendment, requiring identification of countries with excess trade surpluses with the United States and quantification of the extent to which unfair trade practices contribute to that surplus. Also mandates negotiations to eliminate those unfair trade practices, and, if negotiations fail or an agreement is not fully implemented, requires the imposition of tariffs or quotas to yield annual 10 percent reductions in that country's trade surplus. Yes. Passed 218-214.

(73) H.R. 3. Omnibus Trade Bill. Amendment striking certain portions of the banking provisions of H.R. 3, including provisions that mandate actions to establish a competitive exchange rate for the dollar, provide relief for Third World debtor countries, and create a Council on Industrial Competitiveness. This amendment would substitute studies and reports on exchange rates and the Third World debt problem. No. Failed 187-239.

(75) H.R. 3. Omnibus Trade Bill. Amendment granting the Secretary of Commerce authority to exempt classes of investments or investors from the rules requiring disclosure of certain foreign investment in U.S. businesses and real estate. Yes. Failed 190-230.

(76) H.R. 3. Omnibus Trade Bill. Amendment denying Romania non-discriminatory access to U.S. markets for six months, and requiring a review every six months of Romania's compliance with existing statutory requirements for continued most-favored-nation status. No. Passed 232-183.

(77) H.R. 3. Omnibus Trade Bill. Substitute retaining all provisions from H.R. 3 as reported to the House floor, but striking provisions on excess trade surplus countries, international finance, foreign investment disclosure and purchases of foreign goods by U.S. government agencies. No. Failed 156-268.

(78) H.R. 3. Omnibus Trade Bill. Authorizes presidential negotiations to reduce international tariffs and non-tariff barriers to trade; mandates reductions in trade surpluses certain countries have with the United States; requires retaliation against unjustifiable foreign trade practices; enhances worker and company benefits for industries injured by imports; relaxes controls on certain high-technology products to Western countries; enhances exports; expands programs for worker retraining; and improves math, science, and foreign language education. Yes. Passed 290-137.

(80) H.R. 28. Expedited Funds Availability Act. Limits the time that banks and thrifts can deny access to customers' check deposits. Yes. Passed 338-5.

(81) H.R. 1748. FY 1988 Defense Authorization. Substitute reducing to $288 billion the total FY 1988 Department of Defense budget authority. Yes. Passed 249-172.

(83) H.R. 27. Federal Savings and Loan Insurance Corporation Rescue. Increases the amount of funds raised to cover defaults of savings and loan institutions insured by the FSLIC from $5 billion to $15 billion. Yes. Failed 153-258.

(85) H.R. 27. Federal Savings and Loan Insurance Corporation Rescue. Provides $5 billion over two years in borrowing authority to recapitalize the FSLIC. Yes. Passed 402-6.

(88) H.R. 1748. FY 1988 Defense Authorization. Requires U.S. observance of certain

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

limits set by the unratified 1979 U.S.-Soviet Strategic Arms Limitation Treaty (SALT II). Yes. Passed 245-181.

(90) H.R. 1748. FY 1988 Defense Authorization. Amendment deleting a provision in the bill that would require continued adherence to the traditional interpretation of the 1972 U.S.-Soviet Treaty limiting antiballistic missile (ABM) systems. No. Failed 159-262.

(92) H.R. 1748. FY 1988 Defense Authorization. Amendment expressing the sense of Congress that the Soviet Union has violated the 1972 Anti-Ballistic Missile (ABM) Treaty by constructing a radar installation at Krasnoyarsk. Yes. Passed 418-0.

(93) H.R. 1748. FY 1988 Defense Authorization. Amendment deleting $644 million in the defense budget for components to be used in two aircraft carriers. No. Failed 124-294.

(94) H.R. 1748. FY 1988 Defense Authorization. Amendment deleting $644 million in the defense budget for components to be used in one aircraft carrier. This amendment retains additional funds for the FY 1989 budget that would buy components for one of the two carriers requested by the Navy. Yes. Failed 145-267.

(98) H.R. 1748. FY 1988 Defense Authorization. Amendments recommending that the President develop a plan to reduce the number of U.S. military personnel in Korea during FY 1988-FY 1992. No. Failed 64-311.

(100) H.R. 1748. FY 1988 Defense Authorization. Amendment increasing the strengths of the National Guard and military reserve troops. Yes. Passed 350-0.

(107) H.R. 1748. FY 1988 Defense Authorization authorizing $4 billion for Strategic Defense Initiative (SDI) research in FY 1988. No. Failed 129-286.

(108) H.R. 1748. FY 1988 Defense Authorization. Amendment authorizing $1.2 billion for SDI research in FY 1988. Yes. Failed 105-307.

(111) H.R. 1748. FY 1988 Defense Authorization. Amendment requiring the Department of Defense to begin development of an anti-missile defense system for deployment beginning in 1993. No. Failed 121-302.

(112) H.R. 1748. FY 1988 Defense Authorization. Amendment barring tests of a space-based kinetic-kill vehicle, which is an anti-missile weapon planned as part of SDI. Yes. Failed 203-216.

(113) H.R. 1748. FY 1988 Defense Authorization. Amendment requiring the Department of Defense to develop an anti-missile defense system that would be effective against an accidental missile launch. No. Failed 121-297.

(114) H.R. 1748. FY 1988 Defense Authorization. Amendment barring the award of any SDI new development contract to a foreign company if a U.S. company can produce the same item at the same or lower cost. No. Passed 229-187.

(115) H.R. 1748. FY 1988 Defense Authorization. Amendment deleting $1.7 billion earmarked to develop and produce the C-17 cargo plane. Yes. Failed 92-321.

(116) H.R. 2360. Debt Limit Increase. Amendment raising the permanent ceiling of the federal debt from $2.3 trillion to $2.578 trillion. Yes. Failed 162-259.

(117) H.R. 2360. Debt Limit Increase. Raises the temporary ceiling on the federal debt from $2.3 trillion to $2.32 trillion, through July 17, 1987. Yes. Passed 296-124.

(118) H.R. 1748. FY 1988 Defense Authorization. Amendment deleting $250 million earmarked to develop a rail-mobile basing method for MX missiles. No. Failed 184-239.

(119) H.R. 1748. FY 1988 Defense Authorization. Amendment deleting $674 million earmarked to purchase 12 MX missiles for testing purposes. No. Failed 163-258.

(120) H.R. 1748. FY 1988 Defense Authorization. Amendment barring procurement of additional Trident II missiles and authorizing $2.3 billion for procurement of Trident I missiles. No. Failed 93-330.

(121) H.R. 1748. FY 1988 Defense Authorization. Amendment barring modification of existing missile-launching submarines to carry Trident II missiles. Yes. Failed 109-311.

A TRIBUTE TO LARRY BUCHHEIM

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. PACKARD. Mr. Speaker, On June 12, 1987, Larry Buchheim will be honored with the prestigious 1987 Good Scouter Award for the El Camino Real District of the Boy Scouts of America. This is a tremendous achievement and Larry deserves a great deal of credit for his accomplishments.

One can hardly talk about the history of the Capistrano Valley without mentioning Larry Buchheim's contribution to the area where he was born and raised.

Born December 22, 1926, Larry was raised in the San Juan Capistrano/Capistrano Beach area where his family operated a large farming operation and orange groves.

The affable Larry graduated from Capistrano Union High School where he was considered a star athlete, especially in the high hurdles where he was rated as one of the top three athletes in California.

Following graduation, Larry immediately entered the Army. Upon his return to the area, Larry once again became heavily involved in the community, serving on a wide range of boards and commissions.

In 1957, he was elected to the board of trustees of the Capistrano Union High School District and was later instrumental, along with his brother Carl, in the formation of the "new" city of San Juan Capistrano in 1961. Carl was later elected the first mayor of the city. Larry served as mayor in 1982-83 after being appointed to the city council in 1978. Larry is now mayor pro-tem.

The list of Larry's other contributions to the community is long, indeed, serving on such noted bodies as the San Juan Capistrano Planning Commission, the Capistrano Valley Water District Board of Directors and the San Juan Capistrano Economic Development Board.

Larry has been equally as active on behalf of the El Camino Real District of the Boy Scouts of America, serving on the district chairman's advisory team for the past three district chairmen.

In 1984, he served as chairman of the district's sustaining membership campaign and was instrumental in helping the district top its financial contribution goals.

Last year he served as the host committee chairman for the second annual El Camino Real District Good Scouter Reception which raised funds for youth camping scholarships.

Clearly a man of many talents, Larry Buchheim reflects the true spirit of the adult volunteer in scouting. He doesn't seek the spotlight or the job titles, but is more concerned with getting the job done on behalf of the more than 1,600 scouters who are currently involved with the district.

LEGISLATION TO HELP UNITED STATES FISHING INDUSTRY

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. LOWRY of Washington. Mr. Speaker, today I am joined by my colleagues, Mr. YOUNG of Alaska, Mr. MILLER of Washington, and Mr. BONKER of Washington, in introducing legislation that will reduce the uncertainty surrounding a provision in existing law that could jeopardize the gradual Americanization of the fishing industry within the U.S. Exclusive Economic Zone [EEZ].

Earlier this year Mr. YOUNG introduced H.R. 438 and I was joined by Mr. MILLER in introducing H.R. 1956 to resolve this uncertainty. This legislation is a compromise that has been worked out between the three of us and Mr. BONKER. This bill is truly a compromise. It is not perfect but I believe that it is fair to all parties involved.

As we all know, the United States maintains a three-tier system in allocating the number of fish that ships are allowed to catch and/or process within the EEZ. The first priority goes to U.S.-caught and U.S.-processed fish. The second priority is U.S.-caught and foreign-processed fish. This lowest priority is foreign-caught in foreign-processed fish.

Interest has arisen because many U.S. fishermen are concerned that existing foreign-built vessels could be reflagged as a U.S. vessel, and as a result, enhance its fish allocation priority. U.S. laws prohibit the transfer of many types of foreign-built ships including vessels that catch fish. However, based on some interpretations, that prohibition doesn't clearly extend to fish processing vessels. Many believe that these foreign-built factory vessels have significant advantages because of construction and labor costs.

As we developed this compromise I very seriously considered what effect this legislation will have on the U.S. catcher vessels that now participate in various joint ventures. As a strong supporter of joint ventures, I was concerned that if the number of U.S. catcher-processor vessels increase with the enactment of legislation at the same time that joint ventures are being phased out that we may also be eliminating a delivery point for U.S. catcher boats that now operate in joint ventures which could have serious economic effects on their operations. However, as long as the North Pacific Fishery Management Council and the Secretary of Commerce continue to implement the Magnuson Act based on the "full utilization principle"—so that a joint venture processing allocation is continued to be made unless it is clearly demonstrated that the domestic processing capacity exists to fully utilize the available resources I believe that these concerns are not warranted.

THE CHALLENGE OF AMERICAN CITIZENSHIP

HON. BERYL ANTHONY, JR.

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. ANTHONY. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conduct the Voice of Democracy broadcast scriptwriting contest. This year more than 300,000 secondary school students participated in the contest competing for the seven national scholarships which are awarded.

The contest theme this year was "The Challenge of American Citizenship." I am proud to submit for the RECORD this winning entry from Jan Elizabeth Williams. Miss Williams lives in the fine city of Pine Bluff, AR, which I represent.

Her entry in this year's contest is a poignant reminder of the great significance and responsibility surrounding the freedom we have as Americans because we are fortunate to live in a democratic society.

THE CHALLENGE OF AMERICAN CITIZENSHIP

(By Jan Elizabeth Williams)

It was one of those mornings when happiness radiated like warm, brilliant rays of sunshine. It was a bright, clear morning. It was a morning of hope and expectation.

As expected, the twelve-story ship was poised motionless against the sky. The travelers aboard the mighty vessel awaited the thrill of the launch. Finally the moment arrived. America watched the space shuttle Challenger laboriously move upward while the earth shook and vibrated in respect. As the Challenger gained speed and rose higher everyone's expectations rose skyward with the mammoth space shuttle. Suddenly this gigantic ship, straining with over 383 million gallons of fuel faltered slightly. A little smoke appeared at the side of a solid rocket booster. Next, a mass of smoke, an explosion, and the sight of rocket boosters flying aimlessly toward the ocean. The Challenger and its valuable cargo of seven human lives disappeared before the eyes of all America that sunny day in January.

Who were the travelers? It is said that the crew seemed to have been chosen to represent "Everybody's America". Six crew members were experts in the field of space exploration, but the most popular traveler sharing the historical experience was a teacher who was called "an ordinary citizen".

It is at this point that I step in. I, too, am an ordinary citizen, a young person whose freedom is guaranteed in our 200 year old Constitution. Therefore, I must examine the challenges which I, and all Americans face.

First, I examine the challenge to national defense. Today we hear of people fighting for freedom in countries that have been our friends and neighbors. Challenges so close indicate that freedom is not a gift to be taken casually. Freedom has a price. In Washington, D.C., I viewed a tall, black granite monument to Vietnam Veterans. While standing there I noticed an older man touching an etched name and weeping. The person remembered in that inscription, like so many others, did not consider the popularity of the battle, but the purpose.

Next, I examine the challenge to education. American citizens are guaranteed a public education, but, young people must want to learn and to work for the success that education can bring. Students must take the opportunities to hold offices and to vote in school elections. Then, as adults, we can witness a higher percentage of Americans voting than the 37% who voted this year.

Next, I examine social challenges that do not presently touch all Americans with equal force or urgency. Our citizens need jobs, safety, clear air, pure water, and protection from disease. The challenge of citizenship must be accepted everywhere—in states where democracy was born, in states where surplus of crops feed the world's hungry, and in states that offer breathtaking scenery. Yes. All have a part.

The seven occupants of the Challenger space shuttle probably had seven different personal reasons for boarding that fateful ship. But, whatever personal commitments, they also made a public commitment.

They said to us, ordinary citizens, that they had examined the risks, and were stepping aboard for the future of America. President Reagan best described the challenge of citizenship when he said, "The future doesn't belong to the faint-hearted, it belongs to the brave."

Now I understand why the space shuttle was named "Challenger", and I understand why I must accept the challenge that accompanies my citizenship. Unlike the once in a lifetime experience of a spaceflight, citizenship lets me board the sturdy ship called Freedom. In it, I, and all Americans, surge forward slowly and steadily to fulfill hopes, dreams, and expectations.

THREE YEARS IN A FEDERAL PRISON FOR REFUSING TO REGISTER WITH SELECTIVE SERVICE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. SOLOMON. Mr. Speaker, as the sponsor of the Solomon amendments, conditioning Federal benefits to the requirement to register with Selective Service I wish to alert young men across the country of the other consequences of failing to register with Selective Service.

Failure to register is a felony punishable by a fine of up to $250,000 and/or a sentence of up to 5 years in a Federal penitentiary. And the Federal Government is not kidding, on May 29 of this year a Federal district court judge sentenced Gillam Kerley, a student at the University of Wisconsin, to 3 years in a Federal prison for failing to register with the Selective Service System.

Mr. Speaker, at this time I wish to insert the thoughtful and thought provoking comments of the Director of Selective Service on this recent sentencing decision.

RESISTING THE INACTIONS OF RESISTERS

(By Wilfred L. Ebel)

David Gillan Kerley has been convicted as a felon by a jury of his peers in Madison, Wisconsin. On May 29th, he was sentenced to 3 years in prison and ordered to pay a $10,000.00 fine. His crime? Refusing to comply with the Military Selective Service Act—the federal law that requires men to register with Selective Service within 30 days of their 18th birthday.

While I agree with the necessity to prosecute nonregistrants, I have great sympathy for Mr. Kerley. My feelings are akin to the adage that one should "hate the sin, but love the sinner." It is a paradox that a man fortunate enough to live in a free society—one that protects our right of legitimate dissent—should choose to defy a law that helps guarantee our freedoms. Registration gives our nation the ability to call on its young men in any future emergency, should Congress decide a draft is needed.

Mr. Kerley over-stepped the bounds of legitimate dissent by knowingly and willingly violating the law. The government literally begged him to register and thus avoid going to trial. Regrettably, Mr. Kerley adamantly and repeatedly rejected such entreaties. Apparently he never understood that it's okay to be discontent in our society, but it's not okay to be a malcontent. For a democracy to thrive, citizens cannot pick and choose which laws they will obey; all laws must be obeyed. Laws that prove unpopular or unwise are changed by our society through our system of government, not be criminal disobedience.

Despite widespread circulation of fliers on the University of Wisconsin's Madison campus, calling for students to "pack the courtroom," very few supporters of the defendant were present when the guilty verdict was handed down. I suspect that the young men in Madison, like just about all young American men, know that spending those five minutes at the post office to give the government your name, address, date of birth, social security and phone numbers is a civic duty as well as a legal requirement. Failure to register, they know, is simply not worth the risk of being branded a felon, being denied federal student aid, or making themselves ineligible for most federal employment and certain federal job training benefits.

It is sad to note that Mr. Kerley has also placed his future profession at risk. He aspires to a degree in law, and one must wonder what difficulties will be encountered when a convicted felon applies for admittance to the bar.

Although I have never met Mr. Kerley, I am certain we share some common concerns and goals. Surely, we both want future generations of Americans to enjoy the same benefits we inherited from our forebears. But history teaches the wise must not only pray for peace, they must simultaneously prepare for war. Preparedness never caused a war and unpreparedness never prevented one.

This year, as we commemorate the Bicentennial of the signing of our Constitution, we should each remember that freedom isn't free. Nor is its permanency ensured. Each generation must be prepared to make whatever sacrifices are necessary to preserve and protect American values. In our culture, the security of our free society must often rank ahead of individual goals or beliefs. Concomitantly, we must adhere to the legal concept of least drastic means. That is to say the government's method of assuring the safety of the state must minimize instrusion on individual rights.

Peacetime registration without a draft is hardly intrusive. 18 million men have registered since President Carter called for a return to peacetime registration after the Soviet invasion of Afghanistan. No doubt many were less than eager to do so, and some have legitiate and deeply felt objections of conscience that would preclude them from serving in war. But they lived up to their obligation by registering and the moral high ground belongs to them. Not one has been adversely affected because they obeyed the law—they go to school, work, travel, marry and enjoy all the other benefits of living in our great nation. Every registrant knows that registration is not an obligation to serve in the military. All should know that the System will provide equitable opportunities for exemptions, postponements and deferments should Congress reinstate a draft. Conscientious objector status will be dispensed liberally to those whose religious, ethical or moral beliefs cause them to oppose military service. It is out of fairness to these millions who have registered that the government is obligated to pursue those few who have failed to comply.

I am proud of the 5,000 young men who come forward to register every day. I lament that Mr. Kerley doesn't share this pride. He has failed to understand that registration is an investment our nation must make to help maintain the peace.

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (JUNE 4)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. SHARP. Mr. Speaker, when drawing up its comprehensive plan to overhaul the Articles of Confederation, the Virginia delegation had left a few blanks to be filled in during the subsequent Convention debates. Randolph inserted most of these gaps in place of specific numbers thus giving the delegates more flexibility in their deliberations.

For example, on June 4, the delegates debated the size of the executive branch without any guidance from the Virginia plan, which had not specifically indicated how large that branch should be.

Some participants feared that investing all executive power in one individual would produce an elected monarch. However, most of the delegates believed that the country needed more centralization and control and noted that a single executive had worked reasonably well in the States. So, the Convention decided to fill that blank with a "one" resulting in a single executive.

EDUCATION IS OUR BEST DEFENSE AGAINST AIDS

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. DORGAN of North Dakota. Mr. Speaker, this week more than 6,000 people have gathered in Washington, DC, for the Third International Conference on Acquired Immune Deficiency Syndrome [AIDS]. Throughout the week, as medical experts have discussed their efforts to find appropriate treatment and a cure, public officials have focused their attention on the question of mandatory testing. While I support and encourage the medical community's endeavors and am in favor of additional testing, I feel very strongly that until there is a cure, we should concentrate on prevention; it is our best defense against this dreadful disease.

Because prevention can only result from an informed citizenry, we need a strong, accurate education program. In an effort to reach this goal, today I am introducing legislation to help State and local education agencies develop and implement AIDS education curricula for public schools and teachers. While the Center for Disease Control and the Public Health Service have made funds available for this purpose, the demand far exceeds the funds available.

For example, in fiscal year 1987 States requested more than $48 million for AIDS related activities however only $24 million was available. Thus, many States were forced to scale down or eliminate their AIDS education programs. Unfortunately, the programs to educate teachers were often the ones eliminated. The legislation I have introduced today authorizes $50 million to fill this void and provide additional funds so that States can accelerate their education efforts.

AIDS is a difficult issue for many people to discuss. It focuses on two subjects many people are reluctant to talk about—sexual behavior and drug abuse. Particularly because AIDS can be a delicate topic, especially for parents and their children, we must educate our teachers so they can help us educate our children.

There are currently 35,980 diagnosed cases of AIDS in the United States. While many of us quickly point out the overwhelming majority of these cases are homosexual or bisexual men or intravenous drug users, the incidence of AIDS among heterosexuals is increasing rapidly and the total number of cases is expected to double within the next 12 to 15 months.

Until we find effective treatment and/or a cure, the medical bills for treating AIDS patients over the next 5 years are expected to exceed $40.5 billion. Medicare and Medicaid will cover about 35 percent of this total which does not include treatment for AIDS-related illnesses or the relatively new drug AZT, which can cost over $10,000 per year per patient.

Clearly the cost to society is growing. Young, productive lives are being lost. We can no longer view AIDS as someone else's problem. We need to respond with information not panic—until there's a cure our only defense is prevention.

H.R. 2607

A bill to amend the Public Health Service Act to establish a grant program for the purpose of providing for certain State programs of education with respect to acquired immune deficiency syndrome

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT OF GRANT PROGRAM FOR CERTAIN STATE PROGRAMS OF EDUCATION WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME.

Section 318(d) of the Public Health Service Act (42 U.S.C. 247c(d)) is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end the following new paragraph:

"(2) The Secretary, acting through the Director of the Centers for Disease Control, may make grants to the States for the purpose of enabling each State to develop for, and implement in, the public school system of the State—

"(A) a curriculum for educating students with respect to the prevention and control of acquired immune deficiency syndrome; and

"(B) a program for educating teachers with respect to teaching such curriculum.".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

Section 318(e) of the Public Health Service Act (42 U.S.C. 247c(e)) is amended by adding at the end the following new sentence: "For the purpose of making grants under subsection (d)(2), there are authorized to be appropriated $50,000,000 for fiscal year 1988.".

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall take effect October 1, 1987, or upon the date of the enactment of this Act, whichever occurs later.

OFFICE OF OFFICIAL WASTE REDUCTION

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. DYSON. Mr. Speaker, today I rise in support of legislation introduced by my distinguished colleague, Mr. CARPER of Delaware. This important piece of legislation establishes an Office of Waste Reduction within the Environmental Protection Agency. The Office of Waste Reduction would operate a waste reduction clearinghouse that would deal with America's waste directly at the source. For years, scientific studies have shown us that in order to avoid costly cleanup efforts such as Superfund, we must go to the generators of the toxic waste and eliminate it on site. This bill proposes just that.

I urge my colleagues to support this legislation so we can avoid future environmental atrocities on the magnitude of Love Canal. The waste reduction clearinghouse would collect information on waste reduction methods to aid private sector companies which have made a commitment to waste reduction, but are unable to do so because of their lack of resources. Up-to-date waste management technologies and services will be provided to hazardous waste generators, including online computer access to the public.

Mr. Speaker, the most attractive part of this bill is that it will minimize the burden on industry and the taxpayers. Industries that produce more than 1,000 kilograms of hazardous waste per month would pay a fee on wastes that are transported out of their facility for treatment, storage, or disposal, thereby creating an additional incentive to pursue waste reduction efforts. This fee would go toward the funding of the waste reduction clearinghouse operation.

Imagine all the accidents—train derailments, ship collisions, truck crashes, contamination from toxic land fills—we can avoid by working to eliminate hazardous waste onsite. Now is clearly the time to address this critical issue and put an end to the horrible health hazards that toxic waste poses to our world. The United States must never waive from its commitment to protect the environment—and I believe that this bill is a step in the right direction.

THE TERRORIST ORGANIZATION EXCLUSION ACT OF 1987

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. GALLEGLY. Mr. Speaker, today I rise in strong support of H.R. 2587, the Terrorist Organization Exclusion Act of 1987. I am an original cosponsor of this legislation because I feel that the United States should take the strongest possible stand against terrorist actions supported by the premier organization of its kind in the world today, the Palestine Liberation Organization.

H.R. 2587 would accomplish this goal by effectively closing the PLO "observer" mission to the United Nations in New York, and the PLO "information" office in Washington, DC. This legislation would also preclude the opening of any new PLO offices in the United States.

There are essentially three operative provisions to this bill. The bill will: First, prohibit anyone in the United States from receiving anything of value except informational material from the PLO, its agents, constituent groups, or any successor group to the PLO; second, prohibit the expenditure of any funds in the United States by the PLO or any of its constituent groups; and third, bar the establishment or maintainence of any PLO office, headquarters, or other facility within the jurisdiction of the United States.

The reasons for this bill are obvious. The barbaric practice of terrorism continues to be one of the greavest threats facing the free world. The activities of the PLO in both engaging in terrorist atrocites, and training a wide variety of terrorist operatives, have in large part been responsible for the advent of modern terrorism. In fact, the crime of aircraft hijacking was primarily developed and refined by the PLO.

The PLO has been largely responsible for unleashing a bloody scourage of terrorism on the world, and the United States has been a primary target. In 1983 alone, 274 Americans were killed and 118 injured in terrorist attacks. In 1986, the State Department has reported that 27 percent of all terrorist attacks were targeted at U.S. citizens and property.

The PLO has been directly involved in a large number of terrorist attacks against the United States which has cost the lives of dozens of American citizens. While the complete list of these atrocities is too long to recount here, a few examples are illustrative. In 1973, Cleo Noel, the U.S. Ambassador to the Sudan was assassinated by the PLO Black September group at the order of Yasser Arafat, the chairman of the PLO. In 1985, the PLO planned and executed the hijacking of the *Achille Lauro* ship and the subsequent murder of Leon Klinghoffer, a U.S. citizen. The mastermind of this crime, Abu Abbas, was tried and sentenced in absentia to life imprisonment by the Italian court for his role in the Klinghoffer murder. Incredibly, Abbas currently sits on the executive committee of the PLO. Just a few weeks ago, Mahmoud Ahmad was arrested in New York for his role in a 1986 bombing of an Israeli bus which killed the driver and left three passengers seriously wounded. A PLO terrorist, Abu Nidal, has already threatened to retaliate against the United States if Ahmad is extradited to Israel as is expected.

Today, the PLO remains an organization dedicated to the practice of terrorism to further its aims. The United States must take direct action against any organization that espouses terrorism. It is ludicrous to allow the PLO free rein to spread their ideology of hate and violence in our country. The United States has every right to defend its citizens from terrorist attack, and this bill is a step in that direction.

A TRIBUTE TO ERNIE ELLSWORTH

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. PACKARD. Mr. Speaker, on June 12, 1987, Ernie Ellsworth will be honored with the prestigious 1987 Good Scouter Award for the El Camino Real district of the Boy Scouts of America. This is a tremendous achievement and Ernie deserves a great deal of credit for his accomplishments.

Ernie was born in McNary, AZ, where he grew up, graduating from Mesa High School in 1964. He continued his education at Arizona State University where he graduated with a B.A. in economics in 1970. He earned his law degree in 1975 from Pepperdine University School of Law. He passed the California State Bar exam in 1976.

Prior to starting his legal career, Ernie spent 2 years on a mission for his church in Chile. He also spent 8 years in the Army Reserve and National Guard, attaining the rank of captain prior to the completion of his duties.

After he earned his law degree and passed the State bar, Ernie briefly established his practice in Newport Beach, later moving it to Laguna Hills in 1976.

A resident of Nellie Gail Ranch in Laguna Hills, Ernie has been an active force in his community, church, and the Boy Scouts. Long active in the Saddleback Regional Chamber of Commerce, Ernie served as president of this large organization in 1980-81. He is still a member of the board of directors and is chairman of the chamber's cityhood study committee.

He is also a member of the Moulton Niguel water district board of directors, a position he has held since 1983. He is a member of the board of directors of the Laguna Hills Rotary Club.

Through his extensive involvement in his church, Ernie has been instrumental in helping the El Camino Real district of the Boy Scouts of America. He has served in numerous capacities for the Scouts, including Troop 729 scoutmaster from 1981 to 1985.

Ernie is to be applauded for his unselfish devotion to his community.

Clearly a man of many talents, Ernie Ellsworth reflects the true spirit of the adult volunteer in Scouting. He doesn't seek the spotlight of the job titles, but is more concerned with getting the job done on behalf of the more than 1,600 Scouters who are currently involved with the district.

FEDERAL INTERNSHIPS PROGRAM

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. LOWRY of Washington. Mr. Speaker, today I am introducing legislation to authorize Federal internships under the Sea Grant Fellowship Program.

In 1978, the National Oceanic and Atmospheric Administration [NOAA] established an internship program as one element of the National Sea Grant College Program. Under this internship program, sea grant institutions can receive matching grants to send selected graduate students to Washington, DC, for 1-year internships. During this 1-year period, the interns work in congressional offices or various NOAA offices. The program is intended to round out the students' training by giving them some experience at the Federal policymaking level.

Although legislation which established, or reauthorized, the Sea Grant Program makes no specific provision for the internship program, NOAA established the program under the broad authorities conferred by the act. NOAA believed that no specific congressional approval was necessary.

Recently, an opinion by the Department of Commerce's Office of Inspector General, completed a survey that determined that the National Sea Grant College and Program Act of 1966 and the Sea Grant Improvement Act of 1976 did not authorize the internship program.

This program is a very worthwhile program and has broad bipartisan support. Two bills that have already been introduced (H.R. 1717 and H.R. 1727) to reauthorize the Sea Grant Program both contain provisions to authorize the internship program.

In light of the confusion about the status of the internship program, I am introducing this legislation which I hope the Congress will pass before the end of the month to clear up any uncertainty surrounding the internship program in the interim before reauthorizing legislation is enacted.

FAIRNESS DOCTRINE

HON. BERYL ANTHONY, JR.

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. ANTHONY. Mr. Speaker, because I was unable to cast my vote on this important issue, I would like the RECORD to reflect my views. I rise in support of H.R. 1934, the Fairness in Broadcasting Act of 1987. This piece of legislation is important to prevent the FCC from repealing the doctrine and to require the Commission to vigorously enforce it. Although the number of radio stations has increased, demand continues to exceed supply. Therefore, Federal regulation is still necessary to ensure a balanced coverage of controversial issues. This bill would not create additional restrictions on broadcasting, but would only codify an existing practice which has long been a fundamental part of this country's broadcast policy. It would require radio and television broadcasters to afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

Since broadcasters are granted a Federal license allowing exclusive use of a scarce publicly owned resource, they are obligated to promote diversification of mass communication media and are entrusted to serve the public interest. This doctrine is in keeping with the obligations of broadcasters to assure the right of the public to receive a maximum of information, opinion, and ideas. It provides a public mechanism for redressing imbalances in public broadcasting. Rather than restricting information, this doctrine provides for increased access for a variety of views in the discussion of public controversies. It prevents groups with excess funds from saturating the airwaves to advocate a controversial viewpoint. In addition, it will prevent airwaves from becoming an outlet for purely personal or private interests of the licensee.

Furthermore, since this doctrine does not mandate precise equivalence in the discussion of all views on issues, but merely affords "reasonable opportunity" for these discussions, it enhances, rather than restricts, the right of free speech under the first amendment. The electronic media is too powerful a tool to overlook regulating potential "monopoly power."

SELECTIVE SERVICE SYSTEM—A LESSON IN EXCELLENCE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. SOLOMON. Mr. Speaker, as the sponsor of legislation linking Federal higher education assistance to the requirement to register with the Selective Service, I wish to commend the work being done by the Selective Service and the Department of Education in their efforts to execute the Solomon amendment. Secretary of Education William Bennett and Director of Selective Service Wil Ebel have done a commendable job in carrying out the intent of the Congress. The Selective Service Office of Compliance and the Education Department's Office of the Inspector General merit special recognition.

The hard work and dedication of the professionals at Selective Service have made the Selective Service registration program both effective and equitable. In the event America is forced to mobilize, Selective Service is fully prepared.

The Selective Service registration level of over 98 percent—a success rate of over 98 percent—is unequaled elsewhere in Government. If the IRS could match this success, the deficit would be balanced within a week.

Much of this success can be attributed to the excellent job of the Selective Service Director, Wil Ebel. But like any success story in Washington, this remarkable accomplishment could not have been achieved without a team effort. The Selective Service team is made up of some of the best executives in the executive branch: Jerry Jennings, deputy director; Colonel McCaddin, chief of staff; Dr. Williams, general counsel; Dr. Fred Smith, director of congressional affairs; Lew Brodsky, director for public affairs; Hunt Banister, controller; Richard Flahavan, director for opertions; Ken Johnsen, director for information management, and Donna Bahls, the inspector general whose contributions to the program have proven invaluable.

Mr. Speaker, in conclusion I would simply like to say that I am grateful to all the professionals at Selective Service and the education department who have worked to implement the Solomon amendment and more importantly who have made the total Selective Service mission a success. As the sponsor of the Solomon amendment, I am proud the current generation of Americans have contributed to America's military preparedness by registering with Selective Service.

STEINHAUER ELEMENTARY SUCCEEDS IN READATHON

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. FLORIO. Mr. Speaker, at Steinhauer Elementary School in Maple Shade, NJ, there is a group of special students. They are special not only because they participated in the school's Readathon for Multiple Sclerosis but also because their combined efforts brought a distinction to them and their school: the No. 1 class in the Nation in this readathon.

I commend each one of these students, William Dickman, Michael Gagliardi, Raymond Harple, Robert LaMarr, Jay Langston, Tyrone Moore, Christopher Odoor, and Marlon Solar. They are fifth and sixth graders in a special education class at Steinhauer.

They are special, indeed. By giving so much of their time to the cause to combat multiple sclerosis, they have shown in their way that they care for their fellow students and children throughout the world.

The Multiple Sclerosis Society will get over $1,500 for the efforts of these children. That, in itself, makes this contribution the national individual class record. It took 230 books, and the efforts meant that 264 sponsors were enlisted to underwrite this worthy cause.

Beyond the contribution that these students made to the fight against MS is the contribution that these students made to their own enrichment. Somewhere along the road to finishing those 230 books, these students demonstrated that with a lot of dedication, someone can achieve what one sets out to do.

It is not just a matter of ability. These students showed that they do, indeed, possess the talent to contribute. Rather, it is also a matter of persistence and dedication to a cause.

For that alone, these students are an example to the rest of us, both those of us who have fought for causes in the past and for those who will fight for causes in the future.

In their accomplishment, there is inspiration for everyone. I thank them and I thank their teachers for the efforts that they made to instill in them the desire to succeed and to learn. John M. Walsh, their teacher, and Anna Schneider, an aide to the class, gave of themselves to these youngsters.

My remarks are only words of commendation. But the accomplishment itself speaks for these students and their teachers. Their parents and their friends are deservingly proud.

May we, too, be proud of what they have done. I urge them to pursue their dreams and to continue their contributions. Through their education and their participation, they are valuable members of our society.

CBI CHAIRMAN TESTIFIES AGAINST DOUBLE-BREASTING BILL

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. FAWELL. Mr. Speaker, the chairman of the CBI Industries of Oak Brook, IL, William Pogue, is testifying today before the Senate Labor Subcommittee on S. 492, the construction industry labor law amendments. I share CBI's opposition to this bill.

This legislation would prohibit the practice of double-breasting in the construction industry and bind employers and workers to prehire agreements beyond their term of expiration. Double breasting is the practice whereby a construction firm operates both union and nonunion subsidiaries. This practice is not illegal unless it is done to evade a contract.

Similar legislation, H.R. 281, has already cleared the Education and Labor Committee and is excepted to come to the House floor for consideration some time in the near future. Because of the severe and adverse impact H.R. 281-S. 492 would have on the construction industry and American competitiveness in general, I want to share William Pogue's testimony with my colleagues.

The testimony follows:

STATEMENT OF WILLIAM A. POGUE

Mr. Chairman and members of the Senate Subcommittee on Labor, my name is William A. Pogue, and I am Chairman, President, and Chief Executive Officer of CBI Industries, Inc. CBI Industries, Inc., which is headquartered in Oak Brook, Illinois, has major business segments in contracting services, industrial gases and investments. We operate in the United States, its territories and possessions, and throughout the free world.

For the last 5 reporting years, CBI's revenues have averaged approximately $1.2 billion. Over the last three reporting years, approximately 66% of our revenues have been generated in the contracting services segment. In 1984 Liquid Carbonic Corporation, a major supplier of carbon dioxide and other industrial gases, became a part of our corporate family. Before that time virtually all of our revenues were generated by what is now the contracting services segment.

CBI Industries, Inc. had its corporate beginning as Chicago Bridge & Iron Company, which was established as an Illinois corporation in 1889. Over the almost 100 years of our existence we have been a leader in the design, fabrication and construction of metal plate structures and related systems. We have enjoyed a reputation as a "can do" company which is always willing to go where the work is and upon whom our customers can depend absolutely.

I have requested the opportunity to come before you today to testify in opposition to a specific proposal—S. 492, The Construction Industry Labor Law Amendments of 1987. My testimony is intended to address the practical effects of this legislation. For those members of the Committee who are interested in specific legal technicalities of the bill, I would refer them to the Legal Analysis prepared by the National Coalition to Defeat H.R. 281-S. 492.

As a contractor and businessman who has been involved with the construction industry for my entire career, I am troubled that Congress would consider legislation that would prohibit "double breasting" in the construction industry. Such legislation would effectively eliminate legitimate dual shop operations and force construction companies into unwanted and unnecessary contractual agreements while infringing upon individual freedom of choice and opportunity.

CBI Industries, Inc. is but one of many such "double breasted" companies which have organized and which operate separate construction units to serve customers in the two distinct markets which presently exist in the U.S.—union and open shop. Our decision to operate in this manner was dictated totally by our customers and conditions in the construction marketplace.

CBI has, over its history, enjoyed an excellent working relationship with the building trades unions and much of our success can be directly attributed to this relationship. However, as the 1970's unfolded, union construction costs were approaching all-time highs in the U.S. and competitive forces, dictated by our customer requirements, began to make their presence felt in many of our traditional markets. As an example, Chicago Bridge & Iron for many years had been dominant in the supply of water storage tanks, particularly of the elevated variety which dot the landscape of much of our countryside. By the early 80's, our market share for these structures had dwindled to virtually nothing.

In spite of our best efforts, it became quite obvious that we were unable to compete in public bidding with the open shop contractors. Although we continued to pursue this work aggressively, our union contracts, with their restrictive work rules, virtually precluded Chicago Bridge & Iron from obtaining this work.

CBI Industries' management was forced to consider the several organizational alternatives which could restore us to a competitive position in all of our construction markets. In 1979, CBI Industries, Inc. incorporated in the State of Texas a wholly owned open shop subsidiary now named CBI Na-Con, Inc., to operate in those areas of the U.S. where it could best serve those customers which constituted the open shop market.

In 1985, CBI Industries, Inc. further recognized its worldwide contracting services segment with the formation of CBI Services, Inc., a Delaware corporation, as a domestic union construction company. Both construction subsidiaries, CBI Services, Inc. and CBI Na-Con, Inc., are separately managed and are related only through their membership in the CBI Industries, Inc. corporate family.

CBI Services, Inc.'s corporate management staff is located at Oak Brook, Illinois with construction divisions headquartered in Fremont, California; Kankakee, Illinois; and New Castle, Delaware. Total current employment approximates 2,000, including 1,500 hourly rated employees who work at numerous construction sites throughout the United States and its territories where union construction is desired.

CBI Na-Con, Inc.'s corporate staff is also located in Oak Brook, Illinois with construction divisions headquartered in Fontana, California; Houston, Texas; and Norcross, Georgia, with satellite operations at Plainfield, Illinois and Wayne, Pennsylvania. Current employment is roughly 2,600 including 2,000 hourly rated employees located at numerous construction sites where open shop construction is desired. The above employment figures do not reflect subcontractor employment.

CBI Services and Na-Con have separate management, and each company has a separate board of directors. Each has a separate sales force. They have separate accounting functions. They have separate supervisors and employees. The two companies maintain separate payrolls, and separate wage and benefit programs. Each entity has its own labor policies and personnel function. In short, each company operates separately on a day-to-day basis to pursue work in and to service two separate markets.

CBI Services is signatory to a national labor agreement with the National Transit Lodge of the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers. Article I, Paragraph A of this agreement makes it clear that it covers all construction work within the Boilermakers' jurisdiction performed by CBI Services in the United States. Article IV, Paragraph A provides that as a condition of employment all employees of CBI Services covered by the agreement must become and remain members of the Brotherhood. Other provisions make it quite clear that the bulk of CBI Services' employees must be referred through the hiring hall.

Under the terms of S. 492, this contract would be applied to CBI Na-Con, even though neither Na-Con nor its employees agreed to the contract. If this bill were enacted, many of Na-Con's employees would be required to join the Boilermakers Union in order to keep their jobs. In many instances, they would be required to go through the union hiring hall to obtain future work. The referral rules of most hiring halls are such that nonunion members are usually referred only after union members are. The effect of this bill would be in many instances to replace open shop workers with union members. All this would be done without affording the open shop workers a say in the matter.

S. 492 presents a serious dilemma for CBI Industries and its construction subsidiaries. Do we simply close Na-Con altogether and forego the open shop market? Or, do we close our union company and forego the union market? None of these choices represents an acceptable resolution of the dilemma. Recent history has taught us that union contractors cannot successfully compete in those markets where Na-Con currently operates. CBI Services, as a union contractor, would not be able to compete in these markets. On the other hand, our union company has enjoyed a fruitful relationship with the unions for many years and we would very much like to continue that relationship. What choice will we make? I honestly cannot say. I do not see why we should be forced to make a choice. I hope that we will not be required to.

Having pointed out the specific dilemma with which we are confronted by S. 492, I would like to address just a few of the other problems with this bill.

At the time this bill was introduced, unions claimed that construction companies simply could "walk away" from pre-hire agreements into which they had voluntarily entered. Although this assertion was substantially incorrect, a recent decision of the National Labor Relations Board has resolved all doubt as to that issue. Under current law, as in Section 2(c) of the bill, a pre-hire agreement is binding throughout its term and may not be repudiated unless the union is decertified by a vote of the employees. Under the unions' interpretation of S. 492, however, construction companies would be required to continue to deal with the union after the expiration of the pre-hire agreement, even though the union never established that it represents the employees of that company. Thus, under the unions' interpretation, S. 492 would change "pre-hire agreements" from voluntary relationships permitted by Congress since 1959 into compulsory relationships required by Congress.

The bill would also greatly expand the opportunities for unions to picket construction employers. While one may debate semantics, the bill's overly broad, all-encompassing definition of "single employer" would put in place the concepts of "common situs" picketing. The bill would allow a union to picket a business entity sharing any direct or indirect common control on a construction site with the contractor subject to the primary dispute. Thus, the control typically exerted by general contractors or construction managers, could impose "single employer" status on subcontractors on any construction site and, thus, enmesh once neutral employers in each other's labor disputes—a form of "common situs" picketing. Also, because single employer picketing is lawful wherever the single employer is doing business, those formerly separate contractors then would be subject to "multi-situs" picketing.

The bill's definition of "single employer" would modify each remaining section of the National Labor Relations Act, including its secondary boycott provisions. The bill would sweep previously separate, legally independent contractors within the expanded definition of "single employer," thereby removing their secondary boycott protections and subjecting them to picketing.

I am aware that the language of the companion bill in the House, H.R. 281, has been modified somewhat, from that which is contained in S. 492. However, we do not believe that these changes substantially alter the effect of this legislation.

Further, since collective bargaining agreements would be automatically applied by operation of law to some open shop operations, the bill also would eliminate the nonunion construction worker's freedom to choose whether to be represented by a union, or by which union. The result is compulsory unionism. In many cases, these employees would be required to join unions as a condition of their employment. Even in Right-to-Work states, collective bargaining agreements could force a nonunion construction worker to seek job referrals through a union hiring hall.

In addition, this bill would seriously impact the ability of United States industry to compete in the world marketplace. The cost of construction is a major component in the total cost of manufactured goods. Construction users, the customers of contractors, should have available to them a full range of construction services in order to obtain the maximum return for their construction dollar. This bill would limit full access to these services. The many users of construction who are opposed to this bill can better advise you on how it will impact on their costs, and I will not go into it here. However, it would be counter-productive to deny this flexibility to these customers of construction services at a time when they are struggling to combat foreign competition.

Finally, I would like to make some comments concerning the practice of double breasting itself. I have heard it said that this bill is intended only to prevent companies from setting up "sham" shadow corporations to evade their collective bargaining agreements. In the May 23, 1987 issue of the AFL-CIO News, it was stated:

". . . union construction firms across the country have been evading federal labor laws and the term of their union contracts by the practice of double-breasting: setting up non-union alter-egos.

"These phoney companies drain work away from the union operations and undermine the wages and benefits that construction workers have gained over the years."

If this bill were limited to the companies described above, I would not be here before you today. We do not engage in such practices, nor do we condone them. The bill goes much farther than that, however. It would reach companies such as those in the CBI family and many others of the most respected companies in the construction industry. For nearly a century CBI has built a reputation for outstanding service. We have worked with construction unions successfully for decades. We did not become a double breasted company in order to evade our collective bargaining agreements. We operate the way we do because we wish to maintain a relationship with the unions, not to avoid them. To the best of my knowledge, the other major double breasted contractors with whom we deal, and with whom we compete, operate in a legitimate manner in accordance with well established legal principles. I know that CBI does.

It is most distressing to be portrayed as an organization that has created phony and sham corporations, but this is exactly how this bill would treat us. A dual shop operation is not immoral, it is not unethical, it is not unfair. It is a legitimate response to a fact of life in the construction industry. There are two construction markets, and there is no legitimate reason why companies should not be permitted to compete in both of them.

I previously stated that if this bill were to become law, we would be forced to make a difficult choice. I do not believe that any choice we make would be of any benefit to the unions with whom we have contracts. If we were to lose our open shop operations, that work would not be taken over by our union company—it would go elsewhere, to other open shop companies. On the other hand, if we were to lose our union operation, the unions would be deprived of yet another union contractor. Why the unions believe this bill would benefit them, I do not know. I do know that it would definitely harm our companies and their employees.

THE HIGH-SPEED INTERCITY RAIL TRANSPORTATION BOND FINANCING ACT OF 1987

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. PEPPER. Mr. Speaker, today I am introducing legislation that will allow tax-exempt bonds to be issued by State governments to help finance high-speed passenger rail systems to be operated by private companies along heavily traveled corridors within the United States starting during the mid-1990's.

Proceeds of the sale of the tax-exempt bonds would be used for acquiring public rights-of-way and rail equipment, and for the costs of constructing the fixed-rail systems. Franchisees would repay the bonds over time based on farebox revenues necessarily supplemented, as an example, by proceeds from real estate development along the right-of-way.

Relatively minor amendments to the tax-exempt bond provisions of the Internal Revenue Code are needed to make such high-speed rail projects possible, similar to the provisions adopted last year for public airport and seaport development.

This legislation is cosponsored by all members of the Florida congressional delegation: EARL HUTTO, BILL GRANT, CHARLES BENNETT, BILL CHAPPELL, JR., BILL MCCOLLUM, BUDDY MACKAY, SAM GIBBONS, BILL YOUNG, MICHAEL BILIRAKIS, ANDY IRELAND, BILL NELSON, TOM LEWIS, CONNIE MACK, DANIEL MICA, CLAY SHAW, JR., LAWRENCE SMITH, WILLIAM LEHMAN, and DANTE FASCELL. It is identical to S. 1245, introduced by Senators CHILES and GRAHAM on May 20, and referred to the Committee on Finance.

Under this proposal, the United States would benefit from and could improve upon the modern-day rail technology that has been highly successful in other countries: Japan's "bullet train" since 1964 has carried 3 billion passengers in revenue service at average speeds over 100 miles per hour without a single fatality; France's Tres Grande Vitesse [TGV] has operated for 5 years between Paris and Lyon at speeds approaching 170 miles per hour; and the magnetic levitation system, maglev, currently being test operated by the Japanese and the West Germans, promises speeds approaching 300 miles per hour or more.

In contrast, the fastest passenger rail service within the United States is Amtrak's Metroliner averaging 80 miles per hour between Washinton, DC, and New York and only 50 miles per hour between New York and Boston.

Apart from the technology, high-speed rail systems developed jointly by public and private initiatives can provide numerous benefits to our Nation:

1. BALANCED TRANSPORTATION SYSTEM

High-speed rail can supplement already congested highways and airports for short- and medium-haul passenger transportation in high density corridors, using available right-of-ways to eliminate traffic jams and without the adverse impacts of weather conditions that delay flights and hamper travel on highways. Japan's Shinkansen (bullet train) has a 95-percent on-time performance history, as compared with United States commercial aviation's currently lackluster record.

2. EXPANDED INFRASTRUCTURE WITHOUT FEDERAL GRANTS

The public/private partnership of high-speed rail can provide lower cost alternatives to adding ever more lanes of highways between urbanized areas without resort to direct Federal grants-in-aid. To the extent that high-speed rail capacity substitutes for highway lane-miles or additional runways that aren't constructed, there would be no additional cost to Treasury resulting from the enactment of this legislation since those projects already are eligible for tax-exempt financing.

3. ENVIRONMENTAL PROTECTION ASSURED

Adverse environmental impacts of high-speed rail are less than for highways and airports; growth patterns particularly can be focused and controlled by State actions. High-speed rail offers energy savings over alternative transportation modes as well as improved safety and system efficiency.

My own State of Florida, which is the third fastest growing State in the Nation, has pioneered in efforts to develop high-speed rail's potential for meeting passenger travel needs in its heavily traveled Miami-Orlando-Tampa corridor, and possibly expanding to other sections of the State as well. A consultant's study in 1983 indicated that there would be a considerable market in that corridor in the year 2000 for high-speed rail and that, based on an average 160 mph technology, 8 station/16 train per day scenario, revenue from system operations could cover 100 percent of operations costs and up to 40 percent of capital costs.

Thereafter, legislation enacted in the State in 1984 authorized a state-of-the-art high-speed rail system to be provided through private sector initiative. A private/public partnership was created through which the State of Florida's High Speed Rail Transportation Commission would grant a franchise to a private operator to construct a high-speed rail system using public rights-of-way and corridor development rights to support major capital financing.

The legislation I and my colleagues are introducing today is essential if the Florida project is to succeed on schedule. The commission in January 1987 issued its request for proposals to several private consortiums that had been organized to compete for the State's high-speed rail franchise of approximately 325 miles.

Proposals are being prepared by those potential franchisees in response to the RFP for reply to the commission in 1988. Those likely applicants, each of which may expend $12 to $15 million in preparing its own proposal, need to determine during this year whether the 100th Congress will make tax-exempt bond financing available for this project, similar to that available for airport and port development. Given the size of the Florida project and the many uncertainties in the process, some applicants—and their technologies—likely will drop out if tax-exempt bond financing for high-speed rail will not be possible under Federal tax laws.

The text of the legislation we are introducing and a section-by-section description of the exceptions from the Tax Code that are needed follows:

SECTION-BY-SECTION ANALYSIS OF LEGISLATION

SECTION 1.—SHORT TITLE; AMENDMENT TO 1986 CODE

The bill, an amendment to the Internal Revenue Code of 1986, may be cited as the "High-Speed Intercity Rail Transportation Bond Financing Act of 1987."

As such, the title makes clear that the bill's intent is to establish an additional but narrowly-defined category of State (or local governmental) securities for transportation projects the interest on which would be tax-exempt from Federal income taxes under the new Internal Revenue Code of 1986 because the advanced technology rail systems being made eligible would provide needed public transportation infrastructure for the 1990's and thus further the public interest.

SECTION 2.—DECLARATION OF POLICY

The legislation proposes four Congressional findings in its declaration of policy: (1) that the development of high-speed intercity rail transportation systems within certain high-density traffic corridors in the United States is in the public interest and that high-speed intercity rail facilities generally should be treated the same under the tax-exempt bond sections of the Internal Revenue Code of 1986 as highway, airport, and port facilities; (2) to the extent that high-speed intercity rail facilities would be constructed in lieu of increased capacity in other modes of transportation, there would be no increased cost to the United States Treasury from the issuance of tax-exempt bonds for that purpose but only a substitution of one type of tax-exempt bond for another; (3) partnerships of State or local public agencies and private corporations to achieve, without reliance upon Federal grant funds, infrastructure projects of benefit to the public, such as high-speed intercity rail systems, are to be encouraged and are in the public interest; and (4) development within the United States of state-of-the-art technologies, such as high-speed intercity rail systems operating at speeds between 120 and 300 miles per hour, helps assure the Nation's continued competitiveness with other countries.

SECTION 3.—HIGH-SPEED RAIL AS CATEGORY OF "EXEMPT FACILITY" BOND

Section 3 of the legislation would amend several subsections of section 142 of the Internal Revenue Code. Section 142 established exceptions to the general rule of section 103(b) that interest on bonds issued by State or local governments will be taxable if there is substantial participation in the project by the private sector ("nongovernmental persons").

Subsection (a) would add "high-speed intercity rail facilities" to the list of exempt facilities that could be financed with tax-exempt securities issued by State governments under section 142(a) where there is a public/private partnership arrangement. (Airports, docks and wharves and mass commuting facilities are already exempted under current law for similar public policy reasons.)

Subsection (b) adopts current law and would apply to high-speed rail projects the same limitations the 99th Congress applied to airports, ports and mass transit as to which development projects connected with the transportation function could not be financed with tax-exempt securities.

Thus, high-speed intercity rail projects could be financed with tax-exempt debt under the legislation except for hotels, retail facilities in excess of the size needed for passengers and employees at the facility, certain office buildings, and industrial parks and manufacturing facilities. These facilities could be financed only with taxable securities.

Subsection (c) places statutory limits on the scope of the new category of exempt facility bonds for high-speed rail projects, with additional detail to be included in any implementing Treasury regulations. "High-speed intercity rail facilities" would include all facilities (including rolling stock/trains) for transporting passengers and their baggage between metropolitan areas provided that (1) advanced modern technology is to be used (rail speed above 120 mph in normal operation); and (2) the project would be open to use by the general public.

SECTION 4.—EXCEPTION FROM APPLICATION OF STATE VOLUME CAP

The legislation would amend section 146(g) of the Internal Revenue Code to provide that high-speed intercity rail facilities would be excepted from the dollar limitation on volume of public/private partnership bonds that Congress established for most such bonds last year.

This exception would be identical to current law treatment for airport and seaport bonds. According to the legislative history of the Tax Reform Act of 1986, Congress was convinced that certain transportation facilities benefit a geographically broader area than could be appropriately identified for purposes of a State volume cap allocation. Further, certain transportation projects that are needed in response to population/tourist growth might be successfully opposed by local interests if most of a State's already limited volume cap had to be negotiated and set aside for a few essential but relatively controversial transportation projects.

SECTION 5.—LAND ACQUISITION FOR HIGH-SPEED RAIL PROJECTS

As a general rule, not more than 25% of the proceeds of a tax exempt bond issue may be expended directly or indirectly for land acquisition. The legislation amends section 147(c) of the Internal Revenue Code to exempt high-speed intercity rail projects from the 25% test for the same reasons Congress has currently exempted airports, ports and mass commuting facilities. Advance acquisition of land for important transportation purposes (or environmental purposes) is both necessary and difficult. Congress should facilitate advance acquisition of rights-of-way for high-speed rail transportation for the same reasons.

SECTION 6.—EFFECTIVE DATE

This Act will not apply to bonds issued prior to October 1, 1991. Thus there could be no adverse revenue impact to the Treasury between the date of enactment and the end of FY 1991, at a minimum.

BUILDING A BETTER FOUNDATION

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. DOWNEY of New York. Mr. Speaker, there is no doubt in my mind that if we were ever to compile all of the speeches, essays, and treaties ever written on the subject of arms control, we would have more paper than even Oliver North could shred. Why then, do I bring the following speech to the attention of my colleagues here in the House?

Now and then one of us here in Washington delivers an address that so clearly crystalizes the nature of a debate that it immediately rises to the top of that tremendous pile of paper. My good friend, Senator ALBERT GORE, recently delivered such a speech on the prevention of war and the principles of peace. Senator GORE and I have spent many hours together discussing this issue, and it is my privilege to submit his comments for inclusion in the RECORD.

I urge all of my colleagues to carefully study the Senator's words and to consider the recommendations he has made. We can all benefit from them.

THE PREVENTION OF WAR AND THE PRINCIPLES OF PEACE

(By Senator Albert Gore, Jr.)

(Speech before International Physicians for the Prevention of Nuclear War, Moscow, May 29, 1987)

I would like to thank the International Physicians for the Prevention of Nuclear War for inviting me to this Seventh Annual Congress. I welcome the opportunity to help focus world attention on the most important issue of our time: the prevention of nuclear war.

My own efforts to address this problem date back to an incident almost seven years ago, when I happened to ask a large group of young students in my home state of Tennessee whether or not they expected to see a nuclear war in their lifetime. To my surprise, nearly every student raised a hand. I then asked the same group whether or not they believed that there was much we could do to change that outcome. And out of five hundred students, only two or three of them raised their hands.

That day, I saw the verdict on our future from a generation which, like my own, has never known a world without the threat of nuclear war. I realized that whatever else we do in our lifetimes, we must somehow reverse that verdict—and enable our children and grandchildren to face the future with hope, not despair.

The International Physicians for the Prevention of Nuclear War are contributing to this same goal by reminding us of the grotesque medical and human consequences of a nuclear war. It is a necessary message, because in time of peace, war can too easily become an intellectual abstraction. The more awful its effects, the harder it is to keep them constantly in mind.

In ancient mythology, Medusa's fearsome visage turned to stone all who gazed upon it. In her presence they stood, some with swords lifted, motionless, thoughtless, frozen in place. In our time and place, the fearsome image of nuclear war, indeed the very phrase itself, hardens our sensitivity to its true nature. Some are left frozen, as shadows on concrete, with arms raised for incompleted actions.

Others, to avoid this fate, obscure the horror of nuclear war with a cloud of geopolitical and strategic analysis that makes it possible for them to think of nuclear war as limited, controllable, or survivable. But we must seek to understand nuclear war for what it would truly mean in human terms, and then prevent it from ever taking place.

In this same sense, your organization's name is well chosen. As a medical prescription for how to respond to the prospect of nuclear war, "prevention" makes far more sense than an effort at "survival," which in the event of a nuclear war, would be a delusion for most and a nightmare for the rest. As a political strategy, "prevention" also requires far more thought and action than mere "avoidance," which, like "survival," may in this case be a mere delusion, particularly for strong nations with sometimes conflicting interests.

In this century, we have had some very hard lessons about the difficulty of preventing war with words alone. At the conclusion of the First World War, nations set out to prevent any other such conflict by formally renouncing warfare. But the experience of the 1930's shows that theoretical condemnation of war cannot assure peace. In 1945 the wartime Allies recognized that peace would depend upon concerted action among nations: action to assure economic growth around the world; and collective action in response to aggression.

This was the basis upon which the United Nations was created. Tragically, however, the hope that wartime alliance would carry over into peacetime cooperation failed. We have, as a result, learned to live in a world both spiritually and physically divided; with powerful armed alliances organized around those divisions. Even during the darkest times, there has always been the hope that peaceful cooperation might someday prevail over the threat of war.

Yet, throughout the nuclear age, although the two superpowers have agreed that arms control was necessary, a method to halt the arms race has always eluded us. Now, that era may be ending. The Reykjavik summit failed to produce agreement because both sides made proposals that were too ambitious and were founded on different premises. Nevertheless, Reykjavik raised hopes that something more than cynicism might be at work. While the meeting was not a diplomatic success, it may have been a psychological breakthrough. For once, both sides seemed to share a powerful desire to deal with the nuclear problem at its core, rather than at the margins.

Little time remains if a significant strategic agreement is to be reached while the current administration is in office in the United States. But there is time enough. Some argue that a final 18 months of his term is a period of decline for any president, and that any effort expended in reaching a major agreement during this period is wasted. I do not agree. It would be a profound mistake for the Soviet Union to act on such assumptions. The government of the United States desires progress and, in my opinion, the United States would welcome the chance to ratify a good, comprehensive and verifiable treaty next year.

Meanwhile, although agreement on strategic weapons and new defenses remains an elusive prospect, the Reykjavik impetus has carried over into the discussion of nuclear weapons in Europe. Both sides now seem close to agreement on the nearly complete abolition of two whole classes of ballistic missiles from the European continent.

Such an agreement would not address the far more important dilemma of strategic weapons and defensive systems. But the elimination of U.S. and Soviet long range and short range intermediate nuclear forces would be a military and political event of considerable importance.

Precisely because their ramifications would be so dramatic, these proposals arouse almost as much anxiety in some quarters as they inspire hope in others. It is important for us to examine why.

In the face of insecurity, the normal human instinct has always been to arm; and having armed, more often than not, to fight. Until the present era, only moralists and visionaries have urged another path—to control arms, and to avoid armed conflict rather than invite it. Now, because of the horrific consequences of nuclear war, many enlightened statesmen have come to share the same view.

And yet, this unprecedented approach to the conduct of international life carries dangers of its own. We have, after all learned how to manage the present system with reasonable success. An ill-conceived or poorly executed transition to some other system, no matter how noble or attractive, could lead to disaster.

To be specific, many Europeans and some Americans share profound misgivings about the sudden elimination of intermediate range missiles because they recognize that this step may represent part of a process which is intended to lead to the abolition of all nuclear weapons on the European continent. And while that may seem entirely agreeable to many people, to others whose desire for peace is equally sincere, it is alarming to speak of the piecemeal disassembly of the existing balance of military power, in the absence of some general notion of where this process is supposed to lead, and at a time when the political context for such sweeping change does not yet fully exist.

There seems to be a very good chance that the current negotiations will end successfully, despite these misgivings. I hope that is the case. Beyond that point, however, progress is likely to become more rather than less difficult—unless we begin to prepare a better foundation than we now have.

Therefore, I would like to propose, for your consideration, some specific steps toward a single unifying goal which might serve as that foundation: the prevention of all war between nuclear powers.

The prevention of nuclear war, while a moral imperative and a medical necessity, is not enough. Our goal must be larger still: the prevention of any war between nuclear powers.

The unprecedented horror of nuclear war, and its unique potential for ending human civilization, seem on the surface to justify an undiluted focus on its prevention as our highest and only authority.

But if efforts to make nuclear war impossible serve to increase fears of conventional aggression, then it is not enough to say that a conventional war is a lesser concern.

It was, after all, the fear of conventional war, with its own horrors, which led to much of the current nuclear strategy of both superpowers. It may well be impossible, therefore, to prevent nuclear war without a plan to prevent war of any kind between nuclear powers.

Ironically, U.S. and Soviet military leaders have understood this principle better than most, and have made great efforts to avoid the possibility of any military conflict between the superpowers. The result has been an unusually long absence of world war. Once again, however, avoidance is less demanding than prevention. Our military forces have managed to avoid open conflict with each other, but we have failed on both sides to prevent a worsening of those factors which generate fear, increase tensions, drive the arms race forward, poison the underlying relationship, and increase the risk of a major conflict.

If we are really interested in actively preventing war, we must attend to all these factors. As a way to begin, I want to propose five specific steps:

(1) Make it impossible for either the Soviet Union or the United States to gain any advantage whatsoever from a nuclear first strike. This will require close attention to the fear of a first strike, even though neither superpower intends to launch one. The essential task is to create a more stable relationship between the nuclear arsenals through arms control and through the replacement of destabilizing weapons with ones that are less vulnerable and better suited for deterrence.

(2) Reduce the fear of a conventional surprise attack by making it impossible to mass forces quickly near the border between the Warsaw Pact and NATO. This will require greater use of conventional arms control to reduce the numbers of soldiers and tanks on both sides in proportion to the unequal offensive threat each now poses to the other. And in the process we must conclude a verifiable agreement to ban all chemical weapons.

(3) Increase the feasibility and usefulness of arms control itself and improve the political prospects for the new arms control agreements we will need in the future by forthrightly settling the current corrosive disputes over compliance with existing agreements. For starters, both superpowers should agree that telemetry data should be made fully accessible now, even in the absence of a formal new agreement on strategic weapons. In addition, defenders of the Anti-Ballistic Missile Treaty in both the United States and the Soviet Union would find their task a lot easier if the Krasnoyarsk radar was dismantled.

(4) Reduce the tensions generated outside of Europe in potential flashpoints around the world. These tensions always directly affect the bilateral relationship. The ongoing war in Afghanistan, for example, certainly feeds fear of a Soviet grand design aimed at the Persian Gulf, which in turn makes nuclear arms control more difficult. Lowering the tensions in this region is also necessary for a successful effort to prevent nuclear proliferation.

(5) Improve the underlying relationship between the United States and the Soviet Union by bringing more candor to an open

discussion about our basic philosophical differences. Ultimately, our conflict is not about borders or resources but about values and ideas, the nature of society and the natural rights of humankind. How we deal with these questions will have a profound effect on how well we can deal with all of the other issues which confront us.

From the American standpoint, a new epoch cannot look just like the old one. Under the terms of the Helsinki Accords, for example, all signatories recognized as an international obligation the need to respect certain individual rights, including the right to leave one country for another. Of what use is this agreement, if those who embrace it are treated as turncoats, criminals, and even mistreated falsely as psychiatric cases?

I am not here to say that all arms control must await solutions to all these problems. But I do believe that the rate at which we can expect progress in arms control is bound to be influenced very strongly by such matters, and for good reason.

All five of these steps are essential if we are to create a coherent strategy for preventing war between the United States and the Soviet Union.

Our common enemy is fear in many guises: fear of a first strike, fear of conventional attack, fear of trickery and deceit, fear of the unknown, fear of domination by another. All of these must be addressed, but the most potent fears must be dealt with first.

There are many possibilities for improvement in the U.S.-Soviet relationship, but we will not pay full attention to them so long as we are fearful of a nuclear first strike.

Both nations were victims of a surprise attack early in World War II. Both nations fear the possibility of conventional as well as a nuclear attack. However rational or irrational these respective fears may be, they are not easily dispelled.

For its part, the United States looks upon Soviet heavy ICBMs as a direct threat to its land-based deterrent. Never mind that such an attack is implausible. Mortal fear can be partly rational and partly irrational—or to use Lenin's terms: partly objective and partly subjective. And so long as even a tiny portion of it is objective, no appeal to reason will dispel the rest of the fear. In truth, we must be doctors to each other's fears and seek to dispel them by removing any rational basis for them.

Only recently has the Soviet government even indirectly acknowledged the need to address these concerns in a reductions agreement. But we have yet to see any specific details.

It is worth noting that the Strategic Defense Initiative was created primarily as a response to the fear of a Soviet first strike. In an irony characteristic of first strike fears, SDI has itself become the cause of the same fear on the Soviet side.

These fears, however, can be dealt with. It is perfectly possible to restructure the relationship between the arsenals to eliminate any conceivable first strike advantage. But reductions alone are insufficient. The pattern of reductions must be carefully designed to address the nature of each side's forces—not just the number—in order to achieve a strategic balance. And the substitution of a single-warhead, mobile missiles for some of the remaining multiple-warhead, silo-based missiles, can make that outcome much easier to obtain.

Of course, we know that peace involves more than the weapons of war. Even if we cut the number of weapons in half, made ever prudent changes to assure a mutually stable balance, and then cut them in half again, we would still be left with two political systems in competition, with sharply differing views on many issues.

The relationship between the United States and the Soviet Union is a matter of basic difference and profound dangers. We differ with the Soviet Union about the destiny of man, the meaning of power, and the proper limits of the state. We understand that Soviet citizens are proud of their revolution. In this 200th year of our Constitution, we Americans believe more deeply than ever in the moral and political achievements of our revolution which our Constitution codified and expanded.

Those are the roots of our disagreement. Yet our differences with the Soviet Union must be the beginning of the matter, not the end. We must frankly discuss the nature of mankind's future as well as act to assure it.

The only stable world I can picture is a world not only of nuclear peace, but of social justice and individual freedom. We cannot postpone our quest for nuclear peace. But Andrei Sakharov is right: "The preservation of peace is indissolubly linked to the openness of society and the observance of human rights." As we move forward, my country will strive for a future of human freedom as well as world peace.

With all our differences, we have much more in common. We love our children. We love this earth. We want to live.

Both of our nations are being drained by the expenses of continuing this deadly conflict. We both have allies with economies that are outperforming our own.

We both know that unless the arms race is controlled, it will soon take a turn for the worse, with even greater expenses and greater risk.

Above all, peace demands that the two superpowers agree to give the world a fresh start. Next week, America and its allies will commemorate the 40th anniversary of the Marshall Plan, our response as we stood amid the ashes of Hiroshima and Auschwitz to face a new and frightening dawn. Nothing can change what has happened since the last world war. But I hope we can celebrate this anniversary with renewed confidence that we shall soon see significant arms agreements to keep the threat of another war away from Europe's door.

As we struggle to make out a path through this uncertain time, I believe that this meeting has more than symbolic importance. As physicians and scientists, you see as clearly as anyone the urgent need to work together to secure the health of nations and of humanity.

And we all know that the answer does not lie in new weapons or new technology. It lies within ourselves.

Within the past year and a half, the United States and the Soviet Union have experienced two seemingly unrelated technological disasters: the explosion of the Space Shuttle Challenger and the nuclear accident at Chernobyl. In each case, clear warnings were not heeded. Alarm bells rang, but no one responded until it was too late. In each case, faith and hope in technology itself blinded us to obvious risks. Both accidents reflect a technological hubris characteristic of our age.

These incidents should leave us wary of our own limits, and remind us that technology can never be relied upon by itself to solve our fundamental problems.

In a supreme competition in technological hubris, we have now created tens of thousands of nuclear weapons and complicated delivery systems. We rely on these weapons to keep the peace and prevent war.

Has anyone heard any alarms? Will we heed them this time? Or will we, like Medusa's victims, remain motionless and unable to act?

"War is an old habit," the American author Herman Wouk once wrote, "that must now pass as human sacrifice and human slavery have passed." Our task is to accelerate the maturing of civilization through a critical stage. Our strategy must be to prevent war, deal with our fears and create what every child born in the United States, the Soviet Union and the rest of the world deserves: a future with hope.

Thank you.

RUSSIA'S SECRET "RED SHIELD"

HON. SONNY CALLAHAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. CALLAHAN. Mr. Speaker, I stand before you today to present an article that I feel will be of great interest to you and our colleagues. The subject matter is of a delicate nature, yet it warrants our immediate consideration. With the ever-present threat of nuclear war, I feel we should remain well informed as to the state of Soviet offensive and defensive strategic updates and innovations. The text of this article, which appeared in Reader's Digest and was presented to me by my constituent, Mr. Glen Cobb of Mobile, reveals significant evidence of the Soviet Union's unyielding advances in their "Red Shield," or antiballistic missile defense system. I trust that my fellow Members will find this article as thought provoking as I have, and hence my appeal for its inclusion in the RECORD.

RUSSIA'S SECRET "RED SHIELD"

(By Ralph Kinney Bennett)

When President Ronald Reagan made his famous "Star Wars" speech in March 1983, suggesting that the United States explore a defense against intercontinental-ballistic missiles (ICBMs), a great cry of anguish rose from the Soviet Union.

An "Appeal to the Scientists of the World," condemning Reagan's Strategic Defense Initiative (SDI), soon appeared in *Pravda*, and as a paid advertisement in the New York *Times*. It was signed by more than 200 members of the "Committee of Soviet Scientists in Defense of Peace and Against Nuclear War," headed by Ye. P. Velikhov.

Central Intelligence Agency analysts identified many of the signers as scientists involved in Russia's own secrecy-shrouded anti-ballistic missile (ABM) program, which has been under way for more than two decades. Velikhov himself is a former director of the Institute of Atomic Energy Laboratories at Troitsk, and a leader in Soviet military high-energy laser research. Other scientists protesting SDI turned out to be the developers of Russia's various ABM systems as well as its ICBMs and other strategic weapons. Kremlin orchestration of this in-defense-of-peace propaganda ploy was evidence that in broaching the idea of a defense against ballistic missiles, Reagan had struck a nerve.

In fact, Star Wars represents the first real challenge to the most ominous strategic development of the decade: a growing Soviet nuclear first-strike capability combined with its own "Red Shield," a ballistic-missile-defense system covering the entire U.S.S.R. While Star Wars remains largely theory, with experimental testing, Red Shield is an emerging operational reality. Its main elements:

Completion by next year of a modernized 100-launcher ABM system around Moscow.

Production of a new generation of ABM interceptor rockets and associated radars.

Continued upgrading of and new construction on a nationwide network of long-range detection and battle-management radars of unparalleled size and power.

Intensive work on "beam weapons" and other advanced technologies, including testing of laser weapons.

The Soviets are pouring an estimated $10 billion a year into Red Shield, from ABM test ranges at Kamchatka and Sary-Shagan to such top-secret research and production facilities as those at Semipalatinsk, Troitsk, Golovino, Krasnoarmeysk and Azgir. Russia already bristles with about 12,000 surface-to-air missile (SAM) launchers—many of them with ABM capability (there are no SAMs defending the United States). These SAMs are tied into a network of 10,000 air-defense radars (the United States has 118). Says one of our government's top Soviet experts: "ABM is the natural culmination of the Soviets' long-term commitment to 'defend the Motherland'—regardless of cost, regardless of treaties, regardless of any Western niceties about mutual destruction or mutual vulnerability being the best way to prevent war."

TOTALLY DEFENSELESS

In the 1972 ABM treaty, the United States and the Soviet Union agreed not to build any nationwide networks of ABMs. Instead, each side would rely on the overwhelming power of its ICBMs as a deterrent to nuclear war. Placing its faith entirely in this "balance of terror," the United States dismantled its embryonic ABM system and left itself totally defenseless against ICBMs.

The Soviets were not about to be left in the same position. Defense Minister Marshall Andrei Grechko assured the Soviet Presidium in 1972 that the ABM treaty "places no limitations whatsoever on conducting research and experimental work directed toward solving the problem of defending the country from nuclear-missile strikes."

A vigorous improvement of the already existing ABM ring around Moscow was begun. Design bureaus set to work on new missiles to intercept ICBM warheads. And, in specific violation of the treaty, the Soviets undertook extensive tests to upgrade their already formidable arsenal of SAMs and air-defense radars so they could shoot down warheads.

Although the United States detected the Soviet ABM activity shortly after the treaty was signed, hopes for preserving the agreement reduced Washington reaction to occasional public hand-wringing and secret diplomatic scoldings at arms-control sessions. When former U.S. Defense Secretary Melvin Laird warned "the Russians are cheating" in a December 1977 Reader's Digest article, his charges were met with anger in our State Department as well as the Kremlin. Frank Gaffney, Deputy Assistant Secretary of Defense for Nuclear Forces and Arms Control Policy, admits: "It is now unmistakably clear that the U.S.S.R. *never* embraced the notion of mutual vulnerability; rather it adheres to strategic defense as a desirable complement to strategic offensive forces."

Here, drawn from sensitive intelligence sources, is a closer look at the fruit of more than two decades of Soviet work on Red Shield.

ROCKETS AND RADAR

In the forests outside Moscow lie six heavily guarded complexes: the keystone of Red Shield. Garrisoned by special troops of the PVO, Soviet air-defense forces, these installations contain a total of 100 underground silos, which are believed to be reloadable.

Beneath the sliding concrete lids of these silos are SH-4s and SH-8s, two of the fastest rockets in the world. The SH-4 is capable of intercepting warheads at the threshold of space. The SH-8 is a backup interceptor that reportedly can accelerate to over 11,000 m.p.h. in a matter of seconds to hit warheads the SH-4 has missed.

The rockets are served by engagement radars—dubbed "Flat Twins"—that can detect warheads coming into the ABMs' range, and guidance radars—called "Pawn Shops"—that direct the ABMs to their specific targets. Both were tested extensively, engaging Soviet warheads over the Sary-Shagan missile test range. These radars, in turn, receive their "orders" from a huge radar system housed in a 110-foot-high truncated pyramid in the Moscow suburb of Pushkino.

This is a large phased-array radar (LPAR), a complex of thousands of small, powerful radars driven by a high-speed computer. It can track large numbers of speeding warheads, sort out harmless decoys, and delegate interception assignments to the smaller ABM radars around the system. In a threatening development earlier this year, U.S. intelligence discovered that SA-5 SAMs, of which there are more than a thousand in the Moscow area, have also been linked into the Pushkino radar, indicating their ABM capability.

U.S. worries over a rapidly deployable Soviet ABM system—a "breakout" from the ABM treaty—were heightened when our satellites observed the transport and set-up of a Flat Twin at Sary-Shagan in 25 days.

Flat Twins and Pawn Shops are now in production and are presumably being stockplied or secretly pre-positioned under cover in various parts of the country. Now the Soviets are beginning to deploy a completely mobile SAM—the SA-12—with a definite ABM capability. Comprising several tracked vehicles, including one with a small, powerful PAR called "Grill Pan," and others carrying launch tubes, this system has already engaged and destroyed a ballistic-missile warhead in a test. A secret report on arms-treaty violations says the SA-12 "could have a significant autonomous capability to defend a small area" against strategic ballistic-missile warheads.

These developments in ABM missiles and supporting radars are all the more ominous because of the appearance at key points in the Soviet Union of LPARs. These huge installations—each of which would dwarf the U.S. Capitol—provide long-range detection and precise assessment of the size of an ICBM attack.

ZAPPING SATELLITES

Nowhere is the depth of Soviet commitment to ballistic-missile defense seen more clearly than in the amount of manpower and money devoted to the more exotic technologies, especially space-based "beam" weaponry. While the United States is still studying whether such futuristic weapons are feasible, the Soviets are building them. They are spending an estimated $1 billion a year on laser weapons alone—a program involving more than 10,000 scientists and engineers. They have already built several ground-based lasers at Sary-Shagan and near Moscow, one of which U.S. officials believe is powerful enough to damage sensors on some of our spy satellites.

The Soviets are now preparing components for a laser weapon to be launched into orbit. The ability of such a weapon to track a missile in flight was successfully tested in 1981 from the Salyut manned space station, ostensibly involved in peaceful space research.

The problem of lofting into space the tremendous power-generating capacity needed for beam weapons has also been attacked with vigor by the Russians. They have developed a compact rocket-driven generator that produces more than 15 megawatts of electrical power—a device, says the Defense Department, "that has no counterpart in the West."

In addition, the Soviets are developing radio-frequency weapons—with the potential to disable the electrical components inside an attacking warhead—and particle-beam weapons. The Pentagon believes the Soviets may orbit a particle-beam gun sometime in the 1990s.

ATTACK WITHOUT FEAR

Since the United States has no defense against ICBMs and only a sadly deteriorated civil-defense system to protect its population, Red Shield enhances Russian's growing ability to launch a nuclear first-strike without fear of effective retaliation.

The Soviets already have enough "hard target" warheads to easily wipe out the backbone of America's deterrence—her 1000 Minuteman ICBM silos. But a Red Shield, even if only partially effective, could give the Soviets the even greater assurance that they could blunt whatever reduced number of less-accurate and less-powerful warheads the United States could throw at them in a retaliatory attack.

The ever-growing momentum of Red Shield has stripped the ABM treaty of whatever vestigial pretensions it may once have had as a preserver of peace. The record is clear; neither treaty nor entreaty has ever served to stop a Soviet military program. The one effective response to Red Shield is for the United States to move immediately toward building its own ballistic-missile defense. As to the old fraud of a "balance of terror," President Reagan dismissed it with a single burning question: "Would it not be better to save lives than to avenge them?"

GOVERNMENT OF JAPAN IMPLICATED IN INDUSTRIAL ESPIONAGE

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mrs. BENTLEY. Mr. Speaker, on May 29, 1987, a Japanese Newspaper, the Daily Yomiuri, reported details of the transfer by Toshiba Machine Co. to the Soviet Union of a machine on the restricted list. The report is shocking because it alleges the involvement of the Ministry of International Trade and Industry in facilitating industrial espionage by the Soviets. I attach the article for the information of Members.

MITI ROLE SEEN IN TOSHIBA CASE

Memos seized by the Metropolitan Police Department indicated that officials of the International Trade and Industry Ministry helped Toshiba Machine Co. skirt restrictions on exports to communist countries when the company sold sophisticated milling machines to the Soviet Union.

The MPD also learned that other MITI officials were wined and dined by the machine maker when the company was negotiating with the MITI over the exports.

The machines, exported between December 1982 and June 1983, were used by the Soviet Union to make low-noise submarine propellers that make it more difficult to track Soviet subs.

Police arrested two officials of Toshiba Machine Co. on Wednesday in connection with the case on charges of violating the Foreign Exchange and Trade Control Law. By exporting the four milling machines to the Soviets, Toshiba Machine is also suspected of violating the regulations of the Coordinating Committee for Export Control (COCOM), which limits high-tech exports to communist nations.

The memos seized by the MPD indicate that MITI officials recommended particular steps to be taken to get around restrictions of the COCOM regulations, the MPD said.

According to the police, officials belonging to MITI's Machinery and Information Industries Bureau were entertained aboard the floating hotel Scandinavia in a bay on Izu Peninsula, Shizuoka-ken, in 1981 when they visited the company's Numazu plant in Shizuoka-ken. The bureau is in charge of checking whether machine tools and other items violate COCOM regulations before exporters apply to the Export Division of MITI's International Trade Administration for permission to export.

Soviet technical experts dined with the MITI officials and Toshiba representatives on the same occasion, the MPD learned.

When Toshiba applied to MITI for permission to export the milling machines, it said they did not come under the COCOM regulations because they were of a primitive type having only two-pivot control. The Machinery and Information Industries Bureau subsequently issued Toshiba a certificate saying that the machines were not covered by the COCOM regulations.

KGB CONTACTS

On Thursday the MPD learned that KGB agents acting as trade officials proposed buying the Toshiba machine tools in 1979 when employees of the company were visiting the Soviet Union on business.

The Soviets were identified as I.A. Osipov, vice president of Techmashimport and A.P. Troitskiy, vice president of Prommashimport.

Osipov proposed the purchase and Troitskiy handled the detailed negotiations in working-level talks on the deal, the MPD said. Osipov was engaged in espionage activities in West Germany for four years beginning in 1963 and Troitskiy was expelled from Britain in 1971 for spying, it said.

JOHN D. DINGELL AND EDWARD J. MARKEY INTRODUCE LEGISLATION TO AUTHORIZE APPROPRIATIONS FOR THE SECURITIES AND EXCHANGE COMMISSION

HON. JOHN D. DINGELL

OF MICHIGAN

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. DINGELL. Mr. Speaker, today the gentleman from Massachusetts [Mr. MARKEY] and I are introducing legislation to authorize appropriations for the Securities and Exchange Commission in the amounts of $153.9 million for fiscal 1988, $169 million for fiscal 1989, and $181.1 million for fiscal 1990. We believe that these funds are fully justified given the Commission's mandate and its status as a net contributor to the U.S. Treasury.

The Commission collects fees for the filing of documents, for transactions on the stock exchanges and for certain other activities under its regulatory jurisdiction. All fee revenue is deposited into the general fund of the U.S. Treasury. In fiscal year 1986, the Commission collected fees amounting to 203 percent of its appropriated operating expenses. In fiscal year 1987, it expects that amount to be 195 percent.

The enormity of the Commission's mandate and the need for additional resources is illustrated by the fact that, since fiscal 1981:

Full disclosure filings by issuers have increased 35 percent. But pursuant to its system of "selective review," in 1986 the Division of Corporate Finance reviewed only 72 percent of first-time registration statements, only 17.1 percent of the annual reports, and 19.3 percent of the proxy statements.

The number of registered broker-dealers has increased 57 percent. There are currently 11,400 broker-dealer firms registered with the SEC, with over 15,300 branch offices and 357,000 registered representatives. The Commission, citing staff limitations, directly inspects only about 6 percent of all broker dealers each year and the number of "cause" examinations—where the SEC receives a tip or complaint or knows there is a significant problem—has shrunk from 523 in 1980 to 145 in 1986.

The number of registered investment companies and advisers has increased 86 percent, and the amount of assets under management has increased over 200 percent, to $800 billion. In 1986, the SEC staff reviewed only 675 of the 1,508 new investment company registrations and only 896 of the 5,806 amendments filed; 40 percent of the registrations received contained "material deficiencies." During 1986, the SEC completed inspections of only 1,263—only 13 percent—of the more than 9,000 active investment advisers, and only between 20 to 25 percent of those advisers targeted as presenting "higher risks" to clients.

The number of investors has increased 46 percent, and the number of shares traded on the New York Stock Exchange has increased 186 percent. Complaints to the SEC have increased 55 percent.

The SEC's current IBM mainframe computer is 17 years old, having been acquired as used equipment in 1980. The funds authorized would allow for replacement of this unit. We also anticipate funding for the Commission's electronic disclosure system, EDGAR, after examination of the actions taken or in planning by the SEC to comply with the recommendations of the General Accounting Office in its recent report, "ADP Acquisitions: SEC Needs To Resolve Key Issues Before Proceeding With Its EDGAR System (GAO/IMTEC-87-2; October 9, 1986)," as well as to address the concerns of this committee—Report 99-155, to accompany H.R. 1602, pages 8-10—and the Committee on Government Operations—Electronic Collection and Dissemination of Information by Federal Agencies: A Policy Overview, Report 99-560, April 29, 1986." Specific authorization for the SEC to proceed with the EDGAR operational system will not be granted until the committee is satisfied that the program is cost justified, useful, and soundly managed.

Accordingly, the bill would authorize to be appropriated to carry out the functions, powers, and duties of the Commission—other than EDGAR:

Fiscal year:	*Thousands*
1988	$133,900
1989	154,000
1990	171,100

And for the purpose of establishing and operating the EDGAR system:

Fiscal year:	*Thousands*
1988	20,000
1989	15,000
1990	10,000

The bill would require annual reports on the establishment and operation of EDGAR to be filed with the appropriate congressional committees. Finally, the bill would provide that none of the funds appropriated may be extended for salaries or expenses of the office referred to as the Directorate of Economic and Policy Analysis. This provision is proposed as a vehicle for review of the use of the Office of the Chief Economist and the work of the SEC economists to undermine the Commission's enforcement program. For example, "The SEC's Fight With Itself," Wall Street Journal, Thursday, March 19, 1987—editorial referring to a study entitled "Stock Trading Before the Announcement of Tender Offers: Insider Trading or Market Anticipation?"

Congress created the SEC in 1934 to serve the public interest by protecting investors and maintaining fair and orderly capital markets. Those markets are now global and possess a speed and complexity heretofore uncontemplated. It is in the national interest that we foster a strong SEC to keep our markets the strongest and fairest in the world, continuing to draw investment domestically and from abroad for American business and our long-term international competitiveness.

H.R. 2533

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. FRENZEL. Mr. Speaker, on rollcall No. 160, the passage of H.R. 2533, I did not vote because I was in a room in one of the House Office Buildings which has no signal device. Had I been present I would have voted aye.

H.R. 2533 was a simple request for information on our Persian Gulf activities. Opponents suggested that it was the equivalent of the Gulf of Tonkin Resolution. That interpretation, in my judgment, is an enormous exaggeration. House Joint Resolution—has neither the language nor the intent to be associated in any way with the Gulf of Tonkin Resolution.

I don't blame Members for being cautious. Nobody wants to be burned that way again. Nevertheless, as tightly drafted the resolution is neither a grant of authority, nor an interpretation in the foreign policy jurisdiction of the President. It should be interpreted at face value.

Mr. Speaker, I regret my inability to participate in the vote, and restate my support for H.R. 2533.

H.R. 281 POSES A CONSTITUTIONAL QUESTION

HON. ERNEST L. KONNYU

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. KONNYU. Mr. Speaker, recently there has been some discussion concerning the initial imperfections of the Constitution and its steady metemorphasis to the ideal. In view of the upcoming vote on H.R. 281, I see this concept as being particularly relevant.

Mr. Speaker, at this time I would like to insert in the RECORD an article by one of my constituents, James Eblen of Eblen Industries, Inc.:

WITH LIBERTY AND JUSTICE FOR ALL—A CIVIL RIGHTS ISSUE

(By James H. Eblen, Eblen Industries, Inc.)

A recent electronic poll on Channel 7 stated that 71% of all Americans believed that the title of this article is true. That it is true in these United States we do have Liberty and Justice for all. Do we?

We didn't in 1787 when the Constitution was written. Women didn't have the right to vote and all Blacks were slaves. Only landed gentry had the right to vote and rule. Slavery was not abolished until after 1865, and women didn't have the right to vote until the passage of Article Nineteen of the Constitution was ratified. It wasn't until 1966 when we took another giant step forwrd towards the realization of "Liberty and Justice for All", when the Civil Rights Act of 1966 was passed. In this Act we hear such words as it is now "Unlawful to discriminate because of Race, Color, Creed, or National Origin". We need to add "or club membership or non-membership" to the Civil Rights Act.

You see, when this greatest of all experiments in Government started back in 1787, we had Liberty and Justice for some, Liberty for some, Justice for some, neither for some. But, we are improving—slowly. It has been a struggle, it still is a struggle, and it will continue to be a struggle. Struggle we must if we are to improve and be better than our forefathers. This struggle is not without irony. Recently in the 100th Congress of these United States a bill was submitted to the House for its approval. The bill is known as H.R. 281, and the bill's central function is to outlaw the two-gate system with regard to construction jobs. The two-gate system was set up to allow all people to work on their jobs without being forced to join a certain "club" to get that job. Now members of Congress wish to deprive some Americans of their liberty and justice.

Let me just say H.R. 281 will not prevail. A future Civil Rights Bill will proclaim that it shall be illegal to discriminate because of "Race, Color, Creed, National Origin, or what club you belong, or do not belong to." It is, and shall be every man's civil right to be trained in a job and to hold that job, without being required to join a union. Each and every man may choose to join or not join without coercion from anyone or any manner. This is and ought to be, our civil right. In keeping with the phrase from our Pledge of Allegiance, it is only right and proper to insure liberty and justice for all.

We Americans certainly make big issues out of Human Rights. We make big issues out of the injustice in South Africa. We rant, rave and protest, and the media goes on for days and days about the injustice on other shores. But, not one word about the thirty-three States that do not have Right to Work Laws. Not one word about a Congress trying to pass a law that would outlaw the right to work unless dues are paid to a union. Not one word about a Congress trying to pass a law that would prevent an employer from employing people to work unless he paid benefits to several unions.

Unions have become outdated. They drive up costs, drive down productivity, drive jobs overseas, and drive up inflation. Americans need to lower costs, increase productivity, bring jobs back from overseas, and dry up inflation.

ST. LOUIS POST DISPATCH ENDORSES THE FAMILY AND MEDICAL LEAVE ACT

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. CLAY. Mr. Speaker, I would like to call my colleagues' attention to a recent editorial in the St. Louis Post Dispatch on May 17, 1987 which endorsed H.R. 925, the Family and Medical Leave Act of 1987. The Post Dispatch, along with many other newspapers including the New York Times, the Los Angeles Times and the Boston Globe, has recognized the important link between job security and family stability. They join a growing list of independent voices who agree that the time has come to guarantee workers a minimum period of job protection when family responsibilities or serious medical illnesses require a temporary period of job leave. If we truly care about the future of the family, we must make every effort to provide reasonable job security to American families.

The editorial follows:

[From the St. Louis Post Dispatch, May 17, 1987]

A BILL FOR THE FAMILY

Little by little, session by session, support in Congress grows for giving new parents or parents of seriously ill children unpaid leave from their job without the worry of whether they will have a job to return to. The latest move forward came in the House labor-management relations subcommittee, where such a bill advanced on a voice vote. Subcommittee Chairman William Clay of St. Louis hopes to build support in the full House, perhaps by modifying provisions of the bill, while keeping its substance intact.

The time for such legislation has come. The bill, co-sponsored by Mr. Clay, requires employers of 15 or more people to offer unpaid but job-protected leaves of up to 18 weeks to workers with newborn, newly adopted or seriously ill children. Supporters include labor, women's medical and religious groups, who call it a much-needed, family-oriented approach to employment that already has been adopted by many other industrial nations.

The U.S. Chamber of Commerce opposes the bill, both on philosophical grounds and on arguments that businesses would suffer economically if forced to grant leaves to their employees. But the General Accounting Office already has shot down the Chamber's economic doomsday scenario, estimating that the cost of the bill will be significantly less than the $5.2 billion forecast by the Chamber. The legislation is expected to come to the House floor by this summer. That should be time enough for its supporters to build more backing, either by shortening the leave time involved or exempting more businesses. But the philosophy behind the bill should remain. Job security and family stability are the kind of all-American values that everyone—particularly the Chamber of Commerce—should support enthusiastically.

WORLD TRADE CENTERS

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. BONKER. Mr. Speaker, we all know that our economy is becoming increasingly internationalized, with manufacturers and service firms looking overseas for new markets. International marketing is a difficult task, and both experienced firms and those just starting out require assistance. Our first instinct is to ask Government to provide this assistance, and frequently it does.

Today, however, I would like to call your attention to our Nation's world trade centers, which provide valuable export promotion services at little or no cost to the taxpayer. These private, nonprofit organizations are set up in major trading cities, and supported by a local membership.

In our efforts to expand the number of exporting firms, we must expand the whole exporting infrastructure. By providing valuable services to exporters, world trade centers can be an integral part of that infrastructure.

The enclosed article from the Journal of Commerce of June 3 describes the formation of a new center in Los Angeles, and the challenges of integrating it into the trade community.

How To Run a Successful Trade Center

(By Bill Mongelluzzo)

Long Beach, Calif.—Whoever is chosen to run the new Greater Los Angeles World Trade Center Association will have his work cut out for him, according to managers familiar with world trade centers.

"It will take a very talented individual to get the project off the ground," said Eugene J. Schreiber, managing director of the World Trade Center of New Orleans, a center that has been operating for more than 40 years.

"Ultimately, the success of the project is in his hands. The director of a world trade center is critical. I can't think of many businesses where you rely so much on one man," he added.

Robert A. Burco, who had quite a record of accomplishments in international marketing, transportation development and public policy research, was chosen late last year as the first executive director of the Greater Los Angeles Association, but he lasted only six months. Neither he nor Michael J. Choppin, board chairman, would discuss the dismissal.

A new executive director is expected to be named in the next 60 days, and it will be his job to give focus and direction to the nonprofit association that will sponsor trade-promotion services in Southern California. Mr. Schreiber feels this job is especially difficult because the community has no previous experience with a world trade center.

"Deciding on a menu of services for a new trade center can be very difficult because the board members and community probably don't know what they want," Mr. Schreiber said. This knowledge comes with time, and with experience with a world trade center.

"It is impossible to prejudge which services will be most effective in each market. You can't judge it scientifically in advance. You do it by getting your feet wet," he added.

In developing a menu of trade promotion activities, the board of directors and the executive director must constantly balance the desire to offer effective services with the need to make these activities pay for themselves.

"Any service should eventually be able to pay its own way. If not, you will have a shrinking horizon," said Tom Kearney, secretary general of the New York-based World Trade Centers Association.

That association is the international organization that accredits world trade centers. Its membership includes more than 50 trade centers across the globe.

Mr. Kearney said world trade centers normally are representative of the communities they serve. In a port city, the trade center probably will emphasize trade promotion of a maritime nature. Financial communities often require a trade center that offers services geared to banks, insurance companies and investment firms.

In a general sense, world trade centers offer trade promotion services and educational forums, sponsor trade missions to other countries, hold trade exhibits and have a restaurant or club frequented by members of the trading community, Mr. Kearney said.

If a world trade club is to maintain its membership in the international organization, it must offer a basic menu of services geared toward serving the needs of the region in which it is located. The larger the community, the more demanding will be the requirements placed on the trade center.

"The minimum requirements for Los Angeles would be higher than for smaller communities," Mr. Kearney said. He added, however, that the 13-member board of the international associates is flexible in applying standards to each center, with the emphasis being on the good intentions of the trade center's managers and their commitment to serve their community.

Because the needs and interests of each community are unique, trade promotion services popular in one region may fall flat in another. Mr. Schreiber advises that a new trade center emphasize quality, rather than quantity.

"I wouldn't offer services just for the sake of having them or because they look good on a brochure. The key to offering services is quality. Are these services meeting the needs of the community?" he said.

In New Orleans, educational seminars are especially popular. The trade center the past eight years has offered a seminar called "ABCs of Exporting and Importing." It is offered four or five times a year.

"We allow a maximum of 50 persons to sign up, and it almost always sells out," Mr. Schreiber said.

Other popular services in New Orleans include half-day or day-long seminars on doing business with other countries, luncheon speakers on various topics and language classes. These services also tend to be the least expensive to sponsor.

Trade missions, though potentially effective, are quite costly to put on and tend to be risky. They require much advance planning, extensive contacts in the country to be visited, expensive overseas flights and overnight accommodations and a good deal of follow-up work. To be effective, the missions must be limited to about a dozen participants.

"You must ask if you want to spend a lot of time, effort and money to benefit 10 or 12 companies," Mr. Schreiber said.

For trade centers that do not wish to devote extensive resources to a trade mission, he advises as an alternative a catalog show. Local companies describe their products in catalogs, which representatives of the trade center bring to foreign countries for preplanned, widely promoted exhibitions.

Raising revenue is a constant concern of world trade centers, even if they are nonprofit organizations. The generally accepted way to guarantee a constant base of revenue is to charge corporations membership fees in the trade center association. Determining the membership fee can be tricky.

Mr. Schreiber said that if the fee is high, members will demand an extensive menu of services. Also, a stiff membership fee will discourage participation by those companies a trade center can best serve—small and medium-sized businesses.

Mr. Kearney said some centers have a sliding scale of membership fees based on the size of a company and its ability to pay.

Another factor trade centers must consider is the availability of services already offered by other trade promotion clubs and organizations in the community. These groups may resent a world trade center competing for their client base.

"Turf protection is a never-ending problem in any community," Mr. Schreiber said. "We virtually never do anything alone. We always offer other organizations the opportunity to join us in sponsoring an event, or, if they take the lead, we'll help them," he added.

Mr. Kearney adds that trade centers are not established to serve only their members. Rather, they are part of a larger community and must serve the entire region.

"Any good world trade center develops programs with the active participation of business and trade groups. A good world trade center serves the whole region and not just its tenants," Mr. Kearney said.

With this need to be involved in the larger community, the executive director of a trade center must have a "team player" type of attitude. "The executive director must have the ability to work with other people. He can't be a lone-wolf entrepreneur," Mr. Schreiber said.

Additionally, the effective director probably has had extensive overseas experience. Dealing with businessmen from other countries and recognizing cultural differences and matters of protocol are important elements in the job description.

"I don't care how successful you are in real estate or chamber of commerce work. You must have international experience to be director of a world trade center," Mr. Schreiber said.

Mr. Kearney added that a varied background in international business is an excellent training ground for a director of a trade center. For an example, he pointed to experience with an export management company. "Having dealt with a range of products is much better than being an expert just in fertilizer," he said.

Mr. Kearney concluded that the board of a world trade center can never be too careful in choosing a director.

"Choosing the executive director is the most important decision the world trade center makes. All other developments depend on the success of the first decision. This is no time to be cost-conscious," he said.

SOCIAL SECURITY ATTORNEY FEES

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. HUBBARD. Mr. Speaker, I was recently contacted by my friend and constituent, Robert E. "Bobby" Francis, a highly respected attorney at Cadiz, Trigg County, KY, who sent me a memorandum regarding Social Security attorney fees. In his memorandum, Mr. Francis outlines some very interesting points regarding this most important issue that I felt it should be presented to the full House of Representatives:

Social Security Attorney Fees

GENERAL

It is imperative that the Legislative Branch give immediate attention to the issue of attorney compensation in Social Security disability cases. It seems that very few understand the magnitude of the problem, and due to this fact, I feel that some background information is necessary.

BACKGROUND

I worked with the Social Security Administration for several years prior to entering the private practice of law. With this background I naturally began to represent some individuals in Social Security cases. By 1980, the number of people seeking legal assistance in Social Security cases began multiplying. Following much research I wrote a practice manual on Social Security appeals and I am pleased to say that this book was quite well received by the Bar.

In 1986, the number of people seeking my help had grown to such proportions that I was forced to curtail much of my other work to concentrate on Social Security cases. For the past 6 years I have lectured, conducted seminars, attended seminars and generally maintained contact with lawyers across the United States. Based on this background I am able to reach some prior conclusions.

1. Social Security is a new and unique field of law.

2. The Social Security Administration has made repeated attempts to change the law of the land through unofficial and improper "legal standards".

3. Lawyers played a paramount role in forcing the Social Security Administration to, at least, give lip service to proper legal standards.

4. The Social Security Administration is in the process of coercing competent lawyers to leave or forego the field of Social Security law. When this happens (and it will) a large section of the public will be deprived of adequate legal assistance.

5. The Social Security Administration seems to be shooting for the total exclusion of lawyers in the Social Security appellate process by placing such restrictions on fees that Social Security practice will be nonremunerative.

This sounds like strong language and it is, but the facts are totally supportive.

BASIC SITUATION

The Social Security Administration is denying disability claims in large numbers and many of these people are seeking assistance of private counsel. The Social Security Administration then tells the claimant how much he or she can pay their lawyer. In other words, the enemy sets the attorney fee. If this premise was carried to its ultimate conclusion there would be no Bar in the United States.

If you do not feel this can be done, please consider Veterans Administration cases. An attorney can receive a fee of $5 or $10 for representing a veteran in a Veterans Administration case. I cannot remember how many veterans have asked me for help, but I had to decline their pleas. Yet, many of these people had strong cases.

The Social Security Administration denies benefit claims by the thousands and most of these denials are not supported by proper legal standards. When lawyers obtain evidence, ascertain the facts and apply the law for a finding of disabled, the Social Security Administration then becomes paternalistically benevolent and seeks to protect these individuals from overreaching lawyers by reducing the amount of the fee.

I am in favor of attorney's charging reasonable fees and I am sure the national Bar feels the same, but the Social Security Administration is subverting the term reasonable fee by reducing requesting fees without basis.

THE NATURE OF SOCIAL SECURITY FEES

Most Social Security cases involve marginal income people who have been out of work for 6 months to a year. They have depleted all savings and are existing on poverty incomes. Most do to have money to meet ordinary living expenses much less enough money to pay a $25 fee to a doctor for completing a medical report. Without exception, these are truly pitiful individuals.

Contrary to public opinion, these people do have severe physical and/or mental problems. They are disabled and if they do not have mental problems at the onset, they will have after months of no income.

Their only hope for continued existence is Social Security. After 2 or 3 denials, they seek assistance from private counsel. As a rule they have no funds and the lawyers take these cases on a contingency basis. My policy is 25% of the back pay if we are successful, and I charge no fee if we lose the case.

I cannot think of an agreement that would be fairer to the client. There are, however, pitfalls in that lawyers may decline to take cases they consider marginal and lawyers know that it will be approximately a year before they can expect to receive a fee even if they are successful. In addition, they know that a significant number of requested fees will be cut.

If, in the unusual case, these people had the money to pay a lawyer on an hourly basis, the fees would have to be held in escrow and would be subject to the Social Security Administration's approval.

The net result is a clientele without funds who must rely on a contingent fee arrangement or not have representation.

CRITERIA FOR FEE SETTING

The statutory standard is one of reasonability in view of the services rendered and may be the smallest of: (Administrative Appeals)

1. 25% of total past-due benefits; or

2. The amount set by the Social Security Administration; or

3. The amount agreed upon between the attorney and the client.

It is safe to say that options 1 and 3 above have been de facto scrapped by the Social Security Administration. Even so, the regulatory guidelines (20 CFR 404.1725(b) and 20 CFR 416.1525(b)) states that the Social Security Administration will consider:

1. Services performed;
2. Complexity of the case;
3. Level of skill and competence required in rendering the service;
4. Amount of time spent in the case;
5. Results achieved;
6. Level of review to which the claim was carried and the level of review at which the attorney entered the case.

The Social Security Administration has established a de facto policy of ignoring all but the amount of time spent on the case. That this is true is evidenced by a recent internal memo which prohibits Administrative Law Judges from approving any fee at a rate greater than $1,500 and ostensibly tried to set a $75 hourly rate.

There are no national guidelines for setting fees in Court cases. There is a limit of 25% of past due benefits. Recent Court decisions also show a definite trend toward complete reliance on the hours spent in a case.

HOURLY RATE DISCUSSED

It is too simplified to state that $75 or $100 an hour is a justified rate of compensation. This is supported by the previously cited regulation which supposedly mandates that other factors be considered.

Quite frankly, most Social Security disability appeals are won by obtaining new and material evidence and then staying with the case until you reach a decision maker who will properly apply the law to the evidence. Time is just not an essential factor.

Consider that this writer with his constant research into Social Security law, medical and vocational data can analyze and prosecute a case in less time than the average lawyer. Then there are lawyers who can ascertain issues and develop cases quicker than I can.

In determining fees based on hours spent has an even worse pitfall as lawyers do not win all of their Social Security cases. Let us consider the following hypothetical situation:

1. 1900 billable hours in average work year.

2. $75 hourly rate—maximum.

3. Case winning percentage of 60%.

4. Fixed overhead:

	Monthly	Yearly
Rent	$400	$4,800
Staff	2,400	28,800
Supplies	200	2,400
Equipment	200	2,400
Insurance	300	3,600
Miscellaneous	400	4,800
Total	3,900	46,800

Productive (winning hours)—1,140 (60% of 1900 Hours).

Gross Income—$85,500.

Expenses—$46,800.

Net Income—$38,700.

This would be an adequate income for many lawyers, but the hypothetical is based on an unrealistically high number of billable hours (unless a lawyer works many nights and weekends) and a very low cost of doing business.

We must also consider that the lawyer who can win 60 to 70% of his or her Social Security cases is above average in skills, ability and work ethics.

Conversely, if a lawyer could receive $75 an hour from all of his work for a 1900 hour work year, he or she would gross $142,500 and net $95,700. However, this is not the situation with Social Security contingency cases.

A lawyer can only put in so many hours a year, and there are only two ways to increase productivity and efficiency: (1) Become more effective through knowledge and (2) rely more on paralegal or clerical help. Without further elaboration, let me simply say there are obvious limitations in both areas.

People do not hire individual lawyers just because the individual is a lawyer. They hire this person because they think or feel he or she is a "good lawyer" who will win their case. The primary factor in setting attorney fees should be the result achieved.

SOCIAL SECURITY ADMINISTRATION MOTIVES IN FEE APPROVAL

I am reminded of the old story about the boy who had the only baseball, and if he could not be the pitcher he would take his ball and go home. The boy did not get to play ball, but no one else did either.

Lawyers have held the Social Security Administration's feet to the fire. They took case after case to the Courts, and they began developing expertise to the extent that they were regularly beating the Social Security Administration at their own game.

For years the Social Security Administration has told the Courts: "We do not choose to honor Circuit Court precedent unless we want to." Now they are being forced to discard their non-legal doctrine of nonacquiescence. There is no question that the Social Security Administration will give, at least, lip service to Court precedents. However, if there are no lawyers willing to take cases to Court, they can resume doing as they please. When the Social Security Administration is able to force the competent lawyers out of the field, they will be like the boy with the ball. Play their game or do not play at all. The losers are going to be the disabled who will be effectively deprived of their constitutional right of due process.

That the Social Security Administration is vindictive toward lawyers is without question. That their recent policy in opposing, cutting, and delaying fees stems from purity of heart and protection of the disabled is pure and simple hogwash.

Although I can cite dozens of cases, I am reminded of one particular case in which we had three hearings. The case was in U.S. District Court and went through three hearings and three Appeals Council reviews. The claimant as a young lady with multiple bypasses and extreme depression. She has two or three young children, and her husband was a janitor at the local school. It took several years to win the case, and I am sure the Social Security Administration will carefully scrutinize my requested fee. This family was reduced to abject poverty, and I fully believe this poverty greatly exacerbated her mental problems to the point of permanency.

Yet there is such a number of back pay months that this case should yield a decent amount of back pay. In addition, this case has gone on so long that I am sure I have not logged all of my time. As my requested fee will be over $1,500, I am reasonably sure that I will be cut.

Another case comes to mind. I took it to U.S. District Court and won the case. The decision was not issued before the 1984 Amendments were passed. The Court had found no medical improvement and ordered the Plaintiff restored to the benefit rolls. This order was vacated pursuant to the Act Amendments, and this summer the Social Security Administration finally agreed.

This man was terminated in 1981. The Appellate process was timely followed through Court. In December, 1984, the Social Security Administration began paying him interim benefits following the remand. The Social Security Administration had not paid him $43,698. Counting the interim benefits received (following the remand), he received a total of $67,698; ¼ of this is $16,924. I requested a fee of $10,924 which is approximately 16% of back pay. The Social Security Administration cut the fee to $5,500.

First of all, if it had not been for me, this man and his family would have lost $67,698 outright and had no money coming for the future. Secondly, the client did not object to my requested fee.

The Social Security Administration did not care how hungry this family was. For almost four years, they let him go without his Social Security benefits even though the termination was contrary to the law. Now that the case is won, the Social Security Administration would have you believe that I requested an exorbitant fee.

The Social Security Administration is not protecting the disabled. Quite the reverse, they are protecting themselves from lawyers. Most lawyers do not accept Social Security cases because it takes an eternity to get notice of back pay and then requested fees are routinely cut.

In attending seminars and other associations with lawyers, I am impressed with the ability and integrity of Social Security lawyers. This is a new field of law, and it has attracted a highly competent cadre of lawyers. It is my firm conviction that the Social Security Administration wants to curtail the growth of lawyers in the field of Social Security disability law.

CONCLUSION

There must be legislation in the area of attorney fees in Social Security. If there is not a fair and equitable amendment passed, the public will suffer. The poor and needy will be deprived of their right to effective counsel in pursuing their Social Security Appeals.

I am not asking for a personal windfall. I am asking for justice to the people. I am one lawyer isolated in a small town in Western Kentucky. My clientele comes from a rural and traditionally low income area. These people, like their fellow disabled from other parts of the country, need help. Attorney fees are not paid from Social Security trust fund money. They are paid by the individuals. They should be allowed to seek counsel of their choosing. The Social Security Administration can and will prevent our better lawyers from practicing Social Security law by reducing fees.

It is further ironic that we cannot appeal attorney fee decisions to the Courts. You take what the Social Security Administration says you can have and that is that.

I was thinking about hiring another lawyer to help me with Social Security cases, but I have all but forgotten this as I see a bleak and dismal future for this type practice. I will not be the loser as I can simply return to the other types of law for my income. Even though I may not be that good at Social Security disability law, there are others who are and who feel the same way. The losers will be those disabled people who will not have the skilled Social Security lawyers to turn to.

The solution is very simple. Set a maximum on fees, but remove the requirement of fee approval. This would not greatly increase fees over what they have been in the past, and it might very well reduce fees. President Reagan is, apparently, a firm believer in free enterprise and deregulation. If this is correct, there will be more lawyers in the field and competition will reduce fees.

It is my sincere belief that the issue of fees in Social Security cases is truly significant. I further believe that the actions of the Social Security Administration in this area are marginally legal and are to the detriment of the disabled.

I ask you to consider that the disabled are for the most part marginally educated, unskilled and in the lower rungs of the financial ladder. They should not be deprived of their right to the counsel they desire.

In closing let me refer to the Veterans Administration fee limitation. I have a Social Security client who has severe post Vietnam syndrome. He is receiving treatment from the Veterans Administration for this mental disorder, but they say it is non-service connected. I believe I could establish his right to a service connected disability, but for $10 I simply cannot afford to. I recently talked with another man with what appears to be a very good case for service connected disability. Once again, I declined the case. He offered to pay me and could not understand how the government could control what he wanted to pay me.

If the Social Security Administration has their way, I predict Social Security fees will evolve similarly. Congress must look into this issue and pass legislation which will ensure adequate representation for the disabled.

Respectfully submitted,
ROBERT E. FRANCIS,
Attorney at Law.

HEROIC LIFE SAVING EFFORTS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. SKELTON. Mr. Speaker, I rise today to inform the House of the life-saving actions of three residents of my hometown of Lexington, MO. On May 7, Mrs. Leroy Fenner, Dennis Payne, and Brian McKown were partners in an effort to save a man's life. Ron Peterson had fallen through a plate glass storm door and experienced a severe cut to a main artery in his right arm. Mrs. Fenner, with the aid of Dennis and Brian applied a tourniquet which stopped the bleeding. They then escorted Mr. Peterson to Lafayette Regional Health Center where he was treated.

Dennis and Brian were awarded certificates of commendation by the Lexington Board of Education. Mr. Speaker, I am sure the rest of our colleagues join me in congratulating the three for their heroic life saving efforts in Lafayette County, MO.

MARINE CORPS LEAGUE ALERT ON SECURITY PROBLEM

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. FLORIO. Mr. Speaker, I recently brought to the attention of my colleagues in Congress matters relating to our desire to rebuild the competitiveness of the American economy.

In a port in Japan lies anchored the U.S.S. *Midway*. This aircraft carrier will receive an extensive facelift at the hands of the Japanese. In the trade war with Japan, the Japanese seem to be winning.

When I first learned of the fate of the *Midway*, I thought, too, of a steam-generating plant being built at Norfolk. The contract for major components of the plant is going, not to Americans, who can deliver on the contract with reliability, affordability, and security, not to an ally of the United States, and not even to the Japanese.

The contract is going to Yugoslavia.

A firm funded by Yugoslavia's Government will deliver on the contract with equipment manufactured by a Yugoslavian company.

Once the generator has been delivered to the yard at Norfolk, Yugoslavia will be the home of the Norfolk generating plant.

Yes, Yugoslavia can probably deliver on the promise of an affordable generator for a steam generating plant that will power the base at Norfolk.

But if we need a plant to help protect us, then we should not give the contract to construct our defenses over to a country in the Eastern bloc. There are lessons about that in the revelations that the U.S. Embassy in Moscow is riddled with listening devices installed by the Soviet construction crews.

There are firms in the United States who are more than willing to contribute to our national defense. At the same time, a contract going to firms in the United States would strike at the problem of unemployment.

I hope that you will read the following article written by George Williams, the commandant of the Semper Fidelis Detachment of the Marine Corps League in Wenonah, NJ. His thoughts are the same thoughts that we in Congress should be having if we wish to rebuild our industries:

MARINE LAPSE SYMPTOM OF NATIONAL ILLS

(By George Williams)

In these times where national security has been threatened by compromise in Moscow, I have been requested by the membership of the Semper Fidelis Detachment of the Marine Corps League to express our views.

Yes, a couple of young Marines were exploited and used by the Russians at our Moscow embassy. Even beyond that, our leaders and State Department were also exploited, in the building of the new embassy. We feel somehow the facts about the new embassy only surfaced after the collusion of the two Marines came to light. Perhaps that incident is the only reason problems at the new embassy ever surfaced.

Seeing as how easily the Epiphany-plowshares group gained access at the Willow Grove Air Station and was able to destroy countless dollars worth of U.S. government flying equipment can leave us with little doubt that our whole national security system in this country needs overhaul; and now.

Young servicemen are just that, "youth." Some of our problems of today stem from education. Education at home and in our schools goes lacking. Children of today are not taught the values of moralities, freedom and the history of this great country. Our whole educational system needs a major overhaul.

It is time we taught our children how, over 200 years, Americans have fought and defended this country, and for our youth to know the names of places like Belleau Wood, Pearl Harbor and Normandy Beach, and the true price of freedom. That when your country is no longer dear to you, *it is in danger.*

I have had the opportunity to enter military bases over the last few years and I find many are open targets for terrorists at any time of the day or night. A speeder is more likely to be stopped before one bent on destruction, such as happened at Willow Grove.

Yet what can we expect? Our worries are even more alarming. This detachment is worried about a greater breach of security within the realm of our national defense.

Maybe most citizens aren't aware of the aircraft carrier, USS Midway, that is undergoing extensive repairs in a shipyard in Japan. Why? Because it's cheaper. We must question what kind of security breeches and/or implants of any type device could be place aboard the Midway, where 100 percent of the workers aren't American.

Though the Midway repairs gives little forethought to the loss of American jobs, it is also detrimental to the large deficit in the balance of trade.

If this seems so terrible, there is an even worse situation that could breech our national security. Bids for military contracts are let, on low bids, as the main criteria.

It has come to light through Congressman (James J.) Florio that a contract has been or is about to be awarded to the low bidder on a Navy ship at Norfolk. A generator company based in Ohio should be great, correct? Wrong, wrong, wrong.

The generating plant company is owned by Yugoslavia, an Eastern bloc country. If all it takes is a low bid to secure military contracts and gain access to military installations, perhaps Congressman Florio is right—the Russians might be willing to do it for nothing to gain access to our military installations.

It is not a funny matter. It all stems from the top.

Responsibility, integrity and respect.

There are many other words that would characterize all that is lacking in the "American spirit" today. Those three should be enough.

Why would Marine guards even consider aiding our enemy in Moscow?

They never learned any better. Educating the youth of this nation in the scope of self-respect, pride, respect for authority and love of country does not entirely fall on the education system but also on one generation to teach the next. Tell them our government isn't perfect, but it may be the closest anyone will ever come, and we must not take what ins't ours but hold dear to us that which is. Our politicians must lead by example. Then perhaps our youth will understand.

Even the religious leaders, whose ranks have been ravaged with turmoil, must lead with the same example and enthusiasm with which they preach.

It is this rapid decline from within that threatens our nation's security, not the distant enemy and its weaponry. Teaching our youth not to cheat or lie is inexpensive, compared to the military hardware we are forced to keep up to date.

Losing confidence in our spiritual leaders, elected officials and those that guard our shores surely leaves me wondering where did we go wrong?

It is not, however, too late to turn things around.

As for the awarding of government contracts to foreign nations, a few good men are now asking for a few good letters from the public, to our leaders in Washington—keep American work American.

CATASTROPHIC CARE: YOUR PREMIUM COULD BE $4,000

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. CRANE. Mr. Speaker, The House will soon vote on a Medicare catastrophic coverage bill, H.R. 2470, which could levy mandatory premiums as high as $4,000, cost senior citizens an average of about $1,000, and threaten to double in size as a proportion of Medicare costs within the next 18 years. The trustees of the Medicare trust funds, in their 1987 annual report, have predicted that the Medicare trust funds—without the added benefits of H.R. 2470—could go bankrupt as soon as the year 2002. I want to warn my colleagues that, in their frenzy to heap benefit upon benefit on our elderly constituents, they could very well create financial chaos in the Medicare Program itself.

The Ways and Means Committee has recently reported out H.R. 2470, the so-called Medicare Catastrophic Protection Act of 1987. It is clear to me that the H.R. 2470, in its current form, conflicts with many of the guidelines set by the President for the catastrophic illness insurance program. I do not wish to see an expansion of Medicare which threatens the very financial security of the system itself. I do not wish to see a bill which misleads the elderly into believing that all their retirement health needs beyond an out-of-pocket cap will be taken care of by the National Government. In addition, I certainly question the wisdom of replacing the private insurance market with a new Federal Government program. Furthermore, I am opposed to the involuntary nature of this program. Also, I am quite wary of the projected increases of the mandatory progressive surtaxes levied upon certain sectors of the elderly population.

To this end I would like to insert two items into the record. The first is a letter which my office received from the Treasury Department concerning the long-run costs and the AGI-related premium under the Ways and Means catastrophic proposal. Under H.R. 2470, the maximum surtax levied on taxpaying senior citizens to pay for the benefit expansions of the bill is $580 in 1988. Treasury estimates that this maximum premium could increase about sixfold in real dollars by the year 2005, if the new program remains self-financing. This letter also contains other alarming information about the budget-busting costs of H.R. 2470 in the outyears of the program. The second item which I would like to insert in the record is the President's guidelines for the acute catastrophic insurance proposal which he had described in his press release to his 1987 State of the Union Address. While I do not profess to know what the President will do when H.R. 2470 reaches his desk, I would like to point out that H.R. 2470 falls far short of most, if not all, of these important guidelines. For a detailed explanation of how H.R. 2470 contradicts and fails these guidelines, my colleagues might wish to refer to the dissenting views of which I and a number of my Republican colleagues on the Ways and Means Committee attached to the committee report on H.R. 2470.

It is quite alarming that, less than a year after Congress passed tax reform, it is about to pass a major tax increase on a number of taxpaying senior citizens. Although this tax increase is hidden in the form of a mandatory premium, or surtax, on elderly taxpayers, it is clearly a tax increase. I hope my colleagues play close attention to the potential size of this tax increase, as described in the letter from the Department of the Treasury.

DEPARTMENT OF THE TREASURY,
Washington, May 21, 1987.

Memorandum for: Congressman Philip M. Crane.

From: Sonia Conly, Financial Economist, Office of Tax Analysis.

Subject: Long-run costs of the Ways and Means Medicare Catastrophic Coverage.

This is to confirm the information I provided to you over the phone. You asked for information concerning the long-run costs and the AGI-related premium under the Ways and Means catastrophic proposal. As we discussed, our tax models do not provide forecasts beyond the 1988-1992 budget period. However, the Health Care Financing Administration has provided us with long-range projections based on the Social Security Trustee's IIB assumptions which enable us to arrive at an estimate of the range of costs per enrollee of the new program in the year 2005. If the new program is to remain deficit neutral, then the premiums paid by enrollees will have to rise at the same rate as the costs. For the year 2005, the per enrollee costs of the Ways and Means program are projected to be in the range of $800 to $1000 in 1988 dollars. This compares to slightly more than $150 (1988 dollars) per enrollee in 1989. The cost for calendar year 1988 is less than $60 per enrollee; however 1988 costs are relatively low since the new benefits are not fully effective in that year.

For the 1992 calendar year, it appears that the maximum per enrollee AGI related premium will be about four times the average cost per enrollee. Assuming, for the purpose of illustration, that this relationship were to hold in the year 2005 yields a projected maximum AGI related premium in 1988 dollars of $3000 to $4000 per enrollee.

The Ways and Means catastrophic program represents about five percent of local medicare costs (including the catastrophic program) in calendar year 1989. The 1988 ratio (when the program is not fully phased in) is about two percent. By the year 2005, the proportion of medicare accounted for by the new program is projected to be about ten percent.

The amounts provided above represent staff projections based on the assumptions as reported here and on our current understanding of the Ways and Means catastrophic program and premium structure. The projections do not represent official Department of the Treasury or Administration forecasts. Indeed, the economic projections under the Social Security Trustee's IIB scenario differ from both the CBO and Administration projections for the Budget period.

A twenty-year projection of programs and premium costs under any current law and structure is subject to the observation that few programs remain untouched for twenty years. For example, growth in productivity and inflation will increase the percentage of enrollees subject to the premium. Thus, it might be possible during the next twenty years to change the tax structure under the proposal, reducing for example, the rate of escalation of premiums and still retain deficit neutrality. Despite these caveats, it is clear that program costs will rise much more rapidly than income as long as medical costs increase more rapidly than the overall economy. This means that average premium costs will also rise rapidly under the premium structure as currently proposed.

THE WHITE HOUSE,
OFFICE OF THE PRESS SECRETARY,
January 27, 1987.

THE PRESIDENT'S INITIATIVE ON CATASTROPHIC ILLNESS COVERAGE

ADMINISTRATION PROPOSAL

The President's Initiative on acute care Catastrophic Illness Insurance for the elderly is based on the following guidelines:

We must provide meaningful protection against out-of-pocket expenses that substantially threaten family savings;

The importance of Medicare, Medicaid and Medigap should be maintained; and we would not encourage excessive use of services;

Any catastrophic illness coverage should be voluntary, not a new government entitlement; and

The proposal must be fully budget-neutral, without the explosive potential of program expansions.

The President, in his 1987 State of the Union Address, spoke of the "specter" facing older Americans—that of often having to make an "unacceptable choice between bankruptcy and death." The President will submit legislation shortly to free the elderly from the fear of not being able to meet the costs of catastrophic illness.

NOT ABOVE LAW, BUT WELL WITHIN IT

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. MICHEL. Mr. Speaker, there have been repeated claims by the media and certain members of the House and Senate Select Committees investigating the Iran-Contra affair that private and foreign solicitations of funds for the Contras violated the Boland amendment. The claims are false. To educate the Congress and the public on the matter, at this point I wish to insert in the CONGRESSIONAL RECORD a Los Angeles Times column authored by Representative RICHARD CHENEY and Bruce Fein that discredits the argument that the alleged solicitations might have been illegal.

The article follows:

[From the Los Angeles Times, May 27, 1987]

NOT ABOVE LAW, BUT WELL WITHIN IT—PRESIDENT HAS INVINCIBLE RIGHT TO SOLICIT FUNDS FOR CONTRAS

(By Richard Cheney and Bruce Fein)

Constitutional history, Supreme Court pronouncements, political custom and reason all confirm the preeminent constitutional power of the President and his alter ego, the National Security Council, to forge and execute national security and foreign policy.

Yet from October 1984, to October 1986, Congress sought to exploit its power to hamstring President Reagan's policy of support for the *contras* fighting the Sandinista tryanny in Nicaragua. Congress enacted the so-called Boland Amendment during that two-year interval. The amendment prohibited funds appropriated for the Central Intelligence Agency, Defense Department, or any other agency involved in intelligence activities, from being used to aid directly or indirectly the military arm of the contras. But the amendment did not, and constitutionally could not, prohibit either the President or his NSC from soliciting foreign governments or private parties to fund the contra military effort.

Our Constitution emerged from a convention that had been called in 1787 in large measure to invigorate a feeble executive power that, as drawn in the Articles of Confederation, made the nation vulnerable to foreign enemies. The articles entrusted executive power to an irresolute, multimember Congress, whose weakness was highlighted in 1786 by Shays' Rebellion in Massachusetts.

At the convention, misuse of power by the legislative department, not the executive branch, was a major issue. James Madison expostulated in Federalist 48 that legislatures everywhere were usurping power. He warned that "it is against the enterprising ambition of [Congress] that the people ought to indulge all their jealously and exhaust all their precautions."

In national security and foreign policy, the Constitution subordinated the powers of Congress to the broad discretion of the President.

Congress was denied power to *make* war, only endowed with the power to *declare* war, whereas the President was explicitly endowed with unilateral authority to repel sudden attacks.

The President also was granted exclusive and plenary authority to negotiate with foreign nations because of the imperatives of secrecy, intelligence and dispatch, as John Jay explains in Federalist 64. Indeed, more than 50 years ago in United States vs. Curtis Wright Corp., the Supreme Court confirmed that in the vast realm of international relations, "the President alone has the power to speak or listen as a representative of the nation." a power whose exercise does not require "an act of Congress."

In an earlier case, the court maintained that the President possesses constitutional authority to faithfully execute international law.

Both Congress and President Reagan have found that Sandinista despotism has violated Nicaragua's commitments under the 1947 Rio Treaty and 1948 Charter of the Organization of American States by fomenting insurrection in El Salvador and other Central American democracies.

The treaties entitle the United States to respond by use of proportionate force to deter the Sandinistas. Encouraging private individuals or other nations to provide aid to the contras is in accordance with President Reagan's constitutional power to enforce international law and U.S. treaty rights.

The constitutional prerogatives asserted by President Reagan over national security or foreign policy parallel venerated paths pioneered by Presidents Abraham Lincoln and Franklin D. Roosevelt. During the Civil War, Lincoln unilaterally suspended the writ of habeas corpus, despite a judicial ruling that the concurrence of Congress was constitutionally required. Explaining his disobedience, Lincoln asked, "Are all the laws but one to go unexecuted, and the government itself go to pieces, lest that one be violated?"

Before Japan's treachery at Pearl Harbor, F.D.R. circumvented the neutrality laws by providing naval assistance to Great Britain. Defending his aggressive actions, the President said that in the days of lightening-like attack, "it is stupid to wait until a probable enemy has gained a foothold from which to attack. Old-fashioned common sense calls for the use of a strategy that will prevent such an enemy from gaining a foothold in the first place."

The institutional attributes of Congress dictate its role as understudy to the President on the stage of international affairs. Alexander Hamilton observed in Federalist 75 that success in that arena requires a knowledge of foreign politics, a firm and systematic adherence to long-range goals, and continuity of policy and decisiveness.

These attributes are more likely to be found in a President than in Congress. A collection of 535 individuals devoting much time and energy to satisfying constituent needs, dealing with domestic issues and planning reelection campaigns, cannot formulate and implement a consistent foreign policy.

Congress is ill-suited for policy continuty because of the unremitting demands on members for tangible signs of success before the next election cycle. The consequence is an oscillating and aimless foreign policy, exemplified by the legislative pirouettes towards Nicaragua.

In 1979 and 1980 Congress provided approximately $120 million to support the Sandinistas. In a 1983 about face. Congress provided $24 million in contra military aid. Military funding for the contras ceased in 1984 and 1985, but $27 million in humanitarian aid and limited information sharing was authorized. In 1986 $100 million in military and humanitarian aid was appropriated, but prospects for further contra funding in 1987 are dim.

Compromise is the earmark of the internal politics of Congress. Multiple views typically receive some recognition to satisfy a majority.

Thus Congress funds some freedom fighters abroad, but not others, it denounces some human-rights violations, but not others; it offers compromise funding levels for new weapons development or production. But no strategic organizing principle explains congressional voting patterns in international relations.

The Supreme Court in Gravel vs. United States held that congressional assistants may invoke congressmen's constitutional immunities from prosecution in performing legislative tasks.

The court in Harlow vs. Fitzgerald also suggested that NSC employees enjoy the constitutional prerogatives of the President in furthering his national security objectives.

Constitutional history, Supreme Court decisions, the precedents of Lincoln and Roosevelt and sound political theory establish a constitutionally invincible right of President Reagan to solicit private or foreign nation funds for the contras. That constitutional power is shared by NSC officials, such as John M. Poindexter, Robert C. McFarlane and Col. Oliver L. North, when acting to further the President's national security goals.

MOTOR FUELS EXCISE TAX. NO!

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. ANDERSON. Mr. Speaker, there has been increased speculation recently that efforts may be made to increase the Federal fuels tax, the proceeds of which would be used for deficit reduction purposes. In addition to the regressive nature of the gasoline and diesel taxes which would place a heavier relative burden for the responsibility of reducing the deficit on lower and middle-income people, there is another reason to oppose an increased fuels tax at this time. The Department of Energy is predicting that the average price of gasoline will rise to the dollar-a-gallon mark this summer.

Some have argued that a gas tax increase would be a palatable method of reducing the deficit because gasoline costs are lower currently then they have been in recent years. The real price of gasoline this summer, though, will be 11 percent higher than in 1986. A tax on fuel would, therefore, be not so painless as some hope, and would in fact come on the heels of the dramatic cost increases we are now experiencing.

Mr. Speaker, a recent Associated Press article elaborates on the new Department of Energy gasoline price projections. So that all of our colleagues may see it, I ask that it be printed in the RECORD.

The article follows:

[From the Washington Post, Thursday, May 28, 1987]

GASOLINE HEADING BACK OVER $1 A GALLON

MORE EXPENSIVE CRUDE OIL WILL DRIVE UP SUMMER PRICE

The average price of gasoline should climb back over the $1-a-gallon mark this summer, slowing the growth of driving and resulting in a drop in fuel use for the season, the Energy Department predicted yesterday.

The department's Energy Information Administration forecast on energy markets and supplies also saw higher crude oil prices and fairly stable domestic crude oil production from now into next spring.

The average pump price of gasoline of all grades, including state and local taxes and lumping together full-service and self-service stations, was 93 cents a gallon for all of 1986, 87 cents during the summer and 90 cents in the first three months of 1987, the EIA reported in its quarterly forecast.

This summer's average will be $1.00 and the price is expected to rise 2 cents a gallon in each of the following quarters, it said.

After accounting for inflation, the real price of gasoline will be 11 percent higher this summer than last, and this should mean a 1.2 percent decline in usage to 7.18 million barrels per day, the forecast said.

Supplies should be adequate because inventories are well above normal, the department said.

Driving increased by 5 percent last summer over the 1985 season, but this year the increase should be about 2.1 percent, it said.

"Increases in vehicle efficiency projected for 1987 and 1988 more than compensate for the impact of increased driving activity on motor gasoline consumption," the report said in predicting lower demand for fuel.

"New car sales were very strong during 1986; these new cars, with an average on-the-road efficiency of close to 23 miles per gallon, are helping push the fleet average up by 2 percent in 1987 to 17.3 miles per gallon," it added.

But the government's easing of new-car mileage standards last year will reduce future efficiency gains, the department said.

By the end of May, at least 12 states will have installed 65-mile speed limits on rural interstate highways, an increase of 10 mph from the nationwide maximum last year.

Although cars lose 5 to 30 percent in fuel economy at the higher speed, the department made no explicit forecast of the resulting increase in gasoline demand other than to guess that it would be "several hundred thousand barrels per day."

The agency said it did not know how many miles of road will fall under the higher speed limit or how actual driving patterns will change. The 55 mph limit has been widely ignored.

The forecast said the base price of crude oil would average $18 for the final three quarters of 1987, rising to $19 for the first half of next year.

In its last quarterly forecast in January, the department had predicted oil prices, then about $17 a barrel, to fall to $16 by summer and recover to $17 by year's end.

But the higher prices are not enough to reverse the decline in U.S. production, the report said.

The forecasters lowered their predictions of 1987 production of domestic crude from 8.23 million barrels a day to 8.20 million barrels, down from 8.67 million barrels last year and 8.97 million barrels in 1985.

OUTSTANDING SCHOLAR-ATHLETE DAVID McCANN TO ATTEND U.S. MERCHANT MARINE ACADEMY

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. SCHUMER. Mr. Speaker, I would like to bring to the attention of my colleagues the achievements of an outstanding student in my district. It is with pride that I announce that David D. McCann has been invited to attend one of our Nation's finest service academies. It is refreshing to see achievement such as his. This young man personifies the level of excellence to which we should all aspire.

Mr. McCann, who recently graduated from Xaverian High School will attend the U.S. Merchant Marine Academy at Kings Point. This school is one of the finest institutions of higher learning in this country. Only superior students with exceptional leadership potential are accepted to the Academy. David is a highly qualified student with a very impressive record of achievements. He has been a member of the Boy Souts of America since 1980 and was promoted to Eagle Scout in 1983 at the age of 13. David is also a star athlete. As a member of the Varsity Baseball Team he was awarded M.V.P. in 1985.

I congratulate David D. McCann on his achievements and I ask you to join me in wishing him well as he prepares to expand on his already fine qualities. It is my hope that the achievements and ambition of this fine scholar/athlete will inspire his peers to strive for similar personal and academic distinction.

VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program [DHCP] system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987, on this important subject, I have received many letters from veterans and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter sent to the chairmen of the House and Senate Appropriations Committees which I received from Mr. Archie Bourret, Director of the VA Medical Center at Grand Junction, CO, that demonstrates how the VA employees feel about their medical computer system. The letter follows:

GRAND JUNCTION, CO,
May 15, 1987.

Hon. JAMIE WHITTEN,
Chairman, Committee on Appropriations, U.S. House of Representatives, Washington, DC.

DEAR CHAIRMAN WHITTEN: I personally wish to appraise you on my opinion of the success of DHCP at the VA Medical Center, Grand Junction, CO.

From the administration side, we have had at our fingertips patient information when the hard copy medical record may be out of the file room. Early on in the initial stages of DHCP implementation at this medical center, we had a comatose patient brought in from out of town to the medical center. We only had his name. We could not find the medical record and were able to call up the next of kin and emergency information on the screen so we could appropriately treat the patient.

The system works and we are able to suggest changes that are implemented in quick order through the Special Interest Users Groups [SIUGs] as well as the Regional Information Service Centers [ISCs].

The DHCP system works and is as responsive as any entrepreneurial system for less money. Please consider restoring the $35 million in DHCP funds.

Sincerely yours,
A. BOURRET.

CONGRATULATIONS TO PACIFIC LIGHTING ENERGY SYSTEMS

HON. WALLY HERGER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. HERGER. Mr. Speaker, it is with great pleasure and pride that I offer my congratulations to Pacific Lighting Energy Systems for winning the American Lung Association's Clean Air Award. The award, presented by the association's superior California region representing 11 northern California counties, was given in recognition of PLES' exemplary environmental efforts at its Pacific Oroville powerplant, in the Second Congressional District of California.

Pacific Lighting Energy Systems' Oroville powerplant burns approximately 120,000 dry tons of wastewood a year to produce about 17 megawatts of power for northern California. This power, which is enough to meet the needs of 17,000 homes, is sold to Pacific Gas & Electric Co. for distribution to consumers. The association's Clean Air Award was presented upon the recommendation of Mr. Jeff Mott, Butte County deputy pollution control officer, who cited PLES' willingness to work for protection of the environment in Oroville, CA.

Mr. Speaker, I am understandably fond of Oroville and Butte County, CA, and I am grateful that the Oroville plant can operate in a manner which clearly benefits both the county's environment and its consumers. The two-phase emission control system at Oroville incorporates a multicyclone mechanical dust collector and an electrostatic precipitator which together remove over 99.5 percent of combustion particulates from the plant's nonvisible industrial exhaust. The plant provides jobs, electrical power, tax revenues, and additional stability to Butte County.

It is indeed exciting to see industrial capacity working for the community and in harmony with the environment. Clearly, there is proof that industrial development need not come at the expense of damaging our environment, and protecting our environment need not preclude the benefits of industrial development. I am happy to have the Pacific Oroville powerplant in my district, and happier still to congratulate Pacific Lighting Energy Systems on receiving the American Lung Association's Clean Air Award.

MORATORIUM PROHIBITING BROADENING BANK POWERS

HON. JON L. KYL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. KYL. Mr. Speaker, in the near future, a House-Senate conference will be appointed and begin the process of working out a compromise on a banking bill. Both Chambers are strongly on record in support of an infusion of much-needed capital for the Federal Savings and Loan Insurance Corporation. The conference will be called upon to make important policy decisions in some other areas, including whether to adopt a moratorium preventing expanded bank powers through March 1, 1988.

I support increasing certain bank activity, particularly in the securities area. I do not, however, believe that banks should expand their activities into real estate or insurance. I would hope the conference would adopt a moratorium prohibiting the Federal Reserve Board from broadening bank powers in real estate and insurance and that we could overwhelmingly adopt such a moratorium.

I would suggest that such a position should also make it much easier to quickly recapitalize the FSLIC at an appropriate level.

LEGISLATION CLARIFYING U.S. TARIFF SCHEDULE

HON. PETER A. DeFAZIO

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. DEFAZIO. Mr. Speaker, today I am introducing legislation to clarify the U.S. Tariff Schedule with respect to the tariff treatment of certain hardboard products.

Under current Customs Service interpretations minor machining of the hardboard edges such as bull-nosing, tongue and grooving or rabbeting can have the effect of removing hardboard from the normal dutiable categories to a category of "building boards," which carries different or no duties. In many instances the result is duty free treatment rather than the 3 to 6 percent assessed on hardboard. Consequently, one piece of hardboard with squared edges is assessed a 6 percent tariff while another piece of hardboard, indentical in every respect except that its edges are rounded or grooved, enters the country duty-free.

The cost of edgeworking is typically less than the 3 to 6 percent duty and therefore this interpretation can be readily abused. My legislation would create a headnote definition of hardboard that would include edgeworked products. It would thus defeat attempts by foreign manufacturers to obtain duty-free status for hardboard products that may be classified as building boards.

A similar provision regarding the edgeworking of plywood was included in H.R. 4800 last year and H.R. 3 this year. This bill deals with the identical issue for another panel product.

I urge my colleagues to cosponsor and support this important bill.

MAJ. GEN. JIMMY D. ROSS: ONE OF OUR BEST

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. HANSEN. Mr. Speaker, I would like to pay tribute to Maj. Gen. Jimmy D. Ross, commanding general, U.S. Army Depot System Command, who, on June 9, 1987, will move on to become Deputy Chief of Staff for Logistics, Department of the Army.

The strength of the Army is best measured by its people. Let me say that, throughout his distinguished career with the Army, Major General Ross has been the standard after which others in service have molded themselves. He symbolizes the heroic mettle that fought and won wars for our great country. His preparedness, conviction, and knowledge has been the hallmark of his distinguished career. Indeed, Tooele Army Depot, which is located in my congressional district, owes Major General Ross a debt of gratitude for his help, leadership, and friendship. He has worked, not for recognition, but for the good of America.

The list of accomplishments of this outstanding officer would take longer than time will allow, but I would like to share with my colleagues what Major General Ross has personally meant to Tooele Army Depot.

Major General Ross enhanced the readiness of the U.S. Army and the State of Utah as is evidenced by his support in the funding of major modernization initiatives. The fiscal year 1989 construction of a $60 million consolidated maintenance facility at Tooele Army Depot which is located in my congressional district will increase the proficiency and efficiency of the Utah workforce as well as result in an Army that stands ready to protect its allies and our Nation.

In addition to facilities modernization, Major General Ross provided the resources necessary to automate Tooele Army Depot in information management and equipment processing, preparing the depot for any challenge well into the 21st century.

In an effort to clean up the environment at Tooele, Major General Ross entered into a partnership with the State of Utah to assure all deficiencies encountered were corrected. He has ensured that environmental control programs in excess of $10 million were instituted to protect the ecological balance and human health in Utah. During his tenure, a new health clinic was constructed and a chemical environmental laboratory started to provide the best facilities and latest technology to support Tooele Army Depot's mission.

His program for centers of technical excellence has seen a smooth transition of modernized wheeled vehicles and equipment go from manufacturers to soldiers in the field through expert training and fielding teams. New equipment such as the heavy expanded mobility tactical truck [HEMTT], high mobility multipurpose wheeled vehicle [HMMWV], and the distribution illumination, electrical [DISE] are now in the hands of trained military personnel thanks to the personal efforts of Maj. Gen. Jimmy D. Ross, an outstanding Army officer and a great American.

I ask my colleagues to join me in honoring the man behind the tradition of excellence, loyalty, and unselfish dedication to this country by proclaiming June 9, 1987, as "Maj. Gen. Jimmy D. Ross Day." It is Utah's small way of saying: Thank you, Jimmy Ross, for your many years of service to America and to the State of Utah.

REINSTATE RESERVE METHOD OF ACCOUNTING FOR LOAN LOSSES IN FARM CREDIT SYSTEM

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. DAUB. Mr. Speaker, today I am introducing a bill which will reinstate the use of the reserve method of accounting for loan losses to the taxable entities in the Farm Credit System. Prior to 1987 these businesses were allowed to use this preferred method to account for loan losses for Federal tax purposes. However, because of an oversight in the Tax Reform Act, these local credit institutions were not given the same exemption from this loan loss rule that other financial institutions are allowed.

Under prior law, banks for cooperatives were allowed to calculate loan loss deductions based on generally accepted accounting principles; meaning the amounts necessary to cover any expected losses from loans held at the end of the taxable year. Production credit associations computed their loan losses in accordance with the Farm Credit Act of 1971, as amended in 1985.

The Tax Reform Act repealed the use of the reserve method for tax purposes by all taxpayers except for certain financial institutions, defined as "banks" under section 581 of the Internal Revenue Code, with total assets of less than $500 million. Unfortunately, IRS ruling 81-172 held that PCA's are not considered banks for purposes of the Internal Revenue Code because they are not authorized to receive deposits or exercise the fiduciary powers allowed to banks. The result is that these financial institutions serving our vital agricultural industry are unfairly disadvantaged and my bill provides a necessary equilizer.

LEGISLATION TO INCREASE THE GRAZING FEE

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. SYNAR. Mr. Speaker, today, I am introducing legislation to increase the fee charged for grazing livestock on public rangeland managed by the Bureau of Land Management [BLM] and the Forest Service [FS]. The fee currently charged is $1.35 per animal unit month (a.u.m.), which is far below the average appraised 1983 market value of $6.53 per a.u.m. for all Federal grazing land. The proposed legislation implements a recommendation made last year by the Committee on Government Operations that, if the administration failed to increase the fee in accordance with existing law, Congress should require an increase.

The current fee, established by Executive order in 1986, fails to cover even the costs of the grazing program. That makes no sense whatsoever in these times of mammoth budget deficits, and is totally inconsistent with the Reagan administration's philosophy of charging user fees to those who benefit from a service. In 1982 and 1983, the grazing fees fell short of the costs of the range program by $78 million, and by almost $33 million in 1984. In 1985, the Office of Management and Budget estimated that the grazing fee covered only 35 percent of the costs of rangeland management and improvement. Furthermore, the fee fails to fulfill the policy established in the Federal Land Policy and Management Act of 1976 to receive fair market value for the use of the public lands and resources.

The $4 million "Grazing Fee Review and Evaluation" published last year by the Forest Service and the Bureau of Land Management provides ample evidence of the need for an increase in grazing fees.

Further evidence is provided by the fact that hundreds of BLM permittees "sublease" their grazing privileges—The Forest Service prohibits subleasing—It would make no economic sense to "sublease" if BLM grazing privileges were not priced below market value. Unfortunately, Congress' efforts to collect the windfall profits earned by these sublessors have been sabotaged by the BLM. Rather than continue such round about, and unsuccessful efforts to deal with subleasing, we should simply increase the fees.

Twenty-three thousand "permittees," who account for less than 2 percent of the total livestock industry, benefit from the $1.35 per a.u.m. fee. While they include some traditional family farmers, they also include major oil companies, agribusinesses, land speculators, and doctors and lawyers who engage in a little weekend ranching. If all American livestock producers were subsidized equally, it would cost a total of $2 billion.

Permittees, who support legislation to keep the fee at the $1.35 per a.u.m. fee, argue that the fee should be kept low because public rangeland is not in very good shape. That, unfortunately, is true in many cases. Much of the public's land has been overgrazed by livestock. Sometimes it is overgrazed because of trespass and sometimes because permittees have vigorously and successfully fought Forest Service and BLM efforts to reduce the number of livestock allowed on particular parcels of land. However, it should be remembered that the appraisal which determined that market value for the public rangeland grazing privileges is almost 5 times the $1.35 per a.u.m. fee took the condition of the land into consideration.

The proposed legislation establishes a fee based on a formula described in the "Grazing Fee Review and Evaluation" called the Modified Market Value formula. It establishes a fee for six different pricing regions taking into consideration the 1983 grazing rental appraisal estimates of market value of forage and making annual adjustments based on changes in private lease rates.

Proceeds from the fees will pay for range improvements. But, much of the money currently spent for range improvements goes for projects that enhance livestock production—For example, fences, livestock watering holes, etc.—Therefore, the legislation requires that at least 25 percent of the money be used to improve riparian habitat—Riparian areas are those lands which are near water resources such as streams, springs, and lakes and are close enough to the water to provide needed habitat for wildlife.

THE FSLIC CONFERENCE

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. GORDON. Mr. Speaker, the members of the House Committee on Banking, Finance and Urban Affairs must decide within the next few days whether or not to go to conference with the Senate on banking bills, H.R. 27 and S. 790, both dealing with the much needed recapitalization of the Federal Savings and Loan Insurance Corporation. I urge my colleagues to go to conference.

Over the past few years financial strains on FSLIC have grown as the number of troubled thrifts have increased. Although estimates differ as to the amount of resources the FSLCI will need in the period ahead, there is no disagreement that new funding sources are necessary to supplement the current deposit insurance base. At the present time, FSLIC continues to experience significant drains on its resources. The Bank Board is now closely monitoring 351 troubled institutions with total assets of $117.5 billion. The Bank Board currently estimates that these institutions lose $6 million a day or $2.2 billion per year.

Clearly, the future financial viability of the FSLIC and its member institutions depends upon quick and decisive action by the House and Senate Banking Committees.

Mr. Speaker, the time has come to complete action on this important problem and I urge the House Banking Committee to begin its conference with its Senate colleagues.

ABOLISH THE 75-PERCENT TAX BRACKET ON SENIOR CITIZENS!

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. KEMP. Mr. Speaker, today, I am introducing a bill to repeal the Social Security earnings test. The earnings test has literally made work a losing proposition for many retired workers by reducing Social Security benefits by 50 cents for every $1 of outside earnings.

By taking away the lion's share of earnings, the earnings test is an implicit message to the elderly that they have nothing to contribute to our Nation's economy after retirement and should leave the work force. That's a terrible message to older Americans. Seniors don't want to look on from the sidelines when they retire; they want to contribute to our Nation's economic life even after official retirement.

By removing a barrier to work after normal "retirement" age, my bill will help create new opportunities for seniors to achieve greater self-worth, dignity, and financial independence. It will help restore the Social Security System as an earned pension, rather than a type of welfare program. And with growing shortages in skilled labor, many employer groups should also welcome this reform.

The earnings test is not well understood, even by many older Americans. Under this law, working seniors have 50 cents in Social Security benefits withheld for each $1 in earnings above $6,000 for beneficiaries under age 65 and $8,160 for beneficiaries age 65 through 69.

For even the average income older worker, this is equivalent to a 50 percent marginal tax on wages. Considering the personal income tax, the employee's share of the FICA tax, and the earnings test tax rate, an older worker who has earned an average annual wage in 1985 would face a 75 percent or higher effective tax rate on his or her earned income. Prior to 1986 tax reform, the rate could actually exceed 100 percent.

The high marginal tax rate on earnings is a very large disincentive for work. Labor economists estimate that 1 million senior citizens don't work simply because they want to avoid the earnings test. The earnings test also lowers the standard of living of at least 1 million other senior citizens who have their Social Security benefits reduced in part or in whole. Considering family members and dependents, Social Security experts estimate that 3 million people are suffering from a lower standard of living as a result of the earnings test.

The 75-percent bracket would be considered confiscatory, counterproductive, and inequitable for any other group, but somehow because it's on older Americans, few voices are raised in opposition. Perhaps, that reflects the outdated notion that when a person reaches the age of 65 they should leave the work force to open up a slot for younger workers.

I reject this dead end, status quo, Malthusian thinking. Economists call it the "lump of labor" fallacy because it ignores the amazing job-creating powers of a free economy. Senior citizens are not a drag on our resources, they are our most precious resource.

Seniors don't take jobs away from younger workers, they increase the number of jobs through their entrepreneurship, creativity, and innovation. Seniors should not only be permitted, they should be encouraged to continue working as long as they want to.

In the past, the main obstacle to eliminating the Social Security retirement earnings test has been its cost. Government agencies put the cost at somewhere between $2.5 to $5 billion per year, though that doesn't take into account any increased revenues from more seniors coming into the work force. With the Society Security trust fund racking up $30 billion or more surpluses every year, this increase in Social Security outlays should not imperil the financial integrity of the trust fund. Moreover, Social Security actuaries estimate that the cost will decline steadily for the rest of the decade, and then actually result in net revenue gains for both the Social Security trust fund and income tax system early in the next century.

What would account for the long-term revenue gain? The primary reason is that abolishing the earnings test will increase the size of the work force by encouraging millions of our seniors to take jobs. While difficult to estimate precisely, more jobs and more wage earners will generate greater revenue for both the income tax system and the Social Security trust fund.

I hope Congress will pass my bill this session, and I believe President Reagan would be pleased to sign it into law. We need the increased revenues into both the trust fund and the income tax system. We need the expertise, talents, and experience of senior citizens in our work force. Let's recognize the dignity of labor, abolish the 75-percent tax bracket on senior citizens, and repeal the folly of this Federal intrusion into the realm of private decisionmaking. For all these reasons and more, I urge my colleagues to support my bill.

MORTGAGE CREDIT FAIRNESS ACT

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. GALLO. Mr. Speaker, today I am introducing legislation to prevent financial institutions from promising consumers a lock in mortgage rate and then not honoring those promises.

I firmly believe that this legislation will keep consumers from having to scramble about blindly at a time when they are making one of the most significant decisions they will ever make. There is nothing so important or expensive as the family home.

In many cases, lenders have promised to lock in certain mortgage interest rates for a specific period of time. Consumers then plan their family budgets around the quoted rate, including the number of points that would be due at closing.

The problems for the consumers do not become apparent until closing, when they discover that the lock-in period has expired and the interest rates or number of points they will have to pay have increased significantly.

Home buyers or those who wish to refinance their mortgages are often faced with accepting loans costing far more than they expected, coming up with additional money up front, surrendering their application fees or, most important, giving up their dreams of homeownership. A collapsed financing deal of this kind has a domino effect. Home sellers also count on these guarantees and expect payment for their homes so that they can fullfill their commitments to purchase another home.

Under my bill, consumers will be protected from this mortgage rate shock. Lenders who have promised terms such as guaranteed interest rates or number of points will be prohibited from using delays in the closing process to escape their promises. Those lenders who clearly tell consumers that the interest rate or other terms are not guaranteed or lenders whose closings are delayed by unreasonable behavior on the part of the consumer are exempted under my bill.

Under the terms of the Fair Mortgage Credit Act, consumers will have the knowledge they need to shop around for the best deal. Consumers will be protected by knowing the exact terms of their mortgage and they will be able to predict accurately how much money they will pay and when and how they will pay it.

The Mortgage Credit Fairness Act is necessary to prevent American consumers from reliving last summer's horror stories, when prospective homeowners shopped diligently for the best rates and terms only to learn at closing that "lock-in" was a meaningless word and the deal they thought they had was only an estimate.

Again this spring, lenders are suddenly demanding more points and consumers are forced to come up with thousands of dollars at a moment's notice. Interest rates guaranteed to consumers for limited periods are going through the roof when, through no fault of the consumer, the closing is delayed beyond the "guaranteed" lock-in period.

The problem is widespread. The New Jersey Department of Banking has received over 1,300 consumer complaints regarding paperwork delays that have cost consumers thousands of dollars in higher interest rates. In Maryland, the number of consumer complaints has reached the 2,500 mark.

Here are just a few comments from consumers.

> Something should be done to protect the consumer from rate changes. With the price of homes today, most buyers are barely squeezing under the wire and can ill afford dramatic upward changes in rates.—Brick-

town, New Jersey, promised 8¾ percent, closing 10½ percent.

Because (the lender) failed to "lock us in," as promised, it will cost us over $30,000 in additional interest over the next 10 years.—Seattle, WA, promised 9.25 percent, closing 9.875 percent.

I want this house very much. I have nowhere to live, and have no choice but to accept this railroad job—Oklahoma City, promised 8½ percent, closing 11 percent.

On behalf of these good people and others like them, I urge my colleagues to join me in support of this legislation. In the simplest terms, this bill is about fairness to existing and future homeowners. It is also about fairness to the many lenders who currently keep these promises or who don't make commitments they know they can't fulfill.

IN SUPPORT OF TITLE II CONTAINED IN S. 790

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. SHAW. Mr. Speaker, today the House Banking Committee is meeting to discuss the upcoming conference with the Senate on banking legislation. I am in strong support of title II in the Senate's version of the bill and I would hope that it is contained in the conference report, without any crippling amendments.

Title II, as contained in S. 790, institutes a 1-year moratorium on increased activities by federally chartered banks and bank holding companies in real estate, insurance, and securities. This title is of great importance for several reasons.

First of all, the Federal Reserve Board has closed its public comment period on a proposed regulation which would allow banks and nonbank subsidiaries to become involved in real estate activities, including investment, development, and even possibly brokerage. I am concerned that the Federal Reserve Board proposed this regulation without congressional approval. It is imperative that congressional hearings be held to determine whether the banking industry should be getting involved in real estate activities.

Second, this 1-year moratorium would give Congress a sufficient amount of time to investigate the proposed changes under consideration by the Federal Reserve Board.

Finally, it would send a message to the Federal Reserve Board that it has stepped out of bounds and in the future the Board should remember which body of the Government makes these types of decisions.

HARRIET QUIMBY

HON. FREDERICK S. UPTON

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. UPTON. Mr. Speaker, in conjunction with the annual "fly-in" festivities in Coldwater, MI, and the Michigan Sesquicentennial, I rise today to honor Harriet Quimby, a pioneer aviatrix from Branch County, MI.

Born in 1875 in Coldwater, MI, Harriet Quimby was the younger daughter of William Quimby, a farmer. Her mother aspired that her two beautiful daughters would rise above their humble start in life.

Harriet became a journalist, starting her career as a staff member of the San Francisco Dramatic Review. She was one of the first journalists to make use of a typewriter.

While hunting for a dramatic story, her attention was drawn to a flying meet at Belmont Park. Greatly inspired at the meet, she became fascinated with the thought of learning to fly a plane. After 4 months of flying lessons, Harriet was granted her pilot's license in 1911, making her the first American woman to receive a pilot's license.

Harriet saw great possibilities in using her acquired skills to gain both fame and fortune. She decided to be the first woman to cross the English Channel on a solo flight. On April 16, 1912, despite inexperience and adverse weather conditions, she successfully crossed the channel. Unfortunately, the sinking of the *Titanic*, which had happened 2 days earlier, drove the news of Harriet's accomplishment to the small spots on newspapers around the country. She did receive publicity later on, but it was anticlimactic to the tragic news of the *Titanic*.

After her success, Harriet was invited to several air shows in which she performed her talents for many people across the country. Then in 1912, tragedy struck during a performance in Boston. Harriet and her passenger, William Willard, the meet manager, were tossed from their airplane and fell 1,000 feet to their deaths. Harriet's flying career had only lasted 11 months, but her courage opened the way for other women to follow in her path.

DILEMMA OF KEITH BRAUN

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. DAVIS of Michigan. Mr. Speaker, I rise today to call attention to the dilemma of Mr. Keith Braun of Michigan, a member of the Divided Spouses Coalition.

Mr. Braun married Svetlana Ilyinichna, a Soviet citizen, almost 3 years ago, yet they remain apart. Four times Mrs. Braun has applied for permission to emigrate to the United States, but has been refused on each occasion. This young couple's happiness should not be made a political issue. Little has improved for any of the divided spouses who were anticipating better treatment from the Soviet Union's new emigration laws. Is the Soviet Union's pledge for humanitarian change merely a superficial gesture? Certainly Mr. and Mrs. Braun and other divided spouses think so.

Mrs. Braun is a refrigerator technician in the Soviet Union. She has no Soviet secrets to contribute to American intelligence. If the Soviet Union is sincere in its desire to improve its reputation in this country, then allowing Mr. and Mrs. Braun to begin their lives together would be a step in the right direction.

THE "SMALL BUSINESS BILATERAL FREE TRADE ACT OF 1987"

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. COBLE. Mr. Speaker, one of the phrases most heard in this hallowed hall is "free trade." Its proponents say we have to do everything we can to continue our system of free trade. If we continue our system as it exists right now, we will free trade ourselves right into the poor house. What we need, Mr. Speaker, is fair trade. A shining example of how free trade is not working can be found back home in North Carolina.

Our neighbor to the north, our largest trading partner, our good friend, Canada, has the United States over a barrel right now. We are living under a trading agreement with Canada that is highly detrimental to our economy. And the worst part of all, much of the damage is self-inflicted. Since we put ourselves in this untenable situation, we must now correct the problem. We cannot wait for Canada to act unilaterally.

I am referring to the rate of tariffs that affect three very important and diverse industries. The furniture, printing, and boating industries have been severely harmed over the last few years by an unfair tariff agreement with Canada. Since there is no real incentive for Canadians to change a situation favorable to them, that we willingly entered, it is up to the United States to correct the flaws. That is why today, my North Carolina colleagues, from both sides of the aisle, and I are introducing the "Small Business Bilateral Free Trade Act of 1987." During the 99th Congress, we introduced a bill covering only the furniture industry. This bill seeks to encompass two other industries that have been harmed by this unfair tariff schedule.

The furniture industry is extremely important to North Carolina. Approximately 85,000 people are employed by the industry in our State alone. My district contains High Point, recognized as the "Furniture Capital of the World." Twice a year, more than 40,000 buyers from around the world converge on High Point to inspect the latest furniture offerings. More than 500,000 people are employed by the furniture industry nationwide.

Here is the problem: American furniture products shipped to Canada face a tariff of at least 15 percent while the corresponding United States tariff is approximately 2.5 percent. Because of this differential in 1986, Canadian furniture imports increased 17 percent to an all-time high of $500 million.

The furniture industry is not alone in trying to overcome high tariff walls in Canada. Regarding, the printing industry, trade between the United States and Canada is being distorted to the extent that printed products exported to Canada are subject to duties up to 28.6 percent, while the bulk of Canadian printed products enter the United States duty free.

Regarding the boating industry, Canadian tariffs on certain products are in the range of 15 to 16 percent and the corresponding

United States tariffs are as low as 1 to 2 percent.

A common characteristic of each of these industries is their structure: all three are dominated by small manufacturers. Over two-thirds of the 5,400 furniture firms in America employ fewer than 20 people, and the story is similar in the printing and boating industries. Small manufacturers are, generally speaking, least able to overcome protectionist tariff barriers. As a result, the furniture, printing, and boating industries are working together to achieve free trade—zero tariffs—between the United States and Canada on their products. All are strong supporters of the Small Business Bilateral Free Trade Act of 1987.

The Small Business Bilateral Free Trade Act of 1987 would provide badly-needed incentives for the Canadian Government to negotiate an end to their unfair tariffs within the context of the ongoing United States-Canada free trade negotiations. The legislation would present the Canadians with two choices: free trade or reciprocity. The President is granted the authority to negotiate free trade on the covered products. If an agreement is not reached within a specified time period, then applicable United States tariffs on corresponding Canadian goods would be gradually raised until they were even with the Canadian tariffs. At no time would United States tariffs ever exceed those of Canada, and if the Canadian tariffs decline in future years, ours would match their decline, point for point.

As I stated earlier, Mr. Speaker, the United States cannot continue the status quo. We cannot afford it. We are not seeking protection for these industries; they can operate efficiently without our protection. What we are seeking is equality. When these American industries are able to compete with their foreign counterparts on an equal basis, they will not only survive, they will thrive. We have named our bill the Small Business Bilateral Free Trade Act of 1987. Perhaps a more appropriate moniker would have been the Equality Act. Equality of treatment is what we seek. We hope you will join us in our efforts.

INTRODUCTION OF LEGISLATION TO CONTROL CHLORADANE AIR EMISSIONS

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. WAXMAN. Mr. Speaker, today I am introducing an amendment to the Clean Air Act to ban air emissions of chloradane, heptachlor, aldrin, and dieldrin in or around any building or other structure.

It is ironic that virtually all uses of these cancer-causing poisons hae been canceled because of health concerns except use in and around homes to kill termites. These chemicals, which are close cousins of DDT, are volatilizing into household air, traveling on dust particles, and later becoming permanently bound to household surfaces. Homeowners, who have had their homes treated with chloradane, are alarmed about the adverse health effects of these chemicals which include nausea, severe headaches, fatigue, depression, aggression, blood problems, immune system dysfunction and cancer.

Even with overwhelming evidence supporting a ban, EPA cannot seem to act. Later this summer, I plan on holding a hearing on this problem to exert additional pressure against EPA. I also hope that we will be able to bring this amendment before the House for action this year.

I urge my colleagues to signal their support for control of chloradane emissions in and around the home by cosponsoring this vital legislation.

PALLOTTI STUDENTS AWARDED JOURNAL CUP

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. HOYER. Mr. Speaker, on June 11, 1987, the Prince Georges Civic Association will award the Prince Georges Journal Cup to Miss Lisa Beavers and Miss Kathleen McGinn, representing the senior class of St. Vincent Pallotti High School.

This prestigious award is made annually to a person or group which, through civic activism, has worked to improve the quality of life for citizens in our county. Among the award winners over the cup's nearly 50-year history have been some of the most distinguished civic activists in Prince Georges County. I would hazard a guess that the Pallotti seniors are the youngest recipients ever of the Journal Cup.

As my colleagues in the House may recall, several weeks ago I commended the same group, the senior class of Pallotti High School, upon their receiving the American Trial Lawyers' Association's Victim Service Award for 1987.

All of this recognition is due the seniors of Pallotti High School, led by Lisa Beavers and Kathleen McGinn, because of their work during this past session of the Maryland General Assembly in lobbying for legislation to improve truck safety standards in our State.

Through their efforts, the students of Pallotti High School have demonstrated the finest qualities of commitment and integrity of the young people of our country. Their work has served as an inspiration to me, and I have introduced legislation at the Federal level to strengthen truck safety laws.

The efforts of the Pallotti students stem from a great tragedy. One day in November 1986, three young women, members of the Pallotti senior class were driving home from school, when the car in which they were traveling was crushed by a truck with failed brakes. Two of the young women, Gloria Graham and Jeannine Everhart were killed, and Lisa Beavers was seriously injured.

The truck, which was registered in Virginia, had numerous safety violations and had not been inspected for 3 years. The truck driver was operating with an expired driver's license.

We can all imagine the tremendous grief and sense of loss felt by the families, friends, and classmates of both Gloria and Jeannine. The classmates at Pallotti took their grief and channeled it into action.

First, under the guidance of Betta Borrelli, an American Government teacher at Pallotti High School, the students explored and researched truck safety issues. They each wrote letters to their State legislators, about the need for improved truck safety measures. More than 100 Pallotti students traveled to Annapolis to meet with the legislators and to attend committee hearings in support of a mandatory truck safety inspection program to replace the current system of random safety checks.

Neither the Maryland House of Delegates nor the Maryland State Senate enacted the changes in truck safety laws sought by the Pallotti students. But we all hope that their willingness to be involved in the legislative process will eventually lead to strengthening of our State's laws.

I know that the Members of the House join me in saluting the outstanding students of St. Vincent Pallotti High School, led by Lisa Beavers and Kathleen McGinn, for demonstrating the characteristics of civic activism that make them such deserving recipients of this year's Prince George's County Journal Cup Award.

A SALUTE TO BERT COFFEY

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. MILLER of California. Mr. Speaker, this Friday night, hundreds of friends, admirers, and colleagues will gather to salute one of the truly outstanding political leaders in the State of California, Bert Coffey.

It is a great tradition we honor tomorrow night, the tradition of the "Coffey Machine." That tradition is continued in the legions of young people whom he has brought into the political process, whom he has helped win elective office, and whom he has steered toward the goal of public service.

It is a tradition which will continue also through the activism of Bert's three children, Mitchell, Vicki, and Colin, all of whom are active in public affairs.

To me, Bert Coffey has been far more than a mentor, an advisor, or a consultant to me. He has nurtured the political careers of two generations of the Miller family. Over 40 years ago, Bert guided my father to a seat in the State assembly. He remained a trusted friend and invaluable adviser throughout my father's entire career.

But Bert's influence and expertise has been lavished on far more than just the Millers. In the early post-war years, Bert was one of the founding forces of the California Democratic Council, the leading force for progressive politics in our State.

His influence, insights, and guidance helped develop many of those who have become the political leadership of our State and Nation since the 1940's, including former State assembly speaker-pro tem, Jack Knox, and U.S. Senator ALAN CRANSTON.

His years of organizational efforts and strategic planning culminated in his service as chairman of both the Northern Democratic Party, and then the Democratic Party of the State of California. As a member of the Democratic National Committee for many years, he has had a major influence on the democratization of our party.

Throughout his distinguished career, Bert Coffey has always kept clearly in mind that politics was the device for achieving honest, compassionate, and constructive policy, not merely a means for promoting one's own personal power. His commitment to the rights working people, the cause of civil rights and civil liberties, and the peace movement has never waivered for decades, regardless of the fickle trends of the times. He has never hesitated to stand up and tell you—sometimes more bluntly than you would prefer—what he believed, and why you were wrong.

There are a few key phrases which everyone who knows Bert will always remember as uniquely his.

When I first came to Congress and set out an ambitious agenda for social justice, economic prosperity, and world peace—all of them to be accomplished in the first session—Bert reminded me, "Before you save the world, you've got to save your seat." It's the little homilies like that that a politician comes to appreciate more often than we care to admit.

Bert also reminded us that the complexities of America's social and economic inequities could not be addressed abstractly. "You can't love humanity if you don't love people," he advised, and that advice has wisely persuaded many an elected official to visit the seniors centers and the schools and the hospitals, and to learn about social problems from personal experience, not from dry statistics.

And, of course, we would be remiss if we did not acknowledge the many contributions of Bert's own adviser and strategist, Hyman Popovich, whose wisdom and guidance have served us all so well, and who for many years has coaxed Bert out of sick beds and retirement to win one more campaign.

In an era where politics has been reduced to slick, television "bits" and symbols, Bert has remained true to the essentials of the political process: a fervent commitment to ideas, reliance on grassroots activity, and community organization. Those are attributes which have served him not only in winning innumerable victories in electoral politics, but in his work with community organizations as well.

Bert Coffey is a national political leader in every sense of the word. His wisdom, his insights, and his intellect has been sought by candidates and policymakers from the local city council to the occupants of the White House, and many Members of this body as well.

That is why I know that many Members of the House of Representatives join me in saluting Bert Coffey on years of diligent, dedicated, and tireless service to the people of this country.

LEGISLATION REGARDING THE REDOCUMENTATION OF FISHING INDUSTRY VESSELS

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. YOUNG of Alaska. Mr. Speaker, today I have joined with my colleagues from the State of Washington in introducing legislation that would prohibit foreign-built vessels from being used in the U.S. fisheries. This bill is a modification of H.R. 438 which I introduced in January and H.R. 1956, which my colleagues introduced in April.

The Committee on Merchant Marine and Fisheries has spent a considerable amount of time wrestling with the problem of how best to influence the further development of our commercial fishing industry. Arguments have been made for and against changing current law. We Members from the Pacific Northwest have tried to come up with legislation that will protect the rights of fishermen, processors, and seafood industry workers. We believe that the bill being introduced is the most logical way available to do the job, considering all of the arguments.

Mr. Speaker, I hope that the appropriate House committee will take rapid action on this measure, that it will be quickly adopted by the full House, and that our colleagues in the other body will see fit to pass it unchanged.

SMOKE AND MIRRORS

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. ANDREWS. Mr. Speaker, without question, the most pressing problem the Congress faces today is the increasingly unmanageable Federal budget deficit. In the last 6 years, the deficit has more than doubled, crowding out private investment, raising interest rates, and hurting our economy.

Even as I speak, House and Senate budget conferees are trying to work out a compromise on next year's budget that will meet the Gramm-Rudman deficit target of $108 billion. It is not an easy task.

In order to make any significant progress on the deficit, realistic reductions in domestic and defense spending, as well as considering the need for additional revenues, will be necessary. Given these tough choices, it is regrettable that Congress has had so little cooperation from the administration during our deliberations.

As the following editorial from the Houston Post points out, to insist as this administration does that we can reduce the deficit and continue huge military expenditures without additional revenue is to use "a smoke-and-mirrors approach to our fiscal problems."

I believe, as the Post does, that it is time for a more realistic approach.

Smoke and Mirrors

President Reagan's attack on congressional advocates of big spending and new taxes, in a speech to business leaders Thursday, would have been more convincing if it weren't for his own questionable fiscal record.

Addressing the National Association of Manufacturers, the president reiterated his vow to veto any tax increase legislation sent to him by the Democrat-controlled Congress. At the same time, he promised not to let the lawmakers gut his defense spending request.

Reagan credited the Gramm-Rudman-Hollings balanced-budget law with keeping the lid on spending this year. But the White House concedes that the president's proposed budget for the next fiscal year, beginning Oct. 1, will exceed the law's $108 billion deficit limit by $27 billion.

His contradictory stances on taxes and defense spending have contributed to the nation's debt burden, just as the free-spending habits of Congress have.

Reagan took office in 1981 promising to balance the budget by 1984. He pushed through what he proudly proclaimed as the largest tax cut in history and won hefty increases in defense spending. But he has yet to submit a balanced budget to Congress.

When he became president, the federal budget deficit was about $58 billion. It later rose to more than $200 billion, before starting a decline under the impetus of Gramm-Rudman-Hollings. In six years of the Reagan presidency, the national debt has more than doubled—from a little less than $1 trillion to $2.3 trillion and counting.

The president is right about taxpayers' aversion to new taxes. But to insist that we can reduce the mountain of federal debt and continue huge military expenditures without additional revenue is to use a smoke-and-mirror approach to our fiscal problems.

THE 85TH ANNIVERSARY SECOND BAPTIST CHURCH

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. WELDON. Mr. Speaker, today I rise to join with Mayor Frank W. Daly of Media, PA and the Council of the Borough of Media in celebrating the 85th anniversary of the Second Baptist Church.

On Saturday, June 6, 1987, I will have the privilege of participating in the "God and Media Parade". As we prepare to celebrate the bicentennial of our Constitution, it is appropriate to recognize the spirit of community involvement and church leadership reflected by the achievements of the Second Baptist Church.

The Second Baptist Church has expanded their traditional services to fit the needs of the community. Under the leadership of the pastor, Rev. Warren D. Mays, Sr., the Second Baptist Church has striven to provide housing to senior citizens, drug prevention programs, illiteracy workshops, as well as many other community service projects.

I congratulate Reverend Mays and the Second Baptist Church family for their success and thank them on behalf of the many people they have touched over the past 85 years. I wish for them the best in all future endeavors and share the following Resolution of the Council of the Borough of Media.

Whereas, it has come to the attention of the Council of the Borough of Media that the Second Baptist Church of Media will celebrate the 85th year of its founding, and

Whereas, the Council of the Borough of Media realizes that the Church through its Pastors has been serving the spiritual needs of its members, and

Whereas, the Church through its services and activities and through the labors of its members makes this community a better place to live and work.

Now, therefore, the Council of the Borough of Media unanimously resolves this 22d day of November 1986 to be a day of celebration for the Second Baptist Church of Media.

CONGRESSMAN HAMILTON'S ELOQUENT CALL FOR TRUTH

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 4, 1987

Mr. OBEY. Mr. Speaker, the administration has made Central America a major focus of U.S. interests.

The fact is, however, that the administration's deceptive tactics in dealing with the Congress on this key issue, through evasion, half-truths and, apparently, outright lies, will have a serious negative impact on the ability of the United States to develop a coherent, sustainable, unified policy in that important region for the rest of this administration's term in office.

The best example of the problems the administration has created for itself is the testimony of the Assistant Secretary of State for Inter-American Affairs, Elliott Abrams, before the congressional Iran-Contra panels the past few days.

Congressman Lee Hamilton, the distinguished chairman of the House panel, carefully and thoughtfully articulated the seriousness of the situation created by Mr. Abrams and other administration officials when he said:

> We cannot advance United States interest if public officials who testify before the Congress resort to legalisms and word games, claim ignorance about things they either know about or should know about and at critical points tell the Congress things that are not true . . .
>
> The President cannot sustain his policy, if he tries to carry that policy out secretly and his representatives mislead the Congress and the American people . . .

It is not necessary for Members of Congress to always agree with an administration's foreign policy, but it is necessary for us to be able to believe that we are being told the truth, and the whole truth.

Every now and then, in the course of our daily work in the Capital, one of our colleagues makes a statement which is so eloquent and so in tune with basic truths that it brings a new and needed focus to our pursuit of the national interest.

Mr. Hamilton's statement yesterday was one of those occasions.

I commend Mr. Hamilton's remarks to my colleagues.

[From the New York Times, June 4, 1987]

PANEL MEMBER SEES SELF-DEFEATING U.S. POLICY

At one point in the hearings, Representative Lee H. Hamilton, Democrat of Indiana and chairman of the House committee on the Irancontra affair, offered some comments on the testimony of Elliott Abrams.

I think the tactics that were employed by the Administration in carrying out its policy in Central America, impeded, if they did not defeat, the policy objectives that you sought. . . .

You acknowledged that you made statements that were not true and that, at least in some instances, your testimony, taken as a whole, was misleading. . . . But we have here not a single, inadvertent statement, but a pattern of statements, upon which the Congress and its committees relied.

And over a period of time, whether intentionally or not, you and your colleagues kept from the Congress critically important facts about policy. . . .

You, the Administration, relied on secrecy as the chief means to carry out key aspects of your foreign policy goals. . . .

Now let me just make one comment about secrecy, almost parenthetically, if I may. The Administration kept from the Congress information about soliciting funds from Brunei. And if I understand your testimony correctly, you said that you wanted to maintain the sultan's request for confidentiality.

I really do not see why we, in the United States, should let a foreign sultan dictate the requirements of our foreign policy. . . .

You told us in the opening statment, and we all agreed with it, that Congress must be a powerful participant in the making of foreign policy.

But your actions, as you acknowledge, were not compatible with your rhetoric. You said that unless members of Congress ask exactly the right questions, they won't get the right answer, with regard to one hearing at least. And that is precisely the wrong tactic.

The object here is not to avoid a perjury indictment. The object is not to work to make your answer literally correct, but nonetheless misleading.

The object is to make the Constitution of the United States work. . . .

You, as others have pointed out, kept yourself ignorant about an important part of policy, for which you had responsibility. I was impressed, in your testimony, about your emphasis on the compartmentalization of policy-making. You did your thing. Colonel North did his thing. You said you did not need to know what Colonel North was doing and, for you, it was enough that the State Department was not in violation of the law.

That may satisfy you, but it cannot satisfy the Congress. For whatever reasons, and I don't want to judge those reasons, you did not ask the questions that you should've asked about the private network. You looked the other way. You chose not to be informed about a key element of policy directly under your jurisdiction.

Now let me try to conclude. We cannot advance United States interest if public officials who testify before the Congress resort to legalisms and word games, claim ignorance about things they either know about or should know about and at critical points tell the Congress things that are not true. . .

The Congress cannot play its constitutional role if it cannot trust the testimony of representatives of the President as truthful and fully informed.

The President cannot sustain his policy, if he tries to carry that policy out secretly and his representatives mislead the Congress and the American people. . .

Under the Constitution, the Executive and the Congress both play a key role in making American foreign policy. And the members of this committee, of both parties, of all persuasions, have a deeply felt desire to show that our Government's system of shared powers works. And I do not see how that can be done, unless those of us who are charged with that responsibility speak to one another the truth.

SENATE—*Friday, June 5, 1987*

The Senate met at 10 a.m. and was called to order by the Honorable Timothy E. Wirth, a Senator from the State of Colorado.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

For my thoughts are not your thoughts, neither are your ways my ways, saith the Lord. For as the heavens are higher than the earth so are my ways higher than your ways and my thoughts your thoughts.—Isaiah 55:8-9.

If any of you lack wisdom, let him ask of God, that giveth to all liberally.—James 1:5.

Omniscient God, Your Word makes it clear that our thoughts and ways are antithetical to Yours. We are predisposed to upside-down thinking and doing. Deliver us from the futility which so often haunts our best thoughts, our finest ways. As You have given us minds to think with—as You have made us rational creatures—You have promised to give us Your wisdom when we acknowledge our lack and ask for it. Pride sometimes makes it difficult to acknowledge our need, wise Father—but help us to humble ourselves before You as we face imponderable situations that are often puzzling, confusing, and conflicting. Help us to know that there are no impossible situations with God, for whom all things are possible. Give us the grace to function with Your mind in Your way. In His name who is the Way, the Truth, and the Life. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Stennis].

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, DC, June 5, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Timothy Wirth, a Senator from the State of Colorado, to perform the duties of the Chair.

John C. Stennis,
President pro tempore.

Mr. WIRTH thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection it is so ordered.

SCHEDULE

Mr. BYRD. Mr. President, for the information of Senators, it is hoped that any votes that occur today will occur by noon, for the simple reason that most of the day will be spent on continuing the debate on S. 2, the campaign financing reform bill. Barring any unforeseen surprises in connection with that legislation today, I would not expect any votes on or related to that legislation today.

I should say at this point, however, that the Senate will be back on S. 2 next week. We are very serious about that legislation. It is not legislation to be called up one day and brought down the following day. It is going to be with us, and I urge that all Senators give their attention to it because it is a matter the importance of which merits careful, serious, and thorough attention.

UNFOUNDED CRITICISM OF PUBLIC FINANCING

Mr. BYRD. One of the central themes raised by several Senators who spoke against S. 2 yesterday was that it is unconscionable to force the American people to bear the costs of Senate election campaigns—or, as some said, to bear the even higher costs of all congressional election campaigns since they believe, not without some good reason, that the House may add its own public financing system to this bill once it arrives there.

Because of the importance of the cost issue, let me address it directly, briefly. I begin by saying that I believe there is no more important part of our Federal Government than its integrity and there is nothing more important than the trust and confidence of the citizenry in their government. There is no price we can place on these vital elements of a free government. As I said in my statement yesterday, and in previous statements on this issue, I believe we have reached a point where the rising cost of elections mean legislators devote far too much time to fundraising, where those who finance these very expensive campaigns are perceived to have excessive influence, and where increasingly only the rich or well-connected will be able to aspire to Federal elective office. It is also important to consider the cost to the taxpayer of the present system in terms of special interest loopholes, exceptions, and pet projects, et cetera. In short, the costs of not establishing a system of partial public financing will be the further erosion of public confidence, the perception of even more pervasive influence of the special interests, and a growing exclusivity of this legislative body. These are costs we should not be willing to pay.

To put aside the heavy rhetoric about picking taxpayers' pockets, Mr. President, let us look at the simple facts. They are simple, Mr. President, and they are compelling.

First, S. 2 forces no one to pay for campaign costs of any candidate for any office. It is absolutely incontrovertible and individuality clear on its face. The costs of the public financing program will come only from a trust fund that will obtain all its funding from the voluntary tax checkoff. In effect, the only funds that will be available for public financing will be those that taxpayers directly vote to spend for that purpose by means of the checkoff. This is the sole device in existence in our Government by which all taxpayers have the right and opportunity to decide of their own accord to grant funding or refuse to grant funding to a government function.

Second, there was great wailing and gnashing of teeth concerning the amount of Federal funds that would be required to cover the costs of this program. Let's look more closely at those figures. In the first place, Federal elections take place only every second year. The Congressional Budget Office says that the costs of S. 2 will be approximately $100 million for each 2-year election cycle if most candidates participate. Simple arithmetic tells one that the average annual cost will be approximately $50 million.

This is the cost for Senate elections alone. S. 2 only applies to Senate elections. Certainly, if the House chooses to establish a system of public financing for its elections, the costs will be higher. Let us assume for the sake of argument that the cost for House races will be three times that of what

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

Senate races will cost in each 2-year cycle—what I sincerely believe to be an excessively generous amount allocated for House races. That amounts to $400 million in costs for each 2-year cycle for both House and Senate elections, or an average annual cost of $200 million for both House and Senate election.

Mr. President, in order to fund average annual Senate and House public financing costs of $200 million, it would be necessary at current participation rates for willing taxpayers—remember, now, that only willing taxpayers determine the revenue to be used for this purpose—for willing taxpayers to choose to allocate the amount of $4 a year from the amount of tax they already owe the Federal Government.

Where I come from, $200 million is a very large amount of money, and not something to be treated lightly. But can this Nation afford $200 million to clean up our campaign financing system and restore integrity to it and to these Halls? Can we afford the sum of $4 per year per willing taxpayer for this purpose? I cannot imagine how we would not be willing to dedicate $4 per year per taxpayer for this purpose—and Mr. President, what is the cost if we do not do it? What is the cost to the taxpayer? What is the cost to the American people if we continue under the present system?

The alternative to voluntary spending limits tied to partial public financing of modest cost is uncontrollable spending with all of the negative consequences I and others have already mentioned. The relatively small cost of such a system will pay rich dividends—restored public confidence in our electoral and congressional decisionmaking process, greater focus by Members on their legislative duties, and more competitive campaigns open to a much wider spectrum of participants.

To set in place a reformed campaign financing system such as that embodied in this legislation, $4 per year per willing taxpayer surely is a bargain. It should keep in mind while it debates S. 2 that the costs of S. 2 in its current form are only $1 per willing taxpayer—willing taxpayer, a taxpayer who voluntarily chooses to make the checkoff—per year since S. 2 applies only to Senate elections.

Some have questioned whether taxpayers will continue to check off their tax forms at the same rate after this law takes effect. Mr. President, as a result of the growing concern over this issue and the attention to the issue by the media, there may actually be an increase in the proportion of taxpayers earmarking a few of their tax dollars to support a system of campaign finance like the one that is being proposed. Moreover, Mr. President, I would suggest that it is my sense that most citizens do not presently understand that the campaign finance checkoff does not result in additional tax liability, but rather earmarks for this worthy purpose a very small amount of the tax dollars they already owe to the IRS. As more and more citizens come to understand this, I believe more and more persons wish to participate. Also, I would underscore a point, Mr. President, and that is that the public financing provisions of this bill are financed exclusively from the tax checkoff. At current or even slightly declining rates of voluntary participation in the checkoff, the trust fund would realize sufficient revenue over each 2-year election cycle for the foreseeable future, from the $1 increase in the checkoff contained in S. 2, to pay all costs of the Senate Public Financing Program established by S. 2. If the unexpected should happen and at some point the trust fund does not contain sufficient funds to fully pay for costs that result from S. 2, the bill provides for this eventuality in much the same way as the present Presidential system does in order to avoid dipping into the Treasury's general fund. First, priority is given to the general election grants, and other cost items would be foregone. Second, if still necessary, the general election grants would be reduced on a pro rata basis.

Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The majority leader has 15 seconds.

Mr. BYRD. Mr. President, I thank the Chair.

Mr. President, I now yield the floor and I will have further to say on the subject later.

RESERVATION OF LEADERSHIP TIME

Mr. BYRD. Mr. President, I ask unanimous consent that the time of the distinguished Republican leader be reserved for his use later in the day.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

STAFF EXPLANATION OF TECHNICAL CORRECTIONS TO DEFICIT REDUCTION ACT OF 1984

Mr. DOLE. Mr. President, the Tax Reform Act enacted last year contained technical corrections to the Deficit Reduction Act of 1984. One of these technical corrections modified the treatment of losses from pre-1981 straddles entered into by taxpayers in the business of trading commodities. There has been an ongoing dispute as to whether Congress in adopting this provision intended also to change the tax treatment of investors in pre-1981 straddles who were not in the business of trading commodities.

The House Committee report accompanying this provision contained a discussion indicating an intent to change the taxation of investors, even though there was no substantive change made to the statutory language governing investors. During the Senate's consideration of the conference report, I entered into a colloquy with the then chairman of the Finance Committee, Mr. PACKWOOD, in which we reflected the understanding of the Senate conferees that this essentially extraneous discussion in the House report dealing with investors was definitely not included in the agreement of the conferees and that, consistent with that understanding, the language in question was not included in the Joint Statement of Managers.

The following week, after Congress enacted the legislation, the chairman of the Ways and Means Committee, Mr. ROSTENKOWSKI, inserted in the RECORD a statement to the effect that it was his view that the House committee report language dealing with investors was intended to be included as part of the conferees' agreement.

The staff of the Joint Committee on Taxation has recently published an explanation of the technical corrections to the Deficit Reduction Act of 1984 that were contained in the Tax Reform Act of 1986. In preparing this explanation, the issue arose as to how to deal with the dispute between the House and the Senate with respect to the significance of the House committee report language regarding straddles.

I understand the objective in preparing such explanations is, first, to compile in one document the legislative history relevant to the legislation and, second, to provide additional clarifications or amplifications where there is a consensus of all the principal parties involved in enacting the legislation. It is the very clear intention of the staff that the explanation not create any implication as to the appropriate resolution of any issue with respect to which there is not agreement among the majority and minority leadership of both tax writing committees.

In order to carry out this objective the ground rules that the staff operates on in preparing its explanations are that it includes, without expressing any view as to their legal significance, all portions of the House and Senate committee reports and the joint statement of managers that concern the final legislation, but that it does not include any other materials, including floor statements, where there is a dispute as to whether they express the intent of Congress in enacting the legislation. Again, the failure to include any such material in no way is intended to express an opinion of the staff as to the appropriate resolution of the issue in dispute.

It is my understanding that these ground rules were followed in connection with the staff's treatment of pre-1981 straddles in its explanation of the technical corrections to the 1984 act—the relevant House committee report language was included but the floor statements concerning the significance of that language were not. It is my further understanding, and the point I wish to emphasize, that this treatment was not in any way an expression by the staff of a view as to which interpretation of the straddles provision is correct: The interpretation expressed in my colloquy with Senator PACKWOOD or the statement later inserted in the RECORD by Mr. ROSTENKOWSKI.

The views expressed in my colloquy with Senator PACKWOOD accurately states the understanding of the Senate conferees on this issue. The language in the recent staff document should not cause anyone to draw an inference to the contrary.

BICENTENNIAL MINUTE

JUNE 7, 1787: METHOD OF SENATORIAL ELECTION DECIDED

Mr. DOLE. Mr. President, 200 years ago this Sunday, on June 7, 1787, the Constitutional Convention reached agreement as to who, within the new governmental system, would elect Senators. The "Virginia plan," the first working draft of the Constitution, had proposed that the House select Senators from candidates nominated by individual State legislatures. A few delegates advanced alternative methods, such as selection by the President, or by direct popular vote. Most believed, however, that involvement by the House, or the President, would deprive the Senate of its necessary independence.

On June 7, Delaware's John Dickinson moved that the Senate be chosen by State legislatures. He believed that State legislative elections would produce Senators who were more sympathetic to the interests of the Nation's moneyed classes, and that the Senate would thus appropriately resemble Great Britain's House of Lords. This would also provide balance to the earlier agreement that House Members would be popularly elected. Connecticut's Roger Sherman agreed, observing that this method would closely bind to the National Government the individual States, ever suspicious of centralized power.

Although the Convention unanimously accepted this plan on June 7, 1787, its delegates remained undecided on the crucial related question of how many Senators each State legislature would be allowed to select. Virginia's James Madison worried about the Senate becoming too large. He assumed that Senators would be selected in proportion to the population of the individual States. He reasoned that for each of the smallest States to have 1 Senator, the entire membership of the Senate would swell to as many as 80. This, he believed, would destroy the Senate's principal role of "proceeding with more coolness, with more system, and with more wisdom" than the House. The delegates wisely decided to leave this decision to another day.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business for not to extend beyond 10:30, with Senators permitted to speak therein for not to exceed 5 minutes each.

The Chair recognizes the Senator from Wisconsin.

THE NUCLEAR ARMS RACE CONTINUES TO MOVE AHEAD ON THIS DAY—JUNE 5, 1987

Mr. PROXMIRE. Mr. President, on May 22, I rose on the floor of this body to remind my colleagues that on that day we were modifying still another B-52 bomber to provide additional nuclear warheads. At that time this Senator called attention to the grim fact that while there was talk in world capitals about the possible agreement on limiting intermediate nuclear arms in Europe, the superpower arms race rushes on. That was about 2 short weeks ago.

Mr. President, I rise today because on this very day, June 5, we will add still another B-52 especially equipped bomber to our immense nuclear arsenal. What kind of destructive power does each of the several warheads deployed on each bomber contain? Each warhead has the power to destroy a metropolis the size of Washington, DC, and kill hundreds of thousands of people in the process. Mr. President, just the one B-52 bomber that this country will add to the nuclear weapons-carrying fleet today will carry about 20 nuclear warheads. How destructive is that power? Each one of those 20 warheads can deliver about 200 kilotons of destruction on its target. How much is 200 kilotons of nuclear power? Let me put that in perspective. The atomic bomb that so devastated Hiroshima in 1945 delivered about 15 kilotons on that Japanese city. Each one of the approximately 20 nuclear warheads we deploy on our B-52 on this date adds more than 12 times the destructive power that slammed into Hiroshima in 1945. In aggregate, that B-52 bomber that we add today to our deterrent will increase our destructive power by 360 times as much as we dropped on Hiroshima.

Now, consider, that since the beginning of this year until today we have added 11 B-52's newly modified to carry nuclear missiles. Altogether in this less than 6-month period, we have increased the mammoth destructive power of our nuclear deterrent by about 4,000 times the power of what our Air Force delivered on Hiroshima in 1945. Two weeks from now we will add still another nuclear warhead equipped B-52 with another 360 times the destructive power that we delivered on Hiroshima and this Senator will call that to the attention of this body, too.

Now, of course, Mr. President our great superpower adversary, the Soviet Union, is now free to do precisely the same thing. They can and almost certainly will add still more to their huge nuclear arsenal as we do to ours. That is precisely my point. There is now no limit on either side.

The arms race hurtles on. Why? Because the Strategic Arms Limitation Treaty—SALT II—expired last December 31, 1986. That treaty restrained both superpowers. Did it really restrain the Soviet Union? It sure did. Just ask the Joint Chiefs. They testified that the restraint on the U.S.S.R. required by SALT II was fully effective. In their judgment, Soviet violations, alleged or actual, were not militarily significant.

Mr. President, consider the discouraging effect on overall arms control by this United States repudiation of SALT II and the superpower nuclear arms race this action ensures. Even if the superpowers do agree to reduce or eliminate nuclear weapons from Europe, both the United States and the Soviet Union will move relentlessly ahead, month after month, adding more and more infinitely destructive nuclear weapons to their respective arsenals. The cost is immense. The utterly useless burden on the people of the two countries is colossal. It is constantly rising. But it is worse. Does all this increase our national security? No. Indeed, the arms race diminishes the national security of both countries. As the months go on, with each side piling ever higher levels of nuclear armaments on top of already outrageous destructive power, the utter futility of this arms race should become clear to the most fervent, militaristic hawk. This Senator concedes that this country must have a secure and adequate nuclear deterrent. I agree that the superpowers have kept the peace in Europe for more than 40 years because of the terrible assurance that the mutual deterrent provides that a nuclear attack by either side would surely bring a nuclear war with only losers for both sides. But, Mr. President, enough is enough. We cannot and should not end the arms race unilaterally. We must do it in concert—by firm, verifiable agreement with the Soviet Union. The SALT II Treaty did exactly that. We should revive it. We should renegotiate it. We should extend it. We should build on it.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from North Carolina.

THE 40TH ANNIVERSARY OF THE MARSHALL PLAN

Mr. SANFORD. Mr. President, 40 years ago today a few sentences spoken at a college graduation launched one of the world's greatest cooperative efforts for peace and prosperity.

Speaking at Harvard University, Secretary of State George C. Marshall spoke of the hardships Europe suffered in the wake of the war. He said that:

> Any government that is willing to assist in the task of recovery will find full cooperation * * * on the part of the United States government.

But, he said:

> This is the business of Europeans. * * * The initiative, I think, must come from Europe.

With these words, George Marshall invited the nations of Europe to become full partners in a program of recovery and development, a program that became known as the Marshall plan. Today, with American foreign policy facing difficult challenges throughout the world, it is fitting to recall facing difficult challenges throughout the world, it is fitting to recall the spirit of the Marshall plan. Cooperation, respect, generosity, and a sense of shared burdens and common interests—these are the principles that guided the Marshall plan, and these are the principles that insured its success.

Europe lost no time in responding to Marshall's invitation. Within weeks, France and England had invited 22 European nations to draw up a cooperative recovery plan. Sixteen nations met in Paris on July 12 to begin planning the rebuilding of Europe. Undaunted by the enormity of their task, the European nations set about to piece together their war-ravaged economies. The United States provided money, raw materials, expertise, and above all, hope.

The results were astounding. French harbors, 70 percent destroyed during the war, were completely rebuilt in 2 years. Italy's industrial production, at only 20 percent of prewar levels, rose steadily. Germany experienced an economic miracle. Between 1949 and 1950, its volume of trade doubled; the next year, it tripled. Coal production doubled, unemployment plummeted, and new homes sprang up on the shelled ruins of old houses.

Europe directed its own rebirth, but the United States made it possible. Our Government contributed $13 billion to the European recovery efforts, a sizable part of our then national budget, and American citizens did their part. Business, labor, farmers, schoolchildren—all worked and sacrificed to help Europe meet its needs. In response to a personal appeal from President Truman, American families instituted meatless Tuesdays. Children cleaned their plates.

One political figure of those times described the Marshall plan this way:

> It should not be a sharpster lending program. It should not be light-headed giveaway program. It should be a practical, sound, long-visioned, businesslike approach to the situation that exists in the world today, and to what we can foresee in the years ahead.

That is just what it was. And it worked.

Today, 40 years later, the recipients of Marshall plan aid remain among our most dependable and valued allies. They have not forgotten the role we played both during and after the war. We offered them not orders, but advice; not charity, but cooperation; and not condescension, but respect. Together we built not only factories and houses, but friendships and alliances—ties that have lasted over the years.

It is important for us to look back on the Marshall plan and remember that aid alone does not guarantee development. Nations grow and prosper best when they chart their own growth; when they are active participants, not passive recipients. We should also be reminded that America is strongest and most respected when it acts as a builder, not a bully. These are lessons that can guide us as we chart our way through today's foreign policy challenges.

RECOGNIZING THE 40th ANNIVERSARY IN THE PRIESTHOOD OF MSGR. A. CHARLES KENNEY

Mr. BREAUX. Mr. President, I would like to take this opportunity to recognize and offer my congratulations to Msgr. A. Charles Kenney of Metairie, LA, as he prepares to celebrate his 40th anniversary in the priesthood on June 7, 1987. There is no higher calling than service to God as a faithful shepherd to His followers.

Monsignor Kenney has answered the Lord's call faithfully and has served Him well. I am happy to join with so many others in recognizing this blessed occasion. I know that my Senate colleagues join with me in my hope that Monsignor Kenney will continue this service so that many more may profit from his guidance and experience. May he continue to serve in the Lord's vineyards for years to come.

SENATOR PELL'S COMMENCEMENT ADDRESS TO NEW YORK UNIVERSITY

Mr. SARBANES. Mr. President, today our distinguished colleague and chairman of the Senate Foreign Relations Committee, CLAIBORNE PELL, is delivering the commencement address to the 55th graduating class at New York University. It is a great privilege for the graduates of NYU to hear Senator PELL and to have the benefit of his wisdom and experience, as well as a personal pleasure for Senator PELL to speak at this fine university. As you know, NYU has become a premier institution of higher learning under the leadership of its president, Dr. John Brademas, who is one of America's outstanding educators, a close friend, and highly esteemed former Member of the House of Representatives, where he served with distinction for 22 years and for 4 of them as majority whip.

Senator PELL's address to the graduating class, entitled, "Relations Between the Superpowers: Hope for a New Paradigm," concerns an area of profound importance not only to the graduates, but to this body and indeed to all those searching for a responsible and constructive approach to United States-Soviet relations. I would therefore ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

RELATIONS BETWEEN THE SUPERPOWERS: HOPE FOR A NEW PARADIGM

(Commencement address by Senator CLAIBORNE PELL)

Mr. Tisch, President Brademas, Chancellor Oliva, Judge Kearse, Mr. Johnson, Mr. Wiesel, Mr. Fisher, graduating students, ladies and gentlemen:

I am honored by the opportunity to appear before this graduating class today, but also profoundly aware of the solemn responsibility I bear as the one remaining obstacle between many of you and your diplomas.

I take particular pleasure in sharing the platform with John Brademas, with whom I had the honor to work for many years in Congress—particularly in writing legislation that brought much-needed support to the arts and humanities, to libraries and museums, and above all, to education through financial aid to students.

As recent Federal budget cuts have shown, that battle is by no means over. But to those who believe that educating American minds should take precedence over building redundant American missiles, I can offer assurance that you continue to have a voice in Congress.

My subject today—the relationship between the United States and the Soviet Union—bears directly on how our nation allocates its enormous financial and human resources.

More than a quarter of a century the United States Senate has confronted me, almost daily, with the reality that much of American life—from our national budget to our role in the international community—is profoundly shaped by the U.S.-Soviet relationship.

My own lifetime has spanned much of the 20th century, whereas most of you will spend more of your lives in the 21st century than in the 20th. But one thread of continuity is that superpower relations will continue—for better or worse—as a predominant factor in the world you inhabit.

The past seven years have shown that our world can, in the short term, survive without progress in U.S.-Soviet relations. But what has not changed during the current Administration—what no Administration could change—are these fundamental realities of the nuclear age:

First, both the United States and the Soviet Union are today capable—and will remain capable in any foreseeable future—of inflicting massive global destruction on a scale almost beyond the imagination. Mankind might not be destroyed, but our civilization certainly would be.

This second reality is that the premise of Star Wars—that we can somehow hide from the nuclear threat beneath a technological astrodome—is a beguiling but dangerous illusion. The genie of nuclear weaponry is out of the bottle, and our most pressing need—far more than a fantastic scheme for orbiting battle stations—is for an enlightened diplomacy to improve and stabilize the superpower relationship on earth.

The third reality is that arms control—negotiated agreement limiting offensive and defensive systems—represents our best hope of enhancing nuclear stability and reducing the risk of nuclear war. Certainly, arms control is the only hope for actual reductions in nuclear weaponry.

As a practicing optimist, I would like to believe that General Secretary Gorbachev is sincere in his quest for nuclear arms control; certainly Soviet economic difficulties offer evidence that the Kremlin could find benefit in a sound agreement. Similarly, I believe that President Reagan's desire for an historic achievement could, before he leaves office, triumph over the forces of confusion and obfuscation that have dominated his Administration's arms control policy thus far.

Yet, realistically, one must note that these positive signs appear bright only against the extremely grim background of the past seven years. Not only has that period been marked by no apparent progress in arms control; we have also seen the superpower relationship well-nigh swamped by a tide of ideology, harsh rhetoric, and ill will that has threatened to produce a nearly total dismantlement of the entire arms control framework previously erected.

We thus face a major historical turning point—a choice between the end of arms control and an unconstrained arms race on the one hand, and substantial progress on the other. I hope therefore that the Administration will focus its full energies on the constructive possibilities in Geneva. Nuclear arms control does not require a dramatic breakthrough. Quite the contrary, what I envisage constitutes no more than the preservation of agreements already reached, and slow but steady progress built upon that foundation.

In the years ahead, management of the superpower relationship will continue to demand all the patience, firmness, and intellect we can bring to bear. Our task is not to eliminate U.S.-Soviet competition, but rather to render that competition safer by managing it through agreements built on the ground of fundamental mutual interest. American and Soviet values may differ; our ideologies may sharply conflict; but our national interests per se are often quite similar.

A 19th century British statement, Lord Palmerston, said of his country, "We have no eternal allies, we have no perpetual enemies. Our interests are eternal and perpetual and those interests it is our duty to follow." For the United States and the Soviet Union in the nuclear age, a paramount interest in common is the interest in peace.

A key to pursuing that common interest, I believe, is to expand U.S.-Soviet contacts at all levels—educational, cultural, economic, and political. My enthusiasm for exchanges is not born of any naive faith that familiarity necessarily produces fondness, but rather of a conviction that familiarity breeds realism and that realism in international affairs is a crucial commodity in short supply.

The French diplomat Tallyrand said that for each hour spent negotiating with an adversary, one should spend ten minutes inside the skin of the adversary. Exchanges help to provide that ten minutes.

Ultimately, our goal must be to change the paradigm—the model, the expectation—that each side brings to bear on U.S.-Soviet relations. For some four decades, the two superpowers have invested deeply—financially and emotionally—in a policy of mutual animosity. On both sides, that policy has created formidable political, psychological, and bureaucratic barriers that will not be easily dismantled.

To do so will require a great exercise of leadership and political will. But as Governor Cuomo pointed out just last week, there may now be "an unprecedented convergence" of U.S. and Soviet interests that provides an historic opportunity.

To see that such a "paradigm shift" is possible, one need only observe the dramatic transformation in our once hostile relations with China—a relationship that, only two decades ago, motivated our tragic involvement in Vietnam and, only a decade ago, still consisted of mutual antipathy and fear.

Today, our image of the "yellow peril" has given way to a policy of limited but growing cooperation with a China with whose ideology we remain in conflict, but with which we are engaged in an emerging economic and political partnership.

Even more profound is the change that has occurred in our image and expectation of Japan and Germany, against whom we fought in a vicious war four decades ago, but with whom we have been partners, in democratic alliance, for most of the period since. In that same war, of course, the Soviet Union was our ally, until the war's end led us into 40 years of cold war and confrontation.

In future U.S.-Soviet relations, much will depend, of course, upon the Soviet Union. But Mr. Gorbachev's "glasnost" policy may conceivably represent an historic turning point in Soviet life and in East-West relations, and we should be prepared to participate fully and creatively in all opportunities it may offer for a progressive transformation of the Soviet Union. A more modern Soviet society would almost inevitably be a more liberal Soviet society—less repressive, more open to outside influences, and more and more integrated into the world community—all of which would enhance our own national security.

To hope for—indeed, to expect—such change is far from naive. For communism is an ideological system fundamentally at odds with human nature. The desire to travel freely, worship freely, talk freely, work freely, save a little money for one's future or one's children—these are drives possessed by all human beings. These are drives that will erode the communist system.

I am thus convinced that time is on our side—that it is communism, not capitalism, that contains the seeds of its own destruction. Our task, as leaders, is to keep the peace as time moves us down the path toward mutual forbearance.

Someday—perhaps through a grand breakthrough but more likely through the steady progress of an evolving Soviet Union and an expanding East-West relationship—U.S.-Soviet relations may blossom into a true partnership of friends. In my lifetime, I doubt that it will happen. But certainly progress in that direction will remain my aspiration, warranting a continuing, dedicated and determined effort in which I urge all of you to share.

President John F. Kennedy once observed that the American eagle holds in one talon a bundle of arrows, and in the other an olive branch. "We intend," he declared, "to give equal attention to both." As you emerge now from this distinguished university, you can perform no greater service to our nation, and to the children you will raise, than to help our great Republic establish and maintain the judicious and enlightened balance of which President Kennedy spoke.

I congratulate you, and wish you well.

TRIBUTE TO FRANCIS B. BURCH

Mr. SARBANES. Mr. President, the death of Francis B. "Bill" Burch, who served three terms as Maryland's attorney general, marks the passing of one of our State's finest legal minds and a distinguished public servant.

Bill Burch instituted a number of innovations during his 12 years as attorney general. In 1967, he created the consumer protection division of that office, one of the first in the Nation, an accomplishment which he often noted was among those which give him the greatest pride and satisfaction. The State's antitrust division was also created during Bill Burch's three terms as attorney general. He was also one of the founders of the National Association of Attorneys General.

As a youth, Bill delivered newspapers and milk, among other jobs, to pay for his schooling. First in his class at Loyola College, Bill Burch completed law school at Yale in just 2 years, and began a distinguished career which included service as Baltimore city solicitor and Maryland insurance commissioner as well as 12 years as Maryland's chief legal officer. I know all Marylanders join in extending our sympathy to Mary Burch, Bill's wife of 40 years, and all of his family. An editorial from the Baltimore Sun will be reprinted in the RECORD at this point.

[From the Baltimore Sun, June 2, 1981]

FRANCIS B. BURCH

For more than a decade, Francis B. "Bill" Burch was a dominating presence on the Maryland political and legal scene. He served as attorney general from 1966 to 1978, longer than any other individual who has held that office. He was an early champion of consumer protection and a tough law-and-order advocate. He could be passionate about such issues as prayer in the schools and student unrest at College Park. Or he could be studious and attentive to details in issuing the thousands of legal opinions that he signed during his long tenure as the state's chief legal officer. He was always forthright and outspoken.

A top-flight student at Loyola College and Yale Law School, Mr. Burch served both the city and state, first as city solicitor, then as insurance commissioner and finally as attorney general. His popularity increased each time he ran, culminating in 1974 when no Republican or Democrat ran against the seemingly invincible incumbent.

His appeal, though, was not transferable to higher office. In 1978, Mr. Burch ran for governor but gave up the effort in midsummer. Other candidates were preempting his role as an advocate of the consumer and his lenient handling of the Rev. Guido Carcich's indictment for misspending millions of dollars raised for the Pallottine fathers tarnished Mr. Burch's law-and-order image. He considered another run for attorney general last year, but bowed out in favor of the eventual winner, J. Joseph Curran Jr., who shared his views on returning the office to a less activist role.

Bill Burch's 12-year reign saw considerable growth in the workload of the attorney general. He hired superb deputies and assistants, who later rose to prominence in the state judiciary. He was a pioneer in the field of consumer advocacy and fought hard to establish an anti-trust division. Throughout the years, Mr. Burch was never bashful about stating an opinion, or demanding quality work from his assistants. His death yesterdy at age 68 robs the state of a fine legal mind.

ANALYSIS OF GENERAL SECRETARY MIKHAIL GORBACHEV'S SPEECH TO THE FORUM "FOR A NUCLEAR-FREE WORLD, FOR THE SURVIVAL OF MANKIND"

Mr. CRANSTON. Mr. President, the American Committee on United States-Soviet Relations has published a remarkable analysis of statements and actions of the new U.S.S.R. leader, General Secretary Mikhail Gorbachev. It shows that Mr. Gorbachev has departed from traditional Marxist-Leninist doctrine and from the positions of those who have preceded him as Soviet leader, in some very significant ways.

It indicates that Mr. Gorbachev views the development of nuclear weapons as requiring wholly new approaches to the problems of war and peace and international relations.

Mr. President, I ask unanimous consent that this document be printed in the RECORD.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

TEXTUAL ANALYSIS OF GENERAL SECRETARY MIKHAIL GORBACHEV'S SPEECH TO THE FORUM "FOR A NUCLEAR-FREE WORLD, FOR THE SURVIVAL OF MANKIND"

(By William F. Brazier and Joel S. Hellman)

Mikhail Gorbachev used the platform at the International Forum for a Nuclear Free World to present his "new thinking" on international relations to what he called "a true embodiment of world public opinion." Though many of the forum's participants expected the Soviet leader to announce a new arms control or further reform proposals, the speech served more as a summary of the ideas and developments in Gorbachev's world view since his ascent to the leadership only two years ago. His new vision of the present realities and future possibilities of world development, radically different from the traditional Soviet world view, was not tailored for the forum's international audience. Rather, it was an innovative summary presentation of the major foreign policy themes of Gorbachev's leadership. This textual analysis attempts to describe the new Soviet world view as advanced by Gorbachev in this speech and in many of his foreign policy pronouncements. It is based on the assumption that we can not begin to evaluate the policy relevance of the new thinking until we fully understand its background and its content.

Gorbachev placed the views he expressed at the forum within the border framework of the development of Soviet doctrine. Early in his speech, he referred to the 27th Congress of the Soviet Communist Party in which "we set forth our vision of the world, our philosophical concept of its present and future."[1] In contrast to many Western analysts, who have explained the new thinking as a hodgepodge of new concepts and practical proposals in several different areas. Gorbachev has consistently stressed the holistic vision of the new thinking.[2] In the Soviet context, the new thinking is a comprehensive new way of viewing the world and evaluating policy that is based on a set of fundamental changes in contemporary international relations. As Gorbachev said at the Congress:

"The changes in contemporary world development are so profound and significant that they demand a rethinking and complex reanalysis of all factors. The environment of nuclear confrontation commits us to new approaches, methods and forms of relations between different social systems, states and regions.[3]

At the forum, Gorbachev focused on two of these changes or, as he has called them, "the new realities of the nuclear age." First, he described a nuclear arms race that has reached a new border not only in the complexity of its technological development and its sheer numbers, but also in the ability of man to control these weapons. Second, he identified a new trend in international relations in which nations are moving away from competition and rivalry towards "interdependence" and "unity." These two interrelated themes have formed the foundation of Gorbachev's new thinking.

THE "NEW" NUCLEAR ARMS RACE

Every Soviet leader since Khrushchev has included routine warnings on the potentially catastrophic consequences of nuclear war and the spiralling arms race as a standard feature of Soviet foreign policy pronouncements. Yet in all his speeches, Gorbachev has attempted to portray this threat as a completely new reality which has prompted the necessity of the new thinking. A radical change of style in discussing the nuclear threat is the most obvious sign of Gorbachev's desire to present the arms race in a new light. In an unusual departure from the standard structure of Soviet speeches, Gorbachev delayed the traditional expression of greetings to the foreign quests at the start of the forum and began with the central issue: "The destinies of the world and the future of humanity have concerned the best minds in various lands ever since man thought of the morrow."[4] He proceeded to describe the nuclear threat in unusually ominous and apocalyptic terms more characteristic of the language of the anti-nuclear movement than of traditional Soviet perceptions of nuclear arms. in contrast to Brezhnev's and Chernenko's unabashed pride in the achievement of nuclear parity, Gorbachev spoke of "nuclear suicide," and "the point-of-no-return," and he warned that "There would be no second Noah's ark for a nuclear deluge."[5] In what has become a principal slogan of the new thinking, he stated:

"The question stands like this: either political mentality is geared to the requirements of the times, or civilization and life itself on Earth may perish."[6]

In addition to this threatening portrayal of the arms race, Gorbachev has advanced a new moral and ethical standard for the Soviets against which he has evaluated contemporary nuclear forces. Under Gorbachev, lectures on "objective trends" and "dialectics" have been replaced with the language of morality and humanism familiar to the West but which also strikes a chord for Russians in the language of Tolstoy and Dostoevsky. At the forum, he argued that "A nuclear tornado will sweep away socialists and capitalists, the just and the sinners alike. Is this situation moral?"[7] He declared that the main task before today's leaders is "to bridge the gap between political practice and universal moral and ethical standards."[8]

But Gorbachev's analysis of a new stage in the nuclear arms race was not limited to stylistic flourishes. On substantive issues, the Soviet leader has adopted an innovative analysis of the arms race most commonly associated with the political theorist, journalist and playwright Fedor Burlatskii, who argues that the nuclear arms race has taken on its own independent internal momentum.[9] At the Party Congress, Gorbachev warned that the nuclear arms race "may begin to get out of hand" and claimed that:

"The situation in the world could gain such a character when it will no longer depend on the mind and will of politicians. We will find ourselves in captivity of technology and of the military-technocratic logic."[10]

At the center of Gorbachev's new thinking is the realization that nuclear weapons are not simply the instruments of hostile international actors, but that they are themselves the most active force in international relations. As such, this force follows its own inner logic becoming, as Gorbachev said at the forum, "a kind of idol demanding more and more sacrifices," that is "inexorably pushing us towards Universal tragedy."[11] The development of new and more destructive weapons systems, at the forefront of which is the expansion of the arms

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Footnotes at end of article.

race into space, is only one manifestation of this inner logic. More dangerous, Gorbachev has argued, is the fact that the "infernal train" of the arms race inceases the risk of war, and hence the destruction of mankind, through accident, irrationality or even through the internal tension of deterrence strategy.

This development of the arms race to a new stage, dictated by its own laws, is the basis for Gorbachev's call for a new approach to security, deterrence, war and nuclear weapons themselves. As he said at the Party Congress:

"The character of contemporary weapons does not allow any state the hope of defending itself only by military means, that is, by the creation of even the most powerful defense. The guarantee of security seems more and more like a political task that can only be solved by political means." [12]

In accordance with this new perception, Gorbachev considers that military capabilities do not enhance security, but threaten it. For according to the Soviet leader, building up one's nuclear potential only quickens the internal momentum of the arms race and increases the risk of conflict or accidential destruction. Thus, at the forum, Gorbachev asserted that "nuclear weapons can no longer effectively guarantee security." [13] He has argued that in today's world, genuine security "can only be mutual," that is, based on the joint efforts of nations to control the arms race through political means.[14] He has called the current situation, in which both sides have achieved parity in the ability to destroy one another several times over, "madness and absurdity." [15] in this framework, Gorbachev attacks the doctrine of nuclear deterrence.

In his address to the forum, Gorbachev gave his most detailed criticism to date of those who see nuclear weapons as "an evil necessary to prevent a greater evil, war." [16] He focused on four points:

First, he argued that the risk of technical error, human failure or malice increases as the size, sophistication and scale of our nuclear capabilities grow. "The bigger the nuclear arsenals," he said, "the less chance they will be kept 'obedient.' " [17]

Second, he declared that the strategy of deterrence has its own "inner logic" which, in fact, does not reduce, but increases the risk of military conflict. Deterrence is based on the credibility of the threat and this credibility can only be insured by definite military action, thus encouraging periodic military adventures.

Third, Gorbachev attacked what he considered the basic premise of deterrence—that man is inherently violent and war is a manifestation of this human instinct. By taking the optimistic viewpoint, he denied an important strand in Soviet political and sociological literature that claims that capitalist man is aggressive by nature given the harshly competitive system under which he lives.[18]

Finally, he argued that there is no common definition of what is rational and what is irrational and therefore, it is dangerous to trust a doctrine which assumes that everyone will act according to the same standards. This substantive denunciation of deterrence is supplemented with a moral critique that attacks the policy for its reliance on threat and force. He asked, in his own words, "How can educated leaders consider behavior generally considered unacceptable in relations between people normal for relations between states?" [19]

Throughout Gorbachev's new approach to security and his critique of the strategy of deterrence is the assumption that war is unacceptable in the nuclear age. In his address to the forum he mentioned "the dominant contradiction between war and peace, between the existence and nonexistence of humanity." [20] If war threatens the destruction of all humanity, in his analysis, then it can not be a legitimate means of politics. At the forum, Gorbachev placed himself on the reformist side of a long-standing debate in the Soviet Union on the contemporary validity of Clausewitz's formula that war is a continuation of politics by other means (endorsed by Lenin himself). Brezhnev used the Clausewitz maxim to support "just" wars continuing the politics of socialism as opposed to "unjust" wars enhancing the capitalist position. In this speech, Gorbachev argued that world war no longer fits within this framework.[21] Elsewhere, he has been more categorical in his criticism of the legitimacy of war. At the Party Congress, he stated:

"In a word, the modern world has become too small and fragile for wars and the politics of force. It will be impossible to save and preserve it, if we do not break—decisively and irrevocably—with the manner of thoughts and actions which . . . were built on the acceptability and permissibility of wars and armed conflicts." [22]

Gorbachev has abandoned the distinction between just and unjust wars in his own rhetoric, supporting those Soviet theorists who have been arguing that war is "incompatible with the movement of history." [23]

"INTERDEPENDENCE" AND INTERNATIONAL RELATIONS

Another central feature of Gorbachev's world view and, consequently, a major theme of his address to the Moscow forum is the growing trend in his ideological thinking away from rivalry and competition between nations towards an increasing "interdependence" in the development of contemporary international relations. This has been one of the most significant revisions of Soviet doctrine since the theory of "peaceful coexistence." Though several influential Soviet theorists, including Georgii Shakhnazarov, Ivan Frolov, Vadim Zagladin and B. T. Grigorian, has been developing this notion of global interdependence and unity for several years, Gorbachev has been the only Soviet leader willing to legitimize this political thinking as part of his new Soviet world view.

Interdependence theory has its roots in the Soviet science of "globalistics." Developed in the mid-1970s, prominent globalist theorists traced two trends in the contemporary international system. First, they depicted the growing interrelationships and "interconnectedness" between all nations as a result of the internationalization of the economy, the development of more sophisticated and more efficient means of mass communication, and the increasing number of personal and cultural exchanges. Second, they identified a set of problems—the global problems—that threaten mankind as a whole and, consequently, can only be solved by the united efforts of all nations. The relationship between both trends is dialectical: the global problems enhance interdependence, which is itself necessary to solve the global problems. Armed with this analysis of world development, the globalists have attempted to deemphasize what Soviets have long characterized as the deep chasm between the capitalist and socialist systems and instead, to encourage mankind to recognize the essential unity that has developed in the international system. They have altered the traditional Soviet vision of a future utopia from the ultimate triumph of socialism to a world based on "growing mutual understanding, agreement and the unity of mankind." [24] In their analysis, this unity would no longer require a classless, socialist world society but, in fact, would recognize and support the diversity of social, economic and cultural systems.

Gorbachev has adopted the essence of the globalist approach. In the new style and language of most of his speeches, the Soviet leader has virtually eliminated the standard anti-imperialist and anti-capitalist rhetoric that has become a hallmark of most Soviet foreign policy pronouncements. At the forum, Gorbachev avoided the labels "capitalist" and imperialist," using more neutral language. In his account of Reykjavik, he referred to the United States only as "the other side," while in his section on the Middle East, he did not lay blame on what in the rhetoric of earlier leaders would have been called, "imperialist and Zionist circles." He noted instead how the "interests of many nations. . . intersect there."[25] Gorbachev has perhaps deliberately toned down his rhetoric for this international audience, but in nearly all of his previous addresses he has avoided the standard Soviet method of analysis which places the blame for all international problems on "the imperialists" and has not used harshly critical, class-based language.

Regarding substantive issues, Gorbachev has accepted the globalists' analysis of the two fundamental trends in the international system. As he explained at the forum:

"A notable feature of recent decades has been that for the first time in its history mankind as a whole, and not only individual representatives, has begun to feel that it is one entity, to see global relationships between man, society and nature, and to assess the consequences of material activities." [26]

Rather than emphasizing the differences between the social systems, he stressed our "common home" and the effort to protect "our one big family of humanity."[27] In the forum speech, he repeated what has become an important slogan of the new thinking:

"The Soviet Union and the Soviet people consider themselves part of an international community. The worries of all mankind are our worries, its pain is our pain and its hopes are our hopes."[28]

This idealistic rhetoric marks a sharp break with previous Soviet practice, in which leaders reserved such language only for descriptions of unity among the socialist nations or the working class as a whole. Gorbachev has advanced a new socialist world view which emphasizes the common threats, problems and capabilities of mankind as a whole, as opposed to the "irreconcilable differences" that have always separated the social systems. As Gorbachev told the French Parliament in what is often considered to be his first presentation of the new thinking:

"Despite all our differences in political and philosophical views, in ideals and values, we must remember one thing: we are all keepers of the flame of life handed down to us by earlier generations." [29]

Gorbachev has also adopted the globalist analysis of world problems, which has now become a common theme in his speeches. "[The] logic of an interrelated and integral world," he said at the forum, ". . . requires the solution of other global problem such as food, ecology, energy, and worldwide literacy, education and medical care." [30] Former Soviet leaders have accepted the concept of global problems, but have attempted to fit them within a narrow class framework. As Chernenko said:

"The problems of war and peace, like all the global problems, do not exist by themselves. They are inseparable from the world's social contradictions and from the development of the class struggle." [31]

In contrast, Gorbachev has used the common threat of the global problems to support his calls for unity, cooperation and close interaction among all nations.

These two "new realities of the nuclear age"—the new stage of the arms race and the growing interdependence within the international system—are closely interrelated in Gorbachev's world view. Changing the focus of the globalist theorists, Gorbachev has framed the nuclear arms race as the foremost global problem upon which all others are based. The recognition of the all-embracing threat of nuclear war is a great "moral and political school" promoting interdependence. And this threat, Gorbachev says, can only be eliminated through coordinated interaction which is the key feature of this interdependent world. Thus, Gorbachev's view of the new realities of the nuclear age is the foundation for his new approach to international relations. He has set it forth, he claims, in order to foster the unity of mankind in an attempt to save civilization from the universal threat of nuclear destruction and other global problems.

GORBACHEV'S NEW APPROACH

Previous Soviet leaders have always advanced a simple solution to every world problem—strengthen socialism. By making a distinction between socialism and imperialism, asserting that the former is dedicated to peace and the latter is inherently inclined towards aggression, these leaders have argued that anything that advances the cause of socialism advances peace and the coming of the problem-free socialist utopia. As Chernenko said, "The success of the preservation and strengthening of peace depends . . . on how great the influence of socialist countries is in the world arena." [32] It is against this logic on both sides of the ideological divide that Gorbachev has repeatedly called for a "revolutionary transformation of outlook." At the forum, Gorbachev explained the essence of his new approach:

"In view of the rising danger of a new spiral in the arms race and of the drastic exacerbation of regional and, what we call, global problems, we must waste no more time trying to outplay each other and to gain unilateral advantages. The stake in such a game is too high—the survival of humanity." [33]

Just as he has abandoned the class-based, divisive rhetoric of the former Soviet orthodoxy, so has Gorbachev rejected the analysis of a world in which mutual action is paralyzed by the irreconcilable divide between the two opposing social systems. At the Party Congress, in Valadivostok, in Paris and in Delhi, Gorbachev criticized both sides for "class narrow-mindedness" and "national egoism." International relations, he states, must not be built on a search for unilateral benefit to others' detriment.[34]

The only solution for such national egoism, Gorbachev argues, arises out of the logic interdependence and the global problems. As he said in his address to the French Parliament:

"Not a single nation, not a single state is capable of solving the existing problems alone. And the old baggage of disunity, confrontation and mistrust impedes unification." [35]

Thus, he has advanced the call "to rise above our differences" as one of the key principles of his new approach to international relations. In contrast to the outdated definition of peaceful coexistence as "a specific form of class struggle,[36] Gorbachev has, in his speeches, refocused the Soviet world view away from competition and rivalry to cooperation and "mutual interaction" among all nations. "Confrontation is not an innate defect in our relations [with the capitalist countries]," he said in an earlier speech. "It is, rather, an anomaly and there is no inevitability of its preservation." [37] In Gorbachev's analysis, the new realities of the nuclear age have made the move from the anomaly of confrontation to "close, constructive interaction" an objective stage in the development of international relations and, therefore, a prerequisite for the continued survival of humanity.

THE NEW UTOPIA

Since his "January proposal" to eliminate all nuclear weapons by the year 2000, Gorbachev has added an important new aspect to the reformed Soviet world view—the vision of a new utopia. Every Soviet leader since Lenin has used the idea of a socialist utopia as an important legitimizing justification for current hardships. This was the stereotypical socialist utopia in which exploitation would disappear and economic abundance, distributed equitably, would lead mankind to new heights of creativity and achievement. Brezhnev relied less and less on this utopian vision in an effort to focus on concrete, visible improvements in the socialist economy and in living standards. Gorbachev has revived this utopia, but in a substantially new form. The vision of a world socialist future has been replaced in his world view with a nuclear-free future. In the Delhi Declaration, Gorbachev affirmed a new utopian goal:

"It is necessary to change the existing world situation and to build a nuclear weapon-free world, free of violence and hatred, fear and suspicion." [38]

At the forum, Gorbachev placed the greatest emphasis yet on this vision of a demilitarized, nuclear-free world. He said:

"The past is no model for the future. Man living on the threshold of the twenty-first century knows a great deal and can do a great deal. That is why he must realize the need to demilitarize the world. We believe it possible to build such a world and we shall do everything to ensure success of what is perhaps the most ambitious social goal ever." [39]

Gorbachev introduced the concept of a "post-nuclear age" in which the world would be immune to violence, militarism and the attempts to dictate to others by threats and force. But most importantly for Gorbachev, this new age is not an exclusively socialist age, but one in which the underlying assumption is that the social systems can and will exist together, cooperating in an interdependent world. As he said at the forum, this stage will finally bring the "humanization" of international relations.

This vision of a nuclear-free utopia with a place for all societies and social systems is the conclusion Gorbachev comes to in his new world view. He has replaced what he and his group regard as the outworn prospect of socialism's final victory with an acceptance of the present and future legitimacy of the world's diversity. He has replaced a world view based on unilateral advantage to one that places global or "all-human" tasks at the forefront of socialism's agenda. And finally, he has replaced the classic Soviet-Marxist dialectic with a vision of the world's development presumably intended for all nations, regardless of their economic and social systems.

Western analysts have been debating the significance of Gorbachev's new thinking for the Soviet policy-making process. Does Gorbachev base his foreign policy on this new world view? Is it merely a public relations enterprise? The debate on this issue continues, but clearly there are elements of both propaganda and practical policy in his new approach. On the domestic front, Gorbachev's radical reformulation of the traditional Soviet world view could have tremendous repercussions in the society as a whole. The Soviet leader has changed the very nature and language of debate in the Soviet Union on international affairs, and has created a new Soviet orthodoxy which will affect school curricula, workplace propaganda and, if it is extended over a period of time, may affect the societal attitudes and perceptions of the public at large. In the international arena, Gorbachev's foreign policies have begun to reflect the fundamental tenets of his new thinking. It is toward a discussion of these policies that we now turn.

IMPLEMENTING THE WORLD IDEAL

In his speech to the International forum, Gorbachev enumerated a series of specific Soviet foreign policy initiatives that he considered to be manifestations of the "new thinking" in international affairs. Although he listed a large number of Soviet policies that are consistent with the new thinking in his address, this portion of the report will focus on those policies that reflect significant, constituent elements of the Gorbachev world outlook. Three of these foreign policy areas that Gorbachev considers most important are 1) arms control; 2) policy towards the countries of the Asian/Pacific basin and the Middle East; and 3) policy towards the non-aligned, Less Developed Countries of the Third World (LDCs).

On arms control, Gorbachev cited in his speech the Soviet plan to eliminate nuclear and other mass destruction weapons from the face of the earth by the year 2000. As elements of that proposal, Gorbachev highlighted the USSR's moratorium on nuclear testing and the proposals made by Gorbachev himself at Reykjavik concerning the 50-to-100% reductions of nuclear offensive arms.

First announced on January 15, 1986, the Soviet plan for the elimination of nuclear weapons constitutes an attempt to translate into practical, step-by-step measures Gorbachev's vision of a nuclear-free utopia. Whether or not a nuclear-free world is considered a real possibility by Gorbachev is less important than the fact that he has outlined a broad plan for political, diplomatic, economic, and military actions in pursuit of what he regards as a more stable world situation. Gorbachev's address at the forum in Moscow should be viewed as an attempt to draw together and reiterate the key Soviet foreign policy initiatives that are aimed at the implementation of the new thinking's idealism.

Begun in August of 1985, and extended a number of times over a period of eighteen months, the Soviet moratorium on nuclear tests provided a practical backdrop to Moscow's continued insistence that a ban on such tests—tests that are necessary for the creation of new, advanced nuclear weapons—is the best way to proceed towards radical reductions in atomic weapons and eventual disarmament. The logic in the Soviet position is simple: in order to proceed with arms reductions, they argue, it is necessary first to agree to not develop or build any new arms. Statements from the USSR on this issue have consistently stressed this point both during the moratorium and after it ended. Gorbachev himself has said, "We are firmly convinced that putting an end to nuclear explosions is the simplest way towards curtailing the arms race,[40] and the Soviet Union continues now to affirm its willingness to resume the moratorium on nuclear tests if the United States also stops its own nuclear testing. Given the moratorium and its extensions until February of this year, the continuing Soviet statements on the urgency of the testing issue, and the offering to resume the moratorium, it is clear that Gorbachev and the Soviet leadership see themselves as moving forward in accordance with the January 15, 1986 plan for the elimination of mass destruction weapons, and are in line with the new thinking in international affairs that they are calling for.

Consistent with the Soviet view that nuclear weapons can only be reduced if the US and the USSR agree to refrain from the development and deployment of new types and quantities of strategic armaments, Gorbachev proposed massive cuts in nuclear arsenals at the Reykjavik Summit and linked those cuts with a requirement that the US abstain from out-of-laboratory testing and deployment of SDI weapons systems. He has continuously stated that the SDI program will open up an entirely new sphere in the arms race, and that in order to proceed down the road toward the reduction and elimination of nuclear weapons, plans for new weapons such as SDI systems must be halted, and the testing of these systems' elements should ideally be stopped.

This link that the Soviets see between SDI and the testing issue was elucidated by V. Matveev, a writer for the Soviet newspaper *Izvestiia*, when he wrote about a report from an American newspaper stating that the Pentagon intends to conduct 100 nuclear tests this year. "What is the reason for such a slap in the face to millions of people and many governments who are looking to the US to avoid taking such disastrous steps?", he writes. "Obviously it is the SDI program—the single most destabilizing weapon in the world, even if you include nuclear weapons themselves. . . . It is well known that already a number of the tests conducted in the Nevada desert are connected to the research and development of SDI.[41] According to Gorbachev's new doctrine, the SDI program is something to be curtailed not only because it could lead to significant Western technological advantages, but because within the framework of the new thinking, it threatens the very foundation of the Soviet leader's ideal program. It is the symbolic manifestation of the arms race's internal dynamic as well as its new, dangerous, and technologically advanced stage. SDI is the incarnation of all that is in opposition to Gorbachev's new utopia because it is a practical expression of the new thinking's anti-theory.

Recognizing that significant reductions in nuclear weaponry raise the importance of conventional force levels, Gorbachev alluded to the June, 1986 Budapest Appeal of the Warsaw Treaty Organization (WTO) in his forum speech:

"Along with our allies, we undertook bold and large-scale steps concerning confidence-building measures and the reduction of conventional arms and armed forces in Europe. We expressed readiness to have chemical weapons totally abolished."[42]

This mention of the Budapest Appeal in the Forum address was perhaps intended by Gorbachev as an illustration of the specific measures that would make up the new political thinking. The Budapest Appeal itself states as its aim the achievement of "a radical change for the better in the present complex international situation", and said that it hoped to convince the NATO nations to "embark on the path towards real disarmament." [43] In the Appeal, the Soviets and their allies proposed reduction measures that the pre-Gorbachev leadership had consistently rejected when those measures were proposed by NATO member states. For example, the WTO proposal called for the inclusion of the entire European continent up to the Ural Mountains in the confidence-building measure and reduction area. It also called for on-site inspection of reduction areas and exit-entry checkpoints for the demobilizing troops to pass through.[44]

The sections of the Budapest Appeal that are most consistent with the new thinking as Gorbachev outlined it in his Forum speech deal with the proposals aimed, according to Gorbachev, at basing the military alliances in Europe in accordance with clearly defensive strategies. In the Forum address, Gorbachev said,

"It is important, in our view, while scaling down military confrontation, to carry through such measures as would make it possible to lessen, or better still, altogether exclude the possibility of a surprise attack. The most dangerous offensive arms must be removed from the zone of contact. Quite naturally, military doctrines must be purely of defensive nature." [45]

For the purpose of implementing this defensive strategy, states the Budapest Appeal,

"It is suggested that an agreement be reached straight away on a considerable reduction in the tactical strike aviation forces of both military-political alliances in Europe, and also on the deconcentration of troops along the line of contact of these alliances." [46]

On the surface at least, the Warsaw Pact proposals do appear to be consistent with this line of thinking. They envisage a reduction by 25% of the present level of tactical air forces and land forces by the early nineties. Although both sides dispute the other's figures for the exact levels of Warsaw Pact troop strength, Gorbachev has expressed a willingness to discuss the issue and has allowed for the discrepancy by proposing in the Budapest Appeal:

"A one-time mutual reduction in the numerical strength of the forces of states of the opposing military-political alliances by 100-150 thousand troops from each side within one or two years . . . as an initial step." [47]

Clearly, if the Budapest Appeal had suggested an exact number for the initial reduction, the disputed data issue would be considerably more difficult to resolve.

Gorbachev further proposes that ultimately NATO and the WTO demobilize in the aggregate a total of one million men.[48] This would amount to an approximate reduction from one million men on each side to close to 500 thousand on each side.[49]

The Budapest proposals also envisage a reduction of tactical nuclear weapons with a range of up to 1,000 kilometers, and focus largely on reducing the tactical air strike capabilities of each alliance.[50] This latter point concerning the air strike capabilities is important to note, because it is the reduction of such air capabilities that, according to Gorbachev, will help to put the European alliances on a defensive footing.

In the conclusion of the Budapest Appeal, the Warsaw Treaty nations put forth the belief that their proposals on conventional arms reductions will instill NATO and WTO with defensive postures, when they state, "In the interests of security in Europe and the whole world, the military concepts and doctrines of the military alliances must be based on defensive principles", and claim that the WTO nations are in favor of a "simultaneous disbandment of both military alliances." [51] Together with the proposed confidence-building measures and specific suggestions for the eventual removal and demobilization of 500,000 troops for each European alliance, the statements on the establishment of defensive military postures seem to Gorbachev and the WTO member states not only reasonable in terms of mutual security, but wholly in line with the new thinking's philosophy.

Manifestations of Gorbachev's new thinking in his Asian policy stand out most clearly when examined with a sense of historical perspective. The approaches of the USSR to the problems of differing theaters of conflict or tension during the Brezhnev years are qualitatively different from the approaches taken by the Gorbachev leadership. The concept of multilateral conferences for the solution of security problems and the promotion of regional cooperation among states provides a good focal point through which to view the new thinking of the present General Secretary. In his speech at Vladivostok in July of 1986, Gorbachev proposed the convening of an international conference to deal with security and cooperation in the Asian/Pacific region. He suggested that this conference be similar in intention and spirit to the Helsinki Conference on Security and Cooperation in Europe (CSCE) of 1973-1975. Where Gorbachev's proposal differs from the Brezhnew CSCE proposals can be seen in the former's insistence that the United States be included from the start in the Asian conference. He not only acceded to US participation in an Asian conference in his Vladivostok speech, but announced his view that American participation is a necessity:

"We clearly realize that the U.S. is a great Pacific power, primarily because a considerable part of the country's population lives on the shores of this ocean. . . . Besides, the United States undoubtedly has important, legitimate economic and political interests in the region. . . . No doubt, without the U.S., without its participation, it is impossible to resolve the problem of security and cooperation in the Pacific Ocean in a way that would satisfy all nations in the region." [52]

Gorbachev's statements at Vladivostok stand in stark contrast to the Brezhnev attempts in the early 1970s to convene an all-European conference without the participation of the US, and are different from the United States' own attempts to prevent the Soviet Union from taking an active or significant part in the peace process in the Middle East. According to the logic of the new thinking, Gorbachev's approach is the better one because it does not seek to guarantee unilateral security advantages for the Soviet Union. The Brezhnev approach to Europe and the US approach to the Middle East are viewed as outmoded ways of implementing policy because in each instance the country concerned was/is attempting to gain advantages in the interests of national security over those of international security, the latter being undeniably more important in the advanced nuclear age.

Soviet policies toward the Middle East provide us with yet another example of the way in which Gorbachev's approach to regional security issues differs from that of Brezhnev. In the 1970s, Brezhnev took a series of unilateral actions in the Middle East hoping to advance Soviet foreign policy interests. He was quite vocal about the support for Egypt and Syria in the early 1970s, attempting to make it very clear to the United States that the USRR would not stand by and let its friends in the region suffer at the hands of Israel and the US. He was proud of the newly won parity with the United States, and was quite willing to let the capitalist camp know that the Soviet Union was not afraid to use its new military power. Brezhnev's support for his Middle East clients was clearly expressed during the Yom Kippur war in 1973. During this conflict, the Egyptian army found itself in serious danger of being annihilated, and Brezhnev threatened, and even began, to introduce Soviet military personnel and equipment to save the Egyptians, prompting the United States to put into effect a worldwide military alert.

In contrast to the Brezhnev approach, Gorbachev has continually emphasized the danger for the superpowers in the Middle East. It is there, he claims, that a regional conflict, of only minor concern to the US and the USSR, could escalate into a superpower confrontation involving nuclear weapons. Thus he states in the Forum speech:

"Settlement of regional conflicts is a dictate of our time. And our initiatives on the Middle East may serve as an example of our approach to the problem. It is a major nerve center on our planet. The interests of many nations, and not only the Arabs and Israel, intersect there. It is a crossroads of histories, religions and cultures. Therefore we believe in the need for a very responsible, cautious and even delicate approach. Power politics, piracy and constant threats of force are unacceptable." [53]

In Asia as in other regions of the world, mutual security is Gorbachev's declared objective, while equal security was Brezhnev's stated goal. The key difference between the two is that mutual security requires consultation and negotiation with other interdependent nations in the world, but equal security for unilateral action in pursuit of self-centered national interests. Gorbachev is proposing a conference on Asian mutual security and therefore recognizes the participation of the United States in that conference as essential. His proposals for Asia are consistent with his calls for the elimination of "class narrow-mindedness, the primitive, ideological, mechanical approach . . ." to international affairs.[54] They are also in line with his recommendations for "a radical breaking of many customary attitudes to foreign policy, a breaking of the traditions of political thinking, of views on problems of war and peace, on defense, the security of individual states and international security.[55] Coupled with statements like this one from the forum speech itself, "We say: Let us search and act together. This applies to the Iran-Iraq war, the Central American crisis, the Afghan problem, and the situation in the south of Africa and in Indochina," [56] Gorbachev's Vladivostok proposal for an Asian conference can be viewed as a policy implementation prompted by the philosophical tenets contained in his new thinking.

For the Soviet leader, the non-aligned LDCs of the Third World are a force to be allied with in the quest for disarmament and economic cooperation. In rhetorical terms, these nations are natural allies for Gorbachev because they themselves would benefit from a greater availability of resources for economic growth, and Gorbachev sees the reduction of armaments as a key method for increasing funds available for that growth. In addition, Gorbachev's emphasis on the international role of the LDCs fits theoretically into his world view. In his statements on international affairs, he constantly stresses the global nature of the LDCs' problems (e.g., poverty, illiteracy, hunger) and he emphasizes the need for all countries to work for the resolution of these global problems because one global problem cannot be separated from any of the other global problems. All the world's problems are interwined just as all of the earth's countries are interdependent.

It is highly significant that Gorbachev's first trip as General Secretary outside of Europe, was to India—the leading nation of the Non-Aligned Movement. During his visit there, he signed the Delhi Declaration with Prime Minister Rajiv Gandhi. This document, continuously referred to by almost all of the Soviet foreign policy figures as a significant formulation of the new thinking's philosophy, contains all of the basic tenets of Gorbachev's world outlook. It starts, as do all of Gorbachev's world policy statements, with a warning on the dangers of today's nuclear arsenals, and goes on to put forward a series of principles of international life that should ideally be adhered to by all nations. Of particular relevance ot the LDCs are principles five, six, and eight:

"(5) The right of every state to political and economic independence must be recognized and respected: A new world order must be built to ensure economic justice and equal political security for all nations. An end to the arms race is an essential prerequisite for the establishment of such an order.

"(6) Resources being spent on armaments must be channeled towards social and economic development: Only disarmament can release the enormous additional resources needed for combatting economic backwardness and poverty.

"(8) Mankind's material and intellectual potential must be used to solve global problems: Solutions must be found to global problems such as shortage of food, the growth of populations, illeteracy and environmental degradation through the efficient and appropriate resources of the earth. . . . A termination of the arms race would create better conditions for this purpose." [57]

Specific examples of Gorbachev's foreign policies that are consistent with the view expressed in the Delhi Declaration can be seen in Soviet statements and actions regarding the less developed areas of Southeast Asia and Latin America. In both of these regions, Soviet spokesmen have expressed their country's unconditional support for the nuclear-free zone treaties: concerning Latin America, Foreign Minister Shevardnadze has highlighted the USSR's accession to the Tlatelolco Treaty on nuclear non-proliferation in Latin America, and at the same time publicized the fact that the Soviet Union was one of the first nuclear powers to sign the Raratonga Teaty for the non-proliferation of nuclear weapons in the South Pacific. Commenting on the issue of these non-proliferation treaties, Shevardnadze said:

"Being a consistent supporter of creating nuclear-free zones, the Soviet Union is profoundly convinced that progress in that direction undoubtedly accords with the task of strengthening the regime of non-proliferation of nuclear weapons and the prevention of nuclear war, creating the climate of international trust and detente, and eliminating nuclear weapons." [58]

From this statement it is clear that in the Soviet view the elimination of nuclear weapons and the general improvement of physical living conditions are inextricably intertwined. The trust gained by the elimination and reduction of nuclear weapons, it is argued, can not only improve atmospherics in international politics, but will promote economic cooperation and development.

This point receives further elaboration when the Soviet scholars and policy makers turn to a discussion on the LDC debt crisis. There is much attention devoted to the debts of the LDCs in the Soviet press. The way out of the crisis, according to these discussions, is a lessening of spending on armaments. Viktor Volskii, the Director of the Latin America Institute, has been particularly vocal on this issue. In an interview in the Soviet government newspaper *Izvestiia,* he states that a shrinking of defense budgets in all countries will not only make the international situation more stable, but will work towards the solution of problems in international economic relations.[59]

None of the examples referred to above are meant to convey that the Soviet leader is an idealist without pragmatic intentions. His proposals on arms control and his desire for reductions in all armaments clearly stem in significant measure from his expressed eagerness to reform the Soviet economic system. This much he stated quite plainly in his forum speech. As he said:

"Before my people, before you and before the whole world, I state with full responsibility that our international policy is more than ever determined by our domestic policy, by our interest in concentrating on constructive endeavors to improve our country. This is why we need lasting peace, predictability and constructiveness in international relations." [60]

His proposals for Asia in the Vladivostok speech are not primarily aimed at US concerns in the region, but are directed toward the People's Republic of China. Proposals for the removal of Soviet troops from Mongolia, a willingness to concede certain islands in the Amur River to the Chinese, and the announcements of new Soviet policies towards reconciliation in Afghanistan are intended to be noticed by the leaders in Peking. Gorbachev clearly must hope that less tension in Asia and improvement in relations between the world's two communist giants further economic cooperation in the region and make socialism as a system more attractive to developing countries. Finally, Gorbachev's policies are intended to indicate to leadership groups in the LDCs that the Soviet Union is aware of the monetary problems of the developing world and is in agreement with the LDCs' own efforts to achieve nuclear disarmament. Thus, up to this point Gorbachev has proven himself to be an able tactician in international politics by initiating policy actions and formulations that he considers consistent with the new political thinking.

Whether or not Gorbachev's policies are motivated by his ideals or his ideals have been structured to justify his policies is a matter that requires further investigation and additional evidence. Indeed, there exists the additional possibility that both the policies and the ideals are the cynical creations of a sophisticated public relations team in the Soviet leadership. What appears to be correct is that there is in fact a connection between Gorbachev's new world view and his diplomatic initiatives. The nature of that connection and further issues concerning its effect on Soviet international behavior are both topics to be examined in future analyses.

[1] Gorbachev, M.S., Speech to the Forum, "For a Nuclear-Free World, For the Survival of Mankind," February 16, 1987, p. 7.

[2] See Dmitri Simes, *Gorbachev: A New Foreign Policy*, Foreign Affairs, Vol. 65, No. 3 (1987) and F. Stephen Larrabee and Allen Lynch, *Gorbachev: The Road to Reykjavik*, Foreign Policy, No. 65 (Winter 1986-1987).

[3] Gorbachev, M.S., *The Political Report of the Central Committee of the CPSU to the 27th Congress of the Communist Party of the Soviet Union*, Izvestiia, February 26, 1986, p. 2.

[4] Gorbachev, Speech to the Forum, p. 1.

[5] Ibid., p. 2.

[6] Ibid.

[7] Ibid., p. 7.

[8] Ibid., p. 7.

[9] Burlatskii, F.M., *Filosofiia mira*, Voprosy filosofii, No. 12 (1982), p. 64.

[10] Gorbachev, *Political Report*, p. 7.

[11] Gorbachev, *Speech to Forum*, p. 20.

[12] Gorbachev, *Political Report*, p.7.

[13] Gorbachev, Speech to the Forum, p. 10.

[14] Gorbachev, *Political Report*, p. 7.

[15] Ibid., p. 17.

[16] Ibid., p. 10.

[17] Ibid.

[18] See Fesenko, P.A. *O nekotorykh eticheskikh osnovnakh burzhuaznykh konteseptsii nasiliia*, in Problemy kommunisticheskogo dvizheniia (Moscow, 1983), p. 229.

[19] Gorbachev, Speech to the Forum, p. 11.

[20] Ibid., p. 2.

[21] Ibid., p. 6.

[22] Gorbachev, *Political Report*, p. 7.

[23] Grigorian, B.T., ed., Problemy mira i sotsialnogo progressa v sovremennoi filosofii (Moscow, 1983), p. 11.

[24] ibid., pp. 27-28.

[25] Gorbachev, Speech to the Forum, pp. 7 and 15.

[26] Ibid., p. 3.

[27] Ibid., p. 16.

[28] Ibid., p. 16. This slogan was first proposed by Anatolii Gromyko, son of the current Chairman of the Presidium of the Supreme Soviet, and Vladimir Lomeiko in *Son razuma rozhdaet chudovishch*, Novvi mir, No. 10 (1984), p. 181.

[29] Gorbachev, *Address to the French Parliament*, Kommunist, No. 14 (1985), p. 59.

[30] Ibid., pp. 15-16.

[31] Chernenko, K.U. Kommunist, No. 7 (1984), p. 7.

[32] Chernenko quoted in T.R. Kondratkov, Kardinalnaia problema sovremennosti (Moscow, 1985), p. 66.

[33] Gorbachev, Speech to the Forum, p. 22.

[34] Gorbachev, Speech in *Vladivostok*, July 28, 1986, from News and Views from the USSR Soviet Embassy in the United States, p. 5.

[35] Gorbachev, *Address to the French Parliament*, p. 59.

[36] Gromyko, Andrei A., Kommunist, No. 6 (1983), p. 26.

[37] Gorbachev, Kommunist, No. 6 (1985), p. 27.

[38] Gorbachev and Rajiv Gandhi, *The Delhi Declaration*, New Delhi, India, November 27, 1986, as printed in FBIS, Soviet Union, December 3, 1986, p. D14.

[39] Gorbachev, Speech to the Forum, p. 12.

[40] Gorbachev, *Message to Mayor of Hiroshima*, FBIS, Soviet Union, January 16, 1987.

[41] Matveev, V., *Oderzhimost*, Izvestiia, February 5, 1987.

[42] Gorbachev, *Speech to the Forum*.

[43] Political Consultative Committee of the Member States of the Warsaw Treaty Organization, *Address to NATO Member States, to all European Countries with a Programme of Reducing Armed Forces and Conventional Armaments in Europe*, Budapest, June 11, 1986.

[44] Political Consultative Committee, Ibid.

[45] Gorbachev, *Speech to the Forum*.

[46] Political Consultative Committee, op cit.

[47] Ibid.

[48] Ibid.

[49] See Starr, Richard F., "The MBFR Process and its Prospects", Orbis, Winter, 1984, pp. 999-1009.

[50] Political Consultative Committee, op cit.

[51] Ibid.

[52] Gorbachev, *Speech in Vladivostok*.

[53] Gorbachev, Speech to the Forum, p. 15.

[54] Ibid.

[55] Ibid.

[56] Gorbachev, Speech to the Forum.

[57] Gorbachev, *The Delhi Declaration*.

[58] Shevardnadze, Eduard, *Letter to the secretary general of the Agency for the Prohibition of Nuclear Weapons in Latin America*, as reported by TASS in FBIS, Soviet Union, February 19, 1987.

[59] Volskii, Viktor, *Triasina dolga. Est li vykhod?* interview in Izvestiia, February 26, 1987.

[60] Gorbachev, Speech to the Forum, pp. 4-5.

Mr. CRANSTON. Mr. President, I urge my colleagues and all others concerned about United States-Soviet relations to study it with the care it deserves.

I urge my country to proceed with its policies designed to test Mr. Gorbachev's actual willingness to carry out to the fullest extent the approaches this study indicates he favors.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask that morning business be closed.

The ACTING PRESIDENT pro tempore. If there is no further morning business, morning business is closed.

SENATORIAL ELECTION CAMPAIGN ACT

The ACTING PRESIDENT pro tempore. Under the previous order, the hour of 10:30 a.m. having arrived, the Senate will now resume consideration of the unfinished business, S. 2, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general elections campaigns, to limit contributions by multicandidate political committees, and for other purposes.

ORDER OR PROCEDURE

Mr. BYRD. Mr. President, for the information of Senators, I am hoping that the Senate can very shortly take up by unanimous consent a resolution expressing the sense of the Senate with respect to ongoing international negotiations to protect the ozone layer.

Numerous discussions have been held on both sides of the aisle with respect to taking up this resolution today and disposing of it. I hope that the chief sponsors of the resolution will come to the floor as soon as possible so that we can get under way in dealing with the resolution. I would anticipate one or more rollcall votes in relation to the resolution and I hope that those can be disposed of early in the day so that the Senate then can resume its debate on S. 2. I see no likelihood of votes on S. 2 this afternoon. I think the debate should continue on that measure.

But on the ozone layer resolution, it seems to me that we ought to get under way and dispose of that at the earliest moment. So that Senators who do have airline reservations can, in this instance, plan on going at a reasonable hour and knowing that there will not be any further rollcall votes after these initial one or two that I do anticipate.

So I hope the sponsors would come to the floor.

I see Mr. Stafford is here. He is one of the chief sponsors.

I see Mr. Chafee, who is one of the leading cosponsors; and Mr. Baucus is here, he is the chief cosponsor.

So I wonder, if we might, if the leader on the other side would be willing to give us permission to proceed to take up the resolution at this time.

Mr. CHAFEE. Mr. President, we are trying to get all the principals involved. We are waiting for the junior Senator from Idaho. It is our view if we could get him here—he is on his way—we would then be able to iron out perhaps an amendment that he would have and thus move very quickly to the passage of this. That is what we are trying to do.

Mr. BYRD. Very well.

Mr. CHAFEE. So if the leader would bear with us for a little while longer, I think we will be able to hopefully resolve this.

Mr. BYRD. In the meantime, if Mr. Baucus and others would like to begin talking about the resolution before it is submitted, I ask unanimous consent that Senators may speak out of order, notwithstanding that the Pastore rule has not elapsed for the day and the Senate is on other business. I make that consent request so that Senators may speak out of order.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. I thank the Chair and I thank all Senators. If they wish to proceed to discuss the resolution before it is called up, then this would be a good time to do so.

Mr. BAUCUS addressed the Chair.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Montana.

OZONE DEPLETION

Mr. BAUCUS. Mr. President, I appreciate the indulgence of the Senate and also the cooperation of our leader [Mr. BYRD], along with the yeoman work of Senator CHAFEE of Rhode Island, Senator STAFFORD of Vermont, and the many others who are cosponsors of this resolution.

Our efforts are really very simple and very clear; namely, to encourage our administration to forthrightly and very strongly continue our Government's position in international negotiations, to work with other countries, in reducing the emissions of chlorofluorocarbons in the atmosphere which is the net cause of depletion of the upper atmosphere ozone, thereby causing a higher incidence in our country of skin cancer, damage to eye retinas, damage to human immune systems, and other effects on plant and animal life in our country.

We have a serious problem facing us in this country and in the world; namely, the growing emissions of chlorofluorocarbons.

What are chlorofluorocarbons and why are they causing such damage to our environment? Chlorofluorocarbons are those materials which are used as coolants in automobile air-conditioners, in refrigeration systems, and they are also used in making foam materials, in some furniture materials.

They are effective in construction insulation materials.

CFC's are also found in those hamburger cartons, McDonald's cartons. When you get a Big Mac or a quarter pounder with cheese, or the Whopper, at Burger King, the container is made with CFC's. Companies find it is easier to make those containers with CFC's. There are many beneficial uses of CFC's.

The problem is that there are also some problems with CFC's. The problem is that the chlorine component of chlorofluorocarbons begins to drift up into the upper atmosphere.

CFC's are emitted, basically, when you repair the air-conditioners in your car, you put a refrigerant in your freezer, or your refrigerator. CFC's escape into the atmosphere.

It takes about 5 years to get to the upper atmosphere where the ozone layer surrounds our planet.

The problem is that these CFC's, particularly the chlorine, break down the ozone. It combines with the ozone and breaks it apart, thereby depleting the upper atmosphere ozone.

There is an additional difficulty here in that this chlorine component lasts about 75 years. It does not break down. It is like a bullet that keeps breaking down those ozone modules. It breaks down one then another and another for 75 years, and finally the chlorine itself breaks down.

In effect, we have this time bomb. All these CFC's are floating up, which takes about 5 years to get up to the upper atmosphere to begin to do its work. Even if we had a total ban today on chlorofluorocarbons going up into the atmosphere, during the next 5 years the upper atmosphere ozone level would still be depleting.

The science on this is becoming more and more clear. Science is demonstrating that with the depletion of the ozone layer, more ultraviolet light from the Sun is reaching the Earth, and the more ultraviolet light reaching the Earth causes a growing incidence of skin cancers. There are a number of kinds of skin cancer. There is melanoma, the most fatal kind of skin cancer, and there are nonmelanoma cancers. There are other kinds which also lead to fatalities. Skin cancer is becoming one of the greatest diseases in our country and that is in part due to increased exposures to ultraviolet light and perhaps partly due to depletion of the ozone in the upper atmosphere.

A lot of us have read about the Antarctic hole which is developing. The hole develops in the fall or winter of our year, where there is this gigantic depletion, basically over the southern part of our planet, over Antarctica.

This hole was completely unanticipated. Scientists over the years have been trying to address this question, trying to determine the causes of depletion of upper atmosphere zone. They did not, in their wildest imagination, predict that there would be this hole developing over the Antarctica. But it is happening.

Every year they go back and try to learn more about it and see whether research can provide some clues as to its cause.

The more we looked at it and the more other countries looked at it, I must say internationally the science on this is quite unanimous, in virtual agreement. There is a strong connection here. No one knows for sure, but there is a strong connection, it seems, between increased chlorofluorocarbon production and development of the Antarctic hole and gradual depletion of the upper atmosphere ozone.

Mr. President, I think our country has taken a very courageous and very strong and very forthright and very progressive position in international negotiations. Our country has gone to other countries at the United Nations in Geneva in particular and has said, "Look, we have a problem here. We are on this planet together. Let us see if we can find a solution."

Originally, the European countries, and originally Japan, were balking, they were dragging their heels. They did not think there was much of a problem and, if there was, perhaps they could continue to produce the CFC's even if the United States wanted to reduce production of CFCs. But it is because of the strong American position in Geneva, a strong American position in international negotiations, that Japan, the EEC, and the developed countries are beginning to agree with our position that we should not only freeze the production of CFC's, but we should also begin to reduce the production of CFC's.

In the original American position it was not only to freeze production but it was also working toward, in 6 to 8 years, a 50-percent reduction in the production of chlorofluorocarbons. That was our position and the virtual elimination of the use of these substances. Consequently, other countries began to agree and fall into line in adopting that position.

The problem, Mr. President, is basically this: Even though the EPA strongly has followed this position, and even though our State Department is to be commended, and I do commend the State Department, even though it, too, has followed this position, in the last several days, about a week ago, of all things, we woke up and find Secretary Hodel saying:

> No, the solution to skin cancer and to damage to our eyes from ultraviolet light is to wear a hat, sunglasses, and more suntan lotion. The solution is not to follow the original American position towards the freeze and reduction of CFC's.

Mr. President, many of us were astounded that Secretary Hodel would not say that but seemed to actually believe that the solution is to wear sunglasses, to put more sunblock on your face, your arms, your skin, and to wear a hat when you go outside.

It is true that those preventions will help in preventing skin cancer. But that is like saying we should abolish the Clean Air Act and all put on gas masks. That is the way to make sure to be healthy and not worry about pollution.

Or it is like saying if you go swimming, wear rubber suits. We had to do that in the Potomac a few years ago. Our Clean Water Act is helping to clean up the Potomac and a lot of other lakes and streams in the country.

Mr. President, we, then, are offering this resolution. The resolution is very simple. The resolution states that the U.S. position should be the original U.S. position in international negotiations. That is, a freeze on the production of chlorofluorocarbons as well as working toward a 50-percent decrease in the production of CFC's and the virtual elimination of the use of these chemicals. That is, I think, a minimum standard that we should adhere to.

EPA originally felt that we should work toward an immediate 95-percent reduction in CFC production. There is room to back off. It is a more moderate position. It is an automatic 50-percent reduction in the CFC's to be produced.

Some countries have not gone as far as they should. We in our country banned CFC's in aerosol cans in 1978. We along with a few other countries are the only ones to do so. And it has worked. The ban of CFC's in aerosol cans has not meant no more shaving cream, no more deodorants. It has worked very well. We have taken a very progressive step in this country.

With this resolution, if it is adopted, we can more forcefully argue our position in Geneva and I am convinced that other countries will begin not only to ban CFC's in aerosol cans but begin to find substitutes for refrigerants in air-conditioning coolants, and other items where CFC's are now used.

We in our Environment and Public Works Committee, Mr. President, have had many hearings on this issue. The hearings have focused on the development of substitutes. I commend the industries and particularly the companies that have been, over the years, working to develop substitutes. Some have been doing very well. Du Pont Chemical, for example, has done a good job. They have spent a good amount of time looking for substitutes for ozone depletions CFC's. They tell us in our committee that certainly, within 6 to 8 years, they can develop substitutes.

Certainly, if American industry says to me, yes, they can develop substitutes, that is good enough for me. That is further evidence that we should move toward a very aggressive reduction in CFC's.

General Motors, too, has told our committee that they are financing ways to develop substitutes for their air-conditioning systems in automobiles.

The solutions are not perfect. There are bugs to be worked out, but they are working for solutions; they are finding ways to develop substitutes for CFC's.

Some other companies are dragging their heels but many are not. I very much commend General Motors, and the automobile industry for aggressively working to find substitutes and, as I said, Du Pont, for working towards substitutes for CFC's.

That is the resolution. I very much hope that Senators can look at the resolution and vote for its adoption.

Mr. President, while we are waiting for a certain Senator to come to the floor to work this out, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Vermont is recognized.

Mr. STAFFORD. Mr. President, first, I compliment the very able Senator from Montana for the exposition he has just delivered to us on the problems that are created by CFC's. Rather than repeat the explanation, which I think was excellent, I simply wish to be associated with that explanation that the Senator from Montana has presented to our colleagues.

We are speaking in advance of the actual offering of the resolution, which will express the sense of the Senate with respect to ongoing international negotiations to protect the ozone layer.

It goes on to say:

> Whereas, the United States is participating as a world leader in ongoing international negotiations sponsored by the United Nations Environment Program to protect the ozone layer, the Earth's natural shield against harmful ultraviolet radiation and to control manufactured ozone depletion;

That is the resolution to be presented to the Senate shortly. It is with respect to that that I would like to comment briefly.

Mr. President, within the next few days the Domestic Policy Council will meet to reconsider the administration's policy regarding the regulation of chemicals which destroy the ozone shield. I hope that the result of the meeting will be an open, unmistakable vote of confidence on the part of the entire Cabinet for the policy which the administration adopted last year; namely, an immediate freeze on production followed by a 95-percent reduction.

Unfortunately, there is a distinct possibility that what could emerge from the Domestic Policy Council's negotiations is a policy calling for something less than a virtual elimination of CFC's. If that were to happen, it would be a defeat for not only the health of the American public, but the health and environment of the entire planet.

No scientist can predict the exact consequences of ozone layer depletion because the resulting planetary environment will be unlike any that has ever existed. It is the unprecedented nature of the threat posed by depletion of the ozone shield, combined with other changes in the global environment that will result from continued use of these chemicals, that has led the world's scientists to warn that we are "conducting one giant experiment on a global scale without knowing the consequences."

It is for these reasons that the United States should adhere to its original position and reject proposals, regardless of how they might be characterized, which fail to assure achievement of the underlying policy goal of avoiding depletion of the stratospheric ozone layer.

The resolution, Mr. President, calls on the Domestic Policy Council and the President himself to reaffirm their support of the original U.S. policy of a virtual elimination and to reject proposals which fail to measure up to that standard.

This Senator would be less than honest if he told other Members that there is a 100-percent certainty that science will ultimately confirm the validity of the ozone depletion theory. In late 1985, 150 scientists from throughout the world met in Villach, Austria, under the sponsorship of half a dozen national and international organizations. They issued a joint statement warning governments that the world is "conducting one giant experiment on a global scale by increasing the concentrations of trace gases in the atmosphere without knowing the environmental consequences."

It is possible that CFC's might ultimately be exonerated. But it is highly unlikely, and this is not a theory which we can afford to become a reality. Gravity is still a theory, but this Senator would not care to test it by putting his neck beneath a guillotine, nor does he care to test the ozone depletion theory by putting the world on a chopping block.

I think the distinguished Senator from Montana, the chairman of the involved subcommittee, may not have mentioned this, it is in connection with Mr. Hodel's statements about sun block creams and sunglasses. Mr. Hodel may have overlooked the important fact that one of the most dangerous aspects of depleting the ozone layer is the ultraviolet radiation reaching the top inch or so of the world's oceans, where plankton, the basic food chain of all life in our seas, live and swim in their early moments and where they are vulnerable to destruction from unltraviolet radiation.

Many of the present uses of CFC's, more commonly known as freon because that is the Du Ponte Corp's. trade name, are important. A few are essential. But there was a world before flash frozen corn-on-the-cob and styrofoam egg cartons, and there will be one without them.

More certainly, there are substitutes for freon which are under development and can, within a reasonable time, be available that will not attack the ozone layer in the stratosphere.

The best way to be certain of that, Mr. President, is to move promptly toward complete substitution and elimination of CFC's as the administration originally proposed. A vote for this resolution will contribute to this goal and I hope every Member of the Senate will support us in that endeavor.

Mr. President, I yield the floor.

(Mr. BAUCUS assumed the chair.)

Mr. WIRTH. Mr. President, today I am pleased to join with Senators BAUCUS, STAFFORD, CHAFEE, and 30 of my distinguished colleagues in cosponsoring this resolution urging the President to endorse the original U.S. position at international negotiations on ozone depletion. The Senator from Montana, in particular, has shown great leadership in the effort to develop solutions to this problem.

As correctly pointed out and very well described by my distinguished colleagues, the ozone layer shields the Earth, and all living things, from exposure to the Sun's damaging ultraviolet radiation. The delicate ozone layer also plays a key role in regulating global temperature levels. Yet, we now know that the composition of the Earth's atmosphere is being changed by human activities, particularly by emissions of chlorofluorocarbons [CFC].

Atmospheric models predict a decrease of several percent in stratospheric ozone due to CFC emissions. Such a decrease would increase ultraviolet radiation reaching the ground, causing the results described by the Senator from Montana, the Senator from Vermont, and others. Without resolute international action we could experience harmful effects in the following areas:

First. Skin cancer: EPA estimates that a freeze on CFC production would prevent 92 million cases of cancer, including 1.8 million deaths worldwide. This includes several hundred thousand cases and several thousand deaths in the United States.

Second. Eye damage: Cataract formation and permanent destruction of retina and cornea tissue.

Third. Crop production: An estimated 25 percent reduction in crop yields, 10 percent reduction in crop protein quality, and a severe reduction of crop ability to compete with weed species or survive pests and disease. After all, two-thirds of all crop species are sensitive to increased UV radiation.

Fourth. Natural flora: Probable decreases in forest productivity.

Fifth. Fauna: Damage to aquatic ecosystems, causing "substantial reductions" in fish populations.

Sixth. Global warming: Besides letting more radiation into the lower atmosphere, CFC's are very efficient at keeping heat in.

Indeed, the impacts of continued ozone depletion could be enormous. In an effort to address this problem, the United States has been negotiating with other nations to find ways to limit the production and use of chlorofluorocarbons. We have started in the right direction. With the cooperation of other nations, I hope that we can move from a 50-percent reduction to a 95-percent reduction in CFC production.

Mr. President, our original negotiating position sends the right message to the world—ozone depletion is a serious threat to the global environment, and clearly multilateral action is needed to address this problem.

We can all be proud that the United States has taken the lead at these negotiations. The administration is to be commended for coming to the bargaining table with a sound proposal to halt the destruction of the ozone layer. The State Department has provided us with a solid foundation for continued progress when further negotiations resume in September.

The United States' position at these negotiations is critically important to protecting human health and the environment against the adverse effects which result from the release of chlorofluorocarbons. Ozone depletion is no longer simply a question of scientific inquiry. It is a potent threat to the environment that demands the attention of all nations. That is why we must maintain our strong negotiating position and continue to encourage the nations of the world to work together with us to reduce, and ultimately eliminate this threat to the Earth.

Unfortunately, the debate has been clouded by reports of statements made by Secretary Hodel of the Department of the Interior.

The day after the Secretary was alleged to have made his statements, I took the floor of the Senate and asked the Secretary of the Interior to please clarify his remarks. These sounded unlike Secretary Hodel, and as in situations like this perhaps there are times when statements are taken out of context or are not fully accurate.

I renewed that request to Secretary Hodel at a meeting of the Energy and Natural Resources Committee earlier this week. Secretary Hodel was also, I can say, equally concerned and disturbed by the reports of his statements.

I think it is fair, while I do not always agree with Secretary Hodel, to make certain that we have a complete statement from him so that his position on this is clear.

In a letter written to me, the Secretary has assured me, Members of the Senate, and the American people that indeed the reports of his statement about sunglasses, hats, and skin cream were erroneous.

I ask unanimous consent, Mr. President, to submit for the Record the letter submitted to me by Secretary Hodel along with the negotiating letter. His letter is dated June 4, 1987.

There being no objection, the letters were ordered to be printed in the Record, as follows:

The Secretary of the Interior,
Washington, June 14, 1987.

Hon. Timothy E. Wirth,
U.S. Senate, Washington, DC.

Dear Senator Wirth: Thank you for inquiring about my position regarding chlorofluorocarbons (CFCs) and stratospheric ozone, and thank you very much for questioning whether statements attributed to me in press reports were true. They were not.

I have not suggested and do not believe that the complex issues concerning effects of stratospheric ozone depletion should be or could be solved by some simplistic approach such as sunglasses, hats and lotions.

In essence, the basic issue is whether the President merely will be presented with a proposal which authorizes negotiating "the best possible" international agreement on the subject, or whether he should have the opportunity to establish for our negotiators meaningful guidelines which indicate such things as how many countries must sign, what percentage of global CFC production and/or use must come under the agreement, which chemicals must be included, and the like in order for an agreement to be acceptable to the United States. Certainly, unilateral action by the United States would do little to address the problem and would be to our disadvantage.

This issue currently is before the President's Domestic Policy Council (DPC). Let me elaborate on some of its aspects.

The purpose of DPC consideration is to be sure that, upon the considered advice of his entire Cabinet, the President, rather than just one or two agencies or departments, is afforded the opportunity to pass judgment on the position to be taken by the United States Government during international negotiations concerning possible limitations on global production and use of CFCs and similar chemicals. This is a complex issue of potentially great significance to the American people, their health, their lifestyle, their environment and their economy. It is the DPS's responsibility to subject available scientific information to thoughtful review and to present to the President an array of responsible options concerning the negotiating position of our government.

Contrary to certain press reports, I have not yet decided for myself what options are worthy of consideration by the President, much less what the preferred option should be. Data and analysis on the multi-faceted aspects of the issue still are being developed on an inter-agency staff basis for DPC consideration. Once such information is available, the DPC members, including myself, will be in a position to reflect on a preferred array of options and then discuss our views with the President.

I am quite disturbed by those who carelessly or deliberately provided the misinformation concerning my views which resulted in the erroneous press reports regarding this matter. The potential impact of CFCs and similar chemicals upon stratospheric ozone and the potential consequences of such impacts, and of possible measures to avoid or mitigate such impacts, upon the lives of millions of Americans, not to mention other countries' citizens, are very serious issues which deserve thoughtful evaluation at the highest levels of our government. The manner in which the matter has been characterized by those who, it appears, are determined to confine the President's options to those only of their crafting, has the unfortunate tendency to trivialize legitimate concerns and to inhibit informed analysis and policy making.

I believe the threshold question to be dealt with is: what is our objective? Are we attempting to deal with a potentially serious health problem, or is the proposed strategy of limiting production and use of CFCs also aimed at other types of potential problems? The essential thrust of the answer so far has been that our primary concern is potential adverse impact on people's health, specifically, skin cancer. Once that threshold question is finally resolved, we must tackle the who, what, when and how questions.

First, if the scientific theories are accurate, then the problem is one that we as a Nation must seek to solve through international cooperation. We must convince a substantial portion of the rest of the world that this is a problem which must be dealt with and solved on a global basis. A negotiating objective of obtaining agreement from "as many nations as possible" could be meaningless if, in our zeal to reach an agreement, we enter a pact which, for example, does not bind those nations which now and prospectively are likely to be significant producers and/or users of CFCs and similar chemicals. My information is that, at the last set of international negotiations in Geneva, which were conducted under the auspices of the United Nations Environment Program (UNEP), less than one-third of the United Nations member countries were represented, and several emerging industrial nations, such as South Korea, Taiwan, the People's Republic of China, India, Singapore, and Pakistan, were not present. The Soviet Union was the only Eastern Bloc nation present. In my view, it would be foolhardy for the United States to limit domestic production and use of CFCs, only to be confronted with global ozone depletion caused by other nations' continuing to enjoy unfettered CFC production and use.

It should be noted that United States leadership on this issue has brought increasing support from other countries, but the President should be given the opportunity to consider to what extent that leadership might cease to be effective if the United States alone, or in concert with only relatively few other producing and consuming countries, entered into a CFC limitation program. The President should be able to consider what constitutes sufficient, assured participation by other nations before any agreement receives our government's approval.

Secondly, we must have a well-thought out proposal which, while designed to protect American interests, will gain acceptance by other countries, with de minimis exceptions, if any. No longer can the United States merely make assertions and armtwist the world community into agreement and compliance. Our facts, data, and analysis must be credible, so that our arguments will be convincing. We should base our proposals on a realistic understanding of when CFC substitutes will be available in commercial quantities, the cost to our society to adapt to them, and whether they will be safe from a health and environmental standpoint.

If the theories which underlie our concerns about CFCs are accurate, then the burden is on those who would not insist on all chlorine-emitting CFCs', as distinguished from just a few, being subjected to international limitations. You will note from the enclosed copy of the "Chairman's Text," which emerged from the Geneva negotiations, the only three CFCs were agreed upon, two (indicated by parentheses) were discussed but not agreed upon, and halons (believed to be powerful emitters of ozone-depleting chlorine) were not included at all. I am advised that it is unclear whether Japan will agree to limitations on CFC 113, which is used as an effective cleansing agent for computer chips.

It is important to determine whether and to what extent an international agreement in some way will give "credit" to the United States for its 1978 unilateral ban on "non-essential" aerosol sprays containing CFCs. Since, as mentioned above, substantially all the countries of the world, developed and developing, should be bound by the agreement, the President has to determine whether to accept the suggestions of some that developing countries be excused from the same level of restrictions as are being proposed for the United States.

Certainly, any international agreement should assure that compliance by each signatory is mutual and verifiable. We also need to know whether this Nation, which is committed to the concept of free international trade, will support, as has been suggested by some, trade sanctions against countries which do not adhere to the obligations imposed by an international agreement.

Thirdly, we must have an acceptable mechanism for future decisionmaking. No plan should be put forward which, regardless of good intentions today, in effect precludes basing the international regulatory actions of the future on serious scientific review. To create today regulatory "targets" which are to obtain five to twelve years from now, based on the modelling of today which admittedly is plagued by uncertainties and which certainly will change after the proposed "freeze" has been in effect for two years, is highly questionable policy. It seems logical to me that there should be adequate time between the proposed "freeze" and the scientific review contemplated by the "Chairman's Text" to enable signatories to ascertain and to evaluate new scientific, technological and medical information before the decision is made to move forward to the next targeted reduction; otherwise, the "scientific review" could be meaningless.

Moreover, any international agreement which provides for future regulatory decisions by vote of signatories should be designed so as not to leave the United States wholly subject to the voting power of other nations whose economic and political objectives may be entirely inconsistent with our own. Before we agree to an international protocol, perhaps it would make sense to have a pretty good idea as to how the domestic regulatory mechanism would allocate among U.S. producers and users of CFCs and similar chemicals the burden of contributing to internationally agreed-upon "freezes" or reductions in their production and use.

The foregoing are but some of the major facets of this complex issue. Neither the Domestic Policy nor the President has had an opportunity to address them, notwithstanding the fact that there is divergence of opinion among interested departments and agencies as to the nature and scope of an agreement that will be in the best interests of the people of the United States. Yet, it is reported that those involved in the negotiating process already have scheduled signing of the international agreement at a planned September meeting in Montreal. The President should not be presented with a fait accompli. The Nation and he deserves better.

I believe that, with well-documented, information, a scientifically based review process and creative thinking, this issue can be dealt with by the world community in a rational way for the good of all.

Thank you for the opportunity to respond to your interest.

Sincerely,

DONALD PAUL HODEL.

TEXT PREPARED BY A SMALL SUB-WORKING GROUP OF HEAD OF DELEGATIONS

ARTICLE II: CONTROL MEASURES

1. Each party, under the jurisdiction of which CFC 11, CFC 12, CFC 113, (CFC 114, CFC 115) are produced shall ensure that within (2) years after the entry into force of this Protocol the (combined annual production and imports) (combined adjusted annual production) of these substances do not exceed their 1986 level.

2. Each party, under the jurisdiction of which substances referred to in paragraph 1 are not produced at the time of the entry into force of this Protocol, shall ensure that within (2) years from the entry into force of this Protocol (its combined annual production and imports) (its combined adjusted annual production) do not exceed the levels of imports in f1986.

3. Each party shall ensure, that within (4) years after the entry into force of this Protocol levels of substances referred to in paragraph 1 attained in accordance with paragraphs 1 and 2 will be reduced by 20 per cent.

4. Each party shall ensure that within (6) (a), (8) (b) years after the entry into force of this Protocol, the 1986 levels of substances referred to in paragraphs 1 and 2 will be further reduced (by 30 per cent), (a) (if the majority of the parties so decide, (b) (unless parties by a two-third majority otherwise decide), in the light of assessments referred to in Article III, such decision should be taken not later than (2) (4) years after entry into force.

5. Parties shall decide by (two-third majority) (a majority vote)

whether substances should be added to or removed from the reduction schedule

whether further reductions of 1986 levels should be undertaken (with the objective of eventual elimination of these substances).

These decisions shall be based on the assessments referred to in Article III.

Note: A second paragraph reading as follows has to be added to Article III. Beginning 1990, and every four years thereafter, the parties shall review the control measures provided for in Article II. At least one year before each of these reviews, the parties shall convene a panel of scientific experts, with composition and terms of reference determined by the parties, to review advances in scientific understanding of modification of the ozone layer, and the potential health, environmental and climatic effects of such modification.

Mr. WIRTH. Secretary Hodel has acknowledged that ozone depletion is an extremely complex issue upon which we must act wisely and I might just briefly read a couple of paragraphs out of his letter:

DEAR SENATOR WIRTH: Thank you for inquiring about my position regarding chlorofluorocarbons [CFCs] and stratospheric ozone, and thank you very much for questioning whether statements attributed to me in press reports were true. They were not.

I have not suggested and do not believe that the complex issues concerning effects of stratospheric ozone depletion should be or could be solved by some simplistic approach such as sunglasses, hats, and lotions.

He goes on later in the letter to say:

Contrary to certain press reports, I have not yet decided for myself what options are worthy of consideration by the President, much less what the preferred option should be.

The Secretary goes on later in the letter to say:

> I am quite disturbed by those who carelessly or deliberately provided the misinformation concerning my views which resulted in the erroneous press reports regarding this matter. The potential impact of CFCs and similar chemicals upon stratospheric ozone and the potential consequences of such impacts, and of possible measures to avoid or mitigate such impacts, upon the lives of millions of Americans, not to mention other countries' citizens, are very serious issues which deserve thoughtful evaluation at the highest levels of our government.

The Secretary goes on in his letter, Mr. President, to lay out four concerns that he believes must be part of the administration's consideration of the initiative undertaken by the State Department.

I include all of this in the RECORD, Mr. President, not because I agree with the analysis given by Secretary Hodel or because I agree that there ought to be delay at all. I do not believe there ought to be. Nor do I think that a 50-percent reduction in CFC production is enough. I think we ought to move to a 95-percent reduction. But I put this in the RECORD, Mr. President, because I believe that the Secretary does have a right to be heard, and from all that his letter of yesterday has said to me it appears as if he was misquoted, as if these statements were taken out of context. While many people have had a lot of fun with this issue and with the Secretary, I think we ought to move beyond sunglasses, hats and skin lotion and get to the fundamental fact that we must put a freeze on and then start the process of dramatically changing the production of CFC's, ultimately reducing production by 95 percent.

The resolution offered today by the distinguished Senators from Montana, Rhode Island, Vermont, and some 30 Members of the Senate, is a positive step toward addressing this issue and I urge my colleagues to join with us in support of this measure.

I also thank the Senator from Montana for assisting me in being able to make this statement at this point.

Mr. President, I yield the floor.

UNANIMOUS-CONSENT AGREEMENT

(The following proceedings occurred later in the day.)

Mr. BYRD. Mr. President, the request I am about to make has been cleared with the distinguished Republican leader, and he has authorized me to proceed to present it to the Senate without his presence on the floor. He is tied up in the office at the moment. So I make this request with his full knowledge.

Mr. President, I ask unanimous consent that the distinguished Senator from Montana [Mr. BAUCUS] may offer his resolution and that there be the following time agreement thereon: 40 minutes equally divided between Senators BAUCUS and STAFFORD or their designees on the resolution; that no amendments be in order; that no motions to recommit the resolution be in order; that there be no time on any motion to reconsider.

Mr. President, if this agreement is entered into, then the Senator will be voting on the resolution circa noon, give or take a little; and then, following the disposition of this measure, I expect no more rollcall votes today. I expect only that the Senate continue debate on S. 2, and I do not foresee any surprises in connection with that bill today.

The PRESIDING OFFICER. Is there objection?

Mr. STAFFORD. Mr. President, reserving the right to object—and I will not object—the Senator from Vermont simply wants to inform the majority leader that he will designate Mr. CHAFEE to handle the matter for the minority.

Mr. BYRD. I thank the distinguished Senator from Vermont.

The PRESIDING OFFICER. Without objection, the request of the majority leader is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Rhode Island and the Republican leader. I also thank the Senator from Montana and Mr. SYMMS and Mr. STAFFORD and other Senators.

Mr. President, I ask unanimous consent that it be in order to order the yeas and nays.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STAFFORD. Mr. President, I request the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER (Mr. BREAUX). The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, last Friday I spoke about the U.S. position on the ongoing international negotiations to control chlorofluorocarbons, CFC's, and the depletion of the Earth's protective ozone shield. At that time I noted that, as recently as a few weeks ago, the United States and this administration in particular had reason to be proud of its position as a world leader in this area. At a recent series of international negotiations the United States had been calling for an immediate freeze to be followed by a prompt virtual elimination of the production and use of ozone-depleting chemicals. That position has been and continues to be sound public policy and a good response to one of the most serious environmental problems facing the world today.

Recent reports of dissension within the administration and attempts to force a retreat from the United States' original position threaten to embarrass the President and, if not dealt with soon, will seriously damage our ability to effectively negotiate in the international arena.

Therefore, the resolution that we will bring up shortly reiterates the call that I made last Friday for the President to take control of this issue, to support the exports at the Department of State and the Environmental Protection Agency who have been grappling with this issue for several years.

Mr. President, I have a letter here dated April 6, 1987, from Dr. Margaret Kripke, who is chairman of the Department of Immunology at the University of Texas, and it is addressed to Dr. David Gibbons, who is the Deputy Associate Director for Natural Resources at OMB. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE UNIVERSITY OF TEXAS,
SYSTEM CANCER CENTER,
Houston, TX, April 6, 1987.

Dr. DAVID GIBBONS,
Deputy Associate Director for Natural Resources, Office of Management and Budget, New Executive Office Building, Washington, DC.

DEAR DR. GIBBONS, It was a pleasure to meet you last Friday and to have an opportunity to discuss some of the issues relating to the potential effects of increased ultraviolet radiation. I found the meeting quite interesting because it gave me an added perspective on the complexities surrounding this topic. I also ended up with a great deal of respect for your incisiveness and ability to focus on the essential issues in the midst of a deluge of information. For this reason, I am troubled by the point of view you related indicating that skin cancer is a self-inflicted disease, and therefore, we need not protect people against increased UVB radiation because they should be responsible for protecting themselves.

I have thought about this issue a great deal in the past few days, and I feel that my response to this portion of the discussion was quite inadequate, considering the serious implications of this perception. I must admit, that coming from a cancer hospital and research institute, I was caught unprepared for this line of reasoning. I suppose this is because we are inevitably faced with the responsibility of dealing with the results of increased UVB exposure, regardless of its cause, and we do not have the option of ignoring people whose cancers are self-inflicted.

Whether the attitude you expressed is your personal view or merely one that has been expressed publicly by others, I think it deserves to be addressed in a more substantive manner than I was able to do last Friday. Therefore, I would like to try and pinpoint the reasons for my discomfiture with this analysis of the situation.

First, the majority of the skin cancer patients we see at the M.D. Anderson Hospital and Tumor Institute cannot be characterized as belonging to the leisure or sun-worshiping sets. Most of our patients with skin cancer are farmers, ranchers, oil field workers, and people who work on off-shore oil rigs. It is true that we see the more serious cases of skin cancer because we treat many people who have failed to be cured by surgery. However, I feel that I am doing our patients a great disservice by leaving uncontested the impression that skin cancer is a problem limited to the suntan seekers. This is clearly not the case; however, I am unaware of any recent study that attempts to characterize the skin cancer population as to what proportion of cases might have resulted from voluntary or recreational sunlight exposure.

Second, if we take the cold, economic point of view, skin cancer has an economic impact regardless of how it is acquired. It costs us in loss of human productivity and in medical expenses, irrespective of whether it is self-inflicted or inadvertently acquired.

Third, part of the increased exposure of our population to UVB results from the demographic trend of people moving southward. This was viewed as being purely voluntary in our discussion last Friday and attributed to people retiring in the South because of the pleasant climate. It is important to realize that this is not the only reason for the demographic shift in population, and it may not even be the major reason. My impression is that the southward movement also resulted from a depressed economic situation in the manufacturing centers of the northeastern United States in the 1970's, and that the migration was augmented by the high price of heating fuel during a few very cold winters. If these impressions are correct, the view that people are moving southward voluntarily because they want to enjoy the sunshine is not a fair assessment of the situation. Many people have moved because of economic necessity, rather than because they want to play golf year round.

Finally, there is a scientific issue that needs to be addressed. We are assuming that the increase in the incidence of skin cancers over the past few decades is due to a voluntary increase in exposure to UVB radiation. This increase is clearly not due to measurable reductions in ozone concentrations, and therefore is generally attributed to voluntary changes in behavior that lead to more sunlight exposure, e.g., clothing styles, tanning, recreational activities. Although this is the simplest explanation and quite logical, it is not an explanation based on scientific evidence, nor is it the only possible explanation. Consider, for example, the hypothesis that some other agent that is increasing in our environment increases the susceptibility of the skin to UVB-induced cancers. For example, suppose some bath soaps contain ingredients that remove dead skin, thereby permitting the penetration of more UVB. The increasing emphasis on personal hygiene and resulting increase in bathing practices could also account for the increasing incidence of skin cancer, without invoking a voluntary increase in exposure to UVB radiation. Thus, there is a possibility that voluntary behavioral changes are not the only cause of the increasing incidence of the common skin cancers, and other explanations need to be considered before condemning people for having "self-inflicted" skin cancers. This is an unproven assumption that may be incorrect. Furthermore, with malignant melanoma, we do not know whether increased exposure to UVB radiation in adult life can increase the risk of this more serious form of skin cancer. Recent evidence suggests that sunlight exposure during early childhood may be the determining factor in the relationship between UVB exposure and malignant melanoma.

I regret that I was unable to marshall these arguments on the spot last week, which would have given the audience an opportunity to respond. However, I think that these arguments are important, and I hope you will consider them, nonetheless. If you wish additional discussion or clarification of these or any related issues, please do not hesitate to call on me.

Sincerely,

MARGARET L. KRIPKE, PH.D.

Mr. CHAFEE. Mr. President, this letter shows that the press reports of last week regarding how we can defend against the deterioration of the ozone layer by wearing sunglasses and hats were not misinterpretations of some offhand remark. It reveals the belief among some within this administration that skin cancer is a "self-inflicted" disease.

As ridiculous as that suggestion may be, it shows that the hats and sunglasses policy, was and may still be considered a serious option by some within the administration.

As one may expect, the letter from Dr. Kripke goes on to explain the fallacy and the dangers of such misinformation.

But what about the environmental effects of ozone depletion? Are fish expected to wear sunglasses? Are we supposed to spray our trees and crops with sunscreen lotion?

To the extent that some of the high officials made later remarks to clarify the earlier comments, I think that they are extremely disturbing, that we got into that whole discussion. If the no-action policy is intended as a stalking horse, as part of a strategy to forge a compromise around the proposal for a mere 20-percent reduction in CFC's, it will not work.

Without a commitment to further significant reductions approaching virtual elimination—and that, it seems to me has to be the goal, virtual elimination of these harmful chemicals—unless we do that, a 20-percent cut will not even come close to adequately protecting our environment.

What we are seeking is an international agreement that goes further. The suggestion that if you go no further than 20 percent, that that will start us on the right road must be rejected. We have to go further than that, as the resolution proposed by Senator BAUCUS and myself and others implies.

Obviously, it would be best to get an international agreement to deal with this global problem. But it must be a good agreement. We must not let our desire for a widespread agreement blind us to the "lowest common denominator" syndrome. If some countries refuse to go along with a tough protocol, we should consider splitting off and reaching agreement with like-minded countries. Such an agreement, coupled with tough trade sanctions, would probably bring the recalcitrant countries around in short order.

The first order of business is for the President to get the administration speaking with one voice, again. That voice should be delivering the message adopted by Secretary of State Shultz and the Administrator of the Environmental Protection Agency, Mr. Lee Thomas.

The President has an opportunity to get this process back on track and take the credit that he deserves, and that this Nation deserves, for pressing these international negotiations.

So, Mr. President, I do hope that the resolution that will shortly be introduced will receive unanimous support, because we are dealing with what I believe to be the most serious environmental challenge that this globe faces.

INTERNATIONAL NEGOTIATIONS TO PROTECT THE OZONE LAYER

The PRESIDING OFFICER. Under the unanimous-consent agreement the Senator from Montana is recognized for 20 minutes, and the Senator from Rhode Island will have 20 minutes.

Mr. BAUCUS. Mr. President, I send a resolution to the desk on behalf of myself, Senator CHAFEE, and other Senators.

The PRESIDING OFFICER. The resolution will be stated.

Mr. SYMMS. Mr. President, reserving the right to object——

The PRESIDING OFFICER. There is no objection in order at this time.

The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 226) expressing the sense of the Senate with respect to ongoing international negotiations to protect the ozone layer.

The cosponsors of the resolution are Senators BAUCUS, CHAFEE, BURDICK, STAFFORD, PELL, DOLE, MITCHELL, LUGAR, REID, EVANS, KERRY, DURENBERGER, ADAMS, BENTSEN, BINGAMAN, BOREN, BUMPERS, COHEN, CONRAD, DASCHLE, DODD, GORE, HARKIN, KASSEBAUM, KENNEDY, LEAHY, MOYNIHAN, PRYOR, SIMON, WIRTH, HOLLINGS, DECONCINI, BRADLEY, HEINZ, and ROCKEFELLER.

The PRESIDING OFFICER. Who yields time?

Mr. BAUCUS. Mr. President, I yield myself such time as I may consume.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I and other Senators have already spoken on this issue in behalf of this resolution. The salient point is this: Science is clear that chlorofluorocarbons produced in this country and other countries are depleting the upper atmosphere ozone of this planet.

The depletion of the upper atmosphere ozone surrounding this planet is allowing more ultraviolet radiation to come down to harm human life, to harm plant life, and other animal life.

In humans it has increased skin cancer, it has increased the incidence of cataracts; it has damaged the human immune system.

For other animals, and particularly plants, its harmful effects are very clear.

With this resolution, we simply are urging the President of the United States to maintain the position that our country was forcefully presenting in Geneva and Vienna at the international negotiations—namely, for a worldwide freeze in production of chlorofluorocarbons, moving toward a 50-percent reduction in the production of CFC's and the virtual elimination of the use of these substances.

Mr. President, science is very definite on this subject. It is time for the United States to maintain the leadership role that we were advocating. It is important that we send a very clear signal, a very clear message to not only other countries: Japan, European countries, and other developing countries, but also to producers of CFC's and to other interested people that we are going to finally begin to reduce the production of chlorofluorocarbons and therefore take a very significant step to begin to reduce the depletion of upper atmosphere ozone.

This resolution is necessary because there are unfortunately some in the administration who are trying, I think, to backslide, trying to take the easy way, reverting to the Dark Ages and trying to dilute and trying to undermine and trying to weaken the American position.

We are, therefore, offering this resolution so that the American position is very clear. It is the same position that we originally advocated just a few months ago, namely worldwide freeze, and an automatic 50 percent reduction over 6 to 8 years. We believe strongly at the very least that is the minimum position our country should take.

I predict, Mr. President, that when this resolution is adopted and when position is presented forcibly at the next round of international negotiations, other countries will follow suit.

It is the only approach that we should consider. It is the only approach that we should adopt.

Mr. President, I reserve the remainder of my time.

The **PRESIDING OFFICER**. The Senator has consumed 3 minutes.

Who yields time on this side?

Mr. **CHAFEE**. I yield the distinguished Senator from Idaho 10 minutes.

The **PRESIDING OFFICER**. The Senator from Idaho is recognized for 10 minutes.

Mr. **SYMMS**. Mr. President, I thank my colleague from Rhode Island for yielding to me the time.

I might just say to my colleagues who may not be here on the floor but might be listening to this debate or members of their staff, there are clearly two sides to this issue. I do not know that this resolution as it passes has any significant importance, but I do know that there are two sides within this administration. There is the side that Secretary Shultz and the Administrator of the EPA, Mr. Lee Thomas, have taken.

There is another voice from OMB. I think it is Mr. Bob Dawson, and the Secretary of the Interior, Mr. Hodel, have pointed out that the jobs question is very important and it is not that the goal is not noble, but how do we get to that goal. Should the United States in fact tie the hands of our negotiators or weaken our position and try to help the ozone depletion problem without the rest of the world participating in the process, also? Should we stand all the costs? Or are we going to be putting our industry in jeopardy?

That is the question that I raise and that is the objection I have even with bringing up resolutions like this, even though I would say that and I thank my colleagues for including some language that I think is important, that talks about not only the importance of public health and the environment but the protection of American jobs involved in this process.

Mr. President, the question is, is the sky really falling in on ozone, on the total ozone depletion around the world? There is very, very mixed testimony to that in the committee. I think one could take either side after listening to witnesses. One side is the sky is falling in; the other side is that the ozone around the world really has not changed.

Another question that should be asked, are there in fact safe alternatives to replace the CFC's—I have to get the acronym correct here, Mr. President—to replace those CFC's? Are there substitutes and how much will they cost? Will it cost twice as much for a housewife to have a refrigerator? Will she have to make twice as many trips, or will Americans have to make twice as many trips to the grocery store here because they will have less capable refrigeration units if we in fact make massive changes in the qualities of the materials we can use in insulation and freons, and so forth? Are the alternatives there? Who will get hurt? How many people will lose jobs? Do we really know what we are doing or are we just going out here as oftentimes, legislating in the dark?

What will the cost be to U.S. consumers if in fact the United States tries to go this process alone or even if we try to do what the international agreement may call for where we are the one country that uses the highest level of these products. How much do we expect to increase our cost of living, lower our standard of living by getting in some international agreement? Someone who lives out in the forests of Siberia probably does not do much in terms of the use of CFC's, and it will not change his already very low lifestyle. What will it do to the living standard in the United States of America if we meet those same standards?

So I think those are the questions, and that is the objection I have to even bringing up this issue on the Senate floor and trying to debate it.

I think we would be far better advised to have our negotiators negotiate from a very, very strong position, and I would not think that this vote should in fact be a clearcut endorsement of one side of the argument. I have not actually made up my mind how I wish to vote on this resolution, but I would say that there would be a good reason for many, many Senators to vote against this resolution just to demonstrate that it is not a clearcut proposition, that there are two points of view of how our negotiating stance should be, and I think we should make that very clear in this debate, that it is not just a one-sided issue.

I will repeat again to my colleagues, the goal of preserving the ozone layers and the environment is certainly noble and laudable. But is the sky really falling in? Scientific evidence is very unclear as to whether that is the fact. Are we just in fact pushing forward based on some emotional viewpoint that is not completely verified yet? I guess I for one would say with respect to some of the comments that have received a great deal of criticism lately by one of our distinguished Cabinet officers, in my view if one examines what he was saying you cannot just have governments take the total responsibility for everything that goes on which respect to people.

If people are going to insist on going out and exposing themselves to excessive sunshine, there is a limit to what can be done in terms of government, this government and the rest of the governments in the world, to try to protect people from excessive sun which can bring about skin cancer which can be very detrimental to people.

I just believe that there would be a good justification for Senators today to vote against this resolution just to show that there are two points of view and also to show that there are many, many consumers of this country who are all involved. Every one uses refrigeration one way or other in this country with the produce that they eat, with the products that they use, the ability to store and keep meats cool.

The meatpacking industry certainly is affected by this refrigeration question. All of those questions are all impacted. So we are talking about cost of living for people. We are talking about jobs for people and certainly it ought to be on the record here that the U.S. negotiators should not in any way, shape or form, Mr. President, they should not in any way, shape or form interpret this vote to mean that they are to negotiate anything that puts the United States in a less competitive position with respect to world trade and international competitiveness.

I would hope that the record would show that, and I think it probably would be healthy if, say, 40 percent of the Senators voted against this resolution just to show there are two points of view. I suppose that unfortunately is the way votes are tallied, if you vote against this, you are viewed as someone who is against the environment. That certainly is not the case. It should be shown if a Senator votes against the resolution, he is doing it because the concern is whether the scientific evidence is really to prove that it is necessary to do this; second, whether it is going to affect the cost of living of people in the United States, and in fact, lower the standard of living; and third, will it end up costing a lot of American jobs where our competitive countries who do not comply sometimes with their treaties, will sign an agreement, get the United States to contribute, and we contribute to the ozone problem, we contribute to the reduction of CFC's as the United States of America, the rest of the countries of the world really do not comply with it as well as they should, and we have ended up costing ourselves jobs and competitiveness.

I think there is good reason for Senators who choose to do so to vote against this resolution today.

I commend my colleagues, Senator BAUCUS, Senator CHAFEE, and Senator STAFFORD, and others for their continued interest and concern in this issue, and I do not make light of the issue. I respect their points of view on this. I respect those in the administration who have a divided point of view. I think it should be very clearly understood there is a good, sound, justifiable reason for the two sides that are presented in this issue.

I reserve the remainder of my time and yield it back to the Senator.

The PRESIDING OFFICER. The Senator from Rhode Island has 11 minutes and 12 seconds remaining, and the Senator from Montana has 16½ minutes remaining.

Mr. CHAFEE. Mr. President, I would just like to briefly say, first, I always respect the thoughts that are so well expressed by the Senator from Idaho. He has been an active member of our Environment Committee and has given these matters a lot of thought. I think it is important that we hear his views.

Second, I would say that somehow there is a feeling that the folks who get skin cancer are the Sun worshippers out there that are laying on the beaches in Miami or Tucson and soaking up the Sun while they are on vacation.

In this letter to Dr. Gibbons from Dr. Kripke, who is at the University of Texas System Cancer Center, this is what she said:

> The majority of the skin cancer patients we see at the M.D. Anderson Hospital and Tumor Institute cannot be characterized as belonging to the leisure or sunworshiping sets. Most of our patients with skin cancer are farmers, ranchers, oil field workers, and people who work on off-shore oil rigs.

So this is an extremely serious matter that goes way beyond those who lie out in the sun in their bikinis, or whatever they wear or whatever they do not wear, and get some form of skin cancer.

I understand that the Senator from North Carolina would like a couple of minutes.

First, I yield 3 minutes to the distinguished Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 3 minutes.

Mr. STAFFORD. Mr. President, I thank the very able Senator from Rhode Island.

Mr. President, at the suggestion of Senator SYMMS, two changes have been made to the resolution to accommodate the Senator from Idaho. I think these should make it possible for every Member to support this proposal. Both changes really are clarifications of the U.S. position.

The first adds a new whereas clause stating that an international agreement "should accomplish two important goals, protection of public health and the environment, and the protection of American jobs through adequate trade provisions."

Mr. President, a critical element now missing from the proposals for an agreement is an explicit statement that trade in CFC's and CFC products should cease. For an agreement to be effective, either all nations should sign it or trade with nonsignatories should cease.

The second change is the addition of a requirement to the resolved clause for regular review of scientific, economic, and technological factors. This is essential, Mr. President, to assure that reductions are being made as quickly as necessary and in a wide enough spectrum of chemicals and practices.

Mr. President, these are both improvements and we are pleased that the Senator from Idaho suggested them. I hope that with these amendments every Senator can vote for this resolution.

Mr. President, I yield the floor and reserve the balance of our time.

The PRESIDING OFFICER. The Senator reserves the balance of his time.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Montana.

Mr. BAUCUS. Mr. President, I yield myself such time as I may consume.

Mr. President, I think the debate is showing that there is probably reason for this resolution to pass unanimously. Various Senators, myself included, have spoken in favor of the resolution.

The Senator from Idaho has added to and strengthened the resolution by adding the whereas clause and some other language which recognizes the economic considerations that any American policy position should recognize.

I would like to point out that there may be some who are concerned about the economic costs of the United States working to find substitutes in place of refrigerants and solvents and other uses made from chlorofluorocarbons. The statement was made earlier on the floor today that developing the substitutes might cause a housewife to pay twice as much for a refrigerator. The implication is that substitutes are very expensive and will have a significant adverse economic effect on Americans.

Mr. President, I asked various representatives of American industry at the hearing we had on this—we have had several hearings on this subject—what the economic effects would be with the additional cost of the substitutes. The answers were very interesting. The witnesses, who are industry representatives—these are not representatives of the environmental groups; they are not advocates of the total ban of CFC's; these are representatives of the industries—answers were that there would be virtually no significant economic effect because of developing the substitutes; virtually none, with the possible exception of developing insulating foam.

Refrigerators, for example, today cost around $400, $500, $600 for a new refrigerator. The freon that goes into the refrigerator costs today about 10 bucks. The estimates are that maybe that 10 bucks might have to be doubled—maybe. Now, that is a very conservative estimate. It will not be $10, I am quite sure. But let us say it is $10.

That means a refrigerator that would cost $500 today compared to a refrigerator that might cost $500 plus $10, so it will not double the cost of the refrigerator. It does not come anywhere close to doubling the cost of the refrigerator. The fact is it is about a 2-percent increase in the cost of the refrigerator, maybe even less. It is not a 50-percent increase in the cost.

Again, when I asked—I had a very strong interest in this question—I asked industry witnesses whether this would have a significant economic effect, and the record is clear. The answer they gave to our committee is, no, no significant, adverse economic effect; maybe slight effects. But, basically, because we are dealing with chemicals like freon, and so forth, it is a very small component of the total cost of the refrigerator or air-conditioning unit.

The legitimate concern is there. Yes, we want to be sure, in fashioning environmental policy, that we also take a look and very closely consider the economic costs. That is a legitimate concern and we should pursue that. But, in pursuit of that concern, with the questions we asked in the committee and asked the industry witnesses and the answers they gave to us, it was that there would not be a significant economic cost in the products that the Americans buy—cars, refrigerators, air-conditioning units that go into buildings, homes, or commercial construction.

So I think this resolution, particularly with the additional language suggested by the Senator from Idaho, is one that we all can support. It states a very, very strong American position and one that we all can be very proud of. I think, when we do pass this resolution, we are going to walk out of this Chamber with our heads up high, proud that we Americans are doing what we know is right; that is, establishing a position to protect not only ourselves from adverse ultraviolet light penetration from the upper atmosphere ozone, but also for our children and our children's children.

The fact is, Mr. President, we who are alive today are the trustees of the Earth. We are the trustees. We do not own it. Nobody gave it to us. We are the trustees. We are not going to be here forever. Not one of us in this body is going to be on this planet forever. We are the trustees of this planet, of this Earth. We, therefore, should exercise a trustee standard, and the basic trustee standard is one of prudence; that is, to exercise prudence and error on the side of helping and protecting the body that we are the trustees for. With that strong mandate, I think, Mr. President, with that view of our role as individuals on this Earth, it is even more clear to me that we should support this resolution.

Mr. President, I reserve the balance of my time.

The PRESIDING OFFICER. The Senator from North Dakota has 10 minutes remaining and the Senator from Rhode Island has 8 minutes.

Mr. CHAFEE. Mr. President, I want to echo the point that the distinguished Senator made about us being trustees of this Earth. We do not have a mandate to wreck this world. It is our duty, particularly coming from the richest, strongest, and most profligate nation, in many respects, on Earth, to pass this globe on, to the extent we can, not only in as good as shape as we found it but in better shape. Unfortunately, that is not happening with the release of these CFC's. We truly are destroying the ozone layer.

This effort we are making today is to encourage the United States to continue its position at the international negotiations. It will be a step toward restoring or preventing further deterioration of the ozone layer.

The distinguished Senator from North Carolina is here and has some questions which I will be glad to answer on my time.

Mr. HELMS. Mr. President, I applaud the intention of the resolution.

What was the United States original position in ongoing international negotiations referred to in the resolution?

Mr. CHAFEE. The original position was seeking up to a 95-percent reduction in CFC's.

Mr. HELMS. But it also related that 95 percent to the development of alternative chemicals, is that not correct?

Mr. CHAFEE. I do not recall that it said anything about that. The feeling right along has been—and we had a lot of testimony on this—that the alternatives are there or can be soon but the alternatives will only come about if there is incentive to produce them. Now, of course, there is not.

Mr. HELMS. I join the Senator in wanting to provide those incentives, but the thing that gives me a little bit of a problem is at least some of the alternatives are, at best, 6 to 8 years off. What does the Senator have in mind in terms of the immediacy of eliminating the use of things which are admittedly or at least agreed to being harmful to the ozone?

Mr. CHAFEE. Well, in the current negotiations that we referred to here, there appears to be agreement that we should strive swiftly for a 20-percent reduction. Then 8 years thereafter, they go for a further 30-percent reduction. That is where the 50 percent comes from. This current U.S. position is not changed from the original one of an up to 95-percent reduction.

Mr. HELMS. Let me thank the Senator. I will not prolong this but I really need to know how to vote on this resolution.

Regarding the 20-percent reduction which the Senator describes as being immediate, what impact would that have on industry, jobs, and so forth, as, for example, in the refrigeration industry? I am talking about the 20 percent.

Mr. CHAFEE. We can make the 20-percent reduction in a whole variety of areas. It would not necessarily have to be only in the refrigeration area, though that would be one.

For example, as previously pointed out in the discussion, the containers in which fast food is served currently in restaurants use CFC's. Obviously, there are substitutes for that. That is one area where substitutes might come about.

We do not specifically say where, and, therefore, it would be a little hard to answer your question. In the testimony we have had it has been pointed out that there are substitutes for many products and they predict the demand would bring down the price fairly rapidly. The price factor of the CFC in a refrigeration unit is a very small portion of the total cost.

Mr. HELMS. So the Senator does not feel that there would be a drastic impact on the job situation?

Mr. CHAFEE. We do not; no.

Mr. HELMS. I thank the Senator. He has relieved my mind to a great extent on this.

Mr. CHAFEE. I would like the Senator from North Carolina to vote for this because in the testimony we have had, this is truly a frightening proposition that is occurring. We have dealt with so many environmental worries—hazardous waste, solid waste, dirty water, problems with the air, acid rain—but this is of a magnitude that is far greater than anything I have had experience with, at least since I have been on this committee.

As I previously stated, this, to my judgment, represents the single greatest environmental threat to the world today.

Mr. HELMS. I know Senator BAUCUS and Senator CHAFEE will not be unreasonable. In the next place, this is a sense-of-the-Senate resolution, and that is almost akin to kissing your sister.

If the Senator's characterization of it is to provide an incentive for developing the alternatives, then I applaud that. I thank the Senator for yielding.

Mr. SYMMS. Will the Senator yield for a question?

Mr. CHAFEE. Yes.

Mr. SYMMS. If I heard the testimony correctly, and I want the Senator from Rhode Island to verify this, I thought we had one witness in there with a great scientific background who testified that since they have been measuring the ozone level, it really has not changed; that is, the amount of ozone. It depletes and restores itself. So this is really not a clear-cut scientific position, that there is a catastrophic situation and the sky is falling. There are two points of view.

Mr. CHAFEE. As you recall, they talked about the total column of ozone. It depends on where the depletion is.

The total column, the Senator is quite right, has not changed, but where the ozone is located has changed. In other words, it has increased in the lower atmosphere where really it is sort of a hazard. But in the upper stratosphere where it does act as a shield to ultraviolet rays, it has depleted some 2 percent in the testimony we have.

Furthermore, the rate of the increase in the depletion is the frightening part.

Mr. SYMMS. But I thought one witness said that was a natural cycle, that that will eventually start rotating and it will go back up there, some will deplete on the bottom and it will be higher up higher. I am sorry I do not have the name of the man who said that.

Mr. CHAFEE. As you will recall, we had a whole series of witnesses. I do not think we have ever had unanimity on any subject. You sat through the long hearings on acid rain. You cannot get total unanimity from any group of scientists. But the bulk of the scientists that we had there clearly expressed their concern.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BAUCUS. Mr. President, I have been impressed with the discussion between the Senator from North Carolina and the Senator from Rhode Island.

I will say to the Senator from North Carolina that I am as concerned as he is about the potential economic effect on jobs. Many of us in the committee asked many questions directed to that point. The conclusion or the bottom line for this Senator is, first, that among the various competing theories for upper atmosphere ozone depletion, one is the emissions of chlorofuorocarbons, another is sunspots, and the third is called dynamics, that is, air currents, and so forth, causing the reduction of upper atmosphere ozone at certain times of the year in certain places because of winds, and so forth. If you listen to all the evidence and you weigh all the competing theories, in this Senator's judgment, trying to be as objective as one can possibly be, the strong weight of evidence is not in favor of the sunspot theory or not in favor of the dynamic theory, but rather, as we would understand it, the evidence is still piling up more and more and more that it has to be chlorofluorocarbons causing the measured decreases, to the degree we can measure it, in the upper atmosphere ozone.

The problem is that this stuff takes 5 years to get up there. So, in fact, it is a severe problem. If we act today to ban it, it will have no effect on the next 5 years when the depletion will be getting worse and worse.

I am saying to the Senator from North Carolina that, in trying to judge this the best we can among competing theories, and we can determine this fairly well as it is fairly clear, CFC production is causing the upper atmosphere ozone to deplete.

On the jobs question, we also asked many questions of many witnesses representing industry about jobs and substitute development costs, and so on. One company, Du Pont Chemical, for example, tells us that within 5 years with, they say, a "proper regulatory framework," they can develop substitutes, acceptable substitutes for our country, particularly a substitute for freon for refrigerators and freezers and air-conditioners. Basically, that is CFC-11 or 12. The substitute will be what is called CFC 134a.

They can do that. They said that many times. It is on the record that within 5 years with, they say, a proper regulatory framework. What that means is they want to be told, "We are going to start freezing, reducing production of this stuff," so they can go forward. They have developed the science and the technology to go forward.

In addition, we in America, I think, can have a competitive advantage if we proceed, because it is our companies in America that have proceeded more, engaged in more research and development for CFC substitutes than have companies in any other country. So, if we move to a worldwide freeze and to a reduction in the production of CFC's, our companies will have an advantage, because they have undertaken the research and we are moving in that direction. That gives our companies, American companies, a competitive advantage over others that would have to come along a little later.

Nothing in life is certain. You have to look at the question the best you can. But for all of us who have been on the Environment Committee, I think the strong weight of evidence is that there is a very significant problem here. We have to act quickly; we cannot wait longer; and it will not cause a significant loss of jobs or economic disruption; in fact, it will be economically beneficial because of the avoidance of economic costs of increased incidence of skin cancer, cataract damage, and so forth.

I must tell the Senator, as one who has sat on this committee through all the hearings, that this is the action we should take.

Mr. HELMS. I thank the Senator. May I ask a subsequent question?

Is there follow-on legislation with some teeth in it? It seems that would be pretty important now.

Mr. BAUCUS. This Senator and others introduced legislation on this subject.

Mr. HELMS. Has it cleared the committee? I am sorry I do not know, but I do not know.

Mr. BAUCUS. The legislation moves us even further, but the action on that legislation in part depends upon the American negotiators and also on the results of negotiations that our country and other countries agree with. The Senator knows as well as I do—in fact, better than most Senators in this body—how the first stages of negotiation in this country are the levels one sometimes utilizes. But the answer is yes. I think we can proceed without legislation, but it depends upon how we work with other countries in moving together.

Mr. KERRY. Mr. President, I rise in support of the resolution being submitted by my distinguished colleague from Montana which seeks to establish a clear responsible position by the United States regarding international controls of chlorofluorocarbons [CFC's] in order to eliminate the hazardous thinning of the Earth's protective ozone layer.

CFC's and other chemicals break down the ozone layer and consequently destroy the ozone's ability to shield deadly ultraviolet rays. According to scientists, the effects of ultraviolet rays on our planet is devastating. The radiation causes lethal skin cancer, cataract of the eyes, kills marine animals and damages crops worldwide. Last year, according to a draft report by the Environmental Protection Agency, at current CFC growth rates, by the year 2075, the depletion of the ozone would lead to an additional 40 million cases of skin cancer, 80,000 American deaths, other human health disorders as well as, extensive damage to crops, forests and marine life. Such statistics Mr. President are shattering, they paint a rather dismal picture of what is ahead, but more importantly the EPA report underscores the immediate need to correct this potentially devastating situation.

A few weeks ago, Secretary Calio from the National Oceanographic and Atmospheric Administration [NOAA] testified before the National Ocean Policy Study Subcommittee. In characterizing his comments it is fair to say that Secretary Calio clearly believes that the sooner we begin to make reductions in CFC's, the less severe those reductions will have to be. According to Calio, when examining satellite data, we are "seeing ozone depletion greater than what theory predicts." With such scientific data and unanswered questions coming from NOAA, EPA, the National Science Foundation [NSF], it seems particularly justified to move forward with a policy that will have significant positive results. For that reason, I was quite pleased last winter when this administration took the first steps and the lead role in correcting this frightening situation.

Last February international negotiations were initiated to come to an agreement on how to save the Earth's protective ozone layer from being further depleted. Officials from the State Department, and the Environmental Protection Agency went to Geneva and participated in United Nations' sponsored negotiations. To their credit they established the United States as a world leader in this area, and a responsible leader at that. I commend the U.S. representatives and applaud their efforts which brought about a tentative agreement to phase out up to 95 percent of production of CFC's in the next decade.

In April with the European Community on the brink of agreeing to our strong position, this administration under increasing pressure from industry representatives retreated from its original stance. They backed away from a gutsy and meaningful position that would actually have had a positive effect on our global climate, and instead agreed to a substantially weaker agreement. This position called for a freeze in CFC production at 1986 levels by 1990, to be followed by a 20-percent reduction 2 years later and another 30 percent reduction in 6 to 8 years, and only if those countries involved at the time agree to it. The voices of OMB and business interests once again rang louder in this administration than the call from citizens and experts in the areas of health, and the environment.

To add insult to injury, Mr. President, recently, the administration shied even further away from their original position, significantly retreated from their compromise position and, in fact, turned around a good 360 degrees to devise a plan that is a mockery of the whole negotiating process. The plan advanced by Secretary of the Interior Donald Hodel, which is expected to take the place of any international agreement, would put forth a public relations campaign encouraging the use of sunglasses and suntanning lotion as protection from the carcinogenic ultraviolet rays penetrating the protective ozone layer. Environmentalists are calling the proposal by Secretary Hodel the Ray-Ban plan. Political cartoons have appeared in newspapers throughout the country depicting corn stalks, fish, and heifers wearing Ray-Ban and Vuarnet sunglasses as viable protection against ozone depletion.

Mr. President, what more needs to be said? The outcry from scientists, environmentalists, and health officials have said it all. Regrettably, once again we are forced to witness an administration proposal that completely undercuts sound and scientifically backed policy decisions made by the Environmental Protection Agency. Whether it is acid rain, ozone depletion, off-shore oil and gas leasing, or hazardous waste dumping, time and time again, this President has left his EPA Administrator out on a limb, holding an empty bag. Meanwhile, other Cabinet officials, whether the Secretary of the Interior or the head of OMB, have lobbied the President and poisoned all sound and rational arguments for a clean environment.

The purpose of our resolution is to ensure that the President takes a bold and responsible stance on ozone depletion instead of allowing the CFC industry and Cabinet members whose interests are clearly unrepresentative of worldwide health and environmental concerns to undermine rational and scientifically supported policy decisions made by agency officials who are experts in the field.

Mr. CONRAD. Mr. President, I would like to take this opportunity to state my strong support for Senate Resolution 226, which expresses the sense of the Senate in support of international negotiations to protect the ozone layer. And I would like to urge my colleagues to join me in supporting this important resolution.

Our Nation has been participating actively in ongoing international negotiations to protect the ozone layer. I have followed these negotiations with a great deal of pride in our country's position.

Preservation of our Earth's natural ozone layer should be an issue of international consensus. And the United States has been aggressively working toward that goal.

The Earth's ozone layer protects us from dangerous levels of exposure to ultraviolet radiation. Excessive exposure to ultraviolet radiation can cause dramatic increases in the incidence of skin cancers and cataracts.

Chlorofluorocarbons, known as CFC's, chemically react with stratospheric ozone and ultimately deplete the ozone from our upper atmosphere. There are substitutes for CFC's available which do not harm the ozone. But presently the use of chlorofluorocarbons continues throughout the world. And there are no substitutes or replacements for our planet's ozone layer.

In 1978 the United States banned the use of CFC's in aerosol sprays. Our Nation has long recognized the potential danger in continued use of these chemicals. But unilateral reductions on the part of the United States are not enough to stop the depletion of ozone worldwide. We are closing in on an historic international agreement among the CFC producing nations of the world to dramatically curtail and finally ban the production of CFC's worldwide.

Recently the Environmental Protection Agency took a giant step backward from the legislation toward a solution to this problem. Surely the agency charged with guarding the environmental quality of our Nation must recognize that sunglasses and strawhats will not protect livestock or crops from excessive exposure to ultraviolet rays. The so-called Rayban plan is an effort to abdicate our responsibility as a world leader in the fight to protect our ozone layer.

Senate Resolution 226 would reinforce the United States' original position in ongoing international negotiations to protect the ozone layer. I hope that my colleagues on both sides of the aisle will join me in supporting this important and timely resolution.

Mr. KASTEN. Mr. President, today, I will vote in favor of this resolution calling for control of chloroflorocarbon [CFC] emissions.

I want to emphasize, however, that there are many difficult problems remaining to reduce these emissions.

The United States has taken the lead in unilaterally acting to reduce CFC's. We have unilaterally banned the use of aerosol propellants which could have an adverse impact on the atmosphere. Our European allies have not followed our lead, and are still using these damaging materials.

That means that the CFC's still used in this Nation are more essential to our industrial base than used in other nations.

Second, we need a technological breakthrough to develop substitutes to damaging CFC's. The users of CFC's today often do not have acceptable substitutes. Clearly there are some substitutes for some processes, but several industries depend on the use of these materials.

Those industries which utilize CFC's are dependent on the manufacturers of the materials to develop alternatives. They are held hostage waiting for others to make the technological breakthroughs.

We need that breakthrough, but we do not know when that will occur. I believe this resolution will help press for that breakthrough.

This resolution calls on the administration to press for reductions in CFC emissions. Our primary concern must be the protection of the public's health and safety.

But the United States cannot solve this problem alone. This is a worldwide problem, with many nations contributing to the problem. All contributors must work together to solve this problem.

I hope that not only will the administration listen to this sense of the Senate resolution, but so too will other actors in the international process of negotiating the control of CFC's.

Mr. BYRD. Mr. President, like the Senator from Montana, I, too, am deeply concerned about depletion of our irreplaceable ozone layer. The devastating effects of ultraviolet radiation are well understood. We need to take action to avoid the increases in skin cancer, cataracts, and environmental damage that could result from ozone depletion.

I believe that the United States should take a leading role in negotiating a multilateral freeze and eventual reduction of chlorofluorocarbon—otherwise known as CFC—production. In addition, I believe we need to do a better job of informing the public about the dangers of exposure to the Sun, and how we can protect ourselves.

Mr. President, I believe, however, that any international agreement must accomplish two goals: The protection of public health and the environment, and the protection of American jobs. An agreement that includes an initial worldwide freeze on production, followed by a worldwide program for the development of safe and effective alternatives, coupled with reasonable reductions in CFC production would, I believe, garner wide support. I am pleased that this resolution by the Senator from Montana takes into account these important concerns, and I am hopeful that a satisfactory multilateral agreement will be forthcoming.

Mr. BINGAMAN. Mr. President. I am pleased to be a cosponsor of the resolution offered by the distinguished Senator from Montana to respond to this administration's shortsighted approach to the growing problem of ozone depletion in our atmosphere.

Instead of facing the problem of ozone depletion in a realistic and responsible manner, it seems that this administration, particularly Secretary of the Interior Donald Hodel, would like us all to ignore the source of the problem and to continue on our present course of atmospheric ozone depletion.

I am also a cosponsor of the Stratospheric Protection Act, S. 570. I support this legislation because I know that without a reduction in worldwide chlorofluorocarbons and other ozone depleting chemicals, life on Earth will eventually become impossible. It is not simply a matter of increased risk of skin cancer. It is not a matter of saving our eyes from the Sun. While these are important, they are but two of the harmful effects of ozone depletion. An increase in ultraviolet radiation would not only cause many more cases of sunburn, it would, more importantly, lead to drastic changes in global weather conditions. There is scientific evidence that the overall global temperature increases as untraviolet radiation rises. This phenomenon is commonly known as the "Greenhouse Effect," a condition that could turn deserts into swamplands and fertile farm country into wastelands.

The Nation has been a world leader in calling for a reduction in global chlorofluorocarbon [CFC] levels. Both the State Department and the Environmental Protection Agency have called for the strongest possible CFC controls as soon as possible. With apparent support from the administration, U.S. negotiators have attempted to reduce CFC's by as much as 95 percent and still hope for a 50-percent reduction in their use. This ambitious goal would still lead to a 5- to 10-percent reduction in atmospheric ozone within a decade.

It is, therefore, consistent with our efforts to deal with this serious environmental problem that I urge my colleagues to support legislation to reduce global CFC use. This CFC reduction will slow ozone depletion. Hats and sunglasses will not. If something is not done to drastically reduce ozone depletion, a thin piece of glass will not be sufficient to protect our eyes from extremes in ultraviolet radiation. A thin layer of sunscreen on our skin will not prevent plant and wildlife destruction. And, no matter how large our hats are, we will not save our polar icecaps from being melted by a global temperature increase.

I strongly support the Senator from Montana's resolution that this country get back on track in negotiating for global elimination of CFC use. It is critical that the President endorses the original U.S. position on protecting the environment from the effects of ozone depletion.

OZONE DEPLETION IS A SERIOUS GLOBAL THREAT

Mr. MITCHELL. The resolution I am cosponsoring today with a number of my Senate colleagues is vitally important to the progress of a global solution for the problem of stratospheric ozone depletion. I will not repeat my earlier remarks of June 2 on this subject, but would like to reiterate my strong support for this resolution. I am deeply concerned about the continued introduction into our atmosphere of manmade chemicals which threaten human health, basic ecosystems, and global climate patterns. We must work toward the eventual elimination of these ozone-depleting chemicals. The United States must continue to be a strong leader in the international negotiations to control the production of chlorofluorocarbons.

Mr. MOYNIHAN. Mr. President, I rise to express my wholehearted support for this resolution, of which I am a cosponsor, along with many of my colleagues in the Committee on Environment and Public Works. The hearings held jointly between the Toxic Substances and Environmental Protection Subcommittees—I am proud to be a member of the latter—have been most productive, and I am confident such will lead to prudent and effective legislation on chlorofluorocarbon [CFC] controls in this country.

But at least an equal part of our effort to minimize damage to the stratospheric ozone layer must be in the international arena. Recent announcements by the Secretary of the Interior in this regard are troubling, however, and have brought into doubt the administration's commitment to its announced negotiating position at the ongoing talks in Geneva on reductions in CFC use worldwide.

Until recently the United States publicly supported global cuts of 95 percent in CFC use. Our negotiators had good reason to be proud—we were leading the world.

But it looks as if some in the administration would have us back off. Interior Secretary Donald Hodel has suggested that instead of internationally agreed-upon reductions in CFC use, we should turn to personal protection against the dangers of increased ultraviolet radiation—sunglasses and hats and such.

A somewhat startling recommendation, to say the least. What we are about here, Mr. President, is something of great import, though it appears such has not been recognized by Mr. Hodel. In the Environment Committee we have held quite a few hearings on this—we have heard from the experts, if the Interior Secretary has not. What they told us is abundantly clear: The continued release of chlorofluorocarbons and related gases into the atmosphere will have no small destructive effect on the stratospheric ozone that is our principal protection against ultraviolet solar radiation. There is much debate on the extent of these effects, but it is apparent to most that damage will occur; what we have yet to see is how bad it will be.

Enlightened individuals in the administration do acknowledge this: The Secretary of State, Mr. Shultz, and the Administrator of the Environmental Protection Agency, Mr. Lee Thomas. Mr. Thomas in particular has made this issue a priority and dedicated no small effort to it. How the Secretary of the Interior enters into this debate I do not yet understand. These negotiations seem much more a matter of the exterior than the interior, and up to this point the Department of State, with the assistance of the Environmental Protection Agency, has represented our country with great vigor and foresight.

The resolution we are about to vote on today has a single purpose: To express the sense of the Senate that our negotiators in Geneva should continue their work on the basis of our previously articulated position—that we should not change course in midstream. Those of us who support this resolution wish in no way to tie the hands of our negotiators. But we cannot and will not be stopped from making clear that we believe the best interests of the country lie with the position they have been pressing.

Mr. President, I hope all of my colleagues will join me in support of this resolution.

Mr. ADAMS. Mr. President, I support this resolution for a number of reasons, not the least of which is our need to counteract the serious blow to the credibility and effectiveness of our negotiators at the international conference working to reduce the use of chlorofluorocarbons created by Interior Secretary Hodel's recent statements.

Secretary Hodel has surely made it difficult for U.S. negotiators to get their work done when he came up with his sunglasses-and-lotion proposal. Certainly, Mr. President, their task is difficult enough without stripping them of their dignity.

Of course, such a bizarre idea from this administration does not come as a surprise to those of us in Washington State fighting to keep oil drills away from our seashore and the Nation's nuclear wastes out of our back yard.

With the passage of this resolution, we will convey our conviction that the threat of ozone depletion is deadly serious and requires the highest level of scientific thinking and statesmanship. We cannot tolerate a slipshod approach to preventing a situation which could cause an additional 40 million cases of skin cancer, 800,000 of them fatal, and 12 million more cataract cases in the next century. Neither can we stand for the damage to our forests, our crops, and our oceans.

The United States has devoted considerable resources to addressing the problem, including a ban, in 1978, on the use of chlorofluorocarbons as aerosol propellants. Recently, the Environmental Protection Agency prepared a five-volume risk assessment summarizing and synthesizing the current scientific understanding on the issue of stratospheric ozone modification. Using this base of information, EPA, the National Aeronautical and Space Administration, the National Oceanic and Atmospheric Administration, along with American industry representatives and U.S. environmental organizations, advised the State Department as it developed a negotiating position for use in the international negotiations. Our position has been that we will support efforts to create large reductions in the use of chlorofluorocarbons.

The U.S. negotiators have been proceeding along agreed upon lines in good faith. The conferees have tentatively reached agreement to freeze the production of chlorofluorocarbons at current levels with a 20-percent reduction over the next 10 years. Our negotiators will press for further reductions, up to 50 percent, when negotiations resume in September.

Mr. President, we must make sure that other countries participating in the negotiations realize that the United States finds the ozone depletion threat no laughing matter and is determined to deal with it most seriously.

Mr. CHAFEE. Mr. President, let us vote.

Mr. BAUCUS. Mr. President, I yield back my time.

The PRESIDING OFFICER (Mr. SHELBY). The question is on agreeing to the resolution.

Mr. CHAFEE. Mr. President, I ask unanimous consent that Senator HEINZ be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the resolution. The yeas and nays have been ordered. The clerk will call the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Arizona [Mr. DECONCINI], the Senator from Illinois [Mr. DIXON], the Senator from Tennessee [Mr. GORE], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Ohio [Mr. METZENBAUM], the Senator from Rhode Island [Mr. PELL], the Senator from West Virginia. [Mr. ROCKEFELLER], and the Senator from Illinois [Mr. SIMON] are necessarily absent.

I also announce that the Senator from Hawaii [Mr. INOUYE] is absent because of questioning witnesses in the Iran-Contra hearing.

I further announce that, if present and voting, the Senator from Arizona [Mr. DECONCINI], the Senator from Illinois [Mr. DIXON], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. PELL], and the Senator from West Virginia [Mr. ROCKEFELLER], would each vote "yea."

Mr. DOLE. I announce that the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. GARN], the Senator from Nebraska [Mr. KARNES], the Senator from Arizona [Mr. MCCAIN], the Senator from New Hampshire [Mr. RUDMAN], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Wyoming [Mr. WALLOP], are necessarily absent.

I also announce that the Senator from Missouri [Mr. BOND] is absent on official business.

I further announce that if present and voting, the Senator from Minnesota [Mr. DURENBERGER], would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 80, nays 2, as follows:

[Rollcall Vote No. 147 Leg.]

YEAS—80

Adams
Armstrong
Baucus
Bentsen
Bingaman
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
Dodd
Dole
Domenici
Evans
Exon
Ford
Fowler
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McConnell
Melcher
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Roth
Sanford
Sarbanes
Sasser
Shelby
Specter
Stafford
Stennis
Stevens
Thurmond
Trible
Warner
Weicker
Wilson
Wirth

NAYS—2

McClure
Symms

NOT VOTING—18

Biden
Bond
DeConcini
Dixon
Durenberger
Garn
Gore
Inouye
Johnston
Karnes
McCain
Metzenbaum
Pell
Rockefeller
Rudman
Simon
Simpson
Wallop

So the resolution (S. Res. 226) was agreed to, as follows:

S. RES. 226

Expressing the sense of the Senate with respect to ongoing international negotiations to protect the ozone layer.

Whereas, the United States is participating as a world leader in ongoing international negotiations sponsored by the United Nations Environment Programme to protect the ozone layer (the Earth's natural shield against harmful ultraviolet radiation) and to control manufactured ozone depleting chemicals;

Whereas, the United States' position calling for a freeze on production of certain ozone depleting chemicals at 1986 levels to be followed by the virtual elimination of such chemicals is a sound public policy response to a global environmental threat;

Whereas, the potential human health effects of increased ultra-violet radiation include increased skin cancer, suppression of the immune system, and increased cataracts and other eye disorders;

Whereas, the potential environmental and welfare effects of stratospheric ozone depletion include global climate change, increased "smog" from ground-level ozone, crop and vegetation damage, marine and aquatic ecosystem impacts, and deterioration of man-made materials;

Whereas, suggestions that simple changes in lifestyle can offset these adverse health and environmental effects of ozone depletion are misstatements of fact;

Whereas, considering these health and environmental effects, there is no safe or acceptable level of ozone depletion;

Whereas, even a fifty percent reduction in the production and use of certain ozone depleting chemicals by the year 1996 is predicted to result in approximately nine percent depletion of the ozone layer within the next 75 years; and

Whereas any international agreement negotiated by the United States should accomplish two important goals—the protection of the public health and the environment and the protection of American jobs through adequate trade provisions: Now, therefore, be it

Resolved, it is the sense of the Senate, that the President of the United States should be urged to strongly endorse the United States' original position in ongoing international negotiations to protect the Earth's ozone layer and the United States should continue to seek aggressively an international agreement which will provide for an immediate freeze in the production of the major ozone depleting chemicals at 1986 levels, a prompt automatic reduction of not less than fifty percent in the production of such chemicals and, as set forth in the United States' original position, and the virtual elimination of such chemicals;

Such agreement shall provide for regularly scheduled assessments of scientific, economic, and technological factors.

Mr. STAFFORD. Mr. President, I move to reconsider the vote by which the resolution was adopted.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, the Senate will now resume consideration of S. 2, the campaign financing reform legislation.

I do not expect any votes on that measure this afternoon. I expect the debate to continue during the afternoon. There will be no more rollcall votes, therefore, today.

I suggest, then, that the Senate return to the unfinished business.

SENATORIAL ELECTION CAMPAIGN ACT

The PRESIDING OFFICER. The Senate will now continue with the consideration of S. 2.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. BYRD. Mr. President, I would like to take advantage of the opportunity to do just a bit of morning business and otherwise at the moment.

THE CALENDAR

Mr. BYRD. Mr. President, I inquire of the distinguished Republican leader if the following calendar orders on the Legislative Calendar of business have been cleared on his side: Calendar orders numbered 144, 145, 146, 147, 148, 150, 151, 152, 153, and 154.

Mr. DOLE. Mr. President, let me indicate to the distinguished majority leader all of those have been cleared on this side.

Mr. BYRD. Mr. President, I thank the Republican leader.

I ask unanimous consent that the Senate therefore proceed to the consideration of these various measures ad seriatim.

NATIONAL ALZHEIMER'S DISEASE MONTH

The joint resolution (S.J. Res. 15) designating the month of November 1987 as "National Alzheimer's Disease Month", was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 15

Whereas more than two and one-half million Americans are affected by Alzheimer's disease, which is a surprisingly common disorder that destroys certain vital cells of the brain;

Whereas Alzheimer's disease is responsible for 50 per centum of all nursing home admissions, at an annual cost of more than $25,000,000,000;

Whereas in one-third of all American families one parent will succumb to this disease;

Whereas Alzheimer's disease is not a normal consequence of aging; and

Whereas an increase in the national awareness of the problem of Alzheimer's disease and recognition of national organizations such as the Alzheimer's Disease and Related Disorders Association may stimulate the interest and concern of the American people, which may lead, in turn, to increased research and eventually to the discovery of a cure for Alzheimer's disease: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1987 is designated as "National Alzheimer's Disease Month". The President is requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

NATIONAL ALZHEIMER'S DISEASE MONTH

Mr. PRESSLER. I rise today to commend and thank my colleagues for their support of Senate Joint Resolution 15, designating November 1987 as "National Alzheimer's Disease Month." As the principal sponsor of the joint resolution, I am pleased the Senate has acted so expeditiously.

Mr. President, Alzheimer's disease is one of most tragic health problems facing us today. It is the fourth leading cause of death among older Americans, is responsible for at least one-half of all nursing home admissions, and costs an estimated $40 billion annually.

We have come a long way in a very short time in understanding Alzheimer's disease. While researchers have not yet discovered the cause or cure, they have made incredible breakthroughs. Genetic links have been uncovered and recent studies indicate the drug Tetrahydroaminoacridine [THA] shows potential in alleviating symptoms of Alzheimer's dementia. But we still have a long way to go. Continued Federal support for research is greatly needed.

Another area where greater attention and assistance is needed is in the care of Alzheimer's patients. Currently, most Alzheimer's disease patients are cared for in the home by family members with little or no relief. Additionally, Alzheimer's patients very seldom qualify for assistance such as Medicare. Through outstanding organizations like the Alzheimer's Disease and Related Disorders Association [ADRDA], family caregivers have a friend to turn to for support. Founded in 1980, ADRDA now has more than 1,000 support groups and 150 chapters and affiliates nationwide. Thousands of caring individuals who volunteer their time and energy to help Alzheimer's victims and their families, made ADRDA possible.

One of the most outstanding leaders in helping to raise private funding for research and educate the public of Alzheimer's disease is Princess Yasmin Aga Kahn. Yasmin is the daughter of Rita Hayworth, who recently died of Alzheimer's disease. She has been a tireless leader in the Alzheimer's fight and helped raise public awareness of the disease by sharing her mother's story with the public. Rita Hayworth will be best remembered for her talented film career, but her battle with Alzheimer's disease helped millions of Americans understand the illness. It is my hope that this year's Alzheimer's Disease Month will be dedicated in her memory.

LITHUANIAN INDEPENDENCE DAY

The Senate proceeded to consider the joint resolution (S.J. Res. 39) to provide for the designation of the 69th anniversary of the renewal of Lithuanian independence, February 16, 1987, as "Lithuanian Independence Day," which had been reported from the Committee on the Judiciary, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following: with amendments, as follows:

(The parts of the joint resolution intended to be stricken are shown in brackets, and the parts of the joint resolution intended to be inserted are shown in italics.)

S.J. RES. 39

Whereas this year marks the 69th anniversary of the establishment of the Independent Democratic Republic of Lithuania by the Lithuanian National Council on February 16, 1918;

Whereas the Government of the Soviet Union recognized the sovereignty and independence of the Republic of Lithuania in the peace treaty of July 12, 1920;

Whereas the United States does not recognize the illegal incorporation of the free and independent Republic of Lithuania into the Union of Soviet Socialist Republics in 1940;

Whereas the United States continues to provide accreditation to the Charges d'Affaires of the Republic of Lithuania;

Whereas the United States remains firmly committed to the principle of self-determination as contained in the Final Act of the Conference on Security and Cooperation in

Europe (also known as the "Helsinki Final Act"), an agreement to which the Soviet Union is a party;

Whereas the people of the Republic of Lithuania struggle every day under Soviet domination;

Whereas the United States condemns the Soviet policy of forced Russification, ethnic dilution, and religious and political persecution; and

Whereas it is appropriate that the people of the United States, who so strongly cherish the principles of independence and self-determination denied the Lithuanian people by the Soviet Union, join with the people of the Republic of Lithuania to demonstrate our common desire to advance the cause of freedom: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the [69th] *70th* anniversary of the renewal of Lithuanian independence, February 16, [1987] *1988*, is designated as "Lithuanian Independence Day" and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities.

Amend the title so as to read: "Joint resolution to provide for the designation of the 70th anniversary of the renewal of Lithuanian independence, February 16, 1988, as "Lithuanian Independence Day".

The amendments were agreed to.

The joint resolution was engrossed, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

The title was amended so as to read: "Joint resolution to provide for the designation of the 70th anniversary of the renewal of Lithuanian independence, February 16, 1988, as "Lithuanian Independence Day."

NATIONAL PODIATRIC MEDICINE WEEK

The joint resolution (S.J. Res. 75) to designate the week of August 2, 1987, through August 8, 1987, as "National Podiatric Medicine Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 75

Whereas the American Podiatric Medical Association celebrates its 75th anniversary in 1987;

Whereas foot-related diseases and injuries continue to plague countless Americans, millions of whom seek and require professional care each year;

Whereas basic podiatric medical research offers significant promise for the prevention and relief of numerous foot health complaints;

Whereas doctors of podiatric medicine, as the guardians of the Nation's foot health, are committed along with their medical colleagues to cost effective, high quality, comprehensive patient care; and

Whereas the American Podiatic Medical Association will hold its 75th annual meeting in Washington, DC, during the week beginning August 2, 1987: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of August 2, 1987, through August 8, 1987, is designated as "National Podiatric Medicine Week." The President is requested to issue a proclamation calling on the people of the United States to observe such week with appropriate ceremonies and activities.

MENTAL ILLNESS AWARENESS WEEK

The joint resolution (S.J. Res. 76) to designate the week of October 4, 1987, through October 10, 1987, as "Mental Illness Awareness Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 76

Whereas mental illness is a problem of grave concern and consequence in American society, though one widely but unnecessarily feared and misunderstood;

Whereas thirty-one to forty-one million Americans annually suffer from clearly diagnosable mental disorders involving significant disability with respect to employment, attendance at school, or independent living;

Whereas more than ten million Americans are disabled for long periods of time by schizophrenia, manic depressive disorder, and major depression;

Whereas between 30 and 50 per centum of the homeless suffer serious, chronic forms of mental illness;

Whereas alcohol, drug, and mental disorders affect almost 19 per centum of American adults in any six-month period;

Whereas mental illness in at least twelve million children interferes with vital development and maturational processes;

Whereas mental disorder-related deaths are estimated to be thirty-three thousand, with suicide accounting for at least twenty-nine thousand, although the real number is thought to be at least three times higher;

Whereas our growing population of the elderly is particularly vulnerable to mental illness;

Whereas mental disorders result in staggering costs to society, totalling an estimated $106,200,000,000 in direct treatment and support and indirect costs to society, including lost productivity;

Whereas mental illness is increasingly a treatable disability with excellent prospects for amelioration and recovery when properly recognized;

Whereas families of mentally ill citizens and those persons themselves have begun to join self-help groups seeking to combat the unfair stigma of the diseases, to support greater national investment in research, and to advocate for an adequate continium of care from hospital to community.

Whereas in recent years there have been unprecedented major research developments bringing new methods and technology to the sophisticated and objective study of the functioning of the brain and its linkages to both normal and abnormal behavior;

Whereas research in recent decades has led to a wide array of new and more effective modalities of treatment (both somatic and psychosocial) for some of the most incapacitating forms of mental illness (including schizophrenia, major affective disorders, phobias, and phobic disorders);

Whereas appropriate treatment of mental illness has been demonstrated to be cost effective in terms of restored productivity, reduced utilization of other health services, and lessened social dependence; and

Whereas recent and unparalleled growth in scientific knowledge about mental illness has generated the current emergence of a new threshold of opportunity for future research advances and fruitful application to specific clinical problems: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning on October 4, 1987, is designated as "Mental Illness Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

NATIONAL IMMIGRANTS DAY

The joint resolution (S.J. Res. 86) to designate October 28, 1987, as "National Immigrants Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 86

Whereas the Statue of Liberty has been the symbol of freedom, hope, and opportunity for millions of immigrants since the people of France dedicated the Lady of Liberty to the people of America on October 28, 1886;

Whereas the Statue of Liberty serves as a reminder to all that the United States is a nation of immigrants, a nation of nations;

Whereas the Statue of Liberty is a lasting memorial to the immigrants who have made America great;

Whereas millions of immigrants settled throughout the vast territory of the United States, and supported the ideals of independence and liberty;

Whereas the torch held by the Statue of Liberty serves as a beacon of freedom that lives in the soul of every American;

Whereas on October 28, 1886, the Statue of Liberty began to greet immigrants who came to America in pursuit of their dreams; and

Whereas it is only fitting that we set aside October 28, 1987, as a day of celebration to honor the immigrants welcomed by the burning torch of the Lady of Liberty to this land of freedom: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 28, 1987, is designated as "National Immigrants Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such day with appropriate ceremonies and activities.

WORLD FOOD DAY

The joint resolution (S.J. Res. 110) to designate October 16, 1987, as "World Food Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 110

Whereas hunger and malnutrition remain daily facts of life for hundreds of millions of people throughout the world;

Whereas the children of the world suffer the most serious effects of hunger and malnutrition, with millions of children dying each year from hunger-related illness and disease, and many others suffering permanent physical or mental impairment because of vitamin or protein deficiencies;

Whereas the United States and the people of the United States have a long tradition of demonstrating humanitarian concern for the hungry and malnourished people of the world, recently manifested by the American response to African famine;

Whereas efforts to resolve the world hunger problem are critical to the maintenance of world peace and, therefore, to the security of the United States;

Whereas the United States, as the largest producer and trader of food in the world, has a key role to play in assisting countries and people to improve their ability to feed themselves;

Whereas although progress has been made in reducing the incidence of hunger and malnutrition in the United States, certain groups, notably Native American, migrant workers, the elderly, and children, remain vulnerable to malnutrition and related diseases;

Whereas the Congress is acutely aware of the paradox of immense farm surpluses in the United States despite the desperate need for food by people throughout the world;

Whereas the United States and other countries should develop and continually evaluate national policies concerning food, farmland, and nutrition to achieve the well-being and protection of all people and particularly those most vulnerable to malnutrition and related diseases;

Whereas improved agricultural policies, including farmer incentives, are necessary in many developing countries to increase food production and economic growth;

Whereas private enterprise and the primacy of the independent family farmer have been basic to the development of an agricultural economy in the United States and have made the United States capable of meeting the food needs of most of the people of the United States;

Whereas increasing farm foreclosures threaten to destroy the independent family farmer and weaken the agricultural economy in the United States;

Whereas conservation of natural resources is necessary for the United States to remain the largest producer of food in the world and to continue to aid hungry and malnourished people of the world;

Whereas participation by the private voluntary organizations and businesses, working with national governments and the international community, is essential in the search for ways to increase food production in developing countries and improve food distribution to hungry and malnourished people;

Whereas the member nations of the Food and Agriculture Organization of the United Nations unanimously designated October 16 of each year as World Food Day because of the need to increase public awareness of world hunger problems;

Whereas past observances of World Food Day have been supported by proclamations by the Congress, the President, the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States, and by programs of the Department of Agriculture, other Federal departments and agencies, and the governments and peoples of more than 140 other nations;

Whereas more than 375 private voluntary organizations and thousands of community leaders are participating in the planning of World Food Day observances in 1987, and a growing number of these organizations and leaders are using such day as a focal point for year-around programs; and

Whereas the people of the United States can express their concern for the plight of hungry and malnourished people throughout the world by fasting and by donating food and money for them: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 16, 1987, is designated as "World Food Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities, including worship services, fasting, educational endeavors, and the establishment of year-round food and health programs and policies.

NATIONAL LITERACY DAY

The joint resolution (S.J. Res. 117) designating July 2, 1987, as "National Literacy Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 117

Whereas literacy is a necessary tool for survival in our society;

Whereas 35,000,000 Americans today read at a level which is less than necessary for full survival needs;

Whereas there are 27,000,000 adults in the United States who cannot read, whose resources are left untapped, and who are unable to offer their full contribution to society;

Whereas illiteracy is growing rapidly, as 2,300,000 persons, including 1,200,000 legal and illegal immigrants, 1,000,000 high school dropouts, and 100,000 refugees, are added to the pool of illiterates annually;

Whereas the annual cost of illiteracy to the United States in term of welfare expenditure, crime, prison expenses, lost revenues, and industrial and military accidents has been estimated at $225,000,000,000;

Whereas the competiveness of the United States is eroded by the presence in the workplace of millions of Americans who are functionally or technologically illiterate;

Whereas there is a direct correlation between the number of illiterate adults unable to perform at the standard necessary for available employment and the money allocated to child welfare and unemployment compensation;

Whereas the percentage of illiterates in proportion to population size is higher for blacks and Hispanics, resulting in increased economic and social discrimination against these minorities;

Whereas the prison population represents the single highest concentration of adult illiteracy;

Whereas 1,000,000 children in the United States between the ages of 12 and 17 cannot read above a 3rd grade level, 13 percent of 17-year-olds are functionally illiterate, and 15 percent of graduates of urban high schools read at less than a 6th grade level;

Whereas 85 percent of the juveniles who appear in criminal court are functionally illiterate;

Whereas the 47 percent illiteracy rate among black youths is expected to increase to 50 percent by 1990;

Whereas one-half of all heads of households cannot read past the 8th grade level and one-third of all mothers on welfare are functionally illiterate;

Whereas the cycle of illiteracy continues because the children of illiterate parents are often illiterate themselves because of the lack of support they receive from their home environment;

Whereas Federal, State, municipal, and private literacy programs have only been able to reach 5 percent of the total illiterate population;

Whereas it is vital to call attention to the problem of illiteracy, to understand the severity of the problem and its detrimental effects on our society, and to reach those who are illiterate and unaware of the free services and help available to them; and

Whereas it is also necessary to recognize and thank the thousands of volunteers who are working to promote literacy and provide support to the millions of illiterates in need of assistance: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of American in Congress assembled, That July 2, 1987, is designated as "National Literacy Day" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

SPACE EXPLORATION DAY

The joint resolution (S.J. Res. 139) to designate July 20, 1987, as "Space Exploration Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 139

Whereas on July 20, 1969 people of the world were brought closer together by the first manned exploration of the moon;

Whereas a purpose of the United States space program is the peaceful exploration of space for the benefit of all mankind;

Whereas the United States space program has provided scientific and technological benefits affecting many areas of concern to mankind;

Whereas the United States space program, through Project Apollo, Viking and Voyager missions to the planets, the space shuttle, and other space efforts, has provided the Nation with scientific and technological leadership in space;

Whereas the National Aeronautics and Space Administration, the United States aerospace industry, and educational institutions throughout the Nation contribute research and development to the United States space program, and to the strength of the economy of the Nation;

Whereas the space program reflects technological skill of the highest order and the best in the American character—sacrifice, ingenuity and the unrelenting spirit of adventure;

Whereas the spirit that put man on the moon may be applied to all noble pursuits involving peace, brotherhood, courage, unity of the human spirit, and the exploration of new frontiers; and

Whereas the human race will continue to explore space for the benefit of future generations: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 20, 1987, is designated as "Space Exploration Day." The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the day with appropriate programs, ceremonies, and activities.

FAIR HOUSING MONTH

The joint resolution (S.J. Res. 143) to designate April 1988, as "Fair Housing Month," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 143

Whereas the year 1988 marks the twentieth anniversary of the passage of title VIII of the Civil Rights Act of 1968, commonly referred to as the "Federal Fair Housing Act", declaring a national policy to provide fair housing throughout the United States;

Whereas the Federal Fair Housing Act prohibits discrimination in housing on the basis of race, color, religion, sex, or national origin;

Whereas fairness is the foundation of our way of life and reflects the best of our traditional American values;

Whereas invidious discriminatory housing practices undermine the strength and vitality of America and the American people; and

Whereas in this twentieth year since the passage of the Fair Housing Act, all Americans must work to continue to improve the Fair Housing Act by strengthening enforcement provisions, by extending the protections of the Act to all our citizens, by assuring there are no victims of discriminatory housing practices, and by making the ideal of fair housing a reality: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating April as "Fair Housing Month" and to invite the Governors of the several States, the chief officials of local governments, and the people of the United States to observe the month with appropriate ceremonies and activities.

HELSINKI HUMAN RIGHTS DAY

The joint resolution (S.J. Res. 151) to designate August 1, 1987, as "Helsinki Human Rights Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 151

Whereas August 1, 1987, will be the twelfth anniversary of the signing of the Final Act of the Conference on Security and Cooperation in Europe (hereafter in this preamble referred to as the "Helsinki Accords");

Whereas on August 1, 1975, the Helsinki Accords were agreed to by the Governments of Austria, Belgium, Bulgaria, Canada, Cyprus, Czechoslovakia, Denmark, Finland, France, the German Democratic Republic, the Federal Republic of Germany, Greece, the Holy See, Hungary, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Monaco, the Netherlands, Norway, Poland, Portugal, Romania, San Marino, Spain, Sweden, Switzerland, Turkey, the Union of Soviet Socialist Republics, the United Kingdom, the United States of America, and Yugoslavia;

Whereas the participating States have committed themselves to balanced progress in all areas of the Helsinki Accords;

Whereas the Helsinki Accords express the commitment of the participating States to "recognize the universal significance of human rights and fundamental freedoms, respect for which is an essential factor for the peace, justice and well-being necessary to ensure the development of friendly relations and cooperation among themselves as among all States";

Whereas the Helsinki Accords also express the commitment of the participating States to "respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion";

Whereas the Helsinki Accords also express the commitment of the participating States to "promote and encourage the effective exercise of civil, political, economic, social, cultural and other rights and freedoms all of which derive from the inherent dignity of the human person and are essential for his free and full development";

Whereas the Helsinki Accords also express the commitment of the participating States to "recognize and respect the freedom of the individual to profess and practise, alone or in community with others, religion or belief acting in accordance with the dictates of his own conscience";

Whereas the Helsinki Accords also express the commitment of the participating States in whose territory national minorities exist to "respect the right of persons belonging to such minorities to equality before the law" and that such States "will afford them the full opportunity for the actual enjoyment of human rights and fundamental freedoms and will, in this manner, protect their legitimate interests in this sphere";

Whereas the Helsinki Accords also express the commitment of the participating States to "constantly respect these rights and freedoms in their mutual relations" and that such States "will endeavor jointly and separately, including in cooperation with the United Nations, to promote universal and effective respect for them";

Whereas the Helsinki Accords also express the commitment of the participating States to "confirm the right of the individual to know and act upon his rights and duties in this field";

Whereas the Helsinki Accords also express the commitment of the participating States in the field of human rights and fundamental freedoms to "act in conformity with the purposes and principles of the Charter of the United Nations and with the Universal Declaration of Human Rights" and to "fulfill their obligations as set forth in the international declarations and agreements in this field, including inter alia the International Covenants on Human Rights, by which they may be bound";

Whereas the Helsinki Accords also express the commitment of the participating States to guarantee the right of the individual to leave his own country and return to such country;

Whereas the Helsinki Accords also express the commitment of the participating States to "facilitate freer movement and contacts, individually and collectively, whether privately or officially, among persons, institutions and organizations of the participating States, and to contribute to the solution of the humanitarian problems that arise in that connection";

Whereas the Helsinki Accords also express the commitment of the participating States to "favorably consider applications for travel with the purpose of allowing persons to enter or leave their territory temporarily, and on a regular basis if desired, in order to visit members of their families";

Whereas the Helsinki Accords also express the commitment of the participating States to "deal in a positive and humanitarian spirit with the applications of persons who wish to be reunited with members of their family" and "to deal with applications in this field as expeditiously as possible";

Whereas the Helsinki Accords also express the commitment of the participating States to "examine favorably and on the basis of humanitarian considerations requests for exit or entry permits from persons who have decided to marry a citizen from another participating State";

Whereas the Helsinki Accords also express the commitment of the participating States to "facilitate wider travel by their citizens for personal or professional reasons";

Whereas the Governments of the Union of Soviet Socialist Republics, Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania, in agreeing to the Helsinki Accords, have acknowledged an adherence to the principles of human rights and fundamental freedoms as embodied in the Helsinki Accords;

Whereas in varying degrees the aforementioned Governments consciously and systematically have violated their commitments to the Helsinki Accords by denying individuals their inherent rights to freedom of religion, thought, conscience, and belief;

Whereas in varying degrees the aforementioned Governments consciously and systematically have violated their commitments to the Helsinki Accords by restricting the free movement of people, ideas, and information;

Whereas in November 1986 representatives from the signatory States convened in Vienna to review implementation of the Helsinki Accords, including the human rights and humanitarian provisions; and

Whereas the Vienna meeting has presented important opportunities to address issues of compliance with the human rights and humanitarian provisions of the Helsinki Accords: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) August 1, 1987, the twelfth anniversary of the signing of the Helsinki Accords is designated as "Helsinki Human Rights Day";

(2) the President is authorized and requested to issue a proclamation reasserting the American commitment to full imple-

mentation of the human rights and humanitarian provisions of the Helsinki Accords, urging all signatory nations to abide by their obligations under the Helsinki Accords, and encouraging the people of the United States to join the President and Congress in observance of Helsinki Human Rights Day with appropriate programs, ceremonies, and activities;

(3) the President is further requested to continue his efforts to achieve full implementation of the human rights provisions of the Helsinki Accords by raising the issue of noncompliance with the Governments of the Soviet Union, Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary, Poland, and Romania at every available opportunity;

(4) the President is further requested to convey to all signatories of the Helsinki Accords that respect for human rights and fundamental freedoms is a vital element of further progress in the ongoing Helsinki process;

(5) the President is authorized to convey to allies and friends of the United States that unity on the question of respect for human rights and fundamental freedoms is the most effective means to promote the full implementation of the human rights and humanitarian provisions of the Helsinki Accords;

(6) the President is further requested to continue his efforts to achieve the release of all political prisoners of the Soviet Union, including Helsinki monitors, the significant increase in Soviet emigration, the resolution of all family reunification cases, and the cessation of radio transmission jamming;

(7) the President is further requested to seek the inclusion, in any concluding document agreed to in Vienna, of a mechanism to assure that human rights progress is sustained following the conclusion of the Vienna Conference on Security and Cooperation in Europe; and

(8) the President is further requested to convey to signatory States the desire of the United States for a balanced result at the Vienna meeting that will not favor military security at the expense of human rights.

SEC. 2. The Secretary of the Senate is directed to transmit copies of this joint resolution to the President, the Secretary of State, and the Ambassadors of the thirty-four Helsinki signatory nations.

Mr. BYRD. Mr. President, I ask unanimous consent that a motion to reconsider en bloc the actions taken be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Now, Mr. President, I make that motion en bloc to reconsider.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader.

EXECUTIVE CALENDAR

Mr. BYRD. Mr. President, I ask the Republican leader if the following nominations on his side of the aisle have been cleared? Looking at the Executive Calendar I begin on page 2. Calendar Order No. 88, Calendar Order No. 183, all nominations on page 3 of the Executive Calendar, and all nominations on page 4 and on page 5 of the Executive Calendar.

May I ask the distinguished Republican leader if those nominations have been cleared, and then I have a question with respect to another nomination.

Mr. DOLE. I would say to the majority leader I am checking on No. 88. I do not believe I am in a position to clear that one.

Mr. BYRD. Very well.

Mr. DOLE. But an effort is being made. That would leave——

Mr. BYRD. From 183 forward.

Mr. President, I withhold my inquiry of the distinguished Republican leader momentarily.

May I ask him, with respect to one of the nominations, at least, however, which I did not enumerate, is the distinguished Republican leader able to tell me whether or not the nomination of Melissa Wells is being cleared or what the prospect may be for early clearance on that side of the aisle?

Mr. DOLE. I have taken the liberty to check with the Senator from North Carolina, Senator HELMS, just in the past few moments. He had a meeting with Melissa Wells this past week. She is sending information which should be available on Monday and I conclude from that that I think progress is being made.

Mr. BYRD. I thank the distinguished Republican leader.

Mr. DOLE. I would say the same with reference to Jean K. Eider. We are trying to check that.

I am wondering if the distinguished majority leader can give me any information on David Bryan Sentelle, a judiciary nominee to be a circuit judge for the District of Columbia.

Mr. BYRD. Mr. President, on that nomination, that nomination has been on the calendar since May 1. May I say to the Republican leader that it is my intent to call that nomination up on any day beginning next week.

Mr. DOLE. I thank the distinguished majority leader.

Mr. BYRD. I do not know just what day I will call it up, but I intend to call it up. There is one or more holds on this side of the aisle on that. I have discussed the holds and I hope the holds will be lifted. But it is my intent, and I have made it clear that I shall move to take that nomination up.

I spoke with a Senator 3 or 4 days ago about it and I want to give a little additional time for some information which is being sought. But I do not intend to let that nomination rest on this calendar. We will just have a vote on it one way or the other. And I intend to support it, unless I learn something I do not know now.

I hope both sides would be prepared for a rollcall vote on that nomination at any time after today.

Mr. DOLE. And I will make an effort on the other two nominations being held on this side.

Mr. BYRD. I thank the leader.

Mr. DOLE. I am now advised that Calendar Order Nos. 183, 184, 185, 186, 187, 188, 189, 190, 191, and 192 have been cleared on this side.

Mr. BYRD. Very well. I thank the able Republican leader.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the nominations that have been enumerated by the Republican leader; that they be considered en bloc and confirmed in bloc; that the President be immediately notified of the confirmation; that the notion to reconsider be laid on the table; and the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and agreed to are as follows:

NATIONAL COUNCIL ON EDUCATIONAL RESEARCH AND IMPROVEMENT

Max Charles Graeber, of Virginia, to be a member of the National Advisory Council on Educational Research and Improvement.

NATIONAL ADVISORY COUNCIL ON EDUCATIONAL RESEARCH AND IMPROVEMENT

Van B. Poole, of Florida, to be a member of the National Advisory Council on Educational Research and Improvement.

NATIONAL ADVISORY COUNCIL ON WOMEN'S EDUCATIONAL PROGRAMS

Patricia Hill Williams, of New York, to be a member of the National Advisory Council on Women's Educational Programs.

Patricia Hill Williams, of New York, to be a member of the National Advisory Council on Women's Educational Programs.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Paul J. Olscamp, of Ohio, to be a member of the National Council on the Humanities.

Anne Paolucci, of New York, to be a member of the National Council on the Humanities.

John Shelton Reed, Jr., of North Carolina, to be a member of the National Council on the Humanities.

Fay S. Howell, of Georgia, to be a member of the National Museum Services Board.

DEPARTMENT OF EDUCATION

Bonnie Guiton, of California, to be Assistant Secretary for Vocational and Adult Education, Department of Education.

DEPARTMENT OF LABOR

Janet L. Norwood, of Maryland, to be Commissioner of Labor Statistics, U.S. Department of Labor.

THE EXECUTIVE CALENDAR

Mr. BYRD. Mr. President, the distinguished Republican leader has indicated that the nominations beginning with New Reports, Corporation for Public Broadcasting, on page 4 and the Nominations Placed on the Secretary's desk in the Public Health Service on page 5 have been cleared.

I, therefore, ask unanimous consent that the Senate proceed to the consideration of the nominations and seriatim and that the Senate go into executive session.

The PRESIDING OFFICER. Without objection, it is so ordered.

CORPORATION FOR PUBLIC BROADCASTING

The PRESIDING OFFICER. The clerk will now report the first nomination.

The assistant legislative clerk read the nomination of Sheila Tate, of Virginia, to be a member of the Board of Directors of the Corporation for Public Broadcasting.

The PRESIDING OFFICER. Is there further debate on the nomination? If not, the nomination is confirmed.

The clerk will now report the next nomination.

The assistant legislative clerk read the nomination of William Lee Hanley, Jr., of Connecticut, to be a member of the Board of Directors of the Corporation for Public Broadcasting.

The PRESIDING OFFICER. Is there debate on the nomination? If not, the nomination is confirmed.

The clerk will read the next nomination.

The assistant legislative clerk read the nomination of Archie C. Purvis, of California, to be a member of the Board of Directors of the Corporation for Public Broadcasting.

The PRESIDING OFFICER. Is there further debate on the nomination? If not, the nomination is confirmed.

The clerk will report the next nomination.

The assistant legislative clerk read the nomination of Marshall Turner, Jr., of California, to be a member of the Board of Directors of the Corporation for Public Broadcasting.

The PRESIDING OFFICER. Is there debate on the nomination? If not, the nomination is confirmed.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE PUBLIC HEALTH SERVICE

The assistant legislative clerk read the nominations placed on the Secretary's desk in the Public Health Service.

The PRESIDING OFFICER. Is there further debate on the nominations?

If not, the nominations are confirmed.

The nominations considered and confirmed are as follows:

Public Health Service nominations beginning Diane S. Ackerman, and ending Earl H. Lynch, which nominations were received by the Senate and appeared in the Congressional Record of March 25, 1987.

Public Health Service nominations beginning William A. Eaton, and ending Patricia A. Rye, which nominations were received by the Senate on May 11, 1987, and appeared in the Congressional Record of May 12, 1987.

Public Health Service nominations beginning Margaret C. Bash, and ending Elizabeth A. Woodcome, which nominations were received by the Senate and appeared in the Congressional Record of May 19, 1987.

Public Health Service nominations beginning Leonard Bachman, and ending Janet E. Johnson-leclair, which nominations were received by the Senate and appeared in the Congressional Record of May 19, 1987.

Public Health Service nominations beginning Thomas N. Chase, and ending George H. Walter, which nominations were received by the Senate and appeared in the Congressional Record of May 19, 1987.

Public Health Service nominations beginning Gerald A. Faich, and ending George E. Foley, III, which nominations were received by the Senate and appeared in the Congressional Record of May 19, 1987.

Mr. BYRD. Mr. President, I ask unanimous consent that it be in order to reconsider en bloc the votes on the various nominations which were confirmed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I move to reconsider en bloc the votes on the nominations that have just been confirmed.

Mr. PACKWOOD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominees.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATORIAL ELECTION CAMPAIGN ACT

Mr. BYRD. Mr. President, for the record, what is the pending business before the Senate?

The PRESIDING OFFICER. The clerk will report the unfinished business.

The assistant legislative clerk read as follows:

A bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

The Senate continued with the consideration of the bill.

Mr. ADAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. ADAMS. Mr. President, for the past 100 days, 100 Members of the U.S. Senate have had a chance to consider campaign reform, and right now the 100 Members of the U.S. Senate have an opportunity to talk about campaign reform. But for the past few years, millions of Americans have been demanding that we do more than talk. They have been demanding we actually do something to reform the process.

The bill before us today is not perfect, but it can be perfected. It is a good bill, and with the help of my colleagues on both sides of the aisle it can be even better.

After all, this is not a partisan bill. This is a bill to reclaim for the American electoral process a chance—a chance to perform and feel that they have a voice equal with that of the special interests. It is to return elections to the American people.

Mr. President, I do not approach this issue from an objective or from a theoretical perspective. I wish I could, but I cannot. The memories of what I had to do to get here are still too fresh. I am a new Member of the Senate and I have just been through the electoral process as it now exists.

But, you know, even as time passes, these memories are not going to fade.

Let me be frank, Mr. President. It would be easy for me to stand here as an incumbent with a 6-year term and say that the system works. After all, I got elected. And I probably can get reelected. But I do not think that any candidate, challenger or incumbent, Republican or Democrat, should have to go through what I went through last year and what a number of others who were successful went through last year.

From the first day of my campaign to the last, the most serious problem I faced was raising enough money to be considered a credible candidate. It is what I called being able to buy a ticket to even get into the game.

Mr. President, I spent 35 years in public and private life. I was U.S. district attorney under John Kennedy, a Congressman for 12 years, a Cabinet Secretary for 3 years, and 45 years a resident of the State of Washington. I did not believe I was a stranger to the people who traditionally supported candidates of my ideology and interest. But I found that potential contributors, particularly PAC's, were more worried about offending the incumbent than the experience or credentials I might have. In fact, this reluctance to offend the incumbent has created a whole new campaign tactic and we have to address it in this bill and address it promptly or it will distort forever the whole character of the

Senate and of the House of Representatives. And that is wrong.

Let me tell you about this new tactic. The tactic is cut off an opponent's money rather than cutting apart an opponent's ideas, ideals, or ideology. I never imagined how much of my personal time could be spent on fundraising. Whether it was personal phone calls asking for a contribution, meeting with potential donors, fundraising receptions in and out of the State, I spent at least 50 percent of my time asking for money.

When I was preparing to debate my opponent, my best opportunity to make my case on statewide television, I had to interrupt these preparations constantly to make fundraising calls.

When I was traveling the State, my mornings began with fundraising calls and my evenings ended with fundraising calls.

Most of all, Mr. President, during this time I was not talking to constituents about contributions. I was talking to high-priced Washington, DC, lawyers or lobbyists or professional fundraisers who were as removed from the State of Washington as anyone could be. I did not want to have to do it this way. I spent an awful lot of time talking to the people in my State trying to raise money, but there are just not resources in my State or probably in yours, Mr. President, or in 75 percent of the States of the United States, to handle the demands of the amounts of money that are now being required in the new media campaigns throughout the country. And it will get worse, not better.

Mr. President, I do not think a candidate for the U.S. Senate should have to sit in a motel room in Goldendale, WA, at 6 in the morning and spend 3 hours on the phone talking to political action committees. Let us not kid ourselves. When I was talking to those PAC's I was not talking to individual contributors who had given a few dollars to support some common cause or interest that they had. I was talking to professional politicians, the folks who make a living figuring out the odds on each race and betting on the percentages.

Some of those individual contributors, some of those PAC's supported me. But not many. They were not only afraid of the incumbent, they were trying to decide how much money I had. It became an endless circle, the chicken and the egg. "If you do not have it, you cannot get it. If you got it, you get more."

Those political pros told me again and again I could not win because I had not raised either enough early money or enough late money or enough middle money, but it always came down to I had not raised enough money.

Well, I did win. You did not measure my percentage in percentage points but in tenths of a point.

What bothers me most of all is I wish I had been able to win by debating the issues with my opponent rather than debating my political prospects with political banks. We all know how it works and we all know that we spend so much time asking for money because campaign costs have escalated beyond all reason.

That is one thing I like about this bill: It has some incentives in it to limit campaign costs. I like the idea that if you do not accept the limits, your opponent gets to have the money that he otherwise would not have gotten. I do not know any other way, under Supreme Court decisions, to do it, but I do know there has to be a way to limit campaign contributions or the U.S. Senate—a place I dearly love and a place that has seen great figures walk through it—is going to become like the House of Lords: You are going to have to have a lot of money to get into it, either personal or by connections. I am not talking about a million dollars; I am talking about being able to put in $5 million, $10 million, $15 million of your own money.

That is why this is a small step forward. All it does in this bill is give us that magic ticket to get into the game. Then you are probably still going to have a terrible money problem if somebody has decided they want to buy the election. But get me into the game with somebody who is going to spend a lot of money and I shall take my chances. But I saw in this game that I was being cut off and I was not going to get into the game and nobody else was, because I was not going to be credible because people were saying I did not have enough money.

I think those limits are important. We can argue about the amounts. But this is not a money game, it is a political game. We do not want to see who can collect and spend the most. My opponent spent more than twice what I did and still lost.

Within some ranges, that can still happen. But we both could have spent a lot less and still waged a very vigorous campaign, particularly if we had coverage from the media and not had to buy everything.

This is not just a bill, though Mr. President—my point is not to make the lives of politicians easier. It is a bill designed to make our politics better. Our constituents look around. They saw Watergate. They see Iranscam. They hear rumors and they read stories about elected officials being indicted for taking money. The net result is that our constituents believe that more and more of these bodies are up for sale.

I do not believe a single one of my colleagues would sell a vote for a campaign contribution, but as the amount of money we raise grows and grows, the problem is the perception grows and grows among all the folks in the election that somebody is getting something for those millions they contribute to a campaign.

Mr. President, that turns off people in the American political system. I get letters every day in my office from constituents who believe that a PAC that could contribute or would contribute $10,000 has more influence on me than they do. The point is not really my honesty or objectivity. I feel comfortable with my honesty and my objectivity. I have been around politics a long time. The point is that too many people in my State and elsewhere are not comfortable with their elected officials and with their representatives in government. Those letters are not an attack on my credibility, they are an attack on the credibility of the system, on our whole political process. I tell my colleagues this country cannot afford to weather many more of these attacks on its political process. I therefore believe that S. 2 is an important step toward a true bipartisan reform of a system that is simply running amok. It can be improved and at the appropriate time, I shall offer a few amendments. But as we engage in this general debate and as we look at what our problems may be in specific parts, let us look beyond that to the national interest.

We have a historic opportunity. These come along maybe once in a congressional session, maybe twice. I think this is one of them. I hope that all of us in the Senate will rise to this opportunity and we will pass a truly meaningful campaign reform bill.

I thank the Chair. I thank my colleagues.

Mr. PACKWOOD. Mr. President, would my friend from Washington yield?

Mr. ADAMS. I shall be most pleased to yield to my friend from Oregon.

Mr. PACKWOOD. The Senator and I have been a good friends for a long time. I wonder if we might have a little colloquy about the big problems and the minor problems, to try to get a bill both he and I can live with. I think, very honestly, if we insist on pushing ahead with S. 2, we are not going to get a bill passed; we will end up with nothing, and we all agree there is ample room for reform.

Let us take the PAC's. I know my good friend says you go home and if there is a feeling among the voters that a PAC gave you $5,000 in the primary and $5,000 in the general, they have bought your ear, they think you are going to listen to them. Can we not solve that problem by prohibiting the PAC's from giving at all. Pass a bill that says they cannot give to him, they cannot give to me, they cannot bundle funds, and so on?

Mr. ADAMS. That is one way to do it. Another way is to lower the amounts. A third way is to require that it be in amounts that are practical; in other words, not $5 apiece, but in amounts that people are giving into PAC's that they can designate to whom it is to go, rather than its just being to a professional manager.

The advantage of the PAC, as the Senator and I know—we were both here when this all started—was to allow a system for a number of people to join in an easier way of participating in the political process. It has not worked out that way, because people do not designate; it just goes into a big pot.

I am willing to discuss and work with the Senator on any of the alternatives, including the one that he mentioned. The one that he mentioned was the reason why we tried originally.

You might take an amount, say, where people contribute $100 or the amount that is in the income tax level; at that level they would be able to designate. I think that would take away a lot of the feeling that people have that PAC's have simply become an accumulation of money that is used by special interests to have the ear of the Senator. I am certainly willing to discuss the range with the Senator.

Mr. PACKWOOD. Let us take one more example, because if it is big money that is evil, that is one thing. If the evil is the special interest, that is perhaps another, although all special interests which the special interest thinks are good. Most of these people are not malevolent troublemakers. But let me take the issue of prochoice and abortion. As my good friend knows, for almost two decades now, I have been strongly supportive of a woman's right to abortion, as has my friend from Washington.

Mr. ADAMS. That is correct.

Mr. PACKWOOD. I started that in the Oregon Legislature in the mid-1960's, started discussing it with my fellow Members. Clearly, I had no chance of having a bill passed. I never got to the stage of introducing or passing a bill.

I came here in 1970, introduced bills to legalize abortion 3 years before the U.S. Supreme Court decision. I got no place with the bills; nobody would support them.

Then the Supreme Court decision came down in 1973, saying in essence what my bill would have done. Then started this tremendous backlash to the Roe versus Wade decision, the growth of Right to Life, all the rest of it.

In 1977-78 I was involved in a debate, two people on each side. Gloria Steinhem and I were on one side; I cannot remember who the other two people were. Somehow, she and I got ourselves boxed into a forum where neither she nor I knew what we were getting into. It was a big forum, a couple of thousand people, probably 95 percent against our position. It was a hot night; we were lucky to get out with our scalps.

At the end of the meeting, Gloria Steinhem thanked me for participating, saying, "If there is anything I can do to help in your campaign, I will be glad to do it."

In 1980, she signed some direct mail pieces for me and we raised a lot of money based on her signature.

In the intervening years, Georgie and I have become good friends with Gloria. We have had her as guest of honor at our parties. I have seen her on a number of occasions. Again, she helped me in my last campaign by signing mail.

Over the two elections, Gloria has probably raised for me close to $2 million, through direct mail she signed for me. That dwarfs anything any PAC could have done for me. Is that wrong? Is that malevolent? Am I beholden to her because of the circumstance, because of the quantity of the money?

Mr. ADAMS. I do not think that the Senator is in any way evil for raising amounts of money, but the way that that needs to be attacked—and I know what the Senator's problem was, because we share State borders and a lot of common interests. He was faced with the potential of enormous PAC contributions and independent PAC contributions flowing into that State on the opposite side.

I think that is the way you handle that, with the limitations on total amounts of spending in the campaign so people cannot come in and back door you. That was the Senator's problem.

I would like to put Senator Bob Packwood in the position of having a somewhat equal amount of money at least—and there is flexibility in this for moments of money above what you would use as a financing mechanism—in the race against anyone. And I think the Senator is not only formidable but he would be the kind of candidate who would be successful.

What happened in the Senator's case is an example of why I feel we need S. 2. I cannot remember how much money the Senator finally had to raise, and I do not know how much was spent against him but for the State of Oregon I remember all of us in Washington thought this was astronomical; it ran into the millions, and we had never gotten to the million dollar mark. I think that hurts the Senator, me, the whole political system when in small States like ours people know that you and I are having to spend $2 million, $3 million, $4 million. I do not have any objection to working out a mechanism where somebody helps you, but I would rather also try to prevent that tremendous flow of negative impact, PAC-type money coming in that required the Senator to protect himself.

Mr. PACKWOOD. There is no way you can prevent the negative ads. I might say, Mr. President, what the Senator is talking about is some independent expenditure group. They are not connected to my opponent, they are not connected to me, and they raise money. In the case the Senator was referring to it was groups for the Right-to-Life in opposition to women's choice on abortion. They had threatened to spend untold amounts of money against me independently. They can do that even under S. 2.

Mr. ADAMS. That is what I am saying. The Senator may want to do some work in that area. I have not said that S. 2 is perfect.

Mr. PACKWOOD. Here is what I would suggest may be an answer. What this boils down to in this debate is whether or not we are going to tap the taxpayers to pay for part of our campaigns so that if the candidate takes the taxpayers' money we can then impose a spending limit on the candidate.

That still does not impose any spending limit on the independent political action committee; because they are independent, the Court has said they can spend what they want. But the question is, Can we remove the influence of the political action committees? Can we get the cost of campaigns down?

I would suggest we can in two relatively simple ways. One, you eliminate the contribution of the political action committees. They cannot give to you, to me, or the Senator from Kentucky, they cannot give to Bob Dole or Bob Byrd. They just cannot give. They cannot give to parties. They cannot bundle up their money and secretly give it individually. We can get them out.

Then, two, if you lower the contribution limit low enough—and I have suggested $100, although I do not, frankly, find much support—the effect would be to bring spending down.

First, you have the PAC's out so they cannot give the big money.

At a $100 campaign limitation, to be very frank about it, very few people—the Senator is from Washington, I am from Oregon—very few people in South Carolina, Georgia, or Maine are going to give the Senator or me $50 to run for election. They do not have any ax to grind. They do not know the Senator or me. We would have to raise the money in our States by and large, the bulk of it. That would be good.

We could achieve what we want, lowering the cost of campaigns and eliminating the special interest money without asking the taxpayer to pick up part of the tab. I think that is what we ought to be attempting to achieve.

But I find great resistance to it. The argument is made,"Boy if you lower the amount to $100, we will have to go out and really work hard to raise the money. We will have to ask thousands of people to give us $20."

Mr. ADAMS. I think there are two parts to the Senator's question and I would like to respond to both of them. The first is that with the $100 limit those groups which have in place direct mail apparatus feed on that and are capable then of having the ability to scew that process. So that is the reason there is resistance to saying that will be the only way we will do it.

The second part is with the idea of public financing, it creates the ability—it does not pay for all of the campaigning, but it creates the ability, as it does in many other democracies, to have the two candidates in the field and debating the issues without—and this is what lurks behind it all—having the candidate who has a very large personal fortune—and this is not a theoretical thing; it is happening all the time and it is what I referred to when I said we do not want to have this become the House of Lords—coming into the State of Oregon and deciding that he or she wishes to be a Senator and pours in $10 million and that the Senator who is running at that time does not even have enough to come up and be a credible candidate. In other words, to get new life and get new people and not have all those people be just enormously wealthy, you have to have a system of giving the opportunity for a ticket into the gate and some punishment for the one who wishes to buy the election. That is the reason for giving the money of the one who does not take it to the other one.

That does not guarantee the election. The Senator mentioned a lot of smaller States. But if you give a candidate in those smaller States enough money at least before the election and they know that you are alive on television, there comes a point where the enormous amount of money becomes counterproductive. But without some money, what happens is the other side starts to run in January, runs continuous back-to-back ads with their own money, or a direct mail operation and you never get a candidate in there.

I think there are many Members—I will close with this. I have been in the House and I know—in the House of Representatives who are waiting to run for the Senate and would like to do so.

I want to caution all of them that it is not like it used to be. Your stepping up is much more difficult and if the local millionaire arrives on the scene a lot of the old ways are gone.

All we are trying to do with this bill is make some corrections and try to improve it. I know that the Senator from Oregon is a very serious student of this. I am worried about the credibility of the process and the reputation of the whole Congress, that we are truly people of the public in that they feel that their $10 or $25 at the local barbecue really counts. When they see these large amounts of money flowing around, they get disenchanted and that is why we have the number of people voting dropping.

So I think we do have a lot of things we can in common try to do with this. But I hope we pass a bill not for me, because I just got here, but for making the process work so that it all becomes better.

Mr. McCONNELL. If my friend from Washington will yield, I think we are all concerned about the so-called millionaire loophole.

I was curious whether the Senator from Washington could explain to me how S. 2 eliminates the problem of the millionaire candidate.

Mr. ADAMS. What it does is that by setting an amount of money for both candidates and requiring them to accept the limit, if they take the money, it puts a limit on the campaign. If they refuse to take the money, then that money goes to the other one. So the person who has the millions spends their own, but at least the other candidate is in the field.

The problem that I tried to address here is that the technique now is to say the candidate is not credible. In other words, you do not have a million dollars in the bank, and therefore do not run at all.

So that people who might want to run or might want to get into an election and who are very capable and who have many credentials are shut off before they get started.

It is not a final solution, but it is the only approach under the Supreme Court decision that we can make that gives some incentive to people to observe campaign limits.

Mr. McCONNELL. My friend is correct. There is nothing you can do constitutionally about the millionaire loophole problem. All S. 2 would do is to give the opponent a second entitlement of public dollars for the total amount of public money.

For example, in the State of Washington, a candidate going up against a millionaire whose stated goal was to spend as much as he needed in order to win the seat—a candidate dipping into the public till could get 2,435,500 public dollars to help counter a problem that cannot be countered constitutionally anyway. That is the difficulty with this whole problem, of course. The bill of the Senator from Oregon and myself seeks to get at the millionaire's loophole in a little different way. Under our bill, if you were going to spend more than a quarter of a million dollars in your own behalf, you would have to so certify with the Federal Election Commission, thereby notifying your opponent that you intended to go and try to buy the election. If that notification were made, then the limit on what the top candidates could get from an individual contributor would be immediately triggered upward, so that he could go out and get, say, $10,000 from an individual to help try to counter, to some extent, the advantage of the millionaire.

The question philosophically is whether we ought to dip into the taxpayers' Government money to try to counter the influence of the millionaire trying to buy the office, or whether we should allow the counter to come from contributions from individuals.

Clearly, we cannot solve that problem, because any millionaire in America intent on spending a huge amount of money to buy the U.S. Senate seat can do it under S. 2, under McConnell-Packwood, and under existing law.

Mr. ADAMS. My point is that you reach a point of diminishing returns with enormous amounts of money.

I like the idea of the Senator from Kentucky, of having somebody declare that they are going to spend x amount of money. But you have to get the other candidate in the field and have an incentive for people observing campaign limits.

I thank the Senator, and I yield the floor.

Mr. McCONNELL. Mr. President, just to carry this a step further with my friend, since we are still on the floor——

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. It is interesting to note that frequently the millionaire did not win when he spent all his money. I think in particular of our colleague from Minnesota, Senator DURENBERGER, who in 1982 faced a candidate with many millions, who spent quite a few of them in that race.

As a matter of fact, our colleague was outspent, I believe, two to one, in 1982, and yet it did not work.

So, to reach the conclusion that it will be inevitably possible in every case for someone of great wealth to go out and simply buy the election, it seems to me, is a conclusion you cannot necessarily reach.

Mr. PACKWOOD. I agree. I know that race quite well. I was chairman of the senatorial campaign of Senator DURENBERGER, so I understand what you were talking about. He was outspent by a fellow named Mark Dayton, who was an heir to a great department store fortune, who, as I recall, spent $7 million, or $8 million, about 98 percent of which was his money. He raised 2 percent someplace else. But Senator DURENBERGER beat him and beat him rather handsomely. I think in that case the voters of Minnesota made a very wise choice, based on merit; decided a candidate had to earn the seat, not buy it.

Mr. McCONNELL. So I guess the philosophical question is: In order to deal with the millionaire problem, should we dip into the public pool of taxpayers' money?

Mr. PACKWOOD. We ought to dip into the pool of taxpayers' money for campaigning or SDI or anything else when it is necessary for this country to do it.

I think the thing that frustrates me is how many times I hear, "Oh, it is hard to raise the money. You have to work at raising the money."

We do work at raising the money. Well, the choice is we work at it, or we let the taxpayer work at earning it and then we will take it from him. That is a lot easier for us. Then we do not have to work at it.

Hopefully, if you could obfuscate it in some way so the taxpayer did not know exactly—because they make a little check on the box, they do not actually have to give part of their income tax, it just comes out of the general fund—the hope is that it will be painless for them and they would not realize they have worked at it and given it away and we would not have to lift a single phone and say: "Will you give me $10 and help me in my campaign?"

Mr. McCONNELL. The Senator mentioned the time involved running for office. Our friend from Washington, who did have to leave the floor, made the point how time consuming and difficult it was to run for office. I do not know of anybody who ever said it was going to be easy to get elected to the U.S. Senate. It is time consuming. Our colleague indicated that he spent a lot of time asking for money; and had he still been here, I was going to ask him what he would have done other than that during the campaign.

I think a lot of candidates say: "Well, I would have been out shaking hands. I would have been out shaking hands."

Well, I do not know what the population of the State of Washington is, but I suspect it exceeds 2 million people, certainly. I expect you could shake hands all day every day for 2 years and never make a dent in a State that size. Can you imagine the problem in New York or California? The fact is that the most effective way to reach our constituents in this high-technology media age is to use the same kinds of techniques available to anyone else who wants to be effective in a modern society.

Mr. PACKWOOD. I once tried seeing how many hands I could shake in a day. I did not try to keep it up for any length of time. If you could really find a place where they were just coming bang, bang, bang, like that, out of the factory gate—even a shopping center is not that good. The people mill around a bit, they are not all collected, standing there in a receiving line, waiting to shake hands.

But if you could shake hand after hand after hand, you might be able to do 800 to 1,000 a day. You would get callouses on your hand. You would get a tennis elbow. Maybe, if you could do that for a year, 7 days a week, and do nothing but shake hands, although I have never been able to find out why just shaking hands is a test for election——

Mr. McCONNELL. Right.

Mr. PACKWOOD. It may be a test for the Olympics, but it is not a test for the election. But, if you could do it, if you were young enough and able enough, in a large State, if you shook hands all day every day, you could shake maybe one-twentieth of the eligible voters' hands in the State if that is all you did.

Mr. McCONNELL. The presumption is, and the Senator alluded to this, the presumption is if you shake hands, press the flesh, that is somehow a meaningful exchange.

In my experience running for public office, the business of shaking hands is really rather gross and routine. Typically, what people say when they shake hands is: "Hello, sir. How are you?"; or "Hello, Senator." Or they may not even know who the heck you are.

To say that that is a meaningful exchange, issue-oriented dialog out on the campaign trail, has certainly not been the Senator from Kentucky's experience. I wonder if that was the similar experience of the Senator from Oregon.

Mr. PACKWOOD. Even Churchill shook hands with Stalin. The meanest reaction is: "I don't want to shake hands with you." I put that guy down, not as an undecided; he is not undecided. He does not want to vote for you. But most of the time people will shake your hand and go on their way. It does not mean a thing to them.

Mr. McCONNELL. Well, what has obviously happened here is that more money has not been raised in these campaigns, and if you set aside the millionaires problem—which I think we all wish we could solve, we all wish we could solve that thing. The Supreme Court decision created a problem for us. But setting aside the situation where the millionaire puts his own money into the race, this money comes from a vast array of individuals giving contributions in amounts of $1,000 or less. That is participation. That is involvement. That is people saying, "I want to be a part of the political process."

And if you look at the figures of the number of people involved in politics today it is greater than ever before. It is going straight up, the number of people stepping up and saying, "I want to participate, I want to make a contribution, I want to be involved in this."

(Mr. ADAMS assumed the chair.)

Mr. PACKWOOD. What else I discovered is with reference to the complaint that we do not have time. I have worked with a lot of candidates. I have twice been chairman of the Senatorial Campaign Committee. I worked with all Senators who were elected and worked with a lot of candidates who were not. My experience is I have yet to run across a candidate who did not have the time to raise the money. I am not talking about where it comes from or if this is evil money or good money or PAC. I did not run across anyone who did not have the time. They have the time.

I have run across a lot of candidates who did not have the personality. They called up and asked for money and did not get it. After a while they get discouraged, sit on their back end and make no more calls, and say, "Bob, I can't raise any money."

"Why not?"

The answer is, "They don't like me."

That candidate would not do well. That candidate would be delighted to have the public taxpayer give him or her $1 million. He or she would not have to earn it, will not have to prove himself or herself. "Here, just give it to me."

I have yet to meet a serious, successful candidate who did not have the time to make the effort to say, "Can you give me $10? Can you give me $50 to help in my campaign?"

Mr. McCONNELL. I wonder if it has been the Senator's experience that frequently those who complain the most about the difficulties of fundraising are those who are having a hard time doing it, either because as the Senator suggests they are not in terms of their own personalities particularly good at it or because they are widely perceived, as can often be the case, not to have a chance? That makes it harder.

I have been in that position. The Senator from Oregon has been in that position in 1968 against Wayne Morse. I have been in that position in 1984 against Dee Huddleston. The Senator in the Chair was in that position in 1986.

The people do not think you can make it. It makes it tough. It is a real test of your grit and your determination to go out there against the odds as the Senator from Washington did, the Senator from Oregon did, the Senator from Kentucky did. It is not easy but it tests you. It tests your mettle.

What you are engaged in is nothing inappropriate or improper. You are asking for support.

If you want to address that portion of the current system, then it seems to me it is arguably at least special interest, then let us talk about the political action committees. S. 2 does not do anything about PAC's.

Mr. PACKWOOD. S. 2 lets them give $5,000 which is the present limit.

Mr. McCONNELL. The current law. It makes an aggregate. It will allow only a percentage to come from PAC's, but that aggregate percentage is higher than the average Senator is getting in PAC contributions as a percentage of his campaign today.

Mr. PACKWOOD. Do you know what it is going to mean? Let us say that in your State the most they will be able to take in your State from the political action committee is $200,000 total. That is all you can take. Do you know which political action committees are going to be there first? The biggest ones, the most powerful ones, the ones that have the most money that might have something left over from the last campaign that represents the largest special interest in the country. They will be there to give you your $5,000 that S. 2 allows you to get, and the tougher ones, the smaller ones, the ones that gave all the money, the ones that take 8, 10, or 12 months after the election to raise money again by the time they come to say: "Sorry. I have taken all the PAC money I can take." If the allegation is the PAC's have your ear, the ones who will have your ear are the most powerful interests in America.

Mr. McCONNELL. Your money, then, is going to come from the taxpayers and the big PAC's.

Mr. PACKWOOD. You got it.

Mr. McCONNELL. That is where it will come from.

Mr. PACKWOOD. The average taxpayer who might want to give you money voluntarily is out of this process. Forget it. You cannot take any money.

Mr. McCONNELL. That is why in our bill, we have suggested that we just zero out PAC contributions to candidates, and as we have said in the debate over the last couple days, both of us are more than happy to zero out PAC's altogether, do not let them give to parties, do not let them give to candidates. If we want to deal with the appearance of undue influence or special influence, it is in the area of PAC giving, not raising money, because raising money comes from a large number of people. If we want to talk about the cost of campaigns, it seems to me we ought to deal with those things that are driving costs. What are driving costs is the cost of television. The reason we have been able to get the money is because a lot of people have been very good to get a lot of people to contribute because you cannot give very much under our current law. If you want to do something about the cost, then maybe we ought to consider addressing the cost of television, because that is what is driving the cost of campaigning, and that is something the Senator from Oregon and I have talked about in the course of the last 2 or 3 days, something we discussed in an earlier version of our bill, something that could be well considered.

But anything that puts a cap on participation, it seems to me, is bad for America. We ought to be encouraging participation, not dismissing it.

When people start saying what we need to do is put a limit on spending, what they are saying is we need to put a limit on participation, get the individual out of the process, reach into the taxpayers' till and let the public pay for it on an involuntary basis. That is not good for America in my opinion.

Mr. PACKWOOD. I totally agree.

I will come back to the statement I made earlier. I fully support taxing the people in this country for the things the Government must do. I am willing to try to make the case for those things that we think we have to spend money for, whether it be national defense or Social Security or education or environmental protection, and then go to the taxpayers and say these things are necessary and we need you to help pay for it and we are going to have to levy taxes to do it. Those are legitimate debates as to what the environmental standard ought to be and whether to raise the money necessary. Those are legitimate debates, whether to spend the President's $300 billion on defense or Congress' roughly $290 billion on defense. In any event we ought to pay for it. Then we can ask the taxpayers to join us in the debate.

But there is no point in taking money from the taxpayers to put in our campaign pockets, so that we can run a campaign of leisure and with ease and not have had to work at it.

When the money can be raised we can even limit the amount by bringing the amount down that you can give. We can limit how much will be spent by simply lowering the contribution level if we want. We can make sure that campaigns are adequately funded, voluntarily funded, and we can have good debates, ideological debates between Republicans and Democrats, or third parties if they get into it without having to tap the till of the taxpayer, and there is no need to go that route when there is no proven reason to go that route.

Mr. McCONNELL. One of the things that mystifies the Senator from Kentucky, the Senator from Oregon and I have been here in the debate the last 3 days and heard speaker after speaker stand up and decry the scandalous cost of campaigns. First of all, I have asked several of our colleagues what is scandalous about it and second, compared to what, compared to what?

The fact is that what we spend on campaigns in America is a pittance, a pittance, and it comes—setting aside the millionaire problem, which is a small portion of the overall spending—it comes from individuals participating in the process. I do not think putting a cap on campaign spending is a good idea at all, and I have yet to hear anybody suggest to this Senator what was inherently scandalous about being able to raise a lot of money from a whole lot of folks and being able to spend it on television, which is what everybody is watching these days. It is the major and really only significant, effective means of mass communication in our society today. It may be replaced by something else later, but that is where it is today.

So I am quite disturbed about this sort of willy-nilly observation that spending is, per se, bad and that the amount we are spending is somehow scandalous.

Mr. PACKWOOD. To put it in different perspective, I cannot verify the figure, but I am told that about $200 million was spent for Senate races last year. Is that roughly correct?

Mr. McCONNELL. That is roughly accurate, yes.

Mr. PACKWOOD. I would put this in context. I bet you could raise $300 million for races in this country from roughly 30 million people and that is an average of $10 apiece. I bet you could do it and you would have 30 million people involved in your campaigns, but you know what that would take? That would take a lot of work on our part. We would have to have a lot of volunteers who believed in us because you are not going to raise this money making the calls yourself. You are going to have 300 volunteers going to shake 1,000 hands a day. You have to have people to give you a night a week. They rap on doors to talk to people. They make phone calls in your behalf. Those are the kind of candidates we have to have who inspire 10 times 10 volunteers to raise the money in small amounts on a broad base. It can be done. We have never tried it.

I had an experience in my last campaign. I tried it and frankly threw up my hands and I said it is not worth it. We hired a young woman in 1983. She was just out of college. We were going to go out and see. These were in the days when we had the Federal tax credit. Oregon had a similar tax credit. So in Oregon if you gave $100 as an individual, single return, you could get $100 tax credit, $100 back, $50 from the Federal Government, $50 from the State government.

So, literally, you could talk people into giving to you for nothing, if you took into account these tax credits, which is a form of public financing. And I do not like those and I am glad we got rid of them.

We hired this young woman, who never even had been interested in sales before, and explained to her what she had to do. She had to ask people who were not giving to other campaigns, because you could only donate up to a certain amount. You could not take $50 for you and $50 for me and everybody else.

She worked at it for about a year. We just about broke even. Her salaries and expenses cost about $22,000. We raised about $22,000, all in contributions of $100 or less.

I could see, however, if I wanted to continue at this and she wanted to continue at it—and she was getting better as she went along—that, since you could get a tax credit each year, we could go back to those people who gave in 1983 to give in 1984, we could have pyramided that. It would have taken not 1 or 2 people but I would say 20 or 30 people selling and we could have blanketed the State. We could have raised an extraordinary amount of money in the State.

The one thing I discovered is that the tax credit was not much of an incentive. The people, if they wanted to give, were willing to give anyway. They all were not giving $100, and a lot of them were giving $20. But it was a lot easier to take the money the way it was given under the present system.

Consequently, we gave up on that process. The girl was going back to college after her master's degree anyway, so we would have had to train somebody again and get somebody else started. But the process could work and it could be done in any State. You could raise enough money in any State in small contributions if you wanted to do it.

So the argument, "the only way we can democratize—with a small d—politics, the only way we can get the individual back into the system, to cut out the fat cats and special interests, is to take the money from the taxpayers" is just plain hogwash. We do not have to take the money from the taxpayers.

Mr. McCONNELL. Mr. President, campaign spending has been blamed for a whole lot of things. In the debate over the last 2 or 3 days it has been blamed for this and blamed for that. One of the interesting arguments is it somehow affected turnout. People were so turned off by all of this campaign spending that they were voting in fewer numbers.

I think it is interesting to note that there is only one race in America where we have complete public funding postconvention and partial public funding preconvention, a concept similar to S. 2.

In 1968, when the Presidential race was still entirely privately funded, the turnout was 60.9 percent. In 1972, when the Presidential race was still entirely privately funded, the turnout was 55.3 percent. Then Congress passed the current law under which a Presidential contest postconvention became publicly funded and preconvention became partially funded. And the turnout dropped to 53.5 percent in 1976, 52.5 percent in 1980, and then a slight increase in turnout of about a little less than a percent between 1980 and 1984. No demonstrable evidence whatsoever that public funding or the limitation on the spending, which is what we have had in Presidential races in 1976, 1980, and 1984, have impact whatsoever on voter turnout.

In this country, turnout has been declining. I am not sure why. There are a variety of different reasons for it. There is no evidence whatsoever that the decline in turnout has anything whatsoever to do with the way in which we fund campaigns or the level at which we spend.

So, I think that that is one of the bum raps on spending that we have heard expressed here over the last few days, with good intentions, but simply not understanding that there is no correlation whatsoever between spending on campaigns and turnout.

Mr. President, I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, on the issue before us of campaign reform, the Senator from New Mexico is not going to talk very long today, although I have thought long and hard on the subject and I am prepared, hopefully, with some ability on the part of the floor managers to accommodate me, to make a rather lengthy statement of my observations and thoughts on the bills that are before us and the notion of reform next week.

But I happened onto the floor when the discussion started to take a turn in a way that prompted me to stand and tell the Senate a little bit about my feelings. That has to do with whether or not the individuals within our respective States and as American citizens care enough about campaigns to contribute themselves and should we ignore them or make them more relevant or irrelevant as we move through the reform process in this basic issue of who ought to pay for what politicians need to run their campaigns.

The reason it comes to mind is because I have decided that if the issue is that we are spending too much money in our campaigns—and that may very well be the case—and if the American people are concerned about that, that it is skyrocketing in terms of how much we are spending on a campaign regardless of where it comes from for this first thought, then it seemed to the Senator from New Mexico that, since we are in some serious way tied by the interpretation of the U.S. Supreme Court on limits, we ought to take a look at what has probably fanned the flames of the ever-increasing and spiraling expenditures to see if that might give us a clue to what we ought to do.

What I found was that the flame is being fanned by political action committees' contributions and the enormous increase in their numbers. And I would add, parenthetically, the American people are legitimately skeptical because we really do not know in many cases what they are for. I mean, there is nothing in the law, I say to my friend from Oregon, at this point that would tell the American people—if you listed or I listed or somebody else listed 50 PAC's, 25 of them may have very innocuous sounding names. They may be Jack's Foundation. We do not know what their primary motive is. And nothing in the current laws says that they have to put in there, "Our principal concern is the manufacturer of string beans." They do not have to do that.

But I do not attribute any great and significant evil to PAC's, so I am not on the new bill that says no more PAC's in our campaigns because I think they somehow or another are an evil force.

What I found is that if there is something that is fanning the flames of ever increasing expenditures, they are more responsible for that than anything else. And I have the history of that which I will put in my rather lengthy discussion before the Senate next week.

So it seemed to me that you could take a look at what are you trying to do in campaign reform—and I am just establishing one—to cause this ever escalating amount being spent to come down in a legitimate way and to pass legislation that will probably logically cause it to occur. That is one thing, to say we cannot use them any more, period, either the direct PAC's or the software aspect of the political action contributions. I submit that if you did that the upward pressure on spending more would disappear.

But now the Senator from New Mexico was concerned about another thing, and that is that Constitution that we are celebrating says, "We, the people." And frankly, I am very fortunate. My real name is Pete. You know, it is not Peter or Pietro. It is Pete.

So when I run I have had a very interesting slogan, and, from the first time I ran, "People for Pete." Very simple. I will use it again when I run in 1990.

But, Mr. President, in my last campaign, by working at it I had almost 20,000 individual contributors to my campaign. That is an enormous amount of individual contributors, $1,200,000; enormous both in percentage of my population and in percentage of the money I spent. My State has only a total population of men, women, children, in every head count, of about 1,350,000, three congressional districts. I have checked the record. It is the highest percentage of the population contributing individually of any Senate race that we can find.

Mr. President, I think that is precisely how it ought to be. I believe we ought to ask our constituents, within reasonable limitations, $1 or $1,000, to support us. We ought to ask them to vote for us on a record and we ought to forthrightly ask them for $1 or $5 or $1,000 to support our record and our campaign.

I submit that that is the healthiest approach to politics, and any bill that promotes that ought to get support.

Mr. PACKWOOD. May I ask my good friend a question?

Mr. DOMENICI. I yield for a question.

Mr. PACKWOOD. You said you raised $1.2 million in small contributions in your State.

Mr. DOMENICI. Yes.

Mr. PACKWOOD. Under their bill, all you have to do in New Mexico is raise $150,000. That is no problem. Then the taxpayers will give you $800,000.

Mr. DOMENICI. You have it absolutely right. What I am suggesting is that if what I have just described is good government, good politics, and something we ought to encourage, you pass this so-called reform bill that you have just referred to and it is gone.

Mr. PACKWOOD. Understand something more. Once they have given you $150,000 and you take the taxpayers' $800,000, they cannot give you any more. That is it.

Mr. DOMENICI. That is absolutely correct.

Mr. President, you can call this bill voluntary. I have now looked at it. If I were here saying, "Do not do this because it makes individual gift giving in the sovereign State of New Mexico for a candidate like PETE DOMENICI irrelevant," I would be here with a special interest. But there are 20 States, as I understand, that are exactly in the same position. By virtue of the dollar limitation you put in on up front individual, and then the match that comes public, and then if you want to say, "I do not want any of that public money, I am going to raise my own," do you know there is a second match of money available automatically once I have gone out there and raised $900,000 from individuals? When it gets to $900,001, my opponent gets $800,000 or $900,000, I do not remember.

Mr. PACKWOOD. He gets it a second time. You raise $150,000 if you want to and you get $800,000 from the taxpayers. Your opponent raises $150,000 and gets $800,000 from the taxpayers, but if you say, "I will not take it from the taxpayers at all, I will raise it from the people of New Mexico, $1.6 million," not only does your opponent have to raise the $150,000 to get the other $800,000, but as soon as you have raised more than the total of $900,000, he gets another $800,000 from the taxpayers. So he gets $1.6 million from the taxpayers that he did not raise himself, but you raise it yourself.

Mr. DOMENICI. As a matter of fact, I have concluded that in any of those 20 States that I will identify when I speak in more detail, anyone who is going to adopt my philosophy of going out and having the people give you money, even getting 20,000 of them in a small State like I did, are idiots, they are absolutely stupid. Their opponent will get that much money and more by raising $150,000 while you are busy spending 30 to 40 percent of your time attending events where you explain your position and ask people for $5 to help you with your campaign. Why would you do it?

Mr. PACKWOOD. Do you know what the supporters of this will say?

Mr. DOMENICI. It is voluntary.

Mr. PACKWOOD. No. It is too much work. Let the taxpayer go out and work and earn the money and then give it to you. You will take it away from them. I know you can go to clambakes, you might eat foods you might not otherwise eat, and you might meet with 100 or more people and you will say, "Will you give me 10 bucks?" and they will.

Mr. DOMENICI. Absolutely. You write letters and tell them what your case is, what you are going to use the money for, what the campaign is all about, and they send you something.

Mr. PACKWOOD. You have to sell them and yourself.

Mr. DOMENICI. It seems to me that if there is anything we want to promote rather than demote, it is that. From what I can tell, any notion that this is voluntary when it comes to at least the 20 States I am telling you about, it is about as voluntary as anything mandatory in terms of realism that I have ever seen.

Who in the world—and I will yield the floor shortly—who in the world is going to spend the time and effort to do what I have just described I did, a perfect example? If I did that with all of that effort, and an opponent would have had to raise the first $150,000—and I understand 600 contributors—as soon as I had passed that $900,000 which I did in my example, with all the work I have done, my opponent would have tax dollars equivalent to $1.7 million.

So I would have to start this whole process if I want the people dollars instead of tax dollars, I would have to start by saying in my State, "I need $4 million, not $2 million, that I think I can run the campaign on."

I will be able to get $4 million and my opponent from the taxpayers will get $1,800,000 and probably will not be able to raise more money so I will have done better with my effort. Otherwise, my effort will be to find 600 people to give me the $150,000 and then say, "Thank you, Mr. and Mrs. American taxpayer. I sure hope I run the right kind of campaign and right kind of television ads with your money, and I hope when I get elected, you are proud of me because most of you do not even know who I am. I did not solicit you. You did not contribute. It came from the Treasury Department of the United States Government."

Frankly, I think to move in that direction with a bill that is supposed to be reform is an absolute misstatement of the case, misstatement of the cause, and, from what I have heard, you would think it is something completely different than I have explained.

I am positive what I have just described is going to happen in somewhere between 18 and 22 States. I have not had time to research the rest, but I will bet even in the bigger States, because of the doubling up, once you exceed a certain number, I will bet it will apply to States like California and Texas and others. You will just say, "Raise the seed money and send the bill to Uncle Sam for the rest."

Mr. McCONNELL. The Senator states part of the problem, the Republican and Democratic candidates. Let us talk about what else happens. Any third party or independent candidate who wants to get his hand in the public till will be able to do it under this system by going out and raising $150,000 in your State, not a difficult task. He will get $475,000 out of the taxpayers' pocket. What is going to happen here, as frankly has happened in the Presidential situations, is a proliferation of candidates. Every person who woke up in the morning and looked at himself in the mirror while shaving will say, "I think I see a United States Senator in there," even though he cannot get the nomination of his party. He will run as a third party candidate in the election. Running for office will become the national pastime under S. 2.

Mr. DOMENICI. At least we will only give him half. We will save taxpayers some money there. He will only get $475,000.

Mr. McCONNELL. But there will not be only one.

Mr. DOMENICI. That is correct.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, I do not expect to speak very long in this case. One reason is I have already spoken on this subject a good number of times.

Another reason is that I have seen this situation grow; from the time we passed the bill which is the present law, I have seen a problem grow year by year without anyone that I know anything about changing or trying to change it. I say that to cover the point that it is the system that is in trouble and in need of change wherever it is to be found. I have seen the facts develop and the sentiment and realization of need for change grow tremendously. Still, it is very difficult to get provisions written out in hard, firm law that will meet all of the problems of carrying the banner of fairness and deal with what is almost a sacred matter; that is, the casting of the vote of the individual citizen, a citizen of one of the States of the United States.

As I recall, the very first article in the Constitution of the United States has in it provisions that pertain to the election of the legislative branch of the Government and how a ballot should be cast. It is a sacred right and one that has been expanded, not lessened.

We started out just electing the Members of the House of Representatives. There was no direct election of a U.S. Senator by the voters. The legislatures were to be chosen by the people. But the legislatures were the ones who made their choices and elected the Members of this great body.

I remember when that was the law. I have a very vivid memory, as a little boy, of my father explaining to me about the change in the law. The 17th amendment to the Constitution merely extended that right to elect representatives to directly elect the Members of the U.S. Senate. I have never heard any objection to that system or that change since.

There is no objection now to the right of every citizen to vote his or her choice for membership in this truly fine body. I think it is a fine body; in fact, I know it is.

The change pertained, as I emphasized, to the privileges of voting and to extending them. I was here when the present law was passed which provides the Federal contribution in Presidential elections. There was a separate vote on that matter, and I voted against it. But I have changed my mind to this extent on that subject: In order to get a better bill covering the other matters in the law, I am willing to support some measure of Federal funding. I support the idea of the Federal Government making a contribution after certain requirements have been met and the taxpayers that pay the money in are protected. He is being charged something for improving the system; we are not making him pay to vote or making some other taxpayer contribute to the cost of my ballot being cast. It is a protection for the system, to keep it in line with the times and to avoid the abuse of that system of voting.

Mr. President, this is not a jumped-up affair with me. As I said, I strongly opposed public funding when we passed the Presidential election law. I knew that the rest of it was not perfect, but you have to have some time before you get them perfected.

What has happened under the present law since it was passed is not all bad by any means, and I want to emphasize that. I do not think there has been a great deal of violation in the administration of the law. My complaint is, and this is to me a monumental complaint, that this puts in diminution or takes away from that average voter—that average fellow that gets to the polls one way or another and casts his one ballot—the value and the content and the importance of that single vote that he casts.

But just as sure as we are here, in this body, the real depth of meaning, the far-reaching consequences of that election, even though it is within the law—we say that no one has thought about violating the law—nevertheless, it carries with it the idea that the election is, I do not say bought but, to an appreciable extent, the elections are being taken away from the average fellow now in many of the States.

It is being taken away and by diminution of the power of one vote and its relative strength, and it is turned over in part to those who are able to make a very appreciable contribution—under regulation of the law. The total effect and I am amazed at the extent of the effect, is to diminish the voting strength, the real strength behind the average fellow's vote.

If we do not change this law fairly soon, I think it will be beyond our power to get it into the form we need and get it passed and recapture it for the benefit of that single person, that person who is designated specifically in the Constitution of the United States. Also, it affects the election of two of the most important positions in the legislative branch of the Government that we have.

To a large degree, Mr. President, the presence of this outside money from political action committees is counterproductive. I am not casting aspersions on them. I have been in elections myself since this provision was written into the law in which we accepted some political action committee contributions. I am not saying it is wrong to use that money, but it should come from a different source, a better source, a better plan.

(Mr. CONRAD assumed the chair.)

Mr. STENNIS. Incidentally, Mr. President, and I do not say this about any individual, but the first time I was elected to this body, there was not anything like this in the law. We did not have anything like this. I say it with a laugh, perhaps, but the high probability is that I would not have been elected under the current law. I was that unknown fellow in that race. People got out and made the people acquainted with me. I will not go beyond the outline on that. I think the present law just gives too much of an advantage and weight to the man who has already been elected. I should come out and say that, and I am in there myself.

But that is not the primary objection I have to it so much as the idea of taking away from the so-called little fellow the influence that he has by comparison with his vote. We are allowing these outside special-interest moneys to have a larger and larger role in determining our elections than do the people, by and large, who live in the States.

That is what this thing starts with and that is what it stops on I think. Certainly, we are going to have to change this law. I do not know when we will change it but we are going to have to change it.

Now, this is simply not what the drafters of our Constitution had in mind. I have already recited that the Constitution, under which we have operated now successfully as a Nation for just about 200 years in round numbers, points out with the greatest clarity and emphasis that the power to elect officers in our system of government was to rest with the people. The power to impose taxes and the power to declare war are vested in the hands of the people through these elected Representatives.

You see, Mr. President, the writers of the Constitution were trying to keep that power as close to the voter as they possibly could. They put the power to select the Representatives in the people and then those Representatives were the only ones who had the power to declare war and to originate revenue measures.

Our U.S. Constitution begins in Article I with this legislative power, the first power the drafters enumerated. And one branch of that Congress is the House of Representatives. This is repetitious but I do not apologize for repeating that. It covers the situation where the Members are to be chosen every second year by the people of the several States. Later, through the 17th amendment, the selection of Senators was also put directly in the hands of the people where it now rests.

My point, Mr. President, is that under our system of government, it is the people of the respective States and districts who select their own representatives. But with all of this outside money flowing into the campaigns for Federal election, the people have less and less to do with the election of their representatives.

Now, I thought about that statement carefully before making it. But the average American is having less to do with this system that we are now using. At the very least they certainly feel that they are playing a lesser role in the process. They are not particularly complaining about this but they see it now clearer and better. They see these vast sums of money that are coming in from outside sources and wonder if their own small contribution really makes any difference.

Candidates now spend more and more time raising money from people outside of their States—now, I am told this is true; it is not true in all cases—and that inevitably reduces the time they have for their own constituents. Indeed, fundraising tends to become the main driving force for elected officials. It becomes almost all-consuming, and in the process the needs of the people sometimes get lost.

If one person is turning in so much money to be spent under the process of the outside contributions, it puts a larger and larger burden on the so-called little fellow, who does not have those connections, friends, or whatever you want to call them. He and his group have to get out and dig all the harder and be more and more expansive in their program, as far as they can, to make it go, but he is more likely to lose the election after all than he would under what I think is a necessary and a fairer system.

I do not mean to be critical in any way of any particular Senator and I do not know of any wrong that is attributed to anyone who has been elected since I have been here.

Indeed, under our current law, it is very difficult for any Senate candidate to refuse to accept money from these political action committees. Unless he accepts PAC contributions he is almost certain to find himself swamped and outspent by opponents who do have these sums of money that they can afford to spend, some in a lavish manner. This fact simply underscores the need to make changes in this system and apply the changed plan to all voters alike.

I felt we made good progress in working on this issue last year. The Senator from Oklahoma, in particular, Mr. BOREN, is very, very adept in his writing of a bill. He has improved on it since then, with the help of many others. I wish it was possible for me to claim more of a contribution than I have been able to make timewise, but I have been tied up with other matters.

But, it is a good start, good has been done, a solid, sound bill I think has been reported. We have had to make it meet the requirements of the Supreme Court for one reason. That is all right. The highest court under our Constitution passed on this matter and thought that it ought to be restricted in its application to how much a man could put up of his own money. We had a reduction; a lid put on it; a ceiling put on it.

I think, perhaps as a whole, the change that we gladly made to comply with the Court makes it not a better plan, but it is certainly as good as the bill introduced last year.

This bill has encompassed all of the thought in that field by the Supreme Court of the United States. There was an improvement in about 1913, when they made the U.S. Senators directly elected by the people, by a ballot. Now we have made progress in having the present campaign finance law passed, in some of its major aspects, but it is for corrections and changes of that kind that I advocate this bill.

Mr. President, I feel, as certain as night follows day, that we will have to change the current law sometime, make it comply with most of the points that are set out in this proposed revision, this proposed change, because conditions cannot continue to go on and at the same time be carried on in the present high level. That is an aspect of human nature that we have to recognize. I feel confident that the change will come. I feel that perhaps, timewise, the effective date for much of the law ought to be deferred beyond the forthcoming elections. Others may disagree with that, but that is not a basic fundamental difference. The principles involved are those I have already enumerated.

I feel this bill would have made an improvement in our system of financing campaigns, and I regret that we were not able to get it enacted last year.

By getting off to an early start this year, Mr. President, I think we can see a bill all the way through. We should build on last year's measure, but I think we should also go a little further.

Even if we impose some new limits on the amount that outside groups can contribute to candidates, we still have not solved the problem of the sheer costs of campaigning these days. I have been willing to support restrictions on the financing of Federal elections, but the courts have raised constitutional objections to some of these approaches.

Reluctantly, then, I have come to the conclusion that we must turn to some form of limited public financing if we are ever going to get this situation under control. Public financing will help us by imposing limits on total campaign spending and by reducing the importance of money from special interest groups.

This is a new position for me. In the past I have opposed any public financing of congressional campaigns. But I just do not think we have any other alternative. If we do not act to reform our system of financing campaigns, we will soon find ourselves with a system in which the people have very little say about who their representatives are.

It is important, though, to make sure that a system of public financing is designed only for serious candidates. We must require a candidate to demonstrate that he has a broad base of local support before he becomes eligible for funds from the Federal Treasury. The private contribution threshold of S. 2 meets that requirement.

For that reason, Mr. President, I am pleased that S. 2 has reached the floor of the Senate where I am sure it will undergo thorough discussion. I believe we can succeed in adopting a bill that will restore to the people their primary role in determining who their elected representatives are. And that will add new meaning to the celebration of the 200th anniversary of our Constitution.

Mr. President, I want to emphasize that whether this bill passes or not—I think it will pass when it gets down to a straight yes or no vote—but whether it passes, becomes full law, this year or not, the contribution has been made here this year, and more will be necessary, until we do get back to the place where every voter has the same chance to reflect his opinion, his rights to vote, regardless of how much money the other man may have or how little he may have, and he cannot be strung up and overwhelmed, as the present law does permit.

Again, I commend those who have looked into the law, who have worked on it, who have contributed here with their thoughts, whether they are the same as mine or not.

This Constitution still belongs to us, belongs to the people of the United States, present and future, which our forebears did in making it possible to exercise these rights.

I remember those old days very pleasantly. We have faith in the Constitution, and we lay this down before the people, before this body, before the Members of the House. We support the Constitution, and I believe that in the end we will protect it.

I yield the floor.

Mr. WIRTH addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Colorado.

Mr. WIRTH. Mr. President, it is a beautiful Friday afternoon. The rain has gone, the humidity has gone, and a lot of our colleagues have gone as well. [Laughter.]

But I wanted to be here, Mr. President, because of the seriousness of the issue before us, the seriousness of the concern people in the country have about the real problems that now occur in campaigns in the United States of America, and the fact that, increasingly, we are seeing that our Congress appears to be up for sale.

Before getting into my comments, I want to point out that it is a pleasure for the Presiding Officer (Mr. CONRAD) and me, as new Members of the body, to be here and to hear the comments of the distinguished senior Senator from Mississippi, who has seen more campaigns come and go than we likely will ever see come and go, who has seen more Members of the Senate come and go than we likely will ever see come and go, and whose wealth of experience in this area is extremely important for the Presiding Officer and for me and for all other new Members here. I hope the eloquent, very carefully thought out, and very important statement of the Senator from Mississippi is a signal to everybody in this body and around the country as to how important this debate is. When Senator STENNIS stands up over there, I know the matter is important; and I listen; we all listen.

Senator STENNIS, we thank you very much.

This afternoon, as I suggested yesterday in my overall comments about campaign rules and financing, I said that I wanted to talk at greater length about independent expenditures.

Let me, first of all, read the definition of independent expenditures from the Federal Election Campaign Act to point out what it is that we are talking about:

> The term "independent expenditures" means an expenditure by a person expressly advocating the election or defeat of a clearly-identified candidate which is made without cooperation or consultation with any candidate or any authorized committee or agent of such candidate and which is not made in concert with or at the request or suggestion of any candidate or any authorized committee or agent of such candidate.

In other words, groups of people getting together who say: "I don't have anything to do with your campaign but what I am going to do is I am going to come in and, perhaps, spend some money for you." Or, alarmingly, "I am going to come in and spend an enormous amount of money against you."

The definition points out that included in this are people who expressly advocate the defeat of a clearly identified candidate.

What we are talking about here, in the discussion of independent expenditures, and our attempt to deal with them, is the sale—not the sale of popcorn, or hamburgers, or Coca-Cola, or hot dogs in the ball park but the sale of candidates—public officials—by a few people gathering an enormous amount of money together and attempting to influence political outcomes and purchase politicians.

The second item that this is about is what Senator STENNIS was talking about—what he described as the little fellow, and returning elections in this country to the purview of the average citizen—the man in the street, the mom and pop who own the mom and pop grocery store, the small contributor—to reclaim for them the heritage that we have had for 200 years.

Senator STENNIS said, "The little fellow." That is what the independent expenditures provisions and this bill are all about.

Third, the independent expenditures provisions in this bill are about something we do not like to talk about, but it is very real, and that is intimidation. They are about the fact that hanging out there, standing outside here, hovering about this town around the country are groups of people with large and growing concentrations of money which are there not only to be spent on campaigns, but also against anybody in this body who might disagree with the narrow interests of such a group.

Mr. President, we are a pluralistic society. We are a democratic society in which there are vast numbers of voters who ought to be heard and have a right to be heard. Their voice should be heard, in debate here, in debate in the other body. That is what a democracy should be all about. A democracy also should be about the ability, after all those views are expressed, ultimately to bring them together by majority vote—50 percent plus 1 of the votes—and come to a conclusion. After the cauldron of debate, we have the opportunity to come together and pass the laws for this great country.

What these independent expenditures do is to say "You can talk about the law, you can talk about public issues, but do not talk about those that disadvantage me, because it might be painful; do not mess with my back yard; talk about everybody else, but do not talk about mine; if you do, I am going to spend a ton of money to defeat you;" or the threat of independent expenditures is used to intimidate Members, saying, in effect, "If you do this, I am going to spend large sums to defeat you, so stay away; do not mess around with my particular interest."

Let me read from the committee report on S. 2, if I might, Mr. President, the section that deals with independent expenditures so we lay the foundation about this very, very important element in this legislation.

INDEPENDENT EXPENDITURES

A second development since the inception of public financing of Presidential elections in 1976 has been the growth and influence of independent expenditures in both Presidential and Congressional elections. In the 1986 elections, some $8.5 million was spent by outside groups and individuals in support of or opposition to federal candidates, compared with just over $300,000 in 1978.

The first objective of the bill with regard to independent expenditures is to assure that such spending is truly independent of the candidate who is supported by such expenditures. To accomplish this the bill sets our certain relationships between a candidate and other persons that by definition constitute coordination, cooperation or concert for the purpose of determining whether expenditures by such person are independent and, therefore, outside the contribution limits of the Act. It also specifies that such relationships, once entered into during a campaign, even if before a person officially becomes a candidate, may not thereafter be abandoned during a campaign for the purpose of making unlimited expenditures in support of that candidate or in opposition to his or her opponent. It is not the purpose of the committee to restrict in any way the valid and legitimate participation of persons in election campaigns independent of a candidate. It is its purpose to define certain relationships that are inconsistent with a claim of independence from a candidate and to prohibit persons having such a relationship with a candidate from making expenditures outside the contribution limitations and restrictions of the Act. The committee finds that the relationships specified in the bill raise such a strong presumption of coordination, cooperation or concerted activity between the parties that any expenditures by one of the parties that benefit the candidate cannot reasonably be considered independent and should be subject to the contributions limitations of the Act.

A candidate who accepts public funding will be subject to a spending limit; he is protected against disproportionate spending by his opponent because of the provisions of additional public funds and the ultimate removal of spending limits, but there is also the possibility that an outside group or individual will make massive independent expenditures against him or her, or in favor of his or her opponent, leaving his or her hands tied because of the spending limit. The solution proposed by this bill is to provide additional public funds on a matching basis, and a higher spending limit, for any independent expenditures by the same source that exceed $10,000. The bill requires reports by persons making independent expenditures to the Commission within 24 hours after such expenditures, aggregating in excess of $10,000, are incurred or obligated.

It goes on, Mr. President, to further address this subject and the way the bill addresses it, and I ask unanimous consent to have the remainder of that section of the report printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

The Commission is then required, during the general election period, to certify payment of a matching amount of public funds to the candidate directly with the Treasury.

The provision of the bill serves First Amendment values by increasing the amount of information available to the electorate. It does not limit the speech of persons making independent expenditures; they remain free to make such expenditures in unlimited amounts. It is similar to other laws that provide financial assistance to the exercise of free speech, such as aid to public broadcasting and other forms of educational media. "[T]he central purpose of the Speech and Press Clauses was to assure to society in which 'uninhibited, robust, and wide-open' public debate concerning matters of public interest would thrive, for only in such a society can a healthy representative democracy flourish . . . Legislation to enhance these First Amendment values is the rule, not the exception." 424 U.S. 1, 93 n.127 (1976)

A third objective with regard to independent expenditures is to enable voters to more readily understand who is sponsoring media advertisements. Such ads by independent groups would be required to run a continuous disclaimer stating who is paying for the ad, in order to reduce voter confusion as to whether such messages may be from candidates themselves. This should promote greater accountability in the political system, by establishing a clearer link between the voter and the candidate, with less interference from outside groups whose names do not appear on the ballot.

Mr. WIRTH. Thank you, Mr. President.

S. 2 speaks in several ways to the independent expenditures abuses that have become so pronounced.

First, it tightens the definition of "independent expenditure"—and makes that definition more explicit—so that wherever there is any connection between allegedly "independent expenditures" and the campaign of a candidate being aided by those expenditures, the expenditures are counted against the campaign's limits.

In other words, the bill attempts to assure that any political expenditures which enjoy the status of independent expenditures truly are independent, and that campaigns cannot use that rubric and the advantages and protections granted to it by the first amendment as a subterfuge and a means of avoiding legal spending limits and restrictions.

Second, all advertisements—in all advertising media, whether television, radio, billboards, magazines, newspapers, or direct mail—which are paid for as "independent expenditures" must clearly identify what person or organization paid for them. Television ads, in particular, must constantly run a "trailer" across the screen, during the entirety of the ad, identifying the person or organization which purchased the ad. The purpose of this provision is to assure that all voters know the source of independent messages, and eliminate any confusion concerning whether a candidate is the source of such messages. This should promote greater accountability in the political system.

Finally, S. 2 seeks to assure candidates who are the object of negative independent expenditure advertising, or whose opponents are beneficiaries of such advertising, that they will be able effectively to reply to such ads. A candidate who accepts spending limits and public financing under the provisions of S. 2 will be protected to a considerable extent against spending by opponents beyond the applicable voluntary spending limits—by being eligible for an additional grant of public funds when an opponent exceeds the State's spending limit, and by the removal of the spending and fund-raising limits applicable to the participating candidate if an opponent exceeds twice the State's spending limit.

There also is the possibility, strongly suggested by events in recent elections—especially the 1986 elections—that an outside or independent person or organization, entirely unrelated to the campaign of an opponent, will make large expenditures in opposition to a candidate or in favor of his opponent. Such expressions, of course, are protected by the first amendment. But a candidate participating in the voluntary spending limit and public financing system suffers more greatly in such cases than would other candidates—because such a candidate in the absence of any ameliorating provision would have no ability to respond to such an advertising expenditure, regardless of its veracity, except by use of funds falling within the State's spending limit. Opposing candidates, of course, who would benefit indirectly from such advertising, would therefore gain a possibly important advantage.

Independent expenditures have been with us since 1975 and have grown dramatically. The total has risen from $2 million in 1976 to $23 million in 1984. While much of this money was spent to influence Presidential races, an increasingly large amount has been spent on congressional races—from $385,000 in 1976 to almost $8.5 million in 1986.

Many of my colleagues in this body know full well the effect of those independent expenditures. My colleagues from Massachusetts, Connecticut, Texas, Maryland, and West Virginia have all felt the wrath of these so-called independent messages. They were lucky—they survived—but it cost them ever greater amounts of money to respond. And it is that kind of money that drives the cost of congressional elections and turns off the electorate.

Where was this money spent? Let me give you the top States as we got them yesterday from the FEC. In the State of Oklahoma, independent expenditures in 1986 amounted to $540,887; in North Carolina, $453,000; California, $402,000; South Dakota, $283,000; Florida, $137,000; and, in the State of Colorado, Mr. President, the grand champion State of independent expenditures, $818,000. It is a championship that in one way I think we may be proud of if it occurred because people thought that the elections there were worth that kind of expenditure.

But from another perspective, national groups spent over $800,000 last year to tell our State's citizens how to vote. We know that these groups also spent large amounts in Oklahoma, South Dakota, and elsewhere to skew the political debate being heard by the voters. If we're all wondering why the voters are turned off, why the voting turnout is lower every year, and why election costs are rising dramatically—then let's look to one culprit—independent expenditures.

Consequently, S. 2 makes adjustments of two kinds for a candidate who is the object of independent expenditures made in opposition to him or in support of an opponent. First, during the period between the last Federal general election in the State and the primary in which a candidate is running, something less than 2 years, and typically between 18 and 22 months, that is, before the primary election—any participating candidate who is the object of such independent expenditures exceeding $10,000 by any one independent source or by any group of independent sources working in concert, is permitted to raise and spend the same amount over and beyond the primary spending limit that otherwise would apply.

When a participating candidate is the object of such independent expenditures during the general election period, that is, between the primary election and the general election, and such expenditures by any one independent source or any group of independent sources working in concert exceed $10,000, the participating candidate's public funding is increased by an identical amount, and, of course, his general election spending limit is increased by a like amount. Persons or organizations making independent expenditures must report them to the Federal Elections Commission within 24 hours after they are made, and, during the general election period, the FEC must certify the candidate who was the object of such expenditures is eligible for the additional funding within 24 hours after being so notified.

It should be noted that this final provision in no way precludes independent expenditures from being made—whether they directly aid or hurt a candidate or not. The amounts of such expenditures are neither limited nor constrained. Independent expenditures which do not single out a candidate or candidates are not touched by this provision in any way whatsoever. But candidates operating in an environment of voluntary spending limitations are assured that they will not be without the capability to respond to independent expenditures which are made in the form of negative ads against them or supportive ads for opponents.

In this way, the first amendment is preserved and protected. First amendment values are served by increasing the amount of information made available to the electorate. As is set forth in the report of the Committee on Rules and Administration on S. 2, this provision is similar to other laws that provide financial assistance to the exercise of free speech, such as aid to public broadcasting and other forms of educational media. The central purpose of the speech and press clauses was to assure a society in which uninhibited, robust, and wide-open public debate concerning matters of public interest would thrive, for only in such a society can a healthy representative democracy flourish * * * legislation to enhance these first amendment values is the rule, not the exception (424 U.S. 1, 93 N.127 (1976)).

Mr. President, what is wrong with uninhibited, robust, and wide open public debate?

By the combination of all three of these means of addressing negative advertising and other kinds of "independent expenditures," S. 2 seeks to assure that the claim of independent expenditures is not used as a means for candidates or others to evade various legal requirements pertaining to campaign financing, including the voluntary spending limits established by this act; that the presentation of important information to the electorate is not impeded because candidates participating in the voluntary spending limits and public financing system cannot respond to injurious advertising paid for with independent expenditures; and that the electorate knows the source of independent expenditure advertising and is thereby enabled to make important judgments concerning the veracity, reliability, and importance of the messages contained in such advertisements.

Mr. President, I firmly believe these are vitally important steps. Not to take these steps would be to fail to address adequately the crying need for campaign finance reform—on which citizens across this great Nation understandably are insisting.

In closing, Mr. President, I want to commend the distinguished senior Senator from Oklahoma [Mr. BOREN], and the distinguished majority leader, and others of the key sponsors of S. 2, for their labor in producing this bill. It is landmark legislation. It is landmark legislation which it would be fitting for the 100th Congress to enact. I believe it is worthy of the support of all Senators who truly believe that enough is enough, and that we must act now to reform the current campaign finance system. That system today is destroying the integrity of our democratic system of Government and the popular support without which it cannot survive; is damaging the ability of this institution to do the essential business of the public which only it can do; is turning incumbents and challengers alike into panting money-chasers.

It has unleashed a withering barrage of negative advertising that sours the entire elective process and causes millions of Americans to turn away from participation in it altogether; has resulted in dependence of many if not most candidates on contributions from monied special interests with business before the Congress; and has led to a staggering spiral of increasing campaign costs across this Nation, giving the impression to many that elections are no longer to determine which candidates are best equipped to represent our States and districts and to lead the Nation, but about which candidates can spend the most incredible sums of money to purchase their offices.

It cannot go on like this, Mr. President, and it must not. Long ago we should have acted to correct this situation.

As I believe Senator STENNIS pointed out, there was an opportunity in 1974 before many of us were here, when public financing for Presidential campaigns was enacted, to do the same thing for congressional campaigns. That same kind of mix of public-private financing, which has reformed Presidential campaigns, we ought to have in House and Senate campaigns.

In Presidential elections, the abuses of Watergate are behind us. We must do the same thing with House and Senate campaigns.

S. 2 offers us that opportunity. I support it enthusiastically; I call on my colleagues, regardless of their party allegiance, to join in supporting it; and I look forward to its passage.

Mr. President, I yield the floor.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER (Mr. DODD). The Senator from Oregon.

Mr. PACKWOOD. Mr. President, will the Senator from Colorado yield for a question or two?

Mr. WIRTH. Mr. President, I have yielded the floor.

Mr. PACKWOOD. I want to make sure our facts agree. I am looking at the report of the Rules Committee. I think this agrees with the figure you said.

> A second development since the inception of public financing of Presidential elections in 1976 has been the growth and influence of independent expenditures in both Presidential and congressional elections. In the 1986 elections, some $8.5 million was spent by outside groups and individuals in support of or opposition to Federal candidates, compared with just over $300,000 in 1978.

That agrees with what you said?

Mr. WIRTH. Yes.

Mr. PACKWOOD. That $8.5 million is for Federal candidates. I do not know how that breaks down between the Presidency, the House, and the Senate, and the report does not break it down.

Mr. WIRTH. If the Senator will yield, 1986 was not a Presidential campaign year. It was a campaign year, I believe, only for the House and the Senate. The 1986 elections would be for House and Senate, and not the Presidency.

Mr. PACKWOOD. I assume it was all spent on congressional elections, $8.5 million. I do not know how it breaks down between the House and the Senate. Let us assume that $5 or $6 million was for the Senate and $2 or $3 million was for the House. As I understand the provisions of S. 2, and what the Senator from Colorado was saying, when an outside group, an independent expenditure group—and so that the public understands S. 2 has done a good job in trying to identify what independent means. They have drawn this so tightly, and I think properly, that it is almost as if two people sit down and share a bus seat, they will be counted as coordinated. I think that is probably a good idea.

But there are genuine outside expenditures. I had in my campaign the allies of the right to life spend some money on behalf of my opponent.

If that is an immense problem, let us assume that $5 or $6 million was for Senate campaigns, why would it not be possible, without having the rest of all the public financing of the elections generally and the expenditure limits, to give payments to candidates to match the amount of money that is spent by independent expenditures without having to go through all the test of the provisions that are in S. 2?

Mr. WIRTH. If the Senator will yield, it is an interesting question. As usual, the Senator from Oregon raises an interesting possibility. I do not agree with it for a couple of important reasons. Our objective ought to be to involve more people in the political debate. We want to diminish the effect of financial power attempting to purchase political outcomes and at the same time encourage a very much broader return to democratic debate among all people.

Mr. PACKWOOD. Let us say that the limit says $1 million, that that is all you can spend, counting what private funds you raise and the public funds match. As I understand it, what the Senator from Colorado is saying is if the National Association of Realtors comes along in your State and spends independently $500,000 against you, you get an additional $500,000 to spend from the Public Treasury. Is that correct?

Mr. WIRTH. In the general election, yes. That is what S. 2 provides.

Mr. PACKWOOD. Yes, in the general election.

So S. 2 is not going to have any effect in stopping the expenditure of this money unless an independent expenditure group says to itself, "Is it worth it? We spend $500,000 against this turkey and then this turkey gets $500,000 from the Federal Government to match what we spend."

If that is the return you are hoping for, hoping that that will dampen down the expenditure of independent funds, you can do that by changing the present law in only one respect, and that is to say any independent expenditures will be matched by a corresponding Federal payment from the Treasury to the candidate against whom they had the expenditure.

Mr. WIRTH. If the Senator will continue to yield, I think the Senator's initial comments are exactly right. Where independent expenditures over a certain level will be matched by public funds, the independent expenditure committee would say, "Is it worth it?"

For example the realtors would go out and represent to all of their realtors the kinds of independent expenditures they propose to make—perhaps to spend $500,000 in Oklahoma or $300,000 wherever it may be.

Some realtors would say, "If I give money for this purpose as a member of the realtors and you spend all that money in that fashion, you will only trigger higher spending on the other side."

I think you are right, they will say, "Is it worth it?" And they will not do it.

Mr. PACKWOOD. But all you have to do is to change the present law to provide that same match under independent expenditures. You do not change anything else in the present law. Why would that not have the same discouraging effect?

I do not think we can solve the problem with S. 2; I do not think we can solve it with the present law. Let us take the present law and the S. 2 so-called campaign reform bill. Let us say under the present law a campaign is going to cost you $2 million in your State and you go out and try to raise it privately. We can get into an argument on whether we ought to put a limit on the amount individuals can give. I say it should be $100. But let us say you have to raise $2 million and you have to raise it privately. Under the present law, let us say the National Association of Realtors spends $500,000 against you. Under present law, that is your tough luck. You do not get any money to counteract them or anything else.

Let us go to S. 2. Let us say your campaign expenditure is limited to $200,000. You have to raise $2 million privately and you raise the $200,000 and the taxpayers give you $800,000. Under S. 2, if the National Association of Realtors spends independently $500,000 against you, you get an additional $500,000 from the taxpayers to spend to match what the realtors spend.

All I am saying is you could do that without enacting public financing of campaigns. You do not need public financing to do that, do not need expenditure limitations. You can say that if an independent group spends $500,000 against you, and they are constitutionally entitled to do so, your campaign gets $500,000. You could do that without having to ask the taxpayers to fund all of the elections.

Second, I think we ought to put it in perspective. I have been attacked by independent groups and I do not like it any more than anybody else does. Why are they allowed to do so? Because the Supreme Court says they are entitled to free speech, they can say what they want. I do not quarrel with that. But we ought to put it in perspective. In 1986, about $200 million was spent on Senate races. I do not know how much was spent on House races, but altogether, House and Senate races in 1986, $8.5 million was spent in independent expenditures. Let us assume $5 million or $6 million of that was the Senate.

Do we need, literally, to cure the problem of $5 or $6 million in independent expenditures, to go to a total system of public financing of campaigns, the entire $200 million? I do not think we do. There is a variety of other ways to cure that problem without going to the extraordinary limits of asking the taxpayers of this country to put up about $400 million an election to pay for elections in the House and the Senate.

I thank my friend from Colorado for staying.

Mr. WIRTH. Will the Senator yield?

Mr. PACKWOOD. Yes, I yield.

Mr. WIRTH. I appreciate his staying. I think there are some points that are worth responding to as long as we are here.

One, it is incorrect to say, as the opponents have said over and over again, that we are, in this bill, funding the entire cost of all Senate election campaigns. That simply is not correct. S. 2 provides no public money for primary elections, and only approximately 80 percent of the spending limit in each State toward general election costs.

Second, to say that this is "only" $6 million of independent expenditures against a total of $200 million spent for all campaign costs, trivializes a central concern here, which is the trendline, Mr. President. Only $300,000 was spent 10 years ago on independent expenditures; more than $8 million was spent just 10 years later. It has multiplied by about 30 times in 10 years. The trend is, at least to this Senator, deeply disturbing.

Third, the Senator has an interesting point when he suggests taking from S. 2 only the provision to give matching funds to a candidate when independent expenditures have been made against him or for his opponent. But it is interesting only if what you are interested in is only taking on independent expenditures. I certainly am interested in that but I am also interested in seeing if we can put a limit on the cancerous growth of campaign spending overall.

The only way we can do that is to go to the same kind of shared public-private enterprise that has characterized our present Presidential races since 1976 and has worked very well.

Mr. PACKWOOD. Mr. President, the Senator says the only way to do that is to go to the system of taxpayer-supported elections so you put a spending limit on what candidates can spend. That is not the only way to do it. I have said it a dozen times and I shall say it again: If we put a $100 limit on the amount the people give to campaigns, we will have a dramatic effect of lowering campaign expenditures and we will not have to ask the taxpayers for a penny. It is not the only way to do it.

I will come back and make the point I made a dozen times once more. I think the reason that many of us—not me, but many of us—are pushing this is if we lowered the limit of individual contributions to $100 and we needed to raise $1 million for a campaign, we would have to ask a lot of people, we would have to go to lots of little coffees, we would have to have lots of those little TV studio sessions where you get 10 or 15 people together and they all sit in a living room somewhere and watch you and they all pay $50, and you raise some money.

In other words, Mr. President, we would have to work for it, hard, and people who believe in us would have to work for it hard. I believe the reason many of us are willing to go to that proposed system is that it is designed to make the taxpayer work hard and we do not have to work at all. It is an unneeded system to try to cure every objection that has been raised so far to the evils of the present election system.

I thank the Chair.

Mr. MELCHER. Mr. President, there has been a 3-year principal preoccupation by the National Security Council in dealing arms to foreign brokers, a Khomeini sting operation with elaborate Middle Eastern intrigues. As the details are revealed in the special committee's documentary, this is not America's finest hour.

None should confuse the Iran-Contra shameful transgressions as examples of clean government. Free enterprise and fair trade take on a new concept. Got an arms deal? Cut me in. Deposit my loot in my Swiss bank account. When the law is stretched or fractured, shred the records.

Taxpayers may wonder, why not do like those "heroes"—"take the fifth," or at least limited immunity, and evade income taxes? American kids might figure to forget, or at least forget to remember, so they need not tell what they did which they were not supposed to do.

The truth is, the National Security Council has been lacerated, is as naked as a plucked chicken, eviscerated, and ready for the frying pan.

What went on here? It did go on right here, not somewhere else, and it is not a novel or screenplay—it went on right here in the Nation's Capital.

Nothing is too bizarre: A lieutenant colonel running the show, with a White House detached admiral as backup, and a CIA Director symbolically depicted as a sleeping dog—were these the people in charge for "we the people" to deal with a retired general and conniving arms merchants of various countries?

Was this what the people voted for? Have the people delegated power and the public purse to mix with these shoddy deals? I believe not. People have to have confidence in the performance, integrity, and effectiveness of their Government, or the country begins to wither.

Times are tough in many parts of the country and most of the blame for that rests squarely on policies fostered here in Washington. Farmers or small business operators desperately hanging on to save their operations, workers without a job or underemployed, young people pocketbook pinched to pursue education, or older Americans skimping to eke out a livelihood on Social Security are not satisfied that the country's policies are working for them.

The dreary documentary on the Iran-Contra affair unfolds tales of sleaze and conniving at the highest level of Government to use Government to profiteer in a miserable plan to sell weapons to pillage a part of the world already weakened and drained. That it happened through the National Security Council, with numerous officials and present and former members of the Armed Forces involved, certainly jars the confidence of the people in their Government.

That it happened under the nose of the White House, with Congress sitting here on Capitol Hill, causes the citizenry to question the checks and balances of our constitutional Government. That there is enough money to shuffle abroad during these times of economic stress at home causes America's people to disdain their Government. That a majority in both the House and the Senate through a number of votes in the past several years endorsed one way or another the activities of the questionable Contra groups is certainly reason for people to lose confidence in Government. That it bred indifference to integrity and the law is not amazing, because the scheme was shoddy from the time it was conceived.

Excluding an outright invasion, there are three different viable options for U.S. policy in Nicaragua. This administration chose the worst of the three, and Congress on several occasions by majority votes in both the House and Senate turned them loose. Our country is now reaping a bitter harvest.

The political process is on trial. The public trust of voters and taxpayers in delegating authority is being tested.

I decry, as many of you did, and voted against the administration's Nicaraguan policies, but the majority of both Houses approved and the people hold us all, as they have a right to do, accountable for this sordid mess.

The very process of people's delegation of power and purse must be reclaimed to one of integrity, one of honesty, and one of accountability.

This bill, S. 2, to reform the financing of the election process for Senators, is a starting point to rebuild public confidence in the Federal Government.

The long-suffering citizens of this country expect more and are entitled to more than what they are getting from Congress. The least they demand is a system of honest, straightforward accountability. There is no better point for Congress to act to reestablish that accountability than with the bill as a very beginning point—the election of each of the Members of the Senate.

S. 2 would establish a system of campaign spending limits for Senate primary and general elections. That is a beginning point, where the money comes from. S. 2 is a voluntary campaign spending cap. Because the Constitution prevents limiting campaign spending as a limitation on free speech, the bill sets out a voluntary approach for candidates that seek to receive public financing. In effect, the bill offers a candidate the option of voluntarily agreeing to a limitation on campaign spending and, in return, receiving public financing for a major portion of the general election costs.

I strongly endorse campaign spending limits. Too much is spent. The continuous round of gathering campaign money continually ups the ante. It is time—past time—to set the cap.

The bill gives Senate candidates in each State a spending limit, ranging from a minimum of $950,000 to a maximum of $5.5 million, based upon the voting age population of each State.

Political action committees would still be permitted to contribute up to $5,000 per election to a candidate; however, a limit would be placed on the aggregate amount of contributions that a candidate may receive during the 6-year Senate election cycle. That limit would be 30 percent of the primary spending limit.

The bill would require that "independent" TV, radio, and printed ads continuously display and clearly identify who placed and paid for them.

Candidates participating must agree that if, in a TV advertisement, reference is made to an opponent who is also participating, such candidates will do so personally and will be identifiable throughout at least 50 percent of the ad.

S. 2 also closes the so-called bundling loopholes—so candidates cannot evade PAC contribution limits. This, along with limitations on the total amount of PAC contributions, means that candidates' dependence on PAC's for financing is decreased and it should be noted that the bill in extending spending limits to cover primaries also limits the amount that the candidates can spend between the last general election and the date of the primary.

S. 2 is the type of campaign spending reform that makes sense. And it has come none too soon.

The method of campaign financing and the amount of campaign financing available to a candidate is part and parcel of the election process. At this time when the public's confidence in the integrity and honesty of government is at a low ebb, our first step to demonstrate responsibility to the public should be taken by passing the campaign reform provisons contained in S. 2.

To dawdle or delay drags out the lack of public confidence and support of the Federal Government. It is our responsibility—no one else's—to clean up our own house, and this is the best place to start.

Mr. President, I yield the floor. But before I do, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, in May 1974, the Senate passed legislation which was intended to provide campaign "reform." Included in that bill were provisions calling for the public financing of Federal campaigns. Thirteen years ago there were numerous, unsuccessful efforts to delete public financing from the campaign reform bill then under consideration. I supported each of those efforts, and called public financing a "step backwards" from the goal of campaign reform. I said in 1974 that public financing was fiscally irresponsible and that it would deplete the "public treasury of funds that are desperately needed in other sectors of our society."

The passage of 13 years has further buttressed the validity of those comments. The deficit for fiscal year 1974 was $11.6 billion. The National debt was $486 billion. Last year the deficit was $220 billion, nearly 10 times the yearly deficit in 1974. The National debt last year exceeded $2.2 trillion.

It is estimated by the sponsors of the legislation before us that public financing in the 1988 election will cost the Federal treasury at least $91 million. It is inconceivable to me that when the payment of interest on our national debt is the third largest item in the Federal budget, a proposal to remove nearly $100 million in funds from the public treasury and to distribute those funds to congressional candidates, is given the serious consideration of this body.

Although improvements can be made in Federal political campaigns, it is not necessary, nor is it advisable, to place the burden of these improvements on the American taxpayer.

The sponsors of this bill say that it will reduce campaign spending. I, too, believe that the reduction of campaign spending is an important goal. However, at what price to the American taxpayer is this goal achieved by the legislation in question? Campaign spending limits proposed for California provide an excellent example of the illusion of reform provided in this bill. In the California Senate race last year, Senator CRANSTON and Congressman Zschau together spent $22.5 million. Under S. 2, they would have been limited to $17.6 million in public funds. Are we seriously contemplating asking the American taxpayer to pay $17.6 million to reduce campaign spending in California by $4.9 million? This is not reform. This is welfare for politicians.

I agree that campaign spending should be reduced. I strongly disagree with the concept that the American taxpayer must foot the bill to achieve campaign spending reductions. Under our system of government, we should encourage truly voluntary participation in the electoral process. Those who wish to contribute to a campaign should be allowed the opportunity of contributing to a candidate of their choice. The underlying premise of S. 2 is that political action committee's [PAC's] are bad, and therefore, PAC contributions should be discouraged. I disagree with that premise. PAC's encourage the participation of millions of individuals who have limited financial resources to contribute to candidates of their choice.

I agree with my colleague from South Carolina, Senator HOLLINGS, who has asserted that the problem is not too much participation in the political system, but rather too much money being required to run for office. Senator HOLLINGS proposed Senate Joint Resolution 21, to provide a constitutional amendment that would permit Congress to impose legal caps on campaign spending. I believe such an approach to the problem of campaign spending has merit. I assume that is why the ranking minority member of the Rules Committee, Senator STEVENS, is an original cosponsor of that bill.

Mr. President, I ask unanimous consent that I, too, be added as a cosponsor of Senate Joint Resolution 21.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. In conclusion, I would like to quote from an article written by Frank Fahrenkopf, Jr., chairman of the Republican National Committee:

> Our present system of funding Congressional elections is public financing. The public voluntarily decides who will receive its financial support.

This is the way it should be, Mr. President. Any proposal which includes taxpayer financing of congressional campaigns will have my strong opposition. Any proposal which omits such provisions, and is designed to promote true campaign reform will have my most serious consideration. The most appropriate vehicle to achieve campaign finance reform is a constitutional amendment. Accordingly, I support that approach.

Mr. President, I yield the floor.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLOTURE MOTION

Mr. BYRD. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

> CLOTURE MOTION
>
> We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the committee substitute for S. 2, to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.
>
> Senators Robert C. Byrd, Terry Sanford, Max Baucus, Tom Daschle, Harry Reid, Edward Kennedy, Carl Levin, Wyche Fowler, Jr., David L. Boren, Daniel P. Moynihan, Wendell Ford, Spark Matsunaga, Paul Sarbanes, Jim Sasser, Alan Cranston, Patrick J. Leahy, John F. Kerry, Barbara Mikulski, Kent Conrad, and Tom Harkin.

Mr. BYRD. Mr. President, if I can get consent, the cloture vote will occur on Tuesday, whether or not the Senate is in on Monday.

The Senate will not be in on Monday, so if I can get consent the vote will occur on Tuesday. The motion will mature by Tuesday. I say that for the Record. The matter has been cleared with the distinguished Republican leader and the distinguished Senator from Oregon [Mr. PACKWOOD] and others that the cloture motion will be permitted to ripen by Tuesday even though the Senate is not in on Monday.

Mr. President, I therefore ask unanimous consent that the vote on the motion to invoke cloture occur at 5 p.m. on Tuesday next and that a quorum call not precede within the hour of that vote.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. In this way, all Senators can be sure that the vote will occur at 5 o'clock p.m. on Tuesday next.

MESSAGES FROM THE HOUSE

At 10:13 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1444. An act to amend titles XI, XVIII, and XIX of the Social Security Act to protect beneficiaries under the health care programs of that Act from unfit health care practitioners, and otherwise to improve the antifraud provisions relating to those programs;

H.R. 1451. An act to amend the Older Americans Act of 1965 to authorize appropriations for the fiscal years 1988, 1989, 1990, and 1991, and for other purposes; and

H.R. 2330. An act to authorize appropriations to the National Science Foundation for the fiscal year 1988, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1444. An act to amend titles XI, XVIII, and XIX of the Social Security Act to protect beneficiaries under the health care programs of that act from unfit health care practitioners, and otherwise to improve the antifraud provisions relating to those programs; to the Committee on Finance.

H.R. 1451. An act to amend the Older Americans Act of 1965 to authorize appropriations for the fiscal years 1988, 1989, 1990, and 1991, and for other purposes; to the Committee on Labor and Human Resources; provided that if reported by said committee, it be refereed to the Select Committee on Indian Affairs for not to exceed 30 days, provided that the Select Committee on Indian Affairs be limited to amendments to section 41 or an amendment proposed to the subject matter contained in that section.

H.R. 2330. An act to authorize appropriations to the National Science Foundation for the fiscal year 1988, and for other purposes; to the Committee on Labor and Human Resources.

ENROLLED JOINT RESOLUTION SIGNED

The President pro tempore (Mr. STENNIS) announced that he had signed the following enrolled joint resolution previously signed by the Speaker of the House of Representatives:

H.J. Res. 280. Joint resolution to observe the 300th Commencement exercise at the Ohio State University on June 12, 1987.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD (for Mr. BIDEN), from the Committee on the Judiciary, with an amendment in the nature of a substitute and an amendment to the title:

S. 1200: A bill to amend title 35, United States Code, with respect to patented processes, patent misuse and licensee challenges to patent validity.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary:

Haldane Robert Mayer, of Virginia, to be United States Circuit Judge for the Federal Circuit; and

Layn R. Phillips, of Oklahoma, to be United States District Judge for the Western District of Oklahoma.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HEINZ:

S. 1334. A bill to restrict certain U.S. contributions to international organizations until certain actions to eliminate abuses of the United Nations system are undertaken by the United Nations Secretary General; to the Committee on Foreign Relations.

By Mr. McCLURE (for himself and Mr. SYMMS):

S. 1335. A bill to establish the City of Rocks National Reserve in the State of Idaho and for other purposes.

By Mr. CRANSTON:

S. 1336. A bill to authorize the granting of diplomatic and consular privileges and immunities to offices of the Commission of the European Communities which are established in the United States; to the Committee on Foreign Relations.

By Mr. DURENBERGER (for himself and Mr. STAFFORD):

S. 1337. A bill to designate the Federal Building and United States Courthouse at 316 North Robert Street, Saint Paul, Minnesota, as the "Warren E. Burger Federal Building and United States Courthouse"; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BAUCUS (for himself, Mr. CHAFEE, Mr. BURDICK, Mr. STAFFORD, Mr. PELL, Mr. DOLE, Mr. MITCHELL, Mr. LUGAR, Mr. REID, Mr. EVANS, Mr. KERRY, Mr. DURENBERGER, Mr. ADAMS, Mr. BENTSEN, Mr. BINGAMAN, Mr. BOREN, Mr. BUMPERS, Mr. COHEN, Mr. CONRAD, Mr. DASCHLE, Mr. DODD, Mr. GORE, Mr. HARKIN, Mrs. KASSEBAUM, Mr. KENNEDY, Mr. LEAHY, Mr. MOYNIHAN, Mr. PRYOR, Mr. SIMON, Mr. WIRTH, Mr. HOLLINGS, Mr. DECONCINI, Mr. BRADLEY, Mr. HEINZ, and Mr. ROCKEFELLER):

S. Res. 226. A resolution expressing the sense of the Senate with respect to ongoing international negotiations to protect the ozone layer; considered and agreed to.

By Mr. CRANSTON (for himself, Mr. BENTSEN, Mr. D'AMATO, Mr. KERRY, Mr. MITCHELL and Mr. WILSON):

S. Res. 227. A resolution expressing the sense of the Senate regarding proposals by the Government of Canada to limit the ability of foreign companies to distribute motion pictures in that country, and the relationship of those proposals to the successful completion of a Free Trade Agreement between the U.S. and Canada; to the Committee on Finance.

By Mr. BYRD (for himself and Mr. DOLE):

S. Res. 228. A resolution authorizing the taking of a photograph in the Chamber of the United States Senate; considered and agreed to.

By Mr. BYRD:

S. Res. 229. A resolution to establish the Interim Office of Senate Security; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HEINZ:

S. 1334. A bill to restrict certain U.S. contributions to international organizations until certain actions to eliminate abuses of the United Nations system are undertaken by the United Nations Secretary General; to the Committee on Foreign Relations.

ABUSES OF THE U.N. SYSTEM

Mr. HEINZ. Mr. President, today I am introducing legislation that would force the United Nations to end a history of flagrant abuses by the countries of the Soviet bloc, abuses that use American taxpayer dollars to subsidize Soviet espionage against the West and trample the international principles of the U.N. system.

Last year I offered similar language as an amendment to the continuing appropriations resolution. Events since then have only underscored the need for strong Senate action of the kind represented by this bill. We have all watched in horror as the security breaches of our Embassy in Moscow called the integrity of our entire worldwide system of Embassy security into question. We have belatedly awoken to the potential intelligence threat posed by the new Soviet Embassy complex on Mount Alto.

Now, as our colleague Senator BOB KASTEN has revealed, the U.N. Secretary General Javier Perez de Cuellar is apparently granting the Soviet bloc a waiver on an April 1986 U.N. hiring freeze so they can replace 104 of their nationals working in the Secretariat. This would also allow the Soviet to funnel in dozens of new intelligence operatives to replace the 25 we expelled from their mission to the United Nations last year; And it perpetuates the "ownership" of certain Secretariat jobs by the Soviets, who are not U.N. civil servants, who are allowed to specify the slots through which their short-term national employees are rotated. It is clear that the Secretary General does not yet take our concern about Soviet abuse at the United Nations seriously.

We cannot afford to ignore the intelligence threat posed by the Soviet bloc employees of the United Nations. To address this security problem, the U.S. Government has taken some first and encouraging steps. For example, Congress has imposed limits on the travel rights of these agents posing as diplomats. The administration has expelled identified Soviet intelligence operatives working at the United Nations. We even caught one, Gennadiy Feodorovich Zakharov, redhanded and arrested him.

We must let the Secretary General know that the flagrant abuses of the U.N. system practiced by the Soviet bloc will no longer be tolerated by the U.S. Senate. American taxpayer dollars will no longer go to subsidize Soviet subversion of international organizations and fulfillment of Soviet intelligence objectives against the United States. This bill is tough, it is clear, it is to the point.

I urge my colleagues to take a look at this issue. The Senate has spoken strongly on matters of American security, on protecting our secrets from Soviet intelligence. The Senate supports the legitimate objectives of the U.N. system. If we want to continue both, we must take action to end the damage to both these interests represented by current Soviet practices and U.N. policy. I urge my colleagues to join me in this effort and to cosponsor this legislation.

Mr. President, I also ask unanimous consent that an excerpt of a report entitled "Soviet Presence in the U.N. Secretariat" by the Senate Select Committee on Intelligence of the Senate, be printed in the RECORD, as well as the text of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1334

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That fifty percent of the funds made available for the Fiscal Year 1988 by any provision of law to meet the obligations of the United States for assessed contributions to the United Nations and its specialized agencies may not be obligated until the President certifies to the Congress that significant progress has been made within the United Nations Secretariat in eliminating:

(1) the use of salary remission arrangements whereunder the nationals of member states serving as employees of the United Nations Secretariat or any of its specialized agencies are required to turn over their salaries to their national governments and retain only a portion of the salary paid to them by the United Nations;

(2) the excessive use of secondment by member states whereunder nationals of the member states serving as employees of the United Nations Secretariat or the specialized agencies are seconded to such employment on fixed-term contracts and not allowed to become regular career employees of the United Nations, with a view to implementing the recommendations of the Group of 18 with respect to limits on the use of secondment; and

(3) the blatant control of nationals of member states serving as employees of the United Nations Secretariat or the specialized agencies through regular supervision, consultation, and evaluation of such nationals of member states by their permanent missions to the United Nations or to the specialized agencies of the United Nations.

SOVIET PRESENCE IN THE UN SECRETARIAT [1]

SUMMARY

The Soviet Union is effectively using the UN Secretariat in the conduct of its foreign relations, and the West is paying for most of it. The 800 Soviets assigned to the United Nations as international civil servants report directly to the Soviet missions and are part of an organization managed by the Soviet Foreign Ministry, intelligence services, and the Central Committee of the Communist Party. The Soviets have gained significant advantage over the West through their comprehensive approach to the strategy and tactics of personnel placement and their detailed plans for using the United Nations to achieve Soviet foreign policy and intelligence objectives.

Soviet and Eastern Bloc personnel use their positions to promote a broad range of foreign policy objectives in the United Nations and its specialized agencies. They gather information to provide early warning of possible UN actions and are involved in shaping conference papers controlling the flow of news to staff and delegations, influencing delegations seeking Secretariat advice, and aiding Soviet diplomats during conference and other deliberations. Western diplomats have protested specific instances of Soviet staff abuses, but no comprehenisve effort has been undertaken by the United Nations to enforce UN Charter and Secretariat staff regulations that prohibit employees from acting on behalf of their government.

Soviet employees use the United Nations to support Soviet propaganda activities worldwide. Soviet Secretariat officials receive instructions directly from Moscow on propaganda placements for coverage in the Soviet media and to arrange for the UN Secretary General to make favorable reference to statements of Soviet leaders or announcements of the Central Committee. Documents supporting Soviet interests are entered into UN records and later presented as a UN document in Soviet propaganda placements.

Key Soviet personnel have been placed in UN offices responsible for UN relations with nongovernmental organizations and Soviet front groups. Nongovernmental organizations such as the World Peace Council participate in UN activities. Soviet interest in these groups stems from their ability to influence UN debate and the domestic political process in their own countries.

Approximately one-fourth of the Soviets in the UN Secretariat are intelligence officers and many more are co-opted by the KGB or GRU. All Soviets in the Secretariat must respond to KGB requests for assistance. The Soviet intelligence services use their UN assignments to collect information on UN activities; to spot, assess, and recruit agents; to support worldwide intelligence operations; and to collect scientific and technical information of value to the USSR.

Soviet subversion of UN programs have bene prevented on occasion by strong US protests and action of UN officials. Secretary General Perez de Cuellar has thwarted some Soviet personnel moves, but he is dependent on Soviet support for UN diplomatic efforts. The Soviets will maintain a distinct advantage in the United Nations until their diplomatic and intelligence efforts are matched by systematic, long-term Western opposition.

Soviets in the United Nations and its specialized agencies, by organization in 1984

Organization	Number of Soviets
Total	773
United Nations, New York, Geneva, Vienna, Nairobi, etc.	469
International Atomic Energy Agency [IAEA], Vienna	69
International Civil Aviation Organization [ICAO], Montreal	20
International Labor Organization [ILO], Geneva	43
International Maritime Organization [IMO], London	8
International Telecommunications Union [ITU], Geneva	11
United Nations Development Program [UNDP], New York	4
United Nations Educational, Scientific, and Cultural Organization [UNESCO], Paris	59
United Nations Children's Fund [UNICEF], New York	4
United Nations Institute for Training and Research [UNITAR), New York	1
United Nations Relief Refugees in the Near East [UNRWA]. Beirut	1
Universal Postal Union [UPU], Berne	4
World Health Organization [WHO], Geneva	51
World Intellectual Property Organization [WIPO], Geneva	6
World Meteorological Organization [WMO], Geneva	17
World Tourism Organization [WTO], Madrid	6

SOVIET PRESENCE IN THE UN SECRETARIAT

"Members of the Secretariat shall subscribe to the following oath or declaration: I solemnly swear (undertake, affirm, promise) to exercise in all loyalty, discretion, and conscience the functions entrusted to me as an international civil servant of the United Nations, to discharge these functions and regulate my conduct with the interests of the United Nations only in view, and not to seek or accept any instructions in regard to the performance of my duties from any Government or other authority external to the Organization."

UN REGULATION 1.9

The Soviet Union is effectively using the UN Secretariat in the conduct of its foreign relations, and the West is paying for most of it. In contrast with Western members whose citizens normally work as international civil servants, Soviets in the UN system are part of a large and complex system designed to:

—Determine how to integrate UN activities with other foreign policy and intelligence efforts.

—Identify the specific positions in the UN system that can contribute to those efforts.

—Secure and keep targeted positions.

—Manage the work of Soviet citizens holding UN jobs.

The lines of authority for this system begin in Moscow with the Politburo and run through the Foreign Ministry, the KGB, and GRU to the Soviet Missions in New York, Geneva, Paris, Vienna, and other cities with UN agency headquarters. The Soviet missions, in turn, directly control the 800 Soviet citizens employed by the United Nations and its specialized agencies. In addition, the Soviets have direct control over third-country agents recruited by the KGB and have influence over the 200 Eastern Bloc employees. Thus, Western delegations face not only the large Soviet delegations and the Third World majority in the United Nations but also an organization of 800 people within its bureaucracy who have been placed by, are managed by, and are responsible to the Soviets and their allies.[2]

The Soviets' comprehensive approach to the strategy and tactics of personnel placement is unique in the UN system. Soviet personnel placements reflect overall Soviet objectives in propaganda, acquisition of Western technology, and intelligence activities. In the Security Council and the General Assembly, the Soviets seek positions from which they can protect or promote Moscow's broad political and intelligence objectives.

In addition to their comprehensive approach to placement, the Soviets maintain effective control over their citizens in the UN system. Most Western employees are career international civil servants on contract with the United Nations. Soviet citizens are first carefully selected for a specific function and often stay on that career track, rotating on short-term contracts among assignments in international organizations and related Soviet ministry slots. No Western state or group of states can match the combination of expertise and placement strategy of the Soviet Union and the Eastern Bloc in the UN system.

Ninety percent of the salaries for Soviet personnel in the UN Secretariat is paid by contributions from other member states. Moreover, the Soviets also net an estimated $20 million in hard currency each year from kickbacks they require from their UN staff. These funds are used to finance other diplomatic, propaganda, and intelligence activities.

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[1] This report was prepared for the Select Committee on Intelligence by elements of the U.S. intelligence community.

[2] See appendix A for details of the organization that controls Soviet UN Secretariat employees.

Soviet Objectives[3]

Moscow has specific objectives and detailed plans concerning its participation in the UN system. The Soviets serving in the UN system have four basic objectives:

—Promote Soviet and allied interests in the United Nations.

—Spread Soviet propaganda.

—Use status to influence individuals and groups within member states.

—Undertake intelligence operations.

Geographical Distribution of UN Staff

In 1957 the admission of 20 new members to the United Nations prompted UN General Assembly consideration of the equitable distribution of positions in the UN Secretariat. The General Assembly recommended to the Secretary General that representation of new members be increased by giving preference in hiring to nationals of "underrepresented" countries and by increasing the number of fixed-term contracts, by which officials of governments are loaned or "seconded" to the United Nations for a fixed number of years.

The Secretary General responded by ordering publication of a report each year that shows the representation in the UN Secretariat by country and posts, including all political posts (P-1 and higher), and by developing a system of desirable ranges for specific countries and regions based on populations, cultural tradition, political system, and UN contribution. From the beginning, the United States and Western Europe have been overrepresented, and the Third World and the Eastern Bloc have been underrepresented.

The trend of the last 20 years has been to increase the number and proportion of Third World and Eastern Bloc nationals. Since the UN Secretariat has increased in size, the number of Western Secretariat officials also has increased, but their proportion in the Secretariat and their dominance of the institution have decreased.

Promoting Soviet Interests

Soviet and Eastern Bloc personnel in the UN Secretariat use their positions to promote Soviet and Eastern Bloc interests in all phases of UN action. Their efforts begin with gathering information to provide early warning of possible UN actions and do not end until the final report has been disseminated. Soviet and Eastern Bloc personnel are involved in shaping conference papers, controlling the flow of news to staff and delegations, influencing delegations seeking Secretariat advice, and aiding Soviet diplomats during conferences and other deliberations.

The Kickback System

The Soviet Union receives about $20 million per year in salary kickbacks from Soviet employees in the United Nations and its specialized agencies. Although this sum does not cover the full cost of Soviet participation in the United Nations, it is a major subsidy for Soviet diplomatic and intelligence efforts.

The kickback system did not begin as a calculated scheme but rather as a Soviet Government response to the ruffled feathers of Soviet ambassadors jealous of the perquisites of their offices. In the early 1960s the Ambassador to Austria complained that young diplomats recently graduated from college and working for international organizations were getting three times his salary. Worse, the youngsters were buying Western cars. As a member of the Central Committee, the Ambassador got the support of his colleagues, and the practice of salary kickbacks was begun.

An identical kickback system is at work throughout the United Nations. Each position in the UN Secretariat is assigned a rank and pay grade equivalent to that in the Soviet Mission, which is roughly comparable to an individual's diplomatic status. No matter his rank or grade, each Soviet employee is required to turn over his entire UN salary to a finance clerk in the Soviet Mission. The clerk then pays the Soviet Secretariat employee the standard hard currency salary paid to mission personnel of the same rank plus 10 percent. If the Soviet resides outside the Soviet compound, he also receives an apartment allotment. The payment usually does not meet the actual rental expenses. The hard currency contribution Soviets make to the UN pension fund is turned over to the Soviet mission when they leave the UN Secretariat.

Early Warning.—Each Soviet Secretariat employee has his UN work reviewed by the Soviet mission for analysis and comment. In addition, the KGB has access to some UN code cables, some of which are copied and sent to Moscow. Though these efforts, the Soviet mission is aware of the initiation of Secretariat actions and is able to intervene early on when the substance of the recommendations are more easily influenced. Early warning also gives Soviet diplomats longer leadtimes to prepare for a meeting.

Conference Preparation.—Groundwork for major UN conferences begins years in advance with the Secretariat's preparation of the basic documents for discussion. Soviet and Eastern Bloc personnel are in a position to share these documents to favor their governments' positions. Soviet employees directly influenced key conference documents for the UN Special Sessions on Disarmament in New York and the UN Conference on Trade and Development (UNCTAD) in Belgrade in 1983. The UNCTAD document was such an egregious distortion of Soviet-versus-Western aid efforts that it drew a sharp US protest.

News Service.—The Soviets have tried to gain control of the Political Information and News Services (PINS) established by the United Nations to provide Secretariat staff and member states with synopses of media reports. Supervision of PINS was assigned to the office of UN Secretariat Under Secretary General Viacheslav Ustinov, who delegated the editiorial responsibilities to his special assistant, Viktor Andreyev.

Control of PINS gives the Soviets an opportunity to select and edit press items. Review of PINS products indicates an anti-US bias and an absence of unfavorable coverage of the Soviet Union. For example, during the US election in the fall of 1984, PINS used selective coverage from US newspapers to support the Soviet position that President Reagan's arms control proposals were motivated by campaign politics.

History of Soviet Presence in the UN Secretariat

Soviet activities since the founding of the United Nations in 1945 indicate that USSR participation has evolved through three phases:

—From 1945 to 1954. Moscow sent few of its people to serve in the Secretariat, and those sent tended to be senior officials responsible for monitoring UN activities.

—From 1954 to 1970. The Soviets established themselves in key Secretariat positions and developed tactics to shape Secretariat activities to meet their needs.

—From 1970 to the present. Moscow refined its system of personnel placement and control so that Soviets in the Secretariat function reasonably well as adjuncts of the Soviet Foreign Ministry and intelligence services.

Before 1954 the Soviet Government considered the United Nations a pro-US organization and was unwilling to commit resources to it. The government also feared that giving Soviet citizens the status of international civil servants would lead to defections. Consequently, only a few well-screened Soviet officials were employed in the UN Secretariat, and only a handful of KGB officers were under UN cover.

In 1955 Nikita Khrushchev recognized that the trend toward decolonization would mean the admission of a large number of newly independent states to the United Nations, which would transform the character of the organization. The Soviet Foreign Ministry responded with new interest to the United Nations by enlarging its Department of International Organizations and creating new sectors to deal with disarmament and international economic organizations. A Khrushchev demand for a more equal representation in the Secretariat caused a push for UN positions, which initially were staffed by poorly qualified individuals.

As the Soviets gained more UN posts, the pool of qualified people with UN experience increased. More acceptable candidates were provided for vacanicies, and the KGB became increasingly subtle in seeking advantageous positions for its officers. The 800 Soviets currently employed in the United Nations reflect this focus on increasing the quality and influence of Soviet placements.

Influence on Other Delegations.—Secretariat staff officials are often asked for advice and assistance, particularly by Third World delegations. Such exchanges allow the Soviets in the Secretariat to influence the presentation of positions of friendly Third World delegations. Soviets in the Secretariat also use third-country nationals to sound out Third World or Western countries on proposals the USSR wants to introduce. By taking these soundings through third-country nationals and then having a client sponsor the initiative, the Soviets avoid some the disadvantages of Soviet sponsorship.

Support for Meetings.—Soviet and Eastern Bloc personnel also use their positions to assist their delegations attending UN meetings. These efforts provide small but significant advantages. For example, the Soviet-dominated Office of Conference Services gives Soviet diplomats the advance copy of speeches that are prepared for the interpreters. The Soviets also receive advance copies of documents prepared for the official record of UN meetings, which facilitates their preparations.

Soviet Secretariat staff members do not hesitate to manipulate UN procedures to favor the Soviets and their allies. During the 1968 UN General Assembly (UNGA) debate on China's representation in the United Nations, Viktor Lesiovskiy, who was serving as a special assistant to Secretary General U Thant, drew a formal protest from the US Mission when he put the United States in a disadvantageous position on the speakers list.

Decorum does not preclude Soviet UN officials from providing advice to Soviet delegates during UN proceedings. At the January 1962 debate on the Congo issue, the

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[3] See appendix B for details on Soviet interest in UN components.

Soviet Under Secretary General passed five penciled notes to Soviet representative Valerian Zorin, drawing complaints from non-Communist delegates that the action was highly improper.

Soviets in the Secretariat provide internal UN budget information directly to the Soviet representative on the UNGA's Fifth Committee, which is responsible for the budget. In technical conferences, Soviet Secretariat officials have been assigned directly to the Soviet delegation.

Obtaining UN Resources.—Soviets in the UN Secretariat are instructed to get back as much as possible of the USSR's contribution to the United Nations. Some of the activities include getting the United Nations to sponsor conferences in the USSR and to publish Russian UN documents. In the UN Educational, Scientific, and Cultural Organization (UNESCO), Soviets are diverting programs to the USSR intended for underdeveloped countries.

Soviet Tactics for Securing UN Jobs

The Soviet Government accomplishes its personnel objectives in the United Nations through a combination of long-range planning and dogged persistence. The Soviets usually begin their efforts to secure slots through the formal UN personnel systems, but they also use a variety of other tactics to gain their ends. One ploy is to remain geographically underrepresented in the Secretariat to improve their chances of securing desired posts. If the Soviets are particularly interested in a specific position, they will present a well-credentialed, outstanding candidate for the post. This method was used in securing the directorship of the Dag Hammerskjold Library at UN headquarters in New York. When a qualified person is not available, a resume is falsified. Political pressure also is used to gain personnel concessions. For example, the USSR has blocked the transition of the UN Industrial Development Organization into a specialized agency to make sure a deputy director general position is reserved for the Eastern Bloc countries.

The Soviets also achieve their objectives by ignoring or manipulating the UN vacancy notice system. As Director of Personnel in Geneva, Gely Dneprovsky used his authority to hire locally on temporary contract without approval from New York. He moved Soviets or their allies into key positions as temporary appointees so that they could subsequently apply as internal candidates. The Soviets have also used friendly third-country nations to protect their slots. For example when a KGB agent who was filling a senior political officer slot returned to the USSR on leave for a year, a Spanish national working under Soviet supervision as a manual laborer was shifted to fill the slot ad interim. The Soviets have also been known to exclude highly qualified third-country candidates from consideration to make their own nations look better and have intervened at the highest levels to protect incompetent Soviet officials.

Propaganda Placement

The Soviets use the United Nations to support Soviet propaganda activities worldwide. Secretariat officials receive instructions directly from Moscow on placing materials or staging propaganda events for coverage in the Soviet media. Communist Party groups in the secretariates of international organizations concentrate on the use of UN posts for Soviet propaganda.

Soviets in the Secretariat are instructed to arrange for the UN Secretary General to make favorable reference to the statements of Soviet leaders or anouncements of the Central Committee. The Soviets circulate these statements and a wide variety of decisions and anouncements of the Soviet Government as UN documents, which are then reported in Soviet media as having been acknowledged by the United Nations. As a matter of practice, the United Nations allows documents of any delegation to be entered in the record and circulated as official UN documents. The fact that the documents have been circulated in the United Nations is used by the Soviet press and other media in a way that gives the Soviet propaganda placement more credibility.

The Soviet delegation exploits UNESCO for propagandizing Soviet achievement in agriculture, science, culture, and education and the advantages of the Soviet way of life. The Soviets use the organization's programs, international forums, information and publication activities, and its audiovisual services.

The party committees in the Soviet communities in New York, Geneva, Paris, and Vienna are actively involved in Soviet propaganda activities. The party structure is made up of the Soviets in the embassy, consulate, the trade mission, and groups from the secretariats of each international organization. Each group has a propaganda committee that meets to discuss practical steps for attaining Soviet propaganda objectives. One or more representatives of each committee attends the main propaganda committee meeting once a month. The main committee meeting is chaired by the Ambassador, who is assisted by the Party Secretary, whose instructions come from the Central Committee.

The Ambassador holds periodic meetings to review the progress of the propaganda program and to discuss plans for increasing the effort. Occasionally, an official of the Cadres Abroad Department of the Central Committee visits the UN representing himself as a member of a delegation to an international organization or conference, but actually his mission is to discuss the propaganda activities conducted within the secretariats of international organizations.

Support of Soviet Interests Outside the United Nations

Soviet Secretariat employees use their positions to influence not only the diplomatic activity within the United Nations but also the groups and individuals within member states. To accomplish this objective, they are focusing particularly on nongovernmental organizations (NGOs) associated with the United Nations and Soviet front groups.

NGOs.—Groups such as the World Peace Council participate in a wide variety of UN activities to bring nonofficial views and information to member states. NGO representatives may attend conferencs as observers; submit papers, which become part of the official record; and at times speak at meetings. The NGOs are targets because of their potential to influence UN debate and because of their interaction in the political processes of their countries.

International Year of Peace

Preparations under way for the 1986 International Year of Peace (IYP) are an example of the ability of the Soviets in the Secretariat to influence organizations outside the UN system. The UNGA proclaimed 1986 as International Year of Peace and invited member states to participate in its observance, Soviet Under Secretary General Ustinov was assigned responsibility for the project. His UN staff is soliciting funds for the project and organizing regional meetings of nongovernmental organizations. In this way, individuals and groups will participate in a UN project without suspecting that the effort is managed by a Soviet.

The Soviets have key personnel in offices responsible for UN Secretariat relations with nongovernmental organizations. In New York, Anatoly Mkrtchyan heads the External Relations Division of the Department of Public Information. At UNESCO, Assistant Director General Sema Tanguiane personally approves the list of invitees to UNESCO nongovernmental meetings. In Geneva, Political Officer Vladimir Soloviev is in charge of seminars and relations with NGOs in the Information Service.

Front Groups.—The KGB and the Central Committee actively promote the connection between UN and Soviet front organizations such as the World Peace Council (WPC). Soviet Secretariat employees also attempt to get high-level UN representation at meetings and conferences sponsored by front organizations. When WPC President Romesh Chandra visits the United Nations, Soviet personnel in the Secretariat are instructed from Moscow to coordinate the visit and arrange meetings with the UN Secretary General and the presidents of the Security Council and the General Assembly.

The Soviets use the UN imprimatur and funds to lend credibility and prestige to Soviet front organizations involved in Moscow's peace offensive in the Third World and Western Europe. The front organizations participate in the meetings of major UN committees, subordinate organizations, regional commissions, and specialized agencies. They are in contact with the Secretary General and departments of the Secretariat.

Intelligence Operations

Approximately one-fourth of the Soviets in the UN Secretariat are intelligence officers. Moreover, many other Soviets are coopted by the KGB and GRU. All Soviets in the UN system must respond to KGB requests for assistance.

In the early years of Soviet participation in the United Nations, Moscow placed a few intelligence officers in New York, but they were not very successful in collecting information. The KGB and GRU initially used UN positions only as a cover for intelligence activities. Over time, Soviet intelligence services have become experienced in the use of the UN system and its personnel and program resources to support their efforts. They now use their UN assignments and the organization itself to collect information on UN activities; to spot, assess, and recruit agents; to support worldwide intelligence operations; and to collect scientific and technical information of value to the Soviet Union.

No Kid Stuff

The Youth Forum, sponsored by the National Swiss Commission for UNESCO, is a tradition. Since 1953, 500 schoolchildren from the four corners of Switzerland and bordering French regions have assembled in Geneva once a year to "play" United Nations. As in the General Assembly, the young people are grouped by the countries represented in the United Nations and debate a specific topic for three days.

For 25 years, the Forum was held in the Palace of Nations, an official UN building, which gave the event an added sense of authenticity. But since 1978, following an interesting and revealing incident, the forum has been held at the International Conference Center, which belongs to the city of Geneva.

The topic of the Forum that year was "The Chapter of the United Nations and the Human Rights Declaration." On the afternoon of the first day, a young boy "representing" the United Arab Emirates motioned for the elimination of the two seats occupied by the Ukrainian and Byelorussian Soviet Socialists Republics, which are an integral part of the USSR. He considered it unfair that the Soviets three votes in the General Assembly—which has been the case since the United Nations was established in 1945—when they are the greatest violators of human and civil rights. The motion was adopted.

This nonconsequential play acting sparked a high-level Soviet response. A Soviet official of the UN press service happened to see the proceedings and reported them to the Soviet Ambassador. The next morning, Ambassador Zoya Mironova woke the director of the Palace of Nations and demanded that he terminate the Forum. The director, Luigi Cottafavi, explained that the assembly entailed no commitment for the United Nations, but, when the young people arrived at the Palace about 9 a.m., they found the doors locked. The decision has been made by the official in charge of conference services, Vladimir Lobachev, a Soviet, without consulting the director of the Palace. The young people had lost. They left the Palace and never returned to disturb the peace and quiet of the diplomats.

Cover.—UN staff assignments are used as cover for operations directed at the host country and third countries. UN secretariat status provides intelligence officers with the opportunity to travel unencumbered by restrictions imposed on Soviet diplomats. Furthermore, UN identification does not disclose nationality, which allows Soviet UN employees to attend professional, academic, or political meetings and to develop contacts without revealing their nationality.

One example of Soviet use of UN cover involves Anatoliy Andreyev, an intelligence officer who worked as a UN librarian. In 1973 Andreyev met a civilian employee of the US military at a librarians conference on Long Island. After a year of exchanging unclassified documents, Andreyev offered to help the military employee financially in exchange for specific classified documents. Andreyev left the United States after a quiet protest from the UN mission.

Another GRU officer, Kirill Chekotillo, worked in the UN Office of Political and Security Council Affairs for the Soviet Under Secretary General. During that time, Chekotillo also traveled around the United States visiting various research institutes. Using the coverage of a German working for the United Nations on Law of the Sea negotiations, he was able to gather information on the status of US oceanographic research. When the United States pointed out these clandestine activities to the Secretary General, Chekotillo resigned and returned to Moscow.

Recruitment.—The prestige and importance of a UN post for European and Third World diplomats provide an excellent opportunity for the Soviets to meet and develop long-term intelligence sources and agents of influence. In New York, Geneva, and Vienna extended contact with Africans and Asians does not arouse the suspicion it would in the diplomats' home capitals, where Soviet officers may be under heavy surveillance.

The United Nations is fertile ground for Soviet recruitment efforts. Soviets working in the UN personnel system use their access to personnel records for spotting and assessing possible recruits. UNESCO, the International Atomic Energy Agency (IAEA), UNCTAD, and other UN agencies sponsor seminars and conferences in the Soviet Union, and the Soviets in the secretariats control or monitor the invitations to these events. In the Soviet Union, the attendees are targets for Soviet intelligence officers.

Soviets in the UN personnel system also help their agents get UN jobs. These posts may be used to enhance the political or diplomatic career prospects of an agent of influence or UN employee as an enticement or reward for service. The Soviets can be as effective in a negative way; they prevent promotions and make working conditions unpleasant for uncooperative UN employees.

Third-Country Operations.—Soviet intelligence officers use the headquarters of UN international organizations to support their third-country operations. Meetings are planned for New York, Geneva, Vienna, or Paris, although the agent's travel and business have nothing to do with the United Nations. UN conferences held in these cosmopolitan cities allow Soviets extended contact with agents with whom it would be difficult to meet in their home countries. A recent case involved Arne Treholt, a prominent member of Norway's UN delegation from 1980 to 1982. The Norwegian State's attorney accused Treholt of obtaining NATO classified information and passing it to the Soviets. He met his KGB case officer at the UN Library in New York.

Scientific and Technical Collection.—The USSR also takes advantage of its positions in international organizations to acquire scientific and technical information and equipment. A large portion of the individuals who come to the UN Secretariat from the State Committee for Science and Technology and related academic institutions are KGB or GRU personnel, or have been co-opted by the intelligence services. Soviet tactics vary from simply taking hardware and shipping it to Moscow to arranging for international organizations to conduct or support research that fills gaps in Soviet technological knowledge.

The Soviets use the UN copying facilities and have shipped boxes of technical literature back to the USSR at no cost to the Soviet Government. As the Soviets have assumed more responsible positions as directors of research programs, they have been able to establish data bases of specific interest to the Soviet Union, again at UN expense.

The Soviets began using the UN in their scientific and technical collection effort at the International Atomic Energy Agency in the late 1950s. Positions acquired in IAEA libraries and research offices gave them legitimate access to Western equipment and publications, computer systems, software, and data bases.

Chernenko the UN Delegate

In 1974 Konstantin Chernenko, then Chief of the CPSU Central Committee's General Department, visited the United States as a member of the Soviet delegation to the UN Special Session on Raw Materials. He was interested in how the UN Secretariat worked and what kind of technical services were provided. He also was interested in familiarizing himself with US automated data-processing systems.

Chernenko's trip to Washington included a tour of the US Government computer center. In the briefing, he was introduced to The New York Times Data Bank system. The system was queried for information on Chernenko, and to his surprise and amusement two separate press items came up. The news items were printed and given to the visitor. The next week the wife of the KGB Resident assigned to the New York Soviet Mission to the United Nations began using the UN computerized Data Bank Service to tap into The New York Times Data Bank.

APPENDIX A

Soviet Organization in the United Nations

Soviet ability to use the UN Secretariat as an instrument of its foreign policy depends on a large organizational structure capable of managing the 800 Soviet and the Eastern Bloc citizens working in the United Nations and its specialized agencies. The process begins with the selection of personnel. The Foreign Ministry, the KGB, other ministries, and the party Central Committee apparatus all are involved in the process. The Soviet missions to the various UN organizations are the focal points for managing and evaluating the Soviet employees in the UN system. Finally, the specific plans and instructions for actions in the United Nations are formulated and approved in Moscow by the Foreign Ministry, the KGB, and the Central Committee.

The Personnel Selection Process

Soviets do not apply directly to the United Nations for employment. They are nominated by Moscow and "seconded" or loaned to the United Nations as Soviet Government employees. The Office of Personnel Administration in the Foreign Ministry has an International Organization Section that acts as the clearinghouse for appointments to the UN Secretariat. The UN Information Office in Moscow does the paperwork for the application. Although the office is a formal part of the UN Secretariat, it is staffed and controlled by the KGB.

The Office of Personnel Administration of the Foreign Ministry manages a pool of ministry professional and clerical employees whose specialty is international organizations, and receives nominations from other ministries and institutions in the Soviet Union. This office maintains contact with the UN Office of Personnel and the permanent missions of the USSR to the various UN institutions. The Foreign Ministry notifies the other ministries of anticipated UN openings and prepares the formal nominations for the Central Committee. Over the years a quota system has emerged, and various ministries have come to regard particular jobs in the United Nations as their property.

The Foreign Ministry provides the largest number of employees for UN assignments. Foreign Ministry candidates for UN posts are drawn from three main sources: the substantive offices that deal with the United Nations, foreign service officers on rotational tours, and schools sponsored by the Foreign Ministry, such as the Institute of International Relations.

The KGB and GRU provide the second group of candidates. The Office of Personnel Administration is in constant touch with the KGB. The paperwork is done by the Foreign Ministry. The forms, which are submitted to the Cadres Abroad Department of the Central Committee, provide the fictitious backgrounds developed by the KGB for its personnel.

Other ministries, state committees, and academic institutions also provide candidates to the UN system according to their functions. For example, the State Committee for Science and Technology contributes scientists to carry out its role in acquiring Western technology, and the Health Ministry provides doctors to the World Health Organization.

The Communist Party Central Committee apparatus from time to time provides personnel for particular UN jobs. The key offices are the International Department, headed by Boris Ponomarev, and the International Information Department, headed by Leonid Zamyatin. Stanislav Menshikov of the International Department served in the economic and Social Department of the UN Secretariat in New York in the 1970s.

In addition to the formal procedures for personnel selection, an extensive network of personal contacts influences the process. The Permanent Representative in New York, Geneva, and Vienna have considerable influence in nominating proteges for key posts. Prominent party and Foreign Ministry officials find jobs in the United Nations for their relatives and friends. In 1983 three children of high-level Foreign Ministry officials worked in the UN Secretariat in New York.

Bureaucratic contests also become a factor in the process if a UN job attracts the attention of more than one ministry. When KGB officer Viktor Lesiovskiy was invited by Secretary General U Thant to be his assistant, the KGB was given the right to nominate his successor over the objections of the Foreign Ministry. Disputes of this sort are resolved at the highest level of the respective ministries. Sometimes the Politburo has been required to resolve conflicts between the KGB and the Foreign Ministry.

The Central Committee approves all candidates for UN jobs. Once the nominations are made and the KGB has done a background investigation, the credentials are submitted by the Foreign Ministry to the Central Committee's Cadres Abroad Department for further screening. The nomination for UN Under Secretary General, the senior Soviet position in the United Nations, is submitted to the Politburo.

Role of the Mission

When a Soviet citizen reports for work at a UN office in New York, Geneva, Vienna, or elsewhere, he has already checked in with his boss in the Soviet mission to the UN organization. The Soviet mission instructs him, supervises his work, evaluates his performance, monitors his loyalty, and reports his activities to Moscow. The Soviet mission is the link between the Soviet citizen and the Communist Party and Soviet Government.

The USSR ambassador to a UN organization is the formal head of the Soviet organization and is responsible for the overall operations of the mission. He reports through diplomatic channels to the Foreign Ministry. The regular diplomatic work of the mission is organized by divisions and sectors that parallel the UN committees and Secretariat offices. The key managers for diplomatic activity are called issue referents. They usually are foreign service officers and handle all the mission activity related to substantive issues, such as disarmament, or to functional specialties, such as personnel. KGB and GRU officers from the mission and Secretariat are also assigned to these sectors for cover purposes and are theoretically required to spend one-third of their time on diplomatic work.

The Communist Party organization constitutes the second major control mechanism. Each Soviet in the UN Secretariat belongs to a party group. The party secretary ensures that all decisions of the Central Committee are brought to the attention of the Soviet community abroad. He also is responsible for assuring that the Soviets in the UN Secretariat use their UN jobs to promote current propaganda and front activities directed by the Central Committee.

The third mechanism for controlling Soviets in the Secretariat is the mission Security Officer, who is a member of the KGB. His job is basically counterintelligence. Assisted by other KGB officers and informants in the various offices, he monitors the activities of all Soviets in the mission and the Secretariat.

The fourth set of links to Soviets in the Secretariat involves the individual's home organization, ministry, state committee, or component. The lines of communication of ministries, which only occasionally send people to international organizations, are generally weak and informal, but control mechanisms can be extremely strong, as in the case of the KGB.

THE KGB has a separate chain of command and communications outside the mission referent system that links directly to Moscow. The standard Soviet practice is to place a KGB officer as the second senior Soviet official in a Secretariat office. He is then in a position to free other KGB and GRU officers under his supervision in the United Nations for their intelligence activities. Individuals are managed by the Resident through the KGB structure. Other Soviets, including their Soviet non-KGB supervisors, have little knowledge of the activities of these officials and exert no authority over them.

KGB use of Soviet Secretariat employees is managed directly by the KGB officers in the Secretariat or from the mission. In the majority of cases, the KGB simply asks the Soviet for information concerning specific intelligence requirements on the political or economic conditions in countries of UN diplomats or third-country Secretariat employees. Sometimes the Soviet is required to initiate contact and report the information. The KGB also directs Soviet Secretariat officials to obtain employment in the United Nations for individuals recruited by the KGB.

Soviets in the Secretariat also use the Secretariat employees from Eastern Bloc countries and client states. Eastern Bloc employees routinely check with Soviet supervisors when they are unsure of the Soviet line and need guidance on how to handle their UN work. When an Eastern Bloc employee is favorably placed to accomplish a Soviet objective, he is given direct instruction from Soviet supervisors in the Secretariat.

Reporting and Work for the Mission

The divisions and sectors within the mission parcel out their work to the Soviets in the Secretariat. Using Secretariat research and library facilities, the Secretariat employees draft contributions to mission cables. Soviets in supervisory positions in the United Nations use their non-Soviet employees to support their mission-related projects.

The Soviet Secretariat employees form an integral part of Soviet mission operations. On each issue or project, the potential Secretariat contribution is considered at the outset. Soviets in the Secretariat sometimes take the initiative in suggesting strategy and tactics for the use of Secretariat resources and the UN mantle of legitimacy in support of Soviet objectives.

Each Soviet in the Secretariat has reporting requirements beyond the scope of his response to specific KGB requests or his regular input through the mission sector. The Soviets in the United Nations must report every contact with foreigners including work-related meetings and social occasions. To avoid being seen and having to complete a report, the Soviets make a point of not meeting Western friends in the restaurants or coffee shops in UN buildings.

Evaluation

The Soviets in the UN Secretariat are within the personnel evaluation system of the Soviet Government. The mission and local party committee provide the standard personnel evaluation reports on Soviet Secretariat personnel. The KGB and GRU prepare a separate evaluation report to which the Soviet supervisors in the United Nations or the mission make pro forma contributions. The mission's evaluation includes several parts, including a description of the job and an evaluation of performance. The substantive part is provided by the sector or division chief in the mission. The party secretary and KGB security officer in the mission also add comments, and the Soviet supervisors in the Secretariat report on the employee's work in the United Nations.

In addition, each Soviet employee is required to complete an annual report of his activities within the Secretariat. The report contains an estimate of the value of the particular UN slot to the Soviet operation and of the strengths and weaknesses of the organizational setup and provides suggestions for improvements. The senior Soviets report on the overall operations of their offices, or, in the case of the Under Secretary General, on the whole Soviet operation in the UN Secretariat. The analysis of these reports by the Personnel and Finance Sector in the Department of International Organizations in the Foreign Ministry provides the basis for the long-range plans for allocation of Soviet personnel in the UN Secretariat.

Instructions From Moscow

Soviet Secretariat employees regularly visit the mission to get instruction from their supervisors. As a general rule, the Foreign Ministry instructions to the Soviet mission are sufficient to guide the conduct of Secretariat employees. The Foreign Ministry usually assumes that these instructions will also initiate specific action by Soviets in the Secretariat. Foreign Ministry personnel in the Secretariat occasionally receive specific instructions requiring them to contact particular foreign diplomats with whom they have close relationships to gather information or lobby on a specific issue. The Foreign Ministry and KGB communication systems are used by the International Department of the Central Committee, headed by Boris Ponomarev, to send instructions by special cable to Soviets in the Secretariat concerning UN support for Soviet-controlled front organizations.

Leonid Zamyatin of the Central Committee's International Information Department is concerned with propaganda, and the Cadres Abroad Department manages the party mechanism within the Soviet delegations abroad. Both of these Central Committee offices use the foreign Ministry and KGB communications systems and sometimes send cables to the exclusive attention of particular Soviets in the UN Secretariat.

The KGB and GRU maintain a communications system separate from Foreign Ministry channels. KGB headquarters instructs the Resident, who deals directly with KGB officers in the UN Secretariat.

APPENDIX B

Soviet Interest in UN Components

Over the past 20 years, the Soviets have developed a strategic approach to the placement of their personnel within the UN system. Analysis of the functions of UN offices and evidence of Soviet interests by the placement of personnel reveal the following motives and interest in particular UN offices.

The UN Secretariat in New York

The Executive Office of the Secretary General provides staff support to the Secretary General, manages his personal activities, and has direct access to any office in the UN system in the Secretary General's name. This has been a KGB slot since Viktor Lesiovskiy became an assistant to U Thant. Today, Guennadi Yevstaf'iev monitors these activities and has access to all personnel records and applications for UN employment.

The Department of Political and Security Council Affairs is responsible for assisting the Secretary General in his relations with the Security Council and has a broad mandate to deal with political issues. According to Trgyve Lie, in 1946 the Big Five powers agreed that the top post would be held by a Soviet national. The Under Secretary General in charge of that department has always been a Soviet. Under Secretary General Ustinov first served in the United Nations in the late 1950s. The department has 15 Soviets and has been the primary focus of political influence and intelligence operations in the Secretariat in New York.

The Department of Conferences Services contains the largest contingent of Soviets in New York. A high proportion of KGB and GRU officers serve in this department. The Soviet translators are together in one Russian-language section, where the Soviet supervisors can free the KGB officers to do their "other work," as it is called in the United Nations. The Soviets are also interested in the Dag Hammerskjold Library because it provides an opportunity to acquire US technical publications and lets KGB and GRU officers travel throughout the United States and meet people with access to vast collections of technical literature.

The KGB is vitally interested in the Office of Personnel for access to personnel files and applications for UN employment. This gives the Soviets considerable leverage over applicants and provides information on possible character weaknesses and financial difficulties of current employees. The office also maintains information on personnel disputes within the Secretariat and deals with disgruntled employees.

The Financial Services Office helps the extremely cost-conscious Soviets to keep UN expenses and contributions under control. The Ministry of Finance puts experts on budget planning and accounting in this office to aid Soviet delegates on the UN budget committee. The KGB is interested in monitoring how the Soviets in the Secretariat spend their money to assure that the USSR gets every penny of hard currency kickback from its UN employees.

Soviet participation in the Department of Legal Affairs is designed to control from within the Secretariat attempts to expand the UN mandate. A Soviet has held the Directorship of the Codification Division since 1965; particular interests are the Law of the Sea negotiations and the review of the Antarctic Treaty. A defector reports that the office also deals with legal questions pertaining to employment regulations and procedures for promotions and has information on private monetary, marital, and employment difficulties of UN employees, which are of interest to the KGB.

The Department of Public Information is a focal point for propaganda and intelligence efforts. Anatoly Mkrtchyan is director of the External Relations Division and handles relations with nongovernmental organizations and the program that brings graduate students from all over the world for a UN work-study program. These activities are important to the KGB and the Central Committee for recruitment and for supporting their front organizations. The department as a whole has relatively few Soviets at present but it is a high priority for future Soviet placements because it manages the UN information offices worldwide, maintains contacts with journalists and the media, and publishes much of the UN promotional literature.

Geneva, Vienna, Paris, and Nairobi

Soviet activities in the New York component are only part of the overall effort in the United Nations and its specialized agencies. Since the 1920s the Soviets have been active in technical and scientific organizations. In 1956, when they joined the International Atomic Energy Agency, the Soviets began their concerted effort to provide staff to international organizations with access to western technology.

Geneva.—The Geneva office of the United Nations is the center for research and discussion of North-South issues and is the site of more than a dozen specialized UN agencies and affiliated bodies in which the Soviets disseminate propaganda and collect technical information.

A Soviet national, Gely Dneprovsky, was particularly successful in placing personnel in the UN Geneva office. In spite of press publicity regarding his alleged KGB connections, Dneprovsky was appointed chief of personnel in 1978. By the end of his tenure in 1983, he had worked effectively behind the scenes to oust Westerners and to put UN personnel functions in Geneva in the hands of the Soviets and their allies. Disregarding UN personnel rules, he gave the largest division—Conference services—to a Soviet.

Soviet staff members try to discredit western aid programs, promote Soviet ideological doctrine on economic issues, and present the Soviet domestic economy in a favorable light, while protecting the USSR from Third World criticism and demands for aid. This has been accomplished through prepublication censorship of official UN documents, alteration of statistics, and pressure on Western or Third World UN employees to follow the Soviet line. The Soviets also take advantage of the vast array of technical information in the technical libraries of the United Nations and its specialized agencies. Soviet employees routinely photocopy documents on behalf of the Soviet Mission.

Vienna.—The Soviet Union and the Western nations have shared a mutual interest in nonproliferation issues. International Atomic Energy Agency participation gives the Soviets a chance to monitor some aspects of nuclear programs in the West and developing countries as well as to try to acquire Western technology. The Soviets have high-level posts staffed by people technically and politically qualified to exploit the information available in the institution.

The Soviets use the UN Industrial Development Organization (UNIDO) not only to acquire technology through participation in the work of the organization but also to try to circumvent US and COCOM controls on technology transfer of the Soviet Union. The Soviets attempt to get UNIDO to sponsor development projects in client states that use advanced computers and industrial processes. The purchase of the equipment through UNIDO and shipment to Eastern Europe allow the Soviets to obtain US technology and get the United Nations to pay for it.

Paris.—Moscow has effectively and consistently exploited UNESCO programs in education, science, and communications. UNESCO is tailor-made for Soviet initiatives designed to influence media content, particularly in the Third World, to establish contact with influential persons in UNESCO-interested fields, and to gain specific technical information. The Soviets have developed contacts with Secretariat officials responsible for publication and broadcasting and have targeted UNESCO information services as a vehicle for disseminating Soviet propaganda.

The senior Soviet in the Secretariat, Assistant Director General Sema Tanguiane, is a tough bureaucrat in his third tour in UNESCO. Tanguiane has great influence over the employment process in the Education Sector and approves lists of individuals invited by UNESCO to represent nongovernmental organizations at all UNESCO meetings.

Nairobi.—The UN office provides staff for the UN Environment Program and the UN Center for Human Settlements. The Soviets have the largest delegations to the UN institutions, and their presence contains a high proportion of KGB officers. The Soviets take frequent trips to other African countries.

The senior Soviet in the UN Center for Human Settlements, Sergei Stepanov, sees his real job as initating and developing UN projects for "like-minded socialist countries."

By Mr. McCLURE (for himself and Mr. Symms):

S. 1335. A bill to establish the City of Rocks National Reserve in the State of Idaho, and for other purposes; to the Committee on Energy and Natural Resources.

CITY OF ROCKS NATIONAL RESERVE

● Mr. McCLURE. Mr. President, today I am, with my colleague, Senator Steve Symms, introducing legislation which will provide for the protection and development of the City of Rocks area in southern Idaho by establishing a national reserve.

The City of Rocks area is unique to the people of Idaho, to the people of the West, and to the entire Nation due to its rich historical significance. But the management of this area is not a new issue to the people of Idaho. We have had various proposals, and studies since the early 1970's. I conducted a hearing on a bill to establish the City of Rocks National Monument in December 1976. I know that this issue has been troublesome in finding a solution. The bill we are introducing today is a far cry from the one introduced in 1975 for a 32,000-acre national monument. The present bill is a third of the size, to be managed and administered by the State and local people. The acreage figure in our bill is 10,320 acres of which 3,960 acres of BLM lands and 3,040 acres of Forest Service lands would be transferred to the Secretary of the Interior along with the possible acquisition of 3,320 acres of private lands if the owners agree to sell. All lands would then be transferred to State or local jurisdiction for management and administration if adequate protections are guaranteed. The map is being prepared and will be available for distribution shortly. We are willing to make the effort to secure the proper level of Federal involvement and support if the State and local governments agree to do their share.

The City of Rocks might best be described as a mirage rising up out of the high desert country, a spectacle of granite rock eroded into cathedrals, towers, bathtubs, and cones. One of the 630-foot-tall Twin Sisters is a spire 2½ billion years old. Archeologists tell us that prehistoric people lived among the strange formations in these Albion Mountains of southern Idaho.

But the history of the last century is perhaps most relevant to our interest in the City of Rocks today.

By the mid-1800's the great westward migration of European-Americans began to make an impact on the land and the history of this Nation. The movement of thousands of emigrants across the plains and mountains into the Far West was a dramatic event unduplicated in our history. The 2,000 miles of land traversed included dry plains, rugged mountain ranges, and parched deserts inhabited by nomadic, often hostile, Indians. The tenacity, bravery, and energy of those pioneers is legendary in the annals of American achievement. The westward overland migration was of tremendous importance in the history of the United States, and new communities born out of this frontier movement were for decades to have a profound impact on the economic growth of our Nation.

The overland migrations were composed of three distinct population movements: The optimistic pioneer farmers moving into the fertile valleys of California and Oregon; the persevering Mormons, searching for an area where they might live in peace; and the hordes of "forty-niners" heading West with visions of quick and easy wealth. Thus, the westward migration of Americans resulted from a combination of circumstances and motives, but beneath it all was a desire to improve one's prospects for "the good life," whether expressed in terms of land, gold, or simply the freedom to pursue happiness.

The most significant, longest, and most heavily traveled route of overland migration during the 19th century was that known as the "Oregon and California Trail." It was the sole artery of overland travel to Oregon, and became the most important access route to the California gold rush territories in 1849.

Immigrants traveling to Oregon and California used a single trail as far as the Great Basin. After they had crossed the Rocky Mountains, those headed for California left the Oregon Trail and made their way to the Pacific by a variety of routes.

The early pioneers were constantly searching for new travel routes, avoiding menacing barriers such as the Salt Desert, the Great Salt Lake, and the marshes along the upper Raft River. City of Rocks, sometimes called Silent City of Rocks, owes much of its historical significance to the proximity of these historic routes. The first practicable route to California north of the Great Salt Lake passed directly through the City of Rocks area.

The City of Rocks area provided immigrants with a passage around the hazardous marshes on the upper Raft River, as well as good campsites, water, and pasturage for their animals. Their arrival at City of Rocks was usually an occasion for rest and an interesting respite from the arduous journey. As the emigrants climbed among the unusual rock formations, they recorded their names on the eroded granite faces, and in time these rocks became covered with the names of past travelers. Members of the trains not only added their names to the roster, but searched the rocks for the names of relatives and friends who had preceded them westward.

As migration increased in 1849, the three supply centers—Forts Laramie, Bridger, and Hall—proved inadequate for travelers' needs. Thus, many emigrants continued on to the Mormon community of Salt Lake. In 1848, a new connection with the California Trail was established from the Mormon settlement to a junction south of Twin Sisters in Emigrant Canyon. This route later was known as the Salt Lake cutoff, although it was a longer route. The relationship of the City of Rocks area to the various emigrant trails provided the basis for designating the area as a national historic landmark [NHL] in 1966 by the Secretary of the Interior. The NHL program emphasizes the preservation of those nationally significant resources associated with our Nation's history. National historic landmarks are afforded a measure of protection under the National Historic Preservation Act of 1966.

During the years when westward migration was at its height—as in 1862, when at least 52,000 people passed over the California Trail—there were few major conflicts between the pioneers and the Indians of this locality. Pocatello's band, who inhabited the City of Rocks area, were members of the Shoshoni Tribe, the most widely dispersed linguistic group of North American Indians. Unlike other Shoshoni bands, Pocatello's group were inclined to restrict access through their domain—particularly in 1862 when most emigrant parties had to follow other routes. The subsequent influx of white miners into Idaho became an irritating factor to the Indians, and apparently this irritation was all that was needed to touch off the Snake War of 1864-68, a clash further west. The war, however, seemed to put an end to the widespread conflicts between whites and Indians, and it opened the way for more permanent settlement in southern Idaho.

Even before the California gold rush started, prospectors were extending the search for new bonanzas all over the West. Eventually their hunting grounds became the entire region west of the Mississippi—the Rockies, the Great Basin, and the Colorado and Columbia Plateaus. One source of mineral wealth was the rugged Idaho region. When the Idaho mines were opened in the 1860's, a demand for supplies was created that led to the beginning of freighting from the Utah settlements along the Salt Lake cutoff. The freight wagons passed Emigrant Canyon and then turned northward, entering the Snake River Valley near Oakley.

Kelton, UT, became the main shipping terminus for southwestern Idaho after the Central Pacific and the Union Pacific railroads were completed. At this time a number of freight and stage routes were established; John Halley's stageline began regular service from Kelton to Boise City, along the Kelton Road, to connect the southern Idaho region with the Central Pacific Railway. At the junction of the Kelton Road and the California Trail lay one lone stage station, the remnants of which can be seen in the study area today.

The legislation we introduce today has three primary objectives. These are:

PROTECT AND INTERPRET SIGNIFICANT CULTURAL RESOURCES

Wagon ruts dating from the 19th-century emigrant overland migration—commonly known as the California Trail, remnants of a stage line station and original homestead buildings, and pioneer inscriptions on some of the rocks are the major cultural resources that would be managed principally under this objective. Currently unprotected, these resources are vulnerable to vandalism and inadvertent damage from incompatible uses.

MANAGE RECREATION USE TO PROVIDE A HIGH QUALITY RECREATION EXPERIENCE

This would be realized by managing public use of the area to eliminate conflicting recreation activities and to protect the environment from degradation due to recreation use. Indiscriminate off-road vehicle [ORV] use presently conflicts with nonmotorized users and contributes to vegetation destruction and soil erosion. Indiscriminate use of firearms in the area provides obvious safety hazards for visitors. Uncontrolled camping and hiking also contribute to resource damage through firewood cutting, tent-site trenching, inadvertent trail development, and subsequent erosion. Poor climbing practices damage the rocks. Potential problems exist between the recreation visitors and private landowners in the form of trespass, property damage, and recreation use—livestock conflicts. The absence of basic developments such as toilets, drinking water, and picnic tables detracts from the visitor's recreation experience.

PROTECT AND MAINTAIN SCENIC QUALITY

The present landscape generally provides an aesthetically pleasing setting in which recreation use occurs. The fact that the landscape largely appears today as it did when the pioneer emigrants passed through the area provides the modern visitor with a certain sense of "kinship" with events that are now historically important. Grazing and crop production as currently practiced do not detract from the scenic quality. However, litter and modern graffiti are discordant elements in the scene and the subdivision of lots for residential development represents a potential threat to the integrity of the natural/pastoral landscape. Other potential intrusions are oil and gas development and mineral exploitation. Uncontrolled vehicular travel contributes to the proliferation of ORV trails that now crisscross the area.

Mr. President, the method we have chosen to solve the problem is to take the recommendation of local citizens; a study of the alternatives presented by the National Park Service as a result of my request in the 99th Congress; and the suggestion of State and local government.

The establishment of a national reserve would formalize a Federal-State-private cooperative effort to protect and develop this historical area and provide for commitment of Federal and State funds with State management of the area under the terms of a comprehensive plan. This idea has precedence in law at several areas in the country. The most notable of the affiliated areas are Ebey's Landing National Historical Reserve, Ice Age National Scientific Reserve, and Pinelands National Reserve.

Mr. President, we are introducing this bill as a focusing of the discussion on the proper development and protection of this nationally significant area. We have attempted to consolidate the views of the people on this issue. We welcome comment and input. I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1335

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "City of Rocks National Reserve Act of 1987".

SEC. 2. (a) There is hereby established the City of Rocks National Reserve (hereinafter referred to as the "reserve"), in order to preserve and protect the significant cultural resources; to manage recreational use; to protect and maintain scenic quality; and to interpret the nationally significant values of the reserve.

(b) The reserve shall include approximately ten thousand three hundred and twenty acres as depicted on the map entitled "Boundary Map, City of Rocks National Reserve, Idaho", numbered —— and dated ——. The map shall be on file in the offices of the National Park Service, Department of the Interior and the Offices of the Governor, State of Idaho.

(c) Within 6 months after the enactment of this Act, the Secretary of the Interior (hereinafter in this Act referred to as the "Secretary") shall file a legal description of the reserve designated under this section with the Committee on Interior and Insular Affairs of the United States House of Representatives and with the Committee on Energy and Natural Resources of the United States Senate. Such legal description shall have the same force and effect as if included in this Act, except that the Secretary may correct clerical and typographical errors in such legal description and in the map referred to in subsection (b). The legal description shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior and the Offices of the Governor of the State of Idaho.

SEC. 3. (a) To achieve the purpose of this Act, the Secretary, in cooperation with the approporiate State agencies and local units of general government, shall formulate a comprehensive plan for the protection, preservation, and interpretation of the reserve. The plan shall identify those areas or zones within the reserve which would most appropriately be devoted to—

(A) public use and development;

(B) historic and natural preservation; and

(C) private use subject to appropriate local ordinances designed to protect the historical rural setting.

(b) Within eighteen months following the date of enactment of this section, the Secretary shall transmit the plan to the President of the Senate and the Speaker of the House of Representatives and to the Governor of the State of Idaho.

(c) At such time as the State or appropriate units of local government having jurisdiction over land use within the reserve have enacted ordinances or established regulations which in the judgment of the Secretary will protect and preserve the historic and natural features of the area in accordance with the comprehensive plan, the Secretary shall, pursuant to cooperative agreement—

(1) transfer management and administration over all or any part of the property acquired under subsection (d) of this Act to the State or appropriate units of local government;

(2) provide technical assistance to such State or unit of local government in the management, protection, and interpretation of the reserve; and

(3) make periodic grants, which shall be supplemental to any other funds to which the grantee may be entitled under any other provision of law, to such State or local unit of government for the annual costs of operation and maintenance, including but not limited to, salaries of personnel and the protection, preservation, and rehabilitation of the reserve except that no such grant may exceed 50 per centum of the estimated annual cost, as determined by the Secretary, of such operation and maintenance.

(d)(1) The Secretary is authorized to acquire such lands and interests as he determines are necessary to accomplish the purposes of this Act by donation, purchase with donated funds, or exchange, except that the Secretary may not acquire the fee simple title to any land without the consent of the owner. The Secretary shall, in addition, give prompt and careful consideration to any offer made by an individual owning property within the reserve to sell such property, if such individual notifies the Secretary that the continued ownership of such property is causing, or would result in, undue hardship.

(2) Lands and waters, and interests therein, within the boundaries of the reserve which were administered by the Forest Service, United States Department of Agriculture and the Bureau of Land Management, Department of the Interior prior to the date of enactment of this Act are hereby transferred to the administrative jurisdiction of the Secretary to be administered by the National Park Service in accordance with this Act.

(3) Lands and interest therein so acquired shall, so long as responsibility for management and administration remains with the United States, be administered by the Secretary subject to the provisions of the Act of August 25, 1916 (39 Stat. 535), as amended and supplemented, and in a manner consistent with the purpose of this Act.

(e) If, after the transfer of management and administration of any lands pursuant to subsection (c) of this section, the Secretary determines that the reserve is not being managed in a manner consistent with the purposes of this Act, he shall so notify the appropriate officers of the State or local unit of government to which such transfer was made and provide for a ninety-day period in which the transferee may make such modifications in applicable laws, ordinances, rules, and procedures as will be consistent with such purposes. If, upon the expiration of such ninety-day period, the Secretary determines that such modifications have not been made or are inadequate, he shall withdraw the management and administration from the transferee and he shall manage such lands in accordance with the provisions of this Act.

(f) Subject to valid existing rights, Congress expressly reserves to the United States such water rights as may be required to carry out the primary purposes, as expressed in section 2, of the reserve created by this Act with respect to all lands withdrawn from the public domain by this Act. Such rights shall be perfected by the United States pursuant to the procedural requirements of the laws of the State of Idaho. The priority of such rights shall be as of the date of enactment of this Act. The United

States may acquire such additional water rights as it deems necessary to carry out its responsibilities under this Act. Such water rights shall be acquired pursuant to the substantive and procedural requirements of the laws of the State of Idaho. Nothing in this Act shall be construed to reserve any implied water rights to the United States. The transfer of lands to the administrative jurisdiction of the Secretary pursuant to section 3 shall not affect any reserved water right which the United States may be acquired for the primary purposes for which such lands were originally withdrawn to the extent such rights are consistent with the purposes for which such lands are to be administered pursuant to this Act.

(g) There is hereby authorized to be appropriated not to exceed $2,000,000 to carry out the provisions of this Act.●

By Mr. CRANSTON:

S. 1336. A bill to authorize the granting of diplomatic and consular privileges and immunities to offices of the Commission of the European Communities which are established in the United States; to the Committee on Foreign Relations.

EXTENDING EUROPEAN COMMUNITY CONSULAR PRIVILEGES

Mr. CRANSTON. Mr. President, today I am introducing a bill which would enable the President to grant diplomatic and consular privileges to Offices of the European Community which are established in the United States.

The EC has maintained a delegation with full diplomatic status here in Washington since 1973. However, because the EC is not covered by the diplomatic agreements of the Vienna Convention, special legislation was needed to open that office. That legislation does not allow for consulates. My bill would simply give the President the discretion to grant consular privileges to other offices of the EC.

Mr. President, our relationship with the EC is extremely important and complex. I believe it would be in the interest of the United States and our European allies to allow an EC office elsewhere in the country. An additional office would improve our knowledge and our understanding of each other's problems and priorities.

The European Community and the United States are each other's largest trading partners, and together account for almost a third of world trade. At a time when we are trying to remedy our huge trade deficit, we should take every action possible to strengthen relations with our trading partners and expand trade. My bill, which should have no budgetary impact on the Federal Government, will do just that.

I urge my colleagues to cosponsor this legislation and I look forward to its early consideration by the Senate. I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1336

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to extend diplomatic privileges and immunities to the Mission to the United States of America of the Commission of the European Communities and the members thereof", approved October 18, 1972 (86 Stat. 815), is amended by adding at the end the following: "Under such terms and conditions as the President may determine, the President is authorized to extend to other offices of the Commission of the European Communities which are established in the United States, and to members thereof—

"(1) the privileges and immunities described in the preceding sentence; or

"(2) as appropriate for the functioning of a particular office, privileges and immunities equivalent to those accorded consular premises, consular officers, and consular employees, pursuant to the Vienna Convention on Consular Relations.".

By Mr. DURENBERGER (for himself and Mr. STAFFORD):

S. 1337. A bill to designate the Federal Building and United States Courthouse at 316 North Robert Street, St. Paul, MN, as the "Warren E. Burger Federal Building and United States Courthouse;" to the Committee on Environment and Public Works.

WARREN E. BURGER FEDERAL BUILDING AND U.S. COURTHOUSE

● Mr. DURENBERGER. Mr. President, today Senator STAFFORD and I are introducing a bill to name the Federal building in St. Paul, MN the Warren E. Burger Federal Building and U.S. Courthouse.

Warren Burger, the former Chief Justice of the U.S. Supreme Court, is a native of St. Paul. He was born in the Dayton's Bluff neighborhood and lived in St. Paul for the first 46 years of his life.

By all accounts his childhood in our capital city was modest in circumstance but important in shaping the character and values which have marked the career of this distinguished public servant throughout his life.

He was a popular energetic and scholarly young man during his days in the St. Paul school system, a four-letterman in athletics and editor of the high school newspaper. Upon graduation from Johnson High School in St. Paul he was offered a scholarship to Princeton University which he was forced to decline, so that he could stay in St. Paul and help his large family through the difficult times of the Great Depression. He worked his way through the University of Minnesota and a night law school in St. Paul which is now known as the William Mitchell College of Law.

Warren Burger practiced law in the Twin Cities for 22 years from 1931 to 1953. During that time he was on the faculty of the law school and was very active in the civic affairs of his community.

As a community leader, he came to the attention of Harold Stassen, an extremely popular Governor and after World War II a candidate for the Presidential nomination of the Republican Party. It was as a Stassen lieutenant that Mr. Burger first came to national attention. At the 1952 Republican National Convention and as part of the Minnesota delegation he played a pivotal role in turning the nomination from Taft to Eisenhower. When General Eisenhower was sworn in as President in January 1953 he chose Warren Burger as his assistant attorney general for the Civil Division of the Justice Department.

In 1956 Eisenhower put the future Chief Justice on the U.S. Court of Appeals for the D.C. circuit where he served through 1969. His consistently strong and well-reasoned dissents from the generally liberal tradition of the D.C. court brought him to the top of the list when President Nixon chose a successor to Earl Warren for Chief Justice of the Supreme Court in 1969. His 17-year tenure as the leader of the Burger court made him the longest serving Chief Justice in the 20th century. And it was a stable and moderating period for the court. A period of stability that the Nation desperately needed as so many of the other institutions in our society were subject to the turmoil of the 1970's and 1980's.

Mr. Burger's service as Chief Justice will probably be best remembered for the administrative reforms which he brought to the management of the Federal court system. Most students of the Supreme Court credit Burger with having been the most innovative administrator in this century of the Federal court system. His proposals have resulted in centralizing court information, streamlining its administration and professionalizing its management.

In June of last year after 24 years of continuous public service in the Federal Government, Mr. Burger retired from the court so that he might devote his full energy to one more public effort—the bicentennial celebration of the Constitution. He was selected to serve as chairman of the Constitution Bicentennial Commission and has brought to that service all of the energy, scholarship, and celebration of the American Nation and its heritage which has marked his long career.

During the period from the 1950's through the 1980's Minnesota has given many sons and daughters to the public service of this Nation—Hubert Humphrey, Eugene McCarthy, Walter Mondale, and Harold Stassen come to mind immediately. Mr. Burger also had the opportunity to serve on the high court with his childhood friend, Justice Blackmun.

As a Minnesota Senator I am always proud and it is a source of inspiration to reflect on the public service of these great men. And I am pleased to introduce this bill today to honor one of our own who served the Nation with distinction during his years on the court and is continuing his service by leading us in the celebration of our constitutional heritage.●

ADDITIONAL COSPONSORS

S. 39

At the request of Mr. MOYNIHAN, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 39, a bill to amend the Internal Revenue Code of 1986 to make the exclusion from gross income of amounts paid for employee educational assistance permanent.

S. 74

At the request of Mr. GRAMM, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 74, a bill to amend the Internal Revenue Code of 1986 to allow a charitable contribution deduction for certain amounts paid to or for the benefit of an institution of higher education.

S. 79

At the request of Mr. METZENBAUM, the names of the Senator from Florida [Mr. CHILES] and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of S. 79, a bill to notify workers who are at risk of occupational disease in order to establish a system for identifying and preventing illness and death of such workers, and for other purposes.

S. 103

At the request of Mr. INOUYE, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 103, a bill to establish the position of Associate Director for Special Populations in the National Institute on Alcohol Abuse and Alcoholism and in the National Institute on Drug Abuse.

S. 104

At the request of Mr. INOUYE, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 104, a bill to recognize the organization known as the National Academies of Practice.

S. 126

At the request of Mr. PACKWOOD, the names of the Senator from Kansas [Mr. DOLE], the Senator from Pennsylvania [Mr. SPECTER], the Senator from North Dakota [Mr. CONRAD], the Senator from Oklahoma [Mr. BOREN], the Senator from Alaska [Mr. STEVENS], the Senator from New York [Mr. D'AMATO], the Senator from Indiana [Mr. LUGAR], and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of S. 126, a bill to amend titles XVIII and XIX of the Social Security Act to provide that gerontological nurse practitioner or gerontological clinical nurse specialist services are covered under part B of Medicare and are mandatory benefit under Medicaid, and for other purposes.

S. 183

At the request of Mr. RIEGLE, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 183, a bill to provide for a program for the provision of child care services in public housing projects.

S. 222

At the request of Mr. RIEGLE, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 222, a bill to strengthen the program for grants to States for dependent care programs, and for other purposes.

S. 248

At the request of Mr. LAUTENBERG, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 248, a bill to amend title 10, United States Code, to permit members of the Armed Forces to wear, under certain circumstances, items of apparel not part of the official uniform.

S. 465

At the request of Mr. METZENBAUM, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 465, a bill to amend chapter 44, title 18, United States Code, to prohibit the manufacture, importation, sale, or possession of firearms, not detectable by metal detection and x-ray systems commonly used at airports in the United States.

S. 466

At the request of Mr. METZENBAUM, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 466, a bill to provide for a waiting period before the sale, delivery, or transfer of a handgun.

S. 533

At the request of Mr. THURMOND, the name of the Senator from Connecticut [Mr. WEICKER] was added as a cosponsor of S. 533, a bill to establish the Veterans' Administration as an executive department.

S. 541

At the request of Mr. PRYOR, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 541, a bill to amend title 39, United States Code, to extend to certain offices and employees of the U.S. Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded under title 5, United States Code, to Federal employees in the competitive services.

S. 549

At the request of Mr. HOLLINGS, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 549, a bill to remedy injury to the U.S. textile and apparel industries caused by increased imports.

S. 557

At the request of Mr. KENNEDY, the names of the Senator from Arkansas [Mr. BUMPERS], and the Senator from Arkansas [Mr. PRYOR], were added as cosponsors of S. 557, a bill to restore the broad scope of coverage and to clarify the application of title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964.

S. 559

At the request of Mr. CHAFEE, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 559, a bill to require the Administrator of the Environmental Protection Agency to conduct a study of the measures available to reduce the adverse effect discarding or dumping of plastics on land and in the waters have on the environment, including the effects on fish and wildlife; to make recommendations for eliminating or lessening such adverse effects; and to require the Administrator of the Environmental Protection Agency to control the pollution of the environment caused by the discarding of plastics on the land and in water.

S. 596

At the request of Mr. CHAFEE, the name of the Senator from New Jersey [Mr. BRADLEY] was withdrawn as a cosponsor of S. 596, a bill to promote expansion of international trade in telecommunications equipment and services, and for other purposes.

S. 604

At the request of Mr. PRYOR, the name of the Senator from Tennessee [Mr. SASSER] was added as a cosponsor of S. 604, a bill to promote and protect taxpayer rights, and for other purposes.

S. 759

At the request of Mr. BUMPERS, the names of the Senator from Massachusetts [Mr. KERRY], the Senator from California [Mr. CRANSTON], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of S. 759, a bill to amend the direct and guaranteed student loan programs under the Higher Education Act of 1965 to publicize the current loan deferral program for full-time volunteers with the Peace Corps, VISTA, and tax-exempt organizations, and for other purposes.

S. 760

At the request of Mr. BUMPERS, the names of the Senator from California [Mr. CRANSTON], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of S. 760, a bill to amend the direct student loan program under the Higher Education Act of 1965 to provide for partial loan cancellation for full-time volunteer service with a tax-exempt organization, and for other purposes.

S. 930

At the request of Mr. BUMPERS, the names of the Senator from Kentucky [Mr. FORD], the Senator from Tennessee [Mr. GORE], the Senator from Hawaii [Mr. INOUYE], the Senator from North Dakota [Mr. BURDICK], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of S. 930, a bill to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish a Center on State and Local Initiatives on Productivity, Technology, and Innovation, and for other purposes.

S. 931

At the request of Mr. BUMPERS, the names of the Senator from Nevada [Mr. HECHT], the Senator from Illinois [Mr. DIXON], and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of S. 931, a bill to amend the Internal Revenue Code of 1986 to provide preferential treatment for capital gains on small business stock held for more than 4 years, and for other purposes.

S. 1017

At the request of Mr. GRASSLEY, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 1017, a bill to amend title 11 of the United States Code to make nondischargeable any debt arising from a judgment or consent decree requiring an individual debtor to make restitution as a result of a violation of State law.

S. 1069

At the request of Mr. BINGAMAN, the name of the Senator from Montana [Mr. MELCHER] was added as a cosponsor of S. 1069, a bill to revise and extend the Older American Indian Grant Program under the Older Americans Act of 1965, and for other purposes.

S. 1070

At the request of Mr. RIEGLE, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 1070, a bill to increase the amount authorized to be allotted under title XX of the Social Security Act.

S. 1083

At the request of Mr. DECONCINI, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 1083, a bill to delay implementation of the employer sanctions provision of the Immigration Reform and Control Act of 1986 by 4 months.

S. 1184

At the request of Mr. FORD, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 1184, a bill to amend the Airport and Airway Improvement Act of 1982 to improve the safety and efficiency of air travel, and for other purposes.

S. 1188

At the request of Mr. SYMMS, the names of the Senator from Rhode Island [Mr. CHAFEE], the Senator from Alabama [Mr. HEFLIN], and the Senator from Tennessee [Mr. SASSER], were added as cosponsors of S. 1188, a bill to amend the Internal Revenue Code of 1986 to allow certain associations of football coaches to have a qualified pension plan which includes cash or deferred arrangement.

S. 1196

At the request of Mr. HOLLINGS, the names of the Senator from Washington [Mr. EVANS], the Senator from Virginia [Mr. TRIBLE], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of S. 1196, a bill to provide for the enhanced understanding and wise use of ocean, coastal, and Great Lakes resources by strengthening the National Sea Grant College and by initiating a Strategic Coastal Research Program, and for other purposes.

S. 1201

At the request of Mr. PROXMIRE, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1201, a bill to prevent consumer abuses by credit repair organizations.

S. 1275

At the request of Mr. SANFORD, the names of the Senator from Connecticut [Mr. DODD], and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of S. 1275, a bill to advance the national leadership in semiconductor technology, to establish a National Advisory Committee on Semiconductors, and for other purposes.

S. 1323

At the request of Mr. PROXMIRE, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 1323, a bill to amend the Securities Exchange Act of 1934 to provide to shareholders more effective and fuller disclosure and greater fairness with respect to accumulations of stock and the conduct of tender offers.

S. 1325

At the request of Mr. CHAFEE, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 1325, a bill to require the Secretaries of Agriculture and Health and Human Services to enforce certain food labeling requirements for packaged foods sold by certain restaurants.

SENATE JOINT RESOLUTION 15

At the request of Mr. GRAHAM, his name was added as a cosponsor of Senate Joint Resolution 15, joint resolution designating the month of November 1987 as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 21

At the request of Mr. THURMOND, his name was added as a cosponsor of Senate Joint Resolution 21, joint resolution proposing an amendment to the Constitution of the United States relative to contributions and expenditures intended to affect congressional and Presidential elections.

SENATE JOINT RESOLUTION 101

At the request of Mr. CRANSTON, the names of the Senator from Maryland [Ms. MIKULSKI], the Senator from California [Mr. WILSON], the Senator from Oklahoma [Mr. BOREN], the Senator from Rhode Island [Mr. PELL], the Senator from Oklahoma [Mr. NICKLES], the Senator from Tennessee [Mr. SASSER], and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of Senate Joint Resolution 101, joint resolution designating June 19, 1987 as "American Gospel Arts Day."

SENATE JOINT RESOLUTION 103

At the request of Mr. LAUTENBERG, the names of the Senator from Missouri [Mr. BOND], the Senator from Kansas [Mr. DOLE], the Senator from Alaska [Mr. STEVENS], the Senator from Florida [Mr. CHILES], the Senator from South Dakota [Mr. DASCHLE], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. GARN], the Senator from Iowa [Mr. GRASSLEY], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Utah [Mr. HATCH], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Michigan [Mr. LEVIN], the Senator from Ohio [Mr. METZENBAUM], the Senator from Rhode Island [Mr. PELL], the Senator from Colorado [Mr. WIRTH], the Senator from Mississippi [Mr. STENNIS], the Senator from Indiana [Mr. LUGAR], the Senator from Georgia [Mr. NUNN], the Senator from New Mexico [Mr. DOMENICI], the Senator from Idaho [Mr. MCCLURE], the Senator from Tennessee [Mr. GORE], the Senator from Idaho [Mr. SYMMS], the Senator from Ohio [Mr. GLENN], the Senator from New York [Mr. D'AMATO], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from California [Mr. WILSON], were added as cosponsors of Senate Joint Resolution 103, joint resolution to designate October 1987, as "Computer Learning Month."

SENATE JOINT RESOLUTION 105

At the request of Mr. LAUTENBERG, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of Senate Joint Resolution 105, joint resolution to designate December 7, 1987, as "National Pearl Harbor Remembrance Day" on the occasion of the anniversary of the attack on Pearl Harbor.

SENATE JOINT RESOLUTION 142

At the request of Mr. WEICKER, the names of the Senator from Iowa [Mr. GRASSLEY], the Senator from Maryland [Ms. MIKULSKI], the Senator from Nebraska [Mr. EXON], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Utah [Mr. HATCH], the Senator from North Dakota [Mr. CONRAD], the Senator from New Mexico [Mr. DOMENICI], and the Senator from South Carolina [Mr. THURMOND], were added as cosponsors of Senate Joint Resolution 142, joint resolution to designate the day of October 1, 1987, as "National Medical Research Day."

SENATE JOINT RESOLUTION 153

At the request of Mr. PACKWOOD, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from Delaware [Mr. BIDEN], the Senator from Connecticut [Mr. DODD], the Senator from Delaware [Mr. ROTH], and the Senator from Washington [Mr. ADAMS] were added as cosponsors of Senate Joint Resolution 153, joint resolution prohibiting the enhancement or upgrade in the sensitivity of technology of, or the capability of, Maverick missiles for Saudi Arabia.

SENATE RESOLUTION 226—RELATING TO INTERNATIONAL NEGOTIATIONS TO PROTECT THE OZONE LAYER

Mr. BAUCUS (for himself, Mr. CHAFEE, Mr. BURDICK, Mr. STAFFORD, Mr. PELL, Mr. DOLE, Mr. MITCHELL, Mr. LUGAR, Mr. REID, Mr. EVANS, Mr. KERRY, Mr. DURENBERGER, Mr. ADAMS, Mr. BENTSEN, Mr. BINGAMAN, Mr. BOREN, Mr. BUMPERS, Mr. COHEN, Mr. CONRAD, Mr. DASCHLE, Mr. DODD, Mr. GORE, Mr. HARKIN, Mrs. KASSEBAUM, Mr. KENNEDY, Mr. LEAHY, Mr. MOYNIHAN, Mr. PRYOR, Mr. SIMON, Mr. WIRTH, Mr. HOLLINGS, Mr. DECONCINI, Mr. BRADLEY, Mr. HEINZ, and Mr. ROCKEFELLER) submitted the following resolution; which was considered and agreed to:

S. RES. 226

Whereas, the United States is participating as a world leader in ongoing international negotiations sponsored by the United Nations Environment Programme to protect the ozone layer (the Earth's natural shield against harmful ultraviolet radiation) and to control manufactured ozone depleting chemicals;

Whereas, the United States' position calling for a freeze on production of certain ozone depleting chemicals at 1986 levels to be followed by the virtual elimination of such chemicals is a sound public policy response to a global environmental threat;

Whereas, the potential human health effects of increased ultra-violet radiation include increased skin cancer, suppression of the immune system, and increased cataracts and other eye disorders;

Whereas, the potential environmental and welfare effects of stratospheric ozone depletion include global climate change, increased "smog" from ground-level ozone, crop and vegetation damage, marine and aquatic ecosystem impacts, and deterioration of man-made materials;

Whereas, suggestions that simple changes in lifestyle can offset these adverse health and environmental effects of ozone depletion are misstatements of fact;

Whereas, considering these health and environmental effects, there is no safe or acceptable level of ozone depletion;

Whereas, even a fifty percent reduction in the production and use of certain ozone depleting chemicals by the year 1996 is predicted to result in approximately nine percent depletion of the ozone layer within the next 75 years; and

Whereas any international agreement negotiated by the United States should accomplish two important goals—the protection of the public health and the environment and the protection of American jobs through adequate trade provisions:

Now, therefore, be it

Resolved, it is the sense of the Senate, that the President of the United States should be urged to strongly endorse the United States' original position in ongoing international negotiations to protect the Earth's ozone layer and the United States should continue to seek aggressively an international agreement which will provide for an immediate freeze in the production of the major ozone depleting chemicals at 1986 levels, a prompt automatic reduction of not less than fifty percent in the production of such chemicals and, as set forth in the United States' original position, and the virtual elimination of such chemicals.;

Such agreement shall provide for regularly scheduled assessments of scientific, economic, and technological factors.

SENATE RESOLUTION 227—RELATING TO THE CANADIAN PROPOSAL TO CLOSE MARKET TO AMERICAN FILM DISTRIBUTORS

Mr. CRANSTON (for himself, Mr. BENTSEN, Mr. D'AMATO, Mr. KERRY, Mr. MITCHELL, and Mr. WILSON) submitted the following resolution; which was referred to the Committee on Finance.

S. RES. 227

Whereas the United States and Canada are each other's most important trading partners, having the largest bilateral trading relationship in the world, with such relationship providing jobs for two million Americans and as many Canadians;

Whereas both nations recognize that strengthening and developing economic relations between them would be for their mutual benefit, and to that end, have been negotiating a trade agreement since 1986;

Whereas both nations desire the negotiations to culminate in a historic Free Trade Agreement that would liberalize trade in goods and services and investment flows, and alleviate the causes of bilateral trade disputes and enhance Canadian-U.S. relations;

Whereas the successful completion of a Free Trade Agreement, desirable to both Canada and the U.S., depends on the good will of both governments to negotiate the elimination of trade barriers; and

Whereas the Government of Canada is considering proposals to impose discriminatory limitations on the ability of foreign companies to distribute motion pictures in Canada; Now, therefore, be it

Resolved by the Senate of the United States of America—

(1) that proposals by the Government of Canada to impose discriminatory limitations on the ability of foreign companies to distribute motion pictures in Canada reflect a highly protectionist trade policy aimed primarily at U.S. motion picture distributors; and

(2) such measures are totally at odds with concepts of free trade between nations and could result in an absolute bar to the successful completion of negotiations and Senate approval of a Free Trade Agreement between the U.S. and Canada.

Mr. CRANSTON. Mr. President, today I am submitting a resolution expressing the sense of the Senate that efforts to reach a Free Trade Agreement with Canada will be jeopardized if that country adopts legislation restricting the distribution of American films and video material in Canada by American film distributors. I am pleased to be joined in submitting this resolution by Senator BENTSEN, Senator D'AMATO, Senator KERRY, Senator MITCHELL, and Senator WILSON.

Mr. President, this resolution is intended to send a clear message to the Canadian Government that we have serious concerns regarding their proposal to require American film companies that do not have worldwide distribution rights to use Canadian companies to distribute their films and video material in Canada. In 1986, 49 films distributed by American distributors in Canada would have fallen within the purview of this restriction, accounting for 25 percent of United States distributor revenues in Canada. The end result of the Canadian proposal would be to enrich less than 10 Canadian distributors at the expense of the American film industry. In essence, Mr. President, the Canadian proposal confiscates American distributor revenues in order to subsidize Canadian distributors.

In addition to the disastrous impact the enactment of the Canadian proposal would have on American distributor revenues, I am also concerned that global film trade may be ruined if other countries follow Canada's lead. The gravity of the situation is clear given that the exportation of films and home videos returns more than $1 billion annually to this country in surplus balance of trade. Canada's adoption of the proposed legislation could create an epidemic of similar actions around the world, the financial implications of which would be far more serious than just the loss of revenue in Canada.

Mr. President, Canada's proposal reflects a highly protectionist trade policy aimed primarily at U.S. motion picture distributors. Such a discriminatory policy is contrary to the spirit of the Free Trade Agreement which Canada and the United States have been negotiating for over a year. The United States and Canada are each other's most important trading partners, having the largest bilateral trading relationship in the world. This relationship provides jobs for 2 million Americans and as many Canadians. But the successful completion of a Free Trade Agreement, desirable to both Canada and the United States, depends on the good will of both Governments to negotiate the elimination of trade barriers.

The Canadian Government can't have it both ways: Canada cannot negotiate to obtain freer access to United States markets, and at the same time enact new measures severely restricting United States access to the Canadian market for film distribution. Canada and the United States have the opportunity to enact a historic Free Trade Agreement that would greatly benefit both nations. The success of such an agreement hinges on the good will of the Canadian and United States Governments to eliminate trade barriers. Our resolution would tell Canada that any proposal to erect this new trade barrier is totally at odds with concepts of free trade between nations, and could result in an absolute bar to Senate approval of a Free Trade Agreement between the United States and Canada.

● Mr. WILSON. Mr. President, as Members of the Senate are well aware, United States and Canadian negotiators are working with great determination to produce an agreement eliminating trade barriers between our two countries. Such an agreement would be historic for both of our countries.

A Free Trade Agreement between the United States and Canada would also be historic for all members of the international trading community. When one considers that our two countries have created the world's highest bilateral level of trade, if we can achieve an FTA, then perhaps anything is possible in the way of trade liberalization and expansion.

Yet, Mr. President, there are many existing obstacles that must be overcome by the negotiators. And among the most contentious, it appears, are the obstacles to United States companies that depend on intellectual property protection or that seek to enter the service sector in Canada.

Canada refers to these issues as ones affecting its "cultural sovereignty," but the real import is that they are basic areas of commerce in which we are very competitive—indeed, more competitive than any other country in the world.

With all of these obstacles already in place—affecting United States publishing, entertainment, pharmaceutical, banking, and investment industries—the Canadian Government is poised to take an action that calls into question whether or not it is negotiating the Free Trade Agreement in good faith.

Earlier this year, Canada's Communications Minister announced a new policy placing further restrictions on United States companies seeking to distribute films in Canada. This policy, if enacted—and the legislative process is already underway—would allow a United States company to distribute a film in Canada only if it produced the film or if it has secured worldwide rights. In other words, if a United States company purchases worldwide distribution rights for a film that was made by an independent producer, but then sells distribution rights for eastern Asia to a Hong Kong company, it could not distribute the film in Canada—even though it had paid for these rights.

Again, under the false pretext of cultural sovereignty, Canada already has in place protectionist policies that discriminate against United States filmmakers. Now it's attempting to further shut the door on distributors, which is intolerable. And, when viewed in the context of other exclusionary Canadian policies, it is even more significant for it suggests that Canada is seeking a limited, self-serving trade agreement.

Beyond the effect on United States-Canada trade, if the Canadian plan is implemented, it would play into the hands of those countries throughout the world which oppose expanded trade in services and investment—areas in which we are very competitive internationally. Indeed, it is ironic that developing countries have traditionally been opposed to expanded trade in these areas, yet one of our most economically advanced allies, Canada—with which we have the biggest per capita trade deficit—is the country leading the way toward protectionism.

Mr. President, we must make it clear to the Canadian Government that its so-called cultural sovereignty policies cannot be maintained if we are to achieve a Free Trade Agreement that is acceptable to the Congress.

With this in mind, this week I joined with 53 of my colleagues in the House and in the Senate to send a letter to Canadian Prime Minister Mulroney expressing our strong opposition to the proposed film distribution policy.

I ask unanimous consent that the letter be printed in the RECORD at the conclusion of my remarks.

In order to reiterate my concern, I am pleased to join with my distinguished colleague from California, Mr. CRANSTON, as an original cosponsor of Senate Resolution 227, that expresses the sense of the Senate in strong opposition to the Canadian film policy. It also reinforces the view that Canada's film proposal places at risk ratification of the entire Free Trade Agreement.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
Washington, DC, June 2, 1987.

Right Hon. BRIAN MULRONEY,
Prime Minister of Canada, Office of the Prime Minister, Ottawa, Ontario, Canada.

DEAR MR. PRIME MINISTER: During the negotiation of a potentially historic elimination of trade barriers between the United States and Canada, we want to express our strongest objections to any further limitations on the distribution of motion pictures in Canada.

Indeed, as our governments attempt to negotiate the tortuous route towards a free trade agreement, part of your government appears to be swimming at crosscurrents. Of course, we are referring to the legislative proposal announced by Communications Minister Flora McDonald on February 13.

The McDonald policy has been touted as a measure designed to ensure certain "cultural sovereignty" interests, but it has all the markings of protectionism. So, while the successful negotiation of a comprehensive free trade agreement will be difficult, its implementation by the Congress would be entirely inconsistent with the existence of the restrictive McDonald Policy.

As Minister McDonald made clear in her statement, the new policy would not reduce the number of U.S. films available to Canadians. The availability of U.S. films has been, and should continue to be, a function of what Canadians want to see. Rather, it would divest U.S. film distributors of their rights and hand them over to Canadian distributors. This is not a cultural policy, but a commercial one, despite any claims to the contrary.

We realize that the policy is designed to yield some financial benefits for film production in Canada, but by questionable means. First, there is more television and film production voluntarily undertaken in Canada presently by U.S. companies than might ever be undertaken as a result of the McDonald Policy. Second, if Canada wants to pursue the entirely legitimate national policy of furthering the development of its film industry, it should not place this burden on one sector of one U.S. industry.

It is our firm belief that an agreement that simply meets the minimal requirements of Article XXIII of GATT would be vastly inadequate, for such an agreement would not provide for unencumbered trade by some of the most important industries in our countries. A comprehensive agreement must include many areas presently outside the purview of GATT, such an investment policy and services. Therefore, not only was the announcement by Minister McDonald objectionable standing alone, but it also served to undercut the credibility of Canada's claimed desire for a broad free trade agreement.

As members of the United States Congress who appreciate the importance of the arts to every nation's culture, we support the search for novel ways to underwrite the arts in the U.S. and around the world. However, as we also support a truly comprehensive bilateral free trade agreement, we cannot accept the method of underwriting proposed by Minister McDonald, for it constitutes an undue burden on international trade between the United States and Canada. Therefore, we ask that your government carefully review alternative funding approaches for the Canadian film industry, including those that were recently presented to the Communications Ministry.

As we look forward to a successfully negotiated, comprehensive free trade agreement between the United States and Canada, we urge you to fully consider the effects that would flow from implementation of the McDonald Policy. We also ask that you work for the repeal of existing limitations on film distribution, thereby removing significant impediments to the free trade talks.

Sincerely yours,

Pete Wilson, Richard G. Lugar, Bob Carr, James M. Jeffords, Steven D. Symms, Howard L. Berman, Bruce A. Morrison, Marcy Kaptur, Jim Bates, Ben Nighthorse Campbell, William Lehman, John D. Dingell, Thomas J. Manton, Carl Levin, Tony Coelho, Frank Horton, Ron Wyden, Henry A. Waxman, William L. Clay, Robert A. Roe, Douglas Applegate, William H. Gray III.

Stephen L. Neal, Bart Gordon, Kenneth J. Gray, Max Baucus, James H. Bilbray, John Bryant, Barney Frank, Steny H. Hoyer, Bill Green, Frank McCloskey, Benjamin A. Gilman, Robert G. Torricelli, Robert T. Matsui, Ron deLugo, Vic Fazio, Edolphus Towns, Gary L. Ackerman, Thomas M. Foglietta, Tom Bevill, Mel Levine, Mary Rose Oakar, John C. Danforth, John Heinz, Lawrence J. Smith, Thomas J. Downey, George Miller, Robert J. Mrazek, David E. Bonior, Orrin G. Hatch, Frank R. Lautenberg, Claude Pepper, and Raymond J. McGrath.●

SENATE RESOLUTION 228—AUTHORIZING A PHOTOGRAPH OF THE SENATE

Mr. BYRD (for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 228

Resolved, That paragraph 1 of rule IV of the Rules of the Regulation of the Senate Wing of the United States Capitol (prohibiting the taking of pictures in the Senate Chamber) be temporarily suspended for the sole and specific purpose of permitting the National Geographic Society to photograph the United States Senate in actual session on a date and time to be announced by the Majority Leader after consultation with the Minority Leader.

SEC. 2. The Sergeant at Arms of the Senate is authorized and directed to make the necessary arrangements therefor, which arrangements shall provide for a minimum of disruption to Senate proceedings.

SENATE RESOLUTION 229—EXTENDING THE AUTHORITY FOR THE OFFICE OF SENATE SECURITY

Mr. BYRD submitted the following resolution; which was considered and agreed to:

S. RES. 229

Resolved, That (a) There is hereby created within the Office of the Secretary of the Senate an Interim Office of Senate Security with the same duties, functions, personnel, rooms and facilities as the office established pursuant to Section 105(a) of the Legislative Branch Appropriations Act, 1979 (2 U.S.C. 72a note), as reenacted by Public Law No. 100-18, approved April 3, 1987.

(b) Funds appropriated for the fiscal year 1987 which would be available to carry out the purposes of the Office of Classified National Security Information but for the termination of such office shall be available for the Interim Office of Senate Security. The personnel transferred by this resolution shall continue to receive the same rate of compensation as in effect on June 5, 1987, subject to any modification by the Secretary of the Senate.

(c) All records, documents, data, materials, rooms, and facilities in the custody of the Office of Classified National Security Information at the time of its termination on June 5, 1987, are transferred to the Office established by this resolution.

(d) This resolution shall take effect on June 6, 1987, and expire on July 10, 1987.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON HAZARDOUS WASTES AND TOXIC SUBSTANCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Hazardous Wastes and Toxic Substances, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on June 5, beginning at 9 a.m., to hold a hearing on Resource Conservation and Recovery Act land disposal bans.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENERGY AND AGRICULTURAL TAXATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Energy and Agricultural Taxation of the Committee on Finance be authorized to meet during the session of the Senate on June 5, 1987, at 10 a.m., to hold a hearing on windfall profit tax and tax incentives to increase U.S. oil reserves.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. BYRD. Mr. President, I ask unanimous consent the Committee on Armed Services be authorized to meet during the session of the Senate on Friday, June 5, 1987, at 9:30 a.m., to receive testimony on the military implications of the administration's plan for U.S. military forces to protect "reflagged" Kuwaiti oil tankers.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WATER AND POWER

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Water and Power of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Friday, June 5, 1987, at 9:30 a.m., to receive testimony concerning the current water-related programs of the U.S. Geological Survey and the Environmental Protection Agency with emphasis on ground water.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE TAXPAYER'S BILL OF RIGHTS

● Mr. SASSER. Mr. President, I am pleased to join today as a cosponsor of S. 604, the Omnibus Taxpayers Bill of Rights Act. This legislation addresses a problem that has demanded attention for quite some time: the exploitation of our Nation's taxpayers by the Internal Revenue Service.

Mr. President, we have witnessed over the past few years an alarming increase in what can best be described as strong-arm tactics used by the IRS. IRS agents increasingly rely on intimidation and coercion in their activities. I suspect this increase in questionable conduct stems at least in part from the need to generate sufficient revenue to service the Federal deficit. Mr. President, we all support deficit reduction, but not under the guise of intimidating activity by the IRS. The taxpayer's bill of rights addresses this troubling trend.

This legislation recognizes that one of our most basic rights as American citizens in a court of law is that the burden of proof lies on the prosecution. The prosecution must present evidence and prove to a judge and jury that we are guilty before we can be found guilty. This presumption of innocence is central to our legal system. Yet, the IRS does not abide by this basic tennet of American jurisprudence.

Currently, the IRS can determine arbitrarily, for whatever reason, without trial, that an individual is guilty of a violation of tax law. And the IRS has the power to act as judge and jury and sentence that individual to such penalties that the IRS sees fit. Quite clearly this makes a mockery of our civil justice system. The Taxpayers Bill of Rights puts an end to these renegade tactics. The bill will address and correct this problem as well as many and other procedural shortcomings that currently exist within the IRS.

For example, under current law the rights of the taxpayer are unclear. This legislation brings some much needed clarity to this issue. The Taxpayer's Bill of Rights directs the IRS to offer the taxpayer an explanation of his rights in an audit and to provide an opportunity to meet personally with the taxpayer and his or her attorney at a location that is agreeable to all parties. There are no existing statutory guidelines for the scheduling of IRS interviews.

Under the current system, an error in filing results in payments of penalties and interest. Mr. President, we want to punish abusers of the tax system—who doesn't? But let's give honest citizens a chance to correct their mistakes before assuming their guilt. This bill would do just that by offering an opportunity to avoid penalties and interest to those who make an honest error in their return.

All to often when taxpayers call or write to the IRS with an inquiry about their tax return, they are given incorrect advice that sometimes results in an error in the return. In fact, Mr. President, I have a constituent from Nashville who had just such a problem that I would like to relate to you.

This woman, who is an attorney, filed a 940 tax form for the period that ended in December 1980. Shortly thereafter, the IRS sent her a notice that the tax had been increased so she paid the increase. Then, for reasons that were never explained, the IRS reversed its position and sent her a check for $160.85 in December 1982, 2 years later. Then 5 years later in January 1987, this same individual received a letter which reads in part: "We are sorry, but an error was made in the refund check we sent you for $160.85, dated Dec. 31, 1982 * * * This amount plus penalty and interest ($366.65) figured to January 22, 1987 should be restored and paid to the account."

Under current law, my constituent will have to undergo the time and expense of a court battle to oppose this outrageous treatment. Under the Taxpayer's Bill of Rights, individuals will no longer have to pay late penalties that develop as a result of an IRS error. In addition, the IRS must abate penalties that arise as a result of faulty advice given by them in writing.

Mr. President, it is high time Congress stand up and protect the rights of the taxpayer as they are guaranteed by our Constitution. I urge my colleagues to do their part by supporting this long overdue legislation.●

SPACE EXPLORATION DAY

● Mr. GARN. Mr. President, I rise to ask the support of my colleagues today as we consider Senate Joint Resolution 139, a resolution to declare July 20, 1987 as "Space Exploration Day."

This July 20 will mark the 18th anniversary of the first landing on the Moon, the 12th anniversary of the international *Apollo-Soyuz* mission, and the 11th anniversary of the first *Viking* landing on Mars. Those are significant anniversaries and every American has the right to be proud of our accomplishments in space. But more importantly, we need to look to our future in space, to anticipate the discovery and exploration of new worlds, and to find answers to questions we face in our own world.

Space offers the opportunity to learn more about communications, medicine, oceanography, geology, and many, many other disciplines. We each benefit from space exploration, often in ways that we don't comprehend or aren't even aware of. As President Reagan said when signing a previous proclamation for Space Exploration Day:

> Let us use this occasion as a commitment to our future, to the best of America. And let it be a reminder of America's spirit of exploration, our desire to cross new horizons and to learn more about ourselves and the world around us.

Mr. President, I hope we can all share this vision of the future. We can highlight our accomplishments by declaring this July 20 as a particular day to remember and to celebrate our many adventures in space. I ask my colleagues to show their support for this effort by voting for passage of Senate Joint Resolution 139 today.

I also have introduced separate legislation, S. 1288, which will designate July 20 of each year as "Space Exploration Day." I can only add that this significant date warrants our attention, and that it is fitting that we pay tribute to our space program—and its potential and future—by commemorating Space Exploration Day every year. I ask my colleagues to review S. 1288 and to join me in supporting an annual commemoration of Space Exploration Day.●

TRIBUTE TO DR. JOHN W. RYAN

● Mr. LUGAR. Mr. President, I would like to recognize one of my constituents, Dr. John W. Ryan of Bloomington, who is retiring as president of Indiana University this year after 16 years of distinguished service.

Dr. Ryan became president on January 26, 1971, and under his leadership Indiana University has emerged as one of the great research universities of the world. The highly developed eight campus system effectively serves the entire State of Indiana, and has developed and flourished primarily during Dr. Ryan's presidency. Important new buildings have been erected including the Glenn Black Laboratory for the study of archaeology, the Musical Arts Center, which houses performances of what is considered by most to be the best music school in the world, the Fine Arts Museum, and a major addition to the law school. The school of business is one of the top ranked in the country. New educational horizons including the school of public and environmental affairs have been instituted under Dr. Ryan's leadership, and important international programs have been fostered.

Dr. Ryan is a remarkable person who provides a living example for all of us in his commitment to achieving the goals he sets for himself. He is an exemplary educator who has performed admirably as chief executive of Indiana University, and he is known throughout the American educational community as a deeply principled and dedicated scholar. This I have come to learn personally from having sent two of my sons to study at Indiana University.

Dr. Ryan is retiring as president to give his full time to the campaign for Indiana—an aggressive campaign to raise over $200 million in private support for the university. This is quite appropriate, since the University endowment has increased during Dr. Ryan's presidency from $11 to $38 million, and the Indiana University Foundation and James Whitcomb Riley endowments have increased from $9 to $136 million.

I wish him success as he enters this newest phase of service, as he seeks the resources necessary to provide the highest quality of education and research at Indiana University.●

TEACHER THANK YOU WEEK

● Mr. DOMENICI. Mr. President, May 31–June 6 is "Teacher Thank You Week." The phrase thank you seems so inadequate to state our gratitude for the tremendous contributions made by America's educators. Throughout our lives, there have been teachers who stand out because their influence has stayed with us. Their commitment to teaching young people was an inspiration that extended beyond the classroom. They cared what kind of adults we would become.

As a former teacher myself, I know that without these dedicated professionals, we would not be able to function as literate individuals. It is from them that we learned the basic skills that provided a foundation for everything we accomplish in life.

It is time that the daily dedication and commitment with which teachers approach their profession receive national recognition. Teachers play a valuable role in developing skills and values in the young people who are our country's future. As time goes on, teachers spend more time with children than some of their parents do, and the kind of influence they have is all the more critical.

The foundation of our Nation's future prosperity is being strengthened daily in our schools. Today teachers are shaping the scientists, engineers, doctors, nurses, businessman, and leaders of tomorrow.

Recently, Mr. Raymond Horvath, principal of Ruth N. Bond Elementary School in Kirtland, NM, was selected by the National Parent-Teacher Association as one of the five top educators in the United States. I can't think of a greater honor than to be named one of the Nation's top educators. It involves more than reading, writing, and arithmetic. It boils down to caring—caring for the young minds that look to our teachers for the education that will be the foundation of their later life, and caring that they have grown, and learned how to live and love their fellow man. At this time, I ask that an article which appeared in the Kirtland Daily Times be printed in the Record.

Mr. President, I want to acknowledge and thank the teachers of New Mexico and our Nation for literally making education in our country possible. Let's take the time to thank them or at least remember what they have done for us, and what they continue to do for our children.

The article follows:

Kirtland Educator Wins National Award

Raymond Horvath, principal of Ruth N. Bond Elementary School in Kirtland, won one of four honorable mentions in the National Parent-Teacher Association's educator of the year contest.

Horvath, who was nominated by members of the Ruth N. Bond PTA, was selected to win one of the five awards from out of about 1,000 people who were nominated nationwide. He will receive a $500 cash prize, according to information from the National PTA.

He shared the honorable mention award with Karen Asai a third grade teacher at Mowhawk Elementary School in Eugene, Ore.; Gretchen Dickison, a fourth grade teacher at Joseph Bingham School in Noblesville, Ind.; and Joseph Cipfl, superintendent of the Belleville, Ill., school district.

Bessie McLemore, principal of Fulton High School in Atlanta, Ga., was selected as the 1987 winner of the Phoebe Apperson Hearst Outstanding Educator of the Year Award. She will receive $2,500 to use in a school project.

Horvath won the honorable mention award because of his heavy involvement with the Ruth Bond PTA. "He was the one who really started this PTA," said Carla Kimball, PTA president.

He adds a personal touch to school and encourages parental involvement in education. His philosophy of education is that it is much broader than just learning the 'three Rs.' she said.

Horvath was also recommended for the award by Central Schools Superintendent Bill Horton and by State PTA President Mildred Corbett. He has been in education for 35 years and has been an administrator at Central School District since 1971. He is also involved in Civitans and provides many valuable community services, she said.●

COMPULSORY UNION DUES FOR POLITICAL PURPOSES

● Mr. HECHT. Mr. President, we are hearing lots of talk during this debate on campaign reform about how PAC spending distorts the political process.

We are being told that PAC's distort the will of the people by making Members of Congress beholden to one special interest or another. This corrupting influence is supposedly destroying the foundations of our representative form of government, say the self-styled reformers.

Mr. President, I fail to see the corruption in groups of citizens voluntarily banding together to petition their congress through PAC's. I see nothing wrong with any kind of voluntary citizen participation in our political process—be it through a PAC or individual giving to Federal candidates provided that contributions and spending are fully reported and disclosed.

However, I am deeply concerned by a form of compulsory PAC giving that has somehow escaped the attention of the reformers. To me, and I am sure to the overwhelming majority of Americans, it is the most vile and corrupting influence in our current election system.

I am talking about the current loophole in the Federal Election Campaign Act that allows union officials to take dues collected as a condition of employment and spend those forced dues on political causes many of the forced dues payers oppose.

While direct cash contributions from union PAC's to Federal candidates must ostensibly be derived from voluntary sources, I would like to remind my colleagues that the FECA allows these union PAC's to pay their overhead costs out of general treasury funds. These general union treasury funds consist of millions upon millions of dollars taken from workers who must pay up or be fired.

That is right. Compulsory union dues can pay the salaries of union PAC staffers, foot the costs for expensive fundraising mailings, pay the rent for office space, and a host of other activities that directly subsidize the union PAC cash contributions to candidates.

S. 2, as it is presently written, will not insulate congressional elections from the influence of special interests. This bill will not fulfill that promise because it leaves untouched, uncriticized and unlimited the most blatant manipulation of the American political process, namely the political use of compulsory union dues.

First, S. 2 fails to deal with the most indefensible of all campaign abuses, the use in each Federal election of tens of millions of compulsory union dues dollars for politics.

Second, and even worse, it rewards the perpetrators of this corruption by giving them a clear field in which to operate by banning private contributions which might tend to balance or even reduce their compulsory dues based political control. The main issue at stake here is that of individual freedom. It is not a question of what party receives more PAC money. It is a question of whether any citizen should have his earnings forcibly taken from him and spent by a private organization—a union—in ways not to his liking. As Thomas Jefferson said, "to compel a man to furnish contributions of money for the propagation of opinions which he disbelieves and abhors is sinful and tyrannical." Yet that is exactly what the Federal election campaign act currently allows union officials to do.

Mr. President, we cannot in all honesty pat ourselves on the back for truly reforming our election laws and making them as fair and just as possible until we have somehow solved the problem of the use of compulsory union dues for political purposes. My distinguished colleague from North Carolina, Senator Helms, and others have introduced S. 615, legislation that would prohibit the use of forced dues to support congressional candidates. Some of my other colleagues have been discussing similar legislation, to require the full and complete disclosure of any compulsory union dues as expenditures for soft money or in-kind political activities on behalf of candidates. I strongly support these approaches to the problem.

The National Right to Work Committee has compiled an informative issue briefing paper on the disgrace of using compulsory union dues for political purposes. I ask that this issue briefing be included in the Record.

The material follows:

The Threat of Compulsory Union Dues for Politics

Every year, millions of American workers are forced to support political causes and candidates they believe are wrong. They're compulsory union members—workers who would be fired from their jobs if they dared stop paying forced union dues and fees. And their hard-earned dollars are being spent unchecked by union officials on behalf of their handpicked candidates who will then vote for even more compulsory unionism legislation.

Federal labor law grants labor union officials a lucrative special privilege afforded no other private organization—the power to force workers to pay money to the union on peril of their jobs. Every year union officials take in an estimated $3.5 billion in compulsory dues. And that amounts to nearly $10 million a day.

POLITICAL MACHINE FUELED BY FLOW OF FORCED UNION DUES

Using these vast resources, union officials finance the operation of their sophisticated union political machinery. Through this vast machinery, they funnel huge, unreported amounts of compulsory dues dollars on behalf of candidates who will do their bidding.

Politicians who find themselves deep in hock to union officials claim that this is not true. They anxiously point to federal campaign laws which give the appearance of restricting the use of compulsory dues for politics. But as they well know, the law is carefully drafted to look the other way while partisan union political operatives throw countless millions of dollars into the electoral fray.

Current election laws, while prohibiting the use of compulsory dues for direct cash contributions to political candidates, encourage the use of forced union dues for a number of indirect means of supporting union officials' pet candidates and causes.

For example, Section 441 of the Federal Election Campaign Act specifically permit union officials to use compulsory dues money to communicate with union members and their families, urging their support for a particular candidate; to conduct blatantly partisan get-out-the-vote drives; and to operate the sophisticated union political action committees (PACs).

The federal courts, while finding that the use of compulsory dues for politics violates employee's legal and constitutional rights, have to date failed to provide any meaningful remedy for this abuse, a remedy that will protect employees everywhere by stopping this practice once and for all.

Taking advantage of these gaping loopholes in the federal election laws, union officials funnel most of their political expenditures through indirect channels. They call it "soft money" and it comes directly from compulsory union dues.

"SOFT MONEY"; MILLIONS IN FORCED UNION DUES FOR POLITICS

Unlike all other political expenditures, compulsory dues "soft money" has no ceiling—and almost all of it goes unreported. Union political operatives use "soft money" millions for two major expenditures: financing their extensive union PAC operations, and providing massive "in-kind" political services.

Compulsory dues "soft money" for the union PACs pays the salaries of thousands of full-time political operatives across the nation. It provides PAC supplies, finances mass mailings and travel expense accounts, and purchases sophisticated office machinery and computers. It even pays the salaries and overhead for partisan union fundraisers.

MASSIVE "IN-KIND" SPENDING OF FORCED UNION DUES FOR HANDPICKED CANDIDATES

But in spite of the massive amounts of "soft money" required to operate union PACs, it's still only the tip of the iceberg. The overwhelming bulk of compulsory dues "soft money" is spent on "in-kind" political services.

While union-controlled politicians persistently deny that forced dues are used for politics, union officials themselves admit to using millions of dues dollars for "in-kind" political services.

According to STEELABOR, the Steelworkers union official newspaper, compulsory dues money "can't go for direct political contributions—but it can do a lot: mailings supporting or opposing political candidates, phone banks, precinct visits, voter registration and get-out-the-vote drives . . ."

A substantial admission—but still only half of the story. Compulsory dues also pay the salaries of thousands of union staffers who abandon their regular duties for weeks and even months on end to devote themselves entirely to partisan politics. In the final stages of major elections, countless union offices commit all of their vast resources to political action.

Additionally, forced dues "in-kind" expenditures provide hordes of election-day "volunteers" who are paid overtime rates from compulsory dues, hundreds of millions of political pamphlets and flyers, and paid election-day carpools and baby-sitters, to name just a few.

Because this unreported "in-kind" spending is not subject to any limitations under current law, it represents the overwhelming bulk of union political expenditures. While no official statistics for total union "in-kind" spending are available, respected labor columnist Victor Riesel put the 1976 total at $100 million—a figure which many experts consider conservative.

One hundred million dollars, of course, buys a tremendous amount of political clout. By comparison, during that same election year, business, trade and farm organizations spent a total of $11.5 million, and independent citizens' groups spent $1.5 million.

All these contributions are reported, documented and—most important—voluntary. But they are reduced to near insignificance when compared with the massive infusion into the political system of countless millions of compulsory union dues dollars coerced from American workers.

SO-CALLED REFORMS IGNORE FORCED DUES "SOFT MONEY"

Because of the influence on Congress of special interest groups, it has become fashionable on Capitol Hill to call for election spending "reforms."

But all too often, those shouting loudest for so-called "reforms" are the very politicians who receive the most "in-kind" support from organized labor. Predictably, their "reforms" impose strict limits on cash contributions from business and citizen PACs—but they do nothing to restrict the use of compulsory union dues "soft money" for massive "in-kind" political spending.

Legislative experts agree that if such misdirected "reforms" were enacted into law, union political operatives would be granted even greater advantages in electoral campaigns. They would be free to continue their spending of compulsory union dues for "in-kind" political services, while competing interests, relying on voluntary cash contributions, would be bound by strict spending limitations.

Candidates would then be faced with a simple choice: sell out to well-heeled union officials, or face defeat in an underfunded, unfair, one-sided campaign.

THE NATION'S PRESS UNCOVERS FORCED DUES FOR POLITICS

New York Times—". . . most of (organized labor's) contributions never show up in official reports. Notable is the tab for virtually full-time assignment of union organizers and clerks to get-out-the-vote duty in pre-election periods.

"This year more than 10 million calls were placed from COPE telephone banks and 120,000 'volunteers' were involved in its carpools and doorbell ringing."

Los Angeles Times—"Dues money, directly from the union treasury, can be used only for such political work as voter registration, get-out-the-vote drives and for leaflets and newsletters to 'communicate' with union members."

Wall Street Journal—"The documents indicate that direct gifts are often overshadowed by various services provided free of charge to favored union candidates under the guise of 'political education' for union members.

The indirect aid includes some of labor's most potent political weapons: assignment of paid staff members to candidates' campaigns, use of union computers, mobilization of get-out-the-vote drives."

Arizona Republic—"Unions can assign officers and office workers to ring doorbells for the candidate. It can put up bill posters and place advertisements in the newspapers for him. It can operate a telephone bank for him."

Chicago Tribune—"There is no control at all on the most effective source of union help, namely the services performed by union staffs on behalf of candidates—such as telephone operations and driving voters to the polls. . . . In short, labor unions have become the No. 1 'special interest' group in trying to influence Congress."

Washington Star—"The unions' support was more than direct financial aid to candidates. There was mass distribution of literature to members voicing support of some candidates and opposition to others. There was also open endorsement of candidates and announced opposition to others."

REAL CAMPAIGN REFORM: STOP FORCED DUES FOR POLITICS

Throughout American history, individual campaign contributions have been a strong determining factor in political elections. But current election laws have upset the electoral balance by restricting individual contributions while opening the floodgates to vast amounts of union "soft money." Union officials have been granted a free hand in their use of compulsory dues for "in-kind" partisan political spending.

Any meaningful campaign reforms, rather than naively clamping even tighter ceilings on cash contributions alone, must deal with the problem of compulsory dues "soft money" for political purposes. The election laws must return to individual workers the right to choose for themselves which political candidates and causes their dollars will be used to support.

Until such genuine campaign reforms are enacted into law, true political freedom for American workers will remain a frustrated dream. And union officials will retain the inordinate power to force workers to support hand-picked union candidates.●

THE ST. PAUL DISTRICT OF THE FARM CREDIT SYSTEM

● Mr. **BOSCHWITZ.** Mr. President, over the past few years as the rural economy has struggled, the Nation's Farm Credit System has struggled as well. The first quarter financial reports showed that nationwide the System is continuing to suffer losses. The System reported a first quarter loss of $155 million. Loan volume also continued to fall. At year-end 1986 the System held $54.6 billion in loans, and by the end of March, loan volume decreased to $52 billion.

One of the major problems facing the System is the volume of nonperforming loans that are putting a drain on the System. At the end of March the System held $6.8 billion in nonaccrual loans. With a shrinking loan portfolio these nonpaying loans now make up an even greater percentage of the total loan volume.

Recognizing that its volume of nonpaying loans were producing an enormous drain on the district, the St. Paul District—which covers my home State of Minnesota—began an intensive and aggressive self-help program. Many of the other districts, however, have not taken the initiative to move forward and restructure or otherwise contend with their problem loans. It seems that these other districts are sitting back and waiting for the Government to come up with some new capital to bail them out.

The St. Paul District is to be commended for taking an aggressive lead in restructuring debt and keeping farmers on their land. This is an ongoing program in the St. Paul District and they are still finalizing plans for the next phase to begin in mid-June. As we continue to work on legislation to assist the Farm Credit System, we must take a close look at what the St. Paul District has done for itself and apply that same approach to the other districts in the Farm Credit System.

I invited Larry Buegler, the president of the St. Paul District, who masterminded the St. Paul District approach to come out to Washington yesterday to discuss their program. Their goal is to get borrowers paying again and keep the farmers on the land. And they've been able to restructure 70 percent of these loans and keep the farmers on their land. They also set out to raise land values 5 percent by creative marketing of land they had acquired from farmers as a partial payment of their loans.

The results are impressive. Of roughly 8,300 nonperforming loans in the St. Paul District, more than 5,100 have gone into restructuring talks and almost 3,500—worth $542 million—have reached a final settlement as of May 1. In doing this, the district recovered $60 million that was charged off to cover losses on these nonaccrual loans. The St. Paul District alone accounted for three-quarters of the loans restructured throughout the system in the first quarter of 1987.

With respect to its land sales, the district sold 360,000 acres at a value of $190 million at 5 percent over the appraised value. One other district has commended the St. Paul District for its role in sparking an increase in land values nationwide.

The district's first quarter financial results reflect the early results of its debt restructuring plan. For the first quarter of 1987 the St. Paul District came within $2.1 million of breaking even. In comparison, for the first quarter of 1986 the district posted a $33 million loss and a full-year 1986 loss of over $430 million.●

SHRINKING DOLLAR WILL NOT SOLVE TRADE PROBLEMS

● Mr. HEINZ. Mr. President, more than a month ago, I took the floor to discuss the fallacy that the shrinking dollar will automatically solve our trade problems. Many economists have predicted that as the dollar becomes weaker against the currency of a foreign country, the prices of the products of that country should rise in the United States.

While this relationship seems logical, it is not necessarily accurate in reality. Previously, I presented data which demonstrated that a declining yen-to-dollar ratio was not reflected in higher prices for imported Japanese color television sets. My comments today shift the focus to a different product manufactured by different countries but arrive at the same conclusion, again conflicting with traditional economic theory.

In February 1985, there were 3.3025 German marks to $1, and the price of flat carbon plate imported from Germany was $408 per ton. During the last 2 years, the mark has dropped almost 45 percent to 1.8265 to the dollar; yet carbon plate prices for German imports in the United States have not risen. In fact, the price for imported German plate has fallen 14.5 percent to $359. Belgium has shown a similar trend. From February 1985 to February 1987 the Belgian franc declined from 66.310 per dollar to 37.816 per dollar, a decrease of approximately 43 percent. However, the price for flat carbon plate imports into the United States from Belgium has dropped 1.58 percent from $380 to $374.

The economic myth that a simple declining dollar will translate into a reduced trade deficit does not match with reality. Both the Germans and Belgians have apparently followed the Japanese tactic of capturing market share and hanging on to it at any cost. They have proved that they are willing to sacrifice profits in the interest of maintaining a presence in the market. Unless these countries change their tactics, Americans cannot afford to harbor the illusion that a shrinking dollar will solve our foreign problems. Maintaining that illusion at best would be harmful in the short run and at worst would bring about irreversible long-term economic damage. As the debate on the trade bill proceeds, I will have more to say about this myth. I only urge my colleagues at this point to recognize it for what it is—a myth that has very little relationship to the way the world actually works.●

THE BUDGET RESOLUTION

● Mr. HEINZ. Mr. President, the debate about the Federal budget is a debate about leadership. It is a test of congressional determination to reduce the deficit while providing for the country's critical needs. It involves balancing competing macroeconomic concerns and allocating scarce resources among a multitude of deserving programs.

The decisions are especially important this year, since the country is at an economic crossroads. We have become increasingly dependent on the goods and resources of other nations instead of our own. America's future position in the world economy depends on a clear vision of our spending priorities.

Unfortunately, the budget resolution adopted by the Senate on May 6, 1987 fails the test of congressional determination and fails to provide the vision we need. It places a disproportionate share of the deficit-reduction burden on the backs of the elderly and relies on excessive tax increases. Funding of both defense and domestic programs fails to provide adequately for the country's critical needs.

Congress and the President made a commitment to the American people last year to reform our tax system. I intend to keep that promise. However, the Senate budget raises revenues by $137 billion over the next 4 years, which will make the promise much more difficult to keep.

There are positive aspects of the budget which the Senate passed. It protected our commitment to education and job training. But it also avoided many cuts that I believe are necessary. We are not serious about deficit reduction so long as we continue to subsidize everything from timber production to irrigation, which represents profitable business enterprises.

When the Budget Committee reported out the budget, it sought to spread deficit reduction evenly. For example, it imposed grazing fees, reduced some Power Marketing Administration funds, and minimized Bureau of Reclamation subsidies. However, this balanced approach to deficit reduction was upset when the substitute budget added $1.2 billion to Energy and Natural Resource Committee programs.

Just 2 years ago, Congress enacted a bipartisan bill to eliminate the Federal budget deficit by 1991—the Gramm-Rudman-Hollings Act. However, our ability to meet the Gramm-Rudman-Hollings goal is already in jeopardy. The Senate-passed budget missed the Gramm-Rudman deficit target of $108 billion by $26 billion. This will delay our reaching a balanced budget and will add to the debt burden that our children and grandchildren will have to bear.

Of particular concern in the Senate-passed budget was funding for both defense and domestic programs. Defense cuts will come from the personnel we depend upon to safeguard our Nation. Reductions could be made instead in unnecessary or duplicative procurement. There should be some economizing at the Defense Department, but not in the quality or readiness of the men and women who are the heart of our military services.

I also question the commitment to quality health care that this budget represents. It took an axe to vital health programs like Medicare. Over the past several years, Medicare has sustained larger cuts than any other domestic program. We may say that the money will not come out of older Americans' pockets, but by reducing provider payments, we are encouraging reductions in the quality of care available to our senior population.

Concern about Medicare cuts in the Chiles budget caused Senator CHAFEE and me to offer an amendment restoring $1 billion in funds to Medicare.

The amendment would have helped to ensure high-quality health care for the poor and the elderly. I very much regret that our amendment was defeated.

The Congress and the President share an obligation to ensure the financial strength of the United States. The budget passed by the Senate fails to fulfill that commitment. For all the reasons I have outlined, I could not vote to approve it, and I make these remarks today to serve notice to the conferees on the budget resolution that they will need to make significant improvements in the budget conference report if it is to have my support.●

OPEN LETTER TO THE PEOPLE OF PANAMA

● Mr. D'AMATO. Mr. President, I rise to insert into the RECORD a letter to the Panamanian people cosigned by Senator KENNEDY and a bipartisan group of Senators.

Last year, Congress overwhelmingly passed the Anti-Drug Abuse Act of 1986. This legislation required certification that drug producing nations are cooperating with U.S. antinarcotics efforts. In April, this body voted on a resolution to disapprove Presidential certification that Panama has fully cooperated with the United States to counter drug trafficking.

Since that vote, the government-controlled news media in Panama has characterized the effort as a thinly veiled attempt to abrogate the Panama Canal Treaty. Mr. President, nothing could be further from the truth.

The following letter clarifies this point for the people of Panama. It is my hope this message gets to them.

I ask that this open letter to the people of Panama be included in the RECORD.

The letter follows:

JUNE 5, 1987.

AN OPEN LETTER TO THE PEOPLE OF THE REPUBLIC OF PANAMA

We would like to take this opportunity to express our view of the basis of the relationship between the people of the United States and the people of the Republic of Panama and express our opposition to the erroneous view now being voiced in Panama that the people of the United States desire to abrogate the Panama Canal Treaty. We hope these remarks will be of interest not only to our colleagues in the Senate but to the people of our two countries as well.

In recent months, an increasing number of voices in the United States have expressed concern about events in Panama. The alleged murder of a prominent opposition figure has been the subject of hearings in this body. Reports of human rights violations have surfaced with increasing frequency. Drug trafficking and money laundering continue to be a matter of deep concern. Allegations of corruption in the leadership of the Panamanian Defense Forces and the growth of these forces beyond any justifiable requirement have been the subject of unanswered questions.

As this chorus of voices has increased, a frequent response heard from officials of the Government of Panama and the Panamanian media has been to dismiss these issues, alleging that they are prompted by some conspiracy of individuals in the United States, including members of the Senate, to abrogate the Canal Treaty and continue control after the year 2000. This is completely untrue.

We hope that the people of Panama are not misled by statements which try incorrectly to attribute these concerns to a desire to return the Canal to the United States. Certainly there are those who disagreed with the Treaty at the time it was ratified by the Senate. Some—a substantially smaller number in our opinion—continue to disagree today.

The Panama Canal is surely one of the engineering marvels of the modern world. The people of the United States and the people of Panama have shared in its construction and its operation. For many reasons, it is an important fact of life to both countries. We have carefully watched the operation of the Canal as our two countries have begun the implementation of the Treaty. We have been very pleased to see the Deputy Administrator of the Panama Canal Commission demonstrate the capability of Panamanian leadership to excel in a different task.

Our two countries have enjoyed a long and friendly relationship. Events which have proved to be good for the people of one country have generally been good for the people of the other. The largest community of U.S. citizens in this hemisphere who live outside the United States lives in Panama. Occasional disagreements, while reflecting the intense concern of both, have not disrupted the fabric of individual relationships which bond the two countries together. Both the people of Panama and the people of the United States have been the beneficiaries of this enduring relationship. The people of the United States have always regarded Panama as a special friend and watched with great interest as Panama met its unique challenges.

The people of Panama should know that the vast majority of these expressions are prompted by genuine concern for the welfare of the people of Panama and a desire to see the Panamanian Government succeed in achieving democracy. Beyond any doubt, the vast majority of concerned citizens of the United States view the Panama Canal Treaty as the law of this land and are sincere in their hope for the best the future may offer for their friends in Panama. That certainly includes their desire that they may come to enjoy the fruits of a genuinely democratic system, free of repression and other evils of absolutism. We count ourselves among the friends of Panama. We offer these views in a spirit of good will, knowing that our futures are linked together.

Sincerely,

Edward Kennedy, Alfonse M. D'Amato, Richard G. Lugar, Frank H. Murkowski, Patrick Leahy, Robert Kasten, Wendell Ford, David Pryor, Alan K. Simpson, William Armstrong, Alan J. Dixon, Christopher J. Dodd, Pete V. Domenici.●

AUTHORIZATION FOR PHOTOGRAPH IN THE CHAMBER OF THE U.S. SENATE

Mr. BYRD. Mr. President, on behalf of Mr. DOLE and myself, I send to the desk a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read as follows:

A resolution (S. Res. 228) authorizing the taking of a photograph in the Chamber of the United States Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. BYRD. Mr. President, before the Senate acts on the resolution, may I say that the official Senate photograph, which will be taken by the National Geographic Society, will appear in the 14th edition of the U.S. Capitol Historical Society's guidebook, "We The People," and in the publication entitled "The Capitol," prepared jointly by the Senate Rules Committee and the Committee on House Administration.

I should add that the first of these official photographs was taken on September 24, 1963, the day on which the Senate approved the Nuclear Test Ban Treaty. I hope the Senate will adopt the resolution.

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the resolution.

The resolution (S. Res. 228) was agreed to as follows:

S. RES. 228

Resolved, That paragraph 1 of rule IV of the Rules of the Regulation of the Senate Wing of the United States Capitol (prohibiting the taking of pictures in the Senate Chamber) be temporarily suspended for the sole and specific purpose of permitting the National Geographic Society to photograph the United States Senate in actual session on a date and time to be announced by the Majority Leader after consultation with the Minority Leader.

SEC. 2. The Sergeant at Arms of the Senate is authorized and directed to make the necessary arrangements therefor, which arrangements shall provide for a minimum of disruption to Senate proceedings.

Mr. BYRD. I move to reconsider the vote by which the resolution was agreed to.

Mr. PACKWOOD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ESTABLISHMENT OF INTERIM OFFICE OF SENATE SECURITY

Mr. BYRD. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The **PRESIDING OFFICER**. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 229) to establish the Interim Office of Senate Security.

The **PRESIDING OFFICER**. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. **BYRD**. Mr. President, the existing statutory authority for the Office of Classified National Security Information in the Senate expires today, June 5, 1987.

The joint leadership is presently developing the permanent language for upgrading this office in accordance with current security requirements. However, since it is essential that we maintain the continuity of the office, I am submitting this resolution which extends this office through July 10, 1987.

The **PRESIDING OFFICER**. The question is on agreeing to the resolution.

The resolution (S. Res. 229) was agreed to as follows:

S. Res. 229

Resolved, That (a) There is hereby created within the Office of the Secretary of the Senate an Interim Office of Senate Security with the same duties, functions, personnel, rooms and facilities as the office established pursuant to Section 105(a) of the Legislative Branch Appropriations Act, 1979 (2 U.S.C. 72a note), as reenacted by Public Law No. 100-18, approved April 3, 1987.

(b) Funds appropriated for the fiscal year 1987 which would be available to carry out the purposes of the Office of Classified National Security Information but for the termination of such office shall be available for the Interim Office of Senate Security. The personnel transferred by this resolution shall continue to receive the same rate of compensation as in effect on June 5, 1987, subject to any modification by the Secretary of the Senate.

(c) All records, documents, data, materials, rooms, and facilities in the custody of the Office of Classified National Security Information at the time of its termination on June 5, 1987, are transferred to the Office established by this resolution.

(d) This resolution shall take effect on June 6, 1987, and expire on July 10, 1987.

Mr. **BYRD**. I move to reconsider the vote by which the resolution was agreed to.

Mr. **PACKWOOD**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RE-REFERRAL OF BILL—S. 795

Mr. **BYRD**. Mr. President, I ask unanimous consent that S. 795, a bill to provide for the settlement of water rights claims of certain bands of the Mission Indians in San Diego County, CA, that is currently before the Energy and Natural Resources Committee be re-referred to the Select Committee on Indian Affairs; and

That when S. 795 is again reported by the Indian Affairs Committee, it be referred to the Energy Committee for a period not to exceed 30 calendar days, excluding periods of 7 days or more that the Senate is not in session.

The **PRESIDING OFFICER**. Is there objection? Without objection, it is so ordered.

TIME FOR COMMITTEES TO FILE REPORTS

Mr. **BYRD**. Mr. President, I ask unanimous consent that the committees may have until 6 p.m. today to file reports.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ORDERS FOR TUESDAY, JUNE 9, 1987

ADJOURNMENT UNTIL 11 A.M. TUESDAY

Mr. **BYRD**. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 11 a.m. on Tuesday next.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. **BYRD**. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order on Tuesday next, there be a period for the transaction of morning business not to extend beyond the hour of 12 noon; that at the hour of 12 noon the Senate stand in recess for 2 hours, until the hour of 2 p.m., to accommodate the two regular party conferences; that no resolutions or motions over, under the rule, come over, and that the call of the calendar under rule VII be waived; provided further, that Senators may be permitted to speak during the period for the transaction of morning business for not to exceed 5 minutes each.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. **BYRD**. Mr. President, I ask unanimous consent that Senators who have amendments that they wish to timely file in compliance with the cloture rule, rule XXII, may do so on Monday, even though the Senate is not in session; that they may submit their amendments to the appropriate Senate officer, and those amendments then will be considered on Tuesday if cloture should be invoked just as though the Senate had been in on Monday and the amendments were timely filed.

The **PRESIDING OFFICER**. Is there objection? Hearing none, without objection, it is so ordered.

Mr. **BYRD**. Therefore, Mr. President, no Senators' rights have been compromised in this rule XXII situation by virtue of the Senate's being out on Monday next.

TIME AGREEMENT FOR TUESDAY, JUNE 9, 1987

Mr. **BYRD**. Mr. President, I ask unanimous consent that on Tuesday, between the hours of 2 p.m. and 5 p.m., the time be equally divided and controlled by the majority and minority leaders or their designees.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ACCOMMODATION AMONG SENATORS

Mr. **BYRD**. Mr. President, I thank all Senators who have participated in the debate today. It has been a good debate.

I thank the distinguished Senator from Oregon for protecting my rights while I had to be away from the floor.

I think that is something about this body that we all understand and appreciate so much, that if Senators are in opposite positions and on a given occasion they are antagonists, they will certainly honor the circumstances and respect the situations in which other Senators who probably take a different view from the one they hold in a given situation may find themselves, so that that Senator's rights are protected and no action is taken while he is off the floor.

I mentioned to Senator Packwood earlier today that both Senator Boren and I would have to be away from the floor for a while this afternoon, would he protect our rights, He said, "of course," and we had no further concerns. I thank him.

I also thank my colleagues on both sides who participated in the debate this afternoon and those who presided. I look forward now to continuing the debate on S. 2 on next Tuesday.

RECORD OPEN UNTIL 5 P.M.

Mr. **BYRD**. Mr. President, I ask unanimous consent that the Congressional Record remain open until 5 p.m. today for the statements of Senators and for the offering of resolutions and bills.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

ORDER FOR COMMITTEES TO FILE REPORTS

Mr. **BYRD**. Mr. President, I also ask unanimous consent that committees also may file reports on Monday next between the hours of 10 a.m. and 3 p.m.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **BYRD**. Does the distinguished acting Republican leader have any further statement or business he wants to transact?

Mr. **PACKWOOD**. Nothing more. I want to agree with the majority leader there has been good debate on S. 2

today, good debate on both sides, good points on both sides.

Mr. BYRD. He does concede good points on this side?

Mr. PACKWOOD. There was one good point on the other side.

Mr. BYRD. Mr. President, I thank my friend.

ADJOURNMENT UNTIL TUESDAY, JUNE 9, 1987, AT 11 A.M.

Mr. BYRD. Mr. President, I move, in accordance with the previous order, that the Senate stand in adjournment until 11 o'clock a.m. on Tuesday next.

The motion was agreed to; and the Senate, at 4:07 p.m., adjourned until Tuesday, June 9, 1987, at 11 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 5, 1987:

NATIONAL ADVISORY COUNCIL ON EDUCATIONAL RESEARCH AND IMPROVEMENT

Max Charles Graeber, of Virginia, to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1989.

Van B. Poole, of Florida, to be a member of the National Advisory Council on Educational Research and Improvement for a term expiring September 30, 1989.

NATIONAL ADVISORY COUNCIL ON WOMEN'S EDUCATIONAL PROGRAMS

Patricia Hill Williams, of New York, to be a member of the National Advisory Council on Women's Educational Programs for the remainder of the term expiring May 8, 1987.

Patricia Hill Williams, of New York, to be a member of the National Advisory Council on Women's Educational Programs for a term expiring May 8, 1990.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Paul J. Olscamp, of Ohio, to be a member of the National Council on the Humanities for a term expiring January 26, 1992.

Anne Paolucci, of New York, to be a member of the National Council on the Humanities for a term expiring January 26, 1992.

John Shelton Reed, Jr., of North Carolina, to be a member of the National Council on the Humanities for a term expiring January 26, 1992.

Fay S. Howell, of Georgia, to be a member of the National Museum Services Board for a term expiring December 6, 1991.

DEPARTMENT OF EDUCATION

Bonnie Guiton, of California, to be Assistant Secretary for Vocational and Adult Education, Department of Education.

DEPARTMENT OF LABOR

Janet L. Norwood, of Maryland, to be Commissioner of Labor Statistics, U.S. Department of Labor, for a term of 4 years.

CORPORATION FOR PUBLIC BROADCASTING

Sheila Tate, of Virginia, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1991.

William Lee Hanley, Jr., of Connecticut, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1992.

Archie C. Purvis, of California, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1991.

Marshall Turner, Jr., of California, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1992.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

PUBLIC HEALTH SERVICE

Public Health Service nominations beginning Diane S. Ackerman, and ending Earl H. Lynch, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on March 25, 1987.

Public Health Service nominations beginning William A. Eaton, and ending Patricia A. Rye, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on May 12, 1987.

Public Health Service nominations beginning Margaret C. Bash, and ending Elizabeth A. Woodcome, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on May 19, 1987.

Public Health Service nominations beginning Leonard Bachman, and ending Janet E. Johnson-Leclair, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on May 19, 1987.

Public Health Service nominations beginning Thomas N. Chase, and ending George H. Walter, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on May 19, 1987.

Public Health Service nominations beginning Gerald A. Faich, and ending George E. Foley III, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on May 19, 1987.

HOUSE OF REPRESENTATIVES—*Monday, June 8, 1987*

The House met at 12 noon.

The Reverend Dr. Ronald Christian, assistant to the bishop, American Lutheran Church, Fairfax, VA, offered the following prayer:

O God our Father:

The writers of old tell of Your goodness in the creation story;

The prophets remind us all of Your demand for justice and our need to walk humbly before You;

The theologian writes that while faith and hope are essentials of life, love is the ultimate gift.

So, we pray this day, O God:

Protect us from losing our sense of awe at the wonders and intricacies of our world;

Keep us from the secular creep of selfish goals and the quest for personal gain;

Challenge us to give as we have been given, to bless as we have been blessed, and love as we have been loved.

This is our prayer. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

THE UNITED STATES DOES NOT HAVE TO PASS ANY MORE TESTS

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, Congress is currently in the midst of acting on a resolution I authored to disapprove of the sale of 360 million dollars' worth of highly sophisticated Maverick antitank missiles to Saudi Arabia.

Frankly, I am aghast at some of the preposterous comments coming from the administration in regard to our relationship with Saudi Arabia.

In last Friday's New York Times, a senior administration official described the United States-Saudi relationship as follows: "It's a reciprocal relationship * * *. They have to have confidence in our staying power. This is a test (referring to the sale) and if they don't think that we pass the test, why should they put themselves in harm's way?"

Mr. Speaker, in my 5 years in Congress I have never seen such a perversion of reality. How many tests must the United States pass? Do the Saudis think that the U.S.S. *Stark* was taking a pleasure cruise? It was there to protect the gulf and the Saudis. Is 37 dead Americans not a good enough indication of our political will? Furthermore, Saudi Arabia has purchased over 29 billion dollars' worth of weapons from the United States in the 6 years of this administration alone. During each debate on these sales, the administration has pledged that in return for the arms, the Saudis would work closer with us to pursue American interests in the region. All we've gotten, though, are more tests. Did we pass the test with the marines in Lebanon? Do we pass the tests with our foreign aid to Egypt, Jordan, Oman, and so forth, each year?

Mr. Speaker, rhetoric is no substitute for action. It's time for the Saudis to pass the test, put themselves in harm's way. We've passed the test year after year with American lives and American dollars. The United States does not have to pass any more tests.

KICK SAM DONALDSON OUT OF THE PRESS ROOM

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, concerning the newscaster, Sam Donaldson, we have all seen how rude and uncouth he can be in questioning our President Ronald Reagan, but I guess that's his right and anyway he only demeans himself, but this morning, Mr. Speaker, over in Venice in the eyes of the world in his nasty way, he demanded that the President tell us what we are going to do if Iran deploys the Silkworm missiles.

Mr. Speaker, if the President tells us, he is going to jeopardize the lives of American men and women serving on our ships in the Persian Gulf. If he does not tell us, Sam Donaldson will jump up on his high horse and he will say the President is holding back on the American people.

Mr. Speaker, for a member of the American press traveling with the President of the United States overseas to ridicule the Presidency and demanding answers to questions that would telegraph our strategy to the enemy is downright un-American and if I were the President, I would kick him out of the pressroom.

DEFENSE WASTE CLEANUP FINANCING ACT

(Mr. MORRISON of Washington asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORRISON of Washington. Mr. Speaker, today I am pleased to be able to introduce legislation that would create a financing mechanism for the systematic cleanup of more than 40 years' worth of nuclear defense waste that has been generated by the Federal Government during the production of nuclear weapons materials.

The need for this legislation is almost good news. Environmental and operational standards for these facilities have improved dramatically over the years. Unfortunately, the funding has not been made available to clean up the backlog of existing waste to meet these new standards. This legislation would establish a funding mechanism and mandate a cleanup plan aimed at resolving existing waste problems and preventing future environmental damage.

The bill calls for the Department of Defense and the Department of Energy to set aside a fixed percentage of defense related spending each year to fund disposal of radioactive and hazardous waste. This would essentially establish a pool of funds from which the Department of Energy could draw to address waste disposal problems. The concept is that of a tax on defense activities in an effort to force a pay-as-you-go cleanup procedure, as recommended by the Northwest Citizens Forum on Defense Waste in a recent report to Members of Congress.

I have found that it is simply too easy to put environmental activities off in favor of meeting production goals. Many areas of the country, including the Hanford Reservation in my district, have enthusiastically supported defense production goals. In return they deserve an enthusiastic effort by the Federal Government to restore and maintain the environmental quality of the area.

This is how the legislation would work. One-half of 1 percent of the money appropriated to Department of Defense programs and certain Department of Energy defense production programs would be set aside and then transferred to the Department of Energy to be used solely for radioactive and hazardous waste cleanup. This would provide almost $1.5 billion

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

annually if defense spending remains at fiscal year 1987 levels.

In addition, the Department of Energy's Office of Environment, Safety and Health, in conjunction with the Environmental Protection Agency, would develop a comprehensive plan to deal with defense waste including timetables and estimated costs. The plan would have to be presented to Congress within 12 months after enactment. Congress would then have the opportunity to make recommendations on the plan and to determine the adequacy of the set-aside percentage.

It has been too easy to ignore this issue. This bill will force the Departments of Energy and Defense to pay the piper for past environmental damage as we meet new, protective standards for the future.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GRAY of Illinois). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, June 9, 1987.

NATIONAL QUALITY IMPROVEMENT ACT OF 1987

Mr. ROE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 812) to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish a National Quality Improvement Award, with the objective of encouraging American business and other organizations to practice effective quality control in the provision of their goods and services, as amended.

The Clerk read as follows:

H.R. 812

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Quality Improvement Act of 1987".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds and declares that—

(1) the leadership of the United States in product and process quality has been challenged strongly (and sometimes successfully) by foreign competition, and our Nation's productivity growth has decreased in relation to our competitors over the last two decades;

(2) American business and industry are beginning to understand that poor quality costs companies as much as 20 percent of sales revenues nationally, and that improved quality of goods and services goes hand in hand with improved productivity, lower costs, and increased profitability;

(3) strategic planning for quality and quality improvement programs, through a commitment to excellence in manufacturing and services, are becoming more and more essential to the well-being of our Nation's economy and our ability to compete effectively in the global marketplace;

(4) improved management understanding of the factory floor, worker involvement in quality, and greater emphasis on statistical process control can lead to dramatic improvements in the cost and quality of manufactured products;

(5) the concept of quality improvement is directly applicable to small companies as well as large, to service industries as well as manufacturing, and to the public sector as well as private enterprise;

(6) in order to be successful, quality improvement programs must be management-led and customer-oriented and this may require fundamental changes in the way companies and agencies do business;

(7) several major industrial nations have successfully coupled rigorous private sector quality audits with national awards giving special recognition to those enterprises the audits identify as the very best; and

(8) a national quality award program of this kind in the United States would help improve quality and productivity by—

(A) helping to stimulate American companies to improve quality and productivity for the pride of recognition while obtaining a competitive edge through increased profits,

(B) recognizing the achievements of those companies which improve the quality of their goods and services and providing an example to others,

(C) establishing guidelines and criteria that can be used by business, industrial, governmental, and other organizations in evaluating their own quality improvement efforts, and

(D) providing specific guidance for other American organizations that wish to learn how to manage for high quality by making available detailed information on how winning organizations were able to change their cultures and achieve eminence.

(b) PURPOSE.—It is the purpose of this Act to provide for the establishment and conduct of a national quality improvement program under which (1) awards are given to selected companies and other organizations in the United States that practice effective quality management and as a result make significant improvements in the quality of their goods and services, and (2) information is disseminated about the successful strategies and programs.

SEC. 3. ESTABLISHMENT OF NATIONAL QUALITY AWARD PROGRAM.

(a) IN GENERAL.—The Stevenson-Wydler Technology Innovation Act of 1980 is amended by redesignating sections 16, 17, and 18 as sections 17, 18, and 19, respectively, and by inserting after section 15 of the following new section:

"SEC. 16. NATIONAL QUALITY AWARD.

"(a) ESTABLISHMENT.—There is hereby established a National Quality Award, which shall be evidenced by a medal bearing the inscriptions 'National Quality Award' and 'The Quest for Excellence'. The medal shall be of such design and materials and bear such additional inscriptions as the Secretary may prescribe.

"(b) MAKING AND PRESENTATION OF AWARD.—(1) The President (on the basis of recommendations received from the Secretary) or the Secretary, shall periodically make the award to companies and other organizations which in his judgment have substantially benefited the economic or social well-being of the United States through improvements in the quality of their goods or services resulting from the effective practice of quality management, and which as a consequence are deserving of special recognition.

"(2) The presentation of the award shall be made by the President or the Secretary with such ceremonies as he may deem proper.

"(3) An organization to which an award is made under this section, and which agrees to help other American organizations improve their quality management, may publicize its receipt of such award and use the award in its advertising, but it shall be ineligible to receive another such award in the same category for a period of 5 years.

"(c) CATEGORIES IN WHICH AWARD MAY BE GIVEN.—(1) Subject to paragraph (2), separate awards shall be made to qualifying organizations in each of the following categories:

"(A) Small businesses.

"(B) Companies or their subsidiaries.

"(C) Companies which primarily provide services.

"(2) The Secretary may at any time expand, subdivide, or otherwise modify the list of categories within which awards may be made as initially in effect under paragraph (1), and may establish separate awards for other organizations including units of government, upon a determination that the objectives of this section would be better served thereby; except that any such expansion, subdivision, modification, or establishment shall not be effective unless and until the Secretary has submitted a detailed description thereof to the Congress and a period of 30 days has elapsed since that submission.

"(3) Not more than two awards may be made within any subcategory in any year (and no award shall be made within any category or subcategory if there are no qualifying enterprises in that category or subcategory).

"(d) CRITERIA FOR QUALIFICATION.—(1) An enterprise may qualify for an award under this section only if it—

"(A) applies to the Director of the National Bureau of Standards in writing, for the award,

"(B) permits a rigorous evaluation of the way in which its business and other operations have contributed to improvements in the quality of goods and services, and

"(C) meets such requirements and specifications as the Secretary, after receiving recommendations from the Board of Overseers established under paragraph (2)(B) and the Director of the National Bureau of Standards, determines to be appropriate to achieve the objectives of this section. In applying the provisions of subparagraph (C) with respect to any organization, the Director of the National Bureau of Standards shall rely upon an intensive evaluation by a competent board of examiners which shall review the evidence submitted by the organization and, through a site visit, verify the accuracy of the quality improvements claimed. The examination should encompass all aspects of the organization's current practice of quality management, as well as the organization's provision for quality management in its future goals. The award shall be given only to organizations which have made outstanding improvements on the quality of their goods or services (or both) and which demonstrate effective quality management through the training and involvement of all levels of personnel in quality improvement.

"(2)(A) The Director of the National Bureau of Standards shall, under appropriate contractual arrangements, carry out his responsibilities under subparagraphs (A) and (B) of paragraph (1) through one or more broad-based nonprofit entities which are leaders in the field of quality management and which have a history of service to society.

"(B) The Secretary shall appoint a board of overseers for the award, consisting of at least five persons selected for their preeminence in the field of quality management. This board shall meet annually to review the work of the contractor or contractors and make such suggestions for the improvement of the award process as they deem necessary. The board shall report the results of the award activities to the Director of the National Bureau of Standards each year, along with their recommendations for improvement of the process.

"(e) INFORMATION AND TECHNOLOGY TRANSFER PROGRAM.—The Director of the National Bureau of Standards shall ensure that all program participants receive the complete results of their audits as well as detailed explanations of all suggestions for improvements. He shall also provide information about the awards and the successful quality improvement strategies and programs of the award-winning participants to all participants and other appropriate groups.

"(f) FUNDING.—The Secretary is authorized to seek and accept gifts from public and private sources to carry out the program under this section. If additional sums are needed to cover the full cost of the program, the Secretary shall impose fees upon the organizations applying for the award in amounts sufficient to provide such additional sums.

"(g) REPORT.—The Secretary shall prepare and submit to the President and the Congress, within 3 years after the date of the enactment of this section, a report on the progress, findings, and conclusions of activities conducted pursuant to this section along with recommendations for possible modifications thereof.".

(b) CONFORMING AMENDMENT.—Section 9(d) of such Act is amended by striking "or 16" and inserting "16, or 17".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New Jersey [Mr. ROE] will be recognized for 20 minutes and the gentleman from New Mexico [Mr. LUJAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. ROE].

Mr. ROE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 812, the National Quality Improvement Act of 1987, before the House today, which would establish a National Quality Award to encourage American business to improve the quality of their goods and services.

I want to congratulate Mr. WALGREN of Pennsylvania, the chairman of the Subcommittee on Science, Research and Technology, for his leadership in bringing this legislation to this floor. I also want to acknowledge the efforts of our ranking Republican members, Mr. LUJAN of New Mexico, at the full committee level, and Mr. BOEHLERT of New York, at the subcommittee level.

For much of this century, the United States was the undisputed world leader in quality, and that leadership provided us with a broad market for our products both domestically and overseas. In recent years, however, that leadership role has been challenged strongly by foreign competition, and our Nation's productivity growth has fallen behind those of our competitors.

The National Quality Improvement Act is simple in concept. However, its impact can be significant. The award established by the act is modeled after the Japanese Deming Prize which is given to companies in certain categories which show the highest quality management and best adherence to the principles of statistical quality control in the running of their business.

The award will consist of a medal inscribed with the words "National Quality Award" and "The Quest for Excellence" to be given by the President or the Secretary of Commerce to a limited number of companies who have improved the quality of their products and deserve recognition. To prove themselves to be worthy, applicants for the award will need to prevail in an extensive review of the way they do business, conducted by a panel of our Nation's best quality experts. Those companies which win the award will be free to use the award in their advertisements, a factor that has proven very beneficial to the bottom line of recipients of the Deming Prize in Japan.

The bill includes provisions describing the application process, the evaluation process, and compliance requirements. It establishes the National Bureau of Standards as the agency which recruits the private sector quality experts who will audit the program. The Bureau was chosen for this role because it is in the unique position of being able to provide independent and unbiased expertise in the field of quality.

There are no appropriated Federal funds involved. The entire award program, including administrative costs, would be funded by private contributions, or by a fee charged to award applicants.

And finally, the bill requires a progress report from the Secretary of Commerce to the President and the Congress after the program has been in effect for 3 years.

Mr. Speaker, H.R. 812 has solid bipartisan support of our committee members. It is a good bill and I urge all Members to support this much-needed legislation.

Mr. LUJAN. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 812, the National Quality Improvement Award for 1987, and urge the House to unanimously adopt this bill.

H.R. 812 was reported favorably by the Committee on Science, Space, and Technology with full bipartisan support. The purpose of the bill is one that all Members can endorse—that is to encourage American businesses and other organizations to improve the quality of their goods and services. The bill does this by establishing a quality award program whereby American business and other qualifying organizations agree to a rigorous evaluation of the way in which they have contributed to improvement in the quality of operations. Successful evaluation leads to recognition with the awarding of a national medal.

Despite all the criticism we hear these days as to how the United States is losing its competitive edge—the concept for the award created under this bill is home grown. Dr. Joseph Juran and Dr. Edwards Deming, two prominent United States engineers, began emphasizing quality in manufacturing, following World War II. However, the concept was picked up offshore by Japan and Australia, and most recently by France and England, before ever attaining national status in the United States.

Perhaps we have been taking quality for granted in this country, as a June 8, 1987, business week article discusses. It is the intention of this legislation that by focusing more on the need for increased quality in the workplace, the incentive for enhanced productivity will permeate the organization from the bottom up through the ranks of the corporation.

Regarding the cost of this bill, the administrative costs of this program will come from private sector contributions. Fees may also be assessed on those applying for the award. Therefore, not only will industry pay for their quality improvement, they will also bear the cost of the national recognition.

So often, we in Congress search for ways to make the Federal investment in research and development more accessible to the public. Over the last 7 years, we've gone to great pains to increase our transfer of technology to the industrial sector, where it can then be incorporated in a way to bring a positive return back on our economy. But, despite what we have accomplished, the frustration still continues that "you can bring the horse to water but you can't make it drink." You can open the doors to Federal technology but you can't force industry in. Likewise, under this bill, there is no forcing. We all want to promote "made in U.S.A." but we will do it in a way that does not push the Federal Government into private sector's business. If you want to be recognized as a "quality" organization by receiving national recognition, you must be willing to stand the test of the evaluation and willing to contribute to the cost of creating the award.

Mr. ROE. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. WALGREN], the distinguished subcommittee chairman.

Mr. WALGREN. Mr. Speaker, the objective of the National Quality Improvement Act is to encourage the spirit and values that are necessary to make the United States the best manufacturer in the world by quality, cost, reliability, or any other measure important to worldwide competitiveness.

It hurts when our business representatives go to other countries and are told that America, once considered the world's leading industrial nation, does not produce products that these countries would want. Somehow, somewhere we have slipped and are now being outdone by foreign manufacturers in many critical areas like automobiles, steel production, robotics—even heavy construction and residential home building. We have two choices: we can accept an increasingly lower standard of living or we can push ourselves back to the front ranks of manufacturing.

A National Quality Award, to be presented either by the President or cabinet level officer like the Secretary of Commerce, would give special attention to the very best performance American companies can represent. That can be both something for American business to aspire to—and a concrete advantage in positioning a company for success. The idea of a national quality award is simple enough. We have a national teacher of the year award and many similar kinds of recognition. Our most aggressive competitor, Japan, took the idea of a national quality award from us—and put it to good use in their Deming award. You would think that, although we resist importing Japanese ways, we would be more than ready to pick up American ideas that they have used to their advantage.

The subcommittee I chair, and the Science, Space and Technology Committee recommend this bill as a step we can all agree to take. I especially want to credit the ranking Republican member of the Science, Research and Technology Subcommittee, the gentleman from New York [Mr. BOEHLERT], for his help on his side of the aisle in bringing this legislation to the House floor. We have sought suggestions from the administration and the private sector and we have incorporated the best of their suggestions. As a result, the Secretary of Commerce, Mr. Baldrige, writing for the administration, has gone on record in favor of the legislation, saying, and I quote:

> H.R. 812 seeks, with a minimum of Federal intrusion or cost, to encourage effective quality management and, as such, is entirely consistent with the President's objectives.

With the administration's support, as expressed by the Secretary of Commerce, we have a bill that we can expect will be quickly signed into law by the President. I would like to conclude by asking your support in putting in place this small, but important, part of a reemerging industrial America. Now is the time for American manufacturers to fight back with the same focus on quality and attention to detail which originally made us a world-class industrial power.

THE SECRETARY OF COMMERCE,
Washington, DC, March 13, 1987.

Hon. DOUG WALGREN,
Chairman, Subcommittee on Science, Research and Technology, Committee on Science, Space, and Technology, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for giving the administration an opportunity to comment on the committee's proposed markup of H.R. 812, which establishes the National Quality Award. The administration supports this bill.

In explaining the President's reasoning for establishing a national goal of assuring American competitive preeminence into the next century, the White House announced that "(b)usiness must work more efficiently; setting high standards of quality; streamlining operations; discarding outmoded systems and management styles; adapting to change; and building on their tradition as entrepreneurs who saw a better way, had a better idea, worked a little harder." H.R. 812 seeks, with a minimum of Federal intrusion or cost, to encourage effective quality management and, as such, is entirely consistent with the President's objectives. Indeed, your staff's proposal to adopt the President's own theme of "A Quest for Excellence" as the medal's inscription reflects clearly that this is a goal shared by our respective branches.

H.R. 812 takes yet another step in encouraging American businesses to improve the quality of their goods and services, and does so without throwing a lot of dollars around indiscriminately at programs of unproven worth. We have to encourage American executives to get out of their boardrooms and onto the factory floor to learn how their products are made and how they can be made better.

Turning to the bill itself, I agree with you that the focus should be on awards to business rather than to state and local governments. The public services they provide to their citizens are of a different nature. I also agree that the program should be run out of the National Bureau of Standards (NBS). The program will fail if the awards are perceived as politically motivated to reward favored companies or generous contributors, but NBS's reputation is sufficient to end any such accusation. For the same reason, I agree that audits should be performed by external contractors.

Sincerely,

MALCOLM BALDRIGE,
Secretary of Commerce.

Mr. BOEHLERT. Mr. Speaker, I urge my colleagues to support H.R. 812, which would create a National Quality Award.

This bill encourages American business to relearn an old lesson—"quality sells." And the bill actually helps businesses help themselves since the National Quality Award would be funded entirely by the private sector.

Other nations have learned the quality message as we have forgotten it, and we have the trade deficit to prove it. Ironically, their teachers have been Americans—most notably Edwards Deming and Joseph Juran—men who have been honored as prophets save in their own country.

We are sometimes accused—rightly I think—of believing that we can regain our competitive edge by mimicking Japanese programs that have no place in our culture. But the Deming prize—as the name indicates—did not spring from some inscrutable Japanese custom. The idea of working toward a quality medal is as American as the gold star on a first-grader's homework assignment.

This bill is a small but valuable first step in getting us back to the basics that once made American industry the envy of the world.

Mr. LUJAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ROE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from New Jersey [Mr. ROE] that the House suspend the rules and pass the bill, H.R. 812, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to amend the Stevenson-Wydler Technology Innovation Act of 1980 to establish a National Quality Award, with the objective of encouraging American business and other organizations to practice effective quality control in the provision of their goods and services."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 812, the bill just passed.

The SPEAKER pro termpore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

FEDERAL FIRE PREVENTION AND CONTROL ACT OF 1974: AUTHORIZATION FOR FISCAL YEAR 1988

Mr. ROE. Mr. Speaker, I move to suspend the rules and pass the bill

(H.R. 1522) to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974, as amended.

The Clerk read as follows:

H.R. 1522

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 17 of the Federal Fire Prevention and Control Act of 1974, as amended (15 U.S.C. 2216), is further amended by adding at the end thereof the following:

"(g) Except as otherwise specifically provided with respect to the payment of claims under section 11 of this Act, to carry out the purposes of this Act, there is authorized to be appropriated $16,698,000 for the fiscal year ending September 30, 1988."

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New Jersey [Mr. ROE] will be recognized for 20 minutes and the gentleman from New Mexico [Mr. LUJAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. ROE].

Mr. ROE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to rise in support of H.R. 1522, the fiscal year 1988 authorization for two programs created by the Federal Fire Prevention and Control Act of 1974. These programs were created in response to the 1973 report, "America Burning" that dramatically detailed this country's shocking fire problem.

I want to thank Mr. LUJAN, the ranking Republican member of the Committee on Science, Space, and Technology, for his cooperation and help on this bill during the legislative process. Also, I would like to thank Mr. WALGREN, the chairman of the Subcommittee on Science, Research, and Technology, and Mr. BOEHLERT, the ranking Republican member of the subcommittee.

One of these programs is the U.S. Fire Administration, which conducts research on residential sprinkler systems and promotes fire safety education. Also, the Fire Administration monitors trends in fire losses nationwide and sponsors programs to improve prevention and control methods. The second program is the National Fire Academy, which provides expert training to the Nation's fire service leaders.

Now, this bill does the following:

Maintains all fire prevention and arson control activities within the U.S. Fire Administration; and

Provides full funding of the stipends needed to bring firefighters to the Fire Academy for top-notch training.

Therefore, the committee's authorization for these programs is $16,698,000, which is consistent with the fiscal year 1987 appropriation level. This authorization will restore the administration's cuts. We want to reduce Federal expenditures, but not in areas that save lives and reduce risks for our citizens.

We simply can't cut these programs in good conscience, when 6,000 Americans die from fire each year and more than $9.6 billion worth of property is lost annually as a result of fire. Reauthorizing the fire activities for fiscal year 1988 at the fiscal year 1987 appropriation level of less than $17 million, is a small price to pay to continue programs which have a proven success rate of reducing human and property losses due to fire.

Statistics show that fire is a tremendous national problem. We have got to support the valiant efforts of the Nation's firefighters and the fire safety activities of State and local governments. They should not be expected to battle fires alone. The Federal Government has a responsibility to transfer the benefits of fire control and prevention research to the individuals who risk their lives to save others.

Furthermore, it is neither feasible nor economically sound for each State to duplicate the expert training available at the Academy. The Federal cost of these instructional programs is leveraged time and time again, as the trained share their new expertise with their firefighter colleagues back home.

Therefore, I strongly urge all Members of the House to vote in favor of H.R. 1522, as reported by the Committee on Science, Space, and Technology.

□ 1225

Mr. Speaker, I reserve the balance of my time.

Mr. LUJAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Committee on Science, Space, and Technology brings before the House today a reauthorization request for legislative programs which have been with us for nearly a decade and a half. As a result of the 1973 report, "America Burning," written by the National Commission on Fire Prevention and Control, Congress created a Federal focal point for advancing fire research, and for promoting the mitigation and control of fires.

The U.S. Fire Administration [USFA] and the National Fire Academy [NFA], currently located within the Federal Emergency Management Agency [FEMA], and the National Center for Fire Research [CFR], located at the National Bureau of Standards [NBS], all find their origin in this 1974 law. Taken collectively, this bill supports the Federal fire department and funds efforts to maximize the efforts of State, local, and private fire organizations to collaborate with the Federal Government.

Consideration of H.R. 1522 provides an opportunity to pay tribute to the thousands of paid and nonpaid firefighters in the United States. Without their unselfish commitment and dedication, our quality of life would be in constant threat of destruction. Firefighters are the backbone of each and every community emergency management structure. They belong to a profession that does not distinguish between night and day; they respond whenever the call for help comes in.

Turning to the specifics of the bill, H.R. 1522 authorizes $16.7 million in fiscal year 1988 for programs under the USFA and NFA. This is a $3.6 million increase over the $12.5 million requested by the administration, though level with current fiscal year 1987 spending.

The administration proposed to reduce by two-thirds the travel stipend program for the NFA. Currently, $1.2 million goes to pay the travel of the 4,000 students attending academy classes. As has been tradition, the Federal Government pays the cost of registration fees, books and supplies, and lodging for attendees. This year's proposal would have only asked that the States pick up the travel costs, certainly a minimal effort for invaluable training.

Unfortunately, during the hearings held by the committee, the facts were not adequately examined. In fiscal year 1986, the same year the first proposal was made to reduce the stipend program by 70 percent, NFA had an increase in applications of 5 percent. While NFA received over 10,000 applications, they could only accommodate 4,000 students. It is the regional training programs that actually pick up the vast amount of training. In fact, the field program delivers 2.5 times as many students as the Emmitsburg, MD, facility. Furthermore, another 30,000 students are reached by the "train-the-trainer" program packages disseminated by FEMA. Not only does the Government supply the materials to teach this program, travel expenses do not become a problem when the courses are available at home.

There are further facts and figures to justify the travel stipend proposal put forward by the administration, and, while the amendment I offered in committee to adopt the administration's proposal was rejected, I would hope the facts finally receive a fair and open review during Senate consideration of this authorization, in conference on this bill, and when the committee takes up the fiscal year 1989 authorization.

While I disagree with this specific provision of this bill, I am in full accord with the intent of this legislation. H.R. 1522 is in accordance with the House budget resolution and therefore I support its adoption.

Mr. ROE. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. WAL-

GREN], the chairman of the subcommittee.

Mr. WALGREN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, the bill, H.R. 1522, as was said, authorizes the activities of the U.S. Fire Administration and the National Fire Academy.

I want at the outset to credit the enthusiastic support of the gentleman from New York [Mr. BOEHLERT], the ranking minority member on the subcommittee, for the Federal fire programs.

The gentleman from New York [Mr. BOEHLERT] has a background as a county executive, and perhaps more than anyone else in the immediate process of the committee consideration of this legislation, has a real feel for the importance of the Federal Fire Programs at the country and local government level. The gentleman's enthusiastic support has been an important factor in the support for this legislation.

These programs were started, as the gentleman from New Mexico [Mr. LUJAN] said, in response to the 1973 report "America Burning" that highlighted this country's shocking rates of fire death and economic losses.

When we consider that we have the highest rate of loss of life in the world, that we lose more people for every 10,000 of our residents, it should be a great source of concern to all of us.

It is true, as the gentleman from New Mexico said, that the fire programs have been with us for 15 years; but in a way, they have not been with us very much in these 15 years.

"America Burning" originally set out a bipartisan blueprint for a Federal contribution to reducing fire death and loss that called for spending approximately $150 million a year, starting in 1974.

In this bill we have topped out at approximately $18 million, not $150 million in 1974 dollars. If we really measure effort, this bill would have to provide something in the range of $300 million a year if we were to meet the responsibility called for by the national commission in 1974. We are supposedly meeting that responsibility with something in the range of $18 million.

When we talk about the Federal Fire Administration and the importance of meeting whatever the Federal responsibility for fire is, sometimes we get the feeling that there is some sort of large agency down there that takes care of this sort of thing.

In truth, there are 18 people at the U.S. Fire Administration, some of which are secretarial. Eighteen full-time employees for a nation the size of the United States, so we should keep the minieffort we make on the Federal level in some perspective.

That Fire Administration, those 18 people, are charged with evaluating and collecting all the fire information available to us on a national basis, and sponsoring programs to improve prevention and control method.

Anyone with a small child has had that child come home to them and tell them how they learned to "stop, drop, and roll." That stop, drop, and roll was initiated by the Federal fire prevention and control effort.

The National Fire Academy, the sister to the Administration, provides executive leadership training at levels that are more sophisticated than are generally available on county and State levels.

As with any emergency, our natural instinct is to run to solve the problem. The same is true with fire. If there is a fire across the street we immediately go to it. The problem is somebody has to sit back and think about the best way to organize the resources we have available to use in fire, and that is what a Federal National Fire Academy is able to do. By putting in the field trained executives that can truly manage our fire response, the effectiveness of our fire response is immeasurably enhanced.

Fire is a very commonplace occurrence. I guess it is understandable that we largely ignore the threat of fire until there is some large tragedy like the MGM Grand or the Dupont Plaza Hotel fires that dramatically captures our attention and focuses all of us on what is essentially a needless and terrible loss. Although fire in large structures attracts our attention, the real losses are not in large fires. They are in one-, two-, and three-fire fatalities across the country; 6,000 people a year die in fires, mainly in their homes, mainly the elderly or the young who are unable to take measures to protect themselves.

Six thousand people a year. That is equal to a midair collision of two 747's, fully loaded, 350 people in each plane, each month, month after month after month. That is a tragedy that even the FAA would readily ask for hundreds of millions of dollars to deal with.

Mr. Speaker, our subcommittee hearings confirmed that the programs of the U.S. Fire Administration and the National Fire Academy are working and they are necessary. Witnesses cited the need for more Federal involvement in hotel safety.

Most of us now assume the hotels we stay in, particularly in our larger cities, are protected by sprinklers. Nothing could be further from the truth, with 95 percent of the hotels in this country not fully protected by sprinklers. We have a long way to go before we can take any satisfaction in fire prevention and control in the United States.

Therefore, our committee has approved a bill that maintains the research on improvements in sprinkler technology that is ongoing at the National Fire Academy, an effort that would not have been supported if this committee had accepted the administration bill.

Furthermore, the witnesses agreed that the travel stipend program was crucial in getting firefighters to the National Fire Academy in Maryland to receive expert training. Although we realize that States can pick up almost any program, the travel stipend is part and parcel of the encouragement we ought to give to those participating in this program that underscores the importance of the training these people receive. They themselves are sacrificing a great deal. Most of them are using vacation time or are on leave of absence without pay from work. The least we can do is to prevent them from being out of pocket to express the importance that we feel for the effort they are involved in by picking up their travel expense.

Therefore, the subcommittee proposed to fund the programs at the Fire Administration and the Fire Academy at the fiscal 1987 appropriation level, $16.698 million. That level allows us to restore the fire prevention and arson control activities, and the travel stipend at last year's level.

But I think we should note that even at this authorization level, funding will not be adequate to continue the same level of effort in 1988 as was put together in 1987 because increases required by law in salary adjustments and retirement benefits erode any program level funded without any increase for inflation.

Also I think we should note that the funding in the bill is below the authorization that this House passed last year. Each year we have essentially reduced the effort because we roll our authorization back down to the level of the previous year's appropriation, and since the pattern has that appropriation below authorization level, there is a step-by-step decline in the level of effort given these programs.

These programs have worked. Fire losses are down by any measure. In fact, when you want a candidate for cutting off your nose to spite your face department, consider the fact that the investment in fire prevention has been a net plus for the Federal Treasury in each of the last 4 years.

□ 1240

During that period the losses due to fire decreased $1.6 billion. That means that the Federal Treasury is a net winner because of these programs by appropriately $300 million in tax revenue that otherwise would have been lost or set off against losses to business from fire. That is three times the amount in pure dollars that have been spent in the national fire effort, not even mentioning any measure of the lives that have been lost and the suffering that ultimately is the real value that we pursue in these programs. During this period only about $100 million from the Federal Government was spent on fire programs and as I say, that does not measure the 2,000 fewer people who died in fires during those 4 years than died in the previous 4.

If the programs were a private sector operation we would rate them an unqualified success. They made money while providing an absolutely essential program.

In truth, the people of the United States and the courage that fire fighters throughout our communities have shown deserve more.

We have cut these Federal fire programs as much as we could possibly dare and then some, and I hope the entire House will support this authorization bill to fund programs that are so important to all of us.

FEDERAL FIRE PREVENTION AND CONTROL ACT

	FY 86 approp.		FY 87 request		FY 87 auth.	FY 87 Current Approp.		FY 88 request		FY 88 H.R. 1522, as reported (amt.)	FY 88/87 request +/− approp.		FY88 request +/− H.R. 1522, as reported (amt.)
	WY	Amt.	WY	Amt.		WY	Amt.	WY	Amt.		WY	Amt.	
National Fire Academy—estimates by program office:													
Instructional programs and materials	5	$576	5	$813		5	$790	5	$790	$790			
Training field deployment systems	9	1,509	10	1,702		10	1,686	10	1,686	1,686			
Resident programs	20	1,606	23	464		23	1,724	23	902	1,724		−$822	+$822
NETC Site Administration	25	2,682	40	2,254		37	2,700	37	2,750	2,700		50	−50
NETC West Site Administration		167											
Salaries and expenses		2,898		3,808			3,688		3,893	3,688		205	−205
Total, National Fire Academy	59	9,438	78	9,041	10,716	75	10,588	75	10,021	10,588		−567	+567

	FY 86 actual		FY 87 request		FY 87 auth.	FY 87 Current estimate		FY 88 request		FY 88 H.R. 1522, as reported (amt.)	FY 88/87 request +/− approp.		FY88 request +/− H.R. 1522, as reported (amt.)
	WY	Amt.	WY	Amt.		WY	Amt.	WY	Amt.		WY	Amt.	
U.S. Fire Administration—estimates by program office:													
Fire Prevention & Arson Control	4	3,010			(1)	4	3,350			3,350	−4	−3,350	+3,350
Federal Fire Policy & Coordination	9	313			(1)	5	350	5	350	350			
Firefighter Health & Safety	5	861			(1)	5	400	5	400	400			
Fire Data and Analysis	6	1,084			(1)	6	900	6	900	900			
NETC Site Administration					(1)		200		200	200			
Salaries and Expenses		1,174			(1)		910		662	910		−248	+248
Total, U.S. Fire Administration (Budget Authority)	24	6,442			7,584	20	6,110	16	2,512	6,110	−4	−3,598	+3,598
Total, fire programs	83	15,880	78	9,041	18,200	95	16,698	91	12,533	16,698	+4	−4,165	+4,165

[1] WY=Employee work years.

NETC=National Emergency Training Center.

Mr. ALEXANDER. Mr. Speaker, I rise today in support of H.R. 1522, to authorize appropriations for the U.S. Fire Administration and the National Fire Academy, two extremely important programs under the Federal Fire Prevention and Control Act of 1974.

H.R. 1522 would authorize appropriations for the Federal Fire Prevention and Control Act for fiscal year 1988 in the amount of $16,698,000, which maintains the same level as was appropriated for fiscal year 1987.

In 1973, the National Commission on Fire Prevention and Control released a report entitled "America Burning," which highlighted the fire problem on a national level and which left no doubt as to the need for a Federal role in fire prevention and control. Subsequently, the Congress passed the National Fire Prevention and Control Act of 1974, and created within the act the National Fire Academy and the U.S. Fire Administration. I supported and voted for the National Fire Prevention and Control Act of 1974. I continue to support this program as it has made great progress in fire prevention and control and has provided essential training to the courageous firefighters throughout Arkansas.

It is our duty to ensure that firefighters across the country, who daily risk their lives to protect the lives and property of members of their community, be provided with training which would increase the safety and effectiveness of those courageous men and women.

The National Fire Academy provides such a service to those fearless firefighters. As an integral part of the Federal Fire Prevention and Control Act of 1974, the National Fire Academy provides extensive training to this Nation's firefighters.

H.R. 1522 would authorize funding for travel stipends for firefighters to attend the National Fire Academy at $1,260,000, the same level as in fiscal year 1987. Through the stipends firefighters from across the country can attend the Academy and receive valuable training on fire prevention and control.

The National Fire Academy has made a concerted effort to reach the many selfless volunteer firefighters in the various field programs that the Academy offers. In a rural State such as Arkansas, volunteer firefighters greatly outnumber full time firefighters, and therefore every effort must be made to reach the fearless volunteer forces and provide them with the necessary training to allow them to effectively execute their jobs.

Although fire prevention and control are primarily local responsibilities, the size and severity of the fire problem on a national scale mandates the involvement of the Federal Government. The U.S. Fire Administration plays a significant role in its ability to view the Nation's fire problem in its entirety.

The U.S. Fire Administration conducts vital research in fire prevention and provides effective methods for fire control. Annually, more than 6,000 people die as a result of fire, and over 100,000 people are injured each year. Property damage due to fires is estimated at $6 million each year. Since the inception of the U.S. Fire Administration in 1975, about 2,000 fewer people die from fires each year and $1.2 billion less property loss is incurred, compared with 1975.

Mr. Speaker, I urge my colleagues to support H.R. 1522 which would authorize appropriation of the necessary funds to both the U.S. Fire Administration and the National Fire Academy in order that these programs may continue to reduce this Nation's losses due to fires.

Mrs. BYRON. Mr. Speaker, I rise in support of H.R. 1522, the Federal Fire Prevention and Control Act Authorization for fiscal year 1988.

The National Fire Academy, located in my district in Emmitsburg, MD, was created in response to serious shortcomings in the Nation's firefighting capabilities as documented in the 1973 report "America Burning." Since the creation of the U.S. Fire Administration in 1974, fire deaths have dropped an estimated

12,000 annually to approximately 6,000 deaths. Though still a tragic figure, without the Federal Government's commitment to provide the premier training needed to combat and prevent fires across the Nation, firefighters would be forced to rely on unimproved fire safety programs. Just like any emergency service responsible for saving lives and property, fire departments must be trained to tackle new emergency situations in their communities, such as hazardous material spills on our highways or forest fires in our parks.

Of course without the travel stipend to pay for firefighters to attend the Fire Academy, fire companies would be unable to participate in the specialized executive and leadership training program at Emmitsburg. When the stipend was discontinued briefly in 1985, cancellations rose to 30 percent. Furthermore, with the elimination of revenue sharing, there are even less local and State funds available to pay for expense at the Fire Academy. The funds for this vital travel stipend program are comparatively small—less than $1 million. But I consider this to be one of the most productive million we will authorize this year.

Because of my strong support for fire programs, I would also like to express my concern over the administration-sponsored initiative to relocate the U.S. Fire Administration from Emmitsburg to Washington, DC, and to reorganize the Training and Fire Programs Directorate at the National Fire Academy. Based on the administration's previous efforts to zero fund the fire programs, I am not convinced that a separation of the management and technical function at the National Fire Academy would enhance the intended purpose of the Federal Fire Prevention and Control Act. With this in mind, I am encouraged to see that the Committee has included in its report of the bill a directive for FEMA to evaluate the impact and justification for the reorganization, including a request for information about the cost of the proposal and its impact on the employees at Emmitsburg.

Fire prevention is too important, and far too expensive, to expect volunteer and professional fire companies to adequately handle alone. Though we are experiencing a time of Federal deficit, the Federal cost of these instructional programs can be measured by the estimated 2,000 fewer people who did not perish in fires during the past 4 years.

I urge my colleagues to support this authorization bill. The price of fire fighting deficiencies is measured in human life and property damage; we cannot afford to turn our backs now.

Mr. BROWN of California. Mr. Speaker, I rise in support of H.R. 1522, the Federal Fire Prevention and Control Act Authorization for fiscal year 1988.

Firefighters are the first responder to most emergencies in this Nation. Not only are they responsible for fighting the 2.5 million fires that are reported each year, they are the first responder to well over 90 percent of hazardous materials incidents that occur.

Firefighters should not be expected to handle the Nation's fire problem alone. I support this bill because it provides full funding of the stipend program which pays for a firefighter to travel to the National Fire Academy to receive expert training beyond that available at the State level.

Also, H.R. 1522 recognizes that firefighter training alone can not solve the fire problem. The bill also supports activities in public education and awareness. Through the U.S. Fire Administration's Office of Fire Prevention and Control, the bill maintains public education activities, such as:

Quick-acting residential sprinkler system programs, including retrofit projects in cooperation with HUD to complete sprinkler retrofits in multifamily, inner-city buildings;

A program with Peoples Firehouse, a community-based organization in New York City, to sponsor a project that will demonstrate the effectiveness of retrofitting older, inner-city, multifamily buildings with automatic quick-acting residential sprinkler system; and

The Community Volunteer Fire Program, which awards grants to States to develop new and strengthen existing fire safety programs. With support from the National Governor's Association, the National Volunteer Fire Prevention Program has been expanded to 29 States and the District of Columbia.

Each day, on a moment's notice, firefighters are called to put their lives on the line to save us from fires and all sorts of emergencies. This authorization of the Federal Fire Prevention and Control Act seeks to provide support for their brave efforts.

I urge my colleagues to support the Nation's firefighters by voting in support H.R. 1522.

Mr. BOEHLERT. Mr. Speaker, I urge my colleagues to support H.R. 1522, which will help our Nation prevent fires and better combat those that do occur.

This is a pressing mission. Our Nation has a higher rate of loss of lives and property due to fire than any other industrialized nation except Canada.

Even more Americans would be dying in fires if not for the work of the National Fire Academy and the U.S. Fire Administration. Over the past 10 years, these agencies have cut the amount of death and destruction caused by fire in half.

Given this outstanding record, we should be searching for ways to enhance these programs, not to cut them. I think our committee showed great restraint by funding them at current appropriate levels.

Our Nation's firefighters put their lives on the line to protect us every day of the year. The least we can do in return is ensure that they have all the Federal help they need for fire prevention and training.

We should view support for this bill as an obligation.

Mr. LUJAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ROE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. ROE] that the House suspend the rules and pass the bill, H.R. 1522, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

EARTHQUAKE HAZARDS REDUCTION ACT OF 1977: AUTHORIZATION FOR FISCAL YEARS 1988 AND 1989

Mr. ROE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1612) to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1988 and 1989, as amended.

The Clerk read as follows:

H.R. 1612

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 7(a) of the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7706(a)) is amended by adding at the end thereof of the following:

"(7) There are authorized to be appropriated to the Director, to carry out the provisions of sections 5 and 6 of this Act, for the fiscal year ending September 30, 1988, $5,778,000, for the fiscal year ending September 30, 1989, $5,788,000, and for the fiscal year ending September 30, 1990, $5,798,000.".

SEC. 2. Section 7(b) of such Act (42 U.S.C. 7706(b)) is amended by striking "and" immediately after "1986;" and by adding before the period at the end thereof the following: "; $36,540,000 for the fiscal year ending September 30, 1988; $37,819,000 for the fiscal year ending September 30, 1989; and $39,142,000 for the fiscal year ending September 30, 1990.".

SEC. 3. Section 7(c) of such Act (42 U.S.C. 7706(c)) is amended by striking "and" immediately after "1986;" and by adding before the period at the end thereof the following: "; $28,235,000 for the fiscal year ending September 30, 1988; $31,634,000 for the fiscal year ending September 30, 1989; and $35,454,000 for the fiscal year ending September 30, 1990.".

SEC. 4. Section 7(d) of such Act (42 U.S.C. 7706(d)) is amended by striking "and" immediately after "1986;" and by adding before the period at the end thereof the following: "; $525,000 for the fiscal year ending September 30, 1988; $525,000 for the fiscal year ending September 30, 1989; and $525,000 for the fiscal year ending September 30, 1990.".

SEC. 5. Section 5 of the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7704) is amended by adding at the end thereof the following new subsection:

"(j)(1) In the case of any State which has voluntarily engaged in cost sharing by matching Federal grants from the Federal Emergency Management Agency for activities under this Act over the three-fiscal-year period ending September 30, 1987, any such cost sharing that may be required for the fiscal year ending September 30, 1988, or the fiscal year ending September 30, 1989, shall be at a level no higher than the State's average level of such cost sharing over such three-year period.

"(2) In the case of any State which has not engaged in cost sharing by matching Federal grants from the Federal Emergency Management Agency for activities under this Act over such three-fiscal-year period—

"(A) no such cost sharing may be required for the fiscal year ending September 30, 1988; and

"(B) any such sharing that may be required for the fiscal year ending September 30, 1989, shall be at a level no higher than 25 per centum of the Federal contribution toward the cost of the activities involved.

"(3) Nothing in this subsection shall be construed to prevent any State, voluntarily and at its option, from engaging in cost sharing at a level higher than the maximum level which may be required of it under paragraph (1) or (2).".

The **SPEAKER** pro tempore. Is a second demanded?

Mr. LUJAN. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from New Jersey [Mr. ROE] will be recognized for 20 minutes and the gentleman from New Mexico [Mr. LUJAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. ROE].

Mr. ROE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1612. The bill authorizes appropriations for fiscal years 1988, 1989, and 1990 for the Earthquake Hazards Reduction Act of 1977.

It is imperative that our Nation continue an effective Federal earthquake reduction program. The Federal Emergency Management Agency [FEMA] currently estimates there is a 2-to-5-percent probability per year of a catastrophic earthquake in California, and greater than 50 percent probability in the next 30 years. Such an event could cause $15 to $70 billion in direct property damage and 3,000 to 13,000 fatalities. Proper perdiction and response planning would substantially reduce these losses and provide for rapid and economic recovery of the impacted community.

The Earthquake Hazards Reduction Act established a national program to coordinate federal efforts to reduce future losses of life and property from earthquakes. It is also designed to prevent the severe socioeconomic disruption that a catastrophic earthquake could cause. Achievement of these goals depends on the combined and coordinated actions of all govenmental units—Federal, State, and local—as well as the private sector.

Let me thank Chairman UDALL and ranking Republican member DON YOUNG, of the Committee on the Interior and Insular Affairs for helping to bring this bill, which represents an agreement between both committees, to the floor.

This agreement authorizes a total of $71.078 million in fiscal year 1988 which is $4 million above the administration's request; $75.766 million in fiscal year 1989 which is $4.140 million above the administration's request and $80.919 million in fiscal year 1990.

The agreement reached in H.R. 1612 does the following:

Restores the State and local assistance program at FEMA, which would have been cut in half by the administration's request.

Prohibits FEMA from requiring a 50-50 cost sharing match for States participating in FEMA's State and local assistance program until 1989. The administration's proposal required a 50-percent State match for its grants in fiscal year 1988. This proposal did not give States enough time to prepare for this change.

Increases the U.S. Geological Survey's program to pay for increased salaries and retirement costs needed to maintain the fiscal year 1987 programs in fiscal year 1988.

Reduces slightly the administration's proposed earthquake budget for NSF in fiscal years 1988-90; and

For fiscal years 1988 and 1990 the bill increases each authorization at the same percent as the President's fiscal year 1989 request for each agency.

Mr. Speaker, the agreement reached, which is reflected in the bill, provides for an adequate national effort to protect our citizens from impending earthquakes. The bill maintains current State and local support activities, while it bolsters basic university research and seismic field monitoring and prediction efforts. This earthquake bill and the knowledge generated by it will save millions of dollars in property losses and lives.

As recognized by the Congress a decade ago, earthquakes are a national problem. The problem intensifies each year as areas become more vulnerable and densely populated.

I urge my colleagues to support H.R. 1622.

Mr. Speaker, I reserve the balance of my time.

Mr. LUJAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, while I must reserve my unqualified support for H.R. 1612 for budgetary reasons, I do rise in support of the intent of this legislation.

H.R. 1612, as amended, represents a proposal by the Committee on Interior and Insular Affairs, and the Committee on Science, Space, and Technology to authorize Federal earthquake research and mitigation efforts for a 3-year period commencing in fiscal year 1988. As the former and current ranking minority member of these respective committees, it is clear to me that the Federal earthquake program is truly national in that nearly all 50 States, in one form or another, feel the consequential effects of these natural disasters. A 3-year authorization serves to provide the stability necessary for all States to adopt necessary emergency management planning, as well as to lend stability to the research efforts underway to further our understanding and predictability of this phenomenon.

Beginning in fiscal year 1989, States will be asked to cost-share Federal grants made available by FEMA for emergency earthquake response planning efforts. The cost-sharing will be 25 percent State to 75 percent Federal for the first year, and it is our intent that this increase beyond fiscal year 1989 to attain a 50-percent balance.

During consideration of H.R. 1612, in the Science, Space, and Technology Committee, an amendment of mine was accepted to shift approximately $500,000 to restore the FEMA grant moneys in fiscal year 1988. While the National Science Foundation request level was affected in order to accomplish this goal, I in no way question the value of the NSF research. My amendment was to attain some fiscal responsibility in H.R. 1612, as the spending level in this bill still exceeds the administration's request.

Under H.R. 1612, USGS will receive an increase over fiscal year 1987 levels of roughly $2 million. The USGS has performed very valuable and appropriate research and monitoring in response to the original intent of this legislation. The ranking minority member on the Science, Research and Technology Subcommittee, Mr. Boehlert of New York, offered an amendment in committee which I supported, to continue USGS programs at the fiscal year 1987 appropriated level. It recognized the value of USGS's contribution to the earthquake program, but at the same time acknowleged the fiscal difficulties the Federal Government is facing. I regret that this amendment was not adopted. However, it now appears that the budget resolution currently being conferenced, if accepted, will allow some additional flexibility in funding for these programs.

Mr. ROE. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. WALGREN], the chairman of the subcommittee.

Mr. WALGREN. Mr. Speaker, I express my appreciation to the Chairman of the full committee for allowing this time and for his support in bringing this bill to the floor.

Mr. Speaker, I rise in support of H.R. 1612 which authorizes the Earthquake Hazards Reduction Act for fiscal years 1989 and 1990.

At the outset credit should really be given to Chairman UDALL and the ranking Republican member DON YOUNG of Alaska from the Committee on Interior and Insular Affairs for their interest and concern and effort which lies behind this bill being brought to the floor today.

The bill represents an agreement between the Committee on Science, Space and Technology and the Committee on Interior and Insular Affairs headed respectively by the gentleman from New Jersey [Mr. ROE] and the gentleman from Arizona [Mr. UDALL].

The total authorization level for fiscal year 1988 is $71.078 million, which is $4 million above the President's fiscal year 1988 request for these programs. In fiscal years 1989 and 1990 the bill authorizes each program with a percentage adjustment that the President included in his request for these programs in the administration's submission.

Also, the agreement reflects a slight decrease in authorization for the National Science Foundation in fiscal years 1988 and 1990 in view of the overlapping nature of some of the legislative considerations of these programs.

The earthquake Act enacted 10 years ago established a national Earthquake Hazards Reduction Program. The Federal Emergency Management Agency, or FEMA, was given primary responsibility to plan for and coordinate this program and to assist State and local governments with earthquake mitigation, and preparedness efforts. The U.S. Geological Survey was given responsibility to conduct and engage in research on earthquake prediction and evaluation of geologic hazards. The National Science Foundation was given the responsibility to sponsor basic and applied research on earthquake processes, earthquake engineering, and on societal response to that kind of an emergency.

The National Bureau of Standards was given responsibility to pursue research on performance criteria for building and measurement technology for earthquake resistant construction. This is particularly important legislation. We all know that California suffers tremors. It is part of the Ring of Fire, that belt of earthquakes and volcanic activity that encircles the Pacific; and the San Andreas Fault which runs north and south almost throughout California is one of the Earth's great points of continental collision generating such tremendous forces that man will be very hard put to survive a great emergency in that area.

But at the same time we have to remember that since 1700 there have been some 3,500 earthquakes east of the Mississippi. And although earthquakes are 10 times more common in California than they are in the eastern United States, the eastern earthquakes are characterized by a greater damage and hazard because of the geology involved. Historic examples of violent earthquakes occurred in Charleston, S.C. on August 31, 1886 and in Missouri in 1812. Looking back on those events, the extensive damage, 60 lives were lost in South Carolina, even in the building environment of 1886. And looking at the Missouri effects there was widespread dislocation of the surface of the Earth in much of the Mississippi River Valley. These earthquakes were felt over much of the eastern United States and future ones we can count on will be similar in effect. The threat of earhquake hazard is not limited to California and what we usually think of as the east coast. In fact, all or part of 39 States in regions classified as having a significant seismic risk and within those States, are 70 million people.

Listening to our new leader of the Federal Reserve saying the question is not whether we will have a recession but when, that clearly is also true with respect to earthquakes. The question is not whether we are going to have a major event that will result in great damage and great threat to life; the question is only when. This year the administration proposed the following for the earthquake program: a 50-percent decrease in FEMA's cost sharing program for State and local earthquake hazard reduction activities which equals a reduction of $465,000, and an 11-percent reduction in the U.S. Geological Survey's current seismic monitoring activities. The subcommittee held an authorization hearing to determine the wisdom of those administration proposals and found profound concern expressed about the negative effects that these reductions would have on our ability to prepare for an earthquake.

□ 1255

Even though it does not seem like very much money, when you ask the State and local officials about what they were able to create in terms of community awareness and community involvement and the difficulty they had of getting even those limited funds from State budgets based largely on flat income taxes and property taxes, these programs seem something that should be encouraged on the Federal level for fear they might not happen on the State level.

Certainly there was no question about the reduction in the Geological Survey's ability to monitor and actually carry out in place monitoring in these years when we are just on the verge of being able to ask the right questions of the earth scientifically and be able to protect ourselves much better for asking those questions.

Our committee's response was to reestablish the cost-sharing program at the fiscal 1987 appropriation level, that same $465,000. That brought the FEMA Earthquake Program back to $5.778 million, and in addition we restored the Geological Survey's Earthquake Program to the level required to maintain these monitoring programs at the level that they were funded after Gramm-Rudman-Hollings in 1986. That raised the Geological Survey's authorization some $4 million from the administration request of $32 million.

A major earthquake is a rare and yet, as I said, certain event, only the timing is in doubt. State and local officials and scientists have made us well-aware that we cannot afford to lose the momentum that we have at least started on the Federal level for earthquake hazard reduction programs. The national program authorized in this bill tries to coordinate investment in reducing the losses that will inevitably be facing this country. It only makes common sense.

Mr. Speaker, I urge my colleagues to support the bill.

Mr. ROE. Mr. Speaker, I yield 5 minutes to the distinguished chairman of the Subcommittee on Parks and Public Lands, the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, at the onset, let me commend the chairman of the committee, the gentleman from New Jersey [Mr. ROE] and his counterpart, the gentleman from Arizona [Mr. UDALL] and the subcommittee chairman, the gentleman from Pennsylvania [Mr. WALGREN], and the gentleman from West Virginia [Mr. RAHALL], who was unable to be with us today, so I am standing in really for him.

I think that the bill has been adequately described. Of course, I rise in support of it. It is an important legislative action.

I think that since 1977 when we first authorized this activity and this involvement, this mandated coordination between these four agencies, it really has underlined the wisdom of that decision.

I think it is more important than ever that we have Federal agencies that coordinate and work more closely together and focus on the serious problems that confront our Nation.

Mr. Speaker, the bill and what it does in terms of amounts has been adequately explained, but I think it is important to recognize the national role in the sense that the fault lines and the other types of geologic structures, the tactonic action between these plates, does not occur simply along the political boundaries of our States, but runs across the breadth of the face of the Earth, indeed, of our continent.

The fact is that while in my State we have a very low geodectic rating, in other words, we have fewer earthquakes near the Canadian shield in Minnesota, the fact is that they occur with frequency of the eastern seaboard and with devastating results because of the wave action that occurs there and in the Pacific Rim, the Rim of Fire as it is referred to in terms where we see a lot of plate action and movement that occurs.

Recently I had the opportunity to visit one of the sites that we use for our monitoring in Hawaii volcanoes, which is integrated, incidentally, with the national park site and used for interpretation. I was very impressed with the sophisticated new tools that we have for measuring the wave action and the seismic activity, which gives us a greater ability to foresee and to understand, hopefully, and to prevent the inevitable damage that occurs when these earthquakes manifest themselves in these remote locations.

I think that understanding is developing, that knowledge is growing, certainly progress that has been made in these 10 years is remarkable. I think it is important that we continue a predictable policy path of funding for these programs to provide for the changes in building codes and responsible action, reasonable action, with regard to policy decisions and plans so that we can mitigate the adverse effects to the inevitable occurrence of earthquakes in our communities, so that we can prevent the loss of life and damage where it is possible.

So again, it is an important issue, one I think that the national Government should be involved in on a coordinated basis in terms of our agencies and working closely with our State governments and with our sceintific community to accomplish and with the work and the knowledge that we gain for the people that we represent.

Mr. BOEHLERT. Mr. Speaker, I urge my colleagues to support H.R. 1612, which reauthorizes the National Earthquake Hazards Reduction Program for 3 more years.

This program draws on the expertise of several agencies to help predict, and prepare for earthquakes.

Many of my colleagues may think this bill has nothing to do with them. But earthquakes are a national problem. Earthquake zones exist in 39 States, and the worst quakes in the Nation's history have occurred east of the Mississippi.

This bill will enable the Federal Emergency Management Agency to help States and localities prepare emergency plans, building codes and education programs to deal with earthquakes. It will enable the U.S. Geological Survey to continue its current efforts to study seismicity, geodetics, and earthquake hazards. It will enable the National Science Foundation to expand its science and engineering programs, including the new Earthquake Engineering Research Center in New York. And it will enable the National Bureau of Standards to learn more about how buildings react to quakes.

We know shockingly little about earthquakes. We have few laurels on which to rest in this field. We must continue to conduct research and preparedness programs if we hope to avert the tragic death and destruction that have resulted from past earthquakes.

Mr. BROWN of California. Mr. Speaker, I rise in support of H.R. 1612, the fiscal years 1988-90 authorization for the Earthquake Hazards Reduction Act. This bill reflects an agreement between the Committees on Science, Space, and Technology and Interior and Insular Affairs.

My district has a high probability of experiencing a devastating earthquake in the near future. Riverside County is crossed by three major earthquake fault lines and its soils are dotted by liquefaction zones. The combination is extremely dangerous as the vibrations of a major quake turn these zones into quicksand. San Bernardino itself lies just south of the junction of the San Andreas, the San Jacinto and the Cucamonga Faults. The fact that this area has been free of large earthquakes for over 100 years has scientists worried. For the last 1,000 years major earthquakes have occured in the average every 150 years in this area. It is now 130 years since a major quake has occurred. Thus scientists believe that there is a 50-percent chance that a major quake will occur in the next 30 years—well within the life of most houses and office buildings existing today.

But we are ill-prepared. This bill is one step to help rectify this dangerous situation which could be of great consquence far beyond the boundaries of my district.

A decade ago, I was an original sponsor of the Earthquake Hazards Reduction Act. Since then, I have been deeply involved with this program. In that time I have seen the steady erosion in real dollars of some activities. H.R. 1612 corrects some of this erosion, and maintains a balanced effort.

In particular, the bill does the following:

Maintains FEMA's current support of State and local activities; such as, hazard assessment and vulnerability studies, earthquake preparedness and response planning, and public awareness and education campaigns; and,

Maintains the full cost of seismic monitoring, geodetic and prediction activities of the U.S. Geological Survey at the fiscal year 1986 post Gramm-Rudman-Hollings level, as well as pays for increased salaries and retirement costs. It does so by increasing the authorization for the USGS $4 million for fiscal year 1988 and fiscal year 1989 over the administration request.

Recently, the importance of this act brought home to me when the Defense Department came in with a request for $4 million to rebuild a hospital to meet earthquake standards. The hospital is located on a fault in southern California which has a 50-percent chance of experiencing a devastating earthquake in the very near future.

We would not have been able to estimate the effort required to protect the lives of people in hospitals as in this instance were it not for the Earthquake Hazards Reduction Act.

In conclusion, I urge my colleagues to join me in supporting HR 1612.

Mr. RAHALL. Mr. Speaker, H.R. 1612 seeks to reauthorize the Earthquake Hazards Reduction Act of 1977, which expires at the end of the current fiscal year. This act provides the statutory authority for the National Earthquake Hazards Reduction Program which is carried out by the Federal Emergency Management Agency, the U.S. Geological Survey, the National Science Foundation and the National Bureau of Standards. Funding for this important program will allow these four agencies to continue important technical research aimed at mitigating the devastating effects of earthquakes.

Sharing joint jurisdiction over this program with the Committee on Science, Space, and Technology, the Committee on Interior and Insular Affairs reported H.R. 1612 favorably to the full House on May 12, 1987, after it was considered by the Subcommittee on Mining and Natural Resources. The two committees have reached an agreement that the Earthquake Hazards Reduction Act should be reauthorized for the next 3 fiscal years, instead of a 2-year reauthorization as previously practiced. A 3-year reauthorization will provide adequate funding and stability for this program at all four principal agencies.

As chairman of the Subcommittee on Mining and Natural Resources, I am pleased to join my colleagues from the Science Committee in bringing this legislation to the House floor.

Mr. Speaker, the Earthquake Hazards Reduction Act provides the statutory and financial basis for research that will help protect all Americans from the awful effects of an earthquake. Reauthorization of this act is or extreme importance and I urge favorable action on H.R. 1612.

Mr. LUJAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ROE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. Roe] that the House suspend the rules and pass the bill, H.R. 1612, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1988, 1989, and 1990."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1612, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PROHIBITING ENTRANCE FEES AT THE STATUE OF LIBERTY NATIONAL MONUMENT

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 626) to prohibit the imposition of an entrance fee at the Statue of Liberty National Monument, and for other purposes:

The Clerk read as follows:

S. 626

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, after the date of enactment of this Act, the Secretary of the Interior shall not charge any entrance or admission fee at the Statue of Liberty National Monument, New Jersey and New York.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 626, the Senate bill, now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 626, which was considered and passed by the Senate on April 7, would prohibit the charging of an entrance or admission fee at the Statue of Liberty National Monument. Presently, under the temporary authority contained in the fiscal year 1987 continuing resolution (Public Law 99-591), the National Park Service has begun collecting a $1 entrance fee from each visitor to the monument. There has been notable dissatisfaction from the general public and Members of the New York and New Jersey delegations regarding the appropriateness of charging an entrance fee to visit the recently refurbished statue. The recently completed restoration of the Statue of Liberty and ongoing restoration of Ellis Island, a matter of considerable interest to me, has generated an outpouring from the public, of between $250 million to $300 million in donations. In light of this tremendous donation reflected by the American public, many view it as inappropriate to now come back and seek $1 from each visitor.

On April 1, 1987, the House passed H.R. 1320, the Land and Water Conservation Fund Act Amendments of 1987 that addresses in a comprehensive manner the collection and use of fees at National Park System units. H.R. 1320 contains a prohibition on charging an entrance fee at the Statue of Liberty and other urban national park units. So basically, on the question of an entrance fee at the Statue of Liberty, the House and Senate are in agreement.

The Committee on Interior and Insular Affairs in reporting S. 626 strongly noted that it views the circumstances regarding the appropriatness of the entrance fee at the Statue of Liberty as a unique case and that it does not intend to deal with the national park entrance fee issue on a piecemeal basis. I understand that the Senate Committee on Energy and Natural Resources will in the near future consider H.R. 1320. It is my position that H.R. 1320 is the appropriate vehicle to address entrance fees at National Park System units. I believe though, that supporters of the entrance fee prohibition at the Statue can make a convincing case for the legislation presently before the House and in this particular circumstance, I therefore support its adoption.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 626, to prohibit charging an entrance fee at the Statue of Liberty National Monument in New Jersey and New York.

A $1.00 per person fee is currently being charged at the statue under authority granted to the Secretary of the Interior in the fiscal year 1987 continuing resolution. That bill provided the Secretary with the authority to charge entrance fees at all units of the National Park System meeting the criteria under the land and water conservation fund, excluding urban areas and parks with specific statutory exemptions.

On April 1 of this year, the House passed legislation, H.R. 1320, to extend the fee collection authority on a permanent basis and to modify certain aspects of the current fee program. One provision of the bill prohibits the imposition of entrance fees at urban national park units located in areas with a population or more than 50,000 and where a fee was not imposed prior to September 30, 1986. Under this provision, the Secretary would be prohibited from charging a fee at the Statue of Liberty.

While I believe that it is inappropriate to address the park fee issue in this type of piecemeal fashion since a bipartisan agreement on this issue was reached and embodied in H.R. 1320, I understand that this is a very unique and special case that deserves immediate consideration. The Statue of Liberty serves as a continuing reminder of our Nation's commitment to the principles of freedom on which our country is founded. The statue was a gift to all Americans and is, I believe a part of all Americans. The national outpour of assistance to restore "The Lady" is, I believe, an indication of what she means to every American.

For these reasons, Mr. Speaker, I urge my colleagues to approve S. 626 to prohibit fee collection at the Statue of Liberty.

Mr. VENTO. Mr. Speaker, I yield 3 minutes to the gentleman from South Dakota [Mr. JOHNSON].

Mr. JOHNSON of South Dakota. Mr. Speaker, would the gentleman engage in a colloquy with me on the issue of entrance fees at national monuments?

Mr. VENTO. Mr. Speaker, if the gentleman will yield, I would be pleased to engage in a colloquy.

Mr. JOHNSON of South Dakota. Mr. Speaker, as the gentleman is aware, Mount Rushmore has never had an entrance fee and currently the U.S. Park Service is not planning to charge entrance fees, however, there is a piece of legislation, currently pending in the Senate, the Land and Water Conservation Fund Act, that would change the Congress' ability to legislatively prevent a fee from being implemented at Mount Rushmore if it were to be proposed by the U.S. Park Service.

I mention this in the context of the debate on this measure to prohibit entrance fees at the Statute of Liberty, because I fully support the committee's affirmative action toward preventing entrance fees at one of our Nation's most treasured national historic monuments.

I understand that we have a situation, with regard to the Statue of Liberty, that warrants immediate action to prevent a fee, because an entrance fee has been proposed and I commend the gentleman and the committee for the quick action on this matter.

Should such a fee be proposed, at some future date, would the gentleman support a similar measure to prevent the implementation of a fee at Mount Rushmore?

Mr. VENTO. Mr. Speaker, if the gentleman will yield, it was not my intention nor do I personally support the imposition of a specific entrance fee at Mount Rushmore National Memorial. Rather, the purpose of H.R. 1320, passed earlier by the House, is to achieve an overall consistency in the process of establishing entrance fees for national park units. The administration has sought to greatly expand in number and amount the fees charged to enter our national park units, turning our parks into tollgates to tax the American public. H.R. 1320 modifies and restricts the authority they sought to collect and use recreational user fees. It requries that the administration submit a report to Congress justifying both the imposition and amount of an entrance fee based on the criteria in the Land and Water Conservation Fund Act.

No entrance fee is presently being contemplated for Mount Rushmore and if H.R. 1320 were to become law, such a proposal, if offered, would have to meet the requirements in the law and be fully subject to review by the Congress as to its appropriateness.

□ 1310

Mr. JOHNSON of South Dakota. I thank the gentleman for this support and understanding on this matter and I look forward to working with him and the Committee on Interior and Insular Affairs and the Subcommittee on National Parks and Public Lands to keep our most treasured national monuments open to everyone with a desire to visit them, regardless of their financial ability.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to commend the gentleman from New Jersey [Mr. GUARINI], who has led the New Jersey and New York delegations in response to the imposition of the fee at the Statue of Liberty. He has since the fee has been put in place expressed constant concern with regard to this, and clearly it is his efforts and urgings that have prompted this measure to be considered earlier in the House by itself outside of the overall policy package, because this is something that is taking place right now, and I think that we have a consistent policy with regard to this that we are in agreement with, the overall bill. I just want to commend him for his diligence in pursuing this issue, bringing it to the committee's attention, and support of the overall measure, as well as of course his specific measure that is before the House.

Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey [Mr. GUARINI].

Mr. GUARINI. Mr. Speaker, I want to thank our outstanding chairman, the gentleman from Minnesota [Mr. VENTO] for his helpfulness in bringing this matter up, and for the interest that he has shown, and also to thank the gentleman from California [Mr. BOB LAGOMARSINO] the ranking minority member, for his participation and helpfulness.

Mr. Speaker, I rise to urge unanimous support for this legislation being considered today, concerning a symbol of freedom to citizens throughout our country and our world—the Statue of Liberty.

Starting this year, an entrance fee of $1 per person has been levied on each visitor to the statue or the Museum of Immigration. I consider the imposition of a fee at the entrance of this national shrine inappropriate and unfitting. The taxpayer has been strapped to give more and more to the Federal Government. A users' fee at our Nation's urban parks is nothing more than placing a double tax burden on our citizens. It is another tax in disguise.

Last year, in a national outpouring of private sector support, the Statue of Liberty was refurbished by many generous corporations and Americans, from schoolchildren to senior citizens. To then ask the public, which has already contributed on a voluntary basis, to pay an entrance fee to visit the statue ignores this generosity.

The Statue of Liberty now stands in the forefront of our country's national symbols as a place belonging to all our Nation's citizens. Generations of Americans, countless immigrants and millions of newcomers to our shores have embraced this monument to the opportunity which our land possesses. There is indeed a part of every American in this statue, and in this bicentennial year, we should encourage Americans of all ages, as part of their civic education, to participate in the great history and traditions of our Nation.

Mr. Speaker, we all recognize that the Statue of Liberty holds a unique place among the sites held in trust by the National Park Service. As a gift commemorating our Founding Fathers' commitment to the principles of freedom, as a symbol of the freedom which America offers to its people, and as a prominent park in our Nation's largest urban area, I oppose any restriction on admission to the Statue of Liberty; and therefore, I urge all of my colleagues to join me in unanimous support for the passage of S. 626.

Mr. BIAGGI. Mr. Speaker, I rise in full support of S. 626, which would prohibit the Interior Department from charging any entrance or admission fee at the Statue of Liberty National Monument.

For more than a century now, the Statue of Liberty has symbolized this Nation's unwavering commitment to freedom for all people. It is a priceless national treasure and it is terribly wrong to place a price tag on it. But, that is just what we are doing when we charge $1 for a visit to the Statue of Liberty.

The Congressional Budget Office estimates that enactment of this legislation will result in the loss of Federal revenues totaling about $1 million in fiscal year 1987—representing elimination of the $1 entrance fee for every American who visits the Statue of Liberty. However, I would suggest that a visit to the Statue of Liberty is an invaluable experience. To deny or discourage any individual who wants to benefit from that experience is an incalculable loss, but one that certainly exceeds the $1 million in entrance fees.

The Statue of Liberty was a gift to all Americans, and a part of it belongs to us all. That sense of shared ownership became quite evident during the effort to refurbish the Statue of Liberty for its centennial celebration. Millions of Americans—young and old, the richest and the poorest—all gave generously to this most worthy cause. It would be an insult to that generosity to ask these same people to forcibly open their pocketbooks when they come to visit the monument that they helped to refurbish.

Mr. Speaker, 2 months ago I joined the overwhelming majority of my colleagues in passing a similar measure, H.R. 1320, which dealt with the broader policy of imposing fees at certain national parks, including the Statue of Liberty National Monument. As we move toward a resolution of the broader issue, I certainly would urge my colleagues to join me in adopting this more limited approach in the short term. In this, the bicentennial of our Constitution—a time when we are renewing our commitment to freedom and liberty—we must ensure that one of our greatest symbols of freedom and liberty—the Statue of Liberty—is made pure and untarnished. We must approve S. 626.

Mr. ANNUNZIO. Mr. Speaker, I rise in strong support of S. 626, barring admission fees to the Statue of Liberty. I am proud to be a cosponsor of H.R. 1557, the companion bill to S. 626.

Earlier this year, I wrote to Secretary of the Interior Donald Hodel urging that the admission fee to the Statue of Liberty be rescinded. I pointed out to the Secretary that the sale of Statue of Liberty coins last year, under legislation which I authored, raised over $81 million to restore and renovate the Statue of Liberty and the immigration facilities at Ellis Island. The money is also to be used to establish an endowment to ensure the continued upkeep and maintenance of these monuments.

The public response to this coin offering was so enthusiastic that all the gold coins authorized sold out in 8 weeks. In total, over 15 million coins were sold.

Millions of Americans bought coins with the intent of helping restore Lady Liberty. The imposition of an admission fee by the National Park Service has left many purchasers of the coins angry. They rightfully believed that the fundraising efforts and the coin sales would restore the statue. It did, and at no cost to the National Park Service or the U.S. Government.

It is unfair to charge Americans a fee to visit America's most valued symbol of liberty and freedom. Many of those visitors to the statue are the same men, women, and children who felt so strongly about what the statue stands for that they gave their hard-earned money to keep the torch lit for future generations. Surely, they did not expect that they would have to pay to visit the monument they so generously helped save.

In view of the fundraising efforts last year, and the significant contribution made by the sale of coins by the U.S. Government, it is truly inappropriate to charge an admission fee to the Statue of Liberty.

Liberty is priceless. It cannot be sold by the National Park Service, the Department of the Interior, or anyone, for $1 per person. I urge my colleagues to support S. 626 and restore liberty to its priceless position in the hearts of all Americans.

Mr. LAGOMARSINO. Mr. Speaker, I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. Gray of Illinois). The question is on the motion offered by the gentleman from Minnesota [Mr. Vento] that the House suspend the rules and pass the Senate bill, S. 626.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

WHITE HOUSE CONFERENCE ON LIBRARY AND INFORMATION SERVICES

Mr. FORD of Michigan. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 90) to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes, as amended.

The Clerk read as follows:

H.J. Res. 90

Whereas access to information and ideas is indispensable to the development of human potential, the advancement of civilization, and the continuance of enlightened self-government;

Whereas the preservation and the dissemination of information and ideas are the primary purpose and function of the library and information services;

Whereas the economic vitality of the United States in a global economy and the productivity of the work force of the Nation rest on access to information in the postindustrial information age;

Whereas the White House Conference on Library and Information Services of 1979 began a process in which a broadly representative group of citizens made recommendations that have improved the library and information services of the Nation, and sparked the Nation's interest in the crucial role of library and information services at home and abroad;

Whereas library and information service is essential to a learning society;

Whereas social, demographic, and economic shifts of the past decade have intensified the rate of change and require that Americans of all age groups develop and sustain literacy and other lifelong learning habits;

Whereas expanding technological developments offer unprecedented opportunities for application to teaching and learning and to new means to provide access to library and information services;

Whereas the growth and augmentation of the Nation's library and information services are essential if all Americans, without regard to race, ethnic background, or geographic location are to have reasonable access to adequate information and lifelong learning;

Whereas the future of our society depends on developing the learning potential inherent in all children and youth, especially literary, reading, research, and retrieval skills;

Whereas rapidly developing technology offers a potential for enabling libraries and information services to serve the public more fully; and

Whereas emerging satellite communication networks and other technologies offer unparalleled opportunity for access to education opportunities to all parts of the world, and to individuals who are homebound, handicapped, or incarcerated: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PRESIDENT TO CALL CONFERENCE IN 1989.

The President is authorized to call and conduct a White House Conference on Library and Information Services to be held not earlier than September 1, 1989, and not later than September 30, 1991.

SEC. 2. ESTABLISHMENT OF CONFERENCE.

(a) Purpose.—The purpose of the White House Conference on Library and Information Services shall be to develop recommendations for the further improvement of the library and information services of the Nation and their use by the public, in accordance with the findings set forth in the preamble to this joint resolution.

(b) Composition.—The Conference shall be composed of—

(1) representatives of professional library and information personnel and individuals who support or furnish volunteer services to libraries and information services centers, from all age groups and walks of life, and members of the general public;

(2) representatives of local, statewide, regional, and national institutions, agencies, organizations, and associations which provide library and information services to the public;

(3) representatives of educational institutions, agencies, organizations, and associations (including professional and scholarly associations for the advancement of education and research);

(4) individuals with special knowledge of, and special competence in, technology as it may be used for the improvement of library and information services; and

(5) representatives of Federal, State, and local governments.

(c) Distribution of Participants.—In carrying out subsection (a)—

(1) one-fourth of the participants shall be selected from the library and information profession,

(2) one-fourth of the participants shall be selected from among individuals who are currently active library and information supporters, including trustees and friends groups,

(3) one-fourth shall be selected from among individuals who are Federal, State, or local government officials, and

(4) one-fourth shall be selected from the general public.

(d) State Participation Optional.—State and territorial delegates and alternates to the national conference may participate in the respective State or territorial conference.

SEC. 3. ADMINISTRATIVE PROVISIONS.

(a) Direction by Commission.—The Conference shall be planned and conducted under the direction of the National Commission on Libraries and Information Science.

(b) Commission Functions.—In carrying out this joint resolution, the Commission shall—

(1) when appropriate, request the cooperation and assistance of other Federal departments and agencies in order to carry out its responsibilities;

(2) make technical and financial assistance (by grant, contract, or otherwise) available to the States to enable them to organize and conduct conferences and other meetings in order to prepare for the Conference;

(3) prepare and make available background materials for the use of delegates to the Conference and associated State conferences, and prepare and distribute such reports of the Conference and associated State conferences as may be appropriate; and

(4) conduct fiscal oversight activities with respect to the preparation for and the convening of the Conference including contracting for the services of an audit firm.

(c) Federal Agency Cooperation and Assistance.—(1) Each Federal department and agency, including the national libraries, shall cooperate with, and provide assistance to the Commission upon its request under clause (1) of subsection (b). For that purpose, each Federal department and agency is authorized and encouraged to provide personnel to the Commission.

(2) The Librarian of Congress, the Director of the National Library of Medicine, and the Director of the National Agricultural Library are authorized to detail personnel to the Commission, upon request, to enable the Commission to carry out its functions under this joint resolution.

(d) Personnel.—In carrying out the provisions of this joint resolution, the Commission is authorized to engage such personnel as may be necessary to assist the Commission and the Advisory Committee, without regard for the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51, and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(e) Expenses.—Members of the Conference may, while away from their homes or regular places of business and attending the Conference, be allowed travel expenses, including per diem in lieu of subsistence, as may be allowed under section 5703 of title 5, United States Code, for persons serving without pay. Such expenses may be paid by way of advances, reimbursement, or in installments as the Commission may determine.

SEC. 4. REPORTS.

(a) Submission to President; Transmittal to Congress.—A final report of the Conference, containing such findings and recommendations as may be made by the Conference, shall be submitted to the President not later than 120 days following the close of the Conference. The final report shall be made public and, within 90 days after its receipt by the President, transmitted to the Congress together with a statement of the President containing the recommendations of the President with respect to such report.

(b) Publication and Distribution.—The Commission is authorized to publish and distribute for the Conference the reports authorized under this joint resolution. Copies of all such reports shall be provided to the depository libraries.

SEC. 5. ADVISORY COMMITTEE.

(a) COMPOSITION.—There is established an advisory committee of the Conference composed of—

(1) eight individuals designated by the Chairman of the Commission;

(2) five individuals designated by the Speaker of the House of Representatives with not more than three being Members of the House of Representatives;

(3) five individuals designated by the President pro tempore of the Senate with not more than three being Members of the Senate;

(4) ten individuals appointed by the President;

(5) the Secretary of Education; and

(6) the Librarian of Congress.

The President, the President pro tempore of the Senate, the Speaker of the House of Representatives, and the Chairman of the Commission shall, after consultation, assure that members of the Advisory Committee are broadly representative of all areas of the United States.

(b) FUNCTION.—The advisory committee shall assist and advise the Commission in planning and conducting the Conference.

(c) ADMINISTRATION.—(1) The Chairman of the Commission shall serve as Vice Chairman of the Advisory Committee. The Advisory Committee shall elect the Chair of the Advisory Committee from among its members, who are not full-time Federal employees. The Advisory Committee shall select the Chair of the Conference.

(2) The Chairman of the Advisory Committee is authorized to establish, prescribe functions for, and appoint members to, such advisory and technical committees and staff as may be necessary to assist and advise the Conference in carrying out its functions.

(d) COMPENSATION.—Members of any committee established under this section who are not regular full-time officers or employees of the United States shall, while attending to the business of the Conference, be entitled to receive compensation therefor at a rate fixed by the President but not exceeding the rate of pay specified at the time of such service for grade GS-18 in section 5332 of title 5, United States Code, including traveltime. Such members, may, while away from their homes or regular places of business, be allowed travel expenses, including per diem in lieu of subsistence, as may be authorized under section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

SEC. 6. GIFTS AND TITLE TO CERTAIN PROPERTY.

(a) GIFTS.—The Commission shall have authority to accept, on behalf of the Conference, in the name of the United States, grants, gifts, or bequests of money for immediate disbursement by the Commission in furtherance of the Conference. Such grants, gifts, or bequests offered the Commission, shall be paid by the donor or his representative into the Treasury of the United States, whose receipts shall enter such grants, gifts, and bequests in a special account to the credit of the Commission for the purposes of this joint resolution.

(b) REVERSION OF CERTAIN EQUIPMENT AND MATERIAL.—Materials and equipment acquired by the White House Conference shall revert to the National Conference on Libraries and Information Science after the close of the White House Conference.

SEC. 7. DEFINITIONS.

For the purpose of this joint resolution—

(1) the term "Commission" means the National Commission on Libraries and Information Science;

(2) the term "Conference" means White House Conference on Library and Information Services; and

(3) the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and American Indian Tribes.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated without fiscal year limitations such sums as may be necessary to carry out this joint resolution. Such sums shall remain available for obligation until expended.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Michigan [Mr. FORD] will be recognized for 20 minutes and the gentleman from Texas [Mr. BARTLETT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Joint Resolution 90, authorizing and requesting the President to call and conduct a White House Conference on Library and Information Services. The resolution calls for the White House conference to be held not earlier than September 1, 1989, and not later than September 30, 1991.

This Second White House Conference on Library and Information Services will provide an opportunity for residents, including American Indians, Native Alaskans and Native Hawaiians, from every State, community, and territory, to have a role in reviewing the needs for library services, evaluating those services, and in planning how library and information services will best serve them in an "information society." Today's technology allows many new ways in which to involve large numbers of people in discussions of local, State, and Federal policy on library needs.

The purpose of the Second White House Conference is to assure that progress will continue toward development of coherent national policies for library and information resources.

Mr. Speaker, the historic 1979 White House Conference on Library and Information Services brought together more than 900 delegates representing more than 100,000 people who participated at the State, local, and territorial levels in 58 preconferences, including the District of Columbia. By law, two-thirds of the delegates were concerned citizens, while one-third were librarians and library trustees.

For the 1979 conference, it was mandatory that States desiring to participate in the National Conference in Washington woud have had to conduct a State, regional, or territorial preconference on library needs, from which many of the delegates were selected to attend the national conference.

In House Joint Resolution 90, State participation is optional. For those States that do not conduct a preconference, arrangements will be made by the White House Conferene Advisory Council to provide guidelines for bringing representatives from such States to attend the national conference. Delegates to the second conference are expected to represent a broad cross-section of American society.

A lasting product of and tribute to the 1979 White House Conference delegation is the fact that of the 64 resolutions approved by conferees, all of which recommended realistic changes and improvements in various aspects of library and information services, 55 of the 64 recommendations have been implemented, either through enactment into law or through administrative actions by State, local, and Federal governments. These 64 resolutions approved by the delegates in 1979 emphasized that libraries should be seen as community, cultural, educational, and information resources in need of greater and continued support, and reflected their desire to strengthen services to Indians, including Native Alaskans and Hawaiians, the handicapped, the elderly, home-bound, institutionalized, illiterate, minorities and other groups who have been, and often continue to be, underserved.

Mr. Speaker, the Committee on Education and Labor, in favorably and unanimously reporting House Joint Resolution 90, fully recognized that States may use Library Services and Construction Act [LSCA] funds for the State preliminary conferences. Still, the committee urged that States utilize, to the extent possible, non-Federal funds, including private sector donations, to help offset the costs of State conferences.

With respect to funding the national conference in Washington, our efforts to obtain reliable cost estimates over the past 2½ years, has been very confusing. Early in the 99th Congress, after I had introduced House Joint Resolution 244 calling for the White House Conference, an unofficial estimate put the costs of holding the Second White House Conference, in terms of "today's dollars" at about $14.5 million—basing the estimate on the fact that the 1979 conference had cost $3.5 million in Federal appropriations nearly a decade ago.

When the Education and Labor Committee ordered House Joint Resolution 90 to be reported, the official CBO estimate was requested and received. At this time, we learned that CBO estimated that the total costs of such conference would be no more than $6 million, and understand that CBO based this estimate on the costs of recently conducted White House Conferences on other issues such as the White House Conference on Small

Businesses. In other words, Mr. Speaker, the estimated costs for the Second White House Conference on Library and Information Services will be less than one-half the amount of the previous unofficial estimate of $14.5 million. This is, of course, good news.

Mr. Speaker, I wish to thank 179 of my House colleagues for their bipartisan cosponsorship of House Joint Resolution 90. I am pleased to note that 26 of my colleagues on the Education and Labor Committee now cosponsor House Joint Resolution 90. Those Members are: the Honorable Messrs. WILLIAM CLAY, MARIO BIAGGI, DALE KILDEE, PAT WILLIAMS, MATTHEW MARTINEZ, MAJOR OWENS, CHARLES HAYES, CARL PERKINS, TOM SAWYER, STEPHEN SOLARZ, TIMOTHY PENNY, BILL RICHARDSON, TOMMY ROBINSON, CHESTER ATKINS, JIM JONTZ, PETER VISCLOSKY, ROBERT WISE, WILLIAM GOODLING, THOMAS COLEMAN, STEVE GUNDERSON, FRED GRANDY, CASS BALLENGER, HARRIS FAWELL, MARGE ROUKEMA, THOMAS PETRI, and myself.

Mr. Speaker, the Preliminary Design Task Force members for the Second White House Conference on Library and Information Services, have selected three overarching themes for the conference. They are: Library and Information Services for Productivity, for Literacy, and for Democracy. The committee endorses these three themes.

The Education and Labor Committee's concern over productivity, literacy and sound government is well known. These are also concerns of the President, the Congress as a whole, elected officials at all levels of government, and citizens throughout the Nation.

Mr. Speaker, I commend House Joint Resolution 90 to my colleagues in the Whole House, and ask for their unanimous support for its passage. Their favorable vote today will speak for more than 75,000 public, school, and university libraries and information centers in the United States—a national resource serving all Americans. Their vote will be a statement of their belief in the need to assure the effective development and management of library resources in the name of continued progress for the Nation in education, science, industry, agriculture, commerce, and foreign relations. It will represent their collective understanding that today's growing technology promises new opportunities for more effective library and information services. It is imperative now that plans be made for dealing with the multitude of issues that will arise in the near future. I firmly believe that only through a second White House Conference can the process of planning and coordinating library and information services for the next generation of Americans proceed, and do so on the basis of a broad popular understanding and support that will derive from this national forum.

Mr. Speaker I recommend that House Joint Resolution 90 be passed by the Whole House.

Mr. WILLIAMS. Mr. Speaker, today, I am joined by a bipartisan group of my colleagues in bringing before the House, House Joint Resolution 90, a joint resolution to authorize and request the President to call a White House Conference on Library and Information Services.

I begin by commending my colleague Mr. FORD for his leadership in developing this resolution.

Building on the previous achievements of the first historic White House Conference on Library and Information Services in 1979, this resolution assures continued progress in our efforts to develop a coherent national policy for our library and information sciences.

Over 900 delegates, representing the more than 100,000 people participated in the 1979 White House Conference. The most important result of this first conference was a significant increase in the public awarness of libraries and their impact on individuals, the economy, and the Nation.

The White House conference proposed by House Joint Resolution 90 will focus on the themes of service and information for productivity, literacy, and democracy. Such a conference provides a forum for the widespread discussion of issues relating to these themes and to other concerns for library and information services at the State and local level.

I believe that libraries are indispensible to the economic well-being of our Nation. In a society that becomes more information-oriented on a daily basis, our libraries ensure access to the essential services and information that leads to a productive and educated citizenry.

I urge my colleagues to support this important joint resolution.

Mr. HAMMERSCHMIDT. Mr. Speaker, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. I thank the gentleman for yielding.

Mr. Speaker, I want to associate myself with the remarks of the gentleman from Michigan [Mr. FORD] and to express my deep appreciation for his leadership on this bill, which calls for the White House Conference on Library and Information Services to be held not later than 1989, and say that I strongly support his bill.

Mr. Speaker, I rise today along with my distinguished colleague from Michigan, to extend my support for House Joint Resolution 90, which calls for a White House Conference on Library and Information Services.

The State of Arkansas has been most fortunate to have a widely successful library system. Our libraries are staffed by both professional and community volunteers who are ever ready to assist those of us who seek knowledge or pleasure in books. We have also been fortunate to have one of the Nation's most prominent librarians as a resident of our State: Dr. Bessie Moore of Little Rock. I have counted Dr. Moore as one of my very good friends for many years. Dr. Moore is a pioneer in the area of Library science. It was she who organized the first county library in Arkansas at Pine Bluff in 1926. She has also served under nine Arkansas Governors as a member of the Arkansas Library Commission from 1941 to 1979, and chairman from 1951 to 1979.

In 1970 President Nixon appointed Dr. Moore to the National Commission on Libraries and Information Services. Dr. Moore's preeminent stature in this field is attested to by the fact that she was subsequently reappointed and remains on the commission to this day. The State of Arkansas is privileged to claim Bessie Moore as one of its own.

As you know, the last White House Conference on Libraries in 1979 was a resounding success. The conference was attended by over 900 delegates from around the country and led to the establishment of the friends of libraries USA.

Since that time, our Nation's libraries and information services have undergone rapid expansion and change. I believe another conference is necessary to strengthen and assist local statewide planning, to coordinate present services for maximum effectivness, and to meet the needs of many sectors of our population for existing and additional services and facilities.

Mr. Speaker, I reserve the balance of my time.

Mr. BARTLETT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, while I am not a cosponsor of House Joint Resolution 90, I am here as a representative of the ranking Republican on the Subcommittee on Postsecondary Education of the Committee on Education and Labor, the gentleman from Missouri [Mr. COLEMAN], and also the ranking minority member of the Committee on Education and Labor, the gentleman from Vermont [Mr. JEFFORDS].

Mr. COLEMAN does support House Joint Resolution 90.

Mr. Speaker, the administration does not object to the goals of the White House Conference on Libraries. However, it does object to this bill as unnecessary. Further, it is the view of the administration that private associations and the private sector are better able to host and finance such a conference.

Mr. Speaker, I yield back the balance of my time.

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Mr. FORD of Michigan. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in support of this resolution, and I do so because, as one more than just casually interested in this type of activity, the record will show I was one of the co-authors with Mr. James Roosevelt of the 1963 National Library and Information Services Act, and I have continued to have an abiding interest.

I want to compliment the gentleman from Michigan [Mr. Ford] for his concern on a sustained basis.

I think I was also one of the cosponsors of the 1978 resolution, calling for the 1979 White House Conference.

I thought it was very successful. I think this is great. I should be shown as a cosponsoring supporter of this legislation; but whether I am or not, and if it is possible that my name could go down subsequently, I would be grateful.

I want to say that I am completely in support of this.

The library in San Antonio, TX, is what I consider to be my real source of whatever it is I have gotten to be. I started going to the San Antonio Public Library when I was 8 years of age, still trying to learn the English language. The fact that it was free and accessible made it possible for me to have access to the knowledge and wisdom that is in books that has enabled me to function.

I would also like to say, lamentably, sadly, that in my city of San Antonio today, 34 years after I was on the city council and pushed through an ordinance reinvigorating the San Antonio Public Library system, the San Antonio library system is being downgraded budgetarily, and being given in our sort of perverted priorities, a 10th place on priorities, and an athletic stadium proposed to be paid for by the poorest of the poor bus riders in my city, is being proposed for $150 million stadium, while they are downgrading the public library system.

I regret and am saddened to report that, but I also take this opportunity to thank the gentleman from Michigan [Mr. Ford], the chairman, for giving me this chance to voice my support.

Mr. FORD of Michigan. Mr. Speaker, I ask that the gentleman from Texas [Mr. Gonzalez] who is not now a cosponsor of the legislation be added to the list of cosponsors.

The SPEAKER pro tempore (Mr. Gray of Illinois). The gentleman's request will appear in the Record.

Mr. FORD of Michigan. Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas [Mr. Alexander].

Mr. ALEXANDER. Mr. Speaker, I compliment the gentleman from Michigan [Mr. Ford] for his leadership on this bill.

Mr. Speaker, I rise today in support of House Joint Resolution 90, which would authorize a White House Conference on Libaries and Information Sciences to be held sometime between September 1, 1989, and September 30, 1991.

House Joint Resolution 90 provides the National Commission on Libraries and Information Science would be charged with responsibility for conducting the conference.

I have closely followed the work of the Commission since its inception in 1970. My great friend Dr. Bessie Moore, who has been involved in the promotion of libraries and education generally in Arkansas for more than half a century, serves as the Commission's vice chairman.

Information is power, Mr. Speaker, Library and Information science is now much more than the proper care and cataloging of musty volumes on dusty shelves. Information management is a high-technology service which is vital to the provision of other high-technology services.

The changing nature of information science is reflected in each of the three themes for the conference proposed by the National Commission's White House Conference Preliminary Design Group: Library and Information Services for Productivity; Library and Information Services for Literacy; and Library and Information Services for Democracy.

Information management is vital to American productivity. All of us have had the experience of needing some rather obscure fact or statistic—not tomorrow, not in 4 hours, but immediately. When these situations occur, the resources of the Library of Congress's Congressional Research Service come to our rescue.

Private-sector managers face the same situation. Business executives can't afford to tie up their staffs for hours searching for data that are needed immediately.

Information science professionals save countless man-hours each year by using modern technologies to quickly retrieve needed pieces of information.

In order to be productive, however, Americans must be able to use the information that information science professionals can obtain for them. For millions of Americans, the library is not a source of useful information because those Americans can't read.

Approximately 27 million Americans are functionally illiterate. Some experts estimate that in addition, 45 million Americans can read to some degree, but at well below a high school competency level. These Americans are, of course, severely limited to their ability to contribute to a 21st-century society.

Librarians and information scientists realize that as the guardians of the printed word, they have a special obligation to join with educators and all levels of government to combat the horror of illiteracy.

Finally, in this period of the Constitution's bicentennial it is extremely appropriate that the White House Conference recognize the role librarians and information scientists have in promoting democracy.

As President Franklin D. Roosevelt said in his "fireside chat" of April 14, 1938, "the only sure bulwark of continuing liberty is * * * a people strong enough and well enough informed to maintain its sovereign control over the Government."

Librarians and information scientists have a similar obligation to that of journalists. As custodians of information, they must use the tools of their profession to make the greatest amount of information available to the greatest number of people so that the people may direct and participate in their government.

The White House Conference authorized by this resolution will followup on the work of the first White House Conference on Libraries and Information Science, which was held in 1979.

That conference raised the profile of libraries, resulting in more funding for libraries by State and local governments and a proliferation of Friends of the Library groups across the country.

In an era of diminishing Federal resources, it is imperative that more support for libraries come from the community level—both within and without government.

As an acknowledgment of this truth, the Education and Labor Committee urges in its report that the Commission continue its efforts to find non-Federal funding for the White House Conference.

Mr. Speaker, the White House Conference authorized in this legislation is much-needed and an excellent idea. I urge the passage of House Joint Resolution 90.

Mr. FORD of Michigan. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. Owens].

Mr. OWENS of New York. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I want to congratulate the gentleman from Michigan [Mr. Ford] and thank the gentleman for the introduction of this legislation.

I was a participant in the 1979 White House Conference on Libraries, and I assure the Members that that is an activity that will pay great dividends. It is an investment of a very tiny amount of Federal funds, and it will pay great dividends.

I would also like to assure the gentleman from Texas [Mr. Gonzalez] that there was great private sector participation in the 1979 White House Conference on Libraries, and it is expected that the private sector participation in this coming White House Conference would be even greater. However, nothing goes forward unless there is a vital seed money investment by the Federal Government.

The amount of money being authorized by this legislation is a very small amount of money, but it will be well used; and the private sector, of course, will contribute far more in the final analysis than the Government sector will contribute.

I also want to urge all of the Members to remember that as this complex society of ours moves forward, the information managers of our society become more and more important. They are neglected; they are overlooked.

As an advertisement in the New York Times pointed out yesterday, every activity of any significance has an information base, and every activity of any significance has information managers.

It is up to us to guarantee that we take steps in our society to widen the understanding of what it means to have an information base, and what it means to have information managers.

What is necessary to train and develop the most competent information managers that we can develop? The information managers of our society manage the Defense Technical Information Center, the National Technical Information Service, and the National Library of Medicine.

There are numerous areas which serve as a backbone of an information network for our entire Nation which could not exist unless you had competent information management using systems that are developed by the private sector, as well as the public sector.

All of this complex apparatus needs to be reviewed. We need to understand what the role of it is in our total national effort.

We need to understand how it impacts upon our military, our defense effort, and how it impacts upon our competitiveness effort in the commercial sector.

We do not talk about it very much; but if you would examine the information base and the kind of information systems that are present already in the Japanese industrial society, examine the kind of information base that the Soviet Union has whereby any document in any language can be translated in 48 hours, you can understand how they make such great use of the technology that is developed by other countries.

They get if from journals and information documents, and they have the capacity to quickly convert it into their language, quickly translate it. There are a number of activities of that kind that are taking place that we need to periodically take a look at and examine whether our society is measuring up.

The White House Conference on Libraries affords us the opportunity to take a look at those libraries and take a look at modernizing our education capability which produces information managers, and a larger awareness in the total society of what the function of the written word is, how the written word spins off the video tape and the movies.

Everything starts with the written word, and the importance of having us understand the vitality of that and the importance of us understanding the national effort needed to make certain that we have the very best.

Again, I congratulate the gentleman from Michigan [Mr. FORD], and I would urge a strong vote in favor of this important measure.

Mr. FORD of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman for his contribution and for responding to the comment that was made about cost.

Our previous experience with conferences of this kind, it must be remembered, this conference is not just a meeting in Washington. It originates with local and then State meetings, and then regional meetings, and ultimately it all comes together here in Washington involving many thousands of people as participants.

The costs are shared in a variety of ways. They represent contributions of time and money by individuals, by corporations, by foundations.

I agree with the gentleman from New York, it is likely that before this project is concluded, the amount of money, an investment made in this project by private individuals, private entities, corporations and foundations will far exceed the minimal amount that the Federal Government puts up to cover its specific portion of the program. But without the Federal Government's initiative and the aegis of the National Conference at the White House, there really is no way to provide focus for these activities throughout the country.

Mr. Speaker, I yield such time as he may consume the gentleman from New York [Mr. BIAGGI].

Mr. BIAGGI. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of this joint resolution which advocates a conference of librarians.

One might ask why a conference, why not just have a number of meetings, regional meetings, or why have any meetings at all? The libraries are out there and their value is diminished, at least that is the contention of some. I think they are more cynical, and they are not in touch with reality, and they may be parochial in their considerations.

But I recall as a young man during the impoverished period in our Nation when books were cherished, difficult to come by, a luxury that was not afforded millions of Americans. The only resource available to us was the library.

The passage of time seems to dim that memory. I guess for those of us who live in huge metropolitan areas, the notion of a library seems extraneous, we have so many resources for information. In the city of New York we have the great New York Public Library and a host of others. I cannot help but reflect how the lives of so many people would have been changed from Pocatello, ID, to New York City, Chicago, and Washington, DC, if we did not have libraries in those early days. That is the impact on the individual, the individual who would have been denied the literary wealth of our Nation but for libraries.

At one time, libraries enjoyed a very prominent position in our society. They were part of the educational process. A young man or a young woman would be told to go to the library for a book and produce a book review. Today we are a little more affluent, and if asked for a book report, you generally go out and buy one or borrow one from a neighbor who has in fact purchased one. But we cannot forget that there are still a number of people out there, a goodly number of people out there, who still rely on the libraries for their information. I have been talking in a very narrow sense, taking a very narrow approach of the effect on the individual. But how about the effect of libraries on our Nation's interests, not simply domestically but internationally. With the advent of technology, where resources of every type must be compiled and must be made available, the impact on our Nation is critical and monumental, and we wonder in the light of the history of libraries and a careful current assessment of libraries, we wonder why there seems to be an attempt after attempt to eliminate all libraries by eliminating funding, or at least if not eliminating the funding, diminishing the funding. Directly or indirectly, any effort in this direction has negative impacts on our Nation's development of fundamental resources, and our Nation's competitiveness.

But to me, the focus of a conference and the advantage of a conference will be to bring all of the sources of information together to be discussed at length and to distill what we have that we can improve the quality of libraries.

These conferences are not uncommon. We have had them for the Small Business Administration, and it has improved the quality in that area. We have had them with the White Conference on Aging. Clearly that was one of the more significant conferences of our Nation and our time, and which produced benefit after benefit, legislative suggestion after legislative suggestion that redounded to the advantage of the seniors of our country and those of us who are concerned with their plight. They have helped immeasurably in the deliberation by our colleagues in the House and in the Senate, and yes, have informed and enlightened administration after administration.

So while we have this House Joint Resolution 90 under consideration, I suggest very strongly we pass it quickly, have the conference and go on to address its recommendations and legislative suggestions.

The leadership of the gentleman from Michigan, Chairman FORD, in this area and in so many other educational areas, is without parallel, and he is to be commended because of his eternal and unflagging commitment, as well as the gentleman from California, Chairman HAWKINS, for addressing the issues so expeditiously.

Mr. BONER of Tennessee. Mr. Speaker, I would like to rise to support of House Joint Resolution 90 which authorizes and requests the President to call a White House Conference on Library and Information Services.

Mr. Speaker, libraries have always been a vital component of our educational structure. Not only are they a source of information, but they provide so many services to the disadvantaged. With the recent termination of general revenue sharing funds, the State and local governments have been hard pressed to come up with the funds to maintain quality access to information.

In my hometown of Nashville, the library system is a very important part of the community. We have a daily 18-hour "talking library" broadcast for the blind and physically handicapped through a subcarrier of our public radio station WPLN. Over 300 volunteers read the newpaper—from current events to shopper specials—and books to these people. Our Bookmobile provides large print books to homes for our elderly. Also the library is charged with the archiving and preservation of important historical documents relating to the founding of our city.

The last conference in 1979 proved to be very successful in assessing the needs of this Nation's libraries. However, many social, economic, and technological changes have taken place in our society and there is a much stronger need for access to information. We are becoming a nation which needs to be able to locate, acquire, and effectively use information which would ensure our future qualify of life.

I urge my colleagues to support the organization of a White House Conference on Library and Information Services.

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Mr. FORD of Michigan. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from Michigan [Mr. FORD] that the House suspend the rules and pass the joint resolution, House Joint Resolution 90, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution, as amended, was passed.

The title of the joint resolution was amended so as to read: "A joint resolution to authorize and request the President to call and conduct a White House Conference on Library and Information Services to be held not earlier than September 1, 1989, and not later than September 30, 1991, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

CHILD ABUSE PREVENTION, ADOPTION, AND FAMILY SERVICES ACT OF 1987

Mr. OWENS of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1900) to amend the Child Abuse Prevention and Treatment Act, the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978, and the Family Violence Prevention and Services Act to extend through fiscal year 1991 the authorities established in such acts, as amended.

The Clerk read as follows:

H.R. 1900

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be referred to as the "Child Abuse Prevention, Adoption, and Family Services Act of 1987".

TITLE I—CHILD ABUSE PREVENTION AND TREATMENT ACT

SEC. 101. AMENDMENT TO THE CHILD ABUSE PREVENTION AND TREATMENT ACT.

(a) AMENDMENT.—The Child Abuse Prevention and Treatment Act (42 U.S.C. 5101 et seq.) is amended to read as follows:

"SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

"This Act may be cited as the 'Child Abuse Prevention and Treatment Act'.

"SEC. 2. NATIONAL CENTER ON CHILD ABUSE AND NEGLECT.

"(a) ESTABLISHMENT.—The Secretary of Health and Human Services shall establish an office to be known as the National Center on Child Abuse and Neglect.

"(b) APPOINTMENT OF DIRECTOR.—

"(1) APPOINTMENT.—The Secretary shall appoint a Director of the Center. Except as otherwise provided in this Act, the Director shall be responsible only for administration and operation of the Center and for carrying out the functions of the Center under this Act.

"(2) Compensation.—The Director shall be compensated at the annual rate provided for a level GS-15 employee under section 5332 of title 5, United States Code.

"(c) OTHER STAFF AND RESOURCES.—The Secretary shall make available to the Center such staff and resources as are necessary for the Center to carry out effectively its functions under this Act.

"SEC. 3. ADVISORY BOARD ON CHILD ABUSE AND NEGLECT.

"(a) APPOINTMENT.—The Secretary shall appoint an advisory board to be known as the Advisory Board on Child Abuse and Neglect.

"(b) SOLICITATION OF NOMINATIONS.—The Secretary shall publish a notice in the Federal Register soliciting nominations for the appointments required by subsection (a).

"(c) COMPOSITION OF BOARD.—

"(1) NUMBER OF MEMBERS.—The board shall consist of 15 members, each of which shall be a person who is recognized for expertise in an aspect of the area of child abuse, of which—

"(A) two shall be members of the task force established under section 4; and

"(B) 13 shall not be Federal employees.

"(2) REPRESENTATION.—The Secretary shall appoint members representing the following:

"(A) ethnic or racial minorities;

"(B) diverse geographical areas;

"(C) legal practitioners;

"(D) psychological disciplines;

"(E) child protection organizations;

"(F) social work organizations;

"(G) pediatricians;

"(H) State and local governments;

"(I) handicapped persons;

"(J) parents' groups; and

"(K) teachers.

"(3) TERMS OF OFFICE.—(A) Except as otherwise provided in this subsection, members shall be appointed for terms of office of 6 years.

"(B) Of the non-Federal members of the board first appointed under subsection (a)—

"(i) four shall be appointed for terms of office of two years;

"(ii) four shall be appointed for terms of office of four years; and

"(iii) five shall be appointed for terms of office of 6 years,

as determined by the non-Federal members during the first meeting of the board.

"(C) no member of the board appointed under subsection (a) shall be eligible to serve in excess of two consecutive terms, but may continue to serve until such member's successor is appointed.

"(4) VACANCIES.—Any member of the board appointed under subsection (a) to fill a vacancy occurring before the expiration of the term to which such member's predecessor was appointed shall be appointed for the remainder of such term. If the vacancy occurs prior to the expiration of the term of a member of the board appointed under subsection (a), a replacement shall be appointed in the same manner in which the original appointment was made.

"(5) REMOVAL.—No member of the board may be removed during the term of office of such member except for just and sufficient cause.

"(d) ELECTION OF OFFICERS.—The board shall elect a chairperson and vice-chairperson at its first meeting from among the non-Federal members.

"(e) MEETINGS.—The board shall meet not less than twice a year at the call of the chairperson. The chairperson, to the maximum extent practicable, shall coordinate meetings of the board with receipt of reports from the task force under section 4(f).

"(f) DUTIES.—The board shall—

"(1) annually submit to the Secretary and the Congress a report containing recommendations as to carrying out the purposes of this Act;

"(2) annually submit to the Secretary and the Director a report containing long-term and short-term recommendations on—

"(A) programs;

"(B) grant and contract needs;

"(C) areas of unmet needs; and

"(D) areas to which the Secretary should provide grant and contract priorities under section 6(a)(1)(A); and

"(3) annually review the budget of the Center and submit to the Director a report concerning such review.

"(g) COMPENSATION.—

"(1) IN GENERAL.—Except as provided in paragraph (3), members of the board, other than those regularly employed by the Federal Government, while serving on business of the board, may receive compensation at a rate not in excess of the daily equivalent payable to a GS-18 employee under section 5332 of title 5, United States Code, including traveltime.

"(2) TRAVEL.—Except as provided in paragraph (3), members of the board, while serving on business of the board away from their homes or regular places of business, may be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(3) RESTRICTION.—The Director may not compensate a member of the board under this section if the member is receiving compensation or travel expenses from another source while serving on business of the board.

"SEC. 4. INTER-AGENCY TASK FORCE ON CHILD ABUSE AND NEGLECT.

"(a) ESTABLISHMENT.—The Secretary shall establish a task force to be known as the Inter-Agency Task Force on Child Abuse and Neglect.

"(b) COMPOSITION.—The Secretary shall appoint representatives to the task force from employees of Federal agencies.

"(c) CHAIRPERSON.—The task force shall be chaired by the Director.

"(d) DUTIES.—The task force shall—

"(1) coordinate efforts with respect to child abuse prevention and treatment programs;

"(2) encourage the development by other Federal agencies of activities relating to child abuse prevention and treatment; and

"(3) coordinate the use of grants received under this Act with the use of grants received under other programs.

"(e) MEETINGS.—The task force shall meet not less than three times annually at the call of the chairperson.

"(f) REPORTS.—The task force shall report not less than twice annually to the Center and the Board.

"SEC. 5. NATIONAL CLEARINGHOUSE FOR INFORMATION RELATING TO CHILD ABUSE.

"(a) ESTABLISHMENT.—Before the end of the 2-year period beginning on the date of the enactment of the Child Abuse Prevention, Adoption, and Family Services Act of 1987, the Secretary shall through the Center or by contract let through a competition and of no less than 3 years duration, establish a national clearinghouse for information relating to child abuse.

"(b) FUNCTIONS.—Through the clearinghouse required to be established by subsection (a), the Director shall—

"(1) maintain, coordinate, and disseminate information on all programs, including private programs, that show promise of success with respect to the prevention, identification, and treatment of child abuse and neglect, including the information provided by the National Center for Child Abuse and Neglect under section 6(b); and

"(2) maintain and disseminate information relating to—

"(A) the incidence of cases of child abuse and neglect in the general population;

"(B) the incidence of such cases in populations determined by the Secretary under section 6(a)(3)(B) to be at special risk for such cases;

"(C) the incidence of any such cases related to alcohol or drug abuse;

"(D) State and local recordkeeping with respect to such cases;

"(E) court-related activities with respect to such cases; and

"(F) case specific data.

"(c) MODEL INFORMATION COLLECTION SYSTEMS.—In establishing a national clearinghouse as required by subsection (a), the Director shall, in consultation with appropriate State and local agencies and professionals, establish model information collections systems.

"(d) COORDINATION WITH AVAILABLE RESOURCES.—In establishing a national clearinghouse as required by subsection (a), the Director shall—

"(1) consult with other Federal agencies that operate similar clearinghouses;

"(2) consult with the head of each agency that is represented on the task force on the development of the components for information collection and management of such clearinghouse;

"(3) develop a Federal data system involving the elements under subsections (b) and (c) which, to the extent practicable, coordinates existing State, regional, and local data systems; and

"(4) solicit public comment on the components of such clearinghouse.

"SEC. 6. RESEARCH AND ASSISTANCE ACTIVITIES OF THE NATIONAL CENTER ON CHILD ABUSE AND NEGLECT.

"(a) RESEARCH.—

"(1) TOPICS.—The Secretary shall, through the Center, conduct research on—

"(A) the causes, prevention, identification, and treatment of child abuse and neglect;

"(B) appropriate and effective investigative, administrative, and judicial procedures with respect to cases of child abuse; and

"(C) the national incidence of child abuse and neglect, including—

"(i) the relationship of child abuse and neglect to nonpayment of child support, handicaps, and various other factors;

"(ii) the extent to which incidents of child abuse are increasing or decreasing in number and severity; and

"(iii) the number of reported child abuse cases that result in civil child protection proceedings or criminal proceedings, including the number of such cases with respect to which the court makes a finding that abuse or neglect exists and the disposition of such cases.

"(2) PRIORITIES.—(A) The Secretary shall establish research priorities for making grants or contracts for purposes of carrying out paragraph (1)(A).

"(B) In establishing research priorities as required by subparagraph (A), the Secretary shall—

"(i) publish proposed priorities in the Federal Register for public comment; and

"(ii) allow not less than 60 days for public comment on such proposed priorities.

"(3) REPORT.—(A) Before the expiration of the two-year period beginning on the date of the enactment of the Child Abuse Prevention, Adoption, and Family Services Act of 1987, the Secretary shall submit to Congress and make available for dissemination through the Center a report on—

"(i) the incidence of child abuse and neglect cases within populations in which risk is high, as determined by the Secretary, and an analysis of the incidence; and

"(ii) the number of children who incur handicaps as a result of abuse.

"(B) The Secretary shall include within the populations in which risk is high the following:

"(i) Children with handicaps.

"(ii) Children of persons who abuse drugs or alcohol.

"(iii) Children who are members of other groups that have been historically underserved or unserved.

"(b) PUBLICATION AND DISSEMINATION OF INFORMATION.—The Secretary shall, through the Center—

"(1) annually compile and evaluate research on child abuse and neglect and publish a summary of such research, in consultation with the Advisory Board on Child Abuse and Neglect established under section 3;

"(2) compile, evaluate, publish, and disseminate to the States and to the clearinghouse, established under section 5, materials and information designed to assist the States in developing, establishing, and operating the programs described in section 10, including an evaluation of—

"(A) various methods and procedures for the investigation and prosecution of child physical and sexual abuse cases; and

"(B) resultant psychological trauma to the child victim;

"(3) compile, publish, and disseminate training materials—

"(A) for persons who are engaged in or intend to engage in the prevention, identification, and treatment of child abuse and neglect including parents and persons who work with children with handicaps; and

"(B) to appropriate State and local officials to assist in training law enforcement, legal, judicial, medical, mental health, and child welfare personnel in appropriate methods of interacting during investigative, administrative, and judicial proceedings with children who have been subjected to abuse.

"(c) PROVISIONS OF TECHNICAL ASSISTANCE.—The Secretary shall, through the Center, provide technical assistance to public and nonprofit private agencies and organizations, including disability organizations and persons who work with children with handicaps, to assist such agencies and organizations in planning, improving, developing, and carrying out programs and activities relating to the prevention, identification, and treatment of child abuse and neglect.

"(d) AUTHORITY TO MAKE GRANTS OR ENTER INTO CONTRACTS.—

"(1) IN GENERAL.—The functions of the Secretary under this section may be carried out either directly or through grant or contract.

"(2) DURATION.—Grants under this section shall be made for periods of not more than five years. The Secretary shall review each such grant at least annually to determine if performance under the grant is satisfactory.

"(3) PREFERENCE FOR LONG-TERM STUDIES.—In making grants for purposes of conducting research under subsection (a), the Secretary shall give preference to studies which—

"(A) have strong evaluation components; and

"(B) are longitudinal in nature.

"(e) PEER REVIEW FOR GRANTS.—

"(1) ESTABLISHMENT OF PEER REVIEW PROCESS.—(A) The Secretary shall establish a formal peer review process for purposes of evaluating applications for grants and contracts under this section and determining the relative merits of the projects for which such assistance is requested.

"(B) Members of peer review panels shall be appointed by the Secretary from among individuals who are not officers or employees of the Office of Human Development Services. In making appointments to such panels, the Secretary shall include only experts in the field of child abuse and neglect.

"(2) REVIEW OF APPLICATIONS FOR ASSISTANCE.—Each peer review panel established under paragraph (1)(A) that reviews any application for a grant, contract, or other financial assistance shall—

"(A) determine the merit of each project described in such application;

"(B) rank such application with respect to all other applications it reviews in the same priority area for the fiscal year involved, according to the relative merit of all of the projects that are described in such application and for which financial assistance is requested; and

"(C) submit to the Secretary and, make available upon request, no later than 14 days after the request, to the Congress a list that identifies all applications reviewed by such panel and arranges such applications according to rank determined under paragraph (2).

"(3) NOTICE OF APPROVAL.—(A) At the end of each application process, the Secretary shall make available upon request, no later than 14 days after the request, to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate a list of all applications funded.

"(B) In the instance in which the Secretary approves an application for a program without having approved all applications ranked above such application (as determined under subsection (e)(2)(B), the Secretary shall append to the approved application a comprehensive explanation of the reasons relied on for approving the application and for failing to approve each pending application that is superior in merit, as indicated on the list under subsection (e)(2)(B).

"SEC. 7. GRANTS TO PUBLIC AGENCIES AND NONPROFIT PRIVATE ORGANIZATIONS FOR DEMONSTRATION OR SERVICE PROGRAMS AND PROJECTS.

"The Secretary, through the Center, shall make grants to, and enter into contracts with, public agencies or nonprofit private organizations (or combinations of such agencies or organizations) for demonstration or service programs and projects designed to prevent, identify, and treat child abuse and neglect. Grants or contracts under this section may be used for the following:

"(1) Training programs—

"(A) for professional and paraprofessional personnel in the fields of medicine, law, education, social work, and other relevant fields who are engaged in, or intend to work in, the field of prevention, identification, and treatment of child abuse and neglect; or

"(B) to provide instruction in methods of protecting children from child abuse and neglect to children and to persons responsible for the welfare of children, including persons who have children with handicaps.

"(2) The establishment and maintenance of centers serving defined geographical areas and staffed by multidisciplinary teams of personnel trained in the prevention, identification, and treatment of child abuse and neglect cases, to provide a broad range of services related to child abuse and neglect cases, including—

"(A) direct support and supervision of satellite centers and attention homes; and

"(B) providing advice and consultation to individuals, agencies, and organizations upon request.

"(3) For furnishing the services on a consulting basis of teams of professional and paraprofessional personnel trained in the prevention, identification, and treatment of child abuse and neglect cases to small communities where such services are not available.

"(4) Prevention services which serve children who are still with their families.

"(5) Projects which provide educational identification, prevention, and treatment services in cooperation with preschools and elementary and secondary schools.

"(6) Respite and crisis nursery programs provided by community-based organizations under the direction and supervision of hospitals.

"(7) Programs and projects for parent self-help that stress control and parenting techniques and that are designed to reach parents of children in populations in which risk is high.

"(8) Prevention and treatment of alcohol and drug-related child abuse and neglect.

"(9)(A) Providing services to—

"(i) parents and children who are considered to be at risk for child abuse and neglect; and

"(ii) children who have been neglected or abused and their parents.

"(B) Except as provided in subparagraph (C)(ii), services provided under a grant received under this paragraph shall be provided at the hospital involved—

"(i) upon the birth or admission of a handicapped child;

"(ii) upon the birth of a child to parents that are determined to be members of populations in which risk is high as designated by the Secretary;

"(iii) upon the treatment of a child for abuse or nelect; and

"(iv) upon the admission to a hospital of a child of parents who are determined to be members of populations in which risk is high as designated by the Secretary.

"(C) Services, as determined as appropriate by the grantee, provided under a grant received under this paragraph shall be hospital-based and shall consist of—

"(i) the provision of information to parents of a child described in subparagraph (B) regarding resources in the community, particularly parent training resources, that will assist such parents in caring for their child and reduce the possibility of abuse or neglect;

"(ii) the provision of appropriate follow-up services to parents of a child described in subparagraph (B) after the child has left the hospital; and

"(iii) where necessary, assistance in coordination of community services available to parents of children described in subparagraph (B),

except that the grantee shall assure that parental involvement is voluntary.

"(D) For purposes of this subsection, a qualified grantee is a nonprofit acute care hospital that—

"(i) is in a combination with—

"(I) a health-care provider organization;

"(II) a child welfare organization;

"(III) a disability organization; and

"(IV) a State child protection agency;

"(ii) submits an application for a grant under this paragraph that is approved by the Secretary;

"(iii) maintains an office in the hospital involved for purposes of providing services under such grant;

"(iv) provides assurances to the Secretary that in the conduct of the project the confidentiality of medical, social, and personal information concerning any person described in subparagraph (A) or (B) shall be maintained, and shall be disclosed only to qualified persons providing required services described in subparagraph (C) for purposes relating to conduct of the project; and

"(v) assumes legal responsibility for carrying out the terms and conditions of the grant.

"(E) In awarding grants under this paragraph, the Secretary shall—

"(i) give priority under this section for two grants under this paragraph, provided that one grant shall be made to provide services in an urban setting and one grant shall be made to provide services in a rural setting;

"(ii) give preference for such grants to qualified grantees where the hospital involved is a hospital that serves a large number of parents that are members of populations designated by the Secretary as high-risk parents; and

"(iii) encourage qualified grantees to combine the amounts received under the grant with other funds available to such grantees.

"(10) A program, for which the Secretary shall give a priority for two grants under this section, to train educators, child welfare workers, health-care providers, child protective workers, and justice employees on how to identify and address the specific needs of children with disabilities who are abused, provided that one grant shall be made to provide training in an urban setting and one grant shall be made to provide training in a rural setting.

"(11) For such other innovative programs and projects that show promise of treating cases of child abuse and neglect as the Secretary may approve.

"SEC. 8. GRANTS TO STATES FOR CHILD ABUSE AND NEGLECT PREVENTION AND TREATMENT PROGRAMS.

"(a) DEVELOPMENT AND OPERATION GRANTS.—The Secretary, through the Center, is authorized to make grants to the States for purposes of assisting the States in strengthening and carrying out child abuse and neglect prevention and treatment programs.

"(b) ELIGIBILITY REQUIREMENTS.—In order for a State to qualify for a grant under subsection (a), such State shall—

"(1) have in effect a State law relating to child abuse and neglect, including—

"(A) provisions for the reporting of known and suspected instances of child abuse and neglect; and

"(B) provisions for immunity from prosecution under State and local laws for persons who report instances of child abuse or neglect for circumstances arising from such reporting;

"(2) provide that upon receipt of a report of known or suspected instances of child abuse or neglect an investigation shall be initiated promptly to substantiate the accuracy of the report, and, upon a finding of abuse or neglect, immediate steps shall be taken to protect the health and welfare of the abused or neglected child and of any other child under the same care who may be in danger of abuse or neglect;

"(3) demonstrate that there are in effect throughout the State, in connection with the enforcement of child abuse and neglect laws and with the reporting of suspected instances of child abuse and neglect, such—

"(A) administrative procedures;

"(B) personnel trained in child abuse and neglect prevention and treatment;

"(C) training procedures;

"(D) institutional and other facilities (public and private); and

"(E) such related multidisciplinary programs and services,

as may be necessary or appropriate to ensure that the State will deal effectively with child abuse and neglect cases in the State;

"(4) provide for methods to preserve the confidentiality of all records in order to protect the rights of the child and of the child's parents or guardians;

"(5) provide for the cooperation of law enforcement officials, courts of competent jurisdiction, and appropriate State agencies providing humane services;

"(6) provide that in every case involving an abused or neglected child which results in a judicial proceeding a guardian ad litem shall be appointed to represent the child in such proceedings;

"(7) provide that the aggregate of support for programs or projects related to child abuse and neglect assisted by State funds shall not be reduced below the level provided during fiscal year 1973, and set forth policies and procedures designed to ensure that Federal funds made available under this Act for any fiscal year shall be so used as to supplement and, to the extent practicable, increase the level of State funds which would, in the absence of Federal funds, be available for such programs and projects;

"(8) provide for dissemination of information to the general public with respect to the problem of child abuse and neglect and the facilities and prevention and treatment methods available to combat instances of child abuse and neglect;

"(9) to the extent feasible, ensure that parental organizations combating child abuse and neglect receive preferential treatment;

"(10) have in place for the purpose of responding to the reporting of medical neglect (including instances of withholding of medically indicated treatment from disabled infants with life-threatening conditions), procedures or programs, or both (within the State child protective services system), to provide for—

"(A) coordination and consultation with individuals designated by and within appropriate health-care facilities;

"(B) prompt notification by individuals designated by and within appropriate health-care facilities of cases of suspected medical neglect (including instances of withholding of medically indicated treatment from disabled infants with life-threatening conditions); and

"(C) authority, under State law, for the State child protective service system to pursue any legal remedies, including the authority to initiate legal proceedings in a court of competent jurisdiction, as may be necessary to prevent the withholding of medically indicated treatment from disabled infants with life-threatening conditions; and

"(11) demonstrate that it is making efforts to encourage accurate reporting of cases of child abuse and neglect.

"(c)(1) Subject to paragraph (3) of this subsection, any State which does not qualify for assistance under this subsection may be granted a waiver of any requirement under paragraph (2) of this subsection—

"(A) for a period of not more than one year, if the Secretary makes a finding that such State is making a good faith effort to comply with any such requirement, and for a second one-year period if the Secretary makes a finding that such State is making substantial progress to achieve such compliance; or

"(B) for a nonrenewable period of not more than two years in the case of a State the legislature of which meets only biennially, if the Secretary makes a finding that such State is making a good faith effort to comply with such requirement.

"(2)(A) Subject to paragraph (3) of this subsection, any State whose waiver under paragraph (1) expired as of the end of fiscal year 1986 may be granted an extension of such waiver, if the Secretary makes a finding that such State is making a good faith effort to comply with the requirements under subsection (b) of this section—

"(i) through the end of fiscal year 1988; or

"(ii) in the case of a State the legislature of which meets biennially, through the end of the fiscal year 1989 or the end of the next regularly scheduled session of such legislature, whichever is earlier.

"(B) This provision shall be effective retroactively to October 1, 1986.

"(3) No waiver under paragraph (1) or (2) may apply to any requirement under subsection (b)(10) of this section.

"(d) Reduction of Funds in Case of Failure To Obligate.—If a State fails to obligate funds awarded under subsection (a) before the expiration of the 18-month period beginning on the date of such award, the next award made to such State under this section after the expiration of such period shall be reduced by an amount equal of the amount of such unobligated funds unless the Secretary determines that extraordinary reasons justify the failure to so obligate.

"(e) Restrictions Relating to Child Welfare Services.—Programs or projects relating to child abuse and neglect assisted under part B of title IV of the Social Security Act shall comply with the requirements set forth in paragraphs (1)(A), (2), (4), (5), and (10) of subsection (b).

"(f) Compliance and Education Grants.—The Secretary is authorized to make grants to the States for purposes of developing, implementing, or operating—

"(1) the procedures or programs required under subsection (b)(10);

"(2) information and education programs or training programs designed to improve the provision of services to disabled infants with life-threatening conditions for—

"(A) professional and paraprofessional personnel concerned with the welfare of disabled infants with life-threatening conditions, including personnel employed in child protective services programs and health-care facilities, and

"(B) the parents of such infants; and

"(3) programs to assist in obtaining or coordinating necessary services for families of disabled infants with life-threatening conditions, including—

"(A) existing social and health services;

"(B) financial assistance; and

"(C) services necessary to facilitate adoptive placement of any such infants who have been relinquished for adoption.

"SEC. 9. TECHNICAL ASSISTANCE TO STATES FOR CHILD ABUSE PREVENTION AND TREATMENT PROGRAMS.

"(a) Training and Technical Assistance.—The Secretary shall provide, directly or through grants or contracts with public or private nonprofit organizations, for—

"(1) training and technical assistance programs to assist States in developing, implementing, or operating programs and procedures meeting the requirements of section 8(b)(10); and

"(2) the establishment and operation of national and regional information and resource clearinghouses for the purpose of providing the most current and complete information regarding medical treatment procedures and resources and community resources for the provision of services and treatment to disabled infants with life-threatening conditions, including—

"(A) compiling, maintaining, updating, and disseminating regional directories of community services and resources (including the names and phone numbers of State and local medical organizations) to assist parents, families, and physicians; and

"(B) attempting to coordinate the availability of appropriate regional education resources for health-care personnel.

"(b) Limitation on Funding.—Not more than $1,000,000 of the funds appropriated for any fiscal year for purposes of carrying out this Act may be used to carry out this section.

"SEC. 10. GRANTS TO STATES FOR PROGRAMS RELATING TO THE INVESTIGATION AND PROSECUTION OF CHILD ABUSE CASES.

"(a) Grants to States.—The Secretary, acting through the Center and in consultation with the Attorney General, is authorized to make grants to the States for the purpose of assisting States in developing, establishing, and operating programs designed to improve—

"(1) the handling of child abuse cases, particularly cases of child sexual abuse, in a manner which limits additional trauma to the child victim; and

"(2) the investigation and prosecution of cases of child abuse, particularly child sexual abuse.

"(b) Eligibility Requirements.—In order for a State to qualify for assistance under this section, such State shall—

"(1) fulfill the requirements of sections 8(b) and 8(e) or receive a waiver under section 8(c);

"(2) establish a task force as provided in subsection (c);

"(3) fulfill the requirements of subsection (d); and

"(4) submit an application to the Secretary at such time and containing such information and assurances as the Secretary considers necessary, including an assurance that the State will—

"(A) make such reports to the Secretary as may reasonably be required; and

"(B) maintain and provide access to records relating to activities under subsections (a) and (b).

"(c) State Task Forces.—Except as provided in paragraph (2), a State requesting assistance under this section shall—

"(1) establish or designate a State multidisciplinary task force on children's justice (hereinafter referred to as 'State task force') composed of professionals with knowledge and experience relating to the criminal justice system and issues of child abuse. The State task force shall include—

"(A) individuals representing the law enforcement community;

"(B) judicial and legal officers (including individuals involved with the defense as well as the prosecution of such cases);

"(C) child advocates;

"(D) health and mental health professionals;

"(E) individuals representing child protective service agencies;

"(F) individuals experienced in working with children with handicaps;

"(G) parents; and

"(H) representatives of parents' groups;

"(2) as determined by the Secretary, a State commission or task force established after January 1, 1983, with substantially comparable membership and functions, may be considered the State task force for purposes of this subsection.

"(d) State Task Force Study.—Before a State receives assistance under this section, the State task force shall—

"(1) review and evaluate state investigative, administrative and judicial handling of cases of child abuse, particularly child sexual abuse; and

"(2) make recommendations in each of the categories described in subsection (e).

"The task force may make such other comments and recommendations as are considered relevant and useful.

"(e) Adoption of State Task Force Recommendations.—Subject to the provisions of paragraph (2), before a State receives assistance under this section, a State shall—

"(1) adopt the recommendations of the State task force that in each of the following categories—

"(A) investigative, administrative, and judicial handling of cases of child abuse, particularly child sexual abuse cases in a manner which reduces the additional trauma to the child victim and which also ensures procedural fairness to the accused;

"(B) experimental, model and demonstration programs for testing innovative approaches and techniques which may improve the rate of successful prosecution or enhance the effectiveness of judicial and administrative action in child abuse cases, particularly child sexual abuse cases and which also ensures procedural fairness to the accused; and

"(C) reform of State laws, ordinances, regulations and procedures to provide comprehensive protection for children from abuse, particularly child sexual abuse, while ensuring fairness to all affected persons;

"(2) as determined by the Secretary, a State shall be considered to be in fulfillment of the requirements of this subsection if—

"(A) the State adopts an alternative to the recommendations of the State task force, which carries out the purpose of this section, in each of the categories under paragraph (1) for which the State task forces' recommendations are not adopted; or

"(B) the State is making substantial progress toward adopting recommendations of the State task force or a comparable alternative to such recommendations.

"(f) Funds Available.—For grants under this section, the Secretary shall use the amount authorized by section 1404A of the Victims of Crime Act of 1984.

"SEC. 11. MISCELLANEOUS REQUIREMENTS RELATING TO ASSISTANCE.

"(a) Construction of Facilities.—

"(1) Restriction on use of funds.—Assistance provided under this Act may not be used for construction of facilities.

"(2) Lease, rental, or repair.—The Secretary may authorize the use of funds received under this Act—

"(A) where adequate facilities are not otherwise available, for the lease or rental of facilities; or

"(B) for the repair or minor remodeling or alteration of existing facilities.

"(b) Geographical Distribution.—The Secretary shall establish criteria designed to achieve equitable distribution of assistance under this Act among the States, among geographic areas of the Nation, and among rural and urban areas of the Nation. To the extent possible, the Secretary shall ensure that the citizens of each State receive assistance from at least one project under this Act.

"(c) Prevention Activities.—The Secretary, in consultation with the task force and the board, shall ensure that a proportionate share of assistance under this Act is available for activities related to the prevention of child abuse and neglect.

"(d) Limitation.—No funds appropriated for any grant or contract pursuant to authorizations made in this Act may be used for any purpose other than that for which such funds were authorized to be appropriated.

"SEC. 12. COORDINATION OF CHILD ABUSE AND NEGLECT PROGRAMS.

"The Secretary shall prescribe regulations and make such arrangements as may be necessary or appropriate to ensure that there is effective coordination among programs related to child abuse and neglect under this Act and other such programs which are assisted by Federal funds.

"SEC. 13. REPORTS.

"(a) Coordination Efforts.—Not later than March 1 of each year, the Secretary shall submit to Congress a report on efforts during the one-year period preceding the date of the report to coordinate the objectives and activities of agencies and organizations which are responsible for programs and activities related to child abuse and neglect.

"(b) Effectiveness of State Programs and Technical Assistance.—Not later than two years after the first fiscal year for which funds are obligated under section 1404A of the Victims of Crime Act of 1984, the Secretary shall submit to Congress a report evaluating the effectiveness of—

"(1) assisted programs in achieving the objectives of section 10; and

"(2) the technical assistance provided under section 9.

"SEC. 14. DEFINITIONS.

"For purposes of this Act—

"(1) the term 'board' means the Advisory Board on Child Abuse and Neglect established under section 3;

"(2) the term 'Center' means the National Center on Child Abuse and Neglect established under section 2;

"(3) the term 'child' means a person who has not attained the lesser of—

"(A) the age of 18; or

"(B) except in the case of sexual abuse, the age specified by the child protection law of the State in which the child resides;

"(4) the term 'child abuse and neglect' means the physical or mental injury, sexual abuse or exploitation, negligent treatment, or maltreatment of a child by a person who is responsible for the child's welfare, under circumstances which indicate that the child's health or welfare is harmed or threatened thereby, as determined in accordance with regulations prescribed by the Secretary;

"(5) the term 'children with handicaps' means any child under the age of 22 who (i) has a physical or mental impairment which substantially limits one or more of such person's major life activities, (ii) has a record of such an impairment, or (iii) is regarded as having such an impairment;

"(6) the term 'person who is responsible for the child's welfare' includes—

"(A) any employee of a residential facility; and

"(B) any staff person providing out-of-home care;

"(7) the term 'Secretary' means the Secretary of Health and Human Services;

"(8) the term 'sexual abuse' includes—

"(A) the employment, use, persuasion, inducement, enticement, or coercion of any child to engage in, or assist any other person to engage in, any sexual explicit conduct or simulation of such conduct for the purpose of producing a visual depiction of such conduct; and

"(B) the rape, molestation, prostitution, or other form of sexual exploitation of children, or incest with children;

"(9) the term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands;

"(10) the term 'task force' means the Inter-Agency Task Force on Child Abuse and Neglect established under section 4; and

"(11) the term 'withholding of medically indicated treatment' means the failure to respond to the infant's life-threatening conditions by providing treatment (including appropriate nutrition, hydration, and medication) which, in the treating physician's or physicians' reasonable medical judgment, will be most likely to be effective in ameliorating or correcting all such conditions, except that the term does not include the failure to provide treatment (other than appropriate nutrition, hydration, or medication) to an infant when, in the treating physician's or physicians' reasonable medical judgment—

"(A) the infant is chronically and irreversibly comatose;

"(B) The provision of such treatment would—

"(i) merely prolong dying;

"(ii) not be effective in ameliorating or correcting all of the infant's life-threatening conditions; or

"(iii) otherwise be futile in terms of the survival of the infant; or

"(C) the provision of such treatment would be virtually futile in terms of the survival of the infant and the treatment itself under such circumstances would be inhumane.

"SEC. 15. AUTHORIZATION OF APPROPRIATIONS.

"(a) In General.—There are authorized to be appropriated for purposes of carrying out this Act $48,000,000 for fiscal year 1988, and such sums as may be necessary for fiscal years 1989, 1990, 1991, and 1992. Of the funds appropriated for any fiscal year under this section except as provided in the succeeding sentence, (1) an equal amount shall be available in each fiscal year for activities under (A) sections 5, 6, and 7, and (B) sections 8(a) and 9 of this Act, giving special consideration to continued funding of child abuse and neglect programs or projects (previously funded by the Department of Health and Human Services) of national or regional scope and demonstrated effectiveness, (2) $5,000,000 shall be available in each such year for grants and contracts under section 7(a) of this Act, for identification, treatment, and prevention of sexual abuse, and (3) $5,000,000 shall be available in each such year for the purpose of making additional grants to the States to carry out the provisions of section 8(f) of this Act. With respect to any fiscal year in which the total amount appropriated under this section is less than $30,000,000, no less than $21,000,000 of the funds appropriated in such fiscal year funds shall be available as provided in clause (1) in the preceding sentence and of the remainder, one-half shall be available as provided for in clause (2) and one-half as provided for in clause (3) in the preceding sentence.

"(b) Priority for Additional Funding.—For each fiscal year covered by this section, any funds appropriated in each such fiscal year which are in excess of the sums appropriated under section 104 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978, for fiscal year 1987 shall be distributed so as to give a priority to identification and prevention activities authorized under this Act.

"(c) Availability of Funds Without Fiscal Year Limitation.—Funds appropriated pursuant to authorizations in this Act shall remain available until expended for the purposes for which they were appropriated.

"(d) Deadline for Grants.—All grants made from funds appropriated pursuant to authorizations in this Act shall, except were delayed for unforeseen circumstances not within the control of the executive branch, be made before the expiration of the six-month period beginning on the later of—

"(1) the first day of the fiscal year for which such funds are appropriated; or

"(2) the date of the enactment of legislation containing any appropriation, including any supplemental appropriation, of such funds for such fiscal year.".

(b) Effective Date.—The Secretary of Health and Human Services shall establish a national clearinghouse for information relating to child abuse as required by section 5 of the Child Abuse Prevention and Treatment Act (as amended by subsection (a)) before the end of the two-year period beginning on the date of the enactment of this Act.

TITLE II—CHILD ABUSE PREVENTION AND TREATMENT AND ADOPTION REFORM ACT OF 1978

SEC. 111. AUTHORIZATION FOR CHILD ABUSE PREVENTION AND TREATMENT AND ADOPTION REFORM ACT OF 1978.

Section 205 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 205. (a) There are hereby authorized to be appropriated $5,000,000 for the fiscal year ending September 30, 1988, and such sums as may be necessary for each of the fiscal years 1989, 1990, 1991, and 1992.

"(b) For any fiscal year in which appropriations exceed $5,000,000 (in fiscal year 1987 dollars), there are authorized to be appropriated, in addition to the sums authorized under subsection (a), $7,000,000 for the purposes of grants under sections 203(b)(8) and 203(d).

"(c) Availability of Funds Without Fiscal Year Limitation.—Funds appropriated pursuant to authorizations in this Act shall remain available until expended for the purposes for which they were appropriated.

"(d) Deadline for Grants.—All grants made from funds appropriated pursuant to authorizations in this Act shall, except where delayed for unforeseen circumstances not within the control of the executive branch, be made before the expiration of the six-month period beginning on the later of—

"(1) the first day of the fiscal year for which such funds are appropriated; or

"(2) the date of the enactment of legislation containing any appropriation, including any supplemental appropriation, of such funds for such fiscal year.".

SEC. 112. AMENDMENTS TO CHILD ABUSE PREVENTION AND TREATMENT AND ADOPTION REFORM ACT OF 1978 RELATING TO ADOPTION ASSISTANCE AND SERVICES.

(a) Section 203(b) of title II of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 is amended by—

(1) deleting the "and" at the end of paragraph (6);

(2) striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and"; and

(3) adding the following new paragraph:

"(8) make demonstration grants, based on need, to States for purposes of assisting such States and localities (who shall provide services directly or through grant or purchase service agreements with one or more local government entities, a private nonprofit child welfare or adoption agency licensed by the State, an adoptive parent organization, or a community-based organization with experience in working with historically underserved populations) under the jurisdiction of such States in establishing and operating programs designed to facilitate the adoption of children from historically underserved populations who (1) are in foster care and (2) have a permanency planning goal of adoption. A program for which a grant is received under this paragraph may include such activities as—

"(A) outreach, public education, or media campaigns to inform the public of the needs and numbers of such children;

"(B) recruitment of prospective adoptive families for such children;

"(C) expediting, where appropriate, the legal availability of such children;

"(D) expediting, where appropriate, the agency assessment of prospective adoptive families identified for such children;

"(E) formation of prospective adoptive family support groups;

"(F) training of personnel of—

"(i) public agencies;

"(ii) private nonprofit child welfare and adoption agencies that are licensed by the State; and

"(iii) adoptive parents organizations and community-based organizations with experience in working with historically underserved populations;

"(G) use of volunteers and adoptive parent groups; and

"(H) any other activities determined by the State and approved by the Secretary to further the purposes of this Act. A State that desires to receive a grant under this paragraph shall submit to the Secretary, in such manner and form as the Secretary may prescribe, a plan describing the State's program for facilitating the adoption of children of historically underserved populations, together with assurances that—

"(i) the plan was developed in consultation with private nonprofit child welfare and adoption agencies, licensed by the State, adoptive parent oranizations, and community-based organizations with experience in working with historically underserved populations;

"(ii) the activities carried out under this program, where appropriate, will be augmented by existing Federal or State funds;

"(iii) amounts payable to States under this section shall supplement and not supplant any other funds which may be available for the same general purposes in the States or localities involved;

"(iv) the State will establish a goal by which it proposes to increase the number of children of historically underserved populations placed with adoptive families relative to the previous year in which grants under this section were provided to States; and

"(v) the State will designate a person or group of persons that will—

"(I) periodically review the status of each family that is carrying on proceedings to adopt a child who is in foster care and that has been assessed by the State; and

"(II) assist the family as the adoption proceedings progress toward conclusion,

"provided that nothing in this clause prohibits a State from designating a person or persons independent of the State for purposes of carrying out this clause.".

(b) Section 203 is further amended by adding the following new subsection (c):

"(c) Any State who receives a grant under subsection (b)(i) shall provide to the Secretary a report providing the following information with respect to such State:

"(1) The number of adoptive families recruited during the grant period.

"(2) The number of prospective adoptive families assessed or studied during the grant period.

"(3) The number of children of historically underserved populations in foster care with the permanency planning goal of adoption at the beginning of the grant period.

"(4) The number of children of historically underserved in foster care that were placed with adoptive families during the grant period.

"(5) The number of children of historically underserved populations in foster care waiting to be placed with adoptive families at the end of the grant period.

"(6) The demographics of the families with whom such children formerly in foster care were placed, including race or ethnicity, income, age, or marital status; and

"(7) information pertaining to children and families who receive services under this grant from public or private agencies.".

"(c) Section 203 is further amended by adding the following new subsection:

"(d)(1) The Secretary shall make demonstration grants to States (which may provide services directly or through one or more of the following: case management by public agency adoption personnel, or grants, contracts, or purchase of service agreements with private, nonprofit, licensed child welfare or adoptive parent organizations, or in any other manner approved by the Secretary) for purposes of providing services to families with adopted children under the age of 18.

"(2) Services provided under grants made under this subsection shall supplement, not supplant, services from any other funds available for the same general purposes in the State or locality may include—

"(A) individual counseling;

"(B) group counseling;

"(C) family counseling;

"(D) case management;

"(E) training public agency adoption personnel, personnel of private, nonprofit child welfare and adoption agencies licensed by the State to provide adoption services, mental health services professionals, and other support personnel to provide services under this section;

"(F) assistance to adoptive parent organizations; and

"(G) assistance to support groups for adoptive parents, adopted children, and siblings of adopted children.

"(3) A State that receives a grant under this subsection for any fiscal year shall provide to the Secretary not less than 30 days before the first day of the final year for which the grant is requested a plan for the provision of services under this subsection. Such plan shall be developed in consultation with adoptive parents groups, private, nonprofit, licensed child welfare and adoption agencies, and appropriate child welfare, adoption, and advocacy organizations and groups.

"(4) A State that receives a grant under this subsection shall submit to the Secretary not less than once every two years a report containing—

"(A) the number of families and children to whom services were provided under the grant and a description of the nature of such services; and

"(B) a description of each provider of service under the grant, including—

"(i) the amount of funds received by each such provider;

"(ii) activities and services delivered by each such provider; and

"(iii) the number of families and children served by each such provider.

"(5) A State that receives a grant under this subsection shall provide State funds—

"(A) for the second year of the grant period in an amount equal to 10 percent of the amount provided under the grant for such year;

"(B) for the third year of the grant period in an amount equal to 15 percent of the amount provided under the grant for such year; and

"(C) for the fourth year of the grant period in an amount equal to 20 percent of the amount provided under the grant for such year.".

TITLE III—FAMILY VIOLENCE PREVENTION AND SERVICES ACT

SEC. 121. AUTHORIZATION FOR FAMILY VIOLENCE PREVENTION AND SERVICES ACT.

Section 310 of the Family Violence Prevention and Services Act is amended—

(1) in subsection (a)—

(A) by striking out "and" the first place it appears and inserting in lieu thereof a comma; and

(B) by striking out the period at the end and inserting in lieu thereof the following: ", $15,000,000 for fiscal year 1988, and such sums as may be necessary for each of the fiscal years 1989, 1990, 1991, and 1992."; and

(2) by adding at the end the following new subsections:

"(c) AVAILABILITY OF FUNDS WITHOUT FISCAL YEAR LIMITATION.—Funds appropriated pursuant to authorizations in this Act shall remain available until expended for the purposes for which they were appropriated.

"(d) DEADLINE FOR GRANTS.—All grants shall, except where delayed for unforeseen circumstances not within the control of the executive branch, be made from funds appropriated pursuant to authorizations in this Act before the expiration of the six-month period beginning on the later of—

"(1) the first day of the fiscal year for which such funds are appropriated; or

"(2) the date of the enactment of legislation containing any appropriation, including any supplemental appropriation, of such funds for such fiscal year.".

SEC. 122. AMENDMENTS TO FAMILY VIOLENCE PREVENTION AND SERVICES ACT.

(a) TECHNICAL AMENDMENTS.—

(1) ADMINISTRATION AND STATUTORY CONSTRUCTION.—Section 312 of the Family Violence Prevention and Services Act is amended the first time such section appears—

(A) By amending subsection (a)(4) of such section to read as follows:

"(4) prescribe such regulations as are reasonably necessary in order to carry out the purposes and provisions of this title."; and

(B) by adding at the end the following new subsection:

"(d) Nothing in this title shall be construed to supersede the application of State or local requirements for the reporting of incidents of suspected child abuse to the appropriate State authorities.".

(2) CONFORMING AMENDMENT.—The Family Violence Prevention and Services Act is amended by striking out section 312 the second time such section appears.

(b) FAMILY VIOLENCE PREVENTION PROJECT.—The Family Violence Prevention and Services Act is further amended by adding at the end the following new sections:

"FAMILY MEMBER ABUSE INFORMATION AND DOCUMENTATION PROJECT

"SEC. 313. The Secretary shall, directly or by grant or contract—

"(1) develop data on the individual characteristics relating to family violence; and

"(2) provide for the objective documentation of data on the victims of family violence and their dependents based on injuries that the brought to the attention of hospital, social service, or law enforcement personnel, whether or nor formal civil or criminal action is taken.

"INFORMATION AND TRAINING GRANTS

"SEC. 314. The Secretary shall make demonstration grants to local law enforcement agencies, acting in coordination with local social service agencies and hospitals, for purposes of supporting—

"(1) programs to provide training and technical assistance to law enforcement officers, hospital personnel, social services personnel, education counseling personnel, and other appropriate personnel involved in the identification of family violence cases;

"(2) the development of materials, to be provided to each abused family member at the time such spouse is identified by any of the persons described in paragraph (1), that include—

"(A) an explanation in basic terms of—

"(i) the rights of the abused family member under the laws of the jurisdiction invovled; and

"(ii) the services available to the abused family member, including intervention, treatment, and support services; and

"(B) phone numbers and addresses for the services described in subparagraph (A)(ii);

"(3) the development of procedures whereby hospital, social service, or law enforcement personnel provide to an abused family member a written report, relating to each incidience of physical abuse reported by the family member, that includes a description of physical injuries to the family member observed by such personnel; and

"(4) the development of systems whereby local social service personnel, with the consent of the abused family member involved, may obtain from local law enforcement personnel information relating to abuse of such family member, including a report describing the initial contact of such family member and the law enforcement agency.".

TITLE IV—ADMINISTRATIVE PROVISIONS

SEC. 131. REGULATIONS.

(a) PUBLICATION.—For any rule or regulation needed to implement this Act, the Secretary of Health and Human Services shall—

(1) publish proposed regulations for purposes of implementing the amendments made by this Act before the expiration of the 90-day period beginning on the date of the enactment of this Act;

(2) allow not less than 45 days for public comment on such proposed regulations; and

(3) publish final regulations for purposes of implementing the amendments made by this Act before the end of the end of the 195-day period beginning on the date of the enactment of the Act.

(b) EFFECTIVE DATE.—The final regulations published under subsection (a)(3) shall be effective with respect to grants made for fiscal years after fiscal year 1988.

The SPEAKER pro tempore. Is a second demanded?

Mr. BARTLETT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York [Mr. OWENS] will be recognized for 20 minutes and the gentleman from Texas [Mr. BARTLETT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. OWENS].

Mr. OWENS of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today, we are pleased to bring before the House the Child Abuse Prevention, Adoption and Family Services Act of 1987, H.R. 1900. This is a historic occasion, it represents the first significant revision of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978.

I am additionally pleased because this bill comes before the House with complete bipartisan support. This is a commendable achievement for the House Education and Labor Committee, but it also speaks to the unified concerns and directions that the Nation wants to take in addressing some of the serious family problems that are before us.

H.R. 1900 makes a new attempt to address the continuing crisis affecting the American family, a crisis that has substantially worsened in the 12 years that separate us from the time when the Child Abuse Prevention and Treatment Act first became law.

Before presenting more details about the shape of the tradegy affecting too many of our children and families, and more details about how this legislation attempts to address these problems, I want to thank my Democratic colleagues Mr. WILLIAMS and Mr. BIAGGI as well as the ranking minority member of the subcommittee, Mr. BARTLETT, for their hard work and cooperation in making this bill a bipartisan effort. This bill was unanimously reported from the committee, and it is a sound measure well designed for the complex problem we seek to combat.

I am offering the committee reported bill amended to reflect changes which have been agreed to by the minority. These amendments will be submitted for the Record.

H.R. 1900 will not, by itself, solve the massive problems affecting our families and children today. The program at $75 million, is small—hardly recognizable in the overall Federal budget—and funding for it has not kept pace with the rapid rise in the incidence of child abuse and neglect or with the rise of family violence. The causes of this near epidemic increase in child abuse and domestic violence are unclear. What is apparent, as outlined in the recent report of the House Select Committee on Children Youth and Families Entitled "Abused Children in America: Victims of Official Neglect," is that the States cannot cope with the scale of the crisis because of their shrinking budgets.

For example, despite a 55-percent increase in reports of child abuse, Federal, State, and local resources for addressing the problem rose less than 2 percent overall. In over half the States, resources either declined, or failed to keep pace with the influx of cases. There are regular reports in the newspapers and on television describing how the current tidal wave of domestic violence is straining social services.

A story featured in the Sunday, May 31 issue of the New York Times, for instance, focused on the need for shelters in Massachusetts. Of the 30 shelters in that State which are supported by State and Federal funds, only about 10 have 1 staff member working specifically with children, although two-thirds of the residents of those shelters are children.

The situation in Massachusetts reflects the broader dimensions of the national tragedy. The shelter featured in the Times articles turns away 8 children for every 2 that they take in.

A spokesperson for the Massachusetts Governor's Advisory Council commented that those individuals who are denied refuge "will turn to drugs, crime, prostitution, not because of poverty but because of years of pain at home." Mr. Speaker, I am submitting this article for the Record.

The select committee report notes that the number of childhood fatalities due to abuse and neglect increased 29 percent in 1986 in 24 States surveyed. Between 1,200 and 5,000 children are killed as a result of domestic brutality. Additionally, 1,350 American women die annually due to family violence. The numbers are truly shocking. The States are desperate for help in addressing the increased needs, and historically it has been programs of the kind which H.R. 1900 sets in place that demonstrate to the States what can be done and what needs to be done. The bill allows States to gain some control over problems that strike at the heart of this country's most precious and most important institution, the family. Without such Federal leadership, we risk duplication of effort, pursuit of failed solutions, and a further division between those States which have the resources to cope, and those which do not. A new and more energized Federal leadership must coordinate the effort to address what is rapidly becoming a national emergency.

Of course, a small program such as H.R. 1900 cannot reach into the homes where children and family members are calling out for help and for services. It may not be able to stimulate the construction of sufficient shelters so that desperate women and children may escape intolerable home environments. But it does offer the troubled families of the Nation some limited hope. The following are some of the areas in which this legislation might make a difference, and where we need to direct more Federal efforts.

H.R. 1900, reauthorizes three crucial Federal efforts in the area of child abuse, adoption opportunities and family violence and continues these programs for 5 additional years. In the area of child abuse and neglect—we have built on the concept of a nationally coordinated policy toward child abuse prevention and treatment, established in current law. The bill attempts to make the so far feeble attempts at coordinating Federal policy more of a reality: By streamlining a cumbersome and largely inoperative Advisory Board to the National Center on Child Abuse and Neglect and mandating that the board work with a new entity—an interagency task force on child abuse and neglect—a real possibility exists that Federal dollars will be spent more effectively. Additionally, a beginning is made at attempting to standardize the data collection of local and State agencies so we can arrive at nationally consistent and reliable information.

With respect to the child abuse programs, H.R. 1900 follows current law confirming the Federal role as a leader and as a catalyst for State initiatives. Because of the increasing scale of family violence in this country we have in this current reauthorization, emphasized the importance of prevention as opposed to treatment efforts as the most logical and the most humane approach to the problem. Several new initiatives characterize the importance of early identification and prevention efforts. A key element for future success in this area, I believe, will be the new community based partnerships recommended in this legislation.

We have added two new initiatives in the area of adoption opportunities. The first one is designed to prevent historically underserved children from languishing in foster care situations by aggressively recruiting minority families and others to adopt such children. The Child Welfare League of America indicates that out of the 36,000 children awaiting adoption today, an estimated 45 percent of them are minorities. Our second initiative also attempts to limit unnecessary foster care placement by providing counseling and other services for parents who have adopted children with special needs. Such parents are returning these children in increasing numbers, unable to find the specialized support services to help them deal with the many increased burdens that come with adopting such children.

The Family Violence Prevention and Service Act is strengthened with the addition of two new initiatives again designed to stress prevention activities. The first concerns a training effort to assist law enforcement and other professionals in the early identification of family violence. The second would allow an abused family member to gain a written record of their abuse from a law enforcement officer or other professional, as well as appropriate referral information.

It is relatively easy to pass a law, but difficult to guarantee timely implementation of the program. It became apparent during our hearings that certain programs that are being reauthorized today were hampered by administrative delays and that funds and regulations were not released as scheduled. A new title added to this legislation seeks to clarify our understanding—specifically, that regulations have to go through the defined sequence of notice and comment periods followed by the issuance of final regulations in accordance with a reasonable timetable. This provision should prevent the recurrence of such problems.

H.R. 1900 only scratches the surface of a bewildering and tragic problem. We cannot afford to be complacent about this problem once we have passed the measure. We have a very long way to go before Federal efforts in this area will be adequate to the need. However, it is my hope that the funds which the States receive as a result of this measure will point toward a new direction.

Finally, it is important to emphasize the necessity to have the amounts appropriated for these programs increased as the authorizations have increased to keep pace with the escalating needs.

We share the problem that T.S. Eliot referred to when he said that the human mind can't bear too much reality, so I will leave you with an image. It has stayed on my mind since I read the New York Times article I referred to earlier. It concerns the observations of a family shelter counselor who saw an abused child punching himself at a group counseling session.

Apparently it is common for abused children to blame themselves for the pain they have suffered. Other children who aren't fortunate enough to receive therapy go on to become abusers of others as well as themselves and possibly turn to crime.

Programs such as those in H.R. 1900 represent some of the best investments in the future of this country that we can possibly make. Stable American families are the foundation of our Nation's future. I strongly urge the passage of H.R. 1900.

[From the New York Times, May 31, 1987]

GROUP FOR CHILDREN AIMS TO BREAK CYCLE OF ABUSE

SPRINGFIELD, MASS.—While much attention has been paid to the problems of battered women who have taken refuge in shelters across Massachusetts, about two-thirds of the residents of those shelters are children. For them, the services are few.

Of the 30 shelters in the state, which are supported by state and Federal funds, only about 10 have even one staff member expressly for children, according to Gayle A. Marino of the Massachusetts Coalition of Battered Women's Service Groups. Such child advocates typically attend to the children's needs, conduct individual therapy involving games and playing, field hot line calls for help and assist mothers in finding other services.

Seeing a need for ways to help children living in abusive situations, one child advocate, Naomi Malone, decided three years ago to start a weekly counseling group for children at Arch, a shelter here.

BATTERERS FROM THE BATTERED

"Children are the silent victims of domestic violence," said Ms. Malone, herself a survivor of an abusive family. "If we work with them, boys don't have to grow up to be abusers and girls to be victims." About 80 percent of all batterers grew up in abusive families, said Sarah M. Buel of the state Anti-Crime Council, an advisory panel appointed by the Governor.

In the counseling group, children meet to discuss their feelings, learn that the violence at home is not their fault and develop skills for dealing with anger and for surviving in abusive families. Above all, they learn to love themselves.

Alice L. Jordan of the National Coalition Against Domestic Violence, said, "Arch is definitely in the forefront with its format and curriculum." Most counseling groups that deal with childen are less formally organized than the Arch program and are not focused exclusively on them and their emotional needs, Ms. Jordan said.

"YOU'RE NOT THE ONLY ONE"

Eleven-year-old Peter, who is in the Arch group, recalls that his father, a preacher, would hit his sister with a bat and lock up his mother until "he cooled off."

Once, I saw him in the basement sitting on Mother," Peter said. "He was hitting her head on the cement floor. Blood came out of her neck."

After that his mother, who is a nurse, came to Arch. Now, every Wednesday, Peter attends the counseling group of 20 children 3 to 13 years of age. They are current or former Arch residents or their mothers have called the Arch hot line for help.

"I learned a lot of stuff, like if there's a fight, never get into it," Peter said. "You could get hurt real bad. Call 911, give the police your name, address, say Dad is hitting Mother and sneak out when Father doesn't know."

"Sometimes I would think I did something wrong," he went on. "If I was bad, he'd yell and beat on Mom. Now, I know the fighting is my father's fault. He has a problem—a bad temper. Also, at the group you meet other people and see you're not the only one with a problem.

According to a 1985 study of 6,000 American homes by Dr. Murray Strauss of the University of New Hampshire Family Research Laboratory, spouse abuse occurs in about 32 percent of the nation's homes, and parents abuse about 22 percent of the children.

Ms. Buel of the Anti-Crime Council said the state's shelters "turn away eight children for every two they take in," adding: "They will turn to drugs, crime, prostitution—not because of poverty, because of years of pain at home."

INFANTILE OR PARENTAL BEHAVIOR

Ms. Malone finds that many of the children blame themselves for the violence, have low self-esteem, have been isolated by the abuser so they feel alone and have limited skills in playing and communication.

Some have infantile behavior: "If they cling to Mom maybe they can prevent the next abuse," Ms. Malone explained.

Others act like parents. "I protected Mommy because Rico would hit her every day," said 8-year-old Mario, referring to his mother's housemate. "It was bad at home. It feels good here. There are no Daddies. Mommy is happy; she cooks and gives us hugs."

Mario, who adopted some abusive habits, is now learning in the counseling that he can deal with anger by taking a walk with a toy, taking a bubble bath or just sitting alone for a while.

In the counseling group, Ms. Malone said, "I look for child-to-child solutions."

Recently, the group was comforting a disturbed child when another abused boy started to punch himself. "I asked the group if they understood how he felt and what we could do," Ms. Malone said. "They gave him hugs, said they loved him, and I told him we don't even hit ourselves here.

"Also, I said, 'You know you're good. It's not your fault.' He said, 'For real, Naomi?' "

Some children, like Rose, 9, have physical ailments. "I had such bad chest pains it made me cry," said Rose. "Now I have less pains and headaches." She and her 5-year-old sister attend the Arch group and see a psychologist.

"Dad's hands are powerful," Rose said. "When he hit or kicked us it really hurt. I begged him to go for help."

Her sister said, "The fighting was Dad's fault," adding: I like Arch 'cause Dad never comes here. But I'm still afraid of windows. Someone might peek in and take me."

What helps children most, Ms. Malone said, is mothers who take control of their lives. "Then they can relax, be their age and do the most difficult things—like themselves exactly how they are."

Mr. Speaker, I reserve the balance of my time.

Mr. BARTLETT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1900 contains a number of technical as well as substantive improvements to the Child Abuse and Neglect, Adoption Opportunities, and Domestic Violence programs. The Federal role in these programs has been, and because of H.R. 1900, continues to be, the support of innovative demonstration and research activities that will assist the efforts of States and local service providers. Identifying and disseminating model programs and best practices eventually leads to decreases in child abuse, neglect and domestic violence and to increases in the adoption of special needs children.

I would like to recognize and congratulate the chairman of the Subcommittee on Select Education, Mr. OWENS, and thank him for continuing the Congress' bipartisan approach to these programs. H.R. 1900 improves the child abuse, adoption opportunities, and family violence programs because it focuses upon special needs populations and concentrates on prevention.

H.R. 1900 builds upon federally funded research and demonstration programs of the past. Because of our research efforts we are able to identify those circumstances and individual characteristics which are more likely to lead to an incident of abuse, neglect, or domestic violence. I take particular note of a provision in H.R. 1900 which bases a prevention program in a hospital in an effort, at the earliest possible opportunity, to link community resources to parents whose risk is high for abusing or neglecting their son or daughter.

H.R. 1900 makes no change in current Baby Doe requirements on child abuse and continues these requirements. H.R. 1900 allows States which are experiencing difficulty meeting either the guardian ad item requirement or the so-called Baby Doe requirements of the Child Abuse Act to maintain their eligibility. It should be noted by those States which are currently making efforts to meet the guardian ad item requirement, that H.R. 1900 essentially provides them with an extension until the end of fiscal year 1988 pending action by the other body during fiscal year 1987.

I note that H.R. 1900 authorizes $75 million for fiscal year 1988 for programs that were authorized in fiscal year 1987 at $74.1.

While this authorization level is greater than the fiscal year 1987 appropriation level, it does amount to essentially a freeze of the current fiscal 1987 authorization level.

I would support and did support a freeze at the appropriations level. This bill essentially freezes the authorization level, and I appreciate the gentleman from New York's willingness to compromise on the issue. I believe no purpose would be served by disputing this issue on the House floor.

The child abuse and neglect, domestic violence and adoption opportunities programs play a small but important role in helping state and local programs. H.R. 1900 improves these programs by emphasizing prevention and targeting resources upon the neediest populations.

□ 1350

Mr. Speaker, I reserve the balance of my time.

Mr. OWENS of New York. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. BIAGGI].

Mr. BIAGGI. Mr. Speaker, I thank the chairman of the subcommittee for yielding this time to me.

Mr. Speaker, as a cosponsor of H.R. 1900, I rise today to express my strong support for this legislation, and urge its prompt adoption. This measure strengthens our commitment to fight child abuse and neglect, and expands our ability to treat and aid its victims.

There is perhaps no subject that I feel more strongly about, and have been associated with any longer, than child abuse prevention. The very first bill that I introduced in the Congress in 1969 was a child abuse prevention measure. It became a forerunner to the legislation that we consider today for reauthorization. I am proud to be the coauthor of the original child abuse law back in 1974, and I have actively worked on all of its reauthorizations.

It is with a sense of urgency about the problem of child abuse and its relentless increase that this body should consider this legislation today. Tragically, we have, in fact, regressed over the past few years with respect to our national commitment to fight child abuse. Since the start of this decade, we have witnessed a disturbing 55 percent increase in the number of incidents of child abuse and neglect, corresponding, if not directly related to that fact, is that funding for this child abuse law has actually declined $6 million in real dollars at that same time. I find this an abominable situation—a national tragedy—that we must work to address immediately!

To put it quite simply, it is not enough for us here to reauthorize this law. We must provide the funding so desperately needed if we are to make a real impact in the fight against child abuse. There is no money better spent in our society than to fight the scourge and horror of child abuse and neglect. Full funding for this legislation represents our commitment in terms of action, and not merely words.

During this reauthorization, I believe the Subcommittee on Select Education, on which I so proudly serve, has made real progress with respect to both improving and expanding these programs. We have made a number of efforts to address the needs of children with handicaps who are abused. Disabled children represent a disproportionately large number of the children who are abused, and are likely to be abused for a longer period of time. I am proud to point to a new program I authored to provide appropriate training to personnel who work with disabled children who are abused. These children pose special difficulties for personnel who are unable to identify and appreciate the child's disabling condition(s), and thus need more specific training in this area. I firmly believe the time has come to develop programs to better address the special needs of disabled children.

We have also made great strides in the area of preventing the abhorrent crime of abuse. It is simply not enough to aid and treat the victims of abuse—we must work to prevent this tragedy as well.

This reauthorization vehicle encompasses three programs: child abuse, adoption assistance, and family violence. They are programs that reflect on us as a society. They are programs that recognize and respond to some of the most disturbing problems facing American society today.

The Adoption Assistance Program contains two new critically important components in our efforts to facilitate children through the foster care system and place them in a loving, and stable home. The first program concentrates efforts on recruiting families to adopt historically underserved or hard-to-place children. The second component provides followup placement services to assure that both the family and the child make a smooth transition after the adoption. Both of these programs make important headway into an area of deep concern and importance to me—foster care program.

Our Nation's foster care system has been rocked by recent reports of tremendous overcrowding, and abuse and neglect. It is a system ready to virtually explode. It is my sincere hope that these two new adoption programs will be a significant step in efforts to ease the burdens on our foster care system, and more importantly, provide these children with the proper care and services they clearly need, and deserve. While I regret my own bill, H.R. 2038, was not specifically included in this reauthorization measure, I intend to continue my efforts in this area.

And finally, we have made an important effort to better address the problem of family abuse by more specific training for both law enforcement personnel and social service workers. We have also added a provision strengthening efforts to collect data on this shocking crime, in order to compile a "composite" on both the batterer and the abused. If we know who these people are, we will be able to better, and more quickly, respond to the problem.

In closing, I want to recognize and thank our distinguished chairman, my friend and colleague from New York, Mr. OWENS, for addressing this issue so quickly and effectively. I also want to thank the ranking minority member Mr. BARTLETT, for his contributions in crafting this legislation. And finally, I wish to recognize the remaining members of the subcommittee, Mr. WILLIAMS, our chairman, Mr. HAWKINS, and the ranking minority member, Mr. JEFFORDS, for their work on this fine measure.

As we consider this legislation, we must look not only to the programs and solutions, but to the much-needed funding as well. Only with this complete package will we truly possess the tools, and the resources, essential to fight the problem. I pledge my own commitment and I urge my colleagues to do the same.

Mr. BARTLETT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. OWENS of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to engage the gentleman in a colloquy on the legislation.

Mr. BARTLETT. I would be happy to respond.

Mr. OWENS of New York. Mr. Speaker, today I have offered a committee amendment which modifies the language relating to the procedure to be followed by the Secretary concerning publication or regulations. Is it the gentleman's understanding that under the amendment accepted today, if regulations are determined to be necessary, the Secretary shall publish all such regulations as proposed regulations, subject to public comment and under the timelines specified in the bill?

Mr. BARTLETT. Mr. Speaker, will the gentleman yield?

Mr. OWENS of New York. I yield to the gentleman from Texas.

Mr. BARTLETT. That is my understanding, Mr. Speaker.

Mr. OWENS of New York. Mr. Speaker, is it the gentleman's expectation that certain areas of the bill, including definitions and the specification of populations, will require regulatory guidance.

Mr. BARTLETT. Yes. That is my expectation.

Mr. OWENS of New York. Mr. Speaker, I thank the gentleman for his concern in this area and his clarification on these points.

Mr. MILLER of California. Mr. Speaker, I support H.R. 1900, a bill to reauthorize the Child Abuse Prevention and Treatment Act, and Family Violence Prevention and Services Act and the Adoption Reform Act.

This legislation has strong bipartisan support, reflecting the growing concern over the rise in child abuse and domestic violence in this country.

It also reflects a heightened awareness that the demands of work, of poverty, and of raising children single-handedly—when coupled with the removal by this administration of many basic supports for families, such as housing and education—have led many adults to take these pressures out on their children or on each other. Tragically, the emotional scars of abuse and neglect remain after any physical injuries have healed and are usually passed on the next generation.

REPORTS OF CHILD ABUSE AND NEGLECT ON THE RISE

According to a recent nationwide survey by the Select Committee on Children, Youth and Families, which I chair, nearly 1.9 million children were reported as victims of abuse in 1985—a 55-percent increase since 1981. Child sexual abuse reports rose 80 percent between 1983–85. Yet, child neglect continued to comprise the majority of cases—58.5 percent in 1985. Testimony by the National Committee for the Prevention of Child Abuse before my committee in March revealed that 29 percent more children died at the hands of their parents or guardians in 1986 than the previous year.

In California, reports of child abuse and neglect rose to 272,953 in 1985—a 51.9-percent increase in 5 years. In my own community of Contra Costa County, CA, reports of child abuse nearly doubled.

BARRIERS TO HELPING MALTREATED CHILDREN

Unfortunately, while abuse of children in this country continues to climb, resources to prevent and treat the victims and their families are barely holding steady. Federal, State, and local resources to address the problem rose less than 2 percent overall between 1981–85. In over half the States, however, resources either declined or failed to keep pace with the influx in reports. Staff shortages, inadequate training, and high pesonnel turnover further hampered most States' ability to provide needed services. So too did poor coordination among the agencies which serve abused and neglected children, such as child protective and child welfare services, health, education, and juvenile justice.

SUCCESSFUL PREVENTION, EARLY INTERVENTION AND TREATMENT EFFORTS

Despite these barriers, our report documents several successful prevention, early intervention and treatment efforts. Early screening and intervention services, parent education, and in-home visitor programs have proven especially effective in averting incidents of child abuse, improving family functioning and avoiding costly treatment. Family preservation programs have proven effective in keeping children out of foster care by building upon the strengths of abusive or neglecting families. Yet, in most instances, these programs are only pilots, or serve only a fraction of those in need.

Today, we have the opportunity to carefully preserve and expand upon these programs, which save public dollars and spare children from the trauma of abuse and neglect. Enactment of H.R. 1900 will stimulate research, demonstration projects, and dissemination of information about successful programs to address child abuse and neglect. By providing grants to States, this legislation will also bolster States' ability to provide much needed services to at-risk and abused children.

H.R. 1900 WILL IMPROVE SERVICES AND DATA COLLECTION

I am pleased that the bill expands the availability of respite care and crisis nurseries, two highly effective child care programs for families at risk of abuse and neglect. However, I am concerned that there is an emphasis on hospital-administered programs. The select committee had documented that many of the most successful respite care programs are administered by local community groups with strong parental involvement.

The select committee's report also pointed out the lack of reliable data on the incidence of child abuse and neglect, particularly among high risk groups, such as the handicapped or chronically ill, or on the number of cases which lead to arrest and/or prosecution. H.R. 1900 will help improve data collection on special populations and on law enforcement activities, so that we may better tailor programs to those in need.

FAMILY VIOLENCE REMAINS A SERIOUS NATIONAL PROBLEM

The legislation before this body today will also reauthorize the Family Violence Prevention and Services Act, which I authored in 1984 to assist victims of domestic violence.

Each year more than 2 million women are battered by their husbands, ex-husbands or boyfriends; about 1,350 of these women were killed in 1985. And in half of wife-abusing families, the children are beaten as well. Domestic violence is cyclical: 75 percent of batterers were abused as children; 60 percent of boys who witness violence in the home grow up to abuse their adult mates. Clearly, domestic violence is not a private matter, but a national one. It is not just a women's problem, but a family and children's problem. Domestic violence is a problem that demands a national response.

HELP FOR BATTERED WOMEN AND THEIR CHILDREN STILL SCARCE

Despite the best efforts of those at the local level who support shelters for battered women and their children, such as Junior Leagues, United Ways, and YWCA's, help for victims of domestic violence remains scarce. The National Coalition Against Domestic Violence reports that only 1,200 safe homes and shelters exist across the Nation, and many communities have no shelters or safe homes. In most other communities, shelters are overwhelmed by the demand for services. In Contra Costa County, for example, Battered Women's Alternatives received 5,800 calls from women in need of crisis services in the first 3 months of 1987 alone. Yet BWA has space for 13 women and children, who may stay at the shelter for no more than 6 weeks.

In most instances, battered women have critical medical, housing, and legal needs, in addition to child care, emotional, and employment needs. So, too, do their children. But children, who comprise about two-thirds of the residents of shelters for battered women, are even less likely to receive therapeutic services than their mothers. H.R. 1900 will help improve the availability of the range of services needed by abused women and their children.

BETTER IDENTIFICATION AND PROSECUTION OF DOMESTIC VIOLENCE NEEDED

This bill will also help improve the identification, investigation, and prosecution of domestic violence cases by police, courts, and emergency room staff. This is extremely important, because even today, family violence is not recognized for what it is: a crime. Most law enforcement officials continue to resist punishing the perpetrators or protecting their victims.

While these provisions are positive steps in curtailing domestic violence and assisting its victims, I am concerned that the authorization level was cut by $9 million. At a time when domestic violence affects the lives of so many, we cannot afford to cut the program's already meager funding.

If we really want to reduce child abuse and domestic violence in this country, then reauthorization of H.R. 1900 is essential. I commend Congressman OWENS from New York for his leadership in bringing this important legislation to the floor and urge my colleagues to join me in voting for the Child Abuse Prevention, Adoption, and Family Services Act of 1987.

Mr. GOODLING. Mr. Speaker, I rise in support of H.R. 1900, the Child Abuse Prevention, Adoption, and Family Services Act of 1987.

We deal with many difficult, emotional issues in this body, but one of the most heartrending is child abuse.

Although our role is small, this being an area dealt with primarily by the States, the subject is still important; too important to slip by unnoticed.

Some of us only are brought face to face with this issue when the Child Abuse Act is reauthorized and what we know is limited to what we have read in the daily papers or through studying the legislation. Very seldom do we see the victims we are trying so desperately to help.

As a former educator, I did come in contact with the victims of child abuse. Some were quiet children, who worked very hard to make good grades, afraid of what would happen if they brought home a bad report card, and living in fear that someone would find out their horrible secret. Others dealt with their problem by acting out. In each instance, these children were unable to benefit fully from the educational opportunity in which they were involved.

Mr. Speaker, we have to break this cycle. We have to help parents who are potential abusers, parents who were abused children themselves—and we have to help the child victims erase the physical, mental, and emotional scars left by abuse. The bill before us does provide an increased focus on the Federal role in prevention activities, and I applaud my colleagues for taking this important step.

Mr. Speaker, there is another portion of the bill which I feel deserves the attention of my colleagues, and that is the adoption opportunities program. Each child deserves to grow up in a loving home, and legislation such as we are considering today will help guarantee that each child is given the opportunity to do so.

H.R. 1900 contains two new initiatives in this area. The first would authorize the Secretary to conduct State grant demonstration programs to promote the adoption of children from historically underserved populations who are in foster care. A second demonstration grant program would provide postadoption services to reduce the possibility that adopted children are returned. I support these two new initiatives and commend Mr. OWENS for his work in this area.

Mr. Speaker, a family in my district has adopted a number of children with special needs, and the family has grown closer from the rewarding experience of watching these children grow and develop to their fullest potential. These children always had the ability to succeed, but they lacked one essential ingredient in their lives—love. I have known this family for many years and can assure you they are, in every sense of the words, a family. Hopefully, through the incentives provided through the enactment of this bill, more families will open their hearts and their lives and adopt a special-needs or other hard-to-place child. I assure you it can be a rewarding experience for the entire family.

Mr. Speaker, this is a small but important piece of legislation, and I urge my colleagues to give it their support. It affects a very important part of society—our children.

Mr. JEFFORDS. Mr. Speaker, I rise in support of H.R. 1900, the Child Abuse Prevention, Adoption, and Family Services Act of 1987. Included in the measure before us is the reauthorization of the expiring Child Abuse and Neglect Prevention and Treatment and Family Violence Prevention and Services Acts. In addition, the activities authorized under the adoption opportunities are also extended for an additional 5 years or through fiscal year 1991.

Title I of the bill includes a number of changes designed to improve program administration and to ensure that the National Advisory Board on Child Abuse and Neglect is workable in size and comprised of recognized experts from a broad spectrum of disciplines. Similarly, the Inter-Agency Task Force on Child Abuse and Neglect has been revamped and hopefully will be better able to effectively coordinate the various federally assisted programs and activities that relate to child abuse prevention and treatment.

The ranking Republican member of the Select Education Subcommittee, Mr. BARTLETT, is to be commended for his initiative which authorizes the Secretary to fund hospital-based demonstration programs which seek to provide information on services within the community to the parents of children who may be especially vulnerable to abuse and neglect. Clearly, this new discretionary authority focuses on prevention services—reaching out in an attempt to provide services that may avoid situations in which abuse occurs.

Let me turn briefly to some of the changes which have been made in the Adoption Opportunities Program. One such initiative authorizes a new State grant demonstration program that will focus additional efforts on establishing and implementing programs to encourage and facilitate the adoption of children from historically underserved populations who are in foster care and have a permanency planning goal of adoption. A second and related initiative provides for demonstration grants to the States for the purpose of providing a host of necessary postadoptive services to families with adopted children under the age of 18. Our distinguished chairman of the Select Education Subcommittee, Mr. OWENS, is to be applauded for his leadership in making these important changes in our Adoption Opportunities Program.

Mr. Speaker, the bill before us today represents a bipartisan effort to extend and streamline existing statutory authorities which attempt to reduce the incidences of child abuse, neglect, and acts of family violence, and to increase the numbers of permanent adoptive placements, especially among historically underserved or other special-needs children. The fiscal year 1988 authorizations of appropriations are significantly higher than both the fiscal year 1987 authorization and appropriation. These higher levels for fiscal year 1988—and the such sums authorizations for the remaining years of this reauthorization—give a clear indication of the importance we attach to providing sufficient resources to adequately meeting the challenge we face in the growing number of substantiated cases of child abuse and family violence.

Mr. Speaker, I urge my colleagues on both sides of the aisle to join me in voting for final passage of H.R. 1900.

Mr. AuCOIN. Mr. Speaker, I would like to voice my strong support for H.R. 1900, the Child Abuse Prevention, Adoption, and Family Services Act of 1987. In this past year alone, over 13,000 Oregon children were abused or neglected. More than 4,000 of these were victims of sexual assault. Fatalities from abuse more than doubled. These are grim statistics, but the attention paid to the problem by this legislation is a crucial part of the solution.

H.R. 1900 extends the authorization for the Child Abuse Prevention Program, the Adoption Opportunities Program, and the Family Violence Prevention Program, injecting these programs with critical funding. Enactment will streamline the current Child Abuse Prevention Program and give States some added resources to strengthen this Nation's very foundation—the family.

The Oregon chapter of the National Committee for Prevention of Child Abuse has been at the forefront of Oregon's struggle to ensure that our children have a fair chance. As cochairman of the chapter, I've had the privilege of working with the organization to bring public service announcements to Oregon's families on an effort to contain this growing epidemic.

The chapter's resource center for child abuse prevention has created a statewide clearing house for community-based prevention organizations and programs. With offices in Portland, Corvallis, Grants Pass, Ontario, and La Grande, the Oregon chapter has created a network across the State to combat child abuse on all fronts. In addition, the chapter has been successful in State lobbying efforts for the enhancement of our children trust fund—an income tax return checkoff—and for appropriation of $200,000 for 1987-88 prevention funding.

Oregon has already seen tremendous success in putting grant money from the National Center on Child Abuse and Neglect, also funded by this legislation, into ground-breaking programs.

Among the programs deserving special recognition in Oregon is the risk assessment project, which will create a system for estimating the risk to a child by identifying the constellation of indicators which point to abusive or neglectful parents. This system will help caseworkers make decisions, such as when to place a child in out-of-home care.

Oregon's children's services division has also used NCCAN funds to put together a multidisciplinary team with representation from children services division, the district attorney's office, public health and the State medical examiner to identify gaps in the reporting system, inaccuracies in the reporting of child facilities, and undercoding of accidental deaths of children which may have occurred as a result of parental negligence.

In addition to funding child abuse prevention programs, this legislation will reauthorize the Adoptions Opportunities Program creating greater opportunities for adoption of historically underserved children and the developmentally disabled.

In Oregon, over half of the children placed through the children's services division will qualify for the matching grants provided for in this legislation. About 280 children will be placed by CSD in Oregon this year. Most are special needs children, so called because they come in family groups, are handicapped, or are older children.

H.R. 1900 also addresses the problem of followup services to the adopting family to improve the adjustment process. With States struggling to maintain the skeletons of their programs, it is next to impossible to accommodate this aspect of the adoption process, even though followup services are identified by leaders in the field as a top priority. A new Demonstration Grant Program will help fill the gap.

I support H.R. 1900 because with the programs in this legislation, 13,000 Oregon children are being given a fighting chance.

Mr. OWENS of New York. Mr. Speaker, H.R. 1900 contains some differences from the bill that was reported out of committee. These amendments were approved by the minority and I want to take this opportunity to explain their significance.

The changes would:

First. Require the department's lists identifying all ranked and approved grant applications to be made available to Congress upon request and provided within 14 days of such a request.

Second. Require that all grants under the act be made within 6 months of the date of enactment of any appropriation, including any supplemental appropriation, or the first day of the fiscal year for which funds are appropriated, except under unforeseen circumstances not within the control of the executive branch.

Third. Require any rules or regulations necessary to implement the act to be published as proposed and subject to public comment.

Fourth. Clarify that within the authorization level as established by the committee bill, funds in excess of fiscal year 1987 dollars shall be spent for identification and prevention activities.

Fifth. Revise language to ensure that individuals intended to be served by the bill's provisions will not be stigmatized.

Mr. OWENS of New York. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The **SPEAKER** pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from New York [Mr. OWENS] that the House suspend the rules and pass the bill, H.R. 1900, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1900, the bill just passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

THOMAS P. O'NEILL, JR., FEDERAL BUILDING

Mr. HOWARD. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2243) to designate the Federal Building located at 10 Causeway Street, Boston, MA, as the "Thomas P. O'Neill, Jr., Federal Building."

The Clerk read as follows:

H.R. 2243

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF BUILDING.

The Federal Building located at 10 Causeway Street, Boston, Massachusetts, shall be known and designated as the "Thomas P. O'Neill, Jr., Federal Building".

SEC. 2. LEGAL REFERENCES.

Any reference to such building in any law, map, regulation, document, record, or other paper of the United States shall be deemed to be a reference to the "Thomas P. O'Neill, Jr., Federal Building".

The **SPEAKER** pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New Jersey [Mr. HOWARD] will be recognized for 20 minutes and the gentleman from Arkansas [Mr. HAMMERSCHMIDT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. HOWARD].

Mr. HOWARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Thomas Phillip O'Neill, Jr., was elected to the Commonwealth of Massachusetts House of Representatives in 1936. He served as the Speaker of that distinguished body from 1949 to 1952. Mr. O'Neill was elected to the 83d Congress of the United States, succeeding John F. Kennedy. He served as majority whip and majority leader of the House of Representatives and then served ably as its Speaker for five consecutive terms.

Tip O'Neill retired at the close of the 99th Congress. Fifty years of public service was served by Mr. O'Neill, throughout which he consistently fought for the enactment of legislation which would benefit all people. He was truly a believer in the principle that government should extend a hand to all classes, whether they be rich, middle class, or poor. He was always an advocate of social programs which would better the well-being of the individual American, and he was an advocate of programs for the improvement of the operation of our cities, our counties, and our States. Tip O'Neill was a true believer in democracy, which means assistance to all who need it.

Throughout his long career in public service he remained consistently the warm, vibrant human being that he is today. Tip O'Neill has throughout his life been a friend to all. The assistance he has provided to so many people throughout his career is truly an endless list. Naming the Federal Building in honor of Thomas Phillip O'Neill, Jr., brings credit not only to Tip O'Neill but, more importantly, to the city of Boston, to the Commonwealth of Massachusetts, and to our Nation which he has so ably and effectively served.

Mr. Speaker, I reserve the balance of my time.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support for H.R. 2243, legislation which would name the Federal building at 10 Causeway Street in Boston, MA, in honor of our former colleague and Speaker, Tip O'Neill.

Tip O'Neill began his long and distinguished career as a legislator in 1936 as a member of the Massachusetts Legislature. In his 16 years in the legislature, he served as minority leader and then speaker of that body for 4 years, until his election to the 83d Congress on November 4, 1952.

Tip O'Neill served in this House for 34 years until his retirement just last year, He moved up the ranks of the House leadership as majority whip in the 92d Congress, majority leader in the 93d and 94th Congress, and finally the Speaker of the House for 10 years from the 95th through 99th Congress.

His love and respect for the House as an institution was evident in the farewell address the Speaker made to the House on October 17, 1986. He said, "* * * This is the greatest legislative body in the world. We will always be great as long as we recognize the rights of one another across the aisle, as long as we respect each other for our thoughts, ideas, philosophies and as long as we respect those who disagree." He concluded that address by stating, "I will always be a man of the House of Representatives but always, first, I am an American and so proud of this body."

Last year, the House recognized the contributions of Tip O'Neill by naming room 324 in this Capitol in his honor. It is truly fitting that we name a Federal building in his city of Boston the "Thomas P. O'Neill, Jr., Federal Building" as a lasting tribute to his 50 years of distinguished service to Massachusetts and the Nation.

Mr. Speaker, I reserve the balance of my time.

Mr. HOWARD. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from New York [Mr. BIAGGI].

Mr. BIAGGI. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I am honored to rise in full support of this bill, H.R. 2243, to designate the Federal building located at 10 Causeway Street in Boston, MA, as the "Thomas P. O'Neill, Jr., Federal Building."

For 34 years, Tip O'Neill served the Federal Government with unsurpassed dedication and distinction. Today, we have an opportunity to recognize that service in a very appropriate fashion. Tip O'Neill certainly needs no Federal building named after him to establish his greatness—he did that all by himself. However, he certainly deserves this very special tribute—a tribute that will benefit anyone who is reminded of this man's extraordinary record and who strives to emulate his work and principles.

Those of us who privileged to serve under the esteemed former speaker need no such reminders. You do not forget a man who did so much for the country, for the office of Speaker, and for this body as a whole. You do not forget a man who is so committed to his principles and who did so much to serve those principles. In short, you do not forget a man who accomplished so much and served as a model leader and public servant during a 50-year political career.

Finally, I want to simply associate myself with and recall the words of the New York Times when Tip O'Neill neared the end of his 10-year term as Speaker. They wrote that:

> Tip O'Neill was—and is—one of America's great men * * * no matter whether you share his political view or not, he served our Nation with the highest distinction. As Speaker of the House, O'Neill stood for everything that makes America a special nation.

I salute the man, and warmly endorse this fitting tribute.

Mr. HOWARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I take this time because I wish to congratulate our colleagues from Massachusetts: the gentleman from Massachusetts [Mr. KENNEDY], who has succeeded our Speaker in representing that district in the

Commonwealth of Massachusetts; the gentleman from Massachusetts [Mr. MOAKLEY], in whose district this building exists; and all the other Members of the delegation from the Commonwealth of Massachusetts for their cosponsorship and support of this legislation.

Mr. MOAKLEY. Mr. Speaker, it is an honor for me to rise in strong support of the bill H.R. 2243, designating the Federal Building at 10 Causeway Street in Boston as the "Thomas P. O'Neill, Jr., Federal Building." I am a cosponsor of H.R. 2243 and I wish to thank my colleagues from Massachusetts, Mr. KENNEDY, for introducing this bill, and for his efforts in bringing this bill to the floor so expeditiously. I would also like to commend the gentleman from New Jersey, Mr. HOWARD, the chairman of the Committee on Public Works, for all of his work in moving this bill forward.

Mr. Speaker, I can think of no one who is more deserving of this honor than our former Speaker and my friend Tip O'Neill. I know that Tip has shown some reluctance at having a Federal building named after him. I can only say that his modesty is welcomed but his contributions to the citizens should be acknowledged. This Federal building is not built as a monument to a great man, but as a thank you for a great public servant.

Tip has been in public service his whole professional life. He started in the Massachusetts State House in 1936 where he served until 1952, serving as minority leader in 1947 and 1948 and finally as Speaker of the House from 1948 until 1952. Then in 1952, he was elected to fill the vacated seat of the then newly elected Senator John Kennedy. He was named majority whip in the 92d Congress, elected to the majority leader's post in the 93d Congress, and finally elected Speaker of the House in the 95th Congress, where he served for 10 years until his retirement.

It is of course appropriate that Boston is the site of the Thomas P. O'Neill Building after all he has done for the city. The city of Boston owes a tremendous debt to him for his years of representation in Congress. The revitalization of the city, and the continued growth of the city are due to his tireless efforts to bring Federal money home to the city and State. In fact, those efforts will continue to help revitalize the city with the third harbor tunnel, now under construction.

His contributions don't stop at the city lines by any means, and the current healthy economic status that Massachusetts enjoys are in part the result of the combined State/Federal support which Tip helped engineer. We are very fortunate in Massachusetts for currently having one of the lowest unemployment rates in the Nation.

As Speaker, Tip was not only a regional leader but a national leader. The public showed its appreciation to Tip for his style of governing by giving him his highest approval rating as Speaker during his last year in public life. It was truly heartwarming for me to see my good friend retire during the apex of his career in public life.

Tip dislikes being the subject of lengthy testimonials almost as much as he hates to see the Red Sox lose. As a good friend I can only say I wish that he and his wife Millie, accept my thanks for their years of kindness and friendship. Perhaps one of the highest tributes I can pay Tip is that he always heeded his father's lesson and he "always remembered from whence he came."

With the naming of the Federal building in Boston for Thomas P. O'Neill, Jr., the people of the United States will mark on their maps "from whence he came," and with the passage of this bill the people say "thank you for all you have done for us." I urge all of my colleagues to join me in passing this bill.

Mr. KENNEDY. Mr. Speaker, today the House votes on a bill that I introduced to name the new Federal Building in Boston after the man who represented the Eighth Congressional District in the House faithfully and effectively for 34 years. This gesture is a symbolic measure of the gratitude felt by the people of the Eighth District to Tip O'Neill, a man known very affectionately here and at home as "The Speaker."

Franklin Delano Roosevelt said:

> The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little.

By that measure the voice of Tip O'Neill has been one of the most progressive voices in the National Government for a generation. Through it all, he has never lost touch with the people of the Eighth District and he continues to capture their admiration and respect in a way that few politicians can do. In the rough and tumble world of politics, Speaker O'Neill has always taken the high road. He has made a career out of combining wit and humility with tough determination and dedication to the enduring principles of social justice.

When Tip O'Neill began his public career in 1936, half of our Nation lived in poverty, one-quarter of the Nation's breadwinners were out of work, only 3 percent of those Americans who finished high school attended college, firemen and policemen worked over 100 hours a week. If you were elderly it meant you were poor, if you were poor you had no access to decent health care, and if you were in college it meant you were rich.

Today those figures have changed dramatically: 60 percent of high school graduates go on to higher education, 90 percent of our people live above the poverty line, and 93 percent of our wage earners are at work. Never have so many of our fellow citizens, especially working Americans, lived so well for so long. The majority of American families can afford to own their own home, educate their children, and look forward to a secure retirement.

We have suffered setbacks in the recent past, and many of the toughest battles lie ahead, but the Democratic Party, which Speaker O'Neill helped to lead, can take the credit for the creation of the American middle class. There are still those who are poor, those who are hungry, those who are sick and uncared for, those who are homeless, those who are discriminated against. We shall build on the progress of the past to ensure that in the future all Americans share in the prosperity of this Nation.

To borrow again from Franklin Roosevelt, in whose tradition Tip O'Neill has lived and labored for twoscore years and 10 in politics: "I am reminded of four definitions; a radical is a man with both feet firmly planted—in the air; a conservative is a man with two perfectly good legs who, however, has never learned to walk; a reactionary is a somnambulist walking backwards; a liberal is a man who uses his legs and his hands at the behest of his head." Tip O'Neill has persevered these many years in the best and truest spirit of the liberal tradition. He is a hands on politician who has never been afraid to speak his mind or to take on the toughest issues facing the Republic.

The politics of Massachusetts would never be the same without Tip O'Neill so I am pleased to report to this House that the former Speaker has decided to remain active in the political and social life of our home State. I know I speak for all of my colleagues when I say that we wish him all the luck o' the Irish wherever his new interests may take him.

I will look to the example of the Speaker for guidance as I try to develop as deep and strong a bond with the people of the Eighth District as he has forged over the years.

Mr. HOWARD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. HOWARD] that the House suspend the rules and pass the bill, H.R. 2243.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

□ 1405

GENERAL LEAVE

Mr. HOWARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

ABRAMS AND CONTRA AID BOTH MUST GO

(Mr. MOODY asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous material.)

Mr. MOODY. Mr. Speaker, the Milwaukee Journal issued an editorial on Friday, June 5, which I would like to put in the RECORD and quote briefly from today.

> When he misled Congress last fall on vital aspects of U.S. policy on Nicaragua, Elliott Abrams ended his usefulness as Assistant Secretary of State for Inter-American Affairs. He has hopelessly sabotaged his credibility and ability to work with Congress.

He admitted that he provided misleading testimony about U.S. involvement in the Contra War to the House and the Senate Intelligence Committees and to the Senate Foreign Relations Committee. Elliott Abrams' explanation for this deception was as cowardly, as appalling and as inexcusable as the hoax itself.

First, he claimed that he had been betrayed by Lt. Col. Oliver North, the former White House National Security aide, but Abrams also admitted that he chose not to closely supervise North.

Second, Abrams offered the incredible excuse that he had not leveled with Congress because Shultz had not authorized him to do so.

Abrams cannot pass the buck to North. Abrams is the Department's senior officer for Central America and has both the power and the duty to design and oversee United States policy regarding Nicaragua. If he failed in that responsibility, it must have been by choice.

Being truthful to Congress is also part of his job.

Mr. Speaker, Congressman DORGAN and I have a letter calling for Elliott Abrams' resignation, which I hope others may choose to sign. We have 72 signatures so far. I hope others will join us in this effort.

Mr. Speaker, I include the article from the Milwaukee Journal, as follows:

[From the Milwaukee Journal, June 6, 1987]

ABRAMS, CONTRA AID BOTH MUST GO!

When he misled Congress last fall on vital aspects of US policy on Nicaragua, Elliott Abrams ended his usefulness as assistant secretary of state for inter-American affairs. He has hopelessly sabotaged his credibility and ability to work with Congress. And the resignation he ought to submit should not be viewed as a trade-off justifying in any way a renewal of US aid to the Nicaraguan contras.

Abrams admitted this week that he provided misleading testimony about US involvement in the contra war to the House and Senate Intelligence Committees and to the Senate Foreign Relations Committee. The explanation provided by Abrams for this deception was as cowardly, appalling and inexcusable as the hoax itself.

First, he claimed he had been betrayed by Lt. Col. Oliver North, the former White House national security aide. But Abrams also admitted that he chose not to closely supervise North, despite Abrams' having been asked by Secretary of State George Shultz in 1985 to "monitor Ollie." Abrams also offered the incredible excuse that he hadn't leveled with Congress because Shultz had not authorized him to do so.

Abrams is not in a position to pass the buck to North or anyone else, however deeply others may have been involved in misconduct. Abrams is the State Department's senior officer on Central America and an intelligent, experienced bureaucrat. He had both the power and the duty to design and oversee US policy regarding Nicaragua; if he failed in that responsibility, it must have been by choice. Nor did he need permission from Shultz or anyone else to testify candidly to Congress. Being truthful to Congress is part of his job.

As for Shultz, his apparent disregard of the basic requirements of public service was demonstrated not only by his involvement in Abrams' deception, but also by his preposterous vote of confidence in his subordinate later. Abrams may have created a sensation, all right, but it was not the "sensational job" that Shultz credited him with doing.

Giving Abrams the sack, however, would not rescue US policy in Nicaragua from its inherent flaws, which is why the current hints of a trade-off are so disquieting. Rep. Dante Fascell (D-Fla.), chairman of the House Foreign Affairs Committee and a backer of contra aid, says it would be difficult for Abrams to work effectively with Congress when a contra aid bill comes up this fall.

That is no doubt true, but no one can make a silk purse out of a sow's ear. No matter who sits in Abrams' office, aiding the contras would only worsen a conflict that ought to be resolved through diplomatic means. Replacing Abrams might help ease the Iran-contra scandal, but only by replacing the policy that Abrams so eagerly embraced (and sought to conceal) will the people of Nicaragua have a better chance of achieving the peace and justice they deserve.

IN DEFENSE OF MY HONOR AND OF THE CONSTITUTIONAL IMMUNITIES OF THE HOUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I will advise the Speaker with utmost courtesy that contrary to last Thursday's promise to speak less than an hour, I will make no such rash commitment at this time.

Mr. Speaker, I guess this one could be entitled "In Defense of My Honor of the Constitutional Immunities of the House."

I left off last Thursday after reciting a series of events in a fragmentary way with what led to the filing of the so-called misdemeanor charge—down in Texas they call it class A—on the county level by the district attorney who unquestionably has acted out of malice and who has clearly and amply demonstrated by his remarks as printed in the local newspapers that he is so minded maliciously and perversely and has even been mendacious.

As a district attorney, this is to be deplored. The office of district attorney in the State of Texas is an office of awesome power. It is one which throughout my career in Bear County I have from time to time inveighed against the introduction of purely political and frivolous cases entertained by a willful and a maliciously intended and politically minded district attorney.

I recall that when I was a chief juvenile probation officer for Bear County after the war that we had a celebrated criminal district court judge by the name of Judge W.W. McCoroy. There was only one criminal district court at that time for Bear County. I think this shows something. Even though the county was considerably smaller in population, still in proportion to the rate of crime today I think it is indicative of the differences and the aspect of the problem.

I believe that when our courts are congested and the backups of the criminal district courts especially with capital murder, rape, and homicide cases, that it ill-behooves a district attorney to crowd and pollute these dockets with frivolous and politically oriented cases, which ordinarily, and the records amply demonstrate in Bear County, are seldom if ever sustained on a county district attorney level. Usually these cases are police court or municipal level matters or the justice of the peace.

In this case, it is obvious that the district attorney was acting out of long nourished animosities that go back to 1970, to be exact. I will document this as I go along.

I have said that the reason the immunity—and maybe I did not bring this out too clearly last Thursday—the reason the immunities and the privileges of the House under the Constitution are involved is that the district attorney selected one court on the county level that happens to be presided over by a very partisan Republican judge just elected and who took office on January 1, as well as the district attorney. However, the fact is that this same judge after he himself expressed comments of a personal nature with respect to the case granted interviews to reporters, say:

> Well, I've got a celebrity before me and I'm going to have to have a much larger court. In order to have and hold forth a session, it will take, of course, a long time to select a jury.

There is nobody that can say whether or not a particular individual through his attorney is even going to ask for a jury and it indicated, although, that the judge has great hopes to make a circus or what I would call a political lynching party out of whatever trial it was in his mind hoping to have.

I believe that the record will also show that this same judge manifested an intent and an intention to humiliate and bring me forth in an unusual procedure so that I would appear before him and he claimed that he was keeping me from going to jail. This, of course, has been the intent all along. This was the intent harbored by the district attorney, who took 6 months almost to file a very simple assault case—6 months.

The very first day that he took office on January 1, he announced his intention to consider receiving the case. Ordinarily, a case of this nature when it has been reported by the police, as in this case, and which the police took, as I said last Thursday, after 2 weeks of the so-called incident in which I have described the circumstances last Thursday and will briefly report in what was, obviously, a setup at this restaurant that I have been using for 40 years and which this particular morning of December 4 had been the fifth morning in a row that I had met with constituents, because of its proximity and convenience all the way around, and the fact that usually if I have to have some kind of meeting I prefer to have it early in the morning in order to clear the day and its agenda for things that must be handled administratively in the office.

In any event, in that particular case and on that particular day or morning, my appointment had been with a constituent who had retired after 30 years and 7 months of honorable and in fact heroic and patriotic duty in the Army, having served with bravery, having been decorated for such both in Korea as well as Vietnam. I was unable to join him at the retirement ceremonies at Fort Sam Houston, which is in the middle of my district.

I then finally was able to meet with him in order to give him as a gift a small memento as a sort of expression of gratitude for his service to the country.

□ 1415

He was accompanied by his brother, who is a staff member, a young attorney, who works in the congressional office that I have the honor of representing in San Antonio, TX.

We had met there at 8 a.m. and we had a prolonged visit, so that by 9:30 in the morning the restaurant and the dining room were empty of all persons except myself and the two guests.

At 9:30 exactly this individual, later known or identified as a Bill Allen, came in with two individuals from the far-end entrance of the dining room. Having 20 tables to pick from, he selected the one immediately adjacent to where we were seated.

Because the two waitresses who had been discussing personal problems with me were engaged in discussing these problems with me, it was only out of the periphery of my hearing that I heard my assistant say, "Mister, you're wrong on that," but I did notice that some individual came right behind me and hung a cowboy hat on the hatrack which was just about half a foot behind me at the table where I was seated.

I heard the words "Henry B. Gonzalez," I heard the word "Communist," but since I was about to explain to this waitress about her mother's situation—she telling me that the doctor had just presented her husband and her with a bill for $10,000, and that her mother had been determined to be suffering from Alzheimer's disease, and that the nursing home was about to kick her out, and knowing that she did not live in my district, she was appealing to me for help. The other waitress was one whom I had known for a longer period of time, and is a constituent. I had been trying to help her, even though it was a State matter, with respect to a case involving her son.

So it was that that was taking most of my time from about 9:30 to 10 minutes to 10 o'clock when I realized that I would be late for a 10 o'clock appointment in the office if I did not leave.

When I got up, to repeat what I said last Thursday, I clearly, distinctly, and in a loud manner, which was unavoidably and inevitable to be heard at that close range, I heard a voice say. "There is Henry B. Gonzalez, the greatest damn No. 1 leading Communist we have around here."

My two guests had gone around the table, proceeding to exit. I had picked up my car keys and my bill with my left hand, and was starting to go out, when my guest looked at me, and I said, "Who said that?" And he said, "These people have been saying that all morning long."

So I turned, walked about 3½, 4 feet, no more than that, when I asked the three individuals, three men. One of them, who happened to turn out to be this individual Allen, had this hunter's knife in a scabbard.

Now this type of knife is prohibited by city ordinance in a public place, but I realized when I asked the individuals if any one of them or if all of them had been calling me a Communist, the two other men said no, they had not. This one said, "Yes, I did."

I said, "Well, what brings that on?"

He said, "Well, because you are. You're our No. 1 damn leading Communist around here."

So then I said. "Well, mister, stand up, tell me to my face."

He pushed back from the table, dropped his hand to the scabbard, and with that I hit him on his right cheekbone. He has since changed his story, though the first newspaper story printed of the event the following day, by the Express News of December 5, 1986, quotes him as saying, "The old man can't hit. When you got a free shot on someone, you're supposed to knock them off the stool," Allen said.

Now he says that I hit him on the left eye, gave him a black eye, cut his face—though I never wear rings—and that that is the reason for filing the class A misdemeanor charge. But he hid out for 2 weeks.

In this press report, which was written as a result as far as I am concerned of a telephone conversation with me by the byline author of this article, one Don Finley, in which I recited the events, Finley only wanted to know if it was true that I had hit this man who had gone to the newspapers to report the incident.

When I said, "Are you interested in knowing what happened?" he very impatiently said, "Well, you hit him, didn't you?"

I said, "Yes. Don't you want to know why?"

I explained about the knife and the scabbard. He failed to report it. The two witnesses who happened to be my guests also saw the knife and the scabbard. They both gave sworn affidavits, as well as I. In all three of the affidavits, including mine, that fact was stated. However, when the wire services picked up the story, which as I say and repeated did not appear until the next day—even though I will say this, one of the television reporters who interviewed me that same evening did report that I was saying that the man had a knife in a scabbard, and that it was a prohibited weapon under Texas or municipal law in San Antonio.

The story follows:

[From the Express-News, Dec. 5, 1987]

HBG PUNCHES CRITIC IN EYE:

"COMMUNIST" REMARKS SPARKS INCIDENT

(By Don Finley)

Enraged at being called a "communist," U.S. Rep. Henry B. Gonzalez gave a man a black eye at a San Antonio restaurant Thursday.

After telling his companions Gonzalez "leaned toward the communist side," 40-year-old Bill Allen says he was hit in the left eye by the congressman, who stepped up to Allen's table at Earl Abel's restaurant and asked if he made the remark.

One acquaintance of Allen describes him as a mild-mannered man with a slight-to-medium build.

He described Allen as weighing 125 to 130 pounds, with a height of about 5-foot-8 to 5-foot-8 inches.

Gonzalez is described as about 5-foot-9 and weighing about 190 pounds.

Allen wants a rematch—in a courtroom.

'The old man can't hit. When you get a free shot on someone, you're supposed to knock them off the stool," Allen said.

He filed assault charges against Gonzalez with San Antonio police following the incident, adding he intends to file a civil lawsuit.

Gonzalez, who turned 70 in May, later told reporters he considered Allen's remark an assault.

"If a man calls me a crook or a communist those are fighting words," Gonzalez said, adding:

"If he calls me crazy, no—he's entitled to his opinion of an old politician."

The congressman described the man's remarks as "intolerable."

"It's a kind of assault on my integrity," he added.

"His exact words, and he spoke them three times to my face, were, 'There's Henry B. Gonzalez, our number one biggest communist,' " Gonzalez said, adding:

"No son of a b— calls me that, and I half-slapped and half-hit him in the face. I could have knocked him cold right there on his butt."

Allen, who is semi-retired, told police officers the incident occurred at about 9:30 a.m.

Thursday at the 4260 Broadway restaurant as he and two companions were having breakfast.

Gonzalez and two other men were seated at the next table.

"In a quiet voice, I expressed my low opinion of him (to my companions)," Allen told the Express-News, adding:

"They (the Gonzalez group) got up and left about 10 minutes later. I'm sitting there eating breakfast when in comes Henry B. Gonzalez and his two goons. He asked 'Did someone call me a communist?' I said 'Yeah, I did.' Then he took a swing and got me in the left eye."

Allen said Gonzalez stated before the attack he heard of the remark from one of his aides.

Gonzalez denied leaving the restaurant before the incident.

"I got up and took my keys and my check in my left hand, and I left two one-dollar bills on the table as a tip," he said adding:

"As I passed by this guy, I heard him mutter something 'Henry B. Gonzalez,' and one of my guests said to me, 'You heard that?' I said, 'No, what did he say?' and (my guest) told me."

Gonzalez said he walked back to the table and asked Allen, "Are you calling me a communist to my face?" three times before striking him.

"When he said it the third time, I half-pushed, half-hit him," the congressman said, adding:

"I didn't cold-cock him. If I had done that, the SOB wouldn't be eating tamales or tacos or chalupas tonight."

"I was shook," Allen said.

"I could not believe it. This is a congressman and a grown man—who decried sending aid to freedom fighters in Nicaragua—taking a swing at someone sitting down at a table eating breakfast," he said, adding:

"I've known for a long time Henry had gotten fuzzy around the edges. I feel sorry for him."

Allen said he was treated for a bruised eye at a nearby clinic, but that he was not badly hurt.

Restaurant manager Jeanie Miller confirmed that an exchange of words took place, but said employees did not see Gonzalez strike Allen.

No other customers were in the room at the time, Miller said. She said the congressman is a regular customer at the restaurant for breakfast.

A police spokesman said the case is being classified as an assault with bodily injury and is being investigated by homicide detectives.

So the wire services who did get hold of him quoted extensively what he said. All they did was have a repeat watered down of this Finley story. In the other newspaper, the San Antonio Light, the reporter there first spoke with my two guests, then spoke with me, and also failed to mention that all three of us had said that he had a prohibited and dangerous weapon, because the law so considers it.

Now I had a choice. Should I have waited till he pulled a knife? Well, given the experiences that I referred to last Thursday, I would hardly wait to be 71 years of age, though I was 70½ at that point, in order to find out what would happen. I have had experiences four times in which I been attacked by men wielding knives, and all four times, I was not about to give them an equal chance. I am here to tell the story, and I do not know where they are. All I know is that those were not reported, because nobody was going to the press, but I had to face them.

I have had, like I said last Thursday, guns—and incidentally this same Allen had in his left side pocket a bulky object. What it was I do not know to this day. It could have been one of those types of guns that are very common and prevalent and found in great and abundant quantity in the San Antonio area.

Certainly I could have done more than just hit him on the right cheekbone. However, instead of getting up when he saw the two guests who noticed that I had hit, came up and the retired sergeant major grabbed me by the shoulder, and said, "Congressman, you don't need any of this at all. Let's go out."

□ 1455

The man saw them and stayed where he was, though he had started to get up and grab that knife. Now under those circumstances, it could hardly be expected that anything but at the most, if a grievance were filed and the police did not take it until 10 days later, and then only after the man known as Bill Allen disappeared from anybody's view, no reporter could see him. Two of them called me and wanted to know where they could get hold of him, which sounds ridiculous, but it happened. And they said we cannot get a hold of him, and we understand that one of the TV reporters finally got his phone number; do you have it? And I said, say, do you think I asked the man for his calling card? I said I did not even know what his name was until you reported it.

So he hid out for 10 days, obviously because he had no black eye, he had no damage to his face, and 10 days later when the photographers took a full flesh picture of him there was absolutely no signs of any harm of any kind.

Then the police officer who took the complaint called me and apologetically said, you know, we get 4 or 5 of these and they do not get anyplace. But this is Henry B. so, you know, that makes a difference. And I said why, why should it make it different? He said, well, we do not know; we have to look into this.

Then I said if that is the case and you have received a complaint, then I want to file a complaint that the man had a prohibited weapon on his person. The officer, whose name is Summey, then said, oh, I cannot do that. I cannot take a complaint. Too much time has gone by.

With that I said, officer, I do not want to hear anything more from you, and I hung up.

The fact is that they tried to make a case on a county level, which there is no record of in the last decade of such a thing going to the county or to the district attorney level. So this was a selective, malicious prosecution from the beginning, if at all. At that point it was not a prosecution because the district attorney was coming out, through his assistants—every time the district attorney spoke, it was not he, it was some assistant saying we are looking into this matter, and we certainly have not rejected it. We do not know; we are trying to get more information. We cannot get statements from all of the witnesses.

Mind you, in the same first story that I am introducing as document No. 1 for this occasion, the lady in charge of the restaurant at the cash register, and all of those employed stated that nobody was in the dining room at the time of the event, that all she heard were some words, but there was nobody in the dining room except my two guests and the three individuals sitting at this adjacent table.

So then 10 days after the event changes the story, shows no sign of any kind of damage on his face, but the police take it. But at that point the police also were highly defensive, and some segments of the police department were very put out with me because I had raised questions about the great scandal, none of which has ever happened like that in the history of the San Antonio Police Department, where one police officer murdered another or killed another, the police officer killing the officer known as Patrolman Smith, who was on suspension for having shot and killed, and they all happen to be minority members of the community, in a questionable way, and had been under some suspicion, was killed because the officer who incidentally and coincidentally is now undergoing trial. The event happened last summer in August, late in August, and it is coming to trial at long last, with all of the publicity, both local, State, and national, that any case could ever have received; yet, nobody, even the defense says we do not want to change venue, we still think it ought to be tried and tried right here in Bexar County.

But then comes my case, and it follows on the heels of my raising inquiries about the deceased patrolman's association with the bombing of the car belonging to my colleague, Representative BILL ARCHER, from Houston, such bombing having taken place half a block away from the restuarant in which this incident took place last December 4. It so happened that Mr. BILL ARCHER's car had his license tags, "State 7." In other words, Texas license plates, if we wished them, and we have to pay the same fee as anybody else, and in my case it would be

House 20 or 28, meaning I have the House of Representatives, District 20, from the State of Texas, and Mr. ARCHER was District 7. But the car was blown up.

Who would have had any motive for blowing up the car belonging to BILL ARCHER, who came all the way, or his son did, his son was driving the car from Houston, 200 miles away?

I soon had reports from some former colleagues of mine in the law enforcement business who told me that that had been intended for me, that the mistake was they thought that was my car.

Later, during the special grand jury investigation of the killing of this one policeman, Tucker, of the other policeman, Smith, they were supposed to have been big buddies, but Tucker came and reported to the then deputy chief of police, the assistant chief of police, the district attorney then of Bexar County, that he had overheard his buddy, Smith, threatening the lives of all three men. So they then meet in secret at a North Side cafe or restaurant, and there the district attorney brought a recorder, and they then commissioned Office Tucker to go out and get a recording, evidentiarywise, of Smith repeating these threats.

Then what happened after that, of course, is open to the proceedings now underway. What happened, and what the papers reported was that Tucker went to Smith's house. He was off duty, and as I said, he was under suspension. Smith invited Tucker to take a drive around in his car. They had gone a few blocks when the next thing Smith is shot, the car is out of control, hits a curb and stops. Tucker alleges first that while Smith was driving the car he yanked the service revolver, a magnum, from Tucker's belt and pointed it at his head while driving. Tucker then said that he reached with his right hand under his coat for a second pistol, a .38 that he had behind him under his belt, and that with that he shot Smith.

The big question is why did the autopsy reveal that Tucker had killed Smith with a magnum, not with the .38? So those are questions that are being decided in the trial.

But my name was involved. The police were very defensive, and I began to hear murmurings about my sticking my nose in the police department when at the beginning of this year I was called by the program on one of the networks, ABC, and was interviewed on the request of their news man in charge here in Washington, DC, concerning that incident of the congressional tags on the car that was blown up, and whether or not I thought that the people in the minority sections of the city still lived in great fear and hatred of the police.

□ 1435

To which I replied, "Yes." I go back to my district every weekend. There is not a weekend I do not go from one end to the other of that district. That includes areas that even reporters do not go to, even reporters nowadays much less go to. Even policemen. These are areas which are deprived of police protection, deprived of adequate city services. These are areas—and I can duplicate them throughout our country unfortunately because as chairman of the Subcommittee on Housing and Community Development I have been from the eastern seashore to California, from Minnesota to Texas, in both rural and urban areas and I can tell you what I see in my district I can duplicate. But in my district these are the people that were getting pushed around, shot up and killed by trigger happy policemen. Unfortunately, San Antonio has had a plague of those throughout the years.

When I was in the juvenile office I had to go to the grand jury in order to defend the rights and the limbs and well-being of the juveniles who were supposed to be in my charge, from what you could say was more than just police brutality, it was a murderous approach. This was a time before there were such things as civil rights. Nobody had read the Constitution apparently in that day and time. I went to the grand jury.

So why am I bringing this in? Because it was precisely at a similar period of time in 1970 when I was criticizing the local Bexar County criminal justice system and I was saying our criminal justice system ought to be called "credit card criminal system." You have criminals who are charged with murder walking around the streets, out on bond, committing other felonies while out on bond. All they do is bring them back and give them another bond.

It so happens in one of those cases, the so-called case of Lampos Lederma, he himself was guilty of a couple of homicides, between he and his two other brothers they were responsible for a total of seven homicides in Bexar County. I knew him because as a juvenile officer I had handled that family.

So on the night of March 1, 1970, having occasion to be on the platform in the auditorium of the University of St. Mary's and having a group get up and shout and hurl insults, one of them I recognized as "Lampos" Lederma, and he had a gun with him and one of the leaders jumped on the stage and came up. And I did the same thing then. I said, "Buddy, take your glasses off. And if you take one-half step closer to me I will forget you have glasses on." When at that point my assistant then—now a fellow Congressman—jumped up from the aisles, came up and hit this individual's brother who was rushing up at an angle.

What does the district attorney say today? He says that I was the reason why that youth was brought to trial and sentenced. And this district attorney is so perverse and so mendacious as to think he can get away with distorting history and lying. I did not know that he was an assistant district attorney then. I was dealing with the judges.

So I place into the RECORD at this point an article from the San Antonio Evening News, then, for Friday, March 6, 1970, headlined "Youth HBG Cited at Demonstration Gets 2-Year Term."

[From the San Antonio Evening News, Mar. 6, 1970]

YOUTH HBG CITED AT DEMONSTRATION GETS 2-YEAR TERM

Freedom for a 19-year-old youth ended after almost 20 months Thursday, when a judge sentenced him to two years in prison.

But the youth, Ramiro Ledesma, still faces charges in two aggravated assault charges, and an automobile theft charge.

Ledesma's being brought before County Court-at-Law No. 2 Thursday stemmed directly from complaints voiced by Rep. Henry B. Gonzalez, following a demonstration at St. Mary's University last Friday.

The congressman wired Dist. Atty. Ted Butler that he had spotted Ledesma in a group of some 35 persons who formed the demonstration.

Gonzalez wired the district attorney that he wanted to know "for my own security" the disposition of several charges against Ledesma.

Thursday morning, Judge H.F. Garcia of County Court-at-Law No. 3 hiked Ledesma's bond to $3,000 and, later in the day, assessed the two-year sentence.

The sentence is the maximum that can be levied in an aggravated assault case. Ledesma had pleaded guilty to the charge on May 28, 1968.

Judge Garcia denied Ledesma's application for probation.

Before Thursday, Ledesma also had been free on a $5,000 bond on an auto theft charge made on Jan. 17 of this year.

At the request of the district attorney, Judge Archie S. Brown of 14th Dist. Court hiked Ledesma's bond on this charge to $25,000.

The aggravated assault case in which Ledesma was sentenced to prison stemmed from a charge that he fired a shot which struck a 65-year-old woman. Ledesma said he had fired at a group of boys and hit the woman accidentally.

The woman, Mrs. Pilar Pena, 110 S. Christopher St., died 15 days later. Ledesma, who had been charged first with aggravated assault in the shooting was then charged with murder with malice.

However, due to a mixup in paperwork, he was allowed to enter a plea of guilty to the assault charge before the murder charge was filed. He entered a plea of guilty to the charge.

Last Feb. 10 the murder charge was dismissed because of a "double jeopardy."

Ledesma is now in county jail.

This district attorney now, Fred Rodriguez, in an article in the Express and News of May 7 last entitled "Rodriguez Shrugs Off Gonzalez' Claim That Filing Was a Reprisal," says in an article "Rodriguez said it was not the first time he had been involved in a case involving Gonzalez and a thrown punch. During a 1970 appearance by Gonzalez at St. Mary's University," and this is quoting from the article, "a young heckler rushed onto the stage and was slugged by then Gonzalez aide ALBERT BUSTAMANTE now himself a Congressman. The heckler was tried for assault and received the maximum punishment—2 years." This is an outright falsehood, it is a lie, it is a mendacious statement by a man who has the awful power to accuse others of crimes, committed or not committed. The facts are as revealed in this article I have just placed in the RECORD from March 6, 1970, that this particular man who was tried, only after I brought to the attention of the judge that he was out on bond for having shot a woman, a 65-year-old woman, an innocent bystander who died. And he said that he did a great job in getting him a 2-year sentence on an assault instead of a homicide? That shows you the kind and the character of this district attorney.

[From the Express-News, May 7, 1987]

RODRIGUEZ SHRUGS OFF GONZALEZ' CLAIM THAT FILING WAS A REPRISAL

(By Patrick Canty)

District Attorney Fred Rodriguez is laughing off accusations by U.S. Rep. Henry B. Gonzalez that his office filed a misdemeanor assault charge against the congressman as a political reprisal.

Gonzalez, who has been charged with Class A misdemeanor assault for punching Bill Allen Dec. 4 inside Earl Abel's restaurant, claimed Tuesday, that Rodriguez filed the charge to punish him for not endorsing Rodriguez during his Democratic primary race last year.

"Nobody was endorsing me," Rodriguez laughed Wednesday. "That doesn't bother me."

Gonzalez earlier had called Rodriguez a "craven coward" for his handling of the case, but Rodriguez said he held off filing the case at the behest of Gonzalez's son to allow Gonzalez and Allen a chance to work out an amicable solution.

Despite the sharp criticism from the congressman, Rodriguez said his office has received telephone calls from citizens supporting the action. So far the office has received 18 calls in support of the prosecution and three calls against.

Rodriguez said it was not the first time he has been involved in a case involving Gonzalez and a thrown punch.

During a 1970 appearance by Gonzalez at St. Mary's University, a young heckler rushed onto the stage and was slugged by then-Gonzalez aide Albert Bustamante, now himself a congressman.

"The heckler was charged with assault and was tried and received the maximum punishment—two years," Rodriguez said. "And guess who prosecuted the case?

"You're looking at 'em baby.

"And now, Boostie and me are on his Christmas card list," Rodriguez laughed, referring to a strained relationship between Gonzalez and Bustamante.

Rodriguez said he now has washed his hands of the Gonzalez case and is leaving it up to a misdemeanor prosecutor to handle "by the book."

"I'm not hurting for volunteers (to prosecute the case)," he said, adding with a wide grin: "Maybe I'll let 'em punch it out."

But then recent events more dramatically than anything in the past clearly reveal his total incapacity and his tendency to slush off on somebody else. The headlines have been captivated in the last 2 weeks by one of his assistants who was arrested by the FBI in New Orleans just about 2 weeks ago for conspiracy to pay to murder her husband. It turns out this woman has a history of involvement with other notorious criminals, the notorious Luca's who has been in the national press as the would-be multimurderer. She was hired by this district attorney.

How does he explain that? Then when the police come to him and say, "Hey, the FBI has got this assistant of yours," he says, "Well, I didn't even know she was married. I didn't even know. I will fire her." Then an assistant says, "She quit a week ago, Mr. Rodriguez but the day she left here she had a .38 revolver that she just bought and was showing it around to us in the DA's office." What did Mr. Rodriquez have her hired to do? She was in charge of the violence section and here she is indicted for conspiring to murder her husband in New Orleans.

So I bring this out in the RECORD in order to show the perversity, the malevolence, the malice, the forethought, premeditated in this district attorney's handling of my case and his filing of the case.

Second, I do not have to go beyond that to show that there is no other precedent of a nature of this case and the gravamen of this case handled on a county or district attorney's level. That should have said enough to begin with. But I would think with this mendacious statement, this flat out lie, he saying that I caused the prosecution of that punk? All I did was ask the judge, "Why is this man permitted to be out on bond when this woman has died and he had a gun that could easily have been used against me?"

□ 1445

As a matter of fact, I even positioned myself, expecting him to start shooting. After all, I think I recognize and have had enough experience throughout my lifetime with that kind of situation. I have had to face violence at all times, unexpected, precipitous, and always contemporaneous and extemporaneous. I have faced situations, as I said, with individuals putting a 0.45—what we call a "hog leg" in Texas—right in my midriff and against my belt and pressing the trigger, and all I got was a powder burn and my belt cut in two. And I lived to tell the tale, and I am still able to punch and act certainly in any situation involving my defense.

Now, in the meanwhile, because of the publicity that this man's trip to the newspaper engendered—and it is being picked up and circulated around—I had two calls from law enforcement agents further south from my county. Each one said, "I am the former sheriff. I saw in the paper where you had this involvement with this character. I want you to know he's no good. I arrested him in 1972 for inciting a riot."

He had a sawed-off shotgun and had just put in an order for dynamite from his home county of Atascosa, which incidentally is the next-door county.

Now, the services had a big article—and I think the Post reprinted it, and at a later date I will place that in the RECORD—in which it was said that he was a constituent. Well, that is not true. The reason is, as I said, that the wire services people in San Antonio never bothered to get hold of me. When they put in a call at my residence and I tried to get hold of them in reply, nobody knew where they were. So what they read everywhere else was this man's interpretation of the event. And locally, had it not been for just one TV station reporter, the pertinent facts would also have been left out. It was not until the day of the filing of these charges on May 4—that was this last May—that he finally came out and was quoted in the paper as saying, "Yes; I did have a knife, but I made no attempt to draw it." Well, of course not. I did not give him that chance.

I will also defer for a subsequent insertion of copy of a report reflected in an article published in the San Antonio Express on or about December 6 in which he admitted that he had pulled back from the table and dropped his hand.

So I feel it incumbent on me to make sure that I exhaustively report to the House and to my colleagues, because it involves more than just a petty fracas. It involves my honor and the respect that I have and the honor I hold for this great institution. I have always tried to behave in such a way that nothing I would do or say would reflect badly on the institution I have the honor of serving.

This is the first time in my life that I have had any such thing as this against me in the nature of a charge. I have never been arrested for anything, even a traffic violation. I grew up in an environment in which every one of my childhood companions ended up with a police record of some kind or another. I came up through that "jungle." And I am proud of that, just like I am proud of my record in the House.

I feel that this charge was preselected by the district attorney to file a case, and it was a highly partisan judge already making political waves to try to run for what we call a district judge the next time around, and who obviously, by the remarks he made to the man who more or less on a voluntary basis had acted as an attorney, had been having a conflict in the allegiance he has and continues to have, a sort of an allegiance between his work and what he must do to get along with the district attorney and with this judge that he has told me is a former law student of his and his wife's. This attorney's wife is also a judge, and she, as well as he, was an instructor at the St. Mary's Law School, of which I am one of the original charter member graduates.

So I feel that this same judge had intentions to join in the conspiracy to humiliate me, and this is reflected in an article that appears in the Express-News for May 6, 1987, bylined by one Kym Fox. And it says: "Gonzalez Warrant Recalled," and it goes on: "An arrest warrant for U.S. Representative Henry B. Gonzalez has been recalled after it was mistakenly issued, a judge said." And that is this judge.

What happened? The judge knows that was no more mistaken than anything else he said. What happened was that the county clerk, to his everlasting credit—and that is Bob Green, who handles the processes—recognized that this was inordinate, that this never happened in a case such as that, and had called my office and had said, "You can have a representative sign all of these papers. It is not necessary for you to go to the court." But the attorney—Charles Butts is his name—had called to tell my assistant that he wanted me to go with him that coming Friday to the courthouse. That obviously was an entrapment to have me before the cameras and the TV. The only thing is they probably were even getting ready to have me fingerprinted.

So it was not either the lawyer or the judge, it was the county clerk who did the right thing, according to the law, the precedents and the procedures under the Texas code of criminal procedure and every other book there is governing the processes.

Mr. Speaker, for the RECORD at this point, I want to include this article bylined by Kym Fox headlined "Gonzalez Warrant Recalled," appearing in the Express-News of May 6, 1987:

[From the Express-News, May 6, 1987]

GONZALEZ WARRANT RECALLED

(By Kym Fox)

An arrest warrant for U.S. Rep. Henry B. Gonzalez has been recalled after it was mistakenly issued, a judge said.

The Congressman is to be arrested on a misdemeanor assault charge, but not by warrant, County Court-at-Law Judge Tim Johnson said Tuesday.

Authorities insist Gonzalez is being afforded no special treatment.

Johnson said he is not going to throw a U.S. congressman in the Bexar County Jail.

Charges were filed Monday against Gonzalez, accusing him of punching restaurant patron Boll Allen. The congressman has admitted he punched Allen Dec. 4 while at Earl Abel's restaurant after being told Allen had called him a communist.

Meanwhile, Gonzalez said from his Washington, D.C., office that the charge is an attempt to "humiliate and embarrass" him. He also called it political retaliation because he did not support District Attorney Fred Rodriguez in the May primary.

"I can't help but remember that the present district attorney was very disappointed when I didn't endorse him a year ago," Gonzalez said.

He said he explained to a Rodriguez aide at that time that he did not get involved in Democratic primaries.

However, the congressman added that his son, Henry B. Gonzalez Jr., was actively involved in Rodriguez's campaign last year.

Johnson, who will handle the case, signed a summons for Gonzalez to appear in court by May 15.

Somehow an arrest warrant also was issued for the congressman, Johnson said.

"There was a screw-up," Johnson said. "I signed a summons and there should never have been an arrest warrant."

The judge said he "couldn't get a straight answer" from anyone about how the warrant came about, but he did sign an order recalling it Tuesday.

The warrant apparently was recalled before making it to the sheriff's office to be served, a spokeswoman there said.

Courthouse grumblings portrayed the summons as special treatment. Johnson disagreed, saying it is not uncommon for an attorney to be asked to bring a client in instead of the sheriff's department being ordered to serve an arrest warrant.

The next thing that came about was that after that, the very next day, this same pip-squeak county judge, a Republican at that—and partisan, highly partisan and bitterly so—issues a gag rule. Can you imagine, a gag rule? However, it is so flaky that I am going to place it in the RECORD on the next occasion to show how I—even though I am not practicing law now—can prove that it is defective even in its poor construction.

□ 1455

Perhaps I will have to remind them again as I did one Federal judge some few years ago, in fact, about 16 years ago, that here are constitutional immunities and protections for the very purpose of preserving the freedom to speak forth of a duly elected Member of the House of Representatives as reflected in article I, section 6, of the Constitution.

That, I feel, is the least that I can do in defense of the immunities, the constitutional immunities, of the House and my own honor.

METTERNICH, CASTLEREAGH, SECORD AND NORTH: THE ADMINISTRATION FAILS AT HISTORY AS WELL AS POLITICS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa [Mr. LEACH] is recognized for 30 minutes.

Mr. LEACH of Iowa. Mr. Speaker, in one of the profoundest unauthorized bluffs in diplomatic history, Lord Castlereagh, representing Great Britain, in 1815 secretly pledged British reentry into a continental conflict if the parties to the Congress of Vienna failed to reach a geopolitical settlement. Fortunately, his bluff worked and he never had to test the mettle of his diplomatic authority—either with a Prime Minister and Cabinet unaware of his strategic commitment or with a British public, worn down from decades of Napoleonic adventurism.

Late last week in the most extraordinary revelation of the Irangate probe, it was revealed that a private citizen—General Secord—in the presence of a high-ranking NSC official—Oliver North—pledged to Iranian representatives that the United States would help depose Iraq's President Saddam Hussein and go to war with the Soviet Union if it invaded Iran. What began as a soap opera—an Emperor's clothes dilemma—has turned into a full-fledged constitutional confrontation. Instead of being guilty of simply stretching the law and ignoring common sense through an arms-for-hostages exchange, the administration appears in its quasi-privatized diplomacy to have pledged to intervene on the Iranian side in the ongoing gulf war and hinted at an alliance committing American forces in the event of a Soviet invasion of Iran. These pledges are of a type and warmaking nature reserved to Congress in article I of the Constitution.

Complicating the constitutional unseemliness of the issue, they appear, according to sworn testimony, to be driven in a timing sense by concern for affecting the outcome of an American election. An arms-for-hostage exchange apparently deteriorated to a war-for-hostage promise, as long as the Ayatollah's henchmen kept their side of the bargain before an election.

If, as in the British Parliament, there were such procedures as "no confidence" motions that could be introduced before this body, this member of the President's party would be hard pressed not to support the opposition. Not only has the administration flaunted the law in its policies in Iran and Central America, it is violative of the ultimate conservative hypocrisy: strict construction of the Constitution.

In designing a system of government where authority would be bifurcated, where consent of the governed could perpetually be maintained, there is no point upon which our Founding Fathers were clearer: no Executive has the right to commit U.S. citizens to war or to enter into entangling alliances, except in conformity with law and the Constitution. If this administration is to be put back together, the privatization of diplomacy must be stopped, and allegiance to law, even if uncomfortable, reestablished. General Secord is no Castlereagh; Oliver North, no Metternich; the United States of America, no Austro-Hungarian empire.

WHO ARE THE CONTRAS? FOUNDING FATHERS OR THUGS?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 60 minutes.

Mr. ALEXANDER. Mr. Speaker, each Monday, during this year of the Bicentennial of the U.S. Constitution, the Washington Post is publishing a special series on the debates and proposals which wrought our Constitution. A study of this history can leave no doubt of the quality, wisdom, and moral fiber of our Founding Fathers.

In recent years President Reagan and his administration have compared a motley band of Nicaraguan guerrilla fighters to the Founding Fathers of our Nation. While there has been some recent improvement in their civilian leadership, the Nicaraguan counter-revolutionaries remain a band of opportunists who are ravaging, pillaging, and plundering the people of Nicaragua at the expense of the American taxpayers, who are paying the bills to support Mr. Reagan's war.

A little less than a month from today we will celebrate the 211th anniversary of one of the most important dates in our Nation's history, Independence Day. One of the landmark dates in the history of mankind.

The Fourth of July. It was on this date in 1776 that a small band of courageous leaders declared themselves for: independence; liberty; democracy; and freely chosen, self-government.

The English king and Parliament refused to recognize the right of colonies to declare themselves free from oppression. Shortly after that historic Fourth of July red-coated British soldiers fired the first shots of the Revolutionary War. With those bullets the independent nation of the United States of America began to be forged on the anvil of freedom.

During the years of war that followed families voluntarily gave their fortunes—large and small—and men voluntarily gave their lives for freedom, liberty and democracy.

The names of our Founding Fathers have rung down the corridors of our history. Those of thousands of other men, women, and children whose sacrifices are not so well documented are less well known to us. But, they gave us the beginning of more than two centuries of independence, freedom, and democracy. These brave people, in many cases, voluntarily gave everything but their honor and their love of freedom. It is to these, our spiritual and political ancestors, that this administration compares the Nicaraguan Contras.

The Sandinista government is counter to most values embodied in our Declaration of Independence and our Constitution. The Sandinistas are often characterized as repressive Marxist ideology.

To fight this Sandinista machine, with which it continues to maintain diplomatic relations, the Reagan administration has initiated and sponsored a bought and paid for counterrevolutionary force known as Contras. They are trained, equipped, and supplied by U.S. operatives. The President calls them freedom fighters. Most people call them Contras. Some aptly label them Reaganistas because they are working for the Yankee Dollar.

The administration tells the American people the Contras will win the hearts and minds and support of the Nicaraguan people. The administration implies that under the Contra leadership the people of Nicaragua will rise up an fight against the dictatorial Sandinista government.

What do these Contras do to win the support of the Nicaraguan people?

When volunteers are running low, the Contras kidnap youths as young as 14. These youngsters, including some teenage girls, are pressed into the ranks of the Contras military.

This repugnant forced recruitment is one of the practices the Contras have promised to forego. When they are caught continuing the policy, as they recently were by a Newsweek reporting team, Contra leaders describe the kidnapping as "a mistake". But, they can offer no reason for failure to discipline the kidnappers.

If the Contras don't know a safe route to their objective they force rural farmers to lead them by walking point. If land mines or ambushes are triggered, it is these so-called volunteer collaborators who are the first victims.

Most of the Nicaraguan people are farmers. Most of their farms are so small they produce little more than enough to feed the families that spend their lives working them.

When their food supplies are gone the Contras take food from the small farmers along their march route. If they have not already run out of money, the Contras may offer to pay the farm family. But, that is little comfort to their victims.

Very likely one or more family members will have to travel many miles—passing other farms whose food supplies have already been raided by Contras—to find chickens, pigs or cattle to replace those the Contras have taken.

And, if they are fortunate enough to get home with the replacements, these farm families live with the knowledge that the next passing band of hungry Contras will likely eat the new chickens, pigs, and cows.

So blatant are the Contras about these practices, they continue them even when accompanied by foreign news teams. I insert in the RECORD, at the end of this speech, a copy of an article from Newsweek of June 1, titled "The New Contras? Back in Battle, But Losing the War From the People's Hearts and Minds."

Life in rural Nicaragua is harsh. The amenities of a "good life"—schools, electricity, fresh water systems, health clinics—that most people in the United States take for granted are few. The "good life" that is available has been built or is being built at incredible cost to the people they serve—frequently with the aid of foreign volunteers.

Because foreign volunteers are undefended or lightly defended they are less dangerous targets than the posts and troops of the Sandinista government. So, to flex their military muscle and demonstrate their fighting skills the Contras attack these civil works projects. The result is that those country people who have struggled so hard to improve their lives are robbed of the small progress they have made and may count themselves lucky to live through the Contra attacks.

So shameful and public has been the Contras abuses of human rights, the Congress funded a special rebel human rights office and human rights training for the rebels.

Even with the prospect that the Congress, finally, will be shaken enough to refuse to continue to hand out millions of dollars for their support if they do not clean up their act, the Contra military leaders have been resisting cooperation with their own human rights organization. I include a copy of a report on this dispute which was published on June 2 in the New York Times.

Political and military ineptitude are the hallmark of the Contras performance. With their kidnapings, confiscation of food, and attacks on the civil works the people have built or are trying to build for themselves, they alienate the very Nicaraguans who must be the underpinning of a victory against the Sandinista government.

Mr. Speaker, the Contras whom Mr. Reagan calls freedom fighters like our Founding Fathers are ravaging Nicaragua pillaging and plundering the very nation Mr. Reagan says they wish to liberate from the Sandinista government.

John Adams was 41 when he argued for, helped formulate, and signed the Declaration of Independence. He served as Vice President and, then, as the second President of the United States. Toward the end of his life, commenting on the transformation of the American colonies into the United States, Adams said:

> The Revolution was effected before the war commenced. The Revolution was in the hearts and minds of the people * * *.

It is very possible that the people of Nicaragua will experience a similar revolution of heart and mind against the Sandinista government. It is equally possible, indeed it is probable, that that same revolution will be against the brutal and inept Contras the United States has bought and paid for.

To compare these brutal, inept, mercenary Contras to the Founding Fathers of the United States, as Mr. Reagan has, demonstrates a shocking ignorance of American history, and is a shameful betrayal of all of the basic principles which have made the United States the homeland of liberty, democracy, independence, freedom and self-government.

News articles follow:

[From the New York Times, June 2, 1987]

CONTRA INQUIRY INTO ABUSES IS DISPUTED BY COMMANDERS

(By James LeMoyne)

TEGUCIGALPA, HONDURAS, June 1.—A sharp dispute has broken out between Nicaraguan rebel military commanders and their own human rights organization.

The commanders have charged that the human rights monitors, most of whom are civilians, have "interfered with the military chain of command" in pursuing reports of abuses, according to two senior rebel officials.

Two weeks ago the commanders barred the monitors from entering rebel border camps, according to the officials. The monitors have replied by charging that the military commanders hamper their investigations.

The dispute is politically charged because the United States Congress appears unlikely to renew financing of the rebels, who are known as contras, if they repeat past human rights abuses or prove unable either to maintain a working rights office or to punish offenders.

THE TWO SIDES MEET

Both sides in the dispute met this week to try to resolve their differences, but there appears to be little trust between them.

Rebel civilian officials say the military commanders consider the human rights officials to be a threat to their power and also fear that they may uncover evidence of abuses the rebels have denied committing.

"It's very uncomfortable right now," a senior rebel official said.

Charges of human rights abuses by the contras were so frequent in past years that Congress appropriated $3 million to set up a special rebel human rights office last year and to give human rights training to rebel combatants.

But according to senior rebel officials and diplomats, contra military commanders have blocked rights monitors from visiting prisoners in rebel jails.

The commanders have also complained that the human rights officials have unnecessarily dug into the past in investigating charges that rebel interogators raped female prisoners four years ago and, more recently, beat other prisoners. There is a separate case in which a rebel unit is believed to have killed civilians in the town of Cuapa in Nicaragua two years ago.

The human rights officials have also found that a rebel unit kidnapped four teenage girls in Nicaragua last month and took them to a rebel camp. Two of the girls relatives among the contras who took them into their care. According to two rebel officials, the other two girls were assigned to live with male contra combatants, a situation that has led to women being raped in the past.

The two women were released, the rebel officials said, when a human rights official demanded they be allowed to return to Nicaragua.

There are other reliable indications of rebel kidnappings in the last month.

"It's about the dumbest thing they can do," said a diplomat who monitors the rebels. "They have been told repeatedly to treat civilians with respect and not to kidnap people."

SHOOTING INCIDENT AT ISSUE

Another point of tension between the human rights office and contra commanders has been the handling of shooting incidents involving senior rebel commanders.

In one incident, a commander who shot and killed a rebel soldier in a drunken fight last December was at first sentenced to a year of detention. But the human rights office pressed for a tougher sentence and the commander, Encarnación Baldivia Chavarria, received a three-year term.

Rebel military commanders then let Mr. Baldivia leave detention and spend most of April in the Honduran town of Danli, where he lived with friends, according to several rebel officials.

Another delicate case now facing the rebels is the investigation into the killing by rebels in April of Benjamin E. Linder, an American volunteer working on a Sandinista economic development project in northern Nicaragua. Rebel commanders have so far not permitted their human rights office to investigate the case thoroughly, according to rebel officials.

[From Newsweek, June 1, 1987]

THE NEW CONTRAS?

(By Rod Nordland)

A heavy rain blotted out the sliver of new moon and plunged the night march into pitch darkness. Deep in the mountains of northern Nicaragua, we groped along blindly, slipping and falling. Each of us held onto the backpack of the man in front of us—all 60 of us, a human centipede covered in mud. None too quietly, we passed a closed-up shack where a cook fire glowed through cracks in the walls. Dogs barked and the children inside started crying; nervously, a woman sang to them to still their fear. The contras were passing, bringing the war past the door. For five hours we sought our ambush site, a road used by Sandinista troops, until finally we all flopped down in the muck of a cow pasture—hopelessly lost. The officers berated our guide, a local peasant they had strong-armed into showing us the way. But they, too, settled in, neglecting to post sentries or even send out a rear guard. Soon many of the men were gabbing loud enough to be heard in Managua. They struck matches, lit flashlights. The three girls they brought along began giggling uncontrollably, as one of them pondered aloud which man she would sleep with that night. To no avail, the officers pleaded for a blackout and silence. We spent the night like that, near a place called El Bote. We were more like rabble on the loose than a guerrilla army the enemy country.

These were the "new contras." Their war was on again, kick-started by the $100 million in aid finally reaching the troops, many of them trained—legally, now—by U.S. advisers. After months, even years of idleness in Honduran camps, they were eager to prove themselves with an all-out spring offensive. The stakes: the next round of money from a skeptical Congress. That's why, for the first time in five years, the high command of the contras' main group, the Nicaraguan Democratic Front (FDN), agreed to let two American journalists accompany their forces deep inside Nicaragua for an up-close look at their war. And it is why, when we finally reached Managua, the Sandinistas took us right back out—to see the same war from their side of the lines.

For nearly a month, NEWSWEEK photographer Bill Gentile and I slogged up rivers, climbed mountains and clawed through jungles with the FDN's Nicarao Regional Commando. During the droughts of April and the rains of May, through parts of three provinces in northern Nicaragua, we shared with them the ordeals of the march. In the first days before we reached that soggy pasture nearly 100 miles from the Honduran border, these contras were impressive. American officials who briefed us in Central America before we left said the contras showed promise on three critical fronts: establishing themselves permanently in Nicaragua, taking the war to the Sandinistas by attacking military targets and, perhaps most important of all, winning over the Nicaraguan peasant majority. As we soon saw, they really were inside the country in unprecedented numbers, perhaps as many as 10,000; their morale seemed high, their new backpacks burst with up-to-date matériel, the skies droned with the motors of C-47 cargo planes dropping ammo to them, courtesy of the CIA.

They also seemed single-minded about their cause, at least at first. One day, after a week in-country, the march began at 5 a.m. The men waded a mile up the bed of a chilly, hip-deep stream, then climbed a nearly vertical trail into the furnace of the jungle day. Just ahead of me in the column was a contra, 30 years old going on 50, stooped under the 100 pounds of a mortar tube and a pack full of shells. Before the war he had been a peasant, a campesino, like most low-ranking contras. Here he was: sweat pouring off his brow and thick neck, groaning as he high-stepped over a fallen tree. Only a believer could work so hard, it seemed. The contras all pick a pseudonym, a nom de guerre, and use it to the exclusion of their real names. This one had chosen "Ronald Reagan," after he heard the president's famous remarks, "I'm a contra, too." He had one more bullet wound than his namesake, and many fewer teeth.

They started off armed with an infectious self-confidence. The commander of the 150-man task force that led us in, a 28-year-old former student leader who calls himself Attila, boasted that they would win this year—a common contra refrain. Along the path, we ran into Toño, one of the most fabled and capable of contra commanders, at the head of 1,200 men. He said they had just spent four months in the field, fought 35 engagements and been resupplied 19 times by airdrops from the gray-bellied C-47s. His casualties, he said: nine dead, 12 wounded. His prognosis was more reserved. "If we can do our best this year, we can win the war in Washington for more aid. This war is much easier—just put an ambush all the time. If aid is renewed, we can win by next year.

NOT TO FIGHT

Attila and his lieutenant, Black Eagle, had set out from the contras' new Forward Command Post, 25 miles into Nicaragua as the crow flies, with clear orders: to join other groups for an attack on the Sandinista artillery base near San José de Bocay (map). Attila even had copies of U.S. aerial reconnaissance maps showing Sandinista positions in such detail that the location of every latrine was noted. On a portable Datotek computer, the radioman decoded messages from headquarters: "All units head toward your assigned objectives with all due speed." But the Sandinistas had reinforced San José, we learned, so we would attack the Waslala turnoff instead. Later, there were too many Sandinista patrols on that road, so officers decided without orders to attack the San José road instead. We headed for that objective with Black Eagle and 60 men, until we bogged down at the pasture. En route, at Santa María de Cua, we lay in ambush near an unsuspecting Sandinista unit, much smaller than ours—but never attacked. "Our goal is to reach the objective," Black Eagle explained. "Not to fight along the way."

They did have their moments. The best was at the Atapalito ridge in Jinotega Province. Attila the contra was in command, with the Sandinistas' Juan Pablo Umanzor battalion hot on our trail; the day before they had spotted us as we lingered at a peasant's house, eating, despite warnings the enemy was near. The climb up the ridge was long, steep and hot; at the crest, we threw ourselves down to rest—bunching up against orders, in the camaraderie of the shade. That gave Attila an idea. At that spot, an officer called Nagarote carefully buried a series of grenades tied to a cord—a trick recently taught him by U.S. Army Rangers in Florida, he said. A contra hid behind a tree with the cord, and when Sandinista troops crested the ridge top, the contras tripped the booby trap. Then from higher ground, contra officer Calijón and a team of 20 opened fire with their AK-47 automatic rifles; later he said 10 Sandinistas had died, although no one stayed around to inspect the casualties. "You should have seen the little animals," Calejón gloated, "all bunched up like that."

Perhaps from frustration as much as fatigue, the march corroded both discipline and comradeship. The quest for food outweighted any hunger for combat. Every campesino hut became a target. Often other contra units had cleaned out houses before we got to them. There were no eggs, because the hens had become contra fryers; no milk, because the cows had become contra beef. Frequently there weren't even beans. The contras made a show of paying for these things when they took them, but that was little solace. "There's nowhere around here to buy another animal," said one woman after the contras bought her last hen. The nearest road was at least 20 miles, a market even farther. And as the men in Black Eagle's column grew hungrier, fewer bothered with the nicety of payment—especially after they lost wads of their food money gambling. "Why not make me a gift of this chicken?" one would ask. No one ever refused. Frightened peasants become instant, if temporary, "collaborators" when scores of heavily armed, hungry men drop in for breakfast. There is no overt coercion; the physical appearance of the contras is usually sufficient. Many of the men have skulls and crossbones tattooed on their arms or painted on their shirts, or boast names like "Exterminator" and "Dragon."

Hard pressed by Sandinistas on the hunt, the contras also forced campesinos to scout for them and, worse, to walk on their point (the first man in the column) to make sure we weren't falling into a trap. They bragged that these men were their collaborators, but when we talked to them privately it was clear they felt more like human mine detectors. They were, however, the secret to how we repeatedly managed to evade our Sandinista pursuers in the tangle of densely jungled mountains and isolated farmsteads in the provinces of Jinotega, Zelaya Norte and Matagalpa.

The contras were great at retreating; attacks, they never quite managed. One after another, we abandoned targets assigned us by the high command. "I'm sorry you cannot stay longer," said Black Eagle as we prepared to leave following the debacle of the pasture. "I'm sure that in time you would see a great success." He seemed relieved to have us go.

For a country at war, Nicaragua is not hard to travel in. Leaving the contras, we sneaked across Sandinista lines and found a truck to take us to Managua. There government officials made us a bold offer: We could return to the same region in the company of their forces, and see "the other side of the coin," By air, truck and on foot, we spent another week with Sandinista troops, crisscrossing our routes of the month before.

Our return to the area around San José de Bocay came inside one of the Soviet-made Mi-17 helicopter gunships, bristling with the rocket pods and machine guns we had spent so much time hiding from only two weeks before. At the Sandinistas' command post along the Río Bocay, helicopters and big Soviet trucks, transport planes and jeeps came and left all day in fury of dust. A counteroffensive was on, aimed at wiping out the bases we had just visited.

The main target was San Andrés de Bocay, on the Honduran side of the border at the confluence of the Coco and Bocay rivers. Around a small landing strip there, the contras were dug in on steep hills with antiaircraft guns and mortars—a complex of camps they dubbed Star Base. For 25 miles south along the Bocay, inside Nicaragua, they had established an overland supply line to their Forward Command Post some 20 miles farther on. This encampment, with hundreds of troops and a helicopter landing zone (LZ), was to be the new, in-country nerve center of the war. The overland lines, then, were vital—the small LZ could not handle the volume of supplies needed for a major offensive.

The Sandinistas called their counteroffensive the biggest of the war—and the shortest. On May 10 they landed five battalions by helicopter near Amaka, and fought their way down the Rio Bocay to the Honduran border. The next day, under withering fire, they waded across the Rio Coco into Honduras, and quickly took the Star Base hilltops at San Andrés, thus cutting the supply route. The contras "don't have any balls," said Manuel Antonio, a 20-year-old soldier wounded in a grenade blast in the fighting. "Most of them just run." Lt. Col. Manuel Salvatierra, commander of the operation and head of the Sandinistas' Sixth Military Region, made no apologies for attacking a contra base in Honduran territory: "Without their sanctuaries in Honduras, they couldn't exist."

Eyes of death: When the Sandinistas flew us along the river, skirting the treetops, the troops below were now all Sandinistas, although from deeper inside Honduras, the contras shelled the landing zone where we set down. At Amaka, the bodies of two contras lay on the river bank. We recognized both of them from our time with the FDN at the Forward Command Post; eyes wide open in death, both had been shot several times. The contras later said their defeat in the region was unimportant; that they had never intended that command post as a permanent base. Theirs is a guerrilla war, they insisted, and the idea is not to defend territory but to evade the enemy, develop local support, choose the moment to attack.

The greater aggressiveness of the Sandinistas may explain one anomaly of the war. Most guerrilla armies in inflict far more casualties than they suffer, since they have the advantages of terrain and surprise. Yet FDN guerrillas and Sandinista troops, according to the latest U.S. intelligence estimates, suffer roughly equal kill ratios. The contras seem reluctant to follow U.S. officials' advice to confront the regular Sandinista military, instead of concentrating on more lightly armed civilian militias and undefended targets. The two fire fights we experienced in all our time with the contras were both defensive maneuvers. By contrast, the Sandinista unit we accompanied, the Simón Bolívar Battalion, found contras and fought after only two days. The 20-man "company" we marched with near El Bote learned from peasants that 150 contras were somewhere behind us; they immediately turned around and went looking for them. Another of the battalion's companies found them first.

The conduct of the Sandinistas made a striking contrast with the contras. Their discipline held firm after many months in the Isabelia Mountains—even though the Simón Bolívar Battalion was made up mostly of draftees on two-year tours of duty. Many told us they hadn't seen a paved road or had a cold drink in 15 months of steady action. Where it had taken a mere three weeks for the contras we accompanied in the same mountains to turn into an unruly scourge, Sandinista troops on the march never even stopped at a peasant's house, except with permission from an officer—and then only to wait outside for drinking water. With ground resupply readily available, they seldom ate anything they weren't carrying, mostly Hungarian canned rations and Russian rice. When they did requisition food, the campesinos told us, they always paid.

We never saw the Sandinistas impress campesinos as guides or make them walk in front of the troops. Peasants we talked to from both sides all agreed that only contras do that. "Of course none of us wants to do this—everyone blames us," one of our guides with the contras had confided. "If you're successful, we'll be blamed by the compas [Sandinistas]. If you fail, we'll be blamed by the contras. What can we do?"

The independent-minded campesinos of the mountains are natural enemies of the Sandinistas. Frequently, whether we arrived with contras or Sandinistas, they complained about the government's socialist agrarian policies. They have been hurt badly by the failing economy—something most blame on the Sandinistas, not on the war. But the contras seen unable to exploit this. While still on patrol with them, we arrived one day at the hut of a campesino the contras called Obediente. Here was a disaffected peasant if ever there was one. On his tiny farm, Obediente produces just enough foodstuff to eat, plus coffee to sell. But, he said, the 1,400 pounds he picked this year will fetch only about $70 at government-fixed prices in the state markets—the only place he is allowed to sell. "I blame the state," he said. "Before [the revolution], we were poor, but we had enough." His whole family, from two-year old Marí up, is afflicted by mountain leprosy, but it is two or three days' walk to a clinic. Schools and markets are just as far.

STANDING ORDERS

Consider what our group of contras did, then, to cement Obediente's loyalty. We ate his chickens, beans, tortillas, bananas, plantains, cassava, grapefruits and agreed with him that it was a pity other contras had already eaten the eligible pigs. We slept in his yard, despite standing orders to camp away from homes lest civilians are killed in an attack. We sent him out to scout the hills for Sandinistas at night, and before dawn we walked him out on the point. His wife watched gravely; an eloquent glance passed between them, but neither said anything. Small wonder that, taken aside, neither he nor his wife would speak against the Sandinista troops who come through. The compas speak softly, they said; they ask a lot of questions, and give political talks, but normally ask only for coffee.

The next day Obediente guided us as far as the home of another peasant, two mountains away. This was El Conejo, a 60-year-old whose contra-issued pseudonym means "the Rabbit." His whole family was paralyzed by our arrival, except one terrified woman who ground cornmeal for us so assiduously that she ignored her baby crying for attention. A contra officer named Mercenario, the head of our advance guard, asked the old man to take over as guide. Diffidently, he relied that he already had three sons in the FDN. Mercenario wasn't impressed. Then El Conejo mentioned that arthritis in his knee that has been making him limp. No matter. For the rest of the day, the Rabbit had to hobble along in front of us on the punishing mountain trails: " A volunteer," as the contras' "human-rights delegate," Ocho Cilindros, put it, "in the service of liberty and democracy."

At least one of the contras we met was no volunteer. He was a 14-year-old boy from the ranks of another group of contras encountered along our route; he gave himself the name "Lonesome." He was dressed in new U.S. fatigues, too baggy for his narrow shoulders, and the GI jungle boots on his feet were so big they looked like clown shoes. It was mealtime, but Lonesome sat apart from the others in a funk. He said he had been picking coffee for a neighbor three months ago in Matagalpa Province when a column of contras came through and abducted him. Later, NEWSWEEK interviewed his family; they confirmed that their son had been kidnapped with 20 other compesinos, some of whom managed to escape. "All the trees in my backyard have died since he was taken away," his mother said, in tears. "Where is he?" Lonesome was their pride, the only one in the family who had learned to read and write. His family had been given a plot of land by the Sandinistas after their victory. "How could they want to destroy the revolution," she wondered, "when it has helped us and so many other people?

We picked ourselves up from that muddy pasture at 4:30 a.m. and followed the contras to a safer hiding place, burrowing into the undergrowth high on a hill. The San José road was still a long day's march away. All the giggle was gone out of both men and girls by then, and the heat soon frayed tempers. Nagarote and Ocho Cilindros quarreled bitterly over how to share the last jar of honey they had just found in a peasant's shack. We told Black Eagle we wanted to take our leave, and he consented readily. "Anyway, I have decided not to attack the road. The runners tell us the [Sandinistas] have reinforced it in great numbers. We'll find another target." Before I left, they all asked for gifts; Black Eagle wanted my canteen. I gave it to him with a smile, despite the thirsty march that lay ahead.

Of course, that made me about as much of a "collaborator" as most of the campesinos we'd met. In the battle for hearts and minds, the contras are still the losers. If they can't win that battle, they can hardly hope to win the war, especially against a more capable and powerful foe. A guerrilla war is a political struggle more than a military one. The Sandinistas, who came down from the mountains themselves, understand that. The contras, it seems, do not.

With help from local campesinos, we found our way to the village of Los Cedros, and late at night sought out the house of Dan Fernando. We heard he had a car we might use to get out of this zone, normally closed to journalists by the Sandinista military. "Once, I had a car," he admitted, eying the mud on our jeans, the sweat stains on our shirts. Then came the revolution, the war, the wrecked economy. "One by one I sold everything. The last to go was my car." We expected Don Fernando, a relatively big landholder, to be anti-Sandinista, but he never told us his own politics. "Mister, the war is not good for anyone. Look around, there are no young men. The Sandinistas draft them; the contras kidnap them. Both sides have killed innocent people. Maybe you could say half support each side, but there are many who are very strong for the Sandinistas, very strong: people who never had anything before the revolution."

As we walked off in the half-light before dawn, Don Fernando came after us. "One last question," he called. "Will the United States really invade Nicaragua?" Most of the contras we met had fervently hoped so; most Sandinistas fervently believed so. I said I doubted it. "Mister, if the war just drags on like this, soon it will degenerate into banditry." Mister, it already has.

☐ 1515

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. ALEXANDER. I yield to the gentlewoman from Colorado, a prospective recent candidate for President of the United States.

Mrs. SCHROEDER. I thank the gentleman for yielding.

Mr. Speaker, I want to thank the gentleman from Arkansas for taking this time, because I really think that as people watch the Irangate hearings that it is a little hard to understand what is going on, and the more you watch it, the more frightened you really get.

I mean, here we are in the 200th anniversary year of the Constitution, and here is this group of people who say that they are celebrating the Constitution, but what they were doing by carrying on this little undercover action is subverting everything that the Constitution stands for. They only call the Constitution out to hide behind it when the Government gets close to them and starts to prosecute. Then they say, "Oh, the fifth amendment."

When you look at what they are doing down there, the gentleman is so right, if these are the forefathers and foremothers of this country, I am absolutely offended.

First of all, we are aligning ourselves with countries in this hemisphere and with groups in this hemisphere who have some of the worst records on human rights and that is not America's tradition. America's tradition has been out front for human rights, and yet somehow we keep ending up with the groups on the wrong side that have done all sorts of things that we are really ashamed of.

The second thing is if we really want to fight communism in the hemisphere, I think that we know how to fight it. We know how to fight it with hope. We know that you fight hunger, you come in, you give people some kind of an economic model to build on, the old Alliance for Progress type of thing. That is where we ought to be going, and we do not see any of that happening. Instead, we keep fighting with more weapons. I do not care how many weapons you load into those countries, it does not do anything about people's hope for the future and where they are going.

One of the great tragedies down there too is women and children. They get shot at by both sides, and they are just trying to carry on a normal life.

But I think that the most amazing thing to me is here we are in a hemisphere with many allies who speak the same language as the people in Nicaragua and the people in El Salvador, they understand the history of that region much more, they are saying, "Hey, United States, let us go down there and we'll kind of be the front person. We'll try and figure out what you should be doing and everything else."

"No," we say, "No way. We're going to send weapons. And we're going to send weapons whether the Congress says we can send weapons or not. We will move Heaven and Earth trying to find ways to send more weapons down there."

My observation is that the last thing that that region needs is more weapons, but by golly, we are going to send them, whether they want them or not.

We remember the old early pleas that Costa Rica made. Costa Rica came and said, "Economically we are having a lot of trouble. Could you, the United States, help us?"

That is one of the true, valid republics down there.

We said, "Yeah, do you have an army?"

They said, "No, we don't have an army."

We said, "Well, get one."

It is like that is the only kind of aid that we give. If you do not want military aid, we do not give it.

So I think that we have really lost the focus on what we are doing, and we lose it, and they justify it in the name of saying we are protecting America's national security interests.

But if what we are doing down there to protect that is causing so much trouble for the next generation, because we will end up with America being so hated by people down there that maybe they do not try and get rid of us this time, but they just keep generating that hate, long-term we have really, really harmed our national security interests.

So I guess that it depends on which national security interests you are looking at, the very short-term one, which is all the administration seems to be focusing on, or the long-term one, which is what we do to make friends in the region—for heaven's sake, we do not need more enemies—and what do we do to give hope to the people in the region—we certainly do not need less hope in the region. We do not even seem to be having that debate.

How do we deal with the people down there who are our allies, who want to help, and we keep turning them off, saying, "Never mind, we will keep doing what we are doing." I think that everybody in this hemisphere feels like they are stuffed in a bathtub with an elephant, and we are the elephant, and we just stomp around all over everybody, and, you know, it is not a pleasant place to be.

I think that the gentleman makes an excellent point. The Contras' record is not defensible. And who is making the policy? It appears that the arms dealers are making our policy. The arms dealers seem to be making more policy than the Congress. The administration is spending all of its time in the hearings trying to explain how arms dealers—who I think might have a conflict of interest, because it appears to me that they are trying to make profits on it, but they do not seem to think so, they think that they have a purer interest than the Congress, who is trying to debate this and put restrictions on, so they spend all of their time trying to say, "Oh, no, this isn't really right. We can do whatever we want. The President can thumb his nose at the Constitution and we can come over here and hide behind it by pleading the fifth."

I just find it unbelievable, and hopefully we can get it turned around. The gentleman from Arkansas I think has pointed out so many of the things that are going on down there that are really very difficult to explain to Americans, and the problem is, it is their tax money that is going down there, and it is going down there into countries where part of the issue was that the rich people never wanted to pay taxes. They would just let the Americans pay taxes, to send theirs down there. What kind of government were those? What kind of craziness is this?

I think that it is time that we get back and we say, "Look, the United States was unique because the United States is different." When I was a kid and said to my mother that other kids did it, she said, "I don't care." And when this administration says, "Other countries do it," I say, "I don't care."

The uniqueness of this Government is that we have not carried on covert operations, and we have not been out trying to overthrow governments that we recognize. I mean, the whole point is that we have an ambassador sitting in Managua and we are recognizing the Nicaraguan Government, and then we turn around and we fund anybody who comes along and is trying to overturn it. Explain that under international law, or any of these things. It just really makes no sense, and I think long-term we get ourselves deeper and deeper in a hole.

I thank the gentleman from Arkansas for pointing this out and carrying on this dialog, and I think that it is very important to get back to the heart of what is really going on in these hearings and what it is really all about, and it is about getting America back on the right course, getting off the wrong course.

Mr. ALEXANDER. Mr. Speaker, I thank the gentlewoman for participating today, and her comments bring to mind a publication that I have pulled out of my very deep file on the subject of Central America as I was coming over here today, which is the report of the 195th assembly of the Presbyterian Church of the United States of America, reported in 1983, entitled "Adventure and Hope: Christians and the Crisis in Central America."

Inasmuch as the gentlewoman has raised this question, it may be useful to take some time at another day and discuss this entire report. But she has made the statement that the United States has lost its way and questioned why we have engaged in this policy in Central America, making a statement that the arms dealers may be running our foreign policy, especially in Central America and in the Persian Gulf region.

I am looking at page 7 of this report to which I have just referred, and it says, and I will paraphrase parts of it, that one of the reasons that the United States appears to be afraid of what is happening in that region is because of the lack of understanding of what is going on there. We fear, and I quote here, "We fear that it might fall under the power of the Communist bloc. To prevent this, we align ourselves with regimes that perpetuate injustice."

In effect what this report is saying—back in 1983 all of us knew, everyone who was watching it, it is no secret, anybody who was paying attention, including hundreds of church organizations, Members of Congress who are knowledgeable about Central America have known for years what was going on there; it took these hearings to alert the American people—what this report is saying is that in order to maintain the status quo that we align ourselves with regimes that perpetuate injustice.

In other words, we support dictators who are thugs, that administer a brutal regime over the people that we say we intend to liberate and to provide peace and freedom and democracy. We are doing the opposite of that. We are supporting oppression ourselves.

□ 1525

We are paying for terrorism, we the American taxpayers, are paying for terrorism in Central America.

Mrs. SCHROEDER. If the gentleman will yield further, he is absolutely right.

The Presbyterian Church is not exactly a radical group. If they can go down there and walk around and discover what people want is hope and not more terrorism, that makes sense. If they can go down there and understand that the way that the Communists do not get a stronghold is that people do have hope, and they do believe their government is just and is serving them well and so forth.

This government does not seem to understand that. The Reagan administration seems to think hope is a four letter word, that what they really want are guns, and that is what we sell. And of course, the guys that convinced them that is what they want also happens to be selling the guns.

But it really is tragic, and they keep selling it that you and I are the idealists and they are the realists. I have to say I think it is just the reverse. I think the realists who have looked at the history of communism understand how to fight it, and you do not fight it with guns. Guns only delay the day they finally win.

Mr. ALEXANDER. This administration, of course, the Reagan administration, is playing a game that is reminiscent of a game that my daughter used to play with me when she was about 4 years old. It was called, Let's pretend. She would say, now Daddy, we are going to play a game where yes is no, love is hate, good is bad, everything is the opposite of what I say it is. We would go into this little let's pretend game of everything being the opposite from what it is.

The Reagan administration is pretending in Central America. It is also pretending in other parts of the world, and even with its domestic policy. It is pretending to play a game that is different from what it is, and in Central America love is hate, good is bad, justice is injustice, hope is fear, war is peace, and if every Presbyterian in the United States would read the report from its own document they would see from their own kind what we say is true.

I thank the gentlewoman for coming here today and being a participant in trying to reveal the truth to the American people of what our Government is doing in Central America.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. KYL) to revise and extend their remarks and include extraneous material:)

Mr. LEACH of Iowa, for 30 minutes, today.

Mr. MOLINARI, for 60 minutes, on June 10.

Mr. DANNEMEYER, for 60 minutes, on June 23.

Mr. DANNEMEYER, for 60 minutes, on June 24.

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. KYL) and to include extraneous matter:)

Mr. WHITTAKER.
Mr. SOLOMON.
Mr. PACKARD.
Mr. CONTE.
Mr. YOUNG of Alaska.
Mr. MCEWEN.
Mr. GUNDERSON.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. HUBBARD.
Mr. ANDERSON in 10 instances.
Mr. BROWN of California in 10 instances.
Mr. ANNUNZIO in six instances.
Mr. JONES of Tennessee in 10 instances.
Mr. BONER of Tennessee in five instances.
Mr. YATRON.
Mr. FAZIO.
Mr. ACKERMAN.
Mr. COELHO.
Mr. LEHMAN of Florida.
Mr. LANCASTER.
Mr. HOYER.
Mr. MONTGOMERY.
Mrs. BOXER in two instances.
Mr. SMITH of Florida.
Mr. MATSUI in two instances.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1947. An act to amend title 5, United States Code, to provide enhanced retirement credit for U.S. magistrates.

H.J. Res. 283. Joint resolution recognizing the service and contributions of the Honorable Wilbur J. Cohen.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res. 280. Joint resolution to observe the 300th commencement exercise at the Ohio State University on June 12, 1987.

ADJOURNMENT

Mr. ALEXANDER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 29 minutes p.m.) the House adjourned until tomorrow, Tuesday, June 9, 1987, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1542. A letter from the Acting Assistant secretary of the Army (Financial Management), transmitting a draft of proposed legislation to amend chapter 19 of title 37, United States Code, relating to the administration of pay for members of the uniformed services, to provide for payment during times of war, hostilities, or national emergency; to the Committee on Armed Services.

1543. A letter from the Acting Director, Selective Service System, transmitting the semiannual report covering October 1, 1986 through March 31, 1987, pursuant to 50 U.S.C. app. 460(g); to the Committee on Armed Services.

1544. A letter from the Secretary of Education, transmitting final regulations regarding the final priority of the bilingual vocational instructor training, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1545. A letter from the General Counsel, Department of Energy, transmitting notification of meetings related to the International Energy Program to be held on June 9, 1987, at the offices of the IEA, Paris, France; to the Committee on Energy and Commerce.

1546. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's proposed lease of defense articles to the Government of Somalia (Transmittal No. 4-87), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

1547. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Forces's proposed lease of defense articles to Switzerland (Transmittal No. 6-87), pursuant to 22 U.S.C. 2796(a); to the Committee on Foreign Affairs.

1548. A letter from the Ambassador, Canadian Embassy, transmitting a white paper on the defense policy of Canada; to the Committee on Foreign Affairs.

1549. A letter from The Under Secretary, Department of Housing and Urban Development, transmitting the semiannual report on the activities of the Office of Inspector General October 1, 1986, through March 31, 1987, pursuant to 5 U.S.C. app. (Inspector General Act of 1978) 5(b); to the Committee on Government Operations.

1550. A letter from the Secretary of Labor, transmitting the semiannual report of the inspector general for the period October 1, 1986 through March 31, 1987, pursuant to 5 U.S.C. app. (Inspector General Act of 1978) 5(b); to the Committee on Government Operations.

1551. A letter from the Secretary of Labor, transmitting notification of his determination that it is in the public interest to make a proposed contract award to the International Union of Operating Engineers without obtaining full and open competition, pursuant to 41 U.S.C. 253(c)(7); to the Committee on Government Operations.

1552. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1553. A letter from the Chairman, Board of Governors, U.S. Postal Service, transmitting the semiannual report on the civil misrepresentation activities of the U.S. Postal Service for the period October 1, 1986 through March 31, 1987, pursuant to 39 U.S.C. 3013 (97 Stat. 1317); to the Committee on Post Office and Civil Service.

1554. A letter from the Acting Assistant Secretary (Civil Works), Department of the Army, transmitting a report on the Susquehanna River Basin, New York, Pennsylvania, and Maryland, together with other pertinent reports, pursuant to Public Law 91-611, section 235(d) (84 Stat. 1834); to the Committee on Public Works and Transportation.

1555. A letter from the Secretary of Health and Human Services, transmitting the 1987 Social Security annual report which highlights the Social Security and Supplemental Income Programs, pursuant to 42 U.S.C. 904; to the Committee on Ways and Means.

1556. A letter from the Secretary of Energy, transmitting a comprehensive report on the fourth project negotiated under the Department of Energy's [DOE] Clean Coal Technology Demonstration Program entitled "Enhancing the Use of Coals by Gas Reburning and Sorbent Injection," pursuant to Public Law 99-190; jointly, to the Committees on Appropriations; Energy and Commerce; and Science, Space, and Technology.

1557. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to amend the Social Security Act to make program and administrative improvements in the programs of aid to families with dependent children and child support enforcement and in the social services block grant, to authorize consolidated funding of certain program grants to Indian tribes, and for other purposes; jointly, to the Committees on Ways and Means, Education and Labor, Energy and Commerce, and Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HAWKINS: Committee on Education and Labor. H.R. 1900. A bill to amend the Child Abuse Prevention and Treatment Act, the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978, and the Family Violence Prevention and Services Act to extend through fiscal year 1991 the authorities established in such acts; with an amendment (Rept. 100-135). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. S. 626. An act to prohibit the imposition of an entrance fee at the Statue of Liberty National Monument, and for other purposes. (Rept. 100-136). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAWKINS: Committee on Education and Labor. H.R. 281. A bill to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry; with an amendment (Rept. 100-137). Referred to the Committee of the Whole House on the State of the Union.

Mr. RODINO: Committee on the Judiciary. H.R. 1400. A bill to authorize appropriations to carry out the activities of the Department of Justice for fiscal year 1988, and for other purposes; with an amendment (Rept. 100-138). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LOWERY of California:

H.R. 2624. A bill to amend title 18, United States Code, to modify the penalties for certain kidnapings of children; to the Committee on the Judiciary.

By Mr. MORRISION of Washington:

H.R. 2625. A bill to provide that a certain amount of funds shall be available to the Secretary of Energy each fiscal year for cleanup of hazardous or radioactive waste from atomic energy defense activities and to require the Secretary of Energy to develop within one year a comprehensive plan for the cleanup of such waste; to the Committee on Armed Services.

By Mr. RANGEL (for himself, Mr. GILMAN, and Mr. GUARINI):

H.R. 2626. A bill to amend the Public Health Service Act to provide for a comprehensive program of education, information, risk reduction, training, prevention, treatment, care, and research concerning acquired immunodeficiency syndrome; to the Committee on Energy and Commerce.

By Mr. WAXMAN (for himself and Mr. PEASE):

H.R. 2627. A bill to amend title XIX of the Social Security Act to require extension of Medicaid coverage in the case of families with dependent children that have earnings and that lose aid to the families with dependent children; jointly, to the Committee on Energy and Commerce and Ways and Means.

By Mr. WHITTAKER (for himself, Mr. THOMAS A. LUKEN, Mr. RINALDO, Mr. BRYANT, and Mr. BLILEY):

H.R. 2628. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 respecting the importation of motor vehicles in anticipation of compliance with safety standards under such act; to the Committee on Energy and Commerce.

By Mr. YOUNG of Alaska:

H.R. 2629. A bill to amend the Alaska National Interest Lands Conservation Act of 1980 to clarify the conveyance and ownership of submerged lands by Alaska Natives, Native corporations and the State of Alaska; to the Committee on Interior and Insular Affairs.

By Mr. SOLOMON:

H. Con. Res. 136. Concurrent resolution expressing the sense of the Congress concerning the human rights situation in North Korea and the reduction of tensions on the Korean peninsula; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

104. By the SPEAKER: Memorial of the General Assembly of the State of Indiana, relative to a proposed amendment to the Constitution which establishes English as the official language; to the Committee on the Judiciary.

105. Also, memorial of the Senate of the State of Washington, relative to more fair treatment of employees of common carriers who cross State lines; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 74: Miss SCHNEIDER and Mr. FOGLIETTA.

H.R. 306: Mr. KYL.

H.R. 377: Mr. SUNDQUIST.

H.R. 618: Mr. WALGREN, Mr. HOYER, and Mr. CONYERS.

H.R. 628: Mrs. BYRON.

H.R. 637: Mr. BILBRAY.

H.R. 810: Mr. EDWARDS of Oklahoma, Mr. SUNIA, Mrs. JOHNSON of Connecticut, and Mr. SUNDQUIST.

H.R. 954: Mr. LANCASTER.

H.R. 956: Mr. MORRISON of Connecticut.

H.R. 1101: Mr. ROWLAND of Connecticut and Mr. LOWRY of Washington.

H.R. 1212: Mr. COOPER and Mr. BRUCE.

H.R. 1259: Mr. HOCHBRUECKER, Mr. SHUSTER, and Mr. RINALDO.

H.R. 1654: Mr. GREGG.

H.R. 1742: Mr. WORTLEY.

H.R. 1752: Mr. DORGAN of North Dakota.

H.R. 1754: Mr. DIOGUARDI.

H.R. 1782: Mr. DE LUGO.

H.R. 1808: Mr. WEBER, Mr. GRANT, Mr. FEIGHAN, Mr. HOCHBRUECKNER, and Mr. COELHO.

H.R. 1924: Mr. SWINDALL, Mr. LANCASTER, Mr. FORD of Michigan, and Mr. PARRIS.

H.R. 1987: Mr. MARTINEZ, Mr. FAWELL, Mr. BUECHNER, Mr. HAYES of Illinois, Mr. YOUNG of Alaska, Mr. CONYERS, Mr. HEFNER, and Mr. GONZALEZ.

H.R. 2062: Mr. CAMPBELL.

H.R. 2148: Mr. BARNARD, Mr. THOMAS of Georgia, Mr. RANGEL, Mr. LAGOMARSINO, Mr. HOLLOWAY, and Mr. LIPINSKI.

H.R. 2170: Mr. NIELSON of Utah.

H.R. 2272: Mr. BOULTER.

H.R. 2273: Mr. BOULTER and Mr. COMBEST.

H.R. 2340: Mr. MURPHY, Mr. ECKART, Mr. MORRISON of Connecticut, Mrs. BOXER, Mr. CHAPMAN, and Mr. BILBRAY.

H.R. 2489: Mr. SKELTON, Mr. DARDEN, Mr. DAUB, Mr. FEIGHAN, Mr. MRAZEK, and Mr. SHAW.

H.R. 2538: Mr. FLIPPO, Mr. HORTON, Mr. NICHOLS, Mr. PERKINS, and Mr. SHAW.

H.J. Res. 180: Mr. DAVIS of Illinois, Mr. PETRI, Mr. RITTER, Mr. DWYER of New Jersey, Mr. UPTON, Mr. SOLOMON, and Mr. HOCHBRUECKNER.

H.J. Res. 271: Mr. VENTO, Mr. SCHEUER, Mr. LAFALCE, and Mr. LUNGREN.

H.J. Res. 282: Mr. FUSTER, Mr. CONYERS, Mr. LAGOMARSINO, and Mr. TAUZIN.

H. Con. Res. 114: Mr. WORTLEY and Mr. MONTGOMERY.

H. Con. Res. 135: Mr. TAUKE, Mr. TALLON, Mr. FAZIO, Mr. HYDE, Mr. ATKINS, Mr. SMITH of Florida, Mr. SOLOMON, Mr. LAGOMARSINO, Mr. ACKERMAN, Mr. MCCLOSKEY, Mr. FRANK, Mr. SCHUETTE, Mr. LEWIS of California, Mr. ROBERT F. SMITH, Mrs. MEYERS of Kansas, Mr. BOLAND, and Mr. GUNDERSON.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1777

By Mr. ROSE:

—Page 70, after line 16, insert the following:

TITLE VII—HUMAN RIGHTS VIOLATIONS IN TIBET BY THE PEOPLE'S REPUBLIC OF CHINA

SEC. 701. FINDINGS.

The Congress finds that—

(1) the People's Republic of China invaded and occupied Tibet in 1949, imposed military rule, and continues to exercise dominion over the Tibetan people through the presence of large occupation force;

(2) over one million Tibetans have perished as a direct result of the political instability, imprisonment, and widescale famine engendered by the occupation of Tibet by the People's Republic of China;

(3) 6,250 monasteries, the repositories of 1,300 years of Tibet's ancient civilization, have been destroyed and their irreplacable national legacy of art and literature either lost or removed form Tibet by the People's Republic of China;

(4) Tibet's vast mineral, forest, and animal reserves are being systematically exploited by the People's Republic of China, with no benefit accruing to the Tibetan people;

(5) Tibet's economy and education, health, and human services remain far below those of the People's Republic of China as a whole;

(6) the People's Republic of China has undertaken a massive population transfer, entailing the immigration of millions of Chinese onto the Tibetan plateau in an effort to absorb and render insignificant the Tibetan people in their own homeland;

(7) the arrest and execution of Tibetan political and religious prisoners continues, with thousands of Tibetans currently interred in labor camps;

(8) Tibet, a nation dedicated to the principles of nonviolence and mutual coexistence for a millennia, has been militarized which has increased the instability of the entire Central Asian region;

(9) His Holiness the Dalai Lama, spiritual and temporal leader of the Tibetan people, in conjunction with the 100,000 refugees forced into exile with him, has worked tirelessly for almost thirty years to secure peace and religious freedom in Tibet;

(10) since 1959, India has generously provided refuge and resources for Tibetan exiles so that they may maintain their unique culture and religion in the hope of returning to their homeland;

(11) the People's Republic of China continues to ignore United Nations General Assembly resolutions 1353, 1723, and 2079 calling for a cessation of human rights violations in Tibet and for implementation of the right of the Tibetan people to self-determination;

(12) 91 Members of the Congress signed a letter to President Li Xiannian of the People's Republic of China on July 24, 1985, expressing support for direct talks between Beijing and representatives of his Holiness the Dalai Lama and the Tibetan Government-in-exile, and urging the Government of the People's Republic of China "to grant the very reasonable and justified aspirations of His Holiness the Dalai Lama and his people every consideration"; and

(13) there has been no evidence of any such consideration being granted by the Government of the People's Republic of China.

SEC. 702. STATEMENT OF POLICIES.

It is the sense of the Congress that—

(1) the United States should review its foreign policy toward and its relations with the People's Republic of China in light of the continued violation of human rights in Tibet by the People's Republic of China;

(2) the United States should reassess and review sales and other transfers of defense articles, defense services, and high technology to the People's Republic of China in light of the continued violation of human rights in Tibet by the People's Republic of China;

(3) the President should meet with His Holiness the Dalai Lama to express United States support for his efforts for world peace and particularly his efforts to find a peaceful solution to the Tibetan problem;

(4) the United States should urge the Government of the People's Republic of China to actively reciprocate the Dalai Lama's efforts to establish a constructive dialog over the future status of Tibet;

(5) the United States, through the Secretary of State—

(A) should address and call attention to the rights of the Tibetan people, as well as other non-Chinese within the People's Republic of China such as the Uighurs of Eastern Turkestan (Sinkiang), the Mongolians of Inner Mongolia, and the Manchus of Manchuria, and

(B) should support efforts to maintain Tibet's identity and preserve Tibetan culture and religion, both inside Tibet and among those in exile;

(6) congressional delegations should visit Tibet (including the areas of Kham and Amdo) and the Tibetans in exile in order to witness the progress being made and the problems faced; and

(7) the President should instruct the United States Ambassadors to the People's Republic of China and India to work closely with the Tibetan people to find areas in which the United States Government and people can be helpful.

SEC. 703. ARMS SALES TO THE PEOPLE'S REPUBLIC OF CHINA.

Any certification submitted to the Congress pursuant to the Arms Export Control Act with respect to any sale, licensed export, or other transfer of any defense articles or defense services to the People's Republic of China shall be accompanied by a Presidential determination that the Government of the People's Republic of China is acting in good faith and in a timely manner to resolve human rights issues in Tibet.

SEC. 704. HUMAN RIGHTS REPORT REGARDING TIBET.

Not later than 60 days after the date of enactment of this Act, the Secretary of State shall submit a report to the Congress on the human rights situation in Tibet and the transfer of millions of Chinese to Tibet.

SEC. 705. ASSISTANCE FOR TIBETAN REFUGEES.

Of the amounts authorized to be appropriated for the Department of State for "Migration and Refugee Assistance" for each of the fiscal years 1988 and 1989, not less than $850,000 shall be available only for assistance for Tibetan refugees.

SEC. 706. SCHOLARSHIPS FOR STUDY IN THE UNITED STATES BY TIBETAN EXILES.

For each of the fiscal years 1988 and 1989, the Director of the United States Information Agency shall make available to Tibetan students and professionals who are outside Tibet not less than 50 scholarships for study at institutions of higher education in the United States.

By Mr. DORNAN of California:

—Page 14, after line 3, insert the following new section:

SEC. 106. PROHIBITION ON FUNDING FOR UNITED STATES EMBASSY IN NICARAGUA.

(a) PROHIBITION.—None of the funds authorized to be appropriated by this Act may be obligated or expended for the purpose of operating any diplomatic or consular function of the United States Embassy in Nicaragua.

(b) EFFECTIVE DATE.—This section shall take effect on the later of October 1, 1987, or 30 days after the date of enactment of this Act.

—Page 70, after line 21, insert the following new title:

TITLE VII—SELF-DETERMINATION OF THE PEOPLE FROM THE BALTIC STATES OF ESTONIA, LATIVA, AND LITHUANIA

SEC. 701. SELF-DETERMINATION OF THE PEOPLE FROM THE BALTIC STATES OF ESTONIA, LATIVIA, AND LITHUANIA

(a) FINDINGS.—The Congress finds that—

(1) the subjugation of peoples to foreign domination constitutes a denial of human rights and is contrary to the Charter of the United Nations;

(2) all peoples have the right to self-determination and to freely establish their political status and pursue their own economic, social, cultural, and religious development, a right that was confirmed in 1975 in the Helsinki Final Act;

(3) on June 21, 1940, Armed Forces of the Soviet Union, in collusion with Nazi Germany, overran the independent Baltic republics of Estonia, Latvia, and Lithuania and forcibly incorporated them into the Soviet Union, depriving the Baltic peoples of their basic human rights, including the right to self-determination;

(4) the Government of the Soviet Union continues efforts to change the ethnic character of the population of Estonia, Lativa, and Lithuania through policies of Russification and dilution of their native populations;

(5) the United States continues to recognize the diplomatic representatives of the last independent Baltic governments and supports and aspirations of the Baltic peoples to self-determination and national independence, a principle enunciated in 1940 and reconfirmed by the President on July 26, 1983, when he officially informed all member nations of the United Nations that the United States has never recognized the forced incorportion of the Baltic States into the Soviet Union; and

(6) the Soviet Union continues to deny the people of Estonia, Lativa, and Lithuania the right to exist as independent countries, separate from the Soviet Union and denies the baltic peoples the right to freely pursue human contacts, movement across international borders, emigration, religious expression, and other human rights enumerated in the Helsinki Final Act

(b) RECOGNITION AN ACTION BY PRESIDENT—THE CONGRESS—

(1) recognizes the continuing desire and right of the people of the Baltic States of Estonia, Lativa, and Lithuania for freedom and independence from the Soviet Union;

(2) calls upon the President to direct world attention to the right of self-determination of the people of the Baltic States by issuing on July 26, 1987, a statement that officially informs all member nations of the United Nations of the support of the United States for self-determination of all peoples and nonrecognition of the forced incorporation of the Baltic States into the Soviet Union; and

(3) calls upon the President to promote compliance with the Helsinki Final Act in the Baltic States through human contracts, family reunification, free movement, emigration rights, the right to religious expression and other human rights enumerated in the Helsinki Accords.

—Page 70, after line 21, add the following new title:

TITLE VII—REPEAL OF WAR POWERS RESOLUTION

SEC. 701. REPEAL OF WAR POWERS RESOLUTION.

The War Powers Resolution (50 U.S.C. 1541 et seq.) is hereby repealed.

—Page 70, after line 21, insert the following new title:

TITLE VII—PARTICIPATION IN THE OLYMPICS BY THE REPUBLIC OF CHINA ON TAIWAN

SEC. 701. PARTICIPATION IN THE OLYMPICS BY THE REPUBLIC OF CHINA ON TAIWAN.

(a) Findings.—The Congress finds that—

(1) for purposes of the Olympic Games, the International Olympic Committee recognizes both East Germany and West Germany, and both North Korea and South Korea;

(2) recognition of a national Olympic committee by the International Olympic Committee does not imply political or diplomatic recognition;

(3) the International Olympic Committee recognizes the National Olympic Committee of the People's Republic of China; and

(4) Taiwan considers itself to be a political entity distinct from the People's Republic of China.

(b) Participation.—It is the sense of the Congress that the International Olympic Committee should allow the Republic of China on Taiwan to participate in the 1988 Olympic Games under its own name, flag, and national anthem.

—Add the following new title at the end of the bill:

TITLE VII—NICARAGUA

SEC. 701. RECOGNIZING A STATE OF BELLIGERENCY IN THE REPUBLIC OF NICARAGUA.

(a) Findings.—The Congress makes the following findings:

(1) The Marxist government of the Republic of Nicaragua has not adhered to its 1979 commitments to the Organization of American States to implement a representative democracy, to respect human rights, and to pursue a policy of nonalignment.

(2) The Fifth Assembly of the United Nicaraguan Opposition met in Miami, Florida, in May 1987 in order to achieve greater unification among all segments of Nicaraguan society opposed to the Sandinista regime, and at that meeting the United Nicaraguan Opposition agreed to reorganize as the "Nicaraguan Resistance".

(3) The Nicaraguan Resistance is composed of 54 representatives, comprising all political groups opposed to the Sandinista regime, without excluding any ideological movement.

(4) The Nicaraguan Resistance is dedicated to fostering a national reconciliation in the Republic of Nicaragua with a genuinely representative form of government that is respectful of human rights and is truly nonaligned.

(5) The Nicaraguan Resistance is a legitimate political contestant to the Soviet-Cuban-backed Sandinista regime in the Republic of Nicaragua.

(6) When a country recognizes insurgents as a belligerent power in another country, the insurgents are not considered to be criminals, such recognition presupposes the existence of civil war in the country of the insurgency, and the belligerent community (including the geographic area under the control of the insurgents and the population supporting the insurgents) resembles a state under international law.

(b) Sense of the Congress.—It is the sense of the Congress that—

(1) the President should consider recognizing the Nicaraguan Resistance in the Republic of Nicaragua as a belligerent power which legitimately challenges the Sandinista regime; and

(2) genuine national reconciliation cannot occur in the Republic of Nicaragua without the full participation of the Nicaraguan Resistance.

—Add the following new title at the end of the bill:

TITLE VII—ANGOLA

SEC. 701. RECOGNIZING A STATE OF BELLIGERENCY IN THE PEOPLE'S REPUBLIC OF ANGOLA.

(a) Findings.—The Congress finds that—

(1) the number of Soviet and Cuban colonialist, occupation forces in Angola is approximately 45,000;

(2) the Marxist "Popular Movement for the Liberation of Angola", known as the "MPLA" regime, illegally seized power in Angola with Soviet and Cuban military support;

(3) UNITA, the National Union for the Total Independence of Angola, is a national liberation movement formed to combat foreign occupation and the imposition of communism in Angola;

(4) the goal of UNITA is to implement a genuinely independent state free from foreign interference;

(5) UNITA serves as a de-facto government for about one-third of Angola's territory and approximately half of its population;

(6) UNITA is a legitimate political contestant to the Soviet-backed state of Angola; and

(7) when a country recognizes insurgents as a belligerent power in another country, the insurgents are not considered to be criminals, such recognition presupposes the existence of civil war in the country of the insurgency, and the belligerent community (including the geographic area under the control of the insurgents and the population supporting the insurgents) resembles a state under international law.

(b) Sense of the Congress.—It is the sense of the Congress that the President should consider recognizing the UNITA forces in the People's Republic of Angola as a belligerent power which legitimately challenges the MPLA regime.

—Add the following new title at the end of the bill:

TITLE VII—COMMUNIST COUNTRIES

SEC. 701. COUNTRIES LISTED AS COMMUNIST COUNTRIES.

Section 620(f)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(f)(1)) is amended by inserting after "Republic of Cuba." the following: "Republic of Seychelles.".

—Add the following new title at the end of the bill:

TITLE VII—COMMUNIST COUNTRIES

SEC. 701. COUNTRIES LISTED AS COMMUNIST COUNTRIES.

Section 620(f)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(f)(1)) is amended by inserting after "People's Republic of China." the following: "People's Republic of Mozambique.".

—Add the following new title at the end of the bill:

TITLE VII—COMMUNIST COUNTRIES

SEC. 701. COUNTRIES LISTED AS COMMUNIST COUNTRIES.

Section 620(f)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(f)(1)) is amended by inserting after "Republic of Cuba." the following: "Republic of Nicaragua.".

EXTENSIONS OF REMARKS

TRIBUTE TO MRS. TOYOKO FUJII

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. MATSUI. Mr. Speaker, it gives me great pleasure to rise today to offer my congratulations to a close friend of mine, Toyoko Fujii, who will soon be retiring from the Sacramento School District.

Mrs. Fujii will be leaving after serving as school secretary for the Sacramento School District for the past 15 years. Prior to her distinguished service in Sacramento, Mrs. Fujii worked at the Freeport Elementary School for 9 years, and the Sacramento Children Center for 3 years, and the John D. Sloat Elementary School for 3 years. Throughout her career, Mrs. Fujii has consistently demonstrated an unmatched level of compassion and dedication to her service to this community. Mrs. Fujii has much to be proud of; she has touched a great many lives with her warmth and good humor. I know that her many friends and colleagues in the Sacramento School District will miss her in the days and months ahead.

In addition to her service to the community in the academic field, Mrs. Fujii has been active in local politics, and has donated much of her time to assisting candidates for a variety of offices.

Mr. Speaker, on behalf of the people of Sacramento, I would like to offer my thanks to Mrs. Fujii for her many years of service to this community, and extend my best wishes for a happy and productive retirement.

TRIBUTE TO DORIS THOMAS

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mrs. BOXER. Mr. Speaker, Doris R. Thomas, the administrative assistant to the late Congressman Phillip Burton and Congresswoman Sala Burton of the Fifth Congressional District, San Francisco, CA, is retiring from the office after 23 years of service to the district.

Doris received a bachelor of science degree from Hampton University, VA, and juris doctor from Howard University, Washington, DC. Her professional career began in California in 1960, with the All Nations Foundation in Los Angeles. In 1962, Doris worked as a community organization specialist for the Bay Area Urban League, San Francisco. In 1963, she became the administrative assistant to Congressman Phillip Burton. From 1983 to 1987, she served in the same capacity for the late Congresswoman Sala Burton.

During these years, Doris was an active participant in the affairs of the community. Some of her involvement included membership in the Chinese American Democratic Club, NAACP, National Council of Negro Women, Single Parents for Adoption. Some of her current professional and community affiliations include Delta Sigma Theta Sorority, Black Leadership Forum, William Hastie Lawyers Association of California. She has also served as a board member of many of those organizations. Doris has had bestowed on her many awards and citations for her distinguished service to the community. These awards reflect the appreciation for her service to the citizens of San Francisco and the hundreds of friends she made during these years. Her dedication to ensure the rights of all of the people of this diverse city, regardless of race, color, creed, national origin or sexual orientation is appreciated by all whom she has served during the past 23 years. The people she served could count on prompt attention to their problems and needs. Some of her awards have included: "Woman on the Move," San Francisco Anti-Defamation League (1987); Certificate of Merit for Outstanding Work with Graduate Students, San Francisco State University School of Social Welfare (1986); Award of Merit for Outstanding Public Service, Mayor Dianne Feinstein (1982); Commendation—California State Legislature, Assemblyman Art Agnos (1978); proclamation from Governor of California, Edmund Brown, Jr. (1978); Most Distinguished Woman Newcomer to the Bay Area, San Francisco Sun Reporter Newspaper (1962); Blacks in the West Hall of Fame Award, African-American Historical and Cultural Society, (1977); The Street People's Committee Award of Appreciation for Unselfish Assistance, Cooperation and Inspiration in the Institution of the Program, (1976); proclamation—Mayor of San Francisco, Hon. George Moscone, (1978).

Doris' role in the community did not deter her dedication in raising her 19-year-old daughter, Tandi Thomas, who is presently completing her first year at City College, San Francisco. Doris will embark on a new career as a consultant in governmental affairs, specializing in immigration law. She will devote considerable time to voter education as an important ingredient in the democratic process.

STATEMENT OF AMBASSADOR A.J. JACOVIDES BEFORE THE INTERNATIONAL LAW COMMISSION

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. YATRON. Mr. Speaker, the United Nations International Law Commission is currently meeting in Geneva and examining the Draft Code of Crimes against the Peace and Security of Mankind. The Commission is a prestigious body of experts in international law, elected by the U.N. General Assembly, which has the mandate to codify and progressively develop international law.

As chairman of the House Foreign Affairs Subcommittee on Human Rights and International Organizations, which has oversight over international law and international organizations, I would like to bring to the attention of my colleagues excerpts of a recent speech by His Excellency Andrew J. Jacovides, Ambassador of the Republic of Cyprus to the United States, who was recently reelected for a second 5-year term as a member of the Commission. In his speech, he commented on each of the draft articles being examined for inclusion in the proposed code, and human rights violations as they pertain to the code. Ambassador Jacovides offers an interesting perspective on this matter, and I commend the material to the attention of our colleagues.

The speech follows:

STATEMENT BY AMBASSADOR A.J. JACOVIDES BEFORE THE INTERNATIONAL LAW COMMISSION ON THE CODE OF OFFENSES AGAINST THE PEACE AND SECURITY OF MANKIND, GENEVA, 12 MAY 1987

Mr. Chairman, so far I have spoken mostly with my mind. Perhaps, I would not be out of order if I now say a few things also from the heart.

To some the project we are engaged on may be no more than a debatable academic exercise. To others, however, who have been and continue to be the victims of the gross violation of the international law rules relating to the peace and security of mankind, it is much more than that. In my own country, which has been the victim of a brutal military aggression, continuing occupation and massive violation of human rights—as amply proven, after a quasi-judicial investigation, by the European Commission of Human Rights in 1976, the findings of which amounted to a horrendous indictment of the cruelties inflicted by the invading Turkish army in the summer of 1974 and subsequently, this Code of Crimes against the Peace and Security of Mankind is too close to home and possesses the dimensions of gruesome reality. Nearly thirteen years after this documented international crime against Cyprus was committed and dozens of legally binding Resolutions by the United Nations political organs-beginning with the unanimously adopted landmark General Assembly Resolution 3212, unanimously endorsed by the Security Council in its Resolution 365, and more recently Security Council Resolutions 541 and 550—and the decisions of other international bodies, including those of the Non-Aligned Movement and of the Commonwealth, the tragic situation we are confronted with remains without remedy. In fact, it has been further aggravated through illegal attempted session and the systematic efforts of the Occupying Power, Turkey, to alter and falsify the age-long demographic composition of the Island, to destroy and obliterate the cultural heritage of the areas it occupied through the illegal use of force and to bring about partition through the guise of unworkable system of ethnic separation. All this has been occuring with the tolerance of the international community, the members of which, for a variety of reasons, have been unable or unwilling to act effectively in order to implement the resolutions for which they voted. Cyprus is a small country but it is a test-case of the relevance of international law and of the effectiveness of the United Nations in today's world. When such grave injustices are tolerated or condoned they are bound to be repeated elsewhere. "Who today remembers the Armenians," Hitler is quoted to have asked rhetorically before embarking on his genocidal action and other grave crimes before and during the Second World War.

We are under no illusions. Nor are we so naive as to think that the Code, when completed, will prove to be a panacea to our grievances or cure the many other problems of a similar nature which exist in the world—any more than the Definition of Aggression, achieved after many years' efforts in 1974, by coincidence and ironically just before the aggression we experienced soon afterwards, proved to be salutary or even relevant:

But I think it can be validly held in this respected body of international law experts that, if we can succeed in preparing an effective Code with appropriate penalties and jurisdiction, it may at least serve as an important building block in constructing the edifice of international legal order and as a deterrent to present and would-be aggressors and other violators of its provisions. The international community expects from us no more. And, we would be remiss in our duty if we did any less.

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200 YEARS AGO AT THE CONSTITUTIONAL CONVENTION (JUNE 5)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. SHARP. Mr. Speaker, on June 5, the Convention moved from consideration of the executive branch to a new area of government—the national judiciary.

There was little disagreement that the Nation needed a supreme tribunal to resolve national disputes.

The Virginia plan had called for the establishment of one Supreme Court and an additional number of less powerful Federal courts. Opponents argued successfully that the added layer would infringe upon the State courts and would be an unnecessary expense. The Convention voted against setting up the lower courts, but did give the national legislature the option of establishing them if necessary.

For judge selection, Benjamin Franklin, with tongue in cheek, suggested a method used in Scotland where the lawyers appointed the judges. The lawyers picked the best, Franklin said, "in order to get rid of him and share his practice among themselves."

The Convention, of course, did not accept this suggestion.

TRIBUTE TO SHERIFF DWIGHT E. RADCLIFF

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. McEWEN. Mr. Speaker, I am pleased to have the opportunity today to honor Dwight E. Radcliff, a lifetime law enforcement officer who was recently selected president of the National Sheriff's Association. On June 24, 1987, this 22-year veteran will assume an office which is traditionally selected from sheriffs in large metropolitan counties. Sheriff Radcliff is different.

Born in Pickaway County, Sheriff Radcliff is the quintessential "little man" story. Determined and self-motivated, he has proven to be a servant to his career and the Nation. Throughout his lifetime of service, he has been heralded as a selfless officer who, through his new ideas and dedication, served to give his statesmen heightened protection and brought himself pride.

Sheriff Radcliff's ability to overcome obstacles and gain a highly respected office as this demonstrate that he is a patriot who is well-deserving of the honors brought to him. In the spirit of celebration for this true citizen, I would like to include the following statement.

Mr. Speaker, I have been a longtime admirer of Sheriff Radcliff, so it gives me great pleasure to publicly congratulate one of the finest public servants in all of Ohio. As president of the National Sheriff's Association, Dwight will bring to that organization what those who live in Pickaway County have known for more than two decades—dedicated service, commitment to a purpose, and compassion for his fellow citizens. I wish Sheriff Radcliff the very best in his tenure as president of the National Sheriff's Association and I am certain that the association will prosper and grow under his leadership.

[From the Columbus (OH) Monthly, June 1987]

A LIFETIME OF SHERIFFING

(By Michael Norman)

Normally, the president of the 31,000-member National Sheriff's Association [NSA] is an elected sheriff of many years experience who comes from one of the nation's big metropolitan counties—places like Los Angeles County, California, or Cook County, Illinois. The 46th president of the NSA will take office June 24. Like has predecessors, he is a veteran elected official, but not one with big city credentials. He's Dwight E. Radcliff, who for the past 22 years has been sheriff of rural Pickaway County, just south of Columbus.

There isn't much major crime in Pickaway County. During the 22 years Radcliff has been sheriff, there have been a total of eight murders and four bank robberies. And the majority of those crimes were committed by criminals from outside the county. It's probably safe to say that the annual Circleville Pumpkin Show is the sheriff's biggest law enforcement headache. Every year, his deputies help police the crowds, control traffic and stop drinking and rowdyism.

But a sheriff doesn't rise to the top of a national law enforcement association by policing pumpkin shows. You could say that the stage was set for Radcliff's climb to national law enforcement prominence on Sept. 14, 1932—his birthday and the day his mother and father brought him home from the hospital to the sheriff's residence above the Pickaway County jail.

His father, Charles H. Radcliff, had been elected Pickaway County sheriff in 1930. The elder radcliff went on to serve 30 years as sheriff, before being defeated in a Democratic primary in 1960. Dwight Radcliff's relationship with his father was solid, and very early on he became interested in law enforcement as a career. During high school he worked in his dad's crime lab. In 1953, he became a full-fledged deputy, a job he held until he was let go by the new sheriff after his father's election defeat.

Radcliff says his father was an excellent police officer, but in later years adopted a "take it for granted" attitude about politics. He refused to campaign in 1960, figuring that "If the people don't know me now, they never will." The younger Radcliff didn't make that mistake in 1964 when he decided to run against then incumbent sheriff Walton Spangler, the man who defeated his father. He campaigned hard and won by 39 votes. He's been sheriff ever since.

Now, Dwight Radcliff and his wife, Betty, live in the same apartment over the jail where he grew up. Betty Radcliff works as the jail matron, a job that also was held by Dwight Radcliff's mother.

Radcliff took office at a time when sheriff's departments were beginning to struggle with the modern issues of law enforcement. One of his first acts was to reorganize his office and grant all of his employees civil service protection. He was one of the first Ohio sheriffs to actively promote state training and certification of police officers. He also has greatly expanded his department's crime lab facilities.

Radcliff has been involved in law enforcement on a statewide and national scale since the late 1960s, and in 1975 was elected to the board of directors of the National Sheriff's Association. Since then, he has taken an active role in NSA affairs and risen through the association's officer ranks.

For the next year, he will head an organization with 30 paid staffers and 31,000 members. He will be responsible for setting the direction of the NSA's lobbying efforts in Congress and in state legislatures. Among other things, the NSA is working on ways to stop the spread of AIDS in the nation's jails, and is seeking solutions to the ever-present jail-overcrowding problem.

It's a far cry from pumpkin shows and the occasional murder investigation. But Radcliff likes to keep things in perspective. "I would like to tell you that it's a fitting climax to a long career," he says. "But I intend to seek reelection in Pickaway County. I'm too young to retire. This has been my life. I was born and raised here. This has been my only home."

When he does finally retire, there's a chance there may be yet another Radcliff in the top job at the sheriff's office. One of his sons, 25-year-old Robert B. Radcliff, works in the department's crime lab. "He hasn't filled me in on his political ambitions," says the elder Radcliff. "But then, I never told my father what I was going to do, either."

MARIO FOR PRESIDENT

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. COELHO. Mr. Speaker, a truly great individual and courageous leader among the newer democratic governments of the world was in our Capital City last month. In my view, the editors of the Washington Post very appropriately summed up the positive feelings which Mario Soares left with those of us who were priviledged to meet with him, by declaring "Mario for President."

I share with my colleagues the following Post editorial, and I echo the writer's comments that "it was a pleasure to see him. It's not just that this grizzled old socialist wears well."

Indeed, the man does wear well, with an impeccably calm but charismatic bearing that belies the fact that he has survived struggles most of us can only imagine and certainly hope never to experience, that in his long fight against oppression he himself was jailed a dozen times and exiled twice, and that he literally faced down the Communists in the streets of Lisbon in late 1975.

Mario Soares not only defeated the Communists at the end of Portugal's 41-year dictatorship in 1974, he went on to emerge as the leader of the center, the leader of reason, and the leader of unity who never discriminated and has always opposed undemocratic forces on both the right and the left.

Throughout his life, as an opposition leader, during his tenure as Prime Minister, and now as Portugal's first elected civilian President, Mario Soares has empowered his people. He has encouraged the change, the development, the growth, and the strength of the populace which are essential if democracy is to prevail.

Mario Soares is a man of vision and courage who casts a tall and glorious shadow over the democratic Portugal of today and tomorrow.

Mario Soares and his Portugal are our friends. We need more like them.

[From the Washington Post, May 23, 1987]

MARIO FOR PRESIDENT

Mario Soares, president of Portugal, came through Washington the other day, and it was a pleasure to see him. It's not just that this grizzled old socialist wears well. He was here to say that things go pretty well in his country. He wasn't looking for anything particular in the way of a concession or handout from the United States. Nor did he have any sharp or devious criticism to make of American policy, even in a part of the world—southern Africa—where Portugal is substantially involved and looks at things somewhat differently from the way the United States does.

It helps to recall that in the 1970's, when a coup suddenly enabled Portugal to break with its authoritarian past, its chances for breaking through in the other direction, to democracy, looked to some people awfully thin. It was gravely asserted that the country lacked the cultural matrix in which democracy could grow. The generals were still there, and "Eurocommunism" in its Stalinist Portuguese variant seemed especially menacing. Mr. Soares, who was to serve three times as prime minister before taking his present office as Portugal's first elected civilian president, became the hero of a dramatic encounter in which the communists were faced down. It was storybook stuff and a marvelous tonic for the West, and it goes on.

At this point a skeptic might be preparing himself to cope with the grim word that economically Portugal is a disaster. After all, Portugal was miserably backward and poor upon entering the democratic state, and the world economy has hardly made it easy for anybody in the last dozen years. Well, there have been no miracles, but there has been an impressive record in this department all the same. The socialist Soares loosened state control of the economy, and Portugal now has one of Europe's higher growth rates plus an unemployment rate that most other European politicians would love to run for reelection on.

Mr. Soares told an interviewer the other day; "Portugal is one of the rare countries in which there is absolutely no anti-American feeling."

Soares for president.

FREEDOM BELL

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. MATSUI. Mr. Speaker, It is with great pleasure that I rise today to offer my thanks to all those whose efforts have made possible the upcoming visit of the "Freedom Bell" to Sacramento, California on Friday, June 5, 1987.

As you know, the "Freedom Bell" which will be on display was forged at the Whitechapel Foundry in London, England, and is an exact replica of the original Liberty Bell that is standing in Philadelphia. This bell is recognized worldwide as a symbol of American freedom and democracy, and serves as a welcome reminder of the upcoming Bicentennial celebration of the American Constitution.

I wanted to take this opportunity to extend my personal thanks to all those that have made this national tour of the Freedom Bell possible, and urge all those in the Sacramento area to take a few moments to visit this national treasure.

TRIBUTE TO JACK D. COX

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mrs. BOXER. Mr. Speaker, Jack D. Cox was named an international union vice president by the Teamsters General Executive Board in October 1984. He had also served as an international union trustee from June to October 1984, and as area vice president for Teamsters Joint Councils 7 and 38. He was reelected as international vice president in May 1986, to a 5-year term.

Jack is a World War II veteran who served in the U.S. Navy. A onetime merchant seaman, he has lived and worked in the Long Beach, CA, area since 1958.

Jack is a well known to western Teamsters. He began his Teamster career as a full-time representative for Teamster's Local 572 of Carson, CA, in 1962 after getting a degree in industrial relations from the University of California, Los Angeles. He has served as secretary-treasurer of that local union since 1966.

Cox, representing sales drivers, warehousemen, and major industrial companies in local 572's widespread jurisdiction covering both the Long Beach and Los Angeles Harbor areas, has developed considerable expertise in negotiations with many nationally known firms.

In addition to union work, Cox has been active in local and State Democratic Party activities and has served on both county and State committees. His representation of members in the taxicab and regulated transportation industries has made him active in political fundraising in several cities in which the union has an interest.

Jack Cox is a member of the Veterans of Foreign Wars and a 26-year member of the Benevolent and Protective Order of the Elks Lodge No. 888 in Long Beach, CA. He is also active in Boy Scouts and City of Hope fundraising functions.

Jack, a widower, has five children: four sons and one daughter.

CONFERENCE ON RELIGIOUS FREEDOM

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. YATRON. Mr. Speaker, I rise to apprise my colleagues of the fourth annual conference of Religion in Communist Dominated Areas [RCDA] at Marymount University in Arlington, VA.

RCDA endeavors to promote respect for religious freedom, and enhance public awareness of the problems encountered by individuals attempting to exercise this fundamental, internationally recognized right in Communist societies. As chairman of the House Foreign Affairs Subcommittee on Human Rights and International Organizations, I share these objectives.

RCDA has done an outstanding job, and is widely respected for its work in this field. It has made a significant contribution to the cause of human rights and to the activities of the subcommittee. Last year, I conducted hearings on religious persecution in the Soviet Union and drew heavily on RCDA publications, conferences, and other resources. Its work has also provided the foundation for many of the subcommittee's investigations and legislative activities.

The subcommittee has been represented at the three previous conferences at Marymount University. The subjects have always been extremely timely, and relevant. This year's topic, "the Millennium of the Christianization of Rus' and Religious Freedom and Human Rights in the Soviet Union," proved to be just as worthwhile and informational. The list of speakers and participants was most impressive, and brought together a wealth of expertise which ensured success.

The millennium is a very significant anniversary in the life of the Slavic peoples. Although the millennium will be celebrated in 1988, holding the conference this year is an effort to call wider attention to this important forthcoming event. The subject was particularly important and timely because the conference presented a substantial amount of evidence documenting religious freedom and human rights and still being violated on a wide scale despite Gorbachev's glasnost.

The conference was chaired by the Honorable Richard T. Davies, former U.S. Ambassador to Poland and President of RCDA's Research Center. Among the speakers were scholars, clergymen, and diplomats. Some of the subjects included: The millennium of Christianity and the religious situation in the Soviet Union; human rights in Gorbachev's time; law and religion in the Soviet Union; the Catholic Church in Lithuania; the Islamic revival in the Soviet Union; the millennium of Ukrainian Christianity, and many others.

I am convinced that efforts like these do make an important difference. Governments rarely admit that pressures created by such activities lead to positive results. But, prisoners are released, and at times conditions are eased because of public concern. In fact, I believe that some of the positive gestures which have occurred in Eastern Europe recently can be attributed to the constant work of RCDA and other important organizations, including the many concerned Members of Congress.

Nevertheless, there is much to be done. Countless numbers of individuals are denied their right to religious expression. We must continue to pressure Communist governments to fulfill their international obligations in accordance with the Helsinki accords, the Universal Declaration of Human Rights, other relevant covenants, and their own laws.

TWO HUNDRED YEARS AGO AT THE CONSTITUTIONAL CONVENTION (JUNE 6)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. SHARP. Mr. Speaker, the Convention had finally moved through all 15 proposals in the Virginia delegation's plan. It was time to reconsider the sections which had been too controversial to settle completely on first discussion.

On June 6, the Convention again debated whether the people should be able to elect the Members of the House of Representatives.

Opponents argued that direct election would give the citizenry too much responsibility at the expense of State governments. Supporters believed that people should be given more of a role. As Pennsylvania's James Wilson said, the national legislature "ought to be the exact transcript of the whole society."

By day's end, however, no final decision has been reached.

VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program [DHCP] system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987, on this important subject, I have received many letters from veterans and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter sent to the chairmen of the House and Senate Appropriations Committees which I received from Dr. W. T. Moore, chief of staff of the VA Medical Center at Grand Junction, CO, that demonstrates how the VA employees feel about their medical computer system. The letter follows:

GRAND JUNCTION, CO,
May 15, 1987.

Hon. JAMIE WHITTEN,
Chairman, Committee on Appropriations, U.S. House of Representatives, Washington, DC.

DEAR CHAIRMAN WHITTEN: Let me personally visit with you concerning the implementation of the DHCP system from a clinical perspective at the Grand Junction VA Medical Center.

We are in the third year of DHCP implementation and have found that the system meets the needs of the physician and nurse, as well as the veteran patient. Lab reports, pharmacy profiles, and x-ray reports are available to the physicians many hours sooner than they were before DHCP. The development of new software is occurring faster than we can find new monies for terminals and computers. The software that is being developed is responsive to the great variety of sizes in medical centers as well as the specialized needs of different types of medical centers.

Our DHCP staff regularly interact with our medical staff and will implement any new package as it becomes tested and verified. They also provide much of the training in this medical center for users.

The VA method of using SIUG's (Special Interest User Group), with physician input where appropriate, has made a large difference in the acceptance and use of the computer.

From my perspective, the DHCP implementation has been a shining example of the best that private industry has to offer in that the developers of the software behave more like the private sector without the price tag of the private sector development. Please do not cut this program.

Sincerely yours,

W.T. MOORE, M.D.

INTRODUCTION OF ACQUIRED IMMUNODEFICIENCY SYNDROME EDUCATION, INFORMATION, RISK REDUCTION, TRAINING, PREVENTION, TREATMENT, CARE, AND RESEARCH ACT OF 1987

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. RANGEL. Mr. Speaker, today I am pleased to introduce the Acquired Immunodeficiency Syndrome Education, Information, Risk Reduction, Training, Prevention, Treatment, Care, and Research Act of 1987. Joining with me in introducing this legislation are my colleagues Mr. GILMAN and Mr. GUARINI.

Acquired immunodeficiency syndrome or AIDS is arousing fear in our society. The Centers for Disease Control [CDC] Report now reports over 35,000 cases of AIDS, with a fatality rate of almost 60 percent.

These statistics are frightening. As lawmakers, it is imperative that we not react out of fear, but enact well-thought-out policies that will respond effectively to the problem. I believe the legislation proposed today would do just that.

The bill would provide for the following:

The dissemination of information to educate all Americans about AIDS, the associated risks, and choices that can be made to protect themselves.

Support for the development of networks of treatment services to meet the complex health and social service needs of AIDS patients cost-effectively.

An expanded, intensified, and AIDS coordinated research program.

An expansion of voluntary testing programs.

As chairman of the Select Committee on Narcotics Abuse and Control, I am particularly concerned about the relationship between AIDS and IV-drug use. This is a growing problem, generally, and particularly in the minority communities.

Of the more than 35,000 adult cases of AIDS reported by the Centers for Disease Control [CDC], blacks constitute 24 percent and Hispanics, 14 percent. Among AIDS cases attributed to IV-drug use—17 percent of all AIDS cases—35 percent are black and 35 percent are Hispanic. Another 8 percent of AIDS cases are attributable to homosexual males who are also IV-drug users; 7 percent of this population are black and 7 percent Hispanic. But, AIDS not just a problem for minority adults.

The Centers for Disease Control [CDC] have reported a total of 498 pediatric AIDS cases—patients under 13 years of age at the time of diagnosis. Among the pediatric AIDS population, black and Hispanic babies are severely overrepresented. Over one-half of all babies born with AIDS are black; another 25 percent are Hispanic. In New York, excluding transfusion-associated pediatric AIDS cases, 57 percent of the babies are black and 33 percent are Hispanic. Or, 90 percent of the babies with AIDS in New York are minority children.

Why are so many of our babies inflicted with this disease? It is because of the association between IV-drug use and AIDS.

Pediatric AIDS is another manifestation of the devastating effects of drug use, specifically intravenous drug use. The vast majority of infants with AIDS contract the disease through their mother. The disease is usually passed from mother to child drug pregnancy or birth. Most AIDS cases among women are associated with IV-drug use. Consequently, at the present time, approximately 80 percent of pediatric AIDS cases are attributable to IV-drug use, either that of the mother or her partner.

Because of the high concentration of female AIDS cases among women in their child-bearing years, a growing number of pediatric AIDS cases is expected, as more women become infected through intravenous drug abuse and sexual intercourse with infected men. By 1991, the Public Service estimates that 3,000 children will have suffered from this disease and virtually all will die.

It seems wherever we turn today existing problems and new crises are compounded by our Nation's drug problem. Therefore, effective solutions require that we address the drug problem. The legislation proposed today provides the study and demonstration projects directed toward reducing the transmission of AIDS among IV-drug users and increasing treatment available to IV-drug users with AIDS.

Moreover, the Select Committee on Narcotics Abuse and Control, which I chair, has scheduled a hearing on the problem of pediatric AIDS in New York City next month. Effectively addressing the AIDS problem, in general, and the pediatric AIDS problem in particular, means confronting the IV-drug use problem.

We must reach a solution to this problem quickly. I believe that the Acquired Immunodeficiency Syndrome Education, Information, Risk Reduction, Training, Prevention, Treatment, Care, and Research Act of 1987 would provide such a solution. Mr. KENNEDY has already introduced companion legislation in the Senate, S. 1220. We can, we must, act on this legislation this session.

I would urge my colleagues to join me as cosponsors and support the passage of this legislation this session. The very survival of this Nation may depend on this.

CONTINUING REPRESSION IN NICARAGUA

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. SOLOMON. Mr. Speaker, a small segment of our Nation's media has managed to keep its "eye on the ball" with regard to the realities in Nicaragua today, despite the general diversion of media attention to the hearings now being held by the select committees. I want to commend the author of the following article, which outlines in detail just one of the many reasons why the Nicaraguan people are chafing under the Communist rule of the Sandinistas and why they need our help.

I sincerely hope that, having the benefit of this and other clear-sighted reports, we will all understand why it is so very crucial that we not abandon the Nicaraguan people and the Nicaraguan resistance yet again. It is crucial not just for the Nicaraguans, but for all Americans—North, Central, and South.

[From the Wall Street Journal, June 5, 1987]

A HARD-LINE NICARAGUAN MINISTRY ALIENATES THE PEOPLE

(By Clifford Krauss)

MANAGUA, NICARAGUA.—Seven hundred thousand pounds of bagged cornmeal, most of it infested with worms, clutters the El Caracol cereal-processing factor. While the Sandinista government urges the plant to boost productivity, trucks from the Internal Trade Ministry haven't been by to pick up the cornmeal in more than two months. Meanwhile, Managua's poorest children are going hungrier without cereal.

Two years ago, the ministry—better known by its acronym Micoin (pronounced Mee-co-een) seized El Caracol's distribution rights in a move to strengthen the socialist side of Nicaragua's economy. Today, it has succeeded more in alienating the population than in achieving that goal. Indeed, so intense is the public outrage that even the Sandinista newspaper Barricada has felt compelled to run a series of page-one articles and editorials criticizing the ministry's performance.

At the El Caracol plant, Micoin is vilified. "Micoin isn't good for anything," says Enriqueta Rodriguez, a 38-year-old bag packer who wonders why she bothers to continue shoveling the grains. She adds: "You can't ever find eggs to buy and that's Micoin's fault too."

EASY TARGET

As the circulator of ration cards, regulator of market prices and supplies, manager of a nationwide network of supermarkets and corner food stores and primary purchaser of basic grains from Nicaragua's peasant farmers, Micoin wields enormous economic clout. It is also an easy political target, and its image of inefficiency and corruption is a drain on the Sandinistas' lagging popular support.

Micoin is more widely blamed for more problems than any 11,000-member ministry could ever possibly hope to fix—from the extra hours consumers must wait in line for rationed food, to falling agricultural production caused by Micoin's stifling price controls, to the proliferation of a politically hostile class of small merchants operating outside the socialist-planned economy.

Micoin market inspectors, who levy fines and sometimes confiscate produce from black-market "speculators," are regularly the target of stones, tomatoes and buckets of water thrown by audacious market women. These vendors believe they ought to have the right to sell rice and beans at free-market prices. At least one inspector has been murdered by vendors.

TOUGH TASK

Nicaraguan Vice President Sergio Ramirez, who is pushing for pragmatic new commercial policies, says Micoin faces his government's "toughest administrative task"—feeding the nation at a time of war against the U.S.-sponsored Contra rebels. "Harvard graduates couldn't solve the problems," according to Mr. Ramirez, because "if you only have 10 eggs and 50 people to feed, you can't make everyone happy."

Such explanations don't seem to impress many Nicaraguan consumers. At a Micoin neighborhood food store in Managua's Santa Ana Sur barrio, residents blame the ministry for distributing spoiled cooking oil that gives their children indigestion. Once every 15 days barrio housewives leave bricks, empty paint cans and bottle caps outside the store at 9 a.m. to secure a place in line for the 1:30 p.m. opening.

The lineup isn't a happy scene. One woman wants to know why Micoin only supplies brown sugar, and not the preferred refined variety. Another says some weeks there isn't any toilet paper in the store.

BUS CHECKS

Until such methods were banned earlier this year, Micoin inspectors manned roadblocks on highways entering Managua to block transport of basic goods destined for the black market. Long delays were resented by bus passengers, while inspectors were sometimes reduced to confiscating paltry amounts of food from old women who tried to hide their "contraband" in their apron pockets.

Merchants in Masaya's concrete-and-tile city market bitterly complain about the snooping of Micoin inspectors, who lurk about in search of grain, salt and cooking oil—products that can only be sold by Micoin or merchants with Micoin licenses. "It's like being a child spanked by your parents again," says one Masaya merchant. "But these parents have guns."

Actually, Micoin personnel don't carry weapons, but they are so despised that they can't enter some markets without the protection of guard dogs or police escorts. One Micoin inspection at the Leon city market last year triggered a small riot. "If the people are hungry enough, there will be an insurrection," predicts Ivan Herrera, a director of the Nicaraguan Chamber of Commerce. "That's a possible consequence of Micoin's policies."

NOTHING FOR CONTRAS

Fortunately for the Sandinistas, widespread dissatisfaction with Micoin (and the government's entire economic policy) hasn't triggered a groundswell for the Contras. Still, Sandinista pragmatists led by President Daniel Ortega and Vice President Ramirez have ordered Micoin, which is run by hard-line ideologues, to modify its ways.

Micoin was ordered recently by top Sandinista economy officials to revamp its supermarket system's price-and-supply system, to lift some import restrictions on private businessmen and to suspend deployment of unpopular roadblocks. And at the El Caracol cereal-processing plant, Micoin has promised to give management back the right to distribute cornmeal as its sees fit. (Managers at the state-owned plant say it will take several months to reconstruct their marketing network.)

Such progress apparently hadn't made an impact on the ministry's public-relations problem. At Managua's Eastern Market, a labyrinth of wooden shacks perfumed by overripe mangos and avocados, market women excitedly show a visitor three machine-sealed sacks of corn stamped with Micoin's logo.

TRAIL OF CORRUPTION

According to the women and local truck drivers, corrupt Micoin employees sell produce to middlemen who resell the food to them. The market women claim that a particular Micoin employee comes to the market himself every week to illicitly sell grain stolen from Micoin supplies, while his colleagues inspect the market on other days.

"They repress us," says a 35-year-old market women named Juana who was taken away by Micoin agents last year and held in prison for two days for selling basic grains without Micoin approval in the Managua market. "They hit me with my own fruit basket," she grumbles.

Micoin's reputation for corruption was highlighted two months ago in the city of Matagalpa when six Micoin employees allegedly murdered a security guard at a Micoin storage depot and then took off with roughly $5,000 worth of clothes, shoes and electrical appliances.

Micoin officials concede their ministry has problems, but they blame the U.S.-sponsored Contra war more than they blame themselves. "Corruption exists and this is one of the defects that comes along with the aggression," says Micoin Vice Minister Francisco Sanchez.

"After the war, we'll have more soap, more beans, more rice. Black-market activities will decrease, and so will the repression of illegal commerce."

COMMEMORATION OF KATHRYN PROVENCHER

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. CONTE. Mr. Speaker, I rise today to pay tribute to a fine student and talented writer, Kathryn Provencher of West Springfield, MA.

Kathryn, as one of the 150 winners of the U.S. Department of Education's Bicentennial Constitution Essay Contest, has distinguished herself as a caring American. A fifth-grader at Fausey Elementary School in West Springfield, she has written an essay on the Constitution that accurately and eloquently portrays the goals of this country. Through her insight and clarity, she provides young and old alike with a moving description of the protections provided by the Constitution.

More than 1 million students in grades 1 to 8 submitted essays in the contest, and winners were selected from a panel of more than 1,350 finalists. Kathryn's essay without a doubt met the criteria of the judging process, which considered understanding of topic, unity of ideas, clarity of expression, originality, and style and mechanics.

Mr. Speaker, it is with great pleasure that I now share with my colleagues the essay written by this talented young American.

WHAT THE U.S. CONSTITUTION MEANS TO ME AND TO OUR COUNTRY

(By Kathryn Provencher)

The Constitution means a way of life for the people of this country that is better than in many other nations of the world.

It is: The freedom from years of slavery for the black people.

It is: Families of immigrants entering this country and having the right and opportunity to improve their lives.

It is: The right of woman to finally have the power to vote in elections.

It is: An elderly black woman in the South having the courage to sit in the front seat of the bus, or to drink from a "white only" water fountain after years of segregation.

It is: a soldier dying in World War I, or World War II, or in Viet Nam so that others may live in freedom.

It is: Jews, Protestants and Catholics free to worship any God they wish.

It is: A criminal having the right to a fair hearing in Court and to be innocent until proven guilty.

It is: A poor family in any city receiving government food, shelter, and medical care.

It is: A newborn baby with the right to grow up to attend any school, learn any trade, and work any job he is able to do.

It is: The elderly people who get government Social Security checks, Meals on Wheels, or lower cost medical care.

It is: Freedom, protection from harm, and equal rights for all * * * and it is ours!

TWO HUNDRED YEARS AGO AT THE CONSTITUTIONAL CONVENTION (JUNE 7)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. SHARP. Mr. Speaker, some of the staunchest supporters of direct popular election for the House felt there was a need to "guarantee" the stability of the national legislature by insulating the Senate from the public.

As Delaware's John Dickinson described in a speech on the Convention floor June 7, the Senate should "consist of the most distinguished characters, distinguished for their rank in life and their weight in property." A majority of the delegates favored putting the selection power in the hands of State legislatures.

George Washington's attitude about the Senate typified that of his colleagues. Queried about his position on the issue by Thomas Jefferson at breakfast one morning, the general asked Jefferson why he poured coffee into a saucer. "To cool it," replied Jefferson. Similarly, said Washington, "we pour legislation into the senatorial saucer to cool it."

LOW-INCOME HOUSING DEMAND TO REACH "CRISIS-LEVEL" IN NEAR FUTURE, STUDY SAYS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. GARCIA. Mr. Speaker, this week the House will be considering one of the most important pieces of legislation we have considered this year, H.R. 4, the housing bill.

Why is housing legislation so important? I think of it as a preventive measure that will help avoid a massive increase in the numbers of the homeless. We are all familiar with the plight of the homeless, the rapidly growing number of female headed homeless families, the sight of children with nowhere to sleep at night. This body thought that the homeless problem was sufficiently important to pass a homeless emergency relief bill. That was an important first step, but the housing legislation we are about to consider is a giant step by comparison, because we are attempting to stem the tide with realistic measures that meet budgetary restrictions, rather than putting a temporary finger in the dam.

It is critical that we pass housing legislation this year. We have not had a real housing bill since 1983. New construction is down to a trickle, yet there are those that would terminate new construction as an unnecessary expense. An ongoing program to help those who need it is not an unnecessary expense. What should be unnecessary are emergency measures—there should never be a need for such emergencies in this country.

Housing funds have been cut back by more than half since the early 1980's. What makes this doubly difficult to deal with is the fact that the need for low-income housing has grown, and will continue to grow.

In light of the importance of the upcoming debate on H.R. 4, I recommend the following article to my colleagues.

The article follows:

[From the Wall Street Journal, June 3, 1987]

LOW-INCOME HOUSING DEMAND TO REACH "CRISIS-LEVEL" IN NEAR FUTURE, STUDY SAYS

(By Michel McQueen)

WASHINGTON.—The gap between the supply of low-income housing and the number of families needing such housing will soon rise to "crisis-level" proportions, a study by a non-profit group concludes.

The study was sponsored by neighborhood Reinvestment Corp., a congressionally chartered institution created in 1978 to spur revitalization of low-income neighborhoods and to help maintain a supply of low-income housing. It was written by an associate professor at the Massachusetts Institute of Technology, Phillip Clay.

The report concludes that by 1993, there will be 14.3 million low-income households, but only 10.6 million low-rent housing units, a gap of 3.7 million units. By 2003, the gap will be 7.8 million units, which the author says represents housing for about 18 million poor people.

THREE MAIN FORCES

The study identifies three main forces behind the projected housing squeeze: growth in the number of low-income households accompanied by a decline in the number of privately owned, low-cost rental units; expiring federal subsidies for low-income rental housing; and decreased tax incentives resulting from last year's federal tax overhaul. The author says that two-thirds of the nation's low-income housing is privately owned and not subsidized by the federal government.

William Whiteside, executive director of Neighborhood Reinvestment, said that without changes in federal policies, the figures "will mean Americans living in slum conditions, Americans doubling up—what you can call the hidden homeless—and increases in the actual numbers of homeless."

Author Clay said the study calls into question the shift in federal housing policy, accomplished over the past 20 years, from reliance on publicly owned units for poor families to increased dependence on the private sector.

PRIVATE-SECTOR PARTICIPATION

"We made a decision, we made a judgment, that the private sector could do the public's work for it. We are now realizing that there's a time limit on" private-sector participation, he said. For example, subsidies that allow private developers to end their articipation run the risk of having developers seek different investment when the subsidies end. Lawmakers must find a way to ensure a permanent supply of housing for low-income families. Mr. Clay added.

Concern over diminishing availability of low-income, privately owned housing is a mounting concern in Congress, which is considering legislation to place certain restrictions on landlords who try to end their participation in subsidy programs. Some lawmakers also have pressured the Department of Housing and Urban Development to forgo planned sales of mortgages held by HUD, saying such sales could increase the chances that poor families will be displaced. But one such sale of 300 mortgages, representing about 40,000 low to moderate-income housing units, was held yesterday despite protests from Congress.

In the study released yesterday, low-income families are defined as those with incomes of 50% or less of the national median income. In 1983, the base year of the study, that would be an annual income of $12,000 for a family of four. Low-income units are defined as those with a monthly rent of $325 or less.

LARRY GRANT: EXTRAORDINARY CITIZEN

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. DYMALLY. Mr. Speaker, Larry Grant of Carson, CA, is a refreshing example of an all-around successful human being. This loving father and devoted husband has not only excelled in the banking profession, but he has been a consistent, positive force in his community as well.

Larry is currently president and chief executive officer of the National Cultural Foundation which is a nonprofit, educational organization founded by Larry and the late David Geiger, D.V.M. for the purpose of involving youth in positive activities and of presenting annual Martin Luther King, Jr., Day parades. But positions of authority and responsibility have been the norm for Larry in both the business and the civic arenas. Through them he has made a positive difference in southern California. He has served on the boards of directors of such organizations as the Southside Chamber of Commerce, the Los Angeles Wheel Chair Athletes Association and the South Central Los Angeles Optimist Club.

He is very active with area youngsters and feels that sports are a constructive outlet for youthful energy, particularly little league baseball. He has coached one little league all-star team and managed two others. For 2 years he has served as the Bank of Finance representative to the Baldwin Hills Little League. Currently, he served on the Harbor City Little League Baseball District 27 Board of Directors. He is a member of the Greater East Bay Parent Teachers Association and of the West Los Angeles United Way Neighborhood Youth Association.

The National Cultural Foundation was founded by Larry and Mr. Geiger in 1980. Unfortunately, Mr. Geiger passed away shortly thereafter. The foundation, which is very active on behalf of the youth in the area, has given away over 14 scholarships in the past 7 years. They have assisted the respective recipients invaluably.

One of the most noteworthy efforts of Mr. Grant and the Cultural Foundation involves paying homage to one of America's greatest heroes, Dr. Martin Luther King, Jr. Larry was the founder and organizer of the First Annual Martin Luther King, Jr., Parade which took place in San Diego, January 17, 1981. For 7 years now Larry has been instrumental in bringing one of America's greatest black parades to fruition in San Diego and he has recently expanded his magnanimous efforts to the Los Angeles area. The first parade in Los Angeles took place in 1986. It promises, however, to become as large an event as the Rose Bowl Parade. Already, it is 150 units large and televised. Throngs of people flock to these parades each year, and Larry has received innumerable accolades for his efforts from the community there. The parades provide an alternative to men of violence as heroes and remind us all of the revolutionary mission of Dr. King which we as a country have yet to achieve.

Larry Grant, who was educated at Los Angeles Harbor College, the American Institute of Banking, and after being drafted for the World War, in the U.S. Army's Schools of Finance and Personnel Administration, is a pillar of the business community as well. He is currently business license and tax enforcement officer for the city of Carson. But more importantly, he is a role model worthy of emulation by us all. He is making a visible and substantive change in our world. Larry is an extraordinary citizen. I am proud to serve him in the Congress.

IN RECOGNITION OF FRANK J. PECARICH

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. FAZIO. Mr. Speaker, this month, an outstanding individual, Frank Pecarich, will retire from the Department of the Interior. He is an exceptionally competent and dedicated Federal employee who has devoted his time and energies to furthering the employee training and development program of the Bureau of Reclamation. He will be remembered in particular as the designer of the bureau-wide organization development seminar instituted in 1974 and through which over 2,000 supervisors and managers have acquired enhanced skills.

Mr. Pecarich will be awarded the Department of the Interior's Citation for Meritorious Service.

I would like to submit his citation for the RECORD, because it is important that we in Congress who legislate on Bureau projects and the public which benefits from the Bureau's work know about the top notch individuals who compose the core of this vital agency.

The citation follows:

CITATION FOR MERITORIOUS SERVICE—FRANK J. PECARICH

In recognition of an outstanding career in furthering the employee training and development program for the Bureau of Reclamation, Department of the Interior.

Throughout his career, Mr. Pecarich has been recognized for his creative contributions. His effectiveness in employee and organization development and training have been unprecedented in the Bureau. Mr. Pecarich has established himself as one of the best training officers in the Department of the Interior and is recognized throughout the Department as a competent professional. One of his noteworthy accomplishments was the Project Manager's Workshop which was first convened in 1982 for the purpose of bringing together at a single time and place all project manages and top level Bureau and Department executives for the purpose of identifying and resolving common problems and creating a sense of unified commitment to major policy goals and objectives. The workshop was so well received by the participants that it was repeated in 1983. Without the direct and constant leadership of Mr. Pecarich and his coordination of agenda and guest speakers, the two Project Manager Workshops would not have enjoyed the unanimous success they did. Another major accomplishment is the Bureau's Comprehensive Construction Training Program [CCTP]. This is a totally new concept in providing staff training in technical construction skills. A preponderance of the coursework has been completed and pilot training sessions have been conducted. The self-study, self-paced nature of the coursework is particularly unique. By eliminating the need for classroom delivery, the Bureau will save more than $1 million. Mr. Pecarich has managed this entire effort in an exemplary manner. Since beginning this project, the Bureau has been contacted repeatedly by officials responsible for construction policy from inside and outside Government, at many levels, and from other nations. They have all been eager to purchase the material and immediately utilize it to train their workforce. It is apparent that the course material will ultimately be used internationally to train personnel in virtually all aspects of heavy construction. For his outstanding service and unprecedented achievements, Frank J. Pecarich is granted the Meritorious Service Award of the Department of the Interior.

COURAGEOUS FEDERAL EMPLOYEES

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. LEHMAN of California. Mr. Speaker, on June 9, 1987, Mr. John McGee, district ranger from Bridgeport, CA, will accept an honor award from the Secretary of Agriculture. This award is on behalf of the Bridgeport Ranger District Crew of the U.S. Forest Service for the heroic lifesavings action of 10 employees in the rescue of 21 bus passengers.

Last May the second worst bus accident in this Nation's history occurred involving 42 elderly passengers who were returning to Santa Monica, CA, from this vacation in Reno, NV. While traveling through the Toiyabe National

Forest, the bus swerved off the pavement, rolled down a 30-foot embankment and plummeted into the turbulent spring snow runoff of the West Walker River. The cold forceful current of the river pushed through the back of the bus carrying passengers out of windows and to their deaths from drowning and hypethermia, while other individuals drowned in the back of the bus.

Elizabeth A. Kinney, a helitack firefighter for the Bridgeport Ranger Station, was driving north from the ranger station she saw the bus in the river and immediately went to rescue the surviving passengers. The bus was swaying in the current and looked as if it might be swept down the river any minute. Kinney realized the danger but risked her life anyway in an effort to save the victims. First, she calmed the passengers by telling that help had arrived and then proceeded to help those who could walk and get out of the bus, and then she sent a car to call for help.

While the Bridgeport Ranger Station was being notified Kinney administered medical attention to the seriously injured and organized passersby into a human chain to pass the injured passengers from the bus to the road.

Once the Bridgeport Ranger Station had been notified of the accident, nine other members arrived to the scene and worked as a team along the banks of the Walker River.

Those nine other valiant Federal employees were William A. Bryant, the district fire management officer; Michael T. Gaffney, a fire engine crewman; Matthew W. McCulloch, a fire engine foreman; William T. Brown, a fire surpression crewman; Jon E. Elliott, a fire engine crewman; Steven L. Lear, a fire engine foreman; Kent A. Wedin, a fire engine crewman; and Kristi J. Gow, a fire engine assistant foreman.

No award can adequately recognize the bravery and dedication demonstrated by these 10 individuals. It is the Federal Government's honor and privilege to present the Department of Agriculture's Honor Award to Mr. John McGee for his ranger district's heroic, lifesaving action. And it is my personal honor to represent Federal employees such as these who place the lives of others above their own.

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (JUNE 8)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. SHARP. Mr. Speaker, the inadequacy of the Articles of Confederation was not a point of contention in Philadelphia. Over the last few years, each delegate had seen many unsuccessful attempts by the enfeebled Continental Congress to enforce its pronouncements from Congress Hall in New York City.

Yet even in this disarray there was still a reluctance to give Congress too much power over the States. This was evident in the debate June 8 over a proposal allowing the national legislature to veto any State law "judged to be improper."

The proposal angered representatives from smaller states who believed a powerful Federal Government would dominate them and feared their interests would be neglected with more centralization.

With such broad opposition, the proposal was soundly defeated and was never brought up again.

CELEBRATING RADIO MARTI'S SECOND ANNIVERSARY

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. SMITH of Florida. Mr. Speaker, it is with great pleasure that I rise today to mark the recent occurrence of Radio Marti's second anniversary on May 20. I also take this opportunity to salute the brave Cuban patriots who fought to bring democracy to their nation.

Eighty-five years ago, on May 20, 1902, the United States granted Cuba its independence. This beautiful island's short-lived democracy and liberty was shattered by Castro's takeover in 1959. On May 20, 1985, the United States inaugurated Radio Marti, sending hopes for freedom and liberty once again to the people of Cuba.

Mr. Speaker, I would like to bring to my colleagues' attention the text of an article entitled "Radio Marti: Meeting the Need for Uncensored Information in Cuba" that appeared in the New York University's Journal of International Law and Politics. I believe that my colleagues will find both interesting and informative this article about Radio Marti's role and accomplishments.

RADIO MARTI: MEETING THE NEED FOR UNCENSORED INFORMATION IN CUBA

(By José O. Salinas)

I. INTRODUCTION

In late 1983, President Reagan signed the Radio Broadcasting to Cuba Act (hereinafter the RBC Act) into law. The objective of the RBC Act is to "provide for the open communication of information and ideas through the use of radio broadcasting to Cuba." In order to implement this objective, the United States Information Agency (hereinafter the USIA) subsequently established a fifty-kilowatt radio station, Radio Marti.

Based on its belief that all governments should recognize their citizens' fundamental right to have access to information about current events in order to make "informed judgments on the actions of their own government," the United States took a significant step towards dismantling the censorship barrier existing in Cuba. In helping to promote that right in Cuban society, the United States pursues "a peaceful, legal and non-confrontational foreign policy initiative in the national interest."

This Note examines the history of Radio Marti and arguments for and against the operation of the station. It also analyzes the extent to which information is controlled in Cuba, the reasons radio is needed as a medium of communication, and specific issues concerning the operation of the station. Finally, the Note concludes that humanitarian and political considerations strongly justify Radio Marti's continued operation.

II. BACKGROUND AND ESTABLISHMENT OF RADIO MARTI

A. Considerations for Radio Marti

In the United States, the media usually investigate potential news-making stories independently of governmental directive. At times, news emanates exclusively from official U.S. Government sources, as when a governmental act is newsworthy or the government is the only available source of information. The U.S. Government does not, however, compel the media to endorse a particular viewpoint. Rather, government officials are held accountable to their superiors and constituents for the accuracy of the information they present.

The Communist Cuban Government follows a different policy for the dissemination of information. It exerts pervasive control over many aspects of Cuban life and depends upon its control of information to maintain power. The *Departamento de Orientación Revolucionaria* is the Cuban Government agency responsible for disseminating news information in Cuba. It presents only news that is consistent with the regime's ideology. The Government justifies this system as necessary to avoid confusing or misguiding the public.

In addition to disseminating only ideologically consistent information, the Government prohibits the dissemination of unauthorized information. Anyone who attempts to disseminate information not approved by the Government risks punishment. In silencing unauthorized dissent in this way, the Government wields plenary power over the dissemination of important information, such as news relating to national and international affairs. Thus, many significant facts and events are not public knowledge in Cuba. By strict control of the media, the Cuban Government is also able to manipulate the substance, degree, and timing of all information that is disseminated.

The availability of uncensored information is essential because the Cuban people need a standard, independent of the one provided by their Government, by which to judge their Government's domestic and international policies. With the RBC Act, Congress sought to provide such information in Cuba. As a Senate report found, one of the primary purposes of Radio Marti is to inform—

"* * * the Cuban people about their Government's domestic mismangement and its promotion of subversion and international terrorism in this Hemisphere and elsewhere. It . . . tell[s] the Cuban people what these activities cost in terms of living standards for them and their children and will correct the false image they have been given of Cuba's international reputation."

Thus, the objective of the broadcasts is not to encourage a revolution in Cuba but to inform the Cuban people about world events in the hope that they will be better able to hold their Government accountable for its actions. Toward this end, Radio Marti "serve[s] as a consistently reliable and authoritative source of accurate, objective, and comprehensive news."

Two factors were influential in motivating Congress to attempt to increase the availability of objective information in Cuba. The first is Congress' commitment to promote the American tradition of freedom of expression in neighboring countries. Free expression is believed necessary for maintaining the ideal of a democratic society. The RBC Act assumes a logical corollary to free speech, namely, the ability to freely receive information. Given the American commitment to democracy and the close proximity to its shores of a government whose ideology it considers inherently opposed to its democratic ideals, the desire to maintain a project such as Radio Marti is understandable.

The second factor that was influential in the establishment of Radio Marti is an internationally recognized humanitarian concern for the free flow of information. In enacting the RBC Act, Congress relied on Article 19 of the Universal Declaration of Human Rights. This Article states that "[e]veryone has the right to freedom of opinion and expression; this right includes freedom to hold opinions without interference and to seek, *receive* and impart information and ideas through any media and regardless of frontiers." While this Declaration is not legally binding on individual states, it has been accepted by the U.N. General Assembly, by the United States and Cuba, and by many scholars as a general principle of international law. The U.S. Government believed that the establishment of Radio Marti was not only desirable but fully justified in light of its obligations under international law to further the cause of basic human rights and freedoms.

The RBC Act requires Radio Marti to follow Voice of America (hereinafter VOA) broadcasting standards, which require the "broadcast of programs which are objective, accurate, balanced, and which present a variety of views." U.S. officials hope that by following such statutory guidelines, Radio Marti will gradually earn a sizable Cuban audience attracted by new and cultural programming that their Government does not supply.

B. Programming and listenership

Broadcasting daily, Radio Marti reaches most of Cuba. The major part of Radio Marti's broadcasts concerns Cuba and Cuban events. The station's programming is composed of various segments. These include, among others, "Testimonials" which features Cuban exiles telling of their experiences in Cuba and their efforts to leave; "Round Table" which brings together experts from particular disciplines to discuss a specific issue with a moderator; "Focus" which centers on important political, economic, and sociological events; and "Entertainment," a popular segment that covers Hollywood, Broadway, and opera events. In addition, the station plays a wide variety of music. Another segment features art and culture where, for example, the poetry of a jailed Cuban dissident or Walt Whitman's views on democracy may be heard. There are also José Marti apothegms every half hour and a popular soap opera, "Esmeralda."

News presentations from various sources such as VOA's news service, national and international wire services, Radio Marti reporters, and a network of stringer correspondents around the world are aired every half hour. Particular attention is given to political, economic, military, and diplomatic activities in Angola, Central America, and other places in which Cuba is involved or with which Cuba shares a common ideology, such as Poland and other eastern European countries. The segment "Cuba Without Censorship" specifically highlights those important events, occurring within Cuba, about which the Cuban Government has prohibited the dissemination of information.

Despite its fledgling status, Radio Marti has captured a large and diverse audience. In addition to its general popularity with the Cuban public, the station has reportedly even attracted some Cuban Government officials who listen to the station for its news programs. Its broad listenership is attributable, at least in part, to the fact that the station has quickly "gained a reputation for reliable, credible news." Considering it essential to provide objective programming in order to attract and maintain Cuban listeners, U.S. officials purposely attempt not to be propagandist.

At Radio Marti's inception, the Cuban Government relentlessly sought to punish those who listened to the station; today, however, listeners are pursued with less enthusiasm. Although few people publicly admit that they listen, nearly everyone knows the main character of the Radio Marti soap opera "Esmeralda." Even Cuban diplomats have acknowledged the popularity of both "Esmeralda" and Radio Marti's pop music segments.

In sum, Radio Marti brings Cubans the opportunity to become aware of information that their Government has chosen to keep from them.

III. WHY USE RADIO?

Both domestic law and international law and custom favor an informational radio service to Cuba. Many nations have found radio broadcasting to be the most effective method to reach target audiences outside their borders. This section examines radio as the desired medium, focusing on the broadcasting of Communist countries and on the international agreements governing the field of broadcasting.

A. Radio is the most effective method

Because Radio Marti's task in Cuba is similar to Radio Free Europe's and Radio Liberty's task in Europe, it is helpful to look at these two stations as well. Both stations illustrate the effectiveness of radio in exposing the inhabitants of a country to information that their government has censored. For example, Radio Free Europe had a very small audience when it began airing at the end of World War II, whereas today it attracts over half of the Polish radio audience. Harvard and MIT reports indicate that, on average, about one-third of the Soviet population listens to Western radio.

Like the U.S. Government, foreign governments such as the Soviet Union and Cuba also recognize the effectiveness of radio. When Secretary of State Haig met with Foreign Minister Gromyko in 1982, they both had SS-20's, Afghanistan, and other sensitive and strategic issues on the agenda. One of Gromyko's primary concerns, however, was Western radio. Similarly, when Vice President Bush and Secretary of State Shultz attended Leonid Brezhnev's funeral and met informally with Yuri Andropov, the new Soviet leader, one of Andropov's first comments was a complaint about VOA's increased activity.

Communist countries, especially the Soviet Union and Cuba, expend considerable resources on radio broadcasting to promote socialist ideology abroad:

"[I]n this hemisphere, the Soviets broadcast 322 hours of program[s] per week of which 108½ hours are in English. The USSR also broadcasts to Latin America in Creloe, French, Esperanto[,] Spanish, Gurani/Spanish, Portuguese, Quechua, and other languages. The People's Republic of China broadcasts 128 hours weekly to this hemisphere, while 7 East European countries provide an additional 257 hours to Latin America and a further 200 hours for North America. Cuba . . . broadcasts 275 hours of programs per week to North America and the Caribbean . . . Other[] . . . communist countries broadcasting to this hemisphere include North Korea and Viet Nam. The hundreds of hours broadcast by these countries into our hemisphere contrasts [sic] sharply with the 85½ hours total broadcast by the VOA to this same area."

In short, state practice seems to indicate that the effectiveness of radio as a medium of communication is internationally recognized.

B. Agreements governing international broadcasting

The United States is a signatory to the North American Regional Broadcasting Agreement (hereinafter NARBA), a major multilateral agreement governing international broadcasting in North America. NARBA provides broadcasting standards to minimize interference and to ensure a precise and harmonious AM band in North America. The agreement provides alternative means of dispute settlement between two or more countries, including arbitration, diplomacy, or other mutually satisfactory methods. Cuba became a signatory to NARBA in 1950, but as its continuing interference over the past eighteen years has shown, it has not seriously adhered to NARBA.

In late 1981, the World Administrative Radio Conference, an arm of the International Telecommunications Union (a special U.N. agency responsible for allocating radio frequencies throughout the world), met in Rio de Janeiro to negotiate a regional agreement on rules to govern the AM band in the western hemisphere. The object of the agreement was to allow governments to broadcast according to their needs without infringing on each other's broadcasts. The Cuban delegate, however, frustrated this goal by walking out of the negotiations. Thereafter, in 1983, Cuba officially withdrew from NARBA.

Some may challenge Radio Marti's legality by arguing that the Geneva Convention of 1959 prohibits broadcasting on the AM band across international boundaries. It has become customary, however, for stations to air international broadcasts on the AM band despite the supposed prohibition against this practice, presumably, among other reasons, because Article 19 of the Universal Declaration of Human Rights gives broad sanction to this practice. Article 19 provides that everyone has the right to seek and receive information "through any media . . . regardless of frontiers" and simply does not touch upon the use of specific broadcasting bands. In addition, the "United States['] use of 1180 [kilohertz] has already been accepted by the ITU [International Telecommunications Union] as part of the frequency assignment plan and has been in use for more than 20 years."

IV. THE OPERATION OF RADIO MARTI

A. Broadcasting concerns

Radio broadcasting, despite its many advantages, poses several technical difficulties. The first involves the choice of using either amplitude modulation (AM), frequency modulation (FM), or short wave. In Cuba, the answer is simple. Virtually all of the 2.13 million radios in Cuba receive AM broadcasts, and most of these receive only AM broadcasts. For this reason the Cuban Government uses the AM band to reach its citizens and VOA has been broadcasting on the AM band for the past 20 years. The use of the AM band is therefore critical to the success of Radio Marti since the use of just FM or short wave would sharply decrease the size of the audience that can be reached.

Another technical consideration is the problem of Cuban interference with the selected frequency. Cuba has interfered with domestic commercial AM radio stations in the United States, particularly in the southern United States and with VOA for the last eighteen years. Responding to this threat of Cuban interference with domestic U.S. radio broadcasts, some domestic broadcasters have pressured the U.S. Government to cut funding for Radio Marti in hopes of preventing retribution against their radio stations.

Such interference, however, is not extensive and to the extent it exists seems unrelated to Radio Marti broadcasts. But even minimal Cuban interference has had a cost. Some U.S. broadcasters have been forced to upgrade their equipment both to override the interference and to repair any damage it has caused. Since broadcasters suffer this cost (as well as the damage resulting from lost revenues in advertising and listenership) through no fault of their own, Congress established a $5 million fund to reimburse stations that qualify under Federal Communications Commission (hereinafter FCC) rules.

Much of the interference with U.S. stations occurs because Cuban stations lack directional antennae. Although the absence of antennae also causes some interference with the Cuban Government's radio broadcasting, the Cuban Government apparently accepts this interference as long as U.S. broadcasts are also interrupted. The United States has attempted to negotiate with Cuba in an effort to change frequencies or alter their use, but such efforts have not proven successful.

When legislators began considering the idea of Radio Marti, The Cuban Government vowed to jam the station. This threat of extensive interference with U.S. radio stations, however, should not prevent the use of Radio Marti. VOA and Radio Marti share the same frequency, and each has suffered only minimal interference problems. Furthermore, recent interference has not presented an insurmountable obstacle. The threatened radio war has never materialized.

B. Impact on U.S.-Cuban relations

The announcement that Radio Marti would begin airing the morning of May 20, 1985, prompted the Cuban Government to officially protest to the United States. *Granma*, Cuba's official Communist Party newspaper, printed the text of that protest on its front page. Responding to the announcement, Cuba threatened (1) to suspend the December 1984 immigration accord entered into with the United States, (2) to suspend all trips to Cuba by Cuban-Americans, except for strictly humanitarian purposes, (3) to further restrict communications with the United States, (4) to reserve the right to reconsider Cuba's cooperation with the United States in controlling piracy and other activities, and (5) to reserve the right to broadcast to the United States Cuba's view of U.S. problems and international policy.

The Cuban Government carried out the first of its threats by suspending the immigration accord. Although the Cuban Government never completely suspended all trips to Cuba by Cuban-Americans, flights between the two countries were severely restricted for a time. The meaning of the third and fourth threats remains unclear, but nothing out of the ordinary between the two countries has occurred. Finally, broadcasting interference has not increased significantly in any of the last five years.

On May 19, 1985, Cuba warned that Radio Marti would strain ties between the United States and Cuba. But to blame Radio Marti for the strain oversimplifies the problem. Persistent efforts throughout the years to improve relations between the United States and Cuba have proved futile, and it is unlikely that Radio Marti has had any effect on this historical tension.

C. Impact on Cuban media

Besides its intended effect of having objective broadcasting available to Cubans, Radio Marti has proven an additional benefit to Cubans in that Cuba's government-run media, forced to compete with Radio Marti, have, as a result, undergone major improvements. Prior to the station's inaugural broadcast, the Cuban Government began to institute significant changes in its radio and television broadcasting. "In October 1985, [the Cuban Government established] the Department of Criticism for Film, Radio and TV . . . to make programming more lively, and new programs were added and schedule adjustments made for Cuba's two television networks." Somber newscasters overshadowed by bland backgrounds have been replaced by livelier anchors and color charts. Television now offers more color programs, fewer documentaries, and more recent movies. In addition, the schedule of evening programs has been expanded, perhaps in an effort to keep listeners who would otherwise turn to Radio Marti.

D. Costs and alternatives

Some critics of Radio Marti have argued that if the United States is to broadcast to Cuba at all, it should do so through VOA, which already has the necessary facilities, rather than spend the $11.5 million that Congress appropriated in 1986 for the operation of Radio Marti. The objectives of the two stations, however, differ. Since Radio Marti's goal is to "provide news, commentary and other information about events in Cuba and elsewhere to promote the cause of freedom in Cuba," it cannot be subsumed under VOA, which "serve[s] as a window on America, presenting official U.S. Government policy and projecting American society and institutions for foreign audiences." Thus, if VOA, as it presently exists, were to carry out Radio Marti's goals, it would be forced to focus on a particular country in violation of its charter.

Commercial stations in Florida do not provide a viable alternative to Radio Marti either. They do not have the same range as Radio Marti and their programming, because it depends on advertising revenues, is tailored to the Florida listening audience. Furthermore, the U.S. Government would save little money if it were simply to buy air time from these stations because 90% of the expenses (programming, operations, and personnel) are fixed.

V. CONCLUSION

Radio Marti affords an opportunity to present facts and ideas to Cuban citizens, who otherwise might never enjoy such exposure. Indeed, an independent evaluation confirmed the station's success. Radio Marti seeks to respond to the needs of Cubans who suffer human rights violations resulting from the deprivation of fundamental rights such as the freedom to receive and impart ideas.

The RBC Act is a manifestation of America's commitment to further democratic rights and freedoms throughout the world.

"The highest calling of American democracy [should not be] the simple avoidance of friction and disputes between ourselves and dictatorial regimes, but the promotion of peace . . . based on respect for the rights of individuals. The cause of peace and freedom is served when governments are accountable to their people. Such accountability requires a reasonably free flow of information."

Radio Marti is established under the premise that "[t]he ultimate determinant in the struggle now going on for the world will not be bombs and rockets, but a test of wills and ideas." The station's continued operation helps Cubans better meet this challenge.

STANLEY STANCZYK: THE OLYMPIC SPIRIT LIVES

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. LEHMAN of Florida. Mr. Speaker, Stanley Stanczyk, a good friend and constituent, won two Olympic medals in weight lifting—a gold in 1948 and a silver in 1952. He also set 11 world records in the sport in 1 year. But after suffering a stroke last year, Stan Stanczyk has shown the same determination, energy, and commitment that made him a world-class contender.

Like many very strong men, Stan was also one of the most gentle. When I first knew him, he would hold a tenpenny nail in his hand and drive it into a 2 by 4. Yet he was idolized by youngsters and was invariably friendly and approachable.

I used to exercise in Stan's York gym a few blocks from our used car lot, and I bowled at his lanes when he operated the Bowling Palace. Now we are neighbors in Biscayne Park.

In recent years, circumstances have hindered our seeing each other as often as in the past, but I have often thought of this big, strong, gentle man.

The Miami Herald recently published an article about Stan's accomplishments and his recovery from a stroke. I would like to share this article with my colleagues.

Mr. Speaker, Stan Stanczyk is a good citizen and a good friend, and he is a profile in courage to all who know him. I know that he will tackle this new challenge with the same spirit that made him the best the world had ever known.

[From the Miami Herald, June 7, 1987]

WEIGHT LIFTER TAKES ON HIS BIGGEST CHALLENGE—WELL-WISHER INSPIRES HIM AFTER STROKE

(By Robert Lohrer)

Stanley Stanczyk, a two-time Olympic medalist and the weight lifter who set 11 world records in a single year, has a new challenge and a new source of inspiration.

It came in the mail the other day, from a man Stanczyk doesn't know. It's a letter from another weight lifter who had a stroke, just as Stanczyk, 62, did in January 1986.

It starts: "I'm writing to you to let you know what an effect you have had on my life and lifting career."

The letter sits on a table in Stanczyk's home in Biscayne Park. It's a reminder of Stanczyk's past and how he once was an inspiration for others. And it's a token of what the future might hold, because Stanczyk's pen pal has recovered from his stroke.

The letter sits next to the exercise hand grip and some two-pound weights.

Stanczyk picks up a weight and holds it at arm's length. He flexes his arms easily. First half a dozen times. Then two dozen times. Easy.

It used to be that way with the military press and the clean and jerk and the snatch. Stanczyk set world records in all those events.

It used to be that way with a bowling ball, which is what Stanczyk did for 27 years and 20,000 games at the Bowling Palace at 10855 NW Seventh Ave., which he ran as a business with his wife Dorothy and four children. They sold the business after Stanczyk's stroke.

Stanczyk doesn't think so much about bowling anymore. The stroke robbed him of his sense of equilibrium. Right now, walking and balancing without the aid of a wheelchair are on Stanczyk's mind.

"We'll come out of this, " said Dorothy Stanczyk. "The doctors expect Stanley to be 100 percent. Besides, Stanley's had adversity before."

There was the time during the Great Depression, back in Detroit, when Stanczyk slept on the street under a piece of cardboard because his family didn't have the money to pay rent and the banks were closed.

And there was the adversity that threatened to keep Stanczyk out of the 1948 Olympics.

"Five months before the Olympics, the doctor said I'd never lift again," Stanczyk recalled. In 1946, he had won the light-heavyweight world championship in Paris. In 1947, he had won the middleweight world championship in Philadelphia. He was considered a lock for the Olympic gold until he strained his back.

And in 1948, with an ailing back and doctors telling him not to lift weights, Stanczyk not only won the gold at the London Olympics, he broke four Olympic and three world records in the light-heavyweight division.

But world championships are ancient history to a man who must fight to balance himself.

And so the weight lifter who won the gold medal in 1948 and the silver in 1952 and earned a Purple Heart in World War II tries not to feel blue. "It's very frustrating to be down," Stanley was saying. "To be a great athlete and then not to be able to stand up—c'mon.

Everyone tells me I'm so much better. To me I'm still bad," he said. At first, Stanley was restricted to a hospital bed. "He couldn't even handle a knife and fork," Dorothy said.

Taking on the new adversary gets easier as time passes. And of course, there's the letter, which serves as inspiration.

It's just two pages. And the last sentence says: "The best light heavy that ever lived will get up and walk again."

TABULATION OF 1987 QUESTIONNAIRES

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. HUBBARD. Mr. Speaker, each year I distribute a questionnaire throughout the First Congressional District of Kentucky in an effort to provide my constituents an opportunity to voice to me their opinions about issues of importance to western Kentucky and the Nation.

Earlier this year, on February 27, I distributed my 1987 questionnaire, and over 33,200 western Kentuckians completed and returned their responses to my office. The responses were tabulated by my staff and by college students at Murray State University and the community colleges at Henderson, Hopkinsville, Madisonville, and Paducah, KY.

The results of the questionnaire will be published in the near future. However, I would like to take this opportunity to thank the students for their hours of efforts in scoring the questionnaires, and I want to express my appreciation to the faculty members who devoted their time in overseeing the tabulations at their respective institutions. Indeed, their assistance with the tabulations of the thousands of response has been invaluable.

The following are the names of the faculty, students, and others who helped my staff and me with the tallying of the 1987 questionnaires:

MURRAY STATE UNIVERSITY

Dr. Mark Wattier, associate professor, Department of Political Science and Legal Studies, Gary, Figgins, Cathy Gaines, Tamikia Dumas, Treav Tooke, Mitchell Hunter, Laura Harris, Angela Kimmel, Lisa Poyner, Tammy Jones, Amanda Hamm, Sherry Guess, Ginger LaFevre Morgan, Laura Sosnowski, Linda Jackson.

HENDERSON COMMUNITY COLLEGE

Brent Smith, instructor of history and political science, Hazel Book, Laura Terrell, Dennis Daugherty, John D. Haynes, Hope L. Drury, Darla Risley, Mike Smith, Tommy Mays, Beverly Hite.

Lisa G. White, Melissa Beach, Joe Nell Wilson, April Girten, Rob Mitchell, Mike Ray, Carol M. Ellis, Daron Jordan, Heather V. Butler, Donna Barnes.

HOPKINSVILLE COMMUNITY COLLEGE

William T. Turner, professor of history, Sonya E. Adams, Paul H. Allen, Anthony L. Atkinson, Wanda A. Babb, Carol A. Bingham, Janice E. Boren, Sharon G. Boswell, Wendy S. Bowling, Patty S. Boyd, Ollie F. Bradshaw, Mary Ann Brockwell.

Bobbie J. Burgett, Mark E. Burnam, Benji R. Bussell, Renee Y. Butler, Stephanine L. Capps, Daniel S. Carlson, Debbie L. Carter, Catherine A. Cavanah, James A. Clawson, Jeannie C. Clawson, Christy L. Combs, Karen M. Coots, Shelly L. Cornell, Patricia M. Cunningham, Sherry A. Davis.

Toni L. DeMarsilis, Benjamin R. Detraz, Frank D. Doss, John D. Dyer, David R. Elliott, Leslie T. Embry, Steven G. Evans, Linda S. Fowler, Gerald W. Gibson, Eric D. Griggs, Margret J. Groover, Kathryn M. Hamilton, Jerry B. Hancock, Karen G. Harris, Tracy D. Harris.

Donna C. Henderson, Anthony Y. Holloway, Veneicia D. Hollowell, Dennis W. Hughes, Melissa C. Hyde, Doris E. Jackson, Bonnie L. Jeffers, Kimberly D. Johnson, Larry J. Johnston II, Tamikio K. Kendrick, Barbara C. Keys, Kay F. Kimbro, Audrey T. Kizzie, Kathy A. Knight, Breck C. Ladd.

Paul E. Lamb, Jacqueline E. Leavell, Elizabeth D. Lewis, Alma G. Lusk, Joseph T. Manire, Kimberly E. Manire, Nancy Y. Martin, Bruce E. McCalister, Keith A. McGhee, James B. McKenzie, Tony G. Meacham, Gary L. Mitchell, Wade Moore, Joseph M. Nunn, Kathryn L. Over.

Linda F. Overton, Carla S. Poindexter, Dona A. Porter, Connie D. Pryor, Gwendolyn D. Reigel, Neva E. Rice, Syllanda R. Rowan, Richard T. Shaw, Kathy A. Short, Keith A. Simmons, Marlena M. Smithson, Leigh Anne Smith, Ruth A. Stewart, James G. Stone, Edward L. Thacker, Christi L. Waldrop, Natalie G. Walker, Norma S. Walston, Carolina S. Wells.

MADISONVILLE COMMUNITY COLLEGE

Tim Cantrell, chairman of social sciences, Dwayne T. Cantrell, Larry Holt, Leroy Veazey, Marie E. Ramsey, James K. Ramsey, Gail DeMoss, Susan K. Head, Juli Jarvis, Sharon Marie Hill, Jackie Armstrong, Kenny VanOver, Crawford L. Jent.

James Douglas Ray, DeAnna Burden, Wanda Darden, Jonathan Oglesby, LuAnne Capps, James H. Walker, Rea Walker, Lisa E. McKinney, Jennifer McIntosh, Lori Lantrip, Jaquetta (Jackie) Littlepage.

PADUCAH COMMUNITY COLLEGE

Dr. Chun Ro, chairman, division of social sciences, business and related technologies, Bradley Allen, Stephen Bates, Sherry Bone, Lisa Boyd, Ronda Brantley, Devin R. Brewer, Mindy Carroll, John Carter, John Cashon, Kenneth Cashon, Gene Chastain, Kerry Clark.

Lisa Conger, Melissa Conger, Jamie D. Davis, David Fox, Donna Elrod, Tami Franssen, Angie Gish, Bonnie Gordon, Trevor Green, Diane W. Hicks, Christa R. Hill, Eric Hughes, Angie Jackson, Dana Johnson, Charles Keeney.

Claretta Kimp, Margaret F. Kyle, Ricky Lewis, Ramona L. Marshall, Paresh D. Merchant, Kathy Mitchell, Galen H. Owens, Sandra Patmor, Alan Rietze, Larry Lee Shartzer, Ron Sigers.

Sherry Summer, Julie Stonecipher, Shawn Sullivan, Richard Sutherland, John Richard Thompson, Todd Turley, Kevin Walker, Michele Warford, Scott Webb, Melissa Williams.

AUTOMOBILE GRAY MARKET—A NEED TO ENSURE COMPLIANCE WITH U.S. SAFETY LAWS

HON. BOB WHITTAKER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. WHITTAKER. Mr. Speaker, today, I am introducing, along with Congressman TOM LUKEN, chairman of the Subcommittee on Transportation, Tourism, and Hazardous Materials, and Congressmen MATT RINALDO, JOHN BRYANT, and TOM BLILEY, the "Imported Vehicle Safety Compliance Act of 1987." I am introducing this legislation in order to ensure that imported motor vehicles that do not comply with our safety laws are brought into compliance.

This issue was addressed in the 99th Congress, without resolution. The bill I am introducing today is identical to the compromise provision that was approved by the House last year.

Existing law generally requires that all imported vehicles comply with Federal safety standards. Most vehicles coming into the United States are built to comply with those standards and these vehicles are not at issue here. An exception in the law permits noncomplying vehicles to be imported, so long as the importer posts a bond with the Customs Service and performs the modifications necessary to bring the vehicle into compliance.

The impetus behind the exception was to permit some accommodation of servicemen, foreign service personnel, and others who want to import vehicles for personal use. Because of the rapid increase in the value of the dollar, the number of noncomplying vehicles entering the United States increased dramatically from 2,400 in 1980 to 66,900 in 1985. Not surprisingly, a program designed to enforce the law with respect to a relatively small number of vehicles could not keep up with this drastic change in the market.

A General Accounting Office report dated December 1986 concludes that "the gray market program as now operated does not, in our opinion, have sufficient controls to ensure that the vehicles are being modified to meet Federal safety * * * standards." This conclusion confirms the problems we saw last year when the House adopted this provision.

It is true that the number of noncomplying vehicles entering the United States has dropped substantially from the peak in 1985. It is still important, though, that we set in place the improvements in the gray market safety program that are embodied in this bill. The number of noncomplying vehicles is still high relative to the 1980 number (about 24,000 in 1986 and an estimated 10,500 in 1987) and of course changing exchange rates and market conditions could result in another rise in the number.

The "Imported Vehicle Safety Compliance Act of 1987" requires the registration of importers of noncomplying vehicles and limits importation of noncomplying vehicles to those that are capable of being readily modified to meet U.S. safety standards. It provides an effective system of bonding, inspection, recordkeeping, and labeling. By making these changes, the bill will make the necessary improvements in the gray market program to ensure that all imported vehicles comply with our safety laws, while preserving the benefits of consumer choice.

THE 75TH ANNIVERSARY OF THE FIRST PRESBYTERIAN CHURCH OF FOREST HILLS, NY

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. ACKERMAN. Mr. Speaker, I rise to call the attention of my colleagues to a truly wonderful occasion: The 75th anniversary of the First Presbyterian Church of Forest Hills. This event will be celebrated with a garden party on June 13, 1987, and a commemorative service the next day.

Mr. Speaker, the First Presbyterian Church of Forest Hills in Queens County, NY, has been an integral part of community life since 1909. Built primarily with donations and contributions of local residents and businesses, this church has maintained its close and vital relationship with community members.

As one of the first organized institutions in Forest Hills, the First Presbyterian Church of Forest Hills became a focal point for community involvement. The church has continually shown interest in helping various groups and individuals in the community. From 1956 to 1963, it housed Temple Sinai while the synagogue's building was being erected next door. The Korean Presbyterian Church is also housed by First Presbyterian. In addition to helping other religious groups, the church worked in conjunction with Temple Sinai to establish the Summit School, which educates children with learning disabilities. First Presbyterian also supports the Alcoholics Anonymous and Gamblers Anonymous programs which meet weekly in the church building.

Furthermore, Mr. Speaker, the First Presbyterian Church of Forest Hills has extended its community involvement to the individual level. Along with two Protestant and four Catholic Churches, First Presbyterian has helped to establish a shelter for homeless people which now houses six people and is completely funded by community donations. In addition, the church has participated in the hunger program directed by the Queens Federation of Churches.

Mr. Speaker, I ask my colleagues here in the House of Representatives to join with me in honoring the First Presbyterian Church of Forest Hills for its exemplary work and contributions. That a church with a membership of 130 people could accomplish so much is in keeping with the Great American tradition of commitment to high ideals and selflessness. I would also like to personally thank the members, leaders and minister, Rev. Charles E. Brewster, for their invaluable participation in community life, and to wish them every success in the future as they continue in their role as an integral force in the community.

STANLEY SOLLINS: LEADER OF THE BALTIMORE JEWISH COUNCIL

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. HOYER. Mr. Speaker, one of Baltimore's great community leaders, Mr. Stanley Sollins, will soon retire as executive Director of the Baltimore Jewish Council. Mr. Sollins has held that position since 1975. It has been my good fortune to work closely with him for a number of years.

On June 11, many of Mr. Sollins' friends and associates will gather to pay tribute to the outstanding job he has done in guiding a vibrant organization to establish greater understanding with the many communities of Baltimore.

During his tenure, the council has thrived and extended in new directions toward a broad agenda of community involvement. Stanley Sollins has sought to fulfill the mandate of the Baltimore Jewish Council, "to achieve a positive climate for Jewish living in a free society." His work has had positive effects for the Jewish community and for many other communities throughout Baltimore and the State of Maryland.

A unique coalition builder, Stanley Sollins has worked to bring many communities together. He was a leader in the founding of Baltimore's Black/Jewish Forum, "The Baltimore Blues". This group has sought to maintain an ongoing dialogue between the Black and Jewish communities in order to gain unity and work together on common goals.

Stanley Sollins' vision was also responsible for the founding of the Coalition Opposed to Violence and Extremism, known as COVE. The work of COVE led to a major conference in Baltimore in the early part of this decade and further led to establishment by then Governor Hughes of a State sponsored study on Violence and Extremism. As a direct result of that study, the National Institute Against Prejudice and Violence has been established at the University of Maryland School of Social Work. As his work was so instrumental in the progression toward its establishment, it is fitting that Stanley Sollins now serves as the Institute's vice chairman.

Other coalitions which Stanley Sollins has helped to build include the Maryland Interfaith Legislative Committee and the Christian/Jewish Dialogue Group.

In every one of his endeavors, Stanley Sollins has stood out as a dynamic leader of his own community and of the efforts to reach out to make Baltimore and our State better places for all people.

As one person recently mentioned to me, Stanley Sollins personified the Baltimore Jewish Council. It will be hard to fill his shoes. And though he may not be in the spotlight as he has been, I am confident that we can all still depend on Stanley Sollins to go on in new directions working to bring understanding and justice to all mankind.

HOUSE JOINT RESOLUTION 90, WHITE HOUSE CONFERENCE ON LIBRARY AND INFORMATION SERVICES

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. GUNDERSON. Mr. Speaker, during the 99th session of Congress, Public Law 99-494 designated 1987 as the "Year of the Reader." I believe it is appropriate in this "Year of the Reader" for Congress to enact House Joint Resolution 90 calling for a White House Conference on Library and Information Services.

House Joint Resolution 90 authorizes a White House Conference on Library and Information Services to be called and conducted, not earlier than 1989, and not later than 1991. This will be the second such conference in this area of national concern. The first conference was held in 1979. I am pleased to be a cosponsor of this resolution and would like to commend my friend from Michigan [Mr. FORD] for reintroducing this resolution in the 100th Congress.

Libraries are a vital resource for ensuring the Nation's citizens are well-informed. Americans of all ages receive information to make informed decisions, and libraries promote literacy and reading for pleasure and relaxation. Last year, approximately one-half of all adult Americans used the resources of our libraries.

In Wisconsin, our local libraries in rural communities serve thousands of individuals providing them with links to the world. Libraries can help break the isolation of older Americans and introduce to youngsters good habits to train their minds that will serve them well throughout their lives. Wisconsin also is the home to many public and non-public institutions of higher learning where liberal arts education, research, scholarship and skill development all are assisted by the campus libraries.

Since the last White House Conference on Libraries was held in 1979, much has changed in regard to gathering and disseminating information. This is especially true since many new technologies have been invented, developed, and implemented. The need for a new White House Conference to consider implications of all the changes in information sciences is clear to me.

House Joint Resolution 90 creates a National Commission on Libraries and Information Science which will plan and conduct the Conference by working with Federal agencies and departments. It also calls for voluntary State conferences to discuss issues prior to the White House Conference.

The State and White House Conferences are to utilize non-Federal funds, including private sector donations, to the greatest extent possible, in order to pay for the costs involved. The Congressional Budget Office [CBO] estimates the cost of the White House Conference at $6 million [adjusted for inflation] based on the expenses incurred during the 1979 Conference.

Recommendations from the White House Conference will be useful to policy-makers on the local, State, and Federal levels. Conference recommendations will guide further dialogue over the proper use and dissemination of technology in the library and information sciences area for the general public, government officials, librarians, and scholars of all ages.

Mr. Speaker, I urge adoption of House Joint Resolution 90.

CONSTITUTIONAL CONVENTION

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. PACKARD. Mr. Speaker, on this date, 200 years ago, the Convention began the task of establishing a national judiciary. Debate centered upon whether the legislative or executive branch should appoint members to the Supreme Court. Benjamin Franklin felt that the debate was too narrow in scope and asked the delegates to offer alternative modes for choosing the judges. In Scotland, he said, lawyers always nominate their peer with the most clients, and who, it would follow, is also the best jurist. The nominee's colleagues then divide his practice among themselves. In this way the most qualified man always sits on the bench and, simultaneously, the greed of the rest of the legal community is satisfied. The Convention postponed their decision on this matter and the debate then turned to the creation of lower courts.

Some delegates believed that State courts should remain free of all Federal intervention while other delegates pointed out the possibility of huge backlogs if the lower courts were not provided for. Ultimately, the Convention approved a compromise which gave the National Legislature power to create lower courts if the need arose.

This compromise reflects the wisdom of the Founding Fathers. Realizing that the needs of their young nation would change in unforeseeable ways, they provided for an organizational structure which allowed for progress while providing for stability and justice.

LEGISLATION RESOLVING SUBMERGED LANDS UNCERTAINTY IN ALASKA

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 8, 1987

Mr. YOUNG of Alaska. Mr. Speaker, I am introducing legislation today which is intended to clarify authorities for submerged lands conveyances in the State of Alaska pursuant to the Alaska Statehood Act and the Alaska Native Claims Settlement Act. Both of these statutes provide the acreage entitlements for the State of Alaska and Alaska Native Corporations. Unfortunately, uncertainty arose some time ago over the proper survey methodology used to determine the chargeability of submerged lands acreages against total acreage entitlements.

The legislation I am introducing will resolve this uncertainty by requiring the application of survey rules which are applicable to all States. These rules have been agreed to by the State of Alaska and the Department of the Interior, which are following the procedures outlined in a memorandum of agreement executed in March of 1984.

In addition to specifying the use of survey rules, the legislation also repeals a statute of limitations contained in the Alaska National Interest Lands Conservation Act which mandates the time limits for the filing of certain actions between the State of Alaska and Alaska Native Corporations.

Under section 901, the State of Alaska is required to file civil actions challenging land conveyances to Alaska Native villages where the ownership of lands underlying navigable waters remains in dispute.

Due to continued uncertainty over navigability determinations in Alaska, the State of Alaska has indicated it intends to file multiple lawsuits against each of the 180 villages in Alaska. The purpose of the suits would be solely to meet the statute of limitations requirements of section 901, which requires suits to be filed to preserve rights claimed by the State of Alaska within 6 years from conveyance.

President Reagan has signed into law two extensions of the statute of limitations contained in ANILCA. I had sought the extensions to provide more time to develop a comprehensive resolution of the submerged lands substantive issues. I believe this legislation resolves those issues justly and fairly.

Mr. Speaker, this legislation is supported by the State of Alaska, the Department of the Interior, and Alaska Native Corporations. It is identical to legislation pending in the other body which has been introduced by Senators MURKOWSKI and STEVENS.

Mr. Speaker, it is time to establish a congressional mandate which resolves the submerged lands uncertainty in Alaska. There have been extensive discussions on resolutions of this issue by the staff of the Interior and Insular Affairs Committee. Justice and fairness dictate that Congress live up to the acreage entitlements stated in the Alaska Statehood Act and the Alaska Native Claims Settlement Act, especially where, as here, we can do so merely by applying the rules which are applied to all other States. For these reasons, I urge my colleagues to support this legislation.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, June 9, 1987, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 10

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings on acquisitions by foreign companies.

SR-253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

10:00 a.m.

Finance

Business meeting, to consider the nomination of M. Peter McPherson, of Virginia, to be Deputy Secretary of the Treasury.

SD-215

Foreign Relations

To hold hearings on S.J. Res. 153, prohibiting the enhancement or upgrade in the sensitivity of technology of, or the capability of, Maverick missiles for Saudi Arabia.

SD-419

Labor and Human Resources

To hold hearings on S. 837, Minimum Wage Restoration Act.

SD-430

Small Business

To hold hearings to review the impact on small business of certain provisions of S. 79, to require notification to workers who are at risk of occupational disease.

SR-428A

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JUNE 11

9:30 a.m.

Energy and Natural Resources

To resume hearings on oil and gas leasing in the coastal plain of the Arctic National Wildlife Refuge in Alaska.

SD-366

Governmental Affairs

Business meeting, to mark up S. 1233, Economic Competitiveness, International Trade, and Technology Development Act.

SD-342

Labor and Human Resources

Children, Family, Drugs, and Alcoholism Subcommittee

To hold hearings on child care issues.

SD-430

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

10:00 a.m.

Agriculture, Nutrition, and Forestry

Nutrition and Investigations Subcommittee

To hold hearings on the Special Supplemental Food Program for Women, Infants, and Children (WIC).

SR-332

Foreign Relations

Business meeting, to mark up S.J. Res. 153, prohibiting the enhancement or upgrade in the sensitivity of technology of, or the capability of, Maverick missiles for Saudi Arabia.

SD-419

Small Business

Business meeting, to mark up H.R. 2166, to amend the Small Business Act and the Small Business Investment Act of 1958, and the proposed Small Business Trade and Competition Enhancement Act of 1987.

SR-428A

2:00 p.m.

Armed Services

To resume open and closed hearings on military implications of the Administration's plan for the United States military forces to protect reflagged Kuwait oil tankers, and H.R. 2533, to require a report on security arrangements in the Persian Gulf.

SR-222

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JUNE 12

9:30 a.m.

Energy and Natural Resources

To continue hearings on oil and gas leasing in the coastal plain of the Arctic National Wildlife Refuge in Alaska.

SD-366

Governmental Affairs

Business meeting, to mark up S. 1233, Economic Competitiveness, International Trade, and Technology Development Act.

SD-342

10:00 a.m.

Finance

Health Subcommittee

To resume hearings on the quality of long-term health care.

SD-215

JUNE 16

9:30 a.m.

Commerce, Science, and Transportation

Business meeting, to consider pending calendar business.

SR-253

Environment and Public Works

Business meeting, to consider S. 744, State Radon Program Development Act, and other pending calendar business.

SD-406

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

10:00 a.m.

Environment and Public Works

Environmental Protection Subcommittee

To hold hearings on pending clean air proposals.

SD-406

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JUNE 17

9:30 a.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To resume oversight hearings on the Implementation of the Staggers Rail Act (P.L. 96-448).

SR-253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Environment and Public Works

Water Resources, Transportation, and Infrastructure Subcommittee

To hold hearings on proposed legislation authorizing funds for fiscal year 1988 for the Public Buildings Service of the General Services Administration.

SD-406

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

10:00 a.m.

Labor and Human Resources

Busines meeting, to consider pending calendar business.

SD-430

Veterans' Affairs

To hold oversight hearings on the implementation of the Veterans Administration loan guaranty program, and on proposed legislation relating to the VA loan guaranty program.

SR-418

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JUNE 18

9:30 a.m.

Agriculture, Nutrition, and Forestry

Agricultural Production and Stabilization of Prices Subcommittee

To hold hearings on S. 658, to provide price and income protection to family farmers through the management of the supply of the 1988 through 2000 crops of certain agricultural commodities, to enhance the ability of eligible farm borrowers of qualifying states and the farm creditors of such borrowers to restructure farm loans, and to provide grants to states to assist persons leaving farming.

SR-332

Energy and Natural Resources

Water and Power Subcommittee

To resume hearings on current water-related programs of the U.S. Geological Survey, focusing on quantification and analysis of groundwater resources.

SD-366

Environment and Public Works

Nuclear Regulation Subcommittee

To resume oversight hearings on the Department of Energy's high level waste program, including a proposal for the authorization of a monitored retrievable storage facility.

SD-406

Small Business

To hold hearings on S. 437, to revise certain provisions of the Small Business Investment Act of 1958 to permit prepayment of loans made to State and local development companies.

SR-428A

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

10:00 a.m.

Judiciary

Immigration and Refugee Affairs Subcommittee

To hold hearings on certain issues relating to S. 332, to provide for a temporary stay of detention and deportation for certain nationals of El Salvador.

SD-226

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JUNE 22

2:00 p.m.

Select on Indian Affairs

To hold hearings on S. 555, to regulate gaming on Indian lands.

SR-485

JUNE 23

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

10:00 a.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 693 and S. 695, bills to designate certain lands in the Great Smoky Mountains National Park in North Carolina and Tennessee as wilderness.

SD-366

Environment and Public Works

Water Resources, Transportation, and Infrastructure Subcommittee

To hold hearings to review infrastructure issues.

SD-406

11:00 a.m.

Judiciary

Business meeting, to consider pending calendar business.

SD-226

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 24

9:30 a.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To resume oversight hearings on the implementation of the Staggers Rail Act (P.L. 96-448).

SR-253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Environment and Public Works

Water Resources, Transportation, and Infrastructure Subcommittee

To hold hearings on the need for national groundwater legislation.

SD-406

Veterans' Affairs

To hold hearings on Veterans' Administration efforts in AIDS research.

SR-418

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

10:00 a.m.

Agriculture, Nutrition, and Forestry

Business meeting, to consider pending calendar business.

SR-332

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 25

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 26

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 29

10:00 a.m.

Special on Aging

To hold hearings on the need for a new Consumer Price Index (CPI) to reflect the inflation rate that the elderly face and the process by which the Department of Labor should develop such an index.

SD-628

JUNE 30

9:00 a.m.

Veterans' Affairs

To hold hearings on S. 9, Service-Disabled Veterans' Benefits Improvement Act, S. 453, Veterans' Ionizing Radiation Compensation Improvements Act, S. 1002, Veterans' Radiation Exposure Disability and Death Benefits Act, and other related measures.

SR-418

10:00 a.m.

Judiciary

Immigration and Refugee Affairs Subcommittee

To hold hearings on the Administration's proposed regional refugee admissions level for fiscal year 1987.

SD-430

2:00 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 59, National Forests and Public Lands of Nevada Enhancement Act, and S. 854, Nevada-Florida Land Exchange Authorization Act.

SD-366

JULY 7

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 8

9:30 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 9

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 10

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 13

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 14

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affairs.
2172 Rayburn Building

10:00 a.m.
Energy and Natural Resources
Mineral Resources Development and Production Subcommittee
To hold hearings on S. 1006, Geothermal Steam Act Amendments of 1987.
SD-366

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 15

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To hold hearings on S. 747, to establish a motor carrier administration in the Department of Transportation, and S. 861, to require certain actions by the Secretary of Transportation regarding certain drivers of motor vehicles and motor carriers.
SR-253

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 16

9:30 a.m.
Veterans' Affairs
Business meeting, to consider S. 6, Veterans' Health Care Improvement Act, S. 9, Service-Disabled Veterans' Benefits Improvement Act, S. 917, to authorize a headstone allowance for pre-purchased grave markers and to modify eligibility requirements to the plot allowance, S. 1090, Veterans Administration Insurance Amendments, and related proposals, and proposed legislation providing for disability payments based on nuclear-detonation radiation exposure.
SR-418

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 17

9:30 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 1277, to revise certain provisions of the Communications Act of 1974 regarding the responsibilities of broadcasting licensees.
SR-253

JULY 20

2:00 p.m.
Commerce, Science, and Transportation
Communications Subcommittee
To resume hearings on S. 1277, to revise certain provisions of the Communications Act of 1974 regarding the responsibilities of broadcasting licensees.
SR-253

JULY 21

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 22

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 23

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 24

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 27

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 28

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 29

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 30

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 31

9:30 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To hold hearings on S. 889, to provide for fair marketing practices for certain encrypted satellite communications.

SR-253

AUGUST 3

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 4

9:30 a.m.

Select on Secret Military Assistance to Iran and Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 5

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 6

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 7

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

CANCELLATIONS

JUNE 23

10:00 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings to review proposed budget estimates for fiscal year 1988 for the Department of State.

SD-192

HOUSE OF REPRESENTATIVES—*Tuesday, June 9, 1987*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are thankful, O God, for the many blessings that are our heritage, and specially are we grateful that we can pray as we wish, worship as is our practice, speak the truth as we understand and hold to those customs that enrich our culture. May we so appreciate these freedoms, that we will participate more fully to strengthen these our gifts and be good stewards of the blessings we have received. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. RAVENEL. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. RAVENEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 300, nays 94, answered "present" 1, not voting 37, as follows:

[Roll No. 167]

YEAS—300

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Atkins
Baker
Barnard
Bartlett
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilbray
Boggs
Boner (TN)
Bonker
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Buechner
Bustamante
Byron
Campbell
Cardin
Carr
Chapman
Chappell
Clarke
Clinger
Coats
Coelho
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Holloway
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lipinski
Livingston
Lloyd
Lowry (WA)
Lujan
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mazzoli
McCollum
McDade
McEwen
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (WA)
Mineta
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Packard
Panetta
Patterson
Pease
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Ravenel
Regula
Rhodes
Richardson
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Rowland (CT)
Rowland (GA)
Roybal
Saiki
Savage
Sawyer
Saxton
Scheuer
Schneider
Schuette
Schumer
Sharp
Shaw
Shumway
Shuster
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (OR)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Sweeney
Swift
Synar
Tallon
Tauke
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wise
Wolpe
Wortley
Wyden
Wylie
Yatron

NAYS—94

Armey
Badham
Ballenger
Barton
Bentley
Bilirakis
Bliley
Boehlert
Boulter
Brown (CO)
Bunning
Burton
Chandler
Cheney
Clay
Coble
Coleman (MO)
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
Dickinson
DioGuardi
Dyson
Edwards (OK)
Emerson
Fields
Frenzel
Gallegly
Gekas
Gingrich
Goodling
Gregg
Hastert
Hefley
Henry
Herger
Hiler
Hopkins
Hunter
Inhofe
Jacobs
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lott
Lowery (CA)
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McGrath
McMillan (NC)
Miller (OH)
Molinari
Moorhead
Parris
Pashayan
Penny
Ridge
Roberts
Roth
Roukema
Schaefer
Sensenbrenner
Sikorski
Skeen
Slaughter (VA)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stangeland
Stump
Sundquist
Thomas (CA)
Upton
Vucanovich
Walker
Weber
Whittaker
Wolf
Young (AK)

ANSWERED "PRESENT"—1

Wilson

NOT VOTING—37

Aspin
AuCoin
Boland
Bonior (MI)
Borski
Callahan
Carper
Daniel
Duncan
Foglietta
Gephardt
Hall (OH)
Ireland
Kaptur
Kemp
Kostmayer
Leland
Lewis (GA)
Lukens, Donald
Mavroules
McCandless
McCloskey
McCurdy
Moakley
Oxley
Rangel
Ray
Roemer
Russo
Sabo
Schroeder
Schulze
Spence
Swindall
Tauzin
Yates
Young (FL)

So the Journal was approved.

The result of the vote was announced as above recorded.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed joint resolutions of the following titles, in which the concurrence of the House is requested:

S.J. Res. 15. Joint resolution designating the month of November 1987 as "National Alzheimer's Disease Month";

S.J. Res. 39. Joint resolution to provide for the designation of the 70th anniversary of the renewal of Lithuanian independence, February 16, 1988, as "Lithuanian Independence Day";

S.J. Res. 75. Joint resolution to designate the week of August 2, 1987, through August 8, 1987, as "National Podiatric Medicine Week";

S.J. Res. 76. Joint resolution to designate the week of October 4, 1987, through October 10, 1987, as "Mental Illness Awareness Week";

S.J. Res. 86. Joint resolution to designate October 28, 1987, as "National Immigrants Day";

☐ **This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.**

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

S.J. Res. 110. Joint resolution to designate October 16, 1987, as "World Food Day";

S.J. Res. 117. Joint resolution designating July 2, 1987, as "National Literacy Day";

S.J. Res. 139. Joint resolution to designate July 20, 1987, as "Space Exploration Day";

S.J. Res. 143. Joint resolution to designate April 1988, as "Fair Housing Month"; and

S.J. Res. 151. Joint resolution to designate August 1, 1987, as "Helsinki Human Rights Day."

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
June 9, 1987.

Hon. JIM WRIGHT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I have the honor to transmit herewith a copy of the certificate of election received from the Honorable March Fong Eu, Secretary of State of the State of California, certifying that, according to the official returns of the Special Election held on June 2, 1987, the Honorable Nancy Pelosi was elected to the office of United States Representative in Congress from the Fifth District of California.

With great respect, I am,
Sincerely yours,
DONNALD K. ANDERSON,
Clerk, House of Representatives.

STATE OF CALIFORNIA, SECRETARY OF STATE

CERTIFICATE OF ELECTION

I, March Fong Eu, Secretary of State of the State of California, hereby certify:

That according to the official returns of the Special Election held on the 2nd day of June 1987, and the statement of the result thereof on file in my office, Nancy Pelosi was elected to the office of United States Representative in Congress, Fifth District, for the term ending on the 3rd day of January, 1989.

In witness whereof, I hereunto set my hand and affix the Great Seal of the State of California, at Sacramento, this 8th day of June, 1987.

MARCH FONG EU,
Secretary of State.

□ 1225

SWEARING IN OF THE HONORABLE NANCY PELOSI OF CALIFORNIA AS A MEMBER OF THE HOUSE

The SPEAKER. We have the great privilege of administering the oath of office to our newest colleague, the gentlewoman from California [Ms. PELOSI].

Will the gentlewoman from California please come forward into the well of the House?

Ms. PELOSI appeared at the bar of the House and took the oath of office.

WELCOME TO THE HONORABLE NANCY P. PELOSI

(Mr. EDWARDS of California asked and was given permission to address the House for 1 minute.)

Mr. EDWARDS of California. Mr. Speaker, with great joy personally and on behalf of the California delegation, I welcome the new Member from the Fifth Congressional District, the historical district in San Francisco, NANCY PELOSI.

We are all very proud that NANCY was elected to this historic seat, and we promise you that she will be a wonderful Member of this august body.

We are also honored to have visiting us from the other body our senior Senator, ALAN CRANSTON, and both the distinguished Senators from the State from whence NANCY first came before she became a Californian, both former Representatives of the House of Representatives, Senator PAUL SARBANES and Senator BARBARA MIKULSKI.

We also welcome from the great State of Maine Senator GEORGE MITCHELL, and a former Member of the House and now a Member of the other body, WYCHE FOWLER, from Georgia, and our colleague, WAYNE OWENS, of Utah.

It is a very special honor, I know, for NANCY and for all of us to welcome a former Member, a very distinguished Member of the House of Representatives and the former mayor of the great city of Baltimore, Thomas D'Alesandro, NANCY's father, also NANCY's brother, also the former mayor of the city of Baltimore, Thomas D'Alesandro, Jr.

We are also honored and we welcome back a former Member of this House, a great friend of all of us, and NANCY's campaign manager, John Burton.

I now have the honor of yielding to the gentleman from California [Mr. PACKARD].

Mr. PACKARD. Mr. Speaker, I appreciate the fact that the gentleman has relinquished time to the other side of the aisle.

On behalf of the 18 Republicans from California, we also want to welcome you to Congress, NANCY.

We trust that this will be an exciting and a very productive time for you, and we look forward to the opportunity of working with you, and welcome.

Mr. EDWARDS of California. Mr. Speaker, I yield to the gentleman from California [Mr. KONNYU].

Mr. KONNYU. Mr. Speaker, I too want to welcome the newest Member of Congress in the name of the bay area's Republican delegation; namely, me.

You are more than welcome, and we look forward to a positive relationship in working for the behalf of the bay area as we have done in the past.

I look forward to working with you in the future as well.

Mr. EDWARDS of California. Mr. Speaker, I yield to the gentlewoman from Maryland [Mrs. BENTLEY].

Mrs. BENTLEY. Mr. Speaker, as a Marylander on the other side of the aisle who worked for many years covering Mayor D'Alesandro and his son, Mayor D'Alesandro, and knowing the family as well as I do, I particularly want to extend a welcome to you, NANCY.

We are looking forward to working with you.

Mr. EDWARDS of California. Mr. Speaker, I yield to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I thank the gentleman, the senior member of the California delegation.

There are many members from the California delegation on the floor, and they are rightfully proud of the fact that they have added another member to their delegation.

I am proud to rise, and our senior Member is not on the floor; but if she were, I know that she would rise to say how proud we, in the formerly eight-member delegation from the State of Maryland, now the nine-member delegation from the State of Maryland, are to share with our sister State, California, the newest Member to be elected to high public office of one of America's most distinguished public service families.

The gentleman from California has introduced two of the mayors of one of America's great cities, a father and son who served well, who are remembered now by their city, and who continue to play a significant role in the life of Baltimore City and in the politics of Maryland.

NANCY and I had the opportunity of working together on Capitol Hill some 5 or 6 years ago when we were in college.

NANCY probably comes to the Congress as well schooled and versed in politics and issues of our day as any Member ever.

We want to say to her on behalf of all Marylanders who love and respect and revere the D'Alesandro family, that we look forward with joy and great anticipation to serving with her and serving the Nation she loves so well.

NANCY, you are a great addition to our body. Welcome, NANCY.

Mr. EDWARDS of California. Mr. Speaker, I yield to the gentleman from Maryland, the city of Baltimore [Mr. CARDIN].

Mr. CARDIN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I want to join my colleagues in welcoming NANCY to Congress.

I agree with my colleague from Maryland, Mr. HOYER, that we are very pleased that the Maryland delegation can now count on a nine-Member delegation.

I know that my colleagues that represented that Third District of Maryland, Senator Sarbanes and Senator Mikulski, would both agree that the Third District of Maryland is known and enhanced because of the reputation of the D'Alesandro family.

The D'Alesandro family has done much for the city of Baltimore, our State of Maryland and our Nation.

Tommy D'Alesandro, Jr., Mr. Mayor, the person who planted the seed for the Baltimore that we love today, the person that our Governor Schaefer always points to with pride as the person who started the renaissance of the city of Baltimore, and Tommy D'Alesandro III, the mayor of Baltimore, who built up that reputation.

I am honored to serve as the Representative from the Third Congressional District of Maryland. That district is much better because of the service of the D'Alesandro family; and Nancy, we welcome you here to join in building the reputation that your family has given to this Nation.

Mrs. BOXER. Mr. Speaker, will the gentleman yield?

Mr. EDWARDS of California. Mr. Speaker, I believe all of the 27 Members of the California delegation are here; and at this time I yield to the gentlewoman from California [Mrs. Boxer] who shares a portion of the great city of San Francisco with our colleague, Nancy Pelosi.

Mrs. BOXER. Mr. Speaker, I thank the gentleman for yielding. Mr. Speaker, it is my honor and privilege to join in welcoming Nancy Pelosi to the Congress of the United States and to welcome her wonderful family here as well. This is such a proud moment for all of you. Congresswoman Pelosi, sharing the representation of San Francisco with you will be a distinct honor for me. You are a veteran of political life and will add much savvy to the California delegation and to the entire Congress.

But most important to me and to the people of San Francisco is that you enter Congress a committed and caring person.

I have been here 5 years and in that time I have had the privilege of serving with Phillip and Sala Burton—all too briefly.

You come here with their fierce dedication to the issues they carried: You will work unceasingly for nuclear arms control; for an end to the Contra war; for environmental protection. You will be a voice for the most vulnerable in our society and you will join and lead in the difficult and critical fight against AIDS—a fight that must unite this entire Congress as it hasn't been united in the past—to educate and to find a vaccine and do it in such a way that no one in this country feels the bitter sting of discrimination.

Nancy—we all welcome you today, all of your colleagues. But I want to put in a special word for a minority in this House. We make up just 5 percent of this institution but we try to make our voices heard. That is the Congresswomen. We welcome you to our ranks.

Congressmen and Congresswomen alike know you will be an outstanding Member of this House of the people.

Congratulations.

□ 1240

Mr. EDWARDS of California. Mr. Speaker, again we welcome to this body Nancy Pelosi.

Mr. Speaker, I yield to the gentlewoman from Maryland [Mrs. Byron].

Mrs. BYRON. First of all, let me say that as the dean of the Maryland delegation and one who was born in Baltimore, and a delegation that has always been known for the fact that we have a large number of females in our complement, let me say to our newest Member of the House today that we welcome her as representing California and we also have to take a little bit of pride and borrow her every now and then for her Maryland heritage.

So we welcome her.

Mr. EDWARDS of California. Mr. Speaker, I yield to the gentleman from Maryland [Mr. Mfume].

Mr. MFUME. I thank the gentleman for yielding.

Nancy, let me just add my congratulations, as a native Baltimorian and one who has benefited from the wealth of political knowledge and understanding that your family has made available to all of us there. We welcome you here to the House. On behalf of the freshman class, we all want you to know it is nice to have someone here who has a little less seniority than we do.

Welcome again.

The SPEAKER. Does the gentlewoman from California have anything to say in her own defense?

SALA BURTON SENT ME

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, I thank you very much, to you, the leadership of the House, both Democrat and Republican, to my wonderful colleagues in the California delegation and to my good friends, childhood friends in some cases, in the Maryland delegation: thank you very much for your kind remarks. To all of you, it is a very sentimental day for me. As you can see my father here, I was born when he was in Congress here. He made us all very proud in our family. He also taught us a tradition of public service, a tradition of commitment to making Government work for people. Out of that proud tradition sprang my brother who became mayor of Baltimore. Never did I think that I would be a Member of the House of Representatives. But that happened because of another proud tradition and that is the tradition of the Burton tradition in the Fifth Congressional District.

We are very proud of the Fifth Congressional District and its leadership for peace, for environmental protection, for equal rights, for rights of individual freedom and now we must take the leadership of course in the crisis of AIDS. And I look forward to working with you on that.

But I just want to say one thing, Mr. Speaker, because I only have a moment I know and that is I told the people of the Fifth Congressional District who sent me here that when I got here I would tell you all that I would change the circumstances under which I came if I could but I cannot. I wish Phillip were here, I wish Sala were here, but they are not and I cannot do anything about that except to follow in their tradition of excellence, of commitment and of making Government work for people.

I told the people of the Fifth Congressional District when I got here I will tell you, "Sala Burton sent me."

Thank you very much.

These flowers are from Governor Schaefer.

APPOINTMENT OF CONFEREES ON H.R. 1827, MAKING SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR ENDING SEPTEMBER 30, 1987

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1827), making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? The Chair hears none, and appoints the following conferees: Messrs. Whitten, Boland, Natcher, Smith of Iowa, Yates, Obey, Roybal, Bevill, Chappell, Lehman of Florida, Dixon, Fazio, Hefner, Conte, McDade, Coughlin, and Regula, Mrs. Smith of Nebraska, and Messrs. Edwards of Oklahoma, Green, and Rogers.

LET US REWARD JAPAN FOR DEEDS, NOT WORDS

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEASE. Mr. Speaker, I rise to express my concern over the administration's decision to lift part of the sanctions on Japanese electronic products. The President says he based his decision on signs that Japan is beginning to comply with the terms of the semiconductor agreement signed last July. In other words, Japanese firms are continuing to dump, but at a lower rate than last year. They are still engaging in unfair trade, but less blatantly than last year. Is this what the Reagan administration means by "free and fair trade": It's all right to practice unfair trade as long as you are not too obvious about it?

I don't think so. There are reports that the President lifted the sanctions primarily as a sign of appreciation for the $43 billion economic stimulus package recently approved by Prime Minister Nakasone's Cabinet. But, even in this case, the message the President's action sends is all wrong. There has been no shortage of economic stimulus proposals from Japan in recent years. The problem has been that none has been implemented.

Mr. Speaker, the old saying "The proof is in the pudding" applies here. Let us reward Japan for deeds, not words.

GUEST OPINION: WHAT NEIGHBORS THINK

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. LAGOMARSINO. Mr. Speaker, opponents of U.S. policy in Central America are fond of pointing out opinion polls in the United States that indicate support among Americans for that policy is not overwhelming. Those same opponents, however, fail to acknowledge opinion polls conducted in those nations in Central America who are neighbors of Nicaragua and are the people most directly affected by the Sandinista threat in the region. The results of a recent poll conducted by an affiliate of the Gallup organization in the countries of Guatemala, El Salvador, Honduras, and Costa Rica were reprinted in the Santa Maria, CA, Times, a prominent newspaper in my district.

I urge my colleagues to read the results of this poll and consider carefully the opinions of those people who fear the Sandinista regime in Nicaragua and approve of U.S. policy to aid the Contras.

WHAT NEIGHBORS THINK

(By Senator Rudy Boschwitz)

Normally, it's your neighbors who know you best.

So I was particularly interested in a poll taken by the Gallup Organization's international group on Nicaragua's neighbors—Costa Rica, Honduras, El Salvador and Guatemala. It was recently entered into the Congressional Record by Sen. Bob Dole and is enormously revealing.

The first question was: "How justly does the government of Nicaragua treat the people—very justly, somewhat justly, with little justice or not justly at all." This is how people living in neighboring countries answered:

Percentages	Costa Rica	Honduras	Salvador	Guatemala
Very justly	3	6	4	5
Somewhat justly	5	13	15	19
Total, justly	8	19	19	24
With little justice	29	31	39	40
No justice at all	56	40	23	27
Total, unjustly	85	71	62	67
No opinion, no answer	7	10	19	9

Now that's a somewhat different result than many would have expected from listening and reading the news. Consider question number 2: "Would you say the (Sandinista) government of Nicaragua represents the majority of the people or that it represents a minority." The answer will blow your socks off.

	Costa Rica	Honduras	Salvador	Guatemala
Represents majority	11	14	18	27
Represents minority	79	75	64	64
No opinion, don't know	10	11	18	9

It's interesting to note that Costa Rica and Honduras border Nicaragua. El Salvador doesn't, nor does Guatemala, which is the farthest away from Nicaragua of the four. The pattern is clear throughout the poll: The closest neighbors of Nicaragua like it the least!

Here's the third question: "Which side of the conflict do you think the majority of the people of Nicaragua support—* * * the Sandinistas * * * or the Contas * * *"

	Costa Rica	Honduras	Salvador	Guatemala
Majority supports:				
Sandinista	12	14	20	23
Contras	72	75	46	60
No opinion	16	11	34	17

When asked if a country were to attack their countries which one would it be, the vast majority of those answering say Nicaragua, with Cuba in second place and the Soviet Union in third. The United States was not shown as even being mentioned!

Except when people were asked: "Which country, if any, would come to our aid immediately if we were attacked?" Over 80 percent answered: the U.S.

Then the question was asked: "In your opinion can the U.S. be relied upon to help us defend our country in case of future military attack." Note the answer.

	Costa Rica	Honduras	Salvador	Guatemala
Yes	91	88	84	88
No	4	5	7	8
Don't know	5	7	9	4

These people have more confidence in us then we do in ourselves.

Who treats civilians better in the war zones? The Contras or the Sandinistas?

	Costa Rica	Honduras	Salvador	Guatemala
Sandinistas	6	6	10	18
Contras	72	74	45	60
Don't know	22	20	44	22

Do you approve or disapprove of American military aid to the Contras?

	Costa Rica	Honduras	Salvador	Guatemala
Approve	70	81	69	68
Disapprove	21	9	23	28
Don't know	9	10	8	4

After stating that it was their opinion that Cuba, the Soviet Union and Libya gave military aid to the Sandinistas, the people of the region were asked if they approved of such aid to the Sandinistas.

	Costa Rica	Honduras	Salvador	Guatemala
Approve	9	12	10	14
Disapprove	68	65	77	63
Don't know	23	23	13	23

In short in Central America the overwhelming majority of people approve of us, do not feel threatened by the United States, approve of our aid to the Contras, and fear the Sandinistas and oppose aid from the outside to them.

In the last five years all the countries of South America, except Chile and Paraguay, have remained or become democracies. During the same period in Central America all but Nicaragua and Panama have turned to democracy, where only Costa Rica had democratic institutions before.

Among the countries that have adopted democracy during the last five years are Brazil, Argentina, Peru, Uruguay, Bolivia, Ecuador, (actually in 1979), Honduras, Guatemala, El Salvador and Belize. Many never had democratic institutions before. This is both remarkable and unprecedented. Yet, amazingly, critics maintain our policy has failed or there is no policy at all.

Think of the further progress the region could make if we believed in ourselves as much as they believe in us.

INVOKE THE WAR POWERS RESOLUTION

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DEFAZIO. Mr. Speaker, the War Powers Resolution was seen, by its supporters, as a means toward an end. The goal was to require the Congress to exercise its proper role as an equal partner in the formulation of any policy which would result in United States involvement in a war. This Congress must not abdicate its responsibility. That is why I introduced a bill, on May 28, which would invoke the War Powers Resolution with regard to our presence in the Persian Gulf. Tomorrow I will reintroduce that bill, with one important change in the language, and with the support of many of my distinguished colleagues. A similar bill is being introduced in the other body. It is in all of our interests to exercise sound judgment in this vital and dangerous part of the world. Invoking the War Powers Resolution will allow for the kind of debate I feel is necessary, as well as the degree of congressional concurrence which the Constitution demands. I urge my colleagues to support this bill.

H.J. RES. —

Joint resolution declaring that the requirements of section 4(a)(1) of the War Powers Resolution apply to the protection of reflagged vessels in the Persian Gulf by United States Armed Forces

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. APPLICATION OF WAR POWERS RESOLUTION REQUIREMENTS TO UNITED STATES MILITARY PROTECTION OF REFLAGGED VESSELS.

Any use of United States Armed Forces to escort, defend, or otherwise protect any reflagged vessel in the Persian Gulf—

(1) constitutes the introduction of United States Armed Forces into hostilities or situations where imminent involvement in hostilities is clearly indicated by the circumstances within the meaning of section 4(a)(1) of the War Powers Resolution; and

(2) therefore, requires the submission to the Congress of a report pursuant to that section.

SEC. 2. DEFINITION OF REFLAGGED VESSEL.

As used in section 1 of this joint resolution, the term "reflagged vessel" means any vessel for which a certificate of documentation under chapter 121 of title 46, United States Code, was issued after June 1, 1987, and which was owned on that date by the government or nationals of any country bordering the Persian Gulf.

SHAME ON YOU, JAPAN, SHAME ON YOU, JAPAN

(Mr. RAVENEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAVENEL. Mr. Speaker, in November 1984 the Government of Japan entered into an agreement with our Government that they would cease commercial whaling by April 1988. Apparently, the Japanese have no intention of honoring the spirit of that agreement.

First, they employed a loophole in the whaling convention to continue whaling in the Antarctic under the guise of science—now they have asked the International Whaling Commission to redefine their commercial coastal whaling operation as an aboriginal/subsistence hunt and requested a quota of 210 minke whales.

Such attempts to subvert the intent of the agreement are outrageous—first, they turn their whalers into scientists—now they are proposing to turn another group of whalers into Eskimos.

Shame on you, Japan, shame on you, Japan.

AMERICA SHOULD NOT BE THE ONLY KEEPER OF THE PEACE IN THE WORLD

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, America should not be the only keeper of peace in the world.

Whenever a crisis erupts our so-called allies say, "Leave it to the Yankees," and I do not mean George Steinbrenner's crew.

Japan and Europe get the bulk of their oil from the gulf; we get little. They benefit from it; we pay. In fact, our foreign policy has turned into an American Express card; Japan and Europe submit the bill and in 30 days we pay cash. And cash is not enough anymore. Now we are starting to sacrifice the lives of our noble, gallant fighting men.

Mr. Speaker, Japan and Europe have been riding an exclusive elevator for too long while the American taxpayer and its fighting men have been getting the shaft. I think it is time for a new global force in the gulf; they should start paying their fair share and the American Express card should stop right here in the House of Representatives today on the Persian Gulf Resolution.

Think about it.

SIXTY-FIVE-MILE-PER-HOUR SPEED LIMIT IS A SUCCESS

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, we have now had one major holiday in which drivers on the Nation's highways found, in 20 States, that you had a 65-mile-an-hour speed limit. It is interesting to look at the statistics that have come off that weekend.

Despite what was said on the House floor about the increase of fatalities as a result of the 65-mile-an-hour speed limit, what we found in those 20 States where the speed limit was raised to 65, there was, in fact, a 35-percent reduction in the fatalities as compared to 1986.

In 1986 in those 20 States there were 157 people who died; in 1987 there were 102 people who died—a 35-percent reduction in fatalities in those States where the 65-mile-an-hour speed limit was in effect.

Now, there may be other factors that enter into this but one thing is clear, that the claim of opponents to the 65-mile-an-hour speed limit on the floor that this would result in massive new fatilities was just plain wrong. Memorial Day statistics would seem to indicate that the 65-mile-an-hour speed limit is at least as safe, if not safer, than the 55 miles per hour on our highways.

INTRODUCTION OF CHILDREN'S HOME VIDEO PROTECTION ACT

(Mr. DIOGUARDI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DIOGUARDI. Mr. Speaker, "Stud Wars," "Lust on the Orient Express," "Blond Heat."

Mr. Speaker, these are just three titles of pornographic videotapes that were sent to one of my constituents—unsolicited and opened by a child I might add—offering the opportunity to buy a package of 12 home video cassettes that are more graphic than the titles I just mentioned.

The shocking fact, Mr. Speaker, is that nowhere on the solicitation does it mention any age requirement. All it says is: "simply fill out the order form, mail it to us in the enclosed envelope along with your payment—$49—and then sit back and enjoy."

Mr. Speaker, I've introduced a bill called the Children's Home Video Protection Act to send a message to sleaze video dealers, who retail obscene material of this nature to minors under 18 that they had better be prepared to spend up to 1 year in jail and pay a fine.

The fact that both parents—or single parents—are working—and out of the home—shouldn't make our children victims of unscrupulous video retailers who disregard the fact that many underage children are renting and buying video cassettes that are clearly obscene in nature. The Children's Home Video Protection Act (H.R. 2605) is needed and needed now.

WHERE IS THE BUDGET RESOLUTION?

(Mr. BUECHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUECHNER. Mr. Speaker, I am back here once again to ask "the" question. Where is it? Where's the budget resolution?

It's nearly 2 months late. As a member of the House-Senate conference on the budget, I can tell you that members on our side of the aisle are still waiting for an invitation to come back to the negotiating table. It's been some 2 to 3 weeks and we hear nothing. When are you going to tell the American people that the Democrats are going to raise their taxes by $18 to $20 billion? I think they should be told now.

We've started on our authorizations and now individual appropriation bills are going to be making their way to the House floor. And yet, we have no guidelines about our total spending for the next fiscal year. What a tragedy!

Isn't it time to start with a little square-shooting? Something is wrong, dramatically wrong. The majority cannot agree to a budget resolution in private. We are constantly being faced with bills going to the floor which have received waivers for violations of the Budget Act. We're considering authorizations and appropriations without a budget resolution. The 1987 supplemental violated the limits on Federal spending set in last year's budget resolution. How can we go on?

We need changes in the process by which we determine a budget. Mr. Speaker, it's time for the budget. More importantly it's time for budget reform.

□ 1255

INTRODUCTION OF LEGISLATION TO CREATE A SPECIAL COLLEGE PROGRAM IN THE PEACE CORPS

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, the time has come to train for peace as we have for war. Today I am introducing legislation to create a special college program to increase participation in the Peace Corps.

The program would be modeled after the Reserve Officer Training Corps now in place in many colleges. Under the plan, the Federal Government would pay the education costs for qualified undergraduates during the last 2 years of school.

Just as ROTC students take military courses, these Peace Corps candidates would take courses designed to help prepare them for service in nations that have Peace Corps projects. They would study the language, culture, and history of the nations in which they would serve, as well as agriculture and economic development. After graduation, participants would serve 2 years as Peace Corps volunteers.

For this small investment, our Nation would receive manifold benefits. We would develop a strong sense of service through service. A major concern so often heard today, that today's students are selfish or disinterested in the world that surrounds them, would be simply and directly addressed. And, as is the case today, Peace Corps volunteers continue to serve their nation upon their return: In government, international relations, education, medicine.

Mr. Speaker, today thousands of students across the Nation compete for ROTC scholarships. This proposal would enable our best and brightest to compete for scholarships for peace as well.

INTELLIGENCE AUTHORIZATION ACT, FISCAL YEAR 1988

Mr. BEILENSON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 187 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 187

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2112) to authorize appropriations for fiscal year 1988 for intelligence and intelligence-related activities of the United States Government, for the Intelligence Community Staff, for the Central Intelligence Agency Retirement and Disability System, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill for failure to comply with the provisions of sections 302(f) and 401(b)(1) of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177) and with clause 2(l)(6) of rule XI are hereby waived, and all points of order against the bill for failure to comply with the provisions of clause 5(a) of rule XXI are hereby waived. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Permanent Select Committee on Intelligence, the bill shall be considered for amendment under the five-minute rule by titles instead of by sections and each title shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER pro tempore. The gentleman from California [Mr. BEILENSON] is recognized for 1 hour.

Mr. BEILENSON. Mr. Speaker, I yield the customary 30 minutes, for purposes of debate only, to the gentleman from Tennessee [Mr. QUILLEN], and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 187 is the rule providing for consideration of H.R. 2112, the Intelligence Authorization Act for fiscal year 1988. It is open rule, providing for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Permanent Select Committee on Intelligence.

The rule provides for the bill to be considered for amendment by titles, rather than sections, with each title considered as read. It allows one motion to recommit.

The rule also waives two provisions of the Congressional Budget Act: Section 302(f), which prohibits consideration of measures that would cause the appropriate subcommittee level or programmatic level to be exceeded, and section 401(b)(1), which prohibits consideration of new entitlement authority which becomes effective prior to October 1 of the year in which it is reported. And, the rule waives clause 5(a) of rule XXI, prohibiting appropriations in a legislative bill.

H.R. 2112 is an authorization bill and, as such, provides funding subject to appropriations. However, the bill does provide for direct payment of the expenses of the Commission on Intelligence Personnel, a three-member panel created by this bill which would report its recommendations 9 months after this bill's enactment. The funding for the Commission would violate the provisions mentioned above but, because of the temporary, short-term nature of that panel, the Rules Committee believes that direct payment is appropriate in this case and is thus recommending these waivers.

Finally, the rule waives clause 2(L)(6) of rule XI, which requires a 3-day layover after the filing of the committee report. This waiver is needed to allow consideration of H.R. 2112 today, since the Armed Services Committee did not file its report on this measure until last Thursday, June 3. I would note, however, that report of the Intelligence Committee, which has principal jurisdiction over this bill, has been available to the House membership since May 13.

H.R. 2112, for which the Rules Committee has recommended this rule authorizes appropriations for the intelligence and intelligence-related activities of the U.S. Government for fiscal year 1988. As I noted earlier, it would create a commission to study intelligence personnel matters so that Congress' intelligence committees will have an independent evaluation in this highly technical area to help them respond to requests from various agencies for incremental changes from year to year. It also contains a provision, identical to that in this year's intelligence authorization, requiring that any military or paramilitary assistance provided to the Contras be explicitly authorized and appropriated for that purpose by Congress.

Mr. Speaker, I urge the adoption of House Resolution 187, so that we can proceed to consideration of H.R. 2112.

Mr. QUILLEN. Mr. Speaker, I yield myself as much time as I may use.

Mr. Speaker, this is an open rule, and as has been ably explained, the bill it makes in order is a simple authorization of the Intelligence and Intelligence related operations of this Government. When the bill was presented before the Rules Committee, the testimony revealed that it was noncontroversial.

It is necessary to get the authorization bills behind us so that we can go on to the appropriation process.

Mr. Speaker, I urge the adoption of the rule.

Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would like to take a couple minutes here if I could to have somebody explain to me just exactly what it is we are doing with regard to some of these waivers. I think the gentleman from California had an explanation in his opening remarks, but I am not certain that I wholly followed it.

The waiver of 302-F of the Congressional Budget Act which prohibits consideration of measures which would cause appropriate subcommittee levels and program level ceilings to be exceeded, where in the bill is that a problem and for what reason was that waiver granted?

Mr. Speaker, I am glad to yield to the gentleman from California.

Mr. BEILENSON. Mr. Speaker, both budget waivers relate to the punitive creation of this Commission on Intelligence Personnel for which the committee has recommended that $500,000 be authorized, and of course, it has to be appropriated.

It is recommended as well actually that it be authorized and eventually appropriated from funds authorized to be appropriated for the Intelligence Committee staffs; so hopefully it will not cost any additional money; but both of those waivers have to do with setting up for 9 months of this Intelligence Personnel Commission.

Mr. WALKER. I thought that was what I understood the gentleman to say. So in creating that Commission, we are creating insofar as the Budget Act is concerned new entitlement authority, which also exceeds the appropriate subcommittee level under this year's Budget Act, is that correct?

Mr. BEILENSON. The gentleman assumes that is correct, but as the gentleman said, since it is only potential for $500,000, if at all it would exceed it by that minimal amount.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

Now, the waiver of the clause prohibiting appropriations in a legislative bill, does that also relate to the Commission on Intelligence Personnel systems?

Mr. BEILENSON. Yes, sir, it does.

Mr. WALKER. So that all three of those waivers are related to that one provision, is that true?

Mr. BEILENSON. That is true.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

Let me say first of all that the Commission that is causing the Budget Act problems, as well as the rules problems in the House, is a Commission that is opposed by the administration, so that in fact what we are doing here is we are bringing to the floor a bill which appropriates money, appropriates money in an entitlement manner, and does so in a way that we exceed our budget of this year and we do so despite the fact that the administration says that they are opposed to the composition of this particular Commission in the first place.

Now, that may be noncontroversial and this may be something that we ought to be approving in a rule, I do not know, but I do not think so. I think that is an element of controversy. The administration has made their position clear on it and now we are going to waive the Budget Act and go ahead and do it anyway.

The only point I am making, as I have made on several occasions on the House floor, is the fact that these budget waivers are not minor matters. It appears to me that the Rules Committee almost as a matter of course, if somebody asks for a budget waiver, the Rules Committee grants a budget waiver, and doggone it, the Budget Act is supposed to be something that we stick to. It was our commitment to the American people that we were going to live within a budget and now here we are again, we are back out here and it is not some minor matter, it is in fact something which is opposed by the administration and it is fact something where we are waiving the Budget Act in two instances and waiving the rules of the House in another instance in order to get this done. I think that is wrong.

I think that if Members want to be in a position of living up to the commitments that we make, then we ought to vote against this rule.

I am amazed to see Members of Congress consistently on the TV here recently beating up on the administration because the administration did not follow to the letter every line of law as passed by the Congress. I think that is a problem, too; but I am also amazed that some of those same Members of Congress who I see being quoted on television have voted every time to waive the rules of the House and to waive the Budget Act in order to approve spending here on the House floor.

If we cannot live up to our own commitments, if we are not willing to live up to the law that we set for ourselves, why should we expect others to live up to the law?

It seems to me that we are doing exactly the same thing here. We are setting the pattern that then we condemn when other people do it. Well, here is a chance to vote no and I would hope the Members would vote against this waiver of the Budget Act and also the waiver of the rules of the House.

Mr. QUILLEN. Mr. Speaker, I urge adoption of the rule. I have no further requests for time, and I yield back the balance of my time.

Mr. BEILENSON. Mr. Speaker, I have no further requests for time, either.

I would like to say in response to my friend, the gentleman from Pennsylvania, that in a sense this is a technical waiver of the rules. It is a minimal amount of money that is involved. I would assure the gentleman that the reason that this Commission is being set up in the first place and the administration, the gentleman may say, is opposed not so much to the setting up of the Commission, but the way in which the Members are to be appointed. I think they should be exclusively by the executive or the legislative branch, but it is to save money over the long run.

Our committee keeps getting assailed, as I am sure others do as well, by various people in the various agencies of the intelligence community, asking that their retirement benefits or their pensions or whatever be raised. Once one is raised, then another comes and says, "Since you raised theirs, we want ours raised, too."

We wanted to have for the first time some independent evaluation of this highly technical area so that we can make some sensible adjustments and some sensible arrangements and not be come at all the time by these various individual groups.

I would assure the gentleman that members of the committee believe and hope that in the long run, perhaps even in the short run, the setting up of this Commission will save the American taxpayers quite a sizable sum of money.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. FROST). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 285, nays 115, not voting 33, as follows:

[Roll No. 168]

YEAS—285

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Applegate
Aspin
Atkins
Barnard
Bateman
Beilenson

Bennett
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carr
Chappell
Cheney
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Courter
Coyne
Daniel
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallegly
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Hopkins
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jacobs
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lipinski
Livingston
Lloyd
Lowry (WA)
Lujan
Luken, Thomas
Lungren
MacKay
Manton
Markey
Marlenee
Martinez
Matsui
Mazzoli
McDade
McEwen
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Michel
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Patterson
Pease
Pelosi
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Ravenel
Rhodes
Richardson
Rinaldo
Robinson
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Sabo
Savage
Sawyer
Saxton
Scheuer
Schumer
Sharp
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Stump
Sweeney
Swift
Synar
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Yates
Yatron
Young (FL)

NAYS—115

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bilirakis
Boulter
Brown (CO)
Buechner
Bunning
Burton
Chandler
Clinger
Coats
Coble
Coleman (MO)
Combest
Coughlin
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
Dickinson
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Fawell
Fields
Frenzel
Gallo
Gekas
Gingrich
Goodling
Grandy
Gregg
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hunter
Inhofe
Johnson (CT)
Kasich
Kolbe
Konnyu
Kyl
Latta
Lewis (CA)
Lewis (FL)
Lightfoot
Lott
Lowery (CA)
Lukens, Donald
Mack
Madigan
Martin (IL)
McCollum
McMillan (NC)
Meyers
Miller (OH)
Miller (WA)
Molinari
Moorhead
Nielson
Oxley
Packard
Pashayan
Penny
Petri
Porter
Regula
Ridge
Ritter
Roberts
Rogers
Roth
Rowland (CT)
Saiki
Schaefer
Schneider
Schuette
Sensenbrenner
Shaw
Shumway
Slaughter (VA)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stangeland
Stenholm
Sundquist
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Whittaker
Wortley
Wylie
Young (AK)

NOT VOTING—33

Anthony
AuCoin
Bates
Bentley
Bonior (MI)
Bonker
Borski
Callahan
Carper
Chapman
Crockett
Duncan
Foglietta
Gephardt
Horton
Ireland
Leland
Lewis (GA)
Martin (NY)
Mavroules
McCandless
McCloskey
McCurdy
Murtha
Rangel
Ray
Roemer
Russo
Schroeder
Schulze
Spence
Tauzin
Udall

☐ 1320

Mr. NIELSON of Utah changed his vote from "yea" to "nay."

Mr. KILDEE changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Mr. Gray of Illinois). Pursuant to House Resolution 187 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2112.

☐ 1330

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2112) to authorize appropriations for fiscal year 1988 for intelligence and intelligence-related activities of the U.S. Government, for the intelligence community staff, for the Central Intelligence Agency Retirement and Disability System, and for other purposes, with Mr. Beilenson in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Ohio [Mr. Stokes] will be recognized for 30 minutes and the gentleman from Illinois [Mr. Hyde] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Ohio [Mr. Stokes].

Mr. STOKES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 2112, the Intelligence Authorization Act for fiscal year 1988. The principal purpose of this bill is to authorize appropriations for all of the intelligence or intelligence-related activities of the U.S. Government during fiscal year 1988. As in the past, the actual amounts authorized are contained in a classified schedule of authorizations which is incorporated by reference and which is available, along with a classified annex to the committee's report, in the committee's offices.

Members who read both of the classified documents will recognize that, although the committee's recommendations are below those amounts requested by the administration, the committee has recognized the high priority which intelligence should enjoy within the larger national security budget. It has made appropriate recommendations so that all essential intelligence programs and activities have been funded. Most of the amounts authorized are in the defense budget.

Mr. Chairman, as it does every year, the committee has worked closely with the Committee on Armed Services to produce recommendations for the authorization of appropriations of intelligence-related activities over which the committees share jurisdiction. The amounts authorized by H.R. 2112 are therefore fully consistent with those authorized by H.R. 1748, the fiscal year 1988 defense authorization bill, as it passed the House. Both committees agreed on these amounts.

Cooperation and understanding between the two committees, which is fostered in large part by its cross-membership, is, I believe, one of the great unknown success stories of this body. I attribute it to the leadership of the chairman of the Committee on Armed Services, Les Aspin, a former member of the Intelligence Committee and to former committee members such as Bob Stump from Arizona, former ranking minority member, and, in particular, to the able representation which the Intelligence Committee receives from its two members of the Committee on Armed Services, Dave McCurdy and Dan Daniel.

Mr. Chairman, in addition to the authorization of appropriations, H.R. 2112 contains a number of legislative provisions. There is a provision identical to that which was enacted in the fiscal year 1987 act that would limit assistance to the Contras to that specifically authorized by law.

There is a provision which effectively reinstates the application of section 502 of the National Security Act of 1947, requiring that all intelligence expenditures have been authorized by law. This same provision also provides authorization for a number of projects for which funds were appropriated in fiscal year 1987 without authorization. The provision also requires that, in the case of two programs, funds may not be spent unless they have been reprogrammed.

Finally, the bill would provide retirement and death-in-service benefits for certain former spouses of CIA personnel and extends authority for certain personnel management authorities at the Defense Intelligence Agency.

Last, the bill would establish a Commission on Intelligence Personnel Systems to review and analyze the several personnel management systems affecting intelligence community civilian personnel and to provide a report to the President and the Congress that would set forth recommendations for long-term, comprehensive personnel managment goals and authorities for the various elements of the U.S. inteligence community.

Mr. Chairman, H.R. 2112 enjoys strong bipartisan support within the committee and represents, I believe, the product of an excellent working relationship by both members and staff to carefully assess the needs of intelligence and make recommendations that are consistent both with the national security and the state of the Nation's finances. I want to pay tribute to the ranking minority member of the committee, HENRY HYDE, for his thoughtful and cooperative approach and a strong vote of thanks to DICK CHENEY, the ranking minority member of the Subcommittee on Program and Budget Authorization who has worked tirelessly and extremely effectively in the long hours of deliberations and hearings that have produced this bill.

And, last, I want to pay tribute to the hard work, dedication, and high professionalism of the committee staff, particularly that of the Subcommittee on Program and Budget Authorization.

Mr. Chairman, this past year has marked one of upheaval for the U.S. intelligence community. William Casey, the Director of Central Intelligence, passed away. The Iran/Contra Committees of both the House and Senate have been investigating the activities of the intelligence community, among other actors, in the conduct of those operations. And, it is fair to say, I believe, that some very serious questions have been raised about the conduct of certain intelligence officers and the adequacy of the control, direction and guidance given the intelligence community on such matters as the Boland amendment.

Judge William Webster, formerly Director of the FBI, is now the Director of Central Intelligence. He is a man whose integrity and intellect are unquestioned and whose straightforward adherence to the rule of law has been demonstrated over years of public service. In many ways, he may be just what the U.S. intelligence community needs at this juncture.

But, Mr. Chairman, he faces a series of very difficult problems—foremost among them, the restoration of trust between Congress and the executive branch. The state of relations between the committee and the Central Intelligence Agency is, at the moment, not good, nor is there any easy fix. It will take genuine and significant effort over the long haul by both branches to regain what has been lost.

Equally as serious, U.S. security and counterintelligence capabilities have been severely questioned in the past year or two. Improvements and renewed emphasis are in order. Last, the repercussions of the Iran/Contra investigations are likely to produce a number of recommendations for improvements in several aspects of intelligence operations and oversight.

Mr. Chairman, all these problems will take the best efforts of both branches and the continued appointment of qualified professionals of integrity to meet the challenges of the next several years. The committee is dedicated to do its part, including the provisions of necessary funding, but it will be difficult to convince a skeptical House of the validity of committee recommendations without the basic cooperation of all intelligence agencies and officials. I believe that director Webster is dedicated to restoring trust and cooperation. The committee wishes him well.

Mr. Chairman, I reserve the balance of my time.

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Mr. HYDE. Mr. Chairman, I yield myself such time as I may consume.

Let me say first, Mr. Chairman, what a genuine pleasure it is to work with the chairman of this committee, the Honorable LOUIS STOKES of Cleveland.

Mr. Chairman, I have served on the committee under a previous chairman, LEE HAMILTON, of Indiana and I know well the first chairman of the House Permanent Select Committee on Intelligence, the Honorable EDWARD BOLAND of Massachusetts. I cannot imagine three more patriotic, effective gentlemen than these three. I thought it would be pretty hard to top Mr. HAMILTON and Mr. BOLAND, but I must say Mr. STOKES is right up there with them. It is really a pleasure. I have learned a great deal.

I wanted to say that and, as you know, Mr. Chairman, Members take the credit but the staff does the work.

Both the majority and the minority staff, although we on the committee like to think everybody's staff belongs to everybody—and that is certainly true, particularly in matters of the budget. Mr. Latimer, Mr. O'Neal, Mr. Faga, Mr. Andrews, Mr. Raimo, Mr. Surette, Mr. Fitch, Mr. Smeeton, Mr. Nelson, Diana Dornan, and others. They are superb, they have made us, I think, a superb committee.

Mr. Chairman, I rise in support of the bill. H.R. 2112, the Intelligence Authorization Act for fiscal year 1988. The bill, as reported from the Intelligence and Armed Services Committees, is basically noncontroversial. It authorizes classified amounts for appropriations for the conduct of intelligence and intelligence-related activities of the various elements of our Government involved in intelligence and counterintelligence programs.

This legislation provides or extends various administrative authorities for intelligence agencies. It also authorizes appropriations of $134,700,000 for the Central Intelligence Agency retirement and disability system, as requested by the President, and it provides for a death-in-service benefit for CIA former spouses and retirement benefits for certain CIA former spouses. Another administrative provision of the bill would create a commission to study the personnel systems of the intelligence community and report to the President and Congress, within 9 months of the date of enactment, on its findings and recommendations.

H.R. 2112 maintains the status quo with respect to restrictions on support for military or paramilitary operations in Nicaragua by carrying forward the exact language contained in last year's Intelligence Authorization Act. In short, this bill continues unchanged the policy that funds available to the CIA, the Defense Department or other agencies or entities of the United States involved in intelligence activities may be obligated or expended in fiscal year 1988 for such support only as authorized by law. Of course, we all expect the controversial issue of further aid to the Nicaraguan democratic resistance to be addressed later this year when the President submits a formal request for such assistance for the next fiscal year.

In conclusion, let me point out that the administration supports passage of this bill. My friend and colleague, the distinguished chairman of the Intelligence Committee, Mr. STOKES, has shepherded a good bill to the floor today. I support its passage, and I urge the House to approve it.

Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Wyoming [Mr. CHENEY] whose contribution to this bill and to the work of the committee is invaluable.

Mr. CHENEY. I thank the gentleman for yielding.

Mr. Chairman, I will be very brief. Mr. Chairman, I want to join with my colleague, Mr. HYDE, in thanking the chairman of the committee for the fair and objective and impartial way he presides over a very difficult task. This is a fascinating committee on which to serve in part because everything we do takes place in executive session for obvious reasons. So there is not always the public accord and approval that many Members experience when they serve on more public committees.

It has been possible for us to come together from a wide variety of backgrounds and with widely differing philosophies and opinions on the issues of the day, to come together in an extended set of hearings, a great deal of effort and address some very difficult and complex issues and put together what I think is an excellent bill.

It has been a special privilege for me to have the opportunity to serve this year as the ranking member on the Subcommittee on Program and Budget and to work with Mr. STOKES who serves in a dual capacity not only as chairman of the subcommittee but also chairman of the full committee.

Mr. Chairman, I want to strongly urge my colleagues to approve the legislation and to join with both the chairman and the ranking member of the full committee and thanking the staff for what I think has been an excellent job.

Mrs. SCHROEDER. Mr. Chairman, I am delighted that through this bill we are finally providing retirement security for certain former spouses of our country's intelligence personnel. Congress has adopted an incremental approach to the whole issue of spouse equity in retirement laws, and this bill is the latest of several to address the issue. But it is a critically important measure, for it closes a big gap in retirement protection for former CIA spouses.

Back in 1982, Congress enacted legislation to provide retirement and survivor benefits to spouses of CIA personnel in case of divorce. We had heard horror stories of CIA spouses who were impoverished after divorce, having spent their married years accompanying the employee to foreign posts where there was no opportunity for the spouse to work or earn her own retirement benefits.

The 1982 act was based on the landmark Foreign Service Act and adopted its pro rata formula for determining spousal benefits. Yet, as good as these two bills were, neither one provided any benefits for the very individuals who needed them most—the spouses who had gone abroad, represented the U.S. Government, and yet were divorced before courts were authorized to award retirement or survivor benefits.

Last year's intelligence authorization bill recognized that these former spouses were entitled to a survivor annuity. Because the number of former spouses who were not covered by the 1982 act is relatively small—less than 100 persons according to our best estimates—we were able to provide this benefit without affecting the CIA retiree's annuity at all. It was a terrific step.

This year, we will close the retirement gap for CIA former spouses by providing retirement benefits as though the spouses were covered by the 1982 act. This bill will not affect any CIA retiree because the benefits will be paid from appropriated funds, not as a share of the retiree's annuity.

Mr. HYDE. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. STOKES. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the bill shall be considered under the 5-minute rule by titles and each title shall be considered as having been read.

The Clerk will designate section 1.

Mr. STOKES. Mr. Chairman, I ask unanimous consent that the bill be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The text of the bill is as follows:

H.R. 2112

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Intelligence Authorization Act, Fiscal Year 1988".

TITLE I—INTELLIGENCE ACTIVITIES

AUTHORIZATION OF APPROPRIATIONS

Sec. 101. Funds are hereby authorized to be appropriated for fiscal year 1988 for the conduct of the intelligence and intelligence-related activities of the following elements of the United States Government:

(1) The Central Intelligence Agency.
(2) The Department of Defense.
(3) The Defense Intelligence Agency.
(4) The National Security Agency.
(5) The Department of the Army, the Department of the Navy, and the Department of the Air Force.
(6) The Department of State.
(7) The Department of the Treasury.
(8) The Department of Energy.
(9) The Federal Bureau of Investigation.
(10) The Drug Enforcement Administration.

CLASSIFIED SCHEDULE OF AUTHORIZATIONS

Sec. 102. (a) The amounts authorized to be appropriated under section 101, and the authorized personnel ceilings as of September 30, 1988, for the conduct of the intelligence and intelligence-related activities of the elements listed in such section, are those specified in the classified Schedule of Authorizations prepared by the Permanent Select Committee on Intelligence to accompany H.R. 2112 of the One Hundredth Congress. That Schedule of Authorizations shall be made available to the Committee on Appropriations of the Senate and House of Representatives and to the President. The President shall provide for suitable distribution of the Schedule, or of appropriate portions of the Schedule, within the executive branch.

((b)(1) In computing the number of nonheadquarters personnel required to be reduced under subsection (b)(2)(A) of section 601 of Public Law 99-433 (100 Stat. 1065), the Secretary of Defense shall exclude personnel of the Defense Intelligence Agency and the Defense Mapping Agency, and in carrying out that reduction, the Secretary shall allocate such reduction (under the authority of the Secretary under subsection (d) of that section) so that none of such reduction is applied to personnel of the Defense Intelligence Agency or the Defense Mapping Agency.

(2) For purposes of paragraph (1), the term "nonheadquarters personnel" means members of the Armed Forces and civilian employees assigned or detailed to permanent duty in the Defense Agencies and Department of Defense Field Activities, other than members and employees assigned or detailed to duty in management headquarters activities or management headquarters support activities.

PERSONNEL CEILING ADJUSTMENTS

Sec. 103. The Director of Central Intelligence may authorize employment of civilian personnel in excess of the numbers authorized for fiscal year 1988 under sections 102 and 202 of this Act when he determines that such action is necessary to the performance of important intelligence functions, except that such number may not, for any element of the Intelligence Community, exceed 2 per centum of the number of civilian personnel authorized under such sections for such element. The Director of Central Intelligence shall promptly notify the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate whenever he exercises the authority granted by this section.

RESTRICTION ON SUPPORT FOR MILITARY OR PARAMILITARY OPERATIONS IN NICARAGUA

Sec. 104. Funds available to the Central Intelligence Agency, the Department of Defense, or any other agency or entity of the United States involved in intelligence activities may be obligated and expended during fiscal year 1988 to provide funds, materiel, or other assistance to the Nicaraguan democratic resistance to support military or paramilitary operations in Nicaragua only as authorized in section 101 and as specified in the classified Schedule of Authorizations referred to in section 102, or pursuant to section 502 of the National Security Act of 1947, or pursuant to any provision of law specifically providing such funds, materiel, or assistance.

UNAUTHORIZED APPROPRIATIONS

Sec. 105. (a) Notwithstanding section 9126 or section 9133 of the Department of Defense Appropriations Act, 1987 (as contained in section 101(c) of the joint resolution entitled "Joint resolution making continuing appropriations for fiscal year 1987, and for other purposes", Public Law 99-500 and Public Law 99-591), only funds specifically authorized by the Congress in accordance with section 502 of the National Security Act of 1947 may be obligated or expended for intelligence or intelligence-related activities.

(b) All intelligence or intelligence-related activities for which funds were appropriated in the Defense Appropriations Act, 1987 and which are listed in that part of the Schedule of Authorizations (referred to in section 101(a)) entitled "Unauthorized Appropriations, Fiscal Year 1987" shall be considered specifically authorized by Congress pursuant to section 502 of the National Security Act of 1947.

(c) Those intelligence or intelligence-related activities for which funds were appropriated in the Defense Appropriations Act, 1987 and which are listed in that part of the Schedule of Authorizations (referred to in section 101(a)) entitled "Unauthorized Appropriations for Reprogramming, Fiscal Year 1987" shall be considered specifically authorized by Congress only for the purposes of section 502(a)(3) of the National Security Act of 1947.

TITLE II—INTELLIGENCE COMMUNITY STAFF

AUTHORIZATION OF APPROPRIATIONS

SEC. 201. There is authorized to be appropriated for the Intellgence Community Staff for fiscal year 1988 the sum of $24,272,000.

AUTHORIZATION OF PERSONNEL END STRENGTH

SEC. 202. (a) The Intelligence Community Staff is authorized 237 full-time personnel as of September 30, 1988. Such personnel of the Intelligence Community Staff may be permanent employees of the Intelligence Community Staff or personnel detailed from other elements of the United States Government.

(b) During fiscal year 1988, personnel of the Intelligence Community Staff shall be selected so as to provide appropriate representation from elements of the United States Government engaged in intelligence and intelligence-related activities.

(c) During fiscal year 1988, any officer or employee of the United States or a member of the Armed Forces who is detailed to the Intelligence Community Staff from another element of the United States Government shall be detailed on a reimbursable basis, except that any such officer, employee, or member may be detailed on a nonreimbursable basis for a period of less than one year for the performance of temporary functions as required by the Director of Central Intelligence.

INTELLIGENCE COMMUNITY STAFF ADMINISTERED IN SAME MANNER AS CENTRAL INTELLIGENCE AGENCY

SEC. 203. During fiscal year 1988, activities and personnel of the Intelligence Community Staff shall be subject to the provisions of the National Security Act of 1947 (50 U.S.C. 401 et seq.) and the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.) in the same manner as activities and personnel of the Central Intelligence Agency.

TITLE III—CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM

AUTHORIZATION OF APPROPRIATIONS

SEC. 301. There is authorized to be appropriated for the Central Intelligence Agency Retirement and Disability Fund for fiscal year 1988 the sum of $134,700,000.

TITLE IV—RETIREMENT AND DEATH IN SERVICE BENEFITS

RETIREMENT BENEFITS

SEC. 401. (a) Part C of title II of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees is amended by adding at the end the following new section:

"RETIREMENT BENEFITS FOR CERTAIN FORMER SPOUSES

"SEC. 225. (a) Any individual who was a former spouse of a participant or a former participant on November 15, 1982, shall be entitled, to the extent of available appropriations, and except to the extent such former spouse is disqualified under subsection (b), to benefits—

"(1) if married to the participant throughout the creditable service of the participant, equal to 50 percent of the benefits of the participant; or

"(2) if not married to the participant throughout such creditable service, equal to that former spouse's pro rata share of 50 percent of such benefits.

"(b) A former spouse shall not be entitled to benefits under this section if—

"(1) the former spouse remarries before age 55; or

"(2) the former spouse is less than 50 years of age.

"(c)(1) The entitlement of a former spouse to benefits under this section—

"(A) shall commence on the later of—

"(i) the day the participant upon whose service benefits are based becomes entitled to benefits under this title;

"(ii) the first day of the month in which the divorce or annulment involved becomes final; or

"(iii) such former spouse's 50th birthday; and

"(B) shall terminate on the earlier of—

"(i) the last day of the month before the former spouse dies or remarries before 55 years of age; or

"(ii) the date the benefits of the participant terminate.

"(2) Notwithstanding paragraph (1), in the case of any former spouse of a disability annuitant—

"(A) the benefits of the former spouse shall commence on the date the participant would qualify on the basis of his or her creditable service for benefits under this title (other than a disability annuity) or the date the disability annuity begins, whichever is later, and

"(B) the amount of benefits of the former spouse shall be calculated on the basis of benefits for which the participant would otherwise so qualify.

"(3) Benefits under this section shall be treated the same as an annuity under section 222(a)(6) for purposes of section 221(g)(2) or any comparable provision of law.

"(4)(A) Benefits under this section shall not be payable unless appropriate written application is provided to the Director, complete with any supporting documentation which the Director may by regulation require, within 30 months after the effective date of this section. The Director may waive the 30-month application requirement under this subparagraph in any case in which the Director determines that the circumstances so warrant.

"(B) Upon approval of an application as provided under subparagraph (A), the appropriate benefits shall be payable to the former spouse with respect to all periods before such approval during which the former spouse was entitled to such benefits under this section, but in no event shall benefits be payable under this section with respect to any period before the effective date of this section.

"(d) The Director shall—

"(1) as soon as possible, but not later than 60 days after the effective date of this section, issue such regulations as may be necessary to carry out this section; and

"(2) to the maximum extent practicable, and as soon as possible, inform each individual who was a former spouse of a participant or a former participant on November 15, 1982, of any rights which such individual may have under this section.

"(e) Nothing in this section shall be construed to impair, reduce, or otherwise affect the annuity or the entitlement to an annuity of a participant or former participant under this title.".

(b) Section 14(a) of the Central Intelligence Agency Act of 1949 is amended by inserting "225," after "223, 224,".

DEATH IN SERVICE BENEFITS

SEC. 402. (a) Section 232(b) of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees (50 U.S.C. 403(b) note) is amended—

(1) by inserting "(1)" before "If a participant";

(2) by striking all that follows "as defined in section 204," and inserting in lieu thereof "or by a former spouse qualifying for a survivor annuity under section 222(b), such widow or widower shall be entitled to an annuity equal to 55 percent of the annuity computed in accordance with paragraphs (2) and (3) of this subsection and section 221(a), and any such surviving former spouse shall be entitled to an annuity computed in accordance with section 222(b) and paragraph (2) of this subsection as if the participant died after being entitled to an annuity under this Act. The annuity of such widow, widower, or former spouse shall commence on the date following death of the participant and shall terminate upon death or remarriage prior to attaining age sixty of the widow, widower, or former spouse (subject to the payment and restoration provisions of sections 221(g) and 222(b)(3)).''; and

(3) by adding at the end the following new paragraphs:

"(2) The annuity payable under paragraph (1) shall be computed in accordance with section 221(a), except that the computation of the annuity of the participant under such section shall be at least the smaller of (A) 40 percent of the participant's average basic salary, or (B) the sum obtained under such section after increasing the participant's service of the type last performed by the difference between the participant's age at the time of death and age sixty.

"(3) Notwithstanding paragraph (1), if the participant had a former spouse qualifying for an annuity under section 222(b), the annuity of a widow or widower under this section shall be subject to the limitation of section 221(b)(3)(B), and the annuity of a former spouse under this section shall be subject to the limitation of section 222(b)(4)(B)."

(b)(1) Section 221(o)(2) of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees is amended by inserting "232(b)," after "222, 223,".

(2) Section 304 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees is amended—

(A) in subsection (b) by inserting "and (3)" after "subsection (c)(2)"; and

(B) in subsection (c)—

(i) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(ii) by inserting after paragraph (2) a new paragraph as follows:

"(3) Section 232(b).".

(3) Section 14(a) of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403n(a)) is amended by inserting "232(b)," before "234(c), 234(d),".

(c)(1) Except as provided in paragraph (2), the amendments made by this section shall take effect on November 15, 1982, the effective date of the Central Intelligence Agency Spouses' Retirement Equity Act of 1982.

(2) The amendment made by subsection (b)(2) shall take effect on January 1, 1987, the effective date of the Federal Employees' Retirement System Act of 1986.

(d) Nothing in this section or any amendment made by this section shall be construed to require the forfeiture by any individual of benefits received before the date of the enactment of this Act.

TITLE V—DOD INTELLIGENCE PERSONNEL IMPROVEMENTS

DIA CIVILIAN UNIFORM ALLOWANCE ADJUSTMENT

Sec. 501. (a) Chapter 83 of title 10, United States Code, is amended by inserting after section 1605 the following new section:

"§ 1606. Civilian Uniform Allowance

"Notwithstanding the provisions of subsection 5901(a) of title 5, United States Code, of funds appropriated annually for the Defense Intelligence Agency, the Secretary of Defense is authorized to pay a uniform allowance for civilian employees of the Defense Attache Offices outside the United States who are required by Agency regulations to wear a prescribed uniform in performance of official duties an amount not to exceed $360 annually, or such amount as is provided for similar employees of the Department of State, whichever is greater.".

(b) The table of contents for chapter 83 of title 10, United States Code, is amended by adding at the end thereof the following:

"Sec. 1606. Civilian Uniform Allowance.".

TERMINATION AUTHORITY—DIA CIVILIAN EMPLOYEES

Sec. 502. Paragraph 1604(e)(1) of title 10, United States Code, is amended by striking ", during fiscal years 1986 and 1987," and inserting in lieu thereof ", during fiscal year 1988,".

PERSONNEL MANAGEMENT AUTHORITY—DOD MILITARY INTELLIGENCE PERSONNEL

Sec. 503. Paragraph 1590(e)(1) of chapter 81 of title 10, United States Code, is amended by striking ", during fiscal year 1987," and inserting in lieu thereof ", during fiscal year 1988,".

TITLE VI—STUDY OF INTELLIGENCE PERSONNEL SYSTEMS

COMMISSION ON INTELLIGENCE PERSONNEL SYSTEMS

Sec. 601. (a) Establishment; Purpose.—There is hereby established a commission to be known as the Commission on Intelligence Personnel Systems. The Commission shall conduct a comprehensive review and comparative analysis of all personnel management and compensation systems affecting civilian personnel of agencies and other entities of the intelligence community with a view to determining the adequacy of existing personnel systems and any changes that should be made in such systems.

(b) Members.—(1) The Commission shall consist of three members. The President, the Speaker of the House of Representatives (after consultation with the minority leader of the House), and the majority leader of the Senate (after consultation with the minority leader of the Senate) shall each appoint one member. The member appointed by the President shall be the chairman of the Commission.

(2) Members of the Commission shall be appointed from among persons outside the Government who by reason of training, background, education, and experience in intelligence matters and personnel systems are highly qualified to study the matters described in subsection (a).

(3) Members of the Commission shall be paid at the daily equivalent of the rate of basic pay payable for level IV of the Executive Schedule for each day (including traveltime) that they are engaged in the business of the Commission.

(4) A member of the Commission shall not be considered to be a Federal employee except for purposes of—

(A) chapter 81 of title 5, United States Code, relating to compensation for work-related injuries; and

(B) chapter 171 of title 28, United States Code, relating to tort claims.

(c) Staff.—(1) The Commission may (without regard to section 5311(b) of title 5, United States Code) appoint an executive director, who shall be paid at a rate not to exceed the rate of basic pay payable for level IV of the Executive Schedule.

(2) The Commission may appoint such additional staff as it considers appropriate. Such personnel shall be paid at a rate not to exceed the rate of basic pay payable for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code.

(3) The executive director and staff of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the executive branch and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(4) The Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(d) Support.—Upon request of the Commission, the Director of Central Intelligence, the Director of the Intelligence Community Staff, and the heads of the elements of the intelligence community may detail personnel under their jurisdiction to the Commission to assist the Commission in carrying out its duties under this section and may provide to the Commission such administrative support services as the Commission may require.

(e) Funding.—Of the amount available to the Intelligence Community Staff for fiscal year 1988 under section 201, $500,000 shall be available for the Commission.

(f) Report.—Not later than nine months after the date of the enactment of this Act, the Commission shall submit to the President and to Congress a report setting forth its findings and conclusions and such recommendation (including recommendations for legislation) as the Commission considers appropriate.

AMENDMENTS OFFERED BY MR. STOKES

Mr. STOKES. Mr. Chairman, I offer several technical amendments.

The Clerk read as follows:

Amendments offered by Mr. Stokes: Page 11, line 13, insert ", to the extent of available appropriations," after "shall be entitled".

Page 11, line 17 insert ", to the extent of available appropriations," after "shall be entitled".

Page 13, strike out line 20 and all that follows through line 25 on page 14 and insert in lieu thereof the following:

TITLE V—DEFENSE INTELLIGENCE PERSONNEL IMPROVEMENTS

DIA CIVILIAN UNIFORM ALLOWANCE

Sec. 501. (a) Comparability With State Department Employees.—Chapter 83 of title 10, United States Code, is amended by adding at the end thereof the following new section:

"§ 1606. Uniform allowance: civilian employees

"(a) The Secretary of Defense may pay an allowance under this section to any civilian employee of the Defense Intelligence Agency who—

"(1) is assigned to a Defense Attache Office outside the United States; and

"(2) is required by regulation to wear a prescribed uniform in performance of official duties."

"(b) Notwithstanding section 5901(a) of title 5, the amount of any such allowance shall be the greater of the following:

"(1) The amount provided for employees of the Department of State assigned to positions outside the United States and required by regulation to wear a prescribed uniform in performance of official duties.

"(2) $360 per year.

"(c) An allowance paid under this section shall be treated in the same manner as is provided in subsection (c) of section 5901 of title 5 for an allowance paid under that section.".

(b) Clerical Amendment.—The table of sections at the beginning of such chapter is amended by adding at the end thereof the following new item:

"1606. Uniform allowance: civilian employees.".

EXTENSION OF SPECIAL TERMINATION AUTHORITY FOR CERTAIN DOD INTELLIGENCE EMPLOYEES

Sec. 502. (a) Defense Intelligence Agency.—Section 1604(e)(1) of title 10, United States Code, is amended by striking out "during fiscal years 1986 and 1987" and inserting in lieu thereof "during fiscal year 1988".

(b) Military Departments.—Section 1590(e)(1) of such title is amended by striking out "during fiscal year 1987" and inserting in lieu thereof "during fiscal year 1988".

EFFECTIVE DATE

Sec. 503. The amendments made by this title shall take effect on October 1, 1987.

Page 16, line 2, insert "a rate not to exceed" after "daily equivalent of".

Page 17, after line 22, insert the following new title:

TITLE VIII—GENERAL PROVISIONS

RESTRICTION OF CONDUCT OF INTELLIGENCE ACTIVITIES

Sec. 701. The authorization of appropriations by this Act shall not be deemed to constitute authority for the conduct of any intelligence activity which is not otherwise authorized by the Constitution or laws of the United States.

INCREASES IN EMPLOYEE BENEFITS AUTHORIZED BY LAW

Sec. 702. Appropriations authorized by this Act for salary, pay, retirement, and other benefits for Federal employees may be increased by such additional or supplemental amounts as may be necessary for increases in such benefits authorized by law.

Mr. STOKES (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the Record, and that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. STOKES. Mr. Chairman, these amendments, which have been cleared with the ranking minority member, the gentleman from Illinois, are technical in nature.

The amendment to title IV adds language contained in section 401 that was inadvertently omitted from section 402. The language is necessary to cure what the Budget Committee deems to be a technical violation of section 401(b)(1) of the Budget Act, concerning new entitlement authority.

The amendment to title V, which is a technical redraft of title V, as reported, corrects style errors and postpones the effective date of these provisions until October 1, 1987. To avoid a technical violation of clause 5 of rule XXI, for which the rule adopted for consideration of this bill granted a waiver.

The amendment to title VI cures what the Budget Committee deems to be a technical violation of section 302(f) of the Budget Act, concerning program level ceilings.

The last amendment adds a new title VII to the bill, containing general provisions heretofore included in each of the previous intelligence authorization acts going back to fiscal year 1979, and inadvertently omitted from the bill as reported.

In regard to the amendments correcting technical violations of the Budget Act, the appropriate technical waiver letters were sent to the Rules Committee by the Budget Committee and the rule adopted contains the requisite waivers.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. STOKES. I yield to the gentleman from Illinois.

Mr. HYDE. I thank the gentleman for yielding.

Mr. Chairman, the minority agrees with the statement of the committee chairman and asks for adoption of the technical amendments.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Ohio [Mr. Stokes].

The amendments were agreed to.

AMENDMENT OFFERED BY MR. BROOMFIELD

Mr. BROOMFIELD. Mr. Chairman, I offer an amendment.

The clerk read as follows:

Amendment offered by Mr. Broomfield:

At the end of the bill, add the following:

TITLE VII—MOUNT ALTO EMBASSY SITE

ASSESSMENT OF SOVIET ELECTRONIC ESPIONAGE CAPABILITY

Sec. 701. (a) Review and Assessment.—The Secretary of Defense shall review and assess the present and potential capabilities of the Government of the Soviet Union to intercept United States communications involving diplomatic, military, and intelligence matters from facilities on Mount Alto in the District of Columbia. The Secretary shall submit to Congress a report on such review and assessment not later than 90 days after the date of the enactment of this Act.

(b) Determination of Consistency With National Security.—The report required by subsection (a) shall include a determination by the Secretary of Defense as to whether or not the present and proposed occupation of facilities on Mount Alto by the Government of the Soviet Union is consistent with the national security of the United States.

(c) Classification of Report.—The report required by subsection (a) shall be submitted in both a classified and unclassified form, except that the determination required by subsection (b) shall be submitted in an unclassified form.

(d) Limitation on Delegation.—The Secretary of Defense may not delegate the duty to make the determination required by subsection (b).

Mr. BROOMFIELD (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BROOMFIELD. Mr. Chairman, I have discussed this with the chairman and the ranking member, but I would like to take a moment or two to explain briefly what this amendment does.

Mr. Chairman, my amendment requires the Secretary of Defense to assess the communications security impact of Soviet use of Mount Alto in the District of Columbia, and to report thereon to the Congress.

The amendment is identical to the amendment I offered that the House adopted 3 weeks ago as part of the Defense Authorization Act.

The Soviet Union uses its diplomatic facilities in the United States to engage in electronic espionage designed to intercept sensitive United States communications.

Consequently, the proposed new Soviet Embassy on Mount Alto poses serious concern for the security of United States Government diplomatic, military, and intelligence communications.

The amendment I have offered will make available to the President and the Congress a thorough evaluation of the effect of Soviet use of Mount Alto on the Security of United States communications.

That evaluation will assist in improving the security of United States communications and in deciding how to proceed on the reciprocal questions of Soviet use of Mount Alto and United States use of the proposed new United States Embassy in Moscow.

As the Executive agent of the U.S. Government for communications security, the Secretary of Defense is the appropriate officer of the Government to conduct the evaluation.

After making his review and assessment, the Secretary of Defense will, of course, consult the Secretary of State, the Director of Central Intelligence, and the Director of the FBI before making the determination and report required by the amendment.

The amendment will ensure that the President and the Congress have important information they need to determine how best to protect United States diplomatic, military, and intelligence activities from Soviet espionage.

I urge my colleagues to support the amendment.

□ 1350

Mr. STOKES. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I am happy to yield to the committee chairman.

Mr. STOKES. Mr. Chairman, as the gentleman from Michigan has noted, this amendment was adopted by the House during consideration of H.R. 7128, the Department of Defense Authorization Act for Fiscal Year 1988. It is acceptable to the committee.

Mr. BROOMFIELD. Mr. Chairman, I thank the chairman of the committee.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the ranking minority member.

Mr. HYDE. Mr. Chairman, I thank the gentleman for yielding.

We, too, have examined this amendment. It is an excellent amendment, and we are pleased to accept it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. Broomfield].

The amendment was agreed to.

The CHAIRMAN. Are there any additional amendments to the bill?

If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. Penny], having assumed the chair, Mr. Beilenson, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2112) to authorize appropriations for fiscal year 1988 for intelligence and intelligence-related activities of the U.S. Government, for the Intelligence Community Staff, for the Central Intelligence Agency Retirement and Disability System, and for other purposes, pursuant to House Resolution 187, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. STOKES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

FEDERALLY MANDATED EMPLOYEE BENEFITS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama [Mr. FLIPPO] is recognized for 5 minutes.

Mr. FLIPPO. Mr. Speaker, I rise today to call attention to House Resolution 188, which promotes responsible consideration of small business and the overall economy whenever federally mandated employee benefits are enacted.

As an original sponsor of this resolution, I strongly support the ideal that Congress should always seek to promote economic growth and improvements in our country's quality of life. Yet, to advance these goals, Congress must be fully informed of the effect of Federal legislation on the Nation's economy and our competitive position in international markets.

Since the Federal Government cannot afford to fund new employee benefits because of current budget deficit burdens, it is a seemingly attractive option to pass the costs of mandated benefits directly onto employers. Such actions affect immediately millions of small businesses attempting to grow and provide new employment opportunities.

The 100th Congress is now considering several bills which address important issues affecting the American people and their workplaces. This resolution does not prejudge the merits of any one of these initiatives. House Resolution 188 does call on each House committee reporting legislation that requires employers to provide new employee benefits, to secure an objective analysis of the impact of federally mandated benefits on employers, especially small business, the general economy, and the employees, for whom the real issue is still the job.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BONIOR of Michigan (at the request of Mr. FOLEY), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GARCIA) to revise and extend their remarks and include extraneous material:)

Mr. BUSTAMANTE, for 5 minutes, today.

Mr. FLIPPO, for 5 minutes, today.

Mr. PEASE, for 5 minutes, on June 9 and June 10.

Mr. ROSTENKOWSKI, for 5 minutes, on June 10.

Mr. GONZALEZ, for 60 minutes, on June 10 and June 11.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. KYL) and to include extraneous matter:)

Mr. COURTER in two instances.
Mr. BEREUTER.
Mr. PACKARD.
Mr. PURSELL.
Mr. HYDE.
Mr. GINGRICH.
Mrs. SAIKI.

(The following Members (at the request of Mr. GARCIA) and to include extraneous matter:)

Mr. GRAY of Pennsylvania.
Mr. GARCIA.
Mr. LANCASTER.
Mr. NELSON of Florida.
Mr. TRAFICANT.
Mr. VENTO.
Mr. HOYER.
Mr. MCHUGH.
Mr. EDWARDS of California.
Mr. MONTGOMERY in three instances.
Mr. TALLON.
Mr. KENNEDY.
Mr. DOWNEY of New York.
Mr. FASCELL.
Mr. WAXMAN.
Mr. SHARP.
Mr. BERMAN.
Mr. FEIGHAN.
Mr. FASCELL in three instances.

SENATE JOINT RESOLUTIONS REFERRED

Joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 15. Joint resolution designating the month of November 1987 as "National Alzheimer's Disease Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 39. Joint resolution to provide for the designation of the 70th anniversary of the renewal of Lithuanian independence, February 16, 1988, as "Lithuanian Independence Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 75. Joint resolution to designate the week of August 2, 1987, through August 8, 1987, as "National Podiatric Medicine Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 76. Joint resolution to designate the week of October 4, 1987, through October 10, 1987, as "Mental Illness Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 86. Joint resolution to designate October 28, 1987, as "National Immigrants Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 110. Joint resolution to designate October 16, 1987, as "World Food Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 117. Joint resolution designating July 2, 1987, as "National Literacy Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 139. Joint resolution to designate July 20, 1987, as "Space Exploration Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 143. Joint resolution to designate April 1988, as "Fair Housing Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 151. Joint resolution to designate August 1, 1987, as "Helsinki Human Rights Day"; to the Committees on Post Office and Civil Service and Foreign Affairs.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 742. An act to clarify the congressional intent concerning, and to codify, certain requirements of the Communications Act of 1934 that ensure that broadcasters afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

ADJOURNMENT

Mr. GARCIA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 57 minutes p.m.) the House adjourned until tomorrow, Wednesday, June 10, 1987, at 10 a.m.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1986, TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the CONGRESSIONAL RECORD pursuant to section 4(b) of Public Law 85-804:

The Secretary of Transportation,
Washington, DC, June 4, 1987.
Hon. Jim Wright,
Speaker of the House of Representatives, Washington, DC.

Dear Mr. Speaker: In accordance with the notification requirements of 50 U.S.C. Section 1434 (Public Law 85-804, August 28, 1958, as amended by Public Law 93-155, November 16, 1973) as implemented by Executive Order Number 10789, November 14, 1958, I am pleased to report that there were no Federal Railroad Administration contractors or subcontractors indemnified during 1986.

With warmest regard,

Elizabeth Hanford Dole.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1558. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a listing of supplemental contract award dates for the period July 1, 1987 to August 31, 1987, pursuant to 10 U.S.C. 2431(b); to the Committee on Armed Services.

1559. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Navy's proposed letter(s) of offer to Egypt for defense articles estimated to cost $50 million or more (Transmittal No. 87-24), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

1560. A letter from the Secretary of Defense, transmitting the Department's report on the status and cost of U.S. commitment to NATO as reflected in the DPQ response and defense budget request, pursuant to 22 U.S.C. 1928 nt.; to the Committee on Armed Services.

1561. A letter from the Federal-State Coordinator, Office of the Governor of Montana, transmitting a copy of the Interstate Mutual Aid Compact between the States of Idaho and Montana, pursuant to 50 U.S.C. app. 2281(g); to the Committee on Armed Services.

1562. A letter from the Secretary of Transportation, transmitting notice that there were no Federal Railroad Administration contractors or subcontractors indemnified during 1986, pursuant to 50 U.S.C. 1434; to the Committee on Energy and Commerce.

1563. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Department of the Navy's proposed letter(s) of offer to Egypt for defense articles and services estimated to cost $190 million (Transmittal No. 87-24), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1564. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the Department of the Navy's proposed letter(s) of offer to Canada for defense articles and services estimated to cost $17 million (Transmittal No. 87-23), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1565. A letter from the Director, Defense Security Assistance Agency, transmitting reports of the listing of all outstanding letters of offer to sell any major defense equipment for $1 million or more as of March 31, 1987, pursuant to 22 U.S.C. 2776(a); to the Committee on Foreign Affairs.

1566. A letter from the Director, Defense Security Assistance Agency, transmitting reports on commercial and governmental military exports, together with a list of all security assistance surveys authorized for foreign countries for the second quarter of fiscal year 1987, January 1, 1987 through March 31, 1987, pursuant to 22 U.S.C. 2776(a); to the Committee on Foreign Affairs.

1567. A letter from the Administrator, Environmental Protection Agency, transmitting the Agency's 5-year plan for environmental research, development and demonstration, together with comments of the Science Advisory Board, pursuant to 42 U.S.C. 4361; to the Committee on Science, Space, and Technology.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WYLIE (for himself, Mrs. Roukema, Mr. Ridge, Mr. Bartlett, Mr. Michel, and Mr. Lott):

H.R. 2630. A bill to amend and extend certain laws relating to housing and community development, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ANNUNZIO (for himself Mr. Hiler) (by request):

H.R. 2631. A bill to authorize appropriations for the U.S. Mint for fiscal years 1988 and 1989, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mrs. MORELLA:

H.R. 2632. A bill to provide for a Peace Corps training and educational benefits demonstration program; to the Committee on Foreign Affairs.

By Mr. RICHARDSON:

H.R. 2633. A bill to provide for the use of certain immigration procedures with respect to Cuban nationals; to the Committee on the Judiciary.

By Mr. ROBINSON:

H.R. 2634. A bill to increase from $100,000 to $500,000 the amount of deposit insurance on public funds deposited in accounts established by an officer, employee, or agent of the United States, any State, or other unit of government; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BONIOR of Michigan (for himself, Mr. Howard, Mrs. Morella, and Mr. Sikorski):

H.J. Res. 307. Joint resolution designating July 25, 1987, as "Clean Water Day" to the Committee on Post Office and Civil Service.

By Mr. Lungren (for himself, Mr. Traficant, Mr. Fuster, Mr. Wolf, Mr. Hoyer, Mr. Erdreich, Mr. Bennett, Mr. Horton, Mr. Dornan of California, Mr. Burton of Indiana, Mr. Roe, Mr. Fazio, Mr. Frost, Mr. Russo, Mr. de la Garza, Mrs. Boxer, Mr. Wortley, and Mr. Coleman of Missouri):

H.J. Res. 308. Joint resolution designating November 14, 1987, as "National Philanthropy Day"; to the Committee on Post Office and Civil Service.

By Mrs. BOXER:

H. Res. 189. Resolution expressing the sense of the House of Representatives that the United States should not assist directly or indirectly groups engaging in an insurgency or other act of rebellion against the Government of Nicaragua if such groups engage in the illegal traffic in drugs and that certain congressional committees should continue to investigate reports of such traffic to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

106. By the SPEAKER: Memorial of the Legislature of the State of Hawaii, relative to comprehensive health care services to native Hawaiians; to the Committee on Energy and Commerce.

107. Also, memorial of the House of Representatives of the State of Hawaii, relative to legislation which would provide comprehensive health care services to native Hawaiians; to the Committee on Energy and Commerce.

108. Also, memorial of the House of Representatives of the State of Hawaii, relative to measures to enable airline passengers to travel in environment from hazards of passive smoke; to the Committee on Public Works and Transportation.

109. Also, memorial of the General Assembly of the State of Colorado, relative to the establishment of fair trade agreements; to the Committee on Ways and Means.

110. Also, memorial of the Legislature of the State of Nevada, relative to notification of the State of the intended entry of hazardous materials into the State; jointly, to the Committees on Public Works and Transportation and Energy and Commerce.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 262: Mr. Fascell, Mr. Waxman, and Mrs. Johnson of Connecticut.

H.R. 382: Mr. Sabo, Mr. de Lugo, Mr. Pursell, and Mr. Akaka.

H.R. 387: Mr. Akaka, Mr. Studds, and Mr. Perkins.

H.R. 388: Mr. Lancaster and Mr. Saiki.

H.R. 458: Mr. Ackerman, Mr. Barton of Texas, Mr. Beilenson, Mr. Bosco, Mr. Brown of Colorado, Mrs. Byron, Mr. Hayes of Louisiana, Mr. Lehman of Florida, Mr. Owens of Utah, Mr. Pursell, Mr. Schaefer, Mr. Schuette, Mr. Stump, and Mr. Wylie.

H.R. 544: Mr. Clarke, Mr. Nielson of Utah, and Mr. Brooks.

H.R. 637: Mr. Atkins.

H.R. 671: Mr. Yates and Mr. de Lugo.

H.R. 678: Mr. de Lugo.

H.R. 679: Mr. de Lugo.

H.R. 680: Mr. Yates and Mr. de Lugo.

H.R. 792: Mr. Lagomarsino, Mr. Murphy, Mr. Ford of Michigan, and Mr. Hefner.

H.R. 807: Mr. Bliley.

H.R. 916: Mr. Packard.

H.R. 954: Mr. Pepper, Mr. Gonzalez, Mr. Martinez, Mr. Daniel, Mr. Feighan, Mr. Stratton, and Mr. Conte.

H.R. 1076: Mr. St Germain.

H.R. 1173: Mr. Rahall, Mr. Miller of California, Mr. Kildee, Mr. Lewis of Georgia, Mr. Levine of California, Mr. Gejdenson, Mr. Owens of Utah, Mr. Clarke, Mr. Green, Mr. Petri, Mr. Frank, Mr. Beilenson, Mr. Neal, Mr. Scheuer, Mr. Edwards of California, Mr. Atkins, Mr. Bates, Mr. Mrazek, Ms. Oakar, Mr. Stark, Mr. Morrison of Connecticut, Mr. Hawkins, Mr. Kostmayer, Mr. Buechner, and Mr. Coelho.

H.R. 1202: Mr. Stallings.

H.R. 1242: Mr. Fawell, Mr. Lancaster, and Mr. Lewis of Georgia.

H.R. 1353: Mr. Schulze, Mr. Daub, Mr. Lagomarsino, Mr. Nichols, Mr. Fawell, Mr. McCollum, Mr. Marlenee, Mr. Hunter, Mr. Weber, Mr. Nielson of Utah, Mr. DeLay, Mrs. Byron, and Mrs. Bentley.

H.R. 1572: Mrs. Collins.

H.R. 1656: Mr. Fauntroy, Mr. Kolter, and Mr. Rangel.

H.R. 1701: Mr. Edwards of Oklahoma, Mr. Obey, and Ms. Kaptur.

H.R. 1729: Mr. Roberts and Mr. Archer.

H.R. 1734: Mr. Kildee, Mr. Mineta, and Mr. de Lugo.

H.R. 1742: Mrs. Bentley.

H.R. 1769: Mr. de Lugo, Mr. Hoyer, Mr. Crockett, and Mr. Garcia.

H.R. 1782: Mr. Kastenmeier.

H.R. 2091: Mr. Hall of Ohio, Mrs. Morella, Mr. Parris, and Mr. Pickett.

H.R. 2134: Mr. Oberstar, Mr. Pursell, Mr. Solarz, Mr. Tauzin, and Mr. Volkmer.

H.R. 2251: Mr. Daub, Mr. Glickman, Mr. Jontz, Mr. Barnard, Mr. Cheney, and Mr. Lightfoot.

H.R. 2304: Mr. Daub, Mr. Neal, and Mr. Armey.

H.R. 2318: Mr. Gunderson.

H.R. 2469: Mr. Lagomarsino.

H.R. 2476: Mr. Gejdenson, Mr. Broomfield, Mr. Garcia, Mr. McCloskey, Mr. Wise, Mr. Frank, Mr. Lagomarsino, Mr. Bustamante, Mr. Porter, Mr. DeWine, Mrs. Boxer, Mr. Feighan, Mr. Martinez, and Mr. Stark.

H.R. 2482: Mr. Gonzalez, Mr. Smith of Florida, Mr. Konnyu, Mr. Lagomarsino, Mr. Roe, and Mr. Bates.

H.R. 2514: Mr. Spratt and Mr. Tallon.

H.R. 2584: Mr. Lantos and Mr. Solarz.

H.J. Res. 17: Mr. Flippo, Mr. Wolf, Mr. Fauntroy, Mr. Barnard, Mr. Berman, Mr. Roe, Ms. Slaughter of New York, Mr. Sabo, Mr. Perkins, Mr. Owens of Utah, Mr. Torricelli, Mr. Wyden, Mr. Pepper, Mr. Sisisky, Mr. Smith of Iowa, Mr. Lancaster, Mr. de Lugo, Mr. Wolpe, Mr. Dornan of California, Mr. Coyne, Mr. Fazio, Mr. Gonzalez, Mr. Garcia, Mr. Lowry of Washington, Mr. Lewis of California, Mr. Atkins, Mr. Nielson of Utah, Mr. Mack, Mrs. Boxer, Mr. Aspin, Mr. Barton of Texas, Mr. Biaggi, Mr. Coleman of Texas, Mr. Dixon, Mr. Derrick, Mr. Tauzin, Mr. Nichols, Mr. Lujan, Mr. Frenzel, Mr. Weber, Mr. Daniel, Mr. Foglietta, Mr. Vander Jagt, Mr. Whitten, Mr. Lungren, Mr. Anderson, Mr. Boner of Tennessee, Mr. Rhodes, Mr. Wortley, Mr. Lehman of Florida, Mr. Young of Florida, Mr. Fascell, Mr. Craig, Mr. Grant, Mr. Brooks, and Mr. Shumway.

H.J. Res. 52: Mr. Nichols, Mr. Miller of California, Mr. Moorhead, Mr. Roberts, Mr. Lantos, Mr. Stump, Mr. Tauke, Mr. Roybal, Mr. Berman, Mr. Dixon, Mr. Anderson, Mr. Durbin, Mr. Torres, Mr. Hoyer, Mr. Traxler, Mr. Hertel, Mr. Skeen, Mr. Scheuer, Mr. LaFalce, Mr. Dorgan of North Dakota, Mr. Rose, Mr. Shumway, Mr. Packard, Mr. Kolter, Mr. Kanjorski, Mr. Walgren, Mr. Sabo, Mr. Wolpe, Mr. McDade, Mr. McHugh, Mr. Sisisky, Mr. Dyson, and Mr. Wise.

H.J. Res. 55: Mr. Walgren, Mr. Udall, Mr. Vento, Mr. Miller of Ohio, Mr. Kolter, Mrs. Boxer, Mr. Lungren, Mr. Buechner, Mr. Dyson, Mr. Akaka, and Mr. Robinson.

H.J. Res. 98: Mr. Davis of Michigan.

H.J. Res. 134: Mr. Goodling, Mr. Gunderson, Mr. de Lugo, Mr. Rose, Mr. Anthony, Mr. Berman, Mr. Ballenger, Mr. Boland, Mr. Broomfield, Mr. Fawell, Mr. Durbin, Mr. Foglietta, Mr. Hatcher, Mr. Duncan, Mr. Spratt, Mr. Rodino, Mr. Pashayan, Mr. Pickle, Mrs. Lloyd, Mr. Kanjorski, Mr. Jontz, Mrs. Morella, and Mr. Kastenmeier.

H.J. Res. 152: Mr. Udall and Mr. Hutto.

H.J. Res. 302: Mr. Ackerman, Mr. Andrews, Mr. Dorgan of North Dakota, Mr. Dyson, Mr. Edwards of Oklahoma, Mr. Flake, Mr. Gray of Illinois, Mr. Gray of Pennsylvania, Mr. Hughes, Mr. Kleczka, Mr. Lewis of Georgia, Mr. Thomas A. Luken, Mr. Mineta, Mr. Mrazek, Mr. Neal, Mr. Nelson of Florida, Mr. Roe, Mr. Russo, Mr. Saxton, Mrs. Schroeder, Mr. Skaggs, Mr. Tauzin, Mr. Volkmer, Mr. Williams, Mr. Wolpe, Mr. Yates, Mr. Yatron, Mr. Dicks, Mr. Manton, Mr. Morrison of Connecticut, Mr. Ford of Michigan, Mr. Hunter, Mr. Upton, Mr. Wortley, Mr. Lowry of Washington, Mr. Berman, Mrs. Morella, and Mr. Edwards of California.

H.J. Res. 303: Mr. Lipinski, Mr. Bateman, Mr. Hatcher, Mr. Roe, Ms. Oakar, Mr. Denny Smith, Mr. Carper, Mr. Coelho, Mr. Akaka, Mr. Jones of North Carolina, Mr. Lowery of California, and Mr. Moakley.

H. Con. Res. 21: Mr. Moakley.

H. Con. Res. 97: Mr. Frost, Mr. de Lugo, Mr. Cardin, Mr. Nielson of Utah, Mr. Wortley, Mr. Hertel, and Mr. Gunderson.

H. Con. Res. 129: Mr. Huckaby, Mr. Barton of Texas, Mr. Emerson, Mrs. Bentley, Mr. Badham, Mr. Petri, and Mr. Miller of Ohio.

H. Res. 110: Mr. Towns, Mr. McEwen, and Mr. Dymally.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

44. By the SPEAKER: Petition of the City Council, Coconut Creek, FL, relative to the disparity in benefit levels of the Social Security Act; to the Committee on Ways and Means.

45. Also, Petition of the Alabama League of Municipalities, Montgomery, AL, relative to an appropriate legislative response to acid rain; jointly, to the Committees on Science, Space, and Technology and Energy and Commerce.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1777

By Mrs. KENNELLY:

—Page 70, after line 16, add the following:

TITLE VII—NEGOTIATIONS WITH FOREIGN GOVERNMENTS ON THE DISCIPLINE OF DEFENSE AND COMMERCIAL OFFSETS

SEC. 701. NEGOTIATIONS CONCERNING THE LIMITATION OF DEFENSE AND COMMERCIAL OFFSETS.

(a) Negotiations.—The President is directed to enter into bilateral or multilateral negotiations with appropriate foreign governments which supply offsets for the purpose of disciplining direct and indirect offsets as a condition for the sale of commercial and defense-related goods and services.

(b) Conduct of Negotiations.—In the conduct of such negotiations the President shall utilize the services of the United States Trade Representative, the Secretary of Commerce, the Secretary of the Treasury, and the Secretary of Defense.

SEC. 702. DEFINITIONS.

For the purposes of this title—

(1) the term "direct offsets" means contractual arrangements which involve goods and services which are the subject of the sales agreement, including coproduction, licensed production, subcontractor production, overseas investment, and technology transfer; and

(2) the term "indirect offsets" means contractual arrangements which involve goods and services unrelated to the exports which are the subject of the sales agreement, including foreign investment, technology transfer, and countertrade.

By Mr. PETRI:

—Strike all of section 130, relating to an official residence for the Secretary of State (and redesignate the subsequent sections accordingly.)

By Mr. SHUMWAY:

—After section 191, insert the following new section:

SEC. 192. FAILURE OF UNITED NATIONS TO PLACE CUBA ON ITS HUMAN RIGHTS AGENDA.

(a) Findings.—The Congress finds that the United Nations and the United Nations Human Rights Commission have acted selectively in addressing fundamental human rights violations in various countries.

(b) Cuba.—The Congress disapproves of the failure of the United Nations General Assembly and the United Nations Human Rights Commission to place Cuba on its human rights agenda despite overwhelming evidence of the continuing disregard and systematic abuse of the most fundamental rights by the Government of Cuba.

By Mr. SOLOMON:

—Page 19, after line 2, insert the following:

"(d) Annual Report.—Not later than February 1 of each year, the Secretary of State shall submit a report to the Congress discussing the implementation of this section during the previous year."

Page 19, line 3, strike out "(d)" and insert in lieu thereof "(e)".

SENATE—*Tuesday, June 9, 1987*

The Senate met at 11 a.m. and was called to order by the Honorable HARRY REID, a Senator from the State of Nevada.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Bless the Lord, O my soul: and all that is within me, bless His holy name.

Bless the Lord, O my soul, and forget not all His benefits:

Who forgiveth all thine iniquities; who healeth all thy diseases;

Who redeemeth thy life from destruction; who crowneth thee with loving kindness and tender mercies;

Who satisfieth thy mouth with good things; so that thy youth is renewed like the eagle's.

The Lord executeth righteousness and judgment for all that are oppressed.

He made known His ways unto Moses, His acts unto the children of Israel.

The Lord is merciful and gracious, slow to anger, and plenteous in mercy.

He will not always chide: neither will He keep His anger forever.

He hath not dealt with us after our sins; nor rewarded us according to our iniquities.

For as the heaven is high above the Earth, so great is His mercy toward them that fear Him—Psalms 103:1-11.

Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STENNIS).

The legislative clerk read the following letter:

> U.S. SENATE,
> PRESIDENT PRO TEMPORE,
> *Washington, DC, June 9, 1987.*
>
> *To the Senate:*
>
> Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HARRY REID, a Senator from the State of Nevada, to perform the duties of the Chair.
>
> JOHN C. STENNIS,
> *President pro tempore.*

Mr. REID thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order the majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CLEAN COAL TECHNOLOGY ADVANCES

Mr. BYRD. Mr. President, yesterday's Washington Post carried an editorial entitled "Clean Air, Coal and Pepco." This editorial praised Potomac Electric Power Co., Washington, DC's local utility, for its newly announced plans to build an integrated coal gasification combined cycle facility. This technology, otherwise known as IGCC, has a number of advantages over conventional coal-fired powerplants.

Its environmental performance is quite impressive: Whereas conventional scrubbers can remove 90 percent of the sulfur dioxide emitted from coal burning, IGCC achieves 99 percent removal. Whereas conventional scrubbers produce a solid waste disposal problem, IGCC produces elemental sulfur that can be easily sold or stored. IGCC produces only one-third as much nitrogen oxides as conventional coal burning. IGCC also does a much better job of reducing the fine particles of ash that pose the greatest health risk from conventional coal burning.

IGCC is also more efficient than modern coal plants with conventional pollution controls. This higher efficiency means that we can use less coal to produce more energy. It also means that IGCC will produce less carbon dioxide than conventional coal plants. Carbon dioxide is a "greenhouse gas" that contributes to global warming.

The Post rightly concludes that this is, and I quote:

> An innovation that deserves attention in a country that's having trouble reconciling its requirements for electric power with its increasing determination to protect the quality of its air.

But innovative clean coal technologies deserve more than our attention, they deserve our support.

A critical factor in Pepco's recent decision was the performance of the cool-water IGCC plant in California. There, the Federal Government, in partnership with the Electric Power Research Institute, Southern California Edison, and others, shared the risks and the costs of this first-of-a-kind facility. After 3 years of successful operation of the cool-water plant, sufficient technical data and operating experience have been developed to help pave the way for future commercial application.

Beginning in 1994 Pepco will build its plant in stages. In the first stage, turbines will be installed and will run on natural gas and oil. In the second stage steam generators will be added, creating an efficient "combined cycle." Finally, sometime around the turn of the century, equipment will be added to gasify coal to run the entire system.

This incremental approach takes into account the risks and costs to Pepco of using a new technology. But the pace of deployment of this technology could be quickened. Congress could decide to provide Federal cost sharing in order to reap the national energy and environmental benefits of accelerating the use of innovative coal power technologies. Pepco has demonstrated that utilities, on their own, will eventually solve our energy and environmental problems for us. But environmentalists and others believe that the private sector solution will not come quickly enough.

That is why I have introduced S. 879, the Clean Coal Technology Deployment Act, and why I am working with the other 13 cosponsors for its passage this Congress. In the acid rain debate, S. 879 represents a middle ground between those who would wait for the natural attrition in the electric power industry to take its course and those who want to impose drastic, costly, disruptive controls on existing powerplants. Through a combination of regulatory incentives and Federal cost sharing, S. 879 would result in widespread accelerated deployment of a whole host of innovative methods of using coal cleanly.

Finally, Mr. President, recent events in the Persian Gulf have once again raised important questions regarding the inextricable relationship between this Nation's energy security and our national security. Once again, we are reminded that dependence on foreign sources for our energy supply puts our economy at the mercy of unfriendly regimes. The absence of a national strategy to ensure the availability of sufficient supplies of domestic fuels threatens our future.

Mr. President, coal is our most abundant energy resource. Finding ways that allow us to maximize its use as an energy source should be the centerpiece of our national energy policy.

Mr. President, I ask unanimous consent that the editorial from the June 8, 1987, Washington Post be printed in the RECORD.

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CLEAN AIR, COAL AND PEPCO

Because the United States has gigantic reserves of coal, it has an urgent national interest in finding ways to use it without poisoning the atmosphere. The demand for electricity is rising, and the country has backed uneasily away from nuclear energy to generate it. Conventional coal-fired power plants pump enormous volumes of pollution into the air. But there's an alternative. Pepco has announced that it is going to begin using a better technology—the first utility in the country to commit itself to a process that turns coal into gas to run its turbines.

The newer coal-burning plants run the smoke through scrubbers that eliminate about 90 percent of the pollutants. But the remaining 10 percent includes a number of dangerous ingredients. Unlike burning, the chemical process of turning coal into gas is essentially a closed system and eliminates the fine particles of ash that are the greatest health hazard in coal smoke. Rather than lofting it into the atmosphere, gasification takes the sulfur out of coal in solid form—and pure enough that Pepco will be able to sell it commercially. Nitrogen oxides are another component of acid rain, and gasification produces one-third as much nitrogen as burning coal.

Pepco plans to install this equipment on the site of its present plant in Dickerson, Md., beginning around 1994. At first the turbines will run on natural gas or oil. Then Pepco will step up power by using the turbines' hot exhaust to make steam, and adding steam generators. Finally, sometime around the turn of the century—the timing depends on the need for electricity in this area—it will introduce the equipment that turns coal into the gas that will fuel the whole system.

Technology doesn't always move quite as quickly as you'd like. The actual introduction of gasification is still at least a dozen years off. But it's not an experimental process. A pilot plant sponsored by, among others, the Electric Power Research Institute has been in very successful operation in Southern California for three years. The utilities wanted to see it up and running, over an extended period, before any of them was prepared to commit itself to the idea. But now Pepco has decided to go forward with it—an innovation that deserves attention in a country that's having trouble reconciling its requirements for electric power with its increasing determination to protect the quality of its air.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the minority leader is recognized.

BICENTENNIAL MINUTE

JUNE 9, 1787: EQUAL OR PROPORTIONAL REPRESENTATION IN THE SENATE

Mr. DOLE. Mr. President, 200 years ago today, on June 9, 1787, the framers of the Constitution turned to the difficult issue of how the States were to be represented in Congress. The outcome of that debate was to have a great impact on the Senate's eventual organization and structure.

Delegates from the smaller States generally favored the arrangement then prevailing under the Articles of Confederation. States in that body's single-chambered Congress each had a single vote. This system, guaranteed that small States would have an equal voice with such large States as New York, Pennsylvania, and Virginia.

On the other side of the issue, delegates from the larger States sought a system of congressional representation that would be based either on State population or wealth, as outlined in the working draft of the Constitution known as the Virginia plan. This fundamental question proved to be one of the most difficult that the framers had to face.

Several small State delegates offered proposals to reduce the "crushing inequity" they foresaw in a proportional plan. New Jersey's David Brearley suggested that—

> A map of the United States be spread out, that all the existing boundaries be erased, and that a new partition of the whole be made in 13 equal parts.

Against assertions that small States would never agree to proportional representation, Pennsylvania's James Wilson ominously brought the June 9 proceedings to a close by declaring:

> If no State will part with any of its sovereignty, it is in vain to talk of a national government.

Two days later Roger Sherman of Connecticut would offer a proposal from which the Convention ultimately fashioned a solution. He moved that each State be represented in the House in proportion to its free population, and in the Senate on an equal basis, with each State having—just one vote.

Mr. President, I ask unanimous consent that I may reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond 12 noon with Senators permitted to speak therein for not to exceed 5 minutes.

The Senator from Wisconsin.

WHY FED CHAIRMAN ALAN GREENSPAN MAY NOT BE INDEPENDENT OF THE WHITE HOUSE

Mr. PROXMIRE. Mr. President, overlooked in the excitement of the departure of Chairman Paul Volcker and the appointment of Alan Greenspan as the Volcker successor is what has now happened to the Federal Reserve as a whole. In the last 3 years, the Federal Reserve Board has been completely changed. And I mean completely. Here is a Board that the Congress created as a tower of independence, especially of the President. But how can the Federal Reserve be independent of the President when it is appointed by the President? Congress answered this problem by providing that Presidential appointees would serve for 14 years. That way the Congress seemed to guarantee that no President would be able to appoint a majority of the Board in one term. Even in two terms a President could barely appoint a majority. But here we have a President who has appointed every member of the Board in barely 3 years. Illnesses and premature resignations have made that possible. Think of it. With the departure of Chairman Volcker, the senior member of the seven-member Federal Reserve Board today is Martha Seeger, who was appointed less than 3 years ago by President Reagan. In 1986, President Reagan appointed a second, third, and fourth member of this Board. A few days ago a fifth Reagan appointee to the Board took office. There is a sixth seat that is vacant which President Reagan can fill at any time. And, of course, the Reagan administration has now appointed Alan Greenspan as the Chairman and seventh member. So the staggered 14-year terms that had seemed to guarantee the independence of this economic powerhouse obviously do not serve that purpose today.

Why hasn't the financial press shown any significant concern over this capture of the Board by the administration? Reason: the press has always been fascinated by a single member of the Board—the Chairman. The Chairman is the spokesman. He is the leader. He controls much of the staff. But he has only a single vote. And Chairmen in the past—even Paul Volcker—have occasionally been defeated by their Board. With an experienced, established, veteran Chairman like Volcker or William McChesney Martin or Arthur Burns these six other votes can represent a problem, but since other Board members have almost always in the past come from appointees of different Presidents, an entrenched, senior Chairman can generally bring a majority of his Board along with him.

But now we will have a different situation. We will have a seven-member Federal Reserve Board with the Chairman facing six members all senior to him, all appointed by the same President, and all probably feeling considerably more gratitude and support for the President than they do for their new, more junior Chairman. The question is, if Chairman Greenspan decides to take on the White House and move in with a tough, no-nonsense, anti-inflation program in the face of a Reagan administration that wants easy money to push along an expanding economy in the critical election year—1988—who would you bet on? The administration or Chairman Greenspan? Here is one Senator who would bet that the easy solution for Chairman Greenspan under those circumstances is to go along with the President who appointed the other six members and in doing so go along with the President who appointed the Chairman himself. That is especially true when to follow that course would be most likely to coincide with the view of his old friends and associates and clients on Wall Street, as well as the principles of his favorite guru—Ayn Rand.

Mr. President, the Federal Reserve Board's independence of the President was based on the same principle as the constitutional independence our Founding Fathers conferred on the Supreme Court. The authors of the Federal Reserve Act calculated that a 14-year term on the Board was not that much different from the lifetime appointment of Supreme Court Justices. In order to understand what a difference has come about on the Federal Reserve Board because every member will have been appointed within the past 3 years, assume that every member of the Supreme Court had been appointed since July 1984. What a profound effect that would have had on our political and economic institutions. We would today be facing a kind of Reagan-Meese world of legal justice. With the total, in fact, unanimous domination of Reagan appointees of the Federal Reserve Board we could face a similar revolution in such vital areas of the Nation's economic life as monetary policy, bank regulatory policy, and the policies of this Nation as the economic leader of the free world.

Mr. President, for these reasons, this Senator has concluded that Chairman Greenspan would probably not be able to impose an effective anti-inflation program if one is necessary in 1988. The prime political priority of the Reagan administration in 1988 will be winning the November Presidential and congressional elections. That victory would be greatly assisted by steady and strong economic growth in 1988. That growth will rely heavily on an expansive Federal Reserve Board monetary policy. The Fed as always, will have the prime role in determining the level of interest rates and the prospects for the American economy next year.

As the new Chairman of the Federal Reserve Board, Alan Greenspan will owe his appointment to President Reagan. He will owe the country a responsible, noninflationary monetary policy. Like his predecessors, Chairman Greenspan may be determined to keep inflation under control even if that action precipitates a recession and costs the Republican Party the 1988 election.

But Greenspan has only one vote on the Federal Reserve Board. The other Federal Reserve Governors, all of whom have been appointed by President Reagan since July 1984, will have five—one of the seats is vacant. On the Federal Reserve's Open Market Committee, which determines open market policy that constitutes the heart of monetary policy, Greenspan will have only 1 vote out of 11.

A Volcker, or a Burns, or a William McChesney Martin would have had great difficulty bringing his colleagues with him in spite of the opposition of the administration under these circumstances. A newly appointed Greenspan will face a much more difficult problem.

There is no office in our Government which has been as overrated as a seat of power as the Chairman of the Federal Reserve. Over the last 36 years, Chairmen have exercised great power, not because of any inherent strength in the office but because of their unusual ability, personal force, and reputations built up over the years. They have, above all, been able to deal with fellow Governors on the Board who were appointed by a variety of Presidents over periods ranging up to 14 years.

Chairman Greenspan will be the first chairman in more than a generation to have to deal with a Board entirely appointed by one President and institute his policies on the verge of a national Presidential and congressional campaign. He will take over at the end of the fifth year of recovery, a time when most recoveries are fading and recession are approaching. He will have to cope with a fiscal policy which is increasingly less expansive. He will inherit a monetary policy which for the preceding 18 months had been extraordinary easy and permissive.

If inflation becomes a growing threat in 1988, will Chairman Greenspan be able to persuade his six colleagues—all appointed by an administration which is fighting for the life of the Republican Party to jam on the monetary brakes? Don't bet on it.

WISCONSIN STUDENT WINS PRIZE

Mr. PROXMIRE. Recently a high school student in Sheldon, WI won the "Land of Freedom" essay contest sponsored by Friends of Free China. Michelle Sarbaugh will receive $250 toward a university scholarship.

Friends of Free China is a bipartisan, nonpolitical, tax-exempt organization dedicated to the preservation of freedom and understanding between the people of the United States and the people on Taiwan. The rules of the contest specify only that the contestant prepare and write a 1,000 to 1,500 word essay on the topic "How Freedom Affects Progress" and relate it in some fashion to the people on Taiwan.

Michelle's essay provides an interesting contract between living conditions in the U.S.S.R. and on Taiwan. The economic comparisons also point out distinctions in the two cultures.

Mr. President, I ask unanimous consent that Michelle Sarbaugh's essay be printed in the Record. Wisconsin is proud of her.

There being no objection, the essay was ordered to be printed in the Record, as follows:

Essay

Dr. Phillip Chen, director of Asia and World Institute, made the following remark during a speech July 8, 1986, "It has been proved that free trade produces more jobs, results in a more productive use of national resources, stimulates rapid innovation and leads to a higher standard of living."

Our first example of freedom affecting progress is in the area of religion. Most people in Taiwan today are Buddhists or Taoists. They have freedom to worship freely in their temples. Whereas, in Russia the Communists do all they can to discourage religion through propaganda and education. However, many Russians worship in secret in the underground church. In the Soviet Union, atheism shadows every citizen's life: Christians, and especially their children, are deluged with atheistic propaganda but forbidden to proclaim their Christian faith freely. A restricted number of churches registered by the government are the only legally sanctioned refuge in a sea of atheism, and KGB informers often intrude even into the sanctuaries. For their faith, some Soviet Christians pay the price of imprisonment. An estimated 60 million people, half of whom may have been Christians perished in Soviet prisons and labor camps from 1917 to 1953.

Secondly, the progress in their way of life is affected by freedom in each country. About a third of the people of Taiwan farm the land. Farms average only 2 or 3 acres in size, but they live well by Asian standards. Many farmers can afford bicycles, motorcycles, refrigerators, radios, and television sets. The farm houses are made of brick, with tile roofs and central courtyards of packed earth or cement. Most people live on the coastal plain of Taiwan. In Russia, however, behind the economic figures lies a grim reality for longsuffering Soviet consumers. Soviet industry cannot provide their citizens with reliable supplies of ordinary goods from chewing gum to fashionable dresses. A $59.00 Sony Walkman, unheard of in Soviet stores, sells for $620 on the black market in Moscow. Practically any service worth having can be gotten only on the black market. With few consumer goods to buy, Soviet citizens save a huge protortion of their meager earnings. A worker at a shoe factory in Moscow once said, "The state gives me almost everything I need free or cheaply, and most everything else I want isn't in the store." Another popular Soviet joke is, "We've got the perfect economy. We pretend to work and they pretend to pay us."

Another example of freedom affecting progress is in the area of education. In 1985 Taiwan had 2,486 elementary, 675 jr. high, 176 senior high, 211 vocational schools and 105 colleges. In respect to higher education, there are 1,689 college students in the Republic of China for every 100,000 people, which is a higher rate than in either Britain or France. All schools in Russia are state controlled. There are no private schools in Russia today. Children are all expected to join a club called the Young Pioneers. They have to take an oath of allegiance and wear a red scarf. If the child refuses to belong, he is banned from some sports and is not allowed to go to any university. In Russia there is no morning assembly in school and prayers are never said because religious instruction is banned. Instead, Soviet children have to learn about the October Revolution and about Communism. The teachers have been carefully trained to encourage their pupils to believe in Communism. In every major city in Russia there is a university. In 1979 Russia had about 800 specialized institutes and about 40 universities. From 85 to 90% of the students attend specialized institutes, while the rest go to universities.

In the area of trade, progress is also greatly affected by freedom. Taiwan has purchased more than 17 million tons of American grain in the last five years. Taiwan's 2-way trade totaled U.S. $23.84 billion in the first 5 months of 1986, representing a 13.3% increase over the same period in 1985. Products from the Republic of China are being exported to the United States, France, Spain, Hong Kong and other places that will earn them millions of dollars. Goods from abroad are available everywhere in Taiwan today as well as local products. In Russia today it is unlawful for anyone to own a factory and employ workers for making goods, as everything belongs to the State. Their chief exports are crude oil, natural gas, machinery and steel, while their chief imports are machinery, grain, and consumer goods. Factories in remote parts of Siberia have gone on producing old-fashioned goods which customers no longer want. Consumer goods are in short supply and out of style. Industrial methods and machinery are way out-of-date. Farming methods are poor and huge amounts of food must be imported. While sophisticated missiles are turned out by factories, Soviet industry cannot make reliable ballpoint pens, electric shavers, or disk drives for computers. More than one-half of Soviet plants and equipment date back to Stalin's rapid industrialization during the 1930's and even in modern plants, automation remains a rarity.

In 1986 there were 1,411,523 autos in Taiwan. The number of cars on Taiwan is increasing 15% every year. Highways in Taiwan can now reach any remote area in the Republic of China and buses can serve these areas frequently. Today, there are 19,800 kilometers of highways and almost 83% are wide and well surfaced. On the other hand, in Russia railways are the most important means of travel in the U.S.S.R. and new ones are being built—because cars are still a luxury. The entire Soviet railway is owned by the State. They also use boats, and for long stretches they are the only trade route through the lonely Siberian taiga and tundra, where there are no railways or roads. The USSR lacks good roads except for a few motor-roads near the capital. In the winter much of Russia is cut off from the rest of the world by snowdrifts and ice; the only travel possible is by sleds or skis. Buses, snowscooters and airplanes are other modes of transportation they use. Russians have to wait four or five years after ordering a car. If they go to a used car lot they often end up paying twice as much for a used car as a new one would cost.

In conclusion, I believe the more the government gives out to people, the less they accomplish goals on their own and take pride in what they do. Real freedom is lost in proportion to the "so-called benefits" the government provides. Such as, housing, jobs, medical help and education. Taiwan has shown when given the opportunity to own something they take pride in what they do and accomplish more as shown in the points I have brought out, religion, way of life, education, trade, and transportation.

PANAMA CANAL: FUTURE POLICY DETERMINATION

Mr. HELMS. Mr. President, one of the vital policy determination questions now under active consideration is that of interoceanic canals. In comments in the Senate on October 1, 1986, I discussed this matter in some detail, quoting a thoughtful article by Capt. Miles P. Duval, U.S. Navy (retired), in the A.S.C.E. Journal of Professional Issues in Engineering, Vol. 112, April 1986, under the title "Panama Canal: Its Major Marine Operational Problems and Solution."

As stated by the author, the purpose of this April 1986 article was to present a valid solution for the major marine operational problems of the existing Panama Canal as derived from actual marine experience so as to provide at that strategic waterway the best canal for navigation at least cost.

Mr. President, as to the qualifications of the author I stress that in addition to a knowledge of canal history and problems from his extensive historical research his views reflect lessons learned from a vast experience as captain of the Port of Balboa, Canal Zone, 1941–44, in charge of marine operations in the Pacific half of the Panama Canal during the most critical period in its history.

During those years, he worked closely with the most experienced engineers then assigned to the Panama Canal as well as with its most experienced pilots. In my October 1, 1986, remarks in the Senate I quoted a formal resolution of the Panama Canal Pilots Association strongly opposing the construction of a new canal of tidal lock, sea level design and supporting what has become widely known as the "Terminal Lake—Third Locks Plan" for the existing waterway.

As expected by close observers of the Isthmian question, the April 1986 Duval article aroused wide interest, including some of those long familiar with the subject as far back as the late 1940's.

The January issue of the same A.S.C.E. Journal included the full texts of discussions of the 1986 article, including the closing remarks of the author, all of which are highly informative.

Mr. President, to make the indicated discussions and enclosing remarks available to all Members of the Congress, executive agencies concerned with the canal question, and members of the tripartite study group now working on the problem, I ask unanimous consent that the indicated discussions and closure be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PANAMA CANAL: ITS MAJOR MARINE OPERATIONAL PROBLEMS AND SOLUTION

(Discussion by Gerald E. Anderson)

The author is both an experienced mariner and recognized authority on Panama Canal history. As such his arguments for operational improvements in the present canal should be of particular interest to engineers. Although the 1977 treaties will shortly end U.S. participation in the operation of the Panama Canal, our national interest in this vital global transportation link is certain to continue thereafter. It is therefore both timely and appropriate to review questions concerning the continuing efficiency of the present canal, broader U.S. policy issues in Central America notwithstanding.

The broad strategic picture in Central America has, nevertheless, changed during the past two decades. The baseline reference for this review is the definitive 1970 *Report of the Atlantic-Pacific Interoceanic Canal Commission* (Anderson, et al. 1970; also known as *Interoceanic Canal Studies 1970*), transmitted to the President of the United States over the signatures of Robert B. Anderson, Robert G. Storey, Milton S. Eisenhower, Kenneth E. Fields, and Raymond A. Hill. In reading that comprehensive survey, which assessed practically all conceivable canal routes and options, one is struck by the relative freedom from political and technical constraints that existed less than 20 years ago regarding United States options in Central America. Friendly relations with Panama, Nicaragua, Costa Rica, and Colombia were beyond question and served to facilitate field surveys of nine distinct prospective canal alignments, three of which crossed national boundaries. The use of nuclear explosives for excavation was regarded as little more than a matter-of-fact technical option. And the statement, "the risk of adverse ecological consequences stemming from construction and operation of a sea-level Isthmian canal appears to be acceptable" (Anderson, et al. 1970:62), fairly represents the relative emphasis on environmental considerations.

An entirely different situation exists today. Nuclear technology for any purpose is vulnerable to adverse public reaction, and strong environmentalist opposition to the concept of a sea-level canal has been experienced. Even more importantly, our failure to maintain the precepts of the Monroe Doctrine has resulted in a drastically altered international framework for canal planning. For example, the author makes reference to rumors of a Soviet feasibility study of the canal route through Nicaragua (p. 131 of original paper). It should be noted that we recently abrogated our treaty-based exclusive rights to use of that route. Of course, the current presence of a hostile government in Managua in any event diminishes the likelihood of our exploiting that "historical rival of the Panama site." Duval also mentions the 1985 tripartite agreement between Panama, the U.S., and Japan to study possibilities for a new or improved canal in Panama (p. 131 of author's paper). This tripartite study will have to reconcile radical divergencies of marine shipping interest within the group itself, not to mention addressing the possibility of a competing Soviet-Nicaraguan route.

Given the climate of uncertainty alluded to above, DuVal's simple Terminal Lake-Third Locks Plan for improvement of the present Panama Canal seems especially attractive. As he emphasizes, the Terminal Lake concept is rooted in the design history of the Canal, and has been operationally tested on the Atlantic end of the Canal (Gatun Locks) over the past 72 years. The Third Locks improvement is coupled with the Terminal Lake project, not only to increase future transit capacity, but also to minimize Canal "down-time" during the actual construction.

In essence what is proposed is simply that the present Miraflores Lake be raised in level so as to become a bay of Gatun Lake (which also would be raised 5 feet above its present elevation to 92 ft MSL). Major construction would include new locks and dam at Miraflores, and modification of the upper lock at Gatun. The earth-fill dam at Miraflores would be approximately 7,500 ft long, supplemented by one short dike segment, in order to maintain the lake embayment at its elevated level. It should be noted that there has been little new construction on the Miraflores basin bottomland during the past 30 years. The cost of the Terminal Lake-Third Locks project would be a small fraction of that of a new canal. The *Interoceanic Canal Studies* (Table 15) estimates construction costs of its similar "Deep Draft Lock Canal Plan" to have been $1.53 billion in 1970, and this would also include lock and channel upgrading so as to permit passage of 150,000 dwt ships.

DuVal believes that the Terminal Lake plan should be considered on its merits alone, and not held hostage to international politics. His arguments as to prospective gains in canal efficiency are most convincing. This reviewer would add that all evidence shows that even the present lock canal, fully paid for, will provide formidable competition to any newly-financed sea level or Nicaraguan canal, especially with respect to routes from the Atlantic down the west coast of South America. Given global economic uncertainties and the current state of political affairs in Central America, it might be in order to return to the modest advice of engineer and Brigadier General Henry L. Abbot (1905: 224): "The true criterion [for canal planning] is ease and safety of transit . . ."

DISCUSSION BY MERL BAKER

The author has introduced the technical aspects of his paper effectively through a valuable historical review. He made it clear that engineers cannot overlook historical facts and political interests in analyzing technical problems, and especially in recommending solutions.

The paper reveals that military security was a major factor in the 1939 decision to locate the new locks away from existing ones. The author recognizes appropriately that decisions for major projects cannot be made on the basis of engineering alternatives alone, yet sound engineering is essential.

The author's deep appreciation for historical values undoubtedly prompted his in-depth research of the hundreds of marine accidents in the canal since 1914. His carefully calculated methodology in utilizing this data gave him the evidence necessary to pinpoint the location and causes of the most serious mishaps. This information, complemented by first-hand observations, enabled the prioritizing of major marine operational problems.

Proposed solutions to the problem confronted by the present canal are clearly stated and well-documented, and appear feasible. They are based on sound engineering principles, and are expected to correct the problems which the author so clearly identified and analyzed.

The author's identified alternatives to the present canal likely will prompt far more political questions than engineering solutions. The article is a significant engineering contribution, and the author's excellent treatment of the broader Panama Canal problem should motivate both political leaders and engineers to join forces as a team to prohibit political decisions from compromising engineering designs.

The author's thorough engineering analysis and proposed solutions to the problems of the present canal are based on years of study and first-hand experience. Few if any other engineers are as knowledgeable of the problem as he is. The writer does not intend to downgrade the merits of the engineering aspects of the article, but believes that the author's appreciation for historical facts and the recognition of the complexity of the political issues influencing engineering decisions are unique contributions of his paper.

DISCUSSION BY FREDERICK C. DYER

Capt. Miles P. DuVal, Jr.'s article constitutes a definitive summation of the Panama Canal's past and present condition, and his marshalling of evidence and arguments seems irrefutable at this time. But engineering is not done in a vacuum, but for a purpose, and in the case of the Canal, for a gigantic purpose, in the midst of international challenges, and with natural and technological constraints. The author, himself, alludes to military and political considerations, and therefore this writer will focus on such along with a mention of the economic factors.

First a caveat: it is a falling of critics to complain that an author did not write what they would have written. What follows here does not mean that DuVal should have written differently, but that, building on what he has written, he and others ought to consider what should be done to speed his plan and to make the best of the forseeable circumstances.

Second, a technical question about the saliency of what the author terms the "major" problems. No doubt, DuVal did the reasonable thing and focused on the obviously more important accidents. However, this writer has been trained to look for the things that fell by the wayside, or that lacked saliency for one reason or another at the time the evidence was recorded. For instance, note how people speak of 40,000-50,000 deaths per year from auto traffic accidents. But there are from 250,000-3,000,000 persons permanently disabled every year as well. The weeks, months, and years of pain and social and economic cost of such less-than-death accidents most probably exceeds that of the deaths. Yet the fatality rate has the saliency. Similarly, what has been or is the cumulative effect of the littler, the nonmajor accidents in the Canal? And, of course, have accident rates been significantly increased or decreased by changes in the technology of ships (size, speed, maneuverability), or in the competence of pilots. In short, what factors other than the Canal's construction should be taken into consideration?

No matter what answers come from new studies, DuVal's solution is the best fit for now and the coming decade. I will leave it to the professional engineers to attack or defend the engineering aspects. Here I will comment on the military, economic, and political (including environmental) aspects.

With regard to the military factors, we ought to avoid "Maginot-Line thinking"; i.e., we should not try to think of the Panama Canal as a crucial element in our defense or offense plans. Once the Maginot Line was in place, everyone should have realized that the Nazis would not attack until they had figured out how to go through it, over it, or around it. Nor has the "unclear shield" prevented the big and little wars and skirmishes that have proliferated under the "shield." Thus, from a military viewpoint, the Canal should at worst be seen as a rod to draw enemy fire, and at best as a present convenience for positioning forces and matériel in one area or another. This means not putting too much into the Canal; accordingly DuVal's solution makes military sense. It improves the Canal but not at a "Maginot-Line" level of commitment.

With regard to economic factors, arguments can range from massive projects—such as another canal, bit pipelines, or giant conveyor belts—to withdrawing altogether. The Panama Canal is nice to have, and big construction programs would benefit various groups, but the United States has in place the competing networks of railroads, highways, and airlines, all of which would also welcome capital investments. Again, the DuVal proposal provides a balanced choice among so many alternatives.

With regard to the political ramifications (including environmental issues), the collateral support of DuVal's proposal is even stronger. While he and others may—still and rightly—hope that the Panama Canal will be returned to the United States, the chances seem remote. It would require disaster or total chaos in that area to make everyone on and outside the Isthmus want to approve the return of the Canal Zone to the United States. At such a time, the United States may not even want to take on the mess! Assuming, then, that the political situation will continue in its abnormally normal way, we again see that DuVal's solution avoids a host of political ramifications, while providing for a reduction of ship accidents and an increase in traffic.

Looking further ahead, let's ask what entity should in the long run watch over, guide, and bankroll the Canal? To date the United States has played that role; but to this writer it should not do so in the decades to come. We gave away the Canal and it is gone for good. But it still needs a protector. Suppose, instead of viewing the Canal as the waterway at the *bottom* of the Northern Hemisphere, we view it as the waterway at the *top* of South America? It should become for the nations of South America a great instrument of development, which it cannot be for those of the North. The great nations like Brazil, Argentina, and Columbia, along with the others as appropriate, ought to bear the responsibility for the security, peace, and capital investment of the Canal and its environs.

The United States, as its final act of good neighborliness, could present the DuVal Terminal Lake-Third Locks Plan to the South American consortium to implement.

DISCUSSION BY G. RUSSELL EVANS

It is refreshing to read the clear and methodical logic of Capt. Miles P. DuVal, Jr., in his paper. This former Panama Canal operating official has experienced a lifetime of service to our country. Among his many accomplishments is this modernization plan for the Canal, the Terminal Lake-Third Locks Plan—the best for engineering and safest for navigation—was developed from personal research and study over many years.

DuVal makes his case for the best canal at least cost: by physically removing the bottleneck at the Pedro Miguel Locks and elevating Miraflores Lake from 87 ft to the proposed new level of 92 ft, thereby making it possible to provide uninterrupted passage between the Atlantic and Pacific locks, including an "expansion chamber" for vessels emerging from Gaillard Cut; by adding a third set of lock chambers to Gatun Locks and Miraflores Locks for large vessels; and by straightening the channel and widening Gaillard Cut.

DuVal credits this basic plan to the Canal's original Chief Engineer, John Frank Stevens, and to William L. Sibert and William Gerig during the early stages of construction, when it was, however, already too late to change plans. French engineer Adolphe Godin de Lépinay had a similar idea in 1879, thus becoming the "Precursor of the Panama Canal." If the Terminal Lake-Third Locks Plan becomes reality, DuVal would be the "Architect of the Future Panama Canal."

Implementation, however, poses political complications that engineers should also understand. Although by virtue of the Panama Canal Treaties (1977), ownership and operation of the Canal will pass to Panama in 1999, the U.S. State Department is currently involved in a four year modernization study by the U.S., Japan, and Panama. This study could cost $20,000,000-30,000,000; modernization, up to $4 billion; and a sea-level (tidal-locks) canal, up to $25 billion. This commitment could produce recommendations that the U.S. pay for massive improvements to a canal soon to be lost, or for a new sea-level waterway, courtesy of U.S. taxpayers who would neither own it nor control it.

Sea-level advocates, apparently unconcerned about unresearched ecological hazards, are getting publicity in calling for alternatives rather than solutions, i.e., they prefer a sea-level passage. The Terminal Lake-Third Locks Plan is a solution that should first be examined by the tripartite study group seeking to improve transisthmian commerce.

The 1977 Treaties provide for joint studies, but not U.S. funding for a canal that presumably will pass to Panama at the end of the century. Writers such as Clyde Haberman (1985) incorrectly assert that the Treaties guarantee U.S. financing. Nonetheless, considering the Panamanian economy and the generous U.S. State Department, the United States doubtless will be expected to pay for both the U.S. and Panamanian shares of the feasibility study, plus whatever modernizations are recommended.

Expressing concern that the State Department might exceed the terms of the Treaties, Congressman Webb Franklin (R-Miss.) has introduced HR 3882 to restrict U.S. involvement to the explicit terms of the Treaties; to establish guidelines and funding; and to determine why the Corps of Engineers and the Panama Canal Commission are denied membership on the study panel. Said Mr. Franklin: "This is *not* an attempt to to renegotiate the Treaties . . . but, quite simply, to keep our Government from giving away any more than we've already given away" (*Congressional Record* 1985: E5510). However, the leadership in the House of Representatives seems uninterested. Chairman Mike Lowry of the Subcommittee on the Panama Canal recently held informal hearings, and reported insufficient interest.

Japan, a partner in the feasibility study and the Canal's best customer with 30% of ship transits, undoubtedly will insist on ironclad protection for any investments. The United States should also insist on irreversible guarantees of national security benefits—benefits and guarantees, unfortunately, that are not contained in the 1977 Treaties because of Panama's secretive last-minute counterreservation voiding unilateral U.S. defense rights over the Canal permanently. This is only one of a number of irregularities investigated by the House Subcommittee on Separation of Powers. This 1983 report has been filed without action.

Future modernization of the Canal depends largely upon international politics, and the 1986 State Department feasibility study is worrisome: why was the U.S. Corps of Engineers excluded from the study? Is it prudent to study modernization so far in advance of the Canal transfer date when a later study could provide more leverage in negotiations? Moreover, after 1999, the sovereign nation of Panama will be free to call in Cuba, Nicaragua, and the Soviet Union to operate the former American canal, improve it, or dig another—thanks to the Carter-Torrijos Treaties.

Consideration of DuVal's technical treatment of the Canal and his solution to its problems cannot be divorced from real complications of politics. Nonetheless, someone will someday implement something similar to the Terminal Lake-Third Locks Plan, and it will be to the everlasting credit of Capt. Miles P. DuVal, Jr., under whose banner of dedication and courage mariners and engineers can take heart.

DISCUSSION BY DAVID E. ORTMAN

Capt. DuVal has an impressive history of first-hand knowledge and reflection concerning marine operational problems of the Panama Canal. The author's paper is a timely contribution.

It is fortunate, indeed, that the construction of the Panama Canal as a high-level lake and lock-type design, which provides a freshwater barrier, avoided joining two oceans with a sea-level canal in what a 1970 National Academy of Sciences Panel on the Sea-level Canal warned could be "a giganitc natural experiment. Its consequences are unforeseeable. To forego the relevant biological research prior to and during the construction of a new canal would be like preparing to put a man on the moon and neglecting to ask him to make scientific observations and collect samples. A new canal will affect the animal and plant life of the two oceans, but what these effects are cannot be determined unless the nature of the differences between the biota and ecosystems of the two oceans are first carefully established through years of intenesive research."

By way of background, the involvement of Friends of the Earth (for whom the writer has worked for the past 11 yrs in Seattle and Washington, D.C.) in the issue of a sea-level canal through Panama extends back to before the last interoceanic canal study was finalized in 1970. In 1977, Friends of the Earth and ten other national and international environmental organizations issued a statement to President Carter opposing the inclusion of a possible sea-level canal in the treaties (Ortman 1977).

The possible ecological effects of a sea-level canal were well documented in the hearing record of June 21, 27, and 28, 1978, before the House Panama Canal Subcommittee (Friends of the Earth 1978). At that time, for example, the Norwegian Association for Ecology expressed concern that the impacts for a sea-level canal could extend to a more distant sphere than merely the Caribbean itself.

The Terminal Lake-Third Locks Plan advanced by the author does provide a feasible alternative to a sea-level canal and should be given consideration by the Panama Canal Alternatives Study Commission. However, because such a project would have a significant adverse impact, an environmental impact statement under the National Environmental Policy Act, or, if undertaken by the Panamanians, its equivalent, should be prepared. At least two issues need to be examined.

The first is the site-specific impacts of construction on the fauna and flora of the area. Many an engineering project has foundered when design drawings were completed prior to environmental impact review.

The second concerns the authors' Terminal Lake-Third Locks Plan proposal number five, which is to raise Gatun Lake to a level of 92 ft. As the author points out on page 126, "increased traffic near the end of the dry season, when the summit level is low, at times requires restrictions on the draft of vessels desiring transits."

Reservoir levels are functions of their watersheds, not just of the height of the dam. The freshwater of Gatun Lake is the only known effective biological barrier between the two vast living marine systems in the Atlantic and Pacific. The need for greater reservoir capacity, coupled with further deforestation in the watershed could lead to efforts to pump saltwater into Gatun Lake.

In 1978, for example, Dr. Frank Wadsworth of the Institute of Tropical Forestry, reported that nearby Lake Alajuela, which is formed by the Madden Dam, has been sedimented by deforestation to a depth of 25 ft in some places, and has already lost more than 5% of its active storage capacity (Fig. 1 of author's paper, p. 120). The U.S. and international environmental and conservation community would oppose any measures which would lower the effectiveness of Gatun Lake as a freshwater barrier.

The environmental and conservation community is also concerned about the work of the Panama Canal Alternatives Study Commission, mentioned by the author on pp. 130-131. The establishment of the Commission was the subject of a recent General Accounting Office briefing report (GAO 1986). According to the Final Report of the Commission's Preparatory Committee and the Detailed Study Outline of the Panama Canal Alternatives Feasibility Study, a $20,000,000 five-year study outline with a budget breakout of $2,800,000 for environmental analysis is called for.

As far back as 1969, Sidney Galler, Smithsonian Assistant Secretary for Science said that bioenvironmental research would cost between $25,000,000 and $50,000,000 over a period of 15-25 yrs. No doubt, Dr. Galler was reacting to the thoroughly inadequate biological information contained in the 1970 Atlantic-Pacific Interoceanic Canal Study Commission Report. The results of the National Academy of Sciences attempt in 1978 quickly to pull together all new information on the issues concerning a sea-level canal merely documented the fact that the biological studies previously recommended were never carried out. Unfortunately, the proposed environmental analysis budget prepared by the Preparatory Committee is *lower* than the inadequate budget for research which was conducted in the 1970 Interoceanic Study. The writer submitted extensive comments to Congress last year on this subject (Friends of the Earth 1985).

Finally, the author notes that Soviet engineers are reportedly in Nicaragua making a feasibility study for a sea-level canal there (p. 131). These reports stem from statements made by U.N. ambassador Jeane Kirkpatrick in April of 1983. Friends of the Earth immediately filed a request, under the Freedom of Information Act, with the State Department asking for any documents supporting this charge. On July 1, 1985, after bringing an FOIA suit in the Federal District Court of Washington, D.C., Friends of the Earth settled the case when the State Department acknowledged in a letter that they had released all documents, none of which supported Kirkpatrick's claim.

The author, in exploring the current canal system, has documented what remains an impressive engineering feat, with an effective biological barrier. The author's proposed solution is certainly more viable than any sea-level canal.

DISCUSSION BY HORACIO RIVERO

Even though its control in a few years will pass from the hands of the United States, the Panama Canal will remain, as long as ships sail the seas, of immense commercial and strategic value to this country in peace and war. That it requires enlargement and improvement is widely agreed, as both merchant and naval vessels have increased in size over the years, but the form which improvements should take has been the subject of heated controversy.

Through the major portion of its length the canal is a waterway which is elevated some 85 ft above sea level; it terminates at the Atlantic and Pacific ends in sea-level sections about 8 miles long. A ship transiting from the Atlantic is raised to the elevated level by the three-step Gatun locks, traverses Gatun lake for 20 miles, penetrates the continental divide through the famous and dangerous 8-mile Culebra Cut, and descends in two stages to the Pacific at the Pedro Miguel and Miraflores locks, which are separated by the small Miraflores lake. From the canal's inception there have been concerns expressed about the delays and hazards incident to the double handling of ships at the Pacific end, the difficulties of navigation in the narrow Culebra Cut and its southern exit, and the ship size limitations imposed by the existing locks.

Both competing solutions to these problems envision the construction of a third set of locks. One plan proposes transformation of the canal into a sea-level waterway, with tidal locks at each end, whereas the alternative plan, favored by the author, would retain the elevated canal, combine the Pacific locks into a triple set and create an enlarged Miraflores lake to ease the approach to the Culebra Cut.

According to the author, the so-called Balanced-Lakes Plan not only would provide the best solution to the existing problems, but also would permit reduction in ship transit times, and would be by far the most economical of the proposals. He claims the support of Panama Canal pilots and of a prominent environmental group, who oppose the sea-level canal as needlessly expensive and ecologically dangerous. It also seems clear to this writer that the sea-level canal would create a heavy drain on the American taxpayer and a bonanza for the earth-moving and concrete-pouring industries as tons and tons of earth would need to be excavated and tons and tons of concrete poured to create vulnerable dams and dykes through much of the length of the canal.

The author, an internationally recognized authority on the subject, has made a useful contribution to the debate by faithfully and succintly relating the history of the Canal project and its problems, and persuasively presenting the case for the Balanced-Lakes solution.

DISCUSSION BY FRANK B. TURBERVILLE, JR.

Knowing Capt. DuVal's professional background, which includes service during most of World War II as Marine Director of the Pacific side of the Panama Canal, a naval career handling and commanding ships, as well as his work as author and lecturer on the subject of the Canal, I must approach these comments with considerable humility. Yet I feel that I am qualified to comment since I grew up in the Canal Zone. I learned to sail on Gatun Lake, and have sailed extensively in Limon Bay and Panama Bay. I have a thorough familiarity with all aspects of the Panama Canal including navigational problems, tides, and currents that exist at both the Atlantic and Pacific entrances. Before being called to active service in the U.S. Navy, I worked on the Third Locks Project, in 1940 and 1941.

The author's plan is popularly known as the "Terminal Lake-Third Locks Plan." I have been familiar with it for more than thirty years. It is the only plan that has received the endorsement of the Panama Canal Pilots Association. I endorse it completely as the best plan to accommodate deeper draft and larger ships, and to remove the hazards and traffic restrictions presented by Gaillard Cut in its interface with the Pedro Miguel Lock. Having gone back to school after World War II and having spent my professional career in engineering, I can now look at proposed canal improvements as both an engineer and a mariner.

Every few years a sea-level plan is proposed. From a layman's view, it seems that nothing could be simpler, more maintenance-free, and secure than this. It is the many sea-level studies, therefore, that have gotten the most attention and press coverage. I have long suspected that many of these were made for political reasons, to delay and defer other considerations. Others have been promoted by those who have an interest in the sale of large quantities of earth-moving equipment. My comments here will therefore be to explore these sea-level proposals which are competing with the Terminal Lake-Third Locks Plan. I will not discuss the marine biological hazards of opening a warm saltwater channel between the Pacific and Atlantic oceans; however the considerable concerns of the marine biologist should be heard and carefully considered. This clearly appears to be an ocean-spanning Pandora's box. Possibly it is time for these marine biologists to restate their arguments.

While the locks and dams of the existing canal are interesting and spectacular, it is the 8-mile long "big ditch" through the continental divide, once called Culebra Cut, later named Gaillard Cut, but most popularly known as "The Cut," that presented the greatest engineering challenge. The engineer responsible, David D. Gaillard, once considered that it had beaten him, and went to Col. Gothals to resign.

From the beginning, this "ditch" was plagued with landslides. One of the notorious slides, known as "La Cucaracha" for several years, was almost in continuous glacial flow-type motion. When one thinks of a slide, usually it is a hillside letting go and sliding down under the force of gravity. This was the type of "La Cucaracha" and of the majority of the slides; however the "island" and "toothpaste" types are also of concern. The "island" type is the situation where the bottom is forced up to shoal as an island by the terrific weight of the mountains on each side. The "toothpaste" slide results when the considerable rains in the area percolate down through the various earth strata at varying rates. Softened earth is forced out into the cut like toothpaste. To appreciate the magnitude of the Gaillard Cut excavation project, it should be remembered that all of the material in the Gatun Dam, Cristobal Breakwater, Fort Amador, and the Amador Causeway came out of Gaillard Cut, and still other considerable spoil areas where necessary.

Slides have been a problem in Gaillard Cut from the earliest excavation days. They are still a problem associated with maintenance. At the present time there is a cleft more than a mile long behind one of the mountains adjacent to The Cut, which is a manifestation of the motion of this mountain toward the canal channel. This mountain is currently "anchored" with many steel cables, piling, and extensive stabilizing facilities. The title of one of DuVal's books, *And The Mountains Will Move*, certainly predicted future experience more than even he knew. I have reported at length on the soil stability history of Gaillard Cut because it must be understood and considered in any future intelligent engineering design of Panama Canal improvements.

A sea-level canal would involve digging the canal channel at least 92 feet deeper than it now is. This would considerably exacerbate the existing soil stability problems, probably by a factor of at least four times the existing earth movement. A sea-level ditch, between Panama Bay, which has a flood and ebb difference of 18-22 ft, and Limon Bay, which experiences no more than a 2-ft rise and fall from flood to ebb, would create a tidal bore and current that could not be safely navigated by large ships. Tidal locks would be required to prevent this bore and dangerous current. If in the end, tidal locks are required to control the tide, it appears that a Terminal Lake-Third Locks Plan as described by Capt. Miles P. DuVal, Jr., is the best engineering and navigational plan. We may avoid the "anger of the mountains" inherent in excavating the additional 92 ft required by a sea-level plan.

DISCUSSION BY ERIC A. WALKER

This writer is much impressed by the author's paper. He presents a problem clearly, to even this non-civil engineer. He lays out the facts, presents the problem, offers a solution, shows that that solution is feasible, but in the end demurs a little, admits that the adoption of his solution depends more on political decisions than on enginnering, or even economic ones.

An electrical engineer cannot comment on the urgency of the problem, or the advantages of DuVal's solution over the sea-level or other schemes, except to say "it seems sensible to me, why not do it?" But as an engineer who is concerned about the military safety of the country, and its economic advantages, one has many questions which are not answered.

First of all, why did we abandon our right "in perpetuity for the exclusive use, occupation, and control of the zone, with all the rights, powers, and authority as if it were sovereign" (p. 121 of paper)? Things were going pretty well as they were, and many, if not most people, were satisfied. In the words of the old Dutchman, "if it ain't broke, why fix it?" Admittedly, some Panamanians were unhappy because the American occupation was an insult to their intelligence; it hurt their pride: "How would you feel if some foreign country controlled the Cross-Florida Canal"? We Americans are often too eager to upset the status quo without thinking about the "status quo post." For instance we were very anxious to get rid of the Shah of Iran, and what did we get in return? Certainly the Republic of Panama was being completely recompensed financially; in fact the Canal was the very backbone of their financial stability. So one has to ask whether they will be capable of operating the canal. Can they manage it financially? Can they improve it as time demands, or is this going to be another pit into which the U.S. shovels money to enrich a few of the powerfrul without improving the Canal?

Behind all this one has to ask whether the Canal should be improved. Is it and will it continue to be economically viable? Do air transport, pipelines, unitized trains, and truck/rail "Piggy-back" freight make a difference?

Do we need the Canal militarily? Carriers don't fit, but if we establish Atlantic and Pacific fleets, is it advantageous for them to have a transocean canal? Could we defend the Canal anyway? Would we defend it if it were not ours? What would we do if the situation in Afghanistan were repeated, and a renegade Panamanian government asked the Russians to come in and help eliminate a corrupt capitalist government?

These are all questions which the United States taxpayer would like to see answered before we make any decision on what improvements to begin and before stream of money starts flowing toward Panama.

CLOSURE BY MILES P. DUVAL, JR.

It is indeed gratifying that the writer's April 1986 article has evoked such extensive and well-informed discussions from distinguished authors with vast backgrounds of different experience.

The Terminal Lake-Third Locks Plan was formally submitted by its author to a higher Panama Canal authority on February 25, 1943. It was first publicly presented by him on May 20, 1943, before an exceptionally well-qualified audience largely composed of high Army and Navy officials, and Panama Canal engineers and pilots, (DuVal 1947c: 161).

One of the consequences of the May 20, 1943, address was the arousal of the interest of the Navy Department for a modification of the then suspended Third Locks Project, followed by the submission of the plan to President Franklin D. Roosevelt, who expressed his approval of it as a postwar project.

Other consequences were a series of congressional investigations, not yet ended, with the revival of the old "battle of the levels" as to type of canal—a movement first described in 1924 by Governor Jay J. Morrow as a "hardy perennial" (Morrow 1924).

As mentioned in the discussions, among the subjects brought out has been the marine environmental impact of any salt water canal between the Atlantic and Pacific Oceans. One of the dangers included in earlier writings was infecting the Atlantic Ocean with the poisonous yellow-bellied sea snake of the Pacific, which is not indigenous to the Atlantic.

The most experienced engineer of the Panama Canal with whom I discussed the Terminal Lake-Third Locks Plan was Principal Engineer E. S. Randolph, M. ASCE, who described it to me as the "first comprehensive plan for the Panama Canal based on marine experience, . . . that all the basic engineering considerations were favorable, and [that he] supported the plan as offering the best canal for the future" (DuVal 1947d).

In the operation of the Panama Canal, one of the key groups is the canal pilots who are charged with responsibility for the navigation and movement of vessels in Canal waters. In a formal resolution on Canal modernization, distributed to high U.S. officials and all members of the Congress, the Pilot Association stated that "responsible organizations and informed experts oppose the construction of any sea-level canal as needlessly expensive, diplomatically hazardous, ecologically dangerous and less satisfactory operationally than the existing canal," and then resolved "that the Panama Canal Pilot Association opposes the construction of a new canal of so-called sea level design" (*Congressional Record* 1973; 37).

It is important to know that the Terminal Lake-Third Locks Plan was approved in principle by two experienced Governors of the Panama Canal. The first was in early 1944 by Maj. Gen. Glen E. Edgerton, who recommended it to the Secretary of War for comprehensive investigation, but warned that it was possible that "advocates of a sea-level canal would oppose *unjustifiably* [emphasis added] any expensive change in the present plans" on the grounds that it would delay conversion to sea level (*Congressional Record* 1956). The second was by Maj. Gen. J. C. Mehaffey on November 15, 1945, during hearings in the Congress when he approved it "in general" as a "modification of the original Third Locks Project to include the terminal Lake" (House Committee 1945: 9).

As shown by many years of marine experience, what is needed on the Isthmus is not a second canal of tidal lock design or other alternative, but the solution of pressing marine operation problems of the existing Panama Canal to enable uninterrupted summit-level navigation between the Atlantic and Pacific Locks, with flexible terminal operation at both ends as provided by the Terminal Lake-Third Locks Plan.

IMPORTANT NEW STUDY OF HEALTH RISKS ASSOCIATED WITH DES

Mr. RIEGLE. Mr. President, I want to bring to the attention of my colleagues the disturbing results of a new study recently completed at the College of Human Medicine at Michigan State University [MSU]. This study has produced new findings on the harmful effects of the prescription drug diethylstibestrol [DES], which was prescribed between 1941 and 1971 to women to help reduce the risk of miscarriages. During this period, an estimated 4 million sons and daughters were exposed to DES. It was not until 1971, with the establishment of a definitive link between the development of a rare form of cancer of the cervix and vagina in young women and their exposure to DES of their mothers during pregnancy, that its use was finally discontinued.

Previously, it was found that exposure to DES affected the mothers and their offspring. Dartmouth Medical School demonstrated an increased risk of breast cancer in women exposed during pregnancy.

The statistics concerning DES daughters are startling. Over 400 cases of clear cell adenocarcinoma have been reported and approximately 1 out of every 1,000 will develop this rare cancer of the cervix and vagina before age 32. Twenty-five percent of these cancer victims may die as a result of their exposure. DES sons have been less thoroughly studied. However, there has been evidence showing an increased risk of genital problems and infertility.

The new findings of the study conducted at MSU create even greater cause for concern about the health effects of DES. Dr. Bruce Walker, MSU professor of anatomy, has found that not only are the first and second generations affected by DES exposure, but the third generation as well. Walker said the figures indicate that the risk of developing cancer among the DES granddaughters is no less than that of the DES daughters. What this means is a significant increase in the number of people who will, because of DES exposure, develop this rare form of cancer.

Another important finding concerns the increased risk of cancer that women exposed to DES face as they age. Previously, it was assumed that once a woman had passed early adulthood and had not developed cancer, she was relatively safe. This new study now shows that, unfortunately, this is not the case. Both DES daughters and granddaughters are at higher risk of developing cancer following the changes in hormonal production brought about in middle age. These women can no longer consider themselves safe from cancer associated with exposure to DES after passing young adulthood.

In the beginning of this session I introduced legislation, S. 169, that would provide support to States for efforts to identify individuals who were exposed to DES and to help these individuals lessen the serious health risks resulting from exposure to DES. Grants to States would be used to identify women who took DES during pregnancy and the children of these women and to educate the public about the importance of medical care to detect and treat conditions resulting from DES exposure. The establishment of voluntary State registry would be used for the dissemination of information about DES. S. 169 also provides for the screening and diagnostic services and the dissemination of information to health care providers. It is clear that individuals exposed to DES will require regular and periodic evaluations for the rest of their lives. This bill will greatly increase available support for educational activities and the delivery of adequate health services to those in need. The findings of this new study increase the seriousness of this already urgent problem. With the vast number of people affected by DES exposure I urge my colleagues to support this bill that would reduce the serious health risks to these individuals.

SENATOR BIDEN ON THE PLIGHT OF OUR CHILDREN

Mr. MOYNIHAN. Mr. President, the ranks of Democrats seeking our party's nomination for the Presidency grew by one today with the announcement by my friend and colleague Senator Joseph Biden in Wilmington. It is an important event because Senator Biden is saying important things about the plight of children in America today.

Not 3 weeks ago he spoke with stunning power about child poverty and dependency and the central social challenge of our age—how to break a pattern that has left our children the poorest group in the Nation. Where once there was an ominous division of class in American society, there is now a portentous division of generation. As unemployment was the great challenge of industrial society, child poverty is the defining challenge of postindustrial society.

What is most heartening about Joe Biden's speech at Princeton University is that he understands what is going on and he knows what is needed to change the grim reality that confronts our children.

He says, "Our children—all of our children—are at risk * * *. We must resolve to make the premier moral call of our time, 'Save the children.'" Democrats surely must heed those words, lest another generation is lost.

Senator Biden asserts, and I wholeheartedly agree, that the current welfare system has failed. He knows that welfare cannot be "reformed." It has to be replaced.

What we need first of all is a reliable system of child support. Of divorced or separated or never-married women, barely one-third get what is coming to them—and their children—from court orders. Four out of ten don't even have a court order. Of the remaining six, half get the full amount, one-quarter get less than that and one-quarter receive nothing. As our condition is new, to cite Lincoln, we must think anew.

There should be universal child support. It should be thought normal and natural that mothers work and bring home income. Thus, schooling and training and other support services should be provided to these mothers. And assistance payments should "top off" the family income thus derived.

Senator Biden's credo ought to resound to all Democrats: Government payments last, not first.

We are talking here about citizenship and mutual obligation. We must get it clear what individuals can expect of society and what society can expect of individuals. We are going to have to change a lot of behavior: Government behavior as well as individual behavior.

We have reached a real moment of possibility in addressing these problems. That is in no small measure reflected in the fact that Presidential candidates of both parties are thinking creatively and expansively about this subject.

We will do our best in this Congress—no doubt with help from Joe Biden, Al Gore, and Paul Simon, and, indeed, from Bruce Babbitt and Jesse Jackson and Mike Dukakis and Dick Gephardt—to start the rebuilding process.

And Joe Biden's words, certainly his proposals, ought to guide us:

> We as a society will give poor children the preparation they need early in life to work their way out of poverty—and we will expect in return that they will respond with an energy and an enthusiasm for achievement.

I wish him luck as he begins this exciting and arduous quest. More, though, I trust that, win or lose, his magnificent vision will stay with us.

Mr. President, I ask unanimous consent that the entire text of Senator Biden's speech at Princeton University on May 22, 1987, be entered into the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Save the Children: A Call for a New Spirit of Community in America

(U.S. Senator Joseph R. Biden, Jr.)

Picture yourself, if you can, in the place I'm about to describe. It is a place where civilization has come full circle—from the wilds of the forest primeval to the elaborate structures of civilized society—and back to the bedlam of urban barbarity.

As you place yourself in this environment, do so not as an adult—with strength, wits and resources, but as a child—with wonder, fear, and an identity waiting for definition.

If you've reached an age where you are aware of your surroundings, you've already beaten the odds. For in this place, you have less chance of surviving your first year of life than a child born in Cuba, Chile or Kuwait.

When you go to school—if you go to school—1 out of 10 of your eighth-grade girlfriends will be pregnant. Most of them will have abortions.

Most of the boys—or should I say "fathers"?—will join a gang by the age of 12. You will face the same choice yourself—between belonging to something and belonging to nothing.

There will be more children selling and using drugs than there will be students at graduation. The drop-out rate here is greater than 50 percent.

After high school, it is more likely that you will grow up to contract AIDS then grow up to attend a four-year college; more likely that you will live in a house without adequate plumbing than live in a college dormitory. As you get older, having friends in jail will be commonplace—and there is a good chance you will be going to jail yourself, and thinking little of it.

If you are a young man, there is a good chance you will be murdered—here, murder is the leading cause of death among teenage males. And as for holding down some kind of legitimate job—many of you will never hold a legal paycheck in your hands for as long as you live.

Compare that image with that of your own childhood, and imagine who and what you'd be today if this was the place you called home—if the word "schoolyard" meant drug emporium instead of playground; if playing "house" meant being a poor but very real teen-age mother, instead of being a little girl with an innocent imagination; if "summer vacation" meant three months in a juvenile detention center for robbing a grocery store, instead of running through a sprinkler and building a fort-house in the woods.

Imagine yourself existing in this environment, and you'll have an inkling of an idea what it's like to grow up at the corner of 39th and Dearborn in Chicago, Illinois.

But 39th and Dearborn is no different from 168th and Amsterdam, or 13th and Alabama, or El Segunda and West Hill, or any of the other corners in America's ghettos—not if you're a child, not if you're poor, not if you're a faceless statistic adrift in a so-called "opportunity society."

POVERTY ISN'T A DISTANT DEMON

Ladies and gentlemen, a new generation of American children is being born into poverty. An existing generation is already living in it. And future generations are in jeopardy because of it.

Today, for the first time in American history, children are the very poorest among us. Today, one out of four babies is born into poverty. Fourteen million American children are poor, suffering from economic, intellectual and spiritual poverty. Too many are using drugs, joining gangs, quitting school and having babies as babies.

And poverty is not the exclusive province of the urban poor—it stalks the declining communities of rural America, laying the same dead hand upon the health and the hopes of children far from the inner-city ghettos and further yet, by far, from the American dream of opportunity and achievement.

Most of us cannot imagine the pain of our children in poverty because it represents an America completely at odds with the one we live in—or like to think we live in. There is nothing in our lives to connect us to them, except perhaps our conscience. And historically, our conscience has been the only thing called upon to respond to the victims of poverty.

But today, we must face the fact that our conscience alone can not do the job, for the poverty of this nation's children is tugging not just upon our heartstrings, but also upon our pursestrings, and upon the kitestring that draws our national ambitions aloft.

These children are not "somebody else's" children. They're our children. They are American children—blood of our blood, heart of our soul. And neither are they "somebody else's" problem. They are our problem, because they are also our future.

And though the economic poverty of our children may be confined to places like 39th and Dearborn, a spiritual poverty besets all of our children everywhere.

Increasingly, the difference between the problems of our poor children and our richer ones are differences of degree, not kind.

For example, at San Marcos High School, in a comfortable middle-class California community, more than 150 girls—about one out of every five senior girls at the school—were pregnant in one recent school year. And there is a grim, if these days all too familiar footnote—only nine of those pregnancies ended in childbirth; the others were aborted or miscarried.

Drug use, too, is not limited to our poorer schools. Even in our richest schools, drug use is rampant. The needles may be cleaner and the cocaine purer, but the drug habits are just as severe.

Our failure to prepare our students for the world economy of tomorrow is not just a problem of "inner-city" or "poor" schools. Even our richest elementary schools are failing to meet our children's needs: our best classrooms trail Japan's least accomplished in science and math.

Our middle and upper-class children may have much that our poor children do not. But if they are growing up with a vivid appreciation of what money can buy, they suffer from a harrowing lack of appreciation of what it can't.

And that lack of appreciation sometimes extends even to life itself, as the recent rash of teen-age suicides demonstrates. Children—even those from the best backgrounds—increasingly lack reason to live. By themselves or with friends, they are looking at their present and their future, and rejecting both.

Ladies and gentlemen, we must begin listening to the cries of the young.

Our middle-class children are growing up today in a world so very different from the one we knew in our youth. Six out of every 10 will see their parents get divorced. Two out of 10 will live through two or more separations. When I was in high school, most of my classmates lived in a family where Dad worked and Mom met the children at the door when they came home. Today, for better or for worse, only 19 percent of our families fit such a description.

What all of the many social changes our middle-class families and middle-class children are going through will mean for their future we can only speculate upon. But it should give us all pause when you consider the simple fact that today's middle-class divorce and illegitimate teen birth rates are about the same as those which Pat Moynihan, my colleague in the Senate, found so alarming among black Americans in the early 1960s.

We have seen what has happened to black children in our country over the subsequent two decades. And we have seen that race has little to do with how susceptible we are to a weakening of the spirit.

The AIDS epidemic offers an ominous parallel—for years, people said AIDS was a disease of homosexuals and drug abusers, that it couldn't strike the middle class. Now we know that it can strike the middle class, and it has—and our failure to recognize that now-realized potential is yielding tragedy for far too many people in far too many neighborhoods.

No, we cannot afford the luxury of thinking that the problems of poor children are somehow so different from the problems of our own. "Out of sight and out of mind" does not translate into "out of the realm of possibility."

Our children—*all* of our children—are at risk. And if many in this generation are a "hopeless case," as some would argue they are, then the question for us must be: "Will we save our children before it is too late for them?"

We must resolve to make the premier moral call of our time "Save the children."

IMPLICATIONS FOR THE FUTURE

The problems of our children go beyond moral outrage, for even the most cold-hearted among us must admit that there is a threatening economic dimension to these problems.

The problems of our children have become an awesome sinkhole: sucking the opportunity right out of our future. It is draining away our national strength, our collective intelligence, our combined capabilities.

For who will provide the human capital for the economic renaissance needed to meet the challenge of foreign competition, if not today's children? And who will pay for the massive retirement costs of the baby boom generation, if not today's children? And who will maintain America's principles in tomorrow's world, if not today's children?

We're bombarded with statistics that evidence the immensity of the problem. If the numbers overwhelm you, think of them as faces instead. Imagine that this room was filled with nothing but children, say a thousand of them. A room full of children should be a room full of potential for our future greatness.

But first you will have to write off the 200 kids who will be unable to read, and you will have to discount the 400 more who will have only the most minimal skills—it is doubtful they can contribute to an American economy of the Information Age.

If we write off three out of five of our children, how can America possibly succeed in the highly competitive world economy of tomorrow?

And in other such rooms, filled with another thousand children, you will find 300 using drugs, or more than 250 failing to finish high school.

The numbers may blur but the faces do not. They remain an agonizing reality. Rooms full of our future have been whittled down to a few corners sheltering our hopes.

Where will we get our teachers, our doctors, our scientists and our engineers, if this is the fate of our children? Can we rest our hopes and dreams for a vibrant America in the year 2000 in the hands of only a few of our children?

Simply put, there is no way we can meet the challenge put to us by economic competitors like Japan, Korea, Germany or Taiwan with the bulk of the next generation of our workers sitting idle and unskilled on the sidelines. We need their help and their participation. We need their energies and their aspirations.

AMERICA IS ONE COUNTRY, ONE PEOPLE

Lately America has stopped viewing itself as one society—a seamless web of caring and community. We have begun thinking of ourselves as a collection of mutually-exclusive factions. More than ever we live, not within the expensive borders of a nation, but within the narrow confines of a class.

This is not the fault of the American people. Unlike some, I do not believe that they have lost their heart, their compassion, their concern. No, what the American people have lost is confidence that the various programs coming out of Washington, aimed at helping those in poverty, are really getting the job done.

It is not the American people who failed in their commitment to the poor; it is their government that has failed to turn that commitment into continued progress towards social justice.

The public's frustration with the perceived failure of our federal anti-poverty programs has been perpetuated and encouraged by an administration dedicated to individual self-interest at the expense of national self-preservation. Our current President has tried to divide us, region against region, calling on Americans in Albuquerque to oppose spending on Amtrak to help the East, and calling on Americans in New York to oppose spending on water projects to help those in the West.

Our next President must put an end to cut-throat regional strife among us, and appeal to us as one people—a people who have built a nation together—for that is the story of America: one people, one nation.

And if some of the very same people who preach the self-satisfied gospel of greed turned around and examined their own heritage, they'd rediscover their own indebtedness. They'd see that many of them went to school on the GI Bill, bought homes with VA mortgages, had parents employed by the WPA, and now send their own children to schools subsidized by public or private philanthropy.

Each and every one of us has drawn strength from the collective, mutual support of our families, our communities and our country in the past. It is hypocritical and hateful to pull up the ladder now that we are on board. On our journey together into the American future, we must leave no one behind.

REJECT CONSERVATIVE MYTHS

We must clearly reject the conservative voices who call for even further cutbacks in government help to the poor, and who cynically deny that our bond with them is any stronger than mere beneficence or charity.

And let us also reject another conservative myth about poverty, the myth advanced by conservative intellectuals—that government programs encourage poverty, rather than alleviate it. This view—from the intellectual heirs to the Malthusians of the 1830's, which called for an end to all poor relief lest the poor should multiply—is absurd.

Those who subscribe to it tell us that such things as welfare payments on family size only encourage mothers to have illegitimate babies. But the facts belie this attack on the poor—over the past few years, the number of children receiving welfare benefits has gone down, but the rate of illegitimate births has climbed, not fallen.

And the fact is, government aid has been helpful in alleviating many kinds of poverty. Thanks in large part to expanded Social Security and Medicare programs, poverty among our elderly has been reduced from 33 percent in 1955 to 12 percent in 1985, a stunning decrease.

We can make a difference; government can spearhead efforts to reduce poverty.

We should also reject the conservatives' ultimate conclusion—that the real answer for the poor is less government help, not more.

Such an answer confuses cause with cure and contradicts itself—for even if we accept their position—that two decades of government aid have atrophied individual initiative and self-responsibility among the poor—can the right answer now possibly be to pull back the government aid and leave such "atrophied" individuals to fend for themselves?

No, our answer must be to redirect government aid—not retract it. Instead of withdrawing our array of state and federal assistance, we must re-shape it, advancing programs that give people opportunities to escape poverty and empower them with the tools they need to be self-reliant.

The Right has advanced an agenda that not only fails an intellectual critique but is morally bankrupt as well.

The Right's priorities are morally unconscionable—putting tax breaks for the business lunches of the very rich ahead of school lunches for our children; proposing further, massive increases in wasteful defense programs at the same time that it calls for further, sharp decreases in the Women, Infants and Children nutrition programs (WIC)—a proven winner that helps fight disease, defects and death among our babies. I find these priorities morally abhorrent, and I reject them out of hand.

REJECT LIBERAL MYTHS, TOO

But if it is time to expose and reject these conservative approaches, it is also time to examine the loopholes in liberal orthodoxy.

For while we must embrace the concept of government as a first-chair player in the orchestra of social responsibility, we can no longer view it as a one-man band. Government subsidy is *not* the ultimate answer to the problems of the poor.

If there is nothing contemptible about being on the public dole, there should be nothing glorious about it either. Receiving the benefits of the system should not be tantamount to beating it.

Our current network of public income, health and housing aid was begun in the Great Depression to help those temporarily in need or those with no immediate means of self-support.

AFDC—our major welfare program—was adopted in that era to help the orphaned children of widows. Today, fewer than two percent of that program's recipients are orphans. Eighty-seven percent have an able-bodied father living away from home.

It is true that for a majority of those who use them, welfare and government aid is a temporary boost. Of those who become poor today, less than one-fifth will remain on welfare for a long period of time. This is as it should be.

But because many *do* remain long-term dependents, we have accumulated a large number of seemingly permanent recipients of public aid. It should have been no surprise that taxpayers would become resentful of the way that we not so much *spend* on poverty in this country, as much as we *finance* it.

For too long, the dogmatic liberal defense of programs that we already perceived as failures in the eyes of the American people has caused them to reject liberal leadership. We can never expect the American people to follow a construtive agenda for social change until liberals admit that some things—anything!—from their traditional agenda has failed. Refusal to admit that failure is sharply limiting our ability to rally support for change now.

It is time to get our efforts to reduce poverty—meaningful, serious efforts—on track again.

Nowhere is the folly and futility of our past approaches more evident than in the programs through which we have attempted to alleviate poverty among our children. After decades of well-meaning effort, we have more poor children than ever. We have to ask why—and then face up to the answer.

For some types of poverty, our traditional approach of giving out government support checks may be the best answer we can find. But is there anyone in this room today, is there anyone anywhere, who honestly believes that the best government can do for a five-year-old child is simply send a support check once a month, every month, year after year, for the rest of that child's life?

What a huge waste that represents, and the waste of money is the least of it.

OUR CHILDREN NEED OPPORTUNITIES, NOT HANDOUTS

For poor children, our pity is not enough. Our handouts are not enough. There must be something more than money in our outstretched hand.

Now, this is not just another conservative call for poor children to pull themselves up by their "own bootstraps." No, it isn't that simple, and it isn't that solitary. If we are truly serious about not squandering the potential of a quarter of a generation—all of us will have to help.

The best policy for both the poor and the non-poor—for all American children—is based upon a simple premise:

"We as a society will give poor children the preparation they need early in life to work their way out of poverty—and we will expect in return that they will respond with an energy and an enthusiasm for achievement."

There is nothing wrong, and nothing unrealistic, in asking the poor to take more responsibility for alleviating their own plight—if we provide them with the skills and the opportunities to do so. Equipping the poor to become self-sufficient, rather than paying to make their lack of power permanent, is the only way in which society will ever realize a return on its welfare investment.

POOR CHILDREN CAN EXCEL IF GIVEN THE CHANCE

The times when these principles of empowerment are applied to those in need are so often successful that it amazes me that they remain the exception, rather than the rule.

I recently read a tale which painted a vivid and woeful portrait of what the "rule" is for poor children today, a tale which offered equally vivid yet inspiring portraits of some of the "exceptions" to that grim rule. This story lays to rest any notions that poor children have to be different from our own. It shows that children from even the worst of surroundings can triumph if given the chance. And it teaches how devastating a lack of opportunity can be to any child.

It was a 30-page cover story in a recent edition of *Newsweek* entitled, "Brothers," and it traced the lives of a group of men who grew up in a pair of housing projects on the South Side of Chicago.

Word after word, column after column, reeked of hopelessness.

Families of 10 living in three-room apartments in housing projects which—by design or by consequence—do little more than institutionalize poverty, in a community of fatherless families where young men prove their manhood by climbing through the ranks of street gangs—the only kind of opportunity that bothers to recruit most of them.

Drugs in this environment provide more than just a temporary high. They provide an income, a career, an identity. Guns are easier to obtain than degrees, and are a more valuable currency in a place where lawlessness is an unskilled calling with very few competitors.

Few people in this story lacked for money. Their living quarters may not have been spacious, but they had them. Their clothes may not have been expensive, but they had them as well. Their food may not have been the finest, but it was there. And their jobs may not always have been legal, but they paid.

No, a shortage of money was not the problem—an absence of opportunity was. For though computers in downtown Chicago regularly printed out welfare checks to subsidize the economy for this otherwise forgotten part of town, the human factor was missing. Practically no one came calling, because practically no one really cared.

The children trapped in the horizonless environment aspired to that which was possible and available—sex, drugs, easy money.

Yet the "Brothers" story told of what can happen when poor children are given a chance: rare exceptions that prove that the rules can be broken.

The story of Ray Stingley, for example, who lived in that ghetto, is a powerful one. When Ray was 15, his life was transformed when a private program offered him an opportunity to attend a private school, far from the ghetto. He aspired to college, and worked night and day to put himself through while supporting his new family.

An affirmative-action program gave him another opportunity—a career in sales. And the abilities he was able to discover and cultivate in his adolescence allowed him to succeed in his adult life.

Opportunity took Sylvester Monroe out of the ghetto as well, putting him into a private school in Rhode Island, and through a similar process of self-discovery and increased chronicled life in the ghetto.

Some who were given a chance to get out succeeded, some failed. This will inevitably be the results of any anti-poverty, pro-opportunity progam we try: some successes, some failures. Yet the failures should not stop our efforts to make the few exceptional successes from the "Brothers" story more common.

And we will not make success more widespread by continuing to reach into the ghetto—"playing God" as we pluck out an occasional child here and there and give that child opportunities denied to so many others.

And we cannot do it by plucking ghetto children out of the inner-city and busing them across town for a six-hour-a-day visit into middle-class America. Instead, we must begin to open up opportunities—real opportunities, not political symbols—for all poor children.

We must help poor families clean up areas like the scene of the "Brothers" story and make them into better places. "Brothers" teaches us that there *is* something we can do besides turning away in frustration, besides sentencing poor children to oblivion with our tunnel-vision.

And there is something we can get besides the bill: we can get the payoff, too.

THE BIDEN PROGRAM: SAVE THE CHILDREN

Today in Washington, I will release a detailed policy paper and draft legislation that includes various proposals aimed at helping to give children avenues out of poverty. Many of these proposals also address the needs of our "spiritually poor" children in middle and upper-income families.

Our goal as a society must be nothing less than to "save the children"—all the children.

Here is a brief outline of what I am proposing.

There are three essential steps that we must take as a country if we are going to empower a generation of children to build a future for themselves and for our country:

First, we must ensure adequate health care for all of our children.

Second, we must improve the quality of education that all of our children receive.

Third, we must strengthen family and societal bonds of concern and support for all children.

Healthy bodies, healthy minds, healthy spirits—the very minimum children need to succeed; the very least we as a society can provide.

These essentials are more often denied to poor children than to middle-class or rich children. But a comprehensive program to save our children cannot be narrowly aimed at one group of our children or another—it must lift them all up together.

1. Improved health care for children

I cite health care first because a child can not hope to develop to his full potential if his abilities are stunted by inadequate health care.

Children in poor health do not perform well in school. Today, however, from birth to childhood, America's poor children are plagued by a myriad of health problems that slow their development and sap them of the energies they need to achieve.

And a new, catastrophic danger threatens our children's health and their future. In the past two years alone, almost a thousand babies have been born with AIDS. Most of them the children of drug-abusing mothers, are born with a deadly combination of the AIDS disease and an addiction to heroin.

Pediatric wards are beginning to fill up with these children, whose numbers are expected to quadruple in the next four years. Many have been abandoned by mothers too ill or too weak to care for these "AIDS babies." At Harlem Hospital, a dozen such babies have never lived any place but the pediatric ward. Born in the hospital, they have never felt a mother's touch—and probably never will.

My health program for children calls, first of all, for adequate pre-natal care for all poor expectant mothers. They must know that their children are not condemned by society or by circumstance before they're even born. Despite our international pre-eminence in medical science—American scientists have won almost half of all the Nobel prizes in medicine awarded since 1901—the United States ranks no better than 17th in infant mortality among the nations of the world.

For the poorest among us, our successes in medical science have been offset by our failures in social policy, so much so that a child born today within a five-mile radius of the Capitol in Washington, is less likely to survive a first year of life than a child born in Trinidad and Tobago.

This is a blatant national disgrace, but there is something we can do to change it: provide the increased pre-natal care that dramatically improves the likelihood of an infant's survival. By expanding existing federal health-care programs, such as Medicaid and the Women, Infants and Children (WIC) supplemental feeding program, we endorse the value of all human life while investing in the future of American society.

Free medical care should also be provided to all poor children under the age of 11. Simply providing for their birth isn't enough. Every single American child—from every kind of background—must have decent medical care throughout the formative years.

I propose a program modeled after one introduced by Governor Richard Riley of South Carolina, which provides full medical coverage to all children up to the age of 11 who live in families with incomes at or below the poverty line.

But none of these measures to improve the health of our children can succeed unless we act promptly and vigorously to end the epidemic of illegal, dangerous and destructive drugs that is most widespread and most deadly among our young.

I would propose—in fact, I have proposed, repeatedly and with some success, in the United States Senate—to rally the forces of the federal government to meet their full responsibility for resolving this national problem in the national and international dimensions that only the federal government can deal with. At the outset, we must do more to assist state and local enforcement, education and treatment agencies to meet their front-line responsibilities.

But that is not enough. We must do everything we can do to eliminate the overseas production of illegal drugs, by assisting, challenging and, if necessary, punishing the nations where they originate. We must do everything we can do to turn back the floodtide of illegal drugs that continues to flow across our borders.

And above all, we must stop the bureaucratic feuding that has crippled efforts to dry up the drug trade by creating a single, Cabinet-level officer—a "drug czar"—accountable only to the President and ultimately to the American people, for knocking bureaucratic heads together until they get their act together.

2. Improved education

Second, once we have provided for the health and well-being of our children, we can then focus on assuring them the highest quality education available in this country.

We have seen the quality of American education slowly erode over the past two decades. Increasingly, our education apprears to be following the path British education took, where top-notch teaching was reserved to the richest and brightest students, and all the others were relegated to what few resources were left.

If we are going to give poor youths a meaningful chance to escape poverty—and if we are going to have a workforce that can compete in the economy of tomorrow—we must begin to upgrade the quality of education we provide to them.

My program calls for expanding the Head Start program which provides pre-school education to disadvantaged youth—another proven winner.

But more, it calls for a fundamental overhaul in the basic American education system for all students:

Longer school days to boost our educational achievement and to meet the needs of the growing numbers of latchkey children and their working mothers.

Longer school years, adding 30 to 40 days to the current 180, to start to match the schools years of our chief economic rivals. This may even include shifting our schools to year-round operation, with students and teachers choosing which one of seven or eight periods they take off as vacation.

Toughter curriculum requirements, including four years of English, three years of science, math and social studies, and a semester of computer education. Only three percent of our children finish high school with such an education now.

New performance standards, insisting that students demonstrate achievement on tests that fairly measure what they learn.

As we do all this, we must give it a solid foundation by also challenging our teachers to excellence:

With nationally-recognized professional standards.

And with professional standards must come professional rewards—it's time we started to pay our teachers like professionals, and treat them with professional respect, too.

Paying bonuses to teachers willing to work in the most troubled districts and with the most disadvantaged students, for as we reach for excellence as a nation, we must make sure that no children are left behind.

Remedial programs must be put in place to make sure that those who fall behind in our schools—often poor children—do not fall further back as we pick up the pace. We must move low achievers ahead—and not water down the standards for all of our children.

To those of you who say that this is an "elitist" program, that there must be some second-track of easier education for some children, I say this: "You are the true elitists. You think that poor children can not achieve with our best if given the chance. I disagree."

Without sweeping changes in our elementary and secondary education system, our children don't stand a chance in the economy of the Information Age—and neither does our country.

As we make these changes, we must take full advantage of the technology of a new era. I have supported legislation to create a system of "Star Schools:" using satellite technology to beam educational programming to thousands of schools all over the country.

Such a program will be of special value to rural areas—where hard times have squeezed school budgets for hiring new science and math teachers especially tight.

Also of benefit to rural schools is a program I have proposed elsewhere, for a system of community tax-base insurance. This insurance plan is designed to guarantee that schools and other services in small communities are not slashed in periods of economic difficulty.

But in all of our schools—rural and urban—we must do more than just teach our children more about math and reading. We must restore our American tradition of teaching our children ethics in our schools—our common sense of what is right and what is wrong.

By this I do not mean some right-wing agenda for spoken school prayers. Instead, we should insist that our schools instill in our children the basic principles that are our moral foundation as a people; respect for others, a sense of fair play, the importance of honesty, the pursuit of excellence.

Likewise, I call for the expansion of other programs aimed at our students' minds and souls: Specifically, more vigorous and comprehensive programs to reduce drug use and dependency. Drug education must reach every child in every school in America, public and private. If we are ever going to gain control of drug abuse in this country, our children must have the opportunity to learn—early, often and intensively—how illegal drugs can ruin their dreams and blight their lives.

Finally, our poor youth must not find themselves shut off from the chance to realize their full potential. Opportunities for higher education for poor youths through new loan and grant programs must be expanded.

3. Building strong family bonds

These first two sets of initiatives are aimed at helping to provide for healthy bodies and minds. The third supports and encourages healthy lifestyles by strengthening family bonds of concern and support for children.

If families are remarkably simple institutions when they are healthy, they are incredibly complex ones when they are not. Rather than the Federal Government and the community-at-large trying to make up for the difficulties faced by families in trouble, we should do more to insure that poor parents are able to fulfill their obligations to their children. To achieve this, my family program has four chief components.

First, parents who have children should be expected, when they are able, to provide support for those children. Millions of wayward American parents are each year diverting to themselves more than $4 billion meant for their children.

Second, we must reduce the epidemic of teen-age pregnancies, which often turn one troubled life into two. The Federal Government must assist state and local health agencies in providing family-planning counseling. And we must continue our support for the Adolescent Health Care and Pregnancy Prevention Act.

Third, fathers should not have to leave their families so that their children can become eligible for government assistance. Under current Federal law, states are allowed to deny benefits to children when their fathers live at home. Half the states have such anti-family policies. These laws must be changed.

Fourth, no welfare check should come without some responsibilities attached to it. Able-bodied persons receiving welfare—and who are not busy caring for a young child—should be required to do something of social value in exchange for the help they are receiving.

This might range from enrolling in job training or remedial education, to taking on public or private employment. Many states have already taken the lead with so-called workfare programs similar to the concept I have just outlined; the federal government should require all states administering federal welfare funds to institute similar requirements.

And we should take other steps to make it easier for parents who want to work to take jobs. In a previous speech, I outlined a plan to expand the availability of quality day care—a critical need if we are going to help mothers find jobs.

In the end, children are the primary beneficiaries of such programs, because they help put parents to work, produce more self-sufficient, stronger families, better able to provide for the future for our children.

MANY INDIVIDUALS ARE MOVING TO ACTION

But even if we do all of this, it will not be enough. Yes, moving our focus from government subsidy to putting tools for achievement into people's hands will help—it will be a more effective use of our public resources to help poor children. *But government alone cannot do the job.*

Three years ago, heart-rending pictures of children starving in Ethiopia's desert awakened the conscience of a sleeping world. The result—popular efforts like "We Are the World" and "Live Aid"—could not have been orchestrated by any government.

More recently, we have been moved to act at home. The plight of men, women and children living in our streets, begging for money and picking through garbage cans has aroused the spirit of a new generation of Americans.

They formed a human chain coast to coast in response. And their object was more than fundraising—their message was one of unity, solidarity and empathy with the poor.

For too long we in Washington have ignored the true meaning of these efforts. We have engaged in the most absurd of debates. Who should bear the burden of relieving poverty, we ask, the government or the individuals themselves? Is government the problem or the answer, we wonder.

But most Americans know better. They know that between government and poor people stand millions of other Americans who—in their churches, community groups, unions, and service clubs—have grown tired of debating the relative responsibility of government and individuals. They have joined together outside the realm of government to offer real answers to reducing drug use; fighting teen pregnancy; and combatting hunger, homelessness and illiteracy.

Every day, millions of concerned, responsible Americans take time to tutor a poor child, to be a Big Brother or Big Sister to a fatherless or motherless child, to counsel a young girl about teen sex and its possible consequences, to help a young boy kick a drug habit—to volunteer, freely and willingly, in any one of a thousand ways to help their communities.

Help comes from a variety of sources. From groups like the Shiloh Baptist Church in the urban heart of Washington, D.C.—Where men in their 20's and 30's work with teen-age boys to teach them about the responsibilities of adulthood—and fatherhood in particular.

And from companies like Apple Computer, as well. Apple has donated 4,000 computers to hundreds of schools around the country—in all kinds of neighborhoods. As a result, hundreds of thousands of children are getting a chance they have never had before to work with computers.

FROM INDIVIDUAL ACTION TO COMMUNITY CONCERN

But such individual volunteer efforts—outstanding as they are—will never be enough to meet the challenge before us as a country. Even the millions of volunteers at work now—all together—will not be enough.

We must go beyond these important efforts to something even more fundamental: restoring our American tradition of community—of shared and common concern.

This has been our tradition since the earliest days of America. As John Winthrop told the Pilgrims even before they landed in the New World:

"We must delight in each other, make others' conditions our own, rejoice together, mourn together, labor and suffer together, always having before our eyes our community as members of the same body."

For too long we have celebrated untrammeled individualism in America. For a decade led by Ronald Reagan, we have valued not the valiant but the victors, not the worthy but the winners.

It's time to put an end to the "Got mine, get yours" attitude of Ronald Reagan's America. It's time to restore our sense of community.

The American people are hungering to join in a new effort—hand-in-hand, or as one poet put it. "Heart handfast in heart"—to build a better country for all Americans, and especially for our children. As I travel the country, I see it in people's faces, in their eyes, in their outstretched arms—reaching out to help each other and our children.

"HOOSIERS:" A STORY OF COMMUNITY

Those of you who've seen the film "Hoosiers" know the kind of feeling I'm talking about. That wasn't just a movie about six young men winning a state basketball championship, or the problems of adults in a small Indiana town. It was about community.

The movie—which was based on a true story from the 1950s—showed us a community devoted to its young. The adults often had conflicting opinions as to what was best for the children—basketball or schoolbooks—but they shared a common sense of commitment to their well-being.

Teachers taught them more than math and science; they instilled aspiration. Coaches made them do more than practice; they stimulated confidence. Parents did more than provide shelter and discipline; they give direction. And the townfolks did more than pay taxes and appropriate funds; they rooted and cheered.

And in the end, it wasn't the team that won the championship—it was the town. And it wasn't just the children who felt the glory; it was the community.

NOT JUST FAIRY TALES

But the story of a new American sense of community is not just some movie script, not some fairy-tale dream of a distant era. All across America, today, real communities are coming together to make a real difference.

Take the South Oakland neighborhood in Pittsburgh, for example. A few years ago it was every bit as bad as the 39th and Dearborn in Chicago. Then a handful of concerned people decided to do something about it. A woman named Fannie Roysdon marched out one day and began to clean up the mess. Neighbors joined in.

A once-dilapidated area displayed new signs of hope. The neighbors took to tending the sick, and breaking a subtle racial barrier that had divided them and prevented common action for change. Fannie Roysdon, a black grandmother, took in an ailing white woman and nursed her back to health.

The atmosphere of change spread. The city assigned a hundred delinquent children to cleaning up vacant lots in the neighborhood. Residents and outside donors pooled their funds to buy seeds and plant gardens. Blacks and whites together harvested the vegetables and fruits and delivered them to South Oakland's elderly.

But the change in South Oakland didn't stop there. Upset about the poor performance of local children in school, some neighbors reached into their pockets to pay for tutors for the children who wanted to do better but didn't know how.

Parents patrolled the area at night to make sure that children were getting home at a decent hour. Fannie Roysdon herself walked the streets to put an end to the adult card-playing and drinking, saying, "No wonder . . . the children were doing so poorly, with the noise . . . made at all hours!"

The landscape of South Oakland in urban Pittsburgh may look quite different from the rural Indiana depicted in "Hoosiers," but the impact of community spirit is the same.

Now, an urban frontier is finally a neighborhood once more. Houses worth $6,000 a decade ago now fetch $60,000. Gardens grow next to clean streets and clean yards. And most promising for the years ahead—crime is starting to fall as the performance of children begins to rise.

Children with full stomachs and a full night's sleep are discovering they can excel. The children—and the people of South Oakland—have built a future together.

A NEW SPIRIT OF COMMUNITY, A NEW JOY

South Oakland is not alone. All across America this community spirit is awakening, and it has one aim—building a better life for our children.

In an earlier day, in our rural past, neighbors gathered to build their communities. Together, they created homes, schools, churches. The barn-raisings of those days still symbolize the community spirit I'm talking about.

Those barn-raisings not only built a future for the people and their children—they were also moments of a deeply felt communal joy, a special joy we can share only when we work together toward a common goal.

That communal joy seems lost to many of us. And yet it is not, for in many small towns in rural America, the old barn-raising spirit still lives, and in our cities, the same spirit is being born anew.

Take something as simple and wonderful as our children's play. Today, all across this country, neighbors are coming together to build playgrounds of tires and wood and old materials. What motivates busy men and women who live in our hectic cities to give a weekend to build a playground for local children? One playground designer put the community spirit this way:

"Time and again, people come up to me and say, 'I want to thank you for that weekend. It was the most enjoyable weekend I have ever spent.' That's a lot when you've been through a lot of experiences and all you did this time was get out and work."

And this is not an isolated example. There were 1,100 such playgrounds built in America last year. Tens of thousands of Americans experienced the joy of a new community spirit of concern for our children.

Our next President must lead the country in reclaiming this spirit of community. Unlike our current President, who has displayed indifference to the awakening community spirit in America, our next President must reach out, hand-in-hand with Americans in their neighborhoods, churches and schools, to build a better future for our children.

This is the story of the great Presidents in our history, men like Abraham Lincoln and Franklin Roosevelt. They called on us as a community, a people, to share common burdens and address common concerns.

Such leadership of Americans earned them monuments in our cities and a permanent place in our hearts. They are who we remember. For no matter what their temporary appeal, there are no rooms in the White House named for the likes of Buchanan or Coolidge—leaders who have divided us and led us to disaster.

We need a President now who will tell the American people, not what he will do for them, but what he will demand of them. He must summon Americans to service.

If I were President, I would propose a new National Community Service Corps—small teams of volunteers serving in inner-city areas, helping community groups in their efforts to help the poor, a 50,000-strong volunteer force, joining the millions already helping to make a difference for poor children would be a good first step.

But the President can do even more. He could propose other avenues for community service, programs that all Americans can join in. One such idea is a proposed "Community Volunteer Guard"—Americans who would give one weekend each month or a couple of weeks every summer to work on community projects, much as our National Guardsmen and women contribute to our national defense.

Government can encourage and facilitate such voluntary efforts. It can help public-spirited citizens to focus their collective energies and pool their talents. It can make it easier for people to find new opportunities for community service and to participate in existing programs.

And by doing these things, it can fulfill a range of public purposes far beyond the power of government to achieve or even to conceive.

PRESIDENT MUST CALL ON BUSINESS, COMMUNITY GROUPS

Of course, none of these ideas will work for a President attempting to lead in isolation. He must obtain the support of—and place responsibility on—businesses, community groups, unions, service clubs, churches, schools, and more. The heavy burden we must bear in this country to provide the help needed by our young must be borne, at least in part, by these institutions of our society.

For if the President challenges Americans to invest some of their time in serving their communities, then the businesses—which are a part of those communities—should help support those community ventures by granting time off to the workers involved in them. Many companies today lend executives to United Way and other service agencies. More should follow their example.

High Schools should be asked to add as a requirement for graduation a one-semester credit for service to the community. Requiring students—rich and poor—to volunteer three or four hours a week helping others less fortunate than themselves would go a long way toward reforging the bonds of their communities.

Our colleges and universities should also serve the communities of which they are a part. A few colleges are already enabling students to accept public-service jobs—key jobs in any community—by delaying or forgiving repayment of student loans the colleges have granted.

We need to unleash the talents of our college and professional-school graduates on the problems of our communities, by relieving them of the necessity to seek top-dollar jobs to pay off their obligations.

The President must challenge our businesses and the other major institutions in our society to accept more responsibility for the community for the community work that must be done.

Some are already taking important strides; others, quite frankly, are not keeping up the pace. They must lead—with the President—in calling Americans to action, and they must respond to that call themselves.

PRESIDENT MUST LEAD CHANGE IN ATTITUDE, TOO

But calling Americans to action will not be enough, because the President will also have to lead in changing our attitude.

It is not enough to open up new opportunities for serving the community, if community service is not deemed important in our society. The President can shape such attitudes, speaking out and calling on the Americans people for a new commitment to community.

He can lead by example, too. If I were President, I would give my White House staff the time off they would need, if they chose—and I believe they would choose—to participate in community service. If I gave my employees such an opportunity to serve, I would hope that other chief executives would follow suit.

I would try to shape other attitudes, as well, reminding Americans that we can not expect our children to abstain from using drugs as long as we adults, too often, continue using drugs to help us sleep at night, get up in the morning, get ready for a big meeting, or simply to relax and unwind.

All of us adults have an unavoidable responsibility to our children in this regard. We teach all of our children, every day, by our actions, and we are accountable for our example.

The President must call on Americans of all ages and all backgrounds to do more to help our children. Those who have "made it" in America must take more responsibility for those who, through no fault of their own, have not. In large part, we are a people of humble origins; none of us should ever forget our roots.

And most importantly, we should re-introduce a four-letter word into our civic vocabulary to stand at the center of our common feeling toward our children—and that is "love."

We should not be embarrassed to feel this emotion—the emotion we all feel for our own children, the normal human feeling we extend to all children, the quality that lies at the heart of every successful effort we make to express our own humanity—and we should not hesitate to recognize love as the necessary centerpiece to our national effort to save America's children.

In that effort, above all, the President must not wait for others to make the first move. From that matchless "bully pulpit" that Teddy Roosevelt found in the American presidency, he must exercise that broad moral leadership that, in our society, is uniquely his to exert and to answer for. He must keep the American conscience awake; he must keep our national myths alive.

He must tell the American people of the outstanding examples of service and community spirit all around us. And if the stories he has chosen do not inspire other Americans to act, he must find others among the millions of acts of compassion and community that happen in America every day.

Finally, the message will get through to the vast majority of Americans who still hunger for that joy in helping their brothers and sisters.

OUR RESPONSE, OUR PLACE IN HISTORY

Such is the task and such is the opportunity that confronts us today—our next President, our civic and intellectual leaders, each and every American.

Our challenge is to restore the sense of community needed to save our children.

Recapturing the American spirit of community—and directing its awesome energy toward saving our children—will not be done in a single month, a single year, or even a single Presidency. But that is no grounds for delay.

I am reminded of the story of a meeting between Martin Luther King and a group of Jewish rabbis shortly before his death. The rabbis asked Dr. King how he could keep up his struggle for equality when his goal seemed so elusive and the prospects for ultimate success seemed so remote.

The rabbis were startled when Dr. King—a Baptist minister—answered by quoting to them from the Jewish scripture of the Talmud:

"The day is short;
the work is great;
the master is insistent;
the laborers are sluggish.
You are not obliged to complete the task—but you are not free to desist from it either."

Like Dr. King and the rabbis, most Americans worship the same God in different ways. And like them, we partake of a common "civic religion"—our shared moral heritage as Americans.

And as Dr. King suggested, we will be judged by our God and our tradition—not by whether or not we complete the task of eradicating child poverty, but by whether or not we try.

Will America save its children? This is the challenge of our time.

Now, in a single motion as a people, we must pray for the wisdom and the strength to act, even as we rise up to do what must be done.

Our moral tradition teaches no less, history demands no less, our God expects no less—let us give no less, now, for our children.

THE PREVENTION OF WAR AND THE PRINCIPLES OF PEACE

Mr. PELL. Mr. President, last week in Moscow, the Senator from Tennessee [Mr. GORE] addressed the International Physicians for the Prevention of Nuclear War on the subject of "The Prevention of War and the Principles of Peace."

I have had an opportunity to read this address, and I was much struck by its perceptiveness and clarity of vision. The Senator sets forth a five-step proposal to deal with the all-important task of actively moving to prevent the prospect of nuclear war. I commend these proposals to my fellow Members for the inherent good sense they demonstrate.

Senator GORE makes the profoundly important point that the relationship between the sides "is a matter of basic differences and profound dangers," but that "* * * our differences with the Soviet Union must be the beginning of the matter, not the end. We must frankly discuss the nature of mankind's future as well as act to assure it."

Mr. President, I ask unanimous consent that the full text of the Senator's address be printed in the RECORD following my remarks.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

THE PREVENTION OF WAR AND THE PRINCIPLES OF PEACE

(By Senator Albert Gore, Jr.)

(Speech before: International Physicians for the Prevention of Nuclear War)

MOSCOW—May 29, 1987.—I would like to thank the International Physicians for the Prevention of Nuclear War for inviting me to this Seventh Annual Congress. I welcome the opportunity to help focus world attention on the most important issue of our time: the prevention of nuclear war.

My own efforts to address this problem date back to an incident almost 7 years ago, when I happened to ask a large group of young students in my home State of Tennessee whether or not they expected to see a nuclear war in their lifetime. To my surprise, nearly every student raised a hand. I then asked the same group whether or not they believed that there was much we could do to change that outcome. And out of five hundred students, only two or three of them raised their hands.

That day, I saw the verdict on our future from a generation which, like my own, has never known a world without the threat of nuclear war. I realized that whatever else we do in our lifetimes, we must somehow reverse that verdict—and enable our children and grandchildren to face the future with hope, not despair.

The International Physicians for the Prevention of Nuclear War are contributing to this same goal by reminding us of the grotesque medical and human consequences of a nuclear war. It is a necessary message, because in time of peace, war can too easily become an intellectual abstraction. The more awful its effects, the harder it is to keep them constantly in mind.

In ancient mythology, Medusa's fearsome visage turned to stone all who gazed upon it. In her presence they stood, some with swords lifted, motionless, thoughtless, frozen in place. In our time and place, the fearsome image of nuclear war, indeed the very phrase itself, hardens our sensitivity to its true nature. Some are left frozen, as shadows on concrete, with arms raised for incompleted actions.

Others, to avoid this fate, obscure the horror of nuclear war with a cloud of geopolitical and strategic analysis that makes it possible for them to think of nuclear war as limited, controllable, or survivable. But we must seek to understand nuclear war for what it would truly mean in human terms, and then prevent it from ever taking place.

In this same sense, your organization's name is well chosen. As a medical prescription for how to respond to the prospect of nuclear war, "prevention" makes far more sense than an effort at "survival," which in the event of a nuclear war, would be a delusion for most and a nightmare for the rest. As a political strategy, "prevention" also requires far more thought and action than mere "avoidance," which, like "survival," may in this case be a mere delusion, particularly for strong nations with sometimes conflicting interests.

In this century, we have had some very hard lessons about the difficulty of preventing war with words alone. At the conclusion of the First World War, nations set out to prevent any other such conflict by formally renouncing warfare. But the experience of the 1930's shows that theoretical condemnation of war cannot assure peace. In 1945 the wartime Allies recognized that peace would depend upon concerted action among nations: action to assure economic growth around the world; and collective action in response to aggression.

This was the basis upon which the United Nations was created. Tragically, however, the hope that wartime alliance would carry over into peacetime cooperation failed. We have, as a result, learned to live in a world both spiritually and physically divided; with powerful armed alliances organized around those divisions. Even during the darkest times, there has always been the hope that peaceful cooperation might someday prevail over the threat of war.

Yet, throughout the nuclear age, although the two superpowers have agreed that arms control was necessary, a method to halt the arms race has always eluded us. Now, that era may be ending. The Reykjavik summit failed to produce agreement because both sides made proposals that were too ambitious and were founded on different premises. Nevertheless, Reykjavik raised hopes that something more than cynicism might be at work. While the meeting was not a diplomatic success, it may have been a psychological breakthrough. For once, both sides seemed to share a powerful desire to deal with the nuclear problem at its core, rather than at the margins.

Little time remains if a significant strategic agreement is to be reached while the current administration is in office in the United States. But there is time enough. Some argue that a final 18 months of his term is a period of decline for any president, and that any effort expended in reaching a major agreement during this period is wasted. I do not agree. It would be a profound mistake for the Soviet Union to act on such assumptions. The government of the United States desires progress and, in my opinion, the United States would welcome the chance to ratify a good, comprehensive and verifiable treaty next year.

Meanwhile, although agreement on strategic weapons and new defenses remains an elusive prospect, the Reykjavik impetus has carried over into the discussion of nuclear weapons in Europe. Both sides now seem close to agreement on the nearly complete abolition of two whole classes of ballistic missiles from the European continent.

Such an agreement would not address the far more important dilemma of strategic weapons and defensive systems. But the elimination of U.S. and Soviet long range and short range intermediate nuclear forces would be a military and political event of considerable importance.

Precisely because their ramifications would be so dramatic, these proposals arouse almost much anxiety in some quarters as they inspire hope in others. It is important for us to examine why.

In the face of insecurity, the normal human instinct has always been to arm; and having armed, more often than not, to fight. Until the present era, only moralists and visionaries have urged another path—to control arms, and to avoid armed conflict rather than invite it. Now, because of the horrific consequences of nuclear war, many enlightened statesmen have come to share the same view.

And yet, this unprecedented approach to the conduct of international life carries dangers of its own. We have, after all, learned how to manage the present system with reasonable success. An ill-conceived or poorly executed transition to some other system, no matter how noble or attractive, could lead to disaster.

To be specific, many Europeans and some Americans share profound misgivings about the sudden elimination of intermediate range missiles because they recognize that this step may represent part of a process which is intended to lead to the abolition of all nuclear weapons on the European continent. And while that may seem entirely agreeable to many people, to others whose desire for peace is equally sincere, it is alarming to speak of the piecemeal disassembly of the existing balance of military power, in the absence of some general notion of where this process is supposed to lead, and at a time when the political context for such sweeping change does not yet fully exist.

There seems to be a very good chance that the current negotiations will end successfully, despite these misgivings. I hope that is the case. Beyond that point, however, progress is likely to become more rather than less difficult—unless we begin to prepare a better foundation than we now have.

Therefore, I would like to propose, for your consideration, some specific steps toward a single unifying goal which might serve as that foundation: the prevention of all war between nuclear powers.

The prevention of nuclear war, while a moral imperative and a medical necessity, is not enough. Our goal must be larger still: the prevention of any war between nuclear powers.

The unprecedented horror of nuclear war, and its unique potential for ending human civilization, seem on the surface to justify an undiluted focus on its prevention as our highest and only authority.

But if efforts to make nuclear war impossible serve to increase fears of conventional aggression, then it is not enough to say that a conventional war is a lesser concern.

It was, after all, the fear of conventional war, with its own horrors, which led to much of the current nuclear strategy of both superpowers. It may well be impossible, therefore, to prevent nuclear war without a plan to prevent war of any kind between nuclear powers.

Ironically, U.S. and Soviet military leaders have understood this principle better than most, and have made great efforts to avoid the possibility of any military conflict between the superpowers. The result has been an unusually long absence of world war. Once again, however, avoidance is less demanding than prevention. Our military forces have managed to avoid open conflict with each other, but we have failed on both sides to prevent a worsening of those factors which generate fear, increase tensions, drive the arms race forward, poison the underlying relationship, and increase the risk of a major conflict.

If we are really interested in actively preventing war, we must attend to all these factors. As a way to begin, I want to propose five specific steps:

(1) Make it impossible for either the Soviet Union or the United States to gain any advantage whatsoever from a nuclear first strike. This will require close attention to the fear of a first strike, even though neither superpower intends to launch one. The essential task is to create a more stable relationship between the nuclear arsenals through arms control and through the replacement of destabilizing weapons with ones that are less vulnerable and better suited for deterrence.

(2) Reduce the fear of a conventional surprise attack by making it impossible to mass forces quickly near the border between the Warsaw Pact and NATO. This will require greater use of conventional arms control to reduce the numbers of soldiers and tanks on both sides in proportion to the unequal offensive threat each now poses to the other. And in the process we must conclude a verifiable agreement to ban all chemical weapons.

(3) Increase the feasibility and usefulness of arms control itself and improve the political prospects for the new arms control agreements we will need in the future by forthrightly settling the current corrosive disputes over compliance with existing agreements. For starters, both superpowers should agree that telemetry data should be made fully accessible now, even in the absence of a formal new agreement on strategic weapons. In addition, defenders of the Anti-Ballistic Missile Treaty in both the United States and the Soviet Union would find their task a lot easier if the Krasnoyarsk radar was dismantled.

(4) Reduce the tensions generated outside of Europe in potential flashpoints around the world. These tensions always directly affect the bilateral relationship. The ongoing war in Afghanistan, for example, certainly feeds fear of a Soviet grand design aimed at the Persian Gulf, which in turn makes nuclear arms control more difficult. Lowering the tensions in this region is also necessary for a successful effort to prevent nuclear proliferation.

(5) Improve the underlying relationship between the United States and the Soviet Union by bringing more candor to an open discussion about our basic philosophical differences. Ultimately, our conflict is not about borders or resources but about values and ideas, the nature of society and the natural rights of humankind. How we deal with these questions will have a profound effect on how well we can deal with all of the other issues which confront us.

From the American standpoint, a new epoch cannot look just like the old one. Under the terms of the Helsinki Accords, for example, all signatories recognized as an international obligation the need to respect certain individual rights, including the right to leave one country for another. Of what use is this agreement, if those who embrace it are treated as turncoats, criminals, and even mistreated falsely as psychiatric cases?

I am not here to say that all arms control must await solutions to all these problems. But I do believe that the rate at which we can expect progress in arms control is bound to be influenced very strongly by such matters, and for good reason.

All five of these steps are essential if we are to create a coherent strategy for preventing war between the United States and the Soviet Union.

Our common enemy is fear in many guises: fear of a first strike, fear of conventional attack, fear of trickery and deceit, fear of the unknown, fear of domination by another. All of these must be addressed, but the most potent fears must be dealt with first.

There are many possibilities for improvement in the U.S.-Soviet relationship, but we will not pay full attention to them so long as we are fearful of a nuclear first strike.

Both nations were victims of a surprise attack early in World War II. Both nations fear the possibility of conventional as well as a nuclear attack. However rational or irrational these respective fears may be, they are not easily dispelled.

For its part, the United States looks upon Soviet heavy ICBMs as a direct threat to its land-based deterrent. Never mind that such an attack is implausible. Mortal fear can be partly rational and partly irrational—or to use Lenin's terms: partly objective and partly subjective. And so long as even a tiny portion of it is objective, no appeal to reason will dispel the rest of the fear. In truth, we must be doctors to each other's fears and seek to dispel them by removing any rational basis for them.

Only recently has the Soviet government even indirectly acknowledged the need to address these concerns in a reductions agreement. But we have yet to see any specific details.

It is worth noting that the Strategic Defense Initiative was created primarily as a response to the fear of a Soviet first strike. In an irony characteristic of first strike fears, SDI has itself become the cause of the same fear on the Soviet side.

These fears, however, can be dealt with. It is perfectly possible to restructure the relationship between the arsenals to eliminate any conceivable first strike advantage. But reductions alone are insufficient. The pattern of reductions must be carefully designed to address the nature of each side's forces—not just the number—in order to achieve a strategic balance. And the substitution of a single-warhead, mobile missiles for some of the remaining multiple-warhead, silo-based missiles, can make that outcome much easier to obtain.

Of course, we know that peace involves more than the weapons of war. Even if we cut the number of weapons in half, made ever prudent change to assure a mutually stable balance, and then cut them in half again, we would still be left with two political systems in competition, with sharply differing views on many issues.

The relationship between the United States and the Soviet Union is a matter of basic differences and profound dangers. We differ with the Soviet Union about the destiny of man, the meaning of power, and the proper limits of the state. We understand that Soviet citizens are proud of their revolution. In this 200th year of our Constitution, we Americans believe more deeply than ever in the moral and political achievements of our revolution which our Constitution codified and expanded.

Those are the roots of our disagreement. Yet our differences with the Soviet Union must be the beginning of the matter, not the end. We must frankly discuss the nature of mankind's future as well as act to assure it.

The only stable world I can picture is a world not only of nuclear peace, but of social justice and individual freedom. We cannot postpone our quest for nuclear peace. But Andrei Sakharov is right: "The preservation of peace is indissolubly linked to the openness of society and the observance of human rights." As we move forward, my country will strive for a future of human freedom as well as world peace.

With all our differences, we have much more in common. We love our children. We love this earth. We want to live.

Both of our nations are being drained by the expense of continuing this deadly conflict. We both have allies with economies that are outperforming our own.

We both know that unless the arms race is controlled, it will soon take a turn for the worse, with even greater expense and greater risk.

Above all, peace demands that the two superpowers agree to give the world a fresh start. Next week, America and its allies will commemorate the 40th anniversary of the Marshall Plan, our response as we stood amid the ashes of Hiroshima and Auschwitz to face a new and frightening dawn. Nothing can change what has happened since the last world war. But I hope we can celebrate this anniversary with renewed confidence that we shall soon see significant arms agreements to keep the threat of another war away from Europe's door.

As we struggle to make out a path through this uncertain time, I believe that this meeting has more than symbolic importance. As physicians and scientists, you see as clearly as anyone the urgent need to work together to secure the health of nations and of humanity.

And we all know that the answer does not lie in new weapons or new technology. It lies within ourselves.

Within the past year and a half, the United States and the Soviet Union have experienced two seemingly unrelated technological disasters: the explosion of the Space Shuttle Challenger and the nuclear accident at Chernobyl. In each case, clear warnings were not heeded. Alarm bells rang, but no one responded until it was too late. In each case, faith and hope in technology itself blinded us to obvious risks. Both accidents reflect a technological hubris characteristic of our age.

These incidents should leave us wary of our own limits, and remind us that technology can never be relied upon by itself to solve our fundamental problems.

In a supreme competition in technological hubris, we have now created tens of thousands of nuclear weapons and complicated delivery systems. We rely on these weapons to keep the peace and prevent war.

Has anyone heard any alarms? Will we heed them this time? Or will we, like Medusa's victims, remain motionless and unable to act?

"War is an old habit," the American author Herman Wouk once wrote, "that must now pass as human sacrifice and human slavery have passed." Our task is to accelerate the maturing of civilization through a critical stage. Our strategy must be to prevent war, deal with our fears and create what every child born in the United States, the Soviet Union and the rest of the world deserves: a future with hope.

Thank you.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE CALENDAR

Mr. BYRD. Mr. President, I inquire of the distinguished acting Republican leader, the Senator from Rhode Island, [Mr. CHAFEE], if Calendar Order No. 143 and Calendar Order No. 149 have been cleared on the other side for action?

Mr. CHAFEE. Yes, I want to assure the distinguished majority leader that indeed those items have been cleared on the calendar.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to those two items consecutively.

The ACTING PRESIDENT pro tempore. Without objection, that is the order.

DEDICATION OF NORTH CASCADES NATIONAL PARK TO SENATOR HENRY M. JACKSON

The ACTING PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

A bill (S. 958) to dedicate the North Cascades National Park to Senator Henry M. Jackson.

The Senate proceeded to consider the bill.

Mr. JOHNSTON. Mr. President, I rise in support of S. 958, a bill to dedicate the North Cascades National Park to Senator Henry M. Jackson.

Mr. President, Senator Jackson authored the legislation which established this great park in his home State in 1968. As chairman of the Senate Committee on Interior and Insular Affairs, he played a pivotal role in its enactment by Congress. Equally important, as chairman of the Interior Committee as its successor the Committee on Energy and Natural Resources for 18 years, he was the driving force behind enactment of an unprecedented series of measures which preserved for all Americans millions of acres of parks, wild and scenic rivers, and wilderness areas.

Dedication of the North Cascades National Park to Senator Jackson would be particularly appropriate in light of his extraordinary service to the cause of conservation. Action by Congress to approve this dedication would be a fitting and timely Federal contribution to the celebration of Senator Jackson's 75th birthday which was May 31. This was designated as "Scoop Jackson Day" by the Washington State Legislature and was marked by a number of events in the State and elsewhere in the Pacific Northwest.

This legislation would direct the Secretary of the Interior to inform the public visiting the park of the contributions of Senator Jackson through use of markers, signs, maps, interpretive programs, and other means. It would also authorize the development within the park boundaries of an appropriate memorial for Senator Jackson.

There is ample precedent for dedicating park lands, features or facilities to an individual, Mr. President. For example, in 1977, Congress enacted legislation dedicating the canal and towpath of the Chesapeake and Ohio Canal National Historical Park to Justice William O. Douglas. More recently, in 1983, Congress passed legislation dedicating the Golden Gate National Recreation Area to Congressman Phillip Burton. Also in 1983, legislation was enacted dedicating the Baltimore-Washington Parkway to Congressman Gladys Noon Spellman.

At this point, I ask unanimous consent that the Department of the Interior's report in support of S. 958 be printed in the RECORD.

I urge my colleagues to join with me in supporting this legislation.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE INTERIOR,
Washington, DC, May 5, 1987.

Hon. J. BENNETT JOHNSTON,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This responds to your request for our views on S. 958, a bill "To dedicate the North Cascades National Park to Senator Henry M. Jackson."

We support the enactment of S. 958.

S. 958 would dedicate North Cascades National Park, Washington, to Senator Henry M. Jackson. It would authorize and direct the Secretary of the Interior to provide signs, materials, maps, markers, interpretive programs, or other means as will inform the public of Senator Jackson's contributions. The bill would further authorize and direct the Secretary to cause to be erected and maintained within North Cascades National Park an appropriate memorial to Henry M. Jackson, including a permanent marker describing his contributions.

The Act of October 2, 1968 (82 Stat. 926), established North Cascades National Park and the adjacent Ross Lake and Lake Chelan National Recreation Areas in the spectacular mountains of the Cascade Range of Washington. S. 1321, which was introduced by Senator Henry M. Jackson for himself and Senator Magnuson of Washington in the 90th Congress, was the bill that was ultimately enacted as the North Cascades establishing legislation. During the pendency of the legislation, Senator Jackson worked closely with the National Park Service, the United States Forest Service, and representatives of landowners, the timber industry, and other interested people to bring about the establishment of this unique mountain recreation complex. It is appropriate, therefore, that in commemorating Senator Jackson's contributions to the conservation heritage of the Nation, the Congress would choose this national park as the site.

As Chairman of the Senate Committee on Interior and Insular Affairs, Senator Jackson also was instrumental in the enactment of the Wild and Scenic Rivers Act, the National Trails System Act, major amendments to the Land and Water Conservation Fund Act of 1965, and numerous laws establishing individual national park system areas.

We note that S. 958 follows the practice established by the Congress in 1977, and followed most recently in 1986, of dedicating a park to those who were instrumental in its history. The Act of March 15, 1977 (91 Stat. 21), dedicated the canal and towpath of the Chesapeake and Ohio Canal National Historical Park to Justice William O. Douglas; the Act of May 10, 1983 (97 Stat. 188), dedicated the Golden Gate National Recreation Area to Representative Phillip Burton; the Act of July 12, 1983 (97 Stat. 241), dedicated a portion of the Baltimore-Washington Parkway to Representative Gladys Noon Spellman; and the Act of October 8, 1986 (100 Stat. 1144), dedicated the Cumberland terminus of the Chesapeake and Ohio Canal National Historical Park to Senator J. Glenn Beall, Sr. We believe this practice of dedicating parks to key individuals is far superior to naming parks for them since it provides a meaningful commemorative vehicle while preserving the established geographical name for the park.

The National Park Service estimates that the cost of signs and other materials will be approximately $20,000. Inasmuch as the cost of the memorial will be a function of its size, location, and design, no estimate of its cost is now available. If S. 958 is enacted, we would expect to consult with Senator Jackson's family and determine an appropriate memorial.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

DONALD PAUL HODEL.

Mr. McCLURE. Mr. President, I am particularly pleased to urge the passage of this legislation. The North Cascades National Park is one of the outstanding national treasures of this country and it will remain so as a result of the efforts of Senator Jackson. Dedication of the park to his memory is entirely fitting and appropriate.

There is no question that Scoop was one of the major pivotal figures in the history of conservation and environmental awareness in the history of this Nation. The few years since his death have only served to bring home to all of us just how important he was in all the areas of national policy which confront us. Whether the issue is energy security, national defense, foreign policy, or natural resources, constantly we are reminded that Scoop had been there and that in many respects our task is so large because he is no longer here.

As chairman of the Interior and Insular Affairs Committee, now the Energy and Natural Resources Committee, Scoop had the ability, the concern, and the authority to force Congress to face the future. The statute books are filled with his accomplishments. While there were many participants, in the final analysis it was Scoop who brought the divergent views together. Whether it was the Land and Water Conservation Fund, a National Park, Alaska Statehood and the resulting Native Claims Settlement, historic preservation, reform of Federal land management, or, lest we forget, the National Environmental Policy Act, Scoop left his imprint on the future.

I want to focus on the North Cascades for one moment, because his efforts there have a particular meaning for me. The Northwest is a special place and the Cascades are as important to those of us in Idaho as they are for those in Washington State. It has been just short of 20 years since the legislation for the North Cascades was enacted and time dims the memory of how difficult it was to forge the coalition which made that act possible.

I remember that struggle from the vantage point of the House. I remember of the competing concerns and the lobbying, both in support of the bill and in opposition. I also remember how Scoop brought legislation out of that struggle. North Cascades pitted virtually every interest group against each other. Scoop had the vision, the patience, and the will to bring those groups together. The legislation which resulted established not only the North Cascades National Park, but also Ross Lake National Recreation Area, Lake Chelan National Recreation Area, Pasayten Wilderness, and Glacier Peak Wilderness. It was, and remains, a towering achievement. His efforts, as much as anything else, pointed the way and broke the impasses which later allowed those of us in Idaho to work for and enact the Sawtooth National Recreation Area and, with our colleagues in Oregon, the Hells Canyon National Recreation Area. Although Scoop gave us enormous support on those measures, it was his effort on the North Cascades which really made it possible. No one should ever visit the Sawtooth or Hells Canyon and not remember that it was Scoop who made the preservation of those areas possible because he saw the Cascades and was willing to fight to preserve them.

His imprint obviously is on every Land and Water Conservation Fund project, on most of the wilderness, wild and scenic rivers, national trails, and parks and monuments created during his service. From the Redwoods to Gateway, the evidence of his commitment will always be with us. For us in the Northwest, however, there will be a very special memory which dedication of the North Cascades will symbolize. And if we miss him in these Halls, he will always be in the mountains and lakes and valleys of the Northwest. He has gone home; but his legacy will remain with us and all future generations. We will always be grateful. The Nation will always be grateful.

Mr. BUMPERS. Mr. President, I strongly support the passage of S. 958, the measure to dedicate North Cascades National Park to Senator Henry M. Jackson. This proposal was reported unanimously from the Energy and Natural Resources Committee last week.

As chairman of the Senate Committee on Interior and Insular Affairs, and its successor, the Committee on Energy and Natural Resources for almost 20 years, Senator Jackson was instrumental in the enactment of such significant conservation measures as the Wild and Scenic Rivers Act, the National Trails System Act, the Wilderness Act, major amendments to the Land and Water Conservation Fund Act of 1965, the Federal Land Policy and Management Act, the Alaska National Interest Lands Conservation Act, and a countless number of individual park, refuge, wilderness, river, and trail proposals.

In the 90th Congress, Senator Jackson introduced the legislation that would ultimately establish North Cascade National Park, Ross Lake, and Lake Chelan National Recreation Areas. In the best Scoop Jackson tradition, he worked closely with and listened carefully to the affected parties and developed a proposal that protected this magnificent portion of the Cascades while balancing competing uses and needs. Dedication of this area to Senator Jackson is a fitting tribute to his many contributions in the field of conservation as well as his ability to provide the leadership necessary to bring about a consensus on a wide variety of issues.

I am pleased to offer my support for this proposal and urge my colleagues to do likewise.

Mr. HATFIELD. Mr. President, it is with the utmost pleasure and sincerity that I convey my support for S. 958, legislation to dedicate the North Cascades National Park in the State of Washington to Senator Henry M. Jackson. Considering Senator Jackson's deep respect for the enhancement and preservation of the environment and natural resources in the Pacific Northwest, the dedication of the North Cascades National Park is a fitting memorial to one of the 20th century's outstanding statesmen and environmentalists.

During Henry Jackson's upbringing in the State of Washington, he developed a tremendous love and respect for nature that he utilized and expanded upon during his years in public office. As chairman of the Senate Interior Committee, later designated as the Committee on Energy and Natural Resources, Senator Jackson was instrumental in authorizing a series of measures which preserved for future generations millions of acres of scenic and environmentally sensitive lands. An unusual number of public laws designating areas as wilderness, wild and scenic rivers, national parks or trails bear his mark. But perhaps his most important involvement was his role in developing the National Environmental Protection Act which established the parameters within which nearly all environmentally related activities are reviewed and judged.

Henry Jackson was a very special friend with whom I shared many special moments in the U.S. Senate. His leadership ability is unsurpassed, and his public service is a model which we all should strive to emulate. The dedication of this park, which he personally helped to establish, to Senator Jackson is an appropriate remembrance to this uncommon and beloved human being.

Mr. EVANS. Mr. President, I would like to join my colleagues in expressing my strong support for this legislation to honor a man who contributed greatly to both the State we have both had the good fortune to represent, Washington, and to the Nation as a whole. The late Senator Henry M. Jackson, or "Scoop" as he is still known to most of the residents of Washington, exemplified a rare commodity in modern political life—an extraordinary public servant dedicated to the pursuit of excellence in matters of public policy. He amply displayed this dedication in his approach to natural resource and conservation policy.

Senator Jackson tirelessly pursued achievements in the conservation of parks, wild an scenic rivers, and wilderness areas throughout the United States. In his capacity as chairman of the Senate Committee on Interior and Insular Affairs, he worked to protect hundreds of millions of acres of land containing important natural resource benefits for all Americans.

Appropriately, this legislation would dedicate the North Cascades National Park in the State of Washington to Senator Jackson. It was "Scoop" who, in 1968, authored the legislation to establish this park, truly one of the great treasures of the Pacific Northwest. This legislation will ensure that the millions of visitors to this park know of Senator Jackson's role in the creation of the North Cascades National Park and of his other contributions to the protection of natural resources in this country.

Mr. President, it is very fitting that this Federal legislation is being considered at this time. The State of Washington dedicated May 31, 1987, as "Scoop Jackson Day" in honor of Senator Jackson's 75th birthday. I am pleased to be a cosponsor of this legislation to provide a permanent memorial for one of Washington's, indeed, one of the country's, great public servants.

Mr. MURKOWSKI. Mr. President, I am pleased to have the opportunity today to speak in favor of passage of S. 958, a bill to dedicate the North Cascades National Park to Senator Henry M. Jackson.

Throughout his years in Congress, Senator Jackson played an essential role in the passage of an extraordinary number of pieces of legislation that set aside millions of acres of land as national conservation areas. He was a friend of Alaska as demonstrated by his dedicated efforts to the passage of two pieces of legislation that will continue to impact Alaskans for years to come, the Alaska Native Claims Settlement Act and the Alaska National Interest Lands Conservation Act.

I applaud the State of Washington for their considerable efforts this year to honor Senator Jackson, and I applaud the crafters of this proposal to make visitors to the North Cascades aware of the outstanding contributions of Senator Jackson not only to the creation of the North Cascades National Park, but to the designation of millions of acres of public lands as parks, wild and scenic rivers, trails and wilderness areas.

During this anniversary year of Senator Jackson's 75th birthday, I fully support the dedication of the North Cascades to Senator Jackson as a truly appropriate memorial to an outstanding statesman committed to the goals of conservation of public lands.

Mr. WEICKER. Mr. President, I rise today to honor the late Senator Henry M. Jackson with whom I was privileged to serve with. The dedication of the North Cascades National Park is a fitting gesture of our respect for him. This tribute I am sure would have been very meaningful to him as I am sure it is to his family. Scoop Jackson was a staunch supporter of the National Park System and to the protection of our Nation's great natural resources.

Senator Jackson was a dedicated man. In Congress, he was known not by a single characterization, but one who got actively involved wherever he felt he was needed. Scoop Jackson was a true American. We would do well to remember his contributions to this country by this dedication.

Mr. ADAMS. Mr. President, I rise today in support of S. 958, a bill to dedicate the North Cascades National Park in the memory of one of this Nation's greatest leaders; my friend and former colleague, Senator Henry M. "Scoop" Jackson.

Scoop grew up in the shadow of the North Cascades and I know of no man more dedicated to the conservation of our great natural resources. As chairman of the Senate Commission on Energy and Natural Resources, Senator Jackson played a leading role in conservation legislation. It was Senator Jackson who sponsored the legislation that created the North Cascades National Park.

As a young man, I spent my summers working in the Cascades. As with most Washingtonians, I was proud of our mountains and forests. But it wasn't until I was a young Congressman that I learned the value of preserving our natural resources. I learned from the best. One of the first fights I encountered was the preservation of a wilderness area in the Alpine Lakes region of the Cascade range. With the help of Senator Jackson's leadership and experience, our delegation won that fight and many more for the environment.

Senator Jackson dedicated his life to the service of his State and country. He was a tireless worker, a skilled legislator, and above all, a man of integrity. There were times when Scoop and I didn't agree. But the fact remained that whether or not we agreed on a particular issue, his word was everything.

As a politician, Scoop brought honor and prestige to Government service. At a time when many politicians ran for election "against government" Senator Jackson stood up for it. His patriotism and demonstrable concern for Americans at all social and economic levels never waivered. He was an eloquent advocate for the needs of his constituents.

On behalf of all of Scoop's constituents, Mr. President, I urge passage of this measure. It is fitting that we dedicate such a glorious living monument to Scoop.

Mr. DOMENICI. Mr. President, I wish to express my enthusiastic support for the passage of S. 958.

This legislation dedicates the North Cascades National Park in Washington to the memory of Senator Henry M. Jackson. What a fitting tribute.

One of the memories that I most cherish from my service in the U.S. Senate is working with Scoop Jackson. During that time when I served on the Energy Committee under his leadership, I came to realize his remarkable appreciation for our environment, his love of this land we call America. It was an infectious appreciation, one his colleagues adopted as their own.

Senator Jackson demonstrated this dedication in so many ways. he showed it in his support for important wilderness proposals, for his work on the National Environmental Policy Act, for his insistence on expansion and improvements to the National Park Service.

Certainly, one jewel in that crown was his leadership in 1968 in the establishment of the North Cascades National Park, a land of steep mountains and deep lakes, of snow and wildflowers.

We in the Congress often struggle to figure out ways to honor one of our colleagues who has left his mark for good. We select a building or a lake, then rename it. That is valued.

But we need more for Scoop Jackson. So what could be more fitting than to dedicate some of the best of the outdoors to his memory, the outdoors that he so loved.

Senator Scoop Jackson was as remarkable a Member of this body as we have known in recent decades. He was a great environmentalist. He was a great legislator. He was a great patriot.

Long after we are gone, the work of Scoop Jackson will remain. It will remain in a meadow or waterfall that we saved for the future. It will remain in an ethic that we cherish. And it will remain in this fitting, but wholly inadequate, dedication we express today for Scoop.

Mr. President, this bill is important and necessary and as justified as anything the Senate will do this year. I urge immediate passage of S. 958.

I commend Chairman Johnston and Senator McClure, as well as Senators Evans and Adams, for their leadership in bringing this important, symbolic statement before the Senate.

The ACTING PRESIDENT pro tempore. Is there further debate? if not, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 958

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the North Cascades National Park, Washington, is hereby dedicated to Senator Henry M. Jackson in recognition of his leadership in establishing the North Cascades National Park, his outstanding contributions to the National Park System, the National Wilderness Preservation System, and to the protection and preservation of our great natural resources for the benefit of the people of the United States for all time.

Sec. 2. In order to carry out the provisions of this Act, the Secretary of the Interior is authorized and directed to provide such identification by signs, including, but not limited to changes in existing signs, materials, maps, markers, interpretive programs, or other means as will adequately inform the public of the contributions of Henry M. Jackson.

Sec. 3. The Secretary of the Interior is further authorized and directed to cause to be erected and maintained, within the boundaries of the North Cascades National Park, an appropriate memorial to Henry M. Jackson. Such memorial shall include but not be limited to an appropriate permanent marker describing the contributions of Henry M. Jackson to the Nation.

Sec. 4. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

GEOGRAPHY AWARENESS WEEK

The ACTING PRESIDENT pro tempore. The clerk will report the next item.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 88) to designate the period commencing November 15, 1987, and ending November 21, 1987, as "Geography Awareness Week."

The Senate proceeded to consider the joint resolution.

Mr. BRADLEY. Mr. President, I am very pleased that the Senate today calls attention to the importance of geography education when we ask that November 15-21 be designated as "Geography Awareness Week." This resolution is cosponsored by 62 colleagues who are also concerned that we do not become a nation of global illiterates.

Mr. President, there is great public interest in what, I believe, is a serious problem—the lack of knowledge by American youth about the world around them. It is appalling what American students do not know about their own country and the rest of the world. That is what motivated me to introduce this resolution. While the designation of a week will not solve the problem, I hope it will draw attention to what must be done.

Mr. President, let me share with you some startling statistics. In January of this year, 5,000 high school seniors in 8 major cities across the country answered a survey. The news could not be much worse. In Boston, 39 percent of the students could not name the six New England States. In Baltimore, 45 percent of the students tested could not respond correctly to the instruction: "On the attached map, shade in the area where the United States is located." In Minneapolis-St. Paul, 63 percent could not name all seven continents. In Hartford, 48 percent could not name 3 countries in Africa. In Dallas, 25 percent could not identify the country that borders the United States to the South.

Another survey, conducted in 1984 at a top State university, found only 12 percent of the students could name all of the Great Lakes. Further, almost 70 percent of these students could not name even one country in Africa between the Sahara and South Africa. A survey by the Asbury Park Press in one part of New Jersey found that the average 12th grader could identify only 41 percent of the States in the United States.

Mr. President, this news is not only shocking; it is frightening. We depend on a well-informed populace to maintain the democratic ideals which have made this country great. When 95 percent of some of our brightest college students cannot locate Vietnam on a world map, we must sound the alarm. When 63 percent of the Americans participating in a nationwide survey by CBS and the Washington Post cannot name the two nations involved in the SALT talks, we are failing to educate our citizens to compete in an increasingly interdependent world. In 1980, a Presidential commission found that U.S. companies fare poorly against foreign competitors in part because Americans are ignorant of things beyond their borders.

Mr. President, we are a Nation with worldwide involvements, whose global influence and responsibilities demand an understanding of the lands and cultures of the world. It is for this reason that I am urging passage of this resolution to focus national attention on the integral role that knowledge of world geography plays in preparing our citizens for the future of our increasingly interdependent, interconnected world. It is my hope that this will be just one step in a revitalization of the study of geography. All of our citizens should have access to the sort of education which will help them appreciate both the great beauty and diversity of this Nation and its place in the world.

Mr. WILSON. Mr. President, today I rise to urge the adoption of Senate Joint Resolution 88, which would set aside a week in November this year for "National Geography Awareness Week."

Geography, and more importantly, the study of geography, provides the fundamental basis for much of our economic, social, historical, and political thought. While the latter disciplines help us to understand who we are, geography helps us to understand where we are. This is essential in a world that is growing more interdependent each day.

Sadly, Mr. President, the study of geography is rapidly declining. In many colleges and universities across the Nation, departments of geography have been eliminated. This is occurring at a time when surveys are indicating that 95 percent of our college students cannot identify countries, such as Vietnam, on a world map. Moreover, in our elementary and secondary schools, over 20 percent of the geography teachers in our classrooms have never taken a single course in geography.

We often point to other educational systems around the globe as examples that we should emulate as we seek to improve the quality of learning for our children. Sometimes comparisons are useful, sometimes they are not. In this instance, I believe it is instructive to point out that geography is an integral part of a student's education in many countries around the world.

Quite simply, we must attempt to rekindle our interest in geography. It is essential for the survival of this great Nation. I wish to commend Senator Bradley for offering this resolution, of which I am a cosponsor. I believe that Senate Joint Resolution 88 will greatly enhance our efforts to increase geography awareness, and I would urge my colleagues to support its adoption.

WHERE IS AL MUHARRAQ

Mr. ARMSTRONG. Mr. President, I rise today to commend my colleagues for passing legislation which will help focus the Nation's attention on the importance of geography, by designating a week in November as "National Geography Awareness Week." I am proud to have joined my colleagues in cosponsoring this commemorative legislation. I agreed to do so in part because of the information given to me by my colleague from New Jersey, Mr. BRADLEY. He informs me that 20 percent of American elementary students asked to locate the United States on a world map placed it in Brazil, and 95 percent of American college freshman tested could not locate Vietnam. Seventy-five percent of Americans responding to a nationwide survey couldn't locate El Salvador on a map, and 63 percent could not name the two countries involved in the SALT talks. In Boston, 39 percent of high school students surveyed couldn't name the six New England States, 45 percent of the students in Baltimore could not respond correctly to the instruction: "On the attached map, shade in the area where the United States is located."

I note with interest, that this legislation is brought up at a time when our Nation has once again been forced to focus on the Persian Gulf, and frankly Mr. President, I am concerned. I am concerned that the people of this Nation do not possess a clear understanding of the lands and cultures throughout the world. This knowledge is needed if we are to live up to the global responsibilities which we, as a nation have. I hope this legislation will encourage parents and educators to teach young people the important role that geography plays is shaping their lives. Still wondering where Al Muharraq is? Take out an atlas and look.

Mr. SANFORD. Mr. President, I rise today in support of Senate Joint Resolution 88, to establish the week of November 15-21, 1987, as "Geography Awareness Week."

All of us in this Chamber are, of course, aware that Alaska and Texas are our two largest States. However, a 1984 University of North Carolina survey revealed, to both my surprise and dismay, that over 50 percent of college students tested did not.

We live in a time of tremendous technological change in which a telephone call to Fiji and a 3-hour flight to Paris are both possible. However, too many of our Nation's students are unable to locate these places on a world map. America's elementary schools, secondary schools, colleges, and universities are all neglecting the study of geography at the very time when our world is becoming increasingly interdependent.

America's inability to compete effectively in world trade markets is largely attributable to a neglect of geography education. American companies fare poorly against foreign competitors, in part, because too many of us are ignorant of things beyond our borders, including culture, geography, and language. This was the conclusion of a Presidential commission report issued 7 years ago. How confident can we feel in America's future if this trend continues? Not very, I'm afraid.

Geography is not only the study of maps but also of places, cultures, and histories other than our own. The current trend to ignore the study of geography is a terrible disservice to our Nation's students.

Graduates of this Nation's schools need to be grounded in both an understanding of our own country as well as an understanding of other countries. Without such knowledge, America's potential is diminished. A vote in favor of Senate Joint Resolution 88 will signal to the rest of the Nation that this distinguished body recognizes the important role geography plays in helping our young people to become more culturally literate.

I urge my colleagues to give this resolution their support.

Mr. KENNEDY. Mr. President, I am pleased to be a cosponsor of Senate Joint Resolution 88 to designate the week of November 15, 1987, as "Geography Awareness Week."

For a long time the United States was an essentially insular country. That time is passed. Almost every sector of our economy and society has substantial international dimensions. Whether we like it or not, we live in a world that requires a clear understanding of geography.

Unfortunately, there is overwhelming evidence to suggest that today's young Americans are much less well informed about geography than their parents were. In 1984, a survey was given to over 2,000 college students and the results were compared with a nationwide survey given in 1950 by the New York Times. In 1950, 46 percent of the students could name all the Great Lakes. In 1984, only 12 percent could. The percentage of students who knew that Manila was in the Philippines fell from 84 percent in 1950 to 27 percent in 1984. In 1950, 78 percent of the students knew that the Amazon River was in Brazil, but in 1984 only 27 percent did.

Other polls provide a similar picture. I was especially interested in a recent survey of high school seniors in seven major cities to assess their knowledge of geography. The survey found that 39 percent of the students in Boston and 43 percent of those in Burlington, VT, could not identify the six New England States. Only 48 percent of students in Hartford could name three countries in Africa.

This problem is not confined to any single State or region. Bill Honig, the California superintendent of public instruction and one of the Nation's leading educators, has said: "Our students are more illiterate in geography than in anything else."

By designating the week of November 15, 1987, as Geography Awareness Week the Senate is emphasizing the importance that a knowledge of world geography has in preparing young Americans to live in an interdependent, interconnected world. This is not the only step that needs to be taken, and several other initiatives are underway. I note in particular the geography education projects recently launched by the National Geographic Society. We should encourage similar activities by other organizations.

Mr. President, all of us in the Congress recognize the vital importance of improving our educational system if we are to maintain our competitive position in the world economy. As part of that effort, we must ensure that young Americans have a clear understanding of what the world looks like and the ways in which geography influences human well being.

This initiative is a clear expression of our concern and I hope that it stimulates a wide range of geography related activities in States and local schools. I urge my colleagues to join me in supporting this resolution.

Mr. STAFFORD. Mr. President, the geographic illiteracy of our Nation's schoolchildren has recently become the focus of heightened public attention. It is an issue of increasing importance as we face the pressing national need to improve our international economic competitiveness as well as continue to sustain our worldwide responsibilities and involvements.

In May of this year, an independent study by the Study Commission on Global Education reported that America's schoolchildren are "globally illiterate," lacking in knowledge of the culture, history, and geography of other nations. According to National Geographic Society president, Gilbert M. Grosvenor, in the last 10 years the teaching of geography in our schools has practically disappeared. Studies show that 50 percent of United States students cannot locate Japan on a map, and that just 5 percent of the Nation's teachers have taken a course in world geography.

Mr. President, the results of a January 1987 CBS affiliates poll which surveyed 5,000 high school seniors in 7 major cities on their basic knowledge of geography was quite surprising to me. Just a sampling of these results indicated that 39 percent of the students in Boston could not name the six New England States. In Hartford, 49 percent could not name three countries in Africa, and in Baltimore 45 percent could not correctly outline the boundaries of the United States.

The need for a revitalization of geography education in our Nation's schools is critical. In this age of instant, worldwide communication via satellite, it is ironic that many Americans are so ignorant of simple geography. This general lack of knowledge could place the United States at a disadvantage with other countries in business and political affairs and even environmental awareness.

I strongly support the resolution to declare a "Geography Awareness Week," and I commend Senator BRADLEY for all of his fine efforts in this area. I was pleased when he contacted me to be the principal cosponsor on this important piece of legislation, and I look forward to working with him further to improve the teaching and learning of geography in our Nation's schools.

The ACTING PRESIDENT pro tempore. Is there further debate? If not, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

The preamble was agreed to.

The joint resolution and the preamble are as follows:

S.J. RES. 88

Whereas the United States of America is a truly unique nation with diverse landscapes, bountiful resources, a distinctive multiethnic population, and a rich cultural heritage, all of which contributes to the status of the United States as a world power.

Whereas geography is the study of people, their environments, and their resources;

Whereas, historically, geography has aided Americans in understanding the wholeness of their vast nation and the great abundance of its natural resources;

Whereas geography today offers perspectives and information in understanding ourselves, our relationship to the Earth, and our interdependence with other people of the world;

Whereas 20 percent of American elementary school students asked to locate the United States on a world map placed it in Brazil;

Whereas 95 percent of American college freshmen tested could not locate Vietnam on a world map;

Whereas 75 percent of Americans responding to a nationwide survey could not locate El Salvador on a map, while 63 percent could not name the two nations involved in the SALT talks;

Whereas over 20 percent of American teachers currently teaching geography have taken no classes in the subject and, therefore, do not have the training necessary to effectively teach geographic concepts;

Whereas Departments of geography are being eliminated from American institutes of higher learning, thus endangering the discipline of geography in the United States;

Whereas traditional geography has virtually disappeared from the curricula of American schools while still being taught as a basic subject in other countries, including Great Britain, Canada, Japan, and the Soviet Union;

Whereas an ignorance of geography, foreign languages, and cultures places the United States at a disadvantage with other countries in matters of business, politics, and the environment;

Whereas the United States is a nation of worldwide involvement and global influence, the responsibilities of which demand an understanding of the lands, languages, and cultures of the world; and

Whereas national attention must be focused on the integral role that knowledge of world geography plays in preparing citizens of the United States for the future of an increasingly interdependent and interconnected world: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing November 15, 1987, and ending November 21, 1987, is designated as "Geography Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I thank my friend, Mr. CHAFEE. I yield the floor.

GOVERNMENT PROGRAMS AND PROCUREMENTS

Mr. GRASSLEY. Mr. President, I want to speak on the subject of Government procurement. This is an issue I have been involved with for a long time. I want to remind my friends in this body that this year we are spending $1 trillion of taxpayer money on Government programs and procurements. That trillion dollars will buy every program even imagined, devised, or contemplated under the Sun. It will buy defense systems, mass transportation, health care—you name it.

But no matter what we spend—even $1 trillion—there is one thing it will never buy, and that is integrity.

Mr. President, no one knows for sure how much of that trillion dollars will be spent fraudulently or by other illegal means. But some experts have estimated that up to 10 percent of our entire budget is lost to fraud each year.

If I am recalling my arithmetic correctly, that is $100 billion of the taxpayers' money that might be spent in a fraudulent manner.

Taxpayers who dutifully turn over portions of their paycheck to the Federal Government have to be outraged by that figure. Up to $100 billion of their money—gone!

I think the average taxpayer feels a bit helpless in light of this situation. Who can they rely on to protect their dollars from fraud?

Auditors and investigators have a duty to detect fraud. But the final check against fraud lies solely with the Department of Justice. Only the Justice Department can prosecute fraud, and recover funds lost to fraud.

This is a job the Justice Department cannot delegate. And unlike other law enforcement areas such as street crime, illegal drugs, or bank fraud, the Justice Department cannot rely on State and local law enforcement for assistance.

In short, the taxpayers have no choice. Their one watchdog against Government fraud is the U.S. Department of Justice.

Justice's record in this area is less than perfect. In cases involving hundreds of millions of dollars of alleged fraud by some of the Nation's largest companies, the Justice Department has floundered through staff shifts, delays and mismanagement, and finally ended up with empty hands.

Unfortunately, we have seen that the law enforcement system can grind to a halt unless there is adequate coordination and commitment of resources.

I am not alone in my concern that our fighting force against Government fraud is not strong enough. The Justice Department itself has reported that the level of enforcement against defense procurement fraud is inadequate.

The former inspector general at the Defense Department put it quite candidly. He said, taxpayers are "getting their clock cleaned." And, he said, the Government is overmatched in its efforts against fraudulent Government contractors.

All of this is probably very disturbing to taxpayers as they think about that $100 billion that may be slipping through the cracks and into greedy fingers. I am a taxpayer and I know it is disturbing to me and it is to every other Member of this body.

It is disturbing to think we are not devoting enough commitment and resources to those cheating the Government—to those who harbor a catch-us-if-you-can attitude. Taxpayers deserve a watchdog that sends the message: We'll catch you if you do.

Mr. President, it is time that we commit ourselves to maintaining effective law enforcement against those who lie and cheat to steal away much-needed taxpayer dollars.

We cannot just load up the front end by simply accumulating more and more investigators and auditors. Certainly that will get us more detections of fraud. But without prosecutors with abundant resources, commitment, and expertise to finish the job, we have not achieved anything.

What we need, Mr. President, are teams of criminal and civil attorneys whose exclusive mission is to protect the taxpayers from fraud. They should be located in regions across the country where there are high concentrations of Federal dollars being spent.

This regional strike force approach is not a new concept. Currently, we have nearly 300 Justice Department attorneys in regional drug enforcement task forces and nearly 150 in organized crime strike forces.

While there are some costs in expanding any law enforcement effort, taxpayers will realize far greater savings than costs with effective fraud fighting units.

Mr. President, I and my colleague and good friend from Wisconsin, Senator PROXMIRE, will soon be introducing legislation to create regional Government fraud units. It is a necessary and commonsense step toward organizing our antifraud law enforcement efforts.

If we are to provide maximum protection of taxpayer dollars, we must maximize resources in an effective structure. Regional fraud units committed to protecting the integrity of critical Government programs can achieve this goal which we all support.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

RECESS UNTIL 2 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 2 p.m. today.

There being no objection, the Senate at 11:43 p.m. recessed until 2 o'clock p.m.; whereupon, the Senate assembled when called to order by the Presiding Officer [Mr. DODD].

SENATORIAL ELECTION CAMPAIGN ACT

The PRESIDING OFFICER. The Senate will now resume consideration of the unfinished business, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general elections campaigns, to limit contributions by multicandidate political committees, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. Who yields time?

Mr. BOREN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Mr. President, I yield 20 minutes to the Senator from New York [Mr. MOYNIHAN].

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I rise in support of Senate bill No. 2, the proposal on campaign finance reform introduced on the first day of the Senate by our distinguished majority leader and the chairman of the Intelligence Committee, our friend, the learned and able Senator from Oklahoma [Mr. BOREN].

Mr. President, this afternoon at 5 o'clock, the Senate is going to be heard on an issue which the American people are concerned about, and rightly, are worried about. That is, the degree to which we are going to allow money in elections to determine not simply the outcome of Senate elections, but the outcome of those daily elections we have on the Senate floor as we vote with respect to one issue or another, issues which almost invariably in the nature of public life involve economic interests.

This is nothing new. This is something James Madison fully expected to be the nature of political discourse, and indeed has proved to be and is everywhere and at all times in any secular society.

We have gone through many long phases of trying to deal with the question of the management of the choice of candidates for office by different groups, and afterward, the choice of the winner by the electorate.

In the case of the Presidency, there are at least three distinct parts of our history. For the first half century, more or less, the Presidential candidates were of the two parties, generally speaking. There was that Era of Good Feelings when we had really only one party, the Democratic-Republican Party, if you recall. The Federalists faded; the Whigs faded. The new Republican Party, founded in Ripon, WI, began in the 1850's and that pattern has continued ever since.

But prior to the formation of very specific parties, candidates were chosen by a caucus of persons who served in the House and in the Senate. It was a pattern that might be called peer review; just as we pick our leaders in the conference, we choose the candidates for the head of the executive branch from our understanding of who seemed best able to handle such matters, and in normal circumstances we had very direct personal knowledge. The caucus members who chose John Adams, Thomas Jefferson, James Madison, James Monroe, and John Quincy Adams, they knew those men and served with them in most cases, and they did not do too bad. Any nation that can commence with George Washington as its head of state and go on to Adams and Jefferson and Madison and Monroe and yet another Adams, obviously something generous can be said about such an arrangement.

This format gave way to the notion that there ought to be a wider participation for delegates chosen directly for that purpose, and we entered the era of the convention system, which lasted a good century, with candidates chosen by patterns that are very unfamiliar to us at this time. Presidential candidates did not go to conventions and, when nominated, did not run for office. They stayed where they were and let the people decide. They had surrogates speak for them and advocate their cause, but they did not go around making speeches.

The first candidate to do that was William Jennings Bryan, in 1896. Bryan discovered the rear platform of the passenger train and began running around the country speaking about the "cross of gold." An alarmed Mark Hanna, being the Republican manager of McKinley's campaign, thought, well, he could not send McKinley out on the stump, but he could send the people to McKinley, so he began a front porch campaign in which people were brought by trolly car and whatever to see Mr. McKinley at his home in Ohio. And he would come out every so often and wave to them and thank them and hope they well liked Canton, as I recall.

Woodrow Wilson, who was watching that in Princeton, writing his great book, "Constitutional Government," was appalled. This episode lasted 9 weeks at most from the summer convention to the November election, but he said no normal person could sustain this activity. And if we were to continue it, he said, we would be "reduced to choosing our chief magistrates from among wise and prudent athletes; a small class."

Indeed, as we went from the convention system to the primary system, that intense pressure on persons who run for President has extended to a period of as much as 18 months, when Woodrow Wilson thought that 9 weeks would be beyond the capacity of most persons. And in the process of doing it, however, we have done one thing. We have said that if this is going to happen, Federal moneys must be available to sustain it. Otherwise, the strain on resources inexorably forces candidates to make agreements with special interests of whatever kind—the most virtuous of special interests are nonetheless special interests—and that this cannot be good for the Nation.

I think that the American people are well satisfied, as I think candidates are well satisfied with the arrangement of matching funds in the general election for the Presidency. I think it works. However, I think we have to fix the extraordinary harshness, an unanticipated, unintended harshness which leaves Senators and others who have been candidates for the office of the Presidency with debts that they cannot repay from their ordinary sources of political contributions. This is a cruel and unusual punishment if ever there was one for people who aspire, as people must aspire, to the Presidency of the United States, and having in one instance or another failed as most will fail; since only one succeeds in each case. Then to subject you to a life of indebtedness, I do indeed believe there is a bill of rights issue about cruel and unusual punishment here.

But now, Mr. President, the question has come over to the influence of these long campaigns on the legislative body. For the longest while, in this body Members were chosen by our State legislatures, and there no doubt were campaigns. There were campaigns in the corridors of those legislatures, but there was nothing public about it per se in the sense of appealing rallies and speeches and such like, nor was there intended to be.

It was intended that the judgment of the State legislature, those peers, as it were, would decide who would send representatives of the States to Washington. This, of course, was changed by amendment but only in this century. And even then campaigns continued to be short. The conventions were held in the summertime, the elections in November. Nothing as concise as our neighbors to the north in Canada did manage. A few years ago they had two national elections in 1 year. Nobody seemed discomforted at all.

However, inexorably, this process has lengthened. It is nothing unusual at all for persons to be announcing that they are planning to run for office 1½ years from now, an 18-month perspective.

I can speak from my own experience. A fellow New Yorker, a person of daunting family resources, is even now making the rounds of European capitals, sounding out—for whatever reason, in European capitals—the prospects of a candidacy in New York State in 1988.

The amounts of money become formidable. I do not think it was intended that it would be this way when this arrangement was put into effect. It was thought, naively, that you could stop a process with only one group having the advantage of the then existing arrangements. It was quickly undone, Here, I would say, do not ever underestimate the unconscious reasons, the motives, the class interests, the social interests that are not fully articulated but, even so, are very real.

For whatever reason, and in response to whichever interests, the effect of our campaign reform legislation in the last decade—although its nominal intention was to reduce the influence of wealth, the effect was to enhance it.

I think it is probably not wrong or not far wrong to say that nearly a third of the Members of this body today are millionaires. I would think it not wrong or not far wrong to say that at no time in its history has the Senate had such a representation of persons of very considerable wealth. This has to be the aftermath of an arrangement which greatly restricted what individuals could give to candidates, yet provided no public funding. Then, through the entirely correct judgment of the Supreme Court in a case brought by my distinguished predecessor, then Senator Buckley, now Judge Buckley, in a suit against the Secretary of the Senate, known as Buckley versus Valeo, the Supreme Court said that an individual has the right to spend as much money as he or she wishes in order to advance his or her purposes and views.

It is called free speech and electioneering, a form of free speech, only it is not free speech. It is on television, and there is our dilemma. From that decision of the Court, which could have been foreseen—may have been foreseen, for all I know—by some, though obviously not by most, has risen the inexorable advantage which the present laws give to inherited wealth.

I remind by fellow Senators that at some point in the deliberations at Philadelphia two centuries ago, it was contemplated that the Senate might be—would be—a kind of House of Lords; that the parliamentary pattern of Britain would be followed. You would have an Executive, a President, corresponding to the Crown. You would have an upper chamber representing geography, the landed interest, you might say. Then you would have the House of Commons, the House of Representatives. Indeed, that notion of privy council is still to be found in the language of the Constitution that says, with respect to the ratification of treaties, that the President must seek the advice and consent of the Senate—not just the consent, but also the advice.

As the distinguished and learned Presiding Officer, the Senator from Connecticut [Mr. DODD], knows, the Connecticut compromise arranged to give the States equal representation in this Chamber and popular representation in the other body. As the distinguished Presiding Officer well knows, the day came when George Washington came to the Senate with a batch of treaties—Indian treaties they were—and said, "What do you think? What is your advice?" We started giving him advice in great and voluminous detail—it was not always friendly—and he left. I hope I am not offending our rules by stating what he said when he left. He said he would be damned if he would ever come back—and, indeed, no President has come back since. But that notion of the House of Lords was there—advice.

Well, is it the case that two centuries after the decision in Philadelphia was made not to have a House of Lords, we are going to have a house of magnates; we are going to find ourselves increasingly a body made up of persons of great wealth, who, I might add, can be persons of great virtue and great achievement and great patriotism.

George Washington was, I believe, one of the richest men in America. Who could think of a finer example of service to his Nation?

Still, we are a representative government, and we have always assumed that there is a place for everybody in our councils. Only our present system of campaign financing is quietly excluding those who cannot raise money, and those who will not raise money. Often, as an act of genuine public interestedness, persons of great wealth come forward to run because they have the capacity to do it. They are not to be held accountable for that. To the contrary. Still, it does raise large questions about this society and how it should govern itself.

That can change here this day, or begin to change this day. We have only to decide to go forward with S. 2, the majority leader's bill, and we can put in place fully constitutional arrangements which accommodate Buckley versus Valeo.

If a person accepts public financing, then he or she may not accept unlimited private resources. If they wish to use private resources without limit, so be it; and the electorate can make the judgment whether it was a fine thing to do, whether it was a fair thing to do.

I would be happy to serve in such a regime, since I have no resources of my own—and I say, Mr. President, that you see a Senator here who has no stock, no bonds, no savings account. I have a $10,000 GI bill life insurance policy from World War II, on which I owe about $2,100. But the interest rate is lower than it would cost me to borrow the money to pay it back, and now I am not sure who would lend it to me. I have hereby given about as complete a financial disclosure as would be necessary in ordinary circumstances.

This Senator would be very happy in a regime where he could say: "Yes, I will accept the limited amounts of money that the Senate provides for campaigning, will raise none other"; and if an opponent wished to put $10 million of his ancestors' money into the campaign, fine. We can make that an issue, too. It would be a legitimate issue, because the opportunity of being equal and fair would have been present and the options would have been rejected.

I think that is an arrangement which many democratic nations have reached—good, sober, settled, democratic societies which have said that is the way to do this; and I think we ought to do it.

I do not want to exaggerate what is the condition of New York. To the contrary, I think it would be found that our elections in recent years—I speak of my own—have been very modest.

Mr. President, have I used up the remainder of my time?

The **PRESIDING OFFICER**. The time of the Senator from New York has expired.

Mr. **MOYNIHAN**. If I may have another 5 minutes, I would thank the Senator.

Mr. **DASCHLE**. Mr. President, I yield the Senator from New York 5 additional minutes.

The **PRESIDING OFFICER**. The Senator from New York is recognized for 5 additional minutes.

Mr. **MOYNIHAN**. I just want to report that in 1976, in the general election of that year, I spent $1.2 million—exactly $1,210,796—which would about get you through a close House race today, I suppose. That, in a State of 18 million persons.

In 1982, I was able to raise altogether just under $3 million. In the general election, I would have spent more had I been able to raise more—but I had to make do with $729,000 in the general election in the second largest State in the Nation. It is possible to run a modest campaign, of necessity, not choice, perhaps, but still it is possible. Even so, the trend to megacampaigns, vast fortunes clashing one with the other, does not speak well for the future of this body, and does not speak well for the health of our politicians.

What does speak well is the legislation that has been introduced and which is before us. I was proud to have been a cosponsor and voted for this bill to be reported from the Committee on Rules. I shall proudly vote to invoke cloture.

I wish so many of my good friends on the opposite side of the aisle were not disinclined to agree to go forward with the debate and a vote. Let the majority rule. Let us not have special pleading and special interest rules.

We all respect the motives of everyone involved here. But there is a judgment to be made on this floor today, much as a judgment made two centuries ago in Philadelphia about what kind of government we shall have. Will it be a government not just of free people but of persons of no more than average access to wealth? We are not a nation of millionaires. We do not want to become a Senate of millionaires.

Mr. President, this has not been more ably stated, in my view, than in an editorial in the New York Times this morning entitled "Perfuming Money in the Senate." I cannot imagine they enjoyed running that editorial. I cannot imagine many of us will enjoy reading it, but I think it would be one of those duties of citizenship and membership in this body.

I ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the New York Times, June 9, 1987]

Perfuming Money in the Senate

The cost of running for Congress is climbing to the sky; so is the smell; and now there's a chance to do something about it. Watch the Senate carefully today. A vote scheduled for 5 P.M. will show which senators want to clean up the stink—and which will settle for a little perfume.

The vote concerns ending a filibuster against a bill to remedy the evils of the present system of campaign finance. Many senators, of both parties, agree on the evils. The cost of candidacy has been transformed by television, direct mail, polls and computers. Many races now require many millions, creating an immense appetite for money.

To feed it, along have come 4,100 PAC's, political action committees, for every industry you can think of: the Michigan blueberry growers, the American Horse Council, the beer distributors, who named theirs—what else—six-PAC. All told, PAC's gave Senate candidates $5 million in 1976 and $45 million in 1986. Many members now concede the need at least for cosmetic change.

Cosmetic change is just what Republican senators have now offered. Bob Packwood of Oregon and Mitch McConnell of Kentucky propose forbidding PAC's to contribute to candidates. That minces words, not money. PAC's could still give to the parties and the parties could give to candidates. And PAC's would remain free to convey to candidates *bundles* of money gathered from many individual contributors. Senator Ted Stevens of Alaska acknowledges the need for limits but his bill does little to meet the need. Beyond these slight affirmative gestures, what Republican senators offer is their filibuster to block the big reform bill sponsored by Democratic Senators Robert Byrd of West Virginia and David Boren of Oklahoma.

The straightforward reform is to limit costs and contributions. But the Supreme Court has said no; Congress may legislate limits only if it provides public finance. Then Congress created a sound system to do that, for Presidential races. The Byrd-Boren bill, with 49 co-sponsors, would extend this to Congress. It's far from clear that the Democrats will have the 60 votes to close off debate today. What they do have in the Byrd-Boren bill is moral and practical leadership.

There are senators willing to accept campaign limits but unwilling to pay the Court's price of public finance. That's called fighting the problem. The Court decision is the law and that leaves three choices:

Live with the status quo as campaign costs climb ever higher, along with questions about members' integrity.

Try undoing the court decision, by constitutional amendment, which would take years.

Vote to end the filibuster today, and work to perfect the Byrd-Boren reforms.

Senators who choose the first will be evading the issue. Those who choose the second will show a preference for perfume. Every senator who chooses the third will be voting to clean up Congress.

Mr. **MOYNIHAN**. Mr. President, I thank my learned and distinguished friend for his courteous attention to my remarks, which I hope were not too cursive. Mr. President, I yield the floor.

The **PRESIDING OFFICER**. Who yields time?

Mr. **BYRD**. Mr. President, I yield myself 1 minute.

Mr. President, I yield the time under my control to Mr. Daschle for his designation.

The **PRESIDING OFFICER**. Who yields time?

Mr. **PACKWOOD**. Mr. President, I have cleared this with the minority leader. I ask unanimous consent that the time that is under his control for the remainder of debate this afternoon be under my control.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Who yields time?

Mr. **PACKWOOD**. Mr. President, I yield 20 minutes to the Senator from Texas.

The **PRESIDING OFFICER**. The Senator from Texas is recognized for 20 minutes.

Mr. **GRAMM**. Mr. President, I thank the distinguished Senator for yielding.

In debating this issue I feel a little bit like a mosquito in a nudist colony—not knowing exactly what part of the body to attack. And I want to pass over very quickly all the obvious parts and deal with some of the points that have not been discussed in the parts of the debate that I have been privileged to hear.

First of all, we see in this bill a modern political version of the old bait-and-switch routine that con artists have used throughout history. In the last Congress a bill was proposed to deal with PAC's [political action committees], and subsequently died of inaction. Now, we have another PAC bill by the same authors. We see on each of our desks these very thick, rubberband-bound editorials about the evils of PAC contributions. And yet, as we look at the bill that is before us, we seek in vain to find any relationship between this bill and the old bill or, in fact, much relationship between this bill and political action committees.

What we have seen, Mr. President, is a very clear political move which has activated the media on the issue of PAC's, but instead we have before us a bill that has one central ingredient—taxpayer funding of elections.

Mr. President, I can discuss taxpayer funding quickly. First of all, I do not think the working men and women of America want to see a government, which has doubled the Federal debt in the last 5 years, suddenly add itself to the list of direct beneficiaries by having the Federal Government endow each of us with funds to run for public office.

The reason we have seen the bait—PAC reform—and switch—taxpayer financing of elections—is that the proponents of this bill know that the American people oppose taxpayer funding of elections. The American people understand what taxpayer funding means. They do not feel that they should be forced to involuntarily contribute to the campaigns of people that they do not support and for whom they will not vote. There is something very un-American about the whole approach and the American people understand that and they are not for it.

So I do not want to belabor that point. Other people have talked about it. I cannot see how anybody can justify going home and saying to working Americans that we are going to take your money involuntarily and we are going to use it to get ourselves reelected.

Passing beyond that, I want to say something about all these statements about obscene expenditures on campaigns. We have had in the last week Member after Member get up and say, "Isn't it terrible how much money is being spent on campaigns?"

Well, I want to make it clear that there is at least one Member of this body who deeply feels in his heart that the problem with American democracy is not money. The problem with democracy is the difficulty in getting some people to focus as closely on the future of their country and future of their children as they focus each Sunday on televised football.

The plain truth is that people consistently underinvest in good government.

We live in an old house built 200 years ago by people who invested very heavily in government in terms of their lives, their fortunes, and their sacred honor.

In 1984, $377 million was spent in America in primary and general elections combined on electing a House and Senate of the United States of America—$377 million. In a $4 trillion economy, $377 million was devoted to determining who speaks for the American people, who makes decisions on which the future of the Republic depends.

The same year, $428 million was spent advertising toys. Now, I ask my colleagues, amidst all of the self-righteousness about campaigns, which is more important to the future of America?

I submit that the election of the Congress is a lot more important than buying toys or sporting equipment. And yet we rave on self-righteously about money being raised and spent to communicate with people about the future of their children, as if somehow something is wrong with it.

Now, it may be true that most toys work better than the Congress of the United States, and the enjoyment they provide may last longer than the equipment that comes from elections. But I think that is part of the problem.

It is a very interesting paradox that we are talking about money coming from special interests to Congress—and we get very serious debating about it—but last week we were talking about money going from Congress to special interests, and this great deliberative body turned its head. In the midst of a huge Federal deficit, in the midst of an increase in inflation and interest rates that threatens the future of America, we as a collective body turned our heads and let the deficit be larded by huge quantities of spending. And I do not think most Americans understood that, the "emergency" supplemental appropriation that passed last week, we were funding weed research centers, that were engaged in archeological digs, that we were doing landfills, and the list goes on and on and on.

Why did that happen? How, in the midst of a financial crisis, the greatest in American history, do those kinds of measures become law?

They become law because Members of Congress know that looking over their right shoulder every day are all the special interest groups who benefit from those bills. And they are sending letters back home telling people whether their Congressman or their Senator cares about the old, the poor, the sick, the tired, the bicycle rider, the beekeeper, the sunflower seed grower, and the list goes on and on and on.

The plain, sad, stark truth is that very few other people are looking over the other shoulder; nobody is sending letters back home telling people whether a Member of the Senate cares about the people who do the work and pay the taxes and pull the wagon and make America work.

What is the relevance of this point to campaign financing? The relevance is that Congress is accountable to the special interest groups who follow what we are doing here and is not accountable to the working men and women of America who are out working, trying to send Johnny to college, trying to pay for the automobile, trying to meet their bills and their obligations. At the same time that this is going on, we are in the process of trying to pass a law that says: Not only do people not understand the issues, not only is Congress day after day responding to the special interest and not the public interest, but we are going to limit the ability of my opponent, or any other opponent of an incumbent, to go out and deliver his message.

Come election time this bill says: No matter how much support you have, no matter how many people support you and have contributed to your campaign, you cannot spend more than a certain amount or the Congress is going to fund your opponent at the taxpayer's expense.

I submit, Mr. President, that this makes no sense. There is no evidence to substantiate that we are overinvesting in good government in America. We are in fact, underinvesting in good government. Government is not serving the people. That is the problem.

The problem is not that so much special interest money is coming to Congress. The problem is that so much money is going directly from the taxpayer's pocket to the special interests.

If you listen to this debate, it sounds as if doing away with political action committees or limiting campaign spending is going to do away with special interests. Well, let me remind my colleagues that political power is a zero-sum game.

What does that mean? That is a term used by statisticians to say that something exists and that if somebody gets more of it, they simply take it away from somebody else.

Political action committees did not create political power; in fact, it existed a long time before they were created. They were another competitor for political power, however, and so they took political power away from others.

I ask my colleagues to listen to the drumbeat of those who want to limit campaign contributions and who want to limit PAC contributions. Who are they? They are those who lost power.

I urge my colleagues to go back and look at the election in which they were elected and see where they rank on the list of percentage of funds coming to them from political action committees. I think some Members will be surprised. I went back and looked at my election year, 1984. I found, that of the Senators who were elected in that year that the highest Member got 75 percent of his money from PAC's and the lowest Member got 0.2 percent; the average was 30 percent. I got 14 percent of my money from PAC's.

Obviously, PAC's are not doing right by me.

In fact, I am not certain I would not benefit politically if we did away with PAC's, since the average Member of the Senate is, proportionately speaking, getting twice as much of a percentage of his total fundraising from PAC's as I am. But I submit that the assault on political action committees, while it is very popular because people do not understand it, what we are really saying is: We want to eliminate some of the competition for political influence. If so, where does that power go? It goes back to the media. It goes back to the groups with memberships: the labor unions. It goes back to the politcal power brokers. It goes back to the smoke-filled rooms.

No one has ever explained to me how, if 100 hardware and implement dealers gave $10 apiece to the Texas Hardware Implement Dealer's PAC, and that political action committee gives $1,000 to my campaign, how is that more special interest than a rich person contributing $1,000 directly?

All contributions to some extent are special interest. But why do people give to campaigns? Why does somebody contribute to my campaign? I had 70,000 individual contributors, and obviously I am proud of it. I had more contributors than any nonincumbent candidate for the U.S. Senate in American history. If it were not for JESSE HELMS, I would be No. 1.

Why did they do it? Well, obviously, I would like to think they did it because they love America; because they thought I would be good for America. But I cannot look into minds and hearts of everybody who contributed to my campaign, so let me talk generally.

It seems to me you can break campaign contributions into two definite groups. One group we do not want to do anything about.

If I thought there were another Thomas Jefferson out there, and Thomas Jefferson were running for the city council or the Congress or the Senate, and I really believed that he could be a great leader for America, I would be willing to sell my house to give him the money to run for public office.

Nobody here wants to stop that from happening. If people are contributing based on deeply held convictions about their vision for America, nobody wants to limit those campaign contributions.

How big is that relative to the total? Who knows? Who can ever know?

What everybody is really talking about here are the groups where people are contributing because they want Government to do something. I submit to the Members of the Senate that, if that is what we are concerned about, we ought to deal with it directly.

Why do people give so much money or become so involved in political campaigns? Well, one of the reasons is Government spends a lot of money; Government grants a lot of favors, directly and indirectly. If we want to deal with that kind of influence peddling, why do we not do something about that problem?

Why do we not tighten up on the amount of money that Government is spending? Why do we not mandate competitive bidding on every conceivable contract? Why do we not force contractors to post a bond and seize the bond if they do not fulfill their obligations?

If we think it is wrong for lobbyists to be here arguing that we ought to set a higher price on, say, sunflower seeds, rather than limiting the ability of people to contribute to candidates, why do we not stop setting the price of sunflower seeds?

If somebody in the sunflower seed business is contributing, they may be trying to influence the price of sunflower seeds. But rather than denying them their freedom, why do we not stop fixing the price of sunflower seeds? Then if somebody in the sunflower seed business is contributing to their Congressman or Senator, maybe we would think that they are doing it because they liked the guy or because they believe in that person's philosophy and values.

Mr. DASCHLE. Will the Senator yield on that point?

Mr. GRAMM. I am happy to yield.

Mr. DASCHLE. I do not want to interfere with his statement because I know he has only 20 minutes, but I must say as one who represents sunflower growers that there is no sunflower program. You may use other analogies that I am sure may be just as appropriate, but there is no price fixing or loan program for sunflowers.

I thank the Senator.

Mr. GRAMM. I appreciate it from the Senator and I mention that rather than the thousand-and-one other products where there is price setting, from honey to milk, because I thought someday maybe those people might come to their senses and contribute.

I sought to pick out a potential example, rather than a specific program.

But the point remains the same. There is no effort underway here to eliminate Government price fixing. No one is standing up saying that.

We are saying, however, we do not want AMPI, through their PAC, to contribute to people because it may influence them.

Why do we not eliminate the reason that people want to influence Government?

The plain truth is, we do not want to do that. If we pass this bill, if we eliminate political action committees, we are not going to eliminate any of the problems of the American Government. We are going to make the media more powerful; we are going to make the political parties more powerful; we are going to make the so-called public interest groups more powerful, but we are not going to eliminate any power. Government is still going to be setting prices. Government is still going to be granting favors. Nothing will have changed except that power will be more concentrated.

Jefferson and our Founding Fathers recognized that the evils of power often cannot be dealt with. But the way to deal with them is to disperse it.

The solution is getting more Americans to be involved politically so that the special interests cannot dominate the political process.

Perhaps the solution is, No. 1, to do away with the things that Government does that grant favor and benefit and privilege so that the recipients of favor and benefit and privilege have no incentive to try to influence the Government except as individual citizens do, to try to promote the general well-being of our Nation. Maybe we should be finding ways to get more people involved in the political process rather than fewer people. I think those represent the real solutions here.

I am opposed to taxpayers being forced involuntarily to contribute to political campaigns for candidates that they do not support. That is a totally alien idea to American democracy.

[Applause from the gallery.]

The PRESIDING OFFICER. The Chair reminds the galleries that there will be no demonstrations in the Senate Chamber.

Mr. GRAMM. Second, I submit that if an individual Member of the Senate or House or a local plumber or a real estate person can go out and get 80 to 100,000 people to contribute to their campaigns, who should have the right to say, "That is too much. You cannot have that much support; we are not going to let you go out and tell your story, to present your side of the campaign, because we have deemed that, while organized labor can work indirectly in campaigns, never having to file much on the support they give, while there are literally thousands of tax-exempt organizations all over this country working every day to influence elections, we are not going to stop them, but we will not let you tell your story."

This is the final point I want to make: There are two issues, in my 9 years in Congress, that I have felt that know-nothingism has dominated. Really only two.

I have seen people in Congress, at least in my mind, and I am sure that there are a lot of people who feel that the right view is the opposite of mine and maybe they are right; who is to say? The greatness of democracy is we all speak and then the people choose. But I have seen two issues where the debate is totally dominated by nonsense, by misinformation, by prejudice and special interests. It is a great paradox that we are going to debate both of them this year. One is the so-called trade issue, and I shall save that speech for another day. The other is this issue of campaign financing. This is an issue where the reason and the right and the logic are on the one side and all the political support is on the other.

I think it is a great tragedy that we can have this kind of debate and have what is little more than outright special interest and partisan advantage be argued day after day after day in the media and on the floor of the Senate, and it is seldom answered. The Washington Post has every right to endorse a candidate but should not private citizens have a right, within the limits we already impose, to contribute to a candidate in order to give that candidate an opportunity to tell the people why he or she ought to be elected?

What has happened in the country in the last 20 years? Is it not involved with contributions? Members have been able to bypass labor unions, bypass the media, bypass business, and bypass special interest groups and go directly into the living rooms of working men and women and tell their story. There is nothing wrong with that. There is something very right about it. It ought to be preserved.

We already have too many limitations. I admit I am very much benefited by the $1,000 limit on individual contributions, because I think a lot of people running against me could go out and get individuals to give them a lot more money in bigger chunks. The campaign limit on individuals, I think, helps a person like me because I have a lot of little supporters.

I do not think there is any right or justice to saying we are not changing the amount any individual can give, we are just going to limit the individuals that we allow to give. We are just going to say to a person that while the campaign contribution limitation is $1,000, you can accept money only from a certain number because beyond that point, you have exceeded your right to be supported. I think it is wrong headed and I hope any bill which proposes it will be defeated.

The PRESIDING OFFICER. The time on the opposing side has expired. Who yields time?

Mr. DASCHLE. Mr. President, I yield 10 minutes to the Senator from Nevada [Mr. REID].

The PRESIDING OFFICER. The Senator from Nevada is recognized for 10 minutes.

Mr. REID. Mr. President, I served in the other body with the Senator from Texas, I serve in this body with him. I have followed many of his remarks and debates and I am generally very, impressed with his ability to reason and reason well. I submit to this body, however, that while I may not debate a trade bill with the Senator from Texas, I will debate the campaign spending bill, because I think it is clear in this instance that contrary to his statement, not everyone else is wrong and he is right. I think this is a perfect example of talking about apples and oranges. We are not talking here about sunflowers, we are not talking about agricultural subsidies; we are here talking about campaign financing and campaign funding.

I have sat here and listened to a number of specious arguments. One is that people would be forced to give money. S. 2 does not call for enforced contributions; it is a checkoff. If someone wants to check it off on their income tax form, they can do that, they don't have to. It is the most voluntary program I can think of.

I have listened this past week to those on the other side of the aisle argue that PAC's are the evil which should be abolished. Well, if that really is the case they should support S. 2. What does S. 2 do? It limits PAC contributions to approximately 20 percent of a candidate's spending limit, when maximum amounts are received and spent. It establishes similar aggregate limits for national, State, and local party campaign committees. It prevents PAC bundling. It prevents bundling generally. It establishes limits on PAC House of Representatives contributions. That is what S. 2 does.

What does the McConnell-Packwood bill do? It does nothing—I repeat, nothing—about PAC contributions to party or campaign committees. It allows PAC's to bundle or earmark unlimited amounts.

So, Mr. President, the facts are simple, It is clear the American people feel that too much money is being spent on campaigns. That is clear! The American people recognize that in Senate races, as an example of something we are familiar with, too much money is spent. It is really not clear how much, but last week, the figure was given that in the 33 Senate races last year, about $6 million per race was spent. That is too much money.

When I decided to run for the Senate a year-and-a-half ago, or thereabouts, the first thing I did was go and talk to people that I had served with in the House who were in the U.S. Senate. They generally said the same thing, but I can remember as if it were 10 minutes ago a conversation I had with one new Senator. He said, "Harry, you are going to have to spend 70 or 80 percent of your time raising money if you want to be elected to the U.S. Senate."

I frankly did not think that he was relating to HARRY REID, that I would not have to; I am from the sovereign State of Nevada and we do things differently out there and I would not have to spend all this time raising money.

I went to the next friend who had served in the House who was a new Senator and he said the same thing. And on down the list. They may have varied a little on the time spent, but well over half of the time spend in the campaign would be spent not talking about political issues, not talking about the defense and security of this Nation, not talking about the deficit, but a candidate for the U.S. Senate spends the majority of his or her time raising money so they can be elected to the U.S. Senate.

Sure enough, my friend was right. I learned that he was telling the truth, that it is the same in Nevada as it is in New Hampshire, Tennessee, or Colorado: You have to spend the vast majority of your time raising money. That is not the way it should be.

Direct political action committee contributions have increased by over 1,000 percent since 1974. From 1974 to 1986, a 1,000-percent increase is what we are faced with. Is that too much? Of course it is! In 1984, political action committees contributed $132 million to all congressional candidates. Over two-thirds of Senate candidates in 1986 exceeded what would have been their spending limits under S. 2.

Those on the other side of the aisle argue that the present laws already improve what went on in the past. As I mentioned briefly last week, we cannot live in the past. You are either going forward or backward, you cannot stand still. To try to leave it the way it is, is to be going backward and the people of this country recognize that.

There is no question that the situation has improved since the Federal election laws went into effect. There is better reporting and there is no longer cash money floating back and forth. We all acknowledge that that is good and proper.

So I agree that the situation is better. That done not mean it is perfect. It is far from perfect and there needs to be some improvement. Every time a law is changed, new problems arise and new loopholes are found. We found that in the Internal Revenue Code; it is no different in the Election Code. I think that S. 2 resolves those problems and closes the loopholes. S. 2 will not create a perfect political world, but it will improve the political role. There is too much money being spent, too much campaign time spent raising money, and not enough time talking to people.

There was talk about the message being gotten out over television. On a 30-second bite, the message is not delivered. We need more time spent in discussion of substantive issues.

What is to be done about soft moneys? Soft moneys have become routes around the law. We have to make sure those pathways are closed or certainly that they are controlled.

S. 2 deals with that directly. It imposes State-by-State limits on expenditures, on materials used by volunteers, it improves reporting of disclosure requirements, it tightens provisions on contributions, and campaign expenditures. It provides information on funds on independent expenditures that exceeds $1,000.

The McConnell-Packwood bill does not deal with most of these issues. Its soft money provision allows funding of administrative and solicitation costs for political purposes. A State or local party could accept unlimited labor or corporate contributions under McConnell-Packwood to fund its general operations. This is not right.

Mr. President, we have heard a lot about comparing this to the money that is spent on dog food, on cosmetics, and sunflower seeds. The argument is that more money is spent on dog food and deodorant commercials than is spent on campaign commercials. My friend, the Senator from Texas, indicates that not enough money is spent on political campaigns. The public does not agree. The argument that seems to be made is that politics is important to the American people and therefore more money should be spent. I agree politics is important, but I do not think that you can compare politics with dog food advertising which certainly implies that politics is less important than dog food, and certainly we would not agree to that.

I agree with the assessment that has been made of the relative importance of the two, though I am sure the American people would still acknowledge too much money is spent on a Senate race or political campaigns generally. Those on the other side of the aisle then leap to the conclusion that since more money is spent on dog food ads, the amount spent on political ads is small, but the rationale escapes me. I still think a $5 million or $6 million figure that we talked about in a Senate race is a lot of money. What they seem to be saying is that since political ads are more important than dog food, more money should be spent. Clearly that is what the Senator from Texas said.

I would like to suggest that that is not the problem. The problem is talking about how much is spent on a race. We all acknowledge that it is important that some money be spent on political campaigns but enough is enough. I think, Mr. President, it is time we started asking some questions.

The PRESIDING OFFICER (Mr. Adams). The time of the Senator from Nevada has expired. Does the Senator from South Dakota wish to yield more time?

Mr. REID. I ask unanimous consent for 2 more minutes.

Mr. DASCHLE. Mr. President, I yield to the Senator from Nevada 2 additional minutes.

The PRESIDING OFFICER. Without objection, the Senator from Nevada is recognized for 2 additional minutes.

Mr. REID. I think the questions we should find the answers to are: Does the McConnell-Packwood bill do anything about the millionaire loophole? No, it does not. Would independent expenditures be reduced? Would soft money be controlled? What about political action committees? Would the overall amount of political spending be reduced? Those are questions which must be answered.

We have to understand, Mr. President, that this is an area about which the American people are concerned. Based on the experiences of those who just finished Senate races, far too much money is spent, far too much time is spent raising money. I submit that Senate bill 2 directs the people's attention to a problem that exists, and we have to address it.

I yield back the remainder of my time.

Mr. PACKWOOD. Mr. President, I yield 15 minutes to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 15 minutes. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I thank my distinguished colleague from Oregon. To date, I have been judiciously silent out of respect for my leadership, the Senator from West Virginia [Mr. Byrd], and my distinguished colleague from Oklahoma [Mr. Boren]. Theirs is a genuine effort to deal with this festering problem of excessive amounts of money in Federal campaigns.

My own approach, however, is to pass a simple, one-line constitutional amendment that would empower Congress to place limits on spending in Federal elections. Indeed, this was Congress' original intent back in 1974: to rein in spending by candidates.

My colleagues, regrettably, would instead create an even greater evil, and that is the public financing of politicians. How ironic and self-serving can you get? For years now, this body has struggled to trim the budget. We have cut housing, we have cut feeding, we have cut education, we have scrimped on health care, we have failed to find money for catastrophic illness, the list goes on and on. But, lo and behold, here we go proposing a half a billion dollars, $500 million, to finance our House and Senate election campaigns. That is what the Byrd-Boren bill will cost, for both House and Senate races. We cannot find money for the needs of the people, but we can find a half a billion taxpayer bucks to put us back in Congress. This is the damnedest exercise in arrogance I have seen in politics.

I speak as a professional politician. I do so proudly. I have been elected five times to the U.S. Senate. Adding up the statewide races, the primaries, the general elections, I'm a veteran of some 15 different statewide campaigns. But in recent years, the nature of campaigning has changed because of the all-consuming imperative of raising money. Quite simply, we have taken the people out of politics.

How has this happened? I would cite the most recent election, November 1986. I did not face especially strong opposition. But the Republican Senatorial Campaign Committee moved in with its panoply of pollsters and computers and, most of all, wheelbarrows of out-of-State money. They were ready, willing, and able to deluge and overwhelm a small State like South Carolina, if they determined that their candidate had a chance. They were loaded with money, but that is all they had.

What the Republican Senatorial Campaign Committee did to the distinguished Senator from South Dakota is typical of the abuses of money we witnessed in 1986. In the campaign's last month, the month of October, the bundling operation of the Republican Committee just unloaded, dumped in excess of $900,000 into Senator Daschle's opponent's pockets. It is precisely this kind of excess that has obliged those of us who seek office to ignore the people and to instead devote ourselves to raising money, money, money.

In my 1986 reelection campaign I hardly had time to genuinely stop, look, and listen to the people I was going to represent. Someone asked me the other day, "Why are you having all these town meetings all over the State in recent months? You were just reelected." I said, "Because I need to meet the people again and sound them out—something I didn't have time to do properly during the campaign." Quite frankly, I was too busy raising the couple of million bucks that were necessary to match the money that the Republicans were capable of pouring into my opponent's coffers.

Senator Thurmond had no opposition to speak of in his last reelection campaign. His hopeless opponent was all but invisible, because he didn't have any money. That did not forestall my distinguished senior colleague from collecting $2 million in a State as small as South Carolina.

Under the original provisions and limitations of the 1974 Federal Election Campaign Act, permitting expenditures of 20 cents per vote, a race in South Carolina would cost approximately $700,000 total. Surely, that is a goodly plenty. Yet today, we are put to the task, even in a small State, of collecting $2 million and more. In the process, we have taken the people out of politics. You have taken the Senator out of his role as Senator and instead of public servant, you have turned up into fund collectors.

I have nothing against PAC's. They play a legitimate, valuable role. In the 1984 Presidential race, I said I was the Fritz who liked PAC's. My distinguished friend from Minnesota, the Vice President, said he did not like PAC's—of course, he adopted that position only after he had formed a PAC and distributed the money. Well, I am an old JC, an exhausted rooster now, but I will still speak out at every opportunity to get people to participate, participate, participate. The evil is not the amount of participation. The evil is the amount of money.

Mr. McCONNELL. Mr. President, will the Senator yield on that point?

Mr. HOLLINGS. Yes, on the Senator's time.

Mr. McCONNELL. Just a brief observation. As the Senator correctly assesses, neither S. 2 or the other competing proposals would do anything about the so-called millionaire's loophole. It would require a constitutional amendment. Yet, we have had speaker after speaker decry the influence that is possible by someone who can pour unlimited amounts of his own money into a campaign. Yet, no one has offered such a constitutional amendment, unless the Senator from South Carolina has. I compliment him, because it is right on point.

Mr. HOLLINGS. We have the amendment, S.J. Res. 21. As I have said we have 16 cosponsors, Democrat and Republican, liberal and conservative. We also have a growing number of Members of the other body supporting a companion bill because they fear the damage and chaos that would ensure with public financing. Think of it. Every man and woman right out of law school would run for public office. They would simply report to the Federal cashier, collect their bundle of public money and have a merry old time. But their link with the people would be severed. Moreover, you would quickly find that the $500 million price tag for S. 2 would balloon beyond our most pessimistic imaginings. Indeed, S. 2 is one of the most expensive new spending bills we have had on the floor this year.

It's a good thing the Court issued its Buckley versus Valeo decision per curiae, so no single Justice must shoulder the discredit. Buckley versus Valeo turned on its head the intent of Congress. As Thurgood Marshall notes in his dissenting opinion, Congress expressly sought to prevent the rich from buying office. Congress feared being turned into a House of Lords, a debating society for millionaires. Yet Buckley versus Valeo ensured just exactly that: That millionaires would be the only ones who have guaranteed freedom of speech in politics in America.

I note today's editorial in the New York Times, "Perfuming Money in the Senate." It reminds me of the time that I escorted Cardinal Spellman into the home of Gen. Mark Clark, who had on the wall a piece of china with some Italian wording underneath. As Cardinal Spellman walked into the foyer, he looked up and turned to General Clark and said, "Mark, as you know, I can read Italian." The inscription, translated, said, "A quest is like a fish: After 3 days, it smells."

Likewise, money in moderation is a good thing. But after it accumulates to a certain amount, it begins to smell. But our objective should be not to "perfume" this money, but to reduce it, to cut it down to an acceptable level. Instead the Washington Post and the New York Times say, yes, we raise too much campaign money and the solution is to stick the public with the bill.

This is supply side finance reform: Keep the money coming, just keep it clean by having it come from the taxpayer. Well, I didn't support supply side economics in 1981, and I'm not about to support supply side campaign finance reform in 1987. The real solution is on the demand side—imposing strict limits on how much money politicans can beg, borrow, and cadge from PAC's and constituents. Only this approach will restore a sense of measure and sanity to the fund-raising process.

Mr. President, there is no disagreement among Senators on one point: The electoral process is being compromised—and too often corrupted—by the vast sums of money collected and spent in Federal campaigns. We have been transformed from a body of lawmakers into a body of full-time fundraisers.

The Federal Election Commission reports that candidates for Congress spent $450 million during the 1986 election cycle—a whopping 20-percent increase over the previous record. Spending in the 34 Senate races, alone, topped $211 million—24 percent more than in 1984. At best, this obsession with money distracts us from the people's business. At worst, it corrupts and degrades the entire political process.

The solution, however, does not lie in public financing and radical restrictions on PAC's, as advocated by the Senator from Oklahoma and by the distinguished majority leader. This approach deals only with symptoms.

The disease itself, Mr. President, is runaway campaign spending. The trick is not to find fairer or less-corrupting ways of raising these obscene sums. The trick is to impose strict limits on how much total money a candidate can spend.

Indeed, it was Congress original objective in the 1974 Federal Election Campaign Act to limit campaign spending. At the same time, Congress sought to prevent wealthy candidates from buying offices with their own pocketbooks. But the Supreme Court, in Buckley versus Valeo, aborted these key elements of the 1974 law. The Court ruled that spending limits would curb the freedom of candidates to express themselves in the political marketplace.

In the process, the Justices created a double-bind: They upheld restrictions on campaign contributions, but struck down restrictions on how much candidates with deep pockets can spend. The Court ignored the practical reality that if my opponent has only $1,000 to spend in a race and I have $100,000, I can effectively deprive him of freedom of speech—that is, TV and radio advertising. I will have the freedom of speech, while my opponent will have only the right to remain silent.

To correct this injustice, Senator HEFLIN, Senator STEVENS, along with myself and 13 other Senators are sponsoring a simple, one-line constitutional amendment, Senate Joint Resolution 21, that enables Congress to legislate limits on campaign spending.

The amendment reads, simply:

> The Congress may enact laws regulating the amounts of contributions and expenditures intended to affect elections to Federal offices.

If we first bell the cat by capping total spending, then the symptoms—PAC abuses, reliance on personal wealth, and so on—will largely take care of themselves.

We must resist the dubious quick-fixes embodied in S. 2. Its public-financing provisions hold out the promise of a pristine campaign utopia, unsullied by considerations of money. Nonsense.

First, public financing would be colossally expensive—upward to $500 million in the next election cycle to finance all House and Senate campaigns. Second, because public financing would be voluntary, the very politicians who are now most beholden to PAC's or their own bank accounts would be precisely the ones to opt out of the system.

It is equally pointless to scapegoat PAC's for all the ills in the current system. Of course we need reasonable ceilings on PAC contributions. But within those ceilings, PAC's play a robust role in the democratic process. They encourage the participation of citizens who feel that, alone, their one vote and modest individual contributions don't count.

The evil lies not in the abundance of participation through PAC's, but in the grotesque superabundance of money. Again, the Byrd/Boren solution—public financing, gelding the PAC's, and so on—fails to confront the root problem: out-of-control spending.

On the contrary, public financing would accommodate the bloated excesses of the current system—the only difference is that the taxpayer would foot the bill.

I disagree with this approach. We have met the enemy and he is us—candidates for Federal office—and our mindless pursuit of ever-fatter war chests. Accordingly, the answer is to impose stiff limits on how much money candidates can spend.

I appreciate that some are impatient with my amend-the-Constitution solution. The hue and cry is that we must do something, anything, now, and that S. 2 is a "Byrd in the hand" that we should all embrace. This is wrong. The Byrd/Boren bill would lead to a whole range of new problems and abuses. It is not the solution. It is simply an invitation to sharp lawyers to find new and more creative fundraising loopholes.

Yes, the constitutional route will take several years. But I say, do the job right. Go to the root. The end product—a congressional cap on total spending by candidates—will address all the key abuses of the current system: The excesses of money, self-financing by very wealthy candidates, soft money—independent expenditures, and abuses by PAC's.

Mr. President, there is a sad parallel between a politician's lust for campaign money and a junkie's craving for narcotics. Both demand bigger and bigger doses. Both will resort to degrading and corrupting behaviors in order to get their fix.

We must strike at the root of the problem. In the case of the junkie, you can't eliminate the antisocial behavior until you take away the drugs. Likewise with politicians: Place strict limits on how much we are allowed to spend, and you will eliminate the great bulk of campaign-funding abuses.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I yield 10 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. EVANS. Mr. President, much of what I will say has probably already been said in different words by others, but there are several elements that I would like to concentrate on.

First, I think we all can agree that our current system is flawed. We have seen a rapid escalation of spending, probably spending that has been nowhere near as effective as spending in earlier Senate and other races. We seem to see evils behind every group or every individual that purports to reflect special interests. Yet, what indeed is a special interest?

A special interest, as opposed to a general interest, is those who are against you, as opposed to those who are for you. Those who are against you represent the evil special interests. Those who are for you, no matter how special their interest, represent the broad public interest, the general interest. Of course, we would not want to have their contributions limited in any way.

As U.S. Senators, I think we have a double interest in improving our campaign financing system. On one hand, we strive to restore or to maintain the integrity of the profession we have chosen. On the other hand, we are bound, I believe, to protect our Constitution, to protect the opportunities and the privileges people have for free speech. We have to be very careful what we do to limit the opportunity for free speech, no matter how much we dislike what people would say or how they choose to say it.

I commend Senators BOREN, BYRD, FORD, and others for suggesting this legislation. Frankly, I think the legislation suggested last year came a lot closer to the mark than the legislation we now have before us. We now have crossed the threshold from voluntary private donations into public financing of senatorial elections.

It may be one thing to offer the opportunity for public financing of Presidential elections. I can think of nothing more detrimental in the long run than to take this down its ultimate road and to have every election in the country subsist on the basis of public financing rather than voluntary and private donations. I can think of nothing that would drive people more quickly away from their responsibility, their interest, and their participation in elections than to remove one of the critical elements that is necessary in any election campaign.

It is important for people to vote, it is important for people to work for a candidate, and it is important for people to contribute whatever they can to an individual candidate.

It is those three elements that go into a full participation in the election cycle. And, I might add, there is another fundamental responsibility for citizens after an election and that is to watch carefully what that winning candidate does. In particular, if you have supported that candidate, make sure they hew to the mark.

That is what full citizen participation is all about. I do not think we add much to our election process by removing from citizen participation, or at least to a large degree removing from citizen participation, that financial contribution.

There has been an awful lot of talk about PAC's and how evil PAC's are. I might say that I have joined as cosponsor on two pieces of legislation, one which would eliminate PAC contributions to candidates; the other which would merely limit, to some degree, PAC contributions.

I suppose I could buy off and vote for either one. I, frankly, would prefer to allow PAC's to continue under whatever limited circumstances we should suggest, because I remember very well my very first PAC contribution when I ran in a special election for the U.S. Senate.

There was a meeting of a corporation, of the employees of that corporation. There were several hundred in attendance. And they were not just the top managers. They were everyone in that corporation, from the factory floor worker right on to the foreman and the officers, who had chosen to contribute to their PAC. And when they presented the PAC contribution, it was a maximum contribution, but it was in the form of over 50 separate checks representing the contributions of individual members of that corporate PAC.

Frankly, I think that is a lot better. I appreciated the contribution as being broader and from people who had a personal interest in good candidates and good officeholders—rather than a special interest—than if I had received the same or a larger amount of money from that same corporation through the maximum personal contributions of the chief executive officer, the members of the board of directors, and the top vice presidents.

So it is really all in the eyes of the beholders. PAC contributions by their nature do not necessarily have to be any more evil, and perhaps in some respects less evil—if, in fact, there is evil connected with campaign contributions—than those which come from large personal donations.

Mr. President, I do not think the time has come to engage in public financing of senatorial races. Regardless of what the advocates will tell you, it is not a voluntary contribution by individuals. It is merely their decision to divert a share of their tax payments to this purpose rather than other purposes. In a very real sense, it is taking money directly from that amount which we might otherwise use for education, for social services, for aid to the blind, and for almost any other fine domestic or foreign affairs purpose we might suggest. I do not think that is a very good idea considering the nature of our current budgetary crisis.

Mr. President, I believe the proposals offered by Senators PACKWOOD and MCCONNELL and another one offered by Senator STEVENS and others perhaps are not perfect, but they offer a substantially better alternative than that of the retreat—and I repeat, retreat—to public financing represented by S. 2.

Perception, as we all know, can be as real as fact. The bills I have mentioned from this side of the aisle both recognize and deal with the perception that PAC contributions muster influence over elected officials. One reduces the amount of pay contributions and another eliminates the possibility of direct influence by disallowing direct PAC contributions to candidates.

I believe the other elements of the bill provide a complete, responsible alternative. And, frankly, Mr. President, I believe at some time we will do what we ought to do: sit down together, with individuals from both sides of the aisle, and craft a bill which is responsible, which retains the integrity and the importance of personal, independent, and voluntary campaign donations by the citizens of this Nation to further their own interests—rather than the retreat to public financing. I believe we can do that.

I would finally like to add just one additional element of S. 979, introduced by myself and Senators INOUYE and KASSEBAUM, which I believe could go a long way toward changing the nature of political campaigns in this country. Sometimes simple solutions can create the most dramatic results. I believe this is a simple solution and I think the results would be dramatic.

As most of us know, today a candidate, in order to receive the lowest rate of advertising on radio or television, must have some fleeting instant of voice or picture on that ad. And, I might say, Mr. President, that that is usually what it is—a fleeting instant where the candidate is shown or speaks out, "This ad paid for by the Jones for Senate Committee."

S. 979 would change that provision and, in order to qualify for the lowest advertising rate, a candidate's voice or picture would have to be in the ad 100 percent of the time, not just for a fleeting instant. Some would suggest that is too long a period of time. But, after all, what is a campaign all about unless it is to provide the opportunity for a candidate to express his or her voice and thoughts to the people?

The PRESIDING OFFICER. The time of the Senator from Washington has expired.

Mr. EVANS. I ask for 2 more minutes.

Mr. PACKWOOD. I yield 2 more minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized for 2 additional minutes.

Mr. EVANS. I thank the Chair.

I believe that by requiring a candidate to speak to his or her constituents through advertising, could dramatically change the nature of political campaigning. I believe strongly that it would reduce drastically the amount and time of negative campaigning which seems to permeate our airways. If there is anything that people dislike, it is not so much the amount of money spent on campaigning but the percentage of that money which goes to extraordinarily negative and, at times, misleading campaigning.

I cannot conceive that a successful candidate could get by for very long coming on the air with ad after ad, negative in nature, spoken with that candidate's voice or that candidate's picture. That is far too intense, far too intimidating, and I believe would not be received well by the voters. I think there is a strong inclination to shift toward more positive campaigning, toward speaking out on behalf of a candidate's ideas and issues.

Mr. President, this may be a fairly simple proposal, but it is a proposal which I believe would have extraordinary ramifications. A candidate would more or less be forced to sell his or her candidacy directly to the voters, much more straight-forwardly, than is currently provided under the law. And, frankly, I think that it may well reduce the overall spending for television which absorbs a large share of funds in most campaigns.

According to Dr. Herb Alexander, USC professor of political science and director of the Citizens Research Foundation, U.S. Senate candidates spend as much as 40 to 60 percent of their total campaign budget on television advertising. By redefining the definition of "use" and refocusing these ads in a positive way, we would reduce the amount of television advertising or significantly increase its level of integrity and its level of information provided to the people. Mr. President, as we move toward what I believe will ultimately be a bill joined in by both sides of the aisle, I hope that it will include this provision.

Mr. President, I ask unanimous consent that a letter addressed to me from the National Association of Broadcasters, dated June 4, 1987, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WASHINGTON, DC,
June 4, 1987.

Hon. DANIEL J. EVANS,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR EVANS: I understand that during Senate consideration of campaign reform legislation you intend to offer as an amendment a provision similar to your bill, S. 979.

As I testified before the Rules Committee, the National Association of Broadcasters supports a revision to the current interpretation of a Section 315 "use" of a broadcasting station by a candidate to require more substantial appearances by candidates in political spots. If candidates were more closely identified with their spots before uses are triggered, then voters would be better informed and the number of negative ads would be reduced.

Your amendment would require a candidate to appear in 100% of a spot to be eligible for a station's "lowest unit charge". NAB believes Congress could adopt a less restrictive appearance provision. A requirement that a candidate must appear in at least 50% or more of a spot should be sufficient to accomplish the desired reforms while preserving a candidate's flexibility in producing campaign messages.

If Congress does not pass legislation in this area, we hope that you and other members will urge the FCC to revise its interpretation of "use". FCC action could accomplish the same goal, even if legislation is not passed.

On behalf of NAB, we appreciate your consideration of our views and your efforts to effectuate this much needed reform.

Kindest personal regards,

EDWARD O. FRITTS.

Mr. DASCHLE. Mr. President, I yield 10 minutes to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 10 minutes.

The Senator from Michigan.

Mr. LEVIN. Mr. President, this is the third time in as many years that the Senate has debated legislation which addresses one of the most fundamental problems of our democracy, the problem of campaign financing. In 1985 and again in 1986, the Senate considered and voted overwhelmingly both times not to kill but to move ahead with legislation to limit the influence of political action committees in financing Federal elections. Opposition to it prevented final action, however, and another election cycle passed. As many of us predicted, new records were set for the amount of money candidates raised and spent, and staggering new totals of PAC spending were registered. The corrosive influence of money in politics has eroded the public's confidence in government.

Yet, here we still are, watching yet another effort to change a system that must be reformed being stalled by those who claim that the time to act has still not arrived. Actually, the reform is even more overdue than this brief summary indicates. The Senate actually passed legislation containing provisions similar to many parts of the bill before us today in the early 1970's. Unfortunately, public financing of congressional campaigns, although supported by the Senate was rejected by the House.

But limits on spending in Presidential campaigns and the voluntary checkoff system on tax returns to provide public financing did take effect, and three Presidential elections have how been conducted under that system. Virtually everyone agrees that this reform helped remove the taint of corruption from the Presidential campaign process. The $1 checkoff, by which we fund Presidential campaigns, is an accepted part of the system. President Reagan himself was twice elected using public matching funds—which were also utilized by Presidents Ford and Carter.

But, let me remind my colleagues, that the Presidential election matching funds system, now an accepted part of our national elections, was itself highly controversial when it was considered in 1971. We have heard S. 2's proposed public financing for congressional campaigns labeled a raid on the Treasury, designed to benefit incumbents, or one of the two major parties. But listen to what some Senators said about public financing of Presidential campaigns when that proposal came before this body 16 years ago.

Former Senator Wallace F. Bennett of Utah doubted "whether the Federal Treasury and the U.S. taxpayer should be called upon to bail out the Democratic Party from its present financial problems." Former Senator John Tower said that "this so-called reform effort is nothing more than an attempt by a group in Congress to grab taxpayers' money for their own end."

The distinguished Republican leader, Senator DOLE, said that the public financing plan was "a blatant partisan attempt to fund the Democratic opposition to President Nixon" and to "ensure the success of the effort" to fund Governor George Wallace's third party and thereby "take away from the President as many votes as possible. . . . We Republicans want no part of shifting our campaign burden to the public."

But times change. Innovations and reforms once thought radical become integral parts of the system. I sincerely believe that within a few years the current system of congressional election financing will be nothing but a bad memory while public financing and limitations on campaign expenditures will be seen as American as apple pie or the Presidential campaign check-off.

We just do not have any alternative but to reform the current system. Senator BOREN, who I want to commend for his fine work in drafting this legislation, and Senator BYRD for his able defense of its provisions here over the last few days, has pointed out that the average cost of a successful Senate campaign was $600,000 in 1974 and $3 million in 1986. Senator BOREN predicts that without spending limitations that $3 million figure will be $15 million 12 years from now. That is in the average sized State. In California last year, Senator CRANSTON was forced to raise over $10 million and his opponent spent $11.8 million. Using Senator BOREN's projections, a successful candidate for the Senate from California in 1998 will be spending over $50 million.

I don't think we can let this happen. Long before it does, we must do something about it. Let's do it now.

Frankly, I've been a little surprised as I've heard opponents of S. 2 refer to it as some sort of "giveaway" of the taxpayers' money. One Senator said that he didn't think that the "American taxpayer is interested in putting up $95 to $100 million to finance the campaigns of Senators." Another said that the current cost of running for the Senate isn't so high. In fact, he said, we spend far less on election than we do on "toothpaste or lipstick or beer or pet food. . . ." Another opponent called S. 2 the "incumbents' protection act." I want to address each of these criticisms.

First, the charge that most taxpayers will not want to spend their tax dollars on Senate elections. The simple answer to that is that under the provisions of S. 2, they won't have to. Like the $1 checkoff for Presidential campaigns, the additional $1 checkoff for Senate campaigns would be voluntary. Moreover, this bill's other provisions are voluntary as well. Just as no taxpayer will have to check off $1 for the Senate campaign fund, no candidate will have to accept public funding or the limitations on expenditures which will apply to candidates accepting it.

There is an additional point. I agree that many Americans do not particularly want to spend hundreds of millions of their dollars on congressional elections. However, I don't think that most Americans are happy with a system where hundreds of millions of anyone's dollars are spent on Senate elections. Can anyone believe that very many Californians believe that it is appropriate to spend $20 million in a Senate election? Or that $100 million will be appropriate for that same election in 1998? In a few years, we will be spending several billion dollars to elect a Congress. How is the public interest served by that? And the irony is that the solution is relatively simple. It is provided in this bill.

As to the comparison between the cost of Senate elections and the price of catfood or shoe polish or whatever, I find those comparisons distasteful. I just don't believe that many Americans will be comforted by the thought that their Senator's election cost less than puppy food ads. And, by the same token, I don't share the view that Americans consider the use of voluntary public dollars on Senate elections a waste of their money, as some of my colleagues have suggested. I don't think that I have to tell any Senator just how important the work of this body is to every American. There is hardly an area of life that is not affected by decisions we make here. In the last few days we have made decisions that relate to war and peace, we have debated an important environmental protection measure, we have voted on legislation dealing with AIDS. Every American is affected, for better or worse, by what we do here. It is therefore appropriate that the American people be concerned with how we get here. That is why our constituents want campaign financing reform. And that is why they must get it.

I am also rather surprised that anyone would call this bill a bill to protect incumbents. It is the current system that protects incumbents, while the public financing mechanism prescribed in S. 2 would be equally accessible to incumbents and challengers alike. Let's look at the 100 campaigns over the last 6 years that brought all of us here to the 100th Congress. In those 100 races for the Senate, the incumbent was outspent by a challenger only 7 times: In Delaware, Minnesota, Mississippi, and Wisconsin in 1982; in Iowa in 1984; and in California and South Dakota in 1986. And in only two of the seven did the challenger win.

Perhaps the most significant cause of this disparity in favor of incumbents is the way political action committees [PAC's] choose to allocate their funds. In 1986, PAC's contributed $140 million to congressional campaigns—up from $12 million in 1974. Eighty percent of that figure went to incumbents. Why? Because an incumbent is usually a safer bet than a challenger. And besides, if the challenger should win, the PAC can always write him or her a check after election.

No, it is the current system, it is the status quo which protects incumbents.

In 1986, in contested elections under the current financing laws, incumbents outspent challengers by about 2 to 1, $91 million to $47 million.

Is the present system fair to challengers? Not only is the present system not fair to challengers, it's not fair to the electorate. In the 1986 election there were a number of Senate incumbents who were awarded easy reelection campaigns because strong would-be opponents were scared away by the PAC money the incumbent had accumulated over the previous 6 years. It's no secret that both parties have had to go begging for candidates in a number of instances where no one wanted to challenge the well-financed incumbent. This isn't good for the Senate and it's certainly not good for the American people. So, no, S. 2 is not the incumbents' protection act. The incumbents' protection act is the system we have now.

I'm afraid that a good many Americans believe that most politicians are corrupt and that they base that view on headlines which link our votes for particular causes to our continual search for campaign funds. The Christian Science Monitor's headline reads, "PAC's Hold Mortgage on Congress."

The Wall Street Journal's headline reads, "Insurance Industry Boosts Political Contributions as Congress Takes up Cherished Tax Preferences." The Washington Post reports, "PAC's Donated $16.8 Million to Tax Bill Writers."

Those are news headlines. The editorials are even more explicit. The Albuquerque (NM) Journal editorialized, "Congress Still For Sale." The Globe Times of Bethlehem, PA, editorialized, "Limit PAC Receipts Now or Put Democracy At Risk." The Columbia (SC) State editorialized, "PAC's Buy Too Much Influence in Congress." And the Greensboro (NC) News and Leader editorialized, "Buying Congress."

The present system of unlimited PAC contributions with their identifiable special interest purpose helps create these appearances. We take appearances into account in our daily work—as we should—and so do our constituents in their daily judgments—as they should. When our constituents see one thing happen and then they see something else happen after that, they believe there is a causal link between the two events. While the logic may be fallacious, average people draw causal connections while the fact is, in my opinion, that PAC's, like individuals, generally support candidates whose views they identify with, whose voting records they like, or whose philosophies they share. A great many people believe that special interest contributions buy the votes of politicians.

Surely it is in our national interest to try to end that corrosive belief. If significant numbers of our people believe that Congress is up for auction, the public's faith in government will be undermined and ultimately destroyed.

S. 2 places limits on PAC contributions, and while it is a modest step, it is a step which must be taken since it will put us on the road to renewed public confidence in the political process. President Kennedy said, "Politics is a Noble Profession." I'm sure we all agree this bill may make it possible for the public to agree as well.

Mr. President, S. 2 is a good bill that deserves enactment. This is one reform that is long overdue.

I hope we can adopt it on a bipartisan basis.

The PRESIDING OFFICER. Who yields time?

Mr. DASCHLE. Mr. President, I yield the majority leader such time as he may consume.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BYRD. I thank the distinguished Senator from South Dakota.

Mr. President, last Wednesday the Senate began debate on the Senatorial Election Campaign Act of 1987. This important bill has generated substantial interest around the country. I do not think we have seen this level of public interest in election reform in more than a decade. In fact, the level of public interest is reminiscent of the period when Congress enacted public financing of Presidential elections. Then as now there was substantial public concern about rising campaign costs, the apparent access if not influence of special interests, and the growing sense that politics was only open to the wealthy or those who are well connected.

Mr. President, since the convening of this historic 100th Congress, when Senator BOREN and I introduced the Senatorial Election Campaign Act, S. 2, hundreds of editorials have appeared throughout the country on this subject. The vast majority of them have been very supportive of the legislation, and most of them endorse it. Today I shall introduce into the RECORD 245 of those editorials. They come from 189 newspapers in 40 States and the District of Columbia. All regions are represented.

I call attention to the substantial level of support for the bill by reading parts of just a few of the editorials today. I will begin with the lead editorial in today's New York Times. The editorial is aptly titled "Perfuming Money in the Senate." The editorial reads as follows:

> The cost of running for Congress is climbing to the sky; so is the smell; and now there's a chance to do something about it. Watch the Senate carefully today. A vote scheduled for 5 p.m., will show which senators want to clean up the stink—and which will settle for a little perfume.
>
> The vote concerns ending a filibuster against a bill to remedy the evils of the present system of campaign finance. Many senators, of both parties, agree on the evils. The cost of candidacy has been transformed by television, direct mail, polls and computers. Many races now require many millions, creating an immense appetite for money.
>
> To feed it, along have come 4,100 PAC's, political action committees, for ever industry you can think of: the Michigan blueberry growers, the American Horse Council, the beer distributors, who named theirs—what else—Six PAC. All told, PACs gave Senate candidates $5 million in 1976 and $45 million in 1986. Many members now concede the need at least for cosmetic change.
>
> The straightforward reform is to limit costs and contributions. But the Supreme court has said no; Congress may legislate limits only if it provides public finance. Then Congress created a sound system to do that, for Presidential races. The Byrd-Boren bill, with 49 co-sponsors, would extend this to Congress. It's far from clear that the Democrats will have the 60 votes to close off debate today. What they do have in the Byrd-Boren bill is moral and practical leadership.
>
> There are senators willing to accept campaign limits but unwilling to pay the Court's price of public finance. That's called fighting the problem. The Court decision is the law and that leaves three choices:
>
> Live with the status quo as campaign costs climb ever higher, along with questions about members' integrity.
>
> Try undoing the court decision, by constitutional amendment, which would take years.
>
> Vote to end the filibuster today, and work to perfect the Byrd-Boren reforms.
>
> Senators who choose the first will be evading the issue. Those who choose the second will show a preference for perfume. every senator who chooses the third will be voting to clean up Congress.

I would like to read parts of several other editorials that have appeared since January on this important bill. I begin with the Washington Post editorial of Thursday, June 4, and I shall read parts of it.

> The balloon has gone up on congressional campaign finance. Senate Majority Leader Robert Byrd, facing a Republican filibuster that he lacks the 60 votes to break, has nonetheless called up the public financing bill of which he is cosponsor. The idea is to force a search for a compromise. The Republicans don't like the Democratic bill, but no one wants to be seen in the public embrace of the present system either. The reason is that the system is, if not corrupt, then fetid and at least embarrassing.
>
> The system now is wrong. The combination of spending limits in the context of public financing is the only way to right it. As both parties reach for compromise, there will be a temptation to rubberize the definition of reform. But there have to be spending limits. Otherwise they're just playing Fool the Voter.

In the Kennebec Journal, Augusta, ME, February 9, 1987, there is an editorial titled, "Time For Campaign Reform Has Arrived." I shall read excerpts therefrom.

> After years of false starts, Congress may finally be on the way to reforming the way its members are elected.
>
> Since the beginning of the era of big-budget campaigns, things have been going from bad to worse as far as honesty and good sense are concerned. Last year's free-for-all, in which negative political advertising reached new depts, may finally have convinced senators and representatives—notoriously reluctant to do anything that might jeopardize their re-election—that something must be done.
>
> If reform doesn't come, it won't be for lack of trying. A reform measure actually passed the Senate last year, 69-30, though it died in the House. Now, an even more comprehensive measure has been introduced as Senate Bill 2—yielding only to the clean water bill which Congress just whisked into law.
>
> The particular problem with the current campaign system is not just the amount of money being spent—more than $2.5 million for the average victorious Senate candidate—but where it comes from Common Cause, the citizen's group which has labored tirelessly to keep the campaign finance issue before the public, reports that political action committees—organized special interest lobbies—now contribute 41 percent of what winning House candidates collect, up from 26 percent in 1976. For Senate candidates, it is 27 percent, up from 15 percent.
>
> Candidates of course say that PAC contributions don't influence their votes while in office. Sometimes, they may be right. But the collective impact of millions of dollars of contributions from business and labor

lobbies is pernicious, and a blight on our system of free elections.

The next one I shall excerpt from is an editorial which appeared in the New York Times on May 8, entitled "The Most Vital Skill In Congress":

What's the single most important quality or skill in a United States senator or representative?

(A) Legal and analytical capacity, like that reflected in the Congressional Iran-contra hearings.

(B) Honesty and integrity.

(C) Substantive expertise in fields like national defense, taxes or social welfare.

(D) Experience in public office.

(E) Ability to raise money.

A, B, C and D are wishful answers. In terms of practical politics, (E) is undisputably right. Yet to judge by a little-noticed vote Tuesday night, 1987 might finally be the year of reform. Under a bill soon to come before the Senate, private campaign contributions would finally be limited, offset by a system of public finance. These would be breathtakingly welcome changes, relieving members of Congress of the influence wielded by big givers and retrieving endless hours spent courting them.

I read briefly excerpts taken from an editorial which appeared in the Dallas Morning News, Dallas, TX, on February 23. Its title is "Deep Pocket Politics."

Congressional campaigns are being corrupted by the excessive sums that incumbents and challengers are compelled to spend to get elected and the candidates' growing dependence on special interest groups for contributions. Unless lawmakers act soon to clean up the financing of congressional races, they risk losing the public's confidence.

Winning Senate candidates doled out an average of $3,020,811 last year, while House hopefuls spent $250,000 on average to get elected. That's more than triple what politicians expended just 10 years ago. Those high costs are exacting a terrible toll. Not only do they discourage many talented men and women from entering the political arena, they also force office holders to devote much of their time to raising funds.

Aside from distracting members of Congress from the business of lawmaking, the constant need to solicit donations has contributed to the second disturbing influence on elections political action committees. Because they have been such a ready source of cash for political hopefuls. PACs have grown by leaps and bounds. Special interest money now accounts for about 40 cents of every $1 raised for successful congressional campaigns.

No one denies that PACs have a legitimate place in a representative democracy. They have a right to lobby for their particular point of view and to contribute to their favorite candidates. The trouble with such special interests is not with their mere existence but rather with the excess of power that their vastly increasing campaign contributions can buy.

Even the staunchest defenders of the existing system would have to admit that today's excessive campaign spending hasn't translated into higher voter interest. The rate of voter turnout remains dismally low compared to that of other democracies. By contrast, limits on special interest donations, combined with a system of partial public financing, could do much to restore the importance of small contributors and grassroots volunteerism in congressional campaigns. The Boren-Byrd proposal deserves serious consideration.

The Union City Daily Messenger, Union City, TN, April 24, had an editorial titled "Dealing With PAC Problem."

The patchwork, or PACwork, sportcoat could be an idea whose time has come for those interested in campaign reform. Nothing else, so far, has been able to resolve what former Sen. Barry Goldwater, R-Ariz., has called "a crisis of liberty"—the unholy dependence on special-interest political action committees by candidates for Congress.

Here is how the patchwork-coat approach would work:

The candidate would be required to don his or her official campaign coat at the official campaign opening. A blazer no doubt, it would be festooned with patches, each patch a logo signifying the political action committee to which the candidate is beholden. The candidate could pick his favorite color, though for most office holders, color wouldn't matter. The coat would be all PAC patches—and large pockets.

We have campaign disclosure laws now, but the sportcoats would be more graphic. They would be more graphic. They would allow the voter to see at a glance who owns whom.

Candidates might resent their Indy 500 look—each car emblazoned with a riot of logos—but that's life in the public eye. As candidates well know, campaigning often is an affront to personal dignity.

Congress must put an end to its own campaign-finance corruption. If a patchwork coat is beneath its dignity, surely the mantle of public interest isn't. And a public financing system for congressional campaigns is clearly in the public interest.

From the Tallahassee Democrat, Tallahassee, FL, of April 1987:

If you think that federal campaign spending hasn't gotten out of hand, consider this:

More than 80 Washington lobbyists and lawyers have formed a committee to support limits on campaign spending and restrictions on contributions by political action committees (PACs).

It's not too surprising that lobbyists, who along with their associations are supplying an ever-increasing share of campaign dollars, should be unhappy

But it is unusual for lobbyists to stand up and be counted as backers of spending limits. The Tallahassee lobbyist asked that his name not be used; he has to continue to deal with legislators who not-so-subtly ask him for money.

Members of the Lobbyists and Lawyers for Campaign Finance are standing up. In a letter to congressmen, they declared: ". . . our current system is fundamentally flawed. It diverts scarce time from the issues; it elevates money above merits; it promotes cynicism in the electorate. This is not good for you or your staff. It is not good for us or the clients we represent. Most importantly, it is not good for our democracy."

From the Asheville Citizen-Times, Asheville, NC, May 17, 1987, an editorial titled "Public Must Reclaim Elections From PAC's":

"When somebody gives you $5,000 (as a campaign contribution) . . . you're not getting that money out of the Red Cross or the Little Sisters of the Poor. They expect something for that money. And when you receive the money you know that those folks have that expectation."

The words are those of retired Sen. Thomas Eagleton of Missouri, commenting on the system by which congressional campaigns are financed. Another newly retired senator, Barry Goldwater of Arizona, also expressed concern:

"We must prove that elective office is not for sale. We must convince the public that elected officials are what James Madison intended us to be—agents of the sovereign people, not hired hands of the rich givers."

Goldwater, Eagleton and the many other members of Congress who have voiced their concern for the democratic process do not exaggerate the dangers created by large PAC contributions. There is a serious risk of our Congresses being bought and paid for by those with pots of money to distribute to candidates. PACs often contribute to both opposing candidates so as to ensure access to whoever wins.

What has made the United States a great democracy has not been military might or economic dominance; it has been representative government unequaled in any other nation.

This issue is not a partisan one. All of us—Republicans, Democrats and the unaffiliated—stand at risk.

Mr. President, these editorials represent a substantial outpouring of support for this legislation. I am aware that Members have been receiving calls and letters on this bill from concerned constituents. This is one of the most important matters to come before this historic 100th Congress. I hope that my colleagues will read these editorials, consider carefully the arguments, and weigh the fact that papers from all regions and widely differing perspectives are supporting this important bill.

Mr. President, I ask unanimous consent that the text of all 245 newspaper editorials be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Aiken (SC) Standard, Apr. 29, 1987]

How To Tell Who Owns Whom

The patchwork, or PACwork, sportcoat could be an idea whose time has come for those interested in campaign reform. Nothing else, so far, has been able to resolve what former Sen. Barry Goldwater, R-Ariz., has called "a crisis of liberty"—the unholy dependence on special-interest political action committees by candidates for Congress.

Here is how the patchwork-coat approach would work:

The candidate would be required to don his or her official campaign coat at the official campaign opening. A blazer no doubt, it would be festooned with patches, each patch a logo signifying the political action committee to which the candidate is beholden. The candidate could pick his favorite color, though for most officeholders, color wouldn't matter. The coat would be all PAC patches—and large pockets.

We have campaign disclosure laws now, but the sportcoats would be more graphic. They would allow the voter to see at a glance who owns whom.

Candidates might resent their Indy 500 look—each car emblazoned with a riot of logos—but that's life in the public eye. As candidates well know, campaigning often is an affront to personal dignity.

If the coat idea won't fit, perhaps it's time for Congress to pass legislation sponsored by Sen. David Boren, D-Okla., and Sen. Majority Leader Robert Byrd, D-W.Va.

Their bill, called Senate Bill 2, would fundamentally reform the senatorial campaign-finance system. It has gained the support of 44 co-sponsors in the Senate, just seven short of a majority. Successful Senate action on the bill, which calls for partial public financing of senatorial campaigns, would then shift the focus of attention to the House of Representatives.

One of the original co-sponsors of the bill, Sen. John Stennis, a Mississippi Democrat who has been in the Senate since 1948, announced recently: "When the present law was passed, I was strongly opposed to the idea of paying any of the campaign costs for candidates for U.S. Senate from the public treasury, or the House of Representatives, either one. But in view of what has happened now, I have changed my mind."

And what has happened now? In the 1986 election, PAC contributions reached a record $130,296,926 for House and Senate candidates. That's a 27 percent increase over the $102 million PACs gave to congressional candidates in the 1984 election. Over the past decade, PAC contributions to congressional candidates have skyrocketed from $22 million in 1976 to more than $130 million last year. In 1976, there were 600 PACs; today, there are more than 4,000 PACs.

The result is that the 100th Congress has come into office more indebted to special interests than any other Congress in the nation's history. And that means the special interests have bought the right to set the legislative agenda.

"Only a simpleton can believe that PAC funds do not influence many of our senators in their pattern of voting," former New Hampshire Gov. Meldrim Thompson has said. "PAC money," the conservative Republican added, "is a not too subtle way to ensure that most senators will remember from whence their contributions came when they vote on major issues."

For a way out of the current mess, Congress can look to a reform model that works—the public financing system for presidential elections. Since it was initiated in the 1976 election, 34 of the 35 candidates for the nation's highest office have voluntarily participated in the public financing system. The system has opened up the process, reduced undue influence of individuals and groups and virtually ended corruption in presidential election finances.

Congress must put an end to its own campaign-finance corruption. If a patchwork coat is beneath its dignity, surely the mantle of public interest isn't. And a public financing system for congressional campaigns is clearly in the public interest.

[From the Aiken (SC) Standard, Mar. 30, 1987]

HEDGING THEIR BETS

Political action committees, as fickel as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PAC's involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

At the risk of sounding cynical, one might suggest that some PACs aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. senator.

In North Dakota, for example, 39 PACs that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

The 39 PACs included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Institute Inc. and the American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterwards, switched sides in four of the seven Senate races.

The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen. If we're really interested in citizen participation, we'll emasculate the PACs.

[From the Aiken (SC) Standard, Mar. 11, 1987]

CLAMP DOWN ON PAC CONTRIBUTIONS

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million.

The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

Sponsored by Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W.Va., the legislation would clamp down on PAC contributions and extend the current system of public financing of presidential elections to the congressional level.

Public financing may be the Achilles' heel of the legislation, as Sen. Wendell Ford, D-Ky., suggested to Boren. The Oklahoma senator explained that he reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing. Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

The Boren-Byrd measure also would reduce the size of a PAC's maximum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House candidates and would range from $175,000 to 750,000 for Senate candidates, depending on a state's population.

Reform, of course, cannot guarantee less expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

[From the Amsterdam (NY) Recorder, Mar. 28, 1987]

IT'S A ROTTEN SYSTEM, BUT IT PAYS OFF WELL

When Republican Mark Andrews was trying to hold onto his North Dakota Senate seat, the American Bankers Association gave him a $10,000 campaign contribution. When Democrat Kent Conrad then beat him, the unabashed bankers gave Conrad $10,000 too.

The bankers were not the only group to come so late to the realization of Conrad's virtues. A study by Common Cause shows that 39 political action committees, or PACs, switched to the sunnier side of the street after the election.

Among them were the giving arms of the sugar-beet growers, milk producers, airline, airline pilots, beer wholesaler, letter carriers, National Education Association, AT&T, Philip Morris and the law firm of former Democratic National Committee chairman Robert Strauss.

These were not campaign contributions in the classic sense. They did not express a preference or a hope. They were get-well gifts, rueful efforts by these PACs that backed the familiar but wrong horse to buy forgiveness, and once that is over, to resume their buying of influence.

It's a rotten system—and it is a system. Conrad was not the only new arrival to be offered or to take such money. Common Cause looked at all seven instances in which Democrats unseated incumbent Republicans last year.

The same grounds for embarrassment existed in every one. In Alabama, 31 PACs came 'round this way, hat is in hand, money in the hat.

Again the bankers led the list; they gave $10,000 to Jeremiah Denton before the election, $5,000 to Richard Shelby, who defeated him, after it. Among the other PACs whose magnanimity of view allowed them to switch sides were McDonald's—yes, the hamburger-flippers—and a near-armada of defense contractors: Boeing, Bath Iron Works, Colt Industries, General Dynamics, Litton, Lockheed, Northrop and United Technologies.

In North Carolina the certified public accountants gave James Broyhill $6,000; when he lost, they then gave Terry Sanford $5,000. The podiatrists, the homebuilders, J.P. Morgan & Co. and United Transportation Union experienced similar conversions.

A bill is now pending in the Senate to reform congressional-campaign finance. Among other things, it seeks to limit PAC contributions on the theory that the PACs have bought their way to a degree of political and legislative influence that such groups should not be allowed to have.

You watch the PACs ooze around the winners, as here, and it's hard to disagree. They're trying to buy as much as is for sale up there. Surely there is a better way.

[From the Anderson (IN) Daily Bulletin, Mar. 30, 1987]

HEDGING BETS

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

At the risk of sounding cynical, one might suggest that some PACs aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying infuence with a U.S. senator.

In North Dakota, for example, 39 PACs that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

The 39 PACs included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Institute Inc. and the American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterwards, switched sides in four of the seven Senate races.

The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen.

[From the Asheville (NC) Citizen-Times, May 17, 1987]

PUBLIC MUST RECLAIM ELECTIONS FROM PACs

"When somebody gives you $5,000 (as a campaign contribution) . . . you're not getting the money out of the Red Cross or the Little Sisters of the Poor. They expect something for that money. And when you receive the money you know that those folks have that expectation."

The words are those of retired Sen. Thomas Eagleton of Missouri, commenting on the system by which congressional campaigns are financed. Another newly retired senator, Barry Goldwater of Arizona, also expressed concern:

"We must prove that elective office is not for sale. We must convince the public that elected officials are what James Madison intended us to be—agents of the sovereign people, not hired hands of the rich givers."

Both Eagleton and Goldwater are veterans of many congressional elections. They were expressing alarm over the way PACs—political action committees—have come to dominate the financing of congressional election campaigns.

In just 12 years PAC contributions have exploded from $12 million to $130 million per campaign. PAC financing and PAC influence grow larger with every election. Soon, PACs will be underwriting more than half of all campaign expenses.

When a PAC (each represents some special interest) hands over a bundle of money to a candidate, that PAC expects to be buying access to the candidate after he or she is elected. The grave danger is that in buying access, the PAC may also buy the individual's commitment to legislate for special interests, and in the process destroy the integrity of Congress.

"This danger has prompted Common Cause, the national "citizen's lobby," to launch a nationwide crusade calling for fundamental changes in the way campaigns are financed. It hopes to prevent repetition of what happened in the 1986 elections, when excessive TV advertising and negative campaigning were fueled by the record $130 million in PAC payouts.

The reform legislation has been introduced in the Senate by David Boren (D-Okla.) and Majority Leader Robert Byrd of West Virginia. This Senate Election Campaign Act, designated S. 2, would set an overall limit on PAC contributions to a candidate and establish a system of campaign spending limits. It also sets limits on campaign use of personal wealth, so as not to give rich candidates an unfair advantage over opponents with lesser means.

Goldwater, Eagleton and the many other members of Congress who have voiced their concern for the democratic process do not exaggerate the dangers created by large PAC contributions. There is a serious risk of our Congresses being bought and paid for by those with pots of money to distribute to candidates. PACs often contribute to both opposing candidates so as to ensure access to whoever wins.

What has made the United States a great democracy has not been military might or economic dominance; it has been representative government unequaled in any other nation. The growing influence of big-money PACs threatens our democracy in a more profound yet insidious way than any of the external dangers we face.

This issue is not a partisan one. All of us—Republicans, Democrats and the unaffiliated—stand at risk.

North Carolina's senators and representatives should be urged to support the drive for campaign reform. They will if enough people show concern, if enough people let them know that citizens want to ensure that Congress never will be up for sale to the highest bidders.

[From the Athens (GA) Messenger, Mar. 17, 1987]

REIN IN THE PAC'S—REFORM BILL OFFERS WAY TO CURB FUND-RAISING ABUSES

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC candidates in 1985–86 totaled $45.7 million.

The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

Sponsored by Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W.Va., the legislation would clamp down on PAC contributions and extend the current system of public financing of presidential elections to the congressional level.

Public financing may be the Achilles' heel of the legislation, as Sen. Wendell Ford, D-Ky., suggested to Boren. The Oklahoma senator explained that he reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing. Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

The Boren-Byrd measure also would reduce the size of a PAC's maximum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House candidates and would range from $175,000 to $750,000 for Senate candidates, depending on a state's population.

Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

[From the Anderson (IN) Daily Bulletin, Mar. 19, 1987]

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[From the Alpena (MI) News, Mar. 31, 1987]

PAC's Hedge Their Bets

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study by the public-interest lobby Common Cause, dozens of PACs in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

What conclusion is to be drawn? It seems clear that some PACs aren't committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. senator.

In North Dakota, for example, 39 PACs that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

The 39 PACs included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Institute and the American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterwards, switched sides in four of the seven Senate races.

The only bright spot in this cynical exercise is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen. If we're really interested in citizen participation, we'll rigidly restrict the PACs.

[From the Atlanta (GA) Journal, Apr. 11, 1987]

U.S. Politics Overrun by PAC's

Nobody ever intended for political action committees to eclipse all other sources of campaign financing and to freeze out non-incumbents. Yet, that is what it has come down to.

Conceived as a response to influence-peddling, the PAC has instead legitimized and raised it to an art form—providing $84.6 million last year in large part to House candidates who didn't need it.

Of 194 House members who got more than half their campaign money from the PACs set up by corporations and special-interest groups, only 30 were in close races. And the PACs favored incumbents 6-to-1.

PACs were so pervasive in the last campaign that some candidates didn't need to look elsewhere. Rep. Augustus F. Hawkins, D-Calif., got 92 percent of his campaign funds from PACs, trailed closely by William Coyne, D-Pa., and Melvin Price, D-Ill., with 91 and 89 percent, and 13 others who got at least 75 percent of their campaign contributions from PACs.

Altogether, the 100th Congress "has come into office more indebted to special interest group political money than any other Congress in the nation's history," says the head of Common Cause. That's reason enough to take up proposals, working their way through both houses, that would help to bring the monster back under control.

A bill introduced in the Senate by Majority Leader Robert Byrd and Sen. David L. Boren, D-Okla., would lower the $5,000 limit on a PAC's contribution to a single candidate to $3,000 and tie the total PAC contributions any candidate could accept to each state's population, for a maximum of $750,000. A group of senators, including Georgia's Wyche Fowler and Sam Nunn, are also seeking partial public financing of Senate campaigns—a step that would allow individual taxpayers to remind candidates that, collectively, they count, too.

The sooner the better. It's easy enough to lose sight of the little guy in a system where the corporations and special interests begin to look more like PAC-MEN, gobbling up everything in sight, than PACs.

[From the Kennebec (ME) Journal, Augusta, Feb. 9, 1987]

Time for Campaign Reform Has Arrived

After years of false starts, Congress may finally be on the way to reforming the way its members are elected.

Since the beginning of the era of big-budget campaigns, things have been going from bad to worse as far as honesty and good sense are concerned. Last year's free-for-all, in which negative political advertising reached new depths, may finally have convinced senators and representatives—notoriously reluctant to do anything that might jeopardize their re-election—that something must be done.

If reform doesn't come, it won't be for lack of trying. A reform measure actually passed the Senate last year, 69-30, though it died in the House. Now, an even more comprehensive measure has been introduced as Senate Bill 2—yielding only to the clean water bill which Congress just whisked into law.

Spear-carrier in this effort is Sen. David Boren (D-Okla.) who has made campaign reform his cause; he has been joined as co-sponsor by Majority Leader Robert Byrd (D-W.V.). This measure will be taken seriously.

The particular problem with the current campaign system is not just the amount of money being spent—more than $2.5 million for the average victorious Senate candidate—but where it comes from. Common Cause, the citizen's group which has labored tirelessly to keep the campaign finance issue before the public, reports that political action committees—organized special interest lobbies—now contribute 41 percent of what winning House candidates collect, up from 26 percent in 1976. For Senate candidates, it is 27 percent, up from 15 percent.

Candidates of course say that PAC contributions don't influence their votes while in office. Sometimes, they may be right. But the collective impact of millions of dollars of contributions from business and labor lobbies is pernicious, and a blight on our system of free elections.

The Boren-Byrd bill seeks to balance proportional limits on campaign spending with a system of partial public financing, which would help ensure that all candidates have adequate access to the airwaves and to individual voters. The model is the presidential campaign fund which has worked well since it was adopted following abuses in Richard Nixon's 1972 campaign.

Such a system of public financing can help clean up congressional elections, too. Considering what is at stake, the cost should be modest indeed.

[From the Kennebec (ME) Journal, Augusta, Mar. 28, 1987]

Influence Buying as a Fact of Life

Anyone who doubts that there is a rotten odor over the way candidates raise campaign money should take a look at the latest Common Cause survey on how political action committees spend their money.

This citizens' lobbying group has made several surveys of PAC contributions which raise disturbing questions about their influence on Congress. The latest is also the most damning.

Common Cause found that in more than 150 cases, PACs that backed a losing candidate in the 1986 Senate elections switched sides and gave money to the winner after the election.

This pretty much explodes the idea that PACs behave like organized individual voters. A voter might well make a hefty contribution to a candidate who shared his views. But who in his right mind would see that favored candidate lose and then give money to his victorious opponent?

But that's just what 39 PACs did in North Dakota, where Republican Mark Andrews lost and the new Democratic senator, Kent Conrad reaped the rewards. The same thing happened as Senate seats changed hands in Alabama, North Carolina, Washington, South Dakota, and Georgia, and Florida.

It's obvious that PACs aren't supporting a candidate because of his philosophy or his party—particular since the next election is six years away. They are trying to buy influence with the new senator. And that is wrong. No two ways about it.

What can be done? The U.S. Supreme Court has made it difficult by disallowing many of the contribution limits Congress tried to establish more than 10 years. The best way is the partial public financing plan introduced by Majority Leader Robert Byrd (D-W.V.) and Sen. David Boren (D-Okla.), with 36 co-sponsors. Public financing wouldn't eliminate PACs from elections, but would sharply curtail their influence.

It isn't just idealism which has made campaign reform a hot issue in Congress. Many senators and representatives are sick and tired of spending much of their time trying to raise the millions of campaign dollars now required to run for re-election. Traditional donors are also weary from being hit up so often.

The time is ripe for change, but the public can ensure that it happens by writing and calling their congressmen in favor of S2, the Byrd-Boren campaign reform act.

[From the Illinoian-Star Daily, Beardstown, Apr. 22, 1987]

PAC Work Solutions

The patchwork, or PAC-work, sportcoat could be an idea whose time has come for those interested in campaign reform. Nothing else, so far, has been able to resolve what former Sen. Barry Goldwater, R-Ariz, has called "a crisis of liberty"—the unholy dependence on special-interest political action committees by candidates for Congress.

Here is how the patchwork-coat approach would work:

The candidate would be required to don his or her official campaign coat at the official campaign opening. A blazer no doubt, it would be festooned with patches, each patch a logo signifying the political action committee to which the candidate is beholden. The candidate could pick his favorite color, though for most officeholders, color wouldn't matter. The coat would be all PAC patches—and large pockets.

We have campaign disclosure laws now, but the sportcoats would be more graphic. They would allow the voter to see at a glance who owns whom.

Candidates might resent their Indy 500 look—each car emblazoned with a riot of logos—but that's life in the public eye. As candidates well know, campaigning often is an affront to personal dignity.

If the coat idea won't fit, perhaps it's time for Congress to pass legislation sponsored by Sen. David Boren, D-Okla., and Sen. Majority Leader Robert Byrd, D-W.Va.

Their bill, called Senate Bill 2, would fundamentally reform the senatorial compaign-finance system. It has gained the support of 44 cosponsors in the Senate, just seven short of a majority. Successful Senate action on the bill, which calls for partial public financing of senatorial campaigns, would then shift the focus of attention to the House of Representatives.

One of the original co-sponsors of the bill, Sen. John Stennis, a Mississippi Democrat who has been in the Senate since 1948, announced recently: "When the present law was passed, I was strongly opposed to the idea of paying any of the campaign costs for candidates for U.S. Senate from the public treasury, or the House of Representatives, either one. But in view of what has happened now, I have changed my mind."

And what has happened now? In the 1986 election, PAC contributions reached a record $130,296,926 for House and Senate candidates. That's a 27 percent increase over the $102 million PACs gave to congressional candidates in the 1984 election. Over the past decade, PAC contributions to congressional candidates have skyrocketed from $22 million in 1976 to more than $130 million last year. In 1976, there were 600 PACs; today, there are more than 4,000 PACs.

The result is that the 100th Congress has come into office more indebted to special interests than any other Congress in the nation's history. And that means the special interests have bought the right to set the legislative agenda.

"Only a simpleton can believe that PAC funds do not influence many of our senators in their pattern of voting," former New Hampshire Gov. Meldrim Thompson has said. "PAC money," the conservative Republican added, "is a not too subtle way to ensure that most senators will remember from whence their contributions came when they vote on major issues."

For a way out of the current mess, Congress can look to a reform model that works—the public financing system for presidential elections. Since it was initiated in the 1976 election, 34 of the 35 candidates for the nation's highest office have voluntarily participated in the public financing system. The system has opened up the process, reduced undue influence of individuals and groups and virtually ended corruption in presidential election finances.

Congress must put an end to its own campaign-finance corruption. If a patchwork coat is beneath its dignity, surely the mantle of public interest isn't. And a public financing system for congressional campaigns is clearly in the public interest.

[From the Illinoian-Star Daily, Beardstown, Apr. 2, 1987]

POLITICAL COMMITTEES FICKLE AS FORTUNE ITSELF

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

At the risk of sounding cynical, one might suggest that some PACs aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. senator.

In North Dakota, for example, 39 PACs that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

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The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen. If we're really interested in citizen participation, we'll emasculate the PACs.

[From the Beaumont (TX) Enterprise, Feb. 3, 1987]

CONGRESS NEEDS CURBS ON CAMPAIGN SPENDING

If the Watergate scandal of the early 1970s produced any good at all, it gave Congress the impetus to enact a 1974 presidential campaign public financing law.

The bill, in effect, reduced significantly the amount of money presidential candidates can spend.

It is time, now, for Congress to pass such a law for itself.

Sens. Robert Byrd, D-W.Va., and David Boren, D-Okla., have introduced the Senatorial Election Campaign Act, which limits the amount of special-interest political action money a Senate or House candidate can accept. It also limits the total campaign spending and the use of a candidate's personal wealth through a partial, voluntary public financing program.

The amount of money candidates spend to get elected has reached obscene proportions.

The past year's congressional elections offer a case in point.

Winning senatorial candidates spent an average of $2.3 million, with winning House candidates spending more than $250,000, according to figures released recently by Common Cause, a Washington, D.C.-based political watchdog group. Common Cause adds that congressional general election campaign spending has increased nearly three times in 10 years—from $99 million in 1976 to $286 million in 1986.

Texans know how much money goes into electing public officials. In 1984, winning senatorial candidate Phil Gramm and his defeated opponent, Lloyd Doggett, collected nearly $2 million in political action committee money alone during their bitter battle.

The congressional spending limit issue enjoys rare political support. Former Sen. Barry Goldwater, R-Ariz., one of the nation's leading conservatives, long has campaigned for spending limits. So have many of his more liberal colleagues, such as former Sen. Charles Mathias, R-Md., who said recently, "Constant fundraising exacts a toll on candidates as well as ordinary citizens, whose views, frankly, have come to be secondary to the pursuit of campaign dollars."

Reducing the amount of money that congressional candidates can spend may not return citizens' views to their deserved high stature. But it will take some of the bite out of the special interests that, through their money and power, are gaining more influence in our political process than they deserve.

[From the Beaver County (PA) Times, Mar. 31, 1987]

GRASSROOTS HELP NEEDED TO STEM PAC INTERESTS

Support is growing rapidly in the U.S Senate for the reform of congressional campaign financing, but grassroots support from the public sector is necessary if the legislation is to be enacted this year.

Since Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W.Va., introduced a finance reform bill on the opening day of the 100th Congress, 41 other senators have signed on as co-sponsors.

The significant number of co-sponsors of Senate Bill 2 serves to indicate the growing concern among legislators about the excessive amounts of money candidates are spending to get elected and their increasing dependence on special interest groups for campaign funding.

According to Common Cause, the so-called peoples' lobby which is spearheading the drive, last year's elections underscored the need for such reforms. For example, congressional candidates in 1986 spent close to $400 million, nearly four times the amount expended in 1976.

On the average, winning Senate candidates spent over $3 million on their election campaigns. And between Jan. 1, 1985, and Dec. 31, 1986, Senate candidates received over $45 million from political action committees representing special interests, a 63 percent increase over PAC contributions in the 1984 races.

As these figures would indicate, we are coming precariously close to government by special interest groups represented by the thousands of lobbyists who have come to expect their roles in influencing legislation to be business as usual.

As Senate Republican Leader Robert Dole of Kansas has noted in warning of the dangers posed by the present system: "When these political action committees gave money, they expected something in return other than good government."

Under the Senate proposal, limits would be placed on how much PAC money candidates for Congress could receive. The bill also would establish a voluntary system of campaign spending limits and limits on the use of a candidate's personal wealth. In addition, the bill would provide for partial public financing of congressional campaigns, similar to the tax return check-off system now employed for presidential campaigns.

The political action committees, of course, are loading up for the impending battle, and are expected to lobby vigorously against the proposed reforms which are aimed at severely limiting their influence in Congress.

To date, Pennsylvania's two senators, John Heinz and Arlen Specter, are not among the 43 co-sponsors of the Boren-Byrd proposal. Both indicated during the debate over similar legislation last year that they are in favor of some type of campaign finance reform, although Specter was one of the leading recipients of PAC funds and Heinz is one of the wealthiest members of the Senate.

Their inclusion in the battle for reform could be hastened by some persuasion from their constituents. Their addresses are: Sen. Heinz, 277 Russell Senate Building, and Sen. Specter, 331 Hart Building, both Washington, D.C. 20510.

[From the Bennington (VT) Banner, May 4, 1987]

CONGRESS OF THE PEOPLE

When the voters returned the Democrats to power in the Senate last November, they did not lay the groundwork for drastic changes in many areas of public policy. But that shift of power did have the beneficial effect of making the Senate much more receptive than it has been to proposals for public financing of political campaigns.

Last Wednesday, the Rules Committee of the Senate voted 8-3 in favor of a reform bill that would both limit the total amounts that candidates can accept from the political action committees of the special interests and authorize public financing of Senate campaigns. The package was one favored by the Democratic leadership. A Republican alternative reduced from $5,000 to $2,500 the amount that any PAC can contribute to a candidate, but it stopped short of favoring a public-financing system of the sort that has been in place for presidential campaigns since 1976.

Even at the presidential level, public financing has been only a mesasured success. One casualty of the system is Gary Hart. Because the public financing covers only a portion of a candidate's costs in the primaries, a contender like Mr. Hart in 1984 who is an also-ran for his party's nomination can run up some heavy debts. Not only that, but the system leaves no easy way to pay up that money and can place someone like Mr. Hart in a very vulnerable position in the next election cycle.

Ideally, the Treasury would pick up all costs of candidates in congressional and presidential campaigns once they prove the legitimacy of their candidacies by raising a threshold amount on their own. The Democrats' plan approved by the Rules Committee Wednesday doesn't do that, but it would limit the total PAC money a senatorial candidate can pocket according to the number of voters in his state. And it would make public financing available for general elections after candidates have raised a qualifying amount in small donations from individuals.

One can be cynical about the Democrats' position on this issue and argue that they have seen the light on public financing only because their experience as the minority party in the Senate showed them how decisive the GOP's superior fund-raising techniques can be. It is true that the Democrats were not always leaders on this issue in the past.

But the party's Senate contingent has now come up with the best campaign-financing reform bill to be approved by a congressional committee since 1976. The bill provides what the country needs—a chance to vote on senators who owe their prime allegiance to the nation and not to the special interests.—The Berkshire Eagle.

[From the Bennington (VT) Banner, Mar. 25, 1987]

TOUCHING ALL BASES

Special-interest campaign contributions are regarded by their supporters as a form of free speech with all due constitutional protections. By critics, the donations are seen as little more than legalized bribes. Strong evidence for the latter view can be found in a phenomenon that Common Cause noticed after last fall's election: In the seven races won by Democratic challengers against GOP incumbents, special-interest political action committees kicked in after the voting with dough for the victor after first backing the Republican.

This donation pattern speaks volumes about what the PACs are after. They are much less interested in advancing any one ideological approach to the country's problems than they are in making sure that they have clout with whoever holds the Senate or congressional seat. They purchase this influence with their generous donations. Further proof of their intentions can be seen in the way many PACs cover their bets even before an election, contributing to both major-party candidates. This is especially common when two candidates are contesting an open seat with no incumbent.

"According to the Common Cause study, no fewer than 150 PACs made these post facto donations. The one doing it most often was the American Bankers Association, but the list runs the gamut, from the National Association of Letter Carriers to the National Rifle Association.

The president of Common Cause, Fred Wertheimer, has pointed out how this contribution pattern belies the PAC supporters' argument that campaign contributions by PACs simply represent citizens participation in elections. "Citizens, however, don't vote for both candidates," Wertheimer said, "once before the election and a second time after the winner has been chosen."

To the credit of six of the seven Democratic Challengers who unseated the Republicans, they have come out in favor of campaign-financing reform bill that would put some restrictions on PAC donations. The bill would limit the total amount of PAC funds congressional candidates can accept and would also limit campaign spending as part of a system of partial public financing in Senate general elections.

That measure of reform may be all that the Senate is willing to accept at this time. Ideally, though, both houses of Congress would adopt a virtually complete system of public financing that would be available to candidates once they proved their seriousness by raising a threshold amount of private contributions or by collecting a minimum number of petition signatures.

To reduce the increasing cost of campaigning, the federal government or the parties could sponsor televised debates or discussions that would have the welcome side effect of raising the tenor of campaigning, too. One way or another, Congress has to begin soon the process of weaning itself from the bribes and payoffs of the PACs—The Berkshire Eagle.

[From the Globe Times, Bethlehem, PA, Apr. 27, 1987]

INCUMBENT INSURANCE

Common Cause, the public interest lobbying group, included a startling statistic in a recent study of campaign financing. It seems that during the 1986 elections for seats in the U.S. House of Representatives, 98 percent of the incumbents seeking re-election won.

Such a rate of return could, of course, represent an overwhelming vote of confidence. Perhaps the House is doing such good work, and its members enjoy such public support, that the near universality of re-election reflects only uniform greatness among the representatives and abiding wisdom among the electorate.

Unfortunately, an alternative explanation is more likely. On the whole, the electoral success of incumbents probably reflects less their own performance in office than it does the nature of an electoral system skewed so far in favor of incumbents as to represent a national scandal.

As with most scandals, money is at the core of the problem. The fact is that re-election is not the only favor likely to accrue to incumbents. Incumbents also have an easier time raising money—a consequential benefit at a time when television advertising is at the core of political campaigns.

The disparity is especially evident with political action committee contributions. According to the Common Cause study, PACs gave a total of $66 million to House incumbents last year, compared with only $8.7 million for their challengers. In other words, PACs have all but abandoned the idea of contributing to challengers. What's the point in throwing money to losers?

For their part, House members are becoming increasingly dependent on PACs. In 1986, almost half the members (194 out of 434) received 50 percent or more of their campaign funds from PACs—more than double the number of members who did so in 1982. (The victorious local Republican, U.S. Rep. Don Ritter, took $185,260 from PACs last year, according to the Common Cause study. That was 42 percent of the total amount he raised.)

One should not conclude from this that PACs give their money to help incumbents win re-election. Their motives are more complex. Of the 194 House candidates who received at least half their 1986 campaign money from PACs, according to Common Cause, only 30 were involved in seriously contested races (where the winner received 60 percent or less of the vote). The point is not to get someone into office; it's to curry favor with those already there.

Indeed, one indicator of the PACs' role apart from electioneering is the surplus in campaign funds held by House members. At the end of the 1986 election, House candidates had $49 million in surplus funds, 22 percent of total receipts. Such funds are reassuring to have; they can be valuable in future elections. Moreover, under a grandfather clause in federal law, congress members who were in office on Jan. 8, 1980 can convert surplus funds to their personal use. Fifty-four members; an eighth of the House, are now carrying a surplus of $250,000 or more—all but seven of them covered by the grandfather clause.

So it turns out to be a cozy, mutual benefit society. PACs give increasingly to incumbents. Incumbents stay in office and grow more reliant on PACs. And only a fool would believe congressional behavior is entirely unaffected by the gifts. As former Sen. Barry Goldwater put it, "As far as the general public is concerned, it is no longer 'we the people,' but PACs and the special interests they represent, who set the country's political agenda."

Seen in this light, a 98 percent return rate for House incumbents does not suggest America is blessed with the best Congress citizens can elect and re-elect. It is, rather, the best Congress money can buy. And it will stay that way, and get worse, until such time as public pressure forces incumbents to change a system now evidently to their advantage.

A Senate bill, introduced this year by David Boren of Oklahoma and Robert Byrd of West Virginia (but lacking the support of big-time PAC beneficiaries Arlen Specter and John Heinz of Pennsylvania), would reform campaign financing. It would help reduce the money changers' role in the temples of democracy. The legislation should be refined as necessary, extended to cover House elections, and enacted.

[From the Globe Times, Bethlehem, PA, Mar. 3, 1987]

Action on the PAC Front

In this, its 200th year, the U.S. Congress could do nothing more important to bolster its integrity as a representative institution than to reform the disgraceful and corrupt system of campaign financing.

This year, unlike previous years, there is even a chance—albeit small—that the legislators will do more than talk about reform.

On Thursday, a Senate committee will hear testimony on a bill introduced by Senators David Boren, D-OK, and Majority Leader Robert Byrd, D-WV. It would limit the total political action committee funds that congressional candidates can accept, and would establish limits on total campaign spending, together with a voluntary system of partial public financing.

Already, a majority of senators have signed on as co-sponsors. The two senators from Pennsylvania are not among them, of course. Political action committees contributed $1.4 million to Sen. Arlen Specter's 1986 re-election. According to a study by the public interest group Common Cause, he is among 14 senators elected last year who raise more than $1 million each in PAC funds alone. Specter is not about to start a crusade against PACs.

When the final figures are in, they likely will indicate that just the victors alone in last November's elections spent more than $300 million in their congressional campaigns. That is up a fifth from only two years before, and nearly five times the total spent 10 years ago. The figures have little to do with inflation. Much more, they are a measure of the growing role of money—and, by implication, the diminishing role of less corrupting influences—within the American political process.

PACs are big players in the campaign spending spree, and their money tends to go to incumbents. (PACs are not philanthropists. Like everyone else, they seek a return on their investments.) This is a principal reason why reforming the system is so difficult: Would-be reformers—that is, elected legislators—almost universally express distaste for the status quo, especially the interminable fundraising; but they are the biggest beneficiaries of the status quo.

Under the Boren-Byrd bill, the total amount of PAC funds a Senate or House candidate could accept would be limited. Senate primary victors would have to agree to a voluntary system of campaign spending limits—including a cap on the use of personal wealth—if they wanted to be eligible for public financing. Similar legislation is being prepared in the House.

The Boren-Byrd bill is a compromise, which means it is weak in some respects. Its spending limits are too high, its provision for public financing too limited. The bill can and should be improved before it is enacted.

Still, it is a considerably better measure than last year's Boren-Goldwater bill, which laid the groundwork for current efforts at reform. It is encouraging in any case that the momentum for campaign finance reform seems to be picking up. For the first time, the Senate leadership is committed to a legislative initiative.

Congress cannot afford to wait until it becomes obvious to everyone that legislators are representing moneyed interests more than the average citizen. With every election, the corrosive effect of cash on politics grows worse. As the now-retired Sen. Barry Goldwater, R–AZ, put it, "Unlimited campaign spending eats at the heart of the democratic process." The time for serious and effective reform is now.

[From the Sun Herald, Biloxi-Gulfport, MS, Feb. 25, 1987]

Campaign Cost Keeps Rising; Reform Needed

It should surprise no one that the cost of winning election to Congress keeps on rising. Total spending last year zipped up to $372 million, $51 million more than it was in 1984. There's nothing to indicate the costs won't continue going up, unless Congress itself makes up its mind to put a lid on.

Putting a cap on campaign spending is only one early step Congress needs to take toward reforming congressional campaigns. Another high priority need is for a limit on the amount of money that political action committees (PACs) can give to congressional candidates. A third reform that would cleanse some of the taint from the system would be to provide for public financing of congressional elections, thereby removing the appearance that fat cats and fat PACs exert undue influence on congressmen because of their large campaign donations.

The average winner of a seat in the House of Representatives shelled out $347,000 last year; the average winner of a Senate seat spent $3 million. Even with the recent pay raises to $89,500 which congressmen sneaked for themselves, the expenses to win the seats are out of proportion with the dollar value of the office.

Those high costs have prompted prudent congressmen to abandon campaign funding drives for each election in favor of maintaining a constant campaign chest. Fifth District Rep. Trent Lott, for instance, ended the past election year with $440,000 left over for his next race. That sort of head start discourages challengers.

As campaign costs spiral ever upward, incumbents must devote more of their time and effort away from the office they were elected to and give more consideration to raising the money to finance their next election campaign. Fund-raising, especially for representatives who face elections every two years, seems to occupy the highest priority for some congressmen. It shouldn't be that way. Limiting the amount that could be spent in campaigns would not eliminate the pressures of financial concerns, but it would certainly reduce those pressures.

PACs serve a useful purpose when their contribution activity is moderate. Through PACs, individuals with similar interests are able to combine their modest political contributions into substantial pools. Unfortunately, wealthier individuals, associations and companies can also combine their not-so-modest contributions into huge money pools. PACs can create the perception of undue influence by the richest groups. There is growing concern that the perception is, in many instances, accurate.

The need for campaign reform has been recognized by some congressional leaders who have proposed laws that haven't been passed. The reform measures should be introduced again and a greater effort should be made to gain passage. Those who oppose reform find PACs a ready source of campaign funds and are reluctant to give that up. But a PAC limitation bill that is coupled with a campaign spending limit would make it easier for those reform opponents to appreciate the fairness of both.

[From the Press and Sun-Bulletin, Binghamton, NY, Feb. 25, 1987]

Limit PAC Money

A few weeks ago, U.S. Sen. Lloyd Bentsen, the new chairman of the Senate Finance Committee, invited 200 Washington political action committee directors and lobbyists to join a monthly breakfast club he was organizing. The cost was to be a cool $10,000 each—which would go into the good senator's 1988 re-election campaign fund—and many of those invited were reportedly gladly willing to pay. But the hue and cry raised by Bentsen's plan was so great that he backed off. Still, it's an example of how brazen some politicians and those who seek their favor have become.

Consider the following: According to Common Cause, 14 senators raised more than $1 million in PAC contributions for their 1986 campaigns, bringing the number of PAC millionaires in the Senate to 24; in the 1984 election campaigns legislators in both houses of Congress received $102 million in PAC contributions; and in the last decade PAC money received by Senate candidates has grown from $5.4 million to $45.7 million.

The legislators who receive the money generally like to say that it does not buy any influence with them, that they vote the way they want to regardless of the contributions. That's hard to believe. Money means a great deal to election chances in this era of television campaigning, and winners have to feel at least somewhat beholden to those who financed them—or risk losing that support, and reelection, the next time around.

Many legislators realize PAC contributions are skewing the democratic process, and last year a bill to limit them was introduced by Sens. David Boren and Barry Goldwater. There was a good deal of enthusiasm for the bill, but it ended up not being voted on.

This year the bill is back, with hearings scheduled for next week. Its form is somewhat different, and the name of Majority Leader Robert Byrd replaces that of the retired Goldwater. The new bill would limit the total amount of PAC money congressional candidates could accept and would establish a voluntary system of partial public financing, using the presidential campaign check-off box found on federal tax return forms.

Passing the Boren-Byrd bill would go a long way toward restoring this democracy to one truly of the people, not a bunch of wealthy special-interest groups.

[From the Boca Raton News (Boca Raton, FL) Feb. 16, 1987]

Congress Must End Costly Campaigning

This year members of Congress will have an excellent opportunity to put a stop to the excessive spending by Congressional candidates. After looking at what was spent this past year to get senators elected, it's past time for campaign reform.

Senate candidates spent a record $178.6 million in 1986 campaigns. "Obscene and excessive" are the words Common Cause President Fred Wertheimer used to describe the sums candidates spend to get ahead.

He is not alone in abhoring the scandalous sums of money collected and spent on one election.

Sen. Bob Graham, who spent $6 million in the most expensive campaign in the history of Florida politics, said something ought to be done. He suggested putting a ceiling on the amount of contributions that can be made to candidates by political action committees.

Graham, along with Florida's Sen. Lawton Chiles and South County's Rep. Dan Mica, will have a golden opportunity to do just that this year. On Jan. 6, the first day of the 100th Congress, Senate Majority Leader Robert Byrd, D.-W.V., and Sen. David Boren, D.-OK., introduced a Senatorial Election Campaign Act that would limit the amount of money political action groups can contribute to Congressional campaigns.

This bill goes even further, though. It limits total campaign spending and the use of personal wealth in a campaign. It also calls for a voluntary system of partial public financing for Senate general election campaigns. The Supreme Court has ruled that the only way to establish an overall spending limit in campaigns is as part of a voluntary system that includes public financing.

A similar campaign reform bill for House races is expected to be introduced in the near future.

Such campaign reform legislation should have been passed a long time ago. Congress voted against a proposal to limit political action contributions last year.

But it's quite possible that in this year of gross excessiveness in campaign spending, members of Congress will be pressured enough by the public to do something.

The Florida Senate race, which pitted two extremely popular candidates against each other Paula Hawkins and Graham ranked second to California in excessive spending. California's Senate candidates spent $22.3 million and Florida's candidates spent $12.7 million.

That money came from all kinds of people and political action groups, but it also represents a slight personal fortune. And it once again indicates that unless there is campaign reform, only the very wealthy and people who can raise a fortune will be able to run for Congress.

[From the Boston Globe, Mar. 2, 1987]

PAC Crusade's Non-Knights

Restoring public confidence in government should be at the top of any D.C. dance card these days. An obstacle to that confidence is the excessive amount of money spent on politics. The US Senate has a chance to start removing that obstacle this week when its Committee on Rules and Administration takes up a bill to change campagin financing.

Senate Majority Leader Robert Byrd (D-W.Va.) and Sen. David Boren (D-Okla.) have filed a bill to establish voluntary public financing of Senate campaigns and to impose an overall limit on funds from political action committees. PACs have been peddling special interest money for a decade, finding eager recipients among Senate candidates. The growth in PAC funds for senators and would-be senators has been impressive, from $5.4 million in 1976 to $45.7 million in 1986.

The bill's 30 cosponsors include Democrats ranging from Edward Kennedy of Massachusetts to John Stennis of Mississippi. Republicans John Chafee of Rhode Island and Robert Stafford of Vermont are also aboard, but several absentees on the anti-PAC bandwagon are conspicuous. One is Minority Leader Robert Dole of Kansas, who said in 1985 that "the system cries out for reform," but voted against it in 1986.

The same institutional reasons that compel Byrd should motivate Dole: party leaders no longer set the schedule for the Senate, fund-raisers do. Dole, like Byrd, has been hampered in rounding up votes by senators called away from duty to rattle tin cups on behalf of their increasingly expensive campaigns. As a presidential candidate, Dole may be fearful of his right flank, whose most fearsome paladin, Sen. Jesse Helms (R-N.C.) has promised to filibuster the Byrd-Boren bill.

Democrats AWOL from the public-financing crusade include the former chairman and the current chairman of the Senate Democratic Campaign Committee, George Mitchell of Maine and John Kerry of Massachusetts. Both have spoken out against the influence of PAC money, but apparently do not wish to offend heavy donors—although a majority of their Democratic colleagues have cosponsored the Byrd-Boren bill.

Massachusetts voters might recall that running PAC-free was a prominent feature of Kerry's campaign for the Democratic senatorial nomination in 1984. Kerry has continued to shun PAC money himself, but has adopted different standards for his party.

They might offend deep-pocket donors, but Mitchell and Kerry will aid their party if they join the crusade against PAC money.

[From the Daily Camera (Boulder, CO), Mar. 24, 1987]

Limit PAC Influence

Common Cause just won't give up on chasing the political action committees, and we're glad of it. The organization's latest study of PAC giving to congressional candidates is good ammunition to use in the fight to limit the influence of these special interest groups.

You can make a pretty good argument that the PACs or anybody else shouldn't be restricted in trying to promote their political philosophy, goals and ideas. You can also make a pretty good argument that the PACs are buying votes, or at least buying access to congressional representation.

What makes the latest Common Cause study so revealing is that it highlights the PAC giving in the period right after the election. After all, how can the PACs say they are promoting a political philosophy by contributions made after an election has been decided?

The study, named "If at first you don't succeed, give, give again," shows that in each of seven 1986 Senate races in which a Democratic challenger defeated an incumbent Republican, PACs checked in with a big contribution to the Democrat after having backed the Republican in the campaign period.

The post-election giving was recorded between Nov. 5 and Dec. 31, 1986.

We're not just talking one or two incidents of PACs working both sides of the street. In North Dakota, 39 PACs, including the powerful American Bankers Association, gave substantially to Republican Mark Andrews during the campaign period, then gave to Democrat Kent Conrad after the election. The National Association of Letter Carriers even upped the ante, giving $5,000 to Andrews before the election and $10,000 to Conrad after he had won.

In Alabama a total of 31 PACs switched from incumbent Jeremiah Denton to Democratic challenger Richard Shelby; in North Carolina 30 PACs switched from incumbent Sen. James Broyhill before the election to Terry Sanford after the election. On and on.

So convincing is the evidence of influence buying that six of the seven newly elected Democrats have signed on as cosponsors of the Senatorial Election Campaign Act, a proposal to limit the total amount of PAC funds congressional campaigns can accept and which would limit campaign spending through a voluntary system of partial public financing in Senate elections.

Legal restraint on the influence of PACs has been needed for years, and one day the legislation will be passed to do it. When that happens, 99 percent of the credit should go to Common Cause.

[From the Brattleboro Reformer (Brattleboro, VT), Mar. 28, 1987]

Touching All Bases

Special-interest campaign contributions are regarded by their supporters as a form of free speech with all due constitutional protections. By critics, the donations are seen as little more than legalized bribes. Strong evidence for the latter view can be found in a phenomenon that Common Cause noticed after last fall's election: In the seven races won by Democratic challengers against GOP incumbents, special-interest political action committees kicked in after the voting with dough for the victor after first backing the Republican.

This donation pattern speaks volumes about what the PACs are after. They are much less interested in advancing any one ideological approach to the country's problems than they are in making sure that they have clout with whoever holds the Senate or congressional seat. They purchase this influence with their generous donations. Further proof of their intentions can be seen in the way many PACs cover their bets even before an election, contributing to both major-party candidates. This is especially common when two candidates are contesting an open seat with no incumbent.

According to the Common Cause study, no fewer than 150 PACs made these post facto donations. The one doing it most often was the American Bankers Association, but the list runs the gamut, from the National Association of Letter Carriers to the National Rifle Association.

The President of Common Cause, Fred Wertheimer, has pointed out how this contribution pattern belies the PAC supporters' argument that campaign contributions by PACs simply represent citizens participation in elections. "Citizens, however, don't vote for both candidates," Wertheimer said, "once before the election and a second time after the winner has been chosen."

To the credit of six of the seven Democratic challengers who unseated the Republicans, they have come out in favor of campaign-financing reform bill that would put some restrictions on PAC donations. The bill would limit the total amount of PAC funds congressional candidates can accept and would also limit campaign spending as part of a system of partial public financing in Senate general elections.

That measure of reform may be all that the Senate is willing to accept at this time. Ideally, though, both houses of congress would adopt a virtually complete system of public financing that would be available to candidates once they proved their seriousness by raising a threshold amount of private contributions or by collecting a minimum number of petition signatures.

To reduce the increasing cost of campaigning, the federal government or the parties could sponsor televised debates or discussions that would have the welcome side effect of raising the tenor of campaigning, too. One way or another, Congress has to begin soon the process of weaning itself from the bribes and payoffs of the PACs.

[From the Courier-News (Bridgewater, NJ), Apr. 8, 1987]

REIN IN THE PAC'S

Sen. David Boren of Oklahoma says the influence of political action committees—PACs—is "a scandal waiting to happen." He's wrong. It already is a scandal.

During the last election cycle, 4,100 PACs poured $140 million into House and Senate campaigns, representing nearly one-third of total congressional campaign spending.

So what, say PAC people. They say PACs increase participation in democracy by encouraging and pooling large numbers of small contributions.

Perhaps, but PAC managers in Washington decide who gets the money, often taking hard positions that may conflict with their contributors' other political priorities.

More important, most PACs give to incumbents who have clout. As a result, incumbents build huge war chests, scaring off potential competitors. That hurts democracy.

PAC people say their contributions do not buy favorable votes but are rewards for past votes or recognition of a candidate's generally favorable disposition to a certain cause.

Right. That's why at least 150 PACs supported losers before Election Day last year and then donated to the winners even before they took office.

In North Dakota, 39 PACs that gave $114,475 to incumbent Sen. Mark Andrews quickly donated $71,350 to the guy who beat him, Kent Conrad. In Alabama, 31 PACs jumped from Jeremiah Denton to Richard Shelby. And so on.

PAC people say PAC contributions are a form of free speech and cannot be regulated.

Yes, money talks. But if a few big contributors can drown out the voices of thousands of citizens, if they can frustrate the general interest in favor of their own special interests, then free speech is stifled, not advanced.

Boren is sponsoring a bill that would limit the total amount of PAC contributions that any candidate for Congress could accept for each election.

The bill also would offer public financing to Senate candidates who raise a threshold amount of private funds and agree to limit their overall campaign spending. This approach already is used in presidential elections. (The bill would not apply to House contests; senators figure the House should regulate itself.)

It will not be easy to pass this bill.

Overall spending limits tend to favor Democrats because GOP candidates usually raise more money. That's one reason only two of the 42 Senate co-sponsors are Republicans. But Republicans should be as interested as Democrats in restoring public confidence in the political process.

Spending limits also favor incumbents to some extent because most challengers must spend more to become known. But the current system of limitless PAC spending helps incumbents even more—and incumbents are the ones being asked to change the rules.

The Boren bill is neither partisan politics nor pie-in-the-sky idealism. Special interests are an inevitable and often beneficial part of the political system. This bill wouldn't strangle them; it would just put them on a leash.

[From the Herald-Courier (Bristol, VA), Apr. 8, 1987]

PICKING A "WINNER"

Political action committees know how to back a winner. According to a study released by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent to the winning Democrat shortly after the election.

In North Dakota, for example, 39 PACs that contributed to the re-election campaign of Republican San. Mark Andrews switched sides and gave to Kent Conrad, the winner, after the election.

The only bright spot in this cynical little exercise is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC supporters argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen. If we're really interested in citizen participation, we'll insist on tighter control of PACs.

[From the South Idaho Press (Burley, ID), Mar. 26, 1987]

SENATE NOW HAS 24 PAC MILLIONAIRES

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985-86, totaled $45.7 million.

The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

Sponsored by Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W.Va., the legislation would clamp down on PAC contributions and extend the current system of public financing of presidential elections to the congressional level.

Public financing may be the Achilles' heel of the legislation, as Sen. Wendell Ford, D-Ky., suggested to Boren. The Oklahoma senator explained that he reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing. Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agrees to a spending limit that would vary from state to state.

The Boren-Byrd measure also would reduce the size of a PAC's maximum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House candidates and would range from $175,000 to $750,000 for Senate candidates, depending on a state's population.

Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

[From the Cadillac News, (Cadillac, MI), Apr. 3, 1987]

PAC'S HEDGE CAMPAIGN BETS

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PAC's involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PAC's backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

At the risk of sounding cynical, one might suggest that some PAC's aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. senator.

In North Dakota, for example, 39 PAC's that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

The 39 PAC's included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Institute Inc. and the American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterwards, switched sides in four of the seven Senate races.

The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen. If we're really interested in citizen participation, we'll emasculate the PAC's.

[From the Cadillac News (Cadillac, MI), Mar. 27, 1987]

TIME TO REIN IN THE PAC'S

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaries in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million.

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The Boren-Byrd measure also would reduce the size of a PAC's maximum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House candidates and would range from $175,000 to $750,000 for Senate candidates, depending on a state's population.

Reform of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

[From the Chronicle Independent (Camden, SC), Apr. 6, 1987]

PAC's

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[From the Daily Breeze (Cape Coral, FL), Apr. 18, 1987]

HEDGING A BET

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PAC's backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

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[From the Daily Spectrum (Cedar City, UT), Apr. 20, 1987]

POLITICAL ACTION COMMITTEES CREATE UNHOLY DEPENDENCE

The patchwork, or PAC-work, sportcoat could be an idea whose time has come for those interested in campaign reform. Nothing else, so far, has been able to resolve what former Sen. Barry Goldwater, R-Ariz., has called "a crisis of liberty"—the unholy dependence on special-interest political action committees by candidates for Congress.

Here is how the patchworkcoat approach would work:

The candidate would be required to don his or her official campaign coat at the official campaign opening. A blazer no doubt, it would be festooned with patches, each patch a logo signifying the political action committee to which the candidate is beholden. The candidate could pick his favorite color, though for most officeholders, color wouldn't matter. The coat would be all PAC patches—and large pockets.

We have campaign disclosure laws now, but the sportcoats would be more graphic. They would allow the voter to see at a glance who owns whom.

Candidates might resent their Indy 500 look—each car emblazoned with a riot of logos—but that's life in the public eye. As candidates well know, campaigning often is an affront to personal dignity.

If the coat idea won't fit, perhaps it's time for Congress to pass legislation sponsored by Sen. David Boren, D-Olka., and Sen. Majority Leader Robert Byrd, D-W. Va.

Their bill, called Senate Bill 2, would fundamentally reform the senatorial campaign-finance system. It has gained the support of 44 cosponsors in the Senate, just seven short of a majority. Successful Senate action on the bill, which calls for partial public financing of senatorial campaigns, would then shift the focus of attention to the House of Representatives.

One of the original co-sponsors of the bill, Sen. John Stennis, a Mississippi Democrat who has been in the Senate since 1948, announced recently: "When the present law was passed, I was strongly opposed to the idea of paying any of the campaign costs for candidates for U.S. Senate from the public treasury, or the House of Representatives, either one. But in view of what has happened now, I have changed my mind."

And what has happened now? In the 1986 election, PAC contributions reached a record $130,296,926 for House and Senate candidates. That's a 27 percent increase over the $102 million PACs gave to congressional candidates in the 1984 election. Over the past decade, PAC contributions to congressional candidates have skyrocketed from $22 million in 1986 to more than $130 million last year. In 1976, there were 600 PACs; today, there are more than 4,000 PACs.

The result is that the 100th Congress has come into office more indebted to special interests than any other congress in the nation's history. And that means the special interests have bought the right to set the legislative agenda.

"Only a simpleton can believe that PAC funds do not influence many of our senators in their pattern of voting," former New Hampshire Gov. Meldrim Thompson has said. "PAC money," the conservative Republican added, "is a not too subtle way to ensure that most senators will remember from whence their contributions came when they vote on major issues."

For a way out of the current mess, Congress can look to a reform model that works—to public financing system for presidential elections. Since it was initiated in the 1976 election, 34 of the 45 candidates for the nation's highest office have voluntarily participated in the public financing system. The system has opened up the process, reduced undue influence of individuals and groups and virtually ended corruption in presidential election finances.

Congress must put an end to its own campaign finance corruption.

[From the Cedar Rapids Gazette, Cedar Rapids, IA, Mar. 17, 1987]

CAMPAIGN FINANCES

Ever since 1867, when it passed a law prohibiting Navy Yard employees from levying assessments for "political purposes," Congress has been scratching its collective head, trying to figure out of the fairest way to regulate the financing of federal election campaign. It's been a constant balancing act. On one hand, the government encourages citizens to donate to political campaigns. On the other, government must keep wealthy individuals and special interests in check and not allow spending to get out of control.

Laws on campaign financing have grown increasingly complex, requiring an increase in the government's regulatory role. In 1972, the federal government decided the best way to ensure fair presidential election campaigns was to subsidize the candidates. It has worked well. Now, it's time to extend subsidies to legislative elections.

The U.S. Senate now faces at least five different campaign-finance reform proposals. The one receiving the most attention is the Boren-Byrd proposal, which outlines a "voluntary" system of public financing.

A public financing scheme, such as the Boren-Byrd proposal, is essential. It is the only way to get congressional campaign spending under control.

Expensive TV commercials and direct mail efforts in recent years have caused campaign spending to skyrocket. In 1980, the median expenditure by a candidate for Senate was $949,992. Last year, it soared to $2 million. There have been individual cases of spectacular excess. Sen. Jesse Helms, R-N.C., set the record by spending $16.5 million in 1984. Sen. Alan Cranston, D-Calif., waged a $10.8 million re-election campaign last year.

Senate Majority Leader Robert Byrd, whose name graces the Boren-Byrd proposal, calls the current finance system "a growing threat to our representative form of government and a growing threat to this institution." It is difficult for him to schedule votes, he said, because senators are often absent on Mondays and Fridays to raise money for their upcoming re-election campaigns.

Candidates are forced to think about cash, even when elections are distant. Iowa Democrat Tom Harkin, who spent $2.7 million to win the 1984 U.S. Senate election, toured the West Coast last month in search of re-election campaign contributions. He doesn't face voters until 1990.

Limits on campaign spending have been attempted before. In 1974, Congress capped the total expenditures a congressional candidate could make during primary and general elections. But the U.S. Supreme Court invalidated the law two years later, saying it violated the candidates' First Amendment rights.

The high court ruling didn't close the door completely. According to the way that Sen. David L. Boren, D-Okla., reads it, spending limits can be re-established if they are "voluntary" and if the government uses campaign subsidies as an incentive.

This is precisely what Boren has written into the Boren-Byrd proposal. To be eligible for public funds, the candidate first must volunteer to limit her spending. Then, if she raises $250,000 in individual contributions, she becomes eligible to receive public subsidy equal to the difference between the $250,000 and the spending limit for the state in which the election is held.

The state limits are based on voting population. In an Iowa senatorial race, for example, the limit would be $1.1 million per candidate. The money for the subsidy would come from a federal checkoff similar to the one on income tax forms for presidential election.

The measure also contains significant incentives. If one candidate eschews public funds and choose not to limit his spending, then his opponent may become eligible to receive the public campaign money that had originally set aside for, but not used by the non-volunteer.

The Boren-Byrd proposal creates a new campaign finance system that rewards those who run solvent campaigns, punishes excessive spending and checks the influence of special interests. It would be a vast improvement.

[From the Cedar Rapids Gazette, Cedar Rapids, IA, Mar. 18, 1987]

LIMITS ON PAC's

Sen. David Boren, an Oklahoma Democrat, has long advocated limiting the amount of money congressional candidates can accept from Political Action Committees. He introduced legislation last year stipulating that House candidates could accept no more than $100,000 in PAC money. Senators were to limit total PAC contributions to between $175,000 and $750,000, depending on the population of their state.

The senators liked Boren's general idea. After all, who doesn't view the rapid proliferation of PAC's with suspicion? So they approved the amendment by a lopsided margin of 60–30. But senators disliked the specific proposal. Even as they voted, they knew it had been crippled by an opposition amendment and would never get to the House.

The reason for the opposition was voiced by Sen. Dave Durenburger, R-Minn. "Reforms that focus first and foremost on limiting the role of PACs in our electoral system are doomed to failure. They will fall because they deal with a symptom, and not the cause, of what ails our political process. The growth of PACs is only a reflection of a fundamental change . . . to entrepreneurial politics."

When Durenberger talks of "entrepreneurial politics," he is referring to today's costly congressional election campaigns and how they have forced candidates to spend inordinate time raising money. The demand for money has helped to create a proliferation of PACs—from 608 in 1974 to 4,092 last year. During the 1985–86 election cycle, PAC contributions increased 37 percent from the previous cycle. From Jan. 1, 1985, to June 30, 1986, PACs raised $253 million and spent $205 million.

Boren listened to the criticism and this year returned to the Senate with a more ambitious campaign-finance reform bill, the Boren-Byrd proposal. It creates a whole new system of incentives. A candidate who volunteers to limit his campaign expenditures and volunteers to accept limits on the amounts of PAC money he accepts, qualifies for public campaign subsidies.

The key incentive is the federal subsidy, which can amount to four-fifths the cost of a general election campaign. Without the subsidy, it is simply impossible to limit PAC contributions. There are too many loopholes.

Let's say Congress attempted to place a $100,000 limit on amount of PAC money any one House candidate could receive. The candidate reaches the maximum amount. Under the current financing system, a PAC can continue to assist the candidate through "independent expenditures." This means a PAC can bypass the candidate's campaign treasury and directly purchase items such as television advertising. The PAC does not have to identify itself on air as the sponsor in the advertisement—so it appears to be a part of the candidate's campaign. The candidate's opponent has no recourse other than to spend more of his campaign money to combat the PAC advertising.

With Boren's bill, a candidate who has volunteered to limit expenditures and accept public financing, can use public campaign money to fight an independent PAC attack. If a PAC spends in excess of $25,000 in "independent expenditures," the attacked candidate can apply for and receive matching funds from the government. Furthermore, under the Boren-Byrd bill, a PAC must identify itself as the sponsor of the television advertising.

Boren's proposal, which last year was a weak attempt to limit PAC spending, has blossomed this year into a comprehensive reform measure. It creates a new system of financing campaigns and a new system of incentives to keep expenditures down.

For the most part, PACs represent narrow single interests of our society. With the Boren-Byrd amendment, the financial influence of the PACs will become as narrow as their politics.

[From the Cedar Rapids Gazette, Cedar Rapids, IA, Apr. 4, 1987]

SWITCH-GIVING

When Sen. Mark Andrews, the North Dakota Republican, ran for re-election last year, he was backed by the American Bankers Association. The PAC donated $10,000 to his campaign. But the warm relationship chilled significantly after Andrews lost to Democrat Kent Conrad. The bankers' PAC suddenly became enamored of the winner. Within 1½ months after the election, the bankers switched sides and gave $10,000 to Conrad.

The cynical bankers' PAC did the same thing in Alabama, Washington and Georgia last year. It backed the losing Republican incumbent during the election. After the ballots were counted, it pulled the old switcheroo and contributed money to the campaign chest of the winning Democratic challenger.

The bankers aren't the only ones. Common Cause, the self-styled citizens' lobby, studied this phenomenon of "switch-giving" in seven of last year's Senate races. The group found 150 cases in which PACs backed losers, then switched to winners after the election. Among other flagrant switch-givers: the E.F. Hutton Group Inc., Marine Engineers Beneficial Association, American Hospital Association, National Beer Wholesalers Association and Philip Morris Inc.

"These PACs obviously weren't contributing because of the candidate's philosophy, ideology or political party," says Common Cause President Wertheimer. "They wanted, first and foremost, to ensure that they had bought influence with a U.S. senator. PACs often argue that PAC giving represents citizen participation. Citizens, however, don't vote for both candidates, once before the election and a second time after the winner has been "chosen."

It's hard to disagree with Wertheimer's aversion to PACs. Switch-giving is nothing but a shameless attempt to purchase influence in Congress.

A bill is now pending in the Senate that would go a long way toward addressing this problem. It is a comprehensive campaign-finance reform measure that would limit the amount of PAC funds congressional candidates can receive and establish a system of public campaign financing. Switch-giving is one more good reason for Congress put this package of campaign-finance reform on the front burner.

[From the Queen Anne's County Recorder-Observer, Centreville, MD, Apr. 8, 1987]

PAC's NEED CURBING

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

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PAC publicists argue that PAC-giving represents citizens participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen. If we're really interested in citizen participation, we'll rein in the PACs.

[From the Chandler Arizonan, Chandler, AZ, Feb. 12, 1987]

DEFUSE THE POWER OF PAC's

Running for political office has become an increasingly expensive proposition. The need to raise more and more campaign funds has forced politicians to accept more and more contributions from political action committees. While there may rarely be a straight contribution-for-vote relationship, continued contributions clearly depend upon voting records in accordance with the goals of the contributing PACs.

Legislation was introduced in the U.S. Senate last year to, among other things, put a limit on the amount Senate candidates could receive from PACs. That bill, the Boren-Goldwater Amendment, never made it out of the Senate Rules Committee. With a Democratic majority, the talk is that the bill, now designated the Byrd-Boren Amendment, may have a chance.

That would be good news. Campaign spending has clearly gotten completely out of hand and the opportunities for abuse of the current system are legion.

Sen. Dennis DeConcini, D-Ariz., has come out in support of the Senate bill and points to his own campaign expenditures as an example of how expensive the business of getting into and staying in office has become.

Ten years ago, DeConcini's first successful campaign cost $600,000. He estimates he will spend $3.5 million to $4 million on his 1988 campaign.

Among other things, Byrd-Boren would limit individual PAC contributions from $5,000 to $3,000 and limit the total amount a candidate can receive from PACs.

PACs spent more than $140 million to help elect candidates in 1986. While it would be a mistake to interfere with the individual citizen's right to contribute to the candidate of that citizen's choice, there is little evil in limiting the impact the contributions of one group can have on a single candidate's campaign funding.

[From the Sunday Gazette-Mail, Charleston, WV, Apr. 12, 1987]

CONGRESS CASH

Last Tuesday Common Cause reported that in 1986 the U.S. House Representatives, like the Senate, sank deeper into the hip pocket of special interest groups and their political action committees.

The money wasted on last year's elections is disgraceful as special interests broke all records for buying Capitol Hill. They contributed more than $84.5 million to House candidates and another $45.7 million to those running for Senate seats.

Today, 24 senators are "PAC millionaires," winning their seats with the help of more than $1 million each in PAC contributions. The "world's greatest deliberative body" is turning into an overpriced brothel.

Nor are matters any better in the House. While no one received a million dollars, the PACs bought House Speaker Jim Wright for $564,052, House Budget Committee Chairman William Gray for $459,048 and House Minority Leader Bob Michel for $456,371.

The special interests aren't stupid. They generally back influential leaders, incumbents over challengers, members who aren't seriously challenged.

Look at last year's campaign in West Virginia: All four congressmen from this state took more than 50 percent of their total campaign receipts from PACs. Alan Mollohan sold for the highest bid at $135,583. Harley Staggers came in a close second at $133,695, meaning he took more than 80 percent of his money from special interests. He was followed by Nick Rahall at $124,079. Only Bob Wise failed to make the "$100,000 club" but barely. His campaign took $94,816 from PACs.

The general rule that PACs support incumbents over challengers, and that money from past campaigns is used to scare off potential opposition in the future, also applies to the West Virginia congressmen.

In all four races, only Wise's opponent received any special-interest money—and that a paltry $1,150. Rahall, meanwhile, has converted campaign funds left over from 1986 into a war chest of $214,118 for 1988. Is it any wonder a challenger in the 4th District will think twice about committing himself against that kind of money?

Sen. Robert Byrd has joined Sen. David Boren of Oklahoma in sponsoring a comprehensive campaign finance reform bill. The measure is long overdue. Opponents will argue any limitation on campaign contributions is a limitation on free speech.

What it really will limit are all those foolish 30-second TV commercials. An overwhelming portion of campaign funds goes for half-minute spots that do little to educate the voter. Their absence won't be missed by anyone except the stations who make money hand over fist selling air time.

The reform bill has 44 co-sponsors in the Senate. Should it pass, the measure then must pass the House. West Virginia's congressmen have an opportunity to return control of their seats to their constituents. How they vote on this measure will show whether they represent the people of this state, or special interests.

[From the Charleston Gazette, Charleston, WV, May 7, 1987]

BYRD'S BILL

Disguised bribery has grown like a cancer in Congress, corrupting the lawmaking process, making "bag men" of most senators and representatives.

When used car dealers wanted to escape a truth-in-selling bill, they gave millions of dollars to hundreds of Congress members—and two-thirds of Congress voted to kill the bill.

When dairy farmers wanted fatter subsidies, they deluged senators and representatives with large donations—and got support that cost taxpayers $1 billion.

When insurance executives wanted to duck a tax on "inside buildup" investment earnings, they gave $533,346 to 56 members of two taxwriting committees—nearly $10,000 each—finding it cheaper to bribe two committees than the entire Congress.

This rotten system functions through big-money political action committees—and it works. The payola gets results desired by special interest groups. The people's interest is forgotten as Congress scurries to vote as donors want.

As the success of PACs grew, their numbers and cash flow soared. In 1974 there were 608 PACs; today they exceed 4,000. In 1976 they gave $22 million to congressional candidates; last year they gave $130 million. PACs don't waste their money on long shots. They give mostly to incumbents and sure winners, to buy favor from those who will remain in power.

Even honest senators and representatives are forced to take PAC payoffs because of the skyrocketing cost of campaigning. (A sad exception: Gary Hart refused to take PAC money for his 1984 presidential race—and now he's saddled with a $1.3 million debt and lawsuits that caused his new campaign funds to be seized last month.)

The U.S. Supreme Court has ruled that limits can't be imposed on campaign spending, because that would curtail a candidate's right to speak to the electorate through advertising. Therefore, just one cleanup method is possible: offering public funding to congressional candidates with a stipulation that, if they accept it, they must voluntarily accept spending limits.

This much-needed reform is being pushed by Senate Majority Leader Robert C. Byrd, D-W.V., along with Sen. David Boren, D-Okla. They've recruited 44 senators as cosponsors. Common Cause and 54 other national organizations have endorsed their reform.

Their bill sets ceilings so low that the public funding would nearly meet them—leaving PACs virtually no role in elections. Hurrah.

We urge every West Virginia member of Congress to back Byrd's plan to end the cash corruption of Congress. If it passes, it will be one of the finest accomplishments of his long career.

[From the Charleston Daily Mail, Charleston, WV, Feb. 14, 1987]

PAC RACKET

With egg all over his face, Texas Sen. Lloyd Bentsen has disbanded his $10,000-a-plate monthly breakfast club for 200 well-heeled lobbyists and directors of political action committees.

"I'm not known to make many mistakes, but when I do, it's a doozy," Bentsen said. He will return the $40,000 he had collected from eager breakfast clubbers.

That Bentsen, the new Democratic chairman of the Senate Finance Committee and thus a major player on tax and trade legislation, would risk the appearance of selling his time shows just how corrupt the PAC system has become.

Bentsen, sadly, is not alone:

For years, both parties have sponsored special clubs for presidential donors and party contributors at national and state levels. White House tours, special briefings and presidential dinners are part of the membership packages.

Bentsen's predecessor as Finance Committee chairman, Republican Sen. Bob Packwood of Oregon, charged $5,000 for membership in his recently dissolved breakfast club.

Other Senate Finance members who have councils or clubs for $5,000 contributors are Republican John Chafee of Rhode Island and William Roth of Delaware.

Leaders on both sides of the aisle in the Senate and House, including our own Sen. Robert Byrd, have established their own PACs. They use them in their leadership contests, collecting future chits by investing in key congressional races.

And Byrd himself culled pledges of $10,000 each from a group of 67 longtime supporters for his 1988 re-election race. He hosted a Washington reception for them last December, but Byrd said he plans no further special meetings with this "core" group of backers.

All of the above is legal according to current Federal Election Commission reporting and disclosure regulations for PACs and campaign finance laws.

And all of the above needs to be changed.

Ironically, it is Byrd who is leading the charge for reform. Together with Oklahoma Sen. David Boren, he is sponsoring a carefully crafted bill which would cap both PAC contributions and campaign spending.

Unless the Congress wants to continue to embarrass itself further with "breakfast clubs," "councils" and "core" groups, the time for reform is now.

[From the Charleston Daily Mail, Charleston, WV, Mar. 9, 1987]

PAC REFORM

Congress is choking on contributions from political action committees to the extent that our system of free elections is endangered.

The cynicism underlying the present system, both on the part of PACs and politicians, mocks what was originally a reform to allow the public to track and identify the candidates' sources of funding.

In the Senate, 16 of the 21 incumbents re-elected last November wound up with more money than they started their campaigns with, clear evidence that the PAC system is out of control.

In marked contrast, all but two of the 13 newcomers to the Senate finished with net debts, reports *Congressional Quarterly.*

Why?

One reason is that PAC managers like sure bets. Better to slop a well-known incumbent than a challenger with little name recognition, they reason.

This "bird in the hand" approach works against all but wealthy candidates, who can afford to buy costly television and radio advertising. But many qualified men and women give up when they realize that they cannot compete against an incumbent who has stockpiled a large war chest.

Before fresh faces with new ideas are completely blocked from running for office, more reforms are needed.

Senate Majority Leader Robert Byrd has drafted one reform bill. Other senators have indicated they, too, are ready to put the national interest above self-interest.

On with it, then. There could be no more apt legislation for the 200th year of government by the people.

[From the Charleston Daily Mail, Charleston, WV, Apr. 13, 1987]

PAC's

Writing a check to a political action committee is hardly the highest form of participation in our democracy. For most of the 4.5 million Americans in approximately 4,000 PACS, their donations are the limit of their participation.

As Mark Green noted in the *Washington Post,* money talks in politics. But the vast majority of PAC givers relinquish control over who gets their money to a few PAC managers in Washington.

Those who don't want to reform the current system argue it is a form of free speech and that it increases participation by the public.

But PAC managers unfailingly slop incumbents: they give incumbents six times as much as they do challengers. The latest example of how PACs of all persuasions lust for access was revealed in a Common Cause study.

In seven of last year's Senate races where challengers toppled incumbents, PAC after PAC on the losing side raced to make post-election donations to the winners. So much for speaking up for principles and causes.

And PACs play a large role in today's campaigns. In these electronic media mudfests, images count for more than ideas. PACs provide the funding—for incumbents—to buy these expensive, Madison Avenue campaigns.

There's little question that this public influence-buying is better than the old secret system of financing congressional campaigns. But is is not the best system. Reforms are possible.

Limiting PAC contributions, as a bill sponsored by Sen. Robert Byrd and David Boren of Oklahoma would do, is one step toward curing this cynicism.

In this, the 200th anniversary of our Constitution, we can think of no more appropriate issue for a full debate.

[From the Champaign-Urbana News-Gazette, Champaign, IL, Mar. 30, 1987]

BIG-MONEY PAC'S DON'T HELP THE LITTLE PEOPLE

Political action committees don't like to take chances. That's why in the recent U.S. Senate elections many supported both candidates in each race.

In seven races, PACs quickly switched sides and contributed to the winner shortly after the election.

A candidate's ideology apparently doesn't matter. PACs are more interested in trying to buy the support of the winner.

And PAC spending just keeps growing. Between Jan. 1, 1985 and Dec. 31, Senate candidates received more than $45 million from special interest PACs. That's 63 percent more than what candidates in the 1984 elections received.

These figures are alarming some senators. Some 30 senators, including Paul Simon of

Illinois, are co-sponsoring the Senatorial Election Act.

The bill would put new limits on the total amount of contributions a candidate can accept from PACs. And it would establish voluntary limits on the use of personal wealth. It also would provide some public financing for senatorial campaigns. The public financing for senatorial campaigns. The public financing would work much like the presidential public financing with checkoffs on income tax returns.

But the very forces that this bill attempts to curtail could mean the bill has very little chance of passage. The well-heeled PACs strongly oppose this legislation. And already they are organizing on Capitol Hill.

PACs like to say they represent the "little people." But, in fact, they don't. The little people don't support both candidates in an election.

It's time the little people told their senators that they do support campaign finance reform. Write a letter today.

[From the Daily Calumet, Chicago, IL, Apr. 24, 1987]

CONTRIBUTIONS MUST END

The patchwork, or PAC-work, sportcoat could be an idea whose time has come for those interested in campaign reform. Nothing else, so far, has been able to resolve what former Sen. Barry Goldwater, R-Ariz., has called "a crisis of liberty"—the unholy dependence on special-interest political action committees for Congress.

Here is how the patchwork-coat approach would work:

The candidate would be required to don his or her official campaign coat at the official campaign opening. A blazer no doubt, it would be festooned with patches, each patch a logo signifying the political action committee to which the candidate is beholden. The candidate could pick his favorite color, though for most officeholders, color wouldn't matter. The coat would be all PAC patches—and large pockets.

We have campaign disclosure laws now, but the sportcoats would be more graphic. They would allow the voter to see at a glance who owns whom.

Candidates might resent their Indy 500 look—each car emblazoned with a riot of logos—but that's life in the public eye. As candidates well know, campaigning often is an affront to personal dignity.

If the coat idea won't fit, perhaps it's time for Congress to pass legislation sponsored by Sen. David Boren, D-Okla., and Sen. Majority Leader Robert Byrd, D-W. Va.

Their bill, called Senate Bill 2, would fundamentally reform the senatorial campaign-finance system. It has gained the support of 44 cosponsors in the Senate, just seven short of a majority. Successful Senate action on the bill, which calls for partial public financing of senatorial campaigns, would then shift the focus of attention to the House of Representatives.

One of the original co-sponsors of the bill, Sen. John Stennis, a Mississippi Democrat who has been in the Senate since 1948, announced recently: "When the present law was passed, I was strongly opposed to the idea of paying any of the campaign costs for candidates for U.S. Senate from the public treasury, or the House of Representatives, either one. But in view of what has happened now, I have changed my mind."

And what has happened now? In the 1986 election, PAC contributions reached a record $130,296,926 for House and Senate candidates. That's a 27 percent increase over the $102 million PACs gave to congressional candidates in the 1984 election. Over the past decade, PAC contributions to congressional candidates have skyrocketed from $22 million in 1976 to more than $130 million last year. In 1976, there were 600 PACs; today, there are more than 4,000 PACs.

Congress must put an end to its own campaign-finance corruption. If a patchwork coat is beneath its dignity, surely the mantle of public interest isn't. And a public financing system for congressional campaigns is clearly in the public interest.

[From the Daily Calumet, Chicago, IL, Apr. 9, 1987]

PAC'S ALWAYS BACK A WINNER BY BACKING ALL

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

At the risk of sounding cynical, one might suggest that some PACs aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. senator.

In North Dakota, for example, 39 PACs that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly-elected Democrat, after the election.

The 39 PACs included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Institute Inc. and the American Bankers Association. The bankers group, whch gave $10,000 to Andrews before the election and $10,000 to Conrad afterward, switched sides in four of the seven Senate races.

The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are cosponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner hs been chosen. If we're really interested in citizen participation, we'll emasculate the PACs.

[From the Bolivar Commercial (Cleveland, MS), Mar. 25, 1987]

REIN IN THE PAC'S

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaries in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million.

The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question. But recently introduced legislation offers them an opportunity.

Sponsored by Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W.Va., the legislation would clamp down on PAC contributions and extend the current system, of public financing of presidential elections to the congressional level.

Public financing may be the Achilles' heel of the legislation as Sen. Wendell Ford, D-Ky., suggested to Boren. The Oklahoma senator explained that he reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing. Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

The Boren-Byrd measure also would reduce the size of a PAC's minimum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House candidates and would range from $175,000 to $750,000 for Senate candidates, depending on a state's population.

Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measures could be a way out.

[From the Columbia Record, Columbia, SC, Mar. 25, 1987]

CAMPAIGNS—PAC'S SHOULD BE CURBED

Lest one harbor any doubts about the pervasive—and potentially pernicious—clout of political action committees, consider their financial impact on the '86 elections. PAC contributions to all U.S. Senate general election candidates totaled $45.7 million, including $1,015,252 to winning incumbent Democrat Ernest F. "Fritz" Hollings of South Carolina.

PACs—the political arms of special interest groups—have proliferated like Topsy over the past decade, a genuinely remarkable and worrisome trend. In '76, PAC contributions to Senate candidates totaled $5.4 million. By '80, they had swollen to $15.9 million and to $27.9 million in '84.

A new study by Common Cause, the watchdog citizens' group, points up a more unsettling aspect of PAC influence. In each of the seven Senate races last year in which a Democratic challenger defeated a GOP incumbent, PACs backed the incumbents during the campaign and then contributed to the winning Democrats shortly after the election. The lucky beneficiaries were freshmen Sens. Terry Sanford of North Carolina, Wyche Fowler of Georgia, Bob Graham of Florida, Kent Conrad of North Dakota, Richard Shelby of Alabama, Brock Adams of Washington, Thomas Daschle of South Dakota.

"Our study," said Common Cause President Fred Wertheimer, "vividly illustrates how special interest PAC contributions are used to buy influence in Congress. These PACs obviously weren't contributing because of the candidate's philosophy, ideology or political party. They wanted, first and foremost, to ensure that they had bought influence with a United States senator. PACs often argue that PAC giving represents citizen participation. Citizens, however, don't vote for both candidates, once before the election and a second time after the winner had been chosen."

There is pending before the Senate a campaign reform bill with 36 co-sponsors which would place strict limits on congressional candidates' campaign expenditures and the amounts they can accept from PACs. Common Cause makes a valid case for the bill's passage.

[From the Dallas (TX) Times Herald, Apr. 14, 1987]

THE SELLING OF DEMOCRACY

Our Founding Fathers, who charged that America was suffering from "taxation without representation," never envisioned an era when democracy would be endangered by a system of "representation by contribution."

But it is apparent that the average voter cannot afford the inflationary cost of influencing a state legislator, a congressman, a judge or even a governor. That has left the special-interest lobbyists operating through the cover of political action committees (PACs) to purchase more than their share of influence.

That abominable system must be scrapped.

While the cost of federal elections has more than tripled in the last decade, the contributions from PACs have increased sixfold. In Texas, PAC contributions account for nearly half the campaign financing for House candidates, 62 percent for Senate hopefuls.

Our government is dangerously close to becoming a government of special interests, by special interests and for special interests.

Those who believe that lobbyists contribute to officeholders merely because they favor a particular candidate—like the small contributor who gave $5—should have taken a window seat aboard the midnight train to Gov. Clements' office after he defeated incumbent Mark White. The cash was coming in $10,000 allotments.

Nearly $3 million rolled in on the last PAC train to the office of the new governor.

Voters must begin pressuring their elected state and national representatives to limit the amount of money a political candidate can receive from an individual PAC, the amount that each PAC can dole out during an election cycle and the aggregate amount of special-interest funds a candidate can receive. Legislation has been introduced in the U.S. Senate and the Texas Senate that would establish such limits.

The bill in the U.S. Senate sponsored by Sen. David Boren, a conservative Democrat from Oklahoma, and Senate Majority Leader Robert Byrd of West Virginia, not only puts reasonable limits on PAC contributions, but it goes one critical step further by providing public financing for Senate campaigns—via an additional $1 income tax checkoff. The request for an additional dollar per year from each taxpayer would supplement the $1 checkoff that now provides public financing for presidential candidates. The bill has 44 sponsors, but notable senators missing from that list are Texans Lloyd Bentsen and Phil Gramm. Voter-taxpayers would do themselves a great service by using whatever influence they have to pressure those senators to get off the PAC gravy train.

Similar legislation has been slower to win support in the House of Representatives, although Speaker Jim Wright, D-Fort Worth, reportedly favors such a law.

Public financing for statewide races in Texas is non-existent, although it is the only comprehensive method of limiting the cost of running for office. Eleven states have some limited form of public campaign financing. Florida will put the most comprehensive program in place in 1990.

Texas only recently progressed beyond the down and dirty days when a politician could hide the sources of contributions and use campaign funds for personal expenses.

Now, state Sen. John Montford, D-Lubbock, has introduced a reasonable bill that would set limits on the financial influence of PAC contributors to candidates for statewide office, Senate and House seats. The terms are similar to federal legislation with the level of PAC limits tailored according to the dimensions of the elected office. Limits are tighter during runoff elections and nonelection year fund-raising campaigns. The bill also provides some long-needed limitations on the amount of loans a candidate can accrue during campaign.

But voters in this state should realize that until they begin supporting candidates for public office with more of their own contributions they will continue to forfeit their influence to America's massive special-interest industries, which indirectly pass on their costs to the consumer anyway. It's a perilous way to run a democracy.

[From the Dallas (TX) Morning News, Feb. 23, 1987]

DEEP POCKET POLITICS—CONGRESS NEEDS TO REFORM CAMPAIGN FINANCING

Congressional campaigns are being corrupted by the excessive sums that incumbents and challengers are compelled to spend to get elected and the candidates' growing dependence on special interest groups for contributions. Unless lawmakers act soon to clean up the financing of congressional races, they risk losing the public's confidence.

Winning Senate candidates doled out an average of $3,020,811 last year, while House hopefuls spent $250,000 on average to get elected. That's more than triple what politicians expended just 10 years ago. Those high costs are exacting a terrible toll. Not only do they discourage many talented men and women from entering the political arena, they also force officeholders to devote much of their time to raising funds.

Aside from distracting members of Congress from the business of lawmaking, the constant need to solicit donations has contributed to the second disturbing influence on elections: political action committees. Because they have been such a ready source of cash for political hopefuls, PACs have grown by leaps and bounds. Special interest money now accounts for about 40 cents of every $1 raised for successful congressional campaigns.

No one denies that PACs have a legitimate place in a representative democracy. They have a right to lobby for their particular point of view and to contribute to their favorite candidates. The trouble with such special interests is not with their mere existence but rather with the excess of power that their vastly increasing campaigns contributions can buy.

There is a way out of this campaign finance mess, however, if Congress has the political will to act. Sens. David Boren, D-Okla., and Robert Byrd, D-W.Va., have introduced legislation that would place tighter limits on special interest donations in House and Senate races and encourage restraint in overall campaign spending through a system of partial public financing for Senate elections. The proposal is as bold as it is necessary.

Specifically, House candidates could receive no more than $100,000 from PACs during an election, while Senate hopefuls would have a ceiling of from $175,000 to $750,000, depending on the state's population. Texas' cap would be $750,000 (Winning House candidates received an average of $136,793 from special interests in 1986; Senate members collected $852,043.)

As useful as PAC limits would be in reforming congressional campaign financing, the second aspect of the Boren-Byrd bill attacks the problem of largess head-on by placing limits on what candidates could spend in Senate general elections. As with PAC donations, the amount would depend on a state's population. For Texas, the ceiling would be $3,493,000.

Because the U.S. Supreme Court has ruled that campaign spending limits can be imposed only if they are accompanied by a voluntary system of public financing, the Boren-Byrd bill goes on to explain how a candidate could qualify for such money. Although public financing has had its detractors over the years, the comprehensive legislation does a very good job of answering many of the questions typically raised about the idea:

Wouldn't eliminating the need to raise money remove senators from the folks back home? No. Candidates still would have to raise their own funds in primary elections. And even in the general elections, they would need to solicit a certain amount, in small donations from individuals, in order to qualify for public financing. The Texas threshold would be $750,000.

Since the system is voluntary, what's to compel a candidate to accept public financing? True, there's nothing to prevent a hopeful from raising his own funds. But if he does, the law will give his opponent the federal money he ordinarily would have gotten. Unless a candidate has deep pockets, that alone should cause him to think twice about going it alone.

Well then, if both hopefuls end up spending the same amount of money under such a plan, doesn't that give the incumbent an unfair advantage? No. The spending limit is high enough to allow challengers to mount successful campaigns. And besides, the present system of ever escalating campaign expenditures is making it increasingly difficult for challengers to raise the amount of money necessary to defeat incumbents.

Yes, but what about the price? How much is all this going to cost the taxpayers? About $50 million a year. The Senate campaigns would be paid for through the voluntary tax checkoff system already in place for presidential races. Taxpayers could check off $2 on their returns instead of the current $1.

Even the staunchest defenders of the existing system would have to admit that today's excessive campaign spending hasn't translated into higher voter interest. The rate of voter turnout remains dismally low compared to that of other democracies. By contrast, limits on special interest donations, combined with a system of partial public financing, could do much to restore the importance of small contributors and grassroots volunteerism in congressional campaigns. The Boren-Byrd proposal deserves serious consideration.

[From the Davis (CA) Enterprise, Apr. 2, 1987]

Put Your Money on a Winner

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

At the risk of sounding cynical, one might suggest that some PACs aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. senator.

In North Dakota, for example, 39 PACs that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

The 39 PACs included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Institute Inc. and the American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterwards, switched sides in four of the seven Senate races.

The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senate Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen. If we're really interested in citizen participation, we'll emasculate the PACs.

[From the News-Journal, Daytona Beach, FL, Mar. 25, 1987]

The After the Fact PAC

In politics, unlike horse racing, the cashiers' windows stay open after the race begins and even after the race ends. This allows those who bet on a losing candidate the opportunity to go back and bet on the winner.

If only things were that simple at the track.

A recent study of contributions made by Political Action Committees (PACs) shows many PACs that support a losing candidate turn around and donate to the winner shortly after the election results are posted. In seven Senate races studied by Common Cause, 150 PACs that backed Republicans who lost in the November election turned around and contributed to the Democratic victor by the end of December.

In Florida for instance, after Bob Graham won election to the U.S. Senate, five PACs that had supported his Republican opponent, Paula Hawkins, donated a total of $9,500 to him.

These organizations evidently are not given to harboring grudges. In fact, most persons would be surprised at how neutral PACs are in matters of philosophy and political partisanship. When the name of the game is political influence, what matters is having access to politicians and having the campaign donations to buttress your arguments.

This study once again contradicts that often stated defense PACs as civic minded organizations that have organized to support the candidates of their choice.

A bill to limit the undue influence of PACs in increasingly bipartisan campaigns is before the Senate. Both of Florida's senators have signed on as co-sponsors of the bill.

The Senate Election Campaign Act would limit the total amount of PAC contributions a candidate could receive, limit the size of individual PAC donations, set campaign spending limits and provide for public funding of Senate campaigns.

The cynical behavior of the PACs highlighted by the Common Cause study is not surprising. What's alarming is the influence the PACs have when Senate campaigns get into the $12 million range such as the Hawkins-Graham race.

This bill needs to become law before the 1988 Senate races break new records.

[From the News-Journal, Daytona Beach, FL, Feb. 7, 1987]

Bentsen Breakfast Club Plan Argues for Campaign Reform

Sen. Lloyd Bentsen of Texas backed away from his breakfast club fundraising plan Friday saying he didn't "anticipate the perception of it."

Bentsen's fundraising scheme was to offer lobbyists the chance to have breakfast with him once a month for a $10,000 campaign donation. At those prices most would assume more than scrambled eggs would be involved. At least that's the perception he somehow failed to anticipate.

Bentsen did not act without precedent. Sen Bob Packwood, R-Oregon, the Finance Committee chairman in the last Congress, had similar breakfast meetings with those who could part with $5,000 for his campaign.

The "Breakfast Club" form of fund raising differs from conventional fund raising mostly in its brazenness. Individuals and Political Action Committees (PACs) often believe contributions are buying influence or at least access to a political figure. Setting a $10,000 access fee only makes the rules much clearer.

Rather than merely causing a 48 hour fuss, we hope this incident will give a few senators enough pause to think about campaign finance reform in general and the Senate Election Campaign Act in particular.

The Senate Election Campaign Act would limit contributions from PACs to $3,000 instead of the present $5,000. More important, it would limit the total amount of PAC money a Senate candidate could receive to $175,000 for campaigns in small states to $750,000 for campaigns in the largest states.

The act, co-sponsored by Florida's senior senator, Lawton Chiles, would set overall spending limits on Senate campaigns and provide for public funding of Senate campaigns. Funding would come from doubling the amount a taxpayer could check off on his tax return for campaign financing. Currently, that money goes only to presidential campaigns.

Because the Supreme Court ruled limits could not be imposed on campaign spending except as a requirement for receiving federal funds, public financing is the only way to enforce such a spending limit.

A bill covering House campaigns is expected to be introduced soon in the House of Representatives.

Florida's recent senatorial campaign points out the need for this kind of legislation. Sen. Bob Graham and former Senator Paula Hawkins together spent more than $12 million on that election. Campaign expenses such as those make PACs too important.

The current campaign financing system has gotten out of control. Sen. Bentsen's breakfast club is only one example of the kind of thinking inspired by the constant pressure for funds caused by the current levels of campaign spending. It's time to ease that pressure, and in so doing, give a little more voice to those who can't afford the admission charge needed to influence their representative over coffee.

[From the Delray Beach (FL) News Journal, Feb. 16, 1987]

Congress Must End Costly Campaigning

This year members of Congress will have an excellent opportunity to put a stop to the excessive spending by Congressional candidates. After looking at what was spent this past year to get senators elected, it's past time for campaign reform.

Senate candidates spent a record $178.6 million in 1986 campaigns. "Obscene and excessive" are the words Common Cause President Fred Wertheimer used to describe the sums candidates spend to get elected.

He is not alone in abhoring the scandalous sums of money collected and spent on one election.

Sen. Bob Graham, who spent $6 million in the most expensive campaign in the history of Florida politics, said something ought to be done. He suggested putting a ceiling on the amount of contributions that can be made to candidates by political action committees.

Graham, along with Florida's Sen. Lawton Chiles and South County's Rep. Dan Mica, will have a golden opportunity to do just that this year. On Jan. 6, the first day of the 100th Congress, Senate Majority Leader Robert Byrd, D.-W.V., and Sen. David Boren, D.-OK., introduced a Senatorial Election Campaign Act that would limit the money political action groups can contribute to Congressional campaigns.

This bill goes even further, though. It limits total campaign spending and the use of personal wealth in a campaign. It also calls for a voluntary system of partial public financing for Senate general election campaigns. The Supreme Court has ruled that the only way to establish an overall spending limit in campaigns is as part of voluntary system that includes public financing.

A similar campaign reform bill for House races also is expected to be introduced in the near future. Such campaign reform legislation should have been passed a long time ago. Congress voted against a proposal to limit political action contributions last year.

But it's quite possible that in this year of gross excessiveness in campaign spending members of Congress will be pressured enough by the public to do something.

The Florida Senate race, which pitted two extremely popular candidates against each other Paula Hawkins and Graham ranked second to California in excessive spending. California's Senate candidates spent $22.3 million and Florida's candidates spent $12.7 million.

That money came from all kinds of people and political action groups, but it also represents a slight personal fortune. And it once again indicates that unless there is campaign reform, only the very wealthy and people who can raise a fortune will be able to run for Congress.

[From the Des Moines (IA) Register, Feb. 26, 1987]

DESTROYING DEMOCRACY

Congress works a three-day week because it's hard to round up enough members to take important votes on Monday or Friday. But that doesn't mean members are loafing. Among other things, they need those four-day weekends to hustle money from special-interest groups.

Money has always been the mother's milk of politics, but to today's politicians it has become an all-consuming addiction. As soon as one campaign ends, money-raising immediately begins for the next one.

It's getting hard to tell who is more obscene—the lobbyists who ply lawmakers with money or the lawmakers who solicit it. Organizations that exercise their right to visit their congressman are often called a few days after the visit and asked for a donation. What price democracy?

Texas Senator Lloyd Bentsen's short-lived plan to charge lobbyists $10,000 for the privilege of chatting with him at breakfast was notable only for its excess. Other members charge less.

The politicians and the lobby groups alike are caught in a vicious spiral. The rise of political-action committees (PACs) in the last decade infused vast new money into political campaigns, but the availability of new money escalated the cost of campaigns.

Candidates in the five costliest Senate contests spent 67 cents a vote in 1974, but spent $7.74 per vote in 1984, and the cost is still rising. Some members of Congress complain that they must spend up to half of their time raising money, and some lobby groups are beginning to complain that $5,000 doesn't buy what it used to. With a proliferation of special-interest groups all trying to buy the ears of members, it costs more to buy influence now.

Enough! The money-changers have taken over the temples of democracy. They have bought the right to set the legislative agenda. They undermine public trust in the system. They finance disgustingly negative campaign advertising. They spend the degeneration of the body politic into a grasping aggregation of me-first special-interest groups. They help destroy what's left of the convenant between people and their government.

It's not quite what the founders had in mind 200 years ago, but the genius of the system they established has been the ability to reform itself. Congress needs to reform campaign financing, now.

The best possibility for reform is legislation sponsored by Senators David Boren of Oklahoma and Robert Byrd of West Virgina. Iowa Senator Tom Harkin is a co-sponsor. It would establish a system of public financing for Senate campaigns, modeled after the public financing that has succeeded in keeping presidential campaigns relatively clean.

Candidates—after raising a certain "threshold" of money from private sources, mostly donors from their home states—would be eligible for public financing. Candidates who accepted public financing would be bound by campaign-spending limits; those who didn't agree would be penalized by having their share of public money go to their opponent.

No proposal on such a complex matter is perfect, but the Boren-Byrd bill seems to come closest and is drawn from the proven success of presidential campaign-finance reform.

The strongest objection is the cost, but if it can succeed in reclaiming representative government for the people it would be the best money Congress has spent in a long time.

[From the Dodge City (KS) Daily Globe, Apr. 6, 1987]

HEDGING A BET

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

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[From the North Jersey Advance (Dover, NJ), Apr. 20, 1987]

TAXING PAC'S

Our founding fathers, who charged that America was suffering from "taxation without representation," never envisioned an era when democracy would be endangered by a system of "representation by contribution."

But it is apparent that the average voter cannot afford the inflationary cost of influencing a state legislator, a congressman, a judge or even a governor.

That has left the special-interest lobbyists operating through the cover of political action committees (PACs) to purchase more than their share of influence.

That abominable system must be scrapped.

While the cost of federal elections has more than tripled in the last decade, the contributions from PACs have increased sixfold. Our government is dangerously close to becoming a government of special interests, by special interests and for special interests.

Voters must begin pressuring their elected state and national representatives to limit the amount of money a political candidate can receive from an individual PAC, the amount that each PAC can dole out during an election cycle and the aggregate amount of special-interest funds a candidate can receive.

Legislation has been introduced in the U.S. Senate that would establish such limits.

The bill in the U.S. Senate sponsored by Sen. David Boren, a conservative Democrat from Oklahoma, and Senate Majority Leader Robert Byrd of West Virginia, not only puts reasonable limits on PAC contributions, but it goes one critical step further by providing public financing for Senate campaigns—via an additional $1 income tax checkoff.

The request for an additional dollar per year from each taxpayer would supplement the $1 checkoff that now provides public financing for presidential candidates. The bill has 44 sponsors.

Voter-taxpayers would do themselves a great service by using whatever influence they have to pressure those senators to get off the PAC gravy train.

[From the Intelligencer/Record, Doylestown, PA, Mar. 1, 1987]

REFORM OF COMPAIGN FINANCING NECESSARY AND LONG OVERDUE

"The system is not working. It's demeaning for the candidates, it's demeaning for the voters, it's demeaning for the country."—Sen. George J. Mitchell, D-Maine.

The System Sen. Mitchell is referring to can hardly be called a system at all. Anyone who has followed the increasingly expensive, increasingly negative congressional campaigns of recent years, including the one just completed, knows that the money collected and spent to win a seat in Congress has gotten completely out of hand. Senate campaigns in the millions have become commonplace; even incumbent congressmen and their opponents frequently approach a million dollars in combined spending.

Much of that money has come from PACs, political action committees, representing a wide diversity of special interests. Contributions from PACs have become a major source of income for many candidates, with the reality of campaign costs usually outweighing appearances that those same candidates are beholden to the PACs that help put them in office.

Some members of Congress are pushing for campaign financing reforms. One bill, sponsored by Sen. David L. Boren, D-Okla, would put a cap on PAC contributions to Senate candidates ranging from $175,000 in small states to $750,000 in latge states. House candidates would be subject to a $100,000 PAC limit. The Boren bill also would establish a voluntary system of spending limits in Senate races, with candidates who agree to the guidelines becoming eligible for partial public funding.

A separate bill, authored by Rep. Anthony C. Beilenson, D-Calif., would provide each major-party House candidate with $200,000 in federal funds.

Taxpayers have been footing part of the cost of presidential elections since 1976, so public campaign financing isn't a novel idea. Still, a lot congressmen and senators who face re-election bids in the near future are not quick to embrace any plan that slices into the PAC money supply line. And the PACs themselves are not enthusiastic about losing one of their chief means of political influence.

Some Republicans think plans for sweeping reform in campaign financing are merely a clever way for the Democrats, perennial second-place finishers in the fund-raising sweepstakes, to even the odds. Democrats say they're more concerned about the time spent raising money. According to the Conservative Digest, the average freshman senator will have to raise $125,000 a month for the next six years if he wants to have enough money to mount an effective re-election campaign. Regardless of what either party says, a congressman who spends most of his time raising money cannot be an effective representative for the folks back home.

More and more, the success candidates have in winning office seems to be based not so much on what they know but rather on who they know—and more importantly, how much money those they know can contribute to the campaign. The whole election process could be jeopardized if some type of reform isn't implemented soon.

This year is as good as any for that reform to be shaped, debated and put into effect, since there are no Senate or congressional races looming in the immediate months ahead. The influence of lobbyists and special interests must be brought under control, both in appearance and practice. Voluntary public financing is worth studying. Overall spending caps for individual races ought to be considered.

Government leaders should be elected on the strength of their character, integrity and knowledge. Expensive campaigns inject another element—money—into the equation, and it doesn't belong there.

[From the Courier-Express, Du Bois, PA, Mar. 27, 1987]

PAC'S BUY INFLUENCE ON BOTH SIDES

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

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In North Dakota, for example, 39 PACs that contributed to the unsuccessful re-election campaign of Republican Senator Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

The 39 PACs included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Institute Inc. and the American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterwards, switched sides in four of the seven Senate races.

The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are cosponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen. If we're really interested in citizen participation, we'll weaken the PACs. (CNS)

[From the Courier-Express, Du Bois, PA, Feb. 25, 1987]

SUPPORT CAMPAIGN FINANCE REFORM

U.S. Senator Wendell Ford (D-KY), chairman of the Committee on Rules and Administration, has announced in the Congressional Record that his committee would hold hearings on congressional campaign finance reform proposals and would receive testimony from other senators on March 5.

The committee will hear testimony on the Senatorial Election Campaign Act introduced by Senators David Boren (D-OK) and Majority Leader Robert Byrd (D-WV). The Boren-Byrd bill would limit the total amount of special interest political action committee (PAC) funds candidates for Congress can accept, and would establish for Senate general elections limits on total campaign spending together with a voluntary system of partial public financing. Thirty senators have consponsored the bill.

Common Cause, which supports the bill, has released information from a study that shows 14 senators elected in 1986 raised more than $1 million each in PAC contributions for their Senate campaigns.

The study also found that the 34 winning Senate candidates in 1986 received an average of $852,043 in PAC contributions.

PAC contributions to Senate candidates have grown more than eight-fold in the past decade—from $5.4 million in 1976 to $45.7 million in 1986; and have more than doubled in the last four years.

The 34 Senate winners reported average 1985–86 campaign expenditures of $3,020,811. Twenty-three of the 68 Senate general election candidates in 1986 spent at least $3 million each.

The 68 candidates in 1986 spent a total of $178,934,493 which is 31 percent more than the $136 million in total expenditures of 1984 Senate candidates. Overall spending in Senate races has increased almost five-fold in the past decade, from $38.1 million in 1976 to $178.9 million in 1986.

Among the 14 Senators elected last November who raised more than a million dollars through PAC for their campaigns was Arlen Specter of Pennsylvania with $1,383,794.

Common Cause President Fred Wertheimer said, "The current system for financing congressional campaigns is a national scandal and a public disgrace. Americans are entitled to better. If we really want to celebrate the 200th anniversary of the United States Congress this year, we must restore the integrity of the institution.

"Congress must act now to fundamentally reform the system for financing congressional elections," he said.

Let's make sure that the message for reform gets through to Congress. Citizens must apply the pressure to insist on a better way to finance election campaigns where big bucks are involved.

Thanks, Common Cause for your effort in behalf of all Americans.

[From the Star-Democrat, Easton, MD, Apr. 19, 1987]

PAC'S NEED CURBING

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

At the risk of sounding cynical, one might suggest that some PACs aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S senator.

In North Dakota, for example, 39 PACs that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

The 39 PACs included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Institute, Inc. and the American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterwards, switched sides in four of the seven Senate races.

The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are cosponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen. If we're really interested in citizen participation; we'll rein in the PACs.

[From the Imperial Valley Press, El Centro, CA, Apr. 28, 1987]

PAC SPENDING CURBS

In each of the seven Senate races in 1986 in which a Democratic challenger defeated a Republican incumbent, political action committees (PACs) contributed shortly after in 1986 November election to the winning Democratic challenger after first backing the Republican incumbent.

Doesn't that tell you something? It says that the PAC special interest groups are in the business of purchasing votes in Congress. They will join either side to get the job done.

There were 600 listed PACs when a campaign finance reform measure was passed in

Congress in 1974. There are now 4,100 on record. They contributed $140 million to the last congressional election in 1986, which was nearly a third of the total amount spent in congressional races.

Like the bulk of givers, PACs tend to give most to incumbents. But when incumbents lose, they switch sides with the greatest of ease. They have a greater claim to the allegiance of Congress than is healthy for either Congress or the country.

During 1986, special interests contributed nearly $85 million to House candidates. The breakdown on the $85 million shows $65.5 million going to congressional incumbents, $8.6 million to congressional House challengers, and something over $10.5 million to candidates running in races in which there was no incumbent.

On average, a House seat now costs $300,000, which is what the average winner can expect to spend in a U.S. House seat contest. A Senate seat costs $3 million.

Public financing for political campaigns with strict controls on spending is preferable. Short of that, the immediate support should go to the present measure introduced in the U.S. Senate. It is the Senatorial Election Campaign Act (S. 2), jointly sponsored by Senate Majority Leader Robert Byrd and Sen. David Boren.

The bill would limit contributions that any House or Senate candidate could accept from PACs in an election cycle. The bill provides for limits on total campaign spending and the use of personal wealth in a campaign tied to a voluntary system of partial public financing for Senate general election campaigns.

Partial public financing is factored in because the U.S. Supreme Court has held that the only way to establish overall spending limits in campaigns is as part of a voluntary system that includes public financing.

In the interest of fair representation for individual citizens, Congress should pass the Boren-Byrd measure and initiate a genuine effort to halt this mad political spending.

[From the El Dorado (AR) News-Times, Apr. 4, 1987]

ACT LIMITS GRATUITIES

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

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[From the El Dorado (AR) News-Times, Apr. 6, 1987]

PAC'S CREATE A MESS

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985–1986 totaled $45.7 million.

Recipients of such largesse are getting nervous. They realize congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

Sponsored by Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W.Va., the legislation would clamp down on PAC contributions and extend the current system of public financing of presidential elections to the congressional level.

Public financing may be the Achilles' heel of the legislation, as Sen. Wendell Ford, D-Ky., suggested to Boren. The Oklahoma senator explained that he reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing. Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

The Boren-Byrd measure also would reduce the size of PAC's maximum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House candidates and would range from $175,000 to $750,000 for Senate candidates, depending on a state's population.

Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

[From the Daily (IL) Courier-News, Elgin, Mar. 30, 1987]

NAME OF GAME FOR PAC'S IS "WIN"

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[From the Elgin (IL) Daily Courier-News Mar. 14, 1987]

PROJECT FOR 1987: REIN IN THE PAC'S

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[From the Elk City (OK) Daily News, Mar. 22, 1987]

BOREN SEEKS TO CURB LOBBY GROUP'S ABUSE

EDITOR'S NOTE.—We have written for several years about the excess of spending by lobbying groups to elect our representatives. Our Senator David Boren has led the congressional efforts to curb this abuse and we have applauded his efforts. Below is an editorial from "The Norman Transcript" on the status of this effort to slow down the giving-of so-called political action committees.

(From The Norman Transcript)

Many people were shocked when they learned political action committees contributed $27.9 million to the finalists in the 1984 U.S. Senate elections. That was just in Senate races, not those for the U.S. House of Representatives. And it didn't count contributions to Senate candidates who were eliminated in the nominating primaries.

Now Common Cause has compiled results of the 1986 races and reports that 1984 figure grew by a startling 63 percent. What it will amount to in the 1988 elections, unless the campaign contribution law is changed, nobody knows.

Common Cause says 14 candidates raised more than $1 million each from PACs. They ranged from $1,549,843 for Sen. Alan Cranston, D-Calif., to $1,013,106 for Tom Wirth, D-Colo. Sen. Don Nickles, our Republican junior senator, got $1,056,957 in his successful re-election campaign.

Our other senator, Democrat David Boren, is one of the few members of either house of Congress who does not accept PAC contributions. He is the principal author of a bill that would limit total PAC receipts a candidate for congressional office could accept. He also seeks to put a lid on overall spending and the use of personal wealth in Senate campaigns.

Sen. Boren, who failed to pass a campaign contribution law last year, seems to have an excellent chance of getting his new bill through the Senate. He has Robert Byrd of West Virginia, the Senate majority leader, as his co-author this year. And 30 senators have already agreed to help sponsor the legislation.

There will be opposition to the bill, however, and one reason is apparent in the Common Cause analysis of spending in the 1986 campaign. The figures show that the bigger spender is likely to be the winner in a Senate race, and incumbents—those who will be voting on the reform legislation—will usually get more PAC money than challengers. PACs gave 2.3 times more on the average to incumbents in the 1986 races than to their opponents.

That fact will be more important in House consideration of the legislation than it will in the Senate. House members must run for re-election every two years while their Senate colleagues run every six years. Sen. Boren and those who agree with him can use all the help they can get.

[From the Enid (OK) Morning News, Feb. 19, 1987]

CURB CAMPAIGN SPENDING

Senate Majority leader Robert Byrd and Oklahoma Sen. David Boren have joined forces to introduce the Senatorial Election Campaign Act, a newly-crafted comprehensive campaign finance reform measure.

The strong support of the West Virginia Democrat should be a valuable boost for Boren, who has tried for several years to get finance reform legislation through Congress.

Like last year's Boren-Goldwater proposal, which died on the vine when Congress adjourned, the Boren-Byrd bill would establish an aggregate limit on the total amount of special interest political action committee funds any House or Senate candidate could accept.

But the new bill goes further, adding limits on total campaign spending and the use of personal wealth in a campaign tied to a voluntary system of partial public financing for Senate general election campaigns. The addition is in response to a Supreme Court ruling which held that the only way to establish overall spending limits in campaigns is as part of a voluntary system that includes public financing.

Some key provisions of the Boren-Byrd proposal apply to Senate general election candidates only—in particular, the voluntary system of spending limits on the use of personal wealth in campaigns tied to public financing. However, the proposed PAC limits would apply to all House and Senate candidates.

Specifically, the new bill would:

Limit PAC contributions to a Senate candidate from $175,000 to $750,000 depending on state population. House candidates could receive no more than $100,000.

Lower the individual PAC contribution limit from $5,000 to $3,000 per election for House and Senate candidates.

Expand the presidential election campaign fund by raising the voluntary federal tax checkoff from $1 to $2 ($2 to $4 for joint returns).

Fueling the drive for comprehensive campaign finance reform is the enormous amount of money being spent on elections. By Oct 15, 1986, for instance, winning Senate candidates spent an average of $2.3 million; House winners spent more than $250,000.

During last year's campaign, 15 Senate candidates spent more than $3 million each while 52 House candidates spent more than $500,000 each.

In just 10 years, total congressional campaign spending for general election candidates has increased nearly threefold—from $99 million in 1976 to $286 million in 1986, through Oct. 15.

Although PACs play an important role in the political process, they too often have an overpowering influence on congressional campaigns. "Our nation is facing a crisis of liberty if we do not control campaign expenditures," says now-retired Sen. Barry Goldwater, R-Ariz. "Unlimited campaign spending eats at the heart of the democratic process."

The 100th Congress faces the best chance in years to make some fundamental changes in our campaign finance laws. It should curb special interest influence and elevate the importance of individual contributors and the broader public interest they represent.

[From the Erie (PA) Daily Times, Feb. 3, 1987]

ONE EXPLANATION FOR TRAGEDY

If you accept the jury's findings, then one of the mysteries in the R. Budd Dwyer tragedy might be explained by focusing on a modern-day American evil: the spiraling costs of political campaigns.

George Sample hints at this in a recent story he wrote in the *Corry Jurnal*. Telling of Dwyer's frequent visits to Corry, Sample said: "He never left, without mentioning the huge cost of buying television time in the major metropolitan areas. 'You can't do without it. You have to have that exposure in Philly and Pittsburgh,' he delcared. Not once, many times he said it."

Sherley Uhl, political editor of the *Pittsburgh Press*, makes a similar point: ". . . looking for root causes, it should be noted that Mr. Dwyer may have been the victim of Big Bucks politics whereby candidates for elective office are required to raise enormous sums to stay alive politically.

"The cost of electioneering has quadrupled over the past 15 years, thanks largely to television. Nothing in politics has aroused so much concern. is democracy pricing itself out of business?

"The Big Bucks mentality is responsible for a free-wheeling atmosphere in which some politicians tend to lose their perspective. Not so long ago, $100,000 was enough to finance a statewide campaign. That's bagatelle now. An estimated $23 million was spent in Pennsylvania's gubernatorial and U.S. senatorial races last year."

Some members of Congress, to their credit, recognize the situation is approaching an open scandal.

On January 6, the first day of the 100th Congress, Senate Majority Leader Robert Byrd and Sen. David Boren (D-Oklahoma) joined forces to introduce the Senatorial Election Campaign Act, a newly-crafted comprehensive campaign finance reform measure.

Like last year's Boren-Goldwater (former Republican Sen. Barry Goldwater) proposal, the Boren-Byrd bill would establish, according to Common Cause, an aggregate limit on the total amount of special interest political action committee (PAC) funds any Senate or House candidate could accept. But the new bill goes further, adding limits on total campaign spending and the use of personal wealth in a campaign tied to a voluntary system of partial public financing for Senate general election campaigns.

In introducing the bill, Sen. Boren said, "We face a threat to our political system that can no longer be placed on the back burner."

The Budd Dwyer tragedy may reflect just that assertion. Reform that would scale back the cost of campaigning for political office is needed in Harrisburg, just as it is needed in Washington.

[From the Eugene (OR) Register-Guard, Feb. 14, 1987]

CAMPAIGN REFORM WOULD HELP

The American political system is rife with nagging problems: The cost of running for office has increased enormously. Last-minute negative campaigning is at a new peak. Campaigns now begin when the last one added.

But none of the problems needs urgent attention more than the growing influence of special interests—not only on who is elected but on what those elected do after they're in office. In the past decade, total spending on congressional campaigns almost tripled, from $99 million in 1976 to $283 million last fall. During the same period, spending by political action committees (PACs) in congressional races jumped from less than 20 percent of the total in 1976 to 36 percent last year.

As former Sen. Thomas Eagleton of Missouri said of the growth in PAC campaign spending: "You're not getting that money out of the Red Cross or the Little Sisters of the Poor. This is not an exercise in philanthropy. They (PACs) are interested in tangible, legislative results. It's gotten to an obnoxious and dangerous level. . . ."

The problem is easily identified. The solution is not.

The courts have ruled that an outright limit on campaign spending violates First Amendment freedom of speech guarantees. In *Buckley v. Valeo,* however, the U.S. Supreme Court offered a way around the constitutional hurdle: Spending limits will be permitted when they are part of a voluntary system that includes public financing. An example is the public funding of presidential campaigns, in which candidates can voluntarily opt for campaign funds out of the public treasury—if they agree to limit their total spending to a certain amount.

U.S. Sen. David Boren, D-Okla., has been a champion of campaign finance reform for several years. Last year, Boren sponsored a reform package, but Congress adjourned before the legislation came to the floor for final passage.

This year, Boren is back with a similar—and more comprehensive—package. Significantly and ironically, his main co-sponsor is the Senate's new majority leader, Robert Byrd of West Virginia—significant because of Byrd's ability to influence the flow and content of legislation, ironic because Byrd charges lobbyists $10,000 each to dine with him periodically.

These are the basic elements of the Boren-Byrd bill:

Senate candidates could receive public funds for the general election only if they agreed to abide by limits on overall campaign spending.

The ceiling on spending would be $600,000, plus 25 cents times the voting age population in each candidate's state. (In Oregon, the spending lid would be about $975,000 for a Senate candidate—still to much, but peanuts compared to the $4 million to $6 milllion that Sen. Bob Packwood spend last year in winning re-election.)

No more than $20,000 in personal campaign contributions could come from a candidate and his or her immediate family.

To qualify for public funds, a candidate would have to demonstrate initial strength by raising $250,000 or 20 percent of that state's total spending lid, whichever is less, in individual contributions of $250 or less. At least 80 percent of those contributions would have to come from individuals who live in the candidate's state.

Once a candidate met the threshold, he or she would be entitled to a federal grant equal to the difference between the candidate's spending limit and what the candicate raised to meet the eligibility requirement.

House candidates could receive no more than $100,000 in PAC money and Senate candidates no more than $175,000 to $750,000, depending on the population of the Senate candidate's state. Common Cause estimates that had those limits been in place in 1986, PAC contributions would have been cut in half.

The amount that a PAC could contribute to any one candidate would be lowered to $3,000 from $5,000.

The public cost for the Boren-Byrd bill is estimated at $100 million every election cycle, to be raised by increasing the presidential campaign checkoff from $1 to $2 on single tax returns and from $2 to $4 on joint returns. Taxpayers opposed to having their money go to politicians should consider the alternative: Without public funding of even limited degree, the alligiance of elected officials will continue to tilt toward the special interest and away from the public interest.

Some would prefer complete public funding of all campaigns, coupled with absolute limits on total spending—a combination that should be able to pass the constitutional test. However, such a change would be politically impractical (politicians are reluctant to change a system that got them elected) and the public would not be enthusiastic about footing the whole bill for political contests.

As a compromise, the Boren-Byrd proposal has a lot to recommend it. While it wouldn't eliminate special interest influence in elections, it would reduce it. Clearly, the current system undermines the independence of those elected to do the public's business. The Boren-Byrd proposal isn't a panacea, but it certainly beats what's in place now.

[From the Evansville (IN) Press, Apr. 3, 1987]

HEDGING A BET

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[From the Evansville (IN) Press, Mar. 16, 1987]

REIN IN THE PAC'S

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985–86 totaled $45.7 million.

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[From the Fayetteville (NC) Observer, May 1, 1987]

DEMOCRACY PROTECTION PLAN

In an oddly partisan vote, with the Democrats solidly for and the Republicans solidly against, the Senate Rules Committee approved a sound Senate campaign financing reform bill Wednesday.

Somehow it has gotten into the heads of Senate Republicans on the rules committee that the stellar growth in the number and campaign financing power of political action committees isn't a problem for the congressional electoral process.

They seem to think that the growth in the number of PACs from 608 in 1974, when the Watergate scandal provoked reform of presidential campaign financing, to more than 4,000 this year, is a healthy change.

These committee members apparently aren't discouraged by the fact that PACs are about the business of accumulating narrow-gauge influence, unlike most of us when we act as political individuals and strive to judge what is in the broad, best interest of our state and nation.

The PACs buy that influence, and they spent a giddy $45.7 million on Senate races last year, as opposed to $5.4 million in 1974.

Buying influence, and for that matter elections, may be an ancient practice, but that doesn't make it either honored or healthy.

The idea and to some degree the fact that our democratically elected national leaders are being bought and sold with PAC money, which flows mostly to incumbents regardless of party, contributes mightily to a corrosive national skepticism about politics and politicians.

By making incumbents who can stomach the PAC-man process of raising money increasingly secure in their offices, it also stifles the electoral responsiveness to changes in public opinion that was intended to be a characteristic of our legislative bodies.

The Rules Committee-approved bill reduces the magnitude of this and other evils by first reducing the aggregate amount of money that PACs may give to Senate campaigns and second by providing public campaign financing to Senate candidates who voluntarily abide by other campaign spending restrictions.

It is reasonably complex legislation with many other provisions whose summary effect is to winnow the frivolous from the serious candidates and free the latter from the necessity of groveling before powerful PACs for campaign funds.

It would also give challengers, who don't have the incumbents' access to or clout with PACs, more of a chance than they have now of winning election.

And it would give whoever wins fewer real and prospective PAC obligations to weigh when pursuing the public good.

It is not, as the Republicans allege, an incumbent protection plan. It is a democracy protection plan.

[From the Fayetteville (NC) Observer, Apr. 7, 1987]

SENATE CAMPAIGN FINANCING

Since presidential candidates became eligible for public campaign money after the Watergate scandals, Americans have been able to make the reasonable assumption that our presidents were not captive to any special interests.

The same assumption cannot be made so easily with the members of Congress.

Campaign spending has soared, and with it the contributions of Political Action Committees.

And as candidates spend megabucks on television ad campaigns, the public more and more tunes them out and loses interest in the political process. The percentage of eligible voters who went to the polls in last year's House election dropped to a new low.

Thus it is encouraging that a bill to provide partial public financing for U.S. Senate candidates has the support of the Senate majority leader, Robert Byrd, D-W. Va.

The bill would not apply to primary campaigns, so there is room there for special interest groups to court the favor of candidates. In close elections, however, many such groups would feel compelled to contribute to more than one candidate.

The main features of the bill include:

Fixed ceilings for general election spending in each state, depending upon population. California, for example, would have a ceiling of $5.6 million for each candidate, a sum several times less than was spent in North Carolina by both candidates in the 1984 Senate campaign. In Vermont, the ceiling would be $700,250.

A requirement that candidates raise 20 percent of their state limit *in contributions of $250 or less* to qualify for the federal money, wich gives the average citizen an important role in campaigns.

The provision of federal funds for the remaining 80 percent.

Use of the taxpayers' check-off on income tax forms to provide the money. Taxpayers could stipulate that $2 (instead of $1 now) of their taxes would go into the campaign fund kitty for presidential and Senate races.

Limited spending by Political Action Committees, with the total PAC ceilings varying with population. But candidates qualifying for federal funding would not need the PACs money.

Although the Federal Election Commission estimates that federal funding for Senate campaigns in 1988 would cost a little over $92 million, the money is raised in a painless manner.

The public would be bombarded with somewhat less hyperbole and fewer "negative ads" than it is now, simply because the spending limits are not exorbitant. And the influence of special interest PACs would be reduced, though not curtailed altogether.

Plainly, such a system would be a bargain even at greater cost.

[From the Fayetteville (NC) Observer, Feb. 20, 1987]

PAID-FOR POWER

Money can buy influence. Does anyone doubt it? The nation's political action committees certainly don't.

Whether they represent domestic or foreign business interests, labor or more strictly political special interests, like "the right to keep and bear arms," is irrelevant. They have been pouring breathtaking amounts of money into the federal congressional election process and buying an ever growing influence over the course of federal legislation.

As now-retired Democratic Sen. Thomas Eagleton of Missouri put it, "This is not an exercise in philanthropy. They're interested in tangible, legislative results. It's gotten to an obnoxious and dangerous level, dangerous for democracy."

It is becoming more dangerous by leaps and bounds. According to Common Cause, PACs accounted for 26 percent of the money spent by winning House candidates in 1976, and 41 percent of the money spent by winning House candidates in 1986. For the Senate, it was 15 percent for winning candidates in 1976 and 27 percent for winning candidates in 1986.

Conservative and liberal legislators alike understand that this growing PAC power is undermining what was intended to be and has been a government of the people in general, not of the corporations and special interest groups.

Now-retired Republican Sen. Barry Goldwater of Arizona, the redoubtable Mr. Conservative, says bluntly that:

"Our nation is facing a crisis of liberty if we do not control campaign expenditures. Unlimited campaign spending eats at the heart of the democratic process."

Recognizing that PACs are legitimate organizations which have run out of control, and that campaign spending is a healthy part of the electoral process which has become obscenely bloated, the answer is limits on both PACs and overall campaign spending.

Congressional leaders have been outspoken this year in declaring that they believe such limits should be established, and a bill entitled the "Senatorial Election Campaign Act" which would do the job has been introduced.

With a fundamental selfishness and disregard for the overall health of the political process that is not at all astonishing to a cynic, the PACs oppose the enactment of any such limits. They make cunning defenses of their "right" to overwhelm the free speech of ordinary citizens with their bales of money, and they're wrong.

The combination of voluntary public campaign financing and limits on spending that the bill proposes would head off a larger crisis in which the interests of ordinary citizens as understood by ordinary citizens is lost in Congress amid the well-heeled influence of special-interest groups.

It is worth noting that this act would at last bar U.S. subsidiaries of foreign firms from forming PACs and making campaign contributions, a practice used by the Japanese auto manufacturers and others to weaken efforts to defend U.S. industry against foreign depredations.

If this country is to defend its own interests on behalf of the mass of citizens who make it up, it must both bar overweening foreign influence and end the disproportionate and growing influence of well-heeled PACs whose narrow but influential views too often use paid-for power to defeat the common good. The Boren-Byrd bill would and should do that.

[From the Flint (MI) Journal, Mar. 8, 1987]

REFORM PAC GIFTS, ABOLISH SLUSH FUNDS

The high cost of political campaigns is a continuing scandal. Campaign spending reforms inspired by the Watergate revelations have proven ineffective. It is time to consider reforming the "reforms."

In particular, there is need to limit Political Action Committee contributions made to candidates for federal and state posts. PAC contributions for U.S. Senate candidates grew more than eightfold in a decade—from $5.4 million in 1976 to $45.7 million in 1986.

Special inteest groups set up PACs for all sorts of reasons, but their principal motivation is to gain access to elected officials. A particularly blatant example recently involved Sen. Lloyd Bentsen, D-Texas, chairman of the Senate Finance Committee.

Bentsen had arranged to meet regularly with lobbyists who contributed $10,000 to his election coffers. For contribution, they would have a free breakfast with the senator once a month through this year and next. Adverse publicity about this cozy setup between a senator heading a key committee and special interests caused Bentsen to cancel the pay-for-access deal.

Denouncing such practices is easy. What is difficult is finding an effective way to correct abuses. Most PACs are affiliated with corporations or unions, which establish the committees to get around laws prohibiting use of corporate and union treasury funds for political contributions. There is at present no bar against corporate or union

PACs so long as their funds come from voluntary gifts of executives or union members.

A comprehensive campaign finance reform bill has been proposed in the U.S. Senate. It would limit total PAC receipts by candidates, overall spending and use of personal wealth in congressional campaigns. It has drawn the support of 30 senators so far.

Others would go further and outlaw PACs altogether. Unfortunately, this reform approach collides with a 1976 U.S. Supreme Court ruling that struck down spending limits on congressional candidates, declaring them an unconstitutional infringement on free speech.

Nonetheless, something must be done. We're pleased that Secretary of State Richard Austin has again urged state legislators to slap limits on the amount of money individuals can give to PACs and political parties. Austin also called for regulations to make it more difficult for PACs and political parties to "thwart the act's contribution limits or disclosure requirements."

Another much needed state reform is the elimination of officeholder expense funds. This legally sanctioned abuse permits elected officials to transfer campaign funds to office expense accounts. Reform may be helped along by the Internal Revenue Service, which at last has turned a critical eye on the OEFs. It is looking into how politicians use this money. Many have used it for personal expenses such as country club dues in clear violation of the law permitting such accounts.

Now is definitely the time for Congress and the Legislature to adopt these campaign financing reforms. The experience of the 1986 election, when the average campaign for the U.S. Senate cost $3 million, is still fresh. And with another general election just two years away, our political friends have no excuse for not correcting abuses tarnishing the electoral process.

[From the Fond du Lac (WI) Reporter, Apr. 17, 1987]

PAC INFLUENCE GROWS

Nearly 200 of the 434 current members of the United States House of Representatives received 50 percent or more of their campaign funds from political action committees in the last election.

The figures are from Common Cause, the organization that has targeted PACs as counter-productive in a democratic society.

Common Cause says the number of representatives dependent on PAC's for at least half of their campaign funds has grown dramatically in recent years, more than doubling from 94 representatives in 1982 to 194 in the 1986 election.

Just as alarming was the amount of money spent. A separate Common Cause study disclosed that PACs gave more than $130 million to House and Senate candidates last fall, an increase of 27 percent over 1984 PAC spending. Beyond the PAC money, some 864 congressional candidates in the 1986 election raised—and presumably spent—another $280 million.

That's more than $410 million invested in seeking congressional office.

The studies add up to exactly what Common Cause is calling it: a national scandal. Too much money is being given the candidates by special interest PACs; too much money is being spent by candidates.

Million-dollar campaigns are commonplace nowadays, but no less shocking. There were 17 individuals who waged million-dollar campaigns last year. Coincidentally, 10 candidates raised at least $400,000 from PACs last year. (PAC funding and total spending among Wisconsin congressmen last year amounted to $195,000 and $413,000 for Les Aspin, $111,000 and $319,000 for Bob Kastenmeier, $124,000 and $299,000 for Steve Gunderson, $103,000 and $89,000 for Gerald Kleczka, $170,000 and $175,000 for Jim Moody, $92,000 and $106,000 for Tom Petri, $261,000 and $447,000 for David Obey, $139,000 and $282,000 for Toby Roth, and $61,000 and $174,000 for F. James Sensenbrenner.)

Common Cause President Fred Wertheimer says the increase is no accident. "It occurred as a result of two deliberate, intentional, and unfortunate decisions made by Congress 13 years ago during the fight to clean up federal elections in the Watergate period," he said. "First, Congress rejected for itself the kind of public financing system it enacted to reform presidential campaigns. Second, labor and business joined hands to repeal an existing law prohibiting any organization with government contracts from forming or maintaining a PAC."

The floodgates were opened. Each election sees them opened wider.

Clearly, limits are in order, both on campaign spending and on PAC donations.

A vehicle exists in the Senate, and support for it is pouring in from responsible senators, organizations and the general public. Bill S2 would fundamentally reform the senatorial campaign finance system.

Public financing of presidential elections has proven its worth. The time has come to extend the financing to congressional elections as well to avoid the heavy-handed PAC influence and the ridiculous sums of money being spent to gain election.

[From the Fort Dodge (IA) Messenger, Apr. 20, 1987]

HEDGING A BET

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

At the risk of sounding cynical, one might suggest that some PACs aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. senator.

In North Dakota, for example, 39 PACs that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

The 39 PACs included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Institute Inc. and the American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterwards, switched sides in four of the seven Senate races.

The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen. If we're really interested in citizen participation, we'll emasculate the PACs.

[From the Fort Myers (FL) News-Press, Mar. 25, 1987]

LET'S END BUYING ELECTIONS

Florida's two U.S. senators are on the same track—the slow track.

And, yes, the right track.

Sens. Lawton Chiles and Bob Graham both want to slow down campaign spending. Both have taken initiative in the Senate to reduce spending by political action committees (PACs) and other private donations. Yet each approaches the subject from a different perspective.

The campaign from which Graham emerged the winner last fall was more of a spending contest than a political contest. Graham, Florida's new junior senator, and the incumbent, Paula Hawkins, together spent $13 million. Hawkins had a slight edge in spending.

Chiles, up for re-election next year, spent only about $800,000 in his 1982 campaign. He doesn't think he'll be spending much more than that next time—primarily because of self-imposed spending limits. He won't accept PAC money at all, and he's maintaining a personal donation ceiling. He won't accept more than $100 from any one donor, and he won't accept any out-of-state money.

With the restrictions he's placed on himself, Chiles could be swamped by a well-heeled candidate, so it's in his interest to try to hold down spending by law. But he's in good company. Senate majority leader Robert Byrd and Sen. David Boren already have introduced Senate Bill 2 which provides for public financing of Senate campaigns. It also prohibits a candidate in the general election from spending more than $600,000 plus 25 cents times the voting-age population. In Florida, that would amount to $2.8 million.

After a candidate has raised $250,000 or 20 percent of the campaign spending limit, whichever is less, public financing kicks in. In Florida, taxpayers would have to finance more than $2.5 million of a candidate's general election expenses.

Chiles supports the Byrd-Boren bill, with an additional provision that political campaigns be limited to the period between Labor Day and election day—a move that most voters likely would applaud.

Graham also supports the Byrd-Boren bill. He testified before the Senate Rules Committee that huge campaign war chests minimize contact with voters, insulate candidates from give-and-take sessions, narrow the range of campaign issues to the few that can easily be explained in 30-second TV commercials, and exploit negative advertising.

"If the only confrontation is charge and countercharge in a series of carefully crafted campaign commercials, that's what gets covered," Graham said. "The nature of the advertising not only sets the tone of the campaign—it becomes the campaign."

Graham has his own proposed addition to the Byrd-Boren bill: a requirement that any candidate receiving public financing must engage in at least two one-hour public debates.

The Chiles-Graham amendments to the Byrd-Boren bill are helpful. The bill itself is crucial to ending the notion that we have the best senators money can buy.

[From the Journal-Gazette, Fort Wayne, IN, Apr. 9, 1987]

POLITICS DROWNING IN CASH

The 1986 congressional campaigns cost candidates $370 million. More than one third of that money came from political action committees, better known as PACs. Fear that these so-called special interest groups are taking over Congress lies behind a long-needed bill that would finance Senate election campaigns the way that presidential campaigns are funded.

Special interest groups began pressuring Congress back in 1789, but the PAC era has introduced new reasons for voters to distrust their government. Respected legislators admit that it's easier for big campaign donors to get a congressman's ear than it is for average citizens. The PACs swarm around incumbents, making it harder for challengers to win, and candidates feel caught up in a fund-raising treadmill where they have to hunt PAC cash instead of doing their jobs.

The system is unfair to the lobbying groups, too. They are forced to compete with each other, throwing away money into inflated campaign funds when they could better use it researching issues and serving their organizations' members.

Senate Bill 2 would let citizens contribute a dollar to a public campaign fund when they pay their income taxes. It's the same check-off system that about 35 million people use to finance the presidential campaigns. The bill says that when Senate candidates achieve certain goals raising their own money they'll be able to get some of the public pool money—but they'll have to limit their total spending if they take the public cash. (The specific goals and limits depend on the populations of the states.)

One of the major movers behind the bill, hopes that, if the bill makes it to the House, sponsors will put a limit on House election spending, too.

The Senate bill also limits how much PAC money House and Senate candidates can accept: up to $750,000 in the Senate races for the most populous states and $100,000 for all House races. It also cuts the maximum PAC donation to any one candidate from $5,000 a year to $3,000.

The bill thus does two valuable things: 1) by putting limits on total spending it makes fund-raising a less-important part of each candidate's work, and, 2) it limits how much impact the PACs can have.

Senate Bill 2 cannot make politics perfect. Elected officials will always be vulnerable to pressure from friends, party leaders, voting blocs and contributors. But the bill can bring the contributors' clout back down to a reasonable level. And, with public financing, it can remind elected officials that they are getting much of their campaign money from the same people they are sworn to serve: the general public.

[From the Fresno (CA) Bee, May 19, 1987]

TINKERING WITH FREE SPEECH

It's hard to argue with any measure aimed at curbing the influence of money in politics. But as serious as the problem has become, a recently proposed constitutional amendment to do just that is premature and dangerous.

One congressional sponsor of the measure argues that the "pernicious effects of money" can't be taken out of politics until a 1976 Supreme Court decision is overturned with the proposed amendment.

In that case, *Buckley vs. Valeo,* the court struck down many of the campaign spending limits passed by Congress in the wake of Watergate. Campaign spending, the court ruled, is a form of free speech protected by the First Amendment.

The proposed amendment, whose sponsors include Sen. Alan Cranston of California, is aimed at overturning the decision by declaring: "The Congress may enact laws regulating the amounts of contributions and expenditures intended to effect elections to federal offices." The actual dollar limits and other details would be filled in with subsequent legislation.

Cranston said he expects much of the opposition to come from those wary of Congress tampering with the First Amendment. Indeed, much of it will, and should.

If Congress can limit campaign spending by candidates, what of independent committees or other groups—a medical association, a labor union, even a newspaper—who might publish literature or buy television time? And where is the line between campaign spending and other forms of communications?

Conversely, if the limits apply only to candidates, how can they fairly protect themselves against political action committees or other independent—or not so independent—voices?

There is a better way and it ought not be abandoned in favor of a chimerical and dangerous alternative. Already moving through the Senate is a bill sponsored by Sen. David Boren and Majority Leader Robert Byrd that would limit contributions from political action committees as well and provide public financing to candidates who agree to abide by spending limits.

The voluntary arrangement—candidates would retain the option of raising and spending as much as they want—makes it constitutional. The public financing reduces even more the influence a large special interest donors.

The Boren-Byrd bill is a far better and safer course than tinkering with the First Amendment.

[From the Fresno (CA) Bee, Mar. 25, 1987]

TO CHANGE THE PAC MENTALITY

Those who still wonder what campaign contributions from political action committees are intended for need only look at a report issued the other day by Common Cause.

It showed that in seven U.S. Senate races where Democrats beat incumbent Republicans, there were 150 instances in which PACs switched sides after the elections and gave money to the winners. Never mind the candidate's political philosophy or stands on issues. All that mattered was that the Republicans were out and the Democrats would be in office for the next six years. If these contributions weren't attempts to buy influence for the corporations and other special interests who formed the PACs, it's hard to imagine what they were.

Last year, Sen. David Boren of Oklahoma tried to deal with the issue by proposing an amendment that would have set new ceilings on individual PAC contributions and, more important, would have limited how much PAC money could be spent in each congressional race. To everyone's surprise, the amendment passed by a 69-30 margin. Unfortunately, the bill to which it was attached never came to the floor for a vote.

Now, Boren is back with a similar proposal. The bill, now before the Senate Rules Committee, has an additional benefit of providing Senate candidates with partial public financing if they agree to abide by campaign spending limits.

The bill makes more sense than ever, PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million, 63 percent more than PACs gave to Senate hopefuls in 1983-84. Fourteen senators elected last year collected more than $1 million from PACs for their campaigns, led by California's Alan Cranston with $1.5 million. (Cranston's opponent, Republican Ed Zschau, received $1.2 million from PACs.)

Boren's measure is picking up steam in the Senate, where three dozen of his colleagues—some, perhaps, frustrated by having to raise absurd amounts of money and others tired of hearing about it—have signed on as co-sponsors, among them Senate Majority Leader Robert Byrd.

The bill deserves approval, and the sooner the better, while last year's elections are still fresh enough in the minds of the senators to make reform attractive and next year's elections are still far enough away to make it possible.

[From the Gadsen (AL) Times, Apr. 6, 1987]

PAC'S HEDGE BET AND BACK THE WINNER

If at first you don't succeed, give and give again. That seems to be the name of the game with the political action committees, who hedge their bets to make sure they back a winner.

According to a study released recently by the public-interest Common Cause, dozens of political action committees (PACs) active in last year's Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs contributed to the Republican incumbent during the campaign and then turned around and contributed to the winning Democrat shortly after the election.

The Senate race in Alabama was one of the seven. Thirty-one PACs switched sides from supporting incumbent Jeremiah Denton, Republican, before the election to backing the winning challenger Richard Shelby, Democrat.

Common Cause said these 31 PACs included the American Bankers Association, which contributed $10,000 to Mr. Denton and then switched over to give Mr. Shelby $5,000. Boeing gave $7,800 to Mr. Denton and $3,000 to Mr. Shelby. The United States League of Savings Associations gave $2,000 to Mr. Denton and $3,000 to Mr. Shelby. The same scenario was played out in North Carolina, Washington, North Dakota, South Dakota, Georgia and Florida.

Does this mean these PACs had a change of heart in being particularly committed to a candidate's aims, ideology or political party? We doubt it. Rather, they seem interested, above all else, in gaining influence with a U.S. Senator, and never mind his ideology or party. But there might be a bright spot in all this cynicism. Six of the seven winning challengers said they favor fundamental changes in the current campaign-financing system. They are among 36 senators who are co-sponsoring legislation that would limit the total amount of PAC funds congressional candidates can accept. Maybe something positive will be done in this area.

The various political action committees maintain that PAC contributions represent widespread citizen participation in the election process. Maybe so. But it should be pointed out that ordinary voters, unlike the PACs, don't vote for candidate twice—once before the election and again after the winner has been determined.

[From the Gainesville (FL) Sun, Mar. 19, 1987]

Meaningful Campaign Reform

In August the U.S. Senate voted 69 to 30 in favor of a campaign finance-reform bill, which included curbs on political contributions to Senate candidates from political action committees and a public financing plan for U.S. Senate campaigns.

Final action on the bill didn't happen before Congress adjourned, but emphasis in last fall's congressional campaigns on the high cost of running for office has kept the issue alive. Some senators, including Majority Leader Robert C. Byrd, have made curbing campaign spending and giving a major issue for Congress.

"I have placed campaign-spending reform at the top of the list of priorities that the Senate must deal with this year," Byrd told the Committee on Rules and Administration last week. "We must stop the mad, seemingly limitless escalation of campaign costs that have resulted in campaigning for single Senate seats that cost over $20 million."

Floridians know all about those high costs. Last year's race between then-governor, now Sen. Bob Graham and former Sen. Paula Hawkins generated over $10 million in campaign spending. That doesn't come close, however, to the $16.5 million spent by North Carolina Sen. Jesse Helms for his 1984 reelection.

The bill passed by the Senate last fall, and revived by Byrd, is one of five such bills pending before the Senate, so it seems likely there will be some reforms at least considered, if not approved, this year. Byrd's proposal, originally sponsored by Sen. David L. Boren, D-Oklahoma, would cap individual PAC contributions to candidates at $3,000, down from the current $5,000 cap.

The bill also would establish a voluntary public financing program for Senate campaigns, limiting spending on individual races according to population in each state. The voluntary program would apply to general elections and not primary contests, however, and would limit the amount of money a candidate or his family could put into a campaign.

Frankly, Byrd's bill should be broadened to cover primary-election contests, should be made mandatory and not voluntary, and should be considered in a package of reforms for both the Senate and the House campaigns. But it's doubtful that, despite the attention and lip service being paid campaign reform by Byrd and others right now, a tougher bill would have gotten the support of 33 sponsors, as Byrd's bill has.

Once Byrd's proposal starts through the legislative mill, enlightened Senate and House members, like Florida Sen. Lawton Chiles and Rep. Buddy MacKay of Ocala, should work to strengthen it. Those in Congress who oppose those attempts could then be identified as not being serious about campaign-finance reform.

Chances are, that's not the type of identification most in Congress will appreciate, and meaningful campaign-finance reform actually will occur in 1987.

[From the Dispatch, Gilroy, CA, Mar. 25, 1987]

Right Time To Trim PAC's Influence

Those who still wonder what campaign contributions from political action committees are intended for need only look at a report issued the other day by Common Cause. It showed that in seven U.S. Senate races where Democrats beat incumbent Republicans, there were 150 instances in which PACs switched sides after the elections and gave money to the winners. Never mind the candidate's political philosophy or stands on issues. All that mattered was that the Republicans were out and the Democrats would be in office for the next six years. If these contributions weren't attempts to buy influence for the corporations and other special interests, it's hard to imagine what they were.

Last year, Sen. David Boren of Oklahoma tried to deal with the issue by proposing an amendment that would have set new ceilings on individual PAC contributions and, more important, would have limited how much PAC money could be spent in each congressional race. To everyone's surprise, the amendment passed by a 69-30 margin. Unfortunately, the bill to which it was attached never came to the floor for a vote.

Now, Boren is back with a similar proposal. The bill, now in the Senate Rules Committee, has an additional benefit of providing Senate candidates with partial public financing if they agree to abide by campaign spending limits.

The bill makes more sense than ever. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million, 63 percent more than PACs gave to Senate hopefuls in 1983-84. Fourteen senators elected last year collected more than $1 million each from PACs for their campaigns, led by California's Alan Cranston with $1.5 million. (Cranston's opponent, Republican Ed Zschau, received $1.2 million from PACs.)

Boren's measure is picking up steam in the Senate, where three dozen of his colleagues—some, perhaps, frustrated by having to raise absurd amounts of money and others tired of hearing about it—signed on as co-sponsors, among them Majority Leader Robert Byrd.

The bill deserves approval, and the sooner the better, while last year's elections are still fresh enough in the minds of senators to make reform attractive and next year's elections are still far enough away to make it possible.

[From the Leader, Glendale, CA, Mar. 18, 1987]

Practical Way To Cut Contributions

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. The more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million.

The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

Sponsored by Sen. David Boren, D-Okla. and Senate Majority Leader Robert Byrd, D-W.Va., the legislation would clamp down on PAC contributions and extend the current system of public financing of presidential elections to the congressional level.

Public financing may be the Achilles' heel of the legislation, as Sen. Wendell Ford, D-Ky., suggested to Boren. The Oklahoma senator explained that he reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing. Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

The Boren-Byrd measure also would reduce the size of a PAC's maximum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House candidates, depending on a State's population. Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes. What we have now, it never, is a mess. The Boren-Byrd measure could be a way out.

[From the Post-Star, Glens Falls, NY, Mar. 26, 1987]

Congress Should Set Limits on Fickle PAC's

No matter what you say about political action committees, they know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PAC's involved in last year's U.S. Senate elections covered both sides.

In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PAC's backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

It appears from this that some PAC's aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in gaining influence with a U.S. senator.

In North Dakota, for example, 39 PAC's that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

Those PAC's included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Institute Inc, and the American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterward, switched sides in four of the seven Senate races.

Now for the good news—the PAC's might get throttled by the hands they fed. Six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen.

PAC's could become too powerful for the common good, and we welcome the attempt to set limits on them.

[From the Union, Grass Valley, CA, Apr. 21, 1987]

Congress Must End Campaign Corruption

The patchwork, or PACwork, sportcoat could be an idea whose time has come for those interested in campaign reform. Nothing else, so far, has been able to resolve what former Sen. Barry Goldwater, R-Ariz., has called "a crisis of liberty"—the unholy dependence on special-interest political action committees by candidates for Congress.

Here is how the patchwork-coat approach would work:

The candidate would be required to don his or her official campaign coat at the official campaign opening. A blazer no doubt, it would be festooned with patches, each patch a logo signifying the political action committee to which the candidate is beholden. The candidate could pick his favorite color, though for most office-holders, color wouldn't matter. The coat would be all PAC patches—and large pockets.

We have campaign disclosure laws now, but the sportcoats would be more graphic. They would allow the voter to see at a glance who owns whom.

Candidates might resent their Indy 500 look—each car emblazoned with a riot of logos—but that's life in the public eye. As candidates well know, campaigning often is an affront to personal dignity.

If the coat idea won't fit, perhaps it's time for Congress to pass legislation sponsored by Sen. David Boren, D-Okla., and Sen. Majority Leader Robert Byrd, D-W.Va.

Their bill, called Senate Bill 2, would fundamentally reform the senatorial campaign-finance system. It has gained the support of 44 co-sponsors in the Senate, just seven short of a majority. Successful Senate action on the bill, which calls for partial public financing of senatorial campaigns, would then shift the focus of attention to the House of Representatives.

One of the original co-sponsors of the bill, Sen. John Stennis, a Mississippi Democrat who has been in the Senate since 1948, announced recently: "When the present law was passed, I was strongly opposed to the idea of paying any of the campaign costs for candidates for U.S. Senate from the public treasury, or the House of Representatives, either one. But in view of what has happened now, I have changed my mind."

And what has happened now? In the 1986 election, PAC contributions reached a record $130,296,926 for House and Senate candidates. That's a 27 percent increase over the $102 million PACs gave to congressional candidates in the 1984 election. Over the past decade, PAC contributions to congressional candidates have skyrocketed from $22 million in 1976 to more than $130 million last year. In 1976, there were 600 PACs; today, there are more than 4,000 PACs.

The result is that the 100th Congress has come into office more indebted to special interests than any other Congress in the nation's history. And that means the special interests have bought the right to set the legislative agenda.

"Only a simpleton can believe that PAC funds do not influence many of our senators in their pattern of voting," former New Hampshire Gov. Meldrim Thompson has said. "PAC money," the conservative Republican added, "is a no too subtle way to ensure that most senators will remember from whence their contributions came when they vote on major issues."

For a way out of the current mess, Congress can look to a reform model that works—the public financing system for presidential elections. Since it was initiated in the 1976 election, 34 of the 35 candidates for the nation's highest office have voluntarily participated in the public financing system. The system has opened up the process, reduced undue influence of individuals and groups and virtually ended corruption in presidential election finances.

Congress must put an end to its own campaign-finance corruption. If a patchwork coat is beneath its dignity, surely the mantle of public interest isn't. And a public financing system for congressional campaigns is clearly in the public interest.

[From the Recorder, Greenfield, MA, Mar. 10, 1987]

Limit PAC Contributions

The amount of money spent by big-time politicans to get themselves elected is absolutely unconscionable—and should be changed.

That's one conclusion we draw from a study of 1986 Senate campaign financing released last month by Common Cause, a citizens' lobby based in Washington, D.C.

The money spent by the 68 Senate candidates last fall is unbelievable: $178,934,493 during 1986 alone. Winners outspent losers in 25 of 34 races. In fact, winners averaged more than $3 million in campaign spending; losers a little more than $2 million. The biggest outrage was in California: Democratic Sen. Alan Cranston spent $10.8 million to defeat Republican Ed Zschau, who spent $11.5 million.

We might begrudge the money to candidates if it had been wisely spent in helping the voters make educated, informed choices at the polls. But just what did that money buy? It's our perception—and we think it's pretty widely held—that it bought advertising, and pretty bad advertising at that. Political observers say many of last fall's campaigns—devoid as they were of real issues—reached a new low in vituperative mudslinging.

How these politicians get all that money has to change, too. For instance, 14 senators elected in 1986 raised more than $1 million each in political action committee (PAC) contributions for their Senate campaigns. That more than doubles the number of PAC millionaires in the Senate from 10 to 24, Common Cause says. And winners received twice as much PAC money as losers.

PAC contributions are climbing rapidly, from a paltry $5.4 million in 1976 to nearly $48 million last year. At those astounding sums, it might be more appropriate to refer to the '86 elections as the "selling of the Senate."

This high-rolling style of politics has to change to one in which less money is wisely and effectively spent. Otherwise campaigns will just continue to make TV stations (and, yes, newspapers) richer instead of what campaigns should be doing—outlining issues for the voters.

Campaigns can be fought and won without large contributions from a few benefactors. Consider the career of Lawton Chiles, a Florida Democrat who is now chairman of the Senate Budget Committee. After serving in the state Senate, Chiles, an unknown, walked the length of the Florida—from Pensacola to Key West—to meet the voters. They liked him, and they elected him. He's been in the Senate for 16 years now, and accepts no PAC contributions. In fact, he doesn't accept any contributions from anybody that's more than $100.

The Senate Committee on Rules and Administration has begun hearings on a bill introduced by Sen. David Boren, D-Okla., and Majority Leader Robert Byrd, D-W.Va., that would limit PAC receipts. This comprehensive campaign finance reform bill would also limit overall spending as well as the use of personal wealth in Senate campaigns. It's to be part of a partially voluntary system of public financing.

Until such changes occur it will continue to be true that if you've got more money—or can get it—than your opponent, then you've got a terrific chance of becoming a U.S. senator, and you won't even have to bother talking about the issues.

[From the Greenwood, (SC) Index-Journal, Apr. 14, 1987]

Hedging a Bet

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

At the risk of sounding cynical, one might suggest that some PACs aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. senator.

In North Dakota, for example, 39 PACs that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are cosponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen. If we're really interested in citizen participation, we'll emasculate the PACs.

[From the Grosse Pointe (MI) News, May 7, 1987]

It's About Time To Limit PAC Campaign Gifts

Rep. Dennis Hertel and Rep. George Crockett, the Democrats who represent the

Grosse Pointes in Congress, are two of the 11 U.S. House members from Michigan who received 50 percent or more of their campaign funds from political action committees (PACs) in the 1986 election.

A report by Common Cause showed that PACs gave Hertel $120,549, or 60 percent of his total contributions of $199,969, while they gave Crockett $38,370, or 53 percent of his $71,787 in campaign receipts. The two representatives, Hertel from the 14th District and Crockett from the 13th, were among 194 of the 434 current members of the House to receive 50 percent or more of their funds from PACs.

Well, what is so bad about that?

The point is that political action commitees by and large represent special interest groups which now are dominating the election process in this country. It was not an accident that 98 percent of the 391 incumbents who ran for reelection won. PACs supported House incumbents over their challengers by a ratio of 4.6 to 1 and gave incumbents $65,514,435 as contrasted with only $8,657,485 to their foes.

"With the role special interest PACs are playing, the curent campaign finance system of the House of Representatives has become the ultimate incumbents' protection system for Democrats and Republicans alike," according to Fred Wertheimer, president of Common Cause. Then he added:

"Special interest PACs are giving record amounts to House incumbents who in turn are becoming more and more dependent on and obligated to the PACs. The congressional campaign finance system is a national scandal. The institutional integrity and public credibility of Congress are being destroyed before your eyes."

So what should be done about this national scandal?

A fundamental reform of the congressional financing system is obviously needed, and a Senate bill has been introduced to pattern senatorial campaign financing on the public financing system used for presidential campaigns. The House is considering similar reform legislation.

In a 1986 study of the presidential election system, the Commission on National Elections, headed by a former secretary of defense and ex-GOP congressman, Melvin Laird, and a former chairman of the Democratic National Committee, Robert Strauss, came to this conclusion: "Public financing of presidential elections has clearly proved its worth in opening up the process, reducing undue influence of individuals and groups, and virtually ending corruption in presidential election finances."

The Senate bill would go beyond partial/public financing. It would also set overall campaign spending limits, limit the use of wealth in campaigns and set an aggregate limit on what a congressional candidate could receive from all political action committees.

Early action is imperative because PAC financing of congressional elections has raced ahead since enactment of a 1974 campaign financing law that unintentionally opened the door for their rapid growth. In 1976, for example, there were only 600 PACs. Today there are more than 4,000 and their use is growing in every election. In 1986, the record $130,296,926 contributed by PACs represented a 27 percent increase over the $102 million they gave to congressional campaigns in 1984.

Common Cause is leading a nationwide campaign to push the reforms embodied in the pending bill in the U.S. Senate and already has won wide support. The legislation has been endorsed by leaders from both parties and by conservatives such as former Sen. Barry Goldwater as well as liberals such as Majority Leader Robert Byrd.

We should point out that the Democrats representing the Pointees are not Michigan's worst offenders with respect to their acceptance of PAC campaign financing. The top Democratic recipient of PAC funds was Rep. Bob Carr, of the Sixth District, who was given $448,673 in PAC funds to boost his receipts to $733,879, while the top GOP recipient was Rep. Bill Schuette, of the 10th District, who collected $339,582 in PAC funds to bring his campaign fund to $844,613.

Overall, PACs contributed just over $3 million of the more than $5.5 million spent by Michigan congressmen and their opponents in the 1986 election. It's obviously time for a change.

[From the Grundy Center Register, Grundy Center, IA, March 26, 1987]

NUMBER OF POLITICAL ACTION COMMITTEE "MILLIONAIRES" GROWS

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general election candidates in 1985–86 totaled $45.7 million.

The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people.

Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

Sponsored by Sen. David Boren [D-OK] and Senate Majority Leader Robert Byrd (D-WV), the legislation would clamp down on PAC contributions and extend the current system of public financing of presidential elections to the congressional level.

Public financing may be the Achilles' heel of the legislation. The sponsors reluctantly added the provision to the bill because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing. Under the Boren-Byrd bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

The Boren-Byrd measure also would reduce the size of a PAC's maximum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House candidates and would range from $175,000 to $750,000 for Senate candidates, depending on a state's population.

Reform, of course, cannot guarantee less expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special interest groups are wonderfully ingenious at finding loopholes.

What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

[From the Hackensack, (NJ) Record, Apr. 15, 1987]

GET AHEAD OF THE PAC

The groups that hand out political contributions for the American Medical Association and the National Association of Home Builders are boycotting a fund raiser for Democratic congressional campaigns. What vile crime led to the boycott? The Senate's Democratic leadership is backing limits on campaign contributions by wealthy special interests, including the AMA and the home builders. Money means influence, and lobbyists want to keep it that way. But the equation must be changed. Majority Leader Robert Byrd and other Senate reformers have created a rare chance to curb the influence of political-action committees, or PAC's.

The display of pique by the AMA and the home builders shows the message that PAC's send to a legislator: Vote our way, or do without campaign dollars. As television commercials drive up the cost of campaigns, legislators depend more and more on PAC's. An analysis of last year's elections by Common Cause showed that almost half of the members of the House got at least 50 percent of their campaign money from PAC's.

PAC support tilts heavily in favor of incumbents, who are already in a position to do favors. PAC contributions to incumbents outran those to challengers by 6 to 1, Common Cause said. The excesses are extraordinary.

Rep. Sam Gibbons of Tampa, Fla., ran unopposed in last year's primary and general elections. Yet he took in nearly $900,000 in campaign contributions, of which $550,000 came from PAC's. He spent half a million on ads just so voters wouldn't forget who he is. The remaining $400,000 was carried over to the 1988 race, enough of a head start in financing to make a challenger think twice.

That's why seats in the House and Senate carry something close to lifetime tenure. Of House incumbents who sought reelection last year, 98 percent won.

Some senators see that change is needed. The unusual coalition includes longtime supporters of PAC limits, such as David Boren, D-Okla., and veterans, like John Stennis, D-Miss., who are usually happy with the status quo. They worry rightly that giving so much power to wealthy special interests makes it harder for the less affluent to get a hearing. And they understand that a growing percentage of the public believes that Congress is, if not for sale, available for short-term lease. The senators are lining up behind badly needed legislation that would limit PAC contributions and provide public campaign funding under a system similar to that used in presidential elections or in New Jersey gubernatorial races. Maximum PAC contributions to individual candidates, for example, would drop from $5,000 to $3,000 in a primary, with the same restriction in a general election.

The Boren bill, the one backed by the reformers, may need amendments. It's worthwhile to look at a claim by New Jersey Sens. Frank Lautenberg and Bill Bradley that overall spending limits, which are based on population, would be too low for New Jersey. Candidates here who accept public financing could spend no more than $2.1 million, which may be too little in the costly Philadelphia and New York television markets.

But the underlying principle is too important to allow the bill to get held up by endless dithering. Political power shouldn't depend on the balance in a checkbook. The Boren bill offers a good way to get members of Congress to spend more time thinking about the merits of an issue and less time worrying about whether PAC's will be boycotting their next fund raiser.

[From the Journal-News, Hamilton, OH, Apr. 22, 1987]

PAC's Now Wielding Far Too Much Power

Our founding fathers, who charged that America was suffering from "taxation without representation," never envisioned an era when democracy would be endangered by a system of "representation by contribution."

But it is apparent that the average voter cannot afford the inflationary cost of influencing a state legislator, a congressman, a judge or even a governor. That has left the special-interest lobbyists operating through the cover of political action committees (PACs) to purchase more than their share of influence.

That abominable system must be scrapped.

While the cost of federal elections has more than tripled in the last decade, the contributions from PACs have increased sixfold.

Our government is dangerously close to becoming a government of special interests, by special interests and for special interests.

A bill in the U.S. Senate sponsored by Sen. David Boren, a conservative Democrat from Oklahoma, and Senate Majority Leader Robert Byrd of West Virginia, not only puts reasonable limits on PAC contributions, but also goes one critical step further by providing public financing for Senate campaigns—via an additional $1 income tax checkoff.

The request for an additional dollar per year from each taxpayer would supplement the $1 checkoff that now provides public financing for presidental candidates. The bill has 44 sponsors.

Similar legislation has been slower to win support in the House of Representatives, although Speaker Jim Wright, D-Texas, reportedly favors such a law.

Voters should realize that until they begin supporting candidates for public office with more of their own contributions, they will continue to forfeit their influence to America's massive special-interest industries, which, indirectly pass on their costs to the consumer anyway. It's a perilous way to run a democracy.

[From the Times, Hammond, IN, Feb. 18, 1987]

A Financially Risky American Dream

A fine story as old as America and about America has regrettably gone stale.

Remember hearing or being told that anyone in this country could become a congressman if they worked hard, studied diligently, rose above adversity and demonstrated a strength of character in tune with America's lofty moral principles?

Remember being reminded of how many of our nation's leaders rose from humble beginnings? Remember the log cabin to White House tales?

It's a different story today.

It's still true those aspiring to become political leaders in Washington need strong characters and minds. And it is still possible for someone to rise from humble beginnings to a political career in Washington.

But they better not have a humble bankbook. To get elected today, you have to be smart, compassionate—and rich in campaign funds. That's disheartening, but that's the way it is.

Sen. Richard Lugar, R-Ind., drove this point home Saturday while speaking to a group of Gary Horace Mann High School students. He said those wanting to become congressmen should become independently wealthy first or plan a frugal life "because politics is an expensive business."

We don't think Lugar meant to be inordinately cynical with that comment. He was just stating a reality. What those young high school students heard was disheartening. But that's the way it is.

But that's not the way it has to be.

Common Cause, a Washington-based public interest group which has made a habit of monitoring campaign expenditures, calls the current system for financing congressional campaigns "a national scandal and public disgrace."

Common Cause is a bit heavy on the rhetoric, but its point is well taken. Congressional races have become alarmingly expensive. According to a Common Cause study based on Federal Election Commission reports, "spending in Senate races has increased almost five-fold in the past decade, from $38.1 million in 1976 to $178.9 million in 1986." In last year's Senate races, 23 of 68 candidates spent at least $3 million each in their campaigns.

Is there any other evidence needed to show that those wanting to become U.S. senators better have millions in campaign funds at their disposal?

Common Cause has lobbied particularly hard to limit how much money political action committees (PACs) can put into election campaigns. There is a bill in the Senate which would restrict PAC contributions and overall congressional campaign spending.

The bill is far from perfect, but its aim—restoring sanity to the campaign funding process—is correct.

We hope campaign funding reform will not be ignored by Congress. We hope that years from now, a Horace Mann High School graduate determined to become a U.S. Senator will not be stopped from achieving that dream because it is too expensive.

[From the Hannibal Courier-Post, Hannibal, MO, Feb. 18, 1987]

Limits Needed on PAC Funds

Has the use of cash from political action committees in U.S. congressional elections gotten out of hand? A Common Cause study released recently shows that fourteen senators elected in 1986—including Missouri's Christopher Bond—raised more than $1 million each in PAC contributions, more than doubling the number of PAC "millionaires" in the Senate, from 10 to 14.

Use of PAC money, contributed largely by special interest groups, has grown disturbingly over the past decade, since its ironic inception as a campaign reform measure. In 1976, PAC contributions in Senate races amounted to $5.4 million. In 1986, in sharp contrast, PAC contributions totalled $45.7 million—an eight-fold increase.

Faced with massive advertising costs in campaigns dominated by the 30-second television commercial, both incumbents and challengers have become increasingly dependent on the huge sums of money that PACs can offer. But the candidate accepting hundreds of thousands of dollars from a special interest group cannot help but be beholden to his or her benefactors when an issue arises that concerns that special interest. A senator or representative must find it difficult to vote against a group who has generously funded his or her campaign war chest—regardless of whether such a vote is in the public interest.

The influence of PACs on the outcome of elections can also be seen in individual races, where spending often makes the difference in a close battle. In Missouri, for example, former Governor Bond received about $1.3 million in PAC money compared to the $766,018 received by Lt. Gov. Harriett Woods. Did the fact that Bond received nearly twice the amount of PAC funding make a difference in the outcome?

Sens. David Boren of Oklahoma and Robert Byrd of West Virginia have introduced a comprehensive campaign finance reform bill which would limit total PAC receipts, and also would limit overall spending and the use of personal wealth in Senate campaigns as part of a voluntary system of public financing. We think such reform is long overdue and could go a long way toward restoring public trust in the electoral system. The public needs to be assured that its representatives in Congress are accountable first and foremost to the voters, not to the most generous of the PACs.

[From the Valley Morning Star, Harlingen, TX, Apr. 1, 1987]

Hedging a Bet

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

At the risk of sounding cynical, one might suggest that some PACs aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. Senator.

In North Dakota, for example, 39 PACs that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

The 39 PACs included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Institute Inc. and the American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterwards, switched sides in four of the seven Senate races.

The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen.

[From the Hartford Courant, Hartford, CT, May 12, 1987]

A WORKABLE PAC-CURBING BILL

Although a U.S. Senate bill designed to reduce the influence of special-interest groups in congressional elections has a long list of co-sponsors, its enactment is complicated by opposition to the measure's provisions for public campaign financing.

The complications can be minimized or sidestepped, however, if backers of the legislation, which is sponsored by Senate Majority Leader Robert C. Byrd of West Virginia and Sen. David L. Boren of Oklahoma, respond to the criticisms well before a vote by the Senate.

One alleged fault in the bill is that public campaign financing would thrust the federal government too deeply into the election financing process, elbowing aside political action committees and individual donors. The government would distribute to participating Senate candidates money that was earmarked by citizens using voluntary check-offs on their income tax returns.

There's something to that criticism, but the primary advantage to public financing—minimizing if not eliminating the power of PACs to buy access (and sometimes more) from members of Congress—far outweighs the disadvantages of making government a major player in congressional election financing. The federal role in presidential campaigns, which are publicly financed, hasn't been unhealthy, and the government, after all, is the agency of all the people.

Critics point to the advantage that incumbents would have in raising money to qualify for public financing, and again they have a point. But a well-organized challenger for a congressional seat shouldn't find it impossible to meet the bill's criteria, and public financing puts all candidates who accept it on the same footing.

It's the duty of voters to judge whether candidates are spending excessively on their campaigns or getting too close to special-interest groups, the critics also say. They would rely on strict disclosure rules and the instincts of an informed electorate.

That sound fine in theory, but it's unrealistic. Not all voters pay attention to where political candidates get their money or what they do with it. Many voters may have concluded that politics and big money are inextricably intertwined. And in some races, both candidates wallow in PAC money, which rascal deserves rejection?

Advocates of campaign finance reform have a powerful hole card—a ruling by the U.S. Supreme Court that congressional campaign spending can't be restricted by statute unless public financing is available. So without public financing, there are just two options: amending the Constitution to allow statutory control or doing nothing.

Trying to amend the Constitution could be futile, and it would leave PACs poorly regulated for years. To do nothing would be to ignore a malady that will continue to get worse. Adoption of the Boren-Byrd bill, or legislation very much like it, is the only course that makes sense.

[From the Hartford Courant, Hartford, CT, Mar. 8, 1987]

RETURN CONGRESS TO THE PEOPLE

"There's the stench of money around this building," said retiring Sen. Thomas F. Eagleton of Missouri last year, referring to the U.S. Capitol. He could have added that the smell keeps getting worse.

But 1987 could be the year in which Congress begins to disentangle itself from the web of political obligation that big campaign donors, especially political action committees, have so artfully woven.

Giving by PACs—the political arms of corporations, unions and other special-interest organizations—has swelled to alarming proportions. Total congressional campaign spending in general elections tripled between 1976 and 1986, but total PAC contributions to candidates in Senate general elections became more than eight times bigger during the period, going from $5.4 million to $45.7 million.

PACs are supplying not only more dollars, but also larger shares of campaign budgets. The House candidates who won in 1976 received 26 percent of all their campaign money from PACs; in last year's election, the winners of House seats relied on PACs for 41 percent.

The increasing dependence of congressional candidates on PACs means that ordinary people and organizations are losing influence in Washington.

There are PACs of all sizes and stripes, but candidates know which ones have the most to give, and they also know how to please them. "You're not getting that money out of the Red Cross or the Little Sisters of the Poor," said Mr. Eagleton. "They expect something for that money."

Although the danger posed to American democracy by hefty PAC donations and high-volume political fund-raising has been plain for years, it has been allowed to persist. Why? Mainly because PACs are powerful, and the natural inclination of senators and representatives is to avoid antagonizing them.

Still, some members of Congress have had more than they can stomach, and last year a dramatic step toward reform was taken. The Senate approved an amendment sponsored by David L. Boren, an Oklahoma Democrat, and Barry M. Goldwater, an Arizona Republican, that would have limited the PAC money congressional candidates could accept. The measure wasn't enacted.

This year Mr. Boren is trying again, and his partner is Senate Majority Leader Robert C. Byrd of West Virginia. They, with several dozen cosponsors, are offering legislation that would, among other things:

Restrict political action committee contributions for all congressional candidates. A House candidate could receive no more than $100,000 from all PACs. Senate candidates could take from $175,000 to $750,000, depending upon their states' populations.

Prohibit each PAC from giving a candidate more than $3,000 per general election, compared with the $5,000 allowed now.

Provide public campaign financing for interested and qualified Senate general election candidates who agreed to spend no more than $600,000 plus 25 cents for every person of voting age in their states. To qualify, a candidate would have to raise individual contributions totaling either $250,000 or a sum equal to 20 percent of the spending limit for the state, whichever was less. Donations larger than $250 wouldn't count toward the qualification threshold, and 80 percent of the money raised by a candidate would have to come from residents of his state.

Give extra public money to participating candidates who were targeted by big-spending independent groups or individuals, and to candidates running against non-participating candidates who raised or spent more than the limit.

Pay for the new campaign financing system, as well as the existing program for public financing of presidential elections, by doubling the optional tax-earmarking checkoff on federal income tax returns.

This bill would represent the first meaningful step to return Congress to the people. Other remedies may have to be considered. For example, why not consider imposing limits on corporations that encourage and perhaps pay their employees to individually donate large sums of money to candidates outside the PAC channel?

Nearly every member of Congress knows that campaign financing urgently needs overhauling in order to ease the unrelenting fund-raising pressure on them and to restore a proper sense of priorities on Capitol Hill. The question is whether enough of them have the courage to defy the PACs and give Congress back to the people.

[From the Gleaner, Henderson, KY, Feb. 8, 1987]

TIME HAS COME TO LOOSEN THE GRIP OF PAC'S ON CONGRESS

Senate Finance Committee Chairman Lloyd Bentsen's $10,000-a-plate "Chairman's Council" breakfast club, which recently raised $500,000 in pledges from lobbyists, is an ugly reminder of the need for federal campaign finance reform.

Sen. Bentsen says he is disbanding the club and will return the money, thank goodness, but Congress still needs to take action to make such shenanigans illegal.

Regrettably, one of the leaders for reform of congressional campaign financing, Majority Leader Robert Byrd, D-W. Va., says he has no intention of returning money—$670,000 ($10,000 each from 67 donors)—he has raised from wealthy donors who were told that they would have an opportunity to meet with him on an irregular basis.

Byrd seems to be saying that campaign finance laws are bad and need to be changed but that he intends to take full advantage until the laws are changed.

Citizens fed up with the grip that special interest groups have on our U.S. senators and representatives should hope that Byrd is as successful in changing the law as he is in taking advantage of it.

It was Byrd and Sen. David Boren, D-Okla., who on the first day of the 100th Congress joined forces to introduce the Senatorial Election Campaign Act, a comprehensive campaign finance reform measure.

Basically, the Boren-Byrd bill would set new limits on Political Action Committee contributions and establish a voluntary system of spending limits and limits on use of personal wealth in campaigns, along with partial public financing.

Congress enacted spending limits for congressional campaigns in 1974 when it also enacted spending limits with public financing for presidential candidates. However, the U.S. Supreme Court ruled in Buckley vs. Aleo (1976) that overall spending limits in campaigns could be established only as part of a voluntary system that includes public financing. That decision upheld the presidential system, which includes spending limits and public financing but rejected the spending limits without public financing for Congress.

Those Americans who are squeamish about the prospect of even partial public financing of Congressional candidates should consider the abuse—and waste—of the current system that allows the political action committees to give large sums of money in return for large favors.

Recent figures on the PAC role in federal campaign financing drive the need for reform home.

During the 1986 Congressional elections, winning candidates raised more PAC money—and were more dependent on that PAC money—than ever before, according to Common Cause studies.

Those studies found that from Jan. 1, 1985, through Oct. 15, 1986, winning House and Senate candidates raised an all-time high of $83 million from PACs—representing a record-breaking 36 percent of their total receipts of $234 million.

Nine of the senators elected in November had raised more than $1 million each from PACs as of mid-October. What do you reckon those special interest groups expect—and often receive—in return?

It's time for our senators and House members to bring some sanity to campaign financing.

The Byrd-Boren bill is hailed by supporters as the best measure offered to date. Meanwhile, a similar campaign finance reform bill for House races is expected to come under consideration by that body.

Let's hope both houses act favorably on the measures that can go a long way toward making our Washington leaders more accountable to the general public and less accountable to the wealthy special interest groups.

[From the Kentucky New Era, Hopkinsville, KY, Mar. 19, 1987]

PAC MONEY WORRIES LAWMAKERS

Fourteen senators elected in 1986 raised more than $1 million each for their campaigns from political action committee contributions.

This more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million.

The recipients of all this largesse from special interest groups are getting nervous, and with good reason.

They realize that congressional campaigns are obscenely expensive, that special-interest money never comes without strings attached and that addiction to PAC dollars diminishes their credibility as representatives of the people.

Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

Sponsored by Sen. David Boren, D-Okla, and Senate Majority Leader Robert Byrd, D-W.Va., the legislation would clamp down on PAC contributions and extend the current systems of public financing of presidential elections to the congressional level.

Public financing may be the Achilles' heel of the legislation, as Sen. Wendell Ford, D-Ky., suggested to Boren.

Boren explained, however, that he reluctantly included the provision as the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing.

Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

The Boren-Byrd measure also would reduce the maximum size of a PAC contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate.

Those limits would be $100,000 for House candidates and would range from $175,000 to $750,000 for Senate candidates, depending on a state's population.

Reform, of course, cannot guarantee less-expensive campaigns and less dependency on special interests. The PAC system was supposed to be a reform. But if an ingenious Congress is concerned enough, they'll find a way.

[From the Herald-Dispatch, Huntington, WV, Apr. 26, 1987]

CAMPAIGN-SPENDING REFORM MAY BE NEAR

Senate Rules Committee hearings conducted last Wednesday and Thursday will, reports Chairman Wendell Ford, D-Ky., be the last before the committee begins drafting a compromise measure out of a half-dozen pending campaign finance reform bills.

If that proves the case, then a floor vote on this badly needed bill could come as early as mid-May.

Last week's hearings began on an unusual note as Washington attorney William Baer testified on behalf of the recently formed Lobbyists and Lawyers for Campaign Finance Reform.

"Why would lobbyists and lawyers endorse campaign finance reform?" Baer asked rhetorically. "Don't we relish a process that requires you to turn to us and our clients in order to raise significant sums of money? Aren't we the prime beneficiaries of the status quo? We don't think so. We feel as much victimized by the process as you do. We are lobbyists and lawyers by training and by profession. Yet the mounting cost of congressional campaigns forces professional advocacy and political savvy to take a back seat to fund-raising."

Baer charged that current campaign finance rules "Have created a process that elevates money over substance and benefits no one" and said his group would endorse public financing of congressional races if that is what it takes to limit campaign fund-raising.

The main legislation before the committee is S.2, a comprehensive bill introduced by Sen. David Boren, D-Okla., and Senate Majority Leader Robert C. Byrd, D-W.Va. Some 44 senators are cosponsoring the measure.

The Boren-Byrd bill is being opposed by some of the powerful political action committees, or PACs, whose influence it would curtail.

Critics question the bill's proposed voluntary system of spending limits and partial public financing. But its supporters point out that it is modeled on the presidential campaign finance system that has worked so well.

As Common Cause President Fred Wertheimer puts it: "We don't have to reinvent the wheel. The successful presidential campaign finance system provides a solid example of the kind of comprehensive reform that can fundamentally improve congressional races as well."

Indeed, without major changes in campaign financing along the lines of the Boren-Byrd bill, it's absolutely certain that a significant part of the American public will continue to think that the U.S. Congress is "the best money can buy."

[From the Herald Dispatch, Huntington, WV, Apr. 3, 1987]

TIME TO CRACK DOWN ON INFLUENCE OF PAC'S

It seems some political action committees—generally called "PACs," for short—have found a way to come out a winner even when they back a loser.

Common Cause, the self-styled "citizens lobby," reports it studied the 1986 Senate races and found 15 cases in which PACs, having contributed to the unsuccessful candidate, then turned right around and backed the winner after the election.

These days, you see, the idea isn't to support candidates on their ideology or political party. The idea is to buy maximum influence no matter who ends up in office.

In other words, you may not be able to "buy" a lawmaker but you sure can "buy" his attention.

The Senate is now considering a bill—cosponsored by Senate Majority Leader Robert C. Byrd, D-W.Va., and Sen. David Boren, D-Okla., that would limit the amount of PAC funds that candidates can accept, thus calling a halt to this sort of nonsense.

[From the Herald Dispatch, Huntington, WV, Mar. 29, 1987]

BYRD'S BILL BEST BET TO CURB PAC FUNDS

Senate Majority Leader Robert C. Byrd, D-W.Va., has been doing some figuring.

Byrd estimates that to raise $2 million for an election campaign—about what it takes to get elected to the U.S. Senate these days—a candidate "must raise $2,739 every day of every week for two straight years, Saturdays and Sundays included."

That's obviously a considerable task, for challengers and incumbents alike.

The challengers, it tempts them to make deals with the special interests who have the big bucks needed to buy expensive TV time and otherwise fuel today's costly campaigns. For incumbents, this obsession with fund raising inevitably distracts them from their primary responsibilities.

At the heart of this problem are the political action committees—the so-called PACs—that, because they have the dollars to feed to candidates of their choice, are becoming an ever-larger election factor.

Legislation offered this session by Byrd and Sen. David Boren, D-Okla., would be a welcome start at tackling the campaign finance problem.

The measure's key provisions would provide public financing for senatorial candidates, if they choose to accept it, in general election campaigns.

To be eligible for public funds, a candidate first would have to raise $250,000 from individual contributions. And 80 percent of these would have to come from individuals residing in the candidate's state.

The Boren-Byrd bill would limit PAC contributions to no more than $175,000 in small states, $750,000 in large states. It would lower the limit on individual PAC contributions from $5,000 to $3,000. Overall, a candidate in a general election could spend no more than $600,000, plus 25 cents for every person of voting age in his state.

The Boren-Byrd bill has drawn few cheers, because hardly anyone—on Capitol Hill or elsewhere—is very enthusiastic about the idea of public financing of congressional campaigns.

But there's widespread worry and concern about the skyrocketing costs of running for a seat in the Senate (and, to a lesser extent, the House as well). And, imperfect though it may be, the Boren-Byrd bill is the best proposal yet put forward to deal with this vexing problem.

As Sen. Edward Kennedy, D-Mass., colorfully puts it: "Congress is awash in a sea of special-interest contributions, and it's time to drain the swamp."

[From the Herald Dispatch, Huntington, WV, Mar. 5, 1987]

Campaign Finance: Reform Is Essential

The Senate is scheduled to open hearings today on a comprehensive campaign finance reform bill introduced by Senate Majority Leader Robert C. Byrd, D-W.Va., and Sen. David Boren, D-Okla.

The measure would limit the amount of money any Senate or House candidate could accept from special-interest political action committees—the so-called PACs. And it would establish a voluntary system of partial public financing for congressional campaigns, an essential step if total campaign spending is to be limited and the use of personal wealth restricted.

In introducing the bill last Jan. 6—the first day of the 100th Congress—Boren urged its speedy consideration. "We face a threat to our political system that can no longer be placed on the back burner."

Calling campaign finance reform a "personal priority," Byrd has said he "deeply, fervently" hopes Congress will enact such legislation this year.

We share that hope.

[From the Huntington (WV) Herald-Dispatch, Feb. 9, 1987]

Campaign Spending Needs To Be Curbed

On Jan. 6—the first day of the 100th Congress—Senate Majority Leader Robert C. Byrd, D-W.Va., and Sen. David Boren, D-Okla., joined forces to introduce a comprehensive campaign finance reform measure.

In doing so, Byrd called major reform of congressional campaign financing a "personal priority."

It was in 1958 that Byrd first ran for the Senate. Former Sen. Jennings Randolph of West Virginia also ran that same year. Together, both spent a total of about $50,000. By comparison, the cost of the average Senate campaign in 1986 was $3 million, and some soared well over the $10 million mark.

Price tags on House campaigns also have climbed to an astronomical level.

The consequences of such costly campaigns are several:

No sooner have most lawmakers been sworn into office than they must launch fund-raising efforts to pay for their next campaign.

Special interest groups—operating largely through political action committees (PACs, they're often called)—make massive contributions to elect the candidates they favor, thus giving the PACs a clearly unhealthy influence over the political process.

Because the cost of a political campaign is now so prodigious, it apears that many talented men and women of modest financial means are being discouraged from seeking office.

Serving in the Senate or House should be a full-time job, one that should not entail virtually non-stop fund-raising.

Moreover, lawmakers should be answerable primarily to their constituents back home, rather than being inordinantly obligated to this PAC or that PAC or some other special interest group. (Nine of the senators elected last November each raised $1 million or more from PACs.)

Finally, voters shouldn't be denied the opportunity of choosing between qualified and talented candidates simply because many potential candidates cannot afford today's stratospheric campaign costs.

The legislation introduced by Byrd and Boren would put a brake on runaway campaign costs.

It would set voluntary spending limits for candidates and provide partial public funding—from the existing voluntary federal income tax checkoff system—for those who qualify. And funds from PACs to candidates and campaigns would be limited.

Such reforms are long overdue.

As now-retired Sen. Barry Goldwater, R-Ariz., has warned: "Our nation is facing a crisis of liberty if we do not control campaign expenditures. Unlimited campaign spending eats at the very heart of the democratic process."

[From the Imlay City (MI) Tri-City Times, Mar. 18, 1987]

Let's Make Them Quit Buying Elections

Candidates running for U.S. Congressional seats last year spent close to $400 million. That is four times the amount spent 10 years ago.

Successful U.S. Senatorial candidates spent over $3 million each.

Between January 1, 1985, and December 31, 1986, U.S. Senate candidates received more than $45 million from special interest PACs, and that was a 63 percent increase over such PAC gifts in the 1984 elections.

The urgent need for major campaign finance changes is obvious, and on the opening day of this 100th Congress Senate Bill 2, a comprehensive campaign finance reform bill, was introduced. The bill has 30 cosponsors, including Michigan U.S. Senators Carl Levin and Donald Riegle.

Hearings are expected to begin this month before the Senate Rules Committee.

Senate Bill 2 would set limits on the amount of PAC money candidates could receive. It would also create a voluntary system of campaign spending limits, and limits on the use of personal wealth, along with partial public financing for senatorial campaigns. The latter would be much like the presidential public financing system already in place: Senate Bill 2 would provide for public financing by the checkoff on individual tax returns.

There will be much lobbying and opposition against the bill, particularly from such powerful PACs as the American Medical Association and the National Rifle Association. Massive grassroots pressure is needed to overcome the opposition to Senate Bill 2's passage.

The U.S. Senate needs to know that the public is fed up with the current method of financing (buying might be a better word) congressional elections. It is urgent that you write Senator Levin and Senator Riegle today to let them know you support Senate Bill 2. Their addresses:

Senator Carl Levin, Russell Senate Office Building, Washington, D.C. 20510.

Senator Donald Riegle, SD105 Dirksen Senate Office Building, Washington, D.C. 20510.

Let them know you're behind them and ask them to pass copies of your letter on to Senate Republican Leader Robert Dole (R-Kansas) and Senate Majority Leader Robert Byrd (D-West Virginia).

[From the Jackson (MS) Clarion-Ledger and Jackson Daily News, Apr. 20, 1987]

Special Interests—New Campaign Laws Needed

The congressional campaign finance system in a national scandal.

Almost half of the members of the U.S. House of Representatives—194 of the 434 current members—received 50 percent or more of their campaign funds from political action committees in the 1986 election, according to a recently released Common Cause study.

And, PACs favored incumbents over challengers by a ratio of 6 to 1, giving a total of $65.5 million to them—the highest disparity in PAC giving for an election cycle since 1972 when figures on federal finance activities first became available.

Special interests are destroying the integrity and public credibility of Congress. As indicated by these latest figures, PACs are controlling congressional races by making the candidates more and more dependent.

The growth in PAC contributions has also been a major factor in the substantial increase in surplus campaign funds being held by House members. In the case of those representatives who were in office Jan. 8, 1980, surplus funds can be converted to personal use after leaving Congress under a grandfather clause in the federal law.

Rep. Trent Lott is listed as having at least $400,000 in cash-on-hand as of Dec. 31, 1986—11th in the list of top 20—and he is covered by the federal grandfather clause.

Jamie Whitten topped Mississippi House seat winners in 1986 in percentage of PAC receipts with 73 percent of his $253,867 coming from the special interest groups. Wayne Dowdy received 68 percent of his $407,102 in campaign funds from PACs; Sonny Montgomery got 66 percent of his $50,712 from PACs; Lott had 60 percent of his $375,250 from PACs and Mike Espy received 50 percent of his $600,379 from PACs.

A bill has been introduced in the Senate to reform the senatorial campaign finance system by limiting the amount of money that can be received by candidates from special interests. It is being supported by Sen. John C. Stennis of Mississippi.

Passage of this bill in the Senate will force attention on this issue to the House of Representatives. This bill should be approved by Congress and made law as soon as possible to protect the integrity of our representative form of government.

[From the Jackson (MS) Clarion-Ledger and Jackson Daily News, Mar. 22, 1987]

Campaign Costs—Special Interests Should Be Out

The adage that money is the mother's milk of politics rings true, especially to members of Congress who spend millions of dollars to hold on to their elected posts.

It hits home.

Mississippi Sen. Thad Cochran raised $2.3 million during his 1984 re-election bid. About $1.4 million came from individual contributions. Cochran's expenditures set a new record for campaign spending in Mississippi, second only to the $1.6 million spent by Mike Sturdivant in 1983 in his unsuccessful bid for the Democratic gubernatorial nomination.

In 1984, the average Senate campaign nationwide cost $1.4 million. In 1986, it was $2 million.

In the last decade political action committees have shoveled nearly $100 million to incumbents.

Some members of the U.S. Senate and many of the folks back home believe political action committees or other special interest groups are carrying too much weight when it comes down to policy-making because they have more money to give than individuals during campaign time.

There is a way out.

U.S. Sen. David Boren of Oklahoma is spearheading a sensible campaign that would extend public financing from presidential races to congressional campaigns. If the measure is approved, it would mean that candidates, who voluntarily accept a ceiling on how much they spend and raise $250,000 in contributions from individuals, could qualify for public funds up to a limit set by the population of a state.

Senate Majority Leader Robert Byrd is also supporting the proposal that would push contributions by special interest groups into the background. About 31 senators have signed as sponsors, but support for the measure isn't overwhelming.

It hurts incumbents, who have the connections to get the big bucks and beat the challengers.

But Boren's plan helps strengthen the very platform on which this country was built—the voice of the common man. Government should return to grass roots and this is a positive move in that direction.

[From the Jamestown (NY) Post-Journal, Apr. 29, 1987]

The Money Train Should Be Stopped

The congressional campaign financing system is fundamentally corrupt and everyone by now knows that. The money-changers which we call PACs, have bought the right to set the legislative agenda and, in doing so, have undermined the public trust.

The political action committees gave a total of $130,296,926 to House and Senate general election candidates last year. That was an increase of 27 percent over what PACs gave House and Senate candidates in the 1984 election.

House and Senate candidates spent a total of $373,014,644 for the 1986 election, an increase of 24 percent from 1984.

All of this represents a national scandal. Money, money, money drives politics and government. Too much money is given by special-interest PACs. Too much money is spent by congressional candidates. Too much time and energy is used to raise political money. Too much influence is exercised through political money.

On the first day of the 100th Congress, a bill was introduced by Sen. David Boren, a Democrat from Oklahoma, and Senate Majority Leader Robert Byrd of West Virginia that would reform the senatorial campaign system.

We believe the money train should be stopped. For Congress, the system of PACs diverts scarce time from the issues. It elevates money above merits of issues. It promotes cynicism in the electorate. Many observers have said that if we don't control campaign spending, our liberty will be threatened.

The Boren-Byrd bill offers a way to start on the road to campaign reform. This year, we celebrate 200 years of representative government with the bicentennial of the Constitution. There is no more fitting way to honor the Constitution than by putting an end to the campaign finance scandal in Congress and restoring representative government as our founders intended it to be.

[From the Kankakee (IL) Daily Journal, Mar. 29, 1987]

It's Time To Rein in the PAC's

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million.

The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special interest money invariably comes with strings attached and that addition to PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

Sponsored by Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W. Va., the legislation would clamp down on PAC contributions and extend the current system of public financing of presidential elections to the congressional level.

Public financing may be the Achilles' heel of the legislation, as Sen. Wendell Ford, D-Ky., suggested to Boren. The Oklahoma senator explained that he reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing. Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

The Boren-Byrd measure also would reduce the size of a PAC's maximum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House candidates and would range from $175,000 to $750,000 for Senate candidates, depending on a state's population.

Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent of special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

[From the Kansas City (MO) Star, May 5, 1987]

PAC's Erode Trust in the Congress

The effort in the Senate to cut the growing influence of special interest political action committees should not be a partisan issue. Yet that is the way it has developed, with Democrats heavily favoring campaign finance reform and most Republicans either undecided or opposed.

The GOP stance leaves the impression it is comfortable with a Senate increasingly obligated to groups with a single issue to push—their own. Campaigns and legislative matters are being taken away from the people.

Common Cause, the public interest lobby, compiled a list showing only two Republicans are among 47 senators who are cosponsoring reform legislation to limit PAC contributions and provide for public financing of Senate campaigns. In addition, two Democrats not in that group voted on the Rules and Administration Committee to send the proposal to the floor for debate. The tally was 8-3. Republicans cast all three votes against it.

Sen. Ted Stevens of Alaska, a Republican member of the rules panel, attempted to weaken the legislation by amendment. It was rejected.

Between co-sponsors and the committee vote, it appears reform is only two votes short of passage in the Senate. Marked improvements in campaign finance rules, heavily supported by many national public affairs organizations, are possible this year.

A filibuster looms, however. The partisan nature of the campaign finance issue puts Senate Minority Leader Bob Dole of Kansas in a pivotal position. Further, Dole's doubts about publicly financed congressional elections occur as he prepares to participate in a presidential campaign in which federal funds are available.

Public funding of presidential campaigns was approved by Congress in 1974 in the wake of Watergate. Although the arrangement needs a few improvements, it has worked well in the past three elections.

Opponents of federal financing contend it moves the political process away from the people. Sen. John Stennis of Mississippi, once an opponent of public financing and now an advocate, disagrees. The election is taken away from the people, he argues, when public officials become obligated to special interest groups and PACs.

Opponents also contend public financing would favor incumbents. It could hardly favor them more than the present PAC-dominated system; 98 percent of all House members were re-elected last year.

The credibility of Congress, Republicans and Democrats, has been hurt by PACs. It is time to reverse that erosion.

[From the Kansas City (MO) Star, Mar. 2, 1987]

Campaign Costs Out of Control

The overriding impression from the 1986 congressional elections is that candidates spent a scandalously large amount of money on campaigns, much of it coming from special-interest political action committees. In fact, campaign expenditures and PAC contributions broke records. The time has arrived not only to limit PAC giving, but to reform congressional campaign finance laws.

This urgent need magnifies the significance of a hearing of the Senate Rules and Administration Committee on Thursday. A wide-ranging reform measure is under consideration. It would restrict the amount of PAC money a candidate could accept.

Additionally, it would combine a partial public financing plan for Senate general elections with limits on total campaign spending and use of personal funds. Presumably the proposal meets constitutional muster under a 1976 Supreme Court decision on public financing of presidential campaigns.

Large sums of private money that once were poured into presidential campaigns have been diverted to congressional candidates. The impact has been astounding. Spending for congressional general elections alone has nearly tripled, from $99 million in 1976 to $286 million last year.

PACs have been a major factor in the increase. The Common Cause lobby says election records show that from Jan. 1, 1985, through Oct. 15, 1986, winners in House and Senate races received a record-breaking $83 million from political action groups. That was 36 percent of their total contributions, an all-time high.

In individual races the PAC share was much higher. Through mid-October, last year, 191 House candidates, 170 of them incumbents, received more than half of their contributions from PACs.

It is this increasing dependence on special-interest donations that is dismaying. Large contributions, combined with lobbying, allow some groups to create a much larger presence than their numbers among the population actually represent. Ordinary Americans are the losers.

Current practices allow members to build huge campaign treasuries. Among the 435 members elected in November, 54 had more than $250,000 in unspent funds. Under federal law, members who were in Congress on Jan. 8, 1980, may convert campaign funds to their personal use after they leave office. That's plain wrong.

Congress has neglected this issue for a decade or more. Votes in the Senate last year indicated that in a roll call most members cannot oppose this urgently needed reform. The alternative is to compound damage to our political system.

[From the Kansas City (MO) Times, May 4, 1987]

REFORM WITHIN REACH

Chances for campaign finance reform in Congress this year improved markedly last week. A measure that combines voluntary spending limits and public financing of Senate races was approved 8-3 by the Senate Rules and Administration Committee. One highly desirable practical effect would be to greatly reduce the influence of political action committees in campaigns and, later, in far-reaching legislative decisions.

PACs contributed an astounding $130 million to congressional candidates last year. Winning Senate candidates spent an average of $3 million each. That is five times more than successful Senate candidates spent 10 years earlier. By comparison, PACs gave less than $1.5 million to the publicly funded 1984 presidential campaign. That was under 2 percent of total spending.

Missourians are quite familiar with excessive spending. The cost of the bitterly contested race between Sen. Christopher S. Bond and Lt. Gov. Harriett Woods last year soared to the $10 million range.

The proposal approved by the Rules and Administration Committee is patterned after the presidential public financing plan. A voluntary checkoff on the federal income tax return would also finance Senate elections.

Candidates could qualify for public money if they agreed to limit overall campaign spending and personal family contributions. Individual giving that would enable a candidate to become eligible for federal funding also is limited. If a non-participating candidate raised more than one who accepts federal limits and funding, the participating candidate could receive additional money.

The bill introduced by Sen. David Boren of Oklahoma and Sen. Robert Byrd of West Virginia now has 47 co-sponsors, only four shy of a majority. That by no means assures success during Senate debate, which could be held in a month or so. Stalling tactics, including a filibuster, are a distinct possibility. Lobbying against finance reform by special interest groups has been intense.

Yet, the progress of this legislation, pushed originally by Boren, has been remarkable. The power of PACs has been ignored, in terms of reform, for the better part of 10 years. Now it's time to end this scandal.

[From the Kokomo (IN) Tribune, Apr. 1, 1987]

PAC'S MAKE SURE TO BACK WINNERS

Political action committees, as fickle as fortune itself, know how to back winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides.

In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election. The seven races were in Alabama, Florida, Georgia, North Carolina, North Dakota and Washington.

At the risk of sounding cynical, one might suggest that some PACs aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. senator.

In North Dakota, for example, 30 PACs that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly-elected Democrat, after the election.

The 39 PACs included the National Association of Letter Carriers, National Rifle Association, Tobacco Institute Inc. and American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterward, switched sides in four of the seven Senate races.

The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which has 36 cosponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

U.S. Sens. Richard Lugar and Dan Quayle, R-Ind., are not sponsors. Spokesmen said the bill is a step toward public financing of senatorial elections and Lugar and Quayle oppose that.

PAC publicists argue, as does a Quayle spokesman, that PAC-giving represents citizen participation in the political system. Limiting participation is counterproductive, the Quayle spokesman said.

Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen. If we're really interested in citizens participation, we'll emasculate the PACs.

[From the Kokomo (IN) Tribune, Mar. 22, 1987]

PAC THEM IN

Recipients of political action committee money are getting nervous. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people.

Whether they are nervous enough to do something is an open question, but legislation has been introduced that gives them an opportunity.

Sponsored by Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W.Va., the legislation would clamp down on PAC contributions and extend the current system of public financing of presidential elections to the congressional level.

Public financing may be the Achilles' heel of the legislation, as Sen. Wendell Ford, D-Ky., has suggested. But Boren said he reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing.

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The Boren-Byrd measure also would reduce the size of a PAC's maximum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House candidates and would range from $175,000 to $750,000 for Senate candidates, depending on a state's population.

Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes.

Last week, Elwood H. Hillis, the former 5th District congressman, concurred that something had to be done about PACs. Their activities, he said, have "gotten to be, I think, too much. It's taken the little person out of touch." Hillis said the amount of money PACs contribute should be reduced.

The present 5th District congressman, Jim Jontz, D-Ind., also believes there is a need to limit PACs. Although nearly half of his campaign money—$225,967—came from PACs, Jontz said he will support legislation to reform campaign financing to make candidates less dependent upon them.

It seems most everyone agrees that what we have now is a mess. The Boren-Byrd measure just may be a way out.

[From the Lakeland (FL) Ledger, Mar 28, 1987]

MEANINGFUL CAMPAIGN REFORM

In August, the U.S. Senate voted 69-30 in favor of a campaign finance-reform bill, which included curbs on political contributions to Senate candidates from political action committees and a public financing plan for U.S. Senate campaigns.

Final actions on the bill didn't happen before Congress adjourned, but emphasis in last fall's congressional campaigns on the high cost of running for office has kept the issue alive. Some senators, including Majority Leader Robert Byrd, have made curbing campaign spending and giving a major issue for Congress.

"I have placed campaign-spending reform at the top of the list of priorities that the Senate must deal with this year," Byrd told the Committee on Rules and Administration recently. "We must stop the mad, seemingly limitless escalation of campaign costs that have resulted in campaigning for single Senate seats that cost over $20 million."

Floridians know all about those high costs. Last year's Senate race between Bob Graham and Paula Hawkins generated more than $12 million in campaign spending. That doesn't come close, however, to the $16.5 million spent by North Carolina Sen. Jesse Helms for his 1984 re-election.

The bill passed by the Senate last fall, and revived by Byrd, is one of five such bills pending before the Senate, so it seems likely there will be some reforms considered, if not approved, this year. Byrd's proposal, originally sponsored by Sen. David Boren, D-Okla., would cap individual PAC contributions to candidates at $3,000, down from the current $5,000 cap.

The bill also would establish a voluntary public financing program for Senate campaigns, limiting spending on individual races according to population in each state. The voluntary program would apply to general elections and not primary contests, however, and would limit the amount of money a candidate or his family could put into a campaign.

Byrd's bill should be made mandatory and not voluntary, should be broadened to cover primary-election contests, and should be considered in a package of reforms of both the Senate and the House campaigns. But it's doubtful that, despite the attention and lip service being paid campaign reform by Byrd and others right now, a tougher bill would have gotten the support of 33 sponsors, as Byrd's bill has.

Once Byrd's proposal starts through the legislative mill, proponents should work to strengthen it. Those in Congress who oppose those attempts could then be identified as not being serious about campaign-finance reform.

Chances are, that's not the type of identification most in Congress will appreciate, and meaningful campaign-finance reform actually will occur in 1987.

[From the Lancaster (PA) Intelligencer Journal, Apr. 17, 1987]

Too Much by Too Few: The Powerful PAC's

During the 1986 elections, 98 percent of the House incumbents who ran for re-election won. Winners outspent their challengers by a ratio of 2.6 to 1, outraised them 3 to 1 and had more surplus cash-on-hand by a margin of 66 to 1.

Obviously their constituents overwhelmingly approved of their performance, right? Not necessarily.

The missing ingredient in this equation is political action committee contributions. Unfortunately, it has become a prime ingredient.

PAC contributions soared during last year's elections. With PACs favoring incumbents by a 6 to 1 margin, incumbents received $65.5 million in contributions, as compared to $8.6 million for challengers. In fact, House incumbents reported a greater average surplus in funds ($122,000), than the average challenger spent in the campaign ($118,000).

For congressmen holding office prior to Jan. 18, 1980, another set of circumstances kicks in: Surplus funds can be converted to personal use after leaving congress under a grandfather clause in the federal law.

Sixteen congressmen—including three Pennsylvania Democrats—received more than three-quarters of their political contributions from PACs and 194 incumbents received at least 50 percent of their campaign financing from PACs. Total PAC contributions were $130.3 million during the 1986 elections.

That means too much influence is being exercised by special interest groups. The growing influence of PACs in elections is more than cause for concern, it is cause of action.

A bill introduced in the Senate by majority leader Robert C. Byrd, D-W. Va., and David L. Boren, D-Okla., would limit PAC contributions to a state's population with a $750,000 maximum. Individual PAC contributions would also be lowered to $3,000 from $5,000 per candidate.

The bill, coupled with similar measures in the House, is gaining a consensus. A total of 49 national organizations have urged passage of the senate bill. It has gained bi-partisan support on Capitol Hill. Former Senator Barry Goldwater said the nation is "facing a crisis of liberty if we do not control campaign expenditures."

It doesn't take a genius to understand that lobbyists expect something in return for their money.

Congress now has the legislation before it to reform the system before it grows by feeding on itself. The public financing system for presidential elections is a model that works. Since 1976, 34 of the 35 candidates running for president have voluntarily participated in the system. President Reagan voluntarily accepted $90 million from the Presidential Election Campaign Fund in three separate bids for the White House.

It is time to eliminate the influence special interests hold over legislators.

[From the La Porte (IN) Herald-Argus, Apr. 17, 1987]

Time To Control PAC's

In each of the seven Senate races in 1986 in which a Democratic challenger defeated a Republican incumbent, political action committees (PACs) contributed shortly after the 1986 November election to the winning Democratic challenger after first backing the Republican incumbent.

Doesn't that tell you something? It says that the PAC special interest groups are in the business of purchasing votes in Congress. They will join either side to get the job done.

There were 600 listed PACs when a campaign finance reform measure was passed in Congress in 1974. There are now 4,100 on record. They contributed $140 million to the last congressional election in 1986, which was nearly a third of the total amount spent in congressional races.

Like the bulk of givers, PACs tend to give most to incumbents. But when incumbents lose, they switch sides with the greatest of ease. They have a greater claim to the allegiance of Congress than is healthy for either Congress or the country.

During 1986, special interests contributed nearly $85 million to House candidates. The breakdown on the $85 million shows $65.5 million going to congressional incumbents, $8.6 million to congressional House challengers, and something over $10.5 million to candidates running in races in which there was no incumbent.

On average, a House seat now costs $300,000, which is what the average winner can expect to spend in a U.S. House seat contest. A Senate seat costs $3 million.

Locally, the campaign cost report shows that Republican Rep. John Hiler from the 3rd District reported expenditures of $330,575 to win a fourth term with his narrow margin over Democrat Tom Ward. The latter spent $173,498, Hiler obtained about a third of the total, or $135,101, from PACs.

First District democratic Rep. Peter Visclosky reported campaign expenditures of about $170,000 in his cakewalk to a second term, and 61 percent or $102,000, came from PAC sources.

We would prefer public financing for political campaigns with strict controls on spending. Short of that, the immediate support should go to the present measure introduced in the U.S. Senate. It's the Senatorial Election Campaign Act (S. 2), jointly sponsored by Senate Majority Leader Robert Byrd and Sen. David Boren.

The bill would limit contributions that any House or Senate candidate could accept from PACs in an election cycle. The bill provides for limits on total campaign spending and the use of personal wealth in a campaign tied to a voluntary system of partial public financing for Senate general election campaigns.

Partial public financing is factored in because the U.S. Supreme Court has held that the only way to establish overall spending limits in campaigns is as part of a voluntary system that includes public financing.

In the interest of fair representation for individual citizens, Congress should pass the Boren-Byrd measure and initiate a genuine effort to halt this mad political spending.

[From the Lawton (OK) Constitution, April 3, 1987]

Hedging a Bet

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

At the risk of sounding cynical, one might suggest that some PACs aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. senator.

In North Dakota, for example, 39 PACs that contributted to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

The 39 PACs included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Institute Inc. and the American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterwards, switched sides in four of the seven Senate races.

The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are cosponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

[From the Leavenworth (KS) Times, Apr. 21, 1987]

PACwork Solutions

The patchwork, or PACwork, sportcoat could be an idea whose time has come for those interested in campaign reform. Nothing else, so far, has been able to resolve what former Sen. Barry Goldwater, R-Ariz., has called "a crisis of liberty"—the unholy dependence on special-interest political action committees by candidates for Congress.

Here is how the patchwork-coat approach would work:

The candidate would be required to don his or her official campaign coat at the official campaign opening. A blazer no doubt, it would be feastooned with patches, each patch a logo signifying the political action committee to which the candidate is beholden. The candidate could pick his favorite color, though for most officeholders, color wouldn't matter. The coat would be all PAC patches—and large pockets.

We have campaign disclosure laws now but the sportcoats would be more graphic. They would allow the voter to see at a glance who owns whom.

Candidates might resent their Indy 500 look—each car emblazoned with a riot of logos—but that's life in the public eye. As candidates well know, campaigning often is an affront to personal dignity.

If the coat idea won't fit, perhaps it's time for Congress to pass legislation sponsored by Sen. David Boren, D-Okla., and Sen. Majority Leader Robert Byrd, D-W. Va.

Their bill, Senate Bill 2, would fundamentally reform the senatorial campaign-finance system. It has gained the support of 44 cosponsors in the Senate, just seven short of a majority. Successful Senate action on the bill, which calls for partial public financing of senatorial campaigns, would then shift the focus of attention to the House of Representatives.

One of the original co-sponsors of the bill, Sen. John Stennis, a Mississippi Democrat who has been in the Senate since 1948, announced recently: "When the present law was passed, I was strongly opposed to the idea of paying any of the campaign costs for candidates for U.S. Senate from the public treasury, or the House of Representatives, either one. But in view of what has happened now, I have changed my mind."

And what has happened now? In the 1986 election, PAC contributions reached a record $130,296,926 for House and Senate candidates. That's a 27 percent increase over the $102 million PACs gave to congressional candidates in the 1984 election. Over the past decade, PAC contributions to congressional candidates have skyrocketed from $22 million in 1976 to more than $130 million last year. In 1976, there were 600 PACs; today, there are more than 4,000 PACs.

The result is that the 100th Congress has come into office more indebted to special interests than any other Congress in the nation's history. And that means the special interests have bought the right to set the legislative agenda.

For a way out of the current mess, Congress can look to a reform model that works—the public financing system for presidential elections. Since it was initiated in the 1976 election, 34 of the 35 candidates for the nation's highest office have voluntarily participated in the public financing system. The system has opened up the process, reduced undue influence of individuals and groups and virtually ended corruption in presidential election finances.

Congress must put an end to its own campaign-finance corruption. If a patchwork coat is beneath its dignity, surely the mantle of public interest isn't. And a public financing system for congressional campaigns is clearly in the public interest.

[From the Leavenworth (KS) Times, Mar. 29, 1987]

PACs HEDGE THEIR BETS

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PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen. If we're really interested in citizen participation, we'll emasculate the PACs.

[From the Lebanon (NH) Valley News, Mar. 31, 1987]

HEDGING THE BET

For those who bet a lot of money on the wrong college basketball team in the NCAA tournament this year: Don't despair, there's always campaign financing. There are plenty of sure bets for those who have lots of bucks.

In normal gambling, the bettor has to show some skill in choosing the eventual winner. Not so for those playing political horse races.

Take the American Bankers Association, a political action committee, or PAC, for the banking industry. The association had a hunch that incumbent Sen. Mark Andrews, R-N.D., was going to win re-election. So it donated $10,000 to his cause. But Andrews was upset by Kent Conrad, a Democrat. No problem. After the election, the American Bankers Association found a spare $10,000 for Conrad. That's an interesting method for guaranteeing that your man gets into the Final 100, otherwise known as the U.S. Senate.

It's not just the American Bankers Association that's switching horses. Common Cause, a good-government organization that has specialized in studying PAC abuse, found that there were 150 instances in which PACs, ranging from the National Beer Wholesalers Association to McDonald's Corporaiton, switched bets in seven Senate campaigns in 1986. That means that there were PACs working both sides of the aisle in every race where an incumbent senator was unseated.

Common Cause's findings say more about PAC-giving than that it lacks clairvoyance. They give lie to PAC supporters' claim that the system offers a way for interest groups to support candidates with political convictions similar to their own. In fact, it makes clear that PACs have no convictions other than their firm belief in the benefits of buying influence in the American political process.

Can the National Association of Letter Carriers, for example, claim that it contributed $5,000 to Andrews' candidacy because of his political views on mail delivery if, after Andrews' loss, it threw $10,000 into Conrad's coffers? Clearly PACs care only that they retain a Congress full of beholden politicians, regardless of their political party or ideology.

Common Cause take some comfort in the fact that six of the seven winning senators have gone on record as supporting reform of the election financing system. One proposal supported by Common Cause would limit the total amount of PAC money that a House or Senate candidate could accept. It would also limit campaign spending in general by offering partial public campaign financing in exchange for a candidate's agreement to abide by an established limit.

There's no doubt that the time to reform campaign spending laws is overdue. The only people who can feel good about the current system are those who have enough money to place rigged bets.

[From the Lincolton [NC] Times-News, Apr. 6, 1987]

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[From the Lebanon [IN] Reporter, May 5, 1987]

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[From the Leesburg [FL] Commercial, Feb. 21, 1987]

CONGRESS SHOULD LIMIT PAC MONEY BEFORE IT LOSES ALL RESPECT

Lecturing law students at the University of Florida last month, former U.S. Sen. Gary Hart told of a growing ethical dilemma in Congress.

"Elected officials put too much into fund raising and not enough time into the jobs they were elected to do," Hart said. "There's a temptation to cast votes based on whether or not it will step on the toes of special interest groups."

The truth of Hart's observation became evident this month with the unseemly discovery that Senate Majority Leader Robert C. Byrd, D-W.Va., has organized a little breakfast club to which he charges selected lobbyists $10,000 a year for the privilege of attending. Another senator, Lloyd Bentsen, D-Texas, had a similar scam going, but he had the good grace to fold it when it was uncovered by the press.

Such blatant examples of influence selling in Washington recently prompted Florida's senator U.S. Sen. Lawton Chiles to observe ruefully that "A large part of the American public thinks this Congress is the best money can buy."

Chiles is one of the few senators who can make such pronouncements without blushing. He has always refused to take large special interest campaign donations.

In 1970, "Walkin' Lawton" Chiles won election largely on the strength of his campaign walk from one end of Florida to the other. Up for re-election in 1976, he limited his contributions to $10 per person. In 1982, bowing to the soaring cost of campaigning, he raised that level to $100 per donation.

But the going price of a U.S. Senate race in Florida these days is $6 million or more. And, when Chiles is next up for re-election in 1988, he will likely face a Republican challenger willing and able to raise millions from the sort of organized special interests that Chiles has always refused to climb into bed with.

Hence Chiles dilemma: Should he stick to his self-imposed $100 limit and risk losing his seat to a well-funded challenger? Or should he abandon principle, and join the breakfast club with the likes of Byrd and Bentsen?

Chiles' strength, and his value to Floridians, is that he is known to be one of the most intelligent, innovative and independent lawmakers in Washington. Now chairman of the Senate Budget Committee, he is in a position to raise millions from special interest groups—at the cost of only his self-respect and his integrity.

That's no way to run a government.

Congress should wean itself away from the special interest gravy train—while there are still lawmakers such as Lawton Chiles on Capitol Hill. Legislation has been pending since last year to enact public financing for congressional races in return for limiting political-action-committee donations. It deserves passage, while Congress still has a measure of credibility with the American people.

[From the Lewiston (ME) Daily Sun, Apr. 17, 1987]

THE NEED FOR REFORM

We have mentioned the need for reform in election spending before and we support current legislation in the U.S. Congress which calls for it.

The need has been clearly pointed out again by Common Cause in its latest report on campaign spending in last year's general election.

The study shows that a total of $130,296,926 was contributed by political action committees (PACs) to House and Senate candidates in that election.

The situation hasn't gotten better, it's gotten worse. The figures show that this amount was an increase of 27 percent over the amount given to candidates during the 1984 campaign.

Currently we have the Senate Election Campaign Act proposal sitting before the 100th Congress. We, like dozens of groups and organizations across the country, urge its passage. The act would readjust the system for campaign spending.

The official title of the proposal is the Boren-Byrd Senatorial Election Campaign Act and it is co-sponsored by more than 40 Senators, including Maine's own Sen. George Mitchell.

PAC money, no doubt, is tempting to the candidates. But it has gotten totally out of hand and it puts a candidate in an awkward position.

A recent study by Common Cause turned up the fact that 68 Senate candidates and 796 House candidates up for election last year raised a total of $410,375,309, including PAC money, during a period from Jan. 1, 1985 to the end of 1986. That represents a hike of 20 percent over the election of two years previously.

A total of $373,014,644 was spent during the 1986 election, an increase of 24 percent over the election of 1984.

All this spending makes one's head spin, especially when we hear so much about poverty and homelessness in this country. It certainly must become confusing to a lot of voters to hear a candidate expound on America's financial problems and then read reports on individual spending by the candidates.

There was no senatorial contest in Maine last year but all of the candidates in the House races received some PAC money.

Receiving the most, contends the Common Cause study, was former Gov. Joseph Brennan, who received $130,000, or 45 percent of his campaign money, from PACs. His opponent, Rollin Ives, received $25,350, or 9.8 percent of his campaign funds, in that fashion.

Congresswoman Olympia Snowe received a total of $79,075, or 36 percent of her campaign money, from such groups. Her opponent, former state Sen. Richard Charette, got 8 percent, or $2,000, in PAC money, according to the Common Cause study.

[From the Lexington [NC] Dispatch, Apr. 17, 1987]

POLITICAL PROBLEMS

Some new figures regarding how special interest groups spend heavily in congressional elections are in, and what they show is fairly frightening.

What they show is that many members of Congress are greatly indebted to special interest groups and their political blood money.

Among the findings in a new study released by Common Cause:

Almost half of the members of the House received the majority of their campaign money from special interest PACs. That helped House candidates break the campaign finance record in 1986. Our own representative, Howard Coble, received 42 percent of his campaign money from PACs.

PAC contributions to House candidates have quadrupled over the past eight years.

Some 30 percent of victorious candidates received more than $200,000 in PAC contributions, and 75 percent topped the $100,000 mark. Incumbents out-received challengers by a 6-to-1 margin.

House candidates, incumbents especially, have built record stockpiles of campaign money they have not yet had time to spend. Surplus funds are used in future elections, and go a long way to discourage potential challengers. And in the case of representatives who were seated before 1980, that money can be switched to personal use when they leave Congress.

How did this growth in PAC contributions come about? One reason is that Congress installed a financing system for presidential campaigns, but refused to do the same for itself. Another is that an existing law prohibiting any organization with government contacts from having a PAC was repealed, allowing the number of PACs to increase from 400 to 4,000 in a 10-year period.

This trend is reflective of an alarming change in our political system. The businesses and special interest groups are playing too large a role over who is elected to represent the people. No longer does "one man, one vote" have much meaning. Today it's more like "One PAC, $100,000." Or as the Des Moines (Iowa) Register wrote: "The moneychangers have taken over the temple of democracy!"

We do not feel our senators and representatives are corrupt. But it doesn't take much to realize that congressmen often find themselves owing much of their political careers to special interests. How much it influences their voting depends on the individual.

One move in the Senate shows promise. Senators David Boren (D., Okla.) and Robert Byrd (D., W.Va.) have introduced a bill to reform the senate campaign system. North Carolina Senator Terry Sanford is a co-sponsor. In endorsing the bill, retired Senator Barry Goldwater said "As far as the general public is concerned, it is no longer 'we the people' but PACs and special interests they represent who set the country's political agenda."

We hope that the Senate bill will gain passage, and that it will force the House to adopt similar legislation. It's time to get our national election process back in the hands of the people.

[From the Lodi (CA) News-Sentinel, Apr. 3, 1987]

BOREN-BYRD BILL CAN LEAD TO PAC REFORMS

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions in 1985-86 totaled $45.7 million.

The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

Sponsored by Sen. David Boren, D-Okla, and Senate Majority Leader Robert Byrd, D-W. VA., the legislation would clamp down on PAC contributions and extend the current system of public financing of presidential elections to the congressional level.

Public financing may be the Achilles's heel of the legislation, as Sen. Wendell Ford, D-Ky., suggested to Boren. The Oklahoma senator explained that he reluctantly included the provision because it was the only practical way to get round a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing. Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

The Boren-Byrd measure also would reduce the size of a PAC's maximum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House candidates and would range from $175,000 to $750,000 for Senate candidates, depending on a state's population.

Reform, of course, cannot guarantee less expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

[From the Long Island (NY) Newsday, Feb. 2, 1987]

CONGRESS CAN BE RESCUED FROM THE PAC'S

Over the past decade, what has risen faster than the national debt, the defense budget or the price of a new car? The cost of running for Congress, that's what.

A look at the 1986 Senate races shows why people inside as well as outside government are becoming alarmed at the way money talks in Washington. In 1976, candidates spent a total of $38.1 million running for the Senate. Last year, they spent nearly $178.9 million, nearly five times as much. The 1986 candidates raised $45.7 million from political action committees—a 63 percent increase in PAC money in just two years.

The two biggest spenders were in California, where Republican Ed Zschau blew $11.5 million in an unsucccessful attempt to unseat Democrat Alan Cranston, who shelled out $10.9 million himself. Theirs was perhaps the hottest Senate race in the country. Third on the list at $7.9 million was New York Republican Alfonse D'Amato, who coasted to an easy victory over Democrat Mark Green.

An analysis of Federal Election Commission data by Common Cause shows that the 28 senators seeking re-election outspent their opponents nearly two to one, on the average. The difference in PAC donations was even greater: The average incumbent took in half a million dollars more than the average challenger—$898,781 compared to $382,467. All told, 14 of the 34 senators elected last fall raised more than $1 million each from PACs alone. D'Amato was one of them, with $1,294,013 from PACs.

In 1976 the Supreme Court ruled that without public funding, limits on total campaign spending and on how much of their own money candidates are allowed to spend infringe on the First Amendment. The latest campaign reform proposal would make public funds available to qualified Senate candidates if they accept limits on their overall campaign spending and a $20,000 ceiling on their own personal contributions. The bill would also limit total PAC receipts for both Senate and House candidates and would lower the amount a PAC may contribute to any one candidate from $5,000 to $3,000.

It's significant that much of the opposition to the proposed reforms comes from PACs; they obviously think they're getting their money's worth. If Americans want members of Congress to protect the public instead of special interests, they should demand public financing for both Senate and House campaigns. It would be money well spent.

[From the Polk County (TX) Enterprise, Livingston, May 10, 1987]

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[From the Lorain (OH) Journal, Mar. 26, 1987]

CORRUPTING INFLUENCE

Not too many people doubt that donations to candidates by Political Action Committees have a corrupting influence on our legislative system, but for those who need graphic confirmation, it is available from Common Cause, a national watchdog group.

In the last national election seven Democrat challengers defeated Republican incumbents. In 150 cases, PACs had made contributions to the Republicans. But after the election was over and the PACs' preferred candidates had lost, the PACs switched sides and made healthy contributions to the Democrat winners. The seven races were in Alabama, Florida, Georgia, North Carolina, North Dakota, South Dakota and Washington.

In none of the races did the PACs really care who won. The ideology, party affiliation or government philosophy of the winning candidate didn't matter in the least. It should have. Election winners shouldn't be just one-issue candidates, although the PACs finance them exclusively on that basis. None of the PACs care what the overall political views of a candidate are as long as he or she looks favorably on whatever point of view the lobbyists for the PACs are peddling.

The primary concern of the PACs, as the 150 who switched sides after the election illustrates, is to make certain that the PACs buy influence with the winning candidate. PACs and their defenders—Rep. Donald Pease, D-Oberlin, among them—often claim that PAC giving represents citizen participation. However, as Common Cause points out, citizens don't vote for both candidates and on a large scale neither do they contribute money to both sides.

To their credit, six of the seven winning Democratic challengers recognize the harm in PAC contributions and have made a firm commitment to fundamental changes in the current campaign financing system by co-sponsoring Senate Bill S 2. Only Sen. Richard Shelby, D-Alabama, has refused. The bill would limit the total amount of PAC funds congressional candidates can accept and limit campaign spending by candiates.

Perhaps Sen. Shelby and others who feel that PACs promote good government need reminding that there are no PACs to buy influence for the poor, the hungry, the homeless or the unemployed. Until there are we'll continue to view PACs as an extremely corrupting influence and harmful to representative style government.

[From the Los Angeles (CA) Herald Examiner, Feb. 10, 1987]

Stemming the PAC Attack—Time for New U.S. Campaign Finance Reform

In 1976, political action committees put $3.1 million into the coffers of candidates for the U.S. Senate, 15 percent of their total collections. Last year, PACs contributed $24.1 million to Senate candidates, 27 percent of the total. It's the same story in the House, though the totals are larger. Democracy would be well served if government were to reverse this perilous trend, and a new Senate bill, S2, would do just that.

Campaign financing has become a two-headed monster: too expensive and too heavily influenced by special interests.

In the past decade, the cost of the average congressional race has more than tripled, making it ever more difficult for grassroots contests to succeed. Incumbents admit they must spend a third to as much as half their time raising money for the next go-round at the polls. That vastly reduces the hours they have for representing voters.

The voters also are shortchanged because PACs pull so much weight. As California Rep. Tony Coelho, the Democrats' House whip and a major recipient of PAC funds, puts it: Legislators who are always fundraising will avoid supporting bills that may upset contributors or potential contributors.

The Senate bill, named for its Democratic sponsors, Robert Byrd of West Virginia and David Boren of Oklahoma, would impose voluntary limits on spending within a system of public funding of Senate candidates.

Qualified office-seekers would receive tax money for a general election if they agreed to restrict their campaign expenditures to $600,000 plus 25 cents for each voter registered in their state. PAC contributions would be limited on a sliding scale set by the population of the candidate's state. PACs would be restricted to $3,000 contributions to any one candidate instead of the current $5,000. A similar bill will soon be introduced in the House.

The cost of this plan to the taxpayers would be about $50 million a year, well under the $125 million they spent for the presidential campaign in 1984. That would be a bargain. The sum would be saved many times over by reductions in the preferred treatment PAC contributors now receive from legislators they've funded.

[From the Louisville (KY) Courier-Journal, Apr. 10, 1987]

It's Simply Not "Laziness"

If a fellow could amass a fortune simply by sitting on a street corner with a tin cup, he might well sneer at "lazy" recipients of public aid who don't have to sit out in the weather. But Sen. Mitch McConnell, whose cup runneth over, doesn't have that good a point when he rails at efforts to cut congressional reliance on campaign begging from special interests.

After all, Sen. McConnell, who already has raised more than half a million dollars to fend off challengers he won't face until 1990, doesn't have to sit on a bare street corner to collect largess. Like other members of Congress, he has a plush public office and the kind of power that makes interest groups eager to curry potential favors.

If failure to take in cash from the myriad groups that live by influencing congressmen is evidence of laziness, perhaps laziness would serve the public better than the present system. As the public interest organization Common Cause noted in a full-page ad in *The New York Times* this week, special interest financing of congressional candidates has swollen into a national scandal.

Former Sen. Barry Goldwater says, ". . . (I)t's no longer 'we the people' but PACs and the special interests they represent who set the country's political agenda." Similar feelings caused 44 senators, only seven shy of the number needed for passage, to sign on as sponsors of the Boren-Byrd bill to short-circuit the PAC's through partial public financing of Senate campaigns. The bill would expand from $1 to $2 the amount the taxpayer could divert voluntarily into what is now the Presidential Election Campaign Fund. (The bill leaves it up to the House of Representatives to adopt its own reforms.)

Admittedly, public financing of congressional races hasn't yet attained wide popularity. But no one has suggested any other practical way out of this political morass.

Public financing of presidential elections, as the bipartisan Commission on National Elections recently concluded, "has clearly proved its worth in opening up the process, reducing undue influence of individuals and groups, and virtually ending corruption in presidential election finances."

Reform along the lines of the Boren-Byrd measure would have an even more beneficial effect on congressional elections. Congressmen are traditionally more vulnerable to special-interest pressures than presidents. Moreover, the bulk of special-interest contributions go to incumbents, making it possible for them to raise huge war chests to scare off potential foes.

That kind of financing does more than make a sad joke of the idea that Congress is supposed to represent the broad public interest rather than well-heeled contributors. It virtually slams the door on competition, and thus on the fundamental basis of representative government. That's why reform of campaign financing is an idea that's long past due.

[From the Midland (TX) Reporter-Telegram, Mar. 30, 1987]

Backing the Winners

Political action committees, as fickle as fortune itself, know how to back a winner. In fact, it seems that they find losing so distasteful that they go out of their way to insure against it.

According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning democratic challenger shortly after the election.

At the risk of sounding cynical one might suggest that some PACs aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. senator.

In North Dakota, for example, 39 PACs that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

The 39 PACs included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Institute Inc. and the American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterwards, switched sides in four of the seven Senate races.

The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen.

If we're really interested in citizen participation, we'll demonstrate it by bringing the PACs under control.

[From the Louisville (KY) Courier-Journal, Mar. 12, 1987]

A Chance To Sideline PAC's

Incumbent congressmen say the present system of raising money for political campaigns is demeaning and time-consuming. Challengers gripe that it puts them at a disadvantage, often an insurmountable one. Fat-cat contributors claim they are beginning to feel more like victims than manipulators of the system. Voters—and not just the do-gooders—suspect their voices are being muffled by special interests with lots of money to give.

The climate would seem to be ideal, in other words, for a dramatic change in the way major political campaigns are financed. But will it happen? That depends on whether congressmen have the gumption to move beyond moralistic oratory and actually change the rules of the money game.

The Senate will be tested soon. Sen. David Boren of Oklahoma, encouraged by broad support last year for a limit on the amount Senate candidates could accept from political action committees, has taken his reform effort a step further. He and Senate Majority Leader Robert Byrd are pushing a proposal that would shove PACs to the sidelines and extend public financing to congressional campaigns.

Another 31 senators have signed on as sponsors, indicating the strong sentiment for countering the belief that Congress is "coin-operated." Sen. Wendell Ford doesn't like the proposed change but says he won't use his position as Rules Committee chairman to prevent a bill from reaching the floor.

Sen. Boren's plan borrows from the successful presidential campaign finance system, which greatly reduces candidates' obligations to private donors. Senate hopefuls who voluntarily accept a spending cap in general elections and raise $250,000 in small individual contributions would be eligible for public funds up to a limit determined by each state's population. In Kentucky, candidates would get about $1 million; in Indiana, $1.3 million. The money would come from an expanded income tax checkoff.

Support obviously isn't unanimous. It's by no means certain this bill or a compromise can pass Congress or survive a presidential veto. Well-heeled incumbents will have a natural aversion to a measure that assures tougher opposition.

What is clear is that without public financing, there's no way to contrrol runaway campaign spending—the median Senate campaign outlay rose from $1.1 milion in 1984 to $2 million in 1986—or to limit private "investment" in public offices. In the last 14 years, special interest groups gave an estimated $100 million to incumbent senators.

These are the reasons politicians claim to be disillusioned with the way things now work and why candidates hound PAC managers for dollars to run competitive campaigns. If senators are truly interested in removing this taint from the political system, Sen. Boren has offered them the opportunity.

[From the McAllen (TX) Monitor, Apr. 22, 1987]

IF PATCHWORK COAT FITS, WEAR IT

The patchwork, or PAC work, sportcoat could be an idea whose time has come for those interested in campaign reform. Nothing else, so far, has been able to resolve what former Sen. Barry Goldwater, R-Ariz., has called "crisis of liberty"—the untold dependence on special-interest political action committees by candidates for Congress.

Here is how the patchwork coat approach would work:

The candidate would be required to don his or her official campaign coat at the official campaign opening. A blazer no doubt, it would be festooned with patches, each patch a logo signifying the political action committee to which the candidate is beholden, the candidate could pick his favorite color, though for most officeholders the color wouldn't matter. The coat would be all PAC patches—and large pockets.

We have campaign disclosure laws now, but the sportcoats would be more graphic. They would allow the voter to see at a glance who owns whom.

Candidates might resent their Indy 500 look—each car emblazoned with a riot of logos—but that's life in the public eye. As candidates well know, campaigning often is an affront to personal dignity.

If the coat idea won't fit, perhaps it's time for Congress to pass legislation sponsored by Sen. David Boren, D-Okla., and Sen. Majority Leader Robert Byrd, D-W. Va.

Their bill, Senate Bill 2, would fundamentally reform the senatorial campaign finance system. It has gained the support of 44 co-sponsors in the Senate, just seven short of a majority. Successful Senate action on the bill, which calls for partial public financing of senatorial campaigns, would then shift the focus of attention to the House of Representatives.

One of the original co-sponsors of the bill, Sen. John Stennis, a Mississippi Democrat who has been in the Senate since 1948, announced recently: "When the present law was passed, I was strongly opposed to the idea of paying any of the campaign costs for candidates for U.S. Senate from the public treasury, or the House of Representatives, either one. But in view of what has happened now, I have changed my mind."

And what has happened now? In the 1986 campaign, PAC contributions reached a record $130,296,926 for House and Senate candidates. That's a 27 percent increase over the $102 million PACS gave to congressional candidates in the 1984 election. Over the past decade, PAC contributions to congressional candidates have skyrocketed from $22 million in 1976 to more than $130 million last year. In 1976, there were 600 PACs; today there are more than 4,000.

The result is that the 100th Congress has come into office more indebted to special interests than any other Congress in the nation's history. And that means the special interests have bought the right to set the legislative agenda.

"Only a simpleton can believe that PAC funds do not influence many of our senators in their pattern of voting," former New Hampshire Gov. Meldrim Thompson has said. "PAC money," the conservative Republican added, "is a not too subtle way to ensure that most senators will remember from whence their contributions came when they vote on major issues."

For a way out of the current mess, Congress can look to a reform model that works—the public financing system for presidential elections. Since it was initiated in the 1976 election, 34 of the 35 candidates for the nation's highest office have voluntarily participated in the public financing system. The system has opened up the process, reduced undue influence of individuals and groups and virtually ended corruption in presidential election finances.

Congress must put an end to its own campaign-finance corruption. If a patchwork coat is beneath its dignity, surely the mantle of public interest isn't. And a more open financing system for congressional campaigns is obviously in the public interest.

[From the Mesa (AZ) Tribune, Feb. 12, 1987]

DEFUSE THE POWER OF PAC'S

Running for political office has become an increasingly expensive proposition. The need to raise more and more campaign funds has forced politicians to accept more and more contributions for political action committees. While there may rarely be a straight contribution-for-vote relationship, continued contributions clearly depend upon voting records in accordance with the goals of the contributing PACs.

Legislation was introduced in the U.S. Senate last year to, among other things, put a limit on the amount Senate candidates could receive from PACs. That bill, the Boren-Goldwater Amendment, never made it out of the Senate Rules Committee. With a Democratic majority, the talk is that the bill, now designated the Byrd-Boren Amendment, may have a chance.

That would be good news. Campaign spending has clearly gotten completely out of hand and the opportunities for abuse of the current system are legion.

Sen. Dennis DeConcini, D-Ariz., has come out in support of the Senate bill and points to his own campaign expenditures as an example of how expensive the business of getting into and staying in office has become.

Ten years ago, DeConcini's first successful campaign cost $600,000. He estimates he will spend $3.5 million to $4 million on this 1988 campaign.

Among other things, Byrd-Boren would limit individual PAC contributions from $5,000 to $3,000 and limit the total amount a candidate can receive from PACs.

PACs spent more than $140 million to help elect candidates in 1986. While it would be a mistake to interfere with the individual citizen's right to contribute to the candidate of the citizen's choice, there is little evil in limiting the impact the contributions of one group can have on a single candidate's campaign funding.

[From the Missoula (MT) Missoulian, Feb. 12, 1987]

CAMPAIGN FUNDING OUT OF CONTROL

If there were any voters left who doubted the need to fine-tune the American political system, Sen. Lloyd Bentsen, D-Texas, must have changed their minds.

Bentsen, the new chairman of the important Senate Finance Committee, inadvertently demonstrated the extent to which our political system has been perverted by an out-of-control system of campaign finance. Bensten recently invited 200 lobbyists to join him for breakfast once a month, a privilege for which the good senator would require a $10,000-a-head contribution toward his 1988 reelection campaign.

Bentsen's money-grubbing tactics are remarkable mostly because of the high price he set. Last year's committee chairman, Sen. Bob Packwood, R-Ore., had the same cozy arrangement with lobbyists, except he charged only $5,000 a head. Other congressmen, who don't chair committees as important as Bentsen's, are happy if they can collect $1,000 a lobbyist for such sessions. Your average, run-of-the-mill congressman collects $250 a head from lobbyists for fundraising events.

Of course, the lobbyists and political action committees (PACs) aren't buying breakfast with their contributions—they're buying influence. Despite what your congressman might tell you, when money talks, he listens. If he didn't, why in the world would special interest groups continue spending thousands—sometimes millions—of dollars to keep him in office?

The way America runs its political campaigns, congressional candidates have no choice but to round up all the money they can. To shun PACs is to commit political suicide. Anyone who runs for Congress soon finds that campaigning is so expensive that PAC money is a must.

It's time to rein in congressional campaign spending. In the process, perhaps we can restore a bit of voter confidence in politicians.

According to Common Cause, the political watchdog group, last fall's off-year congressional elections cost candidates a startling $286 million. Ten years ago, congressional candidates spent a total of $99 million. In the 1986 election, winning Senate candidates spent an average of $2.3 million on their campaigns. The average House member spent considerably less to get elected, but 52 representatives each spent more than $500,000 on their campaigns.

Much of that money comes from individual supporters—people like you. The rest comes from PACs. Thirty-six percent of the money raised by congressional candidates last year came from PACs, which represent the narrow interests of their members. In 1976, PAC contributions made up 26 percent of House campaign contributions and only 15 percent of Senate war chests.

In theory, unlimited campaign contributions are a form of political expression: People contribute to the PAC of their choice, which supports the candidate of its choice. The greater the political interest, the greater the contribution. Since everyone is free to contribute, campaign donations reflect the public will.

In practice, however, the theory falls apart. As former Sen. Barry Goldwater, R-Ariz., says, "Unlimited campaign spending eats at the heart of the democratic process." The system skews the political balance in favor of individuals and industries with the most money. Also, the ever-increasing cost of campaigns requires constant fund raising, draining too much energy away from the resolution of issues.

Congress imposed at least a semblance of control on presidential campaign spending in 1974 by creating a system of voluntary public financing coupled with campaign spending limits. The U.S. Supreme Court rejected limits on congressional campaign spending, declaring limits unacceptable unless part of a voluntary public campaign finance system.

Legislation introduced last month by Sens. David Boren, D-Okla., and Robert Byrd, D-WV., proposes reasonable steps to control congressional campaign spending. The bill would limit PAC contributions and candidate spending and create with voluntary taxpayer support a system of partial public campaign finance.

The bill would allow senatorial candidates to spend a total of $600,000 plus 25 cents per voter in his state to run for election. Qualifying candidates would receive public campaign funds. To establish himself as a qualified candidate, a politician would have to raise 20 percent of the limit or $250,000 (whichever is less) toward his election. The rest would then be paid from the public fund if he is a major-party candidate. Minor-party candidates would qualify for matching public funds. Candidates and their families would be barred from spending more than $20,000 of their own money on a campaign. House candidates could accept a maximum of $100,000 from PACs, while Senate candidates would be limited to taking $175,000 to $750,000 from PACs, depending on his state's population.

Money will never be divorced from American politics. But the limits proposed by Boren and Byrd will help shift political clout away from big-money lobbies and back to the voters.

[From the Modesto (CA) Bee, Mar. 25, 1987]

TO CHANGE THE PAC MENTALITY

Those who still wonder what campaign contributions from political action committees are intended for need only look at a report issued the other day by Common Cause. It showed that in seven U.S. Senate races where Democrats beat incumbent Republicans, there were 150 instances in which PACs switched sides after the elections and gave money to the winners. Never mind the candidate's politcal philosophy or stands on issues. All that mattered was that the Republicans were out and the Democrats would be in office for the next six years. If these contributions weren't attempts to buy influence for the corporations and other special interests who formed the PACs, it's hard to imagine what they were.

Last year, Sen. David Boren of Oklahoma tried to deal with the issue by proposing an amendment that would have set new ceilings on individual PAC contributions and more important, would have limited how much PAC money could be spent in each congressional race. To everyone's surprise, the amendment passed by a 69-30 margin. Unfortunately, the bill to which it was attached never came to the floor for a vote.

Now, Boren is back with a similar proposal. The bill, now before the Senate Rules Committee, has an additional benefit of providing Senate candidates with partial public financing if they agree to abide by campaign spending limits.

The bill makes more sense than ever. PAC contributions to all Senate general election candidates in 1985-86 totaled 445.7 million, 63 percent more than PACs gave to Senate hopefuls in 1983-84. Fourteen senators elected last year collected more than $1 million from PACs for their campaigns, led by California's Alan Cranston with $1.5 million. (Cranston's opponent, Republican Ed Zschau, received $1.2 million from PACs.)

Boren's measure is picking up steam in the Senate, where three dozen of his colleagues—some, perhaps, frustrated by having to raise absurd amounts of money and others tired of hearing about it—have signed on as co-sponsors, among them Senate Majority Leader Robert Byrd.

The bill, deserves approval, and the sooner the better, while last year's elections are still fresh enough in the minds of the senators to make reform attractive and next year's elections are still far enough away to make it possible.

[From the Monessen (PA) Valley Independent, Mar. 19, 1987]

CONGRESS SHOULD REIN IN THE PAC'S

Fourteen Senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns.

That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million.

The recipients of such largesse are getting nervous, though. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people.

Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

Sponsored by Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W.Va., the legislation would clamp down on PAC contributions and extend the current system of public financing of presidential elections to the congressional level.

Public financing may be the Achilles' heel of the legislation, as Sen. Wendell Ford, D-Ky., suggested to Boren. The Oklahoma senator explained that he reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing.

Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

The Boren-Byrd measure also would reduce the size of a PAC's maximum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House candidates and from $175,000 to $750,000 for Senate candidates, depending on a state's population.

Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special interest groups are wonderfully ingenious at finding loopholes.

What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

[From the Montgomery (AL) Advertiser, Mar. 27, 1987]

SWITCH HITTERS

Seven Democrats beat incumbent Republicans in last year's U.S. Senate races. In each of those races, political action committees contributed first to the Republican incumbent, then scrambled after the election to donate money to the Democratic victor.

According to a study by Common Cause, the citizens lobby which keeps up with campaign finance, 150 political action committees turned into "switch-hitters" last year, contributing to one campaign, then the other.

One of the seven races was in Alabama, where incumbent Sen. Jeremiah Denton was defeated by Sen. Richard Shelby.

Here, 31 PACs gave to Shelby after watching him torpedo their first choice, Denton, at the polls on Nov. 5. The American Bankers Association gave Denton $10,000, then contributed $5,000 to victor Shelby. Alagasco's PAC gave Denton $2,000, then donated $1,000 to Shelby.

Alabama was not alone, of course. In North Dakota, the bankers gave Republican Mark Andrews $10,000. After Democrat Kent Conrad defeated him, they gave an equal amount to Conrad.

Similar switches took place in Florida, Georgia, North Carolina, South Dakota and Washington.

"These PACs obviously weren't contributing because of the candidate's philosophy, ideology or political party. They wanted first and foremost, to ensure that they had bought influence with a United States senator," said Fred Wertheimer, Common Cause president, in a statement.

A hair-splitter could dispute whether the technique is blackmail by a powerful officeholder or expensive toadyism by those who run the PACs, but, regardless, it smells.

The technique is not unique to Senate races. In 1982, a lobbyist who represented a group which had not backed George Wallace said after the election that the group would be pleased to make a contribution to the new governor, if only the Wallace camp would let it.

Post-election "appreciation" contributions have become common for constitutional officers as well as powerful legislators in Alabama. In the late 1970s, the Alabama Ethics Commission tried to stop post-election fund raising under the theory that lawmakers would be using their offices to obtain personal gain. The Legislature quickly got a Supreme Court opinion that the Ethics Commission had no business nosing into post-election contributions.

Whether it is the Alabama Legislature or the U.S. Congress, the idea behind PAC switch-hitting is support of the incumbent. If the incumbent is knocked off, the PAC switches as quickly as possible to the new incumbent in an attempt to retain the ear of the person in power.

There is legislation in Congress which would limit the influence of PACs by limiting their contributions. It should be seriously considered. Congressional influence should not be for sale—either before an election, or after.

[From the Minot (ND) Daily News, Apr. 3, 1987]

BACKING A WINNER

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

At the risk of sounding cynical, one might suggest that some PACs aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. senator.

In North Dakota, for example, 39 PACs that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

The 39 PACs included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Institute Inc. and the American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterward, switched sides in four of the seven Senate races.

The only bright spot in this cynical little exercise in democracy in that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen. If we're really interested in citizen participation, we'll emasculate the PACs.

[From the Murray (KY) Ledger and Times, Apr. 8, 1987]

REIN IN THE PAC'S

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million.

The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

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[From the Napa (CA) Register, Apr. 16, 1987]

PAC'S HEDGE CAMPAIGN BETS

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[From the Napa Register (Napa, CA), Mar. 16, 1987]

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Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

[From the Newark (OH) Advocate Apr. 16, 1987]

CONGRESS HAS OPPORTUNITY TO CHASE AWAY "PAC-MEN"

For those interested in campaign reform, there's little doubt something has to be done about what former Sen. Barry Goldwater, R-Ariz., has called "a crisis of liberty"—the unholy dependence on special-interest political action committees by candidates for Congress.

It's time for Congress to pass legislation sponsored by Sen. David Boren, D-Okla., and Sen. Majority Leader Robert Byrd, D-W.Va.

Their bill, called Senate Bill 2, would fundamentally reform the senatorial campaign-finance system. It has gained the support of 44 co-sponsors in the Senate, just seven short of a majority. Successful Senate action on the bill, which calls for partial public financing of senatorial campaigns, would then shift the focus of attention to the House of Representatives.

In the 1986 election, PAC contributions reached a record $130,296,926 for House and Senate candidates. That's a 27 percent increase over the $102 million PACs gave to congresssional candidates in the 1984 election. Over the past decade, PAC contributions to congressional candidates have skyrocketed from $22 million in 1976 to more than $130 million last year. In 1976, there were 600 PACs; today, there are more than 4,000 PACs.

The result is that the 100th Congress has come into office more indebted to special interests than any other Congress in the nation's history. And that means the special interests have bought the right to set the legislative agenda.

For a way out of the current mess, Congress can look to a reform model that works—the public financing system for presidential elections. Since it was initiated in the 1976 election, 34 of the 35 candidates for the nation's highest office have voluntarily participated in the public financing system. The system has opened up the process, reduced undue influence of individuals and groups and virtually ended corruption in presidential election finances.

[From the (New Bern, NC), Sun Journal, Apr. 14, 1987]

REIN IN THE PAC'S

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[From the Central New Jersey Home News (New Brunswick, NJ) Apr. 13, 1987]

THE PAC HABIT IS GROWING

The figures are in for 1986, and they're more alarming than ever. In the election campaigns for the House of Representatives, 194 members—44 percent of the House—raised at least half of their campaign funds from political action committees. And that, according to the citizens' lobby Common Cause, is more than twice the number four years ago.

PACs and PAC dependence have been growing by leaps and bounds. Where there were 600 special-interest groups giving in 1974, today there are 4,100—a thousand more than during the 1984 election cycle. The $8 million PACs contributed to congressional campaigns in 1974 ballooned to more than $130 million for the 1986 election. Of the total, $84.5 million went to House candidates—and $65.5 million of that went to House candidates—and $65.5 million of that went to House incumbents.

In just the past eight years, PAC contributions to House candidates have quadrupled, Common Cause reports, while contributions from party and individual donors only have doubled. Some candidates now get the lion's share of their campaign funding from PACs.

In New Jersey, 6th District Democrat Bernard Dwyer raised 73 percent of his $144,565 campaign fund from PACs last year, while five other Democratic incumbents—Frank Guarini, Peter Rodino, James Florio, James Howard and Robert Roe—raised more than half of their funds from PACs.

What's more, PAC giving increasingly is skewed to incumbents. Two years ago the ratio of incumbent-to-challenger contributions from PACs was $4.60 to $1. In 1986, it was $6 to $1.

Small wonder, then, that the average challenger for a House seat was able to raise just $128,024 last year (22 percent of it from PACs), while the average incumbent raised $381,218.

Small wonder, too, that 98 percent of the challengers lost their races in 1986, while many incumbents wound up with a healthy campaign surplus—the better to scare off the next challenger.

New Jersey's 7th District Rep. Matthew Rinaldo, for example, had a surplus of nearly $509,000 as of last Dec. 31, making him eighth among 20 winning House incumbents in the nation to have at least $400,000 on hand to start the 1988 election. Republican Rinaldo hasn't had a serious challenge since 1982, and with a war chest like his, Democrats will continue to think twice about targeting him.

Clearly, congressmen increasingly are dependent on PACs to finance their re-election efforts, and PAC money increasingly affects the outcome of congressional races. Ultimately, that determines the makeup of Congress—and that cannot be healthy either for Congress or for the country.

The question now is whether and when Congress will do something about the way campaigns are financed—about what Common Cause calls "a national scandal" of too much money spent by congressional candidates, too much time and energy spent raising campaign money and too much influence exerted through political money.

A bill pending in the Senate, co-sponsored by 42 Democrats and two Republicans, is a good place to start breaking the PAC habit. It would limit the total amount of money any Senate or House candidate could receive from PACs, and it would reduce the limit on individual PAC contributions from $5,000 per candidate for a given race to $3,000. It would offer partial public financing as an alternative.

The Boren-Byrd bill is not perfect. But it is better than the present system. And the present system, plainly, is getting worse.

[From the New York Times, May 8, 1987]

THE MOST VITAL SKILL IN CONGRESS

What's the single most important quality or skill in a United States senator or representative?

(A) Legal and analytical capacity, like that reflected in the Congressional Iran-contra hearings.

(B) Honesty and integrity.

(C) Substantive expertise in fields like national defense, taxes or social welfare.

(D) Experience in public office.

(E) Ability to raise money.

A,B,C and D are wishful answers. In terms of practical politics, (E) is undisputably right. Yet to judge by a little-noticed vote Tuesday night, 1987 might finally be the year of reform. Under a bill soon to come before the Senate, private campaign contributions would finally be limited, offset by a system of public finance. These would be breathtakingly welcome changes, relieving Members of Congress of the influence wielded by big givers and retrieving endless hours spent courting them.

There was nothing encouraging about the Senate vote in question. It was a parliamentary skirmish by Republican opponents. They came close, losing 50 to 48. What's encouraging is that they even made the effort; if campaign finance were not a live subject, they would not have bothered.

Anyone who doubts the need for reform might heed the view of Senator Tom Harkin, Iowa Democrat: "The average cost of winning a Senate campaign in 1984 was $3 million. What that means to an incumbent is, at best, that he or she must spend an inordinate amount of time fund-raising—time that * * * most likely should be spent on Senate business."

Much of the money comes from special interest political action committees, PAC's. The senators elected in 1986 include 14 who collected $1 million or more from PAC's. That brings to 24 the number of "PAC millionaires," in the words of Fred Wertheimer, president of Common Cause. In 1974 there were 608 PAC's; now there are 4,000-plus.

The reform bill sponsored by the Senate majority leader, Robert Byrd, and David Boren, Democrat of Oklahoma, would limit campaign contributions in the only way the Supreme Court is likely to tolerate—by financing general election campaigns with public funds. Taxpayers who now send $1 into Presidential campaigns could check off another $1 to cover the costs.

Only candidates who raised specified amounts would be eligible. Total PAC contributions would be sharply limited and the amount one PAC could give one candidate would drop from $5,000 to $3,000. Candidates' spending would be limited according to their states' population and they could spend no more than $20,000 of their own money.

In these ways, the Byrd-Boren bill would give members back some time, and reduce special interest influence. Perhaps just as important, it would eliminate the appearance of influence. The cynicism it breeds is poisonous. The head of a Washington trade association was talking about his PAC last week: "I know you can't *buy* a Congressman," he said. "But what's wrong with renting a few?"

[From the New York Times, June 9, 1987]

Perfuming Money in the Senate

The cost of running for Congress is climbing to the sky; so is the smell; and now there's a chance to do something about it. Watch the Senate carefully today. A vote scheduled for 5 P.M. will show which senators want to clean up the stink—and which will settle for a little perfume.

The vote concerns ending a filibuster against a bill to remedy the evils of the percent system of campaign finance. Many senators, of both parties agree on the evils. The cost of candidacy has been transformed by television, direct mail, polls and computers. Many races now require many millions, creating an immense appetite for money.

To feed it, along have come 4,100 PAC's, political action committees, for every industry you can think of: the Michigan blueberry growers, the American Horse Council, the beer distributors, who named theirs—what else—Six-PAC. All told, PAC's gave Senate candidates $5 million in 1976 and $45 million in 1986. Many members now concede the need at least for cosmetic change.

Cosmetic change is just what Republican senators have now offered. Bob Packwood of Oregon and Mitch McConnell of Kentucky propose forbidding PAC's to contribute to candidates. That minces words, not money. PAC's could still give to the parties and the parties could give to candidates. And PAC's would remain free to convey to candidates bundles of money gathered from many individual contributors. Senator Ted Stevens of Alaska acknowledges the need for limits but his bill does little to meet the need. Beyond these slight affirmative gestures, what Republican senators offer is their filibuster to block the big reform bill sponsored by Democratic Senators Robert Byrd of West Viginia and David Boren of Oklahoma.

The straightforward reform is to limit costs and contributions. But the Supreme Court has said no; Congress may legislate limits only if it provides public finance. Then Congress created a sound system to do that, for Presidential races. The Byrd-Boren bill, with 49 co-sponsors, would extend this to Congress. It's far from clear that the Democrats will have the 60 votes to close off debate today. What they do have in the Byrd-Boren bill is moral and practical leadership.

There are senators willing to accept campaign limits but unwilling to pay the Court's price of public finance. That's called fighting the problem. The Court decision is the law and that leaves three choices:

Live with the status quo as campaign costs climb ever higher, along with questions about members' integrity.

Try undoing the court decision, by constitutional amendment, which would take years.

Vote to end the filibuster today, and work to perfect the Byrd-Boren reforms.

Senators who choose the first will be evading the issue. Those who choose the second will show a preference for perfume. Every senator who chooses the third will be voting to clean up Congress.

[From the Daily Press (Newport News, VA), Mar. 30, 1987]

Pop the PAC Balloon

In 1976, congressional candidates in general elections spent $99 million. In 1986, spending ballooned to more than $286 million. Congress ought to seize the opportunity to burst that balloon this session.

Why the big increase, though? Certainly inflation played a part, but consider some further figures. In 1976 candidates elected to the House of Representatives received $10.9 million from political action committees, or 26 percent of their total receipts of $42.5 million. By mid-October 1986, the House candidates who wound up winners had received $58.9 million from PACs, 41 percent of their total receipts of more than $143 million. Figures for Senate candidates show a smaller but similar increase.

Clearly, the surge in cash from PACs has contributed to the enormous increase in campaign spending.

This trend undermines democracy for a number of reasons. First, winning public office becomes more and more difficult for anyone who isn't rich. Also, as election costs rise, a candidate's fund-raising ability becomes more and more important, while other qualifications, such as integrity and intelligence and experience, become less important. Further, it becomes increasingly easy for special interests to buy influence with officeholders who must spend more and more of their time worrying about raising money while they have less time to devote to serving their constituents.

If you doubt that influence is what PAC money is meant to buy, just consider the PAC's first rule: Go with the winners. Not only do PAC-heavily favor incumbents, who are already heavily favored to win, but they even switch sides once the results are in. After the Democrats took over the Senate last November, the anti-PAC lobby Common Cause found 150 cases in which PACs which had supported Republican losers made up for their mistakes by contributing to the Democrat winners after the election.

Legislation introduced by Senate Majority Leader Robert Byrd and Sen. David Boren of Oklahoma would reform campaign finance law in an effort to eliminate the problems caused by wildly escalating campaign spending, including the increase in PAC spending. Their legislation would limit the amount of PAC money any Senate or House candidate could accept. And it would set up a voluntary system of partial public financing, from which candidates could collect campaign money only if they agreed to limit total campaign spending and limit the use of personal wealth in a campaign. In the House, similar legislation is expected.

These limits would be beneficial. Last year, winning Senate candidates spent an average of more than $2.3 million; in the House, winners spent an average of more than $250,000. One House candidate in Virginia spent more than $1 million last year, a first for the state.

When levels of spending go so high, it is impossible for candidates not to be unduly influenced by the groups giving the money, because without the money getting elected is impossible. The voters don't call the shots; special interest groups with fat checkbooks do. That's not the way our electoral system is supposed to work.

[From the New Jersey Herald (Newton, NJ, May 1, 1987]

Hedging a Bet

Political action committees, as fickle as fortune itself, know how to back a winner.

According to a study released by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of seven Senate races in which a Democratic challenger defeated a Republican incumbent. PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

At the risk of sounding cynical, one might suggest that some PACs aren't particularly committed to a candidates' aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. senator.

In North Dakota, for example, 39 PACs that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

The 39 PACs included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Institute Inc., and the American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad aftewards, switched sides in four of the seven Senate races.

The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen. If we're really interested in citizen participation, we'll emasculate the PACs.

[From the Newton (NJ) New Jersey Herald, Mar. 18, 1987]

Rein in the PAC's

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general election candidates in 1985–86 totaled $45.7 million.

The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

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[From the Norman Transcript, Norman, (OK), Feb. 8, 1987]

NEEDED REFORM

Oklahoma Sen. David Boren is back with another bill aimed at reforming campaign financing practices in congressional elections. This bill is stronger than the one he attempted to pass last year, but that doesn't mean it won't be easier to pass.

For one thing, Sen. Robert Byrd of West Virginia, the Senate majority leader, is Sen. Boren's co-author this year. More importantly, publicity over the conduct of the 1986 elections has built public support for campaign reform.

"We face a threat to our political system that can no longer be placed on the back burner," Sen. Boren said when he introduced the bill the opening day of the 100th Congress.

Last year's Boren bill sought to limit the amount of special interest political action committee funds a candidate for the House or Senate could accept. His new one would do that and also establish a voluntary system of spending limits and limits on the use of personal wealth in campaigns, along with partial public financing.

The bill had to be drawn to comply with a Supreme Court ruling that overall spending limits in campaigns could be established only as part of a voluntary system that included public financing.

Record spending in the 1986 campaigns has convinced many members of Congress how important it is to create constitutionally acceptable spending limits. The Common Cause lobby is supporting the bill all the way.

"The Boren-Byrd bill," Common Cause President Fred Wertheimer says, "attacks the most dangerous aspects of the current campaign financing system: the obscene and excessive sums candidates are spending to get elected, and their increasing dependence on special interest PACs for funding.

"In this historic year which marks the bicentennial of our Constitution, there is no more important step which the 100th Congress can take to restore the faith of the American public in the integrity of our representative government than to act decisively to reform the system for financing congressional elections."

The people are ready for this reform measure. Congress should pass it early in this session so candidates and their supporters will know to get ready for a different campaign in 1988—a campaign in which special interest groups will have less to say about who wins.

[From the Transcript (North Adams, MA), Mar. 13, 1987]

SPENDING SCANDAL

The latest report by Common Cause, the citizens' lobby, on the high cost of getting elected to office, is a humdinger.

Indeed, the findings might be called, in the language of a comic strip of a generation ago, a scandal to the jaybirds.

Common Cause made a special study of the 1986 Senate election campaign financing, and the figures just released are eyebrow lifters. The 68 candidates spent a total of $178,934,493 last year alone. Winners spent an average of more than $3 million, while losers averaged a little more than $2 million.

Win or lose, that's a lot of money. The worst single example was in California, where Republican Ed Zschau's $11.5 million wasn't enough to oust the incumbent Democratic Sen. Alan Cranston, who spent $10.8 million.

Whence came all that money? Most of it was in political action committee (PAC) contributions, and that's a cause for dismay in itself.

According to the Common Cause report, 14 of the senators elected last fall received more than $1 million each in PAC contributions. And money from that source has been climbing steadily, from $5.4 million in 1976 to nearly $48 million last year.

Most of the money was spent in advertising, in television and newspapers, but Common Cause said the product was more an exercise in mudslinging than an honest attempt to inform the voters on the issues.

This outrageous state of affairs finally has begun to create some uneasiness in Washington. The Senate Committee on Rules and Administration has opened hearings on a bill sponsored by Sen. Robert Byrd of West Virginia, majority leader, and Sen. David Boren (D-Okla.) that would limit PAC contributions.

This bill also would place a limit on overall spending, and would restrict the use of personal wealth in Senate campaigns. It could be the first step toward some system of voluntary public financing, long recognized as the sanest way to govern spending in political campaigns.

Reform in that direction never will be easy. Those with money, or the ability to raise large sums, will not give up their advantage easily. The facts are plain to be seen. The candidate with the most money has a big edge over his opposition and doesn't have to worry much about issues.

The trouble with this problem is that reform does not rest with the people, but with the politicians themselves. There are not many like Sen. Lawton Chiles (D-Fla.), who accepts no PAC contributions and yet has held his seat for 16 years.

Senators might feel, if they support the bill now in hearing, that they are biting the hand that feeds them, but they may one day find an aroused public calling a halt to the spending scandal.

[From the Messenger-Inquirer (Owensboro, KY, Apr. 16, 1987]

PAC'S UNDERMINE THE ELECTION PROCESS

The growth in the power of special interest groups is hardly news. But the trend in political action committee support of incumbents is disturbing. PACs are not only buying the ear of congressmen, but undermining the democratic structure of the election process.

According to a report from Common Cause, nearly half of the members of the House of Representatives got more than 50 percent of their campaign money from political action committees. That's more than twice the number of representatives getting a majority of their money from PACs in 1982.

And in 1986, nearly all the PAC money went to incumbents. In the House alone, $65 million was given to incumbents and only $8 million to challengers. Even eliminating open seat races (those without an incumbent), PACs handed $6 to incumbents for every $1 given challengers.

This combination of an escalating share of PAC money (up 27 percent for both the Senate and House races since the last election cycle in 1984) and the increasing share given incumbents has helped to virtually guarantee current officeholders re-election. In 1986, 98 percent of the House incumbents who ran for re-election won.

As Common Cause President, Fred Wertheimber noted, this PAC-explosion is the logical outcome of decisions made in the Watergate era 13 years ago.

Congress rejected a public financing system for itself that it adopted for presidential campaigns.

Labor and business both supported repeal of a law prohibiting organizations with government contracts from forming or maintaining a PAC.

The solution to the growing power of PACs is passage of S. 2, the Senate Election Campaign Act, now co-sponsored by 40 senators. The bill would establish campaign spending limits, public financing, limits on the use of personal wealth and limits on the amount a congressional candidate can receive from political action committees.

If not now, when?

[From the Press-Courier, Oxnard, CA, Apr. 17, 1987]

IN PUBLIC INTEREST

The patchwork, or PAC work, sportcoat could be an idea whose time has come for those interested in campaign reform. Nothing else, so far, has been able to resolve what former Sen. Barry Goldwater, R-Ariz., has called "a crisis of liberty"—the unholy dependence on special-interest political action committees by candidates for Congress.

Here is how the patchwork-coat approach would work:

The candidate would be required to don his or her official campaign coat at the official campaign opening. A blazer no doubt, it would be festooned with patches, each patch a logo signifying the political action committee to which the candidate is beholden. The candidate could pick his favorite color, though for most officeholders, color wouldn't matter. The coat would be all PAC patches—and large pockets.

There are campaign disclosure laws now, but the sportcoats would be more graphic. They would allow the voter to see at a glance who owns whom.

Candidates might resent their Indy 500 look—each car emblazoned with a riot of logos—but that's life in the public eye. As candidates well know, campaigning often is an affront to personal dignity.

If the coat idea won't fit, perhaps it's time for Congress to pass legislation sponsored by Sen. David Boren, D-Okla., and Sen. Majority Leader Robert Byrd, D-W.Va.

Their bill, called Senate Bill 2, would fundamentally reform the senatorial campaign-finance system. It has gained the support of 44 co-sponsors in the Senate, just seven short of a majority. Successful Senate action on the bill, which calls for partial public financing of senatorial campaigns, would then shift the focus of attention to the House of Representatives.

One of the original co-sponsors of the bill, Sen. John Stennis, a Mississippi democrat who has been in the Senate since 1948, announced recently: "When the present law was passed, I was strongly opposed to the idea of paying any of the campaign costs for candidates for U.S. Senate from the public treasury, or the House of Representatives, either one. But in view of what has happended now, I have change my mind."

And what has happened now? In the 1986 election, PAC contributions reached a record $130,296,926 for House and Senate candidates. That's a 27 percent increase over the $102 million PACs gave to congressional candidates in the 1984 election. Over the past decade; PAC contributions to congressional candidates have skyrocketed from $22 million in 1976 to more than $130 million last year. In 1976, there were 600 PACs; today, there are more than 4,000 PACs.

The result is that the 100th Congress has come into office more indebted to special interests than any other Congress in the nation's history. And that means the special interests have bought the right to set the legislative agenda.

"Only a simpleton can believe that PAC funds do not influence many of our senators in their pattern of voting," former New Hampshire Gov. Meldrim Thompson has said. "PAC money," the conservative Republican added, "is a not too subtle way to ensure that most senators will remember from whence their contributions came when they vote on major issues."

For a way out of the current mess, Congress can look to a reform model that works—the public financing system for presidential elections. Since it was initiated in the 1976 election, 34 of the 35 candidates for the nation's highest office have voluntarily participated in the public financing system. The system has opened up the process, reduced undue influence of individuals and groups and virtually ended corruption in presidential election finances.

Congress must put an end to its own campaign-finance corruption. If a patchwork cost is beneath its dignity, surely the mantle of public interest isn't. And a public financing system for congressional campaigns is clearly in the public interest.

[From the Press-Courier, Oxnard, CA, Mar. 23, 1987]

PAC's Play Both Sides

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

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The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

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[From the Press-Courier, Oxnard, CA, Mar. 12, 1987]

Time To Rein in PAC's

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million.

The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

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Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

[From the Palatka Daily News, Palatka, FL, Mar. 30, 1987]

Buying Influence

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PAC's involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

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The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

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[From the Palatka Daily News, Palatka, FL, Mar. 12, 1987]

PAC Nervousness

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million.

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[From the Palos Verdes Peninsula News, Palos Verdes, CA, Mar. 23, 1987]

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[From the Paris Daily Beacon-News, Paris, IL, Apr. 4, 1987]

HEDGING A BET—

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[From the Paris (IL) Daily Beacon, Mar. 28, 1987]

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[From the North Jersey Herald-News, Passaic-Clifton, Apr. 19, 1987]

CURBING THE PAC'S

Our founding fathers, who charged that America was suffering from "taxation without representation," never envisioned an era when democracy would be endangered by a system of "representation by contribution."

But it is apparent that the average voter cannot afford the inflationary cost of influencing a state legislator, a congressman, or even a governor. That has left the special-interest lobbyists operating through the cover of political action committees (PACs) to purchase more than their share of influence.

That abominable system must be scrapped.

While the cost of federal elections has more than tripled in the last decade, the contributions from PACs have increased sixfold.

Our government is dangerously close to becoming a government of special interests, by special interests and for special interests.

Voters must begin pressuring their elected state and national representatives to limit the amount of money a political candidate can receive from an individual PAC, the amount that each PAC can dole out during an election cycle and the aggregate amount of special-interest funds a candidate can receive.

Legislation has been introduced in the U.S. Senate that would establish such limits. The bill, sponsored by Sen. David Boren, a conservative Democrat from Oklahoma, and Senate Majority Leader Robert

Byrd of West Virginia, not only puts reasonable limits on PAC contributions, but it goes one critical step further by providing public financing for Senate campaigns—via an additional $1 income tax checkoff.

The request for an additional dollar per year from each taxpayer would supplement the $1 checkoff that now provides public financing for presidential candidates. The bill has 44 sponsors. Voter-taxpayers would do themselves a great service by using whatever influence they have to pressure their senators to get off the PAC gravy train.

Voters should realize that until they begin supporting candidates for public office with more of their own contributions, they will continue to forfeit their influence to America's massive special-interest industries, which indirectly pass on their costs to the consumer anyway.

That might be an acceptable way to run a railroad. But it's a helluva way to run a democracy.

[From the Berkshire Eagle, Pittsfield, MA, May 1, 1987]

CONGRESS OF THE PEOPLE

When the voters returned the Democrats to power in the Senate last November, they did not lay the groundwork for drastic changes in many areas of public policy. But that shift of power did have the beneficial effect of making the Senate much more receptive than it has been to proposals for public financing of political campaigns.

On Wednesday, the Rules Committee of the Senate voted 8-3 in favor of a reform bill that would both limit the total amounts that candidates can accept from the political action committees of the special interests and authorize public financing of Senate campaigns. The package was one favored by the Democratic leadership. A Republican alternative reduced from $5,000 to $2,500 the amount that any PAC can contribute to a candidate, but it stopped short of favoring a public-financing system of the sort that has been in place for presidential campaigns since 1976.

Even at the presidential level, public financing has been only a measured success. One casualty of the system is Gary Hart. Because the public financing covers only a portion of a candidate's costs in the primaries, a contender like Mr. Hart in 1984 who is an also-ran for his party's nomination can run up some heavy debts. Not only that, but the system leaves no easy way to pay up that money and can place someone like Mr. Hart in a very vulnerable position in the next election cycle.

Ideally, the Treasury would pick up all costs of candidates in congressional and presidential campaigns once they prove the legitimacy of their candidacies by raising a threshold amount on their own. The Democrats' plan approved by the Rules Committee Wednesday doesn't do that, but it would limit the total PAC money a senatorial candidate can pocket according to the number of voters in his state. And it would make public financing available for general elections after candidates have raised a qualifying amount in small donations from individuals.

One can be cynical about the Democrats' position on this issue and argue that they have seen the light on public financing only because their experience as the minority party in the Senate showed them how decisive the GOP's superior fund-raising techniques can be. It is true that the Democrats were not always leaders on this issue in the past.

But the party's Senate contingent has now come up with the best campaign-financing reform bill to be approved by a congressional committee since 1976. The bill provides what the country needs—a chance to vote on senators who owe their prime allegiance to the nation and not to the special interests.

[From the Berkshire Eagle, Pittsfield, MA, Mar. 26, 1987]

TOUCHING ALL BASES

Special-interest campaign contributions are regarded by their supporters as a form of free speech with all due constitutional protections. By critics, the donations are seen as little more than legalized bribes. Strong evidence for the latter view can be found in a phenomenon that Common Cause noticed after last fall's election: In the seven races won by Democratic challengers against GOP incumbents, special-interest political action committees kicked in after the voting with dough for the victor after first backing the Republican.

This donation pattern speaks volumes about what the PACs are after. They are much less interested in advancing any one ideological approach to the country's problems than they are in making sure that they have clout with whoever holds the Senate or congressional seat. They purchase this influence with their generous donations. Further proof of their intentions can be seen in the way many PACs cover their bets even before an election, contributing to both major-party candidates. This is especially common when two candidates are contesting an open seat with no incumbent.

According to the Common Cause study, no fewer than 150 PACs made these post facto donations. The one doing it most often was the American Bankers Association, but the list runs the gamut, from the National Association of Letter Carriers to the National Rifle Association.

The president of Common Cause, Fred Wertheimer, has pointed out how this contribution pattern belies the PAC supporters' argument that campaign contributions by PACs simply represent citizen participation in elections. "Citizens, however, don't vote for both candidates," Mr. Wertheimer said, "once before the election and a second time after the winner has been chosen."

To the credit of six of the seven Democratic challengers who unseated the Republicans, they have come out in favor of a campaign-financing reform bill that would put some restrictions on PAC donations. The bill would limit the total amount of PAC funds congressional candidates can accept and would also limit campaign spending as part of a system of partial public financing in Senate general elections:

That measure of reform may be all that the Senate is willing to accept at this time. Ideally, though, both houses of Congress would adopt a virtually complete system of public financing that would be available to candidates once they proved their seriousness by raising a threshold amount of private contributions or by collecting a minimum number of petition signatures.

To reduce the increasing cost of campaigning, the federal government or the parties could sponsor televised debates or discussions that would have the welcome side effect of raising the tenor of campaigning, too. One way or another, Congress has to begin soon the process of weaning itself from the bribes and payoffs of the PACs.

[From the Daily American Republic, Poplar Bluff, MO, Apr. 7, 1987]

HEDGING ON A BET

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The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

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[From the Portsmouth Herald, Portsmouth, NH, Apr. 18, 1987]

PACWORK SPORTCOAT

The patchwork, or PACwork, sportcoat could be an idea whose time has come for those interested in campaign reform. Nothing else, so far, has been able to resolve that former Sen. Barry Goldwater, R-Ariz., has called "a crisis of liberty"—the unholy dependence on special-interest political action committees by candidates for Congress.

Here is how the patchwork-coat approach would work:

The candidate would be required to don his or her official campaign coat at the official campaign opening. A blazer no doubt, it would be festooned with patches, each patch a logo signifying the political action committee to which the candidate is beholden. The candidate could pick his favorite color, though for most officeholders, color wouldn't matter. The coat would be all PAC patches—will large pockets.

We have campaign disclosure laws now, but the sportcoats would be more graphic. They would allow the voters to see at a glance who owns whom.

Candidates might resent their Indy 500 look—each car emblazoned with a riot of logos—but that's life in the public eye. As candidates well know, campaigning often is an affront to personal dignity.

If the cost idea won't fit, perhaps it's time for Congress to pass legislation sponsored by Sen. David Boren, D-Okla., and Sen. Majority Leader Robert Byrd, D.W.Va.

Their bill, called Senate Bill 2, would fundamentally reform the senatorial campaign-finance system. It has gained the support of 44 cosponsors in the Senate, just seven short of a majority. Successful Senate action on the bill, which calls for partial public financing of senatorial campaigns, would then shift the focus of attention to the House of Representatives.

One of the original cosponsors of the bill, Sen. John Stennis, a Mississippi Democrat who has been in the Senate since 1984, announced recently: "When the present law was passed. I was strongly opposed to the idea of paying any of the campaign costs for candidates for U.S. Senate from the public treasury, or the House of Representatives, either one. But in view of what has happend now, I have changed my mind."

And what has happened now? In the 1986 election, PAC contributions reached a record $130,296,926 for House and Senate candidates. That's a 27 percent increase over the $102 million PACs gave to congressional candidates in the 1984 election. Over the past decade PAC contributions to congressional candidates have skyrocketed from $22 million in 1976 to more than $130 million last year. In 1976, there were 600 PACs' today there are more than 4,000 PACs.

The result is that the 100th Congress has come into office more indebted to special interests than any other Congress in the nation's history. And that means the special interests have bought the right to set the legislative agenda.

[From the Portsmouth Herald, Portsmouth, NH, March 26, 1987]

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[From the Portsmouth Herald, Portsmouth, NH, Mar. 10, 1987]

REIN IN THE PAC'S

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[From the Daily Herald, Provo, UT, Apr. 21, 1987]

CAMPAIGN FUND PRACTICE NEEDS WORK

It's time for Congress to approve Senate Bill 2 and effectively reform the senatorial campaign finance system.

This bill, sponsored by Sen. David Boren, D-Okla., and Sen. Majority Leader Robert Byrd, D-W.Va., calls for partial public financing of senatorial campaigns.

At first glance, dipping into the public treasury to support campaigning seems ridiculous. But the current system of political action committee-funding has produced outrageous results and threatens the effectiveness of Congress.

Consider: In the 1986 election, PAC contributions reached a record $130,296,926 for House and Senate candidates. That's a 27 percent increase from the $102 million PACs gave to congressional candidates in the 1984 election.

During the past decade, PAC contributions to congressional candidates have skyrocketed from $22 million in 1976 to more than $130 million last year. In 1976, there were 600 PACs; today there are more than 4,000.

The result is that the 100th Congress has come into office more indebted to special interests than any other Congress in the nation's history. And that means the special interests have bought the right to set the legislative agenda.

"Only a simpleton can believe that PAC funds do not influence many of our senators in their pattern of voting," former New Hampshire Gov. Meldrim Thompson has said. "PAC money is a not too subtle way to ensure that most senators will remember from whence their contributions came when they vote on major issues," he added.

For a way out of the current mess, Congress can look to a reform model that works—the public financing system for presidential elections. Since it was initiated in the 1976 election, 34 of the 35 candidates for the nation's highest office have voluntarily participated in the public financing system. The system has opened up the process, reduced undue influence of individuals and groups and put down corruption in presidential election finances.

Congress must put an end to its own campaign-finance corruption.

[From the Reno Gazette-Journal, Reno, NV, Feb. 25, 1987]

ELECTION SPENDING MUST BE CONTROLLED

Election-campaign spending is getting out of hand, especially for the U.S. Senate and House. All too often, money equals media blitz, and media blitz equals victory. This is troubling.

Equally troubling are the huge amounts of money contributed by the political action committees, or PACs. These donations give the PACs enormous influence in Washington, more than is healthy for the republic.

The Boren-Byrd bill offers a good starting point to correct this. The bill would limit candidates and their families from personally spending more than $20,000 in a general election, and limit overall spending, depending on the size of the state. Because of constitutional questions, the limits are tied to a voluntary program under which candidates would accept the limits in exchange for certain amounts of public funding. To encourage participation, non-participating candidates would no longer get the lowest unit rate for TV ads, placing them at a financial disadvantage to participants who would still get this rate.

The bill also would limit total PAC contributions to a maximum of $750,000 for the Senate and $100,000 for the House, depending on the size of the state.

All these restraints are needed, and the bill should be passed.

[From the Times-Union, Rochester, NY, Mar. 31, 1987]

CHANGING SIDES AFTER THE VOTE

A funny thing happened after the results of elections for U.S. Senate were announced last fall—dozens of political action committees (PACs), set up the funnel campaign funds to the candidates of their choice, suddenly changed sides.

Thats the latest news from Common Cause, which has been campaigning for years for tougher campaign spending laws.

In a study titled "If At First You Don't Succeed, Give, Give Again," the public-interest lobbying groups says it has found 150 contests in which PACs that had supported Republican incumbents switched sides after they lost and contributed to the winning Democrats. For example, in North Dakota, 39 different PACs that had supported the unsuccessful re-election campaign of Sen. Mark Andrews sent checks to newly elected Sen. Kent Conrad during the six weeks immediately after the election.

There's nothing illegal about this—even before the vote, a good many PACs were contributing money to both sides in some races. These groups represent a huge array of interests—environmentalists, engineers, bankers, shopkeepers, you name it.

But when so many groups that had supported only one candidate in a race suddenly change horses, it's hard to believe they've had a change of heart on the issues. The real reason is that they want some influence with the winning side. A fat contribution won't necessarily ensure that they will get the vote of a senator or representative, but it might at least ensure that they will get an ear.

Many members of Congress detest this system. They don't like to spend so much time raising funds, and they don't like to be beholden. The way to limit the influence of money would be to enact some system of public financing of congressional elections, with limits on the total amounts that candidates may spend.

[From the Evening Telegram, Rocky Mount, NC, Apr. 29, 1987]

LET'S STOP IT

The growth in political action committee (PAC) contributions has helped to create another unhealthy campaign practice: the substantial increase in surplus campaign funds being held by members of Congress.

According to figures compiled by the public-interest lobby Common Cause, House candidates had $49 million in surplus funds as of Dec. 31, 1986. That's a higher figure than the average of $118,000 that House challengers spent in the 1986 election.

It's little wonder that 98 percent of the 391 House incumbents seeking re-election won. Not only are surplus funds valuable to incumbents for use in future elections, they also discourage potential challengers from seeking office.

And in the case of House members who were in office on Jan. 8, 1980, surplus funds can be converted to personal use after leaving Congress under a "grandfather" clause in the federal law.

Obviously, some members of Congress are aware of the continuing problem with PAC contributions. Legislation has been sponsored by Sen. David Boren, D-Okla., and Sen. Majority Leader Robert Byrd of West Virginia, that would fundamentally reform the senatorial campaign-finance system.

Successful Senate action on the bill, which calls for partial public financing of senatorial campaigns, would then shift the focus of attention to the House.

In the 1986 election, PAC contributions reached a record $130,296,926 for House and Senate candidates. Over the past decade, PAC contributions to congressional candidates have skyrocketed from $22 million in 1976 to more than $130 million last year. Today there are over 4,000 PACs.

The result is that the 100th Congress has come into office more indebted to special interests than any other in the nation's history. Congress must put an end to its own campaign-finance corruption. A public-financing system for congressional campaigns could well be in the public interest.

[From the Daily Sentinel, Rome, NY, Apr. 8, 1987]

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The 39 PACs included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Institute Inc., and the American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterwords, switched sides in four of the seven Senate races.

The only bright spot in this little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, that would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

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[From the News-Review, Roseburg, OR, Apr. 27, 1987]

TIME TO HANG UP THE PAC-WORK COATS

The patchwork, or PAC-work, sportcoat could be an idea whose time has come for those interested in campaign reform. Nothing else, so far, has been able to resolve what former Sen. Barry Goldwater, R-Ariz., has called "a crisis of liberty"—the unholy dependence on special-interest political action committees by candidates for Congress.

Here is how the patchwork-coat approach would work:

The candidate would be required to don his or her official campaign coat at the official campaign opening. A blazer no doubt, it would be festooned with patches, each patch a logo signifying the political action committee to which the candidate is beholden. The candidate could pick his favorite color, though for most officeholders, color wouldn't matter. The cost would be all PAC patches—and large pockets.

We have campaign disclosure laws now, but the sportcoats would be more graphic. They would allow the voter to see at a glance who owns whom.

Candidates might resent their Indy 500 look—each car emblazoned with a riot of logos—but that's life in the public eye. As candidates well know, campaigning often is an affront to personal dignity.

If the coat idea won't fit, perhaps it's time for Congress to pass legislation sponsored by Sen. David Boren, D-Okla., and Sen. Majority Leader Robert Byrd, D-W.VA.

Their bill, called Senate Bill 2, would fundamentally reform the senatorial campaign-finance system. It has gained the support of 44 co-sponsors in the Senate, just seven short of a majority. Successful Senate action on the bill, which calls for partial public financing of senatorial campaigns, would then shift the focus of attention to the House of Representatives.

One of the original co-sponsors of the bill, Sen. John Stennis, a Mississippi Democrat who has been in the Senate since 1948, announced recently: "When the present law was passed, I was strongly opposed to the idea of paying any of the campaign costs for candidates for U.S. Senate from the public treasury, or the House of Representatives, either one. But in view of what has happened now, I have changed my mind."

And what has happened now? In the 1986 election, PAC contributions reached a record $130,296,926 for House and Senate candidates. That's a 27 percent increase over the $102 million PACs gave to congressional candidates in the 1984 election. Over the past decade, PAC contributions to congressional candidates have skyrocketed from $22 million in 1976 to more than $130 million last year. In 1976, there were 600 PACs; today, there are more than 4,000 PACs.

The result is that the 100th Congress has come into office more indebted to special interests than any other Congress in the nation's history. And that means the special interests have bought the right to set the legislative agenda.

"Only a simpleton can believe that PAC funds do not influence many of our senators in their pattern of voting," former New Hampshire Gov. Meldrim Thompson has said. "PAC money," the conservative Republican added, "is a not too subtle way to ensure that most senators will remember from whence their contributions came when they vote on major issues."

For a way out of the current mess, Congress can look to a reform model that works—the public financing system for presidential elections. Since it was initiated in the 1976 election, 34 of the 35 candidates for the nation's highest office have voluntarily participated in the public financing system. The system has opened up the process, reduced undue influence of individuals and groups and virtually ended corruption in presidential election finances.

Congress must put an end to its own campaign-finance corruption. If a patchwork coat is beneath its dignity, surely the mantle of public interest isn't. And a public financing system for congressional campaigns is clearly in the public interest.

[From the Roseburg (OR) News-Review, Mar. 10, 1987]

There Has To Be a Way To Rein in the PAC's

Fourteen Senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million.

The recipients of such largesse are getting nervous. They realize that Congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

Sponsored by Sen. David Boren, D-Okla., Senate Majority Leader Robert Byrd, D-W. VA., the legislation would clamp down on PAC contributions and extend the current system of public financing of presidential elections to the congressional level.

Public financing may be the Achilles' heel of the legislation, as Sen. Wendell Ford, D-Ky., suggested to Boren. The Oklahoma senator explained that he reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing. Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

The Boren-Byrd measure also would reduce the size of a PAC's maximum contribution of from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House Candidates and would range from $175,000 to $750,000 for Senate candidates, depending on a state's population.

Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

[From the Roswell (NM) Daily Record, Mar. 18, 1987]

Reining in PAC's

Fourteen U.S. senators elected last year received more than $1 million each in political action committee (PAC) campaign contributions.

That more then doubles the PAC millionaires in the Senate, raising their number from 10 to 24.

PAC contributions to all Senate general elections candidates in 1985-86 totaled $45.7 million.

But the recipients and would-be recipients of PAC contributions are getting nervous.

They realize that congressional campaigns have grown overly expensive, that special-interest contibutions come with strings attached, and that PAC dollars undermine their credibility with constituents.

Whether they are nervous enough to do something about this problem is an open question, though recently introduced legislation offers them an opportunity.

Sponsored by Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W. Va., the legislation would clamp down on PAC contributions and extend the current system of public financing of presidential election to the congressional level.

Public financing, though, could be the weak spot in the legislation.

Sen. Boren, realizing this, said that he reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing.

Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

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Those limits would be $100,000 for House candidates and would range from $175,000 to $750,000 for Senate candidates, depending on a state's population.

One problem with pegging the Senate level to population is it doesn't take into consideration states like New Mexico, which are large in geographical size and small in population.

During a Senate campaign, candidates in New Mexico would have to spend more money to reach fewer people.

But reform in the present system of raising campaign contributions is needed.

This reform, naturally, cannot guarantee less expensive campaigns or campaigns that are less dependent on special interests.

The PAC system itself was supposed to be a reform and special-interest groups have been ingenious about finding loopholes in this measure.

As a result, this reform has become a mess. The Boren-Byrd measure, with some modification, could be one way to clean things up.

[From the Sacramento (CA) Bee, May 12, 1987]

Tinkering With Free Speech

It's hard to argue with any measure aimed at curbing the influence of money in politics. But as serious as the problem has become, a recently proposed constitutional amendment to do just that is premature and dangerous.

One congressional sponsor of the measure argues that the "pernicious effects of money" won't be taken out of politics until a 1976 Supreme Court decision is overturned with the proposed amendment. In that case, Buckley vs. Valeo, the court struck down many of the campaign spending limits passed by Congress in the wake of Watergate. Campaign spending, the court ruled, is a form of free speech protected by the First Amendment.

The proposed amendment, whose sponsors include Sen. Alan Cranston of California, is aimed at overturning the decision by declaring, "The Congress may enact laws regulating the amounts of contributions and expenditures intended to affect elections to federal offices." The actual dollar limits and other details would be filled in with subsequent legislation.

Cranston said he expects much of the opposition to come from those wary of Congress tampering with the First Amendment. Indeed, much of it will, and should. If Congress can limit campaign spending by candidates, what of independent committees or other groups—a medical association, a labor union, even a newspaper—who might publish literature or buy television time? And where is the line between campaign spending and other forms of communication? Conversely, if the limits apply only to candidates, how can they fairly protect themselves against political action committees or other independent—or not so independent—voices?

There is a better way and it ought not be abandoned in favor of a chimerical and dangerous alternative. Already moving through the Senate is a bill sponsored by Sen. David Boren and Majority Leader Robert Byrd that would limit contributions from political action committees as well and provide public financing to candidates who agree to abide by spending limits. The voluntary arrangement—candidates would retain the option of raising and spending as much as they want—makes it constitutional. The public financing reduces even more the influence of large special interest donors. The Boren-Byrd bill is a far better and safer course than tinkering with the First Amendment.

[From the Sacramento (CA) Bee, Apr. 6, 1987]

To Change the PAC Mentality

Those who still wonder what campaign contributions from political action committees are intended for need only look at a report issued recently by Common Cause. It showed that in seven U.S. Senate races where Democrats beat incumbent Republicans, there were 150 instances in which PACs switched sides after the elections and gave money to the winners. Never mind the candidate's political philosophy or stands on issues. All that mattered was that the Republicans were out and the Democrats would be in office for the next six years. If these contributions weren't attempts to buy influence for the corporations and other special interests who formed the PACs, it's hard to imagine what they were.

Last year, Sen. David Boren of Oklahoma tried to deal with the issue by proposing an amendment that would have set new ceilings on individual PAC contributions and, more important, would have limited how much PAC money could be spent in each congressional race. To everyone's surprise, the amendment passed by a 69-30 margin. Unfortunately, the bill to which it was attached never came to the floor for a vote.

Now, Boren is back with a similar proposal. The bill, now before the Senate Rules Committee, has an additional benefit of providing Senate candidates with partial public financing if they agree to abide by campaign spending limits.

The bill makes more sense than ever. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million, 63 percent more than PACs gave to Senate hopefuls in 1983-84. Fourteen senators elected last year collected more than $1 million each from PACs for their campaigns, led by California's Alan Cranston with $1.5 million. (Cranston's opponent, Republican Ed Zschau, received $1.2 million from PACs.)

Boren's measure is picking up steam in the Senate, where three dozen of his colleagues—some, perhaps, frustrated by having to raise absurd amounts of money and others tired of hearing about it—have signed on as co-sponsors, among them Senate Majority Leader Robert Byrd.

The bill deserves approval, and the sooner the better, while last year's elections are still fresh enough in the minds of the senators to make reform attractive and next year's elections are still far enough away to make it possible.

[From the St. Louis (MO) Post-Dispatch, Apr. 14, 1987]

The House That PAC's Built

The time was ripe long ago for Congress to curb campaign contributions from political action committees. But the lastest figures compiled by Common Cause on spending for seats in the House of Representatives in last November's election show an alarming trend that makes action now more urgent than ever.

PACs were established to broaden the political arena, allowing previously excluded groups to pool their resources in support of sympathetic candidates. What has resulted instead is a system in which PACs actually narrow the playing field by currying favor with incumbents, who get six PAC dollars for every one doled out to a challenger. Just as worrisome as this trend toward entrenched incumbency is the level of contributions. PAC spending in the House and Senate races was up 27 percent from 1984. Nearly half of the House members got 50 percent or more of their campaign money from PACs.

The bistate area was especially favored by PACs. Rep. Richard Gephardt ranked seventh among House members in PAC contributions ($421,877). Still, as a percentage of total receipts, Mr. Gephardt, for whom PAC funds amounted to half of his overall contributions, was far behind third-ranked Rep. Melvin Price (89 percent from PACs) and Rep. William Clay (75 percent, earning him 14th place).

The Senate is considering a bill that would provide public financing for candidates who agree to limit their spending and lower the ceiling on individual PAC contributions. The recipients of PAC money deny their integrity and independence are compromised by the donations. No better test of that could be asked than passage of this bill by both houses.

[From the Salisbury (MD) Daily Times, Apr. 2, 1987]

Hedging Bets With PAC's

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides.

In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

At the risk of sounding cynical, one might suggest that some PACs aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. senator.

In North Dakota, for example, 39 PACs that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

The 39 PACs included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Institute Inc. and the American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterwards, switched sides in four of the seven Senate races.

The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens however, don't vote for both candidates once before the election and a second time after the winner has been chosen. If we're really interested in citizen participation, we'll emasculate the PACs.

[From the Salisbury (MD) Daily Times, Mar. 18, 1987]

That Mess Called PAC's

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million.

The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

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Public financing may be the Achilles' heel of the legislation, as Sen. Wendell Ford, D-Ky. suggested to Boren. The Oklahoma senator explained that he reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing. Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

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[From the Salisbury (NC) Post, Mar. 26, 1987]

Purchasing Influence

The National Association of Homebuilders gave $10,000 to then Sen. Jim Broyhill, R-N.C., during last year's campaign. Then, just after the election, the same group gave $5,000 to the man who beat Broyhill, Democrat Terry Sanford.

Why would a political action committee support each of two candidates who took sharply differing positions on most major issues? Is this an oversight, perhaps? Or evidence of institutional schizophrenia?

Neither of the above. As it turns out, there was nothing unusual about what the builders did. As many as 30 other PACs contributed to incumbent Broyhill before the election and then switched sides to contribute to Sanford shortly after election day. Other prominent examples were the American Hospital Association ($7,500 to Broyhill and then $5,000 to Sanford) and the American Institute of Certified Public Accountants (Broyhill $6,000, Sanford $5,000).

Nor was the phenomenon limited to North Carolina, according to a recent report from Common Cause, entitled "If At First You Don't Succeed, Give, Give Again." In each of the seven 1986 Senate races in which a Democratic challenger defeated a Republican incumbent, special-interest PACs contributed shortly after the election to the winning Democratic challenger after first backing the Republican incumbent during the election.

What's going on here?

The answer, clearly, is that many PACs are not motivated by principle at all, but by a cynical effort to play both ends against the middle and purchase favor with those whose votes they may someday need. This pattern was evident in earlier Post articles about the dozens of PACs that gave money to 8th District Congressman Bill Hefner. Many of the organizations had diametrically opposite political goals, and their giving seemed to have little to do with Hefner's positions.

"Our study vividly illustrates how special-interest PAC contributions are used to buy influence in Congress," president Fred Wertheimer of Common Cause said. "These PACs obviously weren't contributing because of the candidate's philosophy, ideology or political party. They wanted, first and foremost, to ensure that they had bought influence with a United States senator."

PACs have often tried to portray themselves merely as representatives of citizens participating in the democratic process. But citizens, Wertheimer pointed out, do not have the luxury of voting "for both candidates, once before the election and a second time after the winner has been chosen."

Of the seven states listed in the Common Cause study, North Dakota had the most PACs switching horses after the race, with 39. Others: Alabama, 31; Washington, 20; South Dakota, 18; Georgia, 7; and Florida, 5.

Something has to be done—and soon—to keep political action committees from further compromising American politics. The best solution that has been proposed so far is the Senate Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. It would also put other curbs on campaign spending.

In fairness, it should be pointed out that six of the seven winning challengers want to see the system changed and support the bill. Terry Sanford is one of them.

[From the San Antonio (TX) Light, Apr. 24, 1987]

Congressional Campaign Needs Finance Reform

The extraordinary amount of money spent on congressional campaigns is proof in itself that some sort of sense needs to be returned to the system in which someone seeks a seat in our national legislative body.

The final hearing on a comprehensive campaign reform bill, Senate Bill 2, is being held before the Senate Rules Committee today. Markup of the bill, by U.S. Sens. David Boren, D-Okla., and Robert Byrd, D-W.V.—the majority leader—is set for Wednesday. That means that a vote on congressional campaign reform could come to the floor of the upper house by mid or late May.

Forty-four senators (unfortunately, according to Common Cause, neither of the senators from Texas) had agreed to be co-sponsors of the bill by the middle of this month, and 55 national organizations ranging from the American Association of University Women to the Women's Action for Nuclear Disarmament (and including many in between, such as the Southwest Voters Registration Education Project of San Antonio) had signed on.

Some powerful political action committees oppose the Boren-Byrd bill because they object to the voluntary system of spending limits and partial public financing set up under the bill. Proponents of the bill say the success of the presidential campaign finance system, after which the congressional bill is modeled, is proof that it is a good bill.

Congressional campaign financing in this nation has been blown out of reasonable proportion, and a measure—whether it be Senate Bill 2 or a similar control mechanism—is needed to give meaning to sincere and money-limited campaigning on behalf of the electorate.

[From the San Diego (CA) Tribune, Mar. 9, 1987]

An Opportunity To Rein in the PAC's

Fourteen Senators elected in 1986 raised more than $1 million each in political action committee (PAC) contributions for their Senate campaigns. That more than double the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million.

The recipients of such largess are getting nervous. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question, but legislation introduced last week offers them an opportunity.

Sponsored by Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W.Va., the legislation would clamp down on PAC contributions and extend the current system of public financing of presidential elections to the congressional level.

Public financing may be the Achilles' heel of the legislation, as Sen. Wendell Ford, D-Ky., suggested to Boren last week. The Oklahoma senator explained that he reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing. Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

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Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

[From the San Diego (CA) Tribune, Mar. 25, 1987]

PAC's Have Learned To Hedge Bets

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

At the risk of sounding cynical, one might suggest that some PACs aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. senator.

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The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

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[From the San Diego (CA) Tribune, Apr. 15, 1987]

Trying on the PAC-Work Coat

The patchwork, or PACwork, sportcoat could be an idea whose time has come for those interested in campaign reform. Nothing else, so far, has been able to resolve what former Sen. Barry Goldwater, R-Ariz., has called "a crisis of liberty"—the unholy dependence on special-interest political action committees (PACs) by candidates for Congress.

Here is how the patchwork-coat approach would work:

The candidate would be required to don his or her official campaign coat at the official campaign opening. A blazer no doubt, it would be festooned with patches, each patch a logo signifying the political action committee (PAC) to which the candidate is beholden. The candidate could pick his favorite color, though for most officeholders, color wouldn't matter. The coat would be all PAC patches—and large pockets.

We have campaign disclosure laws now, but the sportcoats would be more graphic. They would allow the voter to see at a glance who owns whom. Candidates might resent their Indy 500 look—each car emblazoned with a riot of logoes—but that's life in the public eye. As candidates well know, campaigning often is an affront to personal dignity.

If the coat idea won't fit, perhaps it's time for Congress to pass legislation sponsored by Sen. David Boren, D-Okla., and Sen. Majority Leader Robert Byrd, D-W.Va. Their bill, called Senate Bill 2, would fundamentally reform the senatorial campaign-finance system. It has gained the support of 44 co-sponsors in the Senate, just seven short of a majority. Successful Senate action on the bill, which calls for partial public financing of senatorial campaigns, would then shift the focus of attention to the House of Representatives.

One of the original co-sponsors of the bill, Sen. John Stennis, a Mississippi Democrat who been in the Senate since 1948, announced recently: "When the present law was passed, I was strongly opposed to the idea of paying any of the campaign costs for candidates for U.S. Senate from the public treasury, or the House of Representatives, either one. But in view of what has happened now, I have changed my mind."

And what has happened now? In the 1986 election, PAC contributions reached a record $130,296,926 for House and Senate candidates. That's a 27 percent increase over the $102 million PACs gave to congressional candidates in the 1984 election. Over the past decade, PAC contributions to congressional candidates have skyrocketed from $22 million in 1976 to more than $130 million last year. In 1976, there were 600 PACs; today, there are more than 4,000 PACs.

The result is that the 100th Congress has come into office more indebted to special interests than any other Congress in the nation's history. And that means the special interests have bought the right to set the legislative agenda.

"Only a simpleton can believe that PAC funds do not influence many of our senators in their pattern of voting," former New Hampshire Gov. Meldrim Thompson has said. "PAC money," the conservative Republican added, "is a not too subtle way to ensure that most senators will remember from whence their contributions came when they vote on major issues."

For a way out of the current mess, Congress can look to a reform model that works—the public financing system for presidential elections. Since it was initiated in the 1976 election, 34 of the 35 candidates for the nation's highest office have voluntarily participated in the public financing system. The system has opened up the process, reduced undue influence of individuals and groups and virtually ended corruption in presidential election finances.

Congress must put an end to its own campaign-finance corruption. If a patchwork coat is beneath its dignity, surely the mantle of public interest isn't. And a public financing system for congressional campaigns is clearly in the public interest.

[From the Telegram-Tribune, San Luis Obispo, CA, May 3, 1987]

HONOR U.S. CONSTITUTION BY CONTROLLING PAC GIFTS

This year we celebrate 200 years of representative government with the bicentennial of the Constitution and the Congress.

There is no better way to honor these bicentennials than to put some controls on Political Action Committees (PACs).

Common Cause in a recent full-page ad in The New York Times said:

"The way our congressional campaigns are financed is a national scandal. Too much money is spent by congressional candidates. Too much money is given by special interest PACs. Too much money is spent by congressional candidates. Too much time and energy is used to raise political money. Too much influence is exercised through political money.

"It's a national scandal. And it's time to end it."

There's plenty of good reason to support Senate Bill 2, which would do pretty much what Common Cause proposes. It includes overall spending limits, it puts a limit on use of personal wealth in campaigns, it calls for public financing, and it puts an aggregate limit on what a congressional candidate can receive from all political actions committees.

Members of the House of Representatives are depending more and more on PAC contributions. In 1986, 194 members of the lower house received 50 percent or more of their campaign funds from this source. Only 30 of the 194 were involved in seriously contested races. One great flaw in this system is that PACs favor incumbents over challengers by a ratio of 6 to 1. A Common Cause analysis shows that PACs all but abandoned the idea of contributing to House challengers in 1986. PACs gave a total of $65.5 million to incumbents, compared with only $8.7 million to challengers.

We're talking about big bucks. For instance, House Speaker Jim Wright, D-Texas, received $564,052 from PACs last year, joining nine others who won re-election and received more than $400,000 apiece.

Congressmen have used the PAC system to protect them from defeat by building up huge campaign surpluses. Twenty candidates, all incumbent winners, reported at least $400,000 cash-on-hand as of Dec. 31. Nine of those had more than $500,000 and one had $949,000.

If an incumbent has more than $500,000 in surplus campaign money, who but a millionaire or a nut would try to challenge him.

PACs, which were called election reform 13 years ago, have helped make money more important than issues in congressional elections.

It's time to change that through Senate Bill 2. And this is an ideal and symbolic year to do it.

[From The San Pedro (CA) News-Pilot, Apr. 19, 1987]

PAC-WORK COATS

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And what has happened now?

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Over the past decade, PAC contributions to congressional candidates have skyrocketed from $22 million in 1976 to more than $130 million last year. In 1976, there were 600 PACs; today, there are more than 4,000 PACs.

The result is that the 100th Congress has come into office more indebted to special interests than any other Congress in the nation's history. And that means the special interests have bought the right to set the legislative agenda.

"Only a simpleton can believe that PAC funds do not influence many of our senators in their pattern of voting," former New Hampshire Gov. Meldrim Thompson has said.

"PAC money," the conservative Republican added, "is a not too subtle way to ensure that most senators will remember from whence their contributions came when they vote on major issues."

For a way out of the current mess, Congress can look to a reform model that works—the public financing system for presidential elections.

Since it was initiated in the 1976 election, 34 of the 35 candidates for the nation's highest office have voluntarily participated in the public financing system. The system has opened up the process, reduced undue influence of individuals and groups and virtually ended corruption in presidential election finances.

Congress must put an end to its own campaign-finance corruption. If a patchwork coat is beneath its dignity, surely the mantle of public interest isn't.

And a public financing system for congressional campaigns is clearly in the public interest.

[From the Times, San Mateo, CA, Apr. 14, 1987]

STUDY BY COMMON CAUSE NOTES PAC'S HEDGE THEIR BETS

A recent study by Common Cause, the public interest lobby, reveals that a considerable number of political action committees (PACs) involved in last year's U.S. Senate elections divvyed up their resources to make sure they supported winners.

In each of the seven Senate races in which a Democrat challenger defeated a Republican incumbent, a study found, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

This is additional evidence, of course, that the PACs are interested, above all else, in buying influence with a U.S. lawmaker.

In an interesting switch, however, six of the seven winning challengers now say they favor fundamental changes in the current campaign-financing system. They are among the co-sponsors of Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds that congressional candidates can accept.

Those who defend operations of the political action committees on their present scale are fond of saying that PACs represent citizen participation in the election process. But we, like Common Cause, are impressed by the fact that it is not customary for citizens to vote for both candidates—once before the election and a second time, after the winner has been chosen.

[From the Santa Maria (CA) Times, Apr. 1, 1987]

EMASCULATE THE PAC'S

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Democratic races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

At the risk of sounding cynical, one might suggest that some PACs aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. senator.

In North Dakota, for example, 39 PACs that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

The 39 PACs include the National Association of Letter Carriers, the National Rifle

Association, the Tobacco Institute, Inc. and the American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterwards, switched sides in four of the seven Senate races.

The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36-cosponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen. If we're really interested in citizen participation, we'll emasculate the PACs.

[From the Argus Leader, Sioux Falls, SD, May 30, 1987]

Campaign Funding Rules in Need of an Overhaul

The word "scandal" is tossed around loosely in politics.

Common Cause, that high-road, public interest lobbying group, sees one in the way the nation finances congressional campaigns.

We won't go quite that far. We see the financing system as a national disgrace badly in need of reform.

Common Cause is on target, however, in calling for support for a bill pending in Congress to overhaul the campaign financing system.

The proposal, Senate Bill 2, would put overdue limits on how much money candidates for the Senate could spend in election campaigns.

Sen. Tom Daschle, D-S.D., is among the bill's co-sponsors. The position of Sen. Larry Pressler, R-S.D., is not as clear. In mailings on the topic, Pressler's support is couched in qualifiers.

With no limits, officeholders are too dependent on the checking accounts of political action committees, commonly called PACs. PACs are committees formed by trade organizations, businesses, labor groups and other organizations to make contributions to candidates.

The PAC problem is more pronounced in Senate races than House races because Senate campaigns usually cost more. Reform is needed for House races, too, though.

According to Common Cause, almost half the members of the House received 50 percent or more of their campaign money from PACs during the 1986 campaign. Incumbents received more than $65 million last year; challengers received less than $9 million.

Of course, PACs don't donate money just to be good Americans. They want access. They want influence. They want votes to go their way. And for members of Congress, it is difficult to say no to the groups that helped get them elected.

Under the bill proposing restrictions on Senate candidates, PACs still would be allowed to give up to $5,000 per candidate each election. But:

Each state would have a spending limit based on its voting-age population. The limit would range from a minimum of $950,000 to a maximum of $5.5 million.

As a condition of eligibility for public financing in a general election, a candidate must certify that he or she will not spend more than 67 percent of the state's general election limit in the primary.

To qualify for public financing, a candidate would have to raise about 20 percent of the state limit in private contributions of $250 or less, with at least three-fourths of that coming from the candidate's home state.

The changes are overdue. The bill should be approved.

[From the Daily American, Somerset, PA, Apr. 2, 1987]

PAC's Playing Both Sides of the Fence

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The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizens' participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen. If we're really interested in citizen participation, we'll emasculate the PACs.

[From the State Journal-Register, Springfield, IL, Mar. 30, 1987]

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[From the Statesville (NC) Record & Landmark, May 3, 1987]

PAC-Work Solutions

The patchwork, or PAC-work, sportcoat could be an idea whose time has come for those interested in campaign reform. Nothing else, so far, has been able to resolve what former Sen. Barry Goldwater, R-Ariz., has called "a crisis of liberty"—the unholy dependence on special-interest political action committees by candidates for Congress.

Here is how the patchwork-coat approach would work.

The candidate would be required to don his or her official campaign coat at the official campaign opening. A blazer no doubt, it would be festooned with patches, each patch a logo signifying the political action committee to which the candidate is beholden. The candidate could pick his favorite color, though for most officeholders, color wouldn't matter. The coat would be all PAC patches-and large pockets.

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For a way out of the current mess, Congress can look to a reform model that works—the public financing system for presidential elections. Since it was initiated in the 1976 election, 34 of the 35 candidates for the nation's highest office have voluntarily participated in the public financing system. The system has opened up the process, reduced undue influence of individuals and groups and virtually ended corruption in presidential election finances.

Congress must put an end to its own campaign-finance corruption. If a patchwork coat is beneath its dignity, surely the mantle of public interest isn't. And a public financing system for congressional campaigns is clearly in the public interest.

[From the Robertson County Times, Springfield, TN, Apr. 9, 1987]

PAC's Are Peddling Influence

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The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

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[From the Statesville (NC) Record & Landmark, Mar. 23, 1987]

Rein in the PAC's

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The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

Sponsored by Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W. Va., the legislation would clamp down on PAC contributions and extend the current system of public financing of presidential elections to the congressional level.

Public financing may by the Achilles' heel of the legislation, as Sen. Wendell Ford, D-Ky., suggested to Boren. The Oklahoma senator explained that the reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing. Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

The Boren-Byrd measure also would reduce the size of a PAC's maximum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House candidates and would range from $175,000 to $750,000 for Senate candidates depending on a state's population.

Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

[From the Statesville (NC) Record & Landmark, Apr. 24, 1987]

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[From the Evening Outlook, Santa Monica, CA, Apr. 28, 1987]

PAC-Work Coats

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[From the Staunton, (VA) Daily News Leader, Apr. 7, 1987]

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[From the (Staunton, VA) Daily News Leader, Mar. 17, 1987]

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The Boren-Byrd measure also would reduce the size of a PAC's maximum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House candidates and would range from $175,000 to $750,000 for Senate candidates, depending on a state's population.

Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measure may be the lesser of two evils.

[From the News-Sun, Sun City, AZ, Feb. 24, 1987]

S.2 Could Be a Next Step

Political action committees (PACs) are limited by law to $5,000-per-candidate contributions in congressional election campaigns. Individuals must contribute no more than $1,000 to a candidate.

This election law was intended to curb special interest influence on lawmakers. But PAC activity didn't decline in the 1968 campaign. The Federal Election Commission reports that, based on candidates' year-end statements, PACs contributed nearly 31 percent of the total amount candidates received, compared to slightly less than 29 percent for the 1984 campaign.

Campaign expenditures increased in 1986 too. Winners spent big: House winners averaged $347,000; Senate winners, $3 million. Even Senate losers spent an average of $2.3 million—a lot to gamble on a seat of power.

Total campaign spending, for primary and general campaigns, was $372 million, up from $321 million for 1984. The report shows Republicans spent more on Senate races; the Democrats, more on House races. Total House spending was $190 million; Senate races cost $182 million. In addition, the Democratic and Republican parties spent $253 million on their candidates. Fourteen House candidates spent more than $1 million on their campaigns; in California, each side spent more than $11 million.

So, it's back to the drawing board for campaign finance reform. The Committee on Rules and Administration, chaired by Sen. Wendell Ford, D-Ky., will conduct hearings on congressional campaign finance reform proposals on March 5.

Under consideration will be the Boren-Byrd bill, S.2. Sens. David Boren, D-Okla., and Majority Leader Robert Byrd, D-W. Va., are proposing to limit the total amount of PAC funds candidates for Congress can accept, establish general elections limits on campaign spending for the Senate and set up a voluntary system of partial public financing.

Key provisions are:

Voluntary participation by Senate general elections candidates in spending limits tied to partial public financing (primary elections would not be covered).

Overall spending limited to no more than $600,000 for a participating candidate, plus 25 cents multiplied by the voting age population of the candidate's state.

Public funds to augment the participating candidate's fund-raising to bring the amount up to the spending limit. The public funding would be derived by boosting the dollar income tax check-off for the Presidential Election Campaign Fund from $1 to $2, or $2 to $4 on a joint return.

Minor party candidates or independents who qualify would be eligible to receive matching payments of up to $250 of each individual contribution, limited to 50 percent of the overall spending limit.

Senate candidates would be limited also on total PAC contributions—from a low of $175,000 in small states to a cap of $750,000 in large states. House candidates would have an overall limit of $100,000 on PAC contributions. This would apply to all candidates, whether they participate in the partial public financing system or not. And the individual PAC contribution limit would be lowered from $5,000 to $3,000 per election.

The Boren-Byrd legislation takes another step in the direction of freeing candidates from the pressure that might affect their judgment on legislation relating to PACs that have contributed large sums to their campaigns. Arizona's Democratic Sen. Dennis DeConcini is on the Rules and Administration Committee. Comments on S.2 can be addressed to him at 328 Hart Senate Office Bldg., Washington, D.C. 20510. His phone number is 1-202-224-4521.

Now, while the bill is being considered, is the time to register citizen opinion on campaign funding reform as it is proposed in S.2.

[From the News-Sun, Sun City, AZ, Apr. 8, 1987]

TIME TO PUSH PAC BILL AGAIN

Senate bill S. 2 would put new limits on the amount of money a political action committee (PAC) could give to any one candidate for federal office.

As the Boren-Goldwater bill, this reform didn't get to the floor last year. The forces working against this year's Boren-Byrd bill are determined to continue to practice that Common Cause, a people's lobby, calls "a national scandal."

The lobby reports its recent survey of House members found that 194—nearly half of those elected to the House last year—received 50 percent or more of their election money from PACs. In the 1982 campaign, the figure was 94.

S. 2 would lower the maximum a PAC could give any one candidate from $5,000, the present figure, to $3,000. It also would provide public financing to candidates who keep spending under specific ceilings and accept PAC contributions totaling no more than a limit set for each State.

Writing to Sen. David Boren, D-Okla., early in March, former Sen. Barry Goldwater said: "The important thing is to eliminate the growing, dreadful use of money, money to get elected. . . ."

Candidates need money to run election campaigns, but the amounts they spend have become more extravagant with each election. Even some PACs are complaining that money and more money is now blatantly solicitated by many candidates.

S. 2, proposed by Boren and co-sponsor Majority Leader Robert Byrd, D-W.Va., needs people support to pass. Write Boren or Byrd at Capitol Building, Senate offices, Washington, D.C. 20510.

Senators who crave PAC support may not want to accept this discipline. They need to hear how the people feel.

[From the Tallahassee Democrat, Tallahassee, FL, Mar. 25, 1987]

CONTROL PAC'S—POT OF GOLD COMES TARNISHED

. . . at the beginning of this century, scandal was often the hidden companion of politics. Offices were sometimes bought and sold. Things are much different now than in the days when—at the end of the rainbow—there was a pot of gold. But when the rainbow begins with that pot of gold, things are not necessarily better.—Florida's senior Sen. Lawton Chiles.

Often campaigns begin with a pot of gold: contributions that give one candidate—most likely the incumbent—so much of a financial lead that his opponents are unable to compete in today's high-priced media campaigns.

But sometimes there is still a pot of gold at the end of the rainbow. Democratic challengers defeated seven Republican incumbents in U.S. Senate races last year. In every case, political action committees (PACs) that had backed the defeated Republicans made after-the-election contributions to the winners. Winners, after all, always need money for the next campaign. In North Carolina, 30 PACs got right; in Washington, 20. In Florida, only five felt the need to ante up, perhaps because so many worked both sides of the compaign before the election. Common Cause, the citizen lobby that compiled the donor lists aptly named its study "If at First You Don't Succeed, Give, Give Again."

No matter what end of the rainbow the pot occupies, it contains too much money. Campaigns have become increasingly expensive, and as they become more expensive, they also become less enlightening.

"All that money pays for professional consultants, the advanced technological options, the purchased advertising which—when used irresponsibly—threatens the proud and open tradition of the American political campaign," said Florida's junior Sen. Bob Graham in support of a bill to put limits on PAC contributions.

He should know. Graham collected $5.9 million last year in his successful campaign against incumbent Paula Hawkins. She raised even more as the two battled with 30-second spots on TV screens around the state.

The media bears its portion of the blame. Too often elections are treated more like sports events than political events. Graham points out that the state's largest newspaper, the Miami Herald ran 17 stories on the Senate campaign between Sept. 21 and Oct. 20. Eleven of them focused on campaign ads and media consultants. And the Herald was not alone in emphasizing the campaign's apparatus rather than its issues.

Both Florida's senators are cosponsors of legislation to curb the power of the PACs in federal races. Among other things, the bill would:

Limit the amount of money a PAC can contribute to $300,000 each election cycle.

Set up a voluntary public financing system for Senate races. To get matching money candidates would have to raise $250,000 from small individual contributions and 80 percent of that total would have to come from within their state. Candidates who took public financing would be subject to spending limits.

Create a "campaign season" by banning the spending of any public funds before Labor Day in an attempt to shorten the campaign time, and thus the money needed.

In the House Rep. Kenneth "Buddy" MacKay, D-Ocala, is co-sponsor of different PAC-limiting legislation. In 1974, he notes, 73 percent of all contributions to House candidates came from individuals. By 1985 that figure had dropped to 46 percent. PACs picked up the difference.

"PACs aren't inherently evil, they have just gotten out of control," says MacKay. "The good side of PACs is that they are a good grass roots foundation for encouraging participation in the political process. The bad side of PACs is that they have all but eliminated the need for the candidate to raise money directly from his or her constituents. Candidates can raise a majority of their campaign funds from Washington-based PACs which may not have any relation to, or interest in, the needs of the candidate's district."

PACs once seemed a good idea; they made it easy to identify the interests supporting a candidate. But they have grown too large and are threatening to take complete control of the election process.

Campaign costs have become so large that only the super rich or those who are ready to accept large portions of PAC money are able to mount successful campaigns. This gives incumbents, almost always favored by PACs, an unhealthy advantage.

This non-election year is the time for Congress to reign-in the PACs and put into place a limited public financing plan. That won't be easy; incumbents would lose some of their campaign clout. But it would be right for the nation.

[From the Tallahassee Democrat, Tallahassee, FL, April, 1987]

SPENDING—BYRD-BOREN BILL WORTH VOTES

If you think that federal campaign spending hasn't gotten out of hand, consider this:

More than 80 Washington lobbyists and lawyers have formed a committee to support limits on campaign spending and restrictions on contributions by political action committees (PACs).

It's not too surprising that lobbyists, who along with their associations are supplying an ever-increasing share of campaign dollars, should be unhappy. At both the federal and state level, some politicians have made the collection of campaign dollars little more than a shakedown of the special interests. "I go in to talk to a legislator and the first thing I hear is 'my campaign account is open,'" complained one veteran Tallahassee lobbyist recently.

But it is unusual for lobbyists to stand up and be counted as backers of spending limits. The Tallahassee lobbyist asked that his name not be used; he has to continue to deal with legislators who not-so-subtly ask him for money.

Members of the Lobbyists and Lawyers for Campaign Finance are standing up. In a letter to congressmen, they declared: ". . . our current system is fundamentally flawed. It diverts scarce time from the issues; it elevates money above merits; it promotes cynicism in the electorate. This is not good for you or your staff. It is not good for us or the clients we represent. Most importantly, it is not good for our democracy."

Lawmakers who don't like dunning special interests for running money are soured on the system, too. But the ever-increasing cost of campaigning makes it extremely difficult for them to give up the PAC source of income. Just last Saturday, the Federal Elections Commission reported that spending in House and Senate races reached $450 million last year, more than double the amount spent just eight years before.

Passage of reform legislation has been difficult because the current system favors the incumbents who will have to approve any change. In last year's race, PACs gave $25.2

million to incumbents, just $10.7 million to their opponents.

But the situation has gotten so bad that the Wall Street Journal was able to report earlier this year: "For the first time in a decade, there are prospects that Congress could pass legislation calling for limits on total campaign expenditures and special-interest contributions along with partial public financing of Senate campaigns."

Given the best chance of passage is legislation sponsored by the Senate's Democratic leader, Robert C. Byrd of West Virginia, and Sen. David L. Boren, D-Okla. The legislation has 42 cosponsors and may go to the Senate floor later this month. Comparable House legislation still hasn't reached the committee hearing stage.

The Byrd-Boren bill would limit the amount any one Senate candidate could take from PACs to between $175,000 and $750,000 depending on the size of the state. The limit for individual PAC contributions to a single candidate would drop from $5,000 to $3,000.

A public financing plan would set spending limits ranging from $690,000 in Wyoming to $5.4 million in California. Participating candidates would have to raise $250,000 or 20 percent of their state's limit, whichever was less, in contributions of $250 or less to qualify for federal money. After that, they could receive funds equal to the difference between what they collected and the state spending limit.

Both Florida's senators, Lawton Chiles and Bob Graham, are co-sponsors of the legislation. Chiles gave public cynicism as a reason for his support: "A large part of the American public thinks this Congress is the best money can buy."

That should be good-enough reason for any senator to vote for the Byrd-Boren bill.

[From the Tempe Daily News, Tempe, AZ, Feb. 12, 1987]

DEFUSE THE POWER OF PACs

Running for political office has become an increasingly expensive proposition. The need to raise more and more campaign funds has forced politicans to accept more and more contributions from political action committees. While there may rarely be a straight contribution-for-vote relationship, continued contributions clearly depend upon voting records in accordance with the goals of the contributing PACs.

Legislation was introduced in the U.S. Senate last year to, among other things, put a limit on the amount Senate candidates could receive from PACs. That bill, the Boren-Goldwater Amendment, never made it out of the Senate Rules Committee. With a Democratic majority, the talk is that the bill, now designated the Byrd-Boren Amendment, may have a chance.

That would be good news. Campaign spending has clearly gotten completely out of hand and the opportunities for abuse of the current system are legion.

Sen. Dennis DeConcini, D-Ariz., has come out in support of the Senate bill and points to his own campaign expenditures an an example of how expensive the business of getting into and staying in office has become.

Ten years ago, DeConcini's first successful campaign cost $600,000. He estimates he will spend $3.5 million to $4 million on his 1988 campaign.

Among other things, Byrd-Boren would limit individual PAC contributions from $5,000 to $3,000 and limit the total amount a candidate can receive from PACs.

PACs spent more than $140 million to help elect candidates in 1986. While it would be a mistake to interfere with the individual citizen's right to contribute to the candidate of that citizen's choice, there is little evil in limiting the impact the contributions of one group can have on a single candidate's campaign funding.

[From the Temple Daily Telegram, Temple, TX, Mar. 27, 1987]

HEDGING YOUR BETS

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

At the risk of sounding cynical, one might suggest that some PACs aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. senator.

In North Dakota, for example, 39 PACs that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

The 39 PACs included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Insititue Inc. and the American Banker, Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterwards, switched sides in four of the seven Senate races.

The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are cosponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates could accept. The bill, which has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen.

[From the Texas City Sun, Texas City, TX, Mar. 24, 1987]

REIN IN THE PAC'S

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC contributions for the Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million.

The receipts of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to the PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

Sponsored by Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W. Va., the legislation would clamp down on PAC contributions and extend the current system of public financing of presidential elections to the congressional level.

Public financing may be the achilles' heel of the legislation, as Sen. Wendell Ford, D-Ky., suggested to Boren. The Oklahoma senator explained that he reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing. Under Boren's bill, a candidate would receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

The Boren-Byrd measure would also reduce the size of a PAC's maximum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House candidates and would range from $175,000 to $750,000 for Senate candidates, depending on a state's population.

Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

[From the Daily Breeze, Torrance, CA, Mar. 29, 1987]

COVERING BOTH SIDES

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[From the Register Citizen, Torrington, CT, Mar. 27, 1987]

Touching All Bases

Special-interest campaign contributions are regarded by their supporters as a form of free speech with all due constitutional protections. By critics, the donations are seen as little more than legalized bribes. Strong evidence for the latter view can be found in a phenomenon that Common Cause noticed after last fall's election: In the seven races won by Democratic challengers against GOP incumbents, special-interest political action committees kicked in after the voting with dough for the victor after first backing the Republican.

This donation pattern speaks volumes about what the PACs are after. They are much less interested in advancing any one ideological approach to the country's problems than they are in making sure that they have clout with whoever holds the Senate or congressional seat. They purchase this influence with their generous donations. Further proof of their intentions can be seen in the way many PACs cover their bets even before an election, contributing to both major-party candidates. This is especially common when two candidates are contesting an open seat with no incumbent.

According to the Common Cause study, no fewer than 150 PACs made these post facto donations. The one doing it most often was the American Bankers Association, but the list runs the gamut, from the National Association of Letter Carriers to the National Rifle Association.

The president of Common Cause, Fred Wertheimer, has pointed out how this contribution pattern belies the PAC supporters' argument that campaign contributions by PACs simply represent citizen participation in elections. "Citizens, however, don't vote for both candidates," Mr. Wertheimer said, "once before the election and a second time after the winner has been chosen."

To the credit of six of the seven Democratic challengers who unseated the Republicans, they have come out in favor of a campaign-financing reform bill that would put some restrictions on PAC donations. The bill would limit the total amount of PAC funds congressional candidates can accept and would also limit campaign spending as part of a system of partial public financing in Senate general elections.

That measure of reform may be all that the Senate is willing to accept at this time. Ideally, though, both houses of Congress would adopt a virtually complete system of public financing that would be available to candidates once they proved their seriousness by raising a threshold amount of private contributions or by collecting a minimum number of petition signatures.

To reduce the increasing cost of campaigning, the federal government or the parties could sponsor televised debates or discussions that would have the welcome side effect of raising the tenor of campaigning, too. One way or another, Congress has to begin soon the process of weaning itself from the bribes and payoffs of the PACs.

[From the Ukiah Daily Journal, Ukiah, CA, Mar. 18, 1987]

Rein in the PAC's

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns.

That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million.

The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people.

Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

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Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes.

What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

[From the Dispatch, Union City, NJ, Apr. 18, 1987]

Scrap PAC Financing

Our founding fathers, who charged that America was suffering from "taxation without representation," never envisioned an era when democracy would be endangered by a system of "representation by contribution."

But it is apparent that the average voter cannot afford the inflationary cost of influencing a state legislator, a congressman, a judge or even a governor. That has left the special-interest lobbyists operating through the cover of political action committees (PACs) to purchase more than their share of influence. That abominable system must be scrapped.

While the cost of federal elections has more than tripled in the last decade, the contributions from PACs have increased sixfold. Voters must begin pressuring their elected state and national representatives to limit the amount of money a political candidate can receive from an individual PAC, the amount that each PAC can dole out during an election cycle and the aggregate amount of special-interest funds a candidate can receive. Legislation has been introduced in the U.S. Senate that would establish such limits.

The bill in the U.S. Senate sponsored by Sen. David Boren, a conservative Democrat from Oklahoma, and Senate Majority Leader Robert Byrd of West Virginia, not only puts reasonable limits on PAC contributions, but it goes one critical step further by providing public financing for Senate campaigns—via an additional $1 income tax checkoff. The request for an additional dollar per year from each taxpayer would supplement the $1 checkoff that now provides public financing for presidential candidates.

Voter-taxpayers would do themselves a great service by using whatever influence they have to pressure senators to get off the PAC gravy train.

Similar legislation has been slower to win support in the House of Representatives, although Speaker Jim Wright, D-Texas, reportedly favors such a law.

Public financing for statewide races in many states is non-existent, although it is the only comprehensive method of limiting the cost of running for office. Eleven states have some limited form of public campaign financing. Florida will put the most comprehensive program in place in 1990.

Voters should realize that until they begin supporting candidates for public office with more of their own contributions, they will continue to forfeit their influence to America's massive special-interest industries, which indirectly pass on their costs to the consumer anyway. It's a perilous way to run a democracy.

[From the Daily Breeze, Torrance, CA, Apr. 28, 1987]

PAC-Work Coats

The patchwork, or PACwork, sportcoat could be an idea whose time has come for those interested in campaign reform.

Nothing else, so far, has been able to resolve what former Sen. Barry Goldwater, R-Ariz., has called "a crisis of liberty"—the unholy dependence on special-interest political action committees by candidates for Congress.

Here is how the patchwork-coat approach would work.

The candidate would be required to don his or her official campaign cost at the official campaign opening. A blazer no doubt, it would be festooned with patches, each patch a logo signifying the political action committee to which the candidate is beholden.

The candidate could pick his favorite color, though for most officeholders, color wouldn't matter. The coat would be all PAC patches—and large pockets.

We have campaign disclosure laws now, but the sportcoats would be more graphic. They would allow the voter to see at a glance who owns whom.

Candidates might resent their Indy 500 look—each car emblazoned with a riot of logos—but that's life in the public eye. As candidates well know, campaigning often is an affront to personal dignity.

If the coat idea won't fit, perhaps it's time for Congress to pass legislation sponsored by Sen. David Boren, D-Okla., and Sen. Majority Leader Robert Byrd, D-W.Va.

Their bill, called Senate Bill 2, would fundamentally reform the senatorial campaign-finance system. It has gained the support of 44 co-sponsors in the Senate, just seven short of a majority. Successful Senate action on the bill, which calls for partial public financing of senatorial campaigns, would then shift the focus of attention to the House of Representatives.

One of the original co-sponsors of the bill, Sen. John Stennis, a Mississippi Democrat who has been in the Senate since 1948, announced recently: "When the present law was passed, I was strongly opposed to the idea of paying any of the campaign costs for candidates for U.S. Senate from the public treasury, or the House of Representatives, either one. But in view of what has happened now, I have changed my mind."

And what has happened now?

In the 1986 election, PAC contributions reached a record $130,296,926 for House and Senate candidates. That's a 27 percent increase over the $102 million PACs gave to congressional candidates in the 1984 election.

Over the past decade, PAC contributions to congressional candidates have skyrocketed from $22 million in 1976 to more than $130 million last year. In 1976, there were 600 PACs; today, there are more than 4,000 PACs.

The result is that the 100th Congress has come into office more indebted to special interests than any other Congress in the nation's history. And that means the special interests have bought the right to set the legislative agenda.

"Only a simpleton can believe that PAC funds do not influence many of our senators in their pattern of voting," former New Hampshire Gov. Meldrim Thompson has said.

"PAC money," the conservative Republican added, "is a not too subtle way to ensure that most senators will remember from whence their contributions came when they vote on major issues."

For a way out of the current mess, Congress can look to a reform model that works—the public financing system for presidential elections.

Since it was initiated in the 1976 election, 34 of the 35 candidates for the nation's highest office have voluntarily participated in the public financing system. The system has opened up the process, reduced undue influence of individuals and groups and virtually ended corruption in presidential election finances.

Congress must put an end to its own campaign-finance corruption. If a patchwork coat is beneath its dignity, surely the mantle of public interest isn't.

And a public financing system for congressional campaigns is clearly in the public interest.

[From the Union City Daily Messenger, Union City, TN, Apr. 14, 1987]

RIDING THE FENCE

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate election covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

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The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

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[From the Union City Daily Messenger, Union City, TN, Apr. 24, 1987]

DEALING WITH PAC PROBLEM

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[From the Vallejo Times-Herald, Vallejo, CA, Mar. 26, 1987]

PAC'S HEDGING BETS AT OUR EXPENSE

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[From the Urbana Daily Citizen, Urbana, OH, Mar. 31, 1987]

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[From the Urbana Daily Citizen, Urbana, OH, Mar. 31, 1987

Power of the PAC

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-elections to all Senate general-election candidates in 1985-86 totaled $45.7 million.

The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

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Public financing may by the Achilles' heel of the legislation, as Sen. Wendell Ford, D-Ky., suggested to Boren. The Oklahoma senator explained that he reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing. Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

The Boren-Byrd measure also would reduce the size of an PAC's maximum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House candidates and would range from $175,000 to $750,000 for Senate candidates depending on a state's population.

Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

[From the Vero Beach Press-Journal, Vero Beach, FL, Mar. 27, 1987]

Hedging a Bet

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides.

In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

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[From the Vicksburg Evening Post, Vicksburg, MS, Apr. 22, 1987]

Some Recognize Danger in Special-Interest Gifts

Fourteen senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general election candidates in 1985-86 totaled $45.7 million.

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[From the Washington Post, Washington, DC, Apr. 3, 1987]

Backing Down the PAC's

The present system of congressional campaign finance is the low-grade infection of

American politics. Left to itself, it will only get worse. Congressional campaign expenditures have risen nearly fourfold in the past 10 years; the cost of TV time has been the driving force. The price of a House seat is now $300,000—that is what an average winner can expect to spend—while a Senate seat costs $3 million. These averages include the no-contests; the serious races cost much more. The political calendar is a succession of dollar signs. No subject more preoccupies the members than the raising of these sums.

Increasingly, the PACs are where they turn. There were 600 of these giving arms of interest groups the last time campaign finance was reformed in 1974; there are 4,100 now. They gave $140 million in the last election cycle, nearly a third of the total spent. Their true penetration was even greater than that. The PACs, like other givers, tend to give most to incumbents. More than a third of House members got more than half their campaign funds from PACs last cycle. The propensity to give is in some cases greater even than the ability to spend. Many incumbents are able to carry so much money from one campaign to the next that they scare off their challengers. Who wants to start off half a million dollars behind?

The PACs have a greater claim on the attention if not the allegiance of Congress than is healthy for either Congress or the country. It is time to weaken the link. A major bill to do so is now pending in the Senate. Its sponsors are David Boren and Majority Leader Robert Byrd; they have 42 cosponsors. Only two are Republicans, a sign of difficulty ahead. But the Democrats are a weighty array. They include not just the usual reformers and the leadership, but such established figures as John Stennis, who sees the integrity of the Senate at stake.

The bill would limit the total contributions that any House or Senate candidate could accept from PACs in an election cycle. Then for Senate candidates only (deferring to the House to legislate for itself), the bill offers a partial alternative to PAC funds in the form of public financing. A general-election candidate who wished could qualify by raising a threshold amount of private money, mostly from his home state and in small contributions. He would then be eligible for public funds up to a spending ceiling by which he would also agree to abide.

There are lots of arguments as to the justification for and likely effects of this approach, which is already used in presidential elections. The general argument is that reform will never turn the money off, just somehow redirect it while impinging on the First Amendment. In this view, which we ourselves once held, the only reform that doesn't create more problems than it solves is the sunshine of disclosure. Thus opponents say that:

PACs are not as sinister as they are made out to be. On the contrary, the defenders would have you believe, they are broad-based, mostly small, buy much less with their money than is commonly supposed, tend to cancel each other out and in any case are healthy examples of citizens seeking to influence their government.

The money will seep in, just like water into your basement. Limit direct PAC contributions and, yes, members of Congress and interest groups will both spend less time on their knees, but you will also encourage indirect expenditures, destroying accountability.

Limit total spending (which the Supreme Court has said you can do only in return for public funds), and you will actually help incumbents more than challengers, who need to spend more to get known. (To which a partial reply may be: 98 percent of House incumbents seeking reelection last year won. Which challenger wouldn't like a better deal than that?)

Limit spending, and you'll also cheat Republicans, who now have a fundraising advantage and, moreover, raise the money the right way—in small amounts from many contributors. Only a Democrat would want to do that. (But a large part of the current GOP advantage is in money raised and spent by the party, which the bill would not affect.)

There are other issues; they all need to be openly met. Neither party can be expected to be blind to the partisan implications of a bill that goes to the engine room of politics like this. But if either tries to turn this promising legislation into a simple search for partisan advantage it will deservedly fail. It is equally doomed if, at the other extreme, the goal becomes somehow to sanitize congressional politics. The vision is a dangerous mirage. Our system presumes strong interest groups, even thrives on them; they neither can nor should be quashed, and the price of trying will always be too high. The goal here is not squeaky cleanliness, but moderation.

The Boren-Byrd bill is not a perfect answer. By all means, amend it. But it offers a plausible starting point. Those who would kill it have the heavy burden of suggesting a credible alternative. The PACs have too large and intimate a role in the current system; they pay too much of the piper. For its own sake if no other, Congress needs—now, in 1987—to shift the balance in the least objectionable way.

[From The Washington Post, Washington, DC, June 4, 1987]

SICK SYSTEM

The balloon has gone up on congressional campaign finance. Senate Majority Leader Robert Byrd, facing a Republican filibuster that he lacks the 60 votes to break, has nonetheless called up the public financing bill of which he is cosponsor. The idea is to force a search for a compromise. The Republicans don't like the Democratic bill, but no one wants to be seen in the public embrace of the present system either. The reason is that the system is, if not corrupt, then fetid and at least embarrassing. That's also the reason for the Democratic bill. Mr. Byrd thinks maybe shame will help him move it. We hope so.

The Republicans, to guard against the charge that they are naysayers awash in cash, have come up with alternatives. The more responsible, because more straightforward, was by Sen. Ted Stevens in the Rules Committee. The PACs are where the strongest smells now come from. As the cost of campaigning has leapfrogged in recent years—the average Senate seat now cost $3 million, a contested seat much more—the PACs have become bankers. They gave $132 million in the last election cycle. The Realtors alone gave $2.7 million. The list of the 50 biggest contributors also include such disinterested parties as the doctors, teachers, auto workers, Teamsters, home builders, trial lawyers, Seafarers, life underwriters, auto dealers, dairy co-ops, airline pilots, railway workers and rural letter carriers. All they want, of course, any of them, is good government.

Mr. Stevens suggested that PAC's be permitted to give less per candidate than now, individuals and the parties more. That sounded virtuous; in many ways it is. It happens that Republicans are also better at raising individual and party money, but that's the Democrats' problem. Now a second alternative has been put forward by Sen. Bob Packwood and others. It is flashier; it purports to bar direct PAC contributions to candidates. But it would still permit them through the back doors of the parties, and critics say it would also legitimize the practice of bundling, whereby PACs evade the law by presenting large sums as the separate contributions of many individuals.

Too cynical, and in any case both these alternatives miss the point. The cost of office has doubled in the past 10 years; it is being bid out of sight. Expenditures are rising at a rate of some 20 percent per cycle. The Capitol floats on money; the members are obsessed with it. They will tell you so. It has to stop. There have to be limits. The Supreme Court has said there can be limits only in the context of public financing, as a quid pro quo for public funds. This is the sticking point for the Republicans. They argue against public funding as a form of piggery, Congress itself at the trough. That's doubly good politics for a party that both preaches smaller government and looks to its fund-raising advantage as the only way out of minority status. But public financing will not benefit just Democrats. It will cut different ways in different races.

The system now is wrong. The combination of spending limits in the context of public financing is the only way to right it. As both parties reach for compromise, there will be a temptation to rubberize the definition of reform. But there have to be spending limits. Otherwise they're just playing Fool the Voter.

[From The News-Sun, Waukegan, IL, Mar. 26, 1987.]

HEDGING THEIR BETS

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Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

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[From Watertown Public Opinion, Watertown, SD, Mar. 18, 1987.]

PAC'S ARE BUT THE SURFACE OF AN UNCONTROLLED ICEBERG

Fourteen Senators elected in 1986 raised more than $1 million each in political action committee, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million.

The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people. Perhaps this may be one reason Sen. Daschle responded yesterday (Tuesday) to our March 3 editorial comments regarding PAC millionaires in the Letters to the Editor column. Whether these congressmen are nervous enough to really do something is an open question, but recently introduced legislation offers them an opportunity.

Sponsored by Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W.Va., the legislation would clamp down on PAC contributions and extend the current system of public financing of presidential elections to the congressional level. While we are still reserving judgment on the public financing of congressional elections, the first part of this legislation is extremely important to improving the credibility of Congress.

However, public financing may be the Achilles' heel of the legislation, as Sen. Wendell Ford, D-Ky., suggested to Boren. The Oklahoma senator explained that he reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing. Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

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Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measure could be a way out—if all the congressmen who say they are for it really are.

Unfortunately, there have been too many examples of such lip service when in the final analysis, nothing is changed. It seems most everyone on Capitol Hill voted "No" to their recent pay increase, but it still became law. Doesn't that cause one to suspect? "Ye who protests too much. . . ."

[From Watertown Public Opinion, Watertown, SD, Mar. 3, 1987]

PICKING THE PAC MILLIONAIRES

Last week Senator Wendell Ford (D-Ky), chairman of the Committee on Rules and Administration, announced that his committee would hold hearings on congressional campaign finance reform proposals and would receive testimony from other senators on Thursday, March 5.

The committee will hear testimony on the Senatorial Election Campaign Act, introduced by Senators David Boren (D-Okla) and Majority Leader Robert Byrd (D-WV). The bill would limit the total amount of special interest political action committee (PAC) funds candidates for Congress can accept and would establish for Senate general elections limits on total campaign spending, together with a voluntary system of partial public financing. As of Feb. 18, 30 senators have co-sponsored this bill, which we believe could be one of the most important to come out of this session of Congress.

Unfortunately, neither Senator Pressler or Senator Daschle of South Dakota were among the list of the 30 original co-sponsors. We wish they were.

Both have received generous contributions from PACs, which this proposed legislation would restrict. In a recent report by Common Cause, a Washington watchdog organization, Senator Daschle was one of 14 senators elected last November who are PAC millionaires. The senate winners spent an average of $3 million each during the preceding campaign.

This latest report shows that this list of 14 more than doubles the number of PAC millionaires in the U.S. Senate, from 10 to 24. The study also found that total PAC contributions to Senate candidates have grown more than eight-fold in the past decade—from $5.4 million in 1976 to $45.7 million in 1986—and have more than doubled in the last four years.

Senator Daschle for taking in $1,162,157 was 10th in the list to become PAC millionaires during the last two years. At the same time we find it difficult to accept that both Daschle and former Senator Jim Abdnor each had to spend more than $3 million in the last campaign.

We're sure Daschle, Abdnor and Pressler will each tell us that it's necessary to spend that kind of money to seek a seat in the U.S. Senate. However, to us, that's unfortunate that this kind of money must be spent for such a job.

While we have not had the opportunity to fully study Senate Bill 2, it is obvious that some kind of a campaign finance reform legislation is necessary. We hope both Senator Pressler and Senator Daschle can see their way clear to be leaders in the passage of such legislation—and the sooner the better.

[From the News-Sun, Waukegan, IL, Mar. 14, 1987]

REIN IN THE PAC'S

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[From the Wausau Daily Herald, Wausau, WI, Apr. 14, 1987]

CAMPAIGN COSTS A BIT OUT OF WHACK

Something is wrong when it costs nearly half a million dollars to get an $89,000-a-year job.

U.S. Rep. David Obey, a Wausau Democrat, raised $473,019 for last fall's race and spent $447,515, more than any other Wisconsin candidate for the House of Representatives spent.

That is, in fact, more than both candidates combined spent in four of the other five races in Wisconsin.

Is Obey a profligate campaign spender?

To put it in perspective, U.S. Rep. James Moody, a Milwaukee Democrat, spent $175,617. And he didn't even have an opponent. Kevin Hermening, Obey's opponent, spent $116,065.

U.S. Rep. Thomas Petri, a Republican from Fond du Lac who spent $106,104 on a race with no opponent, has $217,162 left over for the next time around. Because of a clause in the law, Petri and anyone else in office on Jan. 8, 1980, could decide not to run for re-election and convert that surplus to personal use upon leaving office.

Common Cause, the citizen lobby group, thinks something is rotten in the District of Columbia.

It notes that Political Action Committees (PACs) were responsible for more than half the campaign money raised by 194 U.S. representatives, including Obey, Moody and Gerald Kleczka from Wisconsin.

Because PACs favor incumbents—$65.5 million to $8.7 million in House races—representatives already in office have a tremendous edge over challengers.

PACs gave Obey $261,906—nearly 50 cents for every man, woman and child in the 7th District—in the last race. Hermening got $17,770—3 cents for each resident in the district.

With the edge that money buys and the inherent advantage of incumbency, 98 percent of the House members running for re-election won, including all of Wisconsin's congressmen.

Common Cause supports legislation to put a lid on campaign spending, PAC receipts and the use of personal wealth to win elections. It favors a move toward public financing of congressional campaigns.

Since it was begun in 1976, 34 of 35 candidates for president have taken public financing, including Ronald Reagan, who accepted more than $90 million.

Melvin Laird, the Marshfield Republican whom Obey replaced in Congress, and Robert Strauss, former Democratic National Committee chairman, headed a study of the presidential election system in 1986.

"Public financing of presidential elections has clearly proved its worth in opening up the process, reducing undue influence of individuals and groups, and virtually ending corruption in presidential election finances," the Commission on National Elections found.

Time has come to reform congressional campaigns the way presidential election financing was reformed in 1976.

The alternatives are runaway campaign spending and an increasing disadvantage to challengers who don't have access to the hundreds of thousands of dollars PACs are willing to contribute to individual campaigns.

Those alternatives add up to bad government.

[From the Westfield (MA) Evening News, Mar. 30, 1987]

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[From the Wheeling (WV) News-Register, Apr. 22, 1987]

PAC'S A SCANDAL; REFORM NEEDED

The Congressional campaign financing system is fundamentally corrupt and everyone by now knows it. The money-changers, which we call PACs, political action committees, have bought the right to set the legislative agenda and have undermined the public trust.

PACs gave a total of $130,296,926 to all House and Senate general election candidates in 1986—an increase of 27 percent over the $102,330,740 PACs gave to House and Senate candidates during the 1984 election cycle.

House and Senate candidates spent a combined total of $373,014,644 for the 1986 election—an increase of 24 percent from 1984.

All of this represents a national scandal. It's money, money, money, driving politics and government. Too much money is given by special interest PACs. Too much money is spent by congressional candidates. Too much time and energy is used to raise political money. Too much influence is exercised through political money.

On the first day of the 100th Congress, a bill was introduced by Sen. David Boren (D.-OK) and Majority Leader Robert C. Byrd, (D.-W.VA) that would fundamentally reform the senatorial campaign finance system. Sen. Byrd said at the time that he would make passage of campaign finance reform a "persona priority" in this Congress.

The bill already has gained the support of 44 co-sponsors in the Senate, just seven short of a majority. Successful Senate action on the bill will then move the focus of attention on this issue to the House of Representatives. That's when we all will need to let our Congressmen know that we want the "money train" stopped.

For Congress, this system of PACs diverts scarce time from the issues. It elevates money above merits. It promotes cynicism in the electorate. Many observers have said that our nation is facing a crisis of liberty if we do not control campaign expenditures.

The Boren-Byrd bill offers a true start on campaign reform and should be passed. This year we celebrate 200 years of representative government with the Bicentennial of the Constitution and the Congress. There is no more fitting way to honor the Bicentennial than to end the campaign finance scandal in Congress and restore representative government as our founders intended.

[From the Wichita (KS) Eagle-Beacon, May 14, 1987]

LET'S PUT PAC'S UNDER ATTACK

An incipient slave revolt has broken out in Washington, where the Senate sounds serious about liberating Congress from the control of the political action committees. If successful, the proposed restraints on PACs could make the American people, rather than the special interests, the boss of Congress.

The Senate Rules and Administration Committee recently approved legislation to limit spending and contributions by political action committees. Sponsored by Senate Majority Leader Robert Byrd and Sen. David Boren, D-Okla., the bill also would offer public financing to congressional candidates. The idea is to make officer seekers less beholden to special interests for campaign expenses.

During the past few years, PACs have bankrolled numerous political candidacies. PACs donated $130 million to congressional candidates last year. At least 24 members of the Senate have received more than $1 million from PACs for their recent campaigns.

PACs undermine representative democracy. The need for PAC campaign funds compels some members of Congress to focus on the problems of the special interests rather than on the needs of their districts. The access that PAC money buys deprives a senator or representative of time that might be spent better on constituent or legislative concerns.

PACs also breed cynicism toward the political process. The scrounging for PAC dollars demeans members of Congress, giving the impression that the country's political leaders are offering their services to the highest bidder.

The Senate soon will be asked to control the PACs. The choice is obvious: The people or the special interests.

[From the Chronicle, Willimantic, CT, Apr. 2, 1987]

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[From the Winchester (VA) Star, Mar. 17, 1987]

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The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

Sponsored by Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W.Va., the legislation would clamp down on PAC contributions and extend the current system of public financing of presidential elections to the congressional level.

Public financing may be the Achilles' heel of the legislation, as Sen. Wendell Ford, D-Ky., suggested to Boren. The Oklahoma senator explained that he reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing. Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

The Boren-Byrd measure also would reduce the size of a PAC's maximum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House candidates and would range from $175,000 to $750,000 for Senate candidates, depending on a state's population.

Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

[From the News Tribune, Woodbridge, NJ, Mar. 26, 1987]

PAC PRACTICES CALL FOR REFORM

We can accept the practice of sending money from political action committees (PACs) to a candidate before an election. It's all right for a group of like-minded people to support a politician for philosophical or ideological reasons.

But what happens when PACs send money to candidates *after* an election which that candidate has won. If it's not bribery, which is intended to buy influence, then what is it?

This practice was uncovered in a study of the seven U.S. Senate races in 1986 in which a Democratic challenger ousted a Republican incumbent.

Common Cause, a Washington-based watchdog group, came up with a list of 150 PACs which abruptly switched sides *after* the November election. For example, the American Bankers Association gave $10,000 to North Dakota Republican Mark Andrews before the election. When he lost, the association gave $10,000 to the winner, Democrat Kent Conrad.

"These PACs obviously weren't contributing because of the candidate's philosophy, ideology or political party," said Common Cause President Fred Wertheimer. "They wanted, first and foremost, to ensure that they had bought influence with a United States Senator."

Give Congress credit, however. It appears that enough lawmakers now in office have gotten religion and are about to clean up this act. Many of them recognize the sleaziness of campaign financing in which influence is sold as though it were some kind of blue-light special at K Mart. Said Sen. Edward Kennedy: "The scandal over congressional campaign financing is even worse than the scandal over Iran."

The Senate is considering legislation which would limit PAC contributions according to the population of the state, and then establish a plan for public financing.

In New Jersey, the PAC limit would be $490,000, and the spending limit for a senatorial candidate applying for public financing would be $2,025,000.

Closer to home, there is fresh sentiment for establishing PAC limits in races for the New Jersey Legislature. Now there are none. Sen. John Dorsey of Morris County proposes a limit of $2,500.

The study by Common Cause shows the dark side of PACs. Except to buy influence in Washington, why would a lobbyist group toss money at a politician six years before he or she is up for re-election? The system stinks, and Congress ought to make it a high priority to get rid of the nasty odor.

[From the York (PA) Daily Record, Mar. 23, 1987]

PAC's SWITCH AFTER THE ELECTIONS

In last year's election, the Democrats captured control of the U.S. Senate. So what did the powerful political action committee (PACs) do?

They switched. The put their money on the Democratic winners.

In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, the special interest PACs contributed to the winners—shortly after the election.

Common Cause, which describes itself as the people's lobby, has found 150 cases in the seven races where PACs switched sides to finance the winning Democrat in the post-election period from Nov. 5 to Dec. 31.

In every one of the 150 cases, the PACs had contributed to the losing Republican during the election period from Jan. 1, 1985 to the election last Nov. 4.

The lesson is clear. PACs give their money to the politicans who are in a position to do what the PACs want done. A candidate who lost his race for the Senate can't do a thing for a PAC.

Common Cause President Fred Wertheimer put it this way:

"Our study vividly illustrates how special interest PAC contibutions are used to buy influence in Congress. These PACs obviously weren't contributing because of the candidate's philosophy, idelogy or politcal party. They wanted, first and foremost, to ensure that they had bought influence with a United States senator. PACs often argue that PAC giving represents citizen participation. Citizen, however, don't vote for both candidates, once before the election and a second time after the winner has been chosen."

There is, of course, no assurance that any one of the seven winning Democrats will vote as PAC wants him to vote. But the PACs money put pressure on a senator, who has election campaign bills to pay and has to think ahead to financing his next re-election campaign.

The pressure could be eased if Congress would pass the Senatorial Election Campaign Act. It would limit the total amount of PAC funds congressional candiates can accept and would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

Mr. BYRD. Mr. President, I yield the floor.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. Who yields time?

The Senator from Oregon.

Mr. PACKWOOD. Mr. President, I am going to yield to the Senator from Delaware in just a moment, but I would like to put into the Record a slightly different version of the editorials that the Senator from West Virginia has just talked about. It is interesting; newspapers are indeed independent but on occasion they are not independent thinking.

The Senator from West Virginia mentioned 240 or 250 editorials. Fifty-four of them, Mr. President, start out with the line "Political action committees, as fickle as fortune itself," and end with "If we're really interested in citizen participation, we'll emasculate the PACs."

Mr. President, all 54 of these are the same. If anybody were to do that in politics, it would be called a coordinated effort.

These are put out by a canned editorial factory and sent out to newspapers which print them apparently without so much as an editorial change.

I ask unanimous consent that these be printed in full the first editorial called "Hedging a Bet" from the Chronical, Willimantic, CT, and that the other editorials, rather than being printed in full, simply be listed by paper so that we do not have to reprint them in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Chronicle, Willimantic, CT, Apr. 2, 1987]

HEDGING A BET

Political action committees, as fickle as fortune itself, know how to back a winner. According to a study released recently by the public-interest lobby Common Cause, dozens of PACs involved in last year's U.S. Senate elections covered both sides. In each of the seven Senate races in which a Democratic challenger defeated a Republican incumbent, PACs backed the Republican incumbent during the campaign, then contributed to the winning Democratic challenger shortly after the election.

At the risk of sounding cynical, one might suggest that some PACs aren't particularly committed to a candidate's aims, ideology or political party. They seem interested, above all else, in buying influence with a U.S. senator.

In North Dakota, for example, 39 PACs that contributed to the unsuccessful re-election campaign of Republican Sen. Mark Andrews switched sides and gave to Kent Conrad, the newly elected Democrat, after the election.

The 39 PACs included the National Association of Letter Carriers, the National Rifle Association, the Tobacco Institute Inc. and the American Bankers Association. The bankers group, which gave $10,000 to Andrews before the election and $10,000 to Conrad afterwards, switched sides in four of the seven Senate races.

The only bright spot in this cynical little exercise in democracy is that six of the seven winning challengers favor fundamental changes in the current campaign-financing system. They are co-sponsoring Senate Bill 2, the Senatorial Election Campaign Act, which would limit the total amount of PAC funds congressional candidates can accept. The bill, which now has 36 co-sponsors, also would limit campaign spending as part of a voluntary system of partial public financing in Senate general elections.

PAC publicists argue that PAC-giving represents citizen participation in the political system. Citizens, however, don't vote for both candidates—once before the election and a second time after the winner has been chosen. If we're really interested in citizen participation, we'll emasculate the PACs.

(The editorials also appeared in the following publications:)

Westfield Evening News (Westfield, MA) March 30, 1987.

The News-Sun (Waukegan, IL), March 26, 1987.

Vero Beach Press-Journal (Vero Beach, FL), March 27, 1987.

Urbana Daily Citizen (Urbana, OH), March 31, 1987.

Union City Daily Messenger (Union City, TN), April 4, 1987.

Vallejo Times-Herald (Vallejo, CA), March 26, 1987.

The Daily Breeze (Torrance, CA), March 29, 1987.

Temple Daily Telegram (Temple, TX), March 27, 1987.

The Daily News Leader (Staunton, VA), April 7, 1987.

Statesville Record & Landmark (Statesville, NC), April 24, 1987.

Daily American (Somerset, PA), April 2, 1987.

The State Journal-Register (Springfield, IL), March 30, 1987.

Robertson County Times (Springfield, TN), April 9, 1987.

Santa Maria Times (Santa Maria, CA), April 1, 1987.

The Tribune (San Diego, CA), March 25, 1987.

The Daily Times (Salisbury, MD), April 2, 1987.

Herald-Courier (Bristol, VA), April 8, 1987.

Daily Sentinel (Rome, NY), April 8, 1987.

The Portsmouth Herald (Portsmouth, NH), March 26, 1987.

Daily American Republic (Popular Bluff, MO), April 7, 1987.

The Paris Daily Beacon-News (Paris, IL), April 4, 1987.

Palatka Daily News (Palatka, FL), March 30, 1987.

The Press-Courier (Oxnard, CA), March 23, 1987.

New Jersey Herald (Newton, NJ), May 1, 1987.

The Napa Register (Napa, CA), April 16, 1987.

The Minot Daily News (Minot, ND), April 3, 1987.

Midland Reporter-Telegram (Midland, TX), March 30, 1987.

Times-News, (Lincolnton, NC), April 6, 1987.

Polk County Enterprise (Livingston, TX), May 10, 1987.

The Reporter (Lebanon, IN), May 5, 1987.

The Leavenworth Times (Leavenworth, KS), March 29, 1987.

Lawton Morning Press (Lawton, OK), April 3, 1987.

The Lawton Constitution (Lawton, OK), April 3, 1987.

The Kokomo Tribune (Kokomo, IN), April 1, 1987.

Valley Morning Star (Harlingen, TX), April 1, 1987.

The Index-Journal (Greenwood, SC), April 14, 1987.

The Messenger (Fort Dodge, IA), April 20, 1987.

The Evansville Press (Evansville, IN), April 3, 1987.

Daily Courier-News (Elgin, IL), March 30, 1987.

El Dorado News-Times (El Dorado, AR), April 4, 1987.

The Star-Democrat (Easton, MD), April 1, 1987.

The Courier-Express (Du Bois, PA), March 27, 1987.

Dodge City Daily Globe (Dodge City, KS), April 6, 1987.

The Davis Enterprise (Davis, CA), April 2, 1987.

The Daily Calumet (Chicago, IL), April 9, 1987.

Queen Anne's Country Recorder-Observer (Centreville, MD), April 8, 1987.

Chronicle Independent (Camden, SC), April 6, 1987.

The Daily Breeze (Cape Coral, FL), April 18, 1987.

Cadillac News (Cadillac, MI), April 3, 1987.

Illinoian-Star Daily (Beardstown, IL), April 2, 1987.

The Alpena News (Alpena, MI), March 31, 1987.

Aiken Standard (Aiken, SC), March 30, 1987.

Anderson Daily Bulletin (Anderson, IN), March 30, 1987.

Mr. PACKWOOD. And then, Mr. President, I have five other packets of canned editorials. In one packet there are 39 of them, all identical; in another 16; in another 7; and another 5. I ask unanimous consent that each of them be printed with the editorial being printed first in full and then the other papers that have copied it simply be listed by name, and I simply do this so that no one gets the impression that these are 240 or 250 independently written editorials from 240 or 250 different papers. They are not. They are basically repeats of canned editorials that have been sent to them by a canned editorial service.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Winchester Star (Winchester, VA), Mar. 17, 1987]

REIN IN THE PAC'S

Fourteen senators elected in 1986 raised more than $1 million each in political action committees, or PAC, contributions for their Senate campaigns. That more than doubled the number of PAC millionaires in the Senate, from 10 to 24. PAC contributions to all Senate general-election candidates in 1985-86 totaled $45.7 million.

The recipients of such largesse are getting nervous. They realize that congressional campaigns are obscenely expensive, that special-interest money invariably comes with strings attached and that addiction to PAC dollars undermines their credibility as representatives of the people. Whether they are nervous enough to do something is an open question, but recently introduced legislation offers them an opportunity.

Sponsored by Sen. David Boren, D-Okla., and Senate Majority Leader Robert Byrd, D-W.Va., the legislation would clamp down on PAC contributions and extend the current system of public financing of presidential elections to the congressional level.

Public financing may be the Achilles' heel of the legislation, as Sen. Wendell Ford, D-Ky., suggested to Boren. The Oklahoma senator explained that he reluctantly included the provision because it was the only practical way to get around a 1976 U.S. Supreme Court decision that prohibits spending limits unless they are tied to public financing. Under Boren's bill, a candidate could receive public funds for part of his campaign costs if he agreed to a spending limit that would vary from state to state.

The Boren-Byrd measure also would reduce the size of a PAC's maximum contribution from $5,000 to $3,000 per election and limit total PAC gifts to a candidate. Those limits would be $100,000 for House candidates and would range from $175,000 to $750,000 for Senate candidates, depending on a state's population.

Reform, of course, cannot guarantee less-expensive campaigns or campaigns less dependent on special interests. The PAC system itself was supposed to be a reform, and special-interest groups are wonderfully ingenious at finding loopholes. What we have now, however, is a mess. The Boren-Byrd measure could be a way out.

(The editorial also appeared in the following publications:)

The News-Sun (Waukegan, IL), March 14, 1987.

Watertown Public Opinion (Watertown, SD), March 18, 1987.

Vicksburg (MI) Evening Post, April 22, 1987.

Urbana (OH) Daily Citizen, March 18, 1987.

Ukiah (CA) Daily Journal, March 18, 1987.

Texas City (TX) Sun, March 24, 1987.

The Daily News Leader (Staunton, VA), March 17, 1987.

Statesville (NC) Record & Landmark, March 23, 1987.

The Tribune (San Diego, CA), March 9, 1987.

The Daily Times (Salisbury, MD), March 18, 1987.

Roswell (NM) Daily Record, March 18, 1987.

The News-Review (Roseburg, OR), March 10, 1987.

The Portsmouth (NH) Herald, March 10, 1987.

The Paris (IL) Daily Beacon, March 28, 1987.

Palos Verdes (CA) Peninsula News, March 23, 1987.

Palatka (FL) Daily News, March 12, 1987.

The Press-Courier (Oxnard, CA), March 12, 1987.

New Jersey Herald (Newton, NJ), March 18, 1987.

The Sun Journal (New Bern, NC), April 14, 1987.

The Napa (CA) Register, March 16, 1987.

The Murray (KY) Ledger and Times, April 8, 1987.

Valley Independent (Monessen, PA), March 19, 1987.

Lodi (CA) News-Sentinel, April 3, 1987.

The Kokomo (IN) Tribune, March 22, 1987.

The Daily Journal (Kankakee, IL), March 29, 1987.

Kentucky New Era (Hopkinsville, KY), March 19, 1987.

Grundy Center (IA) Register, March 26, 1987.

The Leader (Glendale, CA), March 18, 1987.

The Evansville (IN) Press, March 16, 1987.

Daily Courier-News (Elgin, IL), March 14, 1987.

El Dorado (AR) News-Times, April 6, 1987.

The Bolivar Commercial (Cleveland, MS), March 25, 1987.

Cadillac (MI) News, March 27, 1987.

South Idaho Press (Burley, ID), March 23, 1987.

Aiken (SC) Standard, March 11, 1987.

The Athens (OH) Messenger, March 17, 1987.

Anderson (IN) Daily Bulletin, March 19, 1987.

[From the Union City Daily Messenger, Union City, TN, Apr. 24, 1987]

DEALING WITH PAC PROBLEM

The patchwork, or PACwork, sportcoat could be an idea whose time has come for those interested in campaign reform. Nothing else, so far, has been able to resolve what former Sen. Barry Goldwater, R-Ariz., has called "a crisis of liberty"—the unholy dependence on special-interest political action committees by candidates for Congress.

Here is how the patchworkcoat approach would work:

The candidate would be required to don his or her official campaign coat at the official campaign opening. A blazer no doubt, it would be festooned with patches, each patch a logo signifying the political action committee to which the candidate is beholden. The candidate could pick his favorite color, though for most office holders, color wouldn't matter. The coat would be all PAC patches—and large pockets.

We have campaign disclosure laws now, but the sportcoats would be more graphic. They would be more graphic. They would allow the voter to see at a glance who owns whom.

Candidates might resent their Indy 500 look—each car emblazoned with a riot of logos—but that's life in the public eye. As candidates well know, campaigning often is an affront to personal dignity.

If the coat idea won't fit, perhaps it's time for Congress to pass legislation sponsored by Sen. David Boren, D-Okla., and Sen. Majority Leader Robert Byrd, D-W.Va.

Their bill, called Senate Bill 2, would fundamentally reform the senatorial campaign-finance system. It has gained the support of 44 cosponsors in the Senate, just seven short of a majority. Successful Senate action on the bill, which calls for partial public financing of senatorial campaigns, would then shift the focus of attention to the House of Representatives.

One of the original co-sponsors of the bill. Sen. John Stennis, a Mississippi Democrat who has been in the Senate since 1948, announced recently: "When the present law was passed, I was strongly opposed to the idea of paying any of the campaign costs for candidates for U.S. Senate from the public treasury, or the House of Representatives, either one. But in view of what has happened now, I have changed my mind."

And what has happened now? In the 1986 election, PAC contributions reached a record $130,296,926 for House and Senate candidates. That's a 27 percent increase over the $102 million PACs gave to congressional candidates in the 1984 election. Over the past decade, PAC contributions to congressional candidates have skyrocketed from $22 million in 1976 to more than 4130 million last year. In 1976, there were 600 PACs; today, there are more than 4,000 PACs.

The result is that the 100th Congress has come into office more indebted to special interests than any other Congress in the nation's history. And that means the special interests have bought the right to set the legislative agenda.

"Only a simpleton can believe that PAC funds do not influence many of our senators in their pattern of voting," former New Hampshire Gov. Meldrim Thompson has said. "PAC money," the conservative Republican added, "is a not too subtle way to ensure that most senators will remember from whence their contributions came when they vote on major issues."

For a way out of the current mess, Congress can look to a reform model that works—the public financing system for presidential elections. Since it was initiated in the 1978 election, 34 of the 35 candidates for the nation's highest office have voluntarily participated in the public financing system. The system has opened up the process, reduced undue influence of individuals and groups and virtually ended corruption in presidential election finances.

Congress must put an end to its own campaign-finance corruption. If a patchwork coat is beneath its dignity, surely the mantle of public interest isn't. And a public financing system for congressional campaigns is clearly in the public interest.

(The editorials also appeared in the following publications:)

The Daily Breeze, Torrance, CA, April 38, 1987.

Statesville Record & Landmark, Statesville, NC, May 3, 1987.

Evening Outlook, Santa Monica, CA, April 28, 1987.

News-Pilot, San Pedro, CA, April 28, 1987.

The Tribune, San Diego, CA, April 15, 1987.

The News-Review, Roseburg, OR, April 27, 1987.

The Portsmouth Herald, Portsmouth, NH, April 18, 1987.

The Press-Courier, Oxnard, CA, April 17, 1987.

The Monitor, McAllen, TX, April 22, 1987.

The Leavenworth Times, Leavenworth, KS, April 21, 1987.

The Union, Grass Valley, CA, April 21, 1987.

The Daily Calumet, Chicago, IL, April 24, 1987.

Daily Spectrum, Cedar City, UT, April 20, 1987.

Aiken Standard, Aiken, SC, April 29, 1987.

Illinoian-Star Daily, Beardstown, IL, April 22, 1987.

[From the North Jersey Herald-News, Passaic-Clifton, NJ., Apr. 19, 1987]

CURBING THE PAC's

Our founding fathers, who charged that America was suffering from "taxation without representation," never envisioned an era when democracy would be endangered by a system of "representation by contribution."

But it is apparent that the average voter cannot afford the inflationary cost of influencing a state legislator, a congressman, or even a governor. That has left the special-interest lobbyists operating through the cover of political action committees (PACs) to purchase more than their share of influence.

That abominable system must be scrapped.

While the cost of federal elections has more than tripled in the last decade, the contributions from PACs have increased sixfold.

Our government is dangerously close to becoming a government of special interests, by special interests and for special interests.

Voters must begin pressuring their elected state and national representatives to limit the amount of money a political candidate can receive from an individual PAC, the amount that each PAC can dole out during an election cycle and the aggregate amount of special-interest funds a candidate can receive.

Legislation has been introduced in the U.S. Senate that would establish such limits. The bill, sponsored by Sen. David Boren, a conservative Democrat from Oklahoma, and Senate Majority Leader Robert Byrd of West Virginia, not only puts reasonable limits on PAC contributions, but it goes one critical step further by providing public financing for Senate campaigns—via an additional $1 income tax checkoff.

The request for an additional dollar per year from each taxpayer would supplement the $1 checkoff that now provides public financing for presidential candidates. The bill has 44 sponsors. Voter-taxpayers would do themselves a great service by using whatever influence they have to pressure their senators to get off the PAC gravy train.

Voters should realize that until they begin supporting candidates for public office with more of their own contributions, they will continue to forfeit their influence to America's massive special-interest industries, which indirectly pass on their costs to the consumer anyway.

That might be an acceptable way to run a railroad. But it's a helluva way to run a democracy.

(The editorials also appeared in the following publications:)

The Dispatch, Union City, NJ, Apr. 18, 1987.

The Journal-News, Hamilton, OH, Apr. 22, 1987.

The Dallas Times Herald, Dallas, TX, Apr. 14, 1987.

The North Jersey Advance, Dover, NJ, Apr. 20, 1987.

The Dallas Times Herald, Dallas, TX, Apr. 14, 1987.

The North Jersey Advance, Dover, NJ, Apr. 20, 1987.

[From the Cedar Rapids Gazette, Cedar Rapids, IA, Apr. 4, 1987]

SWITCH-GIVING

When Sen. Mark Andrews, the North Dakota Republican, ran for re-election last year, he was backed by the American Bankers Association. The PAC donated $10,000 to his campaign. But the warm relationship chilled significantly after Andrews lost to Democrat Kent Conrad. The bankers' PAC suddenly became enamored of the winner. Within 1½ months after the election, the bankers switched sides and gave $10,000 to Conrad.

The cynical bankers' PAC did the same thing in Alabama, Washington and Georgia last year. It backed the losing Republican incumbent during the election. After the ballots were counted, it pulled the old switcheroo and contributed money to the campaign chest of the winning Democratic challenger.

The bankers aren't the only ones. Common Cause, the self-styled citizens' lobby, studied this phenomenon of "switch-giving" in seven of last year's Senate races. The group found 150 cases in which PACs backed losers, then switched to winners after the election. Among other flagrant switch-givers: the E.F. Hutton Group Inc., Marine Engineers Beneficial Association, American Hospital Association, National Beer Wholesalers Association and Philip Morris Inc.

"These PACs obviously weren't contributing because of the candidate's philosophy, ideology or political party," says Common Cause President Fred Wertheimer. "They wanted, first and foremost, to ensure that they had bought influence with a U.S. senator. PACs often argue that PAC giving represents citizen participation. Citizens, however, don't vote for both candidates, once before the election and a second time after the winner has been chosen."

It's hard to disagree with Wertheimer's aversion to PACs. Switch-giving is nothing but a shameless attempt to purchase influence in Congress.

A bill is now pending in the Senate that would go a long way toward addressing this problem. It is a comprehensive campaign-finance reform measure that would limit the amount of PAC funds congressional candidates can receive and establish a system of public campaign financing. Switch-giving is one more good reason for Congress to put this package of campaign-finance reform on the front burner.

(The editorials also appeared in the following publications:)

The Cedar Rapids (IA) Gazette, April 4, 1987.

The Recorder, Amsterdam, NY, March 28, 1987.

The Kennebec Journal, Augusta, ME, March 28, 1987.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. PACKWOOD. Yes.

Mr. BYRD. Mr. President, these may or may not be "canned" editorials as the distinguished Senator has pointed out but they are editorials, they are still editorials. And they have been passed upon by the editorial boards of those papers in the various States and counties and regions of the country. They must have agreed with the viewpoint and thought it a good one. So it is not to denigrate an editorial simply because it may be the copy of another editorial.

We have in West Virginia a chain of newspapers—the Ogden chain—and simply because the same editorial appears in the Elkins paper and the Parkersburg paper or some other paper as appeared in the Wheeling newspaper does not mean that the people at the Elkins newspaper and those on the Parkersburg editorial board did not know what they were doing and had no choice in making the decisions as to whether or not they would run the same editorial. So the fact that some may be canned editorials—and I have read some so-called canned editorials presenting the opposite view to the editorials here—still does not mean that such an editorial does not represent the viewpoint of a newspaper or that that editorial is not read by that particular newspaper's readers.

I thank the Senator.

Mr. SYMMS. Will the Senator yield for a question?

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER (Ms. MIKULSKI). The Senator from Oregon has the floor.

Mr. PACKWOOD. Madam President, in fairness to the Senator from Idaho, I indicated I would yield to the Senator from Delaware.

I did not mean to indicate by these editorials that they had not been passed on by the editorial board of the paper. I simply indicated that if they were looked on, they were certainly not given any editorial judgment as to how they were written. They just took a canned editorial that came from a canned news service and printed it exactly as they got it.

Mr. BYRD. Madam President, will the Senator yield again?

Mr. PACKWOOD. Yes.

Mr. BYRD. Madam President, I would dare say a good many Senators read speeches that their staffs write, but that does not mean that the Senator does not read the speech or does not approve of everything that is in his speech. I have to take the responsibility for everything that is in my speech. I certainly pass approval on it. I cetainly look at it before I deliver it, and I stand by it.

Mr. SYMMS. Will the Senator yield for a question?

Mr. BYRD. I would think the same thing would be true with regard to the editorial boards and editorials.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon has the time.

Mr. PACKWOOD. I promised the Senator from Delaware he could be next, and I yield 10 minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BYRD. Madam President, I thank the distinguished Senator from Oregon for yielding to me.

Mr. ROTH. Mr. President, the hour is quickly approaching when we will be expected to vote as a responsible body on a cloture motion for S. 2, one of the many campaign finance reform bills floating around this Chamber.

Before I cast my vote, and before my fellow Senators cast theirs, I should like to take just a minute or two and share with you a little feedback I have been getting from my constituents—the people I am here to serve.

First, I am finding that many of my fellow citizens are not getting the full story concerning the impact of S. 2, a proposal that attempts to heal the cancer of mounting campaign costs and the growing participation of PAC's with an aspirin called public financing. I have found that many of our constituents do not know that this proposal even calls for public financing of our elections—they have no idea that we are about to place the burden of our multimillion dollar campaigns on their taxpaying backs with everything else. Because of the complexity of S. 2, few understand that this proposal to thwart the involvement of political action committees will, in reality, allow PAC's to remain alive and well.

Few of our constituents understand that this bill will do nothing to combat the real threat of growing campaign costs—costs which escalate about 25 percent every 4 years. Few understand that this government entitlement program—a program that has already been called food stamps for Senators—will, like all others that began small, grow each and every election cycle as the costs for campaigns rise. History has shown that once a welfare program begins, it never stays the same, and it rarely, if ever, becomes less expensive. That is all this is—political welfare. We are the sole beneficiaries, and what is even more disturbing, it is a welfare program where the beneficiaries control the purse strings.

I have also found that few of our constituents really understand that this one bill will take the power of financial control over their representatives out of their hands and place it in the hands of government—the same government they are trying to check.

Under this proposal, it is more than possible that their tax dollars will go to finance the elections of candidates they not only do not care about—but candidates they do not agree with and do not want.

I stand in complete agreement that something must be done to reduce the financial factor in the equation of American politics. But an effort must be made to cure the source of cancer, not the cosmetic symptoms. With campaign costs rising at the average of 25 percent per election cycle, we need a strong and affirmative answer that will reduce the costs. To put this 25 percent increase in perspective, let me just say that 10 years ago, candidates for both Chambers of Congress collectively spent over $115 million on their campaigns. In this most recent election, estimates indicate that $435 million was spent. What a tax increase that would have been.

S. 2 does very little to stifle these mounting costs. For example, if this bill passes, a 30-second television spot in Philadelphia will still cost up to $15,000, and a typical full-page newspaper ad in Delaware will still cost up to $5,000.

Parenthetically, the same ad cost only $500 10 years ago. I can guarantee that as the years go by, these prices will increase. So I guess that as the cloture votes nears, the question we have to ask ourselves is simple: As the price tag fixed to American politics continues to soar, are we willing to strap the expense on the American taxpayer?

A poll I recently took in Delaware suggests that to do so would not be the desire of my constituents. In fact, 69.3 percent of the respondents said they are not in favor of public financing. Apparently, they would rather contribute to the candidates of their respective choices.

To ensure this equity—which is a part of the American political foundation—and to effectively deal with the challenge of rising costs, what we really need is a constitutional amendment—a major answer for a major problem—an amendment that will for once and for all allow us to clamp down on campaign financing in a way that will be fair for all Americans. I have introduced such an amendment, and an explanation of it appears in the CONGRESSIONAL RECORD of May 15, 1987.

But for now, I am most hopeful that we will continue in our effort to bring about meaningful campaign finance reform. It is most important. But I am also hopeful that we will be able to make that reform through a bipartisan approach—an approach that will be beneficial not only for both sides of the aisle, but especially for the American people and their democratic political system. Establishing cloture at this moment will not give us the opportunity to realize this end: and for this reason—and the reasons I have already stated—I intend to vote against the cloture motion.

Mr. PACKWOOD. Madam President, I yield 5 minutes to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. WEICKER. I thank the distinguished Senator from Oregon.

Madam President, everything I read nowadays indicates that the financing system of this Nation as it applies to politics is in desperate need of reform; and as the opening gamut in my remarks, I would like to quote from the Watergate Committee report. So that we all put ourselves in the proper context as to fact, the reforms that we are trying to reform on the Senate floor are "the Watergate reforms of the election financing laws."

Let me state what the Watergate committee said:

> 7. The committee recommends against the adoption of any form of public financing in which tax moneys are collected and allocated to political candidates by the Federal Government.
>
> The Select Committee opposes various proposals which have been offered in the Congress to provide mandatory public financing of campaigns for Federal office. While recognizing the basis of support for the concept of public financing and the potential difficulty in adequately funding campaigns in the midst of strict limitations on the form and amount of contributions, the committee takes issue with the contention that public financing affords either an effective or appropriate solution. Thomas Jefferson believed "to compel a man to furnish contributions of money for the propagation of opinions which he disbelieves and abhors, is sinful and tyrannical."
>
> The committee's opposition is based like Jefferson's upon the fundamental need to protect the voluntary right of individual citizens to express themselves politically as guaranteed by the first amendment. Furthermore, we find inherent dangers in authorizing the Federal bureaucracy to fund and excessively regulate political campaigns.
>
> The abuses experienced during the 1972 campaign and unearthed by the Select Committee were perpetrated in the absence of any effective regulation of the source, form, or amount of campaign contributions. In fact, despite the progress made by the Federal Elections Campaign Act of 1971, in requiring full public disclosure of contributions, the 1972 campaign still was funded through a system of essentially unrestricted, private financing.
>
> What now seems appropriate is not the abandonment of private financing, but rather the reform of that system in an effort to vastly expand the voluntary participation of individual citizens while avoiding the abuses of earlier campaigns.

That was the Watergate Committee, in its official report. Indeed, the reforms that were instigated in the name of Watergate are what we are now out here trying to reform. I suggest that time is better spent on many other matters.

It is fully my intention to oppose the amendment of the distinguished Senators from West Virginia and Oklahoma, Messrs. BYRD and BOREN, and to oppose the amendment of the distinguished Senators from Oregon and Kentucky, Messrs. PACKWOOD and McCONNELL.

If you ask me what should be done, it is very simple. I think you can go ahead and junk the reforms that we are reforming out here and not pass the reforms that are being proposed and get back to a system where anybody can give anything they want to, as long as there is full disclosure.

A few years ago, I stood on the floor of the U.S. Senate bemoaning the ethics law we were passing insofar as our own body was concerned, saying that what we should do is have full disclosure. What might be abhorrent to the State of Oregon might be acceptable in the State of Connecticut, or vice versa. But, instead of a complex series of regulations and laws and staff and participation of the time of Senators, there should be just a very simple matter of full disclosure by each Senator, and let his own constituency decide.

The same holds true of the giving of moneys. There is nothing wrong with giving money in this Nation. That is a first amendment right. It should not be restricted in any way. What the people of Connecticut have a right to know is where the money comes from. If they do not like it, they can kick this Senator out.

I remember the great reformers in the name of Watergate practicing their wiles upon the Constitution and the political practices of this Nation, and now we are in even worse shape. Now we are out here to reform the reform.

I do not know who we owe any obligation to but the people who elect us. We do owe an obligation both in terms of the integrity of our service and the integrity of knowledge which they are entitled to have.

So I suggest that we do our best to go ahead and kill the instant legislation before us, by any means whatsoever; and if my friends on this side of the aisle raise their legislation, I think we should do everything in our power to kill it. If people do not like what they have today, it is a result of the reforms of 10 years ago.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. WEICKER. I ask for 1 additional minute.

The PRESIDING OFFICER. The Senator is recognized for 1 additional minute.

Mr. WEICKER. Madam President, somebody might say, "Senator, we have Federal financing of Presidential campaigns." Nothing makes the point better. Do not forget: The scandals of Watergate were not the scandals of one man but of a Government gone amok; and, as a response to that, we go ahead and put the fundraising and the dispensing of funds in the hands of Government. What an inanity! Nobody on the Watergate Committee who had to delve through the facts of a Government run amok was going to vote for public financing.

I still say that the day will come when we will regret that we have public financing in Presidential campaigns. These are matters that should be left in the hands of private citizens.

The matter of knowledge is also something that should be within their ken. That I agree with. Full disclosure of every penny. There are those who say, "Senator, that is not going to stop illegal contributions." Neither this legislation nor the law as it stands now, nor anything proposed by any other Member, will stop illegal contributions. Far more important is the preservation of our right to use our resources without the assistance of Government, without the regulation of Government.

So, much as I admire the motives behind the legislation of Senator Byrd and Senator Boren and that of Senator Packwood and Senator McConnell, I have no disagreement with the motive. I think we all like to feel that we are out here acting on our beliefs and not on our contributions.

I find the courage of Members of this body is sufficient every day of the year. I do not think we need to tell the American people what they should do. What we have to have is total knowledge within their grasp, and let them go ahead and act in this political system upon that knowledge.

The best kind of campaign financing reform is to either elect someone whose causes have been correct and whose backing has been correct, or kick them out if their backing has been wrong and what they have espoused has been wrong.

I do not know why we think we have to substitute our collective judgment here for that of the American people. They do all right, as long as they know what is going on.

The PRESIDING OFFICER. Who yields time?

Mr. BOREN. Madam President, I yield 5 minutes to the Senator from Michigan.

Mr. RIEGLE. I thank the Senator from Oklahoma.

Madam President, let me begin by acknowledging the Senator from Oklahoma's leadership and that of the majority leader in bringing forward this very important campaign reform proposal.

I have great regard for the Senator from Connecticut, who has just spoken, but in this instance I have quite a different view from his.

We do have a real problem with campaign financing in this country today. I think it is a problem that has worsened year by year.

I think it has to be dealt with and fixed. I think the way to do it is with a campaign financing proposal similar to the one that we have on the floor now.

I am a cosponsor of this legislation. I think at this time this is as close as we are able to come with a constructive, affirmative proposal that deals with a number of campaign financing problems. This bill has a number of virtues and benefits for the American people.

I think it is time that we pass legislation that does limit costs for those who choose voluntarily to come in under the new rule, should we enact it, that does limit costs of overall Senate campaigns and to do so at reasonable levels, at amounts of money partly publicly financed that would allow challengers to be on an equal footing in terms of financial resources with those of us that are incumbents.

I think it is important that we open up the political process, that we encourage more people to run, and that we see to it that people who run have a fighting chance to win in terms of getting their message across and to appeal to the support of voters across the country. So I feel very strongly about the virtue of that in terms of making it possible for a larger number of citizens in our country to actually seek election to the U.S. Senate and do so on a realistic basis.

I think also we have a problem, whereas the cost of campaigns continues to rise. I know in the State of California last year, our largest State, where television is enormously costly and has to be used in order to reach the vast population of that State, that the two Senate candidates combined spent something on the order of $25 million. That is an extraordinary sum of money. Obviously they felt it was needed in the course of that campaign. But the imposition of the requirements of raising that kind of money are just excessive in the extreme and we ought to find a better way to deal with this problem. I think the legislation which we are bringing forward and which I am cosponsoring does that.

I would just like to make an observation with respect to my own home State of Michigan. As I myself intend to stand for reelection in 1988—that is not a declaration of candidacy, but that is certainly my intention—when I last ran in 1982, I raised a figure of roughly $1.8 million to run in the eighth largest State in our Nation, where there is a population of about 9.5 million people. That is about what it took at that time to be able to conduct a campaign in a State that size to reach the people, with a very large number of television media markets in our State, and television time is very expensive. Were it not, were it free, then I think the problem of campaign financing would very largely disappear. But the fact that it is not, that it is very expensive, and this is the way increasingly that we have to speak to large numbers of people when we are talking about States with populations in the several millions of people, then clearly the money has to be raised in order to reach people in that fashion.

Two years after I ran in 1982, my colleague, Senator Levin, ran in that year, a Presidential year, and he needed to raise roughly $3.9 million, a figure that had jumped almost over 100 percent from what I had required the time before.

Looking ahead to 1988, I expect that I am going to have to raise an amount equal to or greater than what my colleague had to raise in his race in 1984. But the prospect of having to raise, and finding a way to raise under our existing rules, a figure on the order of $4 million, whether it be for me or for a challenger who wishes to run for the seat, is an extraordinarily difficult task. It is enormously time-consuming. It is very difficult to do.

And I think we have passed the point where wisdom is on the side of saying, "Let's find an alternative form and way in which to do this."

I think the success that we have had with the public financing aspect in the Presidential race, as we have had it with the public financing aspect that we use in the race for Governor in my State and in many other States, has worked very well. I think, in fact, it has given us better campaigns. It has kept the campaigns more focused on the issues. It has not required the extraordinary use of time to go out and raise phenomenal sums of money. And I think everybody has come out a winner under those circumstances.

I thought it was significant, for example, that President Reagan, who, at the moment at least, is not endorsing this legislation, thought for a time whether he would reject public financing in his last Presidential campaign.

The PRESIDING OFFICER. The Senator has consumed his 5 minutes.

Mr. RIEGLE. Might I have 1 additional minute?

Mr. BOREN. I yield 1 additional minute.

The PRESIDING OFFICER. The Senator may proceed.

Mr. RIEGLE. The President, at that time, was debating whether he would go with private giving and private financing because he would have to raise an amount far in excess of public financing. Wisely, he chose not to do that. He chose to go with the public financing, as did his opponent, Mr. Mondale. And I think the President set a wise example and I think we saw, and we have seen now in a succession of Presidential races, that the public financing component has worked very well.

I think we need it here. I think the time has come to do it. I think it is fair. It means that people who are nonmillionaires, who are not well favored in terms of their financial support, will have a real chance to run and have a chance to win. And that is the way the system ought to be. I think in the future we will have a better Senate if it is elected on that basis. I hope that the Senate will decide to move ahead today, vote cloture, and let us have campaign financing reform. If there are changes that are made on the floor, if that is the will of the Senate, so be it. But let us move in this direction. Let us open the process. Let us make it fair. I think this is the way to do it.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. I yield 5 minutes to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Madam President, I intend to vote against this cloture motion today. I think that it should be noted that much of the argument here is focused on the question of how much is too much. As to the argument about having the taxpayers pay for this, in this Senator's judgment, the taxpayers are already asked to pay for far too many things.

I could not agree more with the very eloquent remarks the Senator from Connecticut, Senator WEICKER, made. I think it was a mistake and someday people will realize it was a mistake to get taxpayer financing involved in Presidential elections, and certainly we should not get it involved in the election of Members of this august body.

On the question of how much is too much, our entire system is based on the dissemination of information. That is really what the key is—getting participation on the part of the people in this country to participate in running their Government. After the Founding Fathers had written the Constitution, the early citizens of this country decided it was important, if the system of representative government was to work, that we have citizen participation and an informed electorate. That is why we have generated the public school system. That is where it came from in this country.

Now you look at your television every day and in order for news to come out in the newspaper so that people can afford to have news, there is advertisements. How much money do the major beer companies, the automobile companies, the soap manufacturers, and others, the great forest product companies, how much money do they spend advertising? How much is too much?

I say that participation on the part of the American people in our political process is good, not bad. And this legislation before us today is an effort to limit spending to enhance the already significant advantages of incumbency. In my judgment, It is a blatant attempt by a majority in the Senate to pass legislation that would lock the Democratic Party into the majority for years to come. I do not think that result would serve the best interest of the country.

Of course, you have other special interest groups, like Common Cause, and others, who are in favor of this legislation. Now, the distinguished Senator from Connecticut pointed out that the issue here is full disclosure. As he said to me when walking off the floor, all the common causes of the world want to do is neutralize or neuter our political process.

Madam President, I say politics demands a decision and it demands a clear-cut demarcation sometimes on issues. It is not that I do not respect my good friend from Oklahoma on this issue. But we have a clear-cut difference of opinion. It is a demarcation point, so there is a decison that must be made. People can consider the difference between one argument and the other, and the debate is a good and necessary part of our system of government.

I was also interested when Senator PACKWOOD and Senator BYRD were talking about these editorials in so many newspapers. Madam President, I would say this: I do not care whether they are all alike or all different or what their point of view is. Everyone of these newspapers have a conflict of interest. If they could limit the ability of STEVE SYMMS or BOB PACKWOOD or another candidate to get our message to the public through paid advertisements, then they can decide who people should vote for. And it gives them more power, because political power is a zero-sum game. There is only so much of it to go around.

So if we limit the ability of people to actually participate in their democratic process, to raise money, to tell their story, to stand up on the soapbox, we are, in fact, limiting one of the political cornerstones on which this country was founded.

I happen to agree with the Senator from Connecticut. Full disclosure is the key. Full disclosure. That is what we need to have. We need to have full disclosure of where the money comes from that goes into a campaign. If we have that, the process will work very well.

It takes some money to run for an election. It takes an organization. It takes a candidate and you have got to give the people a reason why they should vote for one candidate as opposed to the other.

In this process, as we have an expanding population and it is harder and harder to reach more and more people, of course, it costs more. But how much is too much?

I say that it is not too much to spend enough money so that the American people can have a reasonably good chance to vote for a candidate who will represent their views and their concerns. Compared to the money spent in advertising consumer products. I would say we barely spend enough to inform citizens and encourage their participation in government.

The PRESIDING OFFICER. The time of the Senator from Idaho has expired.

Mr. SYMMS. I thank the Chair and I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. BOREN. I yield myself 5 minutes.

Madam President, I have listened with great interest to the arguments made over the last several days with regard to this piece of legislation. I would have to say that I think we are here dealing with something that is unique. We are not dealing with normal advertising. We are not talking about the sale of commercial products. We are talking about the making of policy for the Government of the United States. We are talking about the heart and soul of the political process under our Constitution. We are talking about the integrity of the election process itself. And I would say, Madam President, to my colleagues, that we should not allow the ability to raise money and spend money effectively in campaigns to become the major focus of those campaigns.

Instead of money and the raising of money and the spending of money and the using of money to buy advertising and slick 30-second spots to raise the negative attributes of our opponents, we should be focusing upon the issues of the day. The American people should not be selecting Members of the Senate of the United States or Members of the Congress of the United States based upon their ability to raise money for campaigns or to organize to raise money for campaigns or to hire the right professional fundraisers.

This country has severe problems. We have great challenges facing us. If we do not deal effectively with them, we are going to leave the next generation of Americans with a diminished heritage.

No, we must look at the integrity of the candidates. We must look at the ability of the candidates to deal with the issues of the day. We must help inform and involve the American electorate through a sensible discussion of those issues rather than having the candidates spending their time raising money, increasingly outside of their own home States and districts, to buy additional time, slick advertising time with which we are not educating those who are going to the polls to vote.

An interesting group has been formed, Madam President, during the consideration of this particular piece of legislation. It is a group of lobbyists and lawyers for campaign finance reform, those people who are representing associations and groups and interests, lawyers and lobbyists here in Washington, insiders in the system who see it up close because of their own participation in the process. They, Madam President, have said: Enough. We must do something to reform this system. We, too, are being victimized by it.

This group issued a statement before the Committee on Rules during the hearings on this bill. Mr. William J. Baer, of Arnold & Porter, appeared on behalf of this particular group of lobbyists and lawyers for campaign finance reform. I want to share with my colleagues some of the things that he had to say on that occasion.

Among other things he said:

> We decided to band together and let members of Congress and the public know we firmly believe that our current campaign finance rules have created a process that elevates money over substance, and benefits no one. We expressed those views about two weeks ago in a letter to all 535 members of Congress. Since then, we have been frequently asked two basic questions:
>
> First, what do the lobbyists and lawyers comprising your group find objectionable in our current system? And, second, why would 100 or more supposedly savvy and cynical Washington insiders publicly advocate campaign finance reform?

I might say that they have advocated it at some risk to themselves.

He goes on to address those two questions. He says:

> Our basic and overriding objection with the current campaign financing process is that it has made raising money the centerpiece of congressional election campaigns. We firmly believe our democracy cannot afford a political process that requires you to be full-time fundraisers and part-time legislators.

How right that is, Madam President. We are not selling bars of soap. We are talking about electing people to solve the serious problems that face this country. We are talking about the need to spend time solving the problems of the country instead of time being spent and wasted on the ever-increasing need to raise more and more, more money to run campaigns.

These people who have seen the process up close are saying we are elevating fundraising over substance.

I yield myself 2 additional minutes.

He goes on to say:

> We simply cannot justify a system that requires legislators to divest so much attention away from their duties and their constituents.
>
> Defenders of the status quo say that nothing has changed, that money has always played a role in elections and that requiring fundraising by candidates is a healthy part of the democratic process.
>
> But something has changed—the overriding importance of money and fundraising in the process is a change from the past. Of course money has played and always will play some role in election campaigns. But it is one thing for our system to require a candidate to seek some level of financial support from his constituents and others. It is quite another when raising money dominates the agenda. That is where we are today and that is why change is necessary.

I do not think anyone would object to the need to raise some funds to get financial support from our constituents in order to carry our message to the people. But there is, at some point in time, something deranged in this country. We went beyond the need to raise a reasonable amount of money to be able to reasonably broadcast our position on the issues. The amount of money required became so large and so dominant, in terms of the use of our time, that we passed the point of using it simply to get the case out and the raising of the money itself became, really, the focal point of the campaign.

He says:

> While we don't believe that's really true, the impression of special access in return for campaign contributions, while it may be a wrong impression, the fact is that it persists and it is not healthy for you and for us.

Truer words were never spoken. The cynicism which this reliance upon moneys breeding among the members of the electorate, the citizens of this country, is directly contributing to reduced participations in campaigns and heartbreakingly low turnout in elections, as the people back home at the grassroots no longer think that they can truly influence elections that are being dominated by the influence of money, in terms of the activity of candidates and in which money itself has become more important than the substance of the issue.

Again he says:

> But why would lobbyists and lawyers endorse campaign finance reform? Don't we relish a process that requires you to turn to us and our clients in order to raise significant amounts of money? Aren't we the prime beneficiaries of the status quo?
>
> We don't think so. We feel as much victimized by the process as you do. We are lobbyists and lawyers by training and by profession. Yet the mounting cost of congressional campaigns forces professional advocacy and political savvy to take a back seat to fundraising. We don't think that benefits our clients or the issues we represent.
>
> And we also realize that there is a persistent and unhealthy public suspicion that the money being given by political action committees and large individual donors does in fact buy access and unduly influence congressional decisionmaking.

The PRESIDING OFFICER. The Senator from Oklahoma has consumed all of the time that he yielded himself, however the Senator from Oklahoma has, for the Democratic side, 4 minutes and 37 seconds remaining.

Mr. BOREN. Madam President, I reserve the remainder of my time.

Mr. PACKWOOD. How much time is left from our side?

The PRESIDING OFFICER. The Senator from Oregon is advised that his side has 10 minutes remaining.

Mr. PACKWOOD. I yield 5 minutes to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Madam President, this debate is about two issues and we tend to mix them up. The issues are special interests on the one hand and spending limits on the other.

In the last 3 or 4 days of this debate we have heard a lot of discussion about the so-called special interests.

It is important to note that S. 2 does nothing about special interests. So, for any of my colleagues who are interested in doing something about special interests, S. 2 is not the vehicle. The bill offered by the Senator from Oregon and myself brings PAC contribution to candidates to zero, and we have indicated in floor debate, we would be willing to take that to political parties as well. So if people want to do something about special influences in elections in America today, it is not S. 2.

The other issue is spending limits. When we talk about spending limits we are talking about participation. Are we going to encourage participation or are we going to discourage participation?

Candidates can spend only what people will contribute unless they happen to be a millionaire and the millionaire loophole is something equally decried on both sides of the aisle.

Unfortunately that is a substantial problem. The bill of the Senator from Oregon and myself seeks to deal with that in the following way: That if one were inclined to spend more than a quarter of a million dollars of his own money in his own behalf, he would have to so notify the Federal Election Commission, thereby triggering the opportunity for his opponent to receive up to $10 per person in individual contributions. It would not entirely solve the problem but would to some extent level the playing field. S. 2 does not involve the millionaires loophole problem either. It does not do anything about it.

So, if you set aside for a moment, Madam President, the issue of the millionaire loophole, the question is: Is it good or is it bad to raise a lot of money from a whole lot of people?

Clearly, we ought to be encouraging participation in American politics, not discouraging it. What you have seen over the last 10 years is a drastic increase in the number of people participating in the political process. That is something we ought to be encouraging in this body; not discouraging.

Cheap races, Madam President, come about when there is no contest. Show me a race in which you have two credible candidates who are able to reach out and get support and I will show you a race in which money will be raised and money will be spent.

A lot has been said about the use of television and how it is somehow getting in the way of going out and reaching our constituents. I heard a couple of speakers talk about the cost of running in California. I want you to know, Madam President, in order to have any impact shaking hands in California it would probably take you your entire life. Your entire life. It is not like running for office in South Dakota. California has a lot of people.

So we ought to allow a system to grow and to function which would allow political candidates like anyone else to use the most modern means available to reach our people.

We ought to be encouraging contested races; we ought to be encouraging raising money; we ought to keep the limits right where they are to require candidates to have a broad base. And, oh, yes, Madam President, to the old argument that it is taking a whole lot of time to raise money, I say that if you wait until the last minute, of course, it is going to take a long time. It is like the lawyer waiting until the case is due to prepare; like the reporter waiting for the last minute to file his story. The price of procrastination is to be very, very busy in any particular endeavor.

No one forces an individual Senator to raise any particular amount of money or to wait until the very last minute to do it. The limits on what we can raise are dictated by how many people will contribute to us. That is an indication of our broad base of support.

In closing, let me say that S. 2 is quite possibly the worst piece of legislation we have had before this body in the 2½ years I have been here. Those who advocate it are well intentioned and I know they want to see the process improved. In fact, what we ought to be doing is encouraging participation, and encouraging a broader base of contributions. That is what happens under the present system.

Madam President, I yield the floor.

Mr. SPECTER. Mr. President, I am voting against the motion to limit debate, because I believe that further debate is necessary with the attendant opportunity, once cloture is defeated, to work out a compromise on reforming campaign financing.

I am convinced that reform of the current system on campaign financing is necessary to address a variety of issues:

First, elimination of the perception of improper influence of campaign contributions with special concern for political action committees;

Second, limitation on total expenditures;

Third, public policy considerations on public spending; and

Fourth, use of the time/energy of Senate and House Members to raise money.

While I do not believe that political action committees improperly influence Members of Congress, I do believe that there is a widespread public perception that they may. In my reelection effort in 1986, PAC's contributed 21 percent to my total campaign financing.

I do not believe that votes of Members of the House or Senate are for sale at any price. In the context of campaigns which run into the millions of dollars, the maximum PAC contributions of $5,000 in the primary and $5,000 in the general should pose no undue public concern of improper influence, but it has.

Accordingly, I favor legislation which would totally eliminate any PAC contributions for Members of Congress or other candidates, and I would further extend the prohibition to eliminating PAC contributions to political parties as well. The Boren bill does not eliminate the problem of PAC financing, because it permits PAC contributions until the threshold level occurs where the candidate qualifies for public financing.

The only way to limit total campaign expenditures, in light of the decision by the Supreme Court of the United States in Buckley versus Valeo, is to amend the Constitution or reverse that decision. As difficult and time consuming as it may be, I believe we should change the law of Buckley so that an individual cannot spend limitless sums of money to win his or her own election.

As a matter of public policy, I believe that public financing of Senate and House campaigns is unwise at this time because of the deficit. Our national deficit at the end of the last fiscal year was in excess of $2 trillion, and the deficit for fiscal year 1988 is projected to be about $170 billion. Our budget for fiscal year 1988 contemplates significant cuts in funding for education, housing, job training, community development, block grants, urban development action grants, and farm programs. Given these fiscal realities, I do not believe that we should now justify embarking on an expensive new program to provide for public financing of congressional elections.

While it is true that fundraising takes the time/energy from a Member of the Senate or House or other candidate, my own experience is that appropriate fundraising can be accomplished with ample time to do the work of the Senate, both in Washington and in my home State of Pennsylvania.

The debate which has already occurred in the Senate on campaign financing has served a very useful purpose. This debate has led to discussions on a possible compromise on reforming campaign financing. This is an issue of considerable importance which should not be foreclosed at this juncture by cloture. Further debate may lead to a compromise which could incorporate the best provisions of a number of bills now pending in the Senate.

Mr. DODD. Mr. President, I rise in strong support of the motion to invoke cloture and limit debate on S. 2, the Senatorial Election Campaign Act of 1987.

This is indeed an appropriate time to consider comprehensive reform of our campaign finance laws. Two hundred years ago this month, our Founding Fathers gathered at the statehouse in Philadelphia to begin drafting one of the most important and visionary documents in the history of the world: the Constitution of the United States. Last month, we also marked the 236th birthday of James Madison, the driving intellectual force behind our constitutional framework and the new political culture which it spawned.

The fundamental principles which guided our ancestors in 1787 live on in the hearts and minds of the American people and all of us as Members of Congress. They sought to establish a popularly elected government which would thus be representative of and accountable to ordinary citizens. They set up a system of checks and balances to guard against institutional privilege and to make sure that special interests (what they used to call factions) would take a back seat to the broader interests of society as a whole.

Unfortunately, we have recently allowed to flourish a system of campaign finance laws and practices which threaten to erode the application of these principles in modern-day government. According to the Congressional Research Service, the average cost of winning a Senate seat has increased from $609,000 in 1976 to over $3 million last year. The four candidates in the two most costly races in 1986 spent almost as much as all 66 Senate hopefuls did 10 years ago. In just the past 2 years, spending on Senate races increased 31 percent, from $136 million in 1984 to $179 million in 1986.

Political Action Committees (PAC's) have played a major role in the recent spiraling of campaign costs. Between 1980 and 1986, PAC contributions to congressional candidates increased by over 150 percent, from $52 million to $128 million. In 1985-86, 13 Senate candidates received $1 million or more from PAC contributions.

These statistics are alarming indeed. We are in danger of losing what the framers worked so hard to achieve two centuries ago: An aristocracy not based on wealth or vested interest but an aristocracy of achievement arising out of a democracy of opportunity. "We the people" is fast becoming "We the special interests" and "We the well to do". As Senator BYRD said on the opening day of the 100th Congress,

> It will be a tragedy if the entrance requirement for service to this great forum is not intelligence, integrity, ability, and public spiritedness, rather the willingness and ability to play the deadly-earnest game of fundraising, or personal wealth and the willingness to spend it or risk it in order to gain election.

Mr. President, as the sponsor of comprehensive campaign reform legislation in the 99th Congress, I understand how difficult it is to solve all the problems plaguing our current system of electoral financing. And yet, as a member of the Senate Rules Committee, I supported S. 2 because it makes a real start toward restoring public control of and public confidence in our congressional election process. This bill is not perfect—but it does provide for a logical and constitutional mechanism to limit overall campaign spending and reduce the influence of special interests in our electoral system. Now is the time to place S. 2 on the table and permit the Senate to consider amendments which may serve to improve this landmark legislation.

The 100th Congress has a historic opportunity to reverse a destructive trend in our campaign system and ensure the perpetual integrity of our most precious constitutional principles. Through comprehensive campaign finance reform legislation like S. 2, we can help to insure that government remains representative of and accountable to the American people. We can help to restore the public's confidence in us as public servants and in our hallowed institutions. We may also find that the less time spent raising money, the more time we will have to confront the 20th century problems which face our Nation. I can think of no more appropriate bicentennial birthday present for the Constitution, for the American people, and for us as Members of Congress than the enactment of such legislation.

Mr. President, I ask unanimous consent that an editorial on this issue from today's Hartford Courant be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DOES THE SENATE WANT REFORM?

You would be hard-pressed to find many members of the U.S. Senate who say they're unconcerned about the monetary saturation of congressional election campaigns. Today you may be able to learn how many senators want to translate purported concern into meaningful action by supporting effective campaign finance reform.

The Senate last week began debating a measure that would produce meaningful reform, a bill sponsored by David L. Boren, an Oklahoma Democrat, and Majority Leader Robert C. Byrd of West Virginia. It would dramatically reduce the role of political action committees in Senate and House elections—and thus the unhealthy influence of PACs in the making of the nation's laws. Most important, it would establish a system of public financing for candidates in Senate elections. That step is essential if the public interest is going to recapture the ground that special interests have managed to buy.

It was predictable that many members of Congress would resist any fundamental change in the vehicle that brought them to Washington, and sure enough, opposition has surfaced. Republican senators have criticized public financing as intrusive and offered several alternative campaign finance reform bills—most of them unworthy of the name. Fearing passage of the Boren-Byrd bill, which at last count had 47 co-sponsors, Republicans have threatened to block it by filibustering. A vote on whether to invoke cloture, thus stopping the delay, is expected to occur today.

Although the Republican bills contain some attractive ideas, they basically seem to be attempts to present an illusion of reform while preserving as much of the status quo as possible.

One measure, for example, would prohibit PAC contributions to congressional candidates, certainly a dramatic step. But the bill, offered by Sens. Robert W. Packwood of Oregon and Mitch McConnell of Kentucky, would allow PACs to continue donating to party committees and groups not linked to candidates. Since this money then could be used to help particular candidates, little would be accomplished.

Legislation offered by Sen. Ted Stevens, an Alaska Republican, would limit committee contributions to candidates but it would allow individuals to give more than they can now. Ostensibly it would deal with a loophole in the law that invites an abuse called bundling, in which PACs evade the legal limits on what they can give to candidates by encouraging and delivering individual contributions to them. But the Stevens measure only would require that bundled checks be made payable to candidates. That's authorization, not prevention.

Yet the biggest weakness in the GOP bills is that they don't squarely confront the root issue: the enormous, and rapidly growing, amount of money spent on congressional elections. About $38 million was spent on Senate races in 1976; 10 years later, almost $179 million was spent. A reasonable but firm cap on spending is indispensable, as is a total limit on what each candidate can receive from PACs. The Boren-Byrd bill has both, and a lot more.

If the Senate, to borrow a phrase from Sen. Edward M. Kennedy of Massachusetts, is serious about driving "the money lenders out of the temple of politics," it won't let a filibuster, or the temptation of ersatz campaign finance reform, divert it from the real thing.

The PRESIDING OFFICER. Who yields time?

Mr. BOREN. Madam President, I yield 2 minutes to the Senator from Nebraska [Mr. EXON].

Mr. EXON. Madam President, I thank my colleague from Oklahoma [Mr. BOREN].

As my colleague knows very well, this Senator is not a cosponsor of the measure he has introduced. I have serious reservations and remain opposed to the taxpayers financing campaigns. I say once again that I do not believe we are ever going to get to the bottom of this campaign problem, and there is one, until we devise some means to control the amount of money that can be spent on campaigns for high public office.

I am not for this measure. I am just asking my friend from Oklahoma, what are the chances of some kind of compromise being worked out that would overcome the objection, essentially, of public financing and limiting amounts of money that can be spent on the bill if this bill is not enacted into law, as I suspect it will not be?

Mr. BOREN. Madam President, I say to my good friend from Nebraska that I appreciate his concerns. I also understand his commitment to true reform and to trying to do something to reduce the amount of money, the obscene amount of money that is now being spent on campaigns.

I say to him that I hope he will vote for cloture today, notwithstanding some of his questions and objections to certain parts of this bill, because we do intend—I want him to realize, whether cloture is invoked in just a few minutes this afternoon or not, that this Senator and others who are supporting this legislation intend to continue to work on a bipartisan basis to see if there is a way of getting meaningful spending limits without doing it in a manner that will be objectionable to the Senator from Nebraska and others. Certainly, we are going to continue those negotiations. We are going to work to see if we can answer those objections.

I do not feel the Senator would be committing himself to every section and every provision of this bill in casting a vote today in favor of our proceeding to try to grapple with this problem of campaign finance reform. I think sending a strong message today is important because we must continue to push on and deal with this matter until we can really find the solution.

Mr. EXON. I thank my friend. I tell him that I may be able to accommodate him now, but I will not vote for any bill that has a sizable amount of money for the taxpayers to pay to finance campaigns.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Madam President, how much time remains on this side?

The PRESIDING OFFICER. The Senator from Oregon is advised that he has 5 minutes and 7 seconds.

Mr. PACKWOOD. Madam President, I yield myself the remaining time.

There is only one reason to vote for cloture today: that is if you favor taxpayer financing of the elections. Every other objection that has been raised to the represent system, every other objection, can be solved without asking the taxpayers to pay for it.

You think that PAC's are too influential? Eliminate PAC's; eliminate the money they can give; eliminate the money they can bundle, eliminate them from giving it to political parties. We can totally wipe out political action committees.

Do you think the campaigns cost too much money? Lower the limits that individuals can give from $1,000 to $500 or $300 or $100. That will cut the cost of campaigns. And it will of necessity force you to raise most of your money in your own State, because very frankly, very few people are going to give $50, $60, or $100 to a campaign in Oregon, where I come from, if they happen to live in West Virginia or Oklahoma or Texas or Florida.

But I will tell you what is driving those who are going to vote for cloture. They want public financing. They want to drive private money, whether it is PAC's or $10 contributions, out of politics.

I will say again, every other objective that the proponents allege they want to achieve can be achieved without bilking and milking the taxpayers.

I doubt that cloture is going to be invoked today, but I will forewarn the Senate that we will see other efforts made by the proponents. If it is not straight-out taxpayer financing—take it right out of the Treasury and give it to you—then they are going to come up with other devices; whether that be giving the challenger the frank—free mailing privileges—or giving the challenger space in Government buildings, giving the challenger free automobile services, giving the challenger the lowest rate on television or, if necessary, free telephones. By and large, these all come out of the hides of various forms of private enterprise or out of the Government in some other way. What the proponents want is for the taxpayers to pay for our elections.

I hope that cloture will not be invoked today, Madam President. I hope that cloture will not be invoked Thursday if the cloture motion is filed, or Friday or Monday or Tuesday. There are ways to solve this problem that exists without asking the taxpayers to pay for it.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Oregon is advised he has 2 minutes and 16 seconds left.

Mr. PACKWOOD. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Madam President, to the best of my knowledge, there is no one wishing to speak on either side, but we have agreed to vote at 5 p.m.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BOREN. Madam President, I yield the remainder of the time remaining on this side to myself.

In a very short time, we shall be casting a vote on a cloture motion. We will be casting an important symbolic vote in this country. We will not be adopting a bill or a final proposal. Amendments will still be in order. We will continue to work. The question is, Will we take a step forward toward doing something to reform the campaign system in this country that calls out for change? Are we going to stay with the status quo and seriously look our constituent in the eye and say nothing is wrong with the way we are now financing campaigns? Can we say in honesty that it is good for this country that the average cost to run for the U.S. Senate has gone up from $600,000 to $3 million in just 10 years, on its way to $15 million 12 years from now, if we do not do something?

Can we say it is good that in some States, it costs as much as $25 million for two candidates to run for the U.S. Senate as it did last year in California?

Can we say it is good that most of the money under the present system of PAC contributions is not going to challengers? Can we say it is a good thing that several Senators in the last election got over half of their campaign funds from special interests instead of groups back home?

I must in all honesty say it is time to reform the system and let the Members of the U.S. Senate spend their time solving the problems of the country instead of spending their time raising money to run for reelection.

CLOTURE MOTION

The PRESIDING OFFICER. All time has been consumed.

The hour of 5 p.m. having arrived, under the previous order and pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the committee substitute for S. 2, to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes.

Senators Robert C. Byrd, Terry Sanford, Max Baucus, Tom Daschle, Harry Reid, Edward Kennedy, Carl Levin, Wyche Fowler, Jr., David L. Boren, Daniel P. Moynihan, Wendell Ford, Spark Matsunaga, Paul Sarbanes, Jim Sasser, Alan Cranston, Patrick J. Leahy, John F. Kerry, Barbara Mikulski, Kent Conrad, and Tom Harkin.

VOTE

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived. The question is, Is it the sense of the Senate that debate on the committee substitute for S. 2, a bill to amend the Federal Election Campaign Act of 1970, shall be brought to a close? The yeas and nays are required. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Tennessee [Mr. Gore] is necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. Gore] would vote "yea."

The ACTING PRESIDENT pro tempore. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 52, nays 47, as follows:

[Rollcall Vote No. 148 Leg.]

YEAS—52

Adams
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Graham
Harkin
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Proxmire
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Stafford
Stennis
Wirth

NAYS—47

Armstrong
Bond
Boschwitz
Cochran
Cohen
D'Amato
Danforth
Dole
Domenici
Durenberger
Evans
Garn
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Packwood
Pressler
Quayle
Roth
Rudman
Shelby
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

NOT VOTING—1

Gore

The ACTING PRESIDENT pro tempore. On this vote, the yeas are 52, the nays are 47. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

Mr. BYRD addressed the Chair.

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. BYRD. Mr. President, may we have order in the Senate?

The ACTING PRESIDENT pro tempore. The Senate will come to order. Senators will clear the aisles.

Mr. BYRD. I thank the Chair.

Mr. President, the Senate has just held its first vote on cloture on S. 2. It is a first vote. I have every confidence that we will find a way to create that majority of 60 votes in due time.

S. 2 provides the framework for debate and compromise. This vote is not the end of the debate on campaign finance reform. It is only the beginning. It is a sounding bell that poses a fundamental question about the future shape of our representative democracy.

Will it be a dollar for democracy, or will it be an aristocracy of money? Money and politics do not mix well. When they do mix, all too often democracy suffers.

Are we so impoverished, are we so narrow in our vision, that we cannot see that a dollar for democracy is an investment that will protect the future of that democracy?

Mr. President, this should not be a partisan issue. It should be a vote that moves beyond party politics to the long-term good health of our democracy.

Our constituents long ago became cynical about our democracy. They came to the conclusion that money does talk, that money does buy access, that money is the mother's milk of politics. Because they have become cynical, they have given up their enthusiasm. Do they vote? No, indeed. They have given up by the millions their belief that their vote matters. They have given up that most fundamental belief, that they matter, that their vote and that their concerns are heard.

So we will continue the debate, and I hope it will break the silence that now smothers our democracy. Will the debate continue, so that we might find the framework for compromise?

Mr. President, for the information of Senators, there will be no more rollcall votes today.

Mr. DOLE. Mr. President, I do not totally disagree with the distinguished majority leader. I think there will be an effort made to see if we can find some compromise. I hope that can be done. We talked about it privately before the bill came up, as the majority leader knows.

An agreement was quite close last week. The best way to find out is what we have done, and to see where the differences are.

There has been some extremely good debate in the last several days on both sides of the aisle. I commend my colleagues on both sides of the issue, because the bottom line is that there is a willingness to come together on campaign financing reform. There are some differences on this side among the Republicans, some differences perhaps on that side. Whether it is public financing or limiting the expenditures or reporting soft money, or whatever the differences may be, I certainly would not disagree with the distinguished majority leader that an agreement is possible.

Republicans will have a conference tomorrow afternoon devoted solely to this issue, so I hope that following that conference I will be in a position to report to the majority leader. I know that meetings are going on even today, involving Members on both sides.

So I certainly encourage the majority leader to proceed.

Mr. BYRD. Mr. President, I thank the distinguished minority leader.

Mr. BOREN. Mr. President, I commend both leaders for the statements they have just made.

It is a privilege to join the majority leader in offering this piece of legislation. I am very encouraged by the vote that has just taken place. A clear majority of the Senate has voted to move forward. One of the cosponsors of the measure was not present today. It would have been 53 votes for cloture today had he been able to be present.

This is a clear signal of the need to change the campaign financing system as we now have it. Clearly, something is wrong. Reform is long overdue. The amount of money being spent on campaigns is alarming—the source of that money, coming no longer from the grassroots contributors back home but, increasingly, from special groups with little contact with the home States, certainly moving in the wrong direction. I think we have seen a clear signal that something must be done to solve this problem in a bipartisan fashion.

This is not a Democratic problem or a Republican problem. It is an American problem. The only way for us to be able to move forward in a constructive way is to find a formula that will enable us to do so on a bipartisan basis.

Speaking for myself—and I know for many others on this side of the aisle—we have every intention of working as hard as possible to try to forge that kind of bipartisan consensus.

It was important for us to have this cloture vote. It was important to begin debate on this issue on the Senate floor, and I have every confidence that that will help us move toward the fashioning of a true bipartisan structure that will constitute campaign reform.

There are those who voted with us today who made it clear that they wanted to see some changes in parts of this bill. We will move to accommodate them and to accommodate the concerns of both sides of the aisle.

Mr. MOYNIHAN. Mr. President, may we have order, so that the Senator from Oklahoma can be heard?

The PRESIDING OFFICER (Mr. Dixon). The Senate will be in order.

Mr. BOREN. I thank the Chair.

Mr. President, more than 52 Senators have spoken during the debate about the need to change the present system. So, while it is encouraging that we were able to get that many Senators to vote for cloture today, many others have expressed themselves about the need to change the present system. There is clearly a very strong consensus on both sides of the aisle that something must be done. It is a feeling that the American people share, clearly.

With this kind of feeling expressed on the Senate floor, with the commitment of the majority leader to keep this item on the national agenda and on the agenda of the U.S. Senate until we deal with it, with the express willingness of the minority leader to try to work toward a constructive compromise on this issue, we have all the elements in place that have not been here for more than a decade to seize the moment and achieve true campaign reform for the people of this country. It is an opportunity that must not be missed, and we must not allow personal political considerations or partisan political considerations to stand in the way, on either side of the aisle, of the need to embrace a proposal that will be helpful to our country.

It is in that spirit that I greet today's vote with enthusiasm. I see it as a great opportunity to move forward, and I look forward to working with my colleagues on both sides of the aisle in that very worthy cause, for the sake of this country and for the sake of the next generation.

I yield the floor now, because I see my good friend from Rhode Island, who has long shared this concern. We have worked together on past legislation, and I want him to have an opportunity to speak.

Mr. CHAFEE. Mr. President, I thank the distinguished senior Senator from Oklahoma.

I voted for cloture on this bill, but I do not want that to be taken as a guarantee that I would vote for cloture the next time, necessarily.

The reason I voted for cloture in the present instance is that neither I nor others have presented amendments that we feel are necessary to improve this bill. So we can hardly say that we are being run over.

I, as well as others, have a series of amendments that will be presented, debated, and, we hope, adopted. It is my hope that we can work out a satisfactory bill, and such a bill would not include Federal financing.

I have received over 300 messages—letters and telephone calls—on this legislation, and I have taken the effort to call those folks back. I have not reached them all, but I have reached over 100 and discussed with them what their concerns are, why they are supporting this legislation, why they wrote to me.

Oddly enough, not one of those people I have talked to said that his or her principal concern is to have Federal financing. Their concerns are that the PAC's are too strong, and they believe that the voice of the PAC's is exercising undue influence in this Chamber and in Congress as a whole. Many of them are surprised and confused about the Federal financing portions, and when this is explained to them, they do not support it.

Oddly enough, this bill is less severe on the PAC's than the bill presented in the committee. The bill I signed on and others signed on, the original S. 2, said that a PAC can give only $3,000 to a candidate. Now, through some sleight of hand, when the bill emerged from the committee, it did not say there is a limitation of $3,000 that a PAC can give to a candidate. Suddenly, it went up to $5,000. That is totally inexplicable and certainly cannot be understood by those folks who wrote to me and are in support of this legislation—at least from my State.

So, one of the things we will seek to do is to cut back the contribution that a PAC can make to an individual candidate.

Mr. President, although I signed on originally on this measure and in this instance I voted for cloture, I am not going to go willy-nilly with this legislation regardless of what course it takes.

I just very much hope that we can make some definite improvement through a bipartisan effort. And "bipartisan" means including Members of this side.

I thank the Chair.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

COMPLIANCE WITH WAR POWERS RESOLUTION IN THE PERSIAN GULF

Mr. HATFIELD. Mr. President, last week I did something I do not do very often: I put a hold on a bill. I put a hold on a resolution which would have required a report from the President on his plans to reflag 11 Kuwaiti oil tankers and to protect them with United States naval escorts.

It is not that I think such a report would be meaningless. It would, in fact, be very useful. But I was concerned—and continue to be concerned—that such a report and the consultations now going on between administration officials would be used as a substitute for the War Powers Resolution.

Mr. President, from all indications, my concern was—and is—justified. The administration certainly has made no secret of its position on the issue.

Several weeks ago, Assistant Secretary of State Richard Murphy told the House Foreign Affairs Committee that:

> The protection accorded by U.S. naval vessels to these U.S. flag tankers transiting international waters or straits does not constitute introduction of our armed forces into a situation where "imminent involvement in hostilities is clearly indicated." The War Powers Resolution is accordingly not implicated by our actions.

Let me repeat that: "The War Powers Resolution is accordingly not implicated by our actions." Despite the fact that almost 30 oil tankers serving Kuwaiti ports have been attacked by Iran since last September, and more than 300 ships have been attacked in the Persian Gulf since 1984, the administration has somehow convinced itself that imminent involvement in hostilities is not clearly indicated. And now the administration is trying to convince Congress.

Mr. President, I am not convinced. In fact, I know that "imminent involvement in hostilities is clearly indicated." And the War Powers Resolution is implicated by United States protection of reflagged Kuwaiti tankers.

So today my friend SENATOR BUMPERS and I send to the desk a bill which would invoke the War Powers Resolution on the day this reflagging agreement goes into effect. We are joined by Senators HARKIN and PELL.

Last week, I joined Senator PELL when he introduced a bill to prohibit the reflagging agreement. My name is on that bill because I believe that the agreement is ill-fated and ill-conceived. I want to be very clear on that point. But if the agreement does go through, I want to make very sure that this Congress has gone on record on the applicability of the War Powers Resolution. If this agreement does go through, the War Powers Resolution does apply. And we ought to say so.

Senator BUMPERS recently posed an interesting—and in this context, vitally important—question to this body. Why, he asked, would the President not invoke the War Powers Resolution in an effort to work with the Congress on this policy? Why? Well, let me answer Senator BUMPERS, I believe the President knows full well that once we take a serious look at this policy, we might discover just how ill-conceived it really is.

The primary purpose of this policy ought to be the protection of the international waters of the Persian Gulf and of the nonbelligerent shipping passing through those waters. If ever there were a time that a multinational peacekeeping force ought to be created, this is it. And if ever there were a time when the members of the United Nations Security Council ought to be working together, this is it. Mr. President, the Kuwaitis did not just turn to us for help. They also turned to the Soviets—and the Soviets have provided three tankers. And now, the Kuwaitis are turning to the Chinese.

But the protection of the international waters of the Persian Gulf is not the primary purpose of this policy. In fact, this reflagging agreement has very little to do with protecting international waters and quite a lot to do with making, in the words of the President, "the Iranians go to bed every night wondering what we are going to do."

Of course, the President does not want Congress to look too carefully at this agreement, at this policy. But it is our responsibility to do so.

Having been here at the time we adopted the War Powers Resolution and knowing intimately the excellent work that went into it by the late Senator Javits of New York, I believe this indeed is a situation that calls for the timeclock to start ticking on the war powers resolution.

It is a pleasure that I introduce this bill at this time on behalf of Senator BUMPERS, Senator PELL, and Senator HARKIN, and myself.

I ask unanimous consent that the text of the bill be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 1343

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Congress finds that the introduction of United States Armed Forces into the Persian Gulf for the escort, protection, or defense of any vessel which has been reregistered under the United States flag and which was owned by the government or nationals of any country bordering the Persian Gulf as of June 1, 1987 requires the transmittal to the Congress, pursuant to section 4(a) of the War Powers Resolution, of the report described in that section.

(b) Notwithstanding any other provision of law, in the event that such report is not so transmitted, the provisions of the War Powers Resolution shall be deemed to apply, beginning 48 hours after the introduction of such forces, as if that report were transmitted within such period.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I am honored to join with my distinguished colleague from Oregon, Senator HATFIELD, on what I think is an extremely important bill, one which this body should carefully consider. First of all, what was the purpose of the War Powers Act? It was to provide that there would be a collective consensus judgment of both the executive branch and the legislative branch before, or as soon as possible after, American forces are introduced into a situation of hostilities or where hostilities are imminent.

I would repeat the same question the Senator from Oregon alluded to a moment ago that I previously asked on the floor of the Senate, and that is: Why would the President have any hesitancy about invoking the War Powers Act? Why—since all the world knows that we are in the process of an agreement to reflag 11 Kuwaiti tankers with the American flag, and with at least some American crewmen aboard; that is no secret—why would the President not want the American people to know what we are doing this for? Why would he not trust Congress enough to engage in a debate to determine whether or not this is sound policy for the United States?

Mr. President, I make a lot of speeches to people and I have a little thing about the three tests for voting for somebody, particularly for President. I would not vote for somebody that does not have a sense of humor, because that indicates, if he does not have a sense of humor, he takes himself too seriously. I would not vote for somebody that I thought had any paranoia or any hangups or did not feel comfortable with him or herself. But, above all, I would not vote for somebody that did not understand history.

I can forgive people for perhaps not having had the opportunity for a college education and, therefore, to learn a lot about history. I can forgive those who have not read Barbara Tuchman's admonition about the march of folly, about which she wrote so well in her book of the same name. I have a difficult time forgiving people who have lived through history and did not even learn when they were participating in it, or at least when they were close observers.

Twelve years after the most debilitating war in the history of this country—Vietnam—entered into after the strongest admonition from General Eisenhower of "Don't get involved in a land war in Asia," and 12 years after that the President wants to get us involved in Nicaragua as though we had never been to Vietnam, and quite frankly, as though 75 percent of the people in this country did not oppose the policy.

Fifteen years to the month after Watergate, we are seeing these hearings day after day of people who found ideology more important than the Constitution and the law. The Constitution and the law had to give way to ideology.

My son, who is a pretty good lawyer, asked me this afternoon about the hearings. He said, "Why are you holding these? Why aren't these turned over to the prosecuting attorney for grand jury deliberations?"

I said, "That is not an easy question to answer. But the only thing I can tell you is it is good for the American people to know what happened, and the only way they can know is for it to be exposed on public broadcasting and all the networks for all the country to see."

And, you know, this country invariably gets in trouble when we do not have a full-fledged debate on these issues. Let me ask all of my colleagues, do you have any doubt about whether or not there are going to be hostilities if we flag 11 Kuwaiti tankers? Can you have one scintilla of doubt as to whether or not one of those tankers is going to be attacked?

The answer is no, you cannot.

The more difficult question is, if I asked my 99 colleagues, what our response to that is going to be, not one single one can answer.

Are we going to launch a preemptive strike and take out the Silkworms, the antiship missiles that the Iranians have bought from the Chinese? And, if we do launch that preemptive strike, does anybody have any question as to where that is going to lead? Now, we may come out OK, but there is certainly going to be an escalation of hostilities if we do that.

The next question is: In response to their response, are we going to bomb Teheran? And if we do, and three or four American planes are shot down in Iran and they start parading the POW pilots around on the squares of Teheran, where do we go from there?

Why is it not appropriate for the President to invoke the War Powers Act and let us debate what many consider to be an ill-conceived policy which we are taking?

I am not sure what the President had in mind when he agreed to the reflagging. Some say it is because the Soviets agreed to flag three Kuwaiti ships and we do not want the Soviets involved in the Persian Gulf. That is not terribly compelling to me, but I am just talking about what may have been on the President's mind.

The conventional wisdom around here is that we are backing into this thing because the Soviets agreed to lease three tankers to Iran. Nobody has the response. Nobody knows what the response is going to be in the case of 100 different possibilities.

One man the other day gave me this rationale; he said, "If we had never sold weapons to the Iranians so that the moderate Arabs of the region couldn't lay it on us, so to speak, we wouldn't even consider this. But one way to cleanse our skirts and to absolve ourselves of blame for selling weapons to Iran is to now prove that we are really on the side of Iraq. Make no mistake about it, we are taking sides in the war when we got involved in this. We are taking the side of the Iraqis, and, in this Senator's humble opinion, the Kuwaitis, for whom I have the utmost respect, have very skillfully played the United States and the Soviet Union against each other and that is the reason we are about to get involved.

But, to get on, it was his idea that, if we did this it would give us enough clout with the Iraqis to say to them, "Let's stop the sea war in the Persian Gulf."

It was also his belief that the Iranians would welcome that because so far the Iraqis have been more successful in launching attacks against vessels in the Persian Gulf than have the Iranians.

He thinks it would be a welcome gesture to the Iranians because they are still shipping virtually all of their oil through the Persian Gulf and the Iraqis are shipping none.

So it is Iranian oil that is at risk; not Iraqi oil. You know they have just opened up, I believe, the new 800,000-barrel pipeline. It is not the Iraqi ships or tankers that are going to Iraqi ports that are under attack.

While I am at it, let me make one other point: Kuwait, in the 7 years of that war, has suffered less than $10 million of damage to their entire tanker fleet. That figure is about one-half of 1 day's oil sales from Kuwait.

So it is difficult for me to believe that the Kuwaitis want us in there to save their tanker fleet because their tanker fleet has virtually suffered not a scratch since that war began.

One would believe that Kuwait, which has a legitimate, deepseated fear of Iran winning that war, wants us there because they believe that we and the Soviet Union, the two superpowers there, can bring an end to that war and give them some sense of security.

You can look through any of those explanations as to why they want us there and why the President wants us there. But my point is this: That is a war zone. The Persian Gulf is a war zone.

Mr. President, I ask unanimous consent that a Congressional Research Service study of the ship attacks in the Persian Gulf from 1981 to 1987 be inserted in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BUMPERS. Iraq has launched 70 percent of all the attacks. They have attacked 219 ships and the Iranians have attacked 95. That is a total of 314 ships that have been attacked since that war began; 70 percent of them by Iraq and 30 percent by Iran. And so far in 1987, Iran is catching up with Iraq in the percentages.

Maybe the rationale that a gentleman used to say that, if we could convince the Iraqis to stop the sea war, the Iranians would welcome that has some merit, for all the reasons I have just mentioned. But I want to reemphasize, that is a war zone. Shooting is taking place. Shooting is going to continue to take place. And the fact that the United States has 2 more or 3 more warships in that gulf, on top of the 6 already there, and the fact that 11 Kuwaiti tankers are carrying American flags is a guarantee that we are going to be involved in hostilities.

So, I would say to President Reagan, Mr. President, please, cooperate with the Congress. We have as much concern about the security of the United States and the security of oil in the Persian Gulf as you do. We are entitled to know what we are headed into.

The Gulf of Tonkin resolution looked so simple on its face. My predecessor in the Senate, who handled that resolution on the floor of the Senate, said time after time the one great regret of his life was handling the Gulf of Tonkin resolution. As I recall, maybe one, two, or three votes were cast against it. I know what the herd instinct is like here. Once an American ship or even a Kuwaiti tanker with an American flag goes to the bottom, I can tell you what is going to happen here: The American people will demand it; they will demand a very drastic response and hostilities will escalate.

So let us determine as a body: Is it worth it? Do we really know what we are getting into?

So, Mr. President, I plead with you to make us a partner as was intended under the War Powers Act and to notify us if you refuse to do that. This resolution says the War Powers Act will automatically be invoked within 48 hours if the President does not do it on his own. That is Congress asserting its authority and saying: If we are going to spend the money for this venture, if we are going to risk additional American troops in the Persian Gulf, and their lives, we want to know on the front end what is at stake.

So I am pleased to join with my distinguished colleague, Senator HATFIELD, in what I think is a fairly momentous resolution that needs to be debated by this body.

I yield the floor.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I rise merely to say how glad I am that the Senator from Oregon [Mr. HATFIELD] has introduced this resolution. If ever there was a situation that Senator Javits, Senator Eagleton and others who are so responsible for the war powers resolution, had in mind when that legislation was introduced in the past, it was a situation similar to the one in which we now find ourselves.

Obviously, there are hostilities involved in that part of the world. We know the number of attacks that have been made on vessels already. We know what happened to our own U.S.S. *Stark*, where we lost over 30 people. And it is obviously a question of judgment. Was it a month ago we should have invoked the war powers resolution or will we have to wait another month or 2 months? And what is particularly disturbing in connection with the flagging of these vessels is that the Kuwaitis are using the American flag, the Old Stars and Stripes, Old Glory, as a flag of convenience for them because those vessels are owned by the Kuwaitis and they are using us as a convenience so they will not be as likely to be attacked.

EXHIBIT 1

SHIP ATTACKS IN THE PERSIAN GULF, 1981–MAY 1987

Year	Nation launching attack		Yearly total
	Iraq	Iran	
1981	5	0	5
1982	22		22
1983	16		16
1984	53	18	71
1985	33	14	47
1986	66	41	107
1987 (January–May)	24	22	46
Total	219	95	314
Percentage	70	30	

Source: New York Times, May 22, 1987: A10, cite Lloyd's Shipping Intelligence Unit.

On the other hand, American-owned or American-chartered vessels, which carry other flags of convenience, be they Honduran or Liberian or Panamanian, they will not have the same protection that the Kuwaiti-owned vessels will.

So we are in the analogous situation where vessels owned by the Kuwaitis will get American protection whereas vessels owned or chartered by American interests will not get that same protection. That is another reason why we should not move ahead with the flagging of our vessels.

Speaking here also as a retired Coast Guard Reserve captain, the methods used to permit this flagging are such that it would remove the whole purpose of the various provisions for safety of life at sea contained in the Merchant Marine Act of 1936, the Communications Act of 1934 and the like that have been required to be passed before an American vessel can carry an American flag. Or before any vessel can carry an American flag.

The normal standard of water tight compartmentization, of mandating safety of life at sea, lifeboats, life rafts, all of these things are pretty stringent and in order for the Kuwaitis to meet them there is going to have to be waiver after waiver by the Coast Guard as directed by the administration. I think this, too, would be an error.

So, in summation, hurrah for Senator HATFIELD in introducing this amendment.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the Senator from Hawaii, Senator MATSUNAGA, be listed as an additional cosponsor for this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I would like to thank the Senator from Arkansas, Senator BUMPERS, for his very profound remarks about the situation in the Persian Gulf and to also express my deep appreciation to the chairman of the Senate Foreign Relations Committee, Mr. PELL, for his cosponsorship.

Mr. President, this resolution is introduced in a very, very serious timeframe.

The Senator from Rhode Island [Mr. PELL] last week introduced a resolution to prohibit the reflagging of these Kuwaiti ships and I was honored to cosponsor, as I indicated in my remarks today, that resolution with him.

I would strongly urge the Senator from Rhode Island, the chairman of the Senate Foreign Relations Committee, Mr. PELL, to have a committee hearing on these resolutions. We are really living by the hour on this particular policy, and we must act quickly.

I think it is very, very important that we put whatever congressional action we plan to take into motion as quickly as possible.

So I again not only thank the Senator from Rhode Island, but also urge him to have a hearing or have some disposition on both these resolutions just as soon as he possibly can schedule it in the Senate Foreign Relations Committee.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. MATSUNAGA. Mr. President, I am indeed pleased to join with the Senator from Oregon, the Senator from Rhode Island, the Senator from Arkansas, and the Senator from Iowa in the bill.

I believe that what needs to be done in the Persian Gulf area is to bring the warring parties together to the negotiating table. That is the only way of bringing about peace.

By sending our own warships into the war zone, we are only inviting disaster which will lead to our involvement in that war and on a scale unprecedented in history.

So, Mr. President, I only hope that the President will see the concerns expressed here on the floor and will definitely do as the bill asks him to do.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ROCKEFELLER). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of February 3, 1987, the Secretary of the Senate on June 5, 1987, during the adjournment of the Senate, received a message from the President of the United States, transmitting a nomination, which was referred to the Committee on Commerce, Science, and Transportation.

(The nomination received on June 5, 1987, is printed at the end of the Senate proceedings.)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Under the authority of the order of the Senate of February 3, 1987, the Secretary of the Senate, on June 8, 1987, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bill and joint resolution:

H.R. 1947. An act to amend title 5, United States Code, to provide enhanced retirement credit for United States magistrates; and

H.J. Res. 283. Joint resolution recognizing the service and contributions of the Honorable Wilbur J. Cohen.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The President pro tempore (Mr. STENNIS) reported that on today, June 9, 1987, he had signed the following enrolled bill and joint resolution previously signed by the Speaker of the House of Representatives:

H.R. 1947. An act to amend title 5, United States Code, to provide enhanced retirement credit for United States magistrates; and

H.J. Res. 283. Joint resolution recognizing the service and contributions of the Honorable Wilbur J. Cohen.

MESSAGES FROM THE HOUSE

At 11:03 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2160. An act to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1988, and for other purposes; and

H.R. 2355. An act to authorize appropriations for environmental research, development, and demonstration for the fiscal years 1988 and 1989, and for other purposes.

At 2:01 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House disagrees to the amendments of the Senate to the bill (H.R. 1827) making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. WHITTEN, Mr. BOLAND, Mr. NATCHER, Mr. SMITH of Iowa, Mr. YATES, Mr. OBEY, Mr. ROYBAL, Mr. BEVILL, Mr. CHAPPELL, Mr. LEHMAN of Florida, Mr. DIXON, Mr. FAZIO, Mr. HEFNER, Mr. CONTE, Mr. MCDADE, Mr. COUGHLIN, Mr. REGULA, Mrs. SMITH of Nebraska, Mr. EDWARDS of Oklahoma, Mr. GREEN, and Mr. ROGERS.

The message also announced that the House has passed the following bill, without amendment:

S. 626. An act to prohibit the imposition of an entrance fee at the Statue of Liberty National Monument, and for other purposes.

The message further announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 1522. An act to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974;

H.R. 1612. An act to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1988, 1989, and 1990;

H.R. 2243. An act to designate the Federal Building located at 10 Causeway Street, Boston, Massachusetts, as the "Thomas P. O'Neill, Jr., Federal Building"; and

H.J. Res. 90. Joint resolution to authorize and request the President to call and conduct a White House Conference on Library and Information Services to be held not earlier than September 1, 1989, and not later than September 30, 1991, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

S. 742. An act to clarify the congressional intent concerning, and to codify, certain requirements of the Communications Act of 1934 that ensure that broadcasters afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

The enrolled bill was subsequently signed by the President pro tempore [Mr. STENNIS].

MEASURES REFERRED

The following bills and joint resolution were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1522. An act to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974; to the Committee on Commerce, Science, and Transportation.

H.R. 1612. An act to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1988, 1989, and 1990; to the Committee on Commerce, Science, and Transportation.

H.R. 2355. An act to authorize appropriations for environmental research, development, and demonstration for the fiscal years 1988 and 1989, and for other purposes; to the Committee on Environment and Public Works.

H.J. Res. 90. Joint resolution to authorize and request the President to call and conduct a White House Conference on Library and Information Services to be held not earlier than September 1, 1989, and not later than September 30, 1991, and for other purposes; to the Committee on Labor and Human Resources.

MEASURES PLACED ON THE CALENDAR

The following bills were read the first and second times by unanimous consent, and placed on the calendar:

H.R. 2160. An act to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1988, and for other purposes;

H.R. 2243. An act to designate the Federal Building located at 10 Causeway Street, Boston, Massachusetts, as the "Thomas P. O'Neill, Jr., Federal Building";

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1344. A communication from the Assistant Secretary of Health and Human Services transmitting, pursuant to law, a report on an altered Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1345. A communication from the Director of Civilian Personnel of the Uniformed Services University of the Health Sciences transmitting, pursuant to law, the 1986 pension report for the University; to the Committee on Governmental Affairs.

EC-1346. A communication from the Executive Director of the National Mediation Board transmitting, pursuant to law, the Board's 1986 Government in the Sunshine report; to the Committee on Governmental Affairs.

EC-1347. A communication from the Secretary of the U.S. Postal Rate Commission transmitting, pursuant to law, and opinion and recommended decision of the Commission relative to extension of collect on delivery services, 1987; to the Committee on Governmental Affairs.

EC-1348. A communication from the Chairman of the Nuclear Regulatory Commission transmitting, pursuant to law, the Commission's 1986 Government in the Sunshine report; to the Committee on Governmental Affairs.

EC-1349. A communication from the Special Counsel of the Merit Systems Protection Board transmitting, pursuant to law, a report on the findings and conclusion of an investigation into allegations of mismanagement of the relocation of the Northern California Agency, Bureau of Indian Affairs; to the Committee on Governmental Affairs.

EC-1350. A communication from the USPS Records Officer, U.S. Postal Service, transmitting, pursuant to law, a report on a computer matching program between the Postal Service and the Alaska Department of Revenue; to the Committee on Governmental Affairs.

EC-1351. A communication from the Acting Director of the Central Intelligence Agency transmitting a draft of proposed legislation to authorize intelligence appropriations for fiscal years 1988 and 1989; to the Select Committee on Intelligence.

EC-1352. A communication from the Comptroller General of the U.S. transmitting, pursuant to law, a report entitled "INS Pre-Inspection—Trial Program at Shannon International Airport"; to the Committee on the Judiciary.

EC-1353. A communication from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, a copy of the I-9 Verification Document and the Employer Handbook; to the Committee on the Judiciary.

EC-1354. A communication from the Assistant Secretary of Health and Human Services transmitting, pursuant to law, a summary of accomplishments of the Department for 1986; to the Committee on Labor and Human Resources.

EC-1355. A communication from the Chairman of the National Commission on Libraries and Information Science transmitting, pursuant to law, the annual report of the Commission for fiscal year 1986; to the Committee on Labor and Human Resources.

EC-1356. A communication from the Chairman of the Federal Election Commission transmitting, pursuant to law, proposed regulations governing public financing of Presidential primary and general election candidates; to the Committee on Rules and Administration.

EC-1357. A communication from the Architect of the Capitol transmitting, pursuant to law, his report on expenditures during October 1, 1986 through March 31, 1987; to the Committee on Appropriations.

EC-1358. A communication from the Director of the Office of Civilian Radioactive Waste Management, DOE, transmitting, pursuant to law, a report on the Department's negotiations for agreements regarding sites for nuclear waste repositories; to the Committee on Energy and Natural Resources.

EC-1359. A communication from the Deputy Associate Director, Minerals Management Service, transmitting, pursuant to law, a report on 24 refunds of excess oil and gas royalty payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-1360. A communication from the Secretary of Labor transmitting, pursuant to law, the quarterly report on the expenditure and need for worker adjustment assistance training funds under the Trade Act of 1974; to the Committee on Finance.

EC-1361. A communication from the Secretary of Health and Human Services transmitting a draft of proposed legislation to amend the Social Security Act and related laws; to the Committee on Finance.

EC-1362. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report on additional benefits provided by HMO's under risk-sharing contracts; to the Committee on Finance.

EC-1363. A communication from the Secretary of Education transmitting, pursuant to law, the semiannual report of the Inspector General; to the Committee on Governmental Affairs.

EC-1364. A communication from the Inspector General of the Department of Health and Human Services transmitting, pursant to law, the Inspector General's report; to the Committee on Governmental Affairs.

EC-1365. A communication from the Inspector General of the Department of Energy transmitting, pursuant to law, the Inspector General's report; to the Committee on Governmental Affairs.

EC-1366. A communication from the Secretary of Education transmitting a draft of proposed legislation entitled "Income Contingent Loan Amendments of 1987"; to the Committee on Labor and Human Resources.

EC-1367. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a confidential report on a foreign military assistance sale to Saudi Arabia; to the Committee on Armed Services.

EC-1368. A communication from the Assistant Secretary of the Air Force transmitting a draft of proposed legislation to authorize recoupment of stipends paid to certain program participants who fail to complete required active duty; to the Committee on Armed Services.

EC-1369. A communication from the Assistant Secretary of the Army transmitting a draft of proposed legislation to provide transportation for family members of seriously ill or injured members of the Uniformed Services; to the Committee on Armed Services.

EC-1370. A communication from the Secretary of Commerce transmitting a draft of proposed legislation to promote marine fisheries conservation programs; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under the authority of the order of the Senate of June 5, 1987, the following reports of committees were submitted during the adjournment of the Senate:

On June 5, 1987:

By Mr. PELL, from the Committee on Foreign Relations, without amendment:

S.J. Res. 128. Joint resolution prohibiting the sale to Honduras of certain defense articles and related defense services (with additional views) (Rept. No. 100-63).

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 557. A bill to restore the broad scope of coverage and to clarify the application of title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and title VI of the Civil Rights Act of 1964 (with majority views) (Rept. No. 100-64).

On June 8, 1987:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

S. 640. A bill for the relief of the city of Dickinson, ND.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 442. A bill to amend section 914 of title 17, United States Code, regarding certain protective orders (Rept. No. 100-66).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. CHAFEE:

S. 1338. A bill to create a national fund to finance Federal, State, and local efforts to preserve open space; to the Committee on Finance.

By Mr. MOYNIHAN:

S. 1339. A bill to amend the Social Security Act to increase the existing dollar limitation on the total amount of the Federal payments which may be made to Puerto Rico in any fiscal year under the medical program; to the Committee on Finance.

By Mr. PRYOR (for himself, Mr. BOREN, Mr. DURENBERGER, Mr. DASCHLE, Mr. MATSUNAGA, Mr. BAUCUS, Mr. MITCHELL, Mr. RIEGLE, Mr. CHAFEE, Mr. ROCKEFELLER, Mr. DANFORTH, Mr. HEINZ, Mr. LEVIN, Mr. HOLLINGS, Mr. CONRAD, and Mr. EXON):

S. 1340. A bill to provide for computing the amount of the deductions allowed to rural mail carriers for use of their automobiles; to the Committee on Finance.

By Mr. HELMS (for himself and Mr. SANFORD):

S. 1341. A bill to amend the Trade Act of 1974 to promote expansion of international trade with Canada regarding furniture, recreational marine craft, and printed products, and for other purposes; to the Committee on Finance.

By Mr. MATSUNAGA:

S. 1342. A bill to provide for the temporary suspension of duty on certain magnetic video tape; to the Committee on Finance.

By Mr. HATFIELD (for himself, Mr. Bumpers, Mr. Pell, Mr. Harkin, and Mr. Matsunaga):

S. 1343. A bill to require that the use of U.S. Armed Forces to escort, protect, or defend certain reregistered vessels in the Persian Gulf comply with the War Power Resolution; to the Committee on Foreign Relations.

By Mr. SASSER (for himself, Mr. Bumpers, Mr. Weicker, Mr. Boren, and Mr. Kerry):

S. 1344. A bill to amend the Small Business Act to enhance the ability of small businesses to compete for international export markets, and for other purposes; to the Committee on Small Business.

By Mr. McCONNELL (for himself, Mr. Ford, Mr. Graham, Mr. Chiles, Mr. Pryor, Mr. Boren, and Mr. Breaux):

S. 1345. A bill to allow the National Association of State Racing Commissioners, State racing commissions and regulatory authorities that regulate parimutuel wagering to receive and share Federal Government criminal identification records; to the Committee on the Judiciary.

By Mr. MATSUNAGA (for himself, Mr. Dodd, Mr. Metzenbaum, Mr. Pell, Mr. Stafford, Mr. Adams, Mr. Bumpers, Mr. Levin, Mr. Simon, Mr. Inouye, Mr. Burdick, Mr. Byrd, and Mr. Rockefeller):

S. 1346. A bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such Act to employers and employees in similarly situated industries, to give employers and performers in the performing arts the same rights given by section 8(f) of such Act to employers and employees in the construction industry, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. SIMON (for himself, Mr. Wallop, Mr. Dixon, Mr. Cranston, Mr. Gore, Mr. Stennis, and Mr. Exon):

S. 1347. A bill to facilitate implementation of the 1980 Hague Convention on the Civil Aspects of International Child Abduction, and for other purposes; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHAFEE:

S. 1338. A bill to create a national fund to finance Federal, State, and local efforts to preserve open space; to the Committee on Finance.

OUTDOOR AMERICA CONSERVATION FUND ACT

Mr. CHAFEE. Mr. President, earlier this year, the President's Commission on Americans Outdoors completed a massive study on outdoor recreation and issued a thoughtful, well-documented report. Included in that report were a number of recommendations for policies and programs to assure adequate outdoor recreation opportunities for Americans in the next century. Some of those recommendations coincide with proposals and ideas that I have favored for many years.

The central feature of that report and of the bill I am introducing today is the creation of a dedicated, national fund to finance the acquisition of open space at the rate of $1 billion per year.

There should be no mistake about what I am proposing here. We are embarking on a course of action that will launch one of the most significant and ambitious environmental initiatives in many years.

Some people think the Presidential Commission's report is only about recreational opportunities. I think it is about more than that. It is about an issue that has yet to receive a great deal of national attention, but one which I am convinced will grow in importance with each passing year—the systematic destruction of open space in our Nation.

All across our country, even in the wild wide-open West, open space is threatened by urbanization, improper planning, and unsound development. Such destructive activities often adversely affect the quality of our waterways and our quality of life.

No one seems to know exactly how much farmland, rangeland, pastureland, and forest is developed in this country each year. When I asked the Library of Congress if it could come up with some statistics, the best they could do—and the figures are a decade out of date—was to cite a report of the Conservation Foundation which found that through most of the 1970's, we were losing 3 million acres a year of open space to urban development. The figure is probably higher today. It isn't that our population is growing so fast; rather, it is the moving around, the redistribution of that population.

Every now and then you hear about individuals or small groups who are fighting to preserve a 20-acre patch of woods and field here or a 2-acre pond there. These people face incredible obstacles. The problem is that the deck has been stacked against them. What I want is to reshuffle the cards so that they come out a little more evenly. Maybe we can manage to stack the deck in favor of saving open space.

Now, how do we do this? In the words of the President's Commission, we "lead a crusade"—we ignite "a new prairie fire of concern and investment, community by community, that can keep our outdoors great". The time has come to begin a national campaign for a dedicated Federal fund to help States and local communities purchase open space and to help finance outdoor recreational facilities for our growing population.

My proposal is to create the Outdoor American Conservation Fund. A $1 billion per year permanent fund that will be distributed as follows: 40 percent to the Federal Government; 55 percent to State governments, with half of that going to local governments and land trusts; and up to 5 percent to a new National Endowment for the Preservation of Open Space.

State conservation councils will work with the endowment to identify State and local priorities. The endowment is modeled after the National Endowment for the Arts and is designed to challenge the private sector—through a system of matching grants—to become more active in conservation programs.

Of the $80 billion in private funds that were given to various charities last year, only 1 percent went to conservation groups, while 4 percent went to the arts. I am certainly not denigrating the arts, but we should be able to do better than 1 percent for the environment. Using 5 percent of the dedicated national fund to help spur private activity in this area would be a very worthwhile use of the money.

The 40-percent Federal share of the national fund will be used to purchase open space and to reduce the $2 to $3 billion backlog of already authorized acquisition projects for national parks, wildlife refuges, wetlands, and other nationally significant resources.

It is important that States and local governments contribute a significant portion of the resources for acquisition. Under my proposal, the State and local portion of the fund will be distributed to the States and, for acquisition projects, will require a 50-percent match by the State, local governments, and land trusts unless the proposal is to acquire an area deemed to be an area of national significance, in which case the Federal grant will be for 75 percent of the projects' cost. Other State and local projects, such as those to improve or rehabilitate outdoor recreation facilities, will be eligible for a Federal grant of up to 35 percent of the projects' total cost.

Many States and local governments are already spending significant amounts of money on open space. My own State of Rhode Island has approved several bond issues to acquire land and to purchase development rights to protect farmland. Additional proposals for new bond issues are pending right now. These resources could be used to meet the requirements that money from the national fund be matched.

What are some of the key elements of this new program?

First, outdoor recreation would be a strong component of the program. From swimming, boating, and camping to nature trails and cross-country skiing, opportunities for our families to get away from the pressures of urban and suburban life are important. The concept of open space is just that: these resources must be kept open for the pleasure and enjoyment of all Americans. We will have defeated our purpose if these resources are not accessible to all. Acquisitions for access to our beaches, rivers, and mountains will be an important part of this program.

Second, preservation of resources to protect our drinking water as well as to protect our fish and wildlife are equally important goals. Our wetlands, which help purify our water and which nourish wildlife and waterfowl, are being filled and dredged at an alarming rate. Similarly, in some parts of the country, fragile rangeland is disappearing. Furthermore, unrestricted development around watersheds causes pollution of our drinking water supplies. We need to halt the destruction of these resources and preserve them for the future. This can be done by acquiring easement in watersheds, wetlands, and other areas.

Third, in addition to preserving existing open space—which is primarily located in rural areas—one of our goals should be the creation of new open space in areas where it does not now exist. For example, cities might well contribute old and abandoned buildings that have no historic significance and are in blighted urban areas. Money from the national fund could be used to demolish them and turn the land into new and inviting parks, playgrounds, and basketball courts. I envision a whole new series of urban parks and greenways.

My bill relies on the concept of a dedicated national fund, meaning a fund that cannot be used for other purposes. There are, of course, abundant precedents for such funds at the Federal level. Social Security and the Highway Trust Fund are two of the best-known examples.

Critics might note that Congress created the land and water conservation fund back in 1965 for many of the purposes outlined here today, using money from oil and natural gas royalties from Federal off-shore energy leases. Sadly, the reality has never lived up to the promise. The land and water conservation fund is authorized to receive up to $900 million a year in energy royalties. Unfortunately, those moneys do not flow automatically to the fund. Congress must go through the steps of appropriating the money. Regrettably, Congress only appropriated $188 million this year—a far cry from $900 million.

In an era of astronomical budget deficits, the biggest problem we face is financing a new "dedicated" fund to which the money will go without any action by Congress. To do the job right, I believe we need a fund offering as much as $1 billion a year. We're never going to get that out of general revenues.

How do we raise the $1 billion a year?

First, we take $300 million per year from Outer Continental Shelf oil and gas-leasing revenues. This represents close to the average amount that Congress has appropriated from the land and water conservation fund in recent years for land acquisition and outdoor recreation. A significant OCS contribution to the new fund is in keeping with the philosophy behind the original LWCF—as we deplete our nonrenewable resource base, a portion of the revenue should be reinvested to permanently protect other public resources.

Second, $200 million per year will come from issuance of new, conservation bonds that will be available for purchase by large as well as small investors. This is designed, in part, to encourage wide-spread, grassroots participation in this new effort.

Third, $500 million per year can be raised with real estate transfer tax of 2½ percent on major real estate transactions. By "major transactions" I mean those over $5 million. The goal here is not to affect homeowners or small businesses. Only those who exchange property worth over $5 million would pay the tax. I might also point out that the proposed tax is based on preliminary figures and may very well be revised downward as we review the data.

While the concept of a national trust fund to preserve open space will obviously attract the enthusiastic support of environmentalists, I hope that other groups will see its merit and join the crusade. Landscape architects know the value to a community of well-planned parks. City planners, beset with urban congestion, should welcome the opportunity to provide outdoor recreation facilities for their communities. Since open space provides new opportunities for athletic activities, which promote health, I would hope the medical profession would lend its endorsement.

I am concerned this effort will be opposed by many large-scale developers. I fervently hope that does not happen. Those who make their living in land development should recognize that well-designed parks, recreation facilities and open space add an appealing dimension to their own projects and the communities in which they reside.

Those who care about open space, the preservation of wetlands and the need to curb urban and suburban sprawl—in short, all who care about the environmental quality of our lives—must take this case to the public before we discover that only asphalt and concrete remain.

Economic prosperity involves more than development. It involves the intangibles that enhance our lives and give them breadth and depth beyond the pressures and frustrations of our daily existence.

The ability to enjoy the serenity of a silent meadow, to walk alone through untrammeled woodland, to experience the beauty of a tidal marsh at sunrise—these are the things that give fullness to the lives we lead in a hurried and harried age. It's what is often called quality of life.

If we act soon, future generations will look back and thank us for our foresight.

If we fail to act—if we let this opportunity pass us by—the quality of life available to our children and grandchildren will be lessened and they will wonder at our selfishness in squandering resources that brightened the lives of earlier generations.

What I am proposing will not happen by itself. It will become a reality only when public pressure is created and Congress can no longer avoid the issue. This is a challenge to the public and to those of us in the Congress.

I urge my colleagues to support this legislation and join me in meeting the challenge.

Mr. President, I ask unanimous consent that a summary of the bill and the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1338

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Outdoor American Conservation Fund Act of 1987."

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the United States is losing open space, including watersheds, urban parks, wetlands, fragile coastal areas, farmlands, forests and other natural areas (including public access to such areas) at an alarming pace;

(2) open space in both rural and urban areas are threatened by urbanization, improper planning and unsound development;

(3) improper planning and unsound development can adversely affect the quality of our waterways, as well as our quality of life;

(4) local communities and land trusts need additional public and private assistance to preserve open space;

(5) existing Federal and State programs to preserve open space are inadequate to protect these important areas;

(6) prompt action is required to preserve open space; and

(7) an assured, adequate source of funding is needed to support a viable land preservation progam.

(b) PURPOSE.—The purpose of this Act is to create a dedicated national fund to finance, at the rate of $1 billion per annum, Federal, State and local efforts to preserve open space through the purchase, improvement, rehabilitation and creation of urban and rural open space.

SEC. 3. CREATION OF OUTDOOR AMERICA CONSERVATION FUND.

(a) CREATION OF FUND.—(1) There is created in the Treasury of the United States a separate account to be known as the "Outdoor America Conservation Fund" (hereinafter referred to as the "Fund").

(2) The trustee of the Fund shall be the Secretary of the Treasury.

(b) TRANSFERS TO FUND.—There shall be deposited in the Fund—

(1) amounts equivalent to the taxes received in the Treasury pursuant to section 4691 of the Internal Revenue Code of 1986,

relating to the tax on documents of real property conveyances;

(2) $300,000,000 of the revenues received annually from Outer Continental Shelf oil and gas production and leasing;

(3) any revenue received from the issuance of conservation bonds pursuant to section 3105A of title 31, United States Code; and

(4) if necessary in any fiscal year to reach the sum of $1,000,000,000, any revenues received from any disposal of surplus real property and related property under the Federal Property and Administrative Services Act of 1949, as amended, notwithstanding any provision of law that such proceeds shall be credited to miscellaneous receipts of the Treasury of the United States.

(c) TRANSFER LIMITATION.—If the total deposited in the Fund during a particular fiscal year reaches the sum of $1,000,000,000, the excess over that sum shall be deposited in the general fund of the Treasury of the United States and shall not be part of the Fund.

(d) NO FISCAL YEAR LIMITATION ON EXPENDITURES.—Sums deposited in the Fund shall remain in the Fund and be available for expenditure under this Act without fiscal year limitation.

(e) EXPENDITURES.—Sums deposited into the Fund shall be available, without further appropriation, for the purposes of section 5(b)(1) and section 6 and shall be allocated in accordance with this Act. For the purposes specified in title II of this Act there is authorized to be appropriated from the Fund such sums as may be necessary for the 5-year period beginning on the date of enactment of this Act. In addition, the Secretary of the Treasury shall pay from time to time from the Fund into the general fund of the Treasury of the United States amounts equivalent to amounts paid in interest and amounts necessary to issue, buy, redeem, and make refunds with respect to conservation bonds issued pursuant to section 3105A of title 31, United States Code.

SEC. 4. ALLOCATION OF FUND.

(a) IN GENERAL.—Of the amounts deposited into the Fund during the particular fiscal year—

(1) 40 percent shall be available to the Secretary of the Interior and the Secretary of Agriculture as provided in section (5);

(2) 55 percent shall be available for grants to States (of which not less than fifty percent shall be available for grants to local governmental entities and land trusts) as provided in section (6); and

(3) 5 percent shall be available to the National Endowment for Open Space as established in section 201.

(b) ANNUAL REPORTS.—The Secretary of the Treasury shall notify the Appropriations Committees of the Congress on an annual basis as to the amounts available for allocation within the Fund established pursuant to this Act.

(c) AUTHORITY TO BORROW.—

(1) IN GENERAL.—The Secretary of the Treasury is authorized to deposit into the Fund, as repayable advances, such sums as may be necessary to carry out the purposes of such Fund.

(2) LIMITATION ON AGGREGATE ADVANCES TO FUND.—The maximum aggregate amount of repayable advances to the Fund which is outstanding at any one time shall not exceed an amount which the Secretary of the Treasury estimates will be equal to the sum of the amounts which will be deposited into such Fund under subsection (b) of section 3 of this Act for the following twelve months.

(3) REPAYMENT OF ADVANCES.—Advances made pursuant to this subsection shall be repaid to the general fund of the Treasury when the Secretary of the Treasury determines that moneys are available for such purposes in the Fund.

SEC. 5. FEDERAL PROJECTS.

(a) IN GENERAL.—(1) The funds available under subsection (a)(1) of section (4) shall be used by the Secretary of the Interior and the Secretary of Agriculture for acquisition projects for national parks, wildlife refuges, wetlands, forests and other significant natural resources.

(2) At the time of the submission of the President's budget, each Federal land managing agency eligible to receive moneys from the Fund shall provide the Committee on Appropriations of the United States House of Representatives and the United States Senate with a list, in descending order of priority, of land acquisition projects (hereinafter in this Act referred to as the "priority list").

(3) The priority lists shall be prepared by the Directors of the National Park Service and the Fish and Wildlife Service, Department of the Interior, and the Chief of the Forest Service, United States Department of Agriculture, and shall reflect their best professional judgment regarding the land acquisition priorities of such agency.

(4) In preparing such lists the following factors shall be considered: the amount of money anticipated to be made available in any one year; the availability of land appraisal and other information necessary to complete the acquisition in a timely manner; the potential adverse impacts on the park, wilderness, wildlife refuge or other such unit which might result if the acquisition is not undertaken; and such other factors as the land managers deem appropriate.

(b) ROLE OF APPROPRIATION COMMITTEES.—The Appropriations Committees shall allocate 40 percent of the moneys from the Fund in accordance with the priority lists submitted pursuant to this section unless such lists are specifically modified in appropriation Acts or reports accompanying such Acts.

(c) LIMITATION ON AGENCY ALLOCATION.—In allocating moneys from the Fund among Federal land managing agencies (the Park Service, the Fish and Wildlife Service, and the Forest Service) the Appropriations Committees shall ensure that each agency receives a fair and equitable share in accordance with land acquisition needs and congressional directives, Provided, That no such agency shall receive more than 50 percent of the moneys available for Federal projects from the Fund in any one year.

(d) ALTERNATE ALLOCATION.—In the event that the Appropriations Committees fail to allocate the moneys from the Fund, the Secretary of the Treasury is authorized and directed to make such funds directly available to the land managing agencies to be used solely for land acquisition projects on the respective priority lists in accordance with the following formula:

(i) 40 percent to the National Park Service;

(ii) 40 percent to the Fish and Wildlife Service; and

(iii) 20 percent to the Forest Service.

SEC. 6. STATE ALLOCATIONS.

Except as provided in section 7, funds available under subsection (a)(2) of section (4) shall be allocated to States in accordance with the provisions of section 6 of the Land and Water Conservation Fund Acts of 1965 (16 U.S.C. 4601-8).

SEC. 7. GRANTS TO STATES, LOCAL GOVERNMENTAL ENTITIES AND LAND TRUSTS.

(a) GRANTS TO STATES.—The Secretary of the Interior (hereinafter referred to as the "Secretary") is authorized and directed to provide financial assistance to the States from moneys available under this Act for State purposes. Payments may be made to the States, subject to such terms and conditions as the Secretary considers appropriate and in the public interest to carry out the purposes of this Act, for open space preservation (1) planning, (2) acquisition of land, waters, or interests in land or waters, or (3) creation, improvement and rehabilitation of open space and outdoor recreation.

(b) GRANTS TO LOCAL GOVERNMENTAL ENTITIES AND LAND TRUSTS.—The Secretary is authorized and directed to provide, through the States, financial assistance to local governmental entities and local trusts from moneys available under this Act for local purposes. Payments may be made to the States and by the States to local governmental entities and land trusts, subject to such terms and conditions as the Secretary considers appropriate and in the public interest to carry out the purposes of this Act, for open space preservation (1) planning or (2) acquisition of land, waters, or interests in land or waters.

(c) MATCHING REQUIREMENTS.—(1) Except as provided in paragraph (2), payments of moneys from the Fund shall not cover more than 50 percent of the cost of acquisition projects and not more than 35 percent of the cost of planning or creation, improvement and rehabilitation projects that are undertaken by the State, local governmental entity or land trust. The remaining share of the cost shall be borne by the State, local governmental entity or land trust in a manner and with such funds or services as shall be satisfactory to the Secretary.

(2) Payments of moneys from the Fund for acquisition of areas of national significance shall not cover more than 75 percent of the cost of such acquisition projects.

(d) FISCAL YEAR LIMITATION.—Any sums awarded as part of a grant under this Act that remain unspent at the end of the fiscal year in which such grant is made may be expended for the purpose for which such grant is made at any time during the next succeeding fiscal year, at the end of which year any remaining unobligated sums shall be returned to the Fund.

SEC. 8. AMENDMENTS TO INTERNAL REVENUE CODE OF 1986.

(a) IN GENERAL.—Chapter 38 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new subchapter:

"Subchapter D—Tax on Documents of Real Property Conveyances

"Sec. 4691. Imposition of tax.
"Sec. 4692. Exemptions.
"Sec. 4693. Liability for tax.
"Sec. 4694. Cross reference.

"SEC. 4691. IMPOSITION OF TAX.

"(a) IN GENERAL.—There is hereby imposed, on each deed, instrument, or writing by which any lands, tenements, or other realty sold shall be granted, assigned, transferred, or otherwise conveyed to, or vested in, the purchaser or purchasers, or any other person or persons, by his or their direction, when the consideration or value of the interest or property conveyed exceeds $5,000,000, a tax in an amount equal to 2.5 percent of the consideration or value of such interest or property.

"(b) Related Transactions.—

"(1) In general.—During any 30-day period all deeds, instruments, and writings filed in one jurisdiction of recordation and conveying any interest or realty to the purchaser or related person shall be aggregated for purposes of the limitation described in subsection (a). For purposes of the preceding sentence, no deed, instrument, or writing shall be considered in more than 1 aggregation.

"(2) Related persons.—For purposes of this subsection, a person is a related person to another person if—

"(A) the relationship between such persons would result in a disallowance of losses under section 267 or 707(b), or

"(B) such persons are members of the same controlled group of corporations (as defined in section 1563(a), except that 'more than 50 percent' shall be substituted for 'at least 80 percent' each place it appears therein).

"SEC. 4692. EXEMPTIONS.

"(a) Security for Debt.—The tax imposed by section 4691 shall not apply to any instrument or writing given to secure a debt.

"(b) State and Local Government Conveyances.—No State or Territory, or political subdivision thereof, or the District of Columbia, shall be liable for the tax imposed by section 4691 with respect to any deed, instrument, or writing to which it is a party, and affixing of stamps thereby shall not be deemed payment for the tax, which may be collected by assessment from any other party liable therefor.

"(c) Corporate and Railroad Reorganization.—The tax imposed by section 4691 shall not apply to the making, delivery, or filing of conveyances to make effective any plan or reorganization or adjustment—

"(1) confirmed under title 11, United States Code,

"(2) approved in an equity receivership proceeding in a court involving a railroad corporation, as defined in section 101(33) of title 11, United States Code,

"(3) approved in an equity receivership proceeding in a court involving a corporation, as defined in section 101(8) of title 11, United States Code, or

"(4) whereby a mere change in identity, form, or place of organization is effected,

but only if the making, delivery, or filing of instruments of conveyances occurs within 5 years from the date of such confirmation, approval, or change.

"SEC. 4693. LIABILITY FOR TAX.

"The tax imposed by section 4961 shall be paid by any person who makes, signs, issues, or sells any of the documents and instruments subject to the tax imposed by section 4961, or for whose use or benefit the same are made, signed, issued, or sold. The United States or any agency or instrumentality thereof shall not be liable for the tax with respect to an instrument to which it is a party, and affixing of stamps thereby shall not be deemed payment for the tax, which may be collected by assessment from any other party liable therefor.

"SEC. 4694. CROSS REFERENCE.

"For penalties and other general and administrative provisions applicable to this subchapter, see subtitle F.".

(b) Conforming Amendment.—The table of subchapters for chapter 38 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new item:

"Subchapter D. Tax on documents of real property conveyances.".

SEC. 9. CONSERVATION BONDS.

(a) In General.—Chapter 31 of title 31, United States Code, is amended by inserting after section 3105 the following new section:

"§ 3105A. Conservation bonds

"(a) With the approval of the President, the Secretary of the Treasury may issue conservation bonds of the United States Government in an amount not to exceed $200,000,000 and may buy, redeem, and make refunds under section 311 of this title. Proceeds from the bonds shall be deposited in the Outdoor America Conservation Fund. Conservation bonds may be issued on an interest-bearing basis, on a discount basis, or on a interest-bearing and discount basis. Conservation bonds shall mature not more than 20 years from the date of issue. The difference between the price paid and the amount received on redeeming a conservation bond is interest under the Internal Revenue Code of 1986 (26 U.S.C. 1 et seq.).

"(b)(1) With the approval of the President, the Secretary may—

"(A) fix the investment yield for conservation bonds; and

"(B) change the investment yield on an outstanding conservation bond, except that the yield on a bond for the period held may not be decreased below the minimum yield for the period guaranteed on the date of issue.

"(2) With the approval of the President, the Secretary may prescribe regulations providing that—

"(A) owners of conservation bonds may keep the bonds after maturity or after a period beyond maturity during which the bonds have earned interest and continue to earn interest at rates consistent with paragraph (1) of this subsection; and

"(B) conservation bonds earning a different rate of interest before the regulations are prescribed shall earn a rate of interest consistent with paragraph (1).

"(c) The Secretary may prescribe for conservation bonds issued under this section—

"(1) the form and amount of an issue and series;

"(2) the way in which they will be issued;

"(3) the conditions, including restrictions on transfer, to which they will be subject;

"(4) conditions governing their redemption;

"(5) their sales price and denominations;

"(6) a way to evidence payments for or on account of them; and

"(7) the maximum amount issued in a year that may be held by one person.

"(d) The Secretary may authorize financial institutions to make payments to redeem conservation bonds. A financial institution may be a paying agent only if the institution—

"(1) is incorporated under the laws of the United States, a State, the District of Columbia, or a territory or possession of the United States;

"(2) in the usual course of business accepts, subject to withdrawal, money for deposit or the purchase of shares;

"(3) is under the supervision of a banking authority of the jurisdiction in which it is incorporated;

"(4) has a regular office to do business; and

"(5) is qualified under regulations prescribed by the Secretary in carrying out this subsection.".

(b) Conforming Amendment.—The table of sections of chapter 31 of title 31, United States Code, is amended by inserting after the item relating to section 3105 the following new item:

"3105A. Conservation bonds.".

TITLE II

SEC. 201. NATIONAL ENDOWMENT FOR THE PRESERVATION OF OPEN SPACE.

(a) Establishment.—There is established a National Endowment for the Preservation of Open Space.

(b) Chairperson of the Endowment; Term of Office; Vacancies.—

(1) The Endowment shall be headed by a chairperson, to be known as the Chairperson of the National Endowment for the Preservation of Open Space, who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) The term of office of the Chairperson shall be four years and the Chairperson shall be eligible for reappointment. The provisions of this subsection shall apply to any person appointed to fill a vacancy in the office of Chairperson. Upon expiration of the term of office the Chairperson shall serve until the Chairperson's successor shall have been appointed and shall have qualified.

(c) Correlation and Development of Endowment Programs With Other Federal and Non-Federal Programs; Expenditures of Appropriations.—The Chairperson shall correlate the programs of the National Endowment for the Preservation of Open Space, insofar as practicable, with existing Federal programs and with those undertaken by other public agencies or private groups, and shall develop the programs of the Endowment with due regard to the contribution to the objectives of this Act which can be made by other Federal agencies under existing programs. The Chairperson may enter into interagency agreements to promote or assist with activities of other Federal agencies related to the preservation of open space and outdoor recreation on a reimbursable or nonreimbursable basis, and may use funds authorized to be appropriated for the purpose of this section for the costs of such activities.

(d) Program of Contracts or Grants-in-Aid to Public Agencies and Private Nonprofit Organizations; Limitation on Payments; Authority of Chairperson.—

(1) The Chairperson of the National Endowment for the Preservation of Open Space, with the advice of the National Council on the Preservation of Open Space, is authorized, in accordance with the provisions of this Act, to establish and carry out a program of contracts with, or grants-in-aid to, public agencies and private nonprofit organizations, on a national, State, or local level, for the purpose of strengthening quality for—

(A) enabling conservation and outdoor recreation organizations and institutions to increase the levels of continuing support and to increase the range of contributors to the programs of such organizations or institutions;

(B) providing administrative and management improvements for conservation and outdoor recreation organizations and insitutions, particularly in the field of long-range financial planning;

(C) enabling conservation and outdoor recreation organizations and institutions to increase citizen participation in, and appreciation of, programs sponsored by such organizations and institutions;

(D) providing additional support for cooperative efforts undertaken by State agencies with local groups and local agencies to promote effective conservation and outdoor recreation activity at the State and local level, including—

(i) support of and models for regional, statewide, or local organizations to provide technical assistance to conservation and outdoor recreation organizations and institutions;

(ii) support of and models for professional staffing of conservation and outdoor recreation organizations and for stabilizing and broadening the financial base for conservation and outdoor recreation organizations;

(E) stimulating greater cooperation among conservation and outdoor recreation organizations and institutions especially designed to serve better the communities in which such organizations or institutions are located; and

(F) fostering greater citizen involvement in planning the preservation of open space and outdoor recreation of a community.

(2) The total amount of any payment made under this subsection for a program or project may not exceed 50 percent of the cost of such program or project.

(e) National Information and Data Collection System.—The Chairperson of the National Endowment for the Preservation of Open Space shall, in consultation with State and local agencies, relevant organizations, and relevant Federal agencies, develop a practical system of National information and data collection on the preservation of open space.

SEC. 202. NATIONAL COUNCIL ON THE PRESERVATION OF OPEN SPACE.

(a) Inclusion Within the National Endowment for the Preservation of Open Space.—There shall be within the National Endowment for the Preservation of Open Space, a National Council for the Preservation of Open Space (hereinafter in this section referred to as the "Council").

(b) Appointment and Composition of Council.—The Council shall be composed of the Chairperson of the National Endowment for the Preservation of Open Space, who shall be Chairperson of the Council, and twenty-six other members appointed by the President, by and with the advice and consent of the Senate, who shall be selected—

(1) from among private citizens of the United States who (A) are widely recognized for their broad knowledge of, or expertise in, or for their profound interest in, the preservation of open space and outdoor recreation and (B) have established records of distinguished service, or achieved eminence, in the preservation of open space and outdoor recreation;

(2) so as to include practicing conservationists, civic cultural leaders, members of the environmental conservation and outdoor recreation professions and others who are professionally engaged in the preservation of open space and outdoor recreation; and

(3) so as collectively to provide an appropriate distribution of membership among the major environmental conservation and outdoor recreation fields.

The President is requested, in the making of such appointments, to give consideration to such recommendations as may, from time to time, be submitted to the President by leading national organizations in these fields. In making such appointments, the President shall give due regard to equitable representation of women, minorities, and individuals with disabilities who are involved in the preservation of open space and outdoor recreation.

(c) Terms of Office; Vacancies.—Each member shall hold office for a term of six years, and the terms of office shall be staggered. The terms of office of all Council memberts shall expire on the third day of September in the year of expiration. No member shall be eligible for reappointment during the two-year period following the expiration of such member's term. Any member appointed to fill a vacancy shall serve for the remainder of the term for which such member's predecessor was appointed. Notwithstanding any other provision of this subsection, a member shall serve after the expiration of such member's term until such member's successor takes office.

(d) Meetings of Council; Quorum.—The Council shall meet at the call of the Chairperson but not less often than twice during each calendar year. Fourteen members of the Council shall constitute a quorum.

(e) Compensation of Members.—Members shall receive compensation at a rate to be fixed by the Chairperson but not to exceed the per diem equivalent of the rate authorized for grade GS-18 by section 5332 of title 5 United States Code, and be allowed travel expenses including per diem in lieu of subsistence, as authorized by law (section 5703 of title 5, United States Code) for persons in the Government service employed intermittently.

(f) Advisory Functions; Policies, Programs, and Procedures; Review of Applications for Financial Assistance; Recommendations Prerequisite to Action of Chairperson; Unilateral Action by Chairperson Pursuant to Delegation of Authority.—The Council shall (1) advise the Chairperson with respect to policies, programs, and procedures for carrying out the Chairperson's functions, duties, or responsibilities under this title, and (2) review applications for financial assistance under this title, and make recommendations thereon to the Chairperson. The Chairperson shall not approve or disapprove any such application until the Chairperson has received the recommendation of the Council on such application, unless the Council fails to make a recommendation thereon within a reasonable time. In the case of an application involving $30,000 or less, the Chairperson may approve or disapprove such request if such action is taken pursuant to the terms of a delegation of authority from the Council to the Chairperson, and provided that each such action by the Chairperson shall be reviewed by the Council; Provided, That the terms of any such delegation of authority shall not permit obligations for expenditure of funds under such delegation for any fiscal year which exceed an amount equal to 10 percent of the sums appropriated for that fiscal year pursuant to section 203(d) of this Act.

SEC. 203. ADMINISTRATIVE PROVISIONS.

(a) General Authority of the Chairperson; Transfers for Tax Purposes; Recommendations.—In addition to any authorities vested by other provisions of this title, the Chairperson of the National Endowment for the Preservation of Open Space in carrying out the Chairperson's functions, shall have authority—

(1) to prescribe such regulations as the Chairperson deems necessary governing the manner in which the Chairperson's functions shall be carried out;

(2) in the discretion of the Chairperson of the Endowment, after receiving the recommendation of the National Council, to receive money and other property donated, bequeathed, or devised to the Endowment with or without a condition or restriction, including a condition that the Chairperson use other funds of the Endowment for the purposes of the gift, except that a Chairperson may receive a gift without a recommendation from the Council to provide support for any application or project which can be approved without Council recommendation under the provisions of section 202(f) of this title and may receive a gift of $15,000 or less, without Council recommendation in the event the Council fails to provide such recommendation within a reasonable period of time, and to use, sell, or otherwise dispose of such property for the purpose of carrying out section 201(d) of this title;

(3) to appoint employees, subject to the civil service laws, as necessary to carry out the Chairperson's functions, define their duties, and supervise and direct their activities;

(4) to utilize from time to time, as appropriate, experts and consultants, including panels of experts, who may be employed as authorized by 3109 of title 5, United States Code;

(5) to accept and utilize the services of voluntary and uncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code for persons in the Government service employed without compensation;

(6) to make advance, progress, and other payments without regard to the provisions of section 3324(a) and (b) of title 31, United States Code;

(7) to rent office space in the District of Columbia; and

(8) to make other necessary expenditures.

For the purposes of the income tax, gift tax, and estate tax laws of the United States, any money or other property donated, bequeathed, or devised to the Endowment, and received by the Chairperson pursuant to authority derived under this subsection shall be deemed to have been donated, bequeathed, or devised to or for the use of the United States.

(b) Endowment Activities Reports.—The Chairperson of the National Endowment for the Preservation of Open Space shall submit an annual report to the President for transmittal to the Congress on or before the 15th day of April of each year. The report shall summarize the activities of the Endowment for the preceding year, and may include such recommendations as the Chairperson deems appropriate.

(c) Post-Award Evaluation of Assisted Projects, and Programs; Reports; Time for Compliance; Failure To Satisfy Purposes of Assistance.—

(1) The Chairperson of the National Endowment for the Preservation of Open Space shall conduct a post-award evaluation of projects and programs for which financial assistance is provided by the Endowment under section 301(d) of this title. Such evaluation may include an audit to determine the accuracy of the reports required to be submitted by recipients under clauses (i) and (ii) of paragraph (2)(A). As a condition of receiving such financial assistance, a recipient shall comply with the requirements specified in paragraph (2) that are applicable to the project or program for which such financial assistance is received.

(2)(A) The recipient of financial assistance provided by the Endowment shall submit to the Chairperson—

(i) a financial report containing such information as the Chairperson deems necessary to ensure that such financial assistance is expended in accordance with the terms and conditions under which it is provided; and

(ii) a report describing the project or program carried out with such financial assistance.

(B) Such recipient shall comply with the requirements of this paragraph not later than 90 days after the end of the period for which such financial assistance is provided. The Chairperson may extend the 90-day period only if the recipient shows good cause why such an extension should be granted.

(3) If such recipient substantially fails to satisfy the purposes for which such financial assistance is provided and the criteria specified in the last sentence of subsection (a) of this section, as determined by the Chairperson, then such Chairperson may—

(A) for purposes of determining whether to provide any subsequent financial assistance, take into consideration the results of the post-award evaluation conducted under this subsection; and

(B) prohibit the recipient of such financial assistance to use the name of, or in any way associate with the Endowment that provided such financial assistance.

(d) Authorization of Appropriations.—For the purpose of carrying out this title, there are authorized to be appropriated to the National Endowment for the Preservation of Open Space not to exceed $50,000,000 from the Outdoor America Conservation Fund for each of the five fiscal years following enactment of this Act.

Summary of the Outdoor American Conservation Fund Act of 1987

(A bill by Senator John H. Chafee)

Creates a $1 billion per year national fund to finance Federal, State and local efforts to preserve open space. This new dedicated fund will replace the existing Land and Water Conservation Fund, which is not a dedicated fund.

Creates a new National Endowment for the Preservation of Open Space, modeled after the National Endowment for the Arts, to assist public agencies and private nonprofit organizations and to challenge the private sector, through a system of matching grants, to become more active in conservation programs.

Each year:

40% of the fund will be used by the federal government to purchase open space and reduce the backlog of authorized but unacquired lands for national parks, refuges, forests, wetlands, and wilderness areas;

55% of the fund will be distributed to the states for the purchase, improvement, rehabilitation, and creation of urban and rural open space and outdoor recreation;

at least one-half of the funds distributed to the states shall be used for grants to help local governments and land trusts finance projects to preserve open space;

5% of the fund will be available for the new National Endowment for the Preservation of Open Space.

Federal grants for state and local acquisition projects will be for 50% of the projects' total cost, unless the proposal is to acquire an area deemed to be an area of national significance, in which case the federal grant will be for 75% of the cost. Other state and local projects, such as those to improve or rehabilitate outdoor recreation facilities, will be eligible for a federal grant of up to 35% of the projects' total cost.

Key features and goals of the bill include: support for a national grassroots effort to save America's vanishing outdoors; preservation of public access to natural areas such as beaches, rivers and mountains; outdoor recreation; preservation of resources to protect fish and wildlife; and, in addition to preservation of existing open space, the creation of new open space in urban areas where it does not now exist.

The fund will be financed by:

a 2.5% federal tax on land transfers valued at more than $5 million, which is expected to raise $500 million per year;

$300 million per year from Outer Continental Shelf oil and gas production and leasing (this represents the average amount appropriated in recent years from the Land and Water Conservation Fund which currently receives approximately $800 million each year from OCS revenues); and

$200 million per year from the issuance of new, conservation bonds that will be available for purchase by large as well as small investors.

By Mr. MOYNIHAN:

S. 1339. A bill to amend the Social Security Act to increase the existing dollar limitation on the total amount of the Federal payments which may be made to Puerto Rico in any fiscal year under the Medicaid Program; to the Committee on Finance.

INCREASE IN MEDICAID CEILING IN PUERTO RICO

● Mr. MOYNIHAN. Mr. President, approximately 59 percent of Puerto Rico's population, totaling 1.9 million individuals, are Medicaid beneficiaries. In Puerto Rico, Medicaid reimbursement is subject to a strict ceiling on Federal matching payments: a 50-percent reimbursement—the Federal medical assistance percentage—or $63.4 million whichever is lesser. The Federal payment reflects only 22 percent of the total Medicaid expenditures on the island. In 1986 total expenditures for Medicaid exceeded $286 million. The 50 States receive a far greater Federal contribution. The Federal medical assistance percentage [FMAP] ranges from 50 percent for States with the highest per capita income to 83 percent for States with the lowest per capita income. The legislation that I am introducing today will increase the current $63.4 million Medicaid payment ceiling to approximately $84 million in fiscal year 1988, adjusted annually by the increase in the medical care consumer price index [CPI].

These are not large sums. The Medicaid Program on the mainland has increased from $1.6 billion in 1966 to $26.7 billion in 1987, an increase of 1,670 percent. Puerto Rico's experience has been somewhat unique. It was included in the Medicaid Program in January 1966. In 1968 a $20 million cap on the Federal contribution was set. The limit was raised in 1972 to $30 million. The next increase was to $45 million in 1981, and the present cap of $63.4 was set in 1984. Since 1968, the Federal contribution has increased 317 percent, which does not compare favorably to the national trend.

Mr. President, I am speaking of equity in a Federal health care program. Puerto Ricans are U.S. citizens whose services would not be "capped" if they lived on the mainland. We should do more, but this bill is a step in the right direction.●

By Mr. PRYOR (for himself, Mr. BOREN, Mr. DURENBERGER, Mr. DASCHLE, Mr. MATSUNAGA, Mr. BAUCUS, Mr. MITCHELL, Mr. RIEGLE, Mr. CHAFEE, Mr. ROCKEFELLER, Mr. DANFORTH, Mr. HEINZ, Mr. LEVIN, Mr. HOLLINGS, Mr. CONRAD, and Mr. EXON):

S. 1340. A bill to provide for computing the amount of the deductions allowed to rural mail carriers for use of their automobiles; to the Committee on Finance.

RURAL LETTER CARRIERS AUTOMOBILE EXPENSE ACT

● Mr. PRYOR. Mr. President, before I begin I would like to point out that the tax legislation I am introducing today is cosponsored by a majority of my fellow Finance Committee members.

Our bill would allow rural letter carriers to take auto expense deductions that more fairly reflect the actual costs associated with the operation of their automobiles used in delivery of the mail. This legislation would permit a carrier to compute the amount allowable as a deduction for equipping and maintaining a mail delivery vehicle equal to 150 percent of the standard mileage rate.

Before 1984, the Internal Revenue Service allowed the rural letter carriers to deem the receipt of their equipment and maintenance allowance as equaling actual expenses for operation of their automobiles. There was a presumption that the U.S. Postal Service would reimburse the carriers for actual costs, and not a dollar more.

In 1984, the Service unilaterally eliminated this treatment. Now, the Service requires that carriers include the allowance in income, and take a deduction for the standard mileage allowance as set by the Service—presently, 21.5 cents per mile. Alternatively, the rural carrier can choose to keep extensive records and claim expense and depreciation deductions for the automobile.

The rural letter carriers rightfully believe that the standard mileage rate in no way reflects the actual costs incurred by them on their routes. The rate is based on assumptions that the vehicle will be operated under ordinary driving conditions.

As you know, the rural letter carriers deliver the mail 6 days a week to our constituents in personally owned vehicles. The average rural route is 62 miles in length and has 440 mailbox stops. The frequency of stops and rural road conditions greatly affect the high cost of operating and maintaining a rural mail vehicle, which is the sole responsibility of the rural letter carrier.

By allowing the rural letter carriers to take a deduction equal to 150 percent of the standard mileage rate, this bill would simplify tax calculations by allowing them a viable option to keeping extensive records on every aspect of the operation of the vehicle.

Mr. President, I ask that a copy of the bill be placed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1340

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rural Letter Carriers Automobile Expense Act".

SEC. 2. BUSINESS USE OF AUTOMOBILES BY RURAL MAIL CARRIERS.

(a) GENERAL RULE.—In the case of any employees of the United States Postal Service who performs services involving the collection and delivery of mail on a rural route—

(1) such employee shall be permitted to compute the amount allowable as a deduction under chapter 1 of such Code for the use of an automobile in performing such services by using a standard mileage rate for all miles of such use equal to 150 percent of the basic standard rate, or

(2) if the employee does not use such standard mileage rate, section 280F(b) of such Code (relating to limitation where business use of listed property not greater than 50 percent) shall not apply to any automobile used in performing such services.

(b) SUBSECTION (a)(1) NOT TO APPLY IF EMPLOYEE CLAIMS DEPRECIATION DEDUCTIONS FOR AUTOMOBILE.—Subsection (a)(1) shall not apply with respect to any automobile if, for any taxable year beginning after December 31, 1986, the taxpayer claimed depreciation deductions for such automobile.

(c) BASIC STANDARD RATE.—For purposes of this section, the term "basic standard rate" means the standard mileage rate which is prescribed by the Secretary of the Treasury or his delegate for computing the amount of the deduction for the business use of an automobile and which—

(1) is in effect at the time of the use referred to in subsection (a),

(2) applies to an automobile which is not fully depreciated, and

(3) applies to the first 15,000 miles (or such other number as the Secretary may hereafter prescribe) of business use during the taxable year.

(d) EFFECTIVE DATE.—The provisions of this section shall apply to taxable years beginning after December 31, 1986.●

By Mr. HELMS (for himself and Mr. SANFORD):

S. 1341. A bill to amend the Trade Act of 1974 to promote expansion of international trade with Canada regarding furniture, recreational marine craft, and printed products; to the Committee on Finance.

SMALL BUSINESS BILATERAL FREE TRADE ACT

Mr. HELMS. Mr. President, I am pleased to have the full support of my distinguished colleague from North Carolina [Mr. SANFORD] in introducing the Small Business Bilateral Free Trade Act of 1987. This legislation addresses a serious inequity that exists between the United States and Canada with regard to trade in the furniture, printing, and recreational boating industries.

The problem that these U.S. industries face is this: inequitably high tariffs are placed on their products when exported to Canada. For example, wood and upholstered furniture manufactured in the United States faces a 15-percent duty when shipped to Canada. On the other hand, most Canadian furniture entering the United States faces a duty of only 2.5 percent.

Mr. President, the recreational boating industry faces the same problem. Canadian tariffs on certain boating products are in the range of 15-16 percent, while the corresponding United States tariffs are generally 1-2 percent.

The printing industry probably faces some of the greatest inequities. In that industry, products exported to Canada are subject to duties of more than 28 percent, while the bulk of Canadian printed products enter the United States duty free.

The purpose of this legislation is to encourage Canada to remove these unfair trade barriers and provide a level playing field for these industries and their Canadian competitors. The bill authorizes the President to enter into negotiations with Canada in an effort to reach a free trade agreement on furniture, printing, and recreational boating products. If no agreement is reached by September 6, 1988, and the Canadians haven't reduced their tariffs to match ours, then our tariffs would be increased by 50 percent or equal to the corresponding Canadian tariff, whichever is lower. If no agreement is reached by March 1, 1989, our tariffs on furniture, printing, and recreational marine craft products would be increased to match Canadian tariffs on corresponding products.

Mr. President, let me emphasize that the last thing I want to see is an increase in tariffs on Canadian goods. Canada is our largest trading partner, an important ally, and a good friend. We do not wish to inhibit trade between the two countries.

The goal of this legislation is to ensure a fair trading environment between Canada and the United States. This can be achieved in several ways. Ideally, we can reach a free trade agreement between the two countries as a result of the current negotiations. However, even if no free trade agreement can be reached, higher tariffs on Canadian goods can be avoided if Canadian tariffs are eliminated or lowered sufficiently.

If no action is taken to provide a fair trading environment, only then would our tariffs be increased—and then, only until they are equal to corresponding Canadian tariffs. At no time would United States tariffs ever exceed Canadian tariffs under this legislation. Furthermore, anytime Canadian tariffs are reduced, ours would be reduced accordingly.

Mr. President, this bill is very similar to S. 1801, the Fair Furniture Trade Act, which I introduced in the 99th Congress along with the late Senator JOHN EAST and 10 other cosponsors. The primary difference in the bills is that S. 1801 only covered furniture products; the bill we have introduced today is expanded to include the printing and the recreational marine craft industries as well.

These industries share a common characteristic: they are dominated by small manufacturers. In the furniture industry, for example, over two-thirds of the 5,400 firms in American employ less than 20 people. Of the 43,000 printing firms, approximately 80 percent have less than 20 employees. That is why we named it the "Small Business" Bilateral Free Trade Act—it will primarily benefit small businesses, those least able to overcome unfair trade barriers.

Mr. President, I think it is imperative that Congress take a strong stance in addressing the unfair trade barriers that are inhibiting the growth of our domestic industries. That is precisely what this legislation does. It is designed to promote fair trade between the United States and Canada.

I urge my colleagues to join us in this effort.

Mr. SANFORD. I am pleased to join my colleague from North Carolina in sponsoring S. 1341, the Small Business Bilateral Free Trade Act of 1987. I am convinced that it will place our furniture, recreational boating and printing industry trade with Canada on a more equitable basis.

Each of these three industries—furniture, recreational marine craft and printing—have experienced intense foreign competition, particularly from Canada, but are hamstrung in trying to compete with Canada because of the high tariffs Canada places on their products.

The American furniture industry has faced unusually severe foreign competition in recent years. Imports of wood and upholstered furniture increased by over 925 percent since 1979 from a total of $312 million to $3.2 billion. Exports of the same items by the United States have steadily declined during that period.

Perhaps the most significant factor contributing to our Nation's overall furniture trade deficit is a major tariff disparity between the United States and Canada involving furniture products. Nonmetal residential furniture exported by the United States to

Canada, for example, faces a 15.0 percent Canadian duty. The same kind of furniture entering the United States from Canada, by comparison, is levied an American duty as low as 2.5 percent. As a result of this sixfold tariff differential, imports of Canadian furniture to the United States increased to record levels in 1986, up 17 percent to $500 million. The United States-Canada furniture trade deficit also reached a new record of $413 million, up nearly 18 percent from 1985.

It should be noted that the Canadian furniture industry is substantially similar to our own. A comprehensive study issued by the U.S. International Trade Commission in 1984 documents strong similarities between the American and Canadian industries in overall structure and in the areas of capital investment, technological development, and worker compensation. Certainly an industry as well established as the Canadian furniture industry does not need to hide behind tariffs six times greater than those in the United States.

Similarly, the United States recreational marine craft industry faces tariffs in Canada nearly eight times the tariff similar goods from Canada face when imported to the United States. Again, our industry is highly competitive but is faced with completely unjustified tariffs from our major trading partner. Indeed, one major marine craft producer has four extremely modern plants in my home State of North Carolina and has done all that it can to remain a state-of-the-art, highly competitive company, but it must compete with foreign goods entering from Canada with only small duties. This tariff differential has fueled a huge disparity in trade with Canada. In 1985, Canada was the leading source of sailboat imports, accounting for $25.2 million in sales, while 1985 U.S. sailboat exports to Canada totalled only $1.7 million.

Again, the two industries are quite comparable in terms of wages, level of technology, access to capital, and worker health safety and environmental regulations, but the Canadian boating industry remains sheltered behind a protective wall of high tariffs.

The story for the printing industry is regrettably the same. United States printed products exported to Canada face duties of up to 28.6 percent ad valorem, while Canadian printed products enter the United States at rates less than 5 percent, with the majority of such Canadian products entering duty free. The nearly 35,000 printing companies located in the United States stand ready to compete with their Canadian counterparts, but cannot be expected to do so in the face of a more than six-fold tariff differential. The current trade deficit we are running with Canada for catalogs, general advertising, general commercial printing and newspaper is directly related to this tariff disparity.

Let me emphasize that this bill is not an anticompetitive or protectionist measure. Rather, it promotes equitable competition between the Canadian and American industries by moving to end the crippling tariff disparity between our two countries.

Moreover, this bill is directed to industries dominated by small businesses. For example, in North and South Carolina alone, there are approximately 600 individual printing companies. Similar patterns of ownership by small manufacturers exist in the furniture and marine craft industries. These small companies simply cannot absorb the extra costs resulting from high and inequitable import duties in Canada.

The bill calls for trade negotiations between Canada and the United States to end the tariff differential for furniture, marine craft and printed products. In the event that an agreement to end the tariff disparity is not reached by March 1, 1989, the bill would set American tariffs on Canadian furniture, recreational marine craft and printed product imports at a level equal to Canadian tariffs. Thus the bill demands nothing other than fair trade—either Canada should lower its tariffs to levels similar to those assessed by the United States, or we will be forced to increase our tariffs to the Canadian level in order to allow trade to occur on a fair basis. I am hopeful that these negotiations will produce a reduction in Canadian tariffs, not an increase in our tariffs. I am well aware that Canada is our largest trading partner and an essential ally. This bill is not intended to inhibit trade with Canada in any way. Rather, it seeks to promote open and fair trade with Canada.

As one who is concerned seriously about our Nation's trade deficit, I believe that it is time to act. This bill would do that by allowing American furniture and recreational marine craft manufacturers and printers to compete on an equitable basis with their Canadian counterparts. I urge expeditious consideration and enactment of this measure by the Senate.

By Mr. HATFIELD (for himself, Mr. Bumpers, Mr. Pell, Mr. Harkin, and Mr. Matsunaga):

S. 1343. A bill to require that the use of United States Armed Forces to escort, protect, or defend certain reregistered vessels in the Persian Gulf comply with the War Powers Resolution; to the Committee on Foreign Relations.

[The remarks of Mr. Hatfield, Mr. Bumpers, and Mr. Matsunaga and the text of the legislation appear earlier in today's Record.]

By Mr. SASSER (for himself, Mr. Bumpers, Mr. Weicker, Mr. Boren, and Mr. Kerry):

S. 1344. A bill to amend the Small Business Act to enhance the ability of small businesses to compete for international export markets, and for other purposes; to the Committee on Small Business.

SMALL BUSINESS INTERNATIONAL TRADE AND COMPETITION ENHANCEMENT ACT

● Mr. SASSER. Mr. President, today, along with a number of my colleagues, I am introducing the Small Business International Trade and Competition Enhancement Act. This bill is designed to enhance the ability of small business to compete in international markets. As such, our legislation addresses a very real problem—the relatively small number of small firms which export or otherwise compete in the world market.

Mr. President, the absence of small business in export markets is a critical problem for a very simple reason. Export-led growth in our economy is central to our efforts to reduce our trade deficit. Small business can play a vital role in expanding our export base. Small business has often served as an economic cayalyst for this Nation. Whether it be in job generation or technological innovations, small business has been the engine which drives the American economy.

Yet, small business plays an almost nonexistent role in today's international markets. Only 10 percent of the companies in the United States export. Our export markets are dominated by big business. Some 250 large companies account for 80 percent of the dollar volume of U.S. exports.

Some of my colleagues will find little surprising about these numbers. They will assume that there aren't that many small firms which produce exportable goods. Mr. President, that may have been true several years ago. But, we find ourselves today in a world economy in which small to medium sized firms can become major exporting forces.

The National Commission on Jobs and Small Business reports that about 30,000 small businesses in America produce exportable goods and services, but they export nothing at all. The Commission goes on to suggest that this is the case because efforts to identify and serve these firms are notably deficient. The Small Business Administration's own files indicate that nearly 60,000 small firms are interested in exporting. Yet, between 1983 and 1985, only 1 percent of the SBA's loan portfolio was used for exporting.

We pay dearly for this short-coming, Mr. President. The Commerce Department estimates that every $1 billion in American exports supports nearly 25,000 jobs here at home. Think of the jolt we could provide our economy if we stimulated more small business export activity.

To address these problems, I called for hearings of the Small Business Committee's Subcommittee on Export Expansion, which I chair, in late April. The subcommittee heard from a wide variety of witnesses at these hearings. And there was agreement on one key point—we are not doing a good job in getting small businesses to enter export markets. I would add at this point, Mr. President, that the new Administrator of the SBA, Jim Abdnor, has indicated a great desire to improve SBA's track record in this area. I believe Administrator Abdnor is sincere in his desire to see more small firms enter international markets, and I look forward to working with him to achieve this goal.

It is clear to me that there are several steps we can take if we are serious about seeing more small businesses export. And the legislation we are introducing today begins to take these steps.

First, we move to strengthen the ability of the SBA in running its export related programs. As I stated earlier, Administrator Abdnor has expressed a strong desire to bring more small firms into international markets. He will need some new tools to achieve that goal. Our legislation provides him with authority and a greater sense of direction which should aid his efforts to expand small business export activity. For example, our bill sets out a clear agenda of activities for SBA's Office of International Trade. By aggressively pursuing this agenda, the SBA can make great strides in promoting small business exports.

A second area covered in our bill is in direct response to testimony received by the Export Expansion Subcommittee. Witness after witness underscored the problems small firms encountered when they turned to the Federal Government for guidance on international trade questions. It's not that the Government isn't trying to help. Indeed, there are some seven Federal agencies which offer assistance to small business. However, there is very little communication between these various offices.

There is no one central office to which a small business person can turn when they have questions about international trade. Instead, he or she is now left to work their way through the maze of Federal small business trade programs. This often leaves the small business person confused and demoralized about ever entering international markets.

In response to this problem, our legislation establishes small business export assistance centers. These centers are designed to function as one-stop shops for small firms interested in exporting. It is our intention that applicants for such centers will help small business with all facets of international trade. Among other things, these centers can direct small businesses to the export programs operated by the Commerce Department, the Exim Bank, the SBA and others.

It is our further intention that center personnel do more than simply point interested small firms in the direction of assistance at other agencies. We want these centers to work with the small business and the agency involved until the questions of the business have been addressed. We believe these centers can truly serve as the "trade ombudsman" which many small businesses are calling for.

Our vision for these small business export assistance centers is not confined to shepherding small firms from agency to agency. We believe these centers can establish effective outreach programs of their own which will encourage small business to participate in international trade. Part of the reason we don't see many small firms in international trade is a basic fear of the unknown. American companies have been able to rely on domestic markets for generation after generation to sell their products. They have not had to aggressively pursue international clients.

As a result, we see a fear of exporting in many small businesses. They don't believe they have what it takes to compete in world markets.

We need to educate small firms to the possibility of exporting. The framework we establish for the small business export assistance centers can help achieve these goals. We anticipate that the centers will establish education and outreach programs which will lead more small firms to export.

Our legislation also contemplates that these centers will work closely with small firms to make them more competitive in today's economy. Many of our small firms are being held back due to their reliance on outdated technology or methods of production. It is our hope that these centers will aggressively pursue technology transfer programs which will enhance the productivity of small businesses across the country.

Finally, we will expect that these export assistance centers will provide valuable assistance to small firms which are looking to market products overseas. It is our hope that with time, small firms can turn to such centers and receive assistance in developing marketing strategies or contacts in foreign countries.

Mr. President, our small business export assistance centers are patterned after the successful international trade programs operated by small business development centers in a number of States. These programs are proving successful in bringing greater numbers of small firms into the world of international trade. And they are based on the type of public/private partnership which makes sound economic sense in today's budget climate.

However, we do not restrict participants in this new program to simply SBDC's. The range of applicants for such centers will vary from State to State. It is our intention that the Small Business Administration will make a reasoned judgment and select that applicant from a particular State which presents the greatest likelihood of meeting the objectives of this legislation. In many States, SBDC's have in place service delivery systems which make them attractive candidates. In other States, the Administrator will have to look beyond SBDC's. The discretion this legislation provides the Administrator in making this selection should enhance the prospects for the programs' success.

The Small Business International Trade and Competition Enhancement Act also modifies several financing programs of the SBA. Most importantly, we increase the authority for both the 7(a) and section 503 programs from the current $500,000 to $750,000. The $500,000 limit has been in place for several years and we believe an increase is not only warranted, but could well serve to make many small firms more competitive.

Perhaps equally important, the legislation clarifies that loan recipients under one of these programs can receive assistance under the other loan program. Previously, the $500,000 cap had been interpreted to bar a 7(a) recipient from a section 503 guarantee. Our bill makes it clear that the SBA may provide financing to a single project or applicant under both programs.

One section of the bill which I place particular importance on involves international trade negotiations. For too long, the interests of small business have been overlooked in international trade negotiations. This is the case as our negotiating teams rarely make any distinction between big and small business. In this type of equation, small business always comes out a loser. As many of my colleagues know, the needs and concerns of small business are separate and unique from those of big business. Yet, many trade negotiators fail to recognize this distinction.

This problem is particularly acute in the office of the U.S. Trade Representative. We invited the U.S. Trade Representative to testify at our April hearings. The invitation was declined for two reasons: First, the Trade Representative's Office correctly underscored the distinction between negotiating and formulating trade policy. With their emphasis on the former, they felt they would have little to add at our hearing. That subcommittee members might be interested in how small business is represented in trade negotiations did not seem to matter.

Second, my staff was informed that the U.S. Trade Representative makes no distinction between large and small business. Mr. President, that is exactly the type of problem we need to guard against. That is why our legislation contains two sense of the Congress provisions pertaining to international trade.

We state the sense of the Congress that SBA's Administrator be appointed as a member of the Trade Policy Committee and that the U.S. Trade Representative should consult with the SBA and its Office of Advocacy in trade policy formation and trade negotiations. We further state the sense of the Congress that the U.S. Trade Representative should appoint a Special Trade Assistant for Small Business.

Mr. President, these are only sense of the Congress provisions. However, I, along with many of my colleagues, will be watching closely to see if the administration follows through on these suggestions. It is imperative that the needs of small business be accorded greater weight in our trade negotiations. We will keep working until we achieve that goal.

Mr. President, there are a number of other important provisions in this legislation which I will not discuss at length at this time. I would ask unanimous consent that a section-by-section analysis of the Small Business International Trade and Competition Enhancement Act be included in the RECORD at the end of my remarks. I would also ask unanimous consent that the text of the legislation appear immediately following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1344

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Business International Trade and Competition Enhancement Act".

SEC. 2. DECLARATION OF POLICY.

Section 2 of the Small Business Act (15 U.S.C. 631 et seq.) is amended by adding the following new subsection (b) and redesignating subsections (b) through (e) as subsections (c) through (f), respectively:

"(b) It is the declared policy of the Congress that the Federal government, through the Small Business Administration, acting in cooperation with other relevant State and Federal agencies, should aid and assist small businesses, as defined under this Act, to improve their ability to compete in international markets by—

"(1) enhancing their ability to export goods and services;

"(2) facilitating technology transfers;

"(3) enhancing their ability to compete effectively and efficiently against imported goods and services;

"(4) increasing the access of small businesses to long-term capital for the purchase of new plant and equipment used in the production of goods and services involved in international trade;

"(5) disseminating information concerning state, federal and private programs and initiatives to enhance the ability of small businesses to compete in international markets; and

"(6) ensuring for the interests of small business are adequately represented in bilateral and multilateral trade negotiations.".

SEC. 3. CHANGES IN EXISTING SMALL BUSINESS ADMINISTRATION INTERNATIONAL TRADE OFFICE.

Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by redesignating subsection (b) as subsection (c) and inserting the following new subsection (b):

"(b) The Office shall work in close cooperation with other relevant Federal agencies including the Department of Commerce, Small Business Export Assistance Centers engaged in export promotion efforts, regional and local Administration offices, the small business community, and relevant State and local export promotion programs to—

"(1) assist in developing a distribution network for existing trade promotion, trade finance, trade adjustment, and trade data collection programs through use of the Administration's regional and local offices, the Small Business Development Center network, and the Small Business Export Assistance Center network; and

"(2) assist in the aggressive marketing of these programs and the dissemination of marketing information, including computerized marketing data, to the small business community.";

(2) in subsection (c), as redesignated, by adding the following new paragraphs and redesignating the existing paragraphs (1) through (3) as paragraphs (6) through (8), respectively:

"(1) in cooperation with the Department of Commerce and other relevant agencies, regional and local Administration offices, the Small Business Development Center network, the Small Business Export Assistance network, and State programs, develop mechanisms for (A) identifying sub-sectors of the small business community with strong export potential; (B) identifying areas of demand in foreign markets; and (C) assisting in increasing international marketing by disseminating relevant information regarding market leads, goods and services produced by small businesses and linking potential sellers and buyers.

"(2) in cooperation with other relevant federal agenices, actively assist small businesses in the formation and utilization of export trading companies, export management companies and research and development pools authorized under Section 9 of this Act;

"(3) work in conjunction with other Federal agencies, regional and local offices of the Administration, the Small Business Export Assistance Center network, and the private sector to identify existing foreign language translation services, including such services available through federal agencies and the private sector;

"(4) work closely with the Department of Commerce and other relevant federal agencies to—

"(A) disseminate relevant data regarding the small business share of United States exports and the nature of State exports (including the production of Gross State Product figures) to the public and to the Congress;

"(B) make recommendations to the Secretary of Commerce and to Congress regarding revision of the SIC code to encompass industries currently overlooked and to create SIC codes for export trading companies and export management companies;

"(C) improve the utility and accessibility of existing export promotion programs for small businesses; and

"(D) increase the accessibility of the Export Trading Company contact facilitation service;

'(5) make available to the small business community information regarding conferences on exporting and international trade;"; and

(3) by adding after subsection (c), as redesignated, the following new subsections:

"(d) The Office shall work in cooperation with the Export-Import Bank of the United States, the Department of Commerce, other relevant Federal agencies, and the States to develop a program through which export specialists in the regional and district offices of the Administration, regional and local loan officers, and Small Business Export Assistance Center personnel can facilitate the access of small businesses to relevant export financing programs of the Export-Import Bank of the United States and to export and preexport financing programs available through the Administration and the private sector. To accomplish this goal, the Office shall work in cooperation with the Export-Import Bank and the small business community, including small business trade associations, to—

"(1) aggressively market existing Administration export financing and preexport financing programs;

"(2) identify financing available under various Export-Import Bank programs, and agressively market those programs to small businesses;

"(3) assist in the development of financial intermediaries and facilitate the access of those intermediaries to existing financing programs;

"(4) promote greater participation by private financial institutions, particularly those institutions already participating in loan programs under this Act, in export finance; and

"(5) provide for the participation of appropriate Administration personnel in training programs conducted by the Export-Import Bank.

"(e) The Office shall—

"(1) work in cooperation with other Federal agencies and the private sector to counsel small business with respect to initiating and participating in any proceedings relating to the administration of the United States trade laws; and

"(2) work in cooperation with the Department of Commerce, the Office of the United States Trade Representative, and the International Trade Commission to increase access to trade remedy proceedings for small businesses.

"(f) The Office shall report to the Committees on Small Business of the House of Representatives and the Senate on April 1, 1988, and on that date of each succeeding year as to implementation of the requirements under this section.".

SEC. 4. AUTHORIZATION OF APPROPRIATIONS: OFFICE OF INTERNATIONAL TRADE.

Section 20 of the Small Business Act is amended by adding the following at the end of subsection (z):

"There are hereby authorized to be appropriated to the Administration for fiscal year 1988, $3,500,000 to carry out the provisions of Sections 3, 4, 9, 20 and 23(a) of the Small Business International Trade and Competition Enhancement Act and Section 11 of the Small Business Act.".

SEC. 5. SPECIFIC REPORTS REQUIRED.

The Office of International Trade in cooperation, where appropriate, with the Division of Economic Research of the Office of Advocacy, and with other Federal agencies shall undertake studies regarding the following issues and shall report to the Committees on Small Business of the House of Representatives and the Senate within 6 months after the date of enactment of this Act with specific recommendations on—

(1) the viability and cost of establishing an annual, competitive export incentive program for small business similar to the Small Business Innovation Research Program and alternative methods of structuring such a program;

(2) methods of streamlining and expediting trade remedy proceedings to increase access for, and reduce expenses incurred by, smaller firms;

(3) methods of expediting export licensing procedures so as to reduce expenses and time requried for smaller firms seeking export licenses.

SEC. 6. EXPORT FINANCING PROVIDED BY THE ADMINISTRATION.

Section 7(a)(14) of the Small Business Act (15 U.S.C. 636(a)(14)) is amended to read as follows:

"(14)(A) The Administration under this subsection may provide extensions and revolving lines of credit for export purposes and for preexport financing to enable small business concerns, including small business export trading companies and small business export management companies, to develop foreign markets: Provided, however, That no such extension or revolving line of credit may be made for a period or periods exceeding 18 months. A bank or participating lending institution may establish the rate of interest on extensions and revolving lines of credit as may be legal and reasonable.

"(B) When considering loan or guarantee applications, the Administration shall consider export-related benefits, including opening new markets for United States goods and services abroad and encouraging the involvement of small businesses, including agricultural concerns, in the export market.".

SEC. 7. SMALL BUSINESS EXPORT ASSISTANCE CENTERS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 20 of the Small Business Act is amended by adding the following new subsection following subsection (z): "For the programs authorized by Section 24 of the Small Business Act, there is hereby authorized to be appropriated $5,000,000 in Fiscal Year 1988, $10,000,000 in Fiscal Year 1989, and $10,000,000 in Fiscal Year 1990.".

(b) SBDC INFORMATION DISSEMINATION AND SERVICE DELIVERY.—Section 21 of the Small Business Act (15 U.S.C. 648) is amended—

(1) in subsection (a)(1), by inserting after "enterprises;" the following: "management and technical assistance regarding small business participation in international markets, export promotion and technology transfer;"

(2) in subsection (a), by inserting the following new paragraph (2) and redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively:

"(2) The Small Business Development Centers which establish trade promotion programs shall work in close cooperation with the Administration's regional and local offices, the Department of Commerce and other relevant Federal, State and local agencies which engage in export promotion and trade enhancement programs, to serve as an active information dissemination and service delivery clearinghouse for existing trade promotion, trade finance, trade adjustment and trade data collection programs of particular utility to small business. Such Small Business Development Centers shall not establish separate Small Business Export Assistance Centers if the provisions of Section 24 of this Act can be effectively implemented within the existing SBDC network of the state.";

(3) by adding at the end of subsection (a)(5) as redesignated the following new paragraph:

"(6) Notwithstanding paragraphs (4) and (5), any applicant which is eligible to be funded by the Administration as a Small Business Development Center may apply for an additional funding agreement (including a grant, contract or cooperative agreement) under Section 24 of the Small Business Act, as amended, to be used solely for new or increased activities to assist—

"(A) with the development and enhancement of small business participation in international trade; and

"(B) in technology transfer; and

"(C) in information dissemination and service delivery, and such Small Business Development Center shall comply with all of the provisions of this section, except that the provisions governing the allocation of funding under section 21(a) (4) and (5) shall not apply.".

(c) INCREASING SMALL BUSINESS PARTICIPATION IN INTERNATIONAL MARKETS.—The Small Business Act is amended by adding a new Section 24 as follows:

"SEC. 24. SMALL BUSINESS EXPORT ASSISTANCE CENTERS.

"(a) The Administration is authorized to enter into funding agreements (including grants, contracts and cooperative agreements) with any entity eligible under Section 21(a) of the Small Business Act or any non-profit entity to assist in establishing Small Business Export Assistance Centers. Provided, however, that no recipient of funds under this section shall receive a grant which would exceed its pro rata share of a $10,000,000 program based upon the population to be served by the Small Business Export Business Center as compared to the total population of the United States, and provided, further, that the minimum amount of any grant application which is funded by the Administration shall be $50,000.

"(b) Applicants entering into funding agreements under this subsection shall assist small businesses interested in international trade. In providing such assistance, the applicant shall put emphasis on encouraging small businesses to participate in international trade, providing small businesses with technology transfers which will promote increased productivity, and providing assistance to small businesses in marketing goods or services in foreign markets. Any applicant that already maintains facilities which would be suitable for carrying out the provisions of this section shall use such facilities to implement this section, unless otherwise approved by the Administration.

"(c) The Administration shall require as a condition of any funding agreement entered into with an applicant under this section that an additional amount equal to 25 percent of such grant be provided by the applicant from sources other than the Federal Government. This matching requirement shall increase to 40 percent in the second year the applicant operates a program under this subsection and shall increase to 50 percent for the third year and each subsequent year. Such additional amounts shall include an amount in cash equal to at least 25 percent of such grant.

"(d) Within thirty days of the effective date of this Act, the Administrator shall appoint an advisory committee consisting of three persons from the Administration and two SBDC directors, with a chairperson designated by the Administrator from the membership of the Committee. Within 45 days of its appointment, the advisory committee shall recommend guidelines for evaluation of proposals to be submitted under this section. The Administration shall publish final guidelines within 30 days after receiving the recommendations of the advisory committee.

"(e) Within 30 days following publication of final guidelines, the Administration shall solicit proposals for funding under this section.

"(f) Applicants for funding agreements under this section shall submit detailed proposals for programs to accomplish the objectives of this section. Such proposals shall contain timetables outlining implementation of such programs.

"(g) Proposals for funding agreements under this section may include, but are not limited to, programs designed to

"(1) assist small businesses in exporting by identifying and developing potential export markets, facilitating export transactions, developing linkages between United States small business firms and foreign buyers, assisting small businesses to participate in international trade shows, assisting small businesses in obtaining export financing, facilitating the development or reorientation of marketing and production strategies, and, where appropriate, working in cooperation with the State international trade centers;

"(2) develop a program in conjunction with the Export-Import Bank of the United States and regional and local Administration offices that will enable Small Business Export Assistance Centers to serve as an information network and to assist small business applicants for Export-Import Bank financing programs, and otherwise identify and help to make available export financing programs to small businesses.

"(h) Programs established with funding agreements under this section shall be reviewed on an annual basis by members of the advisory committee and a report shall be submitted to the Administrator.

"(i) In establishing programs under this subsection, applicants shall work with the Department of Commerce and other relevant Federal agencies to increase access to available export market information systems."

"(j) In States where no application for a Small Business Export Assistance Center is funded by the Administration to carry out the activities described in Section 24 of the Small Business Act, the Small Business Administration shall establish mechanisms through its regional and local offices for carrying out such activities.

"(k) The Small Business Administration shall develop, in consultation with Small Business Export Assistance Centers and other appropriate agencies, an information sharing system which will—

"(1) allow Small Business Export Assistance Centers participating in the program established under Section 24 to exchange information about such programs.

"(2) provide information central to technology transfer.

"(l) The Administration shall present to the Congress, within 6 months of the date of enactment of this Act, its proposal for implementing such an information sharing system.".

SEC. 8. CAPITAL FORMATION.

(a) Section 7(a)(3) of the Small Business Act (15 U.S.C. 636(a)(3)) is amended by striking the figure "500,000" and inserting in lieu thereof "$750,000."

(b) Section 502(2) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)) is amended by striking "$500,000" and inserting "$750,000".

(c) Section 7(a)(13) of the Small Business Act is amended by adding the following sentence at the end thereof: *"Provided, further,* That the Administration may provide financings to a single project or applicant under both this section and under Title V of the Small Business Investment Act to the maximum extent permitted under each section.

SEC. 9. SMALL BUSINESS INNOVATION RESEARCH.

Section 9 of the Small Business Act is amended by adding the following new subsection:

"(k) The Administrator of the Small Business Administration shall report to the Committees on Small Business of the House of Representatives and the Senate within 6 months after the date of enactment of this Act as to the advisability of amending the Small Business Innovation Research program to—

"(1) increase each agency's share of research and development expenditures devoted to it by 0.25 per centum per year, until a goal of 3 per centum of the total extramural research and development funds is achieved, and targeting a portion of this increased increment at products with commercialization or export potential;

"(2) make the Small Business Innovation Research Program permanent with a formal congressional review every 10 years, beginning in 1993;

"(3) allocate a modest but appropriate share of each agency's Small Business Innovation Research fund for administrative purposes for effective management, quality maintenance, and the elimination of program delays;

"(4) determine annually that each agency is clearly in full compliance with the law and that Small Business Innovation Research funding is not being accompanied by parallel reductions in other small business programs; and

"(5) include within the Small Business Innovation Research program all agencies expending between $20,000,000 and $100,000,000 in extramural research and development funds annually."

SEC. 10. NATIONAL CONFERENCE ON SMALL BUSINESS EXPORTS.

Section 22 of the Small Business Act of 1953 is amended by adding the following new subsection:

(a) The Administration shall conduct a National Conference on Small Business Exports within one year following enactment of this bill in order to develop recommendations designed to stimulate exports from small companies.

(b) For the purpose of ascertaining facts and developing policy recommendations concerning the expansion of United States exports from small companies, the Conference shall bring together individuals who are experts in the fields of international trade and small business development and representatives of small businesses, trade associations, the labor community, academic institutions, and Federal, State, and local governments.

(c) It is the sense of the Congress that both the National Conference on Small Business Exports and the Small Business Administration shall consider and make recommendations concerning the desirability and utility of an international conference on small business and international trade which would help establish contacts between United States small business owners and potential trading partners in foreign countries, and enable United States small business owners to learn how others identify and take advantage of exporting opportunities.

SEC. 11. TRADE NEGOTIATIONS.

Section 22 of the Small Business Act of 1953 is amended by adding the following new subsection:

(a) It is the sense of the Congress that the interests of the small business community have not been adequately represented in trade policy formulation and in trade negotiations. Therefore, it is the sense of the Congress that the Administrator of the Small Business Administration should be appointed as a member of the Trade Policy Committee and that the United States Trade Representative should consult with the Small Business Administration and its Office of Advocacy in trade policy formation and in trade negotiations.

(b) Further, it is the sense of the Congress that the United States Trade Representative would better serve the needs of the small business community with full-time staff assistance with responsibilities for small business trade issues. Therefore, it is the sense of the Congress that the United States Trade Representative should appoint a special trade assistant for small business.

SEC. 12. PROMULGATION OF REGULATIONS.

Notwithstanding any law, rule, or regulation, the Small Business Administration shall promulgate final regulations to carry out the provisions of Section 6 of this Act within 6 months after the date of the enactment of this Act.

SEC. 13. EFFECTIVE DATE.

This Act shall become effective on the date of enactment.

SECTION-BY-SECTION SUMMARY AND ANALYSIS OF EXPORT LEGISLATION AS REPORTED SENATE SMALL BUSINESS COMMITTEE, JUNE 8, 1987

SHORT TITLE

Section 1 designates the title of the Act as the "Small Business International Trade and Competition Enhancement Act."

DECLARATION OF POLICY

Section 2 declares it to be the policy of the Congress that the Federal Government, through the Small Business Administration, should assist small businesses to increase their ability to compete in international markets.

CHANGES IN EXISTING SBA INTERNATIONAL TRADE OFFICE

Section 3 expands the mandate of the existing Office of International Trade within the SBA.

Subsection (a) requires SBA to work in close cooperation with other relevant Federal agencies, Small Business Export Assistance Centers and Small Business Development Centers (SBDC) engaged in export promotion efforts, regional and local SBA offices, the small business community, and relevant state and local export promotion programs to assist in developing a distribution network for existing trade promotion, trade finance, trade adjustment, and trade data collection programs through use of the SBA regional and local offices, the SBDC network and the Small Business Export Assistance network. The section requires SBA to assist in the aggressive marketing of these programs and the dissemination of marketing information, including computerized marketing data, to the small business community.

Subsection (b) requires the Office to promote sales opportunities for small business goods and services abroad by—

(1) Working in cooperation with relevant agencies, regional and local Administration offices, the Small Business Development Center network, and State programs, to develop a mechanism for identifying sub-sectors of small business community with strong export potential; identifying areas of demand in foreign markets; assisting in increasing international marketing by disseminating relevant information regarding market leads, goods and services produced by small businesses and linking potential sellers and buyers;

(2) actively assisting small businesses in the formation of export trading companies, export management companies and research and development pools authorized under Section 9 of the Small Business Act;

(3) identify existing foreign language translation services available through the federal agencies and the private sector;

(4) working closely with the Department of Commerce and other relevant agencies to increase access to data collection programs by small business so they are of greater utility to small business; improve the accessibility of existing export promotion programs for small business; increase the accessibility of the Export Trading Company facilitation service; and make recommendations regarding revision of the SIC code to encompass industries currently overlooked and to create SIC codes for export trading companies and export management companies.

Subsection (c) requires the Office of International Trade to:

(1) develop a program in cooperation with the Export-Import Bank through which regional and district offices of the SBA, Export Assistance Centers and the SBDC's could help disseminate information regarding existing SBA and EX-IM Bank export financing programs, market those programs to the small business community, assist in the development of financial intermediaries and facilitate the access of those intermediaries to existing financing programs, and increase small business access to export financing,

(2) requires the Office of International Trade to counsel small businesses with respect to trade remedy proceeding and work in cooperation with the Department of Commerce, the Office of the United States Trade Representative (USTR), and the

International Trade Commission (ITC), to increase access to trade remedy proceedings for small businesses,

(3) report to the Senate and House Committees on Small Business, annually, regarding its implementation of the requirements under this section.

AUTHORIZATION: OFFICE OF INTERNATIONAL TRADE

Section 4 authorizes for Fiscal Year 1988, $3.5 million to carry out the provisions of the Act concerning the Office of International Trade.

SPECIFIC REPORTS REQUIRED

Section 5 requires the Office of International Trade to undertake certain studies and report to the Senate and House Committees on Small Business within six months after enactment of the legislation with specific recommendations.

EXPORT FINANCING PROVIDED BY THE SMALL BUSINESS ADMINISTRATION

Section 6 amends the existing export financing provision under the 7(a) loan and loan guarantee program to establish that the Administration:

(1) may provide extensions and revolving lines of credit for export purposes and pre-export financing to small business export trading companies and small business export management companies, as well as individual small businesses for a period or periods not exceeding eighteen months; and

(2) when considering loan or guarantee applications, shall give weight to export-related recommendations.

SMALL BUSINESS EXPORT ASSISTANCE CENTERS

Section 7. This section gives Small Business Development Centers an explicit mandate to develop and implement export promotion and technology transfer programs and provides limited additional funding for these purposes.

Subsection (a) states that for the programs authorized by Section 7 there is authorized $5 million for Fiscal Year 1988, $10 million in Fiscal Years 1989 and 1990.

Subsection (b) amends the mandate under the existing SBDC program to develop an Information Service Delivery Network which will:

(1) provide management and technical assistance regarding small business participation in international markets,

(2) work in close cooperation with the Administration's regional and local offices, the Department of Commerce and other Federal, State and local agencies, to serve as an active information dissemination and service delivery clearinghouse for existing trade promotion, trade finance, trade adjustment and trade data collection programs of particular utility to small business. Existing SBDC's which receive export assistance funding shall not establish separate Small Business Export Assistance Centers if the provisions of Section 24 of the Act can be effectively implemented within the existing SBDC network.

(3) Any applicant which is funded by the Administration as an SBDC may apply for an additional funding agreement for new or increased activities to assist in facilitating small business participation in international trade, in technology transfer and in information dissemination. Such SBDC's shall comply with all of the provisions of Section 21 of the Small Business Act, except the provisions governing the matching funding requirements, which are redesignated in the following Subsection (c)(2).

Subsection (c). The Administration is authorized to enter into funding agreements with any eligible entity to assist in establishing Small Business Export Assistance Centers. Such applicants entering into funding agreements shall assist small businesses in international trade and shall:

(1) put emphasis on encouraging small businesses to participate in international trade, providing small businesses with technology transfers which will promote increased productivity and providing assistance to small businesses in marketing goods or services in foreign markets. Any applicant that already maintains facilities which would be suitable for carrying out the provisions of this section shall use such existing facilities.

(2) The Administration shall require that as a condition to any funding agreement entered into under this subsection, the applicant would be required to provide matching funds of 25 percent from outside sources in the first year, 40 percent in the second year and 50 percent of each outlying year. Such additional amounts shall include an amount in cash equal to at least 25 percent.

Subsection (d) mandates that an advisory committee shall be established by the SBA Administrator, consisting of three Administration representatives and two SBDC representatives with a chairperson designated by the Administrator from the membership of the committee. Within 45 days of its establishment, the advisory committee shall recommend guidelines for evaluations of proposals to be submitted under this section. The Administrator shall publish final guidelines within 30 days after receiving the recommendations of the advisory committee. Applicants for funding agreements shall submit proposals for fundng to the Administrator who, based on the final guidelines published by the Administrator, would respond and approve funding to worthy applications.

Subsection (e) provides that in states where no application for a Small Business Export Assistance Center is funded, the Administration shall establish mechanisms through its regional and local offices for carrying out such activities.

Subsection (f) states that the SBA shall develop, cooperatively with Small Business Export Assistance Centers and other appropriate agencies, an information sharing system which will allow Small Business Export Assistance Centers to exchange information about export programs and to provide information central to technology transfer. The Administration shall present its proposal to implement such an information sharing system to Congress within six months of the date of enactment of this Act.

CAPITAL FORMATION

Section 8 amends the 7(a) loan and loan guarantee program by increasing the SBA loan guarantee limit from $500,000 to $750,000. Section 504 economic development loan limits are similarly increased. The section clarifies existing law to provide that maximum funding under these two programs may be combined for a total of $1,500,000 in financing.

SMALL BUSINESS INNOVATION RESEARCH

Section 9 requires the Administrator of SBA to report to the Senate and House Committees within six months after enactment of this legislation as to the advisability of amending the Small Business Innovation Research (SBIR) program to:

(1) Increase each agency's share of R&D expenditures devoted to SBIR by 0.25 percent per year, until it is 3 percent of the total extramural R&D funds, and targeting a portion of the increment at products with commercialization and/or export potential.

(2) Make the SBIR program permanent with a formal congressional review every ten years, beginning in 1993.

(3) Allocate a modest but appropriate share of each agency's SBIR fund for administrative purposes for effective management, quality maintenance, and the elimination of program delays.

(4) Determine annually that each agency is clearly in full compliance with the law and that SBIR program funding is not being accompanied by parallel reductions in other small business programs.

(5) Include within the Small Business Innovation and Research program all agencies expending between $20,000,000 and $100,000,000 in extramural research and development funds annually.

NATIONAL CONFERENCE ON SMALL BUSINESS EXPORTS

Section 10 requires the Administration to conduct a National Conference on Small Business Exports within one year of enactment in order to develop recommendations designed to stimulate exports from small companies.

SENSE OF THE CONGRESS OR TRADE NEGOTIATIONS

Section 11 states the sense of the Congress that the interests of the small business community have not been adequately represented in trade policy formulation and in trade negotiations and it urges that the Administrator of the SBA should be appointed as a member of the Trade Policy Committee and also that the United States Trade Representative should consult with the Small Business Administration and its Office of Advocacy in trade policy formation and in trade negotiations. Further, it recommends that the USTR would better serve the needs of the small business community with full-time staff assistance with responsibilities for small business trade issues.

PROMULGATION OF REGULATIONS

Section 12 provides for the Administration to promulgate final regulations to carry out the provisions of Section 6 within six months of the date of enactment.

EFFECTIVE DATE

Section 13 states that the Small Business International Trade and Competition Enhancement Act of 1987 shall become effective on the date of enactment.●

By Mr. McCONNELL (for himself, Mr. Ford, Mr. Graham, Mr. Chiles, Mr. Pryor, Mr. Boren, and Mr. Breaux):

S. 1345. A bill to allow the National Association of State Racing Commissioners, State racing commissions and regulatory authorities that regulate parimutuel wagering to receive and share Federal Government criminal identification records; to the Committee on the Judiciary.

LICENSING OF PARIMUTUEL SPORTS

Mr. McCONNELL. Mr. President, Kentucky is known for many things. Perhaps one of the most widely recognized symbols of the Commonwealth of Kentucky is the thoroughbred racehorse and the sport for which this magnificent breed of horse is raised.

Of course, horse racing is not unique to Kentucky. In fact, 68 of my colleagues come from States which contain racing industries. But because of Kentucky's horse racing heritage, perhaps it is fitting that I come before the Senate today to introduce legislation promoting the integrity of this institution and other parimutuel sports.

Most of our States contain some form of parimutuel activity—be it horse racing, greyhound racing, or jaialai. Parimutuel activities are very important to my State's economy, as well as an important source of revenue for State government. Nationally, proceeds from parimutuel wagering contribute nearly $900 million annually to 34 State treasuries. Mr. President I ask unanimous consent that the table provided by the American Horse Council which follows this statement be inserted so that it appears at this point in my remarks.

PARIMUTUEL SPORTS

[Attendance per revenue to States (annual)]

State	Attendance	State revenue
Alabama	2,500,000	$17,500,000
Arizona	2,100,000	11,600,000
Arkansas	2,300,000	22,000,000
California	12,200,000	150,000,000
Colorado	1,800,000	14,300,000
Connecticut (incl. OTB)	2,700,000	40,500,000
Delaware	1,000,000	850,000
Florida	16,700,000	124,000,000
Idaho	250,000	350,000
Illinois	6,700,000	61,000,000
Iowa	650,000	3,100,000
Kentucky	3,000,000	13,000,000
Louisiana	3,700,000	24,000,000
Maine	N/A	600,000
Maryland	3,700,000	11,000,000
Massachusetts	4,400,000	38,000,000
Michigan	2,400,000	24,500,000
Minnesota	1,000,000	6,000,000
Montana	500,000	250,000
Nebraska	2,000,000	12,000,000
New Hampshire	1,700,000	10,000,000
New Jersey	7,500,000	9,000,000
New Mexico	1,400,000	2,500,000
New York (incl. OTB)	9,600,000	211,000,000
Ohio	3,400,000	17,000,000
Oklahoma	300,000	3,000,000
Oregon	1,200,000	4,500,000
Pennsylvania	3,400,000	12,000,000
Rhode Island	1,300,000	10,000,000
South Dakota	400,000	2,000,000
Vermont	150,000	700,000
Washington	1,700,000	10,000,000
West Vriginia	2,700,000	13,500,000
Wyoming	165,000	150,000
Totals	104,515,000	879,900,000

OTB denotes Off Track Betting.

Source: American Horse Council.

These sports demand efficient and effective regulation, a process which largely depends on the proper licensing of participants such as owners, trainers, jockeys, and so forth.

The purpose of this legislation is to improve and strengthen the integrity of parimutuel sports, by improving the licensing process for participants in these sports. The bill facilitates freer exchange of information among the State racing commissions by granting the National Association of State Racing Commissioners [NASRC] [1] access to Federal criminal records.

Currently, each State racing commission separately runs the routine criminal background checks requisite to issuing licenses to parimutuel participants who wish to operate in their State. This bill will initiate a multistate licensing system so that an applicant could file one application with the NASRC, which would then run the criminal background check and share the results with the States involved.

Under this bill, applicants need only submit one application, one fingerprint card and one check annually, significantly reducing the cost and inconvenience of licensing. Streamlining this process has the important benefit of minimizing the chance that someone with a criminal record may go undetected, adding confidence and integrity to the licensing system. Every State would retain the right to apply its own licensing standards to each application. No State would be bound by the decision of another State, and the States' cumulative regulatory efforts will be strengthened by having complete criminal history information updated annually.

Mr. President, this bill will significantly reduce the States' and the Federal Governments' processing costs and time. The application the State receives will be complete and the Federal Government will check fingerprints only once on each applicant.

This legislation should not create any controversy, Mr. President. It simply grants access to Federal criminal records to the NASRC so that parimutuel industries and the Federal Government do not spend inordinate amounts of time and money on the licensing of participants in these sports. The Justice Department has already said it has no objections to this legislation. It costs no money—in fact it saves money. No other organization known to me is seeking this kind of access to Federal crime records. The only ones who wouldn't like this bill are those people with criminal records hoping to escape detection.

I am especially pleased that my senior colleague from Kentucky, Senator FORD is an original cosponsor of this important measure. I'm also glad that Senators CHILES and GRAHAM of Florida, Senator PRYOR of Arkansas, and Senator BOREN of Oklahoma are joining me in this effort. Together, we represent but 4 of the 34 States with horse racing or some other form of parimutuel sport. We recognize, and hope our colleagues come to recognize, the great potential for: First, eliminating the extreme duplication of effort and expense to the States and Federal Government for licensing participants in these sports; and second, improving the integrity of these sports through better detection of applicants with criminal records.

I urge my other colleagues to join us in this effort by lending their support to this important legislation.

By Mr. MATSUNAGA (for himself, Mr. DODD, Mr. METZENBAUM, Mr. PELL, Mr. STAFFORD, Mr. ADAMS, Mr. BUMPERS, Mr. LEVIN, Mr. SIMON, Mr. INOUYE, Mr. BURDICK, Mr. BYRD, and Mr. ROCKEFELLER):

S. 1346. A bill to amend the National Labor Relations Act to give employers and performers in the performing arts rights given by section 8(e) of such act to employers and employees in similarly situated industries, to give to employers and performers in the performing arts the same rights given by section 8(f) of such act to employers and employees in the construction industry, and for other purposes; to the Committee on Labor and Human Resources.

PERFORMING ARTS LABOR RELATIONS AMENDMENTS

Mr. MATSUNAGA. Mr. President, I am today introducing legislation to correct a longstanding deficiency in the National Labor Relations Act. This bill, the performing arts labor relations amendments, seeks to provide musicians and other performing artists with the right afforded to other workers to be represented in collective bargaining by the union of their choice.

Joining me as original cosponsors of this legislation are my distinguished colleagues, the Senator from Rhode Island, Mr. PELL; the Senator from Ohio, Mr. METZENBAUM; the Senator from Washington, Mr. ADAMS; the Senator from Vermont, Mr. STAFFORD; the Senator from Connecticut, Mr. DODD; the Senator from Illinois, Mr. SIMON; the Senator from Arkansas, Mr. BUMPERS; the Senator from Hawaii, Mr. INOUYE; the Senator from North Dakota, Mr. BURDICK; the Senator from Michigan, Mr. LEVIN; and the

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[1] The National Association of State Racing Commissioners was organized in 1934 as a nonprofit unincorporated association. It is located in Lexington, KY. It was formed to "encourage forceful and honest nationwide control of racing for the protection of the public" in response to the realization that if racing was to mature as a national sport, each State could no longer function alone, unmindful of other States' rules and regulations. It has been operating for over 50 years.

The membership of the NASRC includes State racing commissioners, all of whom are appointed by their respective Governors. No individuals other than State-appointed racing commissioners, all subjected to close scrutiny and background checks prior to appointment, are entitled to full membership or to hold office in the NASRC. Each of these commissioners presently has access to the FBI's criminal history records since they are members of State commissions authorized to receive this information.

Among the original goals of the NASRC were reciprocity between States in enforcing another State's official rulings or penalties and the formulation of uniform rules and practices. These goals are the bases of the above proposal.

Senators from West Virginia, Mr. BYRD and Mr. ROCKEFELLER.

Mr. President, when the National Labor Relations Act was passed in 1935 and amended in 1947 and 1959, there appeared to be no need to include provisions extending special protections to musicians. It was not until the 1970's that specific interpretations of the Taft-Hartley Act by the courts and the National Labor Relations Board made it clear that a serious omission had occurred. Specifically, musicians were told by the NLRB that they could not enter into agreements with their employers to establish their wages and working environment and conditions. They were informed by the Board that they were independent contractors, who have control over the means and production of their work.

Mr. President, this finding is simply not in concert with reality. Performing artists throughout this country simply do not have control over their working conditions. In many cases, they work at the whim of a hotel manager or owner, a bar owner, or an orchestra leader who contracts with a manager or an owner. These individuals, who have complete control over the wages paid, the hours worked, the costumes worn, and other conditions of employment, are immune from action on the part of the union because they are not recognized by an employer.

Mr. President, the legislation we are introducing today seeks to remedy this longstanding problem. In the past, Congress has made changes in the Taft-Hartley Act whenever the unique conditions of a particular industry were shown to require special provisions in the act. In 1959, Congress recognized the temporal nature of employment in the construction industry and determined that a prehire collective-bargaining agreement was an acceptable practice in that industry. Further, in order to protect workers in the garment and apparel industry from the proliferation of subcontracts which were difficult to hold to union work standards and wages, Congress granted an exemption from the ban against agreements between unions and employers to contract out work only to subcontractors who use union labor.

The music industry, though not recognized as such under current law, shares many of the unique characteristics of the construction industry and the garment industry that put it in the position of conflict with certain provisions of the National Labor Relations Act. Like construction workers, musicians generally work for only a short period of time for a particular employer, and often travel around the country working only a week or two in any given location. Because of this, they are unable to comply with the general provision of the NLRA which requires that a majority of the employees vote for union representation after 30 days of employment. Furthermore, they cannot even picket or otherwise force purchasers of their services to bargain collectively with them.

Mr. President, our bill would simply give performing artists the same rights which other, similarly affected workers in other industries enjoy. It recognizes the unique characteristics of the performing arts industry; it establishes the employer-employee relationship between the performing artist and his or her true employer; it recognizes the short-term nature of employment in this industry and allows prehire agreements to be struck on a voluntary basis; and it acknowledges the need for economic sanctions to enforce collective-bargaining agreements.

Mr. President, this legislation has been pending before the Senate for several sessions. Hearings were held during the 99th Congress which clearly documented the need for these changes. It is time that we move forward to extend the National Labor Relations Act in a fair and evenhanded manner to the performing arts industry. I strongly urge my colleagues to give the performing arts labor relations amendments timely and favorable consideration.

By Mr. SIMON (for himself, Mr. WALLOP, Mr. DIXON, Mr. CRANSTON, Mr. GORE, Mr. STENNIS, and Mr. EXON):

S. 1347. A bill to facilitate implementation of the 1980 Hague Convention on the Civil Aspects of International Child Abduction, and for other purposes; to the Committee on the Judiciary.

INTERNATIONAL CHILD ABDUCTION ACT

● Mr. SIMON. Mr. President, I am today introducing legislation that is necessary to implement the Hague Convention on the Civil Aspects of International Child Abduction. The Senate gave consent to the convention, without opposition, last October 9. Eight other countries, including Canada and the United Kingdom, have also approved the convention. It is imperative that the United States, as a leader among the Western nations, ratify the convention, so that others will follow suit. With the enactment of this legislation, the U.S. ratification of this important convention will be able to go forward.

Mr. President, the convention addresses a growing and difficult problem in child custody disputes: The abduction of children from their legal custodians, and the transportation of those children across international boundaries. The State Department has said that between 300 and 350 new cases of international child abduction and retention are reported to them every year. Once the children have been taken out of the country, their rightful custodians face an almost impossible task in trying to recover the children. The convention would help to solve this problem by requiring signatory nations to return the children, if wrongfully abducted, to their lawful custodians in their nation of habitual residence.

It is important to note that convention would not impact the ultimate custody decisions concerning these children. Those decisions would still be left to local courts and authorities. Instead, the convention would simply eliminate an incentive for abducting a child. The incentive would be gone because, if the child were taken to a signatory nation, the child would be automatically returned to his or her nation of habitual residence, unless, of course, a judge found that return would pose a grave risk to the child's well-being.

This legislation, and the convention it would help to ratify, are important for two reasons. First, child custody decisions are ones that should be made by qualified, dispassionate judicial officers, not by those acting unilaterally to abduct children. By taking away an incentive to abduct the children, the convention will help to ensure that these decisions remain in the hands of the appropriate judicial officers.

Second, and more importantly, we must recognize the immense emotional and psychological damage that is suffered by the abducted children, and by those parents who are left behind. In my home State of Illinois, my office has worked to resolve several such cases, including ones involving abductions to England, Norway, Saudi Arabia, and Bolivia. This legislation, by bringing about the ratification of the convention, will help to forestall that kind of disruption in families' lives.

Under the proposed legislation, one Federal agency would act as a central coordinating body, to gather information on abducted children's whereabouts and welfare, and, whenever possible, to facilitate the rightful return of those children. The legislation would also grant concurrent jurisdiction to both State and Federal courts, to rule on actions arising under the convention.

The bill I am today introducing is the product of extended discussions among the Federal departments that will be effected by the legislation, including the State, Justice, and Treasury Departments. The bill has been cleared by those departments, and it enjoys the administration's full support.

By bringing the convention to ratification, we will be discouraging child abductions among nations, much as earlier legislation discouraged abductions within our Nation, and within individual States. In 1980, Congress enacted the Parental Kidnaping Prevention Act, and all 50 States have adopted the Uniform Child Custody Jurisdiction Act. Both of those earlier pieces of legislation, like this one, are efforts to stop the disruption and deep emotional harm that child abduction inflicts on innocent families and children.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD, and I urge my colleagues to lend their support to this important implementing legislation.

Mr. President, I ask unanimous consent that a statement by the Senator from Tennessee, Mr. GORE, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1347

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "International Child Abduction Act".

SEC. 2. FINDINGS AND DECLARATION OF PURPOSES.

The Congress finds that—

(1) The international abduction or wrongful retention of children is harmful to their well-being.

(2) Persons should not be permitted to obtain custody of children by virtue of their wrongful removal or retention.

(3) International abductions and retentions of children are increasing, and only concerted cooperation pursuant to an international agreement can effectively combat this problem.

(4) The 1980 Hague Convention on the Civil Aspects of International Child Abduction establishes legal rights and procedures for the prompt return of children who have been wrongfully removed or retained, as well as for securing the exercise of visitation rights. Children who are wrongfully removed or retained within the meaning of the Convention are to be promptly returned unless one of the narrow exceptions set forth in the Convention applies. The Convention provides a sound treaty framework to help resolve the problem of international abduction and retention of children and will deter such wrongful removals and retentions.

(5) This Act is designed to facilitate implementation of the Convention in the United States.

(6) The provisions of this Act are in addition to and not in lieu of the provisions of the Convention.

(7) In enacting this Act the Congress recognizes—

(A) the international character of the Convention; and

(B) the need for uniform international interpretation of the Convention.

(8) The Convention and this Act empower courts in the United States to determine only rights under the Convention and not the merits of any underlying child custody claims.

TITLE I—PROVISIONS IMPLEMENTING THE CONVENTION

SECTION 101. DEFINITIONS.

For the purposes of this Act—

(1) "Convention" means the 1980 Hague Convention on the Civil Aspects of International Child Abduction;

(2) "United States Central Authority" means the agency of the Federal Government designated by the President to perform on behalf of the United States the functions of Central Authority set out in the Convention and this Act;

(3) "court" means any court of competent jurisdiction of a State, the District of Columbia, a territory or possession of the United States, or the United States;

(4) "Federal Parent Locator Service" means the service established by the Secretary of Health and Human Services pursuant to section 453 of the Social Security Act (42 U.S.C. 653);

(5) "person" includes any individual, an institution, or any other legal entity or body;

(6) "applicant" means any person who, pursuant to the Convention, files an application with the United States Central Authority or a Central Authority of any other party to the Convention for the return of a child alleged to have been wrongfully removed or retained or for arrangements for organizing or securing the effective exercise of rights of access pursuant to the Convention;

(7) "petitioner" means any person who files a petition in court seeking relief under the Convention and this Act;

(8) "respondent" means any person against whose interests a petition is filed pursuant to the Convention and this Act;

(9) "authorities" as used in article 15 of the Convention includes public officials and courts;

(10) "rights of access" means visitation rights;

(11) "wrongful removal or retention" includes a removal or retention of a child prior to the entry of a custody order regarding that child; and

(12) "commencement of proceedings" as used in article 12 of the Convention, with regard to the return of children located in the United States, means the filing of a petition in accordance with section 102(b).

SEC. 102. ADMINISTRATIVE AND JUDICIAL REMEDIES.

(a) The courts of the States, the District of Columbia, and the territories and possessions of the United States, and the United States district courts shall have concurrent original jurisdiction with regard to actions arising under the Convention and this Act.

(b) Any person seeking judicial relief under the Convention and this Act may commence a civil action by filing a petition in any court described in subsection (a) within the jurisdiction of which a child is located at the time the petition is filed.

(c) Notice of an action for the return of a child pursuant to the Convention and this Act shall be given in accordance with the applicable law governing notice in interstate child custody proceedings.

(d) A petitioner who seeks return of a child under the Convention and this Act shall establish by a preponderance of the evidence that the child has been wrongfully removed or retained. A respondent who opposes return of the child has the burden of establishing by clear and convincing evidence that one of the exceptions set forth in the Convention applies.

(e) Full faith and credit shall be accorded by courts in the United States to the judgments of other courts in the United States ordering the return of a child pursuant to the Convention and this Act or denying such return.

(f) The remedies established by the Convention and this Act shall be in addition to remedies available under other laws or international agreements.

SEC. 103. PROVISIONAL REMEDIES.

(a) In furtherance of the objectives of the Convention and subject to the provisions of subsection (b), any court exercising jurisdiction over a petition filed pursuant to the Convention and this Act, may, either directly or through an appropriate intermediary, take or cause to be taken provisional measures under Federal or State law, as appropriate, to protect the well-being of a child or to prevent the child's further removal or concealment prior to final disposition of the petition.

(b) No court exercising jurisdiction over a petition filed pursuant to the convention and this Act may order a child provisionally removed from a person having physical control of the child unless the applicable requirements of State law are satisfied.

SEC. 104. ADMISSIBILITY OF DOCUMENTS.

Any application to the United States Central Authority or petition to a court submitted in accordance with the terms of the Convention, together with documents and any other information appended thereto or provided subsequently, shall be admissible in court without the need for any legalization or authentication.

SEC. 105. UNITED STATES CENTRAL AUTHORITY.

(a) The President shall designate a Federal agency to serve as Central Authority for the United States.

(b) The functions of the United States Central Authority and cooperating State and local authorities and agencies are those ascribed to the Central Authority by the Convention and this Act.

(c) The United States Central Authority shall have authority to issue regulations to implement the Convention and this Act.

(d) The United States Central Authority shall have authority to obtain information from the Federal Parent Locator Service under section 463 of Part D of title IV of the Social Security Act.

SEC. 106. COSTS AND FEES.

(a) No Federal, State, or local authority shall impose on the applicant any fee in relation to the administrative processing of applications submitted under this Convention.

(b) Petitioners may be required to bear the costs of legal counsel or advisors, court costs incurred in connection with their petitions and travel costs for the returning child and any accompanying persons, except as provided in subsection (c) or (d).

(c) Subject to subsection (d), legal fees or court costs incurred in connection with proceedings under the Convention or this Act shall be borne by the petitioner unless they are covered by payments from Federal, State, or local legal assistance or other programs.

(d) Any court ordering the return of a child under the Convention shall order the respondent to pay necessary expenses incurred by or on behalf of the petitioner, including court costs, legal fees, foster home or other care during the course of return proceedings, and transportation costs related to the return of the child, unless the respondent establishes that such order would be clearly inappropriate.

SEC. 107. COLLECTION, MAINTENANCE AND DISSEMINATION OF INFORMATION.

(a) Notwithstanding section 522a of title 5, United States Code and any other provision of law, the United States Central Authority may, under such conditions as it prescribes by regulation, receive from or transmit to any Federal, State, or foreign authority or person information for purposes related to the Convention. No information shall be disclosed by the United States Central Authority pursuant to this section, however, if such disclosure would contravene the national security or law enforcement interests of the United States or the confidentiality of census data.

(b) Requests for information under this section shall be submitted in such manner and form as the United States Central Authority may prescribe by regulation and shall be accompanied or supported by such documents as the United States Central Authority may require.

(c) Notwithstanding any other provision of law (but subject to subsection (d)), whenever the head of any department, agency, or instrumentality of the United States or of any State, territory, or possession of the United States receives a request from the United States Central Authority for information authorized to be provided to such Central Authority under this section, such individual shall promptly cause a search to be made of the files and records maintained by such department, agency, or instrumentality with a view to determining whether the information requested is contained in any such files or records. If such search discloses the information requested, such individual shall immediately transmit such information to the United States Central Authority, except that if any information is obtained the disclosure of which would contravene national security or law enforcement interests of the United States or the confidentiality of census data, such information shall not be transmitted. The responding agency shall be obligated to advise the United States Central Authority immediately upon completion of the requested search.

(d) To the extent that information the United States Central Authority is authorized to obtain under the provisions of subsection (c) can be obtained through the Federal Parent Locator Service under the provisions of section 463 of the Social Security Act, such Central Authority shall use the procedure provided for under such section 463 in its efforts to obtain such information, and shall not request such information directly under the provisions of subsection (c) of this section.

(e) Nothing in this section shall be construed as permitting the United States Central Authority to obtain tax return information except as provided in section 6103 of the Internal Revenue Code of 1986 and section 453 of the Social Security Act.

(f) The United States Central Authority shall maintain appropriate records concerning its activities and the disposition of cases brought to its attention.

SEC. 108. INTER-AGENCY COORDINATING GROUP.

(a) The Secretary of State, the Secretary of Health and Human Services, and the Attorney General shall designate Federal employees and may, from time to time, designate private citizens to serve on an interagency coordinating group to monitor operation of the Convention and to provide advice on its implementation. This group shall meet from time to time at the request of the United States Central Authority. The agency in which the United States Central Authority is located is authorized to reimburse such private citizens for travel and other expenses incurred in participating at meetings of the coordinating groups at rates not to exceed those authorized for Federal employees under title 5 of the United States Code.

(b) The interagency coordinating group shall be exempt from the Federal Advisory Committee Act (5 U.S.C. App. I).

SEC. 109. AUTHORIZATION OF APPROPRIATION.

There are hereby authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the purposes of the Convention and this Act.

TITLE II—AMENDMENTS TO OTHER LAWS

SEC. 201. AMENDMENT CONCERNING FEDERAL PARENT LOCATOR SERVICE.

Section 463 of the Social Security Act (42 U.S.C. 663) is amended—

(1) in subsection (b), by striking out "under this section" and inserting in lieu thereof "under subsection (a)"; and

(2) by adding at the end the following new subsection:

"(e) The Secretary shall enter into an agreement with the Central Authority designated by the President in accordance with section 105 of the International Child Abduction Act, under which the services of the Parent Locator Service established under section 453 shall be made available to such Central Authority for the purpose of determining the whereabouts of any parent or child when such information is to be used to locate such parent or child for the purpose of carrying out its responsibilities under that Act. The Parent Locator Service shall charge no fees for services requested pursuant to this subsection.".

SEC. 202. AMENDMENT TO THE INTERNAL REVENUE CODE.

Subparagraph (B) of section 6103(l)(6) of the Internal Revenue Code of 1986 (26 U.S.C. 6103(l)(6)(B)) is amended by inserting before the period at the end thereof the following: "and for purposes of, and to the extent necessary in, locating individuals in connection with the abduction or wrongful restraint or retention of a child".●

● Mr. DIXON. Mr. President, I wish to join my friend and distinguished colleague from Illinois by cosponsoring legislation to implement the 1980 Hague Convention on the Civil Aspects of Parental International Child Abduction.

The State Department has recorded over 2,300 cases of international child abduction. There are victims from each and every State of this country. Young U.S. citizens have been abducted and are being retained in over 100 countries throughout the world. These are not cases under dispute, rather they are cases where an American court has already awarded custody to one parent. Then, in violation of American law, the other parent has kidnaped a young American citizen and removed the child to another country.

Once the children are taken out of this country, their rightful custodians face an impossible task to have their children returned. In virtually every case, the country to which the child is illegally taken, whether ally or enemy, has refused to honor the decision of an American court, and return the child to the parent having legal custody of the child in the United States.

At the present time a parent whose child has been taken to, or retained in, a foreign country in violation of a valid custody decree, must attempt to have that decree recognized by the foreign court. This process is costly, time consuming, and frequently requires the rightful custodian to be subject to another hearing on the merits of the custody claim. This hearing takes place in the abducting parent's home country. Even if such a hearing can be obtained, it almost always results in the abducting parent being granted custody.

Therefore, a person who has lost a custody battle in this country has enormous incentive to abduct the children and take them out of the United States, where they know they cannot be forced to return the children to their rightful custodians.

Without ratification of the Hague Convention, the U.S. Government has little ability to assist parents recover their abducted children. Right now, our State Department seems to function as the world's largest Legal Services Referral Office, telling a parent whose child has been stolen away to contact a lawyer in the country to which the child has been taken.

Mr. President, the Hague Convention is the most promising development in the continuing efforts to deal with this problem. The convention does not provide for the recognition and enforcement of foreign custody decrees. Rather, it sets up a system of administrative and legal procedures designed to insure the prompt return of children who are wrongfully removed to or retained in a ratifying state. This would restore the custody status quo that existed before the abduction. It thus denies the abductor any legal advantage in the country to which the child has been taken, as the courts in that country are under treaty obligation to return the child to the country from which he or she was abducted without conducting any proceedings on the merits of the underlying custody claims.

The convention was adopted by unanimous vote of the 23 countries who participated in the negotiation of this agreement, and is currently formally in force in 8 of these nations.

Last year, the Senate consented to convention by a vote of 98 to 0. The legislation being introduced today will fully implement the various aspects of the convention and allow for formal ratification by the United States. Once the United States formally adopts the Hague Convention, several additional countries are reportedly likely to follow.

The Hague Convention could provide dramatic relief to the problem of international child abduction. Secretary of State Shultz has said that over the past several years nearly half of all reports of parental kidnappings have involved abductions to countries which participated in the preparation and negotiation of the Hague Convention.

Because this problem affects nearly every nation in the world, I believe that once the convention is ratified by a number of countries, additional nations will be encouraged to adopt it in order to deter the abduction of children from their own countries.

Let me remind my colleagues of one tragic case which demonstrates how ineffective the current system is, and the dire need for ratification of the Hague Convention.

I have spoken on this floor about the pain and disruption that have been experienced by Patricia Roush, whose two daughters were illegally abducted by her fugitive father, Khalid Al-Ghesayan, to the kingdom of Saudi Arabia. For over a year, I have been pressing the Saudi Arabian monarchy to bring these two children home.

My constituent, Patricia Roush, has been told by the State Department that there is nothing our Government can do to bring these two young citizens back to their mother and their country. I personally brought this matter to the attention of Saudi representatives in my Senate office, and urged that the decision of the United States court be honored. I was told that these children could not be returned.

What I learned from the Saudis is that they intend to do absolutely nothing to bring these United States citizens home to their mother, despite the fact Geshayan has kidnaped two U.S. citizens from my State.

I showed the Saudis a criminal complaint, the United States of America versus Khalid Hamad Al-Geshayan. A warrant for the arrest of Mr. Geshayan has been issued by the Circuit Court of Cook County for child abduction. Under Federal law, he is charged with unlawful flight to avoid prosecution.

The Saudi representative, however, asserted that my constitutent, Patricia Roush, has few rights under Saudi religious law, and under that same law, has no claim to her two American children. I learned further, that in the event Mr. Geshayan is deemed an unfit parent by the Saudi courts themselves, which is quite possible given his long history of a drinking problem and criminal activity, the children, Alia and Aisha, would not go to their mother but to a relative of Khalid Geshayan's!

I was told that under Saudi law, Geshayan enjoys the right to these two United States citizens, and that there is no opportunity for a greater Saudi Government role in this matter, and that the King, the Ambassador, and the ruling family of this Saudi Arabian monarchy can't help these children in any way.

I cannot accept this, Mr. President! I believe the Saudi Government can and must do something about these two young American girls currently being held hostage in Saudi Arabia. In the spirit of good will and comity, I believe the ruling monarchy in Saudi Arabia can restore these two young United States citizens to their mother, in whose custody they belong, according to the United States courts. While we must accept the reality that different nations maintain divergent legal systems, I find the specifics of this case grossly unfair!

Mr. President, it is exactly for people like Pat Roush, that the Hague Convention on International Child Abduction is needed! It would provide an important new tool for recovering children who have been unlawfully taken.

If the Hague Convention had been in force, perhaps, Patricia Roush and her daughters could have been saved from this pain and suffering! Patricia would have a way to bring her children home where they legally belong!

Mr. President, it is for Patricia Roush and the thousands of people in the United States who have had experiences like hers, that I vigorously urge my colleagues to support this implementing legislation for the Hague Convention on the Civil Aspects of Parental International Child Abduction.●

Mr. CRANSTON. Mr. President, I am pleased today to join as an original cosponsor of S. 1347, the proposed "International Child Abduction Act," an act to facilitate the implementation of the 1980 Hague Convention on the Civil Aspects of International Child Abduction. The Hague Treaty, signed by the United States on December 23, 1981, and approved by the Senate on October 9, 1986, establishes an administrative and judicial mechanism to bring about the prompt return of children who have been abducted from their home country in parental custody struggles. International child abductions in parental custody battles have caused untold grief and heartache to those families involved in these cases. The Hague Treaty and its implementing legislation being introduced today promise to provide remedies to the anguished parents seeking to recover children who have been taken across international borders.

This measure would serve as enabling legislation for the Hague Treaty and provide for its full and uniform implementation throughout the United States. This legislation would provide essential information to left-behind parents regarding their legal remedies under the convention, including the procedures required to invoke and pursue such remedies in the United States. Finally, enactment of this legislation and enforcement of the Hague Treaty will hopefully serve as a deterrent to future wrongful removals or retentions of children between the United States and other signatories to the convention.

Mr. President, the convention and this legislation are logical extensions of legislation, the Parental Kidnaping Prevention Act, Public Law 96-611, I coauthored with the Senator from Wyoming [Mr. WALLOP] several Congresses ago. Although that legislation was enacted by Congress in 1980 to address the problem of interstate child abduction and missing children, no such complementary legislation exists to deal with international cases.

During the hearings I chaired on the problem of parental kidnaping in the 96th Congress, the need for a remedy to deal with international—as well as domestic—parental kidnaping cases was well documented. Moreover, I have seen the difficulties that parents from my own State of California have experienced in attempting to recover their children after they have been taken abroad by a noncustodial parent. Over the past decade I have tried to assist left-behind parents in dozens of cases involving international parental kidnaping. Unfortunately, without implementation of the Hague Treaty, the remedies to assist these families have been very limited.

Mr. President, international child abduction cases have affected numerous families, including a large number of families in my own State. According to data compiled by the Department of State from 1973 to the present, a total of 211 children have been abducted from California and taken by one of their parents to a foreign country. Many of these children are never returned. Hopefully, the implementation of the Hague Treaty will reduce these problems in the future.

SUMMARY OF THE ACT

Mr. President, I'd like to highlight a number of provisions of the proposed legislation which I find are particularly noteworthy.

First, this legislation and the 1980 Hague Convention itself simply empower courts in the United States to determine rights under the convention, not the merits of any underlying child custody claim. The merits of conflicting custody claims underlying wrong abductions or retentions remain for resolution after the convention procedures have been concluded. In other words, Mr. President, the Hague Treaty and its implementing legislation deal exclusively with procedures for returning abducted children to their countries of origin where the underlying custody dispute may be considered by the appropriate courts.

Second, the legislation provides that courts of the States, the District of Columbia, the territories and possessions of the United States and U.S. district courts shall have concurrent original jurisdiction with regard to actions arising under the convention and the proposed act. Thus, a parent may seek relief in either a Federal or State court.

Third, the legislation provides that the burden of proof standard in such cases would be based on a preponderance of the evidence. A petitioner seeking the return of a child under the convention and this legislation must establish by a preponderance of the evidence that the child was wrongfully removed or retained. A respondent who opposes the return of the child has the burden of establishing by clear and convincing evidence that one of the exceptions set forth in the convention applies.

Fourth, the legislation provides that although any court exercising jurisdiction over a petition filed pursuant to the convention may provide for provisional measures under either Federal or State law, as required to protect the well-being of the child or to prevent the child's further removal or concealment prior to the final disposition of the petition, no child may be ordered provisionally removed from a person having physical control of the child unless the applicable requirements of State law are satisfied.

Fifth, the legislation would direct the President to designate a Federal agency to serve as central authority for the United States. The U.S. central authority would have the authority to issue regulations to implement the convention and the proposed act. In general, the primary role of the central authority would be to serve as a clearinghouse for incoming and outgoing applications. In particular, the central authority would be responsible to "take all appropriate measures" to locate abducted children; prevent harm to the child or prejudice to interested parties through provisional measures; secure voluntary return of the child; exchange information regarding the child's social background; provide general information about U.S. laws relating to child custody; initiate or facilitate the institution of judicial proceedings; provide or facilitate the provision of legal counsel or advice; and make administrative arrangements for the safe return of abducted children.

Sixth, at the request of the central authority, an interagency coordinating group would be authorized to meet from time to time to monitor operation of the convention and to provide advice regarding its implementation. The Secretaries of State and Health and Human Services and the Attorney General would be authorized to designate Federal employees and private citizens to serve on such an interagency coordinating group.

Seventh, the legislation contains a provision concerning the utilization of the Federal Parent Locator Service. The Secretary of Health and Human Services would be required to enter into an agreement with the central authority under which the services of the Parent Locator Service would be made available to the central authority for the purpose of determining the location of any parent or child when such information is to be used in carrying out the proposed act.

Finally, with regard to the authorization of appropriations, the legislation authorizes the appropriation of sums as may be necessary each fiscal year to carry out the purposes of the convention. Currently there is no basis for determining the numbers of return requests arising under the convention and the administrative costs involved. Therefore, the legislation does not seek the appropriation of any funds for the foreseeable future. Rather, it authorizes the appropriation of funds in the event they are needed in the future.

CONCLUSION

Mr. President, implementation of the Hague Convention by the United States through enactment of this legislation represents a significant step forward in dealing with international child abduction cases. Although ratification of the treaty and passage of the legislation being introduced today may not end the heartache and distress that parental kidnapping brings about, it will provide for a clear and hopefully swift mechanism for restoring abducted children to their homes.

● Mr. GORE. Mr. President, I am pleased to be an original cosponsor of the implementing legislation for the Hague Convention on International Child Abduction, and I hope my colleagues will pass this bill without delay.

Like my distinguished colleagues from Illinois, since last year I have been seeking to resolve a parental kidnaping case. Last August, I was called by a young woman, Holly Planells, whose son was taken to Jordan by her ex-husband, though her boy was in her full legal custody. Taking advantage of a visitation weekend—weekends the judge had restricted because of fears that the husband would abduct the boy—her ex-husband took the child out of the country and to Jordan, where the two of them have been ever since.

International parental kidnaping is a widespread and growing problem: There are currently over 2,300 known, documented, unresolved cases of such kidnapings. Although parental kidnaping may not be recognized by international law as the serious offense that it is, to parents like Holly Planells, it is a heart wrenching, frustrating ordeal.

The International Child Abduction Act, passed overwhelmingly by Congress last year, seeks to deal with this problem by providing a treaty obligation for the prompt return of abducted children. This convention is in force between Canada, France, Portugal, the United Kingdom, Austrialia, and other nations. This implementing legislation is the final requirement for U.S. compliance with the convention.

This legislation is crucial if we are to address the growing problem of international child abduction. This legislation, once passed, will help us in our stand for international cooperation to solve the problem.

I urge my colleagues to pass this measure without delay.●

ADDITIONAL COSPONSORS

S. 3

At the request of Mr. Cranston, the name of the Senator from Arizona [Mr. DeConcini] was added as a cosponsor of S. 3, a bill to amend title II of the Social Security Act to provide that the combined earnings of a husband and wife during the period of their marriage shall be divided equally and shared between them for benefit purposes, so as to recognize the economic contribution of each spouse to the marriage and ensure that each spouse will have social security protection in his or her own right.

S. 38

At the request of Mr. Moynihan, the names of the Senator from New Jersey [Mr. Bradley] and the Senator from Utah [Mr. Hatch] were added as cosponsors of S. 38, a bill to increase the authorization of appropriations for the Magnet School Program for fiscal year 1987 to meet the growing needs of existing Magnet School Programs, and for the establishment of new Magnet School Programs.

S. 62

At the request of Mr. Stevens, the name of the Senator from New Jersey [Mr. Bradley] was added as a cosponsor of S. 62, a bill to improve efforts to monitor, assess, and to reduce the adverse impact of driftnets.

S. 101

At the request of Mr. Inouye, the name of the Senator from Illinois [Mr. Simon] was added as a cosponsor of S. 101, a bill to amend titles XVIII and XIX of the Social Security Act to provide that a nurse practitioner or clinical nurse specialist may, in collaboration with a physician, certify or recertify the need for certain services, to provide for coverage of certain items and services furnished by a nurse practitioner or clinical nurse specialist, and for other purposes.

S. 104

At the request of Mr. Inouye, the name of the Senator from Rhode Island [Mr. Pell] was added as a cosponsor of S. 104, a bill to recognize the organization known as the National Academies of Practice.

S. 124

At the request of Mr. INOUYE, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 124, a bill to amend title XVIII of the Social Security Act to provide that certified nurse-midwife services are covered under part B of Medicare.

S. 143

At the request of Mr. INOUYE, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of S. 143, a bill to establish a temporary program under which parenteral diacetylmorphine will be made available through qualified pharmacies for the relief of intractable pain due to cancer.

S. 183

At the request of Mr. RIEGLE, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 183, a bill to provide for a program for the provision of child care services in public housing projects.

S. 225

At the request of Mr. D'AMATO, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 225, a bill to amend title II of the Social Security Act to protect the benefit levels of individuals becoming eligible for benefits in or after 1979 by eliminating the disparity (resulting from changes made in 1977 in the benefit computation formula) between those levels and the benefit levels of persons who become eligible for benefits before 1979.

S. 508

At the request of Mr. LEVIN, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 508, a bill to amend title 5, United States Code, to strengthen the protections available to Federal employees against prohibited personnel practices, and for other purposes.

S. 533

At the request of Mr. THURMOND, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 533, a bill to establish the Veterans' Administration as an executive department.

S. 604

At the request of Mr. PRYOR, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 604, a bill to promote and protect taxpayer rights, and for other purposes.

S. 661

At the request of Mr. HEINZ, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 661, a bill to amend titles XI, XVIII, and XIX of the Social Security Act to protect beneficiaries under the health care programs of that act from unfit health care practitioners, and otherwise to improve the antifraud provisions relating to those programs.

S. 780

At the request of Mr. REID, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 790, a bill to amend the enforcement provisions of the Federal Election Campaign Act of 1971.

S. 808

At the request of Mr. MCCLURE, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 808, a bill to clarify the application of the Clayton Act with respect to rates, charges, or premiums filed by a title insurance company with State insurance departments or agencies.

S. 927

At the request of Mr. DASCHLE, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 927, a bill to protect caves resources on Federal lands, and for other purposes.

S. 934

At the request of Mr. CRANSTON, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 934, a bill to authorize payments to States to assist in improving the quality of child care services.

S. 958

At the request of Mr. JOHNSTON, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 958, a bill to dedicate the North Cascades National Park to Senator Henry M. Jackson.

S. 982

At the request of Mr. DODD, the names of the Senator from Arizona [Mr. DECONCINI] and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 982, a bill to authorize payments to States to be used for grants to provide support for family day care providers.

S. 988

At the request of Mr. ROTH, the name of the Senator from Vermont [Mr. STAFFORD] was added as a cosponsor of S. 988, a bill to amend section 2314 of title 18, United States Code, relating to transportation of stolen goods, securities, moneys, fraudulent State tax stamps, or articles used in counterfeiting.

S. 989

At the request of Mr. ROTH, the name of the Senator from Vermont [Mr. STAFFORD] was added as a cosponsor of S. 989, a bill to regulate recruitment and treatment of certain door-to-door sales agents, and for other purposes.

S. 997

At the request of Mr. PELL, the names of the Senator from Ohio [Mr. METZENBAUM] and the Senator from Oklahoma [Mr. NICKLES] were added as cosponsors of S. 997, a bill to require the Director of the National Institute on Aging to provide for the conduct of clinical trials on the efficacy of the use of tetrahydroaminoacidine in the treatment of Alzheimer's disease.

S. 998

At the request of Mr. DECONCINI, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 998, a bill entitled the "Micro Enterprise Loans for the Poor Act."

S. 1016

At the request of Mr. KENNEDY, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 1016, a bill to provide financial assistance for the establishment and operation of literacy corps programs.

S. 1020

At the request of Mr. MOYNIHAN, the name of the Senator from Vermont [Mr. LEAHY] and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of S. 1020, a bill to create the Office of Librarian of Congress Emeritus.

S. 1069

At the request of Mr. BINGAMAN, the names of the Senator from Arizona [Mr. DECONCINI] and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of S. 1069, a bill to revise and extend the older American Indian grant program under the Older Americans Act of 1965, and for other purposes.

S. 1106

At the request of Mr. HATFIELD, the names of the Senator from Georgia [Mr. FOWLER] the Senator from Michigan [Mr. LEVIN], the Senator from North Carolina [Mr. SANFORD], the Senator from Maryland [Mr. SARBANES], and the Senator from Montana [Mr. MELCHER] were added as cosponsors of S. 1106, a bill to provide for simultaneous, mutual, and verifiable moratorium on underground nuclear explosions above a low-yield threshold.

S. 1179

At the request of Mr. CONRAD, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of S. 1179, a bill to amend the Consolidated Farm and Rural Development Act to improve the administration of Farmers Home Administration loans, and for other purposes.

S. 1189

At the request of Mr. MELCHER, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 1189, a bill to amend the Older Americans Act of 1965 to authorize grants to States for demonstration projects that provide to older individuals services in return for certain volunteer services provided to other individuals.

S. 1203

At the request of Mr. GRASSLEY, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 1203, a bill to amend title 22, United States Code, to make unlawful the establishment or maintenance within the United States of an office of the Palestine Liberation Organization, and for other purposes.

S. 1218

At the request of Mr. HARKIN, his name was added as a cosponsor of S. 1218, a bill to require that any imported food be labeled to specify the country of origin.

S. 1306

At the request of Mr. COCHRAN, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 1306, a bill to amend the Tariff Schedules of the United States to make the temporary modification of the tariff treatment on certain disposable surgical gowns and drapes permanent.

S. 1333

At the request of Mr. MCCONNELL, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 1333, a bill to allow the 65 miles-per-hour-speed limit on highways that meet interstate standards and are not currently on the National System of Interstate and Defense Highways.

SENATE JOINT RESOLUTION 26

At the request of Mr. PELL, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of Senate Joint Resolution 26, a joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes.

SENATE JOINT RESOLUTION 49

At the request of Mr. DOLE, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of Senate Joint Resolution 49, a joint resolution to designate September 18, 1987, as "National POW/MIA Recognition Day."

SENATE JOINT RESOLUTION 51

At the request of Mr. D'AMATO, his name was added as a cosponsor of Senate Joint Resolution 51, a joint resolution to designate the period commencing on July 27, 1987, and ending on August 2, 1987, as "National Czech American Heritage Week."

SENATE JOINT RESOLUTION 87

At the request of Mr. RIEGLE, the names of the Senator from New York [Mr. MOYNIHAN], the Senator from Arkansas [Mr. PRYOR], the Senator from California [Mr. WILSON], the Senator from North Carolina [Mr. SANFORD], the Senator from New York [Mr. D'AMATO], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Arizona [Mr. DECONCINI], the Senator from Mississippi [Mr. STENNIS], the Senator from Colorado [Mr. WIRTH], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of Senate Joint Resolution 87, a joint resolution to designate November 17, 1987, as "National Community Education Day."

SENATE JOINT RESOLUTION 101

At the request of Mr. CRANSTON, the names of the Senator from Louisiana [Mr. BREAUX], the Senator from Georgia [Mr. FOWLER], the Senator from Michigan [Mr. RIEGLE], the Senator from Georgia [Mr. NUNN], the Senator from Utah [Mr. GARN], the Senator from Utah [Mr. HATCH], the Senator from Vermont [Mr. STAFFORD], the Senator from Texas [Mr. GRAMM], the Senator from Tennessee [Mr. GORE], the Senator from Ohio [Mr. GLENN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Delaware [Mr. ROTH], and the Senator from Idaho [Mr. SYMMS] were added as cosponsors of Senate Joint Resolution 101, a joint resolution designating June 19, 1987 as "American Gospel Arts Days."

SENATE JOINT RESOLUTION 108

At the request of Mr. LUGAR, the names of the Senator from Arkansas [Mr. PRYOR], the Senator from Kansas [Mr. DOLE], the Senator from New Mexico [Mr. DOMENICI], the Senator from Connecticut [Mr. DODD], the Senator from Virginia [Mr. TRIBLE], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Hawaii [Mr. INOUYE], the Senator from New Jersey Mr. LAUTENBERG], the Senator from Alaska [Mr. STEVENS], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from Virginia [Mr. WARNER] were added as cosponsors of Senate Joint Resolution 108, a joint resolution to designate October 6, 1987, as "German-American Day."

SENATE JOINT RESOLUTION 109

At the request of Mr. DURENBERGER, the names of the Senator from Mississippi [Mr. STENNIS], and the Senator from Nebraska [Mr. KARNES] were added as cosponsors of Senate Joint Resolution 109, a joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week."

SENATE JOINT RESOLUTION 111

At the request of Mr. HEINZ, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of Senate Joint Resolution 111, a joint resolution to designate each of the months of November 1987, and November 1988, as "National Hospice Month."

SENATE JOINT RESOLUTION 122

At the request of Mr. D'AMATO, his name was added as a cosponsor of Senate Joint Resolution 122, a joint resolution to designate the period commencing on October 18, 1987, and ending on October 24, 1987, as "Gaucher's Disease Awareness Week."

SENATE JOINT RESOLUTION 125

At the request of Mr. ROTH, the names of the Senator from Maryland [Ms. MIKULSKI], and the Senator from Tennessee [Mr. GORE] were added as cosponsors of Senate Joint Resolution 125, a joint resolution to designate the period commencing on May 9, 1988, and ending on May 15, 1988, as "National Stuttering Awareness Week."

SENATE JOINT RESOLUTION 136

At the request of Mr. HUMPHREY, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of Senate Joint Resolution 136, a joint resolution to designate the week of December 13, 1987, through December 19, 1987, as "National Drunk and Drugged Driving Awareness Week."

SENATE JOINT RESOLUTION 138

At the request of Mr. HELMS, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from New Mexico [Mr. DOMENICI], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Utah [Mr. GARN], the Senator from Utah [Mr. HATCH], and the Senator from California [Mr. WILSON] were added as cosponsors of Senate Joint Resolution 138, a joint resolution to designate the period commencing on July 13, 1987, and ending on July 26, 1987, as "U.S. Olympic Festival-'87 Celebration," and to designate July 17, 1987, as "U.S. Olympic Festival-'87 Day."

SENATE JOINT RESOLUTION 147

At the request of Mr. LEVIN, the names of the Senator from Maryland [Ms. MIKULSKI] and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of Senate Joint Resolution 147, a joint resolution designating the week beginning on the third Sunday of September in 1987 and 1988 as "National Adult Day Care Center Week."

SENATE JOINT RESOLUTION 148

At the request of Mr. D'AMATO, the names of the Senator from Hawaii [Mr. INOUYE] and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of Senate Joint Resolution 148, a joint resolution designating the week of September 20, 1987, through September 26, 1987, as "Emergency Medical Services Week."

SENATE JOINT RESOLUTION 153

At the request of Mr. PACKWOOD, the names of the Senator from Arkansas [Mr. BUMPERS], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. BREAUX], the Senator from Maine [Mr. COHEN], and the Senator from West Virginia [Mr. BYRD] were added as cosponsors of Senate Joint Resolution 153, a joint resolution prohibiting the enhancement or upgrade in the sensitivity of technology of, or the capability of, Maverick missiles for Saudi Arabia.

SENATE CONCURRENT RESOLUTION 9

At the request of Mr. DOLE, the names of the Senator from Georgia [Mr. NUNN] and the Senator from New Jersey [Mr. LAUTENBERG] were added as cosponsors of Senate Concurrent Resolution 9, a concurrent resolution to provide for the display of the National League of Families POW/MIA flag in the Capitol Rotunda.

SENATE CONCURRENT RESOLUTION 29

At the request of Mr. DECONCINI, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of Senate Concurrent Resolution 29, a concurrent resolution expressing the sense of Congress regarding the inability of American citizens to maintain regular contact with relatives in the Soviet Union.

SENATE CONCURRENT RESOLUTION 31

At the request of Mr. PRESSLER, the names of the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of Senate Concurrent Resolution 31, a concurrent resolution commending the Czechoslovak human rights organization Charter 77, on the occasion of the 10th anniversary of its establishment, for its courageous contributions to the achievement of the aims of the Helsinki Final Act.

SENATE CONCURRENT RESOLUTION 41

At the request of Mr. MOYNIHAN, the names of the Senator from Michigan [Mr. LEVIN], and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of Senate Concurrent Resolution 41, a concurrent resolution calling for public access to the United Nations War Crime Commission files.

SENATE RESOLUTION 174

At the request of Mr. DECONCINI, the name of the Senator from Oklahoma [Mr. BOREN] was added as cosponsors of Senate Resolution 174, a resolution expressing the sense of the Senate condemning the Soviet-Cuban buildup in Angola and the severe human rights violations of the Marxist regime in Angola.

SENATE RESOLUTION 227

At the request of Mr. GRANSTON, the name of the Senator from Montana [Mr. BAUCUS] was added as cosponsors of Senate Resolution 227, a resolution expressing the sense of the Senate regarding proposals by the Government of Canada to limit the ability of foreign companies to distribute motion pictures in that country, and the relationship of those proposals to the successful completion of a Free Trade Agreement between the United States and Canada.

AMENDMENTS SUBMITTED

SENATORIAL ELECTION CAMPAIGN ACT

CHAFEE AMENDMENTS NOS. 296 THROUGH 302

(Ordered to lie on the table.)

Mr. CHAFEE submitted seven amendments intended to be proposed by him to the bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes; as follows:

AMENDMENT No. 296

At the appropriate place, add the following new section:

CONTRIBUTION LIMITS

SEC. 15. Section 315(a)(2)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(A)) is amended by striking out "$5,000" and inserting in lieu thereof "$2,500".

AMENDMENT No. 297

At the appropriate place add the following:

the provisions of this section shall not apply unless section 313 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439a) is amended by—

(1) striking out "or may be used for any other lawful purpose, including transfers" and inserting in lieu thereof "or may be transferred"; and

(2) striking out "party;" and all that follows through the end of such section and inserting in lieu thereof "party.".

AMENDMENT No. 298

At the appropriate place, add the following:

SEC. . Notwithstanding any other provision of this Act, spending limits and public financing provisions, proposed as title V of the Federal Election Campaign Act of 1971 shall not become effective unless public financing provisions for House candidates become effective.

AMENDMENT No. 299

At the appropriate place, add the following new section:

CONTRIBUTION LIMITS

SEC. 15. Section 315(a)(2)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)(A)) is amended by striking out "$5,000" and inserting in lieu thereof "$2,500".

AMENDMENT No. 300

At the appropriate place add the following:

the provisions of this section shall not apply unless section 313 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439a) is amended by—

(1) striking out "or may be used for any other lawful purpose, including transfers" and inserting in lieu thereof "or may be transferred"; and

(2) striking out "party;" and all that follows through the end of such section and inserting in lieu thereof "party.".

AMENDMENT No. 301

At the appropriate place, add the following:

SEC. . Notwithstanding any other provision of this Act, the spending limits and public financing provisions, proposed as title V of the Federal Election Campaign Act of 1971 shall not become effective unless public financing provisions for House candidates become effective.

AMENDMENT No. 302

On page 54, line 8, beginning with "10" strike out through "10" on line 9, and insert in lieu thereof, "100 per centum of the eligible candates of each major party and 100".

DECONCINI AMENDMENTS NOS. 303 AND 304

(Ordered to lie on the table)

Mr. DECONCINI submitted two amendments intended to be proposed by him to the bill S. 2, supra; as follows:

AMENDMENT No. 303

At the end of the pending amendment, add the following:

"On page 40, strike out lines 3 through 9 and insert in lieu thereof the following:

'(i) such contribution is necessary to defray expenditures for such election which in the aggregate do not exceed the difference between the amount of the limitation on expenditures established in section 503(b) and the amount of payments provided for in paragraph (1)(A) or (2)(A) of section 504(a), as the case may be; or

'(ii) contributions in excess of the limitation on expenditures are—

'(I) from individuals residing in such candidate's State,

'(II) in amounts of $100 or less, and

'(III) forwarded to the United States Treasury for deposit in the Senate Fund established pursuant to section 506(a);'."

AMENDMENT No. 304

At the end of the pending amendment add the following:

"On page 40, line 11, strike 'at a national or State bank in a separate checking account', and insert in lieu thereof: 'in an account insured by the Federal Deposit Insurance Corporation or the Federal Savings & Loan Insurance Corporation from which funds may be withdrawn by check or similar means for payment to third parties'."

AMENDMENTS SUBMITTED DURING THE ADJOURNMENT

SENATORIAL ELECTION CAMPAIGN ACT

Under the authority of the order of the Senate of June 5, 1987, the following amendments were submitted on June 8, 1987, during the adjournment of the Senate:

ADAMS AMENDMENTS NOS. 256 AND 257

(Ordered to lie on the table.)

Mr. ADAMS submitted two amendments intended to be proposed by him to the bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes; as follows:

Amendment No. 256

On page 37, line 22, after "involved" insert "or, if such candidate is a candidate in a State having a primary election after September 1, within 7 days after the date such candidate wins in such primary election, as determined by the Commission".

Amendment No. 257

On page 86, line 15, after "loan" insert "in excess of $150,000".

BENTSEN AMENDMENT NO. 258

(Ordered to lie on the table.)

Mr. BENTSEN submitted an amendment intended to be proposed by him to the bill S. 2, supra; as follows:

At the appropriate place in the amendment, insert the following:

Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) in subsection (a) by inserting after "foreign national" the first place it appears the following: "including any separate segregated fund or nonparty, multicandidate political committee of a foreign national"; and

(2) in subsection (b) by adding before the semicolon at the end thereof the following: ", but shall include any partnership, association, corporation, or subsidiary corporation organized under or created by the laws of the United States, a State, or any other place subject to the jurisdiction of the United States if more than 50 per centum of such entity is owned or controlled by a foreign principal".

GRAHAM AMENDMENT NO. 259

(Ordered to lie on the table.)

Mr. GRAHAM submitted an amendment intended to be proposed by him to the bill S. 2, supra; as follows:

On page 39, line 17, strike out "(7)" and insert in lieu thereof "(8)".

On page 39, between lines 16 and 17, insert the following:

"(7) agree, in writing, that such candidate will participate in public debates pursuant to the provisions of sections 504 and 514 of this title; and

On page 41, line 9, strike out "(8)" and insert in lieu thereof "(9)".

On page 61, line 15, strike out the final quotation marks and period.

On page 61, between lines 15 and 16, insert the following:

"PUBLIC DEBATES

"Sec. 512. (a) No candidate shall be eligible to receive a payment, pursuant to the provisions of this title, for use in a general election campaign unless such candidate participates in public debates or forums in accordance with the provisions of this section and section 504 of this title.

"(b)(1) Each candidate receiving funds pursuant to this title shall participate in at least two debates or forums during the general election period.

"(2) Such debate or forum shall be with at least one of the opponents of such candidate unless such debate or forum is conducted pursuant to regulations and procedures provided by the Commission.

"(3) The Commission shall promulgate rules and regulations regarding the debates and forums, including—

"(i) provisions to be followed when only one candidate in an election is an eligible candidate, pursuant to the provisions of this title;

"(ii) the sponsorship of such debates and forums;

"(iii) the procedures, format, and physical requirements of such debates and forums; and

"(iv) the participation by third party candidates.

"(4) The Commission may provide that candidates must participate in more than two debates, and shall be responsible for ensuring that all eligible candidates participate in such debates or forums.

"(c) If only one candidate is participating in a debate or forum, a format shall be provided so that such candidate is asked and answers questions in a public forum conducted pursuant to regulations promulgated by the Commission.".

On page 56, between lines 14 and 15, insert the following:

"(i) If the Commission determines that any candidate who has received payments under this title failed to participate in debates or forums pursuant to the provisions of section 512, the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to the amount of the payments made to such candidate pursuant to section 506.

DeCONCINI AMENDMENTS NOS. 260 AND 261

(Ordered to lie on the table)

Mr. DeCONCINI submitted two amendments intended to be proposed by him to the bill, S. 2, supra; as follows:

Amendment No. 260

On page 40, strike out lines 3 through 9 and insert in lieu thereof the following:

"(i) such contribution is necessary to defray expenditures for such election which in the aggregate do not exceed the difference between the amount of the limitation on expenditures, established in section 503(b) and the amount of payments provided for in paragraph (1)(A) or (2)(A) of section 504(a), as the case may be; or

"(ii) contributions in excess of the limitation on expenditures are—

"(I) from individuals residing in such candidate's State,

"(II) in amounts of $100 or less, and

"(III) forwarded to the United States Treasury for deposit in the Senate Fund established pursuant to section 506(a);".

Amendment No. 261

On page 40, line 11, strike "at a national or State bank in a separate checking account", and insert in lieu thereof: "in an account insured by the Federal Deposit Insurance Corporation or the Federal Savings & Loan Insurance Corporation from which funds may be withdrawn by check or similar means for payment to third parties".

WILSON AMENDMENT NO. 262

(Ordered to lie on the table.)

Mr. WILSON submitted an amendment intended to be proposed by him to the bill S. 2, supra; as follows:

Amendment No. 262

At the appropriate place, insert the following new section:

Sec. —. Section 3210(a)(6) of title 39, United States Code, is amended to read as follows:

"(6)(A) It is the intent of Congress that a Member of, or Member-elect to, Congress may not mail any mass mailing as franked mail.

"(B)(i) For purposes of this paragraph, the term 'mass mailing' means a mailing of more than five hundred pieces in which the content of the matter mailed is substantially identical.

"(ii) Such term does not include mailings—

"(I) which are in direct response to communications from persons to whom the matter is mailed;

"(II) which consist of individually addressed responses on a specific issue to constituents who have previously written on the issue;

"(III) to colleagues in the Congress or to elected or appointed Government officials (whether Federal, State, or local);

"(IV) of news releases to the communications media;

"(V) which consist of news announcements on a specific issue individually addressed to the chief officer and any member of the board of directors of a corporation or organization with an interest in the specific issue;

"(VI) which consist of materials not prepared by or relating to a Member of, or Member-elect to, Congress; or

"(VII) the sole purpose of which is to give notice of a town meeting.

"(C) The Select Committee on Ethics of the Senate and the House Commission on Congressional Mailing Standards shall prescribe for their respective Houses rules and regulations, and shall take other action as the Committee or the Commission considers necessary and proper for Members and Members-elect to comply with the provisions of this paragraph and applicable rules and regulations. The rules and regulations shall include provisions prescribing the time within which mailings shall be mailed at or delivered to any postal facility and the time when the mailings shall be deemed to have been mailed or delivered to comply with the provisions of this paragraph.".

ARMSTRONG AMENDMENT NO. 263

(Ordered to lie on the table.)

Mr. ARMSTRONG submitted an amendment intended to be proposed by him to the bill S. 2, supra; as follows:

At the appropriate place add the following new section:

CONVENTION FUNDING

Sec. . (a) The Presidential Election Campaign Fund Act, chapter 95 of the Internal Revenue Code of 1986 is amended by repealing section 9008.

(b) Section 9009(a) of the Internal Revenue Code of 1986 is amended by—

(1) inserting "and" at the end of paragraph (3);

(2) striking out the semicolon at the end of paragraph (4) and inserting in lieu thereof a period; and

(3) repealing paragraphs (5) and (6).

(c) Section 9012 of the Internal Revenue Code of 1986 is amended by—

(1) repealing the second sentence in paragraph (1) of subsection (a);

(2) amending subsection (c) to read as follows:

"(C) UNLAWFUL USE OF PAYMENTS.—It shall be unlawful for any person who receives any payment under section 9006, or to whom any portion of any payment received under such section is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than—

"(1) to defray the qualified campaign expenses with respect to which such payment was made, or

"(2) to repay loans the proceeds of which were used, or otherwise to restore funds (other than contributions to defray qualified campaign expenses which were received and expended) which were used, to defray such qualified campaign expenses.".

(d) Section 9037(a) of the Internal Revenue Code of 1986 is amended by striking out "and for payments under section 9008(B)(3)".

McCAIN AMENDMENT NO. 264

(Ordered to lie on the table.)

Mr. McCAIN submitted an amendment intended to be proposed by him to the bill S. 2, supra; as follows:

On page 74, beginning with line 20, strike out through line 21 on page 80 and insert in lieu thereof the following:

"None of the provisions of this act shall be effective unless and until the Federal Election Compaign Act of 1971 is amended to read as follows:

"SEC. 6. (a) Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended to read as follows:

"(2) No multicandidate political committee shall make contributions to any candidate for Federal office or any authorized political committee of such candidate, or to any other political committee or separate segregated fund.".

(b) Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended by—

(1) striking out "subsection (b) and subsection (d)" in paragraph (1) and inserting in lieu thereof "subsections (b), (d), (i), and (j)"; and

(2) inserting "for subsections (b) and (d) and the term 'base period' means the calendar year of the first election after the date of enactment of the Senatorial Election Campaign Act of 1987, for subsections (i) and (j)" before the period at the end of paragraphs (2)(B).

(c) Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by—

(1) in paragraph (1), by striking out "(2) and (3)" and inserting in lieu thereof "(2), (3), (4), and (5)";

(2) by adding at the end thereof the following:

"(4) No congressional campaign committee may accept contributions from multicandidate political committees or separate segregated funds.

"(5) No national committee of a political party may accept contributions from multicandidate political committees or separate segregated funds.

"(6) The limitations contained in paragraphs (2) and (3) shall apply to any expenditure through general public political advertising, whenever made, which clearly identifies by name an individual who is, or is seeking nomination to be, a candidate in the general election for Federal office of President, Senator or Representative; provided that this paragraph shall not apply to direct mail communications designed primarily for fundraising purposes which make only incidental reference to any one or more Federal candidates.".

(d) Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended by—

(1) inserting "and" at the end of subparagraph (A);

(2) striking out "; and" at the end of subparagraph (B) and inserting in lieu thereof a period; and

(3) repealing subparagraph (C).

(e) Section 316(b)(3) is amended to read as follows:

"(3) It shall be unlawful for any corporation, labor organization, membership organization, cooperative, or corportion without capital stock to establish, administer, or solicit contributions to a separate segregated fund, or any other fund, to be utilized for political purposes by such organization, cooperative, or corporation.

(f) Section 316(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(4) is amended—

(1) in subparagraph (A)(i), by striking out "to such a fund";

(2) in subparagraph (A)(ii), by striking out "to such a fund";

(3) in subparagraph (B), by striking out "a labor organization or a separate segregated fund established by such corporation or such labor organization" and inserting in lieu thereof "or a labor organization";

(4) in subparagraph (B), by striking out ", labor organization, or separate segregated fund conducting" and inserting in lieu thereof ", or a labor organization conducting";

(5) in subparagraph (C), by striking out ", or a separate segregated fund established by a membership organization, cooperative, or corportion without capital stock";

(6) in subparagraph (C), by striking out "to such a fund"; and

(7) in subparagraph (D), by striking out "or a separate segregated fund established by a trade association".

(g) Section 316(b)(5) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(5)) is amended by striking out "or of facilitating the making of voluntary contributions to a separate segregated fund established by a corportion".

(h) Section 317(b) of the Federal Election Campaign Act (2 U.S.C. 441c(b)) is amended to read as follows:

"(b) This section prohibits and makes unlawful the establishment or administration of, or the solicitation of contributions to, any separate segregated fund by any corportion, labor organization, membership organization, cooperative, or corporation without capital stock to contribute directly or indirectly to the campaign of any person for Federal office. Each specific prohibition, allowance, and duty applicable to a corporation or labor organization under section 316 applies to a corporation or labor organization to which this subsection applies.".

(i) Section 316(b) of Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)) is amended by—

(1) redesignating paragraphs (4), (5), (6), and (7), and any reference to such paragraphs, as pargraphs (5), (6), (7), and (8), respectively; and

(2) inserting after paragraph (3) the following new paragraph:

"(4) It shall be unlawful for a corporation, a labor organization, any multicandidate committee, or any separate segregated fund, to make any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or any benefit or thing of value—

"(A) described in, or in connection with any activity described in, paragraph (8)(B) or (9)(B) of section 301, or paragraphs (A), (B), or (C) of paragraphs (2) of this section; and

"(B) in connection with any election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office.".

SYMMS AMENDMENTS NOS. 265 THROUGH 270

(Ordered to lie on the table.)

Mr. SYMMS submitted six amendments intended to be proposed by him to the bill S. 2, supra; as follows:

AMENDMENT No. 265

On page 88, after line 10, add the following:

CONGRESSIONAL PRESS

SEC. 15. Notwithstanding any other provision of law, no funds appropriated for Members of Congress or for any office of such Member shall be used to pay the salary, or any part of the salary or compensation of more than one individual who serves as a principal staff contact for members of the print or electronic media.

AMENDMENT No. 266

On page 88, after line 10, add the following new section:

VOTER LISTS

SEC. 15. The Federal Election Campaign Act of 1971 is amended by adding after section 323 the following new section:

"SEC. 324. (a) The Commission shall establish a program to confirm the registration of voters. Such program shall include provisions providing for such confirmation every 2 years. 30 days before an election. Each registered voter shall be mailed a nonforwardable postcard confirming such registration. The names of individuals whose postcards were not deliverable or were returned to the Commission shall be put on list as voters whose registration may be challenged.

"(b) The Commission shall prepare voter registration confirmation cards to carry out the purposes of this section.".

AMENDMENT No. 267

On page 88, after line 10, add the following:

INCUMBENT'S TRAVEL

SEC. 15. Notwithstanding any other provision of law, no funds appropriated for Members of Congress or for any office of such Member shall be used by such Member, for travel to or from the district or State which such Member serves if such member is a candidate as defined in section 301(2) of the Federal Election Campaign Act of 1971.

Amendment No. 268

On page 88, after line 10, add the following:

FRANKED MAIL DURING ELECTION YEAR

Sec. 15. Section 3210 of title 39, United States Code, is amended by adding at the end thereof the following:

"(h) Notwithstanding any other provision of law, in the calendar year in which a Member of Congress is a candidate in a Federal election, the funds appropriated by Congress for franked mail for such office of such Member shall be reduced by percent of the amount of funds appropriated for such office in the previous fiscal year.".

Amendment No. 269

On page 88, after line 10, add the following:

RESTRICTIONS ON FRANKED MAILINGS

Sec. 15. (a) Section 3210(a) of title 39, United States Code, is amended—

(1) in paragraph (3), by—

(A) inserting "or" at the end of subparagraph (H);

(B) striking out "; or" at the end of subparagraph (I) and inserting in lieu thereof a period; and

(C) striking out subparagraph (J); and (2) in paragraph (5), by—

(i) striking out "or" at the end of subparagraph (C);

(ii) striking out the period at the end of subparagraph (D) and inserting in lieu thereof "; or"; and

(iii) inserting between subparagraph (D) and the paragraph that follows such subparagraph, the following:

"(E) mail matter which contains a picture, sketch, or other likeness of any incumbent Member even if mailed as part of a Federal publication or in response to a specific request.".

(b) Section 3210 of title 39, United States Code, is further amended by adding at the end thereof the following:

"(h) Notwithstanding any other provision of law, no Member of Congress who is a candidate in an election for Federal office shall mail franked mail matter which contains a picture, sketch, or likeness of such Member.".

Amendment No. 270

On page 88, after line 10, add the following:

EQUAL OPPORTUNITIES DOCTRINE

Sec. 15. Section 315(a) of the Communications Act of 1934, (47 United States Code 315(a)) is amended by inserting after "of this subsection" the following ", except that such an appearance by an incumbent shall be considered to be use of such station within the meaning of this subsection".

EVANS AMENDMENTS NOS. 271 THROUGH 273

(Ordered to lie on the table.)

Mr. EVANS submitted three amendments intended to be proposed by him to the bill S. 2, supra; as follows:

Amendment No. 271

On page 62, line 6, before the period, insert the following:

Given enactment of the previous provision, such provision shall not become effective unless section 315 of the Communications Act of 1934 is amended by—

(1) striking out "The" in subsection (b) and inserting in lieu thereof "Except as provided in subsection (e), the"; and

(2) adding at the end thereof the following:

"(e) A legally qualified candidate for public office shall not receive the lowest unit charge of the station, pursuant to subsection (b)(1), for the use of such station for the broadcasting of a political announcement or advertisement unless such candidate is identified or identifiable during 100 percent of the time of such announcement or advertisement.".

Amendment No. 272

On page 62, line 6, after "Act" insert the following: ", and in any use of such station for the broadcasting of a political announcement or advertisement, if such candidate is identified or identifiable during 100 percent of the time of such announcement or advertisement.".

Amendment No. 273

On page 62, line 6, before the period, insert the following:

Given enactment of the previous provision, such provision shall not become effective unless section 315 of the Communications Act of 1934 is amended by—

(1) striking out "The" in subsection (b) and inserting in lieu thereof "Except as provided in subsection (e), the"; and

(2) adding at the end thereof the following:

"(e) A legally qualified candidate for public office shall not receive the lowest unit charge of the station, pursuant to subsection (b)(1), for the use of such station for the broadcasting of a political announcement or advertisement unless such candidate is identified or identifiable during 50 percent of the time of such announcement or advertisement.".

McCONNELL (AND OTHERS) AMENDMENT NO. 274

(Ordered to lie on the table.)

Mr. McCONNELL (for himself, Mr. Packwood, Mr. Stevens, and Mr. Boschwitz) submitted an amendment intended to be proposed by them to the bill S. 2, supra; as follows:

On page 32, beginning with line 7, strike out through line 15 on page 61.

BOSCHWITZ (AND STEVENS) AMENDMENT NO. 275

(Ordered to lie on the table.)

Mr. BOSCHWITZ (for himself and Mr. Stevens) submitted an amendment intended to be proposed by them to the bill S. 2, supra; as follows:

On page 33, line 4, strike out through page 33, line 25.

McCONNELL (AND PACKWOOD) AMENDMENTS NOS. 276 AND 277

(Ordered to lie on the table.)

Mr. McCONNELL (for himself and Mr. Packwood) submitted two amendments intended to be proposed by them to the bill S. 2, supra; as follows:

Amendment No. 276

Beginning on page 76, line 12, strike out all through page 77, line 13, and insert in lieu thereof the following:

"(E) to any candidate for the office of Senator and the authorized political committees of such candidates with respect to—

"(i) a general or special election for such office (including any primary election, convention, or caucus relating to such general or special election) which, when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election) exceeds an amount equal to 0 percent of the amount provided in section 315(i); or

"(ii) a runoff election for the office of United States Senator which exceeds, when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such runoff election, an amount equal to 0 percent of the limitation on expenditures provided in section 315(j), for runoff elections; or

Amendment No. 277

Beginning on page 75, line 10, strike out all through page 76, line 11 and insert in lieu thereof the following:

"(i) a general or special election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress (including any primary election, convention, or caucus relating to such general or special election) which exceed $0 ($0 if at least two candidates qualify for the ballot in the general or special election involved and at least two candidates qualify for the ballot in a primary election relating to such general or special election), when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such general or special election (including any primary election, convention, or caucus relating to such general or special election); or

"(ii) a runoff election for the Office of Representative in, or Delegate or Resident Commissioner to, the Congress which exceed $0 when added to the total of contributions previously made by multicandidate political committees and separate segregated funds, other than multicandidate committees of a political party, to such candidate and his authorized political committees with respect to such runoff election;

BOSCHWITZ (AND OTHERS) AMENDMENT NO. 278

(Ordered to lie on the table.)

Mr. BOSCHWITZ (for himself, Mr. Packwood, and Mr. McConnell) submitted an amendment intended to be proposed by them to the bill S. 2, supra; as follows:

On page 80, line 9, beginning with "," strike out through "States" on line 12.

BOSCHWITZ (AND STEVENS) AMENDMENT NO. 279

(Ordered to lie on the table.)

Mr. BOSCHWITZ (for himself and Mr. STEVENS) submitted an amendment intended to be proposed by them to the bill S. 2, supra; as follows:

On page 82, insert between lines 17 and 18, "(iii) the national committees of a political party supporting candidates in federal elections."

BOSCHWITZ AMENDMENTS NOS. 280 AND 281

(Ordered to lie on the table.)

Mr. BOSCHWITZ submitted two amendments intended to be proposed by him to the bill S. 2, supra; as follows:

AMENDMENT NO. 280

On page 75, beginning with line 6, strike out through line 13 on page 77.

AMENDMENT NO. 281

On page 80, line 13, strike out through page 80, line 21.

BYRD AMENDMENT NO. 282

(Ordered to lie on the table.)

Mr. BYRD submitted an amendment intended to be proposed by him to the bill S. 2, supra; as follows:

On page 88, line 6, beginning with "more" strike out through line 7 and insert in lieu thereof "in 1990 or thereafter.".

CONRAD AMENDMENT NO. 282

(Ordered to lie on the table.)

Mr. CONRAD submitted an amendment intended to be proposed by him to the bill S. 2, supra; as follows:

At the appropriate place, add the following (p. 62, 1. 6–7)

The provisions of the previous paragraph shall not be effective unless § 315 of the Communications Act is amended by adding at the end thereof the following:

"(e) In providing access to use of a broadcasting station with respect to a campaign by a person other than a legally qualified candidate for the public office involved, a licensee shall seek to provide a reasonable balance of contrasting points of view.

"(f) In providing access to use of a broadcasting station (with respect to a campaign), a licensee shall give priority to legally qualified candidates for public office in connection with their campaigns.

COCHRAN AMENDMENT NO. 284

(Ordered to lie on the table.)

Mr. COCHRAN submitted an amendment intended to be proposed by him to the bill S. 2, supra; as follows:

At the appropriate place, add the following:

The provisions of this section shall not become effective unless section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d), is amended by adding at the end therof the following:

"(c) No person, including any political committee or separate segregated fund shall make an expenditure for the use of a broadcast station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising, for a political advertisement or announcement more than 90 days before the date of the election to which such advertisement or announcement relates.".

(b) Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 6 of this Act, is further amended by adding at the end thereof the following:

"(k) No person, political committee, or separate segregated fund shall make any expenditure, directly or indirectly, for the use of broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising, for a political advertisement or announcement for or against any candidate more than 90 days before the date of the election in which such candidate is a candidate.".

CHAFEE AMENDMENTS NOS. 285 THROUGH 288

(Ordered to lie on the table.)

Mr. CHAFEE submitted four amendments intended to be proposed by him to the bill S. 2, supra; as follows:

AMENDMENT NO. 285

On page 88, after line 10, add the following new section:

CONTRIBUTION LIMITS

SEC. 15. Section 315(a)(2)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)(A)) is amended by striking out "$5,000" and inserting in lieu thereof "$2,500".

AMENDMENT NO. 286

At the appropriate place add the following:

Notwithstanding any other provision of law, the provisions of this section shall not apply unless section 313 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439a) is amended by—

(1) striking out "or may be used for any other lawful purpose, including transfers" and inserting in lieu thereof "or may be transferred"; and

(2) striking out "party;" and all that follows through the end of such section and inserting in lieu thereof "party.".

AMENDMENT NO. 287

At the appropriate place, add the following:

SEC. . Notwithstanding any other provision of this Act, the spending limits and public financing provisions, proposed as title V of the Federal Election Campaign Act of 1971 shall not become effective unless public financing provisions for House candidates become effective.

AMENDMENT NO. 288

On page 54, line 8, beginning with "10" strike out through "10" on line 9, and insert in lieu thereof "100 per centum of the eligible candidates of each party and 100".

GRAHAM AMENDMENTS NOS. 289 THROUGH 293

(Ordered to lie on the table.)

Mr. GRAHAM submitted five amendments intended to be proposed by him to the bill S. 2, supra; as follows:

AMENDMENT NO. 289

On page 39, line 17, strike out "(7)" and insert in lieu thereof "(8)".

On page 39, between lines 16 and 17, insert the following:

"(7) agree, in writing, that such candidate will participate in public debates pursuant to the provisions of sections 504 and 514 of this title; and

On page 41, line 9, strike out "(8)" and insert in lieu thereof "(9)".

On page 61, line 15, strike out the final quotation marks and period.

On page 61, between lines 15 and 16, insert the following:

"PUBLIC DEBATES

"SEC. 512. (a) No candidate shall be eligible to receive a payment, pursuant to the provisions of this title, for use in a general election campaign unless such candidate participates in public debates or forums in accordance with the provisions of this section and section 504 of this title.

"(b)(1) Each candidate receiving funds pursuant to this title shall participate in at least two debates or forums during the general election period.

"(2) Such debate or forum shall be with at least one of the opponents of such candidate unless such debate or forum is conducted pursuant to regulations and procedures provided by the Commission.

"(3) The Commission shall promulgate rules and regulations regarding the debates and forums, including—

"(i) provisions to be followed when only one candidate in an election is an eligible candidate, pursuant to the provisions of this title;

"(ii) the sponsorship of such debates and forums;

"(iii) the procedures, format, and physical requirements of such debates and forums; and

"(iv) the participation by third party candidates.

"(4) The Commission may provide that candidates must participate in more than two debates, and shall be responsible for ensuring that all eligible candidates participate in such debates or forums.

"(c) If only one candidate is participating in a debate or forum, a format shall be provided so that such candidate is asked and answers questions in a public forum conducted pursuant to regulations promulgated by the Commission.".

On page 56, between lines 14 and 15, insert the following:

"(i) If the Commission determines that any candidate who has received payments under this title failed to participate in debates or forums pursuant to the provisions of section 512, the Commission shall so notify such candidate and such candidate shall pay to the Secretary an amount equal to the amount of the payments made to such candidate pursuant to section 506.

AMENDMENT NO. 290

At the appropriate place insert the following:

"PUBLIC DEBATES

"SEC. 512. (a) No candidate shall be eligible to receive a payment, pursuant to the provisions of this title, for use in a general election campaign unless such candidate participates in public debates or forums in accordance with the provisions of this section, notwithstanding the provision of section 502 or section 504.

"(b) Each candidate receiving funds pursuant to this title shall participate in at least two debates or forums during the general election period.

"(c) In addition to the requirements of section 502, to be eligible to receive payments under this title a candidate shall, within 7 days after qualifying for the general election ballot under the law of the State involved, agree, in writing, that such candidate will participate in public debates pursuant to the provisions of this section.

"(d) If a candidate who is eligible to receive payments under this title failed to participate in debates or forums pursuant to the provisions of this section, such candidate shall pay to the Secretary an amount equal to the amount of the payments made to such candidate pursuant to section 506.".

AMENDMENT No. 291

At the appropriate place insert the following:

"(9) agree, in writing, that such candidate will participate in public debates purusant to the provisions of section 504 and 512 of this title".

AMENDMENT No. 292

At the appropriate place insert the following:

"(i) If any candidate who has received payments under this title failed to participate in debates or forums pursuant to the provisions of section 512, such candidate shall pay to the Secretary an amount equal to the amount of the payments made to such candidate pursuant to section 506.

AMENDMENT No. 293

At the appropriate place insert the following:

"PUBLIC DEBATES

"SEC. 512. (a) No candidate shall be eligible to receive a payment, pursuant to the provisions of this title, for use in a general election campaign unless such candidate participates in public debates or forums in accordance with the provisions of this section, notwithstanding the provision of section 502 or section 504.

"(b) Each candidate receiving funds pursuant to this title shall participate in at least two debates or forums during the general election period.".

HUMPHREY AMENDMENTS NOS. 294 AND 295

(Ordered to lie on the table.)

Mr. HUMPHREY submitted two amendments intended to be proposed by him to the bill S. 2, supra; as follows:

AMENDMENT No. 294

At the end of the bill add the following new section:

SEC. . Notwithstanding any other provision of law, the provisions of this act shall not take effect until such time as Section 315(c) of the Federal Election Campaign Act of 1971 is amended by inserting "subsection (a)," before "subsection (b)" in paragraph (1).

AMENDMENT No. 295

At the end of the amendment, add the following new section:

SEC. . Notwithstanding any other provision of law, the provisions of this act shall not take effect until such time as Section 315(c) of the Federal Election Campaign Act of 1971 is amended by inserting "subsection (a)," before "subsection (b)" in paragraph (1).

COMMITTEE ON SMALL BUSINESS

Mr. BUMPERS. Mr. President, I would like to announce that the Small Business Committee will hold a full committee markup on Thursday, June 11, 1987, at 10 a.m., on H.R. 2166, a bill to amend the Small Business Act and the Small Business Investment Act of 1958. In addition, the committee will also be marking up the Small Business Trade and Competition Enhancement Act, which I expect will be introduced today. The markup will take place in room 428A of the Russell Senate Office Building. For further information on H.R. 2166, please call John Ball, staff director of the committee at 224-5175. For information regarding the committee trade bill, please call Scott Hibbard at 224-3052.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a markup and hearing on the following dates:

Markup on Tuesday, June 16, 1987, beginning at 2 p.m., in Senate Russell 485 on S. 187, the Native American Cultural Preservation Act; H.R. 1567, Cow Creek judgment funds; H.R. 318, restoration of Federal recognition to the Ysleta del Sur Pueblo and the Alabama and Coushatta Indian Tribes of Texas; and S. 1305, settlement of certain claims arising out of activities on the Pine Ridge Indian Reservation, and for other purposes.

Hearing on Thursday, June 18, 1987, beginning at 9 a.m., in Senate Dirksen 628 on S. 555 and S. 1303, bills to provide for Federal regulation of gaming on Indian lands.

Those wishing additional information should contact the Committee at 224-2251.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON SURFACE TRANSPORTATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Surface Transportation, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on June 9, 1987, at 2 p.m. to hold oversight hearings on the financial health of the rail industry.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AGRICULTURAL CREDIT

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Agricultural Credit of the Committee on Agriculture, Nutrition, and Forestry, be authorized to meet during the session of the Senate on Tuesday, June 9, 1987 at 2:30 p.m. to receive testimony from the Farm Credit Capital Corporation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Tuesday, June 9, 1987, at 2 p.m. to hold hearings on S. 1233, The Economic Competitiveness, International Trade, and Technology Development Act of 1987.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRIBUTE TO THE LAMBERTVILLE-NEW HOPE AMBULANCE AND RESCUE SQUAD

● Mr. BRADLEY. Mr. President, I would like to bring to the attention of my colleagues, a noteworthy group from New Jersey. The Lambertville-New Hope Ambulance and Rescue Squad has become the world champion in heavy rescue for the sixth time. Their first victory was in 1963 and they have won again in 1965, 1966, 1982, 1985, and 1986. They are the only volunteer rescue team to compete for this title. In addition, this dedicated group is the defending champion in the South Carolina Rescue Association, with wins in 1982, 1985, and again in 1986. Their superior performance in these events is indicative of the outstanding, effective treatment they provide their communities in such emergencies as floods, earthquakes, and fires. It is their dedication to their training and to their neighbors that make it possible for them to enter dangerous areas and assist people who are in distress.

I hope my colleagues will join me in praise for the Lambertville-New Hope Ambulance and Rescue Squad and in sending them best wishes when they go to defend their world title in Virginia Beach this August.●

FLORIDA VOTERS SAY NO TO BILLBOARDS

● Mr. STAFFORD. Mr. President, highway beautification has been an interest of mine for many years. I regret that we were unsuccessful in making changes this year to the Highway Beautification Act, which I believe is badly in need of reform. But I am encouraged that citizens in communities across the country are achieving what we in Congress have been unable to do.

The citizens of Jacksonville, FL, have now joined other communities who said no to billboards. In a citywide vote, the residents of Jacksonville approved a city charter amendment which prohibits the erection of any new billboards and required all billboards along city streets to come down within 5 years.

It is interesting to note that the billboard industry raised over $182,000 while the citizens group supporting the charter amendment raised $8,000 and spent $5,300. People do care about the way their environment looks and they also recognize that it is to their economic benefit as well to rid their neighborhoods of billboard blight. I ask that the article from the Florida Times-Union, "Voters Say No to Billboards in Approving Amendment" be printed in the RECORD.

[From the Florida Times-Union, Jacksonville, FL, May 27, 1987]

VOTERS SAY NO TO BILLBOARDS IN APPROVING AMENDMENT

(By Michael Romaner)

Jacksonville voters overwhelmingly approved yesterday a citizen sponsored, City Charter amendment that will impose tough new regulations on billboards across the city.

Fifty-nine percent of the voters said they wanted to curtail the massive signs with bold commercial messages that have sprouted for years along city streets.

The actual vote was 61,954 to 43,477, according to unofficial returns.

The new regulations, far tougher than the City Council was willing to approve almost three months ago, mean that no new billboards can be erected anywhere in Jacksonville after Monday.

The charter change, the first sponsored by citizens in 16 years, also means that within five years, all billboards along city streets will have to be torn down—assuming that the billboards industry is unsuccessful in challenging the charter change in court.

Billboards along federal highways in Jacksonville will be exempted from removal. About 1,000 of the city's 1,500 billboards are along federal roadways.

The citizens initiative was originated in late March by CAP-SIGNS—Citizens Against the Proliferation of Signs—in response to the long-debated sign ordinance approved by the City Council a month earlier.

The hastily founded group, which was led by two local attorneys and a stockbroker, sharply criticized the ordinance, saying it was totally inadequate with regard to billboard regulations.

Last night, at the Tommy Hazouri headquarters, where CAP-SIGNS leaders were celebrating their victory, Tracey Arpen, president of the group, said the vote should send a strong message to the council.

"I think it says the voters are a lot more sophisticated than the council has given them credit for and they care about the way the city looks and they want the council responsive to them rather than special interests," Arpen said.

The CAP-SIGNS-led initiative, which was put together in a matter of weeks, took the local billboard industry—which worked for nearly a year to win the compromise legislation passed by the council—by surprise.

In fact, it took the industry nearly three weeks to get together a campaign against the proposed charter change.

By then, with only a week remaining before the general election, it may have been too little, too late to have an impact on voters, according to a public relations specialist working with Citizens Against the Charter Amendment, a political action group founded by billboard company officials.

CAP-SIGNS members say it may have been too late but not too little.

The billboard political action group raised $182,537 in the two weeks that the group was in existence.

About $167,000 of that money was raised by Naegele Outdoor Advertising Inc., which is owned by the same company that owns The Florida Times-Union and Jacksonville Journal.

CAP-SIGNS raised $8,000 and spent $5,300.

Spokesmen for the billboard industry either were unavailable or would not comment last night.

Throughout the day, the Supervisor of Elections Office received calls from voters and precinct elections workers complaining that pro-billboard campaigners were "arm-twisting" voters as they entered the polls.

Campaign workers are prohibited by law from campaigning within 100 feet of a polling station.

Elections Supervisor Tommie Bell said she sent elections staff members out to the precincts on a number of occasions to investigate the complaints, but she was unable to confirm that the pro-billboard forces had violated any campaign laws.●

HOW RESTRAINED ARE JAPANESE AUTO IMPORTS?

● Mr. LEVIN. Mr. President, my colleagues are no doubt aware of the so-called voluntary restraint agreement by which the Japanese Government limits exports of Japanese automobiles to the United States. When the VRA first went into effect in 1981, the level of exports allowed was 1.68 million per year. It was raised to 1.85 million in 1984, and to the current level of 2.3 million in 1985. My colleagues may also be aware that despite the VRA, the automotive sector is still the largest single item in our growing bilateral trade deficit with Japan.

What is generally less well-known is that the total number of Japanese vehicles exported to the United States is greater than 2.3 million. The VRA only applies to conventional passenger cars. There is a separate limitation imposed by the Japanese Government on a category referred to as "vans," which are four-wheel drive, multipurpose vehicles similar to the Jeep. And there is no limit at all on small trucks.

The Japanese Ministry of International Trade and Industry [MITI] has a voluntary restraint order limiting exports of vans to the United States to 112,950 a year. However, for the last Japanese fiscal year—April 1, 1986 to March 31, 1987, there were 277,092 vehicles in this category shipped to our shores. This is 164,142 units over MITI's quota, or almost 150 percent more than officially authorized. What accounts for this discrepancy?

The Japanese manufacturers of these Jeep-type vehicles have developed an ingenious method to circumvent the limit. They ship the vehicles without the rear seats installed, passing them off as trucks—which are not subject to the limit, and then install rear seats in the United States for ultimate sale as passenger vehicles. These manufacturers take full advantage of the numbers available to them under the MITI quota for vans, and then export many more of the same model as trucks.

For example, during the last fiscal year 3,280 Suzuki Samurais were shipped under the defined limit or trucks and an additional 53,355 exported as trucks; 2,100 Isuzu Trooper II's were shipped under the limit and another 40,085 as trucks; and 2,600 Mitsubishi Monteros were exported under the limit, and another 8,031 as trucks.

The Japanese Government is doing a lousy job of monitoring its own policies. This raises the question of how committed they are to any restraints on auto exports—it's hard to believe that they could be entirely unaware of such a transparent attempt to get around the spirit, if not the letter, of the VRA. This experience ought to teach us that we can't rely on Japanese rhetoric or voluntary actions to reduce our huge bilateral trade deficit. We need hardnosed negotiating and firm insistence other countries don't live up to agreements and don't open their markets to our products. They will retaliate and treat us no better than we treat them.

I want to stress again as I have before that I'm not mad at Japan, or at any other country that maintains a large surplus with us. I don't blame them for taking full advantage of available opportunities.

No, I'm not mad at the Japanese. I'm mad at our Government for not insisting that other nations get treated no better than they treat us. The circumventing of the auto VRA by Japanese auto companies should remind us of this broader principle, the principle of reciprocity in our trade relations.●

PLANT CLOSING LEGISLATION—THE SPANISH EXPERIENCE

● Mr. HUMPHREY. Mr. President, legislation reported recently by the Committee on Labor and Human Resources resembles closely what are known as redundancy laws in Europe. The European experience with these regimes strongly suggests that the labor special committee's proposal will undermine the flexibility that has been the cornerstone of jobs creation in this country.

Spain is a case in point. Since 1977, Spanish layoff laws have led to a loss of about 1 million jobs and an unemployment rate in excess of 20 percent. Additionally, layoff laws have forced the Spanish Government to pour billions of dollars into troubled sectors of the economy in a vain effort to keep them afloat. This financial support, representing maximum interference of the state in the economy, is a predictable result of redundancy legislation. If the private sector is forced to operate marginally profitable or unprofitable plants because of statutory obstacles prohibiting their timely closing, then the public sector will necessarily have to pick up the tab.

Mr. President, I ask that an article from the Financial Times of January 20, 1986, be reprinted in the RECORD. It outlines many of the economic problems facing Spain and their relationship to Spanish layoff laws.

In considering plant closings legislation, the United States Senate should take counsel from the sad Spanish experience. Otherwise, we will be condemned to learn the hard way.

The article follows:

[From the Financial Times, Jan. 20, 1986]

LACK OF FLEXIBILITY PROVES EXPENSIVE

(By David White)

Spain is—notoriously—one of the western countries where it is most difficult and costly for companies to get rid of employees they no longer need. The rigidity of hiring-and-firing laws, a legacy of the Franco regime, has meant that Spain has had to design its industrial streamlining programme—involving the state in several billion dollars worth of support for a series of troubled sectors—in order to get around them.

"The whole process of industrial reconversion," said a senior minstry official, simplifying the issue, "is really a substitute for redundancies which governments have not had the political courage to carry out."

The lack of flexibility for enforcing redundancies, except on an agreed and voluntary basis, has proved expensive both economically for Spain, which has lagged behind other European countries in improving productivity, and financially, now that the taxpayer has to carry the cost of restructuring workforces in numerous cases.

From a government point of view, this has been the price of preserving labour peace during the delicate years of the post-Franco transition period. Paradoxically, relations with trade unions which were legalised after the return of democracy have hinged on preserving workers' rights which were acquired during the dictatorship.

The guarantee of job security was a product of the paternalistic side of Francoism, a trade-off for the lack of union rights and the banning of labour organisations other than the official "vertical" syndicates. The guarantee was provided not by workers' representatives but directly by the state, which set itself up as guardian of the workers' individual and collective interests.

The view of the Confederation of Spanish Business Organisations (CEOE), the main employer body, is that this protection lost sense from the moment the first law on union liberties was brought out in 1977. A new system, it argues, has been superimposed in the old, instead of replacing it.

Except in instances of companies actually folding, it is in practice virtually impossible to enforce redundancies without reaching an agreement beforehand with at least one of the main unions on compensation terms. According to the CEOE labour experts, about 80 per cent of redundancy schemes are the fruit of pacts of this kind.

The rules, they say, enable unions to press tougher settlement demands than would otherwise be the case.

For employers the call for greater flexibility has become a standard war-cry—and a principal complaint against the Socialist Government in the wake of last year's Economic and Social Agreement, which foresaw a tripartite commission on labour legislation.

At the same time, the threat of "free dismissal" has become a pet bogey for the union movement, dominated by the big Socialist and Communist Federations, Union General de Trabajadores (UGT) and Comisiones Obreras.

The CEOE says, however, that it is not asking for "free dismissal" but for reasonable indemnities.

The barriers to redundancies have not prevented a dramatic loss of jobs. Far from it; since 1977, employment in Spanish industry and construction has shrunk by well over 1m, a quarter of the total. On the other hand, rising unemployment—now around 22 per cent of those available for work—has increased the barriers. As alternative jobs have become harder to find, the cost of tempting workers out of their posts has gone up.

This situation is made more acute by the inadequacy of unemployment benefits, which run out after two years.

A classic case is that of Peugeot-Talbot, which has a car factory at Villaverde, a southern Madrid suburb and left-wing stronghold. In 1982, the French-owned company decided the workforce it needed for a modernised plant was about 6,000, which meant shedding 4,500 jobs. It reached agreement with the administration and unions on a programme for achieving the cuts through natural loss, early retirement and voluntary redundancies. In a first stage, it got 1,500 to leave, but then the market became more difficult.

By October 1985, when its plan should have been completed, 1,820 of the workers who should have gone were still on the payroll. This was despite the fact that compensation for voluntary redundancies had risen to an average of around Pta 3m for non-skilled workers—about two and a half years of salary. This compares with a theoretical maximum of 12 months of wages laid down in Spain's Workers' Statute for redundancies on technical grounds.

The company has been negotiating a new plan in which the state will part-subsidise both its investments and the cost of shedding labour. It is, a strange situation for a Socialist government to find itself in.

The motor industry is an extreme case, but in other sectors companies also have to pay much higher compensation than the theoretical level established in the statute of 20 days' pay per year of service.

Most settlements, according to the CEOE, fall within the range of 20 and 45 days for each year worked.

The basic procedure for redundancies on technical or economic grounds is that the company, once it has prepared its documentation, calls a meeting of workers' representatives and presents them with a paper that goes by the abstruse name of Employment Adjustment File (Expediente de Regulacion de Empleo). The Labour Ministry is notified and given a copy. Company and unions then have 30 days to negotiate.

If they reach agreement, they inform the Labour Ministry, which has 15 days, to reply. If it says nothing, the agreement stands. On the other hand, if there is no agreement, the company cannot go ahead without the authorities express approval. The authorities are supposed to decide within 30 days, but, the CEOE complains, rarely do.

From the employers' point of view, the situation has undoubtedly been made worse as a result of concessions made by the Government in its industrial restructuring programme, suspending workers' contracts instead of terminating them. The precedent was set in a government-backed scheme for the overmanned special steels sector in February 1984—against the opposition of Mr. Carlos Solchaga, the current finance and economy minister, who was then at industry. He offered his resignation over the issue, but it was turned down.

Suspended contracts, which just serve to postpone the crunch, are an expensive alternative for a company, since it has to continue paying social security charges for the workers concerned.

The private sector continues to argue that the labour laws force employers to think twice before hiring new staff.

In 1984, the Government introduced several reforms to make the system more flexible, the most important of these being the fixed-term contract. Under this, unemployed people can be taken on for terms of a minimum of six months. If the contract is terminated, compensation is set at the modest level of 12 days' pay per year of service.

Together with other programmes including incentives for hiring young people, this is seen as having been a prime factor behind the recent improvement in Spain's employment figures. Total employment showed a surprising upturn in the third quarter of last year.

However, the fixed-term contract cannot be continued beyond a maximum of three years and employers argue that this is only a small part of a solution. The root of the problem has yet to be tackled.●

OIL AND GAS RESEARCH PROGRAMS

● Mr. JOHNSTON. Mr. President, I would like to call to the attention of my distinguished colleagues to two recent actions that provide sound guidance for implementing the essential steps to ensure that the technology and trained manpower required to economically extract our Nation's future oil and gas producers will be available. We are all painfully aware that our domestic oil- and gas-producing industry has been devastated by OPEC's crude oil market manipulations. Due to the financial consequences of low world oil prices, U.S. producers and oil service companies have had to slash their research budgets and their support for petroleum engineering and geology graduate programs at many major universities including those in my own State of Louisiana.

The Secretary of Energy recognized this problem and asked his policy advisory body, the Energy Research Advisory Board [ERAB], to undertake a study of the oil and gas research programs in DOE and to recommend actions. ERAB reported the following findings and offered recommendations to the Secretary in February 1987:

First, a shortage of domestic liquid hydrocarbon fuels threatens the Nation's energy security and international competitiveness; and

Second, Federal R&D programs to increase U.S. oil and gas production are unacceptably small, not focused on highest priority needs, are fragmented among 17 programs offices in DOE, have no overall coordination and no strategic plan.

These findings compelled ERAB to recommend that DOE:

First, redirect R&D to activities that will increase U.S. oil and gas production;

Second, integrate currently disparate R&D projects, especially in oil, gas, and related geoscience, into a high-level Office of Geoscience Research [OGR] to develop and manage an analytically based strategic plan;

Third, establish six "centers of excellence," one in each major U.S. petroleum province, to conduct and coordinate interdisciplinary, problem-oriented oil and gas R&D; and

Fourth, enact a fiscal year 1988 budget for the integrated, refocused R&D program that is $50 million greater than the current level, rising to an incremental $100 million by fiscal year 1990.

ERAB stated:

> R&D will not, by itself, solve America's energy problem, but advanced technologies are essential components of any positive national energy policy.

In an independent, supportive action, the Interstate Oil Compact Commission [IOCC], an organization of Governors from 29 oil- and gas-producing States and 6 associated member Governors, adopted a resolution at its spring meeting specifically endorsing the ERAB recommendations on geosciences. The IOCC resolution concluded:

> Now therefore be it resolved that the Interstate Oil Compact Commission does hereby urge the Department of Energy to correct the severe imbalance between funding priorities in the energy R&D budget and projected United States demand for hydrocarbon energy, by shifting sufficient funds within its planned budget to implement the ERAB recommendations.

I urge my colleagues to study the ERAB report and to work with me to find a way to implement the recommendations. It is critical for the United States to maintain its longstanding leadership in petroleum technology worldwide and to develop the technology to economically extract its domestic oil and gas resources so it can lossen to grip that OPEC has on the U.S. economy. There is no better way than to tap the great strength and talent of our universities, State geological organizations, and national laboratories. Establishing and funding oil and gas centers of excellence in the major producing regions is the key. We need to act on the ERAB recommendations now.

Mr. President, I ask that the text of the IOCC resolution be included in the RECORD.

The resolution follows:

RESOLUTION IN SUPPORT OF INCREASED FUNDING FOR RESEARCH AND DEVELOPMENT

Whereas, the United States is predicted to rely upon oil and natural gas to satisfy approximately 50 percent of its energy demand for the next 25 years; and

Whereas, whatever United States demand for oil cannot be satisfied by domestic production will be satisfied by imported supplies of oil; and

Whereas, increased reliance on imports from politically unstable regions profoundly endangers the nation's energy security, balance of payments, and diplomatic and defense posture; and

Whereas, United States hydrocarbon resources could be used to fill this future demand and, thereby, reduce the reliance on imported oil; and

Whereas, potential incremental oil production could be as much as 90 billion barrels from known U.S. reservoirs and an additional 80 billion barrels from undiscovered reservoirs, mostly from subtle traps and frontier areas; and

Whereas, potential incremental natural gas production could be as much as 700 trillion cubic feet of gas from known, but unconventional, formations and an additional nearly 600 trillion cubic feet from undiscovered reservoirs; and

Whereas, substantial advances in the technologies for geoscientific measurement and interpretation (including basin studies and heterogeneity research) and for economic extraction of these resources (including geologically targeted infill drilling, enhanced oil recovery, and unconventional gas recovery) are required if their potential is to be realized; and

Whereas, these advances will require targeted, focused research and development by the private sector, the states, and the federal government; and

Whereas, the U.S. Department of Energy budget is seriously imblanced relative to its share of this responsibility as it allows less then 0.5 percent of its non-defense R&D budget of oil and gas R&D, while these resources will provide 60 percent of the nation's primary energy by the year 2000; and

Whereas, the Energy Research Advisory Board (ERAB), scientific advisors to the Secretary of Energy, has assessed the problem and recommended: (1) establishing an Office of Geoscience Research (OGR) to develop a strategic R&D plan to focus on the discovery and recovery of oil and gas; (2) consolidating all existing DOE programs in hydrocarbon geoscience and extraction research within this office; (3) developing "centers of excellence" in each of the major geological provinces to coordinate and execute the planned research; and (4) allocate an incremental $50 million in Fiscal Year 1988 to the consolidated effort, primarily to support the centers; and

Now therefore be it resolved that the Interstate Oil Compact Commission does hereby urge the Department of Energy to correct the severe imbalance between funding priorities in the energy R&D budget and projected United States demand for hydrocarbon energy, by shifting sufficient funds within its planned budget the ERAB recommendations.●

THE 100TH ANNIVERSARY OF THE FOUNDING OF BROOKLYN FEDERAL SAVINGS & LOAN ASSOCIATION

● Mr. MOYNIHAN. Mr. President, I rise today to commend the Brooklyn Federal Savings & Loan on its 100th anniversary. Originally organized as the Brooklyn City Savings, Brooklyn Federal has established a tradition of supporting home ownerships in New York City.

Thousands of New Yorkers have benefited from the services of Brooklyn Federal. It has provided a safe, convenient and friendly place for members of the community to deposit their life savings.

Brooklyn Federal Savings has continued to serve the community by expanding its services to meet the needs of its depositors and borrowers. It has developed complete community banking services by offering personal and student loans, retirement account planning and life insurance plans.

A major reason for the success of Brooklyn Federal Savings is the qualified staff that has worked diligently to serve its community. Brooklyn Federal has been rewarded with strong support from the community that it serves.

Therefore, I thank the board of directors, officers and staff of Brooklyn Federal Savings for 100 years of community service, and I am confident that Brooklyn Federal Savings will continue to serve New Yorkers effectively in the next century.●

CORPORATE TAKEOVERS

● Mr. CRANSTON. Mr. President, I am an original cosponsor of legislation introduced last Thursday by Senate Banking Committee Chairman WILLIAM PROXMIRE of Wisconsin, which will restore balance to corporate takeovers. I cosponsored this legislation because I share the chairman's concern over the abuse of the tender offer process by both bidders and target companies. Unnecessary takeover fights hinder U.S. productivity and weaken our international competitiveness.

I support the chairman's overall goal and intend to work closely with him on this important legislation. While the Banking Committee has held general hearings on the issue of takeovers, I look forward to a thorough review of the specific issues raised in this and other tender offer reform measures.

I would like to discuss briefly three specific concerns I have about the legislation.

First, I am not sure it is wise to lower the threshold of filing 13(d) disclosure statements from 5 to 3 percent, but we must start this process somewhere. The purpose of disclosure is to notify shareholders that a significant accumulation of stock is underway. While 5 percent is an arbitrary threshold, 3 percent may be too low and may cause excessive filings, give false signals to the market, and discourage investment in undervalued companies.

I note that in a 1980 report, the SEC found that there was no need to lower the 5 percent threshold and that the costs would outweigh any benefits. On the other hand, many business leaders have argued that the threshold should be lowered to 1 or 2 percent. So this is an area where many disagree. In the bill, we have taken the middle road. I am hopeful we can explore this issue in more depth in upcoming hearings.

Next, I believe the Senate may have to address directly the issue of federalism in corporate governance. The bill merely affirms the role of the States in this area. The U.S. Supreme Court recently upheld an Indiana antitakeover statute even though it confuses people about how the Federal tender offer process operates. And in some cases, it thwarts challenges to management's control of a corporation. The North Carolina Legislature enacted a similar antitakeover statute in only a few days during a takeover attempt involving a company with substantial business in that State.

Mr. President, while our legislation affirms the recent Supreme Court's decision, I am not sure this is the proper course. I believe our committee should examine the issue of preemption in depth to determine whether or not it is in the interest of the overall economy to allow States to frustrate free market activities permitted by Federal law. Perhaps Federal preemption in the field of corporate governance is in the public interest, perhaps it is not. But we must move cautiously in this area. We do not wish to encourage the States to create a hodge-podge of securities legislation before Congress has explored this Court decision and its possible impact upon Federal securities laws.

Finally, the legislation would prohibit for 6 months any further acquisitions by means of a tender offer where the purchaser fails to disclose an intent to seek control of a corporation. Mr. President, I am concerned that this provision may deter investors from establishing a "toehold" in a company before deciding whether or not to seek control. The possibility of challenges for control by shareholders owning significant stakes in a company has a positive, disciplining effect on corporate management. Our committee must be extremely careful to ensure that we do not undercut a healthy economic phenomenon in our zeal to curb some abuses in the tender offer process.

Mr. President, I agree with the basic concept of this legislation that insofar as possible all shareholders should be treated fairly during the tender offer process, and that full and timely disclosure of basic information about the tender offer process is in the best interest of an efficient capital market and responsible shareholder decision-making. I have long been a supporter of tender offer reform. In the last Congress I cosponsored a bill with Senator D'AMATO, then chairman of the Securities Subcommittee of the Banking Committee, which addressed many of these issues. I'm hoping that the committee will review that measure when it considers these issues.

Corporate and raider abuses such as greenmail, poison pills, and golden parachutes are either prohibited or curtailed in this proposal which I also strongly support.

I look forward to prompt action on this important measure. There are many issues here on which many may disagree, but clearly we can all come together with the chairman and work closely with him to fashion reform in the field of corporate takeovers that will protect shareholders and restore balance to the field of corporate takeovers. Prompt action on this important legislation will allow U.S. business to become more productive and competitive by restoring order to the marketplace.●

CONSEQUENCES OF CHERNOBYL

● Mr. **SARBANES.** Mr. President, on May 5, 1986, Dr. Alan Robock, associate professor in the Department of Meteorology, University of Maryland at College Park, appeared as a witness before the Subcommittee on Agriculture and Transportation of the Joint Economic Committee. The subject of his testimony was "Meteorological Aspects of the Chernobyl Nuclear Accident." When the hearing record was printed, Professor Robock's knowledgeable and thoughtful written statement was unfortunately omitted. Accordingly I ask that that statement be printed in the RECORD.

The statement follows:

METEOROLOGICAL ASPECTS OF THE CHERNOBYL NUCLEAR ACCIDENT

(By Prof. Alan Robock)

SUMMARY

The Chernobyl nuclear reactor accident of April 26, 1986, is a tragedy for the people of the Soviet Union. The radioactive particles released into the atmosphere will travel around the world. The concentration of radioactivity in various locations will depend on the amount and timing of the release and the weather conditions that follow. This accident should serve as a warning to all the people of the world of the dangers of nuclear power and nuclear weapons.

TEXT

First, I would like to state that the Chernobyl accident is a tragedy for the people of the Soviet Union, especially the ones affected by high levels of radioactivity near the accident site. My best wishes go to them with hopes for a speedy recovery of health and reestablishment of their normal lives.

The Chernobyl nuclear reactor number 4 experienced a core meltdown accident in the early morning hours of April 26, 1986. The resulting explosion and graphite fire put large numbers of radioactive particles into the atmosphere. These particles will travel with the wind and will come out of the atmosphere to the ground both in rainfall and by dry deposition (as dust).

The ARAC Center at Lawrence Livermore National Laboratory in Livermore, California, has a sophisticated computer model which can calculate where and when the radioactive particles will reach the ground. In order to do this they need to know how many particles were put into the atmosphere, over what time period, and to what height in the atmosphere. Although this information has not yet been released by the Soviets, it is possible to run this model backwards and infer the radioactive source from the levels of radiation that were measured outside the Soviet Union in Sweden and elsewhere. Because this is a theoretical model and, fortunately, has not had very many real life examples to use to test its validity, the calculations done this way incorporate a large amount of uncertainty.

When the Soviets do release information on the timing and amount of radioactive release, it will provide a very valuable real life test case for the ARAC model. This will result in model improvements which will allow the model to be more accurate in the future, although it is hoped that there will be very few times when it will be necessary to use it.

It has been my experience, through participation in the Soviet-American Scientific Exchange Program in Climate, that it is a relatively simple but slow process to obtain data from the Soviets. Through this program, which has been active for more than 10 years, I have obtained data on Northern Hemisphere air temperature for the last 100 years that was collected by the Soviets. It has been very useful in my research.

Since I was asked at 10 a.m. today to give testimony downtown at 2 p.m., I did not have the time nor the capability to do my own calculations of the current location of the cloud of radioactive gas. I called Dr. Marvin Dickerson at the ARAC center to ask for their latest model results, but they would not release them to me. All they would tell me about the location was, "Northern Hemisphere," and referred me to The Department of Energy Emergency Operations Center in Gaithersburg, Maryland, which referred me to the Environmental Protection Agency (EPA). The EPA released to me the following statement:

"Winds at jet stream levels (above 30,000 feet) are moving air rapidly west to east across the Pacific Ocean and United States at speeds of over 100 miles per hour. Small amounts of radioactivity that mixed upward to these levels from the Chernobyl nuclear accident have already been detected by aircraft flying off the northwest U.S. coast. Therefore patches of activity are now moving across North America at high altitudes. The most likely source of early detection near the ground will be in rain water, particularly from thunderstorms reaching altitudes of 20- to 30,000 feet and more. As of this time it is believed that concentrations in rain water will not be dangerous. Activity at low altitudes is being transported less rapidly and will probably move into the U.S. during subsequent days. The U.S. EPA has increased its frequency of analysis for all precipitation samples to daily and for milk samples to twice per week."

The Soviet Union has been negligent in not promptly warning their citizens and foreign visitors in the affected areas immediately of the dangers. They similarly should have warned the peoples in neighboring countries. (This does not mean that it was necessary to fully inform people in the rest of the Soviet Union who were not affected.) It seems that the Soviet radiation detection and communication system was not able to deal adequately with this emergency. It will certainly be necessary to improve it so that this situation does not occur in the future.

This situation should serve as a warning to all the people of the world of the dangers of nuclear power. Although the Chernobyl reactor did not have a containment structure, even reactors with containment structures (most of the reactors around the world) could, due to human error, have accidents that could create explosions strong enough to rupture the containment and pollute the atmosphere with as much radioactivity as did the one in Chernobyl. The United States was quite lucky that such a situation did not result at Three Mile Island. Spent fuel repositories, which do not have the same type of containment structures, also present the danger of atmospheric contamination due to accidents. A rethinking of the world trend toward greater dependence on nuclear power is certainly prompted by the accident at Chernobyl.

This situation should also serve as a warning about the dangers of nuclear weapons. A (relatively) minor component of this danger is the routine release of clouds of radioactive gas from leaks from underground weapons tests. A Comprehensive Test Ban agreement would alleviate this danger. The potential actual use of nuclear weapons poses a much greater threat. Not only do the well-recognized immediate dangers of blast, radioactivity and fire threaten the immediate target areas but the potential of large scale environmental changes threatens the rest of the globe. These changes, collectively referred to as "nuclear winter," include cold, darkness, acid rain, radioactivity, toxic chemicals and epidemics of disease. The inability of the Soviet Union to deal with the medical consequences of the Chernobyl accident alone, requiring American assistance in bone marrow transplants, points out the complete inability of any society to adequately treat the victims of even one nuclear explosion, let alone a large number. This calls for a renewed effort on the part of the United States and the Soviet Union to drastically reduce the number of nuclear weapons in the world.

The Chernobyl accident has been a true disaster. Let us hope that through the scientific studies that emerge from this unique opportunity, and a renewed awareness of the dangers to society of nuclear power and nuclear weapons, that in the long run there will also be benefits from this accident for the peoples of the world.●

PROPOSED ARMS SALE

● Mr. PELL. Mr. President, section 36(b)(1) of the Arms Export Control Act requires that Congress receive formal notification of proposed arms sales under the act in excess of $50 million, or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD the notification I have received. The classified annex referred to in the notification is available to Senators at the Foreign Relations Committee.

The notification follows:

DEFENSE SECURITY
ASSISTANCE AGENCY,
Washington, DC, June 3, 1987.

In reply refer to: I-01920/87ct.

Hon. CLAIBORNE PELL,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 87-25 and under separate cover the classified annex thereto. This Transmittal concerns the Department of the Army's proposed Letter(s) of Offer to Columbia for defense articles and services estimated to cost $36 million. Soon after this letter is delivered to your office, we plan to notify the news media of the unclassified portion of this Transmittal.

Sincerely,

PHILIPS C. GAST,
Director.

[Transmittal No. 87-25]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b)(1) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective purchaser: Colombia.

(ii) Total estimated value:

	Millions
Major defense equipment[1]	$31
Other	5
Total	36

[1] As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of articles or services offered: Up to six UH-60 BLACKHAWK helicopters with support equipment, spares, contractor engineering technical support and training.

(iv) Military Department: Army (UKZ, ULA).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) Sensitivity of technology contained in the Defense articles or Defense services proposed to be sold: See Annex under separate cover.

(vii) Section 28 Report: Included in report for quarter ending March 31, 1987.

(viii) Date report delivered to Congress: June 3, 1987.

POLICY JUSTIFICATION

COLOMBIA—BLACKHAWK HELICOPTERS

The Government of Colombia has requested the purchase of up to six UH-60 Blackhawk helicopters with support equipment, spares, contractor engineering technical support and training. If Colombia elects the five helicopter option, versus the six helicopter option, the resulting cost differential will be used for additional spare parts. The estimated cost is $36 million for aircraft and supporting materiel.

This sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country which has been and continues to be an important force for economic progress in South America.

The Government of Colombia will use these helicopters to provide the mobility needed in its armed forces to counter the Narco-terrorism challenging its social, political and economic institutions. The primary use of these helicopters will be to transport Colombian soldiers in air mobile operations against narcotics traffickers and insurgent forces.

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be Sikorsky Aircraft of Stratford, Connecticut.

Implementation of this sale will require the assignment to Colombia of three additional U.S. Government personnel for one year. Also, three additional contractor representatives will be required in Colombia for one month and three of those personnel will be required in that country for one year.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

GAUCHER'S DISEASE AWARENESS WEEK

● Mr. D'AMATO. Mr. President. I rise today to cosponsor Senate Joint Resolution 122, a joint resolution designating the week beginning October 18, 1987, as "Gaucher's Disease Awareness Week."

Gaucher's disease is an inherited genetic disorder caused by the body's failure to produce an essential enzyme. Without the enzyme, the body stores up abnormal quantities of lipids, resulting in symptoms which include anemia, severe bleeding, painful bone inflammation and malformation, fractures, and shortened lifespan. While Gaucher's disease is most prevalent among those of Eastern European ancestry, this deadly disease is known to occur among all racial and ethnic groups.

There is currently no cure or treatment for Gaucher's disease. However, there has been promising research. In 1984, major progress was made when a scientist identified the gene responsible for the body's failure to produce the essential enzyme. With this discovery, the key has been found which may someday open the door to a cure for Gaucher's disease—but the necessary experiments will take both time and money. To help meet this need, the National Gaucher Foundation was established to support research into Gaucher's disease, as well as to help victims and families cope with the devastating effects of this disease.

Mr. President, we, too, can play a part in the fight against Gaucher's disease. By passing this resolution, we will focus attention on understanding the nature of Gaucher's disease, and on finding the means of prevention, treatment, or cure for this disease and other genetic disorders. I urge my colleagues to join me in support of this legislation.●

FEDERAL JUDICIAL NOMINEES

● Mr. METZENBAUM. Mr. President, the following statement concerns matters on the Executive Calendar.

Mr. President, two nominations to Federal judicial posts have been approved by the Judiciary Committee and are now on the Executive Calendar. These two judicial nominees were examined at a hearing on May 13, 1987, at which I presided. Based on the investigation conducted by committee staff, and on the record made at the hearing, all these nominees appear qualified for the judgeships to which they have been nominated. For the benefit of my colleagues who will soon vote on whether to confirm these nominations, I offer the following brief summaries of the nominees' qualifications, and of the testimony received by the Judiciary Committee.

First. H. Robert Mayer was nominated by President Reagan on February 3, 1987, to the U.S. court of appeals for the Federal circuit. The nominee has been a judge of the U.S. Claims Court since 1982. He served from 1981 to 1982 as deputy special counsel to the Merit Systems Protection Board, and previously spent 3 years as special assistant to the Chief Justice of the United States. A West Point graduate, Judge Mayer also served in the Judge Advocate General's Corps, and was in private law practice in Charlottesville. Judge Mayer is generally well regarded by the lawyers who have worked with him over the years. He is also well regarded by those who have appeared before him at the U.S. Claims Court, and his decisions are thought to be well reasoned and have been rarely reversed. At the hearing, Judge Mayer was questioned concerning his experience at the Merit Systems Protection Board. In response to written questions from this Senator, Judge Mayer discussed his background in patent law and in the physical sciences; the membership policies of the West Point alumni groups to which he belongs; the value of his trial experience; the judicial nomination screening activities of voluntary bar associations whose members practice before the Federal circuit; and his role in fund transfers between the Merit Systems Protection Board and its Office of Special Counsel during his tenure at the Merit Systems Protection Board.

The ABA Standing Committee on Federal Judiciary was unanimously of the opinion that Judge Mayer is "well qualified" for appointment to the court of appeals for the Federal circuit.

The committee also received testimony from public witnesses with respect to nominations to the Federal circuit generally, and Judge Mayer's nomination in particular. Representatives of three voluntary bar associations whose members regularly practice before the court of appeals for the Federal circuit [CAFC] endorsed Judge Mayer's nomination; these organizations included the American Intellectual Property Law Association, the Customs and International Trade Bar Association, and the Federal Circuit Bar Association. Robert C. Kline, the president of the American Intellectual Property Law Association, also urged the committee to require that a certain percentage of CAFC judges possess patent law experience, in light of the court's exclusive appellate jurisdiction in this field. Frederick L. Ikenson, representing the Customs and International Trade Bar Association, criticized the administration's practice of discouraging nominees from responding to that organization's judicial selection questionnaire.

Testimony was also received from Thomas Devine, on behalf of the Government accountability project and the American Federation of Government Employees. Mr. Devine raised the question whether Mr. Mayer would be an impartial judge in actions involving Federal personnel in light of his experience as deputy special counsel to the Merit Systems Protection Board. Mr. Devine's organizations did not oppose the nomination.

This general testimony on the CAFC from organizations with legitimate concerns about its operation was useful in the committee's evaluation of Judge Mayer's nomination, and may be useful in the review of future nominations to this court. Voluntary and specialized bar associations may be able to make a valuable contribution to the Senate's evaluation of nominees to the CAFC as well as other Federal courts. Representatives from these organizations urged the Judiciary Committee to take a closer look at this issue.

The nomination of Mr. Mayer was considered by the Committee on the Judiciary June 4, 1987, agreed to by voice vote, and ordered to be reported.

Second, Layn R. Phillips was nominated February 3, 1987, by President Reagan to the U.S. District Court for the western district of Oklahoma. Since 1983, Mr. Phillips has served as U.S. attorney for the northern district of Oklahoma. Since his graduation from law school in 1977 he has served as a trial attorney with the Federal Trade Commission, and as a Federal prosecutor in California and Florida. The bar and bench of Oklahoma generally believe that he is an outstanding prosecutor. In response to questions posed at the hearing, Mr. Phillips discussed his accomplishments in narcotics prosecutions; his civil litigation experience; his reputation as an aggressive prosecutor; his reputation with respect to compassion; and his role in a controversial sentencing proceeding involving numerous letters from public officials in support of leniency for a convicted State official.

The ABA Standing Committee on the Federal Judiciary evaluated Mr. Phillips. A majority of the committee found Mr. Phillips "qualified" for the appointment, and a minority of the committee found him to be "not qualified." Our investigators learned that the "not qualified" rating was due to the strict adherence of some committee members to a rule which suggests that a nominee to the Federal bench have 12 years' experience at the bar. Mr. Phillips has 10 years' experience, but his extensive and effective career as a prosecutor qualifies him for the Federal bench.

The nomination of Mr. Phillips was considered by the Committee on the Judiciary June 4, 1987, agreed to by voice vote, and ordered to be reported.●

KEVORK HOVNANIAN DEDICATES AN ARMENIAN CHURCH TO HIS MOTHER

Mr. LAUTENBERG. Mr. President, I would like to bring to my colleagues' attention an important day for the Armenian community in New Jersey. The day is June 14, 1987, and it marks the date that St. Stepanos Armenian Apostolic Church will be consecrated by Archbishop Torkom Manoogian, the Primate of the Armenian Church of America.

The church was built by Kevork S. Hovnanian, and it will be dedicated to his mother, Yester Hovnanian. Although she passed away in Baghdad, Iraq, in 1949, Yester Hovnanian has remained an important figure in Kevork's life. So important that Kevork has planned and hoped to build a church in her honor for nearly 35 years. On June 14, those plans will at long last come to fruition.

In March of 1985, Kevork began the necessary steps to meet the need of the Armenian community for a new church. He chose to build a church on what had been the site for nearly 30 years of an Armenian church. He visited the church site every day during the construction period, painstakingly attending to every detail. His perseverance in overseeing the completion of this church is a testament to his devotion to his mother and to the Armenian community.

This is not the first time that Kevork Hovnanian has given generously to the Armenian community. Kevork and his wife Sirvart have made helping Armenian groups one of their top priorities. They have provided significant support to a variety of Armenian schools, philanthropic organizations, and arts groups.

Mr. President, this church will meet the needs of countless individuals in the New Jersey Armenian community—a community that remembers all too clearly the more than 1½ million Armenian lives that were lost between the dark years of 1915 and 1918 in the Armenian genocide. Like their ancestors who perished at the hands of the Ottoman Turks, the New Jersey Armenian community has an undying respect for religious freedom, and a strong commitment to maintaining their cultural identity. Kevork Hovnanian knows this, and the church he built will go a long way in enriching the religious and cultural freedoms enjoyed by New Jersey's Armenian community.

But many other individuals in New Jersey have benefited from Kevork Hovananian's generosity. Kevork has supported New Jersey hospitals, religious organizations, schools, and charities. In his work as a housing developer, Kevork Hovnanian has been a leader in providing quality and affordable housing for thousands in New Jersey. For his outstanding philanthropic efforts, Kevork was recently awarded the New Jersey Business and Industry Association Award, the Distinguished Citizen Award from the Monmouth Council of Boy Scouts, and the Man of the Year Award by the New Jersey Council of Boy Scouts.

Kevork Hovnanian has been waiting for the dedication and consecration of this church for a long time, and so has the Armenian community in New Jersey. I am honored and delighted that I will be at the church on June 14 to celebrate with Kevork, his wife, his family, and the Armenian community.

TWENTY-MINUTE RECESS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 20 minutes.

There being no objection, the Senate, at 6:10 p.m., recessed for 20 minutes; whereupon, at 6:30 p.m., the Senate reassembled when called to order by the Presiding Officer (Mr. ROCKEFELLER).

TWENTY-MINUTE RECESS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 20 minutes.

There being no objection, the Senate recessed at 6:31 p.m. until 6:51 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. ROCKEFELLER).

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair for the Chair's diligence and patience.

REFERRAL OF NOMINATIONS TO COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BYRD. Mr. President, as in executive session, I ask unanimous consent that the following inspector general nominations be referred to the Committee on Governmental Affairs for a period not to exceed 20 days: Sherman Funk, to be inspector general at Department of State, and Anthony J. Gabriel, to be inspector general at USIA.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TOMORROW

ADJOURNMENT UNTIL TOMORROW AT 12:30 P.M.

Mr. BYRD. I ask unanimous consent that when the Senate completes its business today, it stands in adjournment until the hour of 12:30 p.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

DESIGNATION OF MORNING HOUR

Mr. BYRD. I ask unanimous consent that on tomorrow, after the two leaders have been recognized under the standing order, there be a period for the transaction of morning business until 1 p.m., and that Senators be permitted to speak therein up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESUME CONSIDERATION OF S. 2

Mr. BYRD. I ask unanimous consent that upon the conclusion of morning business on tomorrow the Senate resume consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS OF PROCEDURE

Mr. BYRD. I ask unanimous consent that on tomorrow the call of the calendar be waived under rule VII and that no resolutions or motions over, under the rule, come over.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, on tomorrow the Senate will continue its consideration of S. 2, the campaign financing reform legislation. It was a very good vote today, 52 Members having voted for cloture; 1 Senator was absent, and, if that Senator had been present, I believe there would have been 53 votes. Not enough yet, but certainly enough to indicate that there is strong support for campaign financing reform.

Meanwhile, discussions will continue in the interest of attempting to find areas in which there may be some consensus, which, in the final analysis, hopefully can lead to favorable conclusion of the effort.

May I ask the distinguished assistant Republican leader if it is agreeable with him that we proceed with some unanimous-consent requests?

Mr. SIMPSON. Mr. President, that would be perfectly appropriate, indeed.

Mr. BYRD. I thank my friend.

BILL PLACED ON CALENDAR—H.R. 2160

Mr. BYRD. Mr. President, I ask unanimous consent that H.R. 2160, the National Bureau of Standards authorization for fiscal year 1988, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILL PLACED ON CALENDAR—H.R. 2243

Mr. BYRD. Mr. President, I ask unanimous consent that H.R. 2243, a bill designating the Federal building in Boston, MA, as the Thomas P. O'Neill, Jr. Federal Building, be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Does the distinguished Republican leader have anything further he wishes to say or to transact by way of business?

Mr. SIMPSON. Mr. President, I have nothing further to share with the majority leader. I do share his interest in dealing with the campaign reform issue and I think that, indeed, that is a very critical issue. We all know the problems and we all know what needs to be addressed. I honestly think we can get to an accord there. I hope so.

Certainly we have some divisions in our ranks that the minority leader shared with you and we will deal with those and see what we can share with you tomorrow.

Mr. BYRD. Mr. President, I thank my friend.

ADJOURNMENT UNTIL TOMORROW AT 12:30 P.M.

Mr. BYRD. Mr. President, there being no further business to come before the Senate, I move in accordance with the order previously entered that the Senate stand in adjournment until the hour of 12:30 p.m. tomorrow.

The motion was agreed to; and the Senate, at 6:55 p.m., adjourned until Wednesday, June 10, 1987, at 12:30 p.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate after the adjournment of the Senate on June 5, 1987, under authority of the order of the Senate of February 3, 1987:

DEPARTMENT OF TRANSPORTATION

T. Allan McArtor, of Tennessee, to be Administrator of the Federal Aviation Administration, vice Donald D. Engen, resigned.

Executive nominations received by the Senate June 9, 1987:

DEPARTMENT OF DEFENSE

Kenneth P. Bergquist, of Virginia, to be an Assistant Secretary of Defense, vice Chapman B. Cox, resigned.

EXTENSIONS OF REMARKS

A NATURALIST AND SCHOLAR FROM JOHNSTON COUNTY DESERVES RECOGNITION

HON. H. MARTIN LANCASTER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. LANCASTER. Mr. Speaker, I rise to pay tribute to a longtime constituent of my district and a member of that most worthy of professions, a public schoolteacher. Miss Lunette Barber is not completely healthy at the moment, and many of her friends and family from Johnston County are concerned for her well-being. For this reason, Mr. Speaker, I ask that I be permitted to share a recent article in the Smithfield Herald with my fellow Members of Congress and with the American people:

LUNETTE BARBER MAKES WAVES AS SHE PADDLES OWN CANOE

(By Doris Cannon)

Sometimes fate can be vicious. Consider the past two years in the life of Lunette Barber of Johnston County's Cleveland community. She underwent surgery to replace a hip joint that had been damaged by arthritis. She was injured in an automobile accident. Her beloved dog, "Bokki," was run over and killed and her dear cat, "Miss Kitty," died of a stroke. She learned that she is losing her eyesight and can no longer read, and she was told that she has terminal cancer.

That's enough to wither the spirit of the average person. But Miss Barber, now a resident of Mayview Convalescent Center in Raleigh, is not an average person in any sense of the word. Her motto has always been "Love many, trust few—and paddle your own canoe." And her oars are as solid and durable as time itself.

Underneath the chic hats she always wore in public was a head teeming with ideas and fascination with things both great and small. She is practically a living encyclopedia—her knowledge covers every topic from politics to possums. She is a Johnston County institution. There will never be another like her.

On a recent afternoon she was not feeling well, but her focus was not on herself or her illness. Instead, it was on a 90-year-old resident of Mayview and how Miss Barber could cheer her up by presenting her with a red tam-o'-shanter in honor of the woman's Scottish heritage.

Miss Barber was born in a cottage on the banks of Swift Creek in the Cleveland community, the daughter of Arthur (Dude) and Jenny C. Bailey Barber. (The Barber land has been in the family for 120 years.) While her mother was pregnant, she had a bout with malaria and took too much quinine as a remedy. As a result, Lunette was deaf until she was nine years old.

When she began her education in the one-room Myatt School, her teacher was Mina Johnson Higgins, who taught grades 1-7. "I wanted to be just exactly like her," Miss Barber recalled. She attended high school in Benson, and after some school consolidation in the county, became a graduate of Smithfield High. She then enrolled at ECTC (East Carolina Teacher's College, now East Carolina University).

Her first teaching job was at Pleasant Hill School in lower Johnston County. It was a two-teacher school, and Miss Barber was the principal and teacher of grades 4-6. It was the mid-1920s, and she recalled that "the children were just as eager to know something as children are to know nothing today."

In the schoolyard were an outdoor toilet and a well with a bucket. Inside the school was a pot-bellied stove encircled by the children's wet, flea-bitten dogs. "Those dogs would have running fits and jump out the windows," Miss Barber said.

One of the school board members furnished wood for the stove from his nearby woodland, and Miss Barber sent two boys to gather it each day. One day, the boys went into the woods and didn't return when expected. Then they were heard "hollering and screaming," and ominous gray smoke was seen spiraling skyward. The youngsters had set the woods on fire while trying to smoke out bees. "Everybody in the neighborhood fought fire till 9 o'clock that night," Miss Barber said. "Acres and acres were burned, and I thought sure I'd get fired."

One morning as she walked down the lane to the schoolhouse, she was met by a little boy who informed her there would be no school that day. He wasn't inclined to tell why, but the teacher demanded that he speak up. With his eyes to the ground, he explained that "J.D. wet in the well, and we want a drink of water." A thorough and time-consuming water purification project ensued.

"You see what a record I was getting by that time," Miss Barber said with a laugh.

In the classroom it was all serious business, and although there were many students, each was treated as an individual. One boy who was particularly bright was allowed to work ahead of the other students. "I think if a teacher is a teacher, he or she will have some personal interest in each child," Miss Barber said.

One day during arithmetic, a student looked at the headings in his book and asked, "Miss Lunette, what does 'miscellaneous' spell?" She pronounced the word for him, and the lad, who had heard 'Miss Cellaneous,' wiped tears from his eyes and said, "Now that old woman's going to put problems in here and I'll never be able to solve 'em."

Miss Barber recalled that one student from the backwoods was having a problem with his homework. He had to define "altar" and "alter," and he said he knew an altar was what was in a church, and he thought maybe when it was spelled the other way it was "like when you alter a hog."

"He had never heard the word 'castrate,'" she said. "I gave him an A. It was down-home and country living, and I couldn't wait to get there in the morning."

After a time, she was summoned to Pine Level School, which at the time had a discipline problem. "You can't hold court without order in the court, and you can't have school without discipline," she said.

One Pine Level boy was paddled soundly by Miss Barber almost every day. After he became a highly successful Johnston County businessman, Miss Barber presented him with the paddle that once burned his behind. "I built this business on what you taught," he told her.

In health studies, the need for calcium was stressed, along with the importance of getting that and other vital nutrients through milk. And one day a boy walked into the classroom and said: "I thought a lot about calcium, Miss Lunette, and I've got something for you. I've brought you a jar of hog's milk."

"I talked about how much it looked like goat's milk," Miss Barber said. "But I didn't taste it!"

"Every day was a fresh beginning of a new delight," she said. During her last year at Pine Level, there were 66 students in her sixth grade. "I couldn't wait for the sun to rise," she said. "We had a piano in the room and sang hymns and had devotions. The Supreme Court couldn't keep me from that."

In addition to teaching, she was in charge of the "teacherage," the boarding house for teachers. "The teachers went possum hunting with the Pine Level boys at night," she said. "We had a marvelous time."

(Years later, Miss Barber helped to give students an on-the-spot lesson about school days of yore. She was involved in a project in the Salisbury City Schools in which an 1831 one-room school was restored, complete with a dunce stool, and "writing shelf" along the wall. History classes are conducted in that school today.)

When Miss Barber left Pine Level, she did so to become a student at Hardbarger Business School in Raleigh, where she took everything being offered, including penmanship.

The day she passed her 120-word shorthand test, she was approached by the superintendent of the N.C. School for the Blind. ("I never asked for a job in my life," she said. "They always came looking for me.")

She went to work for the School for the Blind having seen braille writing only once. "I thought I was through with teaching," she recalled. But she stayed seven years, during the World War II period, teaching typing, dictaphone use, and high-school English to blind students. Her greatest challenge was to teach a one-armed, blind 10th grader to type. She succeeded, of course.

In 1945, she headed back to her homeplace in Johnston County, and "the first thing I knew I was doing substitute-teaching at Cleveland School."

At the School for the Blind, she had focused a great deal on the wonders of nature, so she asked H.B. Marrow, superintendent of Johnston County Schools, for permission to organize junior wildlife clubs in the county. Numerous clubs were formed, with Miss Barber planning the programs and teachers assisting.

A story on the success of the nature clubs was carried in The Smithfield Herald, and that led to an invitation from Macy Hoyle

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

for Miss Barber to attend a meeting of the Johnston County Wildlife Club. She was the only female at the meeting. The speaker was a representative of the N.C. Wildlife Commission, and the subject was the squirrel-hunting season and whether it should open on an earlier date. Miss Barber spoke up: She told the hunters that the recommended date was much too early, because botflies lay larvae on squirrels during that time, making them unfit for human consumption. And no self-respecting sportsman would kill a squirrel and not use it for food.

That brief talk led to Miss Barber's writing a column for Wildlife magazine—and to a job with the Wildlife Commission that spanned from 1949 to 1963. She worked in schools from Manteo to Murphy, teaching students and instructing teachers on how to teach about nature and conservation. She wrote a teachers' guide to animals and birds, stressing that everything in nature is interrelated.

She traveled anywhere in the state where clubs, Scout troops, or individuals were interested in learning about—and preserving—the world in which we live. She conducted workshops for graduate students at Duke University and Woman's College (now the University of North Carolina at Greensboro). She helped to develop nature trails throughout the state, including those at Camp Mary Atkinson, the Girl Scout camp on Route 2, Selma, where there are two matching trails—one with labels and the other for testing what has been learned. She also helped develop bluebird trails near and far, and kept records of fledglings in summer. Her conservation efforts brought her local, state, and national awards.

Some years ago, Miss Barber zeroed in on the litter problem and waged a campaign in which tens of thousands of litter bags were distributed. She wrote and copyrighted a song, "Don't Be A Litterbug," with music by Ruth Jewel. "They didn't care much for the song in Johnston County," she said, "but it went over big in Australia."

Her love of the land and its plants and animals was born on the banks of Swift Creek when Miss Barber, as a child, was allowed to go fishing with her father and brothers. It was during those times that she was taught that "everything that God made is sacred." When she was 11, her teacher required her to memorize Joyce Kilmer's poem "Trees," and the words drifted like amber leaves on autumn air and settled on her heart.

"The poem bore on my mind," she said, "I thought I ought to plant a tree, and I went out into the woods on the farm and planted an oak." Today, that oak is a giant, and because of her life-long efforts about 10,000 other trees now lift their leafy arms to pray.

Through her work, she met many interesting and great individuals, including Helen Keller, Mrs. Carl Sandburg (whom she got to know through their mutual interest in goats), and Rachel Carson, author of "The Silent Spring." "If there are two books on conservation people should read, they are 'The Silent Spring' and 'Road to Survival' by William Vogt," Miss Barber said.

In "The Silent Spring," written a quarter of a century ago, Mrs. Carson predicted that pesticides and pollution would kill off birds and other wildlife. "I haven't seen three birds out this window this year," Miss Barber commented.

She said her main concern "as I go down" is the Neuse River watershed. "By the year 2000 Smithfield will be begging for water," she predicted. "The whole thing is based on supply and demand. If it's not managed, it's terrible. The runoff is not being held."

The peppery Miss Barber has never been one to stand on convention. She once hung a pair of red panties on her mailbox as a way of telling an expected visitor exactly where she lived. Another time, she carried a bucket containing eight opossums to a garden club convention at the Robert E. Lee Hotel in Winston-Salem. When a gentleman on an elevetor asked, "What have you got in that bucket, lady?" he was hardly prepared for the answer.

She found an "old, cold, dead possum" in the road, and discovered that there were nine babies attached to the teats inside its pouch. She removed the eight living infants, raised them to adulthood on diluted milk and a little sugar sucked through a cotton ball, and set them free.

She noted that the possum is the only marsupial native to America. Their gestation period is 12 days. The babies are born prematurely, and crawl into the mother's pouch and attach themselves to the teats, which do not give milk until the babies have reached a certain point of maturity.

Miss Barber has also raised a weasel, squirrels, hamsters, and racoons—and once draped a king snake around her neck to demonstrate that the creature is not only harmless but also is a friend to man, a predator that rids the environment of undesirable elements. "Snakes, owls, and hawks are our best friends," she said. "Don't tell me they are not."

A devout Presbyterian, Miss Barber began teaching Sunday school in her teens. When she finished high school, she wanted to enter a seminary and devote her life to religious work, but the harsh economic times forbade it. That disappointment helped lead her toward her wider grasp of religion—one in which her pulpit and alter have never been confined inside the walls of a church.

When she was at the School for the Blind, she went for a walk one sunny January afternoon with a music teacher who had never seen a ray of light. At a certain point, the music teacher pulled out her braille watch and said, "Miss Barber, isn't it about time for the sun to set? Miss Barber replied that it was, and the blind woman tugged her arm gently and said, "Tell me about it."

The fire of a magnificent sundown blazed across the western sky. It was enough to take the breath away, and Miss Barber suddenly realized that there were not words in the English language to describe it adequately to the friend who longed to have just a small part of the experience.

Every day after that, Miss Barber stopped whatever she was doing and watched the setting sun. If she was driving a car, she pulled off the road and basked in the colors as they blended and flowed and changed from pink to crimson to gold. If she was washing dishes, she let them lie in the sink as the sun settled onto the velvet couch of twilight.

"I've seen the sunset in Acapulco, Mexico," she said. "I've seen it in Point Barrow, Alaska and on the Bay of Fundy at the mouth of the St. Lawrence River. I've seen it over the Great Salt Lake. I've seen it from the top of Mount Mitchell in the North Carolina hills. I've seen it in Johnston County and many other places—and it's always a privilege."

As Miss Barber has paddled her own canoe through life, her oars have created many waves. Those waves of knowledge, enthusiasm, sharing, and caring about the world and all that is in it have spread into ever-widening circles of ripples that catch—and carry onward—the reflection of the sunset's glow.

BEN WATTENBERG TELLS WHAT SCARES GORBACHEV MOST

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. COURTER. Mr. Speaker, what scares totalitarians most is the truth. Ideas that slip through cracks in the Iron Curtain are very dangerous to the Communist Party's attempt to monopolize ideas and thoughts to its own political ends. Means of presenting alternative ideas to the subjects of Communist states should therefore be employed where possible, both for their good and for our own. Our international radio systems may well be the best way of doing this, and so I welcome the opportunity to place before my colleagues the following commentary by Mr. Ben Wattenberg:

[From the Newark (NJ) Star-Ledger, June 5, 1987]

GORBACHEV STILL FEARS THE VOICES OF FREEDOM

(By Ben Wattenberg)

What's with Mikhail Gorbachev? How can we measure him?

The Soviets have stopped jamming Voice of America (VOA). This act, it is said, shows that Gorbachev's new policy of glasnost ("openness") is for real.

It is a step in the right direction. But when examining a step, we must look from where and to where the step has been made. This one is from worse to bad, not, alas, from bad to better.

It should be recalled that the nonjamming of VOA is not new. From 1973 to 1980, VOA was also unjammed. But in 1980, soon after the Soviets began their rape of Afghanistan, and when Poland's Solidarity labor union came on with a rush, they began jamming VOA. Why? The harsh whine of the jammer was needed to block out the truth about imperial savagery in Afghanistan and the stirring of freedom in Poland. General Secretary Leonid Brezhnev obviously felt that under such circumstances there could be only one internal information policy: Hear no evil. Enter jamming, an illegal and imperfect curtailment of the free flow of information.

Now Gorbachev has stopped jamming VOA. Does that mean Solidarity will be allowed to resurface? Does that mean Russia will stop the war in Afghanistan? We shall see. Gorbachev says he wants to end the war. Meanwhile, Soviet fighter jets bomb Afghan refugees in Pakistan.

Is Gorby better than Brezhnev? Or does he just think that VOA can broadcast the ugly truth about Afghanistan and that glasnosted Soviet listeners will be so pleased to hear the truth they won't care how sordid it is?

There is more. The Soviets are redirecting some of the newly freed-up VOA jammers against the already heavily jammed signals of Radio Liberty (RL) and Radio Free Europe (RFE).

What is it that bothers Gorbachev about the Radios that doesn't bug him about VOA, which is not only a fine international radio network, but getting better?

At its root, VOA is just what its name suggests: A voice of America. It presents news and features from an American perspective, even when the topic may be what's going on in the Soviet Union.

But RFE and RL are different. Here I'd better reveal my own interest. I am a member of the bipartisan board of directors of Radio Free Europe and Radio Liberty.

Let me explain the mission of the Radios. We are not a voice from America. The Radios are designed to be surrogate home stations behind the Iron Curtain. We ask: What would a free radio station broadcast in Communist nations if those nations were free and could hear a full spectrum of news and opinions generated from inside those countries?

So we broadcast the smuggled-out works of dissident writers. Our large research department rummages through hundreds of Eastern bloc periodicals, picking up a hint about the economy in one place and a hint about corruption in another. Because radio is not the only thing that's not free in the Soviet bloc, the Radios also often serve in the role of a church or synagogue, a literary magazine, a political podium, a bookstore and a public health service. A Polish government spokesman has said there would never have been a Solidarity movement if not for RFE. That's why the Soviet leaders don't like the Radios.

So what is Gorbachev up to? The heroic dissident Vladimir Bukovsky, now living in England, says the Soviets have only gone from censorship to glasnost, a condition that allows the purveying of more information. Bukovsky says there is a next logical step, if it ever occurs—free speech.

That Gorbachev has turned his screeching jammers from VOA to RFE and RL says that he's not about to allow that. The Radios are the essence of free speech in unfree nations. If the Soviets ever stop jamming the Radios, we might not need them anymore. For now, they haven't, and we do.

A TRIBUTE TO MAYOR C.H. AND VIOLET McNATT

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to Mayor Charles Henry McNatt and Violet McNatt, two very special residents of my 17th Congressional District. These two wonderful persons will be celebrating their 50th wedding anniversary as husband and wife on June 10, 1987.

Mayor McNatt was born in Akron, OH, on September 13, 1913. After living for awhile in Lansing, MI, he moved to Beloit, OH, in 1924. He was employed by the Royal China Co. for 50 years. He has been extremely active in Beloit community affairs. Mayor McNatt founded the Beloit Volunteer Fire Department in 1952, and has served as a volunteer firefighter since its founding 35 years ago. He has devoted numerous hours to helping youth, especially through his involvement with the Boy Scouts of America's Mahoning Valley chapter.

Mayor McNatt's political career began with 6 years on the Beloit Village Council. As a very popular mayor of Beloit for the past 13 years, his accomplishments have been countless. His constant strivings for Federal and State grants has enabled Beloit to have a sidewalk between their railroad and their high school, and to have a sidewalk and drainage on West Fifth Street.

Violet McNatt was born in rural Ohio on November 22, 1914, and moved to Beloit at age 5. She graduated from Beloit High School in 1932, and wrote local correspondence for area newspapers for 25 years. She married her husband on June 10, 1937. Like her husband, she is slavishly devoted to assisting the youth of Beloit. Both she and the mayor intensely adore their two sons, two granddaughters, and two great-grandchildren.

It truly warms my heart to see these two beautiful human beings enjoy 50 years of loving and blissful marriage. They will long be remembered in Beloit as a couple greatly concerned about the welfare of other people. Thus, it is with pleasure and special thanks that I join the people of the 17th Congressional District in recognizing the outstanding accomplishments and very admirable characters of Beloit Mayor Charles Henry McNatt and Violet McNatt.

WILLIAM JENNINGS BRYAN DORN PORTRAIT UNVEILING

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. MONTGOMERY. Mr. Speaker, on May 26, our former colleague, the Honorable Wm. Jennings Bryan Dorn of South Carolina, was honored by the State legislature of this great State. On that date, during a joint session of the legislature, a portrait of the former chairman of the Committee on Veterans' Affairs was dedicated and unveiled, to be permanently located in the State capitol. In addition to the Governor, Lieutenant Governor and members of the house and senate, several hundred friends of Bryan's attended the event to show their appreciation for the outstanding public service he has rendered to the people of South Carolina and the Nation during his distinguished career.

The former distinguished Governor of South Carolina, the Honorable Robert E. McNair, addressed the joint session and I would like to share with my colleagues his remarks concerning our friend and former colleague:

REMARKS BY HON. ROBERT E. MCNAIR

Thank you very much. You really don't have to do that. I wasn't sure when I left in January of 1971, after appearing before a Joint Session of the General Assembly, that I would be invited back again. So, I'm happy to be here. I'm very privileged, Mr. President, Mr. Speaker, Governor Campbell, Governor Riley, members of the Joint Assembly, members of the Dorn family and friends, and that will be all inclusive, because no one has more friends than Bryan Dorn. I'm particularly pleased with the two musical selections, because they talked about two things that Bryan Dorn loves most, his country and his state, and I was going to say, save his family, and sometimes I think Millie and they would concur they are at least on an equal plane, if not below. So, I am very privileged to be here. I was honored and pleased to be invited to participate and to speak, and I know I speak for all of you, Governors, Senators, Congressmen, world leaders, freedom fighters around the world, and all of the host of people whose lives have been touched by the life and service of Bryan Dorn.

A man is known, they say, by the company that he keeps. In that sense, William Jennings Bryan Dorn belongs in a category reserved for only very special South Carolinians. The company he has kept has been the company of the farmer, the textile worker, the corporate giant, the head of state, the rich, the poor, the privileged and the needy. And by this company, diverse as the state itself in which we live, we have come to know Bryan Dorn. Today he becomes a part of yet another distinguished company. We dedicate this portrait of Bryan Dorn in the South Carolina House of Representatives and we assign him a place on the walls of this historic chamber among the greatest South Carolinians and Americans who ever lived. If a man is known by the company he keeps, then by this company Bryan Dorn takes his rightful place among the greatest South Carolinians and Americans who ever lived.

If a man is known by the company he keeps, Bryan Dorn rightfully deserves to be in this place. He belongs with Andrew Jackson, who opened wide the doors of the White House in Washington, and invited all the people to become a part of the democratic form of government. Bryan Dorn's home, as all of you know, has similarly been a meeting place of minds for those shaping the political future of our state.

Bryan Dorn belongs in the company of Robert E. Lee, who taught us duty has been the most sublime word in our language. Do your duty in all things, you cannot do more, you should wish to do no less. Bryan Dorn's sense of duty has carried him to public service on behalf of the people in our state in Columbia and in Washington. He has given freely of himself in every capacity, where he felt the public good could be served.

Bryan Dorn belongs here with Benjamin Mays, a constituent of his who went on to become President of Morehouse College. Dr. Mays told us it must be borne in mind that the tragedy of life doesn't lie in not reaching your goals, the tragedy lies in having no goal to reach. Not failure, but low aim, is sin. Bryan Dorn advanced the cause of all people, and championed legislation in the Sixties which corrected the inequities of the nation's past.

Bryan Dorn belongs here with Franklin Roosevelt, who told us in the depths of the Depression, that the test of our progress is not whether we add more to the abundance of those who have much, it is whether we provide enough for those who have too little. As an influential member of Congress, Bryan Dorn helped bring nutrition, health care and education to those Americans unable to provide for themselves.

Bryan Dorn takes his place today with Woodrow Wilson, a man of peace who believed that the world must be made safe for democracy. Bryan resigned his seat in the South Carolina Senate to volunteer in defense of our nation, serving three and a half years in the U.S. Air Force on behalf of the free nations of the world.

Today Bryan takes his place with John Rutledge, one of the four South Carolinians who signed the United States Constitution 200 years ago this year. Bryan Dorn has devoted his life to upholding and defending this Constitution and the guaranteeing of the rights of all Americans, regardless of their race, their creed, their color, their sex, or their religion.

Bryan Dorn is reunited today with Mendel Rivers, a man with whom he served in Congress for two decades. Bryan Dorn takes his place with the legend of the House, Solomon Blatt, a man who presided over this body, this House, when the then 22-year old Bryan Dorn took his place as the youngest member 50 years ago.

Today, we look around us and see portraits of men who have shaped and guided the course of this state and this nation. To that number, we add William Jennings Bryan Dorn, and we accord to him a rightful place among the greatest leaders our state has known. We acknowledge his service as a legislator in the House and the Senate here in Columbia, as a Congressman who attained international stature and yet never lost his touch with the people of this state. We recognize his full devotion to the defense of the nation, and we salute the unwavering support he has given to men and women who fought on behalf of American freedom elsewhere in the world.

Elsewhere in this city, the William Jennings Bryan Dorn Veterans Administration Hospital, an adjunct of the Medical College of the University, stands as a permanent memorial to his service on behalf of veterans. We recall the zeal with which he defended the jobs of the textile workers in South Carolina, particularly in the industry and we see the fight continuing today by South Carolina's Congressional delegation in the spirit and with the same intensity that Bryan Dorn gave that cause two decades ago. We look fondly upon Millie and the family, who have always been so much a part of Bryan Dorn's life and the contribution which he made to the people of South Carolina.

But, mainly today, we say to Bryan Dorn, himself, that we, your friends, your colleagues, your constituents, your admirers, thank you for the enormous good that has come from your service to our state and to our nation. You have been a giant among the leaders of our nation and the world. You've been a friend to the man who tills the soil. Your portrait takes its place among the portraits of those with whom you should feel comfortable and at home, your colleagues in greatness and service to our state and to our nation. As legislator, patriot, statesman, dedicated family man, devoted friend, and tireless worker on behalf of the people of your state, you join a select group of people today. To generations of future South Carolinians, Bryan Dorn will be known by the company he keeps, the greatest people who ever served this state and this nation. Thank you.

UPDATE ON THE GENEVA ARMS CONTROL TALKS

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. FASCELL. Mr. Speaker, there have been a number of developments at the United States-Soviet arms control talks in Geneva in the past months, particularly in the INF area. Before describing these developments, however, two points should be kept in mind as we negotiate with the Soviets.

First, continued United States and Soviet adherence to the traditional interpretation of the ABM Treaty has served us well by limiting an arms race in strategic defenses and by averting an arms race in space. It seems obvious to me that if we remove this hold on a space arms race, if we step on the gas, we can only expect one outcome: We may head faster than we want into another arms competition with the Soviets and we may erode the progress that has been made so far in the area of arms control. In other words, this administration should consider being more flexible in Geneva relative to its position on the SDI. Otherwise, the only agreement this administration may be able to reach with the Soviets is in the INF area—which would be a worthwhile achievement—but leaves no strategic reductions or resolution of space defense issues.

Second, as much as possible, we need to bring our allies into the arms control process. The administration has done a good job of consulting our allies on aspects on the talks. I only hope that we do a good job of listening to their very real concerns. In fact, as far as I can determine, our allies have expressed strong reservations about the administration's support of the broad interpretation of the ABM Treaty. We should pay close attention to the seeming consensus of our allies in this area.

Round VIII of the United States-Soviet arms control talks in Geneva began on April 23, 1987, for the INF talks and May 5, 1987, for the strategic talks and the space and defense talks. Periodically, I insert in the CONGRESSIONAL RECORD an update on the status of the talks. The last update which appeared in the CONGRESSIONAL RECORD was on September 10, 1986, on page E3035. The update with the most recent information, however, appeared in the Foreign Affairs Committee print on "The Reykjavik Talks: Promise or Peril," January 1987, on page 169.

Following is a brief description of recent developments in the three areas of negotiation.

1. INF

(A) LRINF (LONG-RANGE INTERMEDIATE NUCLEAR FORCES)

The United States and the Soviet Union agree that LRINF missiles in Europe should be eliminated over a period of 4 to 5 years.

Both agree that each side retain 100 LRINF missile warheads on their territory. The Soviet Union takes the position that these missiles should not be deployed where they can strike the territory of the other country; that is, Alaska for the United States. The United States indicates that it should retain the option to keep its missiles in Alaska.

The United States supports the views that missiles to be reduced or eliminated could be converted to shorter ranges or a different basing mode. The view of the Soviet Union is that all of the missiles to be reduced or eliminated should be destroyed or dismantled.

The United States has made a detailed proposal regarding verification which includes specification of areas and facilities where permitted missiles are to be located, specialized procedures for destruction, dismantlement, or conversion of missiles, onsite inspection to verify elimination of systems and a permanent presence.

The Soviet Union has agreed in general terms for strict and intrusive inspection, including exchanges of data before and after reduction of missiles, onsite monitoring of missile destruction, and onsite inspections, of remaining weapons systems and associated facilities.

(B) SRINF (SHORT-RANGE SYSTEMS)

The United States proposes a freeze on the current level of SRINF in Europe. As the United States has no weapons in this range, we could build up to Soviet levels. The 72 West German Pershing 1A's should not be included. The United States prefers to eliminate all SRINF if the allies agree.

The Soviet Union is willing to negotiate immediately on reducing and later eliminating SRINF in Europe without linking this to an agreement in the LRINF area. As soon as a treaty on LRINF is signed, even if there is no agreement on SRINF, the Soviet Union has indicated it will withdraw Soviet SRINF missiles from Czechoslovakia and East Germany. A SRINF agreement in their view should include nuclear warheads on the 72 Pershing 1A's, which are in U.S. custody.

(C) TACTICAL SYSTEMS

The United States has made no proposal regarding tactical systems.

The Soviet Union has called for the reduction and eventually the elimination of tactical nuclear systems in the context of multilateral talks on the reduction of armed forces and conventional weapons in Europe.

2. STRATEGIC

The United States and the Soviet Union are in agreement that each side should have 1,600 strategic missiles and heavy bombers and that neither side should have any more than 6,000 strategic missile warheads.

The United States has indicated that of the 6,000, no more than 4,800 warheads should be on ballistic missiles and no more than 3,600 on ICBM's.

The Soviets have not agreed to any sublimits, but they do agree to reduce their heavy ICBM's by half.

Regarding mobile missiles, the United States favors a ban on such missiles, unless there is agreement on how deployment could be verified.

Regarding new systems, the United States proposes a ban on new or modernized heavy missiles. The Soviets propose a ban on new types of strategic delivery systems.

The United States proposes to complete these reductions in 7 years. A second phase for the elimination of all offensive ballistic missiles has been deemphasized.

The Soviets propose to implement these reductions in the first 5 years of a 10-year agreement. If the United States agrees, all strategic nuclear weapons or all offensive ballistic missiles would be eliminated in the second 5 years.

The U.S. view is that agreement in this area should not be dependent on agreement in the space and defense area.

The Soviets link an agreement on strategic reductions to agreement on space and defensive weapons.

3. SPACE AND DEFENSE

The United States does not link agreement in this area to any other.

The Soviets have indicated that after the agreed period for carrying out strategic offensive weapons reductions, if either side deploys space-based defenses, the other side would no longer be bound by the offensive reductions.

The United States proposes that both sides adhere to the ABM Treaty for 7 years, with the right to deploy strategic defenses afterward.

The Soviet Union proposes that both sides not withdraw from the ABM Treaty for 10 years and strictly respect the ABM Treaty which continues to be of unlimited duration.

The United States puts no restrictions on research, development, and testing which is permitted by the ABM Treaty and proposes an annual exchange of research plans, open laboratories and the right to observe each other's tests.

The Soviet Union permits research and testing in laboratories which could include research inside institutes, at test ranges and in manufacturing plants. The Soviets also favor reaching agreement on a list of permitted and prohibited technology that could be launched into outer space.

Following my remarks are two charts prepared by Mr. Charles Gellner of the Congressional Research Service. One describes the "Status of the Geneva Negotiations on Strategic Arms," June 4, 1987, and the other is entitled "Outlines of U.S. and Soviet Proposals in INF Negotiations," June 4, 1987.

STATUS OF GENEVA NEGOTIATIONS ON STRATEGIC ARMS

Category	United States Proposals	Soviet Proposals
	I. STRATEGIC	
Linkage	Agreement on strategic arms should not be dependent on a resolution of space and strategic defense issues.	Strategic arms reductions are linked to agreement on space and defensive weapons, as described below.
Strategic delivery vehicles, including ballistic missile launchers and bombers	1,600 strategic missiles and heavy bombers with limited freedom to mix	1,600 strategic missiles and heavy bombers.
Warheads:		
Total strategic missile warheads, including ALCM's	6,000—with no more than 4,800 on ballistic missiles and no more than 3,600 on ICBM's. Of the latter, no more than 1,650 warheads on ICBM's that are not silo-based (mobile), or are heavy, or which possess more than 6 warheads (this would include SS–18, SS–24 and MX).	6,000—no sub-ceilings but has agreed to 1,500 [1,540?] heavy ICBM warheads (on SS–18).
Mobile ICBM's	Banned unless agreement on verification.	
Weapons other than ALCM's on strategic bombers	All bombs and SRAM's on one bomber count as one warhead under 6,000 ceiling.	All bombs and SRAM's on one bomber count as one warhead under 6,000 ceiling.
Long-range SLCM's	Limits to be negotiated separately	Limits to be negotiated separately.
Throwweight	Reduced to 50 percent of current Soviet level	No direct limitation, but a reduction should result from cutbacks in ballistic missiles.
New systems	Mobile ICBM's banned, unless verification can be agreed. Ban on new or modernized heavy missiles.	Ban on new types of strategic delivery systems.
Phasing	The above reductions and ceilings to be made effective in seven years	The above reductions and ceilings to be made effective in first five years of a ten-year agreement.
	A second phase for elimination of all offensive ballistic missiles has been deemphasized.	If U.S. wants, all strategic nuclear weapons or all offensive ballistic missiles to be eliminated in second five years.
	II. SPACE AND STRATEGIC DEFENSE	
Linkage	No linkage with other agreements	After agreed period for carrying out strategic offensive weapon reductions, a deployment by either side of space-based defenses would release the other from complying with the offensive reductions.
ABM Treaty	No withdrawal from Treaty for seven years, with right to deploy strategic defense afterward.	No withdrawal from Treaty for ten years, strictly respect the ABM Treaty, and it continues to be of "unlimited duration".
Testing and development	No restrictions on SDI research, development, and testing "which is permitted by the ABM Treaty", an annual exchange of research plans, "open laboratories," and right to observe each other's tests.	Research and testing in laboratories is permitted. This could include research inside institutes, at test ranges and in manufacturing plants. Agreement should be reached on a list of technology allowed or prohibited from being launched into outer space.

Note: Based on published and unclassified sources.

OUTLINES OF UNITED STATES AND SOVIET PROPOSALS IN INF NEGOTIATIONS

United States	U.S.S.R.
I. INF and Short-Range Missiles Deployed Systems (Surface to Surface) [1]	
LRINF (600–3,000 miles): [2] 108 Pershing II's (1,080 miles)—West Germany 108 208 GLCM's (1,500 miles): Belgium, 16; Britain, 96; Italy, 80; and West Germany, 16	Medium-range missiles (600–3,000 miles): 112 SS–4's (1,200 miles). 441 SS–20's (3,000 miles): 270 Western Soviet Union (Soviets say 243); 171 Asian Soviet Union.
SRINF (300–600 miles): None [3]	Short-range missiles [4] (300–600 miles): 142 SRINF: 130 SS–12–22's (500 miles). 12 SS–23's (300 miles).
II. Proposals for Limiting LRINF (Medium-Range Missile Systems) [1]	
Agreement should include both LRINF (600–3,000 miles) and SRINF (300–600 miles)	Agreement should not be dependent on negotiations on SRINF.
Should eliminate all LRINF in Europe and reduce to 100 Soviet missile warheads in Asian U.S.S.R. and 100 U.S. missile warheads in U.S. territory (including Alaska), in four to five years.	Should remove and dismantle all LRINF missiles and reduce Soviet missiles to 100 warheads in Asia and U.S. missiles to 100 on U.S. territory, in four to five years. Missiles should not be deployed where they can strike territory of other signatory.
Soviet-Asian deployment should be East of 80 degrees longitude	Dividing line between Europe and Asia should be Ural mountains.
Would prefer global elimination of all LRINF missiles.	
All LRINF missiles subject to reduction should be "eliminated", that is, they could optionally be converted to permitted shorter ranges (such as Pershing IB's) or changed to a different base mode (such as sea-launched cruise missiles).	All missiles reduced or eliminated should be destroyed or dismantled.
U.S. verification proposals include:	The Soviet Union has agreed in general terms on strict and intrusive inspection, including:
(1) No interference with NTM. Broadcast of engineering measurements on missile flights, no encoding of telemetry, and a ban on concealment measures that impede verification.	(1) Exchange of data before and after reductions of missiles.
(2) Specification of areas and facilities where permitted missiles are to be located and no deployment elsewhere allowed.	(2) On-site monitoring of destruction of missiles.
(3) Exchange of specified comprehensive details of treaty-limited weapons, launchers, support facilities and related equipment, updated regularly.	(3) On-site inspections of remaining weapon systems and associated facilities.
(4) Specialized procedures for destruction, dismantlement of conversion of missiles that are removed under on-site inspection.	
(5) Inspection of missiles initially when treaty goes into effect and subsequently to observe compliance.	
(6) On-site inspection includes, first, initial comprehensive inspection to confirm baseline data; second, inspection to verify elimination of systems; and third, inspections and permanent presence to verify residual levels of systems. This includes permanent monitoring of critical facilities for production, assembly, repair and storage of systems. It also includes short-notice inspections of other declared facilities and short-notice inspections of facilities in event of compliance concerns.	
III. Proposals for Limiting Short-Range Systems (SRINF)	
SRINF (300–600 miles) should be covered in same agreement as LRINF	Willing to negotiate immediately on reducing and later eliminating SRINF in Europe without typing to LRINF.
SRINF would be capped at current level. This would include Soviet SS–12–22's and SS–23's. U.S. has no SRINF in covered ranges. U.S. would have the right to build up to Soviet level.	Regardless of progress on SRINF negotiations, as soon as a treaty on medium-range missiles is signed, will withdraw those Soviet missiles from Czechoslovakia and the GDR that were deployed there in response to U.S. Pershings and GLCM's.
The 72 West German Pershing IA's should not be included	The agreement should include nuclear warheads on 72 West German Pershing IA's, which are in U.S. custody.
U.S. prefers agreement to eliminate all SRINF if allies agree.	

OUTLINES OF UNITED STATES AND SOVIET PROPOSALS IN INF NEGOTIATIONS—Continued

United States	U.S.S.R.
	IV. Proposals for Tactical Systems (less than 300 mile-ranges)
None	To reduce and eventually eliminate tactical nuclear systems, including missiles, in context of multilateral talks on reduction of armed forces and conventional weapons in Europe from the Atlantic to the Urals.

[1] Based on published sources. [2] Approximate ranges in parentheses. [3] West Germany has 72 Pershing IA's (440 miles). [4] Numbers are round estimates.

LBJ INTERNSHIP COMPETITION

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Ms. KAPTUR. Mr. Speaker, on June 1, I had the pleasure of announcing this year's college students who are the winners of the Lyndon B. Johnson Congressional Internship Competition. LBJ interns serve as staff members of my Washington, DC, staff during the summer months. Runners-up will be offered internships in the district office. Because 1987 marks the 200th anniversary of the United States Constitution, the theme of this year's competition was, "The Meaning of the Separation of Powers in the U.S. Constitution."

This year's competition is noteworthy because it produced some of the finest papers I have ever received in conjunction with the internship program. They were creative, well-written, and insightful. The quality of the research and documentation was especially impressive. Therefore, I have decided that each of these talented young people deserves to be recognized.

The winners of the competition for the Washington, DC, internships are John Hayward of Toledo, OH, a student at the University of Notre Dame; and James Parker of Maumee, OH, a student at the University of Toledo. Each will be offered a 3-month internship with my congressional office.

The four runners-up who will be offered internships in my district congressional office are: Roberta Jeonqualt, Cynthia Roberts, and Ann Depew, all of Toledo; and Elizabeth Nelson of Waterville, OH.

Mr. Speaker, this internship offers young men and women a unique opportunity to see how our Government works and to realize that our Constitution is a living document. I am very proud of each of them and am confident this will be an experience they will always remember.

What follows are excerpts from the two winning submissions for the LBJ internships in my Washington office.

THE MEANING OF THE SEPARATION OF POWERS IN THE U.S. CONSTITUTION: A NEEDED BALANCE

(By John Hayward)

"In framing a government which is to be administered by men over men, the great difficulty lies in this: You must first enable the government to control the governed; and in the next place, oblige it to control itself." [1] In these words, James Madison described the need for a governmental system that provides a way to get things done and at the same time protect the public from uncontrolled governmental power. This perceived need was satisfied by what has come to be known as the separation of powers.

Primarily through the actions of strong presidents and the emergence of judicial review by the Supreme Court, history has demonstrated that the framers established a generally stable governmental system, but one which is prone to fluctuations in power. This flexible system has often proven advantageous to the country such as during constitutional crises through its great capacity for self correction.

Madison and the other framers were very wary of one branch of government possessing all of the governmental powers. Therefore, they devised a system which had three separate branches—the legislative, the executive, and the judicial. This way, each branch would be checked both by its own limited powers and by the powers of the other two branches. Madison said, "The accumulation of all powers legislative, executive, and judiciary in the same hands, whether one, a few, or many . . may justly be pronounced the very definition of tyranny." [2] Tyranny was precisely what the founders wanted to avoid. Their experience with the all too powerful King of England fueled their desire to establish a system of government which had no dominant branch.

Although the framers did construct the Separation of Powers doctrine to restrain power, this was only part of their intention. According to Constitutional scholar Louis Fisher, "It would be inaccurate and a disservice to their labors at the Philadelphia convention to believe that they created a document primarily for the purpose of obstructing and hampering the operation of government." [3] Rather, it was the founders' intention to create a system of government in which the three branches were interdependent upon one another. Presidential scholar Richard Neustadt supported this view: "The constitutional convention of 1787 is supposed to have created a government of 'separated powers.' It did nothing of the sort. Rather, it created a government of separate institutions sharing powers." [4] So instead of having a government with three branches constantly battling against one another for power, we have a system in which the three branches of government are heavily dependent on one another to get things accomplished.

THE MEANING OF THE SEPARATION OF POWERS IN THE U.S. CONSTITUTION

(By James B. Parker)

Paralleling Hamilton's argument in The Federalist, No. 78, Marshall reasoned that the Constitution is law, and that judges—not legislators or executives—interpret law. Therefore, he concluded that judges should interpret the Constitution: "If two laws conflict with each other, the courts must decide on the operation of each."

Had Marshall not spoken when he did, many theorists say the court might not have ever been able to claim the power of judicial review. But with Marshall's ruling, the precedent had been created. Herein lies the example of constitutional development through judicial interpretation. The Constitution gave no specific authorization for the Supreme Court to declare congressional enactments as void; and yet today this practice is considered a vital part of our constitutional system.

The Marbury versus Madison case has also been interpreted by some in a more limiting manner, to the extent that the Supreme Court—in effect—has the right to determine the scope of its own powers. Thus, the court system can overlap into the affairs of the executive and legislative processes.

Several important consequences have resulted from Marshall's determination that judges are the official interpreters of our Constitution. Probably the most important is that even a law enacted by the Congress and approved by the President may, under numerous circumstances, be challenged by a single person. Simply by bringing about a lawsuit, those who lack the clout to get a bill through the legislative branch or who cannot influence an agency under executive direction may often secure a judicial hearing. Litigation thus supplements, and at times takes precedence over, legislation as a way to make public policy.

H.R. 2627, FAMILY MEDICAID REFORM AMENDMENTS OF 1987

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. WAXMAN. Mr. Speaker, yesterday Mr. PEASE and I introduced H.R. 2627, the Family Medicaid Reform Amendments of 1987.

This bill speaks to a critical issue in welfare reform: How to assure that women who leave the welfare rolls continue to have Medicaid or other health care coverge for themselves and their children.

Under current law, families who are receiving cash assistance under the Aid to Families with Dependent Children [AFDC] Program are automatically eligible for Medicaid. In general, if a woman loses AFDC benefits because she goes to work and earns enough to put her family over the welfare eligibility level, she and her children will receive an additional 4 months of Medicaid coverage. At that point, with some exceptions, she and her children are on their own. If her employer offers family health coverage, and if she can afford it, she and her children will be covered; otherwise, the family joins the ranks of the uninsured.

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[1] Jacob E. Cooke, *The Federalist* (Middletown, Connecticut: Wesleyan University Press, 1961), pg. 349.

[2] Ibid., pg. 324.

[3] Louis Fisher, *The Constitution Between Friends* (New York: St. Martin's Press, 1978), pg. 7.

[4] Richard E. Neustadt, Presidential Power (New York: John Wiley and Sons, 1960), pg. 33. Emphasis in original.

Continuation of health coverage after leaving the cash assistance rolls is essential to welfare reform. Welfare recipients who know they will lose their Medicaid coverage will be reluctant to take a low-paying job without health coverage—not because they don't want to work, but because they are concerned about access to health care for themselves and their children. This is particularly true if they or their children have chronic medical needs.

In many of the jobs that welfare recipients find, health insurance is not offered at all. In others, the employer's coverage is either too expensive for some making entry-level wages, or the coverage is not adequate, especially for maternity care and preventive pediatric care. According to CBO, about half the unmarried women leaving AFDC because of higher earnings do not have any health insurance coverage.

This is not a dilemma unique to welfare recipients. There are roughly 37 million uninsured people in this country, and about three fourths of those are employed, or are dependents of workers. Solving the problem of the working uninsured is not something we can reasonably expect of welfare reform. But we can expect welfare reform not to make the problem worse by adding to the numbers of working uninsured.

The welfare reform bill, H.R. 1720, as amended by the Subcommittee on Public Assistance of the Committee on Ways and Means, addresses this issue by providing 9 months of continued Medicaid coverage for recipients who leave AFDC with earnings or with child support. While this is an improvement over current law, it does not, in my view, provide an adequate incentive for recipients to return to work. The total loss of coverage after 9 months is simply to steep a cliff.

On April 24, the Subcommittee on Health and the Environment of the Committee on Energy and Commerce held a hearing on this Medicaid transition issue. Witnesses explained the consequences of the loss of Medicaid coverage for low-income families and stressed the importance of coordinating Medicaid welfare reform policy with independent State efforts to expand coverage for their working uninsured.

The bill Mr. PEASE and I are introducing today would help welfare recipients and their families make the transition to work by assuring reasonable continuity of health coverage. Under this legislation, all families leaving the welfare rolls with earnings would continue to be eligible for Medicaid coverage for 6 months so long as they continued to work. At that point, by paying a monthly income-related premium, they could continue their Medicaid coverage for up to an additional 3 years, so long as they continued to work. States could, at their option, offer these families the choice of selecting coverage alternate to the basic Medicaid coverage.

An estimate on the cost of this bill has been requested from the Congressional Budget Office.

What follows is a detailed summary of the bill:

SUMMARY OF FAMILY MEDICAID REFORM AMENDMENTS OF 1987 (H.R. 2627)

CURRENT LAW

Families that receive cash assistance under the Aid to Families with Dependent Children (AFDC) program are automatically entitled to Medicaid. If a family loses AFDC benefits, it will lose Medicaid coverage unless it has very high medical expenses and qualifies for "medically needy" benefits in a State which has chosen to offer such coverage. Under the following circumstances, Medicaid coverage can be continued for a short period.

Families that lose AFDC cash assistance due to increased earnings are entitled to continued Medicaid coverage for 4 additional months.

Families that lose AFDC cash assistance due to the termination of the earned income disregard after 4 months is entitled to continued Medicaid coverage for 9 additional months and, at State option, for a total of 15 additional months.

Families that lose AFDC cash assistance due to collection of child or spousal support are entitled to continued Medicaid coverage for 4 additional months.

BILL

The bill assumed the replacement of the current AFDC program with the Family Support Program (FSP) established by H.R. 1720, the Family Welfare Reform Act of 1987. The bill's provisions would take effect on October 1, 1988.

MANDATORY 6-MONTH EXTENSION

Families losing FSP benefits with (not just due to) earnings would be entitled to continued Medicaid coverage for an additional 6 months. Families losing FSP benefits due to collection of child or spousal support would be entitled to continued Medicaid coverage for an additional 6 months. In each case, the family must have been receiving FSP benefits for at least 3 of the 6 months prior to the beginning of the Medicaid continuation. In each case, the continued Medicaid coverage would be identical to that which the family had while receiving FSP benefits.

With respect to families with earnings losing FSP, States would be required to notify the family of its right to continued Medicaid coverage, and to issue the family a new Medicaid card (or extend the family's existing Medicaid card) for six months, along with the notice of termination of FSP payments. States would be prohibited from requiring the family to reapply for benefits. The family would be required to file a monthly report with the State documenting its earnings. The State would be authorized to terminate Medicaid coverage during this 6-month period only if (1) the family no longer had a dependent child; (2) if the caretaker relative in the family fails to report earnings for any month; or (3) if the caretaker relative has no earnings for any month (except in cases of involuntary layoff). If the caretaker relative is determined to have engaged in program fraud, or is subject to sanction under the cash assistance program, then she would be disqualified from coverage, but coverage for the rest of the family would continue.

States may, at their option, enroll the caretaker relative in that individual's employee group health plan, and make that plan the first dollar payor, with Medicaid benefits "wrapping around" the employer's coverage. The State could, as a condition of this extended Medicaid coverage, require the caretaker relative to make application for employer group coverage, but could not require any financial contribution by the caretaker to the State or to the employer. State payments for such employer coverage would qualify for Federal Medicaid matching payments, but only to the extent that the cost of these payments, combined with the cost of the "wrap around" Medicaid coverage, do not exceed the cost of Medicaid benefits in the absence of such a State buy-in to employer coverage.

MANDATORY 3-YEAR CONTINUATION

At the conclusion of the initial 6-month Medicaid extension described above, the States would be required to offer families who lost FSP benefits with earnings, and who continued to have earnings during each month of the initial 6-month period (except in the case of involuntary lay-off), the choice of continuing health care coverage, with a family premium contribution, for an additional three years. In the third and sixth months of the initial 6-month extension, States would have to notify families of their options during the 3-year continuation period, including the premium amounts; deductibles, copayments, and other out-of-pocket expenses; benefits covered; pre-existing condition limitations and waiting period; and the reporting and payment procedures.

A State could deny a family continuation coverage during this 3-year period only if (1) it failed to pay the required premium for any month (subject to a 2-week grade period), (2) the family failed to report its earnings for any month (subject to a two-week grace period), (3) it no longer included a dependent child, or (4) the family's annual earnings exceeded 185 percent of the Federal poverty level for a family of that size. Once a family's coverage was terminated for one of these reasons, it could not reestablish eligibility for Medicaid under this 3-year extension. With respect to dependent children reaching the age of majority, a State could not terminate coverage until it determined that the child was not eligible for Medicaid on some alternate basis. If the caretaker relative is determined to have engaged in program fraud, or is subject to sanction under the cash assistance program, then she would be disqualified from coverage, but coverage for the rest of the family would continue.

States would be required to offer families that option of continuing the Medicaid coverage they were receiving during the initial 6-month extension period, subject to a monthly premium. States could, at their option, reduce this Medicaid benefit to the acute care services offered to cash assistance recipients, excluding coverage for skilled nursing or intermediate care facility services, home health care, private duty nursing, and psychiatric hospital care. States would have the same "wrap around" option as during the initial 6-month extension.

In addition to offering basic Medicaid coverage, States could, at their option, offer families a choice of one or more of the following options: (1) enrollment in the caretaker relative's employer group health plan; (2) enrollment in the State's own employee health benefits plan (both high and low options); (3) enrollment in a basic State health plan offered to the uninsured (including demonstration plans available on less than a statewide basis); or (4) enrollment in a Health Maintenance Organization eligible to participate in Medicaid, but with no more than 50 percent public patients (individuals who enroll under this provision do not count as public patients). States would have to offer a month-long open enrollment period once per year to enable families to select a different option.

In each case, the State would pay the family's shre of the costs of enrolling in such an option directly to the employer, insurer, health plan, or HMO, and would collect income-related premiums directly from the family. The State's payments for these family enrollment premiums, less the amount of income-related premiums collected from the families, would be eligible for Federal Medicaid matching payments at the State's regular rate.

States could establish different premium levels for the same family for each of the options they chose to offer. However, the amount of the premium could in no case exceed an amount equal to 10 percent of the difference between the monthly income from working 40 hours per week at a minimum wage job (currently $581) and the family's gross earnings for the month.

This bill would not apply to Puerto Rico or the territories.

NEW JERSEY'S FRIEND FOR COASTLINE PROTECTION

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. COURTER. Mr. Speaker, today I would like to bring Assemblyman Anthony "Doc" Villane's tireless work to protect New Jersey's coastline to my colleagues' attention.

Doc represents the 11th district in the New Jersey Assembly. For over 10 years Doc has explored this issue. He is concerned that, without proper attention, New Jersey's coastline will be in danger. This led him in 1985, working through the New Jersey Marine Sciences Consortium, to recruit two of the most respected coastal engineers in the United States, Dr. Richard Weggel of Drexel University and Dr. Robert Sorensen of Lehigh University. He then asked them to compare the various structures in common usage along the coast to see which is the most effective one. Doc then persuaded the New Jersey State Legislature to appropriate modest funds for the project, and the engineers accepted the challenge.

After 2 years, the investigators have acquired sufficient insight and information to begin reporting their findings. Their first report will be given under Villane's and the consortium's auspices, at a conference on coastal and port engineering, to be held in Beijing, China, next September.

The paper will compare the efficiency of various types of groins installed at selected beaches and discuss the movement of sand in those areas. Chinese engineers will then discuss the statements in the context of their own problems, and the results of the meeting will be reported in a number of international publications.

To the best of my knowledge this is the first instance in which an engineering project considered at international levels was originated in a State legislature. Of course, there is nothing that prevents prominent engineers from serving in State legislature. What makes this case different, however, is that Doc Villane is a dentist.

VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program [DHCP] system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987 on this important subject, I have received many letters from veterans and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter sent to the chairmen of the House and Senate Appropriations Committees which I received from Mr. Thomas L. Ayres, Director of the VA Medical Center at Salisbury, NC, that demonstrates how the VA employees feel about their medical computer system. The letter follows:

VETERANS' ADMINISTRATION MEDICAL CENTER, 1601 BRENNER AVENUE,

Salisbury, NC, May 14, 1987.

Hon. JAMIE WHITTEN,
Chairman, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: In recent months the Veterans Administration's Decentralized Hospital Computer Program (DHCP) has been under scrutiny for its reliability and effectiveness, with a real potential for termination of current installations and future expansion. As the Director of a large Veterans Administration Medical Center, I am writing this letter to delineate my support for ongoing DHCP operations and to emphasize my opposition to any termination of efforts.

The most obvious and important benefit of DHCP is the improvement in the efficiency and effectiveness of patient care delivery. One, scheduling of outpatient visits is expedited, combining multiple clinic stops into a one-day visit. The convenience to the patient is obvious and travel dollars are conserved. Two, computerization in the Pharmacy has decreased turnaround time of ordering to filling prescriptions and decreased errors. The detailed computerized list of medications ordered by prescribing physician is available at all times which minimizes duplication of prescriptions and allows for immediate identification of potential adverse drug interactions. Three, the laboratory DHCP package expedites the receipt of lab results to the physician and thus patient treatment, and avoids duplication of laboratory orders. Four Medical Administration Service software improves the quality of medical records and allows immediate access to patient eligibility data via links to Hines, Illinois. Evaluations of the Veterans Administration DHCP have been conducted no less than five times: twice by independent, private firms and three times by federal agencies, all concluded with favorable results regarding ongoing DHCP implementation.

It seems most apparent that the attacks at DHCP are very poorly substantiated at best and are merely corporate attempts to seize a lucrative market to erase a trail of red ink, totalling $179 million for the past two years, at worst. The best interests of the Veterans Administration's Department of Medicine and Surgery, the patients served therein, and the American public at large are best met by continuing with established DHCP actions and plans.

Thank you for your support.

Sincerely,

THOMAS L. AYRES,
Director.

A TRIBUTE TO MR. FRANK SMITH AND MS. DEBORAH FEKE

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to Mr. Frank Smith and Ms. Deborah Feke, two very special residents of my 17th Congressional District. They were both honored for their outstanding service to children by Big Brothers/Big Sisters of Mahoning Valley at that organization's eighth annual appreciation banquet on Friday, May 29, 1987, at Mr. B's Tippecanoe House. The Mahoning Valley chapter of Big Brothers/Big Sisters of America has been serving the children of Mahoning and Trumbull Counties for 18 years.

Mr. Smith and Ms. Feke have both diligently and unselfishly given of their friendship to children from single-parent families and to underprivileged children. Ms. Feke has devoted countless hours to her job as executive director of Big Brothers/Big Sisters, while Mr. Smith has slavishly promoted the goals of Big Brothers/Big Sisters as its president. They have both brightened the existence of many lonely children in the Mahoning Valley, producing happy lives where before there was despair.

The awards given to Mr. Smith and Ms. Feke are well-deserved, considering the numerous volunteer hours of service they have given to children. Thus, it is with pleasure and special thanks that I join the people of the 17th Congressional District in recognizing the outstanding accomplishments and very admirable character of Frank Smith and Deborah Feke.

SUMMARY OF 1986 TAX RETURN DATA

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. DOWNEY of New York. Mr. Speaker, I am once again making a summary of my tax return public because I believe that Federal officeholders should be forthcoming about the sources of their income. Therefore, I insert the following summary in the official RECORD of the day's proceedings:

Summary of 1986 tax return data

Salary:	
U.S. House of Representatives	$75,100
Other	2,000
Interest income	1,340
Rental loss	−5,743
IRA distribution	3,226
Business income:	
Honoraria (net of expenses)	24,050
S. Corp	−14,953
Total income	85,020
Less:	
Non-reimbursed employee business expense	[1] 3,000
Do	[2] 275
Payment to IRA	4,000
Payment of Keogh retirement plan	3,137
Penalty on early withdrawal of savings	137
Adjusted gross income	74,471
Itemized deductions:	
Taxes (including State and local)	9,377
Interest expense	8,477
Contributions	2,504
Miscellaneous deductions	1,559
Total itemized deductions	21,917
Less: Zero bracket amount	3,670
Excess itemized deductions	18,247
Tax table income	56,224
Less: Personal exemptions	−4,320
1986 taxable income	51,904
Federal income tax	11,411
New York State income tax	4,431
New Jersey income tax	38
California income tax	243

[1] District of Columbia.

[2] Long Island.

NO CHANGE NEEDED YET ON IMMIGRATION ACT

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. BEREUTER. Mr. Speaker, this Member hopes his colleagues in the House of Representatives will not be stampeded to amend the Immigration Reform Control Act (P.L. 99-603), in a fashion similar to the action taken by the other body. As the following editorial from the Washington Post of last week indicates, the act already provides for a year-long transition period related to provisions to halt the current practice by some businesses to hire illegal aliens. Those transition procedures and deadlines are adequate: The Congress must avoid the inappropriate chipping away of key provisions of this act. A difficult and delicate compromise was forged to pass the act. Now we must give it a chance to function as intended before prematurely making fundamental changes:

THE SANCTIONS SNAFU

Senators undoubtedly thought they had an easy vote last week. Employers have been complaining that they do not fully understand the new immigration law, which prohibits them from hiring illegal aliens. Business lobbies claimed that their members would be penalized for inadvertent violations because, in the months since passage of the bill, there has not been sufficient time to understand its implications. So they persuaded lawmakers to extend the public information period another four months, thus postponing implementation of the first stage of employer sanctions, which were due to go into effect June 1. Instead of doing a favor for the businessmen, however, senators have simply created a muddle.

The Senate action came in the form of an amendment to the supplemental appropriations bill, which is still tied up in procedural knots and may never become law. Any employer who thinks an extension has been granted is mistaken. There was very little chance from the beginning that the amendment would be adopted by both houses and signed into law before June 1, but the hoopla surrounding the Senate vote has quite probably caused confusion.

The amendment was never necessary in the first place. The new immigration law already provides for a year-long transition period with no penalties for violations other than a warning. The Immigration and Naturalization Service, in addition, has agreed not even to issue warnings when a violation has occurred because of a misunderstanding of the law. This fact was emphasized by opponents of the amendment during debate and was cited in a letter that went to all senators from Sens. Simpson and Kennedy, who lead the immigration subcommittee. But it did not seem to sink in.

The reform measure was debated over a six-year period and was the result of arduously arrived-at compromises. It has already had an impact. Border apprehension are down as much as 40 percent in some locations, according to Sen. Simpson, and that is because the certainty of employer sanctions has dried up the job market for undocumented workers. Fiddling with effective dates creates an uncertainty outside our borders and leads to doubts about this country's determination to implement sanctions at all. It also sends out a signal that other dates in the new law are negotiable—that there is no need, for example, to apply for amnesty because it will surely be extended beyond its original one-year limit. It is a terrible disservice for senators to create the impression that this law is still being negotiated.

NATIONAL SAFETY WEEK, JUNE 14-20

HON. BILL NELSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. NELSON of Florida. Mr. Speaker, on behalf of the Cape Canaveral chapter of the American Society of Safety Engineers located in my congressional district, I would like to direct public attention to National Safety Week, June 14-20.

This week, sponsored by the American Society of Safety Engineers, will focus on motor vehicle safety, with special concentration on seatbelt-occupant restraint systems and the problem of drunk drivers on our Nation's roadways.

At this point in the RECORD, I request insertion of a fact sheet provided by the society which describes occupant protection systems, child restraint use and safety belt use law performance. I am pleased to share this important information with my colleagues in the interests of vehicle safety awareness.

OCCUPANT PROTECTION FACTSHEET

Most people traveling in motor vehicles today are basically unaware of the facts associated with traffic crashes and fail to take advantage of the single most effective means of preventing death and injuries presently available to everyone, the safety belt. Recent interest in the life and cost-saving advantages of using safety belts and child safety seats have united governments, safety organization, industry, the medical profession and most other segments of our society in undertaking nationwide efforts to encourage drivers and passengers to use these devices. This occupant protection fact sheet highlights current activities and offers some general background information.

EFFECTIVENESS OF OCCUPANT PROTECTION SYSTEMS

Front Seat Systems:

Current lap-and-shoulder belts in passengers vehicle front seats are 45 to 55 percent effective in preventing moderate to critical injuries, and 40 to 50 percent effective in preventing fatalities.

Among front seat passenger vehicle occupants, belts saved about 2,100 lives in 1986; of these about 1,100 were saved by their increased use in States with safety belt laws.

With 100 percent belt use in front seats, belts could save about 12,000 lives per year, which is about 10,000 beyond those saved in 1986 by all belt use.

Among front seat passenger vehicle occupants, belts prevented about 25,000 moderate to critical injuries in 1986; of these, about 13,000 were prevented by increased belt use in States with safety belt laws.

With 100 percent belt use in front seats, belts could prevent about 150,000 moderate to critical injuries per years which is about 120,000 beyond those prevented in 1986 by all belt use.

Sources:

Effectiveness—"Federal Regulatory Impact Analysis, Amendment to FMVSS 208," July 1984.

Fatalities—Fatal Accident Report System, 1984-85.

Injuries—National Accident Sampling System, 1984-85.

Rear Seat Systems:

NHTSA studies of thousands of crash reports clearly show that a person riding in the rear seat of a motor vehicle has a much better chance of avoiding serious injury or death by wearing a safety belt.

NHTSA continues to encourage all passenger vehicle occupants to use whatever restraint systems are available to them in both the front and back seating positions, including both lap/shoulder and lap belts, because that approach will maximize occupant crash protection.

Current rear seat lap belts in passenger vehicles are about 11 percent effective in preventing injury of any severity, 33 percent effective in preventing moderate to serious injury, 37 percent effective in preventing serious injury, and 17 to 26 percent effective in preventing fatalities.

Sources:

"Fatality and Injury Reducing Effectiveness of Lap Belts for Back Seat Occupants" (Kahane, February 1987 SAE Conference.)

CHILD RESTRAINT USE AND PERFORMANCE

Correctly used child seats in passenger vehicles are about 50 percent effective in preventing minor injury, 67 percent effective in reducing the need for hospitalization, and 71 percent effective in preventing fatalities.

Substantial numbers of child seats are misused, reducing benefits.

Among children under four, child seats saved about 200 lives in 1986. With *correct* and *100 percent* child seat use, they could save about 500 lives per years, which is about 300 beyond those save in 1986 by child seat use.

Among children under four, child seats prevented about 28,000 injuries in 1986. With *correct* and *100 percent* child seat use, they could prevent about 53,000 injuries, which is about 25,000 beyond those prevented in 1986 by child seat use.

Sources:

Effectives—"An Evaluation of Child Passenger Safety: The Effectiveness and Benefits of Safety Seats" (Kahane, February 1986).

Fatalities—Fatal Accident Reporting System, 1985-86.

Injuries—National Accident Sampling System, 1984-85.

SAFETY BELT USE LAW PERFORMANCE

In 1985, eight States had safety belt use laws in effect for at lease three months. A minimum of 3 months is necessary to ensure that the effects of the laws can be assessed. Safety belt use laws resulted in a 7-percent reduction in front seat passenger vehicle occupant fatalities in 1985.

In 1986, if the fatality changes in States without safety belt use laws are used to estimate what could have happened in the use law States if they had not had use laws, then these data produce an estimate that safety belt use laws were 11 percent effective in preventing fatalities.

Using time series analysis covering the cumulative time period from January 1985 through September 1986, safety belt use laws are estimated to have resulted in a 7-percent reduction in fatalities.

Sources:

Fatal Accident Reporting System, 1985-86.

PROMISCUITY AND AIDS

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. GINGRICH. Mr. Speaker, as a historian in public office I find AIDS a terrifying threat. The AIDS situation is the most serious public health crisis in the 20th century. It already threatens to kill as many people by the end of this century as World War I. If the spread of AIDS is allowed to continue unchecked, it may well become the most disastrous experience since the bubonic plague wiped out 40 percent of Europe in the Middle Ages. A recent article in the Wall Street Journal by Dr. Andrew Hacker, a professor of political science at Queens College of the City University of New York, superbly describes the debate between the moral and clinical postures. I commend his comments to my colleagues along with a letter I received from one of my constitutents.

[From the Wall Street Journal, May 21, 1987]

PROMISCUITY AND AIDS: MORAL OR CLINICAL ISSUE?

(By Andrew Hacker)

The battle lines on AIDS are being drawn. One side sees it as retribution for "random, repeated, anonymous sex." The other calls for funding research to find a preventive or a cure and talks of advertising condoms and teaching techniques of "safe sex." And the inevitable reply: Rather than tell six-year-olds about sodomy, press the case for abstinence.

The way the debate is going, we are asked to choose between moral and clinical postures. Witness the split within the Reagan administration: the secretary of education vs. the surgeon general. I wish it were that easy. The more I listen and read, I find myself firmly on both sides.

To begin with, AIDS is an awful affliction, which may reach plague proportions. Even now it is claiming innocent victims: newborn babies and recipients of blood transfusions. It is only a matter of time before it becomes widespread among hetero-sexuals. One can support research without condoning certain kinds of conduct, simply for reasons of self-protection. Even if we have little sympathy for carriers of syphilis and gonorrhea, we want to cure those diseases. Which leads to my feeling that, in clinical and moral terms, AIDS may be sending us a message.

AIDS should remind us that ours is a hostile world. Nature has always harbored threats to human health, not least within the bodies of our fellow beings. If we wish to stay alive and well, prudence requires that we limit our intimate contact with other individuals. We don't come too close to people who are sneezing, use another person's toothbrush, or—for that matter—tailgate other drivers. And then there is sex. Here the lesson of AIDS is not new: Like all venereal diseases, it tells us that the more monogamous we are, the greater our odds of good health. Put another way: The more we pass ourselves around, the larger the likelihood of our picking something up.

Which brings us to the association of AIDS with homosexuality. And let's be frank on this score. Some who speak of "retribution" may actually welcome AIDS, since they see it as extirpating an outlook and behavior they regard as perverse. This happens not to be my view, if only because I am less sure about which modes of conduct come "naturally" to us.

Even so, the preponderance of homosexual victims brings us to another fact to be faced. There exists a group of homosexual men whose number of sexual partners has exceeded many times over those of heterosexual men and—prostitutes apart—homosexual or heterosexual women.

A Kinsey Institute survey, conducted several years ago, when AIDS was first incubating, found almost half of the homosexual men they studied had had at least 500 different partners up until the time they were studied. Even the relatively monogamous have been at risk, since many of their possible partners have had intimate contact with large numbers of people. Moreover, anal intercourse, more commonly practiced by homosexuals than heterosexuals, frequently leads to the rupturing of blood vessels, facilitating AIDS transmission.

Whether on clinical or moral grounds, it seems clear that promiscuity has its price. Even so, I am uneasy with that term. Taken literally, it can mean any form of conduct that is too casual, too frequent, or lacking in standards. It can apply to overeating, extending confidences, even television-watching. As part of the double standard, it has been used to intimidate women, warning them that "too many" partners can put a reputation in peril. And now promiscuity is being applied to those homosexual men whose "random, repeated, anonymous sex" has got them and others in trouble.

That said, I should add that almost a million cases of syphilis and gonorrhea are reported every year, the vast majority among heterosexuals. Moreover, to our best knowledge, AIDS first emerged, in Africa, among heterosexuals. And, as we all know, it is being transmitted via needles, by addicts who, once again, are mainly heterosexual. (Passing around needles bearing other people's blood is another example of promiscuity.) Nor is there any thing inherent in homosexuality that leads to multiple partners, or frequenting bath-houses and bars.

Well, of course, we want a vaccine against AIDS. With people dying and others surely doomed, no one can humanely argue against such a campaign. At the same time, I hope some ancillary questions will be raised. Let us assume we can develop medicines able to do in an AIDs virus before it does any harm, indeed halt its emergence altogether. Will that mean we will go back to multiple partners and sharing bloodied needles?

So far as sex is concerned, something like that happened with the sexual revolution, which was largely a heterosexual affair. Birth-control pills played a part, as did the availability of abortion. But antibiotics also had a role, since they meant infected individuals could take a short respite and then pursue partners again. Insofar as we are seeking a penicillin for AIDS, will it become a license to again test the limits of human intermingling? If so, the toll next time may be even more severe.

Living species come and go. A species will survive only if its members acknowledge that they have a vulnerable frame. Indeed, nature is usually a step ahead of us: witness variants of gonorrhea that resist conventional treatment. Yet despite occasional setbacks, we deem ourselves superior to the bees and the beavers in our ability to control and cultivate nature. After all, we and not they invented research. The ancients had a word for this attitude: hubris.

My own suspicion—moral as much as clinical—is that too many of us have allowed ourselves too wide a range of sexual activity for our own good. Perhaps we will conquer AIDS. But even if we do, we should learn the lessons implicit in it. Otherwise, we may find ourselves confronting its successor.

4555 HAPPY VALLEY CIR.,
Newnan, GA

HON. NEWT GINGRICH,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN GINGRICH: It is an honor and a privilege to be able to write to you and I thank you for your time.

I would like to give you my opinion of condom commercials on TV because it is my understanding that there is legislation pending on this subject. I do not want to see condom ads on TV that give the impression that one can have it all—a sexually promiscuous lifestyle and protection from sexually transmitted diseases. I believe the AIDS threat is very serious and I know that abstinence or a monogamous heterosexual relationship is the best way to thwart the spread of AIDS. When this type of lifestyle is being promoted on TV then maybe we can talk about condom commercials.

Thank you again for your time.

MARY JANE MILLER.

HOMELESSNESS IN AMERICA

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. GARCIA. Mr. Speaker, the U.S. Conference of Mayors recently issued a report on homelessness in America. The study was based on a survey conducted in 29 cities nationwide. The cities were: Boston, Detroit, Nashville, Providence, Seattle, Charleston, Hartford, New Orleans, St. Paul, Trenton, Chicago, Kansas City, New York City, Salt Lake City, Washington, DC, Cleveland, Los Angeles, Minneapolis, Norfolk, Philadelphia, Phoenix, San Antonio, San Francisco, Denver, Portland, Louisville, San Juan, Charleston, and Miami.

I am enclosing a copy of the summary of the findings of this report, and urge my colleagues to read it.

SUMMARY

To assess the current status of homelessness among families in cities, the U.S. Conference of Mayors surveyed the 29 cities whose mayors comprise its Task Force on Hunger and Homelessness. The survey sought information that would provide a better understanding of why there has been an increase in homelessness among families, what their problems are, which services are available to them, which services are lacking, and what can be expected in the future. The findings are summarized below:

THE PROBLEMS OF HOMELESSNESS AMONG FAMILIES

The number of families requesting emergency shelter during the last two years increased, by an average of 31 percent, in all but one of the 29 survey cities. That one city said the number requesting shelter had remained the same. In no city has there been a decrease in requests for emergency shelter by families.

Families represent just over one-third of the homeless population across the survey cities. Well over two-thirds of the homeless families are headed by a single parent; 30 percent are headed by two parents.

Every survey city reported that the number of families temporarily living with friends or relatives because of their inability to maintain their own home has increased, and every city considers these families to be at high risk of becoming homeless in the near future.

The survey cities identified a range of serious problems, in addition to lack of shelter, which homeless families face. Mentioned most frequently—by nearly two-thirds of the cities—were lack of food and/or poor nutrition. Just under six of every 10 cities identified problems relating to unstable school attendance and lack of access to education. The same number cited employment-related problems, such as unemployment, the lack of job skills and the need for job training, retraining and placement.

Emotional and psychiatric problems were identified most frequently—by over half of the cities—as a consequence of homelessness. Nine cities also listed increased stress; six cited low self-esteem. Other consequences listed were domestic violence; family breakups; the placement of children in foster care or the fear of children being taken away and placed in such care; school-related problems, such as unstable attendance, truancy and dropping out, and learning problems and below-average school work; poor physical health; and deteriorating standards of personal hygiene.

Every survey city identified the lack of affordable housing as one of the main causes of homelessness. Employment-related problems were identified by two-thirds of the cities; inadequate public assistance benefits and problems with public assistance programs were cited by 62 percent of the cities.

SERVICES FOR HOMELESS FAMILIES

The number of shelter beds in the survey cities increased by 21 percent over the last two years. The number of beds increased in over two-thirds of the cities. In eight cities that number remained the same; in one it decreased. All but three of the survey cities have some shelter facilities which specifically accommodate families.

In two-thirds of the survey cities families must break up in order to be accommodated in shelters. Ten cities reported that families always are sheltered together.

On average, 30 percent of the demand by families for emergency shelter in the survey cities goes unmet. In 20 cities (69 percent), shelters must turn away families in need. Lack of resources was identified by 90 percent of these cities as a principal reason for families being turned away; 65 percent cited eligibility criteria as a principal reason.

In well over half (56 percent) of the responding cities, homeless families are required to leave shelter facilities during specific times of the day. In 81 percent of the responding cities, the services that are available to homeless families during the day cannot meet the demand. In all but four cities, emergency shelters limit the period of time families may remain in the facilities.

Assistance in obtaining permanent housing and emergency food assistance were the services most frequently established in cities to address problems faced by homeless families. Other services provided include health care, supportive services, job training, counseling or placement, day programs, and day care.

Among the services needed by homeless families and currently lacking, additional housing affordable by low-income families was mentioned most frequently, followed by day care, supportive social services, jobs and/or job training, transportation, health care, transitional housing, emergency shelters, health care, nutritious food, more adequate levels of public assistance and faster certification procedures, and mental health services.

THE OUTLOOK FOR HOMELESS FAMILIES

The number of homeless families is expected to increase during the next year in nine out of 10 of the survey cities. Two cities expect it to remain the same; none expect the number of homeless families to decrease over the next year.

Every city cited the lack of affordable housing as one of the major barriers which prevents homeless families from having a permanent home. Other problems frequently identified as barriers were unemployment and the lack of jobs and job training, and inadequate public assistance benefits.

FIREARMS CONTROL

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. FEIGHAN. Mr. Speaker, 2 weeks ago the Subcommittee on Crime heard reports from airport safety technicians, law enforcement representatives and Government experts warning of technology now on the drawing board which will soon be able to elude the security devices of airports and public buildings around the world. Plastic firearms are almost a reality, and unless we take steps now, thousands of nondetectable weapons will soon be available over the counter.

Pete Shields has been working for reasonable controls on handgun sales for many years. As chairman of Handgun Control, Inc., Mr. Shields promotes laws which help law enforcement keep handguns out of the hands of criminals and the mentally incompetent. Handgun Control has also made important contributions to the debate over control of plastic weapons. Following are Mr. Shields' comments before the Subcommittee on Crime at its recent hearing on nondetectable firearms:

TESTIMONY OF N.T. "PETE" SHIELDS, CHAIRMAN OF HANDGUN CONTROL, INC., IN SUPPORT OF H.R. 1002 AND H.R. 1785 LEGISLATION PROHIBITING UNDETECTABLE GUNS

Mr. Chairman, and Members of the Subcommittee, thank you for the opportunity to speak before you today. I am Pete Shields, Chairman of Handgun Control, Inc., a national citizens organization working to keep handguns out of the wrong hands. On behalf of Handgun Control, thank you for the leadership you exercised last year in stopping the sale of new machine guns, cop-killer bullets and importation of Saturday Night Specials.

The plastic gun debate is not unlike the debate over cop-killer bullets. While armor-piercing ammunition had not yet resulted in widespread killing of police, last year the Congress acted wisely to ban such bullets before tragedy occurred. While there has never been a terrorist incident with a plastic gun, Congress once again has the opportunity to take preventive measures to stop tragedy before it strikes.

We commend Representatives Mario Biaggi, Robert Mrazek, Charles Schumer and Ted Weiss for their efforts to stop the threat of domestic terrorism. We strongly support their bills to ban the manufacture and sale of "terrorist specials".

Weapons which evade security devices put us all at risk. Every airport, every court house every public building which relies on screening devices for security will no longer be safe.

At a time when our nation is committing vast resources and energies to stopping terrorism and protecting our citizens abroad, we should not even consider making it easier for terrorists to operate in our own country.

As you heard witnesses testify last week, the technology to produce these plastic firearms is here today. At the same time, while it appears that an all-out effort is underway to develop technologies to detect these polymer pistols, we are perhaps a year away from even being certain the detection technologies we are pursuing will work. As the

Director of Civil Aviation Security for the Federal Aviation Administration has acknowledged, it could be five or ten years before we have the necessary detection devices in place. It is obvious that we must take immediate action to prohibit the marketing of these undetectable guns. If not, we will be risking the lives of millions of Americans.

One effective way to control these weapons would be to require that gun manufacturers make their weapons detectable in a manner which cannot be altered. At last week's hearing, Mr. Byron of Red Eye Arms, Inc., indicated that he would be willing to mix the material in his guns with another substance to make his weapons detectable. Other methods of making plastic guns readily detectable by conventional security devices should also be examined.

In order to ensure that all gun manufacturers comply with this law, the Bureau of Alcohol Tobacco and Firearms should be given clear authority to review pre-manufacturing prototypes of weapons and directed not to authorize manufacturing of any weapons not detectable by existing detection equipment.

Then if plastic guns are so desirable to the firearms industry and their customers, let that industry put equivalent time, energy and money into the development of effective detection equipment to safeguard the general public from the terrorist misuse of their future high-tech guns. Require the industry itself to match the detection technology with their gun technology.

The NRA and others in the gun lobby have testified that instead, we should allow the manufacture of undetectable firearms as soon as available and let the resulting threat to public safety spur the development of improved detection equipment. This is ridiculous. It is exchanging the public safety for the private profits of the firearms industry.

I would reverse the incentive by forbidding the manufacture of undetectable firearms, and the industry's resulting profits, until the necessary detection equipment is available. If the benefits of plastic firearms to the industry and their customers are so great, the economic incentive to produce them will be a far stronger and safer incentive to the development of adequate detecting equipment than putting the public at risk.

Surely the quest for public safety—for preventing domestic terrorism—should be the criteria that Congress uses in addressing this new technology. I am confident that with the leadership of this committee, common sense will prevail as it did last year with the banning of cop-killer bullets and sales of new machineguns.

PLIMOTH PLANTATION BIRTHDAY CELEBRATION

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. STUDDS. Mr. Speaker, I wish to take this opportunity to congratulate the officers and membership of the Plimoth Plantation and the Town of Plymouth on the occasion of the 40th birthday celebration of Plimoth Plantation and the 30th anniversary of the arrival of Mayflower II.

It is truly an honor to have in our Nation so outstanding a recreation of the life and customs of New England's first colony—a cradle of American civilization. More than 300,000 people visited the museum and the first reconstructed homes on Plymouth's waterfront during the first year of operation in 1947. With the addition of Mayflower II—a faithful replica of the ship which bore the Pilgrims from England to our shores—in 1957, and the establishment of the village—a reconstruction of the 17th century New England village—in 1958, Plimoth Plantation established itself as one of the most ambitious historical projects in our Nation's history. Nearly a quarter of a million people visit the plantation yearly, and this summer will see the 10 millionth visitor to the Mayflower II.

In addition to the village and the Mayflower II, Plimoth Plantation offers educational workshops with such diversified themes as "Family Life," where children are placed in a 17th century Pilgrim household where they participate in chores such as churning butter and baking bread, to "In My Wetu," which reveals the life and culture of the Eastern Woodlands Indians.

Plimoth Plantation also offers educational outreach programs, whereby the plantation sends Pilgrims dressed in authentic costume all over the country describing and reenacting the life of these settlers. Recently Pilgrims have traveled as far away from New England as Ohio, Michigan, Alabama, and Arizona, allowing those who otherwise might have never had the opportunity to learn more closely of our Nation's past.

I urge anyone able to attend the birthday celebrations on June 13 to do so, and see the past live again. "Happy Birthday!" to you, Plimoth Plantation. May you live long and prosper.

THE GOVERNMENT DEPOSITS INSURANCE ACT OF 1987

HON. TOMMY F. ROBINSON

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. ROBINSON. Mr. Speaker, the House of Representatives took a giant step on May 5 toward restoring the confidence of the American people in the soundness of the Federal Savings and Loan Insurance Corporation by passing H.R. 27. Today I introduce legislation, the "Government Deposits Insurance Act of 1987," to increase that public confidence and expand the safety of public funds.

Presently all accounts on deposit with federally insured institutions are insured to $100,000. My bill would raise that limit to $500,000 for funds deposited in accounts established by an officer, employee, or agent of the United States, any State, or other unit of government. The Government Deposit Insurance Act of 1987, as it is known, raises those limits for institutions insured by the Federal Deposit Insurance Corporation [FDIC], the Federal Savings and Loan Insurance Corporation [FSLIC], and the National Credit Union Association [NCUA].

This legislation permits local units of government which may only be served by one federally insured financial institution to keep their money at home without juggling accounts and with the certain knowledge that public funds up to the $500,000 limit are indeed safe. This is important not only to small towns in rural Arkansas, but to wide spots in the road in Montana or Mississippi, Alaska, or Alabama.

I have discussed this measure with FSLIC officials who applauded this step to protect the taxpaying public's money. They stated that when they are forced to take over a troubled thrift institution, the first question they want answered is, "how much public money was on deposit here?" and "which units of government will be hurt?" Passage of this simple change will protect hard-earned taxpayers dollars.

Additionally, there is precedent for providing a greater insurance limit for public funds. Public Law 93-495, effective November 27, 1974, amended the Federal Deposit Insurance Act to double deposit insurance coverage from the current level of $20,000 to $40,000, and to increase coverage for most public funds, including State and local government time and savings deposits—except deposits held in out-of-State banks—and Federal deposits, fivefold to $100,000.

When insurance limits for all funds on deposit with FDIC-insured institutions was increased to the $100,000 level in 1980, the level for insurance of public funds are not increased. My bill remedies this situation.

I urge swift consideration of this simple measure which will protect taxpayer funds and increase public confidence in our financial institutions during these troubled times.

SALUTE TO THE JEWISH EXPONENT

HON. WILLIAM H. GRAY III

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. GRAY of Pennsylvania. Mr. Speaker, I rise today to note a milestone in the field of journalism—the 100th year of continuous publication of the Jewish Exponent, a weekly newspaper in my hometown of Philadelphia.

The oldest publication of its kind, the Exponent has served the Jewish community in and around Philadelphia since 1887. That makes it 11 years older than the Christian Science Monitor. Its first edition appeared 2 years before the Wall Street Journal began dispensing financial news, and 14 years before the New York Times magazine provided uninterrupted Sunday service.

That first issue, which was published on April 15, 1887, consisted of a mere 14 pages. The first two were devoted entirely to advertisements; the remainder shared summaries of the week's sermons, a breakdown of news from abroad, and reports on the city's six major synagogues.

Fifty-two hundred-plus issues later, the Exponent has survived the Great Depression, reported on a total of seven wars, saw Palestine become the Jewish homeland of Israel, and developed a new rapproachment of world Jewry.

As a major Delaware Valley weekly, with a circulation of more than 65,000, the Exponent now averages 120 pages and focuses on news that affects the Jewish community locally and around the world. Its editors and writers have won numerous honors—most recently three of the five 1986 Boris Smolar Excellence in Jewish Journalism Awards.

In addition to a strong editorial emphasis on national, international, and local news, the Exponent provides coverage of entertainment, business, social and cultural events, food, and the arts.

This Sunday, June 14, the 100th anniversary of the Exponent will be celebrated at a gala exhibit and dinner in Philadelphia.

I know my colleagues here in the House will join me in congratulating the Jewish Exponent on its centennial year, and offering heartfelt wishes for its continued success.

TRIBUTE ON THE 100TH ANNIVERSARY OF THE FOUNDING OF THE PLYMOUTH MAIL

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. PURSELL. Mr. Speaker, I rise today to commemorate an important anniversary in the journalistic history of my hometown, Plymouth, MI.

It was 100 years ago, in the September 1887, that the Plymouth Mail was founded, a publication which for 80 years served the news and information needs of residents in the Plymouth area.

Today, Mr. Speaker, I would like to share with my colleagues a few thoughts about the Plymouth Mail and the important role it played in the shaping of my home town.

After the Plymouth edition of the Wayne County Review gave way to the Plymouth Mail in 1887, the Mail became the dominant source of news. It so reflected the events and happenings of Plymouth that historian Sam Hudson—who I must acknowledge for providing the history of Plymouth newspapers—returned to its pages years later when writing about Plymouth's heritage.

However, just as important as the articles which filled its pages were the men who owned and published the Mail. From its initial publisher J.H. Steers, the Mail changed hands almost 10 times until it was sold to Philip Power in 1966. Power gradually phased out the Plymouth Mail name—bringing the Mail era to an end in the late sixties.

In the true spirit of community journalism, the men who wrote the Mail provided leadership through their words and their actions.

Consider the examples of Herbert J. Baker, who also served as village clerk; Elton Eaton, who served as executive secretary to Gov. Alexander Groesbeck before going into newspapers and later was elected to the Michigan House of Representatives; Elton's son Sterling Eaton, who served on the Plymouth Board of Education and the Michigan Legislature; and Paul Chandler who served in the State house and was a senator-elect when he died.

Indeed, the Plymouth Mail and the men who owned it have played an important role in our community. They not only reported the city's events, they took part in the decisions and efforts. Day in and day out they shared Plymouth's ups and downs, its achievements and its failures.

And that proud tradition continues today—it may not be the same newsrooms or the same editors and reporters as the Plymouth Mail, but the dedication to serving Plymouth's residents remains the same.

Mr. Speaker, I ask my colleagues here in the U.S. House of Representatives to join with me in commemorating the 100th anniversary of the funding of the Plymouth Mail, and in saluting the role it played during 80 years of Plymouth's history.

SOCIAL SECURITY ATTORNEY FEES

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. HUBBARD. Mr. Speaker, I was recently contacted by my friend and constituent, E.F. "Frank" Martin, Jr., a highly respected attorney in Hartford, Ohio County, KY, who sent me a letter regarding Social Security attorney fees. In his letter, Mr. Martin outlines some very interesting points regarding this most important issue that I feel it should be presented to the full House of Representatives:

E.F. MARTIN, JR.,
ATTORNEY AT LAW,
Hartford, KY, May 6, 1987.

Hon. CARROLL HUBBARD,
U.S. Representative, Rayburn House Office Building, Washington, DC.

Re: Social Security Administration, Hearings On Attorney Fees.

DEAR CONGRESSMAN HUBBARD: After practicing law nearly twenty-five years, and because a considerable amount of my practice has been involved with workers compensation and black lung disability claimants, I have found in recent years a demand by my clients more and more to represent them on Social Security disability benefit claims, and, particularly, in regard to reinstatement of Social Security disability benefits.

Representation of these clients is always based upon a contingency fee arrangement of twenty-five percent of benefits awarded or reinstated. This fee arrangement is adequate, but certainly does not, by any stretch of the imagination, result in any excessive compensation.

To my knowledge I have never had any Social Security disability claimant protest or object to any fee which I have been awarded upon successful conclusion of the claim and an award or reinstatement of disability benefits.

The most discouraging thing about representation of Social Security disability claimants is the process and the time consumed in a great many of these cases in attempting to obtain approval and, finally, payment of the fee allowed.

I have never had an occasion to take issue with a fee awarded by an Administrative Law Judge in one of these cases. I know of no reason why there would be any reason to limit the authority now given to Administrative Law Judges and would expect that a thorough analysis of the situation would lead to the conclusion that the Administrative Law Judges are the appropriate authority for approval of fees. Their authority in these matters should be raised rather than lowered.

Accordingly, I have sent to you a photocopy of a memorandum addressing the Social Security Administration's efforts to restrict the Administrative Law Judges authority in attorney fee setting matters, and indicating that appropriate legislation may be required to rectify this situation, if the Social Security Administration persists with its efforts to limit attorney fees.

In my opinion, the Social Security Administration is ignoring the classic admonition, "If it ain't broke, don't fix it".

Respectfully,
E.F. MARTIN, JR.,
ATTORNEY AT LAW,
Hartford, KY.

FREMONT'S TOP EDUCATOR, SUPERINTENDENT WAYNE FERGUSON, RETIRES

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. EDWARDS of California. Mr. Speaker, the Fremont Unified School District in Fremont, CA, is losing one of America's most outstanding educators as Wayne Ferguson, our superintendent for the past dozen years, retires this month.

His success as an administrator is reflected by the progress of the school district he has presided over as superintendent for 12 years and as assistant superintendent for 19 years. Since he became superintendent, the Fremont Unified School District has been recognized as one of the foremost districts in the State.

Its English programs, its outstanding programs for gifted and handicapped students and its preschool bilingual program have all been recognized as some of the Nation's best. Just recently, Mission San Jose High School in Fremont won the National Secondary School Recognition Award. Superintendent Ferguson has overseen the improvement of education in Fremont on all levels.

Fortunately, he will remain involved with public education as a consultant and occasional college teacher. Some of his free time will hopefully be spent adding to the list of books he has written. All of us who know him anticipate that the title of his latest book—"Early Retirement Is Not the Cat's Meow"—will not apply to the author. We hope he is as happy in retirement as we are with his contribution to public education.

Wayne Ferguson has been a tremendous asset to Fremont public schools. He has said that he wanted to go out on top, and he has certainly done so.

TWO RIDES AT CALIFORNIA'S ONLY BEACHSIDE AMUSEMENT PARK NAMED NATIONAL HISTORIC LANDMARKS AS PARK CELEBRATES ITS 80TH YEAR

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. PANETTA. Mr. Speaker, I am proud to report to my colleagues that the National Park Service has designated as National Historic Landmarks the Santa Cruz Beach Boardwalk's classic merry-go-round and Giant Dipper roller coaster. Two commemorative bronze plaques will be presented to the Boardwalk at a ceremony on June 15.

The Santa Cruz Boardwalk is one of California's great beach attractions, and I believe these designations are richly deserved. I think my colleagues would be interested in a history of the Boardwalk. Following are excerpts from a history prepared by the company which operates the boardwalk:

Once, the Pacific Coast sported a whole string of boardwalks and amusement piers. Then, one by one, they disappeared.

Names such as The Pike in Long Beach, Whitney's Playland in San Francisco, Pacific Ocean Park in Santa Monica, and parks in Venice, Ocean Park and San Diego, have all become part of California history.

Some were lost to housing developments, while others gave way to the ravages of time and wear. The smell of popcorn and the laughter of excited children is a memory everywhere but one last west coast holdout.

The Santa Cruz Beach Boardwalk, one of the first beachside amusement parks, is the lone survivor, having found a way to blend vintage and modern attractions.

An example of this blend is the Wave Jammer ride, which opened in 1986, in the shadow of the classic 1924 Giant Dipper roller coaster.

This mixture of nostalgia and innovation, along with an aggressive policy of constant renovation, are key reasons the Santa Cruz facility has outlived its counterparts.

Santa Cruz became a tourist attraction in 1865, when John Leibrandt built a public bathhouse near the mouth of the San Lorenzo River.

Several bathhouses followed, and to attract tourists, the owners preached the healthiness of bathing in salt water. Scores of tourists began visiting Santa Cruz to use these facilities for changing into swimsuits to enjoy this "natural medicine."

Women in those days wore woolen swimsuits that covered everything from their necks to their ankles. When wet, the suits weighed about 20 pounds.

Shortly thereafter, several concessions sprang up nearby, including restaurants, curio shops and photo stands.

Toward the end of the century, Fred W. Swanton, considered one of the greatest promoters of his time, laid plans for casino and boardwalk patterned after the Coney Island and Atlantic City parks.

The Casino opened in 1904, but operated for only 22 months, until June 22, 1906, when it was destroyed by a fire, which originated in the kitchen. The building was uninsured.

However, before the last wisps of smoke had drifted away, Swanton was on the phone lining up financing and ordering materials to rebuild. By the end of summer, architect William H. Weeks was drawing up the plans, and in October the foundation was laid for the new Cocoanut Grove ballroom, along with an indoor swimming pool, a pleasure pier and a boardwalk.

These attractions opened in June of 1907.

Later in the year, construction began on the Boardwalk's first thrill ride, the L.A. Thompson Scenic Railway, which opened in 1908.

In 1911, world-renowned Danish woodcarver, Charles I.D. Looff, delivered a new merry-go-round with 70 hand-carved horses to the Boardwalk. The carousel celebrated its 75th anniversary at the park last year, still operating with its original 342-pipe Ruth band organ, which was built in 1894.

After convincing the Boardwalk owners to replace the Scenic Railway ride, Arthur Looff (son of the carousel carver) directed the construction of the Giant Dipper roller coaster in 1924. Having celebrated its 60th anniversary three years ago, the Dipper has carried more than 27 million riders since its opening.

The first Miss California Pageant was also held in 1924 at the Boardwalk. Winner Faye Lanphier went on to become Miss America the following year.

During the 1930s and '40s, business at the amusement park declined slightly due to the depression and World War II, but the Cocoanut Grove ballroom entered its heyday, featuring dance concerts with some of the biggest names of the big band era.

Artie Shaw, Benny Goodman, Xavier Cugat, Lawrence Welk and Merv Griffin performed in the ballroom during these years.

Several renovations were set in motion during the 1950s and '60s including a $200,000 face-lift of the Cocoanut Grove and the addition of more thrill rides including the Wild Mouse, the Autorama (remodeled in 1985), and the Tilt-A-Whirl.

Faced with major reconstruction costs and a steady decline of indoor swimming, the Plunge swimming pool made way for a new miniature golf course in 1963, spelling the end of its famous era of indoor water carnivals.

More renovation followed during the early '70s, with new rides such as the Super Round-Up, the Red Baron kiddie ride, and a new Bumper Car ride.

Innovations in the ski-lift industry led to the development of more compact ski lifts. As a result, in 1967 the Boardwalk was able to install the Sky Glider, a scenic overhead ride that fit into the park's limited area. Five years later, a wild, mini-coaster ride called the Jet Star was added.

Replacing the Wild Mouse in 1977 was the Logger's Revenge, a log flume ride costing $1.2 million to construct. Now second in popularity to the Giant Dipper roller coaster, the flume ride takes patrons on a winding run 55 feet above the Boardwalk, climaxing in a breathtaking descent down the chute into the millpond below.

The year 1977 also marked the return of big band music to the Cocoanut Grove. After a $30,000 remodeling of the ballroom and main lobby, Les Brown and His Band of Renown reopened the monthly big band dance series, which continues today.

The most extensive renovation project occurred in 1981, with the renovation and restoration of the Cocoanut Grove. The project transformed the facility from an old-fashioned ballroom into a multi-use convention and banquet facility.

In the last few years, the Boardwalk has completed a number of renovation projects.

Today, the Boardwalk offers 19 major rides and five kiddie rides, three arcades featuring vintage machines and modern video games, 26 games of skill such as Skee Roll and Milk Bottle Toss, 14 refreshment stands, five restaurants, an electronic shooting gallery, an indoor miniature golf course, and 15 gift shops.

There's also the mile-long beach, cleaned and sifted during the year by the Boardwalk's army of maintenance people.

California's only remaining Boardwalk is open daily from Memorial Day to Labor Day, and weekends and holidays during the spring and fall. There is no admission charge.

CHARLIE McALEER: A CONTINUING PROFILE IN SERVICE

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mrs. MORELLA. Mr. Speaker, to most Americans, this past June 1 was just another early summer day on the calendar. But, to a select few, who understood its significance, June 1, 1987, was very special.

It was the day that Charles T. McAleer would have marked his Golden Anniversary as a member of the editorial staff of the Washington Star. Unfortunately, the Star, once one of the Nation's most influential newspapers, published its final edition on August 7, 1981, a victim of declining circulation and advertising revenues in the changing world of mass media technology.

But, for 44 years, 2 months and 7 days, Charlie McAleer was among the stalwarts who daily provided Washingtonians with a "first draft of history" that ranged from the local civic association to far away coups d'tat.

Usually starting work at 6 a.m., Charlie had a pleasant, upbeat voice that became a regular institution among police desk sergeants throughout the region. He had that knack of making friends over the phone, even with people he would never meet in person. And, he was a professional's professional.

Even as the Star was going to press with its final edition, Charlie was calling police sources to get the day's news—a murder in the District of Columbia, an accident on the George Washington Parkway, an escape from police headquarters.

But, if the Washington Star has retired from the newspaper scene, Charlie McAleer has been busier than ever, serving as spokesman for a number of veterans and civic organizations in the area.

It is a privilege and a pleasure to be able to call him a friend and, on what would (and should) have been his 50th anniversary as a reporter with the Washington Star, I am sure my colleagues join me in wishing Charles McAleer the very best.

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION—JUNE 9

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. SHARP. Mr. Speaker, on June 9, the convention returned to the difficult issue of how the States would be represented in Congress.

In the Continental Congress, each State had one vote regardless of its size. The Virginia delegation had proposed changing that system to give larger States more of a say in the Congress. Virginia wanted to allot the seats either by population or by the amount of money the State contributed to the Nation's Treasury.

Delegates from the smaller States, led by New Jersey's William Patterson, launched a spirited attack against Virginia's plan. Patterson charged that the larger States were using the convention to dominate the smaller ones. Instead, he half-seriously proposed dissolving the existing State boundaries and redesigning the States in 13 equal parts.

With no solution in sight by the day's end, chances looked bleak that the convention could resolve the issue soon.

CONGRATULATIONS TO THE PARTICIPANTS IN COMBINED COMMUNITIES IN ACTION

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. HOYER. Mr. Speaker, on June 11, the Combined Communities in Action will celebrate its 12th annual senior citizens award dinner.

The dinner will recognize the achievements of senior citizens who have participated in a unique educational program. The program of Combined Communities in Action started in 1975 to enable senior citizens to live more creatively in Prince Georges County. Through their studies, the students have developed skills to function independently in a changing society. Each person who has participated is a remarkable individual, with much achievement to take pride in. I would like to share their names with you:

Baden class: Catherine Diggs, Peggy Canada, Laura Galloway, Mary G. Carroll, Ophelia Pinkney, Ms. Melton Holliday, Jean Young, Aire Pinkney, Catherine Pinkney (teacher's aide), Harriet R. Lee, Florence P. Contee.

Fairmont Heights class: Mrs. Willie Appling, Brazille Barnes, Eartha Brunson, Mazie Burwell, Beatrice Edwards, Vanzile Hill, Jessie Henderson, Mable Luckett, Victoria Moore, Elizabeth Simpkins, Lovely Taylor, Isadora Walls, Mamie Quarles, Ora Braxton, Lillian Cameron, James B. Fletcher (senior volunteer bus driver).

Glendarden class: Marion Bowman, Gladys T. Patterson, Elma Hunnicutt, Mattie B. Johnson, Margo Smith, Helen B. Colbert, Henerietta McFadden Mrs. Hannah Hamilton.

I know the Members of the Congress will want to join me in congratulating each member of the three classes on their achievements.

POWER COMES FROM VOTERS

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. PACKARD. Mr. Speaker, 200 years ago today, the Constitutional Convention began debate regarding how many legislators each State could select. At the heart of this struggle were two documents, each representing a view radically different from the other. One proposal, embodied in the Articles of Confederation, allowed each State one vote regardless of its wealth or relative size. On the other hand, the Virginia plan proposed a national legislature with representation based on either the quota of contribution, or by population. These two proposals generated a heated discussion and created a schism between the large and small States.

New Jersey's William Patterson argued that the Convention was considering well beyond its scope of authority. "We have no power to go beyond the Federal scheme," he said, "and (even) if we had, the people are not ripe for any other. We must follow the people: The people will not follow us."

Paramount among the day's accomplishments, this declaration announces the authority under which we still act today. We are a government "of the people, by the people, and for the people." Two hundred years ago delegates gathered to write our Nation's Constitution through the mandate of the people of their States. Similarly, we gather here, in this Congress, under express authority from the people of our States. Just as our Founding Fathers respected and honored their dependence on the people, Members of Congress today must remember that their only power comes from the voters who send them to Washington.

THE COMMUNICATORS OF MONROE HIGH SCHOOL

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to a truly outstanding group of students, the Communicators of Monroe High School. The Communicators, a group of 28 emergent peer group leaders, counsel other students on the many different issues facing high school students today. They are chosen for membership in this prestigious group because of their leadership qualities and their ability to influence their fellow students.

The Communicators are an important part of the Monroe campus. As they reach out to others, they promote positive interaction among students. Their many worthwhile goals include discouraging potential dropouts, and preventing suicide attempts. They have also taken on the vital task of fighting drug abuse, urging their peers to "say no," and helping them to find counseling and residential treatment. Through their unselfish, community-oriented efforts, the Communicators act as role models for their fellow students at Monroe.

The 1987 Communicators of Monroe High School are Jeanny Aleman, Rachael Arinsberg, Clyressa Cannon, Gloria Cervantes, Hong Chung, Rosario Cencisco, Maribel Rodriguez, Martha Tello, Jim Voughn, Johnny Carrillo, Ramona Cardova, Stacey Hall, Phillip Hernandez, Manuel Montalvo, Jessica Mata, Ella Matias, Stacey Sinclair, Alliah Tomlin, Corbin Young, Jamie Miller, Jim Moore, Monica Osborn, Nena Ortega, Virginia Ortrega, Geri Paxton, Billye Sluyter, Joe Vorda, and Charles Patrick.

It is my distinct honor and pleasure to join my colleagues in saluting these exemplary students of Monroe High School for their contribution and dedication to their school and to their community.

GLORIA ESPOSITO TO BE HONORED BY HUDSON COUNTY YWCA

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. GUARINI. Mr. Speaker, on June 11, 1987, a true friend of the Hudson County community is being honored by the Jersey City YWCA. On that day several hundred friends and community leaders will meet at a dinner to break bread and pay tribute to Gloria Esposito for her achievements over the past years.

Ms. Esposito has been selected by the YWCA as the recipient of their "1987 Special Friend of the YWCA Award." The Board of Trustees of this outstanding organization has selected Gloria Esposito as their fourth recipient based on her significant contributions to the YWCA of Jersey City. Examples of her efforts on behalf of the YWCA include: her leadership in bringing to a successful conclusion the 1986 Ford Foundation Challenge Campaign; her untiring efforts in enabling the YWCA to meet the challenge of retiring the Ford Foundation loan, and of rebuilding the YWCA Endowment Fund.

It is my pleasure to serve as chairperson for this testimonial dinner. I am joined on the dinner committee by many individuals who want to ensure that Gloria Esposito receives the appreciation she deserves. Joining me on the committee are: Bette Silber, cochairperson; Dr. Patricia Sullivan, cochairperson; Dr. Kenneth F.X. Albers, Joseph N. Barbera, Marianne Bell, Robert Burstein, Hadijah Carlyle, Assemblyman Joseph Charles, Gerard A. Clapps, John G. Collins, David Cory, Mayor Anthony R. Cucci, Dominck D'Agosta, Edward G. Davin III, Joseph Di Feo, Assemblyman Joseph Doria, Dr. Joanne Grossi, George Imperatore, Debra Irving, Victoria Cross Kelly, Judith LaCorriere, David Leff, Roseann Mazzeo, Virginia McGee, Lee Nelson, Senator

Edward T. O'Connor, Fred F. Peterson, John Pistilli, Ellsworth C. Salisbury, Jr., Aida Scirocco, Daniel T. Scott, Jacqueline Shamberg, Thomas J. Smith, Ira M. Starr, William J. Thornton, Lester R. Thurston, Jr., Diana M. Vitrano, and Shirley Watson.

Born and raised in Jersey City, Gloria is the ninth of 10 children of Maria and Anthony Esposito. Gloria's work and that of Martha Lewin, director, Jacqueline Glock, Steven Stogel and others at the YWCA brought to my attention the need for legislation to renovate the YWCA on Fairmont Avenue. This made the Y project financially feasible and allowed it to continue to deliver important services to our community.

The Y's plan of several years ago has become a reality. It combined the standard facilities with much-needed housing and social service programs which makes the facility, its personnel, and its programs a vital part of our changing city.

In October 1981, she was named "Woman of Achievement" by the Jersey Journal. At a luncheon attended by almost 1,000 persons, the following citation was read:

> Long before women's liberation—in the 1940's—Gloria Esposito of Jersey City was already a 22-year-old member of the business community.
>
> Gloria started her career armed only with experience as editor of the Ferris High School newspaper. This opened the door to a position editing a company newspaper in a downtown Jersey City factory. Her promotion there to assistant personnel manager gave her exposure to the personnel field and therein her career was determined.
>
> As she counseled job applicants whom her firm could not employ, she became aware of the need for an employment agency to match requirements of employees and employers who had been going to New York City agencies. A bank loan gave her a start on the employment agency that was to launch the job futures of thousands of area residents.
>
> Meanwhile, the young entrepreneur utilized her nights to earn a B.S. degree in business administration from Seton Hall and a master's from New York University.
>
> After that, leisure time went to civic work: service under three mayors in salaried positions on the Commission to Help Retarded Children, the Hudson County Welfare Board, the Jersey City Planning Board, the Parking Authority, of which she was chairman; the Clean City Commission, and the Public Works Study Commission. She remains the only woman on the Hudson County Chamber of Commerce and Industry's executive committee.
>
> Ms. Esposito's recent efforts raised approximately $150,000 for earthquake victims in Italy and earned her the city's Civic Spirit Award for her launching of Operations Blitzsweep to clean up Jersey City. In private life she is married to Louis Russo.

With all these accomplishments behind her, it was her actions during the recent famine in Ethiopia which endeared us to Gloria and her sincere empathy for persons she knows and does not know. She cochaired with me a fundraising drive which resulted in the raising of $100,000 to aid Ethiopia. The funds we raised were matched by an international group with an additional $900,000 in funds, goods, and services which resulted in $1 million in aid being stimulated from the 14th District in Hudson County which I represent.

Ms. Esposito is the president and chief executive officer of a multicorporate organization, Commerce Help-Mates Personnel Service, Inc. Commerce Help-Mates serves the tri-State area in the field of permanent and temporary personnel replacements.

Ms. Esposito's community endeavors, however, are where she stands tall. A listing of her involvements include: vice chairperson, Hudson County Chamber of Commerce and Industry; Commissioner Jersey City Parking Authority, Jersey City Development Commission, Jersey City Planning Board, Hudson County Welfare Board; chairperson of the following groups, Operation Bitzsweep, Anti-Grafitti Program; Hudson County Italian Earthquake Relief Fund, Emergency Relief Jersey City Homeless, Hudson County Ethiopian Relief Fund and various international relief funds; board member of the following: YWCA, Goodwill Industries, United Way of Hudson County, American Red Cross, American Heart Association, Girl Scouts of America.

Member of the following committees: Private Industry Council, Urban Enterprise Zone, Hudson County Women's Network, Project Self Sufficiency Committee, and the St. Johns' Tenants Association.

Gloria has received the following citations: Jersey Journal "Woman of Achievement," Jersey City "Civic Spirit Award," N.J. Senate "Good Citizenship Award," Minorities Symposium, "Business Woman of Achievement Award" and Who's Who of American Women.

Gloria has been appointed to the following: business consultant to Congressman Frank J. Guarini, business liaison for Mayor Anthony R. Cucci, Hudson County fundraiser for Walter Mondale and Geraldine Ferraro.

What has she been doing lately? On May 17, 1987, she was honorary chairperson for Concerned Community Women on their 10th anniversary honoring Shirley Watson.

On May 27, 1987, Jersey City State College honored her at Career and Academic Department programming. Recently, she was nominated chairperson of the fund drive for Goodwill Industries, and yesterday she was one of the six women honored by the Hudson County Chamber of Commerce and Industry at a luncheon held at the Hilton in Secaucus at which Justice Marie L. Garibaldi, of the New Jersey Supreme Court, was the speaker.

She echoes the words of David Grayson, who said:

> To be needed in other human lives—is there anything greater or more beautiful in this world.
>
> Her community service message is described by Oscar Wilde, who wrote:
>
> "Contentment lies not in the enjoyment of ease—a life of luxury—but comes only to him that labors and overcomes—to him that performs the task in hand and reaps the satisfaction of work well done."

I am certain that my colleagues here in the House of Representatives wish to join me in this well-deserved tribute to Gloria Esposito, servant of God—servant of mankind.

RETIREMENT WISHES FOR MARY FLICKINGER

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mr. HYDE. Mr. Speaker, after 31 years as a physical therapist working with handicapped children, Mary Flickinger of Hinsdale, IL, will be retiring on June 19.

Over the years, Mrs. Flickinger's contributions to her profession and her services to handicapped children have been recognized by a number of organizations including the Chicago Council for Exceptional Children, the Illinois Council for Exceptional Children and the Easter Seal Society of Chicago. More recently, she was awarded the first Sam Martino Annual Award for Service to Exceptional Children, and was also recognized by the Chicago Board of Education.

Mary Flickinger has established an outstanding record of service in a most difficult and demanding profession, and has earned the love and respect of her peers and the scores of handicapped children and their parents whose lives she has profoundly influenced over the years.

Mr. Speaker, there are too few people nowadays willing to devote their lifetime to improving the quality of life of the handicapped; those that do are special people and a great deal of love and emotional commitment is involved. It is important that we recognize their achievements, and so I am happy to congratulate Mary and thank her for her many years of dedication and service to her profession.

AMERICA'S MOST AUDACIOUS HOUSING EXPERIMENT

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 9, 1987

Mrs. LLOYD. Mr. Speaker, I would like to bring to the attention of my colleagues an article entitled "America's Most Audacious Housing Experiment" which brings to light the outstanding work being done by my constituent, and friend, Rick Montague of the Lyndhurt Foundation in Chattanooga, TN.

I am deeply appreciative of Rick's hard work and commitment to our community and it is my hope that his example will inspire others across the country to become personally involved in solving our Nation's critical housing shortage.

I commend this article to the CONGRESSIONAL RECORD as a testament to Rick Montague's outstanding accomplishments as a community developer and wish him many more years of successful endeavors.

The article follows:

AMERICA'S MOST AUDACIOUS HOUSING EXPERIMENT

(By Neal R. Peirce)

CHATTANOOGA.—Is it conceivable that a city can transform its slums, making all its housing "fit and livable" within a decade?

No major American city has even tried. But James W. Rouse, erstwhile shopping center developer and founder-leader of the Enterprise Foundation to provide housing for "the poorest of the poor," believes it's possible.

So does Chattanooga's mayor, Gene Roberts. And so do a coterie of determined foundation and community leaders in this old Tennessee industrial town. They believe they have a plan in place to make it happen.

Predictably, such grand ambition finds skeptics. One is Billy Cooper, veteran chief of Chattanooga's public housing authority. The idea of stamping out substandard housing, says Cooper, is admirable but unrealistic—that given the way many low-income tenants treat property, units rehabilitated early in the decade "would be dilapidated" by its end.

Jim Rouse, however, has little patience for doubters. He recalls that back in the early '70s, when he decided to build his first "festival marketplace" at Boston's Faneuil Hall, bankers scoffed and he had to go out of town for much of the financing. Yet within a few years Rouse's festival marketplaces, and their imitators, were rejuvenating center cities across the country.

Rouse's co-visionaries for a slum-free Chattanooga include Bob Corker, a youthful self-made local developer of shopping malls. Corker conceived the idea of a big housing turnaround and enthused, in turn, Rick Montague, leader of the Lyndhurst Foundation, one of Chattanooga's several strong philanthropies. Montague approached Rouse, who was already casting about for a city willing to tackle its substandard housing problem in toto.

The Enterprise Foundation wrote Chattanooga's preliminary plan last summer. The work began with a survey showing the city has 13,000 substandard homes, a pervasive pattern of deterioration and abandonment, and a zero percent low-income housing vacancy rate.

Repairing all that's substandard might cost $200 million, Enterprise calculated. To get a start, it proposed a two-year repair and replacement program of 395 units, costing $4 million. And to give the long-term recovery plan a chance, the foundation said, Chattanooga needs systematic and strong housing code enforcement and a vigorous program to train homeowners and renters in maintenance and repair.

Enterprise suggested a super-agency to coordiante the whole job—a non-profit corporation to be called Chattanooga Neighborhoods Inc. CNI is now up and running, its board made up of business and civic leaders committed to the effort.

The CNI design in some ways resembles Charles Center-Inner Harbor Management Corporation, the private body, acting for and with the guidance of city government, that's made possible much of the stunning redevelopment in Rouse's home city of Baltimore. A critical breakthrough, says local civic leader Mai Bell Hurley, came when Mayor Roberts agreed to turning major responsibilities—housing code enforcement included—over to CNI.

Chattanooga lacks the massive slums of a Chicago or Philadelphia or St. Louis. But a quick tour about the city reveals pockets of the deepest depravation—old, broken down houses, some little more than wretched hovels, many boarded up, filth and squalor all about them.

Raising the money to rehabilitate all of that will be tough enough. It will have to come, Enterprise calculates, from every level of government from the city up, from grants, bonds and syndications, benevolent loans funds, concessionary loans from banks, corporate and foundation gifts.

Says foundation director Montague: "We'll have to go to all sorts of people, including upper middle class Republican voters, old-line liberal Democrats who say let government do it all, people who go to fundamentalist Christian churches, and involve them all in the lives of people of poor neighborhoods."

One has to gasp at the audacity of that strategy. Private philanthropy, usually reserved for education, hospitals, the Red Cross and Girl Scouts, has rarely scratched the housing problems of any American city.

Mayor Roberts acknowledges that "the dream includes lots of components," few of which are yet in place. "It may take a lifetime rathr than 10 years to make it." But he insists: "the commitment has been made; we'll get it done."

But will housing alone answer Chattanooga's problem? There, in this reporter's mind, comes the rub. The root problem isn't housing, it's poverty, and the need to tackle every problem from joblessness to school drop-outs to teenage pregnancy.

The good news is the sponsors know it: "If we did 13,000 houses and just walked away, it would be a miserable failure," they told me. Or in the words of CNI president Mathew Powell: "This isn't a housing program; it's a social revolution. We'll need intensive, one-on-one work with housing tenants, and supportive neighborhood organization that's a living, breathing fabric."

But Chattanooga has precious few of the community development corporations that have proven so successful elsewhere in rehabbing and building housing, providing social services, and restoring stability. Grassroots organizing may turn out to be as much a priority for Chattanooga as deeds, mortgages and construction contracts.

Another stumbling block could be Chattanooga's big public housing projects—sound enough structurally, but breeding grounds of social disorganization. How can CNI construct sound housing and bolster community security in areas cheek-by-jowl with these projects? My guess is that CNI would eventually have to take over the public housing, substituting responsible tenant self-governance for the present paternalistic city management.

Rouse acknowledges the grand Chattanooga housing program is experimental: "The answers on how to do this in ten years do not now exist." But, he told me: "I've always had the conviction that if cities will take on the whole job, it's a lot easier than doing part. If we can get this program advancing on schedule, we will have built a structure that will change housing for the poor in America. It will be a lighthouse for other cities to follow."

From another leader, I might mark that down as hyperbole. But given his track record, not Jim Rouse.

SENATE—*Wednesday, June 10, 1987*

The Senate met at 12:30 p.m. and was called to order by the Honorable Harry Reid, a Senator from the State of Nevada.

The PRESIDING OFFICER. Our prayer today will be offered by the Reverend Randell Drake of Oklahoma City, OK.

PRAYER

The guest chaplain, the Reverend Randell O. Drake of the Reality Gospel Church in Alexandria, VA, offered the following prayer:

Trust in the Lord with all your heart and lean not unto your own understanding. In all your ways acknowledge Him and He will direct your path.—Proverbs 3:5, 6.

Let us pray.

Father, we thank You for Your love, mercy and grace through Your Son, Jesus Christ. We praise You for the comfort and Pentecostal power of Your holy spirit. Thank You for today and for the tomorrows You will grant us.

Let us learn to trust You for the wisdom that we need. May we experience an outpouring of Your peace in our world as we strive to do Your will. We acknowledge You as Almighty God and ask for Your help in making decisions today in this Chamber.

I ask You to bless these Senators and all of our elected officials. Give President Reagan the strength he needs during these difficult times. May all that is said and done today in this place be pleasing unto You.

The Lord bless you and keep you. The Lord make His face to shine upon you and give you peace. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Stennis).

The assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, DC, June 10, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Harry Reid, a Senator from the State of Nevada, to perform the duties of the Chair.

John C. Stennis,
President pro tempore.

Mr. REID thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is now recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CAMPAIGN FINANCE REFORM

Mr. BYRD. Mr. President, I am heartened by the strong vote registered on yesterday when a clear majority of the Senate voted in favor of campaign finance reform.

Some who did not vote for cloture on yesterday say that they want to see campaign finance reform enacted.

As I have stated many times, this is not a partisan issue and the proposal by Mr. Boren and myself and other Senators is not a partisan proposal.

Both Senator Boren and I are committed to achieving meaningful reform. And so we offer the hand of cooperation and compromise to those on the other side of the aisle who believe that reform is necessary and achievable.

In order to demonstrate our strong commitment to enacting reform, we are willing to talk about a proposal that involves reduced public financing while preserving spending limitations.

I believe that we have an opportunity at this point to reach an acceptable compromise. Public opinion is mounting in favor of campaign financing reform. I believe that sentiment in this body is mounting in favor of reform. The cause is too important to let this moment pass without trying in every way to find a way to accommodate some of the concerns that have been expressed while at the same time maintaining the fundamental principle which cannot be surrendered. I believe that there has to be a way. In my long experience in this body and various leadership positions, I think in almost every instance over these years, even in the most difficult situations, there is a way, there has been found a way. If one but has the tenacity and the determination and the confidence and the faith in his cause I think there is a way. I have always found that to be true. That is why I am eternally optimistic about dealing with even the most difficult problems in the Senate.

My colleagues and I will be reaching out to Members on both sides of the aisle to work to find a way to achieve meaningful reform. I think in the end the people of this Nation will applaud our bipartisan efforts to get our own house in order and bring the cost of campaigning and the influence of the special interests to heel.

Mr. BOREN. Will the Senator yield?

Mr. BYRD. Yes, I will be glad to yield.

Mr. BOREN. Mr. President, I applaud the statement that has just been made by the distinguished majority leader and associate myself with his remarks. I think the majority leader sent a very clear signal that those who have joined in the sponsorship of Senate bill 2 for campaign finance reform are ready and willing to enter into a reasonable compromise. In fact, a proposal is now being placed on the table that will be fleshed out during the day and made more specific by tomorrow that would move us toward the ability to reach a compromise agreement on a bipartisan basis. It is critical that we do so. What is happening to the campaign process is not a tragedy just for Democrats. It is not a tragedy just for Republicans. It is a tragedy for this country. As we see the cost of campaigns skyrocketing and the money more and more coming not from the people back home but from those who have a special interest to protect, so it is imperative that we press ahead.

I think the proposal that has just been outlined, consideration of deferring the effective date of this proposal until the 1990 election cycle, which is a concern that has been raised by several, particularly on the other side of the aisle, the attempt to reduce that portion which would be financed through a voluntary, partial public financing proposal to below the 50-percent level, to reduce the proportion that would be carried by public financing of the general election—we already have a proposal that would leave the primary elections totally financed from the private contributions—are steps in the direction that should make it clear to those on the other side of the aisle that we are very serious about trying to reach a bipartisan solution, one in which the vast majority of the Members of this Senate can become a part so that we can solve this problem.

I think it is important, as the leader has just said, that any compromise not be one which simply calls itself campaign finance reform. It must be true campaign finance reform. And to have true reform we must have two elements: A limitation on the amount of money that is coming in in the aggregate from special interest financing, specifically some sort of PAC limitation in the aggregate, and also effective mechanism for constraining campaign spending so that we can get campaign spending under control.

The way we do that is to find a way that addresses the concerns of many Members, in fact in both parties, to make sure that private citizens are not displaced, they retain a part of participation in the process, even in the fundraising; that while we have some public financing as a mechanism for getting spending limits, because of the Supreme Court decision, we are willing to negotiate about the role the partial public financing would play, the mechanism for that financing coming into play.

We send today a very clear signal to the other side we are anxious to enter into negotiations. We are ready to offer a reasonable compromise. The outlines have been presented, and I hope it is a compromise that will be acceptable to those on the other side of the aisle. I hope that as they look at this proposal, they will decide to join with us. It is a very reasonable one. It shows movement, willingness to move on this side, and I hope that it will be accepted so that we can move ahead with deliberate speed to solve this pressing problem for our Nation.

I commend the majority leader for making this proposal. I am very proud to associate myself with him in this proposal, and I again express the hope that we will be successful in fashioning this kind of bipartisan approach.

Mr. BYRD. Mr. President, I thank my friend. I thank him for his comments and I also thank him for the extraordinary talent he brings to this issue and the work he has done and is doing in promoting reform in campaign financing.

I thank him for the present efforts that he is making. We met earlier today, we met yesterday, so we are having our meetings with other Senators—Senator CRANSTON, Senator MITCHELL, Senator FORD, and others. We are hoping to branch out and bring in Senators, not only other Senators from this side but Senators from the other side as well.

Mr. BOREN. Will the Senator yield further on that point?

Mr. BYRD. Yes, Mr. President.

Mr. BOREN. I only add that we are, of course, having conversations with those on the other side of the aisle. I shall be talking personally with a half dozen or more on the other side of the aisle, as will be others today. I am very encouraged by the expressions which I am receiving on both sides of the aisle that Members realize we cannot stay with the status quo.

We must have reform. What is going on now is simply going to erode the whole democratic process and I think we all feel that as Americans. I am encouraged and I want to assure the leader that I personally will work with him and work as hard as I can to try to fashion a bipartisan approach.

Mr. BYRD. I thank my friend.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, may I inquire of the Chair, does the majority leader have any time remaining?

The ACTING PRESIDENT pro tempore. The majority leader has 1 minute and 10 seconds.

Mr. BYRD. I ask unanimous consent that the time of the Republican leader be reserved to him.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. I understand he wanted to yield 2 minutes of that time to Mr. NICKLES, so I take the liberty of acting on the Republican leader's behalf because that was his request, that 2 minutes of his time be yielded to Mr. NICKLES.

I reserve the remainder of my time to be yielded to Mr. CRANSTON.

Mr. CRANSTON. Mr. President, will the majority leader yield to me now on the topic we have been discussing?

Mr. BYRD. I yield whatever time I have remaining.

CAMPAIGN FINANCE REFORM

Mr. CRANSTON. I want to applaud the majority leader, Mr. BYRD and Senator BOREN for their work in seeking to reform a part of our democratic life that badly needs reform, campaign financing. I am delighted that we are now seeking to meet more than halfway those who have objected to the particular approach we have. I hope we will now see a spirit of compromise on the part of those who have been reserved and been holding back from the proposal we have been making.

Last year, I was involved in what I believe was the most expensive Senate race in history. My opponent and I had to spend more than half our time raising money for television. That is not fair to the average voter, whom we cannot then spend enough time with. The average voter who cannot make a substantial contribution is then excluded from participation. We badly need reform. I urge all Senators to work with our leadership in a spirit of accommodation and compromise, not on principle, but on the details of this proposal, so we can reform something that badly needs reform, a system that is turning off all too many voters who now do not participate in our process of democracy, who do not vote because they just feel left out of the process.

ORDER OF PROCEDURE

The ACTING PRESIDENT pro tempore. The majority leader's time has expired.

Mr. BYRD. I now ask unanimous consent that 2 minutes of the Republican leader's time may be yielded to Mr. NICKLES from the Republican leader's time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. NICKLES. I thank the majority leader and the minority leader as well.

PASTOR RANDELL DRAKE, GUEST CHAPLAIN

Mr. NICKLES. Mr. President, on behalf of myself and my colleague, Mr. BOREN, it is my pleasure to introduce to the Senate Pastor Randell Drake of Oklahoma City, OK, who is today serving as guest chaplain for the U.S. Senate.

Pastor Drake was raised in Shawnee, OK, and pastored in Oklahoma City. He is a member of the Christian Education Board of Oklahoma for the Pentacostal Holiness Church. Furthermore, in 1980, Pastor Drake was honored by the Jaycees by naming him one of the "outstanding young men of America."

During this past year, Pastor Drake has served in a local church in the Washington area, but will be returning home to Oklahoma this week.

A member of Pastor Drake's local church told me that the pastor and his wife would be sorely missed. I told him, however, and he agreed, their loss would be Oklahoma's gain.

That is certainly Oklahoma's gain and, I might add, a loss to Virginia. We shall welcome Pastor Drake back to the State of Oklahoma as well as we welcomed him to the U.S. Senate.

So today, I'd like to wish Pastor Drake and his wife, Michelle, a safe journey back to Oklahoma. Welcome home.

BICENTENNIAL MINUTE

JUNE 10, 1964: DRAMATIC VOTE ON CIVIL RIGHTS BILL

Mr. DOLE. Mr. President, on June 10, 1964, 23 years ago today, there took place in this Chamber one of the most dramatic votes in Senate history. From his wheelchair, Democratic Senator Clair Engle of California cast a key vote which led to the passage of the Civil Rights Act of 1964, the most comprehensive civil rights measure since Reconstruction. Although terminally ill and unable to speak, Engle managed to vote for cloture to end a 75-day filibuster by opponents of the civil rights legislation. During a tense

10-minute vote, Engle failed to speak when his name was called, but he raised his left arm as if attempting to point to his eyes and then nodded his head to indicate an "aye" vote. Nine days later, on June 19, 1964, the Senate passed the final version of the Civil Rights Act by a 73-27 margin, again with the help of Engle's vote.

Engle, who also served in the House of Representatives, was once called "Congressman Fireball," "a wildcat in Washington," and "the only active volcano in the House." His illness drastically changed the course of his life. On August 23, 1963, Engle had undergone surgery for a brain tumor, and 8 months later he had a second operation which left him partially paralyzed. Engle's vote for the Civil Rights Act was a fitting end to his career. Earlier, on April 13, 1964, he had attempted to introduce a resolution for the bill. Senator Spessard Holland of Florida, who had the floor, yielded to Engle so that he could introduce the resolution. Two aides helped Engle to his feet, but he was unable to speak and nodded assent to Michigan Senator Pat McNamara's offer to introduce the resolution for him. A few minutes later, Engle was "virtually carried from the floor by his aides."

On July 30, 1964, only slightly over a month after his Civil Rights Act vote, Engle died at the age of 52.

WILL THE ALLIES SIT IT OUT, AGAIN?

RHETORIC FROM VENICE

Mr. DOLE. Mr. President, yesterday, the allied leaders in Venice issued a fine-sounding statement calling for "freedom of navigation" in the Persian Gulf. It's good rhetoric, but rhetoric is easy.

Action is a lot tougher. And it looks like we are going to see precious little action on the Persian Gulf question out of Venice. It looks like we are going to get no real commitment from our allies to meet their responsibility; to ante-up in military, political and economic terms—to defend their own interests.

LET UNCLE SAM DO IT

What we are getting is the same old response: Let Uncle Sam do it.

The talk from our allies is: "Let's be calm." Well, I am all for calmness. The hotter things get, the more important it is that we be calm.

But I must say, it is easy to be calm, in the cozy capitals of Europe and Japan, when Uncle Sam has his ships and planes patrolling the gulf; and his red-white-and-blue flag protecting the tankers bringing the oil that London, and Paris, and Tokyo desperately need.

Calmness is different from inertia. Calmness is different from burying your head in the sand and hoping a problem will just go away.

If oil tankers start getting hit with silkworm missiles; if the gulf is tied-up in knots; if the oil reserves in Europe and Japan disappear, and the rationing and gas lines reappear—well, I wonder how calm everyone is going to be then.

HIGH STAKES

This is not a game. It is deadly serious.

The stakes are high. Our determination—ours, in this country; and our allies'—had better be just as high.

Mr. President, let's be frank. The American people already wonder about the appearance of American ships and sailors going it alone in the gulf. They understand we have to be there; that we have interests there. But they rightly ask: What about our allies? They have interests, too. Why aren't they there, standing beside us? Why aren't they sharing the burden? Sharing the risks?

If the worst happens; if missiles start flying; the gulf is closed; and Europe and Japan run out of oil—you can bet then we will really start hearing about allied unity. We will really start hearing about America's responsibility to bail out its friends.

But I wonder, then, if the American people will listen. Or whether, instead, they will just ask: Where were our allies when we needed them? And why should we be bailing them out now?

Mr. President, I do not know precisely everything that happened in Venice, but, from the public reports, very little.

Everyone is for freedom of navigation. My only point is, as I have indicated, that as a last resort, obviously, we will go it alone, because this is of vital interest to the United States, even though we get about 5 or 6 percent of our energy needs from that part of the world.

Again, I urge our allies and others who have a corresponding interest in that part of the world to make some visible effort to indicate that they are willing to share their part of the burden.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business for not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from Wisconsin is recognized.

Mr. PROXMIRE. Mr. President, I thank the Chair.

SHOULD WE ABOLISH NUCLEAR WEAPONS? NO WAY

Mr. PROXMIRE. Mr. President, has the time not come for a truly realistic appraisal of the ability of the United States and the NATO Alliance to deter an attack by the Soviet Union and the Warsaw Pact? Since the end of World War II, the world has enjoyed the longest period of peace in Europe in the past 400 years. Indeed, no action in Europe since 1945 has even approached crisis proportions with nuclear war a growing threat. It is better. There is every reason to expect that this peace can continue for decades to come. Why? What change has there been in the past 40 years that has made the difference? What has kept the peace?

Mr. President let us stop. Let's think for a long minute about that. Why have we had 40 years of peace in Europe for the first time in 400 years? Why? Why? We know the answer. The answer, unfortunately, is not because peace and good will reigns in the hearts of mankind. The answer is not that there are no longer rival, hostile ideologies and ambitions. The answer is not that the potential sides have reduced their weapons. The grim fact is that never in 400 years or 4,000 years, or ever, has there been such an immense confrontation of overwhelming destructive power on both sides. Never. So why have we had 40 years of peace? Why is it likely that we will have many, many more years of peace in Europe and between the two superpowers?

The answer: The wide recognition of the utter and total futility of a nuclear war. Both sides, indeed all sides now know that a nuclear war would leave only abject, complete losers. Would freedom triumph? No way. Would communism win? Again, no way. For the first time in human history, every informed person in both superpowers understands that his country and all the people in it would be losers, either dead, or living out the rest of a wretched life in a radioactive steaming dump.

It is essential, Mr. President, that we learn to think anew. And, oh, how hard that is. The great religious groups in this country have come down generally against any, I repeat any, nuclear arsenals. The most moderate position of any of the religious groups on nuclear arms was taken by the Catholic bishops. They have accepted the principle of nuclear deterrence but only as a conditional and temporary course. Presbyterian and other protestant sects have rejected, flatly rejected, any nuclear deterrence as immoral and totally unacceptable. The absolute clarity of conviction for peace and against nuclear weapons appeals to all of us. Not only do the most fervent peace groups embrace this absolutism, so, on a different time scale does the President of the United States. President Reagan contends that his strategic defense initiative or star wars will make nuclear weapons obsolete. And who else calls for the total elimination of nuclear weapons? The Secretary General of the Communist Party of the Soviet Union, Mikhail Gorbachev, that's who.

Mr. President, can our great religious bodies and both leaders of the two armed-to-the-teeth nuclear superpowers all be wrong? The answer is, "Yes," indeed. They certainly are wrong.

Once again, consider what has kept the peace in Europe and between the superpowers for the past 40 years. What alone will keep the peace for years to come? Answer—the terrible world-shattering deterrent—the numerical nuclear arsenals in the possession of the superpowers. Now let me pose two questions about nuclear weapons today in 1987.

First, is there any chance—any chance—that the two superpowers acting together in concert could agree to a treaty to destroy all nuclear weapons. Maybe. Could they develop a system of verification of compliance that could assure that in fact both superpowers would destroy all nuclear weapons? And would both superpowers do this? Is it not likely that somewhere in the far reaches of the Soviet Union, with the largest area of any country on Earth, a cache of a few thousand nuclear warheads would be buried, available just in case? And if both superpowers did agree, could the superpowers persuade the other nuclear powers to agree to such a treaty? If they could, would it be possible that somehow they could verify commitments by the other nations already possessing nuclear arsenals that they too would comply? Would all nations in fact destroy every last nuclear weapon?

Consider the temptation for each nuclear country to hide just a few hundred warheads. But let us suppose that every last nuclear warhead on Earth were destroyed. How long would it take any one-time nuclear nation to rebuild a nuclear arsenal if conventional war broke out or even threatened?

Now consider question No. 2. What would happen if all nuclear weapons were abolished from the face of the Earth? This would leave only conventional weapons. Ah, but what conventional weapons. Mr. President, by the end of World War II, conventional weapons were very nearly as destructive as nuclear weapons. As I have said on the floor in previous speeches, the fire bombing on Dresden and Hamburg were about as destructive and devastating as the nuclear destruction of Hiroshima and Nagasaki.

What has happened to conventional weapons since Dresden and Hamburg in the last 40 years? Answer: Conventional weapons have become infinitely more lethal. Would a conventional war fought in its strictly conventional 1987 weapons bring enormous destruction and death to every major city in America? You can count on it.

So what's the answer? The answer is that we need the deterrence of a credible nuclear arsenal. That nuclear deterrence has brought the longest peace to Europe in 40 years. It's grim. It is terrible. It is frustrating. But we can live with it. We will die without it.

Mr. President, I yield the floor.

Mr. HEINZ addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania.

ENERGY POLICY AND SECURITY IN THE PERSIAN GULF

Mr. HEINZ. Mr. President, at this week's economic summit in Venice, President Reagan stressed to our European allies the need for their participation in action to protect our common security interests in the Persian Gulf. In response to the Iraqi attack on the U.S.S. *Stark*, as we know, the President has already stepped up our military preparedness in the region, and plans to take Kuwaiti tankers under our flag and protection.

These actions reflect the President's recognition of the essential role of oil in the global economy and his resolve to back the free flow of oil with American military and diplomatic weight. However, they also highlight a glaring contradiction in our current energy policies: If we are willing to risk military engagement to ensure the supply of Persian Gulf oil, does it make sense to propose cuts in energy conservation programs that will help reduce our dependence on that oil?

The United States has become involved in the "tanker war" because we need Persian Gulf oil.

We import more oil from the Persian Gulf OPEC countries than we did in 1973. That was the time of the first Arab oil embargo.

Over 40 percent of the energy we consume comes from oil, and currently imports account for over a third of that oil. Many of our allies are even more dependent on oil imports. Western Europe imports over 60 percent of its oil, and in Japan, imports make up 99 percent of total oil consumption. For both the United States and our allies, current levels of imports are expected to increase. As they do, more of that oil will come from the Persian Gulf.

As we found in the 1970's, reliance on Persian Gulf oil is dangerous. The first danger arises from the political instability and international hostility in the Persian Gulf region. The 1979 Iranian revolution and the 1973 outbreak of the Arab-Israeli war were the chief causes of the oil disruptions of the seventies. As long as the Iran-Iraq war continues, commercial shipping lanes in the gulf are part of the war zone.

The second danger is embodied in OPEC. While some argue that OPEC has lost its clout, this once powerful cartel still controls most of the world's low-cost oil reserves. By flooding the market with oil, OPEC can put American producers out of business—gaining even tighter control over our economy in the future. In addition, by cutting production or agreeing to raise their prices, OPEC members can send the oil-dependent global economy into a tailspin.

Last March, the Department of Energy's energy security report documented the dual problem of decreasing domestic production capability and increasing reliance on imports from the Persian Gulf. That report projected that oil imports, mainly from OPEC, could grow to 50 percent of total U.S. consumption by the 1990's. The Secretary of Energy, testifying before Congress, cited an "urgent" need to head off this trend. Joining the U.S. Department of Energy in this concern are oil producers, conservation advocates, and environmentalists who are warning of future price hikes and possible supply disruptions. They may be wrong in their forecasts, but they are right in arguing that we must take action now to minimize the likelihood that their forecasts will be correct.

In April, the administration sent a list of energy policy recommendations to Congress in response to the energy security report. These recommendations form, at best, a piecemeal energy policy. There were several measures proposed to stimulate domestic oil and gas production—such as more liberal depletion allowances, bargain rates for offshore leasing, and exploration for oil in the Alaskan wilderness. Also, a higher fill rate was advocated for the strategic petroleum reserve, but only if Congress would cut expenditures for other programs. Some of these policies may be warranted, but they alone are not enough. Most important, the administration's recommendations ignore our most cost-effective domestic energy resources—conservation and the efficient use of energy, or energy efficiency.

Instead, the administration should be taking immediate steps to promote energy efficiency as an essential component of our national energy policy. The Department of Energy's conservation programs have been effective; they deserve congressional support. If we are willing to send our warships to the Persian Gulf to protect Kuwaiti tankers, should we, as proposed by the administration, cut funding for research and development on conservation technology and reduce it by 50 percent? Should we, as proposed by the administration, terminate programs that provide technical and financial assistance for conservation for low-income consumers, schools, and hospitals, and State and local governments? Should we, as proposed by the administration, repeal fuel efficiency requirements for automobiles? Obviously not. We must demonstrate at least equal commitment and resolve to promoting efficiency as we do to ensuring adequate supplies of oil.

This resolve has been demonstrated by our allies. Just before the attack on the U.S.S. *Stark*, at a meeting of the International Energy Agency to discuss concerns over the member countries' dependence on oil, our European allies admonished the U.S. Secretary of Energy for the absence of effective Government programs to promote efficiency. The Secretary went to that meeting to encourage the Western European nations to increase their emergency oil stockpiles. Some of those nations' representatives rejected that plea and argued that the United States—which accounts for one-fourth of the world's annual energy consumption—instead should look for ways to increase energy efficiency at home. This confrontation is likely to reemerge at the Venice economic summit. Unlike the U.S. administration, many allied leaders view energy efficiency and alternative fuels development, in conjunction with strategic oil reserves, as integral components of their defense against dangerous oil dependence.

Given the risks to protect our interests in Middle East oil and the costs to increase domestic oil production, Americans should not accept the administration's benign neglect of energy conservation. Unless we aggressively pursue conservation and efficiency, an essential element of a sound national energy policy is missing. As Congress negotiates budget priorities and the President meets with other heads of state in Venice, we must remember the need to support our conservation and efficiency programs.

THE GEPHARDT AMENDMENT

Mr. BAUCUS. Mr. President, several weeks ago, the House took a critical step.

The House voted 218 to 214 to attach the so-called Gephardt amendment to its version of the trade bill.

The Gephardt amendment makes a good deal of sense at first glance.

It directs the President to negotiate 10-percent reductions in our trade deficits with excessive surplus countries each year for 4 years. If the negotiations do not work, the President must retaliate to meet the deficit reduction targets.

Is this a quick, clean solution to the U.S. trade deficit?

Hardly. If the Gephardt amendment becomes law, it would start us down a path that would stifle world trade and cripple the U.S. economy within a few short years.

In the hopes of convincing my colleagues to oppose the Gephardt amendment, I plan to make a series of floor statements over the next few days to set forth what I see as the major problems with the Gephardt approach to trade policy.

I know the Gephardt amendment is not likely to be offered on the Senate floor. But the proposals being considered are likely to contain many of the flaws of the Gephardt amendment.

Moreover, the amendment will be a part of the House bill in conference. It is a reality we cannot ignore.

LIFE UNDER GEPHARDT

The Gephardt amendment may be a reality, but it is not realistic. It is fantasy. It will not work. And it will have devastating effects.

We have all talked about the Gephardt amendment. We have talked about retaliation, higher consumer prices and escalating trade wars. But I am concerned the talk has been a little abstract. We have not discussed what life actually would be like under Gephardt.

So today I should like to paint a picture of what life would be like under Gephardt—what life would be like for the middle Americans all of us represent.

For reasons I will go into tomorrow, Gephardt would lead to import restrictions—massive import restrictions.

Remember the semiconductor retaliation? The Gephardt restrictions would be equal to 133 semiconductor retaliations.

These restrictions will dramatically increase prices on imported products.

Let us envision what life would be like under Gephardt.

Suppose you are going shopping for a car. Looking for a Toyota Corolla? Today, it'll cost you $9,500. Under Gephardt—$17,500, an $8,000 increase.

Today, with that $8,000 you could make a down payment on the home you've been wanting to buy. You could save enough for your child's education.

But not under Gephardt.

Maybe you are looking for something a little cheaper in a car?

How about one of the cheapest imports in the American Market—a Korean Hyundai? Today, it will cost you only $5,200. Under Gephardt—$10,000. That is a little pricey for a second car.

It is also a whopping 48-percent increase. If a car dealer asked you to pay that today that kind of markup, you would say he was nuts. But that is what we would be asking American carbuyers to pay—$10,000.

Today, with $10,000 you could buy a 4-door Honda Accord. But under Gephardt you would have to settle for a Hyundai.

And life under Gephardt will not be different just for car buyers.

Thinking about buying a stereo? You had better start saving. Today, a Japanese stereo will cost you about $200. Under Gephardt, the same stereo would cost you about $300.

The list goes on and on.

A shirt from Japan: today, $40. Under Gephardt, $55.

A pair of slacks imported from Taiwan: Today, $30. Under Gephardt, nearly $50.

If you think kids clothes are expensive today, just wait until Gephardt, because most of those clothes come from the countries restricted under Gephardt.

Most of the families I represent are just making ends meet each month. If they are lucky, they put away $5, $10, or $15 a month for their kids' education.

They cannot afford to pay $20 more for slacks, $100 more for electronics and $8,000 more for their cars.

But that is what Gephardt would do. And all of those figures assume that domestic alternatives to these products would be available.

Over 4 years, the Gephardt amendment would require the United States to exclude $40 billion in imports with tariffs and quotas.

In the first year alone, it would restrict $11 billion worth of imports.

And those restrictions would force tremendous price increases on all Americans and reignite the fires of inflation.

The net result will be a decline in the standard of living of every American.

This is not to say that we have to sit on our hands and let the Japanese or the Koreans destroy our industries through unfair competition.

We should not, and we will not.

We must press our foreign competitors to eliminate their unfair practices. Retaliation is justified at times. But the Gephardt amendment is not the way to go. We need to tailor our strategy to ensure we don't just shoot ourselves in the foot.

Mr. GEPHARDT says that his amendment will "get tough" on the Japanese. But it will end up getting tough on American consumers.

Life under Gephardt will be a nightmare for American consumers.

CONCLUSION

Tomorrow, I will explain the impact that the Gephardt amendment is likely to have on U.S. export industries.

EXTENSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that the period for the transaction of morning business be extended to the hour of 1:40 p.m.

today and that Senators may speak during that period for not to exceed 10 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(Mr. WIRTH assumed the chair.)

IN RECOGNITION OF FAITH ROESSEL

Mr. BINGAMAN. Mr. President, on Friday of this week one of the members of my legislative staff, Faith Roessel, will leave her job in the Senate to work with the Native American Rights Fund here in Washington. With me from the early days of this term, Faith has been a trusted and valued member of my staff giving me expert counsel on a variety of issues. She is a diligent, hard-working, thoughtful person who brings to each task a high degree of patience and serenity.

Faith is blessed with the virtue of persistence. She pursues goals in an unflagging way and deserves much credit for establishment of the Senate Health Promotion Program. Her commitment to that and other projects has won her the thanks and respect of many in the Senate and throughout New Mexico.

Many of my colleagues and their staffs are well acquainted with Faith and the work she has performed, not only in health issues but in the areas of aging, education, and Indian affairs. She takes with her the high regard of all who know her and have worked with her.

She has been my lead staffer in the development of significant legislation relating to public employee and Indian health promotion, nutrition monitoring, establishing and office of comprehensive health promotion, a teacher training corps, English proficiency act and other issues.

She will be missed but her contributions will be remembered and will continue to grow.

The PRESIDING OFFICER. The Senator from Illinois.

DR. LAUCK, YOU MADE MY DAY

Mr. DIXON. Mr. President, we talk about so many serious and oftentimes even sad things in the Senate that a pleasant experience I had this morning in reading the Chicago Tribune has tempted me to share that pleasure with my colleagues. There is almost a saying around here that no news is good news, but here is some news I read this morning that I thought was really good news, Mr. President.

In the Chicago Tribune of Wednesday, June 10, on the Tempo page, a column by a very excellent Chicago Tribune columnist, Bob Greene, entitled, "Dentist Keeps Pain Out of the Pocket."

Here is the story:

DENTIST KEEPS PAIN OUT OF THE POCKET

If you think that all of the news is rotten and depressing, spend a few minutes with this story. Maybe it will cheer you up as much as it did me.

Earl Rozika, 74, of Bensenville, lives mostly off his Social Security. Several weeks ago he needed some oral surgery done. His dentist in Bensenville, who has treated Rozika for more than 30 years, was a little reluctant to do the procedure himself; Rozika had been hospitalized twice for heart attacks, and the dentist wanted to recommend an oral surgeon, just in case there were problems.

So Rozika made an appointment with the oral surgeon his own dentist had recommended: Dr. Michael Lauck, whose offices are in Elmhurst.

"Dr. Lauck's offices were very impressive-looking," Rozika said. "The three female attendants were crisply gowned and extremely pleasant, much concerned with my comfort. Dr. Lauck came in, introduced himself to me, shared a few pleasantries, and then injected my gums in three places.

"During the procedure, I scolded myself for not having made financial arrangements prior to the work. This was a first-class setup, and I knew that I was in for a stiffer bill than I had anticipated.

"When the doctor was done with me, I went to the front office. I was truly apprehensive about the cost. The receptionist filled out some forms, and as she handed them to me, I asked, "What do I owe?"

"She said, 'Five.'

"I almost fainted, knowing that she meant $500. I was already thinking about where I could borrow the money, and how I could explain that I couldn't pay right away.

"Then I looked at the bill. It was $5.

"The receptionist said, 'Doctor sometimes does this for senior citizens.' At first I thought there might be some misunderstanding, but she said no, all I owed was $5. So I paid her with a five-dollar bill. I was overwhelmed then, and I still am now. I find it almost incredible."

I got in touch with Dr. Michael Lauck. Initially he was reluctant to discuss the matter with me, but after a few days he said he didn't see how it would hurt to talk about it.

"Yes, this is the way I do things," he said. "I'm 48 years old; I've had my practice for a while. I decided early on that I would do this for senior citizens who weren't in good financial shape, and for handicapped people. You make a pretty good living doing what I do. I told myself that if the financial success of my practice hinged on the number of extractions that I did on elderly patients who really couldn't afford it, then I'm in trouble.

"Oral surgery is expensive. It's not uncommon for a bill to run from $500 to $700. Major jaw surgery can go from $3,500 to $10,000. I just couldn't sleep at night if I knew that I had charged an elderly person a fee that might prevent that person from buying groceries."

Dr. Lauck said that originally he charged senior citizens with limited funds nothing at all. But soon he found that they preferred the $5 charge; the token charge made them feel that they weren't charity cases.

"Life is less than simple for some people" he said. "As I told you, my practice does very well. My family doesn't have to worry about food on the table. So by doing this, I feel good. In fact, my annual income isn't what makes me feel successful. Doing this is what makes me feel successful."

I spoke with Georgiana Sedlacek, one of Dr. Lauck's surgical assistants. "Dr. Lauck makes a rule of never being in the room when the bill is presented," she said. "He figures out which of his patients should get the $5 charge, and he signals us. So when we present the patient with the bill for $5, Dr. Lauck is nowhere to be seen.

"There's a reason for that. He doesn't want the patients falling all over themselves with gratitude. He wants them to be able to preserve their dignity. But I'll tell you . . . I'm there when some of these elderly and handicapped people find out that they're only being charged $5, and I get so damn emotional I feel like I'm going to cry. It makes you feel like you're a part of the human race."

Sedlacek said that at first most patients don't understand. "They say, 'I think there's some mistake,'" she said. "And we say, 'There's no mistake. Come see us when you need us.' Then they think that we assume their insurance is going to pay the rest. They say, 'We have no insurance.' And we say, 'We know. The bill is $5.'"

As I noted before, at first Dr. Lauck wasn't sure he wanted to talk about this with me. There are obvious potential problems; for one, his office phone will probably ring off the hook this morning with calls from people wanting $5 dental service.

"I'll deal with that when and if it happens," he said. "What you have to understand is that I'm really doing this for selfish reasons. It dawned on me early in my career: If I can do this and feel better about myself as a person, then I'll do it. I've never regretted it."

I thank Bob Greene for the column, Mr. President, and I thank Dr. Michael Lauck for making my day.

I yield back the remainder of my time.

The PRESIDING OFFICER. The majority leader is recognized.

EXTENSION OF MORNING BUSINESS FOR 20 MINUTES

Mr. BYRD. Mr. President, I ask unanimous consent that the morning business period be extended for 20 minutes to accommodate the distinguished Senator from North Carolina and that he be permitted to speak during the whole thereof.

The PRESIDING OFFICER (Mr. FOWLER). Without objection, it is so ordered.

The Senator from North Carolina.

Mr. HELMS. Mr. President, of course I thank the distinguished majority leader and I thank the Chair. I assume no interruption will be shown in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from North Carolina.

(The remarks of Mr. HELMS relating to the introduction of legislation are printed later in today's RECORD under Statements on Introduced Bills and Joint Resolutions.)

RECORD TO REMAIN OPEN UNTIL 5 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that the RECORD remain open until 5 p.m. today for statements and the introduction of legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERMISSION FOR COMMITTEES TO FILE REPORTS

Mr. BYRD. Mr. President, I ask unanimous consent that the committees have until 6 p.m. today to report any Legislative or Executive Calendar business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. BYRD. Mr. President, the Senate will shortly go out. I was going to put in a quorum, but I should explain for the record that the reason the Senate is going out early is to accommodate Senators who are working at developing a compromise measure on the campaign financing reform. It is difficult for Senators to have to answer quorum calls and come to the floor and speak on the subject of S. 2 and, at the same time, be attempting to develop a compromise package. This will be a package that will not compromise their principles. It will provide that there be a limitation on campaign spending and that there be a cap on PAC contributions; but in between these basic imperatives, I think there is some room for compromise.

There is a dynamic working here and I believe that Senators on both sides of the aisle are hopeful that a bipartisan approach can be arrived at to deal with the problem, the serious problem, in this country that is not partisan and to do so by passing legislation that is not partisan.

It is not a Democratic bill, it is not a Republican bill; it is not a Democratic problem, it is not a Republican problem. But there is that internal dynamic working here, because there is a basic awareness that we have to act before a scandal which is waiting to happen actually occurs.

So the Senate is moving not because of some outside force like Watergate or the Iran-Contra misadventure. Senators see this coming. They know it, know that it is going to happen. In the interest of the people, in the interest of the institution, and in the interest of our representative form of democracy, we have to find a way and it is our determination to find a way. So it is only for the purpose of letting Senators have the opportunity to spend more time uninterrupted on trying to find a compromise that it will be my intention shortly to put the Senate over until tomorrow.

The PRESIDING OFFICER (Mr. DIXON). The Chair recognizes the Senator from Wyoming (Mr. WALLOP).

Mr. WALLOP. Mr. President, I ask unanimous consent that I may be permitted to proceed as if in morning business for 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Wyoming is recognized.

TO APPOINT A MISSION FOR THE DEFENSE OF THE UNITED STATES

Mr. WALLOP. Mr. President, all Senators are required to take an oath to "support and defend the Constitution of the United States against all enemies, foreign and domestic." We wage debates on all aspects of defense issues except those most threatening to America—the threat of Soviet ballistic missiles penetrating American territory and the lack of any branch of the U.S. Armed Forces specifically tasked to defend against aerial threats of all types. Today America neither intends to defend herself nor pursue victory in the event of war. We have no plans for defense nor goal of victory anywhere in our military structure.

Despite all of the money and all of the effort devoted toward defense, we still cannot prevent even a single Soviet nuclear armed missile, once launched, from reaching our territory. Even more alarming is the fact that, at present, there is no branch of the Armed Forces assigned the specific role of defending America, even against an all out attack from Soviet aircraft.

For instance, NORAD is assigned to maintain only the peacetime sovereignty of U.S. air space; no mention is made of either peacetime or wartime defense against any missile threat. The U.S. Strategic Defense Command merely pursues research into defense against ballistic missile attack. Furthermore, the strategy of victory in warfare is nowhere to be found in U.S. plans. Can any American understand why no branch of our military plans to win a confrontation that someone else starts against us?

Clearly, then, the responsibility for defending the Nation against Soviet ballistic missile and aerial attack must be given to some branch of the United States Armed Forces. Clearly victory must be our purpose if someone dares assault us.

Therefore, I will be introducing an amendment to direct the Secretary of Defense to assign to one or more of the branches of the Armed Forces, the specific mission to defend the United States against all aerial threats and, in case of war, to provide the necessary capabilities to assure the free use of space in order to ensure a U.S. victory.

The appropriate military commands which will be called upon to defend America must be in on the design and development of the means and tactics of defense. Such coordination may seem elementary, but it is this very coordination which is totally lacking in today's defense organization.

Americans have a right to expect to be defended from aggression. Every Senator has pledged his oath to affirm that right. The Constitution, in its 200th year, still provides the obligation for defense of the people—Americans should insist on it, and indeed they would if only they could comprehend that no one is assigned that obligation. Congress and the military must assure our defense and pursue victory if any nation should launch a war or an assault against us. Americans believe we have been responsible—it is now past time that we were. Let us begin by at least assigning the mission to defend ourselves.

Mr. President, I thank the Chair and I thank the majority leader.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I hope to be able to go out shortly over until tomorrow, at which time the debate on campaign financing reform will be resumed.

I understand the distinguished Senator from Idaho wishes to speak?

Mr. SYMMS. Mr. Leader, I was hoping to speak for about 10 to 15 minutes as though in morning business. I am not quite prepared to speak yet, but I hope to be ready to speak within just a couple minutes. If there are other Senators wishing some time first, I would be happy to wait.

Mr. BYRD. I thank the Senator. If there are no other Senators who wish to speak except Mr. PELL, I ask unanimous consent that morning business be extended for no later than 20 minutes, 5 minutes for Mr. PELL and 15 for Mr. SYMMS.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Rhode Island is recognized for a period of 5 minutes.

Mr. PELL. I thank the majority leader.

A SENSIBLE SOLUTION: FREE BROADCAST TIME

Mr. PELL. Mr. President, as the Senate searches for an acceptable compromise in the area of campaign reform, I wish to call attention to my amendment No. 36, the Informed Electorate Act, which I introduced on March 10, 1987, as an amendment to S. 2.

This amendment has some special features that commend it for consideration:

It does not involve public financing;

It can help reduce the costs of campaigning; and

It directly deals with the problem of negative advertising.

The purpose of my amendment is simple and straightforward. It attacks the problem of spiraling costs of Federal political campaigns at its source. It would make available at no cost the one element which has contributed the most to the cost spiral and that is media broadcast time.

The amendment requires TV stations to provide time for campaign use to the national committees of the political parties, which would in turn allocate the time to eligible candidates for the Senate and House.

Committees receiving free broadcast time may use up to 15 minutes per day for the 60-day period immediately preceding an election.

All time is to be provided during the so-called prime time access period, from 7:30 to 8 p.m. local time, each weekday evening. Under current FCC regulations, this is a time period which local stations are supposed to use for community-oriented programming, but which in practice is not always well used.

The free time must be used in a manner which promotes a rational discussion and debate of issues pertinent to the election involved. At least 75 percent of the time must be taken up by a candidate's own remarks. In this way, I believe my amendment provides a positive alternative to negative campaign ads without in any way imposing limits on present practices.

While my amendment does place an administrative burden on the parties, I suggest that it is a burden they should be glad to accept. The plan of the bill permits the party organizations to decide which of their candidates—particularly in metropolitan areas where many Federal candidates may be in contention—can best benefit from the media exposure offered by the bill. Hopefully, this feature of the bill will meet reservations expressed before the Senate Committee on Rules and Administration when it heard testimony on free media time and related proposals in 1983.

This amendment is in no way restrictive of present campaign practices. Any candidate, whether or not a recipient of free time under this bill, is still at liberty to go out and purchase as much additional media time as he or she can afford and needs. Hopefully, however, the substantial infusion of free time provided by the bill will reduce substantially campaign expenditures for media purchases.

Finally, I would emphasize that this is essentially a no-cost bill in terms of the value of the media time that would be given to the political process. There is to be sure an authorization for appropriations that may be needed to meet the modest costs of overseeing compliance. But the basic commodity of the bill is an existing public resource—namely the airwaves—which the Congress can properly require to be used for political debate.

Mr. President, recent figures indicate that at least 40 percent of all political campaign expenditures—and up to 75 percent in some media markets—are spent on media advertising. If we are truly concerned about curbing the cost of campaigning, it makes sense to use an available public resource to substitute for this major category of expenditure. If we can thereby reduce costs, we will be reducing the pressure to raise funds from PAC's and all other sources and the political process will benefit proportionally.

I yield the floor.

The **PRESIDING OFFICER.** The Senator from Idaho is recognized for 15 minutes.

Mr. **SYMMS.** I thank the Chair. I thank the majority leader for making this time available for me to speak as though in morning business.

CAMPAIGN FINANCE REFORM

Mr. **SYMMS.** Mr. President, I wish to speak on a subject that has been debated at great length on the floor, and I commend the Senate for its very wise decision yesterday, which was to deny a cloture petition which had been filed by the majority leader to limit debate on what I consider to be one of the very, very important issues that has been brought before this Senate—campaign election reform.

Mr. President, I made comments yesterday when there was a discussion on the floor, a very good debate. I commend people on both sides for the quality of the debate we had. These newspaper editorials have been printed in the RECORD in support of the so-called campaign reform bill. I just want to point out, and I do not say this to be critical of newspaper editorials, whether they are editors in my State or editors of the Washington Post, the Washington Times, the New York Times, the Wall Street Journal, or what have you, that there is an inherent conflict of interest between journalists and limiting campaign contributions. Because, if, in fact, Congress limits the amount of money that people can spend in campaigns and limits how much can be spent in the people's right to exercise free speech and tell the story of what kind of job the incumbent in office is doing, then, in fact, it makes the editorial policies and the articles written by newspapers, news journalism or the media, a more powerful tool to try to have an impact on elections.

I have said this, Mr. President, time and time again, that the key to good election procedure is full disclosure of where the money comes from and how much money who gives to which candidate and what the source of that money is. That is the key to a good, clean election system. I personally believe and my experience in politics tells me that the election system we have today is much more aboveboard, something we as Americans can all be very proud of even though you hear a lot in the media about there being too much money spent in politics, that the distinguished occupant of the chair (Mr. DIXON) or the Senator now speaking spent too much for their reelection in 1986 and so on and so forth. I believe those contributions are all accounted for.

Most of those contributions are actually small contributions, particularly those that come from political action committees. They are small, individual contributions. I think the key is disclosure of where the money comes from.

Mr. President, I would like to share with my colleagues an experience I had last year. My campaign committee raised some $3.2 million in the course of 1985 and 1986 in the effort to reelect me to this seat in which I am privileged to represent the great State of Idaho. Out of $3.2 million, there were two or three checks that my campaign committee felt was not money that we wanted to accept. So it was sent back. There was a little contribution that came in on November 3 in the heat of the campaign from an outfit called GANPAC—German-American National Political Action Committee. It sounded very innocuous. The money was deposited in the bank.

Later, when the disclosure came, I got a phone call from a reporter on channel 2 News in Boise, ID. The reporter said, "Senator, you have received a campaign contribution from a political action committee that has a white supremacy philosophy. The GANPAC is led by Hans Schmidt, a former member of the Hitler Youth Group and the Waffen SS, the Nazi military organization heavily involved in persecution of Jews in World War II. What are you going to do about it? Are you going to give it back?"

This caught me by surprise because I did not realize it. I want to make the point that it was because of full disclosure that it was brought to my attention by the media.

I said, "Absolutely not. I am not going to give it back. You people seem to forget that Hitler was a clearcut leftwinger, he was a National Socialist. He was everything I learned when I was raised was the opposite of what we want our children, our friends, to aspire to.

"I am not giving the money back to the organization that aspires to the goals of Adolf Hitler. I will give the money to the Idaho Holocaust Commission and the Idaho Antidefamation League."

That is what my campaign committee did. That riled up some people.

I ask unanimous consent to have that printed in the RECORD, that news release from Boise, ID, the Associated Press, on April 4, 1987.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

BOISE, ID (AP).—Sen. Steve Symms accepted a $1,000 donation last November from a political action committee with a white supremacist philosophy, according to the April edition of Mother Jones, a leftwing political magazine.

The magazine reported that that German-American National Political Action Committee, or GAN-PAC, donated $1,000 to the Republican senator's campaign effort, as well as to Sen. James Abdnor, R-S.D., and Rep. Bob Edgar, D-Pa. Abdnor lost his re-election bid to the Senate and Edgar failed to gain a Senate seat.

GAN-PAC is led by Hans Schmidt, a former member of Hitler's youth group and the Waffen SS, a Nazi military organization heavily involved in Jewish persecution in World War II.

KBCI-TV in Boise reported Friday that the Jewish Anti-Defamation League confirmed Schmidt's involvement in the Nazi organizations and said he became a naturalized citizen of the United States in 1955. Telephone calls by KBCI to Schmidt at his address listed in Palm Springs, Calif., and to GAN-PAC in Santa Monica, Calif. went unanswered.

Schmidt also sends out a monthly GAN-PAC news letter from Virginia.

Symms said Friday he was unaware of GAN-PAC's leanings, believing they merely represented German-Americans when the donation arrived the day before the general election.

His campaign staff was occupied with the election and did not research GAN-PAC's history at the time, Symms said.

The GAN-PAC money will be donated to the Idaho Holocaust Memorial, he said.

Schmidt apparently has at least a passing acquaintance with the Church of Jesus Christ Christian (Aryan Nations), a white supremacist group in northern Idaho. Aryan Nations leader Rev. Richard Butler said he has met Schmidt and thinks he "is a very fine and courageous man."

Mr. SYMMS. Mr. President, I ask unanimous consent to have another article from the paper printed entitled "Former Nazi Plans to Fight Symms' Plan to Give PAC Donation to Jewish Groups."

I also ask unanimous consent to have printed a letter to myself from the news media in Idaho, published throughout the State, with a response letter that I received from a Richard Butler, who is the pastor of a white supremacy hate group in Coeur D'Alene, ID, in the RECORD. He makes reference to a very small number of people, about 20, in my State. They were given a disproportionate share of adverse publicity.

There being no objection, the materials were ordered to be printed in the RECORD, as follow:

SYMMS GIFT TO JEWISH GROUPS DRAWS ANGRY ARYAN RESPONSE

This may be a letter of interest. It strikes me as a perfect example of the mindset of Butler and his followers toward those who attempt to do the right things and represent common standards of decency to which most in our society subscribe.

Senator STEVE SYMMS,
Washington, DC.

DEAR SENATOR SYMMS: Your actions reported in the Spokesman Review, April 12, substantiates the truths revealed by former congressman, Paul Findley, and Professor H.A. Wilcox. These truths are: No white U.S. government official acts in the interest of his race and nation.

You are a part of the most deadly anti-white, anti-Christ alliance that has ever existed, which has as its goal the extermination of our Aryan white race, heritage and culture.

As Professor H.A. Wilcox stated concerning our leadership in America, "The white plutocrat renegades who have allied themselves with world Jewry to commit global piracy mostly against their own people. White pretenders who willingly front for Jewry on any and all occasions, and who duly receive B'nai B'rith awards for 'Outstanding Citizenship'—not even the traditional thirty pieces of silver for double-crossing their own people."

Never forget that the day is soon coming that white citizens of Idaho will understand your hatred for the white race. You take white people's money and give it to their most deadly enemies. This furthers the goal of the destruction of our people. Don't you even care or understand that the Jew will turn on you and that your reward for serving them will be more devastating than for we who fight for life?

RICHARD G. BUTLER.

HAYDEN LAKE.

FORMER NAZI PLANS TO FIGHT SYMMS' PLAN TO GIVE PAC DONATION TO JEWISH GROUPS

(By Dean Takahaski)

WASHINGTON.—An alleged former Nazi who heads the political action committee that donated $1,000 to Idaho Sen. Steve Symms' campaign said today he will fight Symms' plan to donate the money to two Jewish organizations.

Symms, R-Idaho, has said he will donate the controversial $1,000 campaign contribution he received from the German-American PAC to the Anti-Defamation League of B'nai B'rith and the Idaho Holocaust Council.

Tom Lowery, press secretary for Symms, said, "The senator would have rejected the contribution had he known it came from such a group, but we didn't process it until a day before the (Nov. 3) election."

Hans Schmidt, chairman of GANPAC, said in a press conference he would check with the Federal Election Commission to "ascertain whether Symms cannot be charged with misappropriation of funds and especially in regards to the forwarding of this money to a religious organization."

However, Karen Finucan an FEC public affairs specialist, said the FEC had not received a complaint from Schmidt's group.

Schmidt, who admitted being a member of the German Army during World War II and a member of the Hitler Youth group before he was 18, said he had hoped Symms would keep the money.

Schmidt's press conference today was his first response since the contribution surfaced.

He said GANPAC also made $1,000 contributions to the Senate campaigns of former Rep. Bob Edgar, D-Pa., and Sen. James Abdnor, R-S.D. Edgar said he is angry about the donation and also plans to give it away.

According to Mother Jones, a leftwing political magazine which first reported the contributions in its April issue, Schmidt was a member of the Waffen SS, a Nazi military organization heavily involved in Jewish persecution in World War II.

Schmidt said GANPAC, which had not donated funds before the 1986 race, made the contributions based on Symms' record as a Republican conservative and his stand on Israel.

Lowery said Symms considers Nazi groups to be in the same camp as communists.

Finucan said since Symms was first elected to Congress in 1972, before a 1980 restriction on excess funds took effect, the Federal Election Campaign Act allows him to do anything he wants with excess campaign funds.

Mr. SYMMS. I make the point, Mr. President, that our system as it is has a way of cleansing itself from these things that could be embarrassing to the distinguished occupant of the chair, to this Senator, or to anybody else because of disclosure. If there is any improvement I would like to see in the political process, it would be full disclosure of everything. In my race in Idaho this year, I was told there are 500 people on union payrolls from all over the United States who are in Idaho. Soft money is what they call that. None of that was reported. But it was pretty much agreed by the news media in the State, by the opposition to this Senator, by the people who were for me, the people who were for keeping the right-to-work initiative in Idaho's law and those opposed to it—there was a lot of soft money spent in Idaho in 1987. I would like to see that disclosed also.

Be that as it may, I strongly oppose S. 2. I urge my colleagues, if the opportunity comes, that we continue to vote against cloture because in my opinion, this bill runs counter to fundamental principles of Republican Government and treads heavily upon first-amendment rights which Members of the first U.S. Congress approved as a bulwark to protect individual freedom against the threat of an overbearing national government. If the bill is to move forward at all, we must have an opportunity to consider some of the amendments that already have been introduced, many of which are relevant to the bill but would not be germane under post-cloture rules of procedure. I, for one, am ready to proceed with debate and the consideration of amendments to the bill, but I will vote against any motion to restrict the debate or our ability to offer amendments by invoking cloture.

The debate this year has been very similar to the debate on campaign finance reform of previous years. There seem to be two primary evils which the proponents of campaign finance reform seek to eliminate: First, the influence of special interests—hereafter known as PAC's; and second, excessive campaign expenditures—loosely defined as "too much money for a given proponent of campaign finance reform to raise easily among the lobbying community and a few friends at home" or "more money than it cost to run a campaign 40 years ago."

Mr. President, I mentioned yesterday, how much money is spent in the United States of America to advertise the major commodities and consumer items that we use—the big beer companies, for instance. I happen to like the beer commercials because they make it possible for me to watch sporting events. I am like millions of my fellow Americans and thousands of my constituents in Idaho: I enjoy watching good football, basketball, and baseball games on television. It is advertising that pays for it, that makes it possible for us to have that privilege. They spend millions of dollars to advertise various products.

I venture to say when one analyzes how much is actually spent to elect U.S. Senators, considering the importance of what we are doing. When we are talking about electing people who make the decisions of which this country is going to go, are we going to go over the cliff into socialism and destroy our economy? Or are we going to stand tall for freedom and opportunities for people in a free enterprise? Are we going to try to roll back the threat of communism and expand the frontiers of freedom around the world?

Those are the kinds of issues we are discussing in the U.S. Senate, and I think it is important that the message gets out to the American people; and it does take a certain amount of money to make that happen.

I want to make it clear from the start that this Senator disagrees sharply with the proponents of campaign reform on these two issues. In my view, PAC's are not an evil to our electoral process but are, instead, an important device by which millions of Americans have become active, knowledgeable participants in Government.

Campaign expenditures are not an evil of our electoral process but are a legitimate, necessary means to inform the American people about important political issues and differences between candidates running for office.

Let me speak for a few minutes about the most objectionable aspects of the bill before the Senate today:

With respect to public financing, it is contrary to the principle of voluntary participation on which this Government was founded.

As Senator HELMS points out in his additional views:

> Thomas Jefferson, who is a personal hero of mine, said, "To compel a man to furnish contributions for the propagation of opinions which he disbelieves is sinful and tyrannical."

I happen to agree with Senator HELMS and Thomas Jefferson. When I pay my taxes, I do not check off to put money into the campaigns of people who are going to run for President. I will send the money to a Presidential campaign; and I will have my tax dollar, instead, go to help defend the country.

The distinguished occupant of the chair, Mr. DIXON, and I are concerned about whether we are going to have our Armed Forces in a position to defend the frontiers of freedom so that we can protect freedom in the world, and I do not back candidates I happen to disagree with, philosophically.

Jefferson was right when he said that, and he still would be right if he were here today, and he would consider the effort to have taxpayer-funded money to elect U.S. Senators absolutely abhorrent.

People think there is too much money being spent to elect U.S. Senators. It is simple. I urge my colleagues who think that to introduce a constitutional amendment to repeal the amendment to the Constitution that has Senators elected by popular vote, and let the legislatures appoint Senators, the way the Founding Fathers intended, and we can spend the money at the State and local level to elect State legislators, and remove Senators from the political machinations we go through.

I am just saying that taxpayers should not be forced to contribute to the campaign of a candidate whose political views they do not support.

While the amount of funds in the Senate campaign fund would be based on the numbers of taxpayers who checked the contribution box on their returns, the funds will come out of general revenues paid by all taxpayers, no matter how we cut it, because it is money that causes the deficit to grow because of the money people check off.

SOFT CONTRIBUTIONS

S. 2 does nothing to eliminate or balance the enormous advantage given to the beneficiaries of soft contributions, which go unaccounted and which may amount to millions of dollars' worth of indirect support for a candidate. A primary example of soft contributions is the forced union dues—money collected from workers as a condition of their employment—which are used to finance the operations of union PAC's and provide extensive inkind political services on behalf of political candidates. Senator HELMS intends to offer an amendment to prohibit the use of forced union dues for any political expenditures, direct or indirect, and I will support that amendment.

If cloture is invoked, it may be that that amendment would be out of order. I think that would be a travesty, to not be able to discuss these very important issues and have Senators be allowed to offer amendments to legislation that is this important, in my view, to the future of freedom not only in the United States, but also peace and freedom in the United States and the free world, and that is the kind of U.S. Senate we have.

The Common Cause crowd, who want taxpayer funded financing of elections and payment limitations do not want to force the decisions. They do not want the tough decisions to be made. They want to have a machination or a maze, a spongelike decision, and not have a clear demarcation between the proponents and opponents of legislation.

The PRESIDING OFFICER. The Chair must reluctantly inform the distinguished Senator from Idaho that his 15 minutes have expired.

Mr. SYMMS. Mr. President, I appeal to my good friend, the majority leader, if I may have 5 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. I thank the indulgence and patience of the distinguished occupant of the chair, that he has to sit here at this late hour—but it is not that late. However I understand that the majority leader wants to adjourn the Senate, and I thank the majority leader.

I want to talk about one more aspect of this legislation that I find abhorrent to the first amendment to the Constitution of the United States, and that is limiting campaign expenditures for those who choose to accept public financing.

S. 2 would give an enormous advantage to incumbent candidates who don't have to advertise to achieve sufficient name recognition, have a taxpayer-paid staff including press assistants, have taxpayer-financed travel to the State for official business, have franking privileges, and have an obvious advantage in terms of their ability to make news.

In short, S. 2 is not about eliminating the pernicious influence of special interests. It is not about reducing the supposed evils of excessive campaign expenditures.

In this Senator's judgment—and I do not say this to impugn the motives of any of my colleagues—it is about changing our electoral system from one based on the principle of voluntary participation to one based on the socialist principle of forced participation.

The essence of Americanism is the right for people to own property, to be free to choose their own futures, where they wish to be educated, and what course they take in their life, where they wish to work, what they wish to read, where they wish to pray. These are the kinds of things that made this country great.

This is why the spark of initiative comes from Americans, who have invented more of the world's inventions, produced a greater standard of living, have done more to abolish sickness and disease than any other people living on the face of the Earth at any time in history.

I think it is about a forceful but subtle attempt to guarantee the current majority party to stay here for years to come. I do not think that is healthy for the Democratic Party; it is not healthy for the Republican Party. I urge my colleagues to oppose S. 2 and to stand tall on the issue of cloture every time it comes up.

I say again, Mr. President, that in my view, I thought Senator WEICKER made a very articulate and eloquent statement on the floor yesterday, that the essence of ethics in the campaigning process in this country is to have full disclosure of where the money comes from and who does what for whom in the election process. If we just stick to that basic principle, we are going to have a clean system compared to any other system in the world. Certainly it is better than it was 20 or 25 years ago, when there was lots of cash unaccounted for in campaigns all over the country—in congressional races, Senate races, and other races.

I believe that although our system may not be perfect, it will be a mistake to rush in and try to have reform, that somehow it is going to make it better than the current system.

I refer again to the illustration of what I would consider to be money that I would not want in my campaign which was discovered because of the principle of full disclosure, and it was discovered by the free news media in this country and brought to my attention. That is not a bad system, Mr. President.

So I think before we throw out the baby with the bath water and before the majority party continues to embark on a course where they may think somehow this may give them some advantage, it will not be to the advantage of either the Democrats or the Republicans but most importantly it will remove part of the choice from the American people to have the opportunity to choose who they send to the U.S. Senate to make the decisions that are so important to the future of the free world, to the future of the United States of America, and particularly to the peace and freedom that we enjoy by being Americans.

Mr. President, I thank the majority leader for the time and I yield the floor.

FEDERAL CAMPAIGN REFORM ACT OF 1987

Mr. STEVENS. Mr. President, we have spent the greater part of the last 2 weeks discussing the need for substantive campaign finance reform in 1987. While the focus of attention has been on S. 2, as reported by the Committee on Rules and Administration, many other alternatives have been suggested. At the earliest possible opportunity, I intend to offer a comprehensive proposal which I believe is a viable alternative to S. 2. That proposal, the Federal Campaign Reform Act of 1987, will include the following provisions:

That this Act may be cited as the "Federal Campaign Reform Act of 1987".

CONTRIBUTION LIMITS

SEC. 2. Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a))is amended by—

(1) striking out "$1,000" and inserting in lieu thereof "$1,500" in paragraph (1)(A); and

(2) striking out "$5,000;" in paragraph (2)(A) and inserting in lieu thereof "$3,000;".

REQUIREMENT FOR REPORTING CERTAIN EXEMPT CONTRIBUTIONS AND EXPENDITURES

SEC. 3. (a) Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end thereof the following new subsection:

"(d)(1) When used in this subsection—

"(A) the term 'election' means—

"(i) in the case of a corporation or labor organization, an election (as defined in section 301(1)) with respect to which such corporation or labor organization is prohibited from making a contribution or expenditure under section 316; and

"(ii) in the case of a national committee of a political party, an election (as defined in section 301(1)) for any Federal office;

"(B) the term 'otherwise exempt activity' means any act of furnishing, arranging to be furnished, or otherwise making available any services, payment, or other benefit described in paragraph (A) or (B) of section 316(b)(2) (2 U.S.C. 441b(b)(2));

"(C) the terms 'corporation' and 'labor organization' have the same meanings as in section 316 (2 U.S.C. 441b).

"(2)(A) At the times prescribed in paragraph (4), a corporation shall file a report with the Commission under this subsection if, during the period for which the report is filed, such corporation has engaged in any otherwise exempt activity in connection with an election.

"(B) At the times prescribed in paragraph (4), a labor organization shall file a report with the Commission under this subsection if, during the period for which the report is filed, such labor organization has engaged in any otherwise exempt activity in connection with an election.

"(C) At the times prescribed in paragraph (4), each national committee of a political party shall file a report with the Commission under this subsection containing a declaration of whether, during the period for which the report is filed, such committee has engaged in any otherwise exempt activity in connection with an election. For purposes of this subparagraph, the term 'otherwise exempt activity' refers to an activity described in paragraph (8)(B) or (9)(B) of section 301 (2 U.S.C. 431 (8)(B) or (9)(B)).

"(3) Each person required to file a report under this subsection shall include in such report—

"(A) a description of each exempt activity engaged in, in connection with an election, by such person during the period covered by the report; and

"(B) the amount of each payment and the cost and fair market value of each of the services and other benefits described in the report in accordance with clause (A).

"(4) The reports under this subsection shall be filed at each of the times prescribed in subsection (a)(4)(A) for reports of political committees other than authorized committees of a candidate.

"(5)(A) Any nonprofit corporation, receiving reduced postal rates because of its status as a nonprofit corporation, which uses the mails to engage in any activity described in paragraph (1)(B) during the period 90 days immediately prior to a general or special election shall be subject to a fine as provided in subparagraph (B).

"(B) The Commission, upon receiving a complaint under subparagraph (A), or on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, by an affirmative vote of 4 of its members, may institute a civil action, including an order for a civil penalty which is an amount equal to the postage rate for first class mail for all of the mail relating to activities described in paragraph (1)(B) which is mailed during such 90-day period.

"(e)(1) Any independent expenditures (including those described in subsection (b)(6)(B)(iii)), by any person with regard to an election which may directly result in the election of a person to the office of United States Senator, which in the aggregate total more than $10,000 shall be reported by such person to the Commission within 24 hours after such independent expenditures are made. Thereafter, any independent expenditures by such person in the same election aggregating more than $5,000 shall be reported by such person to the Commission within 24 hours after such independent expenditures are made.

"(2) Such statements shall be filed with the Commission, Secretary of State for the State of the election involved and with the principal campaign committee of each candidate in the general election, and shall contain the information required by subsection (b)(6)(B)(iii) of this section and a statement filed under penalty of perjury by the person making the independent expenditures indicating whom the independent expenditures are actually intended to help elect or defeat. The Commission shall notify any candidate in the election involved about each such report within 24 hours after such report is made.

"(3) Notwithstanding the reporting requirements established in this paragraph, the Commission may make its own determination that a person has made independent expenditures with regard to an election which may directly result in the election of a person to the office of United States Senator that in the aggregate total more than $10,000, and thereafter that in the aggregate total more than $5,000.

"(4) The Commission shall notify each candidate in the election involved about each such determination within 24 hours after such determination is made.".

(b) Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end thereof the following new subsection:

"(c) Any activity exempt under paragraph (A) ro (B) of subsection (b)(2) shall be subject to the reporting requirements of section 304(d).".

DISCLOSURE OF INDEPENDENT EXPENDITURES

SEC. 4. (a) Section 318(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441(d) is amended by deleting the period at the end thereof and inserting in lieu thereof the following: ", except that whenever any person makes an independent expenditure through (A) a broadcast communication on any radio or television station, the broadcast communication shall include a statement—

"(i) in such television broadcast, that is clearly readable to the viewer and appears continuously during the entire length of such communication; or

"(ii) in such radio broadcast, that is clearly audible to the viewer and is aired at the beginning and ending of such broadcast,

setting forth the name of such person and in the case of a political committee, the name of any connected or affiliated organization, or (B) a newspaper, magazine, outdoor advertising facility, direct mailing or other type of general public political advertising, the communication shall include, in addition to the other information required by this subsection, the following sentence: 'The cost of presenting this communication is not subject to any campaign contribution limits.', and a statement setting forth the name of the person who paid for the communication and, in the case of a political committee, the name of any connected or affiliated organization and the name of the president or treasurer of such organization.

"(4) The person making an independent expenditure described in paragraph (3) shall furnish, by certified mail, return receipt requested, the following information, to each candidate and to the Commission, not later than the date and time of the first public transmission (e.g. first aired, mailed, published, or displayed):

"(A) effective notice that the person plans to make an independent expenditure for the purpose of financing a communication which expressly advocates the election or defeat of a clearly identified candidate;

"(B) an exact copy of the intended communication, or a complete description of the contents of the intended communication, including the entirety of any texts to be used in conjunction with such communication, and a complete description of any photographs, films, or any other visual devices to be used in conjunction with such communication;

"(C) all approximate dates and times when such communication will be publicly transmitted; and

"(D) each specific location, media channel, and publication through which the communication will be publicly transmitted.".

INDEPENDENT EXPENDITURES

SEC. 5. (a) Section 301(17) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(17)) is amended by adding the following: "An expenditure shall constitute an expenditure in coordination, consultation, or concert with a candidate and shall not constitute an 'independent expenditure' where—

"(A) there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person (including any officer, director, employee or agent of such person) making the expenditure;

"(B) in the same election cycle, the person making the expenditure (including any officer, director, employee or agent of such person) is or has been—

"(i) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees,

"(ii) serving as an officer of the candidate's authorized committees, or

"(iii) receiving any form of compensation or reimbursement from the candidate, the candidate's authorized committees, or the candidate's agent;

"(C) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated with, advised, or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office;

"(D) the person making the expenditure retains the professional services of any individual or other person also providing those services to the candidate in connection with the candidate's pursuit of nomination for election, or election to Federal office, in the same election cycle, including any services relating to the candidate's decision to seek Federal office;

"(E) the person making the expenditure (including any officer, director, employee or agent of such person) has communicated or consulted at any time during the same election cycle about the candidate's plans, projects, or needs relating to the candidate's pursuit of election to Federal office, with: (i) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to subsection (a), (d), or (h) of section 315 in connection with the candidate's campaign; or (ii) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to subsection (a), (d), or (h) of section 315 in connection with the candidate's campaign; and

"(F) the expenditure is based on information provided to the person making the expenditure directly or indirectly by the candidate or the candidate's agents about the candidate's plans, projects, or needs, provided that the candidate or the candidate's agent is aware that the other person has made or is planning to make expenditures expressly advocating the candidate's election.".

LIMITATION ON CANDIDATE EXPENDITURES FROM PERSONAL FUNDS

SEC. 6. Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end thereof the following:

"(i)(1)(A) Within 15 days after a candidate qualifies for the primary election ballot, under applicable State law, such candidate shall file with the Commission and each other candidate who has qualified for such ballot, a declaration stating whether or not such candidate intends to expend funds and incur personal loans for the primary and general election a total amount, in the aggregate of $250,000 or more from the following sources: (i) his personal funds, (ii) the funds of his immediate family, and (iii) personal loans incurred in connection with his campaign for such office.

"(B) For purposes of this subsection, 'immediate family' means a candidate's spouse, and any child, stepchild, parent, grandparent, brother, sister, half-brother, or half-sister of the candidate, and the spouse of any such person and any child, stepchild, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate's spouse, and the spouse of any such person.

"(C) The statement required by this subsection shall be in such form, and contain such information, as the Commission may, by regulation, require.

"(2) Notwithstanding any other provision of law, in any election in which a candidate declares that he intends to expend or incur, in the aggregate, $250,000 or more by expending from personal funds and funds of his immediate family and incurring personal loans for his campaign, or does expend funds and incur loans in a total in excess of such amount, or fails to file the declarations required by this subsection, the limitations on contributions in subsection (a) of this section, as they apply to all other individuals running for such office, shall be increased for such election as follows:

"(A) The limitations provided in subsection (a)(1)(A) shall be increased to $10,000, and

"(B) The limitations provided in subsection (a)(3) shall be increased to an amount equal to 150 percent of such limitation, but only to the extent that contributions above such limitation are made to candidates affected by the increased level provided in subparagraph (A).

"(3) If the limitations in this section are increased pursuant to paragraph (2) for a convention or a primary election candidate, except that such loan shall be repaid only to the extent of the actual amount of the loan. Notwithstanding any other provision of law, repayment of any such loan shall not include any interest on the principal amount of such loan.

"(6) Notwithstanding any other provision of law, no candidate may make expenditures from his personal funds or the personal funds of his immediate family, or incur personal loans in connection with his campaign for election to such office at any time after 60 days before the date of such election. The provisions of this paragraph shall apply to all candidates regardless of whether such candidate has reached the limits provided in this subsection.

"(7) The Commission shall take such action as it deems necessary under the enforcement provisions of this Act to assure compliance with the provisions of this subsection.".

SEMIANNUAL REPORTS BY PARTY POLITICAL COMMITTEES OF PAYMENTS UNDER SECTION 301(8)(B)(XV) AND COSTS UNDER SECTION 301(9)(B)(XI)

SEC. 7. Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by adding at the end thereof the following:

"(11) If the committee is a political committee of a political party, with respect to payments under section 301(8)(B)(xv) and costs under section 301(9)(B)(xi) the treasurer shall file—

"(A) a report covering the period beginning January 1 and ending June 30, which shall be filed no later than July 31; and

"(B) a report covering the period beginning July 1 and ending December 31, which shall be filed no later than January 31 of the following calendar year.".

SOFT MONEY REPORTING REQUIREMENTS FOR NATIONAL COMMITTEES OF POLITICAL PARTIES

SEC. 8. (a) Section 304(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(2)) is amended—

(1) in subparagraph (J), by striking out "and" after the semicolon;

(2) in subparagraph (K), by inserting "and" after the semicolon; and

(3) by adding at the end the following:

"(L) for a national committee of a political party, all funds received, from any source, for purposes other than to influence a Federal election;".

(b) Section 304(b)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(3)) is amended—

(1) in subparagraph (F), by inserting "and" after the semicolon;

(2) in subparagraph (G), by inserting "and" after the semicolon; and

(3) by adding at the end the following:

"(H) for a national committee of a political party, person, or organization providing funds to the committee for purposes other than to influence a Federal election;".

(c) Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

(1) in subparagraph (H), by striking out "and" after the semicolon at the end thereof;

(2) in subparagraph (I), by inserting "and" after the semicolon; and

(3) by adding at the end the following new subparagraph:

"(J) for a national committee of a political party, all disbursements from funds received for a purpose other than to influence a Federal election;".

AMENDMENTS TO DEFINITION OF CONTRIBUTION

SEC. 9. (a) Section 301(8)(A)(i) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(A)(i)) is amended by inserting after "Federal office" the following: "or for the purpose of expressly advocating that a clearly identified individual become a candidate for Federal office".

(b) Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) in clause (xiii), by striking out "and" after the semicolon;

(2) in clause (xiv), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(xv) with respect to a political committee of a political party, any payment to such committee specifically designated to defray establishment, administration, and solicitation costs of such committee.".

(c)(1) Section 301(8)(B)(x) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(x)) is amended by striking out "by a State" and inserting in lieu thereof "by a national, State,".

(2) Section 301(8)(B)(xii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 (8)(B)(xii)) is amended by—

(A) striking out "by a State" and inserting in lieu thereof "by a national, State,"; and

(B) striking out "for President and Vice President".

AMENDMENTS TO DEFINITION OF EXPENDITURE

SEC. 10. (a) Section 301(9)(A)(i) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(A)(i)) is amended by inserting after "Federal office" the following: "or for the purpose of expressly advocating that a clearly identified individual become a candidate for Federal office".

(b) Section 301(9)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)) is amended—

(1) in clause (ix), by striking out "and" after the semicolon;

(2) in clause (x), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(xi) with respect to a political committee of a political party, any establishment, administration, or solicitation costs of such committee;".

(c)(1) Section 301(9)(B)(viii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(viii)) is amended by striking out "by a State" and inserting in lieu thereof "by a national, State,".

(2) Section 301(9)(B)(ix) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(ix)) is amended by—

(A) striking out "by a State" and inserting in lieu thereof "by a national, State,"; and

(B) striking out "for President and Vice President".

INTERMEDIARY OR CONDUIT

"SEC. 11. Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended—

(1) by redesignating subsection (8) as subparagraph (8)(A);

(2) by adding at the end, the following new subparagraphs;

"(B) A gift, subscription, loan, advance or deposit of money or anything of value to a candidate shall be considered a contribution both by the original source of the contribution and by any intermediary or conduit if the intermediary or conduit (i) exercises any control or any direction over the making of the contribution; or (ii) solicits the contribution or arrange for the contribution to be made and directly or indirectly makes the candidate aware of such intermediary or conduit's role in soliciting or arranging the contribution for such candidate; or (iii) engages in any activities of the same kind which resulted in the intermediary or conduit reporting such activities to the Commission under subsection (A) prior to January 1, 1987.

"(C) For purposes of subsection (B), a contribution shall not be considered to be a contribution by an intermediary or conduit to the candidate if (i) the intermediary or conduit has been retained by the candidate's committee for the purpose of fundraising and is reimbursed for expenses incurred in soliciting contributions; (ii) in the case of an individual, the candidate has expressly authorized the intermediary or conduit to engage in fundraising, or the individual occupies a significant position within the candidate's campaign organization; or (iii) in the case of a political committee, the intermediary or conduit is an authorized committee of the candidate; or (iv) if the intermediary or conduit is a national committee of a political party."

SEVERABILITY

SEC. 12. If any provision of this Act or any amendment made by this Act, or the application of any such provision to any person or circumstance is held invalid, the validity of any other such provision, and the application of such provision to other persons and circumstances shall not be affected thereby

EFFECTIVE DATE

SEC. 13. This Act and the amendments made by this Act shall become effective on the date of enactment and shall apply to all contributions and expenditures made after such date.

HARRY FLOOD BYRD, SR.

Mr. TRIBLE. Mr. President, today is the centennial of the birth of Harry Flood Byrd, Sr. No political figure in this century so influenced the character and substance of Virginia's public life.

As Governor and Senator Harry Byrd embodied the Virginia way. His dedication to his State—its people and its principles—was boundless. His ability to inspire respect and affection among his constituents was legendary. His influence touched the lives of four generations.

To those who followed him he left a priceless legacy of sound and responsible government and fiscal responsibility. To this day those principles give form and shape to political life in the old dominion.

Mr. President, to honor the memory of this remarkable man, I ask unanimous consent that the following article from the Norfolk Virginian Pilot be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CENTENNIAL OF LATE SENATOR'S BIRTH RECALLS HALF-CENTURY DOMINATION OF THE OLD DOMINION'S DESTINY

(By James R. Sweeney)

June 10, 1987, will mark the centennial of the birth of Harry F. Byrd Sr. From the 1920s to the 1980s Byrd headed the dominant conservative faction in the Virginia Democratic Party. As governor (1926-1930) and U.S. senator (1933-1965), Byrd's influence permeated the state's politics from Capitol Square in Richmond down to the county courthouse. His son, Harry Jr., succeeded the father in the Senate, serving until 1983.

Who was Harry Byrd Sr., and why did he exert such influence over the destiny of the commonwealth?

Descended from one of Virginia's oldest and most illustrious families, Harry Byrd was one of the eighth generation of Byrds in America. William Byrd I came from England in 1670 and established himself as a tobacco planter and merchant at the falls of the James River in present-day Richmond. His son, William II, was a Renaissance man whose diverse talents produced extraordinary accomplishments in politics, science and literature. His Georgian mansion, "Westover," still stands on the banks of the James in Charles City County.

Harry's father, Richard Evelyn Byrd was born in Texas, but the family moved to Winchester, Va, after the Civil War. "Mr. Dick" became a brilliant trial lawyer whose oratorical skills, fiery temper and photographic memory made him a feared opponent in court. Elected to the House of Delegates in 1906, he served as speaker from 1908 to 1914. His marriage to Eleanor Bolling Flood cemented an alliance with another politically influential family of the period.

The Byrds had three sons—"Tom, Dick, and Harry," born in reverse order. Dick became the world renowned polar explorer Adm. Richard E. Byrd. Tom, trained in the law, devoted his life to family business affairs.

In 1902 the family-owned newspaper, The Winchester Evening Star, was in financial trouble. "Mr. Dick," a poor businessman, had decided to close it down because without credit he could not obtain newsprint. Fifteen-year-old Harry, bored with school, asked permission to leave Shenandoah

Academy and take over the newspaper. His somewhat amazed father agreed. The next morning Harry was in Hagerstown, Md., arranging for shipment of just enough paper each day to print that day's issue—on a c.o.d. basis. Harry rushed back to Winchester to collect enough of the money owed to his father to pay for that day's shipment. For several months he repeated the daily debt-collection ritual and The Star did not miss an issue. Meanwhile, the teenager studied every aspect of the newspaper business, cut expenses to the bone, and soon The Star was in the black.

Harry's experience in saving the newspaper from bankruptcy influenced his thinking for the rest of his life. He developed an abhorrence of debt.

Harry F. Byrd was a child prodigy in business—a Mozart of the ledger book and the balance sheet. When telephone service came to Winchester in 1906, he became the local manager of the Bell Telephone Co. while continuing to publish The Star. Looking for a profitable investment, he concluded that developments in transportation had expanded the market for Shenandoah Valley apples. His love of the outdoors also contributed to his decision to lease and later to buy apple orchards around Winchester. By the 1940s the Byrd apple business had become the world's largest privately owned apple industry.

While expanding his business interests, Harry Byrd became involved in politics. Elected to the Winchester City Council in 1908, he won a seat in the state Senate in 1915. A young man of crackling, energy, he rose quickly in the ranks of The Organization, as the dominant Democratic faction was known. His enthusiasm for organizing a campaign matched his zest for business. After becoming Democratic state chairman, he led the fight in 1923 against a $50 million road-bonds referendum. Acknowledging the need for better roads, he insisted that they be paid for on a "pay-as-you-go" basis. Virginia's farmers rallied to the antibonds cause and provided most of the 46,000-vote margin of victory for the Byrd forces. Having gained statewide exposure, Byrd was ready to run for governor. He won easily in 1925.

Harry Byrd's gubernatorial record remains one of the most innovative among Virginia's chief executive in the 20th century. His accomplishments included tax reform, reorganization and simplification of state government, constitutional changes increasing executive power, high-way construction and the recruitment of new industry. In 1928, at the urging of Norfolk Virginian-Pilot editor Louis I. Jaffe, Governor Byrd asked for a law making lynching a state crime in which all members of the mob would face murder charges. Virginia has not had a lynching since.

Byrd's reforms attracted national attention. His well-publicized tilts with the oil companies over the price of gasoline and with the telephone company over a rate increase reinforced his image as a progressive young governor. His administration and tax reform turned a $1.3 million state deficit in 1926 into a $4.2 million surplus when he left office in 1930. It came as no surprise when Byrd was appointed to fill a vacant seat in the U.S. Senate in 1933.

During more than three decades in the Senate, Harry Byrd gained power, respect and a reputation for conservatism. Ironically, the progressive governor of the 1920s was called a reactionary during the New Deal years of the 1930s. Byrd, however, believed that he had not changed. "Sound progress" should always be our goal, but it must be based on "sound financing." His denunciation of waste and inefficiency earned him the title "Mr. Economy." His insistence on fiscal orthodoxy also brought him into conflict with Democratic presidents from Franklin D. Roosevelt to Lyndon B. Johnson. He refused to support any Democratic presidential nominee after 1936.

Consistency and integrity were the hallmarks of Byrd's Senate career. He opposed not only social programs but also subsidies to business. In 1962. Byrd, chairman of the Senate Finance Committee, described President John F. Kennedy's proposed 7 percent tax credit for capital investment as "a handout to business." He did not exempt the military from his war on waste. "Defense spending," he declared, "should not be considered sacrosanct." Constant reviews were necessary to make sure that "the American people are getting the security for which they are paying." Byrd denounced America's postwar role of "world banker, world policeman and world Santa Claus."

He voted against the Marshall Plan and the Truman Doctrine's aid to Greece and Turkey. In 1954 he opposed intervention in Indochina because he believed that Russia was trying to "weaken us both financially and militarily by trapping us into sideline wars." "We must realize," Byrd added, "that our resources are not unlimited. We must not undertake commitments we cannot meet."

Harry Byrd was widely praised for his integrity. Although legally entitled to federal soil-conservation payments, he never accepted a dollar. He also refused to sell apples to the government because he believed a senator should not accept any money from the government except his salary.

During the Great Society days of the 1960s, Harry Byrd's causes seemed lost. Economy in government and states' rights were out of fashion. Confident that history would vindicate him, he sought solace in hiking expeditions in the Shenandoah National Park. As governor in the 1920s, he had been chiefly responsible for acquiring the land for the park. Several times a year and nearly always on his birthday he climbed 3,291-foot Old Rag Mountain accompanied by his favorite cocker spaniel. Despite an arthritic knee, he continued to make the climb in his 70s.

When Harry Byrd succumbed to a brain tumor in 1966, political commentators praised his personal qualities but described his political philosophy as outmoded. In regard to his support for racial segregation, which in part motivated his call for massive resistance to school desegregation, the pundits were correct. But there was much more to Harry Byrd. His belief that state governments could administer many programs more efficiently than the federal government is widely accepted today. "Pay-as-you-go" in highway financing lives on in Virginia.

Finally, his strictures against deficit spending are more relevant today in the era of $200 billion annual deficits than in his own lifetime. Byrd's cry, "We're on the road to bankruptcy," no longer seems alarmist. Our $2.3 trillion national debt, more than $1 trillion of which has been added since 1981, and recent events in Washington call to mind what Richmond editorialist and author Virginius Dabney wrote in the June 1923 edition of Nation: "At a time when chariatans and corruptionists are playing so large a part in our public life, America can use Harry Byrd." In 1987, America could still use a Harry Byrd.

RETIREMENT OF MR. CHARLES E. LEE, DIRECTOR OF THE SOUTH CAROLINA DEPARTMENT OF ARCHIVES AND HISTORY

Mr. THURMOND. Mr. President, recently, it was my privilege to attend the retirement ceremony for Charles E. Lee, director of the South Carolina Department of Archives and History. Mr. Lee is a fine man and has done an outstanding job. South Carolina will certainly miss his able and distinguished leadership.

Mr. Lee has helped South Carolina chronicle its rich history, enabling its citizens to enjoy a complete record of the State's past. As one of the charter members of the National Archives Advisory Council, he is well known and respected among national archivists and was one of the first to use modern automation on a major scale to control State archival records.

At the retirement dinner for Mr. Lee, Dr. Frank G. Burke, Acting Archivist of the United States, paid tribute, praising Mr. Lee's outstanding service to the State of South Carolina.

Mr. President, I ask unanimous consent that Dr. Burke's fine speech be entered into the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

A TRIBUTE TO CHARLES E. LEE, THE RESTLESS REFORMER, ON THE OCCASION OF HIS RETIREMENT AS DIRECTOR, SOUTH CAROLINA DEPARTMENT OF ARCHIVES AND HISTORY

Although it is difficult for me to remember when I first met Charles Lee, I think it was probably not a meeting at all, but a growing acquaintance from being often in the same places at the same time. Those places early on were probably the meetings of the Society of American Archivists, and it may well have been in Santa Fe, or Columbus, or Madison, or one of the many annual pit stops that archivists visited to do some intellectual refueling.

Another probable place where we encountered each other was at a regular meeting of the National Archives Advisory Council, first established in July 1968, 18 months after I came to the Archives. Charles was one of the charter members of the council, representing the Society of American Archivists, and I held a position at the Archives that put me in charge of the logistics for its meetings. A photograph of the May 1969 meeting shows Charles, along with other members including Bell Wiley, looking rather dubiously at the camera, as if he were anxious to get the picture-taking over and get back to the work of the Council.

At one of the sessions of that meeting was a younger yours truly, expounding to the Council he glories of archival automation, and, although I didn't realize it at the time, it was in that context that Charles and I were to get to know each other considerably better.

It seems that in an inspirational moment when I worked at the Library of Congress, and later at the National Archives, I had sort of "invented" a computer program known as SPINDEX. It was supposed to do everything that an archivist ever dreamed of as far as description and retrieval of archival information went. Charles saw an opportunity to apply it to the records in the South Carolina Archives and did so, becoming one of the first, if not the first user of automation on a major scale to control state archival records.

Nevermind that SPINDEX required a mainframe computer, and was neither interactive nor on-line. At the time, the chip was still some 12 years away from being invented. Nobody, archivists or anyone else, had on-line terminals and a survey that I conducted around that time indicated that a mere 12 archival institutions in the country were beginning to experiment with automation. Charles ignored these facts, drove ahead and institutionalized the process, so that now the South Carolina Department of Archives and History is about as far ahead of the pack as one can be. With the possibility of converting this old, outmoded data structure to newer formats automatically, there is the good prospect that such conversion will make South Carolina the most advanced automated archives in the country. So much for Charles' vision.

Our next encounter came when the American Revolution Bicentennial was approaching in the early 70s. There was a part of the National Archives known as the National Historical Publications Commission, which since 1964 had been making small grants to documentary publications projects, such as the papers of Jefferson, Madison, Henry Laurens, John C. Calhoun, and a number of others. The Congress was beginning to loosen up for the Bicentennial, and promised to raise the ante on such projects from its historically insignificant $350,000 annually to a grand $2 million annually. Charles and a number of his colleagues in the AHA, OAH, AASLH, SAA, and Society for Legal History felt that there should be a similar program for the preservation, arrangement and description of archival materials in state, local and even private repositories, so they began a lobbying campaign for a National Historical Records Commission and a funding level of 50 million.

It didn't quite make it through Congress, although a bill was introduced in the Senate by Senator Edward Brook of Massachusetts. Someone saw the appropriateness of such a program but felt that the old National Historical Publications Commission had the structure to run it if its mandate were just enlarged. The result was the merging of the two ideas into a National Historical Publications *and* Records Commission, a doubling of its resources from $2 to $4 million, and enlargement of the membership on the Commission to include archival elements. Guess who was one of the first archivist appointed to the newly enlarged Commission!

In the beginning years of the new Commission many procedures had to be adopted and new approaches undertaken. Under the old Commission it was easy for 13 knowledgeable scholars to sift through 40 or 50 applications a year and decide, in the room, which publication project was most worthy of support, based on the importance of the individual who had produced the papers, the importance of the papers, the qualifications of the proposed editor, the support of the sponsoring institution, etc. A proposal to edit the papers of Rufus King or Jane Addams could probably be evaluated by one or more persons on the commission with special knowledge or expertise, in addition to the staff work in analyzing the project. But the records program was something different.

Suppose, for instance, that the Nevada State Historical society applied for support of a project to process or preserve the papers of Samuel B. Doten and his mother, or of Anne Martin? Who around the table would be knowledgeable about the status of the Nevada State Historical Society as a professional organization, or the quality and importance of the Doten or Martin papers? Probably nobody. So Charles Lee participated in the Commission's deliberations that ultimately led to the establishment of a Commission "agent" if you will, in each state, and the "agent," or Coordinator, was to be assisted by an advisory board that would promote archival advancement, solicit grant applications, survey conditions, review all applications for the state, and pass them on with recommendations to the National Commission. In retrospect this was presumptuous. The records program had a grand total for grants amounting to $2 million. If each of the 50 states applied, it would allow only $40,000 per state per year, less than what other Federal granting agencies might make to one project in one day! But, you know what? It worked. With Charles impatiently urging on the staff and his fellow Commission members, incentives were provided to the states to appoint coordinators and boards—one incentive was that if they didn't, they couldn't apply for any grants! Today all but one state has such a mechanism.

Charles also saw that the Commission's meager funds could be considerably enhanced if all grants had to have a matching component. There was going to be no free lunch, and, although there was considerable initial reluctance, the states and their archivists came around, with some of them seeing the benefits of seed money, or leverage money to dangle before their own legislatures. The NHPRC records program moved into a partnership with the states, and was not just another federal handout program run from Washington.

Part of Charles' contributions to the Commission's work came from his own experience with the Interior Department's historic preservation program. As Director of the State Department of Archives and History Charles sat as the State Historic Preservation Officer. He tried to move the NHPRC Records Program closer to that model, and yet avoid the pitfalls of what could become an overblown bureaucracy. I am certain that he thought of preservation in the broadest sense. The Historic Preservation program's aim is to preserve structures and living places that tell us where people lived and what they did. Documents tell us how they built them and why. So, one can see that much of what the NHPRC Records Program has become is the result of the work and efforts of Charles Lee.

But there are implications beyond the specific program that have had a broad impact in the archival profession. Charles was active in the Society of American Archivists, serving on its council and as its president in 1971-72, but he was also instrumental in founding, in 1974, and promoting the association of state archives and records managers, known as NASARA. State archives, in the late 1960s, were not the most dynamic institution in the country. Although talent could be found here and there, there was little professionalism in many, and, consequently, little professional coordination between them. Many states still suffered a total absence of state archives, such as New York. Some that had been great earlier in the century had fallen on bad times. Some—North and South Carolina, Georgia, Pennsylvania, Wisconsin, enjoyed a professional reputation. But, when a vacancy occurred anywhere there was always the threat of a bad in-state appointment that ultimately would result in a damaged program, mediocrity, and decline in service to the state or the profession. NASARA was established to lessen such chances.

It was a natural, therefore, for the newly emerged records program of the NHPRC, looking for good projects, to link up with the newly formed National Association of State Archives and Records Administrators—NASARA, in an assistance program that would work toward improving records keeping practices in the states as part of its mandate to improve such practices everywhere. The fact that in most states it was the state archivist who acted as the coordinator for the NHPRC Records Program made the alliance even more natural.

The Commission began to relate to the coordinators through an annual meeting with them. The logical time to hold such a meeting was immediately preceding the annual meeting of NASARA. State archivists then had two reasons for going to St. Louis, or Atlanta or wherever the meeting was held—to meet with fellow coordinators under NHPRC, and to meet with fellow state archivists under NASARA. They formed a coordinators group, and appointed a steering committee to work closely with NHPRC throughout the year, and through it all Charles Lee moved in all circles, as member of the Commission, state coordinator for South Carolina, officer and member of NASARA, it seemed that he had cloned himself to be in three places all at the same time, ever urging, cajoling, preaching, harranging, coordinating and generally stirring things up for the betterment of the profession and, ultimately, for the preservation of our historical heritage.

And, you know what? *It* began to work. Money—small money—from the NHPRC gave each state an opportunity to assess its own programs and the condition of records and personal papers within the state. A grant to Kentucky leveraged a local records program into a million a year from the state legislature to continue the work. New York began a computerized survey of all of the records and collections in the state, a la the WPA project of the 1930s—and used SPINDEX to do it, A number of states applied for and received grants to do cooperative projects in an attempt to find solutions to mutual problems. Some of those are still ongoing, with the future looking promising insofar as the results anticipated.

And you know what else? Professionalism began to run rampant through the state archives, as positions for archivist were filled, not by the next in line for a job or a political chum, but by professional archivists FROM OTHER STATES or the National Archives. New York's first state archivist came from the National Archives. Then he moved on to Georgia, and New York's second archivist came from the National Archives. California's came from the Washington State Archives, Utah's came from the Portland, Oregon, City Archives; the Oregon state archivist position was filled from the Illinois State Archives; Alabama reached to the State Archives in Georgia to fill its number one spot; Alaska reached out to Texas; Texas backfilled with an archivist from Georgia, Oklahoma from Oregon, and on and on, so that there is a recognition of professionalism among the states that was no where apparent before the days of Charles Lee, NASARA and the NHPRC's records program. The cycle is appropriately continuing with the successor to Charles Lee coming from the NHPRC itself.

What is important about this, of course, is not that there are opportunities for senior archivists to move around and ply their trade in different states, but that with the appointment of professionals—well trained, active professionals—at the head of each of these states archives we are almost guaranteeing that the level of the staff at each will improve. The new state archivists will not tolerate mediocrity or the traditional, if apocrophal, lassitude of state employees. The National Association of State Archives and Records Administrators has since become the National Association of Government Archives and Records Administrators, so that it can bring into its ranks archivists and records managers at the county and municipal level, as well—yes—as at the Federal level. I'm a member! And now NAGARA, as it is known, has joined the Council of State Governments and receives all of the benefits and emollments therefrom. Is that enough?

Well, I don't want to lay all of these great advances at the feet of Charles Lee, but it would be difficult to deny that he was a key force in this whole movement, largely stemming from his vision for a records program and, coalescing of talents among the scattered and disorganized state archives. Of course what he has also done is to insure himself of immortality, professionally, because in the process of all of this activity he has rigged things so that there are other Charles Lees springing up throughout the land—the Larry Hackmans, Ed Bridgeses, John Burnses, Ed Weldons and George Vogts of the world will carry on his work—obviously not with the same penache, Wit, comraderie, and southern gentlemanly charm, but that only gives them something to work toward.

It is clear to me that Charles Lee will be remembered in the archival profession as, what I think he would like to be known as, the premier cultural politician of mid-century. It is to him and his role as a restless reformer and inspiration to us all that we pay tribute tonight.

Thank you.

[Delivered by Dr. Frank G. Burke, Acting Archivist of the United States, at a dinner in the Towne House Hotel, Columbia, South Carolina, May 23, 1987.]

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1344. A communication from the Assistant Secretary of Health and Human Services transmitting, pursuant to law, a report on an altered Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1345. A communication from the Director of Civilian Personnel of the Uniformed Services University of the Health Sciences transmitting, pursuant to law, the 1986 pension report for the University; to the Committee on Governmental Affairs.

EC-1346. A communication from the Executive Director of the National Mediation Board transmitting, pursuant to law, the Board's 1986 Government in the Sunshine report; to the Committee on Governmental Affairs.

EC-1347. A communication from the Secretary of the U.S. Postal Rate Commission transmitting, pursuant to law, and opinion and recommended decision of the Commission relative to extension of collect on delivery services, 1987; to the Committee on Governmental Affairs.

EC-1348. A communication from the Chairman of the Nuclear Regulatory Commission transmitting, pursuant to law, the Commission's 1986 Government in the Sunshine report; to the Committee on Governmental Affairs.

EC-1349. A communication from the Special Counsel of the Merit Systems Protection Board transmitting, pursuant to law, a report on the findings and conclusion of an investigation into allegations of mismanagement of the relocation of the Northern California Agency, Bureau of Indian Affairs; to the Committee on Governmental Affairs.

EC-1350. A communication from the USPS Records Officer, U.S. Postal Service, transmitting, pursuant to law, a report on a computer matching program between the Postal Service and the Alaska Department of Revenue; to the Committee on Governmental Affairs.

EC-1351. A communication from the Acting Director of the Central Intelligence Agency transmitting a draft of proposed legislation to authorize intelligence appropriations for fiscal years 1988 and 1989; to the Select Committee on Intelligence.

EC-1352. A communication from the Comptroller General of the U.S. transmitting, pursuant to law, a report entitled "INS Pre-Inspection—Trial Program at Shannon International Airport"; to the Committee on the Judiciary.

EC-1353. A communication from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, a copy of the I-9 Verification Document and the Employer Handbook; to the Committee on the Judiciary.

EC-1354. A communication from the Assistant Secretary of Health and Human Services transmitting, pursuant to law, a summary of accomplishments of the Department for 1986; to the Committee on Labor and Human Resources.

EC-1355. A communication from the Chairman of the National Commission on Libraries and Information Science transmitting, pursuant to law, the annual report of the Commission for fiscal year 1986; to the Committee on Labor and Human Resources.

EC-1356. A communication from the Chairman of the Federal Election Commission transmitting, pursuant to law, proposed regulations governing public financing of Presidential primary and general election candidates; to the Committee on Rules and Administration.

EC-1357. A communication from the Architect of the Capitol transmitting, pursuant to law, his report on expenditures during Oct. 1, 1986 through Mar. 31, 1987; to the Committee on Appropriations.

EC-1358. A communication from the Director of the Office of Civilian Radioactive Waste Management, DOE, transmitting, pursuant to law, a report on the Department's negotiations for agreements regarding sites for nuclear waste repositories; to the Committee on Energy and Natural Resources.

EC-1359. A communication from the Deputy Associate Director, Minerals Management Service, transmitting, pursuant to law, a report on 24 refunds of excess oil and gas royalty payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-1360. A communication from the Secretary of Labor transmitting, pursuant to law, the quarterly report on the expenditure and need for worker adjustment assistance training funds under the Trade Act of 1974; to the Committee on Finance.

EC-1361. A communication from the Secretary of Health and Human Services transmitting a draft of proposed legislation to amend the Social Security Act and related laws; to the Committee on Finance.

EC-1362. A communication from the Secretary of Health and Human Services transmitting pursuant to law, a report on additional benefits provided by HMOs under risk-sharing contracts; to the Committee on Finance.

EC-1363. A communication from the Secretary of Education transmitting, pursuant to law, the semiannual report of the Inspector General; to the Committee on Governmental Affairs.

EC-1364. A communication from the Inspector General of the Department of Health and Human Services transmitting, pursuant to law, the Inspector General's report; to the Committee on Governmental Affairs.

EC-1365. A communication from the Inspector General of the Department of Energy transmitting, pursuant to law, the Inspector General's report; to the Committee on Governmental Affairs.

EC-1366. A communication from the Secretary of Education transmitting a draft of proposed legislation entitled "Income Contingent Loan Amendments of 1987"; to the Committee on Labor and Human Resources.

EC-1367. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a confidential report on a foreign military assistance sale to Saudi Arabia; to the Committee on Armed Services.

EC-1368. A communication from the Assistant Secretary of the Air Force transmitting a draft of proposed legislation to authorize recoupment of stipends paid to certain program participants who fail to complete required active duty; to the Committee on Armed Services.

EC-1369. A communication from the Assistant Secretary of the Army transmitting a draft of proposed legislation to provide transportation for family members of seriously ill or injured members of the Uniformed Services; to the Committee on Armed Services.

EC-1370. A communication from the Secretary of Commerce transmitting a draft of proposed legislation to promote marine fisheries conservation programs; to the Committee on Commerce, Science, and Transportation.

EC-1371. A communication from the Administrator of the Federal Aviation Administration, transmitting, pursuant to law, the semiannual report on the effectiveness of the Civil Aviation Security Program for the period July 1 through December 31, 1986; to the Committee on Commerce, Science, and Transportation.

EC-1372. A communication from the Deputy Associate Director for Royalty Management, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain excess royalty payments on offshore oil and gas leases; to the Committee on Energy and Natural Resources.

EC-1373. A communication from the Deputy Associate Director for Royalty Management, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain excess royalty payments on offshore oil and gas leases; to the Committee on Energy and Natural Resources.

EC-1374. A communication from the Administrator of the Energy Information Administration, transmitting, pursuant to law, a report entitled "Annual Energy Review, 1986"; to the Committee on Energy and Natural Resources.

EC-1375. A communication from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend Public Law 94-423, relating to the Oroville-Tonasket Unit, Chief Joseph Dam Project, and for other purposes; to the Committee on Energy and Natural Resources.

EC-1376. A communication from the Chairman of the Foreign Claims Settlement Commission, Department of Justice, transmitting, pursuant to law, the annual report of the Commission for calendar year 1986; to the Committee on Foreign Relations.

EC-1377. A communication from the Special Counsel of the Merit Systems Protection Board, transmitting, pursuant to law, a report on the findings and conclusions of the Secretary's investigation into allegations of misconduct by officials of the National Oceanic and Atmospheric Administration and its ship, Surveyor; to the Committee on Governmental Affairs.

EC-1378. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Department of Agriculture, for the period ending March 31, 1987; to the Committee on Governmental Affairs.

EC-1379. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, NASA, for the period ending March 31, 1987; to the Committee on Governmental Affairs.

EC-1380. A communication from the Chief Immigration Judge, Executive Office for Immigration Review, Department of Justice, transmitting, pursuant to law, a report on the suspension of deportation of certain aliens under sections 244(a)(1) and 244(a)(2) of the Immigration and Nationality Act; to the Committee on the Judiciary.

EC-1381. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, a report on the financial condition and operating results of the Working Capital Funds of the Department of Defense for fiscal year 1986; to the Committee on Armed Services.

EC-1382. A communication from the Acting Director of the Selective Service System, transmitting, pursuant to law, the semiannual report of the Selective Service System for October 1, 1986 through March 31, 1987; to the Committee on Armed Services.

EC-1383. A communication from the Administrator of the Federal Aviation Administration, transmitting, pursuant to law, the revised National Airspace System Plan; to the Committee on Commerce, Science, and Transportation.

EC-1384. A communication from the Secretary of the Interior transmitting, pursuant to law, a progress report on the Salinity Control Program and the Quality of Water of the Colorado River Basin; to the Committee on Energy and Natural Resources.

EC-1385. A communication from the Secretary of the Interior transmitting, pursuant to law, the Annual Report on the Youth Conservation Corps; to the Committee on Energy and Natural Resources.

EC-1386. A communication from the Acting Chairman of the Nuclear Regulatory Commission transmitting, pursuant to law, the report on the Nondisclosure of Safeguards Information; to the Committee on Environment and Public Works.

EC-1387. A communication from the Assistant Secretary of State transmitting, pursuant to law, a travel advisory relative to Fiji; to the Committee on Foreign Relations.

EC-1388. A communication from the Administrator of the Veterans' Administration transmitting, pursuant to law, the Inspector General's report; to the Committee on Governmental Affairs.

EC-1389. A communication from the Benefits Administrator of the Farm Credit Banks of Baltimore transmitting, pursuant to law, the Banks' annual reports on Federal Pension Plans; to the Committee on Governmental Affairs.

EC-1390. A communication from the Secretary of Defense transmitting, pursuant to law, the Inspector General's report; to the Committee on Governmental Affairs.

EC-1391. A communication from the Assistant Secretary of Health and Human Services transmitting, pursuant to law, a report on an altered Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1392. A communication from the Secretary of the Postal Rate Commission transmitting, pursuant to law, a Commission order granting joint motion to dismiss complaint and terminate proceeding in the complaint of the National Manufactured Housing Federation; to the Committee on Governmental Affairs.

EC-1393. A communication from the Freedom of Information Officer, Environmental Protection Agency, transmitting, pursuant to law, the Agency's Freedom of Information report for 1986; to the Committee on the Judiciary.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, June 10, 1987, he had presented to the President of the United States the following enrolled bill:

S. 742. An Act to clarify the congressional intent concerning, and to codify, certain requirements of the Communications Act of 1934 to ensure that broadcasters afford reasonable opportunity for the discussion of conflicting views on issues of public importance.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BINGAMAN (for himself, Mr. Pell, Mr. Burdick, Mr. Daschle, and Mr. Conrad):

S. 1348. A bill to establish in the Department of Education an Office of Comprehensive School Health Education, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. McCAIN:

S. 1349. A bill to amend the Internal Revenue Code of 1986 to improve the portability of pension benefits, and for other purposes; to the Committee on Finance.

By Mr. BENTSEN (for himself and Mr. Packwood):

S. 1350. A bill to make technical corrections to the Tax Reform Act of 1986, and for other purposes; to the Committee on Finance.

By Mr. MITCHELL (for himself, Mr. Chafee, Mr. Stafford, Mr. Baucus, Mr. Moynihan, Mr. Durenberger, Mr. Graham, Mr. Dodd, and Mr. Wirth):

S. 1351. A bill to amend the Clean Air Act to establish new requirements for areas that have not yet attained the health-protective ambient air quality standards, to provide new deadlines for such attainment, to delay the imposition of sanctions, and for other purposes; to the Committee on Environment and Public Works.

By Mr. HELMS:

S. 1352. A bill to control the progression of acquired immune deficiency syndrome; to the Committee on Governmental Affairs.

By Mr. GRASSLEY (for himself and Mr. Simon):

S.J. Res. 156. A joint resolution to establish a U.S. Commission on Improving the Effectiveness of the United Nations; to the Committee on Foreign Relations.

By Mr. GORE (for himself, Mr. Boschwitz, Mr. Bradley, Mr. Breaux, Mr. Bumpers, Mr. Burdick, Mr. Chafee, Mr. Chiles, Mr. Cochran, Mr. Conrad, Mr. D'Amato, Mr. Daschle, Mr. DeConcini, Mr. Dixon, Mr. Dole, Mr. Durenberger, Mr. Garn, Mr. Glenn, Mr. Grassley, Mr. Hatch, Mr. Helms, Mr. Hollings, Mr. Inouye, Mr. Johnston, Mr. Kennedy, Mr. Lautenberg, Mr. Levin, Mr. Matsunaga, Mr. McCain, Mr. McClure, Ms. Mikulski, Mr. Mitchell, Mr. Nunn, Mr. Pell, Mr. Pressler, Mr. Pryor, Mr. Reid, Mr. Riegle, Mr. Rockefeller, Mr. Roth, Mr. Sanford, Mr. Sasser, Mr. Shelby, Mr. Stafford, Mr. Stennis, Mr. Stevens, Mr. Symms, Mr. Thurmond, Mr. Warner, Mr. Wilson, and Mr. Wirth):

S.J. Res. 157. A joint resolution to designate the month of October 1987, as "Lupus Awareness Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LAUTENBERG (for himself and Mr. Byrd):

S. Res. 230. A resolution to call upon the Federal Aviation Administration to immediately implement the priority 1, urgent recommendation of the National Transportation Safety Board in connection with our air traffic control system; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BINGAMAN (for himself, Mr. Pell, Mr. Burdick, Mr. Daschle, and Mr. Conrad):

S. 1348: A bill to establish in the Department of Education and Office of Comprehensive School Health Education, and for other purposes; to the Committee on Labor and Human Resources.

OFFICE OF COMPREHENSIVE SCHOOL EDUCATION

Mr. BINGAMAN. Mr. President, today I am introducing, on behalf of myself and Senators Pell, Burdick, and Daschle, a bill to reestablish the Office of Comprehensive School Health Education within the Department of Education. A scaled-down version of this bill was included by Representative Dale Kildee in the House-passed omnibus education bill, H.R. 5. That bill is now before the Senate Labor and Human Resources Committee. I am pleased that both Houses of Congress are revisiting this important issue of health education in our schools.

In 1978, Congress created a new, direct grant program for school health education. Although draft regulations were issued for public comment, no final regulations were promulgated nor any grants made, largely because the Office was dismantled in 1981 in the reorganization of the Department of Education. Six years have passed and the state of our children's health continues to decline and our schools are not dealing with the downward slide. It is time once again to reestablish the Office of School Health.

We are our own worst enemy. Half of the deaths in this country are related to lifestyle. Heart disease, obesity, drug abuse, alcoholism, poor nutrition—all are rooted in the way we choose to live. Even worse, the AIDS epidemic spreading in the adult community today will filter down to our young people unless education and prevention of this disease is included in some form in our schools. Our children are learning all too well the bad health habits of adults. It is estimated that by 1991 the United States will be spending $8 billion in medical care for AIDS victims. More and more of our children will be among those victims unless a concerted education effort takes place now.

Communicable disease, however, is not the only enemy. George Allen, Chairman of the President's Council on Physical Fitness and Sports, calls the lack of youth fitness "the best kept secret in America today." Tests conducted by the President's Council tell us that 40 percent of boys and 70 percent of girls cannot do more than a single pullup. A third of all school-age boys and half of all girls cannot run a mile in less than 10 minutes.

Children in my own State of New Mexico are not as physically fit as they were a decade ago. A recent study by the Albuquerque public schools shows that children in that system scored below the national average in most tests for fitness and endurance—the problem appears to worsen as children grow older. A majority of boys in the Albuquerque system scored below the national average in cardiovascular endurance, agility, leg power, and flexibility. The girls scored below the national average on three tests—the 50-yard dash, agility and leg power.

It is also clear that we are not doing much better with nutrition and weight. The Public Health Service in its national children and youth fitness study found that "American young people have become fatter since the 1960's." A March article in U.S. News & World Report entitled. "Battling the Bulge at an Early Age," reported that a soon-to-be-released study finds that the proportion of children who are obese has risen by more than 40 percent just in the last 15 years. Experts speculate that eating fast foods high in salt and fat, while watching television, combine to cause much of our growing childhood obesity.

I strongly believe our best weapon against these unfortunate lifestyle trends is to institute comprehensive health education curricula in our schools. The pioneer of aerobic exercise, Dr. Kenneth Cooper, in a recent interview foresees a future of unhealthy adults as the kids of today grow up. He said, "we will see all the gains made against heart disease in the last 20 years wiped out in the next 20 years."

Schools present our best opportunity to reverse these trends. Yet, schools are failing to do so. Health education, unfortunately, is usually an elective that does not count toward graduation. In the most recent survey at least 20 States did not have health education consultants in their departments of education. I'm happy to report that New Mexico has such a consultant. I believe health education must be a core study—not an isolated or single-topic, optional course crammed into a high school senior's last semester. The bill I am introducing today would establish a focal point in the Federal Government for coordinating and carrying out health education programs among States and schools.

This bill mandates that this newly created Office of Comprehensive School Health Education shall encourage and support programs that stress physical health and well being and disease prevention as a part of the regular education program. This Office will also give technical support to States and local educational agencies, issue an annual report on the progress of the Office, and monitor the status of school health nationally. It will also cooperate with other Federal agencies to coordinate school health education programs.

The legislation will reinstitute a grant program for comprehensive school health education. The grants will be made to States and schools on a matching basis, with a 75-percent Federal share, and the remaining 25 percent contributed by a State or local educational agency. The grantee will guarantee that community health education resources with expertise in health education will be used; $20 million is authorized for each of 4 fiscal years.

By reestablishing the Office of Comprehensive School Health there will finally be a way to coordinate the numerous categorical programs in the Department of Education, and even more importantly, among the other Federal agencies. The National Institutes of Health, Centers for Disease Control, National Highway Traffic Safety Administration, Bureau of Maternal and Child Health, and the Office of Disease Prevention and Health Promotion all have an interest in school health and generate information aimed at informing the public of health issues. Yet no office within the Department of Education exists to distribute this information to the States and local educational agencies. Health education material and curricula developed by these agencies should be integrated and presented in a comprehensive school health education program.

This Office would encourage the creation and improvement of comprehensive health education programs in the States and localities. And it would supply a mechanism for other Federal agencies to funnel their health related information into the schools.

Mr. President, such an Office can quicken the use of Federal health research information and promotion, stimulate quality health education programs, encourage community involvement in health education curriculum decisions, and buttress States and local educational agencies with technical support.

This legislation has the support of the National School Health Education Coalition, the American College of Preventive Medicine, the Association for the Advancement of Health Education, and the American Alliance for Health, Physical Education, Recreation, and Dance.

Mr. President, I ask unanimous consent that letters from those organizations in support of this legislation be printed in the Record, along with the full text of the legislation.

I urge my colleagues to support the bill.

There being no objection, the material was ordered to be printed in the Record, as follows:

NATIONAL SCHOOL HEALTH
EDUCATION COALITION,
June 4, 1987.

Hon. JEFF BINGAMAN,
U.S. Senate, Washington, D.C.

DEAR SENATOR BINGAMAN: The National School Health Education Coalition (NaSHEC) commends you for your proposed legislation—*The Office of Comprehensive School Health Education Act of 1987.* This legislation, which proposes to establish a focal point for health education within the Department of Education; provide assistance to state and local education agencies; and establish a grant program to develop new and strengthen existing comprehensive health education programs is very much needed. Health education is essential if children are to achieve their fullest health potential. Members of NaSHEC believe that schools with trained educators are an excellent setting for delivering health education.

A growing body of research demonstrates that comprehensive school health education programs are key to improving students knowledge and the establishment of health lifestyles. The members of the National School Health Education Coalition believe it important that all elementary and secondary school students have access to comprehensive health education programs. Your proposed legislation is a step toward making this possible.

The National School Health Education Coalition, established in 1984, represents more than 50 national organizations who are interested in promoting high quality, comprehensive health education programs in elementary and secondary schools. Attached is additional information regarding NaSHEC, and a list of members who are actively supporting legislative efforts to secure school based health education programs.

Please feel free to contact me at (202) 789-0003 if NaSHEC can assist the Senate in making this important legislation a reality.

Sincerely,

WILLIAM M. KANE, Ph.D.,
Chairperson.

MEMBER ORGANIZATIONS SUPPORTING LEGISLATIVE OBJECTIVES, REVISED

Adventists Health Network.
American Assoc. of School Admin.
American Cancer Society.
American College of Preventive Medicine.
American Heart Association.
American Lung Association.
American Nurses Association—Council of Community Health Nurses.
American Optometric Association.
American School Health Association.
Association for the Advancement of Health Education.
Auxiliary to the American Dental Association.
Auxiliary to the American Optometric Association.
Education Development Center, Inc.
March of Dimes Birth Defects Foundation.
National Mental Health Association.
National Scoliosis Foundation, Inc.

THE AMERICAN COLLEGE OF
PREVENTIVE MEDICINE,
Washington, DC, June 4, 1987.

Hon. JEFF BINGAMAN,
U.S. Senate, Washington, DC.

DEAR SENATOR BINGAMAN: The American College of Preventive Medicine strongly supports your proposed legislation—*The Office of Comprehensive School Health Education Act of 1987.* This legislation, which proposes to establish a focal point for health education within the Department of Education; provide assistance to state and local education agencies; and establish a grant program to develop new and strengthen existing comprehensive health education programs is very much needed. The current health of children as well as their health as adults in future years is closely related to the quality of health knowledge and skills and the practice of healthy lifestyles. The schools with trained educators are an appropriate setting for delivery of health education.

A growing body of research demonstrates that comprehensive school health education programs improve students knowledge and act to "immunize" young people against unhealthy practices such as cigarette smoking. The Fellows of the American College of Preventive Medicine believe it is improtant that all elementary and secondary school students have access to comprehensive health education programs. This legislation is a step toward making this possible.

The American College of Preventive Medicine, established in 1954, is the medical speciality organization which represents physicians who are board certified in preventive medicine. Among its 2,300 members are researchers, public health officers, corporate medical directors, clinicians, and teachers.

Please feel free to contact me or ACPM staff if we can assist the Senate in making this important legislation a reality.

Sincerely,

JOHN M. LAST, M.D., M.P.H.,
President.

ASSOCIATION FOR THE ADVANCEMENT
OF HEALTH EDUCATION,
Reston, VA, June 4, 1987.

Hon. JEFF BINGAMAN,
HSOB, Washington, DC.

DEAR SENATOR BINGAMAN: On behalf of the Association for the Advancement of Health Education, please let me say that we are delighted with the legislation that has been developed under your leadership in support of the establishment of an Office of Comprehensive School Health Education within the Department of Education through "The Comprehensive School Health Education Act of 1987". We are pleased to forward this letter of support as you prepare to introduce the bill in the Senate. It is our sincere hope that this office will facilitate quality input from four perspectives:

1) that the Department of Education will be able to develop support staff with expertise in health education to assist in internal policy and program development

2) that the Department of Education will be able to provide routes of access to state and local education agencies, coordination, and technical assistance to other Federal agencies working with initiatives in school health education

3) that improved comprehensive school health education programs will be developed across the country through utilization of health education expertise in the development and supervision of such programs

4) that a wide variety of school systems will be able to enhance or develop quality health education programs through the use of grant funds provided by this legislation.

The need for increased and improved comprehensive health education programs across the United States is extensive, as you well know. The HealthNet program which you have been instrumental in organizing in New Mexico is an excellent model of how health promotion awareness and action can be improved with citizens of all ages. We are very pleased to have you involved through this legislation with the improvement of education programs to assist in health promotion and lifestyle choices for the youth of America.

Again, thank you for devoting your time, expertise, and concern to the development of this critically needed office and grant program. Please let me know if our organization can be of any assistance with this vital initiative.

Sincerely,

RICHARD L. PAPENFUSS, Ph.D.,
President.

AMERICAN ALLIANCE,
Reston, VA, June 4, 1987.

Senator JEFF BINGAMAN,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR BINGAMAN: As Executive Vice President of the American Alliance for Health, Physical Education, Recreation and Dance, I would like to express our enthusiastic support for your introduction of "The Office of Comprehensive School Health Education Act of 1987", and reaffirm our commitment to its successful passage. By creating a separate Office of Comprehensive School Health Education within the Department of Education, this bill will go a long way toward achieving the following critical goals:

Encourage the creation of comprehensive health education programs in the states and localities.

Improve existing health education programs through the use of grant funds specifically targeted for the development of quality programs.

Provide a mechanism for other federal agencies to funnel their health related information to the schools.

Your work in organizing HealthNet, New Mexico, your founding of the Senate Health Promotion Project, as well as your leadership and guidance in this important initiative, amply demonstrate your sincere commitment to the health issues affecting all Americans.

We are pleased to work with you and would like to extend to you our deep appreciation for devoting your time, expertise and concern to this critical effort. Please let me know if our organization can be of any assistance.

Sincerely,

F. HAL HAYWOOD, Ph.D.,
Acting Executive Vice President.

S. 1348

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Office of Comprehensive School Health Education Act of 1987".

FINDINGS AND PURPOSE

SEC. 2. (a) FINDINGS.—The Congress finds and declares that—

(1) there is an increased concern for physical health and wellbeing;

(2) an understanding of the principles of good health can play a vital role in preventing illness and diseases; and

(3) a Federal program is needed to assist State and local educational agencies in developing health education programs.

(b) PURPOSE.—It is the purpose of this Act to encourage and support programs that prepare students to maintain their physical health and wellbeing, and to prevent illnesses and diseases, as a part of the regular education program.

OFFICE OF COMPREHENSIVE SCHOOL HEALTH EDUCATION ESTABLISHED

Sec. 3. (a) Establishment of Office.—The Secretary of Education shall establish within the Department of Education an Office of Comprehensive School Health Education.

(b) Functions of Office.—The Secretary, through the Office established under subsection (a) of this section, shall—

(1) encourage State and local educational agencies to provide comprehensive school health education to the elementary and secondary school students in the schools of such agencies;

(2) provide technical support to State and local educational agencies on health education programs and curricula;

(3) make grants to State and local educational agencies in accordance with section 4;

(4) provide an annual report on the progress of the Office and the status of school health education in the United States;

(5) cooperate with other Federal agencies carrying out school health education programs to ensure coordination of such programs; and

(6) advise the Secretary on school health education policy.

GRANT PROGRAM AUTHORIZED

Sec. 4. (a) General Authority.—The Secretary is authorized to make grants to State and local educational agencies to pay the Federal share of the cost of establishing and improving comprehensive school health education programs.

(b) Uses of Grants.—Grants under this Act may be used for comprehensive school health education programs which may include—

(1) personal health and fitness;

(2) nutrition;

(3) mental and emotional health;

(4) prevention of chronic diseases;

(5) substance use and abuse;

(6) accident prevention and safety;

(7) community and environmental health;

(8) family life education;

(9) prevention and control of communicable diseases;

(10) effective use of the health services delivery system; and

(11) development and aging.

(c) Application.—No grant may be made under this section unless an application is submitted to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall—

(1) describe the comprehensive school health education program for which assistance is sought, particularly activities described in subsection (b);

(2) provide assurances that qualified health educators will teach or supervise the programs for which assistance is sought;

(3) provide assurances that the State or local educational agency will involve the community in the programs for which assistance is sought, including the use of nonprofit public agencies, organizations, and community-based organizations with expertise in the health education field in carrying out the program;

(4) provide assurances that the state will pay from non-Federal sources the non-Federal share of the cost of the program;

(5) provide assurances that assistance made available under this section will be used in a coordinated and cooperative manner with other health education related programs that the applicant may be undertaking and will not duplicate other health education programs.

(d) Federal Share.—The Federal share in each fiscal year shall be —— percent.

AUTHORIZATION OF APPROPRIATIONS

Sec. 5. There are authorized to be appropriated $20,000,000 for the fiscal year 1988 and for each of the four succeeding fiscal years to carry out the provisions of this Act.

By Mr. McCAIN:

S. 1349. A bill to amend the Internal Revenue Code of 1986 to improve the portability of pension benefits and for other purposes; to the Committee on Finance.

PENSION PORTABILITY ACT

● Mr. McCAIN. Mr. President, I rise today to introduce the "Pension Portability Act of 1987." This legislation, which is being introduced in the House by Congressman Chandler of Washington State, will increase the portability of pension benefits and will strengthen the savings of our Nation's workers toward their retirement. It represents both the independent and collective thinking of myself and Congressman Chandler on the very important topic of retirement income for our Nation's work force.

Mr. President, today I'd like to address some of the effects that our Nation's current pension practices are having on the future retirement income of today's workers. Several factors merit discussion in this regard.

First, the weaknesses in pension availability, benefits, and portability are impeding the mobility of the work force. Many of today's workers are employed by companies that do not offer pension plans. For those who are enrolled in pension plans, they often find themselves unable to transfer their pension benefits when considering a job change. These factors are impeding the mobility of the work force during this period of economic and technological changes—a period during which workers need to be mobile. These factors also work against those workers who are mobile because they don't receive the full benefits from the pension plan they pay into. We must improve and update our pension laws to reflect the economic realities facing the more mobile work force of the 1980's and 1990's. This legislation is an important step toward that goal.

Second, few individuals who take a lump-sum payment when they leave a place of employment reinvest the money for their retirement. This results in a serious loss of retirement income for that worker, because that lump-sum represents the retirement benefits earned during that term of employment. Thus, the policy behind our pension laws—getting people to prepare financially for retirement—is not being fully realized.

Third, as women move in and out of the work force, due to childrearing and other reasons, they are being disproportionately hurt. The reason for this is that their worklife is more often broken up by movement in and out of the work force. The result being a fragmented approach to building financial security for retirement, due to the fact that many women end up working less total days and earning less total income during their work lives. Like others, they also stand to experience a loss of benefits if they do not reinvest their lump-sum payments. For these women, however, the effect can be greater due to the fewer number of working days in which to accrue retirement benefits.

Today I am introducing legislation that will increase the portability of pension benefits and will strengthen the savings of our Nation's workers toward their retirement. In addition, it will expand existing retirement arrangements to facilitate or mandate reinvestment of lump-sum payments. This will be accomplished either through an individual retirement account or the retirement plan of the new employer. Specifically, this legislation has four components.

First, it would prohibit, with few exceptions, employees from being able to spend a "cash-out" they might receive upon leaving a place of employment. Those exceptions are: The death of an employee, disability, medical expenses—including nursing home and long-term care insurance expenses—employee stock ownership plans, and divorce settlements. These exceptions provide flexibility for a person to meet major, costly crises in one's life, yet ensure that retirement funds will be used for retirement in all other cases.

Many retirement plans either permit or require a worker who changes jobs to "cash-out" his or her pension benefit, if the employee is vested. The Employee Benefit Research Institute [EBRI]—a major "think-tank" dedicated to employee benefit issues—has reported that 81 percent of the single-employer, primary, defined-contribution plans permit full cash-outs, and 39 percent of single-employer primary defined-benefit plans permit some kind of cash-out upon termination of employment. Further, EBRI has reported that a majority of these "cash-outs" are spent by the employee rather than saved for retirement.

Current projections are that, in the course of a career, the average worker will change jobs 10 to 11 times. When changing jobs, many individuals do not invest the preretirement cash-out received from their employer. Rather, they spend it. Ultimately this diminishes the level of retirement income for a great segment of our Nation's workers. Depending on the age of the employee, the benefit level, and the retirement plan, the result could be a loss of 34 to 72 percent of one's income at retirement.

So, in an effort to assure that individuals save the proceeds of their pension plan for their retirement, this legislation requires that the worker reinvest the money rather than spending it. Saving for the future is a good idea, even though it means you have to fight the tendency toward immediate gratification.

By permitting workers to tap into their retirement funds for medical expenses, such as nursing home and long-term care insurance, we make it easier for workers to pay for these major health care expenditures. We, in Congress, have set out to structure catastrophic health care coverage for the people of this country. In working on this issue, I believe we have come to the realization that such coverage must involve the participation of both the private and public sectors. Perhaps the best evidence for this is that the plans recently approved by the Senate Finance and House Ways and Means Committees address themselves only to the acute care needs of our Nation's elderly.

The fact that the proposals which have come forth from both the administration and Congress do not address themselves to the catastrophic health care needs of all Americans, is not coincidental. It is, rather, evidence of the realization that the cost of providing—through the Federal Government—catastrophic health care coverage for all Americans is prohibitive. In turning to the private sector, I believe we must ensure that individuals are able to provide for as much of their own coverage as is possible. In this vein, allowing individuals to tap their retirement funds for catastrophic health care expenses—of themselves and their family, we increase their capacity to meet these health care expenditures.

Second, this legislation would require an employer to offer the employee—upon separation from employment—the option of either transferring the value of their benefit to a new employer's retirement plan, or to a rollover IRA. Of course, the employee could elect to keep the benefits in the plan of the old employer, but the inevitable result of that would be a diminishing benefit.

By encouraging workers to transfer the value of their benefits to a new plan, upon separation from their previous employer, we are encouraging them to invest their money wisely. The benefit will grow at a greater rate in a new plan because it would freeze in the old employer's plan, due to the fact that no additional money is being added to the current benefit.

Third, this legislation would prohibit distribution at retirement prior to the age of 59½, with the exception of those covered under the early retirement provisions of the Tax Reform Act of 1986. The distribution would be tied to postretirement life expectancy; thus, prohibiting retirees from taking distribution in the form of lump-sum payments. This would make retirement income just what it is—retirement income.

Fourth, this legislation provides that any employer who does not currently offer a qualified plan, regardless of the number of employees, can provide for a simplified employee pension plan [SEP]. Currently, employers must have fewer than 25 employees in order to establish an SEP. This would remove that restriction and serve to broaden the number of small firms which are able to provide pensions for their employees. This will benefit a group of Americans often without pension benefits.

Mr. President, I believe the issue of pension portability is timely and ought to be considered by this body in the near future. The worker demographics of our society are currently undergoing a dramatic change. This change—evidenced through increased worker mobility and the need for increased mobility—is really attributed to three main factors.

First, career advancement for many in modern society involves the movement from one company to another, rather than movement within the same company. Without the ability to have their accumulated pension benefits "rolled over" into an individual retirement account or into a defined contribution plan, with a new employer, the result is a significant loss in pension benefits. According to the National Bureau of Economic Research, on average, workers over the age of 25 change jobs about every 6 years. Workers who change jobs only once reduce the value of their pensions by 28 percent and those changing jobs twice reduce the total by 57 percent.

Second, is the factor of geographic mobility. Workers move not only for reasons of career advancement, but out of a desire to stay employed. The economic health of many regions of the country fluctuate. For example, several years ago timber was a thriving industry on the west coast, recently it has been experiencing difficult times. On the other hand, the high-technology industry in Arizona has been thriving during the last couple of years. Ten years ago, though, this industry did not offer that many jobs in Arizona. In short, people often have to move from, or to, a specific geographic location just to stay gainfully employed.

Third, is the movement in and out of the work force of women. Many women have taken time out of their careers to have children. Many women in our society change jobs after coming back to the work force, and as a result, suffer a loss in their pension benefits. A growing number of women are becoming covered under pension plans and are able to vest due to action which Congress has taken over the past couple of years. But as a group they still lag far behind men.

In 1984, we passed the Retirement Equity Act. This legislation included three provisions which have been beneficial to women. First, it changed the break in service rule. Second, it lowered the age for vesting from 21 to 18. Third, it changed the spousal annuity for joint and survivor benefit so that both the spouse and worker had to attest in writing if they wanted to wait to receive the benefit.

In 1986, we passed the Tax Reform Act. This legislation liberalized vesting into 1989.

Now is the time to take the third, and perhaps most significant, step and increase the portability of pension benefits. This will enable women, who move in and out of the work force, to accumulate benefits as opposed to being left with little or no benefit at retirement.

Mr. President, I believe this legislation will help assure people that the money they're putting into their pension plans will be there when they retire. The average worker will change jobs from 10 to 11 times in the course of a career. These changes—with the loss of accumulated service, and "cash-outs" of retirement benefits—can significantly diminish retirement income.

In addition, this legislation will protect their pension benefits for retirement use rather than permitting their use for immediate consumption, in encouraging individuals to participate in the effort to provide for protection from a catastrophic illness, and in reducing the extent of dependence on Social Security as the major source of retirement income, and thus serve to reduce the suffering and needless worrying of our retirees.

Some of these provisions sound paternalistic—they require our work force to undertake financial planning for retirement in a way that they might not on their own. But we should proceed thoughtfully, nevertheless, for two reasons. First, the reality is that people do in fact too often put immediate consumption ahead of future planning and, like the children's story of the grasshopper and the ant, they end up suffering from that course of action. It is appropriate for Congress to encourage more thoughtful planning. Second, we must face the reality that when people have failed to plan for their retirement, the Government often shares in their financial burden by providing assistance. We have a reason to ensure that our aging work force is financially preparing itself properly for retirement.

Before I conclude I would like to take a moment to touch on an issue that I have only briefly mentioned thus far. This is the issue of individuals relying on Social Security as their primary, or sole, source of retirement income.

Mr. President, time and time again I and my colleagues have had to grapple with decisions regarding increases in Social Security benefits—the impact of which is felt deeply by many of today's retirees because of their dependence on these benefits. At the same time, however, we have been permitting employees to spend their cashouts instead of investing them for their retirement.

Social Security was created in 1935 with the intention that it supplement the retirement income of individuals so that no retiree would fall under a certain level of retirement income. This would guarantee that those who participated in the Social Security System during their work lives would be entitled to a minimum basic retirement benefit—not a full pension that would be sufficient to live a life of comfort. It is my belief that this legislation will serve to undergird the Social Security System, thus returning it to its original role as a supplemental retirement program.

Mr. President, I hope that my colleagues will join me in the effort to increase the portability of our Nation's employees' retirement income by cosponsoring this legislation.●

By Mr. BENTSEN (for himself and Mr. Packwood):

S. 1350. A bill to make technical corrections to the Tax Reform Act of 1986, and for other purposes; to the Committee on Finance.

TECHNICAL CORRECTIONS ACT

Mr. BENTSEN. Mr. President, I am pleased to introduce today the Technical Corrections Act of 1987. The bill proposes technical corrections to the Tax Reform Act of 1986. I am joined in introducing this bill by the distinguished ranking minority member of the Finance Committee, Senator Packwood. An identical bill is being introduced today in the House of Representatives by the chairman and ranking member of the Ways and Means Committee, Mr. Rostenkowski and Mr. Duncan.

The introduction of this bill is one of the final steps in the process of tax reform. Last year's tax reform bill consisted of almost 1,000 pages of statutory text. Some of the provisions in the bill are extraordinarily complicated, and many of the provisions were drafted quickly and under great pressure. It is no great surprise that many clerical and technical errors have come to light since the conference committee filed the bill last September. At the end of the last Congress, there was an effort by then-Chairman Packwood and Chairman Rostenkowski to correct some of those errors. Different versions of a corrections resolution (H. Con. Res. 395) passed both the House and the Senate, but the Congress adjourned sine die before final agreement could be reached.

The bill we introduce today is designed to complete the technical corrections process. Since January of this year, the staffs of the Finance Committee, the Ways and Means Committee, the Joint Committee on Taxation, and the Treasury Department have been meeting almost daily to identify and analyze technical problems with the bill. They have sifted through thousands of requests and suggestions from the public and from tax professionals. They recommended to the chairmen and ranking minority members of the Finance Committee and the Ways and Means Committee about 450 pages of technical corrections. They also identified for us the areas of controversy and uncertainty.

Mr. Rostenkowski and I, together with our ranking minority members, reviewed the staff package and cleared up the uncertainties. Our goal was to construct a bill that is truly limited to technical amendments, one that implements the policies adopted last year. We tried to clear up as many statutory ambiguities as possible, and redraft statutory provisions that fail to achieve their intended purposes. We tried to supply adequate guidance to taxpayers and to the Treasury Department for implementing decisions made last year.

One of the major tasks we encountered in putting the bill together was clearing up the numerous controversies reflected in the different versions of House Concurrent Resolution 395 last year. In carrying out this task, we attempted to accommodate the interests of each body as much as reasonably possible; we made it our goal not to frustrate the legitimate expectations created by inclusion of provisions in the various versions of the resolution last year.

What this bill clearly does not do, Mr. President, is attempt to change substantive decisions that were made in the tax reform process. There were many decisions made last year that one or more of us think were clearly wrong. We may think that some of the policies reflected in the tax reform bill are unfair or that they provide the wrong incentives. But we have not attempted to address those matters in this bill. In short, what we have tried to put together here is a sound piece of legislation that implements the tax reform bill but does not revise its basic policies.

It is important that this bill be enacted as soon as possible. Many individuals, many businesses, many State and local governments are living or operating under a cloud until this bill passes. It may be perfectly clear how a provision is intended to function, but until the provision is drafted to achieve its intended function, some taxpayers face uncertainty. We can end the uncertainty if we act in a timely fashion.

The bill we are introducing today, like the Tax Reform Act itself, is a lengthy, complicated document. Such is the nature of our tax laws today. Given the length and complexity of the bill, I will not endeavor to explain the bill in this statement. Rather, the Joint Tax Committee staff is in the process of preparing a pamphlet explaining each provision in the bill. The pamphlet will be available to the public.

Mr. President, Senator Packwood and I look forward to the support of our colleagues for this important measure. I would also like to ask for unanimous consent that the text of the bill be printed in the Record.

Mr. PACKWOOD. Mr. President, I am pleased to join with Senator Bentsen today to introduce the Technical Corrections Act of 1987.

Last year, we completed an historic overhaul of the Federal Tax Code. The final conference report contained 925 pages of statutory changes and 886 pages of statement of the managers. Whenever you undertake such a major rewrite of the Tax Code, no matter how hard you try, there are always inadvertent drafting errors which prevent some of the provisions from becoming effective or from working as intended. The Tax Reform Act of 1986 is no different.

The bill we are introducing today corrects the drafting mistakes made last year in the Tax Reform Act. It is intended to make only technical, not substantive, corrections. The bill represents a joint effort of the majority and minority tax staffs of the Finance Committee and the House Committee on Ways and Means, and also those of the Joint Committee on Taxation and the Treasury Department. The process has been a model of cooperation and professionalism. I want to thank these staffs for an outstanding job.

I urge the Finance Committee to act as quickly as possible on this bill. This will eliminate many uncertainties about the changes we made to the Tax Code last year.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1350

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; ETC.

(a) Short Title.—This Act may be cited as the "Technical Corrections Act of 1987".

(b) Definitions.—For purposes of this Act—

(1) 1986 code.—The term "1986 Code" means the Internal Revenue Code of 1986.

(2) Reform Act.—Except where incompatible with the intent, the term "Reform Act" means the Tax Reform Act of 1986.

(c) Table of Contents.—

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TITLE I—TECHNICAL CORRECTIONS TO TAX REFORM ACT OF 1986

SEC. 101. AMENDMENTS RELATED TO TITLE I OF THE REFORM ACT.

(a) Amendments Related to Section 101 of the Reform Act.—

(1) Paragraph (2) of section 6867(b) of the 1986 Code is amended by striking out "at a 50-percent rate" and inserting in lieu thereof "at the highest rate of tax specified in section 1".

(2)(A) Section 531 of the 1986 Code is amended to read as follows:

"SEC. 531. IMPOSITION OF ACCUMULATED EARNINGS TAX.

"In addition to other taxes imposed by this chapter, there is hereby imposed for each taxable year on the accumulated taxable income (as defined in section 535) of each corporation described in section 532, an accumulated earnings tax equal to 28 percent of the accumulated taxable income."

(B) The amendment made by subparagraph (A) shall apply to taxable years beginning after December 31, 1987. Such amendment shall not be treated as a change in a rate of tax for purposes of section 15 of the 1986 Code.

(b) Amendments Related to Section 102 of the Reform Act.—

(1) Paragraph (5) of section 63(c) of the 1986 Code is amended—

(A) by striking out "the standard deduction applicable" and inserting in lieu thereof "the basic standard deduction applicable", and

(B) by striking out "STANDARD DEDUCTION" in the paragraph heading and inserting in lieu thereof "BASIC STANDARD DEDUCTION".

(2) Subclause (I) of section 6012(a)(1)(C)(i) of the 1986 Code is amended to read as follows:

"(I) income (other than earned income) in excess of the sum of the amount in effect under section 63(c)(5)(A) plus the additional standard deduction (if any) to which the individual is entitled, or".

(c) Amendment Related to Section 111 of the Reform Act.—Paragraph (3) of section 32(i) of the 1986 Code is amended to read as follows:

"(3) Rounding.—If any dollar amount after being increased under paragraph (1) is not a multiple of $10, such dollar amount shall be rounded to the nearest multiple of $10 (or, if such dollar amount is a multiple of $5, such dollar amount shall be increased to the next higher multiple of $10)."

(d) Amendments Related to Section 123 of the Reform Act.—

(1)(A) Clause (ii) of section 4941(d)(2)(G) of the 1986 Code is amended to read as follows:

"(ii) scholarships and fellowship grants which would be subject to the provisions of section 117(a) (as in effect on the day before the date of the enactment of the Tax Reform Act of 1986) and are to be used for study at an educational organization described in section 170(b)(1)(A)(ii),".

(B) Paragraph (1) of section 4945(g) of the 1986 Code is amended to read as follows:

"(1) the grant constitutes a scholarship or fellowship grant which would be subject to the provisions of section 117(a) (as in effect on the day before the date of the enactment of the Tax Reform Act of 1986) and is to be used for study at an educational organization described in section 170(b)(1)(A)(ii),".

(2)(A) The second sentence of section 1441(b) of the 1986 Code is amended to read as follows: "The items of income referred to in subsection (a) from which tax shall be deducted and withheld at the rate of 14 percent are amounts which are received by a nonresident alien individual who is temporarily present in the United States as a nonimmigrant under subparagraph (F), (J), or (M) of section 101(a)(15) of the Immigration and Nationality Act and which are—

"(1) incident to a qualified scholarship to which section 117(a) applies, but only to the extent includible in gross income; or

"(2) in the case of an individual who is not a candidate for a degree at an educational organization described in 170(b)(1)(A)(ii), granted by—

"(A) an organization described in section 501(c)(3) which is exempt from tax under section 501(a),

"(B) a foreign government,

"(C) an international organization, or a binational or multinational educational and cultural foundation or commission created or continued pursuant to the Mutual Educational and Cultural Exchange Act of 1961, or

"(D) the United States, or an instrumentality or agency thereof, or a State, or a possession of the United States, or any political subdivision thereof, or the District of Columbia,

as a scholarship or fellowship for study, training, or research in the United States."

(B) Subsection (c) of section 871 of the 1986 Code is amended—

(i) by striking out "section 1441(b)(1) or (2)" and inserting in lieu thereof "the second sentence of section 1441(b)"; and

(ii) by striking out "(F) or (J)" each place it appears and inserting in lieu thereof "(F), (J), or (M)".

(C) The following provisions of the 1986 Code are each amended by striking out "(F) or (J)" each place it appears and inserting in lieu thereof "(F), (J), or (M)":

(i) Section 3121(b)(19).

(ii) Section 3231(e).

(iii) Section 3306(c)(19).

(D) Clause (i)(I) of section 7701(b)(5)(D) of the 1986 Code is amended by striking out "subparagraph (F)" and inserting in lieu thereof "subparagraph (F) or (M)".

(E) Section 210(a)(19) of the Social Security Act is amended by striking out "(F) or (J)" each place it appears and inserting in lieu thereof "(F), (J), or (M)".

(e) Amendment Related to Section 131 of the Reform Act.—Subsection (f) of section 86 of the 1986 Code is amended by inserting "and" at the end of paragraph (3), by striking out paragraph (4), and by redesignating paragraph (5) as paragraph (4).

(f) Amendments Related to Section 132 of the Reform Act.—

(1) Section 67 of the 1986 Code is amended by adding at the end thereof the following new subsection:

"(f) Coordination With Other Limitation.—This section shall be applied before the application of the dollar limitation of the last sentence of section 162(a) (relating to trade or business expenses)."

(2) Paragraph (4) of section 67(b) of the 1986 Code is amended—

(A) by striking out "deduction" and inserting in lieu thereof "deductions", and

(B) by inserting before the comma at the end thereof "and section 642(c) (relating to deduction for amounts paid or permanently set aside for a charitable purpose)".

(3) Subsection (e) of section 67 of the 1986 Code is amended to read as follows:

"(e) Determination of Adjusted Gross Income in Case of Estates and Trusts.—For purposes of this section, the adjusted gross income of an estate or trust shall be computed in the same manner as in the case of an individual, except that—

"(1) the deductions for costs which are paid or incurred in connection with the administration of the estate or trust and which would not have been incurred if the property were not held in such trust or estate, and

"(2) the deductions allowable under sections 651 and 661,

shall be treated as allowable in arriving at adjusted gross income."

(4) Subsection (c) of section 67 of the 1986 Code is amended by striking out the last sentence and inserting in lieu thereof the following: "The preceding sentence shall not apply—

"(A) with respect to cooperatives and real estate investment trusts, and

"(B) except as provided in regulations, with respect to estates and trusts."

(g) Amendments Related to Section 142 of the Reform Act.—

(1) Subparagraph (A) of section 274(n)(2) of the 1986 Code is amended to read as follows:

"(A) such expense is described in paragraph (2), (3), (4), (7), (8), or (9) of subsection (e),".

(2) Paragraph (2) of section 274(k) of the 1986 Code is amended to read as follows:

"(2) Exceptions.—Paragraph (1) shall not apply to—

"(A) any expense described in paragraph (2), (3), (4), (7), (8), or (9) of subsection (e), and

"(B) any other expense to the extent provided in regulations."

(3) Clause (ii) of section 274(m)(1)(B) of the 1986 Code is amended to read as follows:

"(ii) any expense described in paragraph (2), (3), (4), (7), (8), or (9) of subsection (e).".

(h) Amendment Related to Section 143 of the Reform Act.—Paragraph (5) of section 280A(c) of the 1986 Code is amended by adding at the end thereof the following new sentence: "Any amount taken into account for any taxable year under the preceding sentence shall be subject to the limitation of the 1st sentence of this paragraph whether or not the dwelling unit is used as a residence during such taxable year."

SEC. 102. AMENDMENTS RELATED TO TITLE II OF THE REFORM ACT.

(a) Amendments Related to Section 201 of the Reform Act.—

(1) Subsection (d) of section 1250 of the 1986 Code is amended by striking out paragraph (11).

(2) Subparagraph (B) of section 201(d)(14) of the Reform Act is amended by striking out "section 168(c)(2)(F)" and inserting in lieu thereof "within the meaning of section 168(c)(2)(F)".

(3) Paragraph (4) of section 312(k) of the 1986 Code is amended by striking out "paragraphs (1) and (3)" and inserting in lieu thereof "paragraph (1)".

(4) Paragraph (4) of section 46(e) of the 1986 Code is amended—

(A) by striking out "168(j)(6)" in subparagraph (B) and inserting in lieu thereof "168(i)(3)",

(B) by striking out "paragraphs (8) and (9) of section 168(j)" in subparagraph (D) and inserting in lieu thereof "paragraphs (5) and (6) of section 168(h)",

(C) by striking out "168(j)" in subparagraph (E) and inserting in lieu thereof "168(h)", and

(D) by striking out "168(j)(4)" in subparagraph (E) and inserting in lieu thereof "168(h)(2)".

(5) Clause (i) of section 168(d)(3)(A) of the 1986 Code is amended by striking out "and which are".

(6)(A) Subparagraph (B) of section 168(f)(5) of the 1986 Code is amended—

(i) by striking out "1st full taxable year" in clause (ii) and inserting in lieu thereof "1st taxable year", and

(ii) by striking out "or" at the end of clause (i), by striking out the period at the end of clause (ii) and inserting in lieu thereof ", or", and by adding at the end thereof the following new clause:

"(iii) any property to which this section (as amended by the Tax Reform Act of 1986) applied in the hands of the transferor."

(B) Paragraph (5) of section 168(f) of the 1986 Code is amended by adding at the end thereof the following new subparagraph:

"(C) Special rule.—In the case of any property to which this section would apply but for this paragraph, the depreciation deduction under section 167 shall be determined under the provisions of this section as in effect before the amendments made by section 201 of the Tax Reform Act of 1986."

(7)(A) Subparagraph (A) of section 168(i)(7) of the 1986 Code is amended by adding at the end thereof the following new sentence: "In any case where this section as in effect before the amendments made by section 201 of the Tax Reform Act of 1986 applied to the property in the hands of the transferor, the reference in the preceding sentence to this section shall be treated as a reference to this section as so in effect."

(B) Subparagraph (B) of section 168(i)(7) of the 1986 Code is amended to read as follows:

"(B) Transactions covered.—The transactions described in this subparagraph are—

"(i) any transaction described in section 332, 351, 361, 371(a), 374(a), 721, or 731, and

"(ii) any transaction between members of the same affiliated group during any taxable year for which a consolidated return is made by such group.

Subparagraph (A) shall not apply in the case of a termination of a partnership under section 708(b)(1)(B)."

(C) Subparagraph (D) of section 168(i)(7) of the 1986 Code is hereby repealed.

(8) Subparagraph (B) of section 168(h)(2) of the 1986 Code is amended to read as follows:

"(B) Exception for certain property subject to United States tax and used by foreign person or entity.—Clause (iii) of subparagraph (A) shall not apply with respect to any property if more than 50 percent of the gross income for the taxable year derived by the foreign person or entity from the use of such property is—

"(i) subject to tax under this chapter, or

"(ii) included under section 951 in the gross income of a United States shareholder for the taxable year with or within which ends the taxable year of the controlled foreign corporation in which such income was derived.

For purposes of the preceding sentence, any exclusion or exemption shall not apply for purposes of determining the amount of the gross income so derived, but shall apply for purposes of determining the portion of such gross income subject to tax under this chapter."

(9) Subsection (a) of section 178 of the 1986 Code is amended by striking out "the deduction allowable to a lessee of a lease for any taxable year for amortization under section 167, 169, 179, 185, 190, 193, or 194" and inserting in lieu thereof "the deduction allowable to a lessee for exhaustion, wear and tear, obsolescence, or amortization".

(10) Subparagraph (A) of section 280F(d)(3) of the 1986 Code is amended by striking out "any recovery deduction" and inserting in lieu thereof "any depreciation deduction".

(11)(A) Paragraph (2) of section 168(b) of the 1986 Code is amended to read as follows:

"(2) 150 percent declining balance method in certain cases.—Paragraph (1) shall be applied by substituting '150 percent' for '200 percent' in the case of—

"(A) any 15-year or 20-year property, or

"(B) any property (other than property described in paragraph (3)) with respect to which the taxpayer elects under paragraph (5) to have the provisions of this paragraph apply."

(B) Paragraph (5) of section 168(b) of the 1986 Code is amended by striking out "under paragraph (3)(C)" and inserting in lieu thereof "under paragraph (2)(B) or (3)(C)".

(C) Subsection (c) of section 168 of the 1986 Code is amended to read as follows:

"(c) Applicable Recovery Period.—For purposes of this section—

"(1) In general.—Except as provided in paragraph (2), the applicable recovery period shall be determined in accordance with the following table:

In the case of:	The applicable recovery period is:
3-year property	3 years
5-year property	5 years
7-year property	7 years
10-year property	10 years
15-year property	15 years
20-year property	20 years
Residential rental property	27.5 years
Nonresidential real property	31.5 years.

"(2) Property for which 150 percent method elected.—In the case of property to which an election under subsection (b)(2)(B) applies, the applicable recovery period shall be determined under the table contained in subsection (g)(2)(C)."

(12) Clause (i) of section 56(a)(1)(C) of the 1986 Code is amended by striking out "do not apply" and inserting in lieu thereof "do not apply by reason of section 203, 204, or 251(d) of such Act".

(13) The heading of paragraph (24) of section 381(c) of the 1986 Code is amended by striking out "recovery allowance for recovery property" and inserting in lieu thereof "depreciation deduction".

(14) Paragraph (5) of section 48(a) of the 1986 Code is amended—

(A) by striking out "168(j)(4)(C)" and inserting in lieu thereof "168(h)(2)(C)",

(B) by striking out "168(j)(4)(A)(iii)" and inserting in lieu thereof "168(h)(4)(A)(iii)",

(C) by striking out "168(j)(4)(B)" and inserting in lieu thereof "168(h)(2)(B)",

(D) by striking out "168(j)(6)" and inserting in lieu thereof "168(i)(3)",

(E) by striking out "168(j)(3)(C)(ii)" and inserting in lieu thereof "168(h)(1)(C)(ii)",

(F) by striking out "paragraphs (8) and (9) of section 168(j)" and inserting in lieu thereof "paragraphs (5) and (6) of section 168(h)", and

(G) by striking out "see section 168(j)" and inserting in lieu thereof "see section 168(h)".

(15) The last sentence of section 46(e)(3) of the 1986 Code is amended—

(A) by striking out "recovery property (within the meaning of section 168)" and inserting in lieu thereof "property to which section 168 applies",

(B) by striking out "present class life" and inserting in lieu thereof "class life", and

(C) by striking out "168(g)(2)" and inserting in lieu thereof "168(i)(1)".

(16)(A) Subsection (s) of section 48 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(9) Termination.—This subsection shall not apply to any property placed in service after December 31, 1985, unless such property is transition property (as defined in section 49(e)(1))."

(B) Paragraph (4) of section 168(f) of the 1986 Code is amended to read as follows:

"(4) Sound recordings.—Any works which result from the fixation of a series of musical, spoken, or other sounds, regardless of the nature of the material (such as discs, tapes, or other phonorecordings) in which such sounds are embodied."

(17) Paragraph (7) of section 46(c) of the 1986 Code is amended—

(A) by striking out "recovery property" and inserting in lieu thereof "property to which section 168 applies",

(B) by striking out "168(c)" each place it appears and inserting in lieu thereof "168(e)",

(C) by striking out "168(f)(3)(B)" and inserting in lieu thereof "168(f)(3)(B) (as in effect on the day before the date of the enactment of the Tax Reform Act of 1986)", and

(D) by striking out "RECOVERY PROPERTY" in the paragraph heading and inserting in lieu thereof "PROPERTY TO WHICH SECTION 168 APPLIES".

(18) Paragraph (1) of section 47(d) of the 1986 Code is amended by striking out "section 48(c)(8)(C)"
and inserting in lieu thereof "section 46(c)(8)(C)".

(19) Paragraph (1) of section 179(d) of the 1986 Code is amended by striking out "recovery property" and inserting in lieu thereof "tangible property (to which section 168 applies)".

(20) Section 48 of the 1986 Code is amended by redesignating the subsection (s) relating to cross references as subsection (t).

(b) Amendments Related to Section 202 of the Reform Act.—

(1) Paragraph (3) of section 179(b) of the 1986 Code is amended to read as follows:

"(3) Limitation based on income from trade or business.—

"(A) In general.—The amount allowed as a deduction under subsection (a) for any taxable year (determined after the application of paragraphs (1) and (2)) shall not exceed the aggregate amount of taxable income of the taxpayer for such taxable year which is derived from the active conduct by the taxpayer of any trade or business during such taxable year.

"(B) Carryover of disallowed deduction.—The amount allowable as a deduction under subsection (a) for any taxable year shall be increased by the lesser of—

"(i) the aggregate amount disallowed under subparagraph (A) for all prior taxable years (to the extent not previously allowed as a deduction by reason of this subparagraph), or

"(ii) the excess (if any) of—

"(I) the limitation of paragraphs (1) and (2) (or if lesser, the aggregate amount of taxable income referred to in subparagraph (A)), over

"(II) the amount allowable as a deduction under subsection (a) for such taxable year without regard to this subparagraph.

"(C) Computation of taxable income.—For purposes of this paragraph, taxable income derived from the conduct of a trade or business shall be computed without regard to the deduction allowable under this section."

(2) Paragraph (1) of section 280F(d) of the 1986 Code is amended by striking out "subsections (a) and (b)" and inserting in lieu thereof "subsections (a) and (b), and the limitation of paragraph (3) of this subsection,".

(c) Amendments Related to Section 203 of the Reform Act.—

(1) Subparagraph (B) of section 203(a)(1) of the Reform Act is amended by adding at the end thereof the following new sentence: "No election may be made under this subparagraph with respect to property to which section 168 of the Internal Revenue Code of 1986 would not apply by reason of section 168(f)(5) of such Code if such property were placed in service after December 31, 1986."

(2) Subsection (d) of section 203 of the Reform Act is amended—

(A) by striking out "the case of any taxable year" and inserting in lieu thereof "the case of any taxable year beginning before 1987", and

(B) by adding at the end thereof the following new sentence: "The preceding sentence shall only apply to property which would be taken into account if such amendments did apply."

(3) Notwithstanding section 203 of the Reform Act, the amendments made by section 201 of the Reform Act shall apply to any real property which was acquired before January 1, 1987, and was converted on or after such date from personal use to a use for which depreciation is allowable.

(4) Paragraph (1) of section 203(b) of the Reform Act is amended by adding at the end thereof the following new sentence:
"For purposes of this paragraph, all members of the same affiliated group of corporations (within the meaning of section 1504 of the Internal Revenue Code of 1986) filing a consolidated return shall be treated as one taxpayer."

(5) Paragraph (1) of section 203(c) of the Reform Act is amended by striking out "Subparagraph" and inserting in lieu thereof "Except as otherwise provided, subparagraph".

(6) Clause (i) of section 203(b)(2)(C) of the Reform Act is amended by striking out "shall be the class life" and inserting in lieu thereof "applies shall be the class life".

(d) Amendments Related to Section 204 of the Reform Act.—

(1) Subparagraph (B) of section 204(a)(1) of the Reform Act is amended by striking out "and" at the end of clause (ii), by striking out the period at the end of clause (iii) and inserting in lieu thereof ", and", and by inserting after clause (iii) the following new clause:

"(iv) described in subparagraph (F) or (H)."

(2) Subparagraph (C) of section 204(a)(1) of the Reform Act is amended by striking out the last sentence and inserting in lieu thereof the following:

"For purposes of this subparagraph, section 203(b)(2) shall be applied by substituting 'January 1, 1994' for 'January 1, 1991' each place it appears."

(3) Subparagraph (E) of section 204(a)(1) of the Reform Act is amended by striking out the last sentence and inserting in lieu thereof the following: "For purposes of this subparagraph, section 203(b)(2) shall be applied by substituting 'January 1, 1998' for 'January 1, 1991' each place it appears."

(4) Subparagraph (F) of section 204(a)(1) of the Reform Act is amended—

(A) by striking out "paragraph" and inserting in lieu thereof "subparagraph",

(B) by striking out ", or" at the end of clause (iii) and inserting in lieu thereof a period, and

(C) by striking out so much of clause (iv) as precedes subclause (I) thereof and inserting in lieu thereof the following:

"A project is also described in this subparagraph if it is a mixed-use development which is—".

(5) The last sentence of section 204(a)(1)(F) of the Reform Act is amended—

(A) by striking out "subsection (b)(2)" and inserting in lieu thereof "section 203(b)(2)", and

(B) by striking out "1993" and inserting in lieu thereof "1998".

(6) Subparagraph (H) of section 204(a)(1) of the Reform Act is amended by striking out "July 1, 1986" and inserting in lieu thereof "June 30, 1986".

(7)(A) Paragraph (4) of section 204(a) of the Reform Act is amended to read as follows:

"(4) Property treated under prior tax acts.—The amendments made by section 201 shall not apply—

"(A) to property described in section 12(c)(2) (as amended by the Technical Corrections Act of 1987), 31(g)(5), or 31(g)(17)(J) of the Tax Reform Act of 1984,

"(B) to property described in section 209(d)(1)(B) of the Tax Equity and Fiscal Responsibility Act of 1982, as amended by the Tax Reform Act of 1984, and

"(C) to property described in section 216(b)(3) of the Tax Equity and Fiscal Responsibility Act of 1982."

(B) Paragraph (2) of section 12(c) of the Tax Reform Act of 1984 is amended by striking out "which is placed in service before January 1, 1988".

(8) Subparagraph (K) of section 204(a)(5) of the Reform Act is amended—

(A) by striking out "either" in the matter preceding clause (i),

(B) by striking out "super calendar" in clause (i) and inserting in lieu thereof "supercalendered",

(C) by striking out "were incurred" in clause (i) and inserting in lieu thereof "was incurred", and

(D) by inserting "the project" before "involves" in clause (v).

(9) Paragraph (5) of section 204(a) of the Reform Act is amended by adding at the end thereof the following new subparagraph:

"(Z) A project is described in this subparagraph if—

"(i) such project involves a fiber optic network of at least 475 miles, passing through Minnesota and Wisconsin; and

"(ii) before January 1, 1986, at least $15,000,000 was expended or committed for electronic equipment or fiber optic cable to be used in constructing the network."

(10)(A) Paragraph (8) of section 204(a) of the Reform Act is amended by striking out the period at the end of subparagraph (C) and inserting in lieu thereof a comma, and by adding at the end thereof the following new subparagraphs:

"(D) a bond volume carryforward election was made for the facility and the facility is for Chattanooga, Knoxville, or Kingsport, Tennessee, or

"(E) such facility is to serve Haverhill, Massachusetts."

(B) Paragraph (8) of section 204(a) of the Reform Act is amended by striking out ", and section 203(c)".

(11) Paragraph (10) of section 204(a) of the Reform Act is amended—

(A) by striking out "either" in the material preceding subparagraph (A),

(B) by striking out "wastewater treatment facility" in subparagraph (C) and inserting in lieu thereof "wastewater treatment facility serving Greenville, South Carolina", and

(C) by striking out "the letter of intent and service agreement described in subparagraph (A)(2) of this paragraph" in subparagraph (D) and inserting in lieu thereof "such letter of intent and service agreement".

(12) Paragraph (11) of section 204(a) of the Reform Act is amended—

(A) by striking out "Kansas, Florida, Georgia, or Texas" in subparagraph (A) and inserting in lieu thereof "the United States",

(B) by striking out "the purchase" in subparagraph (C) and inserting in lieu thereof "the purchaser", and

(C) by striking out the last sentence.

(13) Paragraph (14) of section 204(a) of the Reform Act is amended by striking out the period at the end of subparagraph (E) and inserting in lieu thereof a comma, and by inserting after subparagraph (E) the following:

"(F) the project has a planned scheduled capacity of approximately 38,000 kilowatts, the project property is placed in service before January 1, 1991, and the project is operated, established, or constructed pursuant to certain agreements, the negotiation of which began before 1986, with public or municipal utilities conducting business in Massachusetts, or

"(G) the Board of Regents of Oklahoma State University took official action on July 25, 1986, with respect to the project.

In the case of the project described in subparagraph (F), section 203(b)(2)(A) shall be applied by substituting 'January 1, 1991' for 'January 1, 1989'."

(14) Paragraph (15) of section 204(a) of the Reform Act is amended—

(A) by adding "located in New Mexico" after "to a project",

(B) by striking out "$72,000" and inserting in lieu thereof "$72,000,000", and

(C) by striking out the last sentence and inserting in lieu thereof the following: "For purposes of this paragraph, section 203(b)(2) shall be applied by substituting 'January 1, 1996' for 'January 1, 1991' each place it appears."

(15) Paragraph (24) of section 204(a) of the Reform Act is amended by adding at the end thereof the following new subparagraphs:

"(E) The amendments made by section 201 shall not apply to the Muskegon, Michigan, Cross-Lake Ferry project having a projected cost of approximately $7,200,000.

"(F) The amendments made by section 201 shall not apply to a new automobile carrier vessel, the contract price for which is no greater than $28,000,000, and which will be constructed for and placed in service by OSG Car Carriers, Inc., to transport, under the United States flag and with an American crew, foreign automobiles to North America in a case where negotiations for such transportation arrangements commenced in 1985, and definitive transportation contracts were awarded before June 1986."

(16) Paragraph (25) of section 204(a) of the Reform Act is amended by striking out "wood energy products" and inserting in lieu thereof "wood energy projects".

(17) Paragraph (27) of section 204(a) of the Reform Act is amended—

(A) in subparagraph (A)—

(i) by striking out "$400,000,000" and inserting in lieu thereof "$500,000,000", and

(ii) by striking out "letter of intent" and inserting in lieu thereof "memorandum of terms",

(B) in subparagraph (B), by striking out "525,000" and inserting in lieu thereof "540,000",

(C) in subparagraph (C)—

(i) by striking out "$32,000,000" and inserting in lieu thereof "$22,000,000", and

(ii) by striking out "before" and inserting in lieu thereof "on",

(D) in subparagraph (D), by striking out "and 7th Avenue", and

(E) in subparagraph (H), by striking out "$62,000" and inserting in lieu thereof "$62,600,000".

(18) Paragraph (27) of section 204(a) of the Reform Act is amended by adding at the end thereof the following:

"(I) A 600,000 square foot mixed use building known as Flushing Center with respect to which a letter of intent was executed on March 26, 1986.

In the case of the building described in subparagraph (I), section 203(b)(2)(A) shall be applied by substituting 'January 1, 1993' for the applicable date which would otherwise apply."

(19) Paragraph (31) of section 204(a) of the Reform Act is amended by striking out "$10,200,000" and inserting in lieu thereof "$10,500,000".

(20) Paragraph (32) of section 204(a) of the Reform Act is amended—

(A) in subparagraph (A)—

(i) by striking out "July 30, 1984" and inserting in lieu thereof "December 26, 1985",

(ii) by striking out "February 28, 1985" and inserting in lieu thereof "July 2, 1986", and

(iii) by striking out "on June 17, 1985" and inserting in lieu thereof "in May 1985",

(B) in subparagraph (B)—

(i) by striking out "August 30, 1984" and inserting in lieu thereof "December 26, 1985",

(ii) by striking out "May 4, 1985" and inserting in lieu thereof "July 2, 1986", and

(iii) by striking out "on July 3, 1985" and inserting in lieu thereof "in July 1985",

(C) in subparagraph (E)—

(i) by striking out "$2,200,000" and inserting in lieu thereof "$5,000,000",

(ii) by striking out "on January 27, 1986" and inserting "in 1986", and

(iii) by inserting "in Masontown, Pennsylvania," after "plant",

(D) by amending subparagraph (K) to read as follows:

"(K) A 250 megawatt coal-fired electric plant in northeastern Nevada estimated to cost $600,000,000 and known as the Thousand Springs project, on which the Sierra Pacific Power Company, a subsidiary of Sierra Pacific Resources, began in 1980 work to design, finance, construct, and operate (and section 203(b)(2) shall be applied with respect to such plant by substituting 'January 1, 1995' for 'January 1, 1991'),",

(E) in subparagraph (L), by inserting "in connection with" after "housing",

(F) by amending subparagraph (M) to read as follows:

"(M) property which is part of the Kenosha Downtown Redevelopment Project and which is financed with the proceeds of bonds issued pursuant to section 1317(6)(W),",

(G) in subparagraph (O), by striking out "New Orleans, Louisiana" and inserting in lieu thereof "Pensacola, Florida", and

(H) in subparagraph (S)—

(i) by inserting "to be" before "placed",

(ii) by inserting "Coal" before "Company",

(iii) by inserting "(or any subsidiary thereof)" after "Company", and

(iv) by striking out "on December 31, 1985" and inserting in lieu thereof "by December 31, 1985".

(21) Subparagraph (T) of section 204(a)(32) of the Reform Act is amended to read as follows:

"(T) a portion of a fiber optics network placed in service by Kansas City Southern Industries after December 31, 1988, but only to the extent the cost of such portion does not exceed $25,000,000,".

(22) Subparagraph (U) of section 204(a)(32) of the Reform Act is amended by striking out "placed in service" and inserting in lieu thereof "constructed".

(23) Subparagraph (X) of section 204(a)(32) of the Reform Act is amended by striking out "the home rule city and the State housing finance agency adopted inducement resolutions on December 20, 1985" and inserting in lieu thereof "the home rule city on December 4, 1985, and the State housing finance agency on December 20, 1985, adopted inducement resolutions".

(24) Subparagraph (C) of paragraph (33) of section 204(a) of the Reform Act is amended to read as follows:

"(C)(i) a waste-to-energy project in Derry, New Hampshire, costing approximately $60,000,000, and

"(ii) a waste-to-energy project in Manchester, New Hampshire, costing approximately $60,000,000".

(25) Paragraph (33) of section 204(a) of the Reform Act is amended by striking out "and" at the end of subparagraph (J), by striking out the period at the end of subparagraph (K) and inserting in lieu thereof ", and", and by inserting after subparagraph (K) the following:

"(L) A cogeneration facility to be built at a paper company in Turners Falls, Massachusetts, with respect to which a letter of intent was executed on behalf of the paper company on September 26, 1985."

(26) Subsection (a) of section 204 of the Reform Act is amended by adding at the end thereof the following new paragraphs:

"(34) The amendments made by section 201 shall not apply to an approximately 240,000 square foot beverage container manufacturing plant located in Batesville, Mississippi, or plant equipment used exclusively on the plant premises if—

"(A) a 2-year supply contract was signed by the taxpayer and a customer on November 1, 1985,

"(B) such contract further obligated the customer to purchase beverage containers for an additional 5-year period if physical signs of construction of the plant are present before September 1986,

"(C) ground clearing for such plant began before August 1986, and

"(D) construction is completed, the equipment is installed, and operations are commenced before July 1, 1987.

"(35) The amendments made by section 201 shall not apply to any property which is part of the multifamily housing at the Columbia Point Project in Boston, Massachusetts.

"(36) The amendments made by section 201 shall not apply to any ethanol facility located in Blair, Nebraska, if—

"(A) in July of 1984 an initial binding construction contract was entered into for such facility,

"(B) in June of 1986, certain Department of Energy recommended contract changes required a change of contractor, and

"(C) in September of 1986, a new contract to construct such facility, consistent with such recommended changes, was entered into.'

"(37) The amendments made by section 201 shall not apply to any property which is part of a sewage treatment facility if, prior to January 1, 1986, the City of Conyers, Georgia, selected a privatizer to construct such facility, received a guaranteed maximum price bid for the construction of such facility, signed a letter of intent and began substantial negotiations of a service agreement with respect to such facility.

"(38) The amendments made by section 201 shall not apply to—

"(A) a $28,000,000 wood resource complex for which construction was authorized by the Board of Directors on August 9, 1985,

"(B) an electrical cogeneration plant in Bethel, Maine which is to generate 2 megawatts of electricity from the burning of wood residues, with respect to which a contract was entered into on July 10, 1984, and with respect to which $200,000 of the expected $2,000,000 cost had been committed before June 15, 1986,

"(C) a mixed income housing project in Portland, Maine which is known as the Back Bay Tower and which is expected to cost $17,300,000,

"(D) the Eastman Place project and office building in Rochester, New York, which is projected to cost $20,000,000, with respect to which an inducement resolution was adopted in December 1986, and for which a binding contract of $500,000 was entered into on April 30, 1986,

"(E) the Marquis Two project in Atlanta, Georgia which has a total budget of $72,000,000 and the construction phase of which began under a contract entered into on March 26, 1986,

"(F) a 166-unit continuing care retirement center in New Orleans, Louisiana, the construction contract for which was signed on February 12, 1986, and is for a maximum amount not to exceed $8,500,000,

"(G) the expansion of the capacity of an oil refining facility in Rosemont, Minnesota from 137,000 to 207,000 barrels per day which is expected to be completed by December 31, 1990, and

"(H) a project in Ransom, Pennsylvania which will burn coal waste (known as 'culm') with an approximate cost of $64,000,000 and for which a certification from the Federal Energy Regulatory Commission was received on March 11, 1986.

"(39) The amendments made by section 201 shall not apply to any facility for the manufacture of an improved particle board if a binding contract to purchase such equipment was executed March 3, 1986, such equipment will be placed in service by January 1, 1988, and such facility is located in or near Moncure, North Carolina."

(27) Subsection (b) of section 204 of the Reform Act is amended by inserting "(as amended by the Tax Reform Act of 1984)" immediately before the period at the end thereof.

(28) Subparagraph (A) of section 204(c)(1) of the Reform Act is amended by inserting "located in Pennsylvania and" before "constructed pursuant".

(29) Paragraph (3) of section 204(c) of the Reform Act is amended—

(A) by striking out "for the applicable date" and inserting in lieu thereof "(or, in the case of a project described in subparagraph (B), by substituting 'April 1, 1992') for the applicable date.", and

(B) by striking out "before April 1, 1986" in subparagraph (A) and inserting in lieu thereof "on or before April 1, 1986".

(30) Paragraph (4) of section 204(c) of the Reform Act is amended to read as follows:

"(4) The amendments made by section 201 shall not apply to a limited amount of the following property or a limited amount of property set forth in a submission before September 16, 1986, by the following taxpayers:

"(A) Arena project, Michigan, but only with respect to $78,000,000 of investments.

"(B) Campbell Soup Company, Pennsylvania, California, North Carolina, Ohio, Maryland, Florida, Nebraska, Michigan, South Carolina, Texas, New Jersey, and Delaware, but only with respect to $9,329,000 of regular investment tax credits.

"(C) The Southeast Overtown/Park West development, Florida, but only with respect to $9,000,000 of investments.

"(D) Equipment placed in service and operated by Legett and Platt before July 1, 1987, but only with respect to $2,000,000 of regular investment tax credits, and subsections (c) and (d) of section 49 of the Internal Revenue Code of 1986 shall not apply to such equipment.

"(E) East Bank Housing Project.

"(F) $1,561,215 of investments by Standard Telephone Company.

"(G) Five aircraft placed in service before January 1, 1987, by Presidential Air.

"(H) A rehabilitation project by Ann Arbor Railroad, but only with respect to $2,900,000 of investments.

"(I) Ada, Michigan Cogeneration, but only with respect to $30,000,000 of investments.

"(J) Anchor Store Project, Michigan, but only with respect to $21,000,000 of investments.

"(K) A waste-fired electrical generating facility of Biogen Power, but only with respect to $34,000,000 of investments.

"(L) $14,000,000 of television transmitting towers placed in service by Media General, Inc., which were subject to binding contracts as of January 21, 1986, and will be placed in service before January 1, 1988.

"(M) Interests of Samuel A. Hardage (whether owned individually or in partnership form).

"(N) Two aircraft of Mesa Airlines with an aggregate cost of $5,723,484.

"(O) Yarn-spinning equipment used at Spray Cotton Mills, but with only with respect to $300,000 of investments.

"(P) 328 units of low-income housing at Angelus Plaza, but only with respect to $20,500,000 of investments."

(31) Paragraph (29) of section 204(a) of the Reform Act is amended—

(A) by striking out "January 18" in subparagraph (A) and inserting in lieu thereof "January 25", and

(B) by striking out "law suits filed on June 22, 1984, and November 21, 1985" in subparagraph (B) and inserting in lieu thereof "a law suit filed on October 25, 1985".

(32) Subparagraph (J) of section 204(a)(33) of the Reform Act, as amended by paragraph (25), is amended to read as follows:

"(J) A 25.85 megawatt alternative energy facility located in Deblois, Maine, with respect to which certification by the Federal Energy Regulatory Commission was made on April 3, 1986,".

(33) Paragraph (3) of section 204(c) of the Reform Act is amended—

(A) by inserting "and" at the end of subparagraph (B),

(B) by striking out subparagraph (C), and

(C) by redesignating subparagraph (D) as subparagraph (C).

(e) AMENDMENTS RELATING TO SECTION 211 OF THE REFORM ACT.—

(1) Paragraph (1) of section 49(d) of the 1986 Code is amended to read as follows:

"(1) IN GENERAL.—In the case of periods after December 31, 1985, with respect to so much of the credit determined under section 46(a) with respect to transition property as is attributable to the regular investment credit (as defined in subsection (b)(5)(B))—

"(A) paragraphs (1), (2), and (7) of section 48(q) and section 48(d)(5) shall be applied by substituting '100 percent' for '50 percent' each place it appears, and

"(B) sections 48(q)(4) and 196(d) shall not apply."

(2) Subparagraph (B) of section 49(c)(4) of the 1986 Code is amended to read as follows:

"(B) NO CARRYBACK FOR YEARS STRADDLING JULY 1, 1987; GROSS UP OF CARRYFORWARDS.—In any case to which paragraph (3) applies—

"(i) the amount of the reduction under paragraph (3) may not be carried back to any taxable year, but

"(ii) there shall be added to the carryforwards from the taxable year (before applying paragraph (2)) an amount equal to the amount which bears the same ratio to the carryforwards from such taxable year (determined without regard to this clause) as—

"(I) the applicable percentage, bears to

"(II) 1 minus the applicable percentage."

(3) Clause (i) of section 49(c)(5)(B) of the 1986 Code is amended to read as follows:

"(i) IN GENERAL.—The term 'regular investment credit' means the credit determined under section 46(a) to the extent attributable to the regular percentage."

(4) Paragraph (1) of section 211(e) of the Reform Act is amended by adding at the end thereof the following new sentence: "Section 49(c) of the Internal Revenue Code of 1986 (as added by subsection (a)) shall apply to taxable years ending after June 30, 1987, and to amounts carried to such taxable year."

(5) Paragraph (4)(A) of section 211(e) of the Reform Act is amended—

(A) by striking out "Paragraphs (c) and (d) of section 49 of the Internal Revenue Code of 1954" and inserting in lieu thereof "Subsections (c) and (d) of section 49 of the Internal Revenue Code of 1986", and

(B) by striking out "1935" and inserting in lieu thereof "1985".

(6) Paragraph (4)(B) of section 211(e) of the Reform Act is amended by striking out "shall be treated as transition property" and inserting in lieu thereof "shall be treated as transition property and subsections (c) and (d) of section 49 of such Code shall not apply to such property".

(7) Paragraph (4) of section 211(e) of the Reform Act is amended by adding at the end thereof the following new subparagraphs:

"(C) Any solid waste disposal facility which will process and incinerate solid waste of one or more public or private entities including Dakota County, Minnesota, and with respect to which a bond carryforward from 1985 was elected in an amount equal to $12,500,000 shall be treated as transition property within the meaning of section 49(e) of the Internal Revenue Code of 1986.

"(D) For purposes of section 49 of such Code, the following property shall be treated as transition property:

"(i) 2 catamarans built by a shipbuilder incorporated in the State of Washington in 1964, the contracts for which were signed on April 22, 1986 and November 12, 1985, and 1 barge built by such shipbuilder the contract for which was signed on August 7, 1985.

"(ii) 2 large passenger ocean-going United States flag cruise ships with a passenger rated capacity of up to 250 which are built by the shipbuilder described in clause (i), which are the first such ships built in the United States since 1952, and which were designed at the request of a Pacific Coast cruise line pursuant to a contract entered into in October 1985. This clause shall apply only to that portion of the cost of each ship which does not exceed $40,000,000.

"(iii) Property placed in service during 1986 by Satellite Industries, Inc., with headquarters in Minneapolis, Minnesota, to the extent that the cost of such property does not exceed $1,950,000.

"(E) Subsections (c) and (d) of section 49 of such Code shall not apply to property described in section 204(a)(4) of this Act."

(f) Amendments Related to Section 212 of the Reform Act.—

(1) Paragraph (2) of section 212(f) of the Reform Act is amended by striking out so much of such paragraph as precedes subparagraph (A) and insert in lieu thereof the following:

"(2) Special rule.—In the case of the LTV Corporation, in lieu of the requirements of paragraph (1)—".

(2) Subclause (I) of section 212(f)(2)(B)(i) of the Reform Act is amended by striking out "such involvement begins" and inserting in lieu thereof "when the corporation receives the refund".

(3) Subsection (g) of section 212 of the Reform Act is amended by adding at the end thereof the following new paragraph:

"(3) Special rule for restructuring.—In the case of any corporation, any restructuring taking place before July 1, 1987, shall not limit, increase, or otherwise affect the benefits which would have been available under this section but for such restructuring."

(4) Section 212 of the Reform Act is amended by adding at the end thereof the following new subsection:

"(h) Tentative Refunds.—Rules similar to the rules of section 6425 of the Internal Revenue Code of 1986 shall apply to any overpayment resulting from the application of this section."

(5) Subparagraph (B) of section 212(g)(2) of the Reform Act is amended by striking out "determined under" and inserting in lieu thereof "determined for periods before January 1, 1986, under".

(6) Paragraph (2) of section 212(f) of the Reform Act is amended by adding at the end thereof the following new sentence:

"In the case of the corporation referred to in the preceding sentence, no offset to any refund under this section may be made by reason of any tax imposed by section 4971 of the Internal Revenue Code of 1986 (or any interest or penalty attributable to any such tax), and the date on which any such refund is to be paid shall be determined without regard to such corporation's status under title 11, United States Code."

(g) Amendment Related to Section 213 of the Reform Act.—Subparagraph (B) of section 213(e)(2) of the Reform Act is amended by striking out "determined under" and inserting in lieu thereof "determined for periods before January 1, 1986, under".

(h) Amendment Related to Section 231 of the Reform Act.—Subsection (g) of section 41 of the 1986 Code is amended by adding at the end thereof the following new sentence: "If the amount determined under subsection (a) for any taxable year exceeds the limitation of the preceding sentence, such amount may be carried to other taxable years under the rules of section 39; except that the limitation of the preceding sentence shall be taken into account in lieu of the limitation of section 38(c) in applying section 39."

(i) Amendment Related to Sections 241 and 242 of the Reform Act.—Section 167 of the 1986 Code is amended by redesignating subsection (r) as subsection (s) and by inserting after subsection (q) the following new subsection:

"(r) Certain Property Not Treated as Depreciable.—

"(1) In general.—No depreciation deduction shall be allowable under this section (and no depreciation or amortization deduction shall be allowable under any other provision of this subtitle) with respect to—

"(A) any trademark or trade name expenditure, or

"(B) any railroad grading or tunnel bore.

"(2) Definitions.—For purposes of this subsection—

"(A) Trademark or trade name expenditure.—The term 'trademark or trade name expenditure' means any expenditure which is directly connected with the acquisition, protection, expansion, registration (Federal, State, or foreign), or defense of a trademark or trade name.

"(B) Railroad grading or tunnel bores.—The term 'railroad grading or tunnel bore' means all improvements resulting from excavations (including tunneling), construction of embankments, clearings, diversions of roads and streams, sodding of slopes, and from similar work necessary to provide, construct, reconstruct, alter, protect, improve, replace, or restore a roadbed or right-of-way for railroad track."

(j) Amendments Related to Section 243 of the Reform Act.—

(1) Section 243 of the Reform Act (related to deduction of bus and freight forwarder operating authority) is amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following new subsection:

"(d) Application of Section 334(b)(2).—For purposes of subsections (a) and (b), the reference to section 334(b)(2) in section 266(c)(2)(A)(ii) of the Economic Recovery Tax Act of 1981 shall be a reference to such section as in effect before its repeal."

(2) The heading of subparagraph (A) of section 243(b)(2) of the Reform Act is amended by striking out "TO BEGIN IN 1987".

(k) Amendments Related to Section 251 of the Reform Act.—

(1) Paragraph (2)(B) of section 251(d) of the Reform Act is amended by striking out clause (i) and redesignating clauses (ii) and (iii) as clauses (i) and (ii), respectively.

(2) Subparagraph (P) of section 251(d)(3) of the Reform Act is amended by striking out "San Francisco" and inserting in lieu thereof "San Jose, California".

(3) Paragraph (4) of section 251(d) of the Reform Act is amended—

(A) by striking out "Lakeland marbel Arcade" in subparagraph (K) and inserting in lieu thereof "Marble Arcade office building",

(B) by striking out "and" at the end of subparagraph (Y), and

(C) by striking out subparagraph (Z) and inserting in lieu thereof the following:

"(Z) the Bigelow-Hartford Carpet Mill in Enfield, Connecticut,

"(AA) properties abutting 125th street in New York County from 7th Avenue west to Morningside and the pier area on the Hudson River at the end of such 125th Street,

"(BB) the Bristol Carpet Mill project rehabilitating 2 buildings for approximately 156 apartment units and accompanying commercial and office use,

"(CC) the City of Los Angeles Central Library project pursuant to an agreement dated December 28, 1983,

"(DD) the Warehouse Row project in Chattanooga, Tennessee,

"(EE) any project described in section 204(a)(1)(F) of this Act,

"(FF) the Wood Street Commons project in Pittsburgh, Pennsylvania,

"(GG) the John Fitch Court in Windsor, Connecticut,

"(HH) any project described in section 803(d)(6) of this Act,

"(II) Union Station, Indianapolis, Indiana,

"(JJ) the Mattress Factory project in Pittsburgh, Pennsylvania,

"(KK) Union Station in Providence, Rhode Island,

"(LL) Plat 141, lot 10.4, Newport, Rhode Island,

"(MM) South Pack Plaza, Asheville, North Carolina,

"(NN) Old Louisville Trust Project, Louisville, Kentucky,

"(OO) Stewarts Rehabilitation Project, Louisville, Kentucky,

"(PP) Bernheim Officenter, Louisville, Kentucky, and

"(QQ) Springville Mill Project, Rockville, Connecticut."

(4) Subsection (d) of section 251 of the Reform Act is amended by striking out paragraph (6) and inserting in lieu thereof the following:

"(6) Expensing of rehabilitation expenses for the Frankford Arsenal.—In the case of any expenditures paid or incurred in connection with improvements (including repairs and maintenance) of the Frankford Arsenal pursuant to a contract and partnership agreement during the 8-year period specified in the contract or agreement, all such expenditures to be made during the period 1986 through and including 1993 shall—

"(A) be treated as made (and allowable as a deduction) during 1986,

"(B) be treated as qualified rehabilitation expenditures made during 1986, and

"(C) be allocated in accordance with the partnership agreement.

"(7) Special rule.—In the case of the rehabilitation of the Willard Hotel in Washington, D.C., section 205(c)(1)(B)(ii) of the Tax Equity and Fiscal Responsibility Act of 1982 shall be applied by substituting '1987' for '1986'."

(5) Subparagraph (B) of section 251(d)(3) of the Reform Act is amended by striking out "Pontabla" and inserting in lieu thereof "Pontalba".

(6) Subparagraph (T) of section 251(d)(4) of the Reform Act is amended by striking out "Louisville" and inserting in lieu thereof "Covington".

(l) Amendments Related to Section 252 of the Reform Act.—

(1)(A) Subparagraph (A) of section 42(b)(2) of the 1986 Code is amended by striking out "for the month" and all that follows and inserting in lieu thereof "for the earlier of—

"(i) the month in which such building is placed in service, or

"(ii) at the election of the taxpayer—

"(I) the month in which the taxpayer and the housing credit agency enter into an agreement with respect to such building (which is binding on such agency, the taxpayer, and all successors in interest) as to the housing credit dollar amount to be allocated to such building, or

"(II) in the case of any building to which subsection (h)(4)(B) applies, the month in which the tax-exempt obligations are issued.

A month may be elected under clause (ii) only if the election is made not later than the 5th day after the close of such month. Such an election, once made, shall be irrevocable."

(B) Clause (ii) of section 42(b)(2)(C) of the 1986 Code is amended by striking out "the month in which the building was placed in service" and inserting in lieu thereof "the month applicable under clause (i) or (ii) of subparagraph (A)".

(2)(A) Subparagraph (A) of section 42(c)(2) of the 1986 Code (defining qualified low-income building) is amended to read as follows:

"(A) which is part of a qualified low-income housing project at all times during the period—

"(i) beginning on the 1st day in the compliance period on which such building is part of such a project, and

"(ii) ending on the last day of the compliance period with respect to such building, and".

(B) Paragraph (1) of section 42(f) of the 1986 Code (defining credit period) is amended by striking out "beginning with" and all that follows and inserting in lieu thereof "beginning with—

"(A) the taxable year in which the building is placed in service, or

"(B) at the election of the taxpayer, the succeeding taxable year,

but only if the building is a qualified low-income building as of the close of the 1st year of such period. The election under subparagraph (B), once made, shall be irrevocable."

(3) Clause (ii) of section 42(d)(2)(D) of the 1986 Code is amended to read as follows:

"(ii) SPECIAL RULES FOR CERTAIN TRANSFERS.—For purposes of determining under subparagraph (B)(ii) when a building was last placed in service, there shall not be taken into account any placement in service—

"(I) in connection with the acquisition of the building in a transaction in which the basis of the building in the hands of the person acquiring it is determined in whole or in part by reference to the adjusted basis of such building in the hands of the person from whom acquired,

"(II) by a person whose basis in such building is determined under section 1014(a) (relating to property acquired from a decedent),

"(III) by any governmental unit or qualified nonprofit organization (as defined in subsection (h)(5)) if the requirements of subparagraph (B)(ii) are met with respect to the placement in service by such unit or organization and all the income from such property is exempt from Federal income taxation, or

"(IV) by any person who acquired such building by foreclosure (or by instrument in lieu of foreclosure) of any purchase-money security interest held by such person if the requirements of subparagraph (B)(ii) are met with respect to the placement in service by such person and such building is resold within 12 months after the date such building is placed in service by such person after such foreclosure."

(4) Paragraph (3) of section 42(d) of the 1986 Code is amended to read as follows:

"(3) ELIGIBLE BASIS REDUCED WHERE DISPROPORTIONATE STANDARDS FOR UNITS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the eligible basis of any building shall be reduced by an amount equal to the portion of the adjusted basis of the building which is attributable to residential rental units in the building which are not low-income units and which are above the average quality standard of the low-income units in the building.

"(B) EXCEPTION WHERE TAXPAYER ELECTS TO EXCLUDE EXCESS COSTS.—

"(i) IN GENERAL.—Subparagraph (A) shall not apply with respect to a residential rental unit in a building which is not a low-income unit if—

"(I) the excess described in clause (ii) with respect to such unit is not greater than 15 percent of the cost described in clause (ii)(II), and

"(II) the taxpayer elects to exclude from the eligible basis of such building the excess described in clause (ii) with respect to such unit.

"(ii) EXCESS.—The excess described in this clause with respect to any unit is the excess of—

"(I) the cost of such unit, over

"(II) the amount which would be the cost of such unit if the average cost per square foot of low-income units in the building were substituted for the cost per square foot of such unit.

The Secretary may by regulation provide for the determination of the excess under this clause on a basis other than square foot costs."

(5) Subparagraph (A) of section 42(d)(5) of the 1986 Code is amended by inserting before the period "(increased, in the case of an existing building which meets the requirements of paragraph (2)(B), by the amounts described in paragraph (2)(A)(i)(II))".

(6)(A) Paragraph (5) of section 42(d) of the 1986 Code is amended by adding at the end thereof the following new subparagraph:

"(C) ELIGIBLE BASIS NOT TO INCLUDE EXPENDITURES WHERE 167(k) ELECTED.—The eligible basis of any building shall not include any portion of its adjusted basis which is attributable to amounts with respect to which an election is made under section 167(k)."

(B) Subparagraph (A) of section 42(d)(5) of the 1986 Code is amended by striking out "subparagraph (B)" and inserting in lieu thereof "subparagraphs (B) and (C)".

(7) Subparagraph (A) of section 42(d)(6) of the 1986 Code is amended by inserting "or" at the end of clause (i), by striking out ", or" at the end of clause (ii) and inserting in lieu thereof a period, and by striking out clause (iii).

(8) Clause (ii) of section 42(d)(6)(B) of the 1986 Code (defining Federally-assisted building) is amended by striking out "of 1934".

(9)(A) Paragraph (3) of section 42(f) of the 1986 Code is amended to read as follows:

"(3) DETERMINATION OF APPLICABLE PERCENTAGE WITH RESPECT TO INCREASES IN QUALIFIED BASIS AFTER 1ST YEAR OF CREDIT PERIOD.—

"(A) IN GENERAL.—In the case of any building which was a qualified low-income building as of the close of the 1st year of the credit period, if—

"(i) as of the close of any taxable year in the compliance period (after the 1st year of the credit period) the qualified basis of such building exceeds

"(ii) the qualified basis of such building as of the close of the 1st year of the credit period,

the applicable percentage which shall apply under subsection (a) for the taxable year to such excess shall be the percentage equal to 2/3 of the applicable percentage which (after the application of subsection (h)) would but for this paragraph apply to such basis.

"(B) 1ST YEAR COMPUTATION APPLIES.—A rule similar to the rule of paragraph (2)(A) shall apply to any increase in qualified basis to which subparagraph (A) applies for the 1st year of such increase."

(B) Paragraph (3) of section 42(b) of the 1986 Code is amended to read as follows:

"(3) CROSS REFERENCES.—

"(A) For treatment of certain rehabilitation expenditures as separate new buildings, see subsection (e).

"(B) For determination of applicable percentage for increases in qualified basis after the 1st year of the credit period, see subsection (f)(3).

"(C) For authority of housing credit agency to limit applicable percentage and qualified basis which may be taken into account under this section with respect to any building, see subsection (h)(6)."

(10) Subparagraph (B) of section 42(g)(2) of the 1986 Code (defining gross rent) is amended by striking out "Federal rental assistance" and inserting in lieu thereof "rental assistance".

(11) Paragraph (2) of section 42(g) of the 1986 Code is amended by adding at the end thereof the following new subparagraph:

"(C) UNITS WHERE FEDERAL RENTAL ASSISTANCE IS REDUCED AS TENANT'S INCOME INCREASES.—If the gross rent with respect to a residential unit exceeds the limitation under subparagraph (A) by reason of the fact that the income of the occupants thereof exceeds the income limitation applicable under paragraph (1), such unit shall, nevertheless, be treated as a rent-restricted unit for purposes of paragraph (1) if—

"(i) a Federal rental assistance payment described in subparagraph (B)(i) is made with respect to such unit or its occupants, and

"(ii) the sum of such payment and the gross rent with respect to such unit does not exceed the sum of the amount of such payment which would be made and the gross rent which would be payable with respect to such unit if—

"(I) the income of the occupants thereof did not exceed the income limitation applicable under paragraph (1), and

"(II) such unit were rent-restricted within the meaning of subparagraph (A).

The preceding sentence shall apply to any unit only if the result described in clause (ii) is required by Federal statute as of the date of the enactment of this subparagraph and as of the date the Federal rental assistance payment is made."

(12) Paragraph (3) of section 42(g) of the 1986 Code is amended to read as follows:

"(3) DATE FOR MEETING REQUIREMENTS.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, a building shall be treated as a qualified low-income building only if the project (of which such building is a part) meets the requirements of paragraph (1) not later than the close of the 12-month period beginning on the date the building is placed in service.

"(B) BUILDINGS WHICH RELY ON LATER BUILDINGS FOR QUALIFICATION.—

"(i) IN GENERAL.—In determining whether a building (hereinafter in this subparagraph referred to as the 'prior building') is a qualified low-income building, the taxpayer may take into account 1 or more additional buildings placed in service during the 12-month period described in subparagraph (A) with respect to the prior building only if the taxpayer elects to apply clause (ii) with respect to each additional building taken into account.

"(ii) TREATMENT OF ELECTED BUILDINGS.—In the case of a building which the taxpayer elects to take into account under clause (i), the period under subparagraph (A) for such building shall end at the close of the 12-month period applicable to the prior building.

"(iii) DATE PRIOR BUILDING IS TREATED AS PLACED IN SERVICE.—For purposes of determining the credit period and the compliance period for the prior building, the prior building shall be treated for purposes of this section as placed in service on the most recent date any additional building elected by the taxpayer (with respect to such prior building) was placed in service.

"(C) SPECIAL RULE.—A building—

"(i) other than the 1st building placed in service as part of a project, and

"(ii) other than a building which is placed in service during the 12-month period described in subparagraph (A) with respect to a prior building which becomes a qualified low-income building,

shall in no event be treated as a qualified low-income building unless the project is a qualified low-income housing project (without regard to such building) on the date such building is placed in service."

(13) Paragraph (4) of section 42(g) of the 1986 Code is amended by inserting before the period "; except that, in applying such provisions (other than section 142(d)(4)(B)(iii)) for such purposes, the term 'gross rent' shall have the meaning given such term by paragraph (2)(B) of this subsection".

(14)(A) Paragraph (1) of section 42(h) of the 1986 Code is amended to read as follows:

"(1) CREDIT MAY NOT EXCEED CREDIT AMOUNT ALLOCATED TO BUILDING.—

"(A) IN GENERAL.—The amount of the credit determined under this section for any taxable year with respect to any building shall not exceed the housing credit dollar amount allocated to such building under this subsection.

"(B) TIME FOR MAKING ALLOCATION.—Except in the case of an allocation which meets the requirements of subparagraph (C) or (D), an allocation shall be taken into account under subparagraph (A) only if it is made not later than the close of the calendar year in which the building is placed in service.

"(C) EXCEPTION WHERE BINDING COMMITMENT.—An allocation meets the requirements of this subparagraph if there is a binding commitment (not later than the close of the calendar year in which the building is placed in service) by the housing credit agency to allocate a specified housing credit dollar amount to such building beginning in a specified later taxable year.

"(D) EXCEPTION WHERE INCREASE IN QUALIFIED BASIS.—

"(i) IN GENERAL.—An allocation meets the requirements of this subparagraph if such allocation is made not later than the close of the calendar year in which ends the taxable year to which it will 1st apply but only to the extent the amount of such allocation does not exceed the limitation under clause (ii).

"(ii) LIMITATION.—The limitation under this clause is the amount of credit allowable under this section (without regard to this subsection) for a taxable year with respect to an increase in the qualified basis of the building equal to the excess of—

"(I) the qualified basis of such building as of the close of the 1st taxable year to which such allocation will apply, over

"(II) the qualified basis of such building as of the close of the 1st taxable year to which the most recent prior housing credit allocation with respect to such building applied.

"(iii) HOUSING CREDIT DOLLAR AMOUNT REDUCED BY FULL ALLOCATION.—Notwithstanding clause (i), the full amount of the allocation shall be taken into account under paragraph (2)."

(B) Clause (ii) of section 42(h)(6)(B) of the 1986 Code is hereby repealed.

(15) Subparagraph (A) of section 42(h)(4) of the 1986 Code is amended by striking out "financed" and all that follows and inserting in lieu thereof "financed by any obligation the interest on which is exempt from tax under section 103 if—

"(i) such obligation is taken into account under section 146, and

"(ii) principal payments on such financing are applied within a reasonable period to redeem obligations the proceeds of which were used to provide such financing."

(16) Paragraph (5) of section 42(h) of the 1986 Code is amended by redesignating subparagraph (D) as subparagraph (E) and by inserting after subparagraph (C) the following new subparagraph:

"(D) TREATMENT OF CERTAIN SUBSIDIARIES.—

"(i) IN GENERAL.—For purposes of this paragraph, a qualified nonprofit organization shall be treated as satisfying the material participation test of subparagraph (B) if any qualified corporation in which such organization holds stock satisfies such test.

"(ii) QUALIFIED CORPORATION.—For purposes of clause (ii), the term 'qualified corporation' means any corporation if 100 percent of the stock of such corporation is held by 1 or more qualified nonprofit organizations at all times during the period such corporation is in existence."

(17)(A) Subparagraph (B) of section 42(h)(6) of the 1986 Code is amended by adding after clause (i) the following new clause:

"(ii) CARRYFORWARD WHERE SECRETARY DETERMINES UNFORESEEN DELAY IN PLACING BUILDING IN SERVICE.—A housing credit dollar amount which was allocated to a building for a calendar year after 1987 may be carried forward to the succeeding calendar year for such building if—

"(I) it was reasonable to believe that such building would be placed in service during the earlier calendar year but was not solely because of unforeseen conditions which, as determined by the Secretary, were not within the control of the taxpayer, and

"(II) such building is placed in service during such succeeding calendar year."

(B) Clause (i) of section 42(h)(6)(B) of the 1986 Code is amended by striking out "The portion" and inserting in lieu thereof "Except as provided in clause (ii), the portion".

(18) Subparagraph (D) of section 42(h)(6) of the 1986 Code is amended to read as follows:

"(D) CREDIT REDUCED IF ALLOCATED CREDIT DOLLAR AMOUNT IS LESS THAN CREDIT WHICH WOULD BE ALLOWABLE WITHOUT REGARD TO PLACED IN SERVICE CONVENTION, ETC.—

"(i) IN GENERAL.—The amount of the credit determined under this section with respect to any building shall not exceed the clause (ii) percentage of the amount of the credit which would (but for this subparagraph) be determined under this section with respect to such building.

"(ii) DETERMINATION OF PERCENTAGE.—For purposes of clause (i), the clause (ii) percentage with respect to any building is the percentage which—

"(I) the housing credit dollar amount allocated to such building bears to

"(II) the credit amount determined in accordance with clause (iii).

"(iii) DETERMINATION OF CREDIT AMOUNT.—The credit amount determined in accordance with this clause is the amount of the credit which would (but for this subparagraph) be determined under this section with respect to the building if—

"(I) this section were applied without regard to paragraphs (2)(A) and (3)(B) of subsection (f), and

"(II) subsection (f)(3)(A) were applied without regard to 'the percentage equal to ⅔ of'."

(19) Paragraph (6) of section 42(h) of the 1986 Code is amended by adding at the end thereof the following new subparagraph:

"(E) HOUSING CREDIT AGENCY TO SPECIFY APPLICABLE PERCENTAGE AND MAXIMUM QUALIFIED BASIS.—In allocating a housing credit dollar amount to any building, the housing credit agency shall specify the applicable percentage and the maximum qualified basis which may be taken into account under this section with respect to such building. The applicable percentage and maximum qualified basis so specified shall not exceed the applicable percentage and qualified basis determined under this section without regard to this subsection."

(20)(A) Subparagraph (A) of section 42(i)(2) of the 1986 Code is amended—

(i) by inserting "or any prior taxable year" after "such taxable year",

(ii) by striking out "there is outstanding" and inserting in lieu thereof "there is or was outstanding", and

(iii) by striking out "are used" and inserting in lieu thereof "are or were used".

(B) Subparagraph (B) of section 42(i)(2) of the 1986 Code is amended to read as follows:

"(B) ELECTION TO REDUCE ELIGIBLE BASIS BY BALANCE OF LOAN OR PROCEEDS OF OBLIGATIONS.—A loan or tax-exempt obligation shall not be taken into account under subparagraph (A) if the taxpayer elects to exclude from the eligible basis of the building for purposes of subsection (d)—

"(i) in the case of a loan, the principal amount of such loan, and

"(ii) in the case of a tax-exempt obligation, the proceeds of such obligation."

(C) Paragraph (2) of section 42(i) of the 1986 Code is amended by redesignating subparagraph (C) as subparagraph (D) and by inserting after subparagraph (B) the following new subparagraph:

"(C) SPECIAL RULE FOR SUBSIDIZED CONSTRUCTION FINANCING.—Subparagraph (A) shall not apply to any tax-exempt obligation or below market Federal loan used to provide construction financing for any building if—

"(i) such obligation or loan (when issued or made) identified the building for which the proceeds of such obligation or loan would be used, and

"(ii) such obligation is redeemed, and such loan is repaid, before such building is placed in service."

(D) Subparagraph (D) of section 42(i)(2) of the 1986 Code is amended by striking out "subparagraph (A)" and inserting in lieu thereof "this paragraph".

(21) Paragraph (4) of section 42(j) of the 1986 Code is amended by adding at the end thereof the following new subparagraph:

"(F) NO RECAPTURE WHERE DE MINIMIS CHANGES IN FLOOR SPACE.—The Secretary may provide that the increase in tax under this subsection shall not apply with respect to any building if—

"(i) such increase results from a de minimis change in the floor space fraction under subsection (c)(1), and

"(ii) the building is a qualified low-income building after such change."

(22) Clause (i) of section 42(j)(5)(B) of the 1986 Code is amended to read as follows:

"(i) more than ½ the capital interests, and more than ½ the profit interests, in which are owned by a group of 35 or more partners each of whom is a natural person or an estate, and".

(23) Paragraph (6) of section 42(j) of the 1986 Code is amended—

(A) by inserting "(OR INTEREST THEREIN)" after "BUILDING" in the heading, and

(B) by inserting "or an interest therein" after "disposition of a building" in the text.

(24) Subparagraph (B) of section 42(k)(2) of the 1986 Code is amended by inserting before the period at the end thereof the following: ", except that this subparagraph shall not apply in the case of a federally assisted building described in subsection (d)(6)(B) if—

"(i) a security interest in such building is not permitted by a Federal agency holding or insuring the mortgage secured by such building, and

"(ii) the proceeds from the financing (if any) are applied to acquire or improve such building."

(25)(A) Subsection (l) of section 42 of the 1986 Code is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following new paragraph:

"(2) ANNUAL REPORTS TO THE SECRETARY.—The Secretary may require taxpayers to submit an information return (at such time and in such form and manner as the Secretary prescribes) for each taxable year setting forth—

"(A) the qualified basis for the taxable year of each qualified low-income building of the taxpayer,

"(B) the information described in paragraph (1)(C) for the taxable year, and

"(C) such other information as the Secretary may require.

The penalty under section 6652(j) shall apply to any failure to submit the return required by the Secretary under the preceding sentence on the date prescribed therefor."

(B) The subsection heading of subsection (l) of section 42 is amended to read as follows:

"(l) CERTIFICATIONS AND OTHER REPORTS TO SECRETARY.—".

(26) Paragraph (1) of section 42(n) of the 1986 Code is amended by inserting before the period at the end thereof the following: ", and, except for any building described in paragraph (2)(B), subsection (h)(4) shall not apply to any building placed in service after 1989".

(27) Subsection (d) of section 39 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(4) NO CARRYBACK OF LOW-INCOME HOUSING CREDIT BEFORE 1987.—No portion of the unused business credit for any taxable year which is attributable to the credit determined under section 42 (relating to low-income housing credit) may be carried back to a taxable year ending before January 1, 1987."

(28) Paragraph (1) of section 55(c) of the 1986 Code (defining regular tax) is amended by striking out "section 42(j)" and inserting in lieu thereof "subsection (j) or (k) of section 42".

(29) Subparagraph (A) of section 252(f)(1) of the Reform Act is amended by striking out "and" at the end of clause (i), by striking out the period at the end of clause (ii) and inserting in lieu thereof a comma, and by inserting after clause (ii) the following new clauses:

"(iii) the eligible basis of such building shall be treated, for purposes of section 42(h)(4)(A) of such Code, as if it were financed by an obligation the interest on which is exempt from tax under section 103 of such Code and which is taken into account under section 146 of such Code, and

"(iv) the amendments made by section 803 shall not apply."

(30) Subparagraph (E) of section 252(f)(1) of the Reform Act is amended by striking out "maximum annual additional credit" and inserting in lieu thereof "maximum present value of additional credits".

(31) Subsection (f) of section 252 of the Reform Act is amended by adding at the end thereof the following new paragraph:

"(5) TRANSITIONAL RULE.—In the case of any rehabilitation expenditures incurred with respect to units located in the neighborhood strategy area within the community development block grant program in Ft. Wayne, Indiana—

"(A) the amendments made by this section shall not apply, and

"(B) paragraph (1) of section 167(k) of the Internal Revenue Code of 1986, shall be applied as if it did not contain the phrase 'and before January 1, 1987'.

The number of units to which the preceding sentence applies shall not exceed 150."

(m) AMENDMENTS RELATED TO SECTION 261 OF THE REFORM ACT.—

(1) Subparagraph (A) of section 7518(g)(6) of the 1986 Code, is amended by striking out "section 1(i)" and inserting in lieu thereof "section 1(j)".

(2) Subparagraph (A) of section 607(h)(6) of the Merchant Marine Act, 1936 is amended by striking out "section 1(i)" and inserting in lieu thereof "section 1(j)".

SEC. 103. AMENDMENTS RELATED TO TITLE III OF THE REFORM ACT.

(a) AMENDMENTS RELATED TO SECTION 301 OF THE REFORM ACT.—

(1) Subparagraph (B) of section 172(d)(4) of the 1986 Code is amended by striking out ", (2)(B),".

(2) Paragraph (1) of section 3402(m) of the 1986 Code is amended by striking out "section 62 (other than paragraph (13) thereof)" and inserting in lieu thereof "section 62(a) (other than paragraph (10) thereof))".

(b) AMENDMENTS RELATED TO SECTION 302 OF THE REFORM ACT.—

(1) Section 302 of the Reform Act is amended by striking out subsection (c).

(2)(A) Paragraph (2) of section 904(b) of the 1986 Code is amended to read as follows:

"(2) CAPITAL GAINS.—For purposes of this section—

"(A) IN GENERAL.—Taxable income from sources outside the United States shall include gain from the sale or exchange of capital assets only to the extent of foreign source capital gain net income.

"(B) SPECIAL RULES WHERE CAPITAL GAIN RATE DIFFERENTIAL.—In the case of any taxable year for which there is a capital gain rate differential—

"(i) in lieu of applying subparagraph (A), the taxable income from sources outside the United States shall include gain from the sale or exchange of capital assets only in an amount equal to foreign source capital gain net income reduced by the rate differential portion of foreign source net capital gain,

"(ii) the entire taxable income shall include gain from the sale or exchange of capital assets only in an amount equal to capital gain net income reduced by the rate differential portion of net capital gain, and

"(iii) for purposes of determining taxable income from sources outside the United States, any net capital loss (and any amount which is a short-term capital loss under section 1212(a)) from sources outside the United States to the extent taken into account in determining capital gain net income for the taxable year shall be reduced by an amount equal to the rate differential portion of the excess of net capital gain from sources within the United States over net capital gain."

(B) Paragraph (3) of section 904(b) of the 1986 Code is amended by striking out subparagraph (D) and inserting in lieu thereof the following new subparagraphs:

"(D) CAPITAL GAIN RATE DIFFERENTIAL.—There is a capital gain rate differential for any taxable year if—

"(i) in the case of a taxpayer other than a corporation, subsection (j) of section 1 applies to such taxable year, or

"(ii) in the case of a corporation, any rate of tax imposed by section 11, 511, or 831 (a) or (b) (whichever applies) exceeds the alternative rate of tax under section 1201(a) (determined without regard to the last sentence of section 11(b)).

"(E) RATE DIFFERENTIAL PORTION.—

"(i) IN GENERAL.—The rate differential portion of foreign source net capital gain, net capital gain, or the excess of net capital gain from sources within the United States over net capital gain, as the case may be, is the same proportion of such amount as—

"(I) the excess of the highest applicable tax rate over the alternative tax rate, bears to

"(II) the highest applicable tax rate.

"(ii) HIGHEST APPLICABLE TAX RATE.—For purposes of clause (i), the term 'highest applicable tax rate' means—

"(I) in the case of a taxpayer other than a corporation, the highest rate of tax set forth in subsection (a), (b), (c), (d), or (e) of section 1 (whichever applies), or

"(II) in the case of a corporation, the highest rate of tax specified in section 11(b).

"(iii) ALTERNATIVE TAX RATE.—For purposes of clause (i), the term 'alternative tax rate' means—

"(I) in the case of a taxpayer other than a corporation, the alternative rate of tax determined under section 1(j), or

"(II) in the case of a corporation, the alternative rate of tax under section 1201(a)."

(c) AMENDMENTS RELATED TO SECTION 311 OF THE REFORM ACT.—

(1) Subsection (a) of section 1201 of the 1986 Code is amended by striking out "831(a)" and inserting in lieu thereof "831 (a) or (b)".

(2) Subsection (c) of section 311 of the Reform Act is amended by inserting before the period at the end thereof the following: "; except that the amendment made by subsection (b)(4) shall apply to payments made after December 31, 1986".

(3) Subparagraph (D) of section 593(b)(2) of the 1986 Code is amended by striking out "and" at the end of clause (iii), by striking out the period at the end of clause (iv) and inserting in lieu thereof ", and", and by adding at the end thereof the following new clause:

"(v) if there is a capital gain rate differential (as defined in section 904(b)(3)(D)) for the taxable year, by excluding from gross income the rate differential portion (within the meaning of section 904(b)(3)(E)) of the lesser of—

"(I) the net long-term capital gain for the taxable year, or

"(II) the net long-term capital gain for the taxable year from the sale or exchange of property other than property described in clause (iii)."

(d) Amendment Related to Section 321 of the Reform Act.—

(1)(A) Subsection (b) of section 422A of the 1986 Code is amended by adding at the end thereof the following new sentence:

"Such term shall not include any option if (as of the time the option is granted) the terms of such option provide that it will not be treated as an incentive stock option."

(B) In the case of an option granted after December 31, 1986, and on or before the date of the enactment of this Act, such option shall not be treated as an incentive stock option if the terms of such option are amended before the date 90 days after such date of enactment to provide that such option will not be treated as an incentive stock option.

(2)(A) Section 422A of the 1986 Code is amended by adding at the end thereof the following new subsection:

"(d) $100,000 Per Year Limitation.—

"(1) In general.—To the extent that the aggregate fair market value of stock with respect to which incentive stock options (determined without regard to this subsection) are exercisable for the 1st time by any individual during any calendar year (under all plans of the individual's employer corporation and its parent and subsidiary corporations) exceeds $100,000, such options shall be treated as options which are not incentive stock options.

"(2) Ordering rule.—Paragraph (1) shall be applied by taking options into account in the order in which they were granted.

"(3) Determination of fair market value.—For purposes of paragraph (1), the fair market value of any stock shall be determined as of the time the option with respect to such stock is granted."

(B) Subsection (b) of section 422A of the 1986 Code is amended by adding "and" at the end of paragraph (5), by striking out "; and" at the end of paragraph (6) and inserting in lieu thereof a period, and by striking out paragraph (7).

(C) Paragraph (1) of section 422A(C) of the 1986 Code is amended by striking out "paragraph (7) of subsection (b)" and inserting in lieu thereof "subsection (d)".

SEC. 104. AMENDMENTS RELATED TO TITLE IV OF THE REFORM ACT.

(a) Amendments Related to Section 405 of the Reform Act.—

(1) Paragraph (1) of section 108(a) of the 1986 Code is amended by striking out "or" at the end of subparagraph (A), by striking out the period at the end of subparagraph (B) and inserting in lieu thereof ", or" and by adding at the end thereof the following new subparagraph:

"(C) the indebtedness discharged is qualified farm indebtedness."

(2) Paragraph (2) of section 108(a) is amended to read as follows:

"(2) Coordination of exclusions.—

"(A) Title 11 exclusion takes precedence.—Subparagraphs (B) and (C) of paragraph (1) shall not apply to a discharge which occurs in a title 11 case.

"(B) Insolvency exclusion takes precedence over qualified farm exclusion.—Subparagraph (C) of paragraph (1) shall not apply to a discharge to the extent the taxpayer is insolvent."

(3) Subsection (b) of section 108 of the 1986 Code is amended—

(A) by striking out "subparagraph (A) or (B)" in paragraph (1) and inserting in lieu thereof "subparagraph (A), (B), or (C)", and

(B) by striking out "in Title 11 Case or Insolvency" in the subsection heading.

(4) Subsection (g) of section 108 of the 1986 Code is amended to read as follows:

"(g) Special Rules for Discharge of Qualified Farm Indebtedness.—

"(1) Discharge must be by qualified person.—

"(A) In general.—Subparagraph (C) of subsection (a)(1) shall apply only if the discharge is by a qualified person.

"(B) Qualified person.—For purposes of subparagraph (A), the term 'qualified person' has the meaning given to such term by section 46(c)(8)(D)(iv); except that such term shall include any Federal, State, or local government or agency or instrumentality thereof.

"(2) Qualified farm indebtedness.—For purposes of this section, indebtedness of a taxpayer shall be treated as qualified farm indebtedness if—

"(A) such indebtedness was incurred directly in connection with the operation by the taxpayer of the trade or business of farming, and

"(B) 50 percent or more of the aggregate gross receipts of the taxpayer for the 3 taxable years preceding the taxable year in which the discharge of such indebtedness occurs is attributable to the trade or business of farming.

"(3) Amount excluded cannot exceed sum of tax attributes and business and investment assets.—

"(A) In general.—The amount excluded under subparagraph (C) of subsection (a)(1) shall not exceed the sum of—

"(i) the adjusted tax attributes of the taxpayer, and

"(ii) the aggregate adjusted bases of qualified property held by the taxpayer as of the beginning of the taxable year following the taxable year in which the discharge occurs.

"(B) Adjusted tax attributes.—For purposes of subparagraph (A), the term 'adjusted tax attributes' means the sum of the tax attributes described in subparagraphs (A), (B), (C), and (E) of subsection (b)(2) determined by taking into account $3 for each $1 of the attributes described in subparagraphs (B) and (E) of subsection (b)(2).

"(C) Qualified property.—For purposes of this paragraph, the term 'qualified property' means any property which is used or is held for use in a trade or business or for the production of income.

"(D) Coordination with insolvency exclusion.—For purposes of this paragraph, the adjusted basis of any qualified property and the amount of the adjusted tax attributes shall be determined after any reduction under subsection (b) by reason of amounts excluded from gross income under subsection (a)(1)(B)."

(5) Paragraph (4) of section 1017(b) is amended to read as follows:

"(4) Special rules for qualified farm indebtedness.—

"(A) In general.—Any amount which under subsection (b)(2)(D) of section 108 is to be applied to reduce basis and which is attributable to an amount excluded under subsection (a)(1)(C) of section 108—

"(i) shall be applied only to reduce the basis of qualified property held by the taxpayer, and

"(ii) shall be applied to reduce the basis of qualified property in the following order:

"(I) First the basis of qualified property which is depreciable property.

"(II) Second the basis of qualified property which is land used or held for use in the trade or business of farming.

"(III) Then the basis of other qualified property.

"(B) Qualified property.—For purposes of this paragraph, the term 'qualified property' has the meaning given to such term by section 108(g)(3)(C).

"(C) Certain rules made applicable.—Rules similar to the rules of subparagraph (C), (D), and (E) of paragraph (3) shall apply for purposes of this paragraph and section 108(c)."

(6) Subsection (d) of section 108 is amended by striking out "subsections (a) and (b)" each place it appears in the heading thereof and in the text and heading of paragraphs (6) and (7) and inserting in lieu thereof "subsections (a), (b), and (g)".

(b) Amendments Related to Section 406 of the Reform Act.—Section 406 of the Reform Act is amended by striking out "after January 1, 1987, and before September 1, 1987" and inserting in lieu thereof "on or after January 1, 1987, and before October 1, 1987".

SEC. 105. AMENDMENTS RELATED TO TITLE V OF THE REFORM ACT.

(a) Amendments Related to Section 501 of the Reform Act.—

(1) Clause (ii) of section 469(e)(1)(A) of the 1986 Code (relating to certain income not treated as income from passive activity) is amended by inserting "not derived in the ordinary course of a trade or business which is" after "gain or loss".

(2)(A) Subparagraph (A) of section 469(g)(1) of the 1986 Code (relating to disposition of interests in passive activities in fully taxable transactions) is amended to read as follows:

"(A) In general.—If all gain or loss realized on such disposition is recognized, the excess of—

"(i) the sum of—

"(I) any loss from such activity for such taxable year (determined after application of subsection (b)), plus

"(II) any loss realized on such disposition, over

"(ii) net income or gain for such taxable year from all passive activities (determined without regard to losses described in clause (i)),

shall be treated as a loss which is not from a passive activity."

(B) Subparagraph (C) of section 469(g)(1) of the 1986 Code is amended to read as follows:

"(C) Income from prior years.—To the extent provided in regulations, income or gain from the activity for preceding taxable years shall be taken into account under subparagraph (A)(ii) for the taxable year to the extent necessary to prevent the avoidance of this section."

(3) Subparagraph (A) of section 469(g)(2) of the 1986 Code is amended—

(A) by striking out "paragraph (1)" and inserting in lieu thereof "paragraph (1)(A)"; and

(B) by striking out "such losses" the first place it appears and inserting in lieu thereof "losses described in paragraph (1)(A)".

(4) Section 469(g)(3) of the 1986 Code is amended—

(A) by striking out "realized (or to be realized)" and inserting in lieu thereof "(realized or to be realized", and

(B) by inserting a closing parenthesis after "completed".

(5) Paragraph (4) of section 469(h) of the 1986 Code (relating to certain closely held C corporations and personal service corporations) is amended by inserting "only" before "if".

(6) Paragraph (1) of section 469(i) of the 1986 Code (relating to $25,000 offset for rental real estate activities) is amended by striking out "in the taxable year in which such portion of such loss or credit arose" and inserting in lieu thereof "in such taxable year (and if any portion of such loss or credit arose in another taxable year, in such other taxable year)".

(7) Subparagraph (C) of section 469(i)(6) of the 1986 Code (relating to interest as a limited partner) is amended by striking out "No" and inserting in lieu thereof "Except as provided in regulations, no".

(8) Subparagraph (A) of section 469(j)(6) of the 1986 Code (relating to special rule for gifts) is amended by inserting "with respect to which a deduction has not been allowed by reason of subsection (a)" before ", and".

(9) Section 469(j) of the 1986 Code (relating to definitions and special rules) is amended by adding at the end thereof the following new paragraphs:

"(10) COORDINATION WITH SECTION 280A.—If a passive activity involves the use of a dwelling unit to which section 280A(c)(5) applies for any taxable year, any income, deduction, gain, or loss allocable to such use shall not be taken into account for purposes of this section for such taxable year.

"(11) AGGREGATION OF MEMBERS OF AFFILIATED GROUPS.—Except as provided in regulations, all members of an affiliated group which files a consolidated return shall be treated as 1 corporation."

(10) Section 501(c) of the Reform Act is amended by adding at the end thereof the following new paragraph:

"(4) INCOME FROM SALES OF PASSIVE ACTIVITIES IN TAXABLE YEARS BEGINNING BEFORE JANUARY 1, 1987.—If—

"(A) gain is recognized in a taxable year beginning after December 31, 1986, from a sale or exchange of an interest in an activity in a taxable year beginning before January 1, 1987, and

"(B) such activity would be treated as a passive activity under section 469 of the Internal Revenue Code of 1986 (as added by this section) if the taxpayer held such activity for its 1st taxable year beginning after December 31, 1986,

then such gain shall be treated as income from a passive activity for purposes of such section."

(b) AMENDMENTS RELATED TO SECTION 502 OF THE REFORM ACT.—

(1) Subparagraph (A) of section 502(d)(1) of the Reform Act (defining qualified investor) is amended to read as follows:

"(A) if—

"(i) in the case of a project placed in service on or before August 16, 1986, such person held an interest in such project on August 16, 1986, and such person made his initial investment after December 31, 1983, or

"(ii) in the case of a project placed in service after August 16, 1986, such person made his initial investment after December 31, 1983, and such person held an interest in such project on December 31, 1986, and".

(2) Subsection (d) of section 502 of the Reform Act (defining qualified investor) is amended by adding after paragraph (2) the following new paragraph:

"(3) SPECIAL RULE FOR CERTAIN PARTNERSHIPS.—In the case of any property which is held by a partnership—

"(A) which placed such property in service on or after December 31, 1985, and before August 17, 1986, and continuously held such property through the close of the taxable year for which the determination is being made, and

"(B) which was not treated as a new partnership or as terminated at any time on or after December 31, 1985, and through the close of the taxable year for which the determination is being made,

paragraph (1)(A)(i) shall be applied by substituting 'December 31, 1987' for 'August 16, 1986' the 2nd place it appears."

(3) The subsection (d) of section 502 of the Reform Act which relates to special rules is redesignated as subsection (e).

(c) AMENDMENTS RELATED TO SECTION 511 OF THE REFORM ACT.—

(1) Subparagraph (A) of section 163(d)(3) of the 1986 Code (defining investment interest) is amended by striking out "incurred or continued to purchase or carry" and inserting in lieu thereof "properly allocable to".

(2) Subparagraph (B) of section 163(d)(4) of the 1986 Code is amended to read as follows:

"(B) INVESTMENT INCOME.—The term 'investment income' means the sum of—

"(i) gross income (other than gain taken into account under clause (ii)) from property held for investment, and

"(ii) any net gain attributable to the disposition of property held for investment."

(3) Subparagraph (A) of section 163(d)(6) of the 1986 Code is amended to read as follows:

"(A) IN GENERAL.—The amount of interest paid or accrued during any such taxable year which is disallowed under this subsection shall not exceed the sum of—

"(i) the amount which would be disallowed under this subsection if—

"(I) paragraph (1) were applied by substituting 'the sum of the ceiling amount and the net investment income' for 'the net investment income', and

"(II) paragraphs (4)(E) and (5)(A)(ii) did not apply, and

"(ii) the applicable percentage of the excess of—

"(I) the amount which (without regard to this paragraph) is not allowable as a deduction under this subsection for the taxable year, over

"(II) the amount described in clause (i).

The preceding sentence shall not apply to any interest treated as paid or accrued during the taxable year under paragraph (2)."

(4) Subparagraph (A) of section 163(h)(2) of the 1986 Code is amended by striking out "incurred or continued in connection with the conduct of" and inserting in lieu thereof "properly allocable to".

(5) Subparagraph (C) of section 163(h)(3) of the 1986 Code (defining qualified residence interest) is amended to read as follows:

"(C) COST NOT LESS THAN BALANCE OF INDEBTEDNESS INCURRED ON OR BEFORE AUGUST 16, 1986.—

"(i) IN GENERAL.—The amount under subparagraph (B)(ii)(I) at any time after August 16, 1986, shall not be less than the outstanding principal amount (as of such time) of indebtedness—

"(I) which was incurred on or before August 16, 1986, and which was secured by the qualified residence on August 16, 1986, or

"(II) which is secured by the qualified residence and was incurred after August 16, 1986, to refinance indebtedness described in subclause (I) (or refinanced indebtedness meeting the requirements of this subclause) to the extent (immediately after the refinancing) the principal amount of the indebtedness resulting from the refinancing does not exceed the principal amount of the refinanced indebtedness (immediately before the refinancing).

"(ii) LIMITATION ON PERIOD OF REFINANCING.—Subclause (II) of clause (i) shall not apply to any indebtedness after—

"(I) the expiration of the term of the indebtedness described in clause (i)(I), or

"(II) if the principal of the indebtedness described in clause (i)(I) is not amortized over its term, the expiration of the term of the 1st refinancing of such indebtedness (or if earlier, the date which is 30 years after the date of such refinancing)."

(6)(A) The heading for section 163(h)(5) of the 1986 Code is amended to read as follows:

"(5) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—".

(B) Paragraph (5) of section 163(h) of the 1986 Code is amended—

(i) by striking out "For purposes of this subsection—" in subparagraph (A), and

(ii) by striking out "For purposes of this paragraph, any" in subparagraph (B) and inserting in lieu thereof "Any".

(7) Clause (iii) of section 163(h)(5)(A) of the 1986 Code is amended by striking out "USED OR" in the heading thereof and by striking out "or use".

(8) Section 163(h)(5) of the 1986 Code is amended by adding at the end thereof the following new subparagraphs:

"(C) UNENFORCEABLE SECURITY INTERESTS.—Indebtedness shall not fail to be treated as secured by any property solely because, under any applicable State or local homestead or other debtor protection law in effect on August 16, 1986, the security interest is ineffective or the enforceability of the security interest is restricted.

"(D) TRANSFER INCIDENT TO DIVORCE, ETC.—

"(i) IN GENERAL.—If, incident to divorce or legal separation—

"(I) an individual acquires the interest of a spouse or former spouse in a qualified residence in a transfer to which section 1041 applies, and

"(II) such individual incurs indebtedness which is secured by such qualified residence, the amount determined under paragraph (3)(B)(ii)(I) with respect to such qualified residence shall be increased by the amount determined under clause (ii).

"(ii) AMOUNT OF INCREASE.—The amount determined under this clause shall be equal to the excess (if any) of—

"(I) the lesser of the amount of the indebtedness described in clause (i)(II), or the fair market value of the spouse's or former spouse's interest in the qualified residence as of the time of the transfer, over

"(II) the basis of the spouse or former spouse in such interest in such residence."

(9) Paragraph (6) of section 163(h) of the 1986 Code is amended by striking out "subsection" the 3rd place it appears and inserting in lieu thereof "paragraph".

(10) Sections 467(c)(5)(C) and 1255(b)(2) of the 1986 Code are each amended by inserting "sections" before "170(e)".

SEC. 106. AMENDMENTS RELATED TO TITLE VI OF THE REFORM ACT.

(a) Amendment Related to Section 601 of the Reform Act.—Section 15 of the 1986 Code is amended by adding at the end thereof the following new subsection:

"(e) References to Highest Rate.—If the change referred to in subsection (a) involves a change in the highest rate of tax imposed by section 1 or 11(b), any reference in this chapter to such highest rate (other than in a provision imposing a tax by reference to such rate) shall be treated as a reference to the weighted average of the highest rates before and after the change determined on the basis of the respective portions of the taxable year before the date of the change and on or after the date of the change."

(b) Amendments Related to Sections 611 and 612 of the Reform Act.—

(1) Subparagraph (B) of section 245(c)(1) of the 1986 Code is amended by striking out "85 percent" and inserting in lieu thereof "80 percent".

(2) Subparagraph (B) of section 861(a)(2) of the 1986 Code is amended by striking out "$^{100}/_{85}$th" and inserting in lieu thereof "$^{100}/_{80}$ths".

(3) Paragraph (3) of section 854(b) of the 1986 Code is amended to read as follows:

"(3) Aggregate dividends.—For purposes of this subsection—

"(A) In general.—In computing the amount of aggregate dividends received, there shall only be taken into account dividends received from domestic corporations.

"(B) Dividends.—For purposes of subparagraph (A), the term 'dividend' shall not include any distribution from—

"(i) a corporation which, for the taxable year of the corporation in which the distribution is made, or for the next preceding taxable year of the corporation, is a corporation exempt from tax under section 501 (relating to certain charitable, etc., organizations) or section 521 (relating to farmers' cooperative associations), or

"(ii) a real estate investment trust which, for the taxable year of the trust in which the dividend is paid, qualifies under part II of subchapter M (section 856 and following).

"(C) Limitations on dividends from regulated investment companies.—In determining the amount of any dividend for purposes of this paragraph, a dividend received from a regulated investment company shall be subject to the limitations prescribed in this section."

(c) Amendments Related to Section 614 of the Reform Act.—

(1) Section 1059(d) of the 1986 Code (relating to extension to certain property distributions) is amended by striking out paragraph (5) and redesignating paragraphs (6) and (7) as paragraphs (5) and (6).

(2) Section 1059(d)(5) of the 1986 Code (defining dividend announcement date), as redesignated by paragraph (1), is amended by inserting "amount or" before "payment".

(3) Section 1059(d)(6) of the 1986 Code (relating to exception where stock held during entire existence of corporation), as redesignated by paragraph (1), is amended to read as follows:

"(6) Exception where stock held during entire existence of corporation.—

"(A) In general.—Subsection (a) shall not apply to any extraordinary dividend with respect to any share of stock of a corporation if—

"(i) such stock was held by the taxpayer during the entire period such corporation was in existence, and

"(ii) except as provided in regulations, the only earnings and profits of such corporation were earnings and profits—

"(I) accumulated by such corporation during its period of existence, or

"(II) attributable to transfers or distributions from 1 or more qualified corporations.

"(B) Qualified corporation.—For purposes of subparagraph (A), the term 'qualified corporation' means any corporation (including a predecessor corporation)—

"(i) with respect to which the taxpayer holds directly or indirectly during the entire period of such corporation's existence at least the same ownership interest as the taxpayer holds in the corporation distributing the extraordinary dividend, and

"(ii) which has no earnings and profits—

"(I) which were earned by, or

"(II) which are attributable to gain on property which accrued during a period the corporation holding the property was,

a corporation not described in clause (i).

"(C) Application of paragraph.—This paragraph shall not apply to any extraordinary dividend to the extent such application is inconsistent with the purposes of this section."

(4) Paragraph (1) of section 1059(e) of the 1986 Code (relating to treatment of partial liquidation) is amended by striking out "for purposes of this section (without regard to the holding period of the stock)" and inserting in lieu thereof: "to which paragraphs (1) and (2) of subsection (a) apply without regard to the period the taxpayer held such stock".

(5) Paragraph (2) of section 1059(e) of the 1986 Code (relating to qualifying dividends) is amended to read as follows:

"(2) Qualifying dividends.—

"(A) In general.—Except as provided in regulations, the term 'extraordinary dividend' does not include any qualifying dividend (within the meaning of section 243).

"(B) Exception.—Subparagraph (A) shall not apply to any portion of a dividend which is attributable to earnings and profits which—

"(i) were earned by a corporation during a period it was not a member of the affiliated group, or

"(ii) are allocable to gain on property which accrued during a period the corporation holding the property was not a member of the affiliated group."

(6) Subparagraph (A) of section 1059(e)(3) of the 1986 Code (relating to qualified preferred dividends) is amended to read as follows:

"(A) In general.—In the case of 1 or more qualified preferred dividends with respect to any share of stock—

"(i) this section shall not apply to such dividends if the taxpayer holds such stock for more than 5 years, and

"(ii) if the taxpayer disposes of such stock before it has been held for more than 5 years, the aggregate reduction under subsection (a)(1) with respect to such dividends shall not be greater than the excess (if any) of—

"(I) the qualified preferred dividends paid with respect to such stock during the period the taxpayer held such stock, over

"(II) the qualified preferred dividends which would have been paid during such period on the basis of the stated rate of return."

(7) Clause (i) of section 1059(e)(3)(C) of the 1986 Code is amended—

(A) by striking out "any dividend payable" and inserting in lieu thereof "any fixed dividend payable", and

(B) by adding at the end thereof the following new sentence:

"Such term shall not include any dividend payable with respect to any share of stock if the actual rate of return on such stock exceeds 15 percent."

(8) Subparagraph (B) of section 1059(e)(3) of the 1986 Code is amended by striking out "subparagraph (A)" in the material preceding clause (i) and inserting in lieu thereof "this paragraph".

(d) Amendments Related to Section 621 of the Reform Act.—

(1)(A) Section 382(e)(2) of the 1986 Code is amended—

(i) by inserting "or other corporate contraction" after "redemption" each place it appears, and

(ii) by inserting "OR OTHER CORPORATE CONTRACTION" after "REDEMPTION" in the heading thereof.

(B) Clause (ii) of section 382(h)(3)(A) of the 1986 Code is amended—

(i) by inserting "or other corporate contraction" after "redemption " each place it appears, and

(ii) by inserting "OR OTHER CORPORATE CONTRACTIONS" after "REDEMPTIONS" in the heading thereof.

(C) Section 382(m) of the 1986 Code is amended by inserting "and" at the end of paragraph (3), by striking out paragraph (4), and by redesignating paragraph (5) as paragraph (4).

(2) Section 382(g)(4)(C) of the 1986 Code is amended by inserting "rules similar to" before "the rules".

(3)(A) Section 382(h)(1)(C) of the 1986 Code is amended to read as follows:

"(C) Section 338 gain.—If an election under section 338 is made in connection with any ownership change, then with respect to such change—

"(i) subparagraph (A) shall not apply, and

"(ii) the section 382 limitation for the taxable year in which gain is recognized by reason of such election shall be increased by the lesser of—

"(I) the amount of such gain, or

"(II) the net unrealized built-in gain of the old loss corporation (without regard to paragraph (3)(B))."

(B) Section 382(h)(5) of the 1986 Code is amended by inserting ", in the case of an old loss corporation with a net unrealized built-in gain or loss" after "subsection (b)(3)".

(4) Section 382(i)(3) of the 1986 Code is amended—

(A) by inserting "the earlier of" before "the 1st day", and

(B) by inserting "or the taxable year in which the transaction being tested occurs" after "1st post-change year".

(5)(A) Section 382(k)(1) of the 1986 Code is amended by inserting "or having a net operating loss for the taxable year in which the ownership change occurs" after "carryover".

(B) Section 382(k)(2) of the 1986 Code is amended to read as follows:

"(2) Old loss corporation.—The term 'old loss corporation' means any corporation—

"(A) with respect to which there is an ownership change, and

"(B) which (before the ownership change) was a loss corporation."

(6) Section 382(l)(3)(A) of the 1986 Code is amended by striking out "and" at the end of clause (iii), and by striking out clause (iv) and inserting in lieu thereof the following new clauses:

"(iv) except to the extent provided in regulations, an option to acquire stock shall be treated as exercised if such exercise results in an ownership change, and

"(v) in attributing stock from an entity under paragraph (2) of section 318(a), there shall not be taken into account—

"(I) in the case of attribution from a corporation, stock which is not treated as stock for purposes of this section, or

"(II) in the case of attribution from another entity, an interest in such entity similar to stock described in subclause (I)."

(7) Clause (ii) of section 382(l)(5)(A) of the 1986 Code is amended by striking out "immediately after such ownership change" and inserting in lieu thereof "immediately after such ownership change and as a result of being shareholders or creditors immediately before such change".

(8) Section 382(l)(5)(F) of the 1986 Code is amended—

(A) by inserting "'1504(a)(2)(B)' for '1504(a)(2)' and" after "substituting" in clause (i)(I), and

(B) by striking out "deposits described in subclause (II)" in clause (ii)(III) and inserting in lieu thereof "the amount of deposits in the new loss corporation immediately after the change".

(9) Paragraph (6) of section 382(l) of the 1986 Code is amended by striking out "shall be the value of the new loss corporation immediately after the ownership change" and inserting in lieu thereof "shall reflect the increase (if any) in value of the old loss corporation resulting from any surrender or cancellation of creditors' claims in the transaction".

(10) Section 382(l) of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(8) PREDECESSOR AND SUCCESSOR ENTITIES.—Except as provided in regulations, any entity and any predecessor or successor entities of such entity shall be treated as 1 entity."

(11) Paragraph (1) of section 621(f) of the Reform Act is amended to read as follows:

"(1) AMENDMENTS MADE BY SUBSECTIONS (a), (b), AND (c).—

"(A) IN GENERAL.—

"(i) CHANGES AFTER 1986.—The amendments made by subsections (a), (b), and (c) shall apply to any ownership change after December 31, 1986.

"(ii) PLANS OF REORGANIZATION ADOPTED BEFORE 1987.—For purposes of clause (i), any equity structure shift pursuant to a plan of reorganization adopted before January 1, 1987, shall be treated as occurring when such plan was adopted.

"(B) TERMINATION OF OLD SECTION 382.—Except in a case described in any of the following paragraphs—

"(i) section 382(a) of the Internal Revenue Code of 1954 (as in effect before the amendment made by subsection (a) and the amendments made by section 806 of the Tax Reform Act of 1976) shall not apply to any increase in percentage points occurring after December 31, 1988, and

"(ii) section 382(b) of such Code (as so in effect) shall not apply to any reorganization occurring pursuant to a plan of reorganization adopted after December 31, 1986.

In no event shall sections 382 (a) and (b) of such Code (as so in effect) apply to any ownership change described in subparagraph (A).

"(C) COORDINATION WITH SECTION 382(i).—For purposes of section 382(i) of the Internal Revenue Code of 1986 (as added by this section), any equity structure shift pursuant to a plan of reorganization adopted before January 1, 1987, shall be treated as occurring when such plan was adopted."

(12)(A) Section 621(f)(2)(C) of the Reform Act is amended by inserting "and reincorporated in Delaware in 1987," after "1924,".

(B) Clause (ii) of section 621(f)(2)(C) of the Reform Act is amended to read as follows:

"(ii) the amendments made by subsections (e) and (f) of section 806 of the Tax Reform Act of 1976 shall not apply to such debt restructuring, except that the amendment treated as part of such subsections under section 59(b) of the Tax Reform Act of 1984 (relating to qualified workouts) shall apply to such debt restructuring."

(13) Subparagraph (D) of section 621(f)(2) of the Reform Act is amended by striking out "or reorganization".

(14) Section 621(f)(3) of the Reform Act is amended by striking out "after December 31, 1986".

(15) Paragraph (4) of section 621(f) of the Reform Act is amended by striking out the last sentence and inserting in lieu thereof the following:

"Any regulations prescribed under section 382 of the Internal Revenue Code of 1986 (as added by subsection (a)) which have the effect of treating a group of shareholders as a separate 5-percent shareholder by reason of a public offering shall not apply to institutions described in section 591 of such Code with respect to any public offering before January 1, 1989. Unless the corporation otherwise elects, an underwriter of any offering of stock in a corporation before September 19, 1986 (January 1, 1989, in the case of an institution described in the preceding sentence), shall not be treated as acquiring any stock of such corporation by reason of a firm commitment underwriting to the extent the stock is disposed of pursuant to the offer (but in no event later than 60 days after the initial offering)."

(16) Subparagraph (A) of section 621(f)(7) of the Reform Act is amended by striking out "the parent corporation referred to in section 203(d)(13)(B)" and inserting in lieu thereof "a parent corporation incorporated in March 1980 under the laws of Delaware".

(17)(A) Subsection (e) of section 382 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(3) TREATMENT OF FOREIGN CORPORATIONS.—Except as otherwise provided in regulations, in determining the value of any old loss corporation which is a foreign corporation, there shall be taken into account only items treated as connected with the conduct of a trade or business in the United States."

(B) The amendment made by subparagraph (A) shall apply to any ownership change after June 10, 1987. For purposes of the preceding sentence, any equity structure shift pursuant to a plan of reorganization adopted on or before June 10, 1987, shall be treated as occurring when such plan was adopted.

(e) AMENDMENTS RELATED TO SECTION 631 OF THE REFORM ACT.—

(1) Clause (ii) of section 336(d)(2)(B) of the 1986 Code is amended to read as follows:

"(ii) CERTAIN ACQUISITIONS TREATED AS PART OF PLAN.—For purposes of clause (i), any property described in clause (i)(I) acquired by the liquidated corporation after the date 2 years before the date of the adoption of the plan of complete liquidation shall, except as provided in regulations, be treated as acquired as part of a plan described in clause (i)(II)."

(2) Paragraph (3) of section 336(d) of the 1986 Code is amended by adding at the end thereof the following new sentence: "The preceding sentence shall apply to any distribution to the 80-percent distributee only if subsection (a) or (b)(1) of section 337 applies to such distribution."

(3) Subsection (e) of section 336 of the 1986 Code is amended by striking out "such corporation may elect" and inserting in lieu thereof "an election may be made".

(4) Subparagraph (B) of section 337(b)(2) of the 1986 Code is amended—

(A) by striking out "or 511(b)(2)" in clause (i),

(B) by striking out "in an unrelated trade or business (as defined in section 513)" in clause (i) and inserting in lieu thereof "in an activity the income from which is subject to tax under section 511(a)", and

(C) by striking out "an unrelated trade or business of such organization" in clause (ii) and inserting in lieu thereof "an activity referred to in clause (i)".

(5) Subsection (d) of section 337 of the 1986 Code is amended—

(A) by striking out "to this subpart" and inserting in lieu thereof "to this subpart or to section 1374", and

(B) by inserting "or through the use of a regulated investment company or real estate investment trust" after "subchapter)" in paragraph (1).

(6) Subsection (b) of section 334 of the 1986 Code is amended to read as follows:

"(b) LIQUIDATION OF SUBSIDIARY.—

"(1) IN GENERAL.—If property is received by a corporate distributee in a distribution in a complete liquidation to which section 332(a) applies (or in a transfer described in section 337(b)(1)), the basis of such property in the hands of such distributee shall be the same as it would be in the hands of the transferor; except that, in any case in which gain or loss is recognized by the liquidating corporation with respect to such property, the basis of such property in the hands of such distributee shall be the fair market value of the property at the time of the distribution.

"(2) CORPORATE DISTRIBUTEE.—For purposes of this subsection, the term 'corporate distributee' means only the corporation which meets the stock ownership requirements specified in section 332(b)."

(7)(A) Subparagraph (B) of section 453(h)(1) of the 1986 Code is amended by striking out "to one person" and inserting in lieu thereof "to 1 person in 1 transaction".

(B) Subparagraph (E) of section 453(h)(1) of the 1986 Code is amended by striking out "section 368(c)(1)" and inserting in lieu thereof "section 368(c)".

(8)(A) Part VII of subchapter C of chapter 1 of the 1986 Code is hereby repealed.

(B) Subsection (b) of section 311 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(3) SPECIAL RULE FOR CERTAIN DISTRIBUTIONS OF PARTNERSHIP OR TRUST INTERESTS.—If the property distributed consists of an interest in a partnership or trust, the Secretary may by regulations provide that the amount of the gain recognized under paragraph (1) shall be computed without regard to any loss attributable to property contributed to the partnership or trust for the principal purpose of recognizing such loss on the distribution."

(C) The table of parts for subchapter C of chapter 1 of the 1986 Code is amended by striking out the item relating to part VII.

(9) Paragraph (1) of section 267(a) of the 1986 Code is amended—

(A) by striking out "(other than a loss in case of a distribution in complete liquidation)", and

(B) by adding at the end thereof the following new sentence: "The preceding sentence shall not apply to any loss of the distributing corporation (or the distributee) in the case of a distribution in complete liquidation."

(10) Paragraph (1) of section 301(b) of the 1986 Code is amended to read as follows:

"(1) GENERAL RULE.—For purposes of this section, the amount of any distribution shall be the amount of money received, plus the fair market value of the other property received."

(11) Subsection (d) of section 301 of the 1986 Code is amended to read as follows:

"(d) BASIS.—The basis of property received in a distribution to which subsection (a) applies shall be the fair market value of such property."

(12) Section 301 of the 1986 Code is amended by striking out subsection (e) and by redesignating subsections (f) and (g) as subsections (e) and (f), respectively.

(13) Subsection (a) of section 367 of the 1986 Code is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

"(5) PARAGRAPHS (2) AND (3) NOT TO APPLY TO CERTAIN SECTION 361 TRANSACTIONS.—Paragraphs (2) and (3) shall not apply in the case of an exchange described in section 361. Subject to such basis adjustments as shall be provided in regulations, the preceding sentence shall not apply if the transferee is a corporation controlled (within the meaning of section 368(c)) by a domestic corporation or by members of the same affiliated group of corporations (within the meaning of section 1504)."

(14)(A) Subsection (d) of section 1248 of the 1986 Code is amended by striking out paragraph (2).

(B) Subparagraph (B) of section 1248(f)(1) of the 1986 Code is amended to read as follows:

"(B) such domestic corporation distributes stock of such foreign corporation in a distribution to which section 311(a), 337, or 361(c)(1) applies,".

(C) Subsection (f) of section 1248 of the 1986 Code is amended by striking out paragraph (3) and by redesignating paragraph (4) as paragraph (3).

(D) The subsection heading for section 1248(f) of the 1986 Code is amended by striking out "SECTION 311, 336, OR 337 TRANSACTIONS" and inserting in lieu thereof "NONRECOGNITION TRANSACTIONS".

(15) Paragraph (1) of section 995(c) of the 1986 Code is amended by inserting "or" at the end of subparagraph (A), by striking out ", or" at the end of subparagraph (B) and inserting in lieu thereof a period, and by striking out subparagraph (C) and the sentence following subparagraph (C).

(16) Subsection (d) of section 245 of the 1986 Code is hereby repealed.

(17) Paragraph (14) of section 1223 of the 1986 Code is amended to read as follows:

"(14) CROSS REFERENCE.—

"For special holding period provision relating to certain partnership distributions, see section 735(b)."

(18) Clause (ii) of section 341(e)(1)(C) of the 1986 Code is amended—

(A) by striking out "sale or exchange" the first place it appears and inserting in lieu thereof "liquidating sale or exchange", and

(B) by striking out ", gain or loss on which was not recognized to such other corporation under section 337(a),".

(19) Subsection (l) of section 897 of the 1986 Code is hereby repealed.

(f) AMENDMENTS RELATED TO SECTION 632 OF THE REFORM ACT.—

(1) Paragraph (2) of section 1374(b) of the 1986 Code is amended by adding at the end thereof the following new sentence: "Rules similar to the rules of the preceding sentences of this paragraph shall apply in the case of a capital loss carryforward arising in a taxable year for which the corporation was a C corporation."

(2) Subparagraph (B) of section 1374(c)(2) of the 1986 Code is amended by inserting before the period at the end thereof the following: "to the extent such gains were subject to tax under subsection (a)".

(3) Subsection (d) of section 1374 of the 1986 Code is amended by adding at the end thereof the following new paragraphs:

"(5) TREATMENT OF CERTAIN INCOME ITEMS.—Any item of income which is properly taken into account for any taxable year in the recognition period but which is attributable to periods before the 1st taxable year for which the corporation was an S corporation shall be treated as a recognized built-in gain for the taxable year in which it is properly taken into account.

"(6) TREATMENT OF CERTAIN PROPERTY.—If the adjusted basis of any asset is determined (in whole or in part) by reference to the adjusted basis of any other asset held by the S corporation as of the beginning of the 1st taxable year referred to in paragraph (1)—

"(A) such asset shall be treated as held by the S corporation as of the beginning of such 1st taxable year, and

"(B) any determination under paragraph (2)(B) or with respect to such asset shall be made by reference to the fair market value and adjusted basis of such other asset as of the beginning of such 1st taxable year.

"(7) TREATMENT OF TRANSFER OF ASSETS FROM C CORPORATION TO S CORPORATION.—

"(A) IN GENERAL.—Except to the extent provided in regulations, if—

"(i) an S corporation acquires any assets, and

"(ii) the S corporation's basis in such assets is determined (in whole or in part) by reference to the basis of such asset or any other property in the hands of a C corporation,

then this section (other than subsection (c)(1)) shall apply to any recognized built-in gain on the disposition of any such asset.

"(B) SPECIAL RULES.—For purposes of subparagraph (A)—

"(i) paragraphs (1), (2), and (3) shall be applied by substituting the taxable year in which the assets were acquired for the taxable year referred to in such paragraphs, and

"(ii) the net unrealized built-in gain shall be computed by taking into account only such assets."

(4) Paragraph (3) of section 1362(d) of the 1986 Code is amended—

(A) by striking out clause (v) of subparagraph (D), and

(B) by adding at the end thereof the following new subparagraph:

"(E) SPECIAL RULE FOR OPTIONS AND COMMODITY DEALINGS.—

"(i) IN GENERAL.—In the case of any options dealer or commodities dealer, passive investment income shall be determined by not taking into account any gain or loss (in the normal course of the taxpayer's activity of dealing in or trading section 1256 contracts) from any section 1256 contract or property related to such a contract.

"(ii) DEFINITIONS.—For purposes of this subparagraph—

"(I) OPTIONS DEALER.—The term 'options dealer' has the meaning given such term by section 1256(g)(8).

"(II) COMMODITIES DEALER.—The term 'commodities dealer' means a person who is actively engaged in trading section 1256 contracts and is registered with a domestic board of trade which is designated as a contract market by the Commodities Futures Trading Commission.

"(III) SECTION 1256 CONTRACT.—The term 'section 1256 contract' has the meaning given to such term by section 1256(b)."

(g) AMENDMENTS RELATED TO SECTION 633 OF THE REFORM ACT.—

(1) Subsection (b) of section 633 of the Reform Act is amended to read as follows:

"(b) BUILT-IN GAINS OF S CORPORATIONS.—

"(1) IN GENERAL.—The amendments made by section 632 (other than subsection (b) thereof) shall apply to taxable years beginning after December 31, 1986, but only in cases where the return for the taxable year is filed pursuant to an S election made after December 31, 1986.

"(2) APPLICATION OF PRIOR LAW.—In the case of any taxable year of an S corporation which begins after December 31, 1986, and to which the amendments made by section 632 (other than subsection (b) thereof) do not apply, paragraph (1) of section 1374(b) of the Internal Revenue Code of 1954 (as in effect on the date before the date of the enactment of this Act) shall be applied as if it read as follows:

" '(1) an amount equal to 34 percent of the amount by which the net capital gain of the corporation for the taxable year exceeds $25,000, or' ".

(2) Subparagraph (B) of section 633(c)(1) of the Reform Act is amended by striking out "50 percent or more" and inserting in lieu thereof "more than 50 percent".

(3) Paragraph (1) of section 633(d) of the Reform Act is amended by striking out "this section" and inserting in lieu thereof "this subtitle".

(4) Subparagraph (C) of section 633(d)(2) of the Reform Act is amended to read as follows:

"(C) any gain on an asset acquired by the qualified corporation if—

"(i) the basis of such asset in the hands of the qualified corporation is determined (in whole or in part) by reference to the basis of such asset in the hands of the person from whom acquired, and

"(ii) a principal purpose for the transfer of such asset to the qualified corporation was to secure the benefits of this subsection."

(5)(A) Subparagraph (A) of section 633(d)(5) of the Reform Act is amended by striking out "10 or fewer qualified persons" and inserting in lieu thereof "a qualified group".

(B) Paragraph (6) of section 633(d) of the Reform Act is amended to read as follows:

"(6) DEFINITIONS AND SPECIAL RULES.—For purposes of this subsection—

"(A) QUALIFIED GROUP.—The term 'qualified group' means any group of 10 or fewer qualified persons who at all times during the 5-year period ending on the date of the adoption of the plan of complete liquidation (or, if shorter, the period during which the corporation or any predecessor was in existence) owned (or was treated as owning under the rules of subparagraph (C)) more than 50 percent (by value) of the stock in such corporation.

"(B) QUALIFIED PERSON.—The term 'qualified person' means—

"(i) an individual,

"(ii) an estate, or

"(iii) any trust described in clause (ii) or clause (iii) of section 1361(c)(2)(A) of the Internal Revenue Code of 1986.

"(C) ATTRIBUTION RULES.—

"(i) IN GENERAL.—Any stock owned by a corporation, trust (other than a trust referred to in subparagraph (B)(iii), or partnership shall be treated as owned proportionately by its shareholders, beneficiaries, or partners, and shall not be treated as owned by such corporation, trust, or partnership. Stock considered to be owned by a person by reason of the application of the preceding sentence shall, for purposes of applying such sentence, be treated as actually owned by such person.

"(ii) FAMILY MEMBERS.—Stock owned (or treated as owned) by members of the same family (within the meaning of section 318(a)(1) of the Internal Revenue Code of 1986) shall be treated as owned by 1 person, and shall be treated as owned by such 1 person for any period during which it was owned (or treated as owned) by any such member.

"(iii) TREATMENT OF CERTAIN TRUSTS.—Stock owned (or treated as owned) by the estate of any decedent or by any trust referred to in subparagraph (B)(iii) with respect to such decedent shall be treated as owned by 1 person and shall be treated as owned by such 1 person for the period during which it was owned (or treated as owned) by such estate or any such trust or by the decedent.

"(D) SPECIAL HOLDING PERIOD RULES.—Any property acquired by reason of the death of an individual shall be treated as owned at all times during which such property was owned by the decedent.

"(E) CONTROLLED GROUP OF CORPORATIONS.—All members of the same controlled group (as defined in section 267(f)(1) of such Code) shall be treated as 1 corporation for purposes of determining whether any of such corporations met the requirement of paragraph (5)(B) and for purposes of determining the applicable percentage with respect to any of such corporations. For purposes of the preceding sentence, an S corporation shall not be treated as a member of a controlled group unless such corporation was a C corporation for its taxable year which includes August 1, 1986, or it was not described for such taxable year in paragraph (1) or (2) of section 1374(c) of such Code (as in effect on the day before the date of the enactment of this Act)."

(6) Subsection (d) of section 633 of the Reform Act is amended by adding at the end thereof the following new paragraph:

"(9) APPLICATION TO NONLIQUIDATING DISTRIBUTIONS.—The provisions of this subsection shall also apply in the case of any distribution (not in complete liquidation) made by a qualified corporation before January 1, 1989, without regard to whether such corporation is completely liquidated."

(7) Paragraph (8) of the section 633(d) of the Reform Act is amended by striking out "becomes an S corporation for a taxable year beginning before January 1, 1989" and inserting in lieu thereof "makes an election to be an S corporation under section 1362 of such Code before January 1, 1989, without regard to whether such corporation is completely liquidated".

(8) Section 633 of the Reform Act is amended by redesignating the subsections following the first subsection (d) as subsections (e), (f), and (g), respectively.

(9) Subsection (f)(2) of section 633 of the Reform Act (as so redesignated) is amended by striking out "May 9, 1929" and inserting in lieu thereof "May 9, 1929 (or any direct or indirect subsidiary of such corporation)".

(10) Paragraph (3) of section 633(f) of the Reform Act (as so redesignated) is amended by striking out "of such Code)" in the last sentence thereof and inserting in lieu thereof "of such Code".

(11) Subclause (I) of section 633(f)(4)(A)(i) of the Reform Act (as so redesignated) is amended by striking out "binding on the selling corporation to sell substantially all its assets" and inserting in lieu thereof "to sell substantially all of the assets of a selling corporation organized under the laws of Massachusetts on October 20, 1976,".

(12) Subparagraph (A) of section 633(f)(5) of the Reform Act (as so redesignated) is amended to read as follows:

"(A) a voting trust established not later than December 31, 1987, shall qualify as a trust permitted as a shareholder of an S corporation and shall be treated as only 1 shareholder if the holders of beneficial interests in such voting trust are—

"(i) employees or retirees of such corporation, or

"(ii) in the case of stock or voting trust certificates acquired from an employee or retiree of such corporation, the spouse, child, or estate of such employee or retiree or a trust created by such employee or retiree which is described in section 1361(c)(2) of the Internal Revenue Code of 1986 (or treated as described in such section by reason of section 1361(d) of such Code), and".

(h) AMENDMENT RELATED TO SECTION 641 OF THE REFORM ACT.—

(1) Paragraph (3) of section 1060(b) of the 1986 Code is amended by striking out "the Secretary may find necessary" and inserting in lieu thereof "the Secretary deems necessary".

(2) Section 1060 of the 1986 Code is amended by adding at the end thereof the following new subsection:

"(d) TREATMENT OF CERTAIN PARTNERSHIP TRANSACTIONS.—In the case of a distribution of partnership property or a transfer of an interest in a partnership—

"(1) the rules of subsection (a) shall apply but only for purposes of determining the value of goodwill or going concern value (or similar items) for purposes of applying section 755, and

"(2) if section 755 applies, such distribution or transfer (as the case may be) shall be treated as an applicable asset acquisition for purposes of subsection (b)."

(3)(A) Subparagraph (B) of section 6724(d)(1) of the 1986 Code (defining information return) is amended by striking out "or" at the end of clause (ix), by striking out the period at the end of clause (x) and inserting in lieu thereof ", or", and by adding at the end thereof the following new clause:

"(xi) section 1060(b) (relating to reporting requirements of transferors and transferees in certain asset acquisitions)."

(B) Section 1060 of the 1986 Code is amended by adding at the end thereof the following new subsection:

"(e) CROSS REFERENCE.—

"For provisions relating to penalties for failure to file a return required by this section, see section 6721."

(i) AMENDMENTS RELATED TO SECTION 642 OF THE REFORM ACT.—

(1) Paragraph (1) of section 453(g) of the 1986 Code is amended by striking out subparagraphs (A) and (B) and inserting in lieu thereof the following:

"(A) subsection (a) shall not apply,

"(B) for purposes of this title—

"(i) except as provided in clause (ii), all payments to be received shall be treated as received in the year of the disposition, and

"(ii) in the case of any payments which are contingent as to the amount but with respect to which the fair market value may not be reasonably ascertained, the basis shall be recovered ratably, and

"(C) the purchaser may not increase the basis of any property acquired in such sale by any amount before the time such amount is includible in the gross income of the seller."

(2)(A) Section 453(g) of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(3) RELATED PERSON.—For purposes of this subsection, the term 'related person' has the meaning given such term by section 1239(b), except that such term shall include 2 partnerships described in section 707(b)(1)(B)."

(B) Section 453(g)(1) of the 1986 Code is amended by striking out "(within the meaning of section 1239(b))".

(3) The heading of paragraph (2) of section 642(c) of the Reform Act is amended by striking out "TRADITIONAL" and inserting in lieu thereof "TRANSITIONAL".

(j) AMENDMENT RELATED TO SECTION 643 OF THE REFORM ACT.—Paragraph (2) of section 643(b) of the Reform Act is amended by striking out "issued after" and inserting in lieu thereof "acquired after".

(k) AMENDMENTS RELATED TO SECTION 646 OF THE REFORM ACT.—

(1) Paragraph (2) of section 646(b) of the Reform Act is amended to read as follows:

"(2) such entity is exclusively engaged in the leasing of mineral property and activities incidental thereto, and".

(2) Paragraph (3) of section 646(b) of the Reform Act is amended by inserting "as of October 22, 1986," after "publicly traded".

(3) Subparagraph (A) of section 646(c)(1) of the Reform Act is amended by inserting "before January 1, 1991" after "entity".

(4) Paragraph (2) of section 646(c) of the Reform Act is amended to read as follows:

"(2) AGREEMENT.—

"(A) IN GENERAL.—The agreement described in this paragraph is a written agreement signed by the board of trustees of the entity which provides that the entity will not acquire any additional property other than property described in subparagraph (B).

"(B) PERMISSIBLE ACQUISITIONS.—Property is described in this paragraph if it is—

"(i) surface rights to property the acquisition of which—

"(I) is necessary to mine mineral rights held on October 22, 1986, and

"(II) is required by a written binding agreement between the entity and an unrelated person entered into on or before October 22, 1986,

"(ii) surface rights to property which are not described in clause (i) and which—

"(I) are acquired in an exchange to which section 1031 applies, and

"(II) are necessary to mine mineral rights held on October 22, 1986,

"(iii) tangible personal property incidental to the leasing of mineral property and activities incidental thereto, or

"(iv) part of any required reserves of the entity."

(5) Paragraph (1) of section 646(d)(1) of the Reform Act is amended by striking out subparagraph (B) and inserting in lieu thereof:

"(B) for purposes of section 333 of such Code (as so in effect)—

"(i) any person holding an income interest in such entity as of such time shall be treated as a qualified electing shareholder, and

"(ii) the earnings and profits, and the value of money or stock or securities, of such entity shall be apportioned ratably among persons described in clause (i).

The amendments made by subtitle D of this title and section 1804 of this Act shall not apply to any liquidation under this paragraph."

(6)(A) Paragraph (2) of section 646(d) of the Reform Act is amended to read as follows:

"(2) TERMINATION OF ELECTION.—If an entity ceases to be described in subsection (b) or violates any term of the agreement described in subsection (c)(2), the entity shall, for purposes of the Internal Revenue Code of 1986, be treated as a corporation for the taxable year in which such cessation or violation occurs and for all subsequent taxable years."

(B) Paragraph (3) of section 646(c) of the Reform Act is amended to read as follows:

"(3) BEGINNING OF PERIOD FOR WHICH ELECTION IS IN EFFECT.—The period during which an election is in effect under this subsection shall begin on the 1st day of the 1st taxable year beginning after the date of the enactment of this Act and following the taxable year in which the election is made."

(7)(A) Subsection (e) of section 646 of the Reform Act is amended to read as follows:

"(e) SPECIAL RULE FOR PERSONS HOLDING INCOME INTERESTS.—In applying subpart E of part I of subchapter J of chapter 1 of the Internal Revenue Code of 1986 to any entity to which this section applies—

"(1) a reversionary interest shall not be taken into account until it comes into possession, and

"(2) all items of income, gain, loss, deduction, and credit shall be allocated to persons holding income interests for the period of the allocation."

(B) Section 646(d)(3) of the Reform Act is amended by striking out "or by reason of subsection (e)".

(l) AMENDMENTS RELATED TO SECTION 651 OF THE REFORM ACT.—

(1) Paragraph (6) of section 852(b) of the 1986 Code (as added by section 651(b)(1)(A) of the Reform Act) is redesignated as paragraph (7).

(2) Paragraph (2) of section 4982(e) of the 1986 Code is amended to read as follows:

"(2) CAPITAL GAIN NET INCOME.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'capital gain net income' has the meaning given such term by section 1222(9) (determined by treating the 1-year period ending on October 31 of any calendar year as the company's taxable year).

"(B) REDUCTION BY NET ORDINARY LOSS FOR CALENDAR YEAR.—The amount determined under subparagraph (A) shall be reduced (but not below the net capital gain) by the amount of the company's net ordinary loss for the calendar year.

"(C) DEFINITIONS.—For purposes of this paragraph—

"(i) NET CAPITAL GAIN.—The term 'net capital gain' has the meaning given such term by section 1222(11) (determined by treating the 1-year period ending on October 31 of the calendar year as the company's taxable year).

"(ii) NET ORDINARY LOSS.—The net ordinary loss for the calendar year is the amount which would be the net operating loss of the company for the calendar year if the amount of such loss were determined in the same manner as ordinary income is determined under paragraph (1)."

(3) Paragraph (2) of section 852(c) of the 1986 Code is amended to read as follows:

"(2) COORDINATION WITH TAX ON UNDISTRIBUTED INCOME.—For purposes of applying this chapter to distributions made by a regulated investment company during any calendar year, the earnings and profits of such company shall be determined without regard to any net capital loss attributable to transactions after October 31 of such year. The preceding sentence shall apply—

"(A) only to the extent that the amount distributed by the company during the calendar year does not exceed the required distribution for such calendar year (as determined under section 4982), and

"(B) only if an election under section 4982(e)(4) is not in effect with respect to such company."

(4) Subparagraph (C) of section 852(b)(3) of the 1986 Code is amended by striking out "regulated investment company taxable income" in the last sentence and inserting in lieu thereof "the taxable income of the regulated investment company".

(m) AMENDMENTS RELATED TO SECTION 652 OF THE REFORM ACT.—

(1) Paragraph (1) of section 851(a) of the 1986 Code is amended to read as follows:

"(1) which, at all times during the taxable year—

"(A) is registered under the Investment Company Act of 1940, as amended (15 U.S.C. 80a-1 to 80b-2) as a management company or unit investment trust, or

"(B) has in effect an election under such Act to be treated as a business development company, or".

(2) Paragraph (1) of section 851(e) of the 1986 Code is amended by striking out "a registered management company or registered business development company" and inserting in lieu thereof "a management company or a business development company described in subsection (a)(1)".

(n) AMENDMENTS RELATED TO SECTION 653 OF THE REFORM ACT.—

(1) Paragraph (2) of section 851(b) of the 1986 Code is amended by striking out "or forward contracts)" and inserting in lieu thereof "or forward contracts, but not including partnership or trust income)".

(2) Paragraph (3) of section 851(b) of the 1986 Code is amended to read as follows:

"(3) less than 30 percent of its gross income is derived from the sale or disposition of any of the following which was held for less than 3 months:

"(A) stock or securities (as defined in section 2(a)(36) of the Investment Company Act of 1940, as amended),

"(B) options, futures, or forward contracts, or

"(C) except as provided in regulations, foreign currency, and".

(3) Clause (i) of section 851(g)(2)(A) of the 1986 Code (defining designated hedge) is amended by striking out "contractual option" and inserting in lieu thereof "contractual obligation".

(o) AMENDMENT RELATED TO SECTION 654 OF THE REFORM ACT.—Subsection (q) of section 851 of the 1986 Code (as added by section 654 of the Reform Act) is redesignated as subsection (h).

(p) AMENDMENTS RELATED TO SECTION 662 OF THE REFORM ACT.—

(1) Subclause (I) of section 856(c)(6)(D)(i) of the 1986 Code (as added by section 662 of the Reform Act) is amended by striking out "debt instrument" and inserting in lieu thereof "debt instrument (within the meaning of section 1275(a)(1))".

(2) Notwithstanding section 669 of the Reform Act, the amendment made by section 662(c) of the Reform Act shall apply to taxable years beginning after December 31, 1986, but only in the case of obligations acquired after October 22, 1986.

(3) Subsection (c) of section 856 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(8) TREATMENT OF LIQUIDATING GAINS.—In the case of the taxable year in which a real estate investment trust is completely liquidated, there shall not be taken into account under paragraph (4) any gain from the sale, exchange, or distribution of any property after the adoption of the plan of complete liquidation."

(q) AMENDMENTS RELATED TO SECTION 663 OF THE REFORM ACT.—

(1) Subparagraph (A) of section 856(d)(6) of the 1986 Code is amended to read as follows:

"(A) IN GENERAL.—If—

"(i) a real estate investment trust receives or accrues, with respect to real or personal property, amounts from a tenant which derives substantially all of its income with respect to such property from the subleasing of substantially all of such property, and

"(ii) a portion of the amount such tenant receives or accrues, directly or indirectly, from subtenants consists of qualified rents,

then the amounts which the trust receives or accrues from the tenant shall not be excluded from the term 'rents from real property' by reason of being based on the income or profits of such tenant to the extent the amounts so received or accrued are attributable to qualified rents received or accrued by such tenant."

(2) Subsection (f) of section 856 of the 1986 Code is amended to read as follows:

"(f) INTEREST.—

"(1) IN GENERAL.—For purposes of paragraphs (2)(B) and (3)(B) of subsection (c), the term 'interest' does not include any amount received or accrued, directly or indirectly, if the determination of such amount depends in whole or in part on the income or profits of any person except that—

"(A) any amount so received or accrued shall not be excluded from the term 'interest' solely by reason of being based on a fixed percentage or percentages of receipts or sales, and

"(B) where a real estate investment trust receives any amount which would be excluded from the term 'interest' solely because the debtor of the real estate investment trust receives or accrues any amount the determination of which depends in whole or in part on the income or profits of any person, only a proportionate part (determined pursuant to regulations prescribed by the Secretary) of the amount received or accrued by the real estate investment trust from the debtor will be excluded from the term 'interest'.

"(2) SPECIAL RULE.—If—

"(A) a real estate investment trust receives or accrues with respect to an obligation secured by a mortgage on real property or an interest in real property amounts from a debtor which derives substantially all of its gross income with respect to such property from the leasing of substantially all of its interests in such property to tenants, and

"(B) a portion of the amount which such debtor receives or accrues, directly or indirectly, from tenants consists of qualified rents (as defined in subsection (d)(6)(B)),

then the amounts which the trust receives or accrues from such debtor shall not be excluded from the term 'interest' by reason of being based on the income or profits of such debtor to the extent the amounts so received are attributable to qualified rents received or accrued by such debtor."

(r) Amendment Related to Section 664 of the Reform Act.—Clause (i) of section 857(e)(2)(B) of the 1986 Code is amended by striking out "as original issue discount on instruments" and inserting "with respect to instruments".

(s) Amendments Related to Section 668 of the Reform Act.—

(1) Paragraph (2) of section 4981(e) of the 1986 Code is amended to read as follows:

"(2) Capital gain net income.—

"(A) In general.—The term 'capital gain net income' has the meaning given such term by section 1222(9) (determined by treating the calendar year as the trust's taxable year).

"(B) Reduction for net ordinary loss.—The amount determined under subparagraph (A) shall be reduced by the amount of the trust's net ordinary loss for the taxable year.

"(C) Net ordinary loss.—For purposes of this paragraph, the net ordinary loss for the calendar year is the amount which would be net operating loss of the trust for the calendar year if the amount of such loss were determined in the same manner as ordinary income is determined under paragraph (1)."

(2) Subparagraph (C) of section 857(b)(3) of the 1986 Code is amended by striking out "real estate investment trust taxable income" in the last sentence and inserting in lieu thereof "the taxable income of the real estate investment trust".

(t) Amendments Related to Section 671 of the Reform Act.—

(1) Paragraph (1) of section 860C(e) of the 1986 Code is amended to read as follows:

"(1) Amounts treated as ordinary.—Any amount taken into account under subsection (a) by any holder of a residual interest in a REMIC shall be treated as ordinary income or ordinary loss, as the case may be."

(2) Paragraph (4) of section 860D(a) of the 1986 Code is amended by striking out "4th month ending after" and inserting in lieu thereof "3rd month beginning after".

(3) Subparagraph (A) of section 860D(b)(2) of the 1986 Code is amended by striking out "ceases to be a REMIC" and inserting in lieu thereof "ceases to be a REMIC (other than by reason of a qualified liquidation)".

(4)(A) Clause (i) of section 860F(a)(2)(A) of the 1986 Code is amended to read as follows:

"(i) the substitution of a qualified replacement mortgage for a qualified mortgage (or the repurchase in lieu of substitution of a defective obligation within the 2-year period beginning on the startup day),".

(B) Paragraph (2) of section 860F(a) of the 1986 Code is amended—

(i) by striking out the last sentence of subparagraph (A), and

(ii) by adding at the end thereof the following new sentence:

"Notwithstanding subparagraphs (A) and (D), the term 'prohibited transaction' shall not include any disposition required to prevent default on a regular interest where the threatened default resulted from a default on 1 or more qualified mortgages."

(C) Subparagraph (D) of section 860F(a)(2) of the 1986 Code is amended by striking out "described in subsection (b)".

(5) Subparagraph (A) of section 860F(b)(1) of the 1986 Code is amended by striking out "the transfer of any property to a REMIC" and inserting in lieu thereof "the transfer of any property to a REMIC in exchange for regular or residual interests in such REMIC".

(6)(A) Paragraph (1) of section 860G(a) of the 1986 Code is amended by striking out "the terms of which are fixed on the startup day" and inserting in lieu thereof "which is issued on the startup day with fixed terms, which is designated as a regular interest".

(B) Paragraph (2) of section 860G(a) of the 1986 Code is amended to read as follows:

"(2) Residual interest.—The term 'residual interest' means an interest in a REMIC which is issued on the startup day, which is not a regular interest, and which is designated as a residual interest."

(C) Paragraph (3) of section 860G(a) of the 1986 Code is amended—

(i) by striking out "on or before the startup day" in subparagraph (A)(i) and inserting in lieu thereof "on the startup day in exchange for regular or residual interests in the REMIC",

(ii) by inserting "pursuant to a fixed-price contract in effect on the startup day" before the comma at the end of subparagraph (A)(ii), and

(iii) by striking out "on or before the startup day" in subparagraph (C) and inserting in lieu thereof "on the startup day in exchange for regular or residual interests in the REMIC".

(D) Subparagraph (A) of section 860G(a)(4) of the 1986 Code is amended to read as follows:

"(A) which would be a qualified mortgage if transferred on the startup day in exchange for regular or residual interests in the REMIC, and".

(E) Paragraph (9) of section 860G(a) of the 1986 Code is amended to read as follows:

"(9) Startup day.—The term 'startup day' means the day on which the REMIC issues all of its regular and residual interests. To the extent provided in regulations, all interests issued (and all transfers to the REMIC) during any period (not exceeding 10 days) permitted in such regulations shall be treated as occurring on the day during such period selected by the REMIC for purposes of this paragraph."

(F) The amendments made by this paragraph shall not apply to any REMIC where the startup day (as defined in section 860G(a)(9) of the 1986 Code as in effect on the day before the date of the enactment of this Act) is before July 1, 1987.

(7) Paragraph (3) of section 860G(a) of the 1986 Code is amended—

(A) by striking out "directly or indirectly," in subparagraph (A), and

(B) by adding at the end thereof the following new sentence:

"For purposes of this subparagraph, any obligation secured by stock held by a person as a tenant-stockholder (as defined in section 216) in a cooperative housing corporation (as so defined) shall be treated as secured by an interest in real property."

(8) Subparagraph (B) of section 860G(a)(7) of the 1986 Code is amended by inserting before the period at the end of the 1st sentence the following: "or lower than expected returns on cash flow investments".

(9)(A) Paragraph (8) of section 860G(a) of the 1986 Code is amended by striking out the last sentence.

(B) Section 860G of the 1986 Code is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) Tax on Income From Foreclosure Property.—

"(1) In general.—A tax is hereby imposed for each taxable year on the net income from foreclosure property of each REMIC. Such tax shall be computed by multiplying the net income from foreclosure property by the highest rate of tax specified in section 11(b).

"(2) Net income from foreclosure property.—For purposes of this part, the term 'net income from foreclosure property' means the amount which would be the REMIC's net income from foreclosure property under section 857(b)(4)(B) if the REMIC were a real estate investment trust."

(C) Paragraph (1) of section 860C(b) of the 1986 Code is amended by striking out "and" at the end of subparagraph (C), by striking out the period at the end of subparagraph (D) and inserting in lieu thereof ", and", and by adding at the end thereof the following new subparagraph:

"(E) the amount of the net income from foreclosure property (if any) shall be reduced by the amount of the tax imposed by section 860G(c)."

(10)(A) Section 860G of the 1986 Code (as amended by paragraph (9)) is amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following new subsection:

"(d) Tax on Contributions After Startup Day.—If any amount is contributed to a REMIC after the startup day, there is hereby imposed a tax for the taxable year of the REMIC in which the contribution is received equal to 100 percent of the amount of such contribution."

(B) The amendment made by subparagraph (A) shall not apply to any REMIC where the startup day (as defined in section 860G(a)(9) of the 1986 Code as in effect on the day before the date of the enactment of this Act) is before July 1, 1987.

(11) Subsection (e) of section 860G of the 1986 Code (as redesignated by paragraph (10)) is amended by striking out "and" at the end of paragraph (2), by striking out the period at the end of paragraph (3) and inserting in lieu thereof a comma, and by adding at the end thereof the following new paragraphs:

"(4) providing appropriate rules for treatment of transfers of qualified replacement mortgages to the REMIC where the transferor holds any interest in the REMIC, and

"(5) providing that a mortgage will be treated as a qualified replacement mortgage only if it is part of a bona fide replacement (and not part of a swap of mortgages)."

(12) Paragraph (6) of section 856(c) of the 1986 Code is amended (by redesignating the last subparagraph as subparagraph (F) and by striking out the subparagraph (D) added by section 671(b)(1) of the Reform Act and inserting in lieu thereof the following:

"(E) A regular or residual interest in a REMIC shall be treated as a real estate asset, and any amount includible in gross income with respect to such an interest shall be treated as interest on an obligation secured by a mortgage on real property; except that, if less than 95 percent of the assets of such REMIC are real estate assets (determined as if the real estate investment trust held such assets), such real estate investment trust shall be treated as holding directly (and as receiving directly) its proportionate share of the assets and income of the REMIC."

(13) Clause (xi) of section 7701(a)(19)(C) of the 1986 Code is amended by striking out "are loans described" and inserting in lieu thereof "are assets described".

(14) Subparagraph (B) of section 860E(c)(2) of the 1986 Code is amended by striking out "issue price of residual interest" and inserting in lieu thereof "issue price of the residual interest".

(u) Amendments Related to Section 672 of the Reform Act.—

(1) Subparagraph (B) of section 163(e)(2) of the 1986 Code is amended by striking out "paragraph (6)" and inserting in lieu thereof "paragraph (7)".

(2) Subparagraph (B) of section 1278(a)(4) of the 1986 Code is amended by striking out "section 1272(a)(6)" and inserting in lieu thereof "section 1272(a)(7)".

(3) Paragraph (1) of section 1288(a) of the 1986 Code is amended by striking out "paragraph (6)" and inserting in lieu thereof "paragraph (7)".

(v) Amendments Related to Section 675 of the Reform Act.—

(1) Subsection (a) of section 675 of the Reform Act is amended to read as follows:

"(a) General Rule.—Except as otherwise provided in this section, the amendments made by this subtitle shall take effect on January 1, 1987."

(2) Section 675 of the Reform Act is amended by adding at the end thereof the following new subsection:

"(d) Study.—The Secretary of the Treasury or his delegate shall conduct a study of the operation of the amendments made by this part and their competitive impact on savings and loan institutions and similar financial institutions. Not later than January 1, 1990, the Secretary shall submit a report of such study to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate (together with such recommendations as he may deem advisable)."

SEC. 107. AMENDMENTS RELATED TO TITLE VII OF THE REFORM ACT.

(a) Amendments to Section 55 of the 1986 Code.—

(1) Paragraph (1) of section 55(c) of the 1986 Code is amended by inserting before the period at the end of the first sentence the following: "and the section 936 credit allowable under section 27(b)".

(2) Paragraph (2) of section 55(b) of the 1986 Code is amended by adding at the end thereof the following new sentence:

"If the tax imposed by this chapter on any taxpayer is determined by reference to an amount other than taxable income, such amount shall be treated as the taxable income of such taxpayer for purposes of the preceding sentence."

(b) Amendments to Section 56 of the 1986 Code.—

(1) Paragraph (3) of section 56(a) of the 1986 Code is amended by striking out "(as modified by section 460(b))" and inserting in lieu thereof "(as modified by section 460(b) and determined by using the same percentage of the contract completed as used for purposes of the regular tax)".

(2) Subparagraph (E) of section 56(b)(1) of the 1986 Code is amended to read as follows:

"(E) Standard deduction and personal exemption not allowed.—The standard deduction under section 63(c) and the deduction for personal exemptions under section 151 shall not be allowed."

(3) Subparagraph (C) of section 56(b)(1) of the 1986 Code is amended by striking out "and" at the end of clause (ii), by striking out the period at the end of clause (iii) and inserting in lieu thereof ", and", and by adding at the end thereof the following new clause:

"(iv) in lieu of the exception under section 163(d)(3)(B)(i), the term 'investment interest' shall not include any qualified housing interest (as defined in subsection (e))."

(4) Clause (iii) of section 56(b)(1)(C) of the 1986 Code is amended—

(A) by striking out "specified activity bond" and inserting in lieu thereof "specified private activity bond", and

(B) by striking out "section 56(a)(5)(B)" and inserting in lieu thereof "section 57(a)(5)(B)".

(5) Subparagraph (A) of section 56(d)(2) of the 1986 Code is amended—

(A) by striking out "(other than subsection (a)(6) thereof)", and

(B) by adding at the end thereof the following new sentence:

"An item of tax preference shall be taken into account under clause (ii) only to the extent such item increased the amount of the net operating loss for the taxable year under section 172(c)."

(6)(A) Paragraph (1) of section 56(e) of the 1986 Code is amended—

(i) by striking out "interest which is" and inserting in lieu thereof "interest which is qualified residence interest (as defined in section 163(h)(3)) and is", and

(ii) by striking out "section 163(h)(3)" in subparagraph (B) and inserting in lieu thereof "section 163(h)(5)".

(B) Paragraph (3) of section 56(e) of the 1986 Code is amended by striking out "interest paid or accrued" and inserting in lieu thereof "interest which is qualified residence interest (as defined in section 163(h)(3)) and is paid or accrued".

(7) The last sentence of section 56(f)(2)(B) of the 1986 Code is amended by striking out "any such taxes" and inserting in lieu thereof "any such taxes (otherwise eligible for the credit provided by section 901 without regard to section 901(j))".

(8) Clause (iii) of section 56(f)(3)(A) of the 1986 Code is amended by striking out "an income statement" and inserting in lieu thereof "an income statement for a substantial nontax purpose".

(9) Subparagraph (B) of section 56(f)(3) of the 1986 Code is amended by striking out "paragraph (3)(A)" and inserting in lieu thereof "this subsection".

(10) Subparagraph (C) of section 56(f)(3) of the 1986 Code is amended by adding at the end thereof the following new sentence: "If the taxpayer has 2 or more statements described in the clause (or subclause) with the lowest number designation, the applicable financial statement shall be the one of such statements specified in regulations."

(11)(A) Subparagraph (F) of section 56(f)(2) of the 1986 Code is amended to read as follows:

"(F) Treatment of taxes on dividends from 936 corporations.—

"(i) In general.—For purposes of determining the alternative minimum tax foreign tax credit, 50 percent of any withholding tax or income tax paid to a possession of the United States with respect to dividends received from a corporation eligible for the credit provided by section 936 shall be treated as a tax paid to a foreign country by the corporation receiving the dividend.

"(ii) Limitation.—If the aggregate amount of the dividends referred to in clause (i) for any taxable year exceeds the excess referred to in paragraph (1), the amount treated as a tax paid to a foreign country under clause (i) shall not exceed the amount which would be so treated without regard to this clause multiplied by a fraction—

"(I) the numerator of which is the excess referred to in paragraph (1), and

"(II) the denominator of which is the aggregate amount of such dividends.

"(iii) Treatment of taxes imposed on 936 corporation.—For purposes of this subparagraph, taxes paid by any corporation eligible for the credit provided by section 936 to a possession of the United States shall be treated as a withholding tax paid with respect to any dividend paid by such corporation to the extent such taxes would be treated as paid by the corporation receiving the dividend under rules similar to the rules of section 902 (and the amount of any such dividend shall be increased by the amount so treated)."

(B) Clause (iii) of section 56(g)(4)(C) of the 1986 Code is amended by striking out "clause (ii)(I)" and inserting in lieu thereof "clause (i)".

(12) Clause (iii) of section 56(g)(4)(B) of the 1986 Code is amended by adding at the end thereof the following new sentence: "The preceding sentence shall not apply to any annuity contract held under a plan described in section 403(a)."

(13) Paragraph (1) of section 56(c) of the 1986 Code is amended—

(A) by striking out "ADJUSTED EARNINGS AND PROFITS" in the paragraph heading and inserting in lieu thereof "ADJUSTED CURRENT EARNINGS", and

(B) by striking out "Adjusted earnings and profits" in the heading of subparagraph (B) and inserting in lieu thereof "Adjusted current earnings".

(c) Amendments to Section 57 of the 1986 Code.—

(1) Clause (iii) of section 57(a)(5)(C) of the 1986 Code is amended by inserting "(whether a current or advance refunding)" after "any refunding bond".

(2) Clause (i) of section 57(a)(5)(C) of the 1986 Code is amended to read as follows:

"(i) In general.—For purposes of this part, the term 'specified private activity bond' means any private activity bond (as defined in section 141) which is issued after August 7, 1986, and the interest on which is not includible in gross income under section 103."

(3) Subparagraph (A) of section 57(a)(6) of the 1986 Code amended by inserting "or 642(c)" after "section 170".

(4) Subparagraph (A) of section 57(a)(3) of the 1986 Code is amended by striking out "section 422A" and inserting in lieu thereof "section 422A whether or not the holding period requirements of section 422A(a)(1) are met".

(d) Amendments to Section 58 of the 1986 Code.—

(1) Paragraph (2) of section 58(a) of the 1986 Code is amended—

(A) by striking out "(as modified by section 461(i)(4)(A))", and

(B) by striking out "section 469(d), without regard to paragraph (1)(B) thereof" and inserting in lieu thereof "section 469(c)".

(2) Paragraph (3) of section 58(a) of the 1986 Code is amended by striking out "sec-

tion 469(g)(1)(C)" and inserting in lieu thereof "section 469(j)(2)".

(3) Subsection (a) of section 58 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(4) Determination of loss.—In determining the amount of the loss from any tax shelter farm activity, the adjustments of sections 56 and 57 shall apply."

(4) Subsection (b) of section 58 of the 1986 Code is amended by striking out paragraphs (1), (2), and (3), and inserting in lieu thereof the following:

"(1) the adjustments of sections 56 and 57 shall apply, and

"(2) the provisions of section 469(l) (relating to phase-in of disallowance) shall not apply."

(e) Amendments to Section 59 of the 1986 Code.—

(1) Paragraph (2) of section 59(e) of the 1986 Code is amended by striking out "would have been allowable as a deduction" and inserting in lieu thereof "would have been allowable as a deduction (determined without regard to section 291)".

(2) Subsection (h) of section 59 of the 1986 Code is amended by striking out "taxable year—" and all that follows and inserting in lieu thereof "taxable year with the adjustments of sections 56, 57, and 58."

(f) Transitional Provisions.—

(1) In the case of the taxable year of an estate or trust which begins before January 1, 1987, and ends on or after such date, the items of tax preference apportioned to any beneficiary of such estate or trust under section 58(c)(1) of the Internal Revenue Code of 1954 (as in effect on the day before the date of the enactment of the Tax Reform Act of 1986) shall be taken into account for purposes of determining the amount of the tax imposed by section 55 of the Internal Revenue Code of 1986 (as amended by the Tax Reform Act of 1986) on such beneficiary for such beneficiary's taxable year in which such taxable year of the estate or trust ends.

(2) The last sentence of subparagraph (B) of section 701(f)(6) of the Reform Act is amended to read as follows: "The aggregate amount of investment tax credits with respect to the unit in Mississippi allowed solely by reason of being described in this subparagraph shall not exceed $141,000,000."

(3) Subsection (f) of section 701 of the Reform Act is amended by adding at the end thereof the following new paragraph:

"(7) Agreement vessel depreciation adjustment.—

"(A) For purposes of part VI of subchapter A of chapter 1 of the Internal Revenue Code of 1986, in the case of a qualified taxpayer, alternative minimum taxable income for the taxable year shall be reduced by an amount equal to the agreement vessel depreciation adjustment.

"(B) For purposes of this paragraph, the agreement vessel depreciation adjustment shall be an amount equal to the depreciation deduction that would have been allowable for such year under section 167 of such Code with respect to agreement vessels placed in service before January 1, 1987, if the basis of such vessels had not been reduced under section 607 of the Merchant Marine Act of 1936, as amended, and if depreciation with respect to such vessel had been computed using the 25-year straight-line method. The aggregate amount by which basis of a qualified taxpayer is treated as not reduced by reason of this subparagraph shall not exceed $100,000,000.

"(C) For purposes of this paragraph, the term 'qualified taxpayer' means a parent corporation incorporated in the State of Delaware on December 1, 1972, and engaged in water transportation, and includes any other corporation which is a member of the affiliated group of which the parent corporation is the common parent. No taxpayer shall be treated as a qualified corporation for any taxable year beginning after December 31, 1991."

(4)(A) If any property to which this paragraph applies is placed in service in a taxable year which begins before January 1, 1987, and ends on or after August 1, 1986, the item of tax preference determined under section 57(a) of the Internal Revenue Code of 1954 (as in effect on the day before the date of the enactment of the Tax Reform Act of 1986) with respect to such property shall be the excess of—

(i) the amount allowable as a deduction for depreciation or amortization for such taxable year, over

(ii) the amount which would be determined for such taxable year under the rules of paragraph (1) or (5) (whichever is appropriate) of section 56(a) of the Internal Revenue Code of 1954 (as amended by the Tax Reform Act of 1986).

(B) This paragraph shall apply to any property—

(i) which is described in paragraph (4) or (12) of section 57(a) of the Internal Revenue Code of 1954 (as so in effect), and

(ii) to which paragraph (1) or (5) of section 56(a) of the Internal Revenue Code of 1986 would apply if the taxable year referred to in subparagraph (A) began after December 31, 1986.

(g) Miscellaneous Amendments.—

(1) Subparagraph (K) of section 26(b)(2) of the 1986 Code is amended by striking out the comma at the end thereof and inserting in lieu thereof ").".

(2) Paragraph (3) of section 38(c) of the 1986 Code is amended to read as follows:

"(3) Regular investment tax credit may offset 25 percent of minimum tax.—

"(A) In general.—In the case of any C corporation, the limitation of paragraph (1)(B) shall be increased by the lesser of—

"(i) the portion of the regular investment tax credit not used against the normal limitation, or

"(ii) 25 percent of the taxpayer's tentative minimum tax for the taxable year.

"(B) Portion of regular investment tax credit not used against normal limit.—For purposes of subparagraph (A), the portion of the regular investment tax credit for any taxable year not used against the normal limitation is the excess (if any) of—

"(i) the portion of the credit under subsection (a) which is attributable to the application of the regular percentage under section 46, over

"(ii) the limitation of paragraph (1) (without regard to this paragraph) reduced by the portion of the credit under subsection (a) which is not so attributable.

"(C) Limitation.—In no event shall this paragraph permit the allowance of a credit which would result in a net chapter 1 tax less than an amount equal to 10 percent of the amount determined under section 55(b)(1)(A) without regard to the alternative tax net operating loss deduction. For purposes of the preceding sentence, the term 'net chapter 1 tax' means the sum of the regular tax liability for the taxable year and the tax imposed by section 55 for the taxable year reduced by the sum of the credits allowable under this part for the taxable year (other than under section 34)."

(3) Subsection (c) of section 47 of the 1986 Code is amended by striking out "or D" and inserting in lieu thereof "D, or G".

(4) The last sentence of clause (ii) of section 53(d)(1)(B) of the 1986 Code is amended by striking out "earnings and profits" and inserting in lieu thereof "current earnings".

(5) Sections 173(b), 174(e)(2), 263(c), and 1016(a)(23) of the 1986 Code are each amended by striking out "section 59(d)" and inserting in lieu thereof "section 59(e)".

(6) Section 511 of the 1986 Code is amended by striking out subsection (d).

(7) Sections 616(e) and 617(j) of the 1986 Code are each amended by striking out "section 58(i)" and inserting in lieu thereof "section 59(e)".

(8) Paragraph (4) of section 701(c) of the Reform Act is amended by striking out "section 631(a)" and inserting in lieu thereof "section 221(a)".

(9) Subparagraph (B) of section 1362(e)(5) of the 1986 Code is amended by striking out "Subsection (d)(2)" and inserting in lieu thereof "Subsection (d)".

(10) Subsection (a) of section 6154 of the 1986 Code is amended by striking out "11, 59A" and inserting in lieu thereof "11, 55, 59A".

(11) Paragraph (1) of section 962(a) of the 1986 Code is amended—

(A) by striking out "section 1" and inserting in lieu thereof "sections 1 and 55", and

(B) by striking out "section 11" and inserting in lieu thereof "sections 11 and 55".

SEC. 108. AMENDMENTS RELATED TO TITLE VIII OF THE REFORM ACT.

(a) Amendments Related to Section 801 of the Reform Act.—

(1)(A) Subparagraph (B) of section 448(d)(2) of the 1986 Code (defining qualified personal service corporation) is amended by striking out "or indirectly" and inserting in lieu thereof "(or indirectly through 1 or more partnerships, S corporations, or qualified personal service corporations not described in paragraph (2) or (3) of subsection (a))".

(B) Section 448(d) of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(8) Use of related parties, etc.—The Secretary shall prescribe such regulations as may be necessary to prevent the use of related parties, pass-thru entities, or intermediaries to avoid the application of this section.".

(2) Subparagraph (C) of section 448(d)(4) of the 1986 Code (relating to special rules for application of paragraph (2)) is amended by striking out "all such members" and inserting in lieu thereof "such group".

(3) Paragraph (2) of section 461(i) of the 1986 Code is amended to read as follows:

"(2) Special rule for spudding of oil or gas wells.—

"(A) In general.—In the case of a tax shelter, economic performance with respect to the act of drilling an oil or gas well shall be treated as having occurred within a taxable year if drilling of the well commences before the close of the 90th day after the close of the taxable year.

"(B) Deduction limited to cash basis.—

"(i) Tax shelter partnerships.—In the case of a tax shelter which is a partnership, in applying section 704(d) to a deduction or loss for any taxable year attributable to an item which is deductible by reason of subparagraph (A), the term 'cash basis' shall be substituted for the term 'adjusted basis'.

"(ii) OTHER TAX SHELTERS.—Under regulations prescribed by the Secretary, in the case of a tax shelter other than a partnership, the aggregate amount of the deductions allowable by reason of subparagraph (A) for any taxable year shall be limited in a manner similar to the limitation under clause (i).

"(C) CASH BASIS DEFINED.—For purposes of subparagraph (B), a partner's cash basis in a partnership shall be equal to the adjusted basis of such partner's interest in the partnership, determined without regard to—

"(i) any liability of the partnership, and

"(ii) any amount borrowed by the partner with respect to such partnership which—

"(I) was arranged by the partnership or by any person who participated in the organization, sale, or management of the partnership (or any person related to such person within the meaning of section 465(b)(3)(C)), or

"(II) was secured by the assets of any partnership."

(4) Section 464 of the 1986 Code (relating to limitations on deductions for certain farming expenses) is amended by adding at the end thereof the following new subsection:

"(g) TERMINATION.—Except as provided in subsection (f), subsections (a) and (b) shall not apply to any taxable year beginning after December 31, 1986."

(5) Paragraph (4) of section 801(d) of the Reform Act is amended by striking out "the completed contract method" and inserting in lieu thereof "a method of accounting for long-term contracts".

(6) Section 801(d) of the Reform Act is amended by adding at the end thereof the following new paragraph:

"(5) SPECIAL RULE FOR PARAGRAPHS (2) OR (3).—If any loan, lease, contract, or evidence of any transaction to which paragraph (2) or (3) applies is transferred after June 10, 1987, to a person other than a related party (within the meaning of paragraph (2)), paragraph (2) or (3) shall cease to apply on and after the date of such transfer."

(b) AMENDMENTS RELATED TO SECTION 803 OF THE REFORM ACT.—

(1) Paragraph (2) of section 263A(a) of the 1986 Code is amended by adding at the end thereof the following new sentence: "Any cost which (but for this subsection) may not be taken into account in computing taxable income for any taxable year shall not be treated as a cost described in this paragraph."

(2) Section 263A(c) of the 1986 Code (relating to general exceptions) is amended—

(A) by inserting "291(b)(2)," after "263(c)," in paragraph (3), and

(B) by adding at the end thereof the following new paragraph:

"(6) COORDINATION WITH SECTION 59(e).—Paragraphs (2) and (3) shall apply to any amount allowable as a deduction under section 59(e) for qualified expenditures described in subparagraphs (B), (C), (D), and (E) of paragraph (2) thereof."

(3) Subparagraph (B) of section 263A(d)(2) of the 1986 Code (relating to special rule for person with minority interest who materially participates) is amended—

(A) by striking out "such grove, orchard, or vineyard" in clause (i) and inserting in lieu thereof "the plants described in subparagraph (A) at all times during the taxable year in which such amounts were paid or incurred", and

(B) by striking out "such grove, orchard, or vineyard during the 4-taxable year period beginning with the taxable year in which the grove, orchard, or vineyard was lost or damaged" and inserting in lieu thereof "the plants described in subparagraph (A) during the taxable year in which such amounts were paid or incurred".

(4) Paragraph (3) of section 263A(f) of the 1986 Code (relating to interest relating to property used to produce property) is amended—

(A) by striking out "incurred or continued in connection with" and inserting in lieu thereof "allocable (as determined under paragraph (2)) to", and

(B) by inserting "(as so determined)" after "allocable".

(5) Section 447(b) of the 1986 Code is amended—

(A) by striking out "of" before "expenses", and

(B) by striking out "OF" before "EXPENSES" in the heading thereof.

(6) Section 447(g)(1) of the 1986 Code is amended by striking out "trade or business of farming" each place it appears and inserting in lieu thereof "qualified farming trade or business".

(7) Paragraph (4)(A)(i) of section 803(d) of the Reform Act is amended by striking out "203" each place it appears and inserting in lieu thereof "204".

(c) AMENDMENTS RELATED TO SECTION 804 OF THE REFORM ACT.—

(1) Paragraph (3) of section 460(b) of the 1986 Code is amended—

(A) by striking out "subparagraph" and inserting in lieu thereof "paragraph",

(B) by striking out "paragraph (1)" each place it appears in subparagraph (B) and inserting in lieu thereof "subparagraph (A)", and

(C) by striking out "paragraph (1)" in subparagraph (C) and inserting in lieu thereof "subparagraph (B)".

(2)(A) Section 460(b) of the 1986 Code (relating to percentage of completion method) is amended by adding at the end thereof the following new paragraph:

"(4) SIMPLIFIED METHOD OF COST ALLOCATION.—In the case of a contract described in paragraph (1), the Secretary may prescribe a simplified procedure for allocation of costs to such contract in lieu of the method of allocation under subsection (c)."

(B) Section 460(b)(2) of the 1986 Code is amended by striking out "In" and inserting in lieu thereof "Except as provided in paragraph (4), in".

(3) Subparagraph (B) of section 804(d)(2) of the Reform Act is amended by striking out "section 263A(c)(5)" and inserting in lieu thereof "section 460(c)(5)".

(d) AMENDMENT RELATED TO SECTION 805 OF THE REFORM ACT.—

(1) Section 166(d)(1)(A) of the 1986 Code is amended by striking out "subsections (a) and (c)" and inserting in lieu thereof "subsection (a)".

(2) Subsection (b) of section 805 of the Reform Act is amended by inserting ", as amended by section 901(d)(4)," after "Section 166".

(e) AMENDMENTS RELATED TO SECTION 806 OF THE REFORM ACT.—

(1)(A) Clause (i) of section 706(b)(1)(B) of the 1986 Code is amended to read as follows:

"(i) the majority interest taxable year (as defined in paragraph (4)),".

(B) Paragraph (4) of section 706(b) of the 1986 Code is amended to read as follows:

"(4) MAJORITY INTEREST TAXABLE YEAR; LIMITATION ON REQUIRED CHANGES.—

"(A) MAJORITY INTEREST TAXABLE YEAR DEFINED.—For purposes of paragraph (1)(B)(i)—

"(i) IN GENERAL.—The term 'majority interest taxable year' means the taxable year (if any) which, on each testing day, constituted the taxable year of 1 or more partners having (on such day) an aggregate interest in partnership profits and capital of more than 50 percent.

"(ii) TESTING DAYS.—The testing days shall be—

"(I) the 1st day of the partnership taxable year (determined without regard to clause (i)), or

"(II) the days during such representative period as the Secretary may prescribe.

"(B) FURTHER CHANGE NOT REQUIRED FOR 3 YEARS.—Except as provided in regulations necessary to prevent the avoidance of this section, if, by reason of paragraph (1)(B)(i), the taxable year of a partnership is changed, such partnership shall not be required to change to another taxable year for either of the 2 taxable years following the year of change."

(2) Clause (iii) of section 706(b)(1)(B) of the 1986 Code is amended by striking out "or such other period as the Secretary may prescribe in regulations" and inserting in lieu thereof "unless the Secretary by regulations prescribes another period".

(3) Section 706(b) of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(5) APPLICATION WITH OTHER SECTIONS.—Except as provided in regulations, for purposes of determining the taxable year to which a partnership is required to change by reason of this subsection, changes in taxable years of other persons required by this subsection, section 441(i), section 584(h), section 645, or section 1378(a) shall be taken into account."

(4) Paragraph (2) of section 441(i) of the 1986 Code (defining personal service corporation) is amended by adding at the end thereof the following:

"A corporation shall not be treated as a personal service corporation unless more than 10 percent of the stock (by value) in such corporation is held by employee-owners (within the meaning of section 269A(b)(2), as modified by the preceding sentence). If a corporation is a member of an affiliated group filing a consolidated return, all members of such group shall be taken into account in determining whether such corporation is a personal service corporation."

(5)(A) Section 584 of the 1986 Code (relating to common trust funds) is amended by adding at the end thereof the following new subsection:

"(h) TAXABLE YEAR OF COMMON TRUST FUND.—For purposes of this subtitle, the taxable year of any common trust fund shall be the calendar year."

(B) The amendment made by subparagraph (A) shall take effect as if included in the amendments made by section 806 of the Reform Act. For purposes of section 806(e)(2) of such Act, a participant in a common trust fund shall be treated in the same manner as a partner.

(6) Section 806(c)(2) of the Reform Act is amended by striking out "Section 267(a)" and inserting in lieu thereof "Section 267(a)(2)".

(7) Subparagraph (C) of section 806(e)(2) of the Reform Act is amended—

(A) by striking out "(including such short taxable year)", and

(B) by striking out "short taxable year" the second place it appears and inserting in lieu thereof "the partner's or shareholder's taxable year with or within which the partnership's or S corporation's short taxable year ends".

(8) Section 806(e)(2) of the Reform Act is amended—

(A) by striking out "any taxable year" and inserting in lieu thereof "the taxpayer's first taxable year beginning after December 31, 1986", and

(B) by striking out "taxpayer" each place it appears and inserting in lieu thereof "partnership, S corporation, or personal service corporation".

(9) Nothing in section 806 of the Reform Act or in any legislative history relating thereto shall be construed as requiring the Secretary to permit an automatic change of a taxable year.

(f) Amendments Related to Section 811 of the Reform Act.—

(1) Paragraph (4) of section 453C(b) of the 1986 Code is amended—

(A) by striking out "at any time during" and inserting in lieu thereof "as of the close of", and

(B) by striking out "as of the close of such taxable year in lieu" and inserting in lieu thereof "as of the close of such taxable year (determined by not taking into account any indebtedness described in paragraph (3)(B)) in lieu".

(2) So much of paragraph (2) of section 453C(d) of the 1986 Code as precedes subparagraph (A) is amended to read as follows:

"(2) Excess allocable installment indebtedness.—If the allocable installment indebtedness for any taxable year exceeds the amount which may be allocated under paragraph (1) to applicable installment obligations arising in (and outstanding as of the close of) such taxable year, such excess shall—"

(3) Subparagraph (A) of section 453C(e)(1) of the 1986 Code is amended by adding at the end thereof the following new sentence:

"Such term also includes any obligation held by any person if the basis of such obligation in the hands of such person is determined (in whole or in part) by reference to the basis of such obligation in the hands of another person and such obligation was an applicable installment obligation in the hands of such other person."

(4) Paragraph (2) of section 453C(e) of the 1986 Code (relating to aggregation rules) is amended by striking out "For" and inserting in lieu thereof "Except as provided in regulations, for".

(5) Subparagraph (B) of section 453C(e)(4) of the 1986 Code is amended by striking out "or (3)".

(6) Paragraph (4) of section 811(c) of the Reform Act is amended by striking out the second subparagraphs (D) and (E).

(7) Paragraph (5) of section 811(c) of the Reform Act is amended by striking out "October 23, 1985" each place it appears and inserting in lieu thereof "October 23, 1984".

(8) Section 811(c) of the Reform Act is amended by adding at the end thereof the following new paragraph:

"(9) Special rules.—For purposes of section 453C of the 1986 Code (as added by subsection (a))—

"(A) Revolving credit plans, etc.—The term 'applicable installment obligation' shall not include any obligation arising out of any disposition or sale described in paragraph (1) or (2) of section 453(k) of such Code (as added by section 812(a)).

"(B) Certain dispositions deemed made on first day of taxable year.—In the case of a taxpayer's 1st taxable year—

"(i) beginning after February 28, 1986, and before January 1, 1987, and

"(ii) ending after December 31, 1986,

dispositions after February 28, 1986, and before the 1st day of such taxable year shall be treated as made on such 1st day."

(g) Amendments Related to Section 812 of the Reform Act.—

(1) Section 453 of the 1986 Code is amended by redesignating the subsection (j) added by section 812 of the Reform Act as subsection (k).

(2) Subsection (c) of section 453A of the 1986 Code is amended by striking out "453(j)" and inserting in lieu thereof "453(k)".

(3) Paragraph (1) of section 812(c) of the Reform Act is amended by striking out "paragraph (2)" and inserting in lieu thereof "paragraphs (2) and (3)".

(4) Subsection (c) of section 812 of the Reform Act is amended by redesignating paragraph (2) as paragraph (3) and inserting after paragraph (1) the following new paragraph:

"(2) Sales of stock, etc.—Section 453(k)(2) of the Internal Revenue Code of 1986, as added by subsection (a), shall apply to sales after December 31, 1986, in taxable years ending after such date."

(5) Paragraph (3) of section 812(c) of the Reform Act (as so redesignated) is amended by striking out subparagraphs (B) and (C) and inserting in lieu thereof the following:

"(B) such change shall be treated as having been made with the consent of the Secretary,

"(C) the period for taking into account adjustments under section 481 of such Code by reason of such change shall be equal to 4 years, and

"(D) the amount taken into account in each of such 4 years shall be the applicable percentage (determined in accordance with the following table) of the net adjustment:

"In the case of the:	The applicable percentage is:
1st taxable year	15
2nd taxable year	25
3rd taxable year	30
4th taxable year	30.

If the taxpayer's last taxable year beginning before January 1, 1987, was the taxpayer's 1st taxable year in which sales were made under a revolving credit plan, all adjustments under section 481 of such Code shall be taken into account in the taxpayer's 1st taxable year beginning after December 31, 1986."

(6) Section 812(c) of the Reform Act is amended by adding at the end thereof the following new paragraph:

"(4) Limitation on losses from sales of obligations under revolving credit plans.—

"(A) In general.—If 1 or more obligations arising under a revolving credit plan and taken into account under paragraph (3) are disposed of during the adjustment period, then, notwithstanding any other provision of law—

"(i) no losses from such dispositions shall be recognized, and

"(ii) the aggregate amount of the adjustment for taxable years in the adjustment period (in reverse order of time) shall be reduced by the amount of such losses.

"(B) Adjustment period.—For purposes of this paragraph, the adjustment period is the 4-year period under paragraph (3)."

(h) Amendment Related to Section 821 of the Reform Act.—Section 821(b)(3) of the Reform Act is amended by adding at the end thereof the following new sentence: "The preceding sentence shall also apply to any taxable year beginning after August 16, 1986, and before January 1, 1987, if the taxpayer treated such income in the same manner for the taxable year preceding such taxable year.

(i) Amendment Related to Section 822 of the Reform Act.—Paragraph (1) of section 703(b) of the 1986 Code is amended by striking out "or (d)(4)".

(j) Amendments Related to Section 824 of the Reform Act.—

(1) Section 6501(o) of the 1986 Code which relates to cross references is amended by striking out paragraph (3).

(2) Paragraph (4) of section 824(c) of the Reform Act is amended by striking out "an indemnity agreement" and inserting in lieu thereof "an underwriting agreement".

SEC. 109. AMENDMENTS RELATED TO TITLE IX OF THE REFORM ACT.

(a) Amendment Related to Section 901 of the Reform Act.—Subparagraph (C) of section 46(e)(4) of the 1986 Code is amended by adding at the end thereof the following new sentences: "Notwithstanding the preceding provisions of this subparagraph, any such election shall terminate effective with respect to the 1st taxable year of the organization making such election which begins after 1986 and during which such organization (or any successor organization) was not at any time the lessee under any lease of regular investment tax credit property. For purposes of the preceding sentence, the term 'regular investment tax credit property' means any section 38 property if the regular percentage applied to such property and the amount of qualified investment with respect to such property would have been reduced under paragraph (1) but for an election under this subparagraph."

(b) Amendments Related to Section 902 of the Reform Act.—

(1) Paragraph (3) of section 902(f) of the Reform Act is amended—

(A) in subparagraph (F), by striking out "distribution company" and inserting in lieu thereof "distribution facility",

(B) in subparagraph (M), by striking out "Pontabla" and inserting in lieu thereof "Pontalba",

(C) in subparagraph (P), by striking out "Birmingham, Alabama," and inserting in lieu thereof "Homewood, Alabama, the", and

(D) by adding at the end thereof the following new subparagraphs:

"(T) Bellows Falls, Vermont—building project.

"(U) East Broadway Project, Louisville, Kentucky.

"(V) O.K. Industries, Oklahoma."

(2) Paragraph (4) of section 902(f) of the Reform Act is amended by striking out "subparagraph" and inserting in lieu thereof "paragraph".

(3)(A) Subparagraph (B) of section 265(b)(3) of the 1986 Code is amended by striking out "a tax-exempt obligation which" and inserting in lieu thereof "a tax-exempt obligation which is issued after August 7, 1986, and which".

(B) In the case of any obligation issued after August 7, 1986, and before January 1, 1987, the time for making a designation with respect to such obligation under section 265(b)(3)(B)(ii) of the 1986 Code shall not expire before January 1, 1988.

(C) If—

(i) an obligation is issued on or after January 1, 1986, and on or before August 7, 1986,

(ii) when such obligation was issued, the issuer made a designation that it intended to qualify under section 802(e)(3) of H.R. 3838 of the 99th Congress as passed by the House of Representatives, and

(iii) the issuer makes an election under this paragraph with respect to such obligation,

for purposes of section 265(b)(3) of the 1986 Code, such obligation shall be treated as issued on August 8, 1986.

(4) Subparagraph (C) of section 265(b)(3) of the 1986 Code is amended by striking out "qualified" the second place it appears.

(5)(A) Paragraph (3) of section 265(b) of the 1986 Code is amended by striking out subparagraph (E) and inserting in lieu thereof the following new subparagraphs:

"(E) Aggregation of issuers.—For purposes of subparagraphs (C) and (D)—

"(i) an issuer and all entities which issue obligations on behalf of such issuer shall be treated as 1 issuer,

"(ii) all obligations issued by a subordinate entity shall, for purposes of applying subparagraphs (C) and (D) to any other entity to which such entity is subordinate, be treated as issued by such other entity, and

"(iii) an entity formed (or, to the extent provided by the Secretary, availed of) to avoid the purposes of subparagraph (C) or (D) and all other entities benefiting thereby shall be treated as 1 issuer.

"(F) Certain refunding obligations not taken into account in determining small issuer status.—There shall not be taken into account under subparagraph (C) any obligation issued to refund (other than to advance refund within the meaning of section 149(d)(5)) any obligation to the extent the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation.

"(G) Treatment of issues which include refunding obligations.—

"(i) In general.—No obligation issued as part of an issue may be designated under this paragraph (or may be treated as designated under clause (ii)) if—

"(I) any obligation issued as part of such issue is issued to refund another obligation, and

"(II) the aggregate face amount of such issue exceeds $10,000,000.

"(ii) Refundings of designated obligations deemed designated.—Except as provided in clause (i), in the case of a refunding (or series of refundings) of a qualified tax-exempt obligation, the refunding obligation shall be treated as a qualified tax-exempt obligation (and shall not be taken into account under subparagraph (D)) if—

"(I) the refunding obligation was not taken into account under subparagraph (C) by reason of subparagraph (F),

"(II) the average maturity of the refunding obligations issued as part of the issue of which such refunding obligation is a part does not exceed the average maturity of the obligations to be refunded by such issue, and

"(III) the refunding obligation has a maturity date which is not later than the date which is 30 years after the date the original qualified tax-exempt obligation was issued.

Subclause (II) shall not apply if the average maturity of the issue of which the original qualified tax-exempt obligation was a part is 3 years or less. For purposes of this clause, average maturity shall be determined in accordance with section 147(b)(2)(A).

"(H) Treatment of composite issues.—In the case of an obligation which is issued as part of a composite issue, such obligation shall not be treated as a qualified tax-exempt obligation unless—

"(i) the requirements of this paragraph are met with respect to such composite issue (determined by treating such composite issue as a single issue), and

"(ii) the requirements of this paragraph are met with respect to each separate lot of obligations which are part of the issue (determined by treating each such separate lot as a separate issue)."

(B)(i) Except as provided in clause (ii), the amendment made by subparagraph (A) shall apply to obligations issued after June 30, 1987.

(ii) At the election of an issuer (made at such time and in such manner as the Secretary of the Treasury or his delegate may prescribe), the amendment made by subparagraph (A) shall apply to such issuer as if included in the amendments made by section 902(a) of the Tax Reform Act of 1986.

(6) Subaragraph (C) of section 265(b)(3) of the 1986 Code is amended by adding at the end thereof the following: "For purposes of the preceding sentence, the term 'private activity bond' includes an obligation to which section 141(a) does not apply by reason of section 1312, 1313, 1316(g), or 1317 of the Tax Reform Act of 1986 if such obligation would (if issued on August 15, 1986) have been an industrial development bond (as defined in section 103(b)(2) as in effect on the day before the date of the enactment of such Act) or a private loan bond (as defined in section 103(o)(2)(A), as so in effect, but without regard to any exception from such definition other than section 103(o)(2)(C))."

(7) Subparagraph (B) of section 291(e)(1) of the 1986 Code is amended by redesignating the clause (iv) added by section 902(c)(2) of the Reform Act as clause (v).

(8) Clause (i) of section 291(e)(1)(B) of the 1986 Code is amended by striking out "section 582(a)(2)" and inserting in lieu thereof "section 585(a)(2)".

(9) Paragraph (1) of section 902(e) of the 1986 Reform Act is amended by striking out "Section 163(h)(12)" and inserting in lieu thereof "Section 163(i)(2) (as redesignated by section 511(b) of this Act)".

(c) Amendments Related to Section 903 of the Reform Act.—

(1) Paragraph (1) of section 172(b) of the 1986 Code is amended by redesignating subparagraphs (L) and (M) as subparagraphs (K) and (L), respectively.

(2) Subparagraph (A) of section 172(b)(1) of the 1986 Code is amended by striking out "(K), (L), and (M)" and inserting in lieu thereof "(K), and (L)".

(3) Subparagraph (B) of section 172(b)(1) of the 1986 Code is amended by striking out "(J), (L), and (M)" and inserting in lieu thereof "(K), and (L)".

(d) Amendments Related to Section 905 of the Reform Act.—

(1) Subsection (l) of section 165 of the 1986 Code is amended by redesignating paragraph (6) as paragraph (7) and by striking out paragraph (5) and inserting in lieu thereof the following:

"(5) Election to treat as ordinary loss.—

"(A) In general.—In lieu of any election under paragraph (1), the taxpayer may elect to treat the amount referred to in paragraph (1) for the taxable year as an ordinary loss described in subsection (c)(2) incurred during the taxable year.

"(B) Limitations.—

"(i) Deposit may not be federally insured.—No election may be made under subparagraph (A) with respect to any loss on a deposit in a qualified financial institution if part or all of such deposit is insured under Federal law.

"(ii) Dollar limitation.—With respect to each financial institution, the aggregate amount of losses attributable to deposits in such financial institution to which an election under subparagraph (A) may be made by the taxpayer for any taxable year shall not exceed $20,000 ($10,000 in the case of a separate return by a married individual). The limitation of the preceding sentence shall be reduced by the amount of any insurance proceeds under any State law which can reasonably be expected to be received with respect to losses on deposits in such institution.

"(6) Election.—Any election by the taxpayer under this subsection for any taxable year—

"(A) shall apply to all losses for such taxable year of the taxpayer on deposits in the institution with respect to which such election was made, and

"(B) may be revoked only with the consent of the Secretary."

(2) Paragraph (1) of section 905(c) of the Reform Act is amended to read as follows:

"(1) In general.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1981, and, except as provided in paragraph (2), the amendment made by subsection (b) shall apply to taxable years beginning after December 31, 1982."

(3) The subsection (f) of section 451 of the 1986 Code which was added by section 905(b) of the 1986 Reform Act is redesignated as subsection (g).

(4) If on the date of the enactment of this Act (or at any time before the date 1 year after such date of enactment) credit or refund of any overpayment of tax attributable to amendments made by section 905 of the Reform Act or by this subsection (or the assessment of any underpayment of tax so attributable) is barred by any law or rule of law—

(A) credit or refund of any such overpayment may nevertheless be made if claim therefore is filed before the date 1 year after such date of enactment, and

(B) assessment of any such underpayment may nevertheless be made if made before the date 1 year after such date of enactment.

SEC. 110. AMENDMENTS RELATED TO TITLE X OF THE REFORM ACT.

(a) Amendments Related to Section 1011 of the Reform Act.—

(1) Paragraph (1) of section 813(a) of the 1986 Code (relating to foreign life insurance companies) is amended by striking out "the special life insurance company deduction and".

(2) Paragraph (1) of section 1011(d) of the Reform Act is amended—

(A) by striking out "any bond" and inserting in lieu thereof "any market discount bond", and

(B) by striking out "28 percent" and inserting in lieu thereof "31.6 percent".

(3) Paragraph (2) of section 1011(d) of the Reform Act is amended to read as follows:

"(2) Qualified life insurance company.—For purposes of paragraph (1), the term 'qualified life insurance company' means any life insurance company subject to tax under part I of subchapter L of chapter 1 of the Internal Revenue Code of 1986."

(b) Amendments Related to Section 1012 of the Reform Act.—

(1) Clause (iv) of section 1012(c)(4)(C) of the Reform Act is amended to read as follows:

"(iv) dental benefit coverage provided by a Delta Dental Plans Association organization through contracts with independent professional service providers so long as the provision of such coverage is the principal activity of such organization."

(2) Clause (ii) of section 1012(c)(4)(C) of the Reform Act is amended by striking out "Association" and inserting in lieu thereof "Plan".

(3) The Secretary of the Treasury or his delegate may prescribe rules providing proper adjustments for taxpayers which become subject to subchapter L of chapter 1 of the 1986 Code by reason of the amendments made by section 1012 of the Reform Act with respect to short taxable years which begin during 1987 by reason of section 843 of such Code.

(c) AMENDMENTS RELATED TO SECTION 1021 OF THE REFORM ACT.—

(1)(A) Subparagraph (C) of section 832(b)(7) of the 1986 Code (relating to special rules for determining premiums earned) is amended by striking out "this part" and inserting in lieu thereof "section 831(a)".

(B) The subparagraph heading for such subparagraph is amended by striking out "NONLIFE INSURANCE COMPANY" and inserting in lieu thereof "INSURANCE COMPANY TAXABLE UNDER SECTION 831(a)".

(2) Paragraph (7) of section 832(b) of the 1986 Code is amended by adding at the end thereof the following new subparagraphs:

"(D) TREATMENT OF COMPANIES WHICH BECOME TAXABLE UNDER SECTION 831(a).—

"(i) EXCEPTION TO PHASE-IN FOR COMPANIES WHICH WERE NOT TAXABLE, ETC., BEFORE 1987.—Subparagraph (C) of paragraph (4) shall not apply to any insurance company which, for each taxable year beginning before January 1, 1987, was not subject to the tax imposed by section 821(a) or 831(a) (as in effect on the day before the date of the enactment of the Tax Reform Act of 1986) by reason of being—

"(I) subject to tax under section 821(b) (as so in effect), or

"(II) described in section 501(c) (as so in effect) and exempt from tax under section 501(a).

"(ii) PHASE-IN BEGINNING AT LATER DATE FOR COMPANIES NOT 1ST TAXABLE UNDER SECTION 831(a) IN 1987.—In the case of an insurance company—

"(I) which was not subject to the tax imposed by section 831(a) for its 1st taxable year beginning after December 31, 1986, by reason of being subject to tax under section 831(b), or described in section 501(c) and exempt from tax under section 501(a), and

"(II) which for any taxable year beginning before January 1, 1987, was subject to the tax imposed by section 821(a) or 831(a) (as in effect on the day before the date of the enactment of the Tax Reform Act of 1986), subparagraph (C) of paragraph (4) shall apply beginning with the 1st taxable year beginning after December 31, 1986, for which such company is subject to the tax imposed by section 831(a) and shall be applied by substituting the last day of the preceding taxable year for 'December 31, 1986' and the 1st day of the 7th succeeding taxable year for 'January 1, 1993'.

"(E) TREATMENT OF CERTAIN RECIPROCAL INSURERS.—In the case of a reciprocal (within the meaning of section 835(a)) which reports (as required by State law) on its annual statement reserves on unearned premiums net of premium acquisition expenses, subparagraphs (B) and (C) of paragraph (4) shall be applied by treating unearned premiums as including an amount equal to such expenses."

(3) Paragraph (5) of section 832(e) of the 1986 Code is amended by striking out "and" at the end of subparagraph (A) and by striking out the period at the end of subparagraph (B) and inserting in lieu thereof a comma.

(d) AMENDMENTS RELATED TO SECTION 1022 OF THE REFORM ACT.—

(1) Section 832 of the 1986 Code (defining insurance company taxable income) is amended by adding at the end thereof the following new subsection:

"(g) DIVIDENDS WITHIN GROUP.—In the case of an insurance company subject to tax under section 831(a) filing or required to file a consolidated return under section 1501 with respect to any affiliated group for any taxable year, any determination under this part with respect to any dividend paid by one member of such group to another member of such group shall be made as if such group were not filing a consolidated return."

(2) Subclause (II) of section 832(b)(5)(B)(ii) of the 1986 Code (relating to losses incurred) is amended by inserting "(directly or indirectly)" after "attributable".

(e) AMENDMENTS RELATED TO SECTION 1023 OF THE REFORM ACT.—

(1) Subparagraph (B) of section 846(f)(6) of the 1986 Code (relating to special rule for certain accident and health insurance lines of business) is amended by striking out "paid during the year" and inserting in lieu thereof "paid in the middle of the year".

(2) Subsection (g) of section 846 of the 1986 Code is amended by striking out "and" at the end of paragraph (1), by striking out the period at the end of paragraph (2) and inserting in lieu thereof ", and", and by adding at the end thereof the following new paragraph:

"(3) regulations providing appropriate adjustments in the application of this section to a taxpayer having a taxable year which is not the calendar year."

(3) Subsection (e) of section 1023 of the Reform Act (relating to discounting of unpaid losses and certain unpaid expenses) is amended by adding at the end thereof the following new paragraph:

"(4) APPLICATION OF FRESH START TO COMPANIES WHICH BECOME SUBJECT TO SECTION 831(a) TAX IN LATER TAXABLE YEAR.—If—

"(A) an insurance company was not subject to tax under section 831(a) of the Internal Revenue Code of 1986 for its 1st taxable year beginning after December 31, 1986, by reason of being—

"(i) subject to tax under section 831(b) of such Code, or

"(ii) described in section 501(c) of such Code and exempt from tax under section 501(a) of such Code, and

"(B) such company becomes subject to such tax in any later taxable year,

paragraph (2) and subparagraphs (A) and (C) of paragraph (3) shall be applied by treating such later taxable year as its 1st taxable year beginning after December 31, 1986, and by treating the calendar year in which such later taxable year begins for 1987; and paragraph (3)(B) shall not apply."

(f) AMENDMENTS RELATED TO SECTION 1024 OF THE REFORM ACT.—

(1) Subparagraph (A) of section 831(b)(2) of the 1986 Code (relating to companies to which alternative tax applies) is amended by adding at the end thereof the following new sentence:

"The election under clause (ii) shall apply to the taxable year for which made and for all subsequent taxable years for which the requirements of clause (i) are met. Such an election, once made, may be revoked only with the consent of the Secretary."

(2) Subsection (a) of section 835 of the 1986 Code (relating to election by reciprocal) is amended by striking out "section 821(a)" and inserting in lieu thereof "section 831(a)".

(3) Subsection (f) of section 835 of the 1986 Code is amended by striking out "subsection (e)" and inserting in lieu thereof "subsection (d)".

(4) Paragraph (6) of section 243(b) of the 1986 Code (relating to special rules for insurance companies) is amended by striking out "or 821".

(5) Subsection (c) of section 543 of the 1986 Code (relating to gross income of insurance companies other than life or mutual) is amended—

(A) by striking out "OR MUTUAL" in the heading and inserting in lieu thereof "INSURANCE COMPANIES", and

(B) by striking out "life or mutual" in the text and inserting in lieu thereof "a life insurance company".

(6) Subsection (g) of section 816 of the 1986 Code (relating to burial and funeral benefit insurance companies) is amended by striking out "section 821 or".

(7) The table of sections for part II of subchapter L of chapter 1 of the 1986 Code (relating to other insurance companies) is amended by striking out the item relating to section 831 and inserting in lieu thereof the following new item:

"Sec. 831. Tax on insurance companies other than life insurance companies."

(g) AMENDMENT RELATED TO SECTION 1031 OF THE REFORM ACT.—Paragraph (1) of section 1031(a) of the Reform Act is amended by inserting "(whether made in a lump sum or in not more than 6 annual installments)" after "any initial payment".

(h) SPECIAL RULE FOR MUTUAL LIFE INSURANCE COMPANY.—

(1) IN GENERAL.—Paragraph (2) of section 217(i) of the Tax Reform Act of 1984 is amended to read as follows:

"(2) EFFECT OF ELECTION ON SUBSIDIARIES OF ELECTING PARENT.—For purposes of determining the amount of the small life insurance company deduction of any controlled group which includes a mutual company which made an election under paragraph (1), the taxable income of such electing company shall be taken into account under section 806(b)(2) of the Internal Revenue Code of 1954 (relating to phaseout of small life insurance company deduction)."

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning after December 31, 1986, and before January 1, 1992.

(3) REVENUE LOSS LIMITED.—The decrease in the amount of Federal revenue by reason of the amendment made by this subsection shall not exceed $300,000 per taxable year.

(i) DELAY IN EFFECTIVE DATE FOR DIVERSIFICATION REQUIREMENTS WITH RESPECT TO ACCOUNTS FOR CERTAIN IMMEDIATE ANNUITIES.—Section 817(h) of the 1986 Code shall not apply until January 1, 1989, with respect to a variable contract (as defined in section 817(d) of the 1986 Code) if—

(1) such contract provides for the payment of an immediate annuity (as defined in section 72(u)(4) of the 1986 Code),

(2) such contract was outstanding on September 12, 1986, and

(3) the segregated asset account on which such contract is based was, on September 12, 1986, wholly invested in deposits insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.

(j) Treatment of Alternative Minimum Tax With Respect to Shareholders Surplus Account.—

(1) Paragraph (2) of section 815(c) of the 1986 Code (relating to shareholders surplus account) is amended by adding at the end thereof the following new sentence:

"If for any taxable year a tax is imposed by section 55, under regulations proper adjustments shall be made for such year and all subsequent taxable years in the amounts taken into account under subparagraphs (A) and (B) of this paragraph and subparagraph (B) of subsection (d)(3)."

(2) Effective Date.—The amendment made by paragraph (1) shall apply to taxable years beginning after December 31, 1986.

(k) Treatment of Certain Items as Not Interest for Source Rules, Etc.—Subsection (f) of section 818 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(3) Items described in section 807(c) treated as not interest for source rules, etc.—For purposes of part I of subchapter N, items described in any paragraph of section 807(c) shall be treated as amounts which are not interest."

SEC. 111. AMENDMENTS RELATED TO PARTS I AND II OF SUBTITLE A OF TITLE XI OF THE REFORM ACT.

(a) Amendment Related to Section 1101 of the Reform Act.—Paragraph (4) of section 219(g) of the 1986 Code (relating to special rule for married individuals filing separately) is amended to read as follows:

"(4) Special rule for married individuals filing separately and living apart.—A husband and wife who—

"(A) file separate returns for any taxable year, and

"(B) live apart at all times during such taxable year,

shall not be treated as married individuals for purposes of this subsection."

(b) Amendments Related to Section 1102 of the Reform Act.—

(1) Sections 408(d)(2)(C) and 408(o)(4)(B)(iv) of the 1986 Code are each amended by striking out "with or within which the taxable year ends" and inserting in lieu thereof "in which the taxable year begins".

(2)(A) Section 408(d)(4) of the 1986 Code (relating to excess contributions returned before due date of return) is amended by striking out "to the extent that such contribution exceeds the amount allowable as a deduction under section 219".

(B) Section 408(d)(4) of the 1986 Code is amended—

(i) by striking out "excess" each place it appears, and

(ii) by striking out "Excess contributions" in the heading and inserting in lieu thereof "Contributions".

(3) Sections 408(d)(5) and 4973(b) of the 1986 Code are each amended by striking out all that follows "section 219" in the last sentence thereof and inserting in lieu thereof "shall be computed without regard to section 219(g).".

(4)(A) Section 6693(b) of the 1986 Code (relating to overstatement of designated nondeductible contributions) is amended to read as follows:

"(b) Penalties Relating to Nondeductible Contributions.—

"(1) Overstatement of designated nondeductible contributions.—Any individual who—

"(A) is required to furnish information under section 408(o)(4) as to the amount of designated nondeductible contributions made for any taxable year, and

"(B) overstates the amount of such contributions made for such taxable year,

shall pay a penalty of $100 for each such overstatement unless it is shown that such overstatement is due to reasonable cause.

"(2) Failure to file form.—Any individual who fails to file a form required to be filed by the Secretary under section 408(o)(4) shall pay a penalty of $50 for each such failure unless it is shown that such failure is due to reasonable cause."

(B)(i) The heading for section 6693 of the 1986 Code is amended by striking out "OVERSTATEMENT OF" and inserting in lieu thereof "PENALTIES RELATING TO".

(ii) The item relating to section 6693 in the table of sections for subchapter B of chapter 68 is amended by striking out "overstatement of" and inserting in lieu thereof "penalties relating to".

(c) Amendments Related to Section 1105 of the Reform Act.—

(1) Section 402(g)(2)(C) of the 1986 Code (relating to taxation of distribution) is amended—

(A) by striking out "(and no tax shall be imposed under section 72(t))" in clause (i),

(B) by striking out "such excess deferral is made" in clause (ii) and inserting in lieu thereof "such income is distributed", and

(C) by inserting at the end thereof the following new flush sentence:

"No tax shall be imposed under section 72(t) on any distribution described in the preceding sentence."

(2) Section 402(g)(2) is amended by striking out "Required distribution" in the heading thereof and inserting in lieu thereof "Distribution".

(3) Section 402(g)(2) of the 1986 Code is amended by adding at the end thereof the following new subparagraph:

"(D) Partial distributions.—If a plan distributes only a portion of any excess deferral and income allocable thereto, such portion shall be treated as having been distributed ratably from the excess deferral and the income."

(4) Section 402(g)(3) of the 1986 Code (defining elective deferral) is amended by striking out "paragraph" and inserting in lieu thereof "subsection".

(5)(A) Clause (iii) of section 402(g)(8)(A) of the 1986 Code (relating to special rule for certain organizations) is amended by inserting "(determined in the manner prescribed by the Secretary)" after "taxable years".

(B) Section 402(g)(8) of the 1986 Code is amended by adding at the end thereof the following new subparagraph:

"(D) Years of service.—For purposes of this paragraph, the term 'years of service' has the meaning given such term by section 403(b)."

(6)(A) Section 402(g) of the 1986 Code, as added by section 1852(b)(3)(A) of the Reform Act, is redesignated as subsection (i).

(B) Section 402(g) of the 1986 Code, as added by section 1854(f)(2) of the Reform Act, is redesignated as subsection (j).

(C) Section 1854(f)(4)(C) of the Reform Act is amended by striking out "section 402(g)" and inserting in lieu thereof "section 402(j)".

(7)(A) Section 401(a) of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(29) Limitations on elective deferrals.—In the case of a trust which is part of a plan under which elective deferrals (within the meaning of section 402(g)(3)) may be made with respect to any individual during a calendar year, such trust shall not constitute a qualified trust under this subsection unless the plan provides that the amount of such deferrals under such plan and all other plans, contracts, or arrangements of an employer maintaining such plan may not exceed the amount of the limitation in effect under section 402(g)(1) for taxable years beginning in such calendar year."

(B) Section 403(b)(1) of the 1986 Code is amended by striking out "and" at the end of subparagraph (C), by inserting "and" at the end of subparagraph (D), and by inserting after subparagraph (D) the following new subparagraph:

"(E) in the case of a contract purchased under a plan which provides a salary reduction agreement, the plan meets the requirements of section 401(a)(29),".

(C) Subparagraph (A) of section 408(k)(6) of the 1986 Code, as amended by subsection (f)(1), is amended by adding at the end thereof the following new clause:

"(iv) Limitations on elective deferrals.—Clause (i) shall not apply to a simplified employee pension unless the requirements of section 401(a)(29) are met."

(D) Subparagraph (D) of section 501(c)(18) of the 1986 Code is amended by striking out "and" at the end of clause (ii), by striking out the period at the end of clause (iii) and inserting in lieu thereof ", and", and by inserting after clause (iii) the following new clause:

"(iv) the requirements of section 401(a)(29) are met."

(E)(i) Except as provided in clause (ii), the amendments made by this paragraph shall apply to plan years beginning after December 31, 1987.

(ii) In the case of a plan described in section 1105(c)(2) of the Reform Act, the amendments made by this paragraph shall not apply to contributions made pursuant to an agreement described in such section for plan years beginning before the earlier of—

(I) the later of January 1, 1988, or the date on which the last of such agreements terminates (determined without regard to any extension thereof after February 28, 1986), or

(II) January 1, 1989.

(8) Section 1105(c)(2)(A) of the Reform Act is amended by striking out "the last of such collective bargaining agreements" and inserting in lieu thereof "such agreement".

(9) Section 1105(c) of the Reform Act is amended by adding at the end thereof the following new paragraph:

"(6) Reporting requirements.—The amendments made by subsection (b) shall apply to calendar years beginning after December 31, 1986."

(d) Amendments Related to Section 1106 of the Reform Act.—

(1) Section 404(l) of the 1986 Code (relating to limitation on amount of compensation which may be taken into account) is amended by adding at the end thereof the following new sentence: "For purposes of clause (i), (ii), or (iii) of subsection (a)(1)(A),

and in computing the full funding limitation, any adjustment under the preceding sentence shall not be taken into account for any year before the year for which such adjustment first takes effect.".

(2) Section 415(b)(5)(D) of the 1986 Code (relating to application to changes in benefit structures) is amended by striking out "this paragraph" and inserting in lieu thereof "subparagraph (A)".

(3) Paragraph (2) of section 415(k) of the 1986 Code (relating to contributions to provide cost-of-living protection under defined benefit plans), as added by section 1106(c) of the Reform Act, is amended—

(A) by striking out "to the arrangement" in subparagraph (C)(ii) and inserting in lieu thereof "to such increase", and

(B) by striking out subparagraph (D) and inserting in lieu thereof:

"(D) ARRANGEMENT ELECTIVE; TIME FOR ELECTION.—An arrangement meets the requirements of this subparagraph only if it is elective, it is available under the same terms to all participants, and it provides that such election may at least be made in the year in which the participant—

"(i) attains the earliest retirement age under the defined benefit plan (determined without regard to any requirement of separation from service), or

"(ii) separates from service."

(4) Sections 401(a)(17) and 404(l) of the 1986 Code are each amended by adding at the end thereof the following new sentence: "In determining the compensation of an employee, the rules of section 414(q)(6) shall apply, except that in applying such rules, the term 'family' shall include only the spouse of the employee and any children of the employee who have not attained age 19 before the close of the year."

(5) Paragraph (4) of section 1106(i) of the Reform Act is amended by striking the period at the end thereof and inserting in lieu thereof "(determined as if the amendments made by this section were in effect for such year).".

(e) AMENDMENTS RELATED TO SECTION 1107 OF THE REFORM ACT.—

(1) Section 457(c)(2) of the 1986 Code is amended by striking out "and paragraphs (2) and (3) of subsection (b)".

(2) Section 457(d)(1)(A) of the 1986 Code (relating to distribution requirements) is amended to read as follows:

"(A) under the plan amounts will not be made available to participants or beneficiaries earlier than—

"(i) the calendar year in which the participant attains age 70½,

"(ii) when the participant is separated from service with the employer, or

"(iii) when the participant is faced with an unforeseeable emergency (determined in the manner prescribed by the Secretary in regulations)."

(3) Paragraph (7) of section 401(k) of the 1986 Code (defining rural electric cooperative plan) is amended to read as follows:

"(7) RURAL ELECTRIC COOPERATIVE PLAN.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'rural electric cooperative plan' means any pension plan—

"(i) which is a defined contribution plan (as defined in section 414(i)), and

"(ii) which is established and maintained by a rural electric cooperative.

"(B) RURAL ELECTRIC COOPERATIVE DEFINED.—For purposes of subparagraph (A), the term 'rural electric cooperative' means—

"(i) any organization described in section 501(c)(12) which is exempt from tax under section 501(a) and which is engaged primarily in providing electric service, and

"(ii) any organization described in section 501(c)(6) which is exempt from tax under section 501(a) and all the members of which are organizations described in clause (i)."

(4) Section 414(o) of the 1986 Code is amended by inserting "or any requirement under section 457" after "(n)(3)".

(5)(A) Paragraph (6) of section 818(a) of the 1986 Code (defining pension plan contracts) is amended—

(i) by striking out "State" in subparagraph (A),

(ii) by inserting "or any organization (other than a governmental unit) exempt from tax under this subtitle," after "foregoing," in subparagraph (B),

(iii) by striking out "or" before "agency" in subparagraph (B), and

(iv) by inserting ", or organization" after "instrumentality" the second place it appears in subparagraph (B).

(B) The amendments made by this paragraph shall apply to contracts issued after December 31, 1986.

(6) Section 1107(c)(3) of the Reform Act is amended—

(A) by striking out "eligible" each place it appears, and

(B) by inserting at the end of subparagraph (B) the following new sentence: "This subparagraph shall only apply to individuals who were covered under the plan and agreement on August 16, 1986."

(7) Paragraph (5) of section 1107(c) of the Reform Act is amended—

(A) by striking out "to employees on August 1, 1986, of",

(B) by striking out "a deferred compensation plan" in subparagraph (A) and inserting in lieu thereof "to employees on August 16, 1986,",

(C) by inserting "maintaining a deferred compensation plan" after "Alabama" in subparagraph (A), and

(D) by striking out "a deferred compensation plan" in subparagraph (B) and inserting in lieu thereof "to individuals participating on August 16, 1986, in a deferred compensation plan".

(8) Section 3121(v)(3)(A) of the 1986 Code is amended by striking out "457(e)(1)" and inserting in lieu thereof "457(f)(1)".

(f) AMENDMENTS RELATED TO SECTION 1108 OF THE REFORM ACT.—

(1) Subparagraph (A) of section 408(k)(6) of the 1986 Code (relating to salary reduction arrangements under simplified employee pensions) is amended to read as follows:

"(A) ARRANGEMENTS WHICH QUALIFY.—

"(i) IN GENERAL.—A simplified employee pension shall not fail to meet the requirements of this subsection for a year merely because, under the terms of the pension, an employee may elect to have the employer make payments—

"(I) as elective employer contributions to the simplified employee pension on behalf of the employee, or

"(II) to the employee directly in cash.

"(ii) 50 PERCENT OF ELIGIBLE EMPLOYEES MUST ELECT.—Clause (i) shall not apply to a simplified employee pension unless an election described in clause (i)(I) is made or is in effect with respect to not less than 50 percent of the employees of the employer eligible to participate.

"(iii) REQUIREMENTS RELATING TO DEFERRAL PERCENTAGE.—Clause (i) shall not apply to a simplified employee pension for any year unless the deferral percentage for such year of each highly compensated employee eligible to participate is not more than the product of—

"(I) the average of the deferral percentages for such year of all employees (other than highly compensated employees) eligible to participate, multiplied by

"(II) 1.25."

(2) Section 408(k)(6)(B) of the 1986 Code (relating to exception where more than 25 employees) is amended by inserting "who were eligible to participate (or would have been required to be eligible to participate if a pension was maintained)" after "25 employees".

(3)(A) Section 408(k)(6)(D)(ii) of the 1986 Code (defining deferral percentage) is amended by striking out "(within the meaning of section 414(s))" and inserting in lieu thereof "(not in excess of the first $200,000)".

(B) Subparagraph (B) of section 408(k)(7) of the 1986 Code (defining compensation) is amended to read as follows:

"(B) COMPENSATION.—Except as provided in paragraph (2)(C), the term 'compensation' has the meaning given such term by section 414(s)".

(C) Subparagraph (C) of section 408(k)(3) of the 1986 Code is amended by striking out "total" before "compensation".

(D) Section 401(k)(8) of the 1986 Code is amended by striking out "paragraph (3)(C)" and inserting in lieu thereof "paragraphs (3)(C) and (6)(D)(ii)".

(4) Section 408(k)(6) of the 1986 Code (relating to employee may elect salary reduction arrangement) is amended by redesignating subparagraph (F) as subparagraph (G) and by inserting after subparagraph (E) the following new subparagraph:

"(F) EXCEPTION WHERE PENSION DOES NOT MEET REQUIREMENTS NECESSARY TO INSURE DISTRIBUTION OF EXCESS CONTRIBUTIONS.—This paragraph shall not apply with respect to any year for which the simplified employee pension does not meet such requirements as the Secretary may prescribe as are necessary to insure that excess contributions are distributed in accordance with subparagraph (C), including—

"(i) reporting requirements, and

"(ii) requirements which, notwithstanding paragraph (4), provide that contributions (and any income allocable thereto) may not be withdrawn from a simplified employee pension until a determination has been made that the requirements of subparagraph (A)(iii) have been met with respect to such contributions."

(5) Section 408(d) of the 1986 Code (relating to tax treatment of distributions) is amended by adding at the end thereof the following new paragraph:

"(7) SPECIAL RULES FOR SIMPLIFIED EMPLOYEE PENSIONS.—

"(A) TRANSFER OR ROLLOVER OF CONTRIBUTIONS PROHIBITED UNTIL DEFERRAL TEST MET.—Notwithstanding any other provision of this subsection or section 72(t), paragraph (1) and section 72(t)(1) shall apply to the transfer or distribution from a simplified employee pension of any contribution under a salary reduction arrangement described in subsection (k)(6) (or any income allocable thereto) before a determination as to whether the requirements of subsection (k)(6)(A)(iii) are met with respect to such contribution.

"(B) CERTAIN EXCLUSIONS TREATED AS DEDUCTIONS.—For purposes of paragraphs (4) and (5) and section 4973, any amount excludable or excluded from gross income under section 402(h) shall be treated as an amount allowable or allowed as a deduction under section 219."

(6) Subparagraph (C) of section 404(h)(1) of the 1986 Code is amended by inserting "(or during the taxable year in the case of a

taxable year described in subparagraph (A)(ii))" after "taxable year" the second place it appears.

(7) Section 1108(h) of the Reform Act is amended to read as follows:

"(h) Effective Dates.—

"(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to years beginning after December 31, 1986.

"(2) Integration rules.—Subparagraphs (D) and (E) of section 408(k)(3) of the Internal Revenue Code of 1954 (as in effect before the amendments made by this section) shall continue to apply for years beginning after December 31, 1986, and before January 1, 1989, except that employer contributions under an arrangement under section 408(k)(6) of the Internal Revenue Code of 1986 (as added by this section) may not be integrated under such subparagraphs."

(8) Section 209(e)(8)(C) of the Social Security Act is amended to read as follows:

"(C) under a simplified employee pension (as defined in section 408(k)(1) of such Code), other than any contributions described in section 408(k)(6) of such Code,".

(g) Amendments Related to Section 1111 of the Reform Act.—

(1)(A) Section 401(l)(2)(B) of the 1986 Code (defining contribution percentages) is amended by inserting "by the employer" after "contributed" each place it appears.

(B) Clause (ii) of section 401(l)(3)(A) of the 1986 Code is amended by inserting "attributable to employer contributions" after "benefits".

(2) Section 401(l)(5)(C) of the 1986 Code (defining average annual compensation) is amended to read as follows:

"(C) Average annual compensation.—The term 'average annual compensation' means the participant's highest average annual compensation for—

"(i) any period of at least 3 consecutive years, or

"(ii) if shorter, the participant's full period of service."

(3) Section 401(l)(5)(E) of the 1986 Code (defining covered compensation) is amended—

(A) by striking out "age 65" each place it appears" and inserting in lieu thereof "the social security retirement age", and

(B) by adding at the end thereof the following new clause:

"(iii) Social security retirement age.—For purposes of this subparagraph, the term 'social security retirement age' has the meaning given such term by section 415(b)(8)."

(4) Section 1111(c)(3) of the Reform Act is amended by striking out "benefits pursuant to, and individuals covered by, any such agreement in".

(h) Amendments Related to Section 1112 of the Reform Act.—

(1) Section 410(b)(4)(B) of the 1986 Code (relating to exclusion of employees not meeting age and service requirements) is amended—

(A) by striking out "do not meet" and inserting in lieu thereof "not meeting", and

(B) by striking out "and".

(2) Section 410(b)(6) of the 1986 Code (relating to definitions and special rules) is amended by redesignating subparagraph (F) as subparagraph (G) and by adding after subparagraph (E) the following new subparagraph:

"(F) Employers with only highly compensated employees.—A plan maintained by an employer which has no employees other than highly compensated employees for any year shall be treated as meeting the requirements of this subsection for such year."

(3) Section 401(a)(26) of the 1986 Code (relating to additional participation requirements) is amended by redesignating subparagraph (F) as subparagraph (G) and by adding after subparagraph (E) the following new subparagraph:

"(F) Special rule for certain dispositions or acquisitions.—Rules similar to the rules of section 410(b)(6)(C) shall apply for purposes of this paragraph."

(4) Section 402(b)(2) of the 1986 Code (relating to failure to meet requirements of section 410(b)) is amended by striking out subparagraphs (A) and (B) and inserting in lieu thereof the following:

"(A) Highly compensated employees.—If 1 of the reasons a trust is not exempt from tax under section 501(a) is the failure of the plan of which it is a part to meet the requirements of section 401(a)(26) or 410(b), then a highly compensated employee shall, in lieu of the amount determined under paragraph (1), include in gross income for the taxable year with or within which the taxable year of the trust ends an amount equal to the vested accrued benefit of such employee (other than the employee's investment in the contract) as of the close of such taxable year of the trust.

"(B) Failure to meet coverage tests.—If a trust is not exempt from tax under section 501(a) for any taxable year solely because such trust is part of a plan which fails to meet the requirements of section 401(a)(26) or 410(b), paragraph (1) shall not apply by reason of such failure to any employee who was not a highly compensated employee during—

"(i) such taxable year, or

"(ii) any preceding period for which service was creditable to such employee under the plan."

(5) Subsections (m)(4)(A) and (n)(3)(A) of section 414 of the 1986 Code are each amended by striking out "and (16)" and inserting in lieu thereof "(16), (17), and (26)".

(6) Clause (iii) of section 1112(e)(3)(A) of the Reform Act is amended by striking out "a plan or merger" and inserting in lieu thereof "the plan".

(7) Section 1112(e)(2) of the Reform Act is amended by striking out "employees covered by such agreement in".

(8) Subsection (e) of section 1112 of the Reform Act is amended by striking out paragraph (3)(C) and by adding at the end of such subsection the following new paragraph:

"(4) Special rule for plans which may not terminate.—To the extent provided in regulations prescribed by the Secretary of the Treasury or his delegate, if a plan is prohibited from terminating under title IV of the Employee Retirement Income Security Act of 1974 before the 1st year to which the amendment made by subsection (b) would apply, the amendment made by subsection (b) shall only apply to years after the 1st year in which the plan is able to terminate."

(9) Subparagraph (B) of section 1112(e)(3) of the Reform Act is amended to read as follows:

"(B) Interest rate for determining accrued benefit of highly compensated employees for certain purposes.—In the case of a termination or merger of a plan described in subparagraph (A) (without regard to clause (iii) thereof) before the 1st year to which the amendment made by subsection (b) applies—

"(i) Amount eligible for rollover, income averaging, or tax-free transfer.—For purposes of determining any eligible amount, the present value of the accrued benefit of any highly compensated employee shall be determined by using an interest rate not less than the highest of—

"(I) the applicable rate under the plan's method in effect under the plan on August 16, 1986,

"(II) the highest rate used under the plan at any time after August 15, 1986, and before the termination or merger in calculating the present value of the accrued benefit of an employee who is not a highly compensated employee under the plan (or any other plan used in determining whether the plan meets the requirements of section 401 of the Internal Revenue Code of 1986), or

"(III) 5 percent.

"(ii) Eligible amount.—For purposes of clause (i), the term 'eligible amount' means the amount of any distribution with respect to a highly compensated employee which—

"(I) may be rolled over under section 402(a)(5) of such Code,

"(II) is eligible for income averaging under section 402(e)(1) of such Code, or capital gains treatment under section 402(a)(2) or 403(a)(2) of such Code (as in effect before this Act), or

"(III) may be transferred to another plan without inclusion in gross income.

"(iii) Amounts subject to early withdrawal or excess distribution tax.—For purposes of sections 72(t) and 4980A of such Code, there shall not be taken into account the excess (if any) of—

"(I) the amount distributed to a highly compensated employee by reason of such termination or merger, over

"(II) the amount determined by using the interest rate applicable under clause (i).

"(iv) Distributions of annuity contracts.—If an annuity contract purchased after August 16, 1986, is distributed to a highly compensated employee in connection with such termination or merger, there shall be included in gross income for the taxable year of such distribution an amount equal to the excess of—

"(I) the purchase price of such contract, over

"(II) the present value of such contract determined by using the interest rate applicable under clause (i).

Such excess shall not be taken into account for purposes of sections 72(t) and 4980A of such Code.

"(v) Highly compensated employee.—For purposes of this subparagraph, the term 'highly compensated employee' has the meaning given such term by section 414(q) of such Code."

(i) Amendments Related to Section 1113 of the Reform Act.—

(1) Section 203(a)(2) of the Employee Retirement Income Security Act of 1974 is amended—

(A) by striking out "following" the first place it appears, and

(B) by striking out "414(f)(1)(B)" in subparagraph (C)(ii)(I) and inserting in lieu thereof "3(37)(A)(ii)".

(2) Section 1113(e)(3) of the Reform Act is amended by striking out "Section 202(B)(i)" and inserting in lieu thereof "Section 202(a)(1)(B)(i)".

(3) The second subsection (e) of section 1113 of the Reform Act is redesignated as subsection (f).

(4) Section 1113(f) of the Reform Act, as redesignated by paragraph (3), is amended by adding at the end thereof the following new paragraph:

"(4) Repeal of class year vesting.—If a plan amendment repealing class year vesting is adopted after October 22, 1986, such amendment shall not apply to any employee for the 1st plan year to which the amendments made by subsections (b) and (e)(2) apply (and any subsequent plan year) if—

"(A) such plan amendment would reduce the nonforfeitable right of such employee for such year, and

"(B) such employee has at least 1 hour of service before the adoption of such plan amendment and after the beginning of such 1st plan year."

(j) Amendments Related to Section 1114 of the Reform Act.—

(1) Paragraph (1) of section 414(q) of the 1986 Code (defining highly compensated employee) is amended by adding at the end thereof the following new flush sentence:

"The Secretary shall adjust the $75,000 and $50,000 amounts under this paragraph at the same time and in the same manner as under section 415(d)."

(2) Section 414(q)(6) of the 1986 Code is amended by adding at the end thereof the following new subparagraph:

"(C) Rules to apply to other provisions.—

"(i) In general.—Except as provided in regulations and in clause (ii), the rules of subparagraph (A) shall be applied in determining the compensation of (or any contributions or benefits on behalf of) any employee for purposes of any section with respect to which a highly compensated employee is defined by reference to this subsection.

"(ii) Exception for determining integration levels.—Clause (i) shall not apply in determining the portion of the compensation of a participant which is under the integration level for purposes of section 401(l)."

(3)(A) Section 414(q)(8) of the 1986 Code (relating to excluded employees) is amended—

(i) by inserting "and" at the end of subparagraph (D), by striking ", and" at the end of subparagraph (E) and inserting in lieu thereof a period, and by striking out subparagraph (F), and

(ii) by striking out "The" in the last sentence thereof and inserting in lieu thereof "Except as provided by the Secretary, the".

(B) Section 414(q) of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(11) Special rule for nonresident aliens.—For purposes of this subsection and subsection (r), employees who are nonresident aliens and who receive no earned income (within the meaning of section 911(d)(2)) from the employer which constitutes income from sources within the United States (within the meaning of section 861(a)(3)) shall not be treated as employees."

(k) Amendments Related to Section 1115 of the Reform Act.—

(1) So much of section 414(s) of the 1986 Code as precedes paragraph (2) is amended to read as follows:

"(s) Compensation.—For purposes of any applicable provision—

"(1) In general.—Except as provided in this subsection, the term 'compensation' has the meaning given such term by section 415(c)(3)."

(2) Section 414(s) of the 1986 Code is amended by striking out paragraph (2), by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively, and by adding at the end thereof the following new paragraph:

"(4) Applicable provision.—For purposes of this subsection, the term 'applicable provision' means any provision which specifically refers to this subsection."

(3)(A) Section 416(i)(1) of the 1986 Code (defining key employee) is amended by adding at the end thereof the following new subparagraph:

"(D) Compensation.—For purposes of this paragraph, the term 'compensation' has the meaning given such term by section 414(q)(7)."

(B) The amendment made by this paragraph shall apply to years beginning after December 31, 1988.

(l) Amendments Related to Section 1116 of the Reform Act.—

(1)(A) Subparagraph (B) of section 401(k)(2) of the 1986 Code (relating to distributions from a cash or deferred arrangement) is amended—

(i) by striking out subclauses (II), (III), and (IV) of clause (i) and inserting in lieu thereof:

"(II) an event described in paragraph (10),", and

(ii) by redesignating subclauses (V) and (VI) as subclauses (III) and (IV), respectively.

(B) Section 401(k) of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(10) Distributions upon termination of plan or disposition of assets or subsidiary.—

"(A) In general.—The following events are described in this paragraph:

"(i) Termination.—The termination of the plan without establishment of a successor plan.

"(ii) Disposition of assets.—The disposition by a corporation of substantially all of the assets (within the meaning of section 409(d)(2)) used by such corporation in a trade or business of such corporation, but only with respect to an employee who continues employment with the corporation acquiring such assets.

"(iii) Disposition of subsidiary.—The disposition by a corporation of such corporation's interest in a subsidiary (within the meaning of section 409(d)(3)), but only with respect to an employee who continues employment with such subsidiary.

"(B) Distributions must be lump sum distributions.—

"(i) In general.—An event shall not be treated as described in subparagraph (A) with respect to any employee unless the employee receives a lump sum distribution by reason of the event.

"(ii) Lump sum distribution.—For purposes of this subparagraph, the term 'lump sum distribution' has the meaning given such term by section 402(e)(4), without regard to clauses (i), (ii), (iii), and (iv) of subparagraph (A), subparagraph (B), or subparagraph (H) thereof.

"(C) Transferor corporation must maintain plan.—An event shall not be treated as described in clause (ii) or (iii) of subparagraph (A) unless the transferor corporation continues to maintain the plan after the disposition."

(2) Subparagraph (B) of section 401(k)(2) of the 1986 Code is amended—

(A) by inserting "amounts held by the trust which are attributable to employer contributions made pursuant to the employee's election" after "under which",

(B) by striking out "amounts held by the trust which are attributable to employer contributions made pursuant to the employee's election" in clause (i), and

(C) by striking out "amounts" in clause (ii).

(3)(A) Clause (ii) of section 401(k)(3)(A) of the 1986 Code is amended by inserting "eligible" before "highly compensated employees" each place it appears.

(B) Section 1116(b)(4) of the Reform Act is amended by striking out "any" the first place it appears and inserting in lieu thereof "an".

(4) Subparagraph (C) of section 401(k)(3) of the 1986 Code, as added by section 1116(e) of the Reform Act, is redesignated as subparagraph (D).

(5) Subclause (I) of section 401(k)(3)(D)(ii) of the 1986 Code, as redesignated by paragraph (2), is amended by striking out "meets" and inserting in lieu thereof "meet".

(6) Section 401(k)(4)(A) of the 1986 Code is amended by striking out "provided by such employer".

(7) Section 401(k)(8) of the 1986 Code (relating to arrangement not disqualified if excess contributions distributed) is amended by redesignating subparagraph (E) as subparagraph (F) and by inserting after subparagraph (D) the following new subparagraph:

"(E) Treatment of matching contributions forfeited by reason of excess deferral or contribution.—For purposes of paragraph (2)(C), a matching contribution (within the meaning of subsection (m)) shall not be treated as forfeitable merely because such contribution is forfeitable if the contribution to which the matching contribution relates is treated as an excess contribution under subparagraph (B), an excess deferral under section 402(g)(2)(A), or an excess aggregate contribution under section 401(m)(6)(B)."

(8) Subparagraph (B) of section 1116(f)(2) of the Reform Act is amended by adding at the end thereof the following new sentence: "If clause (i) or (ii) applies to any arrangement adopted by a governmental unit, then any cash or deferred arrangement adopted by such unit on or after the date referred to in the applicable clause shall be treated as adopted before such date."

(m) Amendments Related to Section 1117 of the Reform Act.—

(1) Paragraph (1) of section 401(m) of the 1986 Code (relating to nondiscrimination test for matching contributions and employee contributions) is amended by striking out "A plan" and inserting in lieu thereof "A defined contribution plan".

(2) Paragraph (3) of section 401(m) of the 1986 Code (relating to requirements) is amended by adding at the end thereof the following new sentence: "If matching contributions are taken into account for purposes of subsection (k)(3)(A)(ii) for any plan year, such contributions shall not be taken into account under subparagraph (A) for such year."

(3) The last sentence of section 401(m)(2)(B) of the 1986 Code is amended by striking out "such contributions" the first place it appears and inserting in lieu thereof "contributions to which this subsection applies".

(4) Section 401(m)(4)(A) of the 1986 Code (defining matching contribution) is amended by striking out "the plan" each place it appears and inserting in lieu thereof "a defined contribution plan".

(5) Section 401(m)(4)(B) of the 1986 Code (defining elective deferral) is amended by

striking out "section 402(g)(3)(A)" and inserting in lieu thereof "section 402(g)(3)".

(6) Subparagraph (C) of section 401(m)(6) of the 1986 Code is amended by striking out "excess" in the subparagraph heading and inserting in lieu thereof "excess aggregate".

(7) Section 401(m)(7)(A) of the 1986 Code (relating to additional tax of section 72(t) not applicable) is amended by striking out "paragraph (8)" and inserting in lieu thereof "paragraph (6)".

(8) Section 4979(a)(1) of the 1986 Code (relating to tax on certain excess contributions) is amended by striking out "a cash or deferred arrangement which is part of".

(9) Section 4979(c) of the 1986 Code (defining excess contributions) is amended—

(A) by striking out "403(b),", and

(B) by striking out "408(k)(8)(B)" and inserting in lieu thereof "408(k)(6)(C)".

(10) Section 4979(d) of the 1986 Code (defining excess aggregate contribution) is amended by adding at the end thereof the following new sentence: "For purposes of determining excess aggregate contributions under an annuity contract described in section 403(b), such contract shall be treated as a plan described in subsection (e)(1)."

(11) Paragraph (2) of section 4979(f) of the 1986 Code (relating to inclusion in prior year) is amended to read as follows:

"(2) Year of inclusion.—

"(A) In general.—Except as provided in subparagraph (B), any amount distributed as provided in paragraph (1) shall be treated as received and earned by the recipient in his taxable year for which such contribution was made.

"(B) De minimis distributions.—If the total excess contributions and excess aggregate contributions distributed to a recipient under a plan for any plan year are less than $100, such distributions (and any income allocable thereto) shall be treated as earned and received by the recipient in his taxable year in which such distributions were made."

(12) Subsection (d) of section 1117 of the Reform Act is amended by adding at the end thereof the following new paragraph:

"(4) Distributions before plan amendment.—

"(A) In general.—If a plan amendment is required to allow a plan to make any distribution described in section 401(m)(6) of the Internal Revenue Code of 1986, any such distribution which is made before the close of the 1st plan year for which such amendment is required to be in effect under section 1140 shall be treated as made in accordance with the provisions of the plan.

"(B) Distributions pursuant to model amendment.—

"(i) Secretary to prescribe amendment.—The Secretary of the Treasury or his delegate shall prescribe an amendment which allows a plan to make any distribution described in section 401(m)(6) of the Internal Revenue Code of 1986.

"(ii) Adoption by plan.—If a plan adopts the amendment prescribed under clause (i) and makes a distribution in accordance with such amendment, such distribution shall be treated as made in accordance with the provisions of the plan."

(n) Amendments Related to Section 1120 of the Reform Act.—

(1)(A) Section 403(b)(10) of the 1986 Code (relating to nondiscrimination requirements), as added by section 1120(b) of the Reform Act, is redesignated as paragraph (12).

(B) Subparagraph (D) of section 403(b)(1) of the 1986 Code is amended by striking out "paragraph (10)" and inserting in lieu thereof "paragraph (12)".

(2) Clause (i) of section 403(b)(12)(A), as redesignated by paragraph (1), is amended—

(A) by inserting "(17)," after "(5),", and

(B) by inserting ", section 401(m)," after "section 401(a)" the first place it appears.

(3) Section 1120(c) of the Reform Act is amended to read as follows:

"(c) Effective Dates.—

"(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to years beginning after December 31, 1988.

"(2) Collective bargaining agreements.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified before March 1, 1986, the amendments made by this section shall not apply to plan years beginning before the earlier of—

"(A) January 1, 1991, or

"(B) the later of—

"(i) January 1, 1989, or

"(ii) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof after February 28, 1986)."

SEC. 111A. AMENDMENTS RELATED TO PARTS III AND IV OF SUBTITLE A OF TITLE XI OF THE REFORM ACT.

(a) Amendments Related to Section 1121 of the Reform Act.—

(1) Subparagraph (F) of section 402(a)(5) of the 1986 Code (relating to transfer treated as rollover contribution under section 408) is amended by striking out "described in subparagraph (A)" and inserting in lieu thereof "resulting in any portion of a distribution being excluded from gross income under subparagraph (A)".

(2)(A) Section 408(d)(3)(A) is amended by striking out the last sentence thereof.

(B) The amendment made by subparagraph (A) shall apply to rollover contributions made in taxable years beginning after December 31, 1986.

(3) Section 1121(d) of the Reform Act is amended by adding at the end thereof the following new paragraph:

"(5) Plans may incorporate section 401(a)(9) requirements by reference.—Notwithstanding any other provision of law, except as provided in regulations prescribed by the Secretary of the Treasury or his delegate, a plan may incorporate by reference the requirements of section 401(a)(9) of the Internal Revenue Code of 1986."

(4) Section 1121(d)(3) of the Reform Act is amended by striking out "plan years" and inserting in lieu thereof "years".

(b) Amendments Related to Section 1122 of the Reform Act.—

(1)(A) Section 72(f) of the 1986 Code (relating to special rules for computing employees' contributions) is amended by striking out "for purposes of subsections (d)(1) and (e)(7), the consideration for the contract contributed by the employee,".

(B) Section 72(n) of the 1986 Code (relating to annuities under retired serviceman's family protection plan or survivor benefit plan) is amended by striking out "Subsections (b) and (d)" and inserting in lieu thereof "Subsection (b)".

(C) Sections 406(e) and 407(e) of the 1986 Code are each amended by striking out paragraph (1) and by redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively.

(2)(A) Section 72 of the 1986 Code (relating to annuities and certain proceeds of endowment and life insurance contracts) is amended by adding after subsection (c) the following new subsection:

"(d) Treatment of Employee Contributions Under Defined Contribution Plans as Separate Contracts.—For purposes of this section, employee contributions (and any income allocable thereto) under a defined contribution plan may be treated as a separate contract."

(B) Section 72(e) of the 1986 Code is amended by striking out paragraph (9).

(3) Section 414(k)(2) of the 1986 Code (relating to certain plans treated as defined contribution plans) is amended by inserting "72(d) (relating to treatment of employee contributions as separate contract)," before "411(a)(7)(A)".

(4) Section 402(a)(5)(D) of the 1986 Code (relating to requirements for partial distributions) is amended—

(A) by inserting "at least" before "50 percent" in subclause (I) of clause (i),

(B) by striking out "subparagraph (B)" in subclause (II) of clause (i) and inserting in lieu thereof "subparagraphs (B) and (H)", and

(C) by striking out "10-year" in the heading of clause (iii).

(5) Clause (ii) of section 402(a)(6)(H) of the 1986 Code (relating to special rule for frozen deposits) is amended by adding at the end thereof the following new flush sentence:

"A deposit shall not be treated as a frozen deposit unless on at least 1 day during the 60-day period described in paragraph (5)(C) (without regard to this subparagraph) such deposit is described in the preceding sentence.".

(6) Clause (i) of section 402(e)(4)(B) of the 1986 Code is amended by striking out "taxpayer" and inserting in lieu thereof "employee".

(7) The last sentence of section 402(e)(4)(J) of the 1986 Code (relating to unrealized appreciation on employer securities) is amended to read as follows: "In accordance with rules prescribed by the Secretary, a taxpayer may elect, on the return of tax on which a distribution is required to be included, not to have this subparagraph apply with respect to such distribution."

(8) Section 402 of the 1986 Code (relating to taxability of beneficiary of employees' trust) is amended as follows:

(A) Subsection (a)(1) is amended by striking out "paragraphs (2) and (4)" and inserting in lieu thereof "paragraph (4)".

(B) Subsection (a)(4) is amended by striking out "or (2)".

(C) Subsection (a)(6)(C) is amended by striking out "paragraph (2) of subsection (a), and".

(D) Subsection (a)(6)(E)(ii) is amended by striking out "paragraph (2) of subsection (a), and" and by striking out the comma after "subsection (e)".

(E) Subsection (e)(1) is amended by striking out "ordinary income portion of a".

(F) Subsection (e)(4)(A) is amended—

(i) by striking out "Except for purposes of subsection (a)(2) and section 403(a)(2), a" and inserting in lieu thereof "A", and

(ii) by striking out "subsection (a)(2) of this section, and subsection (a)(2) of section 403,".

(G) Subparagraph (L) of subsection (e)(4) is hereby repealed.

(H) Subsection (e)(4)(M) is amended by striking out ", subsection (a)(2) of this section, and section 403(a)(2)".

(I) Subsection (e)(5) is amended by striking out "and paragraph (2) of subsection (a)".

(J) Subsection (e)(6)(C) is amended to read as follows:

"(C) SPECIAL LUMP-SUM TREATMENT.—For purposes of this paragraph, special lump sum treatment applies to any distribution if any portion of such distribution is taxed under this subsection by reason of an election under paragraph (4)(B)."

(9)(A) Section 72(e)(7) of the 1986 Code is hereby repealed.

(B) Section 72(e)(5)(D) is amended by striking out "paragraphs (7) and (8)" and inserting in lieu thereof "paragraph (8)".

(C) Section 72(e)(8)(A) is amended by striking out "(other than paragraph (7))".

(D) Section 72(q)(2)(E) of the 1986 Code is amended by striking out "(determined without regard to subsection (e)(7))".

(10) Section 402(e)(1)(B) of the 1986 Code (relating to amount of tax on lump-sum distributions) is amended by adding at the end thereof the following new flush sentence:

"For purposes of the preceding sentence, in determining the amount of tax under section 1(c), section 1(g) shall be applied without regard to paragraph (2)(B) thereof."

(11) Section 1123(h) of the Reform Act is amended by adding at the end thereof the following new paragraph:

"(9) SPECIAL RULE FOR STATE PLANS.—In the case of a plan maintained by a State which on May 5, 1986, permitted withdrawal by the employee of employee contributions (other than as an annuity), section 72(e) of the Internal Revenue Code of 1986 shall be applied—

"(A) without regard to the phrase 'before separation from service' in paragraph (8)(D), and

"(B) by treating any amount received (other than as an annuity) before or with the 1st annuity payment as having been received before the annuity starting date."

(12) Subparagraph (B) of section 1122(h)(2) of the Reform Act is amended by inserting ", except that section 72(b)(3) of the Internal Revenue Code of 1986 (as added by such subsection) shall apply to individuals whose annuity starting date is after July 1, 1986" after "1986".

(13) Sections 1122 (h)(3)(C) and (h)(4)(C) of the Reform Act are each amended by striking out "with respect to any other lump sum distribution" and inserting in lieu thereof "for purposes of such Code".

(14) Clause (i) of section 1122(h)(3)(C) of the Reform Act is amended—

(A) by striking out "individual" and inserting in lieu thereof "employee", and

(B) by inserting "or by an individual, estate, or trust with respect to such an employee" after "1986".

(15) Section 1122(h)(5) of the Reform Act is amended—

(A) by striking out "individual" and inserting in lieu thereof "employee",

(B) by inserting "and by including in gross income the zero bracket amount in effect under section 63(d) of such Code for such years" after "1986" in the last sentence, and

(C) by adding at the end thereof the following new sentence: "This paragraph shall also apply to an individual, estate, or trust which receives a distribution with respect to an employee described in this paragraph."

(c) AMENDMENTS RELATED TO SECTION 1123 OF THE REFORM ACT.—

(1) Subparagraph (A) of section 72(t)(2) of the 1986 Code (relating to subsection not to apply to certain distributions) is amended by striking out "on account of early retirement under the plan" in clause (v).

(2) Subparagraph (C) of section 72(t)(2) of the 1986 Code (relating to certain plans) is amended to read as follows:

"(C) EXCEPTIONS FOR DISTRIBUTIONS FROM EMPLOYEE STOCK OWNERSHIP PLANS.—Any distribution made before January 1, 1990, to an employee from an employee stock ownership plan (as defined in section 4975(e)(7)) or a tax credit employee stock ownership plan (as defined in section 409) if—

"(i) such distribution is attributable to assets which have been invested in employer securities (within the meaning of section 409(l)) at all times during the 5-plan-year period preceding the plan year in which the distribution is made, and

"(ii) at all times during such period the requirements of sections 401(a)(28) and 409 (as in effect at such times) are met with respect to such employer securities."

(3) Subparagraph (A) of section 72(t)(3) of the 1986 Code (relating to certain exceptions not to apply to individual retirement plans) is amended by striking out "and (C)" and inserting in lieu thereof "(C), and (D)".

(4) Subparagraphs (D) and (G) of section 72(q)(2) of the 1986 Code are each amended by striking out the period at the end thereof and inserting in lieu thereof a comma.

(5) Subparagraph (B) of section 72(q)(3) of the 1986 Code (relating to change in substantially equal payments) is amended by striking out "employee" each place it appears and inserting in lieu thereof "taxpayer".

(6) Section 72(q)(2) of the 1986 Code (relating to subsection not to apply to certain dispositions) is amended by inserting after subparagraph (G) the following new subparagraph:

"(H) to which subsection (t) applies (without regard to paragraph (2) thereof),".

(7) Subparagraph (D) of section 72(q)(2) and clause (iv) of section 72(t)(2)(A) of the 1986 Code are each amended by inserting "designated" before "beneficiary".

(8) Paragraph (2) of section 72(o) of the 1986 Code (relating to additional tax if amount received after age 59½) is hereby repealed.

(9) Subparagraph (I) of section 402(e)(4) of the 1986 Code is amended by striking out "clause (ii) of".

(10) Section 26(b)(2) of the 1986 Code is amended—

(A) by striking out ", (o)(2)," in subparagraph (C), and

(B) by striking out "408(f) (relating to additional tax on income from certain retirement accounts)" in subparagraph (D) and inserting in lieu thereof "72(t) (relating to 10-percent additional tax on early distributions from qualified retirement plans)".

(11) Section 1123(e)(2) of the Reform Act is amended—

(A) by striking out "taxable", and

(B) by inserting ", but only with respect to distributions from contracts described in section 403(b) of the Internal Revenue Code of 1986 which are attributable to assets other than assets held as of the close of the last year beginning before January 1, 1989" after "1988".

(12) Section 1123(e) of the Reform Act is amended by adding at the end thereof the following new paragraph:

"(5) SPECIAL RULE FOR DISTRIBUTIONS UNDER AN ANNUITY CONTRACT.—The amendments made by paragraphs (1), (2), and (3) of subsection (b) shall not apply to any distribution under an annuity contract if—

"(A) as of March 1, 1986, payments were being made under such contract pursuant to a written election providing a specific schedule for the distribution of the taxpayer's interest in such contract, and

"(B) such distribution is made pursuant to such written election."

(13) Section 72(t) of the 1986 Code shall apply to any distribution without regard to whether such distribution is made without the consent of the participant pursuant to section 411(a)(11) or section 417(e) of the 1986 Code.

(d) AMENDMENTS RELATED TO SECTION 1124 OF THE REFORM ACT.—

(1) Section 1124(a) of the Reform Act is amended to read as follows:

"(a) IN GENERAL.—If an employee dies, separates from service, or becomes disabled before 1987 and an individual, trust, or estate receives a lump-sum distribution with respect to such employee after December 31, 1986, and before March 16, 1987, on account of such death, separation from service, or disability, then, for purposes of the Internal Revenue Code of 1986, such individual, estate, or trust may treat such distribution as if it were received in 1986."

(2) Section 1124(b) of the Reform Act is amended—

(A) by striking out "employee" each place it appears and inserting in lieu thereof "individual, estate, or trust", and

(B) by inserting "with respect to an employee" after "receives".

(3) Section 1124 of the Reform Act is amended by adding at the end thereof the following new subsection:

"(c) LUMP SUM DISTRIBUTION.—For purposes of this section, the term 'lump sum distribution' has the meaning given such term by section 402(e)(4)(A) of the Internal Revenue Code of 1986, without regard to subparagraph (B) or (H) of section 402(e)(4) of such Code."

(e) AMENDMENTS RELATED TO SECTION 1131 OF THE REFORM ACT.—

(1) Subsection (c) of section 4972 of the 1986 Code (defining nondeductible contributions) is amended to read as follows:

"(c) NONDEDUCTIBLE CONTRIBUTIONS.—For purposes of this section—

"(1) IN GENERAL.—The term 'nondeductible contributions' means, with respect to any qualified employer plan, the sum of—

"(A) the excess (if any) of—

"(i) the amount contributed for the taxable year by the employer to or under such plan, over

"(ii) the amount allowable as a deduction under section 404 for such contributions (determined without regard to subsection (e) thereof), and

"(B) the amount determined under this subsection for the preceding taxable year reduced by the sum of—

"(i) the portion of the amount so determined returned to the employer during the taxable year, and

"(ii) the portion of the amount so determined deductible under section 404 for the taxable year (determined without regard to subsection (e) thereof).

"(2) ORDERING RULE FOR SECTION 404.—For purposes of paragraph (1), the amount allowable as a deduction under section 404 for any taxable year shall be treated as—

"(A) first from carryforwards to such taxable year from preceding taxable years (in order of time), and

"(B) then from contributions made during such taxable year.

"(3) CATCHUP CONTRIBUTIONS ALLOWED FOR UNDERFUNDED PLANS.—In the case of a plan to which title IV of the Employee Retirement Income Security Act of 1974 applies, if, as of the close of the plan year with or within which the taxable year begins—

"(A) the liabilities of such plan (determined as if the plan had terminated as of such time), exceed

"(B) the assets of such plan,

the amount under paragraph (1)(A)(ii) for such taxable year shall be increased by the amount of such excess.

"(4) CONTRIBUTIONS WHICH MAY BE RETURNED TO EMPLOYER.—In determining the amount of nondeductible contributions for any taxable year, there shall not be taken into account any contribution for such taxable year which is distributed to the employer in a distribution described in section 4980(c)(2)(B)(ii) if such distribution is made on or before the last day on which a contribution may be made for such taxable year under section 404(a)(6).

"(5) PRE-1987 CONTRIBUTIONS.—The term 'nondeductible contribution' shall not include any contribution made for a taxable year beginning before January 1, 1987."

(2) Paragraph (1) of section 4972(d) of the 1986 Code (defining qualified employer plan) is amended to read as follows:

"(1) QUALIFIED EMPLOYER PLAN.—

"(A) IN GENERAL.—The term 'qualified employer plan' means—

"(i) any plan meeting the requirements of section 401(a) which includes a trust exempt from tax under section 501(a),

"(ii) an annuity plan described in section 403(a), and

"(iii) any simplified employee pension (within the meaning of section 408(k)).

"(B) EXEMPTION FOR GOVERNMENTAL AND TAX EXEMPT PLANS.—The term 'qualified employer plan' does not include a plan described in subparagraph (A) or (B) of section 4980(c)(1)."

(3) Section 1131(d) of the Reform Act is amended to read as follows:

"(d) EFFECTIVE DATES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 1986.

"(2) SPECIAL RULES FOR COLLECTIVE BARGAINING AGREEMENTS.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified before March 1, 1987, the amendments made by this section shall not apply to contributions pursuant to any such agreement for taxable years beginning before the earlier of—

"(A) January 1, 1989, or

"(B) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof after February 28, 1986).

(f) AMENDMENTS RELATED TO SECTION 1132 OF THE REFORM ACT.—

(1) Section 4980(c)(1)(A) of the 1986 Code (defining qualified plan) is amended by striking out "this subtitle" and inserting in lieu thereof "subtitle A".

(2) Section 4980(c)(3)(A) of the 1986 Code (relating to exception for employee stock ownership plans) is amended—

(A) by inserting "or a tax credit employee stock ownership plan (as described in section 409)" after "section 4975(e)(7)", and

(B) by inserting ", except to the extent necessary to meet the requirements of section 401(a)(28)," after "must".

(3) Subparagraph (C) of section 4980(c)(3) of the 1986 Code is amended—

(A) by striking out "(by reason of the limitations of section 415)", and

(B) by adding at the end thereof the following new sentence:

"The amount allocated in the year of transfer shall not be less than the lesser of the maximum amount allowable under section 415 or 1/8 of the total amount transferred."

(4) Subparagraph (B) of section 1132(c)(2) of the Reform Act is amended by striking out "November 19, 1978" and inserting in lieu thereof "September 19, 1978".

(5) Section 1132(c) of the Reform Act is amended by adding at the end thereof the following new paragraph:

"(5) SPECIAL RULE FOR EMPLOYEE STOCK OWNERSHIP PLANS.—Section 4980(c)(3) of the Internal Revenue Code of 1986 (as added by subsection (a)) shall apply to reversions occurring after March 31, 1985."

(g) AMENDMENTS RELATED TO SECTION 1133 OF THE REFORM ACT.—

(1)(A) Section 4981A of the 1986 Code (as added by section 1133 of the Reform Act) is redesignated as section 4980A.

(B) The table of sections for chapter 43 of the 1986 Code is amended by redesignating section 4981A as section 4980A.

(2) Paragraph (1) of section 4980A(c) of the 1986 Code (as redesignated by paragraph (1)) is amended by striking out "$112,500 (adjusted at the same time and in the same manner as under section 415(d))" and inserting in lieu thereof "the greater of—

"(A) $150,000, or

"(B) $112,500 (adjusted at the same time and in the same manner as under section 415(d))."

(3) Section 4980A(c)(2) of the 1986 Code (relating to exclusion of certain distributions), as redesignated by paragraph (1), is amended—

(A) by striking out "employee's" in subparagraph (C) and inserting in lieu thereof "individual's", and

(B) by adding after subparagraph (D) the following new subparagraphs:

"(E) Any retirement distribution with respect to an individual of an annuity contract the value of which is not includible in gross income at the time of the distribution (other than distributions under, or proceeds from the sale or exchange of, such contract).

"(F) Any retirement distribution with respect to an individual of—

"(i) excess deferrals (and income allocable thereto) under section 402(g)(2)(A)(ii), or

"(ii) excess contributions under section 401(k)(8) or 408(d)(4) or excess aggregate contributions under section 401(m)(6)."

(4)(A) Section 4980A of the 1986 Code, as redesignated by paragraph (1), is amended by adding at the end thereof the following new subsection:

"(f) EXEMPTION OF ACCRUED BENEFITS IN EXCESS OF $562,500 ON AUGUST 1, 1986.—For purposes of this section—

"(1) IN GENERAL.—If an election is made with respect to an eligible individual to have this subsection apply, the individual's excess distributions and excess retirement accumulation shall be computed without regard to any distributions or interests attributable to the accrued benefit of the individual as of August 1, 1986.

"(2) REDUCTION IN AMOUNTS WHICH MAY BE RECEIVED WITHOUT TAX.—If this subsection applies to any individual—

"(A) EXCESS DISTRIBUTIONS.—Subsection (c)(1) shall be applied—

"(i) without regard to subparagraph (A), and

"(ii) by reducing (but not below zero) the amount determined under subparagraph (B) thereof by retirement distributions attributable (as determined under rules prescribed by the Secretary) to the individual's accrued benefit as of August 1, 1986.

"(B) EXCESS RETIREMENT ACCUMULATION.—The amount determined under subsection (d)(3)(B) (without regard to subsection (c)(1)(A)) with respect to such individual shall be reduced (but not below zero) by the present value of the individual's accrued benefit as of August 1, 1986, which has not been distributed as of the date of death.

"(3) ELIGIBLE INDIVIDUAL.—For purposes of this subsection, the term 'eligible individual' means any individual if, on August 1, 1986, the present value of such individual's interests in qualified employer plans and individual retirement plans exceeded $562,500.

"(4) CERTAIN AMOUNTS EXCLUDED.—In determining an individual's accrued benefit for purposes of this subsection, there shall not be taken into account any portion of the accrued benefit—

"(A) payable to an alternate payee pursuant to a qualified domestic relations order (within the meaning of section 414(p)) if includible in income of the alternate payee, or

"(B) attributable to the individual's investment in the contract (as defined in section 72(f)).

"(5) ELECTION.—An election under paragraph (1) shall be made on an individual's return of tax imposed by this chapter for a taxable year beginning before January 1, 1989."

(B) Section 4980A(c) of the 1986 Code, as redesignated by paragraph (1), is amended by striking out paragraph (5).

(5) Section 4980A(d) of the 1986 Code (relating to increase in estate tax if individual dies with excess accumulation), as redesignated by paragraph (1), is amended—

(A) by striking out "section 2010" in paragraph (2) and inserting in lieu thereof "chapter 11", and

(B) by adding at the end thereof the following new paragraphs:

"(4) RULES FOR COMPUTING EXCESS RETIREMENT ACCUMULATION.—The excess retirement accumulation of an individual shall be computed without regard to—

"(A) any community property law,

"(B) the value of—

"(i) amounts payable to an alternate payee pursuant to a qualified domestic relations order (within the meaning of section 414(p)) if includible in income of the alternate payee, and

"(ii) the individual's investment in the contract (as defined in section 72(f)), and

"(C) the excess (if any) of—

"(i) any interests which are payable immediately after death, over

"(ii) the value of such interests immediately before death.

"(5) ELECTION BY SPOUSE TO HAVE EXCESS DISTRIBUTION RULE APPLY.—

"(A) IN GENERAL.—If the spouse of an individual is the beneficiary of all of the interests described in paragraph (3)(A), the spouse may elect—

"(i) not to have this subsection apply, and

"(ii) to have this section apply to such interests and any retirement distribution attributable to such interests as if such interests were the spouse's.

"(B) DE MINIMIS EXCEPTION.—If 1 or more persons other than the spouse are beneficiaries of a de minimis portion of the interests described in paragraph (3)(A)—

"(i) the spouse shall not be treated as failing to meet the requirements of subparagraph (A), and

"(ii) if the spouse makes the election under subparagraph (A), this section shall not apply to such portion or any retirement distribution attributable to such portion."

(6) Subparagraph (B) of section 4980A(d)(3) of the 1986 Code, as redesignated by paragraph (1), is amended to read as follows:

"(B) the present value (as determined under rules prescribed by the Secretary as of the valuation date prescribed in subparagraph (A)) of a single life annuity with annual payments equal to the limitation of subsection (c) (as in effect for the year in which death occurs and as if the individual had not died)."

(7) Section 2013 of the 1986 Code (relating to credit for tax on prior transfer) is amended by adding at the end thereof the following new subsection:

"(g) **Treatment of Additional Tax Under Section 4980A.**—For purposes of this section, the estate tax paid shall not include any portion of such tax attributable to section 4980A(d)."

(8) Paragraph (1) of section 1133(c) of the Reform Act is amended by inserting ", other than a distribution with respect to a decedent dying before January 1, 1987" after "1986".

(h) **Amendments Related to Section 1134 of the Reform Act.**—

(1) Section 72(p)(3)(A) of the 1986 Code (relating to denial of interest deductions in certain cases) is amended by inserting "to which paragraph (1) does not apply by reason of paragraph (2) during the period" after "loan".

(2) Subparagraph (B) of section 72(p)(3) of the 1986 Code is amended to read as follows:

"(B) **Period to which subparagraph (A) applies.**—For purposes of subparagraph (A), the period described in this subparagraph is the period—

"(i) on or after the 1st day on which the individual to whom the loan is made is a key employee (as defined in section 416(i)), or

"(ii) such loan is secured by amounts attributable to elective deferrals described in subparagraph (A) or (C) of section 402(g)(3)."

(i) **Amendments Related to Section 1135 of the Reform Act.**—

(1) Subparagraph (A) of section 72(u)(1) of the 1986 Code (relating to annuity contracts not held by natural persons) is amended by inserting "(other than subchapter L)" after "subtitle".

(2) Subparagraph (D) of section 72(u)(3) of the 1986 Code (relating to exceptions) is amended by striking out "until such time as the employee separates from service" and inserting in lieu thereof "until all amounts under such contract are distributed to the employee for whom such contract was purchased or the employee's beneficiary".

(3) Subparagraphs (D) and (E) of section 72(u)(3) of the 1986 Code (relating to exceptions) are each amended by striking out "which".

(j) **Amendments Related to Section 1136 of the Reform Act.**—

(1) Section 401(a)(27) of the 1986 Code is amended by adding at the end thereof the following new subparagraph:

"(B) **Plan must designate type.**—A trust shall not constitute a qualified trust under this subsection unless the plan designates (at such time and in such manner as the Secretary may prescribe) whether it is intended to be a money purchase pension plan or a profit-sharing plan."

(2) Section 401(a)(27) of the 1986 Code is amended by striking out "(27)" and inserting in lieu thereof:

"(27) **Determinations as to profit-sharing plans.**—

"(A) **Contributions need not be based on profits.**—".

(k) **Amendment Related to Section 1139 of the Reform Act.**—Clause (i) of section 1139(d)(2)(A) of the Reform Act is amended by striking out "before January" and inserting in lieu thereof "after January".

(l) **Amendments Related to Section 1140 of the Reform Act.**—

(1) Subsections (a) and (b) of section 1140 of the Reform Act are amended by striking out "or subtitle C" and inserting in lieu thereof ", subtitle C, or title XVIII of this Act".

(2) Section 1140(c) of the Reform Act is amended by inserting "on or" after "beginning".

(3) Section 1140(c) is amended by adding at the end thereof the following new flush sentence:

"For purposes of paragraph (1)(B) and any other provision of this title, an agreement shall not be treated as terminated merely because the plan is amended pursuant to such agreement to meet the requirements of any amendment made by this title or title XVIII of this Act."

(m) **Amendments Related to Section 1145 of the Reform Act.**—

(1) Subsection (f) of section 303 of the Retirement Equity Act of 1984 is amended by striking out "July 24, 1984" and inserting in lieu thereof "July 17, 1984".

(2)(A) Subparagraph (E) of section 401(a)(11) of the 1986 Code (relating to cross reference) is redesignated as subparagraph (F).

(B) Paragraph (3) of section 205(b) of the Employee Retirement Income Security Act of 1974, as added by section 1145(b) of the Reform Act, is redesignated as paragraph (4).

(n) **Amendments Related to Section 1147 of the Reform Act.**—

(1)(A) Subparagraph (C) of section 7701(j)(1) of the 1986 Code (relating to tax treatment of Federal Thrift Savings Fund) is amended by inserting ", section 401(k)(4)(B)," after "paragraph (2)".

(B) Section 8440(a)(3) of title 5, United States Code, is amended by inserting ", 401(k)(4)(B) of such Code," after "subsection (b)".

(2)(A) Section 7701(j)(2) of the 1986 Code (relating to nondiscrimination requirements) is amended—

(i) by striking out "401(k)(8)" and inserting in lieu thereof "401(k)(6)", and

(ii) by adding at the end thereof the following new sentence: "The Thrift Savings Fund may elect to have the nondiscrimination requirements applied separately to contributions to the Fund with respect to employees covered by the Civil Service Retirement and Disability System under chapter 83 of title 5, United States Code."

(B) Section 8440(b)(1) of title 5, United States Code, is amended—

(i) by striking out "401(k)(8)" and inserting in lieu thereof "401(k)(6)", and

(ii) by adding at the end thereof the following new sentence: "The Fund may elect to have the nondiscrimination requirements applied separately to contributions to the Fund with respect to employees covered by the Civil Service Retirement and Disability System under chapter 83 of this title."

SEC. 111B. AMENDMENTS RELATED TO SUBTITLES B AND C OF TITLE XI OF THE REFORM ACT.

(a) **Amendments Related to Section 1151 of the Reform Act.**—

(1) Paragraph (2) of section 89(a) (relating to year of inclusion) is amended to read as follows:

"(2) **Year of inclusion.**—

"(A) **In general.**—Except as provided in subparagraph (B), any amount included in gross income under paragraph (1) shall be taken into account for the taxable year of the employee with or within which the plan year ends.

"(B) **Election to delay inclusion for 1 year.**—If an employer maintaining a plan with a plan year ending after September 30 and on or before December 31 of a calendar year elects the application of this subparagraph—

"(i) amounts included in gross income under paragraph (1) with respect to employees of such employer shall be taken into account for the taxable year of the employee following the taxable year determined under subparagraph (A), but

"(ii) any deduction of the employer which is attributable to such amounts shall be allowable for the taxable year with or within which the plan year following the plan year in which the excess benefits occurred ends."

(2) Paragraph (4) of section 89(b) of the 1986 Code (defining nontaxable benefits) is amended by adding at the end thereof the following new sentence: "Such term includes any group-term life insurance the cost of which is includible in gross income under section 79."

(3) Paragraph (1) of section 89(g) of the 1986 Code (relating to the aggregation of comparable health plans) is amended by adding at the end thereof the following new subparagraph:

"(C) **Employees covered by more than 1 plan.**—The Secretary may provide that 2 or more plans providing benefits to the same participant shall be treated as 1 plan for purposes of applying subsections (d)(1)(B), (d)(2), and (f)."

(4) Subparagraph (B) of section 89(g)(2) of the 1986 Code (relating to sworn statements) is amended by adding at the end thereof the following new sentence: "No statement shall be required under clause (ii) with respect to any individual eligible for coverage at no cost under a health plan which provides core health benefits and with respect to whom the employee does not elect any health coverage from the employer."

(5) Subparagraph (D) of section 89(g)(2) of the 1986 Code is amended by striking out "under such plan" and inserting in lieu thereof "under such plans".

(6) Paragraph (6) of section 89(g) of the 1986 Code (relating to operating rules) is amended by striking out "subsection (d)(1)(A)(ii) or of".

(7) Subparagraph (A) of section 89(h) of the 1986 Code (relating to excluded employees) is amended by inserting "(or 1st day of a period of less than 31 days specified by the plan)" after "month".

(8) Section 89(j) of the 1986 Code (relating to other definitions and special rules) is amended by adding at the end thereof the following new paragraph:

"(12) **Employers with only highly compensated employees.**—The requirements of subsections (d) and (e) shall not apply to any statutory employee benefit plan for any year for which the only employees of the employer maintaining the plan are highly compensated employees."

(9) Section 89(k) of the 1986 Code (relating to requirement that plan be in writing) is amended by adding at the end thereof the following new paragraph:

"(5) Loss of exemption for certain plans.—If a plan described in paragraph (2)(E) fails to meet the requirements of paragraph (1), the organization which is part of such plan shall not be exempt from tax under section 501(a)."

(10) Section 6652(l)(2)(B) of the 1986 Code (relating to amount of additional tax) is amended by striking out "subsection (g)(3)" and inserting in lieu thereof "subsection (g)(3)(C)(i)".

(11)(A) Subsection (a) of section 125 of the 1986 Code is amended to read as follows:

"(a) General Rule.—Except as provided in subsection (b), no amount shall be included in the gross income of a participant in a cafeteria plan solely because, under the plan, the participant may choose among the benefits of the plan."

(B) Paragraph (1) of section 125(b) of the 1986 Code is amended by striking out "A plan shall be treated as failing to meet the requirements of this subsection" and inserting in lieu thereof: "In the case of a highly compensated employee, subsection (a) shall not apply to any benefit attributable to a plan year".

(C) Paragraph (2) of section 125(b) of the 1986 Code is amended by striking out "a plan shall be treated as failing to meet the requirements of this subsection" and inserting in lieu thereof "subsection (a) shall not apply to any plan year".

(12) Subparagraph (B) of section 125(c)(1) of the 1986 Code (defining cafeteria plans) is amended to read as follows:

"(B) the participant may choose among 2 or more benefits consisting of cash and qualified benefits."

(13) Paragraph (1) of section 125(e) of the 1986 Code (defining qualified benefits) is amended by inserting "and without regard to section 89" after "subsection (a)".

(14) Subsection (d) of section 129 of the 1986 Code is amended by redesignating paragraph (8) as paragraph (7).

(15) Paragraph (7) of section 129(d) of the 1986 Code (as so redesignated) is amended—

(A) by inserting "under all plans of the employer" after "employees" the 2nd and 3rd time it appears in subparagraph (A),

(B) by striking out "there shall be disregarded" in subparagraph (B) and inserting in lieu thereof "a plan may disregard", and

(C) by striking out "415(q)(7)" in subparagraph (B) and inserting in lieu thereof "414(q)(7)".

(16) Section 414(m)(4) of the 1986 Code is amended by inserting "and" at the end of subparagraph (A), by striking out the comma at the end of subparagraph (B) and inserting in lieu thereof a period, and by striking out subparagraphs (C) and (D).

(17) Paragraph (2) of section 414(t) of the 1986 Code is amended by striking out "132," and inserting in lieu thereof "132, 162(i)(2), 162(k),".

(18) Paragraph (6) of section 129(e) of the 1986 Code is amended by striking out "of subsection (d)" and inserting in lieu thereof "of subsection (d) (other than paragraphs (4) and (7) thereof)".

(19) Subparagraph (C) of section 414(n)(3) of the 1986 Code is amended by striking out "132," and inserting in lieu thereof "132, 162(i)(2), 162(k),".

(20) Section 414(t) of the 1986 Code (relating to application of controlled group rules to certain employees) is amended by striking out "of section 414" each place it appears.

(21) Section 89(j)(6) of the 1986 Code is amended by striking out "in subparagraph (A), (B), or (C) of subsection (i)(2)".

(22)(A) Section 3121 of the 1986 Code (relating to definitions) is amended by adding at the end thereof the following new subsection:

"(x) Benefits Provided Under Certain Employee Benefit Plans.—Notwithstanding any paragraph of subsection (a) (other than paragraph (1)), the term 'wages' shall include any amount which is includible in gross income by reason of section 89."

(B) Section 3231(e) of the 1986 Code (defining compensation) is amended by adding at the end thereof the following new paragraph:

"(8) Benefits provided under certain employee benefit plans.—Notwithstanding any other paragraph of this subsection (other than paragraph (2)), the term 'compensation' shall include any amount which is includible in gross income by reason of section 89."

(C) Section 3306 of the 1986 Code (relating to definitions) is amended by adding at the end thereof the following new subsection:

"(t) Benefits Provided Under Certain Employee Benefit Plans.—Notwithstanding any paragraph of subsection (b) (other than paragraph (1)), the term 'wages' shall include any amount which is includible in gross income by reason of section 89."

(D) Section 3401 of the 1986 Code (relating to definitions) is amended by adding at the end thereof the following new subsection:

"(g) Benefits Provided Under Certain Employee Benefit Plans.—Notwithstanding any paragraph of subsection (a), the term 'wages' shall include any amount which is includible in gross income by reason of section 89."

(E) The second to last sentence of section 209 of the Social Security Act is amended—

(i) by striking out the period at the end of clause (2) and inserting in lieu thereof ", or", and

(ii) by inserting after clause (2) the following new clause:

"(3) Any amount required to be included in gross income under section 89 of the Internal Revenue Code of 1986."

(23)(A) Sections 3121(a)(5)(G) and 3306(b)(5)(G) of the 1986 Code are each amended by inserting "if such payment is excludable from gross income and would not be treated as wages without regard to such plan" after "section 125)".

(B) Section 209(e)(9) of the Social Security Act is amended by inserting "if such payment is excludable from gross income and would not be treated as wages without regard to such plan" after "1986)".

(24) Section 1151(h)(3) of the Reform Act is amended by striking out "Section 6039B(c)" and inserting in lieu thereof "Section 6039D(c)".

(25) Paragraph (1) of section 1151(k) of the Reform Act is amended by adding at the end thereof the following new sentence:

"Notwithstanding the preceding sentence, the amendments made by subsections (e)(1) and (i)(3)(C) shall, to the extent they relate to sections 106, 162(i)(2), and 162(k) of the Internal Revenue Code of 1986, apply to years beginning after 1986."

(26) Section 1151(k) of the Reform Act is amended by adding at the end thereof the following new paragraph:

"(6) Certain plans maintained by educational institutions.—If an educational organization described in section 170(b)(1)(A)(ii) of the Internal Revenue Code of 1986 makes an election under this paragraph with respect to a plan described in section 125(c)(2)(C) of such Code, the amendments made by this section shall apply with respect to such plan for plan years beginning after the date of the enactment of this Act."

(b) Amendments Related to Section 1161 of the Reform Act.—

(1) Section 162(m) of the 1986 Code (relating to special rules for health insurance costs of self-employed individuals) is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

"(4) Deduction not allowed for self-employment tax purposes.—The deduction allowable by reason of this subsection shall not be taken into account in determining an individual's net earnings from self-employment (within the meaning of section 1402(a)) for purposes of chapter 2."

(2) Section 162(m) of the 1986 Code (relating to cross reference) as redesignated by section 1161(a) of the Reform Act, is redesignated as subsection (n).

(c) Amendments Related to Section 1163 of the Reform Act.—Paragraph (8) of section 129(e) of the 1986 Code (relating to treatment of onsite facilities) is amended—

(1) by inserting "maintained by an employer" after "onsite facility",

(2) by inserting "of dependent care assistance provided to an employee" after "the amount",

(3) by inserting "of the facility by a dependent of the employee" after "utilization" in subparagraph (A), and

(4) by inserting "with respect to such dependent" after "provided" in subparagraph (B).

(d) Amendment Related to Section 1164 of the Reform Act.—Section 119(d)(2) of the 1986 Code is amended—

(1) by striking out "(as of the close of the calendar year in which the taxable year begins)" in subparagraph (A)(i), and

(2) by adding at the end thereof the following:

"The appraised value under subparagraph (A)(i) shall be determined as of the close of the calendar year in which the taxable year begins, or, in the case of a rental period not greater than 1 year, at any time during the calendar year in which such period begins."

(e) Amendments Related to Section 1166 of the Reform Act.—Section 7701(a)(20) of the 1986 Code (defining employee) is amended—

(1) by striking out "106, and 125" and inserting in lieu thereof "and 106", and

(2) by inserting "and for purposes of applying section 125 with respect to cafeteria plans," before "the term".

(f) Amendments Related to Section 1168 of the Reform Act.—

(1) Paragraph (1) of section 134(b) of the 1986 Code is amended by striking out "or regulation thereunder" and inserting in lieu thereof ", regulation, or administrative practice".

(2)(A) Section 134(b)(1) of the 1986 Code is amended by inserting "(other than personal use of a vehicle)" after "in-kind benefit".

(B) The amendment made by subparagraph (A) shall apply to taxable years beginning after December 31, 1986.

(3) Section 134(b)(3)(A) of the 1986 Code is amended by striking out "under any provision of law or regulation described in paragraph (1)".

(4) Section 1168(c) of the Reform Act is amended by striking out "1986" and inserting in lieu thereof "1984".

(g) Amendments Related to Section 1172 of the Reform Act.—

(1) Section 1172(b)(1)(A) of the Reform Act is amended by inserting "each place it appears" before the comma.

(2) Paragraphs (2) and (3) of section 409(n) of the 1986 Code (relating to securities received in certain transactions) is amended by inserting "or section 2057" after "section 1042" each place it appears.

(3) Paragraph (1) of section 2057(b) of the 1986 Code (relating to qualified sale) is amended by striking out "is".

(h) Amendments Related to Section 1173 of the Reform Act.—

(1) Section 133 of the 1986 Code (relating to exclusion of interest on securities acquisition loans) is amended by adding at the end thereof the following new subsection:

"(e) Period to Which Interest Exclusion Applies.—

"(1) In general.—In the case of—

"(A) an original securities acquisition loan, and

"(B) any securities acquisition loan (or series of such loans) used to refinance the original securities acquisition loan,

subsection (a) shall apply only to interest accruing during the excludable period with respect to the original securities acquisition loan.

"(2) Excludable period.—For purposes of this subsection, the term 'excludable period' means, with respect to any original securities acquisition loan—

"(A) In general.—The 7-year period beginning on the date of such loan.

"(B) Loans described in subsection (b)(1)(A).—If the term of an original securities acquisition loan described in subsection (b)(1)(A) is greater than 7 years, the term of such loan. This subparagraph shall not apply to a loan described in subsection (b)(3)(B).

"(3) Original securities acquisition loan.—For the purposes of this subsection, the term 'original securities acquisition loan' means a securities acquisition loan described in subparagraph (A) or (B) of subsection (b)(1)."

(2)(A) Section 133(b) of the 1986 Code (defining securities acquisition loan) is amended—

(i) by striking out "or are used to refinance such a loan," in paragraph (1)(A),

(ii) by striking out ", except that this subparagraph shall not apply to any loan the commitment period of which exceeds 7 years" in paragraph (1)(B), and

(iii) by adding at the end thereof the following new paragraph:

"(5) Treatment of refinancings.—The term 'securities acquisition loan' shall include any loan which—

"(A) is (or is part of a series of loans) used to refinance a loan described in subparagraph (A) or (B) of paragraph (1), and

"(B) meets the requirements of paragraphs (2) and (3)."

(B) Subparagraph (B) of section 133(b)(3) of the 1986 Code is amended to read as follows:

"(B) repayment terms providing for more rapid repayment of principal or interest on such loan, but only if allocations under the plan attributable to such repayment do not discriminate in favor of highly compensated employees (within the meaning of section 414(q))."

(3) Section 404(k) of the 1986 Code is amended—

(A) by inserting "(whether or not allocated to participants)" after "employer securities" in paragraph (2)(C), and

(B) by adding at the end thereof the following new sentence: "Paragraph (2)(C) shall not apply to dividends from employer securities which are allocated to any participant unless the plan provides that employer securities in an amount equal to such dividends are allocated to such participant for the year which (but for paragraph (2)(C)) such dividends would have been allocated to such participant."

(4) Subparagraph (C) of section 852(b)(5) of the 1986 Code (relating to interest on certain loans used to acquire employer securities) is amended by striking out "paragraph" and inserting in lieu thereof "section".

(5)(A) The amendments made by paragraphs (1) and (2) shall apply to—

(i) any loan used to acquire employer securities after July 18, 1984, and

(ii) loans made after July 18, 1984, which were used (or were part of a series of loans used) to refinance any loan which—

(I) was used to acquire employer securities after May 23, 1984 (July 18, 1984, in the case of a loan described in section 133(b)(3)(B) of the Internal Revenue Code of 1986), and

(II) met the requirements of section 133 of such Code as in effect as of the later of the date on which the loan was made, or July 19, 1984.

In no event shall such amendments apply to any loan described in section 133(b)(1)(B) of such Code which is made before October 22, 1986 (or loan used, or part of a series of loans used, to refinance such a loan).

(B) Subparagraph (B) of section 1173(c)(2) of the Reform Act is amended to read as follows:

"(B) Section 133(b)(1)(A) of the Internal Revenue Code of 1986, as amended by subsection (b)(2), shall apply to any loan used (or part of a series of loans used) to refinance a loan which—

"(i) was used to acquire employer securities after May 23, 1984, and

"(ii) met the requirements of section 133 of the Internal Revenue Code of 1986 as in effect as of the later of—

"(I) the date on which the loan was made, or

"(II) July 19, 1984."

(i) Amendments Related to Section 1174 of the Reform Act.—

(1) Paragraph (1) of section 409(d) of the 1986 Code (relating to securities must stay in the plan) is amended by striking out "termination of the plan" and inserting in lieu thereof "lump-sum distribution (within the meaning of section 401(k)(10)(B)(ii)) upon the termination of a plan without the establishment of a successor plan".

(2) Clause (ii) of section 409(o)(1)(A) of the 1986 Code (relating to distribution requirement) is amended by striking out "such year" and inserting in lieu thereof "distribution is required to begin under this clause".

(3) Section 1174(a)(2) of the Reform Act is amended by striking out "plan terminations" and inserting in lieu thereof "distributions".

(j) Amendments Related to Section 1175 of the Reform Act.—

(1) Subclause (II) of section 401(a)(28)(B) of the 1986 Code (relating to method of meeting requirements) is amended by inserting "and within 90 days after the period during which the election may be made, the plan invests the portion of the participant's account covered by the election in accordance with such election" after "clause (i)".

(2) Clause (iv) of section 401(a)(28)(B) of the 1986 Code is amended to read as follows:

"(iv) Qualified election period.—For purposes of this subparagraph, the term 'qualified election period' means the 6-plan-year period beginning with the later of—

"(I) the 1st plan year in which the individual first became a qualified participant, or

"(II) the 1st plan year beginning after December 31, 1986."

(3) The last sentence of section 409(d) of the 1986 Code (relating to employer securities must stay in the plan) is amended by inserting "or to any distribution or reinvestment required under section 401(a)(28)" after "section 401(a)(9)".

(4) Section 4978(d) of the 1986 Code (relating to section not to apply to certain dispositions) is amended by adding at the end thereof the following new paragraph:

"(4) Dispositions to meet diversification requirements.—This section shall not apply to any disposition of qualified securities which is required under section 401(a)(28)."

(5) Section 409(h) of the 1986 Code (relating to right to demand employer securities; put option) is amended by adding at the end thereof the following new paragraph:

"(7) Exception where employee elected diversification.—Paragraph (1)(A) shall not apply with respect to the portion of the participant's account which the employee elected to have reinvested under section 401(a)(28)(B)."

(k) Amendments Related to Section 1176 of the Reform Act.—

(1) Section 401(a)(22) of the 1986 Code is amended by striking out "is not publicly traded" each place it appears and inserting in lieu thereof "is not readily tradable on an established market".

(2) Section 401(a)(22) of the 1986 Code is amended by adding at the end thereof the following new sentence: "For purposes of the preceding sentence, subsections (b), (c), (m), and (o) of section 414 shall not apply except for determining whether stock of the employer is not readily tradable on an established market."

(3) Section 409(l)(4) of the 1986 Code (relating to nonvoting common stock may be acquired in certain cases), as added by section 1176(b) of the Reform Act, is redesignated as paragraph (5).

(l) Amendments Related to Section 1177 of the Reform Act.—

(1) Paragraph (2) of section 1177(b) of the Reform Act is amended by striking out "section 143(d)(3)(C)" and inserting in lieu thereof "section 146(d)(3)(C)".

(2) Subsection (b) of section 1177 of the Reform Act is amended by striking out "made by this subtitle" and inserting in lieu thereof "made by section 1175".

SEC. 112. AMENDMENTS RELATED TO TITLE XII OF THE REFORM ACT.

(a) Amendments Related to Section 1201 of the Reform Act.—

(1)(A) Subparagraph (C) of section 904(d)(2) of the 1986 Code is amended to read as follows:

"(C) Financial services income.—

"(i) In general.—Except as otherwise provided in this subparagraph, the term 'financial services income' means any income which is received or accrued by any person predominantly engaged in the active conduct of a banking, insurance, financing, or similar business, and which is—

"(I) described in clause (ii),

"(II) passive income (determined without regard to subclause (I) of subparagraph (A)(iii)), or

"(III) export financing interest which (but for subparagraph (B)(ii)) would be high withholding tax interest.

"(ii) GENERAL DESCRIPTION OF FINANCIAL SERVICES INCOME.—Income is described in this clause if such income is—

"(I) derived in the active conduct of a banking, financing, or similar business,

"(II) derived from the investment by an insurance company of its unearned premiums or reserves ordinary and necessary for the proper conduct of its insurance business, or

"(III) of a kind which would be insurance income as defined in section 953(a) determined without regard to those provisions of paragraph (1)(A) of such section which limit insurance income to income from countries other than the country in which the corporation was created or organized.

"(iii) EXCEPTIONS.—The term 'financial services income' does not include—

"(I) any high withholding tax interest,

"(II) any dividend from a noncontrolled section 902 corporation, and

"(III) any export financing interest not described in clause (i)(III)."

(B) Clause (i) of section 864(d)(5)(A) is amended by striking out "(C)(iii)" and inserting in lieu thereof "(C)(iii)(III)".

(2) Subparagraph (D) of section 904(d)(2) of the 1986 Code is amended by adding at the end thereof the following new sentence: "Such term does not include any dividend from a noncontrolled section 902 corporation and does not include any financial services income."

(3) Paragraph (3) of section 904(d) of the 1986 Code is amended by adding at the end thereof the following new subparagraph:

"(H) EXCEPTION FOR CERTAIN HIGH WITHHOLDING TAX INTEREST.—This paragraph shall not apply to any amount which—

"(i) without regard to this paragraph, is high withholding tax interest (including any amount treated as high withholding tax interest under paragraph (2)(B)(iii)), and

"(ii) would (but for this subparagraph) be treated as financial services income under this paragraph."

(4) Subparagraph (E) of section 904(d)(3) of the 1986 Code is amended—

(A) by striking out "none of its income" and inserting in lieu thereof "none of its foreign base company income (as defined in section 954(a) without regard to section 954(b)(5)) and none of its gross insurance income (as defined in section 954(b)(3)(C))", and

(B) by striking out "income (other than high withholding tax interest and dividends from a noncontrolled section 902 corporation)" and inserting in lieu thereof "passive income".

(5) Paragraph (2) of section 1201(e) of the Reform Act is amended by adding at the end thereof the following new subparagraph:

"(J) TREATMENT OF AFFILIATED GROUP FILING CONSOLIDATED RETURN.—For purposes of this paragraph, all members of an affiliated group of corporations filing a consolidated return shall be treated as 1 corporation."

(6) Subparagraph (A) of section 904(d)(2) of the 1986 Code is amended—

(A) by striking out "The term" in clause (ii) and inserting in lieu thereof "Except as provided in clause (iii), the term", and

(B) by adding at the end thereof the following new clause:

"(iv) CLARIFICATION OF APPLICATION OF SECTION 864(D)(6).—In determining whether any income is of a kind which would be foreign personal holding company income, the rules of section 864(d)(6) shall apply only in the case of income of a controlled foreign corporation."

(7) Subparagraph (F) of section 904(d)(3) of the 1986 Code is amended to read as follows:

"(F) SEPARATE CATEGORY.—For purposes of this paragraph—

"(i) IN GENERAL.—Except as provided in clause (ii), the term 'separate category' means any category of income described in subparagraph (A), (B), (C), (D), or (E) of paragraph (1).

"(ii) COORDINATION WITH HIGH-TAXED INCOME PROVISIONS.—

"(I) In determining whether any income of a controlled foreign corporation is in a separate category, subclause (III) of paragraph (2)(A)(iii) shall not apply.

"(II) Any income of the taxpayer which is treated as income in a separate category under this paragraph shall be so treated notwithstanding any provision of paragraph (2); except that the determination of whether any amount is high-taxed income shall be made after the application of this paragraph."

(8) Clause (iii) of section 904(d)(2)(B) of the 1986 Code is amended to read as follows:

"(iii) REGULATIONS.—The Secretary may by regulations provide that—

"(I) amounts (not otherwise high withholding tax interest) shall be treated as high withholding tax interest where necessary to prevent avoidance of the purposes of this subparagraph, and

"(II) a tax shall not be treated as a withholding tax or other tax imposed on a gross basis if such tax is in the nature of a prepayment of a tax imposed on a net basis."

(b) AMENDMENT RELATED TO SECTION 1202 OF THE REFORM ACT.—

(1) Paragraph (7) of section 902(c) of the 1986 Code is amended by striking out "this section" the second place it appears and inserting in lieu thereof "this section and section 960".

(2) Paragraph (1) of section 902(c) of the 1986 Code is amended by striking out "sections 964 and 986" and inserting in lieu thereof "sections 964(a) and 986".

(c) AMENDMENT RELATED TO SECTION 1203 OF THE REFORM ACT.—Paragraph (5) of section 904(f) of the 1986 Code is amended by adding at the end thereof the following new subparagraph:

"(F) DISPOSITIONS.—If any separate limitation loss for any taxable year is allocated against any separate limitation income for such taxable year, except to the extent provided in regulations, rules similar to the rules of paragraph (3) shall apply to any disposition of property if gain from such disposition would be in the income category with respect to which there was such separate limitation loss."

(d) AMENDMENTS RELATED TO SECTION 1211 OF THE REFORM ACT.—

(1) Subsection (d) of section 865 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(4) COORDINATION WITH SUBSECTION (C).—

"(A) GAIN NOT IN EXCESS OF DEPRECIATION ADJUSTMENTS SOURCED UNDER SUBSECTION (C).—Notwithstanding paragraph (1), any gain from the sale of an intangible shall be sourced under subsection (c) to the extent such gain does not exceed the depreciation adjustments with respect to such intangible.

"(B) SUBSECTION (C)(2) NOT TO APPLY TO INTANGIBLES.—Paragraph (2) of subsection (c) shall not apply to any gain from the sale of an intangible."

(2) Subparagraph (A) of section 865(e)(1) of the 1986 Code is amended by striking out "(d), or (f)" and inserting in lieu thereof "(d)(1)(B) or (3), or (f)".

(3)(A) Clause (ii) of section 865(g)(1)(A) of the 1986 Code is amended by striking out "partnership,".

(B) Subsection (h) of section 865 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(5) TREATMENT OF PARTNERSHIPS.—In the case of a partnership, except as provided in regulations, this section shall be applied at the partner level."

(4) Subsection (f) of section 865 of the 1986 Code is amended to read as follows:

"(f) STOCK OF AFFILIATES.—If—

"(1) a United States resident sells stock in an affiliate which is a foreign corporation,

"(2) such sale occurs in a foreign country in which such affiliate is engaged in the active conduct of a trade or business, and

"(3) more than 50 percent of the gross income of such affiliate for the 3-year period ending with the close of such affiliate's taxable year immediately preceding the year in which the sale occurred was derived from the active conduct of a trade or business in such foreign country,

any gain from such sale shall be sourced outside the United States. For purposes of paragraphs (2) and (3), an affiliate and all other corporations which are wholly owned (directly or indirectly) by the affiliate shall be treated as one corporation."

(5) Subparagraph (B) of section 865(e)(2) of the 1986 Code is amended to read as follows:

"(B) EXCEPTION.—Subparagraph (A) shall not apply to any sale of inventory property which is sold for use, disposition, or consumption outside the United States if an office or other fixed place of business of the taxpayer outside the United States materially participated in the sale."

(6) Subsection (g) of section 865 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(3) SPECIAL RULE FOR CERTAIN STOCK SALES BY RESIDENTS OF PUERTO RICO.—Paragraph (2) shall not apply to the sale by an individual who was a bona fide resident of Puerto Rico during the entire taxable year of stock in a corporation if—

"(A) such corporation is engaged in the active conduct of a trade or business in Puerto Rico, and

"(B) more than 50 percent of its gross income for the 3-year period ending with the close of such corporation's taxable year immediately preceding the year in which such sale occurred was derived from the active conduct of a trade or business in Puerto Rico.

For purposes of the preceding sentence, a corporation and all other corporations which are wholly owned (directly or indirectly) by such corporation shall be treated as one corporation."

(7) Subparagraph (B) of section 864(c)(4) of the 1986 Code is amended by striking out "or" at the end of clause (i), by striking out the period at the end of clause (ii) and inserting in lieu thereof "; or", and by adding at the end thereof the following new clause:

"(iii) is derived from the sale or exchange (outside the United States) through such office or other fixed place of business of personal property described in section

1221(1), except that this clause shall not apply if the property is sold or exchanged for use, consumption, or disposition outside the United States and an office or other fixed place of business of the taxpayer outside the United States participated materially in such sale."

(8) Section 865 of the 1986 Code is amended by redesignating subsections (h), (i), and (j) as subsections (i), (j), and (k), respectively, and by inserting after subsection (g) the following new subsection:

"(h) Treatment of Gain From Sale of Stock of Foreign Corporation.—If—

"(1) gain from the sale of stock in a foreign corporation would be sourced in the United States under this section, and

"(2) pursuant to a treaty obligation of the United States, the taxpayer chooses to treat such gain as sourced outside the United States,

such gain shall be sourced outside the United States (but subsections (a), (b), and (c) of section 904 and sections 902, 907, and 960 shall be applied separately with respect to such gain)."

(e) Amendments Related to Section 1212 of the Reform Act.—

(1)(A) Paragraph (3) of section 883(c) of the 1986 Code is amended to read as follows:

"(3) Exception for publicly traded corporations.—Paragraph (1) shall not apply to any corporation—

"(A) which is organized in a foreign country meeting the requirements of paragraph (1) or (2) of subsection (a) (as the case may be) and the stock of which is primarily and regularly traded on an established securities market in such foreign country, or

"(B) which is wholly owned (directly or indirectly) by another corporation meeting the requirements of subparagraph (A)."

(B) Paragraph (1) of section 883(c) of the 1986 Code is amended—

(i) by striking out "Paragraphs (1) and (2) of subsection (a)" and inserting in lieu thereof "Paragraph (1) or (2) of subsection (a) (as the case may be)", and

(ii) by striking out "such paragraphs (1) and (2)" and inserting in lieu thereof "such paragraph".

(2)(A) Paragraphs (1) and (2) of section 883(a) of the 1986 Code are each amended by striking out "to citizens of the United States and".

(B) Paragraphs (1) and (2) of section 872(b) of the 1986 Code are each amended by striking out "and to corporations organized in the United States".

(3)(A) The section heading for section 863 of the 1986 Code is amended to read as follows:

"SEC. 863. SPECIAL RULES FOR DETERMINING
SOURCE."

(B) The table of sections for part I of subchapter N of chapter 1 of the 1986 Code is amended by striking out the item relating to section 863 and inserting in lieu thereof the following:

"Sec. 863. Special rules for determining
source."

(f) Amendments Related to Section 1214 of the Reform Act.—

(1) Paragraph (1) of section 1214(d) of the Reform Act is amended to read as follows:

"(1) In general.—The amendments made by this section shall apply to payments made in a taxable year of the payor beginning after December 31, 1986."

(2) Subparagraph (B) of section 1214(d)(2) of the Reform Act is amended by striking out "section 904(d)(2)(G)" and inserting in lieu thereof "section 904(d)(2)(H)".

(3) Subparagraph (B) of section 861(c)(1) of the 1986 Code is amended—

(A) by striking out "or chain of subsidiaries", and

(B) by adding at the end thereof the following new sentence:

"For purposes of clause (ii), the term 'subsidiary' means any corporation in which the corporation referred to in clause (ii) owns (directly or indirectly) stock meeting the requirements of section 1504(a)(2) (determined by substituting '50 percent' for '80 percent' each place it appears)."

(4) Paragraph (1) of section 2105(b) of the 1986 Code is amended by striking out "section 861(c), if any interest thereon would be treated by reason of section 861(a)(1)(A) as income from sources without the United States" and inserting in lieu thereof "section 871(i)(3), if any interest thereon would not be subject to tax by reason of section 871(i)(1)".

(g) Amendments Related to Section 1215 of the Reform Act.—

(1) Paragraph (4) of section 864(e) of the 1986 Code is amended to read as follows:

"(4) Basis of stock in nonaffiliated 10-percent owned corporations adjusted for earnings and profits changes.—

"(A) In general.—For purposes of allocating and apportioning expenses on the basis of assets, the adjusted basis of any stock in a nonaffiliated 10-percent owned corporation shall be—

"(i) increased by the amount of the earnings and profits of such corporation attributable to such stock and accumulated during the period the taxpayer held such stock, or

"(ii) reduced (but not below zero) by any deficit in earnings and profits of such corporation attributable to such stock for such period.

"(B) Nonaffiliated 10-percent owned corporation.—For purposes of this paragraph, the term 'nonaffiliated 10-percent owned corporation' means any corporation if—

"(i) such corporation is not included in the taxpayer's affiliated group, and

"(ii) members of such affiliated group own 10 percent or more of the total combined voting power of all classes of stock of such corporation entitled to vote.

"(C) Earnings and profits of lower tier corporations taken into account.—

"(i) In general.—If, by reason of holding stock in a nonaffiliated 10-percent owned corporation, the taxpayer is treated under clause (iii) as owning stock in another corporation with respect to which the stock ownership requirements of clause (ii) are met, the adjustment under subparagraph (A) shall include an adjustment for the amount of the earnings and profits (or deficit therein) of such other corporation which are attributable to the stock the taxpayer is so treated as owning and to the period during which the taxpayer is treated as owning such stock.

"(ii) Stock ownership requirements.—The stock ownership requirements of this clause are met with respect to any corporation if members of the taxpayer's affiliated group own (directly or through the application of clause (iii)) 10 percent or more of the total combined voting power of all classes of stock of such corporation entitled to vote.

"(iii) Stock owned through entities.—For purposes of this subparagraph, stock owned (directly or indirectly) by a corporation, partnership, or trust shall be treated as being owned proportionately by its shareholders, partners, or beneficiaries. Stock considered to be owned by a person by reason of the application of the preceding sentence, shall, for purposes of applying such sentence, be treated as actually owned by such person.

"(D) Coordination with subpart F, etc.—For purposes of this paragraph, proper adjustment shall be made to the earnings and profits of any corporation to take into account any earnings and profits included in gross income under section 951 or under any other provision of this title and reflected in the adjusted basis of the stock."

(2)(A) Paragraph (1) of section 864(e) of the 1986 Code is amended by striking out "from sources outside the United States".

(B) Subsection (h) of section 936 of the 1986 Code is amended by redesignating paragraph (7) as paragraph (8) and by inserting after paragraph (6) the following new paragraph:

"(7) Section 864(e)(1) not to apply.—This subsection shall be applied as if section 864(e)(1) (relating to treatment of affiliated groups) had not been enacted."

(C) The heading for part I of subchapter N of chapter 1 of the 1986 Code is amended to read as follows:

"PART I—SOURCE RULES AND OTHER GENERAL
RULES RELATING TO FOREIGN
INCOME".

(D) The table of parts for subchapter N of chapter 1 of the 1986 Code is amended by striking out the item relating to part I and inserting in lieu thereof the following:

"Part I. Source rules and other general
rules relating to foreign
income".

(3) Paragraph (3) of section 864(e) of the 1986 Code is amended by striking out the last sentence and inserting in lieu thereof the following: "A similar rule shall apply in the case of the portion of any dividend (other than a qualifying dividend as defined in section 243(b)) equal to the deduction allowable under section 243 or 245(a) with respect to such dividend and in the case of a like portion of any stock the dividends on which would be so deductible and would not be qualifying dividends (as so defined)."

(4)(A) Paragraph (5) of section 864(e) of the 1986 Code is amended by adding at the end thereof the following new subparagraph:

"(D) Treatment of bank holding companies.—To the extent provided in regulations—

"(i) a bank holding company (within the meaning of section 2(a) of the Bank Holding Company Act of 1956), and

"(ii) any subsidiary of a bank holding company predominantly engaged in the active conduct of a banking, financing, or similar business,

shall be treated as a corporation described in subparagraph (C)."

(B) Subparagraph (B) of section 864(e)(5) of the 1986 Code is amended by adding at the end thereof the following new sentence: "This subparagraph shall not apply for purposes of paragraph (6)."

(5) Paragraph (6) of section 864(e) of the 1986 Code is amended by striking out "directly allocable and apportioned" and inserting in lieu thereof "directly allocable or apportioned".

(6)(A) Paragraph (7) of section 864(e) of the 1986 Code is amended by striking out "and" at the end of subparagraph (B), by striking out the period at the end of subparagraph (C) and inserting in lieu thereof a comma, and by adding at the end thereof the following new subparagraphs:

"(D) for direct allocation of interest expense in the case of indebtedness resulting in a disallowance under section 246A,

"(E) that, in the case of an insurance company—

"(i) the first sentence of paragraph (3) shall not apply to the policyholders' share of (or, in the case of an insurance company taxable under section 831, 15 percent of) any tax-exempt asset (or income from such an asset), and

"(ii) a similar rule shall apply to any stock (or dividend thereon) which would otherwise be subject to the second sentence of paragraph (3), and

"(F) that this subsection shall not apply for purposes of any provision of this subchapter to the extent the Secretary determines that the application of this subsection for such purposes would not be appropriate."

(B) Subsection (e) of section 864 of the 1986 Code is amended by striking out "(except as provided in regulations)" in the material preceding paragraph (1).

(7) Paragraph (2) of section 1215(c) of the Reform Act is amended to read as follows:

"(2) TRANSITIONAL RULES.—

"(A) GENERAL PHASE-IN.—

"(i) IN GENERAL.—In the case of the 1st 3 taxable years of the taxpayer beginning after December 31, 1986, the amendments made by this section shall not apply to interest expenses paid or accrued by the taxpayer during the taxable year with respect to an aggregate amount of indebtedness which does not exceed the general phase-in amount.

"(ii) GENERAL PHASE-IN AMOUNT.—Except as provided in clause (iii), the general phase-in amount for purposes of clause (i) is the applicable percentage (determined under the following table) of the aggregate amount of indebtedness of the taxpayer outstanding on November 16, 1985:

"In the case of the:	The applicable percentage is:
1st taxable year	75
2nd taxable year	50
3rd taxable year	25.

"(iii) LOWER LIMIT WHERE TAXPAYER REDUCES INDEBTEDNESS.—For purposes of applying this subparagraph to interest expenses attributable to any month, the general phase-in amount shall in no event exceed the lowest amount of indebtedness of the taxpayer outstanding as of the close of any preceding month beginning after November 16, 1985. To the extent provided in regulations, the average amount of indebtedness outstanding during any month shall be used (in lieu of the amount outstanding as of the close of such month) for purposes of the preceding sentence.

"(B) CONSOLIDATION RULE NOT TO APPLY TO CERTAIN INTEREST.—

"(i) IN GENERAL.—In the case of the 1st 5 taxable years of the taxpayer beginning after December 31, 1986—

"(I) subparagraph (A) shall not apply for purposes of paragraph (1) of section 864(e) of the Internal Revenue Code of 1986 (as added by this section), but

"(II) such paragraph (1) shall not apply to interest expenses paid or accrued by the taxpayer during the taxable year with respect to an aggregate amount of indebtedness which does not exceed the special phase-in amount.

"(ii) SPECIAL PHASE-IN AMOUNT.—The special phase-in amount for purposes of clause (i) is the sum of—

"(I) the general phase-in amount as determined for purposes of subparagraph (A),

"(II) the 5-year phase-in amount, and

"(III) the 4-year phase-in amount.

"(iii) 5-YEAR PHASE-IN AMOUNT.—The 5-year phase-in amount is the lesser of—

"(I) the applicable percentage (determined under the following table for purposes of this subclause) of the 5-year debt amount, or

"(II) the applicable percentage (determined under the following table for purposes of this subclause) of the 5-year debt amount reduced by paydowns:

"In the case of the:	The applicable percentage for purposes of subclause (I) is:	The applicable percentage for purposes of subclause (II) is:
1st taxable year	8⅓	10
2nd taxable year	16⅔	25
3rd taxable year	25	50
4th taxable year	33⅓	100
5th taxable year	16⅔	100.

"(iv) 4-YEAR PHASE-IN AMOUNT.—The 4-year phase-in amount is the lesser of—

"(I) the applicable percentage (determined under the following table for purposes of this subclause) of the 4-year debt amount, or

"(II) the applicable percentage (determined under the following table for purposes of this subclause) of the 4-year debt amount reduced by paydowns to the extent such paydowns exceed the 5-year debt amount:

"In the case of the:	The applicable percentage for purposes of subclause (I) is:	The applicable percentage for purposes of subclause (II) is:
1st taxable year	5	6¼
2nd taxable year	10	16⅔
3rd taxable year	15	37½
4th taxable year	20	100
5th taxable year	0	0 .

"(v) 5-YEAR DEBT AMOUNT.—The term '5-year debt amount' means the excess (if any) of—

"(I) the amount of the outstanding indebtedness of the taxpayer on May 29, 1985, over

"(II) the amount of the outstanding indebtedness of the taxpayer as of the close of December 31, 1983.

The 5-year debt amount shall not exceed the aggregate amount of indebtedness of the taxpayer outstanding on November 16, 1985.

"(vi) 4-YEAR DEBT AMOUNT.—The term '4-year debt amount' means the excess (if any) of—

"(I) the amount referred to in clause (v)(II), over

"(II) the amount of the outstanding indebtedness of the taxpayer as of the close of December 31, 1982.

The 4-year debt amount shall not exceed the aggregate amount of indebtedness of the taxpayer outstanding on November 16, 1985, reduced by the 5-year debt amount.

"(vii) PAYDOWNS.—For purposes of applying this subparagraph to interest expenses attributable to any month, the term 'paydowns' means the excess (if any) of—

"(I) the aggregate amount of indebtedness of the taxpayer outstanding on November 16, 1985, over

"(II) the lowest amount of indebtedness of the taxpayer outstanding as of the close of any preceding month beginning after November 16, 1985 (or, to the extent provided in regulations under subparagraph (A)(iii), the average amount of indebtedness outstanding during any such month).

"(C) COORDINATION OF SUBPARAGRAPHS (A) AND (B).—In applying subparagraph (B), there shall first be taken into account indebtedness to which subparagraph (A) applies.

"(D) SPECIAL RULES.—

"(i) In the case of the 1st 9 taxable years of the taxpayer beginning after December 31, 1986, the amendments made by this section shall not apply to interest expenses paid or accrued by the taxpayer during the taxable year with respect to an aggregate amount of indebtedness which does not exceed the applicable percentage (determined under the following table) of the indebtedness described in clause (iii) or (iv):

In the case of the:	The applicable percentage is:
1st taxable year	90
2nd taxable year	80
3rd taxable year	70
4th taxable year	60
5th taxable year	50
6th taxable year	40
7th taxable year	30
8th taxable year	20
9th taxable year	10.

"(ii) The provisions of this subparagraph shall apply in lieu of the provisions of subparagraphs (A) and (B).

"(iii) INDEBTEDNESS OUTSTANDING ON MAY 29, 1985.—Indebtedness is described in this clause if it is indebtedness (which was outstanding on May 29, 1985) of a corporation incorporated on June 13, 1917, which has its principal place of business in Bartlesville, Oklahoma.

"(iv) INDEBTEDNESS OUTSTANDING ON MAY 29, 1985.—Indebtedness is described in this clause if it is indebtedness (which was outstanding on May 29, 1985) of a member of an affiliated group (as defined in section 1504(a)), the common parent of which was incorporated on August 26, 1926, and has its principal place of business in Harrison, New York.

"(E) TREATMENT OF AFFILIATED GROUP.—For purposes of this paragraph, all members of the same affiliated group of corporations (as defined in section 864(e)(5)(A) of the Internal Revenue Code of 1986, as added by this section) shall be treated as 1 taxpayer whether or not such members filed a consolidated return."

(h) AMENDMENTS RELATED TO SECTION 1221 OF THE REFORM ACT.—

(1)(A) Subparagraph (C) of section 953(c)(3) of the 1986 Code is amended by adding at the end thereof the following new sentence:

"Any election under this subparagraph made for any taxable year shall not be effective if the corporation (or any predecessor thereof) was a controlled foreign corporation (determined without regard to this subsection) for the taxable year for which the election was made or any prior taxable year beginning after 1986."

(B) Clause (i) of section 953(c)(3)(D) of the 1986 Code is amended to read as follows:

"(i) PERIOD DURING WHICH ELECTION IN EFFECT.—

"(I) IN GENERAL.—Except as provided in subclause (II), any election under subparagraph (C) shall apply to the taxable year for which made and all subsequent taxable years unless revoked with the consent of the Secretary.

"(II) TERMINATION.—If a foreign corporation which made an election under subparagraph (C) for any taxable year is a controlled foreign corporation (determined without regard to this subsection) for any subsequent taxable year, such election shall not apply to any taxable year beginning after such subsequent taxable year."

(2)(A) Paragraph (1) of section 953(c) of the 1986 Code is amended by striking out "and" at the end of subparagraph (A), by striking out the period at the end of subparagraph (B) and inserting in lieu thereof ", and", and by adding at the end thereof the following new subparagraph:

"(C) the pro rata share referred to in section 951(a)(1)(A)(i) shall be determined under paragraph (5) of this subsection."

(B) Subsection (c) of section 953 of the 1986 Code is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

"(5) DETERMINATION OF PRO RATA SHARE.—

"(A) IN GENERAL.—The pro rata share determined under this paragraph for any United States shareholder is the lesser of—

"(i) the amount which would be determined under paragraph (2) of section 951(a) if—

"(I) only related person insurance income were taken into account,

"(II) stock owned (within the meaning of section 958(a)) by United States shareholders on the last day of the taxable year were the only stock in the foreign corporation, and

"(III) only distributions received by United States shareholders were taken into account under subparagraph (B) of such paragraph (2), or

"(ii) the amount which would be determined under paragraph (2) of section 951(a) if the entire earnings and profits of the foreign corporation for the taxable year were subpart F income.

"(B) COORDINATION WITH OTHER PROVISIONS.—The Secretary shall prescribe regulations providing for such modifications to the provisions of this subpart as may be necessary or appropriate by reason of subparagraph (A)."

(3) Paragraphs (2) and (3)(A) of section 953(c) of the 1986 Code are each amended by striking out "primary insured" each place it appears and inserting in lieu thereof "insured".

(4)(A) Subsection (c) of section 953 of the 1986 Code (as amended by paragraph (2)) is amended by redesignating paragraph (6) as paragraph (7) and by inserting after paragraph (5) the following new paragraph:

"(6) RELATED PERSON.—For purposes of this subsection—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'related person' has the meaning given such term by section 954(d)(3).

"(B) TREATMENT OF CERTAIN LIABILITY INSURANCE POLICIES.—In the case of any policy of insurance covering liability arising from services performed as a director, officer, or employee of a corporation or as a partner or employee of a partnership, the person performing such services and the entity for which such services are performed shall be treated as related persons."

(B) Paragraphs (2) and (3)(A) of section 953(c) of the 1986 Code are each amended by striking out "(within the meaning of section 954(d)(3))".

(5) Paragraph (2) of section 953(c) of the 1986 Code is amended by striking out "insurance income attributable" and inserting in lieu thereof "insurance income (within the meaning of subsection (a)) attributable".

(6) For purposes of applying section 952(c)(1)(A) of the 1986 Code, the earnings and profits of any corporation shall be determined without regard to any increase in earnings and profits under section 1023(e)(3)(C) of the Reform Act.

(7) Subsection (b) of section 953 of the 1986 Code is amended—

(A) by striking out paragraph (1) and redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively,

(B) by striking out subparagraph (A) of paragraph (1) (as so redesignated) and inserting in lieu thereof the following:

"(A) The small life insurance company deduction.", and

(C) by striking out "paragraph (3)" in paragraph (3) (as so redesignated) and inserting in lieu thereof "paragraph (2)".

(8) Subparagraph (B) of section 953(c)(3) of the 1986 Code is amended—

(A) by striking out "related person insurance income" and inserting in lieu thereof "related person insurance income (determined on a gross basis)", and

(B) by striking out "its insurance income" and inserting in lieu thereof "its insurance income (as so determined)".

(9) Subclause (II) of section 953(c)(3)(C)(i) of the 1986 Code is amended—

(A) by striking out "all benefits" and inserting in lieu thereof "all benefits (other than with respect to section 884)", and

(B) by striking out "income tax treaty" and inserting in lieu thereof "treaty".

(10) Paragraph (7) of section 861(a) of the 1986 Code is amended to read as follows:

"(7) Amounts received as underwriting income (as defined in section 832(b)(3)) derived from the issuing (or reinsuring) of any insurance or annuity contract—

"(A) in connection with property in, liability arising out of an activity in, or in connection with the lives or health of residents of, the United States, or

"(B) in connection with risks not described in subparagraph (A) as a result of any arrangement whereby another corporation receives a substantially equal amount of premiums or other consideration in respect to issuing (or reinsuring) any insurance or annuity contract in connection with property in, liability arising out of activity in, or in connection with the lives or health of residents of, the United States."

(11) Subparagraph (A) of section 955(a)(2) of the 1986 Code is amended by striking out "beginning before 1987" and inserting in lieu thereof "beginning before 1987 (to the extent such amount exceeds the sum of the decreases in qualified investments determined under this paragraph for prior taxable years beginning after 1986)".

(12) Paragraphs (6) and (7) of section 954(b) of the 1986 Code are each amended by striking out "(determined without regard to the exclusion under paragraph (2) of this subsection)".

(13)(A) Subparagraph (C) of section 1221(g)(3) of the Reform Act is amended—

(i) by striking out "July 9" and inserting in lieu thereof "June 9", and

(ii) by striking out "March 31, 1982" and inserting in lieu thereof "November 3, 1981".

(B) Subparagraph (D) of section 1221(g)(3) of the Reform Act is amended—

(i) by striking out "as of August 16, 1986, under a reinsurance contract in effect on such date" and inserting in lieu thereof "under a reinsurance contract",

(ii) by striking out "the preceding sentence" and inserting in lieu thereof "this subparagraph", and

(iii) by adding at the end thereof the following: "For purposes of this paragraph, the amount of qualified reinsurance income shall not exceed the amount of insurance income from reinsurance contracts for calendar year 1985. Notwithstanding the preceding sentence, in the case of controlled foreign corporations described in subparagraph (C)(ii), the qualified insurance income of any such corporation shall not exceed such corporation's proportionate share (determined on the bases of respective fair market values) of $27,000,000."

(14)(A) Paragraph (3) of section 954(d) of the 1986 Code is amended by striking out "50 percent or more" each place it appears and inserting in lieu thereof "more than 50 percent".

(B) Clause (ii) of section 861(c)(2)(B) of the 1986 Code is amended to read as follows:

"(ii) such section shall be applied by substituting '10 percent or more' for 'more than 50 percent' each place it appears."

(15) Subsection (b) of section 951 of the 1986 Code is amended by striking out "section 957(d)" and inserting in lieu thereof "section 957(c)".

(16) Subsection (c) of section 952 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(3) SPECIAL RULE FOR DETERMINING EARNINGS AND PROFITS.—For purposes of this subsection, earnings and profits of any controlled foreign corporation shall be determined without regard to paragraphs (4), (5), and (6) of section 312(n). Under regulations, the preceding sentence shall not apply to the extent it would increase earnings and profits by an amount which was previously distributed by the controlled foreign corporation."

(17) Subparagraph (A) of section 881(c)(4) of the 1986 code is amended by striking out clauses (ii), (iii), (iv), and (v) and inserting in lieu thereof the following:

"(ii) Paragraph (4) of section 954(b) (relating to exception for certain income subject to high foreign taxes).

"(iii) Clause (i) of section 954(c)(3)(A) (relating to certain income received from related persons)."

(i) AMENDMENT RELATED TO SECTION 1224 OF THE REFORM ACT.—Paragraph (2) of section 901(g) of the 1986 Code is amended by striking out "section 957(c)" and inserting in lieu thereof "section 957(c) (as in effect on the day before the date of the enactment of the Tax Reform Act of 1986)".

(j) AMENDMENT RELATED TO SECTION 1225 OF THE REFORM ACT.—Subsection (c) of section 1225 of the Reform Act is amended by striking out "March 1, 1986" and inserting in lieu thereof "January 1, 1986".

(k) AMENDMENTS RELATED TO SECTION 1226 OF THE REFORM ACT.—

(1) Subsection (a) of section 246A of the 1986 Code is amended by striking out the last sentence.

(2) Subsection (a) of section 245 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(10) COORDINATION WITH SECTION 1248.—For purposes of this subsection, the term 'dividend' does not include any amount treated as a dividend under section 1248."

(l) AMENDMENTS RELATED TO SECTION 1228 OF THE REFORM ACT.—

(1) Subsection (a) of section 1228 of the Reform Act is amended by striking out "and" at the end of paragraph (3), and by striking out paragraph (4) and inserting in lieu thereof the following:

"(4) the transfer, sale, exchange, or other disposition is part of a single integrated plan, whereby the stock of the corporation described in paragraph (1) becomes owned directly by the 2 corporations specifically referred to in subsection (b) or by such 2 corporations and by 1 or both of their jointly owned direct subsidiaries,

"(5) within 20 days after each transfer, sale, exchange, or other disposition, the person making such transfer, sale, exchange, or other disposition notifies the Internal Revenue Service of the transaction, the date of the transaction, the basis of the stock involved, the holding period for such stock, and such other information as the Internal Revenue Service may require, and

"(6) the integrated plan is completed before the date 4 years after the date of the enactment of the Technical Corrections Act of 1987.

In the case of any underpayment attributable to a failure to meet any requirement of this subsection, the period during which such underpayment may be assessed shall in no event expire before the date 5 years after the date of the enactment of the Technical Corrections Act of 1987."

(2) Subsection (c) of section 1228 of the Reform Act is hereby repealed.

(m) Amendments Related to Section 1231 of the Reform Act.—

(1) Subparagraph (A) of section 1231(g)(2) of the Reform Act is amended by adding at the end thereof the following new sentence: "In the case of any transfer (or license) which is not to a foreign person, the preceding sentence shall be applied by substituting "August 16, 1986" for "November 16, 1985".

(2) Subparagraph (B) of section 1231(g)(2) of the Reform Act is amended by striking out "was made" and inserting in lieu thereof ", if any, was made".

(n) Amendments Related to Section 1235 of the Reform Act.—

(1) Paragraph (1) of section 1291(d) of the 1986 Code is amended to read as follows:

"(1) In general.—This section shall not apply with respect to any distribution paid by a passive foreign investment company, or any disposition of stock in a passive foreign investment company, if such company is a qualified electing fund for each of its taxable years—

"(A) which begins after December 31, 1986, and for which such company is a passive foreign investment company, and

"(B) which includes any portion of the taxpayer's holding period."

(2) Subsection (c) of section 1296 of the 1986 Code is amended by striking out "owns at least" and inserting in lieu thereof "owns (directly or indirectly) at least".

(3) Paragraph (3) of section 1291(b) of the 1986 Code is amended by striking out "and" at the end of subparagraph (D), by striking out the period at the end of subparagraph (E) and inserting in lieu thereof ", and", and by adding at the end thereof the following new subparagraph:

"(F) proper adjustment shall be made for amounts not includible in gross income by reason of section 551(d), 959(a), or 1293(c)."

(4) Paragraph (2) of section 1294(c) of the 1986 Code is amended—

(A) by striking out "is disposed of" in subparagraph (A) and inserting in lieu thereof "is transferred",

(B) by striking out "such disposition or cessation" each place it appears and inserting in lieu thereof "such transfer or cessation", and

(C) by striking out "Dispositions" in the paragraph heading and inserting in lieu thereof "Transfers".

(5) Paragraph (1) of section 1296(b) of the 1986 Code is amended by inserting before the period at the end thereof the following: "and without regard to section 954(c)(3)".

(6)(A) Subsection (f) of section 1291 of the 1986 Code is amended to read as follows:

"(f) Recognition of Gain.—To the extent provided in regulations, in the case of any transfer of stock in a passive foreign investment company where (but for this subsection) there is not full recognition of gain, the excess (if any) of—

"(1) the fair market value of such stock, over

"(2) its adjusted basis,

shall be treated as gain from the sale or exchange of such stock and shall be recognized notwithstanding any provision of law. Proper adjustment shall be made to the basis of any such stock for gain recognized under the preceding sentence."

(B) Subsection (e) of section 1291 of the 1986 Code is amended—

(i) by striking out "Rules similar" and inserting in lieu thereof "Except to the extent inconsistent with the regulations prescribed under subsection (f), rules similar", and

(ii) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively, and by inserting before paragraph (2) (as so redesignated) the following new paragraph:

"(1) subsections (c) and (d) of section 1246 shall be applied by substituting 'Except to the extent' for 'To the extent',".

(7) Paragraph (5) of section 1291(a) of the 1986 Code is hereby repealed.

(8) Section 1294 of the 1986 Code is amended by adding at the end thereof the following new subsection:

"(f) Cross Reference.—

"For provisions providing for interest for the period of the extension under this section, see section 6601."

(9) Paragraph (2) of section 1291(e) of the 1986 Code is amended by striking out "not" the second place it appears.

(10)(A) Subsection (a) of section 1297 of the 1986 Code is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

"(4) Options.—To the extent provided in regulations, if any person has an option to acquire stock, such stock shall be considered as owned by such person. For purposes of this paragraph, an option to acquire such an option, and each one of a series of such options, shall be considered as an option to acquire such stock."

(B) Paragraph (5) of section 1297(a) of the 1986 Code (as redesignated by subparagraph (A)) is amended by striking out "paragraph (2) or (3)" and inserting in lieu thereof "paragraph (2), (3), or (4)".

(11) Paragraph (3) of section 904(d) of the 1986 Code is amended by adding at the end thereof the following new subparagraph:

"(I) Look-thru applies to passive foreign investment company inclusion.—If

"(i) a passive foreign investment company is a controlled foreign corporation, and

"(ii) the taxpayer is a United States shareholder in such passive foreign investment company,

any amount included in gross income under section 1293 shall be treated as income in a separate category to the extent such amount is attributable to income in such category."

(12) Clause (ii) of section 1291(a)(1)(B) of the 1986 Code is amended to read as follows:

"(ii) any period in the taxpayer's holding period before the 1st day of the 1st taxable year of the company which begins after December 31, 1986, and for which it was a passive foreign investment company, and".

(13) Subparagraph (A) of section 1291(b)(2) of the 1986 Code is amended by adding at the end thereof the following new sentence:

"For purposes of clause (ii), any excess distribution received during such 3-year period shall be taken into account only to the extent it was included in gross income under subsection (a)(1)(B)."

(14) Subparagraph (A) of section 1291(a)(3) of the 1986 Code is amended by striking out "in the case of an excess distribution" and inserting in lieu thereof "for purposes of applying this section to an excess distribution".

(15) Subsection (b) of section 1293 of the 1986 Code is amended by adding at the end thereof the following new sentence: "To the extent provided in regulations, if the fund establishes to the satisfaction of the Secretary that it uses a shorter period than the taxable year to determine shareholders' interests in the earnings of such fund, pro rata shares may be determined by using such shorter period."

(16) Subparagraph (B) of section 1296(b)(2) of the 1986 Code is amended by striking out "by a corporation which" and inserting in lieu thereof "by a corporation which is predominantly engaged in an insurance business and which".

(17) Paragraph (5) of section 1297(b) of the 1986 Code is amended to read as follows:

"(5) Application of part where stock held by other entity.—

"(A) In general.—Under regulations, in any case in which a United States person is treated as owning stock in a passive foreign investment company by reason of subsection (a)—

"(i) any disposition by the United States person or the person owning such stock which results in the United States person being treated as no longer owning such stock, or

"(ii) any distribution of property in respect of such stock to the person holding such stock,

shall be treated as a disposition by, or distribution to, the United States shareholder with respect to the stock in the passive foreign investment company.

"(B) Amount treated in same manner as previously taxed income.—Rules similar to the rules of section 959(b) shall apply to any amount described in subparagraph (A) and to any amount included in gross income under section 1293(a) in respect of stock which the taxpayer is treated as owning under subsection (a)."

(18) Subsection (e) of section 1293 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(3) Determination of earnings and profits.—The earnings and profits of any qualified electing fund shall be determined without regard to paragraphs (4), (5), and (6) of section 312(n). Under regulations, the preceding sentence shall not apply to the extent it would increase earnings and profits by an amount which was previously distributed by the qualified electing fund."

(19) Subsection (d) of section 1248 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(7) Amounts included in gross income under section 1293.—Earnings and profits of the foreign corporation attributable to any amount previously included in the gross income of such person under section 1293 with respect to the stock sold or exchanged, but only to the extent the inclusion of such amount did not result in an exclusion of an amount under section 1293(c)."

(20) Paragraph (6) of section 1297(b) of the 1986 Code is amended by striking out "If a" and inserting in lieu thereof "Except as provided in regulations, if a".

(21) Section 1246 of the 1986 Code is amended by redesignating the subsection relating to information with respect to certain foreign investment companies as subsection (f), by redesignating the subsection relating to coordination with section 1248 as subsection (g), and by redesignating the subsection relating to cross reference as subsection (h).

(22) Subparagraph (A) of section 1297(b)(3) of the 1986 Code is amended to read as follows:

"(A) neither such corporation (nor any predecessor) was a passive foreign investment company for any prior taxable year,".

(23) Subsection (c) of section 1293 of the 1986 Code is amended by striking out "shall be treated as a distribution which is not a dividend" and inserting in lieu thereof "shall be treated, for purposes of this chapter, as a distribution which is not a dividend; except that such distribution shall immediately reduce earnings and profits".

(24) Subsection (b) of section 1297 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(8) TREATMENT OF CERTAIN FOREIGN CORPORATIONS OWNING STOCK IN 25-PERCENT OWNED DOMESTIC CORPORATION.—

"(A) IN GENERAL.—If—

"(i) a foreign corporation is subject to the tax imposed by section 531 (or waives any benefit under any treaty which would otherwise prevent the imposition of such tax), and

"(ii) such foreign corporation owns at least 25 percent (by value) of the stock of a domestic corporation,

for purposes of determining whether such foreign corporation is a passive foreign investment company, any qualified stock held by such domestic corporation shall be treated as an asset which does not produce passive income (and is not held for the production of passive income) and any amount included in gross income with respect to such stock shall not be treated as passive income.

"(B) QUALIFIED STOCK.—For purposes of subparagraph (A), the term 'qualified stock' means any stock in a C corporation which is a domestic corporation and which is not a regulated investment company or real estate investment trust."

(o) AMENDMENTS RELATED TO SECTION 1241 OF THE ACT.—

(1) Subparagraph (B) of section 884(b)(2) of the 1986 Code is amended to read as follows:

"(B) LIMITATION.—

"(i) IN GENERAL.—The increase under subparagraph (A) for any taxable year shall not exceed the accumulated effectively connected earnings and profits as of the close of the preceding taxable year.

"(ii) ACCUMULATED EFFECTIVELY CONNECTED EARNINGS AND PROFITS.—For purposes of clause (i), the term 'accumulated effectively connected earnings and profits' means the excess of—

"(I) the aggregate effectively connected earnings and profits for preceding taxable years beginning after December 31, 1986, over

"(II) the aggregate dividend equivalent amounts determined for such preceding taxable years."

(2)(A) Paragraph (1) of section 884(e) is amended to read as follows:

"(1) LIMITATION ON TREATY EXEMPTION.—No income tax treaty between the United States and a foreign country shall exempt any foreign corporation from the tax imposed by subsection (a) (or reduce the amount thereof) unless such foreign corporation is a qualified resident of such foreign country."

(B) Paragraph (3) of section 884(e) of the 1986 Code is amended to read as follows:

"(3) COORDINATION WITH WITHHOLDING TAX.—

"(A) IN GENERAL.—If a foreign corporation is subject to the tax imposed by subsection (a) for any taxable year (determined after the application of any treaty), no tax shall be imposed by section 871(a), 881(a), 1441, or 1442 on any dividends paid by such corporation out of its earnings and profits for such taxable year.

"(B) LIMITATION ON CERTAIN TREATY BENEFITS.—If—

"(i) any dividend described in section 861(a)(2)(B) is received by a foreign corporation, and

"(ii) subparagraph (A) does not apply to such dividend,

rules similar to the rules of subparagraphs (A) and (B) of subsection (f)(3) shall apply to such dividend."

(C) Subsection (f) of section 884 of the 1986 Code is amended—

(i) by striking out the 2nd sentence of paragraph (1), and

(ii) by adding at the end thereof the following new paragraph:

"(3) COORDINATION WITH INCOME TAX TREATIES.—

"(A) PAYOR MUST BE QUALIFIED RESIDENT.—In the case of any interest described in paragraph (1) which is paid or accrued by a foreign corporation, no benefit under any income tax treaty between the United States and the foreign country of which such corporation is a resident shall apply unless such foreign corporation is a qualified resident of such foreign country.

"(B) RECIPIENT MUST BE QUALIFIED RESIDENT.—In the case of any interest described in paragraph (1) which is received or accrued by any corporation, no benefit under any income tax treaty between the United States and the foreign country of which such corporation is a resident shall apply unless such corporation is a qualified resident of such foreign country."

(3) Paragraph (1) of section 884(f) of the 1986 Code is amended—

(A) by striking out "sections 871, 881, 1441, and 1442" and inserting in lieu thereof "this subtitle", and

(B) by adding at the end thereof the following new sentence:

"To the extent provided in regulations, subparagraph (A) shall not apply to interest in excess of the amounts reasonably expected to be deductible under section 882 in computing the effectively connected taxable income of such foreign corporation."

(4) Paragraph (4) of section 884(e) of the 1986 Code is amended by redesignating subparagraph (C) as subparagraph (D) and by inserting after subparagraph (B) the following new subparagraph:

"(C) CORPORATIONS OWNED BY PUBLICLY TRADED DOMESTIC CORPORATIONS.—A foreign corporation which is a resident of a foreign country shall be treated as a qualified resident of such foreign country if—

"(i) such corporation is wholly owned (directly or indirectly) by a domestic corporation, and

"(ii) the stock of such domestic corporation is primarily and regularly traded on an established securities market in the United States."

(5) Subparagraph (A) of section 884(e)(4) of the 1986 Code is amended—

(A) by striking out "more than 50 percent" in clause (i) and inserting in lieu thereof "50 percent or more", and

(B) by striking out "or the United States" in clause (ii) and inserting in lieu thereof "or citizens or residents of the United States".

(6) Subsection (f) of section 884 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(4) EXCEPTION FOR INTERNATIONAL ORGANIZATIONS.—This subsection shall not apply to any interest paid by an international organization (as defined in section 7701(a)(18))."

(7) Subparagraph (B) of section 861(a)(2) of the 1986 Code is amended by striking out "other than under section 884(d)(2)" each place it appears and inserting in lieu thereof "other than income described in section 884(d)(2)".

(8) Paragraph (2) of section 26(b) of the 1986 Code is amended by striking out "and" at the end of subparagraph (J), by striking out the period at the end of subparagraph (K) and inserting in lieu thereof ", and", and by adding at the end thereof the following new subparagraph:

"(L) section 884 (relating to branch profits tax)."

(9) Section 861 of the 1986 Code is amended by adding at the end thereof the following new subsection:

"(f) CROSS REFERENCE.—

"For treatment of interest paid by the branch of a foreign corporation, see section 884(f)."

(10) The paragraph (6) of section 906(b) of the 1986 Code which was added by section 1241(c) of the Reform Act is redesignated as paragraph (7).

(11) Subsection (c) of section 2104 of the 1986 Code is amended by striking out "section 861(a)(1)(B), section 861(a)(1)(G), or section 861(a)(1)(H)" and inserting in lieu thereof "subparagraph (A), (C), or (D) of section 861(a)(1)".

(12) Subparagraph (A) of section 904(g)(9) of the 1986 Code is amended by striking out "861(a)(1)(B)" and inserting in lieu thereof "861(a)(1)(A)".

(p) AMENDMENTS RELATED TO SECTION 1242 OF THE REFORM ACT.—

(1) Paragraph (7) of section 864(c) of the 1986 Code is amended to read as follows:

"(7) TREATMENT OF CERTAIN PROPERTY TRANSACTIONS.—For purposes of this title, if—

"(A) any property ceases to be used or held for use in connection with the conduct of a trade or business within the United States, and

"(B) such property is disposed of within 10 years after such cessation,

the determination of whether any income or gain attributable to such disposition is taxable under section 871(b) or 882 (as the case may be) shall be made as if such sale or exchange occurred immediately before such cessation and without regard to the requirement that the taxpayer be engaged in a trade or business within the United States during the taxable year for which such income or gain is taken into account."

(2) Paragraph (6) of section 864(c) of the 1986 Code is amended to read as follows:

"(6) TREATMENT OF CERTAIN DEFERRED PAYMENTS, ETC.—For purposes of this title, in the case of any income or gain of a nonresident alien individual or a foreign corporation which—

"(A) is taken into account for any taxable year, but

"(B) is attributable to a sale or exchange of property or the performance of services (or any other transaction) in any other taxable year,

the determination of whether such income or gain is taxable under section 871(b) or 882 (as the case may be) shall be made as if such income or gain were taken into account in such other taxable year and without regard to the requirement that the taxpayer be engaged in a trade or business within the United States during the taxable year referred to in subparagraph (A)."

(q) Amendments Related to Section 1246 of the Reform Act.—

(1) Paragraph (2) of section 1446(c) of the 1986 Code is amended by striking out "properly allocated" and inserting in lieu thereof "allocable under section 704".

(2)(A) Paragraph (2) of section 1446(b) of the 1986 Code is amended by adding at the end thereof the following new sentence: "For purposes of the preceding sentence, gross income shall not include any income described in section 1441(b) which is from sources within the United States and which is not effectively connected with the conduct of a trade or business within the United States."

(B) Paragraph (1) of section 1446(c) of the 1986 Code is amended by striking out "but for a treaty" and inserting in lieu thereof "but for paragraph (9) or (10) of section 1441(c) or a treaty".

(3)(A) Subsection (a) of section 872 of the 1986 Code is amended by striking out "the case of a nonresident alien individual" and inserting in lieu thereof "the case of a nonresident alien individual, except where the context clearly indicates otherwise".

(B) Subsection (b) of section 882 of the 1986 Code is amended by striking out the "the case of a foreign corporation" and inserting in lieu thereof "the case of a foreign corporation, except where the context clearly indicates otherwise".

(r) Amendments Related to Section 1247 of the Reform Act.—

(1) Subparagraph (A) of section 892(a)(2) of the 1986 Code is amended by striking out "or" at the end of clause (i), by striking out the period at the end of clause (ii) and inserting in lieu thereof ", or", and by adding at the end thereof the following new clause:

"(iii) derived from the disposition of any interest in a controlled commercial entity."

(2) Clause (ii) of section 892(a)(2)(A) of the 1986 Code is amended to read as follows:

"(ii) received by a controlled commercial entity."

(3) Subsection (a) of section 892 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(3) Treatment as resident.—For purposes of this title, a foreign government shall be treated as a corporate resident of its country. A foreign government shall be so treated for purposes of any income tax treaty obligation of the United States if such government grants equivalent treatment to the Government of the United States."

(4) Section 893 of the 1986 Code is amended by adding at the end thereof the following new subsection:

"(c) Limitation on Exclusion.—Subsection (a) shall not apply to—

"(1) any employee of a controlled commercial entity (as defined in section 892(a)(2)(B)), or

"(2) any employee of a foreign government whose services are primarily in connection with a commercial activity (whether within or outside the United States) of the foreign government."

(s) Amendment Related to Section 1249 of the Reform Act.—Subsection (d) of section 1503 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(3) Treatment of losses of separate business units.—To the extent provided in regulations, any loss of a separate unit of a domestic corporation shall be subject to the limitations of this subsection in the same manner as if such unit were a wholly owned subsidiary of such corporation."

(t) Amendments Related to Section 1261 of the Reform Act.—

(1)(A) So much of section 986 of the 1986 Code as precedes subsection (c) thereof is amended to read as follows:

"SEC. 986. DETERMINATION OF FOREIGN TAXES AND FOREIGN CORPORATION'S EARNINGS AND PROFITS.

"(a) Foreign Taxes.—

"(1) In general.—For purposes of determining the amount of the foreign tax credit—

"(A) any foreign income taxes shall be translated into dollars using the exchange rates as of the time such taxes were paid to the foreign country or possession of the United States, and

"(B) any adjustment to the amount of foreign income taxes shall be translated into dollars using—

"(i) except as provided in clause (ii), the exchange rate as of the time when such adjustment is paid to the foreign country or possession, or

"(ii) in the case of any refund or credit of foreign income taxes, using the exchange rate as of the time of original payment of such foreign income taxes.

"(2) Foreign income taxes.—For purposes of paragraph (1), "foreign income taxes" means any income, war profits, or excess profits taxes paid to any foreign country or to any possession of the United States.

"(b) Earnings and Profits and Distributions.—For purposes of determining the tax under this subtitle—

"(1) of any shareholder of any foreign corporation, the earnings and profits of such corporation shall be determined in the corporation's functional currency, and

"(2) in the case of any United States person, the earnings and profits determined under paragraph (1) (when distributed, deemed distributed, or otherwise taken into account under this subtitle) shall (if necessary) be translated into dollars using the appropriate exchange rate."

(B) Section 987 of the 1986 Code is amended by inserting "and" at the end of paragraph (2), by striking out ", and" at the end of paragraph (3) and inserting in lieu thereof a period, and by striking out paragraph (4).

(C) The table of sections for subpart J of part III of subchapter N of chapter 1 is amended by striking out the item relating to section 986 and inserting in lieu thereof the following:

"Sec. 986. Determination of foreign taxes and foreign corporation's earnings and profits."

(2)(A) Subsection (c) of section 988 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(5) Special rules where taxpayer takes or makes delivery.—If the taxpayer takes or makes delivery under any contract, option, or instrument described in paragraph (1)(B)(iii)—

"(A) the date on which the taxpayer takes or makes delivery shall be treated as the payment date, and

"(B) any foreign currency gain or loss (determined as if the taxpayer sold the contract, option, or instrument on the day on which he took or made delivery) shall be recognized in the same manner as if such contract, option, or instrument were so sold."

(B) The amendment made by subparagraph (A) shall not apply in any case in which the taxpayer takes or makes delivery before June 11, 1987.

(3)(A) Subsection (b) of section 988 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(3) Special rule for certain contracts, etc.—In the case of any section 988 transaction described in subsection (c)(1)(B)(iii), any gain or loss from such transaction shall be treated as foreign currency gain or loss (as the case may be)."

(B) Subclause (II) of section 988(c)(1)(C)(i) of the 1986 Code is amended to read as follows:

"(II) any gain or loss from such transaction shall be treated as foreign currency gain or loss (as the case may be)."

(4) The first sentence of paragraph (1) of section 988(d) is amended by striking out "this section" and inserting in lieu thereof "this subtitle".

(5) Subsection (b) of section 989 of the 1986 Code is amended—

(A) by striking out "951(a)" in paragraph (3) and inserting in lieu thereof "951(a)(1)(A)", and

(B) by adding at the end thereof the following new sentence:

"For purposes of the preceding sentence, any amount included in income under section 951(a)(1)(B) shall be treated as an actual distribution made on the last day of the taxable year for which such amount was so included."

(6) Clause (iii) of section 988(c)(1)(B) of the 1986 Code is amended to read as follows:

"(iii) Entering into or acquiring any forward contract, futures contract, option, or similar financial instrument unless such instrument would be marked to market under section 1256 if held on the last day of the taxable year."

(u) Amendments Related to Section 1274 of the Reform Act.—

(1) Subsection (e) of section 932 of the 1986 Code is amended to read as follows:

"(e) Special Rule for Applying Section to Tax Imposed in Virgin Islands.—In applying this section for purposes of determining income tax liability incurred to the Virgin Islands, the provisions of this section shall not be affected by the provisions of Federal law referred to in section 934(a)."

(2) Paragraph (4) of section 932(c) of the 1986 Code is amended to read as follows:

"(4) Residents of the virgin islands.—In the case of an individual—

"(A) who is a bona fide resident of the Virgin Islands at the close of the taxable year,

"(B) who, on his return of income tax to the Virgin Islands, reports income from all sources and identifies the source of each item shown on such return, and

"(C) who fully pays his tax liability referred to in section 934(a) to the Virgin Islands with respect to such income,

for purposes of calculating income tax liability to the United States, gross income shall not include any amount included in gross income on such return, and allocable deductions and credits shall not be taken into account."

(v) Amendment Related to Section 1275 of the Reform Act.—Section 1444 of the 1986 Code is amended by striking out "(as modified by section 934A)".

(w) Amendment Related to Section 1276 of the Reform Act.—Subsection (a) of section 7654 of the 1986 Code is amended by striking out "an individual to which" and inserting in lieu thereof "an individual to whom".

(x) Amendment Related to Section 1277 of the Reform Act.—Section 1277 of the Reform Act is amended by adding at the end thereof the following new subsection:

"(f) Exemption From Withholding.—Notwithstanding subsection (b), the modification of section 884 of the Internal Revenue Code of 1986 by reason of the amendment to section 881 of such Code by section 1273(b)(1) of this Act shall apply to taxable years beginning after December 31, 1986."

(y) Coordination With Treaties.—

(1) In general.—Subsection (d) of section 7852 of the 1986 Code is amended—

(A) by striking out "this title shall" and inserting in lieu thereof "this title (as in effect without regard to any amendment thereto enacted after August 16, 1954) shall", and

(B) by striking out "in effect on the date of the enactment of this title" and inserting in lieu thereof "in effect on August 16, 1954".

(2) Certain amendments to apply notwithstanding treaties.—The following amendments made by the Reform Act shall apply notwithstanding any treaty obligation of the United States in effect on the date of the enactment of the Reform Act:

(A) The amendments made by section 1201 of the Reform Act.

(B) The amendments made by title VII of the Reform Act to the extent such amendments relate to the alternative minimum tax foreign tax credit.

(C) Except as provided in the Reform Act or in paragraph (3) of this subsection, any other amendment made by the Reform Act.

(3) Certain amendments not to apply to the extent inconsistent with treaties.—The following amendments made by the Reform Act shall not apply to the extent the application of such amendments would be contrary to any treaty obligation of the United States in effect on the date of the enactment of the Reform Act:

(A) The amendments made by section 1211 of the Reform Act to the extent such amendments apply in the case of an individual treated as a resident of a foreign country under a treaty obligation of the United States as so in effect.

(B) The amendments made by section 1212(a) of the Reform Act; except for purposes of determining the amount of the foreign tax credit.

(C) The amendments made by subsections (b) and (c) of section 1212 of the Reform Act.

(D) The amendments made by section 1214 of the Reform Act; except for purposes of determining the amount of the foreign tax credit.

(E) The amendment made by section 1241(a) of the Reform Act to the extent that, under a treaty obligation of the United States, interest described in section 884(f)(1)(A) of the 1986 Code (as added by such amendment) which is in excess of amounts deducted would be treated as other than United States source.

(F) The amendment made by section 1241(b)(2)(A) of the Reform Act.

(G) The amendments made by section 1242 of the Reform Act to the extent they relate to paragraph (7) of section 864(c) of the 1986 Code.

(H) The amendment made by section 1247(a) of the Reform Act.

(4) Treatment of technical corrections.—For purposes of paragraphs (2) and (3), any amendment made by this title shall be treated as if it had been included in the provision of the Reform Act to which such amendment relates.

(z) Miscellaneous Foreign Technical Corrections.—

(1) Provisions relating to foreign personal holding companies.—

(A) Subsection (f) of section 551 of the 1986 Code is amended—

(i) by amending paragraph (1) to read as follows:

"(1) a foreign partnership or an estate or trust which is a foreign estate or trust, or", and

(ii) by striking out the last sentence and inserting in lieu thereof the following: "In any case to which the preceding sentence applies, the Secretary may by regulations provide that rules similar to the rules of section 1297(b)(5) shall apply, and provide for such other adjustments in the application of this part as may be necessary to carry out the purposes of this subsection."

(B) Subsection (a) of section 551 of the 1986 Code is amended by striking out "(other than estates or trusts the gross income of which under this title includes only income from sources within the United States)" and inserting in lieu thereof "(other than foreign estates or trusts)".

(C) Subsection (c) of section 552 of the 1986 Code is amended to read as follows:

"(c) Look-Thru for Certain Dividends and Interest.—

"(1) In general.—For purposes of this part, any related person dividend or interest shall be treated as foreign personal holding company income only to the extent such dividend or interest is attributable (determined under rules similar to the rules of subparagraphs (C) and (D) of section 904(d)(3)) to income of the related person which would be foreign personal holding company income.

"(2) Related person dividend or interest.—For purposes of paragraph (1), the term 'related person dividend or interest' means any dividend or interest which—

"(A) is described in subparagraph (A) of section 954(c)(3), and

"(B) is received from a related person which is not a foreign personal holding company (determined without regard to this subsection).

For purposes of the preceding sentence, the term 'related person' has the meaning given such term by section 954(d)(3) (determined by substituting 'foreign personal holding company' for 'controlled foreign corporation' each place it appears)."

(D) The amendments made by this paragraph shall apply to taxable years of foreign corporations beginning after December 31, 1986.

(2) Treatment of certain payments outside the United States.—

(A) Subparagraph (A) of section 3405(d)(13) of the 1986 Code is amended by striking out "the United States" and inserting in lieu thereof "the United States and any possession of the United States".

(B) Clause (i) of section 3405(d)(13)(B) of the 1986 Code is amended to read as follows:

"(i) a United States citizen or a resident alien of the United States, or".

(C) The heading of paragraph (13) of section 3405(d) of the 1986 Code is amended by striking out "UNITED STATES" and inserting in lieu thereof "UNITED STATES OR ITS POSSESSIONS".

(D) The amendments made by this paragraph shall apply to distributions made after the date of the enactment of this Act.

(3) Clarification of disclosure under certain agreements.—

(A) Paragraph (4) of section 6103(k) of the 1986 Code is amended—

(i) by striking out "or other convention" and inserting in lieu thereof "or other convention or bilateral agreement", and

(ii) by striking out "such convention" and inserting in lieu thereof "such convention or bilateral agreement".

(B) The amendments made by subparagraph (A) shall take effect on the date of the enactment of the Tax Reform Act of 1986.

(4) Coordination of treaties with section 904(g).—

(A) Subsection (g) of section 904 of the 1986 Code is amended by redesignating paragraph (10) as paragraph (11) and by inserting after paragraph (9) the following new paragraph:

"(10) Coordination with treaties.—If—

"(A) any amount derived from a United States-owned foreign corporation would be treated as derived from sources within the United States under this subsection by reason of an item of income of such United States-owned foreign corporation, and

"(B) pursuant to a treaty obligation of the United States, the taxpayer chooses to treat such amount as arising from sources outside the United States,

this subsection shall not apply to such amount to the extent attributable to such item of income (but the provisions of subsections (a), (b), and (c) of this section and sections 902, 907, and 960 shall be applied separately with respect to such amount to the extent so attributable)."

(B) The amendment made by subparagraph (A) shall take effect as if included in the amendment made by section 121 of the Tax Reform Act of 1984.

(5) Treatment of election under section 338(h)(10).—

(A) In general.—Paragraph (10) of section 338(h) of the 1986 Code is amended by adding at the end thereof the following new subparagraph:

"(C) Coordination with foreign tax credit provisions.—Except as provided in regulations, this paragraph shall not apply for purposes of determining the source or character of any item for purposes of subpart A of part III of subchapter N of this chapter (relating to foreign tax credit)."

(B) Effective date.—The amendment made by subparagraph (A) shall apply to qualified stock purchases (as defined in section 338(d)(3) of the 1986 Code) after June 10, 1987.

SEC. 113. AMENDMENTS RELATED TO TITLE XIII OF THE REFORM ACT.

(a) Amendments Related to Section 1301 of the Reform Act.—

(1) Clause (iii) of section 142(d)(4)(B) of the 1986 Code is amended by striking out "average rent" and inserting in lieu thereof "average gross rent".

(2) Clause (iii) of section 143(a)(2)(A) of the 1986 Code is amended by striking out "no bond which is part of such issue meets"

and inserting in lieu thereof "such issue does not meet".

(3) Paragraph (4) of section 143(b) of the 1986 Code is amended by inserting "is part of an issue which" after "which".

(4)(A) Clause (ii) of section 144(a)(12)(A) of the 1986 Code is amended by inserting "(or series of bonds)" before "issued to refund".

(B)(i) Subclause (I) of section 144(a)(12)(A)(ii) of the 1986 Code is amended to read as follows:

"(I) the average maturity of the issue of which the refunding bond is a part does not exceed the average maturity of the bonds to be refunded by such issue,".

(ii) Subparagraph (A) of section 144(a)(12) of the 1986 Code is amended by adding at the end thereof the following new sentence:

"For purposes of clause (ii)(I), average maturity shall be determined in accordance with section 147(b)(2)(A)."

(iii) A refunding bond issued before July 1, 1987, shall be treated as meeting the requirement of subclause (I) of section 144(a)(12)(A)(ii) of the 1986 Code if such bond met the requirement of such subclause as in effect before the amendments made by this subparagraph.

(C) Clause (ii) of section 144(a)(12)(A) of the 1986 Code is amended by adding "and" at the end of subclause (II), by striking out subclause (III), and by redesignating subclause (IV) as subclause (III).

(5) Subparagraph (B) of section 144(b)(1) of the 1986 Code is amended—

(A) by striking out "to which part B of title IV of the Higher Education Act of 1965 (relating to guaranteed student loans) does not apply", and

(B) by striking out "eligible" and all that follows in such subparagraph and inserting in lieu thereof the following: "eligible. A program shall not be treated as described in this subparagraph if such program is described in subparagraph (A).

A bond shall not be treated as a qualified student loan bond if the issue of which such bond is a part meets the private business tests of paragraphs (1) and (2) of section 141(b) (determined by treating 501(c)(3) organizations as governmental units with respect to their activities which do not constitute unrelated trades or businesses, determined by applying section 513(a))."

(6) Subclause (I) of section 145(b)(2)(B)(ii) of the 1986 Code is amended by striking out "103(b)" and inserting in lieu thereof "103(b)(2)".

(7) Clause (i) of section 145(b)(2)(C) of the 1986 Code is amended by striking out "subparagraph (B)(ii)" and inserting in lieu thereof "subparagraph (B)".

(8) Paragraph (4) of section 145(b) of the 1986 Code is amended by striking out "subparagraphs (C) and (D)" and inserting in lieu thereof "subparagraphs (C), (D), and (E)".

(9) Subparagraph (A) of section 146(f)(5) of the 1986 Code is amended to read as follows:

"(A) the purpose of issuing exempt facility bonds described in 1 of the paragraphs of section 142(a),".

(10)(A) Paragraph (1) of section 146(k) of the 1986 Code is amended by striking out "paragraph (2)" and inserting in lieu thereof "paragraphs (2) and (3)".

(B) Subsection (k) of section 146 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(3) TREATMENT OF GOVERNMENTAL BONDS TO WHICH VOLUME CAP ALLOCATED.—Paragraph (1) shall not apply to any bond to which volume cap is allocated under section 141(b)(5)—

"(A) for an output facility, or

"(B) for a facility of a type described in paragraph (4), (5), (6), or (10) of section 142(a),

if the issuer establishes that the State's share of the private business use (as defined by section 141(b)(6)) of the facility will equal or exceed the State's share of the volume cap allocated with respect to bonds issued to finance the facility."

(11) Subsection (e) of section 147 of the 1986 Code is amended by striking out "treated as".

(12) Subsection (f) of section 147 of the 1986 Code (relating to public approval requirement for private activity bonds) is amended by adding at the end thereof the following new paragraph:

"(4) SPECIAL RULES FOR SCHOLARSHIP FUNDING BOND ISSUES AND VOLUNTEER FIRE DEPARTMENT BOND ISSUES.—

"(A) SCHOLARSHIP FUNDING BONDS.—In the case of a qualified scholarship funding bond, any governmental unit which made a request described in section 150(d)(2)(B) with respect to the issuer of such bond shall be treated for purposes of paragraph (2) of this subsection as the governmental unit on behalf of which such bond was issued.

"(B) VOLUNTEER FIRE DEPARTMENT BONDS.—In the case of a bond of a volunteer fire department which meets the requirements of section 150(e), the political subdivision described in section 150(e)(2)(B) with respect to such department shall be treated for purposes of paragraph (2) of this subsection as the governmental unit on behalf of which such bond was issued."

(13)(A) Paragraph (1) of section 147(g) of the 1986 Code (relating to restriction on issuance costs financed by issue) is amended by striking out "aggregate face amount of the issue" and inserting in lieu thereof "proceeds of the issue".

(B) Paragraph (2) of section 147(g) of the 1986 Code is amended by striking out "aggregate authorized face amount of the issue does not" and inserting in lieu thereof "proceeds of the issue do not".

(C) The amendments made by this paragraph shall apply to bonds issued after June 30, 1987.

(14) Paragraph (2) of section 148(d) of the 1986 Code (relating to special rules for reasonably required reserve or replacement fund) is amended by striking out "any fund described in paragraph (1)" and inserting in lieu thereof "any reserve or replacement fund".

(15) Paragraph (3) of section 148(f) of the 1986 Code is amended by adding at the end thereof the following new sentence: "A series of issues which are redeemed during a 6-month period (or such longer period as the Secretary may prescribe) shall be treated (at the election of the issuer) as 1 issue for purposes of the preceding sentence if no bond which is part of any issue in such series has a maturity of more than 60 days (or such longer period as the Secretary may prescribe) or is a private activity bond."

(16)(A) Subclause (I) of section 148(f)(4)(B)(iii) of the 1986 Code (relating to safe harbor for determining when proceeds of tax or revenue anticipation bonds are expended) is amended by striking out "aggregate face amount of such issue" and inserting in lieu thereof "proceeds of such issue".

(B) The amendment made by subparagraph (A) shall apply to bonds issued after June 30, 1987.

(17)(A) Subparagraph (C) of section 148(f)(4) of the 1986 Code is amended—

(i) by striking out the heading and inserting in lieu thereof:

"(C) EXCEPTION FOR GOVERNMENTAL UNITS ISSUING $5,000,000 OR LESS OF BONDS.—

"(i) IN GENERAL.—",

(ii) by redesignating clauses (i) through (iv) as subclauses (I) through (IV), respectively, and moving the margins of such subclauses 2 ems to the right, and

(iii) by striking out the last sentence and inserting in lieu thereof the following new clauses:

"(ii) AGGREGATION OF ISSUERS.—For purposes of subclause (IV) of clause (i)—

"(I) an issuer and all entities which issue bonds on behalf of such issuer shall be treated as 1 issuer,

"(II) all bonds issued by a subordinate entity shall, for purposes of applying such subclause to any other entity to which such entity is subordinate, be treated as issued by such other entity, and

"(III) an entity formed (or, to the extent provided by the Secretary, availed of) to avoid the purposes of such subclause (IV) and all other entities benefiting thereby shall be treated as 1 issuer.

"(iii) CERTAIN REFUNDING BONDS NOT TAKEN INTO ACCOUNT IN DETERMINING SMALL ISSUER STATUS.—There shall not be taken into account under subclause (IV) of clause (i) any bond issued to refund (other than to advance refund) any bond to the extent the amount of the refunding bond does not exceed the outstanding amount of the refunded bond.

"(iv) DETERMINATION OF WHETHER REFUNDING BONDS ELIGIBLE FOR EXCEPTION FROM REBATE REQUIREMENT.—If any portion of an issue is issued to refund other bonds, such portion shall be treated as a separate issue which does not meet the requirements of paragraphs (2) and (3) by reason of this subparagraph unless—

"(I) the aggregate face amount of such issue does not exceed $5,000,000,

"(II) each refunded bond was issued as part of an issue which was treated as meeting the requirements of paragraphs (2) and (3) by reason of this subparagraph,

"(III) the average maturity of the refunding bonds issued as part of such issue does not exceed the average maturity of the bonds to be refunded by such issue, and

"(IV) no refunding bond has a maturity date which is later than the date which is 30 years after the date the original bond was issued.

Subclause (III) shall not apply if the average maturity of the issue of which the original bond was a part is 3 years or less. For purposes of this clause, average maturity shall be determined in accordance with section 147(b)(2)(A).

"(v) REFUNDINGS OF BONDS ISSUED UNDER LAW PRIOR TO TAX REFORM ACT OF 1986.—If section 141(a) did not apply to any refunded bond, the issue of which such refunded bond was a part shall be treated as meeting the requirements of subclause (II) of clause (iv) if—

"(I) such issue was issued by a governmental unit with general taxing powers,

"(II) no bond issued as part of such issue was an industrial development bond (as defined in section 103(b)(2), but without regard to subparagraph (B) of section 103(b)(3)) or a private loan bond (as defined in section 103(o)(2)(A), but without regard to any exception from such definition other than section 103(o)(2)(C)), and

"(III) the aggregate face amount of all tax-exempt bonds (other than bonds described in subclause (II)) issued by such unit during the calendar year in which such issue was issued did not exceed $5,000,000.

References in subclause (II) to section 103 shall be to such section as in effect on the day before the date of the enactment of the Tax Reform Act of 1986. Rules similar to the rules of clauses (ii) and (iii) shall apply for purposes of subclause (III). For purposes of subclause (II) of clause (i), bonds described in subclause (II) of this clause to which section 141(a) does not apply shall not be treated as private activity bonds."

(B) Subclause (IV) of section 148(f)(4)(C)(i) of the 1986 Code (as redesignated by subparagraph (A)) is amended by striking out "(and all subordinate entities thereof)".

(C)(i) Except as provided in clause (ii), the amendments made by this paragraph shall apply to bonds issued after June 30, 1987.

(ii) At the election of an issuer (made at such time and in such manner as the Secretary of the Treasury or his delegate may prescribe), the amendments made by this paragraph shall apply to such issuer as if included in the amendments made by section 1301(a) of the Tax Reform Act of 1986.

(18) Clause (i) of section 148(f)(4)(D) of the 1986 Code is amended—

(A) by inserting "for a program" before "described in section 144(b)(1)(A)",

(B) by striking out "such a program" and inserting in lieu thereof "such program", and

(C) by adding at the end thereof the following: "Amounts designated as interest on student loans shall not be taken into account in determining whether the issuer is reimbursed for such costs. Except as otherwise hereafter provided in regulations prescribed by the Secretary, costs described in subclause (I) paid from amounts earned as described in the first sentence of this clause may also be taken into account in determining the yield on the student loans under a program described in section 144(b)(1)(A)."

(19) Subparagraph (B) of section 148(f)(7) of the 1986 Code is amended by striking out "due to reasonable cause and not" and inserting in lieu thereof "not due".

(20) Clause (iii) of section 149(b)(3)(A) of the 1986 Code is amended by striking out "with respect to any bond issued before July 1, 1989".

(21) Subparagraph (A) of section 149(b)(4) of the 1986 Code is amended by striking out "a qualified student loan bond, and a qualified redevelopment bond" and inserting in lieu thereof "and a qualified student loan bond".

(22) Paragraph (3) of section 149(e) of the 1986 Code (relating to information reporting) is amended by striking out "there is reasonable cause for the failure to file such statement in a timely fashion" and inserting in lieu thereof "the failure to file in a timely fashion is not due to willful neglect".

(23)(A) Subparagraph (B) of section 150(b)(4) of the 1986 Code (relating to change in use of facilities financed with tax-exempt private activity bonds) is amended by inserting before the period "or a qualified small issue bond".

(B) The heading for paragraph (4) of section 150(b) of the 1986 Code is amended by inserting "AND SMALL ISSUE BONDS" after "EXEMPT FACILITY BONDS".

(24)(A) Subsection (e) of section 150 of the 1986 Code is amended by redesignating paragraph (2) as paragraph (3) and by inserting after paragraph (1) the following new paragraph:

"(2) TREATMENT AS PRIVATE ACTIVITY BONDS ONLY FOR CERTAIN PURPOSES.—Bonds which are part of an issue which meets the requirements of paragraph (1) shall not be treated as private activity bonds except for purposes of sections 147(f) and 149(d)."

(B) The amendment made by subparagraph (A) shall apply to bonds issued after June 30, 1987.

(25) Clause (ii) of section 1301(f)(2)(C) of the Reform Act is amended to read as follows:

"(ii) Clause (ii) of section 25(c)(2)(A) is amended by striking out all that follows 'an amount of' and inserting in lieu thereof 'private activity bonds which it may otherwise issue during such calendar year under section 146,'."

(26) Subsection (h) of section 25 of the 1986 Code (relating to credit for interest on certain home mortgages) is amended by striking out "1987" and inserting in lieu thereof "1988".

(27) Subparagraph (B) of section 103(A)(c)(1) of the Internal Revenue Code of 1954, as in effect on the day before the date of the enactment of the Reform Act, is amended by striking out "1987" each place it appears and inserting in lieu thereof "1988".

(b) AMENDMENTS RELATED TO SECTION 1311 OF THE REFORM ACT.—

(1) Section 1311 of the Reform Act is amended by redesignating subsection (d) as subsection (e), and by inserting after subsection (c) the following new subsection:

"(d) PUBLIC APPROVAL AND INFORMATION REPORTING.—Sections 147(f) and 149(e) of the 1986 Code shall apply to bonds issued after December 31, 1986."

(2) Paragraph (2) of section 1311(b) of the Reform Act (relating to effective date for section 1301(f)) is amended by inserting "with respect to non-issued bond amounts elected" after "issued".

(c) AMENDMENTS RELATED TO SECTION 1313 OF THE REFORM ACT.—

(1) Clause (i) of section 1313(a)(1)(B) of the Reform Act is amended by striking out "the proceeds" and inserting in lieu thereof "the net proceeds".

(2)(A) Subparagraph (C) of section 1313(a)(3) of the Reform Act is amended by striking out "section 148" and inserting in lieu thereof "sections 143(g) and 148".

(B) The amendment made by subparagraph (A) shall apply to bonds issued after June 30, 1987.

(3) Subparagraph (E) of section 1313(a)(3) of the Reform Act is amended by striking out "of such Code".

(4) Paragraph (3) of section 1313(a) of the Reform Act is amended by adding at the end thereof the following new sentence: "In the case of a refunding bond described in paragraph (1) with respect to a qualified bond described in paragraph (2)(B), the requirements of section 1312(b)(1) which applied to such qualified bond shall be treated as specified in this paragraph with respect to such refunding bond."

(5) Subparagraph (A) of section 1313(a)(4) of the Reform Act is amended by inserting "and by substituting 'September 1, 1986' for 'August 16, 1986'" before the comma at the end thereof.

(6) Paragraph (2) of section 1313(b) of the Reform Act is amended by adding at the end thereof "For purposes of the preceding sentence, the determination of whether a bond is described in such subsection (o)(2)(A) shall be made without regard to any exception other than section 103(o)(2)(C) of such Code."

(7) Subparagraph (F) of section 1313(b)(3) of the Reform Act is amended by striking out "of such Code".

(8) Paragraph (3) of section 1313(b) of the Reform Act is amended by adding after subparagraph (F) the following new subparagraph:

"(G) Except as provided in the last sentence of subsection (c)(2) of this section, the requirements of section 145(b) (relating to $150,000,000 limitation on bonds other than hospital bonds)."

(9) Paragraph (5) of section 1313(b) of the Reform Act is amended by striking out "are to be" and inserting in lieu thereof "are or will be".

(10)(A) The heading for subsection (c) of section 1313 of the Reform Act is amended by striking out "CURRENT" and inserting in lieu thereof "CERTAIN".

(B) Paragraph (1) of section 1313(c) of the Reform Act is amended—

(i) by striking out "apply to any bond" and inserting in lieu thereof "apply to any bond (or series of bonds)", and

(ii) by striking out "law do not" and inserting in lieu thereof "law did not".

(11)(A) Subparagraph (A) of section 1313(c)(1) of the Reform Act is amended to read as follows:

"(A) the average maturity of the issue of which the refunding bond is a part does not exceed the average maturity of the bonds to be refunded by such issue,".

(B) Paragraph (1) of section 1313(c) of the Reform Act is amended by adding at the end thereof the following new sentence: "For purposes of subparagraph (A), average maturity shall be determined in accordance with section 147(b)(2)(A) of the 1986 Code."

(C) Paragraph (1) of section 1313(c) of the Reform Act is amended by adding "and" at the end of subparagraph (B), by striking out subparagraph (C), and by redesignating subparagraph (D) as subparagraph (C).

(D) Subparagraph (B) of section 1313(c)(2) of the Reform Act is amended by striking out "and (D)" and inserting in lieu thereof "and (C)".

(E) A refunding bond issued before July 1, 1987, shall be treated as meeting the requirement of subparagraph (A) of section 1313(c)(1) of the Reform Act if such bond met the requirement of such subparagraph as in effect before the amendments made by this paragraph.

(12)(A) Subparagraph (N) of section 103(b)(6) of the 1986 Code (relating to termination dates) is amended by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively, and by striking out clause (i) and inserting in lieu thereof the following new clauses:

"(i) IN GENERAL.—Except as provided in clause (ii), this paragraph shall not apply to any obligation issued after December 31, 1986.

"(ii) CERTAIN REFUNDINGS.—This paragraph shall apply to any obligation (or series of obligations) issued to refund an obligation issued on or before December 31, 1986, if—

"(I) the average maturity of the issue of which the refunding obligation is a part does not exceed the average maturity of the obligations to be refunded by such issue,"

"(II) the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation, and

"(III) the proceeds of the refunding obligation are used to redeem the refunded obligation not later than 90 days after the date of the issuance of the refunding obligation.

"For purposes of subclause (I), average maturity shall be determined in accordance with subsection (b)(14)(B)(i)."

(B) Clause (iii) of section 103(b)(6)(N) of the 1954 Code, as redesignated by subparagraph (A), is amended by striking out "1988" and inserting in lieu thereof "1989".

(13) Paragraph (2) of section 1313(c) of the Reform Act is amended—

(A) by striking out "apply to any bond" and inserting in lieu thereof "apply to any bond (or series of bonds)",

(B) by striking out "subsection does not" and inserting in lieu thereof "subsection did not", and

(C) by striking out "the proceeds" in subparagraph (A)(i) and inserting in lieu thereof "the net proceeds".

(d) Amendments Related to Section 1314 of the Reform Act.—

(1) Subsection (a) of section 1314 of the Reform Act is amended by adding at the end thereof the following: "The treatment under the preceding sentence shall also apply to a bond issued before September 26, 1985, but only for purposes of determining whether any bond issued to advance refund such bond (or a bond which is part of a series of refundings of such bond) is an arbitrage bond (within the meaning of section 148(a) of the 1986 Code)."

(2) Subsection (f) of section 1314 of the Reform Act is amended by striking out "December" and inserting in lieu thereof "August".

(3) Section 1314 of the Reform Act is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) Termination of Mortgage Bond Policy Statement Requirement.—Paragraph (5) of section 103A(j) of the 1954 Code (relating to policy statement) shall not apply to any bond issued after August 15, 1986."

(e) Amendments Related to Section 1315 of the Reform Act.—

(1) Subsection (c) of section 1315 of the Reform Act is amended—

(A) by inserting "for calendar year 1986" after "1954 Code" each place it appears,

(B) by striking out "before August 16" each place it appears and inserting in lieu thereof "on August 15", and

(C) by adding at the end thereof the following new sentence:

"The preceding sentence shall not apply to the extent section 1313(b)(5) treats any bond as a private activity bond for purposes of section 146 of the 1986 Code."

(2)(A) Subsection (e) of section 1315 of the Reform Act is amended by adding at the end thereof the following new sentence: "The preceding sentence shall not apply to any bond which (if issued on August 15, 1986) would have been an industrial development bond (as defined in section 103(b)(2) of the 1954 Code)."

(B) The amendment made by subparagraph (A) shall apply to bonds issued after June 10, 1987.

(f) Amendments Related to Section 1316 of the Reform Act.—

(1)(A) Subsections (a)(1), (b)(1), (c)(1), and (f)(1) of section 1316 of the Reform Act are each amended by inserting "and as having a carryforward purpose described in section 146(f)(5) of such Code," after "the 1986 Code".

(B) The amendment made by subparagraph (A) shall apply only with respect to carryforwards of volume cap for years after 1986.

(2) Subsection (c) of section 1316 of the Reform Act is amended by adding at the end thereof the following new paragraph:

"(4) Application of section 147(b).—A bond to which this subsection applies (other than a refunding bond) shall be treated as meeting the requirements of section 147(b) of the 1986 Code if the average maturity (determined in accordance with section 147(b)(2)(A) of such Code) of the issue of which such bond is a part does not exceed 20 years. A bond issued to refund (or which is part of a series of bonds issued to refund) a bond described in the preceding sentence shall be treated as meeting the requirements of such section if the refunding bond has a maturity date not later than the date which is 20 years after the date on which the original bond was issued."

(3) Paragraph (1) of section 1316(e) of the Reform Act is amended—

(A) by inserting "(and section 103(h)(2)(B)(ii) of the 1954 Code)" after "1986 Code" the first place it appears, and

(B) by inserting "(and section 103(b)(16) of the 1954 Code)" after "1986 Code" in the last sentence.

(4) Paragraph (2) of section 1316(g) of the Reform Act is amended—

(A) by striking out "described in the paragraph (3)" in subparagraph (A) and inserting in lieu thereof "issued to provide a facility described in paragraph (3)", and

(B) by striking out "which paragraph (3)" in subparagraph (C) and inserting in lieu thereof "which such paragraph (3)".

(5) Paragraph (6) of section 1316(g) of the Reform Act is amended by inserting "(and the provisions of section 1314)" after "section 1301".

(6) Paragraph (7) of section 1316(g) of the Reform Act is amended to read as follows:

"(7) In the case of a bond described in section 632(d) of the Tax Reform Act of 1984—

"(A) section 141 of the 1986 Code shall be applied without regard to subsection (a)(2) and paragraphs (4) and (5) of subsection (b),

"(B) paragraphs (1) and (2) of section 141(b) of the 1986 Code shall be applied by substituting '25 percent' for '10 percent' each place it appears, and

"(C) section 149(b) of the 1986 Code shall not apply.

This paragraph shall not apply to any bond issued after December 31, 1990."

(7)(A) Subparagraph (A) of section 1316(g)(8) of the Reform Act is amended by inserting "and as having a carryforward purpose described in section 146(f)(5) of such Code," after "the 1986 Code".

(B) The amendment made by subparagraph (A) shall apply only with respect to carryforwards of volume cap for years after 1986.

(8) Paragraph (2) of section 1516(j) of the Reform Act is amended—

(A) by striking out "$40,000,000" and inserting in lieu thereof "$175,000,000", and

(B) by striking out "December 31, 1987" and inserting in lieu thereof "the date which is 1 year after the date of the enactment of the Technical Corrections Act of 1987".

(9) Paragraph (2) of section 1316(k) of the Reform Act is amended by striking out "$55,000,000 must be redeemed no later than November 1, 1987" and inserting in lieu thereof "no more than $55,000,000 shall be outstanding later than November 1, 1987".

(10) Section 1104 of the Mortgage Subsidy Bond Tax Act of 1980 is amended by adding at the end of subsection (r) the following new sentence:

"Section 148(f) of the Internal Revenue Code of 1986 and the amendments made by section 1301 of the Tax Reform Act of 1986 shall not apply to any bonds described in paragraph (1) which may be issued as a result of the amendments made by the Tax Reform Act of 1986."

(11) Subsection (l) of section 1316 of the Reform Act is hereby repealed.

(g) Amendments Related to Section 1317 of the Reform Act.—

(1) Subparagraph (J) of section 1317(2) of the Reform Act is amended by striking out "began construction in 1980" and inserting in lieu thereof ", a subsidiary of Sierra Pacific Resources, began in 1980 work to design, finance, construct, and operate".

(2) Subparagraph (C) of section 1317(3) of the Reform Act is amended by striking out all that follows "1986 Code," in clause (i) and inserting in lieu thereof the following:

"(ii) the bonds to be issued to provide financing for such stadium are issued pursuant to P.A. 84-1470 of the State in which such city is located (and by an agency created thereby), and

"(iii) the stadium is to be located in such city.

The aggregate face amount of bonds to which this subparagraph applies shall not exceed $250,000,000. A carryforward of a 1985 volume cap for a stadium for which an inducement resolution was adopted by an agency of such State on November 20, 1985, and a carryforward of a 1986 volume cap for which an election was made by such city on December 31, 1986, shall both be valid with respect to bonds issued by the agency referred to in clause (ii) for the stadium described in the 1st sentence of this subparagraph."

(3) Subparagraph (P) of section 1317(3) of the Reform Act is amended by striking out "December 9, 1985" and inserting in lieu thereof "December 2, 1985".

(4) Paragraph (3) of section 1317 of the Reform Act is amended by adding at the end thereof the following new subparagraph:

"(Z) A facility is described in this subparagraph if—

"(i) such facility was a redevelopment project that was approved in concept by the city council in October 1984, and

"(ii) $20,000,000 in funds for such facility was identified in a 5-year budget approved by the city redevelopment agency on December 13, 1984.

The aggregate face amount of bonds to which this subparagraph applies shall not exceed $80,000,000."

(5) Paragraph (4) of section 1317 of the Reform Act is amended—

(A) by striking out "1986. The bonds" and inserting in lieu thereof "1986, and the bonds",

(B) by striking out "and" at the end of subparagraph (A), and

(C) by adding "and" at the end of subparagraph (B).

(6) Subparagraph (W) of section 1317(6) of the Reform Act is amended to read as follows:

"(W) A project is described in this subparagraph if such project is—

"(i) a part of the Kenosha Downtown Redevelopment project, and

"(ii) located in an area bounded—

"(I) on the east by the east wall of the Army Corps of Engineers Confined Disposal Facility (extended), "(II) on the north by 48th Street (extended),

"(III) on the west by the present Chicago & Northwestern Railroad tracks, and

"(IV) on the south by the north line of Eichelman Park (60th Street) (extended).

The aggregate face amount of bonds to which this subparagraph applies shall not exceed $105,000,000."

(7) Paragraph (6) of section 1317 of the Reform Act is amended by redesignating subparagraph (X) as subparagraph (Z) and by inserting after subparagraph (W) the following new subparagraphs:

"(X) A project is described in this subparagraph if a redevelopment plan for such project was approved by the city council of Bell Gardens, California, on June 12, 1979. The aggregate face amount of bonds to which this subparagraph applies shall not exceed $10,000,000.

"(Y) Nothing in this paragraph shall be construed as having the effect of exempting from tax interest on any bond issued after June 10, 1987, if such interest would not have been exempt from tax were such bond issued on August 15, 1986."

(8) The last sentence of subparagraph (A) of section 1317(7) of the Reform Act is amended by inserting before the period "and section 149(d)(2) of the 1986 Code shall not apply to bonds so treated".

(9) Subparagraph (D) of section 1317(7) of the Reform Act is amended to read as follows:

"(D) A facility is described in this subparagraph if—

"(i) it is a convention, trade, or spectator facility,

"(ii) a regional convention, trade, and spectator facilities study committee was created before March 19, 1985, with respect to such facility, and

"(iii) feasibility and preliminary design consultants were hired on May 1, 1985, and October 31, 1985, with respect to such facility.

The aggregate face amount of bonds to which this subparagraph applies shall not exceed the excess of $175,000,000 over the amount of bonds to which paragraph (48)(B) applies."

(10) Clause (ii) of section 1317(7)(G) of the Reform Act is amended to read as follows:

"(ii) such facility's location was approved in December 1985 by a task force created jointly by the Governor of the State within which such facility will be located and the mayor of the capital city of such State, and".

(11) Subparagraph (J) of section 1317(7) of the Reform Act is amended—

(A) by striking out "civic festival" in clause (i) and inserting in lieu thereof "aquafestival",

(B) by striking out clause (ii) and inserting in lieu thereof the following:

"(ii) a referendum was held on April 6, 1985, in which voters permitted the city council to lease 130 acres of dedicated parkland for the purpose of constructing such facility, and", and

(C) by striking out "$5,000,000" and inserting in lieu thereof "$10,000,000".

(12) Subparagraph (E) of section 1317(9) of the Reform Act is amended by striking out "March 5, 1985" and inserting in lieu thereof "March 6, 1985".

(13) Clause (iii) of section 1317(9)(J) of the Reform Act is amended by striking out all that precedes "by the governor" and inserting in lieu thereof the following:

"(iii) such facility's location was approved in December 1985 by a task force created jointly".

(14) Subparagraph (A) of section 1317(11) of the Reform Act is amended by striking out "and section 142(a)" and inserting in lieu thereof "in section 142(a)".

(15) Subparagraph (C) of section 1317(11) of the Reform Act is amended to read as follows:

"(C) A facility is described in this subparagraph if it is described in section 1865(c)(2)(C) of this Act."

(16) Subparagraph (X) of section 1317(13) of the Reform Act is amended by striking out the last sentence.

(17) Paragraph (13) of section 1317 of the Reform Act is amended by adding at the end thereof the following new subparagraphs:

"(AA) A residential rental property project is described in this subparagraph if it is the Carriage Trace residential rental project in Clinton, Tennessee. The aggregate face amount of bonds to which this subparagraph applies shall not exceed $10,000,000.

"(BB) A residential rental property project is described in this subparagraph if—

"(i) a contract to purchase such property was dated as of August 9, 1985,

"(ii) there was an inducement resolution adopted on September 27, 1985, for the issuance of obligations to finance such property,

"(iii) there was a State court final validation of such financing on November 15, 1985, and

"(iv) the certificate of nonappeal from such validation was available on December 15, 1985.

The aggregate face amount of bonds to which this subparagraph applies shall not exceed $27,750,000."

(18) Paragraph (14) of section 1317 of the Reform Act is amended by striking out "$90,000,000" and inserting in lieu thereof "$130,000,000".

(19) Subparagraph (B) of section 1317(15) of the Reform Act is amended—

(A) by striking out all that follows "agreement with" in clause (i) and inserting in lieu thereof "an underwriter to provide planning and financial guidance for a possible bond issue, and", and

(B) by striking out "certificates" in clause (ii) and inserting in lieu thereof "bond issue"

(20) Paragraph (16) of section 1317 of the Reform Act is amended by striking out the last sentence.

(21) Clause (i) of section 1317(19)(D) of the Reform Act is amended by striking out "light rail transitway" and inserting in lieu thereof "fixed guideway".

(22) Paragraph (20) of section 1317 of the Reform Act is amended by striking out "Section 148(f)" and inserting in lieu thereof "Subsections (c)(2) and (f) of section 148".

(23) Subparagraph (B) of section 1317(21) of the Reform Act is amended—

(A) by striking out "Subsection (c)" and inserting in lieu thereof "Subsections (c)(2)", and

(B) by striking out "103A(g)(5)(C)l" and inserting in lieu thereof "103A(g)(5)(C)".

(24) Paragraph (22) of section 1317 of the Reform Act is amended to read as follows:

"(22) DOWNTOWN REDEVELOPMENT PROJECT.—Subsection (b) of section 626 of the Tax Reform Act of 1984 is amended by adding at the end thereof the following new paragraph:

'(7) EXCEPTION FOR CERTAIN DOWNTOWN REDEVELOPMENT PROJECT.—The amendments made by this section shall not apply to any obligation which is issued as part of an issue 95 percent or more of the proceeds of which are to be used to provide a project to acquire and redevelop a downtown area if—

'(A) on August 15, 1985, a downtown redevelopment authority adopted a resolution to issue obligations for such project,

'(B) before September 26, 1985, the city expended, or entered into binding contracts to expend, more than $10,000,000 in connection with such project, and

'(C) the State supreme court issued a ruling regarding the proposed financing structure for such project on December 11, 1985.

The aggregate face amount of obligations to which this paragraph applies shall not exceed $85,000,000 and such obligations must be issued before January 1, 1992.' "

(25) Subparagraph (A) of section 1317(24) of the Reform Act is amended by adding at the end thereof the following: "The last paragraph of this section shall not apply to the treatment under the preceding sentence."

(26)(A) Clause (i) of section 1317(25)(A) of the Reform Act is amended by striking out "3 counties" and inserting in lieu thereof "1 or more of 3 counties".

(B) Clause (i) of section 1317(25)(B) of the Reform Act is amended by adding at the end thereof the following new sentence: "For purposes of applying section 146(k) of the 1986 Code, the public utility facility described in subparagraph (A) shall be treated as described in paragraph (2) of such section and such paragraph shall be applied without regard to the requirement that the issuer establish that a State's share of the use of a facility (or its output) will equal or exceed the State's share of the private activity bonds issued to finance the facility."

(27) Subparagraph (I) of section 1317(27) of the Reform Act is amended by adding at the end thereof the following: "For purposes of determining whether any bond to which this subparagraph applies is a qualified small issue bond, there shall not be taken into account under section 144(a) of the 1986 Code capital expenditures with respect to any internal revenue service center."

(28) Clause (i) of section 1317(29)(B) of the Reform Act is amended by striking out all that follows "1993" and inserting in lieu thereof ", by the State of Connecticut, and".

(29) Subparagraph (D) of section 1317(29) of the Reform Act is amended by striking out "the net proceeds" and inserting in lieu thereof "the proceeds".

(30) Section 1317(33)(A)(ii) of the Reform Act is amended—

(A) by striking out "on" and inserting in lieu thereof "dated" each place it appears, and

(B) by inserting "dated on December 1, 1985" after "(Series 1985A and 1985B)" in subclause (III).

(31) Subparagraph (B) of section 1317(33) of the Reform Act is amended by adding at the end thereof the following new sentence: "The aggregate face amount of bonds to which this subparagraph applies shall not exceed $90,000,000."

(32) Subparagraph (G) of section 1317(33) of the Reform Act is amended by striking out "subparagraph (H)" and inserting in lieu thereof "subparagraph (F)".

(33) Subparagraph (H) of section 1317(33) of the Reform Act is amended—

(A) by striking out clause (ii) and inserting in lieu thereof the following:

"(ii) the proceeds of the issue are to be used to finance projects (to be determined by such university and the issuer) which are similar to those projects intended to be financed by bonds that were the subject of a request transmitted to Congress on November 7, 1985, and", and

(B) by adding at the end thereof the following new sentence: "Bonds to which this subparagraph applies shall be treated as qualified 501(c)(3) bonds if such bonds would not (if issued on August 15, 1986) be industrial development bonds (as defined in section 103(b)(2) of the 1954 Code), and section 147(f) of the 1986 Code shall not apply to the issue of which such bonds are a part."

(34) Subparagraph (K) of section 1317(33) of the Reform Act is amended—

(A) by striking out "the issue is" in clause (i) and inserting in lieu thereof "the issue or issues are",

(B) by striking out "2,000 square feet" and inserting in lieu thereof "245,000 square feet", and

(C) by striking out "$150,000,000" and inserting in lieu thereof "$112,000,000".

(35) Paragraph (33) of section 1317 of the Reform Act is amended by striking out subparagraphs (M), (N), and (O) and inserting in lieu thereof the following new subparagraphs:

"(M) Proceeds of an issue are described in this subparagraph if such issue is issued on behalf of the Society of the New York Hospital to finance completion of a project commenced by such hospital in 1981 for construction of a diagnostic and treatment center or to refund bonds issued on behalf of such hospital in connection with the construction of such diagnostic and treatment center or to finance construction and renovation projects associated with an inpatient psychiatric care facility. The aggregate face amount of bonds to which this subparagraph applies shall not exceed $150,000,000.

"(N) Any bond to which section 145(b) of the 1986 Code does not apply by reason of this paragraph (other than subparagraph (A) thereof) shall be taken into account in determining whether such section applies to any later issue.

"(O) In the case of any refunding bond—

"(i) to which any subparagraph of this paragraph applies, and

"(ii) to which the last sentence of section 1313(c)(2) applies,

such bond shall be treated as having such subparagraph apply (and the refunding bond shall be treated for purposes of such section as issued before January 1, 1986, and as not being an advance refunding) unless the issuer elects the opposite result."

(36) Paragraph (36) of section 1317 of the Reform Act is amended by striking out "$80,000,000" and inserting in lieu thereof "$400,000,000".

(37) Paragraph (38) of section 1317 of the Reform Act is amended by striking out "and sections 148 and 149".

(38) Paragraphs (39) and (40) of section 1317 of the Reform Act are amended to read as follows:

"(39) CERTAIN BONDS TREATED AS QUALIFIED 501(C)(3) BONDS.—A bond issued as part of an issue shall be treated for purposes of part IV of subchapter B of chapter 1 of the 1986 Code as a qualified 501(c)(3) bond if—

"(A) such bond would not (if issued on August 15, 1986) be an industrial development bond (as defined in section 103(b)(2) of the 1954 Code), and

"(B) such issue was approved by city voters on January 19, 1985, for construction or renovation of facilities for the cultural and performing arts.

The aggregate face amount of bonds to which this paragraph applies shall not exceed $5,000,000.

"(40) CERTAIN LIBRARY BONDS.—In the case of a bond issued before January 1, 1986, by the City of Los Angeles Community Redevelopment Agency to provide the library and related structures associated with the City of Los Angeles Central Library Project, the ownership and use of the land and facilities associated with such project by persons which are not governmental units (or payments from such persons) shall not adversely affect the exclusion from gross income under section 103 of the 1954 Code of interest on such bonds."

(39) Paragraph (41) of section 1317 of the Reform Act is amended to read as follows:

"(41) CERTAIN REFUNDING OBLIGATIONS FOR CERTAIN POWER FACILITIES.—With respect to 2 net billed nuclear power facilities located in the State of Washington on which construction has been suspended, the requirements of section 147(b) of the 1986 Code shall be treated as satisfied with respect to refunding bonds issued before 1992 if—

"(A) each refunding bond has a maturity date not later than the maturity date of the refunded bond, and

"(B) the facilities have not been placed in service as of the date of issuance of the refunding bond.

The aggregate face amount of bonds to which this paragraph applies shall not exceed $2,000,000,000. Section 146 of the 1986 Code and the last paragraph of this section shall not apply to bonds to which this paragraph applies."

(40) Paragraph (43) of section 1317 of the Reform Act is amended by inserting before the period "and the Internal Revenue Code of 1986 shall be applied without regard to section 149(d)(2)."

(41) Paragraph (44) of section 1317 of the Reform Act is amended—

(A) by inserting after "1986 Code" the following: "and the temporary period limitation of section 148(c)(2) of the 1986 Code",

(B) by striking out "$100,000,000" and inserting in lieu thereof "$200,000,000", and

(C) by striking out "Hospital Bond Pool" in the second item in the table and inserting in lieu thereof "Hospital Equipment Loan Council".

(42) Paragraph (48) of section 1317 of the Reform Act is amended by striking out "either" in the material preceding subparagraph (A) and inserting in lieu thereof "any".

(43) Subparagraph (B) of section 1317(48) of the Reform Act is amended by striking out "subparagraph (O)" and inserting in lieu thereof "paragraph (6)(U)".

(44) Paragraph (48) of section 1317 of the Reform Act is amended by adding at the end thereof the following new subparagraph:

"(C) A facility which is part of a project described in paragraph (6)(O). The aggregate face amount of bonds to which this subparagraph applies shall not exceed $20,000,000."

(45) Paragraph (49) of section 1317 of the Reform Act is amended—

(A) by striking out "149(d)" and inserting in lieu thereof "149(d)(2)", and

(B) by inserting "United States" before "Housing Act of 1937".

(46)(A) Paragraph (50) of section 1317 of the Reform Act is amended to read as follows:

"(50) TRANSITIONED BONDS SUBJECT TO CERTAIN RULES.—In the case of any bond to which any provision of this section applies, except as otherwise expressly provided, sections 103 and 103A of the 1954 Code shall be applied as if the requirements of sections 147(g), 148, and 149(d) of the 1986 Code were included in each such section."

(47) Paragraph (51) of section 1317 of the Reform Act is amended—

(A) by striking out "Section 141(a)" and inserting in lieu thereof "Section 141(b)", and

(B) by striking out "141(a)(3)" and inserting in lieu thereof "141(b)(3)".

(48) Paragraph (52) of section 1317 of the Reform Act is amended by striking out "This section" and inserting in lieu thereof "Except as otherwise provided in this section, this section".

(h) AMENDMENTS RELATED TO SECTION 1318 OF THE REFORM ACT.—Section 1318 of the Reform Act (relating to definitions, etc., relating to effective dates and transitional rules) is amended—

(1) by inserting "(a) DEFINITIONS.—" before "For purposes of this subtitle—", and

(2) by adding at the end thereof the following new subsections:

"(b) MINIMUM TAX TREATMENT.—

"(1) IN GENERAL.—Any bond described in paragraph (2) shall not be treated as a private activity bond for purposes of section 57 of the 1986 Code unless such bond would (if issued on August 7, 1986) be—

"(A) an industrial development bond (as defined in section 103(b)(2) of the 1954 Code), or

"(B) a private loan bond (as defined in section 103(o)(2)(A) of the 1954 Code, without regard to any exception from such definition other than section 103(o)(2)(C) of such Code).

"(2) BONDS DESCRIBED.—For purposes of paragraph (1), a bond is described in this paragraph if—

"(A) the amendments made by section 1301 do not apply to such bond by reason of section 1312, 1313, or 1316(g),

"(B) any provision of section 1317 applies to such bond, or

"(C) the proceeds of such bond are used to refund any bond referred to in subparagraph (A) or (B) (or any bond which is part of a series of refundings of such a bond) if the requirements of paragraphs (1), (2), and (3) of subsection (c) are met with respect to the refunding bond.

"(c) CURRENT REFUNDINGS NOT TAKEN INTO ACCOUNT IN APPLYING AGGREGATE LIMIT ON BONDS TO WHICH TRANSITIONAL RULES APPLY.—The limitation on the aggregate face amount of bonds to which any provision of section 1316(g) or 1317 applies shall not be reduced by the face amount of any bond the proceeds of which are to be used exclusively to refund any bond to which such provision applies (or any bond which is part of a series of refundings of such bond) if—

"(1) the average maturity of the issue of which the refunding bond is a part does not exceed the average maturity of the bonds to be refunded by such issue,

"(2) the amount of the refunding bond does not exceed the outstanding amount of the refunded bond, and

"(3) the net proceeds of the refunding bond are used to redeem the refunded bond not later than 90 days after the date of the issuance of the refunding bond.

For purposes of paragraph (1), average maturity shall be determined in accordance with section 147(b)(2)(A) of the 1986 Code. Sections 1316(g)(5) and 1317(52) shall not apply to any refunding bond which meets the requirements of this subsection.

"(d) Special Rule Permitting Carryforward of Volume Cap for Certain Transitioned Projects.—A bond to which section 1312 or 1317 applies shall be treated as having a carryforward purpose described in section 146(f)(5) of the 1986 Code, and the requirement of section 146(f)(2)(A) of the 1986 Code shall be treated as met if such project is identified with reasonable specificity. The preceding sentence shall not apply so as to permit a carryforward with respect to any qualified small issue bond."

SEC. 114. AMENDMENTS RELATED TO TITLE XIV OF THE REFORM ACT.

(a) Amendments Related to Section 1401 of the Reform Act.—

(1) Subsection (e) of section 672 of the 1986 Code is amended to read as follows:

"(e) Grantor Treated as Holding Any Power or Interest of Grantor's Spouse.—

"(1) In general.—For purposes of this subpart, a grantor shall be treated as holding any power or interest held by—

"(A) any individual who was the spouse of the grantor at the time of the creation of such power or interest, or

"(B) any individual who became the spouse of the grantor after the creation of such power or interest, but only with respect to periods after such individual became the spouse of the grantor.

"(2) Marital status.—For purposes of paragraph (1)(A), an individual legally separated from his spouse under a decree of divorce or of separate maintenance shall not be considered as married."

(2) Paragraph (3) of section 675 of the 1986 Code is amended by adding at the end thereof the following new sentence:

"For periods during which an individual is the spouse of the grantor (within the meaning of section 672(e)(2)), any reference in this paragraph to the grantor shall be treated as including a reference to such individual."

(b) Amendment Related to Section 1402 of the Reform Act.—Section 673 of the 1986 Code is amended by adding at the end thereof the following new subsections:

"(c) Special Rule for Determining Value of Reversionary Interest.—For purposes of subsection (a), the value of the grantor's reversionary interest shall be determined by assuming the maximum exercise of discretion by the fiduciary in favor of the grantor.

"(d) Postponement of Date Specified for Reacquisition.—Any postponement of the date specified for the reacquisition of possession or enjoyment of the reversionary interest shall be treated as a new transfer in trust commencing with the date on which the postponement is effective and terminating with the date prescribed by the postponement. However, income for any period shall not be included in the income of the grantor by reason of the preceding sentence if such income would not be so includible in the absence of such postponement."

(c) Amendment Related to Section 1403 of the Reform Act.—Paragraph (2) of section 1403(c) of the Reform Act is amended by striking out "sections 652(a) or 662(a)" and inserting in lieu thereof "section 652(a), 662(a), or 664(b)".

(d) Amendments Related to Section 1404 of the Reform Act.—

(1) Subsection (a) of section 1404 of the Reform Act is amended—

(A) by striking out "Subsection (k) of section 6654" and inserting in lieu thereof "Subsection (l) of section 6654, as amended by section 1841 of this Act", and

(B) by striking out " '(k) Trusts" and inserting in lieu thereof " '(l) Trusts".

(2) Subsection (l) of section 6654 of the 1986 Code is amended to read as follows:

"(l) Estates and Trusts.—

"(1) In general.—Except as provided in paragraph (2), this section shall apply to—

"(A) any trust, and

"(B) any estate with respect to any taxable year ending 2 or more years after the date of the decedent's death.

"(2) Exception for charitable trusts and private foundations.—This section shall not apply to any trust which is subject to the tax imposed by section 511 or which is a private foundation."

(3) Subsection (g) of section 643 of the 1986 Code is amended—

(A) by striking out the last sentence of paragraph (1), and

(B) by amending paragraph (2) to read as follows:

"(2) Time for making election.—An election under paragraph (1) shall be made on or before the 65th day after the close of the taxable year of the trust and in such manner as the Secretary may prescribe."

(e) Amendments Related to Section 1411 of the Reform Act.—

(1) Paragraph (3) of section 1(i) of the 1986 Code is amended by adding at the end thereof the following new subparagraph:

"(C) Coordination with section 644.—If tax is imposed under section 644(a)(1) with respect to the sale or exchange of any property of which the parent was the transferor, for purposes of applying subparagraph (A) to the taxable year of the parent in which such sale or exchange occurs—

"(i) taxable income of the parent shall be increased by the amount treated as included in gross income under section 644(a)(2)(A)(i), and

"(ii) the amount described in subparagraph (A)(ii) shall be increased by the amount of the excess referred to in section 644(a)(2)(A)."

(2) The last sentence of subparagraph (A) of section 1(i)(3) of the 1986 Code is amended by striking out "any deduction or credit" and inserting in lieu thereof "any exclusion, deduction, or credit".

(3) Subparagraph (A) of section 1(i)(4) of the 1986 Code is amended—

(A) by striking out "gross income for the taxable year which is not earned income" in clause (i) and inserting in lieu thereof "adjusted gross income for the taxable year which is not attributable to earned income",

(B) by striking out "his deduction" in clause (ii)(II) and inserting in lieu thereof "his deductions",

(C) by striking out "the deductions allowed" in clause (ii)(II) and inserting in lieu thereof "the itemized deductions allowed", and

(D) by striking out "gross income" in clause (ii)(II) and inserting in lieu thereof "adjusted gross income".

(4) Clause (iv) of section 6103(e)(1)(A) of the 1986 Code is amended by striking out "section 1(j)" and inserting in lieu thereof "section 1(i) or 59(j)".

(5) Section 59 of the 1986 Code is amended by adding at the end thereof the following new subsection:

"(j) Certain Unearned Income of Minor Children Taxed as if Parent's Income.—

"(1) In general.—In the case of any child to whom section 1(i) applies, the tax imposed by section 55 shall be equal to the greater of—

"(A) the tax imposed by section 55 without regard to this subsection, or

"(B) the sum of—

"(i) the tax which would be imposed by section 55 if—

"(I) the alternative minimum taxable income of such child for the taxable year were reduced by the net unearned minimum taxable income of such child, and

"(II) the regular tax of such child for the taxable year were reduced by the portion of such tax attributable to net unearned income (as defined in section 1(i)(4)), plus

"(ii) such child's share of the allocable parental minimum tax.

"(2) Allocable parental minimum tax.—For purposes of this subsection—

"(A) In general.—The term 'allocable parental minimum tax' means the excess of—

"(i) the tax which would be imposed by section 55 on the parent's alternative minimum taxable income if—

"(I) such income included the net unearned minimum taxable income of all children of the parent to whom section 1(i) applies, and

"(II) the amount of the parent's regular tax were increased by the amount of the aggregate of the regular taxes of all children of the parent to whom section 1(i) applies to the extent such taxes are attributable to net unearned income (as defined in section 1(i)(4)) of such children, over

"(ii) the tax imposed by section 55 on the parent without regard to this subsection.

For purposes of clause (i), the net unearned minimum taxable income of all children of the parent shall not be taken into account in computing any exclusion, deduction, or credit of the parent.

"(B) Child's share.—A child's share of any allocable parental minimum tax shall be determined under rules similar to the rules of section 1(i)(3)(B).

"(C) Coordination with section 644.—Rules similar to the rules of subparagraph (C) of section 1(i)(3) shall apply.

"(3) Net unearned minimum taxable income.—For purposes of this subsection, the term 'net unearned minimum taxable income' means net unearned income (as defined in section 1(i)(4) computed with the adjustments provided in sections 56, 57, and 58; except that section 56(b)(1)(E) (relating to standard deduction not allowed) shall not apply.

"(4) Other rules made applicable.—For purposes of this subsection, rules similar to the rules of paragraphs (5) and (6) of section 1(i) shall apply."

(f) Amendments Related to Section 1431 of the Reform Act.—

(1) Subsection (a) of section 2611 of the 1986 Code is amended by striking out "generation-skipping transfers" and inserting in lieu thereof "generation-skipping transfer".

(2) Paragraph (1) of section 2611(b) of the 1986 Code is amended by striking out "grantor" and inserting in lieu thereof "transferor".

(3) Subsection (a) of section 2612 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(3) Taxable termination not to include direct skip.—For purposes of this chapter, the term 'taxable termination' shall not include any transfer which is a direct skip."

(4)(A) Subchapter C of chapter 13 of the 1986 Code is amended by adding at the end thereof the following new section:

"SEC. 2625. DEDUCTION FOR TRANSFERS FOR PUBLIC, CHARITABLE, AND RELIGIOUS USES.

"For purposes of this chapter, the taxable amount in the case of any generation-skipping transfer shall be reduced by the amount which is allowable as a deduction with respect to such transfer under section 2055 or 2522 (or would be so allowable if such transfer were subject to tax imposed by chapter 11 or 12, whichever is appropriate)."

(B) The table of sections for subchapter C of chapter 13 of the 1986 Code is amended by adding at the end thereof the following new item:

"Sec. 2625. Deduction for transfers for public, charitable, and religious uses."

(C) Clause (ii) of section 2642(a)(2)(B) of the 1986 Code is amended to read as follows:

"(ii) the amount of any Federal estate tax or State death tax actually recovered from the trust attributable to such property."

(D) Clause (i) of section 2642(d)(2)(B) of the 1986 Code is amended by striking out ", reduced by any charitable deduction allowed under section 2055 or 2522 with respect to such property".

(E) The amendments shall apply for purposes of determining the inclusion ratio with respect to property transferred after June 10, 1987.

(5)(A) Section 2642 of the 1986 Code is amended by adding at the end thereof the following new subsection:

"(e) SPECIAL RULES FOR CERTAIN INTER VIVOS TRANSFERS.—Except as provided in regulations—

"(1) IN GENERAL.—For purposes of determining the inclusion ratio for any trust, if—

"(A) an individual makes an inter vivos transfer of property to such trust, and

"(B) such property would be includible in the gross estate of such individual under chapter 11 if such individual died immediately after making such transfer (other than by reason of section 2035),

except as provided in paragraph (3), any allocation of GST exemption to such property shall not be effective before the close of the estate tax inclusion period (and the value of such property shall be determined under paragraph (2)).

"(2) VALUATION.—In the case of any property to which paragraph (1) applies, the value of such property shall be—

"(A) if such property is includible in the gross estate of the transferor (other than by reason of section 2035), its value for purposes of chapter 11, or

"(B) if subparagraph (A) does not apply, its value as of the close of the estate tax inclusion period.

"(3) TREATMENT OF DISTRIBUTIONS.—If paragraph (1) applies to any property and there is a distribution to a skip person (determined after the application of section 2612(c)(2)) with respect to such property before the death of the individual referred to in paragraph (1)—

"(A) such distribution shall be treated as a direct skip whether or not such distribution is subject to tax imposed by chapter 11 or 12, and

"(B) the individual may allocate a portion of his GST exemption to such distribution.

"(4) ESTATE TAX INCLUSION PERIOD.—For purposes of this subsection, the term 'estate tax inclusion period' means any period after the transfer described in paragraph (1) during which the property involved in such transfer would be includible in the gross estate of the transferor under chapter 11 (or would be so includible but for an election to treat the property as qualified terminable interest property) if he died. Such period shall in no event extend beyond the earlier of—

"(A) the date on which there is a taxable termination with respect to such property, or

"(B) the date of the death of the transferor.

"(5) COORDINATION WITH SUBSECTION (d).—Under regulations, appropriate adjustments shall be made in the application of subsection (d) to take into account the provisions of this subsection."

(B) The last sentence of section 2642(a)(2) of the 1986 Code is amended by striking out "of subsection (b)" and inserting in lieu thereof "of subsection (b) or in subsection (e)".

(C) Subsection (b) of section 2642 of the 1986 Code is amended by inserting "Except as provided in subsection (e)—" immediately after the subsection heading.

(6)(A) Paragraph (1) of section 2613(a) of the 1986 Code is amended by striking out "a person assigned" and inserting in lieu thereof "a natural person assigned".

(B) Subsection (c) of section 2612 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(3) LOOK-THRU RULES NOT TO APPLY.—Solely for purposes of determining whether any transfer to a trust is a direct skip, the rules of section 2651(e)(2) shall not apply."

(7) Subsection (c) of section 2652 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(3) CERTAIN SUPPORT OBLIGATIONS DISREGARDED.—The fact that income or corpus of the trust may be used to satisfy an obligation of support arising under State law shall be disregarded in determining whether a person has an interest in the trust if such use is not expressly provided for in the trust instrument."

(8) Subsection (a) of section 2653 of the 1986 Code is amended—

(A) by striking out "any property" in paragraph (1) and inserting in lieu thereof "any property (or there is a transfer of property which would be a generation-skipping transfer but for section 2612(c)(2))", and

(B) by inserting before the period at the end thereof the following: "and as if such transferor were 25 years older than the oldest person in such highest generation with an interest in such trust immediately after the transfer".

(9) Paragraph (2) of section 2652(c) of the 1986 Code is amended—

(A) by striking out "NOMINAL INTERESTS" in the paragraph heading and inserting in lieu thereof "INTERESTS", and

(B) by striking out "the tax" and inserting in lieu thereof "any tax".

(10) Paragraph (1) of section 2652(a) of the 1986 Code is amended—

(A) by striking out "a transfer of a kind" each place it appears and inserting in lieu thereof "any property", and

(B) by adding at the end thereof the following new sentence:

"An individual shall be treated as transferring any property with respect to which such individual is the transferor."

(11) Section 2663 of the 1986 Code is amended by striking out "and" at the end of paragraph (1), by striking out the period at the end of paragraph (2) and inserting in lieu thereof ", and", and by adding at the end thereof the following new paragraph:

"(3) regulations providing for such adjustments as may be necessary to the application of this chapter in the case of any arrangement which, although not a trust, is treated as a trust under section 2652(b)."

(12) Subparagraph (B) of section 2642(c)(2) of the 1986 Code is amended to read as follows:

"(B) TREATMENT OF 1ST TRANSFER TO TRUST.—If the 1st transfer to a trust is a wholly nontaxable gift, the inclusion ratio for such trust immediately after such transfer shall be zero."

(13) Paragraph (3) of section 2651(e) of the 1986 Code is amended to read as follows:

"(3) TREATMENT OF CERTAIN CHARITABLE ORGANIZATIONS AND GOVERNMENTAL ENTITIES.—Any—

"(A) organization described in section 511(a)(2),

"(B) charitable trust described in section 511(b)(2), and

"(C) governmental entity,

shall be assigned to the transferor's generation."

(13) Paragraph (2) of section 2654(a) of the 1986 Code is amended—

(A) by striking out "any increase" and inserting in lieu thereof "any increase or decrease", and

(B) by striking out "such increase" and inserting in lieu thereof "such increase or decrease (as the case may be).

(14) Subsection (b) of section 2654 of the 1986 Code is amended by adding at the end thereof the following new sentence: "Except as provided in the preceding sentence, nothing in this chapter shall be construed as authorizing a single trust to be treated as 2 or more trusts."

(g) AMENDMENTS RELATED TO SECTION 1433 OF THE REFORM ACT.—

(1) Subsection (a) of section 1433 of the Reform Act is amended by striking out "this part" and inserting in lieu thereof "this subtitle".

(2) Paragraph (2) of section 1433(b) of the Reform Act is amended—

(A) by striking out "this part" in the material preceding subparagraph (A) and inserting in lieu thereof "this subtitle",

(B) by inserting before the comma at the end of subparagraph (A) the following: "(or out of income attributable to corpus so added)",

(C) by inserting "or revocable trust" after "a will" in subparagraph (B), and

(D) by striking out "on the date of the enactment of this Act" and inserting in lieu thereof "September 25, 1985".

(3) Subsection (b) of section 1433 of the Reform Act is amended by striking out paragraph (3) and inserting in lieu thereof the following new paragraphs:

"(3) TREATMENT OF CERTAIN TRANSFERS TO GRANDCHILDREN.—

"(A) IN GENERAL.—For purposes of chapter 13 of the Internal Revenue Code of 1986, the term 'direct skip' shall not include any transfer before January 1, 1990, from a transferor to a grandchild of the transferor to the extent the aggregate transfers from such transferor to such grandchild do not exceed $2,000,000.

"(B) TREATMENT OF TRANSFERS IN TRUST.—For purposes of subparagraph (A), a transfer in trust for the benefit of a grandchild shall be treated as a transfer to such grandchild if (and only if)—

"(i) during the life of the grandchild, no portion of the corpus or income of the trust may be distributed to (or for the benefit of) any person other than such grandchild, "(ii) the assets of the trust will be includible in the gross estate of the grandchild if the grandchild dies before the trust is terminated, and

"(iii) all of the income of the trust for periods after the grandchild has attained age 21 will be distributed to such grandchild not less frequently than annually.

"(C) Coordination with section 2653(a) of the 1986 code.—In the case of any transfer which would be a generation-skipping transfer but for subparagraph (A), the rules of section 2653(a) of the Internal Revenue Code of 1986 shall apply as if such transfer were a generation-skipping transfer.

"(4) Treatment of grandfathered portion of trust.—If the amendments made by this subtitle do not apply to generation-skipping transfers from any portion of a trust, notwithstanding section 2654(b) of the Internal Revenue Code of 1986, such portion shall be treated as a separate trust for purposes of applying chapter 13 of such Code.

"(5) Definitions.—Terms used in this section shall have the same respective meanings as when used in chapter 13 of the Internal Revenue Code of 1986; except that section 2612(c)(2) of such Code shall not apply in determining whether an individual is a grandchild of the transferor."

(4) Subsection (d) of section 1433 of the Reform Act is amended—

(A) by striking out "shall be treated as a direct skip" and inserting in lieu thereof "shall be treated as a direct skip to such grandchild",

(B) by striking out "would be a direct skip" in subparagraph (B) and inserting in lieu thereof "would be a direct skip to a grandchild", and

(C) by adding at the end thereof the following new sentence: "Unless the grandchild otherwise directs by will, the estate of such grandchild shall be entitled to recover from the person receiving the property on the death of the grandchild any increase in Federal estate tax on the estate of the grandchild by reason of the preceding sentence."

SEC. 115. AMENDMENTS RELATED TO TITLE XV OF THE REFORM ACT.

(a) Amendment Related to Section 1501 of the Reform Act.—Subparagraph (B) of section 6724(d)(2) of the 1986 Code is amended by striking out "6031(b)" and inserting in lieu thereof "6031(b) or (c)".

(b) Amendments Related to Section 1503 of the Reform Act.—

(1) Subparagraph (A) of section 6013(b)(5) of the 1986 Code is amended to read as follows:

"(A) Coordination with section 6653.—For purposes of section 6653, where the sum of the amounts shown as tax on the separate returns of each spouse is less than the amount shown as tax on the joint return made under this subsection—

"(i) such sum shall be treated as the amount shown on the joint return,

"(ii) any negligence (or disregard of rules or regulations) on either separate return shall be treated as negligence (or such disregard) on the joint return, and

"(iii) any fraud on either separate return shall be treated as fraud on the joint return."

(2)(A) Paragraph (1) of section 6653(a) of the 1986 Code is amended to read as follows:

"(1) In general.—If any part of any underpayment (as defined in subsection (c)) of tax required to be shown on a return is due to negligence (or disregard of rules or regulations), there shall be added to the tax an amount equal to 5 percent of the underpayment."

(B) Paragraph (1) of section 6653(b) of the 1986 Code is amended to read as follows:

"(1) In general.—If any part of any underpayment (as defined in subsection (c)) of tax required to be shown on a return is due to fraud, there shall be added to the tax an amount equal to 75 percent of the portion of the underpayment which is attributable to fraud."

(C) Paragraph (2) of section 6601(e) of the 1986 Code is amended by striking out "6659" each place it appears and inserting in lieu thereof "6653, 6659".

(3) The amendments made by this subsection shall apply to returns the due date for which (determined without regard to extensions) is after December 31, 1987.

(c) Amendment Related to Section 1504 of the Reform Act.—The repeal made by section 8002(c) of the Omnibus Budget Reconciliation Act of 1986 shall take effect as if the Tax Reform Act of 1986 had been enacted on the day before the date of the enactment of the Omnibus Budget Reconciliation Act of 1986.

(d) Amendments Related to Section 1511 of the Reform Act.—Section 6621 of the 1986 Code is amended—

(1) by striking out "short-term Federal rate" each place it appears in subsections (a) and (b)(1) and inserting in lieu thereof "Federal short-term rate", and

(2) by striking out "Short-Term Federal Rate" in the heading of subsection (b) and inserting in lieu thereof "Federal Short-Term Rate".

(e) Amendments Related to Section 1521 of the Reform Act.—

(1)(A) Paragraph (1) of section 6045(c) of the 1986 Code is amended by adding at the end thereof the following new sentence:

"A person shall not be treated as a broker with respect to activities consisting of managing a farm on behalf of another person."

(B) The amendment made by subparagraph (A) shall take effect as if included in the amendments made by section 311(a)(1) of the Tax Equity and Fiscal Responsibility Act of 1982.

(2)(A) Subsection (e) of section 6045 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(3) Prohibition of separate charge for filing return.—It shall be unlawful for any real estate broker to separately charge any customer for complying with any requirement of paragraph (1)."

(B) The amendment made by subparagraph (A) shall take effect on the date of the enactment of this Act.

(f) Amendment Related to Section 1522 of the Reform Act.—Section 6050M of the 1986 Code is amended by adding at the end thereof the following new subsection:

"(e) Exception for Certain Classified or Confidential Contracts.—

"(1) In general.—Except as provided in paragraph (2), this section shall not apply in the case of a contract described in paragraph (3).

"(2) Reporting requirement.—Each Federal executive agency which has entered into a contract described in paragraph (3) shall, upon a request of the Secretary which identifies a particular person, acknowledge whether such person has entered into such a contract with such agency and, if so, provide to the Secretary—

"(A) the information required under this section with respect to such person, and

"(B) such other information with respect to such person which the Secretary and the head of such Federal executive agency agree is appropriate.

"(3) Description of contract.—For purposes of this subsection, a contract between a Federal executive agency and another person is described in this paragraph if—

"(A) the fact of the existence of such contract or the subject matter of such contract has been designated and clearly marked or clearly represented, pursuant to the provisions of Federal law or an Executive order, as requiring a specific degree of protection against unauthorized disclosure for reasons of national security, or

"(B) the head of such Federal executive agency (or his designee) pursuant to regulations issued by such agency determines, in writing, that filing the required return under this section would interfere with the effective conduct of a confidential law enforcement or foreign counterintelligence activity."

(g) Amendments Related to Section 1523 of the Reform Act.—Section 6676 of the 1986 Code is amended—

(1) by striking out "6049, or 6050N" in subsection (a)(3) and inserting in lieu thereof "or 6049",

(2) by striking out "6049, or 6050N" in subsection (b)(1)(A) and inserting in lieu thereof "or 6049", and

(3) by striking out ", Dividends, and Royalties" in the heading for subsection (b) and inserting in lieu thereof "and Dividend".

(h) Amendments Related to Section 1542 of the Reform Act.—Subsection (h) of section 6154 of the 1986 Code is amended—

(1) by striking out "subject to the tax imposed by section 4940" in paragraph (1),

(2) by amending paragraph (2) to read as follows:

"(2) any tax imposed by section 511, and any tax imposed by section 1 or 4940 on a private foundation, shall be treated as a tax imposed by section 11, and", and

(3) by adding at the end thereof the following new sentence:

"In the case of an organization described in paragraph (1), subsection (c) of section 6655 shall be applied by substituting '5th month" for 'third month'."

(i) Amendment Related to Section 1551 of the Reform Act.—Clause (iii) of section 7430(c)(2)(A) of the 1986 Code is amended to read as follows:

"(iii) meets the requirements of the 1st sentence of section 2412(d)(1)(B) of title 28, United States Code (as in effect on October 22, 1986) and meets the requirements of section 2412(d)(2)(B) of such title 28 (as so in effect)."

(j) Provision Related to Section 1556 of the Reform Act.—To the extent the salary recommendations submitted by the President on January 5, 1987, are inconsistent with the provisions of section 7443A(d)(1) of the 1986 Code, such recommendations shall not be effective for any period.

(k) Amendment Related to Section 1557 of the Reform Act.—

(1) Subsection (d) of section 7447 of the 1986 Code is amended by adding at the end thereof the following new sentence: "In computing the rate of the retired pay under paragraph (1) of this subsection for any individual who is entitled thereto, any period during which such individual performs services under subsection (c) on a substantially full-time basis shall be treated as a period during which he has served as a judge."

(2) The amendment made by paragraph (1) shall apply for purposes of determining

the amount of retired pay for months beginning after the date of the enactment of this Act regardless of when the services under section 7447(c) of the 1986 Code were performed.

(l) Amendments Related to Section 1561 of the Reform Act.—

(1) Subsection (e)(2) of section 7609 of the 1986 Code is amended—

(A) by inserting "or the summoned party's response to a summons described in subsection (f)," after "the summons described in subsection (c),", and

(B) by striking out "the summons is issued other" and inserting in lieu thereof "the summons is issued".

(2) Subsection (i) of section 7609 of the 1986 Code is amended—

(A) by striking out "the third-party recordkeeper" in paragraph (4) and inserting in lieu thereof "the summoned party", and

(B) by inserting "AND SUMMONED PARTY" after "RECORDKEEPER" in the subsection heading.

(3) The amendments made by this subsection shall take effect on the date of the enactment of this Act.

(m) Amendment Related to Section 1562 of the Reform Act.—Subsection (d) of section 6212 of the 1986 Code is amended by adding at the end thereof the following new sentence: "Nothing in this subsection shall affect any suspension of the running of any period of limitations during any period during which the rescinded notice was outstanding."

(n) General Requirement of Return, Statement, or List.—

(1) Subsection (a) of section 6011 of the 1986 Code is amended by striking out "for the collection thereof" and inserting in lieu thereof "with respect to the collection thereof".

(2) The amendment made by paragraph (1) shall take effect on the date of the enactment of this Act.

(o) Certain Refundable Credits To Be Assessed Under Deficiency Procedures.—

(1) Subsection (a) of section 6201 of the 1986 Code is amended by striking out paragraph (4).

(2) Paragraph (4) of section 6211(b) is amended to read as follows:

"(4) For purposes of subsection (a)—

"(A) any excess of the sum of the credits allowable under sections 32 and 34 over the tax imposed by subtitle A (determined without regard to such credits), and

"(B) any excess of the sum of such credits as shown by the taxpayer on his return over the amount shown as the tax by the taxpayer on such return (determined without regard to such credits),

shall be taken into account as negative amounts of tax."

(3) Subsection (h) of section 6213 of the 1986 Code is amended by striking out paragraph (3) and by redesignating paragraph (4) as paragraph (3).

(4) The amendments made by this subsection shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 116. AMENDMENTS RELATED TO TITLE XVI OF THE REFORM ACT.

(a) Amendments Related to Section 1603 of the Reform Act.—

(1) Subparagraph (A) of section 501(c)(25) of the 1986 Code is amended by adding at the end thereof the following new sentence: "For purposes of clause (iii), the term 'real property' shall not include any interest as a tenant in common (or similar interest) and shall not include any indirect interest."

(2) Subparagraph (D) of section 501(c)(25) of the 1986 Code is amended by striking out so much of such subparagraph as precedes clause (i) and inserting in lieu thereof the following:

"(D) A corporation or trust shall in no event be treated as described in subparagraph (A) unless such corporation or trust permits its shareholders or beneficiaries—"

(3)(A) Paragraph (25) of section 501(c) of the 1986 Code is amended by adding at the end thereof the following new subparagraph:

"(E)(i) For purposes of this title—

"(I) a corporation which is a qualified subsidiary shall not be treated as a separate corporation, and

"(II) all assets, liabilities, and items of income, deduction, and credit of a qualified subsidiary shall be treated as assets, liabilities, and such items (as the case may be) of the corporation or trust described in subparagraph (A).

"(ii) For purposes of this subparagraph, the term 'qualified subsidiary' means any corporation if, at all times during the period such corporation was in existence, 100 percent of the stock of such corporation is held by the corporation or trust described in subparagraph (A).

"(iii) For purposes of this subtitle, if any corporation which was a qualified subsidiary ceases to meet the requirements of clause (ii), such corporation shall be treated as a new corporation acquiring all of its assets (and assuming all of its liabilities) immediately before such cessation from the corporation or trust described in subparagraph (A) in exchange for its stock."

(B) Subparagraph (C) of section 501(c)(25) of the 1986 Code is amended by inserting "or" at the end of clause (iii), by striking out ", or" at the end of clause (iv) and inserting in lieu thereof a period, and by striking out clause (v).

(4) Paragraph (25) of section 501(c) of the 1986 Code is amended by adding at the end thereof the following new subparagraph:

"(F) For purposes of subparagraph (A), the term 'real property' includes any personal property which is leased under, or in connection with, a lease of real property, but only if the rent attributable to such personal property (determined under the rules of section 856(d)(1)) for the taxable year does not exceed 15 percent of the total rent for the taxable year attributable to both the real and personal property leased under, or in connection with, such lease."

(5) Paragraph (9) of section 514(c) of the 1986 Code is amended by adding at the end thereof the following new subparagraph:

"(E) SPECIAL RULES FOR ORGANIZATIONS DESCRIBED IN SECTION 501(C)(25).—

"(i) IN GENERAL.—In computing under section 512 the unrelated business taxable income of a disqualified holder of an interest in an organization described in section 501(c)(25), there shall be taken into account—

"(I) as gross income derived from an unrelated trade or business, such holder's pro rata share of the items of income described in clause (ii)(I) of such organization, and

"(II) as deductions allowable in computing unrelated business taxable income, such holder's pro rata share of the items of deduction described in clause (ii)(II) of such organization.

Such amounts shall be taken into account for the taxable year of the holder in which (or with which) the taxable year of such organization ends.

"(ii) DESCRIPTION OF AMOUNTS.—For purposes of clause (i)—

"(I) gross income is described in this clause to the extent such income would (but for this paragraph) be treated under subsection (a) as derived from an unrelated trade or business, and

"(II) any deduction is described in this clause to the extent it would (but for this paragraph) be allowable under subsection (a)(2) in computing unrelated business taxable income.

"(iii) DISQUALIFIED HOLDER.—For purposes of this subparagraph, the term 'disqualified holder' means any shareholder (or beneficiary) which is not described in clause (i) or (ii) of subparagraph (C)."

(6) The last sentence of section 514(c)(9)(B) of the 1986 Code is amended by striking out "clause (vi)" and inserting in lieu thereof "this paragraph".

(b) Repeal of Section 1608 of the Reform Act.—Section 1608 of the Reform Act is hereby repealed.

SEC. 117. AMENDMENTS RELATED TO TITLE XVII OF THE REFORM ACT.

(a) Amendments Related to Section 1701 of the Reform Act.—Clause (i) of section 51(d)(12)(B) of the 1986 Code is amended by striking out "subsection (a)(1)" and inserting in lieu thereof "subsection (a)".

(b) Amendments Related to Section 1702 of the Reform Act.—

(1) Section 6652 of the 1986 Code is amended by redesignating the subsection (j) added by section 1702(b) of the Reform Act as subsection (k).

(2) Subsection (k) of section 6652 of the 1986 Code, as redesignated by paragraph (1), is amended by inserting "(and the corresponding provision of section 4041(d)(1))" after "section 4041(a)(1)".

(3) Subsection (b) of section 1702 of the Reform Act is amended by striking out "subsection (j) as subsection (k) and by inserting after subsection (i)" and inserting in lieu thereof "subsection (k) as subsection (l) and by inserting after subsection (j)"

(4) Subparagraph (B) of section 4041(n)(4) of the 1986 Code is amended by striking out "section 6652(j)" and inserting in lieu thereof "section 6652(k)".

(c) Amendments Related to Section 1703 of the Reform Act.—

(1)(A) Subsection (a) of section 4081 of the 1986 Code, as amended by section 1703 of the Reform Act, is amended by redesignating paragraph (2) as paragraph (3) and by striking out paragraph (1) and inserting in lieu thereof the following new paragraphs:

"(1) IN GENERAL.—There is hereby imposed a tax at the rate specified in paragraph (2) on the earlier of—

"(A) the removal, or

"(B) the sale,

of gasoline by the refiner or importer thereof or the terminal operator.

"(2) RATES OF TAX.—

"(A) IN GENERAL.—The rate of the tax imposed by this section is the sum of—

"(i) the Highway Trust Fund financing rate, and

"(ii) the Leaking Underground Storage Tank Trust Fund financing rate.

"(B) RATES.—For purposes of subparagraph (A)—

"(i) the Highway Trust Fund financing rate is 9 cents a gallon, and

"(ii) the Leaking Underground Storage Tank Trust Fund financing rate is 0.1 cent a gallon."

(B) Subsections (b) and (c) of section 4081 of the 1986 Code, as amended by section 1703 of the Reform Act, are each amended by striking out "subsection (d)" and inserting in lieu thereof "subsection (a)".

(C) Subsection (e) of section 4081 of the 1986 Code, as amended by section 1703 of the Reform Act, is amended—

(i) by striking out "subsection (d)(2)(A)" in paragraph (1) and inserting in lieu thereof "subsection (a)(2)", and

(ii) by striking out "subsection (d)(2)(B)" each place it appears in paragraph (2) and inserting in lieu thereof "subsection (a)(2)".

(D) Section 4081 of the 1986 Code, as amended by section 1703 of the Reform Act, is amended by striking out subsection (d) and by redesignating subsection (e) as subsection (d).

(2) Subsection (b) of section 34 of the 1986 Code is amended by striking out "section 6421(i) or 6427(j)" and inserting in lieu thereof "section 6421(j) or 6427(k)".

(3) Sections 4041(b)(1)(C) and 6427(l)(3) of the 1986 Code are each amended by striking out "6421(d)(2)" and inserting in lieu thereof "section 6421(e)(2)".

(4) Paragraph (3) of section 4041(f) of the 1986 Code is amended to read as follows:

"(3) Termination.—Except with respect to the taxes imposed by subsection (d), paragraph (1) shall not apply on and after October 1, 1988."

(5) The 1st sentence of section 4221(a) of the 1986 Code (as amended by section 1703 of the Reform Act) is amended by striking out all that follows "chapter" through "manufacturer" and inserting in lieu thereof "(other than under section 4121 or section 4081) on the sale by the manufacturer".

(6) Section 6421 of the 1986 Code is amended by redesignating subsection (i) (relating to income tax credit in lieu of payment) and subsection (j) (relating to cross references) as subsections (j) and (k), respectively.

(7) Subsections (a) and (b)(1) of section 6421 of the 1986 Code are each amended by striking out "subsection (i)" and inserting in lieu thereof "subsection (j)".

(8) Paragraph (2) of section 6421(j) of the 1986 Code (as redesignated by paragraph (6)) is amended by striking out "subsection (c)(2)" and inserting in lieu thereof "subsection (d)(2)".

(9) Sections 7210, 7603, 7604(b), 7604(c)(2), 7605(a), 7609(c)(1), and 7610(c) of the 1986 Code are each amended by striking out "6421(f)(2)" and inserting in lieu thereof "6421(g)(2)".

(10) Paragraph (2) of section 6427(k) of the 1986 Code is amended by striking out "(h)(3)" and inserting in lieu thereof "(i)(3)".

(11) Paragraph (6) of section 6511(i) of the 1986 Code is amended by striking out "section 6421(c)" and inserting in lieu thereof "section 6421(d)".

(12) Subparagraph (G) of section 1703(e)(2) of the Reform Act is amended by striking out all that follows "are amended" and inserting in lieu thereof "by striking out '6427(i)(2)' and inserting in lieu thereof '6427(j)(2)'."

(13) Paragraph (2) of section 1703(f) of the Reform Act is amended by adding at the end thereof the following new sentence: "All other provisions of law, including penalties, applicable with respect to the taxes imposed by section 4081 of the Internal Revenue Code of 1986 shall apply to the floor stocks taxes imposed by this section."

SEC. 118. AMENDMENTS RELATED TO TITLE XVIII OF THE REFORM ACT.

(a) Amendment Related to Section 1801 of the Reform Act.—Clause (iii) of section 1801(a)(2)(A) of the Reform Act is amended to read as follows:

"(iii) a person became a partner in such partnership (or a beneficiary in such trust) after its formation but before September 26, 1985,".

(b) Amendments Related to Section 1802 of the Reform Act.—

(1) The last sentence of section 31(g)(17)(L) of the Tax Reform Act of 1984, as added by section 1802(a)(10)(G) of the Reform Act, is amended—

(A) by striking out "Registry of Deeds" each place it appears and inserting in lieu thereof "Register of Deed", and

(B) by striking out "May 7, 1985" and inserting in lieu thereof "May 7, 1984".

(2) Subparagraph (E) of section 168(j)(9) of the 1986 Code (as amended by section 1802(a)(2) of the Reform Act and as in effect before the amendments made by section 201 of the Reform Act) is amended—

(A) by striking out "this paragraph" in clauses (i) and (ii)(I) and inserting in lieu thereof "this paragraph and paragraph (8)", and

(B) by striking out clause (iii) and inserting in lieu thereof the following:

"(iii) Tax-exempt controlled entity.—

"(I) In general.—The term 'tax-exempt controlled entity' means any corporation (which is not a tax-exempt entity determined without regard to this subparagraph and paragraph (4)(E)) if 50 percent or more (in value) of the stock in such corporation is held by 1 or more tax-exempt entities (other than a foreign person or entity).

"(II) Only 5-percent shareholders taken into account in case of publicly traded stock.—For purposes of subclause (I), in the case of a corporation the stock of which is publicly traded on an established securities market, stock held by a tax-exempt entity shall not be taken into account unless such entity holds at least 5 percent (in value) of the stock in such corporation. For purposes of this subclause, related entities (within the meaning of paragraph (7)) shall be treated as 1 entity.

"(III) Section 318 to apply.—For purposes of this clause, a tax-exempt entity shall be treated as holding stock which it holds through application of section 318 (determined without regard to the 50-percent limitation contained in subsection (a)(2)(C) thereof)."

(c) Amendment Related to Section 1803(a)(8) of the Reform Act.—Subparagraph (A) of section 1803(a)(8) of the Reform Act is amended by striking out "September 27, 1985" and inserting in lieu thereof "December 31, 1985".

(d) Amendments Related to Section 1804 of the Reform Act.—

(1) Paragraph (3) of section 1804(b) of the Reform Act is amended by striking out "Paragraph (3) of section 54" and inserting "Paragraph (3) of section 54(d)".

(2) Clause (i) of section 54(d)(3)(D) of the Tax Reform Act of 1984 is amended by striking out "subtitle D of title VI" and inserting "subtitle D of title VI of the Tax Reform Act of 1986".

(3) Subsection (b) of section 312 of the 1986 Code is amended by striking out "of any property" and inserting in lieu thereof "of any property (other than an obligation of such corporation)".

(4)(A) Section 361 of the 1986 Code is amended to read as follows:

"SEC. 361. NONRECOGNITION OF GAIN OR LOSS TO CORPORATIONS; TREATMENT OF DISTRIBUTIONS.

"(a) General Rule.—No gain or loss shall be recognized to a corporation if such corporation is a party to a reorganization and exchanges property, in pursuance of the plan of reorganization, solely for stock or securities in another corporation a party to the reorganization.

"(b) Exchanges Not Solely in Kind.—

"(1) Gain.—If subsection (a) would apply to an exchange but for the fact that the property received in exchange consists not only of stock or securities permitted by subsection (a) to be received without the recognition of gain, but also of other property or money, then—

"(A) Property distributed.—If the corporation receiving such other property or money distributes it in pursuance of the plan of reorganization, no gain to the corporation shall be recognized from the exchange, but

"(B) Property not distributed.—If the corporation receiving such other property or money does not distribute it in pursuance of the plan of reorganization, the gain, if any, to the corporation shall be recognized.

The amount of gain recognized under subparagraph (B) shall not exceed the sum of the money and the fair market value of the other property so received which is not so distributed.

"(2) Loss.—If subsection (a) would apply to an exchange but for the fact that the property received in exchange consists not only of property permitted by subsection (a) to be received without the recognition of gain or loss, but also of other property or money, then no loss from the exchange shall be recognized.

"(3) Treatment of transfers to creditors.—For purposes of paragraph (1), any transfer of the other property or money received in the exchange by the corporation to its creditors in connection with the reorganization shall be treated as a distribution in pursuance of the plan of reorganization. The Secretary may prescribe such regulations as may be necessary to prevent avoidance of tax through abuse of the preceding sentence or subsection (c)(3).

"(c) Treatment of Distributions.—

"(1) In general.—Except as provided in paragraph (2), no gain or loss shall be recognized to a corporation a party to a reorganization on the distribution to its shareholders of property in pursuance of the plan of reorganization.

"(2) Distributions of appreciated property.—

"(A) In general.—If—

"(i) in a distribution referred to in paragraph (1), the corporation distributes property other than qualified property, and

"(ii) the fair market value of such property exceeds its adjusted basis (in the hands of the distributing corporation),

then gain shall be recognized to the distributing corporation as if such property were sold to the distributee at its fair market value.

"(B) Qualified property.—For purposes of this subsection, the term 'qualified property' means—

"(i) any stock in (or right to acquire stock in) the distributing corporation or obligation of the distributing corporation, or

"(ii) any stock in (or right to acquire stock in) another corporation which is a party to the reorganization or obligation of another corporation which is such a party if such stock (or right) or obligation is received by the distributing corporation in the exchange.

"(C) TREATMENT OF LIABILITIES IN EXCESS OF BASIS.—If any property distributed in the distribution referred to in paragraph (1) is subject to a liability or the shareholder assumes a liability of the distributing corporation in connection with the distribution, then, for purposes of subparagraph (A), the fair market value of such property shall be treated as not less than the amount of such liability.

"(3) TREATMENT OF CERTAIN TRANSFERS TO CREDITORS.—For purposes of this subsection, any transfer of qualified property by the corporation to its creditors in connection with the reorganization shall be treated as a distribution to its shareholders pursuant to the plan of reorganization.

"(4) COORDINATION WITH OTHER PROVISIONS.—Section 311 and subpart B of part II of this subchapter shall not apply to any distribution referred to in paragraph (1)."

(B) Section 358 of the 1986 Code is amended by adding at the end thereof the following new subsection:

"(f) DEFINITION OF NONRECOGNITION PROPERTY IN CASE OF SECTION 361 EXCHANGE.—For purposes of this section, the property permitted to be received under section 361 without the recognition of gain or loss shall be treated as consisting only of stock or securities in another corporation a party to the reorganization."

(C) Section 355 of the 1986 Code is amended by adding at the end thereof the following new subsection:

"(c) TAXABILITY OF CORPORATION ON DISTRIBUTION.—Section 311 shall apply to any distribution—

"(1) to which this section (or so much of section 356 as relates to this section) applies, and

"(2) which is not in pursuance of a plan of reorganization,

in the same manner as if such distribution were a distribution to which subpart A of part I applies; except that subsection (b) of section 311 shall not apply to any distribution of stock or securities in the controlled corporation."

(D) Subsection (c) of section 336 of the 1986 Code (as amended by section 631 of the Reform Act) is amended to read as follows:

"(c) EXCEPTION FOR LIQUIDATIONS WHICH ARE PART OF A REORGANIZATION.—

"For provision providing that this subpart does not apply to distributions in pursuance of a plan of reorganization, see section 361(c)(4)."

(E) Subsection (a) of section 311 of the 1986 Code is amended by striking out "distribution, with respect to its stock," and inserting in lieu thereof "distribution (not in complete liquidation) with respect to its stock".

(F) The table of sections for subpart C of part III of subchapter C of chapter 1 of the 1986 Code is amended by striking out the item relating to section 361 and inserting in lieu thereof the following new item:

"Sec. 361. Nonrecognition of gain or loss to corporations; treatment of distributions."

(5) Subparagraph (A) of section 280G(b)(5) of the 1986 Code is amended—

(A) in clause (i) by striking out "section 1361(b))" and inserting in lieu thereof "section 1361(b) but without regard to paragraph (1)(C) thereof)", and

(B) by adding at the end thereof the following: "Stock described in section 1504(a)(4) shall not be taken into account under clause (ii)(I) if the payment does not adversely affect the shareholder's redemption and liquidation rights."

(6) Subparagraph (B) of section 280G(b)(5) of the 1986 Code (relating to shareholder approval requirements) is amended by adding at the end thereof the following new sentence:

"The regulations prescribed under subsection (e) shall include regulations providing for the application of this subparagraph in the case of shareholders which are not individuals (including the treatment of nonvoting interests in an entity which is a shareholder) and where an entity holds a de minimis amount of stock in the corporation."

(7) Paragraph (5) of section 280G(d) of the 1986 Code is amended by striking out "officer or any member" and inserting in lieu thereof "officer of any member".

(e) AMENDMENTS RELATED TO SECTION 1807 OF THE REFORM ACT.—

(1) Paragraphs (1)(A) and (2)(E) of section 468B(d) of the 1986 Code are each amended by striking out "the taxpayer" and inserting in lieu thereof "the taxpayer (or any related person)".

(2) Subparagraph (A) of section 468B(d)(2) of the 1986 Code is amended to read as follows—

"(A) which is established pursuant to a court order and which extinguishes completely the taxpayer's tort liability with respect to claims described in subparagraph (D),".

(3) Clause (i) of section 1807(a)(7)(C) of the Reform Act is amended to read as follows:

"(i) any portion of such fund which is established pursuant to a court order and with qualified payments, which meets the requirements of subparagraphs (C) and (D) of section 468B(d)(2) of the Internal Revenue Code of 1954 (as added by this paragraph), and with respect to which an election is made under subparagraph (F) thereof, shall be treated as a designated settlement fund for purposes of section 468B of such Code,"

(4) Paragraph (2) of section 468B(b) of the 1986 Code is amended—

(A) by striking out "the corporation," and inserting in lieu thereof "a corporation.", and

(B) by striking out "no other" and inserting in lieu thereof "No other".

(f) AMENDMENTS RELATED TO SECTION 1810 OF THE REFORM ACT.—

(1) Paragraph (5) of section 1810(a) of the Reform Act is amended by striking out "section 125(b)(5)" each place it appears and inserting in lieu thereof "section 121(b)(5)".

(2) Section 133(d)(3)(B)(iii) of the Tax Reform Act of 1984, as amended by section 1810(i)(2) of the Reform Act, is amended by striking out "Tax Reform Act of 1985" and inserting in lieu thereof "Tax Reform Act of 1986".

(3) Clause (iv) of section 7701(b)(5)(A) of the 1986 Code is amended by striking out "section 274(k)(2)" and inserting in lieu thereof "section 274(l)(1)(B)".

(g) AMENDMENT RELATED TO SECTION 1821 OF THE REFORM ACT.—

(1) Subsection (e) of section 812 of the 1986 Code (relating to dividends from certain subsidiaries not included in gross investment income) is amended to read as follows:

"(e) DIVIDENDS FROM CERTAIN SUBSIDIARIES NOT INCLUDED IN GROSS INVESTMENT INCOME.—

"(1) IN GENERAL.—For purposes of this section, the term 'gross investment income' shall not include any dividend received by the life insurance company which is a 100 percent dividend.

"(2) 100 PERCENT DIVIDEND DEFINED.—

"(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), the term '100 percent dividend' means any dividend if the percentage used for purposes of determining the deduction allowable under section 243, 244, or 245(b) is 100 percent.

"(B) CERTAIN DIVIDENDS OUT OF TAX-EXEMPT INTEREST, ETC.—The term '100 percent dividend' does not include any distribution by a corporation to the extent such distribution is out of tax-exempt interest or out of dividends which are not 100 percent dividends (determined with the application of this subparagraph).

"(C) CERTAIN DIVIDENDS RECEIVED BY FOREIGN CORPORATIONS.—The term '100 percent dividends' does not include any dividend described in section 805(a)(4)(E) (relating to certain dividends in the case of foreign corporations)."

(2) The amendment made by paragraph (1) shall take effect as if included in the amendments made by section 211 of the Tax Reform Act of 1984.

(h) AMENDMENT RELATED TO SECTION 1822 OF THE REFORM ACT.—Clause (i) of section 216(b)(4)(C) of the Tax Reform Act of 1984 (relating to section 818(c) elections made by certain acquired companies) is amended by striking out "clause (i)" and inserting in lieu thereof "subclause (I)".

(i) AMENDMENT RELATED TO SECTION 1825 OF THE REFORM ACT.—Paragraph (4) of section 1825(a) of the Reform Act (relating to amendments related to section 221 of the Tax Reform Act of 1984) is amended by striking out "Section 7702(e)(2)" and inserting in lieu thereof "Effective with respect to contracts entered into after October 22, 1986, section 7702(e)(2)".

(j) AMENDMENTS RELATED TO SECTION 1866 OF THE REFORM ACT.—

(1) Section 1866 of the Reform Act is amended by striking out "obligation issued to refund" and inserting in lieu thereof "obligation (or series of obligations) issued to refund".

(2)(A) Paragraph (1) of section 1866 of the Reform Act is amended to read as follows:

"(1) the average maturity of the issue of which the refunding obligation is a part does not exceed the average maturity of the obligations to be refunded by such issue,".

(B) Section 1866 of the Reform Act is amended by adding at the end thereof the following new sentence: "For purposes of paragraph (1), average maturity shall be determined in accordance with subsection (b)(14)(B)(i) of such Code."

(3) Paragraph (4) of section 1866 of the Reform Act is amended by striking out "30 days" and inserting in lieu thereof "90 days".

(4) Section 1866 of the Reform Act is amended by adding "and" at the end of paragraph (2), by striking out paragraph (3), and by redesignating paragraph (4) as paragraph (3).

(5) A refunding obligation issued before July 1, 1987, shall be treated as meeting the requirement of paragraph (1) of section 1866 of the Reform Act if such obligation met the requirement of such paragraph as enacted by the Reform Act.

(k) AMENDMENTS RELATED TO SECTION 1869 OF THE REFORM ACT.—

(1) Clause (ii) of section 1869(c)(3)(A) of the Reform Act is amended by striking out "pursuant to the exercise of eminent domain" and inserting in lieu thereof "(by a

governmental unit having the power to exercise eminent domain)".

(2) Subparagraph (C) of section 1869(c)(3) of the Reform Act is amended by inserting "(or similar issues)" after "resulting from the issue".

(l) Amendments Related to Section 1875 of the Reform Act.—

(1) Clause (ii) of section 6230(a)(2)(A) of the 1986 Code is amended by striking out "nonpartnership items" and inserting in lieu thereof "nonpartnership items (other than by reason of section 6231(b)(1)(C))".

(2) Subsection (g) of section 1246 of the 1986 Code (as redesignated by this Act) is amended by striking out "1248(g)(3)" and inserting in lieu thereof "1248(g)(2)".

(m) Amendment Related to Section 1878 of the Reform Act.—Paragraph (1) of section 852(e) of the 1986 Code is amended by striking out "subsection (a)(3)" and inserting in lieu thereof "subsection (a)(2)".

(n) Amendments Related to Section 1879 of the Reform Act.—

(1) Subclause (II) of section 28(b)(2)(A)(ii) of the 1986 Code is amended to read as follows:

"(II) before the date on which an application with respect to such drug is approved under section 505(b) or 507 of such Act or, if the drug is a biological product, before the date on which a license for such drug is issued under section 351 of the Public Health Service Act; and".

(2) The last sentence of section 1361(d)(3) of the 1986 Code is amended by striking out "treated as a separate trust under section 663(c)" and inserting in lieu thereof "within the meaning of section 663(c)".

(3) Subsection (p) of section 1879 of the Reform Act is amended—

(A) by striking out "Subsection (a)" in paragraph (2) and inserting "Paragraph (1)", and

(B) by striking out "subsection (a)" each place it appears in paragraphs (2) and (3) and inserting in lieu thereof "paragraph (1)".

(4)(A) Subsection (d) of section 1286 of the 1986 Code is amended to read as follows:

"(d) Special Rules for Tax-Exempt Obligations.—

"(1) In general.—In the case of any tax-exempt obligation (as defined in section 1275(a)(3)) from which 1 or more coupons have been stripped—

"(A) the amount of the original issue discount determined under subsection (a) with respect to any stripped bond or stripped coupon—

"(i) shall be treated as original issue discount on a tax-exempt obligation to the extent such discount does not exceed the tax-exempt portion of such discount, and

"(ii) shall be treated as original issue discount on an obligation which is not a tax-exempt obligation to the extent such discount exceeds the tax-exempt portion of such discount,

"(B) subsection (b)(1)(A) shall not apply, and

"(C) subsection (b)(2) shall be applied by increasing the basis of the bond or coupon by the sum of—

"(i) the interest accrued but not paid before such bond or coupon was disposed of (and not previously reflected in basis), plus

"(ii) the amount included in gross income under subsection (b)(1)(B).

"(2) Tax-exempt portion.—For purposes of paragraph (1), the tax-exempt portion of the original issue discount determined under subsection (a) is the excess of—

"(A) the amount referred to in subsection (a)(1), over

"(B) an issue price which would produce a yield to maturity as of the purchase date equal to the lower of—

"(i) the coupon rate of interest on the obligation from which the coupons were separated, or

"(ii) the yield to maturity (on the basis of the purchase price) of the stripped obligation or coupon.

The purchaser of any stripped obligation or coupon may elect to apply clause (i) by substituting 'original yield to maturity of' for 'coupon rate of interest on'."

(B)(i) Except as provided in clause (ii), the amendment made by subparagraph (A) shall apply to any purchase or sale after June 10, 1987, of any stripped tax-exempt obligation or stripped coupon from such an obligation.

(ii) If—

(I) any person held any obligation or coupon in stripped form on June 10, 1987, and

(II) such obligation or coupon was held by such person on such date for sale in the ordinary course of such person's trade or business,

the amendment made by subparagraph (A) shall not apply to any sale of such obligation or coupon by such person and shall not apply to any such obligation or coupon while held by another person who purchased such obligation or coupon from the person referred to in subclause (I).

(5) Clause (ii) of section 368(a)(2)(F) of the 1986 Code is amended—

(A) by striking out the two parenthetical phrases in the first sentence, and

(B) by adding at the end thereof the following new sentence: "For purposes of this clause, a person holding stock in a regulated investment company, a real estate investment trust, or an investment company which meets the requirements of this clause shall, except as provided in regulations, be treated as holding its proportionate share of the assets held by such company or trust."

(o) Amendments Related to Section 1895 of the Reform Act.—

(1) Subsection (b) of section 1895 of the Reform Act is amended by striking out paragraphs (1) and (2).

(2)(A) Clause (ii) of section 3121(u)(2)(B) of the 1986 Code is amended by striking out "or" at the end of subclause (IV), by striking out the period at the end of subclause (V) and inserting in lieu thereof ", or", and by inserting after subclause (V) the following new subclause:

"(VI) by an individual in a position described in section 1402(c)(2)(E)."

(B) The amendment made by subparagraph (A) shall apply to services performed after March 31, 1986.

(p) Correction of Cross Reference.—Subsection (a) of section 8021 of the 1986 Code is amended by striking out "6103(d)" and inserting in lieu thereof "6103(f)".

(q) Additional Amendments Related to Pension Plans.—

(1) Amendments related to section 1826 of the reform act.—

(A) Section 72(s)(7) of the 1986 Code is amended by striking out "primary annuity" and inserting in lieu thereof "primary annuitant".

(B) Section 72(q)(2)(B) of the 1986 Code is amended by striking out the last parenthesis.

(C) Section 419A(f)(5) of the 1986 Code is amended by striking out "accounts" and inserting in lieu thereof "account".

(D) Section 1826(c) of the Reform Act is amended by striking out "made" and inserting in lieu thereof "commencing".

(2) Amendments related to section 1851 of the reform act.—

(A) Section 1851(a) of the Reform Act is amended by striking out paragraph (4) thereof.

(B) Subclause (II) of section 512(a)(3)(E)(ii) of the 1986 Code is amended by striking out "subclause (II)" and inserting in lieu thereof "subclause (I)".

(C) Section 419(a) of the 1986 Code is amended by striking out "subchapter" and inserting in lieu thereof "chapter".

(D) Subparagraph (B) of section 1851(a)(3) of the Reform Act is amended by inserting ", section 505, and section 4976(b)(1)(B)" after "section 419A".

(3) Amendments related to section 1852 of the reform act.—

(A) Paragraph (4) of section 1852(a) of the Reform Act is amended by adding at the end thereof the following new subparagraph:

"(C) An individual whose required beginning date would, but for the amendment made by subparagraph (A), occur after December 31, 1986, but whose required beginning date after such amendment occurs before January 1, 1987, shall be treated as if such individual had become a 5-percent owner during the plan year ending in 1986."

(B) Paragraph (1) of section 4402(h) of the Employee Retirement Income Security Act of 1974 is amended by striking out "January 12, 1982" the second place it appears and inserting in lieu thereof "January 16, 1982".

(C) Section 1852(h)(2) of the Reform Act is amended by striking out "section 416(l)" and inserting in lieu thereof "section 415(l)".

(4) Amendments related to section 1854 of the reform act.—

(A) Section 404(k) of the 1986 Code is amended by striking out "avoidance" in the 4th sentence and inserting in lieu thereof "evasion".

(B) Section 409(h)(2) of the 1986 Code (relating to plan may distribute cash) is amended by striking out "section 409(o)" and inserting in lieu thereof "paragraph (1)(B)".

(C) Subparagraph (C) of section 409(n)(3) of the 1986 Code (defining nonallocation period) is amended to read as follows:

"(C) Nonallocation period.—The term 'nonallocation period' means the period beginning on the date of the sale of the qualified securities and ending on the later of—

"(i) the date which is 10 years after the date of sale, or

"(ii) the date of the plan allocation attributable to the final payment of acquisition indebtedness incurred in connection with such sale."

(D) Subparagraph (A) of section 1042(c)(4) of the 1986 Code (defining qualified replacement property) is amended by inserting "(as in effect immediately before the Tax Reform Act of 1986)" after "section 954(c)(3)".

(E) Clause (i) of section 1042(c)(4)(B) of the 1986 Code (relating to operating corporation) is amended by striking out "placement period" and inserting in lieu thereof "replacement period".

(F) Section 1854(a)(3)(B) of the Reform Act is amended by striking out "1042(b)(3)" and inserting in lieu thereof "1042(b)".

(G) Subparagraph (C) of section 1854(a)(3) of the Reform Act is amended to read as follows:

"(C)(i) Except as provided in clause (ii), the amendments made by this paragraph shall apply to sales of securities after the date of the enactment of this Act.

"(ii) A taxpayer or executor may elect to have section 1042(b)(3) of the Internal Revenue Code of 1954 (as in effect before the amendment made by subparagraph (B)) apply to sales before the date of the enactment of this Act as if such section included the last sentence of section 409(n)(1) of the Internal Revenue Code of 1986 (as added by subparagraph (A))."

(5) AMENDMENT RELATED TO SECTION 1875 OF THE REFORM ACT.—Section 1875(c)(7)(B) of the Reform Act is amended by striking out "and section 405(c)".

(6) AMENDMENTS RELATED TO SECTION 1879 OF THE REFORM ACT.—

(A) Subparagraph (B) of section 125(c)(2) of the 1986 Code (relating to exception for cash and deferred arrangements) is amended by inserting "or rural electric cooperative plan (within the meaning of section 401(k)(7))" after "stock bonus plan".

(B) Subsection (u) of section 1879 of the Reform Act is amended—

(i) by striking "206(h)" each place it appears in paragraphs (1) and (4)(B) and inserting in lieu thereof "204(h)";

(ii) by redesignating paragraph (4) as paragraph (5); and

(iii) by inserting after paragraph (3) the following:

"(4) CORRECTION OF CROSS REFERENCE.—Section 4218(1)(A) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1398(1)(A)) is amended by striking out 'section 4062(d)' and inserting in lieu thereof 'section 4069(b)'."

(7) AMENDMENTS RELATED TO SECTION 1895 OF THE REFORM ACT.—

(A) Section 106(b)(1) of the 1986 Code (relating to exception for highly compensated individuals where plan fails to provide certain continuation coverage) is amended—

(i) by striking out "any amount contributed by an employer" and inserting in lieu thereof "any employer-provided coverage", and

(ii) by striking out "to a group" and inserting in lieu thereof "under a group".

(B)(i) Section 106(b)(2) of the 1986 Code (relating to exception to certain plans) is amended by striking out the last sentence thereof.

(ii) Section 601(b) of the Employee Retirement Income Security Act of 1974 is amended by striking out the last sentence thereof.

(iii) Section 2201(b) of the Public Health Service Act are each amended by striking out "subsections (a) and (b) of section 52 of the Internal Revenue Code of 1954 (relating to employees under common control)" and inserting in lieu thereof "subsections (b), (c), (m), (n), and (o) of the Internal Revenue Code of 1986 (relating to aggregation rules)".

(iv) The amendments made by this paragraph shall apply to years beginning after December 31, 1986.

(8) AMENDMENTS RELATED TO SECTION 1898 OF THE REFORM ACT.—

(A) Subparagraph (G) of section 402(a)(6) of the 1986 Code (relating to treatment of potential future vesting), as added by section 1898(a)(3) of the Reform Act, is redesignated as subparagraph (I).

(B)(i) Clause (ii) of section 417(a)(3)(B) of the 1986 Code (defining applicable period) is amended by striking out subclause (V) and inserting at the end thereof the following new flush sentence:

"In the case of a participant who separates from service before attaining age 35, the applicable period shall be a reasonable period after separation."

(ii) Clause (ii) of section 205(c)(3)(B) of the Employee Retirement Income Security Act of 1974 is amended by striking out subclause (V) and inserting at the end thereof the following new flush sentence:

"In the case of a participant who separates from service before attaining age 35, the applicable period shall be a reasonable period after separation."

(C) Section 1898(b)(8) of the Reform Act is amended by adding at the end thereof the following new subparagraph:

"(C) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to distributions after the date of the enactment of this Act."

(D) Paragraph (12) of section 1898(b) of the Reform Act is amended by striking out all of subparagraph (B) from "(B) AMENDMENT" through "follows:" and inserting the following:

"(B) AMENDMENT TO ERISA.—Section 205(h) of the Employee Income Retirement Security Act of 1974 is amended—

"(i) by striking out 'the term' in paragraphs (1) and (3) and inserting in lieu thereof 'The term';

"(ii) by striking out the comma in paragraph (1) and inserting in lieu thereof a period; and

"(iii) by striking out paragraph (2) and inserting in lieu thereof the following:".

(E) Subparagraph (A) of section 411(a)(11) of the 1986 Code is amended by striking out "vested" and inserting in lieu thereof "nonforfeitable".

(F) Subparagraph (B) of section 1898(d)(1) of the Reform Act is amended by striking out "Paragraph (1)" and inserting in lieu thereof "Subsection (e)(1)".

(G) Subsection (e)(1) of section 203 of the Employee Income Security Act of 1974 is amended—

(i) by inserting "(e)" before "(1)", and

(ii) by striking out "vested" and inserting in lieu thereof "nonforfeitable".

(H) Subclause (IV) of section 205(c)(3)(B)(ii) of the Employee Retirement Income Security Act of 1974 is amended by striking out "401(a)(11)" and inserting in lieu thereof "205".

(I) Subparagraph (B) of section 1898(b)(7) of the Reform Act is amended by striking out "Subparagraph (C) of section 205(b)(1)" and inserting in lieu thereof "Clause (i) of section 205(b)(1)(C)".

(J) Section 205(e)(2) of the Employee Retirement Income Security Act of 1974 is amended by striking out "nonforfeitable accrued benefit" and inserting in lieu thereof "nonforfeitable right (within the meaning of section 203)".

(K) Section 402(f)(1) of the 1986 Code is amended by striking out "a eligible" and inserting in lieu thereof "an eligible".

(L) Section 1899A of the Reform Act is amended by striking out paragraph (13).

(M) Subparagraph (B) of section 414(p)(4) of the 1986 Code is amended—

(i) by striking out "means earlier of" and inserting in lieu thereof "means the earlier of", and

(ii) by striking out "in" each place it appears.

(N) Section 414(p)(10) of the 1986 Code (relating to waiver of certain distribution requirements) is amended by inserting ", 403(b)," after "section 401".

SEC. 119. EFFECTIVE DATE.

Except as otherwise provided in this title, any amendment made by this title shall take effect as if included in the provision of the Reform Act to which such amendment relates.

TITLE II—AMENDMENTS RELATED TO TAX PROVISIONS IN OTHER LEGISLATION

SEC. 201. AMENDMENTS RELATED TO SUPERFUND REVENUE ACT OF 1986.

(a) AMENDMENTS RELATED TO SECTION 513 OF THE ACT.—

(1) Subsection (e) of section 4662 of the 1986 Code is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) REFUNDS DIRECTLY TO EXPORTER.—The Secretary shall provide, in regulations, the circumstances under which a credit or refund (without interest) of the tax under section 4661 shall be allowed or made to the person who exported the taxable chemical or taxable substance, where—

"(A) the person who paid the tax waives his claim to the amount of such credit or refund, and

"(B) the person exporting the taxable chemical or taxable substance provides such information as the Secretary may require in such regulations."

(2) Subparagraph (A) of section 4662(b)(10) of the 1986 Code is amended by striking out "a mixture of" and inserting in lieu thereof "one or more".

(b) AMENDMENTS RELATED TO SECTION 516 OF THE ACT.—

(1) Section 59A of the 1986 Code (relating to environmental tax) is amended by redesignating subsections (c) and (d) as subsections (d) and (e), respectively, and by inserting after subsection (b) the following new subsection:

"(c) EXCEPTION FOR RIC'S AND REIT'S.—The tax imposed by subsection (a) shall not apply to—

"(1) a regulated investment company to which part I of subchapter M applies, and

"(2) a real estate investment trust to which part II of subchapter M applies."

(2) Paragraph (1) of section 882(a) of the 1986 Code is amended by inserting "59A," after "55,".

(3)(A) Paragraph (2) of section 59A(b) of the 1986 Code (defining modified alternative minimum taxable income) is amended by striking out "section 164(a)(5)" and inserting in lieu thereof "section 164(a)(6)".

(B) The paragraph (5) of section 164(a) of the 1986 Code added by section 516(b) of the Superfund Revenue Act of 1986 is redesignated as paragraph (6).

(c) AMENDMENTS RELATED TO SECTION 521 OF THE ACT.—

(1)(A) Subsection (d) of section 4041 of the 1986 Code is amended by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively, and by striking out paragraph (1) and inserting in lieu thereof the following new paragraphs:

"(1) TAX ON SALES AND USES SUBJECT TO TAX UNDER SUBSECTION (a).—In addition to the taxes imposed by subsection (a), there is hereby imposed a tax of 0.1 cent a gallon on the sale or use of any liquid (other than liquefied petroleum gas) if tax is imposed by subsection (a) (including by reason of subsection (n)) on such sale or use.

"(2) TAX ON DIESEL FUEL USED IN TRAINS.—There is hereby imposed a tax of 0.1 cent a gallon on any liquid (other than a product taxable under section 4081)—

"(A) sold by any person to an owner, lessee, or other operator of a diesel-powered train for use as a fuel in such train, or

"(B) used by any person as a fuel in a diesel-powered train unless there was a taxable sale of such liquid under subparagraph (A)."

(B) Paragraph (2) of section 6416(b) of the 1986 Code is amended by striking out "(or under paragraph (1)(A) or (2)(A) of section 4041(a) or under paragraph (1)(A) or (2)(A) of section 4041(d) or under section 4051)" and inserting in lieu thereof "(or under subsection (a) or (d) of section 4041 in respect of sales or under section 4051)".

(2)(A) Paragraph (3) of section 4041(c) of the 1986 Code is amended by striking out "the rate at which" and inserting in lieu thereof "the Highway Trust Fund financing rate at which".

(B) Paragraph (3) of section 4041(d) of the 1986 Code, as redesignated by paragraph (1), is amended—

(i) in the material preceding subparagraph (A)—

(I) by striking out "and section 4081",

(II) by striking out "0.1 cents" and inserting in lieu thereof "0.1 cent", and

(III) by inserting "(other than any product taxable under section 4081)" after "any liquid", and

(ii) by striking out the last sentence.

(3)(A) Subparagraph (A) of section 4041(b)(1) of the 1986 Code is amended by striking out "subsection (a)" and inserting in lieu thereof "subsection (a) or (d)(1)".

(B) Subparagraph (B) of section 4041(b)(1) of the 1986 Code is amended by inserting before the period "and by the corresponding provision of subsection (d)(1)".

(C) Subsection (b) of section 4041 of the 1986 Code is amended by striking out paragraph (3).

(D) Subparagraph (A) of section 4041(b)(2) of the 1986 Code is amended to read as follows:

"(A) In general.—In the case of any qualified methanol or ethanol fuel—

"(i) subsection (a)(2) shall be applied by substituting '3 cents' for '9 cents', and

"(ii) subsection (d)(1) shall be applied by substituting '0.05 cent' for '0.1 cent' with respect to the sales and uses to which clause (i) applies."

(E) Subsection (f) of section 6421 of the 1986 Code is amended by striking out all that follows paragraph (1) and inserting in lieu thereof the following new paragraphs:

"(2) Gasoline used in aviation.—This section shall not apply in respect of gasoline which is used as a fuel in an aircraft—

"(A) in noncommercial aviation (as defined in section 4041(c)(4)), or

"(B) in aviation which is not noncommercial aviation (as so defined) with respect to the tax imposed by section 4081 at the Leaking Underground Storage Tank Trust Fund financing rate.

"(3) Leaking underground storage tank trust fund tax on gasoline used in trains.—This section shall not apply with respect to the tax imposed by section 4081 at the Leaking Underground Storage Tank Trust Fund financing rate on gasoline used as a fuel in a train."

(F) The second sentence of section 6421(a) of the 1986 Code is amended by striking out "paragraph (3) of subsection (e)" and inserting in lieu thereof "paragraph (2) of subsection (f)".

(4) Subsection (n) of section 4041 of the 1986 Code is amended by adding at the end thereof the following new paragraph:

"(6) Application of subsection to leaking underground storage tank trust fund taxes.—For imposition of taxes imposed by subsection (d)(1) on sales to which this subsection applies, see subsection (d)(1)."

(5)(A) Paragraph (1) of section 1703(f) of the Reform Act (relating to floor stock taxes) is amended by striking out "9 cents" and inserting in lieu thereof "9.1 cents".

(B) Paragraph (4) of section 1703(f) of the Reform Act is amended to read as follows:

"(4) Transfer of floor stock tax revenues to trust funds.—For purposes of determining the amount transferred to any trust fund, the tax imposed by this section shall be treated as imposed by section 4081 of the Internal Revenue Code of 1986—

"(A) at the Highway Trust Fund financing rate under such section to the extent of 9 cents per gallon, and

"(B) at the Leaking Underground Storage Tank Trust Fund financing rate under such section to the extent of 0.1 cent per gallon."

(6) Subparagraph (A) of section 9508(c)(2) of the 1986 Code is amended by striking out all that follows clause (i) and inserting in lieu thereof the following:

"(ii) credits allowed under section 34,

with respect to the taxes imposed by sections 4041(d) and 4081 (to the extent attributable to the Leaking Underground Storage Tank Trust Fund financing rate under section 4081)."

(d) Effective Date.—The amendments made by this section shall take effect as if included in the provision of the Superfund Revenue Act of 1986 to which it relates.

SEC. 202. AMENDMENTS RELATED TO HARBOR MAINTENANCE REVENUE ACT OF 1986.

(a) Order of Enactments.—

(1) For purposes of section 4042 of the 1986 Code, the amendment made by section 521(a)(3) of the Superfund Revenue Act of 1986 shall be treated as enacted after the amendment made by section 1404(a) of the Harbor Maintenance Revenue Act of 1986.

(2) Paragraph (2) of section 4042(b) of the 1986 Code is amended to read as follows:

"(2) Rates.—For purposes of paragraph (1)—

"(A) The Inland Waterways Trust Fund financing rate is the rate determined in accordance with the following table:

If the use occurs:	The tax per gallon is:
Before 1990	10 cents
During 1990	11 cents
During 1991	13 cents
During 1992	15 cents
During 1993	17 cents
During 1994	19 cents
After 1994	20 cents.

"(B) The Leaking Underground Storage Tank Trust Fund financing rate is 0.1 cent per gallon."

(b) Cargo Transported Between Possessions, Etc.—Subparagraph (B) of section 4462(b)(1) of the 1986 Code is amended to read as follows:

"(B) cargo loaded on a vessel in Alaska, Hawaii, or any possession of the United States for transportation to the United States mainland, Alaska, Hawaii, or such a possession for ultimate use or consumption in the United States mainland, Alaska, Hawaii, or such a possession,".

(c) Effective Date.—The amendments made by this section shall take effect as if included in the provision of the Harbor Maintenance Revenue Act of 1986 to which it relates.

SEC. 203. AMENDMENTS RELATED TO OMNIBUS BUDGET RECONCILIATION ACT OF 1986.

(a) Amendment Related to Section 1011 of the Act.—

(1) Subparagraph (B) of section 501(c)(12) of the 1986 Code is amended by striking out "or" at the end of clause (ii), by striking out the period at the end of clause (iii), and inserting in lieu thereof ", or", and by adding at the end thereof the following new clause:

"(iv) from the prepayment of a loan under section 306A, 306B, or 311 of the Rural Electrification Act of 1936 (as in effect on January 1, 1987)."

(2) Subparagraph (C) of section 501(c)(12) of the 1986 Code is amended to read as follows:

"(C) In the case of a mutual or cooperative electric company, subparagraph (A) shall be applied without taking into account any income received or accrued—

"(i) from qualified pole rentals, or

"(ii) from the prepayment of a loan under section 306A, 306B, or 311 of the Rural Electrification Act of 1936 (as in effect on January 1, 1987)."

(3) The amendments made by this subsection shall apply to taxable years ending after the date of the enactment of the Omnibus Budget Reconciliation Act of 1986.

(b) Amendments Related to Section 8011 of the Act.—(1) The following provisions of the 1986 Code are each amended by striking out "the 14th day after the date on which" and inserting in lieu thereof "the 14th day after the last day of the semimonthly period during which":

(A) Subparagraphs (A) and (B) of section 5061(d)(1).

(B) Paragraph (3) of section 5061(d).

(C) Clauses (i) and (ii) of section 5703(b)(2)(B).

(D) Subparagraph (C) of section 5703(b)(2).

(2) The amendments made by paragraph (1) shall take effect as if included in the amendments made by section 8011 of the Omnibus Budget Reconciliation Act of 1986.

By Mr. MITCHELL (for himself; Mr. Chafee, Mr. Stafford, Mr. Moynihan, Mr. Baucus, Mr. Durenberger, Mr. Graham, Mr. Dodd, and Mr. Wirth):

S. 1351. A bill to amend the Clean Air Act to establish new requirements for areas that have not yet attained the health-protective ambient air quality standards, to provide new deadlines for such attainment, to delay the imposition of sanctions, and for other purposes; to the Committee on Environment and Public Works.

CLEAN AIR STANDARDS ATTAINMENT ACT

Mr. MITCHELL. Mr. President, I and Senators Chafee, Stafford, Moynihan, Baucus, Durenberger, Graham, Dodd and Wirth are today introducing legislation to provide guidance to States that are in violation of Federal air quality standards. The Clean Air Act requires all areas of the country to be in compliance with such standards for ozone and carbon monoxide by December 31, 1987. The Environmental Protection Agency [EPA] estimates over 70 areas—with a population of approximately 100 million people—will not meet this deadline. The act currently provides for the application of sanctions to those areas.

The legislation I and my colleagues are introducing today would provide

an extension to nonattainment areas. A condition of the extension is that these areas must commit to additional reduction measures. Areas that will reach attainment within 5 years must commit to certain specified measures, including enhanced inspection and maintenance programs for motor vehicles, stage II vapor recovery and use of alternative fuels. If these areas do not reach attainment within 5 years, they will then still be subject to sanctions.

Those areas that need even more time must agree to further reduction measures and will be sanctioned only for failure to adopt and implement the control measures. The additional measures that will be required include emissions reductions, offsets in growth of vehicle miles traveled (or equivalent emissions reductions), and emissions fees and penalties.

For these areas, there will be no sanctions for nonattainment. There are no such sanctions because these areas, if they have complied with all of the bill's requirements, will have done all that can be reasonably expected of them to reach attainment. We know now that some areas, like southern California and Houston, will find it difficult to reach attainment within 10 years. We are therefore asking them instead to make significant reductions in emissions. Where deadlines can be met, we have imposed them. Deadlines are an important factor in achieving compliance with environmental regulation and should normally be retained.

This is a delicately balanced approach that provides incentives for areas to push for compliance within the 5-year timeframe, without asking the impossible of our severe nonattainment areas.

We have addressed the regional transport problem by creating several regional ozone control areas and requiring areawide reductions. This is a particularly pressing problem in the Northeast, where emissions from both attainment and nonattainment areas cause other areas to be out of compliance with air quality standards.

The bill requires the Federal Government to do its share in the effort to clean the air. Tighter motor vehicle emissions standards are imposed, and methods of assuring improved in-use compliance are included. Limits on the volatility of fuel are provided. The bill also requires Federal controls on paint and solvent manufacturers, since these products are major sources of hydrocarbon emissions.

There is no question that these measures are needed. Over one-third of Americans live in nonattainment areas—that is, in areas where breathing the air poses a risk to health. Those persons living in southern California inhale ozone levels three times the national health-based standard. These excess ozone levels damage lungs and heart and carbon monoxide creates pulmonary difficulties.

The health effects of ozone exposure are well documented. But emissions reductions are not easy to achieve. Ozone is formed from hydrocarbon and oxides of nitrogen emissions when these pollutants mix in the presence of sunlight and heat. There are many sources, both stationary and mobile. Each source can state with some justification that its contribution to the problem is small. But there are many small sources. Taken as a whole, these sources create a serious national problem that must be addressed.

This legislation will require some difficult reductions. It will ask some companies to do a lot to control their emissions. It will ask States to make tough choices, and it will require a serious effort by EPA to provide needed standards and information.

The biggest test may be for Congress. We will be called upon to vote for legislation that may place our States and districts at risk of sanctions in order to protect the public health. That will not be easy. But the alternative is unacceptable. I am pleased to be joined by my coleagues today in introducing this legislation and I look forward to working with them on this important public health legislation.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1351

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Clean Air Standards Attainment Act of 1987".

TITLE I—REQUIREMENTS FOR NONATTAINMENT AREAS

EXTENSION CONDITIONS

SEC. 101. (a) Section 172(a) of the Clean Air Act is amended by adding the following new paragraph:

"(3) In the case of a nonattainment area that has been unable to attain the national primary ambient air quality standard for photochemical oxidants (ozone) or carbon monoxide (or both) by the date of enactment of this paragraph, despite good faith efforts to comply with this part and the implementation of all measures in approved or submitted implementation plans, the State may submit a revised implementation plan for such area in accordance with subsections (b), (c), and (d) that provides for the attainment of the national primary ambient air quality standard as expeditiously as practicable but not later than December 31, 1992.".

(b) Section 172(c) of the Clean Air Act is amended by inserting "(1)" after "(c)" and by adding the following new paragraph:

"(2) In order to submit a revised implementation plan under subsection (a)(3), a State must submit—

"(A) not later than three months after the date of enactment of this paragraph, a commitment in writing, signed by the Governor and the principal elected official of each local government or air pollution control agency with a formal role under State law in the development of implementation plans, that the State will submit a revised implementation plan in accordance with this section; and

"(B) not later than December 31, 1989, a revised implementation plan in accordance with this section.".

(c) Section 172 of the Clean Air Act is amended by adding the following new subsections:

"(d) In addition to the provisions required by subsection (a), an implementation plan complying with subsection (a)(3) must require:

"(1) the operation of a vehicle emission control inspection and maintenance program;

"(2) the operation of systems for gasoline vapor recovery of hydrocarbon emissions emanating from the fueling of motor vehicles, in photochemical oxidant (ozone) nonattainment areas required to have vehicle emission control inspection and maintenance programs;

"(3) a specific schedule for requiring or otherwise implementing the use of alternative fuels or power sources with lower emission characteristics for all centrally fueled fleets comprising 50 or more motor vehicles operating in the nonattainment area;

"(4) reduction in emissions of hydrocarbons and oxides of nitrogen from existing sources in any photochemical oxidant (ozone) nonattainment area through the adoption, at a minimum, of reasonably available control technology, unless in the case of oxides of nitrogen, the State can demonstrate that reasonably available control technology for all existing sources of oxides of nitrogen is not necessary for the attainment of the national primary ambient air quality standard for photochemical oxidant (ozone) by the date specified in subsection (a)(3);

"(5) that reductions in emissions required by the implementation plan for existing sources or for new sources cannot be met or complied with through reductions in allowable emissions at other sources;

"(6) compliance by new or modified major stationary sources within the nonattainment area with the lowest achievable emission rate;

"(7) the adoption of reasonably available control technology for categories identified by a regional body under section 178; and

"(8) such other measures as may be necessary to provide for attainment of the applicable national primary ambient air quality standard not later than December 31, 1992.

"(e)(1)(A) If a State determines prior to the submission of a commitment in writing under subsection (c)(2)(A) or the submission of a revised implementation plan under subsection (c)(2)(B) that attainment of a national primary ambient air quality standard by the date specified in subsection (a)(3) is not possible in a nonattainment area despite the implementation of the requirements of subsection (d) and all reasonably available measures (together with implementation of the provisions of title II, section 130, and other provisions of this Act), the implementation plan for such nonattainment area shall comply with this subsection in lieu of subsection (a)(3).

"(B) Each nonattainment area in which the second highest daily maximum one-hour average concentration of ozone during any of the most recent three years for which there is adequate information exceeds the national primary ambient air quality standard by more than 50 per centum shall be presumed to be unable to attain such standard by the date specified, and the State shall submit and implement an implementation plan for such area in accordance with this subsection, unless such State submits an implementation plan demonstrating attainment by the date specified in subsection (a)(3).

"(C) The requirements of paragraph (2) of this subsection shall not apply in the case of any nonattainment area within a control region defined in section 178 for which the State demonstrates that the control measures implemented under subsection (d) in such nonattainment area, together with the control measures required throughout the region under section 178 and the control measures required in other nonattainment areas under this subsection and subsection (d), provide for attainment in such nonattainment area by the date specified in subsection (a)(3), or in any event, a date not later than such standard would have been attained through the implementation in such nonattainment area of the requirements of paragraph (2).

"(2) In addition to the requirements of subsection (d) (other than paragraph (8)), an implementation plan for a nonattainment area complying with this subsection shall require:

"(A) the identification and adoption of specific enforceable strategies and transportation control measures to offset any growth in vehicle miles traveled in such nonattainment area, or to offset any increases in emissions associated with such growth in vehicle miles traveled, and to attain reductions in mobile source emissions as necessary to comply with subparagraph (B). The State shall consider, at a minimum, the following measures and if the State fails to include any measure, the implementation plan shall contain an explanation of why such measure was not adopted and what emissions reduction measure was adopted to provide a comparable reduction in emissions:

"(i) programs to limit or restrict vehicle use in downtown areas or other areas of emission concentration, particularly during periods of peak use, through road user charges, tolls, parking surcharges or other pricing mechanisms, vehicle restricted zones, vehicle restricted periods, registration conditions or other devices;

"(ii) limitation of certain roads or lanes to common carriers or to high occupancy vehicles;

"(iii) programs for improved public transit;

"(iv) requirements for major employer participation in programs to encourage use of public transit and multiple occupancy vehicles, and in programs providing alternative work hours (including staggered hours and the compressed work week);

"(v) requirements for the conversion of fleet vehicles to cleaner engines or fuels, or to otherwise control fleet vehicle operations;

"(vi) traffic flow improvements;

"(vii) trip reduction ordinances

"(viii) programs for areawide ridesharing.

"(B) in the case of a nonattainment area for photochemical oxidants (ozone), an annual reduction in emissions of hydrocarbons (measured as volatile organic compounds) and of oxides of nitrogen, and in the case of a nonattainment area for carbon monoxide, an annual reduction in emissions of carbon monoxide, from the total emissions of such pollutant in such area during 1987 (or the most recent previous year for which there is an emissions inventory approved by the Administrator), so that at the end of each calendar year the total reduction equals 8 per centum of the emissions remaining in the inventory for each of the years elapsed since January 1, 1988. The requirement of this subparagraph shall not apply until the end of 1989. A State may substitute in the implementation plan for 8 per centum the annual percentage the State demonstrates will be adequate to attain the national primary ambient air quality standard in such area as expeditiously as practicable but not later than ten years after the date of enactment of this subsection.

"(C) in the case of each nonattainment area with an annual emission reduction requirement establishment by subparagraph (B), an annual reduction in emissions of hydrocarbons, oxides of nitrogen, or carbon monoxide from each major stationary source in such area from the emissions of such pollutant by such source during 1984, so that by the end of each calendar year the total reduction equals 8 per centum (or the percentage substituted for the area under subparagraph (B)) times the number of years elapsed since January 1, 1988. The requirement of this subparagraph shall not apply until the end of 1990.

"(D) the adoption and enforcement of a fee of not less than $100 per ton of hydrocarbons, oxides of nitrogen, or carbon monoxide for each stationary source in a nonattainment area, commencing not later than January 1, 1993.

"(E) the adoption and enforcement of an excess emissions penalty set and collected in accordance with paragraph (3) for each source that fails to comply with the requirements of subparagraph (C).

"(F) a binding commitment by the State transportation agency and all local public transit and transportation planning agencies to implement section 174(b) and section 176 (c) and (d).

"(3)(A) An excess emissions penalty shall be the amount per ton of any pollutant emitted by a major stationary source in excess of that allowed by paragraph (2)(C) equal to the cost per ton of pollutant removed that the owner or operator of such source would have expended in order to comply with such paragraph, or the economic value that a delay in compliance would have to such owner or operator (including the capital costs of compliance and debt service over a normal amortization period, operation and maintenance costs foregone as a result of noncompliance, and any other economic value such a delay may have for the owner or operator), whichever is greater. In no event shall such an excess emissions penalty be less than $5,000 per ton.

"(B) The air pollution control agency or other entity collecting the fees and excess emissions penalties required by paragraph (2) (D) and (E) shall retain such funds, which shall be used for air pollution control programs in areas covered by this part. In the event the Administrator is implementing the provisions of such paragraph in any nonattainment area, the Administrator is authorized to retain any funds collected, and all amounts collected by the Administrator shall be deposited into a special fund of the Treasury entitled 'Air Enforcement and Related Services' which shall thereafter be available for appropriation to carry out activities under this Act.".

"(d) Section 171(1) of the Clean Air Act is amended by adding the following: "For nonattainment areas to which section 172(e) applies, compliance with the requirements of section 172(e)(2) shall constitute reasonable further progress. A State or local government with responsibility for implementing an appropriate portion of an implementation plan may report compliance with section 172(e)(2) (B) and (C) at a greater interval than annually, but no less often than every three years.".

(e) The last sentence of section 173 of the Clean Air Act is amended by inserting after "paragraph (1)(A)" the phrase "or under the following sentence". Section 173 is further amended by adding the following: "In the case of a nonattainment area that qualifies under section 172(e), the amount of emissions from any proposed source shall be offset by reductions in the emissions of such pollutant from other sources in such nonattainment area, and the amount of such offsetting emission reductions shall be at least two times as great as the amount of allowable emissions from such proposed source.".

TECHNOLOGY REQUIREMENTS AND DEFINITIONS FOR NONATTAINMENT AREAS

SEC. 102. (a) Section 171(3) of the Clean Air Act is amended by—

(1) inserting after subparagraph (A) the following new subparagraph, and redesignating succeeding subparagraphs accordingly:

"(B) the most stringent emission limitation included in a permit issued pursuant to this Act for a major stationary source of the same size range, type, and class as determined by the State in accordance with any applicable regulations promulgated by the Administrator) before the application for the permit for the proposed source is complete, or".

(2) inserting at the end thereof the following: "At a minimum, the lowest achievable emission rate established for a proposed new or modified source shall require the use of technology or emission reduction methods equivalent to the average of the performance of the highest 10 percent in terms of emission reduction of all sources in the same class or category. For the purposes of this paragraph, the permitting authority shall be required to review emission limitations for other major stationary sources and to identify the most stringent emission limitation if the sources are located within the State in which the proposed source will be located, the emission limitation is described in a guidance document published and distributed to the permitting authority in accordance with section 108 or 179, or the permitting authority has received actual notice of the emission limitation by a comment submitted to the permitting authority during the consideration of the permit for the proposed source or through any other means.".

(b) Section 171 of the Clean Air Act is amended by adding at the end thereof the following new paragraphs:

"(5) The term 'major stationary source' or 'major emitting facility' includes each discrete operation, unit or other activity that produces or may produce emissions of twenty-five tons or more per year of a pollutant or a precursor of a pollutant for which the area in which such source is or will be located is a nonattainment area. For the purposes of section 172(e)(2)(C), the last sentence of section 173, and section 110(a)(2)(I), a major stationary source does not include a resource recovery facility recovering energy from the mass burning of municipal solid waste or from refuse-derived fuel.

"(6) The term 'reasonably available control technology' as used in section 172(d) means an emission limitation, standard of performance or other emission standard based on the maximum degree of reduction of emissions of the pollutant or precursors of the pollutant for which an area is a nonattainment area, that the permitting authority determines is achievable for the existing source or class of sources in the area. In establishing such emission limitation, standard of performance or emission standard, the permitting authority shall take into account the potential toxic character of such pollutant or precursor and the degree to which the nonattainment area needs further reductions in emissions to attain the national ambient air quality standards. The availability or achievability of a particular control technology shall not be determined solely on the basis of the marginal cost per ton of pollutant removed. The requirement for the adoption of reasonably available control technology shall apply to any major stationary source and to any other significant source or class of sources of emissions. With respect to stationary sources, reasonably available control technology shall be implemented and enforced through a permit system.

"(7) The term 'vehicle emission control inspection and maintenance program' as used in section 172(d) means a program to reduce in-use emissions of hydrocarbons, carbon monoxide, oxides of nitrogen, and diesel particulates from motor vehicles that—

"(A) covers all vehicles regularly operating in the program area;

"(B) includes at a minimum each Metropolitan Statistical Area (as defined by the Director of the Bureau of the Census) with a population of one hundred thousand or more according to the 1985 Census, in the nonattainment area and in each county in any region established under section 178;

"(C) requires annual emission testing and necessary adjustment, repair, or maintenance;

"(D) requires direct inspection of components of vehicle emission control systems (including evidence of misfueling) and, where such components have been rendered inoperative, the repair or replacement of such components;

"(E) is operated on a centralized or, with respect to emission testing, computerized basis; and

"(F) has a repair cost waiver in the case of failure of at least $200, or provides that any repair cost waiver limit shall apply only to costs that are not covered by a warranty under section 207.".

OZONE TRANSPORT REGIONS

SEC. 103. (a) Part D of title I of the Clean Air Act is amended by inserting after section 177 the following new section, and redesignating succeeding sections accordingly:

"OZONE TRANSPORT REGIONS

"SEC. 178. (a)(1) For the purpose of facilitating attainment of the national primary ambient air quality standard for photochemical oxidants (ozone) in nonattainment areas affected by emissions in other areas, there are hereby established the following ozone transport regions:

"(A) the States of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, and the District of Columbia;

"(B) the States of Illinois, Indiana, Michigan, and Wisconsin; and

"(C) the States of Texas and Louisiana.

"(2) The Administrator is authorized to establish other regions consisting of more than one State, and to add States to any of the regions established by paragraph (1). A commission created by subsection (b) is authorized to delete by agreement of its members any State or one or more counties of any State from a region established by paragraph (1), if such commission determines the control of emissions in such State or counties in accordance with this section will not contribute to the attainment of such primary standard in any nonattainment area.

"(b) Not later than six months after the date of enactment of this section (or not later than three months after the establishment of a region by the Administrator), there shall be established for each region established under subsection (a) a commission made up of an air pollution control official representing each State in the region (appointed by the Governor or as provided under State law), the Administrator (or a designee from the Agency headquarters office), and the Regional Administrator for each Agency region affected by such region (or a designee). Decisions of such commissions shall be by agreement of a majority of the State members and the Administrator.

"(c)(1) Effective on the date two years after the date of enactment of this section, each area of a region established under subsection (a) that is not a nonattainment area shall comply with the requirements of section 172(d) (1), (4) (with respect to each category of source for which reasonably available control technology control technique guidance has been published prior to the enactment of this section), and (5). The requirements made applicable by the previous sentence shall be deemed a requirement of an applicable State implementation plan for each such area of such region.

"(2) The commission established by subsection (b) shall identify additional categories of sources for which reasonably available control technology shall be adopted for nonattainment areas and other areas within such region. The commission shall identify and recommend to the member States for inclusion in State implementation plans under this part and section 110, such other measures as may contribute to the attainment of the national primary ambient air quality standard for photochemical oxidents (ozone) for nonattainment areas in such region. Failure to incorporate into a State implementation plan any requirement identified under this paragraph within one year of such identification shall constitute a notice of plan inadequacy under section 110(a)(2)(H).".

(b) Section 106 of the Clean Air Act is amended by—

(1) inserting after "section 107" the following: "or of implementing section 178";

(2) inserting after "program costs of" the following: "any commission established under section 178 or"; and

(3) inserting in the last sentence thereof after "such agency" in each place it appears the following: "or such commission".

SANCTIONS

SEC. 104. (a) Section 110 (a)(2)(I) of the Clean Air Act is amended to read as follows:

"(I) it provides that in any nonattainment area to which such plan should apply, no major stationary source shall be constructed or modified if the emissions from such source will cause or contribute to concentrations of any air pollutant for which a national ambient air quality standard is exceeded in such area, if—

"(i) the date for attainment of the primary national ambient air quality standard established under section 172(a)(3) is past and such area remains nonattainment (unless otherwise provided under section 173(e), including subsection (3)(1)(C));

"(ii) the State has not submitted a plan that meets the requirements of section 172(b)(11)(B), section 172(d), section 173, and if applicable, section 172(e);

"(iii) in the case of a newly promulgated or revised primary national ambient air quality standard or an notice of plan inadequacy under subparagraph (H), the State has not submitted a plan that meets the requirements of this section and, to the extent applicable, part D, or

"(iv) the State or a local government with responsibility to implement a portion of the plan is not implementing each requirement of a plan adopted or promulgated in accordance with section 172 and each requirement promulgated under section 130.".

(b) Section 176 (a) and (b) of the Clean Air Act is amended to read as follows:

"SEC. 176. (a) The Secretary of Transportation shall not approve any projects or award any grants under title 23, United States Code, other than for safety, mass transit, or transportation improvement projects related to air quality improvement or maintenance, in any nonattainment area for which—

"(1) the date of attainment of the primary national ambient air quality standard established under section 172(a)(3) is past and such area remains nonattainment (unless otherwise provided under section 173(e), including subsection (e)(1)(C));

"(2) the State has not submitted a plan that meets the requirements of section 172(b)(11)(B), section 172(d), section 173, and if applicable, section 172(e); or

"(3) the State or a local government with responsibility to implement a portion of the plan is not implementing each requirement of a plan adopted or promulgated in accordance with section 172 and each requirement promulgated under section 130.

"(b) The introduction of any pollutant into a publicly-owned sewage treatment works with a permit under section 402 of the Clean Water Act (as such terms are defined in such Act), by a source not utilizing such treatment works prior to a violation described in paragraph (1) or (2) of this subsection, is prohibited in any nonattainment area for which—

"(1) the State has not submitted a plan that meets the requirements of section 172(e), if applicable; or

"(2) the State or a local government with responsibility to implement a portion of the plan is not implementing the requirements of the plan in accordance with section 172(e) (2) (B), (C), (D), or (E) or the last sentence of section 173.

The prohibition of this section shall be deemed a requirement of an applicable implementation plan. The Administrator shall proceed in any court of competent jurisdiction to enforce this subsection. The owner or operator of a publicly owned treatment works may raise as an affirmative defense that the applicable State implementation plan expressly quantifies and provides for the increase in emissions which may reasonably be anticipated to result, directly or indirectly, from the source proposing such introduction and requires that before such introduction is allowed such increase in emissions shall be offset by reductions in emissions from other sources in such nonattainment area, and the amount of such offsetting emission reductions shall be at least four times as great as the expected increase in emissions, and that such provisions are being implemented. For the purpose of the preceding sentence, an increase in emissions shall include any emissions associated with such source directly or indirectly from mobile sources, stationary sources, and areawide and nonmajor stationary source growth (mobile and stationary). The trier of fact shall determine whether such defense has been proven.

TECHNICAL AND PLANNING ASSISTANCE

SEC. 105. (a) Section 175 of the Clean Air Act is amended by adding the following new subsections:

"(c) The Administrator may make grants under this section to any State for payment of reasonable costs of developing a plan revision under this part or a plan to implement a newly promulgated or revised national ambient air quality standard under section 110.

"(d) The Administrator shall make grants to nonprofit organizations in any nonattainment area to provide technical assistance to such organizations to facilitate the participation of such organizations in the revision of any implementation plan under this part and the selection of control measures.

"(e) There are authorized to be appropriated to carry out this section $75,000,000, to be available until expended.".

OUTER CONTINENTAL SHELF AND VESSEL ACTIVITIES

SEC. 106. (a) Part A of title I of the Clean Air Act is amended by adding at the end thereof the following new section:

"OUTER CONTINENTAL SHELF

"SEC. 129. (a) For the purposes of protection of ambient air quality of any State, the Administrator by regulation shall provide that any source of an air pollutant or pollutants resulting from an activity regulated under the authority of the Outer Continental Shelf Lands Act being performed on the Outer Continental Shelf, in the waters above the Outer Continental Shelf, or on the waters above the Outer Continental Shelf, whether such source is a stationary source or a vessel, shall meet all the requirements of this Act that would be applicable to such source if it were carried out in the State or local jurisdiction adjacent to such source. For the purposes of this section and section 110(k), the term 'Outer Continental Shelf' shall have the same meaning as that given at section 201(a) of the Outer Continental Shelf Lands Act.

"(b) For the purposes of subsection (a), the adjacent State or adjacent local jurisdiction is that State or local jurisdiction that is closest to the Outer Continental Shelf source. The Administrator shall decide which State or local jurisdiction shall be considered the adjacent State or local jurisdiction.

"(c) In carrying out the provisions of subsection (a), the Administrator shall assure that such sources do not prevent or interfere with the attainment or maintenance of any ambient air quality standards, including any standards established by any State or local government to the extent that such standards are contained in its State implementation plan.

"(d) In carrying out the responsibilities of subsection (a), the Administrator shall require, to the extent practicable and feasible, comparable regulation of Outer Continental Shelf sources and similar non-Outer Continental Shelf sources.".

(b) Section 204(a)(8) of the Outer Continental Shelf Lands Act is amended by inserting after "of the State" the phrase ", until such time as the Administrator of the Environmental Protection Agency has promulgated regulations under section 129 of the Clean Air Act".

(c) Section 110 of the Clean Air Act is amended by adding the following new subsection:

"(k) For the purposes of this Act, any State or air pollution control agency is authorized, in the adoption, implementation or enforcement of any provision of a State implementation plan, to control the emissions from any vessel while in any port within the jurisdiction of such State or air pollution control agency or, when engaged in an activity regulated under the authority of the Outer Continental Shelf Lands Act, while operating in or on waters above the Outer Continental Shelf or on tidal waters within the boundaries of the State.".

TITLE II—MOBILE SOURCE AND OTHER FEDERAL CONTROLS

VEHICLE EMISSION STANDARDS

SEC. 201. (a) Section 202(b)(1)(A) of the Clean Air Act is amended by adding at the end thereof the following new sentence: "The regulations under subsection (a) applicable to emissions of hydrocarbons from light-duty vehicles and engines manufactured during and after model year 1992 shall contain standards which provide that such emissions may not exceed 0.25 gram per vehicle mile.".

(b) Section 202(b)(1)(B) of the Clean Air Act is amended by adding at the end thereof the following new sentence: "The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during and after model year 1990 shall contain standards which provide that such emissions may not exceed 0.4 gram per vehicle mile.".

(c) Section 202(b)(1) of the Clean Air Act is amended by adding the following new paragraph:

"(D) The Administrator shall promulgate regulations under subsection (a) applicable to emissions of particulates from light-duty vehicles and engines manufactured during and after model year 1990, and such regulations shall contain standards which provide that such emissions may not exceed 0.08 gram per vehicle mile.".

(d) Section 202(a)(3) of the Clean Act is amended by inserting after subparagraph (E) the following new subparagraphs and redesignating succeeding subparagraphs accordingly:

"(F) Regulations under paragraph (1) applicable to emissions of oxides of nitrogen from heavy duty vehicles and engines shall contain standards that provide that such emissions shall not exceed 4.0 grams per brake horsepower-hour for vehicles manufactured during and after model year 1991 and that such emissions shall not exceed 1.7 grams per brake horsepower-hour for vehicles manufactured during and after model year 1995. Regulations applicable to emissions of particulates from heavy-duty diesel vehicles and engines shall require that such emissions may not exceed 0.1 gram per brake horsepower-hour, beginning in model year 1991 with respect to buses, and in model year 1994 with respect to other heavy-duty diesel vehicles and engines.

"(G) Regulations under paragraph (1) applicable to emissions from light-duty trucks and engines manufactured during and after model year 1990 shall contain standards that provide that such emissions may not exceed 0.5 gram per vehicle mile of oxides of nitrogen, 0.5 gram per vehicle mile of hydrocarbons, 0.08 gram per vehicle mile of particulates, and 5.0 grams per vehicle mile of carbon monoxide. For the purposes of this subparagraph, the terms 'light-duty truck' and 'light-duty truck and engine' mean any motor vehicle (including the engine thereof) with a gross vehicle weight (as determined under regulations promulgated by the Administrator) of 8,500 pounds or less and a curb weight of 6,000 pounds or less (as determined under regulations promulgated by the Administrator) and which:

"(i) is designed primarily for purposes of transportation of property or is a derivation of such a vehicle,

"(ii) is designed primarily for transportation of persons and has a capacity of more than 12 persons, or

"(iii) has special features enabling off-street or off-highway operation and use.

For the purposes of this section, any motor vehicle with a gross vehicle weight of 6,000 pounds or less shall be a light-duty vehicle.".

(e) Section 202(a)(3)(H) of the Clean Air Act (as redesignated by this Act) is amended by adding the following new sentence: "Regulations under this section applicable to exhaust and evaporative emissions from motorcycles and motorcyle engines manufactured during and after model year 1992 shall contain standards that provide that such emissions may not exceed levels equivalent to those applicable to light-duty vehicles, on a gram per vehicle mile basis or a gram per test basis, as appropriate.".

(f) Section 202(a)(6) of the Clean Air Act is amended to read as follows:

"(6) Regulations under this section applicable to light-duty vehicles manufactured during and after model year 1991 shall require the use of onboard hydrocarbon control technology to recover emissions from the fueling of such vehicles. Such onboard hydrocarbon control technology shall be designed to accommodate all available fuels.".

(g) Section 209(b)(1) of the Clean Air Act is amended by striking", in the aggregate,".

ASSURANCE OF IN-USE COMPLIANCE

SEC. 202. (a)(1) Section 202(d)(1) of the Clean Air Act is amended striking "five years or of fifty thousand miles" and inserting in lieu thereof "ten years or of one hundred thousand miles".

(2) The amendment made by this subsection shall take effect with respect to light-duty vehicles and engines manufactured during and after model year 1990.

(b) Section 202 of the Clean Air Act is amended by adding the following new subsection:

"(g) Each emission standard under this section shall apply to and be met by each and every vehicle or engine sold, offered for sale, introduced into commerce, or imported, and may not be met or complied with by the average of the performance of various vehicles, engines, engine families, or models manufactured by the same manufacturer.".

(c) Section 206(a) of the Clean Air Act is amended by adding the following new paragraph:

"(4) Not later than one year after the enactment of this paragraph, the Administrator shall promulgate regulations adding an idle test mode to the Federal Test Procedure for light-duty vehicles as in effect on such date of enactment. Such modified test procedure shall be used for the certification of light-duty vehicles and engines manufactured during or after model year 1990.".

(d) Section 206(b)(2)(A) of the Clean Air Act is amended by adding the following new clause:

"(iii) A certificate of conformity shall be suspended or revoked under clause (i) if less than 90 per centum of the new vehicle or engines tested in any sample or sampling period conform with the regulations with respect to which the certificate of conformity was issued.".

(e)(1) Section 207(c)(1) of the Clean Air Act is amended by striking the word "properly" each time it occurs and inserting in lieu thereof "normally".

(2) Section 207(c) of the Clean Air Act is amended by adding the following new paragraphs:

"(4) In making determinations of nonconformity under this subsection, the Administrator shall take into account information collected under any State vehicle emission control inspection and maintenance program. Any state in which such a program is operating may petition the Administrator to make a determination of nonconformity under paragraph (1) on the basis of information collected in such program. The Administrator shall act upon such petition within 60 days of receipt of such petition.

"(5) For the purpose of paragraph (1), the phrase 'normally maintained and used' means the maintenance and use ordinarily to be expected in the hands of the ultimate purchasers, not necessarily in accordance with instructions under paragraph (3), but not including intentional misfueling or intentional violations of section 203(a)(3).".

(f)(1) Section 203(a)(3) of the Clean Air Act is amended to read as follows:

"(3)(A) for any person to remove or render inoperative any device or element of design installed on or in a motor vehicle or motor vehicle engine in compliance with regulations under this title prior to its sale and delivery to the ultimate purchaser, or for any person knowingly to remove or render inoperative any such device or element of design after such sale and delivery to the ultimate purchaser; or

"(B) for any person to manufacture or sell, or offer to sell, any part or component intended for use with, or as part of, any motor vehicle or motor vehicle engine, where a principal use of such part or component is to bypass, defeat, or render inoperative any device or element of design installed on or in a motor vehicle or motor vehicle engine in compliance with regulations under this title, and where such part or component is being offered for sale for such use or put to such use within the knowledge of such person; or".

(2) Section 205 of the Clean Air Act is amended to read as follows:

"SEC. 205. (a) Any person who violates paragraph (1), (2), or (4) of section 203(a) or any manufacturer or dealer who violates paragraph (3)(A) of section 203(a) shall be subject to a civil penalty of not more than $10,000. Any other person who violates paragraph (3)(A) of section 203(a) or any person who violates paragraph (3)(B) of section 203(a) shall be subject to a civil penalty of not more than $2,500. Any such violation with respect to paragraph (1), (3), or (4) of section 203(a) shall constitute a separate offense with respect to each motor vehicle or motor vehicle engine.

"(b) A civil penalty for a violation of section 203 shall be assessed by the Administrator by an order made on the record after opportunity for a hearing. In connection with any proceeding under this section the presiding officer may issue subpoenas for the attendance and testimony of witnesses and the production of papers, books, and documents.

"(c) In determining the amount of a civil penalty, the Administrator shall take into account the gravity of the violation, the size of the violator's business, the violator's history of compliance, action taken to remedy the violation, and the effect of the penalty on the violator's ability to continue in business.

"(d) If any person fails to pay a civil penalty assessed under this section—

"(1) after the order making the assessment has become a final order and if such person does not file a petition for judicial review of the order in accordance with section 307, or

"(2) after a court in any action brought for judicial review has entered a final judgment in favor of the Administrator or the action has otherwise been terminated if such person has filed a petition for review under section 307,

the Attorney General shall recover the amount assessed (plus interest from the date of the expiration of sixty days from the date of the order, or from the date of such final judgment, as the case may be) in an action brought in any appropriate district court for the United States. In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review.".

REGULATION OF FUELS

SEC. 203. (a) Section 211 of the Clean Air Act is amended by adding the following new subsections:

"(h) After July 1, 1988, the sale or introduction into commerce of diesel fuel for use in motor vehicles, which fuel has a sulfur content in excess of 0.05 percent by weight, shall be prohibited.

"(i) Not later than two years after the date of enactment of this subsection, the Administrator shall promulgate regulations under this subsection requiring that the Reid vapor pressure of gasoline sold, offered for sale, or introduced into commerce during warm weather months (as defined by the Administrator), shall not exceed 9.0 pounds per square inch. After April 1, 1990, no manufacturer or importer of gasoline may sell, offer for sale, or introduce into commerce any fuel which does not comply with such regulations.".

(b)(1) Section 211(d) of the Clean Air Act is amended to read as follows:

"(d)(1) Any person who violates subsection (a) or (f) or the regulations prescribed under subsection (c), (h) or (i) or who fails to furnish any information required by the Administrator under subsection (b) shall be subject to a civil penalty of not more than $10,000 for each and every day of such violation. Such civil penalty shall be assessed by the Administrator by an order made on the record after opportunity for a hearing. In connection with any proceeding under this section the presiding officer may issue subpoenas for the attendance and testimony of witnesses and the production of papers, books, and documents.

"(2) In determining the amount of a civil penalty, the Administrator shall take into account the gravity of the violation, the size of the violator's business, the violator's history of compliance, action taken to remedy the violation, and the effect of the penalty on the violator's ability to continue in business.

"(3) If a person fails to pay a civil penalty assessed under this subsection—

"(A) after the order making the assessment has become a final order and if such person does not file a petition for judicial review of the order in accordance with section 307, or

"(B) after a court in any action brought for judicial review has entered a final judgment in favor of the Administrator or the action has otherwise been terminated if such person has filed a petition for review under section 307,

the Attorney General shall recover the amount assessed (plus interest from the date of the expiration of sixty days from the date of the order, or from the date of such final judgment, as the case may be) in an action brought in any appropriate district court for the United States. In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review.".

(2) Section 211(c) of the Clean Air Act is amended by adding a new paragraph as follows:

"(5) Regulations under this subsection shall prohibit any person from introducing, or causing or allowing the introduction, of a regulated fuel or fuel additive into a motor vehicle not designed for such fuel or fuel additive.".

FEDERAL HYDROCARBON EMISSION CONTROLS

SEC. 204. Part A of title I of the Clean Air Act is amended by adding the following new section:

"HYDROCARBON EMISSION CONTROLS

"SEC. 130. (a) Not later than two years after the enactment of this section, the Administrator shall promulgate regulations establishing emission limitations, standards of performance, or standards for product composition or application for hydrocarbon emissions associated with the following categories of sources

"(1) commercial solvents;

"(2) consumer solvents;

"(3) architectural coatings;

"(4) pesticide application;

"(5) traffic marking coatings; and

"(6) metal parts coatings in military specification applications and aerospace industry applications.

"(b) With respect to existing sources or activities not subject to section 111 or section 173, the regulations under this section shall require the degree of emission reduction or control, at a minimum, achievable through the adoption of reasonably available control technology, as defined in section 171(6). In developing regulations under subsection (a)(6) of this section, the Administrator shall consult with the affected industry, including the industries procuring such parts, and with representatives of the Department of Defense and the National Aeronautics and Space Administration involved in the establishment of specifications for such parts or coatings.

"(c) For the purposes of this Act, any requirement of a regulation promulgated under this section shall be deemed a requirement of an applicable implementation plan.".

FEDERAL ENFORCEMENT

SEC. 205. (a) Section 113(c)(1) of the Clean Air Act is amended by striking "shall be punished" and all that follows through the end of the paragraph and inserting in lieu thereof "shall be punished by a fine of not less than $5,000 nor more than $50,000 per day of violation, or by imprisonment for not more than 3 years, or by both. If a conviction of a person is for a violation committed after a first conviction of such person under this paragraph, punishment shall be by a fine of not more than $100,000 per day of violation, or by imprisonment of not more than 6 years, or by both.".

(b) Section 113(c)(2) of the Clean Air Act is amended by striking "$10,000" and inserting in lieu thereof "$25,000"; and by striking "six months" and inserting in lieu thereof "two years".

TITLE III—AMBIENT AIR QUALITY STANDARDS

REVISED CRITERIA DOCUMENTS

SEC. 301. Section 109(d)(1) of the Clean Air Act is amended by adding the following: "Not later than one year after the enactment of this sentence, the Administrator shall issue such revisions to criteria as may be necessary to promulgate ambient air quality standards as required by subsections (e) through (j).".

REQUIRED AIR QUALITY STANDARDS

SEC. 302. Section 109 of the Clean Air Act is amended by adding the following new subsections:

"(e) Not later than two years after the enactment of this subsection, the Administrator shall promulgate an additional national primary ambient air quality standard for photochemical oxidants (ozone) that is consistent with subsection (b), that is based on concentrations averaged over a period of not less than 8 hours, and, taking into account subchronic human health effects, that is more protective of public health and more stringent in effect than the national primary ambient air quality standard for ozone in effect as of June 1, 1987.

"(f) Not later than one year after the enactment of this subsection, the Administrator shall promulgate an additional national primary ambient air quality standard for nitrogen dioxide concentrations over a period of not more than one hour that is consistent with subsection (b).

"(g) Not later than two years after the enactment of this subsection, the Administrator shall promulgate an additional national primary ambient air quality standard for carbon monoxide that is consistent with subsection (b) and that is applicable to high altitude areas.

"(h) Not later than one year after the enactment of this subsection, the Administrator shall promulgate an additional national ambient air quality standard for sulfur dioxide concentrations over a period of not more than one hour that is consistent with subsection (b). The Administrator may postpone the promulgation of a standard in accordance with this subsection, if the Administrator determines that the implementation of the provisions of part E of this title will provide at least an equal degree of emission reduction and of protection of the public health, at as early a date, as the implementation of such standard.

"(i) Not later than one year after the enactment of this subsection, the Administrator shall promulgate a national secondary ambient air quality standard for fine particles with an aerodynamic diameter smaller than or equal to 2.5 micrometers that is consistent with subsection (b) and that is adequate to protect visibility.

"(j) Not later than three years after the enactment of this subsection, the Administrator shall promulgate a national primary ambient air quality standard for acid aerosols that is consistent with subsection (B). Such standard shall be in addition to any national ambient air quality standards for particulate matter.".

Mr. BAUCUS. Mr. President, I am pleased to join my colleagues in introducing important legislation which guards the quality of the air we breathe and the health of our citizens. Montana knows and cherishes its high quality air. It is the goal of the Clean Air Act for all areas of the country to enjoy this same benefit. While we have made considerable progress in cleaning up our Nation's air, still too many people are exposed to unsafe levels of air pollution.

The legislation being introduced today addresses the serious problems of nonattainment of the ozone and carbon monoxide standards facing many cities throughout the country. The Clean Air Act requires that all air quality regions of the country meet the Federal standards for ozone and carbon monoxide by December 31, 1987.

Currently there are over 70 air quality regions of the country that do not meet the Federal standards for these 2 pollutants. The Environmental Protection Agency estimates that one-half to one-third of these areas will not be in attainment by the end of this year. As a consequence, millions of people are risking their health every day from exposure to unsafe levels of air pollution.

We have already made the easy first steps toward reducing emissions of harmful air pollutants. The next steps will be more difficult. This bill lays out a rational and reasonable approach that State and local air quality boards can take to solve their local problems. It requires the Environmental Protection Agency to set higher ambient air quality standards, to protect public health.

This bill has three major objectives. First it extends the deadline for air quality regions which are not in attainment by December 31. These areas may receive an additional 5-year extension if they commit to additional control measures specified under this act.

Second, this bill requires tighter Federal controls on motor vehicle emissions, and requires that Federal standards be set for hydrocarbon emissions from commercial and consumer solvents, architectural coatings, pesticide applications, traffic coatings, and military specification coatings.

Last, this bill requires the Administrator of the Environmental Protection Agency to promulgate 1-hour primary ambient air quality standards for ozone, nitrogen dioxide, and sulfur dioxide and standards for acid aerosols to protect public health, secondary standards for particulate matter of less than 2.5 microns to protect visibility.

With the ozone deadline approaching, we must all face up to the realization that air pollution knows no boundaries. Actions in each individual area will lead to a cleaner, more healthful environment for all our citizens.

This legislation shows vision. It is my hope that this legislation will be coupled with legislation addressing both stationary sources and air toxics to get this Nation's commitment to clean air back on track and meet the commitment of a healthy environment for all Americans.

Mr. DODD. I am pleased to join Senator MITCHELL in introducing the "Clean Air Standards Attainment Act of 1987."

This legislation addresses one of the most serious environmental problems facing this Nation: ozone pollution.

Under the Clean Air Act, the deadline for air quality control regions to meet the national ambient air quality standard for ozone is December 31, 1987. The Environmental Protection Agency estimated in April that more than 70 areas of the country, including most major population centers, currently do not meet the ozone standard, and that at least 35 will fail to meet the standard by the end of the year. Some of the most-polluted urban areas—such as New York and Los Angeles—cannot possibly meet the standard at any time in the foreseeable future, let alone by the deadline.

My home State of Connecticut along with much of New England is a nonattainment area, reporting smog levels higher than the national ambient standard that occur more than twice a year. Some of the smog is transported from New York, New Jersey, and other mid-Atlantic States by prevailing southwesterly summer winds.

Indeed, New England, more than any other region of the country, suffers from air pollution that it is unable to control. We in the region continue to be damaged by various forms of air pollution because we are downwind of heavily industrialized and urbanized areas of the country. As individual States, we can correct our own contributions to these problems, only to find ourselves subjected to emissions from other States due to the long range transport phenomenon. Therefore, it is absolutely essential that we work to develop a regional approach to the ozone problem.

In this regard, I am pleased that the New England region has taken a strong stand in favor of addressing ozone transport along the Northeast corridor from Washington, DC, to Maine, treating it as a single air basin. The New England regional office of EPA is establishing a regional oxidant modeling project for the Northeast corridor. The project will analyze the transport problem, providing a better scientific base for future control strategies.

Millions of people across the country are suffering ill effects from ozone. Ozone levels at or slightly above the standard can cause reduced lung function, leading to chest pain, coughing, and congestion. People with respiratory ailments who are sensitive to smog often are incapacitated by it on very bad days. Animal experiments indicate that repeated exposure may leave permanent scarring on lung tissue.

Ambient ozone has been shown to reduce crop yields by up to 33 percent in the Eastern United States where smog is accompanied by high humidity. Smog is becoming recognized as ranking with acid rain as a crop and forest growth inhibitor. Damage to white pine in our region of the country has been especially great.

Over the past 15 years, a number of actions taken under the Clean Air Act have successfully led to lower ozone levels. Most important of these actions has been emission standards for both hydrocarbons and oxides of nitrogen for new automobiles.

While progress has been made, tens of millions of Americans are still living in areas afflicted with unhealthy air. It is my firm belief that the legislation we are introducing today represents a significant step toward dealing with the serious problem of ozone pollution.

Under the bill, areas that miss the December 31, 1987, deadline could receive a 5-year extension if they commit to certain additional control measures. The list of controls required for a 5-year extension includes improved inspection and maintenance programs to ensure that motor vehicle emission controls are working on vehicles in use. Another required measure would be the use of stage II controls on gas pumps to collect gasoline vapors during refueling.

Areas that determined they could not meet the standard within 5 years would be required to implement more stringent controls. To qualify for the longer extension, areas would have to carry out all of the measures required in the 5-year areas plus additional requirements. Those requirements include an annual reduction in emissions of nitrogen oxides, hydrocarbons, and carbon monoxide of at least 8 percent, or a lower level that will achieve the standard within 10 years of enactment.

Failure to submit or implement an acceptable program would lead to sanctions.

The bill also includes provisions to reduce ozone emissions outside nonattainment areas that contribute to pollution of dirty air areas.

The bill would require EPA to impose national controls on certain pollution sources. Motor vehicle-related controls include onboard canisters for light-duty vehicles to collect refueling vapors, volatility controls for fuel, and tougher tailpipe emission standards.

Federal standards would be set for hydrocarbon emissions from commercial and consumer solvents, architectural coatings such as oil-based paints, certain other coatings, and pesticide applications.

The bill also would require EPA to issue several ambient air quality standards, including an 8-hour ozone standard designed to take account of chronic health effects.

Ten years have passed since Congress reauthorized the Clean Air Act; it has been due for reauthorization since 1981. Although progress has been made since the act was originally passed, the goals have not been achieved and many new air pollution problems have come to light. Congress in 1977 provided for reauthorization in the Clean Air Act to deal with new and continuing problems, yet every Congress since 1981 has neglected this responsibility to the Nation's citizens.

The need is now urgent for action to correct the array of pressing air pollution problems, including acid deposition, visibility degradation, air toxics, depletion of stratospheric ozone, as well as ground level ozone. Together these pollutants threaten public health, degrade resources, and cause untold billions of dollars in damages to crops, forests, lakes, buildings, and monuments across the country.

Clean Air Act reauthorization must be a top priority of the Congress during 1987. The "Clean Air Standards Attainment Act of 1987," as part of comprehensive clean air legislation, is vital to the long-term health of this Nation's citizens, its natural resources, and its economy.

Mr. CHAFEE. Mr. President, for the past 7 years, Congress has been struggling with the need to amend the Clean Air Act. During that time, we have successfully rewritten and strengthened the Clean Water Act, the Federal hazardous waste control law [RCRA], the Superfund hazardous waste cleanup law, and the Safe Drinking Water Act. It is now time to break the Clean Air Act logjam.

What began as a debate about acid rain is now a debate about that and much more. No longer are we just talking about a few dead lakes and streams in the Northeast. We are talking about the health and welfare of every man, woman, and child in America.

Despite the remarkable improvements in air quality that have been achieved in the last 10 to 20 years, we cannot afford to rest on our laurels. Even today, air pollution can make our eyes sting and our throats burn. It can damage the fragile lungs of our children. Those with special problems, the elderly and asthmatics are even more sensitive to air pollution. It can kill trees and, in the form of acid rain, it can kill fish and cause dangerous metals such as lead and mercury to leach out of the ground into the water we drink.

We still see trucks and buses spewing black smoke on the highways and city streets. Equally dangerous but invisible are the toxic air pollutants that are being emitted all across the country. Furthermore, we are all contributing to the ozone problems. On the one hand, we use and release a class of chemicals known as CFC's—chlorofluorocarbons—that are destroying ozone in the upper atmosphere where it shields us from the Sun's harmful ultraviolet radiation. On the other hand, by driving our cars and painting our buildings we are creating ozone or smog in the lower atmosphere where it is a health hazard.

The Clean Air Act was last amended in 1977. Since that time, we have discovered more and more evidence of problems that are caused by air pollution. Fortunately, we have also discovered ways to control the pollution. Technology has come a long way in the last 10 years. Now it is time to use that knowledge and technology to clean up the air we breath.

Reauthorization of the Clean Air Act is the Environment Committee's top priority this year. We have already introduced bills on acid rain and ozone depletion and have held numerous hearings on a wide range of issues. Today, several of us are introducing a bill to address the ozone nonattainment problem, the smog problem. We will move quickly to more hearings and hope to have a bill ready for debate and a vote in the Senate by September of this year.

Some people will look at this bill and see a deadline extension. Another way to look at it—the more accurate description—is a bill to bring cities into compliance with clean air standards for ozone and carbon monoxide.

We have a problem. The current law requires cities to be in compliance with existing health based standards by December 31 of this year. For a whole series of reasons—some that were avoidable, some not—approximately 50 areas cannot meet that deadline.

If we do nothing, those areas will be subject to sanctions, including bans on new construction and cutoffs of Federal funds for highways and sewage plants. For some areas, sanctions would be unfair. Included in this category is my own State of Rhode Island.

Like many areas in the Northeast, part of the problem in Rhode Island is the transport of pollution from upwind areas such as New York. The current law doesn't deal with this problem very well. It uses a State-by-State approach. The bill we are introducing today will fix that by establishing regions and a program for regional control of air pollution.

But no one gets a simple deadline extension under this bill. There are conditions. Even areas subject to the transport problem must do more to control local pollution. Some of these areas, like Boston and Providence, RI, are eligible for a 5-year extension.

For areas with more severe pollution, like Los Angeles and New York City, there is a 10-year extension of the deadline in exchange for a commitment to implement a whole series of additional control measures.

Included in this bill are new, tighter Federal standards and pollution control requirements for cars and trucks, including diesel trucks. These will improve air quality everywhere.

The regional differences that have blocked action on the Clean Air Act, in the past, particularly on acid rain problems, are still there and we have a tough road to hoe. But I for one am committed to amending and improving the act. Clean air is not just a idealistic dream. It is a realistic goal that is within our grasp. Together, we will defeat our opponents and help every man, woman, and child breathe a little easier.

By Mr. HELMS:

S. 1352. A bill to control the progression of acquired immune deficiency syndrome; to the Committee on Governmental Affairs.

AIDS CONTROL ACT

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, as I indicated on a couple of occasions last week I am today introducing the AIDS control Act of 1987 which is a comprehensive bill designed to be an important first step in curbing the spread of the AIDS virus.

I certainly do not present this piece of legislation or proposed legislation, Mr. President, as a cure-all for the AIDS crisis, I do believe, if enacted, this bill will put this Nation on the proper path of treating AIDS like this country has treated all venereal diseases. Traditional measures which helped stop, for example, this syphilis epidemic of the 1930's will work again if we will make the effort. When I say "we" I mean every Member of the U.S. Senate, and I certainly do not mean a highly publicized grandstanding effort.

The proposal has been made that we have a select committee to meet and discuss the way to proceed. Whatever the forum, I believe this Senate needs to address the AIDS crisis and address it promptly.

I offer this bill today as purely, Mr. President, an important first step.

Let's face it. AIDS Is a terrible disease.

If current trends continue, it is estimated that by 1991 the total of those dead and dying from AIDS may very well exceed 270,000 Americans, which is more than all of the Americans who died in the Korean and Vietnam wars combined.

AIDS is unique as a disease. It is 100 percent fatal with no cure in sight. Not even the bubonic plague which wiped out a quarter of a population in Europe in 17 years in the 14th century was 100 percent fatal to those who contracted it.

I think we must face up to the question, Mr. President, what have politicians and public health officials really done about the AIDS threat? Sure, a lot of tax money has been spent and a great deal of research has been done. We have heard an enormous amount of rhetoric about so-called safe sex and using condoms and the confidentiality and the civil rights of AIDS victims—some—and I stress the word "some"—preventive steps have been taken, but that to this point, Mr. President, substantively not much has been done to protect from this dreaded disease those who do not now have it.

In fact, based on the public health response to date, a good case can be made that AIDS is the first politically protected plague in all history. For example, right here in Washington, D.C., the city council passed a law which forbids insurance companies from asking applicants whether they test positive for antibodies to the AIDS virus; in other words, insurance companies right here in this city can ask about disease, high blood pressure, and smoking habits, and so forth, and set the applicant's insurance rates accordingly, but the one thing they cannot ask about is susceptibility to AIDS.

The law is needed, so say the District of Columbia politicians, to protect homosexuals from discrimination. But the real discrimination is that this law discriminates against all those who are not infected with the AIDS virus. Because of the D.C. AIDS law many life and health insurance companies have ceased doing business altogether in the District of Columbia, thereby depriving DC residents the opportunity to protect themselves from economic disaster due to illness or death.

In August 1986, I proposed vetoing the DC AIDS law in the Senate. My colleagues agreed, 54 to 41, but then the House of Representatives refused to vote on the issue.

Many public health officials have also had their heads in the sand. They have spent an inordinate amount of time and money not talking about sexual abstinence—which is the only sure preventative for AIDS—but talking about so-called safe sex. The truth—which you don't have to be a public health official with an M.D. to know—is that sodomy, adultery, and fornication are not now, nor have they ever been, safe.

Perhaps fear of being called a moralist has muzzled some public officials. Or, it could be that the fear of powerful homosexual rights groups explains their silence. From the beginning, Mr. Levy and his Gay Rights Task Force, the AIDS Action Council, and other homosexual rights groups have seated themselves on the front row of the AIDS debate. While making sure Americans realize that AIDS is not a gay disease but everybody's disease, they protest any public initiatives to protect the general public beyond research and education. As they see it, public safety takes a back seat to their civil rights to engage in unnatural and immoral sexual behavior. Unfortunately, with few exceptions, State and Federal legislators have listened to their rhetoric and have refused to act.

My bill, Mr. President, will move us in the right direction. It addresses five major areas: recordkeeping on the prevalence of HIV infection; protection of the organ, semen and blood supply; AIDS infection among the military, prisoners, immigrants, applicants for marriage licenses, and others; repeal of DC law 6-170 barring certain AIDS tests for insurance applicants; and congressional encouragement for State AIDS testing.

Mr. President, before I begin discussing the particulars of my bill, I believe it is imperative to review the facts about this disease called AIDS—acquired immune deficiency syndrome.

As most Americans know, the AIDS epidemic is not confined to the United States. In December 1982, the World Health Organization reported 711 cases of AIDS from 16 countries. By January 1987, 85 countries reported 37,872 cases of AIDS.

On January 15, 1987, Jonathan Mann, director, Special Program on AIDS, World Health Organization, testifying before the Senate Labor and Human Resources Committee, stated that Africa has reported 2,323 cases of AIDS, the Americas have 31,230 cases; Asia—86 cases; Europe—3,847 cases and Oceania—386 cases. These numbers, according to Dr. Mann, represent only a fraction of AIDS cases which he estimates to be somewhere in the neighborhood of 100,000. He also testified that between 5 and 10 million persons are infected with the human immunodeficiency virus—the AIDS virus—now, and 50 to 100 million may become infected with HIV worldwide by 1991.

In the United States, the AIDS has reached epidemic proportions. In the Americas, according to Dr. Mann's testimony in January, the United States has 91 percent of the reported cases—28,523. Those figures have grown since

January. As of June 8, there are 36,514 Americans with AIDS and 21,155 have died.

What about the numbers of Americans infected with the virus, Mr. President? The U.S. Public Health Service has estimated this number to be approximately 1.5 million. They estimate that 30 percent will go on to develop AIDS. Other estimates are much higher.

When these figures are broken down to reflect gender and location, the data is even more alarming. According to a March 25, 1987 news article, one in nine men in California, Florida, New York, Texas and Washington, DC has been infected with the virus, whereas, 1 in 75 women in Florida, New York, Washington, DC, New Jersey and Connecticut has been infected.

Undoubtedly, the numbers of AIDS cases will continue to grow, Mr. President. By the end of 1991, Public Health Service estimates that there will be a cumulative total of between 196,000 and 371,000 cases of AIDS in the United States. Of this number, by the end of 1991 between 140,000 and 201,000 will have died.

The American people want the Government to take effective action. A U.S. News-CNN poll reported in the April 20, 1987 edition of U.S. News and World Report reveals that 74 percent of those polled want AIDS testing of patients before they enter the hospital; 77 percent favor mandatory testing prior to issuing a marriage license; 74 percent favor the testing of immigrants; 51 percent of those polled favor testing of foreigners entering the United States. A November 1986 Newsweek poll discovered that 54 percent favor quarantine of individuals with AIDS; 65 percent want massage parlors closed.

Mr. President, let me now review in detail the provisions of my bill.

Section 2 addresses the problem of AIDS transmission through tainted organs, semen and blood. It would codify a 1985 recommendation by the Public Health Service that individuals who have AIDS or who are at high risk of contracting it should refrain from donating blood, semen or organs. My bill would simply insure compliance with this recommendation by imposing a fine of $10,000, a term of 10 years, or both for those at high risk or those with AIDS who donate or attempt to donate blood, semen and organs.

Currently, Mr. President, blood banks and hospitals using the enzyme-linked immunosorbent assay [ELISA] test can identify most blood donations contaminated with the human immunodeficiency virus. However, these tests are not foolproof. The National Academy of Sciences has warned that all infected donors are not detected by the current tests. It states in the report titled, Confronting AIDS:

> The small fraction of false-negative test results and the length of time between infection with the virus and the appearance of antibodies underscore the need for those who have engaged in high-risk behaviors to refrain from donation; even with available screening techniques, this is still of paramount importance.

In addition, researchers continue to find new viruses associated with AIDS, making the current testing procedures dismally inadequate to prevent future contamination of our Nation's blood supply. Dr. Essex of the Harvard School of Public Health, has been quoted as saying that the blood test used to detect antibodies against HTLV-III can only detect 60 to 92 percent of individuals with antibodies against LAV-II or HTLV-IV, in contrast to 99 percent of individuals infected with HTLV-III. Researchers at the Pasteur Institute in Paris believe that the rate of detection of LAV-II may be as low as 30 to 50 percent.

Until recently, experts believed that the HTLV-I virus, another virus affiliated with AIDS, had not reached American shores, but on June 1, 1987 Dr. Robert Gallo, one of the discoverers of the HTLV-III virus, told the International AIDS Conference that there are a "few million Americans" infected with the HTLV-I virus. The blood banks are not routinely testing for HTLV-I.

In light of these facts, this country must do more to insure a safe blood, organ and semen supply. Imposing a criminal penalty on anyone who attempts to contribute to a blood, semen or organ bank when that individual knows he or she is infected with the human immunodeficiency virus or is at high risk of infection should deter such individuals from donating, and ultimately insure a safer blood supply.

Mr. President, section 3 changes the rules for blood banks. All collectors and distributors of blood must be federally licensed. Under this provision, in order to obtain a license, the entity must provide the patient with the option of using his or her own blood for elective surgery and also provide the patient with the option of using a designated donor's blood.

Despite assurances from experts that the public has nothing to fear, Mr. President, many medical professionals are skeptical about the safety of the blood supply. In a survey of 4,000 doctors, nearly half—45 percent—of the doctors in private practice who responded to the survey said that if a family member were about to have elective surgery, they would shun publicly donated blood and would make arrangement to have their own blood or that of other family members used instead.

Most blood banks and blood suppliers are openly opposed to autologous and directed blood donations. However, in high risk areas, such as San Francisco and New York City, some blood suppliers have bowed to public pressure and are now allowing autologous and directed blood donations. In San Francisco, the rate of individuals wanting autologous blood donations reached 13.5 percent in 1985. In Chicago, 10 percent of the elective surgery patients in 1985 chose to reserve a supply of their own blood. In New York City, officials at Columbia Presbyterian Medical Center reported that the number of patients who asked to store their own blood jumped 50 percent in 1985.

In areas where the AIDS epidemic has not reached the proportions found in San Francisco or New York City, autologous or directed blood donations are much more difficult to obtain. According to an August 17, 1986, New York Times article, many blood banks discourage donations earmarked for specific patients and have refused to cooperate with clubs of blood donors. And some, especially in the South and Midwest, where AIDS cases are low, have discouraged autologous blood storing, alleging that it poses storage and bookkeeping problems.

The earlier opposition to autologous donations is now waning. The AMA and NIH have recently endorsed autologous blood donations. At a July 1986 symposium sponsored by NIH, an expert panel concluded that autologous blood is the safest form of transfusion therapy. Blood banks and blood centers should make this option available to all qualified healthy people. The panel did not take a position on directed blood donations.

Directed blood donations have not received the endorsement of the experts to date. However, some State legislatures are considering this option. Just this past October, the California Legislature enacted a bill mandating that all hospitals allow parents with compatible blood to contribute blood to their child. State Senator John T. Doolittle, the sponsor of the bill, has introduced legislation this year to broaden directed donations to allow anyone to obtain such a donation.

Mr. President, I find it alarming that under the current system a person going into a hospital for elective surgery may not be able to take his wife's compatible blood, or his child's or his neighbor's. Individuals should have the freedom to choose whose blood they will receive and should not be held hostage by the blood banks.

Section 3, modeled after the California law, will allow patients to receive blood from a compatible donor of his or her choice.

Mr. President, section 4 of my bill would simply require centers for disease control [CDC] to keep records of those individuals infected with the human immunodeficiency virus. Currently the CDC records only individuals with AIDS.

The Public Health Service estimates that 30 percent of those individuals who are infected with the virus will develop AIDS. Recently, Dr. Roy Schwartz of the AMA has reportedly stated, "As an immunologist I do not see any reason not to see 100 percent" of those infected developing the disease.

By keeping records only of those individuals with AIDS and ignoring the numbers of those infected, we will never be able to grasp the magnitude of this epidemic. The centers for disease control keeps track of all stages of syphilis. It should certainly do so for all stages of AIDS as well.

Section 5 of the bill would require States who want to participate in the Federal venereal disease program or other programs for AIDS prevention, treatment, or counseling to take legislative or administrative action to (1) require premarital testing for HIV infection and (2) require reporting of all cases of HIV infection to the State health officials.

Mr. President, in order to contain the spread of the HIV virus, it is imperative for States to treat HIV infection in the same manner that they treated the syphilis epidemic of the 1930's. At that time, because of public health concerns, States enacted laws to contain the spread of the disease including mandatory reporting of cases to the State public health departments and required pre-marital testing.

The majority of States have mechanisms in place to require reporting of other venereal disease and to require pre-marital testing for syphilis or rubella, both with adequate confidentiality laws. In light of the fatal nature and rapid spread of the AIDS virus, it is imperative that States take similar precautions with respect to AIDS.

The States can then send these figures to the centers for disease control, giving the Federal Government better statistics on the growth of the epidemic.

Section 6 of the bill amends title X of the Public Health Service Act—the so-called family planning program—to require grantees of the title X program to notify clients about the risk of contracting AIDS and that contraceptives—including condoms—will not provide full protection against the AIDS infection.

Because over one-third of the title X clientele are sexually promiscuous teenagers, I believe it is imperative that if the Federal Government is going to be involved in the so-called safe sex business, we owe it to the recipients of these services to tell them the truth about how safe certain measures are.

Section 7 of my bill would impose mandatory testing in Federal prisons. Since 1981, there have been 67 reported cases of AIDS in Federal prisons.

Mr. President, there is reason to believe that these figures will continue to grow. Inmates in prisons include two populations which appear to be at the greatest risk of developing AIDS—intravenous drug users and homosexuals. Also, makeshift tattooing—a common practice in prisons from what I am told—raises additional risk of AIDS infection.

As more and more of these populations enter Federal penitentiaries, the virus will certainly spread. A 1984 study of homosexual activity and sexual assault in Federal prisons revealed that overall, 12 percent of those surveyed had engaged in homosexual activity while in prison. In penitentiaries, where more dangerous offenders have longer incarceration periods, 20 percent of the penitentiary inmates stated they had had a homosexual experience in their current Federal institution. In response to the question, "Have you had a homosexual experience in a prison as an adult?", 30 percent responded, "yes."

The study also showed that some Federal inmates were victims of sexual assault. Nine percent responded positively when asked if anyone had forced or attempted to force the inmate to perform sex against his will while in a prison. Two percent of the Federal inmates were targets in a Federal institution; 0.6 percent of Federal inmates were forced to perform an undesired sex act in Federal prison; 0.3 percent of Federal inmates were sodomized in a Federal institution.

This week the Attorney General of the United States announced that those entering Federal prison and those leaving Federal prison will be tested for the HIV virus. My bill will require testing upon entrance, annual testing thereafter, and at such times as the Bureau of Prisons deems appropriate. Furthermore, my bill would prohibit those infected from being involved in prison blood services, dental services, medical services, or barber shops.

Section 8 of the bill would impose mandatory testing of members of the Armed Forces. Specifically, this provision would require testing prior to entrance, annual testing thereafter.

Currently, Mr. President, the military tests only new recruits. Officials are not, as standard procedure, annually testing all members of the Armed Forces, although they have begun random testing and have tested approximately 59 percent of those on active duty.

Mr. President, for the health and well-being of our Armed Forces, I believe it is imperative for all military personnel to be tested annually for infection with the human immunodeficiency virus. Soldiers and sailors are required to undergo annual physical exams; drug tests are routine. There is no reason at all, for their own well-being, that military personnel should not also be tested for AIDS.

I am also concerned about blood transfusions in times of crisis. In those situations, soldiers are assigned a blood partner and blood is not tested prior to transfusions. In cases where a member of the military is unaware that he is infected with the virus, he may be the recipient of blood tainted with the lethal AIDS virus.

Mr. President, we owe it to our soldiers, who risk their lives to protect our freedom, to protect them from the deadly AIDS virus.

Section 9 of my bill, Mr. President, would direct the President within 90 days after date of enactment to add human immunodeficiency virus to the existing list of dangerous contagious diseases for aliens.

Under current law, immigrants are given physical exams and tested for what the statute calls a "dangerous contagious disease" which includes chancroid, gonorrhea, granuloma inguinale, leprosy (infectious) lymphogranuloma venerium, syphilis (infectious) or tuberculosis (active). If the immigrant tests positive for a dangerous contagious disease, he or she is excluded from the United States. However, the law is silent on the excludability of those individuals infected with the human immunodeficiency virus.

Mr. President, this country must be protected from the influx of the AIDS virus from abroad. It is only elementary that as the epidemic continues to grow and spread abroad, immigrants coming to this country in greater numbers will be bringing the AIDS virus to the United States.

In addition, this section will amend the law affecting those individuals seeking legalization under the recently passed Immigration Reform and Control Act of 1986. Currently, the Attorney General can waive the dangerous contagious disease ground for exclusion. My bill will put illegals on the same footing as those legally trying to obtain entrance into the United States. If the illegal alien has a dangerous contagious disease, he will be denied legalization. The waiver found in 212(g) of the Immigration and Nationality Act for aliens seeking immigrant visas will apply to those seeking amnesty.

Section 10 contains language to repeal D.C. Law 6-170, the D.C. AIDS law. Because of D.C. Law 6-170, 82 percent of the top 50 life insurance companies have stopped writing insurance for D.C. residents. In addition, over 50 insurance companies have stopped providing health policies. It is imperative for this Congress to exercise its constitutional power to repeal the D.C. AIDS law.

Section 11 requires the Surgeon General within 180 days after enactment of this act to shutdown all bathhouses determined by him to be used for homosexual activity.

Mr. President, currently the Surgeon General has broad discretionary authority to stop the spread and transmission of disease. At the very least, he should, in my opinion, begin to shutdown those facilities which are breeding grounds for the transmission of AIDS.

Section 12 directs the hospitals run by the Veterans' Administration to begin AIDS testing for those individuals seeking inpatient care. I assume most Senators are aware of the recently disclosed cases of nurses contracting AIDS from patients. One nurse had chapped hands; another had minor cuts on her hands; and another got the patient's blood in her mouth. Our health care personnel have a right to know which patients have HIV infection so that they can take necessary precautions to protect themselves from contracting disease.

Section 13 requires that Saint Elizabeths Hospital begin AIDS testing of individuals upon entrance to St. Elizabeths and these statistics be reported to the D.C. Health Department.

Mr. President, currently Saint Elizabeths will test individuals for syphilis upon entrance. Public health reasons warrant this testing so that medical personnel can insure that necessary precautions are taken to avoid transmission. Certainly, medical personnel should be testing for AIDS as well.

In addition, Mr. President, AIDS testing is elementary for accurate diagnosis. Dementis (a clinical syndrome composed of failing memory and loss of other intellectual functions due to chronic progressive degenerative disease of the brain) and other nervous disorders are diseases resulting from AIDS. Allowing AIDS testing will ensure that the patient is diagnosed and treated properly.

Section 14 is a sense of the Congress statement to encourage States to test for individuals entering hospitals, including drug treatment centers and mental institutions.

Section 15 is a sense of the Congress statement to encourage States to test for individuals entering State prisons.

Section 16 is a sense of the Congress statement to encourage States and the Federal Government to implement policies to ensure that medical personnel treating a patient infected with the human immunodeficiency virus be notified so that they can take adequate precautions to avoid transmission.

As I stated at the outset of my remarks, the AIDS epidemic is not something we should take lightly. Research to discover more about the virus and how it spreads is mandatory if we are ever going to discover a vaccine. Education and counseling are laudable efforts but more needs to be done. The government, State and Federal, should not be afraid to take steps to contain the AIDS virus.

I do not purport that my bill is the only solution to curbing the spread of the AIDS epidemic. This Senate must proceed with thoughtful debate and courage. Thousands of lives are at stake. Who can deny that we owe it to ourselves and our children to promptly address this issue?

Mr. President, I ask unanimous consent that the full text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1352

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "AIDS Control Act of 1987".

PROTECTING THE NATION'S BLOOD AND TISSUE SUPPLY

SEC. 2. (a) Part I of title 18, United States Code, is amended by inserting after chapter 89 the following new chapter:

"CHAPTER 90—PUBLIC HEALTH PRESERVATION

"Sec.
"1831. Contamination of blood and tissue supply.

"§ 1831. Contamination of blood and tissue supply

"(a) It shall be unlawful for any individual to knowingly donate, or to knowingly attempt to donate, blood, semen, or organs, if such individual—

"(1) knows, on the basis of clinical or laboratory evidence, that such individual is infected with the human immunodeficiency virus;

"(2) is a male individual who has had sexual intercourse with another male individual at any time on or after January 1, 1977;

"(3) is an individual who, on or after January 1, 1977, is or has been a user of any intravenous drug the sale, distribution, or use of which is prohibited under Federal or State law at the time the individual injected the drug;

"(4) is an individual who has emigrated to the United States from Haiti, the Central African Republic, Zaire, Rwanda, Burundi, the Congo, Chad, or Uganda on or after January 1, 1977;

"(5) is an individual who has hemophilia and has received a clotting factor concentrate on or after January 1, 1977;

"(6) is an individual who has engaged in prostitution on or after January 1, 1977;

"(7) is an individual who has had sexual intercourse with an individual described in paragraph (1), (2), (3), (4), (5), (6), (8), or (9);

"(8) is an individual who has used a needle for an intravenous drug injection that the individual knows has previously been used for an intravenous drug injection by an individual described in paragraph (1), (2), (3), (4), (5), (6), (7), or (9);

"(9) knows such individual is at high risk of contracting acquired immune deficiency syndrome (as defined by the Director of the Centers for Disease Control); or

"(10) is an individual who has engaged in an activity which such individual knows places such individual at a high risk of contracting such syndrome (as defined by such Director).

"(b) Any person who violates the provisions of subsection (a) shall be subject to a fine of $10,000 or imprisonment for not more than 10 years, or both.

"(c) For purposes of this section, the term 'sexual intercourse' includes the acts described in section 2255(2)(A) of this title.".

(b) The chapter analysis at the beginning of Part I of title 18 is amended by inserting after the item for chapter 89 the following:

"90. Public Health Preservation................ 1831".

PERMITTING DIRECTED AND AUTOLOGOUS BLOOD DONATIONS

SEC. 3. Section 351(d) of the Public Health Service Act is amended by adding at the end thereof the following new paragraphs:

"(3) Within 180 days after the date of enactment of the AIDS Control Act of 1987, the Secretary shall promulgate regulations under this section to require that, as a condition of receiving a license under this section, any entity which collects or distributes blood or blood components or derivatives—

"(A) permit blood donations made by a donor to be used directly for blood transfusions for such donor or for an individual designated by the donor;

"(B) permit a donor of blood to direct that any blood donated by such donor be used in a blood transfusion for such donor or for an individual designated by such donor if the blood type of such donated blood is compatible with the blood type of such donor or the blood type of the designated individual, as the case may be, and the use of such donated blood is not contraindicated, as determined by the physician of such donor or such designated individual, as the case may be; and

"(C) permit blood donated in accordance with subparagraph (A) or (B) to be used for an individual other than the donor or an individual designated by a donor, as the case may be, if—

"(i) the physician of such donor or such designated individual determines that there is a more immediate need for such blood; or

"(ii) the donor consents to the use of such blood for an individual other than the donor or such designated individual.

"(4) Regulations promulgated by the Secretary to carry out paragraph (3) shall provide that any entity to which such paragraph applies is only required to permit the donations of blood described in such paragraph during the normal business hours of such entity.".

RECORDKEEPING

SEC. 4. Part B of title III of the Public Health Service Act is amended by inserting after section 318 the following new section:

"RECORDKEEPING OF CASES OF ACQUIRED IMMUNE DEFICIENCY SYNDROME, ACQUIRED IMMUNE DEFICIENCY RELATED COMPLEX, AND HUMAN IMMUNODEFICIENCY VIRUS INFECTIONS

"SEC. 318A. The Director of the Centers for Disease Control shall keep records of cases of individuals who are infected with the human immunodeficiency virus.".

CONDITIONS ON GRANTS FOR THE PREVENTION, TREATMENT, AND CONTROL OF ACQUIRED IMMUNE DEFICIENCY SYNDROME

SEC. 5. Section 318 of the Public Health Service Act is amended by adding at the end thereof the following new subsection:

"(h) The Secretary may not make a grant under this section in any State, and may not make a grant under any other provision of this Act in any State to support a project for education, testing, or counseling concerning acquired immune deficiency syndrome, unless—

"(1) the State has taken administrative or legislative action to require—

"(A) any physician practicing in the State to report to the appropriate State public health authorities the name and address of any individual residing in the State who is treated by such physician and known by such physician to be infected with the human immunodeficiency virus;

"(B) any physician or medical technician who analyzes the results of clinical tests performed in the State to report to the appropriate State public health authorities the name and address of any individual residing in the State who is determined as a result of an analysis conducted by such physician or medical technician to be infected with the human immunodeficiency virus; and

"(C) reporting under the laws described in subparagraphs (A) and (B) to be carried out in accordance with State laws regulating the confidentiality of records maintained by the State on individuals with sexually transmitted diseases; and

"(2) the State requires, as a condition of granting a marriage license to an individual, that such individual test negatively for the infection with human immunodeficiency virus.".

REQUIREMENTS FOR RECIPIENTS OF SERVICES AUTHORIZED UNDER TITLE X OF THE PUBLIC HEALTH SERVICE ACT

SEC. 6. Section 1006 of the Public Health Service Act is amended by adding at the end thereof the following new subsection:

"(e) A grant may be made or a contract entered into under this title only upon assurances satisfactory to the Secretary that the recipient of the grant or contract will, prior to providing to any individual any services with amounts appropriated under this title, inform the individual—

"(1) of the effectiveness of the particular contraceptive method provided to the individual by the recipient as a method to prevent infection with the human immunodeficiency virus and a comparison of such effectiveness with the effectiveness of sexual abstinence;

"(2) that many individuals who are infected with the human immunodeficiency virus will develop acquired immunodeficiency syndrome, which is a fatal disease; and

"(3) that the most effective way to avoid becoming infected with the human immunodeficiency virus is to abstain from homosexual relations, from heterosexual relations outside of marriage, and from the sharing of needles used to administer intravenous drugs.".

TESTING OF FEDERAL PRISONERS

SEC. 7. (a) Chapter 305 of part III of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 4087. AIDS testing

"(a) The Director of the Bureau of Prisons shall test each person incarcerated in a Federal penal or correctional institution for infection with the human immunodeficiency virus—

"(1) on the date such person enters a Federal penal or correctional institution;

"(2) every 12 months after the date described in paragraph (1); and

"(3) at such other times as the Director determines are appropriate.

"(b) The Director of the Bureau of Prisons shall report to the Director of Centers for Disease Control the incidence of each individual who tests positively for infection with the human immunodeficiency virus.

"(c) Within 180 days after enactment of the AIDS Control Act of 1987, the Director of the Bureau of Prisons shall promulgate regulations requiring that each individual who under this section tests positively for infection with the human immunodeficiency virus—

"(1) be placed in separate residential facilities in a penal or correctional institution, if possible; and

"(2) be restricted from holding any employment in a penal or correctional institution which involves duties that may increase the transmission of the human immunodeficiency virus, such as assignments in blood services, the barber shop, or medical and dental services in any capacity.".

(b) The table of sections for chapter 305 of part III of title 18, United States Code, is amended by adding at the end thereof the following:

"4087. AIDS testing.".

DISQUALIFICATION OF PERSONS FOR INDUCTION OR RETENTION IN THE ARMED FORCES ON THE BASIS OF INFECTION WITH THE HUMAN IMMUNODEFICIENCY VIRUS

SEC. 8. Chapter 49 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 983. Disqualification of persons for induction or retention on the basis of infection with the human immunodeficiency virus

"(a) Except as provided in subsection (d)(2), no person may be inducted into or retained in the armed forces (other than in a retired status) if it is determined, on the basis of a test or tests administered to such person under subsection (b), that such person is infected with the human immunodeficiency virus.

"(b) Under regulations prescribed by the Secretary concerned—

"(1) each person examined for induction and re-enlistment into the armed forces shall be tested for infection with the human immunodeficiency virus before induction;

"(2) each member of the armed forces shall be tested for infection with the human immunodeficiency virus at least once each year;

"(3) each time a member of the armed forces is admitted to any medical facility of the uniformed services or of the Veterans' Administration in order to receive in-patient care in such facility, such member shall be tested for infection with the human immunodeficiency virus; and

"(4) each member of the armed forces shall be tested for infection with the human immunodeficiency virus at such times (other than the times specified in clauses (2) and (3) of this subsection) as the Secretary concerned considers appropriate.".

(b) The table of sections at the beginning of chapter 49 of such title is amended by adding at the end the following:

"983. Disqualification of persons for induction or retention on the basis of infection with the human immunodeficiency virus.".

EXCLUSION OF ALIENS WITH AIDS

SEC. 9. Section 245A(d)(2)(B)(ii) of the Immigration and Nationality Act is amended by inserting at the end thereof the following new subclause:

"(VI) Paragraph (6) (relating to persons with dangerous diseases), except as otherwise provided in section 212(g) of the Immigration and Nationality Act.".

(b) Section 249 of such Act is amended by inserting "persons with dangerous diseases," after "smugglers of aliens".

(c) Section 210(c)(2)(B)(ii) of such Act is amended by inserting at the end thereof the following new subclause:

"(VI) Paragraph (6) (relating to persons with dangerous diseases), except as otherwise provided in section 212(g) of the Immigration and Nationality Act.".

(d) Section 210A(e)(2)(B) of such Act is amended by adding at the end thereof the following new clause:

"(v) Paragraph (6) (relating to persons with dangerous diseases), except as otherwise provided in section 212(g) of the Immigration and Nationality Act.".

(e) Within 90 days after the date of enactment of this Act, the President, pursuant to his power under section 212(a)(6) of the Immigration and Nationality Act, shall add infection with the human immunodeficiency virus to the list of dangerous contagious diseases contained in title 42 of the Code of Federal Regulations.

REPEAL OF D.C. LAW 6-170

SEC. 10. Notwithstanding any other provision of law, the Prohibition of Discrimination in the Provision of Insurance Act of 1986 (D.C. Law 6-170)—

(1) is hereby repealed; and

(2) shall be null and void effective from June 6, 1986.

PERSONS ADMITTED TO VETERANS' ADMINISTRATION MEDICAL FACILITIES FOR IN-PATIENT CARE

SEC. 11. (a) Subchapter II of chapter 17 of title 38, United States Code, is amended by adding at the end the following:

"§ 620D. Required testing for infection with the human immunodeficiency virus

"Each person admitted to a Veterans' Administration facility to receive hospital care shall be tested, at the time of each admission to such facility, to determine whether such person is infected with the human immunodeficiency virus.".

(b) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 620C the following:

"620D. Required testing for infection with the human immunodeficiency virus.".

AIDS TESTING AT SAINT ELIZABETHS HOSPITAL IN THE DISTRICT OF COLUMBIA

SEC. 12. No Federal funds appropriated to the District of Columbia may be used by the District of Columbia for Saint Elizabeths Hospital unless, within 90 days of the date of enactment of this Act, the District of Columbia implements a program—

(1) to test each person admitted to Saint Elizabeths Hospital to receive hospital care, at the time of the admission of such person to the hospital, in order to determine whether such person is infected with the human immunodeficiency virus; and

(2) to test each person admitted to Saint Elizabeths Hospital while such person is being treated to determine whether such person is infected with the human immuno-

deficiency virus at such times as the Superintendent of Saint Elizabeths Hospital determines are appropriate.

The Superintendent of Saint Elizabeths Hospital shall report the results of the tests conducted pursuant to this section to the District of Columbia Health Department.

CLOSING OF BATHHOUSES

SEC. 13. Within 180 days after the date of enactment of this Act, the Surgeon General of the United States shall make and enforce regulations pursuant to section 361 of the Public Health Service Act to require the closing of each communal bathing facility which the Surgeon General determines to be a place in which transmission of the acquired immunodeficiency syndrome virus occurs or to be a place in which sexual intercourse occurs between male individuals. For purposes of this section, the term "sexual intercourse" has the same meaning as in section 2255(2)(A) of title 18, United States Code.

SENSE OF THE CONGRESS WITH RESPECT TO STATE LAWS GOVERNING ADMISSION TO HOSPITALS AND DRUG TREATMENT CENTERS AND PROGRAM

SEC. 14. It is the sense of the Congress that States are encouraged to enact laws requiring that—

(1) every individual be tested for infection with the human immunodeficiency virus as a condition of, and prior to, admission to a hospital or a drug treatment center or drug treatment program; and

(2) positive test results should be reported to the appropriate public health officials of the State in which the hospital, center, or program is located.

SENSE OF THE CONGRESS WITH RESPECT TO THE TESTING OF INDIVIDUALS IN STATE PRISONS

SEC. 15. It is the sense of the Congress that each State should test each individual incarcerated in a State or local correctional institution in the State for infection with the human immunodeficiency virus and should provide for the reporting of positive test results to the appropriate public health officials of the State.

SENSE OF CONGRESS WITH RESPECT TO CONFIDENTIALITY AND THE NEED TO KNOW

SEC. 16. (a) CONGRESS FINDS THAT—

(1) Individuals who are found to be infected with the human immunodeficiency virus are entitled to have that medical information kept confidential on the same basis as other similar medical information would be kept confidential under existing State and Federal laws and regulations and general medical ethics;

(2) Medical personnel treating patients who are infected with the human immunodeficiency virus are entitled to know of such infection so that they can take appropriate precautionary measures to prevent their contracting the infection and the consequent further spread of the disease; and

(3) Medical personnel with the need to know described in subparagraph (2) should be diligent in protecting the confidentiality of patients infected with the human immunodeficiency virus.

(b) It is the sense of Congress that the executive branch of the Federal Government and all recipients of Federal financial assistance should implement policies reflecting the finds of subsection (a) in applying existing State and Federal laws and regulations with respect to confidentiality as related to patients infected with the human immunodeficiency virus.

By Mr. GRASSLEY (for himself and Mr. SIMON):

S.J. Res. 156. Joint resolution to establish a U.S. Commission on Improving the Effectiveness of the United Nations; to the Committee on Foreign Relations.

U.S. COMMISSION ON IMPROVING THE EFFECTIVENESS OF THE UNITED NATIONS

Mr. GRASSLEY. Mr. President, today, along with my distinguished colleague from Illinois, Senator SIMON, I am introducing legislation to establish a U.S. Commission on Improving the Effectiveness of the United Nations. This legislation is a companion to House Joint Resolution 112 which has been introduced by Representative JIM LEACH of Iowa.

Although I am one who agrees with the original goals of the U.N. Charter, I have certainly been critical of the effectiveness of the United Nations as a functional institution. One of the most disturbing features of the United Nations has been the inflammatory nature of much of the rhetoric in the general assembly. Unfortunately, much of this rhetoric has tended to be eventually formalized in U.N. resolutions that have led to polarization and politicization rather than reconciliation and understanding, which, obviously, is the major purpose of the United Nations.

Mr. President, in the past, I have supported measures that have called attention to the United Nations' difficulties. For example, in the last Congress, I supported an amendment sponsored by our able colleague from Kansas, Senator KASSEBAUM, that required the United States to cut its contribution to the United Nations from a quarter of the U.N. budget to a fifth until the United Nations made necessary budget reforms. As a result of this congressional pressure, the so-called U.N. group of 18 was created and its proposals were adopted. Unfortunately, the only area of attempted reform included the budgetary process, which really is not enough, in the final analysis, even though it was the major purpose of Senator KASSEBAUM'S proposal. In-depth program evaluation was never pursued, and even the budgetary reforms were very short on results.

Essentially, the group of 18's answer to the U.N.'s budgetary crisis was to create a restructured committee for program and coordination. The committee is suppose to operate by consensus and the general assembly is supposed to treat the committee's budget decisions as binding, but there is no requirement to do so. Therefore, since a consensus is not required, the United States has no more of a voice in U.N. budgetary matters than it did before the so-called reform that was brought about from the pressure of the Kassebaum amendment.

In addition, we are already beginning to see some backtracking on the United Nations adopted budget reforms. The agreed upon cuts in staff and Secretariat posts have been reduced to mere targets, and a new $73 million Conference Center in famine-stricken Ethiopia, which had supposedly been scrapped, is still apparently a long-term goal of some U.N. officials.

We have also seen how the United Nations has dealt with financial problems in the past. Last year, instead of reducing the bloated U.N. bureaucracy to save money, necessary programs such as U.N. work on human rights were cut. Last year's meeting of the Subcommission on Minorities and Discrimination was canceled as an economy measure. This subcommission had been effective in exposing human rights abuses from both revolutionary and reactionary governments. A number of human rights groups reportedly even offered to provide funds for the meeting, but the offers were refused. I believe this was a tragic display of U.N. mismanagement.

Mr. President, notwithstanding the continuing debate on U.N. budgetary matters, it is my goal to push for U.N. reform beyond the budget battles into serious overall programmatic reform of the United Nations. My introduction of this joint resolution establishing a Commission to study the United Nations is an attempt to make a positive contribution to this process. My resolution establishes a Commission which is charged with examining the U.N. system as a whole in order to identify and evaluate its strengths and weaknesses. The Commission is required to prepare and submit to the President, Congress and the Secretary General of the United Nations recommendations on ways to improve the effectiveness of the U.N. system and the role of the United States in that system. The Commission would not receive any Government funds, but would be entirely funded by private contributions.

Mr. President, there is a growing frustration in Congress and among the public with the flaws of the U.N. system. Nevertheless, I agree with President Reagan that the vision of the U.N. charter—to spare succeeding generations this scourge of war—remains as real today as when the charter was adopted. It is my hope in introducing this resolution that it will encourage Congress, the executive branch, the American people and the U.N. organization to constructively address the very real problems facing the United Nations and help the United Nations to renew its commitment to be a forum where effective and responsible world debate and action can take place.

I urge my colleagues to join me and Senator Simon in this effort to make the United Nations a more responsible and effective institution.

Mr. President, I ask unanimous consent that the text of the resolution be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

S.J. Res. 156

Whereas on December 19, 1986, the Forty-first Session of the United Nations General Assembly approved major reforms in the budget decisionmaking process, the administration, and the managment of the United Nations;

Whereas President Reagan characterized this achievement as "an historic step to adopt sweeping reforms of its organization and methods of operation";

Whereas the United States Permanent Representative to the United Nations, Ambassador Vernon Walters, has stated that the adoption of these reforms is "the beginning, not the end, of a process of reforming and improving the United Nations in the interests of all its members";

Whereas the cooperation of many other member states of the United Nations as well as the United Nations Secretary General was indispensable to this historic accomplishment;

Whereas the United Nations (of which the United States is a member by treaty) was established for the purposes, as enunciated in the Charter, of maintaining international peace and security, developing friendly relations among nations based on respect for equal rights and self-determination, achieving international cooperation in solving economic, social, cultural, and humanitarian problems, and promoting respect for human rights;

Whereas the United Nations system is a necessary universal and democratic institution in our interdependent world and has made significant contributions in such areas as the development of international law, peacekeeping, decolonization, nuclear nonproliferation, child health, refugee relief, economic development, and human rights;

Whereas in spite of its achievements, the United Nations has been unable to bring an end to war or human suffering;

Whereas the United Nations has also, on occasion, strayed from its original purposes and has served as a forum for irresponsible rhetoric and politicization, such as the adoption by the General Assembly in 1975 of Resolution 3379 equating Zionism with racism;

Whereas in spite of such grave lapses, the United States remains committed to the United Nations and the purposes of the Charter, not only as a member of the United Nations and one of its earliest leaders and supporters, but also as host to the United Nations headquarters;

Whereas testament to the continued relevance of the United Nation's purposes and principles can be found in the President's addresses to the United Nations General Assembly, in which he declared that "the vision of the U.N. Charter—to spare succeeding generations this scourge of war—remains real" and that the United States, "which has always given the United Nations generous support, will continue to play a leading role in the effort to achieve its noble purposes"; and

Whereas this is an appropriate time for the United States public and its representatives in Congress to participate in the ongoing United Nations reform process and to recommend means of making that institution more effective and responsible, consistent with the national interests of the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT OF COMMISSION.

The United States Commission on Improving the Effectiveness of the United Nations (hereafter in this joint resolution referred to as the "Commission") is hereby established.

SEC. 2. PURPOSES OF THE COMMISSION.

(a) Purposes.—The purposes of the Commission shall be to—

(1) examine the United Nations system as a whole and identify and evaluate its strengths and weaknesses; and

(2) prepare and submit to the President and to the Congress recommendations on ways to improve the effectiveness of the United Nations system and the role of the United States in the United Nations system, including the feasibility of and means for implementing such recommendations.

(b) Special Attention.—In carrying out its responsibilities under subsection (a), the Commission shall pay special attention to the following:

(1) The mechanisms and procedures within the United Nations system for peacekeeping and conflict-resolution and ways in which they may be expanded or improved, examining in particular the functions of the Secretary General, the role of the Security Council, the use of the International Court of Justice, potential third-party dispute-solving mechanisms (as in the establishment of a United Nations Mediation and Conciliation Service), the possible creation of standing United Nations peacekeeping forces or antiterrorism units, the role of United Nations institutions in factfinding, and potential verification and inspection services to assist in enforcing compliance with international arms control agreements.

(2) Formal and informal decisionmaking procedures in the United Nations system and recommendations to modify those procedures which have emerged from various interested parties, examining in particular the role of consensus decisionmaking, the feasibility and advisability of weigthed voting (including the so-called "binding triad" formula requiring multiple concurrent majorities based on one-nation-one-vote along with population and contributions), the possible modification of the Security Council veto, and the relationship of the principles of universality and democracy to decisionmaking procedures.

(3) The cost-effectiveness and administrative efficiency of the United Nations system, examining in particular the recently adopted budgetary, management, and administrative reforms, the role of the major donors in budget decisionmaking, the prioritization of programs, adjustments in assessments, potential alternative nongovernmental sources of revenue, salaries, benefits, hiring of consultants, contracts for goods and services, and appointment of staff in the Secretariat.

(4) The economic, social, and humanitarian role of the United Nations system, examining in particular the optimum coordination of economic development programs, the short-term and long-term response to crises and natural disasters, population health issues, refugee relief, the protection of the environment, human rights law, and the potential creation of a United Nations High Commissioner for Human Rights.

(5) United States participation in the United Nations system, examining in particular the strengths and weaknesses of United States performance, United States policy toward the International Court of Justice and international law, provisions in United States law relating to the United Nations system, ways in which the United States can better use the United Nations system to advance its national interests, the state of public opinion with regard to the United States role in the United Nations system, United States voluntary and assessed contributions, and the hiring of United States citizens in the United Nations system.

(6) Strategies and actions for promoting the implementation of recommended reforms in the United Nations system and United States role in the United Nations system.

(c) Consultation Regarding Other United Nations Reform Efforts.—In carrying out this section, the Commission shall make every effort to consult, where appropriate, with other public and private institutions and organizations engaged in efforts to reform the United Nations system, including efforts being made directly under the auspices of the United Nations.

SEC. 3. MEMBERSHIP OF THE COMMISSION.

(a) Members.—

(1) Number and appointment.—The Commission shall be composed of 18 members, appointed as follows:

(A) Two members of the Senate, one appointed by the President pro tempore of the Senate and one appointed by the minority leader of the Senate.

(B) Two Members of the House of Representatives, one appointed by the Speaker of the House and one appointed by the minority leader of the House.

(C) Eight individuals from the private sector, two appointed by the President pro tempore of the Senate, two appointed by the minority leader of the Senate, two appointed by the Speaker of the House, and two appointed by the minority leader of the House.

(D) Six individuals appointed by the President, not more than three of whom may be from the same political party.

(2) Criterion for appointments.—Individuals appointed pursuant to subparagraph (C) and (D) of paragraph (1) shall be representative, to the maximum extent possible, of the full range of American society.

(3) Appointment to be made promptly.—All appointments pursuant to paragraph (1) shall be made no later than 60 days after the date of enactment of this joint resolution.

(4) Vacancies.—Any vacancy in the membership of the Commission shall be filled in the same manner as the original appointment was made.

(b) Advisors.—Former United States Permanent Representatives to the United States Nations who are not appointed to the Commission shall be invited by the Commission to serve as advisors to the Commission.

(c) Compensation and Travel Expenses.—

(1) Compensation in general.—Except as provided in paragraph (2), each member of the Commission may be compensated at not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day during which that member is engaged in the

actual performance of the duties of the Commission.

(2) GOVERNMENT PERSONNEL.—Members of the Commission who are full-time officers or employees of the United States of Members of the Congress shall receive no additional pay on account of their service on the Commission.

(3) TRAVEL EXPENSES.—While away from their homes or regular places of business in the performance of service for the Commission, members of the Commission, and Advisors serving pursuant to subsection (b), shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5, United States Code.

(d) CHAIRMAN AND VICE CHAIRMAN.—The Chairman and Vice Chairman shall be elected by the Commission from among the members of the Commission.

(e) QUORUM.—Ten members of the Commission shall constitute a quorum for purposes of transacting business, except that four membrs shall constitute a quorum for holding public hearings.

SEC. 4. POWERS OF THE COMMISSION.

(a) IN GENERAL.—For the purpose of carring out this joint resolution, the Commission may hold such heairngs (subject to the requirements of subsection (b)) and sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers necessary to fulfill the purposes specified in section 2. The Commission may administer oaths and affirmations to witnesses appearing before the Commission.

(b) MEETINGS.—

(1) MINIMUM NUMBER OF PUBLIC HEARINGS.—The Commission shall hold a minimum of 5 public hearings.

(2) OPEN MEETINGS.—Section 552b of title 5 of the United States Code shall apply with respect to the Commission.

(3) CALLING MEETINGS.—The Commission shall meet at the call of the Chairman or a majority of its members.

(c) DELEGATION OF AUTHORITY.—When so authorized by the Commission, any member or agent of the Commission may take any action which the Commission is authorized to take by this section.

(d) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal agency information necessary to enable it to carry out this joint resolution. Upon request of the Chairman of the Commission, the head of any such Federal agency shall furnish such information to the Commission, to the extent authorized by law.

SEC. 5. STAFF.

(a) STAFF MEMBERS AND CONSULTANTS.—Subject to such rules as may be adopted by the Commission, the Chairman of the Commission, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classifications and General Schedule pay rates, may—

(1) appoint a Director who shall be paid at a rate not to exceed the rate of basic pay in effect for Level V of the Eecutive Schedule under section 5316 of title 5, United States Code;

(2) appoint and fix the compensation of such other staff personnel as the Chairman considers necessary; and

(3) procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code.

(b) DETAILING OF GOVERNMENT PERSONNEL.—Upon request of the Commission, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of that agency to the Commission to assist it in carrying out this joint resolution.

SEC. 6. REPORT.

The Commission shall transmit to the President and to the Congress a report containing a detailed statement of the findings, conclusions, and recommendations of the Commission. This report shall be transmitted not later than 18 months after the first date on which all members of the Commission have been appointed.

SEC. 7. FUNDING FOR THE COMMISSION.

(a) COMMISSION TO BE PRIVATELY FUNDED.—The Commission may accept and use contributions from private United States sources to carry out this joint resolution. No Fedreal funds may be made available to the Commission for use in carrying out this joint resolution.

(b) LIMITATION ON SIZE OF CONTRIBUTIONS.—The Commission may not accept contributions from any single source which have a value of more than—

(1) $100,000, or

(2) 20 percent of the total of all contributions accepted by the Commission,

whichever is larger.

(c) COMMISSION APPROVAL OF CERTAIN CONTRIBUTIONS.—The Commission may accept contributions having a value of $1,000 or more from a single source only if more than two-thirds of the members of the Commission have approved the acceptance of those contributions.

(d) DISCLOSURE OF CONTRIBUTIONS.—

(1) PERIODIC REPORTS TO CONGRESS.—Every 30 days, the Commission shall submit to the chairman of the Committee on Foreign Affairs of the House of Representatives, and to the chairman of the Committee on Foreign Relations of the Senate, a list of the source and amount of each contribution accepted by the Commission during the preceding 30 days.

(2) FINAL REPORT.—The source and amount of each contribution accepted by the Commission shall be listed in the report submitted pursuant to section 6.

SEC. 8. GENERAL ACCOUNTING OFFICE AUDITS OF THE COMMISSION.

The provisions of subchapter II of chapter 7 of title 31 of the United States (relating to the general duties and powers of the General Accounting Office) shall apply with respect to the programs and activities of the commission, including the receipt, disbursement, and use of funds contributed to the Commission, to the same extent as those provisions apply with respect to other agencies of the United States Government.

SEC. 9. TERMINATION OF THE COMMISSION.

The Commission shall cease to exist 60 days after submitting its report pursuant to section 6.

Mr. SIMON. Mr. President, it gives me great pleasure to join Senator CHARLES GRASSLEY in introducing this important legislation. I am a strong supporter of the United Nations. I believe it continues to be the best forum available for the resolution of international disputes and for helping to manage world problems too large or complicated to be handled at the national or regional level.

Year after year, the United Nations continues its invaluable work in bringing a variety of important social services and technologies to the less fortunate nations of the world. United Nations agencies lead the way in fighting world disease and hunger. Millions of refugees have turned to United Nations and associated agencies for food, shelter, education, and other vital services. And other millions have received crucial assistance from U.N. disaster relief programs throughout the world. Finally, U.N. peacekeeping forces, despite tremendous political roadblocks both within and without the organization, have played vital roles in helping defuse volatile situations in key spots of the world.

At the same time, the United Nations has come under increasing attack in recent years. There is an increasing lack of agreement among member nations on how to finance and utilize the United Nations and for what purposes. Confrontation rather than cooperation has come to characterize too many of its proceedings. While diplomatic confrontation is not necessarily bad—and better a clash of words than an armed conflict—when carried to the extreme it threatens the very basis of the institution. Member nations concentrate too much on winning battles rather than on resolving differences and solving problems. And, unfortunately, power plays—whether political or in the form of financial blackmail by threatening to withhold contributions—can only weaken and undermine the institution in the long run.

We need to set a new course. We must look again at the basic mission of the United Nations in the light of changes over the past 40 years. We must face the hard fact that there are some things the United Nations can do and others that it cannot. We should look to see which programs are working and which are not and then make the necessary changes. At the same time, we should recognize that the growing tendency of member states to task the organization with increasing responsibilities is a prime reason why initiatives go awry or fail to get off the ground.

More fundamentally, we must look at the way decisions are made to see whether and how the process can be structured to establish priorities and what these priorities should be. Finally, at a time when we Americans have engaged in a fair amount of U.N. bashing, we should take a good look at our own relationship with the organization. Despite one U.S. official's unwise and unfortuante remark about waving goodbye should the United Nations decide to leave the United States, I believe the American people strongly support the idea of the United Nations and want it to remain in the United States. At the same time, it is also clear that they are not fully satisfied with the performance of the United Nations and believe that improvement is needed.

Mr. President, when coming to grips with a problem of such magnitude and about which there are such differences of opinion, the usual response is to call for a commission to do a study. That is exactly what Senator Grassley and I intend to do. But this is no ordinary commission and the result will certainly not be just another U.N. study.

The bill would create a truly bipartisan commission comprised of representatives of both the public and private sectors with a broad range of experience, expertise, and outlook to review thoroughly the workings of the United Nations. The commission would hold public hearings around the country to focus American attention on U.N. issues and to stimulate a national debate on the role of the United Nations and on possible approaches and solutions to U.N. problems. Such hearings would be similar to the Ball-Burton-Hill-Hatch hearings of the 1940's. Finally, the commission would cost the American taxpayer nothing. All costs would be covered strictly by private donations with safeguards against overdependence on large donors.

Mr. President, we need the United Nations. And the United Nations needs us. It is in trouble, and its problems will not go away. The problems are deep-seated because they reflect the equally deep political and economic divisions of a world that has changed drastically since the war that led to its creation. As a major force in its creation, as the largest contributor, as the host country for the United Nations, and as a nation committed to the rule of international law and the peaceful resolution of disputes, we have a special obligation to lead the way in charting a new course. This bill is designed to start us down that course. I hope my colleagues will join with Senator Grassley and me in supporting this measure.

By Mr. GORE (for himself, Mr. Boschwitz, Mr. Bradley, Mr. Breaux, Mr. Bumpers, Mr. Burdick, Mr. Chafee, Mr. Chiles, Mr. Cochran, Mr. Conrad, Mr. D'Amato, Mr. Daschle, Mr. DeConcini, Mr. Dixon, Mr. Dole, Mr. Durenberger, Mr. Garn, Mr. Glenn, Mr. Grassley, Mr. Hatch, Mr. Helms, Mr. Hollings, Mr. Inouye, Mr. Johnston, Mr. Kennedy, Mr. Lautenberg, Mr. Levin, Mr. Matsunaga, Mr. McCain, Mr. McClure, Ms. Mikulski, Mr. Mitchell, Mr. Nunn, Mr. Pell, Mr. Pressler, Mr. Pryor, Mr. Reid, Mr. Riegle, Mr. Rockefeller, Mr. Roth, Mr. Sanford, Mr. Sasser, Mr. Shelby, Mr. Stafford, Mr. Stennis, Mr. Stevens, Mr. Symms, Mr. Thurmond, Mr. Warner, Mr. Wilson, and Mr. Wirth):

S.J. Res. 157. A joint resolution to designate the month of October 1987, as "Lupus Awareness Month"; to the Committee on the Judiciary.

LUPUS AWARENESS MONTH

Mr. GORE. Mr. President, I rise today to introduce a joint resolution designating October 1987 as "Lupus Awareness Month."

Ask a doctor about lupus erythematosus and you will see a grimace of pain as he or she recalls the terrible effects of this disease. Skin rashes, fever, joint pains, weight loss, anemia, kidney malfunction, nausea, and mental and emotional problems are only some of the symptoms of this tragic disease, which affects an estimated 500,000 Americans. Yet most people have never even heard of lupus.

It is thought that lupus attacks the body by causing an allergic reaction. Current research suggests that, in victims of lupus, the body becomes allergic to normal components of the cells, forming antibodies designed to break down healthy tissue. In other words, the body of a lupus victim is trying to destroy itself.

A majority of individuals affected by lupus erythematosus are women in their childbearing years. With prompt attention, 80 to 90 percent of lupus victims can look forward to a normal lifespan. Proven treatment and therapy techniques can improve the quality of life for all. But treatment must begin promptly. All too often, delays resulting from the difficult diagnosis of this multifaceted and little-known disease result in the death of the lupus victim.

Even when prompt diagnosis takes place, physicians can only treat the symptoms of lupus. No cure is possible. This lack is one of the most important arguments in favor of a national awareness project. Increased awareness is instrumental in securing the early diagnosis that is essential to saving lupus victims from extreme pain or untimely death. More importantly, awareness points the way to a redoubling of research efforts. Only in this way can we hope to find a cure.

The tragedy of lupus erythematosus speaks strongly for a concerted effort to eradicate the disease. I believe that a national awareness month is a vital step in embarking on that important work. I urge my colleagues in the Senate to support the resolution declaring October of this year "Lupus Awareness Month."

ADDITIONAL COSPONSORS

S. 332

At the request of Mr. DeConcini, the name of the Senator from Massachusetts [Mr. Kennedy] was added as a cosponsor of S. 332, a bill to provide for a General Accounting Office investigation and report on conditions of displaced Salvadorans, to provide certain rules of the House of Representatives and of the Senate with respect to review of the report, to provide for the temporary stay of detention and deportation of certain Salvadorans, and for other purposes.

S. 453

At the request of Mr. Murkowski, the name of the Senator from Alaska [Mr. Stevens] was added as a cosponsor of S. 453, a bill to amend title 38, United States Code, and the Veterans' Dioxin and Radiation Exposure Compensation Standards Act to improve the standards for determining whether a radiation-related disease is service connected, and for other purposes.

S. 701

At the request of Mr. Simon, the name of the Senator from Hawaii [Mr. Matsunaga] was added as a cosponsor of S. 701, a bill to amend the Foreign Assistance Act of 1961 to establish a separate authorization for assistance for famine recovery and long-term development in sub-Saharan Africa, and for other purposes.

S. 780

At the request of Mr. Reid, the name of the Senator from Massachusetts [Mr. Kennedy] was added as a cosponsor of S. 780, a bill to amend the enforcement provisions of the Federal Election Campaign Act of 1971.

S. 824

At the request of Mr. Specter, the names of the Senator from South Carolina [Mr. Hollings], and the Senator from Maryland [Ms. Mikulski] were added as cosponsors of S. 824, a bill to establish clearly a Federal right of action by aliens and U.S. citizens against persons engaging in torture or extrajudicial killing, and for other purposes.

S. 970

At the request of Mr. Lugar, the name of the Senator from Oregon [Mr. Hatfield] was added as a cosponsor of S. 970, a bill to authorize a research program for the modification of plants focusing on the development and production of new marketable industrial and commercial products, and for other purposes.

S. 998

At the request of Mr. DeConcini, the name of the Senator from Vermont [Mr. Stafford] was added as a cosponsor of S. 998, a bill entitled the "Micro Enterprise Loans for the Poor Act."

S. 1027

At the request of Mr. Humphrey, the name of the Senator from Arizona [Mr. DeConcini] was added as a cosponsor of S. 1027, a bill to prohibit trade between the Soviet puppet regime in Afghanistan and the United States.

S. 1085

At the request of Mr. Glenn, the names of the Senator from Ohio [Mr. Metzenbaum], the Senator from Washington [Mr. Adams], the Senator from Arkansas [Mr. Bumpers], the Senator from Maryland [Ms. Mikulski], the Senator from New Hampshire [Mr. Rudman], and the Senator from Michigan [Mr. Levin] were added as cosponsors of S. 1085, a bill to create an independent oversight board to ensure the safety of U.S. Government nuclear facilities, to apply the provisions of OSHA to certain Department of Energy nuclear facilities, to clarify the jurisdiction and powers of Government agencies dealing with nuclear wastes, to ensure independent research on the effects of radiation on human beings, and for other purposes.

S. 1234

At the request of Mr. Chafee, the name of the Senator from Alabama [Mr. Shelby] was added as a cosponsor of S. 1234, a bill to amend title 38, United States Code, to insure eligibility of certain individuals for beneficiary travel benefits when traveling to Veterans' Administration medical facilities.

S. 1239

At the request of Mr. Armstrong, the names of the Senator from Iowa [Mr. Grassley], and the Senator from Missouri [Mr. Danforth] were added as cosponsors of S. 1239, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain short-term loans.

S. 1269

At the request of Mr. Wirth, the name of the Senator from Pennsylvania [Mr. Heinz] was added as a cosponsor of S. 1269, a bill to improve hazardous materials transportation safety.

S. 1306

At the request of Mr. Cochran, the names of the Senator from Georgia [Mr. Fowler], and the Senator from Alabama [Mr. Shelby] were added as cosponsors of S. 1306, a bill to amend the Tariff Schedules of the United States to make the temporary modification of the tariff treatment on certain disposable surgical gowns and drapes permanent.

S. 1331

At the request of Mr. Biden, the name of the Senator from North Carolina [Mr. Sanford] was added as a cosponsor of S. 1331, a bill to authorize the Administrator of the Environmental Protection Agency to establish the Waste Reduction Clearinghouse, and for other purposes.

S. 1344

At the request of Mr. Karnes, his name was added as a cosponsor of S. 1344, a bill to amend the Small Business Act to enhance the ability of small businesses to compete for international export markets, and for other purposes.

SENATE JOINT RESOLUTION 21

At the request of Mr. Hollings, the names of the Senator from Nebraska [Mr. Exon], the Senator from Nevada [Mr. Reid], and the Senator from Illinois [Mr. Dixon], were added as cosponsors of Senate Joint Resolution 21, a joint resolution proposing an amendment to the Constitution of the United States relative to contributions and expenditures intended to affect congressional, and Presidential elections.

SENATE JOINT RESOLUTION 103

At the request of Mr. Lautenberg, the names of the Senator from Arizona [Mr. DeConcini], the Senator from Maryland [Mr. Sarbanes], the Senator from Delaware [Mr. Roth], the Senator from Massachusetts [Mr. Kennedy], the Senator from California [Mr. Cranston], the Senator from Vermont [Mr. Leahy], the Senator from Minnesota [Mr. Boschwitz], the Senator from Illinois [Mr. Simon], the Senator from Nebraska [Mr. Exon], the Senator from North Carolina [Mr. Sanford], the Senator from Massachusetts [Mr. Kerry], the Senator from Montana [Mr. Baucus], the Senator from Virginia [Mr. Warner], the Senator from Wisconsin [Mr. Kasten], and the Senator from Colorado [Mr. Armstrong], were added as cosponsors of Senate Joint Resolution 103, a joint resolution to designate October 1987, as "Computer Learning Month."

SENATE JOINT RESOLUTION 111

At the request of Mr. Heinz, the name of the Senator from Oklahoma [Mr. Nickles] was added as a cosponsor of Senate Joint Resolution 111, a joint resolution to designate each of the months of November 1987, and November 1988, as "National Hospice Month."

SENATE JOINT RESOLUTION 135

At the request of Mr. D'Amato, his name was added as a cosponsor of Senate Joint Resolution 135, a joint resolution to designate October 1987 as "Polish American Heritage Month."

At the request of Mr. Simon, the names of the Senator from Kansas [Mr. Dole], the Senator from Alaska [Mr. Stevens], the Senator from Arkansas [Mr. Bumpers], and the Senator from North Dakota [Mr. Burdick] were added as cosponsors of Senate Joint Resolution 135, supra.

SENATE JOINT RESOLUTION 138

At the request of Mr. Helms, the names of the Senator from Wisconsin [Mr. Kasten] and the Senator from Idaho [Mr. McClure] were added as cosponsors of Senate Joint Resolution 138, a joint resolution to designate the period commencing on July 13, 1987, and ending on July 26, 1987, as "U.S. Olympic Festival—'87 Celebration," and to designate July 17, 1987, as "U.S. Olympic Festival—'87 Day."

SENATE JOINT RESOLUTION 148

At the request of Mr. D'Amato, the names of the Senator from Pennsylvania [Mr. Heinz] and the Senator from Alaska [Mr. Stevens] were added as cosponsors of Senate Joint Resolution 148, a joint resolution designating the week of September 20, 1987, through September 26, 1987, as "Emergency Medical Services Week."

SENATE JOINT RESOLUTION 153

At the request of Mr. Packwood, the names of the Senator from Mississippi [Mr. Cochran], the Senator from North Dakota [Mr. Conrad], and the Senator from Montana [Mr. Baucus] were added as cosponsors of Senate Joint Resolution 153, a joint resolution prohibiting the enhancement or upgrade in the sensitivity of technology of, or the capability of, Maverick missiles for Saudi Arabia.

SENATE CONCURRENT RESOLUTION 38

At the request of Mr. Armstrong, the names of the Senator from Nevada [Mr. Hecht], the Senator from California [Mr. Wilson], the Senator from Indiana [Mr. Lugar], the Senator from Pennsylvania [Mr. Heinz], and the Senator from Georgia [Mr. Nunn] were added as cosponsors of Senate Concurrent Resolution 38, a concurrent resolution to recognize the International Association of Fire Fighters and the National Fallen Fire Fighter Memorial in Colorado Springs, CO.

SENATE RESOLUTION 230—RELATING TO IMPLEMENTATION OF RECOMMENDATIONS WITH RESPECT TO THE AIR TRAFFIC CONTROL SYSTEM

Mr. LAUTENBERG (for himself and Mr. Byrd) submitted the following resolution; which was referred to the Committee on Commerce, Science, and Transportation:

S. Res. 230

Whereas, the members of the National Transportation Safety Board have unanimously approved a class 1, urgent recommendation that the Federal Aviation Administration take immediate action to limit peak air traffic levels at certain air traffic control facilities this summer;

Whereas, a class 1 urgent recommendation indicates that the Safety Board believes an accident could occur at anytime;

Whereas, the number of near mid-air collisions has risen sharply between 1985 and 1986;

Whereas, air traffic activity under Federal Aviation Administration control increased by 13 percent from the first quarter of 1981 to the first quarter of 1987, and this summer this activity is expected to be 5 percent higher than last summer;

Whereas, there were 13,200 full performance level or fully qualified controllers in July, 1981, but only 9,563 as of the end of April, 1987;

Whereas, many of today's controllers are relatively inexperienced and are still undergoing training;

Whereas, in addition to a severe shortage of fully qualified controllers, there are also substantial shortages of first-line supervisors and traffic management coordinators and many supervisors are eligible to retire;

Whereas, supervisors at many major control facilities are required to spend excessive amounts of their time controlling air traffic themselves instead of supervising and coordinating the work of the controllers;

Whereas, two independent agencies—the National Transportation Safety Board and the General Accounting Office—have found, contrary to the assurances of the Administration that the Federal Aviation Administration's traffic management system is incomplete and cannot assure that airspace sectors will not be saturated with unsafe peak level of air traffic;

Whereas, it is the first responsibility of the Department of Transportation and the Federal Aviation Administration to do everything possible to diminish the potential of an aviation accident;

Whereas, the Department of Transportation and the Federal Aviation Administration have refused to recognize the immediate need to implement the Safety Board recommendation;

Whereas, the Department of Transportation announced on June 4, 1987, that its previous air traffic forecasts were too low and substantial increases in controller, supervisor, and traffic management coordinator positions are needed for fiscal year 1988;

Whereas, the only remedy available today to protect the margin of air safety is to constrain controller workload through temporary adjustments to peak traffic levels; and

Whereas, the Safety Board's recommendation focuses on the 22 busiest airports and should not result in the disproportionate curtailment of service to small and medium size communities: Now, therefore, be it

Resolved, That it is the sense of the United States Senate that because—

(1) the margin of safety in the Nation's air traffic system has declined, contrary to repeated assurance of continued improvements by the Department of Transportation and the Federal Aviation Administration, and

(2) the present condition of the air traffic control system cannot be remedied in the short term with new technology, additional airport construction, or the hiring of additional controller candidates,

the Federal Aviation Administration should take immediate measures to implement the priority 1, urgent recommendation of the National Transportation Safety Board (A-87-52) in order to avoid overloading our understaffed air traffic control system.

Mr. LAUTENBERG. Mr. President, on behalf of myself and the majority leader Senator BYRD, I rise to introduce a resolution that calls for immediate action to ensure air safety, and to prevent dangerous overloading of our air traffic control system this summer. It calls for adoption of steps urgently recommended by the National Transportation Safety Board.

The issue isn't whether the air traffic system is foundering. It is. The issue isn't whether we can rebuild the system. We can. But we can't overcome the effects of the 1981 strike and deregulation overnight.

The issue, Mr. President, is what we can and should do today to compensate for deficiencies that exist today.

As with any other system, the air traffic control system is only as strong as its weakest link. So the real choice is quite simple. We can continue business as usual, operating the system with a hope, and a prayer, and our fingers crossed. Or we can act now to reduce the chances that inexperienced controllers somewhere out there will be confronted with more airplanes than they can safely handle.

Mr. President, where the choice involves safety, there can be no debate. We must always put safety first. That is what this resolution is about.

On May 13, the National Transportation Safety Board adopted four recommendations aimed at protecting the margin of safety as air travel surges this summer. I have here a copy of the Board's recommendations and ask that it be entered in the RECORD at the conclusion of my remarks. The most critical of these four recommendations is the one which the Board categorizes as "Class I, Urgent Action." It calls on the FAA to reduce the number of arrivals and departures at certain airports. That should keep peak traffic in certain sectors from rising.

Mr. President, the NTSB is flashing the red light. It's ringing the alarm. The warning could not be any louder. "Class I, Urgent Action" is the category the Board reserves for its highest priority concerns. It means that, in the Board's considered judgment, an accident can occur at any time unless preventive action is taken. Let me repeat that. A "Class I, Urgent Action" situation is one in which the Safety Board believes an accident could occur at any time.

Now, Mr. President, what the Board is saying is that unless FAA acts now to constrain air traffic, we run the risk of overload. En route control sectors—which control planes in midjourney—can't handle the load. We face the risk of a catastrophic midair collision. For the Safety Board to take such a strong and unanimous position with respect to critical parts of our air traffic control system should give everyone pause. This was no casual decision. The Board, in reaching its conclusions, considered every major facet of the existing traffic management system. They took account of the recent improvements the FAA has touted publicly. The Board still believes that the only way to avoid the risk of overloading already congested sectors is to limit peak air traffic levels at certain air traffic control facilities this summer. The Safety Board found that what ails the air traffic system cannot be cured this summer with new technology, more runways, or additional controller candidates.

Mr. President, the NTSB is not alone in sounding the alarm. The General Accounting Office has also identified serious weaknesses in FAA's traffic management capabilities in the en route environment. Last month, GAO testified before the Senate Commerce Committee that none of FAA's safeguards "were fully implemented and were not reliable means for assuring that controllers are not faced with more traffic than they can safely handle."

Moreover, a recent GAO survey of staffing and workload conditions at 43 major air traffic control facilities reinforces NTSB's concerns about shortages of experienced controllers, supervisors, and traffic management personnel.

The administration, at least initially, apparently believed one of two things. Either the risks of system overload are overstated or the risks are worth taking. On either score, they are wrong. But, I must confess, it is hard to characterize the administration's position—or I should say positions—on the issue. There have been several and they keep changing, almost day by day.

The first reaction was total rejection. Administrator Engen accused Chairman Burnett of being an uninformed alarmist. It was clear, said the Administrator, that Burnett did not understand the system and that he should talk to the President if he wanted to restrict air commerce. A few days later we were told that action on NTSB's recommendation was unnecessary because FAA had the situation well in hand and was in fact already doing what the Safety Board recommended. Mr. Engen even went so far as to say he had no real disagreement with Chairman Burnett and the Board.

Just over a week ago, on "Face the Nation," Deputy Secretary Burnley vehemently argued both positions. On the one hand, he complained that the concerns raised by the Board and others about the safety of the system are nothing but self serving "gibberish and nonsense." On the other, according to Burnley, FAA is already doing what the Safety Board recommended. Then, only 3 days later, the Secretary of Transportation, Mrs. Dole, announced a budget amendment of $51.5 million for 955 additional air traffic controllers, supervisors, traffic management coordinators, and technical support personnel. So much for the argument that the air traffic control system has all the staff it needs to manage increasing traffic without eroding the margin of safety. Mr.

President, this does not present a picture of an agency in control.

But, let me dispel any doubts that Members of this body may have about the need to heed the warning signals. Just this week, there was a near catastrophe over O'Hare. I refer my colleagues to an article that appeared yesterday in the Washington Post. I ask that a copy of the article be inserted at the conclusion of my remarks. That article describes in very disturbing terms how FAA's traffic management system apparently again did not preclude air traffic workload in the Chicago area from reaching a point where confusion occurred. Thankfully, a catastrophic midair collision was again avoided. The article quotes a controller supervisor as describing the operation at his en route center as unsafe. What is the FAA's response? According to the article, it is that the system is OK. No adjustments to traffic flow are needed but FAA will review procedures and traffic patterns.

Mr. President, we are playing Russian roulette with the public's safety. And because the gun hasn't fired yet we're supposed to relax.

The administration's contortions on this issue—are matters of serious concern. Personal attacks, clever word games, glib assurances, or public relations budgets cannot alter the basic facts. This Nation's air traffic control system is being pushed up against its limits. Where those final limits are, no one can say with certainty. But it is clear that we are approaching them.

The administration has repeatedly assured the Congress, safety conditions are improving. If that were so, we should see major positive changes in such safety indicators as the numbers of near midair collisions and controller errors. But the fact is, that is not the case. Virtually every safety indicator is now pointing in the wrong direction.

So, Mr. President, we have passed the time for talk, debate, and discussion of future improvements. The summer air traffic season is here and the time to act is now. That is what this resolution calls for. I urge its adoption and I yield the floor.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL TRANSPORTATION
SAFETY BOARD,
Washington, DC, May 13, 1987.

Hon. DONALD D. ENGEN,
Administrator, Federal Aviation Administration, Washington, DC.

The National Transportation Safety Board's investigation of several recent incidents involving operational errors committed by air traffic controllers provide cause for concern about the level of safety of the U.S. air traffic control (ATC) system. The findings from these investigations show that the nation's ATC system is at times overburdened with traffic; lacks continuously effective terminal and en route traffic flow control programs; and, at some control facilities, lacks the number of qualified controllers necessary to fully staff control positions throughout the day. Also, the Safety Board is concerned that the number of ATC operational errors, one indicator of system safety, has risen during the past few months reversing the generally decreasing trends during the preceding year. The number of runway incursions, another safety indicator, has also risen during the last 2 years. Finally, the number of reports of near midair collisions and particularly the number which involve at least one air carrier airplane increased between 1985 and 1986. These indicators suggest an erosion of safety in the ATC system which may worsen as a result of the predictable increases in air traffic and the typical convective weather during the summer season ahead.

During the course of its current investigations of accidents and incidents, the Safety Board is continuing to examine the relevant aspects of the ATC system including facility staffing levels, training, quality assurance and controller procedures, as well as the effect of the steady increase in traffic level. Findings related to these broad issues will be addressed in detail in future accident reports and safety recommendations. However, because of its strong concern about the safety of the ATC system during the summer months ahead, the Safety Board is directing this letter to the immediate need for Federal Aviation Administration (FAA) action to reduce air traffic density when and where the ATC system is operating at near saturation levels until a flow control program is developed which can meet the dynamic requirements of the system.

SYSTEM SAFETY INDICATORS

The Safety Board believes that the frequency of operational errors which lead to compromises of the separation standards for aircraft in flight or on the runway is one effective indicator of ATC system safety. The total number of operational errors increased 18 percent during the first quarter of 1987 when compared to the first quarter of 1986. This recent increase contrasts sharply with a general reduction in operational errors during 1985 and 1986. Runway incursion incidents caused by controller performance deficiencies have increased nearly 50 percent from 77 during 1984 to 115 during 1986. Near midair collison reports have also increased during the past year. The total number of near midair collision reports may not be a direct indication of ATC system performance since they often involve visual flight rules (VFR) traffic. However, the Safety Board finds it most significant that 57 of the reported 1986 encounters involved critical hazards[1] for air carrier aircraft, most of which are presumably operating with the protection afforded by the ATC system. This represented a 42 percent increase over 1985 occurrences.

Historically, the number of operational errors and near midair collisions has increased substantially during mid-year months. These increases are believed to be related, primarily, to increased traffic levels during the summer flying period. This year, however, the expected upturn is starting at a level already well above the comparable period in 1986. Thus, the Safety Board is concerned that the tendency for operational errors and the potential for a catastrophic accident will continue to increase during the 1987 summer months.

SAFETY BOARD INVESTIGATIONS

The Safety Board dispatched teams of investigators to examine the circumstances of several recent operational errors. These teams were staffed with an operational investigator-in-charge, two air traffic control specialists, and a human performance investigator.

On February 25, 1987, a runway incursion accident occurred at the Los Angeles International Airport, Los Angeles, California. The accident involved a collision between Continental Airlines flight 866, a Boeing 727, and N98834, a Cessna 310R. Flight 866 had been cleared to take off on runway 25R by the tower south local controller while the Cessna had been cleared to taxi across runway 25R by the south ground controller. The aircraft collided at the intersection of runway 25R and Taxiway 47J when the right main landing gear of the Boeing 727, which had just lifted off, struck the vertical stabilizer of the Cessna 310R causing substantial damage to the Cessna airplane.

On March 31, 1987, an operational error incident occurred in the airspace controlled by the Cleveland Air Route Traffic Control Center (ARTCC) near the Dryer navigational fix. The error involved Northwest flight 427, a DC-9, en route from Allentown, Pennsylvania, to Detroit, Michigan, and N52DC, a Falcon DA50, en route from Saginaw, Michigan, to Washington, D.C. Flight 427 was given a heading of 360° and a descent from flight level (FL) 290 to FL 240. The Falcon was at FL 290 and was turned to a heading of 170°, then was turned further to 210° and cleared to climb to FL 310. The two airplanes passed each other with 1½ miles horizonal and 800 feet vertical separation.

On April 3, 1987, an operational error incident occurred in the Bridgeport, Connecticut, sector of the Boston ARTCC. The error involved Pan American flight 528, a B727, en route from LaGuardia, New York, to Boston, Massachusetts, and Continental Airlines flight 602, a DC-9 en route from Dulles, Virginia, to Bradley Airport at Windsor Locks, Connecticut. The radar controller issued a climb clearance to flight 528 to 14,000 feet and provided a traffic advisory concerning flight 602. Pan American flight 528 advised he had traffic in sight. The radar controller thought that he had issued a descent clearance to 15,000 feet to flight 602 and that vertical separation would exist when the aircraft flightpaths crossed. Actually, he had issued a descent clearance to 14,000 feet which has been acknowledged. The flightcrew of Pan American flight 528 adjusted their rate of climb to avoid a potential midair collision and separation was lost when the aircraft passed with 400 feet vertical separation and 0.69 mile lateral separation.

On April 9, 1987, an operational error led to a runway incursion incident at Logan International Airport, Boston, during night VFR weather conditions. The error involved Northwest flight 35, a DC-9, taxiing for takeoff on runaway 9 and Precision Airlines flight 509, a BE-99 which has been cleared for a visual approach to land on runway 4L. There was training in progress on both the local and ground control positions. The local controller approved the request of flight 35 to cross on runway 4L and while it was exiting the runway, flight 509 reportedly overflew the vertical tail of the DC-9. The tower supervisor became concerned as he observed the incident developing. Although he vocalized his concern, the error still occurred.

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[1] Critical: A situation where collision avoidance was due to chance rather than an act on the part of the pilot. Less than 100 feet of aircraft separation would be considered critical.

On April 13, 1987, an operational error incident occurred at the Hampton sector of the Boston ARTCC. The error involved USAir flight 64, a B-737 en route from Philadelphia, Pennsylvania, to Boston, and Eastern Air Lines flight 695, a B-727 en route from Boston to Washington National Airport. The aircraft were on opposite direction and parallel courses, with flight 695 level at FL 280 and flight 64 level at FL 270. The radar controller issued a climb clearance to flight 64 to FL 290 as the aircraft were passing. The aircraft did not have standard separation when the conflict alert activated. The aircraft passed with 400 feet vertical separation and 2.88 miles lateral separation.

On April 16, 1987, an operational error incident occurred at the Manchester Terminal Radar Approach Control (TRACON) position which is a part of the Boston ARTCC. The error involved Bar Harbor Airlines flight 756, a BE-99 en route from Boston to Burlington, Vermont, at 8,000 feet and N456DA, a PA-31 en route from Bangor, Maine, to Teterboro, New Jersey, at 8,000 feet. Both aircraft were on instrument flight rules (IFR) flightplans, and the aircraft passed with 0 lateral and approximately 200 feet vertical separation as the BE-99 was nosed over to avoid an imminent midair collision. The radar controller was aware of the pending conflict, yet was busy issuing coordination instructions and holding aircraft in his airspace as a result of adjacent center sector saturation. The controller did issue a descent clearance to flight 756 when the aircraft were approximately 1 mile apart. Both aircraft filed a near midair collision report as a result of the near collision.

The Safety Board's recent and past investigations of operational errors (and runway incursions incidents) have disclosed that the factors and circumstances of the errors vary and that the errors cannot be attributed to one single cause. Most of the occurrences, particularly those which have involved tower personnel, were the result of a breakdown in controller procedures, poor coordination, and a general lack of supervision. In many of the cases described in a special investigation of runway incursions,[2] Safety Board investigators found that supervisors were either working a control position or performing other duties which precluded their availability to provide oversight and resolution of developing conflicts. The Safety Board's findings generally support the FAA's analysis [3] which shows that operational errors are committed by both experienced and inexperienced controllers and are just as apt to occur during periods when traffic is moderate or light as when traffic is heavy. Nonetheless, the Safety Board believes that a continual increase in daily workload can be a factor which increases a controller's vulnerability for error, that longer periods between breaks and the cyclic nature of the workload can lead to an insidious loss of attentiveness during a period of reduced traffic.

When Safety Board investigators interviewed randomly selected controllers in TRACON, tower, and ARTCC facilities, nearly all of those interviewed in the ARTCC facilities expressed concern about the increasing levels of traffic they were required to control during some periods of their work shifts. They stated that certain sectors become extremely busy and present complex traffic situations during some periods as air carrier airplanes operate to and from their major hubs for flight connections.

The controllers' observations of a continually growing workload are substantiated by a recent FAA report which shows that at 22 airports, the average daily operations for February 1987 have increased 10.2 percent when compared to July 1981, just before the Professional Air Traffic Controller Organization (PATCO) walkout. Individually, these data show that Atlanta has increased 25 percent, Los Angeles has increased 17 percent, Detroit has increased 46 percent, and Newark has increased 55 percent. This same report shows that the average daily operations at the 20 ARTCC's have increased 10.4 percent when compared to 1981. Individually, these data show the average at Atlanta ARTCC has increased 28 percent, Los Angeles has increased 35 percent, and Boston, Jacksonville, and Washington ARTCC's have all increased 21 percent.

While the controllers did not believe that the current situation should be categorized as "unsafe," many believed that an unsafe situation could develop if the traffic volume continues to increase. In fact, many controllers in the facilities expressed concern that the controller staff on board will not be sufficient in terms of numbers, qualifications, and experience to cope with the needs of their facility during the coming summer. In addition, the controllers believe that overtime needs and scheduled leave will exacerbate the problem, particularly where the flexibility to use some controllers in busy positions is limited by individual qualifications. They were concerned that many of the controllers who will be staffing busy positions this summer have not had experience handling the complex air traffic control situations that develop when the circumvention of thunderstorms is required, and to do so under increased levels of traffic could lead to an unsafe condition.

DISCUSSION

The function of the ATC is to promote and assure the safe, orderly, and expeditious flow of aircraft from their departure to their destinations. The system has evolved with the growth of air traffic into a complex array of ground-based radar systems, computers, navigational aids, and communication equipment. The Safety Board acknowledges that the continual advancements of this system since the early 1970's including the en route and terminal radar, conflict alert logic, and airspace segregation have had significant effects on both safety and system capacity. Although there are assorted automated features, the primary element in the system remains the air traffic controller. The controllers still must mentally perceive and project the flow of aircraft as they enter their assigned airspace, decide the direction and altitude that each aircraft must fly in order to pass through the airspace while maintaining a prescribed separation from all of the other aircraft, and communicate the proper commands to the pilot. A controller may have more than 20 aircraft to track and direct at a given time. The Safety Board recognizes that it is a demanding task that requires special aptitudes, training, experience, and mental discipline.

In August 1981, over 11,000 controllers of the total staff of about 17,000 were terminated after the PATCO walkout. In anticipation of the PATCO strike, the FAA had developed a contingency plan which was initiated after the walkout. The plan permitted continued operation of the ATC system at a restricted level by the remaining controller workforce augmented by FAA supervisory staff, military controllers, and the extensive use of overtime. The ATC restrictions imposed included the allocations of slots for scheduled traffic in and out of major airports and a reservation system to limit general aviation access to the ATC system. At the same time, the FAA undertook a massive program to hire and train a replacement workforce at an accelerated pace. The combined efforts of traffic restrictions and restaffing and the dedicated performance of the working controllers sustained the system from 1981 through 1984. The Safety Board believes that the FAA's performance during that period was commendable. By 1984, the restaffing efforts had progressed to the extent that the slot allocation and general aviation reservation programs were lifted except for four major airports[4] defined as high-density traffic airports where specific limitations are still imposed on the number of IFR operations that can be scheduled or reserved during any given hour.

Access to the ATC system today is otherwise unrestricted except for the daily metering of traffic in the system provided by a limited flow control program which is managed from a Central Flow Control Facility in the FAA's Washington headquarters. The present flow control program is imposed to maintain a flow of aircraft into the major terminals which is consistent with the established acceptances for those airports with consideration for factors such as terminal area weather and runway configuration in use. The program is not capable of detecting or preventing a traffic overload in individual ARTCC sectors. During en route flight, the aircraft destined for the different major terminals intermix with each other and with aircraft bound for less busy airports for which there are no flow control limits. Consequently, the present flow control has no predictive capability for sector saturation and en route traffic is regulated at the ARTCC and TRACON facility level. This regulation is effected by traffic managers who are responsible for monitoring the overall situation and by individual controllers who meter the traffic by maintaining prescribed in-trail separation distances to ensure that traffic is passed from sector to sector and en route to terminal facilities in an orderly progression.

Although the level of traffic operating within the ATC system has been permitted to increase, the controller workforce has not yet reached its full strength. The total number of controller personnel on board is close to the stated objective of 15,225. However, many of these controllers still have to complete their training, and the FAA must redistribute controllers to understaffed facilities before complete stability of the workforce is achieved. Even then, it will take years to reacquire a workforce with an experience level comparable to that which existed before the 1981 PATCO walkout.

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[2] For more detailed information, read, Special Investigation Report—"Runway Incursions at Controlled Airports in the United States" (NTSB/SIR-86/01).

[3] Profile of Operational Errors and Deviations in the U.S. Air Traffic System, Calendar Year 1985, dated May 1986.

[4] The high-density traffic airports are John F. Kennedy, LaGuardia, O'Hare, and Washington National.

However, the strength and experience level of the controller workforce is only one of several factors which affect the ability of the ATC system to accommodate increasing levels of traffic safety. Even with a full staff of trained and experienced controllers, there is a limit to ATC system capacity imposed by the required spacing of airplanes that can be landed and departed from the airport runways available (airport acceptance rates) and the rate at which airplanes can be intermixed as they move with an orderly flow and prescribed separations through a given volume of en route airspace. Other factors affecting these rates include the complexity introduced by individual sector geographical size and characateristics, converging airways, the presence of hazardous weather, radio frequency congestion, and the wide variation of performance characteristics of different airplanes. The Safety Board believes that the peak traffic flow in some parts of the ATC system today is approaching the limits imposed by these considerations. In fact, the present staffing shortages of certain facilities notwithstanding, ATC facilities now are generally able to staff all control positions with qualified persons during the periods when peak traffic flow is anticipated. Thus, while the overall level of experience may be a factor, the staffing shortages per se are probably not a significant limitation to the maximum level of traffic that can be safely handled during the peak periods. The staffing shortages might become a factor in the total daily capacity of the ATC system if the need to handle peak traffic were extended throughout the day, thus requiring that all control positions remain staffed for prolonged periods. However, the Safety Board does not believe that arbitrary increases in the number of controllers, over the presently authorized full staffing level, would produce a corresponding increase in the number of aircraft that the ATC system could handle safely.

During the last several months airlines have experienced mounting delays for scheduled departure and arrival flights. Deregulation and airline hubbing concepts have been major factors in these delays, which have been increasing and will continue to rise with the increase in flights during the upcoming summer travel period unless corrective action is implemented. These delays occur because the airlines schedule more departure and arrival flights during a specific time period than the airports and ATC system can accommodate. The FAA has stated that it will continue to adhere to its policy to hold airplanes on the ground at their departure points until the ATC system capacity is capable of handling the airplanes for their entire flight routing, and the Safety Board strongly supports this policy. Theoretically, airplanes should not be required to fly holding patterns as a result of in-flight delays except for unforeseen circumstances such as weather, runway closings, or ground equipment discrepancies. However, during visits to the Boston and Cleveland ARTCC's, Safety Board investigators learned that some aircraft destined for Boston Logan Airport and Chicago O'Hare Airport are required to hold in flight because airborne traffic is exceeding the airport acceptance rates. The Safety Board believes that this situation indicates limitations in the ability of the present ATC flow control program to adjust system demand to match system capacity.

The Safety Board is particularly concerned that any FAA actions to succumb to industry and public pressure to reduce delays by relaxing restrictions on access to the ATC system will overtax airport and controller capabilities. In this regard, the FAA's recent actions to relax several flow control measures, including a reduction in in-trail restrictions to as little as 10 nautical miles in some airspace, could adversely affect controller workload and compromise system safety. The Safety Board is not aware of the extent to which the FAA evaluated the potential impact of these actions and believes that a thorough analysis must consider such factors as controller workforce experience and the complexities that can arise when thunderstorms develop suddenly.

The Safety Board believes that a safer way to reduce airline delays and to alleviate the peaks in ATC system demand is to impose realistic flight scheduling by all the air carriers. Some departure and arrival times for scheduled flights must be rescheduled to times when the airports and ATC system are underused. The Safety Board understands that the recent efforts of the Office of the Secretary of Transportation (OST) and the FAA to elicit cooperation with the airlines to resolve scheduling peaks has been partially successful. The Safety Board believes that the OST and FAA should continue to encourage and coordinate voluntary actions by the air carriers to achieve schedules compatible with ATC system capacity. If voluntary measures are not successful, the FAA should review the need for other actions such as an extension in the application of the high-density traffic airport limitations.

The Safety Board believes that the key to achieving maximum ATC system capacity involves the implementation of effective and efficient traffic management programs. These traffic management or flow control programs should be automated and should include predictive capabilities based on the dynamic analysis of traffic conditions. The traffic management programs should be adequate to ensure that the workload of individual controllers does not exceed safe levels.

The Safety Board's staff has been briefed on the FAA's new aircraft situation display (ASD) which has been developed for use in its Central Flow Control Facility. The Safety Board understands that this new program will provide the capability for flow control technicians to analyze real-time traffic conditions in all 20 domestic ARTCC's. The Safety Board hopes that the program will be used to conduct comprehensive analysis of individual ARTCC sectors which have been identified as reaching traffic saturation at certain times in the day. Such an analysis should enable the FAA to examine current departures and arrivals at major airports and the routes of flight in between so that traffic management solutions can be developed to alleviate the peak traffic period. The Safety Board believes this new flow control tool should significantly enhance the FAA's ability to reduce peak traffic periods in specific ATC system sectors and airspace.

As a result of its investigation, the National Transportation Safety Board recommends that the Federal Aviation Administration:

Take immediate action to reduce the maximum acceptance rates at those airports now monitored by the Central Flow Control Facility, and place limits on en route flight-plan approval to the extent necessary—

To ensure that the peak traffic in Air Route Traffic Control Center sectors resulting from the intermixing of aircraft destined for different airports remains at or below present levels; and

To ensure that in-flight holding is limited to unpredictable circumstances

until these factors are included in an automated predictive air traffic control system flow control program based on dynamic situation analysis. (Class I, Urgent Action) (A-87-52)

Initiate a program to solicit controller views and to analyze pertinent data such as traffic count reports from the offline analysis management program (OAMP), extracted radar data, air-to-ground communication tapes, etc., and use tools such as the aircraft situation display—

To identify critical Air Route Traffic Control Center and Terminal Radar Approach Control sectors;

To establish criteria for the sector maximum safe traffic density in critical sectors;

To develop a means for predicting periods when traffic levels might approach or exceed safe limits; and

To develop procedures or actions to prevent sector overload by alternative flight routing, revised sector design, or establishing more effective flow control measures. (Class II, Priority Action) (A-87-53)

Permit no further relaxation in flow control measures including the en route miles in-trail separation restrictions prescribing the flow of traffic in those Air Route Traffic Control Center sectors and Terminal Radar Approach Control airspace that feed the major terminal facilities, and continue to analyze and monitor the effect of previously reduced in-trail separation restrictions to determine the effect on controller workload, considering controller experience and the potential impact of summer thunderstorms. (Class II, Priority Action) (A-87-54)

Publish in Notices to Airmen or in a widely circulated Advisory Circular the locations and time periods where traffic density is approaching critical limits, and encourage nonscheduled flights to select departure and arrival times and appropriate alternate routing to avoid critical areas. (Class II, Priority Action) (A-87-55)

Burnett, Chairman, Goldman, Vice Chairman, and Lauber and Nall, Members, concurred in these recommendations.

By: JIM BURNETT,
Chairman.

[From the Washington Post, June 9, 1987]

O'HARE CONFUSION LEADS TO NEAR-COLLISION IN AIR—JETS FLY WITHIN QUARTER-MILE OF EACH OTHER

(By Laura Parker)

An American Airlines jetliner leaving O'Hare International Airport in Chicago last Friday passed within a quarter mile of an incoming American flight after air traffic controllers confused the departing jetliner with a United Airlines plan that had taken off moments earlier.

The incident occurred just before 8 p.m.—at the height of the usual Friday night rush hour at O'Hare, and about an hour after a supervisor at the nearby Chicago control center asked that air traffic be thinned out because the area was overcrowded with planes.

"A mess," the supervisor wrote into the log book that night. He said the O'Hare supervisor described the situation as "the worst I've ever seen. Aircraft were squawking the wrong beacon code. . . . Some climbing, some not. A real screwup."

"This isn't a safe operation," the supervisor concluded, as he described the distances maintained between planes traversing the skies over Chicago.

The incident was the second near-collision in five days and drew the attention of National Transportation Safety Board investigators, who said yesterday the pair of near collisions provides further evidence of the need to act on the board's recommendation that the Federal Aviation Administration reduce air traffic in the most congested areas during the peak summer travel season.

"The broader implications of this investigation are an indication to us of the problems we tried to bring to the FAA's attention May 13," said Alan Pollock, a spokesman for the board. Board chairman Jim Burnett, who has sharply criticized the FAA for running the air traffic control system "up to the red line," declined to comment.

Safety board investigators are also probing a report that a controller's error on June 2 led to a near-collision between a Northwest Airlines jetliner and military plane over South Dakota. The pilot of the Northwest Plane, a Boeing 727, told investigators that if he had not taken evasive action, he would have collided with the military plane.

In the Chicago incident, no evasive action was taken. The two American jetliners passed within a quarter-mile horizontally and 500 feet vertically, NTSB investigators said.

Controllers told investigators that Chicago air traffic was "heavy and complex" at the time of the incident. According to investigators, the Friday night rush was building when at about 6:40 p.m. the supervisor at the Chicago Air Route Traffic Control Center asked a traffic management specialist to reduce the number of planes departing to the west from O'Hare.

Traffic was not reduced, however, and about an hour later, a United Airlines jet and American Airlines Fight 637 to Las Vegas prepared to take off. The United plan took off first and was mistakenly assigned the American jet's flight number by an air traffic assistant. The information went into the computer and showed on the radar scope as the blip that presented the United flight.

About three minutes later, the real American Flight 637 took off, but because its flight information was assigned to the United flight, the American plane appeared on the radar scope as an unspecified plane.

The controller working the departure saw the United plane move across his radar and, thinking it was American Flight 637, told the pilot of that plane to turn left and climb to 23,000 feet.

The United pilot, not knowing the controller was actually speaking to him, ignored the instructions. The American pilot did not.

When the American pilot followed the instruction, and because he wasn't where the controller thought he was, he passed within 500 feet of incoming American Flight 393.

In a letter dated June 6, FAA chief Donald D. Engen told the NTSB he had asked that "immediate steps" be taken to correct control practices that led to the misunderstanding between the two control facilities and caused the near-collision.

"Has what happened caused us to feel that we should reduce or constain traffic flow in the Chicago area?" Engen asked in the letter. "We have determined that flow management procedures, when properly applied, do maintain a safe level of operation in the Chicago area."

Engen added that traffic patterns around Chicago will be reviewed, and two supervisors from the Chicago center have been moved to the control tower at O'Hare to monitor all departure sectors.

Mr. BYRD. Mr. President, Mr. LAUTENBERG, Chairman of the Appropriations Subcommittee on Transportation, earlier spoke with reference to a resolution being submitted expressing the sense of the Senate that the Federal Aviation Administration immediately implement the National Transportation Safety Board's recommendation of May 13, 1987. The NTSB recommended that the FAA take immediate action to improve air safety by limiting peak air traffic levels at certain air traffic control facilities this summer.

I am pleased to be a cosponsor of this resolution, and I thank Mr. LAUTENBERG for his leadership in this effort. I have been concerned for some time that the margin of safety in our air traffic system has been deteriorating. Long-term efforts to improve air safety have fallen dangerously behind schedule and will do little or nothing to alleviate what could become an emergency situation in our skies this summer. Therefore, I was particularly alarmed by FAA's rejection of the NTSB's recommendations.

Fortunately, there are signs that the administration may be listening to our concerns. Last week, Transportation Secretary Elizabeth Dole informed Congress that the administration intends to submit an amendment to its fiscal year 1988 budget request that will increase the FAA operations account by $51.5 million. This will allow for the addition of 955 air traffic controllers. Secretary Dole graciously indicated that DOT had underestimated future growth in air traffic by half and, consequently, drastically underestimated the need for more controllers.

Mr. President, I thank Secretary Dole for the action that she is taking. She is being forthright, she is being realistic. I take this as a hopeful sign that there is a more responsible attitude toward safety that is being taken at the FAA.

I believe the next step is for the FAA to fully implement the NTSB recommendations as called for by Senator LAUTENBERG's resolution.

But there is still much more to be done, both for the short term as well as the long term. The national airspace plan, or NAS plan, must move forward as expeditiously as possible. FAA must do a better job of wisely spending the money that air travelers have put into the aviation trust fund for facilities and equipment modernization. Congress and air travelers have done their part—the money is available, but the FAA has thus far been unable to obligate over $5 billion of that trust fund.

Also, transponders must be required on small planes that travel in heavily trafficked air space. Large planes must install automatic collision avoidance systems. And the level of air traffic at any given time and location must be matched with the capabilities to safely manage that traffic.

Finally, there needs to be a restructuring of the FAA as an independent agency responsible solely for maintaining the safety of our air traffic system.

These at least should be considered. It is clear that FAA's current dual mandate—namely, to promote air commerce as well as regulate air safety—has created an unnecessary and potentially dangerous competition for the agency's staff and resources.

Mr. President, this is one of the matters that the blue ribbon Commission has to look into, the Commission which the Congress mandated be appointed in legislation passed last October, I believe it was, but which Commission was not appointed by this administration until 6 months later. Only recently has the Commission been appointed after much urging on the part of myself and other Senators that the administration go forward in conformity with the law that was passed by both Houses last fall.

In any event, as I say, this is one of the areas which that Commission should examine; namely, again, as to whether or not the FAA is wearing one too many hats. It wears two hats mandated by the Congress: One, that it promote general aviation; and two, that it promote aviation safety. There are, in my judgment, bound to be times when those two responsibilities conflict one with another. This is something that we felt the Commission ought to look at. Let us have the Commission's report on it.

I commend Senator LAUTENBERG for his efforts on aviation safety, and I look forward to continuing to work with him to ensure safe skies.

I ask unanimous consent that articles from the Wall Street Journal and the Washington Post of June 4, 1987, dealing with air safety be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

AS AIR TRAFFIC RISES, SO DOES DIFFICULTY OF TRACKING IT ALL—BALKY GEAR, OUTDATED ROUTES WORSEN HEAVY WORKLOAD IN PALMDALE, CA, CENTER

(By John R. Emshwiller and Eileen White)

PALMDALE, CA.—It is late on a Friday afternoon, one of the busiest times for air traffic here in Southern California, which has the most crowded skies in the nation. John Garza, an air-traffic controller, gazes into the greenish glow of his radar screen to follow 16 blips representing aircraft hurtling through the air at hundreds of miles per hour.

Then his screen goes blank, like a TV set switched off. A moment later the image returns. Then it "burps" again. Mr. Garza hardly flinches.

Glitches are a common occurrence here at the Federal Aviation Administration's air-traffic-control center in the Mojave Desert, about 40 miles north of Los Angeles. Robert Pease, one of the supervisors, says half-jokingly that "just a few minutes ago we were hanging on by our fingernails."

Critics charge that the nation's entire air-traffic-control system is in a similarly precarious state. Ever since President Reagan fired 11,000 controllers staging an illegal strike in 1981, these critics—ranging from pilots and controllers to some government investigators—have predicted the system would come crashing down in a deadly mess.

HEAVY TRAFFIC

That hasn't happened. FAA officials note with pride that since the firing, air-fatality rates have fallen despite a big increase in traffic. "It is safer to fly than ever," declares FAA chief Donald Engen.

But the critics maintain that air traffic is growing so fast it threatens the control system's ability to track it. They reply to the FAA's argument with the statistic that near-collsions in the first quarter of this year were up 18 percent from a year before. "The FAA is trying to run the system up to the red line" said Jim Burnett, chairman of the National Transportation Safety Board, at a Senate hearing last week.

Recently his agency issued a report critical of the FAA;s training and assignment of controllers in the Chicago area. Some other stations face similar difficulties. Earlier this year the FAA removed the manager of its Leesburg, Va., center after a rash of controller errors—only to reinstate him later after more than a third of his employees protested. Controllers throughout the system are so unhappy that, just six years after the dissolution of their union, many are trying to form a new one. A representation vote is under way, with votes to be counted next week.

TANGLED ROUTES

The critics say the troubled Palmdale center offers perhaps the best example of the system's flaws. Palmdale's 161 controllers are responsible for air traffic over 180,000 square miles of the Southwest from Utah to the Mexican border to the Pacific Ocean. Already thick with aircraft, the skies here get busier every year. Since 1980, Palmdale's traffic has risen more than 16%—even as the number of its fully qualified controllers has fallen 24%.

Palmdale's controllers list three basic problems. The first is that air-traffic routes in the area were designed for an earlier era and now are too small and tangled to safely handle the growth. Even if the routes were adequate, they say, the center's aging, sometimes balky equipment isn't. Finally, they describe labor-management relations as dreadful.

FAA officials argue that Palmdale is an anomaly. Yet, at least to an outsider, it appears that Palmdale's problems with staffing, equipment and morale are essentially the same ones facing the U.S. air-traffic-control system as a whole.

The focus of this attention is a squat, two-story brick building that is dwarfed by the aerospace plants around it. Like the 22 other "en route" control centers scattered around the country, Palmdale tracks traffic between airports and local centers. When a commercial jet takes off, its first instructions come from the airport tower. Once aloft, the plane usually is picked up by the local air-traffic center, which in turn hands if off to an en route center like Palmdale. The controller than guides it to an airport or another en route center.

The controllers work in a darkened, windowless room the size of a gymnasium. Thirty-three of them, including a few sporting long hair, blue jeans and sneakers, sit in four rows. Talking constantly to pilots, each controller watches a luminous radar screen that follows an assigned sector of Palmdale's air space.

To visitors, the big, noisy room has the feel of a video arcade. But, of course, each blip on the radar screen represents an aircraft carrying people. "You really don't want them to pong together," one controller says with some understatement.

Though the FAA discourages talk among working controllers, remarks float through the darkness. When someone gives a plane incorrect instructions, a voice calls out: "Did you have a boo-boo?" Later, the same controller's screen begins to flash "conflict alerts" warnings that certain planes are too close together. Another voice yells out: "Come on, get it under control."

Sometimes the chatter turns rougher. One controller, upset by a colleague's decision to send a jet into his sector, mutters. "When I get a chance, I'm going to force one down that jerk's throat."

Joseph Leaseburg, a veteran controller, was chosen by FAA officials to spend the day with visiting reporters. He didn't strike in 1981. He says he likes Donald Early, the FAA's top man in Palmdale. He is hardly one of the pro-union "moles" that managers say are stirring up discontent.

But ask Mr. Leaseburg how things are going, and he says controllers are "getting the shaft." Like the others, he isn't complaining about the pay; after all, the job requires only a high-school diploma, salaries run as high as $60,000, and one can retire with a pension after 20 years.

MORE TIME AT THE SCREEN

What Mr. Leaseburg and his co-workers say bothers them is that the job of keeping the skies safe is getting harder. Before the strike, controllers spent at most half of each eight-hour shift at a radar screen, the rest doing such other jobs as training. Now they put in up to six hours of each shift at the screen, often going more than two hours between breaks.

Because Palmdale is short-handed, controllers are guaranteed only half of their four weeks of annual vacation. Overtime isn't mandatory but is strongly encouraged. "To call up for a day off or even an hour off is unheard of," Mr. Leaseburg says.

Controllers say they feel helpless when forced to work with a system that was designed when the region had light air traffic and only one major airport. Today five booming airports send hundreds of flights daily into skies already crowded with military and private aircraft. It isn't unusual, says controller David Allec, for "five airplanes all bound for Dallas to be launched from five different airports at about the same time."

Most of all, controllers dislike what they call "itinerants"—small private planes that don't carry devices to broadcast their altitude, yet often are allowed to fly in the same space as giant commercial jets. Southern California has more private planes than any other part of the U.S. Pietro Guglielmini, a DC-9 pilot for Jet America, a carrier based in Long Beach, Calif., says that during his five years of flying into California he has had more near-collisions with small planes than he did in 15 years of flying international routes.

AEROMEXICO DISASTER

Last year an Aeromexico jet that had passed from Palmdale's control to a local center collided with a private plane and crashed south of Los Angeles, killing 82. Investigators found that the private plane might have strayed into airspace closed to it. The controller involved said he didn't see the small plane on his radar.

A subsequent FAA study of one restricted zone found that in just two hours, 21 planes entered space off-limits to them. In response, the FAA begin punishing airspace violators. It plans to tighten rules on where private planes can fly and require those that do enter restricted space to carry altitude broadcasting equipment.

Last February another Aeromexico plane carrying the same flight number nearly duplicated the 1986 accident. Shortly afterward, the FAA said it would redesign Southern California's air routes. "If something's not done now, the system will be in a position where it can't meet new demands," says Wayne Newcomb, the official overseeing the route changes.

Controllers also complain that the FAA employs too few people. Last year, 9,555 fully certified controllers were available to handle the nine million flights out of the nation's 22 biggest airports. There had been 21% fewer flights in 1981, yet 38% more veteran controllers.

At Palmdale, says controller J. Lance Hiller, "Some sectors are so intense that after 45 minutes you feel like your eyes are being pushed out of your head."

FAA managers aren't sympathetic to such talk. "I hear controllers are totally overworked, but when I walk around the floor, I don't see it," says Homer W. McClure, the FAA director for the Western-Pacific region. Last January the Palmdale center had 13 "operational errors," or close calls—triple the monthly average for 1986. Mr. McClure says they weren't due to overwork but to failure to follow proper procedures.

However, a recent report by the General Accounting Office says air-traffic control facilities remain seriously understaffed. And the FAA is training controllers at its Oklahoma City school at twice the pre-strike rate. It also has cut from five years to three the time it takes to become fully certified. And it is transferring veteran controllers from relatively quiet areas such as Denver and Salt Lake City to busy centers such as Palmdale.

But if the equipment doesn't work, critics say, it doesn't matter how many eyes are watching it. Besides going blank, radars occasionally have glitches in which a blip representing an aircraft suddenly jumps the equivalent of several miles—and then jumps back. During rush hours the computer memory fills, sometimes significantly slowing response times.

Controllers say that such equipment malfunctions haven't caused a crash yet, but could. "With the responsibility we have for lives, you'd think we'd get the best possible equipment," says one controller, Michael Caldwell.

The FAA says it is upgrading equipment as best it can. In 1985 it added a computer program that automatically reports incidents in which high-flying planes come within five miles of each other. The agency also has begun installing powerful IBM 3083 computers, with Palmdale scheduled to get one this summer. But a multibillion-dollar overhaul of the system's computers and a planned nationwide reconfiguration of air routes have been stalled in a squabble between Congress and the administration over priorities.

Even if staffing levels and equipment posed no problems, sour labor-management relations would still burden Palmdale. The situation deteriorated further last fall when the government examined drug use by center personnel. While the investigation was pending, 34 Palmdale workers were suspended with pay. Two eventually were fired. Others say they were forced to enter drug-rehabilitation programs at their own expense even though their drug tests were negative. A human-relations committee made up of controllers and lower-level supervisors later complained in a letter to President Reagan that the investigation had used "abusive tactics."

Mr. McClure, the FAA regional director, insists the agency handled the matter properly. But in Washington, FAA chief Engen concedes the Palmdale inquiry was conducted "in a very insensitive way."

Unlike the equipment and staffing problems, which the FAA is addressing, there is little indication that the agency plans to change the way it manages. Mr. Early, the head of the Palmdale center, concedes a morale problem but attributes it to a lack of communication.

His approach to improving the situation has some controllers scratching their heads. Mr. Early has instituted a dress code for Palmdale controllers to foster, he says, a more "professional" attitude.

"In light of what people feel are the real problems," says Nancy Cullen, the controller who heads the human-relations committee, "it does seem trivial."

DOT TO ADD 955 MORE CONTROLLERS—AIR-TRAFFIC INCREASE CITED BY SECRETARY

(By Laura Parker)

In an abrupt about-face, the Transportation Department announced yesterday it plans to hire 955 additional air traffic controllers and supervisors next year, at a cost of $51.5 million.

The agency had long argued that it had enough trained controllers to run the nation's massive air traffic system.

But in a letter to Sen. Frank R. Lautenberg (D-N.J.), chairman of the Senate Appropriations subcommittee, Transportation Secretary Elizabeth Hanford Dole said an "exhaustive reassessment" by the Federal Aviation Administration of the air traffic control system's future needs in the face of increasing air traffic led to the decision to ask for more controllers.

The move drew praise from the chairmen of both the House and Senate aviation committees, although it was considerd to be an attempt by the Transportation Department to preempt any debate on whether to rehire some of the 11,400 controllers fired during a 1981 strike.

"This move is long overdue," said Rep. Norman Y. Mineta (D-Calif.), chairman of the House Public Works aviation subcommittee. "These increases will bring us closer to the neighborhood in which we ought to be."

"Finally, the FAA is admitting they have problems," said Lautenberg. But Lautenberg scoffed at Dole's suggestion that increasing air traffic accounts for the move.

"What they're trying to cover up is that they're way understaffed, way undertrained, and have not managed the system properly," Lautenberg said. He declined to say he would support amending the department's original budget request.

"Now I'd like to talk to them again and find out really what's happening, instead of them taking such an abrupt turnabout," he said.

In her letter, Dole said she wants to divert $51.5 million from other department accounts to begin hiring additional controllers by October. She added that "it is imperative" that the hiring begin in the fall to ensure "an adequate work force is in place by 1989." It takes more than a year of training before a controller can begin to direct airplanes, and more than three years to become fully trained.

The announcement came as the National Transportation Safety Board began investigating a report that a controller's error on Tuesday resulted in a near-collision of a military jet and a Northwest Airlines Boeing 727 over South Dakota. The pilot of the Northwest plane told investigators that had he not taken evasive action, he would have hit the military plane, an NTSB spokesman said.

The safety board has recommended that summer air traffic be cut at overcrowded airports, in part, because of a rise in the number of reports of near-collisions.

The Dole plan would have virtually no effect on this summer's peak travel season, because of the training time involved. Critics have said there are far fewer fully trained controllers in key control centers around the country than are needed.

Dole's plan would involve hiring 580 controllers and 375 supervisors, technical specialists and traffic management specialists—who monitor the flow of traffic and keep airspace "sectors" of airspace from becoming overcrowded.

If approved, the proposal would bring the air traffic controller work force to 15,800 by Oct. 1, 1988. At the time of the 1981 strike, there were 16,500 controllers. The department is required by law to have a work force of 15,000 controllers by Oct. 1.

The proposal came three days after Deputy Transportation Secretary James Burnley defended the pace of the hiring and training of air traffic controllers on CBS News' "Face The Nation." Congressional sources said last night that Burnley last month unsuccessfully tried to talk the Senate Commerce Committee out of approving a bill calling for hiring 1,000 additional controllers.

In her letter, Dole explained that the department had substantially underestimated future growth in air traffic. Revised estimates, she said, show that traffic will grow at 5 to 6 percent next year—nearly double an earlier estimate.

Other congressional sources suggested that the department does not want the White House to be faced with the possibility of vetoing a bill calling for rehiring of some of the controllers fired in 1981.

The current controllers, who have long complained they are overworked and understaffed, have been organizing a new union. Results of a union organizing election will be announced June 11.

NOTICES OF HEARINGS

SUBCOMMITTEE ON CONSERVATION AND FORESTRY

Mr. **LEAHY**. Mr. President, I wish to announce that the Subcommittee on Conservation and Forestry of the Committee on Agriculture, Nutrition, and Forestry will hold a hearing on Wednesday, June 17, 1987, at 10 a.m. in SR-332 to receive testimony on the "Lower Des Plaines Tributaries Watershed" plan. Senator WYCHE FOWLER will preside.

For further information, please contract Chris Coffin of the committee staff at 224-2035.

ADDITIONAL STATEMENTS

TRIBUTE TO SENIOR CLASS AT ST. VINCENT PALLOTTI HIGH SCHOOL

● Mr. **SARBANES**. Mr. President, tomorrow night the senior class of St. Vincent Pallotti High School in Prince George's County will be honored for their courageous and diligent efforts to heighten awareness of unsafe truck conditions on State and national highways. Accepting the prestigious Journal Cup of the Prince George's County Civic Federation will be Miss Lisa Beavers and Miss Kathleen McGinn, who have helped lead the fight for improved truck safety standards in Maryland.

Mr. President, the efforts of these outstanding students stem from a terrible tragedy that took the lives of two members of the Pallotti senior class and seriously injured Miss Beavers. Last November the automobile in which Miss Beavers and two close friends, Gloria Graham and Jeannine Everhart, were traveling was crushed by a truck with failed brakes, killing Miss Graham and Miss Everhart. The truck, registered in Virginia, had not been inspected for 3 years and had numerous safety violations. The driver was operating with an expired license.

The young men and women of Pallotti High School channeled their grief and sense of loss into action. Guided by Betta Borrelli, an American Government teacher, these outstanding young people made a detailed study of truck safety issues and began a campaign to improve truck safety laws and enforcement. They wrote to their State legislators, traveled to Annapolis to meet with their State senators and delegates and attend committee hearings and urge enactment of a mandatory truck safety inspection program. While the legislature did not enact these measures in this year's session, the dedication, hard work, and thoughtfulness of the Pallotti students made a favorable impression on all who were privileged to work with them. We all expect that they will continue their efforts in this and other public issues.

Mr. President, all Marylanders join me in saluting the exceptional young men and women of St. Vincent Pallotti High School as they receive the Prince George's County Journal Cup.●

FARM POSITION ON TRADE LEGISLATION

● Mr. ROTH. Mr. President, I would like to draw the attention of all Members to a letter I received from major farm organizations, under the leadership of the National Grange, regarding the upcoming debate on trade legislation. I ask to print this letter in the Congressional Record.

I believe our farmers are absolutely correct in pressing for a floor amendment to the trade bill that would continue current practice which assures that the President considers the national economic interest in deciding whether to restrict fair trade under section 201 of the Trade Act of 1974.

The letter follows:

National Grange,
Washington, DC, June 2, 1987.

Dear Senator: U.S. farmers and agricultural interests have a critical stake in world trade and in the development of a trade bill which will encourage growth of trade and of our agricultural exports.

We support passage of a bill which would give the President strong and appropriate authority to negotiate reduction of barriers which retards trade expansion. It is a bill that would strengthen our ability to deal more promptly and effectively with unfair trade practices as authorized by Section 301 of the Trade Agreement Act of 1979, and would protect all U.S. economic interests in dealing with our critical trade problems.

We strongly oppose Section 201 provisions of S. 490 which would unduly restrict Presidental discretion to consider all U.S. economic interests in dealing with the problems of a particular sector. While a clear and appropriate Congressional oversight authority for all trade matters is desirable, S. 490 goes too far in this provision and would lead to retaliation against agricultural and other exports and the consequent disruption of the world trading system. We also oppose provisions which unduly restrict Presidential discretion under other laws, including Section 301.

We regret that the Finance Committee rejected a highly commendable proposal to permit the President to consider the national economic interest in Section 201 cases, and we strongly urge your support for such an amendment when it is offered on the Senate floor.

American Soybean Assn., Millers' National Federation, National Apple Institute, National Association of Wheat Growers, National Cattlemen's Assn., National Cooperative Business Assn., National Corn Growers Assn., National Grange, National Soybean Processors Assn., National Turkey Federation, North American Export Grain Assn., Tobacco Associates, United Fresh Fruit & Vegetable Assn., USA Poultery & Egg Export Council.●

HENRY A. SMITH

● Mr. GLENN. Mr. President, I am pleased to take this opportunity to recognize Henry A. Smith of Athens, OH, who came to Washington, DC, to serve as my senior citizen intern during the week of May 18. I believe it was a worthwhile and successful week in Washington for Mr. Smith, and I know it was a beneficial experience for my staff and me.

The annual Congressional Senior Citizen Intern Program offers active seniors the opportunity to learn more about the legislative process, to meet with Members of Congress and representatives of national aging organizations, and to witness the daily operations of a congressional office. Participants meet and build valuable contacts with other senior advocates from around the country.

Mr. Smith's qualifications and experiences are most impressive and it was a privilege to have him representing my staff in this year's Senior Citizen Intern Program. Although technically "retired," Mr. Smith remains busy, involved, and productive. A proud father of 12, Mr. Smith has served as president of the Athens County Council on Aging since 1984. He also serves on the PSA 8 Advisory Board on Aging in Marietta, OH, as a retired volunteer and is the Secretary-Treasurer of Athens/Hocking Counties, again on a retired volunteer basis. Mr. Smith was the 1985-86 PSA 8 Senior Citizens' Day Chairman and was the recipient of the 1986 Senior Citizens of Athens County award in recognition of outstanding community service to the area's elderly. Additionally, Mr. Smith is a member of the National Caucus and Center on Black Aged, Inc., and has been recognized by the National Farmers Union Green Thumb, Inc., for his efforts to improve the quality of life for older, low-income persons in rural America.

Mr. Smith's wide range of community activities serves to remind us of the too often untapped potential of our Nation's senior citizens. As the work of Mr. Smith so clearly illustrates, retirement does not mean an end to productivity. Indeed, Mr. Smith offers and example to Americans of all ages who are interested in making meaningful contributions to their communities.

As a member of the Senate Special Committee on Aging since 1977, it has been my great pleasure to participate in the Congressional Senior Citizen Intern Program over the years. This program offers benefits both to participants and sponsors alike. The insights into the legislative process gained by the senior interns make them more effective advocates when they return to their leadership positions in their home communities, and we legislators in Washington gain valuable insights from the senior interns' unique perspectives on important issues of concern to senior citizens back home.

I would like to thank Senators Cochran and Melcher, and Representatives Coelho and Roybal, coordinators of this year's Congressional Senior Citizen Intern Program, and their staffs for organizing another sucessful senior intern Week.●

STATE OF DELAWARE DUCKS UNLIMITED RESOLUTION

● Mr. ROTH. Mr. President, I rise today to speak in support of the environmental initiatives of Ducks Unlimited. On May 7, 1987, a resolution passed the U.S. Senate which congratulated Ducks Unlimited, Inc., on its fine work over the past 50 years. I was proud to be a cosponsor of this legislation which acknowledged the outstanding contribution made by this private organization to wetland and waterfowl conservation.

At this time I would like to take a few minutes to commend the State legislature in my home State of Delaware for initiating similar legislation. On May 6 the Delaware House of Representatives passed House Concurrent Resolution No. 59, which recognized Ducks Unlimited's 50th anniversary. This resolution conveys special recognition to the Delaware chapter headed by Mr. George H. Sapna of Seaford, DE.

Mr. President, the members of Delaware Ducks Unlimited Chapter have made a great contribution to the welfare and economy of Delaware's wetlands and natural resources. I commend these people for their outstanding hands on effort and commitment toward the protection and enhancement of our environment. The generous gift of their time and money assures the future availability of wetlands and their associated wildlife and societal values. The members of Ducks Unlimited should take great pride in these achievements.

I ask that a copy of the State of Delaware resolution be printed in the Record.

The resolution follows:

House Concurrent Resolution No. 56

Whereas, 1987 marks the 50th anniversary of the founding of Ducks Unlimited, Inc., organized to protect and develop habitat for waterfowl; and

Whereas, during the past 50 years Ducks Unlimited, considered the most successful private wetlands and waterfowl conservation program in the world, has raised nearly $400 million and has conserved more than 4 million acres of wetlands in North America; and

Whereas, Ducks Unlimited answers a needy private effort which the government has been unable to fulfill without private help; and

Whereas, the members, volunteers, and staff of Ducks Unlimited give richly of their time, energy and financial resources; and

Whereas, without the contribution of Ducks Unlimited the nation's wetlands, in the contiguous states, would disappear with a dire loss to us; and

Whereas, durng its years Ducks Unlimited has participated in the construction of more than 3,000 wetlands projects, each one helping to preserve these invaluable areas; Now therefore, be it

Resolved by the House of Representatives of the 134th General Assembly of the State of Delaware, That we congratulate Ducks Unlimited, Inc., including the Delaware chapter, for 50 years of protection and enhancement of our wetlands waterfowls habitat; said be it further

Resolved; That copies of this Resolution be sent to the Delaware Congressional delegation at their Washington offices and that a copy be sent to Mr. George H., Sapna, 2nd, 957 Atlanta Circle, Seaford 19973, who is President of the State Ducks Unlimited, Inc., Committee.●

TRIBUTE TO STANLEY SOLLINS

● Mr. SARBANES. Mr. President, tomorrow the Baltimore Jewish Council will be hosting a tribute to its outgoing executive director, Stanley Sollins, who led the council with extraordinary dedication and commitment for 12 years. I note his departure with a deep sense of regret, for his leadership and guidance will be sorely missed by friends and colleagues both inside and outside the council.

Stanley Sollins gave to the Baltimore Jewish Council not only his wisdom and experience as a director and administrator, but personal qualities that set him apart as a warm and caring individual. He is a man of graciousness and good humor, integrity and understanding, who continuously demonstrates his concern for others and his devotion to the Jewish community. Stanley pioneered the expansion of the Jewish Council into new areas and directions of community involvement, building coalitions and dialog with the black community and numerous Christian organizations. His dynamism and vigor added a new chapter to the long, proud, and distinguished history of the vibrant Jewish community in Baltimore.

While the task of leading an organization is never a simple one, the heterogeneity and diversity of Baltimore's Jewish community give Stanley's accomplishments special meaning. The Baltimore Jewish Council represents 42 distinct organizations and congregations throughout the Baltimore metropolitan area who have all joined together to work on issues of mutual concern and importance to the commuity as a whole. Their agenda is as broad and far-reaching as one can imagine, from support for Israel's right to exist in peace and security, to combating anti-Semitism, racism and bigotry at home; from advocating freedom of religion and emigration for Jews in the Soviet Union, to assuring that the Holocaust is never forgotten and will never be repeated. In short, the council strives to expand democratice freedoms, civil liberties and social justice around the world, and their efforts benefit not only the Baltimore Jewish community or the American Jewish community, but America and the world at large.

Mr. President, I am privileged to count Stanley as a close friend and to have had the opportunity to work with him during his years as executive director of the Baltimore Jewish Council and throughout my own years of public service. While I am sorry to see him leave, I take great comfort in the knowledge that he will be ably succeeded by new executive director, Maggi Gaines, who has demonstrated her own excellence and professional experience as director of the Maryland Region of the National Conference of Christians and Jews, and formerly as a staff member at the Baltimore Jewish Council. I want to commend Stanley's friends and associates for organizing tomorrow's event in his honor, and to add my own thanks and best wishes to him in the future.●

VIETNAM'S MEMORIAL PROJECT

● Mr. DURENBERGER. Mr. President, I rise today to invite my colleagues to spend a few moments to see a unique scale model on display in my office today. I am fortunate enough to have a replica of the proposed Vietnam Women's Memorial for several days. Many of my constituents have been delighted to see the statue on display since it arrived yesterday. My distinguished colleague, Senator CRANSTON, chairman of the Senate Veterans' Affairs Committee, came by earlier today.

As many of my colleagues are aware, the Vietnam Women's Memorial Project was founded in 1984 by Donna Marie Boulay, a Minneapolis attorney, nurse, and Vietnam veteran. The purpose of the project is to educate the public about the service of women during the Vietnam war and to build a memorial honoring their service.

Though 10,000 women served during the Vietnam conflict—both in the military and as civilians—their unique contributions have not been acknowledged by our Nation. The Vietnam Women's Memorial Project has made tremendous advances in educating Americans and showing that women do serve, do participate, do sacrifice, and do deserve recognition for their efforts on behalf of their fellow citizens and to their country in war and in peace.

The statue was designed by Rodger Brodin, also of Minneapolis, MN, and is compatible in size and detail with the statue of the "Three Fighting Men" by Frederick Hart which has been placed on the grounds of the Nation's Vietnam Veterans Memorial next to Maya Ying Lin's "The Wall." After the design of the statue was completed, the project raised funds to build three 33 inch replicas, one of which is on display in Russell Building, room 154.

The Vietnam Women's Memorial Project is in the process of raising funds for educational purposes and to cover the costs of constructing the monument. The project has gained the support of many national organizations including the American Legion, the Veterans of Foreign Wars, Vietnam Veterans of America, the American Nurses Association, the Disabled American Veterans, the Association of Critical Care Nurses, the Reserve Officer Association, the Vietnam Veterans Memorial Fund, the Association of Operating Room Nurses, and the Military Order of the Purple Heart.

The Vietnam Women's Memorial Project also has many supporters in Congress. Senator BOSCHWITZ and myself have sponsored this opportunity for Senators and their staff to view the model of the statue so that our colleagues have a chance to see the proposed design and learn more about the goals of the project.

As the project continues to work for approval from the Federal Government to place the statue on the Mall in Washington, DC, congressional support will continue to play a vital role. Earlier this year William Mott, the head of the National Park Service, granted a photography permit which allowed the project to photograph a model of the proposed statue in various positions on the Mall. The project has also conducted discussions with the National Capital Planning Commission and the Fine Arts Commission.

Mr. President, I was deeply moved by the statue when I first saw it and it reinforced my commitment to do what I can to make sure that the women who served so bravely in Vietnam get the recognition they so richly deserve. I urge my colleagues, their staff, and their constituents to stop by my office today to see the statue that would be a long-overdue monument to the women who served in Vietnam and, in the words of the project, contribute to a "legacy of healing and hope."●

SENATOR KASTEN PRAISED ON ENVIRONMENT EFFORTS

● Mr. INOUYE. Mr. President, my distinguished colleague, Senator ROBERT W. KASTEN, JR., of Wisconsin, the former chairman of the Foreign Operations Subcommittee which I now Chair and of which he is now ranking member, has worked very effectively over the last several years to bring to the multilateral development banks the same type of environmental concerns which U.S. Government agencies have, in order to ensure that MDB projects do not adversely affect the environment.

The World Bank's recently announced reorganization, especially as it affects environmental matters, is a direct result of Senator KASTEN's work, and he should be commended.

Mr. President, I would like to insert for the RECORD a recent editorial in the Milwaukee Journal on this matter which rightly praises Senator KASTEN for his work on this issue.

The editorial follows:

[From the Milwaukee Journal]

KASTEN BANKING ON GLOBAL REFORM

The goal was noble: to develop an agricultural and cattle-feeding operation that might help lift Brazilian peasants out of poverty. But the means to that end—construction of a 900-mile highway into the heart of the Amazon rain forest—displaced local Indian tribes and destroyed an area equal to the size of Wisconsin. Worse, the soil beneath the cleared forest was too fragile to support farming in the first place. The real beneficiaries of the highway turned out to be logging companies seeking to destroy more forest.

This $500 million debacle—the so-called Polonoreste Project—is one of many such well-intentioned but environmentally destructive programs financed in part by US taxpayers through the World Bank, the largest of the four multilateral development banks. The US provides about 20% of the World Bank's $16 billion annual budget.

Fortunately, the agency is mending its ways. In a series of far-reaching reforms announced the other day by its president, Barber Conable, the World Bank has begun to integrate environmental considerations into all of its programs. Specifically, the agency is undertaking a global effort to conserve tropical forests and develop new tree-breeding techniques that could discourage tree-cutting for fuel wood. The bank is also working to stop the spread of deserts in Africa and cooperating in a campaign to protect the Mediterranean Sea and its coasts.

As Conable himself acknowledged, major credit for this overdue shift in policy belongs to Wisconsin's Republican senator, Bob Kasten. As chairman of a foreign aid subcommittee that handles development assistance to Third World countries, Kasten shrewdly used his power of the purse to hold up US funds until reforms were in place. Another Wisconsinite, Democratic Rep. David Obey, played a similar role as chairman of a House subcommittee.

Let's hope Kasten and other members of Congress will keep the heat on, making sure that the bank lives up to its lofty promises. Kasten should also nudge other international lending agencies to follow the World Bank's lead.

Reform would come not a moment too soon. Studies indicate that rain forests are disappearing at the breathtaking rate of 50 acres a minute. At that speed, these richest of all reservoirs of life will be gone in 40 years—a chilling prospect, and not just because of the loss of lush tropical beauty. Seventy percent of the world's good supplies have their genetic origins in these forests, and 25% of prescription drugs originate there. Deforestation costs the Earth an estimated 10,000 plant and animal species a year.

Moreover, as the Polonoroeste Project demonstrates, much of the cleared land is unsuitable for agriculture. Exposed to the rain, barren soil gets flushed into nearby waterways, destroying ecological balances for hundreds of miles downstream. Even the climate may be altered in the process.

If "sound ecology is good economics," as Conable has wisely proclaimed, environmental destruction is bad both for business and the survival of humanity. Bravo to Bob Kasten for helping the World Bank to see the forest for the trees.●

CONGRATULATIONS TO THE OKLAHOMA STATE BASEBALL TEAM

● Mr. NICKLES. Mr. President, I'd like to take this opportunity to congratulate the baseball team of my alma mater, Oklahoma State University, on its outstanding season and its tremendous performance in the College World Series this past week. In their seventh straight trip to Omaha, NE, for the NCAA playoffs, the Cowboys finished second to a fine Stanford team in a hard-fought effort. I know that I speak for the entire State of Oklahoma when I say that we are proud of their achievements. I'd also like to extend a special congratulations to OSU third baseman Robin Ventura for his record-setting 58 consecutive games with a hit and to all the Cowboys for their excellent 59-13 season record. My best wishes to seniors Jimmy Barragan, Anthony Blackmon, Brett Bouher, Steve Leinhard, Jimmy Long, and Marv Rockman—that their careers, both in and out of baseball, may be fruitful. Finally, I commend Head Coach Gary Ward, Pitching Coach Tom Holliday, and Assistant Coach Dave Holliday for their knowledgeable instruction of these fine young men and for their creating the national powerhouse that Oklahoma State has become and, most assuredly, will remain.●

RECOGNIZING MICHIGAN'S EXEMPLARY SCHOOLS

● Mr. RIEGLE. Mr. President, I would like to recognize the accomplishments of 20 Michigan schools which have been selected by the U.S. Department of Education as "Exemplary Schools of Excellence." These schools demonstrate an uncommon commitment to a special mission: helping our children obtain the skills and knowledge they will need to participate in our increasingly complex and sophisticated world.

The 10 high schools named by the Department of Education are: Brighton High School in Brighton, Cranbrook Kingswood in Bloomfield Hills, Garber High School in Essexville, Lamphere High School in Madison Heights, Lansing Catholic Central High School in Lansing, Lawton Community High School in Lawton, Lutheran High School North in Mount Clemens, Lutheran High School West in Detroit, Novi High School in Novi, and West Bloomfield High School in West Bloomfield. The 10 junior and middle schools that have been recognized for their excellence are: Larson Middle School in Troy, Parcells Middle School in Grosse Pointe Woods, Petoskey Middle School in Petoskey, and West Hills Middle School in West Bloomfield.

These schools are leading the way in preparing today's young people for the world of the future. They are providing their students with the skills and knowledge they need to take advantage of the opportunities available in America, and, in turn, to keep our Nation strong and free.

I would like to congratulate the students, parents, and staff, and other members of the community who contributed to the attainment of this high level of achievement. Their cooperation and hard work will have an immeasurable payoff for their communities and for our Nation. The strong educational foundation they are building will help us as a society tackle current and future challenges head on, contributing to a better future for everyone.

Michigan is proud of these and all of its schools. We recognize that as long as Americans strive to provide a quality education for our children, we will remain a Nation of opportunity and promise.●

REVISED COMMITTEE RULES, COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

● Mr. LEAHY. Mr. President, on May 12, 1987, Senator BREAUX and Senator KARNES were added as members to the Committee on Agriculture, Nutrition, and Forestry. Because of the addition of two new members, it was necessary for the committee to revise its rules.

On May 14, 1987, during the committee business meeting, rule 4 of the committee rules was changed to require that one-third of the committee shall constitute a quorum for the purpose of transacting committee business.

I ask that the revised committee rules be printed in the RECORD.

The revised committee rules follow:

RULES OF THE COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

1. Regular meetings shall be held on the first and third Wednesday of each month when Congress is in session.

2. Voting by proxy as authorized by the Senate Rules for specific bills or subjects shall be allowed whenever a quorum of the committee is actually present.

3. To assure the equitable assignment of members to subcommitees, no member of the committee will receive assignment to a second subcommittee until, in order of seniority, all members of the committee have chosen assignments to one subcommittee, and no member shall receive assignment to a third subcommittee until, in order of seniority, all members have chosen assignments to two subcommittees.

4. A majority of the committee shall constitute a quorum for the purpose of reporting bills, nominations, matters or recommendations. One-third of the members shall constitute a quorum for the purpose of transacting committee business: Provided, that one member shall constitute a quorum for the receipt of evidence, the swearing of witnesses, and the taking of testimony.

5. Official attendance of all Committee markups and executive sessions of the Com-

mittee shall be kept by the Committee Clerk. Official attendance of all Subcommittee markups and executive sessions shall be kept by the Subcommittee Clerk.

Official attendance of all hearings shall be kept, provided that, Senators are notified by the Committee Chairman and Ranking Member, in the case of Committee hearings, and by the Subcommittee Chairman and Ranking Member, in the case of Subcommittee hearings, 48 hours in advance of the hearing that attendance will be taken. Otherwise, no attendance will be taken. Attendance at all hearings is encouraged.●

● **Mr. LAUTENBERG.** Mr. President, today is Portugal Day, a day on which all Americans acknowledge the contributions Portuguese Americans have made to the cultural and ethnic mosaic of America. It is also a day on which we celebrate Portugal's 77th anniversary as a republic.

The celebration of Portugal Day is one of brotherhood for Portuguese throughout the world, including the many Portuguese Americans who live in New Jersey. It is also a day on which Portuguese Americans commemorate the death of Luis Vaz de Camoes, the great national Portuguese poet and patriot.

Luiz Vaz de Camoes was one of Portugal's heroes. A product of the ghettos of Lisbon, he went on to receive an education and become a war hero. Following his tour of duty, he was decorated for bravery, and then returned to Lisbon to write. Although he is well-know today, his writing went unrecognized until after his death in 1580.

He is best known for "Os Lusiadas," widely considered to be the first epic poem ever written. The poem praises Portugal's historical accomplishments and its heroes. It tells the story of Vasco de Gama's 10-month voyage, which opened the seaway to India. The poem glorifies the bravery of Portugal's sailors who brought the world back to their homeland and made Portugal a wordly power.

Ironically, that same year, Spain invaded Portugal and declared it a territory of the Spanish crown.

In 1890, Portugal finally regained its independence from Spain. On June 10, 1910, Portugal ended the monarchy that had ruled it for so long. Although the end of the monarchy in 1910 did not bring democracy immediately, and Portugal suffered oppression for many years, today it enjoys a representative government. It has taken its place in the world of nations, and as a founding member of NATO, contributes directly to American security.

Portuguese Americans can be proud of their heritage, and of their contributions to American culture and tradition. Today, on Portugal Day, we recognize and pay tribute to those contributions.●

NAUM MEIMAN

● **Mr. SIMON.** Mr. President, I would like once again to speak out about Naum Meiman, a personal friend of mine. Naum has repeatedly expressed his desire to leave the Soviet Union and emigrate to Israel, but his request is continually denied.

Naum lives each day in hopes of obtaining permission to leave the Soviet Union. Since Naum has verbally expressed his wish to emigrate to Israel, he has been subjected to much harassment. He can no longer practice as a physicist, his profession by trade, nor can he have access to a private telephone.

Mr. Meiman has been trying to obtain an exit visa for over 10 years. It is time for the Soviet Union to allow Naum to live as a free individual.

I urge the Soviet Government to allow Naum to emigrate to Israel.●

BUDGET SCOREKEEPING REPORT

● **Mr. CHILES.** Mr. President, I hereby submit to the Senate the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 308(b) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeping conventions. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by $3.9 billion in budget authority but over in outlays by $13.3 billion.

The material follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 8, 1987.

Hon. LAWTON CHILES,
Chairman, Committee on the Budget,
Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of congressional action on the budget for fiscal year 1987. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, Senate Concurrent Resolution 120. This report meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32 and is current through June 5, 1987. The report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended. At your request this report incorporates the CBO economic and technical estimating assumptions issued on January 2, 1987.

No changes have occurred since the last report.

With best wishes,
Sincerely,

EDWARD M. GRAMLICH,
Acting Director.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 100TH CONGRESS, 1ST SESSION, AS OF JUNE 5, 1987

[Fiscal year 1987—in billions of dollars]

	Current level [1]	Budget resolution (S. Con. Res. 120)	Current Level (+/ — resolution)
Budget authority	1,089.5	1,093.4	−3.9
Outlays	1,008.3	995.0	13.3
Revenues	833.9	852.4	−18.5
Debt subject to limit	2,288.0	[2] 2,322.8	−34.8
Direct loan obligations	42.5	34.6	8.0
Guaranteed loan commitments	140.5	100.8	39.8

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $2,320 billion.

FISCAL YEAR 1987, SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT, U.S. SENATE, 100TH CONGRESS, 1ST SESSION, AS OF JUNE 5, 1987

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			833,855
Permanent appropriations and trust funds	720,451	638,771	
Other appropriations	542,890	554,239	
Offsetting receipts	−185,071	−185,071	
Total enacted in previous sessions	1,078,269	1,007,938	833,855
II. Enacted this session			
Water Quality Act of 1987 (Public Law 100–4)	−4	−4	
Emergency supplemental for the homeless (Public Law 100–6)	−7	−1	
Surface Transportation and Relocation Act (Public Law 100–17)	10,466	−80	2
Technical corrections to FERS Act (Public Law 100–20)	1	1	
Total enacted	10,456	−84	2
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses:			
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Special milk	6	3	
Veterans compensation	173		
Readjustment benefits	9		
Federal unemployment benefits and allowances	33	33	
Advances to the unemployment trust funds [1]	(3)	(3)	
Payments to health care trust funds [1]	(224)	(224)	
Family social services	110		
Medical facilities guarantee and loan fund	5	4	
Payment to civil service retirement and disability fund [1]	(33)	(33)	
Coast Guard retired pay	3	3	
Civilian agency pay raises	358	373	
Replenishment of disaster relief funds [2]	57	50	
Total entitlements	754	467	
Total current level as of June 5, 1987	1,089,479	1,008,321	833,857
1987 budget resolution (S. Con. Res. 120)	1,093,350	995,000	852,400
Amount remaining:			
Over budget resolution		13,321	
Under budget resolution	3,871		18,543

[1] Interfund transactions do not add to budget totals.

[2] Included at request of Senate Budget Committee.

Note.—Numbers may not add due to rounding.●

ORDERS FOR THURSDAY

ADJOURNMENT UNTIL 12:30 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12:30 p.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow, the call of the calendar under rule VII be waived.

Mr. President, I ask unanimous consent that on tomorrow, resolutions and motions over under the rule not come over.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders have been recognized under the standing order, there be a period for the transaction of morning business not to extend beyond 1 p.m. and that Senators be permitted to speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RESUMPTION OF THE CONSIDERATION OF S. 2

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow, at the conclusion of morning business, the Senate resume consideration of S. 2 but no later than 1 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. ADAMS). Who seeks recognition?

Mr. BYRD. Mr. President, the Republican leader has approved my going out at this time until tomorrow. He has no other statement or business he wishes to conduct today. I think we have no requests from any Senator on either side to proceed now.

ADJOURNMENT UNTIL TOMORROW AT 12:30 P.M.

Mr. BYRD. Mr. President, I move under the previous order that the Senate stand in adjournment until 12:30 p.m. tomorrow.

The motion was agreed to; and the Senate, at 3:01 p.m., adjourned until Thursday, June 11, 1987, at 12:30 p.m.

HOUSE OF REPRESENTATIVES—*Wednesday, June 10, 1987*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Help us, gracious God, to accept the gifts of patience and forbearance. We admit that sometimes in our rush to accomplish that which we think important, we do not use the opportunity to listen or understand, to be sensitive to the concerns of others. Whether with our families or colleagues, or with people of other cultures or nations, teach us always the virtues of patience and an understanding heart. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

NOTICE TO SUBMIT AMENDMENTS ON H.R. 281, BUILDING AND CONSTRUCTION INDUSTRY LABOR LAW AMENDMENTS OF 1987

(Mr. CLAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLAY. Mr. Speaker, on May 19 the Committee on Education and Labor ordered favorably reported the bill H.R. 281, the Building and Construction Industry Labor Law Amendments of 1987, sometimes referred to as the "double breasting" bill. The report on this measure was filed Monday, June 8.

Chairman HAWKINS has requested a hearing by the Rules Committee. We seek a resolution providing for the consideration of H.R. 281 as reported under an open rule providing for 1 hour of general debate with no waiver of points of order against any amendment that may be proposed.

Further, and this is the reason for my taking the floor today, we are seeking a rule that would require that amendments proposed on the floor be printed in the RECORD in advance of their consideration. I would therefore urge my colleagues to have printed in the CONGRESSIONAL RECORD by Monday, June 15, any amendments they are considering.

VOTE FOR H.R. 4, A RESPONSIBLE ATTEMPT TO ADDRESS OVERWHELMING NATIONAL HOUSING AND JOBS SHORTAGE

(Mr. GRANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks)

Mr. GRANT. Mr. Speaker, who could debate that shelters for the needy, or jobs for the unemployed or even owning a home are not part of our people's hopes and dreams. It's the way we are and the way other nations perceive us to be.

The administration has recommended getting rid of housing programs under the Farmers Home Administration.

We're not going to do that.

The President has called for eliminating UDAG dollars which create jobs.

We're not going to do that.

The administration has proposed user fees on Fannie Mae and Freddie Mac mortgage programs taxing low- and middle-income Americans even harder.

We're not going to do that.

H.R. 4 is a responsible attempt to address the overwhelming national housing and jobs shortage we have today.

I am going to vote for this bill and I hope that my colleagues will join me.

SAUDI ARABIA AND THE U.S.S. "STARK"

(Mr. DICKINSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DICKINSON. Mr. Speaker, I recently received a letter from the Secretary of Defense, which I will read as follows:

Hon. WILLIAM L. DICKINSON,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN: I am disturbed by the continued allegations in the media and elsewhere about the Saudi Government's refusal to intercept the Iraqi fighter that attacked the USS STARK. These reports are false, misleading and highly damaging. I find it disturbing that such disinformation frequently is repeated by the media and otherwise responsible public officials without further checking the story's accuracy from those in a position to know. I personally have attempted to set the record straight on numerous occasions, which is the reason for this letter to your Committee.

The facts of the matter are that USAF controllers and the Saudi controller aboard our AWACS asked the Saudi ground control for authority to commit Saudi F-15s to intercept the returning Iraqi aircraft and force it down in Saudi territory. The Saudi chief controller on the ground responded that he did not have the authority to authorize such action, and immediately sought approval from higher authority. In the meantime, the Iraqi aircraft was well on its way back to its base, and the Saudi F-15s were low on fuel and had to return to their base.

At no time was an official U.S. Government request made to the Saudi government. What this incident does illustrate, however, is the very strength and effectiveness of the Saudi air force's command and control system and their adherence to established rules of engagement. The Saudis, on their own initiative, launched their F-15s to protect our AWACS; they have no such responsibility for our Middle East Force ships in the Gulf.

The Saudis have received some very unfortunate and undeserved publicity over the STARK incident which we who know better should work to erase. I personally am quite grateful for the support they did provide immediately and without a request: in addition to the protective launch of the F-15s, after the attack they sent search-and-rescue helicopters to look for survivors in the water, and dispatched a naval patrol boat to the stricken ship's side. The military hospital at Dhahran was placed on disaster alert to assist with casualties if needed.

I am confident that this information will relieve any concerns you and your colleagues may have had about the strength and validity of U.S.-Saudi relations and the assistance they have given us in recent days. I hope we can count on your support for future Administration proposals to help the Saudi government meet its legitimate defensive requirements while we work together to safeguard our mutual interests in the region.

Sincerely,

CAP WEINBERGER.

IN HONOR OF ROBSTOWN, TX, HIGH SCHOOL BASEBALL TEAM, THE COTTON PICKERS

(Mr. ORTIZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ORTIZ. Mr. Speaker, I rise today to honor the athletic abilities of the baseball team at Robstown High School. The Cotton Pickers have worked their way to the Texas State 4A high school baseball playoffs for the first time in Robstown's history. Now Robstown isn't just another high school—its my alma mater. Coach Steve Castro has inspired these young men to reach their full potential as athletes and as men. But the spiral upward wasn't easy. The team's climb meant they had to defeat Uvalde, the fourth-ranked baseball team, located in Congressman ALBERT BUSTAMANTE's

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

district. In a best of three series, the Pickers defeated Uvalde in the Regional IV-4A final.

I am so proud of these players who have honed their baseball skills by investing the time and effort necessary to succeed. I would like to thank Coach Castro and his two assistants, Robert Gonzalez and Martin Perez, for their hard work. The names of the team members follow: Brian Barrera, Albert Barrientos, Raul Cardenas, Leroy Carrion, Ronald Castaneda, Tony Castillo, Ernest Esquivel, George Garcia, Jr., Eric Gonzalez, Leroy Gonzalez, Rufino Gonzalez, Ramon Martinez, Mario Medrano, Michael Mireles, Sammy Olmeda, Herman Vasquez, Elias Vasquez, Jr., Matias Pacheco, Domingo Vela, Fidel Yzaguirre, Ricky Yzaguirre, and Oscar Zamora.

I would also like to recognize the contributions which the teachers at Robstown High School and the school's principal, Charles Arsuaga, have made in the lives of these young men. As athletic director, Amando Gonzalez has provided the support and direction needed for a successful athletic department. Even the school superintendent, Amancio Cantu, played a part in the team's success by his support of excellence in the area of athletics as well as education.

But the baseball team could not have progressed this far without tremendous local support from Robstown fans and supporters. Approximately 2,500 fans drove 250 miles to cheer the Pickers to their first regional victory. The second scheduled game was viewed by approximately 5,000 Robstown fans. During a recent trip home, I was able to see one of these games. And believe me that contest was exciting. Let me close by saying, Congressman BUSTAMANTE, better luck next year.

SHAME ON YOU, JAPAN

(Mr. RAVENEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAVENEL. Mr. Speaker, I have previously addressed the Japanese use of the scientific research loophole as a means of getting around the international moratorium on whaling—today I would like to take time to touch on actions which the United States is taking to tighten up that loophole.

Our Commissioner to the International Whaling Commission, Dr. Anthony Calio, will propose a resolution to the annual meeting later this month which would establish standards for lethal scientific research—Dr. Calio should be congratulated for this.

Nations such as Japan, which have blithely ignored the international moratorium on commercial whaling and abused science by using it as a cover for continuing to slaughter the great whales, should be condemned—our country's initiative should never have been necessary in the first place.

Shame on you, Japan, shame on you, Japan.

INTRODUCTION OF LEGISLATION TO AMEND TAX REFORM ACT HARMFUL TO AMERICAN HIGHER EDUCATION

(Mr. LANCASTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks).

Mr. LANCASTER. Mr. Speaker, today, along with 30 of my colleagues, I am introducing legislation that would amend two sections of the Tax Reform Act which are especially harmful to students and to this country's system of higher education.

Since 1980, the American college student has been under siege from all sides. The average cost of attending an institution of higher learning in the United States has increased by nearly 75 percent since that year—a rate roughly twice as fast as inflation. At such a time, when costs are skyrocketing and postgraduation jobs more difficult to find, the student has a right to expect the Federal Government to extend a helping hand. In this he has been disappointed. The Reagan administration has axed financial aid to students by nearly 30 percent in real terms. Congress, too, almost unwittingly, has contributed to this assault. In the struggle to restore credibility to the tax system and reduce the deficit, the 99th Congress struck from the Tax Code two provisions which helped alleviate these hardships for college students.

The Tax Reform Act of 1986 removed full income exemption for college scholarships and fellowships. Under that new law, only funds supplied for tuition and books are exempt. This does not include funds supplied for living expenses and for special programs designed to enrich further the educational experience of students. And increases in the cost of room and board have been among the greatest contributors to the increasing costs of a college education: Dormitory charges have risen by more than 80 percent in the last 6 years.

To impose the burden of paying income taxes on students who, either because of need or merit, have secured aid in financing their college educations, imposes the unnecessary hardship of earning or finding additional revenue at a time when these young people should have their concentration focused on their studies, not on the taxes due on their scholarships.

The same is true of changes made in section 163 of the Tax Code, which removed the tax deductibility of interest paid on student loans. Removal of this deduction constitutes a penalty on students who are unable to pay for their own college educations and must borrow. More than 4.5 million students receive some educational loan funds from the Federal Government, with countless more securing loan assistance from universities and from the private sector.

Our legislation would amend the Internal Revenue Code to restore the prior law exclusion for scholarships and fellowships, and to restore the deduction for interest paid on educational loans. Tax allowances would not go beyond those contained in law prior to the Tax Reform Act.

The Joint Committee on Taxation estimates that excluding scholarships from taxable income would cost $100 million in revenue the first year, and would represent an average loss of $220 million annually over the next 5 years. Allowing deduction of interest paid on student loans would also cost $100 million in revenue during the first year, and an average of $160 million annually over the next 5 years.

The youth of America should be provided with every encouragement, economic and otherwise, to further their educations to the full extent of their abilities. This will make them more valuable taxpayers and citizens in the future. In a year in which competitiveness is one of the most crucial items on our congressional agenda, it seems contradictory to maintain tax measures that erode the very foundation of our competitiveness—the education of our young people.

□ 1015

IN SUPPORT OF MORATORIUM ON EXPANSION OF BANKING INTO REAL ESTATE

(Mr. BATEMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATEMAN. Mr. Speaker, the Federal Reserve Board has recently closed its public comment period on a possible change in regulations which would, for the first time, allow bank holding companies and their nonbank subsidiaries to engage in a variety of real estate activities. These would include investment, development, and potentially brokerage and management.

In effect, this new regulation would allow the Federal Reserve Board to rewrite the fundamentals of our Nation's banking laws without congressional involvement. A change of this magnitude is of a legislative, not regulatory nature, and should be decided by Congress rather than the Fed. For this reason I support provisions in Senate bill, S. 790, which would place a 1-year moratorium on the expansion of real estate powers for banks and bank holding companies.

Past and present experience indicates that the risk inherent in real estate activities makes this an area in which increased involvement by financial institutions could weaken the soundness of our financial industry. Furthermore, Congress has historically provided financial institutions with certain economic and tax advantages in order to distinguish their special status in the marketplace. To afford banks and bank holding companies additional inroads into real estate activity could well place nonfinancial businesses in this field at a distinct competitive disadvantage.

The proposed moratorium—until March 1, 1988—on the expansion of real estate powers for banks and bank holding companies is reasonable, and will allow Congress the time to examine this matter more carefully. Should we fail to address this issue, Congress will, by its inaction, sanction a major departure from our longstanding financial practices structure. I urge my colleagues to support the moratorium.

URGING SUPPORT FOR H.R. 1900, CHILD ABUSE PREVENTION, ADOPTION, AND FAMILY SERVICES ACT

(Mr. CAMPBELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CAMPBELL. Mr. Speaker, I rise today in support of H.R. 1900, the Child Abuse Prevention, Adoption, and Family Services Act. This bill represents the unified concern of the Nation to address some of the most serious family problems that confront us. I strongly support the provisions which reauthorize and add to Federal efforts in the areas of child abuse and neglect, through prevention and intervention. The provisions for adoption opportunities for minority families and developmentally disabled children are important contributions to the vitality of American families. I commend the committee's efforts to emphasize the importance of the increasing incidence of family violence and the efforts they have made to promote early prevention and identification. This is a problem which deserves the attention and support of every Member of this Congress. I hope we can all work together to build on a better future for the American family. I extend my thanks and appreciation to the chairman, the gentleman from New York [Mr. OWENS] and the members of the committee for their outstanding work on this bill, and I hope that my colleagues will support this important legislation.

THE B-1B IS AN EXCELLENT AIRCRAFT

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, last week I had the opportunity to fly on, and the privilege to fly the B-1B bomber. I wish that I could have accomplished this a few months ago so that during the debate last month on defense authorizations, the experience would have provided more clarity to the issue as to whether or not this is a worthy defense system to join the arsenal of the United States in our attempt to keep the peace.

It is an excellent aircraft, a worthy follow-on to the B-52 and to the excellent B-36 built in your district, Mr. Speaker, that was the Strategic Air Command's primary defense system for peace when I was a young Air Force pilot and you were first sworn into this House, in 1955.

The most impressive thing in my visit to the 28th Bombardment Wing at Ellsworth Air Force Base was the tour that the wing commander, Col. Buck Adams, gave me of his base. He showed me how the young enlisted men under something called the Self-Help Program are making up for some of the cutbacks in our defense dollars by doing the work for free on the weekends and the evenings in their spare time to completely rebuild that base.

Ellsworth Air Force Base has been selected as the SAC equivalent of what we call Red Flag at Nellis Air Force Base, where we bring our tactical fighter pilots up to the absolute perfection in fighting skills. However, the House and the Committee on Armed Services saw fit to cut all that money that had been allocated in the budget a year ago to build up this SAC Red Flag equivalent at Ellsworth Air Force Base. I hope that we will undo that and have the wisdom to treat our Strategic Air Command combat aircrews the way we are giving excellent training to our fighter crews that serve us around the world.

PENSION BENEFIT GUARANTY CORPORATION REFORM ACT WOULD MAKE PBGC SOLVENT

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, with 10 of the top 12 steel companies in America having underfunded pension plans, the steelworker and the worker in general in America do not even have a stable future. The greatest country on Earth does not even provide plant-closing notices, and many times even endangers the future of the pension and medical hospital benefits.

I have introduced a bill, the Pension Benefit Guaranty Corporation Reform Act. It would call for a one-time loan to make the PBGC solvent. Now that Sharon Steel and LTV is in chapter 11, any more of these top companies that file for chapter 11 may in fact break the bank of the PBGC. If we can send money all over the country, we can make our pension plan and our protection solvent for it.

In addition, it would change the contribution from an annual system to a quarterly system, and it would give Congress and the Nation an opportunity to see when the red flag is raised by these pension problems.

So I am hoping that the Congress will support H.R. 2268 and the respective committees will take a good look at it.

INTRODUCTION OF LEGISLATION REQUIRING HIGH-LEVEL APPROVAL FOR REFLAGGING

(Mr. DAVIS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Speaker, I rise today to say that many Members of this Congress were astonished in the last few days to discover that reflagging vessels in the United States of America is a very simple procedure that is a little costly, but other than the cost and certification procedures, you can reflag a vessel virtually with ease in this country.

With the current Kuwaiti reflagging proposal of the administration to defend those in the Persian Gulf, the Kuwaitis are well down the process of reflagging in American vessels now.

During a hearing yesterday Secretary Weinberger said that it is the role of the Department of Defense to protect American flags, combatants and noncombatants, throughout the world on the high seas. I suggest that if the process is that easy that we could have a paradox of North Korea or Japan or Communist China, Romania, or yes, even the Soviet Union itself renting the United States Navy by coming to the certification process, which is quite simple, and be flagged American vessels by simply placing an American master aboard that vessel and getting Coast Guard certification and having an American corporation.

What a paradox that would be in a rent a navy by the Soviet Union to protect their oil freighters in the Persian Gulf.

So today I have introduced a House resolution that requires that the Secretary of Defense and the Secretary of State sign off on any reflagging procedure for each and every foreign vessel that seeks to be reflagged. With that safeguard at least we will discuss the policy and the defense matters of reflagging foreign vessels to the American flag.

HOUSING AUTHORIZATION LEGISLATION

(Mr. MFUME asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MFUME. Mr. Speaker, today on the floor of the House we will be considering legislation to authorize $17.2 billion in fiscal year 1988 for most Federal housing and community development programs. H.R. 4, the Housing, Community Development, and Homelessness Prevention Act of 1987, provides the vehicle for us to continue addressing the terrible housing needs that this Nation faces.

In 1949, this Nation committed itself to the goal of "a decent home in a suitable living environment" for all Americans. However, during this administration, we have seen funding for low-income housing programs administered by HUD cut by 70 percent since 1980, and almost no new public housing units have been built over the last 5 years.

This year, the administration has recommended the termination of all of the housing programs administered by the Farmers Home Administration, and urban development action grants were slated for elimination, along with Federal assistance for elderly and handicapped housing. Funding was further reduced for the community development block grant, and the imposition of user fees on Fannie Mae and Freddie Mac mortgage programs was again proposed.

Mr. Speaker, it has been disheartening for me to come into this Congress and witness such an attitude toward the housing needs that this Nation is faced with. The passage of the Urgent Relief for the Homeless Act has indicated a concern for these needs, but we must now go a step further in the passage of H.R. 4. There cannot be a partial commitment to the housing needs of this Nation, and H.R. 4 is a responsible effort to respond to this need. Funding levels in the bill are far below what was spent on housing just a few years ago, and with rising levels of homelessness, H.R. 4 represents only a modest attempt to address the overwhelming national housing shortage we confront today.

This year we should make the vote unanimous and pass, at last, a freestanding housing authorization bill.

□ 1025

FEDERAL EMPLOYEES THE EASY VICTIMS

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mrs. BENTLEY. Mr. Speaker, the Congress has set a sorry record over the past decade in treatment of the Federal work force. This year bids fair to be no exception. The House budget process raised the pay rate by 3 percent but effectively froze the agency budgets. It seems to be a perfect recipe for riffing.

Pay parity is a memory. We have taken away part of the Social Security annuity for our workers in exchange for a reduction in pension benefits. It seems that every time the Congress is looking to save money, it looks first to its own work force. Then we are surprised that we have trouble getting and keeping quality people.

Last Congress and again in this, I introduced H.R. 818, a bill to allow workers 50 and over to take early retirement for a limited period of time. The bill would save us hundreds of millions of dollars over a few years and let our workers leave under orderly and calculated circumstances rather than being pushed out in the chaos which riffing will inevitably produce. I urge my colleagues to examine and support H.R. 818.

HOUSING, COMMUNITY DEVELOPMENT AND HOMELESSNESS PREVENTION ACT OF 1987

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, I rise in strong support of H.R. 4, the Housing, Community Development, and Homelessness Prevention Act of 1987. I applaud the efforts of my colleagues on the Banking Committee in fashioning a bill that deserves strong bipartisan support as an essential component of our overall national housing policy.

We have a commitment to striving to ensure a decent home for all Americans, a commitment that the Reagan administration has literally abandoned: Since 1981, HUD-assisted housing programs have been decimated, cut by nearly 70 percent. No other portion of the budget has been slashed so drastically. Passage of this bill would send a message to the American people that we care about their efforts to live safely and with dignity in public housing, or to purchase their own homes and realize the dream of homeownership that we in Congress may sometimes take for granted.

H.R. 4 contains provisions integral to meeting the housing needs of low- and middle-income Americans. Low-income assistance includes $2 billion for public housing programs, $1.7 billion for elderly and handicapped housing, and $3.2 billion for the Low-Income Housing Assistance Program. To aid those who need loans and mortgages, the bill makes permanent the FHA insurance authority, sets a mortgage premium cap, and authorizes a limited demonstration project for elderly homeowners to receive home equity conversion loans.

I have received messages of support for H.R. 4 from public officials in my district. They assert that the continued authorization of community development block grants, urban development action grants, and the rental rehabilitation loan programs are vital to the continuation of their neighborhood development programs. With the demise of revenue sharing, it is crucial that our cities receive funding for these activities.

It is important to remember that this is not an extravagant piece of legislation; it basically maintains current housing and community development programs at 1987 levels. Yet its enactment would strongly reassert the congressional commitment to affordable, decent housing while meeting the funding constraints set forth in the fiscal year 1988 budget resolution. Last year we resoundingly approved H.R. 1; I urge my colleagues to act responsibly and likewise lend their support to H.R. 4.

SUPPORT FOR HOUSING, COMMUNITY DEVELOPMENT AND HOMELESSNESS PREVENTION ACT OF 1987

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, I too rise in support of H.R. 4, the housing bill which we will consider today.

Throughout the winter, and even now in the summer months, we read about tens of thousands of Americans who are homeless. Barely a few blocks from the White House there are not only men, but women and children, sleeping on subway grates, huddling together against the cold or the wind or the rain, because they have no place in which to live.

That problem and the problem we address today in H.R. 4 are directly related. For many of the homeless the only reason that they cannot find a roof over their heads is that there is not enough housing in America for them, and these days it is impossible even for a working person making $9,000 or $10,000 a year to find housing in many parts of America.

The bill we shall talk about today tries to meet some of the strictures of cost-efficiency and of humanity. I agree, we can no longer spend $100,000 per unit of new public housing.

The bill is within every budget constraint that this House has proposed. It meets the budget requirements, and yet at the same time it reaches out with new programs like Nehemiah, like HODAG and like others to try and build housing more efficiently and to cost less.

I urge the Members to pay attention to the debate and support H.R. 4 this afternoon.

PRESERVING ACCESS TO HIGHER EDUCATION

(Mr. PRICE of North Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PRICE of North Carolina. Mr. Speaker, the open access to education that has long been a hallmark of American society is today threatened by the spiraling costs of graduate and undergraduate education. Since 1980, students and their parents have faced a 75-percent jump in the cost of a college or graduate degree, an increase that is more than twice the rate of inflation. Tragically, during this same period, the Reagan administration has slashed Federal financial aid budgets by some 30 percent.

As a consequence, more students are taking out larger loans each year, and, as their debts mount, students find themselves limited in their prospective career choices. How, Mr. Speaker, under these conditions, can we continue to attract students to essential but low-paying professions such as teaching?

Perhaps unwittingly, Congress last year exacerbated the student debt problem by including in the tax reform act provisions that disallow the deduction for interest on educational loans and deny the tax exclusion for all but tuition and book allowances from scholarships and fellowships.

Mr. Speaker, today I join my colleague from North Carolina, Mr. LANCASTER, in introducing legislation that would amend the Tax Reform Act to restore the tax treatment of student loans and scholarships that was in effect prior to 1987. I urge all of our colleagues to join us in this small step to preserve the routes of access to higher education and keep open the doors of opportunity for all Americans.

ACTION OF FEDERAL HOME LOAN BANK BOARD

(Mrs. PATTERSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. PATTERSON. Mr. Speaker, when an individual enters a financial institution without invitation, goes to the vault and removes assets of the institution, we call him a thief. When a Government agency goes into an institution, however, and takes assets without notice, we call it FSLIC.

Mr. Speaker, I am speaking, of course, of the recent extinguishment of the FSLIC secondary reserve fund. The secondary reserve fund was created by Congress in 1961. During the 1950's, savings deposits had grown at an annual rate of 15 to 20 percent, but FSLIC reserves had grown more slowly and stood at only 0.63 percent of insured savings deposits by 1959.

To correct this situation, Congress passed legislation, Public Law 87-210, which required each FSLIC insured savings institution to pay an additional assessment to the FSLIC to correct this imbalance. The law specified that when the combined primary and secondary reserves of the FSLIC reached 2 percent of the total amount of all savings accounts in insured institutions, the additional assessment would be suspended and institutions could draw on what they had contributed to the secondary reserve to pay current premiums to the primary reserve.

Prepayments to the secondary reserve would resume if combined FSLIC reserves dropped below 1.6 percent of savings. In essence, this was the first FSLIC recapitalization plan.

Congress reduced the 1.6 ratio to 1.25 percent in 1973, and also halted payments to the secondary reserve. In 1974, Congress scheduled a 10-year payback of the secondary reserve, on the condition that the combined total of the primary and secondary reserves continue to exceed 1.25 percent of insurance deposits. In 1979, the reserve ratio fell below 1.25 percent and the payback was suspended, although interest continued to accrue.

On May 14, 1987, Chairman Gray of the Federal Home Loan Bank Board reported the extinguishment of the secondary reserve fund—a fund which totaled $800 million. This fund has consistently been listed by the member institutions of FSLIC as an asset since these funds were ultimately to be paid back to these member institutions. These institutions have now been instructed to write off these assets, thereby reducing the institution's net worth. In conversations with two thrifts in my own district, I have learned that they must now write off almost half a million dollars between them.

Mr. Speaker, I frankly am amazed that the Federal Home Loan Bank Board would take this kind of action without any warning to this already troubled industry. By reducing the assets of many of these institutions, The FHLBB has made these troubled institutions that much less attractive as an investment and reduced the likelihood that investors will purchase ailing thrifts, an essential activity if we are going to put this industry back on its feet.

In the next 2 weeks, the Subcommittee on General Oversight and Investigations of the House Banking Committee will be holding hearings regarding the circumstances surrounding the extinguishment of this fund. I look forward to an explanation of the activities of the FHLBB and possible solutions for resolving this issue.

COMMEMORATING BICENTENNIAL OF NORTHWEST ORDINANCE OF 1787

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 181) commemorating the bicentennial of the Northwest Ordinance of 1787, and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore (Mr. TRAFICANT). Is there objection to the request of the gentleman from California?

Mr. MILLER of Ohio. Mr. Speaker, reserving the right to object, I do not object but simply would like to inform the House that the minority has no objections to the legislation now being considered.

Mr. Speaker, further reserving the right to object, I rise in support of House Joint Resolution 181.

Mr. Speaker, it is with a great deal of personal pride that I address the House today in support of our resolution honoring the 200th anniversary of the most significant documents in American history—the Northwest Ordinance of 1787. This landmark document—enacted into law on July 13, 1787—has been called the Magna Carta of American History. It was responsible for paving the way west in the Nation's expansion beyond the Ohio and Mississippi Rivers.

Permit me, for a moment, to highlight the provisions of the Northwest Ordinance of 1787:

The ordinance guaranteed trial by jury;

The Northwest Ordinance established an orderly system of growth and led to the creation of Ohio, Michigan, Illinois, Wisconsin, Indiana, and the eastern portion of Minnesota;

Those States created as a direct result of the ordinance, as well as those to follow, were created on equal footing with the Original Thirteen Colonies;

The Northwest Ordinance of 1787 was the first civil rights document ever approved by Congress. It outlawed slavery in the vast Northwest territory;

The ordinance provided for free public education, while guaranteeing freedom of religion and worship;

The Northwest Ordinance assured an equitable distribution of land settlement in the territory; and

The Northwest Ordinance preceded the U.S. Constitution and the Bill of Rights.

Daniel Webster said of the ordinance:

> I doubt whether a single law of any lawgiver, ancient or modern, has produced effects of more distinct, marked and lasting character than the (Northwest) Ordinance of 1787.

Philip Shriver, chairman of Ohio's Northwest Ordinance Bicentennial observance, recently summarized the importance of the ordinance:

> Of the literally hundreds of documents in our history that deserve to be called significant, only a handful can be called fundamental. And of these, the three most fundamental to the formation of the Nation are the Declaration of Independence, the Constitution and the Northwest Ordinance.

It is appropriate, Mr. Speaker, that I give proper credit and extend my personal thanks to my House colleagues who have supported me in this endeavor to call attention to the anniversary of the ordinance. Our resolution has 224 sponsors, from my good friend CHALMERS WYLIE who was the first to sign on to Mrs. VIRGINIA SMITH whose cosponsorship assured House consideration. I am pleased to report that every Member of the congressional delegations from the six States created by the ordinance were all original sponsors of House Joint Resolution 181.

While this particular resolution is important to remembering the past and properly commemorating the principles of the ordinance, the resolution before the House today is of particular interest to the State of Ohio, Ohio University in Athens, and the city of Marietta. Ohio was the first State established in the territory. Ohio University became the first institution of higher education in the territory. And Marietta, OH, is the first permanent, chartered settlement under the authority of the ordinance. Planning for ceremonies and observing the ordinance has been underway for a long time. Congressional recognition of the ordinance is deeply appreciated by all those who are associated with this year's observance of its provisions, rights and freedoms.

Fifty years ago, President Franklin Roosevelt underscored the value of the Northwest Ordinance in stating:

> The principles of the ordinance of 1787 served as the highway * * * broad and safe * * * over which poured the westward march of civilization. On this plan was the United States built.

And upon approval of this worthwhile resolution, we, the beneficiaries of all the Northwest Ordinance of 1787 represents and symbolizes, hereby express our gratitude to our forefathers and a foundation document that made our Nation truly a land of the free.

Mr. McEWEN. Mr. Speaker—

Many Americans are celebrating this summer the bicentennial of the signing of the Constitution of the United States which took place September 17, 1787.

However, the other bicentennial, the 200th anniversary of the adoption of the Ordinance of 1787 by the Confederation Congress on July 13, 1787, will likely go unnoticed by most Americans of the importance of the document to the growth and development of our Republic is not well known. Many historians, however, consider the Ordinance of 1787 to merit mention along with the magnificent Declaration of Independence and the Consitution as a very unique and enlightened state paper.

Mr. Speaker, these words were written by Nolan W. Carson of Cincinnati, OH, for "The Sons of the American Revolution Magazine," and I would like to reinforce these truly important ideas to my colleagues today.

The charter, adopted by the Honorable Congress of 1787, brought to our young Nation the addition of such indispensable States as Ohio, Indiana, Illinois, Michigan, and Wisconsin, and the eastern third of Minnesota. The provisions and principles of the Northwest Ordinance embodied democratic ideals and liberties unique to its day, but which we so dearly espouse today.

The Ordinance contributed to and facilitated our growth as a truly free and sovereign nation. Its ideals foreshadowed those contained in our country's Bill of Rights and Constitution.

For these reasons, Mr. Speaker, I am proud to have cosponsored House Joint Resolution 181 and urge my colleagues to join me in voting in support of House Joint Resolution 181 to commemorate the bicentennial of the Northwest Ordinance.

At this time, Mr. Speaker, I submit for the RECORD the complete text of Mr. Carson's article for "The Sons of the American Revolution Magazine." I commend his words and the document he so eloquently pays tribute, the Northwest Ordinance.

WINNING OF THE NORTHWEST TERRITORY

(By Compatriot Nolan W. Carson)

In 1987 Americans will celebrate the bicentennial of the birth of two extremely significant state documents. The first, of course, is the bicentennial of the signing of the Constitution of the United States on September 17, 1787 which will be celebrated widely throughout the Nation. The other bicentennial, the 200th anniversary of the adoption of the Ordinance of 1787 by the Confederation Congress on July 13, 1787, will likely go unnoticed by most Americans since the importance of this document to the growth and development of our Republic is not well known. many historians, however, consider the Ordinance of 1787 to merit mention along with the magnificent Declaration of Independence and the durable Constitution as a very unique and enlightened state paper.

The Ordinance was a charter adopted by the Congress "for the government of the territory northwest of the river Ohio" and is often referred to as the Northwest Ordinance. It set forth a detailed framework for governing the vast unsettled territory ceded to the fledgling nation in 1783 by the Treaty of Paris. The Territory included all of the lands north of the Ohio River stretching from the western border of Pennsylvania to the Mississippi River. It also provided a mechanism for the admission of these lands, when populated, to the Union as new States on an equal basis with the original thirteen States. The Northwest Territory now comprises the States of Ohio, Indiana, Illinois, Michigan and Wisconsin and the eastern third of Minnesota. Significantly, the plan for admission to Statehood as embodied in the Northwest Ordinance was followed in the admission later of most of the other States into the Union.

The passage of the Northwest Ordinance and the subsequent government sales and grants of land within this vast and fertile region were eagerly awaited by land-hungry citizens of the eastern sea-board States, Revolutionary War veterans and land speculators seeking to make their fortunes. Herman J. Viola—in his "The National Archives of the United States" (Harry N. Abrams, Inc. 1984)—eloquently described the incredible desire for land as a major factor in the growth and development of the Nation. He wrote "The dominant factor in shaping our country and our character has been the land, which lured millions of colonists, immigrants, and refugees to these shores. We fought and destroyed Indians for it. We waged wars over it. We rewarded our soldiers with it. We farmed it, mined it, and lumbered, it. We reclaimed it, despoiled it, and perhaps belatedly, conserved it. We have mapped it, sketched it, photographed it. We have regulated it, sold it and preserved it. And most of what we have done to the land is documented in the National Archives." The Northwest Ordinance resides in the National Archives today beside other treasured documents which are part of the fabric of our Nation's heritage.

QUICKLY WRITTEN AND ADOPTED

During the hot days of early July 1787, at the same time the delegates to the Constitutional Convention were laboring in Philadelphia to hammer out a new charter to replace the failing and ineffective Articles of Confederation, the Confederation Congress was in session in New York City. A committee wrote and the Congress adopted, in eight days, this innovative structure of a temporary government for the Northwest Territory.

The Ordinance authorized the appointment of a Territorial Governor by the Congress as well as a Secretary and a court consisting of three judges with common-law jurisdiction. The Governor and the judges were empowered to adopt temporary laws for the Territory strictly modeled after civil or criminal laws in force in the thirteen Original States, subject to the right of the Congress to disapprove.

The Ordinance further provided that when 5,000 free male adults resided in the Territory, a house of representatives was to be elected by the male freeholder residents. This body, together with a five-member legislative council appointed by the Congress, was given the authority to adopt all laws for the Territory, subject to the assent of the Governor. In order that the new inhabitants of the Northwest would have a voice in the Congress along with the original States, the legislature of the Territory was authorized to elect a Delegate to Congress with the right to debate but not vote.

Throughout the Ordinance it is clear that the Congress intended that this plan of territorial govenment was only a temporary mechanism pending admission of parts of the area into Statehood as equal partners with the original States. The Ordinance provides that not less than three nor more than five States should be formed in the territory—and whenever any of the States so formed had 60,000 free inhabitants, "such State shall be admitted, by its delegates, into the Congress of the United

States, on an equal footing with the original States, in all respects whatever."

As a result of these provisions, Ohio was admitted as a State in 1803, Indiana in 1816, Illinois 1818, Michigan in 1837 and Wisconsin in 1848. Minnesota, whose borders include a part of the old Northwest Territory, became a State in 1858.

LAND RIGHTS SPELLED OUT

An example of the land-oriented bent of the drafters of the Ordinance is contained in a lengthy section that authorized lands and other property to be devised or bequeathed by written wills. In addition, it painstakingly prescribed that the estate of one who died without a will would descend to the decedent's children or their descendants in equal parts, with a widow being entitled to a life interest in one-third of the real estate and one-third of the personal property outright. The laws of descent and distribution still in force in many states are remarkably similar to these provisions. The purpose of this section was to insure that the unpopular English law of primogeniture prescribing the inheritance of lands exclusively by the eldest son would never apply in the Territory. The section contains an interesting exemption "saving, however, to French and Canadian inhabitants, and other settlers of the Kaskaskies, Saint Vincents, and the neighboring villages, who have heretofore professed themselves citizens of Virginia, their laws and customs now in force among them relative to the descent and conveyance of property."

INDIVIDUAL RIGHTS DETAILED

Those provisions of the Ordinance which have drawn most attention from historians through the past two centuries are those that granted important individual liberties and the right of eventual Statehood to the inhabitants of the Territory—and guaranteed the inviolability of those rights in the future. This compact was, in fact, a Bill of Rights for those who would populate the Territory. The introduction to this list of rights and liberties stated: "And for extending the fundamental principles of civil and religious liberty, which form the basis whereon these republics, their laws and constitutions are erected; to fix and establish those principles as the basis of all laws, constitutions, and governments, which forever hereafter shall be formed in the said territory; . . .:

"It is hereby ordained and declared, by the authority aforesaid, that the following articles shall be considered as articles of compact, between the original States and the people and States in the said territory, and forever remain unalterable, unless by common consent. . . ."

Religious liberty was obviously of paramount importance to the drafters and Article I of this Bill of Rights provided "No person, demeaning himself in a peaceable and orderly manner, shall ever be molested on account of his mode of worship, or religious sentiments, in the said territories."

Other basic rights provided by the authors included entitlement to the writ of habeas corpus; trial by jury; judicial proceedings according to the common law; bail except "for capital offenses where the proof shall be evident, or the presumption great"; moderate fines; and no cruel or unusual punishments. The people were also guaranteed proportionate representation in the legislature and full compensation if a person's property is taken or his services demanded by the government without his consent "for the common preservation." Of unusual importance to the people of that time was a provision that prohibited any law in the Territory that in any manner should interfere with or affect private contracts. The new Constitution which was unveiled in Philadelphia two months after the Ordinance was passed contained a similar contract clause in Article I, Section 10.

The importance of education was also stressed in the document's text, but funding was not provided. Article III of the compact stated "Religion, morality, and knowledge being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged."

INDIANS ALSO BENEFITED

The American Indians who were in 1787 the principal inhabitants of the Northwest were also beneficiaries of the compact. "The utmost good faith shall always be observed towards the Indians; their lands and property shall never be taken from them without their consent; and in their property, rights, and liberty they never shall be invaded or disturbed, unless in just and lawful wars authorized by Congress; but laws founded in justice and humanity shall, from time to time, be made, for preventing wrongs being done to them, and for preserving peace and friendship with them. "In carefully excepting "just and lawful wars authorized by Congress" the framers may have had a premonition that disputes and savage conflicts with the Indians in the Territory would continue for more than 25 years.

A commercially important provision was also added to the articles of compact in the Ordinance. This clause stated that all navigable waters leading into the Mississippi and St. Lawrence Rivers, including of course the Ohio River, "shall be common highways, and forever free, as well as to the inhabitants of the said territory as to the citizens of the United States, and those of any other States that may be admitted into the confederacy, without any tax, import or duty therefore."

The final Article of the compact, and the single provision of the Ordinance which has commanded most notice over the years, prohibited slavery and involuntary servitude in the Northwest Territory but permitted fugitive slaves from other States to be reclaimed and returned. A version of this anti-slavery clause was contained in the draft of an earlier ordinance written by Thomas Jefferson and adopted in 1784 for the government of the Northwest. The Ordinance of 1784 was never in operation since it was replaced by the 1787 enactment before actual settlement began.

WRITTEN RIGHTS HAD PRECEDENTS

The concept of embodying a Bill of Rights to guarantee basic individual rights and liberties in a document binding on the legislative body itself is an American innovation. This idea was not new in 1787 when the Ordinance was adopted. Some of the same rights contained in the Ordinance were included in the Massachusetts Body of Liberties adopted in 1641 and the Pennsylvania Frame of Government issued by William Penn in 1682. In fact all of the Original Colonies provided various forms of fundamental rights to their citizens in constitutions or laws adopted during the Revolutionary period.

It is not surprising that the drafters of the Ordinance included a Bill of Rights since the individual States they represented had already provided various guarantees to their own citizens. What is surprising is that the Constitution which was being written at the very same time in Philadelphia did not contain a Bill of Rights. In fact, the absence of a list of individual liberties was considered by many to be a serious deficiency in the Constitution and was somewhat of an obstacle to its ratification. A Bill of Rights, consisting of the first ten amendments to the Constitution, was later added and became effective when the ratification process was completed on December 15, 1791.

AUTHORSHIP DEBATABLE

The authorship of the Northwest Ordinance has been the subject of much debate by historians over the two centuries since its adoption. Most now give major credit to Nathan Dane, a member of Congress from Ipswich, Massachusetts, who was a member of the committee that was responsible for drafting the measure and reporting it to the Congress for action. Various writers attribute some of the credit to Reverend Manasseh Cutler, also from Massachusetts, who was the agent sent by a group seeking to invest in Territorial lands, known as the Ohio Company, to urge Congress to enact promptly an ordinance governing the Northwest Territory. The truth probably is that no single author was responsible. Rather, various men undoubtedly contributed ideas and specific clauses. Some of the principles were most certainly taken from Jefferson's Ordinance of 1784 and others were crafted from provisions found in the constitutions of the Original States.

Delegates from only eight States were present at the Congress on the day the Ordinance was adopted—those from Delaware, Georgia, Massachusetts, New Jersey, New York, North Carolina, South Carolina and Virginia. Significantly the President of the Congress in 1787, General Arthur St. Clair of Pennsylvania, was later that year appointed as the first Governor of the Northwest Territory.

SETTLERS BEGIN MOVING IN

Massive land purchases from the government were quickly concluded by land companies, including the Ohio Company, and on April 7, 1788, less than nine months after the Ordinance passed, a band of settlers led by Rufus Putnam on behalf of the Ohio Company founded a new village on the Ohio River at the mouth of the Muskingum River. This settlement, first called Adelphi and later Marietta after Queen Marie Antoinette of France, was located near Fort Harmar which had been established earlier. General St. Clair, a distinguished officer during the Revolution and now Governor of the Territory, arrived at Marietta three months later and made Marietta his headquarters. An Ohio Company Land Office was opened in Marietta in 1788 to handle the many transactions which were expected. The building still stands there today.

Much of Governor St. Clair's attention during his 15-year tenure as Governor of the Territory was occupied in dealing with the Indians of the area. A major campaign against the Indians in northern Ohio and eastern Indiana led by General Josiah Harmar in 1790 ended in disaster. A year later General St. Clair himself commanded a large but poorly trained force in another disastrous military action against the Indians in northern Ohio. During the engagement, 613 of his men were killed and 237 wounded. The young Nation was stunned at these defeats but both commanders were later exonerated from blame. Anthony Wayne, who became a Major General for his gallant service during the Revolution, was then called back to duty. After months of drilling his troops in newly settled Cincinnati, he marched toward the Indian villages of northern Ohio and on August 20, 1794 decisively defeated the Shawnee Chief Blue Jacket at the Battle of Fallen Timbers near present day Maumee Ohio. Wayne's victory was followed a year later by the signing of the Treaty of Greene Ville by Wayne and over 90 representatives of the Indian Nations. Under the treaty huge tracts of Indian lands were ceded to the United States and relative peace reigned in the Territory during the next fifteen years.

W.H. HARRISON BECOMES INVOLVED

William Henry Harrison, son of Benjamin Harrison, a Signer of the Declaration of Independence from Virginia, came to Fort Washington at Cincinnati in 1791 as a young Ensign. He was General Wayne's aide-de-camp during the campaign against the Indians and later served as Secretary of the Northwest Territory and Delegate to Congress from the Territory. After the Territory was split into two districts just prior to Ohio's admission to Statehood, he was appointed Governor of the Indiana Territory and worked diligently to free up land from Indian occupation through negotiated treaties.

In 1811, Harrison defeated Shawnee Chief Tecumseh's brother at the Battle of Tippicanoe in Indiana for which he gained considerable fame. During the War of 1812, he was appointed Commander of the Army of the Northwest and decisively defeated a large Indian force led by Tecumseh and his British allies at the Battle of the Thames in lower Canada. During the battle Chief Tecumseh was killed, and Harrison's victory signaled the end of important Indian hostilities in the Territory. General Harrison was elected as the ninth President of the United States in the "Tippicanoe and Tyler too" campaign of 1840. Interestingly, Vice President Richard Mentor Johnson of Kentucky, who was running for re-election with President Van Buren against Harrison and Tyler in 1840, served under General Harrison at the Battle of the Thames and is credited with firing the rifle ball that killed Tecumseh.

Benjamin Harrison, who was born near Cincinnati and lived in Indianapolis, Indiana, was a grandson of General Harrison, and became the 23rd President of the United States. His wife, Carolyn Scott Harrison, was the first President General of the National Society of the Daughters of the American Revolution.

Mr. MILLER of Ohio. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 181

Whereas, on July 13, 1787, the Congress of the United States, which was established by the Articles of Confederation, enacted a law entitled "An Ordinance for the government of the territory of the United States northwest of the river Ohio";

Whereas such law, commonly known as the Northwest Ordinance, provided civil government for and opened to settlement the Northwest Territory from which all or part of the States of Ohio, Indiana, Illinois, Michigan, Wisconsin, and Minnesota were subsequently formed;

Whereas the Northwest Ordinance provided that States formed in the Northwest Territory would be admitted into the Union on an equal footing with the original States, and admission into the Union on this basis was subsequently applied to States formed in other territories of the United States;

Whereas the Northwest Ordinance led to the orderly development of the Northwest Territory;

Whereas the Northwest Ordinance recognized the dignity of the individual without regard to race, religion or origin and provided for the equality of civil rights for all people by prohibiting slavery and involuntary servitude in the Territory, thereby preceding the Bill of Rights;

Whereas the Northwest Ordinance encouraged public education by providing for free public education within the local community: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Northwest Ordinance of 1787 is hereby commemorated as one of the fundamental legal documents of the United States in that the Northwest Ordinance is an early example of the commitment of the people of the United States to democratic principles, religious freedom, and individual rights. The President of the United States is authorized and requested to issue a proclamation, as soon as practicable after the date of the adoption of this joint resolution, that calls upon the people of the United States to carry out appropriate ceremonies and activities commemorating the bicentennial of the Northwest Ordinance.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL DAIRY GOAT AWARENESS WEEK

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 17) to designate the third week in June 1987 as "National Dairy Goat Awareness Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. MILLER of Ohio. Mr. Speaker, reserving the right to object, I do not object, but simply would like to inform the House that the minority has no objection to the legislation now being considered.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I thank the chairman of the committee, and the subcommittee, and the ranking Members for their cooperation in this endeavor.

Mr. Speaker, I rise today in support of House Joint Resolution 17, to designate the third week in June 1987 as "National Dairy Goat Awareness Week."

On January 6, 1987, I introduced House Joint Resolution 17, to generate greater public awareness of the importance of dairy goats and the dairy goat industry in America.

For more than 5,000 years, dairy goats have benefited man. The first settlers brought dairy goats with them to supply food as they struggled to establish a foothold in America. As the pioneers marched across the continent, dairy goats went with them. In fact, these dairy animals have always been a part of the typical American farm.

Today, there are over 250,000 dairy goats in the United States. The American Dairy Goat Association, which represents the dairy goat industry and enthusiasts, includes 12,000 members in every State, Puerto Rico, Guam, and the Virgin Islands.

Goat milk, ice cream, and yogurt are sold in various parts of the United States. However, probably the best known goat milk product is goat cheese or "Chévre." Goat cheeses produced in the United States have grown in popularity both here and abroad. In recent years, American-made Chévres have begun to compete with other world-class cheeses in Europe. In fact, stores in France are beginning to stock American-made goat cheese. The popularity of American goat cheese has grown to the point that it has become the "Brie of the 80's" according to a recent New York Times article by Marian Burros.

"National Dairy Goat Week" is intended to generate greater public awareness of the high nutritional value of the products made from goats' milk. The sponsors of House Joint Resolution 17 hope that this nationwide effort to promote dairy goats will do much to enhance the efforts of dairy goat breeders to educate the American people to the potential of dairy goats and their products for both the American and world economies. Dairy goat breeders will promote their industry through various means during the "Week," including public presentation at shopping malls. All of this will be of no cost to the public, but will simply provide needed recognition for this important segment of U.S. agriculture.

Mr. Speaker, the American dairy goat is an important part of U.S. agriculture and deserves the recognition that House Joint Resolution 17 would provide. I urge my colleagues to support its passage.

[From the New York Times, June 6, 1984]

FOR 80'S EATING, IT'S GOAT CHEESE

(By Marian Burros)

Is chèvre the Brie of the 80's?

Yes, said Clark Wolf, a food and restaurant consultant in New York who said he was selling chèvre—goat cheese—at the Oakville Grocery in San Francisco "back at the turn of the culinary century." That was sometime in the early or mid-1970's.

"No question about it," said Steve Jenkins, the expert cheese vendor at, and partner in, Fairway Fruits and Vegetable, on Broadway near 74th Street.

And Mr. Jenkins, for one, is thrilled at this turn of events, since he harbors nothing but contempt for the Brie available in this country. "Made by machine with dead milk," he said, giving new meaning to the pasteurization process. "To make Brie they pasteurize milk to 212 degrees for up to 20 minutes, which renders every single flavor in the milk neutral. Brie is the king of cheese, but you can't get it here."

Goat cheese is another matter. "It is much more versatile," he said. "You can do so much more with it, and it's very close to the earth." It certainly is more versatile. After all, what can you do with Brie besides wrap it in dough, or heat it with toasted almonds on top, or put it in a sandwich with sun-dried tomatoes? Goat cheese, on the other hand, goes into salads, soups, entrees, appetizers, side dishes and, yes, even desserts.

At first buying goat cheese was a form of reverse chic, judging by the comments in "Completely Cheese," a 1978 book by Anita May Pari, Constance Cuttle and Barbara B. Deskins. Cheese purchasers surveyed by the authors made comments like, "I cannot politely express my distaste for this cheese," and "That rancid taste doesn't hit my stomach well."

So how did we get from then to now, when goat cheeses, both domestic and imported, are outselling Brie?

"A STAR INGREDIENT" FOR CHEFS

"People moved from Brie to goat because young, hot, innovative chefs use it as a star ingredient in the new explosion of American food," Mr. Wolf said. "When we discovered that haute French and burgers could be equally popular, well, goat cheese is the same way. It is rare, wondrous and seriously peasant food."

"Now quality goat cheese can be found in almost every culinary pocket from Texas to New York, from Vermont to Florida," he said.

Without pausing, Steve Jenkins can name three American cheeses that he says are as good as any imported French chevre: Goatfolk's tomme, Coach Farm stick and Laura Chanel's taupiniére, all made from goat milk pasteurized by the cheese makers themselves. The better French cheeses, Mr. Jenkins said, are made of unpasteurized milk.

It isn't just the former Brie-and-white-wine crowd that is buying goat cheese today, according to Mr. Jenkins. The fans include "old ladies who had been buying plastic Brie for years, middle-aged people who travel, old men who like to justify drinking too much wine, high school girls and young professionals," he said.

Most of them are buying the young, fresh, mild goat cheeses, which are less of acquired taste than those that have aged. Unfortunately, if they are buying goat cheese in the supermarket they are seldom getting cheese made by hand from fresh milk. The two most widely distributed in this country, the French Boucheron and Montrachet, are made from powdered milk, frozen milk and curds ground and blended in tanks the size of railroad cars. Mr. Jenkins described them as "industrial-strength cheese."

But whether it is handmade by elves in the woods or churned in stainless-steel tanks in factories, goat cheese is the Brie of the 80's, and white wine has been replaced by champagne.

Mr. MILLER of Ohio. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objections to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. Res. 17

Whereas United States goat cheeses are in demand by consumers and replacing imported cheeses;

Whereas due to the efficiency of the modern domestic dairy goat, which produces an excellent healthful milk, the dairy goat is becoming increasingly popular and useful on our Nation's family farms;

Whereas United States farmers have developed a dairy goat that produces superior milk and that is sought after and exported worldwide; and

Whereas there is a need to further educate consumers as to the high nutritional value of products made from goat's milk: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the period beginning the second Saturday, and ending the third Saturday, of June 1987 is designated as "National Dairy Goat Awareness Week"; and

(2) the President is authorized and requested to issue a proclamation calling on the people of the United States to commemorate such week with appropriate programs, ceremonies, and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

□ 1040

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1777—DEPARTMENT OF STATE AUTHORIZATION ACT FOR FISCAL YEARS 1988 AND 1989

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 100-139) on the resolution (H. Res. 190) providing for the consideration of the bill (H.R. 1777) to authorize appropriations for fiscal years 1988 and 1989 for the Department of State, the United States Information Agency, and for other purposes, which was referred to the House calendar and ordered to be printed.

HOUSING, COMMUNITY DEVELOPMENT, AND HOMELESSNESS PREVENTION ACT OF 1987

Mr. MOAKLEY, from the Committee on Rules, reported the following privileged resolution (H. Res. 191, Rept. No. 100-140), which was referred to the House Calendar and ordered to be printed.

H. Res. 191

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of Rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4) to amend and extend certain laws relating to housing, community and neighborhood development and preservation, and shelter assistance for the homeless and displaced, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against the consideration of the bill are hereby waived. After general debate, which shall be confined to the bill and which shall not exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Banking, Finance and Urban Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered for amendment by titles instead of by sections, each title shall be considered as having been read, and all points of order against said substitute are hereby waived. It shall be in order to consider amendments en bloc by, and if offered by, Representative Gonzalez of Texas, even if amending portions of the bill not yet read for amendment and said amendments shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole. It shall be in order to consider an amendment in the nature of a substitute, if offered by Representative Wylie of Ohio, or his designee, consisting of the text of the bill H.R. 2630, and said amendment shall be considered as having been read. All points of order against said amendment are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text by this resolution. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 191 and ask for its immediate consideration.

The SPEAKER pro tempore [Mr. TRAFICANT]. The Clerk will report the resolution.

The Clerk read the resolution.

The SPEAKER pro tempore. The question is, Will the House now consider House Resolution 191?

The question was taken; and (two-thirds having voted in favor thereof) the House agreed to consider House Resolution 191.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Ohio [Mr. LATTA] for purpose of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 191 is an open rule providing for the consideration of the bill H.R. 4, the Housing and Community Development Act of 1987.

The rule provides for 2 hours of general debate to be equally divided between the chairman and ranking minority member of the Committee on Banking, Finance, and Urban Affairs. The rule also waives all points of order against the consideration of the bill.

Mr. Speaker, the rule also provides that it shall be in order to consider an amendment in the nature of a substitute recommended by the Committee on Banking, Finance and Urban Affairs, now printed in the bill as original text for the purposes of amendment under the 5-minute rule. All points of order against the substitute are waived, and the substitute shall be considered by title instead of by sections and each title shall be considered as having been read.

It also shall be in order to consider amendments en bloc by and if offered by Representative GONZALEZ, of Texas, the amendments are not subject to a demand for a division of the question in the House or in the Committee of the Whole, and the amendments shall be in order even if amending portions of the bill not yet read.

Mr. Speaker, the rule also makes in order an amendment in the nature of a substitute offered by Representative WYLIE of Ohio, or his designee consisting of the text of H.R. 2630, and all points of order against the substitute are waived.

Finally, Mr. Speaker, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, H.R. 4, the Housing and Community Development Act, authorizes $17.2 billion for fiscal year 1988 for housing and community development programs that are administered by the Department of Housing and Urban Development and the Farmer's Home Administration. The bill authorizes programs that will assist the housing needs for low-income families across the country.

Title I of the bill contains funding for low-income housing assistance. A total of $7.9 billion is authorized, Mr. Speaker, to fund programs for elderly and handicapped housing, section 8 rental assistance, new public housing construction, and low income multifamily housing. Title II authorizes $2 billion for rural housing loans and grant programs, and establishes a new program to assist those families that might be misplaced if a mortgage is prepaid by the building owner.

Mr. Speaker, title III provides for the permanent funding for the FHA mortgage insurance programs, which would allow the Department of Housing and Urban Development to insure up to $100 billion in loans and mortgages that come under FHA insurance programs. Title IV, Mr. Speaker, authorizes $3 billion in community development block grants, $225 million for urban development action grants, and $5 million for a new fair housing initiative program. And finally Mr. Speaker, title V of H.R. 4 authorizes $100 million for the Nehemiah Housing Opportunity Grant Program, which would allow for low-income families to apply for mortgages for the purchase of new homes.

Mr. Speaker, this is a long-overdue bill, it is time for Congress to answer to the people that most need our help. This bill will enable the elderly and the handicapped to become more self-reliant, enable families with moderate or low income to become homeowners, and will improve conditions in urban and rural communities around the country.

Mr. Speaker, I would like to congratulate the distinguished chairman of the Housing Subcommittee the gentleman from Texas [Mr. GONZALEZ], the ranking minority member, the gentleman from Ohio [Mr. WYLIE], and the entire Banking Committee for the bipartisan effort they have shown in reporting this bill and I urge my colleagues to vote for the rule and the bill.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, no housing and community development authorization legislation has passed the Congress since 1983. And if the Congress passes the committee bill as reported, we will probably go another year without a housing authorization bill being signed into law as the administration opposes it in its present form.

Mr. Speaker, the committee bill is objectionable because it will increase the deficit in fiscal year 1988 by $5.2 billion in outlays and add $29.5 billion to the deficit over fiscal years 1988-92 as compared with the President's budget.

Mr. Speaker, the committee bill will reverse housing reforms enacted by Congress in 1981, including costly restrictions on State use of flexible community development block grant funds.

The committee bill will create costly new programs at a time when we cannot afford the programs we already have on the books.

For example, it would establish a new second mortgage program for home purchases 115 percent above the median family income. If this new program is approved, eligible families could borrow $15,000 on a home interest free and would not have to pay the money back until the house is sold. In the meantime, nothing is paid on the principal if the house is held for 50 years.

Mr. Speaker, at the time of the Rules Committee meeting the administration took the position that if this bill were presented to the President in its present form, the President's senior advisers would recommend disapproval.

However, Mr. Speaker, the rule before us today does provide for the consideration of a better alternative. The rule makes in order consideration of a substitute to be offered by the gentleman from Ohio [Mr. WYLIE] or his designee.

The Wylie substitute improves on the committee bill in a number of ways.

First, it costs less. The Wylie substitute will reduce the total authorization of budget authority by $1.7 billion.

However, the Wylie substitute is better not just because it costs less, but because it includes some new and innovative ideas which can improve housing for the poor in this country. It will authorize 60,000 housing vouchers for the Department of Housing and Urban Development in 1988 and will extend this program to the rural poor served by the Farmers Home Administration.

The Wylie substitute will emphasize preservation of the viable public housing stock by substituting a more effective $1.5 billion Comprehensive Modernization Program for public housing construction.

Mr. Speaker, the rule before us today is an open rule. It waives all points of order necessary to protect the committee bill and the Wylie substitute. While I do not agree with the committee bill, I will support the rule so that the House will have the opportunity to consider the alternative offered by the gentleman from Ohio [Mr. WYLIE] today without the customary layover.

HUD FISCAL YEAR 1986 MEDIAN FAMILY INCOME

Metropolitan area	90 percent	95 percent	100 percent	115 percent
Chicago, PMSA	31,140	32,870	34,600	39,790
Detroit, PMSA	29,250	30,875	32,500	37,375
Baltimore, MSA	28,260	29,830	31,400	36,110
Philadelphia PMSA	27,450	28,975	30,500	35,075
Los Angeles, PMSA	27,180	28,690	30,200	34,730
Dallas, PMSA	29,610	31,255	32,900	37,835
San Antonio, MSA	22,770	24,035	25,300	29,095
Atlanta, MSA	28,260	29,830	31,400	36,110
Boston, PMSA	30,600	32,300	34,000	39,100
Seattle, PMSA	29,880	31,540	33,200	38,180
New York, PMSA	24,480	25,840	27,200	31,280
U.S. Median	24,750	26,125	27,500	31,625

Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

Just a couple of points, Mr. Speaker. First of all, one of the reasons for the waiver here is because once again the

House is going through the exercise as we seem to do consistently on all these bills, of waiving the Budget Act. Now, the main reason for the waiver of the Budget Act here is the fact that we have not yet approved a budget resolution for this Congress. So those who have come on the floor today and suggested that this bill complies with the budget, there is no budget for it to comply with. The majority side has not yet gotten their act together to give us a budget. So therefore what we have got to do is break the law every time we bring a bill to the floor because we have no budget to act on.

I suggest what is happening right now in the conference where the majority party cannot get their act together and come up with a budget is a travesty and that it is high time that they do what they told the country they could do a few months ago and that is govern the country. Make your choices and bring your budget out here and have the guts to show the American people what it is you want to do to them, how you want to raise their taxes, how you want to gut their Defense Establishment, what you want to do. Do the same thing that the President was required to; bring your budget out so that we do not have to go through this exercise every time we bring a rule to the floor and that is waive the Budget Act because you cannot get a budget together.

☐ 1055

Now, that is one problem with this particular rule. I would suggest that is a good reason to vote against it.

But second, I found some interesting language in this rule that I would like to have somebody explain to me, and I would be pleased to yield to anybody who could.

We are in this amendment allowing amendments en bloc by the chairman of the subcommittee, the gentleman from Texas [Mr. GONZALEZ], that amends a portion of the bill not yet read for amendment and said amendments shall not be subject to a demand for division of the question in the House or in the Committee of the Whole.

Now, that is a very, very unusual procedure. It tramples all over the rights of Members of Congress, because first of all, what can be included in that is a mass of material which we have not even seen under this rule.

Now, I understand there may be a gentleman's agreement. I would hope that we can get an explanation of just what we have here; but nevertheless, we are giving the right to someone to dump a whole mess of stuff in here. It can be put in the bill at any point. People who have concerns about those particular aspects could be off the floor because the bill is not up at that particular point, the amendment is not up at that point in the bill.

Second then, having found out what may be in it, they cannot even come to the floor to divide the question, nor can they divide the question when we get back into the House.

Now, if we are going to start a procedure like that, I would suggest that Members of Congress are going to have some very, very grave problems in the future, trying to do anything about that which happens procedurally on the House floor.

Can someone explain to me why we had to put that kind of provision in?

I notice, for instance, in the substitute of the gentleman from Ohio, that he is not given that same privilege. He has been told that he has to put in the text of H.R. 2630.

Fine. At that point we know exactly what it is he is doing, but we do not have any idea what is being done here.

Can the gentleman from Massachusetts explain to me why this very unusual language was included in this rule?

Mr. MOAKLEY. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am happy to yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Well, Mr. Speaker, actually as the gentleman at the microphone well knows, the en bloc amendments affect so many titles, so it will be one vote. It will be the same material going into all these titles en bloc.

This matter is a matter that it is the understanding of the Rules Committee was worked out in a bipartisan fashion.

At this time I will yield to the gentleman from Texas who can detail exactly what the amendment does.

Mr. WALKER. Well, Mr. Speaker, I think I control the time. I would be very glad to do that, but just let me raise the question and then I do want to get an explanation.

The problem that I have here is that in the case of the gentleman from Ohio, you have limited that gentleman's agreement by telling him exactly what he can offer.

In this case, however, I am not saying that the gentleman will not stick by the gentleman's agreement, I am sure he will; but as a procedure, you have pushed the door wide open.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. LATTA. Mr. Speaker, I yield 1 additional minute to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

What I am concerned about is not necessarily we are going to have a problem in this bill, but if this would ever become a matter where we include that regularly in rules, it would really be a problem for Members of the House.

I would hope that this is not setting a precedent of what we are going to do in trampling on the rights of Members to understand what is in legislation.

Mr. Speaker, I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Speaker, I can take my own time if the gentleman wishes, but I will take as much time as the gentleman can yield this time.

Mr. WALKER. Mr. Speaker, I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. What has happened, Mr. Speaker, the Rules Committee delayed working on this matter for 1 week in order that the minority could perfect what they were trying to get.

This was a gentleman's agreement, it was told, that had the blessing of both the minority and the majority on this thing.

The gentleman well knows, this is a technical amendment. This could be knocked out. If you want to go with these en bloc amendments and break them down so that you have to amend each title and section, which would be just repetitious, I think we would be just wasting some time.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has again expired.

Mr. LATTA. Mr. Speaker, I yield 1 additional minute to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

The only point that I am making with the gentleman is that it would be far less troublesome to this Member if we had in fact designated that it was language already printed in the RECORD or done something similar to what has been done for the gentleman from Ohio [Mr. WYLIE], and that is, give us some idea what the text of this would be.

Mr. MOAKLEY. Well, Mr. Speaker, if the gentleman will yield, I think the gentleman from Ohio [Mr. WYLIE] will probably inform the gentleman just exactly what the text is. This has already been agreed to.

Mr. WALKER. I do not think there is any doubt about that. What I am suggesting to the gentleman, what I find very often in these rules is that what is done on one occasion for perfectly logical reasons, based upon a gentleman's agreement, then comes back out to us in the future and what we say is, "Oh, this isn't unprecedented. This is something that we have done before. So why should you worry about it?"

Well, I am saying that this is a procedure that we could get very worried about it we did not have the kinds of agreements that evidently have been made on this particular bill; so I am arguing that it is a very, very bad piece of legislation in a rule in terms of protecting the rights of the Members of the House.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Ohio.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has again expired.

Mr. LATTA. Mr. Speaker, I yield 1 additional minute to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, I do not necessarily disagree with the gentleman in the well. We are in a very unusual procedure here.

May I say that we worked for almost 10 days to try to work out a bipartisan bill, even up to the weekend. These were areas on which we had agreement, this set of amendments.

Frankly, I am glad to see that the gentleman from Texas is offering these amendments en bloc. It clarifies the lead base paint provision in the bill. It simplifies the community development block grant, citizens participation provision, it clarifies the economic development strategy. They were all amendments which we wanted in a bipartisan bill if we could have reached an agreement.

We disagreed on the funding level more than anything else.

It is a set of 30 amendments on which we had agreement to the bill. Rather than take up each one of them seriatim, we decided to put them in—or I went along with the idea of putting them in en bloc and agreed with all of them, except amendment 22, which I just now noticed, and that has to do with compliance with the Budget Act.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has again expired.

Mr. LATTA. Mr. Speaker, I yield 1 additional minute to the gentleman from Pennsylvania.

Mr. WYLIE. Mr. Speaker, will the gentleman yield further?

Mr. WALKER. Mr. Speaker, I continue to yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, that item No. 22 would clarify changes made in the section 102 tenant income provision and section 127, the treatment of certain development funds, and section 44, having to do with flood insurance.

Those would not take effect until the beginning of the fiscal year 1988 in order to be in compliance with the Budget Act; but as the gentleman in the well pointed out, there is no Budget Act, so in that regard we did not agree with that, because we do not want to imply that there is a Budget Act in place when there is none.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

My problem is that without being able to divide out the question, that leaves us with kind of a problem.

I understand that this is something that has been worked out. I do not have a problem with that.

It would have been better if the rule had specified exactly what was to be included in those en bloc amendments, rather than leave it wide open, as it does here.

Mr. LATTA. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 191 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4.

The Chair designates the gentleman from Massachusetts [Mr. DONNELLY] as Chairman of the Committee of the Whole and requests the gentleman from Mississippi [Mr. MONTGOMERY] to assume the chair temporarily.

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IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4) to amend and extend certain laws relating to housing, community and neighborhood development and preservation, and shelter assistance for the homeless and displaced, and for other purposes, with Mr. MONTGOMERY, Chairman pro tempore, in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Texas [Mr. GONZALEZ] will be recognized for 1 hour, and the gentleman from Ohio [Mr. WYLIE] will be recognized for 1 hour.

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the very distinguished chairman of the full committee, the gentleman from Rhode Island [Mr. ST GERMAIN], without whose effective leadership in the consideration of this legislation in the full committee we would not be here today in such a united and productive and creative fashion.

Mr. ST GERMAIN. Mr. Chairman, I want to thank the chairman of the subcommittee for his kind remarks.

Mr. Chairman, I rise in support of H.R. 4, the housing authorization bill, developed by our distinguished chairman of the Housing Subcommittee, my colleague from Texas, Mr. GONZALEZ. As everyone knows it has been 4 years since we have had a housing bill.

However, since the Senate has recently passed a housing bill after a number of years without any action we are well on our way to housing legislation this year.

The housing bill offers a very serious attempt on the part of the committee to address the many needs related to housing for both low-income families needing assistance as well as middle-income families wanting to buy a home of their own, while at the same time remaining within the Budget Committee limits.

H.R. 4 reauthorizes assisted housing programs as well as the community development block grant program and the Urban Development Action Grant Program for 1988.

The Farmers Home Administration's rural housing programs are reauthorized and the bill includes several very important provisions that attempt to prevent displacement of low-income families due to the prepayment of the farmers home loans.

The FHA mortgage insurance program is made permanent in H.R. 4 and a number of program amendments are included for both FHA and the secondary mortgage market programs. The bill includes a provision that prohibits user fees from being imposed on Fannie Mae or Freddie Mac as these fees would be nothing more than a hidden tax on the home-buying public.

Mr. Chairman, this bill contains an important provision regarding the UDAG program that would change the selection criteria so that the UDAG program would be available in more areas of the country particularly the South and Southwest.

This bill also extends the Federal Flood Insurance Program and the Federal Crime Insurance Program which continue to be needed in many areas of our Nation as there is no evidence that the private sector could or would provide this needed insurance coverage at an affordable cost.

Our Federal assisted housing programs for lower income families are continued in H.R. 4 despite the fact that this administration has proposed terminating such programs as the section 202 Elderly Housing Program and the public housing and section 8 programs.

The bill also contains vital provisions to attempt to prevent the potential loss of units from the subsidized housing stock due to the prepayment of insured multifamily mortgages.

The bill makes a number of important changes in the manner in which public housing operating subsidies are provided as well as a revision in the comprehensive modernization improvement program sponsored by our colleague, the gentleman from Texas [Mr. Bartlett], and the gentleman from Massachusetts [Mr. Frank].

H.R. 4 authorizes a program developed by the late representative, Stewart B. McKinney of Connecticut to provide that section 202 assistance would be available for a new program of housing for mentally handicapped people.

The Home Mortgage Disclosure Act that has served the public so well in generating private sector mortgage investment in the Nation's older urban neighborhoods is made permanent in H.R. 4 and coverage under the act is expanded to mortgage banking subsidiaries of bankholding companies.

A home equity conversion mortgage insurance demonstration program for the elderly proposed by the gentleman from New York [Mr. Wortley], is included in the housing bill. This provision is an attempt to allow elderly homeowners to remain in their homes but increase their monthly incomes by tapping into the equity in their homes.

Finally, Mr. Chairman, the bill authorizes a new homeownership assistance program developed by our colleague from New York, Mr. Schumer, which replicates on a national basis the successful results of the Nehemiah Housing Opportunity Program that has taken place in Brooklyn, NY.

Mr. Chairman, again I congratulate my distinguished colleague from Texas, Mr. Gonzalez, for his perseverance in working to get a housing authorization bill to the floor.

I urge all of my colleagues to support H.R. 4 which is an honest and sincere attempt by all members of the Banking Committee to provide the programs necessary to meet the housing needs of our citizens while remaining within the budget constraints that presently exist.

Mr. Chairman. I would be remiss if I did not also point out that the minority, under the able leadership of the gentleman from Ohio [Mr. Wylie] has been exceptionally cooperative and helpful throughout this. As noted in my remarks, major portions of this legislation have been authored by Members on that side of the aisle. I am hopeful that after we have our debate and our consideration of the substitute that will be offered, we can see a bipartisan housing bill emanate from the House and go over to the Senate, because a lot of hard work has been put into this, it is within the budget constraints, and it is deserving of our full support.

The **CHAIRMAN** pro tempore (Mr. Montgomery). The gentleman from Rhode Island [Mr. St Germain) has consumed 6 minutes.

Mr. WYLIE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to commend the subcommittee chairman, the gentleman from Texas [Mr. Gonzalez] and also the chairman of the full committee, the gentleman from Rhode Island [Mr. St Germain] for their efforts and willingness to work toward a compromise bill. Under their leadership those efforts continued right up until this week, even over the weekend. Unfortunately, however, no bipartisan agreement was reached on the funding levels and several of the major structural housing policy changes proposed in H.R. 4. The main stumbling block for me is the almost $16 billion in funding. During a time when the House keeps calling for spending freezes, the funding level included in H.R. 4 cannot be defended.

Although the excessive funding level of H.R. 4 remains its most objectionable feature, there are other unacceptable points to mention. The administration has identified at least 40 items of serious disagreement with the bill reported by the Banking Committee and at least 10 provisions that would result most likely in a veto. H.R. 4 would reverse housing reforms that Congress fought to enact in earlier years while creating costly new programs, such as the Nehemiah homeownership subsidy for middle-income households. H.R. 4 in current form imposes unnecessary, burdensome, and otherwise unacceptable restraints and requirements relating to the regulatory process and would micromanage many of the housing programs causing unnecessary paperwork in many instances. All this is going to cost almost $16 billion to assist 127,000 new units of housing. The funding level is, I remind you, still far in excess of what is necessary to meet budget deficit reduction requirements. In contrast our substitute would provide 138,600 new units for $1.7 billion less.

It is for these reasons that I, along with the gentlewoman from New Jersey [Mrs. Roukema], the ranking minority member of the subcommittee, the gentleman from Pennsylvania [Mr. Ridge], the gentleman from Texas [Mr. Bartlett], the gentleman from Illinois [Mr. Michel], and the gentleman from Mississippi [Mr. Lott] are offering a substitute that we believe represents a realistic alternative housing bill. Our funding level of $14.2 billion combined with an emphasis on rehabilitation of existing structures to make then livable rather than new construction, and the increased use of housing vouchers to assist low-income families, will help meet the need for more housing but at a lower cost.

H.R. 4 continues to promote the idea that more spending for new construction of subsidized housing will be sufficient to meet the needs of disadvantaged Americans. I strongly disagree with that theory. New construction of public housing is very expensive, averaging $65,000 per unit according to last year's appropriations figures. HUD tells us there are currently at least 60,000 existing units vacant because they are in need of repair or rehabilitation. It is inconceivable that repairing these units could be as expensive as new construction, yet they could provide housing for low-income people.

I am concerned about providing affordable housing for low-income Americans. We are all concerned about providing housing for low-income people. Therefore, it makes sense to me to preserve the existing housing stock. Too often Congress has created housing programs that were well intended, but which have fostered a continuation of the paternalistic housing bureaucracy. HUD and our own appropriations Committee have recognized the inherent problems associated with this attitude, and both have promoted the increased use of housing vouchers for 1988. I propose to extend this program to the rural poor served by the Farmers Home Administration as well. I believe that the ability of low income Americans to find decent housing should not be limited to the failed social policies of earlier decades. Rather than warehouse our less fortunate I argue that we should give the freedom of choice to lower income families and elderly about where they live. This should be one of our major housing policy objectives.

Among the other differences between H.R. 4 and the substitute consider important are:

A permanent extension of the Crime Insurance Program in H.R. 4, a program which is ineffective, costly and benefits primarily only one State at the expense of the rest of the country;

H.R. 4 restarts the defective, costly and default-plagued section 235 Homeownership Program;

H.R. 4 overregulates the Community Development Block Grant and UDAG Programs with difficult relocation assistance requirements that actually conflict with the uniform relation act; H.R. 4 includes complex compliance provisions for participating State and local government that would result in overkill and discourage participation.

My substitute contains much that is in H.R. 4. However, I would emphasize these points that are particularly significant. It would:

Provide for a 2-year authorization for HUD and Rural Housing Programs, 1-year authorization for UDAG, and a 3-year authorization for the CDBG Program;

Fund existing and new programs for a lower cost of $14.2 billion while providing 25,600 more assisted housing units than is provided in H.R. 4;

Permanently authorize FHA mortgage insurance programs;

Prohibit user fees on secondary mortgage market agencies;

Reform public housing programs through the preservation of the public housing inventory and enhance self-sufficiency for public housing tenants through resident management, homeownership opportunities, and job incentives.

The substitute does not include HoDAG and Nehemiah Homeownership Programs which are both targeted toward the middle income level and not justified in this economic environment.

Mr. Chairman, the differences between H.R. 4 and the substitute that I will offer with my colleagues are few but extremely important. I propose to provide more than 25,000 additional units of assisted housing than H.R. 4 but at a total to the American taxpayer of approximately $1.7 billion less than H.R. 4.

My substitute is not the administration's bill, but it is more preferable than H.R. 4. It is truly a more realistic package that would give the House a solid bargaining position with the Senate in a conference. It is a bill that has a chance of being signed by the President. My substitute raises the prospects for a free-standing housing bill being enacted into law for the first time in 7 years.

This member and all of the members of the Banking Committee have worked long and hard to produce a housing bill. The Republican members of the Committee—and I believe in the full House—are united in their support for a bill which will meet the housing and community development needs of our country: the Wylie-Roukema substitute will do that.

I think that I speak for a great number of my colleagues from both sides of the aisle when I call for the Housing Subcommittee to undertake a comprehensive and detailed examination and evaluation of all of our housing programs and return with an omnibus bill that addresses today's circumstances. Such a review has not been conducted for at least a decade and is long overdue. In my opinion the House should use the 2-year period provided by my substitute to accomplish this worthwhile objective.

Housing remains a major concern of most Americans. Whether at the bottom of the economic scale or at the top, questions about availability, cost, quality, and numerous other issues are being asked daily. It is time that we developed new ideas rather than continue to try to adapt old programs. The chairman of the Senate Housing Subcommittee has already announced his intention to conduct such an oversight program and I think we in the House should take similar action.

What is and should be the Federal role in housing today? I don't think anyone can say without taking time to consider the question at some length. That is what I propose that we do. My substitute will authorize the major existing housing and community development programs for 2 years at reasonable funding levels while the Housing Subcommittee restates what our Federal role in housing and community development should be.

I strongly urge my colleagues to consider whether to continue on with old, failed programs or to develop a housing policy for future generations. The Wylie-Roukema substitute offers the opportunity to move housing forward not further into the past. When the time comes, I hope you will vote for the future of housing in America.

□ 1120

The CHAIRMAN pro tempore (Mr. MONTGOMERY). The gentleman from Ohio [Mr. WYLIE] has consumed 9 minutes.

Mr. GONZALEZ. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, I am quite pleased to present H.R. 4. It is not the result of any one individual and his or her's particular efforts, but rather the multiple efforts of many, many, and on both sides of the aisle.

H.R. 4 represents substantially, if not almost in its entirety, what we passed almost a year ago, 10 months ago, in the shape and form of H.R. 1 in the 99th Congress which passed the House 340 to 36.

The only reason that today we are unable to say that it is a whole 100-percent bipartisan effort is because of the one-tenth of 1 percent based on the budgetary difficulty.

I wanted to point out that H.R. 4 is within the aggregate concurrent budget resolution approved by this House earlier this year. We are within the budget.

The substitute of the gentleman from Ohio which is offered, and still maintains the fundamental unacceptability on the part of the administration and HUD, and I might say by way of parenthesis, that the administration is against any housing authorization this year, not just a compromise, but against any authorization bill which, of course, is badly serving the urgent needs of the American people in one of the three vital needs in life, which is shelter.

I will say this, that the gentleman from Ohio [Mr. WYLIE] and the gentlewoman from New Jersey [Mrs. ROUKEMA], who is the ranking minority member of the Subcommittee on Housing and Community Development, have worked very diligently. What H.R. 4 really has is 99.9 percent of what H.R. 1 had, overwhelming approved last year by the House, and only today in the Senate where for 5 years, the Senate never once had a hearing even on a housing program.

I would like to point out one indicia of the consensus that we have finally arrived at, because H.R. 4 is also the result of fine honing of all of the reform amendments that have been offered on both sides of the aisle for the past 5 years.

They have been the distilled effort of argument, debate, consideration, hearings. We are very proud of this, and to reveal how acceptable it is for the first time, to my knowledge, and I have been on this subcommittee for 26 years, all three major national organizations—the National Home Builders Association, the National Board of Realtors, and the National Mortgage Bankers Association—all wholly endorse H.R. 4 and are in favor of H.R. 4.

Mr. Chairman, I include in the RECORD at this point the letter from the three organizations just mentioned:

DEAR REPRESENTATIVE: Recently our three organizations joined together to urge Congress and the Administration to adopt a positive national housing policy that will recognize the high priority placed by the American people on decent housing for all and widespread homeownership opportunities. Our jointly drafted statement "Toward a National Housing Policy" outlines a set of goals and priorities to help address our most important housing issues.

This week, you will be voting on H.R. 4, the Housing and Community Development Act of 1987. We believe that enactment of a housing authorization bill this year that is consistent with the House and Senate-passed budget resolutions is a critical element of an overall national housing policy.

H.R. 4 contains a number of provisions which are consistent with the principles we stated as essential to a national housing policy.

H.R. 4 provides for permanent extension of FHA authority, prohibitions on increased "user taxes" for FHA, GNMA, FNMA and FHLMC activities, and promotes the availability of FHA insurance in all areas of the country.

We support federal mortgage insurance programs and the secondary mortgage market agencies which enhance the availability and reduce the cost of housing credit.

H.R. 4 provides for continued housing assistance to lower income families and the elderly consistent with the House and Senate-passed budget resolutions. Funding levels for housing and community development programs would be frozen at about FY '87 levels.

We believe that significant federal assistance for lower income housing must be maintained to meet the growing needs for affordable decent housing.

The housing and community development programs have experienced reductions of 70% since 1980. No other segment of the federal budget has received reductions of that magnitude. We believe that this bill represents a responsible commitment to decent and affordable housing.

For the reasons stated above, we strongly urge you to support and vote for H.R. 4 as an essential element of a comprehensive national housing policy. Enactment of this legislation will send a strong signal that decent and affordable housing continues to be an important Congressional priority.

We appreciate this opportunity to present our views on H.R. 4, the FY '88 Housing Authorization bill.

Sincerely,

Thomas M. French, Jr.,
President, Mortgage Bankers Association of America;
William M. Moore,
President, National Association of Realtors;
James M. Fischer, Jr.,
President, National Association of Home Builders.

I believe we should also mention that this is a monument to the great effort of the late Stewart McKinney who so, I hope, rests in peace, and the gentleman's enormous efforts through the gentleman's career on this subcommittee to defend the interests of the low- and moderate-income Americans as far as shelter is concerned, and those community development programs that have become the hard core of the salvation, such as it is, of the infrastructure of our communities that slowly but inexorably are crumbling around our ears.

There are no radical departures in H.R. 4 from what the House passed, as I repeat, in H.R. 1 last year.

I know that this bill represents the considerable give and take on both sides of the aisle, and the reason that we are offering later the amendments en bloc is that they represent the agreed positions on both sides of the aisle that we had hoped would lead to a bipartisan definition of this bill.

Mr. WYLIE. Mr. Chairman, I yield 7 minutes to the gentlewoman from New Jersey [Mrs. Roukema].

Mrs. ROUKEMA. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, as the ranking minority member of the Subcommittee on Housing and Community Development, I would like to begin by emphasizing one point which will be key throughout our consideration of H.R. 4. We on the minority side come to this debate with constructive intentions. We would like to see a housing bill enacted this year.

To be clear, we on the minority side share the view of our majority colleagues that a bill should be enacted. The point I want to emphasize, however, is that the President is not going to sign H.R. 4 in its current form or anything very close to it. As the gentleman from Ohio has already said, he and I have met several times over the last few weeks with representatives from HUD, OMB and the White House, and there was no mistaking the message. We have also received this message from OMB stating the administration's strong objections to H.R. 4. The administration has identified approximately 40 major problems with H.R. 4, at least 10 of which are serious enough to prompt a Presidential veto.

Now you know the minority bias: that we want a housing bill, and H.R. 4 is not it.

I do think, however, that changes can be made so that we will have a bill that could be signed.

Later today, the gentleman from Ohio and I will offer a substitute which is reasonable and which would leave the House in an excellent position to go to conference with the Senate. We could leave such a conference with a bill the President could sign. Let me assure the membership that nothing would please this Member more, especially in her first year as the ranking member on the subcommittee, than to have a bill enacted. I hope we have the wisdom to do it.

Before I get into the substance of H.R. 4, I would certainly like to thank the gentleman from Ohio [Mr. Wylie], my ranking Member, for his leadership and his gracious attitude in this transition period, and I take great pleasure in working with him.

I certainly want to thank also the other members of the Committee on Banking, Finance and Urban Affairs, and certainly the gentleman from Rhode Island [Mr. St Germain], the distinguished chairman of the full committee, and the gentleman from Texas [Mr. Gonzalez], the distinguished chairman of the Subcommittee on Housing and Community Development, who deserve special mention here, because we have all worked long, hard hours on coming up with a compromise. It was not for want of trying that the compromise did not work, but I certainly want to extend my best congratulations to the gentleman from Texas, because we know how deeply and passionately the gentleman from Texas feels on this subject.

We do understand that we have all come here in good faith.

Finally, I would like to thank the minority and majority staffs of the committee. They have been enormously helpful to me personally and to the committee generally, and I want to recognize their good efforts.

I had hoped that we might be able to come to the floor today with a bipartisan compromise package. The gentleman from Ohio and I negotiated with the majority over several days, we made substantial progress, but I am sorry to say that we were unable to reach final agreement. I do acknowledge, however, the good faith effort made by the gentleman from Texas and his staff, and I thank them for that.

Unfortunately and instead, we come to the floor with a bill seriously flawed in substance and politically unrealistic.

In contrast to H.R. 1, which came out of committee with bipartisan support and passed overwhelmingly on the floor, H.R. 4 came out of the Banking Committee on a straight party-line vote.

H.R. 4, as reported, has a total price tag of almost $16 billion—$15.953 billion. This compares with a fiscal year 1987 enacted level of $15.3 billion. The Wylie-Roukema substitute will come in at $14.2 billion. The bill which passed the Senate March 31 is scored at $15.5 billion.

Under the section 8 program, H.R. 4 relies totally on certificates and provides no vouchers. This is a major difference from the Wylie-Roukema substitute, which provides a mix of certificates and vouchers. I should add that this is also a major departure from what we have actually provided over the last few years. This year's appropriation, for example, provided 50,000 new vouchers and 10,000 new certificates.

By relying only on section 8 certificates, we look to the past. Some people have criticized the Congress for providing no section 8 new construction over the last several years. Well, let's not look to the past. If you want to break ground, let's break new ground by recognizing the value of vouchers.

Just so you know where I am coming from, I should tell the membership that I have no parochial interest in pushing vouchers. I represent an area with a very low vacancy rate. Consequently, vouchers may not work as well in my area as in some. However, we are trying to stretch scarce dollars, and a reasonable mix of certificates and vouchers is the way we should go.

I must also object to the public housing new construction which is proposed in H.R. 4. Is this really the way we want to spend our scarce Federal dollars?

Does it really make sense to spend $337 million, as proposed by H.R. 4 to build only 5,000 units? Make no mistake, this is expensive. That comes out to about $67,000 per unit.

Further, does it make sense to spend that kind of money to build new units when we cannot even maintain the units we have? I have been informed that we have approximately 60,000 units of public housing which are vacant today because they are in too poor a condition to allow people to live in them.

This is a new day and age. H.R. 4 is not only building but continues subsidies—operating and modernization at a cost of $3 billion per year.

I submit that it makes more sense to put our money into modernization and rehabilitation in order to try to maintain properly the public housing stock we already have.

There is a very real and a very serious problem out there with lead-based paint. The Department is attempting to come to grips with it and recently issued regulations on the subject. Frankly, I do not know if those regulations are sufficient. This is something the committee needs to review very carefully. Attention to this problem must be a top priority of the Housing Subcommittee. And should be addressed in conference.

H.R. 4 would authorize a major new housing program known as Nehemiah. The bill provides $100 million for the program. We have had extensive hearings on the proposal, and Members know a great deal about it.

I do not have a closed mind about the program, and concede that it may have considerable merit.

The committee bill authorizes $100 million for Nehemiah; our substitute does not. These are not easy choices to make, but we are paid to tackle the tough ones.

I come at this with the premise that a Federal deficit of $177 billion is too much, and, therefore, my choice was no new programs in this bill this year. Particularly one which is only marginally targeted to those in most need.

As I said earlier, I also come at this with the premise that we want to send the President a bill he will sign. Therefore, again, my choice was no new programs. Nehemiah will have to wait for another time.

The good news is 202 housing for elderly and handicapped.

Section 202 housing for the elderly and handicapped is so important, and the bill provides 12,000 units of 202 housing. The Wylie-Roukema substitute provides the same level of support as H.R. 4, and this is the same number of units as provided in this year's appropriation.

The committee bill also provides a permanent authorization for the FHA mortgage insurance programs. The Members of the House will recall that last year uncertainty with respect to FHA authority caused enormous and needless turmoil and hardship.

Since 1970 there have been 17 lapses of FHA authority. In 1986 alone, the last Congress allowed the insuring authority to expire six times. There were 51 days during the year when there was no FHA insuring authority.

We estimate that every day FHA was out of business 10,000 homebuyers were affected. Most of these were first-time homebuyers who rely on the FHA program.

This was inexcuseable, and would be corrected by H.R. 4. This is an issue that the distinguished ranking minority member of the full committee has followed especially closely. He has been a real leader on this matter, and earlier this year introduced separate legislation on it which had broad support in the House. I also compliment and thank the chairman of the committee and the chairman of the subcommittee for their work on the issue. H.R. 4 would correct this problem, and I thank them for it.

As we have mentioned, the gentleman from Ohio and I will shortly be offering a substitute to H.R. 4. I have alluded to some of its provisions in this statement, but, when we are under the 5-minute rule, I will seek further recognition to outline its provisions in greater detail.

I would like to conclude my remarks, Mr. Chairman, with a word of memory about our late colleague from Connecticut, Mr. McKinney. He had great compassion; he felt strongly about our job here, about our purpose here. Housing was his principal legislative interest in this body. He knew these complicated programs well, and he demonstrated great leadership in committee and in this Chamber. All of us miss him and wish that he were here with us today.

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota [Mr. VENTO], one of the most distinguished and hard working members of this subcommittee, and the one I call the father of the homelessness legislation.

Mr. VENTO. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in strong support of H.R. 4, the housing, community development, and homelessness prevention legislation.

□ 1135

At the outset, let me commend the subcommittee chairman, HENRY GONZALEZ, for his relentless work and effort to seek compromise with his en bloc amendments today, with which the subcommittee chairman is surely taking an extraordinary effort to achieve a measure within budget, bipartisan and still minimally meeting the needs of housing our Nation.

I also want to thank him for his thoughtful comments concerning my work in the subcommittee which I must say would not be possible without the framework of his leadership and cooperation of all the members of the committee.

I certainly appreciate their support and willingness to work, on a factual basis on many of the issues affecting housing and our national policy.

This legislation, H.R. 4, is realistic, it is pragmatic and, of course, it is necessary. As a result of long-term planning included in this bill, we could provide the highest quality housing services at the lowest cost to the Nation and to our State governments.

It would put in place a reasonable policy path of certainty and predictability that has been sorely lacking in recent years and has surely contributed to the current crisis, the housing crisis and the specter of homelessness which looms over our Nation.

I am inserting in the RECORD a Washington Post article which points out that an estimate of 18 million American homeless by the year 2003 is predicted.

The article is as follows:

18 MILLION HOMELESS SEEN BY 2003

(By Mary Jordan)

More than 18 million Americans will be homeless or on the edge of homelessness within 16 years because of an increasing number of poor people and a decreasing number of affordable housing units, according to a national study released yesterday.

Neighborhood Reinvestment Corp., a nonprofit group funded by Congress, announced its findings on a street corner in Adams-Morgan, where aging buildings are being converted to pricey condominium complexes.

"We chose this site to emphasize the erosion of low-income housing," said William A. Whiteside, executive director of the group. "Just two years ago low-income people lived here."

Barry Zigas, director of the National Low-Income Housing Coalition, another major group monitoring affordable housing trends, said the new study may be conservative in its estimates, but "it supports what we've been saying all along. We are heading into a major crisis."

The number of poor households is expected to jump to 44.5 percent, from 11.9 million to 17.2 million, from 1983 to 2003, according to Phillip L. Clay, a Massachusetts Institute of Technology professor and author of the report. For a family of four to be considered poor at present standards, it must earn less than $12,000, Clay said.

During the same 20-year period, the study said the number of low-rent units, currently those costing $325 or less a month, is expected to shrink from 12.9 million to 9.4 million.

To accommodate the rising number of poor people and the falling amount of low-cost housing, the study says, 7.8 million residential units will be needed to house 18.7 million Americans by 2003.

Without significant changes in federal housing policy and an unexpected surge in low-cost housing, Whiteside said these 18.7 million people—the equivalent of the combined populations of New York City, Los Angeles, Chicago, San Francisco, Dallas, the District of Columbia, Philadelphia, and Atlanta—will be displaced, burdened with excessive rents or forced to live in slum conditions.

In Northern Virginia, as many as 10,000 low-income residents are now worrying about where they will move because developers are converting Arlington's Lee Gardens and Alexandria's Arlandria low-rent apartments into plusher residences, many costing $750 to $850 a month.

Expiring federal housing contracts and 1986 tax revision laws were cited in the study as major contributors to the demise of affordable housing.

As many as 900,000 of the 1.9 million privately owned by federally assisted low-income housing units across the country could be refinanced by 1995 because their government contracts will have expired. The owners would then be under no obligation to rent to poor tenants.

Likewise, tax advantages that for years lured investors to multifamily housing were killed last year, a cut expected to bring a sharp decline in privately owned low-cost housing.

The study, called "At Risk of Loss: The Endangered Future of Low-Income Rental Housing Resources," recommends several measures to minimize the loss of affordable housing, including:

More federal and state incentives for nonprofit and private housing construction.

State and local government purchases of low-cost housing.

Federally subsidized refinancing for privately owned apartments about to be converted to higher-priced units because of expiring government contracts.

A change in Department of Housing and Urban Development policy to tie rent subsidies to projects instead of individuals.

HUD has focused its recent efforts on Section 8 certificates and vouchers, rent subsidies given directly to tenants and applied to whatever apartment the tenant rents. The report argues that in addition to keeping low-income housing stock on the market, project-based aid also sends a message that there is a national policy to save low-cost housing.

Rep. Henry Gonzalez (D-Tex.), chairman of the House subcommittee on housing, agreed that many bold and expensive steps must be taken to solve the looming housing crisis. But he said the urgency is even greater than the report suggests because it uses a 1983 data base.

"The thing that impresses me," the study's director Whiteside said, "is that it scares the hell out of you to think about 18.7 million people, even if it's conservative."

This study points to the shortage of housing, and the cause of it which is the erosion of low-income housing across our Nation and an increase in the number of poor Americans. We must address the housing needs of the future today; it will surely be too late tomorrow.

Although I have worked hard with members of my subcommittee on emergency housing problems for the homeless, emergency homeless dollars desperately needed, these funds alone, do not address the housing crisis.

What we need to do is to make the right commitments now today so that we can prevent homelessness tomorrow. In this time of fiscal constraint which has been pointed out on the floor by my colleagues, we must be the best comparative shoppers we can be regarding public housing and assisted housing.

Mr. Chairman, I did a little comparative shopping and what I found was that the administration bill proposed to provide 435,000 unit-years of housing at a cost of over $9,000 each unit-year while the House committee legislation provides over 1.2 million unit-years of housing at a cost of $6,687 per unit-year. The difference is clear we have a 50-percent increase to buy the type of housing policy that the administration is proposing through its voucher based programs and that other Members are proposing in amendments today, a 50-percent increase in the cost of housing a family per year under those sort of proposals. What we are getting for the dollars we spend, the facts and amounts are clear, is half-baked ideas of administering a housing policy which results in over a 50-percent increase in cost. And that is not talking about the qualitative differences between the two programs which, of course, are very substantial.

Mr. Chairman, I have commended the chairman of the subcommittee for his diligent efforts to get the best housing bill possible. The legislation helps to meet the needs of both those at either end of the housing continuum.

It addresses the needs of the poorest of the poor with the homeless prevention provisions while it also addresses the housing needs of low and moderate income individuals. The permanent authorization of FHA-insured mortgages and in the rejection of the administration's proposal to increase service fees are essential to our effort to keep the American dream of home ownership alive. FHA does not need added to it an almost doubling of the downpayment requirement by virtue of these fee additives which were suggested as budgetary gimmickmaking. In other words, the committee on a bipartisan basis has rejected this.

This legislation also attends to the needs of the frail elderly. I am particularly supportive of a provision to expand and permanently authorize the Congregate Housing Service Program. The expansion of this congregate services program is the result of an amendment that I, along with several of my colleagues, offered during the markup of this legislation which I note the Wylie substitute cuts from $13 million to $3.4 million. This is a cost-effective program which aids the frail elderly living in federally assisted housing. CHSP provides services to the frail elderly who would otherwise be living in nursing homes. The program has been very successful in helping seniors remain in independent living situations and preventing unnecessary and costly institutionalization. One researcher has shown that for every $1 invested in CHSP $2 can be saved by preventing or delaying institutionalization. The program also saves unnecessary anxiety that seniors face with premature institutionalization.

I am also pleased to point out the language contained in the committee legislation and report which clearly indicates the committee's intention that Urban Development Action Grant funds should not be used to help a plant to relocate to another community. As my home district has had an adverse experience with this relocation problem. Existing law already prohibits UDAG funds from being used for activities that help relocate plants from one area to another unless it is determined that the economic base of the abandoned community will not be adversely affected. Despite this law, UDAG funds were used to help a plant move 500 jobs out of my district and into another State. Clearly, this is not the purpose for which UDAG funds were intended and I strongly support this report language. I also support the provision which prohibits UDAG and CDBG funds from being used to expand the market share of a nondomestic business at the expense of a domestic business.

Mr. Chairman, we have waited a long time for the opportunity to pass a housing authorization bill. This is the appropriate time and this is the appropriate legislative vehicle. The Housing Committee has worked for years long and hard to craft this legislation. It responds to the needs of low-income people, responds to the desires of Members from both sides of the aisle, responds to criticisms if the way the programs have been financed and administered in the past and it responds to the budget restraints. It is unfortunate the Stewart McKinney our recent ranking minority member is not with us today to participate in the debate on this legislation. Many of the provisions incorporated in this legislation over the past few years reflect his good work and surely we all have justifiable pride in this important legislation and commend it to my House colleagues today and thank the Chairman for the time to express my views.

Mrs. ROUKEMA. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Chairman, I rise in strong opposition to H.R. 4. This bill, with a price tag of anywhere from $16 billion to infinity, is a slap in the face of the American taxpayer. More important, it is an insult to low- and moderate-income Americans striving to escape from dependency on Federal handouts. In short, H.R. 4 perpetuates everything that is wrong with our Federal housing and community development programs.

For instance, H.R. 4 weakens the urban homesteading provisions that were an integral part of last year's bipartisan housing bill. It attempts to keep the poor subservient to the Federal Government by imposing collective-bargaining restrictions on all tenant-management contracts, and by restricting the tenant's freedom to purchase and sell his or her unit in a public housing project.

Consequently, I will be supporting the Armey-Kemp urban homesteading amendment so that the poor can acquire a stake in public housing by allowing them homeownership opportunities only available to higher income Americans.

H.R. 4 also attempts to maintain low-income families as wards of the Government through the assisted housing programs. In particular, it continues expensive and inefficient new housing construction subsidies and rejects the popular voucher approach.

Vouchers can provide flexibility for families in choosing housing—at a lower cost to taxpayers than the low income new construction programs. Yet despite the clear benefits of vouchers over new construction, H.R. 4 would continue to condemn low-income families to the economic servitude of the Federal Government.

H.R. 4 applies the same policy approach to local communities. It attempts to micromanage the CDBG program by imposing burdensome and costly planning and reporting requirements on State and local grantees. It also changes the targeting provisions of the CDBG program to raise the low- and moderate-income threshold from 51 to 75 percent. This will create serious hardships for localities in the Western States. In Los Angeles County, for instance, this change would mean that the most depressed areas would not qualify for CDBG funds.

Overall, Mr. Chairman, H.R. 4 is such a bad bill that the administration's list of objections are almost as long as the bill itself. From beginning to end it is a menace to those who benefit from, administer, and pay for our housing and community development programs. I urge the defeat of H.R. 4, and recommend a more efficient and flexible approach that reflects the budget constraints we now operate under.

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama [Mr. ERDREICH] for the purpose of a colloquy.

Mr. ERDREICH. Mr. Chairman, I thank the chairman for yielding. The committee adopted a provision which established detailed procedures by which owners of projects subject to mortgages which contain prepayment approval clauses must give notices to the Secretary of HUD and certain other interested parties prior to prepayment. The bill further establishes an opportunity for the Secretary or other interested parties to submit proposals under defined timetables to owners so as to maintain the low- and moderate-income character of the property. I understand that if such proposals are made in a proper and timely fashion, the owner must respond in writing, once again under prescribed timetables, and may not enter into binding contracts for sale or refinancing or prepay until such responses have been made. Am I correct in stating that it is the committee's intent that such responses by an owner can be either positive or negative for any reason that the owner shall determine, and upon the expiration of the applicable period, the owner may sell, refinance or otherwise dispose of the property as he or she sees fit?

Mr. GONZALEZ. If the gentleman will yield. Yes, the gentleman's understanding is correct. The purpose of the bill's language is to provide sufficient notice so that parties interested in purchasing the property may make an offer to do so. Of course an owner can accept or reject any offer that is proposed. However, the committee's expectation is that the owner will give serious consideration to any reasonable offer that is made.

Mr. ERDREICH. I thank the chairman and commend him for bringing this much needed legislation to the floor today.

Mr. Chairman, I urge passage of this legislation. It is important that we move H.R. 4 through the House to the Senate.

Mr. GONZALEZ. I thank the gentleman.

Mr. Chairman, I yield 3 minutes to one of the ranking members of the Subcommittee on Housing, the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. Mr. Chairman, I rise in strong support of H.R. 4, the Housing, Community Development, and Homelessness Relief Act of 1987. This bill has been 4 years in the making and is long overdue. This bill makes tremendous strides in meeting our Nation's critical housing needs. For the past 50 years, the Federal Government has taken the leading role in assuring that Americans have decent, safe, sanitary, and affordable housing. Recent changes in the Federal commitment to housing and changes in the Internal Revenue Code have contributed to a deepening housing crisis for so many American families.

This bill reaffirms the principle that decent and affordable housing is a basic necessity. Specifically the bill creates a new homeownership program, contains enhanced initiatives for housing rehabilitation, provides for additional units of handicapped housing, targets community development block grant funds to upgrade dilapidated housing stock in older neighborhoods, allows CDBG to be used for erosion control along Lake Erie, and provides for stricter energy conservation standards for manufactured housing.

In addition, I am pleased to say that the bill contains a number of my own initiatives including: A child care demonstration project in public housing to improve the employability of adult tenants, permanent extension of the Home Mortgage Disclosure Act, a report on innovative nonprofit housing initiatives, incentives to conserve energy in public housing, and a prohibition against the use of community development funds to attract foreign investment.

Now we will hear all sorts of arguments today about the administration's opposition to this bill and that it is a budget buster. I say to my colleagues on both sides of the aisle—this bill is under budget. In fact, it is very similar to H.R. 1 which passed this body in the last Congress with over 300 votes.

Our subcommittee spent many days listening to witnesses from all walks of life talk about the housing crisis in America and frankly given this reality, I think this bill is nothing less than a heroic achievement. This bill reaffirms the Federal Government's commitment to housing and comes in under budget. I urge my colleagues to support it.

□ 1150

Mrs. ROUKEMA. Mr. Chairman, I yield 4 minutes to the gentleman from Texas [Mr. BARTLETT], a member of the subcommittee.

Mr. BARTLETT. Mr. Chairman, I rise to oppose H.R. 4 in its present form and to support what will be offered as the Wylie-Roukema substitute.

But as I do that, I want to take this special occasion to commend the chairman of the Housing Subcommittee and to comment on the fact that there are a number of quite beneficial reforms and improvements contained in H.R. 4 which do make substantial improvements, in this Members' opinion, over current law.

H.R. 4 has been developed over the period of about the last 3 years, the last session of Congress and this one. I will say as a conservative who has participated in those subcommittee markups that there is a great deal that is right in H.R. 4, but there continues to be several major areas of disagreement that can only be resolved on this House floor and by legislative action.

Those items that are right in H.R. 4 are also included in the Wylie-Roukema substitute. They include some major reforms of the comprehensive improvement grants, to return to local control those areas of improvement in repair and modernization of public housing.

It does include a limitation on new construction of public housing so we can put our emphasis on repair and modernization. It does reform and permanently authorize FHA, and provides for some expansion of adjustable rate mortgages. It does include a matching grant for homeless, for group homes, and it does include a $1.5 billion authorization for repair and modernization.

H.R. 4 has two major problems with it at this point. First, it is far more expensive than it needs to be in order to help people with housing in this country. It is about $1.7 billion more than the Wylie substitute, and yet the

Wylie substitute would provide housing and decent, safe, and sanitary housing for more people, 11,000 more families, than H.R. 4 does, at a substantially lower cost.

Second, H.R. 4 does set out in many ways to micromanage both public housing and HUD in ways that lead to more paperwork, more bureaucracy, and less housing.

H.R. 4 proposes to spend a total of $15.9 billion. That same job can be done better, more efficiently, and faster for a much lower expenditure of $14.2 billion, as contained in the Wylie substitute. And the Wylie substitute would in fact provide units for decent, safe, and sanitary housing for 138,000 families versus 127,000 families in H.R. 4.

Mr. Chairman, I will be offering two amendments. One will be offered in combination with the gentleman from Connecticut [Mr. Morrison] to provide for a more flexible approach to the replacement of those public housing units that are so dilapidated and often vacant that they are unused and do not help anyone. We would provide for a flexibility in replacement to include both new construction and section 8 certificates as well as section 8 projects.

I will also be offering an amendment on my own which would delete the requirement contained in H.R. 4 that would impose collective-bargaining agreements on tenant-management corporations. H.R. 4 does take the first step toward permitting tenant-management associations, but then it takes away that hope and dream of an opportunity of managing their own units by tenants by denying to tenants the opportunity to be able to get a job, to work in their own public housing complexes. So I would set out to delete the requirement that previously negotiated collective-bargaining agreements be forced upon tenant-management associations which are brandnew managements and brandnew corporations.

Those will be the only two amendments I will be offering. The fact is that H.R. 4, as I said initially to my colleague, the chairman of the subcommittee, the gentleman from Texas [Mr. Gonzalez], has come a long way toward providing some major improvements in housing legislation, but we have several issues yet to resolve.

Mrs. ROUKEMA. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. Wortley], a member of the subcommittee.

Mr. WORTLEY. Mr. Chairman, I thank the gentlewoman from New Jersey for yielding this time to me.

Mr. Chairman, it has been a long, hard pull, but today we are on the verge of passage of the first comprehensive housing bill in 7 years, and I commend the chairman of the committee, the gentleman from Rhode Island [Mr. St Germain], and my colleagues for reaching this point.

Is this bill perfect? No. Does it meet all of the Nation's housing needs? No, of course it does not. Will the White House accept it? Probably not, in its present form. But at least we have several more hours left today to debate the legislation and craft it so it may come to the point where it will become acceptable to the White House.

Mr. Chairman, I will call the attention of my colleagues to some of the small but important provisions in this alternative which will require the Farmers Home Administration to allow rural borrowers, at their option, to have the availability of an escrow account for the purpose of taxes, insurance, and other necessary expenses. I added this provision to both the alternative and H.R. 4 because this option would benefit all parties concerned: The municipalities would be better able to collect their tax payments; the Federal Government would be able to protect its loan; and the rural borrower would be able to budget and pay small monthly tax payments rather than a larger lump sum at the end of the year.

I would also like to bring to the attention of my colleagues another initiative I sponsored which is in both bills. This proposal would establish a demonstration program under the Federal Housing Administration for home equity conversions designed to benefit elderly homeowners. Home equity conversion is one way older people who own their own homes can obtain additional disposable income while remaining in their residences. Nearly 16 million Americans over the age of 65 live in single family homes, and 80 percent own their homes outright according to the 1980 Annual Housing Survey. Almost 65 percent of all elderly poor are homeowners with substantial assets in their homes.

What is needed is a mechanism with adequate consumer safeguards that will permit elderly homeowners the option of converting their equity to cash. My amendment authorizes a demonstration program with FHA insurance to accomplish this. Since widespread home equity conversions involving the elderly are virtually nonexistent, a demonstration program makes the most sense to collect adequate data and to promote private sector participation.

The concept of home equity conversion for the elderly has been endorsed by the American Association of Retired People, the 1981 White House Conference on the Aging and the Older Americans Consumer Cooperative among others. Home equity conversion is not for everyone, but it represents another option for elderly housing that should be tried.

I urge my colleagues to vote "yes" on the Wylie-Roukema alternative.

Mr. GONZALEZ. Mr. chairman, I yield 5 minutes to the gentleman from New York [Mr. Schumer], who is one of the most hard-working and effective members of the subcommittee.

Mr. SCHUMER. Mr. Chairman, we are here today on H.R. 4, a bill that I think sets many future trends in housing policy.

First, I think it should be noted that the cutbacks that occurred between 1981 and 1986 in housing policy are over. This bill does not have very much more money than previous bills, but it does not have less, and as we saw the number of subsidized units cut from 300,000 to less than 100,000, we saw many consequences, not the least of which was the number of homeless people walking the streets. Some of our homeless, of course, had certain problems not related to housing, but many were simply families that in this high cost of construction, era could not afford the cost of housing.

I would like to mention, though, a provision in H.R. 4 of which I am particularly proud. The first is the Nehemiah program which I believe will become law this year. The Nehemiah program, the bill I have sponsored for years, and which has been incorporated in H.R. 4, is a new way for housing. It gives home ownership in devastated areas of our communities to people who never could afford even the dream of having a home. For a mere $15,000 up front, a one-time subsidy, a working person can get a home, and when that working person leaves other housing, they open that up for the very poor among us.

Nehemiah is a dream. It is about to become a dream come true, and I would say this to my colleagues on this side of the aisle: for years you have told us we cannot spend hundreds of thousands of dollars per unit or tens of thousands of dollars per unit. For years you have told us, "Straighten up your act. Find new cost-efficient programs that work, programs that will not be built in year 1 and left as empty hoaxes in year 10."

I say to my colleagues that this is the program. It has worked in Brooklyn. It will work in the district of my good colleagues from Queens, where shortly we hope it can be instituted, and it will work across the face of this Nation. It sets the trend for the future.

It is not a deep subsidy. It is not a 20-year subsidy. It is shallow subsidy. It is an up-front subsidy. It says to the homeless, "You have to put some money up front, too, so you can get a home." Most importantly, you can build seven units of Nehemiahs for one unit of section 8 or public housing, and for every 10 people who have moved into Nehemiah, four have left public housing and vacated units for new people.

So I am proud of Nehemiah. I am proud of other parts of this bill as well. I am proud of the HODAG Program which also reduces costs and has proven to be a success. I worked on that program with Senator Dodd, and it, too, I think, can show the way for the future, because, Mr. Chairman, we must do something about the housing crisis.

Three and 5 years from today, the public will be asking us, "What were you doing to prevent this crisis that is now upon us?" We do not have as much money as we would like, and we do not have as many units as we would like. What we are doing in this bill is creatively using that money we do have to help the greatest number of people in need.

Mr. Chairman, I very much thank the good chairman of our subcommittee. I thank the ranking minority member of both the subcommittee and the full committee, as well as the chairman of the full committee, for coming so close to a compromise. Maybe it will not happen this year, but as we try to reach more compromises in legislation next year, maybe Democrats and Republicans can come together, given the new consensus that exists in housing policy, so we can begin to increase the number of people helped without increasing the waste and inefficiency that we have been criticized for before.

Mr. Chairman, this bill is hopeful legislation. It is legislation pointed toward the future within the budget resolution, and I urge my colleagues to support it.

Mrs. ROUKEMA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in discussing how the Wylie-Roukema substitute was constructed, I think it is important to note that we imposed certain guidelines on ourselves and certain disciplines. One of those disciplines was to say that we could not entertain any new programs in this bill in consideration of trying to reduce the budget deficit and coming in under our targeted number. In doing so, of course, we had to eliminate Nehemiah.

H.R. 4 authorizes Nehemiah, which is a new housing program. I concede that there is considerable merit to the Nehemiah program. I do not think we can fault the concept of the program. But we had a couple of problems with it beyond the fact that it is a new program. We also felt we could not support it because it has not been carefully targeted for those in need.

I think some of us will remember how last year we tried to do a more careful targeting of the Nehemiah program. But in any case, Nehemiah, as included in H.R. 4, authorizes $100 billion for a new program, and it is a difficult choice for us to make, I concede. But it is our job to make those difficult choices.

This is not the time for a new program. And in addition, when we did try to come to some sort of a compromise on the subject of Nehemiah, we found that there was no ability to trade in an old program for a new program. So we regretfully are not able to give our support for this program.

□ 1205

Let me stress again the point that I made early on in this debate. We are looking for a bill the President will sign. The President will not sign a bill that includes a new program such as this.

Now that I have given you the bad news, I do want to stress two pieces of good news that are in the Wylie-Roukema substitute, and one relates to something that is of great concern to all of us, 202 housing for the elderly and handicapped. The Wylie-Roukema substitute provides 12,000 units under section 202 for the elderly and the handicapped and it provides the same level of funding support as H.R. 4 for those programs.

Finally, I want to stress, yet again, the fact that the ranking Republican, Mr. Wylie, along with the full cooperation of the chairman of the committee and the chairman of the subcommittee, provided great leadership. Consequently, we have been able to include a permanent authorization for FHA. The lack of a permanent authorization has been a great problem and cause for concern for all of us.

In 1986 alone, the last Congress allowed the insuring authority for FHA to expire six times. Now, this is clearly an impossible and intolerable situation. It is an inexcusable situation. Both H.R. 4, as well as the Wylie-Roukema substitute, correct that problem and give permanent authorization for FHA, and we should all be proud of that.

Mr. GONZALEZ. Mr. Chairman, I yield five minutes to the distinguished gentleman from New York [Mr. Flake]. Even though the gentleman is a brand new member of the subcommittee, he has come aboard running and has been indefatigable in his efforts on behalf of housing legislation. He comes from the people. He comes from the middle of areas that have contributed to new and innovative housing programs, and it is a pleasure for me to yield to the gentleman.

Mr. FLAKE. Mr. Chairman, I thank the gentleman, Mr. Gonzalez.

Mr. Chairman, I am privileged for this moment to speak before the House today on an issue that I think is of critical importance to the American people. I serve people not only as a Member of this U.S. Congress, but I also serve people as a minister, with a congregation of some 5,000 people in a community where this particular bill will have significant consequences.

What has happened to us, as a people, when we can no longer participate in the process of creating the means by which people can afford to buy houses? People who cannot afford to buy a house because they have been priced out of the marketplace.

Look at the number of people who are civil servants, people who are policemen, people who are firemen, people who work in various other social service entities, educators, persons making between $18,000 and $40,000 a year, who find in a city like New York that they cannot even purchase a home. These people work every day of their lives.

We have created a class of people who find themselves having to share homes with others. Young people who cannot move into their own homes. Our youth have to stay longer with their parents, not because they do not work, not because they are lazy, not because they are sleazy, not because they do not desire to become home owners, but simply because in this America that we love so dearly, the dream of owning a home has become nothing more than a nightmare.

I think most of us would agree that if we can get them into their first homes, much like FHA and VA housing program did for so many of us, then we open up the possibility that they will later be able to afford better homes. This bill will provide permanent authorization for the Federal Housing Authority to continue their important work for first time home buyers.

I think the $100 million that we are asking for the Nehemiah Program is not a lot of money. It is indeed a new initiative, but I think that the phenomenal success of the pilot program in East New York suggests to us that this is a program that can work.

It also suggests to us that this is a program that can make a difference for the future of America, a housing program that says that those who have been locked out now have the possibility of being included.

I do not believe that we want to be a part of an America that does not consider itself responsible for meeting the needs of its people. If we are serious about addressing and impacting upon the lives of those who have found no place to live, those who are living in the streets, then I think we must understand that we must try to create the means by which there is home ownership.

Let us look seriously at the program. Let us try to understand that these people need homes as badly as any other American citizen.

I think if we can identify with the plight in which they find themselves, we will have no choice but to support the concept of a Nehemiah Housing Program on a national basis.

Let us help them to build community roots. We can accomplish this through the passing of this legislation.

It is also critical for us to understand as a part of H.R. 4 that as we talk about Community Development Block Grants that many of our urban centers have deteriorated. If we are to impact upon the conditions there, I believe that we must pass this legislation, that we must speak to the needs of urban and rural Americans.

And certainly none of us will want to forget about our senior citizens who will be impacted by passing that portion of this bill which will allow for the Section 202 Program.

Let us work together to try to create the process by which there is an America where every citizen believes that they have been included in the process toward home ownership. A cooperative effort where the possibility exists for them to stop being transient. We do not need more people to add to an astounding proportion of those who are the homeless. Let us not further exacerbate that problem, but let us address it.

I believe that H.R. 4 addresses that problem. I believe that we should all work together on both sides of the aisle to make sure that this legislation passes.

The price tag for Nehemiah is not nearly as great as the price tag for the homeless, so let us put people in houses. H.R. 4 gives us an opportunity to do that.

Mrs. ROUKEMA. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. HILER], a member of the subcommittee.

Mr. HILER. Mr. Chairman, I thank the gentlewoman for yielding this time to me.

Mr. Chairman, I rise in support of the Roukema-Wylie substitute.

I would like to explain to my colleagues one of the principal reasons why I support this substitute is that it is the best chance we will have of getting a housing bill for the first time in 7 years.

The Wylie-Roukema substitute would authorize funding of approximately $14.2 billion, versus $15.6 billion in the housing bill in the other body, and $15.9 billion in H.R. 4.

I think it is clear that the administration has said many, many times, the President has indicated in a speech that I heard him give that a housing bill is a ripe bill for a veto. If we pass a bill that would be several billions of dollars over the administration's proposal, we can be certain there will be a veto. I think we can be certain it would be a veto that would be upheld. So if we are interested in having a housing bill, then it only makes sense to support the proposal by the Congresswoman from New Jersey and the Congressman from Ohio, because their bill is a sensible, reasonable approach, toward a housing bill this year. It would authorize nearly 20,000 more units than H.R. 4. I think that speaks well of it, and it would do it a cost of approximately $1.7 billion less.

So for those of my colleagues listening to this debate, if you want a housing bill, vote for the Roukema-Wylie substitute.

When we get into the amendatory process and if the Roukema-Wylie substitute is not supported and does not win, which I certainly hope it does, I will be offering an amendment to title IV relating to the UDAG selection criteria.

As many of my colleagues know, in the past several housing bills when they have been attempted to be passed, I have offered amendments to try to eliminate the UDAG Program, because I do not think it is a terribly efficient program; but I have been defeated in those proposals. This year I will offer another amendment that is aimed at trying to target the UDAG award process so that it might take a special look at projects which are utilizing old vacant industrial buildings that for the most part could never be used for the originally intended purpose, very large and abandoned or vacant buildings for many years.

I think there are many communities throughout this country which have large buildings over a hundred thousand square feet that have been vacant for 3 years because of a plant relocation or a plant shutdown or a plant demise.

My amendment would try to tell HUD to award preference points to projects which utilize that type of buildings, because it may be the only chance that we have in some communities around the country of being able to effectively use this kind of property. It is too expensive to tear down. It is too expensive in some types of markets to renovate through the normal process. UDAG, with the consideration given, may be the best way to go. I would ask my colleagues to support that proposal.

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to our distinguished colleague, the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, I rise in support of this bill. I commend the committee for the hard work it has done in bringing us a bill which would continue the Nation's half century of committment to helping Americans obtain decent, safe, and suitable housing.

Compared to the national housing needs, this bill is a modest one. That is in direct recognition of the severe budget constraints imposed by the skyrocketing deficits which have been the direct result of the administration's irresponsible fiscal and monetary policies of the past 6½ years.

Rare is the program that could not be operated more economically and efficiently. In addition to belt tightening, this bill contains reforms that are aimed at improving the efficiency and effectiveness of federally backed housing programs.

Since 1980, funding for housing programs assisted by the Department of Housing and Urban Development has dropped by 70 percent.

And, efforts of people living in rural communities and small towns to acquire any housing have made more and more difficult by the administration's hostility to rural housing programs.

People in rural communities and small towns have as much need for safe and decent housing as people living in any other part of our Nation. It is very disturbing that the administration has repeatedly cut and slashed at and, now, has proposed abandoning the very programs that have been most helpful to our people in the countryside who want to become homeowners and otherwise find suitable housing.

I want to thank the committee for taking the fair and responsible step of recommending that this Congress just say "No" to the administration's cold-hearted attack on rural housing programs.

There are a number of other provisions in this bill which I believe are especially important. A traditional part of the "American Dream" has been the ambition to own your own home. The Federal Housing Administration has helped make this dream come true for millions of Americans through its Mortgage Insurance Program. Early this year I cosponsored a bill to make this FHA authority permanent. I am pleased that the committee has seen fit to include such a provision in this bill.

The administration has repeatedly attempted to arbitrarily raise premiums of Federal home mortgage insurance higher and higher. And, time and again, it has tried to slap back-door taxes, it calls them secondary mortgage market "user fees," on homeowners.

Both these anti-home-owner actions are particularly damaging to young, and to low- and middle-income home buyers. Again, this bill comes down on side of people who want to own their own homes. This bill just says "No" to the administration's continuing, sly attack on the "American Dream" of homeownership.

I believe that this is a good bill. It is a needed bill. It is a bill that is within the aggregate levels of the concurrent budget resolution. I urge passage of H.R. 4.

Mr. GONZALEZ. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Maryland [Mr. MFUME], also a newcomer to the subcommittee, but extremely hard working. They all come from the people, so that helps.

Mr. MFUME. Mr. Chairman, let me thank the gentleman for yielding this time to me.

Mr. Chairman, I want to commend the chairman of the Subcommittee on Housing and Community Development for his leadership in developing and improving our major housing and community development legislation that affects this Nation and bringing it before this committee.

I also want to recognize the late Representative Stewart B. McKinney of Connecticut, as H.R. 4 is as well a product of his efforts in the area of housing and community development, and to thank both the ranking minority member of the subcommittee and the full committee, the gentlewoman from New Jersey and the gentleman from Ohio, for their bipartisan efforts throughout the course of trying to work out a compromise, and I offer my regrets also that a compromise was not in fact reached.

Of course, I rise in support of the legislation that is before us. H.R. 4, the Housing, Community Development, and Homelessness Prevention Act, is a responsible effort to respond to an urgent national need. It represents a modest attempt to address the housing shortage we are faced with and the bill reasserts the congressional commitment to affordable, decent housing.

As a new member to the subcommittee, I can greatly appreciate the challenges that this committee has been faced with. Year after year, these members have fought to open eyes and bring to the forefront the terrible housing needs that this Nation faces. And, year after year these cries have gone unheard by some. Thus, we found ourselves, during this Congress, in a position of having to legislate urgent relief for the homeless. And we find ourselves, now again, struggling to establish a responsible Federal housing policy.

H.R. 4 does not represent a squandering of funds. Shelter is one of the basic necessities of life. Funding levels in the bill are far below what was spent in past years on housing and there is no question as to the essential role that housing plays in the health of a nation.

Still, while needs have increased, Federal support has declined. New budget authority for the Department of Housing and Urban Development's assisted housing programs has been cut by 70 percent since 1980. Appropriations for the Urban Development Action Grant Program have dropped by two-thirds and the Community Development Block Grants Program has had to absorb both reductions in dollars and increased demands because of cuts in other programs.

H.R. 4 only asks that funding for housing and community development programs remain at fiscal year 1987 levels with an adjustment to cover inflation.

This is good legislation. It includes, among other things, the Nehemiah Program to help moderate-income families purchase their own homes, the Community Development Block Grant [CDBG] and Urban Development Action Grant [UDAG] programs, section 8 low-income assistance, public housing modernization and construction, and rural housing programs administered by the Farmers Home Administration. All of these programs have done wonders throughout the nations in meeting housing needs.

CDBG and UDAG have been very successful in Baltimore. I cannot overemphasize the importance of these programs to Baltimore's continued economic development. Baltimore has competitively received 80 UDAG awards worth almost $100 million. This money has leveraged over a half a billion dollars of new private development; and this has translated into 7,500 new jobs and $6.8 million in new property taxes.

In spite of the reduction in CDBG awards, this grant has been one of the mainstays of Baltimore's community development activity. The majority of the money goes directly into our neighborhoods—funding capital projects like housing acquisition and rehabilitation and operating costs for community and neighborhood organizations. H.R. 4 recognizes the substantial success of these programs and continues funding at modest levels.

The section 8 Existing Housing Certificate Program has proven to be a valuable resource to provide decent, affordable housing for nearly 1 million low-income families. H.R. 4 recognizes the impending disaster if the program were eliminated and replaced with a system of housing vouchers, and the legislation, rightfully so, mandates 15-year terms for most contracts issued under the section 8 program and provides no new authorization for section 8 vouchers. Vouchers have not worked in Baltimore. Such a system only works if you have an adequate supply of sound housing.

□ 1220

As long as we continue to talk about vouchers and continue to offer them as having some sort of substance, we are giving rise to a population of nomads in this country who find themselves, after having contributed year after year, with a voucher in their hands and no place to live.

Assistance for elderly and handicapped housing was slated for elimination by this administration. H.R. 4 again comes through with an authorization that is expected to provide 12,000 additional units, of which some 2,500 will be earmarked for the handicapped.

Mr. Chairman, I hope that we will witness the successful passage of H.R. 4 without any weakening amendments. The time is now for us to act in the interest of this Nation and the housing needs that it faces.

This bill is long overdue. It has been alluded to several times on the floor that it has been some 4 years since we have had a housing bill in this Nation and 7 years since we have had a freestanding one. The need that is demonstrated throughout every community in this country continues to go in many respects unaddressed in that area.

I urge my colleagues on both sides of the aisle to put aside whatever partisan problems we may have with this legislation and to look beyond this Chamber, but to look out at the length and breadth of this country at people, thousands and thousands of people, who need so very desperately some sort of meaningful and real housing initiatives in this Nation.

Mr. WYLIE. Mr. Chairman, I yield 7 minutes to the gentleman from Pennsylvania [Mr. RIDGE].

Mr. RIDGE. Mr. Chairman, in putting together this important housing bill, as the committee worked during the past several months, it is clear that it was the primary goal on both sides of the aisle to provide more low-income and affordable housing and to promote community development.

I am disappointed that we could not reach a total agreement, but I think that it is very important and worthwhile to note first the good effort of our chairman and the vice chairman to reach an agreement, and second, to note there is very little difference in dollar amounts and units that are affected between the two alternatives. It is equally important to recognize, because it is probably the first time in a long time that the members of the Housing Subcommittee have been that close together.

Clearly in the two alternatives we see the same continuing commitment to the Community Development Block Grant Program. It is something that our chairman has championed for years and years, and it is something that the Members on my side of the aisle recognize maintain the same commitment. We see that in both alternatives the Community Development block Grant Program level of funding is identical.

Clearly the Wylie substitute gives the local communities that use CDBG a little bit more discretion in its use, on, but again it should be noted that both alternatives treat CDBG in a very similar fashion.

There is only a slight difference in the dollars that would be authorized for the Urban Development Action Grant Program. Our alternative has $25 million less, but again, both sides of the aisle, recognizing the importance of those programs, have come in with satisfactory and appropriate funding levels.

One of my objectives at both the subcommittee and full committee levels was to provide more housing for needy low-income tenants for the same tax dollar. And considering the budget constraints facing Congress, I felt that it was important that we try to identify those programs where we could do a little bit more for less.

One of the areas in which I found that we would be able to meet that objective would be in the Rental Rehab Program. I am pleased that in the Republican alternative, the Wylie-Roukema program, we have increased the rental rehab funding level to 200. I was also very pleased that the chairman recognized the program and after review has agreed and is willing to let me offer the amendment to H.R. 4. Again, I think that we are a lot closer than we have been in many years gone by, both sides recognizing a need, both sides recognizing that we should readjust some priorities, move some funding around, and try to provide more housing with existing resources.

Specifically I want to point out to my colleagues the Rental Rehab Program which was funded in H.R. 4 at the sum of $75 million, $125 million less than last year's program. The Wylie substitute provides $200 million, and the chairman has agreed to give me the opportunity to increase funding $100 million in H.R. 4.

I would like to explain to my colleagues basically what we are trying to do. Under the jurisdiction of the House Housing Subcommittee there are two rehabilitation programs. There is a Moderate Rehab Program, and there is a Rental Rehab Program. I concluded some time ago that the Rental Rehab Program is much more productive, because you can leverage more in terms of private investment and you can generally provide more units or make more units available to low-income people. I believe that view is now recognized on both sides of the aisle. That is why the gentleman from Ohio Mr. CHALMERS WYLIE, and the gentlewoman from New Jersey Mrs. MARGE ROUKEMA, have included the program in their substitute, and that is why the chairman has agreed to let me offer the amendment on the floor to H.R. 4.

I would like to explain the difference between the Moderate Rehab Program and the Rental Rehab Program. The Section 8 Moderate Rehab Program provides a developer with a guarantee that a tenant with a section 8 certificate or voucher will be committed to that unit for 15 years, will pay rent, and that rent may be up to 120 percent of the voucher. That is how that developer gets back his cost for rehabilitating the unit. That is the Moderate Rehab Program. It is a deep subsidy program.

The rental rehab does things differently. It provides up-front rehabilitation money, and under the terms of both the amendment that I will offer to H.R. 4 if need be, as well as the Wylie substitute, we would provide matching grant money for the rehab work itself. There is no subsidy for a period of 15 years. The maximum of $7,500 is imposed on the rehab grant.

There is another difference. Rental rehab units are not tied specifically to section 8 certificates or vouchers. Nonetheless, our experience in the past has been that the market in these low-income areas shows that 70 percent of all rental rehab tenants use the section 8 voucher certificates, and 93 percent are low-income tenants. For an additional $100 million, if we would take it from the Moderate Rehab Program and put it into the Rental Rehab Program, we have dramatically different results. This expenditure in the moderate rehab would provide 1,100 units, but in the Rental Rehab Program nearly 26,000 units would be affected. Obviously the transfer of monies would provide more housing units.

I would say, Mr. Chairman, at a time when the demand for housing, particularly low-income housing, is escalating dramatically, and the growing number of homeless individuals and families is on everyone's mind, we cannot ignore the opportunity to serve more of the needy low-income section 8 families. So by increasing the money for the Rental Rehab Program, something that hopefully will be viewed by all Members as just a better way to spend our taxpayers' dollars—it is basically revenue-neutral in the amendment that I am going to offer to H.R. 4, we are just going to shift it from one program to another—but we will increase rather substantially the number of units that are available for these low-income families. I ask my colleagues to support that amendment to H.R. 4 if the need arises.

□ 1230

Mr. GONZALEZ. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, I thank the gentleman for yielding me this time.

Today one of the great international issues is the Persian Gulf, and everyone is concerned about protecting the interests of shipping lanes of those countries who depend upon the gulf for their oil.

I say to the House today, if we can protect the oil interests of Japan and Europe, we can protect and provide for the housing interests of America. There has been much discussion about how this will bust the bank, how it will expand our budget, crimp the opportunity in the future because of these expansions.

I would like to say that today our House consists of lobbyists of America. That is our special interest, and we should go about our particular duty here and get it done, do it right, and take Americans sleeping on steel grates off and put them in an opportunity for decent housing.

Specifically, the gentleman from Minnesota [Mr. VENTO] brought forward a statistic that should not have been forgotten by the House, and I want to reinforce it. A study has shown that by the year 2003 18 million Americans will be homeless, in need of almost 7.8 million housing units, and will not have the amount of income to provide for the basic housing starts.

H.R. 4 in its own way reaches out and begins to address this shortfall in housing. There is not a chairman in this House that has provided more access to Members. I take my hat off today with a special tribute to the gentleman from Texas [Mr. GONZALEZ], the chairman of the Subcommittee on Housing and Community Development, for the gentleman's untiring efforts, and to the gentleman from Ohio [Mr. WYLIE], from our area of Ohio who may not always necessarily agree with some of our initiatives, but is always willing to consider them.

One of my amendments today is very close to my heart, believe me. While H.R. 4 is a fine bill, it still does not address one major area of this country's housing problems, and that is the tremendous amount of people who are losing homes from foreclosures beyond their control.

Congress has tried in the last 5 years to address that issue. The gentleman from Texas [Mr. GONZALEZ] has brought forward good legislation that would help this country. I brought forward legislation last year in the 99th Congress, good legislation; but the bottom line was, in lieu of the tremendous deficits, they said that these types of legislative remedies would be too costly. Therefore, they died.

They died in committee and did not get a chance for sunlight here in the House. This year I am bringing a modest amendment, an amendment that, yes, would expand this bill's authorization by $30 million, but that $30 million in investment, because for every house with VA- or FHA-backed funding, HUD loses $18,000.

My bill would provide for nonprofit counseling assistance programs to be developed throughout the country where these problems exist in labor surplus areas, and where industry has basically been decimated.

It would also provide for an immediate 6-month stay of foreclosure, and allow these counseling programs, along with the banks and creditors, to work out agreements that will save the homes.

I will bring statistics later when the amendment is brought to the floor, in every area where this type of a program exists, they have saved HUD millions of dollars, so I want it to be perfectly clear, that while I expect that there will be opposition, because one of my amendments will in fact expand the authorization, look past that and look at the tremendous loss in revenue that HUD experiences each and every time one of these federally backed mortgages is foreclosed upon.

With that, I say if Congress can provide $100 million, $200 million, for Mrs. Aquino last year, after a 1-hour visit with the President, then the President should not be vetoing a tremendous bill that is going to help housing in this country.

If we could send $17 billion in foreign aid overseas, if we have to cut that foreign aid, then let us take care of Americans in this House today. If the American dream is owning a family home, then Congress should reinforce that dream and try and help Americans save their homes.

As the gentleman from New York so eloquently stated, let us not have the American dream continue to become the American nightmare, so I am asking that the Members look favorably upon my amendments, and that one specific amendment which deals with the issue, and hopefully the gentleman from Texas [Mr. de la Garza] is also listening; and by the time we get to the agriculture sections of the Congress' business, hopefully we can do something for those farmers as well.

I take my hat off to the gentleman from Texas [Mr. Gonzalez], the chairman of the subcommittee.

Mr. WYLIE. Mr. Chairman, I yield myself such time as I may consume.

I thank the gentleman from Ohio [Mr. Traficant] who just preceded me in the well for his complimentary remarks.

I also try to keep an open door and listen to other Members and their suggestions. Although we do not always agree on every issue, we agree on a considerable number.

Mr. Chairman, for those Members who might be watching or listening and are on the fence and might wish to understand better where I am coming from, and the fact that I am committed to the proposition of trying to pass a housing bill this year which will be signed into law by the President, I would like to read a Statement of Administration Policy for the Record.

The Administration strongly opposes H.R. 4, the Housing, Community Development, and Homelessness Prevention Act of 1987, as reported by the House Banking Committee. If it were presented to the President in its current form, the President's senior advisors would recommend disapproval.

H.R. 4 is objectionable because it would:

Increase the deficit in FY 1988 by $5.2 billion (outlays) and add $29.5 billion to the deficit over fiscal years 1988-92, as compared with the President's budget;

Reverse housing reforms enacted by Congress in 1981, including costly restrictions on state use of flexible CDBG funds;

Create costly new programs such as the Nehemiah homeownership subsidy program for middle income households;

Fail to terminate the UDAG, HODAG, public housing construction, Section 8 moderate rehabilitation, and Section 312 rehabilitation loan programs, all of which are ineffective and costly;

Not authorize funding for a housing voucher program; and

Impose unnecessary, burdensome, and otherwise unacceptable restraints and requirements relating to the President's regulatory process and the management of housing programs.

The Wylie substitute, on the other hand, represents a step in the right direction. It is preferable to H.R. 4 because it would:

For low income people, provide 20,000 more new housing units than H.R. 4 at less cost.

Authorize 60,000 housing vouchers for HUD in 1988 and extend this program to rural poor served by the Farmers Home Administration:

Emphasize preservation of the viable public housing stock by substituting a more effective $1.5 billion Comprehensive Modernization program for public housing construction;

Hold the line on creating major new housing programs;

Avoid imposing burdensome administrative restrictions on the implementation of current housing programs;

Authorize Administration initiatives to strengthen fair housing enforcement and verify incomes of assisted housing tenants.

Terminate HODAG, Section 8 moderate rehabilitation, and Section 108 CDBG loan guarantee programs; and

Reduce total authorization of budget authority to $14.2 billion versus $15.9 billion in H.R. 4.

The Administration urges the House to pass a housing bill the President can sign—more like the President's housing program.

It would be a shame if after all the work that has gone into crafting a housing authorization bill, Congress were to produce legislation the President found unacceptable.

Just a few minutes ago, I received a letter from the Honorable Samuel R. Pierce, Jr., the Secretary of the U.S. Department of Housing and Urban Development. It says:

Dear Chalmers: Thank you for your hard work over the past few weeks to reach an agreement with the Administration on a responsible substitute to H.R. 4. I regret that we could not finally agree on a funding level closer to our FY 1988 budget request. Otherwise, your bill, H.R. 2630, meets our objections to Nehemiah grants and other wasteful new programs established by H.R. 4, avoids the micromanagement and re-regulation of CDBG and other programs contained in H.R. 4 and eliminates inefficient, poorly targeted programs such as HODAG which are reauthorized by H.R. 4.

You, Bob Michel, Trent Lott, Marge Roukema, Tom Ridge and Steve Bartlett deserve great praise for fashioning a bill which will provide 20,000 more new units of rent assistance to needy families at a total cost of almost $2 billion less cost than H.R. 4. Authorization for 60,000 Vouchers, the Fair Housing Initiatives Program, Comprehensive Public Housing Grants and Tenant Income Verification are also highly attractive features of H.R. 2630.

Be assured that I respect your advocacy for a permanent extension of FHA authority, a freeze of the FHA premium, increase in FHA maximum mortgage amounts in high-cost areas and an increase in the number of Adjustable Rate Mortgages insured by FHA. H.R. 2630 is about as fair a balance of Congressional priorities, industry concerns and Administration initiatives as anyone could expect. Your substitute bill is clearly preferable to H.R. 4 which I will recommend that the President veto if H.R. 2630 is not adopted.

Good luck.

Very sincerely yours,

Samuel R. Pierce, Jr.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Ohio [Mr. Wylie] has consumed 6 minutes.

Mr. GONZALEZ. Mr. Chairman, how much time do we have remaining?

The CHAIRMAN. The gentleman from Texas [Mr. Gonzalez] has 16 minutes remaining and the gentleman from Ohio [Mr. Wylie] has 12½ minutes remaining.

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the gentleman from Hawaii [Mr. Akaka].

Mr. AKAKA. Mr. Chairman, I thank the gentleman for yielding me this time and rise in support of H.R. 4, the Housing and Community Development Act of 1987.

Mr. Chairman, I want to praise the chairman and the ranking member of the committee for their care and compassion in producing such an outstanding housing bill. I particularly want to praise the gentleman from Texas [Mr. Gonzalez] for his hard work.

Mr. Chairman, I thank the distinguished chairman of the subcommittee and rise to offer my enthusiastic support for H.R. 4, the Housing, Community Development, and Homelessness Act of 1987. Passage of H.R. 4 will express the continuing commitment of the House, in the strongest terms possible, to address the serious needs for affordable, decent housing for the poor, the elderly, and the disabled.

Since 1981, overall Federal housing assistance has declined 70 percent. With H.R. 4, the House sends a signal to the administration that low- and middle-income Americans can no longer be expected to bear most of the burden for deficit reduction and defense expenditures. By all measures the bill is modest and realistic. Overall, funding for housing and community development programs remains at the fiscal year 1987 appropriations level, with an adjustment for inflation.

The bill seeks to prevent the loss of much-needed public housing stock. Funds authorized will provide Federal housing assistance for over 63,000 families through a variety of programs—including section 8 low-income assistance, elderly and handicapped assistance, new public housing construction, and grants for public housing improvement and rehabilitation assistance programs.

I laud the committee's action to make permanent the Federal Housing Administration [FHA] authority to insure mortgage loans, assisting our children and grandchildren as they pursue the dream of owning their own home.

Finally, I would like to take this opportunity to commend the committee for its sensitivity to the housing needs of native Hawaiians. Title III, subtitle A, section 312, of the bill would improve programs initiated under the Housing and Urban-Rural Recovery Act of 1983 by permitting the use of the FHA General Insurance Fund to carry out the insuring authority on Hawaiian homelands and Indian reservations.

Under the 1983 act, the Congress provided FHA insuring authority for Hawaiian homelands, thereby extending mortgage privileges to Native Hawaiians who reside on said lands for the first time in the history of the trust program.

Most mortgages of this nature are expected to be insured under section 203 (B) of the National Housing Act, thereby making them an obligation of the Mutual Mortgage Insurance Fund [MMIF]. H.R. 4 would, instead, provide that they be made obligations of the General Insurance Fund [GIF].

The extraordinary nature of the Hawaiian home and Indian land programs requires that this action be taken.

In the case of the Hawaiian homelands, for example, it is the Department of Hawaiian Home Lands [DHHL], rather than the Department of Housing and Urban Development [HUD], that shall receive most of the mortgage insurance premium [MIP]. Only a small amount of the MIP shall be retained by HUD to cover various processing costs. In addition, the Department of Hawaiian Home Lands, with the State of Hawaii, shall assume total risk of loss.

Pursuant to section 205 (C) and (D) of the National Housing Act, where the national claim experience for a particular class of mortgages insured under the MMIF is better than expected, the Secretary is authorized to make distributions to the mortgagor upon termination of the insurance obligation. However, since the Department of Hawaiian Home Lands, in this case, retains virtually all of the MIP and assumes all of the risk, such distributions should not be required. Clearly unique in its design, the Hawaiian Home Lands Program should not be subjected to the national criteria elements provided in section 205(C) and (D).

Since the Department of Hawaiian Home Lands guarantees to reimburse HUD almost immediately for any losses, potential appropriations requests would not be increased as a result of making these mortgages obligations of the General Insurance Fund.

With respect to Indian reservations, it is quite clear that mortgages for homes are likely to involve greater risks than other mortgages under the MMIF, in light of the unique nature of the ownership of those lands and the restrictions which are imposed on their sale or lease.

Congress recognized the extent of these risks when it provided a maximum 3 percent mortgage insurance premium under the Indian program. Likewise, reimbursement and security features of the program illustrate this concern.

Indeed, these provisions are intended to prevent losses to the MMIF. That these provisions are sufficient, however, is arguable. Thus, in order to avoid any possibility of jeopardizing the solvency of the MMIF, mortgages of this nature should be made obligations of the General Insurance Fund, as provided under H.R. 4.

Again, I would like to express my gratitude and appreciation to the respected gentleman from Texas [Mr. GONZALEZ] and all the members of the subcommittee and committee for their efforts in bringing this bill to the floor. In closing, I would also like to recognize the contribution made by our esteemed colleague, the late Stewart McKinney. Stew's compassion and dedication to the causes of the poor, the homeless, the elderly—the powerless among us—serve as compelling witness for the responsibilities we all must assume as Members of this great body.

Mr. GONZALEZ. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. BONKER].

Mr. BONKER. Mr. Chairman, I rise in support of H.R. 4, the Housing, Community Development, and Homelessness Prevention Act. I commend the efforts of Mr. GONZALEZ, chairman of the Housing Subcommittee, for his efforts in developing this legislation. I also would like to commend the late ranking minority member, Mr. McKinney, for his efforts on behalf of housing programs. His recent death deprives Federal housing assistance programs of one of their major champions.

As chairman of the Aging Committee's Subcommittee on Housing and Consumer Interests, I have been particularly disturbed by the Reagan administration's retreat from the Nation's commitment to decent and affordable housing for every American. Housing budget authorizations have been cut by more than 70 percent from levels funded in the late 1970's. These cuts have run deeper than those for any other segment of the budget. They have come at a time of critical shortages in low-income housing and increased homelessness in many areas throughout our Nation.

As though these cuts were not enough, earlier this year the administration proposed cutting the remaining housing budget by another 28 percent. The President's proposed budget would have eliminated funding for new units of housing for the elderly, public housing, and rural housing as well as funds for important programs such as the Congregate Housing Services Program [CHSP].

Even its most ardent supporters acknowledge that H.R. 4 will fall far short of the goal of providing decent housing for all who need it. It is nonetheless imperative that the Congress pass a regular housing reauthorization for the first time since 1980. H.R. 4 will maintain most programs at current levels, with only a modest increase for inflation.

H.R. 4 makes several changes of particular importance to our Nation's older citizens that deserve the support of this Congress. Among the most significant is a provision to permanently authorize the Congregate Housing Services Program [CHSP], at an increased level of $13 million. These funds would allow for the addition of the first new CHSP sites since 1983. The CHSP has been operating as a demonstration project since it was first authorized in 1978.

Later this month, I will release a report which documents the success of the CHSP both in preventing premature institutionalizations and in making it possible for nursing home residents to return to more independent settings in their communities. By providing nonmedical, inhome services for frail elderly and handicapped residents of federally subsidized housing, the CHSP has often meant the difference between independence and institutionalization for the people it has served.

Perhaps the most innovative new initiative in H.R. 4 for older Americans is a demonstration program that will insure home equity conversion mortgages for up to 2,000 older homeowners. Older Americans are estimated to have over $600 billion worth of equity tied up in homeownership. With declining income in late life, many older people find themselves to be house rich but cash poor. The Federal home equity conversion demonstration program will limit the risks both to the lender through loan guarantees and to the older homeowner through consumer safeguards against displacement. I commend the efforts of a distinguished member of our subcommittee, Mr. WORTLEY, who offered this legislation in committee.

H.R. 4 also takes a modest first step toward addressing a serious problem that, without remedial action, may precipitate a major crisis for low-income renters of all ages. Hundreds of thousands of units of federally assisted housing may be lost in the near future due to contract expiration and mortgage prepayment. The General Accounting Office [GAO] reports that over 1 million units funded under the section 8 and voucher programs could be lost in the next 20 years if contracts are not renewed. Both GAO and the Congressional Budget Office [CBO] have issued reports warning that several hundred thousand mortgages subsidized under the section 221(d) 3 and section 236 programs could be prepaid with a resulting loss of subsidized units. H.R. 4 would require prior notification by owners of low-income housing who want to prepay subsidized mortgages. This will allow HUD to offer incentive to maintain existing units by finding alternative owners and allow tenants to make alternative living arrangements with minimum disruption to their lives.

An amendment will be offered by Congressmen KEMP and ARMEY to sell public housing units to tenants for 25 percent of the fair market value. If passed this would exacerbate the problem of lost units. Homeownership should not be promoted at the expense of low-income renters who are already facing major losses of housing units. Instead, low-income home ownership should be promoted through programs like the Nehemiah demonstration included in H.R. 4. I urge my colleagues to oppose this amendment.

Mr. Chairman, I also must speak in opposition to the alternative bill to be offered by Mr. WYLIE and Mrs. ROUKEMA which unfortunately repeats many of the errors of the administration's proposal. It would eliminate or curtail many important programs on the false promise of more units subsidized at a lower cost through vouchers. These false economies can only be made by shortening the length of the contract commitment from 15 to 5 years. The $2 billion saved in the short term by the Wylie amendment would eventually have to be paid in higher budget authority in future years.

The use of vouchers to substitute for other forms of housing subsidies would have a particularly negative impact on the elderly. Preliminary research on vouchers indicates that they are more expensive than regular section 8 certificates, both to the tenant and to the Government. Further, vouchers do not offer incentives for the construction of new housing, especially housing designed to meet the special needs of the elderly. Finally, vouchers require geographic mobility and negotiating skills that the elderly often do not possess.

Mr. Chairman, we can be proud of the fact that millions of Americans of all ages have received housing assistance through Federal action. However, our Nation's 50-year commitment to decent and affordable housing for every American remains unfulfilled. Two million eligible elderly households are receiving no Federal assistance. Waiting lines stretch into years at many housing facilities for older adults, and growing numbers of families desperately need shelter and services. Despite the current climate of fiscal restraint, it is essential that we maintain our commitment to assisted housing for our low-income and elderly citizens. H.R. 4 is fiscally responsible. I strongly urge my colleagues to support this important legislation.

□ 1245

Mr. WYLIE. Mr. Chairman, I reserve the balance of my time.

Mr. GONZALEZ. Mr. Chairman, I yield 6 minutes to the gentleman from Connecticut [Mr. MORRISON] a very distinguished and probably the leading hard-working member of the Subcommittee on Housing, and an authority in his own right given his prior experience as a legal counsel in housing matters in his district.

Mr. MORRISON of Connecticut. I thank the distinguished chairman of our subcommittee for giving me this time and I also want to thank him for his kind remarks.

It is an honor to serve on this subcommittee and it is a great challenge. We face a great crisis in this country in terms of affordability of housing as well as its availability. A lot of attention has been focused on emergency relief for the homeless and it is appropriate that we try to respond to the crisis that we see in the streets of our municipal areas, here in the capital, and elsewhere around the country where people are sleeping on grates, living in the streets, and eating at soup kitchens. These are hardly the kind of living arrangements that any American should have to suffer. But we make a mistake if we think that addressing the emergency needs of the homeless is the right answer to our problem. The reason that we have homeless people on the streets of America is because of decisions made in this body at the urging of the White House in 1981. This Government was spending $30 billion a year to provide housing for low- and moderate-income people and it was not just low- and moderate-income people who benefited from this expenditure. It was all Americans, because the housing supply was being increased and the ability of all Americans, middle income as well as low income, to afford housing was expanded because of the greater housing supply that resulted from these policies. And in 1981 at the urging of the White House this body and the other body participated in a drastic reduction of the commitment of this Government to provide adequate housing. And we have seen the results.

Slowly but surely, as the housing units in the pipeline dwindled away, more and more Americans were found living on the streets, living in substandard units, paying more and more of their income for rent and doing without the adequate housing that we once upon a time considered to be a right.

Once upon a time, it was the policy of this Government that every American should have decent housing that he or she could afford. This bill, H.R. 4, does not fulfill that promise. It is not a solution to the problem. It does not restore anything near the funding level necessary to restore our commitment to affordable housing for all Americans. But it is a step in the right direction.

First and foremost it fully uses the budget authority allocated in the concurrent budget resolution passed by this body. In contrast, the Wylie substitute would cut almost $2 billion out of that funding. Who in this body can honestly say that with homeless people in the streets and with substandard housing in cities and towns all across the country that we should be short-funding the housing construction by almost $2 billion?

It is nice to say we are cutting this budget in order to save money. But the fact is that we need more money, not less, to address the problem of homeless Americans and I would hope this body would reject on that ground alone a substitute which would provide less for the housing functions than we have allocated in our budget resolution.

A second advantage of this committee bill over the substitute is the fact that our bill takes new initiatives in order to promote more housing for less dollars. I am thinking in particular of the Nehemiah Housing Program which is going to bring home ownership to a large number of moderate-income Americans. It will promote both home ownership and open up existing subsidized rental units for other families to move into.

The committee bill also retains the preference for the existing section 8 program over the use of vouchers. Vouchers are nice in theory, but in large parts of this country they are just a vehicle for higher rents and higher costs for the tenants who are receiving those benefits.

The section 8 program has been more effective at holding down the rents that people actually pay to a proportion of their income that they can afford. If we go the way of the voucher program, we will lose some benefit of our Federal dollars because of the tendency of vouchers to push rents higher.

We have an opportunity today to pass a piece of legislation that is one step in the direction of restoring the commitment of this Government to the housing of the people of this country. I hope we will reject facile appeals to saving a few dollars when the problem is so massive. Those who want to vote for a bill to fight homelessness will vote "yes" on H.R. 4 and will vote "no" on the Wylie substitute.

Mr. WYLIE. Mr. Chairman, I yield myself 2 minutes. Just to clarify a couple of issues, if I may, Mr. Chairman: My substitute or the substitute which several of us will offer does not rely on a 100-percent voucher program to provide low-income assistance. I would like to make that clear. There are section 8 existing housing certificates funding in my bill. The point I would make is that our substitute would provide more housing units through the use of vouchers and through section 8 existing certificates than H.R. 4, I respectfully submit. Now, we have been told by HUD that there are some 60,000 public housing units that are vacant, that need to be repaired or rehabilitated. And I think this is a better use of our money, a better bang for the buck, to rehabilitate these units so that they can become livable units rather than spending it on costly new construction.

We do have new construction money in the section 202 elderly housing program, which would provide 12,000 new units. We also provide new construction money in the rural housing program.

These are areas where new construction is needed and where the programs have been used to the ultimate.

In the case of public housing they say there are units out there which could be rehabilitated and could be used. There are many structural policy changes, micromanagement changes which we will get into later on which are objectionable to HUD and they would have trouble implementing them.

I think most importantly our housesweeping bill which we are considering on the House floor today is in no way similar to the housekeeping bill of the Senate, which is about half the pages in size and about half the number of sections involved. This is a very complicated bill, I would submit, and I fear that H.R. 4 in its present form would be vetoed.

The CHAIRMAN. The Chair will state that the gentleman from Ohio [Mr. WYLIE] has 10½ minutes remaining and the gentleman from Texas [Mr. GONZALEZ] has 5 minutes remaining.

Mr. GONZALEZ. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. FOGLIETTA] for purposes of engaging in a dialog.

Mr. FOGLIETTA. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise to engage in a colloquy with the distinguished chairman regarding a serious housing problem in my district.

As several members of the Subcommittee on Housing and Community Development already know, there is a 17-city block area in my district which is literally sinking into the ground. The Logan section of Philadelphia was developed in the early 1900's and contains approximately 957 homes. In early 1986, following a gas explosion in the area, it was discovered that many of the houses in Logan were sinking. Apparently, the area was developed on an extremely unstable ash and cinder base and adjacent to a shifting underground stream. Over the decades, the fill has been partially washed away and condensed, causing many of the houses to subside. This base shifts with every rain or snowstorm, causing damage to underground pipes and weakening the structures of the houses. To date, 202 homes in the Logan area have been declared dangerous or imminently dangerous.

The city of Philadelphia has proposed a "Logan strategic plan" to provide permanent replacement housing for affected residents. Under the plan, a nonprofit corporation would be formed to address the various needs of Logan residents: determining and making equity payments to homeowners, guaranteeing loans, issuing mortgages when necessary, making relocation payments, holding deeds, and renting habitable properties. The corporation and its activities would be funded by contributions from the Federal, State, and local governments and from the private sector. The city has already committed $10 million, and the State is reviewing a $12 million contribution which has the support of the Pennsylvania House of Representatives leadership.

According to this plan, the Federal Government's contribution would amount to $13.5 million. Although the Community Development Block Grant Program theoretically could assist the city in dealing with this crisis, the funds that have been allocated to the city for fiscal year 1987 have already been committed to other important projects. The situation with respect to CDBG moneys is aggravated by the fact that the program has seen its funding drop 26.5 percent since 1982, from $3.5 billion to $2.5 billion. In addition, other programs, such as general revenue sharing, have been eliminated.

It is important to note that the Logan community is made up of primarily working-poor homeowners. Twenty-four percent of the households in Logan have incomes below the poverty threshold established by the Bureau of the Census, and another 6 percent have incomes below 125 percent of this threshold. The median income of families in the Logan area is $14,296, and the median value of houses in the area is $16,854, only two-thirds of the city average. The residents of Logan stand to lose everything as a result of this situation.

Mr. Chairman, due to the urgent nature of this problem, I would ask that the gentleman's committee support the city of Philadelphia's efforts to secure $1 million from the Secretary of Housing and Urban Development's Discretionary Fund. In addition, I would ask the committee to explore other possible sources of funding.

Mr. GONZALEZ. If the gentleman will yield, I acknowledge the gentleman from Pennsylvania's concern. Clearly, this is a unique situation which I believe qualifies for discretionary funding. In view of the emergency situation that exists in the Logan area of Philadelphia, I am confident the committee will be supportive of the gentleman's efforts and those of his city.

□ 1300

Mr. WYLIE. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Hawaii [Mrs. SAIKI].

Mrs. SAIKI. Mr. Chairman, I rise in support of H.R. 4, the Housing and Community Development Act of 1987. This legislation provides much needed housing assistance for low-income persons and first-time home buyers.

In Hawaii, we have severe housing needs. Because of limited land and the high cost of real estate, it is very difficult to provide adequate housing for the poor as well as provide the means by which young people can purchase a home. For these reasons, I feel that the provisions in H.R. 4 which permanently authorize the FHA Insurance Program, expands the section 8 certificates and maintains the CDBG Program are particularly important.

In particular, Mr. Chairman, I am pleased that H.R. 4 includes language which addresses the unique mortgage needs of Hawaiian homelands.

Although I do not agree with all the provisions of this legislation, I recognize that compromises must be made and that H.R. 4 is a viable approach to the housing needs of Hawaii and the Nation.

Mr. FIELDS. Mr. Chairman, I rise in opposition to H.R. 4. However, I do so somewhat reluctantly because H.R. 4 does contain several provisions concerning the Federal Housing Administration [FHA] Mortgage Insurance Program which I support. But I must oppose H.R. 4 because of the budgetary impact of the legislation.

H.R. 4 contains a provision which makes the FHA mortgage insurance authority permanent. I support this provision.

On March 17, 1987, I became a cosponsor of H.R. 1228, legislation introduced by the distinguished ranking minority member on the Committee on Banking, Finance and Urban Affairs, Mr. WYLIE, which would accomplish the same goal as the FHA permanency provision of H.R. 4. H.R. 1228 would amend the National Housing Act to provide the Secretary of Housing and Urban Development with permanent authority to insure mortgages on single-family and multifamily dwellings.

I support making the FHA authority permanent because of the detrimental effects that frequent shutdowns of the program have had on the ability of individuals to close on their homes. Last year the FHA was forced to close down six times. This resulted in the program being shut down for a total of 51 days. This situation definitely proved to be an unwarranted hardship on families who were attempting to buy their homes.

Additionally, H.R. 4 contains a provision which would rectify a situation that has been of great concern to a number of my constituents. During the past several months I received numerous letters and phone calls from people in the Houston area about allowing refinancing of section 245 loans under FHA.

I understand that H.R. 4 provides for changes in the requirements for refinancing FHA insured mortgages that would result in a $20 million savings to homeowners by allowing them to refinance the entire balance of their mortgages at a fixed rate for the remaining term of the mortgages. I support this provision and hope that it will provide some relief to homeowners, particularly in my home State of Texas and the greater Houston area.

Again, Mr. Chairman, I must state my opposition to H.R. 4 in total due to the budgetary impact. However, I do look forward to supporting the Wylie substitute. It would be a pleasant change to be able to present to the President a housing package which is fiscally responsible and one that can be signed into law in good conscience.

I also wish to reiterate that my opposition to the total bill does not diminish my support of the several needed changes to the Federal Housing Administration Mortgage Insurance Program.

Mr. CHANDLER. Mr. Chairman, I feel that it is appropriate, while we are considering the housing bill, to bring to my colleagues' attention an example of an innovative and creative approach to the lack of public housing units.

In the State of Washington, the Pierce County Housing Authority has recently been awarded a Special Activity Award for Innovative Program Development by HUD. This award is especially noteworthy considering that the cited program was the housing authority's first housing project.

I would like to commend the Pierce County Housing Authority for attacking an often chronic problem of the lack of available housing units with an innovative and creative approach utilizing existing Federal resources.

The housing authority considered its need for low income, large family housing units, and recognized that large numbers of newly acquired homes were entering the Federal inventory monthly. As it costs HUD approximately $20 a day to keep these homes in its inventory, HUD was anxious to sell the properties. By purchasing units from the inventories of federally held properties available for purchase from both HUD and the veterans' program to successfully meet the needs of all parties concerned.

In short, the housing authority's approach to providing low-income housing for tenants is a proven success that can be replicated by other housing authorities with similar inventories of federally held properties for sale in their service jurisdictions.

Mr. RANGEL. Mr. Chairman, earlier this year we passed an emergency supplemental appropriations to address the problem of homelessness, a problem that has reached epidemic proportions in this country. Today, we begin consideration of H.R. 4, the Housing Community Development and Homelessness Prevention Act, to focus on yet another problem that is wreaking havoc in many of our communities—the lack of affordable, quality housing for all individuals. I support this legislation wholeheartedly and urge the House and Senate to work for immediate resolution of any conflicts that may hinder successful enactment of H.R. 4.

It has been more than 4 years since the last housing authorization legislation was passed by Congress leaving many necessary housing programs on a haphazard course toward elimination. Since the Reagan administration took office, Federal housing and community development programs have suffered severe setbacks, forcing individuals and families into the ravages of homelessness. I want to commend the committee for its hard work and determination in developing legislation designed to meet the public housing needs. While we have all been forced to realize the tremendous pressure of the Federal budget deficit, this committee has used extreme frugality in the budgeting process. Unlike the proposals sent to the Congress by the administration, the housing package being considered by this body today represents an effective balance between fiscal responsibility and human need.

Mr. Chairman, as we focus on this particular piece of legislation, I feel strongly that I must express my outright support for a bill that will not receive consideration on this floor today, H.R. 918. This legislation is named for a well-known community activist from New York, Jesse Gray. Jesse Gray has long been associated with his good works on behalf of poor people in the areas of employment, health and, particularly, housing. I was an original cosponsor of H.R. 918, the Jesse Gray housing bill and strongly advocated incorporating several provisions from this measure into the omnibus legislation being considered today. While I am aware that administration opposition makes this an unreasonable act at this time; we must, at some point move to consider legislation which would limit the tenant contribution to no more than 25 percent of their monthly income on housing and would provide for the gradual construction of 5 million new public housing units.

In New York City and particularly in poor communities around the country, the maintenance and development of new public housing units is a primary concern. There is no doubt that the city faces a critical shortage of housing for all of its citizens. There are an estimated 35,000 unauthorized doubled up families who, if forced out, would seriously exacerbate the homeless problem. The New York City Housing Authority currently reports only a 3.2-percent turnover rate and a zero vacancy rate in their units. I strongly support the provision in this bill authorizing $7.9 billion for several housing programs including new public housing construction, section 8 low-income assistance, elderly and handicapped housing, and grants for public housing comprehensive improvement assistance programs.

The bill also establishes a new program and a revolving loan fund to minimize the loss of low-income federally assisted rental housing stock. I have been contacted by many residents in my district who are concerned with the prospect of losing their homes because federally assisted mortgage loans have expired or have been paid off. In New York City many owners of low-income rental housing want to pay off federally assisted mortgage loans and terminate their commitments to maintain the low-income nature of their buildings. If this should happen many families would be faced with rent increases of more than $300 to $400 a month. Many of these residents have lived in these buildings for 15, even 20 years and could not afford to meet these outrageous increases.

Fortunately, Mr. Chairman, this legislation will provide limited relief to renters by requiring owners to give 1 year notice before any prepayment can be made. I support the provisions in this measure which permits HUD to offer inducements to owners who want to prepay to maintain the property as low-income housing for the term of the mortgage or an additional year.

The bill takes a step in favor of economic independence by initiating pilot programs for the establishment of child care programs in public housing. For low-income families affordable, quality child care is, in some cases, a primary deterrent to seeking employment. Many individuals living on limited incomes cannot afford the high cost of day care and therefore are not able to work. I commend the committee for its foresight in addressing this problem.

Mr. Chairman, of the many public assistance programs provided by this Government there is none more significant than our Federal housing program. In life, shelter is one of the three basic necessities. In America, homeownership is one of the primary principles of the dream. Yet, Mr. Chairman, unless we take a strong stand in opposition to weakening amendments to H.R. 4 and pass this legislation as introduced by the committee, many Americans will never have one of the basic necessities of life, let alone realize the American dream.

There is a housing crisis in America that can be effectively addressed by the successful passage of H.R. 4. The administration's opposition to this legislation is simply appalling. This Government has maintained a commitment to insuring adequate housing for all individuals for almost a half a century. H.R. 4 will meet the obligation of America to promote the general welfare without busting the budget. I hope my colleagues will join me in supporting this bill.

Mr. ROYBAL. Mr. Chairman, I rise in strong support of H.R. 4, legislation which reaffirms the Federal Government's more than 50-year commitment of providing housing assistance to low-income Americans. I particularly wish to commend the gentleman from Texas [Mr. GONZALEZ] for his leadership, dedication, and strong determination in bringing this important legislation to the floor.

As cosponsor of this measure, I firmly believe that its enactment will help bring stability to our existing housing stock. The Nation simply cannot afford to abandon its responsibility of helping to provide low-income housing alternatives, as the President proposes in his budget. Since 1980, total appropriations for assisted housing programs under the Department of Housing and Urban Development [HUD] have been slashed by more than 70 percent.

Mr. Chairman, we must not forget that these programs reach the poorest and most vulnerable of our population. Well over two-fifths of the residents of HUD-assisted housing are elderly Americans with extremely limited incomes. Hearings before my Select Committee on Aging reveal that there is a severe shortage of suitable alternatives which can meet the housing and service-related needs of our older population. Given their wide range of frailties and special shelter needs, older Americans are often left with no alternative but to seek inappropriate housing in nursing homes—at great expense both to families and to publicly supported programs.

The problem is compounded by the fact that during the remainder of this century, and well into the next, the proportion and actual numbers of persons aged 65 and over will continue to grow at a pace which is much greater than any other age group. Over the past two decades alone, the 65 and over population grew by 54 percent, while the under-65 population increased by only 24 percent. By the year 2010, one in seven Americans will be at least 65 years old, and, within the next 35 years, the segment of the population aged 85 and over is expected to triple. The rapid increase in these elderly Americans has far-reaching implications for public policy because of their potential need for housing-related services.

While I would have liked to have seen increases in authorization levels and a commitment of resources in H.R. 4 which more accurately reflect the needs of our rapidly growing aging population this bill makes significant improvements in a number of important areas, including: First, provisions which prohibit the retroactive application of alien verification procedures to current residents of HUD-assisted housing; second, a much needed increase in the Congregate Housing Services Program; third, the provision of approximately 12,000 units of section 202 housing for the elderly and handicapped; and fourth, a demonstration program for insuring home equity conversion mortgages for up to 2,000 older homeowners.

I am particularly pleased that this legislation includes a critical, though modest, authorization of $13 million for the Congregate Housing Services Program [CHSP]. This vital program, which is destined for widespread development in the next few years, provides nonmedical, in-home services to frail elderly individuals in order to prevent premature institutionalization in nursing homes. For functionally impaired or socially isolated seniors who do not require constant supervision or intensive health care, congregate housing holds the promise of helping these individuals to remain independent in their communities. Numerous studies have found the CHSP to be effective in bridging the gap between independent living and 24-hour nursing care and for resulting in significant cost savings when individuals are able to avoid institutionalization.

Another program which proved to be one of the Federal Government's most successful efforts is section 202 housing for the elderly and handicapped. Combined with section 8 low-income rental assistance, this program has provided numerous communities with a major source of safe, decent, and affordable housing. I believe it is vitally important that, at a minimum, this program be maintained at approximately 12,000 units per year as provided for in H.R. 4.

Perhaps one of the more promising new initiatives for the elderly, and one which is contained in both the House and Senate housing authorization bills is a demonstration program for insuring home equity conversion mortgages for up to 2,000 older homeowners. Its estimated that elderly Americans have over 600 billion dollars' worth of equity in their homes. However, with declining incomes in later life, many of these individuals find themselves to be asset rich and income poor. Equity conversion allows these older persons to convert home equity into cash income.

Despite the potential promise represented by equity conversions, to date very few of these loans have actually been made because of the potential risks involved for both the homeowner and the lender. The Federal Home Equity Insurance Demonstration Program is designed to limit these risks through loan guarantees and consumer safeguards.

Mr. Chairman, in conclusion, I firmly believe that we must initiate a new resolve at all levels of Government and in the private sector to join in a partnership which can develop comprehensive housing ventures. We must begin to plan for future housing needs by taking action now. H.R. 4 takes an important step in this direction. I urge my colleagues to strongly support this much needed legislation.

Mr. FAUNTROY. Mr. Chairman, I am pleased to rise in support of H.R. 4 as amended by the Committee on Banking, Finance and Urban Affairs and its Subcommittee on Housing and Community Development. Under the stalwart and persistent leadership of the distinguished subcommittee chairman, my colleague from Texas, HENRY B. GONZALEZ, the committee has refused to heed the call of the administration to do nothing to address the housing needs of low- and moderate-income people in our country. As the distinguished subcommittee chairman has already stated, this bill does not begin to meet the housing needs of low-income people both in urban and rural areas nor does it begin to address community development needs of cities and towns throughout the country.

What we are doing here today on H.R. 4 is an effort to preserve the HUD assisted housing delivery system that has been formulated over a period of 50 years and keep the programs funded at a current services level, meaning no more nor no less than we have had for the past 2 fiscal years. With the housing needs of our Nation so evident for all of us to see every day, particularly with increasing numbers of homeless people on our streets, we should be at a minimum approving the provisions of this bill as quickly as possible.

Mr. Chairman, it is no secret that the administration does not want Congress to speak out on housing and community development policies in the form of a housing authorization bill. They would prefer to accomplish the devastation that they have already wrought on the housing programs, the 70-percent reduction in program levels since 1981, by blocking efforts in the Congress to speak on housing policy issues. This bill, Mr. Chairman, authorizes the continuation of the HUD assisted housing programs at a budget authority level of $7.9 billion, reauthorizes the Community Development Block Grant Program at $3 billion, and the Urban Development Action Grant Program at $225 million, and reauthorizes the important rural housing programs administered by the Farmers Home Administration at a $2 billion level.

Mr. Chairman, this bill is based on the successful efforts of the committee in passing H.R. 1 last year. The subcommittee and full committee responded to the housing needs earlier this year in moving not only this legislation through committee but in earlier action in approving H.R. 558, the urgent relief for the homeless.

Before concluding, Mr. Chairman, let me mention two provisions contained in this bill that I have worked on directly. One, the public housing resident management section which would establish a program of resident management in public housing projects as a way of assisting tenants in managing the projects in which they live. This provision is based on the successful efforts developed by a distinguished constituent of mine, Ms. Kimi Gray, and the residents of the Kennilworth/Parkside public housing project in northeast Washington. The bill also contains a section that I have supported that would expand the opportunities for public housing homeownership. This provision contained in the bill would provide public housing tenants with a greater opportunity to purchase the dwelling units in a project through a qualified resident management corporation and would provide financial assistance to help them become homeowners.

Mr. Chairman, this Congress has not enacted a housing authorization bill in 4 years. We have not passed a freestanding housing authorization bill since 1980. It is time that we passed a freestanding housing authorization bill and present the President with a housing policy statement approved by the Congress as contained in this bill, H.R. 4. I urge the prompt approval of this bill.

Mr. OWENS of New York. Mr. Chairman, I rise in strong support of H.R. 4.

For the last 6 months we have been hearing reports in the press that the President, and particularly Mrs. Reagan, are growing concerned that his administration, his "revolution," may not leave an enduring legacy behind. They should stop worrying and look out the window: The Reagan legacy is sleeping on a bench in Lafayette Park. In numerous parks and other public places around the Nation, there are many other unfortunate examples of the Reagan legacy.

During the last 6 years, spending on Federal housing programs has been cut by 70 percent, bringing new construction of public and subsidized housing to a standstill. The results of that policy have been horrifying. The number of homeless Americans has been growing by 25 percent each year and there are now more homeless on our streets today than at any time since the Great Depression. Fully one-third of the homeless population consists of families with children—many of them children who have never lived with a permanent roof over their heads. If our current policies continue unchanged, the experts now tell us that there will be 18 million homeless men, women, and children in this country by the year 2003.

Every bit as important is the suffering of millions of Americans who are not homeless now but who are living day to day on the edge of economic disaster. Two or three generations of a family living in one cramped apartment; teenagers sharing the same bedroom as their parents; families divided, children parceled out to grandparents and aunts and uncles with enough space in a corner for a cot or a sleeping bag; and so many others just getting by in apartments not fit for human habitation.

We have a housing crisis in this country and the crisis is now.

H.R. 4 repudiates the President's 6-year policy of housing triage and sets us back on the right course by making a number of needed improvements in Federal housing programs. Funding for the development of 5,000 new public housing units, 12,000 section 202 subsidized apartments for the elderly and disabled, 5,000 section 8 moderate rehabilitation units, and 5,000 HODAG apartments for moderate- and low-income families would be reauthorized. In recognition of the difficulties faced by many employed residents of public housing, H.R. 4 includes several provisions designed to ensure that the price of a new job and a higher income is not an unmanageable rent increase or eviction from one's home. Public housing agencies would be permitted to maintain a modest economic mix of tenants in their projects and would be required to phase in rent hikes over 6 months and to deduct 10 percent from the earned income of tenants who pay Social Security taxes in the determination of eligibility and rental assistance. The bill includes as well a provision giving public housing agencies the authority to set a cap on rents, something which is particularly important to the residents of Glenwood Houses in Canarsie and other mixed-income projects where tenants have been hit hard by recent rent increases. H.R. 4 also provides an equitable solution to the morass of uncertainty about the eligibility of aliens for housing assistance by making it clear that all aliens now residing in public housing should be considered eligible for aid and must not be evicted and that, in the future, families will be eligible for housing so long as one member of the family is a citizen or legal alien.

The bill also establishes two new and important initiatives which should be noted: the Housing Opportunity Grant Program, which will provide homeownership opportunities to low-income urban residents using the acclaimed "Nehemiah" effort in the 12th Congressional District as a national model, and the public housing resident management demonstration program, which will give tenants at 20 projects across the country the opportunity to run and manage their own buildings. I am also pleased that the House has voted today to roll back the tenant rent contribution for senior citizens living in assisted housing from 30 percent of income to the pre-Reagan level of 25 percent of income; what is unfortunate and unfair is that we could not muster the votes to roll back rents for all tenants in Federal housing. Finally, H.R. 4 permanently reauthorizes Federal crime insurance, bringing much-needed stability to a program which is vital to continued economic development in central Brooklyn.

Although there is a great deal which is commendable in H.R. 4, the legislation, as a whole, is a disappointment. Essentially, H.R. 4 merely reaffirms the status quo; it does not even begin to take the steps that we must take if we are to meet the desperate need for decent housing in this country. And act we must. If the last 6 years has taught us anything, it has been that the homeless and the near-homeless will not simply go away if we do nothing. Without massive and immediate Federal action, the creation of a permanent class of refugees will be the inevitable and unconscionable result.

By all means, let us vote to pass H.R. 4. But let us also come back next year to finish the job that must be done.

Mr. BIAGGI, I rise in strong and enthusiastic support of H.R. 4, the Housing and Community Development and Homelessness Prevention Act of 1987. This legislation, in addition to being a comprehensive and excellent bill, makes an important statement to the Nation as well. That simply is that we want to reverse the decade-long retreat in our Federal housing policies and begin to address the growing need for adequate Federal support for housing throughout our Nation.

Estimates indicate that Federal support for Housing has in fact been slashed by as much as 70 percent during the time of this administration. It is perhaps the most visible example we have of how the misguided sword of economy has wreaked havoc on the lives of millions of our citizens, especially our poor, disabled and elderly. Lack of Federal support and attention has also contributed to a new generation of American homeless who are a tragic part of American life today.

The past is the past and it is time we did look to the future. H.R. 4 is the vehicle that will lead us back down the road toward the restoration of a compassionate and adequate national housing policy. At the time we established our national housing policy we touted ourselves as being the "great society." At this time in history, after years of reductions, we have been reduced to the "grate society" and that is a total disgrace.

In fact, it is estimated that there are some 3 million homeless individuals in our country, and this number is on the rise. Particularly alarming is the fact that more and more of our homeless are women, children, entire families, minorities, mental patients, and elderly individuals. Already this year, we have taken legislative action that clearly demonstrates the top priority status we have attached to the homeless issue. Today's bill is totally consistent with those past efforts and assures the comprehensive response that is necessary to address the homelessness crisis facing our Nation, as well as other substantial housing-related needs.

The bill authorizes $17.2 billion in fiscal year 1988 for most Federal housing and community development programs. Generally, this figure represents the fiscal year 1987 appropriations level for Federal housing and community development programs, plus an adjustment for inflation. While funding increases in the bill are modest, the bill's funding levels are in dramatic contrast to Federal spending patterns of the last 6 years, which saw funding for low-income housing programs cut by 58 percent since fiscal year 1981—going from $26 billion in fiscal year 1981 to $10.9 billion in fiscal year 1987—almost no new public housing units constructed over the last 5 years; and the share of tenants' income that must go for rent in assisted housing going up by 20 percent since 1981.

Specifically, the bill authorizes approximately $10.6 billion for HUD housing programs, of which $5.9 billion is for section 8 low-income assistance and $2 billion is for public housing modernization and construction. The bill authorizes $3.4 billion for rural housing programs administered by the Farmers Home Administration.

I am particularly impressed by some of the new programs authorized by the bill, including:

First, $50 million for the creation of a new revolving loan fund to provide assistance to owners of low-income multifamily housing for capital improvements;

Second, $100 million for the "Nehemiah" Program, a new initiative under which moderate-income families could qualify for $15,000 second mortgage loans to be used toward the purchase of homes developed by local community groups;

Third, $5 million for a new fair housing program;

Fourth, $5 million for a new effort to assist day care programs in public housing in order to encourage economic self-sufficiency among tenants; and

Fifth, the designation of 100 enterprise zones, which would receive special treatment to help stimulate these economically depressed areas.

As one who represents an urban area, I am also pleased to note that the bill authorizes $3 billion for the Community Development Block Grant [CDBG] Program, and $225 million for the Urban Development Action Grant [UDAG] Program—a program the administration sought to eliminate. Further, the bill would permanently authorize the Federal Crime Insurance Program, a program that has been particularly beneficial to my home area of New York City.

As an original member of the House Select Committee on Aging, I certainly want to endorse the provisions in the bill dealing with elderly and handicapped housing. Specifically, the bill authorizes $621.7 million in fiscal year 1988 for loans under the section 202 elderly and handicapped housing program. The measure sets an interest rate cap of 9.25 percent on such loans. These loans are expected to provide some 12,000 additional and much needed units of elderly and handicapped housing in our Nation.

H.R. 4 includes another important provision for older Americans, who are often cash poor but home equity rich. H.R. 4 authorizes the Secretary of HUD to carry out a demonstration program of mortgage insurance for 2,000 home equity conversions, whereby elderly homeowners receive monthly payments based on accumulated equity. It also authorizes the evaluation of data to determine need and demand among elderly homeowners for insured and uninsured home equity conversion mortgages, and the types of conversion programs that best serve the interests of the elderly, the Federal Government and lenders. In addition, it provides appropriate safeguards for mortgagors.

This provision provides the needed "insurance" incentive that lenders have lacked to offer reverse mortgages as a regular service. This bill will allow the necessary nationwide demonstration to be undertaken by the Federal Housing Authority [FHA].

Mr. Chairman, it is high time that we put this demonstration into effect. Home equity conversions have been appropriately researched and debated here in the House and in the other body in recent years, and we have passed similar provisions in the past as well. I commend Mr. WORTLEY for his excellent efforts in this area.

This legislation offers benefits to every State in the country, and I am pleased to observe that my home State of New York is no exception. For example, it is estimated that New York will receive $235 million in new budget authority—or 1,140 new units—for section 202 elderly and handicapped housing; $27 million—or 350 new units—for new public housing construction; $12 million—or 920 new units—for Nehemiah housing; $314 million under the Community Development Block Grant Program; and $27 million under the UDAG Program.

Mr. Chairman, the very harmful spending patterns of the past in the area of Federal housing must stop if we are to responsibly address the severe housing crisis facing our Nation. H.R. 4 would do that. It would set us on a new course of hope and well-being for millions of Americans, who are suffering from a dreadfully inadequate supply of affordable housing. This bill deserves our strong support.

Mr. ROBINSON. Mr. Chairman, I rise today and join my colleagues in supporting passage of H.R. 4, the Housing, Community Development, and Homelessness Prevention Act of 1987. Despite the importance of housing and community development programs, no major housing legislation has been enacted into law during the current Presidential administration. Action on this bill is long overdue.

This legislation is of particular importance to my State of Arkansas. H.R. 4 authorizes $3 billion in fiscal year 1988 for the Community Development Block Grant [CDBG] Program, extends rural housing programs, and grants permanent insuring authority to the Federal Housing Administration [FHA]. This last provision is especially salient in light of the FHA uncertainties in the past year. The FHA shut down six times last year, a total of 51 days, because the Congress failed to pass a permanent FHA extension measure. By insuring uninterrupted lending authority for the FHA, we will save numerous families from personal disaster.

The rural housing programs which H.R. 4 extends greatly benefit many in my State. Arkansas has a number of areas where the Farmers Home Administration [FmHA] is the only source of mortgage credit. At least seven counties in the State are without federally chartered savings and loan institutions, yet there is no county in Arkansas that does not have FmHA office close by. For many rural Arkansans, FmHA rural housing programs offer the only hope of homeownership.

H.R. 4 maintains current housing and community development programs at 1987 levels. These programs have been reduced by 70 percent since 1980. The budget for the Department of Housing and Urban Development [HUD] has been reduced from 5.3 percent of the Federal budget in 1980 to 1.3 percent in 1987. No other segment of the economy has been cut so drastically during this time. Had other Federal programs experienced similar reductions, the Federal budget would be operating at a surplus today.

I support H.R. 4, the Housing, Community Development, and Homelessness Prevention Act of 1987, as a responsible commitment to maintaining housing and community development programs in urban and rural America. I urge my colleagues to send a signal to the American people that housing retains its position as a national priority by voting for final passage of the bill.

Mr. RANGEL. Mr. Chairman, I understand, and the gentleman from Texas [Mr. GONZALEZ] chairman of the Subcommittee on Housing and Community Development of the Committee on Banking, Finance and Urban Affairs, concurs, that section 182(b)(4)(B) of this bill is intended to develop realistic costs reflecting the special needs of housing handicapped individuals. It is further my understanding, and the gentleman from Texas again concurs, that the amendment is a recognition that the present fair market rents and the present total development costs set by regulation are inadequate to address building designs appropriate to meet the needs of the designated residents.

Mr. GONZALEZ. Mr. Chairman, we have no further requests for time, and I yield back the balance of my time.

Mr. WYLIE. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill shall be considered by titles as an original bill for the purpose of amendment, and each title shall be considered as having been read.

The Clerk will designate section 1.

The text of section 1 of the bill is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Housing, Community Development, and Homelessness Prevention Act of 1987".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title.
Sec. 2. Findings and purpose.
Sec. 3. Budget compliance.

TITLE I—HOUSING ASSISTANCE

Subtitle A—Programs Under United States Housing Act of 1937

PART 1—GENERAL PROVISIONS

Sec. 101. Lower income housing authorization.
Sec. 102. Tenant rental contributions.
Sec. 103. Income eligibility for assisted housing.

PART 2—PUBLIC HOUSING

Sec. 111. Public housing management simplification.
Sec. 112. Discretionary preference for near elderly families in public housing projects designed for the elderly.
Sec. 113. Grants for public housing development.
Sec. 114. Limitation on public housing development and assurance of public housing quality standards.
Sec. 115. Limitation on recapture of funding reservations.
Sec. 116. Indian public housing.
Sec. 117. Public housing new construction.
Sec. 118. Public housing evictions due to nonpayment of rent.
Sec. 119. Public housing grievance procedures.
Sec. 120. Public housing child care grants.
Sec. 121. Payments for operation of lower income housing projects.
Sec. 122. Grants for comprehensive improvement assistance.
Sec. 123. Public housing demolition and disposition.
Sec. 124. Public housing comprehensive grants.
Sec. 125. Public housing resident management.
Sec. 126. Public housing homeownership and management opportunities.
Sec. 127. Treatment of certain public housing development funds.
Sec. 128. Energy efficient public housing demonstration.
Sec. 129. Public housing comprehensive transition demonstration.

PART 3—SECTION 8 ASSISTANCE AND OTHER PROGRAMS

Sec. 141. Section 8 contracts for existing dwelling units.
Sec. 142. Section 8 fair market rentals and contract rents.
Sec. 143. Housing voucher program.
Sec. 144. Administrative fees for section 8 certificate and housing voucher programs.
Sec. 145. Portability of section 8 certificates and vouchers.
Sec. 146. Prohibition of denial of section 8 certificates and vouchers to residents of public housing.
Sec. 147. Nondiscrimination against section 8 certificate holders and voucher holders.
Sec. 148. Section 8 evictions due to nonpayment of rent.
Sec. 149. Additional provisions relating to section 8 program.
Sec. 150. Rental rehabilitation and development grants.

Subtitle B—Multifamily Housing Management and Preservation

Sec. 161. Prepayment of mortgages.
Sec. 162. Management and preservation of HUD-owned multifamily housing projects.
Sec. 163. Acquisition of insured multifamily housing projects.
Sec. 164. Tenant participation in multifamily housing projects.
Sec. 165. Troubled multifamily housing projects.
Sec. 166. Multifamily housing disposition partnership.

Subtitle C—Multifamily Housing Preservation Loans

Sec. 171. Purpose.

Sec. 172. Definitions.
Sec. 173. Authority to provide loans.
Sec. 174. Eligibility for loans.
Sec. 175. Amount and conditions of loans.
Sec. 176. Multifamily Housing Preservation Fund.
Sec. 177. Regulations.
Sec. 178. Authorization of appropriations.

Subtitle D—Other Housing Assistance Programs

Sec. 181. Housing for the elderly and handicapped.
Sec. 182. Housing for the handicapped.
Sec. 183. Section 235 homeownership program.
Sec. 184. Congregate services.
Sec. 185. Procedures and policies for mandatory meal programs in assisted housing for the elderly.
Sec. 186. Modification of restriction on use of assisted housing by aliens.
Sec. 187. Preventing fraud and abuse in Department of Housing and Urban Development programs.
Sec. 188. Energy conservation in assisted housing.
Sec. 189. Annual report on characteristics of families in assisted housing.
Sec. 190. Use of certain excess rental charges for assistance for troubled multifamily housing projects.
Sec. 191. Housing demonstration project.
Sec. 192. Flexible subsidy assistance for certain housing projects for elderly or handicapped families.
Sec. 193. Exclusion of housing assistance as income.
Sec. 194. State-aided section 236 projects.
Sec. 195. Housing assistance technical amendments.

TITLE II—RURAL HOUSING

Sec. 201. Program authorizations.
Sec. 202. Income levels for family eligibility.
Sec. 203. Definition of very low-income families.
Sec. 204. Rural housing escrow accounts.
Sec. 205. Rural housing guaranteed loan demonstration.
Sec. 206. Rural rental housing displacement prevention.
Sec. 207. Requirement of local consultation for domestic farm labor housing.
Sec. 208. Definition of domestic farm labor.
Sec. 209. Limitation of fees on rural rental housing loans.
Sec. 210. Conformance with low-income housing tax credit eligibility requirements.
Sec. 211. Section 515 operating reserve and equity contribution requirements.
Sec. 212. Rural area classification.
Sec. 213. Procedures for reduction of interest credits.
Sec. 214. Rental assistance tenant contribution.
Sec. 215. Rural housing preservation grant program.
Sec. 216. Study of mortgage credit in rural areas.
Sec. 217. Debt settlement authority of Secretary.
Sec. 218. Rural housing technical amendments.

TITLE III—MORTGAGE INSURANCE AND SECONDARY MORTGAGE MARKET PROGRAMS

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Sec. 301. Permanent insurance authority for FHA.
Sec. 302. Limitation on amount to be insured under National Housing Act.
Sec. 303. Limitation on Federal Housing Administration insurance premiums.
Sec. 304. Treatment of closing costs in single family mortgage insurance programs.
Sec. 305. Limitation on use of single family mortgage insurance by investors.
Sec. 306. Actions to reduce losses under single family mortgage insurance program.
Sec. 307. Insurance of graduated payment mortgages.
Sec. 308. Refinancing mortgage insurance for hospitals, nursing homes, intermediate care facilities, and board and care homes.
Sec. 309. Mortgage insurance for nursing homes, intermediate care facilities, and board and care homes.
Sec. 310. Requirement of State approval for mortgage insurance for hospitals.
Sec. 311. Mortgage insurance for public hospitals.
Sec. 312. Mortgage insurance on Hawaiian home lands and Indian reservations.
Sec. 313. Co-insurance program.
Sec. 314. Increase in authority to insure adjustable rate single family mortgages.
Sec. 315. Penalties for equity skimming.
Sec. 316. Authority for Secretary to impose civil money penalties.
Sec. 317. Home equity conversion mortgage insurance demonstration.
Sec. 318. Assurance of adequate processing of applications for loan and mortgage insurance.
Sec. 319. Closing of any office prohibited before completion of certain studies.
Sec. 320. Prohibition of requirement of minimum principal loan amount.
Sec. 321. Study of voluntary standards for modular homes.
Sec. 322. Repeal of requirement to publish prototype housing costs for 1- to 4-family dwelling units.
Sec. 323. Double damages remedy for unauthorized use of multifamily housing project assets and income.
Sec. 324. Miscellaneous mortgage insurance provisions.
Sec. 325. Increase in maximum mortgage amount under single family insurance program.
Sec. 326. Calculation of maximum mortgage amount under single family insurance program.
Sec. 327. Approval of individual residential water purification or treatment units.
Sec. 328. Direct loans to prevent defaults by multifamily projects.
Sec. 329. Expiration of certificates of reasonable value.
Sec. 330. Regulation of rents in insured projects.
Sec. 331. Mortgage insurance technical amendments.

Subtitle B—Secondary Mortgage Market Programs

Sec. 341. Limitations on certain secondary mortgage market fees.
Sec. 342. FNMA cumulative voting.
Sec. 343. Permanent authority to purchase second mortgages on single-family properties.
Sec. 344. Period for approval of actions of FNMA.
Sec. 345. Prohibition of limitation on FHLMC mortgage operations.
Sec. 346. Limitation on GNMA guarantees of mortgage-backed securities.

TITLE IV—COMMUNITY DEVELOPMENT AND MISCELLANEOUS PROGRAMS

Subtitle A—Community and Neighborhood Development and Preservation

Sec. 401. Community development authorizations.
Sec. 402. Targeting of benefits to persons of low and moderate income.
Sec. 403. City and county classifications.
Sec. 404. Calculation of median income for nonentitlement areas.
Sec. 405. Statement of activities and review.
Sec. 406. Alleviation of lakefront flooding and erosion.
Sec. 407. Activities to preserve and expand lower income housing.
Sec. 408. Housing assistance plans.
Sec. 409. Economic development strategy.
Sec. 410. Citizen participation plan.
Sec. 411. Conserving neighborhoods and housing by prohibiting displacement.
Sec. 412. Community development block grant public service activities.
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Subtitle B—Flood and Crime Insurance Programs

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Subtitle C—Miscellaneous Programs

Sec. 461. Fair housing initiatives program.
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Sec. 463. Regulatory authority.
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Sec. 465. Research and development.
Sec. 466. Home mortgage disclosure.
Sec. 467. Lead-based paint poisoning prevention.
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Sec. 471. Solar Energy and Energy Conservation Bank.
Sec. 472. Annual reporting of innovative housing and neighborhood development by nonprofits.
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TITLE V—NEHEMIAH HOUSING OPPORTUNITY GRANTS

Sec. 501. Statement of purpose.
Sec. 502. Definitions.
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Sec. 504. Use of assistance.
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TITLE VI—ENTERPRISE ZONE DEVELOPMENT

Sec. 601. Designation of enterprise zones.
Sec. 602. Evaluation and reporting requirements.
Sec. 603. Interaction with other Federal programs.
Sec. 604. Waiver or modification of housing and community development rules in enterprise zones.
Sec. 605. Coordination of housing and urban development programs in enterprise zones.
Sec. 606. Coordination with CDBG and UDAG programs.

The CHAIRMAN. For what purpose does the gentleman from Texas [Mr. GONZALEZ] rise?

PARLIAMENTARY INQUIRY

Mr. WYLIE. Mr. Chairman, may I be recognized?

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. WYLIE].

Mr. WYLIE. Mr. Chairman, I think under the rule I am entitled to offer a substitute first; is that correct?

The CHAIRMAN. The Chair had already recognized the gentleman from Texas.

Mr. GONZALEZ. Mr. Chairman, if I may be recognized on that, we had agreed to have the en bloc perfecting amendments offered first, and then we will entertain the substitute offered by the distinguished gentleman from Ohio.

The CHAIRMAN. That is permissible under the rule.

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

AMENDMENTS OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr. Chairman, pursuant to the rule, I offer amendments to a number of provisions contained in H.R. 4.

The CHAIRMAN. The Clerk will designate the amendments.

The text of the amendments is as follows:

Amendments offered by Mr. GONZALEZ: Page 12, strike lines 9 through 20 and insert the following:

(b) ADJUSTED INCOME.—

(1) Section 3(b)(5) of the United States Housing Act of 1937 is amended—

(A) by striking "and" at the end of subparagraph (C);

(B) by striking the period at the end of subparagraph (D) and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(E) 10 percent of the earned income of the family, in the case of a family in which any member pays taxes imposed under chapter 2 or 21 of the Internal Revenue Code of 1986.".

(2) The amendments made by this subsection shall become effective on the date of the enactment of this Act, or October 1, 1987, whichever occurs later.

Page 25, strike line 14, and insert the following (and conform the table of contents accordingly):

"SEC. 117. LOCATION OF ACQUIRED HOUSING.".

Page 27, strike line 1 and all that follows through page 31, line 17, and insert the following:

SEC. 120. PUBLIC HOUSING CHILD CARE GRANTS.

(a) PROGRAM AUTHORITY.—

(1) The Secretary of Housing and Urban Development shall, to the extent approved in appropriation Acts, carry out a demonstration program of making grants to nonprofit organizations to assist such organizations in providing child care services in lower income housing projects for lower income families who reside in public housing.

(2) The Secretary shall design the program described in paragraph (1) to determine the extent to which the availability of child care services in lower income housing projects facilitates the employability of the parents or guardians of children residing in public housing.

(3) The program described in paragraph (1) shall be in addition to any demonstration program carried out under section 222 of the Housing and Urban-Rural Recovery Act of 1983.

(b) ELIGIBILITY FOR ASSISTANCE.—The Secretary may make a grant to a nonprofit organization for child care services in a lower income housing project only if—

(1) prior to receipt of assistance under this section, a child care services program is not in operation in the project;

(2) the public housing agency agrees to provide suitable facilities for the provision of child care services;

(3) the child care services program in the project will serve preschool children during the day, school children after school, or both, in order to permit the parents or guardians of such children to obtain, retrain, or train for employment;

(4) the child care services program in the project is designed, to the extent practicable, to involve the participation of the parents of children benefiting from such program;

(5) the child care services program in the project is designed, to the extent practicable, to employ in part-time positions elderly individuals who reside in the lower income housing project involved; and

(6) the child care services program in the project complies with all applicable state and local laws, regulations, and ordinances.

(c) ALLOCATION OF ASSISTANCE.—In providing grants under this section, the Secretary shall—

(1) give priority to nonprofit organizations providing child care services in lower income housing projects in which reside the largest number of preschool and school children of lower income families;

(2) seek to ensure a reasonable distribution of such grants between urban and rural areas and among nonprofit organizations providing child care services in lower income housing projects of varying sizes; and

(3) seek to provide such grants to the largest number of nonprofit organizations practicable, considering the amount of funds available under this section and the financial requirements of the particular child care services programs to be established in the lower income housing projects for which applications are submitted under this section.

(d) ADMINISTRATIVE PROVISIONS.—

(1) Applications for grants under this section shall be made by nonprofit organizations (in consultation with public housing agencies) in such form, and according to such procedures, as the Secretary may prescribe.

(2) Any nonprofit organization receiving a grant under this section may use such grant only for operating expenses and minor renovations of facilities necessary to the provision of child care services under this section.

(3) The Secretary shall conduct periodic evaluations of each child care services program assisted under this section for purposes of—

(A) determining the effectiveness of such program in providing child care services and permitting the parents or guardians of children residing in public housing to obtain, retrain, or train for employment; and

(B) ensuring compliance with the provisions of this section.

(4) No provision of this section may be construed to authorize the Secretary to establish any health, safety, educational, or other standards with respect to child care services or facilities assisted with grants received under this section. Such services and facilities shall comply with all applicable State and local laws, regulations, and ordinances, and all requirements established by

the Secretary of Health and Human Services for child care services and facilities.

(e) Report to Congress.—Not later than the expiration of the 3-year period following the date of the enactment of this Act, the Secretary shall prepare and submit to the Congress a detailed report setting forth the findings and conclusions of the Secretary as a result of carrying out the demonstration program established in this section. Such report shall include any recommendations of the Secretary with respect to the establishment of a permanent program of assisting child care services in lower income housing projects.

(f) Definitions.—For purposes of this section:

(1) The term "lower income families" has the meaning given such term in section 3(b)(2) of the United States Housing Act of 1937.

(2) The terms "lower income housing project" and "public housing" have the meanings given such terms in section 3(b)(1) of the United States Housing Act of 1937.

(3) The term "public housing agency" has the meaning given such term in section 3(b)(6) of the United States Housing Act of 1937.

(4) The term "Secretary" means the Secretary of Housing and Urban Development.

(g) Authorization of Appropriations.—There is authorized to be appropriated to carry out the provisions of this section $5,000,000 for fiscal year 1988. Any amount appropriated under this subsection shall remain available until expended.

Page 37, after line 7, insert the following:

(d) Use of Operating Subsidies To Remedy PHA Noncompliance With Audit Responsibilities.—Section 9(a)(1) of the United States Housing Act of 1937 is amended by adding at the end the following new sentences: "If the Secretary determines that a public housing agency has failed to take the actions required to submit an acceptable audit on a timely basis in accordance with chapter 75 of title 31, United States Code, the Secretary may arrange for, and pay the costs of, the audit. In such circumstances, the Secretary may withhold, from assistance otherwise payable to the agency under this section, amounts sufficient to pay for the reasonable costs of conducting an acceptable audit, including, when appropriate, the reasonable costs of accounting services necessary to place the agency's books and records in auditable condition.".

Page 76, after line 12, insert the following:

(c) Effective Date.—The provisions of this section shall become effective on the date of the enactment of this Act, or October 1, 1987, whichever occurs later.

Page 84, after line 24, insert the following:

(h) Comparability.—Section 8(c)(2)(C) of the United States Housing Act of 1937 is amended—

(1) by striking "assisted and comparable unassisted units" and inserting the following: "assisted units and unassisted units of similar quality and age in the same market area"; and

(2) by adding at the end the following new sentence: "If the Secretary or appropriate State agency does not complete and submit to the project owner a comparability study not later than 60 days before the anniversary date of the assistance contract under this section, the automatic annual adjustment factor shall be applied.".

Page 92, line 1, strike "25" and insert "15".

Page 101, beginning on line 11, strike "prepayment restriction imposed by the Secretary" and insert "provision requiring the approval of the Secretary for prepayment".

Page 134, strike lines 3 through 6 and insert the following:

(b) Assets of Fund.—The Fund shall consist of (1) any amount made available to the Fund under section 236(f)(3) of the National Housing Act; (2) any amount repaid on a loan provided under this subtitle; and (3) any other amount received by the Secretary under this subtitle.

Page 134, strike lines 18 through 22 and insert the following (and conform the table of contents accordingly):

SEC. 178. FUNDING.

Section 236(f)(3) of the National Housing Act is amended—

(1) by inserting before the period at the end of the first sentence the following: "or subtitle C of title I of the Housing, Community Development, and Homelessness Prevention Act of 1987"; and

(2) by inserting before the period at the end of the second sentence the following: ", and not more than $50,000,000 may be so approved for any fiscal year for transfer to the Multifamily Housing Preservation Fund established in subtitle C of title I of the Housing, Community Development, and Homelessness Prevention Act of 1987".

Page 163, strike lines 1 through 7 and insert the following (and conform the table of contents accordingly):

SEC. 194. SECTION 236 RENTAL HOUSING PROGRAM.

(a) State-Aided Projects.—

(1) Section 236(f)(4) of the National Housing Act is amended by striking "90 per centum" and inserting "100 percent".

(2) Section 101(g) of the Housing and Urban Development Act of 1965 is amended by striking "90 per centum" and inserting "100 percent".

(b) Insuring Authority.—Section 236(n) of the National Housing Act is amended by adding at the end the following new sentence: "A mortgage may be insured under this section after the date in the preceding sentence in order to refinance a mortgage insured under this section or to finance pursuant to subsection (j)(3) the purchase, by a cooperative or nonprofit corporation or association, of a project assisted under this section.".

Page 163, after line 7, insert the following (and redesignate the subsequent sections, and conform the table of contents, accordingly):

SEC. 195. TENANT ELIGIBILITY DETERMINATIONS IN RENT SUPPLEMENT PROJECTS.

Section 101 of the Housing and Urban Development Act of 1965 is amended—

(1) by striking the second sentence of subsection (e)(1); and

(2) by striking subsection (k) and inserting the following:

"(k) In selecting individuals or families to be assisted under this section in accordance with the eligibility criteria and procedures established under subsection (e)(1), the project owner shall give preference to individuals of families who are occupying substandard housing, are paying more than 50 percent of family income for rent, or are involuntarily displaced at the time they are seeking housing assistance under this section.".

Page 163, strike lines 16 through 19 and insert the following:

(c) Lower Income Housing.—

(1) The first sentence of section 6(a) of the United States Housing Act of 1937 is amended by inserting "The" before "Secretary".

(2) Section 6(c)(4)(A) of the United States Housing Act of 1937 is amended—

(A) by striking "or are paying more than 50 per centum of family income for rent"; and

(B) by inserting ", are paying more than 50 percent of family income for rent," after "substandard housing".

(3) Paragraphs (4) and (5) of section 6(k) of the United States Housing Act of 1937 are amended by striking "his" each place it appears and inserting "their".

Page 167, beginning on line 16, strike "(as amended by subsection (d) of this section) is further" and insert "is".

Page 167, line 19, strike "(e)" and insert "(d)".

Page 184, after line 12, insert the following (and redesignate the subsequent sections, and conform the table of contents, accordingly):

SEC. 218. MANUFACTURED HOUSING.

Section 502(e) of the Housing Act of 1949 is amended by adding at the end the following:

"(3) A loan that may be made or insured under this section with respect to a manufactured home on a permanent foundation, or a manufactured home on a permanent foundation and a lot, shall be repayable over the same period as would be applicable under section 203(b) of the National Housing Act.".

SEC. 219. LOAN PACKAGING BY NONPROFIT ORGANIZATIONS.

Section 501 of the Housing Act of 1949 is amended by adding at the end the following new subsection:

"(h) For the purposes of this title, the term 'development cost' shall include the packaging of loan and grant applications and actions related thereto by public and private nonprofit organizations tax exempt under the Internal Revenue Code of 1986.".

Page 188, strike line 8 and all that follows through page 189, line 2, and insert the following (and conform the table of contents accordingly):

SEC. 304. CHANGE IN DEFINITION OF VETERAN.

The National Housing Act is amended—

(1) by inserting before the period at the end of the first undesignated paragraph of section 203(b)(2) the following: ", except that persons enlisting in the armed forces after September 7, 1980, or entering active duty after October 16, 1981, shall have their eligibility detemined in accordance with section 3103A(d) of title 38, United States Code"; and

(2) by inserting before the semicolon at the end of section 220(d)(3)(A)(i) the following: ", except that persons enlisting in the armed forces after September 7, 1980, or entering active duty after October 16, 1981, shall have their eligibility determined in accordance with section 3103A(d) of title 38, United States Code".

Page 209, strike line 21 and all that follows through page 215, line 11, and insert the following:

SEC. 316. AUTHORITY FOR SECRETARY TO IMPOSE CIVIL MONEY PENALTIES.

(a) In General.—Title II of the National Housing Act (as amended by section 315 of this Act) is further amended by adding at the end the following new section:

"AUTHORITY FOR SECRETARY TO IMPOSE CIVIL MONEY PENALTIES

"Sec. 255. (a) In General.—

"(1) Whenever a mortgagee approved under section 203, a lender holding a contract of insurance under title I, or an individual violates any of the requirements of this Act, as set forth in subsection (b), the

Secretary may impose a civil money penalty on the mortgagee, lender, or individual in accordance with the provisions of this section. This penalty shall be in addition to any available civil remedy or any other available civil or criminal penalty, and may be imposed whether or not the Secretary imposes other administrative sanctions.

"(2) The amount of the penalty may not exceed $1,000 for each violation, as determined by the Secretary, except that the maximum penalty for all violations by a particular mortgagee, lender, or individual during any 1-year period shall not exceed $1,000,000. In the case of a continuing violation, as determined by the Secretary, each day shall constitute a separate violation.

"(b) Violations for Which Penalty May Be Imposed.—The Secretary may impose a civil money penalty under subsection (a) for any of the following violations by a mortgagee, lender, or individual:

"(1) Unless expressly permitted by statute or regulation, transfer of a mortgage insured under section 203 to a mortgagee not approved by the Secretary, or transfer of a loan to a transferee that is not holding a contract of insurance under title I.

"(2) Failure of a nonsupervised mortgagee, as defined by the Secretary—

"(A) to segregate all escrow funds received from a mortgagor for ground rents, taxes, assessments, and insurance premiums; or

"(B) to deposit such funds in a special account with a financial institution whose accounts are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration.

"(3) Disbursal of escrow funds for any purpose other than the purpose for which such funds are received.

"(4) Submission to the Secretary of information that the mortgagee, lender, or individual knew was false, in connection with any mortgage insured under section 203, or any loan that is covered by a contract of insurance under title I.

"(5) Hiring or retaining in employment an officer, director, principal, or employee with knowledge that, at the time of hire or while in employment (as appropriate), the person was under suspension or debarment by the Secretary.

"(6) Submission of a false certification to the Secretary.

"(7) Failure to comply with an amendment, certification, or condition of approval set forth—

"(A) on the application of a mortgage or lender for approval by the Secretary; or

"(B) on the notification by a mortgagee or lender to the Secretary concerning establishment of a branch office.

"(8) Significant or substantial violation of any contract with the Secretary under section 203 or title I, any statute or implementing regulation that applies to the programs administered by the Secretary under section 203 or title I, or handbook instruction or mortgagee or title I letter that is issued under this Act and mailed, sent, or delivered to a mortgagee under section 203 or a lender under title I.

"(c) Agency Procedures—

"(1) The Secretary shall establish standards and procedures governing the imposition of civil money penalties under subsection (a). The standards and procedures—

"(A) shall provide for the imposition of a penalty only after the mortgagee, lender, or individual has been given an opportunity for a hearing on the record by a hearing officer authorized by the Secretary to conduct hearings; and

"(B) may provide for—

"(i) use of an administrative entity to make the determination to impose a penalty, subject to a hearing if requested; and

"(ii) review of any determination or order, or interlocutory ruling, arising from a hearing.

"(2) In determining the amount of a penalty under subsection (a), the Secretary shall take into account the gravity of the offense, degree of culpability, any history of prior offenses, ability to pay, size of the business entity, effect upon ability to continue in business, and such other factors as the Secretary may determine in regulations to be appropriate.

"(3) The determination of the Secretary or order of the Secretary imposing a penalty under subsection (a) shall not be subject to review, except as provided in subsection (d).

"(d) Judicial Review of Agency Determination.—After exhausting all administrative remedies established by the Secretary under subsection (c)(1), a mortgagee, lender, or individual against whom the Secretary has imposed a civil money penalty under subsection (a) may obtain judicial review of the determination or order of the Secretary in the appropriate United States district court, as provided in chapter 7 of title 5, United States Code.

"(e) Action by Secretary to Collect Penalty.—If any mortgagee, lender, or individual fails to comply with the determination or order of the Secretary imposing a civil money penalty under subsection (a), after the determination or order is no longer subject to review as provided by subsections (c)(1) and (d), the Secretary may, acting through the General Counsel of the Department of Housing and Urban Development, bring an action in an appropriate United States district court to obtain a monetary judgment against the mortgagee, lender, or individual and such other relief as may be available. The monetary judgment may, in the discretion of the court, include the attorneys fees and other expenses incurred by the Secretary in connection with the action.

"(f) Settlement by Secretary.—The Secretary may compromise, modify, or remit any civil money penalty that may be, or has been, imposed under this section.

"(g) Regulations.—The Secretary shall issue such regulations as may be necessary to carry out this section.

"(h) Deposit of Penalties in Insurance Funds.—All civil money penalties collected under this section shall be deposited in the appropriate insurance fund or funds established in this Act, and shall be available for use to the extent approved in the appropriation Acts.".

(b) Applicability.—The amendment made by subsection (a) shall apply only with respect to—

(1) violations that occur on or after the effective date of the regulations issued to carry out such amendment; or

(2) in the case of a continuing violation (as determined by the Secretary of Housing and Urban Development), any portion of the violation that occurs on or after such effective date.

Page 232, strike lines 18 through 23 and insert the following (and conform the table of contents accordingly):

SEC. 324. MISCELLANEOUS MORTGAGE INSURANCE PROVISIONS.

(a) Mortgage Insurance for Condominiums.—Section 234(e)(3) of the National Housing Act is amended by inserting after "design;" the following: "except that each of the foregoing dollar amounts is increased to the amount established for a comparable unit in section 221(d)(3)(ii);".

(b) Mortgage Insurance for Certain Properties Within an Indian Reservation.—Section 203(q)(1) of the National Housing Act is amended by striking "Secretary may" and inserting "Secretary shall".

Page 237, strike line 17 and all that follows through page 240, line 12, and insert the following (and conform the table of contents accordingly):

SEC. 331. AUTHORITY FOR INCREASED MORTGAGE LIMITS FOR MULTIFAMILY PROJECTS IN HIGH-COST AREAS.

Section 207(c)(3), the second proviso of section 213(b)(2), the first proviso of section 220(d)(3)(iii), section 221(d)(3)(ii), section 221(d)(4)(ii), section 231(c)(2), and section 234(e)(3) of the National Housing Act are each amended by striking "not to exceed 75 per centum" and all that follows through "involved) in such an area" and inserting the following: "not to exceed 110 percent in any geographical area where the Secretary finds that cost levels so require and by not to exceed 140 percent where the Secretary determines it necessary on a project-by-project basis, but in no case may any such increase exceed 90 percent where the Secretary determines that a mortgage purchased or to be purchased by the Government National Mortgage Association in implementing its special assistance functions under section 305 of this Act (as such section existed immediately before November 30, 1983) is involved".

SEC. 332. OPERATING LOSS LOAN INSURANCE.

Section 223(d) of the National Housing Act is amended—

(1) by inserting "(1)" after the subsection designation;

(2) by striking the first and second sentences and inserting the following: "Notwithstanding any other provision of this Act, the Secretary is authorized to insure loans made to cover the operating losses of certain projects that have existing project mortgages insured by the Secretary. Insurance under this subsection shall be in the Secretary's discretion and upon such terms and conditions as the Secretary may prescribe, and shall be provided in accordance with the provisions of this subsection. For purposes of this subsection, the term 'operating loss' means the amount by which the sum of the taxes, interest on the mortgage debt, mortgage insurance premiums, hazard insurance premiums, and the expense of maintenance and operation of the project covered by the mortgage, exceeds the income of the project.

"(2) To be eligible for insurance pursuant to this paragraph—

"(A) the existing project mortgage (i) shall have been insured by the Secretary at any time before or after the date of enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987; and (ii) shall cover any property, other than a property upon which there is located a 1- to 4-family dwelling;

"(B) the operating loss shall have occurred during the first twenty four months after the date of completion of the project, as determined by the Secretary; and

"(C) the loan shall be in an amount not exceeding the operating loss.

"(3) To be eligible for insurance pursuant to this paragraph—

"(A) the existing project mortgage (i) shall have been insured by the Secretary at any time before or after the date of enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987; (ii) shall cover any property, other than a property upon which there is located a 1- to 4-family dwelling; and (iii) shall not cover a subsidized project, as defined by the Secretary;

"(B) the loan shall be in an amount not exceeding 80 percent of the unreimbursed cash contributions made on or after March 18, 1987, by the project owner for the use of the project, during any period of consecutive months (not exceeding twenty-four months) in the first ten years after the date of completion of the projects, as determined by the Secretary, except that in no event may the amount of the loan exceed the operating loss during such period;

"(C) the loan shall be made within ten years after the end of the period of consecutive months referred to in the preceding subparagraph; and

"(D) the project shall meet all applicable underwriting and other requirements of the Secretary at the time the loan is to be made.

"(4) Any loan insured pursuant to this subsection shall (A) bear interest at such rate as may be agreed upon by the mortgagor and mortgagee; (B) be secured in such manner as the Secretary shall require; (C) be limited to a term not exceeding the unexpired term of the original mortgage; and (D) be insured under the same section as the original mortgage. The Secretary may provide insurance pursuant to paragraph (2) or (3), or pursuant to both such paragraphs, in connection with an existing project mortgage, except that the Secretary may not provide insurance pursuant to both such paragraphs in connection with the same period of months referred to in paragraphs (2)(B) and (3)(B)."; and

(3) by inserting "(5)" before "A loan" at the beginning of the undesignated paragraph at the end.

SEC. 333. INTEREST CHARGES ON TEMPORARY MORTGAGE ASSISTANCE PAYMENTS AND ASSIGNMENT OR OTHER ASSISTANCE.

Section 230(a)(5) of the National Housing Act is amended by striking the third sentence and inserting the following: "The interest rate on payments made under this subsection shall be determined at the discretion of the Secretary. The interest rate to be charged shall be determined when the Secretary approves assistance under this subsection.".

SEC. 334. MORTGAGE INSURANCE TECHNICAL AMENDMENTS.

(a) Administrative Provisions.—The second sentence of section 1 of the National Housing Act is amended by striking the last comma.

(b) Applicability.—Section 9 of the National Housing Act is amended by inserting the following section heading:

"APPLICABILITY".

(c) Loan Insurance Programs.—Sections 203(k)(3)(B) and 241(b)(3) of the National Housing Act are amended—

(1) by striking "mortgagor" each place it appears and inserting "borrower"; and

(2) by striking "mortgagee" each place it appears and inserting "financial institution".

(d) Miscellaneous Housing Insurance.—

(1) Section 223(a)(7) of the National Housing Act is amended—

(A) in the first proviso, by striking "a rate not in excess of the maximum rate prescribed under the applicable section or title of this Act" and inserting the following: "such rate as may be agreed upon by the mortgagor and the mortgagee";

(B) in the second proviso, by striking "maturity, a principal obligation, and an interest rate" and inserting the following: "maturity and a principal obligation"; and

(C) by inserting before the semicolon at the end the following: ", and shall bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee".

(2) Section 223(d)(1) of the National Housing Act is amended by striking "bear interest (exclusive of premium charges for insurance) at not to exceed the per centum per annum currently permitted for mortgages insured under the section under which it is to be insured" and inserting the following: "bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee".

(e) Insurance for Nursing Homes, Intermediate Care Facilities, and Board and Care Homes.—

(1) Section 232(b) of the National Housing Act is amended—

(A) by indenting as a separate paragraph (in the same manner as paragraph (1)) "(3) a nursing" and all that follows through "day; and";

(B) in such new paragraph (3)—

(i) by inserting "the term" after the paragraph designation; and

(ii) by striking "and" at the end;

(C) by redesignating the second paragraph (3) as paragraph (4); and

(D) by redesignating the paragraph (4) as paragraph (5).

(2) Section 232(i)(2)(B) of the National Housing Act is amended to read as follows:

"(B) bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee;".

(f) Co-Insurance.—

(1) Section 244(g) of the National Housing Act is amended—

(A) by striking paragraph (2); and

(B) by redesignating paragraphs (3) through (6) as paragraphs (2) through (5), respectively.

(2) Section 244(h) of the National Housing Act is amended by striking "coinsurance" each place it appears and inserting "co-insurance".

(g) Insurance on Hawaiian Home Lands.—Section 247(a)(2) of the National Housing Act is amended by striking "Mortgagor" and inserting "mortgagor".

(h) Insurance on Indian Reservations.—Section 248 of the National Housing Act is amended—

(1) in subsection (a)(1), by striking "lands" and inserting "land";

(2) in subsection (a)(2), by striking "lands"; and

(3) in subsection (d), by striking "tribal or trust land" and inserting "trust or otherwise restricted land".

(i) Shared Appreciation Mortgages.—Section 253 of the National Housing Act is amended—

(1) in subsection (b), by striking the fourth sentence and inserting the following: "For purposes of this section, the term 'net appreciated value' means the amount by which the sales price of the property (less the mortgagor's selling costs) exceeds the actual project cost after completion, as approved by the Secretary.";

(2) in the first sentence of subsection (c), by striking "204" and inserting "207"; and

(3) in subsection (c), by striking the last sentence and inserting the following: "The term 'original principal face amount of the mortgage' as used in section 207 shall not include the mortgagee's share of net appreciated value.".

(j) Defense Housing for Impacted Areas.—The first sentence of section 810(h) of the National Housing Act is amended—

(1) by striking "(exclusive of premium charges for insurance) at not to exceed the rate applicable to mortgages insured under section 207" and inserting the following: "at such rate as may be agreed upon by the mortgagor and the mortgagee"; and

(2) by striking "not to exceed the rate applicable to mortgages insured under section 203" and inserting the following: "such rate as may be agreed upon by the mortgagor and the mortgagee".

Page 253, strike line 20 and all that follows through page 259, line 16, and insert the following:

SEC. 409. ECONOMIC DEVELOPMENT STRATEGY.

Section 104 of the Housing and Community Development Act of 1974 is amended—

(1) by redesignating subsections (d) through (j) as subsections (e) through (k), respectively; and

(2) by inserting after subsection (c) the following new subsection:

"(d) Any grant under section 106 shall be made to a grantee proposing to use funds for economic development activities only if the grantee certifies that it is following a detailed economic development strategy with respect to the economic development activities to be carried out with the grant. The economic development strategy shall—

"(1) describe the economic development needs of persons of low and moderate income and the manner in which the economic development activities will meet the needs;

"(2) describe the nature and amount of long-term employment that will be created by the economic development activities for persons of low and moderate income who are unemployed and underemployed;

"(3) ensure that the employment, training, and vocational development created by the economic development activities will be targeted to persons of low and moderate income residing or expected to reside in the jurisdiction of the grantee;

"(4) take into account neighborhood revitalization goals and activities that include planning, promotion, and financing of economic development efforts by neighborhood-based nonprofit organizations located in low and moderate income neighborhoods or controlled by persons of low and moderate income;

"(5) minimize displacement of existing businesses and jobs in neighborhoods through the use of economic development funds under section 106;

"(6) include measures for documenting the extent to which the project activities actually benefit persons of low and moderate income, including records demonstrating the numbers and income levels of those who benefit from the employment, business opportunities, and other economic development generated by the activities.".

SEC. 410. CITIZEN PARTICIPATION PLAN.

Section 104 of the Housing and Community Development Act of 1974 is amended—

(1) by redesignating subsections (e) through (k) (as so redesignated by section 409 of this Act) as subsections (f) through (l), respectively; and

(2) by inserting after subsection (d) (as added by section 509 of this Act) the following new subsection:

"(e)(1) Any grant under section 106 shall be made only if the grantee certifies that it is following a detailed citizen participation plan. The citizen participation plan shall—

"(A) provide for and encourage citizen involvement at the neighborhood level, as well as on a city-wide basis, with particular emphasis on persons of low and moderate income who are residents of areas of slum and blight, and on areas where a significant amount of activity is proposed on ongoing;

"(B) provide citizens with reasonable and timely access to local meetings, information, and records relating to the proposed and actual use of funds under this title;

"(C) provide for continuity of citizen involvement in all stages of the community development program of the grantee, including all plans and strategies required under this title, the development, implementation, and evaluation of programmatic activities;

"(D) provide for technical assistance to groups that are representative of persons of low and moderate income and are seeking to develop proposals and statements of views and to plan and operate programs and projects;

"(E) provide for a sufficient number of public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, which hearings shall be held after adequate notice, at times and lcoations convenient to potential or actual beneficiaries, and with accommodation for handicapped residents;

"(F) provide for the answering of complaints and grievances in writing within 15 working days of receipt; and

"(G) identify how the needs of non-English speaking residents shall be accommodated for the public hearings when a significant number of non-English speaking residents can be reasonably expected to participate.

"(2) No provision of this subsection may be construed to restrict the responsibility or authority of the grantee for the development and execution of its community development program.".

SEC. 411. CONSERVING NEIGHBORHOODS AND HOUSING BY PROHIBITING DISPLACEMENT.

Section 104 of the Housing and Community Development Act of 1974 is amended—

(1) by redesignating subsection (f) through (l) (as so redesignated by section 410 of this Act) as subsections (g) through (m), respectively; and

(2) by inserting after subsection (e) (as added by section 510 of this Act) the following new subsection:

"(f) Any grant under section 106 or 119 shall be made only if the grantee certifies that it is following a residential antidisplacement and relocation assistance plan that has been approved by the Secretary. The residential antidisplacement and relocation assistance plan shall—

"(1) permit the involuntary displacement of persons of low and moderate income due to activities assisted under section 106 or 119 only if unavoidable or in the best interest of the households and community affected; and

"(2) in the event of such displacement, provide that—

"(A) governmental agencies or private developers shall provide for 1-for-1 replacement of all occupied low and moderate income dwelling units demolished or converted;

"(B) such replacement housing shall be affordable, of equal size, of equal or improved quality, and located in an area approved by the displaced persons;

"(C) such replacement housing shall be designed to remain affordable to persons of similar income to those being displaced; and

"(D) provide for relocation benefits for displaced persons, including—

"(i) reimbursement for moving expenses, security deposits, credit checks, and other moving-related expenses, including any interim living costs;

"(ii) compensation sufficient to ensure that, for a 10-year period, the household shall not bear, after relocation, a ratio of shelter costs to income that exceeds 30 percent; and

"(iii) permitting the displaced person to elect to participate in a housing cooperative or mutual housing association, in which case sufficient compensation shall be provided to enable the person to capitalize the value of the compensation described in clause (ii) in order to secure participation in a cooperative or mutual housing association and to maintain the ratio of the shelter costs of the household to the income of the household.".

Page 261, line 8, strike "out".

Page 261, beginning on line 9, strike "in lieu thereof".

Page 261, line 11, strike "out".

Page 261, line 12, strike "in lieu thereof".

Page 275, strike line 1 and all that follows through page 277, line 3, and insert the following (and conform the table of contents accordingly):

SEC. 420. STATE ADMINISTRATION OF CDBG PROGRAM IN NONENTITLEMENT AREAS.

(a) In General.—Subparagraphs (A) and (B) of section 106(d)(2) of the Housing and Community Development Act of 1974 are amended to read as follows:

"(2)(A) Amounts allocated under paragraph (1) shall be distributed by the State of units of general local government that are located in nonentitlement areas of the State to carry out activities in accordance with the provisions of this title. For the purposes of this subsection, distributions shall not be made in the form of loans to units of general local government. The State shall distribute amounts allocated to it consistent with the statement submitted under section 104(a), and shall be responsible for the administration of funds so distributed.

"(B) Any amounts appropriated for fiscal year 1987 or prior fiscal years that were available for distribution under this subsection by the Secretary immediately before the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987 shall be distributed by the Secretary in accordance with the provisions of this subsection as they existed immediately before such effective date, except that amounts that are not obligated by January 1, 1988 (i) shall be added to amounts allocated to the State under paragraph (1) for fiscal year 1988, or (ii) if the State does not elect to receive a grant for fiscal year 1988, shall be rescinded.".

(b) Conforming Amendments.—

(1) Section 104(a)(1) of the Housing and Community Development Act of 1974 is amended—

(A) in the first sentence, by striking ", under section 106(d) by any State, or under section 106(d)(2)(B) by any unit of general local government" and inserting "or under section 106(d) by any State"; and

(B) in the second sentence, by striking "and in the case of units of general local government receiving grants pursuant to section 106(d)(2)(B)".

(2) Section 104(d)(1) of the Housing and Community Development Act of 1974 is amended by inserting after "section 106(d)(2)(B)" the following: "(as such provision existed immediately before the effective date of the Housing, Community Development, and Homelessness Prevention Act of 1987)".

(3) Section 106(d)(3)(A) of the Housing and Community Development Act of 1974 is amended by striking the first sentence.

(4) Section 106(d)(3) of the Housing and Community Development Act of 1974 is amended—

(A) by striking subparagraph (B);

(B) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and

(C) in subparagraph (C) (as so redesignated by this subsection)—

(i) by inserting "(1)" before "shall be added"; and

(ii) by inserting before the period at the end the following: "; or (ii) if the State does not receive a grant for such year, shall be rescinded".

(5) Section 106(d)(5) of Housing and Community Development Act of 1974 is amended by striking "or the Secretary".

Page 282, strike line 11 and all that follows through page 283, line 18, and insert the following:

(d) Transfer of Property to Qualified Community Organizations.—Section 810 of the Housing and Community Development Act of 1974 is amended—

(1) in subsection (a), by inserting "qualified community organization or" before "public agency designated";

(2) in subsection (b), by inserting "qualified community organization or" before "public agency designated";.

(3) in subsection (b)(1), by inserting before the semicolon the following: "or in accordance with subsection (1) to qualified community organizations";

(4) in subsection (b)(3)(D), by inserting "qualified community organization or" before "public agency designated";

(5) in subsection (b)(5), by inserting "qualified community organization or" before "public agency designated";

(6) by redesignating subsection, (1) (as so redesignated by subsection (c) of this section) as subsection (m); and

(7) by inserting after subsection (k) (as added by subsection (c) of this section) the following new subsection:

"(1) A unit of general local government or a State, or a public agency designated by a unit of general local government or a State, may transfer any real property that it receives under subsection (a) or purchases under subsection (i) to a qualified community organization. Qualified community organizations shall be limited to organizations that—

"(1) are incorporated and controlled by a board of directors whose members receive no compensation of any kind of the performance of their duties;

"(2) are organized exclusively for charitable, educational, scientific purposes, or the promotion of social welfare, and qualify as exempt organizations under paragraph (3) or (4) of section 501(c) of the Internal Revenue Code of 1986;

"(3) agree to assist the applicable State or unit of general local government with the selection of homesteaders, the selection, inspection, and rehabilitation of the properties, and to perform such other functions as may be agreed between the State or unit of general local government and the qualified nonprofit organization, including the acceptance of title to property from the relevant Federal agency and the direct conveyance of the property to the homesteaders subject to the terms and conditions specified in this section.".

Page 286, line 22, strike "The" and insert the following: "From budget authority made available in appropriation Acts for fiscal year 1988, the".

Page 288, line 5, strike "fiscal" and all that follows through line 6 and insert the following: "12-month period beginning on the date on which such amount is received.".

Page 289, after line 21, insert the following:

(5) The Borough of East Stroudsburg, in the State of Pennsylvania, with respect to the Courtland Plaza Urban Renewal Project (No. PA-R-352).

Page 291, after line 3, insert the following:

(d) Effective Date.—The provisions of this section shall become effective on the date of the enactment of this Act, or October 1, 1987, whichever occurs later.

Page 291, after line 12, insert the following (and redesignate the subsequent sections, and conform the table of contents, accordingly):

SEC. 430. COMMUNITY DEVELOPMENT PROJECTS LABOR STANDARDS.

Section 110 of the Housing and Community Development Act of 1974 is amended by striking "is designed for residential use of eight or more families" and inserting "contains not less than 8 units".

SEC. 431. URBAN PLANNING.

Section 702 of the Housing Act of 1954 is amended—

(1) by striking subsections (c) and (h); and

(2) by striking subsection (g) and inserting the following:

"(g) Effective upon the date of the enactment of the Housing, Community, Development, and Homelessness Prevention Act of 1987, and in accordance with such accounting and other procedures as the Secretary may prescribe, each advance made by the Secretary under this section that has any principal amount outstanding shall be forgiven. The terms and conditions of any contract, or any amendment to a contract, for such advance with respect to any promise to repay the advance shall be cancelled.".

Page 293, line 22, insert before "Section" the following: "(a) In General.—".

Page 296, after line 2, insert the following:

(b) Effective Date.—The amendment made by this section shall become effective on the date of the enactment of this Act, or October 1, 1987, whichever occurs later.

Page 306, after line 24, insert the following (and redesignate the subsequent subsections accordingly):

(c) Records on Conventional Mortgage Loans.—Section 304 of the Home Mortgage Disclosure Act of 1975 is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(2) by inserting after paragraph (1) the following new paragraph:

"(2) the number and dollar amount of other (conventional) mortgage loans secured by 1- to 4-family dwellings and whether such loans are insured or uninsured;".

Page 308, strike line 15 and all that follows through page 314, line 4, and insert the following:

SEC. 467. LEAD-BASED PAINT POISONING PREVENTION.

(a) Lead-Based Paint Poisoning Prevention Procedures.—Section 302 of the Lead-Based Paint Poisoning Prevention Act is amended—

(1) in the first sentence, by inserting after "Secretary" the following: ", except as provided in subsections (b) and (d)";

(2) in clause (1) of the second sentence, by inserting after "exposed" the following: ", including intact lead-based paint on the interior and exterior surfaces of such housing";

(3) by striking the third sentence;

(4) by inserting "(a)" after the section designation; and

(5) by adding at the end the following new subsections:

"(b)(1) The provisions of this subsection shall apply to any application for mortgage insurance on a 1- to 4-family dwelling to be insured under title II of the National Housing Act.

"(2)(A) The customary inspector shall inspect the dwelling for defective (cracking, scaling, chipping, peeling, or loose) paint surfaces. If the inspector determines that the dwelling contains a defective paint surface or surfaces, the commitment or other approval document shall contain the requirement that the surface or surfaces shall be treated in order to abate the possibility of ingestion.

"(B) Upon the expiration of the 3-year period (4-year period in the case of any rural area) beginning on the date of the enactment of the Housing, Community Development, an Homelessness Prevention Act of 1987, the customary inspector shall inspect the dwelling for intact lead-based paint. If the inspector determines that the dwelling contains lead-based paint, the results shall be disclosed to the purchaser prior to sale.

"(3) The mortgatgee shall be responsible for providing a brochure to a mortgagor purchasing housing constructed prior to 1978 at or before settlement. The brochure shall be developed by the National Institute of Building Sciences and the Department of Housing and Urban Development not later than 180 days after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, and shall outline the hazards represented by lead-based paint that may be present in housing constructed prior to 1978, and provide recommendations for appropriate abatement techniques for lead-based paint.

"(4) Any mortgagor who leases housing subject to paragraph (3) to another person shall be responsible for providing a brochure to the prospective tenant prior to the signing of any lease.

"(5) The Secretary may impose a fine or administrative sanctions on any person who fails to provide a brochure required under paragraph (3) or (4), as determined by the Secretary to be appropriate.

"(c) The Secretary shall make a periodic determination of whether housing constructed during or after 1950 but prior to 1978, except for housing constructed or rehabilitated between 1973 and 1978 that was approved by the Secretary prior to the start of construction or rehabilitation, presents hazards of lead-based paint. The Secretary shall apply the procedures established under this section to such housing constructed during or after 1950 but prior to 1978 if such housing presents immediate hazards of lead-based paint.

"(d) The provisions of this section shall not apply to housing that is covered by an application for mortgage insurance under section 202 of the Housing Act of 1959 and sections 232 and 242 of the National Housing Act or that is a 0 bedroom unit.

"(e) In the case of any multifamily dwelling unit that is subject to an application for mortgage insurance under title II of the National Housing Act, such as any mortgage insured under section 207, 221(d)(2), 221(d)(3), 221(d)(4), 223(f), or 236 and any other multifamily insured and direct assistance housing program under the National Housing Act, or in the case of any dwelling unit receiving any housing assistance payment under section 8 of the United States Housing Act of 1937, the cost of carrying out the abatement of lead-based paint after the unit becomes vacant shall be a permissible activity under the following programs if other funds are not available, with priority to the abatement of defective paint surfaces:

"(1) For any individual participating in the multifamily housing preservation loan program established in subtitle C of title II of the Housing, Community Development, and Homelessness Prevention Act of 1987, the Secretary shall have the authority to waive section 274(b)(2)(A) of such Act when a loan will be used to finance a project where it is necessary to abate lead-based paint from any unit within the project.

"(2) The Secretary may amend existing housing assistance contracts, certificates, and vouchers under section 8 of the United States Housing act of 1937 to allow for rent increases for units in projects where abatement of lead-based paint is required.

"The Secretary shall give priority consideration under section 241 of the National Housing Act for any loan that will be used for the abatement of lead-based paint.

"(4) The Secretary may authorize the use of flexible subsidy funds under section 201 of the Housing and Community Development Act of 1978 for the abatement of lead-based paint.

"(5) For purposes of the community development block grant program under title I of the Housing and Community Development Act of 1974, the abatement of lead-based paint in single- and multi-family housing covered in this subsection shall be considered an urgent need and eligible for funding.

"(6) The Secretary, in providing refinancing insurance under section 223(f) of the National Housing Act, shall allow rehabilitation costs to be increased to cover the cost of abatement of lead-based paint as required.

"(7) The Secretary may provide assistance under section 107 of the Housing and Community Development Act of 1974 for the abatement of lead-base paint.

"(f) The Secretary shall take such actions as may be necessary to ensure that each public housing agency owning or operating housing assisted under the United States Housing Act of 1937 complies with the procedures established by the Secretary under this section.".

(b) Regulations.—Not later than the expiration of the 90-day period following the date of enactment of this Act, the Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendments made by this section.

(c) Study.—Not later than 18 months after the date of the enactment of this Act, the National Institute of Building Sciences shall submit to the Secretary of Housing and Urban Development a report on the results of a study of the scope of the existing lead-based paint problem in 1- to 4-family dwellings insured under the National Housing Act and its recommendations for safe, cost-effective testing and treatment of intact lead-based paint. The Secretary may provide not more than $100,000 from the funds available for the Office of Policy Development and Research for purposes of such study.

The CHAIRMAN. The chair recognizes the gentleman from Texas [Mr. GONZALEZ] in support of his amendments.

Mr. GONZALEZ. I thank the Chair.

Mr. Chairman, the reason for these amendments offered en bloc is that last week the ranking member of the Banking Committee, the esteemed gentleman from Ohio [Mr. WYLIE], asked if we could work together to prepare a bipartisan substitute that we could offer together when H.R. 4 came to the floor. We both immediately directed our staffs to get together and see how that alternative could be worked out.

Substantial progress was being made until the Office of Management and Budget intervened and in effect halted the negotiations by making what we consider to be unrealistic demands which in effect revealed that their attitude was that they did not want a housing authorization bill this year.

Now, there is no higher esteem that I could have for anybody than that which I have for the gentleman from Ohio [Mr. WYLIE]. We have been working together for some time. He has my complete and thorough confidence and respect. The fact is that we worked together on the legislation that was recently passed by both the House and the Senate, the emergency assistance to the homeless, H.R. 558. So this amendment actually is the bipartisan substance of what was going to be the bipartisan effort. It includes requests of an individual nature from members on both sides of the aisle. It reflects the amendatory aggregate amount that is within the budget, as I have repeated before. It provides 30-year FmHA financing for manufactured homes and increases civil money penalties for violations of the FHA-insured title loan requirements.

This amendment was developed in good faith. It is the result of listening to the constructive and perfecting amendments offered through the course of several months and even years, and I certainly urge the support and the approval of these en bloc amendments.

Mr. WYLIE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, may I say that the majority has no objection to the amendments offered by the chairman of the subcommittee? Most of these provisions, as the subcommittee chairman has stated, were revisions which were worked out jointly with our respective staffs. In fact, the amendment package was to have been a part of our bipartisan bill and was an effort to reconcile differences between us. However, negotiations broke down over the funding, and there are some major structural changes on which we were not able to come to an agreement.

Mr. Chairman, I think the amendment is offered in the spirit of trying to work out something later on. With that attitude in mind, I would support the amendment offered by the chairman of the subcommittee.

The CHAIRMAN. The question is on the amendments offered en bloc by the gentleman from Texas [Mr. GONZALEZ].

The amendments were agreed to.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. WYLIE

Mr. WYLIE. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute offered by Mr. WYLIE: Strike all after the enacting clause and insert in lieu thereof the text of H.R. 2630 as follows:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Housing and Community Development Act of 1987".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title.
Sec. 2. Budget compliance.

TITLE I—HOUSING ASSISTANCE

Subtitle A—Programs Under United States Housing Act of 1937

PART 1—GENERAL PROVISIONS

Sec. 101. Lower income housing authorization.
Sec. 102. Tenant rental contributions.
Sec. 103. Income eligibility for assisted housing.

PART 2—PUBLIC HOUSING

Sec. 111. Public housing management simplification.
Sec. 112. Grants for public housing development.
Sec. 113. Limitation on public housing development and assurance of public housing quality standards.
Sec. 114. Payments for operation of lower income housing projects.
Sec. 115. Grants for comprehensive improvement assistance.
Sec. 116. Public housing demolition and disposition.
Sec. 117. Public housing comprehensive grants.
Sec. 118. Public housing resident management.
Sec. 119. Public housing homeownership and management opportunities.
Sec. 120. Public housing comprehensive transition demonstration.

PART 3—SECTION 8 ASSISTANCE AND OTHER PROGRAMS

Sec. 131. Section 8 fair market rentals.
Sec. 132. Housing voucher program.
Sec. 133. Administrative fees for section 8 certificate and housing voucher programs.
Sec. 134. Portability of section 8 certificates and vouchers.
Sec. 135. Prohibition of denial of section 8 certificates and vouchers to residents of public housing.
Sec. 136. Section 8 priority for economically depressed areas.
Sec. 137. Rental rehabilitation grant program.
Sec. 138. Termination of rental development grant program.

Subtitle B—Multifamily Housing Management and Preservation

Sec. 141. Prepayment of mortgages.
Sec. 142. Management and preservation of HUD-owned multifamily housing projects.
Sec. 143. Tenant participation in multifamily housing projects.
Sec. 144. Troubled multifamily housing projects.
Sec. 145. Acquisition of insured multifamily housing projects.

Subtitle C—Other Housing Assistance Programs

Sec. 151. Housing for the elderly and handicapped.
Sec. 152. Housing for the handicapped.
Sec. 153. Congregate services.
Sec. 154. Modification of restriction on use of assisted housing by aliens.
Sec. 155. Preventing fraud and abuse in Department of Housing and Urban Development programs.
Sec. 156. Termination of use of certain excess rental charges for assistance for troubled multifamily housing projects.
Sec. 157. Housing demonstration project.
Sec. 158. Tenant eligibility determinations in rent supplement projects.
Sec. 159. Housing assistance technical amendments.

TITLE II—RURAL HOUSING

Sec. 201. Program authorizations.
Sec. 202. Income levels for family eligibility.
Sec. 203. Definition of very low-income families.
Sec. 204. Rural housing escrow accounts.
Sec. 205. Requirement of local consultation for domestic farm labor housing.
Sec. 206. Rural area classification.
Sec. 207. Procedures for reduction of interest credits.
Sec. 208. Study of mortgage credit in rural areas.
Sec. 209. Manufactured housing.
Sec. 210. Loan packaging by nonprofit organizations.
Sec. 211. Conformance with low-income housing tax credit eligibility criteria.
Sec. 212. Rural housing guaranteed loan demonstration.
Sec. 213. Rural rental housing displacement prevention.
Sec. 214. Rural housing voucher program.
Sec. 215. Section 515 operating reserve and equity contribution requirements.
Sec. 216. Rural housing technical amendments.

TITLE III—MORTGAGE INSURANCE AND SECONDARY MORTGAGE MARKET PROGRAMS

Subtitle A—FHA Mortgage Insurance Programs

Sec. 301. Permanent insurance authority for FHA.

Sec. 302. Limitation on amount to be insured under National Housing Act.
Sec. 303. Limitation on Federal Housing Administration insurance premiums.
Sec. 304. Limitation of use of single family mortgage insurance by investors.
Sec. 305. Actions to reduce losses under single family mortgage insurance program.
Sec. 306. Requirement of State approval for mortgage insurance for hospitals.
Sec. 307. Mortgage insurance on Hawaiian home lands and Indian reservations.
Sec. 308. Increase in authority to insure adjustable rate single family mortgages.
Sec. 309. Penalties for equity skimming.
Sec. 310. Authority for Secretary to impose civil money penalties.
Sec. 311. Home equity conversion mortgage insurance demonstration.
Sec. 312. Repeal of requirement to publish prototype housing costs for 1- to 4-family dwelling units.
Sec. 313. Double damages remedy for unauthorized use of multifamily housing project assets and income.
Sec. 314. Prohibition of requirement of minimum principal loan amount.
Sec. 315. Increase in maximum mortgage amount under single family insurance program.
Sec. 316. Calculation of maximum mortgage amount under single family insurance program.
Sec. 317. Revision in definition of veteran.
Sec. 318. Insurance of graduated payment mortgages.
Sec. 319. Co-insurance program.
Sec. 320. Approval of individual residential water purification or treatment units.
Sec. 321. Expiration of certificates of reasonable value.
Sec. 322. Miscellaneous mortgage insurance provisions.
Sec. 323. Authority for increased mortgage limits for multifamily projects in high-cost areas.
Sec. 324. Operating loss loan insurance.
Sec. 325. Interest charges on temporary mortgage assistance payments and assignment or other assistance.
Sec. 326. Mortgage insurance technical amendments.

Subtitle B—Secondary Mortgage Market Programs.

Sec. 331. Limitations on certain secondary mortgage market fees.
Sec. 332. FNMA cumulative voting.
Sec. 333. Permanent authority to purchase second mortgages on single-family properties.
Sec. 334. Period for approval of actions of FNMA.
Sec. 335. Limitation on GNMA guarantees of mortgage-backed securities.

TITLE IV—COMMUNITY DEVELOPMENT AND MISCELLANEOUS PROGRAMS

Subtitle A—Community and Neighborhood Development and Preservation

Sec. 401. Community development authorizations.
Sec. 402. City and county classifications.
Sec. 403. Alleviation of lakefront flooding and erosion.
Sec. 404. Community development block grant public service activities.
Sec. 405. State certifications for receiving community development block grants for nonentitlement areas.
Sec. 406. Multiyear and multipurpose distributions for nonentitlement areas.
Sec. 407. Administrative expenses of States distributing funds to nonentitlement areas.
Sec. 408. Urban development action grant selection criteria.
Sec. 409. Prohibition on use of urban development action grants for business relocations.
Sec. 410. Urban homesteading.
Sec. 411. Neighborhood Reinvestment Corporation.
Sec. 412. Use of urban renewal land disposition proceeds.
Sec. 413. Termination of loan guarantee program.
Sec. 414. Statement of activities and review.
Sec. 415. State administration of CDBG program in nonentitlement areas.
Sec. 416. Urban planning.
Sec. 417. Community development technical amendments.

Subtitle B—Flood Insurance Program

Sec. 431. Extension of flood insurance program.
Sec. 432. Studies under national flood insurance program.
Sec. 433. Moratorium on certain flood insurance regulations relating to mobile homes.
Sec. 434. Schedule for payment of flood insurance for structures on land subject to imminent collapse or subsidence.
Sec. 435. Flood insurance technical amendments.

Subtitle C—Miscellaneous Programs

Sec. 441. Fair housing initiatives program.
Sec. 442. Regulatory authority.
Sec. 443. Collection of certain data.
Sec. 444. Research and development.
Sec. 445. Home mortgage disclosure.
Sec. 446. Counseling.
Sec. 447. Median area income.
Sec. 448. Manufactured housing construction and safety standards.
Sec. 449. Lead-based paint poisoning prevention.
Sec. 450. Deletion of maximum fee for interstate land sales registration.
Sec. 451. Miscellaneous programs technical amendments.

TITLE V—ENTERPRISE ZONE DEVELOPMENT

Sec. 501. Designation of enterprise zones.
Sec. 502. Evaluation and reporting requirements.
Sec. 503. Interaction with other Federal programs.
Sec. 504. Waiver or modification of housing and community development rules in enterprise zones.
Sec. 505. Coordination of housing and urban development programs in enterprise zones.
Sec. 506. Coordination with CDBG and UDAG programs.

SEC. 2. BUDGET COMPLIANCE.

(a) In General.—This Act and the amendments made by this Act may not be construed to provide for new budget authority, budget outlays, or new entitlement authority, for fiscal year 1988 in excess of the appropriate aggregate levels established by the concurrent resolution on the budget for such fiscal year for the programs authorized by this Act and the amendments made by this Act.

(b) Definitions.—For purposes of this section, the terms "budget authority", "budget outlays", "concurrent resolution on the budget", and "entitlement authority" have the meanings given such terms in section 3 of the Congressional Budget Act of 1974 (2 U.S.C. 622).

TITLE I—HOUSING ASSISTANCE

Subtitle A—Programs Under United States Housing Act of 1937

PART 1—GENERAL PROVISIONS

SEC. 101. LOWER INCOME HOUSING AUTHORIZATION.

(a) Aggregate Budget Authority.—Section 5(c)(6) of the United States Housing Act of 1937 is amended by adding at the end the following new sentence: "The aggregate amount of budget authority that may be obligated for contracts for annual contributions for assistance under section 8, for contracts referred to in paragraph (7)(A)(iv), and for grants for public housing and comprehensive improvement assistance, is increased (to the extent approved in appropriation Acts) by $6,662,902,000 on October 1, 1987, and October 1, 1988.".

(b) Utilization of Budget Authority.—Section 5(c)(7) of the United States Housing Act of 1937 is amended to read as follows:

"(7)(A) Using the additional budget authority provided under paragraph (6) and the balances of budget authority that become available during fiscal year 1988 and fiscal year 1989, the Secretary shall, to the extent approved in appropriations Acts, reserve authority to enter into obligations for each such fiscal year aggregating—

"(i) for public housing grants under subsection (a)(2) for Indian housing, $137,938,000;

"(ii) for comprehensive improvement assistance grants under section 14(k), $1,500,000,000;

"(iii) for public housing lease adjustments, $16,300,000;

"(iv) for assistance under section 8 in connection with projects developed under section 202 of the Housing Act of 1959, $1,681,000,000;

"(v) for assistance under section 8(b)(1), $412,500,000;

"(vi) for housing vouchers under section 8(o), $1,431,000,000; and

"(vii) for assistance under section 8 for property disposition, loan management, and contract amendments, $1,484,164,000.

"(B)(i) Any amount available for Indian housing under subsection (a) that is recaptured may be used only for such housing.

"(ii) Any amount available for the conversion of a project to assistance under section 8(b)(1), if not required for such purpose, shall be used for assistance under section 8(b)(1).

"(iii) Any amount available for assistance under section 8 for property disposition, if not required for such purpose, shall be used for assistance under section 8(b)(1).".

SEC. 102. TENANT RENTAL CONTRIBUTIONS.

Section 3 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(d) In any case in which the obtaining of employment by a resident of a dwelling unit assisted under this Act will result in an increase in the rent payable by the family of such resident under subsection (a), the public housing agency involved (or the Secretary, if no public housing agency is involved) shall provide for a gradual increase in such rent to the full amount during a period of not more than 6 months.".

SEC. 103. INCOME ELIGIBILITY FOR ASSISTED HOUSING.

Section 16 of the United States Housing Act of 1937 is amended by adding at the end the following:

"(c) In developing admission procedures implementing subsection (b) of this section, the Secretary may not totally prohibit admission of lower income families other than very low-income families, and shall establish, as appropriate, differing percentage limitations on admission of low-income families in separate assisted housing programs which, when aggregated, will achieve the overall percentage limitation contained in subsection (b) of this section. The Secretary shall promulgate regulations to carry out this subsection not later than 60 days after the date of enactment of this subsection.".

PART 2—PUBLIC HOUSING

SEC. 111. PUBLIC HOUSING MANAGEMENT SIMPLIFICATION.

Section 2 of the United States Housing Act of 1937 is amended—

(1) by inserting "(a)" after the section designation; and

(2) by adding at the end the following new subsection:

"(b)(1) To encourage efficient and effective administration of public housing by public housing agencies, to increase the amount of responsibility of these agencies for administering their public housing, and to minimize Federal involvement in the administration of public housing, the Secretary shall establish a system under which public housing agencies (following consultation with tenants and tenants organizations) are permitted to certify compliance with—

"(A) voluntary professional performance standards established by the public housing profession for certifying public housing agencies as efficient and well managed; and

"(B) other requirements established by the Secretary for purposes of substantially simplifying the procedure for receiving assistance under section 9 or 14 of the United States Housing Act of 1937.

"(2) The provisions of paragraph (1) shall not apply if—

"(A) the Secretary determines that there is a reasonable basis to conclude that prior review and approval of one or more specific activities is necessary to ensure efficient and effective conduct of the activity throughout the program;

"(B) the Secretary determines that there is a reasonable basis to conclude that prior review and approval is necessary with respect to a particular public housing agency due to such factors as its inexperience or poor performance in carrying out the same or related activities; or

"(C) prior review or approval by the Secretary is required by law.".

SEC. 112. GRANTS FOR PUBLIC HOUSING DEVELOPMENT.

(a) Authority To Provide Grants.—Section 5(a) of the United States Housing Act of 1937 is amended to read as follows:

"(a)(1) The Secretary may make annual contributions to public housing agencies to assist in achieving and maintaining the lower income character of their projects. The Secretary shall embody the provisions for such annual contributions in a contract guaranteeing their payment. The contribution payable annually under this section shall in no case exceed a sum equal to the annual amount of principal and interest payable on obligations issued by the public housing agency to finance the development or acquisition cost of the lower income project involved. Annual contributions payable under this section shall be pledged, if the Secretary so requires, as security for obligations issued by a public housing agency to assist the development or acquisition of the project to which annual contributions relate and shall be paid over a period not to exceed 40 years.

"(2) The Secretary may make contributions (in the form of grants) to public housing agencies to cover the development cost of public housing projects. The contract under which such contributions shall be made shall specify the amount of capital contributions required for each project to which the contract pertains, and that the terms and conditions of such contract shall remain in effect for a 40-year period.

"(3) The amount of contributions that would be established for a newly constructed project by a public housing agency designed to accommodate a number of families of a given size and kind may be established under this section for a project by such public housing agency that would provide housing for the comparable number, sizes, and kinds of families through the acquisition and rehabilitation, or use under lease, of structures that are suitable for lower income housing use and obtained in the local market.".

(b) Conforming Amendments.—

(1) Section 5 of the United States Housing Act of 1937 is amended—

(A) by striking "ANNUAL" in the section heading; and

(B) by striking "annual" in subsection (e)(2).

(2) Section 6 of the United States Housing Act of 1937 is amended by striking "annual" the first place it appears in the first sentence of subsection (g), and each place it appears in subsection (d) and the first sentence of each of subsections (a) and (c).

(3) Section 7 of the United States Housing Act of 1937 is amended by striking "annual" in the proviso in the first sentence.

(4) Section 9(a)(2) of the United States Housing Act of 1937 is amended—

(A) by striking "being assisted by an annual contributions contract authorized by section 5(c)" and inserting the following: "one developed pursuant to a contributions contract authorized by section 5"; and

(B) by striking "any such annual" and inserting "any such".

(5) Section 12 of the United States Housing Act of 1937 is amended by striking "annual".

(6) Section 14 of the United States Housing Act of 1937 is amended—

(A) by striking "receive assistance under section 5(c)" in subsection (c)(2) and inserting "assisted under section 5"; and

(B) by striking "annual" in each of paragraphs (2) and (4)(C) of subsection (d).

(7) Section 15 of the United States Housing Act of 1937 is amended by striking "with loans or debt service annual contributions" in clause (2).

(8) Section 16(b) of the United States Housing Act of 1937 is amended by striking "annual".

(9) Section 18(c) of the United States Housing Act of 1937 is amended by striking "annual contributions authorized under section 5(c)" and inserting "contributions authorized under section 5".

SEC. 113. LIMITATION ON PUBLIC HOUSING DEVELOPMENT AND ASSURANCE OF PUBLIC HOUSING QUALITY STANDARDS.

Section 5 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(j) After September 30, 1987, in providing assistance under this Act to a public housing agency for public housing (other than for Indian families), the Secretary shall reserve funds for the development of public housing only if—

"(1) the Secretary determines that additional amounts are required to complete the development of dwelling units for which amounts are obligated on or before such date;

"(2) the public housing agency certifies to the Secretary that 85 percent of the public housing dwelling units of the public housing agency—

"(A) are maintained in substantial compliance with the housing quality standards established by the Secretary under section 8(o)(6); or

"(B) will be so maintained upon completion of modernization for which funding has been awarded; or

"(3) the public housing agency certifies that such development—

"(A) will replace dwelling units that are disposed of or demolished by the public housing agency, including dwelling units disposed of or lost through sale to tenants or through units redesign; or

"(B) is required to comply with court orders or directions of the Secretary.".

SEC. 114. PAYMENTS FOR OPERATION OF LOWER INCOME HOUSING PROJECTS.

(a) Performance Funding System.—Section 9(a) of the United States Housing Act of 1937 is amended—

(1) by striking the last sentence of paragraph (1); and

(2) by adding at the end the following new paragraph:

"(3)(A) For purposes of making payments under this section, the Secretary shall utilize a performance funding system that establishes standards for costs of operation and reasonable projections of income, taking into account the character and location of the project and the characteristics of the families served, in accordance with a formula representing the operations of a prototype well-managed project. Such performance funding system shall be established in consultation with public housing agencies and their associations, be contained in a regulation promulgated by the Secretary prior to the start of any fiscal year to which it applies, and remain in effect for the duration of such fiscal year without change.

"(B) Under the performance funding system established under this paragraph—

"(i) in the first year that the reductions occur, any public housing agency shall share equally with the Secretary any cost reductions due to the differences between projected and actual utility rates attributable to actions taken by the agency which lead to such reductions;

"(ii) the estimate of the rental income for the next fiscal year of a public housing agency shall be based on the actual rent for the 4th, 5th, or 6th month prior to the beginning of the new fiscal year of the public housing agency; and

"(iii) any revenues resulting from rental income or other income (including investment income) in excess of estimated revenues from such items may not be recaptured, used, or computed to reduce assistance provided under this section, unless such estimate—

"(I) was unreasonable according to regulations in effect when the estimate was made; or

"(II) was fraudulent and deceptive.".

(b) Authorization of Appropriations.—Section 9(c) of the United States Housing Act of 1937 is amended by adding at the end the following new sentence: "There are authorized to be appropriated, for the purpose of providing annual contributions under this section, $1,500,000,000 for each of the fiscal years 1988 and 1989.".

(c) Time of Payment.—Section 9 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(e) In the case of any public housing agency that submits its budget for any fiscal year of such agency to the Secretary in a timely manner and in accordance with the regulations issued by the Secretary under this section, assistance to be provided to such agency under this section for such fiscal year shall commence not later than the 1st month of such fiscal year and shall be paid in accordance with a payment schedule agreed upon by the Secretary and such agency.".

(d) Use of Operating Subsidies To Remedy PHA Noncompliance With Audit Responsibilities.—Section 9(a)(1) of the United States Housing Act of 1937 is amended by adding at the end the following new sentences: "If the Secretary determines that a public housing agency has failed to take the actions required to submit an acceptable audit on a timely basis in accordance with chapter 75 of title 31, United States Code, the Secretary may arrange for, and pay the costs of, the audit. In such circumstances, the Secretary may withhold, from assistance otherwise payable to the agency under this section, amounts sufficient to pay for the reasonable costs of conducting an acceptable audit, including, when appropriate, the reasonable costs of accounting services necessary to place the agency's books and records in auditable condition.".

SEC. 115. GRANTS FOR COMPREHENSIVE IMPROVEMENT ASSISTANCE.

(a) Authority To Provide Grants.—Section 14 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(k) The Secretary may make contributions (in the form of grants) to public housing agencies under this section. The contract under which such contributions shall be made shall specify the amount of contributions required for each project to which the contract pertains, and that the terms and conditions of such contract shall remain in effect for a 20-year period.".

(b) Conforming Amendments.—

(1) Section 14(e) of the United States Housing Act of 1937 is amended by striking "annual".

(2) Section 14 of the United States Housing Act of 1937 is amended by inserting "or (k)" after "subsection (b)" each place it appears in subsections (c), (d), (e), (g), (h), and (i).

SEC. 116. PUBLIC HOUSING DEMOLITION AND DISPOSITION.

Section 18 of the United States Housing Act of 1937 is amended—

(1) in subsection (a)(1), by striking "or" after "purposes," and inserting "and"; and

(2) in subsection (b)—

(A) by striking "and" at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting "; and"; and

(C) by adding at the end the following new paragraph:

"(3) the public housing agency has developed a plan for the provision of an additional decent, safe, sanitary, and affordable dwelling unit for each public housing dwelling unit to be demolished or disposed under such application, which plan—

"(A) provides for the provision of such additional dwelling units through the acquisition of additional public housing dwelling units, the development of additional public housing dwelling units, the use of assistance under section 8 (excluding vouchers under section 8(o)), the acquisition or development of dwelling units assisted under a State or local government program that provides for project-based assistance comparable in terms of eligibility, contribution to rent, and length of assistance contract (not less than 15 years) to that available under section 8(b)(1), or any combination of such methods; before approving any plan which calls for the use of assistance under section 8, the Secretary shall find that the supply of private rental housing actually available to those who would receive such assistance under the plan is sufficient for the total number of certificates and vouchers available in the community after implementation of the plan and that such supply is likely to remain available for the full 15-year term of the assistance; the Secretary shall base the required finding on objective information which shall include rates of participation by landlords in the section 8 program, size, conditions and rent levels of available rental housing as compared to section 8 standards, the supply of vacant existing housing with rents at or below the fair market rent or payment standard or the likelihood of adjusting the fair market rent or payment standard, and the extent of discrimination against the types of individuals or families to be served by the assistance;

"(B) is approved by the unit of general local government in which the project is located;

"(C) includes a reasonable plan for funding, which plan shall include the Secretary's agreement to commit the Federal funds necessary to carry out the plan;

"(D) includes a method of ensuring that the same number of individuals will be provided housing; and

"(E) provides for the payment of the relocation expenses of each tenant to be displaced and ensures that the rent paid by the tenant following relocation will not exceed the amount permitted under this Act.".

SEC. 117. PUBLIC HOUSING COMPREHENSIVE GRANTS.

(a) In General.—The United States Housing Act of 1937 is amended by adding at the end the following new section:

"COMPREHENSIVE GRANT PROGRAM

"Sec. 20. (a) Purpose.—It is the purpose of this section—

"(1) to provide assistance on a reliable basis to public housing agencies to enable them to operate, upgrade, modernize, and rehabilitate public housing projects financed under the United States Housing Act of 1937 to ensure their continued availability for the benefit of lower income families as decent, safe, and sanitary rental housing at affordable rents;

"(2) to increase the reliability of Federal assistance for capital improvements in public housing projects;

"(3) to significantly simplify the program of Federal assistance for capital improvements in public housing projects;

"(4) to provide increased opportunities and incentives for more efficient management of public housing projects; and

"(5) to afford public housing agencies greater control in planning for the maintenance and improvement of public housing projects to benefit lower income families.".

"(b) Authority to Provide Financial Assistance.—

"(1) In general.—The Secretary may make available, and (to the extent of amounts provided in appropriation Acts) contract to make available, financial assistance to public housing agencies in accordance with the provisions of this section with respect to public housing (as defined in section 3(b)(1)) owned or operated by such agencies.

"(2) Grants.—The Secretary may make contributions (in the form of grants) to public housing agencies under this section. The contract under which such contributions shall be made shall specify the amount of contributions required for each project to which the contract pertains, and that the terms and conditions of such contract shall remain in effect for a 20-year period.

"(c) Comprehensive Plan.—No financial assistance may be made available to a public housing agency under this section unless the Secretary approves a 5-year comprehensive plan submitted by the public housing agency on a date determined by the Secretary, except that the Secretary may provide such assistance if it is necessary to correct conditions that constitute an immediate threat to the health or safety of tenants. The comprehensive plan shall contain—

"(1) a comprehensive assessment of—

"(A) the current physical condition of each public housing project owned or operated by the public housing agency;

"(B) the physical improvements necessary for each such project to permit the project—

"(i) to be rehabilitated to a level at least equal to the minimum property standards established by the Secretary and in effect at the time of the preparation of the comprehensive plan; and

"(ii) to comply with life-cycle cost-effective energy conservation performance standards established by the Secretary to ensure the lowest total rehabilitation and operating costs over the estimated life of the building; and

"(C) the replacement needs of equipment systems and structural elements that will be required to be met (assuming routine and timely maintenance is performed) during the 5-year period covered by the comprehensive plan;

"(2) a comprehensive assessment of the improvements needed to upgrade the management and operation of the public housing agency and of each such project so that decent, safe, and sanitary living conditions will be provided such projects, which assessment shall include at least an identification of needs related to—

"(A) the management, financial, and accounting control systems of the public housing agency that are related to such projects;

"(B) the adequacy and qualifications of personnel employed by the public housing agency (in the management and operation of such projects) for each category of employment; and

"(C) the adequacy and efficacy of—

"(i) tenant programs and services in such projects;

"(ii) the security of each such project and its tenants;

"(iii) policies and procedures of the public housing agency for the selection and eviction of tenants in such projects; and

"(iv) other policies and procedures of the public housing agency relating to such projects, as specified by the Secretary;

"(3) an analysis, made on a project-by-project basis in accordance with standards and criteria prescribed by the Secretary, demonstrating that completion of the improvements and replacements identified under paragraphs (1) and (2) will reasonably ensure the long-term physical and social viability of each such project at a reasonable cost;

"(4) an action plan for making the improvements and replacements identified under paragraphs (1) and (2) that are determined under the analysis described in paragraph (3) to reasonably ensure long-term viability of each such project at a reasonable cost, which action plan shall include at least a schedule, in order of priority, of the actions that are to be completed over a period of not more than 5 years from the date of approval of the comprehensive plan by the Secretary and that are necessary—

"(A) to make the improvements and replacements identified under paragraph (1) for each project expected to receive capital improvements or replacements (with priority to improvements and replacements required to correct any life threatening condition); and

"(B) to upgrade the management and operation of the public housing agency and its public housing projects as described in paragraph (2);

"(5) a statement, to be signed by the chief local government official (or Indian tribal official, if appropriate), certifying that—

"(A) the comprehensive plan was developed by the public housing agency in consultation with appropriate local government officials (or Indian tribal officials) and with tenants of the housing projects (or tenants of the Indian housing projects) eligible for assistance under this section, which shall include not less than 2 public hearings (i) at least one of which shall be held prior to the initial adoption of any plan by the public housing agency for use of such assistance, and afford tenants and interested parties an opportunity to summarize their priorities and concerns, to ensure their due consideration in the planning process of the public housing agency; and (ii) at least one of which shall be held prior to final submission of the plan to the Department of Housing and Urban Development for its approval, to provide tenants and other interested parties an opportunity to comment on the plan of action proposed by the public housing agency in its submission; and

"(B) the comprehensive plan is consistent with the assessment of the community of its lower income housing needs and that the unit of general local government (or Indian tribe) will cooperate in the provision of tenant programs and services (as defined in section 3(c)(2));

"(6) a statement, to be signed by the chief public housing official, certifying that the public housing agency will carry out the comprehensive plan in conformity with title VI of the Civil Rights Act of 1964, title VIII of the Act of April 11, 1968 (commonly known as the Civil Rights Act of 1968), and section 504 of the Rehabilitation Act of 1973;

"(7) a preliminary estimate of the total cost of the items identified in paragraphs (1) and (2), including a preliminary estimate of the costs that will be incurred during each year covered by the comprehensive plan; and

"(8) such other information as the Secretary may require.

"(d) Review of Comprehensive Plans.—

"(1) Standard for approval.—The Secretary shall approve a comprehensive plan unless—

"(A) the comprehensive plan is incomplete;

"(B) on the basis of available significant facts and data pertaining to the physical and operational condition of the public housing projects of the public housing agency or the management and operations of the public housing agency, the Secretary determines that the identification by the public housing agency of needs is plainly inconsistent with such facts and data;

"(C) on the basis of the comprehensive plan, the Secretary determines that the action plan described in subsection (c)(4) is plainly inappropriate to meeting the needs identified in the comprehensive plan, or that the public housing agency has failed to demonstrate that completion of improvements and replacements identified under paragraphs (1) and (2) of subsection (c) will reasonably ensure long-term viability of one or more public housing projects to which they relate at a reasonable cost; or

"(D) there is evidence available to the Secretary that tends to challenge in a substantial manner any certification contained in the comprehensive plan.

"(2) Schedule for approval.—The comprehensive plan shall be considered to be approved, unless the Secretary notifies the public housing agency in writing within 75 calendar days of submission that the Secretary has disapproved the comprehensive plan as submitted, indicating the reasons for disapproval and modifications required to make the comprehensive plan approvable.

"(e) Annual Statement.—

"(1) Submission.—Each public housing agency receiving assistance under this section shall submit to the Secretary, at a date determined by the Secretary, an annual statement of the activities and expenditures projected to be funded, in whole or in part, by such assistance during the immediately following fiscal year of the public housing agency. The annual statement shall include a certification by the public housing agency that the proposed activities and expenditures are consistent with the approved comprehensive plan of the public housing agency. The annual statement also shall include a certification that the public housing agency has provided the tenants of the public housing and other interested parties the opportunity to review the annual statement and comment on it, and that such comments have been taken into account in formulating the annual statement as submitted to the Secretary.

"(2) Proposed amendments to comprehensive plan.—A public housing agency may propose an amendment to its comprehensive plan under subsection (c) in any annual statement. Any such proposed amendment shall be reviewed in accordance with subsection (d), and shall include a certification that (A) the proposed amendment has been made publicly available for comment prior to its submission; (B) tenants and other interested parties have been given sufficient time to review and comment on it; and (C) such comments have been taken into consideration in the preparation and submission of the amendment.

"(3) Approval.—The Secretary shall approve the annual statement unless the Secretary determines that it is inconsistent with the comprehensive plan. The annual statement shall be considered to be approved, unless the Secretary notifies the public housing agency in writing before the expiration of the 75-day period following submission of the annual statement that the Secretary has disapproved the annual statement as submitted, indicating the reasons for disapproval and the modifications required to make the annual statement approvable. The annual statement shall be approved before the public housing agency receives any assistance under this section for the fiscal year to which the annual statement relates.

"(f) Annual Performance Reports; Reviews and Audits.—

"(1) Performance and evaluation reports.—Each public housing agency receiving assistance under this section shall submit to the Secretary, on a date determined by the Secretary, a performance and evaluation report concerning the use of funds made available under this section. The report of the public housing agency shall include an assessment by the public housing agency of the relationship of such use of funds made available under this section, as well as the use of other funds, to the needs identified in the comprehensive plan of the public housing agency and to the purposes of this section. The public housing agency shall certify that the report has been made available for review and comment by tenants and other interested parties prior to its submission to the Secretary.

"(2) Reviews by secretary.—The Secretary shall, at least on an annual basis, make such reviews as may be necessary or appropriate to determine whether each public housing agency receiving assistance under this section—

"(A) has carried out its activities under this section in a timely manner and in accordance with its comprehensive plan;

"(B) has a continuing capacity to carry out its comprehensive plan in a timely manner;

"(C) has satisfied, or has made reasonable progress towards satisfying, such performance standards as shall be prescribed by the Secretary, and has made reasonable progress in carrying out modernization projects approved under this section.

"(3) Audits of financial transactions.—Recipients of assistance under this section shall have an audit made in accordance with chapter 75 of title 31, United States Code. The Secretary, the Inspector General of the Department of Housing and Urban Development, and the Comptroller General of the United States shall have access to all books, documents, papers, or other records that are pertinent to the activities carried out under this section in order to make audit examinations, excerpts, and transcripts.

"(4) Corrective action.—The comprehensive plan, any amendments to the comprehensive plan, and the annual statement shall, once approved by the Secretary, be binding upon the Secretary and the public housing agency. The Secretary may order corrective action only if the public housing agency does not comply with paragraph (1) or (2) or if an audit under paragraph (3) reveals findings that the Secretary reasonably believes require such corrective action. The Secretary may withhold funds under this section only if the public housing agency fails to take such corrective action after notice and a reasonable opportunity to do so. In administering this section, the Secretary shall, to the greatest extent possible, respect the professional judgment of the administrators of the public housing agency.

"(g) Eligible Costs.—A public housing agency may use financial assistance received under subsection (b) only—

"(1) to undertake activities described in its approved comprehensive plan under subsection (c) or its annual statement under subsection (e);

"(2) to correct conditions that constitute an immediate threat to the health or safety of tenants, whether or not the need for such correction is indicated in its comprehensive plan or annual statement;

"(3) to prepare a comprehensive plan under subsection (c), including reasonable costs that may be necessary to assist tenants in participating in the planning process in a meaningful way, an annual statement under subsection (e), an annual performance and evaluation report under subsection (f)(1), and an audit under subsection (f)(3); and

"(4) to operate public housing projects consistent with the requirements that apply to amounts provided under section 9, except that not more than 20 percent of the funds secured under this section may be used for such purposes.

"(h) Allocation of Assistance.—

"(1) In general.—No assistance may be allocated under this section until the Secretary submits the report required in paragraph (2) and the Congress, following such submission, establishes by law criteria for a formula or other allocation method to be used by the Secretary under this section in determining—

"(A) for each public housing agency, the amounts that are necessary to address current needs for capital improvements;

"(B) for each public housing agency, the amounts that are necessary to address the future needs for capital improvements through a replacement reserve; and

"(C) the relative needs of public housing agencies of different sizes for the amounts described in subparagraphs (A) and (B).

"(2) Report on alternative allocation systems.—Not later than 6 months after the date of the enactment of the Housing and Community Development Act of 1987, the Secretary shall submit to the Congress a report—

"(A) assessing the condition of public housing and the need for financial assistance for capital improvements and for establishment of replacement reserves for future capital improvements and maintenance;

"(B) setting forth proposals for alternative systems of allocating financial assistance under this section according to criteria for a formula or other allocation method to be used by the Secretary under this section in determining—

"(i) for each public housing agency, the amounts that are necessary to address current needs for capital improvements;

"(ii) for each public housing agency, the amounts that are necessary to address the future needs for capital improvements through a replacement reserve; and

"(iii) the relative needs of public housing agencies of different sizes for the amounts described in clauses (i) and (ii); and

"(C) estimating, for not less than the 200 largest public housing agencies, the amount that will be received annually under each such alternative allocation system.

"(i) Annual Report.—The Secretary shall include in the annual report under section 8 of the Department of Housing and Urban Development Act a description of the allocation, distribution, and use of assistance under this section on a regional basis and on the basis of public housing agency size.

"(j) Regulations.—The Secretary may issue such regulations as are necessary to carry out the provisions of this section.".

(b) Use of Operating Assistance.—Section 9(a)(1) of the United States Housing Act of 1937 is amended by inserting after the first sentence the following new sentence: "A public housing agency may also use any available amounts provided under this section in accordance with the purpose and requirements of section 20.".

SEC. 118. PUBLIC HOUSING RESIDENT MANAGEMENT.

The United States Housing Act of 1937 (as amended by section 117 of this Act) is further amended by adding at the end the following new section:

"PUBLIC HOUSING RESIDENT MANAGEMENT

"Sec. 21. (a) Purpose.—The purpose of this section is to encourage increased resident management of public housing projects, as a means of improving existing living conditions in public housing projects, by providing increased flexibility for public housing projects that are managed by residents by—

"(1) permitting the retention, and use for certain purposes, of any revenues exceeding operating and project costs; and

"(2) providing funding, from amounts otherwise available, for technical assistance to promote formation and development of resident management entities.

For the purpose of this section, the term 'public housing project' includes one or more contiguous buildings or an area of contiguous row houses the elected resident councils of which approve the establishment of a resident management corporation and otherwise meet the requirements of this section.

"(b) Program Requirements.—

"(1) Resident council.—As a condition of entering into a resident management program, the elected resident council of a public housing project shall approve the establishment of a resident management corporation. When such approval is made by the elected resident council of a building or row house area, the resident management program shall not interfere with the rights of other families residing in the project or harm the efficient operation of the project. The resident management corporation and the resident council may be the same organization, if the organization complies with the requirements applicable to both the corporation and council. If there is no elected resident council, a majority of the households of the public housing project shall approve the establishment of a resident council to determine the feasibility of establishing a resident management corporation to manage the project.

"(2) Public housing management specialist.—The resident council of a public housing project, in cooperation with the public housing agency, shall select a qualified public housing management specialist to assist in determining the feasibility of, and to help establish, a resident management corporation and to provide training and other duties agreed to in the daily operations of the project.

"(3) Bonding and insurance.—Before assuming any management responsibility for a public housing project, the resident management corporation shall provide fidelity bonding and insurance, or equivalent protection, in accordance with regulations and requirements of the Secretary and the public housing agency. Such bonding and insurance, or its equivalent, shall be adequate to protect the Secretary and the public housing agency against loss, theft, embezzlement, or fraudulent acts on the part of the resident management corporation or its employees.

"(4) Management responsibilities.—A resident management corporation that qualifies under this section, and that supplies insurance and bonding or equivalent protection sufficient to the Secretary and the public housing agency, shall enter into a contract with the public housing agency establishing the respective management rights and responsibilities of the corporation and the public housing agency. Such contract may include specific terms governing management personnel and compensation, access to public housing projects records, submission of and adherence to budgets, rent collection procedures, tenant income verification, tenant eligibility determinations, tenant eviction, the acquisition of supplies and materials, and such other matters as may be appropriate.

"(5) Annual audit.—The books and records of a resident management corporation operating a public housing project shall be audited annually by a certified public accountant. A written report of each audit shall be forwarded to the public housing agency and the Secretary.

"(c) Comprehensive Improvement Assistance.—Public housing projects managed by resident management corporations may be provided with comprehensive improvement assistance under section 14 for purposes of renovating such projects in accordance with such section. If such renovation activities (including the planning and architectural design of the rehabilitation) are administered by a resident management corporation, the public housing agency involved may not retain, for any administrative or other reason, any portion of the assistance provided pursuant to this subsection unless otherwise provided by contract.

"(d) Operating Subsidy and Project Income.—

"(1) Calculation of operating subsidy.—Notwithstanding any provision of section 9 or any regulation under such section, and subject to the exception provided in paragraph (3), the portion of the operating subsidy received by a public housing agency under section 9 that is allocated to a public housing project managed by a resident management corporation shall not be less than the public housing agency per unit monthly amount provided in the previous year as determined on an individual project basis.

"(2) Contract requirements.—Any contract for management of a public housing project entered into by a public housing agency and a resident management corporation shall specify the amount of income expected to be derived from the project itself (from sources such as rents and charges) and the amount of income funds to be provided to the project from the other sources of income of the public housing agency (such as operating subsidy under section 9, interest income, administrative fees, and rents).

"(3) Calculation of total income.—

"(A) Subject to subparagraph (B), the amount of funds provided by a public housing agency to a public housing project managed by a resident management corporation may not be reduced during the 3-year period beginning on the date of enactment of the

Housing and Community Development Act of 1987 or on any later date on which a resident management corporation is first established for the project.

"(B) If the total income of a public housing agency (including the operating subsidy provided to the public housing agency under section 9) is reduced or increased, the income provided by the public housing agency to a public housing project managed by a resident management corporation shall be reduced or increased in proportion to the reduction or increase in the total income of the public housing agency, except that any reduction in operating subsidy that occurs as a result of fraud, waste, or mismanagement by the public housing agency shall not affect the funds provided to the resident management corporation.

"(4) RETENTION OF EXCESS REVENUES.—

"(A) Any income generated by a resident management corporation of a public housing project that exceeds the income estimated for purposes of this subsection shall be excluded in subsequent years in calculating (i) the operating subsidies provided to the public housing agency under section 9; and (ii) the funds provided by the public housing agency to the resident management corporation.

"(B) Any revenues retained by a resident management corporation under subparagraph (A) shall be used for purposes of improving the maintenance and operation of the public housing project, for establishing business enterprises that employ residents of public housing, or for acquiring additional dwelling units for lower income families.

"(e) RESIDENT MANAGEMENT TECHNICAL ASSISTANCE AND TRAINING.—

"(1) FINANCIAL ASSISTANCE.—To the extent budget authority is available for section 14, the Secretary shall provide financial assistance to resident management corporations or resident councils that obtain, by contract or otherwise, technical assistance for the development of resident management entities, including the formation of such entities, the development of the management capability of newly formed or existing entities, the identification of the social support needs of residents of public housing projects, and the securing of such support.

"(2) LIMITATION ON ASSISTANCE.—The financial assistance provided under this subsection with respect to any public housing project may not exceed $100,000.

"(3) FUNDING.—Of the amounts available for financial assistance under section 14 for each of the fiscal years 1988 and 1989, the Secretary may use not more than $2,500,000 to carry out this subsection.

"(f) ASSESSMENT AND REPORT BY THE SECRETARY.—Not later than 3 years after the date of enactment of this section, the Secretary shall conduct an evaluation and assessment of resident management, and particularly of the effect of resident management on living conditions in public housing, and shall transmit a report thereon, including such recommendations as the Secretary deems appropriate, to the Congress.".

SEC. 119. PUBLIC HOUSING HOMEOWNERSHIP AND MANAGEMENT OPPORTUNITIES.

The United States Housing Act of 1937 (as amended by section 118 of this Act) is further amended by adding at the end the following new section:

"PUBLIC HOUSING HOMEOWNERSHIP AND MANAGEMENT OPPORTUNITIES

"SEC. 22. (a) HOMEOWNERSHIP OPPORTUNITIES IN GENERAL.—Lower income families residing, or eligible to reside, in public housing shall be provided with the opportunity to purchase the dwelling units in any public housing project through a qualifying resident management corporation, subject to the provisions of the annual contributions contract, as follows:

"(1) FORMATION OF RESIDENT MANAGEMENT CORPORATION.—As a condition for public housing homeownership—

"(A) the adult residents of a public housing project shall have formed a resident management corporation in accordance with regulations and requirements of the Secretary prescribed under this section and section 21;

"(B) the resident management corporation shall have entered into a contract with the public housing agency establishing the respective management rights and responsibilities of the resident management corporation and the public housing agency; and

"(C) the resident management corporation shall have demonstrated its ability to manage public housing effectively and efficiently for a period of not less than 3 years.

"(2) HOMEOWNERSHIP ASSISTANCE.—

"(A) The Secretary may provide comprehensive improvement assistance under section 14 or 20 to a public housing project in which homeownership activities under this section are conducted.

"(B) The Secretary, and the public housing agency owning and operating a public housing project, shall provide such training, technical assistance, and educational assistance as the Secretary determines to be necessary to prepare the families residing in the project, and any resident management corporation established under paragraph (1), for homeownership.

"(3) CONDITIONS OF PURCHASE BY A RESIDENT MANAGEMENT CORPORATION.—

"(A) A resident management corporation may purchase from a public housing agency one or more buildings in a public housing project following a determination by the Secretary that—

"(i) the resident management corporation has met the conditions of paragraph (1);

"(ii) the resident management corporation has applied for and is prepared to undertake the ownership, management, and maintenance of the building or buildings with continued assistance from the Secretary;

"(iii) the public housing agency has held one or more public hearings to obtain the views of citizens regarding the proposed purchase and, in consultation with the Secretary, has certified that the purchase will not interfere with the rights of other families residing in public housing, will not harm the efficient operation of other public housing, and is in the interest of the community;

"(iv) the building or buildings meet the minimum safety and livability standards applicable under section 14 or 20, and the physical condition, management, and operation of the building or buildings are sufficient to permit and encourage affordable homeownership by the families residing in the project.

"(B) The price of a building purchased under the preceding sentence shall be approved by the Secretary, in consultation with the public housing agency and resident management corporation, taking into account the fair market value of the property, the ability of resident families to afford and maintain the property, and such other factors as the Secretary determines to be consistent with increasing the supply of dwelling units affordable to very low income families.

"(4) CONDITIONS OF RESALE.—

"(A) A resident management corporation may sell a dwelling unit or ownership rights in a dwelling unit only to a lower income family residing or eligible to reside in public housing and if the purchase will not interfere with the rights of other families residing in the housing project or harm the efficient operation of the project, and the family will be able to purchase and maintain the property.

"(B) A purchase under the previous sentence may be made under any of the following arrangements:

"(i) Limited dividend cooperative ownership.

"(ii) Condominium ownership.

"(iii) Fee simple ownership.

"(iv) Shared appreciation with a public housing agency providing financing under paragraph (6).

"(v) Any other arrangement determined by the Secretary to be appropriate.

"(C) Property purchased under this section shall be resold only to the resident management corporation or to a lower income family residing in or eligible to reside in lower income housing or to the public housing authority.

"(D) If any purchaser of property under this section, including the resident management corporation, sells the property before the expiration of the 5-year period following the date of the purchase, the purchaser shall pay to the public housing agency the following percentage of any excess of the sale price over the purchase price:

"(i) 100 percent, if the sale occurs during the 1st 1-year period following such date.

"(ii) 100 percent, if the sale occurs during the 2d 1-year period following such date.

"(iii) 75 percent, if the sale occurs during the 3d 1-year period following such date.

"(iv) 50 percent, if the sale occurs during the 4th 1-year period following such date.

"(v) 25 percent, if the sale occurs during the 5th 1-year period following such date.

"(E) Upon sale, the resident management corporation or the public housing agency, whichever is appropriate, shall ensure that subsequent owners are bound by the same limitations on resale and further restrictions on equity appreciation.

"(5) USE OF PROCEEDS.—Proceeds from the sale of a building or buildings under paragraph (3) and amounts recaptured under paragraph (4) shall be paid to the public housing agency and shall be retained and used by the public housing agency only to rehabilitate or increase (through acquisition) the number of public housing units available for occupancy. The resident management corporation shall keep and make available to the public housing agency and the Secretary all records necessary to calculate accurately payments due the local housing agency under this section. The Secretary shall not reduce or delay payments under other provisions of law as a result of amounts made available to the local housing agency under this section.

"(6) FINANCING.—Where financing for the purchase of the property is not otherwise available for purposes of assisting any purchase by a family or resident management corporation under this section, the public housing agency involved may make a loan on the security of the property involved to the family or resident management corporation.

"(7) ANNUAL CONTRIBUTIONS.—Notwithstanding the purchase of a building in a public housing project under this section, the Secretary shall continue to pay annual contributions with respect to the project. Such contributions may not exceed the maximum contributions authorized in section 5(a).

"(8) Operating subsidies.—Operating subsidies shall not be available with respect to a building after the date of its sale by the public housing agency.

"(b) Protection of Nonpurchasing Families.—

"(1) Eviction prohibition.—No family residing in a dwelling unit in a public housing project may be evicted by reason of the sale of the project to a resident management corporation under this section.

"(2) Tenants rights.—Families renting a dwelling unit in a building purchased by a resident management corporation shall have all rights provided to tenants of public housing under this Act.

"(3) Rental assistance.—If any family resides in a dwelling unit in a building purchased by a resident management corporation, and the family decides not to purchase the dwelling unit, the Secretary may offer to provide to the family a housing voucher under section 8(o) or a certificate under section 8(b)(1) as determined by the Secretary to be appropriate to permit the family to continue to reside in the dwelling unit. The Secretary may adjust the fair market rent for such certificate to take into account conditions under which the building was purchased.

"(4) Rental and relocation assistance.—If any family resides in a dwelling unit in a public housing project in which other dwelling units are purchased under this section, and the family decides not to purchase the dwelling unit, the Secretary shall offer (to be selected by the family, at its option)—

"(A) to assist the family in relocating to a dwelling unit comparable, appropriate sized in another public housing project;

"(B) to provide to the family the financial assistance necessary to permit the family to stay in the project or to move to another comparable dwelling unit and to pay no more for rent than required under section 3(a); and

"(C) any nonpurchasing family that decides to move shall be reimbursed for their cost of relocation.

"(d) Financial Assistance for Public Housing Agencies.—The Secretary shall provide to public housing agencies such financial assistance as is necessary to permit such agencies to carry out the provisions of this section.

"(e) Additional Home Ownership and Management Opportunities.—This section shall not apply to the turnkey III, the mutual help, or any other homeownership program established under section 5(h) or section 6(c)(4)(D) and in existence before the date of the enactment of the Housing and Community Development Act of 1987.

"(f) Regulations.—The Secretary shall issue such regulations as may be necessary to carry out the provisions of this section. Such regulations may establish any additional terms and conditions for homeownership or resident management under this section that are determined by the Secretary to be appropriate.

"(g) Annual Report.—The Secretary shall annually submit to the Congress a report setting forth—

"(1) the number, type, and cost of units sold;

"(2) the income, race, gender, children, and other characteristics of families purchasing or moving and not purchasing;

"(3) the amount and type of financial assistance provided;

"(4) the need for subsidy to ensure continued affordability and meet future maintenance and repair costs; and

"(5) the recommendations for statutory and regulatory improvements to the program.

"(h) Limitation.—Any authority of the Secretary under this section to provide financial assistance, or to enter into contracts to provide financial assistance, shall be effective only to such extent or in such amounts as are or have been provided in advance in appropriation Act.".

SEC. 120. PUBLIC HOUSING COMPREHENSIVE TRANSITION DEMONSTRATION.

(a) Establishment of Demonstration Program.—The Secretary of Housing and Urban Development (in this section referred to as the "Secretary") shall carry out a program to demonstrate the effectiveness of providing a comprehensive program of services to public housing residents in order to ensure the successful transition of such residents to private housing. In carrying out the demonstration program, the Secretary shall consult with the heads of other appropriate Federal agencies to design and implement procedures to carry out the transition from public housing.

(b) Scope of Demonstration Program.—The Secretary shall carry out the demonstration program with respect to public housing administered by the Housing Authority of the City of Charlotte, in the State of North Carolina. The Secretary may also carry out the demonstration program with respect to public housing administered by not more than 10 additional public housing agencies.

(c) Requirements of Demonstration Program.—The demonstration program shall consist of the following requirements:

(1) Contract of participation.—Each participating public housing agency may enter into a contract with any family that is to commence residence in a public housing project administered by the public housing agency. The contract shall be separate from the lease and shall set forth the provisions of the demonstration program.

(2) Remediation phase.—

(A) During not to exceed the first 2 years of residence of a participating family in public housing, the public housing agency shall ensure the provision of remediation services to the family, which may include—

(i) remedial education;

(ii) completion of high school;

(iii) job training and preparation;

(iv) substance abuse treatment and counseling;

(v) training in homemaking skills and parenting; and

(vi) training in money management.

(B) During the remediation phase, the amount of rent charged the family may not be increased on the basis of any increase in earned income of the family.

(3) Transition phase.—

(A) During not to exceed a 5-year period following completion of the remediation stage—

(i) the head of the family shall be required to have full-time employment; and

(ii) the public housing agency shall ensure the provision of counseling for the family with respect to homeownership, money management, and problem solving.

(B) During the transition phase, the amount of rent charged the family—

(i) may be increased on the basis of any increase in family income; and

(ii) may not be decreased on the basis of any decrease in earned income due to voluntary termination of employment.

(4) Encouragement of savings.—The public housing agency shall take appropriate actions to encourage each participating family to save funds during the remediation and transition phases.

(5) Completion of transition.—Each family participating in the demonstration program shall be required to complete the transition out of public housing during a period of not more than 7 years. The public housing agency may extend the period for any family if special circumstances require such extension.

(d) Reports to Congress.—

(1) Interim report.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall submit to the Congress an interim report evaluating the effectiveness of the demonstration program under this section.

(2) Final report.—Not later than 60 days after the termination of the demonstration program under subsection (f), the Secretary shall submit to the Congress a final report evaluating the effectiveness of the demonstration program under this section.

(e) Regulations.—The Secretary shall issue such regulations as may be necessary to carry out this section.

(f) Termination of Demonstration Program.—The demonstration program under this section shall terminate upon the expiration of the 7-year period beginning on the date of the enactment of this Act.

PART 3—SECTION 8 ASSISTANCE AND OTHER PROGRAMS

SEC. 131. SECTION 8 FAIR MARKET RENTALS AND CONTRACT RENTS.

(a) Annual Adjustment.—Section 8(c)(1) of the United States Housing Act of 1937 is amended by inserting before the last sentence the following new sentence: "Each fair market rental in effect under this subsection shall be adjusted to be effective on October 1 of each year to reflect changes, based on the most recent available data trended so the rentals will be current for the year to which they apply, of rents for existing or newly constructed rental dwelling units, as the case may be, of various sizes and types in the market area suitable for occupancy by persons assisted under this section.".

(b) Calculation for Certain County.—Section 8(c)(1) of the United States Housing Act of 1937 is amended by adding at the end the following new sentence: "The Secretary shall establish separate fair market rentals under this paragraph for Westchester County in the State of New York.".

(c) Repeal of Limit on Contract Rent Increases.—Section 8(c)(2) of the United States Housing Act of 1937 is amended by striking subparagraph (D).

SEC. 132. HOUSING VOUCHER PROGRAM.

(a) Operation.—Section 8(o) of the United States Housing Act of 1937 is amended—

(1) in the first sentence of paragraph (1), by striking "In" and all that follows through "demonstration program" and inserting "The Secretary may provide assistance";

(2) by striking paragraph (4); and

(3) by redesignating paragraphs (5) through (8) as paragraphs (4) through (7), respectively.

(b) Flexibility To Adjust Assistance Payments.—Section 8(o)(6) of the United States Housing Act of 1937 (as so redesignated by subsection (a) of this section) is amended—

(1) in subparagraph (A), by striking "as frequently as twice during any five-year period" and inserting "annually"; and

(2) by striking subparagraph (D).

(c) Use of Vouchers in Connection With Cooperative and Mutual Housing.—Section 8(o)(7) of the United States Housing Act of 1937 (as so redesignated by subsection (a) of this section) is amended by striking "not to exceed 5 per centum of the amount of".

SEC. 133. ADMINISTRATIVE FEES FOR SECTION 8 CERTIFICATE AND HOUSING VOUCHER PROGRAMS.

(a) In General.—Section 8 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(q)(1) The Secretary shall establish a fee for the costs incurred in administering the certificate and housing voucher programs under subsections (b) and (o). The amount of the fee for each month for which a dwelling unit is covered by an assistance contract shall be 7.65 percent of the fair market rental established under subsection (c)(1) for a 2-bedroom existing rental dwelling unit in the market area of the public housing agency. The Secretary may increase the fee if necessary to reflect the higher costs of administering small programs and programs operating over large geographic areas.

"(2)(A) The Secretary shall also establish reasonable fees (as determined by the Secretary) for—

"(i) the costs of preliminary expenses (not to exceed $275) that the public housing agency documents it has incurred in connection with new allocations of assistance under the certificate and housing voucher programs under subsections (b) and (o);

"(ii) the costs incurred in assisting families who experience difficulty (as determined by the Secretary) in obtaining appropriate housing under the programs; and

"(iii) extraordinary costs approved by the Secretary.

"(B) The method used to calculate fees under subparagraph (A) shall be the same for the certificate and housing voucher programs under subsections (b) and (o) and shall take into account local cost differences.".

(b) GAO Study.—The Comptroller General of the United States shall prepare and submit to the Congress not later than October 30, 1987, a report relating to the administrative fees provided for under subsection (q) of section 8 of the United States Housing Act of 1937 specifically addressing—

(A) whether the percentage established in subsection (q)(1) of such section is adequate to cover the costs of administering the certificate and housing voucher programs under subsections (b) and (o) of such section; and

(B) whether the fee system established under subsection (q)(1) of such section should be restructured to reflect the different characteristics and experiences of localities such as size, geographic location, and vacancy rates.

SEC. 134. PORTABILITY OF SECTION 8 CERTIFICATES AND VOUCHERS.

Section 8 of the United States Housing Act of 1937 (as amended by section 133 of this Act) is further amended by adding at the end the following new subsection:

"(r)(1) Any family assisted under subsection (b) or (o) may continue to receive such assistance when such family moves to another eligible dwelling unit—

"(A) if such dwelling unit is within the same metropolitan statistical area as the dwelling unit from which the family moves; and

"(B) notwithstanding that such dwelling unit is not within the area of jurisdiction of the public housing agency having jurisdiction in the area of the dwelling unit from which the family moves.

"(2) The public housing agency having authority with respect to the dwelling unit to which a family moves under this subsection shall have the responsibility of carrying out the provisions of this subsection with respect to such family. If no public housing agency has authority with respect to the dwelling unit to which a family moves under this subsection, the public housing agency having authority with respect to the dwelling unit from which the family moves shall have such responsibility.

"(3) In providing assistance under subsection (b) or (o) for any fiscal year, the Secretary shall give consideration to any reduction in the number of resident families incurred by a public housing agency in the preceding fiscal year as a result of the provisions of this subsection.

"(4) The provisions of this subsection may not be construed to restrict any authority of the Secretary under any other provision of law to provide for the portability of assistance under this section.".

SEC. 135. PROHIBITION OF DENIAL OF SECTION 8 CERTIFICATES AND VOUCHERS TO RESIDENTS OF PUBLIC HOUSING.

Section 8 of the United States Housing Act of 1937 (as amended by section 134 of this Act) is further amended by adding at the end the following new subsection:

"(s) In selecting families for the provision of assistance under this section (including subsection (o)), a public housing agency may not exclude or penalize a family solely because the family resides in a public housing project.".

SEC. 136. SECTION 8 PRIORITY FOR ECONOMICALLY DEPRESSED AREAS.

Section 8 of the United States Housing Act of 1937 (as amended by section 135 of this Act) is further amended by adding at the end the following new subsection:

"(t) In allocating assistance under this section for housing certificates and housing vouchers, the Secretary shall give a priority to economically depressed areas.".

SEC. 137. RENTAL REHABILITATION GRANT PROGRAM.

(a) Authorization of Appropriations.—Section 17(a)(3) of the United States Housing Act of 1937 is amended to read as follows:

"(3) Authorization.—There are authorized to be appropriated for rental rehabilitation grants under this section, $200,000,000 for each of the fiscal years 1988 and 1989.".

(b) Eligible Property.—Section 17(a)(1)(A) of the United States Housing Act of 1937 is amended by inserting after "property" the following: ", or of real property that will be privately owned upon the completion of rehabilitation,".

(c) Maximum Grant Amount.—Section 17(c)(2)(E) of the United States Housing Act of 1937 is amended by striking "$5,000 per unit" and inserting the following: "$5,000 per unit for a unit with no bedrooms, $6,500 per unit for a unit with 1 or 2 bedrooms, or $7,500 per unit for a unit with 3 or more bedrooms,".

(d) Administrative Expenses.—Section 17(h) of the United States Housing Act of 1937 is amended by inserting before the period at the end the following: ", except that any State administering resources made available under subsection (b) may retain not more than 10 percent of any grant received under such subsection to cover administrative expenses incurred".

(e) Eligibility of Rural Areas.—

(1) Section 17(b)(1) of the United States Housing Act of 1937 is amended to read as follows:

"(1) Formula Allocation.—Of the amount available in any fiscal year for rehabilitation grants under this section, the Secretary shall allocate amounts by formula to cities having populations of fifty thousand or more, urban counties, and States for use as provided in subsection (d). The formula shall take into account objectively measurable conditions in these jurisdictions, including such factors as low-income renter population, overcrowding of rental housing, the extent of physically inadequate housing stock, and such other objectively measurable conditions as the Secretary deems appropriate to reflect the need for assistance under this section. The formula shall be contained in a regulation issued by the Secretary.".

(2) Section 17(e)(1) of the United States Housing Act of 1937 is amended in the second sentence by striking ", but may" and all that follows through the end of such sentence and inserting a period.

SEC. 138. TERMINATION OF RENTAL DEVELOPMENT GRANT PROGRAM.

(a) In General.—

(1) On or after the effective date of this section, no housing development grant may be made under section 17 of the United States Housing Act of 1937, as it existed immediately before such effective date, except pursuant to a reservation of funds made by the Secretary of Housing and Urban Development before such date.

(2) Any housing development grant made under such section 17, as it existed immediately before the effective date of this section, shall continue to be governed by the provisions of such section 17.

(3) Any amounts that, in the absence of this section, would have been available for reservation for housing development grants under such section 17 on or after the effective date of this section shall be rescinded.

(b) Conforming Amendments to Section 17.—

(1) The section heading of section 17 of the United States Housing Act of 1937 is amended to read as follows: "RENTAL REHABILITATION GRANTS".

(2) Section 17(a)(1) of the United States Housing Act of 1937 is amended to read as follows:

"(1) Rehabilitation Grants.—The Secretary is authorized to make rental rehabilitation grants to help support the rehabilitation of privately owned real property to be used for primarily residential rental purposes in accordance with the provisions of this section.".

(3) Subparagraphs (A) and (B) of section 17(b)(2), and section 17(c)(1)(A) of the United States Housing Act of 1937 are amended by striking "subsection (e)" each place it appears and inserting "subsection (d)".

(4) The subsection caption of section 17(c) of the United States Housing Act of 1937 is amended to read as follows: "Rental Rehabilitation Grants.—".

(5) Section 17 of the United States Housing Act of 1937 is amended—

(A) by striking subsections (d) and (j); and

(B) by redesignating the subsequent subsections accordingly.

(6) Section 17(d) of the United States Housing Act of 1937 (as so redesignated by this subsection) is amended—

(A) by striking paragraph (3); and

(B) by redesignating paragraph (4) as paragraph (3).

(7) Section 17(h)(1) of the United States Housing Act of 1937 (as so redesignated by this subsection) is amended by striking "or development" each place it appears.

(8) Section 17(i) of the United States Housing Act of 1937 (as so redesignated by this subsection) is amended—

(A) by striking paragraphs (1) and (2) and redesignating the subsequent paragraphs accordingly; and

(B) by striking paragraph (3) (as so redesignated by this paragraph) and inserting the following:

"(3) the term 'grantee' means—

"(A) any city or urban county that receives rental rehabilitation grant amounts under subsection (b);

"(B) any State administering a rental rehabilitation program, as provided in subsection (d)(1); and

"(C) any unit of general local government that receives rental rehabilitation grant amounts from the Secretary, as provided in subsection (d)(2);"; and

(9) The penultimate sentence of section 17(j) of the United States Housing Act of 1937 (as so redesignated by this subsection) is amended by striking "receiving assistance".

(10) Section 17(j) of the United States Housing Act of 1937 (as so redesignated by this subsection) is amended by striking "subsection (e)(1)" each place it appears in paragraphs (1) and (2) and inserting "subsection (d)(1)".

(c) OTHER CONFORMING AMENDMENTS.—

(1) The second sentence of section 106(d)(3)(A) of the Housing and Community Development Act of 1974 is amended by striking "section 17(e)(1)" and inserting "section 17(d)(1)".

(2) Section 107(d) of the Housing and Community Development Act of 1974 is amended—

(A) in paragraph (1), by striking "and no assistance" and all that follows through "grantee" and inserting "unless the applicant"; and

(B) in paragraph (3), by striking "grantee or".

(3) Section 817 of the Housing and Community Development Act of 1974 is amended—

(A) by inserting "and" after "1966,"; and

(B) by striking ", and section 17 of the United States Housing Act of 1937".

(4) Sections 223(f)(5) and 244(h) of the National Housing Act are amended by striking "or developed" each place it appears.

(5) Section 223(f)(5)(A) of the National Housing Act is amended by striking "or development".

(d) EFFECTIVE DATE.—

(1) The provisions of, and amendments made by, this section shall become effective on the date of the enactment of this Act, or October 1, 1987, whichever occurs later.

(2) The amendments made by paragraphs (3) through (5) of subsection (c) shall not apply with respect to any housing development grant under section 17 of the United States Housing Act of 1937 made pursuant to a reservation of funds made by the Secretary of Housing and Urban Development before such effective date.

Subtitle B—Multifamily Housing Management and Preservation

SEC. 141. PREPAYMENT OF MORTGAGES.

(a) POLICY, GOALS, AND DEVELOPMENT OF PROGRAM.—

(1) It is the policy of the United States that the Secretary of Housing and Urban Development (in this section referred to as the "Secretary") shall develop, implement, and undertake appropriate policies and programs that will encourage the continued availability, as decent, safe, sanitary, and affordable housing for lower income families, of multifamily rental housing projects that are currently available for such occupancy and are insured or assisted by the Secretary under the National Housing Act, the United States Housing Act of 1937, section 101 of the Housing and Urban Development Act of 1965, or section 201 of the Housing and Community Development Amendments of 1978.

(2) In administering the policy established in this subsection, the Secretary's policies, programs, and actions shall be designed and appropriate to further the goals of—

(A) encouraging, facilitating, and supporting the maintenance of the existing stock of multifamily housing assisted by the Secretary in decent, safe, and sanitary condition, as well as the continued availability and affordability of such housing stock for occupancy by lower income families;

(B) preserving and revitalizing residential neighborhoods; and

(C) minimizing the involuntary displacement of tenants.

(3) In achieving the goals established in this subsection, the Secretary shall, subject to the provisions of this section, respect the rights of owners, including (but not limited to) existing contract rights to prepay mortgages and to convert units to other purposes, to receive a fair and equitable return on their investment, to be able to fully meet outstanding mortgage and other financial obligations secured by or related to the ownership, management, or operation of projects as such obligations become due, and to receive fair market value on any sale or transfer of their property.

(4) Immediately following the date of the enactment of this Act, the Secretary shall undertake a comprehensive identification, examination, and review of all Federal policies, programs, and actions that the Secretary has undertaken or recommended, or might undertake or recommend, in administering the policy established in this subsection, and shall report to the Congress not later than 180 days following such date with the Secretary's findings, recommendations, and current and planned actions. The comprehensive identification, examination, and review shall be conducted by the Secretary using resources of the Department of Housing and Urban Development, which shall be complemented, to the maximum extent practicable, by the technical expertise and resources of outside organizations and institutions with particular expertise, interest, and involvement in the subject matters. The Secretary also shall solicit a wide range of views of owners, tenants, lenders, management companies, State and local governments, finance agencies, and other interested parties and shall include and reflect consideration of the views presented in the Secretary's report to the Congress. In carrying out the Secretary's responsibilities under this paragraph, the Secretary shall invite comment and research on, evaluate and report on, and develop and report on a coordinated program based on, the following:

(A) the adequacy, availability, and utility of the various types of currently available Federal housing subsidy assistance programs in achieving the goals of the policy established in this subsection;

(B) the adequacy, availability, and utility of the various Federal mortgage and loan insurance, purchase, and guarantee programs in facilitating periodically necessary and desirable financing and refinancing of mortgage and other debt secured by or related to multifamily projects assisted by the Secretary, and in otherwise achieving the goals of the policy established in this subsection;

(C) the need for additional or modified Federal housing subsidy, mortgage insurance, purchase or guarantee programs, and for any other additional, modified, or complementary Federal policies, programs, and actions necessary to assure adequate resources to maintain the sound physical and financial condition of the existing stock of multifamily housing assisted by the Secretary, and otherwise to achieve the goals of the policy established in this subsection;

(D) the estimate of potential amounts of budget authority likely to be recaptured (and the timing of such recapture occurring) on prepayment of mortgages and the termination of interest reduction and various housing subsidy assistance contracts, and the repayment of mortgage loans held by the Secretary or the Government National Mortgage Association;

(E) criteria and approaches, consistent with the goals of the policy established in this subsection, for implementing a right of first refusal on the sale of the project at fair market value to a State or local governmental entity, nonprofit organization (including a tenants organization), or other prospective purchaser that agrees to restrict the occupancy of the project for the remaining term of the original mortgage financing on the project or for 20 years, whichever period is longer, to families with incomes that do not exceed 80 percent of the area median income; and

(F) such other matters as the Secretary considers to be appropriate.

(b) NOTICE AND ACTIONS WITH RESPECT TO SUBSIDIZED PROJECTS.—

(1) The Secretary shall publish in the Federal Register, on the first workday of each month, a list organized on a State-by-State basis, of all projects subsidized by the Secretary that are eligible for prepayment during the same month of the next calendar year.

(2) Each owner of a property subsidized by the Secretary (other than a property subsidized only under section 8 of the United States Housing Act of 1937) that is eligible for prepayment shall file a 90-day notice of the intent of the owner to prepay. The notice shall be submitted by certified mail to the Secretary, the State housing finance agency, and the local government. Following receipt of the notice, the intent to prepay shall remain in effect for the 12-month period beginning at the expiration of the 90-day period. If, at the expiration of the 12-month period, the owner has not prepaid or does not have a binding contract for sale or refinancing, the owner shall again file notice when he next intends to prepay.

(3) The Secretary may examine each project to determine any possible regulatory or contractual changes that can be made to induce continued use as a lower income housing project. The Secretary, in exchange for a commitment by the owner to continue to use the project as lower income housing

for the term of the mortgage or 20 years (whichever is longer), may take one or more of the following actions:

(A) Phase in an increase in the rate of return on equity.

(B) Phase in access to residual reserves.

(C) Revise the method of calculating equity.

(D) Permit refinancing of the project in order to access the equity.

(E) Provide additional assistance under section 8 of the United States Housing Act of 1937 or increase the rents permitted under an existing contract under such section 8.

(F) Provide any other incentive determined by the Secretary to be appropriate to encourage the retention of lower income housing.

(4) The Secretary may take any of the actions described in subparagraphs (A) through (F) of paragraph (3) only if the Secretary determines that—

(A) the owner will maintain adequate expenditures on maintenance and operation; and

(B) the rent burden of lower income tenants will not be increased to levels that would violate the limitations set forth in section 3 of the United States Housing Act of 1937, section 236 of the National Housing Act, section 101 of the Housing and Urban Development Act of 1965, or section 221(d)(3) of the National Housing Act, as applicable to such tenants.

SEC. 142. MANAGEMENT AND PRESERVATION OF HUD-OWNED MULTIFAMILY HOUSING PROJECTS.

(a) Goals.—Section 203(a) of the Housing and Community Development Amendments of 1978 is amended by striking "(a)" and all that follows through the semicolon at the end of paragraph (1) and inserting the following:

"(a) The Secretary of Housing and Urban Development (in this section referred to as the 'Secretary') shall manage and dispose of multifamily housing projects that are owned by, or in the possession of, the Secretary, and shall exercise such powers as the Secretary may possess under the mortgage or regulatory agreement as to multifamily housing projects whose mortgages are held by the Secretary, in a manner that is consistent with the National Housing Act and this section and that will, in the least costly fashion among the reasonable alternatives available, further the goals of—

"(1) preserving so that they are available to and affordable by low- and moderate-income persons—

"(A) all units in multifamily housing projects that are subsidized or formerly subsidized projects; and

"(B) in multifamily housing projects other than subsidized or formerly subsidized projects, at least the units that are occupied by low- or moderate-income persons at the time of acquisition of the mortgage by the Secretary;".

(b) Management Services.—Section 203(b)(2) of the Housing and Community Development Amendments of 1978 is amended by inserting ", or in the possession of," after "owned by".

(c) Displacement Protection.—Section 203(d)(1) of the Housing and Community Development Amendments of 1978 is amended by inserting ", or in the possession of," after "owned by".

(d) Limitations on Certain Project Sales.—Section 203 of the Housing and Community Development Amendments of 1978 is amended—

(1) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively; and

(2) by inserting after subsection (e) the following new subsection:

"(f) In determining the manner in which a formerly subsidized project will be disposed of, the Secretary will seek, to the extent feasible in the light of current circumstances, to ensure that such project will continue to provide rental housing on terms determined reasonably by the Secretary to be not less advantageous to existing and future tenants as the terms required by the regulatory agreement and subsidy arrangements in effect prior to the acquisition of the mortgage on such project by the Secretary.".

(e) Subsidized Projects.—Section 203(g) of the Housing and Community Development Amendments of 1978 (as so redesignated by this section) is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end the following new paragraphs:

"(2) For purposes of this section, the term 'subsidized project' means a multifamily housing project in which not less than 40 percent of the tenants receive the benefits of any of the following assistance programs:

"(A) Below market interest rate mortgages insured under section 221(d)(3) of the National Housing Act.

"(B) Interest reduction payments made in connection with mortgages insured under section 236 of the National Housing Act.

"(C) Rent supplement payments under section 101 of the Housing and Urban Development Act of 1965.

"(D) Direct loans at below market interest rates, pursuant to section 202 of the Housing Act of 1959 or section 312 of the Housing Act of 1964.

"(E) Housing assistance payments pursuant to section 23 of the United States Housing Act of 1937 in effect prior to January 1, 1975, or section 8 of the United States Housing Act of 1937, except payments pursuant to the section 8 existing housing program (24 CFR part 882, subparts A and B), the voucher program under section 8(o) of such Act, or the loan management set-aside program (24 CFR part 886, subpart A).

"(3) For purposes of this section, the term 'formerly subsidized project' means a multifamily housing project owned by the Secretary which was a subsidized project immediately prior to acquisition of the project by the Secretary.".

SEC. 143. TENANT PARTICIPATION IN MULTIFAMILY HOUSING PROJECTS.

(a) Applicability.—Section 202(a) of the Housing and Community Development Amendments of 1978 is amended by inserting before the period at the end the following: "or section 202 of the Housing Act of 1959".

(b) Notice and Comment.—Section 202(b)(1) of the Housing and Community Development Amendments of 1978 is amended—

(1) by striking "or" the third place it appears;

(2) by inserting after "alterations," the following: "transfer of physical assets, or application for capital improvements loan,"; and

(3) by inserting after "appropriate" the following: "or where the Secretary proposes to sell a mortgage secured by a multifamily housing project".

(c) Nondiscrimination Against Section 8 Certificate Holders and Voucher Holders.—No owner of a subsidized project (as defined in section 203(h)(2) of the Housing and Community Development Amendments of 1978, as amended by section 142 of this Act) shall refuse—

(1) to lease any available dwelling unit in the project that rents for an amount not greater than the fair market rent for a comparable unit, as determined by the Secretary under section 8 of the United States Housing Act of 1937, to a holder of a certificate of eligibility under such section solely because of the status of such prospective tenant as a holder of such certificate, and to enter into a housing assistance payments contract respecting such unit; or

(2) to lease any available dwelling unit in the project to a holder of a voucher under section 8(o) of such Act, and to enter into a voucher contract respecting such unit, solely because of the status of such prospective tenant as holder of such voucher.

SEC. 144. TROUBLED MULTIFAMILY HOUSING PROJECTS.

(a) Condition of Subsidy.—Section 201(d)(1) of the Housing and Community Development Amendments of 1978 is amended by inserting before the semicolon at the end the following: "and to apply for sufficient assistance under this section, section 8 of the United States Housing Act of 1937, or any other appropriate housing assistance program to permit the owner to maintain both the financial soundness and the low- and moderate-income character of the project (and for which the Secretary shall submit to the Congress a request for sufficient funds for the contract period)".

(b) Availability for Capital Improvements.—Section 201 of the Housing and Community Development Amendments of 1978 is amended as follows:

(1) Subsection (a) is amended by inserting after "management," the following: "to permit capital improvements to be made to maintain certain projects as decent, safe, and sanitary housing,".

(2) Paragraph (B) of subsection (c)(1) is amended by inserting after "is assisted under" the following: "section 23 of the United States Housing Act of 1937, as in effect immediately before January 1, 1975,".

(3) Paragraph (1) of subsection (d) is amended by inserting "or physical" after "maintain the financial".

(4) Paragraph (6) of subsection (d) is amended by striking the final period, and inserting the following: "; except that the Secretary may excuse an owner from compliance with the plan requirement set forth in this paragraph in any case in which such owner seeks only assistance for capital improvements under this section.".

(5) Paragraph (1) of subsection (f) is amended by inserting after "to any project" the following: "(except a project assisted only for capital improvements)".

(6) Paragraph (4) of subsection (f) is amended by inserting after "for any year" the following: "for a project (other than a project receiving assistance only for capital improvements)".

(7) Subsection (g) is amended by striking the final period and inserting the following: ", the extent applicable.".

(8) Subsection (j) is amended to read as follows:

"(j)(1) For purposes of carrying out the provisions of this section, there is hereby established in the Treasury of the United States a revolving fund, to be known as the Capital Improvements Assistance Fund. The Fund shall, to the extent approved in appropriation Acts, be available to the Secretary for purposes of carrying out the provisions of this section.

"(2) The fund shall consist of (A) any amount appropriated to carry out the purposes of this section; (B) any amount repaid on a loan provided under this section; (C) any amounts in the reserve fund described in section 236(g) of the National Housing Act; and (D) any other amount received by the Secretary under this section.

"(3) Any amounts in the Fund determined by the Secretary to be in excess of the amounts currently required to carry out the provisions of this section shall be invested by the Secretary in obligations of, or obligations guaranteed as to both principal and interest by, the United States or any agency of the United States.".

(9) Such section 201 is amended by adding the following new subsections after subsection (j) (as amended by paragraph (8) of this subsection):

"(k)(1) Assistance for capital improvements under this section shall include assistance for any major repair or replacement of a capital item in a multifamily housing project, including any such repair or replacement required as a result of deferred or inadequate maintenance. Capital improvements do not include maintenance of any such item.

"(2) The owner of a project receiving assistance for capital improvements shall agree to contribute assistance to such project in such amounts, from such sources, and in such manner as the Secretary determines to be appropriate, except that—

"(A) such contribution shall not be less than 20 percent of the total estimated cost of the capital improvements involved, unless the Secretary, upon application of the owner, determines that such contribution is financially infeasible and waives or reduces such contribution to the extent necessary;

"(B) the Secretary may not require an amount to be contributed, from the reserve funds established by the owner of such projects for the purpose of making capital improvements, in excess of 50 percent of the amount of such reserve funds on the date of such loan; and

"(C) The Secretary shall waive the requirements of this paragraph if such owner is a private nonprofit corporation or an association.

"(3) The Secretary may provide assistance for capital improvements under this section if the Secretary finds that the reserve funds established by the owner of a project for the purpose of making capital improvements are insufficient to finance both the capital improvements for which such assistance is to be used and other capital improvements that are reasonably expected to be required in the near future, and such insufficiency is not the result of the failure of such owner to comply with any standard established by the Secretary for management of such reserve funds.

"(4) In providing, and contracting to provide, assistance for capital improvements under this section, the Secretary shall give priority to—

"(A) the extent which the capital improvements for which such assistance is requested are immediately required;

"(B) the extent to which the projects for which such assistance is requested serve as the residences of lower income families, and the extent which other suitable housing is unavailable for such families in the areas in which such projects are located;

"(C) the extent to which the capital improvements for which such assistance is requested involve the life, safety, or health of the residents of the project or involve major capital improvements in the projects; and

"(D) projects that demonstrate the greatest financial distress, while continuing to meet the requirements of subsection (d)(1).

"(l)(1) Subject to subsection (k)(2), the principal amount of any assistance for capital improvements under this section that is provided to the owner of a project shall not exceed 80 percent of the sum of—

"(A) the amount determined by the Secretary to be necessary for such owner to make capital improvements with respect to capital items that have failed, or are likely to deteriorate seriously or fail in the near future, in such projects;

"(B) the amount determined by the Secretary to be necessary to carry out a plan to upgrade the capital items being improved, and any other capital items determined by the Secretary to be associated with such capital items being improved and to require upgrading, to meet cost-effective energy efficiency standards prescribed by the Secretary; and

"(C) the amount determined by the Secretary to be necessary to comply with the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

"(2)(A) The term of any assistance for capital improvements in the form of a loan under this section shall not exceed the shorter of (i) the term of the mortgage insurance, if any; or (ii) the remaining term of the mortgage of the project with respect to which such loan is provided.

"(B) Each loan for capital improvements provided under this section shall bear interest at a rate determined by the Secretary to be appropriate, except that—

"(i) such rate shall not be more than 3 percentage points below a rate determined by the Secretary of the Treasury taking into consideration the average interest rate on all interest bearing obligations of the United States then forming a part of the public debt, computed at the end of the fiscal year next preceding date on which the loan is made, adjusted to the nearest ⅛ of 1 percent, plus an allowance adequate in the judgment of the Secretary of Housing and Urban Development to cover administrative costs and probable losses under the program; and

"(ii) such interest rate plus such allowance shall not exceed 6 percent per annum nor be less than 3 percent per annum.

"(C) Each loan for capital improvements provided under this section shall be considered to be a liability of the project involved, and shall not be dischargeable in any bankruptcy proceeding under section 727, 1141, or 1328(b) of title 11, United States Code.

"(D) The Secretary may establish such additional conditions on loans provided under this section as the Secretary determines to be appropriate.

"(E) The Secretary may provide more than one loan or assistance in any other form to any project under this section, if each loan or other assistance complies with the provisions of this section.

"(m) There are authorized to be appropriated to carry out the provisions of this section $50,000,000 for each of the fiscal years 1988 and 1989. Any amount appropriated to carry out the purposes of this section shall be deposited in the Fund and shall remain available until expended.".

SEC. 145. ACQUISITION OF INSURED MULTIFAMILY HOUSING PROJECTS.

Section 207(k) of the National Housing Act is amended by inserting after the second sentence the following new sentence: "In determining the amount to be bid, the Secretary shall act consistently with the goals established in section 203(a) of the Housing and Community Development Amendments of 1978.".

Subtitle D—Other Housing Assistance Programs

SEC. 151. HOUSING FOR THE ELDERLY AND HANDICAPPED.

(a) Borrowing Authority.—The first sentence of section 202(a)(4)(B)(i) of the Housing Act of 1959 is amended—

(1) by striking "and" the first place it appears; and

(2) by inserting after "1984," the following: "and to such sums as may be approved in appropriation Acts for fiscal year 1988,".

(b) Loan Authority.—Section 202(a)(4)(C) of the Housing Act of 1959 is amended by adding at the end the following new sentence: "Not more than $622,000,000 may be approved in appropriation Acts for such loans for each of the fiscal years 1988 and 1989.".

(c) Interest Rates.—

(1) Section 223(a) of the Housing and Urban-Rural Recovery Act of 1983 is amended by striking paragraph (2).

(2) Section 202(a)(3) of the Housing Act of 1959 is amended—

(A) by inserting "(A)" after the paragraph designation;

(B) by striking "Secretary" the second place it appears and all that follows through "loan is made" and inserting the following: "taking into consideration the average yield, during the 3-month period immediately preceding the fiscal year in which the loan is made, on the most recently issued 30-year marketable obligations of the United States"; and

(C) by adding at the end the following new subparagraph:

"(B) At the option of the borrower, a loan under this section may be made and may be processed for a conditional or firm commitment either (i) at an interest rate not to exceed a rate and allowance determined by the Secretary in accordance with subparagraph (A) using the 1-month period immediately prior to the month in which the request for a commitment is submitted; or (ii) at an interest rate not to exceed a rate and allowance determined by the Secretary in accordance with subparagraph (A) using the 3-month period immediately preceding the fiscal year in which the request for a commitment is submitted.".

(3) The second sentence of section 202(a)(4)(B)(i) of the Housing Act of 1959 is amended to read as follows: "Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury taking into consideration the average yield, during the 3-month period immediately preceding the fiscal year in which the loan is made, on the most recently issued 30-year marketable obligations of the United States.".

(d) Appeal of Cancellation of Loan Authority.—Section 202 of the Housing Act of 1959 is amended by adding at the end the following new subsection:

"(n) The Secretary shall notify the project sponsor not less than 30 days prior to canceling any loan authority provided under this section. During the 30-day period following the receipt of a notice under paragraph (1), a sponsor may appeal the proposed cancellation of loan authority. Such appeal, including review by the Secretary, shall be completed not later than 45 days after the appeal is filed.".

SEC. 152. HOUSING FOR THE HANDICAPPED.

(a) FINDINGS AND PURPOSE.—

(1) The Congress hereby finds that—

(A) housing for nonelderly handicapped families is assisted under section 202 of the Housing Act of 1959 and section 8 of the United States Housing Act of 1937;

(B) the housing programs under such sections are designed and implemented primarily to assist rental housing for elderly and nonelderly families and are often inappropriate for dealing with the specialized needs of the physically impaired, the developmentally disabled, and the chronically mentally ill;

(C) the development of housing for nonelderly handicapped families under such programs is often more expensive than necessary, thereby reducing the number of such families that can be assisted with available funds;

(D) the program under section 202 of the Housing Act of 1959 can continue to provide direct loans to finance group residences and independent apartments for nonelderly handicapped families, but can be made more efficient and less costly by the adoption of standards and procedures applicable only to housing for such families;

(E) the cost containment policies currently being implemented in the development of small group homes (i) do not adequately reflect the necessity for building designs to meet the needs of the designated residents; and (ii) do not recognize necessary State and local standards for the operation of such homes;

(F) the use of the program under section 8 of the United States Housing Act of 1937 to assist rentals for housing for nonelderly handicapped families is time consuming and unnecessarily costly and, in some areas of the Nation, prevents the development of such housing;

(G) the use of the program under section 8 of the United States Housing Act of 1937 to assist rentals for housing for nonelderly handicapped families should be replaced by a more appropriate subsidy mechanism;

(H) both elderly and handicapped housing projects assisted under section 202 of the Housing Act of 1959 will benefit from an increased emphasis on supportive services and a greater use of State and local funds; and

(I) an improved program for nonelderly handicapped families will assist in providing shelter and supportive services for mentally ill persons who might otherwise be homeless.

(2) The purpose of this section is to improve the direct loan program under section 202 of the Housing Act of 1959 to ensure that such program meets the special housing and related needs of nonelderly handicapped families.

(b) HOUSING FOR HANDICAPPED FAMILIES.—

(1) Section 202(h) of the Housing Act of 1959 is amended to read as follows:

"(h)(1) Of the amounts made available in appropriation Acts for loans under subsection (a)(4)(C) for any fiscal year commencing after September 30, 1987, not less than 15 percent shall be available for loans for the development costs of housing for handicapped families. If the amount required for any such fiscal year for approvable applications for loan under this subsection is less than the amount available under this paragraph, the balance shall be made available for loans under other provisions of this section.

"(2) The Secretary shall take such actions as may be necessary to ensure that—

"(A) funds made available under this subsection will be used to support a variety of methods of meeting the needs primarily of nonelderly handicapped families by providing a variety of housing options, ranging from small group homes to independent living complexes; and

"(B) housing for handicapped families assisted under this subsection will provide families occupying units in such housing with an assured range of services specified in subsection (f), will provide such families with opportunities for optimal independent living and participation in normal daily activities, and will facilitate access by such families to the community at large and to suitable employment opportunities within such community.

"(3)(A) In allocating funds under this subsection, and in processing applications for loans under this section and assistance payments under paragraph (4), the Secretary shall adopt such distinct standards and procedures as the Secretary determines appropriate due to differences between housing for handicapped families and other housing assisted under this section. In adopting such standards, the Secretary shall ensure adequate participation by representatives of the disability community through the provisions available under the Federal Advisory Committee Act.

"(B) The Secretary may, on a demonstration basis, determine the feasibility and desirability of reducing processing time and costs for housing for handicapped families by limiting project design to a small number of prototype designs. Any such demonstration shall be limited to the 3-year period following the date of the enactment of the Housing and Community Development Act of 1987, may only involve projects whose sponsors consent to participation in such demonstration, and shall be described in a report submitted by the Secretary to the Congress following completion of such demonstration.

"(4)(A) The Secretary shall, to the extent approved in appropriation Acts, enter into contracts with owners of housing for handicapped families receiving loans under, or meeting the requirements of, this section to make monthly payments to cover any part of the costs attributed to units occupied (or, as approved by the Secretary, held for occupancy) by lower income families that is not met from project income. The initial annual contract amount for any project shall not exceed the sum of the initial annual project rentals for all units and any initial utility allowances for such units, as approved by the Secretary. Any contract amounts not used by a project in any year shall remain available to the project until the expiration of the contract. The term of a contract entered into under this subparagraph shall be 240 months. The annual contract amount may be adjusted by the Secretary if the sum of the project income and the amount of assistance payments available under this subparagraph are inadequate to provide for reasonable project costs. In the case of an intermediate care facility in which there reside families assisted under title XIX of the Social Security Act, project income under this subparagraph shall include the same amount as if such families were being assisted under title XVI of the Social Security Act.

"(B) The Secretary shall approve initial project rentals for any project assisted under this subsection based on the determination of the Secretary of the total actual necessary and reasonable costs of developing and operating the project, taking into consideration the need to contain costs to the extent practicable and consistent with the purposes of the project and this section.

"(C) The Secretary shall require that, during the term of each contract entered into under subparagraph (A), all units in a project assisted under this subsection shall be made available for occupancy by lower income families, as such term is defined in section 3(b)(2) of the United States Housing Act of 1937. The rent payment required of a lower income family shall be determined in accordance with section 3(a) of such Act, except that the gross income of a family occupying an intermediate care facility assisted under title XIX of the Social Security Act shall be the same amount as if the family were being assisted under title XVI of the Social Security Act.

"(D) The Secretary shall coordinate the processing of an application for a loan for housing for handicapped families under this section and the processing of an application for assistance payments under this paragraph for such housing.".

(2) Section 202(d) of the Housing Act of 1959 is amended by adding at the end the following new paragraphs:

"(9) The term 'housing for handicapped families' means housing and related facilities to be occupied by handicapped families who are primarily nonelderly handicapped families.

"(10) The term 'nonelderly handicapped families' means elderly or handicapped families, the head of which (and spouse, if any) is less than 62 years of age at the time of initial occupancy of a project assisted under this section.".

(3) Section 202(c)(3) of the Housing Act of 1959 is amended by inserting after "section" the following: "and designed for dwelling use by 12 or more elderly or handicapped families".

(c) SUPPORTIVE SERVICES FOR ELDERLY AND HANDICAPPED FAMILIES.—Section 202(f) of the Housing Act of 1959 is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end the following new paragraph:

"(2) Each applicant for a loan under this section for housing and related facilities shall submit with the application a supportive services plan describing—

"(A) the category or categories of families such housing and facilities are intended to serve;

"(B) the range of necessary services to be provided to the families occupying such housing;

"(C) the manner in which such services will be provided to such families; and

"(D) the extent of State and local funds available to assist in the provision of such services.".

(d) TERMINATION OF SECTION 8 ASSISTANCE.—On and after the first date that amounts approved in an appropriation Act for any fiscal year become available for contracts under section 202(h)(4)(A) of the Housing Act of 1959 (as amended by subsection (b) of this section) no project for handicapped (primarily nonelderly) families approved for such fiscal year pursuant to section 202 of such Act shall be provided assistance payments under section 8 of the United States Housing Act of 1937, except pursuant to a reservation for a contract to make such assistance payments that was made before the first date that amounts for contracts under such section 202(h)(4)(A) became available.

(e) IMPLEMENTATION.—Not later than the expiration of the 120-day period following the date of the enactment of this Act, the Secretary of Housing and Urban Development shall, to the extent amounts are approved in an appropriation Act for use under section 202(h)(4)(A) of the Housing Act of 1959 for fiscal year 1988, publish in the Federal Register a notice of fund availability to implement the provisions of, and amendments made by, this section. The Secretary shall issue such rules as may be necessary to carry out such provisions and amendments for fiscal year 1988 and thereafter.

(f) Effective Date and Applicability.—

(1) Except as otherwise provided in this section, the provisions of, and amendments made by, this section shall not apply with respect to projects with loans or loan reservations made under section 202 of the Housing Act of 1959 before the implementation date under subsection (e).

(2) Notwithstanding paragraph (1), the Secretary shall apply the provisions of, and amendments made by, this section to any project in order to facilitate the development of such project in a timely manner.

SEC. 153. CONGREGATE SERVICES.

(a) Report.—Section 408(c) of the Congregate Housing Services Act of 1978 is amended to read as follows:

"(c)(1) The Secretary shall contract with a university or qualified research institution to produce a report—

"(A) documenting the number of elderly living in federally assisted housing at risk of institutionalization;

"(B) studying and comparing alternative delivery systems in the States, including the Congregate Housing Services Program, to provide services to older persons in assisted congregate housing;

"(C) assessing existing and potential financial resources at the Federal, State, and local levels for the support of congregate housing services; and

"(D) making legislative recommendations as to the feasibility of permitting State housing agencies to participate and operate the program on a matching grant basis.

"(2) The Secretary shall submit the report to the Congress not later than September 30, 1989.".

(b) Authorization.—Section 411(a) of such Act is amended to read as follows:

"(a) To carry out the provisions of this title, there are authorized to be appropriated $3,400,000 for each of the fiscal years 1988 and 1989.".

(c) Deletion of Reference to Program as Nonpermanent.—Section 408 of the Congregate Housing Services Act of 1978 is amended by striking subsection (c).

SEC. 154. MODIFICATION OF RESTRICTION ON USE OF ASSISTED HOUSING BY ALIENS.

(a) Aliens Admitted for Lawful Residence.—Section 214(a) of the Housing and Community Development Act of 1980 is amended—

(1) by striking "or" at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting "; or"; and

(3) by adding at the end the following new paragraph:

"(6) an alien lawfully admitted for temporary residence under section 245A of the Immigration and Nationality Act.".

(b) Preservation of Families.—Section 214 of the Housing and Community Development Act of 1980 is amended by inserting after subsection (b) the following new subsection:

"(c)(1) The restriction established in subsection (a) shall not apply to—

"(A) any family in which any member is a citizen of the United States, a national of the United States, or an alien resident of the United States described in any of the paragraphs (1) through (6) of subsection (a); or

"(B) the continued provision of any financial assistance commenced before the effective date of the regulations issued to carry out this subsection.

"(2) Notwithstanding any other provision of law, the Secretary of Housing and Urban Development may not make financial assistance available for the benefit of—

"(A) any alien who—

"(i) has a residence in a foreign country that such alien has no intention of abandoning;

"(ii) is a bona fide student qualified to pursue a full course of study; and

"(iii) is admitted to the United States temporarily and solely for purposes of pursuing such a course of study at an established institution of learning or other recognized place of study in the United States, particularly designated by such alien and approved by the Attorney General after consultation with the Department of Education of the United States, which institution or place of study shall have agreed to report to the Attorney General the termination of attendance of each nonimmigrant student (and if any such institution of learning or place of study fails to make such reports promptly the approval shall be withdrawn); and

"(B) the alien spouse and minor children of any alien described in subparagraph (A), if accompanying such alien or following to join such alien.".

(c) Verification Procedures.—Section 214(d) of the Housing and Community Development Act of 1980 (as added by section 121(a)(2) of the Immigration Reform and Control Act of 1986 (Pub. L. 99-603)) is amended—

(1) in paragraph (2), by inserting after "States" the following: "and is not 62 years of age or older";

(2) in paragraph (4), in the matter before subparagraph (A)—

(A) by inserting after "States" the following: "and is not 62 years of age or older"; and

(B) by inserting "or recertification" after "application";

(3) in paragraph (4)(A)(i), by inserting after the comma the following: "or to appeal the verification determination of the Immigration and Naturalization Service under paragraph (3),";

(4) in paragraph (4)(B), by striking the matter before clause (i) and inserting the following:

"(B) if any documents or additional information are submitted as evidence under subparagraph (A), or if appeal is made to the Immigration and Naturalization Service with respect to the verification determination of the Service under paragraph (3)—";

(5) in paragraph (4)(B)(i), by inserting "or additional information" after "documents";

(6) in paragraph (4)(B)(ii), by inserting "or appeal" after "verification";

(7) by inserting after paragraph (5) the following new paragraph:

"(6) For purposes of paragraph (5)(B), the applicable fair hearing process made available with respect to any individual shall include not less than the following procedural protections:

"(A) The Secretary shall provide the individual with written notice of the determination described in paragraph (5) and of the opportunity for a hearing with respect to the determination.

"(B) Upon timely request by the individual, the Secretary shall provide a hearing before an impartial hearing officer designated by the Secretary, at which hearing the individual may produce evidence of a satisfactory immigration status.

"(C) Not later than 45 days after the date of the request of the individual for a hearing, the Secretary shall notify the individual in writing of the decision of the hearing officer on the appeal of the determination.

"(D) Financial assistance may not be denied or terminated until the completion of the hearing process."; and

(8) by striking the last sentence and inserting the following: "For purposes of this subsection, the term 'Secretary' means the Secretary of Housing and Urban Development, a public housing agency, or another entity that determines the eligibility of an individual for financial assistance.".

(d) Enforcement Procedures.—Section 214(e) of the Housing and Community Development Act of 1980 (as added by section 121(a)(2) of the Immigration Reform and Control Act of 1986 (Pub. L. 99-603)) is amended—

(1) in the matter before paragraph (1), by inserting "of Housing and Urban Development" after "Secretary";

(2) in paragraph (2), by inserting after "(d)(4)(A)(ii)" the following: "(or under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Pub. L. 99-603))";

(3) in paragraph (3), by inserting after "(d)(4)(B)(ii)" the following: "(or under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Pub. L. 99-603))"; and

(4) in paragraph (4), by inserting after "(d)(5)(B)" the following: "(or provided for under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Pub. L. 99-603))".

(e) Reimbursement for Costs of Implementation.—

(1) Section 214 of the Housing and Community Development Act of 1980 (as amended by section 121(a)(2) of the Immigration Reform and Control Act of 1986 (Pub. L. 99-603)) is amended by adding at the end the following new subsection:

"(f) The Secretary of Housing and Urban Development is authorized to pay to each public housing agency or other entity an amount equal to 100 percent of the costs incurred by the public housing agency or other entity in implementing and operating an immigration status verification system under subsection (d) (or under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Pub. L. 99-603)).".

(2) The United States Housing Act of 1937 (as amended by section 121(b)(6) of the Immigration Reform and Control Act of 1986 (Pub. L. 99-603)) is amended by striking section 20.

(f) Transitional Certification and Documentation Provisions.—In carrying out section 214 of the Housing and Community Development Act of 1980 during fiscal year 1988, the Secretary of Housing and Urban Development shall require, as a condition of providing financial assistance for the benefit of any individual, that such individual—

(1) declare in writing, under penalty of perjury, whether or not such individual is a citizen or national of the United States; and

(2) if not a citizen or national—

(A) declare in writing, under penalty of perjury, the immigration status of such individual, if such individual is not less than 62 years of age; or

(B) provide such documentation regarding the immigration status of such individual as the Secretary may require by regulation.

(g) Effective Dates.—

(1) The provisions of, and amendments made by, subsections (a), (b), and (f) shall take effect on the date of the enactment of this Act.

(2) The amendments made by subsection (e) shall take effect on October 1, 1987.

(3) The amendments made by subsections (c) and (d) shall take effect on October 1, 1988.

SEC. 155. PREVENTING FRAUD AND ABUSE IN DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PROGRAMS.

(a) Disclosure of Social Security Account Number.—As a condition of initial or continuing eligibility for participation in any program of the Department of Housing and Urban Development involving loans, grants, interest or rental assistance of any kind, or mortgage or loan insurance, and to ensure that the level of benefits provided under such programs is proper, the Secretary of Housing and Urban Development may require that an applicant or participant (including members of the household of an applicant or participant) disclose his or her social security account number or employer identification number to the Secretary.

(b) Definitions.—For purposes of this section, the terms "applicant" and "participant" shall have such meanings as the Secretary of Housing and Urban Development by regulation shall prescribe. Such terms shall not include persons whose involvement is only in their official capacity, such as State or local government officials or officers of lending institutions.

SEC. 156. TERMINATION OF USE OF CERTAIN EXCESS RENTAL CHARGES FOR ASSISTANCE FOR TROUBLED MULTIFAMILY HOUSING PROJECTS.

Section 236 of the National Housing Act is amended—

(1) in subsection (f), by striking paragraph (3); and

(2) in subsection (g), by striking the second sentence and inserting the following: "Such excess charges shall be credited to a reserve fund, and the Secretary shall pay over all amounts in such fund into miscellaneous receipts of the Treasury at least annually.".

SEC. 157. HOUSING DEMONSTRATION PROJECT.

(a) Authorization of Appropriations.—Section 225(i) of the Housing and Urban-Rural Recovery Act of 1983 is amended to read as follows:

"(i) There are authorized to be appropriated to carry out this section $5,000,000 for each of the fiscal years 1988 and 1989. Any amount appropriated under this subsection shall remain available until expended.".

(b) Eligible Purposes.—Section 225(d) of the Housing and Urban-Rural Recovery Act of 1983 is amended—

(1) by inserting "(1)" after "States"; and

(2) by inserting before the period at the end the following: "; and (2) to provide incentives, on a matching basis not to exceed 20 percent, for States to adjust their local shelter allowances under title IV of the Social Security Act to make housing rehabilitated under this section affordable to families who are receiving assistance under such title IV and are participating in the demonstration program under this section, or to encourage the targeting of State-funded or administered counseling, employment, and family support services to such families".

(c) Administrative Plan Requirements.—Section 225(e)(2) of the Housing and Urban-Rural Recovery Act of 1983 is amended—

(1) by striking "and" at the end of subparagraph (C);

(2) by striking the period at the end of subparagraph (D) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(E) work with the State to establish and implement a program to target counseling, employment, and family support services to families who are receiving assistance under title IV of the Social Security Act and are participating in the demonstration program under this section.".

(d) Report.—Section 225(h) of the Housing and Urban-Rural Recovery Act of 1983 is amended to read as follows:

"(h) Not later than June 1, 1988, the Secretary shall submit to the Congress a report on the implementation of the demonstration under this section.".

SEC. 158. TENANT ELIGIBILITY DETERMINATIONS IN RENT SUPPLEMENT PROJECTS.

Section 101 of the Housing and Urban Development Act of 1965 is amended—

(1) by striking the second sentence of subsection (e)(1); and

(2) by striking subsection (k) and inserting the following:

"(k) In selecting individuals or families to be assisted under this section in accordance with the eligibility criteria and procedures established under subsection (e)(1), the project owner shall give preference to individuals of families who are occupying substandard housing, are paying more than 50 percent of family income for rent, or are involuntarily displaced at the time they are seeking housing assistance under this section.".

SEC. 159. HOUSING ASSISTANCE TECHNICAL AMENDMENTS.

(a) Section 235 Homeownership Assistance.—Section 235(i)(3)(C) of the National Housing Act is amended by inserting an opening parenthesis before "including".

(b) Rental Housing for Lower Income Families.—The last sentence of section 236(i)(1) of the National Housing Act is amended by striking "(h)" and inserting "(f)(4)".

(c) Definition of Disability.—Section 3(b)(3)(A) of the United States Housing Act of 1937 is amended—

(1) by striking "or" the first place it appears and inserting a comma; and

(2) by striking "or in section 102 of the Developmental Disabilities Services and Facilities Construction Amendments of 1970" and inserting the following: ", has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7))".

(d) Lower Income Housing.—

(1) The first sentence of section 6(a) of the United States Housing Act of 1937 is amended by inserting "The" before "Secretary".

(2) Section 6(c)(4)(A) of the United States Housing Act of 1937 is amended—

(A) by striking "or are paying more than 50 per centum of family income for rent"; and

(B) by inserting ", are paying more than 50 percent of family income for rent," after "substandard housing".

(3) Paragraphs (4) and (5) of section 6(k) of the United States Housing Act of 1937 are amended by striking "his" each place it appears and inserting "their".

(e) Operating Subsidy.—Section 9(c) of the United States Housing Act of 1937 is amended by striking the comma preceding the period at the end.

(f) Housing Development Grants.—Section 17(d)(7)(A) of the United States Housing Act of 1937 is amended by striking "title" and inserting "subsection".

(g) Public Housing Demolition and Disposition.—Section 18(b) of the United States Housing Act of 1937 is amended in the matter preceding paragraph (1) by inserting "or" after "section".

(h) Housing for the Elderly and Handicapped.—

(1) The third sentence of section 202(d)(4) of the Housing Act of 1959 is amended by striking "is a developmentally disabled individual as defined in section 102(5) of the Developmental Disabilities Services and Facilities Construction Amendments of 1950" and inserting the following: "has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7))".

(2) Section 202(f) of the Housing Act of 1959 is amended by striking "section 134" and inserting "section 133".

(3) Section 202(l) of the Housing Act of 1959 is amended by striking "difference" and inserting "different".

(i) Rent Supplements.—Section 101(j)(1)(D) of the Housing and Urban Development Act of 1965 is amended by striking "divided" and inserting "dividend".

TITLE II—RURAL HOUSING

SEC. 201. PROGRAM AUTHORIZATIONS.

(a) Insurance and Guarantee Authority.—Section 513(a)(1) of the Housing Act of 1949 is amended to read as follows:

"(a)(1) The Secretary may insure and guarantee loans under this title in an aggregate amount not to exceed $1,299,000,000 in each of the fiscal years 1988 and 1989 as follows:

"(A) For insured loans made under section 502 to borrowers receiving assistance under section 521(a)(1), the aggregate amount may not exceed $860,800,000 in each of the fiscal years 1988 and 1989.

"(B) For insured loans made under section 515, the aggregate amount may not exceed $417,000,000 in each of the fiscal years 1988 and 1989.

"(C) For insured loans made under section 514, the aggregate amount may not exceed $11,484,000 in each of the fiscal years 1988 and 1989.

"(D) For insured loans made under section 504, the aggregate amount may not exceed $11,335,000 in each of the fiscal years 1988 and 1989.

"(E) For insured loans made under section 524, the aggregate amount may not exceed $574,000 in each of the fiscal years 1988 and 1989.".

(b) Authorization of Appropriations.—Section 513(b) of the Housing Act of 1949 is amended to read as follows:

"(b) There are authorized to be appropriated for each of the fiscal years 1988 and 1989, and to remain available until expended—

"(1) for grants under section 504, $12,500,000;

"(2) for purposes of section 509(c), $713,000;

"(3) such sums as may be necessary to meet payments on notes or other obligations issued by the Secretary under section 511 equal to—

"(A) the aggregate of the contributions made by the Secretary in the form of credits on principal due on loans made pursuant to section 503; and

"(B) the interest due on a similar sum represented by notes or other obligations issued by the Secretary;

"(4) for financial assistance under section 516, $9,513,000;

"(5) for grants under section 523(f), $8,000,000;

"(6) for grants under section 533, $19,140,000; and

"(7) such sums as may be necessary for the Secretary to administer the provisions of sections 235 and 236 of the National Housing Act and section 8 of the United States Housing Act of 1937.".

(c) Rental Assistance Payment Contracts.—Section 513(c) of the Housing Act of 1949 is amended to read as follows:

"(c) The Secretary, to the extent approved in appropriation Acts, may enter into rental assistance payment contracts under section 521(a)(2)(A) aggregating $160,310,000 for each of the fiscal years 1988 and 1989. Such authority as is approved in appropriation Acts shall be used by the Secretary to renew rental assistance payment contracts that expire during such fiscal year and to make additional rental assistance payment contracts for existing or newly constructed dwelling units.".

(d) Rural Housing Voucher Contracts.—Section 513 of the Housing Act of 1949 is amended by adding at the end the following new subsection:

"(d) The Secretary, to the extent approved in appropriation Acts, may enter into 5-year contracts aggregating $286,000,000 for each of the fiscal years 1988 and 1989 to provide rural housing vouchers under section 8(o) of the United States Housing Act of 1937.".

(e) Rental Housing Loan Authority.—Section 515(b)(4) of the Housing Act of 1949 is amended by striking "September 30, 1987" and inserting "September 30, 1989".

(f) Mutual and Self-Help Housing Grant and Loan Authority.—Section 523(f) of the Housing Act of 1949 is amended by striking "September 30, 1987" and inserting "September 30, 1989".

SEC. 202. INCOME LEVELS FOR FAMILY ELIGIBILITY.

(a) In General.—Section 501(b)(4) of the Housing Act of 1949 is amended by adding at the end the following new sentence: "Notwithstanding the preceding sentence, the maximum income levels established for purposes of this title for such families and persons in the Virgin Islands shall not be less than the highest such levels established for purposes of this title for such families and persons in American Samoa, Guam, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.".

(b) Applicability.—The amendment made by subsection (a) shall be applicable to any determination of eligibility for assistance under title V of the Housing Act of 1949 made on or after the date of the enactment of this Act.

SEC. 203. DEFINITION OF VERY LOW-INCOME FAMILIES.

Section 501(b)(4) of the Housing Act of 1949 (as amended by section 202 of this Act) is further amended by adding at the end the following new sentence: "For purposes of assistance under section 502, the term 'very low-income families or persons' mean families and persons whose incomes do not exceed the applicable level established pursuant to the preceding sentences, or 50 percent of the statewide nonmetropolitan median income (as determined and adjusted by the Secretary of Housing and Urban Development in consultation with the Secretary of Agriculture), whichever amount is higher."

SEC. 204. RURAL HOUSING ESCROW ACCOUNTS.

Section 501(e) of the Housing Act of 1949 is amended by striking the first sentence and inserting the following: "The Secretary shall, not later than 60 days after the date of the enactment of the Housing and Community Development Act of 1987, establish procedures under which any borrower under this title may, at the option of the borrower, make periodic payments for the purpose of taxes, insurance, and such other necessary expenses as the Secretary determines to be appropriate.".

SEC. 205. REQUIREMENT OF LOCAL CONSULTATION FOR DOMESTIC FARM LABOR HOUSING.

(a) Insured Loan Program.—Section 514 of the Housing Act of 1949 is amended by adding at the end the following new subsection:

"(i) The Secretary may not insure a loan under this section (regardless of the number of units proposed to be included in the housing and related facilities involved) unless the application for the loan includes a certification that the applicant has consulted with the unit of general local government in which the housing and related facilities are to be located.".

(b) Grant Program.—Section 516 of the Housing Act of 1949 is amended by adding at the end the following new subsection:

"(j) The Secretary may not provide financial assistance under this section (regardless of the number of units proposed to be included in the housing and related facilities involved) unless the application for the financial assistance includes a certification that the applicant has consulted with the unit or general local government in which the housing and related facilities are to be located.".

(c) Applicability.—The amendments made by this section shall apply only to applications submitted after the date of the enactment of this Act.

SEC. 206. RURAL AREA CLASSIFICATION.

Section 520 of the Housing Act of 1949 is amended by striking "September 30, 1987" in the last sentence and inserting "September 30, 1989".

SEC. 207. PROCEDURES FOR REDUCTION OF INTEREST CREDITS.

Section 521(a)(1)(B) of the Housing Act of 1949 is amended by adding at the end the following new sentence: "In the case of assistance provided under this subparagraph with respect to a loan under section 502, the Secretary may not reduce, cancel, or refuse to renew the assistance due to an increase in the adjusted income of the borrower if the reduction, cancellation, or nonrenewal will cause the borrower to be unable to reasonably afford the resulting payments required under the loan.".

SEC. 208. STUDY OF MORTGAGE CREDIT IN RURAL AREAS.

The Secretary of Housing and Urban Development shall conduct a study of the availability and use of funds for the purchase and improvement of residential real property in rural areas, particularly in communities that have populations of not more than 2,500 individuals. Not later than April 1, 1988, the Secretary shall submit to the Congress a detailed report setting forth the findings of the Secretary as a result of the study.

SEC. 209. MANUFACTURED HOUSING.

Section 502(e) of the Housing Act of 1949 is amended by adding at the end the following:

"(3) A loan which may be made or insured under this section with respect to a manufactured home or a manufactured home and lot shall be repayable over the same period as would be applicable under section 2 of the National Housing Act.".

SEC. 210. LOAN PACKAGING BY NONPROFIT ORGANIZATIONS.

Section 501 of the Housing Act of 1949 is amended by adding at the end the following new subsection:

"(h) For the purposes of this title, the term 'development cost' shall include the packaging of loan and grant applications and actions related thereto by public and private nonprofit organizations tax exempt under the Internal Revenue Code of 1986.".

SEC. 211. CONFORMANCE WITH LOW-INCOME HOUSING TAX CREDIT ELIGIBILITY CRITERIA.

Section 515(o) of the Housing Act of 1949 is amended by adding at the end the following:

"(4) In projects financed under this section, units which have been allocated a low-income housing tax credit by a housing credit agency pursuant to section 42 of the Internal Revenue Code of 1986 shall not be available for occupancy by persons or families other than persons or families with incomes not in excess of the qualifying income applicable to such units pursuant to subparagraph (A) or (B) of section 42(g)(1) of such Code, except when the Secretary determines that the continued vacancy of units which have been unoccupied for at least 6 months threatens the project's financial viability.".

SEC. 212. RURAL HOUSING GUARANTEED LOAN DEMONSTRATION.

Section 502 of the Housing Act of 1949 is amended by adding at the end the following new subsection:

"(f)(1) Of the total loans under this section for fiscal year 1988 or any succeeding fiscal year, not less than 5 percent nor more than 10 percent shall be guaranteed loans in accordance with this section, section 517(d), and the last sentence of section 521(a)(1)(A).

"(2) Loans guaranteed pursuant to this subsection shall be made only to borrowers with moderate incomes that do not exceed 115 percent of the median income of the area, as determined by the Secretary, with adjustments for smaller and larger families.".

SEC. 213. RURAL RENTAL HOUSING DISPLACEMENT PREVENTION.

(a) Sale of Rural Rental Housing to Nonprofit Organizations and Public Agencies.—Section 502(c) of the Housing Act of 1949 is amended by adding at the end the following new paragraph:

"(3)(A) OFFER TO SELL TO NONPROFIT ORGANIZATIONS AND PUBLIC AGENCIES.—

"(i) IN GENERAL.—Before accepting any offer to prepay, or requesting refinancing in accordance with subsection (b)(3) of, any loan made or insured under section 514 or 515 pursuant to a contract entered into before December 21, 1979, the Secretary shall require the borrower (except as provided in subparagraph (G)) to offer to sell the assisted housing and related facilities involved to any qualified nonprofit organization or public agency at a fair market value determined by 2 independent appraisers, one of whom shall be selected by the Secretary and one of whom shall be selected by the borrower. If the 2 appraisers fail to agree on the fair market value, the Secretary and the borrower shall jointly select a third appraiser, whose appraisal shall be binding on the Secretary and the borrower.

"(ii) PERIOD FOR WHICH REQUIREMENT APPLICABLE.—If, upon the expiration of 90 days after an offer is made to sell housing and related facilities under clause (i), no qualified nonprofit organization or public agency has made a bona fide offer to purchase, the Secretary may accept the offer to prepay, or may request refinancing in accordance with subsection (b)(3) of, the loan.

"(B) QUALIFIED NONPROFIT ORGANIZATIONS AND PUBLIC AGENCIES.—

"(i) LOCAL NONPROFIT ORGANIZATION OR PUBLIC AGENCY.—A local nonprofit organization or public agency may purchase housing and related facilities under this paragraph only if the organization or agency is determined by the Secretary to be capable of managing the housing and related facilities (either directly or through a contract) for the remaining period of the loan made or insured under section 514 or 515.

"(ii) NATIONAL OR REGIONAL NONPROFIT ORGANIZATION.—If the Secretary determines that there is no local nonprofit organization or public agency qualified to purchase the housing and related facilities involved, the Secretary shall require the borrower to offer to sell the assisted housing and related facilities to an existing qualified national or regional nonprofit organization.

"(C) FINANCING OF SALE.—To facilitate the sale described in subparagraph (A), the Secretary shall—

"(i) to the extent provided in appropriation Acts, make an advance to the nonprofit organization or public agency whose offer to purchase is accepted under this paragraph to cover any direct costs (other than the purchase price) incurred by the organization or agency in purchasing and assuming responsibility for the housing and related facilities involved;

"(ii) approve the assumption, by the nonprofit organization or public agency involved, of the loan made or insured under section 514 or 515;

"(iii) to the extent provided in appropriation Acts, transfer any rental assistance payments that are received under section 521(a)(2)(A), or under section 8 of the United States Housing Act of 1937, with respect to the housing and related facilities involved; and

"(iv) to the extent provided in appropriation Acts, provide a grant to the nonprofit organization or public agency whose offer to purchase is accepted under this paragraph to enable the organization or agency to purchase the housing and related facilities involved.

"(D) RENT LIMITATION AND ASSISTANCE.—The Secretary shall, to the extent provided in appropriation Acts, provide to each nonprofit organization or public agency purchasing housing and related facilities under this paragraph financial assistance (in the form of forgiveness of debt or monthly payments) in an amount necessary to ensure that the monthly rent payment made by each low income family or person residing in the housing does not exceed the maximum rent permitted under section 521(a)(2)(A).

"(E) RESTRICTION ON SUBSEQUENT TRANSFERS.—Except as provided in subparagraph (B)(ii), the Secretary may not approve the transfer of any housing and related facilities purchased under this paragraph during the remaining term of the loan transferred under subparagraph (C)(ii), unless the Secretary determines that—

"(i) the transfer will further the provision of housing and related facilities for low income families or persons; or

"(ii) there is no longer a need for such housing and related facilities by low income families or persons.

"(F) GENERAL RESTRICTION ON PREPAYMENTS AND REFINANCINGS.—Following the transfer of the maximum number of dwelling units set forth in subparagraph (H)(i) in any fiscal year or the maximum number of dwelling units for which budget authority is available in any fiscal year, the Secretary may not accept in such fiscal year any offer to prepay, or request refinancing in accordance with subsection (b)(3) of, any loan made or insured under section 514 or 515 pursuant to a contract entered into before December 21, 1979, except in accordance with subparagraph (G). The limitation established in this subparagraph shall not apply to an offer to prepay, or request to refinance, if, following the date on which such offer or request is made (or following the date of the enactment of the Housing and Community Development Act of 1987, whichever occurs later) a 12-month period expires during which no budget authority is available to carry out this paragraph. For purposes of this subparagraph, the Secretary shall allocate budget authority under this paragraph in the order in which offers to prepay, or request to refinance, are made.

"(G) EXCEPTION.—This paragraph shall not apply to any offer to prepay, or any request to refinance in accordance with subsection (b)(3), any loan made or insured under section 514 or 515 pursuant to a contract entered into before December 21, 1979, if—

"(i) the borrower enters into an agreement with the Secretary that obligates the borrower (and successors in interest thereof) to utilize the assisted housing and related facilities for the purposes specified in section 514 or 515, as the case may be, for the remaining term of the loan (but not to exceed the 20-year period beginning on the date on which the loan is made or insured); or

"(ii) the Secretary determines that—

"(I) tenants of the housing and related facilities financed with the loan will not be displaced due to a change in the use of the housing, or to an increase in rental or other charges, as a result of the prepayment or refinancing; or

"(II) there is an adequate supply of safe, decent, and affordable rental housing within 25 miles of the housing and related facilities and sufficient actions have been taken to ensure that the rental housing will be made available to each tenant upon displacement.

"(H) FUNDING.—

"(i) BUDGET LIMITATION.—Not more than 5,000 dwelling units may be transferred under this paragraph in any fiscal year, and the budget authority that may be provided under this paragraph for any fiscal year may not exceed the amounts required to carry out this paragraph with respect to such number.

"(ii) REIMBURSEMENT OF RURAL HOUSING INSURANCE FUND.—There are authorized to be appropriated to the Rural Housing Insurance Fund such sums as may be necessary to reimburse the Fund for financial assistance provided under this paragraph and section 517(j)(7).

"(I) DEFINITION.—For purposes of this paragraph, the term 'nonprofit organization' means any private organization—

"(i) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual; and

"(ii) that is approved by the Secretary as to financial responsibility.

"(J) REGULATIONS.—Notwithstanding section 534, the Secretary shall issue final regulations to carry out this paragraph not later than 60 days after the date of the enactment of the Housing and Community Development Act of 1987. The Secretary shall provide for the regulations to take effect not later than 45 days after the date on which the regulations are issued.".

(b) NOTICE OF POSSIBLE PREPAYMENTS AND REFINANCINGS.—Section 502(c) of the Housing Act of 1949 (as amended by subsection (b) of this section) is further amended by adding at the end the following new paragraph:

"(4)(A) ADVANCE NOTICE OF ELIGIBLE PROJECTS.—The Secretary shall publish in the Federal Register a timely notice of the housing and related facilities for which the Secretary is authorized to accept an offer to prepay, or to request refinancing in accordance with subsection (b)(3) of, loans made or insured under section 514 or 515. The Secretary shall publish such notice—

"(i) not later than 30 days after the date of the enactment of the Housing and Community Development Act of 1987, in the case of any loan made or insured pursuant to a contract entered into before December 21, 1979; and

"(ii) not less than 1 year before the Secretary is authorized to accept an offer to prepay, or to request refinancing in accordance with subsection (b)(3) of, any other loan.

"(B) NOTICE OF OFFER TO PREPAY OR REQUEST OF REFINANCING.—As soon as practicable after receiving an offer to prepay, or requesting refinancing in accordance with subsection (b)(3), of any loan made or insured under section 514 or 515, the Secretary shall provide notice of the offer or request (through publication in the Federal Register and otherwise) to the public, the tenants of the housing and related facilities involved, and the nonprofit organizations and public agencies that the Secretary considers qualified to purchase the housing and related facilities.".

(c) USE OF RURAL HOUSING INSURANCE FUND.—Section 517(j) of the Housing Act of 1949 is amended—

(1) by striking "and" at the end of paragraph (5);

(2) by striking the period at the end of paragraph (6) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(7) to provide advances, financial assistance, and other payments required to carry out section 502(c)(3).".

SEC. 214. RURAL HOUSING VOUCHER PROGRAM.

(a) IN GENERAL.—Section 8(o)(3) of the United States Housing Act of 1937 is amended in the first sentence—

(1) by striking "or" at the end of clause (B); and

(2) by inserting before the period at the end the following: ", or (D) a family previously assisted under title V of the Housing Act of 1949 (which assistance shall be administered under an agreement between the Secretary of Housing and Urban Development and the Secretary of Agriculture and shall be funded by the Secretary of Agriculture from budget authority made available under section 513(d) of the Housing Act of 1949)".

(b) CONFORMING AMENDMENT.—Section 8(o)(6) of the United States Housing Act of 1937 is amended in the first sentence by inserting "or other entity" after "public housing agency".

SEC. 215. SECTION 515 OPERATING RESERVE AND EQUITY CONTRIBUTION REQUIREMENTS.

Section 515 of the Housing Act of 1949 is amended by adding at the end the following new subsection:

"(q) The Secretary—

"(1) may require that the initial operating reserve under this section may be in the form of an irrevocable letter of credit; and

"(2) may not require more than a 3 percent contribution to equity.".

SEC. 216. RURAL HOUSING TECHNICAL AMENDMENTS.

(a) DEFINITIONS.—Section 501(b)(3) of the Housing Act of 1949 is amended by striking "is a developmentally disabled individual as defined in section 102(7) of the Development Disabilities Services and Facilities Construction Act" and inserting the following: "has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7))".

(b) FARM LABOR HOUSING.—Section 514(f)(1) of the Housing Act of 1949 is amended by striking "and" at the end.

(c) HOUSING FOR ELDERLY FAMILIES.—Section 515(o)(1) of the Housing Act of 1949 is amended by striking "effective".

(d) LOANS TO LOW- AND MODERATE-INCOME FAMILIES.—Section 521(a) of the Housing Act of 1949 is amended—

(1) in paragraph (1)(A), by striking ", except" and all that follows through "charges"; and

(2) in paragraph (2)(A), by striking "; or" and inserting ", or".

(e) HOUSING FOR RURAL TRAINEES.—Section 522(a) of the Housing Act of 1949 is amended by striking the comma after "Health".

(f) CONDOMINIUM HOUSING.—

(1) Section 526(a) of the Housing Act of 1949 is amended by striking "and" the first place it appears.

(2) Section 526(c) of the Housing Act of 1949 is amended by striking "and" the first place it appears.

(g) HOUSING PRESERVATION GRANTS.—

(1) Section 533(e)(1)(B)(iii) of the Housing Act of 1949 is amended by inserting "to" before "refuse".

(2) Section 533(g) of the Housing Act of 1949 is amended by striking "persons of low income and very low-income" and inserting "low income families or persons and very low-income families or persons".

TITLE III—MORTGAGE INSURANCE AND SECONDARY MORTGAGE MARKET PROGRAMS

Subtitle A—FHA Mortgage Insurance Programs

SEC. 301. PERMANENT INSURANCE AUTHORITY FOR FHA.

(a) REPEAL OF CERTAIN TERMINATION DATES.—

(1) The first sentence of section 2(a) of the National Housing Act is amended by striking "and not later than September 30, 1987,".

(2) Section 217 of the National Housing Act is repealed.

(3) The fifth sentence of section 221(f) of the National Housing Act is repealed.

(4) Section 244(d), and the last sentence of section 244(h), of the National Housing Act is repealed.

(5) The last sentence of section 245(a) of the National Housing Act is repealed.

(6) The second sentence of section 1002(a) of the National Housing Act is repealed.

(b) ADDITIONAL TERMINATION.—Section 222 of the National Housing Act is amended by adding at the end the following new subsection:

"(h) No mortgage may be insured under this section after September 30, 1987, except pursuant to a commitment to insure made on or before such date.".

SEC. 302. LIMITATION ON AMOUNT TO BE INSURED UNDER NATIONAL HOUSING ACT.

Section 531 of the National Housing Act is amended to read as follows:

"LIMITATION ON COMMITMENTS TO INSURE LOANS AND MORTGAGES

"SEC. 531. (a) The authority of the Secretary to enter into commitments to insure loans and mortgages under this Act shall be effective for any fiscal year only to such extent or in such amounts as are or have been provided in appropriation Acts for such fiscal year.

"(b) Notwithstanding any other provision of law and subject only to the absence of qualified requests for insurance, to the authority provided in this Act, and the limitation in subsection (a), the Secretary shall enter into commitments during each of the fiscal years 1988 and 1989 to insure mortgages under this Act with an aggregate principal amount of $100,000,000,000.".

SEC. 303. LIMITATION ON FEDERAL HOUSING ADMINISTRATION INSURANCE PREMIUMS.

Section 203(c) of the National Housing Act is amended by adding at the end the following new sentence: "In the case of any mortgage secured by a 1- to 4-family dwelling, the total premium charge shall not exceed an amount equal to 3.8 percent of the original principal obligation of the mortgage if the Secretary requires (1) a single premium charge to cover the total premium obligation of the insurance of the mortgage; or (2) a periodic premium charge over less than the term of the mortgage.".

SEC. 304. LIMITATION OF USE OF SINGLE FAMILY MORTGAGE INSURANCE BY INVESTORS.

(a) IN GENERAL.—Section 203 of the National Housing Act is amended by inserting the following new subsection before subsection (h):

"(g)(1) The Secretary may insure a mortgage under this title that is secured by a 1- to 4-family dwelling, or approve a substitute mortgagor with respect to any such mortgage, only if the mortgagor is to occupy the dwelling as his or her principal residence or as a secondary residence, as determined by the Secretary.

"(2) The occupancy requirement established in paragraph (1) shall apply only if the mortgage involves a principal obligation that exceeds, as appropriate, 75 percent of—

"(A) the appraised value of the dwelling;

"(B) the estimate of the Secretary of the replacement cost of the property;

"(C) the sum of the estimates of the Secretary of the cost of repair and rehabilitation and the value of the property before repair and rehabilitation; or

"(D) the sum of the estimates of the Secretary of the cost of repair and rehabilitation and the amount (as determined by the Secretary) required to refinance existing indebtedness secured by the property, and, in the case of a property refinanced under section 220(d)(3)(A), any existing indebtedness incurred in connection with improving, repairing, or rehabilitating the property.

"(3) The occupancy requirement established in paragraph (1) shall not apply to any mortgagor (or co-mortgagor, as appropriate) that is—

"(A) a public entity, as provided in section 214 or 247;

"(B) a private nonprofit or public entity, as provided in section 221(h) or 235(j);

"(C) an Indian tribe, as provided in section 248; or

"(D) a serviceperson who is unable to meet such requirement because of his or her duty assignment, as provided in section 216 or subsection (b)(4) or (f) of section 222.

"(4) The occupancy requirement established in paragraph (1) shall not apply to any rehabilitation loan insured under subsection (k).

"(5) For purposes of this subsection, the term 'substitute mortgagor' means a person who, upon the release by a mortgagee of a previous mortgagor from personal liability on the mortgage note, assumes such liability and agrees to pay the mortgage debt.".

(b) CONFORMING AMENDMENTS.—

(1) Section 203(b)(2) of the National Housing Act is amended—

(A) in the first sentence, by striking "(whether" and all that follows through "purposes)"; and

(B) in the second sentence, by striking the following: "to be occupied as a principal residence of the owner".

(2) Section 203(b) of the National Housing Act is amended by striking paragraph (8).

(3) Section 203(h) of the National Housing Act is amended by striking "is the owner and occupant and".

(4) Section 203(i) of the National Housing Act is amended—

(A) by striking the first proviso; and

(B) by striking "*further*" the first place it appears.

(5) The first sentence of section 203(o)(2) of the National Housing Act is amended by striking "occupant".

(6) The first sentence of section 203(p)(2) of the National Housing Act is amended by striking "owner-occupant" and inserting "owner".

(7) The fourth sentence of section 214 of the National Housing Act is amended by striking the following: "shall be the owner and occupant of the property or".

(8) Section 216 of the National Housing Act is amended—

(A) by striking "that the mortgagor be the occupant" and inserting "with respect to the occupancy of the mortgagor"; and

(B) by striking "occupy the property" each place it appears and inserting "meet such requirement".

(9) Section 220(d)(3)(A) of the National Housing Act is amended—

(A) by inserting "and" at the end of clause (i);

(B) by striking clauses (ii) and (iii);

(C) in clause (iv), by striking the following: "(except as provided in clause (iii))"; and

(D) by redesignating clause (iv) as clause (ii).

(10) Section 221(d)(2) of the National Housing Act is amended—

(A) by striking the colon at the end of subparagraph (A)(iv) and all that follows through "*Provided further,* That" the first place it appears, and inserting ", except that";

(B) by striking "*Provided,* That (i)" and all that follows through "(1) in" and inserting the following: "*Provided,* That (i)(1) in";

(C) by striking the penultimate proviso; and

(D) in the last proviso, by striking the following: ", if the mortgagor is the owner and an occupant of the property such" and inserting "the".

(11) Section 221(d)(6)(ii) of the National Housing Act is amended by striking the following: "is an owner-occupant of the property and".

(12) The first sentence of section 221(h)(6) of the National Housing Act is amended by striking "and occupied".

(13) Section 221(h)(8) of the National Housing Act is amended by striking the following: "if one of the units is to be occupied by the owner".

(14) Subsections (b)(4) and (f) of section 222 of the National Housing Act are amended by inserting "as a principal residence" after "occupies the property" each place it appears.

(15) Section 223(a) of the National Housing Act is amended by inserting after "this Act," the first place it appears the following: "other than the limitation in section 203(g),".

(16) The first sentence of section 223(e) of the National Housing Act is amended by inserting after "title XI," the following: "other than the limitation in section 203(g),".

(17) Section 234(c) of the National Housing Act is amended by striking the fourth sentence.

(18) Section 235(i)(3)(A) of the National Housing Act is amended by striking the following: "one of the units of which is to be occupied by the owner and".

(19) Section 235(j)(6) of the National Housing Act is amended by striking the following: "if one of the units is to be occupied by the owner".

(c) Repeal of Vacation and Seasonal Home Insurance Program.—Section 203 of the National Housing Act is amended by striking subsection (m).

(d) Applicability.—The amendments made by this section shall apply only with respect to—

(1) mortgages insured—

(A) pursuant to a conditional commitment issued on or after the date of the enactment of this Act; or

(B) in accordance with the direct endorsement program (24 CFR 200.163), if the approved underwriter of the mortgagee signs the appraisal report for the property on or after the date of the enactment of this Act; and

(2) the approval of substitute mortgagors, referred to in the amendment made by subsection (a), if the original mortgagor was subject to such amendment.

(e) Transition Provisions.—Any mortgage insurance provided under title II of the National Housing Act, as it existed immediately before the date of the enactment of this Act, shall continue to be governed (to the extent applicable) by the provisions specified in subsections (a) through (c), as such provisions existed immediately before such date.

SEC. 305. ACTIONS TO REDUCE LOSSES UNDER SINGLE FAMILY MORTGAGE INSURANCE PROGRAM.

Section 203 of the National Housing Act is amended by adding at the end the following new subsections:

"(r) The Secretary shall take appropriate actions to reduce losses under the mortgage insurance program carried out under this section. Such actions shall include—

"(1) independent verification by the Secretary after loan approval of the ability of borrowers to pay, to be carried out by the least expensive method of verification—

"(A) with respect to not less than 10 percent of the mortgage applications submitted by each lender in both the direct endorsement and prior approval programs; and

"(B) with respect to not less than 20 percent of the mortgage applications involving properties located in administrative regions of the Department of Housing and Urban Development where the default rate on mortgages insured under this section exceeds 120 percent of the national default rate on such mortgages during the most recent 12-month period for which data are available;

"(2) an annual review by the Secretary of the rate of early serious defaults and claims, in accordance with subsection (t);

"(3) independent verification by the Secretary of all credit reports in the case of sales of investor-owned properties when the mortgagors have no prior credit history;

"(4) independent verification by the Secretary of all appraisals involving investor-owned property that is acquired by the investor less than 12 months prior to the date of the mortgage application; and

"(5) requiring reviews of the credit standing of each person seeking to assume a mortgage insured under this section during the 24-month period following (A) the date on which the mortgage is endorsed for insurance; or (B) the date of a previous assumption of the mortgage.

"(s) In conducting field reviews of appraisals, the Secretary may not use the services of fee appraisers who are employed by the Secretary to appraise single-family dwellings that are subject to mortgages insured under this title.

"(t)(1) To reduce losses in connection with mortgage insurance programs under this section, the Secretary shall review, not less than annually, the rate of early serious defaults and claims involving mortgagees approved under this section. On the basis of the review, the Secretary shall notify each mortgagee who for the administrative region, as determined by the Secretary, has an above-normal rate of early serious defaults and claims during the preceding year. In the notification, the Secretary shall require each mortgagee to submit a report, by a date determined by the Secretary, that contains (A) an explanation for the above-normal rate of early serious defaults and claims; (B) a plan for corrective action (if applicable), both with respect to mortgages in default and the general mortgage-processing system of the mortgagee; and (C) the date by which the corrective action will be begun and completed. If the Secretary does not agree with the plan or schedule for implementation, a mutually agreeable plan and schedule shall be determined.

"(2) Failure of a mortgagee to submit a report acceptable to the Secretary by the date determined by the Secretary or to commence or complete the plan for corrective action by the date agreed upon by the Secretary may be cause for suspension of the mortgagee from participation in programs under this Act.".

SEC. 306. REQUIREMENT OF STATE APPROVAL FOR MORTGAGE INSURANCE FOR HOSPITALS.

(a) In General.—Section 242(d)(4) of the National Housing Act is amended by inserting at the end the following new sentences: "If no such State agency exists, or if the State agency exists but is not empowered to provide a certification that there is a need for the hospital as set forth in clause (A) of the first sentence, the Secretary shall not insure any mortgage under this section unless (A) the State in which the hospital is located has conducted or commissioned and paid for the preparation of an independent study of market need and feasibility that (i) is prepared in accordance with the principles established by the American Institute of Certified Public Accountants; (ii) assesses, on a marketwide basis, the impact of the proposed hospital on, and its relationship to, other health care facilities and services, the percentage of excess beds, demographic projections, alternative health care delivery systems, and the reimbursement structure of the hospital; (iii) is addressed to and is acceptable to the Secretary in form and substance; and (iv) in the event the State does not prepare the study, is prepared by a financial consultant selected by the State and approved by the Secretary; and (B) the State complies with the other provisions of this paragraph that would otherwise be required to be met by a State agency designated in accordance with section 604(a)(1) or section 1521 of the Public Health Service Act. The proposed mortgagor may reimburse the State for the cost of the independent feasibility study required in the preceding sentence.".

(b) Regulations.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendment made by this section by not later than the expiration of the 90-day period following the date of the enactment of this Act.

SEC. 307. MORTGAGE INSURANCE ON HAWAIIAN HOME LANDS AND INDIAN RESERVATIONS.

(a) Applicability of Mortgage Insurance on Hawaiian Home Lands.—Section 247(c)(1) of the National Housing Act is amended by inserting before the period at the end the following: "(or, in the case of an individual who succeeds a spouse or parent in an interest in a lease of Hawaiian home lands, such lower percentage as may be established for such succession under section 209 of the Hawaiian Homes Commission Act, 1920, or under the corresponding provision of the Constitution of the State of Hawaii adopted under section 4 of the Act entitled 'An Act to provide for the admission of the State of Hawaii into the Union', approved March 18, 1959 (73 Stat. 5))".

(b) Mortgage Insurance on Hawaiian Home Lands as Obligations of General Insurance Fund.—Section 247 of the National Housing Act is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c) Notwithstanding any other provision of this Act, the insurance of a mortgage using the authority contained in this section shall be the obligation of the General Insurance Fund established in section 519. The mortgagee shall be eligible to receive the benefits of insurance as provided in section 204 with respect to mortgages insured pursuant to this section, except that (1) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the General Insurance Fund; and (2) all references in section 204 to section 203 shall be construed to refer to the section under which the mortgage is insured.".

(c) MORTGAGE INSURANCE ON INDIAN RESERVATIONS AS OBLIGATIONS OF GENERAL INSURANCE FUND.—Section 248 of the National Housing Act is amended—

(1) in paragraphs (3) and (5) of subsection (f), by striking "insurance fund" each place it appears and inserting "General Insurance Fund";

(2) by redesignating subsections (f), (g), and (h) as subsections (g), (h), and (i), respectively; and

(3) by inserting after subsection (e) the following new subsection:

"(f) Notwithstanding any other provision of this Act, the insurance of a mortgage using the authority contained in this section shall be the obligation of the General Insurance Fund established in section 519. The mortgagee shall be eligible to receive the benefits of insurance as provided in section 204 with respect to mortgages insured pursuant to this section, except that (1) all references in section 204 to the Mutual Mortgage Insurance Fund or the Fund shall be construed to refer to the General Insurance Fund; and (2) all references in section 204 to section 203 shall be construed to refer to the section under which the mortgage is insured.".

SEC. 308. INCREASE IN AUTHORITY TO INSURE ADJUSTABLE RATE SINGLE FAMILY MORTGAGES.

(a) IN GENERAL.—Section 251(c) of the National Housing Act is amended to read as follows:

"(c) The aggregate number of mortgages and loans insured under this section in any fiscal year may not exceed 20 percent of the aggregate number of mortgages and loans insured by the Secretary under this title during the preceding fiscal year.".

(b) CONFORMING AMENDMENTS.—

(1) Section 245(c) of the National Housing Act is amended in the last sentence by striking ", section 251,".

(2) Section 252(g) of the National Housing Act is amended—

(A) by striking the first comma and inserting "and"; and

(B) by striking ", and section 251".

SEC. 309. PENALTIES FOR EQUITY SKIMMING.

(a) PURCHASE OF DWELLING SUBJECT TO LOAN IN DEFAULT.—Section 912 of the Housing and Urban Development Act of 1970 is amended—

(1) in paragraph (1), by inserting "(including condominiums and cooperatives)" after "dwellings";

(2) in paragraph (2), by inserting after "due" the following: ", regardless of whether the purchaser is obligated on the loan"; and

(3) in the matter following paragraph (3)—

(A) by striking "$5,000" and inserting "$250,000"; and

(B) by striking "three" and inserting "5".

(b) USE OF FUNDS DERIVED FROM PROPERTY SUBJECT TO LOAN IN DEFAULT.—Title II of the National Housing Act is amended by adding at the end the following new section:

"EQUITY SKIMMING PENALTY

"SEC. 254. Whoever, as an owner, agent, or manager, or who is otherwise in custody, control, or possession of property that is security for a mortgage note that is insured, acquired, or held by the Secretary pursuant to section 203, 207, 213, 220, 221(d)(3), 221(d)(4), 223(f), 231, 232, 234, 236, 238(c), 241, 242, 244, 608, or 810, or title XI, or is made pursuant to section 202 of the Housing Act of 1959, willfully uses or authorizes the use of any part of the rents, assets, proceeds, income or other funds derived from property covered by such mortgage note during a period when the mortgage note is in default or the project is in a nonsurplus cash position as defined by the regulatory agreement covering such property, for any purpose other than to meet actual or necessary expenses that include expenses approved by the Secretary if such approval is required under the terms of the regulatory agreement, shall be fined not more than $250,000 or imprisoned not more than 5 years, or both.".

(c) CONFORMING AMENDMENTS.—Section 239 of the National Housing Act is amended—

(1) by striking "INSURED" in the section heading;

(2) by striking "(a)" after "SEC. 239."; and

(3) by striking subsection (b).

SEC. 310. AUTHORITY FOR SECRETARY TO IMPOSE CIVIL MONEY PENALTIES.

(a) IN GENERAL.—Title II of the National Housing Act (as amended by section 309 of this Act) is further amended by adding at the end the following new section:

"AUTHORITY FOR SECRETARY TO IMPOSE CIVIL MONEY PENALTIES

"SEC. 255. (a) IN GENERAL.—

"(1) Whenever a mortgagee approved under section 203, a lender holding a contract of insurance under title I, or an individual violates any of the requirements of this Act, as set forth in subsection (b), the Secretary may impose a civil money penalty on the mortgagee, lender, or individual in accordance with the provisions of this section. This penalty shall be in addition to any available civil remedy or any other available civil or criminal penalty, and may be imposed whether or not the Secretary imposes other administrative sanctions.

"(2) The amount of the penalty may not exceed $1,000 for each violation, as determined by the Secretary, except that the maximum penalty for all violations by a particular mortgagee, lender, or individual during any 1-year period shall not exceed $1,000,000. In the case of a continuing violation, as determined by the Secretary, each day shall constitute a separate violation.

"(b) VIOLATIONS FOR WHICH PENALTY MAY BE IMPOSED.—The Secretary may impose a civil money penalty under subsection (a) for any of the following violations by a mortgagee, lender, or individual:

"(1) Unless expressly permitted by statute or regulation, transfer of a mortgage insured under section 203 to a mortgagee not approved by the Secretary, or transfer of a loan to a transferee that is not holding a contract of insurance under title I.

"(2) Failure of a nonsupervised mortgagee, as defined by the Secretary—

"(A) to segregate all escrow funds received from a mortgagor for ground rents, taxes, assessments, and insurance premiums; or

"(B) to deposit such funds in a special account with a financial institution whose accounts are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration.

"(3) Disbursal of escrow funds for any purpose other than the purpose for which such funds are received.

"(4) Submission to the Secretary of information that the mortgagee, lender, or individual knew was false, in connection with any mortgage insured under section 203, or any loan that is covered by a contract of insurance under title I.

"(5) Hiring or retaining in employment an officer, director, principal, or employee with knowledge that, at the time of hire or while in employment (as appropriate), the person was under suspension or debarment by the Secretary.

"(6) Submission of a false certification to the Secretary.

"(7) Failure to comply with an amendment, certification, or condition of approval set forth—

"(A) on the application of a mortgagee or lender for approval by the Secretary; or

"(B) on the notification by a mortgagee or lender to the Secretary concerning establishment of a branch office.

"(8) Significant or substantial violation of any contract with the Secretary under section 203 or title I, any statute or implementing regulation that applies to the programs administered by the Secretary under section 203 or title I, or handbook instruction or mortgagee or title I letter that is issued under this Act and mailed, sent, or delivered to a mortgagee under section 203 or a lender under title I.

"(c) AGENCY PROCEDURES.—

"(1) The Secretary shall establish standards and procedures governing the imposition of civil money penalties under subsection (a). The standards and procedures—

"(A) shall provide for the imposition of a penalty only after the mortgagee, lender, or individual has been given an opportunity for a hearing on the record by a hearing officer authorized by the Secretary to conduct hearings; and

"(B) may provide for—

"(i) use of an administrative entity to make the determination to impose a penalty, subject to a hearing if requested; and

"(ii) review of any determination or order, or interlocutory ruling, arising from a hearing.

"(2) In determining the amount of a penalty under subsection (a), the Secretary shall take into account the gravity of the offense, degree of culpability, any history of prior offenses, ability to pay, size of the business entity, effect upon ability to continue in business, and such other factors as the Secretary may determine in regulations to be appropriate.

"(3) The determination of the Secretary or order of the Secretary imposing a penalty under subsection (a) shall not be subject to review, except as provided in subsection (d).

"(d) JUDICIAL REVIEW OF AGENCY DETERMINATION.—After exhausting all administrative remedies established by the Secretary under subsection (c)(1), a mortgagee, lender, or individual against whom the Secretary has imposed a civil money penalty under subsection (a) may obtain judicial review of the determination or order of the Secretary in the appropriate United States district court, as provided in chapter 7 of title 5, United States Code.

"(e) ACTION BY SECRETARY TO COLLECT PENALTY.—If any mortgagee, lender, or individual fails to comply with the determination or order of the Secretary imposing a civil money penalty under subsection (a), after the determination or order is no longer subject to review as provided by subsections (c)(1) and (d), the Secretary may, acting through the General Counsel of the Department of Housing and Urban Development, bring an action in an appropriate United States district court to obtain a monetary judgment against the mortgagee, lender, or individual and such other relief as may be available. The monetary judgment may, in the discretion of the court, include the attorneys fees and other expenses incurred by the Secretary in connection with the action.

"(f) SETTLEMENT BY SECRETARY.—The Secretary may compromise, modify, or remit any civil money penalty that may be, or has been, imposed under this section.

"(g) REGULATIONS.—The Secretary shall issue such regulations as may be necessary to carry out this section.

"(h) DEPOSIT OF PENALTIES IN INSURANCE FUNDS.—All civil money penalties collected under this section shall be deposited in the appropriate insurance fund or funds established in this Act, and shall be available for use to the extent approved in appropriation Acts.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply only with respect to—

(1) violations that occur on or after the effective date of the regulations issued to carry out such amendment; or

(2) in the case of a continuing violation (as determined by the Secretary of Housing and Urban Development), any portion of the violation that occurs on or after such effective date.

SEC. 311. HOME EQUITY CONVERSION MORTGAGE INSURANCE DEMONSTRATION.

(a) IN GENERAL.—Title II of the National Housing Act is amended by adding at the end the following new section:

"DEMONSTRATION PROGRAM OF INSURANCE OF HOME EQUITY CONVERSION MORTGAGES FOR ELDERLY HOMEOWNERS

"SEC. 254. (a) PURPOSE.—The purpose of this section is to authorize and require the Secretary to carry out a demonstration program of mortgage insurance designed—

"(1) to meet the special needs of elderly homeowners by reducing the effect of the economic hardship caused by the increasing costs of meeting health, housing, and subsistence needs at a time of reduced income, through the insurance of home equity conversion mortgages to permit the conversion of a portion of accumulated home equity into liquid assets;

"(2) to encourage and increase the involvement of mortgagees and participants in the secondary mortgage market in the making and servicing of home equity conversion mortgages for elderly homeowners; and

"(3) to require the evaluation of data to determine—

"(A) the extent of the need and demand among elderly homeowners for insured and uninsured home equity conversion mortgages;

"(B) the types of home equity conversion mortgages that best serve the needs and interests of elderly homeowners, the Federal Government, and lenders; and

"(C) the appropriate scope and nature of participation by the Secretary in connection with home equity conversion mortgages for elderly homeowners.

"(b) DEFINITIONS.—For purposes of this section:

"(1) The terms 'elderly homeowner' and 'homeowner' mean any homeowner who is, and whose spouse, if any, is, at least 62 years of age or such greater age as the Secretary may prescribe.

"(2) The terms 'mortgage', 'mortgagee', 'mortgagor', and 'State' have the meanings given such terms in section 201.

"(3) The term 'home equity conversion mortgage' means a first mortgage which provides for future payments to the homeowner based on accumulated equity and which a housing creditor (as defined in section 803(2) of the Garn-St Germain Depository Institutions Act of 1982) is authorized to make (A) under any law of the United States (other than section 804 of such Act) or applicable agency regulations thereunder; (B) in accordance with section 804 of such Act, notwithstanding any State constitution, law, or regulation; or (C) under any State constitution, law, or regulation.

"(c) INSURANCE AUTHORITY.—The Secretary may, upon application by a mortgagee, insure any home equity conversion mortgage eligible for insurance under this section and, upon such terms and conditions as the Secretary may prescribe, make commitments for the insurance of such mortgages prior to the date of their execution or disbursement to the extent that the Secretary determines such mortgages—

"(1) have promise for improving the financial situation or otherwise meeting the special needs of elderly homeowners;

"(2) will include appropriate safeguards for mortgagors to offset the special risks of such mortgages; and

"(3) have a potential for acceptance in the private mortgage market.

"(d) ELIGIBILITY REQUIREMENTS.—To be eligible for insurance under this section, a mortgage shall—

"(1) have been made to a mortgagee approved by the Secretary as responsible and able to service the mortgage properly;

"(2) have been executed by a mortgagor who—

"(A) qualifies as an elderly homeowner;

"(B) has received information as provided in subsection (f); and

"(C) meets any additional requirements prescribed by the Secretary;

"(3) be secured by a dwelling that is designed principally for a 1-family residence and is occupied by the mortgagor and that has a value not to exceed the maximum dollar amount established by the Secretary under section 203(b)(2) for a one-family residence;

"(4) provide that prepayment, in whole or in part, may be made without penalty at any time during the period of the mortgage;

"(5) provide for a fixed or variable interest rate or future sharing between the mortgagor and the mortgagee of the appreciation in the value of the property, as agreed upon by the mortgagor and the mortgagee;

"(6) contain provisions for satisfaction of the obligation satisfactory to the Secretary;

"(7) provide that the homeowner shall not be liable for any difference between the net amount of the remaining indebtedness of the homeowner under the mortgage and the amount recovered by the mortgagee from—

"(A) a foreclosure sale; or

"(B) the insurance benefits paid pursuant to subsection (i)(1)(C); and

"(8) contain such terms and provisions with respect to insurance, repairs, alterations, payment of taxes, default reserve, delinquency charges, foreclosure proceedings, anticipation of maturity, additional and secondary liens, and other matters as the Secretary may prescribe.

"(e) DISCLOSURES BY MORTGAGEE.—The Secretary shall require each mortgagee of a mortgage insured under this section to make available to the homeowner—

"(1) at the time of the loan application, a written list of the names and addresses of third-party information sources who are approved by the Secretary as responsible and able to provide the information required by subsection (f);

"(2) at least 10 days prior to loan closing, a statement explaining the homeowner's rights, obligations, and remedies with respect to temporary absences from the home, late payments, and payment default by the lender, all conditions requiring satisfaction of the loan obligation, and any other information that the Secretary may require; and

"(3) on an annual basis (but not later than January 31 of each year), a statement summarizing the total principal amount paid to the homeowner under the loan secured by the mortgage, the total amount of deferred interest added to the principal, and the outstanding loan balance at the end of the preceding year.

"(f) INFORMATION SERVICES FOR MORTGAGORS.—The Secretary shall provide or cause to be provided by entities other than the lender the information required in subsection (d)(2)(B). Such information shall be discussed with the mortgagor and shall include—

"(1) options other than a home equity conversion mortgage that are available to the homeowner, including other housing, social service, health, and financial options;

"(2) other home equity conversion options that are or may become available to the homeowner, such as sale-leaseback financing, deferred payment loans, and property tax deferral;

"(3) the financial implications of entering into a home equity conversion mortgage; and

"(4) a disclosure that a home equity conversion mortgage may have tax consequences, affect eligibility for assistance under Federal and State programs, and have an impact on the estate and heirs of the homeowner; and

"(5) any other information that the Secretary may require.

"(g) LIMITATION ON INSURANCE AUTHORITY.—No mortgage may be insured under this section after September 30, 1991, except pursuant to a commitment to insure issued on or before such date. The total number of mortgages insured under this section may not exceed 2,500. In no case may the benefits of insurance under this section exceed the maximum dollar amount established under section 203(b)(2) for a one-family residence.

"(h) ADMINISTRATIVE AUTHORITY.—The Secretary may—

"(1) enter into such contracts and agreements with Federal, State, and local agencies, public and private entities, and such other persons as the Secretary determines to be necessary or desirable to carry out the purposes of this section; and

"(2) make such investigations and studies of data, and publish and distribute such reports, as the Secretary determines to be appropriate.

"(i) PROTECTION OF HOMEOWNER AND LENDER.—

"(1) Notwithstanding any other provision of law, and in order to further the purposes of the demonstration program authorized in this section, the Secretary shall take any action necessary—

"(A) to provide any mortgagor under this section with funds to which the mortgagor is entitled under the insured mortgage or ancillary contracts but that the mortgagor has not received because of the default of the party responsible for payment;

"(B) to obtain repayment of disbursements provided under subparagraph (A) from any source; and

"(C) to provide any mortgagee under this section with funds not to exceed the limitations in subsection (g) to which the mortgagee is entitled under the terms of the insured mortgage or ancillary contracts authorized in this section.

"(2) Actions under paragraph (1) may include—

"(A) disbursing funds to the mortgagor or mortgagee from the General Insurance Fund;

"(B) accepting an assignment of the insured mortgage notwithstanding that the mortgagor is not in default under its terms, and calculating the amount and making the payment of the insurance claim on such assigned mortgage;

"(C) requiring a subordinate mortgage from the mortgagor at any time in order to secure repayments of any funds advanced or to be advanced to the mortgagor;

"(D) requiring a subrogation to the Secretary of the rights of any parties to the transaction against any defaulting parties; and

"(E) imposing premium charges.

"(j) SAFEGUARD TO PREVENT DISPLACEMENT OF HOMEOWNER.—The Secretary may not insure a home equity conversion mortgage under this section unless such mortgage provides that the homeowner's obligation to satisfy the loan obligation is deferred until the homeowner's death, the sale of the home, or the occurrence of other events specified in regulations of the Secretary. For purposes of this subsection, the term 'homeowner' includes the spouse of a homeowner.

"(k) REPORT TO CONGRESS.—

"(1) The Secretary shall, not later than September 30, 1989, submit an interim report to the Congress describing—

"(A) design and implementation of the demonstration;

"(B) number and types of reverse mortgages written to date;

"(C) profile of participant homeowner-borrowers, including incomes, home equity, and regional distribution; and

"(D) problems encountered in implementation, including impediments associated with State or Federal laws or regulations governing taxes, insurance, securities, public benefits, banking, and any other problems in implementation that the Secretary encounters.

"(2) Not later than March 30, 1992, the Secretary shall submit to the Congress a preliminary evaluation of the program authorized in this section. Such evaluation shall include an updated report on the matters referred to in paragraph (1) and shall in addition—

"(A) describe the types of mortgages appropriate for inclusion in such program;

"(B) describe any changes in the insurance programs under this title, or in other Federal regulatory provisions, determined to be appropriate;

"(C) describe any risk created under such mortgages to mortgagors and mortgagees or the insurance programs under this title, and whether the risk is adequately covered by the premiums under the insurance programs;

"(D) evaluate whether such program has improved the financial situation or otherwise met the special needs of participating elderly homeowners;

"(E) evaluate whether such program has included appropriate safeguards for mortgagors to offset the special risks of such mortgages;

"(F) evaluate whether home equity conversion mortgages have a potential for acceptance in the private market; and

"(G) evaluate whether such program has increased secondary mortgage market activity with respect to home equity conversion mortgages.

"(3) The preliminary evaluation shall incorporate comments and recommendations solicited by the Secretary from the Board of Governors of the Federal Reserve System, the Secretary of Health and Human Services, the Federal Council on Aging, Federal Home Loan Bank Board, the Comptroller of the Currency, and the National Credit Union Administration Board regarding any of the matters referred to in this paragraph or paragraph (1).

"(4) Following submission of the preliminary evaluation, the Secretary shall, on a biennial basis, submit to the Congress an updated report and evaluation covering the period since the most recent report under this subsection and shall include analysis of the repayment of the home equity conversion mortgages under this demonstration during such period.".

(b) REGULATIONS.—The Secretary of Housing and Urban Development shall—

(1) not later than 6 months after the date of enactment of this Act, consult with lenders, insurers, and organizations and individuals with expertise in home equity conversion in developing proposed regulations implementing section 254 of the National Housing Act; and

(2) within 9 months, issue proposed regulations implementing section 254 of the National Housing Act.

SEC. 312. REPEAL OF REQUIREMENT TO PUBLISH PROTOTYPE HOUSING COSTS FOR 1- TO 4-FAMILY DWELLING UNITS.

The Housing and Community Development Act of 1977 is amended by striking section 904.

SEC. 313. DOUBLE DAMAGES REMEDY FOR UNAUTHORIZED USE OF MULTIFAMILY HOUSING PROJECT ASSETS AND INCOME.

(a) ACTION TO RECOVER ASSETS OR INCOME.—

(1) The Secretary of Housing and Urban Development (referred to in this section as the "Secretary") may request the Attorney General to bring an action in a United States district court to recover any assets or income used by any person in violation of (A) a regulatory agreement that applies to a multifamily project whose mortgage is insured or held by the Secretary under title II of the National Housing Act; or (B) any applicable regulation. For purposes of this section, a use of assets or income in violation of the regulatory agreement or any applicable regulation shall include any use for which the documentation in the books and accounts does not establish that the use was made for a reasonable operating expense or necessary repair of the project and has not been maintained in accordance with the requirements of the Secretary and in reasonable condition for proper audit.

(2) For purposes of a mortgage insured or held by the Secretary under title II of the National Housing Act, the term "any person" shall mean any person or entity which owns a project, as identified in the regulatory agreement, including but not limited to any stockholder holding 25 percent or more interest of a corporation that owns the project; any beneficial owner under any business or trust; any officer, director, or partner of an entity owning the project; and any heir, assignee, successor in interest, or agent of any owner.

(b) INITIATION OF PROCEEDINGS AND TEMPORARY RELIEF.—The Attorney General, upon request of the Secretary, shall have the exclusive authority to authorize the initiation of proceedings under this section. Pending final resolution of any action under this section, the court may grant appropriate temporary or preliminary relief, including restraining orders, injunctions, and acceptance of satisfactory performance bonds, to protect the interests of the Secretary and to prevent use of assets or income in violation of the regulatory agreement and any applicable regulation and to prevent loss of value of the realty and personalty involved.

(c) AMOUNT RECOVERABLE.—In any judgment favorable to the United States entered under this section, the Attorney General may recover double the value of the assets and income of the project that the court determines to have been used in violation of the regulatory agreement or any applicable regulation, plus all costs relating to the action, including but not limited to reasonable attorney and auditing fees. Notwithstanding any other provision of law, the Secretary may apply the recovery, or any portion of the recovery, to the project or to the applicable insurance fund under the National Housing Act.

(d) TIME LIMITATION.—Notwithstanding any other statute of limitations, the Secretary may request the Attorney General to bring an action under this section at any time up to and including 6 years after the latest date that the Secretary discovers any use of project assets and income in violation of the regulatory agreement or any applicable regulation.

(e) CONTINUED AVAILABILITY OF OTHER REMEDIES.—The remedy provided by this section is in addition to any other remedies available to the Secretary or the United States.

SEC. 314. PROHIBITION OF REQUIREMENT OF MINIMUM PRINCIPAL LOAN AMOUNT.

(a) ORIGINAL LOANS.—Title V of the National Housing Act is amended by adding at the end the following new section:

"PROHIBITION OF REQUIREMENT OF MINIMUM PRINCIPAL LOAN AMOUNT

"SEC. 533. A mortgagee or lender may not require, as a condition of providing a loan insured under this Act or secured by a mortgage insured under this Act, that the principal amount of the loan exceed a minimum amount established by the mortgagee or lender or that the interest rate and discount points charged on the loan exceed the interest rate and discount points charged by the mortgagee or lender for mortgages or loans having the maximum principal amount permitted for insurance under this Act.".

(b) REFINANCINGS.—Section 223(a)(7) of the National Housing Act (as amended by section 317(a) of this Act) is further amended by striking "; and (B)" and inserting the following: "; (B) a mortgagee may not require a minimum principal amount to be outstanding on the loan secured by the existing mortgage or require that the interest rate and discount points charged on the loan exceed the interest rate and discount points charged by the mortgagee or lender for mortgages or loans having the maximum principal amount permitted for insurance under this Act; and (C)".

SEC. 315. INCREASE IN MAXIMUM MORTGAGE AMOUNT UNDER SINGLE FAMILY INSURANCE PROGRAM.

(a) In General.—Section 203(b)(2)(A) of the National Housing Act is amended by striking "133⅓ per centum" and inserting "150 percent".

(b) Study.—Not later than 4 months after the date of the enactment of this Act, the Secretary of Housing and Urban Development shall submit to the Congress a report analyzing the feasibility of providing, for geographic areas experiencing particularly high prevailing housing sales prices, administrative exemptions from the principal amount limitations established in section 203(b)(2) of the National Housing Act. Such report shall include any recommendations of the Secretary for authorizing legislation.

SEC. 316. CALCULATION OF MAXIMUM MORTGAGE AMOUNT UNDER SINGLE FAMILY INSURANCE PROGRAM.

Section 203(b)(2) of the National Housing Act is amended by inserting after the first sentence the following: "For purposes of the preceding sentence, the term 'area' means a county, or a metropolitan statistical area as established by the Office of Management and Budget, whichever results in the higher dollar amount.".

SEC. 317. INSURANCE OF GRADUATED PAYMENT MORTGAGES.

(a) Authority To Insure Refinancing.—Section 223(a)(7) of the National Housing Act is amended in the first proviso by inserting after "except that" the following: "(A) the principal amount of any such refinancing mortgage may equal the outstanding balance of an existing mortgage insured pursuant to section 245, if the amount of the monthly payment due under the refinancing mortgage is less than that due under the existing mortgage for the month in which the refinancing mortgage is executed; and (B)".

(b) Termination of Authority To Insure.—Section 245(b) of the National Housing Act is amended by adding at the end the following new sentence: "No loan or mortgage may be insured under this subsection after the date of the enactment of the Housing and Community Development Act of 1987, except pursuant to a commitment to insure entered into before such date.".

SEC. 318. CHANGE IN THE DEFINITION OF VETERAN.

The National Housing Act is amended—

(1) by inserting before the period at the end of the first undesignated paragraph of section 203(b)(2) the following: ", except that persons enlisting in the armed forces after September 7, 1980, or entering active duty after October 16, 1981, shall have their eligibility determined in accordance with section 3103A(d) of title 38, United States Code"; and

(2) by inserting before the semicolon at the end of section 220(d)(3)(A)(i) the following: ", except that persons enlisting in the armed forces after September 7, 1980, or entering active duty after October 16, 1981, shall have their eligibility determined in accordance with section 3103A(d) of title 38, United States Code".

SEC. 319. CO-INSURANCE PROGRAM.

Section 244 of the National Housing Act is amended by striking subsection (c).

SEC. 320. APPROVAL OF INDIVIDUAL RESIDENTIAL WATER PURIFICATION OR TREATMENT UNITS.

(a) In General.—When the existing water supply does not meet the minimum property standards established by the Department of Housing and Urban Development and a permanent alternative acceptable water supply is not available, a continuous supply of water may be provided through the use of approved residential water treatment equipment or a water purification unit that provides bacterially and chemically safe drinking water.

(b) Approval Process.—A performance-based approval of the equipment or unit and the maintenance, monitoring, and replacement plan for such equipment or unit shall be certified by field offices of the Department of Housing and Urban Development based upon general standards recognized by the Department as modified for local or regional conditions. As a part of such approved plan, a separate monthly escrow account may be required to be established through the lender to cover the cost of the approved yearly maintenance and monitoring schedule and projected replacement of the equipment or unit.

SEC. 321. EXPIRATION OF CERTIFICATES OF REASONABLE VALUE.

If a certificate of reasonable value issued by the Administrator of Veterans' Affairs is relied upon for the purpose of determining the value of a single-family property in connection with the insurance of a mortgage under the National Housing Act, the expiration of the certificate of reasonable value shall be considered to be 12 months from the date of issuance, or such shorter period as may be established by the Administrator of Veterans' Affairs to reflect local market conditions.

SEC. 322. MISCELLANEOUS MORTGAGE INSURANCE PROVISIONS.

(a) Mortgage Insurance for Condominiums.—Section 234(e)(3) of the National Housing Act is amended by inserting after "design;" the following: "except that each of the foregoing dollar amounts is increased to the amount established for a comparable unit in section 221(d)(3)(ii);".

(b) Mortgage Insurance for Certain Properties Within an Indian Reservation.—Section 203(q)(1) of the National Housing Act is amended by striking "Secretary may" and inserting "Secretary shall".

SEC. 323. AUTHORITY FOR INCREASED MORTGAGE LIMITS FOR MULTIFAMILY PROJECTS IN HIGH-COST AREAS.

Section 207(c)(3), the second proviso of section 213(b)(2), the first proviso of section 220(d)(3)(B)(iii), section 221(d)(3)(ii), section 221(d)(4)(ii), section 231(c)(2), and section 234(e)(3) of the National Housing Act are each amended by striking "not to exceed 75 per centum" and all that follows through "involved) in such an area" and inserting the following: "not to exceed 110 percent in any geographical area where the Secretary finds that cost levels so require and by not to exceed 140 percent where the Secretary determines it necessary on a project-by-project basis, but in no case may any such increase exceed 90 percent where the Secretary determines that a mortgage purchased or to be purchased by the Government National Mortgage Association in implementing its special assistance functions under section 305 of this Act (as such section existed immediately before November 30, 1983) is involved".

SEC. 324. OPERATING LOSS LOAN INSURANCE.

Section 223(d) of the National Housing Act is amended—

(1) by inserting "(1)" after the subsection designation;

(2) by striking the first and second sentences and inserting the following:

"Notwithstanding any other provision of this Act, the Secretary is authorized to insure loans made to cover the operating losses of certain projects that have existing project mortgages insured by the Secretary. Insurance under this subsection shall be in the Secretary's discretion and upon such terms and conditions as the Secretary may prescribe, and shall be provided in accordance with the provisions of this subsection. For purposes of this subsection, the term 'operating loss' means the amount by which the sum of the taxes, interest on the mortgage debt, mortgage insurance premiums, hazard insurance premiums, and the expense of maintenance and operation of the project covered by the mortgage, exceeds the income of the project.

"(2) To be eligible for insurance pursuant to this paragraph—

"(A) the existing project mortgage (i) shall have been insured by the Secretary at any time before or after the date of enactment of the Housing and Community Development Act of 1987; and (ii) shall cover any property, other than a property upon which there is located a 1- to 4-family dwelling;

"(B) the operating loss shall have occurred during the first twenty four months after the date of completion of the project, as determined by the Secretary; and

"(C) the loan shall be in an amount not exceeding the operating loss.

"(3) To be eligible for insurance pursuant to this paragraph—

"(A) the existing project mortgage (i) shall have been insured by the Secretary at any time before or after the date of enactment of the Housing and Community Development Act of 1987; (ii) shall cover any property, other than a property upon which there is located a 1- to 4-family dwelling; and (iii) shall not cover a subsidized project, as defined by the Secretary;

"(B) the loan shall be in an amount not exceeding 80 percent of the unreimbursed cash contributions made on or after March 18, 1987, by the project owner for the use of the project, during any period of consecutive months (not exceeding twenty-four months) in the first ten years after the date of completion of the project, as determined by the Secretary, except that in no event may the amount of the loan exceed the operating loss during such period;

"(C) the loan shall be made within ten years after the end of the period of consecutive months referred to in the preceding subparagraph; and

"(D) the project shall meet all applicable underwriting and other requirements of the Secretary at the time the loan is to be made.

"(4) Any loan insured pursuant to this subsection shall (A) bear interest at such rate as may be agreed upon by the mortgagor and mortgagee; (B) be secured in such manner as the Secretary shall require; (C) be limited to a term not exceeding the unexpired term of the original mortgage; and (D) be insured under the same section as the original mortgage. The Secretary may provide insurance pursuant to paragraph (2) or (3), or pursuant to both such paragraphs, in connection with an existing project mortgage, except that the Secretary may not provide insurance pursuant to both such paragraphs in connection with the same period of months referred to in paragraphs (2)(B) and (3)(B)."; and

(3) by inserting "(5)" before "A loan" at the beginning of the undesignated paragraph at the end.

SEC. 325. INTEREST CHARGES ON TEMPORARY MORTGAGE ASSISTANCE PAYMENTS AND ASSIGNMENT OR OTHER ASSISTANCE.

Section 230(a)(5) of the National Housing Act is amended by striking the third sentence and inserting the following: "The interest rate on payments made under this subsection shall be determined at the discretion of the Secretary. The interest rate to be charged shall be determined when the Secretary approves assistance under this subsection.".

SEC. 326. MORTGAGE INSURANCE TECHNICAL AMENDMENTS.

(a) ADMINISTRATIVE PROVISIONS.—The second sentence of section 1 of the National Housing Act is amended by striking the last comma.

(b) APPLICABILITY.—Section 9 of the National Housing Act is amended by inserting the following section heading:

"APPLICABILITY".

(c) LOAN INSURANCE PROGRAMS.—Sections 203(k)(3)(B) and 241(b)(3) of the National Housing Act are amended—

(1) by striking "mortgagor" each place it appears and inserting "borrower"; and

(2) by striking "mortgagee" each place it appears and inserting "financial institution".

(d) MISCELLANEOUS HOUSING INSURANCE.—

(1) Section 223(a)(7) of the National Housing Act is amended—

(A) in the first proviso, by striking "a rate not in excess of the maximum rate prescribed under the applicable section or title of this Act" and inserting the following: "such rate as may be agreed upon by the mortgagor and the mortgagee";

(B) in the second proviso, by striking "maturity, a principal obligation, and an interest rate" and inserting the following: "maturity and a principal obligation"; and

(C) by inserting before the semicolon at the end the following: ", and shall bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee".

(2) Section 223(d)(1) of the National Housing Act is amended by striking "bear interest (exclusive of premium charges for insurance) at not to exceed the per centum per annum currently permitted for mortgages insured under the section under which it is to be insured" and inserting the following: "bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee".

(e) INSURANCE FOR NURSING HOMES, INTERMEDIATE CARE FACILITIES, AND BOARD AND CARE HOMES.—

(1) Section 232(b) of the National Housing Act is amended—

(A) by indenting as a separate paragraph (in the same manner as paragraph (1)) "(3) a nursing" and all that follows through "day; and";

(B) in such new paragraph (3)—

(i) by inserting "the term" after the paragraph designation; and

(ii) by striking "and" at the end;

(C) by redesignating the second paragraph (3) as paragraph (4); and

(D) by redesignating the paragraph (4) as paragraph (5).

(2) Section 232(i)(2)(B) of the National Housing Act is amended to read as follows:

"(B) bear interest at such rate as may be agreed upon by the mortgagor and the mortgagee;".

(f) CO-INSURANCE.—

(1) Section 244(g) of the National Housing Act is amended—

(A) by striking paragraph (2); and

(B) by redesignating paragraphs (3) through (6) as paragraphs (2) through (5), respectively.

(2) Section 244(h) of the National Housing Act is amended by striking "coinsurance" each place it appears and inserting "co-insurance".

(g) INSURANCE ON HAWAIIAN HOME LANDS.—Section 247(a)(2) of the National Housing Act is amended by striking "Mortgagor" and inserting "mortgagor".

(h) INSURANCE ON INDIAN RESERVATIONS.—Section 248 of the National Housing Act is amended—

(1) in subsection (a)(1), by striking "lands" and inserting "land";

(2) in subsection (a)(2), by striking "lands"; and

(3) in subsection (d), by striking "tribal or trust land" and inserting "trust or otherwise restricted land".

(i) SHARED APPRECIATION MORTGAGES.—Section 253 of the National Housing Act is amended—

(1) in subsection (b), by striking the fourth sentence and inserting the following: "For purposes of this section, the term 'net appreciated value' means the amount by which the sales price of the property (less the mortgagor's selling costs) exceeds the actual project cost after completion, as approved by the Secretary.";

(2) in the first sentence of subsection (c), by striking "204" and inserting "207"; and

(3) in subsection (c), by striking the last sentence and inserting the following: "The term 'original principal face amount of the mortgage' as used in section 207 shall not include the mortgagee's share of net appreciated value.".

(j) DEFENSE HOUSING FOR IMPACTED AREAS.—The first sentence of section 810(h) of the National Housing Act is amended—

(1) by striking "(exclusive of premium charges for insurance) at not to exceed the rate applicable to mortgages insured under section 207" and inserting the following: "at such rate as may be agreed upon by the mortgagor and the mortgagee"; and

(2) by striking "not to exceed the rate applicable to mortgages insured under section 203" and inserting the following: "such rate as may be agreed upon by the mortgagor and the mortgagee".

Subtitle B—Secondary Mortgage Market Programs

SEC. 331. LIMITATIONS ON CERTAIN SECONDARY MORTGAGE MARKET FEES.

(a) FEDERAL NATIONAL MORTGAGE ASSOCIATION.—Section 304 of the Federal National Mortgage Association Charter Act is amended by adding at the end the following new subsection:

"(f) Except for fees paid pursuant to section 309(g), no fee or charge may be assessed or collected by the United States (including any executive department, agency, or independent establishment of the United States) on or with regard to the purchase, acquisition, sale, pledge, issuance, guarantee, or redemption of any mortgage, asset, obligation, trust certificate of beneficial interest, or other security by the corporation. No provision of this subsection shall affect the purchase of any obligation by the Secretary of the Treasury pursuant to subsection (c).".

(b) FEDERAL HOME LOAN MORTGAGE CORPORATION.—Section 306 of the Federal Home Loan Mortgage Corporation Act is amended by adding at the end the following new subsection:

"(i) Except for fees paid pursuant to section 303(c) or 306(c), no fee or charge may be assessed or collected by the United States (including any executive department, agency, or independent establishment of the United States) on or with regard to the purchase, acquisition, sale, pledge, issuance, guarantee, or redemption of any mortgage, asset, obligation, or other security by the Corporation. No provision of this subsection shall affect the purchase of any obligation by any Federal home loan bank pursuant to section 303(a).".

SEC. 332. FNMA CUMULATIVE VOTING.

Section 303(a) of the Federal National Mortgage Association Charter Act is amended by inserting after the first sentence the following new sentence: "The corporation may eliminate such rights of cumulative voting by a resolution adopted by its board of directors and approved by the holders of a majority of the shares of common stock voting in person or by proxy at the annual meeting, or other special meeting, at which such resolution is considered.".

SEC. 333. PERMANENT AUTHORITY TO PURCHASE SECOND MORTGAGES ON SINGLE-FAMILY PROPERTIES.

(a) FEDERAL NATIONAL MORTGAGE ASSOCIATION.—Section 302(b)(5)(A)(i) of the Federal National Mortgage Association Charter Act is amended by striking "until October 1, 1987,".

(b) FEDERAL HOME LOAN MORTGAGE CORPORATION.—Section 305(a)(4)(A)(i) of the Federal Home Loan Mortgage Corporation Act is amended by striking "until October 1, 1987,".

SEC. 334. PERIOD FOR APPROVAL OF ACTIONS OF FNMA.

Section 309(i) of the Federal National Mortgage Association Charter Act is amended in the second sentence by inserting before the period at the end the following: ", but such 45-day period may not be extended for any other reason or for any period in addition to or other than such 15-day period".

SEC. 335. LIMITATION ON GNMA GUARANTEES OF MORTGAGE-BACKED SECURITIES.

Section 306(g)(2) of the Federal National Mortgage Association Charter Act is amended to read as follows:

"(2) Notwithstanding any other provision of law and subject only to the absence of qualified requests for guarantees, to the authority provided in this subsection, and to any funding limitation approved in appropriation Acts, the Association shall enter into commitments for each of the fiscal years 1988 and 1989 to issue guarantees under this subsection for such fiscal year in an aggregate amount of $150,000,000,000.".

TITLE IV—COMMUNITY DEVELOPMENT AND MISCELLANEOUS PROGRAMS

Subtitle A—Community and Neighborhood Development and Preservation

SEC. 401. COMMUNITY DEVELOPMENT AUTHORIZATIONS.

(a) COMMUNITY DEVELOPMENT BLOCK GRANTS.—The second sentence of section 103 of the Housing and Community Development Act of 1974 is amended to read as follows: "There are authorized to be appropriated for purposes of assistance under sections 106 and 107 $3,000,000,000 for each of the fiscal years 1988, 1989, and 1990.".

(b) DISCRETIONARY FUND.—

(1) The first sentence of section 107(a) of the Housing and Community Development Act of 1974 is amended to read as follows: "Of the total amount provided in appropriation Acts under section 103 for each of the fiscal years 1988, 1989, and 1990, not more

than $60,000,000 may be set aside in a special discretionary fund for grants under subsection (b).".

(2) Section 107 of the Housing and Community Development Act of 1974 is amended—

(A) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(B) by inserting after subsection (b) the following new subsection:

"(c) Of the amount set aside for use under subsection (b) in any fiscal year, the Secretary shall, to the extent approved in appropriation Acts, make available not less than $2,500,000 in the form of grants to institutions of higher education, either directly or through areawide planning organizations or States, for the purpose of continuing programs in effect during fiscal year 1984 for providing assistance to economically disadvantaged and minority students who participate in community development work study programs and are enrolled in full-time graduate or undergraduate programs in community and economic development, community planning, or community management. Such grants may be made only to institutions of higher education receiving grants for such purpose under subsection (b) for fiscal year 1984, and may only be provided to such institutions in the same manner as such grants are provided during such fiscal year.".

(c) Urban Development Action Grants.—Section 119(a) of the Housing and Community Development Act of 1974 is amended by striking the second and last sentences and inserting the following new sentences: "There is authorized to be appropriated to carry out this section $200,000,000 for fiscal year 1988. Any amount appropriated under this subsection shall remain available until expended.".

SEC. 402. CITY AND COUNTY CLASSIFICATIONS.

(a) Metropolitan City.—Section 102(a)(4) of the Housing and Community Development Act of 1974 is amended—

(1) in the second sentence, by striking "September 30, 1987" and inserting "September 30, 1989"; and

(2) by adding at the end the following new sentence: "Any city classified as a metropolitan city pursuant to the first or second sentence of this paragraph, and that no longer qualifies as a metropolitan city under such first or second sentence in a fiscal year beginning after fiscal year 1989, shall retain its classification as a metropolitan city for such fiscal year and the succeeding fiscal year, except that in such succeeding fiscal year (A) the amount of the grant to such city shall be 50 percent of the formula value under section 106(b); and (B) the remaining 50 percent shall be added to the amount allocated under section 106(d) to the State in which the city is located and the city shall be eligible in such succeeding fiscal year to receive a distribution from the State allocation under section 106(d) as increased by this sentence.".

(b) Metropolitan City Option.—Section 102(a)(4) of the Housing and Community Development Act of 1974 is amended by striking the third sentence and inserting the following: "Any unit of general local government that becomes eligible to be classified as a metropolitan city, and was not classified as a metropolitan city in the immediately preceding fiscal year, may, upon submission of written notification to the Secretary, defer its classification as a metropolitan city for all purposes under this title, if it elects to have its population included in an urban county under subsection (d). Notwithstanding the preceding sentence, a city may elect not to retain its classification as a metropolitan city for fiscal year 1988.".

(c) Urban County.—Section 102(a)(6) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting after the first sentence the following: "Such term also includes (A) a county that has a combined population in excess of 175,000, has more than 50 percent of the housing units of the area unsewered, and has an aquifer that was designated before March 1, 1978, a sole source aquifer by the Environmental Protection Agency, with the amount of the grant to such urban county under this clause to be deducted from the State's allocation under section 106(d); (B) Knox County, in the State of Tennessee; and (C) Beaver County, in the State of Pennsylvania.";

(2) in the second sentence, by striking "September 30, 1987" and inserting "September 30, 1989"; and

(3) by striking the last sentence and inserting the following new sentence: "Any county classified as an urban county pursuant to the first or second sentence of this paragraph, and that no longer qualifies as an urban county under such first or second sentence in a fiscal year beginning after fiscal year 1989, shall retain its classification as an urban county for such fiscal year and the succeeding fiscal year, except that in such succeeding fiscal year (A) the amount of the grant to such an urban county shall be 50 percent of the formula value under section 106(b); and (B) the remaining 50 percent shall be added to the amount allocated under section 106(d) to the State in which the urban county is located and the urban county shall be eligible in such succeeding fiscal year to receive a distribution from the State allocation under section 106(d) as increased by this sentence.".

(d) Retention of Urban County Classification.—Section 102(a)(6) of the Housing and Community Development Act of 1974 is amended in the second sentence by inserting "or 1984" after "fiscal year 1983".

(e) Termination of Exemption.—Upon the date of the enactment of this Act, there shall not be applicable for any fiscal year the provision that—

(1) provides for the qualification of a city as a metropolitan city under section 102(a)(4) of the Housing and Community Development Act of 1974;

(2) was included in the conference report and joint explanatory statement of the committee on conference to accompany H.R. 5313 (House Report 99-977) as filed in the House of Representatives in October 7, 1986; and

(3) was made effective pursuant to section 101(g) of Public Law 99-500 or 99-591.

(f) Definition of Area Involved.—The last sentence of section 102(a)(20)(A) of such Act is amended by inserting before the period at the end the following: ", except that in the case of amounts distributed under section 106(d) to units of general local government located in nonmetropolitan areas, the area involved shall be the entire nonmetropolitan area of the State".

(g) Eligible Activities.—Section 105(a)(15) of the Housing and Community Development Act of 1974 is amended by striking "grants" both places it appears and inserting "assistance".

(h) Energy Use Strategies.—Section 105(a)(16) of the Housing and Community Development Act of 1974 is amended to read as follows:

"(16) activities necessary to the development of energy use strategies related to a recipient's development goals, to assure that those goals are achieved with maximum energy efficiency, including items as—

"(A) an analysis of the manner in, and the extent to, which energy conservation objectives will be integrated into local government operations, purchasing and service delivery, capital improvements budgeting, waste management, district heating and cooling, land use planning and zoning, and traffic control, parking, and public transportation functions; and

"(B) a statement of the actions the recipient will take to foster energy conservation and the use of renewable energy resources in the private sector, including the enactment and enforcement of local codes and ordinances to encourage or mandate energy conservation or use of renewable energy resources, financial and other assistance to be provided (principally for the benefit of low- and moderate-income persons) to make energy conserving improvements to residential structures, and any other proposed energy conservation activities;".

(i) State Certification.—Section 106(d)(2) of the Housing and Community Development Act of 1974 is amended—

(1) by striking in subparagraph (C) "the Governor must certify that the State" and inserting "the State must certify that it"; and

(2) by striking in subparagraph (D) "the Governor of each State" and inserting "the State".

SEC. 403. ALLEVIATION OF LAKEFRONT FLOODING AND EROSION.

Section 104(b)(3) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting "(A)" after "except that"; and

(2) by inserting before the semicolon at the end the following: "; and (B) notwithstanding any other provision of this section, grantees that border on the Great Lakes and that experience significant adverse financial and physical effects due to lakefront erosion or flooding may include in the projected use of funds activities that are clearly designed to alleviate the threat posed, and rectify the damage caused, by such erosion or flooding".

SEC. 404. COMMUNITY DEVELOPMENT BLOCK GRANT PUBLIC SERVICE ACTIVITIES.

Section 105(a)(8) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting "(A)" after "paragraph unless"; and

(2) by inserting before the semicolon at the end the following: "; or (B) the Secretary authorizes such unit of general local government to use more than 15 percent (but not more than the highest percentage permitted to be used under subparagraph (A) by another unit of general local government located in the same metropolitan area) of the assistance received under this title for such activities following (i) a determination by such unit of general local government that the activities carried out using the amounts authorized under this subparagraph are appropriate to support proposed community development activities; and (ii) submission to the Secretary of a request for such authorization by such unit of general local government".

SEC. 405. STATE CERTIFICATIONS FOR RECEIVING COMMUNITY DEVELOPMENT BLOCK GRANTS FOR NONENTITLEMENT AREAS.

Section 106(d)(2) of the Housing and Community Development Act of 1974 is amended—

(1) in subparagraph (C), by striking "the Governor must certify that the State" and inserting "the State must certify that it"; and

(2) in subparagraph (D), by striking "the Governor of each State" and inserting "the State".

SEC. 406. MULTIYEAR AND MULTIPURPOSE DISTRIBUTIONS FOR NONENTITLEMENT AREAS.

Section 106(d)(2) of the Housing and Community Development Act of 1974 is amended by adding at the end the following new subparagraph:

"(E) The Governor of any State may make commitments to units of general local government under this paragraph for multiyear or multipurpose funding.".

SEC. 407. ADMINISTRATIVE EXPENSES OF STATES DISTRIBUTING FUNDS TO NONENTITLEMENT AREAS.

Section 106(d)(3)(A) of the Housing and Community Development Act of 1974 is amended by striking "$102,000" and inserting "$100,000".

SEC. 408. URBAN DEVELOPMENT ACTION GRANT SELECTION CRITERIA.

(a) PROJECT QUALITY CRITERIA.—Section 119(d)(1) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting a dash before "(A)";

(2) by indenting subparagraphs (A) and (B) in the same manner as subparagraphs (C) and (D), as inserted by this subsection;

(3) in subparagraph (A), by striking "as the primary criterion,";

(4) by striking "and" at the end of subparagraph (B); and

(5) by striking subparagraph (C) and inserting the following new subparagraphs:

"(C) the following other criteria:

"(i) the extent to which the grant will stimulate economic recovery by leveraging private investment;

"(ii) the number of permanent jobs to be created and their relation to the amount of grant funds requested;

"(iii) the proportion of permanent jobs accessible to lower income persons and minorities, including persons who are unemployed;

"(iv) the extent to which the project will retain jobs that will be lost without the provision of a grant under this section;

"(v) the extent to which the project will relieve the most pressing employment or residential needs of the applicant by—

"(I) reemploying workers in a skill that has recently suffered a sharp increase in unemployment locally;

"(II) retraining recently unemployed residents in new skills;

"(III) providing training to increase the local pool of skilled labor; or

"(IV) producing decent housing for low- and moderate-income persons in cases where such housing is in severe shortage in the area of the applicant, except that an application shall be considered to produce housing for low- and moderate-income persons under this clause only if such application proposes that (a) not less than 51 percent of all funds available for the project shall be used for dwelling units and related facilities; and (b) not less than 30 percent of all funds used for dwelling units and related facilities shall be used for dwelling units to be occupied by persons of low and moderate income, or not less than 20 percent of all dwelling units made available to occupancy using such funds shall be occupied by persons of low and moderate income, whichever results in the occupancy of more dwelling units by persons of low and moderate income;

"(vi) the impact of the proposed activities on the fiscal base of the city or urban county and its relation to the amount of grant funds requested;

"(vii) the extent to which State or local Government funding or special economic incentives have been committed; and

"(viii) the extent to which the project will have a substantial impact on physical and economic development of the city or urban county, the proposed activities are likely to be accomplished in a timely fashion with the grant amount available, and the city or urban county has demonstrated performance in housing and community development programs;

"(D) additional consideration for projects with the following characteristics:

"(i) projects to be located within a city or urban county which did not receive a preliminary grant approval under this section during the 12-month period preceding the date on which applications are required to be submitted for the grant competition involved; and

"(ii) twice the amount of the additional consideration provided under clause (i) for projects to be located in cities or urban counties which did not receive a preliminary grant approval during the 24-month period preceding the date on which applications under this section are required to be submitted for the grant competition involved; and

"(E)(i) whether the project will utilize a building of at least 100,000 square feet, or land upon which is principally sited a building that is at least 100,000 square feet, that is at least 20 years old, has been vacant for at least 3 years, and is no longer functionally useful for its originally intended purpose; and

"(ii) whether a State and local community has established a program targeted toward this class of building or land.

If a city or urban county has submitted and has pending more than one application, the additional consideration provided by subparagraph (D) of the preceding sentence shall be available only to the project in such city or urban county which received the highest number of points under subparagraph (C) of such sentence.".

(b) SELECTION LIMITATIONS AND CRITERIA WEIGHT.—Section 119(d) of the Housing and Community Development Act of 1974 is amended by adding at the end the following new paragraphs:

"(3) The Secretary shall award points to each application as follows:

"(A) not more than 35 points on the basis of the criteria referred to in paragraph (1)(A);

"(B) not more than 35 points on the basis of the criteria referred to in paragraph (1)(B);

"(C) not more than 33 points on the basis of the criteria referred to in paragraph (1)(C);

"(D)(i) 1 additional point on the basis of the criterion referred to in paragraph (1)(D)(i); or

"(ii) 2 additional points on the basis of the criterion referred to in paragraph (1)(D)(ii); and

"(E)(i) not less than 2 additional points on the basis of the factors referred to in paragraph (1)(E)(i); and

"(ii) not less than 1 additional point on the basis of the factor referred to in paragraph (1)(E)(ii).

"(4) The Secretary shall distribute grant funds under this section so that to the extent practicable during each funding cycle—

"(A) 65 percent of the funds is first made available utilizing all of the criteria set forth in paragraph (1); and

"(B) 35 percent of the funds is then made available solely on the basis of the factors referred to in subparagraphs (C), (D), and (E) of paragraph (1).

"(5)(A) Within 30 days of the start of each fiscal year, the Secretary shall announce the number of competitions for grants to be held in that fiscal year. The number of competitions shall be not less than—

"(i) 2 competitions for grants under paragraph (1) for cities not described in the first sentence of subsection (i) (relating to small cities) and urban counties; and

"(ii) 2 competitions for cities described in the first sentence of subsection (i) (relating to small cities).

"(B) Each competition for grants described in any clause of subparagraph (A) shall be for an amount equal to the sum of—

"(i) approximately the amount of the funds available for such grants for the fiscal year divided by the number of competitions for those funds;

"(ii) any funds available for such grants in any previous competition that are not awarded; and

"(iii) any funds available for such grants in any previous competition that are recaptured.".

(c) USE OF REPAID GRANT FUNDS.—Section 119(f) of the Housing and Community Development Act of 1974 is amended by adding at the end the following: "In any case in which the project proposes the repayment to the applicant of the grant funds, such funds shall be made available by the applicant for economic development activities that are eligible activities under this section or section 105. The applicant shall annually provide the Secretary with a statement of the projected receipt and use of repaid grant funds during the next year together with a report acceptable to the Secretary on the use of such funds during the most recent preceding full fiscal year of the applicant.".

(d) NONDISCRIMINATION.—Section 119(r) of the Housing and Community Development Act of 1974 is amended to read as follows:

"(r) In utilizing the discretion of the Secretary when providing assistance and applying selection criteria under this section, the Secretary may not discriminate against applications on the basis of (1) the type of activity involved, whether such activity is primarily housing, industrial, or commercial; or (2) the type of applicant, whether such applicant is a city or urban county.".

(e) REPORTS OF COMPTROLLER GENERAL.—

(1)(A) Not later than the expiration of the 6-month period following the date of enactment of this Act and every 3 years thereafter, the Comptroller General of the United States shall prepare and submit to the Congress a comprehensive report evaluating the eligibility standards and selection criteria applicable under section 119 of the Housing and Community Development Act of 1974.

(B) Such report shall evaluate in detail the standards and criteria specified in such section that measure the level or comparative degree of economic distress of cities and urban counties and the effect of the grants awarded on the basis of such standards and criteria on stimulating the maximum economic development activity.

(C) Such report shall also evaluate in detail the extent to which the economic and social data utilized by the Secretary in awarding grants under such section is current and accurate, and shall compare the data used by the Secretary with other available data. The Comptroller General shall make recommendations to the Congress on whether or not other data should be collected by the Federal Government in order to fairly and accurately distribute grants under such section based on the level or comparative degree of economic distress. The Comptroller General shall also make recommendations on whether or not existing data should be collected more frequently in order to ensure that timely data is used to evaluate grant applications under such section.

(2) Not later than the expiration of the 3-month period following the date of the final competition for grants for fiscal year 1987 under section 119 of the Housing and Community Development Act of 1974, the Comptroller General of the United States shall prepare and submit to the Congress a comprehensive report describing the effect of the amendments made by this section on—

(A) the targeting of grant funds to cities and urban counties having the highest level or degree of economic distress;

(B) the distribution of grants funds among regions of the United States;

(C) the number and types of projects receiving grants;

(D) the per capita funding levels for each city, urban county, or identifiable community described in subsection (p) of such section 119, receiving assistance under such section 119; and

(E) the stimulation of the maximum economic development activity.

(f) REGULATIONS.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendments made by this section. Such regulations shall be published for comment in the Federal Register not later than 60 days after the date of enactment of this Act. The provisions of section 119(d)(1)(D), section 119(d)(3), and section 119(d)(4) of the Housing and Community Development Act of 1974, shall take effect on the date of enactment of this Act.

(g) APPLICABILITY.—The amendments made by this section shall be applicable to the making of urban development action grants that have not received the preliminary approval of the Secretary of Housing and Urban Development before the date on which final regulations issued by the Secretary under subsection (f) become effective. For the fiscal year in which the amendments made by this section become applicable, such amendments shall only apply with respect to the aggregate amount awarded for such grants on or after such effective date.

(h) LIMITATION ON GRANT AMOUNTS.—Section 119 of the Housing and Community Development Act of 1974 is amended by adding at the end the following:

"(s)(1) The maximum grant amount for a project under subsection (b)(2) of this section is $6,000,000.

"(2) The maximum grant amount for a project under subsection (b)(1) of this section is $6,000,000 during fiscal years 1988 and 1989, except that this paragraph shall not apply to a project in which the Secretary determines that the average cost for each new permanent job does not exceed $8,000 and that the average cost for each permanent job retained that would otherwise be lost to the community does not exceed $8,000.".

SEC. 409. PROHIBITION ON USE OF URBAN DEVELOPMENT ACTION GRANTS FOR BUSINESS RELOCATIONS.

Section 119(h) of the Housing and Community Development Act of 1974 is amended—

(1) by inserting after the subsection designation the following: "(1) SPECULATIVE PROJECTS.—";

(2) by adding at the end of paragraph (1), as so redesignated, the following new sentence: "The provisions of this paragraph shall apply only to projects that do not have identified intended occupants."; and

(3) by adding at the end the following new paragraphs:

"(2) PROJECTS WITH IDENTIFIED INTENDED OCCUPANTS.—No assistance may be provided or utilized under this section for any project with identified intended occupants that is likely to facilitate—

"(A) a relocation of any operation of an industrial or commercial plant or facility or other business establishment—

"(i) from any city, urban county, or identifiable community described in subsection (p), that is eligible for assistance under this section; and

"(ii) to the city, urban county, or identifiable community described in subsection (p), in which the project is located; or

"(B) an expansion of any such operation that results in a reduction of any such operation in any city, county, or community described in subparagraph (A)(i).

"(3) SIGNIFICANT AND ADVERSE EFFECT.—The restrictions established in paragraph (2) shall not apply if the Secretary determines that the relocation or expansion does not significantly and adversely affect the employment or economic base of the city, county, or community from which the relocation or expansion occurs.

"(4) APPEALS.—Following notice of intent to withhold, deny or cancel assistance under paragraph (1), the Secretary shall provide a period of not less than 90 days in which the applicant can appeal to the Secretary the withholding, denial, or cancellation of assistance. Notwithstanding any other provision of this section, nothing in this section or in any legislative history related to the enactment of this section may be construed to permit an inference or conclusion that the policy of Congress in the Urban Development Action Grant program is to facilitiate the relocation of businesses from one area to another.

"(5) DEFINITION.—For purposes of this subsection, the term 'operation' includes any plant, equipment, facility, position, employment opportunity, production capacity, or product line.

"(6) REGULATIONS.—Not later than 60 days after the date of enactment of the Housing and Community Development Act of 1987, the Secretary shall issue such regulations as may be necessary to carry out the provisions of this subsection. Such regulations shall include specific criteria to be used by the Secretary in determining whether there is a significant and adverse effect under paragraph (3).".

SEC. 410. URBAN HOMESTEADING.

(a) AUTHORIZATION.—

(1) The first sentence of section 810(k) of the Housing and Community Development Act of 1974 is amended by inserting before the period at the end the following: "and fiscal year 1986, and not to exceed $12,000,000 for each of the fiscal years 1987, 1988, and 1989".

(2) Section 810(h)(1) of such Act is amended by striking "and 1985" and inserting ", 1985, 1986, 1987, 1988, and 1989".

(3) Section 810(i)(1) of such Act is amended by striking "and 1985" and inserting ", 1985, 1986, 1987, 1988, and 1989,".

(4) Section 810(j) of such Act is amended by striking "December 31, 1985" and inserting "December 31, 1989".

(b) STATE ADMINISTRATIVE EXPENSES.—

(1) The second sentence of section 106(d)(3)(A) of the Housing and Community Development Act of 1974 is amended—

(A) by inserting after "such expenses" the first time it appears the following: "and its administrative expenses under section 810 of this Act and section 17(e)(1) of the United States Housing Act of 1937"; and

(B) by inserting after "such expenses" the second time it appears the following: "under this title".

(2) Section 107(b)(4) of such Act is amended by striking the first semicolon, and inserting a comma and the following: "section 810 of this Act, and section 17(e)(1) of the United States Housing Act of 1937;".

(c) SELECTION PROCEDURE.—

(1) Section 810(b)(2) of the Housing and Community Development Act of 1974 is amended to read as follows:

"(2) an equitable procedure for selecting recipients of homestead properties who have the capacity to make or cause to be made the repairs and improvements required under paragraph (3) of this subsection, which procedure shall—

"(A) give special priority to applicants who are 'lower income families' as defined in section 3(b)(2) of the United States Housing Act of 1937;

"(B) exclude applicants who are currently homeowners;

"(C) take into account the applicant's capacity to contribute a substantial amount of labor to the rehabilitation process, or to obtain assistance from private sources, community organizations, or other sources; and

"(D) include other reasonable selection criteria.".

(2) Section 810(b)(5) of such Act is amended by adding "and" after the semicolon.

(3) Section 810(b)(6) of such Act is amended by striking "; and" and inserting a period.

(4) Section 810(b)(7) of such Act is repealed.

(d) TRANSFERS TO QUALIFIED COMMUNITY ORGANIZATIONS.—(1) Section 810(b)(1) of the Housing and Community Development Act of 1974 is amended by inserting before the semicolon the following: "or in accordance with subsection (l) to qualified community organizations".

(2) Section 810 of such Act is amended by adding at the end the following:

"(l) A unit of general local government, or a State, or a public agency designated by a unit of general local government or a State may transfer any real property that it receives under subsection (a) or purchases under subsection (h) to a qualified community organization. Qualified community organizations will be limited to those organizations—

"(1) that are incorporated and controlled by a Board of Directors whose members receive no compensation of any kind for the performance of their duties;

"(2) that are organized exclusively for charitable, educational, or scientific purposes, or the promotion of social welfare;

"(3) that qualify as exempt organizations under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986; and

"(4) that agree to assist the applicable State or unit of general local government with the selection of homesteaders, selection, inspection, and rehabilitation of the properties, and to perform such other functions as may be agreed between the States or unit of general local government and the qualified nonprofit organization, including the acceptance of title to property and the conveyance of the property to the homesteaders subject to the terms and conditions specified elsewhere in this section.".

SEC. 411. NEIGHBORHOOD REINVESTMENT CORPORATION.

(a) Authority of Members To Designate Alternate Members.—Section 604(a) of the Neighborhood Reinvestment Corporation Act is amended by inserting ", or a designee" before the semicolon or period at the end of each paragraph.

(b) Authorization of Appropriations.—Section 608(a) of the Neighborhood Reinvestment Corporation Act is amended to read as follows:

"(a) There are authorized to be appropriated to the corporation to carry out this title $17,000,000 for each of the fiscal years 1988 and 1989.".

(c) Privatization Study.—The Board of Directors of the Neighborhood Reinvestment Corporation shall prepare and submit to the Congress a proposal for the privatization of the Corporation.

SEC. 412. USE OF URBAN RENEWAL LAND DISPOSITION PROCEEDS.

(a) In General.—Notwithstanding any other provision of law or other requirement, each unit of general local government referred to in subsection (b) is authorized to retain any land disposition proceeds from the specified financially closed-out urban renewal projects not paid to the Department of Housing and Urban Development and to use such proceeds in accordance with the requirements of the community development block grant program specified in title I of the Housing and Community Development Act of 1974. Each such unit of general local government shall retain such proceeds in a lump sum and shall be entitled to retain and use, in accordance with this section, all past and future earnings from such proceeds, including any interest.

(b) Applicability.—The units of general local government and projects to which subsection (a) applies are as follows:

(1) The City of Hartford, in the State of Connecticut, with respect to the Sheldon-Charter Oak, Section A Urban Renewal Project (No. Conn. R. 77).

(2) The City of Lebanon, in the State of Pennsylvania, with respect to the Southside Urban Renewal Project (R-635(C)).

(3) The City of Richmond, in the State of Virginia, with respect to the following projects:

(A) The Washington Park Conservation Project (No. VA-A-3-1).

(B) The Fulton Redevelopment Project (No. VA-A-3-2).

(C) The George Mason Redevelopment Project (No. VA-A-3-3).

(D) The Jefferson Park Conservation Project (No. VA-A-3-4).

(E) The Randolph Redevelopment and Conservation Project (No. VAR-58).

(4) The City of Milwaukee, in the State of Wisconsin, with respect to urban renewal projects (Nos. R-1 and R-20).

(c) Additional Authorization.—Notwithstanding any other provision of law or other requirement the Village of Northfield in the State of Illinois (1) shall repay to the original grantee, Cook County in the State of Illinois, an amount equal to the 2 subgrants of community development block grant funds made on September 20, 1976, and December 20, 1977; and (2) is authorized to retain any land disposition proceeds from such subgrants and to use such proceeds in accordance with Phase II and Phase III of its Central Business District Development Plan. The Village of Northfield shall retain such proceeds in a lump sum and shall be entitled to retain and use all past and future earnings from such proceeds, including any interest, to further Phase II and Phase III.

SEC. 413. TERMINATION OF LOAN GUARANTEE PROGRAM.

(a) Repeal.—The Housing and Community Development Act of 1974 is amended by striking section 108.

(b) Transition Provisions.—

(1) On or after the effective date of this section, no guarantee may be made under section 108 of the Housing and Community Development Act of 1974, as it existed immediately before such date, except pursuant to a commitment to guarantee made before such date.

(2) Any guarantee made under section 108 of the Housing and Community Development Act of 1974, as it existed immediately before the effective date of this section, shall continue to be governed by the provisions of such section 108.

(3) The second sentences of section 101(c) and section 104(b)(3) of the Housing and Community Development Act of 1974 are amended by inserting after "section 108" each place it appears the following: "(as such section existed immediately before the effective date of section 145 of the Housing Act of 1986)".

(c) Effective Date.—The provisions of, and amendments made by, this section shall take effect on October 1, 1987, or the date of the enactment of this Act, whichever occurs later.

SEC. 414. STATEMENT OF ACTIVITIES AND REVIEW.

(a) Section 104(a)(1) of the Housing and Community Development Act of 1974 is amended by striking the last sentence.

(b) Section 104(b)(4) of the Housing and Community Development Act of 1974 is amended by striking "it" and inserting the following: "in the case of grants to metropolitan cities and urban counties under section 106, the grantee".

(c) Section 104(d)(2) of the Housing and Community Development Act of 1974 is amended—

(1) by striking the third "and" in paragraph (2); and

(2) inserting before the period at the end of the first sentence of paragraph (2) the following: ", and whether the State has taken appropriate action when the State determines that a unit of general local government has failed to satisfy the applicable performance criteria described in paragraph (1) of this subsection".

(d) Section 104(i) of the Housing and Community Development Act of 1974 is amended to read as follows:

"(i)(1) Notwithstanding any other provision of law, a State or unit of general local government that receives a grant from the Secretary under section 106 may retain any program income realized from the grant in an amount up to 1/12 of its most recent annual allocation of block grant funds under that section, if (A) the income was realized after the initial disbursement of the funds that the State or unit of general local government received under section 106; and (B) of the State or unit of general local government has agreed that while it is participating in a community development program under this title, it will use the program income for eligible community development activities in accordance with the provisions of this title. States and units of general local government shall remit program income in excess of the amount permitted to be retained under the previous sentence to the Secretary to be deposited in the grantee's letter of credit, subject to the requirements applicable to the use of grant funds. Program income authorized by the Secretary to be deposited in from a revolving fund shall not be subject to the limitation in this paraaph.

"(2) Notwithstanding any other provision of law, a unit of general local government may retain any program income realized from any amount that a State distributes under section 106(d), if (A) the income was realized after the initial disbursement of the funds that the unit of general local government received under section 106(d); and (B) the unit of general local government has agreed that, while it is participating in a community development program under this title, it will use the program income for eligible community development activities in accordance with the provisions of this title. A State may require, as a condition of any amount that it distributes under section 106(d), that the unit of general local government pay to the State any program income to be used by the State to fund additional eligible community development activities, except that the State shall waive this condition to the extent the income is applied to continue the activity from which it was derived.".

SEC. 415. STATE ADMINISTRATION OF CDBG PROGRAM IN NONENTITLEMENT AREAS.

(a) In General.—Subparagraphs (A) and (B) of section 106(d)(2) of the Housing and Community Development Act of 1974 are amended to read as follows:

"(2)(A) Amounts allocated under paragraph (1) shall be distributed by the State of units of general local government that are located in nonentitlement areas of the State to carry out activities in accordance with the provisions of this title. For the purposes of this subsection, distributions shall not be made in the form of loans to units of general local government. The State shall distribute amounts allocated to it consistent with the statement submitted under section 104(a), and shall be responsible for the administration of funds so distributed.

"(B) Any amounts appropriated for fiscal year 1987 or prior fiscal years that were available for distribution under this subsection by the Secretary immediately before the date of the enactment of the Housing and Community Development Act of 1987 shall be distributed by the Secretary in accordance with the provisions of this subsection as they existed immediately before such effective date, except that amounts that are not obligated by January 1, 1988 (i) shall be added to amounts allocated to the State under paragraph (1) for fiscal year 1988, or (ii) if the State does not elect to receive a grant for fiscal year 1988, shall be rescinded.".

(b) Conforming Amendments.—

(1) Section 104(a)(1) of the Housing and Community Development Act of 1974 is amended—

(A) in the first sentence, by striking ", under section 106(d) by any State, or under section 106(d)(2)(B) by any unit of general local government" and inserting "or under section 106(d) by any State"; and

(B) in the second sentence, by striking "and in the case of units of general local government receiving grants pursuant to section 106(d)(2)(B)".

(2) Section 104(d)(1) of the Housing and Community Development Act of 1974 is amended by inserting after "section 106(d)(2)(B)" the following: "(as such provision existed immediately before the effective date of the Housing and Community Development Act of 1987)".

(3) Section 106(d)(3)(A) of the Housing and Community Development Act of 1974 is amended by striking the first sentence.

(4) Section 106(d)(3) of the Housing and Community Development Act of 1974 is amended—

(A) by striking subparagraph (B);

(B) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and

(C) in subparagraph (C) (as so redesignated by this subsection)—

(i) by inserting "(i)" before "shall be added"; and

(ii) by inserting before the period at the end the following: "; or (ii) if the State does not receive a grant for such year, shall be rescinded".

(5) Section 106(d)(5) of Housing and Community Development Act of 1974 is amended by striking "or the Secretary".

SEC. 416. URBAN PLANNING.

Section 702 of the Housing Act of 1954 is amended—

(1) by striking subsections (c) and (h); and

(2) by striking subsection (g) and inserting the following:

"(g) Effective upon the date of the enactment of the Housing and Community Development Act of 1987, and in accordance with such accounting and other procedures as the Secretary may prescribe, each advance made by the Secretary under this section that has any principal amount outstanding shall be forgiven. The terms and conditions of any contract, or any amendment to a contract, for such advance with respect to any promise to repay the advance shall be cancelled.".

SEC. 417. COMMUNITY DEVELOPMENT TECHNICAL AMENDMENTS.

Section 123(e)(3) of the Housing and Urban-Rural Recovery Act of 1983 is amended by striking "Act" and inserting "section".

Subtitle B—Flood Insurance Program

SEC. 431. EXTENSION OF FLOOD INSURANCE PROGRAM.

(a) GENERAL AUTHORITY.—Section 1319 of the National Flood Insurance Act of 1968 is amended by striking "September 30, 1987" and inserting "September 30, 1989".

(b) EMERGENCY IMPLEMENTATION.—Section 1336(a) of the National Flood Insurance Act of 1968 is amended by striking "September 30, 1987" and inserting "September 30, 1989".

(c) ESTABLISHMENT OF FLOOD-RISK ZONES.—Section 1360(a)(2) of the National Flood Insurance Act of 1968 is amended by striking "September 30, 1987" and inserting "September 30, 1989".

(d) LIMITATION ON PREMIUMS.—The premium rates charged for flood insurance under any program established pursuant to the National Flood Insurance Act of 1968 may not be increased during the period beginning on the date of the enactment of this Act and ending on September 30, 1989, by more than a prorated annual rate of 10 percent.

SEC. 432. STUDIES UNDER NATIONAL FLOOD INSURANCE PROGRAM.

Section 1376(c) of the National Flood Insurance Act of 1968 is amended by inserting before the period at the end the following: ", fiscal year 1986, and fiscal year 1987, and not to exceed $36,400,000 for each of fiscal years 1988 and 1989".

SEC. 433. MORATORIUM ON CERTAIN FLOOD INSURANCE REGULATIONS RELATING TO MOBILE HOMES.

The regulation changes to parts 59 and 60 of title 44, Code of Federal Regulations, promulgated by the Federal Emergency Management Agency and set forth at 51 Federal Register 30306-30309 (August 25, 1986), which amended the definition, placement, and exclusion of mobile homes in an existing mobile home park or mobile home subdivision, as previously defined, shall not be effective during the 6-month period beginning on the date of the enactment of this Act. During such period, the Director of the Federal Emergency Management Agency shall (1) solicit and receive public comments on such regulation changes; and (2) prepare and submit to the Congress a study of the impact of such regulation changes on small business.

SEC. 434. SCHEDULE FOR PAYMENT OF FLOOD INSURANCE FOR STRUCTURES ON LAND SUBJECT TO IMMINENT COLLAPSE OR SUBSIDENCE.

IN GENERAL.—Section 1306 of the National Flood Insurance Act of 1968 is amended by adding at the end the following new subsection:

"(c)(1) If any structure covered by flood insurance under this title is condemned by a State or local authority because the structure is located on land that is along the shore of a lake or other body of water and is subject to imminent collapse or subsidence as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels, the Director shall (following verification of the reason for condemnation in accordance with procedures established by the Director) pay amounts under such flood insurance coverage as follows:

"(A) Following the condemnation, 40 percent of the value of the structure.

"(B) Following the demolition of the structure (including any septic containment system) prior to collapse—

"(i) 60 percent of the value of the structure; and

"(ii) 10 percent of the value of the structure, or the actual cost of demolition, whichever amount is less.

"(2) If the land on which any structure described in paragraph (1) is located collapses or subsides before the owner demolishes the structure, but after the owner has a reasonable period of time after condemnation (or after the effective date of this subsection, whichever occurs later) to demolish the structure, the Director shall not pay more than the amount provided in paragraph (1)(A) with respect to the structure.

"(3) For purposes of paying flood insurance pursuant to this subsection, the value of a structure shall be whichever of the following is lowest:

"(A) The fair market value of a comparable structure that is not located on land subject to imminent collapse or subsidence.

"(B) The price paid for the structure and any improvements to the structure, as adjusted for inflation in accordance with an index determined by the Director to be appropriate.

"(C) The insured value of the structure under this title.

"(4)(A) The provisions of this subsection shall apply to contracts for flood insurance under this title that are in effect on, or entered into after, the effective date of this subsection (including contracts with respect to structures condemned before the date of the enactment of this Act).

"(B) The provisions of this subsection shall not apply to any structure not subject to a contract for flood insurance under this title on the date of the condemnation of the structure.".

SEC. 435. FLOOD INSURANCE TECHNICAL AMENDMENTS.

(a) NATIONAL FLOOD INSURANCE FUND.—Section 1310(e) of the National Flood Insurance Act of 1968 is amended by inserting a comma after "Code".

(b) FLOOD INSURANCE IN COLORADO RIVER FLOODWAY.—The National Flood Insurance Act of 1968 is amended by inserting the following section heading for section 1322: "COLORADO RIVER FLOODWAY".

(c) FEMA TREASURY BORROWINGS.—The third sentence of section 15(e) of the Federal Flood Insurance Act of 1956 is amended by inserting a comma after "Code".

Subtitle C—Miscellaneous Programs

SEC. 441. FAIR HOUSING INITIATIVES PROGRAM DEMONSTRATION.

(a) IN GENERAL.—The Secretary of Housing and Urban Development (in this section referred to as the "Secretary") may make grants to, or (to the extent of amounts provided in appropriation Acts) enter into contracts or cooperative agreements with, State or local governments or their agencies, public or private nonprofit organizations or institutions, or other public or private entities that are formulating or carrying out programs to prevent or eliminate discriminatory housing practices, to develop, implement, carry out, or coordinate—

(1) programs or activities designed to obtain enforcement of the rights granted by title VIII of the Act of April 11, 1968 (commonly referred to as the Civil Rights Act of 1968), or by State or local laws that provide rights and remedies for alleged discriminatory housing practices that are substantially equivalent to the rights and remedies provided in such title VIII, through such appropriate judicial or administrative proceedings (including informal methods of conference, conciliation, and persuasion) as are available therefor; and

(2) education and outreach programs designed to inform the public concerning rights and obligations under the laws referred to in paragraph (1).

(b) PROGRAM ADMINISTRATION.—

(1) Not less than 30 days before providing a grant or entering into any contract or cooperative agreement to carry out activities authorized by this section, the Secretary shall submit notification of such proposed grant, contract, or cooperative agreement (including a description of the geographical distribution of such contracts) to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

(2) The Secretary shall provide to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives a quarterly report that summarizes the activities funded under this section and describes the geographical distribution of grants, contracts, or cooperative agreements funded under this section.

(c) REGULATIONS.—

(1) The Secretary shall issue such regulations as may be necessary to carry out the provisions of this section.

(2) Such regulations shall include provisions governing applications for assistance under this section, and shall require each such application to contain—

(A) a description of the assisted activities proposed to be undertaken by the applicant, together with the estimated costs and schedule for completion of such activities;

(B) a description of the experience of the applicant in formulating or carrying out programs to prevent or eliminate discriminatory housing practices;

(C) available information, including studies made by or available to the applicant, indicating the nature and extent of discriminatory housing practices occurring in the general location where the applicant proposes to conduct its assisted activities, and the relationship of such activities to such practices;

(D) an estimate of such other public or private resources as may be available to assist the proposed activities;

(E) a description of proposed procedures to be used by the applicant for monitoring conduct and evaluating results of the proposed activities; and

(F) any additional information required by the Secretary.

(3) The Secretary shall, for use during the demonstration authorized in this section, establish guidelines for testing activities funded under the private enforcement initiative of the fair housing initiatives program. The purpose of such guidelines shall be to ensure that investigations in support of fair housing enforcement efforts described in subsection (a)(1) shall develop credible and objective evidence of discriminatory housing practices. Such guidelines shall apply only to activities funded under this section, shall not be construed to limit or otherwise restrict the use of facts secured through testing not funded under this section in any legal proceeding under Federal fair housing laws, and shall not be used to restrict individuals or entities, including those participating in the fair housing initiatives program, from pursuing any right or remedy guaranteed by Federal law. Within 6 months of the close of the demonstration period authorized in this section, the Secretary shall submit to Congress the Secretary's evaluation of the effectiveness of such guidelines in achieving the purposes of this section.

(4) Regulations issued under this subsection shall not become effective prior to the expiration of 90 days after the Secretary transmits such regulations, in the form such regulations are intended to be published, to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

(5) The Secretary shall not obligate or expend any amount under this section before the effective date of the regulations required under this subsection.

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) There are authorized to be appropriated to carry out the provisions of this section, including any program evaluations, $5,000,000 for each of fiscal years 1988 and 1989, of which not more than $3,000,000 in each such fiscal year shall be for the private enforcement initiative demonstration.

(2) Any amounts appropriated under this section shall remain available until expended.

(e) SUNSET.—The demonstration period authorized by this section shall close on September 30, 1989.

SEC. 442. REGULATORY AUTHORITY.

(a) DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.—Section 7(o) of the Department of Housing and Urban Development Act is amended by adding at the end the following new paragraph:

"(7) The Secretary shall, on a quarterly basis, transmit to both Committees a summary (or, upon the request of the Chairman of either Committee, a copy) of each notice, handbook, or mortgagee letter to be issued by the Secretary not less than 15 days before the date of such issuance.".

(b) FARMERS HOME ADMINISTRATION.—Section 534 of the Housing Act of 1949 is amended by adding at the end the following new subsection:

"(d) The Secretary shall, on a quarterly basis, transmit to both Committees referred to in subsection (b) a summary (or, upon the request of the Chairman of either Committee, a copy) of each notice, handbook, or mortgagee letter to be issued by the Secretary under this title not less than 15 days before the date of such issuance.".

SEC. 443. COLLECTION OF CERTAIN DATA.

(a) IN GENERAL.—The Secretary of Housing and Urban Development and the Secretary of Agriculture shall each collect, not less than annually, data on the racial and ethnic characteristics of persons eligible for, assisted, or otherwise benefiting under each community development, housing assistance, and mortgage and loan insurance and guarantee program administered by such Secretary. Such data may be collected on a building by building basis if the Secretary involved determines such collection to be appropriate.

(b) REPORTS TO CONGRESS.—The Secretary of Housing and Urban Development and the Secretary of Agriculture shall each include in the annual report of such Secretary to the Congress a summary and evaluation of the data collected by such Secretary under subsection (a) during the preceding year.

SEC. 444. RESEARCH AND DEVELOPMENT.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 501 of the Housing and Urban Development Act of 1970 is amended by striking the second and third sentences and inserting the following: "There are authorized to be appropriated to carry out this title $17,000,000 for each of the fiscal years 1988 and 1989.".

(b) ADDITIONAL RESEARCH PROGRAMS.—Title V of the Housing and Urban Development Act of 1970 is amended by adding at the end the following new sections:

"PUBLIC HOUSING ENERGY IMPROVEMENTS

"SEC. 513. In carrying out activities under section 501, the Secretary shall develop a system that may be used by public housing agencies to monitor energy use in public housing projects and to identify energy conservation improvements that are cost-effective (taking into consideration alternative financing mechanisms).

"LOWER COST BUILDING TECHNOLOGIES

"SEC. 514. In carrying out activities under section 501, the Secretary shall conduct research on new building technologies that are designed to lower the cost of construction of single- and multi-family housing.".

SEC. 445. HOME MORTGAGE DISCLOSURE.

(a) APPLICABILITY TO MORTGAGE BANKING AFFILIATES.—

(1) Section 303(2) of the Home Mortgage Disclosure Act of 1975 is amended—

(A) by striking "or" the first place it appears; and

(B) by inserting before the semicolon at the end the following: ", mortgage banking subsidiary of a bank holding company or savings and loan holding company, or savings and loan service corporation that originates or purchases mortgage loans".

(2) Section 304 of the Home Mortgage Disclosure Act of 1975 is amended by adding at the end the following new subsection:

"(g) The requirements of subsections (a) and (b) shall not apply with respect to mortgage loans that are—

"(1) made by any mortgage banking subsidiary of a bank holding company or savings and loan holding company or by any savings and loan service corporation that originates or purchases mortgage loans; and

"(2) approved by the Secretary for insurance under title I or II of the National Housing Act.".

(3) The first sentence of section 311 of the Home Mortgage Disclosure Act of 1975 is amended by inserting after "306(b)" the following: "(and for each mortgagee making mortgage loans exempted under section 304(g))".

(4) The amendments made by this subsection shall be applicable to calendar years beginning after December 31, 1986.

(b) RECORDS ON MORTGAGE LOANS SECURED BY PROPERTY OUTSIDE METROPOLITAN STATISTICAL AREAS.—Section 304(a)(2)(B) of the Home Mortgage Disclosure Act of 1975 is amended by inserting ", by State," after "paragraph (1)".

(c) AVAILABILITY OF DISCLOSURE STATEMENTS.—Section 304(f) of the Home Mortgage Disclosure Act of 1975 is amended by adding at the end the following new sentence: "Disclosure statements shall be made available to the public at such central depository of data not later than June 1 of the year following the calendar year on which the statements are based.".

(d) EXEMPTION.—Section 309 of the Home Mortgage Disclosure Act of 1975 is amended by striking "$10,000,000" and inserting "$25,000,000".

(e) PERMANENT EXTENSION OF GENERAL AUTHORITY.—The Home Mortgage Disclosure Act of 1975 is amended by striking section 312.

(f) STUDY OF DATA COLLECTION REQUIREMENTS.—

(1) The Federal Financial Institutions Examination Council shall conduct a study to assess the following:

(A) The estimated cost incurred by depository institutions for the preparation and dissemination of disclosure reports pursuant to the requirements of the Home Mortgage Disclosure Act of 1975, based upon the results an independent analysis of the actual costs incurred by a representative sample of such institutions located in at least 3 and not more than 6 metropolitan statistical areas.

(B) The estimated usage of the data available to the public pursuant to the Home Mortgage Disclosure Act of 1975, based upon the results of a survey of both direct and indirect usage of such data over a 12-month period following the date of the enactment of this Act.

(C) The obstacles to the usage by the public of the data made available pursuant to the Home Mortgage Disclosure Act of 1975 and recommendations for action to be taken by the Federal financial institutions regulatory agencies to increase public awareness about the availability of such data.

(D) The effectiveness of the Home Mortgage Disclosure Act of 1975 and the instances and impact of the overlap of such Act and its implementing regulations with the Community Reinvestment Act of 1977 and title VIII of Public Law 90-284 (commonly known as the Fair Housing Act) and their implementing regulations and other laws and regulations affecting consumer access to housing finance.

(2) The Council shall submit a report on the results of such a study to the Congress not later than 36 months following the date of the enactment of this Act.

SEC. 446. COUNSELING.

(a) NOTIFICATION OF COUNSELING SERVICES.—Section 106(a) of the Housing and Urban Development Act of 1968 is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following new paragraph:

"(3) The Secretary shall take such actions as may be necessary to inform tenants and homeowners of the availability of counseling services under this subsection.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 106(a)(4) of the Housing and Urban Development Act of 1968 (as so redesignated by subsection (a) of this section) is amended by striking "fiscal year 1984" and inserting "fiscal years 1988 and 1989".

SEC. 447. MEDIAN AREA INCOME.

For purposes of calculating the median income for any area that is not within a metropolitan statistical area (as established by the Office of Management and Budget) for programs under title I of the Housing and Community Development Act of 1974, the United States Housing Act of 1937, the National Housing Act, or title V of the Housing Act of 1949, the Secretary of Housing and Urban Development or the Secretary of Agriculture (as appropriate) shall use whichever of the following is higher:

(1) the median income of the county in which the area is located; or

(2) the median income of the entire nonmetropolitan area of the State.

SEC. 448. MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS.

Section 604 of the National Manufactured Housing Construction and Safety Standards Act of 1974 is amended by adding at the end the following new subsection:

"(i)(1) The Federal manufactured home construction and safety standards established by the Secretary under this section shall include energy conservation standards in accordance with this subsection.

"(2) The energy conservation standards established under this subsection shall be requirements relating to construction of a manufactured home that ensure that its thermal performance is equivalent to such performance required of newly constructed single-family homes insured under title II of the National Housing Act.".

SEC. 449. LEAD-BASED PAINT POISONING PREVENTION.

Section 302 of the Lead-Based Paint Poisoning Prevention Act is amended—

(1) by inserting "(a)" after the section designation; and

(2) by adding at the end the following new subsections:

"(b)(1) The provisions of this subsection shall apply to any application for mortgage insurance on a 1- to 4-family dwelling to be insured under title II of the National Housing Act.

"(2) The mortgagee shall be responsible for providing a brochure to a mortgagor purchasing housing constructed prior to 1978 at or before settlement. The brochure shall be developed by the National Institute of Building Sciences and the Department of Housing and Urban Development not later than 180 days after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, and shall outline the hazards represented by lead-based paint that may be present in housing constructed prior to 1978, and provide recommendations for appropriate abatement techniques for lead-based paint.

"(3) Any mortgagor who leases housing subject to paragraph (2) to another person shall be responsible for providing a brochure to the prospective tenant prior to the signing of any lease.

"(4) The Secretary may impose a fine or administrative sanctions on any person who fails to provide a brochure required under paragraph (2) or (3), as determined by the Secretary to be appropriate.

"(c) Not later than 90 days after the effective date of this subsection, the Secretary shall submit to the Congress a report with respect to all housing subject to this section. The report shall include the recommendations of the Secretary for further administrative and legislative actions to carry out this section.".

SEC. 450. DELETION OF MAXIMUM FEE FOR INTERSTATE LAND SALES REGISTRATION.

Section 1405(b) of the Interstate Land Sales Full Disclosure Act is amended—

(1) by striking "a fee, not in excess of $1,000," and inserting "a reasonable fee,";

(2) by striking "Secretary, which fees may be used by the Secretary" and inserting the following: "Secretary. The Secretary may use these fees"; and

(3) by striking "such expenses as are paid" and inserting "all expenses paid".

SEC. 451. MISCELLANEOUS PROGRAMS TECHNICAL AMENDMENTS.

(a) HUD ADMINISTRATIVE PROVISIONS.—

(1) Section 502(a) of the Housing Act of 1948 is amended by striking the fourth sentence.

(2) Section 502(b) of the Housing Act of 1948 is amended—

(A) by striking "United States Housing Authority" each place it appears and inserting "Secretary of Housing and Urban Development"; and

(B) by striking "the Authority" each place it appears and inserting "the Secretary of Housing and Urban Development".

(3) Section 502(c)(2) of the Housing Act of 1948 is amended by adding "and" at the end.

(b) ANNUAL REPORT OF SECRETARY.—Section 802 of the Housing Act of 1954 is amended by inserting the following section heading:

"ANNUAL REPORT OF SECRETARY".

(c) ENERGY CONSERVATION IN NEW BUILDINGS.—Section 303(11) of the Energy Conservation Standards for New Buildings Act of 1976 is amended by striking "Secretary of Housing and Urban Development" and inserting "Secretary of Energy".

(d) WEATHERIZATION ASSISTANCE.—Section 412(9)(G) of the Energy Conservation in Existing Buildings Act of 1976 is amended by striking the first comma after "determine".

(e) NATIONAL INSTITUTE OF BUILDING SCIENCES.—

(1) Section 809(g)(4) of the Housing and Community Development Act of 1974 is amended by striking "and its" and inserting "of its".

(2) Section 809(h) of the Housing and Community Development Act of 1974 is amended by striking "preceeding" in the last sentence and inserting "preceding".

(f) REAL ESTATE SETTLEMENT PROCEDURES.—Section 8(c)(5) of the Real Estate Settlement Procedures Act of 1974 is amended by striking "clause 4(B)" and inserting "clause (4)(B)".

(g) HOME MORTGAGE DISCLOSURE.—Section 304(a)(1) of the Home Mortgage Disclosure Act of 1975 is amended by striking "at at" and inserting "at".

TITLE V—ENTERPRISE ZONE DEVELOPMENT

SEC. 501. DESIGNATION OF ENTERPRISE ZONES.

(a) DESIGNATION OF ZONES.—

(1) DEFINITION.—For purposes of this section, the term "enterprise zone" means any area that—

(A) is nominated by one or more local governments and the State or States in which it is located for designation as an enterprise zone (in this section referred to as a "nominated area"); and

(B) the Secretary of Housing and Urban Development designates as an enterprise zone, after consultation with—

(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury, the Director of the Office of Management and Budget, and the Administrator of the Small Business Administration; and

(ii) in the case of an area on an Indian reservation, the Secretary of the Interior.

(2) NUMBER OF DESIGNATIONS.—

(A) IN GENERAL.—The Secretary of Housing and Urban Development may designate not more than 100 nominated areas as enterprise zones.

(B) MINIMUM DESIGNATION IN RURAL AREAS.—Of the areas designated under clause (i), not less than ⅓ shall be areas that—

(i) are within a local government jurisdiction or jurisdictions with a population of less than 50,000 (as determined under the most recent census data available);

(ii) are outside of a metropolitan statistical area (as designated by the Director of the Office of Management and Budget); or

(iii) that are determined by the Secretary, after consultation with the Secretary of Commerce, to be rural areas.

(3) AREAS DESIGNATED BASED SOLELY ON DEGREE OF POVERTY.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary shall designate the nominated areas with the highest average ranking with respect to the criteria set forth in subparagraphs (C), (D), and (E) of subsection (c)(3). For purposes of the preceding sentence, an area shall be ranked within each such criterion on the basis of the amount by which the area exceeds such criterion, with the area that exceeds such criterion by the greatest amount given the highest ranking.

(B) EXCEPTION WHERE INADEQUATE COURSE OF ACTION, ETC.—An area shall not be designated under subparagraph (A) if the Secretary determines that the course of action with respect to such area is inadequate.

(C) SEPARATE APPLICATION TO RURAL AND OTHER AREAS.—Subparagraph (A) shall be applied separately with respect to areas described in paragraph (2)(B) and to other areas.

(4) LIMITATION ON DESIGNATIONS.—

(A) PUBLICATION OF REGULATIONS.—Before designating any area as an enterprise zone, the Secretary shall prescribe by regulation not later than 4 months following the date of the enactment of this Act, after consultation with the officials described in paragraph (1)(B)—

(i) the procedures for nominating an area under paragraph (1)(A);

(ii) the parameters relating to the size and population characteristics of an enterprise zone; and

(iii) the manner in which nominated areas will be evaluated based on the criteria specified in subsection (d).

(B) TIME LIMITATIONS.—The Secretary shall designate nominated areas as enterprise zones only during the 24-month period beginning on the later of—

(i) the 1st day of the 1st month following the month in which the effective date of the regulations described in subparagraph (A) occurs; or

(ii) July 1, 1987.

(C) PROCEDURAL RULES.—The Secretary shall not make any designation under paragraph (1) unless—

(i) the local governments and the State in which the nominated area is located have the authority—

(I) to nominate such area for designation as an enterprise zone;

(II) to make the State and local commitments under subsection (d); and

(III) to provide assurances satisfactory to the Secretary that such commitments will be fulfilled;

(ii) a nomination therefor is submitted in such a manner and in such form, and contains such information, as the Secretary shall by regulation prescribe;

(iii) the Secretary determines that any information furnished is reasonably accurate; and

(iv) the State and local governments certify that no portion of the area nominated is already included in an enterprise zone or in an area otherwise nominated to be an enterprise zone.

(5) NOMINATION PROCESS FOR INDIAN RESERVATIONS.—In the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be deemed to be both the State and local governments with respect to such area.

(b) PERIOD FOR WHICH DESIGNATION IS IN EFFECT.—

(1) IN GENERAL.—Any designation of an area as an enterprise zone shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

(A) December 31 of the 24th calendar year following the calendar year in which such date occurs;

(B) the termination date designated by the State and local governments as provided for in their nomination pursuant to subsection (a)(4)(C)(ii); or

(C) the date the Secretary revokes such designation under paragraph (2).

(2) REVOCATION OF DESIGNATION.—The Secretary, after consultation with the officials described in subsection (a)(1)(B) and a hearing on the record involving officials of the State or local government involved, may revoke the designation of an area if the Secretary determines that the local government or the State in which it is located is not complying substantially with the State and local commitments pursuant to subsection (d).

(c) AREA AND ELIGIBILITY REQUIREMENTS.—

(1) IN GENERAL.—The Secretary may make a designation of any nominated area under subsection (a)(1) only if it meets the requirements of paragraphs (2) and (3).

(2) AREA REQUIREMENTS.—A nominated area meets the requirements of this paragraph if—

(A) the area is within the jurisdiction of the local government;

(B) the boundary of the area is continuous; and

(C) the area—

(i) has a population, as determined by the most recent census data available, of not less than—

(I) 4,000 if any portion of such area (other than a rural area described in subsection (a)(2)(B)(i)) is located within a metropolitan statistical area (as designated by the Director of the Office of Management and Budget) with a population of 50,000 or more; or

(II) 1,000 in any other case; or

(ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

(3) ELIGIBILITY REQUIREMENTS.—For purposes of paragraph (1), a nominated area meets the requirements of this paragraph if the State and local governments in which it is located certify and the Secretary, after such review of supporting data as he deems appropriate, accepts such certification, that—

(A) the area is one of pervasive poverty, unemployment, and general distress;

(B) the area is located wholly within the jurisdiction of a local government that is eligible for Federal assistance under section 119 of the Housing and Community Development Act of 1974, as in effect on the date of the enactment of this Act;

(C) the unemployment rate, as determined by the appropriate available data, was not less than 1.5 times the national unemployment rate for that period;

(D) the poverty rate (as determined by the most recent census data available) for each populous census tract (or where not tracted, the equivalent county division as defined by the Bureau of the Census for the purpose of defining poverty areas) within the area was not less than 20 percent for the period to which such data relate; and

(E) the area meets at least one of the following criteria:

(i) Not less than 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the local government (determined in the same manner as under section 119(b)(2) of the Housing and Community Development Act of 1974).

(ii) The population of the area decreased by 20 percent or more between 1970 and 1980 (as determined from the most recent census available).

(4) ELIGIBILITY REQUIREMENTS FOR RURAL AREAS.—For purposes of paragraph (1), a nominated area that is a rural area described in subsection (a)(2)(B) meets the requirements of paragraph (3) if the State and local governments in which it is located certify and the Secretary, after such review of supporting data as he deems appropriate, accepts such certification, that the area meets—

(A) the criteria set forth in subparagraphs (A) and (B) of paragraph (3); and

(B) not less than one of the criteria set forth in the other subparagraphs of paragraph (3).

(d) REQUIRED STATE AND LOCAL COMMITMENTS.—

(1) IN GENERAL.—No nominated area shall be designated as an enterprise zone unless the local government and the State in which it is located agree in writing that, during any period during which the area is an enterprise zone, such governments will follow a specified course of action designated to reduce the various burdens borne by employers or employees in such area. A course of action shall not be treated as meeting the requirements of this paragraph unless the course of action include provisions described in not less than 4 of the subparagraphs of paragraph (2).

(2) COURSE OF ACTION.—The course of action under paragraph (1) may be implemented by both such governments and private nongovernmental entities, may be funded from proceeds of any program administered by the Secretary of Housing and Urban Development or of any program administered by the Secretary of Agriculture under title V of the Housing Act of 1949, and may include, but is not limited to—

(A) a reduction of tax rates or fees applying within the enterprise zone;

(B) an increase in the level of public services, or in the efficiency of the delivery of public services, within the enterprise zone;

(C) actions to reduce, remove, simplify, or streamline paperwork requirements within the enterprise zone;

(D) involvement in the program by public authorities or private entities, organizations, neighborhood associations, and community groups, particularly those within the nominated area, including a written commitment to provide jobs and job training for, and technical, financial, or other assistance to, employers, employees, and residents of the nominated area;

(E) the giving of special preference to contractors owned and operated by members of any minority; and

(F) the gift (or sale at below fair market value) of surplus land in the enterprise zone to neighborhood organizations agreeing to operate a business on the land.

(3) RECOGNITION OF PAST EFFORTS.—In evaluating courses of action agreed to by any State or local government, the Secretary shall take into account the past efforts of such State or local government in reducing the various burdens borne by employers and employees in the area involved.

(4) PROHIBITION OF ASSISTANCE FOR BUSINESS RELOCATIONS.—

(A) IN GENERAL.—The course of action implemented under paragraph (1) may not include any action to assist—

(i) any establishment relocating from one area to another area; or

(ii) any subcontractor whose purpose is to divest, or whose economic success is dependent upon divesting, any other contractor or subcontractor of any contract customarily performed by such other contractor or subcontractor.

(B) EXCEPTION.—The limitations established in subparagraph (A) shall not be construed to prohibit assistance for the expansion of an existing business entity through the establishment of a new branch, affiliate, or subsidiary if the Secretary—

(i) finds that the establishment of the new branch, affiliate, or subsidiary will not result in an increase in unemployment in the area of original location or in any other area where the existing business entity conducts business operations; and

(ii) has no reason to believe that the new branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where the existing business entity conducts business operations.

(e) Definitions.—For purposes of this section:

(1) Government.—If more than one government seeks to nominate an area as an enterprise zone, any reference to, or requirement of, this section shall apply to all such governments.

(2) Local government.—The term "local government" means—

(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State;

(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary; and

(C) the District of Columbia.

(3) Secretary.—The term "Secretary" means the Secretary of Housing and Urban Development.

(4) State.—The term "State" includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other possession of the United States.

SEC. 502. EVALUATION AND REPORTING REQUIREMENTS.

Not later than the close of the 4th calendar year after the year in which the Secretary of Housing and Urban Development first designates areas as enterprise zones, and at the close of each 4th calendar year thereafter, the Secretary shall prepare and submit to the Congress a report on the effects of such designation in accomplishing the purposes of this title.

SEC. 503. INTERACTION WITH OTHER FEDERAL PROGRAMS.

(a) Coordination With Relocation Assistance.—The designation of an enterprise zone under section 501 shall not—

(1) constitute approval of a Federal or federally assisted program or project (within the meaning of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.); or

(2) entitle any person displaced from real property located in such zone to any rights or any benefits under such Act.

(b) Enterprise Zones Treated as Labor Surplus Areas.—Any area that is designated as an enterprise zone under section 501 shall be treated for all purposes under Federal law as a labor surplus area.

SEC. 504. WAIVER OR MODIFICATION OF HOUSING AND COMMUNITY DEVELOPMENT RULES IN ENTERPRISE ZONES.

(a) In General.—Upon the written request of the governments that designated and approved an area that has been designated as an enterprise zone under section 501, the Secretary of Housing and Urban Development (or, with respect to any rule issued under title V of the Housing Act of 1949, the Secretary of Agriculture) may, in order to further the job creation, community development, or economic revitalization objectives of the zone, waive or modify all or part of any rule that the Secretary has authority to promulgate, as such rule pertains to the carrying out of projects, activities, or undertakings within the zone.

(b) Limitation.—No provision of this section may be construed to authorize the Secretary to waive or modify any rule adopted to carry out a statute or Executive order that prohibits, or the purpose of which is to protect persons against, discrimination on the basis of race, color, religion, sex, marital status, national origin, age, or handicap.

(c) Submission of Requests.—A request under subsection (a) shall specify the rule or rules to be waived or modified and the change proposed, and shall briefly describe why the change would promote the achievement of the job creation, community development, or economic revitalization objectives of the enterprise zone. If a request is made to the Secretary of Agriculture, the requesting governments shall send a copy of the request to the Secretary of Housing and Urban Development at the time the request is made.

(d) Consideration of Requests.—In considering a request, the Secretary shall weigh the extent to which the proposed change is likely to further job creation, community development, or economic revitalization within the enterprise zone against the effect the change is likely to have on the underlying purposes of applicable statutes in the geographic area that would be affected by the change. The Secretary shall approve the request whenever the Secretary finds, in the discretion of the Secretary, that the public interest that the proposed change would serve in furthering such job creation, community development or economic revitalization outweighs the public interest that continuation of the rule unchanged would serve in furthering such underlying purposes. The Secretary shall not approve any request to waive or modify a rule if that waiver or modification would—

(1) directly violate a statutory requirement; or

(2) be likely to present a significant risk to the public health, including environmental health or safety.

(e) Notice of Disapproval.—If a request is disapproved, the Secretary shall inform the requesting governments in writing of the reasons therefor and shall, to the maximum extent possible, work with such governments to develop an alternative, consistent with the standards contained in subsection (d).

(f) Period for Determination.—The Secretary shall discharge the responsibilities of the Secretary under this section in an expeditious manner, and shall make a determination on requests not later than 90 days after their receipt.

(g) Applicable Procedures.—A waiver or modification of a rule under subsection (a) shall not be considered to be a rule, rulemaking, or regulation under chapter 5 of title 5, United States Code. To facilitate reaching a decision on any requested waiver or modification, the Secretary may seek the views of interested parties and, if the views are to be sought, determine how they should be obtained and to what extent, if any, they should be taken into account in considering the request. The Secretary shall publish a notice in the Federal Register stating any waiver or modification of a rule under this section.

(h) Effect of Subsequent Amendment of Rules.—In the event that the Secretary proposes to amend a rule for which a waiver or modification under this section is in effect, the Secretary shall not change the waiver or modification to impose additional requirements unless the Secretary determines, consistent with standards contained in subsection (d), that such action is necessary.

(i) Expiration of Waivers and Modifications.—No waiver or modification of a rule under this section shall remain in effect for a longer period than the period for which the enterprise zone designation remains in effect for the area in which the waiver or modification applies.

(j) Definitions.—For purposes of this section:

(1) Rule.—The term "rule" means—

(A) any rule as defined in section 551(4) of title 5, United States Code; or

(B) any rulemaking conducted on the record after opportunity for an agency hearing pursuant to sections 556 and 557 of such title 5.

(2) Secretary.—The term "Secretary" means the Secretary of Housing and Urban Development or, with respect to any rule issued under title V of the Housing Act of 1949, the Secretary of Agriculture.

SEC. 505. COORDINATION OF HOUSING AND URBAN DEVELOPMENT PROGRAMS IN ENTERPRISE ZONES.

Section 3 of the Department of Housing and Urban Development Act is amended by adding at the end the following new subsection:

"(d) The Secretary shall—

"(1) promote the coordination of all programs under the jurisdiction of the Secretary that are carried on within an enterprise zone designated pursuant to section 501 of the Housing and Community Development Act of 1987;

"(2) expedite, to the greatest extent possible, the consideration of applications for programs referred to in paragraph (1) through the consolidation of forms or otherwise; and

"(3) provide, whenever possible, for the consolidation of periodic reports required under programs referred to in paragraph (1) into one summary report submitted at such intervals as may be designated by the Secretary.".

SEC. 506. COORDINATION WITH CDBG AND UDAG PROGRAMS.

It is the policy of the Congress that amounts provided under the community development block grant and urban development action grant programs under title I of the Housing and Community Development Act of 1974 shall not be reduced in any fiscal year in which the provisions of this title are in effect.

(By unanimous consent, Mr. Wylie was allowed to proceed for 5 additional minutes.)

The CHAIRMAN. The gentleman from Ohio [Mr. Wylie] is recognized for 10 minutes in support of his substitute.

Mr. WYLIE. Mr. Chairman, the administration has identified at least 40 serious disagreements with H.R. 4, some of which, may I say, were just taken care of with the amendments offered en bloc by the chairman of the subcommittee, the gentleman from Texas [Mr. Gonzalez]. There are at least 10 other provisions which will most likely result in a Presidential veto if included in a bill which comes to his desk. It is for this reason that the gentlewoman from New Jersey [Mrs. Roukema], the distinguished ranking member of the Housing Subcommittee, along with the gentleman from Pennsylvania [Mr. Ridge], the gentleman from Texas [Mr. Bartlett], the gentleman from Illnois [Mr. Michel], the gentleman from Mississippi [Mr. Lott], and I are offering this substitute. We want a bill to be passed by the House and by the Senate and sent to the President's desk which the President can be encouraged to sign.

I could not suggest to the President that he sign H.R. 4 in its present form.

First of all, it would cost almost $16 billion and provide only 127,044 incremental new units. This funding level, may I suggest, is still far in excess of that which is necessary to meet the Gramm-Rudman deficit reduction targets.

Our substitute would provide for 138,626 assisted housing family units, new habitable family units. This is 11,600 more, at a cost of $1.7 billion less.

We believe our strategy, and to a major extent that of the Congress as well, with reference to federally assisted housing for the eighties, should continue to be based upon a two-tiered approach: First, affordability; and second, rental rehabilitation and preservation.

I would make the point again that there are some 60,000 units out there in inventory which would be rehabilitated or preserved and made habitable for low-income people to live in.

Our strategy continues to favor this balanced approach through the accommodation of the use of section 8 certificates. And I make that point again. The implication was left a while ago that our bill was all vouchers. It is not all vouchers. We retain section 8 certificates, we retain rental rehabilitation, and an effective public housing modernization program. The policy differences, as reflected in H.R. 4, as contrasted with our alternative could not be clearer in this regard. We advocate freedom of choice and mobility for low-income families and the elderly as our strategic housing policy goals. To say that the voucher system has not worked is not a fair representation. There has been a model voucher program in existence. HUD says it is working, and it is working very well in those areas where there are low-income housing units available.

We also have a letter with reference to the FHA rural housing program. They have had a demonstration program ongoing as far as the voucher program for rural housing is concerned, and they say it is working well. So we have provided a mix of voucher programs along with new construction in the rural housing program as well.

Overall we offered 16 of the 82 amendments in committee but unfortunately only 4 of those were adopted in the Banking Committee. We also attempted to compromise with the majority in order to have a bipartisan bill on the funding level.

Now, the thrust of our alternative housing bill will accomplish the following: it will provide for a 2-year authorization for HUD and rural housing programs, a 1-year authorization for the Urban Development Action Grant Program, and a 3-year authorization for the Community Development Block Grant Program.

It will fund existing and new programs for a lower cost of $14.2 billion—and I cannot emphasize that enough—while at the same time providing over 11,000 more units of assisted housing for low-income people.

It will permanently authorize FHA mortgage insurance programs to foster an efficient national system of home mortgage finance. It has provided some 15 million housing units over the years. I am committed to the FHA program, and I am against this off again-on again program we have had in effect last year. So I have suggested a permanent extension of the FHA program, and we have over 218 cosponsors on a bill which would do that. It is included in H.R. 4, I would say, and it is also included in my substitute.

We would maintain the current FHA mortgage insurance premium program. We would increase the FHA high-cost factor, which the homebuilders also asked us to put in our substitute.

It would provide funding for the new fair housing initiative program, which the realtors have suggested we put in our substitute and which we have provided.

It would reform the existing program to allow for a multifamily preservation loan program. It would address the prepayment problem for HUD and FmHA projects by balancing the need to honor existing contractual rights and to ensure that low-income tenants are not left without alternative housing options.

It would reform the public housing programs by emphasizing the preservation of the public housing inventory and promote policies which enhance self-sufficiency for public housing tenants through resident management, home ownership opportunities, and job incentives. This is the Kenny Gray amendment which was offered last year. It is in our bill again this year.

It would establish a uniform administrative fee system for section 8 certificates and vouchers, and it would provide for an extension of the vital programs of the Farmers Home Administration with a mix of existing Farmers Home Administration programs, new construction programs, and it introduces a limited number of vouchers, as I suggested a little earlier. Housing vouchers have proven in the preliminary stage to work very well indeed in rural areas. As of May 11, 1987, 2,047 vouchers were actually under lease in rural housing areas and at a lower per-unit subsidy cost of $3,872 per year than vouchers used in urban areas.

It would authorize a conventional financing demonstration program for rural moderate-income, single-family home owners.

Mr. Chairman, we firmly believe there is an urgent need for the Housing Subcommittee to undertake a comprehensive and detailed oversight examination and evaluation of all the HUD, FmHA, and miscellaneous authorized programs under the jurisdiction of the subcommittee. We have included such a study in our substitute.

The Wylie-Roukema housing alternative balances our vital need for deficit reduction by funding it at $14.2 billion. This is a 9.1-percent reduction over the 1987 fiscal year appropriation for housing programs, and this brings our substitute in compliance with the Gramm-Rudman budget deficit reduction requirements.

If we are not able to come to an agreement on the Gramm-Rudman budget deficit reduction proposal and the sequestration program is put into effect, then the housing program would be reduced by 9.1 percent. We have taken that into account. Since we anticipate the funding level will have to be reduced, we have provided additional assistance for 11,000 more low-income families and elderly families through the voucher program and through the rehabilitation programs that I mentioned earlier.

To those who will say, "Business as usual, don't rock the boat, preserve the status quo," we say that by being afraid and not being bold and courageous, we will preserve the status quo—no housing bill, and this for the 7th consecutive year in a row.

Mr. Chairman, we think the choice is to vote for the substitute and assure a Presidential signature. If we vote for H.R. 4 in its present form, we run the risk of a veto by the President.

Mr. Chairman, I urge adoption of the Wylie-Roukema-Ridge-Bartlett-Michel-Lott substitute.

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Mr. GONZALEZ. Mr. Chairman, I rise in strong opposition to the substitute offered by Mr. WYLIE, my colleague and ranking minority member of the Banking Committee. The Wylie-Roukema substitute would provide an inadequate level of funding for housing and community development assistance for fiscal year 1988 despite the fact that H.R. 4, the committee bill, provides for funding levels within the House Budget Committee levels.

Even these levels represent reductions of almost 70 percent since 1980—a fact most recently stressed by none other than the realtors, mortgage bankers, and the homebuilders in a June 9, 1987, letter to the Members of the House. These groups do have a stake in housing but, as most of the Members of the House know, they are not "flaming liberals" by any means. "We believe that enactment of a housing authorization bill this year is consistent with House- and Senate-passed budget resolutions is a critical element of an overall national housing policy." This lends credence to the fact that further reductions as proposed in the Wylie-Roukema substitute are entirely uncalled for.

Mr. Chairman, the Wylie-Roukema substitute would eliminate all public housing new construction activity leaving only a 1,900-unit program for Indian and Alaskan native housing. It would eliminate section 8 moderate rehabilitation, the section 312 rehabilitation program and would use 72,000 vouchers in lieu of existing programs. Based on HUD testimony, vouchers cost on average $250 more than section 8 certificates and voucher recipients had to pay more than 30 percent for rent. For example, it would require that vouchers be used for 30 percent of the assistance that would be provided under rural housing programs.

It is a plain fact that rental housing is one of the rarest commodities in rural America. Therefore, Mr. Chairman, this voucher approach proposed by Mr. WYLIE and Mrs. ROUKEMA is tantamount to a 30-percent cut in rural housing assistance from last year's levels. The rural housing programs have already taken deep cuts, the $2 billion loan level in the committee bill is only one-half of the pre-1980 levels.

Other reductions from the committee approved levels are proposed in the Wylie-Roukema substitute, such as slashing congregate housing and reducing low-income housing counseling. No funding for a limited child care demonstration in public housing, for the Nehemiah homeownership experiment and the very small neighborhood development demonstration would be provided if the Wylie-Roukema substitute is adopted.

Mr. Chairman, these three programs represent attempts by the committee to leverage Federal dollars for local private and public resources lowering the cost of Federal assistance.

The child care demonstration is designed to free up public housing tenants so that they might go to school or to a job, hopefully to move them from public assistance into the labor force. The Nehemiah homeownership program would replicate a proven innovative innercity homeownership approach to provide stable, sound neighborhoods in place of bombed-out slums. Finally, the neighborhood development demonstration would garner the grass root resources to be effective in developing neighborhoods.

We can never come up with more effective and efficient housing and community development approaches, Mr. Chairman, if we do not try them out. We cannot be criticized for sticking to the so-called old approaches when we are denied the opportunity to set forth new ones.

Finally, Mr. Chairman, I would urge my colleagues not to be swayed by the arguments made in support of the Wylie-Roukema substitute, which suggests you get more for less. At a $14.2 billion level, Wylie-Roukema projects 138,626 newly assisted units, whereas, H.R. 4 at a $15.8 billion level only provides for 127,044 units. Spend $1.6 billion less and get 11,000 more units, they would have us believe. Not so, Mr. Chairman! Hocus pocus, my colleagues!

When you take into account the length of time housing assistance will be available under these contracts—which can vary from 5 years for vouchers to 40 years for public housing and FmHA units—there is no question that H.R. 4 helps many more needy families than the Wylie-Roukema substitute. By multiplying the number of additional units by the number of years they will be available for occupancy, we define the total number of unit years provided in each bill. For the major housing programs of HUD and FmHA, H.R. 4 provides 2,277,000 unit years while the Wylie-Roukema substitute provides only 1,731,000 unit years.

Less means less, Mr. Chairman, especially when you remove the hocus pocus and compare apples with apples. I urge defeat of the Wylie-Roukema substitute and support of H.R. 4, the committee bill.

Mr. WOLPE. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Michigan.

Mr. WOLPE. Mr. Chairman, I rise in opposition to the substitute amendment and in support of the bill.

Mr. Chairman, I rise today in strong support of H.R. 4. The Housing and Community Development Act of 1987.

Mr. Chairman, I would like to commend you and your fellow colleagues on the Banking, Housing and Urban Development Committee for the fine job you have done in crafting this bill. Your task has become significantly more difficult over the past 6 years, as Federal assistance for housing has plummeted and the ranks of those in need of affordable housing has swelled.

Mr. Chairman, there used to be a time when, if you had a moderate income and worked hard, you knew that someday, you could purchase a home. The goal was attainable. Well today, as we all know the story is much different. For the first time in our history, we have a generation—the baby boomers—whose standard of living and quality of life could be substantially below that of their parents. They are working harder and making less; and in this scenario, it is not surprising that what used to be the dream of moving into that first home, has become the ultimate nightmare for many.

Housing costs today are, for many would-be first-time homebuyers, prohibitive. And, if you are fortunate enough to own a home, housing costs today take up a sizably larger portion of your family's budget than they used to. This bill contains some important language that hopefully will expand our efforts to provide affordable housing and will take some of the horror out of home buying.

Mr. Chairman, we know that more and more Americans have become dependent upon the viability of such programs as FHA, Fannie Mae, Ginnie Mae, and Freddie Mac; and as the dependency on these programs has increased, so has their importance. I needn't remind my colleagues of the grief suffered by innocent participants in these programs when FHA's insuring authority expired, when Ginnie Mae reached its credit limit.

In last year alone, FHA's insuring authority was allowed to lapse six times. Many of us desperately sought just a 1-year extension. Today, I am happy to say, we are voting on reinstating permanent insuring authority for FHA. And if anyone has any doubt about the importance of this provision, then I suggest you speak to that young couple in your district who, through no fault of their own, may have experienced unnecessary increased interest costs as a result of FHA shutting down. In fact, in the six times that FHA closed down last year, some 500,000 homebuyers experienced delays in closing on their new homes, and many of those, financial hardship as well.

I am also pleased to see that the committee—like the House Budget Committee—voted to reject the President's recommendation to increase user fees for these vital housing programs. As a member of the Budget Committee, one of my greatest sources of frustration is the President's refusal to admit that his proposed revenue-raising "user fees" are actually taxes. Of the various places where you can locate throughout his budget these so-called user fees, I am particularly perturbed by those in the housing function. Not only does he want to continue to gut direct Federal assistance for housing, he also wants to make the few programs we have more expensive to the participant. Our goal must be not only to make certain that programs are in place to assist homebuyers, but also to make certain that they are accessible. Again, I commend my colleagues for their efforts in drafting this legislation.

Mr. SWINDALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the substitute, because the substitute is infinitely better in a number of specific ways than H.R. 4; but with my limited time, I would like to focus on just one specific aspect of the substitute and that is the aspect that deals with vouchers.

Mr. Chairman, the substitute, unlike H.R. 4, removes restrictions in the housing voucher program contained in the 1983 act.

H.R. 4, on the other hand, actually erects new obstacles. Given the success of the voucher program, I frankly cannot understand why the committee bill would possibly want to undermine, rather than encourage, vouchers; yet as I begin to examine the history of the voucher program, it occurred to me that perhaps some of the opposition is a result of a misperception that the voucher program is the brain child of the Reagan administration. In reality, nothing could be further from the truth.

Those who drafted and came up with the idea of the voucher system are actually the career civil servants who had experience administering the section 8 certificates under the Carter administration. What they have been able to do in this legislation is to benefit from the history that they have seen with respect to section 8 certificates and the voucher program as we have seen it under current law.

There are three specific reasons that I think the voucher program makes sense and ought to be expanded, rather than contracted.

First, it recognizes the basic wisdom of subsidies being for people, rather than buildings. The strategy behind the ratification by Congress of the voucher program first in 1981 and then again in 1983 is that it recognizes that this program ought to be directed to individuals and not to some housing project or individuals who own those housing projects.

Second, vouchers allow us to recognize the dignity and intelligence of the low-income individuals who are recipients of these vouchers. That certainly has profound impact with respect to their housing choices. It allows individuals to make decisions with respect to where their housing is as it relates to job opportunities.

In Atlanta, for example, which is my area of the country, we find frequently that where the jobs are sometimes are 180 degrees opposite where the housing is. If we really want to encourage individuals who are voucher recipients to find the best possible employment opportunities, why not allow them the entire market share, rather than the market share that is available if they go to the current housing projects?

The second aspect of it is that vouchers offer us a unique opportunity to break the poverty cycle in this country. I believe that one of the reasons that we see cyclical poverty is that low-income individuals have been systematically locked out of the quality education that high-income and middle-income individuals have had the opportunity to avail themselves of. By giving individuals a choice with respect to housing, we simultaneously give them the choice with respect to their public school system.

Today most individuals who are middle income and above exercise that type of choice everyday with respect to their public school system, because I guarantee that if they look for a home, they inevitably ask, "Tell me about the public school system." If they do not agree with the type of public school system the potential home is located in, they immediately choose another home; that is not true of low-income housing individuals who are assigned to a particular housing project. They are locked out of that choice. With a voucher, they are immediately given the opportunity to choose for their children the type of education that those children so richly deserve and it is absolutely necessary if we are to make opportunity more than a rhetorical phrase in this country.

The next area is that it allows the voucher recipient to benefit from smart choices. What currently happens is if you are a voucher recipient and go out and find individual housing that is less than the 30 percent of adjusted net income formula, you get to split that profit with HUD.

What is wrong with encouraging individual recipients to go out and make smart choices in a free enterprise system?

We already find that over half the individuals in the first year of the voucher program made such choices and benefited directly from the results.

Mr. AuCOIN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time to pose to the gentleman from Texas, the chairman of the Housing and Community Subcommittee, who has produced a tremendous bill, a question with regard to the amendment that the gentleman offered, and which I understand passed by a voice vote a moment ago.

Mr. Chairman, I would inquire of the gentleman from Texas if I am correct in stating that the amendment just passed, which the gentleman offered, as it refers to section 8 housing, means that in calculating comparability, HUD or the State agency administering the program must take into consideration the age of a building, along with location, type of construction and services and amenities; is that correct?

Mr. GONZALEZ. Mr. Speaker, if the gentleman will yield, yes absolutely, the gentleman is correct.

I want to say this, that the gentleman is the author as far back as 1975 of what we call the AuCoin amendment having to do with the manner of calculating section 8 rents, providing for the age of the housing stock to be taken into consideration. This is preserved.

Mr. AuCOIN. Well, I appreciate that, Mr. Chairman, and I appreciate the gentleman's recollection of history as well. It has been a long struggle.

If the gentleman will answer one additional question, am I also correct in stating that the amendment also means that unless HUD or the State agency submits to the project owner the comparability study, 60 days prior to the anniversary date of the project, then the automatic annual adjustment factor must apply; is that correct?

Mr. GONZALEZ. Yes, the gentleman is correct.

I believe the gentleman from Ohio was seeking the gentleman's attention.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. I thank the gentleman, and before I yield to my friend, the gentleman from Ohio, I will just state again how much I respect the work of the gentleman from Texas and the work of his subcommittee in producing this legislation. It is needed legislation, well-crafted, and I strongly support it.

Mr. Chairman, I am delighted to yield to my friend across the aisle, the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I would say the gentleman is correct on rent comparability. The distinguished gentleman from Oregon served on the Banking Committee for some years. I supported the amendment that he offered in the Banking Committee and I supported it when the gentleman from Texas [Mr. Gonzalez] wanted to put it in his perfecting amendment here today.

I compliment the gentleman from Oregon for his persistence and his awareness of the fact that his amendment was in our agreed-to amendment.

Mr. AuCOIN. Mr. Chairman, I appreciate the gentleman's remarks and I enjoyed working with him on one other major feature of this bill—the permanent authorization of FHA. I would say to my friend, the gentleman from Ohio, that it always is a pleasure to work with him.

Mr. PARRIS. Mr. Chairman, I rise in support of the amendment in the nature of a substitute being offered by my friend, the gentleman from Ohio [Mr. Wylie].

This substitute amendment contains many very positive aspects, some of which it shares with the bill that was reported by the committee. I do not want to deprecate the committee's bill, which does include two amendments that I introduced. The amendments that I offered which are part of this substitute would increase the duration of the Federal Housing Administration certificate of reasonable value, and additionally, would authorize a study to waive for very high cost areas, including that that I am privileged to represent, the FHA mortgage insurance limit.

Another very important part of the bill, and of the substitute, is the permanent authorization of the FHA mortgage insurance program, so that no longer would we jeopardize that program by using it as a piggyback for housing legislation, as we have on a number of occasions in the past.

The substitute does however draw some sharp contrasts with the committee bill. First, it would cut almost $2 billion from this legislation, thus making it all the more likely to receive the President's signature and not his veto. Regrettably, the committee version of this bill is $6 billion over last year's appropriations bill. Although some will claim that this is in line with our budget resolution, as the minority views note in the committee report, this is difficult to assess at this point.

One need only look to the number of provisions of this bill, twice the number of the Senate bill, to know that we have overextended ourselves with this legislation. The Senate bill also authorizes nearly $2 billion less than the House bill.

The Wylie substitute would also transfer more dollars back into the voucher program. The voucher program is an important part of our housing policy, or at least it should be. If we are to foster greater independence among those living on public assistance, we should give them a better opportunity to do so. The voucher program is just such a program, allowing low-income tenants to choose where to live, and pay more or less for rent, whatever they decide. Some would argue that many are paying more in rent because of the voucher program. If so, I would counter that it is because more citizens chose better housing as their highest priority, and pay more in rent to live in better circumstances. To shut down the program for this reason is a mistake.

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If we are indeed trying to house as many low-income persons as possible, the absolutely wrong way to do that, I submit, Mr. Chairman, is to proceed with new construction. Unfortunately, the committee bill expands the HODAG Program, which will lead to increases in new construction costs. This is simply not the best and most effective way from a cost standpoint in which we can or should pursue a housing strategy.

In conjunction with this strategy, Mr. Chairman, the committee bill regrettably reduces funding for the Rental Rehabilitation Program. An amendment to restore more money to this program, which is an extremely effective one, was defeated in committee on a straight party-line vote. The Wylie substitute would put more dollars into the Rental Rehab Program as the most cost-efficient means of housing our Nation's low-income citizens.

If Members only need one reason to support the substitute, let me invite them to look at the situation that exists in the District of Columbia. Here, as we witness the sorry spectacle of lots of people sleeping on grates, having demonstrations for homeless programs, we find that there are almost 1,100 units, approximately 10 percent of the total publicly assisted housing units available in this city, boarded up and vacant. They are simply unoccupied, although they are there to be utilized. They are depreciating rapidly and subject to increasing vandalism. The Rental Rehabilitation Program which is provided for in the substitute, authorizes 2½ times as much money for the reconstruction of those units that are not being utilized, as opposed to new construction, when we have that degree, which is not unusual in urban areas around this country, available at a much lesser cost for rehabilitation and utilization for affordable housing for those less fortunate among our society. This city is just an example of the situation that exists around the Nation which should be recognized by this Congress.

I have in the time available only summarized a few of the major differences here, but these differences are the core of this Nation's housing policy. The committee bill does not provide the proper housing policy that we should pursue in these times of budgetary constraints. It is not the policy that we should pursue if we are trying to foster greater independence among public housing tenants.

Finally, as has been said before, it is important to get a housing bill signed into law, but this bill in its present form surely faces veto at the White House. Let us act now to prevent that. Let us adopt the Wylie substitute. It is a housing program of which we can all be proud and which we should support.

Mr. FRANK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I hope that the substitute is not adopted. Before getting into the specifics, though, I think that I would like to make one general point, which is that the differences between us are less than they may appear, and I hope that as this proceeds that they will become even less. All of us have entities to which we have to pay some tribute from time to time. None of us is here totally unrestricted.

Housing has been a very partisan issue in the past. This year it was much less so. Members who participated in the deliberations of both the subcommittee and the committee saw a much more consensus-oriented process. The negotiations that have been alluded to have come fairly close. We will pass a bill, I hope, we will go to conference, and I believe that the effort that people of good faith on both sides, Members and staff, put into a negotiation is going to prove successful, and I think that we are going to be able to go to conference and come out of conference with a bill that will command very large support, and that will require compromises on all sides and a recognition of the budget constraints.

Unfortunately, at this point adoption of the substitute would, I think, make that virtually impossible, because the substitute being adopted would remove from consideration some of the issues that ought to be subjects of discussion in the conference. The substitute leaves out some important areas. We have heard debates on vouchers versus section 8's. Vouchers have some use in some places; they do not work very well in Massachusetts, with our housing crisis. But there are a number of other issues that I am informed the substitute would simply delete.

One of the problems which has gotten a lot of attention is the problem of our subsidized housing that was built nearly 20 years ago. We lent money to developers to build housing under the programs 221(d)(3) and 236 with subsidized interest. There was in those programs inserted a right of the developer after 20 years to prepay the remainder of the 40-year mortgage and then be free of any subsidy. That was put in on the assumption, I think, that it would not have been used very much. It may have satisfied whatever budgetary gimmickry existed back then; each year develops its own budgetary gimmickry.

What we now find, however, is with interest rates at a relatively low rate and particularly with the changes in some of our urban areas, which have made areas that were previously only for the poor people now desirable for wealthier people, there is a very real danger that as the 20-year period approaches with the decrease in 236's, the mortgages will be prepaid and the tenants will be thrown out—elderly people, people with families, will leave. That will add to the homelessness problem in some areas, it will be tremendously dislocative, and it will mean that we will have a substantial reduction in the subsidized inventory.

In the bill, and not in the substitute, are some efforts to deal with that. They are not coercive, because people have a contractual right which the Constitution guarantees them. But there are some efforts at persuading. There are some efforts to use a relatively small amount of money to keep these units in subsidy. Adopt the substitute, and our chance to deal with the prepayments on the 221(d)(3) and 236 problem goes out, because it is not in the Senate bill, and it is not in our bill, and it cannot be done.

We had action taken by the leadership of the Senate, which said in a letter to HUD, "Please don't mortgage off some property involving some subsidized units, because we believe by July we will have dealt with this." We will not be able to deal with it if we adopt the substitute.

The substitute is preemptive of our ability to deal with some of these issues—the prepayment problem with the subsidized units, the problem with people who have a commitment to keep a unit subsidized but want to walk away from it. All of those things are in the bill.

There are the problems of displacement. We have unfortunately seen Government funds used in the Urban Development Action Grant Program and in some other programs which have resulted in displacement of people. The Federal Government with municipal and State help is guilty of having contributed to the homelessness problem. For no additional expenditure we can put regulations in that say, "No, don't use Government money to displace people and create more homeless." Those provisions are omitted from the substitute.

Some of the differences between the substitute and the excellent piece of work that came forward from the leadership of the gentleman from Texas are financial. We can deal with financial problems in conference. What we cannot do in conference if the substitute is adopted is to deal with some very important substantive issues which have been carefully worked out and which indeed are not controversial.

I understand the need to come forward with a substitute, but the substitute leaves out of the bill provisions that would prevent displacement with the use of Federal funds, that would deal with the problem of prepayment, that have been worked out by agreement.

Mr. HILER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Wylie substitute. It has been 6 long years since a housing authorization bill has been enacted, and the Wylie substitute offers the Congress the best opportunity to produce a piece of legislation that President Reagan will sign.

The Wylie substitute reauthorizes the community Development Block Grant [CDBG] Program at the same level of funding as contained in H.R. 4. It also removes a number of unnecessary Paperwork Program requirements that H.R. 4 imposes on State and local governments. Time and time again, Congress imposes new requirements on State and local government without providing the additional funding necessary to accomplish these new tasks. The net result of this is to reduce the level of benefits to those persons who are supposed to be beneficiaries of this program.

What the committee bill does add to the CDBG Program is a requirement that grantees prepare a plan for an economic development strategy. The small city program which is run by the States requires the States to submit to HUD a plan on only the method to be used in distributing the CDBG funds to the small cities. It is therefore impossible for a State to be able to certify to HUD what type of an economic development strategy will be pursued.

H.R. 4 reimposes costly and burdensome provisions regarding citizen participation. No one could be, or is, opposed to allowing citizens the right to participate in decisions affecting their neighborhood, yet H.R. 4 imposes requirements that cities provide translators for every foreign language which could be expected to attend. A hearing in Fairfax County, VA, for example, would require Vietnamese, Cambodian, Spanish, and Chinese translators to be provided, at the minimum, depending on what neighborhood the public hearing was to be held in.

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Current law already requires citizen participation and access to public records and documents. What H.R. 4 would do in this area is legislative overkill.

Mr. Chairman, additionally, the Wylie substitute makes more extended use of the vouchers, which is a very cost-efficient way to provide housing for many low-income people throughout this country; and as I mentioned earlier in my comments during the general debate, if the Members are interested in having a housing bill signed into law, vote for the Wylie substitute.

The $15.6 billion figure passed the other body, and the $15.9 billion figure in H.R. 4, either one of those two will not be signed into law by the President, and the veto will be sustained.

The $14.2 billion figure contained in the Wylie substitute is an appropriate figure. It may not be as much as some would like, but more than if we have no bill.

If the Members are interested in having a housing bill, the Wylie substitute is the appropriate vote.

Mr. Chairman, I yield back the balance of my time.

Mr. HAYES of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the Wylie substitute. I thought once I would sit out the debate on this very vital issue, but my conscience dictated that I rise and speak up in support of the residents of my own congressional district.

I cannot see, after looking at the Wylie amendment, where this will add one room to the critical need for additional housing, particularly in the city of Chicago.

I think it would only further impoverish the people who are poor and who are in critical need of housing, section 8 housing.

I think it would be more to the benefit of the slum landlords than it will be for people who need housing.

I happen to represent a district where at least 70,000 residents live in public housing. This is to say nothing of the great number of people who even today find themselves, because there is not enough housing, where they sleep in abandoned automobiles or boarded-up buildings, or in the summertime, sleep on park benches.

I do not see how we can continue as heads of Government to ignore this problem and not come up with solutions and some money to provide housing. To think in terms of people who have money, to be unable to support a voucher system is not even an unpleasant dream.

The responsibility to help the people who are in need rests right here in the legislative body of this great Government and this great country of ours.

We have senior citizens who are in dire need of homes and a place to live, who live on fixed incomes, who have no additional money, and some of them run out of money as early as the third week in the month, and it is survival.

I had one lady who I visited who was a senior citizen who survived on a regular diet of dog food because she could not afford a normal diet.

We need to concern ourselves for these people. This is what we are all about, and nobody can convince me that the Wylie substitute will alleviate this kind of problem.

Mr. FRANK. Mr. Chairman, will the gentleman yield?

Mr. HAYES of Illinois. Mr. Chairman, I yield to the gentleman from Massachusetts.

Mr. FRANK. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I want to correct myself. I overspoke when I talked about what was in the Wylie substitute.

We had some conversation back and forth. Some of the subjects which I talked about are covered in the substitute, not in the form which I think adequate. The substitute does not appear any more attractive to me, but what I said up here is a little less attractive.

Mr. HAYES of Illinois. Mr. Chairman, Chicago is in dire need of low-income housing.

We now have a number of units which were built years ago in dire need of repair. These units were built primarily with the thought in mind of keeping poor people in a certain neighborhood in the city of Chicago so they would not let them expand beyond their neighborhood. They since shot them up in the air, and we have some people who raise kids in buildings 16 stories high, and the elevators need repair. These are the kinds of things that need to be done, and we need housing where kids can grow up and play in areas on the ground, and people can live in housing scattered throughout the city of Chicago.

Certainly I think the Wylie substitute would not enhance that opportunity or privilege.

Mr. Chairman, I yield back the balance of my time.

Mr. ROTH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I support the Wylie substitute. We need a very good housing bill. The gentleman from Illinois who just spoke on the problems experienced in Chicago are just one more reason why a good housing bill is needed.

This substitute would help in this respect. The reason I say that is because the substitute places more emphasis on the voucher system. The people living in Chicago as we were told with young children living in 16-story highrises is totally unacceptable. If these people had the option of a voucher they could move out of that highrise and into an area where their youngsters could live on ground floor, as it should be.

This is just one of the reasons I am for the substitute. Another very valid argument is that with the substitute we in Congress are demonstrating our committment to a balanced budget. We give lip service to the balanced budget concept. But that is when it starts and stops—with talk. We must act. That translates into a commitment for good housing with the budget deficit, that is, taxpayers in mind.

The deficit and the number of dollars we spend here in Congress has to be an integral part of every bill that we debate, and that is why I think that the substitute is very important.

The voucher system gives people the freedom of choice and also takes into consideration affordability.

This substitute has another provision that, I think, is extremely important to us all. It has, as the gentleman from Ohio said in his opening remarks, a 2-year authorization. This will give us time in our subcommittee to have sufficient oversight.

Today we do not have enough oversight, over these huge spending bills dealing with housing, and we must have oversight; and this bill would give us that opportunity.

There is another issue, that has to be brought up; that deals with the present bill as opposed to the substitute.

The present bill drops many of the provisions that are extremely important; for example, the bipartisan reform supported by the House in debate last year, also the limitations on costly new construction for public housing, individual public housing tenant ownership and self-management, the focus on preservation and improvement rather than any new construction.

The gentleman from Illinois [Mr. HAYES] stated that there are a lot of dilapidated buildings, let us maintain and remodel those we have constructed.

Vouchers in lieu of more costly section 8 certificate, these reforms constitute long sought after changes and new departures in our housing policy. To turn our back on these provisions that we have worked for for a long time is not good policy.

For the Members who are unfamiliar with vouchers and certificates, we give assistance payments based on the average cost of standard rental housing in that locality. That is a good provision.

It is fair to the people that need housing, and fair to the taxpayers. Vouchers, however, allow the families to choose where they wish to live. They can then compete in the fair rental market.

This means the family, rather than the Government, decides where people are going to live; and then, too, we will erase the stigma of public housing.

We want the family to have an option where they wish to live, we want them to have an option on transportation, we want to give them an option on the kind of a job, we want them to have better nutrition, fewer educational expenses. In other words, to live as middle-class families do in this country. To accomplish that people have to be given the right of choice.

If we are ever going to allow people to be self sufficient, we have to give them the training and the wherewithal to do that, and that means we have to allow them to have the right of choice.

The voucher program where it has been used, has worked very well. If we were to allow it to be used in many more areas, then, of course, we would have an even better track record.

I thank the members of the committee for adding to this particular bill extended flood insurance programs through the year 1988. Authorizing payments to insured owners along the Great Lakes will add a great deal to this bill. It allows those people who have suffered structural damage due to erosion and flooding to have a remedy. That is why I think this particular provision is an excellent one, and I am very glad to see it in this particular bill. I commend the gentleman from Michigan [Mr. UPTON] for his superb leadership and help in resolving this particular issue. I urge all of the Members to look at this provision. They too will find it is a good provision.

I especially commend the ranking Member for taking the leadership in introducing this particular substitute. This is a bipartisan approach and a responsible bill. A vote for the substitute will be a vote for good housing.

Mr. TRAFICANT. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the substitute.

Mr. Chairman, I do not mean to take all 5 minutes, but there was one particular comment that I would like to respond to that seems to be brought forward in the House whenever we set forth on policy issues and priorities and there seems to be a difference of opinion. It takes three to dance in our Government. The House is one part, and we know the other body, the Senate, is another, and then the White House. But we always continue to hear those words that seem to reverberate around this hall that the President will veto it.

I think, Members of the House, you were not elected here to react on what the decisions of the President of the United States will be. You were sent here to help establish policy predicated upon the needs of the American people. If the President is going to veto it, go ahead. Let us debate the issues of priorities in this country, and let us not be herded like sheep by some John Wayne statements being made from some old Hollywood movies.

I believe the President is wrong. If he talks about a deterrence from communism whereby we need nerve gas, and we need missiles, and we need aid for the Contras, ladies and gentleman, let me talk about the domestic side of communism. Maybe America could deter communism by providing better educational opportunities, by attacking poverty more aggressively and by ensuring and protecting the housing priorities that America needs.

My colleagues might laugh about it now, but they may pay later. So I think what I am saying today is I do not believe the President opposes a fine America, but we do have differences. If he is going to veto, veto it, and let us take it on. Maybe it is time that Congress sets forth a rational housing policy, because the one we have now is not adequate.

I lend strong support to H.R. 4 and to this fine subcommittee chairman and the policy issues he has brought forward. Maybe not enough of us have listened to this gallant chairman, and I hope we will today. I believe we are going to have unfortunately a vote, but if we do, let us knock this thing out.

I yield back the balance of my time.

Mrs. ROUKEMA. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment in the nature of a substitute.

Mr. Chairman, I want to focus this debate on a few cogent issues and the way the Wylie-Roukema substitute addresses them.

This is a difficult bill, Mr. Chairman, and we have heard a lot of talk about threats of Presidential vetoes. We have to understand that we have a $177 billion budget deficit, and what this debate is all about is how we set our priorities and how we best craft a bill using the numbers and the figures that we have facing the problems as we know them.

Again, there is great value in having a signed bill this year. It has been 6 years since we have had one, and we should have one this year.

However, I would not say that if I did not think that the Wylie-Roukema substitute addressed in a focused way the real problems. Let me tell the Members how we went about fashioning this substitute.

First of all, we took the premise that we should hold down costs, and this meant no new programs. I think that is a perfectly responsible way to approach this, whether it is housing policy or any other policy.

□ 1355

Let us take care of what we have and do what we have well before we start going off in new directions. Second, we have emphasized modernization over new construction which is a cost-effective way of approaching the problems of housing. Third, we provide a reasonable mix of section 8 certificates and vouchers. Here I might say, Mr. Chairman, that there has been an implication here that the administration does not want a bill. I want to say that the administration does want a bill but it wants the right bill. Simply because there is a difference in philosophy comparing vouchers to new construction it is not to be implied from that that the administration does not want a bill. Now, we emphasize modernization over new construction because it makes sense to do so. H.R. 4 authorizes $337 million to construct 5,000 new public housing units. I consider the expenditure of $65,000 per unit an unwarranted expense. I also consider it imprudent when we already have 60,000 public housing units which are vacant and because we cannot even maintain the stock we already have. We should concentrate on modernization and try to improve our current public housing stock and that is what our substitute does.

H.R. 4 provides no section 8 vouchers whatsoever. They have a closed mind on section 8 vouchers. The Wylie-Roukema substitute provides 15,000 certificates and 60,000 vouchers which I think is a legitimate and reasonable and intelligent mix and a way of honestly approaching the problem. We do provide in the Wylie-Roukema substitute, and I want this to be heard loud and clear, 12,000 units of section 202 housing assistance for the elderly and the handicapped. This is the same provision as is in H.R. 4 and the same as this year's appropriation.

Now let me stress, just as H.R. 4 does, our amendment provides a permanent authorization for FHA. Our bill authorizes $3 billion for the Community Development Block Grant Program. It authorizes $200 million for the UDAG Program, that is true, and that is less than H.R. 4. That is not as much as some of us would have liked, particularly myself coming from the northeastern area. But it is as much as we can reasonably afford at this time.

Our substitute also provides no authorization for HODAG. We will not go into that. That program has its merits but it is not targeted the way it properly should be and therefore we have not included it in our substitute. Finally, the Nehemiah Program is not included because it is a new program. We cannot have everything as a priority. We have focused our priorities on existing programs that have proven their effectiveness and that have demonstrated the ability to provide more housing for more people with fewer dollars.

Finally, ours is an alternative that spends our dollars more wisely by emphasizing modernization over new construction and by providing a mix of section 8 certificates and vouchers and I think that should provide for the needs of all the people whether they come from urban, suburban, or rural districts.

Mr. VENTO. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, what we have here today is a proposal that really begs the question of whether or not we are going to make the necessary commitment to housing and community development. The fact is that H.R. 4 as it has been amended by the chairman is a reasonable position. It is a reasonable commitment to do a minimally adequate job in terms of housing and community development. It is not as much perhaps as some of us believe should be done but it makes a sincere effort to try to respond to the questions and problems that we face with regard to housing and community development issues. It is a far cry from the dollar amounts that would be necessary and would be desirable if the budget problems were different than what they are.

The fact is that it is within the budget as has passed the House and the budget that the Senate has considered. So it does have that as a budget underpinning.

Now, of course, the administration, neither the Wylie substitute that is proposed with all of its limitations and, of course, the measure we have here, H.R. 4, before us, as amended, neither of those, of course, satisfy the administration. So with that much I am pleased to note that my Republican colleague, the distinguished gentleman from Ohio, is making an effort here to deal with the housing problem.

But the fact is that he picks up some of the defects of the administration policy in his proposed substitute. In other words, the Wylie substitute says that somehow we can spend $1.7 billion less we can have more. Now what you have to believe, if you were going to buy that argument, is that there is not the need for additional housing or somehow that the money that is in the existing policy programs that we have before us in this bill are not being prudently utilized. That, of course, is not correct.

The fact is that the dollars in H.R. 4 represent a balance, a balance between public housing, they represent a balance between 202, between moderate rehabilitation, between existing housing, between Farmers Home Administration, between rental units, and so forth. In other words, there is a balance in this existing bill. We are saying let us not look at next year or the next 5 years, we are saying let us look beyond that to provide consistently predictable housing units for low-income residents, into the future, who are likely going to be with us no matter how perfect our economic policies. Most Members recognize there is going to be a need for public housing into the future. The fact is looking at these two bills, the Wylie substitute, on a unit, annual unit basis, it only provides 1.7 million unit-years of housing while the committee legislation provides 2,276,000 unit-years of housing. That is a 600,000 unit-years difference. If you spend less money, you get less housing. There is not an urban center across this Nation that does not have a longer waiting list of applicants for public housing than it has units available for them to utilize.

So we need to make a commitment but we need to make that commitment today to a variety, a balanced package of housing programs.

Now, the Wylie substitute also does some other things. It has been pointed out that it cuts community development money in the UDAG Program which the administration does not want at all; it cuts out completely funding authority for the HODAG Program, a new concept, a new idea which ought to be kept in place. It even goes so far as to cut out the dollars for the congregate services program which I pointed out in my opening statement. This program is cut from $13 million, as an example, to $3.4 million in the gentleman's substitute. That means it will have less services to offer to residents in public housing, to maintain independently the frail elderly who certainly need that type of care. The result of this type of substitute would be to take an innovative program and we would spend more money not in the housing program, not in HUD, but in the Medicaid Program, in the entitlement programs. So the fact is it is like the man said, "You could either pay now or you can pay later."

What the Wylie substitute is suggesting is let us put this off for 5 years, let us put this off for 6 years, let us not address these problems today. This is the same siren song that we have been hearing for 5 or 6 years in this Congress.

The fact is that the buck does stop here, it does cost money to provide housing. The dollars spent in H.R. 4 as it has been modified is a good measure, it deserves our support, the support of all Members on a bipartisan basis. I urge defeat of the Wylie amendment.

Mr. LOTT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the substitute.

Mr. Chairman, since its creation in 1934, the Federal Housing Administration has insured more than 20 million housing units. The beneficiaries of the FHA mortgage insurance have largely been first-time homeowners and others who are not adequately served by the private mortgage insurance market.

The Wylie substitute contains a number of provisions that are designed to insure that FHA continues to meet the mortgage financing needs of low and moderate income homeowners.

First and foremost, the Wylie-Roukema substitute gives a permanent authorization to most FHA, HUD mortgage and loan insurance programs, like the committee reported bill. It will prevent a repeat of the situation that occurred in 1986 that we all ought to remember that was very discouraging and very destabilizing, when FHA's authority was suspended six times for a total of more than 50 days. We had a very tense situation here on the floor of the House of Representatives, trying in the last hours of the session to get necessary legislation approved to deal with the problem. The uncertainty that those suspensions created among homebuyers, mortgagees, and the real estate industry must not be repeated, and access to these insurance programs must not be held hostage to the passage of controversial housing authorization bills.

The substitute contains a number of additional provisions which would help guarantee the FHA's continuing role in promoting home ownership. It statutorily imposes a ceiling of 3.8 percent for most FHA insurance premiums. It increases the FHA's authority to insure adjustable rate mortgages or ARM's. The Wylie substitute provides that the Secretary may insure ARM's up to 20 percent of the aggregate number of mortgages and loans insured by the Secretary. Currently that limit is only 10 percent. The substitute further would increase the maximum mortgage amount in high cost areas to 150 percent of the prevailing housing sales price in the area. Thus the maximum mortgage amount will be increased from $90,000 to more than $101,000. Homeowners would like to have that, that is what the home building industry is seeking and it is a very important part of our substitute and the committee bill. Finally the substitute seeks to reduce fraud and abuse and to insure that the FHA market will serve those it is intended to serve. The Wylie proposal also allows HUD to impose civil money penalties on HUD approved mortgagee who violate certain program requirements.

But there are two main reasons why I support this substitute and why I urge my colleagues to support the substitute. In many key areas, it is identical or at least very similar to the committee bill H.R. 4. But the basic reasons why I would urge my colleagues on both sides of the aisle to support the substitute are these: First, because I do want a housing bill. We have not had one in 6 years. We need it. We know it, on both side of the aisle; the housing community knows it, real estate interests, mortgage banking interest, it is something that we need for the American dream. If we send a bill to conference that is as bad or worse than the Senate bill, we can rest assured that we will be looking at a veto and it will go back and forth and we may never get a bill. Is that positive? No, it is not.

I want to commend the leader on our side of the aisle on the committee, the gentleman from Ohio [Mr. Wylie]. He has done an outstanding job trying to put together a bipartisan amendment. I have to say to the distinguished gentleman from Texas that he has worked with Mr. Wylie and they have narrowed the differences between the bills. So we have agreement that we want one. But if we send a bill to conference like H.R. 4, we will not have a bill.

There is a second reason why I support the substitute and it is a fundamental reason; and that is $1.7 billion difference. It is not chicken feed. It is a lot of money. We can do the job with the $14.2 billion that is in this Wylie substitute.

Now, you might say, "Oh, but not this bill." Hey, we hear that on every bill. Everybody, sometimes on both sides of the aisle, says, "Not this one, not this one, the next one, the next one." Where are we going to draw the line? Are we concerned about the deficit or not? If we are, we have got to go for a housing bill that does the job, that would save us $1.7 billion.

I urge my colleagues to vote for the substitute so we can have a housing bill.

Mr. LEHMAN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to express my strong support for H.R. 4 and my strong opposition to the Wylie substitute. The Wylie substitute is not mean-spirited, it is also better than what the administration has done for us in the housing area, but it is simply not enough. We need at this time to meet this crisis with a good deal more than what has been put out on the plate in the form of the Wylie substitute.

What does the substitute do? As Mr. Lott just stated, it would decrease authorized funds by $1.7 billion below the amount assumed in the budget resolution. The amount in H.R. 4 is already beneath the budget resolution. The Wylie substitute reduced that by $1.7 billion additionally.

That would result in reducing the number of poor families assisted over the period of years covered by H.R. 4 by 300,000 unit years. It would also reduce the rural housing programs under the Farmers Home Administration and replace them with very inadequate vouchers.

My colleagues, we have made great gains in this bill as far as rural housing is concerned. Let us not lose them by adopting the Wylie substitute. The vouchers are not adequate. The provisions in H.R. 4 are. The Wylie substitute would eliminate housing development grants, would eliminate section 8 moderate rehabilitation, it would eliminate section 312 rental rehabilitation, it would eliminate section 108 CDBG loan guarantees, it would eliminate the Nehemiah home ownership grants, it would eliminate the crime insurance program. It would gut key portions of this bill and destroy key gains made in the committee process. In exchange for this and the Wylie substitute, we get a heavy reliance on 60,000 vouchers.

My friends, these vouchers have no better a success rate than the section 8 certificates which they are supposed to replace. They are more expensive than the section 8 certificates and they would result in 50 percent of our poor tenants paying more than 30 percent of their income for rents. For the past 6 years, we have watched many of our housing programs dismantle and our homeless growing in ranks at an alarming rate. This phenomenon is not surprising when you look at the facts.

□ 1410

Our Nation's housing budget has been slashed by 70 percent since 1980. Now the Wylie substitute would slash it further. Funds have been reduced from $37 billion that we spent on housing in this country in 1980 to $14 billion in 1987. During that time we have authorized money for B-1 bombers, Trident submarines, Stealth bombers, MX missiles, star wars, and we have increased that budget for national defense by almost $250 billion, and we have drastically slashed the amount we have been willing to put out to house the people those weapons are supposed to defend.

This is a national tragedy, and it is growing every day. During this period look at where our priorities have gone. In 1978 the Department of Housing and Urban Development accounted for 7.4 percent of the total Federal budget. It was 7.4 percent in 1978. In 1988 it is supposed to be less than 1 percent. We spent almost 7½ percent 10 years ago, and today we are spending less than 1 percent on housing. Our low-income stock may decrease between 200,000 and 900,000 units by 1995 due to rental subsidy expirations and mortgage prepayments, an issue which is addressed adequately in H.R. 4.

These figures are startling, and they make clear the reasons why it is estimated that we are going to have 18 million people homeless in this country by the year 2003. That is 18 million. The homeless in this country are no longer just the drug addicts, the alcoholics, and the mentally deranged. They are people who cannot afford housing, and they are people with children. Every day in this country we see children living in cars, children living under trestles, children growing up without houses because we have not addressed the problem here for 7 years.

I say to my friends that kids who grow up with rats do not make good citizens. If we do not provide adequate housing for them today, we are going to have to build expensive prisons for them tomorrow.

Again we take a huge step in this area in H.R. 4 in addressing this crisis.

It is time that we say no to irresponsible budget cutting. H.R. 4 carries with it a very reasonable price tag, and it is funded below the levels again provided in the House budget resolution. We can no longer have a housing policy with one foot in the door and one foot out. Now is the time to reverse the dismal trend of the last several years. Now is the time to end the neglect. It is time to reestablish our long-standing commitment to housing as a national priority.

Mr. Chairman, we can start right now by rejecting the Wylie substitute.

Mr. WORTLEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Wylie-Roukema substitute.

Mr. Chairman, while Congress is busy reminding the administration that we have a role to play in the formulation and implementation of foreign policy, I think it's time Congress also reminds itself that the administration plays a key role in domestic policy. As much as we need a housing bill this year, the current version of H.R. 4 is not the answer because it will not be enacted into law.

The cold, hard fact is that H.R. 4 will be vetoed by the President. The administration has identified several major problems with H.R. 4, 10 of which will automatically trigger veto recommendations by the President's advisors. And this is not a bill that has bipartisan support: it passed the committee on a vote divided entirely by party lines. I commend the Housing Subcommittee chairman for his diligent work on housing programs, but I am left wondering why a more balanced bill could not be produced.

If this year's housing bill is vetoed, the failure to enact free-standing housing legislation will extend over 6 years. This is bad for those dependent on housing programs, and it adversely affects the housing industry which provides our Nation's housing. It also calls into question our entire committee system. Authorizing committees should not consistently be in a position of effectively allowing the appropriation committees to set funding priorities. Yet this is exactly what has taken place in the last few years.

I do not wish to excuse the administration's conduct. In my view, the administration's budget for housing programs in 1988 is very inadequate. The administration's budget was overly harsh on community development and public housing programs which are serving their intended purpose. It would be counterproductive and unfair to cut deeply into these programs, many of which have already taken their fair share of reductions, both in decreased appropriations over the last few years and through Gramm-Rudman budget cuts.

I am supporting a reasonable, balanced and effective housing alternative being offered by the ranking minority member of the Banking Committee, and I urge my colleagues to do likewise. While costing less, the alternative housing proposal will be able to serve more of the needy. One reason for this is because it authorizes cost-effective housing vouchers for up to 60,000 new units. Vouchers are a viable option in many communities, and HUD should be able to use them on a permanent and extensive basis. Unfortunately, H.R. 4 does not authorize a single new voucher. This is unfair to those who need housing and who would appreciate the opportunity and flexibility to choose their own dwelling in the neighborhood that they desire.

The alternative also places a greater emphasis on modernizing and rehabilitation of our existing housing stock, much of which is seriously deteriorated, rather than on constructing new projects. The alternative avoids the "micromanagement" provisions of H.R. 4 which impose burdensome administrative restrictions on the implementation of current housing programs. The alternative meets today's budget requirements by costing only $14.2 billion as compared to the $16 billion found in H.R. 4. This amount is still much greater than the administration's proposal of $11.3 billion.

The alternative preserve several important programs including Community Development Block Grants and Urban Development Action Grants. Rural housing programs are also preserved. In addition, the mortgage insurance and secondary market programs, which have helped many households of average means become owners rather than renters, are continued and improved. The FHA mortgage insurance program is authorized permanently: anyone who recalls the multiple times this program expired last year, creating chaos for prospective homebuyers, will appreciate this provision. User fees on secondary mortgage market initiatives are prohibited, and the current FHA mortgage insurance premium is maintained.

Mr. Chairman, the Wylie-Roukema substitute is a viable substitute to H.R. 4. If you want a housing bill, one that the President will sign, one that can become the law of the land, a law that can shelter the needy and benefit our communities then I urge your support of Wylie-Roukema.

Mr. DREIER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the Wylie-Roukema substitute, primarily for 1.7 billion reasons, as has been outlined by the gentleman from Mississippi, and every one of them are dollars, so far as those 1.7 billion reasons are concerned. But there are some additional reasons, other than the savings factor, and that is that the substitute addresses one of the major concerns which came not from this side but from the other side of the aisle. Our good friend from Chicago, the gentleman from Illinois [Mr. HAYES], talked about the fact that in his district there are a good many structures which are uninhabitable.

I would like to ask the author of the substitute to address that issue. I hear that there are 60,000 units which are uninhabitable, and those will in fact be rectified and repaired under the gentleman's substitute; is that correct?

Mr. WYLIE. Mr. Chairman, if the gentleman will yield, those are the figures I have received from HUD, that there are 60,000 units out there that, with proper rehabilitation, could be made available to low-income people. That is precisely why they support my amendment to provide this, rather than putting all the money into new construction. I think we get more bang for the buck and provide more housing units, in the neighborhood of 26,000 more housing units, by doing this.

I think the gentleman makes a good point. That was the point raised by our friend from Chicago, the gentleman from Illinois [Mr. HAYES], who indicated that there are a lot of people who are living in rundown facilities. They are rat infested, and they are not adequate for anybody to live in. I agree with that. They ought to be fixed up.

Mr. DREIER of California. So under the gentleman's provision, then, an additional 26,000 units will be made available because under the substitute you will be making those habitable, and they today are not.

Mr. WYLIE. That is right. That is the statistics I get from HUD, and, of course, they are the ones who are in possession of the figures. I take them at their word that those are reliable figures.

Mr. DREIER of California. And the gentleman also has some other very important provisions in that substitute which have been outlined here by a number of our colleagues, and that includes the critically important voucher program. I congratulate him for incorporating that in the proposal.

Mr. MORRISON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. DREIER of California. I am happy to yield to my friend, the gentleman from Connecticut.

Mr. MORRISON of Connecticut. Mr. Chairman, I would like to inquire about the colloquy the gentleman just had with the gentleman from Ohio.

It is my understanding that the modernization funding in the gentleman's substitute is $1.5 billion, the same level that is in H.R. 4; is that correct?

Mr. WYLIE. Mr. Chairman, if the gentleman will yield, that is correct.

Mr. MORRISON of Connecticut. It is obvious that the funding level for modernization which is funding that goes to fix up the units is exactly the same in both the substitute and in the committee bill. So this discussion about extra units being fixed up really does not speak to the point at all.

Mr. WYLIE. It goes to the whole concept of providing new units through rehabilitation, through modernization, and then through the voucher system.

Mr. MORRISON of Connecticut. Mr. Chairman, will the gentleman yield further?

Mr. DREIER of California. The gentleman from Illinois [Mr. HAYES] intimated that the substitute did not address the rehab question adequately and he is wrong. Now, I am happy to yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. But the gentleman has not provided for using any of the funds that he has cut out of public housing new construction, and he has not moved that over into the area of modernization. He has just cut it out; he is just not going to spend it at all.

Mr. WYLIE. We have more rental rehab money in our bill than is in H.R. 4. That is the real difference.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. DREIER of California. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, that is, in fact, one of the largest differences in the Wylie substitute. It would authorize $200 million for rental rehab to renovate 30,000 private units that are in need of repair that have section 8 certificates to them, and H.R. 4 would authorize only $75 million. So $125 million was shifted.

Mr. MORRISON of Connecticut. Mr. Chairman, if the gentleman will yield further on that point, I think it is certainly true that would contribute to the rehabilitation of private rental units. It does nothing with the private public housing stock, which was the subject of the colloquy I inquired about. The point is the same level of funding is available in both for the modernization of public housing.

Mr. DREIER of California. Mr. Chairman, I thank the gentleman.

Mr. BARTLETT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the substitute.

Mr. Chairman, I rise in support of the Wylie substitute as both a better, a more efficient, and a more practical means of achieving a housing bill than is H.R. 4 as a housing bill in this session of Congress.

Before I elaborate on some of the major differences between the Wylie substitute and H.R. 4, I might take a moment to comment on some of the similarities, which are considerable, given the long work and the good will on both sides of the aisle of my colleague, the gentleman from Texas, as well as the gentleman from Connecticut, the gentleman from Massachusetts, and others.

First of all, both bills contain rather substantial reforms in the way we conduct operations in public housing. They contain a limitation on new construction, an emphasis on repair and modernization, a reinstatement of local control for local decisions, affordability of section 8 certificates, and other items such as a certificate that would be based on a preference for distressed areas. They both contain virtually identical provisions for FHA, including permanent authorization, which is long overdue, freezing of the FHA premiums so as to avoid additional user fees, expanding the maximum mortgage in high cost areas, and increasing the availability of adjustable rate mortgages.

They both contain—and I think this is a key point—the concept of incremental assisted housing units to the assisted housing stock, because it is too often left unsaid that today in this country the Federal Government is assisting or is subsidizing some four million units of assisted housing already.

So when we debate a housing bill, we are debating whether we will add 127,000 new units to that 4 million, as is contained in H.R. 4, or 138,000 new units or incremental units, as is contained in the Wylie substitute. And they both contain reforms in the prepayment system so that they would both contain incentives to avoid prepayment of section 221(d)3s and 236s so as to keep those assisted units in the housing stock.

Even though the similarities are great, the differences are also great. The first difference is $1.7 billion. We are facing a Federal deficit today which is devastating to the hopes and dreams and aspirations of our young families who are setting out to save some money to be able to buy their first home. The fact is that as interest rates are the highest cost of housing. The higher we allow deficits, the higher will be the interest rates and the fewer number of families will be left that will be able to afford decent, safe, and sanitary housing.

□ 1425

The Wylie bill would spend $14.2 billion. H.R. 4 would spend $15.9 billion and we would get less for that money, and that is the key point. In days of deficits such as we have, we ought to work smarter rather than with just more money.

The second difference is in the number of units. The Wylie bill would add 138,000 new units to the housing stock. H.R. 4 would add 127,000 new units to the housing stock, an additional number of units under the Wylie approach of 11,000 units.

The Wylie approach emphasizes freedom of choice, rather than emphasizing the costly and the time consuming and the very ineffective new construction, or even the HODAG Program.

The Wylie bill would substitute instead 60,000 units of vouchers, 12,000 units of section 202 for the elderly and the handicapped, 15,000 units of certificates, 30,000 units of rental rehab; 49,000 units of rural housing, of which 70 percent would be new construction, and 30 percent would be vouchers.

H.R. 4 contains vast numbers of micromanagement, in which the committee on page after page would tell public housing authorities and local cities and HUD exactly what to do, would detail down to every semicolon exactly how to conduct their business.

The Wylie bill is much improved in the area of tenant management. It would delete those sections that impose collective-bargaining agreements on tenant management organizations that are attempting to control and to manage and eventually to own their own homes.

As a practical matter, the Wylie substitute gives the proponents of the Housing bill the opportunity to pass a Housing bill this session. It is true that the administration has accepted much of what has been done but it cannot and will not sign the bill in its present form or anywhere close to it.

So for those of us who are proponents of a housing bill and housing reform, as I know is my colleague from Texas and myself, we ought to be endorsing the Wylie bill as an attempt to attain and to pass into law a housing bill for this session.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to my colleague, the gentleman from Texas.

Mr. GONZALEZ. Mr. Chairman, I thank the gentleman. I merely rise because a few minutes ago the gentleman referred to 4 million units of public housing. I think the gentleman meant 4 million persons in public housing.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent, Mr. BARTLETT was allowed to proceed for 2 additional minutes.)

Mr. BARTLETT. Mr. Chairman, I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Chairman, I think the gentleman meant not 4 million public housing units, but 4 million plus people living in about 1.2 million public housing units.

Mr. BARTLETT. If the gentleman understood me to say 4 million units of public housing, then I apologize for that.

What I said was there are 4 million units of assisted housing total in this country, which include public housing of about 1.2 million units, but it also includes section 202, rural housing, vouchers and certificates, which does total 4 million units of assisted housing. Not all of that is public housing, about 1.2 million is public housing, the rest are other Federal programs that assist low-income families with the payment of their rent or with the purchase of their homes.

Mr. GONZALEZ. Mr. Chairman, if the gentleman will yield further, the gentleman was referring to 4 million public housing units in connection with modernization or rehabilitation. What I want the record to clarify is that there are not that many units. There are 1.2 million public housing units as such that are susceptible to the modernization program that we are talking about.

Mr. BARTLETT. The gentleman is correct when he says there are, 1.2 million units of public housing, but there are a total of 4 million units of assisted housing.

I do not believe the gentleman is correct that I stated there are 4 million units of public housing. I believe I was quite precise that there are 4 million units of assisted housing in this country and that this bill, either version, would add about 130,000 units of assisted housing to this country.

I think it is a clear distinction that needs to be made that not all, nor even most, assisted housing in this country is in the form of public housing units.

Mr. GONZALEZ. Well, I will take the gentleman's explanation. I was sure that I heard the gentleman say 4 million units. I just wanted to clarify it, but I think the gentleman agrees on that.

Mr. MORRISON of Connecticut. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just rise to reaffirm my opposition to the substitute now that we are close to a vote on and to ask my colleagues to vote "no."

The bottom line here is how much assistance to low- and moderate-income families are we going to provide. A lot has been said in support of the substitute. Proponents suggest that more subsidized units would be made available at a lower cost.

That is simply not the case.

The reason is that the major initiative in the substitute is vouchers, 60,000 vouchers. Now, those vouchers are only good for 5 years.

In contrast to that, H.R. 4 relies for the equivalent kind of assistance, that is, subsidized rentals in private housing, on the existing section 8 program. It also makes an improvement in the existing section 8 program by increasing the period of time for which the assistance is committed from 5 years to 15 years, 3 times as long.

The real number to look at in evaluating the relative merits of the substitute and H.R. 4, is the product of the number of units being subsidized times the number of years the subsidy will last. There are 500,000 more unit years of subsidy in H.R. 4, and that is what is being bought with the extra $1.7 billion.

The fact is that more American families will be assisted for a longer period of time if you vote for H.R. 4 in preference to the substitute.

The substitute, very simply put, cuts below the budget allocation for housing in a time when we have homeless people on the streets.

We could responsibly spend even more than the budget allocates. We should at least use the full budget authority. That is the choice. Are we going to do as much as we can do within our budget constraint, or are we going to pinch pennies in the face of homelessness in the street.

I urge my colleagues to think of the homeless and to vote no on the Wylie substitute.

Mr. RIDGE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment in the nature of a substitute.

As a Member of this body for over 4 years and as a member of the Housing Subcommittee during that period of time, I am afraid that neither side of the aisle has seen the fruits of their labor on housing legislation. Clearly, no housing authorization has been reported out of the committee and signed into law since 1982, I believe. We have had plenty of effort on both sides of the aisle, probably best reflected recently in the effort of the chairman and the ranking Republican member on the subcommittee, the gentlewoman from New Jersey, Mrs. ROUKEMA, and the gentleman from Ohio, CHALMERS WYLIE. We have had a lot of effort, but we have not seen much in terms of success.

I do not want to underestimate or understate the hard work that has gone into this bill on both sides of the aisle. I think it is time we break the logjam. It is time that we send something downtown that can be signed into law so that we can have a permanent authorization.

I would ask my colleagues to look carefully at the two alternatives. The Wylie substitute is not an overdone, hastily drawn alternative. I think it is a very thoughtful and careful proposal that balances the critical need for more housing, for more affordable housing, with continued community development assistance and the need to produce a bill that is realistic in terms of spending. The current bill does not take on this difficult task of balancing that. Indeed, I think H.R. 4 invites a veto.

Without the Wylie amendment, we go into another year without housing authorization.

Now, there is no question that reducing the spending in H.R. 4, and there is a substantial difference in the dollar amount of both bills, that we have made some tough decisions. We have chosen not to start some new programs.

I believe the funding difference is about 9 percent with H.R. 4 authorizing the larger amount.

I think it is very important that we take note of some of the discussion. If you measure compassion solely in terms of dollars, then I guess the alternative is 9 percent more compassionate than we are; but if you measure compassion in terms of the number of new available units, that is shelters, that is homes, if you measure compassion in terms of how many more people will be able to find shelter during the fiscal years of this authorization, you would find that the Wylie substitute is far more compassionate. It is estimated that somewhere between 10,000 to 20,000 more families, although the Wylie amendment involves less dollars, 10,000 to 20,000 more families would find homes if we pass the Wylie amendment.

We have heard a lot of rhetoric about homelessness. Let us be realistic about it. Neither bill will resolve the problem of the homeless, unfortunately. The battle against this problem requires a continuing, ongoing effort.

Neither bill resolves and eliminates the demand for low-cost, affordable housing; but there is one bill that during the fiscal years to which the bill applies will spend less, but provide more units of shelter, more roofs over more heads, and that is the Wylie substitute. We in fact do more with less.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. RIDGE. I am happy to yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I think the gentleman is making a very important statement. I thought he was about to finish and I wanted to get in on the gentleman's time; but the gentleman has made some high points which I want to stress here and that is that my substitute costs $1.7 billion less. That is important in view of the budget deficit.

As I said earlier, we get more bang for the buck. We get 11,600 more units.

The emphasis is on rehabilitation over new construction. Funds are focused on low-income, and not middle-income families, like it would be in the Nehemiah and the HODAG Program. That has been reemphasized.

This is a 2-year authorization and gives Congress an opportunity to study ways in which to go in the future.

The substitute can be signed into law, as the gentleman mentioned. We have been negotiating with OMB and with HUD, and may I say that we have held them off on the FHA programs.

The Secretary today said, "I respect your advocacy for a permanent extension of FHA, a freeze on FHA premiums of insurance and the FHA maximum mortgage," and then added, "Your substitute is about as fair a balance of congressional priorities, industry concerns, administration issues, as anyone could expect and your substitute bill is clearly preferable to H.R. 4."

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. RIDGE was allowed to proceed for 1 additional minute.)

Mr. RIDGE. Finally in conclusion, Mr. Chairman, I did want to respond to one observation that was made by my friend and colleague, the gentleman from Massachusetts, with regard to the absence of any language or support for those families who may be required to be relocated as a result of the application or use of Federal funds.

It is my understanding that in 1970 we passed the Uniform Relocation Act. It is also my understanding that when the $3 billion in CDBG money was spent last year, there were only 60 families identified in need of funds for relocation. They were amply and properly taken care of through the application of that act.

In conclusion, I would ask my colleagues, remind my colleagues, that if you want more units available for more people, please support the Wylie amendment. You will be voting for more money if you vote for H.R. 4, but you will be voting for fewer units and for less help to fewer people.

Mr. ERDREICH. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the substitute.

Mr. Chairman, I just would like very strongly to make a few comments against the substitute. We have gone through these arguments in the subcommittee and at the full committee level, but there are a couple areas I would like to point out.

It is very important in my own Jefferson County in Alabama in the Sixth District of Alabama, is the UDAG Program, a program that we have utilized I think very effectively and done in a way that has helped generate a lot of new jobs and economic growth in my own community, and I dare say in communities across the country, as well the Community Development Program, which has been a major source of seed money for capital improvements again in my own area, but I know across this Nation. Those two programs alone I think are reasons to vote against the substitute.

Reducing dollars in these very important areas that have already suffered over the last 4 and 5 years with major reductions, I do not think this House wants to see that done. I think it would be a very major step backward for economic growth in my own State of Alabama and across the country.

There is no question that we all want to see this bill in budget, and indeed this bill is in budget. It will provide the necessary levels of funding across the board.

Mr. Chairman, I would urge the House to reject the Wylie substitute.

□ 1440

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Ohio [Mr. WYLIE].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WYLIE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 179, noes 246, not voting 8, as follows:

[Roll No. 169]

AYES—179

Andrews
Annunzio
Applegate
Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bennett
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Bosco
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Callahan
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Craig
Crane
Daniel
Dannemeyer
Daub
Davis (IL)
Davis (MI)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Dyson
Edwards (OK)
Emerson
Fawell
Fields
Fish
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gradison
Grandy
Gregg
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hunter
Hutto
Hyde
Inhofe
Ireland
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCollum
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Montgomery
Moorhead
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Porter
Pursell
Quillen
Ravenel
Regula
Rhodes
Ridge
Ritter
Roberts
Roemer
Rogers
Roth
Roukema
Russo
Saiki
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Skelton
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Whittaker
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOES—246

Ackerman
Akaka
Alexander
Anderson
Anthony
Aspin
Atkins
AuCoin
Bates
Beilenson
Berman
Bevill
Biaggi
Bilbray
Boggs
Boland
Boner (TN)
Bonker
Borski
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Coyne
Crockett
Darden
de la Garza
DeFazio
Dellums
Derrick

Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Howard
Hoyer
Hubbard
Huckaby
Hughes
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Mineta
Moakley
Molinari
Mollohan
Morella
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Rahall
Rangel
Richardson
Rinaldo
Robinson
Rodino
Roe
Rose
Rostenkowski
Rowland (CT)
Rowland (GA)
Roybal
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NOT VOTING—8

Barnard
Bonior (MI)
Frenzel
Gephardt
Leland
McCandless
Moody
Ray

□ 1450

The Clerk announced the following pairs:

On this vote:

Mr. Frenzel for, with Mr. Leland against.

Mr. McCandless for, with Mr. Barnard against.

Messrs. FEIGHAN, OWENS of Utah, JEFFORDS, JONES of Tennessee, LEVIN of Michigan, and ENGLISH changed their votes from "aye" to "no."

Messrs. RUSSO, DAVIS of Michigan, and HOLLOWAY changed their votes from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. FRANK

Mr. FRANK. Mr. Chairman, I ask unanimous consent to offer an amendment to a section of the bill previously amended by the en bloc amendments offered by the gentleman from Texas [Mr. GONZALEZ].

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. FRANK: Strike out section 411 as amended, and insert in lieu thereof the following new section:

SEC. 411. CONSERVING NEIGHBORHOODS AND HOUSING BY PROHIBITING DISPLACEMENT.

Section 104 of the Housing and Community Development Act of 1974 is amended—

(1) by redesignating subsections (f) through (1) (as so redesignated by section 410 of this Act) as subsections (g) through (m), repectively; and

(2) by inserting after subsection (e) (as added by section 510 of this Act) the following new subsection:

"(f) Any grant under section 106 or 119 shall be made only if the grantee certifies that it is following a residential antidisplacement and relocation asssistance plan. Grantees receiving a grant under section 106(a) or section 119 shall so certify to the Secretary. Grantees receiving a grant under section 106(d) shall so certify to the States. The residential antidisplacement and relocation assistance plan shall—

"(1) permit the involuntary displacement of persons of low and moderate income due to activities assisted under section 106 or 119 only if unavoidable or in the best interest of the households and community affected; and

"(2) in the event of such displacement, provide that—

"(A) governmental agencies or private developers shall provide one for one replacement of all low and moderate income dwelling units demolished within the same community;

"(B) such replacement housing shall be designed to remain affordable to persons of low and moderate income for 20 years; and

"(C) relocation benefits shall be provided for displaced persons, including—

"(i) reimbursement to all displaced persons for moving expenses, security deposits, credit checks, and other moving-related expenses, including any interim living costs;

"(ii) compensation sufficient to ensure that, for a 10-year period, displaced low and moderate income households shall not bear, after relocation, a ratio of shelter costs to income that exceeds 30 percent; and

"(iii) permitting the displaced low and moderate income households to participate in a housing cooperative or mutual housing association, in which case such compensation as provided under clause (ii) shall be provided to enable such households to capitalize the value of the compensation in order to secure participation in a cooperative or mutual housing association and to maintain the ratio of the shelter costs of the household to the imcome of not more than 30 percent.

"(D) Persons displaced due to activities assisted under section 106 or 119 shall be relocated into comparable replacement housing, which means housing that is:

"(i) decent, safe and sanitary;

"(ii) adequate in size to accommodate the occupants;

"(iii) functionally equivalent;

"(iv) in an area not subject to unreasonable adverse environmental conditions; and

"(v) located in an area approved by the displaced person.

"(3) provide that persons displaced due to activities assisted under section 106 or 119 shall have the right to elect to receive benefits under the Uniform Relocation Assistance Act (42 USC 4601) if such persons determine that it is in their best interest to do so."

Mr. FRANK (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FRANK. Mr. Chairman, I appreciate the gentleman on the other side giving unanimous consent, as I understand we will shortly be doing for the gentleman who has a similar procedurally placed amendment.

I offered an amendment in the subcommittee and again in the full committee which provided some antidisplacement language to the Community Development Block Grant and Urban Development Action Grant programs.

□ 1505

We have been guilty in the past of using Government money at the local level in a way that actually contributed to the problem of homelessness. When the amendment was offered we agreed at the time it would need some refinement. In the cooperative spirit that has generally marked our deliberations here, the amendment is a refinement on the antidisplacement section that was added in committee. We met, many of us, with representatives of HUD, representatives of community action departments of the municipalities and with advocates for low income people. This is a series of changes to both the CDBG and UDAG part that provide more flexibility. For example, the original amendment required HUD approval of the antidisplacement section. HUD did not really feel that that was an appropriate function to perform. We have complied with HUD's request here. This has been reviewed by staffs on both sides and I believe it is acceptable on both sides.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Texas.

Mr. BARTLETT. I thank the gentleman for yielding.

Mr. Chairman, we have cleared the amendment on this side and have no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. FRANK].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DREIER OF CALIFORNIA

Mr. DREIER of California. Mr. Chairman, I ask unanimous consent to offer an amendment to title 4 which relates to text which was previously amended.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. DREIER of California. Strike section 410 as amended, and insert the following:

SEC. 410. CITIZEN PARTICIPATION PLAN.

Section 104 of the Housing and Community Development Act of 1974 is amended—

(1) by redesignating subsections (e) through (k) (as so redesignated by section 409 of this Act) as subsections (f) through (l), respectively; and

(2) by inserting after subsection (d) (as added by section 509 of this act) the following new subsection:

"(e)(1) Any grant under section 106 shall be made only if the grantee certifies that it is following a detailed citizen participation plan. The citizen participation plan shall—

"(A) provide for and encourage citizen participation, with particular emphasis on persons of low and moderate income who are residents of slum and blight areas, and in areas where section 106 funds are proposed, provided that grantees described in Section 106(a) shall provide for participation of residents in low and moderate income neighborhoods as defined by the local jurisdiction;

"(B) provide citizens with reasonable and timely access to local meetings, information, and records relating to the proposed and actual use of funds under this title;

"(C) provide for continuity of citizen involvement in all stages of the community development program of the grantee, including all plans and strategies required under this title, the development, implementation, and evaluation of programmatic activities;

"(D) provide for technical assistance to groups that are representative of persons of low and moderate income and are seeking to develop proposals and statements of views;

"(E) provide for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance, which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodation for the handicapped;

"(F) provide for the answering of complaints and grievances in writing within 15 working days of receipt; and

"(G) identify how the needs of non-English speaking residents shall be accommodated for the public hearings when a significant number of non-English speaking residents can be reasonably expected to participate.

"(2) No provision of this subsection may be construed to restrict the responsibility or authority of the grantee for the development and execution of its community development program.".

Mr. DREIER of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DREIER of California. Mr. Chairman, everyone here is interested in encouraging citizen participation in the community development block grant program. Frankly, the present law as it stands does include a tremendous degree of citizen participation. However, in the subcommittee my California colleague, Mr. TORRES, put some language in dealing with citizen participation which was extremely restrictive and while it doesn't broaden the opportunity for citizen participation, it does impose a tremendous regulatory burden on the communities. We have spent the last several weeks looking at ways in which we could come to a compromise on this language and I believe that we have now reached that compromise and I would like to yield now to my friend from California, Mr. TORRES.

Mr. TORRES. I thank my colleague from California for yielding at this time.

Mr. Chairman, my colleague from California, Mr. DREIER, is right in saying that we have discussed this issue at length both at the subcommittee level and at the full committee level. We are revisiting it again today. I think the kind of discussions that we have had with Mr. DREIER and his colleagues and those on my side of the aisle, I am happy to join in the new perfecting language that we are putting forth here because I do believe that citizen participation is an important aspect of community development for our country.

So I thank my colleague for working with me on this. I would ask my colleagues to vote for this very important amendment.

Mr. DREIER of California. I thank the gentleman for his contribution. Everyone in this House is supportive of citizen participation and I am happy to say, Mr. Chairman, that we have agreements on both our side and the majority side to support the Dreier amendment and I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. DREIER].

The amendment was agreed to.

The CHAIRMAN. Are there additional amendments to section 1?

If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) for the past 50 years, the Federal Government has taken the leading role in enabling the people of the Nation to be the best housed in the world, and recent reductions in Federal assistance have contributed to a deepening housing crisis for low- and moderate-income families;

(2) the efforts of the Federal Government have included a system of specialized lending institutions, favorable tax policies, construction assistance, mortgage insurance, loan guarantees, secondary markets, and interest and rental subsidies, that have enabled people to rent or buy affordable, decent, safe, and sanitary housing; and

(3) the tragedy of homelessness in urban and suburban communities across the Nation, involving a record number of people, dramatically demonstrates the lack of affordable residential shelter, and people living on the economic margins of our society (lower income families, the elderly, the working poor, and the deinstitutionalized) have few available alternatives for shelter.

(b) PURPOSE.—The purpose of this Act, therefore, is—

(1) to reaffirm the principle that decent and affordable shelter is a basic necessity, and the general welfare of the Nation and the health and living standards of its people require the addition of new housing units to remedy a serious shortage of housing units for all Americans, paricularly for persons of low and moderate income;

(2) to make the distribution of direct and indirect housing assistance more equitable by providing Federal assistance for the less affluent people of the Nation;

(3) to provide needed housing assistance for homeless people and for persons of low and moderate income who lack affordable, decent, safe, and sanitary housing;

(4) to reform existing programs to ensure that such assistance is delivered in the most efficient manner possible.

The Clerk will designate section 3.

The text of section 3 is as follows:

SEC. 3. BUDGET COMPLIANCE.

(a) IN GENERAL.—This Act and the amendments made by this Act may not be construed to provide for new budget authority, budget outlays, or new entitlement authority, for fiscal year 1988 in excess of the appropriate aggregate levels established by the concurrent resolution on the budget for such fiscal year for the programs authorized by this Act and the amendments made by this Act.

(b) DEFINITIONS.—For purposes of this section, the terms "budget authority", "budget outlays", "concurrent resolution on the budget", and "entitlement authority" have the meanings given such terms in section 3 of the Congressional Budget Act of 1974 (2 U.S.C. 622).

The CHAIRMAN. Are there any amendments to section 3? If not the Clerk will designate title I.

The text of title I is as follows:

TITLE I—HOUSING ASSISTANCE

Subtitle A—Programs Under United States Housing Act of 1937

PART 1—GENERAL PROVISIONS

SEC. 101. LOWER INCOME HOUSING AUTHORIZATION.

(a) AGGREGATE BUDGET AUTHORITY.—Section 5(c)(6) of the United States Housing Act of 1937 is amended by adding at the end the following new sentence: "The aggregate amount of budget authority that may be obligated for contracts for annual contributions for assistance under section 8, for con-

tracts referred to in paragraph (7)(A)(iv), and for grants for public housing and comprehensive improvement assistance, is increased (to the extent approved in appropriation Acts) by $7,913,118,050 on October 1, 1987.".

(b) UTILIZATION OF BUDGET AUTHORITY.—Section 5(c)(7) of the United States Housing Act of 1937 is amended to read as follows:

"(7)(A) Using the additional budget authority provided under paragraph (6) and the balances of budget authority that become available during fiscal year 1988, the Secretary shall, to the extent approved in appropriations Acts, reserve authority to enter into obligations aggregating—

"(i) for public housing grants under subsection (a)(2), $481,312,000, of which amount $144,697,000 shall be available for Indian housing;

"(ii) for assistance under section 8(b)(1), $3,238,096,050;

"(iii) for assistance under section 8(e)(2), $500,925,000;

"(iv) for assistance under section 8 in connection with projects developed under section 202 of the Housing Act of 1959, $1,681,323,000;

"(v) for comprehensive improvement assistance grants under section 14(k), $1,500,000,000;

"(vi) for assistance under section 8 for property disposition, $315,660,000; and

"(vii) for assistance under section 8 for loan management, $195,802,000.

"(B)(i) Any amount available for Indian housing under subsection (a) that is recaptured may be used only for such housing.

"(ii) Any amount available for the conversion of a project to assistance under section 8(b)(1), if not required for such purpose, shall be used for assistance under section 8(b)(1).

"(iii) Any amount available for assistance under section 8 for property disposition, if not required for such purpose, shall be used for assistance under section 8(b)(1).".

SEC. 102. TENANT RENTAL CONTRIBUTIONS.

(a) ECONOMIC RENT.—Section 3(a) of the United States Housing Act of 1937 is amended—

(1) by inserting "(1)" after "(a)";

(2) in the last sentence, by striking "A" and inserting the following: "Except as provided in paragraph (2), a";

(3) by redesignating paragraphs (1) through (3) as subparagraphs (A) through (C), respectively; and

(4) by adding at the end the following new paragraph:

"(2) Any public housing agency may provide that each family residing in a public housing project owned and operated by such agency (or in lower income housing assisted under section 8 that contains more than 2,000 dwelling units) shall pay as monthly rent for not more than a 5-year period an amount determined by such agency to be appropriate that does not exceed a maximum amount that—

"(A) is established by such agency and approved by the Secretary;

"(B) is not more than the amount payable as rent by such family under paragraph (1); and

"(C) is not less than the average monthly amount of debt service and operating expenses attributable to dwelling units of similar size in public housing projects owned and operated by such agency.".

(b) ADJUSTED INCOME.—Section 3(b)(5) of the United States Housing Act of 1937 is amended—

(1) by striking "and" at the end of subparagraph (C);

(2) by striking the period at the end of subparagraph (D) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(E) 10 percent of the earned income of the family, in the case of a family in which any member pays taxes imposed under chapter 2 or 21 of the Internal Revenue Code of 1986.".

(c) UTILITY ALLOWANCE.—

(1) Section 3(c) of the United States Housing Act of 1937 is amended by adding at the end the following new paragraph:

"(4) The term 'rent' means—

"(A) the amount payable by a family to a public housing agency for shelter; and

"(B) in any case in which a family is required to make a separate payment to a public housing agency or a utility supplier based on actual utility consumption, an allowance established annually based on actual utility consumption (excluding telephone service) for each size and type of dwelling unit.".

(2) Section 3(a) of the United States Housing Act of 1937 (as amended by subsection (a) of this section) is further amended by adding at the end the following new paragraph:

"(3) In return for the payment made pursuant to this subsection, the family shall be entitled to receive housing, including all necessary appurtenances, equipment and services, and reasonable use of utilities (excluding telephone). The allowance for reasonable use of utilities shall be established annually based upon actual utility consumption for each size and type of dwelling units, but shall exclude unreasonable or wasteful usage. If a family is required to make a separate payment to a utility supplier for utility consumption, the allowance for reasonable use of such utilities shall be deducted from the rent payable by the family as computed under paragraph (1).".

(d) RENT PHASE-IN.—Section 3 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(d) In any case in which the obtaining of employment by a resident of a dwelling unit assisted under this Act will result in an increase in the rent payable by the family of such resident under subsection (a), the public housing agency involved (or the Secretary, if no public housing agency is involved) shall provide for a gradual increase in such rent to the full amount during a period of not more than 6 months.".

SEC. 103. INCOME ELIGIBILITY FOR ASSISTED HOUSING.

Section 16 of the United States Housing Act of 1937 is amended to read as follows:

"INCOME ELIGIBILITY FOR ASSISTED HOUSING

"SEC. 16. Of the aggregate dwelling units that are available for occupancy under public housing annual contributions contracts and section 8 housing assistance payments contracts under this Act, 25 percent may be available for leasing by lower income families other than very low-income families.".

PART 2—PUBLIC HOUSING

SEC. 111. PUBLIC HOUSING MANAGEMENT SIMPLIFICATION.

Section 2 of the United States Housing Act of 1937 is amended—

(1) by inserting "(a)" after the section designation; and

(2) by adding at the end the following new subsection:

"(b)(1) To encourage efficient and effective administration of public housing by public housing agencies, to increase the amount of responsibility of these agencies for administering their public housing, and to minimize Federal involvement in the administration of public housing, the Secretary shall establish a system under which public housing agencies (following consultation with tenants and tenants organizations) are permitted to certify compliance with—

"(A) voluntary professional performance standards established by the public housing profession for certifying public housing agencies as efficient and well managed; and

"(B) other requirements established by the Secretary for purposes of substantially simplifying the procedure for receiving assistance under section 9 or 14 of the United States Housing Act of 1937.

"(2) The provisions of paragraph (1) shall not apply if—

"(A) the Secretary determines that there is a reasonable basis to conclude that prior review and approval of one or more specific activities is necessary to ensure efficient and effective conduct of the activity throughout the program;

"(B) the Secretary determines that there is a reasonable basis to conclude that prior review and approval is necessary with respect to a particular public housing agency due to such factors as its inexperience or poor performance in carrying out the same or related activities; or

"(C) prior review or approval by the Secretary is required by law.".

SEC. 112. DISCRETIONARY PREFERENCE FOR NEAR ELDERLY FAMILIES IN PUBLIC HOUSING PROJECTS DESIGNED FOR THE ELDERLY.

Section 3(b)(3) of the United States Housing Act of 1937 is amended to read as follows:

"(3)(A) The term 'families' includes families consisting of a single person in the case of—

"(i) a person who is at least 62 years of age, is under a disability (as defined in section 223 of the Social Security Act or in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act), or is handicapped;

"(ii) a displaced person;

"(iii) the remaining member of a tenant family; and

"(iv) other single persons in circumstances described in regulations of the Secretary.

"(B) Not more than 15 percent of the units under the jurisdiction of any public housing agency shall be occupied by single persons referred to in subparagraph (A)(iv). The Secretary may increase this limitation to not more than 30 percent if, following consultation with the public housing agency involved, the Secretary determines that—

"(i) the dwelling units involved are neither being occupied, nor are likely to be occupied within the next 12 months, by families or persons described in clauses (i), (ii), and (iii) of subparagraph (A), due to the condition or location of the dwelling units; and

"(ii) the dwelling units may be occupied if made available to single persons referred to in subparagraph (A)(iv).

In determining priority for admission to housing under this Act, the Secretary shall give preference to single persons who are elderly, handicapped, or displaced before those referred to in subparagraph (A)(iv).

"(C) In determining priority for admission to public housing projects designed for elderly families, the public housing agency shall give preference to such families. When the public housing agency determines (in ac-

cordance with regulations of the Secretary) that there are insufficient numbers of elderly families to fill all the units in such a project, the agency may give preference to families in which the head of household (or spouse) is at least 50 years of age but below the age of 62 before those in which the head of household and spouse, if any, are below the age of 50.

"(D) For purposes of this Act:

"(i) The term 'elderly families' means families whose heads (or their spouses), or whose sole members, are persons described in subparagraph (A)(i). The term 'elderly families' includes 2 or more elderly, disabled, or handicapped individuals living together, or 1 or more such individuals living with 1 or more persons determined under regulations of the Secretary to be essential to their care or well being.

"(ii) A person shall be considered 'handicapped' if he or she is determined, pursuant to regulations of the Secretary, to have an impairment that is expected to be of long-continued and indefinite duration, substantially impedes such person's ability to live independently, and is of such a nature that such ability could be improved by more suitable housing conditions.

"(iii) The term 'displaced person' means a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.".

SEC. 113. GRANTS FOR PUBLIC HOUSING DEVELOPMENT.

(a) Authority To Provide Grants.—Section 5(a) of the United States Housing Act of 1937 is amended to read as follows:

"(a)(1) The Secretary may make annual contributions to public housing agencies to assist in achieving and maintaining the lower income character of their projects. The Secretary shall embody the provisions for such annual contributions in a contract guaranteeing their payment. The contribution payable annually under this section shall in no case exceed a sum equal to the annual amount of principal and interest payable on obligations issued by the public housing agency to finance the development or acquisition cost of the lower income project involved. Annual contributions payable under this section shall be pledged, if the Secretary so requires, as security for obligations issued by a public housing agency to assist the development or acquisition of the project to which annual contributions relate and shall be paid over a period not to exceed 40 years.

"(2) The Secretary may make contributions (in the form of grants) to public housing agencies to cover the development cost of public housing projects. The contract under which such contributions shall be made shall specify the amount of capital contributions required for each project to which the contract pertains, and that the terms and conditions of such contract shall remain in effect for a 40-year period.

"(3) The amount of contributions that would be established for a newly constructed project by a public housing agency designed to accommodate a number of families of a given size and kind may be established under this section for a project by such public housing agency that would provide housing for the comparable number, sizes, and kinds of families through the acquisition and rehabilitation, or use under lease, of structures that are suitable for lower income housing use and obtained in the local market.".

(b) Conforming Amendments.—

(1) Section 5 of the United States Housing Act of 1937 is amended—

(A) by striking "ANNUAL" in the section heading; and

(B) by striking "annual" in subsection (e)(2).

(2) Section 6 of the United States Housing Act of 1937 is amended by striking "annual" the first place it appears in the first sentence of subsection (g), and each place it appears in subsection (d) and the first sentence of each of subsections (a) and (c).

(3) Section 7 of the United States Housing Act of 1937 is amended by striking "annual" in the proviso in the first sentence.

(4) Section 9(a)(2) of the United States Housing Act of 1937 is amended—

(A) by striking "being assisted by an annual contributions contract authorized by section 5(c)" and inserting the following: "one developed pursuant to a contributions contract authorized by section 5"; and

(B) by striking "any such annual" and inserting "any such".

(5) Section 12 of the United States Housing Act of 1937 is amended by striking "annual".

(6) Section 14 of the United States Housing Act of 1937 is amended—

(A) by striking "receive assistance under section 5(c)" in subsection (c)(2) and inserting "assisted under section 5"; and

(B) by striking "annual" in each of paragraphs (2) and (4)(C) of subsection (d).

(7) Section 15 of the United States Housing Act of 1937 is amended by striking "with loans or debt service annual contributions" in clause (2).

(8) Section 18(c) of the United States Housing Act of 1937 is amended by striking "annual contributions authorized under section 5(c)" and inserting "contributions authorized under section 5".

SEC. 114. LIMITATION ON PUBLIC HOUSING DEVELOPMENT AND ASSURANCE OF PUBLIC HOUSING QUALITY STANDARDS.

Section 5 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(j)(1) After September 30, 1987, in providing assistance under this Act to a public housing agency for public housing (other than for Indian families), the Secretary shall reserve funds for the development of public housing only if—

"(A) the Secretary determines that additional amounts are required to complete the development of dwelling units for which amounts are obligated on or before such date;

"(B) the public housing agency certifies to the Secretary that 85 percent of the public housing dwelling units of the public housing agency—

"(i) are maintained in substantial compliance with the housing quality standards established by the Secretary under section 8(o)(6);

"(ii) will be so maintained upon completion of modernization for which funding has been awarded; or

"(iii) will be so maintained upon completion of modernization for which applications are pending that have been submitted in good faith under section 14 or 20 (or a comparable State or local government program) and that there is a reasonable expectation, as determined by the Secretary in writing, that the applications would be approved;

"(C) the public housing agency certifies that such development—

"(i) will replace dwelling units that are disposed of or demolished by the public housing agency, including dwelling units disposed of or lost through sale to tenants or through units redesign; or

"(ii) is required to comply with court orders or directions of the Secretary;

"(D) the public housing agency certifies that it has demands for family housing not satisfied by the rental assistance programs established in subsection (b) or (o) of section 8 for which it plans to construct or acquire projects of not more than 100 units; or

"(E) the Secretary makes such reservation under paragraph (2).

"(2) Notwithstanding any other provision of law, not more than 20 percent of the funds appropriated for development of public housing also may be committed by the Secretary for the substantial redesign, reconstruction, or redevelopment of existing public housing projects or units, which work shall be carried out pursuant to the rules and regulations applicable to the development of public housing.".

SEC. 115. LIMITATION ON RECAPTURE OF FUNDING RESERVATIONS.

Section 5 of the United States Housing Act of 1937 (as amended by section 114 of this Act) is further amended by adding at the end the following new subsection:

"(k) After the reservation of public housing development funds to a public housing agency, the Secretary may not recapture any of the amounts included in such reservation due to the failure of a public housing agency to begin construction or rehabilitation, or to complete acquisition, during the 30-month period following the date of such reservation. During such 30-month period, the public housing agency shall be permitted to change the site of the public housing project or reformulate the project, if not less than the original number of dwelling units are to be constructed, rehabilitated, or acquired. There shall be excluded from the computation of such 30-month period any delay in the beginning of construction or rehabilitation of such project caused by (1) the failure of the Secretary to process such project within a reasonable period of time; (2) any environmental review requirement; (3) any legal action affecting such project; or (4) any other factor beyond the control of the public housing agency.".

SEC. 116. INDIAN PUBLIC HOUSING.

Section 5 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(l) The Secretary may not use as a criterion for distributing assistance under this section the progress made by an Indian public housing agency in collecting rents owed by tenants.".

SEC. 117. PUBLIC HOUSING NEW CONSTRUCTION.

Section 6(h) of the United States Housing Act of 1937 is amended—

(1) by inserting before "is" the following: "in the neighborhood where the public housing agency determines the housing is needed"; and

(2) by inserting "in such neighborhood" after "rehabilitation".

SEC. 118. PUBLIC HOUSING EVICTIONS DUE TO NONPAYMENT OF RENT.

(a) Review and Notification Requirements.—Section 6(c)(4)(B) of the United States Housing Act of 1937 is amended by striking the semicolon at the end and inserting the following: ", except that, before a public housing agency may issue a pretermination notice to a tenant for nonpayment of rent, the public housing agency shall—

"(i) review the situation of the tenant and verify that the rent charged to, and the sub-

sidy provided on behalf of, the tenant have been accurately computed and assessed;

"(ii) inform the tenant of agencies providing housing counseling services to tenants;

"(iii) notify the tenant of any rental or relocation assistance that may be available from other sources; and

"(iv) inform the tenant of the availability of other housing or emergency shelter, if the tenant would otherwise become homeless;".

(b) Regulations.—The Secretary of Housing and Urban Development shall, not later than 90 days after the date of the enactment of this Act, issue regulations to carry out the amendments made by this section.

SEC. 119. PUBLIC HOUSING GRIEVANCE PROCEDURES.

Section 6(k) of the United States Housing Act of 1937 is amended by inserting "or failure to act" after "action" each place it appears.

SEC. 120. PUBLIC HOUSING CHILD CARE GRANTS.

(a) Program Authority.—

(1) The Secretary of Housing and Urban Development shall, to the extent approved in appropriation Acts, carry out a demonstration program of making grants to public housing agencies to assist such agencies in providing child care services for lower income families who reside in public housing.

(2) The Secretary shall design the program described in paragraph (1) to determine the extent to which the availability of child care services in lower income housing projects facilitates the employability of the parents or guardians of children residing in public housing.

(3) The program described in paragraph (1) shall be in addition to any demonstration program carried out under section 222 of the Housing and Urban-Rural Recovery Act of 1983.

(b) Eligibility for Assistance.—The Secretary may make a grant to any public housing agency under this section only if—

(1) prior to receipt of assistance under this section, such public housing agency does not have a child care services program in operation in the project for which such assistance is requested;

(2) such public housing agency agrees to provide suitable facilities for the provision of child care services;

(3) the child care services program of such public housing agency will serve preschool children during the day, school children after school, or both, in order to permit the parents or guardians of such children to obtain, retain, or train for employment;

(4) the child care services program of such public housing agency is designed, to the extent practicable, to involve the participation of the parents of children benefiting from such program;

(5) the child care services program of such public housing agency is designed, to the extent practicable, to employ in part-time positions elderly individuals who reside in the lower income housing project involved; and

(6) the child care services program of such public housing agency complies with all applicable State and local laws, regulations, and ordinances.

(c) Allocation of Assistance.—In providing grants under this section, the Secretary shall—

(1) give priority to lower income housing projects in which reside the largest number of preschool and school children of lower income families;

(2) seek to ensure a reasonable distribution of such grants between urban and rural areas and among lower income housing projects of varying sizes; and

(3) seek to provide such grants to the largest number of lower income housing projects practicable, considering the amount of funds available under this section and the financial requirements of the particular child care services programs to be developed by the applicant public housing agencies.

(d) Administrative Provisions.—

(1) Applications for grants under this section shall be made by public housing agencies in such form, and according to such procedures, as the Secretary may prescribe.

(2) Any public housing agency receiving a grant under this section may use such grant only for operating expenses and minor renovations of facilities necessary to the provision of child care services under this section.

(3) The Secretary shall conduct periodic evaluations of each child care services program assisted under this section for purposes of—

(A) determining the effectiveness of such program in providing child care services and permitting the parents or guardians of children residing in public housing to obtain, retain, or train for employment; and

(B) ensuring compliance with the provisions of this section.

(4) No provision of this section may be construed to authorize the Secretary to establish any health, safety, educational, or other standards with respect to child care services or facilities assisted with grants received under this section. Such services and facilities shall comply with all applicable State and local laws, regulations, and ordinances, and all requirements established by the Secretary of Health and Human Services for child care services and facilities.

(e) Report to Congress.—Not later than the expiration of the 3-year period following the date of the enactment of this Act, the Secretary shall prepare and submit to the Congress a detailed report setting forth the findings and conclusions of the Secretary as a result of carrying out the demonstration program established in this section. Such report shall include any recommendations of the Secretary with respect to the establishment of a permanent program of assisting child care services in lower income housing projects.

(f) Definitions.—For purposes of this section:

(1) The term "lower income families" has the meaning given such term in section 3(b)(2) of the United States Housing Act of 1937.

(2) The terms "lower income housing project" and "public housing" have the meanings given such terms in section 3(b)(1) of the United States Housing Act of 1937.

(3) The term "public housing agency" has the meaning given such term in section 3(b)(6) of the United States Housing Act of 1937.

(4) The term "Secretary" means the Secretary of Housing and Urban Development.

(g) Authorization of Appropriations.—There is authorized to be appropriated to carry out the provisions of this section $5,000,000 for fiscal year 1988. Any amount appropriated under this subsection shall remain available until expended.

SEC. 121. PAYMENTS FOR OPERATION OF LOWER INCOME HOUSING PROJECTS.

(a) Performance Funding System.—Section 9(a) of the United States Housing Act of 1937 is amended—

(1) by striking the last sentence of paragraph (1); and

(2) by adding at the end the following new paragraph:

"(3)(A) For purposes of making payments under this section, the Secretary shall utilize a performance funding system that is substantially based on the system defined in regulations and in effect on the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987 (as modified by this paragraph), and that establishes standards for costs of operation and reasonable projections of income, taking into account the character and location of the project and the characteristics of the families served, in accordance with a formula representing the operations of a prototype well-managed project. Such performance funding system shall be established in consultation with public housing agencies and their associations, be contained in a regulation promulgated by the Secretary prior to the start of any fiscal year to which it applies, and remain in effect for the duration of such fiscal year without change.

"(B) Under the performance funding system established under this paragraph—

"(i) in the first year that the reductions occur, any public housing agency shall share equally with the Secretary any cost reductions due to the differences between projected and actual utility rates attributable to actions taken by the agency which lead to such reductions;

"(ii) in the case of any public housing agency that receives financing (from a person other than the Secretary) or enters a performance contract to undertake energy conservation improvements in a public housing project, under which payment is to be equivalent to the cost of the energy saved as a result of the improvements during a negotiated contract period of not more than 12 years that is approved by the Secretary—

"(I) the public housing agency shall retain 100 percent of any cost avoidance due to differences between projected and actual utility consumption (adjusted for heating degree days) attributable to the improvements, until the term of the financing agreement is completed, at which time the annual utility expense level 3-year rolling base procedures shall be applied using—

"(a) in the first year following the end of the contract period, the energy use during the 2 years prior to installation of the energy conservation improvements and the last contract year;

"(b) in the second year following the end of the contract period, the energy use during the 1 year prior to installation of the energy conservation improvements and the 2 years following the end of the contract period; and

"(c) in the third year following the end of the contract period, the energy use in the 3 years following the end of the contract period; or

"(II) the Secretary shall provide an additional operating subsidy above the current utility expense level equivalent to the cost of the energy saved as a result of the improvements and sufficient to cover payments for the improvements through the term of the contract or agreement;

"(iii) there shall be a formal review process for the purpose of providing such revisions to the allowable expense level of a public housing agency as necessary—

"(I) to correct inequities and abnormalities that exist in the base year expense level of such public housing agency;

"(II) to accurately reflect changes in operating circumstances since the initial determination of such base year expense level (in-

cluding, but not limited to, any increase in amounts paid for employee salaries or wages due to the repeal of the Comprehensive Employment and Training Act); and

"(III) to ensure that the allowable expense limit accurately reflects the higher cost of operating the project in an economically distressed unit of local government and the lower cost of operating the project in an economically prosperous unit of local government;

"(iv) public housing agencies shall be reimbursed for costs incurred that were beyond their control (such as costs due to insurance increases, changes in State or local law or requirements, and increases in charges for basic services) and the full extent of which were not taken into consideration in the original distribution of funds for the fiscal year involved;

"(v) the estimate of the rental income for the next fiscal year of a public housing agency shall be based on the actual rent for the fourth, fifth, or sixth month prior to the beginning of the new fiscal year of the public housing agency;

"(vi) any revenues resulting from rental income or other income (including investment income) in excess of estimated revenues from such items may not be recaptured, used, or computed to reduce assistance provided under this section, unless such estimate—

"(I) was unreasonable according to regulations in effect when the estimate was made; or

"(II) was fraudulent and deceptive; and

"(vii) if a public housing agency redesigns or substantially rehabilitates a public housing project so that 2 or more dwelling units are combined to create a single larger dwelling unit, the payments received under this section shall not be reduced solely because of the resulting reduction in the number of dwelling units if not less than the same number of individuals will reside in the new larger dwelling unit as resided in the dwelling units that were combined to form such larger dwelling unit.".

(b) Authorization of Appropriations.—Section 9(c) of the United States Housing Act of 1937 is amended to read as follows:

"(c) There is authorized to be appropriated, for the purpose of providing annual contributions under this section, $1,600,000,000 for fiscal year 1988.".

(c) Time of Payment.—Section 9 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(e) In the case of any public housing agency that submits its budget for any fiscal year of such agency to the Secretary in a timely manner in accordance with the regulations issued by the Secretary under this section, assistance to be provided to such agency under this section for such fiscal year shall commence not later than the 1st month of such fiscal year, and shall be paid in equal monthly or quarterly installments or in accordance with such other payment schedule as may be agreed upon by the Secretary and such agency.".

SEC. 122. GRANTS FOR COMPREHENSIVE IMPROVEMENT ASSISTANCE.

(a) Authority To Provide Grants.—Section 14 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(k) The Secretary may make contributions (in the form of grants) to public housing agencies under this section. The contract under which such contributions shall be made shall specify the amount of contributions required for each project to which the contract pertains, and that the terms and conditions of such contract shall remain in effect for a 20-year period.".

(b) Conforming Amendments.—

(1) Section 14(e) of the United States Housing Act of 1937 is amended by striking "annual".

(2) Section 14 of the United States Housing Act of 1937 is amended by inserting "or (k)" after "subsection (b)" each place it appears in subsections (c), (d), (e), (g), (h), and (i).

(c) Special Purpose Needs.—Section 14(i)(1)(D) of the United States Housing Act of 1937 is amended by inserting before the period at the end the following: ", including replacing or repairing major equipment systems or structural elements, upgrading security, increasing accessibility for elderly families and handicapped families (as such terms are defined in section 3(b)(3)), reducing the number of vacant substandard units, and increasing the energy efficiency of the units".

SEC. 123. PUBLIC HOUSING DEMOLITION AND DISPOSITION.

(a) Limitations.—Section 18 of the United States Housing Act of 1937 is amended—

(1) in subsection (a)(1), by striking "or" after "purposes," and inserting "and"; and

(2) in subsection (b)—

(A) by striking "and" at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting "; and"; and

(C) by adding at the end the following new paragraph:

"(3) the public housing agency has developed a plan (and the Secretary has agreed to provide funding for such plan if necessary) that provides for—

"(A) the addition of public housing dwelling units in an aggregate number equal to the number of such units proposed to be demolished or disposed under such application except that—

"(i) such 1-for-1 replacement requirement shall not apply if the Secretary determines that there is no local need for lower income housing, which determination shall be based on objective information (provided by the public housing agency and other persons interested in the provision of lower income housing) that includes rates of participation by landlords in the section 8 program, size, conditions and rent levels of available rental housing as compared to section 8 standards, the supply of vacant existing housing with rents at or below the fair market rent or payment standard or the likelihood of adjusting the fair market rent or payment standard, and the extent of discrimination against the types of individuals or families to be served by the assistance; and

"(ii) if necessary funding for public housing dwelling units is not available, there may be substituted dwelling units assisted with project-based assistance under section 8 or the acquisition or development of dwelling units assisted under a State or local government program that provides for project-based assistance comparable in terms of eligibility, contribution to rent, and length of assistance contract (not less than 15 years) to that available under section 8(b)(1), or any combination of such methods; and

"(B) the payment of the relocation expenses of each tenant to be displaced and ensures that the rent paid by the tenant following relocation will not exceed the amount permitted under paragraph (1), (2), or (3) of section 3(a).".

(b) Applicability.—Section 18 of the United States Housing Act of 1937 is amended by striking subsection (d).

SEC. 124. PUBLIC HOUSING COMPREHENSIVE GRANTS.

(a) In General.—The United States Housing Act of 1937 is amended by adding at the end the following new section:

"COMPREHENSIVE GRANT PROGRAM

"Sec. 20. (a) Purpose.—It is the purpose of this section—

"(1) to provide assistance on a reliable basis to public housing agencies to enable them to operate, upgrade, modernize, and rehabilitate public housing projects financed under the United States Housing Act of 1937 to ensure their continued availability for the benefit of lower income families as decent, safe, and sanitary rental housing at affordable rents;

"(2) to increase the reliability of Federal assistance for capital improvements in public housing projects;

"(3) to significantly simplify the program of Federal assistance for capital improvements in public housing projects;

"(4) to provide increased opportunities and incentives for more efficient management of public housing projects; and

"(5) to afford public housing agencies greater control in planning for the maintenance and improvement of public housing projects to benefit lower income families.".

"(b) Authority To Provide Financial Assistance.—

"(1) In general.—The Secretary may make available, and (to the extent of amounts provided in appropriation Acts) contract to make available, financial assistance to public housing agencies in accordance with the provisions of this section with respect to public housing (as defined in section 3(b)(1)) owned or operated by such agencies.

"(2) Grants.—The Secretary may make contributions (in the form of grants) to public housing agencies under this section. The contract under which such contributions shall be made shall specify the amount of contributions required for each project to which the contract pertains, and that the terms and conditions of such contract shall remain in effect for a 20-year period.

"(c) Comprehensive Plan.—No financial assistance may be made available to a public housing agency under this section unless the Secretary approves a 5-year comprehensive plan submitted by the public housing agency on a date determined by the Secretary, except that the Secretary may provide such assistance if it is necessary to correct conditions that constitute an immediate threat to the health or safety of tenants. The comprehensive plan shall contain—

"(1) a comprehensive assessment of—

"(A) the current physical condition of each public housing project owned or operated by the public housing agency;

"(B) the physical improvements necessary for each such project to permit the project—

"(i) to be rehabilitated to a level at least equal to the minimum property standards established by the Secretary and in effect at the time of the preparation of the comprehensive plan; and

"(ii) to comply with life-cycle cost-effective energy conservation performance standards established by the Secretary to ensure the lowest total rehabilitation and operating costs over the estimated life of the building; and

"(C) the replacement needs of equipment systems and structural elements that will be

required to be met (assuming routine and timely maintenance is performed) during the 5-year period covered by the comprehensive plan;

"(2) a comprehensive assessment of the improvements needed to upgrade the management and operation of the public housing agency and of each such project so that decent, safe, and sanitary living conditions will be provided such projects, which assessment shall include at least an identification of needs related to—

"(A) the management, financial, and accounting control systems of the public housing agency that are related to such projects;

"(B) the adequacy and qualifications of personnel employed by the public housing agency (in the management and operation of such projects) for each category of employment; and

"(C) the adequacy and efficacy of—

"(i) tenant programs and services in such projects;

"(ii) the security of each such project and its tenants;

"(iii) policies and procedures of the public housing agency for the selection and eviction of tenants in such projects; and

"(iv) other policies and procedures of the public housing agency relating to such projects, as specified by the Secretary;

"(3) an analysis, made on a project-by-project basis in accordance with standards and criteria prescribed by the Secretary, demonstrating that completion of the improvements and replacements identified under paragraphs (1) and (2) will reasonably ensure the long-term physical and social viability of each such project at a reasonable cost;

"(4) an action plan for making the improvements and replacements identified under paragraphs (1) and (2) that are determined under the analysis described in paragraph (3) to reasonably ensure long-term viability of each such project at a reasonable cost, which action plan shall include at least a schedule, in order of priority, of the actions that are to be completed over a period of not more than 5 years from the date of approval of the comprehensive plan by the Secretary and that are necessary—

"(A) to make the improvements and replacements identified under paragraph (1) for each project expected to receive capital improvements or replacements (with priority to improvements and replacements required to correct any life threatening condition); and

"(B) to upgrade the management and operation of the public housing agency and its public housing projects as described in paragraph (2);

"(5) a statement, to be signed by the chief local government official (or Indian tribal official, if appropriate), certifying that—

"(A) the comprehensive plan was developed by the public housing agency in consultation with appropriate local government officials (or Indian tribal officials) and with tenants of the housing projects (or tenants of the Indian housing projects) eligible for assistance under this section, which shall include not less than 2 public hearings (i) at least one of which shall be held prior to the initial adoption of any plan by the public housing agency for use of such assistance, and afford tenants and interested parties an opportunity to summarize their priorities and concerns, to ensure their due consideration in the planning process of the public housing agency; and (ii) at least one of which shall be held prior to final submission of the plan to the Department of Housing and Urban Development for its approval, to provide tenants and other interested parties an opportunity to comment on the plan of action proposed by the public housing agency in its submission; and

"(B) the comprehensive plan is consistent with the assessment of the community of its lower income housing needs and that the unit of general local government (or Indian tribe) will cooperate in the provision of tenant programs and services (as defined in section 3(c)(2));

"(6) a statement, to be signed by the chief public housing official, certifying that the public housing agency will carry out the comprehensive plan in conformity with title VI of the Civil Rights Act of 1964, title VIII of the Act of April 11, 1968 (commonly known as the Civil Rights Act of 1968), and section 504 of the Rehabilitation Act of 1973;

"(7) a preliminary estimate of the total cost of the items identified in paragraphs (1) and (2), including a preliminary estimate of the costs that will be incurred during each year covered by the comprehensive plan; and

"(8) such other information as the Secretary may require.

"(d) REVIEW OF COMPREHENSIVE PLANS.—

"(1) STANDARD FOR APPROVAL.—The Secretary shall approve a comprehensive plan unless—

"(A) the comprehensive plan is incomplete;

"(B) on the basis of available significant facts and data pertaining to the physical and operational condition of the public housing projects of the public housing agency or the management and operations of the public housing agency, the Secretary determines that the identification by the public housing agency of needs is plainly inconsistent with such facts and data;

"(C) on the basis of the comprehensive plan, the Secretary determines that the action plan described in subsection (c)(4) is plainly inappropriate to meeting the needs identified in the comprehensive plan, or that the public housing agency has failed to demonstrate that completion of improvements and replacements identified under paragraphs (1) and (2) of subsection (c) will reasonably ensure long-term viability of one or more public housing projects to which they relate at a reasonable cost; or

"(D) there is evidence available to the Secretary that tends to challenge in a substantial manner any certification contained in the comprehensive plan.

"(2) SCHEDULE FOR APPROVAL.—The comprehensive plan shall be considered to be approved, unless the Secretary notifies the public housing agency in writing within 75 calendar days of submission that the Secretary has disapproved the comprehensive plan as submitted, indicating the reasons for disapproval and modifications required to make the comprehensive plan approvable.

"(e) ANNUAL STATEMENT.—

"(1) SUBMISSION.—Each public housing agency receiving assistance under this section shall submit to the Secretary, at a date determined by the Secretary, an annual statement of the activities and expenditures projected to be funded, in whole or in part, by such assistance during the immediately following fiscal year of the public housing agency. The annual statement shall include a certification by the public housing agency that the proposed activities and expenditures are consistent with the approved comprehensive plan of the public housing agency. The annual statement also shall include a certification that the public housing agency has provided the tenants of the public housing and other interested parties the opportunity to review the annual statement and comment on it, and that such comments have been taken into account in formulating the annual statement as submitted to the Secretary.

"(2) PROPOSED AMENDMENTS TO COMPREHENSIVE PLAN.—A public housing agency may propose an amendment to its comprehensive plan under subsection (c) in any annual statement. Any such proposed amendment shall be reviewed in accordance with subsection (d), and shall include a certification that (A) the proposed amendment has been made publicly available for comment prior to its submission; (B) tenants and other interested parties have been given sufficient time to review and comment on it; and (C) such comments have been taken into consideration in the preparation and submission of the amendment.

"(3) APPROVAL.—The Secretary shall approve the annual statement unless the Secretary determines that it is inconsistent with the comprehensive plan. The annual statement shall be considered to be approved, unless the Secretary notifies the public housing agency in writing before the expiration of the 75-day period following submission of the annual statement that the Secretary has disapproved the annual statement as submitted, indicating the reasons for disapproval and the modifications required to make the annual statement approvable. The annual statement shall be approved before the public housing agency receives any assistance under this section for the fiscal year to which the annual statement relates.

"(f) ANNUAL PERFORMANCE REPORTS; REVIEWS AND AUDITS.—

"(1) PERFORMANCE AND EVALUATION REPORTS.—Each public housing agency receiving assistance under this section shall submit to the Secretary, on a date determined by the Secretary, a performance and evaluation report concerning the use of funds made available under this section. The report of the public housing agency shall include an assessment by the public housing agency of the relationship of such use of funds made available under this section, as well as the use of other funds, to the needs identified in the comprehensive plan of the public housing agency and to the purposes of this section. The public housing agency shall certify that the report has been made available for review and comment by tenants and other interested parties prior to its submission to the Secretary.

"(2) REVIEWS BY SECRETARY.—The Secretary shall, at least on an annual basis, make such reviews as may be necessary or appropriate to determine whether each public housing agency receiving assistance under this section—

"(A) has carried out its activities under this section in a timely manner and in accordance with its comprehensive plan;

"(B) has a continuing capacity to carry out its comprehensive plan in a timely manner;

"(C) has satisfied, or has made reasonable progress towards satisfying, such performance standards as shall be prescribed by the Secretary, and has made reasonable progress in carrying out modernization projects approved under this section.

"(3) AUDITS OF FINANCIAL TRANSACTIONS.—Recipients of assistance under this section shall have an audit made in accordance with chapter 75 of title 31, United States Code. The Secretary, the Inspector General of the Department of Housing and Urban

Development, and the Comptroller General of the United States shall have access to all books, documents, papers, or other records that are pertinent to the activities carried out under this section in order to make audit examinations, excerpts, and transcripts.

"(4) CORRECTIVE ACTION.—The comprehensive plan, any amendments to the comprehensive plan, and the annual statement shall, once approved by the Secretary, be binding upon the Secretary and the public housing agency. The Secretary may order corrective action only if the public housing agency does not comply with paragraph (1) or (2) or if an audit under paragraph (3) reveals findings that the Secretary reasonably believes require such corrective action. The Secretary may withhold funds under this section only if the public housing agency fails to take such corrective action after notice and a reasonable opportunity to do so. In administering this section, the Secretary shall, to the greatest extent possible, respect the professional judgment of the administrators of the public housing agency.

"(g) ELIGIBLE COSTS.—A public housing agency may use financial assistance received under subsection (b) only—

"(1) to undertake activities described in its approved comprehensive plan under subsection (c) or its annual statement under subsection (e);

"(2) to correct conditions that constitute an immediate threat to the health or safety of tenants and to meet special purpose needs described in section 14(i)(1)(D), whether or not the need for such correction is indicated in its comprehensive plan or annual statement;

"(3) to prepare a comprehensive plan under subsection (c), including reasonable costs that may be necessary to assist tenants in participating in the planning process in a meaningful way, an annual statement under subsection (e), an annual performance and evaluation report under subsection (f)(1), and an audit under subsection (f)(3); and

"(4) to operate public housing projects consistent with the requirements that apply to amounts provided under section 9, except that not more than 20 percent of the funds secured under this section may be used for such purposes.

"(h) ALLOCATION OF ASSISTANCE.—

"(1) IN GENERAL.—No assistance may be allocated under this section until the Secretary submits the report required in paragraph (2) and the Congress, following such submission, establishes by law criteria for a formula or other allocation method to be used by the Secretary under this section in determining—

"(A) for each public housing agency, the amounts that are necessary to address current needs for capital improvements;

"(B) for each public housing agency, the amounts that are necessary to address the future needs for capital improvements through a replacement reserve; and

"(C) the relative needs of public housing agencies of different sizes for the amounts described in subparagraphs (A) and (B).

"(2) REPORT ON ALTERNATIVE ALLOCATION SYSTEMS.—Not later than 6 months after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, the Secretary shall submit to the Congress a report—

"(A) assessing the condition of public housing and the need for financial assistance for capital improvements and for establishment of replacement reserves for future capital improvements and maintenance;

"(B) setting forth proposals for alternative systems of allocating financial assistance under this section according to criteria for a formula or other allocation method to be used by the Secretary under this section in determining—

"(i) for each public housing agency, the amounts that are necessary to address current needs for capital improvements;

"(ii) for each public housing agency, the amounts that are necessary to address the future needs for capital improvements through a replacement reserve; and

"(iii) the relative needs of public housing agencies of different sizes for the amounts described in clauses (i) and (ii); and

"(C) estimating, for not less than the 200 largest public housing agencies, the amount that will be received annually under each such alternative allocation system.

"(i) ANNUAL REPORT.—The Secretary shall include in the annual report under section 8 of the Department of Housing and Urban Development Act a description of the allocation, distribution, and use of assistance under this section on a regional basis and on the basis of public housing agency size.

"(j) REGULATIONS.—The Secretary may issue such regulations as are necessary to carry out the provisions of this section.".

(b) USE OF OPERATING ASSISTANCE.—Section 9(a)(1) of the United States Housing Act of 1937 is amended by inserting after the first sentence the following new sentence: "A public housing agency may also use any available amounts provided under this section in accordance with the purpose and requirements of section 20.".

SEC. 125. PUBLIC HOUSING RESIDENT MANAGEMENT.

The United States Housing Act of 1937 (as amended by section 124 of this Act) is further amended by adding at the end the following new section:

"PUBLIC HOUSING RESIDENT MANAGEMENT

"SEC. 21. (a) PURPOSE.—The purpose of this section is to establish a program of resident management of public housing projects, as one means of improving existing living conditions in public housing projects, by providing increased flexibility for public housing projects that are managed by residents by—

"(1) permitting tenants to volunteer labor subject to existing statutory and contractual obligations of the public housing agency;

"(2) permitting the retention, and use for certain purposes, of any revenues exceeding operating and projects costs; and

"(3) providing funding, from amounts otherwise available, for technical assistance to promote formation and development of resident management entities.

"(b) PROGRAM REQUIREMENTS.—

"(1) RESIDENT COUNCIL.—As a condition of entering into a resident management program, the elected resident council of a public housing project shall approve the establishment of a resident management corporation. The resident management corporation and the resident council may be the same organization, if the organization complies with the requirements applicable to both the corporation and council. The corporation shall be a nonprofit corporation organized under the laws of the State in which the project is located, and the tenants of the project shall be the sole voting members of the corporation. If there is no elected resident council, a majority of the households of the public housing project shall approve the establishment of a resident council to determine the feasibility of establishing a resident management corporation to manage the project.

"(2) PUBLIC HOUSING MANAGEMENT SPECIALIST.—The resident council of a public housing project, in cooperation with the public housing agency, shall select a qualified public housing management specialist to assist in determining the feasibility of, and to help establish, a resident management corporation and to provide training and other duties agreed to in the daily operations of the project.

"(3) BONDING AND INSURANCE.—Before assuming any management responsibility for a public housing project, the resident management corporation shall provide fidelity bonding and insurance, or equivalent protection, in accordance with regulations and requirements of the Secretary and the public housing agency. Such bonding and insurance, or its equivalent, shall be adequate to protect the Secretary and the public housing agency against loss, theft, embezzlement, or fraudulent acts on the part of the resident management corporation or its employees.

"(4) MANAGEMENT RESPONSIBILITIES.—A resident management corporation that qualifies under this section, and that supplies insurance and bonding or equivalent protection sufficient to the Secretary and the public housing agency, shall enter into a contract with the public housing agency establishing the respective management rights and responsibilities of the corporation and the public housing agency. Such contract shall be consistent with the requirements of this Act applicable to public housing projects and may include specific terms governing management personnel and compensation, access to public housing project records, submission of and adherence to budgets, rent collection procedures, tenant selection and screening, tenant income verification, tenant eligibility determinations, tenant eviction, the acquisition of supplies and materials, and such other matters as may be appropriate. The contract shall be treated as a contracting out of services and shall be subject to any provision of a collective bargaining agreement regarding contracting out to which the public housing agency is subject.

"(5) ANNUAL AUDIT.—The books and records of a resident management corporation operating a public housing project shall be audited annually by a certified public accountant. A written report of each audit shall be forwarded to the public housing agency and the Secretary.

"(6) ANNUAL REPORT.—Each resident management corporation operating a public housing project shall annually submit to the public housing agency and the Secretary a report setting forth the activities carried out by the resident management corporation under this section. Each resident management corporation shall provide an opportunity for tenants to review the report prior to submission, and shall include in the report any comments of the tenants with respect to the report.

"(c) COMPREHENSIVE IMPROVEMENT ASSISTANCE.—Public housing projects managed by resident management corporations may be provided with comprehensive improvement assistance under section 14 or 20 for purposes of renovating such projects in accordance with such section. If such renovation activities (including the planning and architectural design of the rehabilitation) are administered by a resident management corporation, the public housing agency involved may not retain, for any administrative or other reason, any portion of the as-

sistance provided pursuant to this subsection.

"(d) WAIVER OF FEDERAL REQUIREMENTS.—

"(1) WAIVER OF REGULATORY REQUIREMENTS.—Upon the request of any resident management corporation and public housing agency, and after notice and an opportunity to comment is afforded to the affected tenants, the Secretary may waive (for both the resident management corporation and the public housing agency) any requirement established by the Secretary (and not specified in any statute) that the Secretary determines to unnecessarily increase the costs or restrict the income of a public housing project.

"(2) WAIVER TO PERMIT EMPLOYMENT.—Upon the request of any resident management corporation, the Secretary may, subject to applicable collective bargaining agreements, permit residents of such project to volunteer a portion of their labor.

"(3) REPORT ON ADDITIONAL WAIVERS.—Not later than 6 months after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, the Secretary shall submit to the Congress a report setting forth any additional waivers of Federal law that the Secretary determines are necessary or appropriate to carry out the provisions of this section. In preparing the report, the Secretary shall consult with resident management corporations and public housing agencies.

"(4) EXCEPTIONS.—The Secretary may not waive under this subsection any requirement with respect to income eligibility for purposes of section 16, rental payments under section 3(a), tenant or applicant protections, employee organizing rights, or rights of employees under collective bargaining agreements.

"(e) OPERATING SUBSIDY AND PROJECT INCOME.—

"(1) CALCULATION OF OPERATING SUBSIDY.—Notwithstanding any provision of section 9 or any regulation under such section, and subject to the exception provided in paragraph (3), the portion of the operating subsidy received by a public housing agency under section 9 that is allocated to a public housing project managed by a resident management corporation shall not be less than the public housing agency per unit monthly amount provided in the previous year as determined on an individual project basis.

"(2) CONTRACT REQUIREMENTS.—Any contract for management of a public housing project entered into by a public housing agency and a resident management corporation shall specify the amount of income expected to be derived from the project itself (from sources such as rents and charges) and the amount of funds to be provided to the project from the other sources of income of the public housing agency (such as operating subsidy under section 9, interest income, administrative fees, and rents).

"(3) CALCULATION OF TOTAL INCOME.—

"(A) Subject to subparagraph (B), the amount of funds provided by a public housing agency to a public housing project managed by a resident management corporation may not be reduced during the 3-year period beginning on the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, or on the date of the initial management contract for the project, whichever is later.

"(B) If the total income of a public housing agency (including the operating subsidy provided to the public housing agency under section 9) is reduced or increased, the income provided by the public housing agency to a public housing project managed by a resident management corporation shall be reduced or increased in proportion to the reduction or increase in the total income of the public housing agency, except that any reduction in operating subsidy that occurs as a result of fraud, waste, or mismanagement by the public housing agency shall not affect the funds provided to the resident management corporation.

"(4) RETENTION OF EXCESS REVENUES.—

"(A) Any income generated by a resident management corporation of a public housing project (other than investment income or rental income) shall be excluded in subsequent years in calculating (i) the operating subsidies provided to the public housing agency under section 9; and (ii) the funds provided by the public housing agency to the resident management corporation.

"(B) Any revenues retained by a public housing agency or resident management corporation under subparagraph (A) shall be used for purposes of improving the maintenance and operation of the public housing project, for establishing business enterprises that employ residents of public housing, or for acquiring additional dwelling units for lower income families.

"(f) RESIDENT MANAGEMENT TECHNICAL ASSISTANCE AND TRAINING.—

"(1) FINANCIAL ASSISTANCE.—To the extent budget authority is available for section 14 or 20, the Secretary shall provide financial assistance to up to 15 resident management corporations or resident councils that obtain, by contract or otherwise, technical assistance for the development of resident management entities, including the formation of such entities, the development of the management capability of newly formed or existing entities, the identification of the social support needs of residents of public housing projects, and the securing of such support.

"(2) LIMITATION ON ASSISTANCE.—The financial assistance provided under this subsection with respect to any public housing project may not exceed $100,000.

"(3) FUNDING.—Of the amounts available for financial assistance under section 14 or 20 for fiscal year 1988, the Secretary may use not more than $2,500,000 to carry out this subsection.

"(g) ANNUAL REPORT.—The Secretary shall submit annually to the Congress a report on the activities carried out under this section. The report shall include—

"(1) an evaluation of the effect of resident management on rent collections, maintenance, tenant employment, and operating costs;

"(2) a summary of any waiver of regulatory requirements provided under subsection (d); and

"(3) any recommendations of the Secretary for waiver of regulatory requirements with respect to all public housing agencies.".

SEC. 126. PUBLIC HOUSING HOMEOWNERSHIP AND MANAGEMENT OPPORTUNITIES.

The United States Housing Act of 1937 (as amended by section 125 of this Act) is further amended by adding at the end the following new section:

"PUBLIC HOUSING HOMEOWNERSHIP AND MANAGEMENT OPPORTUNITIES

"SEC. 22. (a) HOMEOWNERSHIP OPPORTUNITIES IN GENERAL.—Lower income families residing in a public housing project may be provided with the opportunity to purchase the dwelling units in the project through a qualifying resident management corporation, subject to the provisions of the annual contributions contract, as follows:

"(1) FORMATION OF RESIDENT MANAGEMENT CORPORATION.—As a condition for public housing homeownership—

"(A) the adult residents of a public housing project shall have formed a resident management corporation in accordance with regulations and requirements of the Secretary prescribed under this section and section 21;

"(B) the resident management corporation shall have entered into a contract with the public housing agency establishing the respective management rights and responsibilities of the resident management corporation and the public housing agency; and

"(C) the resident management corporation shall have demonstrated its ability to manage public housing effectively and efficiently for a period of not less than 3 years.

"(2) HOMEOWNERSHIP ASSISTANCE.—

"(A) The Secretary may provide comprehensive improvement assistance under section 14 or 20 to a public housing project in which homeownership activities under this section are conducted.

"(B) The Secretary, and the public housing agency owning and operating a public housing project, shall provide such training, technical assistance, and educational assistance as the Secretary determines to be necessary to prepare the families residing in the project, and any resident management corporation established under paragraph (1), for homeownership.

"(3) CONDITIONS OF PURCHASE BY A RESIDENT MANAGEMENT CORPORATION.—

"(A) A resident management corporation may purchase from a public housing agency one or more buildings in a public housing project following a determination by the Secretary that—

"(i) the resident management corporation has met the conditions of paragraph (1);

"(ii) the resident management corporation has applied for and is prepared to undertake the ownership, management, and maintenance of the building or buildings with continued assistance from the Secretary;

"(iii) the public housing agency has held one or more public hearings to obtain the views of citizens regarding the proposed purchase and, in consultation with the Secretary, has certified that the purchase will not interfere with the rights of other families residing in public housing, will not harm the efficient operation of other public housing, and is in the interest of the community;

"(iv) the building or buildings meet the minimum safety and livability standards applicable under section 14 or 20, and the physical condition, management, and operation of the building or buildings are sufficient to permit and encourage affordable homeownership by the families residing in the project.

"(B) The price of a building purchased under the preceding sentence shall be approved by the Secretary, in consultation with the public housing agency and resident management corporation, taking into account the fair market value of the property, the ability of resident families to afford and maintain the property, and such other factors as the Secretary determines to be consistent with increasing the supply of dwelling units affordable to very low income families.

"(4) CONDITIONS OF RESALE.—

"(A) A resident management corporation may sell a dwelling unit or ownership rights in a dwelling unit only to a lower income family residing in public housing and if the purchase will not interfere with the rights of *other families residing in the housing project or harm the efficient operation of the project, and the family will be able to purchase and maintain the property.*

"(B) A purchase under the previous sentence may be made under any of the following arrangements:

"(i) Limited dividend cooperative ownership.

"(ii) Condominium ownership.

"(iii) Fee simple ownership.

"(iv) Shared appreciation with a public housing agency providing financing under paragraph (6).

"(v) Any other arrangement determined by the Secretary to be appropriate.

"(C) Property purchased under this section shall be resold only to the resident management corporation or to a lower income family residing in or eligible to reside in lower income housing or to the public housing authority.

"(D) In no case may the owner receive consideration for his or her interest in the property that exceeds the total of—

"(i) the contribution to equity paid by the owner;

"(ii) the value, as determined by such means as the Secretary shall determine through regulation, of any improvements installed at the expense of the owner during the owner's tenure as owner; and

"(iii) the appreciated value determined by an inflation allowance at a rate which may be based on a cost of living index, an income index, or market index as determined by the Secretary through regulation and agreed to by the purchaser and the resident management corporation or the public housing agency, whichever is appropriate, at the time of initial sale, and applied against the contribution to equity. The resident management corporation or the public housing agency may, at the time of initial sale, enter into an agreement with the owner to set a maximum amount which this appreciation may not exceed.

"(E) Upon sale, the resident management corporation or the public housing agency, whichever is appropriate, shall ensure that subsequent owners are bound by the same limitations on resale and further restrictions on equity appreciation.

"(5) USE OF PROCEEDS.—Proceeds from the sale of a building or buildings under paragraph (3) and amounts recaptured under paragraph (4) shall be paid to the public housing agency and shall be retained and used by the public housing agency only to rehabilitate or increase (through acquisition) the number of public housing units available for occupancy. The resident management corporation shall keep and make available to the public housing agency and the Secretary all records necessary to calculate accurately payments due the public housing agency under this section. The Secretary shall not reduce or delay payments under other provisions of law as a result of amounts made available to the public housing agency under this section.

"(6) FINANCING.—Where financing for the purchase of the property is not otherwise available for purposes of assisting any purchase by a family or resident management corporation under this section, the public housing agency involved may make a loan on the security of the property involved to the family or resident management corporation.

"(7) ANNUAL CONTRIBUTIONS.—Notwithstanding the purchase of a building in a public housing project under this section, the Secretary shall continue to pay annual contributions with respect to the project. Such contributions may not exceed the maximum contributions authorized in section 5(a).

"(8) OPERATING SUBSIDIES.—Operating subsidies shall not be available with respect to a building after the date of its sale by the public housing agency.

"(b) PROTECTION OF NONPURCHASING FAMILIES.—

"(1) EVICTION PROHIBITION.—No family residing in a dwelling unit in a public housing project may be evicted by reason of the sale of the project to a resident management corporation under this section.

"(2) TENANTS RIGHTS.—Families renting a dwelling unit purchased by a resident management corporation shall have all rights provided to tenants of public housing under this Act.

"(3) RENTAL ASSISTANCE.—If any family resides in a dwelling unit in a building purchased by a resident management corporation, and the family decides not to purchase the dwelling unit, the Secretary shall offer to provide to the family (at the option of the family) a certificate under section 8(b)(1) or a housing voucher under section 8(o) for as long as the family continues to reside in the building. The Secretary may adjust the fair market rent for such certificate to take into account conditions under which the building was purchased.

"(4) RENTAL AND RELOCATION ASSISTANCE.—If any family resides in a dwelling unit in a public housing project in which other dwelling units are purchased under this section, and the family decides not to purchase the dwelling unit, the Secretary shall offer (to be selected by the family, at its option)—

"(A) to assist the family in relocating to a comparable appropriate sized dwelling unit in another public housing project, and to reimburse the family for their cost of relocation; and

"(B) to provide to the family the financial assistance necessary to permit the family to stay in the dwelling unit or to move to another comparable dwelling unit and to pay no more for rent than required under paragraph (1), (2), or (3) of section 3(a).

"(d) FINANCIAL ASSISTANCE FOR PUBLIC HOUSING AGENCIES.—The Secretary shall provide to public housing agencies such financial assistance as is necessary to permit such agencies to carry out the provisions of this section.

"(e) ADDITIONAL HOMEOWNERSHIP AND MANAGEMENT OPPORTUNITIES.—This section shall not apply to the turnkey III, the mutual help, or any other homeownership program established under section 5(h) or section 6(c)(4)(D) and in existence before the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987.

"(f) REGULATIONS.—The Secretary shall issue such regulations as may be necessary to carry out the provisions of this section. Such regulations may establish any additional terms and conditions for homeownership or resident management under this section that are determined by the Secretary to be appropriate.

"(g) ANNUAL REPORT.—The Secretary shall annually submit to the Congress a report setting forth—

"(1) the number, type, and cost of units sold;

"(2) the income, race, gender, children, and other characteristics of families purchasing or moving and not purchasing;

"(3) the amount and type of financial assistance provided;

"(4) the need for subsidy to ensure continued affordability and meet future maintenance and repair costs; and

"(5) the recommendations for statutory and regulatory improvements to the program.

"(h) LIMITATION.—Any authority of the Secretary under this section to provide financial assistance, or to enter into contracts to provide financial assistance, shall be effective only to such extent or in such amounts as are or have been provided in advance in appropriation Act.".

SEC. 127. TREATMENT OF CERTAIN PUBLIC HOUSING DEVELOPMENT FUNDS.

(a) FORGIVENESS OF CERTAIN INTEREST.—Notwithstanding any other provision of law or other requirement, any interest accruing on any excess funds advanced to the Housing Authority of the City of Pittsburgh, in the State of Pennsylvania, for development of the public housing project numbered PA-1-22 shall be forgiven, and any such interest paid to the Secretary of Housing and Urban Development before the date of the enactment of this Act shall be returned to such City.

(b) FORGIVENESS OF CERTAIN PAYMENTS.—Notwithstanding any other provision of law or other requirement, the Secretary of Housing and Urban Development may not require the Bay City Housing Commission in the State of Michigan to pay any amount relating to ineligible costs incurred with respect to the public housing development grant numbered Michigan 24-7, awarded in 1974, under the United States Housing Act of 1937.

SEC. 128. ENERGY EFFICIENT PUBLIC HOUSING DEMONSTRATION.

(a) ESTABLISHMENT.—The Secretary of Housing and Urban Development shall establish a demonstration program through the assistance of an appropriate technology transfer organization specialized in producing detailed energy-efficient designs and in conducting local and statewide, public participation tests for energy efficient, needs-oriented housing. The appropriate technology organization shall carry out the demonstration working through and with public housing agencies to build and test a variety of energy-efficient housing designs in 100 separate housing units in 4 different States that meet local lower income housing needs (including single parent, disabled, and elderly concerns) through a composite ranging from single to 12-plex units in the cluster approach on vacant lots and open areas.

(b) FUNDING.—Of the budget authority authorized to be provided for the development of public housing for fiscal year 1988, there is authorized to be appropriated $4,700,000 for such fiscal year to carry out this section.

SEC. 129. PUBLIC HOUSING COMPREHENSIVE TRANSITION DEMONSTRATION.

(a) ESTABLISHMENT OF DEMONSTRATION PROGRAM.—The Secretary of Housing and Urban Development (in this section referred to as the "Secretary") shall carry out a program to demonstrate the effectiveness of providing a comprehensive program of services to public housing residents in order to ensure the successful transition of such residents to private housing. In carrying out the demonstration program, the Secretary shall consult with the heads of other appropriate Federal agencies to design and implement procedures to carry out the transition from public housing.

(b) SCOPE OF DEMONSTRATION PROGRAM.—The Secretary shall carry out the demonstration program with respect to public housing

administered by the Housing Authority of the City of Charlotte, in the State of North Carolina. The Secretary may also carry out the demonstration program with respect to public housing administered by not more than 10 additional public housing agencies.

(c) Requirements of Demonstration Program.—The demonstration program shall consist of the following requirements:

(1) Contract of participation.—Each participating public housing agency may enter into a contract with any family that is to commence residence in a public housing project administered by the public housing agency. The contract shall be separate from the lease and shall set forth the provisions of the demonstration program.

(2) Remediation phase.—

(A) During not to exceed the first 2 years of residence of a participating family in public housing, the public housing agency shall ensure the provision of remediation services to the family, which may include—

(i) remedial education;

(ii) completion of high school;

(iii) job training and preparation;

(iv) substance abuse treatment and counseling;

(v) training in homemaking skills and parenting; and

(vi) training in money management.

(B) During the remediation phase, the amount of rent charged the family may not be increased on the basis of any increase in earned income of the family.

(3) Transition phase.—

(A) During not to exceed a 5-year period following completion of the remediation stage—

(i) the head of the family shall be required to have full-time employment; and

(ii) the public housing agency shall ensure the provision of counseling for the family with respect to homeownership, money management, and problem solving.

(B) During the transition phase, the amount of rent charged the family—

(i) may be increased on the basis of any increase in family income; and

(ii) may not be decreased on the basis of any decrease in earned income due to voluntary termination of employment.

(4) Encouragement of savings.—The public housing agency shall take appropriate actions to encourage each participating family to save funds during the remediation and transition phases.

(5) Completion of transition.—Each family participating in the demonstration program shall be required to complete the transition out of public housing during a period of not more than 7 years. The public housing agency may extend the period for any family if special circumstances require such extension.

(d) Reports to Congress.—

(1) Interim report.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall submit to the Congress an interim report evaluating the effectiveness of the demonstration program under this section.

(2) Final report.—Not later than 60 days after the termination of the demonstration program under subsection (f), the Secretary shall submit to the Congress a final report evaluating the effectiveness of the demonstration program under this section.

(e) Regulations.—The Secretary shall issue such regulations as may be necessary to carry out this section.

(f) Termination of Demonstration Program.—The demonstration program under this section shall terminate upon the expiration of the 7-year period beginning on the date of the enactment of this Act.

PART 3—SECTION 8 ASSISTANCE AND OTHER PROGRAMS

SEC. 141. SECTION 8 CONTRACTS FOR EXISTING DWELLING UNITS.

(a) Term of Annual Contributions Contract.—Section 8(b)(1) of the United States Housing Act of 1937 is amended by inserting after the first sentence the following new sentence: "The Secretary shall enter into a separate annual contributions contract with each public housing agency to obligate the authority approved each year, beginning with the authority approved in appropriations Acts for fiscal year 1988 (other than amendment authority to increase assistance payments being made using authority approved prior to the appropriations Acts for fiscal year 1988), and such annual contributions contract (other than for annual contributions under subsection (o)) shall bind the Secretary to make such authority, and any amendments increasing such authority, available to the public housing agency for an aggregate period of 180 months.".

(b) Additional Requirements.—Section 8(b) of the United States Housing Act of 1937 is amended by adding at the end the following new paragraph:

"(2) Each annual contributions contract entered into under this subsection and subsection (o) shall provide for a specific number of certificates or vouchers and full funding of such number. The Secretary shall provide amendments of such annual contributions contract to ensure full funding of such number, and may not require as a prerequisite of such amendments that the public housing agency shall have entered into a contract with a building owner.".

SEC. 142. SECTION 8 FAIR MARKET RENTALS AND CONTRACT RENTS.

(a) Annual Adjustment.—Section 8(c)(1) of the United States Housing Act of 1937 is amended by inserting before the last sentence the following new sentence: "Each fair market rental in effect under this subsection shall be adjusted to be effective on October 1 of each year to reflect changes, based on the most recent available data trended so the rentals will be current for the year to which they apply, of rents for existing or newly constructed rental dwelling units, as the case may be, of various sizes and types in the market area suitable for occupancy by persons assisted under this section.".

(b) Calculation for Certain County.—Section 8(c)(1) of the United States Housing Act of 1937 is amended by adding at the end the following new sentence: "The Secretary shall establish separate fair market rentals under this paragraph for Westchester County in the State of New York.".

(c) Consideration of Capital Improvement Costs.—Section 8(c)(2)(B) of the United States Housing Act of 1937 is amended by inserting "necessary capital improvements," after "resulted from".

(d) Prohibition on Reduction of Certain Contract Rents.—Section 8(c)(2)(C) of the United States Housing Act of 1937 is amended by adding at the end the following new sentence: "The Secretary may not reduce the contract rents in effect on or after April 15, 1987, for newly constructed, substantially rehabilitated, or moderately rehabilitated projects assisted under this section (including projects assisted under this section as in effect prior to November 30, 1983), unless the project has been refinanced in a manner that reduces the debt of the owner.".

(e) Repeal of Limit on Contract Rent Increases.—Section 8(c)(2) of the United States Housing Act of 1937 is amended by striking subparagraph (D).

(f) Required Notice.—Section 8(c) of the United States Housing Act of 1937 is amended by adding at the end the following new paragraph:

"(9) Not less than 1 year prior to terminating any contract under which assistance payments are received under this section (but not less than 90 days in the case of housing certificates or vouchers under subsection (b) or (o)), an owner shall provide written notice to the Secretary and the tenants involved of the proposed termination, specifying the reasons for the termination with sufficient detail to enable the Secretary to evaluate whether the termination is lawful and whether there are additional actions that can be taken by the Secretary to avoid the termination. The Secretary shall review the owner's notice, shall consider whether there are additional actions that can be taken by the Secretary to avoid the termination, and shall ensure a proper adjustment of the contract rents for the project in conformity with the requirements of paragraph (2). The Secretary shall issue a written finding of the legality of the termination and the reasons for the termination, including the actions considered or taken to avoid the termination. For purposes of this paragraph, the term 'termination' means the expiration of the assistance contract or an owner's refusal to renew the assistance contract.".

(g) Adjustment of Allowable Rent.—Section 8(c) of the United States Housing Act of 1937 (as amended by subsection (f) of this section) is further amended by adding at the end the following new paragraph:

"(10) If an owner provides notice of proposed termination under paragraph (9) and the contract rent is lower than the maximum monthly rent for units assisted under subsection (b)(1), the Secretary shall adjust the contract rent based on the maximum monthly rent for units assisted under subsection (b)(1) and the value of the lower income housing after rehabilitation.".

SEC. 143. HOUSING VOUCHER PROGRAM.

(a) Operation.—Section 8(o) of the United States Housing Act of 1937 is amended—

(1) in the first sentence of paragraph (1), by striking "In" and all that follows through "demonstration program" and inserting "The Secretary may provide assistance";

(2) by striking paragraph (4); and

(3) by redesignating paragraphs (5) through (8) as paragraphs (4) through (7), respectively.

(b) Flexibility To Adjust Assistance Payments.—Section 8(o)(6) of the United States Housing Act of 1937 (as so redesignated by subsection (a) of this section) is amended—

(1) in subparagraph (A), by striking "as frequently as twice during any five-year period" and inserting "annually"; and

(2) by striking subparagraph (D).

(c) Use of Vouchers in Connection With Cooperative and Mutual Housing.—Section 8(o)(7) of the United States Housing Act of 1937 (as so redesignated by subsection (a) of this section) is amended by striking "not to exceed 5 per centum of the amount of".

SEC. 144. ADMINISTRATIVE FEES FOR SECTION 8 CERTIFICATE AND HOUSING VOUCHER PROGRAMS.

(a) In General.—Section 8 of the United States Housing Act of 1937 is amended by adding at the end the following new subsection:

"(q)(1) The Secretary shall establish a fee for the costs incurred in administering the

certificate and housing voucher programs under subsections (b) and (o). The amount of the fee for each month for which a dwelling unit is covered by an assistance contract shall be 8.2 percent of the fair market rental established under subsection (c)(1) for a 2-bedroom existing rental dwelling unit in the market area of the public housing agency. The Secretary may increase the fee if necessary to reflect the higher costs of administering small programs and programs operating over large geographic areas.

"(2)(A) The Secretary shall also establish reasonable fees (as determined by the Secretary) for—

"(i) the costs of preliminary expenses (not to exceed $275) that the public housing agency documents it has incurred in connection with new allocations of assistance under the certificate and housing voucher programs under subsections (b) and (o);

"(ii) the costs incurred in assisting families who experience difficulty (as determined by the Secretary) in obtaining appropriate housing under the programs; and

"(iii) extraordinary costs approved by the Secretary.

"(B) The method used to calculate fees under subparagraph (A) shall be the same for the certificate and housing voucher programs under subsections (b) and (o) and shall take into account local cost differences.".

(b) GAO STUDY.—The Comptroller General of the United States shall prepare and submit to the Congress, not later than October 30, 1987, a report relating to the administrative fees provided for under subsection (q) of section 8 of the United States Housing Act of 1937 specifically addressing—

(1) whether the percentage established in subsection (q)(1) of such section is adequate to cover the costs of administering the certificate and housing voucher programs under subsections (b) and (o) of such section; and

(2) whether the fee system established under subsection (q)(1) of such section should be restructured to reflect the different characteristics and experiences of localities, such as size, geographic location, and vacancy rates.

SEC. 145. PORTABILITY OF SECTION 8 CERTIFICATES AND VOUCHERS.

Section 8 of the United States Housing Act of 1937 (as amended by section 144 of this Act) is further amended by adding at the end the following new subsection:

"(r)(1) Any family assisted under subsection (b) or (o) may receive such assistance to rent an eligible dwelling unit if the dwelling unit to which the family moves is within the same, or a contiguous, metropolitan statistical area as the metropolitan statistical area within which is located the area of jurisdiction of the public housing agency approving such assistance.

"(2) The public housing agency having authority with respect to the dwelling unit to which a family moves under this subsection shall have the responsibility of carrying out the provisions of this subsection with respect to the family. If no public housing agency has authority with respect to the dwelling unit to which a family moves under this subsection, the public housing agency approving the assistance shall have such responsibility.

"(3) In providing assistance under subsection (b) or (o) for any fiscal year, the Secretary shall give consideration to any reduction in the number of resident families incurred by a public housing agency in the preceding fiscal year as a result of the provisions of this subsection.

"(4) The provisions of this subsection may not be construed to restrict any authority of the Secretary under any other provision of law to provide for the portability of assistance under this section.".

SEC. 146. PROHIBITION OF DENIAL OF SECTION 8 CERTIFICATES AND VOUCHERS TO RESIDENTS OF PUBLIC HOUSING.

Section 8 of the United States Housing Act of 1937 (as amended by section 145 of this Act) is further amended by adding at the end the following new subsection:

"(s) In selecting families for the provision of assistance under this section (including subsection (o)), a public housing agency may not exclude or penalize a family solely because the family resides in a public housing project.".

SEC. 147. NONDISCRIMINATION AGAINST SECTION 8 CERTIFICATE HOLDERS AND VOUCHER HOLDERS.

Section 8 of the United States Housing Act of 1937 (as amended by section 146 of this Act) is further amended by adding at the end the following new subsection:

"(t) No owner who has entered into a contract for housing assistance payments under this section on behalf of any tenant in a multifamily housing project shall refuse—

"(1) to lease any available dwelling unit in any such project of such owner that rents for an amount not greater than the fair market rent for a comparable unit, as determined by the Secretary under this section, to a holder of a certificate of eligibility under this section a proximate cause of which is the status of such prospective tenant as a holder of such certificate, and to enter into a housing assistance payments contract respecting such unit; or

"(2) to lease any available dwelling unit in any such project of such owner to a holder of a voucher under subsection (o), and to enter into a voucher contract respecting such unit, a proximate cause of which is the status of such prospective tenant as holder of such voucher.".

SEC. 148. SECTION 8 EVICTIONS DUE TO NONPAYMENT OF RENT.

(a) PRIOR REVIEW OF RENT.—Section 8 of the United States Housing Act of 1937 (as amended by section 147 of this Act) is further amended by adding at the end the following new subsection:

"(u) Each contract for assistance payments under this section shall provide that, before an owner may terminate the lease of a tenant for nonpayment of rent, the public housing agency shall review the situation of the tenant and verify that the rent charged to, and the subsidy provided on behalf of, the tenant have been accurately computed and assessed.".

(b) REGULATIONS.—The Secretary of Housing and Urban Development shall, not later than 90 days after the date of the enactment of this Act, issue regulations to carry out the amendment made by this section.

SEC. 149. ADDITIONAL PROVISIONS RELATING TO SECTION 8 PROGRAM.

(a) LOAN MANAGEMENT AND PROPERTY DISPOSITION PROGRAMS.—Section 8 of the United States Housing Act of 1937 (as amended by section 148 of this Act) is further amended by adding at the end the following new subsection:

"(v)(1) Each contract entered into by the Secretary under this section for loan management assistance shall be for a term of 180 months.

"(2) The Secretary shall extend any expiring contract entered into under this section for loan management assistance or execute a new contract, if the owner agrees to continue providing housing for lower income families during the term of the contract.

"(3) In carrying out the loan management and property disposition programs under this section, the Secretary may not provide housing voucher assistance.".

(b) PROJECT-BASED ASSISTANCE.—Section 8(d)(2) of the United States Housing Act of 1937 is amended by inserting before the period at the end of the last sentence the following: ", except that the Secretary shall permit the public housing agency to approve such attachment with respect to not more than 25 percent of the assistance provided by the public housing agency if the requirements of clause (B) are met".

SEC. 150. RENTAL REHABILITATION AND DEVELOPMENT GRANTS.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 17(a)(3) of the United States Housing Act of 1937 is amended to read as follows:

"(3) AUTHORIZATION.—There are authorized to be appropriated to carry out this section—

"(A) for rental rehabilitation, $75,000,000 for fiscal year 1988; and

"(B) for development grants, $99,550,000 for fiscal year 1988.".

(b) RENTAL REHABILITATION ELIGIBLE PROPERTY.—Section 17(a)(1)(A) of the United States Housing Act of 1937 is amended by inserting after "property" the following: ", or of real property that will be privately owned upon the completion of rehabilitation,".

(c) RENTAL REHABILITATION MAXIMUM GRANT AMOUNT.—Section 17(c)(2)(E) of the United States Housing Act of 1937 is amended by striking "$5,000 per unit" and inserting the following: "$5,000 per unit for a unit with no bedrooms, $6,500 per unit for a unit with 1 or 2 bedrooms, or $7,500 per unit for a unit with 3 or more bedrooms,".

(d) RENTAL REHABILITATION USE OF FUNDS.—Section 17(c) of the United States Housing Act of 1937 is amended by adding at the end the following new paragraph:

"(4) USE OF FUNDS TO COMPLY WITH SEISMIC STANDARDS.—If a unit of general local government has a local ordinance that requires rehabilitation to meet seismic standards, the unit of local government may use all rehabilitation assistance received under this section to rehabilitate units with no bedroom or 1 bedroom, if the occupants of the units will have incomes that do not exceed 50 percent of the median income of the area.".

(e) RENTAL DEVELOPMENT AREA ELIGIBILITY.—Section 17(d)(2) of the United States Housing Act of 1937 is amended by adding at the end the following new sentence: "Notwithstanding any other provision of law, the eligibility requirements for development grants under this section shall be the requirements in effect under this subsection on October 17, 1986.".

(f) RENTAL DEVELOPMENT PROGRAM REQUIREMENTS.—Section 17(d)(4) of the United States Housing Act of 1937 is amended—

(1) in subparagraph (G)—

(A) by striking "24 months" and inserting "36 months";

(B) by striking the following "(36 months after notice in the case of projects for which funding notices were issued prior to July 23, 1985)"; and

(C) by striking "and" at the end;

(2) by striking the period at the end of subparagraph (H) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(I) the owner of each assisted structure agrees to comply with the provisions of paragraph (8) until the 20-year period specified in paragraph (7) has ended.".

(g) DEVELOPMENT COST.—Section 17(d) of the United States Housing Act of 1937 is amended by adding at the end the following new paragraph:

"(10) DEVELOPMENT COST.—The Secretary shall include in the development cost of a project assisted under this subsection any developer's fee if such fee is included in a mortgage secured by the project and the lender is a State housing finance agency, except that the amount of any such fee shall not be counted in calculating the maximum grant amount pursuant to paragraph (4)(B). This paragraph shall only be applicable to projects with respect to which a notice of project selection is received before the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987.".

(h) ADMINISTRATIVE EXPENSES.—Section 17(h) of the United States Housing Act of 1937 is amended by inserting before the period at the end the following: ", except that any State administering resources made available under subsection (b) may retain not more than 10 percent of any grant received under such subsection to cover administrative expenses incurred".

(i) ELIGIBILITY.—Section 17(k)(4) of the United States Housing Act of 1937 is amended—

(1) by inserting "privately owned" before "real property";

(2) by inserting "(A)" after "includes"; and

(3) by inserting before the semicolon at the end the following: ", and (B) housing that is owned by a State or locally chartered, neighborhood based, nonprofit organization the primary purpose of which is the provision and improvement of housing".

(j) APPLICABILITY.—The amendment made by subsection (f)(1) shall be applicable to all grantees, including grantees receiving notice of project selection before the date of the enactment of this Act.

Subtitle B—Multifamily Housing Management and Preservation

SEC. 161. PREPAYMENT OF MORTGAGES.

(a) POLICY, GOALS, AND DEVELOPMENT OF PROGRAM.—

(1) It is the policy of the United States that the Secretary of Housing and Urban Development (in this section referred to as the "Secretary") shall develop, implement, and undertake appropriate policies and programs that will encourage the continued availability, as decent, safe, sanitary, and affordable housing for lower income families, of multifamily rental housing projects that are currently available for such occupancy and are insured or assisted by the Secretary under the National Housing Act, the United States Housing Act of 1937, section 101 of the Housing and Urban Development Act of 1965, or section 201 of the Housing and Community Development Amendments of 1978.

(2) In administering the policy established in this subsection, the Secretary's policies, programs, and actions shall be designed and appropriate to further the goals of—

(A) encouraging, facilitating, and supporting the maintenance of the existing stock of multifamily housing assisted by the Secretary in decent, safe, and sanitary condition, as well as the continued availability and affordability of such housing stock for occupancy by lower income families;

(B) preserving and revitalizing residential neighborhoods; and

(C) minimizing the involuntary displacement of tenants.

(3) In achieving the goals established in this subsection, the Secretary shall, subject to the provisions of this section, respect the rights of owners, including (but not limited to) existing contract rights to prepay mortgages and to convert units to other purposes, to receive a fair and equitable return on their investment, to be able to fully meet outstanding mortgage and other financial obligations secured by or related to the ownership, management, or operation of projects as such obligations become due, and to receive fair market value on any sale or transfer of their property.

(4) Immediately following the date of the enactment of this Act, the Secretary shall undertake a comprehensive identification, examination, and review of all Federal policies, programs, and actions that the Secretary has undertaken or recommended, or might undertake or recommend, in administering the policy established in this subsection, and shall report to the Congress not later than 180 days following such date with the Secretary's findings, recommendations, and current and planned actions. The comprehensive identification, examination, and review shall be conducted by the Secretary using resources of the Department of Housing and Urban Development, which shall be complemented, to the maximum extent practicable, by the technical expertise and resources of outside organizations and institutions with particular expertise, interest, and involvement in the subject matters. The Secretary also shall solicit a wide range of views of owners, tenants, lenders, management companies, State and local governments, finance agencies, and other interested parties and shall include and reflect consideration of the views presented in the Secretary's report to the Congress. In carrying out the Secretary's responsibilities under this paragraph, the Secretary shall invite comment and research on, evaluate and report on, and develop and report on a coordinated program based on, the following:

(A) The adequacy, availability, and utility of the various types of currently available Federal housing subsidy assistance programs in achieving the goals of the policy established in this subsection.

(B) The adequacy, availability, and utility of the various Federal mortgage and loan insurance, purchase, and guarantee programs in facilitating periodically necessary and desirable financing and refinancing of mortgage and other debt secured by or related to multifamily projects assisted by the Secretary, and in otherwise achieving the goals of the policy established in this subsection.

(C) The need for additional or modified Federal housing subsidy, mortgage insurance, purchase or guarantee programs, and for any other additional, modified, or complementary Federal policies, programs, and actions necessary to assure adequate resources to maintain the sound physical and financial condition of the existing stock of multifamily housing assisted by the Secretary, and otherwise to achieve the goals of the policy established in this subsection.

(D) The estimate of potential amounts of budget authority likely to be recaptured (and the timing of such recapture occurring) on prepayment of mortgages and the termination of interest reduction and various housing subsidy assistance contracts, and the repayment of mortgage loans held by the Secretary or the Government National Mortgage Association.

(E) The feasibility of establishing a national nonprofit corporation with the purpose of receiving any amount paid to the Federal Government as part of a prepayment of a loan on a project subsidized by the Secretary and using such amount to purchase other such projects that are eligible for prepayment in order to ensure their continued availability as housing for lower income persons.

(F) Criteria and approaches, consistent with the goals of the policy established in this subsection, for implementing a right of first refusal on the sale of the project at fair market value to a State or local governmental entity, nonprofit organization (including a tenants organization), or other prospective purchaser that agrees to restrict the occupancy of the project for the remaining term of the original mortgage financing on the project or for 20 years, whichever period is longer, to families with incomes that do not exceed 80 percent of the area median income.

(G) Such other matters as the Secretary considers to be appropriate.

(b) NOTICE AND ACTIONS WITH RESPECT TO PROJECTS SUBJECT TO PREPAYMENT APPROVAL BY SECRETARY.—

(1) The Secretary shall publish in the Federal Register, on the first workday of each month, a list organized on a State-by-State basis, of all projects subject to a prepayment approval by the Secretary that will become eligible for prepayment during the same month of the next calendar year.

(2)(A) Each owner of a property subject to a mortgage that includes a prepayment restriction imposed by the Secretary that is or will become eligible for prepayment without the Secretary's approval shall, prior to prepayment of any loan, file a 1-year notice of the intent of the owner to prepay (referred to in this subsection as the "1-year notice"). No prepayment may be made during such 1-year period (referred to in this subsection as the "prohibited period"). The 1-year notice shall be submitted by certified mail to the Secretary, and by first-class mail to the State housing finance agency (or other agency or agencies as designated by the Governor), the tenants of the property, and the local government (referred to in this subsection as "the other interested parties"). Upon the expiration of the prohibited period and subject to the provisions of paragraph (5), the owner may prepay for a period of 1-year (referred to in this subsection as the "permitted period").

(B) The 1-year notice shall include such information as is required by the Secretary (provided disclosure of the information required is consistent with rights of privacy specified in applicable law), including information regarding the financing of the property, the method and term of depreciation utilized for tax purposes, the current rent schedule of the property, and an anonymous profile of the tenants' incomes. If, before 30 days prior to the expiration of the permitted period, the property owner has not prepaid, the owner may again file a 1-year notice, which shall initiate a subsequent permitted period equal to 1-year and commencing at the expiration of the prior permitted period.

(3) The Secretary shall examine, not later than 60 days after the receipt of notice under paragraph (2), each project to determine any possible regulatory or contractual changes that can be made to induce continued use as a lower income housing project. The Secretary, in exchange for a commitment by the owner to continue to use the

project as lower income housing for the term of the mortgage or 20 years (whichever is longer), may take one or more of the following actions:

(A) Phase in an increase in the rate of return on equity.

(B) Phase in access to residual reserves.

(C) Revise the method of calculating equity.

(D) Permit refinancing of the project in order to access the equity.

(E) Provide additional assistance under section 8 of the United States Housing Act of 1937 or increase the rents permitted under an existing contract under such section 8.

(F) Provide any other incentive determined by the Secretary to be appropriate to encourage the retention of lower income housing.

(4) The Secretary may take any of the actions described in subparagraphs (A) through (F) of paragraph (3) only if the Secretary determines that—

(A) the owner will maintain adequate expenditures on maintenance and operation; and

(B) the rent burden of lower income tenants will not be increased to levels that would violate the limitations set forth in section 3 of the United States Housing Act of 1937, section 236 of the National Housing Act, section 101 of the Housing and Urban Development Act of 1965, or section 221(d)(3) of the National Housing Act, as applicable to such tenants.

(5)(A) Not later than 120 days after the receipt of a 1-year notice under paragraph (2), the Secretary shall confer with the other interested parties to determine—

(i) the action the Secretary proposes to take under paragraph (3); and

(ii) the State or local assistance that is available to induce the owner to continue to use the property as lower income housing or to enable a nonprofit organization, public agency, or tenant cooperative to purchase the property.

(B) Not later than 150 days after the receipt of a 1-year notice under paragraph (2), the Secretary shall notify the property owner in writing of the actions proposed by the Secretary under paragraph (3) and other actions proposed by the other interested parties. The owner shall respond in writing to the Secretary not later than 30 days after the receipt of notice under the preceding sentence. If the response of the owner is negative, the response shall identify the specific objections of the owner to the proposed actions or other reasons for the response.

(C) Notwithstanding any action taken by the Secretary, any interested party may submit a proposal in writing by certified mail to the property owner at any time. The owner shall respond in writing to any such proposal within 30 days after the receipt by the owner of such proposal. In no case shall action taken by any party under this subsection excuse the Secretary from the responsibilities imposed upon the Secretary by this section.

(D) If, during the prohibited period or the permitted period—

(i) the property owner receives a bona fide offer to purchase the property, the owner shall notify, by the methods specified in paragraph (2)(A), the Secretary and the other interested parties of the proposed terms and conditions of the offer, and the owner may not enter into any contract that is binding upon the owner for sale of the property (except to a nonprofit organization, tenant cooperative, or public agency that intends to maintain the lower income character of the property) until a 90-day period has expired after receipt by the Secretary of the notice called for in this clause; or

(ii) the property owner obtains a commitment for refinancing of the property that would require prepayment of the loan, the owner shall notify, by the methods specified in paragraph (2)(A), the Secretary and the other interested parties of the terms and conditions of such commitment, and the owner may not enter into any contract binding upon the owner for refinancing the property until a 60-day period has expired after receipt by the Secretary of the notice called for in this clause; or

(iii) the owner elects to prepay the loan (without refinancing or sale) on a date certain, the owner shall notify the Secretary and the other interested parties by the methods specified in paragraph (2)(A) of the date on which the owner intends to prepay the loan on the 90th day prior to such date.

In each of the cases above, the Secretary shall confer with the other interested parties, and each such person or entity may submit a proposal to the owner in writing, which proposal shall be mailed to the owner by certified mail. In the case of an action described in clauses (i) or (iii), such proposal may be submitted so as to be received by the owner not later than 75 days after the receipt of the notice given by the owner to the Secretary, and in the case of an action described in clause (ii), such proposal may be submitted so as to be received by the owner not later than 45 days after the receipt of the notice given by the owner to the Secretary. Prior to the expiration of the 90-day or 60-day period called for under this subparagraph, as applicable, and prior to the execution in binding form of a contract of sale, a commitment for refinancing, or an actual prepayment (without sale or refinancing), the owner shall respond in writing to each such proposal filed within the time period specified above. Upon the expiration of the 90-day or 60-day period called for under this subparagraph, as applicable, the owner may enter into a firm binding contract for sale or refinancing or may prepay the loan without a sale or refinancing.

(E) The Secretary shall take such actions as may be necessary (consistent with the provisions of this section and other applicable law) to induce the property owner to continue to use the property as lower income housing or to facilitate the transfer or sale of the property to a nonprofit organization, tenant cooperative, or public agency that intends to maintain the lower income character of the property.

(F) The failure of the Secretary, the State agency, the tenants of the property, or the local government to take any action pursuant to this subsection shall not prohibit the property owner from prepaying the mortgage.

(G) Upon the expiration of the prohibited period, or, if later, the expiration of the 90-day or 60-day period (as applicable) provided for in subparagraph (D), the property owner may prepay pursuant to this provisions of paragraph (2) and this paragraph. If the owner does not comply with any provision of this section, the owner may not prepay unless the owner submits a subsequent 1-year notice and complies with the provisions of this section.

(c) Funding.—

(1) Any subsidy funds recaptured from contract cancellation, including the proceeds of repayments and sales of loans with below-market interest rates (or sales of beneficial interest loans) that are insured under section 221(d)(3) of the National Housing Act and owned by the Government National Mortgage Association, shall be reserved and, to the extent approved in appropriation Acts, used to assist other projects under section 8 of the United States Housing Act of 1937, under subsection (b), or under paragraph (2).

(2) In the case of any State financed project that was provided a financial adjustment factor under section 8 of the United States Housing Act of 1937 and is being refinanced, 50 percent of the amounts reserved for the project under paragraph (1) shall be made available to the State housing finance agency in the State where the project is located to use to produce new lower income housing.

(d) Amendment to National Housing Act.—Section 250(a)(1) of the National Housing Act is amended by striking "or" and all that follows through "needs" the last place it appears.

SEC. 162. MANAGEMENT AND PRESERVATION OF HUD-OWNED MULTIFAMILY HOUSING PROJECTS.

(a) Goals.—Section 203(a) of the Housing and Community Development Amendments of 1978 is amended by striking "(a)" and all that follows through the semicolon at the end of paragraph (1) and inserting the following:

"(a) The Secretary of Housing and Urban Development (in this section referred to as the 'Secretary') shall manage and dispose of multifamily housing projects that are owned by the Secretary, or that are subject to a mortgage held by the Secretary that is either delinquent, under a workout agreement, or being foreclosed upon by the Secretary, in a manner that is consistent with the National Housing Act and this section and that will, in the least costly fashion among the reasonable alternatives available, further the goals of—

"(1) preserving so that they are available to and affordable by low- and moderate-income persons—

"(A) all units in multifamily housing projects that are subsidized projects or formerly subsidized projects;

"(B) in other multifamily housing projects owned by the Secretary, at least the units that are occupied by low- and moderate-income persons or vacant; and

"(C) in all other multifamily housing projects, at least the units that are, on the date of assignment, occupied by low- and moderate-income persons;".

(b) Management Services.—Section 203(b)(2) of the Housing and Community Development Amendments of 1978 is amended—

(1) by inserting "(A)" after the paragraph designation;

(2) by redesignating clauses (A) through (D) as clauses (i) through (iv), respectively;

(3) by striking ", owned by the Secretary" and inserting the following: "subject to subsection (a) that is owned by the Secretary (or for which the Secretary is mortgagee in possession)";

(4) by striking the period at the end and inserting "; and"; and

(5) by adding at the end the following new subparagraph:

"(B) to require the owner of a multifamily housing project subject to subsection (a) that is not owned by the Secretary (and for which the Secretary is not mortgagee in possession), to contract for management services for the project in the manner described in subparagraph (A).".

(c) Maintaining of Projects.—Section 203(c) of the Housing and Community Development Amendments of 1978 is amended to read as follows:

"(c)(1) In the case of multifamily housing projects subject to subsection (a) that are owned by the Secretary (or for which the Secretary is mortgagee in possession), the Secretary shall—

"(A) to the greatest extent possible, maintain all such occupied projects in a decent, safe, and sanitary condition;

"(B) to the greatest extent possible, maintain full occupancy in all such projects; and

"(C) maintain all such projects for purposes of providing rental or cooperative housing for the longest feasible period.

"(2) In the case of any multifamily housing project subject to subsection (a) that is not owned by the Secretary (and for which the Secretary is not mortgagee in possession), the Secretary shall require the owner of the project to carry out the requirements of paragraph (1).".

(d) Financial Assistance.—Section 203 of the Housing and Community Development Amendments of 1978 is amended—

(1) by redesignating subsections (d) through (g) as subsections (e) through (h), respectively; and

(2) by inserting after subsection (c) the following new subsection:

"(d) In carrying out the goals specified in subsection (a)(1) the Secretary shall take not less than one of the following actions:

"(1) Enter into contracts under section 8 of the United States Housing Act of 1937, to the extent budget authority is available for such section 8, with owners of multifamily housing projects that are acquired at foreclosure or after sale by the Secretary. Such contracts shall provide assistance to the project involved for a period of not less than 15 years. Such contracts shall be sufficient to assist all units in subsidized or formerly subsidized projects, and all units in other projects that are occupied by lower income families eligible for assistance under such section 8 at the time of foreclosure or sale, as the case may be, and all units that are vacant at such time (which units shall be made available for such families as soon as possible). In order to make available to families any units in subsidized or formerly subsidized projects that are occupied by persons not eligible for assistance under such section 8, but that subsequently become vacant, the contract shall also provide that when any such vacancy occurs the owner involved shall lease the available unit to a family eligible for assistance under such section 8. The Secretary shall provide such contracts at contract rents that, consistent with subsection (a), provide for the rehabilitation of such project and do not exceed the most recently adjusted fair market rents for substantially rehabilitated units published by the Secretary in the Federal Register.

"(2) In accordance with the authority provided under the National Housing Act, provide purchase-money mortgages, reduce the selling price, or provide other financial assistance to the owners of multifamily housing projects that are acquired at foreclosure, or after sale by the Secretary, on terms that will ensure that, for a period of not less than 15 years (A) the project will remain available to and affordable by low- and moderate-income persons; and (B) such persons shall pay not more than the amount payable as rent under section 3(a) of the United States Housing Act of 1937.".

(e) Displacement Protection.—Section 203(e)(1) of the Housing and Community Development Amendments of 1978 (as so redesignated by this section) is amended—

(1) by striking "owned by the Secretary" and inserting the following: "subject to subsection (a) that is owned by the Secretary (or for which the Secretary is mortgagee in possession)"; and

(2) by adding at the end the following new sentence: "In the case of a multifamily housing project subject to subsection (a) that is not owned by the Secretary (and for which the Secretary is not mortgagee in possession), the Secretary shall require the owner of the project to carry out the requirements of this paragraph.".

(f) Limitations on Certain Project, Loan, and Mortgage Sales.—Section 203 of the Housing and Community Development Amendments of 1978 is amended—

(1) by redesignating subsections (g) and (h) (as so redesignated by this section) as subsections (h) and (i); and

(2) by inserting before such subsection (h) the following new subsection:

"(g)(1) The Secretary may not approve the sale of any loan or mortgage held by the Secretary (including any loan or mortgage owned by the Government National Mortgage Association) on any subsidized project or formerly subsidized project unless such sale is made as part of a transaction that will ensure that such project will continue to operate at least until the maturity date of such loan or mortgage in a manner that will provide rental housing on terms at least as advantageous to existing and future tenants as the terms required by the program under which the loan or mortgage was made or insured prior to the assignment of the loan or mortgage on such project to the Secretary.

"(2) The Secretary may not approve the sale of any subsidized project (A) that is subject to a mortgage held by the Secretary; or (B) if the sale transaction involves the provision of any additional subsidy funds by the Secretary or a recasting of the mortgage, unless such sale is made as part of a transaction that will ensure that such project will continue to operate at least until the maturity date of the loan or mortgage in a manner that will provide rental housing on terms at least as advantageous to existing and future tenants as the terms required by the program under which the loan or mortgage was made or insured prior to the proposed sale of the project.".

(g) Definitions.—Section 203(h) of the Housing and Community Development Amendments of 1978 (as so redesignated by this section) is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end the following new paragraphs:

"(2) For the purpose of this section, the term 'subsidized project' means a multifamily housing project receiving any of the following assistance immediately prior to the assignment of the mortgage on such project to, or the acquisition of such mortgage by, the Secretary:

"(A) below market interest rate mortgage insurance under the proviso of section 221(d)(5) of the National Housing Act;

"(B) interest reduction payments made in connection with mortgages insured under section 236 of the National Housing Act;

"(C) rent supplement payments under section 101 of the Housing and Urban Development Act of 1965;

"(D) direct loans at below market interest rates, made under section 202 of the Housing Act of 1959 or to a multifamily housing project under section 312 of the Housing Act of 1964; or

"(E) housing assistance payments made under section 23 of the United States Housing Act of 1937 (as in effect before January 1, 1975) or section 8 of the United States Housing Act of 1937 (other than subsection (b)(1) of such section), without regard to whether such payments are made to all or a portion of the units in the project.

"(3) For the purpose of this section, the term 'formerly subsidized project' means a multifamily housing project owned by the Secretary that was a subsidized project immediately prior to its acquisition by the Secretary.".

SEC. 163. ACQUISITION OF INSURED MULTIFAMILY HOUSING PROJECTS.

Section 207(k) of the National Housing Act is amended by inserting after the second sentence the following new sentence: "In determining the amount to be bid, the Secretary shall act consistently with the goal established in section 203(a)(1) of the Housing and Community Development Amendments of 1978.".

SEC. 164. TENANT PARTICIPATION IN MULTIFAMILY HOUSING PROJECTS.

(a) Applicability.—Section 202(a) of the Housing and Community Development Amendments of 1978 is amended by inserting before the period at the end the following: "or section 202 of the Housing Act of 1959".

(b) Notice and Comment.—Section 202(b)(1) of the Housing and Community Development Amendments of 1978 is amended—

(1) by striking "or" the third place it appears;

(2) by inserting after "alterations," the following: "transfer of physical assets, or application for capital improvements loan,"; and

(3) by striking "and the Secretary deems it appropriate" and inserting the following: "or where the Secretary proposes to sell a mortgage secured by a multifamily housing project".

(c) Nondiscrimination Against Section 8 Certificate Holders and Voucher Holders.—No owner of a subsidized project (as defined in section 203(h)(2) of the Housing and Community Development Amendments of 1978, as amended by section 162 of this Act) shall refuse—

(1) to lease any available dwelling unit in any such project of such owner that rents for an amount not greater than the fair market rent for a comparable unit, as determined by the Secretary under section 8 of the United States Housing Act of 1937, to a holder of a certificate of eligibility under such section a proximate cause of which is the status of such prospective tenant as a holder of such certificate, and to enter into a housing assistance payments contract respecting such unit; or

(2) to lease any available dwelling unit in any such project of such owner to a holder of a voucher under section 8(o) of such Act, and to enter into a voucher contract respecting such unit, a proximate cause of which is the status of such prospective tenant as holder of such voucher.

SEC. 165. TROUBLED MULTIFAMILY HOUSING PROJECTS.

(a) Condition of Subsidy.—Section 201(d)(1) of the Housing and Community Development Amendments of 1978 is amended by inserting before the semicolon at the end the following: "and to apply for sufficient assistance under section 8 of the United States Housing Act of 1937 or any other appropriate Federal, State, or local government housing assistance program to

permit the owner to maintain both the financial soundness and the low- and moderate-income character of the project (and for which the Secretary shall submit to the Congress a request for sufficient Federal funds for the contract period), except that the agreement shall also provide (in the case of a project that, prior to the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, received assistance under this section) that the agreement of the owner to maintain units for families whose incomes do not exceed 50 percent of the area median income for such period shall be binding only as long as the project or the families living in the projects receive Federal, State, or local government housing assistance sufficient to permit the owner to maintain the financial soundness of the project".

(b) REVOLVING FUND.—Section 201 of the Housing and Community Development Amendments of 1978 is amended by adding at the end the following new subsection:

"(k)(1) There is established in the Treasury of the United States a revolving fund, to be known as the Flexible Subsidy Fund.

"(2) The Fund shall consist of any amount appropriated under this section, any amount appropriated for use under this section pursuant to section 236(f)(3) of the National Housing Act, and any other amount received by the Secretary under this section.

"(3) The Fund shall, to the extent approved in appropriation Acts, be available to the Secretary to provide assistance under this section (including assistance for capital improvements).".

SEC. 166. MULTIFAMILY HOUSING DISPOSITION PARTNERSHIP.

(a) ESTABLISHMENT OF DEMONSTRATION PROGRAM.—The Secretary of Housing and Urban Development shall carry out a program to demonstrate the effectiveness of disposing of distressed multifamily housing projects owned by the Department of Housing and Urban Development through a partnership with the Massachusetts Housing Finance Agency. The demonstration program shall be designed to determine the feasibility of entering into similar relationships with other State housing finance agencies.

(b) REQUIREMENTS OF DEMONSTRATION PROGRAM.—

(1) OPPORTUNITY TO PARTICIPATE IN SALE.—Not less than 30 days before offering to sell any multifamily housing project that is located in the State of Massachusetts and subject to section 204 of the Housing and Community Development Amendments of 1978, the Secretary shall—

(A) notify the Agency of the plan of the Secretary to sell the project; and

(B) provide the Agency with the option to provide the long-term financing for the sale of the project through the co-insurance program of the Secretary, if the project complies with the State laws applicable to the Agency.

(2) TERMS OF PARTICIPATION.—If the Agency agrees to participate in the sale of a project under this section, the terms of the sale shall be as follows:

(A) The Agency shall provide a loan to the purchaser of the property.

(B) The mortgage securing the loan shall be insured by the Secretary and the Agency under paragraph (3) or (4) of section 221(d) of the National Housing Act.

(3) COOPERATIVE AGREEMENT.—Not later than the expiration of the 3-month period beginning on the date of the enactment of this Act, the Secretary shall enter into a cooperative agreement with the Agency to carry out the demonstration program under this section.

(c) TERMINATION OF DEMONSTRATION PROGRAM.—

(1) IN GENERAL.—Except as provided in paragraph (2), the demonstration program under this section shall terminate upon the expiration of the 3-year period beginning on the date of the enactment of this Act.

(2) CONTINUATION OF PROGRAM.—

(A) The Secretary may continue the demonstration program under this section after the termination date established in paragraph (1) for such additional period as the Secretary determines to be appropriate.

(B) The Secretary shall continue the demonstration program under this section with respect to any project for which the Secretary notifies the Agency under subsection (b)(1)(A) before the termination date established in paragraph (1) or under subparagraph (A).

(d) REPORT TO CONGRESS.—Not later than 6 months after the termination date established in subsection (c)(1), the Secretary shall submit to the Congress a report evaluating the effectiveness of the demonstration program under this section as a national model for the disposition of distressed multifamily housing projects owned by the Department of Housing and Urban Development.

(e) DEFINITIONS.—For purposes of this section:

(1) The term "Agency" means the Massachusetts Housing Finance Agency.

(2) The term "Secretary" means the Secretary of Housing and Urban Development.

Subtitle C—Multifamily Housing Preservation Loans

SEC. 171. PURPOSE.

The purpose of this subtitle is to provide loans to the owners of certain multifamily housing projects assisted by the Secretary of Housing and Urban Development to permit such owners to make capital improvements required to maintain such projects as decent, safe, and sanitary housing and to maintain the low- and moderate-income character of such projects.

SEC. 172. DEFINITIONS.

For purposes of this subtitle:

(1) The term "capital improvement" means any major repair or replacement of a capital item in a multifamily housing project, including any such repair or replacement required as a result of deferred or inadequate maintenance. Such term does not include maintenance of any such item.

(2) The term "Fund" means the Multifamily Housing Preservation Fund established in section 176.

(3) The term "lower income families" has the meaning given such term in section 3(b)(2) of the United States Housing Act of 1937.

(4) The term "low- and moderate-income character" means the character of a multifamily housing project with respect to tenant admission and rental charges that have been agreed to by the owner of such project and the Secretary in connection with assistance or insurance provided by the Secretary.

(5) The term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 173. AUTHORITY TO PROVIDE LOANS.

(a) IN GENERAL.—The Secretary may provide and, to the extent approved in appropriation Acts, contract to provide loans to owners of rental or cooperative housing projects meeting the requirements of this subtitle for purposes of assisting such owners to make capital improvements required to maintain such projects as decent, safe, and sanitary housing and to maintain the low- and moderate-income character of such projects.

(b) APPLICATIONS.—Applications for loans under this subtitle shall be made in such form, and in accordance with such procedures, as the Secretary may prescribe.

SEC. 174. ELIGIBILITY FOR LOANS.

(a) PROJECT REQUIREMENTS.—The owner of any rental or cooperative housing project shall be eligible for a loan under this subtitle only if such project—

(1)(A) is assisted under section 236 of the National Housing Act, the proviso of section 221(d)(5) of the National Housing Act, or section 101 of the Housing and Urban Development Act of 1965, without regard to whether such project is insured under the National Housing Act;

(B) is assisted under section 8 of the United States Housing Act of 1937 following conversion to such assistance from assistance under section 236(f)(2) of the National Housing Act or section 101 of the Housing and Urban Development Act of 1965;

(C) is assisted under section 23 of the United States Housing Act of 1937, as in effect before January 1, 1975; or

(D) was a project described in subparagraph (A) before the acquisition of such project by the Secretary, and has been sold by the Secretary subject to an agreement that provides that the low- and moderate-income character of such project will be maintained; and

(2) meets such other requirements consistent with the purposes of this subtitle as the Secretary may prescribe.

(b) LOAN AND BORROWER REQUIREMENTS.—No loan may be provided under this subtitle to the owner of any rental or cooperative housing project unless the Secretary determines that—

(1) such loan, when considered with other resources available to and financially feasible for such project, is necessary for such owner to make capital improvements with respect to capital items that have failed, or are likely to seriously deteriorate or fail in the near future, in such project;

(2) the owner of such project agrees to contribute assistance to such project in such amounts, from such sources, and in such manner as the Secretary determines to be appropriate, except that—

(A) such contribution shall not be less than 20 percent of the total estimated cost of the capital improvements involved, unless the Secretary, upon application of the owner, determines that such contribution is financially infeasible and waives or reduces such contribution to the extent necessary;

(B) the Secretary may not require an amount to be contributed, from the reserve funds established by the owner of such project for the purpose of making capital improvements, in excess of 50 percent of the amount of such reserve funds on the date of such loan; and

(C) the Secretary shall waive the requirements of this paragraph if such owner is a private nonprofit corporation or association;

(3) the owner of such project agrees to maintain the low- and moderate-income character of such project for a period of not less than the remaining term of the project mortgage;

(4) the management of such project is conducted by persons who meet levels of competency and experience prescribed by the Secretary and are approved by the Secretary;

(5) such project is structurally sound, or will be made structurally sound as a result of the capital improvements involved, as determined on the basis of information obtained as a result of an onsite inspection of such project;

(6) such loan, when considered with other resources available to and financially feasible for such project, will maintain the financial soundness of such project;

(7) such project is operated and managed in accordance with a management improvement and operating plan that has been determined to be necessary and approved by the Secretary and that includes the following:

(A) a detailed maintenance schedule;

(B) a schedule for correcting past deficiencies in maintenance, repairs, and replacements;

(C) a plan to upgrade the capital items being improved, and any other capital items determined by the Secretary to be associated with such capital items being improved and to require upgrading, to meet cost-effective energy efficiency standards prescribed by the Secretary;

(D) a plan to improve or maintain financial and management control systems;

(E) a detailed annual operating budget taking into account such standards for operating costs in the area as may be determined by the Secretary to be appropriate; and

(F) such other items as the Secretary may determine to be appropriate;

(8) the reserve funds established by the owner of such project for the purpose of making capital improvements are insufficient to finance both the capital improvements for which such loan is requested and other capital improvements that are reasonably expected to be required in the near future, and such insufficiency is not the result of the failure of such owner to comply with any standard established by the Secretary for management of such reserve funds; and

(9) such loan will be less costly to the Federal Government than other reasonable alternatives available to the Secretary for maintaining the low- and moderate-income character of such project.

(c) PRIORITIES IN PROVIDING LOANS.—In providing, and contracting to provide, loans under this subtitle, the Secretary shall give priority to—

(1) the extent to which the capital improvements for which such loans are requested are immediately required;

(2) the extent to which the projects for which such loans are requested serve as the residences of lower income families, and the extent to which other suitable housing is unavailable for such families in the areas in which such projects are located;

(3) the extent to which the capital improvements for which such loans are requested involve the life, safety, or health of the residents of the projects or involve major capital improvements in the projects; and

(4) projects that demonstrate the greatest financial distress, while continuing to meet the requirements of subsection (b)(6).

SEC. 175. AMOUNT AND CONDITIONS OF LOANS.

(a) PRINCIPAL AMOUNT OF LOANS.—Subject to section 174(b)(2), the principal amount of any loan provided under this subtitle to the owner of any project shall not exceed 80 percent of the sum of—

(1) the amount determined by the Secretary to be necessary for such owner to make capital improvements with respect to capital items that have failed, or are likely to seriously deteriorate or fail in the near future, in such project;

(2) the amount determined by the Secretary to be necessary to carry out a plan to upgrade the capital items being improved, and any other capital items determined by the Secretary to be associated with such capital items being improved and to require upgrading, to meet cost-effective energy efficiency standards prescribed by the Secretary; and

(3) the amount determined by the Secretary to be necessary to comply with the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

(b) CONDITIONS OF LOANS.—

(1) The term of any loan provided under this subtitle shall not exceed the remaining term of the mortgage on the project with respect to which such loan is provided.

(2) Subject to subsection (c), each loan provided under this subtitle shall bear interest at a rate determined by the Secretary that is not more than 3 percentage points below a rate determined by the Secretary of the Treasury taking into consideration the average interest rate on all interest bearing obligations of the United States then forming a part of the public debt, computed at the end of the fiscal year next preceding date on which the loan is made, adjusted to the nearest 1/8 of 1 percent, plus an allowance adequate in the judgment of the Secretary of Housing and Urban Development to cover administrative costs and probable losses under the program, except that such interest rate plus such allowance shall not exceed 6 percent per annum nor be less than 3 percent per annum.

(3) Each loan provided under this subtitle shall be considered to be a liability of the project involved, and shall not be dischargeable in any bankruptcy proceeding under section 727, 1141, or 1328(b) of title 11, United States Code.

(4) The Secretary may establish such additional conditions on loans provided under this subtitle as the Secretary determines to be appropriate.

(5) The Secretary may provide more than one loan to any project under this subtitle, if each such loan complies with the provisions of this subtitle.

(c) MINIMIZATION OF RENT INCREASES.—In order to minimize any increases in rental payments that may occur as a result of the debt service and other expenses of a loan provided under this subtitle, and that would be incurred by residents of the project involved whose rental payments are, or would as a result of such expenses be, in excess of the amount allowable if section 3(a) of the United States Housing Act of 1937 were applicable to such residents, the Secretary may take any or all of the following actions:

(1) Provide assistance with respect to such project under section 8(b)(1) of the United States Housing Act of 1937, to the extent amounts are available for such assistance and without regard to section 16 of such Act.

(2) Reduce the rate of interest charged on such loan to a rate of not less than 1 percent.

(3) Increase the term of such loan to a term that does not exceed the remaining term of the mortgage on such project.

(4) Increase the amount of assistance to be provided by the owner of such project under section 174(b)(2), if applicable, to an amount not to exceed 30 percent of the total estimated cost of the capital improvements involved.

SEC. 176. MULTIFAMILY HOUSING PRESERVATION FUND.

(a) ESTABLISHMENT OF FUND.—For purposes of carrying out the provisions of this subtitle, there is established in the Treasury of the United States a revolving fund, to be known as the Multifamily Housing Preservation Fund. The Fund shall, to the extent approved in appropriation Acts, be available to the Secretary for purposes of carrying out the provisions of this subtitle.

(b) ASSETS OF FUND.—The Fund shall consist of (1) any amount appropriated under section 178; (2) any amount repaid on a loan provided under this subtitle; and (3) any other amount received by the Secretary under this subtitle.

(c) MANAGEMENT OF FUND.—Any amounts in the Fund determined by the Secretary to be in excess of the amounts currently required to carry out the provisions of this subtitle shall be invested by the Secretary in obligations of, or obligations guaranteed as to both principal and interest by, the United States or any agency of the United States.

SEC. 177. REGULATIONS.

The Secretary shall, not later than the expiration of the 180-day period following the date of the enactment of this Act, issue such regulations as may be necessary to carry out the provisions of this subtitle.

SEC. 178. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out the provisions of this subtitle $50,000,000 for fiscal year 1988. Any amount appropriated under this section shall be deposited in the Fund and shall remain available until expended.

Subtitle D—Other Housing Assistance Programs

SEC. 181. HOUSING FOR THE ELDERLY AND HANDICAPPED.

(a) BORROWING AUTHORITY.—The first sentence of section 202(a)(4)(B)(i) of the Housing Act of 1959 is amended—

(1) by striking "and" the first place it appears; and

(2) by inserting after "1984," the following: "and to such sums as may be approved in appropriation Acts for fiscal year 1988,".

(b) LOAN AUTHORITY.—Section 202(a)(4)(C) of the Housing Act of 1959 is amended by adding at the end the following new sentence: "Not more than $621,701,000 may be approved in appropriation Acts for such loans for fiscal year 1988.".

(c) INTEREST RATE LIMITATION.—Section 223(a) of the Housing and Urban-Rural Recovery Act of 1983 is amended by striking paragraph (2).

(d) APPEAL OF CANCELLATION OF LOAN AUTHORITY.—Section 202 of the Housing Act of 1959 is amended by adding at the end the following new subsection:

"(n) The Secretary shall notify the project sponsor not less than 30 days prior to canceling any loan authority provided under this section. During the 30-day period following the receipt of a notice under paragraph (1), a sponsor may appeal the proposed cancellation of loan authority. Such appeal, including review by the Secretary, shall be completed not later than 45 days after the appeal is filed.".

(e) PRIORITY.—Section 202(a) of the Housing Act of 1959 is amended by adding at the end the following new paragraph:

"(8) In reviewing applications for loans under this section, the Secretary shall give a priority to any project that will provide housing designed to replace a structure that is owned by a public housing agency, contains not less than 100 dwelling units, is used for housing only elderly families, and is to be demolished.".

(f) COMMUNITY PARTICIPATION.—

(1) Section 202(a) of the Housing Act of 1959 (as amended by subsection (e) of this

section) is further amended by adding at the end the following new paragraph:

"(9) To the maximum extent practicable, the Secretary shall encourage each corporation to provide for appropriate community participation in the development of the housing project assisted under this section.".

(2) Section 202(d)(2)(B) of the Housing Act of 1959 is amended to read as follows:

"(B) that owns and is responsible for the operation of the housing project assisted under this section; and".

SEC. 182. HOUSING FOR THE HANDICAPPED.

(a) FINDINGS AND PURPOSE.—

(1) The Congress finds that—

(A) housing for nonelderly handicapped families is assisted under section 202 of the Housing Act of 1959 and section 8 of the United States Housing Act of 1937;

(B) the housing programs under such sections are designed and implemented primarily to assist rental housing for elderly and nonelderly families and are often inappropriate for dealing with the specialized needs of the physically impaired, the developmentally disabled, and the chronically mentally ill;

(C) the development of housing for nonelderly handicapped families under such programs is often more expensive than necessary, thereby reducing the number of such families that can be assisted with available funds;

(D) the program under section 202 of the Housing Act of 1959 can continue to provide direct loans to finance group residences and independent apartments for nonelderly handicapped families, but can be made more efficient and less costly by the adoption of standards and procedures applicable only to housing for such families;

(E) the cost containment policies currently being implemented in the development of small group homes (i) do not adequately reflect the necessity for building designs to meet the needs of the designated residents; and (ii) do not recognize necessary State and local standards for the operation of such homes;

(F) the use of the program under section 8 of the United States Housing Act of 1937 to assist rentals for housing for nonelderly handicapped families is time consuming and unnecessarily costly and, in some areas of the Nation, prevents the development of such housing;

(G) the use of the program under section 8 of the United States Housing Act of 1937 to assist rentals for housing for nonelderly handicapped families should be replaced by a more appropriate subsidy mechanism;

(H) both elderly and handicapped housing projects assisted under section 202 of the Housing Act of 1959 will benefit from an increased emphasis on supportive services and a greater use of State and local funds; and

(I) an improved program for nonelderly handicapped families will assist in providing shelter and supportive services for mentally ill persons who might otherwise be homeless.

(2) The purpose of this section is to improve the direct loan program under section 202 of the Housing Act of 1959 to ensure that such program meets the special housing and related needs of nonelderly handicapped families.

(b) HOUSING FOR HANDICAPPED FAMILIES.—

(1) Section 202(h) of the Housing Act of 1959 is amended to read as follows:

"(h)(1) Of the amounts made available in appropriation Acts for loans under subsection (a)(4)(C) for any fiscal year commencing after September 30, 1987, not less than 15 percent shall be available for loans for the development costs of housing for handicapped families. If the amount required for any such fiscal year for approvable applications for loan under this subsection is less than the amount available under this paragraph, the balance shall be made available for loans under other provisions of this section.

"(2) The Secretary shall take such actions as may be necessary to ensure that—

"(A) funds made available under this subsection will be used to support a variety of methods of meeting the needs primarily of nonelderly handicapped families by providing a variety of housing options, ranging from small group homes to independent living complexes; and

"(B) housing for handicapped families assisted under this subsection will provide families occupying units in such housing with an assured range of services specified in subsection (f), will provide such families with opportunities for optimal independent living and participation in normal daily activities, and will facilitate access by such families to the community at large and to suitable employment opportunities within such community.

"(3)(A) In allocating funds under this subsection, and in processing applications for loans under this section and assistance payments under paragraph (4), the Secretary shall adopt such distinct standards and procedures as the Secretary determines appropriate due to differences between housing for handicapped families and other housing assisted under this section. In adopting such standards, the Secretary shall ensure adequate participation by representatives of the disability community through the provisions available under the Federal Advisory Committee Act.

"(B) The Secretary may, on a demonstration basis, determine the feasibility and desirability of reducing processing time and costs for housing for handicapped families by limiting project design to a small number of prototype designs. Any such demonstration shall be limited to the 3-year period following the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, may only involve projects whose sponsors consent to participation in such demonstration, and shall be described in a report submitted by the Secretary to the Congress following completion of such demonstration.

"(4)(A) The Secretary shall, to the extent approved in appropriation Acts, enter into contracts with owners of housing for handicapped families receiving loans under, or meeting the requirements of, this section to make monthly payments to cover any part of the costs attributed to units occupied (or, as approved by the Secretary, held for occupancy) by lower income families that is not met from project income. The annual contract amount established initially for any project shall not exceed the sum of the initial annual project rentals for all units and any initial utility and services allowances for such units, as approved by the Secretary. Any contract amounts not used by a project in any year shall remain available to the project until the expiration of the contract. The term of a contract entered into under this subparagraph shall be 240 months. The annual contract amount may be adjusted by the Secretary if the sum of the project income and the amount of assistance payments available under this subparagraph are inadequate to provide for reasonable project costs. In the case of an intermediate care facility in which there reside families assisted under title XIX of the Social Security Act, project income under this subparagraph shall include the same amount as if such families were being assisted under title XVI of the Social Security Act.

"(B) The Secretary shall approve initial project rentals for any project assisted under this subsection based on the determination of the Secretary of the total actual necessary and reasonable costs of developing and operating the project, taking into consideration the need to contain costs to the extent practicable and consistent with the purposes of the project and this section.

"(C) The Secretary shall require that, during the term of each contract entered into under subparagraph (A), all units in a project assisted under this subsection shall be made available for occupancy by lower income families, as such term is defined in section 3(b)(2) of the United States Housing Act of 1937. The rent payment required of a lower income family shall be determined in accordance with section 3(a) of such Act, except that the gross income of a family occupying an intermediate care facility assisted under title XIX of the Social Security Act shall be the same amount as if the family were being assisted under title XVI of the Social Security Act.

"(D) The Secretary shall coordinate the processing of an application for a loan for housing for handicapped families under this section and the processing of an application for assistance payments under this paragraph for such housing.".

(2) Section 202(d) of the Housing Act of 1959 is amended by adding at the end the following new paragraphs:

"(9) The term 'housing for handicapped families' means housing and related facilities to be occupied by handicapped families who are primarily nonelderly handicapped families.

"(10) The term 'nonelderly handicapped families' means elderly or handicapped families, the head of which (and spouse, if any) is less than 62 years of age at the time of initial occupancy of a project assisted under this section.".

(3) Section 202(c)(3) of the Housing Act of 1959 is amended by inserting after "section" the following: "and designed for dwelling use by 12 or more elderly or handicapped families".

(c) SUPPORTIVE SERVICES FOR ELDERLY AND HANDICAPPED FAMILIES.—Section 202(f) of the Housing Act of 1959 is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end the following new paragraph:

"(2) Each applicant for a loan under this section for housing and related facilities shall submit with the application a supportive services plan describing—

"(A) the category or categories of families such housing and facilities are intended to serve;

"(B) the range of necessary services to be provided to the families occupying such housing;

"(C) the manner in which such services will be provided to such families; and

"(D) the extent of State and local funds available to assist in the provision of such services.".

(d) TERMINATION OF SECTION 8 ASSISTANCE.—On and after the first date that amounts approved in an appropriation Act for any fiscal year become available for contracts under section 202(h)(4)(A) of the Housing Act of 1959, as amended by subsection (b) of

this section, no project for handicapped (primarily nonelderly) families approved for such fiscal year pursuant to section 202 of such Act shall be provided assistance payments under section 8 of the United States Housing Act of 1937, except pursuant to a reservation for a contract to make such assistance payments that was made before the first date that amounts for contracts under such section 202(h)(4)(A) became available.

(e) Implementation.—Not later than the expiration of the 120-day period following the date of the enactment of this Act, the Secretary of Housing and Urban Development shall, to the extent amounts are approved in an appropriation Act for use under section 202(h)(4)(A) of the Housing Act of 1959 for fiscal year 1988, publish in the Federal Register a notice of fund availability to implement the provisions of, and amendments made by, this section. The Secretary shall issue such rules as may be necessary to carry out such provisions and amendments for fiscal year 1988 and thereafter.

(f) Effective Date and Applicability.—

(1) Except as otherwise provided in this section, the provisions of, and amendments made by, this section shall not apply with respect to projects with loans or loan reservations made under section 202 of the Housing Act of 1959 before the implementation date under subsection (e).

(2) Notwithstanding paragraph (1), the Secretary may apply the provisions of, and amendments made by, this section to any project in order to facilitate the development of such project in a timely manner.

SEC. 183. SECTION 235 HOMEOWNERSHIP PROGRAM.

The second sentence of section 235(h)(1) of the National Housing Act is amended by inserting after the third sentence the following new sentence: "Any amount of budget authority under this section that is recaptured by the Secretary shall be made available for new contracts for assistance payments under this section.".

SEC. 184. CONGREGATE SERVICES.

(a) Authorization of Appropriations.—Section 411(a) of the Congregate Housing Services Act of 1978 is amended to read as follows:

"(a) There is authorized to be appropriated to carry out this title $13,000,000 for fiscal year 1988.".

(b) Deletion of Reference to Program as Nonpermanent.—Section 408 of the Congregate Housing Services Act of 1978 is amended by striking subsection (c).

(c) Report.—Section 408 of the Congregate Housing Services Act of 1978 (as amended by subsection (b) of this section) is further amended by adding at the end the following new subsection:

"(c)(1) The Secretary shall contract with a university or qualified research institution to produce a report—

"(A) documenting the number of elderly living in federally assisted housing at risk of institutionalization;

"(B) studying and comparing alternative delivery systems in the States, including the congregate housing services program, to provide services to older persons in assisted congregate housing;

"(C) assessing existing and potential financial resources at the Federal, State, and local levels for the support of congregate housing services; and

"(D) making legislative recommendations as to the feasibility of permitting State housing agencies to participate and operate the program on a matching grant basis.

"(2) The Secretary shall submit the report to the Congress not later than September 30, 1988.".

SEC. 185. PROCEDURES AND POLICIES FOR MANDATORY MEAL PROGRAMS IN ASSISTED HOUSING FOR THE ELDERLY.

(a) Exemptions From Meal Programs.—

(1) Required exemptions.—The owner of any assisted housing for the elderly that requires tenants to participate in a meal program shall grant a tenant an exemption from such participation if—

(A) the program cannot satisfactorily accommodate the special dietary or health needs of the tenant, as certified by the physician of the tenant;

(B) the program cannot satisfactorily accommodate the special diet or food practices of the tenant;

(C) participation in the program substantially interferes with the employment of the tenant; or

(D) participation in the program constitutes an unbearable financial hardship on the tenant, taking into consideration the cost to the tenant of meals not covered by the program and other necessary living costs remaining after payment of charges for the program.

(2) Additional exemptions.—The owner of any assisted housing for the elderly that requires tenants to participate in a meal program may grant a tenant an exemption from such participation for any additional reason determined by the owner to be appropriate.

(b) Financial Assistance.—The owner of any assisted housing for the elderly that requires tenants to participate in a meal program may, in lieu of granting an exemption under subsection (a)(1)(D), provide the tenant with financial assistance toward the cost of participation in the program.

(c) Acceptance of Food Stamps as Payment.—The owner of any assisted housing for the elderly that requires tenants to participate in a meal program shall accept food stamps toward payment for the meals included in such program.

(d) Notice and Right To Contest.—

(1) Notice.—The owner of any assisted housing for the elderly that requires tenants to participate in a meal program shall inform tenants of the exemptions listed under subsection (a)(1) and any additional exemptions determined by the owner to be appropriate under subsection (a)(2), as well as the right to appeal a denial of exemption pursuant to paragraph (2).

(2) Right to contest.—The tenant shall have the right to appeal any denial of a request for exemption to the Secretary or his designee and the Secretary or his designee is authorized to hear and decide such appeals.

(e) Definitions.—For purposes of this section:

(1) The term "assisted housing" means housing that is assisted under section 202 of the Housing Act of 1959, section 236 of the National Housing Act, or section 8 of the United States Housing Act of 1937.

(2) The term "elderly" means any individual who is not less than 62 years of age or any family the head of which (or whose spouse) is not less than 62 years of age.

(f) Regulations.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out this section.

SEC. 186. MODIFICATION OF RESTRICTION ON USE OF ASSISTED HOUSING BY ALIENS.

(a) Aliens Admitted for Lawful Residence.—Section 214(a) of the Housing and Community Development Act of 1980 is amended—

(1) by striking "or" at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting "; or"; and

(3) by adding at the end the following new paragraph:

"(6) an alien lawfully admitted for temporary residence under section 245A of the Immigration and Nationality Act.".

(b) Preservation of Families.—Section 214 of the Housing and Community Development Act of 1980 is amended by inserting after subsection (b) the following new subsection:

"(c)(1) The restriction established in subsection (a) shall not apply to—

"(A) any family in which any member is a citizen of the United States, a national of the United States, or an alien resident of the United States described in any of the paragraphs (1) through (6) of subsection (a); or

"(B) the continued provision of any financial assistance commenced before the effective date of the regulations issued to carry out this subsection.

"(2) Notwithstanding any other provision of law, the Secretary of Housing and Urban Development may not make financial assistance available for the benefit of—

"(A) any alien who—

"(i) has a residence in a foreign country that such alien has no intention of abandoning;

"(ii) is a bona fide student qualified to pursue a full course of study; and

"(iii) is admitted to the United States temporarily and solely for purposes of pursuing such a course of study at an established institution of learning or other recognized place of study in the United States, particularly designated by such alien and approved by the Attorney General after consultation with the Department of Education of the United States, which institution or place of study shall have agreed to report to the Attorney General the termination of attendance of each nonimmigrant student (and if any such institution of learning or place of study fails to make such reports promptly the approval shall be withdrawn); and

"(B) the alien spouse and minor children of any alien described in subparagraph (A), if accompanying such alien or following to join such alien.".

(c) Verification Procedures.—Section 214(d) of the Housing and Community Development Act of 1980 (as added by section 121(a)(2) of the Immigration Reform and Control Act of 1986 (Public Law 99-603)) is amended—

(1) in paragraph (2), by inserting after "States" the following: "and is not 62 years of age or older";

(2) in paragraph (4), in the matter before subparagraph (A)—

(A) by inserting after "States" the following: "and is not 62 years of age or older"; and

(B) by inserting "or recertification" after "application";

(3) in paragraph (4)(A)(i), by inserting after the comma the following: "or to appeal the verification determination of the Immigration and Naturalization Service under paragraph (3),";

(4) in paragraph (4)(B), by striking the matter before clause (i) and inserting the following:

"(B) if any documents or additional information are submitted as evidence under subparagraph (A), or if appeal is made to the Immigration and Naturalization Service with respect to the verification determination of the Service under paragraph (3)—";

(5) in paragraph (4)(B)(i), by inserting "or additional information" after "documents";

(6) in paragraph (4)(B)(ii), by inserting "or appeal" after "verification";

(7) by inserting after paragraph (5) the following new paragraph:

"(6) For purposes of paragraph (5)(B), the applicable fair hearing process made available with respect to any individual shall include not less than the following procedural protections:

"(A) The Secretary shall provide the individual with written notice of the determination described in paragraph (5) and of the opportunity for a hearing with respect to the determination.

"(B) Upon timely request by the individual, the Secretary shall provide a hearing before an impartial hearing officer designated by the Secretary, at which hearing the individual may produce evidence of a satisfactory immigration status.

"(C) Not later than 45 days after the date of the request of the individual for a hearing, the Secretary shall notify the individual in writing of the decision of the hearing officer on the appeal of the determination.

"(D) Financial assistance may not be denied or terminated until the completion of the hearing process."; and

(8) by striking the last sentence and inserting the following: "For purposes of this subsection, the term 'Secretary' means the Secretary of Housing and Urban Development, a public housing agency, or another entity that determines the eligibility of an individual for financial assistance.".

(d) Enforcement Procedures.—Section 214(e) of the Housing and Community Development Act of 1980 (as added by section 121(a)(2) of the Immigration Reform and Control Act of 1986 (Public Law 99-603)) is amended—

(1) in the matter before paragraph (1), by inserting "of Housing and Urban Development" after "Secretary";

(2) in paragraph (2), by inserting after "(d)(4)(A)(ii)" the following: "(or under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Public Law 99-603))";

(3) in paragraph (3), by inserting after "(d)(4)(B)(ii)" the following: "(or under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Public Law 99-603))"; and

(4) in paragraph (4), by inserting after "(d)(5)(B)" the following: "(or provided for under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Public Law 99-603))".

(e) Reimbursement for Costs of Implementation.—

(1) Section 214 of the Housing and Community Development Act of 1980 (as amended by section 121(a)(2) of the Immigration Reform and Control Act of 1986 (Public Law 99-603)) is amended by adding at the end the following new subsection:

"(f) The Secretary of Housing and Urban Development is authorized to pay to each public housing agency or other entity an amount equal to 100 percent of the costs incurred by the public housing agency or other entity in implementing and operating an immigration status verification system under subsection (d) (or under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Public Law 99-603)).".

(2) The United States Housing Act of 1937 (as amended by section 121(b)(6) of the Immigration Reform and Control Act of 1986 (Public Law 99-603)) is amended by striking section 20.

(f) Transitional Certification and Documentation Provisions.—In carrying out section 214 of the Housing and Community Development Act of 1980 during fiscal year 1988, the Secretary of Housing and Urban Development shall require, as a condition of providing financial assistance for the benefit of any individual, that such individual—

(1) declare in writing, under penalty of perjury, whether or not such individual is a citizen or national of the United States; and

(2) if not a citizen or national—

(A) declare in writing, under penalty of perjury, the immigration status of such individual, if such individual is not less than 62 years of age; or

(B) provide such documentation regarding the immigration status of such individual as the Secretary may require by regulation.

(g) Effective Dates.—

(1) The provisions of, and amendments made by, subsections (a), (b), and (f) shall take effect on the date of the enactment of this Act.

(2) The amendments made by subsection (e) shall take effect on October 1, 1987.

(3) The amendments made by subsections (c) and (d) shall take effect on October 1, 1988.

SEC. 187. PREVENTING FRAUD AND ABUSE IN DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT PROGRAMS.

(a) Disclosure of Social Security Account Number.—As a condition of initial or continuing eligibility for participation in any program of the Department of Housing and Urban Development involving loans, grants, interest or rental assistance of any kind, or mortgage or loan insurance, and to ensure that the level of benefits provided under such programs is proper, the Secretary of Housing and Urban Development may require that an applicant or participant (including members of the household of an applicant or participant) disclose his or her social security account number or employer identification number to the Secretary.

(b) Definitions.—For purposes of this section, the terms "applicant" and "participant" shall have such meanings as the Secretary of Housing and Urban Development by regulation shall prescribe. Such terms shall not include persons whose involvement is only in their official capacity, such as State or local government officials or officers of lending institutions.

SEC. 188. ENERGY CONSERVATION IN ASSISTED HOUSING.

(a) In General.—Any housing project, for which development or rehabilitation is assisted under the United States Housing Act of 1937 or section 202 of the Housing Act of 1959 and commences after the 1-year period following the date of the enactment of this Act, shall be developed or rehabilitated in accordance with life-cycle cost-effective energy conservation performance standards established by the Secretary of Housing and Urban Development and designed to ensure the lowest total construction, rehabilitation, and operating costs over the estimated life of the building.

(b) Construction Cost Limits.—The Secretary shall revise the cost limits applicable to the development or rehabilitation of housing assisted under the United States Housing Act of 1937 and section 202 of the Housing Act of 1959 for purposes of taking into consideration life-cyle costs of the structure and major energy consuming heating and cooling systems.

(c) Regulations.—The Secretary of Housing and Urban Development shall, not later than the expiration of the 1-year period following the date of the enactment of this Act, issue regulations establishing the standards referred to in subsection (a) and revising the cost limits referred to in subsection (b).

SEC. 189. ANNUAL REPORT ON CHARACTERISTICS OF FAMILIES IN ASSISTED HOUSING.

(a) In General.—The Secretary of Housing and Urban Development shall include in the annual report under section 8 of the Housing and Urban Development Act descriptions of the characteristics of families assisted under each of the following programs of assistance: public housing, section 8 of the United States Housing Act of 1937 (other than subsection (o) of such section), section 8(o) of the United States Housing Act of 1937, and section 202 of the Housing Act of 1959.

(b) Specific Requirements.—The descriptions required in subsection (a) shall include information with respect to—

(1) family size, including the number of children;

(2) amount and sources of family income;

(3) the age, race, and sex of family members; and

(4) whether the head of the family (or the spouse of such person) is a member of the armed forces.

SEC. 190. USE OF CERTAIN EXCESS RENTAL CHARGES FOR ASSISTANCE FOR TROUBLED MULTIFAMILY HOUSING PROJECTS.

Section 236(f)(3) of the National Housing Act is amended by striking "1985" and inserting "1988".

SEC. 191. HOUSING DEMONSTRATION PROJECT.

(a) Authorization of Appropriations.—Section 225(i) of the Housing and Urban-Rural Recovery Act of 1983 is amended to read as follows:

"(i) There is authorized to be appropriated to carry out this section $5,000,000 for fiscal year 1988. Any amount appropriated under this subsection shall remain available until expended.".

(b) Eligible Purposes.—Section 225(d) of the Housing and Urban-Rural Recovery Act of 1983 is amended—

(1) by inserting "(1)" after "States"; and

(2) by inserting before the period at the end the following: "; and (2) to provide incentives, on a matching basis not to exceed 20 percent, for States to adjust their local shelter allowances under title IV of the Social Security Act to make housing rehabilitated under this section affordable to families who are receiving assistance under such title IV and are participating in the demonstration program under this section, or to encourage the targeting of State-funded or administered counseling, employment, and family support services to such families".

(c) Administrative Plan Requirements.—Section 225(e)(2) of the Housing and Urban-Rural Recovery Act of 1983 is amended—

(1) by striking "and" at the end of subparagraph (C);

(2) by striking the period at the end of subparagraph (D) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(E) work with the State to establish and implement a program to target counseling, employment, and family support services to

families who are receiving assistance under title IV of the Social Security Act and are participating in the demonstration program under this section.".

(d) Report.—Section 225(h) of the Housing and Urban-Rural Recovery Act of 1983 is amended to read as follows:

"(h) Not later than June 1, 1988, the Secretary shall submit to the Congress a report on the implementation of the demonstration under this section.".

SEC. 192. FLEXIBLE SUBSIDY ASSISTANCE FOR CERTAIN HOUSING PROJECTS FOR ELDERLY OR HANDICAPPED FAMILIES.

(a) Purposes.—Section 201(a) of the Housing and Community Development Amendments of 1978 is amended by inserting "the Housing Act of 1959," after "1937,".

(b) Eligibility for Assistance.—Section 201(c)(1)(A) of the Housing and Community Development Amendments of 1978 is amended by inserting before the semicolon at the end the following: ", or received a loan under section 202 of the Housing Act of 1959 more than 15 years before the date on which assistance is made available under this section".

SEC. 193. EXCLUSION OF HOUSING ASSISTANCE AS INCOME.

Notwithstanding any other provision of law, the value of any assistance paid with respect to a dwelling unit under the United States Housing Act of 1937, the National Housing Act, section 101 of the Housing and Urban Development Act of 1965, section 202 of the Housing Act of 1959, or title V of the Housing Act of 1949 may not be considered as income or a resource for the purpose of denying eligibility of, or reducing the amount of benefits payable to, any person living in such unit under any other Federal law.

SEC. 194. STATE-AIDED SECTION 236 PROJECTS.

(a) Section 236.—Section 236(f)(4) of the National Housing Act is amended by striking "90 per centum" and inserting "100 percent".

(b) Section 101.—Section 101(g) of the Housing and Urban Development Act of 1965 is amended by striking "90 per centum" and inserting "100 percent".

SEC. 195. HOUSING ASSISTANCE TECHNICAL AMENDMENTS.

(a) Section 235 Homeownership Assistance.—Section 235(i)(3)(C) of the National Housing Act is amended by inserting an opening parenthesis before "including".

(b) Rental Housing for Lower Income Families.—The last sentence of section 236(i)(1) of the National Housing Act is amended by striking "(h)" and inserting "(f)(4)".

(c) Lower Income Housing Contract Provisions.—The first sentence of section 6(a) of the United States Housing Act of 1937 is amended by inserting "The" before "Secretary".

(d) Housing Development Grants.—Section 17(d)(7)(A) of the United States Housing Act of 1937 is amended by striking "title" and inserting "subsection".

(e) Public Housing Demolition and Disposition.—Section 18(b) of the United States Housing Act of 1937 is amended in the matter preceding paragraph (1) by inserting "or" after "section".

(f) Housing for the Elderly and Handicapped.—

(1) The third sentence of section 202(d)(4) of the Housing Act of 1959 is amended by striking "is a developmentally disabled individual as defined in section 102(5) of the Developmental Disabilities Services and Facilities Construction Amendments of 1950" and inserting the following: "has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7))".

(2) Section 202(f) of the Housing Act of 1959 is amended by striking "section 134" and inserting "section 133".

(3) Section 202(l) of the Housing Act of 1959 is amended by striking "difference" and inserting "different".

(g) Rent Supplements.—Section 101(j)(1)(D) of the Housing and Urban Development Act of 1965 is amended by striking "divided" and inserting "dividend".

AMENDMENT OFFERED BY MR. BARTLETT

Mr. BARTLETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Bartlett: Strike section 123 and insert the following new section:

SEC. 123. PUBLIC HOUSING DEMOLITION AND DISPOSITION.

Section 18 of the United States Housing Act of 1937 is amended—

(1) in subsection (a) (1), by striking "or" after "purposes," and inserting "and"; and

(2) in subsection (b)—

(A) by striking "and" at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting "; and"; and

(C) by adding at the end of the following new paragaph:

"(3) the public housing agency has developed a plan for the provision of an additional decent, safe, sanitary, and affordable dwelling unit for each public housing dwelling unit to be demolished or disposed under such application, which plan—

"(A) provides for the provision of such additional dwelling units through the acquisition of additional public housing dwelling units, the development of additional public housing dwelling units, the use of assistance under section 8 (excluding vouchers under section 8(o)), the acquisition or development of dwelling units assisted under a State or local government program that provides for project-based assistance comparable in terms of eligibility, contribution to rent, and length of assistance contract (not less than 15 years) to that available under section 8(b)(1), or any combination of such methods; before applying any plan which calls for the use of assistance under section 8, the Secretary shall find that (1) replacement with project-based assistance is not feasible and that (2) the supply of private rental housing actually available to those who would receive such assistance under the plan is sufficient for the total number of certificates and vouchers available in the community after implementation of the plan and that such supply is likely to remain available for the full 15-year term of the assistance; the Secretary shall base the required finding on objective information which shall include rates of participation by landlords in the section 8 program, size, conditions and rent levels of available rental housing as compared to section 8 standards, the supply of vacant existing housing meeting the section 8 quality standards with rents at or below the fair market or payment standard or the likelihood of adjusting the fair market rent or payment standard, the number of eligible families waiting for public housing or housing assistance under section 8, and the extent of discrimination against the types of individuals or families to be served by the assistance;

"(B) is approved by the unit of general local government in which the project is located;

"(C) includes a reasonable plan for funding, which plan shall include the Secretary's agreement to commit the Federal funds necessary to carry out the plan;

"(D) includes a method of ensuring that the same number of individuals and families will be provided housing; and

"(E) provides for the payment of the relocation expenses of each tenant to be displaced and ensures that the rent paid by the tenant following relocation will not exceed the amount permitted under this Act; and

"(F) no demolition or disposition of any unit shall take place until the tenant of that unit has been actually relocated to decent, safe, sanitary and affordably housing, which housing shall be of the tenant's choice to the extent reasonably possible."

Mr. BARTLETT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BARTLETT. Mr. Chairman, this amendment is an amendment which has been agreed to by Mr. Morrison of Connecticut and myself. We are offering it jointly. It is a carefully drafted amendment to permit replacement of public housing units that are in such a state of disrepair or for other reasons under current law it is determined must be sold or disposed of. Mr. Chairman, the current committee language changes Federal law substantially to allow only for a one-for-one replacement by some kind of sticks and bricks method, either new construction, project-based assistance or the acquisition of units.

So the issue before us is how do you replace those units? Current committee language would say that we replace those units only with new construction or with construction of actual physical units.

Mr. Morrison of Connecticut and I have developed a range of options that would give local governments additional flexibility in replacing those units with either those new construction or acquisition units or with section 8 certificates, provided those section 8 certificates, would be certified, can be and will be used for a period of 15 years. We do have in the amendment some restrictions so that we would require that the replacement be with project-based assistance, if that is feasible; we require that to the extent certificates are used units are available in sufficient supply and adequate supply and quality that can be rented. We require a reasonable funding plan be included; we require that the same number of individuals and families to be served as had been served, at least. And I would note that there are usually many more families served because we are often replacing vacant units. And we would require that each tenant would be paid and that no unit would be disposed of until the tenants of that unit have already been relocated in safe, decent, sanitary housing.

Now this is an issue that no one really likes to discuss. We like to, in Congress anyway, pretend that it is not a problem. But there are thousands, tens of thousands of public housing units throughout this country in fact that are sitting vacant and completely unused and in disrepair because Congress has not provided a range of options for the replacement of them. This would provide for that replacement. It is supported by Mr. Morrison of Connecticut.

Mr. MORRISON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from Connecticut [Mr. Morrison].

Mr. MORRISON of Connecticut. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of this amendment which the gentleman has offered. I want to thank the gentleman for his cooperation in putting together what I think is a good compromise of competing concerns, a concern that when there are public housing units that need to be replaced, they be replaced with real live units in which families can be accommodated, at the same time understanding that traditional public housing units and other project-based subsidies may not always work in every circumstance and that there are instances in which section 8 certificates can also be used, but that when they are used they are used when project-based facilities are not available and when the section 8 certificates will be used for units that actually exist and will not be given out merely to be recycled by the individuals who have them, unable to find units. I think this amendment takes care of legitimate concerns both for flexibility and for real replacement units that actually exist in the world and I commend the gentleman for his hard work and cooperation with others to try to get this amendment in a form which we could all support.

I would hope the House would adopt this amendment.

□ 1520

Mr. BARTLETT. Mr. Chairman, I thank the gentleman for his support, and I yield back the balance of my time.

Mr. WORTLEY. Mr. Speaker, I rise in support of the Morrison/Bartlett amendment.

When substandard public housing is demolished or sold, the tenants occupying this housing obviously need replacement units. This is the intent of H.R. 4 and I think it is something we all agree on.

However, in calling for replacement units, H.R. 4 is rigid and inflexible. Under the current language of the bill, for each unit that is lost, a new unit must be constructed to take its place. But construction is not always the appropriate or most cost-effective way of providing a new unit. In addition, construction means a loss of freedom for the prospective tenants who will be required to live in a particular housing project in a particular neighborhood.

I commend Mr. Morrison and Mr. Bartlett for offering their amendment to improve this replacement language. The amendment would allow greater flexibility to the administrators of public housing and it would offer greater opportunity to the public housing tenants.

The amendment allows three options for the replacement of public housing units: new units; 15-year section 8 certificates or local government project-based assistance. The amendment also specifies that no unit shall be disposed of until tenants are relocated in safe, decent, sanitary and affordable housing.

This is a commonsense, bipartisan amendment recognizing the need for different approaches in providing housing to the needy. I urge its adoption.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. Bartlett].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BARTLETT

Mr. BARTLETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Bartlett:

SEC. 125. PUBLIC HOUSING RESIDENT MANAGEMENT.

Sec. 21(b)(4). Beginning on page 59, line 13, strike the sentence beginning with the words "The contract" ending on line 17 of page 59.

Mr. BARTLETT. Mr. Chairman, this amendment, unlike the last one, is contested and it is controversial, although it should not be.

I, of course, respect a great deal the members that placed in the Record this section H.R. 4, but in regard to this provision, this section is wrong because the effect of the section of this bill which I would delete would be to deny employment opportunities for tenants of public housing when that public housing is turned over to a resident management corporation.

Mr. Chairman, the intent of this amendment is to strike that section of the bill which imposes collective-bargaining agreements on a resident management corporation.

Mr. Chairman, the bill, H.R. 4, is drafted to provide for tenant management corporations, which would be new corporations and new entitites that are formed by residents of public housing in order to manage their own public housing complexes, elected their own board of directors, enter into their own contracts with public housing authorities, hire their own personnel, provide their own maintenance, and in effect replace the public housing authority with management by people who live there. That is the way it should be. That is fair, and it is a step forward.

Unfortunately, the language in H.R. 4 also contains a catch-22 which would impose on those resident management corporations, the tenants themselves, collective-bargaining agreements that had been previously agreed to by the old public housing authority and their own labor councils. These tenant management corporations had not entered into an collective-bargaining agreements. They had not made any kind of agreements, and they want to be permitted the right to hire their own personnel for service and maintenance, and perform all other forms of operations of public housing.

The way the section of the bill does apply to collective bargaining is it would say that in all cases tenant management is regarded as what is called in the law contracting out of services. Mr. Chairman, it is not contracting out of services, it is contracting in. It is allowing the tenants of a public housing complex to manage their own complex and, therefore, to hire their own tenants who live there, so they can get those jobs and do that work, do a better job, do more of their own work to provide for a better living and to provide employment opportunities for their own tenants.

The result of H.R. 4, the way it is drafted, with the contracting out of services, is the bottom line. It would in effect prohibit a tenant management operation from employing its own tenants because of a collective-bargaining agreement that they had not entered into, that someone else had entered into. It would also impose restrictions such as craft specialty rules on tenants who are residents of public housing, who had previously been unable to get jobs and that the new tenant management wants to hire.

Just last week I asked the Department of Housing and Urban Development to contact various tenant management associations around the country. They contacted four of them. Of those four, three of them demonstrated that with a contracting out concept for services, they would have been unable to hire their own tenants. That is three out of four that would have been denied.

There are some clear examples. As one example, the tenants wanted to organize a Saturday morning cleanup of the trash on the grounds around their project, and they would be in many cases prohibited from doing so if there had been a collective-bargaining agreement that said a particular group had exclusive rights to collect that trash.

As another example, if an unemployed plumber who lived in public housing wanted to volunteer part of his time or wanted to go to work for the tenant management group at his wages, he would be prohibited from doing so if his services were interpreted as a contracting out of services and, therefore, subject to the collective-bargaining agreement.

Mr. Chairman, H.R. 4 can work. Tenant management will work if we let it work. But a new ingredient of tenant management is tenant employment, to give public housing tenants the opportunity to get a job, to go to work at their own location, at their own public housing complex, and to work their way out of that complex.

If we allow H.R. 4 to define "tenant management" as something that is called contracting out of service, even though it is not, even though we can look at it and think of it as a technical issue, the bottom line is that there are going to be thousands of tenants throughout this country who otherwise would be able to get a job at their own public housing project, to get that job and be hired by their neighbors or by the tenant management council, to get that job and be able to provide better services at lower cost, and to give higher employment opportunities to these tenants.

Mr. Chairman, if Members are in favor of tenant management, if they are in favor of low-income individuals being able to go to work, if they are in favor of public housing tenants having the same opportunity to go to work as anybody else, they will vote for this amendment.

Mr. MORRISON of Connecticut. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, this amendment has been one of the most inaccurately characterized in the debate on this entire bill, in the subcommittee, in the full committee, and now again on the floor.

First and foremost, the language which the gentleman's amendment seeks to strike out of the bill was a part of H.R. 1. It was passed on the floor of this House, and it was accepted by the author of the tenant management section of H.R. 1, the gentleman from the District of Columbia [Mr. FAUNTROY]. It was supported by that gentleman in the considerations of this bill in the Housing Subcommittee and in the full Banking Committee.

This amendment does not do what it purports to do, which is to protect the rights of tenants in the management of tenant management corporations. Those rights are fully preserved under H.R. 4. What this language that the gentleman seeks to strike out has to do with is the rights of public housing employees with respect to the existing public housing corporation and its collective-bargaining agreement. What this language does, the language in H.R. 4 that the gentleman would strike out, is to ensure that the rights of those employees, the existing employees, be respected in the process that is permitted under this bill of contracting for the management of part of the public housing project by a tenant management organization. That tenant management organization will be fully empowered to make its own decisions about employment. It will be fully empowered to enter into a collective-bargaining agreement if its employees organize and to hire tenants or others as it sees fit. But in making the agreement between the public housing authority and the tenant management corporation, the public housing authority may have a preexisting collective-bargaining obligation, and under that collective-bargaining agreement it may have entered into certain procedural or substantive requirements with respect to contracting out.

What this language says is very simple. Those rules about contracting out have to be applied in this process, which is the contracting out of management services for part of the public housing project, the part that is going to tenant management.

The people from HUD who responded to the gentleman from Texas do not know what they are talking about in their letter. I am surprised that the general counsel of HUD would write a letter that is as confused on the law of collective-bargaining agreements as that is. The fact is that this language that exists in H.R. 4 does only a very narrow thing, preserving existing collective-bargaining rights. It specifically does not say that the new entity will be bound by the collective-bargaining agreement. It is the intention of that language that that not be the case, and it is not written in any way to make it the case. The tenant management organization will be fully free to set its own terms and conditions, just as a private management company would be if it came in and received, as is often the case, a management contract with the public housing authority. But as the same analogy to that situation, when the public housing entity makes an agreement to shift managements for part or all of the public housing to a tenant management corporation, it must do that in conjunction with its own collective-bargaining agreement requirements with respect to contracting out. It is a very narrow point.

But to undercut it is to undercut existing collective-bargaining rights of existing employees. It raises constitutional questions of impairment of contract rights, and it raises, even more seriously, policy questions. In pursuit of one noble and appropriate goal, tenant management, we should not undercut existing rights of employees who have entered into valid collective-bargaining agreements. They both can be balanced. They are balanced by this language. This language was carefully chosen so as not to impose any new rights or restrictions on the tenants but to preserve the rights that already exist for the employees. To do otherwise is to create a lot of problems that do not need to be there and that will not be there if this language is preserved.

Mr. Chairman, I hope the House will reject this amendment. I believe this amendment has been characterized as something it is not. It is not in promotion of smooth sailing for the tenant management change. In fact, it will just lead to litigation. It will lead to strikes. It will lead to all kinds of problems that are solved by the language that is in H.R. 4.

Mr. Chairman, I hope the House will leave well enough alone, leave the language in H.R. 4, and reject the amendment.

Mr. KOLBE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the amendment offered by my colleague, the gentleman from Texas [Mr. BARTLETT] to the Housing and Community Development Act.

The previous speaker said that this amendment does not do what it purports to do, but I think it does exactly what it purports to do. It has been made very clear by the two previous speakers that it does that.

This amendment would strike section 225 of H.R. 4 that imposes collective bargaining restrictions on resident management contracts.

Resident management in public housing has four major purposes: improvement of maintenance, training and employment of residents, the experimentation and improvement of management techniques, and, lastly but perhaps most importantly, the creation of pride, independence, and self-management in the housing community. Subjecting new resident-managed corporations to contracting out prohibitions in existing union agreements would interfere with all of these objectives.

As the gentleman from Texas [Mr. BARTLETT] has pointed out, this really is what we are talking about, contracting in and allowing them to do it themselves. These restrictions are going to prohibit resident management corporations from hiring low-income, hardcore unemployed inner-city residents to perform onsite maintenance in their own projects.

One only needs to look at the tremendous success that these new resident-managed corporations have had to realize how harmful these kinds of restrictions would be. Public housing management groups have historically maintained a close partnership with local labor councils. In fact, there is no—I will repeat, no—existing work force that has ever been displaced, as I understand it, by tenant management. Rather, thousands of new jobs have been created through these development projects.

I think this provision as it now stands in H.R. 4 is antipoor, it is antiminority, and it only hurts those people that this legislation needs to help the most.

Mr. Chairman, I urge my colleagues to vote yes on the amendment.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, I thank the gentleman for yielding.

I do think we need to know the facts. The fact is that there are no constitutional rights that are being abrogated by my amendment. My amendment would strike a provision of the bill that I think would abrogate the right of a person to a job.

The bill as it is currently stated on page 59 gives public housing authorities and tenant management groups the authority, in the words of the bill, that they may enter into a contract with specific terms governing management personnel and access to public housing records, submission and adherence to budgets, tenant selections, and other things. But only in one case would we in Federal law tell the tenants what they have to abide by, and that is the language that I would be striking. It is in the last sentence of the section, and I will read it:

"The contract," it says in the bill, "shall be treated as a contracting out of services and shall be subject to any provision of a collective bargaining agreement regarding contracting out * * *."

The fact is that that imposes, although not with reference to all of the collective bargaining agreements, it imposes anything that would be covered in a contracting out of services in a collective bargaining agreement. It imposes that portion of the collective bargaining agreement on people that did not agree to it, on new managers, on the tenants of public housing that are trying to work and to save and to build their own housing and to hire their own tenants.

The effect of it, as the bottom line, is that if this were adopted and if the Bartlett amendment is not adopted, then the tenant management would work, but it will not work as well, and every tenant management may just as well hang a sign in their office saying, "tenants need not apply for a job," because they are covered by something called a contracting out of services as contained in a collective bargaining agreement. That sign would have to be in the window, and it would say, "tenants need not apply for a job at this location."

Mr. Chairman, I urge the support of this amendment to give tenants the ability to apply for work in their own housing complexes.

Mr. MORRISON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. Mr. Chairman, the gentleman made the statement that under the language in the bill certain things would necessarily occur.

□ 1535

I do not understand how the gentleman can make that statement, because in fact, contrary to what the gentleman from Texas has just said, this language does not apply to the Tenant Management Corporation. It binds only the Housing Authority.

More than that, the gentleman said that there is nothing else in this language which binds the tenants to do anything. In fact, the tenants are bound by all of the regulations protecting the rights of tenants, all of those, which may be different from the interests of the Tenant Management Corporation as a whole. All of those are preserved under this. In fact, the Tenant Management Corporation is a corporation, functions as a manager, and has to abide by certain rules. It must abide by the National Labor Relations Act and other provisions with respect to its employees. There is nothing in this provision which requires them to hire anyone. They are not required to make any particular hiring decisions.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

(By unanimous consent, Mr. KOLBE was allowed to proceed for 2 additional minutes.)

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. KOLBE. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, I thank the gentleman for yielding.

It is a dispute over some details in the legislation, but I think it has a serious and very negative effect on the rights of tenants to get a job.

I respect the gentleman from Connecticut a geat deal, but the language of the bill which I would strike is very clear. It states: "The contract shall be treated as the contracting out of services."

This is a contract between the tenant managers and the Public Housing Authority, and it says: "and shall be subject to any provision of a collective bargaining agreement regarding contracting out."

Now, the fact is that it is not a contracting out of services. It should not be characterized as such. The tenant management organization has entered into a contract with the Public Housing Authority to become new managers and they ought to be able to adopt their new collective bargaining agreements without regard to another collective bargaining agreement that had been negotiated and agreed to by the predecessors. It is a clear case that with relation to contracting out agreements in collective bargaining, if this bill were adopted in its present form, if the Bartlett amendment were not accepted, then all contracting out of services provisions in collective bargaining agreements all over this country would in fact be imposed on the tenants of public housing and those tenants would therefore not be able to get a job in their own housing complex. It is as straightforward as that, and I thank the gentleman for yielding.

Mr. GONZALEZ. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the pending amendment. I want to say that the gentleman from Connecticut [Mr. MORRISON] has very accurately and very professionally stated the case. He is an excellent attorney, had a great deal to do with the language in this bill. I want to state categorically that he has been very determinedly misinterpreted, almost in a deceptive way, by the presentation made by the supporters of this amendment.

Rather than being an imposition on the workers of a public housing project of any kind of collective bargaining agreement, which incidentally is a process that has been recognized in American society for a hundred years, it goes the other way around. It is a labor union busting amendment. It is a labor baiting language amendment. Simply put, that is all it amounts to. It has nothing to do with compelling collective bargaining agreements. It has everything to do with protecting those agreements that have been entered into by those housing authorities that have done so prior to the recognition of any tenant management contract or association.

So simply put, all I can tell you is that I cannot add to the fine legal arguments of the gentleman from Connecticut [Mr. MORRISON], which are very accurate, very truthful, by just saying that this is a labor baiting amendment that has no place in this legislation.

Mr. VENTO. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I am glad to yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Chairman, I thank the gentleman for yielding.

I just want to point out that I think this does have an effect in terms of breaking those contracts where contracts exist between workers and the PHA's, and the city government, in terms of maintaining public housing. That is a given fact, but the fact is I think we have to ask ourselves, what is at the root of this amendment? What are the safeguards? Are the only safeguards in this type of contract for the worker, for the union member, for instance? No, that is not the case. Of course, there are those safeguards, and that is important, that is a given fact; but they are safeguards in terms of proper spending, accountability in terms of how that money is utilized in the system.

You know, there are too few dollars going into modernization. There are too few dollars for operating subsidies to repair these units. We have plumbing problems. We have electrical problems. We have carpentry problems that need to be addressed. Are the tenants that are living in assisted housing, are they the skilled mechanics that can take on these tasks of doing the electrical rewiring of a multicomplex housing unit? Are they the glaziers that will hang out there and put a piece of glass into a window?

I think on its face it is obvious that they cannot do that. It is obvious that these various tenant management groups that have the tenants in the unit would have a conflict of interest of no small importance in terms of this issue.

What the amendment of the gentleman from Texas proposes to do is to just run roughshod over these safeguards in terms of how this money is spent, so that we get a dollar's worth of benefit from the dollars that we put in, in terms of operating subsidies or rehabilitation or modernization funds that we put in.

Obviously, if the tenants want to come up to the same standards, if they want to have the tradesmen and the other skills that are necessary to make sure that the dollars are properly spent, the accounting standards, they should therefore have the opportunity. We should not write some sort of insider deal here where they are the only clientele and that they have their friends passing back contracts to them for work that is either shoddily done or never done. We have to have recourse. You have to give the public housing authorities and you have to maintain with the public housing authorities the ability to be responsible for the dollars that are spent. It is just that simple.

I think that reasonably, within the text of the committee bill, it tries to accomplish that. It tries to meet the gentleman's objective halfway. The gentleman wants to throw out the one base that would assure most of us the security that this tenant management contracting out would actually work; but we have to have some standards. We cannot walk away from them.

In other words, it is important to both these groups.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent, Mr. GONZALEZ was allowed to proceed for 1 additional minute.)

Mr. GONZALEZ. I yield to the gentleman from Minnesota.

Mr. VENTO. So, Mr. Chairman, I think it is obvious on its face, I know that the intent is good, but I think the consequence is devastating in terms of how the money gets used. This amendment deserves to be defeated so that we can effectively and efficiently use the dollars that we are putting in, too scarce dollars, I might add, for Public Housing rehabilitation and for maintenance.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I yield to my colleague, the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, I thank my friend and colleague from Texas for yielding.

I have to say, I think that the gentleman from Minnesota made the case for this amendment to strike contracting out very, very well, because in fact if you disagree with the gentleman from Minnesota and believe that the tenants of public housing are workers, too, and want to be able to do work and get a paycheck and provide plumbing and electrical services and that many are able to do so, and if you believe that they have, as the gentleman indicated, would continue to be excluded from those jobs, then you will vote to strike this.

Mr. ARMEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Bartlett amendment. I think I can answer the concerns raised by the gentleman from Minnesota by recounting the experience we already have, the information that is already in the bank, on tenant management. You know I have been to many of the projects and I have seen the successes and I have seen the joy, where I expected to find grief. Tenant management is a miracle of the human spirit. It is that miracle because people who had at an earlier time been the victims of poor housing in urban ghettos, with absentee owners, had found a new hope in Government-provided housing, where they moved in with a great deal of anticipation for their comfort, safety and security. Then they watched as the new slum landlord, the Federal Government, with its absentee ownership with relatively indifferent agents charged with the responsibility of management failed to perform maintenance and repairs and to administer the properties. They once again found themselves in what many of the tenants will tell you was a jungle.

Then after having the experience of seeing their government dream homes fall apart around them, seeing the vacancy rates go up, seeing the rats and the drug pushers move back in, seeing the teenage pregnancy rates go up and the literacy rates go down and watching their youngsters drop out of high school, the tenant managers have taken the job on for themselves precisely because they knew they could do better for themselves.

I would like to quote something that I quoted in the debate last year. This is Kimi Gray talking about her experience at Kenilworth, where she said:

> One major result from tenant management was the return of fathers who had left their homes so their families could receive welfare payments. Those fathers came home, she says, and we found in our midst plumbers, carpenters, painters and people with the skill to fix up for themselves.

That was Kimi Gray.

Kimi Gray and I have talked about this bill extensively, as well as Bertha Gilkey, Bob Woodson, and other people in the tenant management movement.

I would like to quote Kimi Gray's reaction to this provision that my good friend, the gentleman from Texas, seeks to strike on her behalf. Kimi says:

> The collective bargaining provision in H.R. 4 would destroy the efforts of public housing tenant organizations to improve the quality of life by imposing collective bargaining restrictions on all resident management contracts.

Bertha Gilkey says:

> Subjecting our resident management contract to provisions of existing collective bargaining agreements and other labor union restrictions would be a blatant intrusion upon our rights to exist as a free-standing nonprofit corporation.

Let me tell you, Mr. Chairman, tenant management works for one reason and one reason alone. The tenants do the work for themselves, and because they do that work for themselves, they care about the results and they protect the results. They have the ability.

The Morrison provision, unfortunately, puts one group of constituents in a position where they would be in opposition to another, constituency groups that are traditionally allies. It is not a necessary thing to do. It is not a productive thing to do and it is a killer provision.

If you want to deny tenants in public housing units the right to manage their own property, to manage their own lives vote "no" on Bartlett. If you want to grant them that right which is only what we ask for ourselves, vote "yes" on Bartlett.

□ 1550

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have listened to the debate, and I gather that what we have is a choice: We have a choice between the big-labor agenda for this Congress, or helping the poor. The other side, it seems to me, has made quite clear that their highest priority is to see to it that big labor's agenda is followed very, very carefully on this floor, and that the idea of dignity and jobs for poor people must take second place to that big-labor agenda.

I think that it is time we as a Congress spend our time thinking first about the little guy; that we ought to let the big labor bosses take care of themselves, and let us spend a little time on this floor helping those who want to help themselves, but whom this bill with its present language would keep from doing so.

That is our real choice here. Is it big labor, or help the poor?

I think that what we ought to do is vote for the Bartlett amendment and help the poor help themselves.

Mr. VENTO. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. I think that it is inappropriate to characterize this as being some sort of contest between simply labor union workers and the poor people. That is not the truth, that is not accurate. In fact, I think that labor as far as I know has done a helluva good job to make a lot of people who were poor people self-sufficient workers and less poor.

I believe that that is indeed the case. What is being proposed here as being traded off as making labor the enemy of the workers is far from the case. In fact, they have done more for workers I think than a lot of other groups in this Nation. I think they frankly are the fair treatment for workers is the manifestation of what is essentially the American dream.

The fact is that this amendment is an insider amendment. What this amendment says is that tenant management groups can make their own sweetheart deal with their fellow tenants. I tell you the truth, the fact is that most tenants, if they have the types of skills that are required or that are imagined here, would not be tenants in low-income public housing. In fact, most people who live in this type of housing earn less than 50 percent of the average median income. We all know, for instance, that most people working in these trades do not earn that kind of income.

I think just on its face, whatever the good intentions of the sponsor of this measure, we have to recognize this type of limitation. What it is inviting is a lot of sweetheart deals here between the tenants and the tenant management group. I think that it really does a disservice for tenant management by insisting on this, because the probability of those types of problems is very great.

I have seen tenant management first hand. I have seen good tenant management, and I have seen bad tenant management, with the best of conditions and the best of buildings. The fact of the matter is that these amendments are not addressing that. They are not going to sink or swim on that particular basis. The fact is that the problems that they are talking about that exist here in terms of welfare, in terms of head of household, a male head of household coming back into the household should be addressed through the welfare system as opposed to the housing assistance programs that we have before us.

There is going to be an opportunity in the weeks ahead, as I understand it, to address that phenomena. It will be interesting to see how many get up then and talk about having a family unit kept together under those circumstances when we are providing welfare payments where both spouses reside in the household. That is I would guess the time to address that matter, because under the present path that is being followed, I might say, by my colleagues on the other side of the aisle, they are disavowing or pushing back the opportunity of keeping families together and having both parents in the household and still being able to receive that type of asistance benefit.

So the fact of the matter is that this is the way the policy looks from my perspective. I think that we want to eliminate these insider sweetheart contracts. I think that we want to keep the same contract standards in place so that we are sure that we get a dollar's worth of benefit for the public dollars that we are spending.

This is an amendment that cuts into the taxpayer's opportunity to get the dollar's worth of benefit for the dollars spent, and those dollars are harder to come by, as my colleague knows.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. VENTO. I yield to the gentleman from Texas.

Mr. BARTLETT. I thank the gentleman for yielding.

Mr. Chairman, we have a fundamental disagreement about the nature of people who live in public housing. I think that they are good people. I think that they want to work. I think that they want to get a job and they want a chance. Many of them can work and have skills. The ones who do not have precise skills want to obtain those skills.

It is the bill in its present form by imposing existing collective bargaining agreements that would deny them the chance for those skills. Those tenants do want to work.

Mr. VENTO. Mr. Chairman, reclaiming my time, the fact is that I do not deny—I support job-training programs—what training program is in here to help these people so that they can perform useful tasks in terms of public housing? Maintaining multiunit apartment buildings is not necessarily the place that you begin to learn how to be a master electrician, under those circumstances.

I can stand here and I can say that the labor unions that I am familiar with in my community and throughout this country have provided the opportunity in terms of apprenticeship programs that have given the opportunity to many people. We are saying, "Let's try to go through the system where you're going to acquire such skills, where you're going to get a journeyman card, rather than some sort of a half-baked type of training program that is only going to be applicable to a limited use situation in which very likely we are not going to get the quality of work that is necessary in terms of justifying the expenditure of hard-paying taxpayers' dollars."

That is what this is about. I think that frankly the nature of this amendment will result in the wasting of the limited moderate rehab funds that we have of the operating subsidy dollars that we have. That is the difference here. This is not necessarily an argument trying to preserve some bailiwick, but if you do have a contract, it would be appropriate to honor it you cannot play by the two sets of rules that exist in terms of contracts, instead of putting something in black and white, the Bartlett amendment proposes these conflict of insider contracts that are being called for here, which I think will be a misuse of taxpayers' dollars.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BARTLETT].

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BARTLETT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 176, noes 249, not voting 8, as follows:

[Roll No. 170]

AYES—176

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Beilenson
Bereuter
Bilirakis
Bliley
Boggs
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Callahan
Carper
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Coughlin
Courter
Craig
Crane
Daniel
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Donnelly
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
English
Fawell
Fields
Fish
Gallegly
Gallo
Gekas
Gibbons
Gingrich
Goodling
Gradison
Grandy
Gregg
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Johnson (CT)
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Lancaster
Latta
Leach (IA)
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCollum
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Montgomery
Moorhead
Morrison (WA)
Myers
Nielson

Oxley
Packard
Parris
Patterson
Petri
Porter
Pursell
Ravenel
Regula
Rhodes
Ridge
Ritter
Roberts
Roemer
Rogers
Roth
Roukema
Saiki
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Whittaker
Wilson
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOES—249

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bates
Bennett
Bentley
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boland
Boner (TN)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carr
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gilman
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hubbard
Hughes
Jacobs
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Morella
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Pashayan
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Quillen
Rahall
Rangel
Richardson
Rinaldo
Robinson
Rodino
Roe
Rose
Rostenkowski
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolpe
Wyden
Yates
Yatron

NOT VOTING—8

Barnard
Bonior (MI)
Frenzel
Gephardt
Leland
McCandless
Moody
Ray

☐ 1615

The Clerk announced the following pair:

On this vote:

Mr. McCandless for, with Mr. Leland against.

Mr. ROWLAND of Connecticut changed his vote form "aye" to "no."

Mr. LUNGREN changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. GRAY OF ILLINOIS

Mr. GRAY of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GRAY of Illinois: Page 14, after line 10, insert the following new subsection:

(e) REDUCTION OF RENTAL PAYMENTS FOR ELDERLY FAMILIES.—Section 3(a)(1)(A) of the United States Housing Act of 1937 (as so redesignated by subsection (a) of this section) is amended by inserting before the semicolon at the end the following: "(25 percent in the case of an elderly family)".

Mr. GRAY of Illinois. Mr. Chairman, I saw an old man going down a lone highway when he came to the evening cold and gray.

Through a chasm vast and deep and wide,
The old man crossed over to the other side.
And when safe on the other side
He turned back and built a bridge to span the tide.

Old man, said a fellow pilgrim near,
You are wasting your strength with building here,
Your journey may end with the passing of this day,
You may never again come this way.

You have already crossed the chasm vast and deep and wide,
Why build a bridge on the other side?
He lifted his old gray head, good friend in the path
I have come, he said, there follows after me today
A youth whose feet must pass this way.

He, too, must cross in the twilight dim,
Good friend, I am building this bridge for him.

Mr. Chairman, the elderly, the senior citizens of this country have contributed much, whether on the farm, in the cities, whether a carpenter, coal miner, or whatever the endeavor. But many living in public housing are being forced to move out of public housing because we build elderly housing and then we raise the rent so high they cannot afford to stay in that housing. In my congressional district, more than 15 percent of the elderly families have had to move out of public housing into substandard housing. Mr. Chairman, what this amendment simply does is to lower the elderly housing rent from 30 percent of adjusted gross income required today to 25 percent of adjusted gross income.

Mr. Chairman, the rental law was 25 percent of adjusted gross income until a strange phenomenon came along called Gramm-Latta in 1981 and they arbitrarily, without any debate on this floor, raised the rents of our elderly citizens up to 30 percent of gross income and since that time, as I said before, they have been bailing out of public housing like the Israelities left the wilderness. This is not the purpose of elderly housing.

This same amendment was offered last year and thanks to my friends and colleagues on both sides of the aisle was adopted by a vote of 277 for to 137 against, with more than 60 Members on the minority side of the aisle voting for it. I hope we will have limited debate, that we can accept this amendment by voice vote and get on to other matters in the bill. Before I do I want to highly commend my friend Mr. GONZALEZ and the gentleman from Ohio [Mr. WILEY] for their great help not only on this bill but the inspiration and yes, perspiration they have given to housing needs in this country over the years.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. GRAY of Illinois. I yield to my friend the gentleman from Texas.

Mr. GONZALEZ. I thank the gentleman for yielding.

I want to thank the gentleman for offering this amendment. His amendment carried overwhelmingly last year. We have been struggling since 1981 and we thank the gentleman for coming along and enabling us to do this. I certainly want the gentleman to know I support his amendment. We certainly accept it on our side.

Mr. GRAY of Illinois. I thank the gentleman from Texas for his great contribution and yield back the balance of my time and strongly urge a "yes" vote on my amendment. Thank you.

Mr. HILER. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

Mr. Chairman, I do not know anybody in this Chamber who questions the goal of the Member from Illinois to try to make the way easier for our elderly and handicapped who have helped pave the way for us. But the fact of the matter is this is not a nonconsequential amendment in terms of monetary impact. It is a $550 million amendment. Make no mistake about it, when you vote for this amendment, CBO will score this amendment as a $550 million amendment. Now, there are only two options: one option is that somebody else in assisted housing is going to lose out. If the appropriation figure does not change then somebody else is going to lose out in order to provide this additional $550 million. Or we are going to raise the expenditures in housing and in this authorization bill by $550 million, absolutely positively assuring a Presidential veto with no hope to override.

So make no mistake about it, this is not a cost-free inconsequential amendment.

Mr. Chairman, I urge my colleagues to vote "no."

Mr. GRAY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HILER. I yield to the gentleman from Illinois.

Mr. GRAY of Illinois. I thank the gentleman for yielding.

Mr. Chairman, my distinguished neighbor and friend, I wonder if the gentleman could tell the members of the committee where he gets that astronomical figure of $550 million.

Mr. HILER. CBO.

Mr. GRAY of Illinois. From the CBO?

Mr. HILER. Yes, the Congressional Budget Office.

Mr. GRAY of Illinois. Well, that argument was advanced last year. That does not take into account the fact that when you lower rents you bring people back in that are moving out now. As I pointed out in my remarks earlier, 15 percent of the elderly housing in my district is vacant. So when you bring those 15 percent back you recoup a great portion of the money that the gentleman is alluding to.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. HILER. I yield to the gentleman from Ohio [Mr. WYLIE].

Mr. WYLIE. I thank the gentleman for yielding.

Mr. Chairman, the gentleman from Indiana has stated the position of the Congressional Budget Office correctly. Now, whether you like the amendment or you do not, the Congressional Budget Office is our office. They have said that if you increase the rent-to-ratio from 30 to 25 percent that you are much worse off, first, and second, it will cost $550 million.

I have the estimate here. CBO has priced this provision at a total of $550 million for fiscal year 1988. That is their figure. Now, I just rise to add a word of caution. I am not going to ask for a record vote on this amendment because as the gentleman pointed out, it passed overwhelmingly last year. But we want a bill and we already have budget problems on this bill and if we take $550 million from other programs, where is it coming from? This would limit the number of much worse off unassisted elderly housing who could start receiving assistance within 1 year because of this budget restraint. So I think the gentleman from Indiana has rightfully risen and suggested a word of caution be added to this debate.

Mr. HILER. I thank the gentleman for his comments.

Once again, this is not an inconsequential amendment I say to my colleagues. This has major budgetary impact. Presuming this amendment passes, it passed last year and I have no reason to doubt that it will not pass this year, somewhere down the line we are going to be made to pay the price in not providing something somewhere else, and we are going to put the burden on you, the gentleman from New York, and the gentleman from Massachusetts when the appropriations subcommittee works because you are the ones who are going to have to find the money for this.

Mr. GREEN. Mr. Chairman, will the gentleman yield?

Mr. HILER. I yield to the gentleman from New York.

Mr. GREEN. I thank the gentleman for yielding.

I share that concern. I would certainly like to see the rents at 25 percent of income not just for the elderly but for all the public housing tenants. Certainly that was a part of the 1981 enactment that did not make me particularly happy, seeing that rent going up to 30 percent. But I do not see where in the appropriations process we are going to find half a billion to deal with this problem.

Mr. CARPER. Mr. Chairman, I move to strike the requisite number of words and I rise in order to ask some questions of the author of the amendment.

First of all, how many citizens would be affected roughly by this amendment?

Mr. GRAY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CARPER. I yield to the gentleman from Illinois.

Mr. GRAY of Illinois. I thank the gentleman for yielding.

Mr. Chairman, in my congressional district——

Mr. CARPER. No, in the country.

Mr. GRAY of Illinois. I was going to say that pretty much in rural areas you can multiply across the board about 15 percent of all tenants are senior citizens living in publicly assisted housing. There are three categories: Public housing, section 8, and rural housing. In all three categories approximately 15 percent vacancies exist because they cannot afford the 30 percent which is almost confiscation. A person or couple who has worked all their lives making $9,000 a year is paying almost $3,000 rent and they could go out in the private market and get the housing cheaper. So we are really not doing anything to help the elderly citizens with this kind of rent.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. CARPER. I yield to the gentleman from Texas.

Mr. GONZALEZ. I thank the gentleman for yielding because I believe I can answer that question directly.

About 40 to 45 percent of the tenants in public housing, which is about 4.4 million-plus are elderly, it is that high a ratio.

Mr. CARPER. And the total number of tenants who would be affected is what?

Mr. GONZALEZ. In the range of 2 million.

Mr. CARPER. Roughly 2 million. They would be paying 5 percent less of their income, average gross income.

Mr. GONZALEZ. Aggregate income.

Mr. CARPER. As I understood Mr. HILER, the CBO has cited that as a cost of being $500 million.

Mr. GONZALEZ. I am a stranger to the source of that calculation.

Mr. CARPER. I presume the author of the amendment would have the costing information.

Mr. GRAY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CARPER. I yield to the gentleman from Illinios.

Mr. GRAY of Illinois. Let me say with all due respect to the Congressional Budget Office, one can get any kind of answer depending on how the question is propounded. The question was propounded I am sure by the minority that if you lower the aggregate rents of all people in elderly housing, not taking into account all the people you are going to bring back into those vacant units, it would cost $500 million.

□ 1630

But if they had asked the question, what would the net amount cost, they would have gotten a completely different answer. So that is a fallacious answer.

Mr. CARPER. If the Congressional Budget Office is correct, if indeed the cost of this amendment is $500 million, how would the author of the amendment propose that we pay for it?

Mr. GRAY of Illinois. First of all, I think we ought to have a priority system that our senior citizens who are in their late seventies and eighties and some in their nineties—I just had in my district a World War I veteran who was over 100 years old who died last week who lived in public housing—are the types of people who ought to have priority, and that question certainly can be answered by looking at some of the lower priority projects in this bill. This is a $16 billion bill.

Mr. CARPER. Mr. Chairman, let me reclaim my time.

What do we cut out for $500 million so we can provide for this?

Mr. GRAY of Illinois. First of all, Mr. Chairman, let me say that I do not think we would have to cut out anything. This could be revenue neutral, at least in my district, if we bring back those 15 percent of the units that are vacant and put people in them. It is like selling automobiles. I used to be in the car business. You can make your full profit off one car or you can sell a lot of them for less profit. Let us fill up the units, and then we will not need as much income.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. CARPER. I yield to the chairman of the subcommittee.

Mr. GONZALEZ. My answer is very simple. If need be, if we have to settle it on that amount—and I do not think anyone can say with exactitude that it would reach that amount—then we get it from underneath the same mattress that we get the Contra millions. Where else?

Mr. KOLBE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I do oppose this amendment. As the chairman of the subcommittee pointed out, this is an amendment that did not become an issue but which was discussed on the House floor last year when I was a member of the committee, and it did carry overwhelmingly. It has also become an issue that has been discussed in this body before. This rent-to-income ratio was discussed and, I think, settled correctly in 1983, the last time this body passed a housing bill. It was at that time that we increased the contribution rate from 25 to 30 percent.

Mr. Chairman, the fact is that comparatively speaking, elderly assisted housing people are very often financially better off than many of the nonelderly people who are in that same housing, since SSI benefits are more generous than AFDC benefits.

For example, in New York a single elderly person receives $408 in SSI benefits while an AFDC family consisting of three people has $474 in income. For Texas those similar figures are $336 for the elderly and $184 for the welfare family. In California it is $533 for the elderly person and $587 for the welfare family. For Alabama it is $396 for the elderly and $118 for the welfare family.

Mr. Chairman, as has been discussed here on this floor for the last several minutes, we have severe budgetary restrictions, and unless we find some way to come up with the dollars for this, it is going to reduce the number of people, the number of unassisted elderly who could start receiving assistance each year within our budgetary constraints. In fact, if you extrapolate from these figures $500 million, according to CBO—not anybody over on this side but the Congressional Budget Office, said that this would be scored, and if we adopt this amendment, if that were the case, it would roughly extrapolate, given the 5-year certificates we are talking about now, about 18,000 people who could not be served under this legislation. That is $550 million that we are talking about in additional costs, $384 million as a direct spending outlay and $166 million, because you are going to have less rents coming in.

The fact of the matter is that it is as simple as that. If you have lower rents, you have to have higher subsidies, and in response to what the gentleman from Illinois was saying, that this is revenue neutral, I would suggest to him that in his district, as well as in other districts, unless it is uniquely different than any other district in the country, the vacancies that exist in public housing are not because people do not need it, not because there is no need for public housing, but because most of the housing is uninhabitable, because it needs refurbishing, not because there are not people out there that would not like to live in housing, not because the rents are so high that people cannot be in it, but because it is simply uninhabitable housing.

I am a member of the Appropriations Committee, and I recall the dialog that took place here earlier between one of the members of the Banking Committee and one of the members of the Appropriations Committee. I think that indicates very well that we are going to have to do something to find the funding for this if this amendment is agreed to. We may not like the answer the CBO gives us. We may say simply that you can get any answer out of the CBO, but the fact of the matter is that that is the way they are going to score this, the $550 million, and this authorizing committee had better be prepared to find some way to fund this.

So, Mr. Chairman, I would oppose the gentleman's amendment, and I hope we will defeat it.

Mr. GRAY of Illinois. Mr. Chairman, will the gentleman yeild?

Mr. KOLBE. I yield to the gentleman from Illinois.

Mr. GRAY of Illinois. Mr. Chairman, I thank the gentleman for yielding.

I am sure the gentleman remembers the colloquy we had last year. I happen to have a copy of the CONGRESSIONAL RECORD dated June 11, 1986, and I am referring to page 13194. The gentleman from Arizona made the same argument at that time against this amendment, and I am sure he would not want to leave in the permanent RECORD this incorrect statement. The gentleman stated that every member of an elderly family living in public housing got a credit of $400 a month, and he used that analogy to point out that that caused them to be paying about 10 percent of their gross income.

Does the gentleman remember that statement?

Mr. KOLBE. I am remembering the statement, yes.

Mr. GRAY of Illinois. I want to call the gentleman's attention to the fact that that $400 is yearly, not monthly, and it makes an awful big difference. The gentleman was off by eleven-twelfths.

Mr. Chairman, I thank my friend for yielding.

Mr. KOLBE. Mr. Chairman, I appreciate the gentleman's calling that error to my attention, but the point still remains that we are talking about $550 million that is going to have to come from someplace, from the authorizing and appropriating committees, and we are talking about elderly people that need assistance in housing that simply are not going to have it available to them.

Mr. BIAGGI. Mr. Chairman, as an original member of the House Select Committee on Aging I wish to lend my support to the amendment of my friend from Illinois [Mr. GRAY] to lower the percentage of income that a senior citizen must contribute for rent in public housing from the existing 30 percent to 25 percent.

I voted for this amendment last year and will do so again this year. It is eminently fair, reasonable and compassionate. It compliments a fine bill which would happily change the direction of our Federal housing policy away from reductions and abdication of responsibility to being responsive to real needs.

Let us consider this amendment from the standpoint of pure dollars and cents—and for the elderly people we refer to in this amendment—the issue boils down to that very point. Since 1981 when the contribution was raised to the current 30 percent of income let us examine how fast a main source of income has increased during that same time. I am referring to Social Security benefits. They have barely been raised by 5 percent in that same time period, after all the 1987 COLA was only about 1.3 percent. When the policy was changed and the percentage to be contributed increased it was not only that the percentage increased—but in many cases so too did the rent itself so it was a double impact on seniors.

For a senior citizen who must rely on Social Security for most or all of their income or those who are on SSI, this increase has created problems across the board. These are estimates that another effect of this action was to decrease the number of elderly participating in the program.

This policy change was wrong to begin with and the time is now to reform it. The Gray amendment is the way to do it and urge its adoption.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. GRAY].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BARTLETT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 284, noes 137, not voting 12, as follows:

[Roll No. 171]

AYES—284

Ackerman
Akaka
Alexander
Anderson
Annunzio
Anthony
Applegate
Atkins
AuCoin
Bates
Bennett
Bentley
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Boehlert
Boggs
Boner (TN)
Bonker
Borski
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante
Callahan
Campbell
Cardin
Carr
Chapman
Chappell
Clarke
Clay
Clinger
Coble
Coelho
Coleman (TX)
Collins
Conte
Conyers
Coughlin
Courter
Coyne
Crockett
Darden
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Eckart
Edwards (CA)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Gonzalez
Goodling
Gordon
Grandy
Grant
Gray (IL)
Guarini
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Jacobs
Jeffords
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lowry (WA)
Lujan
Luken, Thomas
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
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McCloskey
McCollum
McCurdy
McDade
McGrath
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McMillan (NC)
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Miller (CA)
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Nowak
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Obey
Ortiz
Owens (NY)
Owens (UT)
Parris
Pashayan
Pelosi
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Perkins
Pickett
Price (IL)
Price (NC)
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Richardson
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Rowland (CT)
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Roybal
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Sawyer
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Schuette
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Schumer
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Sisisky
Skaggs
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert (OR)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stark
Stokes
Stratton
Studds
Swift
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
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Wolpe
Wortley
Wyden
Yates
Yatron
Young (AK)
Young (FL)

NOES—137

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Armey
Aspin
Badham
Baker
Ballenger
Bartlett
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Brown (CO)
Buechner
Bunning
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Coleman (MO)
Combest
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Slattery
Slaughter (VA)
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NOT VOTING—12

Barnard
Bonior (MI)
Frenzel
Gephardt
Gray (PA)
Hall (OH)
Leland
McCandless
Moakley
Moody
Ray
Smith, Denny (OR)

□ 1645

The Clerk announced the following pair:

On this vote:

Mr. Leland for, with Mr. Frenzel against.

Mr. MARLENEE and Mrs. MARTIN of Illinois changed their votes from "aye" to "no."

Messrs. ROSTENKOWSKI, NICHOLS, VALENTINE, PARRIS, LEWIS of Florida, McCOLLUM, FLIPPO, ROYBAL, KASICH, and JACOBS changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

□ 1700

AMENDMENT OFFERED BY MR. RICHARDSON

Mr. RICHARDSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICHARDSON: Page 12, after line 8, insert the following:

"(B) The 5-year limitation established in subparagraph (A) shall not apply to any family residing in a public housing project administered by an Indian public housing agency.".

Page 11, line 19, insert "(A)" after "(2)".

Page 12, line 1, strike "(A)" and insert "(i)".

Page 12, line 3, strike "(B)" and insert "(ii)".

Page 12, line 5, strike "(C)" and insert "(iii)".

Page 12, line 8, strike the quotation mark and final period.

Mr. RICHARDSON (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. RICHARDSON. Mr. Chairman, I congratulate the chairman, the gentleman from Texas, Mr. GONZALEZ, for his work and leadership on this bill. I am offering an amendment that addresses a critical concern of native Americans—housing. Under the present housing act, residents of Federal housing projects must pay 30 percent of their adjusted gross income as rent. H.R. 4 includes a section entitled "economic rent" which allows the public housing agency to establish a different rent for each family that is no greater than 30 percent of income and no less than the average debt service and operating expenses attributable to similar dwelling units owned by such agency.

Each family can use this alternative rent for no more than 5 years. My amendment removes this 5-year limitation for Indians residing in public housing on Indian reservations.

The purpose of the economic rent section is to allow a different rent for those public housing residents whose income has increased and who would pay an unreasonable rent under the 30-percent rule. The 5-year limit is intended as an incentive for such residents to seek alternative housing as their income increases. They can use the economic rent formula for no more than 5 years in which time they can find suitable private housing.

This scheme is quite logical in the normal public housing context, where people can move into nearby private housing, but it is inappropriate if applied on Indian reservations because there is essentially no alternative to public rental housing on an Indian reservation. The consequence of the 30-percent rule, and the 5-year limitation on economic rent, is to force many Indians to move off the reservation. This is not good public policy and reinforces the poor economic conditions that are already too pervasive on our Indian reservations.

The 5-year limitation, while it is logical in other contexts, should not apply to Indians on the reservation because public housing is their only rental housing option.

This amendment does not apply to urban Indians, but only to Indians on reservations where the housing situation is unique.

Mr. Chairman, I commend the chairman and the committee for crafting a comprehensive and compassionate bill and ask for the support of my colleagues for this amendment.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Ohio.

Mr. WYLIE. I thank the gentleman for yielding.

Mr. Chairman, the gentleman offering the amendment has discussed it with me, and we are glad to accept it on this side of the aisle.

Mr. RICHARDSON. I appreciate that strong endorsement.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Texas.

Mr. GONZALEZ. I thank the gentleman for yielding.

Mr. Chairman, we certainly accept this amendment. We intend to have on the subcommittee level comprehensive hearings on the Indian housing situation and the Native Alaskan housing situation, but this is a first step in bringing about the focus of attention that we need on Indian housing. It removes the 5-year cap, and we compliment the gentleman and accept his amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico [Mr. RICHARDSON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. RIDGE

Mr. RIDGE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RIDGE: Page 92, line 10, strike "$75,000,000" and insert "$175,000,000".

Page 9, line 21, strike "$7,913,118,050" and insert "$7,813,118,050".

Page 10, line 12, strike "$500,925,000" and insert "$400,925,000".

Mr. RIDGE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RIDGE. Mr. Chairman, the amendment I am offering to H.R. 4 would transfer $100 million from the section 8 moderate rehab program to the more productive rental rehab program. In the current version of H.R. 4, the rental rehab program is funded at $125 million less than the 1987 appropriation level. This amendment would leave a generous $401 million in the moderate rehab program and funds rental rehab at $175 million or $25 million below last year's level. As you can see, this amendment neither decimates moderate rehab or even gets the rental rehab program up to last year's level. I believe the House should vote to make this adjustment because it will result in the creation of an additional 25,900 units for low-income tenants with 17,300 of those going to the holders of section 8 certificates or vouchers.

During consideration of the recently approved Urgent Relief to the Homeless Act many Members of Congress who supported that emergency bill, including myself, pointed out that the most effective approach to reducing and preventing homelessness is to create more acceptable low-income housing. In dealing with H.R. 4 we must continually look for efficient means to meet this ever growing need.

By transferring $100 million to the rental rehab program from moderate rehab, we can put more units into the market starting in 1988 and serve more section 8 certificate and voucher families with acceptable, rehabilitated housing.

So members of the committee won't be confused, let me walk through the two programs and the numbers:

The section 8 moderate rehab program guarantees a developer a section 8 certificate for up to 120 percent of the fair market rent for 15 years. The tenant's certificate is tied to the unit thereby eliminating movement by unhappy tenants unless they no longer need section 8 assistance. The developer, obviously, recovers his rehabilitation cost by the above market rent payment for 15 years. It is a deep subsidy program.

Instead of a guaranteed above-market rent for the developer, rental rehab provides upfront rehabilitation money, up to 50 percent of the rehab cost to a maximum of $7,500 in H.R. 4, to investors willing to rehab units in severely depressed, HUD approved, low-income areas. The unit is not tied to section 8 certificates or vouchers. However, the market in these low-income areas have clearly shown that 70 percent of all rental rehab tenants use section 8 vouchers/certificates and 93 percent are low-income tenants.

The shallow subsidy for rental rehab units with a leverage of more than 2 private dollars for every $1 spent enables production at many times the rate of moderate rehab. Compare what $100 million gets us:

Total number of units serving low-income families—1,100 for section moderate rehab versus 25,900 for rental rehab for a difference of 24,800 units in 1988.

Total number of units serving holders of section 8 certificates/vouchers—1,100 for moderate rehab versus 17,000 for rental rehab for a difference of 15,900.

At a time when the demand for housing is escalating dramatically and the number of homeless individuals and families seems to be growing, I don't see how we can ignore this opportunity to serve more of the needy low-income section 8 families. Last week, the Neighborhood Reinvestment Corporation, a nonprofit, congressionally chartered corporation dedicated to providing housing to current residents in low-income neighborhoods published a very important study entitled "At Risk of Loss: The Endangered Future of Low-Income Rental Housing Resources." This study projects that by 2003 the gap between the total supply of low-rent housing, both subsidized and unsubsidized, and the number of households needing such housing will grow to 7.8 million homes. If nothing is done, more than 3.5 million low-cost rental units are projected to be lost between 1983 and 2003, cutting the supply from 12.9 million units to 9.4 million units.

A time when a drastic housing shortage grows only worse and worse and has become the No. 1 contributor to homelessness in America, I don't think we can afford to ignore any opportunity to serve thousands of additional individuals and families. These units will be created in HUD designated depressed neighborhoods and thereby, will get to the individuals who need them most.

Mr. Chairman, I understand that my hardworking and distinguished subcommittee chairman, the gentleman from Texas [Mr. GONZALEZ], and our ranking minority member, the gentleman from Ohio [Mr. WYLIE], have reviewed this amendment and may be willing to accept. They have been particularly cooperative with me and I want to extend my appreciation to the distinguished gentlemen from Texas and Ohio. I ask for the support of my colleagues on this important amendment aimed at providing more affordable low-income housing for needy Americans in 1988.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. RIDGE. I yield to the gentleman from Texas.

Mr. GONZALEZ. I thank the gentleman for yielding.

Mr. Chairman, I wish to say that we on this side have had ample opportunity to work with the very distinguished member of the subcommittee, a very hard-working member, a very creative member. He has a good amendment, we thank him for offering it, and we accept it on this side.

Mr. RIDGE. Mr. Chairman, I appreciate the endorsement.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. RIDGE].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment, and I ask unanimous consent that it be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The text of the amendment is as follows:

Amendment offered by Mr. TRAFICANT: Page 163, after line 7, insert the following new section (and redesignate the subsequent sections, and conform the table of contents, accordingly):

SEC. 195. EMERGENCY HOMEOWNERSHIP COUNSELING.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that an economic crisis exists for homeowners in certain States due to—

(1) the failures of a substantial number of businesses, resulting in the temporary displacement of many workers;

(2) temporary reductions of the number of employees in certain industries, resulting in the loss of a substantial number of jobs until the economy recovers;

(3) the exhaustion of personal savings, unemployment compensation, and other financial resources by homeowners who are temporarily removed from their jobs; and

(4) other adverse economic and social conditions affecting the households of the Nation.

(b) GRANTS FOR HOMEOWNERSHIP COUNSELING ORGANIZATIONS.—The Secretary of Housing and Urban Development may make grants—

(1) to nonprofit organizations experienced in the provision of homeownership counseling to enable such organizations to provide homeownership counseling and advice to eligible homeowners; and

(2) to assist the establishment of such nonprofit homeownership counseling organizations.

(c) PROGRAM REQUIREMENTS.—

(1) Applications for grants under this section shall be submitted in such form, and in accordance with such procedures, as may be established by the Secretary.

(2) The homeownership counseling organizations receiving assistance under this section shall use such assistance only to provide homeownership counseling and advice to eligible individuals.

(3) The homeownership counseling and advice provided by homeownership counseling organizations receiving assistance under this section shall include counseling and advice with respect to—

(A) financial management;

(B) available community resources, including public assistance programs, mortgage assistance programs, home repair assistance programs, utility assistance programs, food programs, and social services; and

(C) employment training and placement.

(d) AVAILABILITY OF HOMEOWNERSHIP COUNSELING.—The Secretary shall take such actions as may be necessary—

(1) to ensure the availability throughout the United States of homeownership counseling from organizations assisted under this section, with priority to areas that are experiencing high rates of home foreclosures and are not adequately served by homeownership counseling organizations; and

(2) to inform the public of the availability of such homeownership counseling.

(e) ELIGIBILITY FOR COUNSELING.—A homeowner shall be eligible for homeownership counseling and advice under this section if—

(1) the home loan in dispute is secured by property that is the principal residence of the homeowner;

(2)(A) the creditor notifies the homeowners that the creditor intends to foreclose on the home loan in dispute; or

(B) the homeowner is delinquent in payments on the home loan in dispute for at least 90 days;

(3) the homeowner, due to circumstances beyond the control of the homeowner, is temporarily unable to make payments on the interest or principal of the home loan without unduly impairing the standard of living of the homeowner; and

(4) the homeowner is temporarily unable to make payments, correct a home loan delinquency within a reasonable time, or resume full home loan payments due to a reduction in the income of the homeowner because of—

(A) an involuntary loss of, or reduction in—

(i) the employment of the homeowner, other than as a result of any willful, repeated, or felonious misconduct of the homeowner;

(ii) the self-employment of the homeowner, other than as a result of any willful, repeated, or felonious misconduct of the homeowner; or

(iii) returns from the pursuit of the occupation of the homeowner, other than as a result of any willful, repeated, or felonious misconduct of the homeowners; or

(B) any similar loss or reduction experienced by any person who contributes to the income of the homeowner.

(f) STAY ON CERTAIN FORECLOSURES.—

(1) During the 6-month period beginning on the date on which an eligible homeowner applies for homeownership counseling and advice under subsection (c), a creditor may not initiate or continue an action to foreclose on a home loan.

(2) This subsection shall only apply if the creditor is federally chartered or the home is federally guaranteed or insured.

(g) DEFINITIONS.—For purposes of this section:

(1) The term "creditor" means any person or entity that makes a home loan.

(2) The term "home loan" means any loan secured by a mortgage or lien on residential property.

(3) The term "homeowner" means any person who is obligated under a home loan.

(4) The term "residential property" means a 1-family residence (including 1-family units in a condominium project, a membership interest and occupancy agreement in a cooperative housing project, and any manufactured home and the lot on which such home is situated) that is the principal residence of the debtor involved, but does not include any 1-family residence located on farm property or in a rural area.

(5) The term "Secretary" means the Secretary of Housing and Urban Development.

(h) REGULATIONS.—The Secretary shall issue such regulations as may be necessary to carry out this section.

(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $30,000,000 for fiscal year 1988. Any amount appropriated under this subsection shall remain available until expended.

Mr. TRAFICANT. Mr. Speaker, the House for many years has been trying to work out some sort of legislative remedy for the growing problem of mortgage foreclosures in areas of continuing and chronic unemployment where Americans are losing their homes through economic conditions beyond their control.

Many of the amendments that have been brought forward or legislative efforts have been, quite honestly, very costly. But I believe that there has been a new development in this particular area that has proved not only cost effective but would help America. That is the creation of many homeownership counseling assistance programs.

These assistance programs throughout the country work with the creditors and the banks and develop workouts where many times they are able to allay foreclosure.

The amendment calls for an authorization of $30 million to effect this Nationwide Homeownership Counseling Program. In addition, the legislation would also provide for an immediate 6-month moratorium on foreclosures for anybody eligible under this particular amendment and legislation who would so qualify.

Let me offer to the Members of the House that this legislation is not just an omnibus piece of legislation. It does not deal with just anybody. It does not deal with deadbeats, only those individuals who have good credit ratings and were it not for those conditions such as plant closings in areas of steel mills, for example, or in Texas now, where they have a tremendous problem with the oil and energy situation—only those who are qualified would be eligible for this assistance.

I have in addition several efforts from programs around the Nation that have sponsored and helped this legislation. The Housing Counseling Services of Phoenix, AZ, writes, and they say that in their intervention in 123 cases, they have saved HUD $2.2 million. The Mobile Housing Board in Mobile, AL, says that their particular program has also saved HUD significant amounts of money. But more importantly, there is a program called Project Hope in western Pennsylvania that has intervened in approximately 192 cases. They have shown and have documented that they have saved HUD $879,000 with their counseling services. So the program would in fact authorize $30 million. However, from the input around the Nation, this measure would be at best at least revenue neutral, and some people say that in fact it would save HUD money.

In closing, each and every foreclosure costs HUD $18,000. If we could provide a system that would intervene and work out, not only with the mortgage problem, but many times with utility companies, this would be a cost-effective way, and it would help us deal with a part of our country that is being overlooked in our housing priorities, and that is the many honest men and women who worked for a living, have lost the job, have a good credit rating, and have been abandoned basically by this body.

So with that, I would hope that the House would look favorably upon this amendment, and also advise them that HUD has $350 million of administrative money, and we will either have HUD pay it in administrative expense for foreclosures, or we will provide a program that will save our country, save our budget some money, and save our American people.

Mr. RIDGE. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Pennsylvania.

Mr. RIDGE. I thank the gentleman for yielding.

Mr. Chairman, I am very familiar with the program in northwestern Pennsylvania. The statistics to which the gentleman referred, although they do not apply specifically to my congressional district, do apply to Allegheny County. We have just commenced a similar kind of program, a similar effort in my congressional district.

I applaud the gentleman for his amendment, and rise in support of it.

Mr. TRAFICANT. I thank the gentleman, whose leadership has helped many people in western Pennsylvania, where this Project Hope is located.

Mr. HILER. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Indiana.

Mr. HILER. I thank the gentleman for yielding.

Mr. Chairman, I just got a copy of the amendment, and I have been trying to read through it fairly rapidly. Could the gentleman maybe tell the House how he would envision this program working? This is a substantial increase in money. We have I think about $3½ million in H.R. 4 in this area, so this is a tenfold increase. How does it work?

□ 1710

Mr. TRAFICANT. I do not see it to be a significant increase for the following reason: Throughout the Nation there are counseling assistance programs that are beginning to take hold.

These counseling programs are started to be intervenors that are working out arrangements between the debtor and the creditor and they are making significant progress.

What I am saying is, there is not enough of it.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. TRAFICANT] has expired.

(On request of Mr. HILER, and by unanimous consent, Mr. TRAFICANT was allowed to proceed for 2 additional minutes.)

Mr. TRAFICANT. With that particular scenario in mind, the escalating of these types of assistance programs throughout the country would save HUD from the $18,000 average foreclosure cost they have on these failures.

In addition to that, it opens up a part of the housing program to all Americans. Basically, our particular money at this particular point is stratified to certain interest groups that are absolutely needed.

This opens up a segment of our society that has had absolutely no help from this body and should.

Mr. HILER. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. Mr. Chairman, I yield to the gentleman from Indiana.

Mr. HILER. Mr. Chairman, I understand the gentleman's perspective on what the ultimate cost would be; but what I might be most concerned about is how does the program function.

How does the $30 million get from HUD to an organization in the gentleman's district, or in my district or in southern Illinois?

Mr. TRAFICANT. Respective programs in States throughout the country would thus apply to the Secretary of HUD trying to qualify their program.

Then HUD, upon qualification standards, would go ahead and make funds directly available to those particular agencies for such programming.

The bottom line is, what we are trying to do is expand upon the services already in existence and create more.

HUD now has $350 million on an average per year available to handle these types of expenses. What we are saying is, by a $30 million authorization to create these programs, what we will ultimately be paying for foreclosures is $18,000 per, we would be saving by instituting this program and this type of administrative remedy.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, I thank the gentleman for yielding.

I think the concept of the amendment is all right. As a matter of fact, there is a provision in H.R. 4 right now for counseling services, as you know.

In H.R. 4 there is $4 million provided for it; and in the substitute which I offered I provided $3.5 million for counseling services.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. TRAFICANT] has expired.

(On request of Mr. WYLIE, and by unanimous consent, Mr. TRAFICANT was allowed to proceed for 2 additional minutes.)

Mr. WYLIE. Mr. Chairman, will the gentleman yield further?

Mr. TRAFICANT. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, all merits aside, I do not think we can continue to add money to the bill within the restrictions of our budget and our budget deficit.

It looks to me like we are about to load up the canoe here to sink it, but the gentleman talked somewhere about something, $350 million that HUD had to spend.

Where does that money come from?

Mr. TRAFICANT. No. 1, as I explained earlier, there is $350 million in administrative expense categories for HUD right now.

Each and every one of these foreclosures is costing us and HUD, $18,000 per.

There are two ways we can address it. We can continue to absorb the cost in the absolute finalized foreclosure process, or we could develop a mediating system of intervenors which would allay the foreclosures and, in fact, save that amount of money.

All of the programs that are in effect right now have proven to be cost effective.

The Phoenix, AZ, program has saved in fact $2.2 million, and I include here in the RECORD a letter from the housing counselor supervisor, and a letter from the Mobile Housing Board:

HOUSING COUNSELING SERVICES,
Phoenix, AZ, June 1, 1987.

JAMES A. TRAFICANT, Jr.
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN TRAFICANT: I received your letter dated, May 25, 1987 requesting support of the "Emergency Homeownership Counseling Act of 1987. We have a counseling agency that is very active in mortgage default counseling. Last fiscal year, the agency assisted 123 homeowners to reinstate their defaulted mortgages. Since it cost taxpayers and HUD approximately $18,000 dollars for every loan that is insured by HUD and subsequently foreclosed by mortgage lenders, the agency alone, saved the Government and Taxpayers $2.2 million dollars in mortgage insurance claims. Hence, the $100 million dollar Homeownership Counseling Act of 1987 would be extremely cost effective because of the number of HUD Certified Housing Counseling Agencies that are currently in operation.

Please be advised that I fully support your effort in introducing H.R. 2307. I wish you the greatest of success. I feel that the financial and quantitative effects of homeownership counseling have not been actually realized by the general public and many practicing politicians.

It is of paramount importance that H.R. 2307 be passed to keep the American Dream of owning a home alive.

ALBERT H. KNOX,
Housing Counselor Supervisor.

MOBILE HOUSING BOARD,
Mobile, AL, June 2, 1987.

Hon. J.A. TRAFICANT, Jr.,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN TRAFICANT: This is to acknowledge your letter of May 28, 1987 in which you advise you have introduced legislation H.R. 2307 entitled the "Emergency Homeownership Counseling Act of 1987." We are delighted to hear that you have introduced this bill, and we assure you of our full support.

Our agency has provided housing counseling for many years, and we fully realize the value of such a program to the average homeowner. Any money put to this use will be money well spent. Technically, correct advice and assistance at the appropriate time has saved families' homes.

We note one feature of your bill would provide the family protection from a foreclosure proceeding for a period of six months. On the surface, this appears to be desirable. However, our counselors tell me that it would be better to leave the foreclosure proceeding deadline at three months, rather than having to wait the full six months. The reason for this is that once the property is foreclosed, HUD takes over and the family has three years to catch up its payments. HUD pays off the mortgage holder. If you drag out foreclosure for a full six months, the families' suffering is prolonged three months longer than the present regulation provides. And in most cases, the accumulated back payments over an extended period of time cannot be paid immediately upon the wage earner being reemployed.

We appreciate your efforts in behalf of homeowners. You have our full support for H.R. 2307.

Yours very truly,
JAMES R. ALEXANDER, Jr.,
Secretary-Executive Director.

In the letter submitted by Albert H. Knox, the housing counselor supervisor, he states that he saved the Government and taxpayers $2.2 million in mortgage insurance claims.

Hence, the $100 million Homeownership Counseling Act of 1987 would be extremely cost effective because of the number of HUD Certified Housing Counseling Agencies that are currently in operation.

I think that there are two ways to do it. We can continue to give the money to HUD and HUD can pay the foreclosures, or we can expand, amplify upon a reasonable program that intervenes, works out agreements and saves homes.

Mr. WYLIE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as I indicated, I think the counseling service program is a good program.

The gentleman is suggesting that we authorize an additional $30 million, and I must say that I do not know where the gentleman is talking about this money is coming from when the gentleman says there is $350 million in administrative expense.

All of the moneys in this bill have been allocated to specific items or to a specific program.

I would just say that there is no way that this cannot add an additional $30 million to the cost of the bill, and I just thought I ought to make that observation for the record.

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Chairman, I thank the gentleman for yielding.

I do not mean to take issue with the gentleman from Ohio.

Mr. WYLIE. Mr. Chairman, reclaiming my time, I did not understand where the gentleman said there was $350 million for administrative expense that HUD had out there that they could allocate the couseling service, and it would not cost anything.

I know of no such item.

Mr. TRAFICANT. It is my information that through the administrative expense and the cost of these foreclosures, HUD faces to lose $18,000 each time there is an absolute foreclosure taking place on one of their particular parcels of property.

With that being in mind, Congress, and through our budget, is appropriating money ultimately going for expenses after the fact of foreclosure.

What we are talking about with this amendment is amplifying upon programs that have started up throughout the country based on needs that have been met and are shown to be cost effective in saving HUD money.

What we want to do now is, we want to expand that into the areas where it is needed. We particularly believe that the absolute program will save money for HUD in the long run.

Mr. WYLIE. It may save money in the long run, but the upfront cost is $30 million.

Mr. TRAFICANT. There would be a $30 million cost, but for every benefit, there are accompanying costs.

Mr. GONZALEZ. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment; we accept the amendment.

I have a little bit of history here that I think is very important.

The gentleman from Ohio [Mr. TRAFICANT] from the very beginning has been working on this very, very fundamental program addressing a very fundamental problem that we have; and that is endeavoring to help our families preserve their ties to our country through homeownership, and helping them tide over during difficult times that, because of nothing within their control, they cannot help losing their jobs if a factory closes, and they can have a little bit of help in order to hold onto title and ownership of their little home.

The gentleman from Ohio [Mr. TRAFICANT] appeared before our subcommittee in 1983 when the gentleman was sheriff of his county.

The gentleman was the one that refused to foreclose, and saved innumerable families in that area from foreclosure in the loss of their homes.

We tailored a bill known as the Emergency Home Mortgage Assistance Act of 1983 that passed this House overwhelmingly on a bipartisan vote in 1983 in May. Ever since the gentleman from Ohio [Mr. TRAFICANT] gained election to the Congress he has been working on this, and what he has tailored here is, in my opinion, a very well tailored bit of legislation that I think we have the responsibility of helping with. Therefore, we certainly accept the gentleman's amendment.

AMENDMENT OFFERED BY MR. HILER TO THE AMENDMENT OFFERED BY MR. TRAFICANT

Mr. HILER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. HILER to the amendment offered by Mr. TRAFICANT: Page 6, line 2, insert before the period the following: ", from amounts authorized under section 512".

Mr. HILER. Mr. Chairman, I offer this amendment for the following reasons: Not having had time to really research the amendment offered by the gentleman from Ohio to know the full impact that it can have, I am willing to say that the gentleman, with the $30 million authorization, might have an idea, but I think before we expand the amount of money in this bill by yet another $30 million, inviting yet a stronger veto, and yielding yet what I believe will be a nonhousing bill in the final analysis, I think maybe we should take the $30 million from somewhere else in the bill.

So what we are doing is we are going to have a revenue neutral impact as it would be scored by CBO, notwithstanding the fact that the gentleman from Ohio mentions that there are reflows that might occur.

So what we would do is take $30 million from the Nehemiah Program, which is a new program which provides interest free second trusts to people who are kind of doing all right and want to build a home or buy a home, and we would transfer that money instead to help people save a home who are in great economic distress, whose income is not 115 percent of the median area income as the Nehemiah Program envisions.

POINT OF ORDER

Mr. SCHUMER. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. SCHUMER. Mr. Chairman, I make the point of order that since we have not yet reached section 512 that the amendment is not in order at this point in time.

The CHAIRMAN. The Chair would advise the gentleman that the point of order comes too late. The point of order had to be raised when the amendment was offered.

Mr. SCHUMER. Mr. Chairman, we did not have a copy of the amendment, and immediately after receiving a copy of the amendment, which is hand-written, this gentleman from New York raised the point of order as soon as we got it.

The CHAIRMAN. The Chair will state that under the rules of the House the point of order has to be raised when the amendment is offered. The gentleman's point of order comes too late.

Mr. SCHUMER. I have an additional point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state his point of order.

Mr. SCHUMER. Mr. Chairman, I make the point of order that the amendment was not distributed to the other side at the time of its reading.

The CHAIRMAN. The Chair will state that is not a point of order under the rules of the House.

Does the gentleman have an additional point of order?

Mr. SCHUMER. I cannot think of one right now, Mr. Chairman, but I will try again soon.

Would the Chair want to suggest a point of order?

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. HILER].

Mr. HILER. Mr. Chairman, just so that the gentleman from New York knows, that is why I purposely did not ask unanimous consent that the amendment be considered as read, so the gentleman would be able to hear the amendment and have his chance to raise whatever point of order he might want.

But, Mr. Chairman, as I said, there is no need to prolong this particular debate on my amendment. It is not a long amendment, it is not a complicated amendment. It is a revenue neutral amendment and it says if we are going to spend 30 million new dollars for the counseling service of the gentleman from Ohio, then we ought to get that money from somewhere else in the bill.

In my estimation, we ought to get that money out of the Nehemiah program, which is a new program. So we would just trade new program for new program.

I think the amendment makes eminent good sense, and I urge my colleagues to support it, and I yield back the balance of my time.

Mr. TRAFICANT. Mr. Chairman, I rise in opposition to the amendment.

One thing I do not want to be misrepresented about is I do not believe that Congress should be on a seesaw weighing needed mortgage foreclosure assistance with needed equity ownership in low-income communities and progressive programming. I am not here today, and I do not want one dime taken from the Nehemiah project.

I will call for a vote. I am glad to see that the gentleman has stood up and recognized that at least on the surface, if the rationale of his argument that the mortgage foreclosure assistance program counseling is needed, now he is looking to see where the money can come from. I think that is an honorable debate and one that is worthy of pursuing.

However, if we are to begin to attack this problem of the housing needs in America, we are not going to rob Peter to pay Paul to do it. We are going to have to make some tough decisions here.

The Nehemiah project is absolutely necessary. That targeted population of our society has shown that that program can work in pilot studies, and we need that program. To pass my amendment in deference to a cut in Nehemiah would be against my principles. I am not here today to hurt another program, I am here to advance a need.

At some particular point, ladies and gentlemen, the Appropriations Committee is going to look at all of this. There is no guarantee there is going to be $30 million for the homeownership assistance. But I hope to God there is.

So I will not be any part of that. I oppose the amendment. Nehemiah should stand on its own legs. It is a fine program. This mortgage foreclosure assistance program that this chairman has fought for years to bring out, and so desperately is needed in this country, should not be stifled with that type of political maneuvering or parliamentary maneuvering in the House.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. HILER] to the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

□ 1725

The question was taken, and on a division (demanded by Mr. HILER) there were—ayes 14, noes 21.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. KEMP

Mr. KEMP. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. KEMP: Strike section 126 and insert the following (and conform the table of contents accordingly):

SEC. 126. PUBLIC HOUSING HOMEOWNERSHIP OPPORTUNITIES.

(a) IN GENERAL.—The United States Housing Act of 1937 (as amended by section 125 of this Act) is further amended by adding at the end the following new section:

"PUBLIC HOUSING HOMEOWNERSHIP OPPORTUNITIES

"SEC. 22. (a) PURCHASES BY RESIDENT MANAGEMENT CORPORATIONS.—

"(1) RIGHT TO PURCHASE.—The families residing in each public housing project shall be provided with the opportunity to purchase the dwelling units in the project through a resident management corporation.

"(2) FORMATION OF RESIDENT MANAGEMENT CORPORATION.—As a condition for public housing homeownership under this subsection—

"(A) the adult residents of a public housing project shall have formed a resident management corporation in accordance with regulations and requirements established by the Secretary;

"(B) the resident management shall have entered into a contract with the public housing agency establishing the respective management rights and responsibilities of the resident management right and responsibilities of the resident management corporation and the public housing agency; and

"(C) the resident management shall have demonstrated its ability to manage public housing effectively and efficiently for a period of not less than 3 years.

"(3) CONDITIONS OF PURCHASE.—A resident management corporation may purchase all or part of a public housing project following a determination by the Secretary that—

"(A) the resident management corporation has been established in accordance with paragraph (2);

"(B) the resident management corporation is prepared to undertake the ownership, management, and maintenance of the project with continued assistance from the Secretary.

"(C) the resident management corporation has held one or more public hearings to obtain the views of citizens regarding the proposed purchase;

"(D) the purchase will not interfere with the rights of other families residing in public housing, will not harm the efficient operation of other public housing, and is in the interest of the community (which determinations shall be made following consultation with the public housing agency); and

"(E) the project meets the minimum safety and livability standards applicable under section 14, and the physical condition, management, and operation of the project is sufficient to permit and encourage affordable homeownership by the families residing in the project.

(b) DIRECT PURCHASES BY FAMILIES.—

"(1) RIGHT TO PURCHASE.—Each family residing in a public housing project shall be provided with the opportunity to purchase directly from the public housing agency the dwelling unit in which the family resides.

"(2) CONDITIONS OF PURCHASE.—A family may purchase a dwelling unit under this subsection following a determination by the Secretary that—

"(A) the purchase will not interfere with the rights of other families residing in public housing, will not harm the efficient operation of other public housing, and is in the interest of the community (which determinations shall be made following consultation with the public housing agency); and

"(B) the dwelling unit meets the minimum safety and livability standards applicable under section 14, and the physical condition, management, and operation of the project in which the dwelling unit is located are sufficient to permit and encourage affordable homeownership by the family.

"(c) Terms of purchases.—

"(1) Purchase price limitation.—The price for any purchase under subsection (a) or (b) shall be not more than 25 percent of the fair market value of the property involved, as determined by the Secretary.

"(2) Purchase arrangements.—A purchase under subsection (a) or (b) may be made under any of the following arrangements, at the option of the resident management corporation or family making the purchase:

"(A) Lease-purchase.

"(B) Shared appreciation, except that not less than 50 percent of the future appreciation in the value of the property involved shall be reserved to the resident management corporation or family making the purchase.

"(C) Cooperative ownership.

"(D) Condominium ownership.

"(E) Purchase with amounts borrowed on the security of the property involved.

"(F) Any other arrangement determined by the Secretary to be appropriate.

"(3) Low interest rate loans from public housing agencies.—For purposes of assisting any purchase by a resident management corporation or family under subsection (a) or (b), the public housing agency involved shall make a loan on the security of the property involved to the resident management corporation or family at a rate of interest equal to 70 percent of the market interest rate for conventional mortgages on the date on which the loan is made.

"(4) Use of proceeds.—The proceeds from any sale shall be paid to the public housing agency, to be used only to rehabilitate or increase the number of public housing dwelling units available for occupancy.

"(d) Limitations on resale.—

"(1) Right of first refusal.—If any family owns (or has ownership rights in) a public housing dwelling unit initially purchased by a resident management corporation under subsection (a) and plans to sell the dwelling unit or rights to a family that is not a lower income family, the resident management corporation or public housing agency involved shall have the right to purchase the dwelling unit or rights at the price for which the family has received a firm offer.

"(2) Recapture at time of sale.—If any purchaser of property under this section, including a resident management corporation, sells the property before the expiration of the 5-year period following the date of the purchase, the purchaser shall pay to the public housing agency the following percentage of any excess of the sales price over the purchase price:

"(A) 100 percent, if the sale occurs during the 1st 1-year period following such date.

"(B) 100 percent, if the sale occurs during the 2nd 1-year period following such date.

"(C) 75 percent, if the sale occurs during the 3rd 1-year period following such date.

"(D) 50 percent, if the sale occurs during the 4th 1-year period following such date.

"(E) 25 percent, if the sale occurs during the 5th 1-year period following such date.

"(e) Homeownership Assistance.—

"(1) Assurance of appropriate conditions for homeownership.—The Secretary shall provide comprehensive improvement assistance under section 14 to public housing projects in which homeownership activities under this section are conducted in order to ensure that the physical condition, management, and operation of the projects are sufficient to permit and encourage homeownership by the families residing in the projects.

"(2) Training and technical assistance.—The Secretary, and the public housing agency owning and operating each public housing project, shall provide such training, technical assistance, and educational assistance as the Secretary determines to be necessary to prepare the families residing in the project, and any resident management corporation established under subsection (a), for homeownership.

"(f) Tenants Rights.—

"(1) In general.—Families renting a dwelling unit in a building purchased by a resident management corporation shall have all rights provided to tenants of public housing under this Act.

"(2) Eviction prohibition.—No family residing in a dwelling unit in a public housing project may be evicted by reason of the sale of the project to a resident management corporation under this section.

"(3) Rental assistance.—If any family resides in a dwelling unit in a public housing project purchased by a resident management corporation, and the family decides not to purchase the dwelling unit, the Secretary may offer to provide to the family assistance under subsection (b) or (o) of section 8, as determined by the Secretary to be appropriate to permit the family to continue to reside in the dwelling unit.

"(4) Relocation assistance.—If any family resides in a dwelling unit in a public housing project in which other dwelling units are purchased under this section, and the family decides not to purchase the dwelling unit, the Secretary may offer—

"(A) to assist the family in relocating to a dwelling unit in another public housing project; or

"(B) to provide to the family assistance under subsection (b) or (o) of section 8, as determined by the Secretary to be appropriate to permit the family to obtain comparable alternative housing.

"(g) Financial Assistance.—

"(1) Assistance for public housing agencies.—The Secretary shall provide to public housing agencies such financial assistance as the Secretary determines is necessary to permit such agencies to carry out the provisions of this section.

"(2) Annual contributions.—Notwithstanding the purchase of all or part of a public housing project under this section, the Secretary shall continue to pay annual contributions with respect to the project. Such contributions may not exceed the maximum contributions authorized in section 5(a).

"(3) Operating subsidy.—The operating subsidy for a project managed by a resident management corporation shall not be less than the public housing agency per unit monthly amount provided in the previous year. Such subsidy may not be reduced during the 3-year period beginning on the date on which the resident managed housing is transferred to resident ownership, except that if the total income of the public housing agency is reduced the income provided by the public housing agency to the resident owned project may be reduced in proportion to the total revenue reduction of the public housing agency.

"(h) Additional Homeownership Opportunities.—

"(1) In general.—No provision of this section may be construed to preclude the Secretary or any public housing agency from providing additional homeownership opportunities under section 5(h), section 6(c)(4)(D), or any other provision of this Act.

"(2) Purhcase of unoccupied units.—Any qualified public housing resident or qualified applicant for public housing residence may purchase any unoccupied dwelling unit in a public housing project, subject to the conditions of this section.

"(i) Regulations.—The Secretary shall issue such regulations as may be necessary to carry out the provisions of this section. Such regulations may establish any additional terms and conditions for homeownership under this section that are determined by the Secretary to be appropriate.

"(j) Annual Report.—The Secretary shall annually submit to the Congress a report setting forth—

"(1) any need for the development of additional public housing dwelling units as a result of the sale of public housing dwelling units under this section;

"(2) recommendations of the Secretary for additional budget authority to carry out such development; and

"(3) recommendations of the Secretary to ensure decent homes and decent neighborhoods for lower income families.

"(k) Limitation.—Any authority of the Secretary under this section to provide financial assistance, or to enter into contracts to provide financial assistance, shall be effective only to such extent or in such amounts as are or have been provided in advance in appropriation Acts.".

"(b) Assisted Housing Replacement for Public Housing Dwelling Units Sold.—Section 5(c) of the United States Housing Act of 1973 is amended by adding at the end the following new paragraph:

"(8)(A) Each public housing agency shall implement a plan to replace (by the provision of housing vouchers, rehabilitation of vacant public housing units, or construction of new public housing) public housing units sold under section 22, which plan shall provide for replacement of such percentage of the units sold as the public housing agency determines is justified by the local supply of lower income housing.

"(B) In addition to the other budget authority provided for in this subsection, the budget authority available for assistance under subsections (b) and (o) of section 8 is authorized to be increased by such amounts as may be necessary to provide one additional housing assistance certificate or voucher for each public housing dwelling unit sold under section 22.".

"(c) Effective Date.—The amendments made by this section shall take effect on October 1, 1987, or the date of the enactment of this Act, whichever occurs later.

Mr. KEMP (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEMP. I thank the Chairman.

Mr. Chairman, last Wednesday in Newark, NJ, the Federal Housing Authority demolished the first highrise in the Scudder home project, public housing project of Newark, NJ. It was built in the 1960's at a cost of $20 million.

In the ensuing years the Department of Housing and Urban Development poured another additional $36 million into that project. It is being destroyed right in front of the eyes of those poor and inner city residents who are in desperate need of housing.

Next week the Feds are going to do it again to another project.

Recently the HUD manager in Newark, NJ, said this: "All of us who had any part in funding, approving, designing, managing, or living in these buildings have been admonished by the conditions that now exist in them." What a shame.

Newark, NJ, and all over this country public housing projects are being demolished because it has not worked. In some cases it has, but in all too many instances it has failed to deliver the hope and the opportunity that poeple want for housing. The Kemp amendment cosponsored by my friend from Texas [Mr. ARMEY], the gentleman from Missouri [Mr. GEPHARDT] and others would allow inner city low-income residents of public housing projects an opportunity to buy their apartment, buy that piece of property, buy that home for 25 percent of the market rate. I think each and every one of us have heard the statistics.

The gentlewoman from New Jersey has been such a fighter on behalf of housing and I respect her very much; she told me recently 70,000 apartments are vacant.

Was there anything wrong with a radical solution? Let us sell it off. Let us sell off those apartments and that housing to those inner-city residents who want a chance to purchase a piece of the American dream.

I do not stand up here and advocate selling off public housing, but I think we ought to give low-income people a chance to manage their own destiny, not only with tenant management, which I strongly support, but this idea of allowing them to purchase that apartment or that home at 25 or lower percent of the market rate with a subsidized mortgage rate.

I recently got a letter from Kimi Gray, the chairwoman of the Public Housing Resident Tenant Coalition of America, one of the most dynamic inner city activists in the country. She said she opposes H.R. 4 at least in the home ownership provisions because it places too many restrictions on the purchase and the resale of low income property.

She said, and I quote, "Public housing residents should not be treated as second class citizens any longer." She said something I want to share with everybody; she said, "We have the same dreams as every other American." If this bill is about dreams, about ownership, about home ownership, about public housing and getting an opportunity to have a piece of that dream it seems to me that we ought to take a more radical or a more progressive step deciding on what word you want to choose and allow those people, those inner-city residents to buy their apartment at 25 percent of the market rate.

Congressman Fauntroy and I cosponsored this in 1986. It passed by about 320. There is no argument against it. We can replace the public housing stock by having the public housing authority determine what public housing has been sold, what should be rehabilitated, what vouchers should go to the family who wants to buy another one or rent another one or what the Feds should do with regard to rebuilding the stock that might be removed from the authority.

I think it is a piece of America's dream that we ought to offer to the inner-city poor and I would suggest that Democrats and Republicans ought to have no problem supporting such a radical or progressive idea.

Furthermore, while there is near universal approval of low-income home ownership goals, some legitimate questions have been raised about our amendment, and we would like to address those concerns below.

Question: Would this reduce the housing stock for the poor?

No. Renters will simply be turned into homeowners. The same number of low-income residents will be served as now.

We also deal with the replacement issue by:

First, requiring local public housing authorities to implement a plan to replace—by the provision of housing vouchers, rehabilitation of vacant public housing units, or construction of new public housing—the public housing units sold or such percentage of the units sold as the public housing agency determines is justified by the local supply of lower income housing;

Second, requiring that funds raised from selling housing be used by local PHAs for new construction and rehabilitation only. This could amount to billions of new funds for construction and rehabilitation;

Third, requiring the Federal Government to issue one new housing voucher for each unit sold;

Fourth, giving the resident management corporation or public housing agency involved the right to purchase the dwelling unit at the price for which the family has received a firm offer;

Fifth, requiring HUD to make an annual report recommending new funds to ensure decent homes and decent neighborhoods, including the need for additional budget authority to build new housing;

Sixth, offering 70,000 vacant units to be rehabilitated and sold under the conditions of our amendment.

Question: Would this amendment skim the best units from public housing authorities?

Not if Kenilworth-Parkside and other resident managed projects are any precedent. These projects, once among the poorest, have become good candidates for home ownership. The dream of resident management and ultimate home ownership powerfully encourages even poorer housing projects to improve operations, maintenance, and efficiency.

Question: What is the overall cost of the amendment?

The amendment will not add to spending or violate the budget act. Government receipts would actually be increased as housing is sold.

Question: Aren't most public housing projects high rise ghettos that no one would want to buy?

Some housing projects are dismal places indeed—which underscores the importance of promoting home ownership to improve living conditions and upgrade neighborhoods. Contrary to public opinion, however, most public housing projects are quite livable and in good to excellent condition. According to a HUD survey in 1982, 43 percent of the housing stock was in good to excellent condition, 29 percent was in fair condition, and less than 28 percent was in poor condition.

Question: Aren't most projects high rise buildings that would be difficult to convert?

No. According to HUD, only about 27 percent of the projects are high rise buildings, 32 percent are garden apartments, 16 percent are low-rise walk up apartments, and 25 percent of the projects, containing 10 percent of the units, are single family detached or townhouse units. Even high rise units, if organized carefully, can be converted in part or in whole to cooperative or condomium home ownership.

Question: Isn't this an untried scheme?

To the contrary, Great Britain's government sold over 800,000 of its public housing stock under a program resembling, but far less generous, than ours. While there are significant differences in the two situations—for one, Britain's public housing tenants have higher incomes on average than American residents—the British example demonstrtes the potential for low-income home ownership opportunities.

Question: Suppose some residents do not want to buy?

Tenants who don't want to buy are entirely protected. No one may be evicted as a result of this amendment. Residents may choose to remain in their home and continue to rent from the public housing authority or be given a housing voucher and relocate, if that is their wish.

Question: Home ownership efforts have failed in the past. Why will your initiative be any different?

Our most important guarantee of success is that we build on resident management groups—people and projects who have already demonstrated expertise, responsibility, financial skills, and good organization ability. Unlike past efforts, we give tenants full home ownership rights after 5 years, low-interest financing, training and technical assistance, and an immediate 75 percent equity stake in their property to discourage default or abandonment of property. HUD must also certify that the residents can afford home ownership.

Question: Won't there be a quick turnover of public housing to the nonpoor?

No. Quick resales of property are discouraged because HUD recaptures a portion of any windfall gain for a 5-year period. Neighborhood demographics can be expected to change slowly.

I ask the skeptics one question: How can anyone concerned with the poor, minorities, and cities ignore this opportunity to increase the wealth of some of our poorest citizens by $14 billion? Shouldn't we be doing all we can to assure all Americans a decent home and a decent neighborhood? I ask your support of this pathbreaking amendment that could open up vast new housing opportunities to low-income people and improve some of America's most troubled neighborhoods.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. KEMP. I yield to the gentleman from San Diego, the gentleman from California [Mr. HUNTER].

Mr. HUNTER. I thank the gentleman for yielding.

The CHAIRMAN. The time of the gentleman from New York [Mr. KEMP] has expired.

(On request of Mr. HUNTER and by unanimous consent Mr. KEMP was allowed to proceed for 1 additional minute.)

Mr. HUNTER. Mr. Chairman, will the gentleman continue to yield?

Mr. KEMP. I yield to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman because this amendment that the gentleman and Mr. ARMEY of Texas have offered really creates a most important and precious American commodity and that is hope and motivation. I shared this tour with Kimi Gray and with the gentleman, Mr. ARMEY, the gentleman from Texas and I and I want to say that the hopes and dreams of those people in that project are with this amendment. We asked them about it specifically. They want this House to vote up on the Kemp-Armey amendment.

Mr. KEMP. I just wish I could mention all the names of that coalition who support this amendment, but be that as it may H.R. 4 does not allow this to happen, make no mistake about it. This will be a healthy addition to making this public housing bill a significant step forward.

I thank the gentleman from California for his comments.

Mr. GONZALEZ. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

Mr. Chairman, the basis of my opposition at this point is the bitter exception I take to the dear colleague letter that the distinghished gentleman just finishing his remarks has included in a dear colleague letter circulated in which the thrust of the message was that there was nothing in H.R. 4 to provide home ownership.

As a matter of fact, it was an issue that was long debated and considered both in subcommittee and full committee. We had hearings on the subject matter over a period of a few years. We were the first subcommittee to recognize the local D.C. home ownership, the much-touted program which nevertheless, whether it is here or in St. Louis or in three other cities, they all have to depend on continuing public housing subsidies. But home ownership, unless we define it, can be one of the most cruel, cruel practices perpetrated on the poorest of the poor in our country that we could ever sanction in law.

H.R. 4, section 126 is devoted to what I would define as a demonstration program or a demonstration-legislative provision because of the necessity to safeguard against abuse.

Mr. KEMP's amendment can end up in a nonresident tenant of a public housing project being eligible for what he defines as ownership which I think is contrary to the explanation given in support of his amendment.

So I think my basic objection at this point is to the distortions that have been emanating in connection with this amendment.

In H.R. 4 the public housing authority cannot veto the sale of units to tenants if the guidelines of the program are met. And we set these guidelines in accordance with the testimony we heard, the visits we made in the name of the subcommittee to some of these projects and to the long experience we have had of the exposure to abuse if we did not have strict guidelines. PHA must certify that purshases will not harm the efficient operation of the public housing units.

Why did we place these restrictions on the resale of the housing? First, to other eligible lower income families, residents of the public housing project; and second by using the model of the limited dividend resale restrictions because we wanted to assure that the benefits of home ownership remain available to other low-income families ready to move from being tenants to homeowners.

All of us are familiar with neighborhoods which have become targets for speculators and for grasping and predatory real estate interests. Every single traditional public housing project that has a life history of more than 35 years in our major centers, whether it is in Houston, TX, in my own city, in Dallas, TX, in Chicago, the real estate speculators are rubbing their hands greedily hoping to acquire these choice land sites now. In Chicago, along the shoreline that at the time of their construction they were not looked upon that way. In Houston, the Island Parkway Village, one of the most beautifully architectured and constructed, functionally, public housing projects in the country or anywhere in the world is greedily being sought by the owners of these high buildings, housing banks and oil companies, who want to get that land. It is also right in the middle of the most historical land in the State of Texas, Freedmans Town, the place where, upon their emancipation, our black fellow citizens went to live in Houston. That they want to have. They do not care about the poor blacks living there. Nobody has come up with a suitable replacement program anywhere.

So this is a cruel joke in the name of free enterprise. I just wish that we had had a chance to have been approached by the gentleman from New York to show him what we had done in section 126 of H.R. 4.

Mr. MORRISON of Connecticut. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think we have had presented to us a new housing program that ought to be called the "Supply Side Housing Program." The supply side housing program would take some existing resources in which the people of the United States have invested heavily for many years to create rental housing for people, to sell that resource to a particular select group of people, the people who happen to live in the units right now at a bargain basement price, 25 percent of the market value and to replace that unit of housing in which someone can live with the great false promise of all times, a housing voucher which is good for 5 years if it is good at all, if there happens to be a unit that you can rent with that voucher.

I think the gentleman from Texas is absolutely correct; that is a cruel hoax that which is proposed here.

□ 1740

It is a raid on the Treasury. Imagine what this program would be like if it were fair, if it extended to every person eligible for public housing the right to buy a home for 25 percent of the market value, with the Federal Government to absorb the cost. How many hundreds of billions of dollars would that cost?

But we do not face that huge cost because we intend to give this benefit only to a tiny minority of people who happen to live in public housing units that it is practical to sell as single-family homes.

The gentleman from New York made reference to the Scudder homes that are being demolished in Newark, as if that were some kind of a lesson for what we should be doing here. Those are huge multifamily high rises. Does anyone suggest that individual tenants are going to buy their apartments in these kinds of multifamily units?

We are all familiar with the failure of large multifamily highrises around the country that have fallen apart and that have not been managed correctly. Would we suggest that individual tenants buy them and try to figure out how to make them work or how to make them livable when they have not worked or been made to be livable under current circumstances and they would lose many of the benefits they have currently which attempt to make them a decent place to live?

The committee carefully considered this question of how to make public housing units available for home ownership, and we developed the language that is in section 126 of H.R. 4 It is very simple. It suggests that the price for this housing ought to be the market value unless there is a government program under which that can be written down, if some local govenment or the public housing authority has reason to do that, and it suggests that that unit of housing should be replaced.

This body just recently adopted an amendment offered by the gentleman from Texas [Mr. BARTLETT] and cosponsored by myself in which we set down standards for what you do when you dispose of a public housing unit. You replace it. The one thing we agreed it would not be replaced with was a voucher, because of our lack of confidence in a voucher being a real replacement housing resource. Yet we are going to turn around in this amendment and suggest that if the buildings are sold off unit by unit instead of as a whole, then we are not worried about the replacement housing resource, we are willing to use vouchers, and we are willing to deprive the Federal Government of 75 percent of its investment in those resources.

I would suggest that H.R. 4 has exactly what the gentleman from Texas suggests, a pilot program to see whether there is a viable way in which these units can be sold, but in a way that respect both the tenants' long-term ability to use it as a housing resource and the investment of the government, that is, the taxpayers, in what is already there as rental housing.

Mr. BARTLETT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, it is true that H.R. 4 in its present form does take a few very careful and tentative steps towards tenant ownership of their units in public housing, but those steps are so careful and are so tentative that the result of those steps is that it still does not provide any sort of widespread ownership availability for tenants of public housing throughout this country.

The proposal before us, the amendment offered by the gentleman from New York [Mr. KEMP] and by the gentleman from Texas [Mr. ARMEY] is a proposal to break out of that mold and say that low-income families ought to have a right to buy their own homes also, just like other people in this country.

There are some very clear and compelling differences that I think should compel Members of this body on both sides of the aisle to vote for the Kemp-Armey urban homesteading homeownership plan.

Let me go through some of those differences. First of all, the Kemp-Armey plan of urban homesteading provides that public housing tenancy has its basics with the right to buy. It says that those public housing authorities shall make—that is, "shall make"—those units available to purchase, whereas H.R. 4 creates a far less fundamental right and leaves it to the discretion of others.

No. 2, H.R. 4 does not set a purchase price. It leaves it as something nebulous, calling it the market value. Nor does it provide the ability to obtain mortgages for those tenants. The Kemp-Armey amendment says that the price, if someone is living in the unit, should be 25 percent of the market value, and they create a low-interest mortgage at which that tenant will be able to purchase the unit.

So H.R. 4, while it offers some promise perhaps of being able to purchase a unit, does not make the means available.

No. 3, H.R. 4 restricts the right of resale. It does not permit tenants who have purchased their homes, who have been paying their mortgages, who have paid for their homes, who have provided the maintenance, who have lived there and who own it, it does not provide them the ability to resell at the point they want to, denying them a basic and fundamental property right that is available to every other home owner in this country. H.R. 4 would deny that right to the residents of public housing.

Mr. SCHUMER. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I am happy to yield to the gentleman from New York.

Mr. SCHUMER. Mr. Chairman, I would simply ask the gentleman, does CBO have an estimate for the cost of this amendment? Do we know if it is within budget?

Mr. BARTLETT. In fact, it is not a cost in the sense that it sells an asset, so there is a net revenue gain. So it is not a cost kind of program. The subsidies that we are currently providing in public housing in fact in H.R. 4 would be cut off for any that would be sold. In the Kemp-Armey amendment we would continue those subsidies for an additional 3 years.

Mr. SCHUMER. Mr. Chairman, if the gentleman would be kind enough to continue to yield, I understand the bill.

Mr. BARTLETT. I yield further to the gentleman from New York.

Mr. SCHUMER. The repayment goes to the tenant management corporation, so they are not recapturing money. There is a voucher. I mean is this money coming out of some existing program?

We are always admonished, and I think with good reason, by Members on this side of the aisle to talk about the cost of a program, and we on our side diligently go over what the costs may be. So I was just wondering if the gentleman has any estimate of those.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I am happy to yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I appreciate my friend's yielding.

I would say to my equally good friend, the gentleman from New York, that CBO did not do an analysis of that particular section of our approach or even that limited right to buy, or the so-called home ownership provision of H.R. 4, but I say to my friend that I know he is going to make an agrument. Everything is fair in love and war, and he is going to get up and say whatever he wants. I hope my remarks are not taken is such a way as to suggest that this is going to sell off the public housing stock. It is not. It is going to be very tightly drawn. There are going to be several projects and opportunities for people. The PHA's and the Fed each year have to tell us, first, what the cost is and what we want to do for replacement. Let us not forget that we will come back and revisit this issue next year, and we simply say, as the gentleman from Texas pointed out, that there should be an inherent right to buy in this bill, which there is not right now.

Mr. BARTLETT. The gentleman is correct.

Mr. KEMP. I do not think it is very costly at all. Let us think of the opportunity it is going to provide for people to have their own little apartment or home or piece of property. I always thought that is what we wanted in this country.

Mr. SCHUMER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment. First, let me say that an amendment like this arouses a great deal of passion because beyond the specifics of the amendment is a philosophy, and the philosophy basically is: should Government be in the housing business?

I would submit to my colleagues that this amendment is perceived to be a graceful way of the Government exiting from the housing business. Why do I say that? I say that because after 5 years the lucky few who are able to take advantage of this program, buying in at 25 percent of the cost, staying in the unit, can then sell it to a multimillionaire, to a yuppie, or to any individual who does not need help, and there is no replacement after 5 years.

Mr. KEMP. Mr. Chairman, will the gentleman yield?

Mr. SCHUMER. I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I thought the ability to own something includes the right to ultimately sell it or to hold title to it or to pass it on to your children.

Mr. SCHUMER. Mr. Chairman, I will reclaim my time.

Mr. KEMP. I know that is a shock to the gentleman, but most of us associate that with the American dream. Do poor folks have different dreams than rich folks?

Mr. SCHUMER. Mr. Chairman, reclaiming my time, I wish that the gentleman would not speak to my views of ownership, although I know he has cross-examined me carefully on that over the many years we have known each other.

What I would say to the gentleman is that this is public housing built with the tax dollars of hundreds of millions of Americans, both before and now, and if this amendment passes, we are consigning a particular benefit on a single individual who is in that category to buy a unit at perhaps $40,000 and sell the unit at perhaps $200,000.

This is a cruel amendment. It is a ladder-up amendment. My good friend, the gentleman from New York [Mr. KEMP], the amendment's sponsor, speaks of the future. Let us talk about the future to the hundreds of thousands of poor people on waiting lists, on public housing waiting lists. While the few get the advantage of buying the units, the hundreds of thousands who have been waiting 5, 10, or 20 years to find a place to live, because they cannot afford to exist in the market, do not have one. This, I say to my friends, is ladder-up. We say, "Get on the life boat, pull the ladder up, and let all those on the sinking ship drown."

This is not a fair amendment. But perhaps if we can get into the area of invective and talk about what one knows about ownership, I would say to the gentleman that it does not surprise me that he is offering this because it benefits the few at the expense of the many.

Mr. FRANK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have just seen a great reversal on the part of Members on the other side. Earlier we were told that the era of deep subsidy was over, that we should go with vouchers, which are a shallower subsidy because they help more people.

The amendment offered by the gentleman from New York is not a deep subsidy; it is the "Grand Canyon of subsidies" for a relatively small number of people. I want to help them, and I am glad my friends on the other side sporadically want to help the poor.

It is kind of like Brigadoon. Every so often this desire to help the poor emerges out of the mist, and it is here for a while and it fades back in again on the part of some of the Members. Others are more consistent.

But what we wind up doing here is helping a small number of the poor at the expense of the rest. The gentleman from Indiana made a cogent point in which he said to the gentleman from Ohio, "You want to help these people with $30 million. Where is it coming from?"

Well, that was $30 million. On this, we do not know how much it will be. It is open ended. The amendment offered by the gentleman from New York talks about very deep subsidy to a relatively small number of people in public housing. They get a subsidy of only 25 percent of the marketplace. And I will tell you that in the city of Boston there is public housing for the elderly—and I understand that it is there to cover the elderly—near the waterfront that would sell for well into three figures without any question, and what this amendment says is, if you are one of the people who live in that public housing for the elderly that is worth well over three figures right now, and you buy it and 6 or 7 years later you pass on, being elderly, and you leave it to your heir, the individual can sell it without any problems except to keep those proceeds.

That, I think, is a mistake. Yes, we should have public housing sales for certain tenants, but it needs far more safeguards, and we should understand that the debate is not whether or not we should allow some people in public housing to buy their units; it is whether we do it in a way that is going to deprive a whole lot of other people. This subsidizes a lot of people deeply.

Yes, that is the American dream. I dream about that sometimes. I say, let me buy this kind of a unit for 25 percent, hold it for 6 years, and then sell it. I dream of that often. A lot of people dream of getting rich in real estate, and they are entitled on their own to do it. And public housing tenents are entitled to help in trying to do it, but this amendment takes from the fixed pot.

Let us remember that it is the minority that has been saying to us, "Don't overdo it. Section 8 is too expensive." This makes section 8 look like a piker. How can we talk about section 8 being too expensive and then you are going to make a present of some of the best housing in some areas for the elderly, at 25 percent of the purchase price at most, and then they can sell it without restriction?

This is worth a lot more than the section 8 if you put it to the choice. We are not talking about whether or not we should sell public housing; we are talking about the conditions, and the gentleman from New York agrees with that. He said ownership should be unrestricted, but his amendment, I am glad to see—and I give him credit for it—disagrees with HUD's position in one respect.

□ 1755

I have a letter here from June Q. Koch, Ph.D.; she signs it "June Q. Koch, Ph.D.," you should not think that she is just some old run of the mill assistant secretary, and June Q. Koch, Ph.D., says that it does not work to say no involuntary evictions. We had asked her in a public housing demonstration to abide by a policy of not involuntarily evicting people, and she said yes, until she found out it was better to say no, so she said no.

So here is a letter from her saying no, if we are going to make this work, we have got to be able to kick people out.

Now, I admire the gentleman from New York's unwillingness to go along with that. He shows more concern; so I do not want to exaggerate the differences between us. He has in this version of the amendment some very important safeguards and restrictions.

I would simply point out that it is not as he would describe it to my friend from Brooklyn, well, ownership is ownership. He has got some restrictions. The question is what kind.

Yes, they should be encouraged where that is appropriate to own it; but what will happen is this. The best off tenants in public housing will buy the best units. Nobody is crazy. You are not going to sell the worst stuff to the poorest people. They cannot afford it. And people are not going to buy the junk; so the best units, the most desirable units and the best locations in the best shape will be sold cheaply to the wealthiest and best off people, some of whom being elderly will pass it on to their heirs and we will lose that.

If this were a liberal program for the sixties, if Lyndon Johnson had done this, if he had turned over some public assets at such a low price with virtually no restrictions to a handful of poor people at the expense of the others, this would have been one of the horribles of history about liberal excess.

Yes, let us do the sale of public housing, but let us do it with a lot more seriousness than has been proposed here.

Mr. KOLBE. Mr. Chairman, last year, this body overwhelmingly supported the Kemp-Armey proposal to provide for the sale of housing project units to low-income tenants. Unfortunately, H.R. 4 severely restricts this simple, yet vitally important provision.

H.R. 4 is fatally flawed with regard to allowing low-income families to purchase their residences. It restricts these families' freedom to buy and sell their public housing unit. H.R. 4 states that before tenants "may" buy, the sale must be approved by the public housing authorities. This virtually guarantees that the public housing authorities will continue to be judge and jury and will only reluctantly give up a piece of their domain. The Kemp-Armey amendment provides public housing tenants with the basic right to buy their home.

H.R. 4 contains several provisions that can only discourage public housing tenants from taking the steps toward self-sufficiency. It does not offer discount mortgages, prohibits resale to anyone but the tenant management corporation, and the Department of Housing and Urban Development would set the resale value. The Kemp-Armey amendment corrects each one of these flaws and replaces the incentives for homeownership.

Opponents of this amendment claim that public housing tenants aren't ready to assume control of their housing units. For far too long the Government has remained the ward of low-income people at the expense of dignity and pride. An all too vivid symbol of this failure is the continuing demolition of deteriorating housing projects. The Kemp-Armey amendment gives back the dignity and pride by granting public housing tenants a greater say in their own destiny.

There is no greater testimonial to the success of homeownership than just a few short minutes away at Kenilworth-Parkside public housing project in Northeast. Kimi Gray has proudly reported that due to tenant management that she is no longer on the Federal welfare rolls. In addition, crime is way down, vacancy rates are down, rent collections are up over 150 percent, administrative costs are down 60 percent, and employment among residents is up. If any of my colleagues has any doubts about the success of this program, just give Kimi a call. H.R. 4, as is currently written, would discourage this success.

This is not a partisan issue, nor should it be, this is simply correcting an oversight in the bill and granting low-income people the opportunity to realize the great American dream of homeownership and self-sufficiency. A vote for the Kemp-Armey amendment is a vote for self-sufficiency, a vote against it is to support the failed policies of the past and the further destruction of deteriorating public housing projects. Vote for the Kemp-Armey amendment.

AMENDMENT OFFERED BY MR. MORRISON OF CONNECTICUT AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. KEMP

Mr. MORRISON of Connecticut. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. MORRISON of Connecticut as a substitute for the amendment offered by Mr. KEMP: Strike section 126 and insert the following:

SEC. 126. PUBLIC HOUSING HOMEOWNERSHIP AND MANAGEMENT OPPORTUNITIES.

The United States Housing Act of 1937 (as amended by section 125 of this Act) is further amended by adding at the end the following new section:

"PUBLIC HOUSING HOMEOWNERSHIP AND MANAGEMENT OPPORTUNITIES

"SEC. 22. (a) HOMEOWNERSHIP OPPORTUNITIES IN GENERAL.—Lower income families residing in public housing shall be provided with the opportunity to purchase the dwelling units in any public housing project through a qualifying resident management corporation, subject to the provisions of the annual contributions contract, as follows:

"(1) FORMATION OF RESIDENT MANAGEMENT CORPORATION.—As a condition for public housing homeownership—

"(A) the adult residents of a public housing project shall have formed a resident management corporation in accordance with regulations and requirements of the Secretary prescribed under this section and section 21;

"(B) the resident management corporation shall have entered into a contract with the public housing agency establishing the respective management rights and responsibilities of the resident management corporation and the public housing agency; and

"(C) the resident management corporation shall have demonstrated its ability to manage public housing effectively and efficiently for a period of not less than 3 years.

"(2) HOMEOWNERSHIP ASSISTANCE.—

"(A) The Secretary may provide comprehensive improvement assistance under section 14 or 20 to a public housing project in which homeownership activities under this section are conducted.

"(B) The Secretary, and the public housing agency owning and operating a public housing project, shall provide such training, technical assistance, and educational assistance as the Secretary determines to be necessary to prepare the families residing in the project, and any resident management corporation established under paragraph (1), for homeownership.

"(3) CONDITIONS OF PURCHASE BY A RESIDENT MANAGEMENT CORPORATION.—

"(A) A resident management corporation may purchase from a public housing agency one or more buildings in a public housing project following a determination by the Secretary that—

"(i) the resident management corporation has met the conditions of paragraph (1);

"(ii) the resident management corporation has applied for and is prepared to undertake the ownership, management, and maintenance of the building or buildings with continued assistance from the Secretary;

"(iii) the public housing agency has held one or more public hearings to obtain the views of citizens regarding the proposed purchase and, in consultation with the Secretary, has certified that the purchase will not interfere with the rights of other families residing in public housing, will not harm the efficient operation of other public housing, and is in the interest of the community;

"(iv) the building or buildings meet the minimum safety and livability standards applicable under section 14 or 20, and the physical condition, management, and operation of the building or buildings are sufficient to permit and encourage affordable homeownership by the families residing in the project.

"(B) The price of a building purchased under the preceding sentence shall be approved by the Secretary, in consultation with the public housing agency and resident management corporation, taking into account the fair market value of the property, the ability of resident families to afford and maintain the property, and such other factors as the secretary determines to be consistent with increasing the supply of dwelling units affordable to very low income families.

"(4) CONDITIONS OF RESALE.—

"(A) A resident management corporation may sell a dwelling unit or ownership rights in a dwelling unit only to a lower income family residing in public housing and if the purchase will not interfere with the rights of other families residing in the housing project or harm the efficient operation of the project, and the family will be able to purchase and maintain the property.

"(B) A purchase under the previous sentence may be made under any of the following arrangements:

"(i) Limited dividend cooperative ownership.

"(ii) Condominium ownership.

"(iii) Fee simple ownership.

"(iv) Shared appreciation with a public housing agency providing financing under paragraph (6).

"(v) Any other arrangement determined by the Secretary to be appropriate.

"(C) Property purchased under this section shall be resold only to the resident management corporation or to a lower income family residing in or eligible to reside in lower income housing or to the public housing authority.

"(D) In no case may the owner receive consideration for his or her interest in the property that exceeds the total of—

"(i) the contribution to equity paid by the owner;

"(ii) the value, as determined by such means as the Secretary shall determine through regulation, of any improvements installed at the expense of the owner during the owner's tenure as owner; and

"(iii) the appreciated value determined by an inflation allowance at a rate which may be based on a cost of living index, an income index, or market index as determined by the Secretary through regulation and agreed to by the purchaser and the resident management corporation or the public housing agency, whichever is appropriate, at the time of initial sale, and applied against the contribution to equity. The resident management corporation or the public housing agency may, at the time of initial sale, enter into an agreement with the owner to set a maximum amount which this appreciation may not exceed.

"(E) Upon sale, the resident management corporation or the public housing agency, whichever is appropriate, shall ensure that subsequent owners are bound by the same limitations on resale and further restrictions on equity appreciation.

"(5) USE OF PROCEEDS.—Proceeds from the sale of a building or buildings under paragraph (3) and amounts recaptured under paragraph (4) shall be paid to the public housing agency and shall be retained and used by the public housing agency only to rehabilitate or increase (through acquisition) the number of public housing units available for occupancy. The resident management corporation shall keep and make available to the public housing agency and the Secretary all records necessary to calculate accurately payments due the public housing agency under this section. The Secretary shall not reduce or delay payments under other provisions of law as a result of amounts made available to the public housing agency under this section.

"(6) FINANCING.—Where financing for the purchase of the property is not otherwise available for purposes of assisting any purchase by a family or resident. management corporation under this section, the public housing agency involved may make a loan on the security of the property involved to the family or resident management corporation.

"(7) ANNUAL CONTRIBUTIONS.—Notwithstanding the purchase of a building in a public housing project under this section, the Secretary shall continue to pay annual contributions with respect to the project. Such contributions may not exceed the maximum contributions authorized in section 5(a).

"(8) OPERATING SUBSIDIES.—Operating subsidies shall not be available with respect to a building after the date of its sale by the public housing agency.

"(b) PROTECTION OF NONPURCHASING FAMILIES.—

"(1) EVICTION PROHIBITION.—No family residing in a dwelling unit in a public housing project may be evicted by reason of the sale of the project to a resident management corporation under this section.

"(2) TENANTS RIGHTS.—Families renting a dwelling unit purchased by a resident management corporation shall have all rights provided to tenants of public housing under this Act.

"(3) RENTAL ASSISTANCE.—If any family resides in a dwelling unit in a building purchased by a resident management corporation, and the family decides not to purchase the dwelling unit, the Secretary shall offer to provide to the family (at the option of the family) a certificate under section 8(b)(1) or a housing voucher under section 8(o) for as long as the family continues to reside in the building. The Secretary may adjust the fair market rent for such certificate to take into account conditions under which the building was purchased.

"(4) RENTAL AND RELOCATION ASSISTANCE.—If any family resides in a dwelling unit in a public housing project in which other dwelling units are purchased under this section, and the family decides not to purchase the dwelling unit, the Secretary shall offer (to be selected by the family, at its option)—

"(A) to assist the family in relocating to a comparable appropriate sized dwelling unit in another public housing project, and to reimburse the family for their cost of relocation; and

"(B) to provide to the family the financial assistance necessary to permit the family to stay in the dwelling unit or to move to another comparable dwelling unit and to pay no more for rent than required under paragraph (1), (2), or (3) of section 3(a).

"(d) FINANCIAL ASSISTANCE FOR PUBLIC HOUSING AGENCIES.—The Secretary shall provide to public housing agencies such financial assistance as is necessary to permit such agencies to carry out the provisions of this section.

"(e) ADDITIONAL HOME OWNERSHIP AND MANAGEMENT OPPORTUNITIES.—This section shall not apply to the turnkey III, the mutual help, or any other homeownership program established under section 5(h) or section 6(c)(4)(D) and in existence before the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987.

"(f) REGULATIONS.—The Secretary shall issue such regulations as may be necessary to carry out the provisions of this section. Such regulations may establish any additional terms and conditions for homeownership or resident management under this section that are determined by the Secretary to be appropriate.

"(g) ANNUAL REPORT.—The Secretary shall annually submit to the Congress a report setting forth—

"(1) the number, type, and cost of units sold;

"(2) the income, race, gender, children, and other characteristics of families purchasing or moving and not purchasing;

"(3) the amount and type of financial assistance provided;

"(4) the need for subsidy to ensure continued affordability and meet future maintenance and repair costs; and

"(5) the recommendations for statutory and regulatory improvements to the program.

"(h) LIMITATION.—Any authority of the Secretary under this section to provide financial assistance, or to enter into contracts to provide financial assistance, shall be effective only to such extent or in such amounts as are or have been provided in advance in appropriation Act.".

Mr. MORRISON of Connecticut (during the reading). Mr. Chairman, I ask unanimous consent that the amendment offered as a substitute for the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MORRISON of Connecticut. Mr. Chairman, one of the concerns that has been expressed in the debate and was expressed in the committee and that has also been expressed here on the floor is that the H.R. 4 version of the opportunity for housing authority tenants to buy their units was not clear that they would have a right to that kind of a purchase if the other conditions of the sale program were met.

For that reason, the substitute which I have offered makes clear that by use of the word "shall," which is a proposal that the minority made in the committee, with the use of the word "shall" that in fact this program which we have in H.R. 4 is intended to be a mandatory program and as long as the provisions of the program are met, that tenants will in fact be permitted as a matter of right to make purchases of their units.

What this substitute does, is add this clarification, makes it a matter of right for tenants, if that was unclear under H.R. 4, and retains the rest of the provisions in H.R. 4.

Claims have been made that there would not be sufficient resources to assist people to become home owners; but in fact, there is $2.4 million in H.R. 4 to assist tenant resident manager corporations which are the vehicle through which people will be permitted to buy their units.

There is the $1.5 billion in Federal rehabilitation funds for restoring these units to a suitable condition so that people, if they are going to buy, will be buying something that is worth buying.

There is protection to make clear that nonpurchasing tenants cannot be evicted, which is a concern I think we all share.

Further, H.R. 4 makes clear that when a public housing unit is sold, it must be replaced by the same standards for any disposition of public housing.

Finally, the provisions assure that this can never become a gold mine for speculators, that in fact these sales will be governed in the same way as limited dividend corporations to see to it that the benefits of the public investment will be preserved for people of low and moderate income who are eligible for public housing.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. MORRISON of Connecticut. I am glad to yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, I thank the gentleman for yielding. I wanted the gentleman to yield in order that we may understand the nature of the substitute.

Is it correct then that the gentleman's substitute would take essentially what is currently in H.R. 4 and make, as I read it, two essential changes. It would change the "may purchase" to "shall purchase," which had previously been considered and turned down in the committee, and also provide that any PHA shall be eligible for this, but makes no other changes; is that correct?

Mr. MORRISON of Connecticut. That is correct. This is in essence the amendment that was offered and defeated in the committee.

Mr. BARTLETT. Mr. Chairman, if the gentleman will further yield, I must say I do very much appreciate the gentleman's support for that amendment at this time; but as I further understand it, it is not really a substitute. It is technically, but it is not in substance a substitute for the Kemp-Armey amendment, because it reverts back to what is currently H.R. 4, with two changes.

Mr. MORRISON of Connecticut. Well, it is certainly a substitute in parliamentary terms, but the gentleman is correct that the changes that it makes are limited.

The important change that it makes and the change that it intends to make is to make clear the right to purchase, which was an issue that was raised in the debate and raised in the committee.

Mr. BARTLETT. Mr. Chairman, if the gentleman will yield further for a clarification, because I want to make certain that we all understand it, so the Kemp-Armey provision that provides for the purchase of 25 percent of market value and a low interest mortgage rate to fund that purchase would not be in the gentleman's substitute; is that correct?

Mr. MORRISON of Connecticut. That is absolutely correct and that is the very point of difference between the committee bill and the proposal of the gentleman from New York.

Mr. BARTLETT. Mr. Chairman, if the gentleman will further yield, because there may be some further differences, as I read H.R. 4 it contains rather substantial restrictions on the right to resale and the Kemp-Armey amendment contains none of those restrictions.

Does the gentleman's substitute maintain all those same restrictions?

Mr. MORRISON of Connecticut. The only change, as the gentleman has made clear in his earlier question, the only change from the provisions of H.R. 4 are making clear the right to purchase and the application to public housing authorities, not just a particular public housing authority.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. MORRISON of Connecticut. I am glad to yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Chairman, one of the fine things about the gentleman's amendment is that the gentleman does keep the language that is in the committee language, the bill, as part of the gentleman's amendment, because then we guard against speculators.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

(By unanimous consent, Mr. MORRISON of Connecticut was allowed to proceed for 2 additional minutes.)

Mr. MORRISION of Connecticut. Mr. Chairman, I continue to yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Chairman, I think another factor that is important about what the gentleman does, which was in the original amendment, is that the gentleman does not say that public housing will be sold for 25 cents for every dollar, but that after 5 years, you can sell it to anybody you want to.

I mean, what a dream. You could see the speculators trying to round up some poor people to possibly live there for 5 years and sort of talk them into possibly doing that sort of thing.

I know in my own area some of the most prime locations in our area happen to be the sites of public housing. We all know that there are speculators who want to get their hands on that kind of public housing. So I think the gentleman's substitute really reconciles a happy balance.

We all agree that tenants ought to have a right if it is in their best interests and the community's to purchase their units, but we also agree that we have to have some safeguards.

I think the gentleman's amendment is very thoughtful. I think it perfects the Kemp amendment and really has the original intent of the bill as well; so I want to congratulate the gentleman and support the gentleman's amendment.

Mr. MORRISON of Connecticut. Mr. Chairman, I thank the gentlewoman.

I would like to add that the gentleman from Missouri [Mr. GEPHARDT] and the gentleman from the District of Columbia [Mr. FAUNTROY], both of whom were concerned about this point, have informed me that they are in support of this substitute in preference to the amendment of the gentleman from New York.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. MORRISON] as a substitute for the amendment offered by the gentleman from New York [Mr. KEMP].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ARMEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 258, noes 161, not voting 14, as follows:

[Roll No. 172]

AYES—258

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Espy
Evans
Fascell
Fazio
Feighan
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Price (IL)
Price (NC)
Rahall
Rangel
Regula
Richardson
Robinson
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wise
Wolpe
Wyden
Yates
Yatron

NOES—161

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bentley
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Callahan
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Coughlin
Courter
Craig
Crane
Daniel
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Fish
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gradison
Grandy
Gregg
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hunter
Hyde
Inhofe
Ireland
Jeffords
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCollum
McDade
McEwen
McGrath
McMillan (NC)
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Pickle
Porter
Quillen
Ravenel
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Roemer
Rogers
Roth
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Stangeland
Stratton
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vucanovich
Walker
Weber
Whittaker
Wilson
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOT VOTING—14

Annunzio
Boner (TN)
Bonior (MI)
Erdreich
Frenzel
Gaydos
Gephardt
McCandless
Moody
Morella
Nelson
Pursell
Ray
Vander Jagt

□ 1820

Mrs. JOHNSON of Connecticut and Mr. CARR changed their votes from "no" to "aye."

So the amendment offered as a substitute for the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. KEMP], as amended.

Mr. ARMEY. Mr. Chairman, I move to strike the last word on the amendment.

The CHAIRMAN. The Chair will state there is no further debate because the amendment offered as a substitute by the gentleman from Connecticut [Mr. MORRISON] was adopted, unless the gentleman asks unanimous consent.

Mr. ARMEY. Mr. Chairman, I ask unanimous consent to speak for 1 minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ARMEY. Mr. Chairman, I want to take a moment first to express my appreciation to the Committee for the enormous amount of ground that they have gained over where their position was at the time we passed this amendment a year ago, and over their opposition. They have come a long way in the direction of giving America's poor the right to own their own home.

I want to tell the Members of this body I participated last year, I participated this year in framing these amendments and working for these amendments for a very simple reason. I believe in what we are doing here. I believe that these folks who have been for too long in effect wards of the State have a right to own their own home, and a responsible government will respond to that right.

I want to say, Mr. Chairman, I am disappointed by this turn of events, but I also want to say that I will not give up on this. I will be back, as will my colleagues, not because we are working for land speculators, but because we are working for people who want to own their own home and yes, if possible, some day pass that on to their children. This is something we believe in, and I hope the Committee will continue to make progress moving in that direction.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. KEMP] as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN. Are there further amendments to title I?

If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—RURAL HOUSING

SEC. 201. PROGRAM AUTHORIZATIONS.

(a) INSURANCE AND GUARANTEE AUTHORITY.—Section 513(a)(1) of the Housing Act of 1949 is amended to read as follows:

"(a)(1) The Secretary may, to the extent approved in appropriation Acts, insure and guarantee loans under this title during fiscal year 1988 in an aggregate amount not to exceed $1,960,090,000, as follows:

"(A) For insured or guaranteed loans under section 502 on behalf of borrowers receiving assistance under section 521(a)(1) or receiving guaranteed loans pursuant to section 502(f), $1,109,700,000.

"(B) For loans under section 504, $11,340,000.

"(C) For insured loans under section 514, $11,480,000.

"(D) For insured loans under section 515, $826,000,000.

"(E) For loans under section 523(b)(1)(B), $1,000,000.

"(F) For site loans under section 524, $570,000.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 513(b) of the Housing Act of 1949 is amended to read as follows:

"(b) There are authorized to be appropriated for fiscal year 1988, and to remain available until expended, the following amounts:

"(1) For grants under section 502(c)(3)(C), $47,000,000.

"(2) For grants under section 504, $13,113,000.

"(3) For purposes of section 509(c), $713,000.

"(4) Such sums as may be necessary to meet payments on notes or other obligations issued by the Secretary under section 511 equal to—

"(A) the aggregate of the contributions made by the Secretary in the form of credits on principal due on loans made pursuant to section 503; and

"(B) the interest due on a similar sum represented by notes or other obligations issued by the Secretary.

"(5) For financial assistance under section 516, $9,979,000.

"(6) For grants under section 523(f), $8,392,000.

"(7) For grants under section 533, $20,078,000.".

(c) RENTAL ASSISTANCE PAYMENT CONTRACTS.—Section 513(c) of the Housing Act of 1949 is amended to read as follows:

"(c)(1) The Secretary, to the extent approved in appropriation Acts for fiscal year 1988, may enter into rental assistance payment contracts under section 521(a)(2)(A) aggregating $160,310,000.

"(2) Any authority approved in appropriation Acts for fiscal year 1988 or any succeeding fiscal year for rental assistance payment contracts under section 521(a)(2)(A) shall be used by the Secretary—

"(A) to renew rental assistance payment contracts that expire during such fiscal year;

"(B) to provide amounts required to continue rental assistance payments for the remaining period of an existing contract, in any case in which the original amount of rental assistance is used prior to the end of the term of the contract; and

"(C) to make additional rental assistance payment contracts for existing or newly constructed dwelling units.".

(d) SUPPLEMENTAL RENTAL ASSISTANCE CONTRACTS.—Section 513 of the Housing Act of 1949 (as amended by subsection (d) of this section) is further amended by adding at the end the following new subsection:

"(e) The Secretary, to the extent approved in appropriation Acts for fiscal year 1988, may enter into 5-year supplemental rental assistance contracts under section 502(c)(3)(D) aggregating $26,000,000.".

(e) RENTAL HOUSING LOAN AUTHORITY.—Section 515(b)(4) of the Housing Act of 1949 is amended by striking "September 30, 1987" and inserting "September 30, 1988".

(f) MUTUAL AND SELF-HELP HOUSING GRANT AND LOAN AUTHORITY.—Section 523(f) of the Housing Act of 1949 is amended by striking "September 30, 1987" and inserting "September 30, 1988".

SEC. 202. INCOME LEVELS FOR FAMILY ELIGIBILITY.

(a) IN GENERAL.—Section 501(b)(4) of the Housing Act of 1949 is amended by adding at the end the following new sentence: "Notwithstanding the preceding sentence, the maximum income levels established for purposes of this title for such families and persons in the Virgin Islands shall not be less than the highest such levels established for purposes of this title for such families and persons in American Samoa, Guam, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall be applicable to any determination of eligibility for assistance under title V of the Housing Act of 1949 made on or after the date of the enactment of this Act.

SEC. 203. DEFINITION OF VERY LOW-INCOME FAMILIES.

Section 501(b)(4) of the Housing Act of 1949 (as amended by section 202 of this Act) is further amended by adding at the end the following new sentence: "For purposes of assistance under section 502, the term 'very low-income families or persons' mean families and persons whose incomes do not exceed the applicable level established pursuant to the preceding sentences, or 50 percent of the statewide nonmetropolitan median income (as determined and adjusted by the Secretary of Housing and Urban Development in consultation with the Secretary of Agriculture), whichever amount is higher.".

SEC. 204. RURAL HOUSING ESCROW ACCOUNTS.

Section 501(e) of the Housing Act of 1949 is amended by striking the first sentence and inserting the following: "The Secretary shall, not later than 60 days after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, establish procedures under which any borrower under this title may, at the option of the borrower, make periodic payments for the purpose of taxes, insurance, and such other necessary expenses as the Secretary determines to be appropriate.".

SEC. 205. RURAL HOUSING GUARANTEED LOAN DEMONSTRATION.

Section 502 of the Housing Act of 1949 is amended by adding at the end the following new subsection:

"(f)(1) Of the total loans under this section for fiscal year 1988 or any succeeding fiscal year, not less than 5 percent nor more than 10 percent shall be guaranteed loans in

accordance with this section, section 517(d), and the last sentence of section 521(a)(1)(A).

"(2) Loans guaranteed pursuant to this subsection shall be made only to borrowers with moderate incomes that do not exceed 115 percent of the median income of the area, as determined by the Secretary, with adjustments for smaller and larger families.".

SEC. 206. RURAL RENTAL HOUSING DISPLACEMENT PREVENTION.

(a) SALE OF RURAL RENTAL HOUSING TO NONPROFIT ORGANIZATIONS AND PUBLIC AGENCIES.—Section 502(c) of the Housing Act of 1949 is amended by adding at the end the following new paragraph:

"(3)(A) OFFER TO SELL TO NONPROFIT ORGANIZATIONS AND PUBLIC AGENCIES.—

"(i) IN GENERAL.—Before accepting any offer to prepay, or requesting refinancing in accordance with subsection (b)(3) of, any loan made or insured under section 514 or 515 pursuant to a contract entered into before December 21, 1979, the Secretary shall require the borrower (except as provided in subparagraph (G)) to offer to sell the assisted housing and related facilities involved to any qualified nonprofit organization or public agency at a fair market value determined by 2 independent appraisers, one of whom shall be selected by the Secretary and one of whom shall be selected by the borrower. If the 2 appraisers fail to agree on the fair market value, the Secretary and the borrower shall jointly select a third appraiser, whose appraisal shall be binding on the Secretary and the borrower.

"(ii) PERIOD FOR WHICH REQUIREMENT APPLICABLE.—If, upon the expiration of 90 days after an offer is made to sell housing and related facilities under clause (i), no qualified nonprofit organization or public agency has made a bona fide offer to purchase, the Secretary may accept the offer to prepay, or may request refinancing in accordance with subsection (b)(3) of, the loan.

"(B) QUALIFIED NONPROFIT ORGANIZATIONS AND PUBLIC AGENCIES.—

"(i) LOCAL NONPROFIT ORGANIZATION OR PUBLIC AGENCY.—A local nonprofit organization or public agency may purchase housing and related facilities under this paragraph only if the organization or agency is determined by the Secretary to be capable of managing the housing and related facilities (either directly or through a contract) for the remaining period of the loan made or insured under section 514 or 515.

"(ii) NATIONAL OR REGIONAL NONPROFIT ORGANIZATION.—If the Secretary determines that there is no local nonprofit organization or public agency qualified to purchase the housing and related facilities involved, the Secretary shall require the borrower to offer to sell the assisted housing and related facilities to an existing qualified national or regional nonprofit organization.

"(C) FINANCING OF SALE.—To facilitate the sale described in subparagraph (A), the Secretary shall—

"(i) to the extent provided in appropriation Acts, make an advance to the nonprofit organization or public agency whose offer to purchase is accepted under this paragraph to cover any direct costs (other than the purchase price) incurred by the organization or agency in purchasing and assuming responsibility for the housing and related facilities involved;

"(ii) approve the assumption, by the nonprofit organization or public agency involved, of the loan made or insured under section 514 or 515;

"(iii) to the extent provided in appropriation Acts, transfer any rental assistance payments that are received under section 521(a)(2)(A), or under section 8 of the United States Housing Act of 1937, with respect to the housing and related facilities involved; and

"(iv) to the extent provided in appropriation Acts, provide a grant to the nonprofit organization or public agency whose offer to purchase is accepted under this paragraph to enable the organization or agency to purchase the housing and related facilities involved.

"(D) RENT LIMITATION AND ASSISTANCE.—The Secretary shall, to the extent provided in appropriation Acts, provide to each nonprofit organization or public agency purchasing housing and related facilities under this paragraph financial assistance (in the form of forgiveness of debt or monthly payments) in an amount necessary to ensure that the monthly rent payment made by each low income family or person residing in the housing does not exceed the maximum rent permitted under section 521(a)(2)(A).

"(E) RESTRICTION ON SUBSEQUENT TRANSFERS.—Except as provided in subparagraph (B)(ii), the Secretary may not approve the transfer of any housing and related facilities purchased under this paragraph during the remaining term of the loan transferred under subparagraph (C)(ii), unless the Secretary determines that—

"(i) the transfer will further the provision of housing and related facilities for low income families or persons; or

"(ii) there is no longer a need for such housing and related facilities by low income families or persons.

"(F) GENERAL RESTRICTION ON PREPAYMENTS AND REFINANCINGS.—Following the transfer of the maximum number of dwelling units set forth in subparagraph (H)(i) in any fiscal year or the maximum number of dwelling units for which budget authority is available in any fiscal year, the Secretary may not accept in such fiscal year any offer to prepay, or request refinancing in accordance with subsection (b)(3) of, any loan made or insured under section 514 or 515 pursuant to a contract entered into before December 21, 1979, except in accordance with subparagraph (G). The limitation established in this subparagraph shall not apply to an offer to prepay, or request to refinance, if, following the date on which such offer or request is made (or following the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, whichever occurs later) a 12-month period expires during which no budget authority is available to carry out this paragraph. For purposes of this subparagraph, the Secretary shall allocate budget authority under this paragraph in the order in which offers to prepay, or request to refinance, are made.

"(G) EXCEPTION.—This paragraph shall not apply to any offer to prepay, or any request to refinance in accordance with subsection (b)(3), any loan made or insured under section 514 or 515 pursuant to a contract entered into before December 21, 1979, if—

"(i) the borrower enters into an agreement with the Secretary that obligates the borrower (and successors in interest thereof) to utilize the assisted housing and related facilities for the purposes specified in section 514 or 515, as the case may be, for the remaining term of the loan (but not to exceed the 20-year period beginning on the date on which the loan is made or insured); or

"(ii) the Secretary determines that—

"(I) tenants of the housing and related facilities financed with the loan will not be displaced due to a change in the use of the housing, or to an increase in rental or other charges, as a result of the prepayment or refinancing; or

"(II) there is an adequate supply of safe, decent, and affordable rental housing within 25 miles of the housing and related facilities and sufficient actions have been taken to ensure that the rental housing will be made available to each tenant upon displacement.

"(H) FUNDING.—

"(i) BUDGET LIMITATION.—Not more than 5,000 dwelling units may be transferred under this paragraph in any fiscal year, and the budget authority that may be provided under this paragraph for any fiscal year may not exceed the amounts required to carry out this paragraph with respect to such number.

"(ii) REIMBURSEMENT OF RURAL HOUSING INSURANCE FUND.—There are authorized to be appropriated to the Rural Housing Insurance Fund such sums as may be necessary to reimburse the Fund for financial assistance provided under this paragraph and section 517(j)(7).

"(I) DEFINITION.—For purposes of this paragraph, the term 'nonprofit organization' means any private organization—

"(i) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual; and

"(ii) that is approved by the Secretary as to financial responsibility.

"(J) REGULATIONS.—Notwithstanding section 534, the Secretary shall issue final regulations to carry out this paragraph not later than 60 days after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987. The Secretary shall provide for the regulations to take effect not later than 45 days after the date on which the regulations are issued.".

(b) NOTICE OF POSSIBLE PREPAYMENTS AND REFINANCINGS.—Section 502(c) of the Housing Act of 1949 (as amended by subsection (b) of this section) is further amended by adding at the end the following new paragraph:

"(4)(A) ADVANCE NOTICE OF ELIGIBLE PROJECTS.—The Secretary shall publish in the Federal Register a timely notice of the housing and related facilities for which the Secretary is authorized to accept an offer to prepay, or to request refinancing in accordance with subsection (b)(3) of, loans made or insured under section 514 or 515. The Secretary shall publish such notice—

"(i) not later than 30 days after the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, in the case of any loan made or insured pursuant to a contract entered into before December 21, 1979; and

"(ii) not less than 1 year before the Secretary is authorized to accept an offer to prepay, or to request refinancing in accordance with subsection (b)(3) of, any other loan.

"(B) NOTICE OF OFFER TO PREPAY OR REQUEST OF REFINANCING.—As soon as practicable after receiving an offer to prepay, or requesting refinancing in accordance with subsection (b)(3), of any loan made or insured under section 514 or 515, the Secretary shall provide notice of the offer or request (through publication in the Federal Register and otherwise) to the public, the tenants of the housing and related facilities involved, and the nonprofit organizations and public agencies that the Secretary considers quali-

fied to purchase the housing and related facilities.”.

(c) USE OF RURAL HOUSING INSURANCE FUND.—Section 517(j) of the Housing Act of 1949 is amended—

(1) by striking “and” at the end of paragraph (5);

(2) by striking the period at the end of paragraph (6) and inserting “; and”; and

(3) by adding at the end the following new paragraph:

“(7) to provide advances, financial assistance, and other payments required to carry out section 502(c)(3).”.

SEC. 207. REQUIREMENT OF LOCAL CONSULTATION FOR DOMESTIC FARM LABOR HOUSING.

(a) INSURED LOAN PROGRAM.—Section 514 of the Housing Act of 1949 is amended by adding at the end the following new subsection:

“(i) The Secretary may not insure a loan under this section (regardless of the number of units proposed to be included in the housing and related facilities involved) unless the application for the loan includes a certification that the applicant has consulted with the unit of general local government in which the housing and related facilities are to be located.”.

(b) GRANT PROGRAM.—Section 516 of the Housing Act of 1949 is amended by adding at the end the following new subsection:

“(j) The Secretary may not provide financial assistance under this section (regardless of the number of units proposed to be included in the housing and related facilities involved) unless the application for the financial assistance includes a certification that the applicant has consulted with the unit or general local government in which the housing and related facilities are to be located.”.

(c) APPLICABILITY.—The amendments made by this section shall apply only to applications submitted after the date of the enactment of this Act.

SEC. 208. DEFINITION OF DOMESTIC FARM LABOR.

(a) INSURED LOAN PROGRAM.—Section 514(f)(3) of the Housing Act of 1949 is amended to read as follows:

“(3) the term ‘domestic farm labor’ means any person (and the family of such person) who receives a substantial portion of his or her income from primary production of agricultural or aquacultural commodities or the handling of such commodities in the unprocessed stage, without respect to the source of employment, except that (A) such person shall be a citizen of the United States or a person legally admitted for permanent residence; and (B) such term includes any person (and the family of such person) who is retired or disabled, but who was domestic farm labor at the time of retirement or becoming disabled.”.

(b) GRANT PROGRAM.—Section 516(g) of the Housing Act of 1949 is amended—

(1) by striking “and” at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting “; and”; and

(3) by adding at the end the following new paragraph:

“(4) the term ‘domestic farm labor’ has the meaning given such term in section 514(f)(3).”.

SEC. 209. LIMITATION OF FEES ON RURAL RENTAL HOUSING LOANS.

Section 515 of the Housing Act of 1949 is amended by adding at the end the following new subsection:

“(q)(1) Except as provided in paragraph (2), no fee may be imposed by or for the Secretary or any other Federal agency on or with respect to a loan made or insured under this section.

“(2) A fee may be imposed by or for the Secretary or any other Federal agency on or with respect to a loan made to or insured for a for-profit entity under this section, except that such fee may not exceed the fee imposed by the Secretary of Housing and Urban Development for the same type of activity.

“(3) Prior to establishing or revising any fee under paragraph (2), the Secretary shall submit to the Congress a notice and explanation of the proposed fee or fee revision.”.

SEC. 210. CONFORMANCE WITH LOW-INCOME HOUSING TAX CREDIT ELIGIBILITY REQUIREMENTS.

Section 515 of the Housing Act of 1949 (as amended by section 209 of this section) is further amended by adding at the end the following new subsection:

“(r) The Secretary may not carry out this section in any manner that would cause housing and related facilities for which a loan is made or insured under this section to become ineligible for a low-income housing tax credit under section 42 of the Internal Revenue Code of 1986.”.

SEC. 211. SECTION 515 OPERATING RESERVE AND EQUITY CONTRIBUTION REQUIREMENTS.

Section 515 of the Housing Act of 1949 (as amended by section 210 of this section) is further amended by adding at the end the following new subsection:

“(s) The Secretary—

“(1) may require that the initial operating reserve under this section may be in the form of an irrevocable letter of credit; and

“(2) may not require more than a 3 percent contribution to equity.”.

SEC. 212. RURAL AREA CLASSIFICATION.

(a) HOLD HARMLESS.—Section 520 of the Housing Act of 1949 is amended by striking “September 30, 1987” in the last sentence and inserting “September 30, 1988”.

(b) ELIGIBILITY OF RURAL AREA PROXIMATE TO URBAN AREA.—Section 520 of the Housing Act of 1949 is amended in the first sentence by inserting before “part of or associated with” the following: “(except in the case of Pajaro, in the State of California)”.

SEC. 213. PROCEDURES FOR REDUCTION OF INTEREST CREDITS.

Section 521(a)(1)(B) of the Housing Act of 1949 is amended by adding at the end the following new sentence: “In the case of assistance provided under this subparagraph with respect to a loan under section 502, the Secretary may not reduce, cancel, or refuse to renew the assistance due to an increase in the adjusted income of the borrower if the reduction, cancellation, or nonrenewal will cause the borrower to be unable to reasonably afford the resulting payments required under the loan.”.

SEC. 214. RENTAL ASSISTANCE TENANT CONTRIBUTION.

Subsections (a)(2)(A), (a)(3)(C), and (e) of section 521 of the Housing Act of 1949 are each amended by inserting at the end the following new sentence: “In addition, the Secretary shall not increase such rent in any 12-month period by any percentage that will result in vacancies in rental units assisted under this title in any area because of the availability of alternative affordable housing in the area.”.

SEC. 215. RURAL HOUSING PRESERVATION GRANT PROGRAM.

Section 533(h) of the Housing Act of 1949 is amended—

(1) by inserting “(1)” after the subsection designation; and

(2) by adding at the end the following new paragraph:

“(2) The Secretary shall, not later than the expiration of the 30-day period following the date of the enactment of the Housing, Community Development, and Homelessness Prevention Act of 1987, issue regulations to carry out the program of grants under subsection (a)(2).”.

SEC. 216. STUDY OF MORTGAGE CREDIT IN RURAL AREAS.

The Secretary of Housing and Urban Development shall conduct a study of the availability and use of funds for the purchase and improvement of residential real property in rural areas, particularly in communities that have populations of not more than 2,500 individuals. Not later than April 1, 1988, the Secretary shall submit to the Congress a detailed report setting forth the findings of the Secretary as a result of the study.

SEC. 217. DEBT SETTLEMENT AUTHORITY OF SECRETARY.

Section 510(c) of the Housing Act of 1949 is amended to read as follows:

“(c) compromise, adjust, reduce, or charge-off claims, and adjust, modify, subordinate, or release the terms of security instruments, leases, contracts, and agreements entered into or administered by the Secretary under this title, as circumstances may require, including the release of borrowers or others obligated on a debt from personal liability with or without payment of any consideration at the time of the compromise, adjustment, reduction, or charge-off of any claim;”.

SEC. 218. RURAL HOUSING TECHNICAL AMENDMENTS.

(a) DEFINITIONS.—Section 501(b)(3) of the Housing Act of 1949 is amended by striking “is a developmentally disabled individual as defined in section 102(7) of the Development Disabilities Services and Facilities Construction Act” and inserting the following: “has a developmental disability as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7))”.

(b) FARM LABOR HOUSING.—Section 514(f)(1) of the Housing Act of 1949 is amended by striking “and” at the end.

(c) HOUSING FOR ELDERLY FAMILIES.—Section 515(o)(1) of the Housing Act of 1949 is amended by striking “effective”.

(d) LOANS TO LOW- AND MODERATE-INCOME FAMILIES.—Section 521(a) of the Housing Act of 1949 is amended—

(1) in paragraph (1)(A), by striking “, except” and all that follows through “charges”; and

(2) in paragraph (2)(A), by striking “; or” and inserting “, or”.

(e) HOUSING FOR RURAL TRAINEES.—Section 522(a) of the Housing Act of 1949 is amended by striking the comma after “Health”.

(f) CONDOMINIUM HOUSING.—

(1) Section 526(a) of the Housing Act of 1949 is amended by striking “and” the first place it appears.

(2) Section 526(c) of the Housing Act of 1949 is amended by striking “and” the first place it appears.

(g) HOUSING PRESERVATION GRANTS.—

(1) Section 533(e)(1)(B)(iii) of the Housing Act of 1949 is amended by inserting “to” before “refuse”.

(2) Section 533(g) of the Housing Act of 1949 is amended by striking “persons of low income and very low-income” and inserting “low income families or persons and very low-income families or persons”.

Mr. GONZALEZ. Mr. Chairman, I move to strike the last word.

Mr. WILLIAMS of Montana. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Montana.

Mr. WILLIAMS. Mr. Chairman, I rise in support of this bill. With more than 7 million low-income families in need of housing, I commend the efforts of the committee and Chairman ST GERMAIN and the Housing Subcommittee Chairman GONZALEZ in bringing this legislation to the floor of the House.

I am particularly pleased to note the committee's efforts in promoting energy efficiency in construction of new federally sponsored low-income housing. If we are to get about the task of improving the housing conditions for low-income citizens, it must be done in an efficient and cost-effective fashion. One way to do that is to ensure that the units are built as inexpensively as possible as far as heating and cooling.

H.R. 4 provides for a demonstration and pilot program for the construction of energy efficient low-income housing. The committee also expects the Department of Housing and Urban Development to work closely with the National Center for Appropriate Technology which is located in my district in Montana. I know very well the good work carried out by NCAT.

The bill establishes a pilot program for the construction of 100 public housing units, employing various energy efficient construction techniques. This pilot program will also provide for testing of various designs with an outcome resulting in usable, replicable housing designs for low-income households. These designs will form the basis for the construction of more energy efficient and low cost public housing.

Since 1978, the National Center for Appropriate Technology [NCAT] has conducted applied research into making housing more energy efficient, and more affordable for low-income households. NCAT's approach has been to improve energy efficiency without forcing dramatic changes in building or construction techniques.

NCAT has developed several prototype designs and has distributed more than 1,000 sets of energy efficient house plans. Several hundred houses have been constructed using these plans. For example, in South Dakota, an Indian housing authority is currently developing housing for migrant and seasonal farmworkers using NCAT plans.

NCAT is currently working with the State of Montana to build five homes based on these plans. These homes yielded annual savings of over $500 for heating and $150 for hot water, when compared with comparable HUD units.

Under this demonstration program, a qualified organization such as NCAT will work in several States with public housing authorities and others to develop public housing of various designs ranging from 1 to 12 units. Each unit will promote maximum energy efficiency taking into consideration the climate of the particular State. Each will be monitored and evaluated for cost, energy performance, and consumer acceptance.

The ultimate goal of this project is to produce practicable house plans which result in a public housing construction program which is affordable to the low-income resident, less costly to the government, and easily accepted by the construction industry.

I again thank the committee for their efforts on this bill and offer my full support for the passage of this important legislation.

Mr. GONZALEZ. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. FOLEY] having assumed the chair, Mr. DONNELLY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4) to amend and extend certain laws relating to housing, community and neighborhood development and preservation, and shelter assistance for homeless and displaced, and for other purposes, had come to no resolution thereon.

PERSONAL EXPLANATION

Mr. WEISS. Mr. Speaker, I ask unanimous consent that my personal explanation regarding certain rollcall votes which I unavoidably missed appear in the RECORD at the appropriate places.

On May 11, 1987, had I been present, I would have voted as follows:

On rollcall 103, I would have voted "no."

On rollcall 104, I would have voted "aye."

On rollcall 105, I would have voted "no."

On rollcall 106, I would have voted "aye."

On May 28, 1987, had I been present, I would have voted as follows:

On rollcall 150, I would have voted "aye."

On rollcall 151, I would have voted "aye."

On rollcall 152, I would have voted "no."

On rollcall 153, I would have voted "aye."

On rollcall 154, I would have voted "aye."

On rollcall 155, I would have voted "aye."

Finally, on rollcall 156, I would have voted "aye."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks, and to include extraneous material, on H.R. 4, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

REVISION OF SPECIAL ORDER REQUEST

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that after we finish legislative business I be permitted to address the House for 5 minutes in lieu of the 60-minute special order I had reserved for today.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Texas?

There was no objection.

□ 1835

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1122

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 1122.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Georgia?

There was no objection.

PENSION PORTABILITY IMPROVEMENT ACT

(Mr. CHANDLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. CHANDLER. Mr. Speaker, in a changing economy and an increasingly competitive world, the need for pension portability is greater than ever.

All too many workers, especially those who are approaching their retirement years, are reluctant to change jobs because they want to protect their pensions. There was a time when it made a lot of sense for most workers to stay with the same employer for a lifetime, but in the midst of a technological revolution, those days are slipping behind us.

Simply put, if we're going to compete, we need a mobile work force.

Unfortunately, for most workers, changing jobs means a diminished retirement income. According to the National Bureau of Economic Research, switching jobs once results in a 28-percent reduction in the value of a retirement package. Switching jobs twice results in a 57-percent reduction.

And that's only part of the problem. When people leave their jobs and take a lump-sum distribution out of their pension plans, they usually spend the money rather than roll it into another retirement investment.

In today's society, women move in and out of the work force more often then men, so they're especially ill-served by current policy.

The junior Senator from Arizona and I are today introducing legislation to address this situation.

Our bill is a simple one.

Under our bill, employers providing pension plans would be required to offer employees a lump-sum upon separation from service. The lump-sum could be invested in a pension plan with any new employer offering a defined contribution plan or in an IRA. Employees could also simply leave their money in the retirement plan provided by the old employer.

Employers offering defined contribution plans, but not those offering defined benefit plans, would be required to accept rollovers.

With a few exceptions, workers would no longer be able to spend lump-sum distributions before retirement. Exceptions would be made in the event of the divorce, disability or death, or for investment in medical care, including nursing home or long-term care insurance, or an employee stock ownership plan.

When a worker retires, distributions would be tied to postretirement life expectancy.

Some may take exceptions to these restrictions on distributions, but it is important to remember that these are tax-favored investments.

Under existing law we offer favorable tax treatment and we insure benefits through the Pension Benefit Guaranty Corporation. With this bill, we would add the feature of portability. It isn't unreasonable to except that such favored investments be used for the purpose for which they are protected: to provide retirement income.

Because most uncovered workers are employed by smaller businesses, the bill would allow any employer who does not currently offer a pension plan to establish a simplified employee pension plan [SEP]. Under current law, only businesses with 25 employees or less may establish SEP's.

Under the bill's SEP provisions, an employer would be required to provide a salary reduction arrangment for any employee who requests one.

Mr. Speaker, the need for pension portability is clear. The approach taken in this bill is a direct one. It does not involve creating a new Federal bureaucracy. It does not require an outlay of Federal funds.

It merely amends plan qualification requirements.

I would like to insert the text of our bill in the Record at this point, and urge my colleagues to sponsor this simple, effective approach to making pensions portable.

H.R. 2643

A bill to amend the Internal Revenue Code of 1986 to improve the portability of pension benefits, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. QUALIFIED PLAN REQUIREMENTS.

(a) General Rule.—Subsection (a) of section 401 of the Internal Revenue Code of 1986 is amended by inserting after paragraph (28) the following new paragraph:

"(29) Additional portability, etc. requirements.—

"(A) Defined contributions plans must accept rollovers.—

"(i) In general.—In the case of a trust which is part of a defined contribution plan, such trust shall not constitute a qualified trust under this section unless the plan permits employees to make rollover contributions under the plan.

"(ii) Rollover contribution.—For purposes of clause (i), the term 'rollover contribution' means any contribution to the plan which under section 402(a)(5) or 403(a)(4) results in an amount received under another plan being excluded from gross income.

"(B) Limitations on distributions.—

"(i) In general.—A trust shall not constitute a qualified trust under this section unless the plan of which such trust is a part provides that—

"(I) no amount will be distributed with respect to an employee before the date on which the employee attains age 59½, and with the exception of those covered under the early retirement provisions of the Tax Reform Act of 1986

"(II) amounts distributed with respect to an employee on or after the date on which the employee attains age 59½ with the exception of those covered under the early retirement provisions of the Tax Reform Act of 1986 will be made no more rapidly than if such distribution were in the form of an annuity for the life of the employee.

"(ii) Exceptions.—Clause (i) shall not apply to—

"(I) any distribution described in subparagraph (A) (other than clause (i) or (iv) thereof), (B), (C), or (D) of section 72(t)(2), or

"(II) any direct transfer to another eligible retirement plan (as defined in section 402(a)(5)(E)(iv)).

For purposes of this clause, in applying section 72(t)(2)(B), any amount paid for nursing home care or long-term care insurance premiums shall be treated as if such amount was paid for medical care with respect to which a deduction is allowable under section 213.

"(C) Direct transfers upon separation.—A trust shall not constitute a qualified trust under this section unless the plan provides that if an employee separates from service, the employee may require the present value of his benefit be transferred in a direct transfer to another eligible retirement plan (as defined in section 402(a)(5)(E)(iv))."

(b) Annuity Plans.—Paragraph (2) of section 404(a) of such Code is amended by striking out "and (27)" and inserting in lieu thereof "(27), and (29)".

(c) Individual Retirement Accounts or Annuities.—

(1) Subsection (a) of section 408 of such Code is amended by adding at the end thereof the following new paragraph:

"(7) In the case of the portion of the assets of the trust which are attributable to a direct transfer after December 31, 1988, from a trust meeting the requirements of section 401(a) or an annuity plan described in section 403(a) (or attributable to income from assets so transferred), distributions will be made only as permitted under section 401(a)(29)(B)."

(2) Subsection (b) of section 408 of such Code is amended by inserting after paragraph (4) the following new paragraph:

"(5) In the case of the portion of the contract which is attributable to a direct transfer after December 31, 1988, from a trust meeting the requirements of section 401(a) or an annuity contract described in section 403(a) (or attributable to income from assets so transferred), distributions will be made only as permitted under section 401(a)(29)(B)."

(d) Effective Dates.—

(1) In general.—Except as provided in this section, the amendments made by this section shall apply to years beginning after December 31, 1988.

(2) Collective bargaining agreements.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified before the date of the enactment of this Act, the amendments made by this section shall not apply to years beginning before the later of—

(A) January 1, 1989, or

(B) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof after February 28, 1986).

SEC. 2. SALARY REDUCTION ARRANGEMENTS UNDER SIMPLIFIED EMPLOYEE PENSIONS.

(a) Modification of Requirement of More Than 25 Employees.—Subparagraph (B) of section 408(k)(6) of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new sentence: "The preceding sentence shall not apply if at no time during the year did the employer maintain a plan meeting the requirements of section 401(a) or described in 403(a)."

(b) Requirement of Simplified Employee Pensions.—Paragraph (6) of section 408(k) of such Code is amended by adding at the end thereof the following new subparagraph:

"(G) Employer must offer salary reduction arrangement.—If any employee requests the employer to establish a simplified employee pension under which the employee may make the election described in subparagraph (A)(i), to the extent permissible under the requirements of this paragraph, the employer shall establish such a pension for such employee with such an election."

(c) Effective Dates.—

(1) In general.—Except as provided in this section, the amendments made by this section shall apply to years beginning after December 31, 1988.

(2) Collective bargaining agreements.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified before the date of the enactment of this Act, the amendments made by this section shall not apply to years beginning before the later of—

(A) January 1, 1989, or

(B) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof after February 28, 1986).

H.R. 2636, TECHNICAL CORRECTIONS ACT OF 1987

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. Rostenkowski] is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker. It gives me great pleasure today to introduce H.R.

2636, the Technical Corrections Act of 1987. The purpose of this legislation is to make technical corrections to the Tax Reform Act of 1986, and other tax legislation enacted during the 99th Congress.

This legislation is cosponsored by the Honorable JOHN J. DUNCAN of Tennessee, ranking Republican member of the Committee on Ways and Means. An identical bill is being introduced in the Senate today, by the Honorable LLOYD M. BENTSEN of Texas, chairman of the Senate Finance Committee and is cosponsored by the Honorable BOB PACKWOOD of Oregon, ranking Republican member of the Senate Finance Committee. A copy of this technical corrections legislation is being published with the proceedings of the Senate in today's CONGRESSIONAL RECORD.

Whenever legislation as large and comprehensive as last year's Tax Reform Act is passed by Congress, some mistakes must be expected in drafting under such extreme time pressures. Clearly, last year's statute is not drafted with technical accuracy in every respect. Unfortunately, a resolution directing the enrolling clerk to correct certain errors and omissions in the legislation (H. Con. Res. 395) did not pass prior to adjournment of the 99th Congress. Therefore, Chairman BENTSEN and I instructed our staffs to work together, along with the staff of the Joint Committee on Taxation, the two minority staffs, the staff of the Treasury Department, and the House and Senate Offices of the Legislative Counsel, to review the Tax Reform Act of 1986 and make recommendations for technical corrections and clarifications to that legislation.

I am happy to report that the bill I introduce today contains necessary technical changes to last year's landmark legislation. Using the H. Con. Res. 395 as a starting point, we carefully reviewed each section of the Tax Reform Act. We also considered hundreds of letters and calls from practitioners and professional associations from throughout the Nation. I want to particularly thank these members of the public who called individual problems to our attention.

The staff has identified and corrected numerous clerical errors contained in last year's legislation. In addition, the bill perfects the statute in a manner which better reflects the substantive decisions of the conferees on the 1986 Act, and which provides more certainty for taxpayers and practitioners who must advise clients based upon the specific wording of the statute.

Mr. Speaker, H.R. 2636 will greatly improve the ability of taxpayers to understand and comply with last year's historic Tax Reform Act. In addition, I would like to emphasize two points with respect to this bill. First, I want to assure my fellow Members that this legislation is not intended or designed to make substantive changes to last year's Act. In this regard, the staff has undergone painstaking analysis and review to help ensure the technical nature of this legislation.

Second, I want to assure taxpayers that they will have ample opportunity to comment on the provisions of this bill. In this regard, I have issued a press release today asking the public for written comments on the bill. I have instructed the committee staff and the staff of the Joint Committee on Taxation to review carefully public comments on the bill to ensure that the Internal Revenue Code of 1986 is corrected in a manner that taxpayers can understand so that they may proceed with both personal and business decisions with certainty. In order to assist public analysis of this bill, Chairman BENTSEN and I have instructed the staff of the Joint Committee on Taxation to issue a pamphlet explaining the provisions of this bill. This pamphlet will be available within a few days.

H.R. 2636 is not a short bill. We all know that to correct even a misspelling in statutory language requires several lines in a technical corrections bill. In addition, this legislation is not easy reading. We must all recognize that a bill to correct errors in the most comprehensive tax bill ever enacted by Congress must itself be a comprehensive and sophisticated document. Moreover, I do not expect that this bill makes every necessary technical correction to the Tax Reform Act of 1986. In this regard, the Committee on Ways and Means will meet and consider the appropriateness of further technical corrections after an appropriate comment period. The legislation I introduce today, however, represents the detailed and studied analysis of the several staffs. As such, I feel that this legislation goes very far in correcting mistakes contained in last year's bill.

I will, of course, not support any substantive changes to the 1986 Act couched in the form of purportedly technical amendments. In this regard, H.R. 2636 is nearly revenue neutral with respect to the revenue estimates for the Tax Reform Act of 1986. Given the responsibilities of the Committee on Ways and Means for deficit reduction, I do not anticipate making changes to H.R. 2636, technical or otherwise, which would cause any further loss of revenue as measured against last year's legislation or the present budget baseline.

Mr. Speaker, I wish to thank Congressman JOHN DUNCAN and Chairman BENTSEN for their support in developing this legislation. I would also like to thank all the staffs involved for their careful analysis and work on this bill. I anticipate that the Committee on Ways and Means will review this legislation at the earliest possible opportunity and recommend its passage to the full House as expeditiously as possible.

IN CELEBRATION OF THE 10TH ANNIVERSARY OF TRANSAFRICA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois [Mrs. COLLINS] is recognized for 5 minutes.

Mrs. COLLINS. Mr. Speaker, this past weekend, Transafrica celebrated its 10th anniversary. This organization, which strives for a democratic South Africa, came about as the result of the Soweto rebellion in 1976. Ironically, on this 10th anniversary, the situation in South Africa is no less grim, than the day this organization marked its founding.

Transafrica has accomplished much in its first 10 years. Many people credit this organization for making the persuasive arguments which convinced our government to adopt sanctions against the South African government. It continues to be a highly influential voice for the black majority which has been denied its fundamental human rights by the Afrikaner government.

Increasingly, the white minority government in South Africa has lost any pretense of being a representative of all the people. Black men, women, and children are jailed, tortured, and killed. They are manipulated to serve the interests of the whites in power. Right wing, nazi-like groups are growing increasingly strong. We hear talk of reform, yet circumstances in South Africa are no different today as they were 10 years ago.

In 1976, South Africa was buffeted by unrest. Thousands of blacks took to the streets to protest the government's decision to require black schools to teach Afrikaner as their primary language. The township of Soweto became the focus of these protests. When South African police shot into the crowds, without firing any warning shots, the first casualty was a child; 13-year-old Hector Peterson was shot in the back.

Today, little has changed. The most tragic victims of the inherent oppression of apartheid are children. Forty percent of the 25,000 people detained under the state of emergency laws are youngsters—many less than 10 years old. Any regime that feels threatened by children is paranoiac.

I repeat: Many of these children have been beaten, whipped, threatened, and subjected to electric shock while in custody of South African security forces. Parents are often left ignorant as to the nature of their childrens' fate. Worse, they are not even informed of their whereabouts. These cruelties must not go unnoticed.

I have, therefore, introduced a resolution, House Resolution 141, calling for the immediate release of all children detained under South African state of emergency regulations. Pending their release, my resolution urges the government to:

First, provide parents with access to jailed children;

Second, prepare an official list of the childrens' names;

Third, supply these children with adequate clothing and housing; and

Fourth, verify their health and safety by means of an international organization.

I am pleased that over 90 Members have joined as cosponsors of House Resolution 141. I am also pleased that the House Subcommittee on Africa has tentatively scheduled hearings on this and related issues next week.

Equally important, this issue is receiving attention in the other body. Senator MIKULSKI, together with 30 of her colleagues, has introduced a companion resolution.

Mr. Speaker, the government of South Africa must be warned, in no uncertain terms, that Congress will not tolerate the jailing and torturing of children. It is our moral and ethical obligation to do the most we can to end this heinous policy. I urge my colleagues to support House Resolution 141, and I salute the fine job that Transafrica and its ex-director, Randy Robinson, has done in bringing the atrocities in South Africa to the Nation's focus.

IN DEFENSE OF MY HONOR AND THE CONSTITUTIONAL IMMUNITIES OF THE HOUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. Gonzalez] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I rise again in pursuance of the safeguarding and upholding of the privileges and immunities of the House and my own honor. I have stated to this House the events leading to the filing of a misdemeanor charge on the county level, unprecedented in the nature of this offense as charged, by the District Attorney Fred Rodriguez in Bexar County, that it was filed in a highly political judge's court; that he had in effect allowed the processes of arrest and warrant to have been issued except for the fact that the county clerk, who has the responsibility under Texas law to handle those matters, suspended the processes and permitted what is usually permitted in this case.

The attorney at that time presumably representing my interests, in combination with that judge, had allowed that to happen. He called my wife at home to warn that if some eager beaver law enforcement agent was coming around for her not to open the door, knowing full well that I was in Washington, knowing full well that my wife was alone at home in her residence, which incident frightened my wife who called here to advise me.

It turns out that about that same time and later, just a matter of, relatively, not too many hours ago, a constituent reported that while in a barber shop on a street in downtown San Antonio that one of the investigators of this same District Attorney Fred Rodriguez—and investigators I might point out to my colleagues are fully equipped police officers, equipped with guns and who usually, if carelessly selected, have involved district attorneys in very embarrassing situations—this one individual investigator for Fred Rodriguez, the county district attorney for Bexar County, by the name of Willie Miranda, in loud voice told all and sundry in the barber shop that if, and I quote, "they want Henry Gonzalez here I will be glad to bring him here handcuffed, dead or alive."

Now I think with that kind of incident that more reason should be given to the statements I have made about the malicious and the pernicious selective prosecution that this district attorney has sought in my case.

Mr. Speaker, I yield back the balance of my time.

TRIBUTE TO THE LATE HONORABLE JAMES J. DELANEY

The SPEAKER pro tempore. Under previous order of the House the gentleman from New York [Mr. Stratton] is recognized for 60 minutes.

Mr. STRATTON. Mr. Speaker, I rise tonight here to pay tribute to our former colleague, James Delaney, who passed away a few weeks ago at age 86, a long-time member of the Democratic Party in Queens, chairman of the Committee on Rules and a long-time political leader in his congressional district, who had a distinctive mind of his own. I think those of us who knew Jim Delaney knew that he had strong convictions and that he followed those convictions.

Probably the most dramatic instance was in the early days of the Kennedy administration when President Kennedy wanted to undertake a piece of education legislation, and Jim Delaney, as a member of the Committee on Rules, sat on that proposal until President Kennedy finally backed down and, finally, a mode of coexistence prevailed where the help that President Kennedy was offering to provide to the public schools was also made possible to the parochial schools. Particularly in Mr. Delaney's district that was a substantial number of the schools. The gentleman I think, won his fight and today we have better programs that are more dealing with parochial schools as well as public schools.

Mr. Delaney, Jim Delaney was also the chairman of the Committee on Rules. But my understanding was that he felt that the Committee on Rules was not really autonomous and he felt that although he might enjoy the idea of sitting as chairman of the committee, he felt that the leadership, the chairmanship of the Committee on Rules simply meant that the speaker had his way. As a result, he felt that time spent on the committee was not, in his view, worthwhile.

The gentleman from Queens had, before he retired from the House, won 16 consecutive elections and survived a very substantial number of district gerrymanders. In fact, one of our colleagues today, Tom Manton, was one who challenged Jim Delaney and he found, as many other people found, that Jim Delaney was a tough opponent and one who had engraved his motto in his district. They liked what they saw and they liked what he did.

So I think Jim Delaney was honest, he made no pretenses and I think that kind of service was what endeared him to his colleagues.

Mr. Speaker, I yield to the distinguished gentleman from New York [Mr. Biaggi].

□ 1850

Mr. BIAGGI. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, on May 24 of this year, this institution lost one of its most beloved former Members, and I lost an old and dear friend when James J. Delaney, truly the gentleman from Queens, NY—passed away after 86 productive and vigorous years.

There are some common and significant facts that we will all mention about Jim Delaney tonight. We will talk about how Jim served with such distinction here for 16 terms covering 32 years.

We will talk about the landmark Delaney amendment, in many ways a pioneering policy effort in the area of consumer protection.

Think now about how farsighted Jim Delaney was in 1957 when he authored the amendment which outlawed the addition to any processed food any substance which induced cancer in laboratory animals.

We will talk about Jim Delaney's leadership as chairman of the Committee on Rules, a position that he really did not relish, although he deserved it all too well, a position that provided great power, although he questioned whether it was entirely his, a position that really did not make him a happy man; but he ruled the roost as only Jim Delaney could and only Jim Delaney would, knowing the independent nature of this individual.

Yet, if we are true and want to do real justice to the memory of this great man, we must all use this special order to relate a personal Jim Delaney story or two.

While I go back with Jim Delaney long before I came to the Congress, I was a detective lieutenant in Astoria, in Queens, where Jim Delaney served as a Member of Congress.

We used to visit the different bistros. We would call them the local lounges, and Jim was well known. He could hoist a drink with anyone and sing a song with all assembled.

Jim was a massive man, a powerful man; and yet when the police were involved and they needed some assistance, Jim Delaney was there. If Jim Delaney was there, and I found him by my side on a number of occasions when I served in the department at that time, I knew that all was well.

Jim Delaney was a tremendous individual. Most people do not know that Jim Delaney did some boxing in his early years. He boxed with former champion, Gene Tunney. Some said he missed his calling, but he was not that kind of an individual. He did not have the instinction to go out and fight and hurt. He engaged in it as a sport.

The story I will relate tonight is genuinely special to me, because it has such an impact on my career in this House.

In 1978, Jim Delaney was the leader of our New York City congressional delegation which at that time should have earned Jim special recognition as a modern day profile in courage.

Here is a man who served with us, and most of us knew full well that he was carrying the agonies of a dying wife, a woman who had been afflicted with cancer for a number of years, a woman that he was betrothed to and loved so deeply, and a man who had difficulty with both hips.

He was in agony every living moment, but he went on and did his job. He went on further and had both of those hips replaced, and we saw the difference.

Jim Delaney, who lived a difficult life during those ailing years, would entertain some of us here. He would say, "Look at me, I will give you a little bit of soft shoe," and this massive man was doing that with a twinkle in his eye, a smile on his face, and so happy to be relieved of that ailment that almost, well, just would have crushed anybody else but a Jim Delaney who had such an indomitable spirit.

In 1978 the city was in the midst of its most severe fiscal crisis, on the verge of default. It needed immediate help from Congress in the form of legislation to provide loan guarantees.

We all knew that it was going to be an uphill battle on behalf of this legislation, because it was almost politically fashionable to beat up on New York.

No one knew this better than Jim Delaney who always had an uncanny ability to read the pulse of this House.

Jim knew that for there to be any chance, we would have to engage in good old-fashioned grassroots, one on one lobbying, Member to Member.

In recognition of this fact, Jim called for the establishment of a special task force charged with one and only one reponsiblity: To get the votes to pass the bill.

Jim Delaney tapped me to be the chairman of this task force, and I knew that I was only a five-term Member, and I was being handed a major responsibility.

Just as important to me was who it was that was giving me this responsibility, my mentor in many ways, Jim Delaney.

I remember when the time came to thank him. I knew right away that he did not want my gratitude. He wanted results.

The outcome was in fact a success. The bill passed by a comfortable margin. After much hard work, the city was not only saved but the loan guarantee served as a catalyst for an entire renaissance of recovery in the city.

I was just as proud that Jim's faith in me was justified. It should never be forgotten that it was Jim Delaney's wisdom that led to the creation of this bipartisan task force for New York.

I remember how Jim Delaney sought me out almost as soon as I got here in 1969. He steered me along. He gave me more than just advice. He provided me with wise counsel.

He set an example for me that I have endeavored to follow over these years.

He always said:

> Never be afraid to take a stand for a cause that you believe in. Do not compromise on those issues you feel strongly about in your heart.

Jim Delaney taught many of us that you could in fact be a political maverick on occasion up here for a good cause.

Jim Delaney had a personality that will be remembered by all of us with the good fortune to have known him.

He had a soft and big heart occasionally hidden by a tough exterior.

His bark was worse than his bite. He did not mince his words or his opinions on subjects. There was no ambivalence about the man. You knew where he was and why.

Who else could have directed our often cantankerous New York delegation, and made us work and be successful than the most cantankerous of all, Jim Delaney?

Jim left here with his head high after a great and distinguished career. He remained active after his retirement in 1978 spending most of his time in Florida.

I was in touch with him a great deal, but not as much as I should have been or would have liked to be. He was always a delight to talk to.

Jim Delaney was an extremely dedicated family man, and he enjoyed 33 years of a wonderful marriage to the former Lola Mathias.

He died at his son's home in New Jersey, his son, Patrick, whom he loved so much.

Jim Delaney was a good New Yorker, a good Member of Congress, and of course a great American.

Jim Delaney was a kind and a decent man. Of course, above all, he was a good Irishman, and the words of another great Irishman, James Joyce, seem appropriate for Jim.

"A man of genius makes no mistakes. His errors are volitional and are the portals of discovery."

At this point I include in the RECORD an obituary of Jim Delaney that appeared in one of his favorite newspapers, the Irish Echo.

The article follows:

JAMES J. DELANEY, EX-QUEENS CONGRESSMAN

Former Queens Representative James J. Delaney died on May 24 at his son's home in Tenafly, N.J. He was 86.

Mr. Delaney, a Democrat, had served in Congress for 16 terms. He had lived in Key Biscayne, Fla., since his retirement in 1978.

In 1957, Mr. Delaney led a successful fight in Congress for a ban on cancer-causing additives in food.

Delaney amendment, added to a food safety bill, outlaws the addition to all processed foods of any substance that induces cancer in laboratory animals.

Mr. Delaney, chairman of the city's congressional delegation in the mid-1970s, also was instrumental in shaping federal legislation that gave $2.3 billion in low-interest loans to rescue New York City from impending default during the fiscal crisis of the 1970s.

Mr. Delaney, whose congressional seat was won by Geraldine Ferraro in 1978, was first elected to Congress in 1944 as a Democrat from Long Island City. He was defeated in 1946, but then won 15 consecutive elections, surviving several hard-fought elections and redrawings of the map of his district, which encompassed Long Island City, Jackson Heights, Glendale, Ridgewood and Forest Hills.

During his political career, his district evolved from a blue-collar enclave into a solid haven of middle class.

Mr. Delaney, at various points, voted against Federal aid to education in favor of the Vietnam War and in favor of public aid to parochial schools. Although he was a Democrat, in 1970 he supported the successful Senate election bid of James Buckley, the candidate of the Conservative Party.

Mr. Delaney was born in New York City and attended public schools in Long Island City. In 1932 he received a law degree from St. John's University, and from 1936 until he was elected to Congress, he was an assistant in the Queens District Attorney's office.

He was married in 1939 to the former Lola Mathias of Houston, who died in 1972.

In addition to his son, Patrick J. Delaney, he is survived by a sister, Maude Ryan of Scottsdale, Ariz., and three grandchildren.

A mass of Christian Burial was said in Our Lady of Mount Carmel Church in Tenafly. Burial was in Calvary Cemetery in Woodside, Queens.

Mr. STRATTON. Mr. Speaker, I yield to the gentleman from Florida [Mr. PEPPER], the chairman of the Committee on Rules.

Mr. PEPPER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am proud to join my colleagues in this tribute to Jim Delaney.

Jim Delaney, we will recall, came to the House in 1945 and served one term. Then he was out of the House for one term and came back the following year, and he served 29 years here in this House.

He was a member from 1949 to 1978 of the Committee on Rules, which I was a member with him for 13 of those years, from 1965 to 1978.

When Jim Delaney was chairman of the Committee on Rules, he served with distinction and, I thought, dedication. He was decisive in his work as chairman. He was a gracious and benevolent chairman in respect to his committee members and to the visitors who came before the committee.

He was deeply interested in the legislative process and learned in that endeavor.

Jim had already had a distinguished private life before he came to the House. He in the House made an enviable record. He was knowledgeable in legislative matters. He was an able man.

He could mobilize his facts, his arguments very well, very effectively.

His colleagues listened to him always with respect and consideration, and he made here a record of which he can, and all of those who love him, can always be proud.

When Jim left the House, he moved into my district down in Key Biscayne. I saw him often there. When I would have a function over on Key Biscayne, Jim would always be in attendance, so I got to keep in pretty close contact with him after he retired from the House and honored us by living in our area.

Jim Delaney was the kind of man who should have been in public life. He had the enviable capacity of being a man of dedication and decisiveness; and at the same time, somehow he was able so to ingratiate himself to the good will and respect and esteem of his constituents that he often, if not always, got the nomination of both the Democratic and Republican Parties.

He indicated some respect for his graciousness, his kindness in personality, his good will toward other people.

I am proud to have been a friend of Jim Delaney, proud to have served with him on the Committee on Rules, and proud to have served under him as chairman of that committee and proud, as always, as long as I live, to revere, respect and honor the memory of that great Representative, Jim Delaney.

To all those who loved him, as we did here, I extend my profound sympathy and respect.

Mr. STRATTON. Mr. Speaker, I yield to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, it is with sadness that we note the passing of a great former colleague, the former chairman of the New York State congressional delegation, the Honorable James J. Delaney.

During the 32 year tenure of Jim Delaney in the House, he became one of the premier spokespersons for "middle America." It was no accident that the home of the Bunker family on the "All in the Family" television show was located in Jim Delaney's district, for the Bunkers symbolized the traditional nuclear American family that Jim represented so articulately on the floor of the House and in the Halls of Congress. Perhaps Jim Delaney's greatest achievement was not just that he was a spokesperson for the legitimate concerns of the Archie Bunkers, but also that he was an articulate spokesperson for the Ediths who at last had become aware of their own potential, and the young Glorias and Mikes starting out in an uncertain world. Jim Delaney was a spokesperson for all of us.

Most of us remember the excellent service Jim Delaney performed as chairman of the House Rules Committee during his last term in the House. In that position, he became known as a fair, even-handed chairman of this most crucial committee. But, those of us who worked with Jim in the past were not surprised at his leadership capabilities.

Many of us also remember Jim Delaney as the author of the 1958 amendment to the Food and Drug Act that bears his name. Today, it is somewhat difficult to remember that, back in 1958, an amendment to ban carcinogens would be controversial. But in 1958, most Americans did not yet understand that cancer and other diseases had definite causes that could be prevented. At that point in our history, most Americans considered chemical additives to be the wonderful product of an enlightened science, and could not conceive that they may be harmful.

Representative Delaney had the foresight to realize that we could fight back against the poisons that continue to kill us at a time when most Americans did not grasp the cause and effect of cancer. Bear in mind, the Delaney amendment outlawing the sale of any food additive found to cause cancer in man or animal was adopted 6 years before the Surgeon General's report linking cigarette smoking to cancer. Fortunately for America, Jim Delaney was a man ahead of his time. The Delaney amendment is a fitting, permanent memorial to this great legislator.

Jim Delaney survived his wife Lola by 15 years. To their son Patrick, to Jim's three grandchildren, and to his sister, we extend our deepest condolences and our assurances that they are not alone in their loss.

Mr. QUILLEN. Mr. Speaker, I wish to join my colleagues in paying tribute to Congressman James J. Delaney who passed away on May 24.

Congressman Delaney served as a Member of the House for 32 years before his retirement at the end of the 95th Congress. For many years we served together on the Committee on Rules, where he finished his congressional career as chairman.

Jim Delaney was a man of strong personality, a combative and forceful character, and always spoke out when things struck him the wrong way. He was a charming New York City Irishman from the old school when in a good humor. At all times, I think it is fair to say, Jim Delaney was a presence when he was present.

Congressman Delaney was always one to speak his mind and express his point of view forcefully on those issues which came before the Rules Committee and he was a strong chairman. He always treated me fairly and we enjoyed a good working relationship.

I was saddened to learn of Jim's death and in this time of sorrow, I wish to extend my sympathies to his son, Patrick, his sister, Maude Ryan, and his three grandchildren.

Mr. BOLAND. Mr. Speaker, I wish to thank my distinguished colleagues from New York, Mr. HORTON and Mr. STRATTON, for sponsoring this special order so that we may honor our friend James Delaney, whose passing we now mourn.

Jim Delaney's service to our country was long and distinguished. I consider it an honor to have served with him for a number of his 39 years in Congress, and during that time I developed a great amount of admiration and respect for him.

Blessed with the wisdom to choose the best course for his constituents without compromising his principles, Jim's congressional career was one of accomplishment and distinction. Perhaps best known for his authorship of the Delaney amendment which heightened public awareness of the need to determine the health consequences of substances added to food, Jim made his mark on a number of other important issues as well. The people of New York City are particularly in his debt for his work on the legislation that provided financial stability to the "big apple" at a time when it was most needed.

In his last years here in the House Jim brought his candor and decisiveness, along with his hearty Irish wit, to the chairmanship of Rules Committee. There as in all his work, Jim performed admirably. He displayed a rare understanding of the complex rules that allow this House to run smoothly and effectively, and of the need to accommodate the differing views of the membership in a way that was fair as possible to all concerned.

Those of us who served with Jim here in the House will not forget the example he set for his colleagues, and the contributions he made to his country. I hope that certainty will offer some comfort to his son Patrick, his sister Maude, the rest of the Delaney family and Jim's many friends.

Mr. MANTON. Mr. Speaker, I rise to mark the passing of Representative James J. Delaney. For 32 years Jim Delaney served as the Congressman for the Ninth District of New York, which I currently have the honor of representing.

Jim Delaney was an independent, forceful Member of Congress. He served his constituents well, diligently voicing their concerns. Even when his views placed him in opposition with party leaders, Jim Delaney stubbornly held fast to his principles.

Mr. Speaker, Jim Delaney had many accomplishments during his congressional career. He served as chairman of the powerful Rules Committee. As New York State delegation chairman in the mid-1970's, he was instrumental in shaping legislation that helped rescue New York City from its financial crisis with a $2.3 billion low-interest loan.

However, his most lasting achievement will undoubtedly be the Delaney amendment. In 1958 this measure amended the Federal Food, Drug and Cosmetic Act, and made illegal the sale of any food additive found to cause cancer in man or animal. The need for such a change in the law first became apparent in 1950 in testimony before the House Select Committee on Chemicals in Food Products. Jim Delaney chaired this select committee and heard the testimony from representatives of the National Cancer Institute. Despite opposition from the Eisenhower administration and others, Jim Delaney was finally able to pass this measure. Today, the Delaney amendment is considered to be one of the most important provisions of law regarding food contamination.

Mr. Speaker, Jim Delaney, was an institution in Queens. His constituents returned him to Congress 15 straight times. I was a boy of 12 when he was first elected to Congress and a man of 46 when he finally retired. As important as his congressional duties were, Jim Delaney also wore several other political hats. He was an assistant district attorney for Queens County from 1936 until 1944. Also, he helped found and served for many years as president of the Powhatan Regular Democratic Club in Astoria. For the last 9 years of his career, I worked with him as a city councilman representing many of the same people. Jim Delaney made a lasting impression that will not soon be forgotten in western Queens.

Mr. Speaker, Jim Delaney was an important and influential figure in the House of Representatives in the three decades following World War II. His tough, determined representation of the views of his constituents is an example to us and the Nation. Jim Delaney's legacy will live on in many ways, but especially in the many lives that may have been spared because of the Delaney amendment. My deepest condolences to his son Patrick, his sister Maude, and his grandchildren. I join my colleagues, my constituents, my city and our Nation in mourning his passing.

Mr. HORTON. Mr. Speaker, I rise today to join my colleagues from New York and around the country in paying last respects to James J. Delaney, a former colleague of ours who passed away last month.

Jim Delaney represented Queens, NY, from the forties through the seventies—four decades. He served as the chairman of the powerful Committee on Rules. His was a giant of a man with a quick wit and a sharp tongue, but his legislative successes will stand as a living tribute to his diligence as a Member of Congress.

I came to this Chamber in 1963, and had the pleasure of working with Jim as a fellow New Yorker for 16 fulfilling years. His knowledge of the legislative process and of the rules of the House was exceptional, and he never hesitated to share that information, despite being a Democrat and me a Republican. When it came to the interests of his constituents, his State and his country, partisanship took a back seat.

Jim Delaney's career was long and distinguished. Many will remember perhaps his most significant contribution to legislation in 1958. He was the sponsor of what is known as the Delaney amendment, which outlawed the sale of any food additive found to cause cancer in man or animal. As basic as this seems today, such language was very controversial at that time. Without the efforts of Jim, this prohibition may not have been enacted for years.

On a local level, few would argue that Jim played a key role in saving New York City from fiscal ruin in the late 1970's. His position as the chairman of the Rules Committee, and his ability to work with the Republican Party, were probably the deciding factor in a hard-fought battle. The financial crisis was averted with a $2.3 billion low-interest loan.

Jim was a lifetime New Yorker. He received his law degree from St. John's and was an assistant district attorney from Queens before being elected to the House. He was married to a lovely woman, Lola Mathis, who passed away in 1972. He leaves with this world a son, Patrick Delaney, a sister and three grandchildren.

Mr. Speaker, paying homage to friends and colleagues who have passed away is one of the more difficult tasks I have. This one is especially difficult. Jim leaves with this House—and with me personally—a lifetime of accomplishments and a dedication to his country unequaled among his peers. My wife Nancy and I want to express our deepest sympathy for the Delaney family. There are many of Jim's former colleagues in the House who are sharing your sadness with you.

Mr. ANNUNZIO. Mr. Speaker, I rise to join with my colleagues in the House of Representatives, and the members of the New York State congressional delegation, in paying tribute to the Honorable James Delaney, former chairman of the House Rules Committee, whose death on May 24 was a tremendous loss to the people of this country.

During the 32 years James Delaney served as a Congressman from the Ninth Congressional District of New York, he compiled an outstanding record of achievement on behalf of his constituents, and indeed, on behalf of all of our citizens throughout the Nation. Jim was my friend during the 4 years we served in Congress together before his retirement in 1978, and he was highly respected by all those in the House of Representatives who had the opportunity to work with him.

Jim Delaney was born in New York City, and attended public schools in Long Island. He received his law degree from St. John's University in 1932, and from 1936 until he was elected to Congress 8 years later, he served as an assistant in the Queens district attorney's office.

First elected to Congress for one term in 1944, Jim Delaney was reelected in 1948, and served his constituents and our country with distinction for 15 consecutive terms until his retirement at the end of the 90th Congress. Congressman Delaney was a legislator with great compassion and courage, and is best remembered for a clause he sponsored—known as the Delaney Amendment—in the 1957 food-safety bill, that outlawed cancer causing additives in food. He became chairman of the House Rules Committee in 1977.

Jim worked diligently and capably for his district and the people of this country, and I shall remember him for his many kindnesses, and for the quality of statesmanship and legislative talent that he brought to the House of Representatives.

Mrs. Annunzio and I extend our deepest sympathy to the members of his family who survive him.

Mr. GREEN. Mr. Speaker, I was deeply saddened to hear of former Representative James J. Delaney's passing. Although I was a freshman Congressman when he served his last term, I was aware of the reputation Mr. Delaney earned during three decades of political service.

His career was as controversial as it was momentous. Mr. Delaney did not court popularity while dean of the New York delegation and chairman of the Rules Committee. Rather than follow strictly the dogma of his party and the concerns of his constituency, Representative Delaney proved to be a man guided by personal conviction. In 1944 he began his career as a liberal Democrat becoming increasingly conservative during his next 15 terms. In the 1960's, his vote against Federal aid to education put him at odds with President Kennedy and his support of the Vietnam war brought him at odds with much of the Democratic Party. These tensions were again exacerbated once he pledged to support James Buckley in the 1970 Senate elections. He led a genuinely independent political career.

Despite several redrawings of his district and those political clashes, Mr. Delaney earned notice on more favorable terms as well. The Delaney amendment to the 1957 food-safety bill earned him national recognition. Such achievements were complemented by his ability to influence several House leaders to support a Federal $2.3 billion low-interest loan aimed at rescuing New York City from its financial crisis. As a freshman, in 1978, Jim Delaney was one of the most impressive House leaders I met and instrumental in the passage of this legislation, which was so very crucial to putting my city back on its feet.

I, therefore, ask my colleagues to join me in paying homage to the former Congressman and in commemorating his years of service and dedication as a public servant.

Mr. LENT. Mr. Speaker, I rise to join my colleagues in paying tribute to a good friend and a distinguished Member of Congress, the late Representative Jim Delaney.

In January 1971, when I first arrived in Washington, DC, as a newly elected Congressman, Jim Delaney was at the pinnacle of his career in Congress serving as chairman of the powerful House Rules Committee. As a fellow New York Congressman, I had the pleasure of working with Jim who was also dean of the New York State delegation as well as chairman of the New York City congressional delegation. During his 39 years in the House, Jim had become an institution and had earned the respect and admiration of his colleagues, Republicans and Democrats alike.

A skillfull politician and an effective legislator, Jim may best be remembered as the author of the Delaney amendment, added to a 1957 food safety bill, which banned the addition of cancer-causing agents in food. He was also instrumental in shaping Federal legislation to rescue New York City from bankruptcy during the municipal fiscal crisis of the 1970's. And, believe me, it was no small feat rallying the bipartisan support necessary to pass that bill.

Jim Delaney was a public servant in the truest sense: He was dedicated to serving his constituents, loyal to his country, and committed to ensuring the vitality of our democratic system of government. He was an outstanding statesman, a man of honor and conviction. He will be sorely missed, but his legacy of good works benefiting our Nation will endure long after we, too, are gone.

To Jim's family and loved ones, I extend my heartfelt sympathies. Our thoughts and best wishes are with you in your time of sorrow.

Mr. McGRATH. Mr. Speaker, in his 39 years of dedicated service in the House, Jim Delaney's leadership and strong conviction were an example for all of those with whom he served. The pursuit of his goals was marked by an independent style and ability to recognize the most effective methods available. Rather than blindly following party positions, Jim worked for the greatest interests and concerns of his constituents, frequently crossing partisan lines to reach his objectives. Although this was often the most difficult path, his accomplishments proved the value of his efforts. During times when petty partisan splits impede congressional progress, we would do well to follow Jim's fine example of placing legislative initiative over party bickering.

Jim used his leadership in the House and on the Rules Committee for the benefit of all. Legislation such as the Delaney amendment demonstrates the depth of his commitment and concern for the public, and the worthwhile fruits of his labor. Jim's tireless dedication and reliability through a career in the House which spanned five decades eventually earned him the chair of the Rules Committee, and length of his term in office bears witness to the faith and trust Jim's constituents had in him.

It is with great sorrow that we mourn the passing of James Delaney, and with deep respect and admiration that we salute his long and distinguished career in the service of his country and the Congress. May he rest in peace.

Mr. STRATTON. Mr. Speaker, I join with my colleagues in our expression of sorrow to the Delaney family.

I know that Jim was very proud of his son, Patrick; and, as the gentleman from New York [Mr. BIAGGI] has already indicated, his wife was ill much of the time, but he was most caring for her.

Mr. Speaker, I include the following articles from the New York Times and the Washington Post in the RECORD.

[From the New York Times, May 25, 1987]

JAMES J. DELANEY, 86, A DEMOCRAT AND FORMER QUEENS CONGRESSMAN

(By Winston Williams)

James J. Delaney, the former Queens Congressman whose three decades in Washington catapulted him into the chairmanship of the powerful House Rules Committee, died yesterday at his son's home in Tenafly, N.J. He was 86 years old and had been a resident of Key Biscayne, Fla., since his retirement in 1978.

Colleagues said the Delaney Amendment—a clause in a 1957 food-safety bill that outlawed cancer-causing additives in food—was the capstone of his long and controversial political career. As chairman of the New York Congressional delegation in the mid-1970's, he also played a key role in shaping the Federal legislation that helped rescue the city from its financial crisis.

First elected to Congress in 1944 as a Democrat from Long Island City, Mr. Delaney arrived in Washington as Franklin D. Roosevelt was preparing to go to Yalta. He retired a few months before the signing of the Camp David accords. His politics mirrored the turbulence of those times.

Starting out as a liberal with close ties to the labor movement, he became increasingly conservative, as the ninth Congressional district—encompassing Long Island City, Jackson Heights, Glendale, Ridgewood and Forest Hills—evolved from a blue-collar enclave into a solid haven of the middle classes.

DISPUTES WITH OTHER DEMOCRATS

Votes against Federal aid to education and his support of public aid to parochial schools often placed him at odds with other local Democratic leaders. In the 1960's those differences intensified over the issue of school busing and Mr. Delaney's support of the Vietnam War. The leadership of the Queens Democratic organization split with him in 1970 over his support of James Buckley, who was elected to the Senate on the Conservative Party slate.

But Mr. Delaney, who was defeated once in 1946 and afterward won 15 consecutive elections, survived several redrawings of his district's map and a number of fiercely fought elections. In 1972 he turned back a strong challenge from Thomas J. Troy Jr., who was then county leader.

Mr. Delaney later boasted that his conservatism had served New York City well. He was able, he said, to call on his conservative friends in Congress to support the $2.3 billion low-interest loan that saved the city from bankruptcy. After he retired in 1978, Geraldine Ferraro, the 1984 Democratic candidate for Vice President, was chosen to represent the district.

Mr. Delaney was born in New York City and attended public schools in Long Island City. In 1932 he received a law degree from St. John's University. From 1936 until he went to Congress eight years later, Mr. Delaney was an assistant in the Queens District Attorney's office.

He was married in 1939 to the former Lola Mathis of Houston, who died in 1972.

In addition to his son, Patrick J., survivors include a sister, Maude Ryan, of Scottsdale, Ariz, and three grandchildren.

A wake is scheduled for Tuesday afternoon and evening at Barrett Funeral Home in Tenafly. A Roman Catholic funeral mass will be said at 10 A.M. Wednesday in Our Lady of Mount Carmel Church in Tenafly. Burial will follow at Calvary Cemetery in Woodside, Queens.

[From the Washington Post, May 26, 1987]

FORMER QUEENS REPRESENTATIVE JAMES DELANEY, HOUSE MEMBER FOR 32 YEARS, DIES

(By Richard Pearson)

James J. Delaney, 86, a combative Queens Democrat who served a total of 32 years in the House of Representatives before retiring in 1979 as chairman of the Rules Committee, died May 24 at the home of his son in Tenafly, N.J.

The immediate cause of death was not reported, but he had undergone several operations for arthritis of the hip in recent years.

Rep. Delaney was the sponsor of a famous 1958 amendment to the Food and Drug Act. the Delaney amendment outlawed the sale of any food additive found to cause cancer in man or animal.

First elected to the House in 1944, he was defeated for reelection in the Republican landslide of 1946. Two years later, he won his seat back and held it until retiring on Jan. 3, 1979. He was succeeded as congressman from New York's 9th District by Geraldine A. Ferraro, the Democratic nominee for vice president in 1984.

During Rep. Delaney's career, his voting reflected the changes time wrought in his party and district. First elected as a liberal with strong ties to organized labor, he became more conservative as the years wore on. He fought with his state party over education bills, his opposition to school busing and his support for the war in Southeast Asia.

About half of his Queens district held white-collar jobs and a third worked in factories. A typical constituent was a socially conservative Roman Catholic. The "All in the Family" television show was set in this district, and Archie Bunker was a not an entirely inaccurate caricature of the average head-of-household.

Though the district had enthusiastically supported Franklin D. Roosevelt and John F. Kennedy for president, it voted for President Nixon over Sen. George S. McGovern in the 1972 presidential election by nearly a 3-to-1 ratio.

Rep. Delaney endorsed the Conservative Party nominee for U.S. Senate, James Buckley, in 1970. In 1972, the state Democratic Party, led by Queens Democratic Party Chairman Matthew Troy, ran a candidate against Rep. Delaney. The challenger, City Councilman Thomas J. Manton, got 46 percent of the vote.

Soon after this, Rep. Delaney reconciled with the more liberal party organization and was elected chairman of the state's House delegation. As delegation chairman and as a friend of several conservative House barons, he was instrumental in shaping federal legislation that helped rescue the city from its financial crisis with a $2.3 billion low-interest loan.

During most of his years in the House, he was a loyal supporter of the House Democratic Party leadership. His great dissent was over the Kennedy administration's federal aid-to-education bill in 1961. Rep. Delaney, a Catholic, opposed it because it excluded aid to parochial schools. For years, he was instrumental in keeping aid-to-education bills locked in committee.

He became Rules Committee chairman in 1977 after the 1976 primary defeat of then-Chairman Ray Madden (D-Ind.). The Rules Committee plays the crucial role of House "traffic cop," regulating the flow of legislation from other committees to the House floor. It determines not only what goes to the floor but under what conditions, setting such details as the amount of debate allowed and the amendment procedure to be followed.

Rep. Delaney was born in New York City and received a law degree from St. John's University in 1932. He was an assistant district attorney for Queens County from 1936 to 1944. Since retiring from public office, he had lived in Key Biscayne, Fla.

His wife, the former Lola Mathis, whom he married in 1939, died in 1972. In addition to his son, Patrick J. Delaney, his survivors include a sister, Maude Ryan of Scottsdale, Ariz., and three grandchildren.

□ 1705

GENERAL LEAVE

Mr. STRATTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order on James Delaney.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. McCandless (at the request of Mr. Michel), for the week of June 8, on account of official business.

Mr. Bonior of Michigan (at the request of Mr. Foley), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Upton) to revise and extend their remarks and include extraneous material:)

Mr. Ritter, for 5 minutes, today.

Mr. Hastert, for 60 minutes, on June 17.

(The following Members (at the request of Mr. Gonzalez) to revise and extend their remarks and include extraneous material:)

Mrs. Collins, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Kanjorski, for 5 minutes, on June 11.

Mr. Olin, for 60 minutes, today.

Mr. Olin, for 60 minutes, on June 16.

Mr. Kostmayer, for 60 minutes, on June 11.

Mr. Dymally, for 60 minutes, on June 15.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Alexander, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $98,000.

(The following Members (at the request of Mr. Upton) and to include extraneous matter:)

Mr. Kemp.
Mr. Ritter in two instances.
Mr. Solomon.
Mr. Schuette in two instances.
Mr. Dannemeyer.
Mr. Bilirakis.
Mr. Sundquist.
Mr. Fields.
Mr. Lewis of Florida.
Mr. Conte.
Mr. Wortley.
Mr. Coble.
Mr. Courter in two instances.
Mr. Ballenger.
Mr. Taylor.
Mr. Jeffords.

(The following Members (at the request of Mr. Gonzalez) and to include extraneous matter:)

Mr. Morrison of Connecticut.
Mr. Florio.
Mr. Darden.
Mr. AuCoin.
Mr. Fazio.
Mr. Feighan.
Mr. Berman.
Mr. Montgomery in two instances.
Mr. Vento.
Mr. Hamilton.
Mr. Cardin.
Mr. Coelho.
Mr. Tallon.
Mr. Lehman of California.
Mr. Mavroules.
Mr. Traficant in two instances.
Mr. Ackerman.
Mr. Edwards of California.
Mr. Miller of California.
Mr. Walgren.
Mr. Boland.
Mr. Hochbrueckner.
Mr. Obey.
Mr. Derrick.
Mr. Torricelli.
Mr. Bennett.
Mr. Kildee.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 626. An act to prohibit the imposition of an entrance fee at the Statue of Liberty National Monument, and for other purposes.

ADJOURNMENT

Mr. STRATTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 6 minutes p.m.), the House adjourned until tomorrow, Thursday, June 11, 1987, at 10 a.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports and an amended report of various House Committees concerning the foreign currencies and U.S. dollars utilized by them during the fourth quarter of calendar year 1986 and the first quarter of calendar year 1987 in connection with foreign travel pursuant to Public Law 95-384 are as follows:

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON POST OFFICE AND CIVIL SERVICE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. William D. Ford	11/22	11/26	Italy					770.244	592.04		592.04
Committee total									592.04		592.04

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

WILLIAM D. FORD, Chairman, May 19, 1987.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1986

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Katherine C. Bell	11/13	11/15	Greece	138	216.00		[3] 5,711.31		[4] 79.07		
							[5] 29.41				
	11/15	11/17	Bahrain	40.500	312.00		[5] 167.66				
	11/17	11/20	India	4,375.50	333.00		[5] 48.85		[4] 150.96		
	11/20	11/21	Austria	2,221.94	157.00						7,205.26
Barbara Cavas	11/13	11/15	Greece	138	216.00		[3] 5,711.31		[4] 79.07		
							[5] 29.41				
	11/15	11/17	Bahrain	40.500	312.00		[5] 167.66				
	11/17	11/20	India	4,375.50	333.00		[5] 48.85		[4] 150.96		
	11/20	11/21	Austria	2,221.94	157.00						7,205.26
Hon. Walter B. Jones	11/16	11/21	India		555.00		2,473.00		[4] 150.96		
							[5] 48.85				3,227.81
Mary Kitsos	11/13	11/15	Greece	138	216.00		[3] 5,711.31		[4] 79.07		
							[5] 29.41				
	11/15	11/17	Bahrain	40.500	312.00		[5] 167.66				
	11/17	11/20	India	4,375.50	333.00		[5] 48.85		[4] 150.96		
	11/20	11/21	Austria	2,221.94	157.00						7,205.26
Thomas Kitsos	11/13	11/15	Greece	138	216.00		[3] 5,711.31		[4] 79.07		
							[5] 29.41				
	11/15	11/17	Bahrain	40.500	312.00		[5] 167.66				
	11/17	11/20	India	4,375.50	333.00		[5] 48.85		[4] 150.96		
	11/20	11/21	Austria	2,221.94	157.00						7,205.26
Hon. Norman F. Lent	11/13	11/15	Greece	138	216.00		[3] 5,711.31		[4] 79.07		
							[5] 29.41				
	11/15	11/17	Bahrain	40.500	312.00		[5] 167.66				
	11/17	11/19	India	4,375.50	[6] 222.00		[5] 48.85		[4] 150.96		
							[7] 1,827.58				8,764.84
Hon. Thomas J. Manton	11/13	11/15	Greece	138	216.00		[3] 5,711.31		[4] 79.07		
							[5] 29.41				
	11/15	11/17	Bahrain	40.500	312.00		[5] 167.66				
	11/17	11/20	India	4,375.50	333.00		[5] 48.85		[4] 150.96		
	11/20	11/21	Austria	2,221.94	157.00						7,205.26
Eleanor P. Mohler	11/13	11/15	Greece	138	216.00		[3] 5,711.31		[4] 79.07		
							[5] 29.41				
	11/15	11/17	Bahrain	40.500	312.00		[5] 167.66				
	11/17	11/20	India	4,375.50	333.00		[5] 48.85		[4] 150.96		
	11/20	11/21	Austria	2,221.94	157.00						7,205.26
Hon. Norman D. Shumway	11/13	11/15	Greece	138	216.00		[3] 5,711.31		[4] 79.07		
							[5] 29.41				
	11/15	11/17	Bahrain	40.500	312.00		[5] 167.66				
	11/17	11/20	India	4,375.50	333.00		[5] 48.85		[4] 150.96		
	11/20	11/21	Austria	2,221.94	157.00						7,205.26
Hon. Robin Tallon	11/17	11/19	Sweden		377.48		[8] 3,617.00				
	11/19	11/21	Norway		401.61						
	11/21	11/23	Denmark		304.25						
	11/23	11/25	United Kingdom		300.36						5,000.70
Edmund B. Welch	11/13	11/15	Greece	138	216.00		[3] 5,711.31		[4] 79.07		
							[5] 29.41				
	11/15	11/17	Bahrain	40.500	312.00		[5] 167.66				
	11/17	11/21	India	4,375.50	333.00		[5] 48.85		[4] 150.96		
							[9] 975.00				8,023.26
Committee total					10,675.70		62,556.50		2,221.23		75,453.43

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military transportation.
[4] Miscellaneous expenses, control room, telephone calls, etc.
[5] Ground transportation.
[6] Returned 1 day's per diem: Traveler had emergency and had to return to United States.
[7] Commercial transportation from India to United States.
[8] Commercial transportation paid by U.S. Army.
[9] Commercial airfare—India to Washington, DC.

Note.—Codel Jones returned per diem in the amount of $39.13.

WALTER B. JONES, Chairman, May 27, 1987.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1987

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Gina DeFerrari	3/20	3/25	Canada	750.86	570.00		495.23				
						30.00	[3] 22.78				1,088.01
Thomas O. Melius	3/20	3/25	Canada	750.86	570.00		495.23				
						30.00	[3] 22.78				1,088.01
George D. Pence	3/20	3/25	Canada	750.86	570.00		495.23				
						30.00	[3] 22.78				1,088.01
Committee total					1,710.00		1,554,03				3,264.03

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Ground transportation.

WALTER B. JONES, Chairman, Apr. 21, 1987.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1568. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report of the value of property, supplies and commodities provided by the Berlin Magistrate for the quarter January 1, 1987, through March 31, 1987, pursuant to Public Law 99-190, section 8014 (99 Stat. 1205); to the Committee on Appropriations.

1569. A letter from the Secretary of Defense, transmitting a report of the value of property, supplies and commodities provided by the Berlin Magistrate for the quarter January 1, 1987, through March 31, 1987, pursuant to Public Law 99-190, section 8014 (99 Stat. 1205); to the Committee on Appropriations.

1570. A letter from the Director, the Office of Management and Budget, transmitting a cumulative report on rescissions and deferrals of budget authority as of June 1, 1987, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 100-83); to the Committee on Appropriations and ordered to be printed.

1571. A letter from the Under Secretary of Defense, transmitting a report on the implementation of the fiscal year 1987 National Defense Authorization Act, Contract Goal for Minorities, pursuant to Public Law 99-661, section 1207(g); to the Committee on Armed Services.

1572. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-24, "Commission on Baseball Amendment Act of 1987", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1573. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-25, "D.C. Bicentennial Commission Act of 1987", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1574. A letter from the Chairman, Council of the District of Columbia, transmitting copy of D.C. Act 7-26, "Boards and Commissions Amendment Act of 1987", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1575. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-27, "Closing of Public Alleys in Square 1661, S.O. 85-408, Act of 1987", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1576. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-28, "Soil and Water Conservation District Reestablishment Temporary Act of 1987", pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1577. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-29, "Closing of Public Alleys in Square 1661, S.O. 85-249, Act of 1987", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1578. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-30, "D.C. Government Comprehensive Merit Personnel Act of 1978, Collective Bargaining Amendment Act of 1987", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1579. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-31, "D.C. Guardianship and Protective Proceedings Amendment Act of 1987", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1580. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-32, "D.C. Regional Airports Authority Act of 1985, Amendment Act of 1987", and report, pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1581. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-33, "D.C. Comprehensive Plan for a Multi-Material Recycling System Act of 1987", pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1582. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-34, "D.C. Health Occupations Revision Act of 1985, Temporary Amendment Act of 1987", pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1583. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. Act 7-37, "Prohibition on Refusing to Accept New Applications for Public Housing Temporary Act of 1987", pursuant to D.C. Code section 1-233(c)(1); to the Committee on the District of Columbia.

1584. A letter from the Secretary of Education, transmitting a copy of final regulations for the Patricia Roberts Harris Fellowships Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

1585. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of terrorism related travel advisories for U.S. citizens traveling or residing in Mozambique, pursuant to 22 U.S.C. 2656e; to the Committee on Foreign Affairs.

1586. A letter from the Administrator, Environmental Protection Agency, transmitting the semiannual report on the activities of the Inspector General of the Environmental Protection Agency covering the period October 1, 1986, to March 31, 1987, pursuant to 5 U.S.C. app. (Inspector General Act of 1978) 5(b); to the Committee on Government Operations.

1587. A letter from the Deputy Assistant Secretary of Defense, transmitting notification of an altered Federal records system submitted by the Defense Nuclear Agency, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1588. A letter from the Deputy Assistant Secretary of Defense, transmitting notification of a proposed new Federal records systems submitted by the Uniformed Services University of the Health Sciences [USUHS], pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1589. A letter from the Records Officer, United States Postal Service, transmitting notice of a computer matching program between the Postal Service and the Alaska Department of Revenue, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1590. A letter from the Comptroller General of the United States, transmitting a report on the Federal Home Loan Bank Board's financial statement for the years ended December 31, 1986 and 1985, and reports on the Board's system of internal accounting controls and on its compliance with laws and regulations, pursuant to 31 U.S.C. 3512(c)(3); jointly, to the Committees on Government Operations and Banking, Finance and Urban Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HALL of Ohio: Committee on Rules. House Resolution 190. Resolution providing for the consideration of H.R. 1777, a bill to authorize appropriations for fiscal years 1988 and 1989 for the Department of State, the United States Information Agency, and for other purposes (Rept. 100-139). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 191. Resolution providing for the consideration of H.R. 4, a bill to amend and extend certain laws relating to housing, community and neighborhood development and preservation, and shelter assistance for the homeless and displaced, and for other purposes (Rept. 100-140). Referred to the House Calendar.

Mr. LaFALCE: Committee on Small Business. A report on international tourism and small business (Rept. 100-141). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 1101. A bill to amend section 408 of the Federal Aviation Act of 1958 to ensure fair treatment of airline employees in airline mergers and similar transactions (Rept. 100-142). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT:

H.R. 2635. A bill to prevent United States involvement in hostilities in the Persian Gulf; to the Committee on Foreign Affairs.

By Mr. ROSTENKOWSKI (for himself and Mr. DUNCAN):

H.R. 2636. A bill to make technical corrections to the Tax Reform Act of 1986, and for other purposes; to the Committee on Ways and Means.

By Mrs. BENTLEY:

H.R. 2637. A bill to amend the Motor Vehicle Information and Cost Savings Act to require that the passenger motor vehicle repair businesses supply customers with information respecting the origin of parts installed and the cost of available parts; to the Committee on Energy and Commerce.

H.R. 2638. A bill to provide that the Interstate Commerce Commission may exercise jurisdiction over Canadian motor carriers which provide transportation within commercial zones which straddle the international border between the United States and Canada, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. BEREUTER:

H.R. 2639. A bill to repeal the Brown-Stevens Act concerning Indian Tribes in the State of Nebraska; to the Committee on Interior and Insular Affairs.

By Mr. DONNELLY (for himself, Mr. Downey of New York, Mr. Frenzel, Mr. Jenkins, Mrs. Kennelly, Mr. Flippo, Mr. Vander Jagt, Mr. Duncan, Mr. McGrath, Mr. Dorgan of North Dakota, Mr. Rangel, Mr. Guarini, Mr. Gregg, Mr. Matsui, Mr. Levin of Michigan, Mr. Chandler, Mr. Daub, Mr. Anthony, and Mr. Coyne):

H.R. 2640. A bill to amend the Internal Revenue Code of 1986 to extend for 4 years the period during which qualified mortgage bonds may be issued; to the Committee on Ways and Means.

By Mrs. BYRON (for herself, Mr. Udall, Mr. Lewis of Georgia, Mr. Bereuter, Mr. Coelho, Mr. Kostmayer, Mr. Rahall, and Mr. Campbell):

H.R. 2641. A bill to amend the National Trails System Act to provide for cooperation with State and local governments, for the improved management of certain Federal lands, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CAMPBELL (for himself, Mr. Richardson, Mr. Brown of Colorado, Mr. Lujan, Mr. Skaggs, Mr. Hefley, Mr. Skeen, Mr. Schaefer, Mr. Clarke, Mr. Rahall, Mr. Young of Alaska, Mrs. Byron, Mr. Craig, Mr. Lehman of California, Mr. Denny Smith, Mr. Murphy, Mr. Owens of Utah, Mrs. Vucanovich, Mr. Williams, Mr. Coelho, Mr. Anthony, Mr. Donnelly, Mr. Dorgan of North Dakota, and Mr. Alexander):

H.R. 2642. A bill to facilitate and implement the settlement of Colorado Ute Indian reserved water rights claims in southwest Colorado, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CHANDLER:

H.R. 2643. A bill to amend the Internal Revenue Code of 1986 to improve the portability of pension benefits, and for other purposes; to the Committee on Ways and Means.

By Mrs. COLLINS (for herself, Mrs. Johnson of Connecticut, Mr. Hayes of Illinois, Mr. Dymally, Mr. Towns, Mr. Savage, Mrs. Vucanovich, Mrs. Bentley, Mr. Clinger, Mr. Rowland of Connecticut, Mr. Garcia, Mr. Gunderson, Mr. Conte, Mr. Leland, and Mr. Clay):

H.R. 2644. A bill to establish requirements relating to Federally funded child care services; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. DAVIS of Illinois (for himself, Mr. Kyl, Mr. Hansen, Mr. Dornan of California, and Mr. Ravenel):

H.R. 2645. A bill to require the prior approval of the Secretary of State and the Secretary of Defense before a vessel previously registered under the laws of a foreign country may be documented under the laws of the United States; to the Committee on Merchant Marine and Fisheries.

Mr. DORGAN of North Dakota:

H.R. 2646. A bill for the relief of the city of Dickinson, ND; to the Committee on Interior and Insular Affairs.

By Mr. FEIGHAN:

H.R. 2647. A bill to create a presumption of liability against manufacturers of fire fighting equipment or protective clothing which does not comply with certain Federal or State occupational safety and health standards; jointly, to the Committees on Education and Labor and the Judiciary.

By Mr. JEFFORDS:

H.R. 2648. A bill to amend the Davis-Bacon Act by increasing the coverage threshold to $100,000 for nonmilitary contracts and $1 million for military contracts, and to amend the Copeland Act compliance provision, and for other purposes; to the Committee on Education and Labor.

By Mr. LANCASTER (for himself, Mr. Price of North Carolina, Mr. Slattery, Mr. Solarz, Mr. Hefner, Mr. Davis of Illinois, Mr. Penny, Mr. Roe, Mr. Smith of Florida, Mrs. Bentley, Mr. Lipinski, Mr. Martinez, Mr. Neal, Mr. Towns, Mr. Wise, Mr. DeFazio, Mr. Lewis of Georgia, Mr. Kolter, Mr. Horton, Mr. Feighan, Mr. Kennedy, Mr. Ford of Michigan, Mr. Edwards of Oklahoma, Mr. Evans, Mr. Stokes, Mr. Scheuer, Mr. Porter, Mr. Valentine, Mr. Rahall, Mr. Rangel, and Mr. Mfume):

H.R. 2649. A bill to amend the Internal Revenue Code of 1986 to restore the prior law exclusion for scholarships and fellowships and to restore the deduction for interest on educational loans; to the Committee on Ways and Means.

By Mrs. COLLINS (for herself and Mr. Hall of Ohio):

H.R. 2650. A bill to amend the Hazardous Materials Transportation Act to improve hazardous materials transportation safety and for other purposes; jointly, to the Committees on Public Works and Transportation, Ways and Means, and Energy and Commerce.

By Mr. LOWRY of Washington:

H.R. 2651. A bill prohibiting the documentation under the laws of the United States of any vessel beneficially owned by a sovereign nation adjacent to the Persian Gulf; to the Committee on Merchant Marine and Fisheries.

By Mr. MAVROULES (for himself, Mr. Cheney, Mr. Kostmayer, Mrs. Byron, Mr. Visclosky, Mr. Clarke, Mr. Lewis of Georgia, Mr. Rhodes, Mr. Boland, Mr. Conte, Mr. Moakley, Mr. Studds, Mr. Markey, Mr. Donnelly, Mr. Frank, Mr. Atkins and Mr. Kennedy):

H.R. 2652. A bill to revise the boundaries of Salem Maritime National Historic Site in the Commonwealth of Massachusetts, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MONTGOMERY (for himself and Mr. Solomon):

H.R. 2653. A bill to establish a foreign currency fluctuation account within the American Battle Monuments Commission; to the Committee on Veterans' Affairs.

By Mr. PEPPER (for himself, Mr. Waxman, Mr. Dingell, and Mr. Roybal):

H.R. 2654. A bill to establish a U.S. Bipartisan Commission on Comprehensive Health Care; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. PICKLE (for himself, Mr. Pepper, Mr. Wright, Mr. Howard, Mr. Rostenkowski, Mr. Pursell, Mr. Ford of Michigan, Mr. Jacobs, Mr. Waxman, Mr. Roybal, Mr. Gradison, Mr. Stark, Mr. Sunia, Mr. Hammerschmidt, Mr. Molinari, Mr. Kastenmeier, Mr. Rinaldo, Mr. Brooks, Mr. McDade, Mr. Horton, Ms. Oakar, and Mr. Stokes):

H.R. 2655. A bill to designate the Federal Building located at 330 Independence Avenue SW., Washington, DC, as the "Wilbur J. Cohen, Federal Building"; to the Committee on Public Works and Transportation.

By Mr. RICHARDSON:

H.R. 2656. A bill to provide for a 2-year pilot program in the Peace Corps for the purpose of providing, and training foreign nationals to provide, health care services in two host countries; to the Committee on Foreign Affairs.

By Mr. SOLOMON:

H.R. 2657. A bill to authorize the Administrator of the Environmental Protection Agency to make grants for providing alternative water supplies to replace contaminated ground water, and for other purposes; to the Committee on Energy and Commerce.

By Mr. YOUNG of Alaska:

H.R. 2658. A bill to enhance effective administration of certain Federal lands and for other purposes; jointly, to the Committees on Agriculture and Interior and Insular Affairs.

By Mr. COELHO (for himself, Mr. Frenzel, Mr. Annunzio, Mr. Synar, Mr. Edwards of Oklahoma, Mr. Glickman, Mr. Leach of Iowa, Mr. Anthony, Mrs. Boggs, Mr. Fascell, and Ms. Oakar):

H.J. Res. 309. Joint resolution to establish the Speaker's Civic Achievement Awards Program to be administered under the Librarian of Congress to recognize achievement in civic literacy by students, classes, and schools throughout the Nation in grades 5 through 8, and for other purposes; to the Committee on House Administration.

By Mr. DeFAZIO (for himself, Mr. AuCoin, Mr. Leach of Iowa, Mr. Levine of California, Mr. Berman, Mr. Edwards of California, Mr. Fazio, Mr. Clay, Mr. Ford of Michigan, Mr. Gejdenson, Mr. Martinez, Mr. Lowry of Washington, Mrs. Boxer, Mr. Lehman of California, Mr. Wyden, Mr. Hayes of Louisiana, Mr. Conyers, Mr. Durbin, Mr. Espy, and Mr. Weiss):

H.J. Res. 310. Joint resolution declaring that the requirements of section 4(a)(1) of the War Powers Resolution apply to the protection of reflagged vessels in the Persian Gulf by U.S. Armed Forces; to the Committee on Foreign Affairs.

By Mr. DOWNEY of New York (for himself, Mr. Frenzel, Mr. Gephardt, Mr. Horton, Mr. Gibbons, Mr. Pease, Mr. Gonzalez, Mr. LaFalce, Mr. Neal, Mr. Owens of New York, Mr. Leach of Iowa, Mr. McGrath, Mr. Schumer, Mr. Schulze, Mr. Bevill, Mr. Fazio, Mr. Biaggi, Mr. Beilenson, Mr. Fuster, Mr. Coleman of Texas, Mr. Wolpe, Mr. Conte, Mr. Crane, Mr. Anthony, and Mr. Hochbrueckner):

H.J. Res. 311. Joint resolution entitled: "National Economic Commission Act of 1987"; jointly, to the Committees on Banking, Finance and Urban Affairs and Ways and Means.

By Mr. GAYDOS:

H.J. Res. 312. Joint resolution expressing the sense of the Senate and the House of Representatives that the President is authorized and requested to issue a proclamation declaring June 27, 1987 as "National Sokol Day in the United States"; to the Committee on Post Office and Civil Service.

By Ms. SNOWE (for herself, Mr. Fascell, Mr. Broomfield, Mr. Hamilton, Mr. Gilman, and Mr. Burton of Indiana):

H. Con. Res. 137. Concurrent resolution expressing the sense of the Congress that United States allies with significant security and economic interests in the Persian Gulf should join the United States in protecting our mutual interests in the region; to the Committee on Foreign Affairs.

By Mr. MILLER of Washington (for himself, Mr. Feighan, Mr. Annunzio, Mr. Applegate, Mrs. Bentley, Mr. Biaggi, Mr. Cardin, Mr. Courter, Mr. Daub, Mr. DeWine, Mr. Durbin, Mr. Dwyer of New Jersey, Mr. Fish, Mr. Frank, Mr. Frenzel, Mr. Gilman, Mr. Green, Mr. Hoyer, Mr. Hughes, Mr. Hyde, Mr. Inhofe, Ms. Kaptur, Mr. Lagomarsino, Mr. Levine of California, Mr. Lipinski, Mr. Donald E. Lukens, Mr. Manton, Mr. McGrath, Mr. Moorhead, Mr. Murphy, Mr. Neal, Mr. Owens of New York, Mr. Porter, Mr. Ritter, Mr. Russo, Mr. Scheuer, Mr. Smith of Florida, Mr. Solomon, Mr. Stratton, Mr. Torricelli, Mr. Walgren, Mr. Wortley, Mr. Yatron, and Mr. Young of Florida):

H. Res. 192. Resolution concerning the denial of freedom of religion and other human rights in Soviet-occupied Lithuania; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

111. By the SPEAKER: Memorial of the House of Representatives of the State of Hawaii, relative to the protection and promotion of the indigenous languages of the United States; to the Committee on Education and Labor.

112. Also, memorial of the General Assembly of the State of Iowa, relative to the National Western Historic Trails Center in Council Bluffs, IA; to the Committee on Interior and Insular Affairs.

113. Also, memorial of the Legislature of the State of Hawaii, relative to shared management role in the U.S. exclusive economic zone; to the Committee on Merchant Marine and Fisheries.

114. Also, memorial of the Legislature of the State of Hawaii, relative to shared management role with the Federal Government in the U.S. exclusive economic zone; to the Committee on Merchant Marine and Fisheries.

115. Also, memorial of the Legislature of the State of Alaska, relative to high seas drift nets; to the Committee on Merchant Marine and Fisheries.

116. Also, memorial of the Legislature of the State of Alaska, relative to the interception of Alaska salmon on the high seas; to the Committee on Merchant Marine and Fisheries.

117. Also, memorial of the General Court, Commonwealth of Massachusetts, relative to maintaining a proper margin of air safety; to the Committee on Public Works and Transportation.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 22: Mr. McCollum, Mr. Fauntroy, and Mr. Crane.

H.R. 25: Mr. Rinaldo.

H.R. 306: Mr. Stangeland and Mr. Nichols.

H.R. 313: Mr. Wolpe.

H.R. 378: Mr. Coyne, Mr. Murtha, Mr. Obey, Mr. Thomas A. Luken, Mr. Stokes, Mr. Levine of California, Mr. Mollohan, Mr. Wilson, and Mr. Lehman of California.

H.R. 442: Mr. Dicks, Mr. Kennedy, and Mr. de Lugo.

H.R. 457: Mr. Atkins.

H.R. 482: Mr. Lewis of Georgia.

H.R. 592: Mr. Nielson of Utah, Mr. Bilbray, Mr. Hoyer, Mr. Studds, Mr. Torres, Mr. Brennan, Mr. Rinaldo, and Mr. Hastert.

H.R. 594: Mr. Bliley and Mr. Armey.

H.R. 618: Mr. Bruce, Mr. Kolter, and Mr. Matsui.

H.R. 628: Mr. Dellums.

H.R. 709: Ms. Pelosi.

H.R. 778: Mr. Jontz and Mr. Garcia.

H.R. 779: Mr. Rinaldo, Mr. Petri, and Mr. Garcia.

H.R. 792: Mr. Torres.

H.R. 1002: Mr. Lewis of Georgia.

H.R. 1073: Mr. Feighan.

H.R. 1101: Miss Schneider, Mr. Solarz, and Mr. Torres.

H.R. 1106: Mr. Mica, Mr. Ford of Tennessee, Mr. Wylie, Mr. Thomas of California, Mr. Bunning, and Mr. Hopkins.

H.R. 1119: Mr. Panetta.

H.R. 1181: Mr. de Lugo and Mr. Hawkins.

H.R. 1244: Mr. de Lugo and Mr. Lancaster.

H.R. 1298: Mr. Holloway.

H.R. 1349: Mr. Feighan, Mr. Eckart, Mr. Packard, Mr. Smith of New Hampshire, Mr. McMillen of Maryland, Mr. Towns, Mr. Nielson of Utah, and Mr. Rinaldo.

H.R. 1373: Mr. DeFazio, Mr. Davis of Michigan, Mr. Jontz, and Mr. Sabo.

H.R. 1398: Mr. Garcia and Mr. Miller of California.

H.R. 1432: Mr. Kemp.

H.R. 1481: Mr. Bates.

H.R. 1531: Mr. Sunia, Mr. Packard, and Mr. Price of Illinois.

H.R. 1546: Mrs. Martin of Illinois, Mr. Levin of Michigan, Mr. Horton, and Mr. de Lugo.

H.R. 1566: Mrs. Bentley and Mr. Goodling.

H.R. 1601: Mr. Regula and Mrs. Bentley.

H.R. 1604: Mr. Murphy, Mr. Ravenel, Mr. Coats, and Mr. Price of Illinois.

H.R. 1624: Mrs. Patterson.

H.R. 1633: Mr. de Lugo.

H.R. 1647: Mr. McGrath and Mr. Rowland of Connecticut.

H.R. 1694: Mr. Kildee.

H.R. 1707: Mr. Chappell, Mr. Wylie, Mr. Denny Smith, Mr. Daniel, Mr. Howard, Mr. Davis of Michigan, Mr. Bilbray, Ms. Oakar, Mr. Hochbrueckner, Mr. Lewis of Georgia, Mr. Morrison of Washington, Mr. Conte, Mr. Gejdenson, and Mr. Gallegly.

H.R. 1729: Mr. Nichols and Mr. Duncan.

H.R. 1742: Mr. Garcia.

H.R. 1766: Mr. DioGuardi, Mr. Cheney, Mr. Lujan, Mr. Chandler, Mr. Armey, Mr. Wilson, and Mr. Archer.

H.R. 1787: Mr. Towns, Mr. Grant, and Ms. Kaptur.

H.R. 1857: Mr. Frank and Mr. Feighan.

H.R. 1873: Mr. Bustamante.

H.R. 1874: Mr. Bustamante.

H.R. 1876: Mr. Smith of Florida, Mr. Howard, Mr. Solarz, Mr. Badham, Mrs. Boxer, Mr. Hochbrueckner, Mr. Walgren, Mr. Berman, and Mr. Dwyer of New Jersey.

H.R. 1902: Mr. Morrison of Connecticut and Mr. Atkins.

H.R. 1957: Mr. LaFalce, Mr. Akaka, Mr. Moakley, Mr. AuCoin, Mr. Lagomarsino, Mr. Konnyu, Mr. Chapman, Mr. Smith of Florida, Mr. Fazio, Mr. Berman, Mr. Edwards of California, Mr. Wortley, Mr. Darden, Mr. Jontz, Mr. Wyden, Mr. Mineta, Mr. Daub, Mr. Neal, Mr. Bustamante, Mr. Roe, Mr. Clinger, Mr. Green, Mr. Shumway, Mr. Hochbrueckner, Mr. Nowak, Mr. Chandler, Mr. Tauke, Mr. Wolf, Mr. Armey, Ms. Kaptur, Mr. Dreier of California, Mr. Espy, Mr. Scheuer, and Mr. Price of Illinois.

H.R. 1977: Ms. Oakar, Mr. Kolter, Mr. Towns, and Mr. Feighan.

H.R. 2038: Mr. Garcia.

H.R. 2045: Mr. McCloskey, Mr. Carper, Mr. Shuster, Mr. Boucher, Mr. Parris, Mr. Daub, and Mr. Lewis of Georgia.

H.R. 2052: Mr. Leach of Iowa, Mr. Michel, Mr. Morrison of Washington, Mr. Richardson, and Mr. Williams.

H.R. 2062: Mr. Bevill.

H.R. 2118: Mr. Gray of Illinois, Ms. Kaptur, Mr. Owens of New York, Mr. Atkins, Mr. Ackerman, Mr. Martinez, Mr. Bilbray, Mr. Towns, and Mr. Garcia.

H.R. 2216: Mr. Vento, Mr. Kleczka, Mr. Towns, and Mr. Martinez.

H.R. 2241: Mr. Lewis of Florida, Mr. Smith of Florida, Mr. Swindall, and Mr. Crane.

H.R. 2248: Mr. Hall of Texas.

H.R. 2259: Mr. Garcia.

H.R. 2276: Mr. Studds, Mr. Morrison of Connecticut, Mr. Panetta, Mr. Torricelli, Mr. Moakley, and Mr. Wolpe.

H.R. 2312: Mr. Rose.

H.R. 2327: Mr. Conte, Mr. Bevill, Mr. Downey of New York, Mr. Roe, Mr. de Lugo, Mr. Markey, Mr. Fields, Mr. Grant, Mr. Sunia, and Mr. Swift.

H.R. 2337: Mr. Hochbrueckner, Mr. Towns, Mrs. Johnson of Connecticut, and Mr. McGrath.

H.R. 2342: Mr. Hughes.

H.R. 2371: Mr. Kolter, Mr. DeWine, Mr. Johnson of South Dakota, and Mr. Bustamante.

H.R. 2377: Mr. Kolter, Mr. Torricelli, and Mr. Shumway.

H.R. 2383: Mr. Panetta, Mr. Anderson, Mr. Sunia, Mr. Stokes, Mr. Towns, Mr. Fauntroy, Mr. Garcia, Mr. Vento, and Mr. Torres.

H.R. 2410: Mr. Atkins, Mr. Biaggi, Mr. Bilbray, Mr. Swindall, Mr. Davis of Illinois, Mr. Udall, Mr. Applegate, Mr. McCloskey, Mr. Guarini, Mr. Gordon, Mr. Lewis of California, Mr. Wortley, Mrs. Lloyd, Mr. Henry, Mr. Campbell, Mr. Lantos, Mr. Bevill, Mr. Frenzel, Mr. Dornan of California, Mr. Penny, Mr. Rangel, Mr. Young of Florida, Mr. Quillen, Mr. Smith of Florida, Mr. Ackerman, Mr. Bustamante, Mr. Weber, Mr. Martinez, Mr. Mavroules, Mr. Bryant, Mr. Skelton, Mr. Burton of Indiana, Mr. Stenholm, Mr. Buechner, Mr. Andrews, Mr. Lewis of Georgia, Mr. Clarke, Mr. Lagomarsino, Mrs. Meyers of Kansas, Mr. Armey, Mr. Wolf, and Mr. Boehlert.

H.R. 2429: Mr. Crockett, Mr. de Lugo, Mr. Atkins, Mrs. Bentley, Mrs. Boxer, Mrs. Patterson, and Mrs. Meyers of Kansas.

H.R. 2434: Mr. Mineta, Mr. Gallegly, Mr. Boucher, Mr. Slattery, Mr. Lehman of California, Mr. Lancaster, Mr. Hochbrueckner, Mr. Leach of Iowa, Mr. Studds, Mr. Hughes, Mr. Harris, Mr. Williams, Mr. Emerson, Mr. Horton, Mr. Scheuer, Mr. Nielson of Utah, Mr. McGrath, Mr. Crockett, Mr. Hall of Texas, Mr. Lungren, Mr. Frost, Mr. Buechner, Mrs. Byron, Mr. Bonior of Michigan, Mr. Edwards of California, Mrs. Bentley, Mr. Sharp, Mr. Atkins, Mrs. Boxer, Mr. Kildee, Mr. Skelton, Mr. Evans, Mr. Aspin, Mr. Neal, Mr. DeFazio, Mr. McCloskey, Mr. Martin of New York, Mr. Conyers, Mr. Jones of North Carolina, Mr. Montgomery, Mr. Frank, Ms. Kaptur, Mr. Early, Mr. Sabo, Mr. Myers of Indiana, Mr. Pashayan, Mr. Lagomarsino, Mr. Anderson, Mr. Dyson, Mr. Clarke, Mr. Boland, Mr. Davis of Illinois, Mr. Wolf, Mr. Wortley, Mr. Kastenmeier, Mr. Fascell, Mr. Bryant, and Mr. Pepper.

H.R. 2476: Mr. Jacobs, Mr. Vander Jagt, and Mr. Dymally.

H.R. 2482: Mr. Boland, Mr. Rodino, Mr. Ackerman, Mr. Frank, Mr. Neilson of Utah, Mr. Mfume, and Mr. Bilirakis.

H.R. 2484: Mr. Lagomarsino.

H.R. 2522: Mr. Neal, Mr. Lowry of Washington, Mr. Martinez, Mr. Feighan, Mr. Panetta, Mr. Fazio, Mr. Mrazek, Mr. Miller of California, and Mr. Bustamante.

H.R. 2538: Mr. Jones of North Carolina, Mr. Bevill, and Mr. Ravenel.

H.R. 2546: Mr. Espy, Mr. Towns, and Mr. Volkmer.

H.R. 2580: Mr. Upton.

H.R. 2625: Mr. Chandler, Mr. Miller of Washington, and Mr. Foley.

H.J. Res. 8: Mr. Rogers.

H.J. Res. 52: Mr. Valentine, Mr. Oakar, Mrs. Kennelly, Mr. Hiler, Mr. Dowdy of Mississippi, and Mr. Molinari.

H.J. Res. 134: Mr. Applegate and Mr. Morrison of Washington.

H.J. Res. 144: Mr. Shaw, Mr. Fauntroy, Mr. Manton, Mr. Dingell, Mr. Young of Florida, Mr. Boland, Mrs. Martin of Illinois, Mr. Torres, Mr. MacKay, Mr. Anderson, Mr. Wolpe, Mr. Beilenson, Mr. Kildee, Mrs. Meyers of Kansas, Mr. Spence, Mr. Grant, Mrs. Roukema, Mr. Hall of Ohio, Mr. Murtha, Mr. Mavroules, Mr. Molinari, Mr. Skelton, and Mr. Rose.

H.J. Res. 159: Mr. Tallon, Mr. Coelho, Mr. Donald E. Lukens, Mrs. Meyers of Kansas, Mr. Daniel, Mr. Bustamante, Mr. Levine of California, Mr. Buechner, Mr. Rangel, Mr. Smith of New Jersey, Mr. Schaefer, Mrs. Morella, Mr. Mavroules, Mr. Matsui, Mr. Bates, Mr. Sunia, Mr. Thomas A. Luken, Mr. Kildee, Mr. Hammerschmidt, Mr. Clay, Mrs. Byron, Mr. Borski, Mr. Boner of Tennessee, Mr. Ackerman, Mr. Pepper, Miss Schneider, Mr. Atkins, Mr. Gekas, Mr. Rowland of Connecticut, Mr. Jacobs, Mr. Stokes, Mr. McEwen, Mr. Gallegly, Mr. Traxler, Mr. Coughlin, Mr. Hyde, Mr. Konnyu, Mr. Rodino, Mr. Miller of California, Mr. Conyers, Mr. Stallings, Mr. Packard, Mr. Upton, Mr. Kostmayer, Mr. Thomas of Georgia, Mr. Waxman, Mr. Michel, Mr. Dicks, Mr. Leland, Mr. Panetta, Mr. Mineta, Mr. Foglietta, Mr. Gregg, Mr. Chappell, Mr. Lewis of Florida, Mr. Gunderson, Mrs. Collins, Mr. McCloskey, Mr. Kennedy, Mr. Jeffords, Mr. Crane, Mr. Stenholm, Mr. Hefner, Mrs. Lloyd, Mr. Durbin, Mr. Coyne, Mr. Mfume, Mr. Biaggi, Mr. Hall of Texas, Mr. Garcia, Mr. Kolbe, Mr. Kemp, Mr. Torres, Mr. Boland, Mr. Ford of Michigan, Mr. Dowdy of Mississippi, Mr. Gray of Illinois, Mr. Gallo, and Mr. Robinson.

H.J. Res. 180: Mr. Sisisky, Mr. Shuster, Mr. Lewis of Georgia, Mr. Richardson, and Mr. Rahall.

H.J. Res. 224: Mr. Wortley, Mr. Levine of California, Mr. Sweeney, Mr. Leland, Mr. Schuette, Mr. Fields, Mr. Panetta, Mr. Morrison of Connecticut, Mr. Kildee, Mr. Solarz, Mr. Aspin, Mr. Taylor, Mr. Hayes of Louisiana, Ms. Snowe, Mr. Gallegly, Mr. Roberts, Mr. Tauke, Mr. Bryant, Mr. Coelho, Mr. McCloskey, and Mr. Traxler.

H.J. Res. 228: Mr. Miller of Ohio, Mr. Florio, Mr. Montgomery, Mr. de Lugo, Mr. St Germain, and Mr. Russo.

H.J. Res. 255: Mr. Richardson and Mr. Rogers.

H.J. Res. 274: Mr. Hayes of Illinois, Mr. Fauntroy, Mr. Florio, Mr. Kemp, Mr. McCollum, Mr. Morrison of Connecticut, Mr. Nielson of Utah, Mr. Owens of New York, and Mr. Udall.

H.J. Res. 277: Mr. Brennan, Mr. Udall, Mr. Ford of Michigan, Mr. Lowry of Washington, Mr. Torres, Mr. Martinez, Mr. Downey of New York, Mr. Sikorski, Mr. Schumer, and Mr. Neal.

H.J. Res. 284: Mr. Jones of North Carolina, Mr. Schaefer, Mr. Bilbray, Mr. AuCoin, Mr. DeFazio, Mr. Clarke, Mr. Rose, Mr. Watkins, Mr. Skelton, Mr. Traficant, Mr. Towns, Mr. Thomas of Georgia, Mr. Tallon, Mr. Hefner, Mr. Traxler, Mr. Solarz, Mr. Smith of Iowa, Mr. Sabo, Mr. Anthony, Mrs. Bentley, Mr. Berman, Mr. Clay, Mr. Boner of Tennessee, Mr. Bliley, Mr. Cardin, Mr. Lipinski, Mr. Conyers, Mr. Coyne, Mr. Savage, Mr. Rodino, Mr. Richardson, Mr. Vander Jagt, Mr. Yatron, Mr. Fish, Mr. Borski, Mr. Lewis of Georgia, Mr. Martinez, Mrs. Vucanovich, Mr. Owens of Utah, Mr. Kolbe, Mr. Brennan, and Mr. Conte.

H.J. Res. 287: Mr. Lewis of Georgia, and Mr. Smith of New Hampshire.

H.J. Res. 291: Mr. Biaggi, Mr. Pashayan, Mr. Scheuer, Mr. Towns, and Mr. Dornan of California.

H.J. Res. 297: Mr. Traficant, Mr. Grant, Mr. Lipinski, Mr. Holloway, Mr. Berman, Mr. de Lugo, Mr. Harris, Mr. Bevill, Mr. Levin of Michigan, Mr. Nielson of Utah, Mr. Horton, Mr. Sunia, and Mr. Akaka.

H. Con. Res. 19: Mr. Smith of New Hampshire.

H. Con. Res. 84: Mr. DeFazio, Mr. Martinez, and Mr. Fazio.

H. Con. Res. 114: Mrs. Lloyd and Mr. Martinez.

H. Con. Res. 118: Mr. Yatron and Mr. Penny.

H. Con. Res. 128: Mr. Packard, Mr. Bateman, Mr. Porter, Mr. Dowdy of Mississippi, Mr. Fazio, Mr. Penny, Mr. Clinger, Mr. Holloway, Mr. Conte, and Mrs. Bentley.

H. Res. 131: Mr. Kostmayer, Mrs. Boxer, Mr. Stokes, Mr. Martinez, Mr. Sabo, Mr. Lowry of Washington, Mr. Kennedy, Mr. Conte, and Mr. Feighan.

H. Res. 146: Mr. de Lugo.

H. Res. 159: Mr. Jenkins.

H. Res. 168: Mr. Bosco, Mr. Neal, Mr. Rogers, Mr. Mollohan, Mr. Lancaster, Mr. Manton, and Mr. McEwen.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1122: Mr. Jenkins.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

46. By the Speaker: Petition of the Commissioner's Court, Webb County, Laredo, TX, relative to the construction of a proposed International Bridge between Colombia, Nuevo Leon, Mexico and Webb County, TX; to the Committee on Public Works and Transportation.

47. Also, petition of the council of the city of New York City Hall, New York, NY, relative to Marcus Garvey; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1777

By Mr. BROOMFIELD:

—Page 27, after line 13, insert the following:

SEC. 137. IMPROVEMENT OF CONGRESSIONAL RELATIONS FUNCTIONS OF THE DEPARTMENT OF STATE.

(a) Under the direction of the Secretary of State, the Assistant Secretary of State for Legislative and Intergovernmental Relations shall possess and exercise full responsibility for, and authority over, all activities, personnel, and resources within the Department of State involving congressional relations.

(b) Within sixty days of the date of enactment of this Act, the Secretary of State shall consolidate all congressional relations functions of the Department of State directly under the Assistant Secretary of State for Legislative and Intergovernmental Relations.

(c) Nothing in this section may be construed as authority to withhold information from the Congress.

—Page 70, after line 16, add the following:

TITLE VII—SECURITY RELATIONSHIP WITH NEW ZEALAND

SEC. 701. ELIMINATING SECURITY ASSISTANCE AND ARMS EXPORT CONTROL PREFERENCES FOR NEW ZEALAND.

(a) Assignment of United States Military Personnel To Manage Defense Cooperation Measures.—Section 515(a)(6) of the Foreign Assistance Act of 1961 is amended by striking out "Japan, Australia, and New Zealand" and inserting in lieu thereof "Japan and Australia".

(b) Charges for Certain Arms Sales Costs.—Section 21(e)(2) of the Arms Export Control Act is amended by striking out "Japan, Australia, or New Zealand" and inserting in lieu thereof "Japan or Australia".

(c) Cooperative Military Training Agreements.—Section 21(g) of the Arms Export Control Act is amended by striking out "Japan, Australia, and New Zealand" and inserting in lieu thereof "Japan and Australia".

(d) Congressional Review of Arms Transfers.—The Arms Export Control Act is amended—

(1) in section 3(d)(2)(B) by striking out "Australia, or New Zealand" and inserting in lieu thereof "or Australia";

(2) in section 36(b)(1), by striking out "Australia, or New Zealand" in the second sentence following subparagraph (P) and inserting in lieu thereof "or Australia";

(3) in section 36(b)(2), by striking out "Australia, or New Zealand" and inserting in lieu thereof "or Australia";

(4) in section 36(c)(2)(B), by striking out "Australia, or New Zealand" and inserting in lieu thereof "or Australia"; and

(5) in section 63(a)(2), by striking out "Australia, or New Zealand" and inserting in lieu thereof "or Australia".

By Mr. COURTER:

—Page 27, after line 13, insert the following new section:

SEC. 137. CHANCERY AT THE UNITED STATES EMBASSY COMPLEX IN MOSCOW.

(a) Finding Concerning the Uncompleted United States Chancery in Moscow.—The Congress finds that—

(1) the uncompleted chancery building of the United States Embassy complex in Moscow is not secure and may be impossible to secure; and

(2) the chancery building should never be accepted for use by the United States diplomatic personnel.

(b) Determination.—The chancery building may not be completed, improved, or prepared for the use of the United States diplomatic personnel.

(c) American Construction of New Chancery.—If and when a new United States chancery is constructed in Moscow, it shall be built under American supervision and exclusively with American plans, materials, and labor.

By Mr. GEKAS:

—Page 40, after line 24, insert the following new section:

SEC. 165. DEATH PENALTY FOR CERTAIN CONTINUING CRIMINAL ENTERPRISE DRUG OFFENSES.

(a) Elements of Offense.—Section 408(a) of the Controlled Substances Act (21 U.S.C. 848(a)) is amended—

(1) by striking out "(a) Any" and inserting "(a)(1) Except as otherwise provided in this section, any" in lieu thereof;

(2) by striking out "; except that if" and inserting ". If" in lieu thereof; and

(3) by adding at the end the following:

"(2) If an individual intentionally engages in conduct during the course of a continuing criminal enterprise and thereby knowingly causes the death of any other individual, the individual so engaging shall be subject to the death penalty in accordance with this section.".

(b) Procedure Applicable With Respect to the Death Penalty.—Section 408 of the Controlled Substances Act is amended by adding at the end the following:

"HEARING REQUIRED WITH RESPECT TO THE DEATH PENALTY

"(f) A person shall be subjected to the penalty of death for any offense under this section only if a hearing is held in accordance with this section.

"NOTICE BY THE GOVERNMENT IN DEATH PENALTY CASES

"(g)(1) Whenever the Government intends to seek the death penalty for an offense under this section for which one of the sentences provided is death, the attorney for the Government, a reasonable time before trial or acceptance by the court of a plea of guilty, shall sign and file with the court, and serve upon the defendant, a notice—

"(A) that the Government in the event of conviction will seek the sentence of death; and

"(B) setting forth the aggravating factors which the Government will seek to prove as the basis for the death penalty.

"(2) The court may permit the attorney for the Government to amend this notice for good cause shown.

"HEARING BEFORE COURT OR JURY

"(h)(1) When the attorney for the Government has filed a notice as required under subsection (f) and the defendant is found guilty of or pleads guilty to an offense under subsection (a)(2), the judge who presided at the trial or before whom the guilty plea was entered, or any other judge if the judge who presided at the trial or before whom the guilty plea was entered is unavailable, shall conduct a separate sentencing hearing to determine the punishment to be imposed. The hearing shall be conducted—

"(A) before the jury which determined the defendant's guilt;

"(B) before a jury impaneled for the purpose of the hearing if—

"(i) the defendant was convicted upon a plea of guilty;

"(ii) the defendant was convicted after a trial before the court sitting without a jury;

"(iii) the jury which determined the defendant's guilty has been discharged for good cause; or

"(iv) after initial imposition of a sentence under this section, redetermination of the sentence under this section is necessary; or

"(C) before the court alone, upon the motion of the defendant and with the approval of the Government.

"(2) A jury impaneled pursuant to paragraph (1)(B) shall consist of 12 members, unless, at any time before the conclusion of the hearing, the parties stipulate with the approval of the court that it shall consist of any number less than 12.

"PROOF OF AGGRAVATING AND MITIGATING FACTORS

"(i) Notwithstanding rule 32(c) of the Federal Rules of Criminal Procedure, when a defendant is found guilty of or pleads guilty to an offense under subsection (a)(2), no presence report shall be prepared. In the sentencing hearing, information may be presented as to any matter relevant to the sentence and shall include matters relating to any of the aggrevating or mitigating factors set forth in subsections (l) and (m), or any other mitigating factor. Where information is presented relating to any of the aggravating factors set forth in subsection (m), information may be presented relating to any other aggravating factor. Information presented may include the trial transcript and exhibits if the hearing is held before a jury or judge not present during the trial. Any other information relevant to such mitigating or aggravating factors may be presented by either the Government or the defendant, regardless of its admissibility under the rules governing admission of evidence at criminal trials, except that information may be excluded if its probative value is substantially outweighed by the danger of unfair prejudice, confusion of the issues, or misleading the jury. The Government and the defendant shall be permitted to rebut any information received at the hearing and shall be given fair opportunity to present argument as to the adequacy of the information to establish the existence of any of the aggravating or mitigating factors, and as to appropriateness in that case of imposing a sentence of death. The Government shall open the argument. The defendant shall be permitted to reply. The Government shall then be permitted to reply in rebuttal. The burden of establishing the existence of any aggrevating factor is on the Government, and is not satisfied unless established beyond a reasonable doubt. The burden of establishing the existence of any mitigating factor is on the defendant, and is not satisfied unless established by a preponderance of the information.

RETURN OF FINDINGS

"(j) The jury, or if there is no jury, the court, shall consider all the information received during the hearing. It shall return special findings identifying any mitigating factors, and any aggravating factors set forth in subsection (m), found to exist. If one of the aggravating factors set forth in subsection (m)(1) and another of the aggravating factors set forth in subsection (m) is found to exist, a special finding identifying any other aggravating factor may be returned. A finding of any aggravating or mitigating factor by a jury shall be made by unanimous vote. If an aggravating factor set forth in subsection (m)(1) is not found to exist or an aggravating factor set forth in subsection (m)(1) is found to exist but no other aggravating factor set forth in subsection (m) is found to exist, the court shall impose a sentence, other than death, authorized by law. If an aggravating factor set forth in subparagraph (m)(1) and one or more of the other aggravating factors set forth in subsection (m) are found to exist, the jury, or if there is no jury, the court, shall then consider whether the aggravating factors found to exist sufficiently outweigh any mitigating factor or factors found to exist, or in the absence of mitigating factors, whether the aggravating factors are themselves sufficient to justify a sentence of death. Based upon this consideration, the jury by unanimous vote, or if there is no jury, the court, shall return a finding as to whether a sentence of death is justified.

"IMPOSITION OF SENTENCE

"(k) Upon a finding that a sentence of death is justified, the court shall sentence the defendant to death. Otherwise the court shall impose a sentence, other than death, authorized by law.

"MITIGATING FACTORS

"(l) In determining whether a sentence of death is to be imposed on a defendant, the following mitigating factors shall be considered but are not exclusive:

"(1) The defendant was less than 18 years of age at the time of the crime.

"(2) The defendant's capacity to appreciate the wrongfulness of the defendant's conduct or to conform the defendant's conduct to the requirements of law was significantly impaired, but not so impaired as to constitute a defense to the charge.

"(3) The defendant was under unusual and substantial duress. although not such duress as constitutes a defense to the charge.

"(4) The defendant is punishable as a principal (as defined in section 2(a) of title 18 of the United States Code) in the offense, which was committed by another, but the defendant's participation was relatively minor, although not so minor as to constitute a defense to the charge.

"(5) The defendant could not reasonably have foreseen that the defendant's conduct in the course of the commission of the offense resulting in death for which the defendant was convicted, would cause, or would create a grave risk of causing, death to any person.

"AGGRAVATING FACTORS

"(m) If the defendant is found guilty of or pleads guilty to an offense under subsection (a)(2), the following aggravating factors shall be considered but are not exclusive:

"(1) The defendant—

"(A) intentionally killed the victim;

"(B) intentionally inflicted serious bodily injury which resulted in the death of the victim; or

"(C) intentionally engaged in conduct intending that the victim be killed or that lethal force be employed against the victim, which resulted in the death of the victim.

"(2) The defendant has been convicted of another Federal offense, or a State offense resulting in the death of a person, for which a sentence of life imprisonment or a sentence of death was authorized by statute.

"(3) The defendant has previously been convicted of two or more State or Federal offenses punishable by a term of imprisonment of more than one year, committed on different occasions, involving the infliction of, or attempted infliction of serious bodily injury upon another person.

"(4) The defendant has previously been convicted of two or more State or Federal offenses punishable by a term of imprisonment of more than one year, committed on different occasions, involving the distribution of a controlled substance.

"(5) In the commission of the offense or in escaping apprehension for a violation of subsection (a)(1), the defendant knowingly created a grave risk of death to one or more persons in addition to the victim of the offense.

"(6) The violation of this chapter in relation to which the conduct described in subsection (a)(2) occurred was a violation of section 405.

"(7) The defendant committed the offense in an especially heinous, cruel, or depraved manner.

"(8) The defendant procured the commission of the offense by payment, or promise of payment, of anything of pecuniary value.

"(9) The defendant committed the offense as consideration for the receipt, or in the expectation of the receipt, of anything of pecuniary value.

"(10) The defendant committed the offense against a judge, a law-enforcement officer, or an employee of a penal or correctional institution, while that victim was performing official duties or because of that victim's status as a public servant of the United States, or a State or political subdivision of the United States. For purposes of this paragraph the term 'law-enforcement officer' means a public servant authorized by law to conduct or engage in the prevention, investigaiton, or prosecution of an offense.

"INSTRUCTION TO JURY ON RIGHT OF THE DEFENDANT TO JUSTICE WITHOUT DISCRIMINATION

"(n) In any hearing held before a jury under this section, the court shall instruct the jury that in its consideration of whether the sentence of death is justified it shall not consider the race, color, national origin, creed, or sex of the defendant. The jury shall return to the court a certificate signed by each juror that consideration of race, color, national origin, creed, or sex of the defendant was not involved in reaching his or her individual decision.

"SENTENCING IN CAPITAL CASES IN WHICH DEATH PENALTY IS NOT SOUGHT OR IMPOSED

"(o) If a person is convicted for an offense under subsection (a)(2) and the court does not impose the penalty of death, the court may impose a sentence of life imprisonment without the possibility of parole.".

"APPEAL IN CAPITAL CASES

"(p)(1) In any case in which the sentence of death is imposed under this section, the sentence of death shall be subject to review by the court of appeals upon appeal by the defendant. Notice of appeal must be filed within the time prescribed for appeal of judgment in section 2107 of title 28 of the United States Code. An appeal under this section may be consolidated with an appeal of the judgment of conviction. Such review shall have priority over all other cases.

"(2) On review of the sentence, the court of appeals shall consider the record, the evidence submitted during the trial, the information submitted during the sentencing hearing, the procedures employed in the sentencing hearing, and the special findings returned under this section.

"(3) The court shall affirm the sentence if it determines that—

"(A) the sentence of death was not imposed under the influence of passion, prejudice, or any other arbitrary factor; and

"(B) the information supports the special finding of the existence of every aggravating factor upon which the sentence was based, together with the failure to find sufficient mitigating factors as set forth or allowed in this section.

In all other cases the court shall remand the case for reconsideration under this section. The court of appeals shall state in writing the reasons for its disposition of the review of the sentence.".

By Mr. HUNTER:

—Page 56, before line 1, insert the following new section:

SEC. 192. CONCERNING BREACH OF EXPORT CONTROLS.

(a) Report.—Not later than 30 days after the date of the enactment of this Act, the Secretary of State shall submit to the appropriate committees of the Congress a report concerning:

(1) The status of the Japanese government investigation of the transfer of milling machines to the Soviet Union by Toshiba Machine Company, including any prosecution, fine, or other government action.

(2) The status of the Norwegian government investigation of the transfer of numerical controllers by Kongsberg Vappenfabrik (KV) to the Soviet Union, including any prosecution, fine, or other government action.

(3) Actions undertaken by the Japanese and Norwegian governments to ensure that such transfers or other breaches of security related to export controls do not recur.

(4) Actions and plans of the United States government to respond to such breaches of export controls.

(b) Discussions.—The Secretary of State shall enter into discussions with Japan and Norway regarding compensation for damage to United States national security resulting from such breaches of export controls. The Secretary shall submit a preliminary report to the appropriate committees of the Congress concerning the status of such discussions 180 days after the date of enactment of this Act and shall submit a final report 360 days after the date of enactment of this Act. The Secretary may submit such other subsequent reports as may be appropriate.

—Page 70, after line 16, add the following:

TITLE VII—JAPANESE SECURITY

SEC. 701. JAPANESE DEFENSE SPENDING.

Within 180 days after the date of enactment of this Act, the Secretary fo State shall seek to enter into negotiations with the Government of Japan for the purpose of increasing the amount spent in any year by the Government of Japan for defense to at least 3 percent of the gross national product of Japan for that year.

By Mr. KASICH:

—Page 27, after line 13, add the following new section:

SEC. 137. DEBT COLLECTION.

Title I of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2669 et seq.) is amended by redesignating section 42 (as so designated by section 130) as section 43 and inserting after section 41 the following:

"SEC. 42. DEBT COLLECTION.

"(a) Contract Authority.—(1) Subject to the availability of appropriations, the Secretary of State shall enter into contracts for collection services to recover indebtedness owed by a person, other than a foreign country, to the United States which arises out of activities of the Department of State and is delinquent by more than 3 months.

"(2) Each contract entered into under this section shall provide that the person with whom the Secretary enters into such contract shall submit to the Secretary at least once each 6 months a status report on the success of the person in collecting debts. Section 3718 of title 31, United States Code, shall apply to any such contract to the extent that such section is not inconsistent with this subsection.

"(b) Disclosure of Delinquent Debt to Credit Reporting Agencies.—The Secretary of State shall disclose to those credit reporting agencies to which the Secretary reports loan activity information concerning any debt of more than $100 owed by a person, other than a foreign country, to the United States which arises out of activities of the Department of State and is delinquent by more than 31 days.".

—Page 62, after line 22, add the following new section:

SEC. 211. DEBT COLLECTION.

Title VIII of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1472 et seq.) is amended by adding at the end thereof the following:

"SEC 811. DEBT COLLECTION.

"(a) Contract Authority.—(1) Subject to the availability of appropriations, the Director of the United States Information Agency shall enter into contracts for collection services to recover indebtedness owed by a person, other than a foreign country, to the United States which arises out of activities of the United States Information Agency and is delinquent by more than 3 months.

"(2) Each contract entered into under this section shall provide that the person with whom the Director enters into such contract shall submit to the Director at least once each 6 months a status report on the success of the person in collecting debts. Section 3718 of title 31, United States Code, shall apply to any such contract to the extent that such section is not inconsistent with this subsection.

"(b) Disclosure of Delinquent Debt to Credit Reporting Agencies.—The Director of the United States Information Agency shall disclose to those credit reporting agencies to which the Director reports loan activity information concerning any debt of more than $100 owed by a person, other than a foreign country, to the United States which arises out of activities of the United States Information Agency and is delinquent by more than 31 days.".

By Mr. LANTOS:

—Page 27, insert the following after line 13:

SEC. 137. OFFICES OF MISSION TO THE UNITED STATES OF THE COMMISSION OF THE EUROPEAN COMMUNITIES.

The Act entitled "An Act to extend diplomatic privileges and immunities to the Mission to the United States of America of the Commission of the European Communities and the members thereof", approved October 18, 1972 (86 Stat. 815) is amended by adding at the end the following: "Under such terms and conditions as the President may determine, the President is authorized to extend to other offices of the Commission of the European Communities which are established in the United States, and to members thereof—

"(1) the privileges and immunities described in the preceding sentence; or

"(2) as appropriate for the functioning of a particular office, privileges and immunities, equivalent to those accorded consular premises, consular officers, and consular employees, pursuant to the Vienna Convention on Consular Relations.".

By Mr. LEVINE of California:

—Page 4, line 12, strike "$1,375,974,000" and insert in lieu thereof "$1,371,474,000".

—Page 4, line 13, strike "$1,431,013,000" and insert in lieu thereof "$1,425,513,000".

—Page 9, line 5, strike "$32,691,000" and insert in lieu thereof "$37,191,000".

—Page 9, line 6, strike "$33,999,000" and insert in lieu thereof "$38,499,000".

By Mr. NEAL:

—Page 70, after line 16, add the following:

TITLE VII—CONFLICT IN CENTRAL AMERICA

SEC. 701. PEACE IN CENTRAL AMERICA.

(a) Findings.—The Congress finds that—

(1) the heads of state of Costa Rica, El Salvador, Guatemala, and Honduras met in San Jose, Costa Rica, on February 15, 1987, for the purpose of formulating a regional proposal for bringing about an end to the armed conflict in Central America;

(2) these heads of state have reaffirmed—

(A) their faith in finding a political solution to the problems in the region and have recognized a stable and durable peace through diplomatic negotiations and political dialog; and

(B) their belief that such a durable peace is only possible within the context of democratic regimes which are committed to eradicating extreme poverty, to establishing an effective means for equal opportunity for all elements of society, and to establishing a pluralistic society where dialog among the various elements of society is permitted to occur and free and periodic elections are held;

(3) these heads of state specifically endorsed the "Procedure for Establishing a Firm and Durable Peace in Central America" proposed in San Jose by Oscar Arias Sanchez, the President of Costa Rica, as a useful and constructive proposal for discussion with an end toward establishing a definitive timetable for ending the cycle of violence in Central America; and

(4) the heads of state of Costa Rica, El Salvador, Guatemala, and Honduras intend to transmit this proposal to the Government of Nicaragua and have extended a formal invitation to the President of Nicaragua to participate in discussions with the goal of executing a plan for a definitive and verifiable program for establishing peace in Central America.

(b) Peace Initiative.—The Congress applauds the recent bold initiative by the heads of state of Costa Rica, El Salvador, Guatemala, and Honduras, and congratulates them on the significant contribution made by this initiative toward ending armed conflict, and reinforcing democracy, in Central America.

(c) Support for Summit Meeting Between Central American Heads of State.—The Congress strongly supports this initiative and looks forward to the summit meeting as the next phase in this historic effort of the Central American heads of state to forge a firm and lasting peace in Central America.

—Page 70, after line 16, add the following:

TITLE VII—TREATY OF MUTUAL COOPERATION AND SECURITY BETWEEN THE UNITED STATES AND JAPAN

SEC. 701. UNITED STATES EXPENDITURES IN CARRYING OUT THE TREATY OF MUTUAL COOPERATION AND SECURITY BETWEEN THE UNITED STATES AND JAPAN.

(a) Findings.—The Congress finds that—

(1) Japan has prospered greatly under the security umbrella provided by the United States, rising from devastation to an economic superpower with the third largest gross national product in the world;

(2) the security of Asia and the free world is critical to the continued prosperity of Japan;

(3) Japan contributes proportionately less to defense than any other major industrialized nation;

(4) Japan is limited to how much it can increase its own defense program by political, and psychological constraints;

(5) Japan enjoys a $58,600,000,000 balance of trade surplus with the United States;

(6) the United States taxpayer cannot be expected to indefinitely shoulder a disproportionate share of the burden of defending Japan and the free world;

(7) the current inequitable financial commitment by Japan to its defense and that of the free world threatens to undermine its relations with the Untied States;

(8) continued good relations between the United States and Japan are mutually beneficial and critical to the security and economic well-being of the free world;

(9) it would be unwise for Japan to dramatically increase the level of its own defense forces to meet modern security needs and commitments; and

(10) the people of Japan would undoubtedly welcome the opportunity to pay a fair share for the defense of their country.

(b) Annual Security Fee Paid to United States.—The President of the United States should seek to negotiate an agreement with the Government of Japan, whereby that nation would pay an annual security fee to the United States Government equal to 2 percent of Japan's annual gross national product, to more equitably compensate the United States for expenditures related to carrying out the provisions of the Treaty of Mutual Cooperation and Security between the United States and Japan, and for the security of the free world.

By Mr. ROSE:

—Page 70, after line 16, insert the following:

TITLE VII—HUMAN RIGHTS VIOLATIONS IN TIBET BY THE PEOPLE'S REPUBLIC OF CHINA

SEC. 701. FINDINGS.

The Congress finds that—

(1) the People's Republic of China invaded and occupied Tibet in 1949, imposed military rule, and continues to exercise dominion over the Tibetan people through the presence of large occupation force;

(2) over one million Tibetans have perished as a direct result of the political instability, imprisonment, and widescale famine engendered by the occupation of Tibet by the People's Republic of China;

(3) 6,250 monasteries, the repositories of 1,300 years of Tibet's ancient civilization, have been destroyed and their irreplacable national legacy of art and literature either lost or removed from Tibet by the People's Republic of China;

(4) Tibet's vast mineral, forest, and animal reserves are being systematically exploited by the People's Republic of China, with no benefit accruing to the Tibetan people;

(5) Tibet's economy and education, health, and human services remain far below those of the People's Republic of China as a whole;

(6) the People's Republic of China has undertaken a massive population transfer, entailing the immigration of millions of Chinese onto the Tibetan plateau in an effort to absorb and render insignificant the Tibetan people in their own homeland;

(7) the arrest and execution of Tibetan political and religious prisoners continues, with thousands of Tibetans currently interred in labor camps;

(8) Tibet, a nation dedicated to the principles of nonviolence and mutual coexistence for a millennia, has been miltarized which has increased the instability of the entire Central Asian region;

(9) His Holiness the Dalia Lama, spiritual and temporal leader of the Tibetan people, in conjunction with the 100,000 refugees forced into exile with him, has worked tirelessly for almost thirty years to secure peace and religious freedom in Tibet;

(10) since 1959, India has generously provided refuge and resources for Tibetan exiles so that they may maintain their unique culture and religion in the hope of returning to their homeland;

(11) the People's Republic of China continues to ignore United Nations General Assembly resolutions 1353, 1723, and 2079 calling for a cessation of human rights violations in Tibet and for implementation of the right of the Tibetan people to self-determination;

(12) 91 Members of the Congress signed a letter to President Li Xiannian of the People's Republic of China on July 24, 1985, expressing support for direct talks between Beijing and representatives of His Holiness the Dalai Lama and the Tibetan Government-in-exile, and urging the Government of the People's Republic of China "to grant the very reasonable and justified aspirations of His Holiness the Dalai Lama and his people every consideration"; and

(13) there has been no evidence of any such consideration being granted by the Government of the People's Republic of China.

SEC. 702. STATEMENT OF POLICIES.

It is the sense of the Congress that—

(1) the United States should review its foreign policy toward and its relations with the People's Republic of China in light of the continued violation of human rights in Tibet by the People's Republic of China;

(2) the President should meet with His Holiness the Dalai Lama to express United States support for his efforts for world peace and particularly his efforts to find a peaceful solution to the Tibetan problem;

(3) the United States should urge the Government of the People's Republic of China to actively reciprocate the Dalai Lama's efforts to establish a constructive dialogue over the future status of Tibet;

(4) the United States, through the Secretary of State—

(A) should address and call attention to the rights of the Tibetan people, as well as other non-Chinese within the People's Republic of China such as the Uighurs of Eastern Turkestan (Sinkiang), the Mongolians of Inner Mongolia, and the Manchus of Manchuria, and

(B) should support efforts to maintain Tibet's identify and preserve Tibetan culture and religion, both inside Tibet and among those in exile;

(5) congressional delegations should visit Tibet (including the areas of Kham and Amdo) and the Tibetans in exile in order to witness the progress being made and the problems faced; and

(6) the President should instruct the United States Ambassadors to the People's Republic of China and India to work closely with the Tibetan people to find areas in which the United States Government and people can be helpful.

SEC. 703. HUMAN RIGHTS REPORT REGARDING TIBET.

Not later than 60 days after the date of enactment of this Act, the Secretary of State shall submit a report to the Congress on the human rights situation in Tibet and the transfer of millions of Chinese to Tibet.

SEC. 704. ASSISTANCE FOR TIBETAN REFUGEES.

Of the amounts authorized to be appropriated for the Department of State for "Migration and Refugee Assistance" for each of the fiscal years 1988 and 1989, not less than $850,000 shall be available only for assistance for Tibetan refugees.

SEC. 705. SCHOLARSHIPS FOR STUDY IN THE UNITED STATES BY TIBETAN EXILES.

For each of the fiscal years 1988 and 1989, the Director of the United States Information Agency shall make available to Tibetan students and professionals who are outside Tibet not less than 50 scholarships for study at institutions of higher education in the United States.

By Ms. SNOWE:

—Page 39, after line 4, insert the following:

SEC. 147. REPEAL OF AUTHORITY TO AWARD PERFORMANCE PAY TO DEPARTMENT OF STATE PERSONNEL.

(a) SENIOR FOREIGN SERVICE.—Section 405 of the Foreign Service Act of 1980 (22 U.S.C. 3965) is repealed.

(b) SENIOR EXECUTIVE SERVICE.—Section 4507 of title 5, United States Code (relating to awarding ranks in the Senior Executive Service), and section 5384 of that title (relating to performance awards in the Senior Executive Service), shall not apply with respect to career appointees in the Department of State.

(c) CONFORMING AMENDMENTS TO FOREIGN SERVICE ACT.—

(1) Section 105(a)(2) of the Foreign Service Act of 1980 (22 U.S.C. 3905(a)(2)) is amended by striking out "of performance pay or".

(2) Section 302(b) of that Act (22 U.S.C. 3942(b)) is amended by striking out ", to remain eligible for performance pay under chapter 4," in the second sentence.

(3) Section 602(a) of that Act (22 U.S.C. 4002(a)) is amended—

(A) by repealing paragraph (2), and

(B) by redesignating paragraphs (3) through (5) as paragraphs (2) through (4), respectively.

(4) Section 606 of that Act (22 U.S.C. 4006) is amended—

(A) in subsection (a)—

(i) by repealing paragraph (3),

(ii) by inserting "or" at the end of paragraph (2), and

(iii) by redesignating paragraph (4) as paragraph (3); and

(B) in subsection (b), by striking out "grant performance pay,".

(5) The table of contents in section 2 of that Act is amended by striking out the item relating to section 405.

(d) EFFECTIVE DATE.—This section shall take effect on October 1, 1987. The amendments made by paragraph (4)(A) of subsection (c) shall not preclude the Secretary (as defined in section 102(10) of the Foreign Service Act of 1980 (22 U.S.C. 3902(10)) from granting performance pay under section 606 of that Act with respect to service performed before October 1, 1987.

—Page 39, after line 4, insert the following:

SEC. 147. REVIEW OF PERFORMANCE PAY PROGRAMS.

(a) SUSPENSION OF AWARDS DURING REVIEW.—During the period beginning on October 1, 1987, and ending on the date on which the Secretary of State reports to the Congress pursuant to subsection (c)—

(1) performance pay may not be awarded under section 405 of the Foreign Service Act of 1980 (22 U.S.C. 3965) to any member of the Senior Foreign Service; and

(2) ranks may not be awarded under section 4507 of title 5, United States Code, and performance awards may not be paid under section 5384 of that title to any career appointee in the Department of State.

(b) REVIEW BY INSPECTOR GENERAL.—The Inspector General of the Department of State shall conduct a complete and thorough review of—

(1) the awards of performance pay which have been made to members of the Senior Foreign Service under section 405 of the Foreign Service Act of 1980;

(2) the ranks which have been awarded to career appointees in the Department of State under section 4507 of title 5, United States Code; and

(3) the performance awards paid to career appointees in the Department of State under section 5384 of that title.

The purpose of this review shall be to determine the criteria actually used in making those awards and to determine whether each award was warranted. The Inspector General shall report the results of this review to the Secretary of State and to the Congress no later than October 1, 1988.

(c) REPORT BY SECRETARY OF STATE.—The Secretary of State shall submit to the Congress, no earlier than October 1, 1988, a report containing the comments of the Secretary on the report of the Inspector General pursuant to subsection (b) and describing the actions taken by the Secretary as a result of the Inspector General's report.

By Mr. SUNDQUIST:

—Page 55, after line 25, insert the following:

SEC. 192. HOUSING ALLOWANCES OF INTERNATIONAL CIVIL SERVANTS.

(a) UNITED STATES POLICY.—It is the policy of the United States to seek the implementation by the United Nations of the recommendation by the International Civil Service Commission to deduct from the pay (commonly referred to as a "rental deduction") of an international civil servant the amount of any housing allowance or payment which is provided by any member state to that international civil servant, in accordance with Article 100 of the Charter of the United Nations and regulations thereunder.

(b) REDUCTION IN UNITED STATES CONTRIBUTION FOR RENTAL DEDUCTIONS NOT MADE.—The United States shall reduce the amount of its annual assessed contribution to the United Nations by the amount of that contribution which, as determined by the Secretary of State, is equal to the amount of the rental deduction described in subsection (a) which is not deducted from the pay of any international civil servant.

EXTENSIONS OF REMARKS

CORRECTION OF ERROR IN TRANSCRIPT

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. DYMALLY. Mr. Speaker, I am enclosing a letter to Senator SARBANES which corrects an error which occurred in the June 3, 1987, morning transcript of the joint hearings on the Iran-Contra investigation. While the error in attributing a statement to Senator SARBANES has since been corrected, I feel it is important to bring this to your attention to set the record straight as copies of the uncorrected transcript have been circulated.

The letter follows:

HOUSE OF REPRESENTATIVES,
Washington, DC, June 9, 1987.

Senator PAUL SARBANES,
Senate Dirksen Building,
Washington, DC.

DEAR PAUL: While going over the June 3, 1987 morning transcript of the Iran-Contra hearing I noticed that accusations against Rep. Conyers and myself may have been attributed to you. (See page 160)

Of course I did not believe my eyes and asked my staff to verify what I assumed was an error. Since then my conviction has been confirmed. We determined that the error was made in the process of transcribing the proceeding. The error has already been corrected with the office of the Official Reporters, however I am enclosing a copy of the transcript to show you where the correction was made.

With my warmest wishes,

MERVYN M. DYMALLY,
Member of Congress.

THE MICHIGAN LIONS CLUB BAND

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. SCHUETTE. Mr. Speaker, I have the privilege today of commending a fine group of young individuals who will soon be traveling overseas, representing the great State of Michigan. The Michigan Lions Club Band, which is composed of over 180 high school students from around the State and representing over 100 communities, will begin a journey later this month which will take them to, among other places, Communist China.

After 4 straight days of practice and public rehearsals, the band will leave St. Johns, MI, and travel to Taipei, Taiwan, to participate in the Interational Lions Club convention. For the past 10 years, the Michigan Lions Club has brought together some of the State's best high school musicians and assisted in funding excursions such as this which have proven to be highly successful and educational for the students involved.

For 3 weeks, the band will travel the Orient, making stops in mainland China, Hong Kong, and then concluding their tour in Hawaii. A final performance will be made in the Fourth of July parade in Kailua, HI.

Two upstanding members of the Michigan Lions Club deserve special recognition for their efforts in this endeavor. Eugene Staelens of Adrian, MI, first conceived the idea of a statewide high school band sponsored by the Lions Club. For the past 10 years he has been an integral part of bringing the students together and assisting in the organization and promotional aspects of the project. Walter Cole, of St. Johns, MI, is a retired high school band director and member of the St. Johns Lions Club. For the past 8 years, Mr. Cole has dedicated a great deal of his time in serving as band director for this organization. Through the efforts of these two dedicated individuals, many young musicians of Michigan have been able to participate in various opportunities which may not have otherwise been available.

While a few other States may also plan to send delegate bands to the international convention, the Michigan Lions Club Band is the only group scheduled to perform in Communist China—an accomplishment worthy of acclaim and praise as young individuals attempt to further open the doors of a long-closed region of the world through peaceful and cultural means.

Mr. Speaker, I ask you and our colleagues in the U.S. House of Representatives to join me today in wishing these students and the Michigan Lions Club members a successful and safe trip this month. I know these talented individuals will make their families, their communities, and the State of Michigan proud!

A TRIBUTE TO M. SGT. WILLIAM J. JONES

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to M. Sgt. William J. Jones, a very special former resident of my 17th Congressional District. Sergeant Jones is currently a maintenance management superintendent for the Pacific Communications Division Headquarters at Hickam Air Force Base in Hawaii. I had the supreme honor and privilege of meeting this exemplary and inspiring man in my office on May 6, 1987.

Sergeant Jones was born in Youngstown on January 8, 1957. The first indications of his commitment to excellence came at Austintown Fitch High School, where he earned 12 music medals in Ohio High School competitions. As a member of the U.S. Air Force, he began to shine upon his assignment to the 1956th Communications Group at Yokota Air Base in Japan. He helped install the only two MAID-MILES sensor systems in the Pacific theater. His astounding technical abilities and involvement with the local Japanese community led to his selection as NCO of the Year for 1981 for both his unit and the Pacific Communications Division. The taxpayers of America can be thankful for his service as material deficiency report monitor, when his rebutting of improper instructions resulted in a savings of $25,000.

As a crew chief for the 2d Combat Communications Group at Patrick Air Force Base in Florida, his great leadership skills earned him the NCO of the Quarter, April–June 1984, award for both his unit and Patrick AFB. As a member of the 2135th Information Systems Squadron in Belgium, he helped activate the first ground-launched cruise missile base on the European Continent.

Upon his arrival in Hawaii in 1986, he devised a training guide for technical reports which lowered error rates for his units from 70 percent to the lowest in the entire Air Force Communications Command. His community involvements include repairing the Association of Retarded Citizens Home of Hawaii, participation in the Carol Kai Charity Bed Race, and activities with the United Services Organization.

His honors include the Academic Achievement Award, Drillmaster Award, distinguished graduate honors at the Yokota NCO Leadership School, and others too numerous to mention. Thus, it is with pleasure and special thanks that I join the people of the 17th Congressional District in expressing our great pride in the amazing leadership traits and extremely honorable character of M. Sgt. William J. Jones.

DANNY ROSE: CALIFORNIA'S TOP SPELLER

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. MILLER of California. Mr. Speaker, Danny Rose is an outstanding and inspiring student from Martinez, CA. An Alhambra High School student, Danny's exceptional talent for spelling has made him the top high school speller in the State for 2 consecutive years.

As a young man, Danny has developed the self-discipline that it takes to become the foremost speller in California. His 2 to 3 hours of studying per day proves that hard work pays off.

But, it's not all hard work for Danny. He possesses a natural talent for spelling. The ease with which he can recite the words is amazing. With a few exceptions, Danny

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

doesn't need to hear the word twice like most contestants nor does he need to hear its definition or to write it down, all standard procedure for the spelling contests. Most of the time, Danny can spell the word the first time it is given.

His inspiring accomplishments are all the more exceptional because Danny has a handicap that most kids his age never come into contact with. Danny has been hampered with a disease that causes the atrophying of his joints. This handicap however, has not daunted his spirit or determination in the least. He still plans on attending UC Berkeley, which has offered him a scholarship for next fall.

Both teachers and students commend and look up to Danny as someone with an exceptional talent and the self-discipline it takes to perfect that talent. His father, a member of the merchant marine, instilled in Danny a penchant for hard work and a love for literature and words. However, Danny's father did not live long enough to see his son win the statewide championship. But Danny's mother and two sisters have witnessed his accomplishments and are extremely proud of him.

Danny Rose is a typical high school senior who enjoys the activities that most students do such as going to the movies or watching Oakland A's games. But at the same time, he should be very proud of an outstanding talent that has made him stand out from other students. Danny is a credit to the community of Martinez and to the State of California, and I am very proud to have him as a constituent.

I know that all Members of the House of Representatives will join me in wishing Danny Rose the best of luck, and in congratulating him on his outstanding achievements.

SACRED HEART HOSPITAL OF ALLENTOWN, PA, CELEBRATES 75TH ANNIVERSARY

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. RITTER. Mr. Speaker, the Sacred Heart Hospital of Allentown, PA, is preparing to kick off a week's activities in celebration of the hospital's 75th anniversary of service to the community.

Seventy-five years ago, the old Sacred Heart Church became a temporary hospital staffed by six Catholic nuns from Hilltrup, Germany. These six dedicated servants journeyed to America in response to an urgent plea from the Reverend Monsignor Masson to care for the sick and poor of Allentown.

In 1915, 11 sister-nurses and 33 patient-beds were moved into the renovated Harvey mansion, purchased by Sacred Heart Church from the estate of the late Judge Edward Harvey. Two years later, with the old rectory reserved for maternity patients, the hospital was incorporated as the Sacred Heart Hospital.

Since that time, Sacred Heart has continued to serve the needs of the ever-growing population of the Allentown area. Its special dimension of caring, the very element that brought those six founding sisters to Allentown in the first place, has met the health care demands of an industrialized urban area with a warm, personal quality.

Such a combination of caring and high quality medical care is a rarity in today's fast-paced and sometimes impersonal health care profession. Over the years, the physical structure of Sacred Heart has changed, transformed from the Harvey mansion and an old rectory to a complete health care facility that is superior in technology, equipment, and staff abilities.

My warmest congratulations are extended to Sacred Heart's administration and staff on this, the 75th anniversary of not just a hospital, but a warm and caring health care community.

JUST SAY "NO" TO TAXES

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. BUECHNER. Mr. Speaker, I would like to call my colleagues' attention to an op-ed piece I wrote which appeared in last Sunday's St. Louis Post-Dispatch. In that article titled "Just Say 'No' to Taxes", I talked about the tremendous burden Americans would have to bear if we follow the Democrats' resolution calling for $18-20 billion in new taxes. Of course, that depends on which resolution you look at.

In truth, we have no budget resolution. It is overdue by nearly 2 months! The majority party said they would have the ability to govern once they gained control of both Houses; I question that very seriously. Not only have they excluded the Republicans from the process, the press and the general public from seeing the conference develop a resolution, but they still cannot agree among themselves exactly how much the Federal Government should spend in fiscal year 1988.

Talk about a motto for leadership; there is no leadership by those who would allow our budget resolution to be 2 months late and then spring a possible $20 billion in new taxes on the American people.

JUST SAY "NO" TO TAXES—CONGRESS SHOULD BE ESPECIALLY WARY OF EXCISE TAX PROPOSALS

(By Jack Buechner)

Congress is faced with a monumental task as it considers the fiscal 1988 budget. Not only must Congress try to comply with the Gramm-Rudman deficit target of $108 billion, it must also face the issue of whether the American people will pay more taxes to trim the federal budget deficit.

While the House budget resolution (passed without one Republican vote) calls for a tax hike of $57 billion over three years, the Senate resolution would require a whopping $119 billion in new taxes over four years. On what can Congress agree?

The issue of additional taxes promises to be the most important one facing Congress this year. Not only will the tax issue affect the pocketbook of the average taxpayer, it will most likely affect the American economy and the prospect for increased investment and productivity.

The notion currently being circulated—that tax increases will be used solely for cutting the federal deficit—rings hollow. Congress has already demonstrated that it lacks the discipline to spend only as much as it takes in. For each dollar the federal government receives, it spends $1.58. Give it an extra $57 billion and, at that rate, an additional $90 billion will be spent. Give the government—as the Senate wants to do—$119 billion, and it'll spend $188 billion over four years.

Tax increases have not been enacted since 1982, when Congress voted to raise nearly $100 billion in revenue by closing loopholes in the tax code. While many continue to debate whether the Tax Reform Act of 1986 was truly revenue-neutral, some believe that taxes were actually increased.

The president's answer to the idea of more taxes is well known. He echoes a similar refrain to the first lady's campaign against drugs: "Just say No!" I concur. Many of my colleagues and I took a pledge against raising taxes by changing the tax brackets enacted by tax reform. Others are considering various measures by which to add more revenue to the federal coffers.

One type of tax proposal that is given serious consideration is to increase excise taxes. While some congressional advocates say the best way to impose a tax is to spread it evenly across a wide section of the population, in fact, the excise tax would be one of the most regressive taxes imposed upon the American people—especially low-income individuals. If implemented, it would wipe out many of the benefits that low- and moderate-income Americans realized under last year's tax bill.

According to a study by the Congressional Budget Office in January, a $19 billion increase in excise taxes would eliminate the entire income tax reduction provided under tax reform to families with incomes under $30,000. Moreover, it is expected to cost the working poor more than double the savings they received from tax reform. According to the Joint Committee on Taxation, families earning under $10,000 a year received an average tax reduction of 1.1 percent. The CBO report indicates that this same group would pay more than 2.7 percent of their total income under the excise tax scheme designed to help meet the budget target.

Excise taxes do not affect all Americans in the same way. Those who make $10,000 a year are hit much harder than those who earn $100,000. The CBO study I referred to earlier states that an American family earning $20,000 or less may pay as much as eight times more annually as a percentage of income in excise taxes than a family earning $50,000.

Some prime candidates for an increase are gasoline, oil, cigarettes, alcoholic beverages and telephone taxes. Although an increase in excise taxes for gasoline and telephones would be applied to virtually everyone across the country, a tax on cigarettes and alcoholic beverages requires that we reduce the deficit on the backs of certain consumers.

Congress must act to reduce the deficit. However, the best way is through further cuts in government spending. The American people are not undertaxed; rather, the federal government overspends. We must control spending and cut waste first and foremost. Some have criticized the administration for "massive cuts" in spending programs. In truth some budget cuts are not cuts at all; in many cases they are simply increases that are not so large as those envisioned by the current services baseline.

Additional taxes are best left as the last possible alternative, not the first. As a member of the House-Senate conference on the budget, I will continue to oppose more taxes.

ARNOLD BEICHMAN ON THE GAPS IN OUR ANTIDRUG STRATEGY

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. COURTER. Mr. Speaker, our Government has long been wrestling with the problem of foreign state sponsorship of and/or laxity toward the drug trade. The failures of certain other governments are compounding our own problems. But what is more, the policies of certain foreign governments are deliberately increasing our problems. A number of Communist governments such as Bulgaria, Cuba, and Nicaragua are in the latter category. And yet, incredibly, it seems that we are actually advising Eastern European regimes on international drug control.

Since the police agencies of those countries are by definition "subsets" of the Soviet police system, it is an obvious error to have much to do with them in the law enforcement area. Unless we know that the Soviets' East European satellites want to stop all drug traffickers, rather than merely those not under their control or observation, telling their governments anything about what we know and do about drug control, or do not know or do, is manifestly self-defeating and foolish.

I commend to the attention of my colleagues the following column by Arnold Beichman, research fellow at the Hoover Institution.

[From the Washington Times, Apr. 14, 1987]

LOOK WHO'S LEARNING OUR DRUG STRATEGY

(By Arnold Beichman)

I wonder if Frank Carlucci, President Reagan's national security adviser, or Judge William Webster, CIA director-designate, know that the U.S. government officially invites and trains communist spies from Eastern Europe in how to catch drug smugglers?

I wonder if Mr. Carlucci or, Mr. Webster, or, for that matter, Mr. Reagan himself, know that this government is negotiating with the Soviet Union to bring Soviet officials to this country for special training in how to counter international drug trafficking?

I wonder if the agencies in charge of combating Soviet and East Bloc espionage are aware that the training given police officials from Czechoslovakia and East Germany under the auspices of the Drug Enforcement Administration is giving them whatever knowledge and experience DEA has garnered over the years in fighting narcotics smuggling?

Obviously, if communist police agents know the variables which go into determining a drug smuggler profile, they would be privy to important knowledge to be used against the West, especially against the United States, the Kremlin's permanent target.

Having laid out this phenomenon, I wonder whether anybody—Mr. Carlucci, Mr. Webster, Treasury Secretary James Baker, the House or Senate select committee on intelligence—is going to give enough of a damn to stop this lunatic program right now?

This DEA program is not secret. It was recently described in a Heritage Foundation bulletin. For some years now, DEA has been training communist spies as part of what DEA has descried as the worldwide effort to combat the flood of narcotics into the United States.

On its face, it all appears so plausible. After all, there are these big international meetings to deal with drug abuse. At those meetings everybody is present, including representatives from communist countries who seem to be interested in fighting drug abuse. So why not invite them to the United States to train them in the latest techniques of surveillance and identification of possible drug smugglers?

This kind of high-level credulity about communism may explain in part the Soviet spy infiltration epidemic which has afflicted the Navy, U.S. embassies in Moscow and, no doubt, in other communist capitals, the CIA, the National Security Agency. Some of the people in charge of national security, especially intelligence and counterintelligence, as well as our diplomatic and military leadership simply do not take seriously enough the Soviet espionage threat to our national security.

In the case of the DEA, its naivete surpasses even that of Dean Acheson when he announced that he would not turn his back on Alger Hiss. Anyone who knows anything about Soviet history and politics knows that the Soviet Union and its satellites are not interested in stopping drug abuse in the West; their interest is in spreading the drug culture in the West. In fact, the Soviet Union and such satellites as Cuba and Nicaragua are behind narcotics trafficking.

For evidence we have recently published testimony about Soviet involvement in drug trafficking, testimony which DEA, Mr. Carlucci, Mr. Webster and President Reagan ought to read. The information is contained in an article in the recent issue of the Journal of Defense and Diplomacy by Joseph D. Douglass, a defense analyst and former CIA official, and Maj. Gen. Jan Sejna, once of the Czechoslovak espionage services and one of the most important defectors to have come over to the West.

Their article is titled "International Narcotics Trafficking: The Soviet Connection." They argue that the State Department is ignoring "the potential importance of the Soviet narcotics strategy and of the coordinated efforts of all the communist satellites and surrogates."

According to the Douglass-Sejna paper, the Soviet Defense Council officially entered the drug trafficking business in early 1956. The Soviet decision flowered in full bloom in 1962 with Czechoslovakia and, later, East Germany, in the forefront of Operation Druzhba Narobov, or "National Friendship," a name bestowed by Nikita Khrushchev, presumably a demonstration of his earthy peasant sense of humor.

The Douglass-Sejna paper as well as other studies of Soviet involvement in narcotics trafficking should raise the question among our decision-making elites: Should the United States government be training communist police agents in narcotics police work?

JAPAN SHOULD SHARE COST OF DEFENSE

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. NEAL. Mr. Speaker, the United States annually spends about 7 percent of its GNP on national defense. A significant portion is spent to protect not only the United States' interest in the Persian Gulf, but also that of Japan and Europe. Japan, however, spends only about 1 percent of its GNP for national defense.

Protecting United States interests in the Persian Gulf is critical, but we count on the Middle East for only about 15 percent of our oil imports, while Japan buys about 60 percent of its oil from the Middle East. It is time that Japan did more to help defend its shores and its prosperous position in the world economy.

In an effort to make Japan's contribution for its own defense more equitable, I introduced House Concurrent Resolution 62 on March 4, 1987, and now offer it in the form of an amendment to the State Department authorization bill—H.R. 1777, the Foreign Relations Authorization Act. I have offered this proposal since 1981, and if adopted at that time our budget deficit would be much lower than it is now. But better late than never.

For over four decades, Mr. Speaker, Japan has benefited from the security blanket provided, virtually cost free, by the United States and its allies. The United States defense budget during that time has ranged between 6 and 11 percent of its GNP, while Japanese defense spending since World War II has never breached 1 percent until this year. Free from the economic burden of defending its shores and sealanes, both near and far, Japan has been able to devote its resources to the quest for economic power—and now ranks second only to the United States in the world economy. In 1981, Japan enjoyed roughly a $19 billion edge in trade with the United States; that figure has now almost tripled.

West Germany, by comparison, stands third in the world economy behind Japan, whose GNP last year was twice as large as Germany's. Clearly less able than Japan to afford a deep military commitment, Germany nonetheless spent an amount equal to nearly 3 percent of its GNP for defense last year. The Japanese security fee would raise Japan's contribution for its defense to a level just above Germany's.

This resolution is not an effort to punish the Japanese people for their economic success. In fact, Mr. Speaker, the amount I am suggesting is trivial relative to the size of the Japanese economy. And, the payments might even be beneficial. Economists worry that perennial Japanese trade surpluses are damaging to the world economy and, since Japan is so reliant on exports, Japan will eventually suffer for those exorbitant surpluses. The security fee would simultaneously help rectify the trade imbalance between our two countries and reduce the United States Federal deficit, strengthening our economy and our ability to defend the free world.

Following the war, the United States assumed the role of guiding parent, later a protective big brother. Japan has now grown up and it is time that it assumed more of the responsibility expected of a mature, powerful nation. My resolution would allow Japan to exercise that responsibility, without the political and cultural turmoil that might follow a decision to rearm.

Mr. Speaker, this amendment urges the President to follow a course that would reduce our trade and budget deficits, improve our defense alliance and strengthen ties between our two countries. I would urge my colleagues to consider this proposal, which I believe offers a fair solution that avoids domestic and international problems, which would result from rearming Japan.

SCHROEDER FOR PRESIDENT

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. EDWARDS of California. Mr. Speaker, our distinguished and highly respected colleague, and the dean of the women Members of Congress, PAT SCHROEDER, is evaluating the possibility of running for President.

I would like to call to the attention of my colleagues columnist Judy Mann's article on a possible SCHROEDER candidacy, which appeared in the Washington Post today. As the article makes clear, the gentlewoman from Denver would bring to a Presidential campaign a substantial record of legislative accomplishments. In addition, such a candidacy would send a powerful message to women across that Nation that no elected office is beyond their reach.

I commend the article to my colleagues.

SCHROEDER FOR PRESIDENT

One of the bright spots in the continuing fallout from the Gary Hart debacle is that Rep. Patricia Schroeder (D-Colo.), who had been a cochairman of his campaign, is now free to consider a run for the presidency on her own. And she is doing just that.

In 1984, when Geraldine Ferraro made history by being the first female vice presidential candidate of a major party, Schroeder said that "women have to run like men do. We have to run for president." In a recent interview, she said that after Hart pulled out, "I had people who came to me and said, 'Hart's out. Now you have no excuse . . . And remember what you said.' I have to look at it seriously." She told The Associated Press there are "just an awful lot of things that I could contribute that aren't being said."

Schroeder, who was first elected in 1972, is the senior woman in Congress, and has served two terms longer than Rep. Richard Gephardt (D-Mo.), one of seven Democrats who have announced their candidacies. Schroeder serves on the House Armed Services Committee; the Post Office and Civil Service Committee, where she chairs the Civil Service Subcommittee, the Judiciary Committee; and the Select Committee on Children, Youth and Families. As one of seven deputy majority whips, she is in charge of bringing arms control legislation to the floor and getting it passed.

She is a sharp critic of excessive defense spending. She has called defense contractors the welfare queens of the '80s, at the same time championing the cause of military families. In the past two sessions of Congress, she helped pass the Military Family Acts, defense authorization bills that provide for increased reimbursement for moving expenses, helping spouses obtain employment and other support services. In 1984, she was named Patriot of the Year by the Jacksonville Naval Air Station.

Schroeder was the key player in rewriting the country's pension laws so divorced spouses could stake claim in their partners' pensions as part of property settlements. Pension reform efforts began when she proposed changes to benefit spouses of civil service employes. She made that case for Foreign Service wives who had traveled extensively with their husbands and thus had been unable to establish careers and pensions of their own while contributing to their husbands' careers. This argument was later extended to secure pension sharing for the spouses of military and CIA personnel who get divorced. These changes in federal pension rules laid the groundwork for 1984 revisions in private pension systems so that private pensions would be considered in property settlements.

She helped write and pass the 1978 Ethics Act, as well as legislation allowing the federal government to start flexitime, to hire more part-time workers, and the Civil Service Reform Act that included protection for whistleblowers. She introduced legislation later passed by the House to help communities set up child care programs before and after school.

Schroeder will be traveling to Iowa, where she has strong ties, and to New Hampshire during the next two weeks.

To be eligible for federal matching funds, she needs to raise $5,000 in each of 20 states in contributions of $250 or less. However, printed estimates have put the cost of winning the nomination at $20 million.

Rep. Barbara Kennelly (D-Conn.) says she has been encouraging Schroeder to "think about it very positively. I still feel that we're never going to have a woman president unless we have a woman out there in Iowa and New Hampshire. She could be a very fine pioneer. We have to eventually have it seem very normal for women to run and it's never going to be very normal unless we have a woman out there running. The first step is getting the matching funds. It takes organization, and that's where women could be very supportive."

The bet here is that they'd be more receptive to a woman candidate now than anyone might imagine.

PREVENT UNWISE FLAGGING OF KUWAITI SHIPS

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. BENNETT. Mr. Speaker, I find my thinking on the U.S. flagging of Kuwaiti shipping to be very similar to that of Senator PELL in his introduction of S. 1327 on this subject. I agree that we should not flag U.S. vessels unless and until that is the only logical course available. I congratulate him on his initiative on this issue. And I have introduced a bill today in the House which has great similarity to his. In fact, the only difference is the provision which I have added to the effect that the first section should be inoperative if Soviet reflagging of Persian Gulf shipping takes place.

Mr. Speaker, as a combat veteran of World War II, I want my beloved country to be strongly defended. But also as such a veteran I want my country not to be trigger-happy and quick to rush into circumstances that may bring about an unneeded war. Early this week I asked the Secretary of Defense in briefing why we could not seek a course of action that would not require us to reflag Kuwaiti ships and thus increase the chances of our entry into the Iraq-Iran war. He replied that Soviet flagging of these ships is a possibility and that this would bring about Soviet power projection in the area saying that we should "not cave in to the Soviets on this issue." His comment is the reason I have modified the Pell proposal as previously noted.

Mr. Speaker, it would be a tragedy if our country would be unwisely drawn into any war. The President's plan to flag Kuwaiti ships with the American flag could easily have that result. I suggest that the bill I have introduced today and which I include at the end of my remark is legislation that we should enact as a measured and thoughtful approach to what is needed with regard to the challenges in the Persian Gulf at the present time.

H.R. 2635

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any other provision of law and for the duration of the current hostilities in the Persian Gulf, the United States shall not enter into, and shall not implement, any agreement, formal or informal, with any country bordering on the Persian Gulf under which any vessel owned by such a country or by a national of such a country is registered or is to be registered under the United States flag. No funds appropriated or otherwise made available under any other provision of law may be used to implement any such agreement. This subsection shall cease to apply if the Soviet Union enters into an agreement with any country bordering on the Persian Gulf to allow vessels of that country to operate under the Soviet flag.

(b) The Congress urges the President to seek a United Nations Security Council meeting to establish a United Nations Peacekeeping Force to protect nonbelligerent shipping in the Persian Gulf and to seek an early end to the Iran-Iraq war.

HONORING THE CELEBRATION OF THE RETIREMENT OF DOROTHY BOYLE

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. ACKERMAN. Mr. Speaker, I rise today to honor Mrs. Dorothy Boyle on the occasion of her retirement from the St. Gregory the Great School in Bellerose, Queens County, NY, after 30 years of teaching. A mass of celebration will be held on Sunday, June 14, to mark the life-long contributions that Dorothy Boyle has made to her students, school, and community.

Born in Windsor Locks, CT, Dorothy Cavanna Boyle has maintained strong ties to the tristate area. After attending grade school and high school in Windsor Locks, she majored in education at Notre Dame College in Staten Island. She married Joseph Boyle on October 25, 1941, and moved to Philadelphia. After her husband was discharged from the Army, they moved to Jamaica, Queens, where she continued to raise her daughter, Rita, and began working at the St. Gregory the Great School.

Dorothy began teaching third and fourth grade at the St. Gregory the Great School in 1957 and continued there for three decades. In recognition of her dedication and abilities, she has won a plaque from the school board and a merit award from the Diocese of Brooklyn. Her retirement marks the end of a distinguished and dedicated career.

Dorothy Boyle has also maintained an active involvement in community life. She organized the neighborhood block party for many years. In addition, she has collected money for the Cancer Society fund raising drives. This is the type of admirable community involvement we should all seek to emulate. Dorothy Boyle's life is an example of the type of citizen that makes this country great.

Mr. Speaker, I call now on all my colleagues in the House of Representatives to join with me in paying tribute to Dorothy Boyle and in extending to her family, friends, and colleagues our best wishes upon the momentous occasion of her retirement, which represents not only a life of dedication but, also, a life of active and important community involvement.

THE LATE JOHN I. TAYLOR (1911-87)

HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. BOLAND. Mr. Speaker, with the death on Monday, June 8, of John I. Taylor, American journalism lost one of its most respected figures.

For a half century, Mr. Taylor worked at the Boston Globe. It was for John I. Taylor truly a labor of love; not just a love of the Globe, though love it he did, but a love for the profession and possibilities of journalism. From the news room, to the promotion department, to the president's office, no phase of the Globe's operation failed to benefit from Mr. Taylor's skills as a reporter, an administrator, and a businessman. He helped the Globe achieve a position of prominence in American journalism, a position from which it speaks today with a voice that is heard far beyond Boston.

While John I. Taylor knew that a newspaper could be a tremendous force for good in society, he also knew that he did not completely discharge his responsibility to his community solely by working to ensure that the Globe was that kind of instrument. The city of Boston and its people were the beneficiaries of Mr. Taylor's personal interest in them, his social conscience, his boundless energy, and his generosity. He provided a living definition of good citizenship and an example that could be usefully emulated by all of us.

In this our Constitution's bicentennial year, it is appropriate to be reminded that the maintenance of the free press guaranteed by that document requires the participation in journalism of people of great ability and great integrity. John I. Taylor was such a person. I was proud to know him as a friend, and I want to offer my condolences on his passing to his wife, Margaret; to his sons, John Jr., Timothy, David, and Benjamin; and to all those who make up the Boston Globe family. Theirs is a loss that is widely shared and deeply felt.

At this point in the RECORD I would like to insert an editorial on John I. Taylor which appeared in the June 9 Boston Globe.

[From The Boston Globe, June 9, 1987]

JOHN I. TAYLOR

He was relentlessly curious, slightly irreverent, passionately committed to the city his newspaper served and—far from the least of his qualities—possessor of a shrewd business sense. In his lanky, genial, dignified frame, John I. Taylor, who died yesteday at 75, exemplified the qualities of integrity and imagination that make a successful newspaper.

Of the tasks he performed for the Globe, that of reporter remained his favorite. He covered city and state politics, national political conventions and the murder of a private school headmaster in 1934 with zest and diligence, qualities that served him in other assignments for the Globe. He never lost his news sense nor his affection for the newsroom.

In 1931, when he began working for the Globe, a press critic of the time, Oswald Garrison Villard, called Boston "the poor farm of American journalism." A grandson of General Charles H. Taylor, who built the Globe, Taylor knew that it had to complete more effectively in a crowded newspaper market. In 1939, when the old Transcript folded, he lobbied for a book page in an effort to inherit the Transcript's literary-minded readers.

"John I." was a familiar figure in the city room as well as in schools, colleges and community service agencies. One luxury of the newspaper business, he noted, is that doing the right thing for the community is often good for business. Committed to keeping the Globe a family-managed enterprise, as it had been since 1872, he pushed for home delivery in the 1940s, before the exodus to suburbia began. He combined a strong conscience with a concern for circulation figures.

After naval service in World War II, he became involved in the Globe's promotion department and helped persuade MIT to sponsor an annual science fair for young scientists—all before Sputnik raised national consciousness about science. The concept was later extended to the annual scholastic art award program for high schools. Today's Boston Globe Foundation, contributing to a broad range of charities, is a natural outgrowth of John I. Taylor's curiosity and generosity.

Not all of his community activity had benign results. In 1975, more than 1000 members of an antibusing group held a rally outside his home, accusing him of using his position as a director of the United Way to assist the court-ordered desegregation of Boston's schools. Taylor responded: "I am highly honored that someone thought I would be a worthwhile member of that board. I think the organization does nothing but good for the people of the Massachusetts Bay area."

Besides being a reporter, promotion manager and a member of the Globe's board of directors, he was also its treasurer and became president of the company in 1963. In an unusual business arrangement, he worked in the same office with his cousin, another gandson of General Taylor, William Davis Taylor, the Globe's publisher. "For 35 years, we shared the same quarters and had no secrets. When we disagreed on something we just didn't talk about it," Davis Taylor said the other day. "Johnny's politics were different from mine. He was far more liberal than I, but his sense of the community was strong and superior."

Although he was assuredly one of the bosses, John I. Taylor did not always think nor act like one. Once, while leaving the building, he spied a reporter, quite drunk, staggering back from lunch. He called an editor, saying. "Gee, we'd better get him out of here before somebody sees him." His instinctive response was to hustle the reporter into a taxi. At the time, Taylor was president of the company.

His warmth and integrity, his wit and ingenuity, will be missed by those who knew him. The Boston Globe owes much of its success and its sense of soul to John Ingalls Taylor.

DR. CHARLES L. OPPY, OUTSTANDING INDIVIDUAL

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. SCHUETTE. Mr. Speaker, today I would like to take the opportunity to commend an outstanding individual of the highest character and moral and ethical standards. Since 1954, Dr. Charles L. Oppy, of Roscommon, MI, has been a vital member of his community in providing quality and caring medical services to those in need. To show their appreciation for his selfless dedication to the medical profession and his community, the citizens of Roscommon will honor Dr. Oppy on July 26, at a community retirement reception.

Charles Oppy enlisted in the U.S. Navy during World War II, marking the beginning of a life-long dedication to his country and fellow citizens. At the age of 27 he enrolled at the University of Cincinnati, going to school full time and working part time. He received his degree in biology in 1949, and graduated from the U of C School of Medicine in 1953. The following year he moved to Roscommon and began his life-long family medical practices.

The list of accomplishments since that time is remarkable: Chief of staff at Grayling Mercy Hospital, Grayling, MI; member of the Michigan Medical Society; member, Michigan Cancer Society; Michigan Medical Society Government Affairs member; founding board member of the Kirtland Community College. This is only a small listing of the countless organizations and activities which Dr. Oppy has so selflessly served.

In addition, Dr. Oppy was awarded the "Plessner Memorial Award" by the Michigan Medical Society for best exemplifying the practices and ethics of a rural community practitioner, and for his services to patients, his community, and the medical profession.

Mr. Speaker, I respectfully ask that you and our colleagues in the U.S. House of Representatives join me today in commending and thanking Dr. Oppy for his commitment and dedication to serving those in need around him. Always willing to be of service at any time of the day or night, Dr. Oppy is a perfect living example of the rural, family doctor who is willing to go the extra mile, above and beyond the call of normal duty that many have thought were gone long ago. On July 27, the city and county of Roscommon, and its neighboring communities, will wish Dr. Oppy a joyous and well-deserved retirement. While Dr. Oppy may be retiring from his role as medical practitioner, he continues to fulfill a role that is so much greater—a caring, ethical, dedicated human being.

A TRIBUTE TO "VOICE OF THE CROATIAN FRATERNAL UNION"

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to "Voice of the Croatian Fraternal Union," a very special radio program in my 17th Congressional District. It is my strong belief that the Congress of the United States should be aware of the fine work of this program. I wish to take this time to acknowledge the achievements of his radio hour.

We must note that it took diligent and exhaustive efforts just to establish this radio program. This hard work paid off handsomely when "Voice of the Croatian Fraternal Union" aired for the first time on May 24, 1987. Croatian-Americans throughout the Mahoning Valley eagerly tuned in that day to Youngstown, OH, radio station WFMJ–1390 AM, and listened intently from 11 a.m. through 12 noon.

"Voice of the Croatian Fraternal Union" is a nonprofit radio program which performs an essential public service for Croatian-Americans in Mahoning and Trumbull Counties. It is creating enormous interest in Croatian ethnic activities and in Croatian culture. It also informs countless listeners about the accomplishments and extremely important events involving the United Croatian Fraternal Lodges of the Mahoning Valley.

It is my sincere desire that this outstanding radio program goes on for many years. Thus, it is with pleasure and special thanks that I join the people of the 17th Congressional District in recognizing the very admirable radio program called "Voice of the Croatian Fraternal Union."

MARTINEZ GUN CLUB CELEBRATES ITS 104TH BIRTHDAY

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. MILLER of California. Mr. Speaker, I would like to congratulate the Martinez Gun Club on celebrating its 104th birthday.

Founded in 1883, by Justice F.M. Smith and charter members H. Weatherby and Joseph Briars, the club has had a long and distinguished history in Contra Costa County.

Approaching the use of firearms in a positive and safe manner has been the longstanding tradition of the Martinez Gun Club. In an age when the privilege of owning a gun is readily available and often abused, the Martinez Gun Club proposes a safe and entertaining approach to a potentially dangerous instrument. Other similar organizations would benefit greatly from the experience and tradition of the Martinez Gun Club.

The association's concerns do not stop at the safe and recreational use of firearms, but extend to a concern for our natural resources as well. With our environment in a precarious state, concern for its preservation is extremely important. It is reassuring to know that the Martinez Gun Club takes an active role in the well-being of our community.

The Martinez Gun Club sponsors two very large shoots a year, the A.T.A. Golden State Grand, and the Labor Day Grand, together with 12 club shoots and 10 registered shoots a year. Already there are 500 participants and the numbers are steadily growing.

The club boasts a bay area membership of 400 in addition to the approximately 100,000 members throughout the Nation. The constantly expanding size of the organization can attest to the growing interest in the sport of trapshooting and in the concern for the safe use of firearms.

Congratulations to the Martinez Gun Club on their 104th birthday. I commend them on their safe and enjoyable approach to the sport of trapshooting and the recreational use of firearms. Their past and continuing service to the community is greatly appreciated and of much importance to the Martinez area and its residents.

GREAT VALLEY BASHA REUNION

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. RITTER. Mr. Speaker, may I call to the attention of the House of Representatives the commemoration of the 19th Annual All-East Reunion of the China-Burma-India Veterans Association, the Great Valley Basha, in Allentown, PA. A craggy, granite monument was consecrated to those members of our Armed Forces who served in the China-Burma-India theater in World War II.

Rear Adm. Edward B. Baker, Director, East Asia and Pacific Affairs, Office of the Assistant Secretary of Defense for International Security Affairs, and Lt. Gen. Yun Kuo, Republic of China Army, Chief of Defense Procurement and Service Mission, Coordination Council for North American Affairs, Washington, DC, were two very distinguished guests. There were 363 people from 16 States, the District of Columbia, and Ontario, Canada.

Service and sacrifice, shared in the defense of freedom and forging a bond of brotherhood, impervious to distance and time, are the hallmarks of this monument in West Park, Allentown. The magnificent courage and real bravery of the Great Valley Basha can only be suitably measured in proportion to extraordinary expanses of terrain, brutal and primitive conditions in the midst of ever-present conflict. These triumphs accomplished a new Allied counteroffensive in Asia.

The Great Valley Basha Reunion serves all of us not only as memory but as constitutive element of our national character and resilience in the face of diverse new challenges.

IT'S TIME YOU MET KEVIN JONES

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. BUECHNER. Mr. Speaker, I rise today to bring to your attention an article that appeared in the May 24 edition of the St. Louis Post-Dispatch concerning a young man who attends school in my district. This young man is Kevin Jones; we would all do well to pay attention to the message of his story.

"IT'S TIME YOU MET KEVIN JONES"

(By William F. Woo)

If you're a reader of the North Post section of this newspaper, you might have noticed last week an item about three Pattonville High School debate team members who will be competing in the National Forensic League championship meet in Cincinnati next month. One of the students was Kevin Jones, who, in addition to being a national-class debater, also happens to be one of Missouri's best cross-country runners, a solid B student and a participant in the voluntary school desegregation project.

The latter facts, of course, were not relevant to news of Pattonville's continuing success in debate, and, hence, did not appear in the item. But this is a piece about one aspect of the desegregation program, and that, to me, make Kevin Jones someone you should know about.

Kevin, who is 17 and a junior at Pattonville, is one of five children. He and an older sister, a student at the University of Missouri-St. Louis, live with their grandmother on Fair Avenue in north St. Louis. His three younger brothers, also students at Pattonville, live with his mother.

While a student at Yeatman Middle School, Kevin first heard about the voluntary transfer program. "It seemed like an opportunity," he says. "Air conditioners, computers, swimming pools, better equipment."

So in 1984, Kevin Jones began taking the long bus ride to and from the county. In his first two years at Pattonville, as a cross-country runner, he represented the school at the state track tournament. Then, in February 1986, Black History Month, something happened that was to make a profound difference in his life.

Through the school public address system, Kevin Jones delivered the Rev. Martin Luther King Jr.'s great "I have a dream" speech. Among those who heard him was the debate coach, Randy Pierce.

"When I heard a kid who could read that well and had the guts to do it before the entire school, I thought I ought to get him involved," says Pierce, who immediately suggested the debating team to Jones.

"My perception of public speaking was that it was for nerds," Kevin recalls. "But I finally got tired of him bugging me. And then I found out that the kids on the debate team weren't nerds after all."

The rest, as they say, is history. At the Eastern Missouri District meeting on the National Forensic League in February. Kevin, speaking two parts from "Raisin in the Sun," took first in five rounds of competition, thus qualifying for the national meet.

"When I thought about coming here, I had some flak from my friends," Kevin says. "They told me I'd meet a bunch of prejudice and that I'd regret it forever. But, you know, the entire experience has been very pleasurable. It's like brotherhood; black and white never came up. It's been really cool."

The story of Kevin Jones is hardly typical of the school designation program—or, for that matter, of any public school program. His talents and his dedicated employment of them would be conspicuous in any setting. But neither is Kevin Jones a singular exception. The Voluntary Interdistrict Coordinating Council newsletter tells of the successes of many of the transfer students.

The Spring 1987 issue includes the names of more than 450 of them. Some are recognized for their athletic achievements. Many are listed for academic distinction. Some, such as William Benion of Lindbergh High School, have won national honors. His essay on cultural diversity received an award from Gettysburg College in Pennsylvania. Others have been social successes. Brian Dean of Clayton High School, for example, was elected senior prom king. Quite a few are mentioned for their prominent role in school activities.

No one can assert that the voluntary transfer program is without problems. But neither should anyone imagine that its participants are not making a big contribution to the quality of public education through out this community. Students like Kevin Jones are the county's good fortune. To understand that, we need only look—perhaps more carefully.

INDIA'S AID TO TAMIL TERRORISTS DEPLORABLE

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. COURTER. Mr. Speaker, the Washington Times has been and remains a leader in the media for thorough, relevant, and interesting coverage of international terrorism. In an important staff editorial of June 9, the Times detailed the antidemocratic policies and abhorent practices of Tamil terrorists. Some of the material aid received by these separatists in the democratic state of Sri Lanka is being provided, directly and with considerable fanfare, by the National Government of India. For one democracy to do such a thing to another is remarkable and disturbing.

Members of the House will want to give the following editorial several moments of consideration.

[From the Washington Times, June 9, 1987]

RUNNING INTERFERENCE—AND INTERFERING

What on earth is going on in Sri Lanka?

The Island of Sri Lanka is a small bastion of free-market democracy situated 18 miles off the southeastern coast of the Indian subcontinent. On that Indian subcontinent are more than fifty million ethnic Tamil Hindus, most of whom are concentrated in the state of Tamil Nadu. Tamil Nadu lies just across the Palk Strait from Sri Lanka. Sri Lanka itself, whose total population is 16 million, contains approximately another 2.7 million Tamil Hindus. Two-thirds of these are concentrated in the northern and northeastern extremities of the island, where they are blessed with the strategic advantage of being able to reach out and touch their Indian-national brothers with outboard motors and small fishing boats.

Tamil Nadu is governed by a Sri Lankan-born Tamil by the name of M.G. Ramachandran. Mr. Ramachandran quite lustily supports a Marxist terrorist Tamil insurgency that operates in Sri Lanka and is headquartered in Madras, the capital of Tamil Nadu.

The Tamil Tigers, as the guerrillas are called, are so predatory that they have even gobbled up their own comrades-in-terror, seeking complete hegemony of what they envision as a Marxist monopoly of the Sri Lankan future. They now openly speak not just of separatism but of complete conquest. "There will be no democracy when we come to power," said one Tamil spokesman. Mr. Y. Yogi, a Tamil Tiger philosopher, elaborates on the thought, "We will tell the people we want a one-party system. A multi-party system won't work. . . . In a one-party system, when you implement a program, the other parties cannot change it." Mr. Yogi's hangout, the Tiger headquarters in Madras, India, is decorated with posters of Lenin and Che Guevara and photographs of multilated people.

Mutilation is a primary instrument of Tamil rebel politics. In February, for example, the Tigers crept into the village of Arantalawa and rounded up 28 Sinhalese Buddhists, 8 of whom were children. The hostages were corraled at gunpoint and then hacked to death by axes.

The Tamil Marxists have good tutors in terror. When Israeli forces moved into Southern Lebanon in 1982 they captured a number of Tamils who were being trained by George Habash's Popular Front for the Liberation of Palestine. These are the folks who introduced the concept of skyjacking into the Palestinian vocabulary of armed struggle. The indication is that there are several PFLP-run camps in the Middle East involved in training the Tamils; while Muammar Qaddafi has made the Sri Lankan rebels a most favored charity. The bulk of the Tamil funding, however, comes from the sale of Pakistani heroin transported into Western Europe by Sri Lankan middlemen.

The most disturbing element of the Tamil insurgency is that none of it would be possible were it not for the tacit approval of the Indian government. The war materiel flowing into northern Sri Lanka comes off the beaches of Tamil Nadu, India, and nowhere else.

Two years ago Indian Prime Minister Rajiv Gandhi seemed admirably committed to a peaceful resolution to Sri Lanka's conflict when he brokered a peace conference in the Himalayan nation of Bhutan. The talks moved towards a compromise wherein the Tamils would gain limited autonomy but not secession. They ended when the Tigers assassinated two Tamil moderates who supported the agreement. In 1986 the Tigers unilaterally rejected another compromise offer in which they would have been allowed to run unopposed in the initial elections of the would-be, semi-autonomous northern provinces.

Now Mr. Gandhi, always mindful of the inherent fissiparous tendencies in his inherited democracy, is bending to the will of Mr. Ramachandran, Tamil Nadu's Sri Lankan-born governor. The current, highly theatrical campaign to bombard northern Sri Lanka with humanitarian aid is Mr. Ramachandran's idea. It is a powerful symbol. But it is also a lie. The deadly supply line continues unabated.

The United States currently sends no military aid to the democratic government of Sri Lanka. We should remember that if the Tamil Tigers succeed in their goal of creating a one-party state around the strategic port of Trincomalee there will be nothing we can do to prevent them from inviting the Soviets to share in their good fortune.

SUPPORT ARIAS PEACE PROPOSAL

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. NEAL. Mr. Speaker, Congress has a great opportunity to make a real and positive step toward a peaceful settlement of the conflict in Nicaragua.

A bold diplomatic initiative to halt the hostilities in Central America was advanced early this year by the President of Costa Rica, Oscar Arias. It deserves our strong support.

The Arias proposal, intended to stop the fighting and ensure democracy and security in the region, was considered last March in a meeting of four Central American democracies. The Government of Nicaragua accepted an invitation to meet with the four other countries in Esquipulas, Guatemala, to discuss the proposal.

The Arias proposal contains the following points:

First, amnesty for political and related offenses, monitored by a commission, and dialog with internal opposition groups.

Second, a cease-fire.

Third, a process leading to a democratic representative form of government, with honest periodic elections and guaranteed civil rights.

Fourth, free and democratic elections, monitored by the OAS, for membership on the newly created Central American Parliament.

Fifth, a suspension of all extra-regional military aid, overt or covert, to insurgent or irregular forces.

Sixth, an end to attempts to destabilize the governments of Central American countries.

Seventh, a reduction of arms.

Eighth, supervision of the plan by the United Nations, the OAS, and the Contadora group.

Ninth, an evaluation of progress by the Presidents of the five Central American countries.

Tenth, economic and cultural agreements which will permit accelerated development.

The Costa Rican peace initiative offers fresh hope that an acceptable agreement can be reached with the Nicaraguan Sandinista government through diplomacy. It deserves the support and encouragement of the United States Government.

In March, I introduced House Concurrent Resolution 63, which expresses congressional support for the Arias initiative. My resolution is similar to the Sanford resolution, which the Senate passed overwhelmingly earlier this year. Today, I am proposing my resolution, which is cosponsored by 62 Members of this House, as an amendment to H.R. 1777, the State Department Authorization Act.

There is great debate within Congress over how to achieve our common goals in Central America. However, there is no question that we all prefer a diplomatic solution without further loss of life or the expenditure of vast sums of money.

It is important, therefore Mr. Speaker, that Congress go on record with this amendment as promoting the Arias initiative for solving the conflict. It will help the Arias effort and can make clear to our administration that Congress prefers this approach.

LOW-INCOME HOUSING DEMAND TO REACH CRISIS LEVEL IN NEAR FUTURE, STUDY SAYS

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. AuCOIN. Mr. Speaker, the following article, from the June 3 Wall Street Journal, points out the growing crisis in section 8 low-income housing. And on this day, when we've taken a major step toward restoring Federal housing policy, I commend it to my colleagues.

The article follows:

[From the Wall Street Journal, June 3, 1987]

Low-Income Housing Demand To Reach Crisis Level in Near Future, Study Says

(By Michel McQueen)

WASHINGTON.—The gap between the supply of low-income housing and the number of families needing such housing will soon rise to "crisis-level" proportions, a study by a non-profit group concludes.

The study was sponsored by Neighborhood Reinvestment Corp., a congressionally chartered institution created in 1978 to spur revitalization of low-income neighborhoods and to help maintain a supply of low-income housing. It was written by an associate professor at the Massachusetts Institute of Technology, Phillip Clay.

The report concludes that by 1993, there will be 14.3 million low-income households, but only 10.6 million low-rent housing units, a gap of 3.7 million units. By 2003, the gap will be 7.8 million units, which the author says represents housing for about 18 million poor people.

THREE MAIN FORCES

The study identifies three main forces behind the projected housing squeeze: growth in the number of low-income households accompanied by a decline in the number of privately owned, low-cost rental units; expiring federal subsidies for low-income rental housing; and decreased tax incentives resulting from last year's federal tax overhaul. The author says that two-thirds of the nation's low-income housing is privately owned and not subsidized by the federal government.

William Whiteside, executive director of Neighborhood Reinvestment, said that without changes in federal policies, the figures "will mean Americans living in slum conditions, Americans doubling up—what you can call the hidden homeless—and increases in the actual numbers of homeless."

Author Clay said the study calls into question the shift in federal housing policy, accomplished over the past 20 years, from reliance on publicly owned units for poor families to increased dependence on the private sector.

PRIVATE-SECTOR PARTICIPATION

"We made a decision, we made a judgment, that the private sector could do the public's work for it. We are now realizing that there's time limit on" private-sector participation, he said. For example, subsidies that allow private developers to end their participation run the risk of having developers seek different investment when the subsidies end. Lawmakers must find a way to ensure a permanent supply of housing for low-income families, Mr. Clay added.

Concern over diminishing availability of low-income, privately owned housing is a mounting concern in Congress, which is considering legislation to place certain restrictions on landlords who try to end their participation in subsidy programs. Some lawmakers also have pressured the Department of Housing and Urban Development to forego planned sales of mortgages held by HUD, saying such sales could increase the chances that poor families will be displaced. But one such sale of 300 mortgages, representing about 40,000 low- to moderate-income housing units, was held yesterday despite protests from Congress.

In the study released yesterday, low-income families are defined as those with incomes of 50% or less of the national median income. In 1983, the base year of the study, that would be an annual income of $12,000 for a family of four. Low-income units are defined as those with a monthly rent of $325 or less.

TRIBUTE TO BILL SHIPP

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. DARDEN. Mr. Speaker, for three decades, Bill Shipp has been one of the most respected observers of the Georgia political scene. He has been a State editor, city editor, associate editor, perspective editor, and political editor of the Atlanta newspapers. Bill Shipp also has been my friend, even though, of course, we at times have differed on the issues. I also would like to point out that Bill Shipp has been one of my constituents since I came to Congress in 1983.

Bill Shipp now has left his post at the Atlanta Journal and Constitution and become an independent publisher and political analyst. This week, he began appearing twice weekly as a political columnist in my hometown newspaper, the Marietta Daily Journal.

I want to take this opportunity to wish Bill Shipp well in his new endeavors, and to call to the attention of my colleagues his accomplishments over the past three decades. I would like to submit into the RECORD the June 7 column of his long-time associate Jim Minter, who offered a fitting tribute to the career of this outstanding Georgia newspaperman.

Shipp Made the Paper and the Government Better

I suppose readers grow weary of newspaper people writing in praise of other newspaper people. Probably it's not good form, but after nearly 17 years in harness with Bill Shipp I cannot let his departure pass without a salute and a word of personal thanks.

Shipp has been reporter, state editor, city editor, associate editor, perspective editor and political editor. I've never known one who could fight so hard to get a story, who had more contacts, a larger store of knowledge, or a better sense of politics. My personal debt to him is enormous.

When the newspaper's management, in a decision which charitably can be termed as questionable, shifted me from the relative innocence of the sports department to managing editor of the Constitution, it was Shipp who saved my hide. He knew all the things I didn't, and cheerfully endured the worst of all assignments—working for a boss who knew less than he did.

When politicians and business leaders called for an appointment, they invariably included a discreet inquiry: "By the way, will Bill Shipp be at the meeting?" I knew what they meant.

The adversary relationship between newspapers and government is one of the cornerstones of democracy, although often an irritant to subjects of news coverage. Shipp has been a textbook example of how the relationship results in both better government and better newspapers.

Shipp looks an adversary in the eye, never hides behind a typewriter in the safety of an office. I would describe him as tough as the leather in his old-fashioned wing-tip shoes, but not without compassion. He worked to get news into the paper, not to keep news out of the paper. So he made enemies who were mostly temporary.

Zell Miller once huffed into his office and threatened to crack his nose. George Busbee took delight in tossing him fully clothed into the Mansion pool. Usually, they all left laughing.

Jimmy Carter, not noted for thick skin, felt the sting of his printed arrows. But Shipp has a picture on his wall of two fellows, barefoot and in blue jeans, relaxing in the den of Carter's home in Plains. Not many newspeople have such presidential snapshots on their walls.

One afternoon a long time ago, Shipp asked to be temporarily excused from his city desk duties. He returned after a couple of hours with a story that made the top of the front page: "Jimmy Carter to Run for President." Some in the newsroom laughed over so ridiculous a scoop, but as he usually does, Shipp laughed last.

There was a ringing telephone in the dark hours of an early morning: Shipp calling from a hospital emergency room with the horrifying news that his son had been killed in an automobile accident. Bill endured, and did some of his best work through the pain.

He was point man in the first wave of college journalists in Georgia to speak out on racial issues. As editor of the University of Georgia newspaper, Shipp countered policy and public opinion to support Horace Ward's application to the law school. That put him in the gunsight of Roy Harris, the segregationist regent from Augusta, who succeeded in having him removed from the editorship, and from the campus.

In last Sunday's paper, several politicians who have tasted the acid of Shipp's comentary and suffered the exposure of his reporting, were asked to comment on his departure. It was interesting to note that the larger politicians spoke in praise of their old sparring partner while the smaller spoke not at all; which indicates the really good ones understand and appreciate the adversary relationship between press and government in a democracy. That's good news.

THE IRAN-CONTRA SCANDAL: A LAWLESS AFFAIR

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. OBEY. Mr. Speaker, the first phase of the congressional Iran-Contra hearings ended this week.

The facts that have come out so far and the outrageous activities undertaken by some administration officials and others who were involved in this scandal should deeply concern all of us.

Haynes Johnson has written an excellent article in today's Washington Post on this matter.

According to Mr. Johnson:

> What has been revealed * * * is a White House scandal of historic proportions. In the scope of its lawlessness, it rivals the Teapot Dome scandal and Watergate under Richard M. Nixon.

That is an accurate description of the disturbing details that have emerged so far in the course of the hearings.

I commend the article to my colleagues.

[From the Washington Post, June 10, 1987]

A MONUMENTALLY LAWLESS AFFAIR

(By Haynes Johnson)

When Fawn Hall testified that she shredded reams of secret White House documents last fall and then walked out of her office with incriminating classified papers stuffed inside her boots and dress, the Iran-contra affair entered a new phase of public consciousness.

After her sworn testimony, no one can ever claim credibly that this episode was merely a sad example of official good intentions gone awry. Nor can anyone argue convincingly that, however many mistakes were made, this was not a case of corruption.

Hall's testimony shredded those claims as surely as the shredder in her National Security Council office pulverized vital evidence last November. What has been revealed, by her and by others testifying in the last six weeks, is a White House scandal of historic proportions. In the scope of its lawlessness, it rivals the Teapot Dome scandals in the Harding administration and Watergate under Richard M. Nixon.

The Iran-contra affair stands exposed as a massive attempt at an official cover-up after lengthy and elaborate attempts to circumvent the spirit and letter of law and the expressed will of Congress over several years. When their illicit actions began to surface, U.S. officials lied, destroyed evidence, conspired to keep silent and thus obstructed justice.

From the highest levels of government, no one emerges from this story looking good. For example, the latest testimony detailing the desperate attempt to destroy evidence and to cover up inside the White House complex makes a mockery of claims by Attorney General Edwin Meese III last November after the scandal erupted. Despite published reports that documents had been shredded in Lt. Col. Oliver L. North's NSC office, Meese then cited no need to call in Federal Bureau of Investigation agents and secure evidence because no reason existed to suspect criminal actions.

Ironically, the witness whose actions seem most understandable is Hall, the loyal, dedicated young secretary. She, at least, committed her acts out of what she thought the best of motives—to save admired higher-ups in whom she believed and to preserve a secret official policy that she also deeply believed to be in the country's best interests.

"I was very emotional at the time," she told congressional investigators Monday in explaining why she shredded documents and altered classified papers, "and I was concerned about protecting . . . the Iran initiative and the contra initiative."

The same cannot be said so easily about motivations of others who may be implicated in the affair.

A sordid story of greed and corruption has been spun before Congress and the public. Many of those who came before the select investigating congressional committees claimed that they acted out of purely patriotic motives. Now they have been tainted by hard evidence of profiteering. The desire to make big bucks is at the center of a tale characterized by great amounts of cash, much of which remains unaccounted for and which flowed secretly into many channels and pockets.

Sen. William S. Cohen (R-Maine), referring to accounts of dealing and double-dealing by administration officials and their operatives, put it best when he described the episode as "a story of betrayal."

It has also been a story of true believers, zealots with misguided notions of patriotism.

"I don't like people coming in here waving the flag and spitting on the Constitution," Senate select committee Vice Chairman Warren B. Rudman (R-N.H.) said in obvious disgust during a recent break in testimony.

Senate committee Chairman Daniel K. Inouye (D-Hawaii) memorably expressed another aspect, saying has has been disturbed by laughter that frequently greeted comments of some of the private/public operatives who testified about their roles as secret agents for the United States. To find, he said, in tones of utmost dignity, "an American lieutenant colonel, who everyone suggests is second only to the president of the United States, committing this country, its power and majesty, to defend Iran, without even consultation with the Congress of the United States, is just unbelievable . . . I just hope the people of the United States realize this was not funny business. This was very tragic business."

That encapsulates the testimony. If the American people find this amusing, or acceptable, in the 200th anniversary year of the Constitution, then God help the Republic.

WHAT THE CONSTITUTION MEANS TO ME AND OUR COUNTRY

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. BUECHNER. Mr. Speaker, I rise today to bring to your attention one of the 150 winning essays in the nationwide contest sponsored by the U.S. Department of Education. I wish to submit for the RECORD a copy of an essay written by a bright young man from my district, Jonathan Tony. Jonathan is in the third grade at Carrollton Elementary School. His winning essay on the U.S. Constitution expresses a view of the greatness of our country, and its founding document, from a youthful perspective.

Jonathan reflects on what it means to be a citizen of America; protected by the inalienable rights of the U.S. Constitution.

WHAT THE CONSTITUTION MEANS TO ME AND TO OUR COUNTRY

(By Jonathan Tony)

This is Jonathan Tony getting out of my time machine in Philadelphia in 1787. I am now walking through the street to Independence Hall. Let's peek in and see what is going on.

WOW! There is George Washington! He was our first President. And there is James Madison our fourth President. Look at him write!

It looks like he is writing down everything. There is Jonathan Dayton. He has the same first name as I do.

And look, there is Ben Franklin, our electrician.

It sounds like they are arguing about how long the President should be President. Alexander Hamilton wants the President for life. And other people want the President to have one or two terms. He has to stop at eight years.

All of a sudden, someone grabbed me. It was a guard. He roared at me for peeking in at the meeting. And they threw me in jail.

"Wait a minute, what did I do? What about my rights?"

The guards said, "What rights? Ha! Ha! Ha!

"The Bill of Rights! The part of the Constitution!" I explained.

"What Constitution?" they asked.

"The one that's being written at Independence Hall," I yelled.

"How do you know, Smarty?"

"I'm a visitor from the future. And I'm going back."

I pulled a time machine out of my pocket and whizzed home. I sure am glad I live today with the Constitution.

Mr. Speaker, I commend Jonathan Tony for his extraordinary gift for the written word, and his youthful insight into the meaning of our

Constitution. I wish Jonathan my sincere congratulations and continued success in his academic pursuits.

INTRODUCTION OF LEGISLATION TO REVISE THE BOUNDARIES OF SALEM MARITIME NATIONAL HISTORIC SITE

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. MAVROULES. Mr. Speaker, I rise today to introduce legislation which would revise the boundaries of Salem Maritime National Historic Site located in Salem, MA. It is a reasonable piece of legislation that is important to Salem Maritime and to the thousands of people who annually visit this historic treasure.

The need for this legislation is both straightforward and simple. Standing on the edge of Salem Maritime's boundary is a building which is presently for sale. This legislation would simply extend the park's boundary to include this property, thereby allowing Salem Maritime to develop a proposal to purchase the building. It is a small, noncontroversial revision that is essential for the park to proceed with its plans.

This legislation has the support of the National Park Service as well as of public officials in the city of Salem. I have met with the mayor of Salem and with regional representatives of the Park Service, and I am pleased to report that all parties are most enthusiastic and supportive. In addition, I am introducing this bill today along with the entire Massachusetts delegation as well as with several members of the Interior Subcommittee on National Parks and Public Lands.

This legislation requires no appropriation by the Congress. The actual purchase of the property is an issue that will be dealt with at a future date. The boundary revision is merely a technicality that must be addressed before the park is eligible to consider the purchase. It is a small but critical first step.

I would like to take a moment to talk about Salem Maritime. Located in historic Salem, MA, it is one of the most charming and historically significant maritime sites in the country. Established in 1938, it is the oldest historic site in the U.S. National Park System.

This nine-acre waterfront site was created to commemorate the ships and seamen of historic Salem, MA. It is a rich reminder of the early shipping industry in New England, which played a vital role in the economic development of our newly formed Nation. During these early years, Salem, MA was one of the major ports for the American Merchant Marine which sailed throughout the world. With its two wharves dating back to the late 18th century, Salem represents a classic example of early New England shipping.

During the Revolutionary war, Salem was the only major American port which remained open to the British. Salem merchants kept an average of 50 ships and privateers at sea, harassing and capturing British ships and supplies while providing materials to the Continental Army.

After the war, Salem merchants and seamen carried on a flourishing trade with European and Mediterranean ports. They began at this time to explore new trade routes with other parts of the world, establishing trade with places such as China, India, and Sumatra. These merchants made contact with Japan some 50 years before the famous journeys of Commodore Perry.

During this time in our history, duties collected at Salem and other ports provided the majority of America's revenue. The Custom House at Salem Maritime, built in 1819, handled the business of the port for the Federal Government.

Customs duties, covered by article I, sections 8 and 10 of the Constitution, once accounted for 95 percent of the new Federal Government's operating funds. In the early years of the 1800's, Customs duties from Salem provided approximately one-sixth of the total. The more familiar Federal income tax, now the major source of Government revenue, was not established until 1913 with the passage of the 16th amendment to the Constitution.

It is fitting that Salem Maritime be considering this expansion at a time when we are approaching the bicentennial of the Constitution. Sites such as Salem Maritime are all part of the story of this incredible document. With the assistance of the National Park System, we can assure that an important and yet somewhat unknown part of this story is told.

The addition of the aforementioned building to Salem Maritime would provide the site with much needed office space. This would allow Park personnel to move out of buildings which should be preserved for viewing by the public. This space is also needed to display historical items which are essential to understanding the history of Salem Maritime.

The legislation I am introducing today would simply give Salem Maritime the authority to develop a plan to purchase this building. It is a reasonable proposal that means a great deal to this important national historic site. I respectfully urge my colleagues to support this initiative.

The legislation follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. BOUNDARY REVISION OF SALEM MARITIME NATIONAL HISTORIC SITE.

(a) BOUNDARY REVISION.—The Salem Maritime National Historic site (hereafter in this Act referred to as the "national historic site"), designated on March 17, 1938, under section 2 of the Act of August 21, 1935 (49 Stat. 666), and located in Salem, Massachusetts, shall consist of lands and interests in lands as generally depicted on the map entitled "Boundary Map, Salem Maritime National Historic site, Salem, Massachusetts", numbered 373-80,011, and dated April 1987. The map shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior.

(b) ACQUISITION OF LANDS.—The Secretary of the Interior may acquire lands or interests therein within the boundary of the national historic site by donation, purchase with donated or appropriated funds, or exchange. Any lands or interests in lands owned by the Commonwealth of Massachusetts or any political subdivision thereof may be acquired only by donation. Lands and interests therein acquired pursuant to this Act shall become part of the national historic site and shall be subject to all the laws and regulations applicable to the national historic site.

DOES CONGRESS STAND WITH ELLIOTT ABRAMS OR COMANDANTE ORTEGA?

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. SOLOMON. Mr. Speaker, a more objective and less partisan examination of the testimony of Elliott Abrams before the Iran-Contra Committee reveals nothing either morally or legally objectionable in his earlier testimony on the Brunei solicitation. The hypocrisy of those committee members who questioned both the honesty and competence of Mr. Abrams was eloquently described in a June 5 editorial of the Wall Street Journal.

As the editorial reminds us, Abrams did—in the words of Secretary of State George Shultz—a "sensational" job in keeping the Contras alive in the wake of congressional indecisiveness.

"That is precisely why Congressmen are calling for his resignation," the editorial tells us, "and they ought to say so."

The key paragraph, however, is the last one: "The issue is not Mr. Abrams, but the Communists in Managua. What does the U.S. Congress propose to do about them? Does Congress stand with Elliott Abrams or with Dear Commandante Danny Ortega?"

Mr. Speaker, some of the same Members of this House who wrote a "Dear Commandante" letter encouraging Daniel Ortega are the same people condemning the initiatives of Colonel North.

Well, this is one Congressman who stands with Elliott Abrams.

PICK YOUR SIDE

Congressmen interrogating Elliott Abrams have been criticizing evasions. It's time to ask them for a straight answer of their own. As Pete Seeger would put it: Which side are you on, boy? The Sandinistas or the anticommunists?

Mr. Abrams represents the success of the Contra policy, having helped keep the anticommunist cause alive while Congress was trying to kill it without taking responsibility for the results of doing so. As Secretary Shultz said in a statement Wednesday, Mr. Abrams has done a "sensational" job. That is precisely why congressmen are calling for his resignation, and they ought to say so.

The congressmen of course claim they are upset because he lied to them, but in 10 hours of questioning they failed to make that case. So they resorted to pure badgering. Senator Howell Heflin (D., Ala.) asked him if the State Department had a school to teach evasive answers. Representative Lee Hamilton (D., Ind.) said, "We cannot advance United States interests if public officals who testify before the Congress resort to legalisms, word games, claim ignorance about things they either knew about or should know about and, at critical points, tell the Congress things that are not true." And from Representative Jack Brooks (D., Texas), "I can only conclude after this that you're either extremely incompetent or that you are still, as I say, deceiving us with semantics."

A bunch of politicians complaining about legalisms and semantics? Come on, congressmen. In those immortal words, where's the beef?

The case that Mr. Abrams misled Congress now rests on one incident, the soliciting of the sultan of Brunei. What happened was this: On Noverber 25, 1986, Mr. Abrams testified before the Senate Intelligence Committee, answering questions from Senator Bill Bradley (D., N.J.) about funding for the Contras from abroad. His answers were literally correct, but he did not volunteer his solicitation of $10 million from the sultan of Brunei, which was obviously relevant to the senator's concerns.

Now, the solicitation was perfectly legal. Indeed, the 1986 Intelligence Authorization explicitly authorized the State Department to solicit third countries for humanitarian aid. Congress refused to fund the Contras and instead wanted the State Department to go, tin cup in hand, to solicit money for them from third countries.

Mr. Abrams had a dilemma; as he testified this week, he'd given the sultan's government a "flat, absolute promise of confidentiality." Unhappy with his answers to the committee, Mr. Abrans asked Mr. Shultz if he could call the leadership of the intelligence committee and tell them about Brunei. The Secretary told him to break the confidentiality with the sultan if he thought he should. So he went back to the committee to voluntarily tell them about Brunei and apologize for having misled them.

A man who does this, the congressmen profess to believe, can't be trusted. Certainly he can't associate with the boy scouts who inhabit Capitol Hill hearing rooms. Off with his head.

What is the bottom line here, any way? Demands that Mr. Abrams resign are best understood as subterfuge for some members' longstanding opposition to the Contras. Crocodile tears were shed when Mr. Abrams was told no more aid to Contras unless he resigned. So the congressmen, the same ones who ask for straight answers, are going to make U.S. foreign policy out of pique with individual State Department figures?

The issue is not Mr. Abrams, but the communists in Managua. What does the United States Congress propose to do about them? Does Congress stand with Elliott Abrams or with Dear Comandante Danny Ortega?

FORMER JACKSON LAWMAKER'S BOOK GIVEN TO NATIONAL MUSEUM

HON. WAYNE DOWDY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. DOWDY of Mississippi. Mr. Speaker, an article in my home newspaper brought to my attention an event which I wish to relate to my colleagues.

Former Congressman Frank E. Smith of Jackson, MS, wrote a book called "The Politics of Conservation" about the Civilian Conservation Corps. This book was presented to Mr. John Britton of the National Association of Civilian Conservation Corps Alumni Center Museum by my good friend Paul D. Daughdrill who is the president of organization's Southwest Mississippi Chapter 116 in McComb.

For the benefit of my esteemed colleagues and because the CCC plays such an important role in the economy of my area I wish to submit the following for publication in the CONGRESSIONAL RECORD:

[From the Clarion-Ledger, May 27, 1987]

FORMER JACKSON LAWMAKER'S BOOK GIVEN TO NATIONAL MUSEUM

A signed copy of the 1966 edition of "The Politics of Conservation" by former Congressman Frank E. Smith of Jackson has been placed in a national museum.

John Britton, executive director of the National Association of Civilian Conservation Corps Alumni Center Museum, has accepted the book from Paul D. Daughdrill.

Daughdrill is president of the organization's Southwest Mississippi Chapter 116 in McComb. "I want to share this book with this generation and the generation in the years to come, in our museum," Daughdrill said.

He noted that Smith wrote that the original idea for the Civilian Conservation Corps was suggested by F.A. Anderson, a Gloster lumberman in 1931 in a letter to about-to-be-candidate Franklin D. Roosevelt.

"In his Chicago acceptance speech, FDR proposed to put a million men to work on foresty programs over the nation," Daughdrill said. "The Civilian Conservation Corps came from that.

"Under the great leadership of our President Roosevelt, the Congress passed the CCC bill in a week's time," he said. "Our nation, I feel, should give gratitude of appreciation in honor of the memory of the late Mr. F.A. Anderson, a timberman, forester and lumberman of southwest Mississippi.

"This is one of the many good reasons why I give so much time to promote the memory of the CCC."

Daughdrill said: "McComb, Pike County, my home, joins Amite County and Gloster is only about 50 miles west of McComb. We have lots to be proud of in southwest Mississippi. This true story is on page 244, 245 and 246 in this, 'The Politics of Conservation.' "

Daughdrill said he and reunion president J. Millard Purl are busy planning a Chapter 116 meeting from 10 a.m. to 2 p.m. June 6 at the Woodmen of the World building on Industrial Park Road in northwest Brookhaven. "Please ask all former CCCs to come to our meeting," he said. He promised "a good time and lots of CCC news."

TRIBUTE TO RABBI ALVAN D. RUBIN

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. BUECHNER. Mr. Speaker, I rise today to congratulate and extend my gratitude to Rabbi Alvan D. Rubin for his devotion of 20 years of dedicated service to the Temple Israel Congregation in my home district.

Few other areas of service require the characteristics of kindness and compassion that religious leaders must possess. Rabbi Rubin's 20 years at Temple Israel clearly shows that he has demonstrated that kindness and compassion in a way that surpasses many others.

All of the members of the community have been enriched and strengthened by Rabbi Rubin's selfless contributions on their behalf.

Rabbi Rubin has done much good work, not only for the Jewish people, but for the fair and just treatment of all citizens alike. He has made an outstanding contribution to the community to end discrimination and support the civil rights of all people.

I wish Rabbi Rubin a prosperous and enjoyable future in his role as rabbi emeritus of Temple Israel congregation, and in his retirement.

TELLING THE TRUTH TO THE AMERICAN PEOPLE

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. WALGREN. Mr. Speaker, during the last 6 weeks of testimony before the Special Committee on the Iran/Contra Affair, it has not always been easy for us to follow the tangled web of secret bank accounts, shredded documents, and deception to the American people and the Congress.

Instinctively, Americans know something very wrong occurred.

Arms should never have been sold to Iranian terrorists in exchange for hostages. Profits from the sale of U.S. military arms should not have gone into private Swiss bank accounts instead of the U.S. Treasury. Money from the sales to Iran should never have been secretly diverted to the Contras in Nicaragua. U.S. officials should never have gone outside the law to raise money for military aid not approved by the Congress. Government personnel should not have destroyed documents to make it harder to learn the truth about what happened.

We do not yet know who broke what laws. The independent counsel and the courts will determine that.

We also do not yet know precisely what the President's role in this affair was. Witnesses later this summer will help us learn the truth about Presidential involvement in this scandal. Unfortunately, regardless of the outcome, the President has already been hurt by the Iran/Contra affair. In my 18th District of Pennsylvania—which the President carried with 58 percent of the vote in 1984—over 64 percent now believe that his ability to lead the country has been affected by this affair.

At this midpoint in the congressional hearings, I want to join in saluting all the members of the special committee—Democrats and Republicans alike—who, for the most part, have worked hard to keep partisanship out of this investigation. In particular, Chairman DANIEL INOUYE and Chairman LEE HAMILTON, along with Vice Chairman WARREN RUDMAN and DICK CHENEY, have kept the committee focused on its task to determine the truth and all the truth, no matter the consequences.

That is the singular strength of our American democracy. We are not afraid to examine ourselves openly and publicly when something goes wrong.

Yesterday, Chairman HAMILTON delivered an eloquent summary of his findings at this point in the investigation. I insert his closing statement for the benefit of all.

CLOSING STATEMENT OF HON. LEE H. HAMILTON

For the past 6 weeks these Committees have been meeting to try to find out what went wrong in the processes of American government, and why. We have heard over 110 hours of testimony from 18 witnesses.

Surely these Committees have heard some of the most extraordinary testimony ever presented to the Congress:

An elaborate private network was set up to carry out the foreign policy of the United States. Private citizens, many with divided loyalties and profit motives, sold arms and negotiated for the release of American hostages. Private citizens were given top secret codes and encryption devices, and had access to Swiss bank accounts used for U.S. covert operations;

The President was involved in private and third-country fundraising for the contras. Wealthy private contributors were courted at the White House, solicited in coordination with government officials, and given what they were told was secret information. American policy became dependent on the contributions of private individuals and third countries;

The President approved the payment of funds to terrorists to secure the release of hostages;

Senior officials did not know, and chose not to know, important facts about policy;

A National Security Adviser and an Assistant Secretary of State withheld information and did not tell the Congress the truth concerning U.S. involvement in the contra supply operation and the solicitation of funds from third countries;

When official involvement with the contras was prohibited, officials of the National Security Council raised money, helped procure arms, and set up a private network to ship arms to the contras; a U.S. Ambassador negotiated an agreement with Costa Rica for a secret airstrip; and a CIA agent facilitated supply flights;

An official designated by the Secretary of State as "a loose cannon" carried out highly-sensitive negotiations to obtain the release of the hostages; he gave the approval of the White House to a plan to depose Saddam Hussein and go to war with the Soviet Union in defense of Iran;

This same official participated with others in an effort to rewrite chronologies, altered critical documents, and organized a "shredding party" to destroy documents; and

Money from the sale of U.S. arms to Iran was diverted to the contras and for the use of several private individuals. Money raised for the contras was used to finance a DEA operation to seek release of hostages. Contra funds were also provided to Colonel North, perhaps even, although this has not been proven, for personal use.

What the Committees have heard is a depressing story. It is a story of not telling the truth to the Congress and the American people. It is also a story of remarkable confusion in the processes of government. Those involved, whether public official or private citizen, had no doubt they were acting on the authority of the President of the United States.

At the outset Chairman Inouye appropriately asked, "How could this have happened here?" The question now is, "How can we prevent it from happening again?"

For me, these events raise several major concerns:

First, our government cannot function cloaked in secrecy. It cannot function unless officials tell the truth. The Constitution only works when the two branches trust one another and cooperate. Policy failed here because the processes of government failed.

As Mr. McFarlane told these Committees, "when the President and the Congress cannot agree, to charge ahead is to invite disaster."

Second, privatization of foreign policy is a prescription for confusion and failure.

The advancement of American national interests depends on the full use of the many resources of the United States government. We are ill-served when it is otherwise. The use of private parties to carry out the high purposes of government make us the subject of puzzlement and ridicule.

Third, accountability, including personal responsibility, has been absent.

My concern is not simply the accountability of funds, but accountability for policy. Who supervised Colonel North? Who was responsible for U.S. funds earned from arms sales? Who asked whether actions taken were lawful?

Accountability requires supervision, and acceptance of responsibility, up the chain of command. High officials cannot look the other way or distance themselves from key aspects of policy or the actions of those they supervise;

Accountability requires rigorous oversight by the Congress, and a full exercise of the process of checks and balances under the Constitution. It requires, above all, the operation of the normal processes of our government.

These Committees have heard a great deal during these past 6 weeks, and have much to reflect upon.

When these hearings resume later in June with other witnesses, my guess is that the Committees will return to these themes—making the shared powers of the Constitution work, the privatization of American foreign policy, and the accountability and responsibility of public officials.

I want to thank Chairman Inouye, Senator Rudman and Congressman Cheney, and all Members of the two Select Committees for their extraordinary commitment and attention. The hearings stand in recess.

VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program [DHCP] system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987, on this important subject, I have received many letters from veterans and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter which I received from Dr. Ernest M. Barsamian, Chief of Staff of the VA Medical Center at Brockton and West Roxbury, MA, that demonstrates how the VA employees feel about "their" medical computer system. The letter follows:

VETERANS ADMINISTRATION,
BROCKTON AND WEST ROXBURY, MA,
May 20, 1987.

HON. G.V. (SONNY) MONTGOMERY,
Cannon House Office Building,
Washington, DC.

DEAR MR. MONTGOMERY: Recent decisions by the Appropriations Subcommittees to impede the full deployment of the Veterans Administration's DHCPI, cause me deep concern.

In my 25 years with the VA, the last 9 as the Chief of Staff at the Brockton/West Roxbury Veterans Administration Medical Center, DHCP stands out as the administrative innovation with the greatest positive impact on our ability to provide the highest quality of medical care for America's veterans. The DHCP is a successful and flexible software package which has the wholehearted support of our clinicians and administrative staff. DHCP has increasingly allowed our staff more rapid and accurate patient information, while allowing administrative support personnel to focus on tasks other than handling paperwork.

As our Agency moves rapidly to the forefront of large scale medical organizations, we increasingly depend on the openness and flexibility of this comprehensive software to allow rapid and effective updates to accommodate the many technical, financial, and legislative changes we are undergoing. For example, this adaptability has allowed this Medical Center to join forces with a major vendor of Management Control System software, to develop state-of-the-art costing and clinical case-mix management capabilities for all 172 Medical Centers. Other examples are the several large funded research and demonstration projects at the Brockton/West Roxbury VAMC in such areas as the control of pharmacy costs and the outpatient care of chronic psychiatric patients—all of which are greatly aided by the comprehensiveness and flexibility of the DHCP.

Congress' decisions regarding the VA must always be aimed towards ensuring the finest health care possible to America's veterans. Any change in software now would set us back 2 or more years; a disastrous outcome during this already highly challenging period.

In addition, replacing the proven merits of DHCP with a less flexible commercial system at a possible much greater real cost, which would fail to enjoy the broad support of all our staff, and which would deny us all the easy modification afforded by DHCP, could never be held to be in our veterans' best interests.

As Chief of Staff of the Brockton/West Roxbury VAMC, one of the largest in the country, I urge you and all your Congressional colleagues who care for America's veterans to ensure the full and rapid implementation of the DHCP and its enhancements.

Sincerely,

JOHN LEHMANN, M.D.
(For and in the absence of Earnest M. Barsamian, M.D., Chief of Staff).

INTERNATIONAL MEMORIAL TO HONOR KOREAN VETERANS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. FLORIO. Mr. Speaker, I wish to bring to the attention of my colleagues an international effort to honor the soldiers who fought in the Korean war. About to break ground in Los Angeles in the next few weeks, the international memorial recognizes the contributions made by the soldiers of the 16 countries comprising the U.N. forces during the Korean war.

For years, the veterans of Korea were forgotten in the history books, always assigned a few pages as participants in a "police action." But they have never left our memories for the effort to preserve freedom in Korea.

Now we are recognizing their efforts in concrete form. In the 99th Congress, along with the support of many of my colleagues in Congress, I was able to authorize funds for the construction of a memorial in Washington to remember the American veterans who went to Korea.

For those who came back home and for those who died in Korea, I am dedicating the following article written by Bob Dvorchak of the Associated Press appearing in the Alexandria Journal:

WARS PAST: THOSE WHO DIED ENNOBLED THAT TIME AND PLACE

(By Bob Dvorchak)

Think of a limited, undeclared war euphemistically called a police action in a divided Asian country where U.S. troops helped a southern republic against communist-backed aggressors in the north.

Imagine 54,246 American dead, 8,177 missing in action and 389 unreturned prisoners of war. Add fiery napalm, helicopters and forsaken soldiers who came home without flag-waving parades or a fitting momument to their sacrifice.

Vietnam?

No, Korea.

Veterans of the Korean War's nasty battles, mindful of the mix-up in the public consciousness, are building a monument so they will be remembered.

"The forgotten war was not Vietnam, but Korea. Any American who fought and died should have a better fate than to be forgotten," said ex-Marine Charles Edward "Mac" McCarren, a Philadelphia insurance executive who is chairman of a campaign to build the International Korean War Memorial.

"These guys gave so much and got so little. There should be some symbol to show that freedom is never free. Its price is sacrifice," McCarren said.

Some wonder why it has taken more than 30 years, since the war's end in 1953, for veterans to get together on a memorial. McCarren responded, "When the war was over, all of us came home, picked up where we left off, went back to school, went back to raising families."

The group plans to raise $5 million in private donations for a memorial to be built in Los Angeles. Ground-breaking at Angels Gate Park is scheduled for June 25, the 37th anniversary of the North Korean invasion of the South. Work is expected to take two years.

16 COUNTRIES

The memorial will honor the 16 countries from the United Nations whose soldiers fought the North Koreans and Chinese.

The memorial will show 15 soldiers fighting in the snow. The scene was inspired by the battle of the Chosin Reservoir, where 15,000 trapped Marines battled 120,000 Chinese and subzero temperatures to escape to the sea.

Felix de Weldon, the sculptor who created the Iwo Jima Memorial in Washington, D.C., will build the monument.

"It will probably be more dramatic and more moving than any others I have done," de Weldon said in a telephone interview from Newport, R.I.

The memorial would show "the courage, the determination, the suffering, the power of survival" of those who fought. "It's a monument of heroism," he said.

Names of the dead will be in books placed near the memorial. At the Vietnam Memorial in Washington the names of those who died are listed on walls of polished black granite that form a V-shaped monument.

"In a way, the Vietnam Memorial is a monument to defeat. Half of it is buried. It's black," said de Weldon. "It's sad. The whole Vietnam War was a very sad occasion."

The international memorial is distinct from a $6-million national project to honor America's Korea veterans, authorized by Congress in October. Congress allocated $1 million; another $1 million came from Hyundai Corp., the South Korean automaker.

A 12-member advisory committee hopes to have a site selected by fall, and the design will be selected by a competition, according to Col. William Ryan of the American Battle Monuments Commission.

"We're not in conflict or competing with the national monument," McCarren said. "We're honoring all the young people who died from all nations. Frankly, we wanted a memorial erected in our lifetime."

Previous attempts to build a Korean memorial were hampered by the war in Vietnam and budget struggles. The idea for this memorial came out of the first reunion in 1984 of the Chosin Few, survivors from the Chosin Reservoir.

"Private initiative can get the job done a lot faster," said John Curcio, president of Mack Trucks Inc. in Allentown, who heads the corporate drive for donations.

The mountainous peninsula of Korea is where the Cold War got hot, where America decided to draw the line on communist expansion and where the United Nations first mustered troops to back up its orders.

Northern invaders trained by the Soviet Union nearly crushed the South Koreans and U.N. forces. But after a daring amphibious landing at Inchon devised by Gen. Douglas MacArthur, U.N. forces routed the invaders and drove to the Chinese border.

Hordes of Chinese entered the war, MacArthur was sacked by President Harry Truman and lines stabilized roughly along the 38th parallel, the place where the fighting had erupted. Peace talks dragged on for two years before a truce was signed July 27, 1953.

Seoul, the South Korean capital and the site of 1988 Summer Olympics, twice fell to communists before being recaptured.

The war in Korea inspired the television show "M-A-S-H," but the committee organizing the international memorial complains that an encyclopedia gives five neglectful paragraphs to Korea, six pages to Vietnam and 26 pages to World War II.

"We were the silent veterans of the forgotten war," said ex-Marine Frank Kerr, founder of The Chosen Few.

"Those who died ennobled that time and place. It was like a rock thrown in a pond and there wasn't a ripple. It was like they didn't exist. We want to make sure there is a ripple," said Kerr, a public relations executive from Boston. "They did fight. They did die. They did sacrifice."

Historians say the Korean War was America's first non-victory or a stalemate. Gen. Omar Bradley, chairman of the Joint Chiefs of Staff, called it "the wrong war, in the wrong place, in the wrong time, with the wrong enemy."

But the men who fought there feel otherwise.

"I think we won. We repelled the enemy. We defeated the North Koreans and ruined a couple of Chinese armies. The United Nations aim was to restore the government of South Korea. We did that," McCarren said.

"It certainly was a victory. We went in with the idea of saving South Korea," Curcio said.

"Our position is we won. It ended with an armistice, just like World War I. The countries held the same territories they did when they started. If Korea was a tie, then so was World War I," Kerr said.

YOUNG WRITERS CAPTURE SPIRIT OF CONSTITUTION

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. SUNDQUIST. Mr. Speaker, recently two young constituents of mine had the high honor of being selected as winners of the Department of Education's elementary essay project.

Laura Butler, a second-grader at Saint Agnes Academy in Memphis, and Carl McCrary, a sixth-grader at Briarcrest Ridgeway School in Memphis, were among hundreds of thousands of young people from across the Nation who submitted essays on what the Constitution means to them and to our Nation. Carl's and Laura's essays were judged among the best.

As we prepare to celebrate the 200th anniversary of the Constitution, I would like to share with my colleagues what these young people have written. I have found in the words of Laura and Carl a refreshing patriotism that underscores just what it is we celebrate.

Mr. Speaker, I insert the winning essays of Carl McCrary and Laura Butler in their entirety in the CONGRESSIONAL RECORD:

WHAT THE CONSTITUTION MEANS TO ME AND TO OUR COUNTRY

(By Laura Butler)

No other country has a constitution like ours. Without the constitution our country wouldn't have fair laws for all people. We can change laws that are unfair. I think the constitution means we have a lot of freedom. I can think and say what I want. I can go to church when I want and where I want. I will be able to grow up and be whatever I want. Everyone can come and go as they please. We can do what we want. We can all live together in peace. I think it is very important for our country to have freedom and I hope it will mean the same for the next generations to come.

WHAT THE U.S. CONSTITUTION MEANS TO ME AND TO OUR COUNTRY

(By Carl E. McCrary)

It is the constitution that makes our country great. When I spell constitution I think of these things:

C is for the CONGRESS that represents all the states large and small.

O is for the OPTION to worship who or what we want and how we want to.

N is for the NATIONAL defense that is insured by the constitution.

S is for the SUPREME COURT, the highest law of the land.

T is for the fair TRIAL by jury that the constitution offers everyone.

I is for the INDIVIDUAL liberties given us in the Bill of Rights.

T is for the TAXES that are necessary for paying the national debt.

U is for the way we UNITED all the states to make strong country.

T is for the THANKS we give the men who wrote the constitution.

I is for the INDEPENDENCE our country developed by writing the constitution.

O is for the way we OPEN our doors to other peoples to share our freedom.

N is for one NATION under God, asking for his daily leadership.

The Constitution offered a new form of government that many people thought would fail, but instead it has become the backbone of a great Nation.

SUPPORT AND PRAYERS FOR CHUCK ADCOCK

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. BUECHNER. Mr. Speaker, I rise today to extend my congratulations to a man from my district who has demonstrated an unselfish dedication to the betterment of our community. He has given his support to the community, and now he needs support and prayers from the community.

Chuck Adcock began his career in the emergency medical service nearly 11 years ago, as an emergency medical technician with the St. Charles County Ambulance District. During that time, Chuck studied and worked hard to become a paramedic. One year later, he reached his goal. But Chuck did not stop there; his energy and devotion to the profession propelled him upward to the position of crew chief, and finally, to the rank of field supervisor.

Chuck was never satisfied with being good enough. He continue to learn more, and perform greater and diverse roles—not for himself, but for those he served. He took advanced cardiac life support, Missouri Highway Patrol's driver instructor course, and the new Pre-Hospital Trauma Life Support Program. He has been the training coordinator, chief driver's training instructor, vehicle safety officer, and as assistant to the deputy chief.

Anybody who knows Chuck is familar with all of the great awards and honors bestowed upon him over the past decade. The list is long, impressive and typical of a man as dedicated as he. One of his awards was for his valor in the Bedford Village disaster in which a tornado touched town in a mobile home park which wrought destruction, devastation and innumerable injuries. He was cited for his able leadership in establishing a command post and coordinating the search, rescue and treatment during the disaster. One of Chuck's colleagues noted that his efforts decreased the severity of the injuries, preventing further injuries and general chaos.

Those in Bedford Village and others requiring emergency medial attention could count on Chuck. Now Chuck has cancer, and he and his family can count on us. They have our prayers and our support.

JACK ANDERSON COLUMN MAKES EXTRAORDINARY CHARGES AGAINST BRITISH INTELLIGENCE—DEMANDS A RESPONSE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. BIAGGI. Mr. Speaker, as chairman of the Ad Hoc Congressional Committee for Irish Affairs I wish to bring to the attention of my colleagues an extraordinary column written by the nationally syndicated columnist, Jack Anderson, which appeared in among other papers, the June 9 Washington Post. The column entitled "British Allegedly Tried to Link CIA, IRA."

Anderson charges in the opening paragraph of his column "British Intelligence printed and circulated fake CIA identity cards in Northern Ireland in the early 1970's in an attempt to discredit the U.S. Spy Agency according to a former senior official in the British Army."

The purpose of this, according to Anderson, was to somehow link the CIA with the outlawed Irish Republican Army by "creating the impression that the CIA was active in Northern Ireland. The rumor was that American Intelligence believed that the IRA would come under control of Eastern bloc countries who would supply weapons and ammunition."

The Director of the Central Intelligence Agency at the time, William Colby, told Anderson "that he had never heard of the alleged forgery of ID cards." But indicated that CIA agents on covert assignments would not carry cards to identify themselves.

I believe the gravity of these allegations do warrant a response from responsible officials from both governments. If this in fact was a policy decision by the British Government, what was the motivation and was our Government aware of the campaign? What risk did this pose to American personnel who have been working in Northern Ireland over these years?

Would confirmation of this policy lead us to a long overdue reassessment of the British role in Northern Ireland?

In the coming days I intend to seek answers from the British Government, our Central Intelligence Agency, and Department of State. I would also urge that the House Intelligence Committee look into this matter as well. As one who has been deeply involved in the struggle for peace and justice in Northern Ireland and for full rights for all the people of Northern Ireland, I am deeply concerned over the ramifications of this article and I will endeavor to learn more about it.

At this point in the RECORD I wish to insert the Jack Anderson article entitled "British Allegedly Tried to Link CIA, IRA."

BRITISH ALLEGEDLY TRIED TO LINK CIA, IRA

(By Jack Anderson and Joseph Spear)

British Intelligence printed and circulated fake CIA identity cards in Northern Ireland in the early 1970's in an attempt to discredit the U.S. spy agency, according to a former senior official in the British Army.

According to the official, Colin Wallace, the point of the bizarre counterfeiting operation was to link the Central Intelligence Agency with the outlawed Irish Republican Army, which has carried out terrorist attacks for years in hopes of forcing the British out of Northern Ireland. Wallace was a senior information officer at British Army headquarters in Lisburn in the late 1960's and early 1970's.

Wallace claims to have seen the phony ID cards printed and photocopied. In a report to Prime Minister Margaret Thatcher in 1984, he explained why British officials were anxious to discredit the CIA. "I can recall the quite strong feeling in British Intelligence circles that the CIA had not only turned a blind eye to arms smuggling from the USA to the IRA, but also encouraged it," he wrote.

Our reporter Lisa Sylvester has seen an excerpt from Wallace's confidential report, as well as copies of the fake ID cards. One card, dated November 1972, contains the statement: "This Certificate of Credentials is issued under the authority of the Central Intelligence Agency. It is requested that the bearer be afforded the necessary help to enable him to satisfactorily discharge his duties."

Wallace said two different cards were forged and circulated. "They were designed to create the impression that the CIA was active in Northern Ireland. The rumor was that American intelligence believed the IRA could come under control of Eastern Bloc countries who would supply weapons and ammunition," he told us.

Wallace said he left the service because he objected to efforts by British Intelligence to discredit and oust then-Prime Minister Harold Wilson. Wallace's claim of a disinformation campaign against Wilson by British Intelligence coincides with charges made by Peter Wright, a former intelligence official. Wright's book detailing the charges has been banned in Britain.

Wallace said he first made allegations about improper British Intelligence operations in a report to a deputy minister in Parliament in 1975. Since then, he has been charged with murder and convicted on manslaughter, and has served six years in prison. Wallace, who was released last December, said he was set up on the homicide charge to shut him up.

William Colby, who headed the CIA at the time, told us he had never heard of the alleged forgery of ID cards. He would not discuss CIA operations that might have been going on in Northern Ireland, but pointed out that CIA agents on covert assignments do not carry cards identifying themselves as such.

"But it's not a question of what the CIA would do," Wallace said. "It's what the people in Northern Ireland believed."

The Protestant majority in Northern Ireland has long believed that Catholic Irish Americans are the IRA's main support. Faked evidence that the CIA assisted in this support would conceivably discredit U.S. efforts on behalf of the Catholic minority. Why British Intelligence would encourage this is not clear.

THE NATIONAL ECONOMIC COMMISSION ACT OF 1987

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. DOWNEY of New York. Mr. Speaker, the Nation stands at an economic crossroads. We are confronted with a mounting National debt, a record trade imbalance, a debt crisis in the developing nations, and a stagnant world economy. These seemingly intractable problems cast a pall over America's future, threatening our standard of living.

Efforts to resolve these problems have been impeded by the unyielding barriers of a structural Federal deficit, worldwide overcapacity, and global overindebtedness. Conventional tools of economic policy appear inadequate to handle these interconnected problems. We can no longer afford to approach them as if they were separate. Recently, for example, we have seen how attempts to redress our trade imbalance through a depreciated dollar may boost interest rates, stalling the economy and increasing the Federal deficit.

The evidence mounts that rough waters lie ahead. Brazil has suspended interest payments on its foreign debt. The monthly U.S. trade deficit continues to soar. The dollar has fallen to new lows against the yen. Financial markets are increasingly jittery. The specter of a worldwide recession, or even depression, no longer seems inconceivable.

Mr. Speaker, the Nation must pull together, assess the current situation, and develop comprehensive solutions to these interconnected problems. No single branch of government and no single political party can implement such solutions without broader support.

New approaches are called for. One approach which has the potential to develop lasting solutions to our economic problems and build the political support to implement those solutions is a National Economic Commission. Consisting of representatives from Congress, the business and labor committees, academicians, and the executive branch, the Commission would set out options and recommendations for addressing National and global economic concerns in an interconnected fashion.

The Commission's findings and recommendations could help create momentum for action, enabling us to gain control of the deficit, restore our position in trade, promote economic growth, develop equitable arrangements between lenders and Third World debtor nations, and place the international economic system on a sounder footing.

The work of this Commission would supplement, not impede, Congress' current legislative initiatives. The Commission's role will be to set broad goals and principles, examine problems, and suggest specific policies to achieve these goals.

Solutions to our economic problems will require unprecedented decisions regarding the sharing of burdens and opportunities. But people will be willing to accept the difficult decisions if they appreciate the short and long term benefits. The Commission can provide a blueprint for our economic future and help create the national consensus necessary to put its recommendations into effect. Although the Commission will address tough problems, its goal will be to set forth a positive vision that motivates all segments of society—Government, business, and individuals—to work towards solutions.

Mr. Speaker, the time is ripe to create a bipartisan National Economic Commission. I urge my colleagues to support the House joint resolution which I have introduced today which will establish a National Economic Commission. I submit the text of the bill to be printed in the CONGRESSIONAL RECORD.

H.R. —

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This joint resolution may be cited as the "National Economic Commission Act".

FINDINGS

SEC. 2. The Congress finds and declares that—

(1) the United States fiscal position has deteriorated substantially during the last decade:

(A) the United States budget deficit increased from $74 billion in fiscal year 1976 to $221 billion in fiscal year 1986; and

(B) the gross Federal debt increased from $632 billion at the end of fiscal year 1976 to $2,133 billion at the end of fiscal year 1986;

(2) the United States trade and investment balances with the rest of the world have deteriorated substantially during the last decade:

(A) the United States trade deficit increased from $17 billion in 1976 to $170 billion in 1986;

(B) the balance on the current account of the United States moved from a surplus of $10 billion in 1976 to a deficit of $140 billion in 1986; and

(C) the United States moved from a net creditor nation of $84 billion at the end of 1976 and $141 billion at the end of 1981, to the world's largest debtor nation—an estimated $250 billion—at year end 1986;

(3) the debt burden of developing countries is a major burden to the health of the United States economy:

(A) 15 nations, Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Ivory Coast, Mexico, Morocco, Nigeria, Peru, Phillipines, Uruguay, Venezuela, and Yugoslovia, had a cumulative external debt of $463.3 billion at the end of 1986;

(B) United States trade with those countries moved $11.3 billion further into deficit from 1980 to 1986; and

(C) in 1985, debt-related austerity in the top five developing country debtors, Brazil, Mexico, Argentina, Venezuela, and the Phillipines, resulted in reductions of United States exports of $5.0 billion, increases of United States imports of $8.7 billion, and a decline in United States employment of 219,000 full-time equivalent jobs in nonservice industries;

(4) growth in the developed and developing world has been weak; in 1986, real GNP growth was—

(A) 2.8 percent in developed countries,

(B) 2.5 percent in the United States,

(C) 2.7 percent in Japan,

(D) 2.5 percent in the European Communities,

(E) 3.3 percent in Canada, and

(F) 2.7 percent in developing countries;

(5) These problems—the budget deficit, the trade deficit, international debt burdens, and lagging economic growth—are interconnected and require coordinated solutions;

(6) an organized inquiry into these problems could assist in the development of a consensus among members of both political parties, the private sector, and academicians as to what action is necessary to address these problems; and

(7) it is a long established practice to create Senate, House, or joint commissions to deal with special issues, often with a mix of public and private members.

ESTABLISHMENT OF COMMISSION

SEC. 3. There is hereby established the National Economic Commission (hereafter in this Act referred to as the "Commission").

MEMBERSHIP

SEC. 4. (a)(1) The Commission shall be composed of sixteen members:

(A) three citizens of the United States appointed by the President;

(B) two Senators appointed by the President pro tempore of the Senate upon the recommendations of the Majority Leader of the Senate;

(C) one Senator appointed by the President pro tempore of the Senate upon the recommendation of the Minority Leader of the Senate;

(D) two Members of the House of Representatives appointed by the Speaker of the House of Representatives;

(E) one Member of the House of Representatives appointed by the Minority Leader of the House of Representatives;

(F) two citizens of the United States appointed by the Majority Leader of the Senate;

(G) two citizens of the United States appointed by the Minority Leader of the Senate;

(H) two citizens of the United States appointed by the Speaker of the House of Representatives; and

(I) one citizen of the United States appointed by the Minority Leader of the House of Representatives.".

(2) Individuals appointed under paragraph (1)(A) may be officers or employees of the Executive Branch or may earn their livelihood in the private sector of the economy.

(3) Members appointed under paragraphs (1)(F) through (1)(I) shall be individuals who are leaders of business or labor or prominent academicians and who are not officers or employees of the United States.

(b) Any vacancy on the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(c) The Commission shall elect a Chairman from among the members of the Commission.

(d) A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(e) Each member of the Commission shall be entitled to one vote which shall be equal to the vote of every other member of the Commission.

FUNCTIONS OF THE COMMISSION

SEC. 5. (a) The Commission shall conduct a comprehensive study of—

(1) the elements of domestic fiscal, monetary, and trade policies and their effect on—

(A) employment,

(B) real interest rates,

(C) national saving, capital formation and investment,

(D) labor productivity,

(E) the exchange rate value of the dollar vis-a-vis the currency of major United States trading partners,

(F) the United States balance of trade in goods and services,

(G) The United States international investment position, and

(H) the vigor and viability of economic growth in the United States and the world;

(2) the elements of the fiscal, monetary and trade policies of major United States trading partners and their effect on the United States balance of trade in goods and services and United States employment; and

(3) the debt burden of developing countries and its effect on the United States balance of trade in goods and services and United States employment.

(b) The comprehensive study conducted under subsection (a) shall include consideration of recommendations regarding domestic fiscal, monetary, and trade policies and the coordination of such policies with the macroeconomic policies of the other economically developed nations to achieve balanced and vigorous economic growth in the United States and the world. The Commission shall specifically address in the study conducted under subsection (a)—

(1) the goal of promoting—

(A) employment,

(B) low real interest rates,

(C) national savings, capital formation and investment,

(D) high labor productivity,

(E) a greater balance in United States trade in goods and services and United States international investment position, and

(F) vigorous and sustainable economic growth in the United States and the world;

(2) a means of ensuring that the burden of achieving such goals is equitably distributed and not borne disproportionately by any one economic group, social group, region, nation, or group of nations;

(3) the current and prospective economic factors and developments, in both the United States and in foreign countries that should be taken into account in making policy to achieve these goals; and

(4) the institutional arrangements required to achieve the appropriate coordination, within the United States and among foreign nations, for the making and implementation of economic policy.

(c)(1) The Commission shall submit to the President and to the Congress by no later than November 30, 1988, a final report on the study conducted under subsection (a) that contains a detailed statement of the findings and conclusions of the Commission, including its recommendations for administrative and legislative action which the Commission considers advisable.

(2) Any recommendation made by the Commission to the President and to the Congress must be adopted by a majority vote of the members of the Commission who are present and voting.

POWERS OF THE COMMISSION

SEC. 6. (a) The Commission may, for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and places, administer such oaths, and request the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Commission may find advisable.

(b) The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

(c)(1) The Commission is authorized to secure directly from any officer, department, agency, establishment, or instrumentality of the Federal Government such information as the Commission may require for the purpose of this Act, and each such officer, department, agency, establishment, or instrumentality is authorized and directed to furnish, to the extent permitted by law, such information, suggestions, estimates, research, surveys, and statistics directly to the Commission, upon request made by the Chairman of the Commission.

(2) Upon request of the Chairman of the Commission, the head of any Federal department, agency, or instrumentality shall make any of the fatalities and services of such department, agency, or instrumentality available to the Commission and detail any of the personnel of such department, agency, or instrumentality to the Commission, on a nonreimbursable basis, to assist the Commission in carrying out its duties under this Act.

(3) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(d) The Commission is authorized, to such extent and in such amounts as are provided in appropriation Acts, to enter into contracts with State agencies, private firms, institutions, and individuals for the purpose of conducting research or surveys necessary to enable the Commission to discharge its duties under this Act.

(e)(1) The provisions of section 14 and subsections (e) and (f) of section 10 of the Federal Advisory Committee Act (5 U.S.C. appendix 2) shall not apply with respect to the Commission.

(2) For purposes of section 552 of title 5, United States Code, the Commission shall not be considered to be an agency.

(f)(1) Subject to such rules and regulations as may be adopted by the Commission, the Chairman of the Commission shall have the power to—

(A) appoint, terminate, and fix the compensation (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, or of any other provision of law, relating to the number, classification, and General Schedule rates) of an Executive Director and of such additional personnel as the Chairman deems advisable to assist in the performance of the duties of the Commission, at rates not to exceed a rate equal to the maximum rate for GS-18 of the General Schedule under section 5332 of such title; and

(B) procure, as authorized by section 3109 of title 5, United States Code, temporary and intermittent services to the same extent as is authorized by law for agencies in the executive branch but at rates not to exceed the daily equivalent of the maximum annual rate of basic pay in effect for grade GS-18 of such General Schedule.

(2) Service of an individual as a member of the Commission, or employment of an individual by the Commission as an attorney or expert in any business or professional field, on a part-time or full-time basis, with or without compensation, shall not be considered as service or employment bringing such individual within the provisions of any Federal law relating to conflicts of interest or otherwise imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with claims, proceedings, or matters involving the United States. Service as a member of the Commission, or as an employee of the Commission, shall not be considered service in a appointive or elective position in the Government for purposes of section 8344 of title 5, United States Code, or comparable provisions of Federal law.

COMPENSATION OF MEMBERS

SEC. 7. (a) Each member of the Commission not otherwise employed by the Federal Government shall receive compensation at a rate equal to the daily rate for GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day, including traveltime, such member is engaged in the actual performance of duties as a member of the Commission.

(b) Except as provided in subsection (c), a member of the Commission who is otherwise an officer or employee of the United States Government shall serve on the Commission without additional compensation.

(c) All members of the Commission shall be reimbursed for travel and per diem in lieu of subsistence expenses during the performance of duties of the Commission in accordance with subchapter I of chapter 57 of title 5, United States Code.

TERMINATION OF COMMISSION

SEC. 8. The Commission shall cease to exist on the date that is 60 days after the date on which the Commission submits the report required under section 5(c)(1).

AUTHORIZATION OF APPROPRIATIONS

SEC. 9. There are authorized to be appropriated to the Commission such sums as may be necessary to carry out the provisions of this Act.

VIRGEL MILLER 20TH ANNIVERSARY

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. VENTO. Mr. Speaker, I want to draw to my colleagues' attention the upcoming 20th anniversary of Virgel Miller as the national vice president of district 8 for the American Federation of Government Employees. In this position Virgel serves the States of North Dakota, South Dakota, Nebraska, Iowa, and Minnesota.

I have worked with Virg over the past 10 years and consider him to be a good friend and trusted adviser. He is certainly one union leader that has done his job and helped foster a better work environment for Federal employees and a good work product for our Nation's citizens.

Virg has managed the eighth district office diligently, effectively and with a strong sense of fair play and moral leadership. He has shown a keen awareness and concern for people's needs. His deep compassion and active response to the problems of each individual have won him respect and admiration. Virg not only listens, but he hears and then does something in response. His experience has given him an excellent command of the labor-management field in the Federal Government.

Under Virg's strong, sensible and energetic leadership, the eighth district has continued to expand service to local officers and members while maintaining a vigorous and effective organizing effort.

Virg has served as chairperson of the national budget committee—1971 to present—and chairperson of the Constitution committee—1972 to present. In addition, he has served on the fair practices, per capita tax, and legislative committee of AFGE.

Virg worked for the Federal Government for 21 years prior to his assuming the responsibilities of national vice president in 1968. He was instrumental in organizing Minneapolis Air Force Base AFGE Local 1997, of which he is a charter member. After a year as vice president of his local, he was elected to local president in 1960. He served in this capacity for 8 years until his nomination to national vice president.

I am certain that many of my colleagues would want to join me in thanking and congratulating Virgel Miller on his 20th anniversary of service to our Nation and people.

THE 150TH ANNIVERSARY OF TRINITY EPISCOPAL CHURCH, EDGEFIELD, SOUTH CAROLINA

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. DERRICK. Mr. Speaker, not long ago, in my home town of Edgefield, SC, I had the privilege and honor to join with my friends and fellow parishioners of Trinity Episcopal Church as we celebrated its 150th anniversary.

Trinity Church is not a magnificent structure nor does it have a large membership, but rather a small mission church with so few members that it does not qualify as a parish. The members of this mission church cluster with three local area churches for fellowship and the sharing of resources. But the small size of its congregation and the simple design of the churches' edifice sometimes conceal the important role it has played in the history of South Carolina since the early 1900's.

Trinity Church is located in the town or village of Edgefield, in Edgefield County, one of the oldest counties in the State. The townspeople believe the name Edgefield originated because in the early days the town was located on the edge of the Indian lands. It also borders the Savannah River, which divides South Carolina and Georgia and is thus situated on the edge of the State.

From the earliest times the people of Edgefield have engaged in agricultural pursuits and later in the production of textiles and other manufacturing. And like most rural residents who live off the land they are lacking in wealth. But while they may lack wealth they possess an abundance of those inherent qualities that contribute to the development of fine citizenship. Their splendid citizenship is reflected in the disproportionately large number of residents who have held high government offices. No less than 10 Governors and 5 lieutenant governors were born or lived in the town or county of Edgefield.

Trinity Episcopal Church has been a place of worship for many of them, some of whom left and returned home again after distinguished careers and are buried in the local cemetery. Among those distinguished parishioners whose funerals were held within its walls were: Civil War Gov. Francis Wilkerson Pickens, Governor of South Carolina and minister to Russia; John Gary Evans, Governor of South Carolina from 1894-97; Gen. Martin Witherspoon Gary, officer of the Confederacy; and James T. Bacon, writer, musician, and patriot. And let me not fail to mention that there have been an untold number of lesser known individuals who have made Edgefield what it it today.

Let's step back in time for a minute to the year 1836 when this church was consecrated. Texas was fighting for its independence from Mexico. At the heroic battle of The Alamo two native sons of Edgefield, William Barret Travis and James Butler Bonham, had just been killed fighting alongside Davy Crockett.

In another section of the country Betsy Ross, reputed maker of the first American flag, had just passed away. In keeping with all the changes that were taking place, it was a time of growth and renewal in this small parish community where a new church had just been built. At the consecration ceremony which took place on October 16, 1836, Bishop Nathaniel Bowen conveyed to the parishioners of this mission church in the wilderness that the new church was to be used for preaching the doctrine of Christ and for administering the offices of his church. That mission is still being carried out today.

On hand to celebrate the 150th anniversary of the consecration of Trinity Church were a number of priestly dignitaries, many of whom had served Trinity in years past and had moved on to larger metropolitan churches. One such religious leader was the Right Reverend William A. Beckham who was celebrating his seventh anniversary of consecration as bishop of the Episcopal Diocese of upper South Carolina. Coincidentally it was 30 years ago that Bishop Beckham began his service to the Diocese at Trinity Church, where he was ordained as deacon in 1954 and priest in 1956.

If I were asked, as a U.S. Congressman who has represented the third district for many years now, my opinion as to why it is that Edgefield has been such a hotbed of outstanding leaders I would have to say that it is because—Edgefield and the surrounding region is a place where men and women are more concerned about the quality of their goals than the quantity of their goods.

My participation in this special service was a deeply moving experience and one that I will long remember. As I sat there among my friends and fellow worshipers and gazed upon the stained glass windows in meditation, I was particularly moved by the relevance of the scriptural reading which was taken from the book of Revelations. It spoke of the continuity of generations past and reaffirmed the comradery and fellowship among people, the unending newness of God at work in the major transitions and transformations of our lives: "God empowers people to be creative, to live with change, to grow and progress." For 150 years Trinity Episcopal Church has been a living example of that doctrine.

KILDEE HONORS CONGRESSIONAL PAGES

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. KILDEE. Mr. Speaker, I rise today as chairman of the U.S. House of Representatives page board to express my gratitude for the hard work and diligent service of all of the pages who have served us this spring. The 1987 second semester congressional pages will soon be leaving to finish their last year of high school, and I am honored to rise before this House to pay tribute to these fine young men and women.

The congressional pages during the spring are: William Bernard, Steven Bourne, Lisa Brown, Mark Bryant, Kay Buckner, Jr., Dawn Buglion, Julio Burbano, David Cannon, Elsa Castellanos, Tracey Childress, Susan Cohen, John Crabtree, Jonathan Dariyanani, Stephanie Doyle, Michael Elliott, Candice Flint, Jaclyn Foster, Patrick Frost, Lauren Gadkowski, Douglas Geiss, Pamela Glazer, Jessica Goble, Rochelle Green, William M. Hammonds II, Jennifer Hardgrove, Michele Hayes, Susan Holbrook, S. Hope Holmes, Stacia Holmes, Patricia Hutchinson, Maureen Hyde, Patrick Jackson, Katherine Kimbrell, David King, Keith Knautz, Holly Knoth, James Kuzemka, Ryan Lapidus, Sarah Lardie, John Lowery, Clifton Lowry, Elizabeth Maddock, Matthew McConnell, Michelle McGuinness, Kenyon Meyer, Anne Milgram, Dawn Ogle, Andrew O'Toole, Ashley Pegg, Amy Peiken, Rowena Poythress, Kelly Richardson, Robert Rodriguez, Joel Secundy, Mary Shaheen, Louisa Shipnuck, Matthew Sydnor, Bradley Tahajian, H. Christopher Tompkins, Fleming Trane, Samuel Washington, David Weiser, Matthew Whitmore, A. Michele Wingo, and Jennifer Zagelow.

The contributions of these pages are sometimes easy for Members of Congress and their staffs to overlook. But their tireless work is essential to the smooth operation of the Congress. They have come from throughout the country, leaving their homes, their families, and their friends to travel to our Nation's capital to serve the Congress. The pages have combined a rigorous work schedule with the demands of school and have proven themselves to be mature, able, and hard-working. They have worked long hours and studied into the night to meet their responsibilities. They have also made new friends, gained new perspectives, and received an education in the workings of Government which most young people only dream about.

I am sure my colleagues in the House of Representatives would join me today to honor these young men and women for their hard work. Their dedication has made it easier for each of us to serve our constituents, and it has given the pages experiences and memories they will never forget.

IN HONOR OF THE 50TH WEDDING ANNIVERSARY OF HERBERT CRAWFORD AND RUBY LASHLEE COX-CRAWFORD

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. FAZIO. Mr. Speaker, it is my distinct honor to acknowledge the 50th wedding anniversary of Herbert Crawford and Ruby Lashlee Cox-Crawford. Their lives together are a testament to the institution of marriage, and not simply because they have been with each other for so many years. True evidence of their strength and goodwill cannot be explained by a number. Instead, one must understand how others see them and what they represent to their family. When one realizes the esteem with which they are held by those who know them best, it becomes obvious that they have accomplished a goal common to many newlyweds. They have established a strong family, a family that is willing to share both the good and the bad. As they celebrate this joyous event, they can rest in the knowledge that their daughter, Ruby Cox McCall, realizes what her parents have done for her, and what they have given to her. What follows is Mrs. McCall's tribute to them, and their lives.

MRS. RUBY COX MCCALL'S TRIBUTE TO MOM AND DAD

In 1937, Daddy was working as a civil engineer while Mother was employed as a bookkeeper. On July 17, they were married at Shove Chapel in Colorado Springs. From that point on, Mother devoted herself to becoming the perfect homemaker while Daddy continued his job with the Bureau of Reclamation. They made their home in Denver for the next ten years until 1947, when the Bureau transferred Daddy to Friant, CA. In the next twelve years they moved nine times, but this did not stop them from providing me with a good home. Even when we lived in a converted prisoner of war camp in Indianola we had the good dishes unpacked, curtains at all the windows, flowers on the table, well-balanced creative meals, and starched and ironed clothes. With all this, Mother still found the time to be fresh and cheerful when Daddy and I came home to our spotless home.

Daddy was also successful in his endeavors, as I found during the summers of 1956, '57 and '58 when I worked for him at Bechtel. It was clear to me that Daddy was very well-respected by all of his co-workers, regardless of their position. Yet through all of this they did not neglect to make many friends, both old and new as I discovered when I began to draw up a list for their anniversary party. They were still in contact with friends from grade school and even with many of my old friends.

When Daddy retired in 1977, they moved to Vacaville, and continued their commitment to family. They were not only grandparents to my sons, Dave and Chris, but surrogate grandparents to their friends as well. Daddy tutored yet another generation in the mysteries of algebra and served as consulting engineer for the growing boys' myriad projects. When Dave became an Eagle Scout, Daddy actively participated in his project; for Chris' project Daddy did the structural design for an overlook of a picnic area. Meanwhile, Mother remained active, whether she was worrying that Daddy was over exerting himself or baking cookies, cakes and pies. Simply, they have always been there for family and friends. This may sound trite but it is true. I hope they realize how deeply we respect them for who they are, and what they have done.

TRIBUTE TO ANNETTE COHEN

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. TORRICELLI. Mr. Speaker, it is a rare occurrence to meet an educator as dedicated and versatile as Mrs. Annette Cohen of Hasbrouck Heights. In June 1987, Annette Cohen will retire from the Moonachie Public School System after 28 years of teaching.

Annette has taught children from kindergarten to the eighth grade for three generations. She has been a respected speech pathologist, has taught gifted students' enrichment courses as well as special education classes for remedial reading and comprehension. The students she has touched found not only a role model and teacher, but a friend and communicator on all levels.

Annette has not limited her interest in education to the classroom. As a member of the PTA and the Parents of Enrichment Groups, Annette has played a vital part in building a strong education department for her entire community.

Active in many areas of public service, Annette has always been a major fundraiser for school events, and has served as president of her Temple Sisterhood. Annette was also president of the Wallington Deborah Hospital Foundation, helping patients in Hasbrouck Heights pay for treatment according to their means.

Annette has served on the county committee for 8 years, and was awarded the Mrs. Democrat Award in 1984 in District 38. She has been the president of the Jeffersonian Democratic Club, and was a member of the rent leveling board in Hasbrouck Heights. Annette has campaigned for Freeholders, Senators, Congressmen, and assemblymen, and her support has been essential in all areas.

Annette Cohen is truly an inspiration to all dedicated to enriching the lives of others and helping to improve the future of their communities. The school system in Moonachie and the community of Hasbrouck Heights will certainly miss the teaching, guidance, and activism of this remarkable woman.

GIANTISM DOESN'T EQUAL COMPETITIVENESS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. RODINO. Mr. Speaker, the New York Times recently published an article entitled "Giantism Doesn't Equal Competitiveness." The authors, Prof. Walter Adams of Michigan State University and a fellow economist, Prof. James E. Brock of Miami University (Ohio), argue eloquently that ensuring more vigorous competition at home through the enforcement of the antitrust laws remains the best remedy for lethargic economic performance of American firms in the international marketplace.

The authors believe that, on balance, megamergers and corporate giantism retard rather than advance U.S. competitiveness. They point out, for example, that megamergers represent a substantial cost in lost opportunities for our economy. A substantial share of the $190 billion spent on mergers last year is lost to productive investment. Instead of paying engineers, scientists, and online managers, we are paying increasingly large sums to professional merger and takeover specialists. Rather than focusing on achieving new research and development breakthroughs, corporate America is becoming increasingly preoccupied by struggles for corporate control.

Professors Adams and Brock believe that an open, free-moving economy that offers a niche to the small innovative firm as well as to the giant conglomerate best serves to fire the competitive spirit that is needed to meet the challenges of the 1980's and 1990's. They reject proposals calling for repeal of the antitrust statutes or more centralized government control as hastily concocted palliatives to the real sources of our economic ills: a staggering trade deficit and a passive approach to unfair trading practices. I am pleased to offer their article as a thoughtful contribution to the debate on competitiveness.

The article follows:

[From the New York Times, Apr. 27, 1987]

GIANTISM DOESN'T EQUAL COMPETITIVENESS

(By Walter Adams and James W. Brock)

EAST LANSING, MI.—In the face of America's declining competitiveness in international markets and the successive accumulations of record foreign trade deficits, antitrust laws are again under fire.

The critics—ranging from Secretary of Commerce Malcolm Baldrige and Attorney General Edwin Meese 3d on the right to the economist Lester Thurow on the neo-liberal left—charge that our antimerger statutes block desperately needed efficiency and innovation-enhancing corporate consolidations. They say that euthanasia of the antimerger laws—by nonenforcement or by outright repeal—would cure America's competitiveness malaise.

Nonsense.

A growing body of evidence suggests that megamergers and corporate giantism undermine good economic performance and retard, rather than advance, the United States' competitiveness in world markets.

It is not true that antitrust laws have done anything to stem the merger mania.

Since 1980, the annual number of mergers has more than doubled and the annual dollar value of mergers has more than quintupled. Every year, new records are set in the number and size of corporate acquisitions. All told, 75 of the 100 largest mergers in American history have occurred since 1981.

Academic studies and the media have indicated that megamergers and the bloated bureaucracies that follow in their wake undermine production efficiency. For example, Business Week has carried cover stories titled "Small Is Beautiful in Manufacturing" and "Do Mergers Really Work? Not Very Often."

There is evidence that more often than not elephantine corporate size significantly retards, rather than advances, technological innovation. A multitude of acquisitions of small high-tech firms by giants such as Exxon and Burroughs have ended in disaster, primarily because layers of bureaucracy paralyze entrepreneurship in the acquired concerns.

Corporate bigness more generally seems to have sabotaged—not promoted—international competitiveness in key industries such as autos and steel. Indeed, if merger-induced giantism were truly conducive to world-class performance, General Motors and U.S. Steel (USX)—originally created through mergers and acquisitions—should be the efficiency and innovation marvels of the world. Clearly, they are not.

Giant firms like I.T.T. and Gulf & Western, which gorged themselves on conglomerate acquisitions in the 1960's and 1970's, today are divesting scores of previously acquired businesses and operations. They are concentrating on what they know best and jettisoning the rest—and significantly boosting their financial and economic performance. as Martin S. Davis, president of Gulf & Western, was recently quoted as having said: "Bigness is not a sign of strength. In fact, just the opposite is true." His observation is corroborated by the fact that upward of 40 percent of all corporate marriages of the 1960's and 1970's have ended in divorce.

Megamergers impose an enormous, ultimately debilitating "opportunity cost" on the economy. The $190 billion spent on mergers and acquisitions last year is $190 billion not invested in new plant and equipment, new technology or new product research and development. In 1984, corporate America spent two and one half times more on mergers and acquisitions than on research and development—a dubious priority if reindustrialization and international competitiveness are national aims.

Meanwhile, as the Federal Reserve chairman, Paul A. Volcker, has warned, the staggering debt loads built up during the merger madness are a ticking time bomb, waiting to explode when the next recession inevitably rolls around.

In sum, megamergers and corporate bigness are not the answer to our woes. If efficiency, innovation and world-class competitiveness are national goals, we should revitalize our antimerger policy to combat what Richard G. Darman, former Under Secretary of the Treasury, calls "corpocracy." By that, he means "large-scale corporate America's tendency to be like the Government bureaucracy that corporate executives love to malign: bloated, risk-averse, inefficient and unimaginative."

JUDGE H.K. WANGELIN PASSES AWAY

HON. GENE TAYLOR

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. TAYLOR. Mr. Speaker, On June 9, 1987, America lost one of her finest sons when the Honorable H.K. Wangelin passed away in his hometown of Poplar Bluff, MO.

Judge Wangelin was an outstanding trial lawyer prior to being named to the Federal bench by President Nixon in December of 1970. He was named chief judge of the Eastern District Court on August 31, 1979, serving in that capacity until May of 1983.

The judge was a true patriot and a war veteran who served the Nation with honor and valor. His respect for the judicial system that he served so well will serve as an inspiration to those who follow him. His dedication will serve as a tribute to the legal profession which he held in the highest esteem.

Judge Wangelin will be sorely missed by his fine family and all of us who knew and loved him.

MEETING VETERANS' NEEDS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, June 10, 1987, into the CONGRESSIONAL RECORD:

Ever since Abraham Lincoln vowed that the United States must "care for him who has borne the battle and for his widow, and his orphan", we have dedicated ourselves to maintaining a social contract—a promise to care and provide for those who have served our country. With the rapid aging of our veterans population, a new challenge faces the Congress: how will we best meet the changing and expanding needs of a growing number of older veterans? That challenge impresses me each time I meet with Indiana veterans.

While the total veterans population is expected to decline slightly in coming decades, the number of veterans over age 65 will increase dramatically. The Veterans Administration (VA) predicts that the number of veterans over 65 will triple from 3 million in 1980 to 9 million in the year 2000. The primary reason for the increase is the large number of men who served in World War II now reaching retirement age. The aging of our veterans is occurring in the context of the "graying of America", but the peak in the number of older veterans will occur some twenty to thirty years before that of the general population.

The primary needs of aging veterans are similar to those of most older Americans: acute and long-term health care services. In addition to inpatient hospital care, older veterans will depend increasingly on outpatient services, nursing home care, community services, and residential home care. The use of VA facilities increases with age, and older veterans will continue to use a share of VA health care resources disproportionate to their numbers. Increases in future health care demand will far outstrip current VA capabilities. Estimates of needs for the year 2000 range as high as a 68% increase in available inpatient beds and a 175% increase in nursing home space. If there are any future reductions in Medicare coverage, even more veterans might turn to the VA for services.

The VA currently operates our country's largest health care system. In contrast to the Medicare and Medicaid programs, which are similar to insurance programs, the VA offers an integrated and comprehensive range of centrally-administered health services. In addition to its 172 hospitals and 226 outpatient clinics, it contracts for care through state and community facilities. The VA offers long-term care including nursing home care, adult day health care, respite care, hospital-based home care, and hospice care. Four major VA hospitals with nursing homes serve the 658,000 Hoosier veterans, 110,000 of whom are over 65. The VA is also a significant contributor to medical education and research, and has initiated ten geriatric clinical research centers. Patterns of use of VA facilities vary across the country, with some areas turning away eligible patients, while others are unable to fill their beds. The VA currently serves less than 20% of the veterans population, most of whom are lower-income veterans or without other health insurance.

Congress and the executive branch have considered a number of routes to meet the health care needs of aging veterans, a process made particularly difficult by budgetary pressures and rising health care costs. President Carter shifted the emphasis away from VA acute care in order to devote more resources to outpatient and nursing home care. President Reagan has favored the approach of restricting eligibility for VA care, approved in a limited form by the Congress in 1986. The means-testing enacted—requiring veterans with illnesses unrelated to their military service to meet income tests before receiving free care—attempts to focus our resources on service-connected disabled and lower-income veterans. However, since these veterans have accounted for an estimated 97% of all veterans treated in recent years, it is unclear how effective such means-testing will be. A major question remains unanswered: does restricting eligibility improve our ability to provide health care for a growing number of older veterans?

One way to meet the increased demand that will likely receive strong consideration by policymakers would be to increase the VA budget. Yet a major expansion will become more difficult in light of budgetary pressures. Annual funding for veterans health care programs now stands at over $10 billion, and VA estimates of health care costs in the year 2000 range (in 1985 dollars) From $15 to $24 billion. Planning for future years is also complicated by the projection that the number of aged veterans will peak by the year 2020 and will decline thereafter. Ironically, we must confront the possibility of excess capacity in meeting projected shortages.

Options to meet the projected demand within budgetary restraints include further means-testing to target VA care to those who need it the most, and cutting some of the more generous VA benefits. Yet my sense is that effective options remain for the Congress and the VA before making such cutbacks. Overall, we can place greater emphasis on coordinating VA services with those offered by others in order to reduce unnecessary and expensive duplication. We can better coordinate VA services for older veterans with those provided by the $70 billion federal Medicare program. Improved communication between VA facilities and state Medicaid and aging agencies would also improve the ability of each party to meet the health care needs of their aging citizens. One of the most promising efforts would be to improve coordination of VA efforts with community health care services. Long-term care services provided by the VA and community sources overlap to some degree, and greater coordination would improve service delivery efficiency on both sides. To meet long-term health needs, and save VA resources for needed acute care, the VA could increase contracting for community resources such as nursing home beds, transportation services, and health and nutrition monitoring.

In addressing the needs of an aging veterans population, we can provide a model for meeting the needs of the aging population at large. Yet the needs of aging veterans cannot be considered in isolation, since the acute and long-term care demands of the older veteran are not likely to be served by VA resources alone. Developments in national health and long-term care policy will clearly shape our success in meeting our commitment to care for those who have dedicated their time and lives to defending our nation.

IN TRIBUTE TO XIE XIDE

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. CONTE. Mr. Speaker, I would like to take a moment to pay honor to Xie Xide, one of only a few women to head a university in China.

Recently, Dr. Xie visited with me in my congressional office as part of her commitment to forge a path of strong Sino-American relations. President of the prestigious Fudan University, she is a woman of ease and grace and a woman devoted to improving international relations in the fields of science, education, health, and trade.

A physicist and specialist in semiconductors, she lived through the turmoil of Mao Tse-tung's Cultural Revolution and the trauma of being jailed and separated from her husband and son for 6 months. Now that the era of closed-relations has come to an end, Dr. Xie has made it her goal to increase cultural and technological exchanges between China and the United States.

Currently, she and the American-based Fudan Foundation are working on a number of projects to meet that goal. Some of these endeavors include the formation of the Center for American Studies to train Chinese graduate and post-doctoral students in American culture, history, and politics and the establishment of the Thomas H. Morgan Science Center to provide American scholars with an opportunity to participate in the teaching of genetics, microbiology, biochemistry, and other related fields. As Dr. Xie explains, it is her wish to provide the framework so "a new generation of teachers in United States-China relations can be trained."

She is a woman to be admired for her initiative to build a better world not only for the youth of China but for the youth of all nations. She is an inspiration for all of us who seek to create a world built around peace, understanding, and mutual acceptance. And it is with great pleasure that I share my knowledge of Dr. Xie and her work with my colleagues.

U.S. CORPORATIONS STILL SHOULD ADHERE TO SULLIVAN PRINCIPLES

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. FIELDS. Mr. Speaker, although the Rev. Leon Sullivan recently abandoned his plan for American corporations doing business in South Africa, I would like to affirm my support for the original Sullivan principles. The Sullivan principles have, over the years, improved the quality of life for blacks in South Africa and have served as an example of corporate responsibility.

While I respect Reverend Sullivan's right to change his mind, I regret that he now calls for the withdrawal of the 200 American corporations still operating in South Africa, and calls for an end to diplomatic ties with South Africa.

Mr. Chairman, it is becoming clear to many of us that closing the door to South Africa simply is not the answer to ending the abomination called apartheid.

The Sullivan principles have done more to improve the well-being of black South African workers than anything else in recent history. Adherence to the Sullivan principles by the 200 American firms still operating there have brought about major social, economic and political change—all of it peaceful. Today, black South Africans working for American firms are paid the same wages paid to white workers. Greater management opportunities are available to black workers. And industrial facilities are becoming desegregated.

In a country in which they cannot vote or choose where to live, the initiatives of American coporations provide a ray of hope to blacks which wouldn't otherwise exist. Reverend Sullivan himself has been quoted as saying that the principles "have caused a revolution in industrial race relations for black workers in South Africa."

By standing for equality and encouraging desegregation in the workplace, American corporations doing business in South Africa in no way support the regime in Pretoria. Indeed, they demonstrate their opposition to some of the policies of that government.

But Mr. Chairman, we should not ask American corporations doing business in South Africa to become agents of political change in that nation. It is simply too much to ask of them.

As Zulu Chief Buthelezi has stated, "To stand on American indignant principles by withdrawing diplomatically and economically from South Africa would only demonstrate the moral ineptitude of a great nation."

The United States cannot dictate domestic policy to South Africa—but it can have some influence. That black South African workers today are enjoying greater opportunities in the workplace than they enjoyed 10 years ago points up the success of the Sullivan principles. I urge American corporations doing business in South Africa to continue adhering to the Sullivan principles, and I urge those corporations to continue to serve as a model for peaceful change in South Africa.

THE OPENING OF THE CARRIAGE MUSEUM OF THE MUSEUMS AT STONY BROOK

HON. GEORGE J. HOCHBRUECKNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. HOCHBRUECKNER. Mr. Speaker, I rise today to address my colleagues on the remarkable preservation of an aspect of American history. Our 18th century predecessors in the new Congress of the United States traveled to legislative sessions in horse-drawn vehicles. For over 100 years Americans drove horse-drawn vehicles for business and pleasure in this growing country. I am pleased to report that a fine and comprehensive collection of carriages, work vehicles, sleighs, and other conveyances has been preserved in my congressional district.

The interest in history and foresight of philanthropist and manufacturer, Ward Melville, is responsible for the thoughtful collection of these key artifacts from the horse-drawn era. His leadership and that of his wife, Dorothy Melville, resulted in the gifts of vehicles from 80 other donors to form what is acknowledged to be the finest collection of horse-drawn vehicles in America.

On June 7, 1987, the new Carriage Museum opened in Stony Brook on the north shore of Long Island. Contributions from over 500 donors have enabled the Museums at Stony Brook to build this 40,000-square-foot facility to preserve and to present America's premier carriage collection.

Mr. Speaker, my colleagues, the generosity of these Americans, who assembled this fine collection and contributed funds for the construction of this new facility, has insured for future generations an important aspect of America's past in the horse-drawn era. This is an example of philanthropy worthy of recognition by Congress and the American people. I am proud to have the Museums at Stony Brook residing in the First Congressional District.

A TRIBUTE TO STEVE GERAKIOS

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. BILIRAKIS. Mr. Speaker, I would like to take a minute or two to talk about a very good friend of mine: Steve Gerakios, a teacher and patriot who died on June 4, 1987, graduation day at the school where he taught.

I have known Steve for many years, and I want to say, if you have a friend like Steve, cherish him because there aren't many around. If you don't have a friend like Steve, then I hope you find one—because he will change your life.

Steve had a genuine warmth and concern for all he knew. He was a man determined to make a difference, and anyone who met him could tell that right away.

That is what made him such a good and special teacher. He loved his students and he was determined to do his best for them. No one—no one—can say he ever did any less than that.

Steve loved this country, too. He loved it deeply and honestly, with a faith that comes from a life spent in its service. He believed that it was right to stand up for America because he understood the promise of this nation.

The son of Greek of immigrants, Steve discovered that in America he could make of himself whatever he wanted. He wanted to make a difference—and that he did.

He didn't need headlines or fame. The news-making greatness of walking on the moon or developing a new vaccine wasn't for him. Rather, he pursued and demonstrated the day in, day out contributions: a simple, yet noble, greatness—raising a family, working and providing for them, serving the country and community.

He wanted his students to understand how he felt about this country and to know what fantastic possibilities lay ahead of them.

He spoke to them of pride and patriotism, but he did more than that, he lived those words. "Tradition, Honor, Pride," the motto of Clearwater High School—that was Steve Gerakios.

"God Bless America, the greatest Nation on Earth." Those words hung on the wall behind Steve's desk. No one ever had any doubt where he stood on that score.

Of course, it was totally unsurprising that Steve would see to the construction and maintenance of Clearwater High's War Memorial, that he would have annual voter registration days on campus and that he would establish a Freedom Library in Clearwater, FL. These things were unsurprising because that is just the kind of person Steve was.

The president of Harvard University concluded his baccalaureate address to the class of 1962 with these words:

> Each of us has a life to live and we shall want to spend it as well as may be * * * as alert, fair, concerned citizens of a complicated human world, aware in some fashion of God's high purpose for this earth of ours, eager to have a part in His plan for it, and to find joy in the process.

When I think of Steve Gerakios, I always will remember those words.

BLACK GOLD JUBILEE

HON. TOM LEWIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. LEWIS of Florida. Mr. Speaker, I would like to take this opportunity to share with you the important role that Women Involved in Farm Economics [WIFE] has played in promoting an understanding and appreciation of this Nation's agriculture community. By operating at the grassroots level, WIFE seeks to maintain the family farm concept and promote economic prosperity in the field of agriculture.

As an example, the Everglades Chapter of WIFE assists in sponsoring an annual event called the Black Gold Jubilee. This unusual name refers to the rich organic soil called muck in Belle Glade, FL. The jubilee, celebrated on April 4 and 5 of this year, provided area farmers the opportunity to reflect on and celebrate the land as well as the harvest. It's theme, "Farmers—Our Heritage—Our Future," clearly depicted the proud and good people who have homesteaded the Everglades area.

From its beginning, the people of Belle Glade have relied heavily on agriculture for its continued well-being. Its forefathers would be proud to see their sons, daughters, and grandchildren pursuing the paths they, as pioneers, so proudly established decades ago.

This year's celebration included a parade down main street, clowns, magic shows, sales of wares, and food of all kinds. Live entertainment and a variety of recreational activities provided individuals of all ages to share with each other the blessings of their community.

One of this year's highlights was the "Dress Up Like Your Favorite Vegetable" contest sponsored by the Everglades chapter of WIFE. Children dressed as their most liked vegetable, rode on the WIFE float—a giant replica of a corn crate—in the parade. The parade entry, entitled the "Healthy Bunch," won the first place trophy for their division and the children who participated won savings bonds, ribbons, T-shirts, and everyone's hearts.

The culmination of a year-long community effort by volunteers produced this spectacular 2-day calendar of events enjoyed by all of the Everglades agriculture area and visitors alike. And, it is only with the help of organizations such as WIFE that our Nation's agricultural communities can maintain their vital roles in the prosperity and welfare of our country.

I urge my colleagues to join with me in saluting Women Involved in Farm Economics.

THE BUDGET

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. BALLENGER. Mr. Speaker, the budget should be a process for the orderly and efficient handling of the Nation's money. Instead, it has become a mockery shaped by conflict, division, disagreement, and smoke and mirror technics to achieve budget targets. The most recent budget passed in April is a vivid example of how poorly the budget in our country is formulated. The time has come for Congress to ask itself what can be done to improve this mess.

Undoubtedly, there are a great many causes and solutions for the escalating expenditures and budget deficits. There are no sure answers. If Congress would pick only a few sore spots to concentrate on and improve, our budget process would be in better shape. Congress should:

Crackdown on Budget Act waivers;

Impose stricter compliance with the spending ceilings and subceilings adopted in budget resolutions;

Prohibit extraneous matters in reconciliation bills;

Require all appropriations bills to be reported before any can be considered;

Provide a formula for short-term continuing appropriation measures—those effective for 30-days or less;

Discourage omnibus, long-term continuing resolutions by requiring that they be subject to the same rules as regular appropriate bills;

Give the President special rescission authority over such continuing resolutions subject to joint resolutions of disapproval; and

Restore automatic sequestration by substituting a new Commisson on Defict Reduction to replace the role of the Comptroller General in Gramm-Rudman-Hollings sequestration process.

Mr. Speaker, these provisions are the package of amendments introduced by Republican whip LOTT, Republican leader MICHEL and senior Budget Committee Republican DEL LATTA and offer a reasonable solution to many of the problems seen in our budget process. They are not the complete answer, but to make these corrections would be a start in the right direction. As a cosponsor, I strongly support H.R. 2232 and I urge my colleagues in the House to look at this bill and add your endorsement for its worthwhile provisions.

To achieve the type of reforms that are needed to make our budget process work, I believe the biggest change will have to come from within the Congress. We, in the Congress, have the power and ability to bring order and efficiency to the handling of our Nation's money. Congress must overcome the internal problems and do what is necessary to achieve fiscal responsibility. As this is the historical 100th Congress of the United States, now should be the time to make tough decisions necessary for sound financial results.

H.R. 1207—THE PRESCRIPTION DRUG MARKETING ACT OF 1987

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. COELHO. Mr. Speaker, I wanted to take this opportunity to commend my colleague, Congressman JOHN DINGELL, for sponsoring the recently passed bill, H.R. 1207, the Prescription Drug Marketing Act of 1987.

As you know, this legislation bans the reimportation of U.S. manufactured drugs, restricts the distribution of drug samples, and prohibits hospitals and other health care facilities from reselling drugs originally purchased for their own use.

Mr. Speaker, this legislation demonstrates that Congress will not succumb to the practice of drug diversion. In allowing the sale of substanding, ineffective, or even counterfeit drugs, this practice threatens the public health and welfare, while lining the pockets of drug diverters and their cohorts in the diversion black market.

By eliminating multitier pricing policies, H.R. 1207 removes the availability of noncompetitive priced pharmaceuticals that drug diverters take advantage of when they illegally purchase excess quantities from illegal sources.

As long as multitier, discriminatroy pricing policies exist, illegal profits will be made by drug diverters. H.R. 1207 goes a long way toward solving this problem by establishing serious felony penalties for nonprofit organizations and others who resell drugs to diverters. Congressman DINGELL should be commended for sponsoring this important legislation. I urge my colleagues in the Senate to follow the lead of the House and ensure the quick passage of this legislation.

HONORING MR. JOHN W. KIRK FOR HIS CONTRIBUTIONS TO THE WALNUT INDUSTRY

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. LEHMAN of California. Mr. Speaker, later this month, a constituent of mine, Mr. John W. Kirk, will be honored by the walnut industry for his contributions to the development of the industry. I would like to take this opportunity to join his family and friends in paying tribute to Mr. Kirk.

Mr. Kirk, a native of the foothills of San Joaquin County in California, can truly be considered one of the pioneers of the State. Born March 6, 1906, on the homestead of his grandfather; his family raised alfalfa, grain, and livestock, both for sale and for family use. As with many of the early settlers of this region, Mr. Kirk and his family endured the events that only people that settled the new lands of our Nation have experienced. However, they also enjoyed the early California country lifestyle and the fruits of their hard work.

In 1919 John, only 13 years old, took responsibility for most of the duties of the ranch and did so until he was 21. He continued to work in agriculture and in the spring of 1924 he planted his first 100 walnut trees on his father's ranch. During this time, he learned the art of budding trees, a skill that would serve him and the local walnut industry well for the remainder of his active career in agriculture.

Though he was employed in a number of different capacities throughout his long life, his skill at budding walnuts and later apple trees would consume a great deal of his time. He has been credited for much of the present-day development of walnut and apple orchards which are scattered throughout eastern San Joaquin and Calaveras Counties.

The walnut growers of West Point, CA, where John now lives, are honoring his untiring efforts which helped to establish this important crop. His activities as a grafter and budder of walnuts has made possible the development of walnuts in this area.

Not only has he made important contributions to the walnut industry, but he has also been an active member of his community. He has been a good friend and neighbor to virtually every one in the community and deserves this appropriate recognition.

He took time from his busy farm life to marry Dorothy Congdon on October 24, 1934, in Reno, NV. John is now 81 years old and enjoys the company of his two sons and many grandchildren.

I am pleased to have this opportunity to pay tribute to Mr. John W. Kirk and acknowledge his many contributions.

DR. RONALD E. McNAIR, JR., ENGINEERING BUILDING

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. COBLE. Mr. Speaker, our entire Nation was dealt a severe blow on January 28, 1986, when the space shuttle *Challenger* exploded only 73 seconds after liftoff. That tragedy hit close to home in the Sixth District of North Carolina because one of the seven crew members who perished was Dr. Ronald E. McNair, Jr. Dr. McNair was a graduate of North Carolina Agricultural & Technical State University which is located in Greensboro. Dr. McNair was graduated in 1971 with a degree in physics. All of us in the Sixth Congressional District were deeply touched by this tragedy.

On June 12, 1987, we will celebrate the life and achievements of this great American when N.C. A&T State University dedicates the Dr. Ronald E. McNair, Jr., Engineering Building. This structure will provide the school with a world-class educational facility. The engineers of tomorrow will be able to study in a building named for a man who, according to his wife, Cheryl McNair, "was very futuristic in his thinking, and so he believed in progress. He believed in encouraging young people to persevere and to excel in whatever they set out to do." I read those comments in the May 1987, edition of Ebony magazine.

We look forward to welcoming Cheryl, her two children, Reginald and Joy, and other family members and friends of Dr. McNair to Greensboro. There have been many tributes and memorials to the memory of Dr. Ronald E. McNair, Jr. None could be more fitting than to have his named attached to the new engineering building at North Carolina A&T State University.

THE FIRE FIGHTER PROTECTIVE GEAR LIABILITY REFORM ACT OF 1987

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. FEIGHAN. Mr. Speaker, today I address an issue that has not received the attention it deserves, and one that affects a crucial arm of our emergency services—firefighter injuries caused by substandard protective gear. For years, neither State nor Federal law has adequately protected these brave men and women who courageously risk their lives to protect our safety. My bill, the "Fire Fighter Protective Gear Liability Reform Act of 1987," would correct this injustice by establishing a manufacturer presumptive liability statute that permits faster and fairer adjudication of claims involving injuries caused by defective equipment and clothing.

A large percentage of line-of-duty firefighter deaths are caused each year by faulty or substandard protective gear. For example, in 1984, 10 percent of firefighter deaths were attributed to their protective apparatus. Moreover, substandard protective gear has accounted for a great many injuries sustained by firefighters. Indeed, 40 percent of the States do not provide minimal safety and health standards for firefighters' clothing and equipment.

Although death and injury rates have declined from previous years, they still remain far above the rates for police officers, the next most hazardous occupation. We can and should do better to protect the safety of America's firefighters.

Under current law, when a firefighter is injured by defective equipment, he or she must generally prove first, that the product in question was unreasonably dangerous when used in a foreseeable manner and second, that the unreasonably dangerous features of the product caused or exacerbated the injuries that formed the basis of the suit. This system unjustly places the overwhelming burden of proof on the shoulders of the victim.

The Fire Fighter Act makes several simple yet important improvements in current law. First, it shifts the burden of proof to the manufacturer to demonstrate that it is not responsible for firefighter harm that occurs while utilizing substandard protective gear. Second, it establishes that when conflicting minimum standards for protective clothing and equipment do exist, the most stringent standard applies. The bill incorporates Occupational Safety and Health Administration [OSHA] standards in States with no minimum requirements for protective gear. Third, it permits Federal court jurisdiction over actions resulting from substandard firefighter protective clothing and equipment.

This bill will establish a more equitable system of liability to adjudicate wrongful death and injury suits that ensue from alleged equipment failure. It will more fairly allocate the burden of proof between injured firefighters and manufacturers. It will provide a powerful deterrent to prevent manufacturers from producing protective gear that fails to meet minimally acceptable standards. While this bill will not eliminate all firefighters' injuries, it takes a modest step toward improving their workplace safety. Our Nation's firefighters deserve this small consideration.

Mr. Speaker, the time to reform the current system of liability for injuries caused by substandard firefighting protective equipment is now. I look forward to working with my fellow Members of Congress to make this crucial legislation become a reality.

A TRIBUTE TO MR. BERNARD OTTO

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. WOLPE. Mr. Speaker, I want to pay tribute to a constituent and very special friend of mine, Mr. Bernard Otto, the clerk and manager of the village of Bellevue, MI. On June 13, Bernard will be honored by his friends and colleagues as he retires from over three decades of distinguished. public service.

Bernard began his career as a public servant in 1954 when he was first elected to the Bellevue Village Board. He served his community in a number of capacities, including treasurer, president and trustee, until 1974 when he was elected clerk—the position from which he is now retiring. His contributions, however, have not been limited to government service alone.

Bernard has committed both time and energy to a vast array of community and professional organizations, including the Eaton County Red Cross, the Bellevue Chamber of Commerce, the Bellevue United Methodist Church, the Michigan Municipal League and the Michigan Association of Townships. His leadership, his drive, his determination and commitment have been recognized many times over by his friends and colleagues, alike. In 1975, for example, he was named Bellevue Citizen of the Year. More recently, he was chosen to receive the Michigan Minuteman Award.

Mr. Speaker, over the years Bernard Otto has distinguished himself as a dedicated public servant and exemplary citizen. The care and concern that have always been present in his approach to local problems have endeared him to his constituents. The integrity and pragmatism with which he has conducted his duties as clerk and manager of the village of Bellevue have earned him the respect and admiration of all who have been privileged to work with him. No one could have served as a more effective advocate for Bellevue and for the people he has served for so long.

I consider myself fortunate indeed to count among my friends and associates Bernard Otto. I want to congratulate him upon his retirement and to wish him and his family all possible happiness in the years ahead.

REPEAL HARMFUL PENSION PROVISION

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. DIOGUARDI. Mr. Speaker, the perilous condition of the Pension Benefit Guaranty Corporation has focused Congress' attention on the tremendous problems associated with underfunded employer provided pension plans. Unfortunately, last year's tax reform bill included a duplicative and unnecessary provision whose only impact has been to exacerbate this problem. The following piece written by Mr. Edward Burrows, president of the American Society of Pension Actuaries, explains this problem in greater detail:

TAX REFORM MAY CAUSE PENSION UNDERFUNDING

(By Edward E. Burrows)

Employee pension plans in this country are surrounded by laws designed to insure their safety. And well they should be. These plans provide a vital supplement to social security for millions of working Americans.

An apparent technical error in the 1986 Tax Reform Act poses a real threat to these plans. It may lead to serious problems of underfunding.

The culprit is a provision which penalizes an employer for tax underpayments attributable to overstated pension deductions. Intended to discourage unreasonably high deductions, the provision is so severe it may actually encourage unreasonably low contributions.

A major reason for the severity is that not one but two penalty provisions were added at the same time. One, Section 6659A, provides penalty taxes of up to 30%. The other, Section 4972, provides a penalty of just 10%. But a single "excess" contribution can start annual 10% penalties which may continue for several years.

To make sure our nation's businesses put enough money into their employees' pension funds, the law specifies minimum required contributions. Minimum contributions are calculated and certified by "enrolled actuaries." These are professionals licensed by the federal government. Licensing does not occur until after the candidate satisfies stringent experience requirements and passes rigorous examinations. These examinations cover all relevant aspects of pension law and actuarial science.

So, an enrolled actuary's calculations show whether a company is contributing enough to its pension fund. These same calculations are also used by the company to prove it can take a tax deduction for its contributions.

Agents of the Internal Revenue Service are supposed to see that no company takes more deductions than it should. But when it comes to pension contributions, the IRS serves two masters with opposing demands. To keep tax collections up, IRS agents are supposed to make sure contributions are not too high. To keep our nation's pension funds healthy, these same agents are supposed to make sure contributions are not too low.

The IRS has done a surprisingly good job at serving both masters fairly and reasonably. But in the last two or three years, matters have become unbalanced. Keeping tax collections high has become all important. Pension security has taken a back seat. Agents all over the country have started arguing with enrolled actuaries about contribution amounts.

And, just as debate on tax reform began, the IRS started telling horror stories to Congress. The IRS took isolated cases of abuse and blew them way out of proportion. It demanded and received enforcement tools far more lethal than it needs.

The IRS seems reluctant to acknowledge it has received not one but two weapons providing penalties for the same deed. James Holland, Chief of IRS's Pension Actuarial Branch responded recently to a congressional inquiry on the penalty issue. He wrote that without Section 6659A, the only penalty for claiming a high deduction which is later revised would be ". . . a small interest penalty on the tax." He explained that ". . . the additional tax paid one year would be offset by higher deductions in subsequent years as the disallowed amount is carried over." He made no mention of Section 4972.

To see the real harm of Section 6659A, you have to appreciate the difficulty and uncertainty of pension cost estimates. The enrolled actuary is dealing with pensions which may not begin for 50 years. Seventy-five years from now, some of our current generation of workers will still be receiving payments. So some of each dollar contributed today will still be invested, waiting to be paid out, 75 years from now. At least there had better be some still waiting by then.

The actuary has to estimate interest rates for these 75 years. The actuary must estimate the effect of future inflation. The actuary must make predictions about typical retirement ages 10, 20, 30, . . . over 40 years from now. The difficulty of these predictions is one reason why the actuary must be trained and tested so rigorously, before a license to practice is granted.

Most IRS agents have nothing like this training in actuarial science. They are easily misled by current interest rates, current inflation rates, current retirement ages. This misunderstanding sometimes leads them to conclude that the enrolled actuary's cost estimates are too high. When the agent has weapons like Section 6659A, the enrolled actuary becomes virtually powerless in the fight for contributions adequate to protect our nation's workers.

The penalty of Section 6659A is nominally imposed on the taxpaying employer. However even the most unimaginative observer knows where the penalty will come to rest. Suppose an employer bases contributions and deductions on the actuary's calculations. Suppose the deductions are disallowed and a penalty tax is assessed. As night follows day, the taxpayer will turn to the actuary for reimbursement of the penalty.

A comparison of penalties for overfunding with those for underfunding gives the actuary a clear message on how best to control his personal liability. The penalty for underfunding, for jeopardizing our workers' retirement security, is generally 5% of the underpayment. The combined penalty for overcontributing, for claiming deductions now instead of later, can be as great as 40% of the overcontribution.

As a matter of self preservation, the enrolled actuary will have only one course. Cost estimates will have to seem reasonable to IRS agents, whether or not the actuary really believes they are adequate. In cases of uncertainty, the lower estimate will have to prevail over the higher. The inevitable result will be a bias favoring underfunding. This does not bode well for the future pensioners of America.

There is another way Section 6659A is going to hurt. Underfunding will place still more pressure on the Pension Benefit Guaranty Corporation, already in trouble. This organization is similar to the FDIC, which protects bank depositors. The PBGC is supposed to step in and help pension plan participants when their plans become insolvent. The Executive Director of the PBGC has stated that a root cause of the current trouble is inadequate funding standards. She has also stated that under one set of assumptions, the annual premium rate, now $8.50 per participant, should really be $42.75. Back in 1974, when the PBGC was chartered, a rate of $1.00 per participant was considered abundantly adequate.

An increase to $42.75 would cause a small but measurable number of plans to be discontinued. An increase still larger, prompted by the additional underfunding resulting from Section 6659A, would make matters much worse. Each of us would face the same question: Will my pension plan be one of the survivors, or one of the casualties?

There is yet one more way Section 6659A will hurt. Actuaries, like many other professionals, are experiencing devastating increases in their liability insurance costs. Renewal offers involving premium increases of 500 have become common—for firms with no claims history at all. Depending on their structure and geographical location, some firms are unable to obtain insurance at any price. And this near collapse of the liability market occurred before the insurers had a chance to contemplate Section 6659A. With this section in place, actuaries will find it even more costly to obtain liability insurance than at present. This cost will be passed through, directly, to plan sponsors. Hence, an employer's cost to administer a plan, already made monstrous by the spate of legislation enacted since 1981, will be increased still further.

This cost increase will cause additional decisions not to maintain pension plans. And again, the same question: Will my plan be one of the survivors, or one of the casualties?

Mr. Speaker, I have introduced H.R. 1048, legislation to repeal section 6659a. While the repeal of this provision would have virtually no revenue impact, the positive impact that it would have on our Nation's private pension system is immeasurable. I urge my colleagues to support H.R. 1048.

TRIBUTE TO SANDY KLASKY

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to a truly outstanding member of my community, Sandy Klasky. For the past year, Sandy has served as president of the San Fernando Valley Region, Jewish Federation Council of Greater Los Angeles. The council, which has benefited tremendously from her strong leadership and tireless efforts, will honor Sandy for her year of exceptional service at its biannual meeting on June 25.

Although she will be stepping down as council president, Sandy will undoubtedly continue her long record of involvement with the Jewish federation and with the San Fernando Valley community. As past Chair of the San Fernando Valley Region Community Relations Committee and past president of the North Valley Jewish Community Center, she has been an effective and dedicated community leader. Sandy is currently a commissioner on the Los Angeles County Commission for Women and the Chair of the Commission's Health Committee. In addition to devoting so much time to her community, Sandy is also working toward her doctorate at the Claremont Graduate School of Education where she is specializing in public policy and women's issues.

It is my pleasure to join with my colleagues and the Jewish Federation to honor this extraordinarily dedicated community leader. With rare enthusiasm and tireless effort, Sandy Klasky has served her community well and has become an inspiration to all who know her.

ADDRESS BY HYMAN BOOKBINDER TO NATIONAL URBAN COALITION

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. YATES. Mr. Speaker, I am presenting for printing in the CONGRESSIONAL RECORD a most perceptive speech by my good friend Hyman Bookbinder—"Bookie" to all who know him—to the National Urban Coalition on its 20th anniversary. I believe it is a most cogent reply to those who question the social policies of Government assistance of the past. Such policies were constructive and they did make major contributions to the well-being of our people and of our Nation. I urge Members to read this most interesting address:

NATIONAL URBAN COALITION—20TH ANNIVERSARY

(By Hyman Bookbinder)

Twenty years ago, when the N.U.C. was being formed, I was involved in the most gratifying, the most exciting, the most hopeful activity I've known in my life. I was in a war. The only kind of war a society should ever want to wage—a war to end poverty in America.

During the 4 years I served in that war—and for many years later too—I quoted often the words from Proverbs:

"He that giveth to the poor shall not lack, but he that hideth his eyes shall have many a curse . . ."

I believed then, and I believe today, that a society that gives its attention and its resources to the plight of the poor shall only benefit from it, but a society that hides its eyes and closes its heart and mind to the problem shall indeed be cursed—cursed with tensions, with inter-group resentments, with resort to crime and drugs, and, yes, with terror and violence—the kind we had in the Sixties in so many of our urban communities.

As we turn our eyes to the years ahead to determine our priorities, we need also to turn our eyes back to those years when the Coalition was formed—those years of the Sixties—to see what happened, to see why we never really finished that war against poverty, to make some basic judgments about the role of government in meeting our goals of a productive, a just, a fair society.

Before we start choosing our favorite categoric priorities—and I have one or two I will discuss briefly—we have an obligation to set the record straight on the past. I consider it a matter of priority importance that we challenge the all-too-popular, too readily-accepted, charge that "the social programs of the Sixties failed . . .", that the Great Society was a flop, that all we did was "throw money at problems" and got nothing from that expensive exercise.

I find it distressing that this cry has been coming not only from conservatives—neo and otherwise—but from too many liberals—neo and otherwise. It's just damn wrong!

Did every program of the Sixties work? Of course not.

Was every dollar used to its maximum potential use? Of course not. Should we in the '90's and in the 21st century just reinstate and increase the funding of Great Society programs? Of course not.

But that war won many battles, and still is. Head Start has given million of kids a better chance to make it . . . Job Corps has saved hundreds of thouands of youngsters from permament social crippling . . . Foster Grandparents has brought lonely non-productive seniors together with neglected, unhappy children and given both a greater meaning to life. Food stamps has kept millions from actual starvation. Medicare—Medicaid—manpower training—adult literacy . . . I could go on and on. Does anybody really want us to believe that America would be a better country today if we had not done these things?

Of course some programs didn't work well, or at all. Of course some people in the programs got nothing out of them. Of course there was some abuse, even some hanky-panky.

Well, now, has every defense contract yielded a perfect product—and at minimum cost? Has every cancer project brought us a cure? Has every space launching been successful? Why is a less-than perfect record for social programs less tolerable to society than failed economic or military or diplomatic policies?

The truth is not that our efforts of the past have not been good—but that they were not good enough. We quit too soon. We lost hope too soon.

But for ten years we saw dramatic decreases in the ranks of America's poor. Among the old and among the young. Among the Blacks and among the whites. But in recent years we have seen that trend reverse itself.

FDR: "The test of progress is not whether we do more for those who already have much; it is whether we do enough for those who have too little."

I believe we have not done enough—not enough as a people, not enough as a government. I remember being shocked 20 years ago when I learned that about half of all people then rated as poor had been poor since the day they were born. We had to find out why—and do something about the basic causes, in the hope that those poor would not bequeath that legacy to their own children.

Well, let's face it. Today, in our country, there are literally thousands of babies being born every single day who—if we fail to do what is necessary in the years ahead—are doomed to be poor the rest of their lives. We have the obligation to ask today the very questions asked by President Kennedy in 1963, only weeks before he was shot down: Who are the poor? Why are they poor? What can be done to get them out of poverty, not just relieve their poverty?

That last question is critical. I get absolutely furious whenever I hear some politician—be he liberal or conservative, Democrat or Republican—proclaim, as if he was the first person ever to have had the good sense to proclaim it, that the purpose of our program should not be to make it more comfortable for people in poverty, but to get them out of it—leaving the impression that the "failed social programs" of the Sixties did not understand that basic truth.

Absolute nonsense! Why did we call the basic anti-poverty program the "Economic Opportunity Act" if we did not understand that? Any decent society must be concerned about relieving hunger and sickness and homelessness, and so we never lost interest in welfare and food stamps and low-cost housing and medicaid. But that wasn't all. The so-called social programs were designed to end poverty, not relieve it—Job Corps, Head Start, Manpower training, literacy . . .

Which takes me now to a brief discussion of the one specific priority I wish to express special interest in—the question of jobs. There is no better, no more critical barometer of the economic and social health of our society than our ability to provide jobs for all who should have them. Martin Luther King said it as eloquently as anyone ever had about what employment opportunities means for those deprived of such opportunities:

"In our society," he declared, "it is murder, psychologically, to deprive a man of a job or an income. You are in substance saying to that man that he has no right to exist." (Today, I'm sure, King would be saying "man or woman.")

And today, I'm pleased to note, it is Coretta King who is spearheading a major effort, in her capacity as co-chairman of the National Committee for Full Employment to sensitize Americans generally—but the candidates in both parties seeking the Presidential nominations in particular—to the need to explore this fundamental question of jobs. That Committee is now putting the final touches on a major effort to be called "Jobs 88 Campaign"—a "Six Point Agenda for High Quality Job Growth and a More Skilled Work Force."

It is incumbent on all of us to join Mrs. King and her associates in insisting that all candidates for office in 1988—Congressional as well as Presidential—address themselves seriously to this basic problem. We cannot permit one or two month's drop in the national unemployment rate—with all the limitations in that particular figure—blind us to the size and significance of the problem. We must be concerned not only about workers who lose their jobs today and the need to provide for their retraining and relocation—but to the many millions who never get into the statistics, either because they've given up hope or never had enough hope or training to get into the labor force.

We must seek a national debate that goes beyond slogans about welfare cheaters or failed social programs. We need ideas—new ones or updated old ones—about how the private sector can create more and better jobs. And we must not be afraid to discuss what more government can and must do to achieve a fuller employment society, what its obligations are under laws now on the books.

Our people want to work—and they want to become better qualified to work. I know of no national jobs or manpower program that has ever operated at less than full capacity.

The jobs challenge is as good a goal as any we can name around which to debate the more general questions my earlier comments raised. Do social programs have to be failures? Have they been? Does the Federal government have a responsibility to participate actively in pursuit of a healthy economy?

As a representative of a religious and community relations agency committed to equality of opportunity as well as general opportunity, let me make a brief comment in closing. There is still much to do to assure full civil rights for all our people—and let's do it—but the legal, philosophical, conceptual battle for quality is essentially won. But unless we translate these rights into real opportunities—both on the demand side as well as the supply side—the legal victories will have been for naught, and confidence in their significance could erode—and explode. Just think of that persistent 40 percent unemployment rate for Black youngsters!

Our correct concern about appropriate forms of affirmative action is important—but even more important is the broader arena of affirmative action that includes full employment, housing, health, and economic development.

CHRIS SMITH: "DEFENDER OF LIFE"

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. KEMP. Mr. Speaker, protection and nurture of children, born and unborn, are the inalienable rights of a free nation. As the leader of the free world, the United States must spearhead efforts to see that the right to life is protected, preserved, and extended to people everywhere.

My good friend Representative CHRIS SMITH steadfastly provides leadership and philosophical support to the pro-life movement. His hard work and determination have led to notable successes on behalf of innocent life. It was my pleasure to work with CHRIS to end U.S. funding to the United Nations Fund for Population Activities, which provides assistance to China's brutal program of coercive abortions, forced sterilizations, and infanticides.

The Wanderer recently published a thoughtful article by CHRIS in which he details the efforts of Planned Parenthood to force the United States to support population control programs in developing countries. These countries overwhelmingly reject abortion, because as CHRIS states, "The pro-life laws remain in effect in most developing countries because they reflect the social, cultural, and religious values of the people." I commend CHRIS' article to my colleagues.

SHOULD THE U.S. FUND "BIG BROTHER"?

(By Congressman Christopher Smith)

(Congressman Smith, a fourth-term New Jersey Republican, is a member of the Committee on Foreign Affairs of the U.S. House of Representatives. He is also a member of the Helsinki Commission, a human rights monitoring group.)

Planned Parenthood is working hard to provoke a confrontation between Congress and the Reagan Administration over U.S. funding of "population control" programs.

Planned Parenthood says that the fight is over whether the U.S. will continue to support effective birth control programs in developing countries. In fact, however, the Reagan Administration has recommended $226 million for such programs—$36 million higher than the Carter Administration level.

The fight is really over whether those "population control" funds should go to organizations which promote abortion, and even compulsory abortion, as a means of population control—as opposed to organizations which confine themselves to contraceptive family planning.

The most intense controversy centers on China's population program. The Chinese government permits most married couples to have only one child—and then, only after the couple receives a "birth coupon" (which can take many years).

Western journalists and scholars have graphically detailed the various enforcement mechanisms of the Chinese program. In villages and factories, Communist Party "population police" systematically monitor women's menstrual cycles.

Pregnancies which occur outside of marriage, or within marriage but without a "birth coupon," are classified as "unauthorized." These mothers are subjected to crushing fines, daily brainwashing sessions, and other intense pressure to submit to abortion. Some women bravely hold out until the final months of pregnancy, but in the end most succumb.

Despite some claims to the contrary, these coercive practices are still pervasive. As it was recently expressed in China's national population-control journal, "those who are having unplanned pregnancies must be subject to remedial measures [abortion] with resolution."

The United Nations Fund for Population Activities (UNFPA) has played a key role in the development of China's "Big Brother" approach to population control. The UNFPA now points to China's program as a model for other developing countries.

But in 1985, Congress enacted an amendment (offered by my colleague Jack Kemp of New York), prohibiting further U.S. aid to "any organization or program which support . . . a program of coercive abortion or involuntary sterilization."

The Reagan Administration subsequently determined that UNFPA's program in China violated the terms of the Kemp law, and the federal courts agreed. UNFPA then demonstrated the depth of its commitment to China's Big Brother program by giving up its U.S. funding—over $40 million a year—rather than withdraw from China. A UNFPA-funded advocacy organization, the Population Institute, is now pressuring Congress to restore the funds.

Another controversy involves the International Planned Parenthood Federation (IPPF), headquartered in London. The Reagan Administration stopped funding IPPF in 1985 because IPPF refused to divest itself of abortion-related activities.

It is a matter of public record that IPPF sees the legalization of abortion as part of its worldwide mission. It's a big job—abortion on demand is legal in only 8 out of 126 less-developed countries.

The pro-life laws remain in effect in most developing countries because they reflect the social, cultural, and religious values of the people. That doesn't matter, though, to Big Brother in London. In fact, a 1983 IPPF committee report actually recommended that IPPF affiliates violate anti-abortion laws. "Action outside the law, and even in violation of it, is part of the process of stimulating change," as the report put it.

Significantly, that arrogant policy recommendation was signed by the president of the Planned Parenthood Federation of America. The same organization recently filed a lawsuit claiming that Planned Parenthood has a constitutional right to campaign against the anti-abortion laws enacted by sovereign foreign governments, without losing U.S. funds.

Well, I don't believe that we are under any legal or other obligation to fund such activites, which liberals would call "cultural imperialism" if the subject was not abortion. I hope Congress will conclude that, especially in a time of crushing budget deficits, we have better things to do with taxpayers' dollars than send them to Big Brother.

LT. GEN. DANIEL O. GRAHAM TO SPEAK IN THE SOVIET UNION

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. DANNEMEYER. Mr. Speaker, Lt. Gen. Daniel O. Graham, the director of High Frontier, is scheduled to speak in Sochi, U.S.S.R., today, June 10, 1987, on the strategic defense initiative. While the general is not likely to change any opinions in the Soviet Union, it is important to make the Soviets accountable to the historical inconsistency of their views. It is with this spirit that I commend to my colleagues a copy of General Graham's prepared speech.

SPACE AND SECURITY MATTERS, POST REYKJAVIK

(By Lt. Gen. Daniel O. Graham, Director, High Frontier)

It is quite likely that the Reykjavik meeting would never have taken place had it not been for the question of security uses of space, in particular the expressed U.S. intent to use space technology to create strategic defenses. Indeed, an entire new arms control effort was put in motion by the prospect of such defenses. The change of emphasis in strategic affairs from deterrence of war through the threat of nuclear vengeance to one of deterrence based on non-nuclear defenses of the major powers represents the only truly hopeful avenue for mutual reduction of nuclear arsenals world-wide.

In fact, we are already witnessing a new view of the continued usefulness of massive deployments of nuclear ballistic missiles because of the likelihood that soon they will no longer enjoy a free ride to their targets but instead will face effective defenses. As with any of the so-called "ultimate weapons" of the past, the nuclear ballistic missile will lose its attractiveness to all states, large and small, when that class of weapon is rendered vulnerable to defenses. As long as nations decline to defend themselves from such weapons there will be an irresistible urge for major powers to acquire more of them and for lesser powers to acquire some of them. It is imperative that the U.S. and the Soviet Union change their emphasis away from the threat of awesome destruction to insure deterrence. It is essential to use our best technology to render the most destabilizing of nuclear arsenals—masses of long-range nuclear ballistic missiles—impotent as instruments of coercion by any power, large or small. This is in the interest of preventing the spread of such weapons to other powers and increasing the chances of nuclear war by accident or irrationality on the part of fanatics.

I am not known for agreeing with the opinions of Soviet leaders on most issues, but I would like to quote some Soviet views on strategic defenses with which I fundamentally agree. General Nikolai Talensky, former editor of the Soviet General Staff journal Military Thought wrote that an anti-missile system is designed solely "for the destruction of enemy rockets and not for hitting any objectives on the enemy's territory" and that defenses go into action only "when the act of aggression has been started."

Alexei Kosygin, former Chairman of the U.S.S.R. Council of Ministers, said at a press conference in London in 1967 that "defensive weapons are not the cause of an arms race" but instead "a factor preventing the death of people." Mr. Kosygin went on to attack the bourgeois reasoning of then-U.S. Secretary of Defense McNamara whose opposition to strategic defenses were primarily a matter of dollars and cents. Kosygin said, "Some persons reason thus: Which is cheaper, to have offensive weapons that can destroy cities and entire states or to have defensive weapons that can prevent such destruction?" Such theoreticians argue also about how much it costs to kill a person—$500,000 or $100,000. An anti-missile system may cost more than an offensive one, but it is intended not for killing people but for saving human lives.

In 1982, Marshal of the Soviet Union Ogarkov stated in a report to the Politburo: "Strategic defenses are not only desirable, they are inevitable." I agree with the view expressed by the Soviet Staff that the Mutual Assured Destruction doctrine (MAD) promoted by the U.S. side in force structures and in treaties such as the ABM Treaty is "bourgeois naivete." It is bourgeois because its main objective was to save money; it is naive because it called on both the U.S. and U.S.S.R. to forego forever defending themselves.

Now how does this remarkable convergence of views between the stated position of Soviet spokesmen and myself relate to the question of the uses of space in the future?

If Marshal Ogarkov and I agree that strategic defenses are both desirable and inevitable, how can either of us maintain that one kind of defensive technology, that is space technology, must be excluded from consideration? Certainly I know—and I'm sure that Marshal Ogarkov also knows—that the best defenses against nuclear ballistic missile attack would be space-based. Why? Because the best defense is one that destroys an enemy's missiles early in their flight, before warheads are released or at least while they are close together and vulnerable. Such intercepts can be made only by systems using components based in space.

The United States can, and I believe the Soviets can, put into space non-nuclear defensive systems incapable of harming a hair on anyone's head—Russian, American, or other—but capable of preventing terrible destruction. We could both acquire defensive capabilities which, as General Talensky said, do nothing at all unless nuclear aggression has already started.

This straightforward logic is countered not by counterlogic but by slogans. One often hears that such defenses would "militarize space." People cry, "let's keep weapons out of space." What a nonsense!

Space was militarized long, long, ago in 1945 when the Germans launched over one thousand V-2 missiles into space with the objective of destroying London. Today the most numerous of space weapons are the thousands of long-range ballistic missiles prepared to travel unimpeded through space to wreak terrible destruction on their targets. True, until launched these missiles sit in silos, on land, or at sea but once launched, hurl themselves into space to do their awesome work. It makes no more sense to refuse to consider these missiles as space weapons than it does to insist that a battleship is not a naval weapon while it remains in port or that a bomber is not an air weapon so long as it is in its hangar on the ground.

Space-borne defenses are designed to prevent the entry into space of these terribly destructive weapons and prevent their use of space for free rides to an opponent's territory. To say that defensive weapons militarize space and ICBMs do not is like arguing that interceptor aircraft militarize the air, but the bombers they defend against do not. This defies all human logic.

Another more general slogan used to stop the U.S. from belatedly seeing to its strategic defenses is that such an action would expand the arms race. Let us look closely at this objection.

First of all, we should examine what causes arms races. There are two factors which must exist to energize an arms race. One is the inexorable advance of technology. No nation is going to allow its armed forces to continue to be equipped with bows and arrows while all other nations are acquiring machine guns. The other factor, political enmity, is controllable. There will never be an arms race between nations if no political or ideological hostility exists.

For instance, there is no arms race between the United States and Japan or the United Kingdom even though all of us continue to upgrade the effectiveness of our forces with improved technology. Should one of us be determined to seize territory or bring down the government of the other, there would be an arms race between us. Since we have no such fundamental enmity, we have no arms race.

It is political and ideological hostility that fuels an arms race between the United States and the U.S.S.R. So long as this hostility exists, there will be constant competition including that for strategic military advantage. But here is an area in which the U.S.S.R. must remove the obstacles, not the United States. In 1920, Lenin himself threw down the ideological gauntlet that keeps the competition alive when he declared American capitalism to be Enemy Number One of the Socialist camp. And as late as the winter of 1986, the members of the 27th Congress of the Soviet Communist Party rose as a body and recited in unison their determination to destroy the whole world of capitalism.

Only the leaders of the Soviet Union can remove this fundamental cause of the arms race. The United States has not declared a national goal of destroying the whole world of socialism. The ideological animosity is not of our making. Nor can (or should) the United States attempt to check the expansion of its technology, especially when such technology promises advantages for ourselves and our friends in security and economic progress. Further, we must insist on private enterprise—yes, capitalism—in space, not merely statist enterprises.

We Americans, if we are smart, will go into space with our Western allies to protect and promote free political systems and free enterprise economic systems. We will do so to provide a strategic defense much more compatible with the basic moral values of our societies than the nuclear vengeance theories of mutual destruction. And we will do so to tap the unlimited sources of material and energy in space for the economic benefit of ourselves and others. The United States must pursue its space efforts in full recognition of the fact that there will almost certainly be more competition than cooperation with the Soviet Union in space.

One might wish it were otherwise, and indeed some Americans believe that the next great U.S. space effort should be a joint U.S.-Soviet manned mission to Mars. These enthusiasts disregard the currently insolvable problems of guarding the lives of men in space beyond the Van Allen belt from cosmic rays and solar flares. They seem to be motivated mostly by the hope that cooperation with the Soviet Union in such a venture would change political realities. This is what any good Marxist would call "bourgeois naivete."

I see competition rather than cooperation in space as a promising way to change political realities for the better. If one looks closely, he can see it *already* working to change the world's political scene for the better.

Space programs, primarily the U.S. space program, have driven technology forward at an amazing pace. Since the early 1960s, the demand of our space program for small, lightweight and efficient computers has caused a ten-fold increase in our ability to process data every four years. Our SDI program has even accelerated this incredible pace.

When I was a major in the early 1960s, I was astonished at the computing power of machines that occupied a room the size of a dance hall. Today I can carry that computing power around in my pocket.

Today, in the U.S., Europe, Japan, and elsewhere, millions of scientists, technicians, scholars, and businessmen have tremendous data processing power at their fingertips. They are, so to speak, a hundred thousand times smarter than they were twenty years ago. This does not necessarily make them *wiser*, and the quality of their much speeded-up work is totally dependent upon their access to data—data that is accurate.

Herein lies the leverage of technology driven by space efforts to change political reality. There is an old saying about the new technology of computers—"garbage in, garbage out." That is, the computer's power is useless unless the data it processes is accurate. And this means that any political or economic system which wishes to stay abreast of the new surge in technology must give millions of people access to a broad range of accurate data. Any system based heavily on state control of information or that permits its bureaucracy to provide skewed data must reform itself or slip backwards technologically and economically.

The most profound aspect of the technological revolution which arose with the Space Era is in communications. But this development has had the opposite effect of an earlier revolution in communications: radio and television mass communications. Radio and television were developments which assisted the state in control of its people. Certainly Adolf Hitler used such mass communications with astonishing success as did Franklin Roosevelt, Winston Churchill, and Joseph Stalin. But the new revolution in communications has the opposite effect. It assists the citizen in curbing the powers of the State.

This new reality must eventually have powerful effects on all highly centralized political systems—even on my government, I hope, which has been tending over the years toward massive bureaucracies. We are perhaps seeing a reaction to this reality today in the Soviet policy of "glasnost"—a policy which may account for my being able to say these things to you today.

I believe that the most important joint effort the United States and the Soviet Union could undertake would be to launch a satellite system, "Glasnost" (I will gladly accept the Russian name). Why not some glasnost in space? Why not place in space the entire U.S. Library of Congress plus the Soviet Bolshaya Encyclopedia and the works of Marx and Lenin, and make it all easily available to anyone on Earth? Surely, here is a way to use space for peaceful purposes and to provide to all mankind the means to determine for themselves what is truth and what is justice.

And in the field of arms control, I would make one other proposal. Let both the United States and the Soviet Union agree to change our emphasis in strategic armaments from offensive nuclear missiles to defensive, non-nuclear systems. Let us agree to defend our countries and to reduce nuclear arms at the same time. I, for one, certainly not celebrated as a pacifist, would be happy to see U.S. negotiators make the following proposition to their Soviet counterparts: We are going to defend ourselves against nuclear ballistic missiles with any non-nuclear means available. As these defenses reduce the threat to our retaliatory nuclear forces, we will reduce their numbers. For every ten ballistic missiles we can confidently defend against we will get rid of five or more of our missiles. We want the U.S.S.R. to do the same. Surely, this could be done without any possible reduction in either state's security and could not be rejected on military grounds unless one party is determined to maintain a first strike rather than a retaliatory nuclear force.

These are my propositions, I must add, not those of my government. I hope some of you will give them careful consideration. These space-related proposals contain the best hope of a universal "glasnost" and the end of the balance of nuclear terror which governs much of world politics today.

Thank you.

A TRIBUTE TO JUDITH HEIMANN AND BETTY ANN KRAHNKE

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. CARDIN. Mr. Speaker, I pay tribute today to two women who have served my State of Maryland. On June 15, 1987, Judith Bartmann Heimann and Betty Ann Krahnke will officially end their terms on the Maryland National Capital Park and Planning Commission.

These women have served as commissioners on the Montgomery County Planning Board for the past 8 years, during a time when the planning board has made pivotal decisions which will have a lasting positive impact on the county. They have been involved in the redevelopment of urban areas, such as Bethesda, choosing projects which have revitalized those areas, providing new businesses and services for residents. They have established new parks, playgrounds and recreational facilities giving families an opportunity to enjoy their neighborhoods and develop a sense of community. They have worked to beautify urban areas by requiring landscaping around parking lots and new buildings. And much more.

Prior to serving on the planning board, both women were involved in civic activities, as well as devoting many years to raising their families. Ms. Kranhke spent several years following and influencing planning board action as an activist with the Village of Friendship Heights, where she lives. Ms. Heimann served as the liaison between the Montgomery County School Board and the State legislature. Prior to that, she had a long career with the League of Women Voters, as president of the Montgomery County League, followed by service on the State board, and finally as a director of the National League of Women Voters.

Both Ms. Krahnke and Ms. Heimann should be proud of their careers of service. I am certain they will continue that tradition. I join with their families—Ms. Krahnke's husband Wilson and children Peggy, Cathy, and Carlyn, and Ms. Heimann's son Stephen, daughter-in-law Monika, and their children Birgit and Nicholas, and her daughter Marli and son-in-law Art—in congratulating and saluting them.

CONSTRUCTION LABOR REFORM ACT OF 1987

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. JEFFORDS. Mr. Speaker, today I am introducing the Construction Labor Reform Act of 1987, legislation submitted by the Department of Labor on behalf of the administration to enact significant reforms in the Davis-Bacon Act.

As my colleagues know, efforts to achieve comprehensive reform of the Davis-Bacon Act over the past few years have not been successful. I hope that this year will be different. I am encouraged by the bipartisan consensus that has emerged on the need for reform, and I am encouraged by the very sound proposal put forward by the administration.

I believe that Davis-Bacon reform should meet three tests. First, it should ensure that the day-to-day operation of the act is consistent with the principles that led to the passage of the act. Second, it should make the operation and enforcement of the act as simple and effective as possible. And finally, it should seek to achieve whatever cost savings are possible.

I think the administration's proposal meets these tests. Based on a study by the Congressional Budget Office, the 5-year savings under this legislation would be some $1.2 billion. Yet the vast majority of construction work would remain covered by the act, allowing the Department of Labor to focus its enforcement efforts.

At the same time, this legislation would reduce the paperwork burden on businesses by permitting the biweekly payment of wages and the submission of a statement of compliance in lieu of a weekly payroll.

Mr. Speaker, for the benefit of my colleagues a summary of the legislation follows:

CONSTRUCTION LABOR REFORM ACT OF 1987

SECTION-BY-SECTION ANALYSIS

Section 1. This section provides that this bill may be cited as the Construction Labor Reform Act of 1987.

DAVIS-BACON ACT AMENDMENTS

Section 2.(a) This subsection amends the first section of the Davis-Bacon Act by deleting the existing contract coverage threshold of $2000 and substituting for it a provision which would increase the coverage threshold to $100,000 generally and $1 million for Department of Defense contracts.

Under the existing provision, the Secretary of Labor is required to determine the prevailing wage rates for different classes of laborers and mechanics on construction contracts to which the United States or the District of Columbia is a party which are in excess of $2000.

Subsection (b) amends the first section to provide that mechanics and laborers employed on contracts pursuant to the provisions of the Act shall be paid no less often than twice a month. This would replace the existing requirement that such employees be paid at least once a week.

Subsection (c) further amends the first section of Davis-Bacon Act by adding a new subsection to provide that a person contracting on behalf of the United States, the District of Columbia or a recipient of Federal financing or assistance shall not divide construction projects under the Davis-Bacon or related Acts into contracts or instruments providing Federal financing or assistance of $100,000 or less, or $1 million or less with respect to the Department of Defense, for the purpose of avoiding the application of the Act. The Department of Labor generally considers a "project" to consist of all construction necessary to complete a facility regardless of the number of contracts involved so long as all contracts awarded are closely related in purpose, time and place. This principle will have to be adapted to the question of splitting of projects especially where repair work of a continuing nature is at issue.

The provision also states that where the Secretary of Labor determines that such a division has occurred, the Secretary may require that the contract, grant or other instrument of assistance be amended to incorporate retroactively all the provisions which would have applied. The Secretary may require the contracting or granting agency or other entity that violated this section to compensate the contractor or recipient of assistance funds for payment to the laborers and mechanics of an amount equal to the difference between the rate received and the applicable prevailing rate with interest from the day the work was performed, provided that the Secretary shall only make such a determination where he has notified the agency no later than 180 days after completion of the construction on the project. This subsection would only apply where a project is divided to avoid Davis-Bacon coverage. It would not apply where a project is divided for another purpose such as encouraging minority or small business participation.

Subsection (d) amends subsection (a) of section 3 of the Davis-Bacon Act by removing the authority of the Comptroller General from the provision. The subsection provides that in accordance with regulations issued by the Secretary of Labor pursuant to Reorganization Plan No. 14 of 1950, wages found to be due laborers and mechanics under the Act shall be paid directly to them from accrued payments withheld under the contract. This provision does not affect existing law regarding priority of claims to such withheld payments. Where moneys due under section 1 are unable to be paid laborers and mechanics within 3 years, the money shall revert to or be deposited into the Treasury of the United States. In addition, the subsection provides that the Administrator of General Services, who currently distributes a master list of contractors and firms debarred under statutory and regulatory authority, is authorized to distribute a list of debarred persons or firms that the Secretary of Labor has found to have disregarded their obligations to employees and subcontractors.

Subsection (e) amends the Davis-Bacon Act by adding a new section 8, concerning the 70 or more Davis-Bacon related Acts. It limits the provisions of these laws requiring the payment of prevailing wage rates as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, by removing their application to projects for construction with respect to which the instrument providing Federal financing or assistance is in the amount of $100,000 or less, or in the case of rent supplement assistance as under the United States Housing Act of 1937 or other instruments of assistance which do not have an aggregate dollar amount, where the assisted project is in the amount of $100,000 or less. This provision would have the effect of applying the $100,000 threshold to Federally assisted construction under the related Acts requiring a Davis-Bacon wage determination.

COPELAND ACT AMENDMENT

Section 3. Subsection (a) amends the Copeland Act to require submission of a statement of compliance with labor standards provisions of applicable law at least twice monthly by a contractor engaged in Federal or Federally assisted construction, certifying the payroll of employees during the preceding period, and covering each week in which any contract work is performed. This would eliminate the statutory requirement that the payrolls themselves must be submitted to the appropriate Department, agency or applicant. It would not, however, prevent agencies or the Department of Labor from requiring the submission of payrolls as necessary or appropriate.

Subsection (b) amends the Copeland Act by creating a new subsection (b) which would incorporate sections 9 and 10 of the Federal Trade Commission Act relating to the attendance of witnesses, and the production of books, papers and documents, and make this authority applicable to the Secretary of Labor in carrying out these responsibilities under the Copeland Act. This authority is similar to that contained in section 9 of the Fair Labor Standards Act and would apply to the Secretary's enforcement of the Davis-Bacon Act and related statutes.

TRANSITION

Section 4. This section provides that the provisions of section 2(a) and (c) (amending the threshold provision and prohibiting contract splitting), of this Act shall apply only to contracts entered into pursuant to negotiations concluded or invitation for bids issued on or after the date the bill is enacted.

EDGAR G. KILBY HONORED

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 10, 1987

Mr. MORRISON of Connecticut. Mr. Speaker, on Saturday, June 13, 1987, I will be taking part in the Grand Master's Day events to be held at the Masonic Home and Hospital in Wallingford, CT. As part of the festivities the members of the Masonic Charity Foundation of Connecticut, the sponsor of these events, will honor the efforts of their current executive director, Edgar G. Kilby.

Edgar Kilby has had a long and active career in the health care profession. After receiving a masters in hospital administration at Washington University in St. Louis, Mr. Kilby served his residency at the 1,000-bed USAF Hospital at Lackland Base, TX. Over his 20-year career in the Air Force, Mr. Kilby held a number of administrative positions in military hospitals in the United States and abroad. He later served as president of the Connecticut Association of Non-Profit Facilities for the Aged [CANPFA]. Mr. Kilby is a fellow in both the American College of Health Care Administrators and the American College of Healthcare Executives.

Mr. Kilby first joined the foundation as the associate executive director of the Masonic Home and Hospital in 1971. He became executive director of the facility in 1972. The Masonic Home and Hospital is a multilicensed facility providing long-term skilled nursing, a chronic disease hospital and a home for the aged. Under Mr. Kilby's direction the facility has expanded, from 296 beds in 1972 to its current level of 568 beds. He is also responsible for the foundation's statewide outreach program for elderly members living at home, a 156-bed regional home, and planning for several projected adult day care centers.

Mr. Kilby is also currently serving as president of the American Association of Homes for the Aging [AAHA]. This national, nonprofit organization represents over 3,100 not-for-profit homes, housing, health-related and community services facilities for the elderly. Founded in 1961, the AAHA is committed to care for the total person in facilities which encourage community involvement to enhance residential life, with an emphasis on providing a continuum of care for older people.

Mr. Speaker, I hope my colleagues will join me in honoring Edgar Kilby for his life-long efforts to improve health care in this country and to enhance the lives of our senior citizens.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, June 11, 1987, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 12

9:30 a.m.
Energy and Natural Resources
To continue hearings on oil and gas leasing in the coastal plain of the Arctic National Wildlife Refuge in Alaska.
SD-366

Governmental Affairs
Business meeting, to mark up S. 1233, Economic Competitiveness, International Trade, and Technology Development Act.
SD-342

10:00 a.m.
Finance
Health Subcommittee
To resume hearings on the quality of long-term health care.
SD-215

JUNE 15

2:00 p.m.
Judiciary
Courts and Administrative Practice Subcommittee
To hold hearings on S. 951, to establish the Federal Courts Study Commission on the future of the Federal Judiciary.
SD-226

JUNE 16

9:30 a.m.
Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

Environment and Public Works
Business meeting, to consider S. 744, State Radon Program Development Act, and other pending calendar business.
SD-406

10:00 a.m.
Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on pending clean air proposal.
SD-406

Judiciary
Constitution Subcommittee
To hold hearings on S. 466, Handgun Violence Prevention Act.
SD-226

2:00 p.m.
Select on Indian Affairs
Business meeting, to mark up S. 187, to provide for the protection of Native American rights for the remains of their dead and sacred artifacts, and for the creation of Native American cultural museums, H.R. 1567, to provide for the use and distribution of funds awarded to the Cow Creek Band of Umpaqua Tribe of Indians, H.R. 318, to provide for the restoration of Federal recognition to the Ysleta del Sur Pueblo and the Alabama and Coushatta Indian Tribes of Texas, and S. 1305, to settle certain claims arising out of activities on the Pine Ridge Indian Reservation.
SR-485

3:00 p.m.
Foreign Relations
Western Hemisphere and Peace Corps Affairs Subcommittee
Closed briefing on the Costa Rica peace initiative.
S-116, Capitol

JUNE 17

9:30 a.m.
Commerce, Science, and Transportation
Surface Transportation Subcommittee
To resume oversight hearings on the railroad industry, focusing on the Interstate Commerce Commission's implementation of the Staggers Rail Act (P.L. 96-448).
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Water Resources, Transportation, and Infrastructure Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 1988 for the Public Buildings Service of the General Service Administration.
SD-406

10:00 a.m.
Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

Veterans' Affairs
To hold oversight hearings on the implementation of the Veterans Administration loan guaranty program, and on proposed legislation relating to the VA loan guaranty program.
SR-418

2:00 p.m.
Environment and Public Works
Environmental Protection Subcommittee
To continue hearings on pending clean air proposals.
SD-406

Governmental Affairs
Federal Services, Post Office, and Civil Service Subcommittee
To hold hearings on S. 1009, to accept the findings and to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians.
SD-342

JUNE 18

9:00 a.m.
Select on Indian Affairs
To hold hearings on S. 555 and S. 1303, bills to regulate gaming on Indian lands.
SD-628

9:30 a.m.
*Agriculture, Nutrition, and Forestry
Agricultural Production and Stabilization of Prices Subcommittee
To hold hearings on S. 658, to provide price and income protection to family farmers through the management of the supply of the 1988 through 2000 crops of certain agricultural commodities, to enhance the ability of eligible farm borrowers of qualifying states and the farm creditors of such borrowers to restructure farm loans, and to provide grants to states to assist persons leaving farming.
SD-562

Energy and Natural Resources
Water and Power Subcommittee
To resume hearings on current water-related programs of the U.S. Geological Survey, focusing on quantification and analysis of groundwater resources.
SD-366

Environment and Public Works
Nuclear Regulation Subcommittee
To resume oversight hearings on the Department of Energy's high level waste program, including a proposal for the authorization of a monitored retrievable storage facility.
SD-406

Small Business
To hold hearings on S. 437, to revise certain provisions of the Small Business Investment Act of 1958 to permit prepayment of loans made to State and local development companies.
SR-428A

10:00 a.m.
Judiciary
Immigration and Refugee Affairs Subcommittee
To hold hearings on certain issues relating to S. 332, to provide for a temporary stay of detention and deportation for certain nationals of El Salvador.
SD-226

JUNE 19

9:00 a.m.
Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on toxic air pollutants.
SD-406

JUNE 23

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

10:00 a.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 693 and S. 695, bills to designate certain lands in the Great Smoky Mountains National Park in North Carolina and Tennessee as wilderness.
SD-366

Environment and Public Works
Water Resources, Transportation, and Infrastructure Subcommittee
To hold hearings to review infrastructure issues.
SD-406

11:00 a.m.
Judiciary
Business meeting, to consider pending calendar business.
SD-226

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 24

9:30 a.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To resume oversight hearings on the railroad industry, focusing on proposals to revise certain provisions of the Staggers Rail Act (P.L. 96-448) to enhance rail competition and ensure reasonable rail rates, including S. 676.

SR-253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Environment and Public Works

Water Resources, Transportation, and Infrastructure Subcommittee

To hold hearings on the need for national groundwater legislation.

SD-406

Veterans' Affairs

To hold hearings on Veterans' Administration efforts in AIDS research.

SR-418

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

10:00 a.m.

Agriculture, Nutrition, and Forestry

Business meeting, to consider pending calendar business.

SR-332

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 25

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 26

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JUNE 29

10:00 a.m.

Special on Aging

To hold hearings on the need for a new Consumer Price Index (CPI) to reflect the inflation rate that the elderly face and the process by which the Department of Labor should develop such an index.

SD-628

JUNE 30

9:00 a.m.

Veterans' Affairs

To hold hearings on S. 9, Service-Disabled Veterans' Benefits Improvement Act, S. 453, Veterans' Ionizing Radiation Compensation Improvements Act, S. 1002, Veterans' Radiation Exposure Disability and Death Benefits Act, and other related measures.

SR-418

10:00 a.m.

Judiciary

Immigration and Refugee Affairs Subcommittee

To hold hearings on the Administration's proposed regional refugee admissions level for fiscal year 1987.

SD-430

2:00 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 59, National Forests and Public Lands of Nevada Enhancement Act, and S. 854, Nevada-Florida Land Exchange Authorization Act.

SD-366

JULY 7

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 8

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 9

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 10

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 13

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 14

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

10:00 a.m.

Energy and Natural Resources

Mineral Resources Development and Production Subcommittee

To hold hearings on S. 1006, Geothermal Steam Act Amendments of 1987.

SD-366

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 15

9:30 a.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To hold hearings on S. 747, to establish a motor carrier administration in the Department of Transportation, and S. 861, to require certain actions by the Secretary of Transportation regarding certain drivers of motor vehicles and motor carriers.

SR-253

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 16

9:30 a.m.

Veterans' Affairs

Business meeting, to consider S. 6, Veterans' Health Care Improvement Act, S. 9, Service-Disabled Veterans' Benefits Improvement Act, S. 917, to authorize a headstone allowance for prepurchased grave markers and to modify eligibility requirements to the plot allowance, S. 1090, Veterans Administration Insurance Amendments, and related proposals, and proposed legislation providing for disability payments based on nuclear-detonation radiation exposure.

SR-418

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 17

9:30 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To hold hearings on S. 1277, to revise certain provisions of the Communications Act of 1974 regarding the responsibilities of broadcasting licensees.

SR-253

JULY 20

2:00 p.m.

Commerce, Science, and Transportation

Communications Subcommittee

To resume hearings on S. 1277, to revise certain provisions of the Communications Act of 1974 regarding the responsibilities of broadcasting licensees.

SR-253

JULY 21

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 22

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 23

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 24

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 27

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 28

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 29

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 30

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 31

9:30 a.m.
Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 889, to provide for fair marketing practices for certain encrypted satellite communications.
SR-253

AUGUST 3

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

AUGUST 4

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

AUGUST 5

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra Affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra Affair.
2172 Rayburn Building

AUGUST 6

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra Affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra Affair.
2172 Rayburn Building

AUGUST 7

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra Affair.
2172 Rayburn Building

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra Affair.
2172 Rayburn Building

CANCELLATIONS

JUNE 23

10:00 a.m.
Appropriations
Foreign Operations Subcommittee
To hold hearings to review proposed budget estimates for fiscal year 1988 for the Department of State.
SD-192